API Well Number: 43047535620000

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

FORM 3

AMENDED REPORT ☐

APPLICATION FOR PERMIT TO DRILL

1. WELL NAME and NUMBER
Three Rivers 7-12-821

2. TYPE OF WORK
DRILL NEW WELL ■ REENTER P&A WELL ☐ DEEPEN WELL ☐

3. FIELD OR WILDCAT
UNDESIGNATED

4. TYPE OF WELL
Oil Well Coalbed Methane Well: NO

5. UNIT or COMMUNITIZATION AGREEMENT NAME

6. NAME OF OPERATOR
AXIA ENERGY LLC

7. OPERATOR PHONE
720 746-5200

8. ADDRESS OF OPERATOR
1430 Larimer Ste 400, Denver, CO, 80202

9. OPERATOR E-MAIL
rsatre@axiaenergy.com

10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE)
Patented

11. MINERAL OWNERSHIP
FEDERAL ☐ INDIAN ☐ STATE ☐ FEE ■

12. SURFACE OWNERSHIP
FEDERAL ☐ INDIAN ☐ STATE ☐ FEE ■

13. NAME OF SURFACE OWNER (if box 12 = 'fee')
Dan Schaad - Refuge Mgr - Ouray National Wildlife Refuge

14. SURFACE OWNER PHONE (if box 12 = 'fee')
435-545-2522

15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')
HC 69 Box 232, Randlett, UT 84063

16. SURFACE OWNER E-MAIL (if box 12 = 'fee')

17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')

18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS
YES ☐ (Submit Commingling Application) NO ■

19. SLANT
VERTICAL ☐ DIRECTIONAL ■ HORIZONTAL ☐

20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	2249 FNL 1959 FWL	SENW	7	8.0 S	21.0 E	S
Top of Uppermost Producing Zone	1980 FNL 660 FWL	SWNW	7	8.0 S	21.0 E	S
At Total Depth	1980 FNL 660 FWL	SWNW	7	8.0 S	21.0 E	S

21. COUNTY
UINTAH

22. DISTANCE TO NEAREST LEASE LINE (Feet)
660

23. NUMBER OF ACRES IN DRILLING UNIT
40

25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed)
16

26. PROPOSED DEPTH
MD: 6999 TVD: 6582

27. ELEVATION - GROUND LEVEL
4664

28. BOND NUMBER
LPM9046682

29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE
49-2262 - RNI at Green River

Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
Surf	11	8.625	0 - 1000	32.0	J-55 LT&C	8.7	Premium Lite High Strength	100	2.97	11.5
							Class G	115	1.16	15.8
Prod	7.875	5.5	0 - 6999	17.0	J-55 LT&C	9.2	Premium Lite High Strength	480	2.31	12.0

ATTACHMENTS

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

- ✔ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
- ✔ COMPLETE DRILLING PLAN
- ✔ AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)
- ☐ FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
- ✔ DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)
- ✔ TOPOGRAPHICAL MAP

NAME Don Hamilton | **TITLE** Permitting Agent (Buys & Associates, Inc) | **PHONE** 435 719-2018

SIGNATURE | **DATE** 02/04/2013 | **EMAIL** starpoint@etv.net

API NUMBER ASSIGNED
43047535620000

APPROVAL
Permit Manager

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RECEIVED: April 09, 2013

DRILLING PLAN

Axia Energy, LLC
Three Rivers Project
Three Rivers #7-12-821
SENW Sec 7 T8S R21E
Uintah County, Utah

1. ESTIMATED FORMATION TOPS

FORMATION	TOP (TVD)	COMMENTS
Uinta	Surface	Gas & Degraded Oil; Possible Brackish H_2O
Green River	2,532′	Oil & Associated Gas
Lower Green River*	4,472′	Oil & Associated Gas
Wasatch*	6,282′	Oil & Associated Gas
TD 6,999′ (MD)	6,582′ (TVD)	

NOTE: Datum, Ground Level (GL) Elevation: 4,664; Asterisks (*) denotes target pay intervals

A) The State of Utah, Division of Oil, Gas and Mining will be notified within 24 hours of spudding the well.

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2. CASING PROGRAM

CASING	HOLE SIZE	DEPTH SET (MD)	CSG SIZE	WGHT	GRD	THRD	CAPACITY (bbl/ft)
CONDUCTOR		50-100	13 3/8				
SURFACE	11	1000 ±	8 ⅝	32.0	J-55	LTC	0.0609
PRODUCTION	7 ⅞	6,999′	5 ½	17.0	J-55	LTC	0.0232

NOTE: All casing depth intervals are to surface unless otherwise noted.

Casing Specs

SIZE (in)	ID (in)	DRIFT DIA (in)	COLLAPSE RESISTANCE (psi)	INTERNAL YIELD (psi)	TENSILE YIELD (lbs)	JOINT STRENGTH (lbs)
8 ⅝	7.921	7.796	2,530	3,930	503,000	417,000
5 ½	4.892	4.767	4,910	5,320	272,000	273,000

*The State of Utah will be notified 24 hours prior to running casing, cementing, and BOPE testing

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FLOAT EQUIPMENT

SURFACE (8 ⅝): Float Shoe, 1 JNT Casing, Float Collar

Centralizers: 1st 4 Joints: every joint
Remainder: every third joint

PRODUCTION (5 ½): Float Shoe, 1 JNT Casing, Float Collar

Centralizers: 1st 4 Joints: every joint
Remainder: every third joint 500' into surface casing

NOTE: 5 ½" 17# J-55 or equivalent marker collar or casing joints will be placed at the top of the Green River and approximately 200' above the Wasatch.

3. CEMENT PROGRAM

CONDUCTOR (13 ⅜): Ready Mix – Cement to surface

SURFACE (8 ⅝): Cement Top: Surface

Lead: 100 sks, Premium Lightweight Cmt w/ additives, 11.50 ppg, 2.97 cf/sk, 50% excess

Tail: 115 sks Class G Cement w/ additives, 15.80 ppg, 1.16 cf/sk, 50% excess

NOTE: The above volumes are based on a gauge-hole + 50% excess.

PRODUCTION (5 ½): Cement Top – 2,000'

480 sacks – Light Premium Cement w/ additives – 12.0 ppg, 2.31 ft3/sk – 20% excess

NOTE: The above volumes are based on gauge hole + 20% excess. Adjustments will be made and volumes will be caliper + 10%.

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NOTE: The above volumes are based on a gauged-hole. Adjustments will be made based on caliper.

A) For Surface casing, if cement falls or does not circulate to surface, cement will be topped off.

B) Cement will not be placed down annulus with a 1" pipe unless BLM is contacted.

C) The State of Utah will be notified 24 hours prior to running casing and cementing.

4. PRESSURE CONTROL EQUIPMENT

A) The State of Utah, Division of Oil, Gas and Mining will be notified 24 hours prior to all BOPE pressure tests.

B) The BOPE shall be closed whenever the well is unattended.

a) All BOPE connections subjected to well pressure will be flanged, welded, or clamped.

b) Choke Manifold:

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i) Tee blocks or targeted 'T's will be used and anchored to prevent slip and reduce vibration.

ii) Two adjustable chokes will be used in the choke manifold.

iii) All valves (except chokes) in kill line choke manifold and choke line will not restrict the flow.

iv) Pressure gauges in the well control system will be designed for drilling fluid.

C) BOPE Testing:

a) BOPE shall be pressure tested when initially installed, whenever any seal subject to pressure testing is broken, or after repairs.

b) All BOP tests will be performed with a test plug in place.

c) BOP will be tested to full stack working pressure and annular preventer to 50% stack working pressure.

INTERVAL	BOP EQUIPMENT
0 – 1000 ±	11" Diverter with Rotating Head
1000 ± – TD	3,000# Ram Double BOP & Annular with Diverter & Rotating Head

NOTE: Drilling spool to accommodate choke and kill lines.

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5. MUD PROGRAM

A) Mud test will be performed at least every 24 hours and after mudding up to determine density, viscosity, gel strength, filtration, and pH.

B) Gas-detecting equipment will be installed and operated in the mud-return system from top of Green River Formation to TD.

a) Flare line discharge will be located no less than 100 feet from the wellhead using straight or targeted 'T's and anchors.

INTERVAL	MUD WGHT	VISC	FLUID LOSS	COMMENTS
SURF – 1000 ±	8.4 – 8.7 ppg	32	NC	Spud Mud
1000 ± – TD	8.6 – 9.2 ppg	40	NC	DAP/Gel

NOTE: Mud weight increases will be directed by hole conditions.

6. ABNORMAL CONDITIONS

A) No abnormal pressures or temperatures are anticipated.

a) Estimated bottom hole pressure at TD will be approximately 2,850 psi (normal pressure gradient: 0.433 psi/ft).

b) Estimated maximum surface pressure will be approximately 1,448 psi (estimated bottom hole minus pressure of partially evacuated hole (gradient: 0.220 psi/ft)).

B) No hydrogen sulfide is anticipated.

INTERVAL	CONDITION
SURF – 1000 ±	Lost Circulation Possible
1000 ± – TD	Lost Circulation Possible

7. AUXILIARY EQUIPMENT

A) Choke Manifold

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B) Upper and lower kelly cock with handle available

C) Stabbing valve

D) Safety valve and subs to fit all string connections in use

8. SURVEY & LOGGING PROGRAMS

A) Cores: None anticipated.

B) Testing: None anticipated.

C) Directional Drilling: Directional tools will be used to locate the bottom hole per the attached directional plan +/-.

D) Open Hole Logs: TD to surface casing: resistivity, neutron density, gamma ray and caliper.

E) Mud Logs: Computerized 2-person logging unit will catch and describe 10 foot samples from top of Green River Formation to TD; record and monitor gas shows and record drill times (normal mud logging duties).

9. HAZARDOUS MATERIALS

In accordance with Superfund Amendments and Reauthorization Act of 1986 (SARA) Title III, no chemicals subject to reporting 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.

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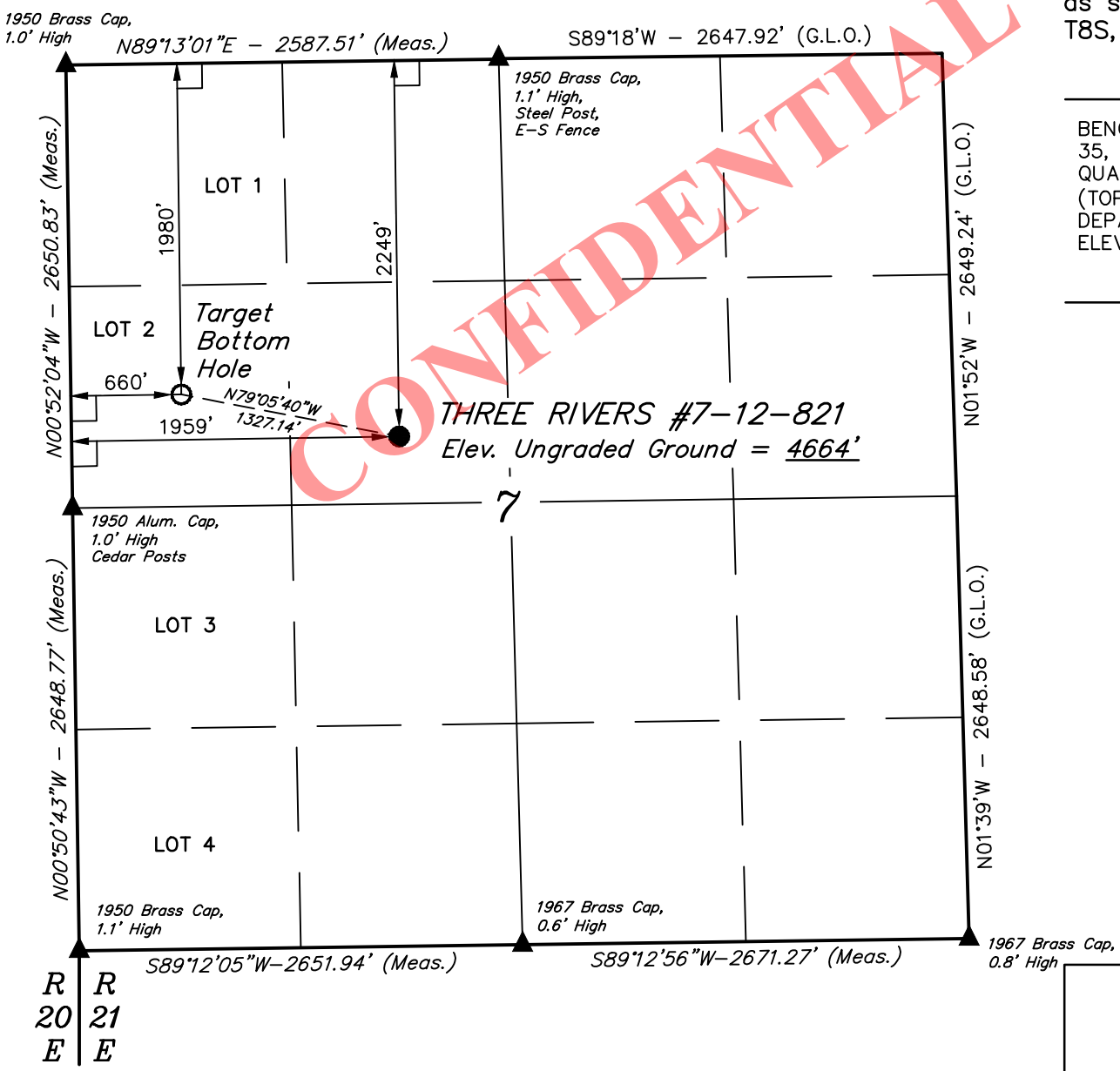
API Well Number: 43047535620000

T8S, R21E, S.L.B.&M.



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AXIA ENERGY

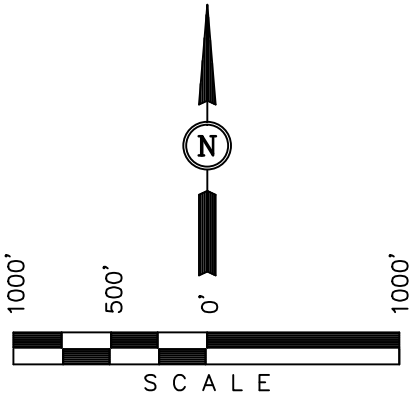
Well location, THREE RIVERS #7–12–821, located as shown in the SE 1/4 NW 1/4 of Section 7, T8S, R21E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

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



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.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

12-27-12

REGISTERED LAND SURVEYOR NO. 161319 ROBERT L. KAY STATE OF UTAH

LEGEND:

└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

NAD 83 (TARGET BOTTOM HOLE)	NAD 83 (SURFACE LOCATION)
LATITUDE = 40°08'21.89" (40.139414)	LATITUDE = 40°08'19.40" (40.138722)
LONGITUDE = 109°36'17.27" (109.604797)	LONGITUDE = 109°36'00.50" (109.600139)
NAD 27 (TARGET BOTTOM HOLE)	**NAD 27 (SURFACE LOCATION)**
LATITUDE = 40°08'22.02" (40.139450)	LATITUDE = 40°08'19.53" (40.138758)
LONGITUDE = 109°36'14.78" (109.604106)	LONGITUDE = 109°35'58.01" (109.599447)

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

SCALE 1" = 1000'	DATE SURVEYED: 12–12–12	DATE DRAWN: 12–14–12
PARTY B.H N.F. E.C.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE AXIA ENERGY	

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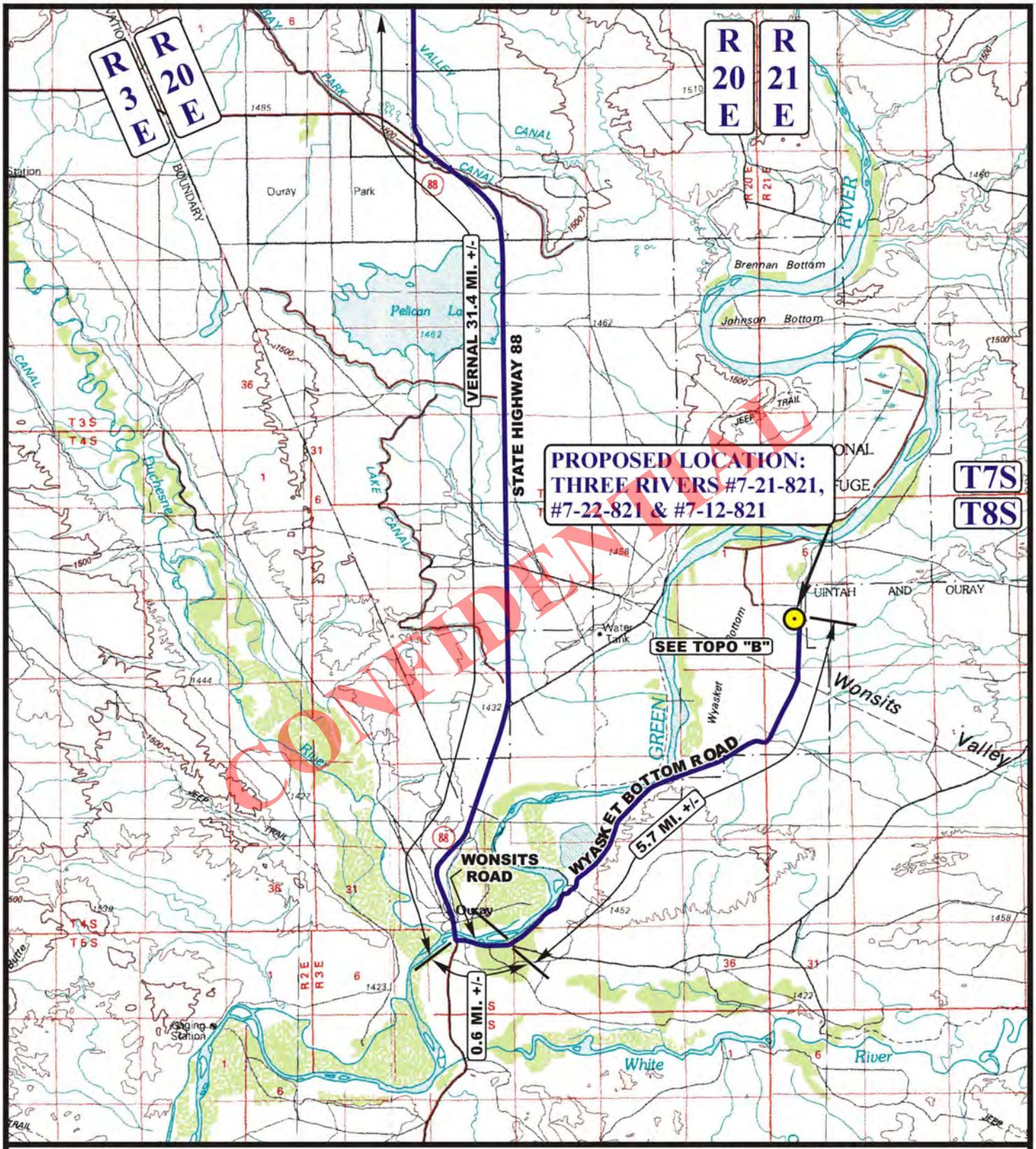
API Well Number: 43047535620000



LEGEND:

PROPOSED LOCATION

N

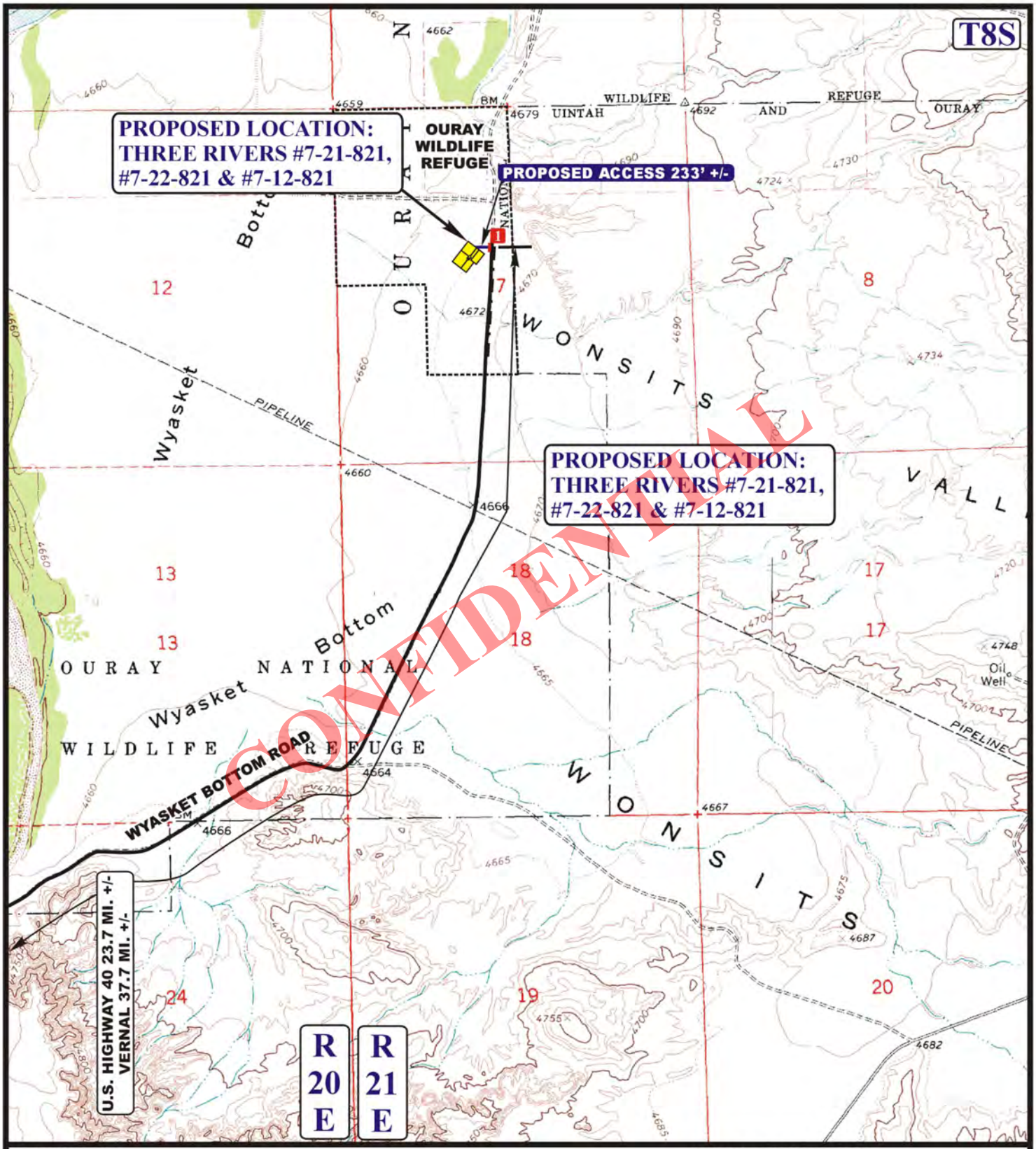
AXIA ENERGY

THREE RIVERS #7-21-821, #7-22-821 & #7-12-821
SECTION 7, T8S R21E, S.L.B.&M.
SE 1/4 NW 1/4

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

ACCESS ROAD MAP	12 MONTH	26 DAY	12 YEAR	A TOPO
SCALE: 1:100,000	DRAWN BY: J.L.H.	REVISED: 00-00-00		

API Well Number: 43047535620000



LEGEND:

EXISTING ROAD
PROPOSED ACCESS ROAD
1 18" CMP REQUIRED

N

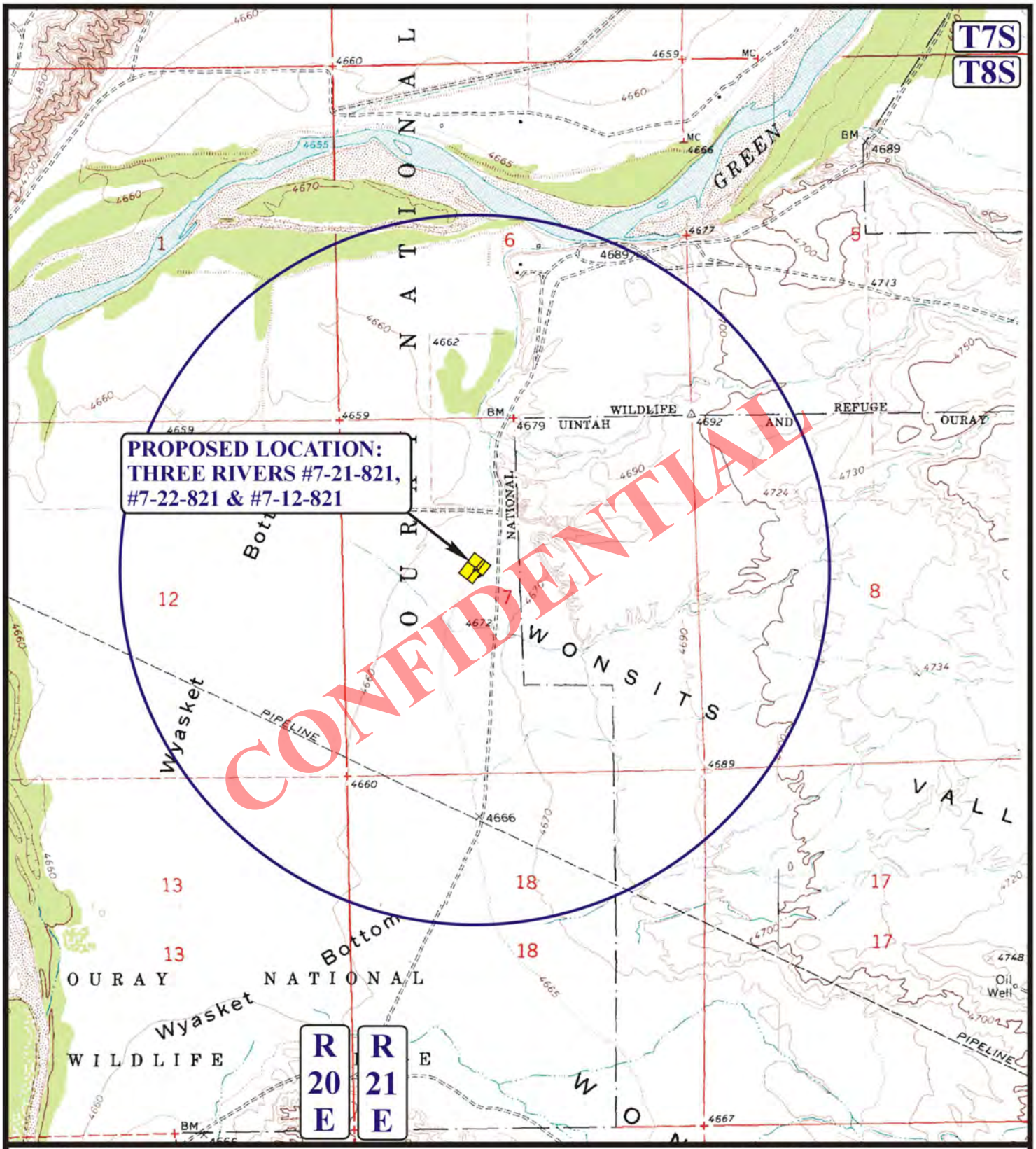
AXIA ENERGY

THREE RIVERS #7-21-821, #7-22-821 & #7-12-821
SECTION 7, T8S R21E, S.L.B.&M.
SE 1/4 NW 1/4

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

ACCESS ROAD MAP	12 MONTH	26 DAY	12 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: J.L.H.	REVISED: 00-00-00		

API Well Number: 43047535620000



LEGEND:

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

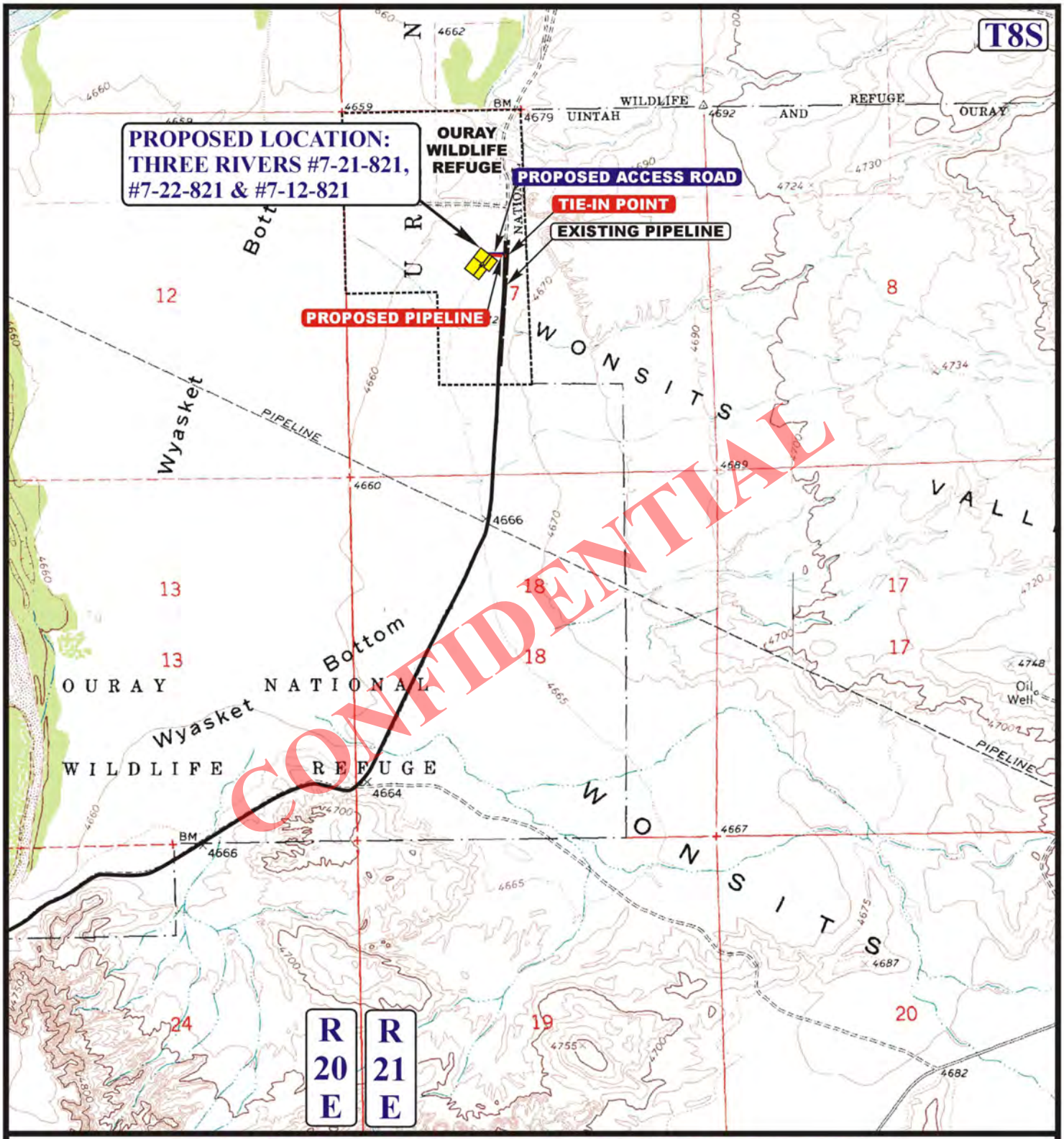
AXIA ENERGY

THREE RIVERS #7-21-821, #7-22-821 & #7-12-821
SECTION 7, T8S R21E, S.L.B.&M.
SE 1/4 NW 1/4

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

TOPOGRAPHIC MAP	12 MONTH	26 DAY	12 YEAR	C TOPO
SCALE: 1" = 2000'	DRAWN BY: J.L.H.	REVISED: 00-00-00		

API Well Number: 43047535620000



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APPROXIMATE TOTAL PIPELINE DISTANCE = 201' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE

N

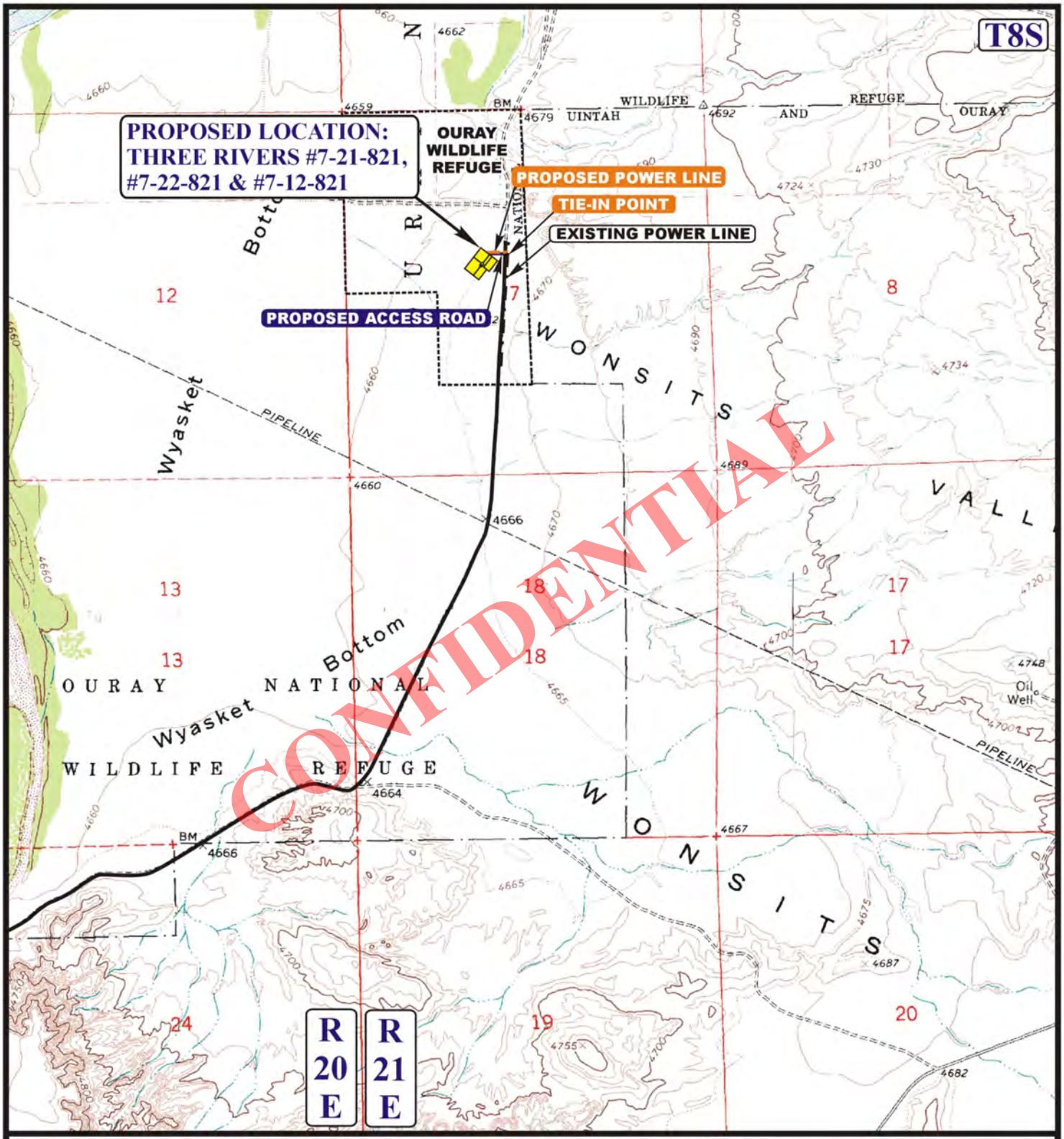
AXIA ENERGY

THREE RIVERS #7-21-821, #7-22-821 & #7-12-821
SECTION 7, T8S R21E, S.L.B.&M.
SE 1/4 NW 1/4

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

TOPOGRAPHIC MAP	12 MONTH	26 DAY	12 YEAR	D TOPO
SCALE: 1" = 2000'	DRAWN BY: J.L.H.	REVISED: 00-00-00		

API Well Number: 43047535620000



APPROXIMATE TOTAL POWER LINE DISTANCE = 303' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- PROPOSED POWER LINE
- EXISTING POWER LINE

N

AXIA ENERGY

THREE RIVERS #7-21-821, #7-22-821 & #7-12-821
SECTION 7, T8S R21E, S.L.B.&M.
SE 1/4 NW 1/4

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

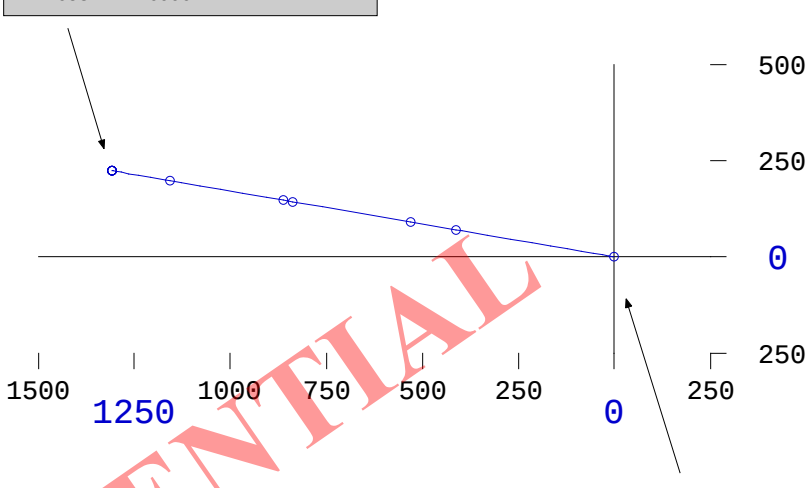
TOPOGRAPHIC MAP	12 MONTH	26 DAY	12 YEAR	E TOPO
SCALE: 1" = 2000'	DRAWN BY: J.L.H.	REVISED: 00-00-00		

Axia Energy

Three Rivers 7-12-821
Uintah, Utah

Horizontal Plan
1" = 500'

Vertical
1326.46' Displacement from S/L
@ 279.73° Azimuth from S/L
North-224.27' West-1307.37' of S/L
TVD-4000' MD-4417'
Y=7225119.2', X=2170215.3'
TD
TVD-6582' MD-6999'



Surface Location
Y=7219892.31'
X=2172380.13'
NAD83

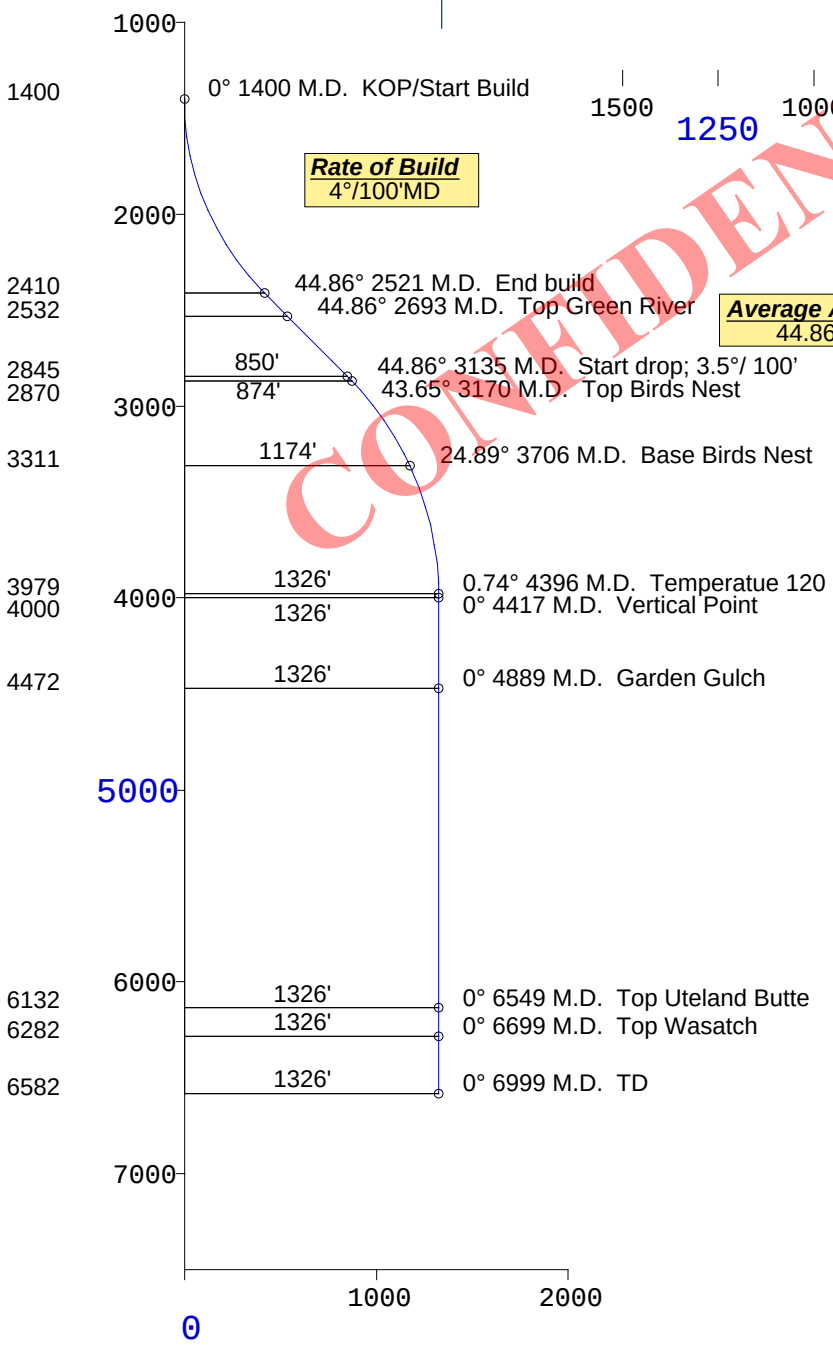
LEASE LINE 660' from TD

Plane of Proposal
279.73° Azimuth

Vertical Section
1" = 1000'

Rate of Build
4°/100'MD

Average Angle
44.86°



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01-30-2013

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Bighorn Directional, Inc.

Axia Energy
Three Rivers 7-12-821
Uintah, Utah

Bighorn Directional Incorporated
Denver, Colorado
303-463-1919

Minimum of Curvature
Slot Location: 7224894.95', 2171522.58'
Plane of Vertical Section: 279.73°

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Measured Depth Feet	BORE Inc Degrees	HOLE Direction Degrees	True Vertical Depth Feet	RECTANGULAR COORDINATES North(-South) Feet	East(-West) Feet	LAMBERT COORDINATES Y Feet	X Feet	Vertical Section Feet	CLOSURES Distance Feet	Direction Deg	Dogleg Severity Deg/100'
1400.00	0.00	0.00	1400.00	0.00	0.00	7224895.0	2171522.6	0.00	0.00	0.00	0.00
KOP/Start Build											
1500.00	4.00	279.73	1499.92	0.59	-3.44	7224895.5	2171519.1	3.49	3.49	279.73	4.00
1600.00	8.00	279.73	1599.35	2.36	-13.74	7224897.3	2171508.8	13.94	13.94	279.73	4.00
1700.00	12.00	279.73	1697.81	5.29	-30.85	7224900.2	2171491.7	31.30	31.30	279.73	4.00
1800.00	16.00	279.73	1794.82	9.38	-54.69	7224904.3	2171467.9	55.49	55.49	279.73	4.00
1900.00	20.00	279.73	1889.91	14.61	-85.14	7224909.6	2171437.4	86.38	86.38	279.73	4.00
2000.00	24.00	279.73	1982.61	20.94	-122.05	7224915.9	2171400.5	123.84	123.84	279.73	4.00
2100.00	28.00	279.73	2072.47	28.35	-165.25	7224923.3	2171357.3	167.67	167.67	279.73	4.00
2200.00	32.00	279.73	2159.05	36.80	-214.52	7224931.8	2171308.1	217.66	217.66	279.73	4.00
2300.00	36.00	279.73	2241.94	46.25	-269.62	7224941.2	2171253.0	273.56	273.56	279.73	4.00
2400.00	40.00	279.73	2320.73	56.66	-330.29	7224951.6	2171192.3	335.12	335.12	279.73	4.00
2500.00	44.00	279.73	2395.02	67.97	-396.23	7224962.9	2171126.3	402.02	402.02	279.73	4.00
2521.46	44.86	279.73	2410.35	70.51	-411.03	7224965.5	2171111.5	417.04	417.04	279.73	4.00
End build											
2693.08	44.86	279.73	2532.00	90.98	-530.34	7224985.9	2170992.2	538.09	538.09	279.73	0.00
Top Green River											
3021.46	44.86	279.73	2764.78	130.14	-758.63	7225025.1	2170763.9	769.71	769.71	279.73	0.00
3135.08	44.86	279.73	2845.32	143.69	-837.62	7225038.6	2170685.0	849.86	849.86	279.73	0.00
Start drop											
3169.54	43.65	279.73	2870.00	147.75	-861.32	7225042.7	2170661.3	873.90	873.90	279.73	3.50
Top Birds Nest											
3235.08	41.36	279.73	2918.31	155.24	-904.96	7225050.2	2170617.6	918.18	918.18	279.73	3.50
3335.08	37.86	279.73	2995.34	166.02	-967.79	7225061.0	2170554.8	981.93	981.93	279.73	3.50
3435.08	34.36	279.73	3076.12	175.98	-1025.86	7225070.9	2170496.7	1040.85	1040.85	279.73	3.50
3535.08	30.86	279.73	3160.35	185.09	-1078.97	7225080.0	2170443.6	1094.73	1094.73	279.73	3.50
3635.08	27.36	279.73	3247.70	193.31	-1126.91	7225088.3	2170395.7	1143.37	1143.37	279.73	3.50

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Bighorn Directional, Inc.

