

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 NAVAJO C 42-6 (MCELMO M-14)
2. TYPE OF WORK DRILL NEW WELL <input type="radio"/> REENTER P&A WELL <input type="radio"/> DEEPEN WELL <input checked="" type="radio"/>		3. FIELD OR WILDCAT GREATER ANETH
4. TYPE OF WELL Water Injection Well Coalbed Methane Well: NO		5. UNIT or COMMUNITIZATION AGREEMENT NAME MCELMO CREEK
6. NAME OF OPERATOR RESOLUTE NATURAL RESOURCES		7. OPERATOR PHONE 303 534-4600
8. ADDRESS OF OPERATOR 1675 Boradway Ste 1950, Denver, CO, 80202		9. OPERATOR E-MAIL pflynn@resoluteenergy.com
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) 1420603372	11. MINERAL OWNERSHIP FEDERAL <input type="radio"/> INDIAN <input checked="" type="radio"/> STATE <input type="radio"/> FEE <input type="radio"/>	12. SURFACE OWNERSHIP FEDERAL <input type="radio"/> INDIAN <input checked="" type="radio"/> STATE <input type="radio"/> FEE <input type="radio"/>
13. NAME OF SURFACE OWNER (if box 12 = 'fee')		14. SURFACE OWNER PHONE (if box 12 = 'fee')
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')		16. SURFACE OWNER E-MAIL (if box 12 = 'fee')
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN') Shiprock	18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="radio"/> (Submit Commingling Application) NO <input checked="" type="radio"/>	19. SLANT VERTICAL <input type="radio"/> DIRECTIONAL <input checked="" type="radio"/> HORIZONTAL <input type="radio"/>

20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	2086 FNL 778 FEL	SENE	6	41.0 S	25.0 E	S
Top of Uppermost Producing Zone	2086 FNL 728 FEL	SENE	6	41.0 S	25.0 E	S
At Total Depth	2086 FNL 691 FEL	SENE	6	41.0 S	25.0 E	S

21. COUNTY SAN JUAN	22. DISTANCE TO NEAREST LEASE LINE (Feet) 691	23. NUMBER OF ACRES IN DRILLING UNIT 40
25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1500	26. PROPOSED DEPTH MD: 5754 TVD: 5741	
27. ELEVATION - GROUND LEVEL 4751	28. BOND NUMBER B001263	29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE lease produced water

Hole, Casing, and Cement Information										
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
SURF	15	10.75	0 - 1203	32.75	H-40 ST&C	0.0	Class B	500	0.0	0.0
PROD	9	7	0 - 5779	23.0	J-55 Casing/Tubing	0.0	Class B	300	0.0	0.0

