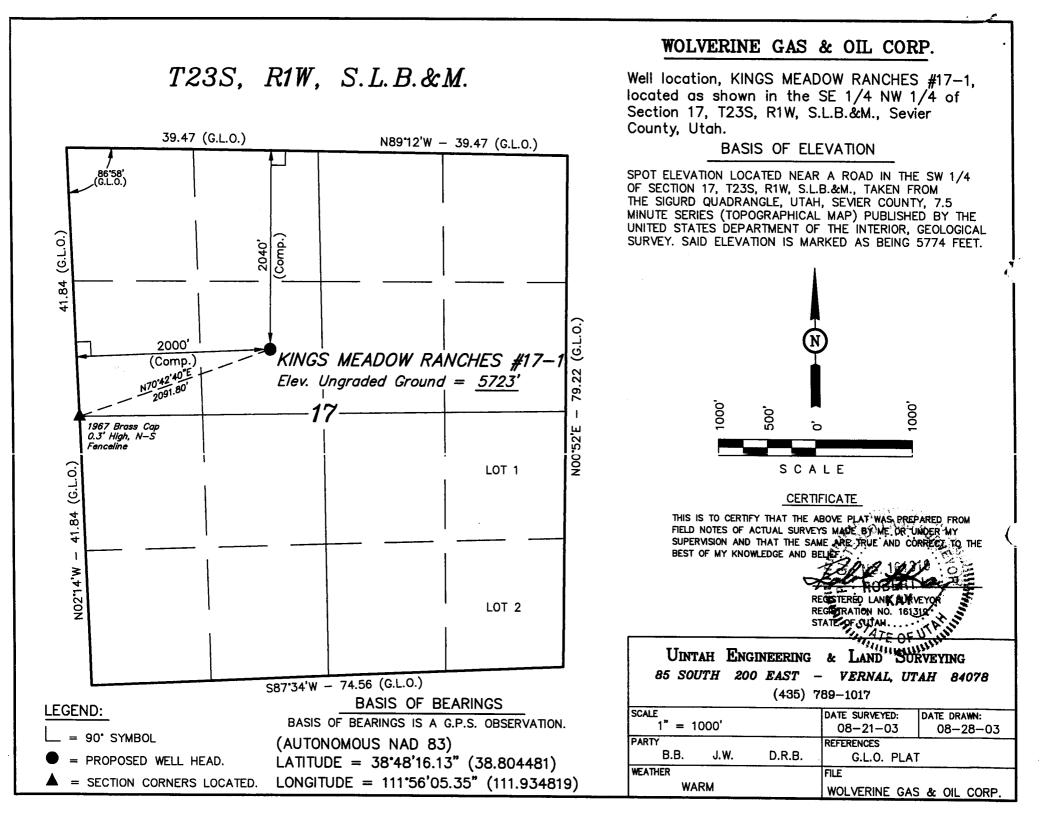
FORM 3

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

AMENDED REPORT

| 001 | | | Divic | | | | | (highligh | t changes) |
|-------------------------|--|-----------------|--------------------------|--|--------------|-------------------------|--------------------------|------------------|---------------------------------|
| | A | PPLICA | TION FOR P | ERMIT TO | DRILL | | FE | L LEASE NO: | 6. SURFACE: Fee PIRE NAME |
| 1A. TYPE OF WO | RK: DR | | | DEEPEN [|] | | 7. IF INDU | N, ALLUITEE OR I | |
| B. TYPE OF WE | - | gas 🗹 | OTHER | SING | | | EL Wolve | | ploration Unit |
| 2. NAME OF OPP | RATOR: | | - A. 1.L | (1165 | 3 | | | Meadow Ra | |
| 3. ADDRESS OF | | | n Co. ht. | | | PHONE NUMBER: | 10. FIELD | AND POOL, OR W | LDCAT: |
| One Riverf | ront Plaza | | d Rapids STATE | MI _{ZIP} 495 | 03 | (616) 458-1150 | 11. OTRO | AT SECTION, TOV | WISHIP, RANGE, |
| | WELL (FOOTAGES | | 429530 | 03Y 38. | 80463 | | | ian: | |
| | 2000' FWL | | NL 41887 | 4× -111 | .93920 | | N | . 17 200 | |
| | D PRODUCING ZON | | | | | <u></u> | 12. COUN | TY: | 13. STATE: |
| | | | AREST TOWN OR POST | r office: | | | Sevie | | UTAH |
| | S SOUTH OF SIG | | | 16. NUMBER OF | ACRES IN LEA | SE: | 17. NUMBER OF | ACRES ASSIGNED | TO THIS WELL: |
| 15. DISTANCE 1 2000' | O NEAREST PROPI | | ä E H¥k (° kk−1) | | | 510 | | | 40 |
| 18 DISTANCE | TO NEAREST WELL | (DRILLING, COI | WPLETED, OR | 19. PROPOSED | DEPTH: | | 20. BOND DESC | | _ |
| APPLIED FO | R) ON THIS LEASE | (FEET) | | | | 9,720 | | | 1-10755-6 |
| 21. ELEVATION | S (SHOW WHETHEI | R DF, RT, GR, E | TC.): | 22. APPROXIM | | K WILL START: | 23. ESTIMATED 30 Days | DURATION: | |
| 5723' GF | ۲ | | | 11/1/200 | | | <u>oo baje</u> | | |
| 24. | | | PROPOSE | ED CASING AI | | ITING PROGRAM | | | |
| SIZE OF HOLE | CASING SIZE, | GRADE, AND W | EIGHT PER FOOT | SETTING DEPTH | | CEMENT TYPE, QU | IANTITY, YIELD, AN | D SLURRY WEIGH | |
| 171/2" | 13-3/8" | K-55 | 54.5# | 700 | Class "H | * | 830 sks | 1.18 cuft/s | k 15.6 #/ga |
| 121⁄4" | 9-5/8" | S-95 | 53.5# | 7,480 | Class "H | 7 | 400 sks | 1.18 cuft/s | k 15.6 #/ga |
| 7-7/8" | 51/2" | L-80 | 17# | 9,720 | 50-50 pc | Z | 425sks | 1.26 cuft/s | k 14.2 #/gal |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | <u> </u> | | | |
| | | | L. | | | • | | | |
| 25. | | | | | CHMENT | | | | |
| VERIFY THE F | OLLOWING ARE AT | TACHED IN AC | CORDANCE WITH THE L | itah dil and gas (| I | GENERAL NOLES. | | | |
| VI WELL | PLAT OR MAP PREI | PARED BY LICE | NSED SURVEYOR OR E | NGINEER | | COMPLETE DRILLING PLAN | | | |
| | NCE OF DIVISION C | | ITS APPROVAL FOR US | | | ORM 5, IF OPERATOR IS I | PERSON OR COMP | ANY OTHER THAN | THE LEASE OWNER |
| <u></u> | <u>,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</u> | | *Timothy 9. | Brock, PE | 10/6/0: | zfe | | | |
| NAME (PLEA | SE PRINT) VINCE | Guinn | | ······································ | | n.e Consulting E | ngineer | | |
| SIGNATURE | fin | - - | Sun | <u>n</u> | D | TE 9/2/2003 | | | |
| (This space for | State use only) | | | | | |) | | |
| | | | | | tah i | in of | · | RECEIV | FD |
| |)[- | 1 nul. | 10022 | Đil, | Gas | | | | _ |
| API NUMBER | ASSIGNED: 4 | 5-041- | <i>you yu</i> | Date: K |) - 23 | 11)EO- | | SEP 6 3 20 | |
| | | | | N:K | month les | gALL - | DIV. C | FOIL, GAS & | MINING |
| (11/2001) | | | | (See Indiruc | | There | | | |
| | | | | | | 21 | | | |