Axia Energy
Three Rivers 7-12-821
Uintah, Utah

Minimum of Curvature
Slot Location: 7224894.95', 2171522.58'
Plane of Vertical Section: 279.73°

Measured Depth Feet	BORE Inc Degrees	HOLE Direction Degrees	True Vertical Depth Feet	RECTANGULAR COORDINATES North(-South) Feet	East(-West) Feet	LAMBERT COORDINATES Y Feet	X Feet	Vertical Section Feet	CLOSURES Distance Feet	Direction Deg	Dogleg Severity Deg/100'
3705.58	24.89	279.73	3311.00	198.56	-1157.50	7225093.5	2170365.1	1174.41	1174.41	279.73	3.50
Base Birds Nest											
3735.08	23.86	279.73	3337.87	200.62	-1169.50	7225095.6	2170353.1	1186.58	1186.58	279.73	3.50
3835.08	20.36	279.73	3430.50	206.98	-1206.59	7225101.9	2170316.0	1224.21	1224.21	279.73	3.50
3935.08	16.86	279.73	3525.26	212.38	-1238.03	7225107.3	2170284.5	1256.12	1256.12	279.73	3.50
4035.08	13.36	279.73	3621.79	216.78	-1263.72	7225111.7	2170258.9	1282.18	1282.18	279.73	3.50
4135.08	9.86	279.73	3719.73	220.18	-1283.54	7225115.1	2170239.0	1302.29	1302.29	279.73	3.50
4235.08	6.36	279.73	3818.71	222.57	-1297.44	7225117.5	2170225.1	1316.40	1316.40	279.73	3.50
4335.08	2.86	279.73	3918.37	223.93	-1305.36	7225118.9	2170217.2	1324.43	1324.43	279.73	3.50
4395.74	0.74	279.73	3979.00	224.25	-1307.23	7225119.2	2170215.3	1326.33	1326.33	279.73	3.50
Temperatue 120											
4416.75	0.00	279.73	4000.01	224.27	-1307.37	7225119.2	2170215.2	1326.46	1326.46	279.73	3.50
Vertical Point											
4888.74	0.00	279.73	4472.00	224.27	-1307.37	7225119.2	2170215.2	1326.46	1326.46	279.73	0.00
Garden Gulch											
6548.74	0.00	279.73	6132.00	224.27	-1307.37	7225119.2	2170215.2	1326.46	1326.46	279.73	0.00
Top Uteland Butte											
6698.74	0.00	279.73	6282.00	224.27	-1307.37	7225119.2	2170215.2	1326.46	1326.46	279.73	0.00
Top Wasatch											
6998.75	0.00	279.73	6582.01	224.27	-1307.37	7225119.2	2170215.2	1326.46	1326.46	279.73	0.00
TD											

Final Station Closure Distance: 1326.46' Direction: 279.73°

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RECEIVED: February 04, 2013

MEMORANDUM OF UNDERSTANDING

AMONG

STONEGATE RESOURCES, LLC

AND

THE U.S. DEPARTMENT OF INTERIOR,
FISH AND WILDLIFE SERVICE

FOR

SURFACE USE AND ACCESS

REGARDING CERTAIN MINERALS OWNED IN FEE SIMPLE AND
LOCATED WITHIN THE OURAY NATIONAL WILDLIFE REFUGE

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I. INTRODUCTION AND PURPOSE

Pursuant to (i) that certain *Assignment of Mineral, Royalty and Overriding Royalty Interests (Utah Properties)*, dated effective July 1, 2002 ("Assignment"), and recorded August 19, 2003, in Book 807, Page 68, Uintah County, Utah, Stonegate Resources, LLC ("Stonegate") acquired ownership of all or a portion of the minerals underlying Lots 10, 12 and 13 of Section 1 and the N½NW¼ of Section 12, Township 8 South, Range 20 East, SLM; and Lot 11 of Section 6, Lot 2, SE¼NW¼, NE¼NW¼, NE¼SW¼, SW¼SE¼ of Section 7, and E½NW¼, W½NE¼ of Section 18, Township 8 South, Range 21 East, SLM and (ii) those certain purchase and sale transactions set forth on Exhibit "A" hereto, said Exhibit "A" being incorporated herein by reference, Stonegate acquired ownership in additional portions of the minerals underlying those lands the subject of the Assignment and/or other lands (the latter mineral interests being collectively referred to hereinafter along with the mineral interests the subject of the Assignment as the "Assignment Lands"). Further, Stonegate is the lessee under those certain fee oil and gas leases identified on Exhibit "A" hereto, said lands and mineral interests identified thereon being referred to hereinafter as the "Leased Lands." The surface estate overlying the Assignment Lands and the Leased Lands (collectively referred to hereinafter as the "Subject Lands") is owned by the United States, with such surface estate being managed by the United States Fish and Wildlife Service ("FWS") as part of the Ouray National Wildlife Refuge ("Refuge"). The minerals of the Subject Lands were severed from the surface thereof prior to or upon acquisition of the Subject Lands by the United States and prior to or upon their dedication to the Refuge.

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Stonegate, as the mineral owner and/or oil and gas lessee of the Subject Lands, possesses surface use rights thereto "to the extent reasonably necessary to extract the minerals therefrom." *Flying Diamond Corporation v. Rust*, 551 P.2d 509, 511 (Utah 1976). Stonegate may, if it so chooses, define it rights to surface access by contract. *See Smith v. Linmar Energy Corp.*, 790 P.2d 1222, 1225 (Utah App. 1990).

Persons such as Stonegate "holding mineral rights in wildlife refuge lands by reservation in the conveyance to the United States and persons [such as Stonegate] holding mineral rights in such lands which rights vested prior to the acquisition of the lands by the United States . . . to the greatest extent practicable [are to] conduct all exploration, development, and production operations in such a manner as to prevent damage, erosion, pollution, or contamination of the lands, waters, facilities and vegetation of the area . . . [and] without interference with the operation of the refuge or disturbance of the wildlife thereon." 50 C.F.R. § 29.32. Nothing contained in such requirement is, however, "to contravene or nullify rights vested in holders of mineral interests in refuge lands." *Id.* Instead, the FWS is to provide for the "exercise of non-federal oil and gas rights while protecting the [FWS] resources to the maximum extent

possible." 612 FWS Manual 2.4.B. It is under the provisions of applicable Utah law, 50 C.F.R. § 29.32, and 612 FWS Manual 2.4.B, that the FWS and Stonegate enter into this Memorandum of Understanding ("MOU") regarding surface use and access for the Subject Lands.

As is more fully explained below, this MOU: (i) sets forth recognition by the FWS of Stonegate's surface use rights for and access rights pertaining to the Subject Lands and applicable FWS regulations; (ii) commits Stonegate to comply with those surface use requirements and conditions described herein; (iii) identifies those parcels of the Subject Lands for which Stonegate must acquire a Special Use Permit from the FWS prior to commencing surface disturbing activities (the "SUP Lands"); and (iv) with the exception of the SUP Lands, permits Stonegate to explore, develop, and produce the Assignment Lands and to perform its oil and gas lease duties and obligations relating to the Leased Lands without the need to acquire rights-of-way or special use permits. This MOU is entered into in consideration of the mutual promises contained herein, and upon the terms and conditions described below.

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II. COMPATIBILITY DETERMINATION, SPECIAL USE PERMITS AND HISTORIC AND CULTURAL SURVEYS

A. Compatibility Determination. The FWS and Stonegate agree that the FWS shall not undertake a compatibility determination pursuant to 50 C.F.R. § 29.1 or 603 FWS Manual 2 for Stonegate's activities on the Subject Lands. Stonegate's surface use rights on the Subject Lands and access thereto are exempt from such a determination; the Subject Lands being "property rights that are not vested in the Federal Government, such as reserved rights to explore and develop minerals or oil and gas beneath [the Refuge]." 603 FWS Manual 2.10.B(1) ("Where reserved rights or legal mandates provide that [FWS] must allow certain activities, we should not prepare a compatibility determination. In the case of reserved rights, the refuge manager should work with the owner of the property interest to develop stipulations in a special use permit or other agreement to alleviate or minimize adverse impacts to the refuge.").

B. Special Use Permit. Excepting the SUP Lands described in Article III.D of this MOU, the FWS and Stonegate agree that it is unnecessary for Stonegate to acquire a special use permit relative to the Subject Lands. Such a requirement is inapplicable to Stonegate's activities on the Subject Lands. *See* FWS Manual 2.9.B(1).

C. Historic and Cultural Surveys. Stonegate agrees to undertake such studies and/or surveys and to implement such actions as may prove necessary to ensure full and complete compliance with the provisions of the National Historic Preservation Act, 16 U.S.C. §§ 470aa-470mm ("NHPRA"), and other applicable Acts prior to the initiation of surface disturbing activities on the Subject Lands.

III. SURFACE USE AND ACCESS RIGHTS OF STONEGATE

A. Surface Usage. The FWS agrees that Stonegate shall exercise exclusive surface use rights in accordance with the provisions of this MOU on (i) the Assignment Lands indefinitely and (ii) the Leased Lands for so long as Stonegate or its subsequent assignees remain the lessee(s) of the Leased Lands. Stonegate agrees that it shall exercise such rights: (i) only to the extent reasonable; (ii) without damage to the improvements of the FWS located on the Subject Lands; and (iii) in accordance with those Standard Operating Procedures set forth in Exhibit "B" hereto, said Exhibit "B" being incorporated herein by reference.

B. Egress and Ingress for Subject Lands. The FWS agrees that Stonegate shall be permitted non-exclusive egress and ingress along and within established routes, roadways, and roads relating to exploration, production, and development of (i) the Assignment Lands indefinitely and (ii) the Leased Lands for so long as Stonegate or its subsequent assignees remain the lessee(s) of the Leased Lands. Stonegate agrees not to construct facilities or make use of lands of the Refuge in connection with its exploration, development, and production of the Subject Lands other than on the surface of the Subject Lands and along or within such established routes, roadways, and roads of the Refuge without the prior written permission of the FWS.

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C. Notification and Coordination of Activities. Stonegate agrees to notify the FWS in writing not later than thirty (30) days prior to commencing any ground disturbing activities on the Subject Lands or along or within established routes, roadways, and/or roads of the Refuge. To the extent in conformance with and not in contravention of Stonegate's surface use on and/or ingress and egress rights relative to the Subject Lands, Stonegate further agrees to cooperate with the FWS in an effort "minimize disturbance and damage" to the Refuge and to coordinate oil and gas exploration, development, and/or production activities with stated plans of the FWS relating to wildlife management within the Refuge and protection of Refuge resources. 612 FWS Manual 2.6.D.

D. SUP Lands. Prior to entry upon the lands particularly described below for the purpose of exploration for, or development and production of, oil and/or gas, Stonegate shall apply for and obtain a Special Use Permit ("Permit") from the FWS. The Permit will be for the purpose of providing for access and for protecting the natural resources of the Refuge; provided that the terms and conditions of the Permit shall not unreasonably restrain the activities of Stonegate relating to the exploration for, or development and production of, oil and/or gas. The SUP Lands comprise 95.62 acres consisting of:

i. Section 12, Township 8 South, Range 20 East, SLM: beginning 192 Rods West of Southeast Corner of Northeast Quarter, thence West 128 Rods; thence North 80 Rods; thence East 128 Rods; thence South 80 Rods to the point of beginning; and

ii. Section 18, Township 8 South, Range 20 East, SLM: beginning 16 Rods South of the Northwest Corner of Lot 4, thence South 64 Rods; thence East 80 Rods to East Line of Lot 4; thence North 64 Rods; thence West 80 Rods to the point of beginning.

The aforementioned conditions for the SUP Lands and legal descriptions thereof were agreed to and are as set forth in that certain Deed from William S. Keeler and David H. Jamieson to the United States of America dated May 18, 1990, recorded on May 29, 1990, in Book 486, Pages 652-656 of Uintah County, Utah (the "Deed").

(1) Compliance with Environmental Requirements. In conjunction with issuance of a Permit for all or any portion of the SUP Lands, Stonegate agrees to and shall undertake such studies, surveys, and/or activities as may be required by the NHPA, the National Environmental Policy Act , 42 U.S.C. §§ 4321-4370f, and/or other applicable Acts.

(2) Form of Permit. In the event Stonegate shall be issued a Permit for all or any portion of the SUP Lands, the Permit to be employed by Stonegate and the FWS shall be on that form attached hereto as Exhibit "C", said Exhibit "C" being incorporated herein by reference. In addition, the Permit shall contain the Standard Operating Procedures set forth on Exhibit "B" hereto and may contain such stipulations as are appropriate to ensure that "to the greatest extent practicable [Stonegate will] conduct all exploration, development, and production operations [on the SUP Lands] in such a manner as to prevent damage, erosion, pollution, or contamination of the lands, waters, facilities and vegetation of the [Refuge and] without interference with the operation of the [R]efuge or disturbance of the wildlife thereon." 50 C.F.R. § 29.32.

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IV. SURFACE USE STANDARDS AND TERM

A. Applicable Regulations. The FWS and Stonegate agree that with respect to Stonegate's use of the Subject Lands and its rights of egress and ingress relating thereto, Stonegate shall comply with all surface use restrictions, bonding requirements, and reclamation obligations imposed upon Stonegate by way of the regulations of the Utah Division of Oil, Gas and Mining, including any and all successor regulations, rules, and guidelines thereto.

B. Term of MOU. This MOU shall be effective upon execution hereof by the last party to sign and shall remain effective and binding on the parties (i) excepting the SUP Lands, indefinitely as to the Assignment Lands; (ii) as to the SUP Lands, unless and until the minerals of such Lands shall vest in the United States of America in accordance with the terms and conditions of the Deed; and (iii) as to the Leased Lands for so long as Stonegate or its subsequent assignees remain the lessee(s) under the oil and gas leases applicable to the Leased Lands. In the event the oil and gas leases to all or any part of the

Leased Lands shall terminate or expire, Stonegate agrees to provide written notice to that effect to the FWS not later than thirty (30) days after such termination or expiration.

V. MISCELLANEOUS

A. Entire Agreement and Counterparts. This MOU constitutes the entire agreement and understanding between the parties and supersedes any and all prior agreements, understandings, and negotiations, written or oral, relating to the subject matter hereof. This MOU may be executed in any number of counterparts, each of which shall be considered as an original for all purposes.

B. Inurement and Assignment. This MOU shall inure to the benefit of and be binding on the parties hereto and their respective successors, lessees, and assigns. This MOU shall be freely and fully assignable by the parties; *provided that* any such assignment shall be strictly and solely limited to rights relating to the exploration, development, and/or production of the Subject Lands; and *provided further that* any assignee of this MOU shall in conjunction with assignment of the same agree to be fully and finally bound by the rights, duties, and obligations set forth and recognized herein.

C. Severability. If any portion of this MOU is deemed unenforceable for any reason, the rest of the MOU shall remain in full force and effect, if practicable.

D. Headings. All headings used in this MOU are inserted only for convenience and ease of reference, and are not to be considered in the construction or interpretation of any provisions of this MOU.

E. Amendment of MOU. No provision of this MOU may be changed, modified, waived or discharged orally, unless approved by the parties in writing, and no change, modification, waiver or amendment of any provision of this MOU shall be effective except by written instrument executed by the parties.

F. Events Requiring Modification or Interpretation of MOU. Stonegate and the FWS agree that if either party encounters or becomes aware of events, facts or situations that were unforeseen or unanticipated on the effective date of this MOU ("an "Unforeseen Event"), an Unforeseen Event to specifically include but not being limited to drilling activity within FWS inventoried floodplains and/or wetlands then under federal jurisdiction, the party with knowledge thereof shall promptly notify the other party in writing of the Unforeseen Event. Thereafter, the parties shall enter into discussions concerning the Unforeseen Event in an effort to, as appropriate: (i) address and resolve the Unforeseen Event within the terms and conditions of this MOU; or (ii) in the event an Unforeseen Event cannot be adequately resolved under this MOU, formulate amendments, modifications or other changes to this MOU and/or Exhibit "B" hereto to address and resolve such Unforeseen Event.

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UNITED STATES FISH AND WILDLIFE SERVICE
OURAY NATIONAL WILDLIFE REFUGE

By: _____
Name: Dan Alonso
Title: Manager, Ouray National Wildlife Refuge
Date: 01/24/07 ,2007

STONEGATE RESOURCES, LLC

By: _____
Name: R. Heggie Wilson
Title: Managing Member
Date: January 22, 2007 , 2007

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EXHIBIT "A"

Other Mineral Interests Owned by Stonegate:

McCamey: Acq. 2/26/2004 Bk 873/Pg 96[1]	Township 8 South – Range 21 East, SLM Section 18: Beginning at the Northwest Corner of Lot (3); thence South 32 Rods; thence East 80 Rods to the East line of Lot 3; thence North 32 Rods; thence West 80 Rods to point of beginning Township 8 South – Range 20 East, SLM Section 12:Beginning at the Southeast Corner of the Northeast Quarter (NE1/4); thence West 64 Rods, thence North 80 Rods; thence East 64 Rods; thence South 80 Rods to point of beginning
Freed Ranch: Acq, 5/3/2005 Bk 942/Pg 58	Township 8 South – Range 20 East, SLM Section 1: Lots 7 and 8, SE/4NW/4

Stonegate Fee Leases:

G. Allred, C. Dean, J. Morrow Bk 877/Pg 458 Bk 877/Pg 460 Bk 877/Pg 462	Township 8 South – Range 20 East, SLM Section 12: N/2NE Township 8 South – Range 21 East, SLM Section 7: Lot 1
G. Davis: Bk 883/Pg 114	Township 8 South – Range 21 East, SLM Section 18: Beginning at the Northwest Corner of Lot (3); thence South 32 Rods; thence East 80 Rods to the East line of Lot 3; thence North 32 Rods; thence West 80 Rods to point of beginning Township 8 South – Range 20 East, SLM Beginning at the Southeast Corner of the Northeast Quarter (NE1/4); thence West 64 Rods, thence North 80 Rods; thence East 64 Rods; thence South 80 Rods to point of beginning

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[1] Book and page references of this Exhibit are to the records of Uintah County, Utah, and identify the location where a copy of the noted agreements and leases may be examined.

ATTACHMENT "B"

Standard Operating Procedures for Fee Lands Owned and/or Leased by Stonegate within the Ouray National Wildlife Refuge

A. Drilling Sites

1. Stonegate will abide by all applicable state and federal laws and regulations.

2. A Plan of Operation shall be prepared by Stonegate and provided to the Refuge Manager for comment prior to commencement of any surface disturbing activity.

3. A pre-work conference with Refuge staff will be held at least (5) days prior to any mobilization of equipment or construction.

4. Alternative access routes exist and/or can be developed through a Bureau of Land Management or other rights-of-way and Uintah County class B and D roads. Absent consent of the Refuge Manager, the Refuge entrance Road and tour route will not be utilized for accessing well sites.

5. The drilling pad will be less than 2.5 acres in size for single well pads and will be less than 4 acres in size for multiple well pads.

6. Topsoil (organic matter) will be stockpiled and made available for restoration work of drilling sites.

7. Completed drill pads may be inspected by FWS personnel prior to assembling the rig.

8. Reserve pits will be lined with a 9 mil or greater liner. No trash shall be disposed of in reserve pits.

9. Reserve pits will be netted in order to prevent access by migratory birds and other wildlife species.

10. Trash will be confined in a covered container and hauled to an approved landfill.

11. Human waste will be contained and disposed of at an approved sewage treatment facility.

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12. No dumping or burning of refuse, sludge, waste oil, or brine will be permitted on drill sites.

13. If any spills of oil, gas, salt water, or other fluids occur, Stonegate will immediately contact the Refuge Manager and any other applicable regulatory agencies (including the contaminants branch of the Endangered Species office). Appropriate cleanup efforts will be initiated immediately; regardless of whether Stonegate is drilling, completing, operating, and/or abandoning a well.

14. If a spill is detected, Stonegate will implement a Spill Prevention Control and Countermeasure (SPCC) Plan, which specifies measures to control the spill, cleanup the spill, and reclaim the contaminated soil and vegetation. Stonegate's obligation to implement a SPCC plan shall apply to all stages of its operations, including but not limited to drilling, completing, operating and/or abandoning of wells.

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B. Access Roads and Facilities Placed on Lands of the Refuge

1. For drilling purposes, Stonegate will not construct access roads in excess of an 18' wide running surface with a 30' right-of-way.

2. Topsoil from the access road will be stockpiled and used to restore the drill site if the well proves to be a non-producer.

3. All disturbed soil not graveled will be seeded with native plant species selected by the Refuge Manager.

4. All portable buildings located on drilling pads will be self contained units. No discharge of sewage effluent will be permitted on the site.

5. Vehicle traffic will be limited to roads and trails.

6. Vehicles will travel at speeds within set speed limits of main access roads and at slower speeds appropriate for conditions on more remote roads and trails.

C. Production Stipulations

1. If a well is a producer, the location and design of permanent roads, pipelines, and electrical lines shall be arrived at through consultation with the Refuge Manager prior to construction.

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2. Outdoor lighting will only be used when personnel are present.

3. Storage tanks will be surrounded by berms capable of holding at least 110% of the volume of the largest tank within the berm. The remaining drilling pad will be leveled; topsoil will be spread and seeded with native plant species acceptable to the Refuge Manager.

4. Stonegate will paint tanks and other facilities to blend with their surroundings.

5. Stonegate will avoid, where feasible, the placement of facilities on hill tops or along ridge lines in visually sensitive areas.

6. As far as practicable, utility and pipelines will be located within road corridors.

7. Stonegate will be responsible for the construction and maintenance of a locked gate where a road constructed by or for Stonegate enters lands of the Refuge.

8. No natural gas shall be vented or flared on site. Temporary flaring may occur for not more than 30 days following drilling completion or until the gas line installation is completed, whichever first occurs.

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D. Reclamation and Monitoring

1. When a location is permanently abandoned, the entire area associated with such location will be restored as near as practical to its original contours and seeded with native grasses acceptable to the Refuge Manager.

2. Stonegate will conduct reclamation in accordance with any legally required approved plan of operations including as specified therein, any special rehabilitation program. Stonegate will work with the Refuge Manager to monitor the success of interim and final reclamation. Stonegate will perform annual inspections on selected sites starting two years after initial reclamation work. The two-year gap would allow seed to become established and will provide two full growing seasons prior to inspection, which will allow for a better measure of reclamation success. If the revegetation is not as prescribed by the Refuge Manager for any reclaimed location, Stonegate will reseed the location.

3. If a well is a dry hole or when production ceases from a multiple well pad, as appropriate, any hydrocarbon soaked soil will be removed from the drilling site.

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4. The drill pad will be leveled and the stockpiled topsoil spread and seeded with native grass seed selected by the Refuge Manager.

5. Abandoned well pads, roads, and other disturbed areas will be reclaimed as near as practicable to their original condition. This includes reestablishing soil conditions and revegatating the disturbed areas to the specifications of the Refuge Manager at the time of abandonment. All disturbed surfaces will be re-contoured to the approximate natural contours, with reclamation of the well pad and access road performed as soon as practicable after final abandonment of the well pad.

E. Fire Management

1. All brush build-up around mufflers and other engine parts will be avoided; periodic checks will be conducted to prevent this build-up.

2. All personnel will be advised that campfires or uncontained fires of any kind are prohibited.

F. Public Health and Safety

1. To minimize the possibility of fires during construction and operation, all equipment, including welding trucks, would be equipped with fire extinguishers and spark arresters.

2. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds would be used, produced, stored, transported, or disposed of annually, nor would extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, be used, produced, stored, transported, or disposed in association with the drilling, testing or completing of the proposed wells.

G. Air Quality

1. As needed or determined necessary by the Refuge Manager, Stonegate will apply water to project-related roads within the Refuge to reduce fugitive dust from vehicle traffic.

H. Vegetation

1. To reduce the spread/introduction of noxious and invasive weed species into the Refuge via construction-related vehicles and equipment, Stonegate's construction contractors entering the Refuge from other areas located at a distance of greater than four

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(4) miles from the Refuge shall power-wash all construction equipment and vehicles prior to entering the Refuge.

2. Weed control will be conducted through an approved Pesticide Use Proposal (PUP).

3. Weed monitoring and reclamation measures will be conducted along access roads, pipeline routes, well sites, and other applicable facilities within the Refuge and on an annual basis throughout the life of Stonegate's production activities, and will specifically include the following:

- Completion of site-specific, pre-construction field surveys each spring during development of the Subject Lands to identify existing noxious weed infestations within the Leased Lands.
- Use of certified weed-free erosion control and reclamation materials (i.e., straw bales and seed mixes).