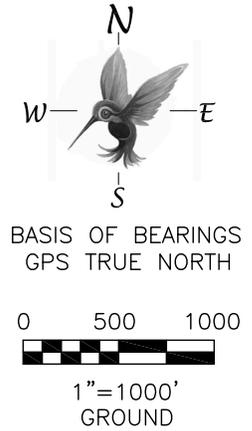
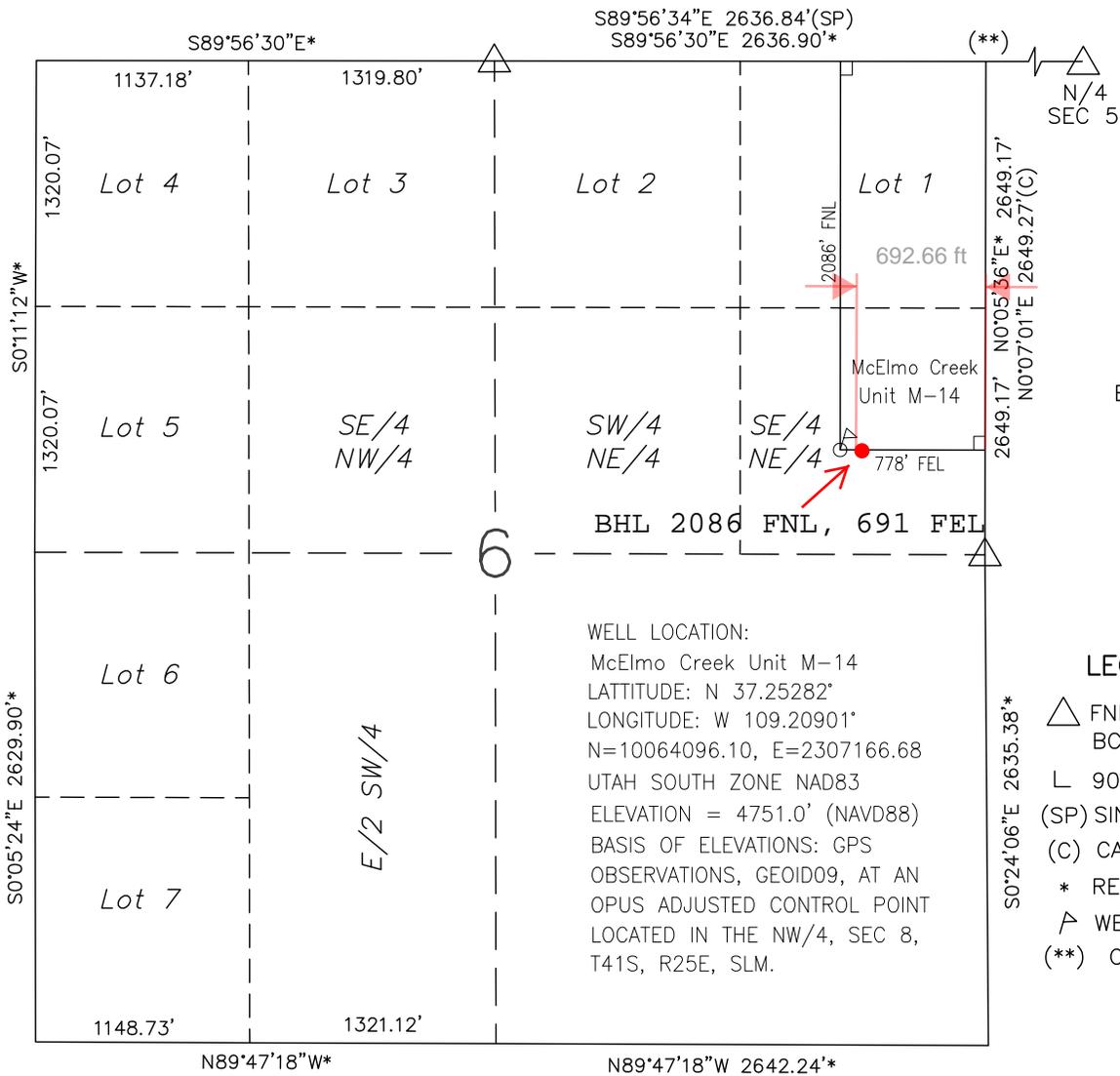
ATTACHMENTS

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

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP

NAME Sherry Glass	TITLE Sr Regulatory Technician	PHONE 303 573-4886
SIGNATURE	DATE 09/14/2012	EMAIL sglass@resoluteenergy.com
API NUMBER ASSIGNED 43037159630000	APPROVAL  Permit Manager	

Well Location - McElmo Creek Unit M-14



WELL LOCATION:
 McElmo Creek Unit M-14
 LATITUDE: N 37.25282°
 LONGITUDE: W 109.20901°
 N=10064096.10, E=2307166.68
 UTAH SOUTH ZONE NAD83
 ELEVATION = 4751.0' (NAVD88)
 BASIS OF ELEVATIONS: GPS
 OBSERVATIONS, GEOID09, AT AN
 OPUS ADJUSTED CONTROL POINT
 LOCATED IN THE NW/4, SEC 8,
 T41S, R25E, SLM.

LEGEND:

- △ FND USBLM 3-1/4" BC DATED 2004
- L 90° TIE
- (SP) SINGLE PROPORTIONATE
- (C) CALCULATED
- * RECORD
- △ WELL LOCATION
- (**) CC NOT SET

I, Gerald G. Huddleston, do hereby certify that I am a registered Utah land surveyor holding certificate number 161297 as prescribed under the laws of the State of Utah, and I further certify that under authority of the owner I have surveyed the well location as shown hereon and that the same is correct and true to the best of my knowledge and belief.

