

**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> KENDALL 13-7-3-1E
<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> WILDCAT
<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> UTE ENERGY UPSTREAM HOLDINGS LLC		<b>7. OPERATOR PHONE</b> 720 420-3235
<b>8. ADDRESS OF OPERATOR</b> 1875 Lawrence St Ste 200, Denver, CO, 80202		<b>9. OPERATOR E-MAIL</b> rgarrison@uteenergy.com
<b>10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) FEE</b>	<b>11. MINERAL OWNERSHIP</b> FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	<b>12. SURFACE 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> MIKE KENDALL		<b>14. SURFACE OWNER PHONE (if box 12 = 'fee')</b> 801-546-2230
<b>15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')</b> SUITE 206 ,		<b>16. SURFACE OWNER E-MAIL (if box 12 = 'fee')</b>
<b>17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')</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	734 FSL 564 FWL	SWSW	7	3.0 S	1.0 E	U
Top of Uppermost Producing Zone	734 FSL 564 FWL	SWSW	7	3.0 S	1.0 E	U
At Total Depth	734 FSL 564 FWL	SWSW	7	3.0 S	1.0 E	U

<b>21. COUNTY</b> UINTAH	<b>22. DISTANCE TO NEAREST LEASE LINE (Feet)</b> 564	<b>23. NUMBER OF ACRES IN DRILLING UNIT</b> 40
<b>27. ELEVATION - GROUND LEVEL</b> 5046	<b>25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed)</b> 920	<b>26. PROPOSED DEPTH</b> MD: 10465    TVD: 10465
	<b>28. BOND NUMBER</b> LPM9032132	<b>29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE</b> 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 - 10465	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

<b>NAME</b> Jenn Mendoza	<b>TITLE</b> Regulatory Specialist	<b>PHONE</b> 720 420-3229
<b>SIGNATURE</b>	<b>DATE</b> 07/06/2012	<b>EMAIL</b> jmendoza@uteenergy.com
<b>API NUMBER ASSIGNED</b> 43047529110000	<b>APPROVAL</b>   Permit Manager	

**R. 1 E.**

N 88°53'11" E 5216.56'

**KENDALL  
13-7-3-1E**

**UNGRADED ELEVATION:  
5048.3'**

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



SCALE 1" = 1000'

