



GARY R. HERBERT  
Governor

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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 17, 2013

Resolute Natural Resources  
1675 Broadway, Ste 1950  
Denver, CO 80202

Subject: Aneth H-222 Well, 2103' FNL, 783' FEL, SE NE, Sec. 22, T. 40 South, R. 24 East,  
Bottom Location 1036' FNL, 1606' FEL, NW NE, Sec. 22, T. 40 South, R. 24 East,  
San Juan County, Utah

Ladies and Gentlemen:

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 Cause: 152-7. The expected producing formation or pool is the ISMAY 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.

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. The API identification number assigned to this well is 43-037-30242.

Sincerely,



John Rogers  
Associate Director

JR/js  
Enclosures

cc: San Juan County Assessor  
Bureau of Land Management, Monticello Office

**Operator:** Resolute Natural Resources  
**Well Name & Number** Aneth H-222  
**API Number:** 43-037-30242  
**Lease:** I-149-IND-8836

**Location:** SE NE **Sec. 22** **T. 40 South** **R. 24 East**  
**Bottom Location:** NW NE **Sec. 22** **T. 40 South** **R. 24 East**

### Conditions of Approval

#### 1. 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.

#### 2. Notification Requirements

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

- Within 24 hours following the spudding of the well – contact Carol Daniels at 801-538-5284 (please let a voicemail message if not available)

OR

Submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <http://oilgas.ogm.utah.gov>

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 office  
(801) 733-0983 after office hours

#### 3. 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:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5<sup>th</sup> 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

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

5. In accordance with Utah Admin. R.649-3-21, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9  5. LEASE DESIGNATION AND SERIAL NUMBER: I-149-IND-8836
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NAVAJO  7. UNIT or CA AGREEMENT NAME: ANETH
1. TYPE OF WELL Water Injection Well	8. WELL NAME and NUMBER: ANETH H-222
2. NAME OF OPERATOR: RESOLUTE NATURAL RESOURCES	9. API NUMBER: 43037302420000
3. ADDRESS OF OPERATOR: 1675 Boradway Ste 1950 , Denver, CO, 80202	PHONE NUMBER: 303 534-4600 Ext  9. FIELD and POOL or WILDCAT: GREATER ANETH
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2096 FNL 0776 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENE Section: 22 Township: 40.0S Range: 24.0E Meridian: S	COUNTY: SAN JUAN  STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 4/12/2013  <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:  <input type="checkbox"/> SPUD REPORT Date of Spud:  <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE  <input type="checkbox"/> CHANGE TO PREVIOUS PLANS  <input type="checkbox"/> CHANGE WELL STATUS  <input checked="" type="checkbox"/> DEEPEN  <input type="checkbox"/> OPERATOR CHANGE  <input type="checkbox"/> PRODUCTION START OR RESUME  <input type="checkbox"/> REPERFORATE CURRENT FORMATION  <input type="checkbox"/> TUBING REPAIR  <input type="checkbox"/> WATER SHUTOFF  <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING  <input type="checkbox"/> CHANGE TUBING  <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS  <input type="checkbox"/> FRACTURE TREAT  <input type="checkbox"/> PLUG AND ABANDON  <input type="checkbox"/> RECLAMATION OF WELL SITE  <input type="checkbox"/> SIDETRACK TO REPAIR WELL  <input type="checkbox"/> VENT OR FLARE  <input type="checkbox"/> SI TA STATUS EXTENSION  <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR  <input type="checkbox"/> CHANGE WELL NAME  <input type="checkbox"/> CONVERT WELL TYPE  <input type="checkbox"/> NEW CONSTRUCTION  <input type="checkbox"/> PLUG BACK  <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION  <input type="checkbox"/> TEMPORARY ABANDON  <input type="checkbox"/> WATER DISPOSAL  <input type="checkbox"/> APD EXTENSION  OTHER: <input style="width: 100px;" type="text"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
 Resolute proposes to sidetrack the Aneth Unit H-222 to deepen the wellbore from 5555' to 7034' (MD), TVD = 5952'. Engineers and operations staff recommend this procedure to enhance the CO2 response within the injection area in Greater Aneth field. The workover should generate incremental production increase to justify the expense of the sidetrack. Drilling plan, including wellbore schematic, plat, topographic map and cut-away, as well as water permits for drilling water are attached.