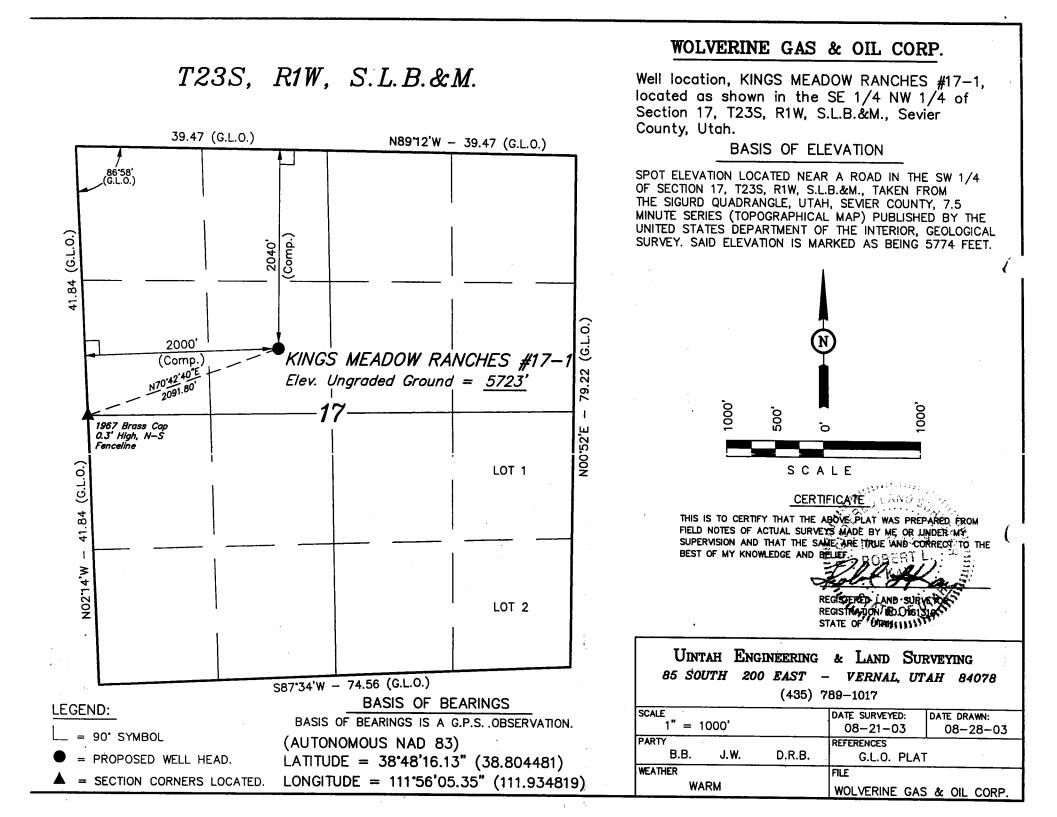
STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

