

**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> Arnold 2-4B1E
<b>2. TYPE OF WORK</b> DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>		<b>3. FIELD OR WILDCAT</b> BLUEBELL
<b>4. TYPE OF WELL</b> Oil Well Coalbed Methane Well: NO		<b>5. UNIT or COMMUNITIZATION AGREEMENT NAME</b>
<b>6. NAME OF OPERATOR</b> QUINEX ENERGY CORP		<b>7. OPERATOR PHONE</b> 801 292-3800
<b>8. ADDRESS OF OPERATOR</b> 465 South 200 West, Bountiful, UT, 84010		<b>9. OPERATOR E-MAIL</b> mike@quinexenergy.com
<b>10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE)</b> Patented	<b>11. MINERAL OWNERSHIP</b> FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
<b>13. NAME OF SURFACE OWNER (if box 12 = 'fee')</b> Bobby Arnold		<b>12. SURFACE OWNERSHIP</b> FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
<b>15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')</b> Rt. 2 Box 2642, Roosevelt, UT 84066		<b>14. SURFACE OWNER PHONE (if box 12 = 'fee')</b> 465-722-9084
<b>17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')</b>		<b>16. SURFACE OWNER E-MAIL (if box 12 = 'fee')</b>
<b>18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS</b> YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>		<b>19. SLANT</b> VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>

20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	2085 FNL 1665 FEL	SWNE	4	2.0 S	1.0 E	U
Top of Uppermost Producing Zone	2085 FNL 1665 FEL	SWNE	4	2.0 S	1.0 E	U
At Total Depth	2085 FNL 1665 FEL	SWNE	4	2.0 S	1.0 E	U

<b>21. COUNTY</b> UINTAH	<b>22. DISTANCE TO NEAREST LEASE LINE (Feet)</b> 345	<b>23. NUMBER OF ACRES IN DRILLING UNIT</b> 160
<b>27. ELEVATION - GROUND LEVEL</b> 5235	<b>25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed)</b> 0	<b>26. PROPOSED DEPTH</b> MD: 14000 TVD: 14000
	<b>28. BOND NUMBER</b> NZS499876	<b>29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE</b> #43-12366 & 43-12367

Hole, Casing, and Cement Information										
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
SURF	13.375	10.75	0 - 2500	40.5	J-55 ST&C	8.9	Hi Lift "G"	450	3.82	11.0
							Type V	250	1.15	15.8
I1	9.625	7.625	0 - 10500	29.7	P-110 LT&C	11.0	50/50 Poz	1000	1.25	14.2
							Premium Lite High Strength	650	1.69	13.1
PROD	6.5	5.5	10400 - 14000	20.0	P-110 Other	14.0	50/50 Poz	300	1.26	14.2

