

**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><br>Desert Spring State 241-36-9-18   |
| <b>2. TYPE OF WORK</b><br>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><br>8 MILE FLAT NORTH   |
| <b>4. TYPE OF WELL</b><br>Gas Well Coalbed Methane Well: NO   |  | <b>5. UNIT or COMMUNITIZATION AGREEMENT NAME</b>  |
| <b>6. NAME OF OPERATOR</b><br>GASCO PRODUCTION COMPANY  |  | <b>7. OPERATOR PHONE</b><br>303 996-1805  |
| <b>8. ADDRESS OF OPERATOR</b><br>8 Inverness Dr. East, Suite 100, Englewood, CO, 80112  |  | <b>9. OPERATOR E-MAIL</b><br>jberg@gascoenergy.com  |
| <b>10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE)</b><br>ML-45171   | <b>11. MINERAL OWNERSHIP</b><br>FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>    | <b>12. SURFACE OWNERSHIP</b><br>FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| <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>   | <b>18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS</b><br>YES <input checked="" type="checkbox"/> (Submit Commingling Application) NO <input type="checkbox"/> | <b>19. SLANT</b><br>VERTICAL <input type="checkbox"/> DIRECTIONAL <input checked="" type="checkbox"/> HORIZONTAL <input type="checkbox"/>                               |

| 20. LOCATION OF WELL            | FOOTAGES          | QTR-QTR | SECTION | TOWNSHIP | RANGE  | MERIDIAN |
|---------------------------------|-------------------|---------|---------|----------|--------|----------|
| LOCATION AT SURFACE             | 1424 FSL 874 FWL  | NWSW    | 36      | 9.0 S    | 18.0 E | S        |
| Top of Uppermost Producing Zone | 1155 FSL 1980 FWL | SESW    | 36      | 9.0 S    | 18.0 E | S        |
| At Total Depth                  | 1155 FSL 1980 FWL | SESW    | 36      | 9.0 S    | 18.0 E | S        |

|   |  |  |
|---|--|--|
| <b>21. COUNTY</b><br>UINTAH                 | <b>22. DISTANCE TO NEAREST LEASE LINE (Feet)</b><br>874                                    | <b>23. NUMBER OF ACRES IN DRILLING UNIT</b><br>640   |
| <b>27. ELEVATION - GROUND LEVEL</b><br>4993 | <b>25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed)</b><br>10 | <b>26. PROPOSED DEPTH</b><br>MD: 12693 TVD: 12550  |
|   | <b>28. BOND NUMBER</b><br>k08792707  | <b>29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE</b><br>Recycled production water; water right 41-3530 |

**Hole, Casing, and Cement Information**

| String | Hole Size | Casing Size | Length    | Weight | Grade & Thread | Max Mud Wt. | Cement  | Sacks | Yield | Weight |
|--------|-----------|-------------|-----------|--------|----------------|-------------|---------|-------|-------|--------|
| COND   | 20        | 16          | 0 - 60    | 48.0   | H-40 ST&C      | 8.3         | Class G | 55    | 1.18  | 15.8   |
| SURF   | 11        | 8.625       | 0 - 3000  | 32.0   | J-55 ST&C      | 9.0         | Varocem | 350   | 2.722 | 11.5   |
|        |           |             |           |        |                |             | Varocem | 250   | 1.649 | 13.5   |
| PROD   | 7.875     | 4.5         | 0 - 12693 | 13.5   | HCP-110 LT&C   | 11.0        | Class G | 490   | 2.057 | 12.5   |
|        |           |             |           |        |                |             | Class G | 2000  | 1.499 | 14.1   |

**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 checked="" type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED) | <input checked="" type="checkbox"/> TOPOGRAPHICAL MAP                      |

|  |  |                                    |
|--|--|------------------------------------|
| <b>NAME</b> Jessica Berg                     | <b>TITLE</b> Regulatory Analyst  | <b>PHONE</b> 303 996-1805          |
| <b>SIGNATURE</b>                             | <b>DATE</b> 06/25/2014   | <b>EMAIL</b> jberg@gascoenergy.com |
| <b>API NUMBER ASSIGNED</b><br>43047545430000 | <b>APPROVAL</b><br><br><br>Permit Manager |                                    |

T9S, R18E, S.L.B.&M.