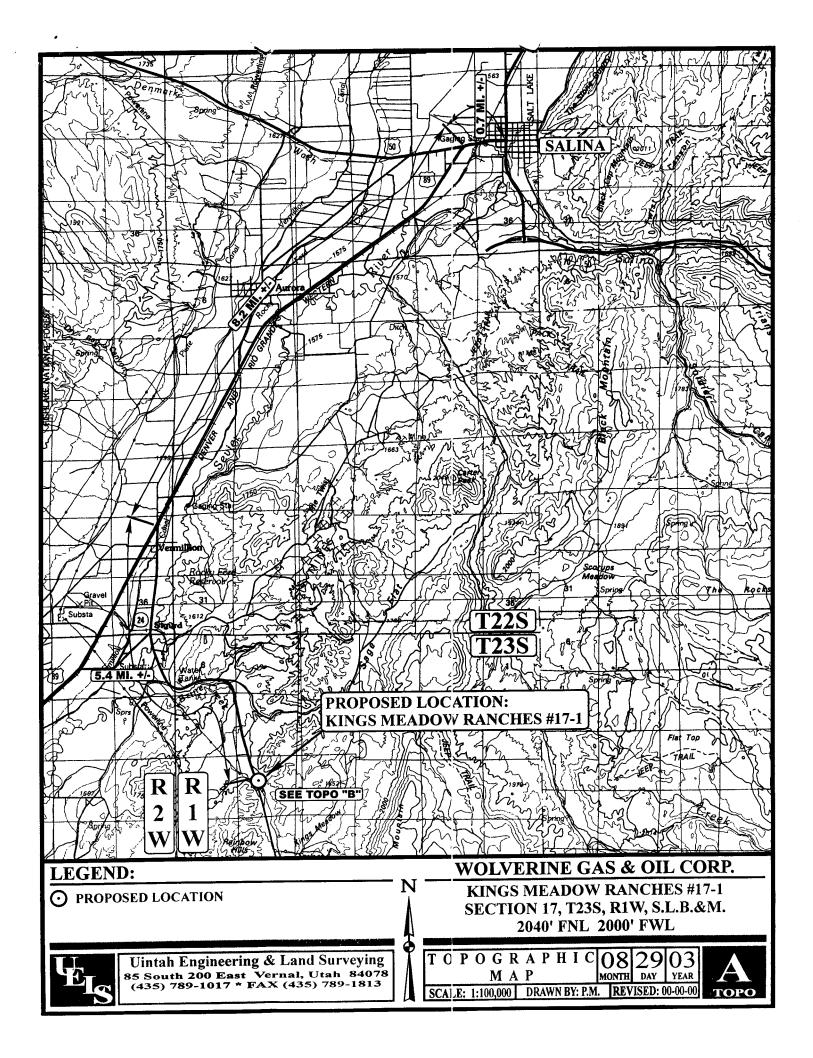
| • | | | | | | \smile | | (highligh | nt changes) | |
|--|------------------------------------|---------------------------------------|-------------------|-------------------|-------------------|--|---------------------------------------|---------------------------------------|--|--|
| - | | | | | DRILL | | | RAL LEASE NO: | 6. SURFACE: Fee | |
| 1A. TYPE OF WORK: DRILL Z REENTER DEEPEN . | | | | | | | IAN, ALLOTTEE OR | TRIBE NAME: | | |
| B. TYPE OF WE | | GAS 🗹 | OTHER | SIN | | | EL Wolv | | xploration Unit | |
| 2. NAME OF OPE | - | Corporatio | n | | | | | NAME and NUMBER S Meadow;Ra | | |
| 3. ADDRESS OF | OPERATOR: | | | | | PHONE NUMBER: | | D AND POOL, OR W | and the second | |
| One Riverf | | | Rapids STAT | | | (616) 458-1150 | Wild | | | |
| | WELL (FOOTAGE | | 429530 | 34 38. | 80463 | | MERI | QTR, SECTION, TO DIAN: | | |
| | 2000 FVVL | . & 2040' FN NE: | 1 418874 | 1 X - 111.9 | 3428 | | SEEN | | 5 1W S | |
| 14. DISTANCE IN | MILES AND DIRE | CTION FROM NEA | REST TOWN OR POS | ST OFFICE: | | <u> </u> | 12. CÒU | NTY: | 13. STATE: UTAH | |
| 5.4 Miles | south of Sig | gerd | | | | | Sevi | er | UTAN | |
| | O NEAREST PROP | ERTY OR LEASE I | .INE (FEET) | 16. NUMBER O | FACRES IN LEAS | | 17. NUMBER OF | ACRES ASSIGNED | | |
| 2000' | | | | | | 510 | | | 40 | |
| | O NEAREST WELL R) ON THIS LEASE | (DRILLING, COMF (FEET) | LETED, OR | 19. PROPOSED | DEPTH: | | 20. BOND DESC | | | |
| N/A | | R DF, RT, GR, ETC | | | | 9,720 | Individua 23. Estimated | | 1-107 55-6 | |
| 5723' GR | • | R DF, RT, GR, ETC | i.): | 11/1/200 | ATE DATE WORK | WILL START: | 30 Days | DURATION: | | |
| 5723 GR | | | | | | | | | | |
| 24. | | | PROPOSI | ED CASING A | | | | | | |
| SIZE OF HOLE | CASING SIZE, | GRADE, AND WER | SHT PER FOOT | SETTING DEPTH | | CEMENT TYPE, QUA | NTITY, YIELD, AN | ID SLURRY WEIGHT | • · · · · · · · · · · · · · · · · · · · | |
| 17½" | 13-3/8" | K-55 | 54.5# | 700 | Class "H" | · · · · · · · · · · · · · · · · · · · | 830 sks | 1.18 cuft/sk | x 15.6 #/ga | |
| 12¼" | 9-5/8" | S-95 | 53.5# | 7,480 | Class "H" | | 400 sks | 1.18 cuft/sk | (15.6 #/ga | |
| 7-7/8" | 5½" | L-80 | 17# | 9,720 | 50-50 poz | | 425sks | 1.26 cuft/sk | c 14.2 #/gal | |
| , | <u>.</u> | | | <u> </u> | | | | · · · · · · · · · · · · · · · · · · · | | |
| ····· | | · · · · · · · · · · · · · · · · · · · | | | | | | | · · · · · · · · · · · · · · · · · · · | |
| | | | | | | | | | <u>,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</u> | |
| 25. | - 1 | | | ATTA | CHMENTS | ······································ | · · · · · · · · · · · · · · · · · · · | | | |
| VERIFY THE FOL | LOWING ARE AT | ACHED IN ACCOR | IDANCE WITH THE U | TAH OIL AND GAS C | DNSERVATION (3 | ENERAL RULES: | | | | |
| 🗹 🛛 WELL PL | AT OR MAP PREP | ARED BY LICENSE | D SURVEYOR OR EN | IGINEER | CCN | IPLETE DRILLING PLAN | | | | |
| EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | | | | | NY OTHER THAN T | HE LEASE OWNER | | | | |
| NAME (PLEASE | | Guinn | | | TITLE | Consulting Eng | gineer | | | |
| SIGNATURE | The | ~ | An | | DATIE | 9/2/2003 | | | | |
| This space for Sta | te use only) | | | | | | | | , | |
| | | | a . | | | | | RECEIV | FN | |
| API NUMBER AS | signed: $\underline{4}$ | 3-041-3 | 0030 | | APPROVAL: | | | SEP 0 3 20 | NA NA | |
| 1/2001) (See Instructions | | | | | na on Reverse Sir | | | DIV. OF OIL GAS & MUNICO | | |

