

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 KENDALL 12-7-3-1E
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>		3. FIELD OR WILDCAT WILDCAT
4. TYPE OF WELL Oil Well Coalbed Methane Well: NO		5. UNIT or COMMUNITIZATION AGREEMENT NAME
6. NAME OF OPERATOR UTE ENERGY UPSTREAM HOLDINGS LLC		7. OPERATOR PHONE 720 420-3235
8. ADDRESS OF OPERATOR 1875 Lawrence St Ste 200, Denver, CO, 80202		9. OPERATOR E-MAIL rgarrison@uteenergy.com
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) FEE	11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
13. NAME OF SURFACE OWNER (if box 12 = 'fee') MIKE KENDALL		14. SURFACE OWNER PHONE (if box 12 = 'fee') 801-546-2230
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') SUITE 206 ,		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 <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>	19. SLANT 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	2355 FSL 627 FWL	NWSW	7	3.0 S	1.0 E	U
Top of Uppermost Producing Zone	2355 FSL 627 FWL	NWSW	7	3.0 S	1.0 E	U
At Total Depth	2355 FSL 627 FWL	NWSW	7	3.0 S	1.0 E	U

21. COUNTY UINTAH	22. DISTANCE TO NEAREST LEASE LINE (Feet) 285	23. NUMBER OF ACRES IN DRILLING UNIT 40
27. ELEVATION - GROUND LEVEL 5031	25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 920	26. PROPOSED DEPTH MD: 10517 TVD: 10517
	28. BOND NUMBER LPM9032132	29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 437478

Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
Surf	12.25	8.625	0 - 1100	24.0	J-55 ST&C	8.4	Class G	450	1.15	15.8
Prod	7.875	5.5	0 - 10517	17.0	N-80 LT&C	10.0	Light (Hibond)	300	3.66	10.5
							Class G	150	2.95	11.0
							Class G	450	1.65	13.0

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 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

NAME Jenn Mendoza	TITLE Regulatory Specialist	PHONE 720 420-3229
SIGNATURE	DATE 07/06/2012	EMAIL jmendoza@uteenergy.com
API NUMBER ASSIGNED 43047528930000	APPROVAL  Permit Manager	

R. 1 E.



SCALE 1" = 1000'