*Sherr*  
 654093X  
 4129159Y  
 37.296298  
 - 109.261456

**Federal Approval of this Action is Necessary**

*BHL*  
 653836X  
 4129480Y  
 37.299228  
 - 109.26428

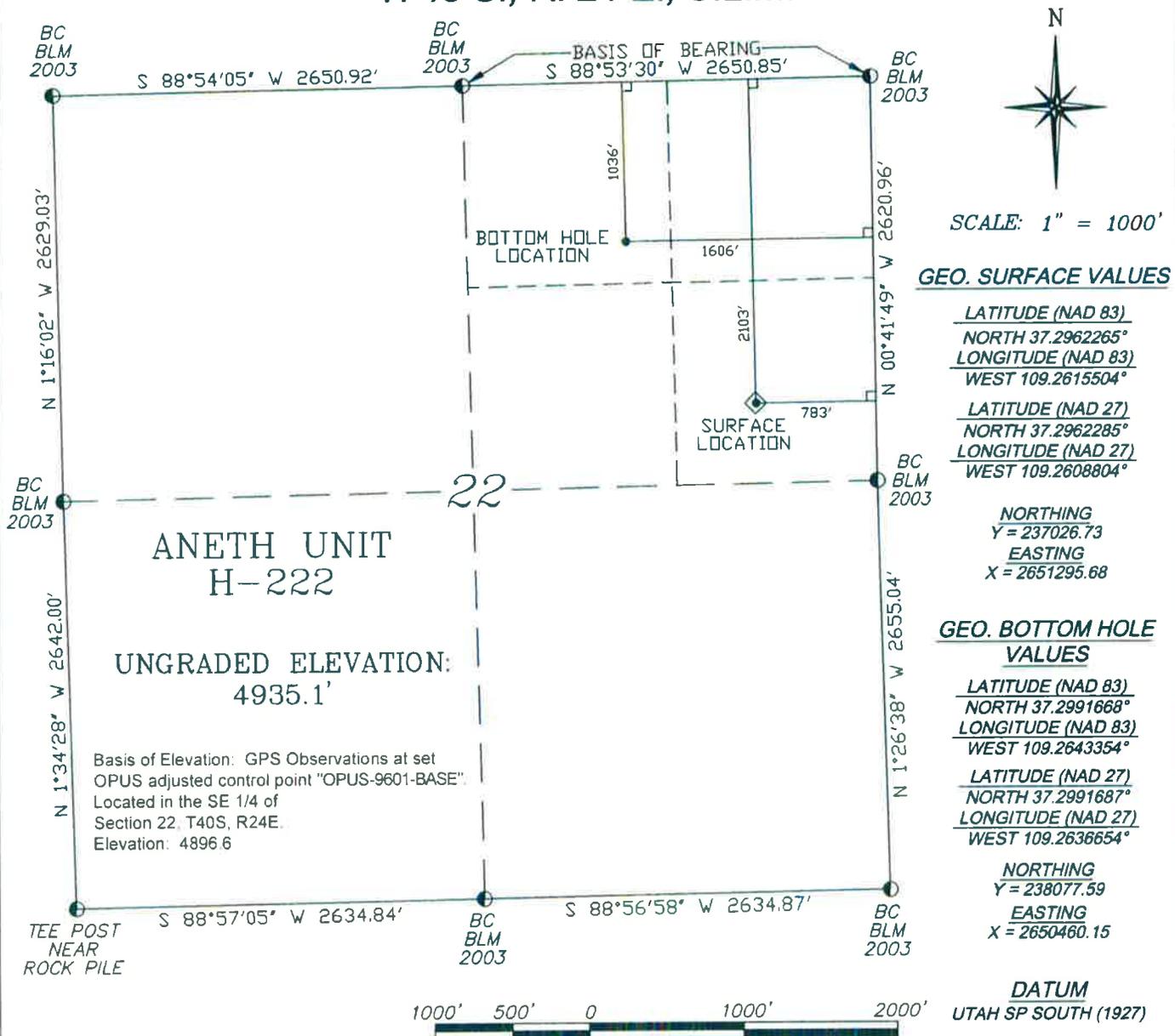
Approved by the  
 Utah Division of  
 Oil, Gas and Mining

Date: 04-17-13  
 By:

NAME (PLEASE PRINT) Sherry Glass	PHONE NUMBER 303 573-4886	TITLE Sr Regulatory Technician
SIGNATURE N/A		DATE 4/12/2013

Sundry Number: 36692 API Well Number: 43037302420000

**T. 40 S., R. 24 E., S.L.M.**



SCALE: 1" = 1000'

**GEO. SURFACE VALUES**

LATITUDE (NAD 83)  
 NORTH 37.2962265°  
LONGITUDE (NAD 83)  
 WEST 109.2615504°  
LATITUDE (NAD 27)  
 NORTH 37.2962285°  
LONGITUDE (NAD 27)  
 WEST 109.2608804°  
NORTHING  
 Y = 237026.73  
EASTING  
 X = 2651295.68

**GEO. BOTTOM HOLE VALUES**

LATITUDE (NAD 83)  
 NORTH 37.2991668°  
LONGITUDE (NAD 83)  
 WEST 109.2643354°  
LATITUDE (NAD 27)  
 NORTH 37.2991687°  
LONGITUDE (NAD 27)  
 WEST 109.2636654°  
NORTHING  
 Y = 238077.59  
EASTING  
 X = 2650460.15

DATUM  
 UTAH SP SOUTH (1927)

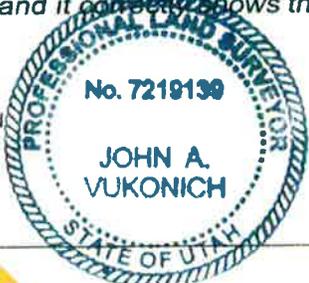


**SURVEYOR'S STATEMENT:**

I, John A. Vukonich, of Farmington, New Mexico, hereby state: This plat was made from notes taken during an actual survey under my direct supervision on FEBRUARY 21, 2013, and it correctly shows the location of ANETH UNIT H-222.

**LEGEND**

- ◆ SURFACE WELL LOCATION
- BOTTOM HOLE LOCATION
- FOUND MONUMENT
- L DENOTES 90° TIE



*[Signature]* 3/14/2013  
 UTAH PLS No. 7219139-2201 DATE

**EXHIBIT A**

	<p><b>PLAT OF PROPOSED WELL LOCATION FOR RESOLUTE NATURAL RESOURCES COMPANY</b></p>
	<p><b>SURFACE: 2103' F/NL &amp; 783' F/EL, BOTTOM HOLE: 1036' F/NL &amp; 1606' F/EL, SECTION 22, T. 40 S, R. 24 E, SALT LAKE MERIDIAN, SAN JUAN COUNTY, UTAH</b></p>
	<p>BY: H.S. DWG.#: 10450W01</p>

P.O. BOX 3651  
 FARMINGTON, N.M.  
 (505) 334-0408

SCALE: 1" = 1000'  
 JOB No. 10450  
 DATE: 03/04/13