

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

FORM 3

AMENDED REPORT

<b>APPLICATION FOR PERMIT TO DRILL</b>		<b>1. WELL NAME and NUMBER</b> NAVAJO C-3 (MCELMO O-16)
<b>2. TYPE OF WORK</b> DRILL NEW WELL <input type="radio"/> REENTER P&A WELL <input type="radio"/> DEEPEN WELL <input checked="" type="radio"/>		<b>3. FIELD OR WILDCAT</b> GREATER ANETH
<b>4. TYPE OF WELL</b> Gas Injection Well      Coalbed Methane Well: NO		<b>5. UNIT or COMMUNITIZATION AGREEMENT NAME</b> MCELMO CREEK
<b>6. NAME OF OPERATOR</b> RESOLUTE NATURAL RESOURCES		<b>7. OPERATOR PHONE</b> 303 534-4600
<b>8. ADDRESS OF OPERATOR</b> 1675 Boradway Ste 1950, Denver, CO, 80202		<b>9. OPERATOR E-MAIL</b> pflynn@resoluteenergy.com
<b>10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE)</b> 1420603372	<b>11. MINERAL OWNERSHIP</b> FEDERAL <input type="radio"/> INDIAN <input checked="" type="radio"/> STATE <input type="radio"/> FEE <input type="radio"/>	<b>12. SURFACE OWNERSHIP</b> FEDERAL <input type="radio"/> INDIAN <input checked="" type="radio"/> STATE <input type="radio"/> FEE <input type="radio"/>
<b>13. NAME OF SURFACE OWNER (if box 12 = 'fee')</b>		<b>14. SURFACE OWNER PHONE (if box 12 = 'fee')</b>
<b>15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')</b>		<b>16. SURFACE OWNER E-MAIL (if box 12 = 'fee')</b>
<b>17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')</b> Navajo	<b>18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS</b> YES <input type="radio"/> (Submit Commingling Application) NO <input checked="" type="radio"/>	<b>19. SLANT</b> VERTICAL <input checked="" type="radio"/> DIRECTIONAL <input type="radio"/> HORIZONTAL <input type="radio"/>

20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	610 FSL 1957 FWL	SESW	5	41.0 S	25.0 E	S
Top of Uppermost Producing Zone	610 FSL 1957 FWL	SESW	5	41.0 S	25.0 E	S
At Total Depth	610 FSL 1957 FWL	SESW	5	41.0 S	25.0 E	S

<b>21. COUNTY</b> SAN JUAN	<b>22. DISTANCE TO NEAREST LEASE LINE (Feet)</b> 610	<b>23. NUMBER OF ACRES IN DRILLING UNIT</b> 40
	<b>25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed)</b> 660	<b>26. PROPOSED DEPTH</b> MD: 5913    TVD: 5913
<b>27. ELEVATION - GROUND LEVEL</b> 4925	<b>28. BOND NUMBER</b> B001263	<b>29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE</b> 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	12.25	10.75	0 - 1235	0.0	H-40 ST&C	0.0	Class B	800	0.0	0.0
Prod	7.875	7	0 - 5950	20.0	J-55 Casing/Tubing	0.0	Class B	900	0.0	0.0