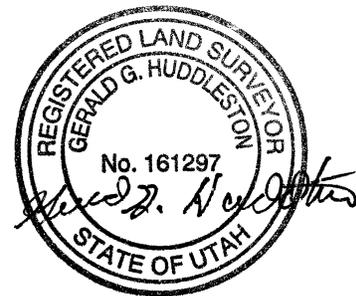
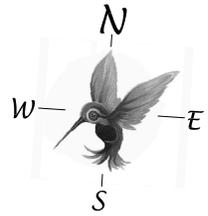
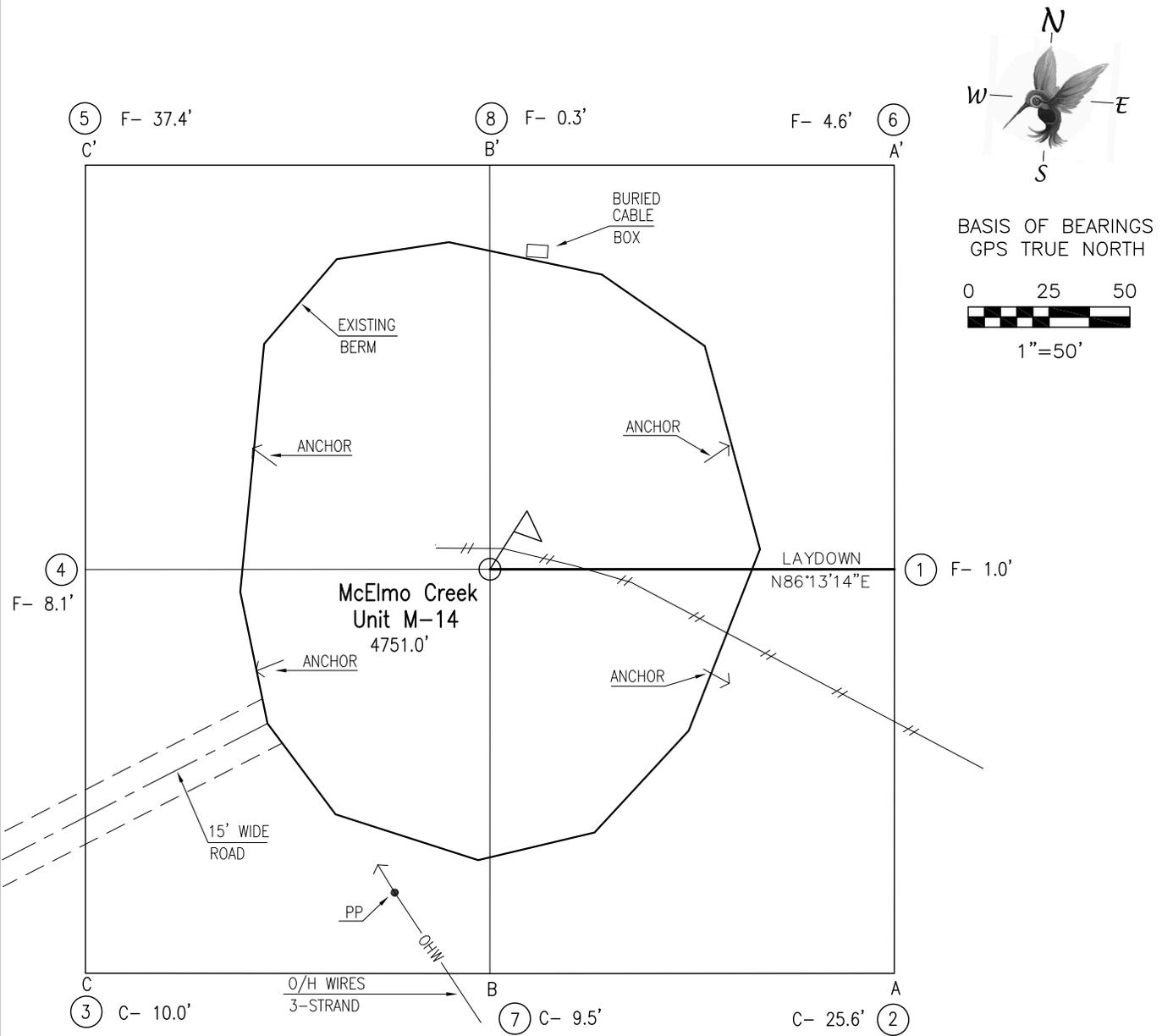


EXHIBIT A

FOOTAGE: 2086' FNL 778' FEL	RESOLUTE NATURAL RESOURCES		
SEC 6, T41S, R25E, SLM, SAN JUAN COUNTY, UT			
LAT: N 37.25282° LON: W 109.20901° (NAD83)	SURVEYED: 08/28/12		
ELEVATION: 4751.0' at ground level (NAVD88)	DRAWN BY: GEL	DATE: 09/08/12	
NOTE: Re-entry of existing well.	REVISION:		