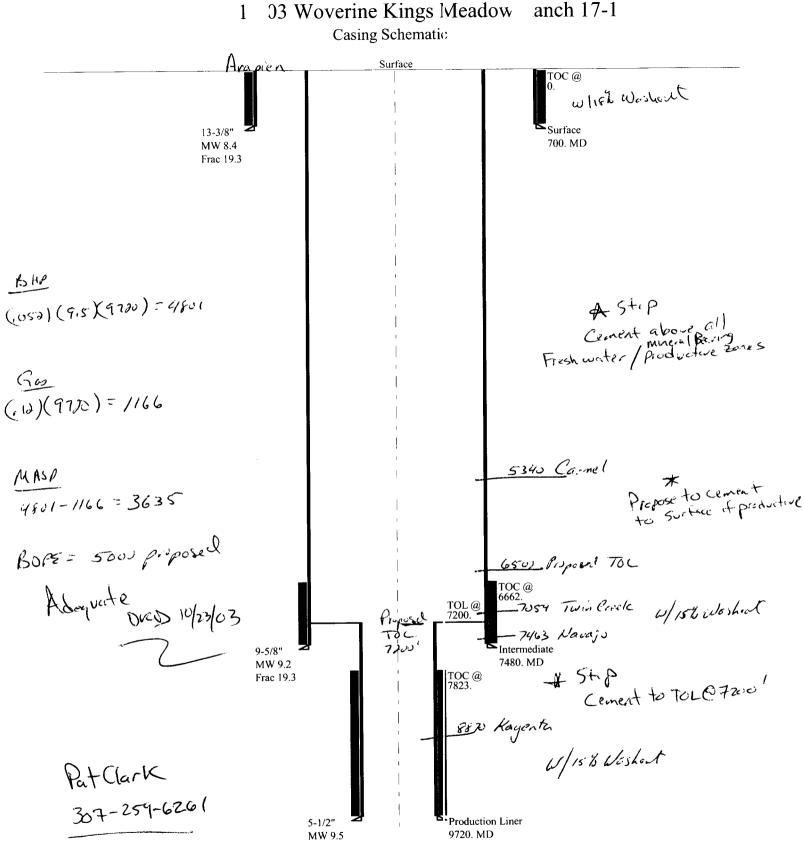
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03 Woverine Kings Meadow

| weii na | ame: | | 10-03 W | <i>loverine</i> | Kings Me | adow Rar | ich 17-1 | | |
|--|--------------------------------|--------------|-------------------------------|--|-----------------------------------|--|---|---|---|
| Operato | or: Wo v | verine G&C |) Corp. | | - | | | | |
| String t | ype: Surl | ace | - | | | | Project ID: 43-041-30 | 030 | |
| Locatio | n: Sev | ier | | | | | | | |
| - | paramete | ers: | | | n design fa | ctors: | Environmo H2S conside | | No |
| Collapse Mud weight: 8.400 ppg Design is based on evacuated pipe. | | | | <u>Collapse:</u> Design fac | | 1.125 | Surface tem Bottom hole Temperature | perature: temperature: | 65 °F 75 °F 1.40 °F/100 250 ft |
| | | | | <u>Burst:</u> Design fac | tor | 1.00 | Cement top: | : | 0 ft |
| pressure: 616 psi Internal gradient: 0.120 psi/ft Calculated BHP 700 psi No backup mud specified. | | | Tension: | | | Non-directio | nal string. | | |
| | | specified. | 700 psi | 8 Round S 8 Round L Buttress: Premium: Body yield | тС: : | 1.80 (J) 1.80 (J) 1.60 (J) 1.50 (J) 1.50 (B) | Next set | u ent strings: ting depth: | 7,480 ft |
| | | specified. | 700 psi | 8 Round L Buttress: Premium: Body yield | TC: : based on bu | 1.80 (J) 1.60 (J) 1.50 (J) | Next set Next mu Next set Fracture Fracture | uent strings: tting depth: id weight: tting BHP: e mud wt: | 7,480 ft 9.200 ppg 3,575 psi 19.250 ppg 700 ft 700 psi |
| No bi | ackup mud Segment Length | Size (in) | Nominal Weight (ibs/ft) | 8 Round L Buttress: Premium: Body yield Tension is | TC: : based on bu | 1.80 (J) 1.60 (J) 1.50 (J) 1.50 (B) cyed weight. 613 ft True Vert Depth | Next set Next mu Next set Fracture Fracture Injection Measured Depth | uent strings: tting depth: id weight: tting BHP: a mud wt: depth: | 9.200 ppg 3,575 psi 19.250 ppg 700 ft |
| | ackup mud | | Nominal Weight (ibs/ft) | 8 Round L Buttress: Premium: Body yield Tension is Neutral po | TC: based on bu int: End | 1.80 (J) 1.60 (J) 1.50 (J) 1.50 (B) cyed weight. 613 ft True Vert | Next set Next mu Next set Fracture Fracture Injection | uent strings: tting depth: td weight: tting BHP: e mud wt: depth: n pressure Drift Diameter | 9.200 ppg 3,575 psi 19.250 ppg 700 ft 700 psi Internal Capacity |

Prepared Clinton Dworshak by: Utah Div. of Oil & Mining Phone: 801-538-5280 FAX: 810-359-3940 Date: October 23,2003 Salt Lake City, Utah