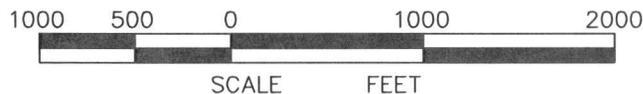
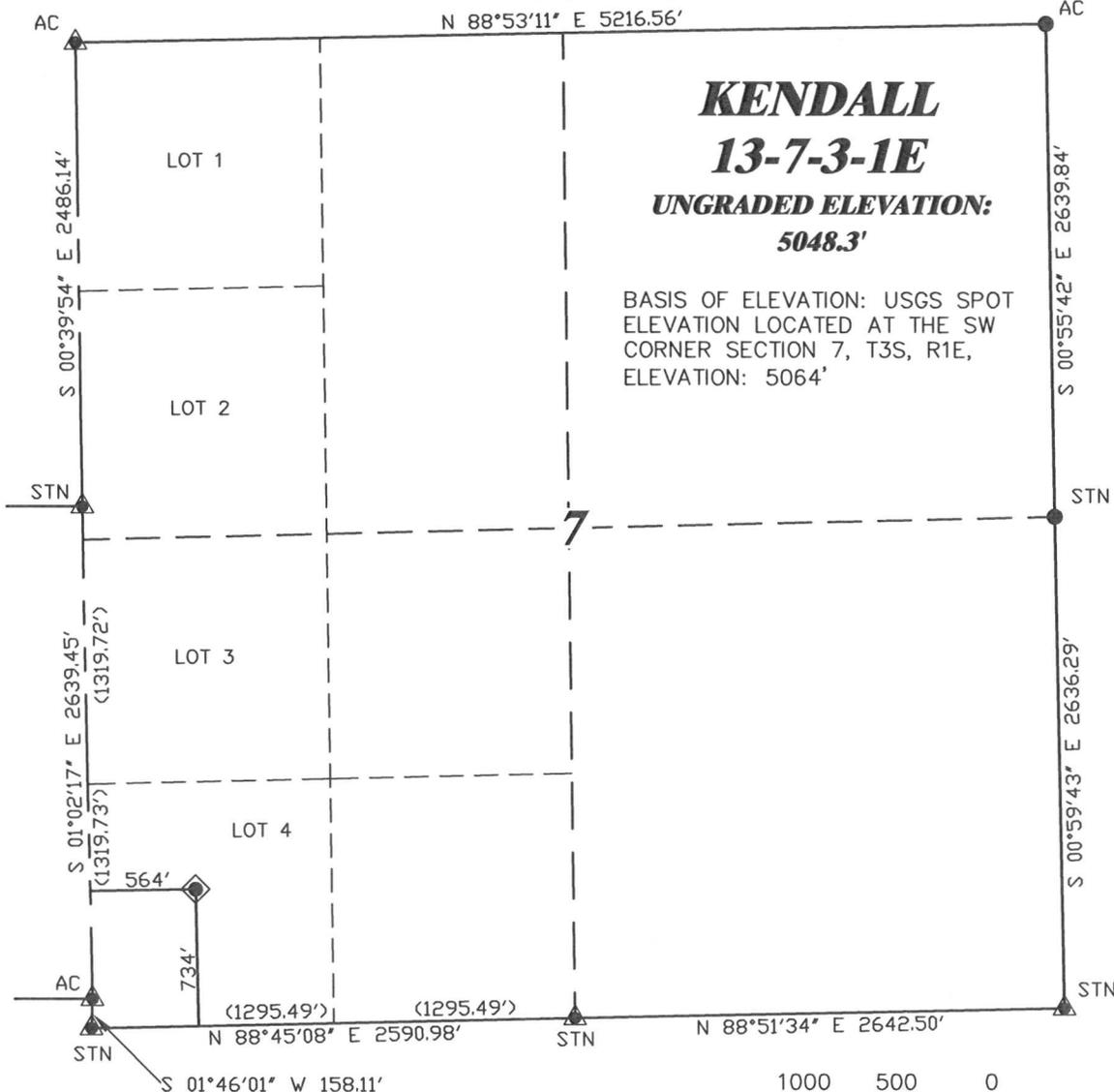
**T. 3 S.**

**LATITUDE (NAD 83)**  
NORTH 40.231420 DEG.  
**LONGITUDE (NAD 83)**  
WEST 109.932952 DEG.

**LATITUDE (NAD 27)**  
NORTH 40.231460 DEG.  
**LONGITUDE (NAD 27)**  
WEST 109.932249 DEG.

**NORTHING**  
695191.61  
**EASTING**  
2437694.48

**DATUM**  
SPCS UTC (NAD 27)

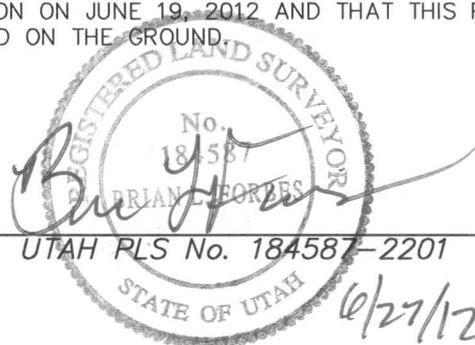


**SURVEYOR'S STATEMENT**

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 13-7-3-1E AS STAKED ON THE GROUND.

**LEGEND**

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



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

**PLAT OF DRILLING LOCATION  
FOR  
UTE ENERGY**

<b>DRAWN: 6/27/12 - NDP</b>	<b>SCALE: 1" = 1000'</b>
<b>REVISED: NA</b>	<b>DRG JOB No. 19291</b>
<b>EXHIBIT 1</b>	

**734' F/SL & 564' F/WL, SWSW, SECTION 7,  
T. 3 S., R. 1 E., U.S.M.  
UINTAH COUNTY, UTAH**