I. Bald eagle:

Oil and gas development activities which may effect bald eagle roosting season within the Refuge will be conducted according to appropriate measures to avoid and/or minimize potential impacts to bald eagles. Selection of appropriate measures will depend whether the activity is temporary or permanent, and whether it occurs within or outside the bald eagle breeding or roosting season and the activity's proximity to known bald eagle breeding or roosting areas. A temporary action is completed prior to the breeding or roosting season leaving no permanent structures and resulting in no permanent habitat loss. A permanent action continues for more than one breeding or roosting season and/or causes a loss of eagle habitat or displaces eagles through disturbances, i.e., creation of a permanent structure including but not limited to well pads, roads, pipelines, tank batteries, dehydration units, electrical power lines, and compressor stations. Appropriate bald eagle avoidance and minimization measures include the following:

1. Temporary activities within 0.50 miles of known winter roost areas, e.g., cottonwood galleries, will not occur during the winter roost season of November 1 to March 31, unless the area has been surveyed according to protocol and determined to be unoccupied.
2. No permanent infrastructure will be placed within 0.50 miles of known winter roost areas, e.g., cottonwood galleries.
3. Removal of carrion to 100 feet from roadways used by Stonegate occurring within bald eagle foraging range.

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The FWS will provide Stonegate with maps and data regarding known bald eagle breeding and/or roosting areas so that impacts can be avoided to ensure continued compliance with the Endangered Species Act (ESA).

J. Uinta Basin hookless cactus (*Sclerocactus glaucus wetlandicus*) notifications:

Certain areas within the Refuge contain habitat which is suitable to the federally threatened Uinta Basin hookless cactus. In order to minimize effects to this federally threatened species, the FWS developed the following avoidance and minimization measures. Integration of and adherence to these measures will help ensure the activities carried out during oil and gas development (including but not limited to drilling, production, and maintenance) are in compliance with the ESA. The following avoidance and minimization measures will be included in Stonegate's plans of development:

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1. Pre-project habitat assessments will be completed across 100% of the Subject Lands within potential habitat as determined by the FWS[1] prior to any ground disturbing activities to determine if suitable Uinta Basin hookless cactus habitat is present.

2. Within suitable habitat,[2] site inventories will be conducted to determine occupancy. Inventories:
    a. Must be conducted by qualified individual(s) and according to FWS accepted survey protocols,
    b. Will be conducted in suitable and occupied habitat for all areas proposed for surface disturbance prior to initiation of activities and within the same growing season, at a time when the plant can be detected, provided there is no snow cover,
    c. Will occur within 115' from the centerline of any proposed right-of-way for surface pipelines or roads; and within 100' from the perimeter of disturbance for any proposed well pad including well pads,
    d. Will include, but not be limited to, plant species lists and habitat characteristics, and
    e. Will be valid for one year from the survey date for *Sclerocactus wetlandicus*.

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[1] *Potential habitat* is defined as areas which satisfy the broad criteria of the species habitat description; usually determined by preliminary, in-house assessment.

[2] *Suitable habitat* is defined as areas which contain or exhibit the specific components or constituents necessary for plant persistence; determined by field inspection and/or surveys; may or may not contain Uinta Basin hookless cactus. Habitat descriptions can be found in the U.S. Fish and Wildlife Service's 1990 Recovery Plan and Federal Register Notices for the Uinta Basin hookless cactus (http://www.fws.gov/endangered/wildlife.html).

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3. Stonegate will design infrastructure to minimize impacts within suitable habitat.[2] If necessary, Stonegate will:
   a. Reduce well pad size to the minimum needed, without compromising safety,
   b. Limit new access routes within the Refuge,
   c. Ensure that roads and utilities share common right-of-ways where possible,
   d. Reduce width of right-of-ways and minimize the depth of excavation needed for road beds within the Refuge and where feasible, use the natural ground surface for the road within habitat,
   e. Place signing to limit off-road travel in sensitive areas,
   f. Stay on designated routes and other cleared/approved areas, and
   g. Re-vegetate all disturbed areas with native species comprised of species indigenous to the area and non-native species that are not likely to invade other areas.

4. Within occupied habitat,[3] infrastructure will be designed to avoid direct disturbance and minimize indirect impacts to populations and to individual plants. Stonegate will:
   a. Follow the above (#3) recommendations for infrastructure design within suitable habitats,
   b. Incorporate buffers of 100 feet minimum between the edge of the right of way (roads and surface pipelines) or surface disturbance (well pads) and plants and populations,
   c. Lay surface pipelines such that a 100 foot buffer exists between the edge of the right of way and the plants, use stabilizing and anchoring techniques when the pipelines cross the habitat to ensure the pipelines don't move towards the population,
   d. Before and during construction, identify areas for avoidance visually in the field, e.g., by flagging, temporary fencing, rebar, etc.,
   e. Where technically and economically feasible, use directional drilling or multiple wells from the same pad,
   f. Design construction to avoid concentrating water flows or sediments into occupied habitat,
   g. Place produced oil, water, or condensate tanks in centralized locations and away from occupied habitat, and
   h. Minimize the disturbed area of producing well locations through interim and final reclamation.

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[3] *Occupied habitat* is defined as areas currently or historically known to support Uinta Basin Hookless cactus; synonymous with "known habitat."

Initials: Fish & Wildlife DB Stonegate RAC

5. Occupied Uinta Basin hookless cactus habitats within 100' of the edge of any surface pipeline's right-of-ways, 100' of the edge of the roads' right-of-ways, and 100' from the edge of the well pad shall be monitored for a period of three years after ground disturbing activities. Monitoring will include annual plant surveys to determine plant and habitat impacts relative to project facilities. Annual reports shall be provided to the FWS. To ensure desired results are being achieved, minimization measures will be evaluated and may be changed after a thorough review of the monitoring results and annual reports during annual meetings between Stonegate and the FWS.

6. Reinitiation of section 7 consultation with the FWS will be sought immediately if any loss of plants or occupied habitat for the Uinta Basin hookless cactus is anticipated as a result of Stonegate's activities.

Additional site-specific measures may also be employed as appropriate, to avoid or minimize effects to the species to ensure continued compliance with the ESA.

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K. Power Lines

1. Unless otherwise agreed to by the Refuge Manager in writing, power lines shall be constructed in accordance with the standards outlined in Suggested Practices for Raptor Protection on Power Lines, (Edison Electrical Institute 1996). Stonegate will construct power lines in accordance with these standards or would assume the burden and expense of proving pole designs not shown in the referenced publication are "raptor safe." In which case, a raptor expert acceptable to the Refuge Manager shall provide such proof.

L. Existing Facilities and Rights-of-Way

1. Cattle guards will be used for fence crossings whenever practicable. If a fence must be cut, h-braces will be installed to support the existing fence and a gate and/or cattle guard installed to prevent livestock movement.

M. Construction and Operations

1. Stonegate will install remote monitoring to measure production on gas and oil wells where practicable to reduce trips to individual well sites.

2. Where directed by the Refuge Manager, Stonegate will construct appropriate erosion control devises (riprap, bales, heavy vegetation) at culvert outlets.

Initials: Fish & Wildlife DA Stonegate RAC

API Well Number: 43047535620000

EXHIBIT "C"

UNITED STATES DEPARTMENT OF THE INTERIOR
FISH AND WILDLIFE SERVICE

_____ National Wildlife Refuge

SPECIAL USE PERMIT

Station No. to be Credited	Permit Number 69554
Date	
Period of Use (inclusive) From 19 To 19	

Permittee Name	Permittee Address

Purpose (specify in detail privilege requested, or units of products involved)

Description (specify unit numbers; metes and bounds, or other recognizable designations)

Amount of fee $ _____ If not a fixed payment, specify rate and unit of charge: _____

☐ Payment Exempt - Justification:
☐ Full Payment
☐ Partial Payment - Balance of payments to be made as follows:

Record of Payments

Special Conditions

This permit is issued by the U.S. Fish and Wildlife Service and accepted by the undersigned, subjected to the terms, covenants, obligations, and reservations, expressed or implied herein, and to the conditions and requirements appearing on the reverse side.

Permittee Signature	Issuing Officer Signature and Title

Form 3-1383 (Rev 8/85)

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BOP Equipment

3000psi WP

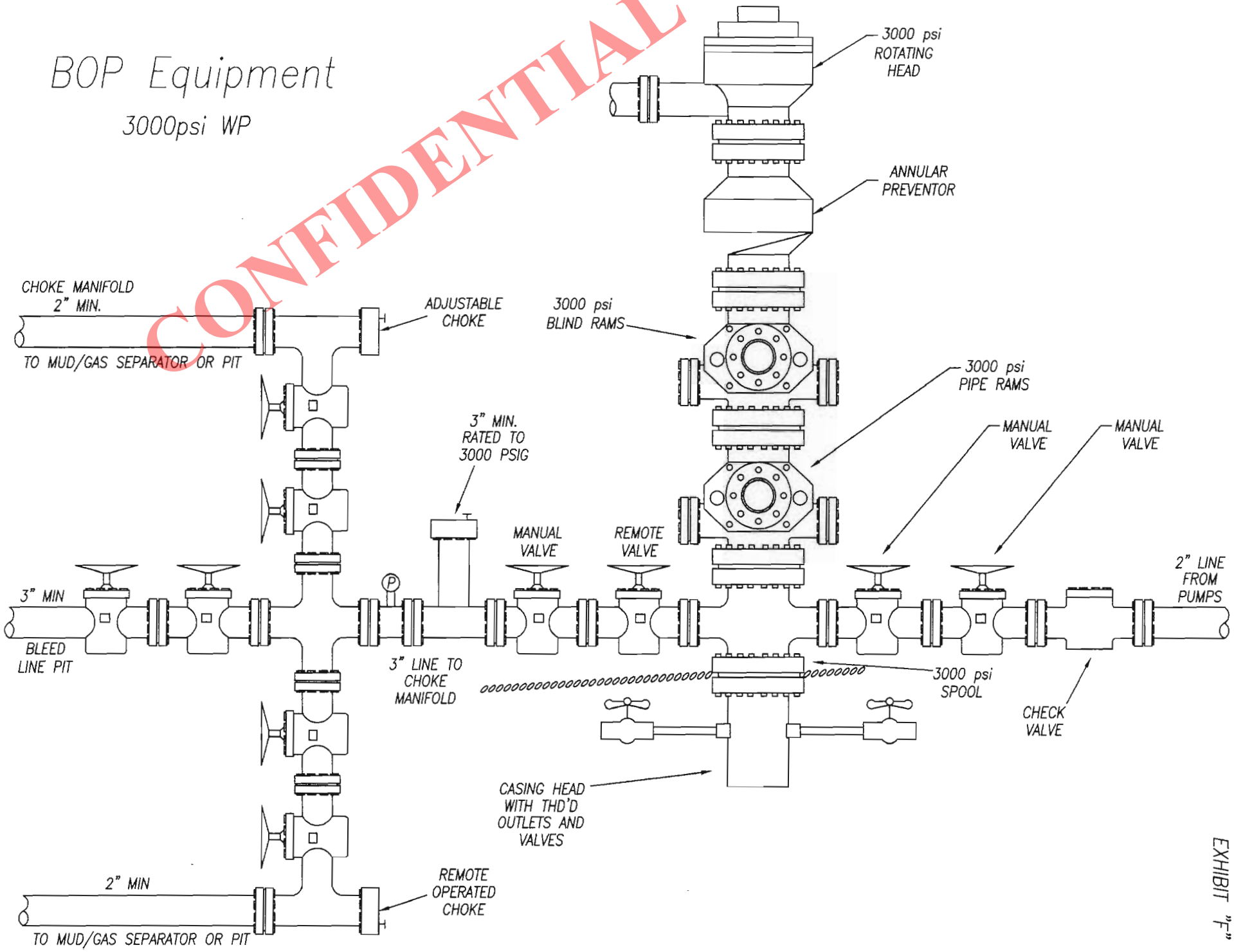


EXHIBIT "F"

RECEIVED: February 04, 2013

Star Point Enterprises, Inc.

2580 Creekview Road
Moab, Utah 84532
435/719-2018

February 4, 2013

CONFIDENTIAL

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

RE: Request for Exception to Spacing – Axia Energy, LLC – **Three Rivers 7-12-821**
Surface Location: SENW, 2249' FNL & 1959' FWL, Sec. 7, T8S, R21E
Target Location: Lot 2 (SWNW), 1980' FNL & 660' FWL, Sec. 7, T8S, R21E
SLB&M, Uintah County, Utah

Dear Diana:

Axia Energy, LLC respectfully submits this request for exception to spacing (R649-3-11) based on geology since the well is located less than 460 feet to the drilling unit boundary. Axia Energy, LLC is the only owner and operator within 460 feet of the surface and target location as well as all points along the intended well bore path and are not within 460 feet of any uncommitted tracts or a unit boundary.

Thank you very much for your timely consideration of this application. Please feel free to contact Jess A. Peonio of Axia Energy, LLC at 720-746-5212 or myself should you have any questions or need additional information.

Sincerely,

Don Hamilton

Digitally signed by Don Hamilton
DN: cn=Don Hamilton, o=Starpoint Enterprises, ou, email=starpoint@etv.net, c=US
Date: 2013.02.04 14:49:42 -07'00'

Don Hamilton
Agent for Axia Energy, LLC

cc: Jess A. Peonio, Axia Energy, LLC

RECEIVED: February 04, 2013

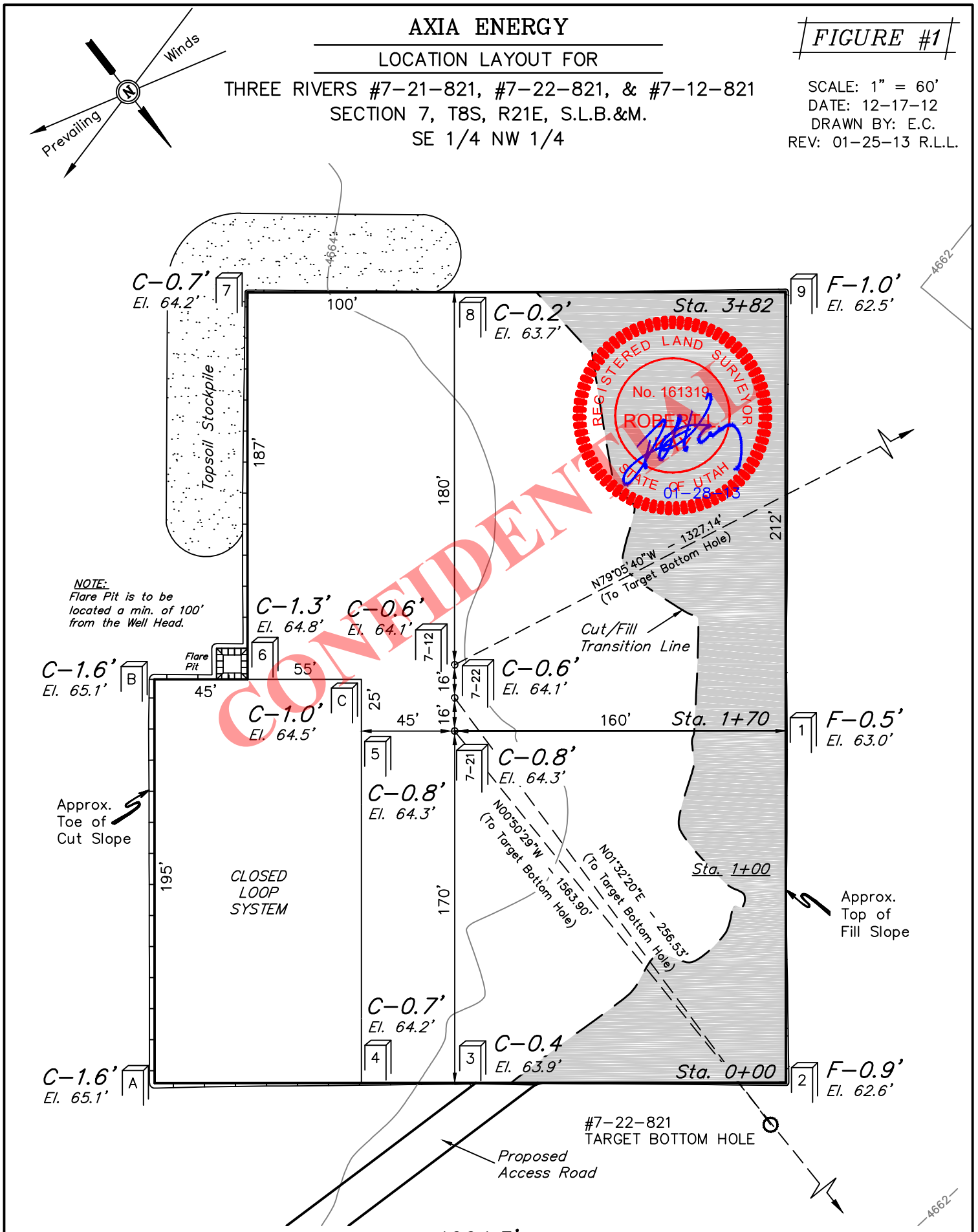
AXIA ENERGY

LOCATION LAYOUT FOR

THREE RIVERS #7-21-821, #7-22-821, & #7-12-821
SECTION 7, T8S, R21E, S.L.B.&M.
SE 1/4 NW 1/4

FIGURE #1

SCALE: 1" = 60'
DATE: 12-17-12
DRAWN BY: E.C.
REV: 01-25-13 R.L.L.



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Elev. Ungraded Ground At #7-21-821 Loc. Stake = 4664.3'
FINISHED GRADE ELEV. AT #7-21-821 LOC. STAKE = 4663.5'

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

RECEIVED: February 04, 2013

AXIA ENERGY

TYPICAL CROSS SECTIONS FOR

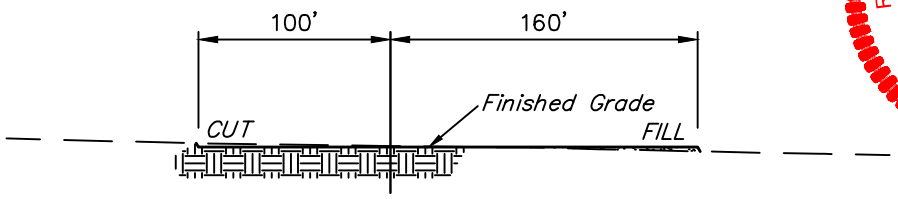
THREE RIVERS #7-21-821, #7-22-821, & #7-12-821
SECTION 7, T8S, R21E, S.L.B.&M.
SE 1/4 NW 1/4

FIGURE #2

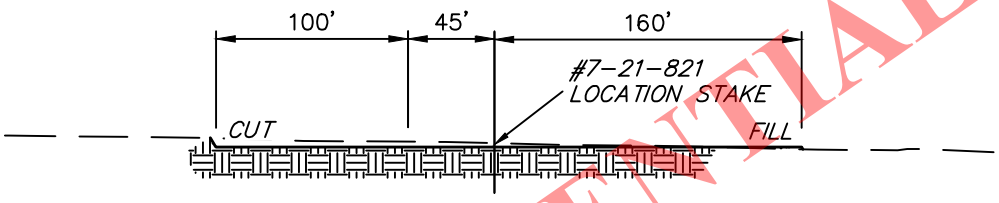
1" = 40'
X-Section Scale
1" = 100'

DATE: 12-17-12
DRAWN BY: E.C.
REV: 01-25-13 R.L.L.

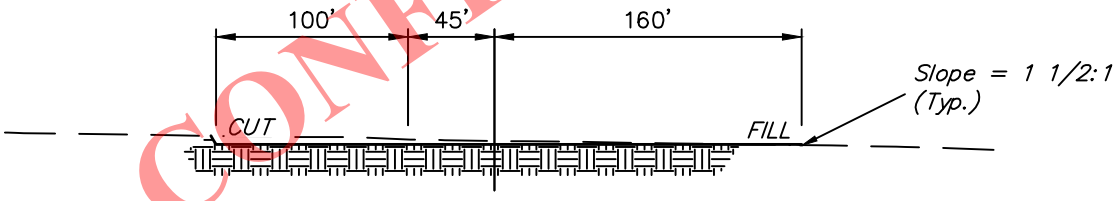
REGISTERED LAND SURVEYOR
No. 161319
ROBERT L. KAY
STATE OF UTAH
01-28-13



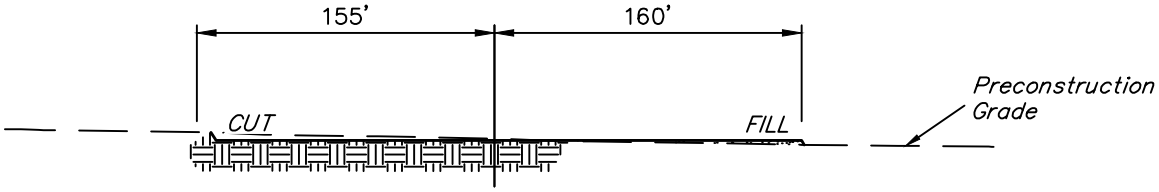
STA. 3+82



STA. 1+70



STA. 1+00



STA. 0+00

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

APPROXIMATE ACREAGES

WELL SITE DISTURBANCE	= ± 3.797 ACRES
ACCESS ROAD DISTURBANCE	= ± 0.114 ACRES
PIPELINE DISTURBANCE	= ± 0.083 ACRES
TOTAL	= ± 3.994 ACRES

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	2,030 Cu. Yds.
Remaining Location	=	1,090 Cu. Yds.
TOTAL CUT	=	3,120 CU. YDS.
FILL	=	1,090 CU. YDS.

EXCESS MATERIAL	=	2,030 Cu. Yds.
Topsoil	=	2,030 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	=	0 Cu. Yds.

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85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

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AXIA ENERGY

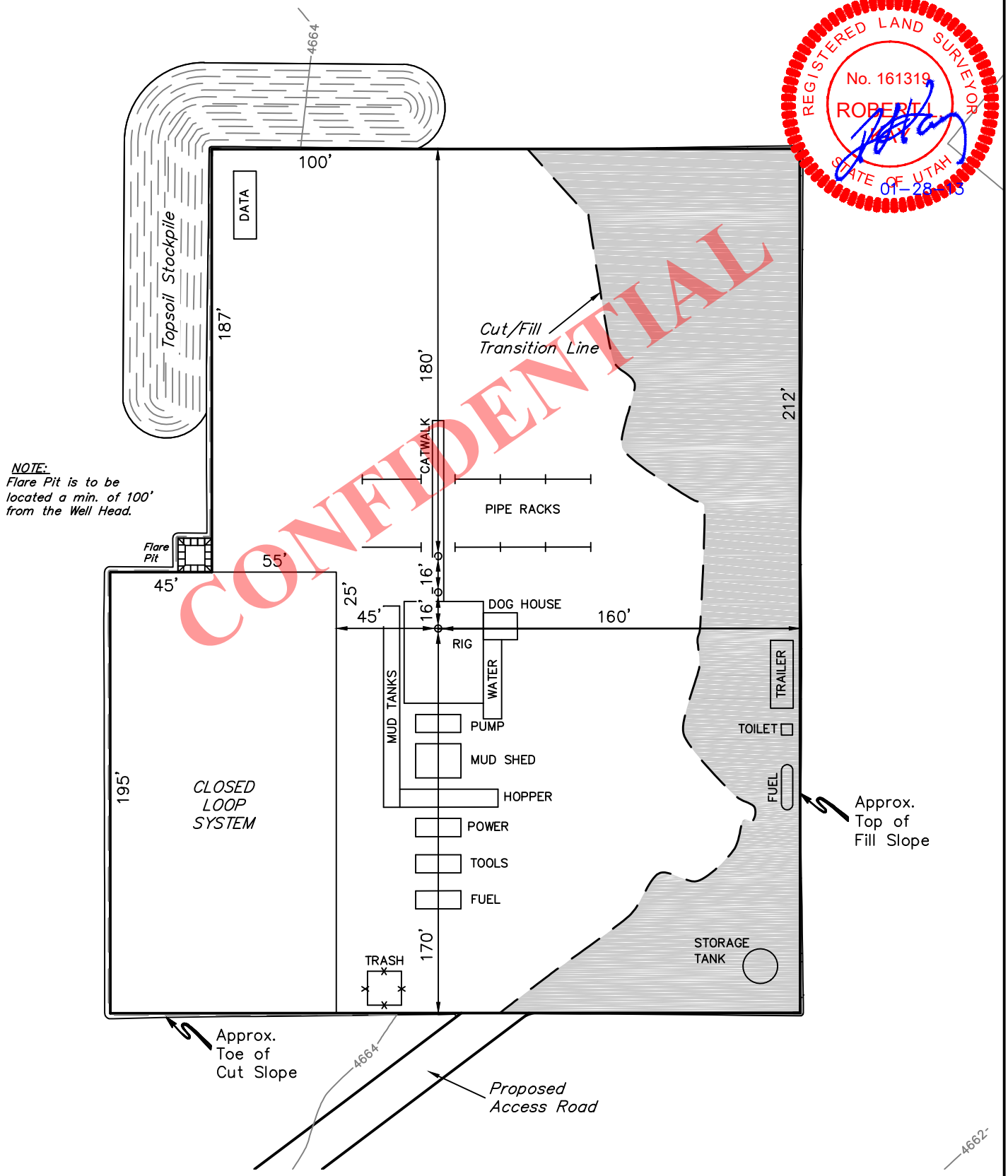
TYPICAL RIG LAYOUT FOR

THREE RIVERS #7-21-821, #7-22-821, & #7-12-821
SECTION 7, T8S, R21E, S.L.B.&M.
SE 1/4 NW 1/4

FIGURE #3

SCALE: 1" = 60'
DATE: 12-17-12
DRAWN BY: E.C.
REV: 01-25-13 R.L.L.