Remarks: Collapse is based on a vertical depth of 700 ft, a mud weight of 8.4 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

| Well name | e: | | 10-03 W | /overine l | Kings Me | adow Rar | nch 17-1 | | |
|---|--------------------------|-------------------------------|---|-----------------------------|----------------------------|--|--|---|--|
| Operator: | Wov | verine G&0 | | | - | | | | |
| String typ | e: Inte | rmediate | | | | | Project ID: | | |
| Location: | Sev | ier | | | | | 43-041-30 | 030 | |
| | aramete | ers: | | | design fac | tors: | Environm | | |
| <u>ollapse</u> | | | | <u>Collapse:</u> | | | H2S conside | | No |
| Mud weight: 9.200 ppg Design is based on evacuated pipe. | | | | Design fac | tor | 1.125 | Temperatur | temperature | 65 °F : 170 °F 1.40 °F/100 700 ft |
| | | | | <u>Burst:</u> Design fac | tor | 1.00 | Cement top | | 6,662 ft |
| Burst Max anticipated surface pressure: 3,630 psi Internal gradient: 0.120 psi/ft Calculated BHP 4,528 psi No backup mud specified. | | | Tension: 8 Round S 8 Round L Buttress: Premium: Body yield: Tension is Neutral poi | TC: : based on bu | 6,441 ft | Next set Next mu Next set Fracture Injection | uent strings: ting depth: id weight: ting BHP: mud wt: depth: a pressure | 9,720 ft 9.500 ppg 4,797 psi 19.250 ppg 7,480 ft 7,480 psi | |
| | egment Length (ft) | Size (in) | Nominal Weight (Ibs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Internal Capacity (ft³) |
| 1 | 7480 / | 9.625 | 53.50 | S-95 🗲 | LT&C < | | 7480 | 8.5 | 807.6 |
| Run C Seq | ollapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor |

Prepared Clinton Dworshak by: Utah Div. of Oil & Mining Phone: 801-538-5280 FAX: 810-359-3940 Date: October 23,2003 Salt Lake City, Utah

Remarks: Collapse is based on a vertical depth of 7480 ft, a mud weight of 9.2 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

| Well name: | | | Voverine Kings | Meadow Rar | nch 17-1 | |
|--|----------------------------|--|--|--|---|---------------|
| Operator: String type: | Woverine G Production L | | | | Project ID: 43-041-30030 | |
| Location: | Sevier | · | | ······································ | | |
| Design para Collapse | ameters: | | Minimum desigi Collapse: | n factors: | Environment: H2S considered? | No |
| Mud weigh | nt: based on evacu | 9.500 ppg lated pipe. | Design factor | 1.125 | Surface temperature: Bottom hole temperature Temperature gradient: Minimum section length: | 1.40 °F/100ft |
| Burst | | | <u>Burst:</u> Design factor | 1.00 | Cement top: | 7,823 ft |
| Max antici pressur Internal gr Calculated | adient: | 3,630 psi 0.120 psi/ft 4,797 psi | Tension: 8 Round STC: 8 Round LTC: Buttress: Premium: Body yield: | 1.80 (J) 1.80 (J) 1.60 (J) 1.50 (J) 1.50 (B) | Liner top: Non-directional string. | 7,200 ft |
| | | | Tension is based on Neutral point: | on buoyed weight. £,357 ft | | |

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (Ibs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Internal Capacity (ft³) |
|-----------------|-----------------------------------|---------------------------------------|---------------------------------------|--------------------------------|------------------------------------|-----------------------------------|---------------------------------|--------------------------------------|---------------------------------------|
| 1 | 2520 | 5.5 - | 17.00 | L-80 🧹 | LT&C | 9720 | 9720 | 4.767 | 86.8 |
| Run Seq 1 | Collapse Load (psi) 4797 | Collapse Strength (psi) 6290 | Collapse Design Factor 1.311 | Burst Load (psi) 4797 | Burst Strength (psi) 7740 | Burst Design Factor 1.61 | Tension Load (Kips) 37 | Tension Strength (Kips) 338 | Tension Design Factor 9.22 J |

Prepared Clinton Dworshak by: Utah Div. of Oil & Mining

Phone: 801-538-5280 FAX: 810-359-3940

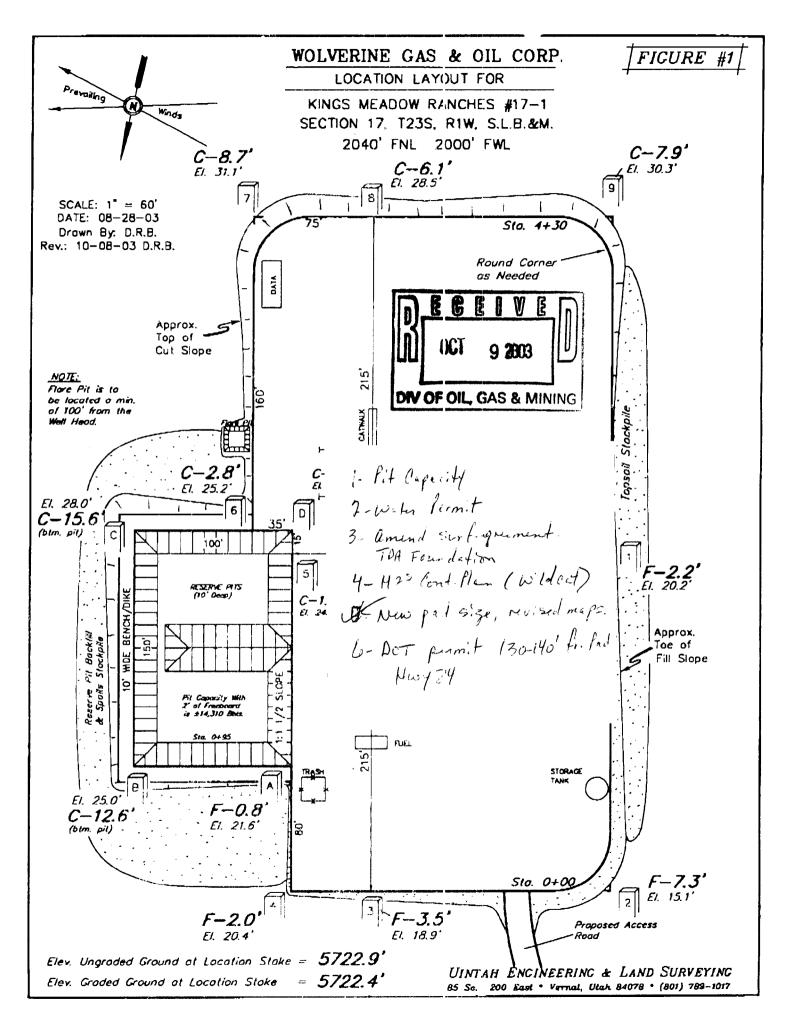
Date: October 23,2003 Salt Lake City, Utah