GASCO PRODUCTION COMPANY

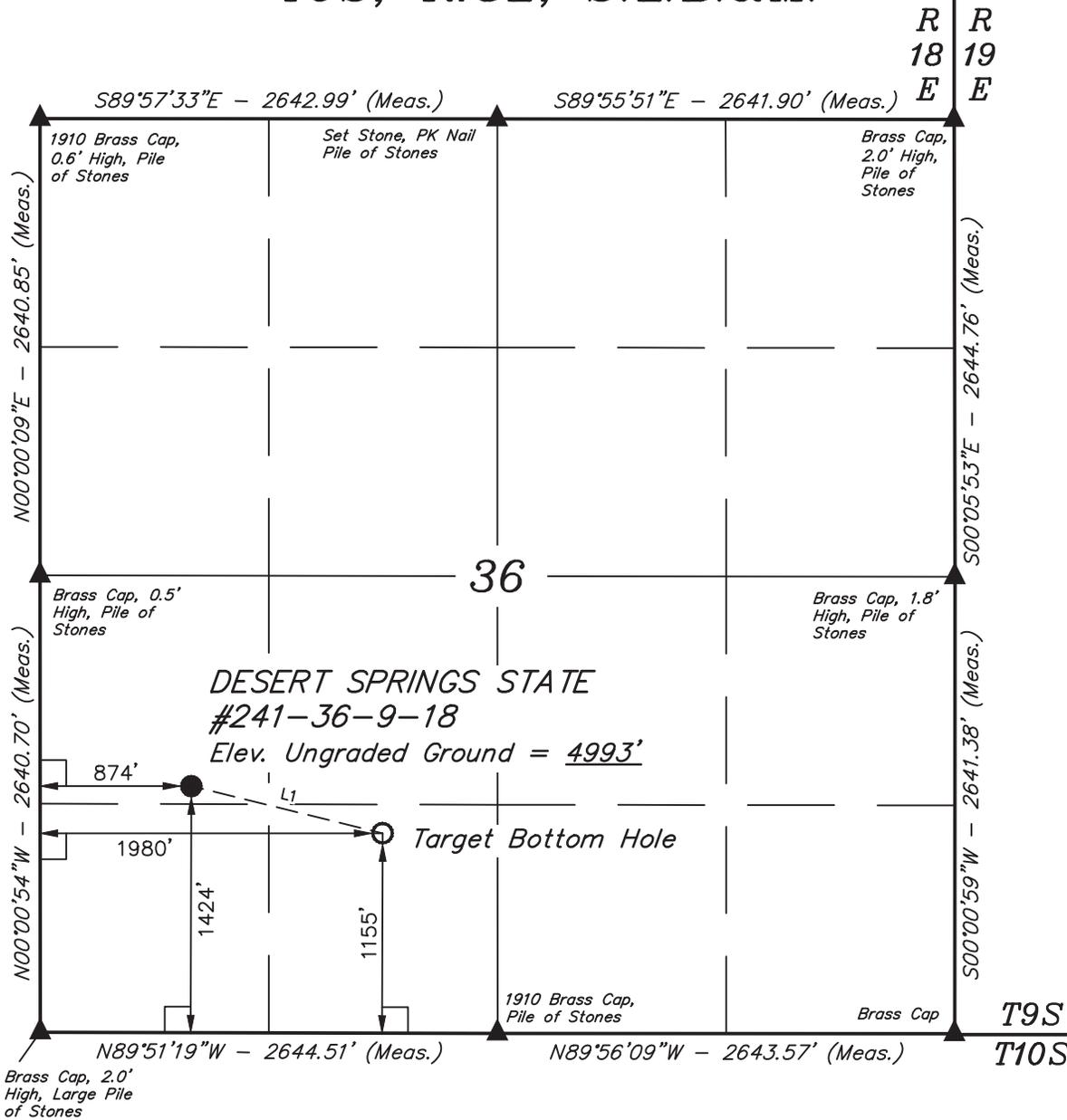
Well location, DESERT SPRINGS STATE  
 #241-36-9-18, located as shown in the NW 1/4  
 SW 1/4 of Section 36, T9S, R18E, S.L.B.&M.,  
 Uintah County, Utah.

BASIS OF ELEVATION

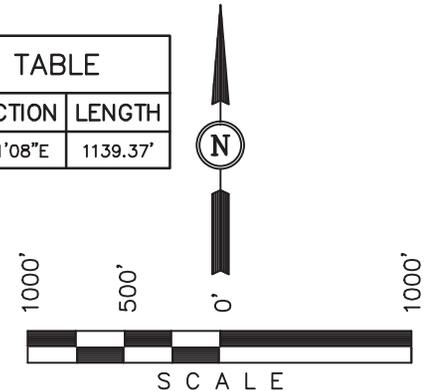
SPOT ELEVATION AT THE NORTHWEST CORNER OF SECTION 14,  
 T10S, R18E, S.L.B.&M., TAKEN FROM THE MOON BOTTOM  
 QUADRANGLE, UTAH, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP)  
 PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE  
 INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS  
 BEING 5129 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



| LINE TABLE |             |          |
|------------|-------------|----------|
| LINE       | DIRECTION   | LENGTH   |
| L1         | S76°11'08"E | 1139.37' |



CERTIFICATE

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

*Robert Kay*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH  
 DATE 06-10-14

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

| NAD 83 (TARGET BOTTOM HOLE)         |  | NAD 83 (SURFACE LOCATION)           |  |
|-------------------------------------|--|-------------------------------------|--|
| LATITUDE = 39°58'59.91" (39.983308) | LONGITUDE = 109°50'39.68" (109.844356) | LATITUDE = 39°59'02.60" (39.984056) | LONGITUDE = 109°50'53.89" (109.848303) |
| NAD 27 (TARGET BOTTOM HOLE)         |  | NAD 27 (SURFACE LOCATION)           |  |
| LATITUDE = 39°59'00.04" (39.983344) | LONGITUDE = 109°50'37.16" (109.843656) | LATITUDE = 39°59'02.73" (39.984092) | LONGITUDE = 109°50'51.37" (109.847603) |

**UINTAH ENGINEERING & LAND SURVEYING**  
 85 SOUTH 200 EAST - VERNAL, UTAH 84078  
 (435) 789-1017

|                           |                                  |                         |
|---------------------------|----------------------------------|-------------------------|
| SCALE<br>1" = 1000'       | DATE SURVEYED:<br>06-09-14       | DATE DRAWN:<br>06-10-14 |
| PARTY<br>N.F. T.M. H.K.W. | REFERENCES<br>G.L.O. PLAT        |                         |
| WEATHER<br>HOT            | FILE<br>GASCO PRODUCTION COMPANY |                         |