REGISTERED LAND SURVEYOR No. 161319 ROBERT L. KAY STATE OF UTAH 01-28-13



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RECEIVED: February 04, 2013

AXIA ENERGY

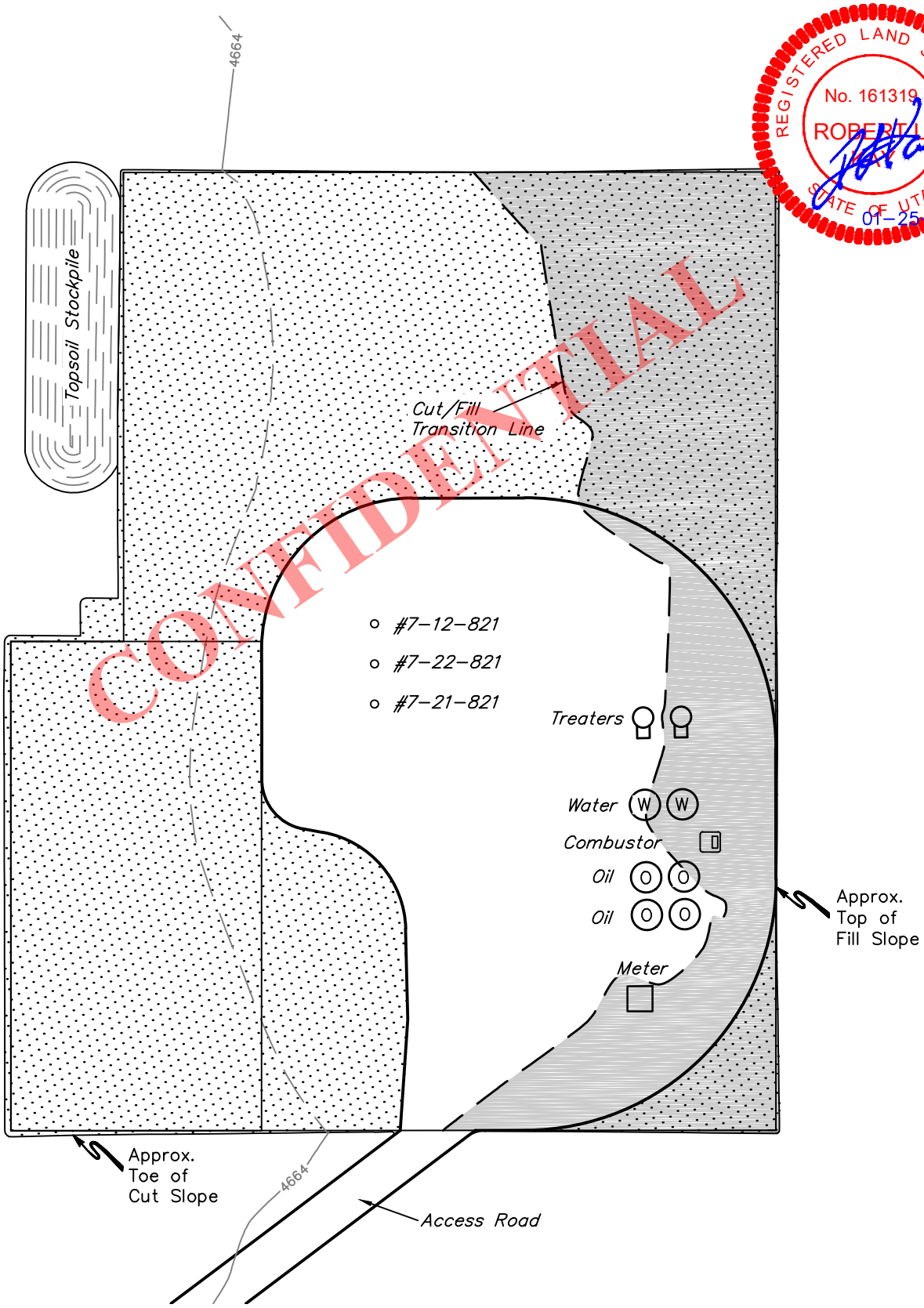
INTERIM RECLAMATION PLAN FOR

THREE RIVERS #7-21-821, #7-22-821, & #7-12-821
SECTION 7, T8S, R21E, S.L.B.&M.
SE 1/4 NW 1/4

FIGURE #4

SCALE: 1" = 60'
DATE: 12-17-12
DRAWN BY: E.C.
REV: 01-25-13 R.L.L.

REGISTERED LAND SURVEYOR No. 161319 ROBERT L. KAY STATE OF UTAH 01-25-13



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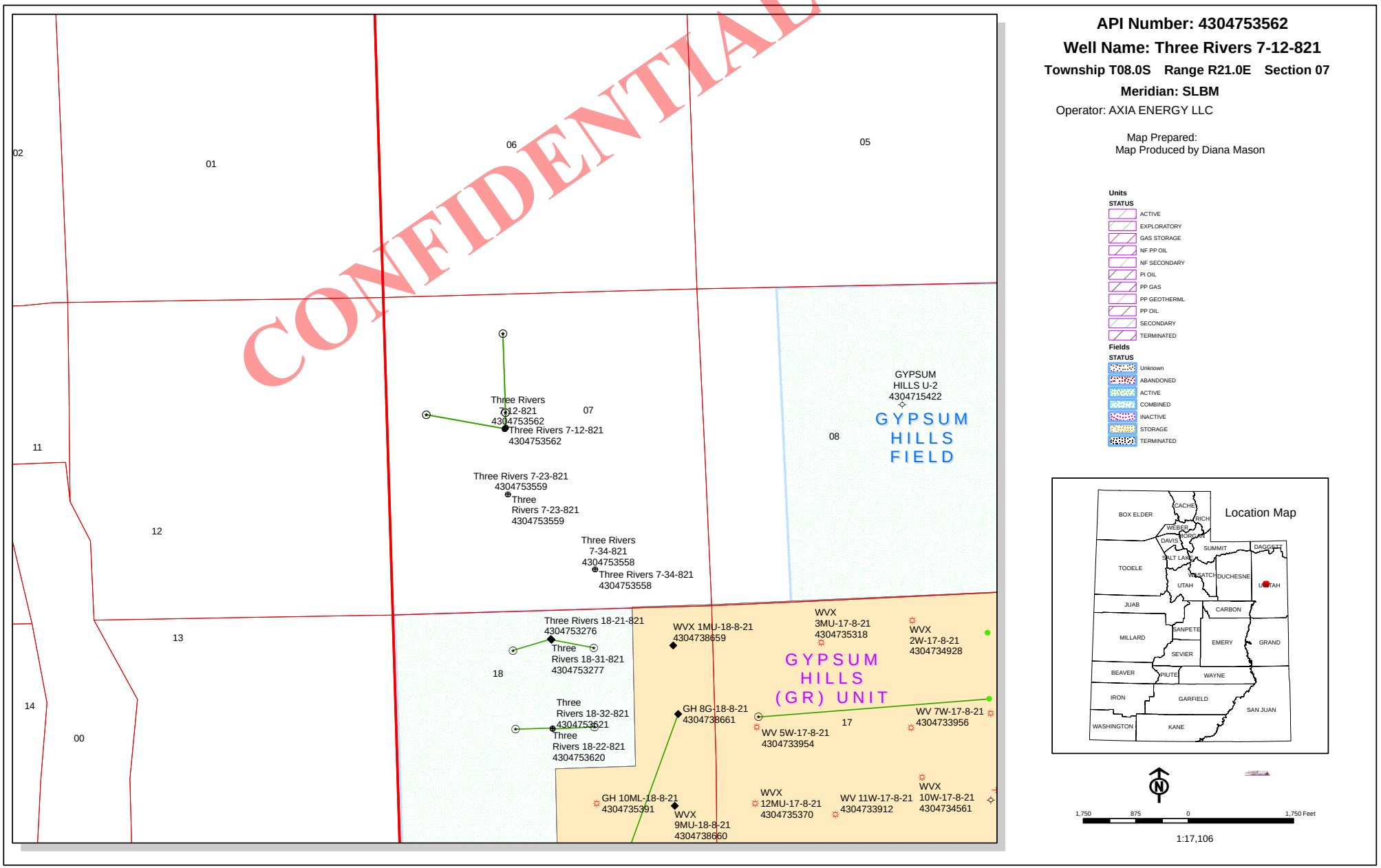
RECLAIMED AREA

APPROXIMATE ACREAGES
UN-RECLAIMED = ± 0.919 ACRES

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

RECEIVED: February 04, 2013

API Well Number: 43047535620000



RECEIVED: February 22, 2013

API Well Number: 43047535620000

BOPE REVIEW AXIA ENERGY LLC Three Rivers 7-12-821 43047535620000

Well Name	AXIA ENERGY LLC Three Rivers 7-12-821 43047535620000			
String	Surf	Prod		
Casing Size(")	8.625	5.500		
Setting Depth (TVD)	1000	6582		
Previous Shoe Setting Depth (TVD)	0	1000		
Max Mud Weight (ppg)	8.7	9.2		
BOPE Proposed (psi)	500	3000		
Casing Internal Yield (psi)	3930	5320		
Operators Max Anticipated Pressure (psi)	2850	8.3		

Calculations	**Surf String**	**8.625**	"
Max BHP (psi)	.052*Setting Depth*MW=	452	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	332	YES diverter with rotating head
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	232	YES OK
			***Can Full Expected Pressure Be Held At Previous Shoe?**
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	232	NO OK
Required Casing/BOPE Test Pressure=		1000	psi
***Max Pressure Allowed @ Previous Casing Shoe=**		0	psi *Assumes 1psi/ft frac gradient

Calculations	**Prod String**	**5.500**	"
Max BHP (psi)	.052*Setting Depth*MW=	3149	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	2359	YES 3M Ram Double BOP & Annular with
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	1701	YES Diverter & Rotating Head
			***Can Full Expected Pressure Be Held At Previous Shoe?**
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	1921	NO OK
Required Casing/BOPE Test Pressure=		3000	psi
***Max Pressure Allowed @ Previous Casing Shoe=**		1000	psi *Assumes 1psi/ft frac gradient

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

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

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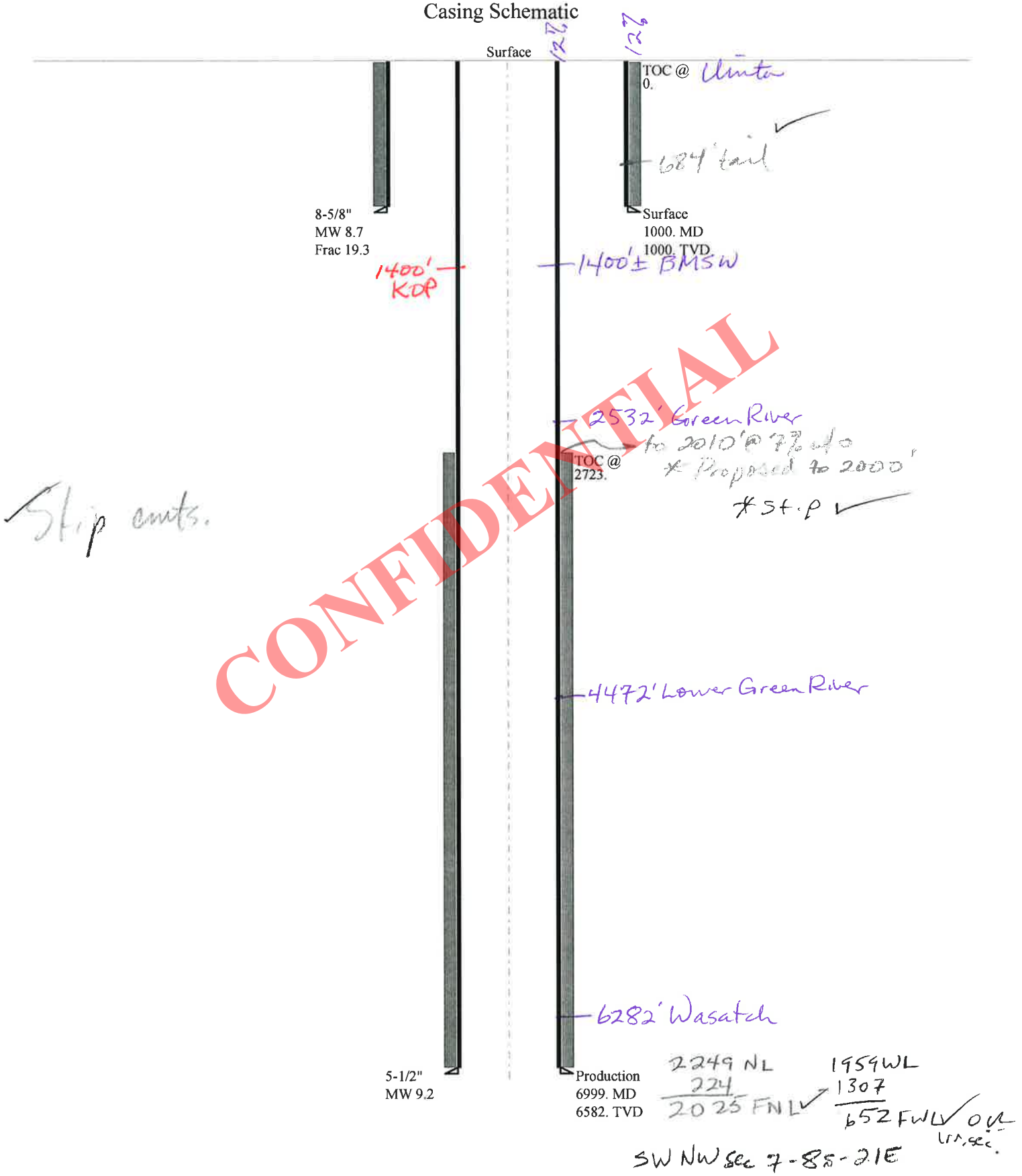
RECEIVED: April 04, 2013

API Well Number: 43047535620000

43047535620000 Three Rivers 7-12-821

Casing Schematic



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API Well Number: 43047535620000

Well name:	**43047535620000 Three Rivers 7-12-821**
Operator:	**AXIA ENERGY LLC**
String type:	Surface
Project ID:	43-047-53562
Location:	UINTAH COUNTY

Design parameters:

Collapse

Mud weight: 8.700 ppg

Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 880 psi

Internal gradient: 0.120 psi/ft

Calculated BHP 1,000 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.70 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.50 (B)

Tension is based on buoyed weight.

Neutral point: 871 ft

Environment:

H2S considered? No

Surface temperature: 74 °F

Bottom hole temperature: 88 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 100 ft

Cement top: Surface

Non-directional string.

Re subsequent strings:

Next setting depth: 6,582 ft

Next mud weight: 9.200 ppg

Next setting BHP: 3,146 psi

Fracture mud wt: 19.250 ppg

Fracture depth: 1,000 ft

Injection pressure: 1,000 psi

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Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ($)
1	1000	8.625	32.00	J-55	LT&C	1000	1000	7.875	8058

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	452	2530	5.599	1000	3930	3.93	27.9	417	14.97 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Mining
Phone: 801 538-5357
FAX: 801-359-3940

Date: April 3,2013
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 1000 ft, a mud weight of 8.7 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

API Well Number: 43047535620000

Well name:	**43047535620000 Three Rivers 7-12-821**
Operator:	**AXIA ENERGY LLC**
String type:	Production
Project ID:	43-047-53562
Location:	UINTAH COUNTY

Design parameters:

Collapse

Mud weight: 9.200 ppg

Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 1,698 psi

Internal gradient: 0.220 psi/ft

Calculated BHP 3,146 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.60 (B)

Tension is based on air weight.

Neutral point: 6,081 ft

Environment:

H2S considered? No

Surface temperature: 74 °F

Bottom hole temperature: 166 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 1,000 ft

Cement top: 2,723 ft

Directional Info - Build & Drop

Kick-off point 1400 ft

Departure at shoe: 1326 ft

Maximum dogleg: 4 °/100ft

Inclination at shoe: 0 °

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Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ($)
1	6999	5.5	17.00	J-55	LT&C	6582	6999	4.767	27116

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	3146	4910	1.561	3146	5320	1.69	111.9	247	2.21 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Mining
Phone: 801 538-5357
FAX: 801-359-3940

Date: April 3,2013
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 6582 ft, a mud weight of 9.2 ppg The casing is considered to be evacuated for collapse purposes.
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.
Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

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

ON-SITE PREDRILL EVALUATION
Utah Division of Oil, Gas and Mining

Operator AXIA ENERGY LLC
Well Name Three Rivers 7-12-821
API Number 43047535620000 **APD No** 7612 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 SENW **Sec** 7 **Tw** 8.0S **Rng** 21.0E 2249 FNL 1959 FWL
GPS Coord (UTM) **Surface Owner** Dan Schaad - Refuge Mgr - Ouray National Wildlife Refuge

Participants

Bart Hunting (surveyor), Jim Burns (permit contractor), John Busch (Axia), Dan Schaad (surface owner representative, Ouray Wildlife Refuge manager), John Urbanic (US Army Corps of Engineers)

Regional/Local Setting & Topography

This proposed well site lies approximately 1 mile west of the Green River and about 6 miles North West of Ouray, Utah in the Wyasket Bottom area of the Ouray National Wildlife Refuge. The Wyasket Bottom is a large flood plain along the west side of the Green River. The Wonsit Valley lays to the west. This well site sits on the western edge of the flood plain just beyond the outermost indication of flooding and driftwood. The land slopes gently toward the river.

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Surface Use Plan

Current Surface Use
Grazing
Wildlfe Habitat

New Road Miles	Well Pad		Src Const Material	Surface Formation
0.04	**Width** 260	**Length** 382	Offsite	ALLU

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetlands Y

Flora / Fauna
Greasewood, prickly pear
Very overgrazed from cattle and horses

Soil Type and Characteristics
loam

Erosion Issues Y
erodible soil

Sedimentation Issues N

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Site Stability Issues Y

Location to be built up to guard against possible future flooding

Drainage Diverson Required? N

Berm Required? Y

Erosion Sedimentation Control Required? N

Paleo Survey Run? Y **Paleo Potental Observed?** N **Cultural Survey Run?** Y **Cultural Resources?** N

Reserve Pit

Site-Specific Factors		Site Ranking
Distance to Groundwater (feet)		20
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)		20
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)		0
Affected Populations		
Presence Nearby Utility Conduits	Not Present	0
	Final Score	55 1 Sensitivity Level

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Characteristics / Requirements

Drilling plan calls for closed loop system

Closed Loop Mud Required? Y **Liner Required?** **Liner Thickness** **Pit Underlayment Required?**

Other Observations / Comments

This is proposed as a 3 well pad containing the Three Rivers 7-21-821, Three Rivers 7-22-821, Three Rivers 7-12-821.

Richard Powell
Evaluator

3/27/2013
Date / Time

RECEIVED: April 09, 2013

Application for Permit to Drill
Statement of Basis
Utah Division of Oil, Gas and Mining

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
7612	43047535620000	LOCKED	OW	P	No

Operator	AXIA ENERGY LLC	**Surface Owner-APD**	Dan Schaad - Refuge Mgr - Ouray National Wildlife Refuge
Well Name	Three Rivers 7-12-821	**Unit**	
Field	UNDESIGNATED	**Type of Work**	DRILL
Location	SENW 7 8S 21E S 2249 FNL 1959 FWL GPS Coord (UTM) 619252E 4444094N		

Geologic Statement of Basis

Axia proposes to set 1,000 feet of surface pipe, cemented to surface. The depth to the base of the moderately saline water at this location is estimated to be at approximately 1,400 feet. A search of Division of Water Rights records shows 6 water wells within a 10,000 foot radius of the center of Section 7. Well uses are listed for EOR make-up water, irrigation and stock watering. Depth is listed for only 2 wells at 40 and 50 feet. The surface formation at this site is the Uinta Formation and alluvium derived from the Uinta Formation. Listed wells probably produce from the Uinta Formation and associated alluvium. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. Surface casing should be extended to cover the estimated base of the moderately saline ground water.

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Brad Hill	4/2/2013
APD Evaluator	**Date / Time**

Surface Statement of Basis

This proposed well is on surface owned by the US Fish and Wildlife Service and is part of the Ouray National Wildlife Refuge. This proposed well site lays approximately 1 mile west of the Green River and about 6 miles northwest of Ouray, Utah in the Wyasket Bottom area of the refuge. Mineral ownership is fee. Ouray refuge manager Dan Schaad attended this onsite and stated great concern about possible flooding at this site. Mr. Schaad provided aerial images of flooding events in 1984 and 2011 which indicated that past flooding from those two high water years came very near this proposed location. Mr. Schaad stated that he would like to see the well moved farther west away from the river.

At the request of Mr. Schaad, John Urbanic of the US Army Corps of Engineers was invited and did attend this onsite inspection. Upon observing the proposed well site, Mr. Urbanic stated that this site would not fall under Army Corps regulation and did not fall in his jurisdiction. Mr. Urbanic stated that he had no concerns with drilling at this site.

Land surveyor Bart Hunting stated that he had staked the site to be beyond the reach of any evidence of past flooding. To the east of the location toward the Green River there is a clear line of drift wood which appears to indicate that flooding has extended to that point in the past. The driftwood line is approximately 40 feet east of the proposed well pad. The land rises very slightly to the pad. According to the survey layout there will be a minimum .5 feet of fill on the river side. As a further precaution to protect this pad from flooding, Axia

RECEIVED: April 09, 2013

representative John Busch agreed to build this site up with imported rock material to provide an additional 2 feet to the pad height and to build a berm on the location which would provide an additional two feet.
Axia intends to use a closed loop mud system on this site. This appears to be an acceptable site for placement of this well.

Richard Powell	3/27/2013
Onsite Evaluator	**Date / Time**

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A closed loop mud circulation system is required for this location.
Surface	The well site shall be bermed to prevent fluids from leaving the pad.
Surface	The well site shall be built up 2 feet to provide protection against possible flooding as agreed to during the onsite inspection.