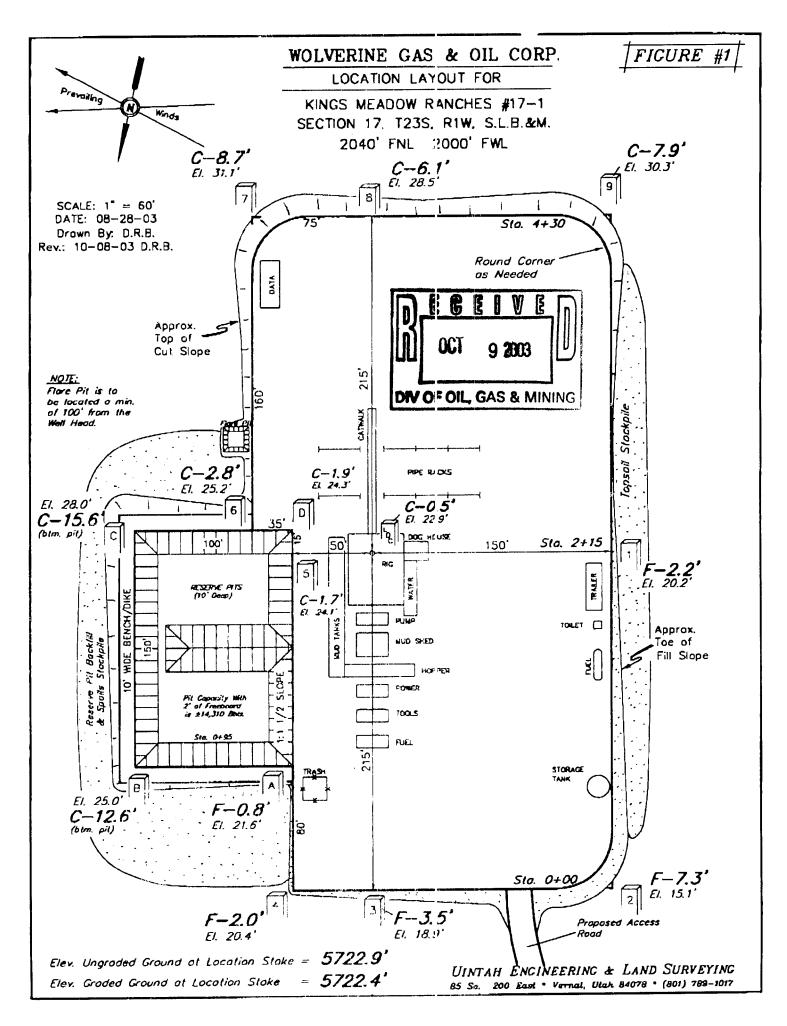
Remarks:

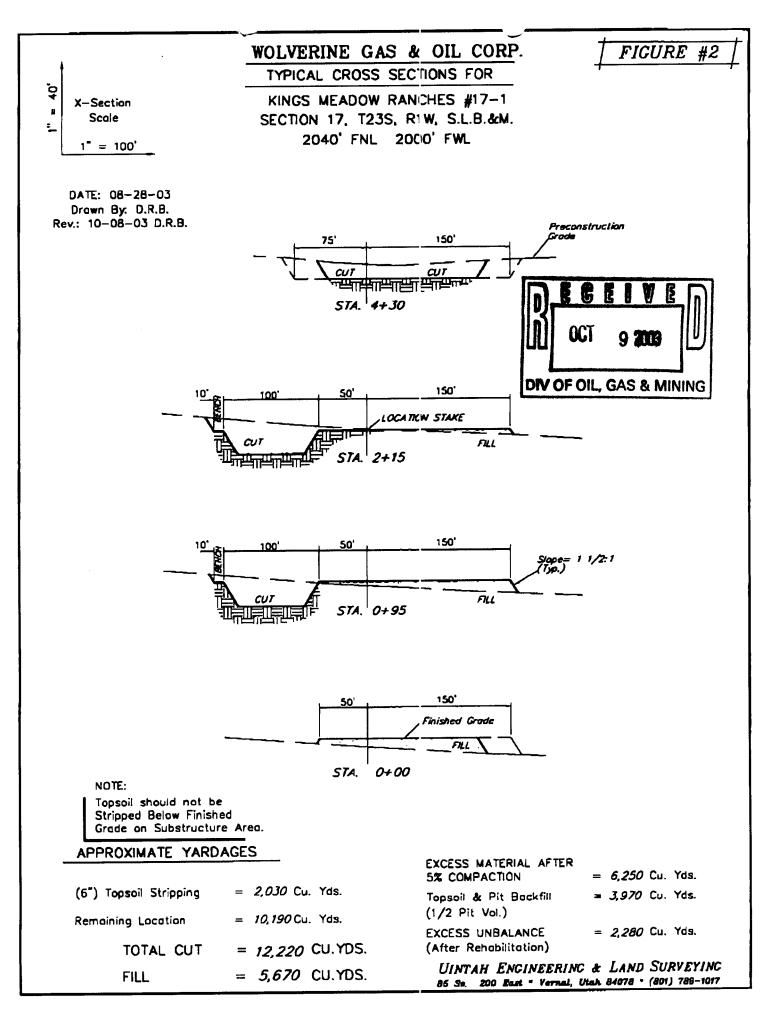
For this liner string, the top is rounded to the nearest 100 ft.Collapse is based cn a vertical depth of 9720 ft, a mud weight of 9.5 ppg The Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.







STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES

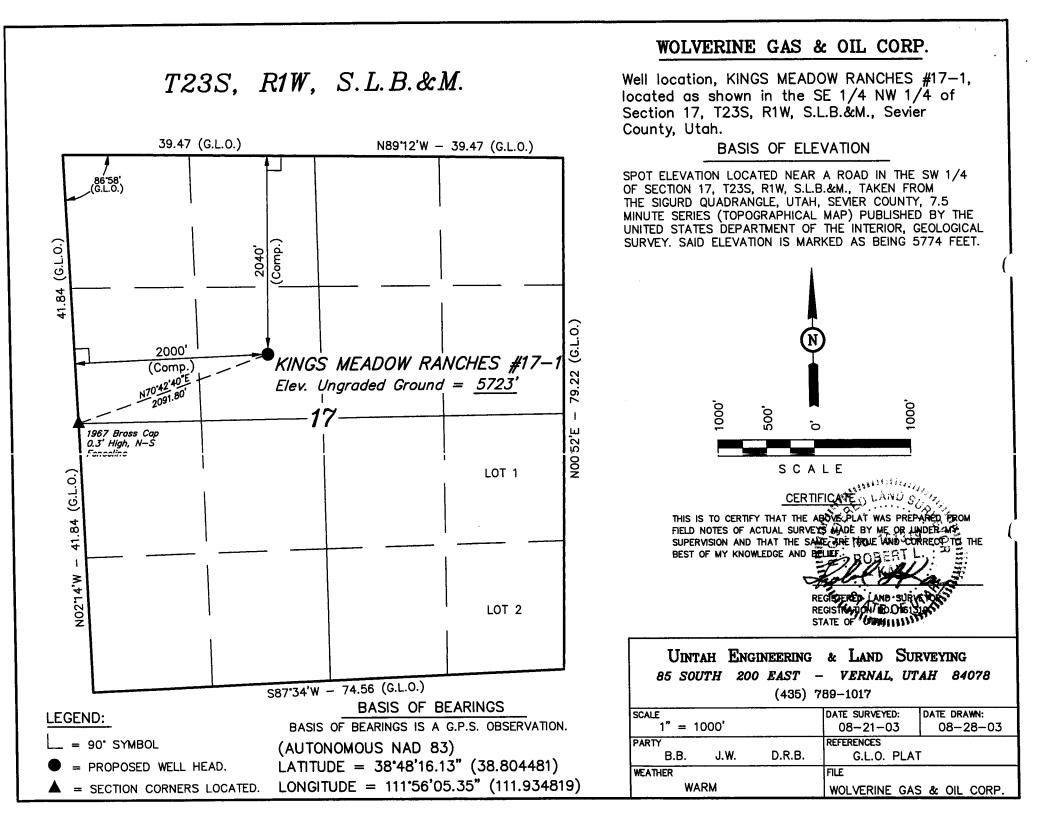
DIVISION OF OIL, GAS AND MINING -

6. SURFACE 5. MINERAL LEASE NO: **APPLICATION FOR PERMIT TO DRILL** Fee Fee · 7. IF INDIAN, ALLOTTEE OR TRIBE NAME: REENTER DEEPEN DRILL 1A. TYPE OF WORK: 8. UNIT or CA AGREEMENT NAME: SINGLE ZONE MULTIPLE ZONE OTHER Wolverine Fed. Exploration Unit B. TYPE OF WELL: 9. WELL NAME and NUMBER: 2. NAME OF OPERATOR: Wolverine Gas and Oil Corporation W. (N1655) Kings Meadow Ranches 17-1 10. FIELD AND POOL, OR WILDCAT: PHONE NUMBER: 3. ADDRESS OF OPERATOR: (616) 458-1150 Wildcat CITY Grand Rapids STATE MI ZIP 49503 **One Riverfront Plaza** 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, 42953034 38.80463 40. 4. LOCATION OF WELL (FOOTAGES) MERIDIAN: AT SURFACE: 2000' FWL & 2040' FNL 418874 X - 111, 93428 SEGW S 17 23S 1W 12. N AT PROPOSED PRODUCING ZONE 13. STATE: 12. COUNTY: 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: UTAH Sevier 5.4 Miles south of Sigerd 17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 16. NUMBER OF ACRES IN LE/ SE: 15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 40 510 2000' 20. BOND DESCRIPTION: 18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 19. PROPOSED DEPTH: Individual Well - 19-10755-6 9,720 N/A 23. ESTIMATED DURATION: 22. APPROXIMATE DATE WOF K WILL START: 21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 30 Davs 11/1/2003 5723' GR PROPOSED CASING AND CEMENTING PROGRAM 24. CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT CASING SIZE, GRADE, AND WEIGHT PER FOOT SETTING DEPTH SIZE OF HOLE 15.6 #/gal 830 sks 1.18 cuft/sk 700 Class "H" 171/2" 13-3/8" K-55 54.5# 15.6 #/gal 1.18 cuft/sk Class "H" 400 sks 53.5# 7,480 9-5/8" S-95 121/4" 1.26 cuft/sk 14.2 #/gal 425sks 17# 9.720 50-50 pc/z 51/2" L-80 7-7/8" ATTACHMENTS; 25. VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES: COMPLETE DRILLING PLAN WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER (517)676-7023 brock Engineering Tim Brock 9/22 Consulting Engineer NAME (PLEASE PRINT) VINCE GUINN-D/.TE 9/2/2003 201 SIGNATURE (This space for State use only) RECEIVED API NUMBER ASSIGNED: 43-041-30030 APPROVAL: SEP 0 3 2003 DIV. OF OIL, GAS & MINUNG

(See Instructions on Reverse Side)

FORM 3

AMENDED REPORT (highlight changes)



Drilling Plan Wolverine Gas & Oil Corp.