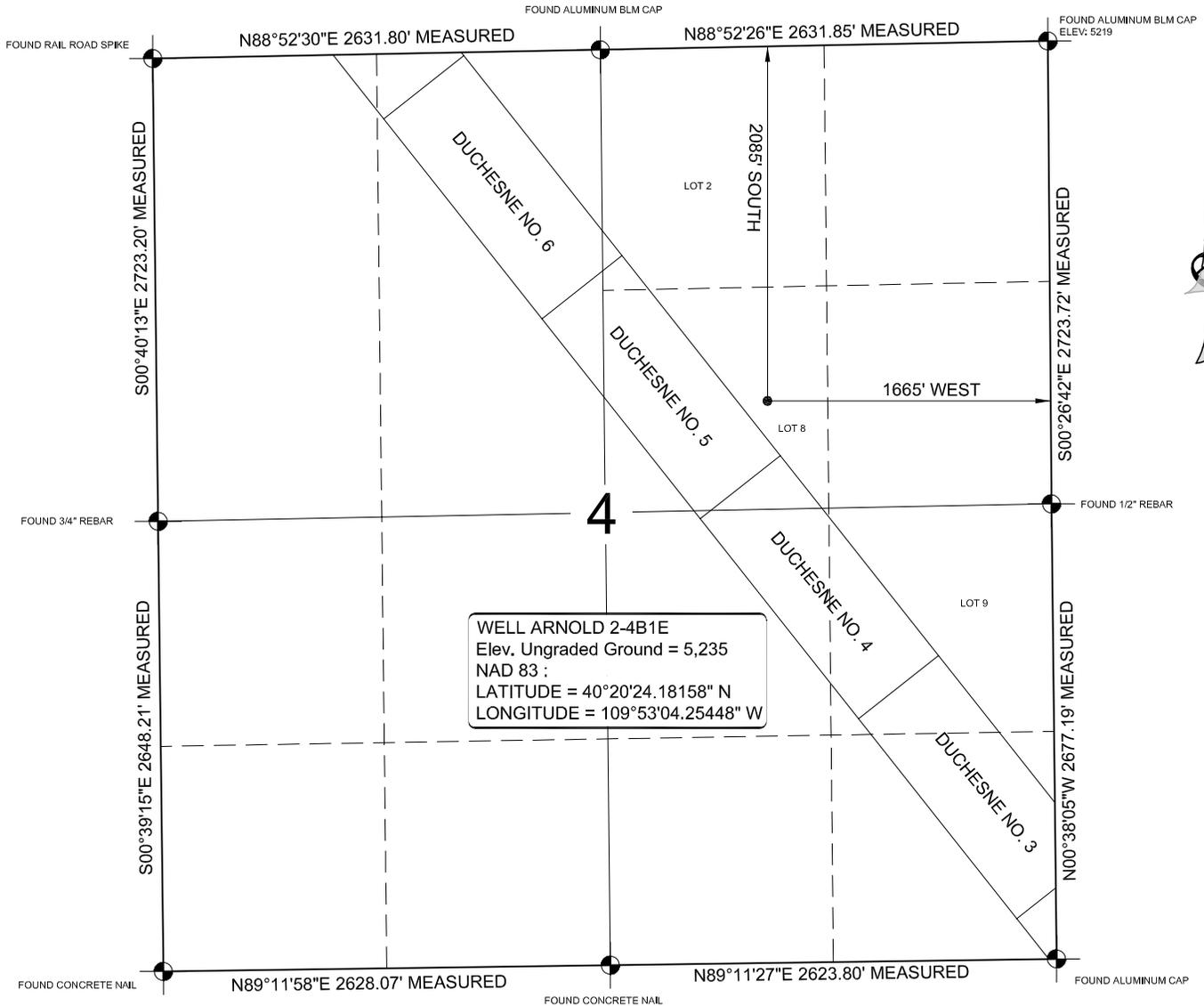
**ATTACHMENTS**

**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 checked="" 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> Don Hamilton	<b>TITLE</b> Consultant	<b>PHONE</b> 435 719-2018
<b>SIGNATURE</b>	<b>DATE</b> 04/24/2011	<b>EMAIL</b> starpoint@etv.net
<b>API NUMBER ASSIGNED</b> 43047515660000	<b>APPROVAL</b>  Permit Manager	

# T2S., R1E., U.S.M.



WELL ARNOLD 2-4B1E  
 Elev. Ungraded Ground = 5,235  
 NAD 83 ;  
 LATITUDE = 40°20'24.18158" N  
 LONGITUDE = 109°53'04.25448" W

### CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM THE 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.

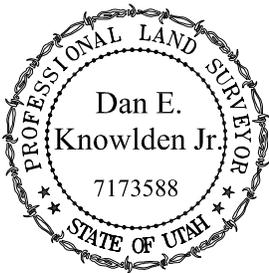
### LEGEND AND NOTES

● SECTION CORNER

● PROPOSED WELL HEAD

THE GENERAL LAND OFFICE G.L.O. PLAT WAS USED FOR REFERENCE

THIS SURVEY WAS PERFORMED USING GLOBAL POSITIONING SYSTEM PROCEDURES AND EQUIPMENT.



REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 7173588  
 STATE OF UTAH

### BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHEAST CORNER OF SECTION 4, T2S, R1E, U.S.M. NAVD 88 DATUM USING THE UTAH REFERENCE NETWORK CENTRAL SYSTEM. SAID ELEVATION IS MARKED AS BEING 5219 FEET.



**QUINEX ENERGY CORP.**  
**WELL # ARNOLD 2-4B1E**  
**SECTION 4, T.2S.,R.1E. USM**  
**2,085' FNL 1,665' FEL**

WELL  
 PLAT

DATE SURVEYED: MAY 4, 2011  
 SURVEYED BY: DEK/CCW  
 DRAWN BY: DK  
 DATE DRAWN: MAY 4, 2011  
 SCALE: 1"=1000'

FIGURE

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