CONFIDENTIAL

RECEIVED: April 09, 2013

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 2/4/2013
API NO. ASSIGNED: 43047535620000
WELL NAME: Three Rivers 7-12-821
OPERATOR: AXIA ENERGY LLC (N3765)
PHONE NUMBER: 435 719-2018
CONTACT: Don Hamilton

PROPOSED LOCATION: SENW 07 080S 210E
Permit Tech Review: ✔

SURFACE: 2249 FNL 1959 FWL
Engineering Review: ✔

BOTTOM: 1980 FNL 0660 FWL
Geology Review: ✔

COUNTY: UINTAH
LATITUDE: 40.13872
LONGITUDE: -109.60013
UTM SURF EASTINGS: 619252.00
NORTHINGS: 4444094.00
FIELD NAME: UNDESIGNATED
LEASE TYPE: 4 - Fee
LEASE NUMBER: Patented
PROPOSED PRODUCING FORMATION(S): WASATCH
SURFACE OWNER: 4 - Fee
COALBED METHANE: NO

CONFIDENTIAL

RECEIVED AND/OR REVIEWED:

- ✔ **PLAT**
- ✔ **Bond:** STATE/FEE - LPM9046682
- ☐ **Potash**
- ☐ **Oil Shale 190-5**
- ☐ **Oil Shale 190-3**
- ☐ **Oil Shale 190-13**
- ✔ **Water Permit:** 49-2262 - RNI at Green River
- ☐ **RDCC Review:**
- ✔ **Fee Surface Agreement**
- ☐ **Intent to Commingle**

Commingling Approved

LOCATION AND SITING:

- ☐ **R649-2-3.**

Unit:

- ☐ **R649-3-2. General**
- ✔ **R649-3-3. Exception**
- ✔ **Drilling Unit**

Board Cause No: R649-3-11
Effective Date:
Siting:

- ✔ **R649-3-11. Directional Drill**

Comments: Presite Completed

Stipulations:
1 - Exception Location - bhill
5 - Statement of Basis - bhill
13 - Cement Volume Formation (3a) - hmacdonald
15 - Directional - dmason
23 - Spacing - dmason
25 - Surface Casing - hmacdonald

RECEIVED: April 09, 2013

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: Three Rivers 7-12-821
API Well Number: 43047535620000
Lease Number: Patented
Surface Owner: FEE (PRIVATE)
Approval Date: 4/9/2013

Issued to:
AXIA ENERGY LLC, 1430 Larimer Ste 400, Denver, CO 80202

Authority:
Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-11. 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

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

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

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

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).

Cement volume for the 5 1/2" production string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to 2000' MD in order to adequately isolate the Green River formation.

Surface casing shall be cemented to the surface.

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

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

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

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

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

- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office
  801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office
  801-231-8956 - after office hours

Reporting Requirements:
All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

• Entity Action Form (Form 6) - due within 5 days of spudding the well
• Monthly Status Report (Form 9) - due by 5th day of the following calendar month
• Requests to Change Plans (Form 9) - due prior to implementation
• Written Notice of Emergency Changes (Form 9) - due within 5 days
• Notice of Operations Suspension or Resumption (Form 9) - due prior to implementation
• Report of Water Encountered (Form 7) - due within 30 days after completion
• Well Completion Report (Form 8) - due within 30 days after completion or plugging

Approved By:

For John Rogers
Associate Director, Oil & Gas

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

Request to Transfer Application or Permit to Drill

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

Well name:	See Attached List
API number:	
Location:	Qtr-Qtr: Section: Township: Range:
Company that filed original application:	Don Hamilton - Star Point Enterprises for Axia Energy, LLC
Date original permit was issued:	
Company that permit was issued to:	Axia Energy

Check one	Desired Action:
✓	**Transfer pending (unapproved) Application for Permit to Drill to new operator**
	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
	Transfer approved Application for Permit to Drill to new operator
	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.	Yes	No
If located on private land, has the ownership changed?		✓
If so, has the surface agreement been updated?		
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?		✓
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?		✓
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?		✓
Has the approved source of water for drilling changed?		✓
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?		✓
Is bonding still in place, which covers this proposed well? Bond No. _____		

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) Mary Sharon Balakas Title Attorney in Fact

Signature Mary Sharon Balakas Date 12/11/13

Representing (company name) Ultra Resources

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

(3/2004)

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING
CDW

X - Change of Operator (Well Sold) Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective: **10/1/2013**

FROM: (Old Operator):	**TO:** (New Operator):
N3765-Axia Energy, LLC	N4045-Ultra Resources, Inc.
1430 Larimer Street, Suite 400	304 Inverness Way South, Suite 295
Denver, CO 80202	Englewood, CO 80112
Phone: 1 (720) 746-5200	Phone: 1 (303) 645-9810

CA No. **Unit:** N/A

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
See Attached List								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 12/16/2013
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 12/16/2013
3. The new company was checked on the **Department of Commerce, Division of Corporations Database on:** 1/14/2014

4a. Is the new operator registered in the State of Utah: _____ Business Number: 8861713-0143

5a. (R649-9-2)Waste Management Plan has been received on: N/A

5b. Inspections of LA PA state/fee well sites complete on: N/A

5c. Reports current for Production/Disposition & Sundries on: 1/14/2014

6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM Not Yet BIA
7. **Federal and Indian Units:**
   The BLM or BIA has approved the successor of unit operator for wells listed on: N/A
8. **Federal and Indian Communization Agreements ("CA"):**
   The BLM or BIA has approved the operator for all wells listed within a CA on: N/A
9. **Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 1/14/2014
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 1/14/2014
3. Bond information entered in RBDMS on: 1/14/2014
4. Fee/State wells attached to bond in RBDMS on: 1/14/2014
5. Injection Projects to new operator in RBDMS on: N/A
6. Receipt of Acceptance of Drilling Procedures for APD/New on: 1/14/2014
7. Surface Agreement Sundry from **NEW** operator on Fee Surface wells received on: Yes

BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: 22046400
2. Indian well(s) covered by Bond Number: 22046400

3a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 22046398

3b. The **FORMER** operator has requested a release of liability from their bond on: Not Yet

LEASE INTEREST OWNER NOTIFICATION:

4. (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 1/14/2014

COMMENTS:

Axia Energy, LLC (N3765) to Ultra Resources, Inc. (N4045) Effective 10/1/2013

Well Name	Sec	TWN	RNG	API Number	Entity	Mineral Lease	Well Type	Well Status
THREE RIVERS 2-41-820	2	080S	200E	4304752686		State	OW	APD
THREE RIVERS 2-25-820	2	080S	200E	4304752690		State	OW	APD
THREE RIVERS 36-21-720	36	070S	200E	4304752698		State	OW	APD
THREE RIVERS 36-13-720	36	070S	200E	4304752699		State	OW	APD
THREE RIVERS FEDERAL 3-54-82(	3	080S	200E	4304752860		Federal	OW	APD
THREE RIVERS FEDERAL 3-33-82(	3	080S	200E	4304752864		Federal	OW	APD
THREE RIVERS FED 35-34-720	35	070S	200E	4304753006		Federal	OW	APD
THREE RIVERS FED 35-42-720	35	070S	200E	4304753007		Federal	OW	APD
THREE RIVERS FED 35-44-720	35	070S	200E	4304753008		Federal	OW	APD
Three Rivers 2-32-820	2	080S	200E	4304753274		State	OW	APD
Three Rivers 18-21-821	18	080S	210E	4304753276		Fee	OW	APD
Three Rivers 18-31-821	18	080S	210E	4304753277		Fee	OW	APD
Three Rivers 27-34-720	34	070S	200E	4304753278		Fee	OW	APD
Three Rivers 34-31T-720	34	070S	200E	4304753281		Fee	OW	APD
Three Rivers Federal 35-14-720	35	070S	200E	4304753553		Federal	OW	APD
Three Rivers Federal 35-13-720	35	070S	200E	4304753554		Federal	OW	APD
Three Rivers 7-34-821	7	080S	210E	4304753558		Fee	OW	APD
Three Rivers 7-23-821	7	080S	210E	4304753559		Fee	OW	APD
Three Rivers 7-21-821	7	080S	210E	4304753560		Fee	OW	APD
Three Rivers 7-22-821	7	080S	210E	4304753561		Fee	OW	APD
Three Rivers 7-12-821	7	080S	210E	4304753562		Fee	OW	APD
Three Rivers 18-22-821	18	080S	210E	4304753620		Fee	OW	APD
Three Rivers 18-32-821	18	080S	210E	4304753621		Fee	OW	APD
Three Rivers D	16	080S	200E	4304753702		State	WD	APD
Three Rivers Federal 4-41-820	4	080S	200E	4304753911		Federal	OW	APD
Three Rivers Federal 4-42-820	4	080S	200E	4304753913		Federal	OW	APD
Three Rivers Federal 3-12-820	4	080S	200E	4304753914		Federal	OW	APD
Three Rivers Federal 34-42-720	35	070S	200E	4304753915		Federal	OW	APD
Three Rivers Federal 34-43-720	35	070S	200E	4304753916		Federal	OW	APD
Three Rivers Federal 35-12-720	35	070S	200E	4304753917		Federal	OW	APD
Three Rivers Federal 35-43-720	35	070S	200E	4304753918		Federal	OW	APD
Three Rivers Federal 35-442-720	35	070S	200E	4304753919		Federal	OW	APD
Three Rivers Federal 35-21-720	35	070S	200E	4304753943		Federal	OW	APD
Three Rivers Federal 35-11-720	35	070S	200E	4304753944		Federal	OW	APD
Three Rivers 2-24-820	2	080S	200E	4304753945		State	OW	APD
Three Rivers 2-223-820	2	080S	200E	4304753946		State	OW	APD
Three Rivers 2-21-820	2	080S	200E	4304753947		State	OW	APD
Three Rivers 2-22-820	2	080S	200E	4304753948		State	OW	APD
Three Rivers 32-42-720	32	070S	200E	4304753949		Fee	OW	APD
Three Rivers Federal 3-13-820	3	080S	200E	4304753951		Federal	OW	APD
Three Rivers Federal 3-14-820	3	080S	200E	4304753952		Federal	OW	APD
Three Rivers Federal 3-23-820	3	080S	200E	4304753953		Federal	OW	APD
Three Rivers Federal 3-24-820	3	080S	200E	4304753954		Federal	OW	APD
Three Rivers 4-13-820	5	080S	200E	4304753956		Federal	OW	APD
Three Rivers Federal 5-43-820	5	080S	200E	4304753957		Federal	OW	APD
Three Rivers Federal 5-42-820	5	080S	200E	4304753958		Federal	OW	APD
Three Rivers Federal 5-11-820	5	080S	200E	4304754204		Federal	OW	APD
Three Rivers Federal 5-21-820	5	080S	200E	4304754205		Federal	OW	APD
Three Rivers Federal 8-31-820	8	080S	200E	4304754211		Federal	OW	APD
Three Rivers Federal 8-41-820	8	080S	200E	4304754212		Federal	OW	APD
Three Rivers Federal 3-34-820	3	080S	200E	4304754213		Federal	OW	APD
Three Rivers Federal 3-44-820	3	080S	200E	4304754214		Federal	OW	APD
THREE RIVERS 32-34-720	32	070S	200E	4304752735	19249	Fee	OW	DRL
THREE RIVERS FEDERAL 8-52-82(	8	080S	200E	4304752770	19156	Federal	OW	DRL
THREE RIVERS 4-14-820	5	080S	200E	4304752863	19183	Fee	OW	DRL
THREE RIVERS FED 10-42-820	10	080S	200E	4304752949	19310	Federal	OW	DRL
THREE RIVERS FED 3-11-820	34	070S	200E	4304752950	19184	Federal	OW	DRL
Three Rivers 16-21-820	16	080S	200E	4304753229	19024	State	OW	DRL
Three Rivers 16-22-820	16	080S	200E	4304753230	18961	State	OW	DRL

Three Rivers Federal 34-35-720	34	070S	200E	4304753282	19287	Federal	OW	DRL
Three Rivers Federal 34-25-720	34	070S	200E	4304753283	19288	Federal	OW	DRL
Three Rivers Federal 10-32-820	10	080S	200E	4304753415	19275	Federal	OW	DRL
Three Rivers Federal 10-31-820	10	080S	200E	4304753437	19276	Federal	OW	DRL
Three Rivers 16-34-820	16	080S	200E	4304753472	19278	State	OW	DRL
Three Rivers 16-44-820	16	080S	200E	4304753473	19268	State	OW	DRL
Three Rivers 16-11-820	16	080S	200E	4304753474	19262	State	OW	DRL
Three Rivers 16-12-820	16	080S	200E	4304753475	19263	State	OW	DRL
Three Rivers 16-32-820	16	080S	200E	4304753494	19185	State	OW	DRL
Three Rivers 16-31-820	16	080S	200E	4304753495	19269	State	OW	DRL
Three Rivers 16-33-820	16	080S	200E	4304753496	19161	State	OW	DRL
THREE RIVERS FED 10-30-820	10	080S	200E	4304753555	19169	Federal	OW	DRL
Three Rivers Federal 9-41-820	10	080S	200E	4304753556	19170	Federal	OW	DRL
Three Rivers Federal 33-13-720	33	070S	200E	4304753723	19222	Federal	OW	DRL
Three Rivers Federal 33-12-720	33	070S	200E	4304753724	19250	Federal	OW	DRL
Three Rivers 32-3333-720	32	070S	200E	4304753950	19251	Fee	OW	DRL
THREE RIVERS 36-11-720	36	070S	200E	4304751915	18355	State	OW	P
THREE RIVERS 2-11-820	2	080S	200E	4304751936	18354	State	OW	P
THREE RIVERS 34-31-720	34	070S	200E	4304752012	18326	Fee	OW	P
THREE RIVERS 16-42-820	16	080S	200E	4304752056	18682	State	OW	P
THREE RIVERS 16-43-820	16	080S	200E	4304752057	18683	State	OW	P
THREE RIVERS 16-41-820	16	080S	200E	4304752110	18356	State	OW	P
THREE RIVERS 2-51-820	2	080S	200E	4304752685	18941	State	OW	P
THREE RIVERS 2-13-820	2	080S	200E	4304752687	19014	State	OW	P
THREE RIVERS 2-23-820	2	080S	200E	4304752688	19015	State	OW	P
THREE RIVERS 2-15-820	2	080S	200E	4304752689	18770	State	OW	P
THREE RIVERS 36-31-720	36	070S	200E	4304752697	19086	State	OW	P
THREE RIVERS 32-25-720	32	070S	200E	4304752718	19033	Fee	OW	P
THREE RIVERS 36-23-720	36	070S	200E	4304752733	18769	State	OW	P
THREE RIVERS 32-33-720	32	070S	200E	4304752734	19016	Fee	OW	P
THREE RIVERS 32-15-720	32	070S	200E	4304752736	18767	Fee	OW	P
THREE RIVERS 32-35-720	32	070S	200E	4304752737	18766	Fee	OW	P
THREE RIVERS FEDERAL 8-53-82(	8	080S	200E	4304752771	18992	Federal	OW	P
THREE RIVERS FEDERAL 3-53-82(	3	080S	200E	4304752820	19104	Federal	OW	P
THREE RIVERS FEDERAL 3-32-82(	3	080S	200E	4304752861	18942	Federal	OW	P
THREE RIVERS FEDERAL 5-56-82(	5	080S	200E	4304752862	18993	Federal	OW	P
THREE RIVERS FED 4-31-820	4	080S	200E	4304752874	19023	Federal	OW	P
THREE RIVERS 4-21-820	4	080S	200E	4304752875	19048	Federal	OW	P
THREE RIVERS FED 34-23-720	34	070S	200E	4304752945	19049	Federal	OW	P
THREE RIVERS FED 34-33-720	34	070S	200E	4304752947	19050	Federal	OW	P
THREE RIVERS FED 10-41-820	10	080S	200E	4304752948	19137	Federal	OW	P
THREE RIVERS FED 34-15-720	34	070S	200E	4304752965	18960	Federal	OW	P
THREE RIVERS FED 35-32-720	35	070S	200E	4304753005	19138	Federal	OW	P
Three Rivers 16-23-820	16	080S	200E	4304753231	19037	State	OW	P
Three Rivers 16-24-820	16	080S	200E	4304753232	19038	State	OW	P
Three Rivers 2-33-820	2	080S	200E	4304753273	18943	State	OW	P
Three Rivers 4-33-820	4	080S	200E	4304753528	19167	Fee	OW	P
Three Rivers Federal 33-14-720	33	070S	200E	4304753551	19107	Federal	OW	P
Three Rivers Federal 4-32-820	4	080S	200E	4304753552	19168	Federal	OW	P
Three Rivers Federal 33-24-720	33	070S	200E	4304753557	19108	Federal	OW	P
Three Rivers 32-334-720	32	070S	200E	4304753710	19067	Fee	OW	P
Three Rivers 5-31-820	32	070S	200E	4304753711	19068	Fee	OW	P
Three Rivers Federal 33-11-720	32	070S	200E	4304753733	19109	Federal	OW	P
Three Rivers 32-32-720	32	070S	200E	4304753734	19087	Fee	OW	P
Three Rivers 32-333-720	32	070S	200E	4304753735	19088	Fee	OW	P

Ultra Resources, Inc.

ULTRA PETROLEUM

RECEIVED
DEC 16 2013
DIV. OF OIL, GAS & MINING

December 13, 2013

Division of Oil, Gas, and Mining
1594 West North Temple
Salt Lake City, UT 84116
Attn: Rachel Medina

Re: Transfer of Operator
Three Rivers Project Area
Uintah County, Utah

Dear Ms. Medina:

Pursuant to Purchase and Sale Agreement dated effective October 1, 2013 Ultra Resources, Inc. ("Ultra") assumed the operations of Axia Energy, LLC ("Axia") in the Three Rivers Area, Uintah County, Utah.

Accordingly, Ultra is submitting the following documents for your review and approval:

1) Request to Transfer Application or Permit to Drill for New, APD Approved & Drilled Wells
2) Request to Transfer Application or Permit to Drill – APD Pending
3) Two Completed Sundry Notice and Reports on Wells Form 9 regarding Change of Operator executed by Ultra Resources, Inc. and Axia Energy, LLC
4) Statewide Surety Bond in the amount of $120,000

As to all wells located on Fee Surface there are surface agreements in place. Ultra presently does not anticipate making any change in the drilling plans submitted by Axia.

Ultra has also submitted a Statewide Bond to the Bureau of Land Management. As soon as we receive the acknowledgement and approval by the BLM we will forward same to you for your files. A copy of our transfer letter and bond is attached for your reference.

Should you need any further information at this time, please call me direct at (303) 645-9865 or email msbalakas@ultrapetroleum.com.

Sincerely,

Mary Sharon Balakas

Mary Sharon Balakas, CPL
Director of Land

cc: Cindy Turner, Axia Energy, LLC

304 Inverness Way South, Suite 295, Englewood, CO 80112
Telephone 303-708-9740 Facsimile 303-708-9748

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER: See Attached Well List
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME:
8. WELL NAME and NUMBER: See Attached Well List
9. API NUMBER:
10. FIELD AND POOL, OR WILDCAT:

1. TYPE OF WELL: OIL WELL ☑ GAS WELL ☐ OTHER
2. NAME OF OPERATOR: Ultra Resources, Inc. N4045
3. ADDRESS OF OPERATOR: 304 Inverness Way South CITY Englewood STATE CO ZIP 80112 PHONE NUMBER: (303) 645-9810
4. LOCATION OF WELL
FOOTAGES AT SURFACE: See Attached
COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
10/1/2013	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☑ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER:
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

EFFECTIVE DATE: October 1, 2013
FROM:
Axia Energy, LLC
1430 Larimer Street
Suite 400
Denver, CO 80202
Bond Number: Blanket Statewide UT State/Fee Bond LPM9046682
TO:
Ultra Resources, Inc.
304 Inverness Way South
Englewood, CO 80112
Bond Number: DOGM-022046398
BLM 022046400

Ultra Resources, Inc. will be responsible under the terms and conditions of the leases/wells for the operations conducted on the leased lands.

RECEIVED
DEC 16 2013
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Mary Sharon Balakas TITLE Attorney in Fact
SIGNATURE Mary Sharon Balakas DATE 12/11/13

APPROVED
JAN 16 2013
DIV. OIL GAS & MINING
BY: Rachel Medina

(This space for State use only)