Well Pad - McElmo Creek Unit M-14



BASIS OF BEARINGS
GPS TRUE NORTH



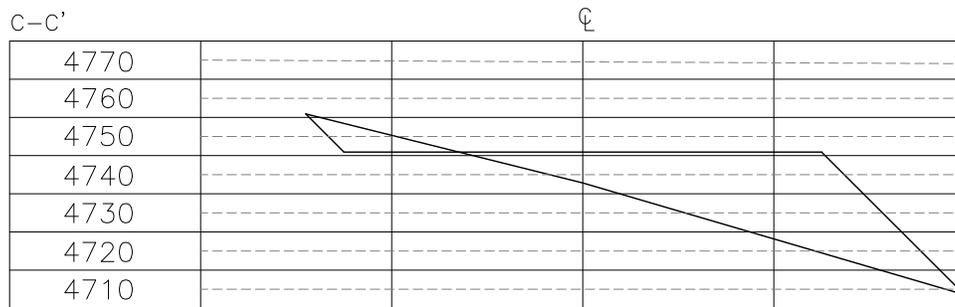
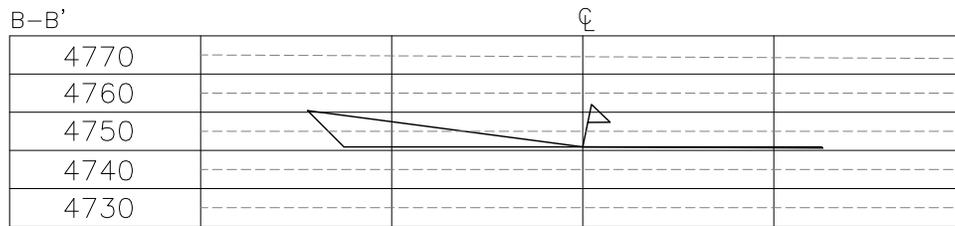
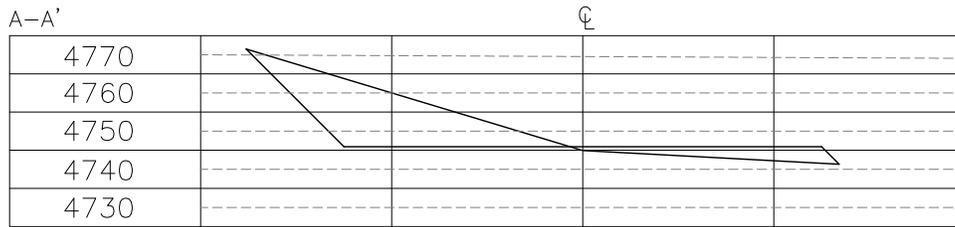
1"=50'

It shall be the responsibility of the Contractor to verify the location, depth and condition of all existing utilities and conduct all necessary field investigations prior to any excavation.
OneCall 800-662-5348

EXHIBIT B

FOOTAGE: 2086' FNL 778' FEL		RESOLUTE NATURAL RESOURCES	
SEC 6, T41S, R25E, SLM, SAN JUAN COUNTY, UT			
LAT: N 37.25282° LON: W 109.20901° (NAD83)		SURVEYED: 08/28/12	
ELEVATION: 4751.0' at ground level (NAVD88)		DRAWN BY: GEL	DATE: 09/08/12
NOTE: Re-entry of existing well.		REVISION:	

Cross Section - McElmo Creek Unit M-14



HORIZONTAL 1"=100'
VERTICAL 1"=50'

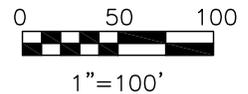


EXHIBIT C

FOOTAGE: 2086' FNL 778' FEL		<h2>RESOLUTE</h2> <p>NATURAL RESOURCES</p>		
SEC 6, T41S, R25E, SLM, SAN JUAN COUNTY, UT				
LAT: N 37.25282° LON: W 109.20901° (NAD83)		SURVEYED: 08/28/12		
ELEVATION: 4751.0' at ground level (NAVD88)		DRAWN BY: GEL	DATE: 09/09/12	FILE:
NOTE: Re-entry of existing well.		REVISION:		

HUMMINGBIRD SURVEYING, LLC --- P.P. Box 416 Montezuma Creek, UT 84534 --- 970-570-5108

37.25275° N, 109.20889° W WGS84TOPO! map printed on 09/09/12 from "TOPO MAP MCU M-14.tpo"

109.23333° W

109.21667° W

109.20000° W

WGS84 109.18333° W

37.26667° N

37.26667° N

37.25000° N

37.25000° N

RESOLUTE NATURAL RESOURCES

McELMO CREEK UNIT# M-14

2086' FNL, 778' FEL SEC. 6, T41S, R25E, S.L.M.

SAN JUAN COUNTY, UTAH

**McElmo Creek Unit
M-14**

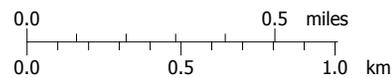
Map created with **TOPO!®** ©2010 National Geographic, ©2007 Tele Atlas, Rel. 1/2007

109.23333° W

109.21667° W

109.20000° W

WGS84 109.18333° W



TN ↑ MN
10½°
09/09/12