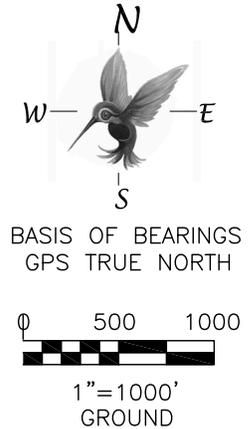
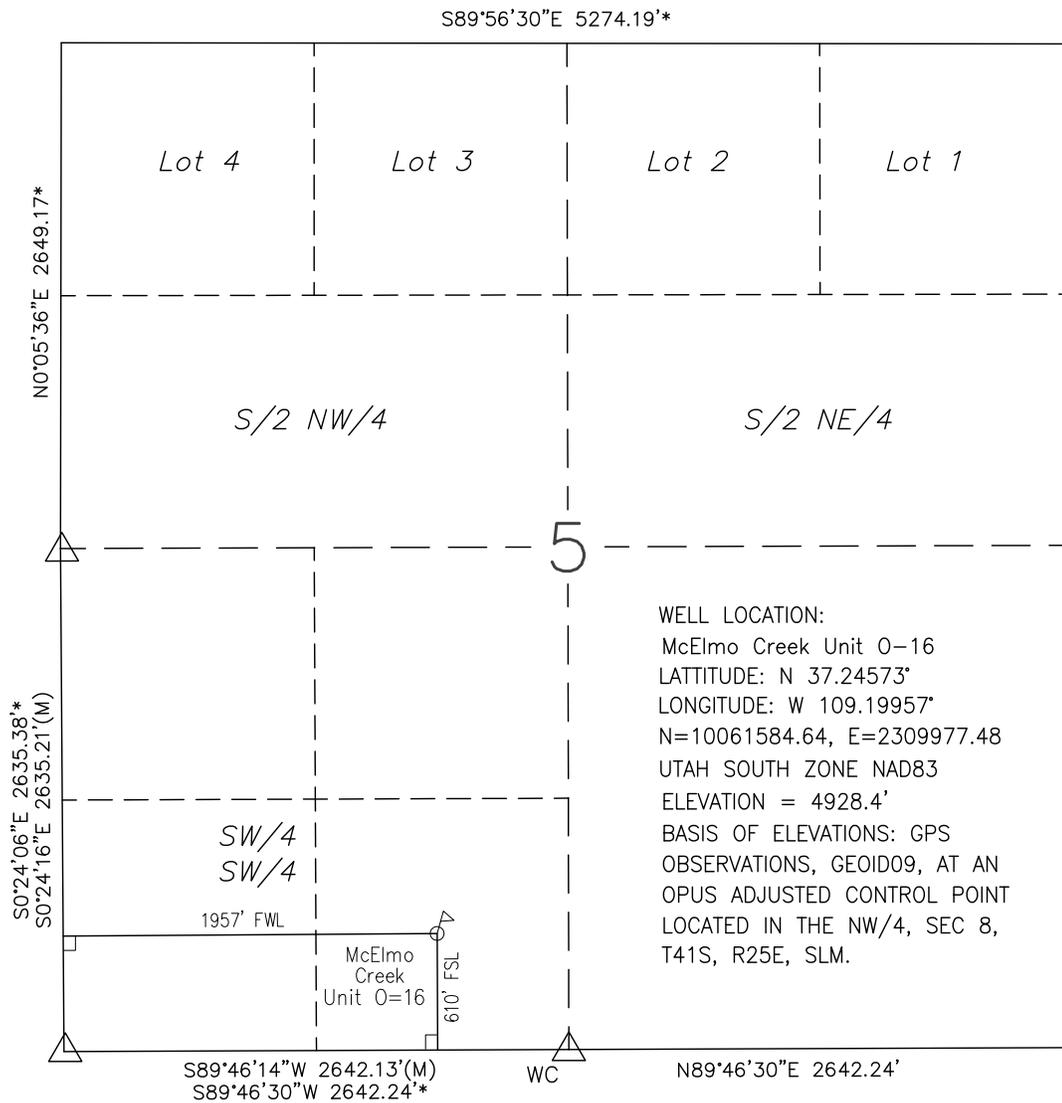
**ATTACHMENTS**

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

<b>NAME</b> Sherry Glass	<b>TITLE</b> Sr Regulatory Technician	<b>PHONE</b> 303 573-4886
<b>SIGNATURE</b>	<b>DATE</b> 09/04/2012	<b>EMAIL</b> sglass@resoluteenergy.com
<b>API NUMBER ASSIGNED</b> 43037159690000	<b>APPROVAL</b>   Permit Manager	

# Well Location - McElmo Creek Unit O-16



WELL LOCATION:  
 McElmo Creek Unit O-16  
 LATITUDE: N 37.24573°  
 LONGITUDE: W 109.19957°  
 N=10061584.64, E=2309977.48  
 UTAH SOUTH ZONE NAD83  
 ELEVATION = 4928.4'  
 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
- └ 90° TIE
- (M) MEASURED
- \* RECORD
- △ WELL LOCATION

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.

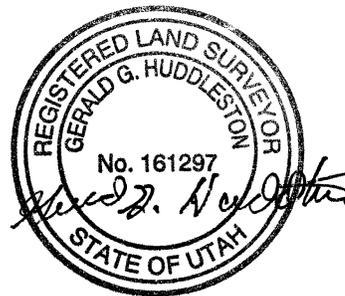


EXHIBIT A

FOOTAGE:      610' FSL      1957' FWL	<b>RESOLUTE</b> NATURAL RESOURCES		
SEC 5, T41S, R25E, SLM, SAN JUAN COUNTY, UT	SURVEYED: 08/29/12		
LAT: N 37.24573°      LON: W 109.19957° (NAD83)	DRAWN BY: GEL	DATE: 08/30/12	
ELEVATION: 4928.4' at top of buttom flange (NAVD88)	REVISION:		
NOTE: Re-entry of existing well.			