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

ATTACHMENT TO FORM 9 CHANGE OF OPERATOR
AXIA ENERGY TO ULTRA RESOURCES EFFECTIVE 10-01-2013

State Well Name List downloaded 12-10-13	Axia Well Name (for database sort and consistency)	Sec	TWN	RNG	API Number	Entity	Mineral Lease	Surface Lease	Well Type	State Well Status	Actual Status @ 12/12/13	Submitted	Date Apprvd DOGM
THREE RIVERS 2-11-820	Three Rivers 02-11-820	2	080S	200E	4304751936	18354	State	State	OW	P	P		
THREE RIVERS 2-13-820	Three Rivers 02-13-820	2	080S	200E	4304752687	19014	State	State	OW	DRL	P		08/27/12
THREE RIVERS 2-15-820	Three Rivers 02-15-820	2	080S	200E	4304752689	18770	State	State	OW	P	P		
Three Rivers 2-21-820	Three Rivers 02-21-820	2	080S	200E	4304753947		State	State	OW	APD	APRVD		10/15/13
Three Rivers 2-223-820	Three Rivers 02-223-820	2	080S	200E	4304753946		State	State	OW	APD	APRVD		10/15/13
Three Rivers 2-22-820	Three Rivers 02-22-820	2	080S	200E	4304753948		State	State	OW	APD	APRVD		10/15/13
THREE RIVERS 2-23-820	Three Rivers 02-23-820	2	080S	200E	4304752688	19015	State	State	OW	DRL	P		08/27/12
Three Rivers 2-24-820	Three Rivers 02-24-820	2	080S	200E	4304753945		State	State	OW	APD	APRVD		10/15/13
THREE RIVERS 2-25-820	Three Rivers 02-25-820	2	080S	200E	4304752690		State	State	OW	APD	APRVD		08/27/12
Three Rivers 2-32-820	Three Rivers 02-32-820	2	080S	200E	4304753274		State	State	OW	APD	APRVD		12/11/12
Three Rivers 2-33-820	Three Rivers 02-33-820	2	080S	200E	4304753273	18943	State	State	OW	P	P		
THREE RIVERS 2-41-820	Three Rivers 02-41-820	2	080S	200E	4304752686		State	State	OW	APD	APRVD		08/27/12
THREE RIVERS 2-51-820	Three Rivers 02-51-820	2	080S	200E	4304752685	18941	State	State	OW	P	P		
Three Rivers 4-13-820	Three Rivers 04-13-820	5	080S	200E	4304753956		Fee	Federal	OW	APD	PERPEND	08/19/13	
THREE RIVERS 4-14-820	Three Rivers 04-14-820	5	080S	200E	4304752863	19183	Fee	Federal	OW	DRL	P		
Three Rivers 4-33-820	Three Rivers 04-33-820	4	080S	200E	4304753528	19167	Fee	Fee	OW	DRL	P		
Three Rivers 5-31-820	Three Rivers 05-31-820	32	070S	200E	4304753711	19068	Fee	Fee	OW	DRL	P		
Three Rivers 7-12-821	Three Rivers 07-12-821	7	080S	210E	4304753562		Fee	Fee	OW	APD	PERPEND	04/15/13	
Three Rivers 7-21-821	Three Rivers 07-21-821	7	080S	210E	4304753560		Fee	Fee	OW	APD	PERPEND	04/15/13	
Three Rivers 7-22-821	Three Rivers 07-22-821	7	080S	210E	4304753561		Fee	Fee	OW	APD	PERPEND	04/15/13	
Three Rivers 7-23-821	Three Rivers 07-23-821	7	080S	210E	4304753559		Fee	Fee	OW	APD	PERPEND	04/15/13	
Three Rivers 7-34-821	Three Rivers 07-34-821	7	080S	210E	4304753558		Fee	Fee	OW	APD	PERPEND	04/15/13	
Three Rivers 16-11-820	Three Rivers 16-11-820	16	080S	200E	4304753474	19262	State	State	OW	DRL	SCS		03/12/13
Three Rivers 16-12-820	Three Rivers 16-12-820	16	080S	200E	4304753475	19263	State	State	OW	DRL	SCS		03/12/13
Three Rivers 16-21-820	Three Rivers 16-21-820	16	080S	200E	4304753229	19024	State	State	OW	DRL	P		12/11/12
Three Rivers 16-22-820	Three Rivers 16-22-820	16	080S	200E	4304753230	18961	State	State	OW	DRL	P		12/11/12
Three Rivers 16-23-820	Three Rivers 16-23-820	16	080S	200E	4304753231	19037	State	State	OW	DRL	P		12/11/12
Three Rivers 16-24-820	Three Rivers 16-24-820	16	080S	200E	4304753232	19038	State	State	OW	P	P		
Three Rivers 16-31-820	Three Rivers 16-31-820	16	080S	200E	4304753495		State	State	OW	APD	CCS		03/12/13
Three Rivers 16-32-820	Three Rivers 16-32-820	16	080S	200E	4304753494	19185	State	State	OW	DRL	WOC		03/12/13
Three Rivers 16-33-820	Three Rivers 16-33-820	16	080S	200E	4304753496	19161	State	State	OW	DRL	WOC		03/12/13
Three Rivers 16-34-820	Three Rivers 16-34-820	16	080S	200E	4304753472		State	State	OW	APD	CCS		03/12/13
THREE RIVERS 16-41-820	Three Rivers 16-41-820	16	080S	200E	4304752110	18356	State	State	OW	P	P		
THREE RIVERS 16-42-820	Three Rivers 16-42-820	16	080S	200E	4304752056	18682	State	State	OW	P	P		
THREE RIVERS 16-43-820	Three Rivers 16-43-820	16	080S	200E	4304752057	18683	State	State	OW	P	P		
Three Rivers 16-44-820	Three Rivers 16-44-820	16	080S	200E	4304753473		State	State	OW	APD	CCS		03/12/13
Three Rivers 18-21-821	Three Rivers 18-21-821	18	080S	210E	4304753276		Fee	Fee	OW	APD	PERPEND	12/17/12	
Three Rivers 18-22-821	Three Rivers 18-22-821	18	080S	210E	4304753620		Fee	Fee	OW	APD	PERPEND	04/15/13	
Three Rivers 18-31-821	Three Rivers 18-31-821	18	080S	210E	4304753277		Fee	Fee	OW	APD	PERPEND	12/19/12	
Three Rivers 18-32-821	Three Rivers 18-32-821	18	080S	210E	4304753621		Fee	Fee	OW	APD	PERPEND	04/15/13	
Three Rivers 27-34-720	Three Rivers 27-34-720	34	070S	200E	4304753278		Fee	Fee	OW	APD	PERPEND	12/19/12	
THREE RIVERS 32-15-720	Three Rivers 32-15-720	32	070S	200E	4304752736	18767	Fee	Fee	OW	P	P		
THREE RIVERS 32-25-720	Three Rivers 32-25-720	32	070S	200E	4304752718	19033	Fee	Fee	OW	P	P		
Three Rivers 32-32-720	Three Rivers 32-32-720	32	070S	200E	4304753734	19087	Fee	Fee	OW	DRL	P		06/12/13
Three Rivers 32-3333-720	Three Rivers 32-3333-720	32	070S	200E	4304753950	19251	Fee	Fee	OW	DRL	SCS		10/15/13
Three Rivers 32-333-720	Three Rivers 32-333-720	32	070S	200E	4304753735	19088	Fee	Fee	OW	DRL	P		06/12/13
Three Rivers 32-334-720	Three Rivers 32-334-720	32	070S	200E	4304753710	19067	Fee	Fee	OW	DRL	P		05/22/13
THREE RIVERS 32-33-720	Three Rivers 32-33-720	32	070S	200E	4304752734	19016	Fee	Fee	OW	DRL	P		08/29/12
THREE RIVERS 32-34-720	Three Rivers 32-34-720	32	070S	200E	4304752735	19249	Fee	Fee	OW	DRL	DRLG		08/29/12
THREE RIVERS 32-35-720	Three Rivers 32-35-720	32	070S	200E	4304752737	18766	Fee	Fee	OW	P	P		
Three Rivers 32-42-720	Three Rivers 32-42-720	32	070S	200E	4304753949		Fee	Fee	OW	APD	APRVD		10/15/13
THREE RIVERS 34-31-720	Three Rivers 34-31-720	34	070S	200E	4304752012	18326	Fee	Fee	OW	P	P		
Three Rivers 34-31T-720	Three Rivers 34-31T-720	34	070S	200E	4304753281		Fee	Fee	OW	APD	APRVD		12/11/12
THREE RIVERS 36-11-720	Three Rivers 36-11-720	36	070S	200E	4304751915	18355	State	State	OW	P	P		
THREE RIVERS 36-13-720	Three Rivers 36-13-720	36	070S	200E	4304752699		State	State	OW	APD	APRVD		08/29/12
THREE RIVERS 36-21-720	Three Rivers 36-21-720	36	070S	200E	4304752698		State	State	OW	APD	APRVD		08/29/12
THREE RIVERS 36-23-720	Three Rivers 36-23-720	36	070S	200E	4304752733	18769	State	State	OW	P	P		
THREE RIVERS 36-31-720	Three Rivers 36-31-720	36	070S	200E	4304752697	19086	State	State	OW	DRL	P		08/29/12
Three Rivers D	Three Rivers D	16	080S	200E	4304753702		State	State	WD	APD	APRVD		07/15/13
THREE RIVERS FED 3-11-820	Three Rivers Fed 03-11-820	34	070S	200E	4304752950	19184	Federal	Fee	OW	DRL	WOC		02/22/13
Three Rivers Federal 3-12-820	Three Rivers Fed 03-12-820	4	080S	200E	4304753914		Federal	Federal	OW	APD	APRVD		08/01/13
Three Rivers Federal 3-13-820	Three Rivers Fed 03-13-820	3	080S	200E	4304753951		Federal	Federal	OW	APD	PERPEND	08/12/13	
Three Rivers Federal 3-14-820	Three Rivers Fed 03-14-820	3	080S	200E	4304753952		Federal	Federal	OW	APD	PERPEND	08/12/13	
Three Rivers Federal 3-23-820	Three Rivers Fed 03-23-820	3	080S	200E	4304753953		Federal	Federal	OW	APD	PERPEND	08/12/13	
Three Rivers Federal 3-24-820	Three Rivers Fed 03-24-820	3	080S	200E	4304753954		Federal	Federal	OW	APD	PERPEND	08/12/13	
THREE RIVERS FEDERAL 3-32-820	Three Rivers Fed 03-32-820	3	080S	200E	4304752861	18942	Federal	Federal	OW	P	P		
THREE RIVERS FEDERAL 3-33-820	Three Rivers Fed 03-33-820	3	080S	200E	4304752864		Federal	Federal	OW	APD	APRVD		12/24/12
THREE RIVERS FEDERAL 3-53-820	Three Rivers Fed 03-53-820	3	080S	200E	4304752820	19104	Federal	Federal	OW	DRL	P		12/24/12
THREE RIVERS FEDERAL 3-54-820	Three Rivers Fed 03-54-820	3	080S	200E	4304752860		Federal	Federal	OW	APD	APRVD		12/24/12

ATTACHMENT TO FORM 9 CHANGE OF OPERATOR
AXIA ENERGY TO ULTRA RESOURCES EFFECTIVE 10-01-2013

State Well Name List downloaded 12-10-13	Axia Well Name (for database sort and consistency)	Sec	TWN	RNG	API Number	Entity	Mineral Lease	Surface Lease	Well Type	State Well Status	Actual Status @ 12/12/13	Submitted	Date Apprvd DOGM
THREE RIVERS 4-21-820	Three Rivers Fed 04-21-820	4	080S	200E	4304752875	19048	Federal	Fee	OW	DRL	P		02/22/13
THREE RIVERS FED 4-31-820	Three Rivers Fed 04-31-820	4	080S	200E	4304752874	19023	Federal	Fee	OW	DRL	P		02/22/13
Three Rivers Federal 4-32-820	Three Rivers Fed 04-32-820	4	080S	200E	4304753552	19168	Federal	Fee	OW	DRL	P		08/26/13
Three Rivers Federal 4-41-820	Three Rivers Fed 04-41-820	4	080S	200E	4304753911		Federal	Federal	OW	APD	APRVD		08/01/13
Three Rivers Federal 4-42-820	Three Rivers Fed 04-42-820	4	080S	200E	4304753913		Federal	Federal	OW	APD	APRVD		08/01/13
Three Rivers Federal 5-11-820	Three Rivers Fed 05-11-820	5	080S	200E	4304754204		Federal	Federal	OW	NEW	PERPEND	12/03/13	
Three Rivers Federal 5-21-820	Three Rivers Fed 05-21-820	5	080S	200E	4304754205		Federal	Federal	OW	NEW	PERPEND	12/03/13	
Three Rivers Federal 5-42-820	Three Rivers Fed 05-42-820	5	080S	200E	4304753958		Federal	Federal	OW	APD	PERPEND	08/19/13	
Three Rivers Federal 5-43-820	Three Rivers Fed 05-43-820	5	080S	200E	4304753957		Federal	Federal	OW	APD	PERPEND	08/19/13	
THREE RIVERS FEDERAL 5-56-820	Three Rivers Fed 05-56-820	5	080S	200E	4304752862	18993	Federal	Federal	OW	P	P		
THREE RIVERS FEDERAL 8-52-820	Three Rivers Fed 08-52-820	8	080S	200E	4304752770	19156	Federal	Federal	OW	DRL	P		02/22/13
THREE RIVERS FEDERAL 8-53-820	Three Rivers Fed 08-53-820	8	080S	200E	4304752771	18992	Federal	Federal	OW	P	P		
Three Rivers Federal 9-41-820	Three Rivers Fed 09-41-820	10	080S	200E	4304753556	19170	Federal	Federal	OW	DRL	P		08/20/13
THREE RIVERS FED 10-30-820	Three Rivers Fed 10-30-820	10	080S	200E	4304753555	19169	Federal	Federal	OW	DRL	P		08/20/13
Three Rivers Federal 10-31-820	Three Rivers Fed 10-31-820	10	080S	200E	4304753437		Federal	Federal	OW	APD	CCS		08/21/13
Three Rivers Federal 10-32-820	Three Rivers Fed 10-32-820	10	080S	200E	4304753415		Federal	Federal	OW	APD	CCS		08/21/13
THREE RIVERS FED 10-41-820	Three Rivers Fed 10-41-820	10	080S	200E	4304752948	19137	Federal	Federal	OW	DRL	P		02/22/13
THREE RIVERS FED 10-42-820	Three Rivers Fed 10-42-820	10	080S	200E	4304752949		Federal	Federal	OW	APD	APRVD		02/22/13
Three Rivers Federal 33-11-720	Three Rivers Fed 33-11-720	32	070S	200E	4304753733	19109	Federal	Fee	OW	DRL	P		07/17/13
Three Rivers Federal 33-12-720	Three Rivers Fed 33-12-720	33	070S	200E	4304753724	19250	Federal	Fee	OW	DRL	WOC		09/16/13
Three Rivers Federal 33-13-720	Three Rivers Fed 33-13-720	33	070S	200E	4304753723	19222	Federal	Fee	OW	DRL	WOC		09/16/13
Three Rivers Federal 33-14-720	Three Rivers Fed 33-14-720	33	070S	200E	4304753551	19107	Federal	Fee	OW	DRL	P		09/16/13
Three Rivers Federal 33-24-720	Three Rivers Fed 33-24-720	33	070S	200E	4304753557	19108	Federal	Fee	OW	DRL	P		07/09/13
THREE RIVERS FED 34-15-720	Three Rivers Fed 34-15-720	34	070S	200E	4304752965	18960	Federal	Fee	OW	P	P		
THREE RIVERS FED 34-23-720	Three Rivers Fed 34-23-720	34	070S	200E	4304752945	19049	Federal	Fee	OW	DRL	P		02/12/13
Three Rivers Federal 34-25-720	Three Rivers Fed 34-25-720	34	070S	200E	4304753283		Federal	Fee	OW	APD	APRVD		06/10/13
THREE RIVERS FED 34-33-720	Three Rivers Fed 34-33-720	34	070S	200E	4304752947	19050	Federal	Fee	OW	DRL	P		02/22/13
Three Rivers Federal 34-35-720	Three Rivers Fed 34-35-720	34	070S	200E	4304753282		Federal	Fee	OW	APD	APRVD		06/10/13
Three Rivers Federal 34-42-720	Three Rivers Fed 34-42-720	35	070S	200E	4304753915		Federal	Federal	OW	APD	APRVD		08/01/13
Three Rivers Federal 34-43-720	Three Rivers Fed 34-43-720	35	070S	200E	4304753916		Federal	Federal	OW	APD	APRVD		08/01/13
Three Rivers Federal 35-11-720	Three Rivers Fed 35-11-720	35	070S	200E	4304753944		Federal	Federal	OW	APD	PERPEND	07/25/13	
Three Rivers Federal 35-12-720	Three Rivers Fed 35-12-720	35	070S	200E	4304753917		Federal	Federal	OW	APD	APRVD		08/01/13
Three Rivers Federal 35-13-720	Three Rivers Fed 35-13-720	35	070S	200E	4304753554		Federal	Federal	OW	APD	APRVD		08/20/13
Three Rivers Federal 35-14-720	Three Rivers Fed 35-14-720	35	070S	200E	4304753553		Federal	Federal	OW	APD	APRVD		08/22/13
Three Rivers Federal 35-21-720	Three Rivers Fed 35-21-720	35	070S	200E	4304753943		Federal	Federal	OW	APD	PERPEND	07/25/13	
THREE RIVERS FED 35-32-720	Three Rivers Fed 35-32-720	35	070S	200E	4304753005	19138	Federal	Federal	OW	DRL	APRVD		02/22/13
THREE RIVERS FED 35-34-720	Three Rivers Fed 35-34-720	35	070S	200E	4304753006		Federal	Federal	OW	APD	APRVD		02/22/13
THREE RIVERS FED 35-42-720	Three Rivers Fed 35-42-720	35	070S	200E	4304753007		Federal	Federal	OW	APD	APRVD		02/22/13
Three Rivers Federal 35-43-720	Three Rivers Fed 35-43-720	35	070S	200E	4304753918		Federal	Federal	OW	APD	APRVD		08/01/13
Three Rivers Federal 35-442-720	Three Rivers Fed 35-442-720	35	070S	200E	4304753919		Federal	Federal	OW	APD	APRVD		08/01/13
THREE RIVERS FED 35-44-720	Three Rivers Fed 35-44-720	35	070S	200E	4304753008		Federal	Federal	OW	APD	APRVD		02/22/13
Three Rivers Fed 03-34-820	Three Rivers Fed 03-34-820	3	080S	200E			Federal			NA	SUB	12/10/13	
Three Rivers Fed 03-44-820	Three Rivers Fed 03-44-820	3	080S	200E			Federal			NA	SUB	12/10/13	
Three Rivers Fed 08-31-820	Three Rivers Fed 08-31-820	8	080S	200E			Federal			NA	SUB	12/07/13	
Three Rivers Fed 08-41-820	Three Rivers Fed 08-41-820	9	080S	200E			Federal			NA	SUB	12/07/13	

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER: See Attached Well List

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER: See Attached Well List

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

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

2. NAME OF OPERATOR: Axia Energy, LLC N3765

3. ADDRESS OF OPERATOR: 1430 Larimer Street, Ste 400 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (720) 746-5200

4. LOCATION OF WELL

FOOTAGES AT SURFACE: See Attached

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
10/1/2013	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☑ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER:
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

EFFECTIVE DATE: October 1, 2013
FROM:
Axia Energy, LLC
1430 Larimer Street
Suite 400
Denver, CO 80202
Bond Number: Blanket Statewide UT State/Fee Bond LPM9046682
TO:
Ultra Resources, Inc.
304 Inverness Way South
Englewood, CO 80112
Bond Number: DOGM 022046398
BLM 022046400

Ultra Resources, Inc. will be responsible under the terms and conditions of the leases/wells for the operations conducted on the leased lands.

RECEIVED
DEC 16 2013
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Daniel G. Blanchard TITLE President

SIGNATURE D G Blanchard DATE 12/11/13

(This space for State use only)

APPROVED
JAN 16 2013
DIV. OIL GAS & MINING
BY: Rachel Medina

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

ATTACHMENT TO FORM 9 CHANGE OF OPERATOR
AXIA ENERGY TO ULTRA RESOURCES EFFECTIVE 10-01-2013

State Well Name List downloaded 12-10-13	Axia Well Name (for database sort and consistency)	Sec	TWN	RNG	API Number	Entity	Mineral Lease	Surface Lease	Well Type	State Well Status	Actual Status @ 12/12/13	Submitted	Date Apprvd DOGM
THREE RIVERS 2-11-820	Three Rivers 02-11-820	2	080S	200E	4304751936	18354	State	State	OW	P	P	1	
THREE RIVERS 2-13-820	Three Rivers 02-13-820	2	080S	200E	4304752687	19014	State	State	OW	DRL	P	2	08/27/12
THREE RIVERS 2-15-820	Three Rivers 02-15-820	2	080S	200E	4304752689	18770	State	State	OW	P	P	3	
Three Rivers 2-21-820	Three Rivers 02-21-820	2	080S	200E	4304753947		State	State	OW	APD	APRVD	4	10/15/13
Three Rivers 2-223-820	Three Rivers 02-223-820	2	080S	200E	4304753946		State	State	OW	APD	APRVD	5	10/15/13
Three Rivers 2-22-820	Three Rivers 02-22-820	2	080S	200E	4304753948		State	State	OW	APD	APRVD	6	10/15/13
THREE RIVERS 2-23-820	Three Rivers 02-23-820	2	080S	200E	4304752688	19015	State	State	OW	DRL	P	7	08/27/12
Three Rivers 2-24-820	Three Rivers 02-24-820	2	080S	200E	4304753945		State	State	OW	APD	APRVD	8	10/15/13
THREE RIVERS 2-25-820	Three Rivers 02-25-820	2	080S	200E	4304752690		State	State	OW	APD	APRVD	9	08/27/12
Three Rivers 2-32-820	Three Rivers 02-32-820	2	080S	200E	4304753274		State	State	OW	APD	APRVD	10	12/11/12
Three Rivers 2-33-820	Three Rivers 02-33-820	2	080S	200E	4304753273	18943	State	State	OW	P	P	1	
THREE RIVERS 2-41-820	Three Rivers 02-41-820	2	080S	200E	4304752686		State	State	OW	APD	APRVD	2	08/27/12
THREE RIVERS 2-51-820	Three Rivers 02-51-820	2	080S	200E	4304752685	18941	State	State	OW	P	P	3	
Three Rivers 4-13-820	Three Rivers 04-13-820	5	080S	200E	4304753956		Fee	Federal	OW	APD	PERPEND	08/19/13	
THREE RIVERS 4-14-820	Three Rivers 04-14-820	5	080S	200E	4304752863	19183	Fee	Federal	OW	DRL	P	5	
Three Rivers 4-33-820	Three Rivers 04-33-820	4	080S	200E	4304753528	19167	Fee	Fee	OW	DRL	P	6	
Three Rivers 5-31-820	Three Rivers 05-31-820	32	070S	200E	4304753711	19068	Fee	Fee	OW	DRL	P	7	
Three Rivers 7-12-821	Three Rivers 07-12-821	7	080S	210E	4304753562		Fee	Fee	OW	APD	PERPEND	04/15/13	8
Three Rivers 7-21-821	Three Rivers 07-21-821	7	080S	210E	4304753560		Fee	Fee	OW	APD	PERPEND	04/15/13	9
Three Rivers 7-22-821	Three Rivers 07-22-821	7	080S	210E	4304753561		Fee	Fee	OW	APD	PERPEND	04/15/13	20
Three Rivers 7-23-821	Three Rivers 07-23-821	7	080S	210E	4304753559		Fee	Fee	OW	APD	PERPEND	04/15/13	1
Three Rivers 7-34-821	Three Rivers 07-34-821	7	080S	210E	4304753558		Fee	Fee	OW	APD	PERPEND	04/15/13	2
Three Rivers 16-11-820	Three Rivers 16-11-820	16	080S	200E	4304753474	19262	State	State	OW	DRL	SCS	3	03/12/13
Three Rivers 16-12-820	Three Rivers 16-12-820	16	080S	200E	4304753475	19263	State	State	OW	DRL	SCS	4	03/12/13
Three Rivers 16-21-820	Three Rivers 16-21-820	16	080S	200E	4304753229	19024	State	State	OW	DRL	P	5	12/11/12
Three Rivers 16-22-820	Three Rivers 16-22-820	16	080S	200E	4304753230	18961	State	State	OW	DRL	P	6	12/11/12
Three Rivers 16-23-820	Three Rivers 16-23-820	16	080S	200E	4304753231	19037	State	State	OW	DRL	P	7	12/11/12
Three Rivers 16-24-820	Three Rivers 16-24-820	16	080S	200E	4304753232	19038	State	State	OW	P	P	8	
Three Rivers 16-31-820	Three Rivers 16-31-820	16	080S	200E	4304753495		State	State	OW	APD	CCS	9	03/12/13
Three Rivers 16-32-820	Three Rivers 16-32-820	16	080S	200E	4304753494	19185	State	State	OW	DRL	WOC	30	03/12/13
Three Rivers 16-33-820	Three Rivers 16-33-820	16	080S	200E	4304753496	19161	State	State	OW	DRL	WOC	1	03/12/13
Three Rivers 16-34-820	Three Rivers 16-34-820	16	080S	200E	4304753472		State	State	OW	APD	CCS	2	03/12/13
THREE RIVERS 16-41-820	Three Rivers 16-41-820	16	080S	200E	4304752110	18356	State	State	OW	P	P	3	
THREE RIVERS 16-42-820	Three Rivers 16-42-820	16	080S	200E	4304752056	18682	State	State	OW	P	P	4	
THREE RIVERS 16-43-820	Three Rivers 16-43-820	16	080S	200E	4304752057	18683	State	State	OW	P	P	5	
Three Rivers 16-44-820	Three Rivers 16-44-820	16	080S	200E	4304753473		State	State	OW	APD	CCS	6	03/12/13
Three Rivers 18-21-821	Three Rivers 18-21-821	18	080S	210E	4304753276		Fee	Fee	OW	APD	PERPEND	12/17/12	7
Three Rivers 18-22-821	Three Rivers 18-22-821	18	080S	210E	4304753620		Fee	Fee	OW	APD	PERPEND	04/15/13	8
Three Rivers 18-31-821	Three Rivers 18-31-821	18	080S	210E	4304753277		Fee	Fee	OW	APD	PERPEND	12/19/12	9
Three Rivers 18-32-821	Three Rivers 18-32-821	18	080S	210E	4304753621		Fee	Fee	OW	APD	PERPEND	04/15/13	40
Three Rivers 27-34-720	Three Rivers 27-34-720	34	070S	200E	4304753278		Fee	Fee	OW	APD	PERPEND	12/19/12	1
THREE RIVERS 32-15-720	Three Rivers 32-15-720	32	070S	200E	4304752736	18767	Fee	Fee	OW	P	P	2	
THREE RIVERS 32-25-720	Three Rivers 32-25-720	32	070S	200E	4304752718	19033	Fee	Fee	OW	P	P	3	
Three Rivers 32-32-720	Three Rivers 32-32-720	32	070S	200E	4304753734	19087	Fee	Fee	OW	DRL	P	4	06/12/13
Three Rivers 32-3333-720	Three Rivers 32-3333-720	32	070S	200E	4304753950	19251	Fee	Fee	OW	DRL	SCS	5	10/15/13
Three Rivers 32-333-720	Three Rivers 32-333-720	32	070S	200E	4304753735	19088	Fee	Fee	OW	DRL	P	6	06/12/13
Three Rivers 32-334-720	Three Rivers 32-334-720	32	070S	200E	4304753710	19067	Fee	Fee	OW	DRL	P	7	05/22/13
THREE RIVERS 32-33-720	Three Rivers 32-33-720	32	070S	200E	4304752734	19016	Fee	Fee	OW	DRL	P	8	08/29/12
THREE RIVERS 32-34-720	Three Rivers 32-34-720	32	070S	200E	4304752735	19249	Fee	Fee	OW	DRL	DRLG	9	08/29/12
THREE RIVERS 32-35-720	Three Rivers 32-35-720	32	070S	200E	4304752737	18766	Fee	Fee	OW	P	P	50	
Three Rivers 32-42-720	Three Rivers 32-42-720	32	070S	200E	4304753949		Fee	Fee	OW	APD	APRVD	1	10/15/13
THREE RIVERS 34-31-720	Three Rivers 34-31-720	34	070S	200E	4304752012	18326	Fee	Fee	OW	P	P	2	
Three Rivers 34-31T-720	Three Rivers 34-31T-720	34	070S	200E	4304753281		Fee	Fee	OW	APD	APRVD	3	12/11/12
THREE RIVERS 36-11-720	Three Rivers 36-11-720	36	070S	200E	4304751915	18355	State	State	OW	P	P	4	
THREE RIVERS 36-13-720	Three Rivers 36-13-720	36	070S	200E	4304752699		State	State	OW	APD	APRVD	5	08/29/12
THREE RIVERS 36-21-720	Three Rivers 36-21-720	36	070S	200E	4304752698		State	State	OW	APD	APRVD	6	08/29/12
THREE RIVERS 36-23-720	Three Rivers 36-23-720	36	070S	200E	4304752733	18769	State	State	OW	P	P	7	
THREE RIVERS 36-31-720	Three Rivers 36-31-720	36	070S	200E	4304752697	19086	State	State	OW	DRL	P	8	08/29/12
Three Rivers D	Three Rivers D	16	080S	200E	4304753702		State	State	WD	APD	APRVD	9	07/15/13
THREE RIVERS FED 3-11-820	Three Rivers Fed 03-11-820	34	070S	200E	4304752950	19184	Federal	Fee	OW	DRL	WOC	60	02/22/13
Three Rivers Federal 3-12-820	Three Rivers Fed 03-12-820	4	080S	200E	4304753914		Federal	Federal	OW	APD	APRVD	1	08/01/13
Three Rivers Federal 3-13-820	Three Rivers Fed 03-13-820	3	080S	200E	4304753951		Federal	Federal	OW	APD	PERPEND	08/12/13	2
Three Rivers Federal 3-14-820	Three Rivers Fed 03-14-820	3	080S	200E	4304753952		Federal	Federal	OW	APD	PERPEND	08/12/13	3
Three Rivers Federal 3-23-820	Three Rivers Fed 03-23-820	3	080S	200E	4304753953		Federal	Federal	OW	APD	PERPEND	08/12/13	4
Three Rivers Federal 3-24-820	Three Rivers Fed 03-24-820	3	080S	200E	4304753954		Federal	Federal	OW	APD	PERPEND	08/12/13	5
THREE RIVERS FEDERAL 3-32-820	Three Rivers Fed 03-32-820	3	080S	200E	4304752861	18942	Federal	Federal	OW	P	P		6
THREE RIVERS FEDERAL 3-33-820	Three Rivers Fed 03-33-820	3	080S	200E	4304752864		Federal	Federal	OW	APD	APRVD	7	12/24/12
THREE RIVERS FEDERAL 3-53-820	Three Rivers Fed 03-53-820	3	080S	200E	4304752820	19104	Federal	Federal	OW	DRL	P	8	12/24/12
THREE RIVERS FEDERAL 3-54-820	Three Rivers Fed 03-54-820	3	080S	200E	4304752860		Federal	Federal	OW	APD	APRVD	9	12/24/12