T. 3 S.

**KENDALL
12-7-3-1E**

**UNGRADED ELEVATION:
5033.5'**

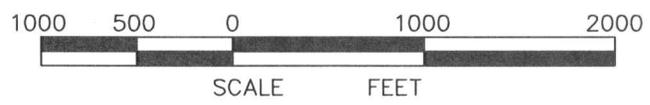
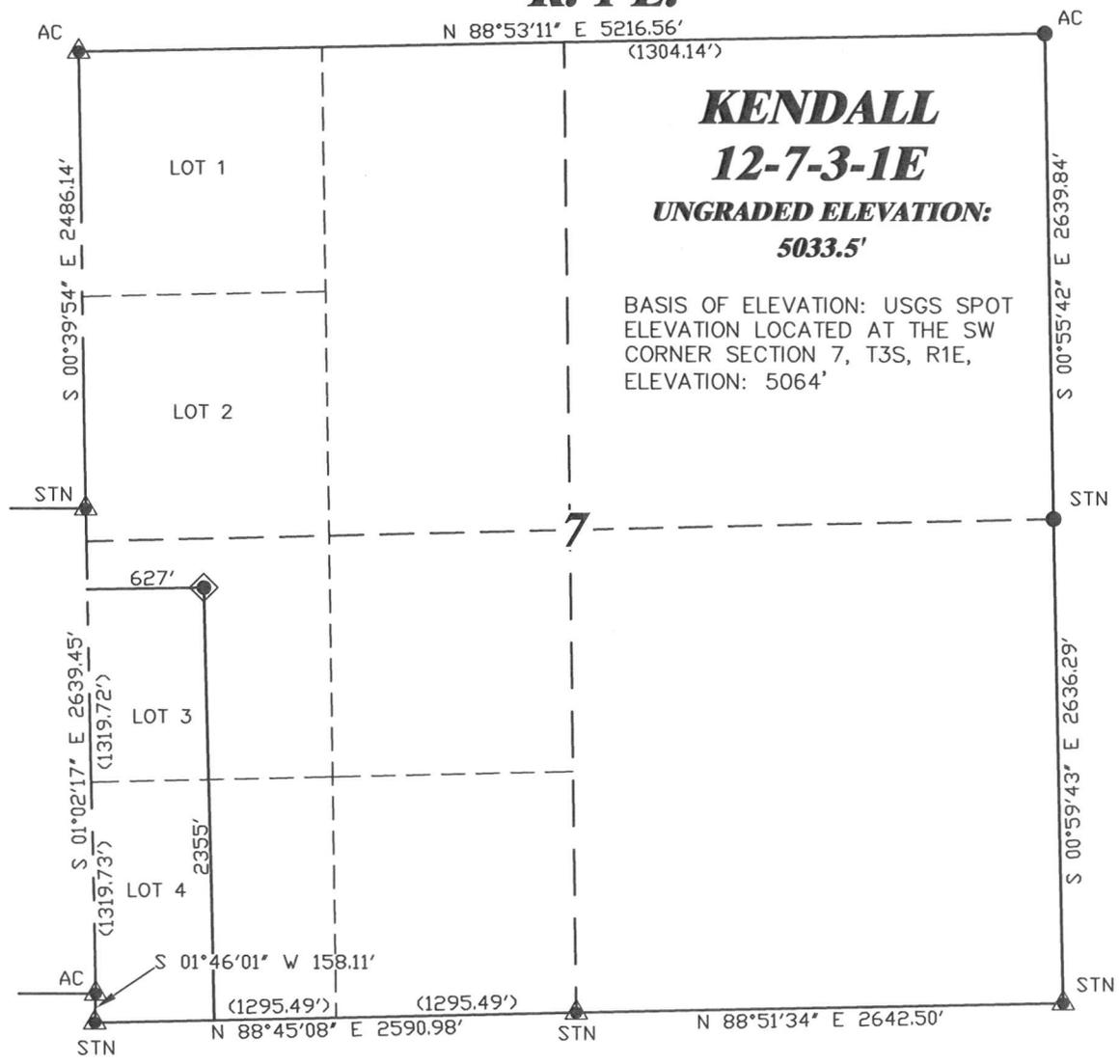
BASIS OF ELEVATION: USGS SPOT
ELEVATION LOCATED AT THE SW
CORNER SECTION 7, T3S, R1E,
ELEVATION: 5064'

LATITUDE (NAD 83)
NORTH 40.235871 DEG.
LONGITUDE (NAD 83)
WEST 109.932730 DEG.

LATITUDE (NAD 27)
NORTH 40.235910 DEG.
LONGITUDE (NAD 27)
WEST 109.932028 DEG.

NORTHING
696813.61
EASTING
2437727.97

DATUM
SPCS UTC (NAD 27)

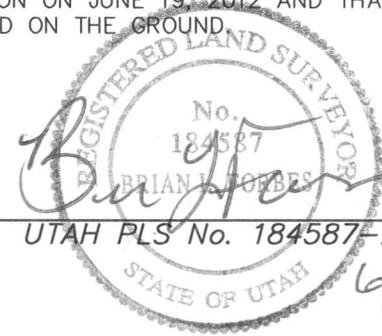


SURVEYOR'S STATEMENT

I, BRIAN L. FORBES, OF ROCK SPRINGS, WYOMING, HEREBY STATE: THIS MAP WAS MADE FROM NOTES TAKEN DURING AN ACTUAL FIELD SURVEY DONE UNDER MY DIRECT SUPERVISION ON JUNE 19, 2012 AND THAT THIS PLAT CORRECTLY SHOWS THE LOCATION OF KENDALL 12-7-3-1E AS STAKED ON THE GROUND.

LEGEND

- ◆ WELL LOCATION
- BOTTOM HOLE LOC. (APPROX)
- FOUND MONUMENT
- ▲ PREVIOUSLY FOUND MONUMENT



UTAH PLS No. 184587-2201

6/27/12

DRG RIFFIN & ASSOCIATES, INC.
1414 ELK ST., ROCK SPRINGS, WY 82901
(307) 362-5028

**PLAT OF DRILLING LOCATION
FOR
UTE ENERGY**

DRAWN: 6/26/12 - NDP	SCALE: 1" = 1000'
REVISED: NA	DRG JOB No. 19290
EXHIBIT 1	

**2355' F/SL & 627' F/WL, NWSW, SECTION 7,
T. 3 S., R. 1 E., U.S.M.
UINTAH COUNTY, UTAH**