ATTACHMENT TO FORM 9 CHANGE OF OPERATOR
AXIA ENERGY TO ULTRA RESOURCES EFFECTIVE 10-01-2013

State Well Name List downloaded 12-10-13	Axia Well Name (for database sort and consistency)	Sec	TWN	RNG	API Number	Entity	Mineral Lease	Surface Lease	Well Type	State Well Status	Actual Status @ 12/12/13	Submitted	Date Apprvd DOGM
THREE RIVERS 4-21-820	Three Rivers Fed 04-21-820	4	080S	200E	4304752875	19048	Federal	Fee	OW	DRL	P	70	02/22/13
THREE RIVERS FED 4-31-820	Three Rivers Fed 04-31-820	4	080S	200E	4304752874	19023	Federal	Fee	OW	DRL	P	1	02/22/13
Three Rivers Federal 4-32-820	Three Rivers Fed 04-32-820	4	080S	200E	4304753552	19168	Federal	Fee	OW	DRL	P	2	08/26/13
Three Rivers Federal 4-41-820	Three Rivers Fed 04-41-820	4	080S	200E	4304753911		Federal	Federal	OW	APD	APRVD	3	08/01/13
Three Rivers Federal 4-42-820	Three Rivers Fed 04-42-820	4	080S	200E	4304753913		Federal	Federal	OW	APD	APRVD	4	08/01/13
Three Rivers Federal 5-11-820	Three Rivers Fed 05-11-820	5	080S	200E	4304754204		Federal	Federal	OW	NEW	PERPEND	12/03/13	5
Three Rivers Federal 5-21-820	Three Rivers Fed 05-21-820	5	080S	200E	4304754205		Federal	Federal	OW	NEW	PERPEND	12/03/13	6
Three Rivers Federal 5-42-820	Three Rivers Fed 05-42-820	5	080S	200E	4304753958		Federal	Federal	OW	APD	PERPEND	08/19/13	7
Three Rivers Federal 5-43-820	Three Rivers Fed 05-43-820	5	080S	200E	4304753957		Federal	Federal	OW	APD	PERPEND	08/19/13	8
THREE RIVERS FEDERAL 5-56-820	Three Rivers Fed 05-56-820	5	080S	200E	4304752862	18993	Federal	Federal	OW	P	P	9	
THREE RIVERS FEDERAL 8-52-820	Three Rivers Fed 08-52-820	8	080S	200E	4304752770	19156	Federal	Federal	OW	DRL	P	80	02/22/13
THREE RIVERS FEDERAL 8-53-820	Three Rivers Fed 08-53-820	8	080S	200E	4304752771	18992	Federal	Federal	OW	P	P	1	
Three Rivers Federal 9-41-820	Three Rivers Fed 09-41-820	10	080S	200E	4304753556	19170	Federal	Federal	OW	DRL	P	2	08/20/13
THREE RIVERS FED 10-30-820	Three Rivers Fed 10-30-820	10	080S	200E	4304753555	19169	Federal	Federal	OW	DRL	P	3	08/20/13
Three Rivers Federal 10-31-820	Three Rivers Fed 10-31-820	10	080S	200E	4304753437		Federal	Federal	OW	APD	CCS	4	08/21/13
Three Rivers Federal 10-32-820	Three Rivers Fed 10-32-820	10	080S	200E	4304753415		Federal	Federal	OW	APD	CCS	5	08/21/13
THREE RIVERS FED 10-41-820	Three Rivers Fed 10-41-820	10	080S	200E	4304752948	19137	Federal	Federal	OW	DRL	P	6	02/22/13
THREE RIVERS FED 10-42-820	Three Rivers Fed 10-42-820	10	080S	200E	4304752949		Federal	Federal	OW	APD	APRVD	7	02/22/13
Three Rivers Federal 33-11-720	Three Rivers Fed 33-11-720	32	070S	200E	4304753733	19109	Federal	Fee	OW	DRL	P	8	07/17/13
Three Rivers Federal 33-12-720	Three Rivers Fed 33-12-720	33	070S	200E	4304753724	19250	Federal	Fee	OW	DRL	WOC	9	09/16/13
Three Rivers Federal 33-13-720	Three Rivers Fed 33-13-720	33	070S	200E	4304753723	19222	Federal	Fee	OW	DRL	WOC	90	09/16/13
Three Rivers Federal 33-14-720	Three Rivers Fed 33-14-720	33	070S	200E	4304753551	19107	Federal	Fee	OW	DRL	P	1	09/16/13
Three Rivers Federal 33-24-720	Three Rivers Fed 33-24-720	33	070S	200E	4304753557	19108	Federal	Fee	OW	DRL	P	2	07/09/13
THREE RIVERS FED 34-15-720	Three Rivers Fed 34-15-720	34	070S	200E	4304752965	18960	Federal	Fee	OW	P	P	3	
THREE RIVERS FED 34-23-720	Three Rivers Fed 34-23-720	34	070S	200E	4304752945	19049	Federal	Fee	OW	DRL	P	4	02/12/13
Three Rivers Federal 34-25-720	Three Rivers Fed 34-25-720	34	070S	200E	4304753283		Federal	Fee	OW	APD	APRVD	5	06/10/13
THREE RIVERS FED 34-33-720	Three Rivers Fed 34-33-720	34	070S	200E	4304752947	19050	Federal	Fee	OW	DRL	P	6	02/22/13
Three Rivers Federal 34-35-720	Three Rivers Fed 34-35-720	34	070S	200E	4304753282		Federal	Fee	OW	APD	APRVD	7	06/10/13
Three Rivers Federal 34-42-720	Three Rivers Fed 34-42-720	35	070S	200E	4304753915		Federal	Federal	OW	APD	APRVD	8	08/01/13
Three Rivers Federal 34-43-720	Three Rivers Fed 34-43-720	35	070S	200E	4304753916		Federal	Federal	OW	APD	APRVD	9	08/01/13
Three Rivers Federal 35-11-720	Three Rivers Fed 35-11-720	35	070S	200E	4304753944		Federal	Federal	OW	APD	PERPEND	07/25/13	100
Three Rivers Federal 35-12-720	Three Rivers Fed 35-12-720	35	070S	200E	4304753917		Federal	Federal	OW	APD	APRVD	1	08/01/13
Three Rivers Federal 35-13-720	Three Rivers Fed 35-13-720	35	070S	200E	4304753554		Federal	Federal	OW	APD	APRVD	2	08/20/13
Three Rivers Federal 35-14-720	Three Rivers Fed 35-14-720	35	070S	200E	4304753553		Federal	Federal	OW	APD	APRVD	3	08/22/13
Three Rivers Federal 35-21-720	Three Rivers Fed 35-21-720	35	070S	200E	4304753943		Federal	Federal	OW	APD	PERPEND	07/25/13	4
THREE RIVERS FED 35-32-720	Three Rivers Fed 35-32-720	35	070S	200E	4304753005	19138	Federal	Federal	OW	DRL	APRVD	5	02/22/13
THREE RIVERS FED 35-34-720	Three Rivers Fed 35-34-720	35	070S	200E	4304753006		Federal	Federal	OW	APD	APRVD	6	02/22/13
THREE RIVERS FED 35-42-720	Three Rivers Fed 35-42-720	35	070S	200E	4304753007		Federal	Federal	OW	APD	APRVD	7	02/22/13
Three Rivers Federal 35-43-720	Three Rivers Fed 35-43-720	35	070S	200E	4304753918		Federal	Federal	OW	APD	APRVD	8	08/01/13
Three Rivers Federal 35-442-720	Three Rivers Fed 35-442-720	35	070S	200E	4304753919		Federal	Federal	OW	APD	APRVD	9	08/01/13
THREE RIVERS FED 35-44-720	Three Rivers Fed 35-44-720	35	070S	200E	4304753008		Federal	Federal	OW	APD	APRVD	110	02/22/13
Three Rivers Fed 03-34-820	Three Rivers Fed 03-34-820	3	080S	200E			Federal			NA	SUB	12/10/13	1
Three Rivers Fed 03-44-820	Three Rivers Fed 03-44-820	3	080S	200E			Federal			NA	SUB	12/10/13	2
Three Rivers Fed 08-31-820	Three Rivers Fed 08-31-820	8	080S	200E			Federal			NA	SUB	12/07/13	3
Three Rivers Fed 08-41-820	Three Rivers Fed 08-41-820	9	080S	200E			Federal			NA	SUB	12/07/13	4

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: Patented

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Oil Well

8. WELL NAME and NUMBER:
Three Rivers 7-12-821

2. NAME OF OPERATOR:
ULTRA RESOURCES INC

9. API NUMBER:
43047535620000

3. ADDRESS OF OPERATOR:
304 Inverness Way South #245 , Englewood, CO, 80112

PHONE NUMBER:
303 645-9810 Ext

9. FIELD and POOL or WILDCAT:
UNDESIGNATED

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
2249 FNL 1959 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SENW Section: 07 Township: 08.0S Range: 21.0E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 2/15/2015	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

Ultra Resources, Inc. respectfully requests a one year extension of the state drilling permit for the referenced well.

Approved by the Utah Division of Oil, Gas and Mining

Date: March 10, 2014

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Jenna Anderson	303 645-9804	Permitting Assistant

SIGNATURE	DATE
N/A	3/3/2014

RECEIVED: Mar. 03, 2014

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047535620000

API: 43047535620000
Well Name: Three Rivers 7-12-821
Location: 2249 FNL 1959 FWL QTR SENW SEC 07 TWNP 080S RNG 210E MER S
Company Permit Issued to: ULTRA RESOURCES INC
Date Original Permit Issued: 4/9/2013

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

- **If located on private land, has the ownership changed, if so, has the surface agreement been updated?** ○ **Yes** ◉ **No**
- **Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?** ○ **Yes** ◉ **No**
- **Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?** ○ **Yes** ◉ **No**
- **Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?** ○ **Yes** ◉ **No**
- **Has the approved source of water for drilling changed?** ○ **Yes** ◉ **No**
- **Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?** ○ **Yes** ◉ **No**
- **Is bonding still in place, which covers this proposed well?** ◉ **Yes** ○ **No**

Signature: Jenna Anderson **Date:** 3/3/2014
Title: Permitting Assistant **Representing:** ULTRA RESOURCES INC

RECEIVED: Mar. 03, 2014

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: Patented

SUNDRY NOTICES AND REPORTS ON WELLS

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6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Oil Well

8. WELL NAME and NUMBER:
Three Rivers 7-12-821

2. NAME OF OPERATOR:
ULTRA RESOURCES INC

9. API NUMBER:
43047535620000

3. ADDRESS OF OPERATOR:
304 Inverness Way South #295 , Englewood, CO, 80112

PHONE NUMBER:
303 645-9809 Ext

9. FIELD and POOL or WILDCAT:
UNDESIGNATED

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
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QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SENW Section: 07 Township: 08.0S Range: 21.0E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 3/11/2015	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	✓ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

Ultra requests the following changes to change the SHL from 2249' FNL & 1959' FWL to 2255' FNL & 1954' FWL per attached plat dated 11-25-14 to fit our pad design & drilling program.

Approved by the
March 04, 2015
Oil, Gas and Mining

Date:

By: Dark K Quist

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Jenna Anderson	303 645-9804	Permitting Assistant

SIGNATURE	DATE
N/A	2/25/2015

RECEIVED: Feb. 25, 2015

LEGEND:

= 90° SYMBOL

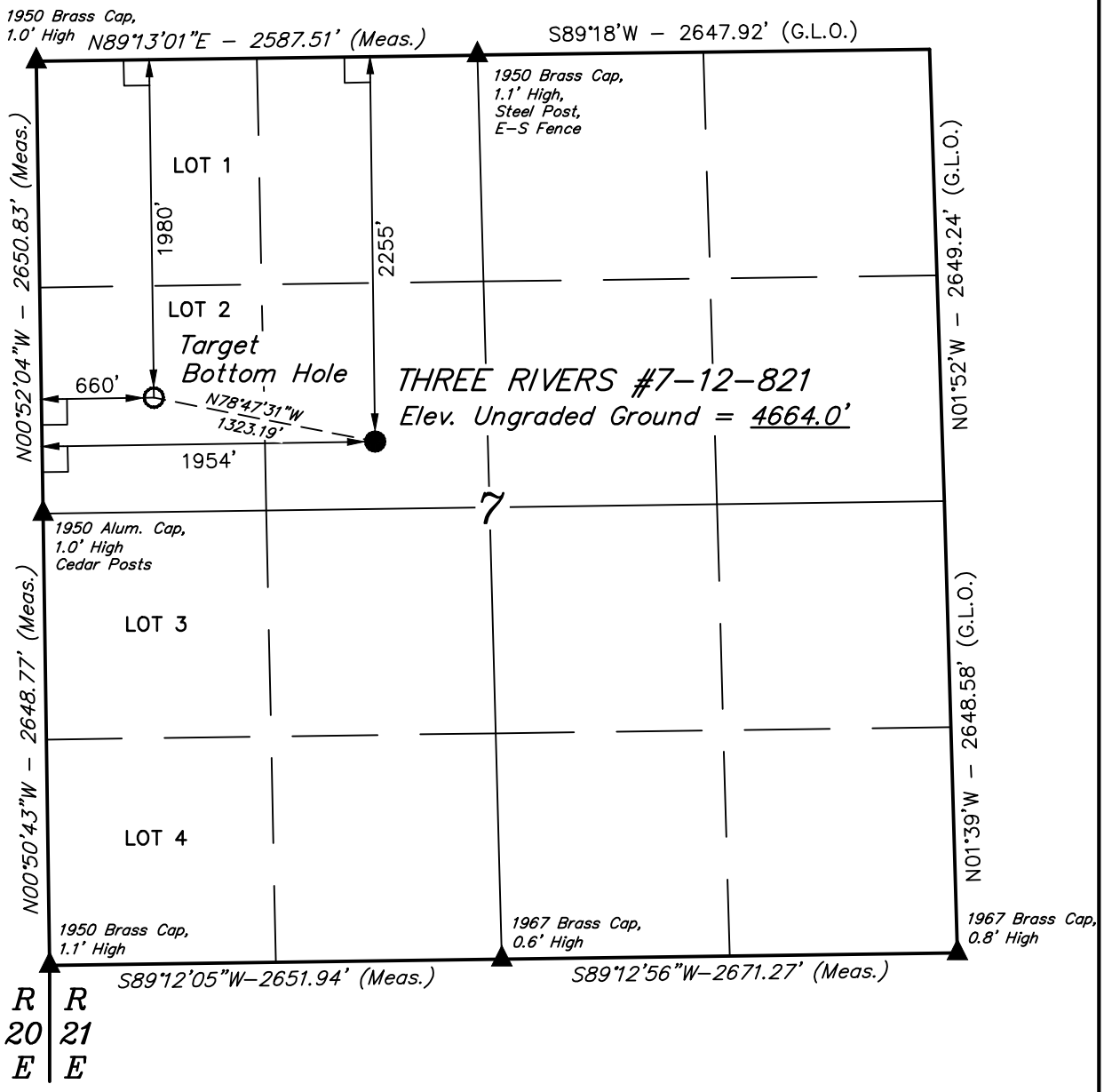
= PROPOSED WELLHEAD.

= TARGET BOTTOM HOLE.

= SECTION CORNERS LOCATED.

= SECTION CORNERS RE-ESTABLISHED. (Not Set on Ground.)

T8S, R21E, S.L.B.&M.



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.

REGISTERED LAND SURVEYOR No. 6631032 BRANDON L. BOWTHORPE STATE OF UTAH

REGISTERED LAND SURVEYOR
REGISTRATION NO. 6631032
STATE OF UTAH

11-25-14

NAD 83 (TARGET BOTTOM HOLE)	NAD 83 (SURFACE LOCATION)
LATITUDE = 40°08'21.85" (40.139403)	LATITUDE = 40°08'19.30" (40.138694)
LONGITUDE = 109°36'17.22" (109.604783)	LONGITUDE = 109°36'00.52" (109.600144)
UTM, NAD 83, (ZONE 12 Meters)	**UTM, NAD 83, (ZONE 12 Meters)**
N: 4444162.70 E: 618854.71	N: 4444090.21 E: 619251.26

BASIS OF BEARINGS

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

BASIS OF ELEVATION

BENCH MARK (38EAM) LOCATED IN THE SW 1/4 OF SECTION 9, T7S, R20E, S.L.B.&M. TAKEN FROM THE PELICAN LAKE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4942 FEET.

N

ULTRA RESOURCES, INC.

THREE RIVERS #7-12-821
SE 1/4 NW 1/4, SECTION 7, T8S, R21E, S.L.B.&M.
UINTAH COUNTY, UTAH

SURVEYED BY: B.H., N.F.	SURVEY DATE: 12-12-12
DRAWN BY: E.C.	DATE DRAWN: 12-14-12
SCALE: 1" = 1000'	REVISED: 11-12-14 H.W.

WELL LOCATION PLAT

UINTAH ENGINEERING & LAND SURVEYING

UELS, LLC
Corporate Office * 85 South 200 East
Vernal, UT 84078 * (435) 789-1017

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: Patented

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Oil Well

8. WELL NAME and NUMBER:
Three Rivers 7-12-821

2. NAME OF OPERATOR:
ULTRA RESOURCES INC

9. API NUMBER:
43047535620000

3. ADDRESS OF OPERATOR:
116 Inverness Drive East, Suite #400 , Englewood, CO, 80112

PHONE NUMBER:
303 645-9809 Ext

9. FIELD and POOL or WILDCAT:
UNDESIGNATED

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
2249 FNL 1959 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SENW Section: 07 Township: 08.0S Range: 21.0E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 4/24/2015	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
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☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

Ultra respectfully requests a one year extension of the state permit for the referenced well. This is the second extension that has been requested.

Approved by the
March 30, 2015
Oil, Gas and Mining

Date:

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Jenna Anderson	303 645-9804	Permitting Assistant

SIGNATURE	DATE
N/A	3/24/2015

RECEIVED: Mar. 24, 2015

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047535620000

API: 43047535620000
Well Name: Three Rivers 7-12-821
Location: 2249 FNL 1959 FWL QTR SENW SEC 07 TWNP 080S RNG 210E MER S
Company Permit Issued to: ULTRA RESOURCES INC
Date Original Permit Issued: 4/9/2013

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

- **If located on private land, has the ownership changed, if so, has the surface agreement been updated?** ○ **Yes** ◉ **No**
- **Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?** ○ **Yes** ◉ **No**
- **Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?** ○ **Yes** ◉ **No**
- **Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?** ○ **Yes** ◉ **No**
- **Has the approved source of water for drilling changed?** ○ **Yes** ◉ **No**
- **Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?** ○ **Yes** ◉ **No**
- **Is bonding still in place, which covers this proposed well?** ◉ **Yes** ○ **No**

Signature: Jenna Anderson **Date:** 3/24/2015
Title: Permitting Specialist **Representing:** ULTRA RESOURCES INC

RECEIVED: Mar. 24, 2015

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

April 21, 2016

Ultra Resources Inc.
116 Inverness Dr E Ste. 400
Englewood, CO 80112

Re: APDs Rescinded for Ultra Resources Inc., Uintah County

Ladies and Gentlemen:

Enclosed find the list of APDs that is being rescinded. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded as of April 21, 2016.

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

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

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal

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

UTAH DNR OIL, GAS & MINING

Three Rivers 7-34-821	43-047-53558
Three Rivers 7-23-821	43-047-53559
Three Rivers 7-21-821	43-047-53560
Three Rivers 7-22-821	43-047-53561
Three Rivers 7-12-821	43-047-53562
Three Rivers 18-22-821	43-047-53620
Three Rivers 18-32-821	43-047-53621