Kings Meadow Ranch #17-1

1. Estimated Formation Tops (Depth from Surface):

| Arapien | Surface |
|-------------|---------|
| Carmel | 5340' |
| Twin Creek | 7059' |
| Navajo | 7463' |
| Kayenta | 8877' |
| Total Depth | 9720' |
| 1 C. | |

- 2. The mud program for the well will be: Air/Air mist surface - 700' Saturated KCL mud 700' - 7480'
 - LSND w/ air 7480 9720'
- 3. Estimated depth at which oil, gas, water or other mineral bearing zones are expected to be encountered are 7480' 8900'.
- 4. The primary objective of this well is to log and test the potential of the Navajo Formation at the depth of 7480'. All shows of fresh water, oil and gas will be reported and protected. The well will be drilled using the following programs:

| Hole Size | Casing Size | <u>Depth</u> | <u>Cement</u> |
|-----------|-------------|--------------|---------------|
| 17½" | 13-3/8" | 700' | 830 sks |
| 12¼" | 9-5/8" | 7480' | 400 sks |
| 7-7/8" | 51/2" | 9720' | 425 sks |

- 5. R649-3-7 BOP Equipment:
 - A. 5,000 psi WP Double Gate Blowout Preventer with Annular Preventer (schematic diagram attached fig. 3) will be used.
 - B. BOPE will be pressure tested upon installation, whenever a seal subject to test pressure is broken or repairs are made; and at least once every 30 days.
 - C. Ram-type preventers and related pressure control equipment will be pressure tested to the rated working pressure of the stack assembly if a test plug is used. If a test plug is not used, the stack assembly will be tested to the rated working pressure of the stack assembly or to 70% of the minimum internal yield pressure of the casing, which ever is **less**.

- D. Annular-type preventers will be pressure tested to 50% of rated working pressure.
- 6. Casing Program:

Pursuant to R649-3-8 of the Conservation Rules, the cementing of casing shall be pump and plug method.

| | Setting Depth | | Casing O.I). | Grade | Weight/Ft. |
|--------------|------------------|--------|-----------------|-------|------------|
| Surface | 700' | 17½" | 13-3/8" | K-55 | 54.5# |
| Intermediate | 7480' | 12¼" | 9-5/ 8 " | S-95 | 53.5# |
| Production | 9720' | 7-7/8" | 51⁄2" | L-80 | 17# |

7. Cement Program:

Surface Casing 0 - 700' - 830 sks Class "H" w/ additives

| Cement Characteristics: | Yield – 1.18 cu ft per sk |
|-------------------------|---|
| | Slurry Weight = 15.8 ppg |
| | Compressive strength = 3385 psi/24 hr. @ 80°F |

Intermediate Casing 0 - 7480' - 400 sks Class "H" w/ additives

| Cement Characteristics: | Yield – 1.18 cu ft per sk Slurry Weight = 15.8 ppg Compressive strength = 3385 psi/24 hr. @ 80°F |
|----------------------------|---|
| Production Liner 7200' – 9 | 720' – 425 sks 5():50 Pozmix w/ additives |
| Cement Characteristics: | Yield – 1.26 cu ft per sk Slurry Weight = 14.2 ppg Compressive strength = 1125 psi/24 hr. @ 140°F |

Actual cement volumes will be based on caliper log calculations and drilling experience. The objective will be to bring the cement to 6,500' for drilling purposes and then into surface casing should the well become a producer. The production liner will be cemented from TD to top of liner hanger.

All casing strings will be pressure tested to (0.22 psi/ft or 1500 psi, whichever is greater prior to drilling plug after cementing. Test pressure not to exceed 40% of the internal yield pressure of the casing.

- 8. Pursuant to R649-3-12, hydrogen sulfide is not expected to be encountered while drilling this well.
- 9. Upon completion of the drilling and testing of the well, should the well not contain commercial hydrocarbon, the well will be plugged and abandoned pursuant to R649-3-24, and the surface will restored pursuant to R649-3-34. Anticipated plan for plugging includes cutting and removal of the 9-5/8" casing, setting a 100' cement plug in and out of the casing stub, and spotting a 100' plug from 750' 650' in and out of the bottom of the surface casing. The surface casing will then be cut off and plugged at the top of the stub. All cement will be with class "G" cement.

SURFACE USE PLAN WOLVERINE GAS AND OIL CORPORATION

KINGS MEADOW RANCH #17-1

- A vicinity map Topo "A" indicates location of the well site. Access to the well
 pad will be obtained by traveling 0.7 miles in a westerly direction from Salina,
 Utah along U.S. 50 to the junction of U.S. highway 89. Exit left and proceed in a
 southwesterly direction for approximately 8.2 miles to the junction of state
 highway 24. Turn left and travel through the town of Sigurd, Utah and south on
 24 for approximately five and four tenths (5.4) miles between mile markers #13
 and #14 to the proposed access road. Access to the location will be following the
 flags in a southeasterly direction 400'. Surface Use Agreement with Wolverine
 for the well pad and access to the well is attached and labeled as exhibit "1".
- 2. The reserve pit for waste mud and drill cuttings will be located on the south side of the well site plan. The pit will be 100 feet X 150 feet and will be 10 feet deep.
 21,370 Volume of the pit is 26,000 barrels. The pit will be lined and will be evaporated prior to reclamation. Rules pursuant to R649-3-16 will be followed regarding the reserve pit.
 - 3. Pursuant to R649-3-14, all rubbish and debris shall be kept in containers on the well site, and will be hauled to an approved disposal site upon completion of drilling and completion operations.

SOURCE OF WATER

- Water for drilling the Kings Meadow Ranch #17-1 will be purchased from Rich Porter or from water wells drilled on location pending the air drilling of the surface hole. Water for drilling will be hauled to location and stored in storage tanks on the drill site. Wastewater will not be discharged on the surface at this site, and the drilling of the well will not require a wastewater management plan.
- 2. In addition, after air drilling the 700' surface hole, ground water will be evaluated and a water well will be permitted and drilled on site.

X == Including Z' freeboard. (8'=21,390)

Knued mit held?

Page 5 Wolverine Gas & Oil Corp. Kings Meadow Ranch #17-1

OPERATOR'S REPRESENTATIVE

Vince Guinn Brandywine Operating, L.L.C. 869 N. Canyon View Dr. #416-16 Roosevelt, UT 84066 Office - 435-722-8324 Fax - 435-722-8323 Cell - 435-722-6604

* mark Dolar

Tim Brock (Replaced Vince Guinn 9/22/03) Brock Engineering (517)676-7023

Kings Meadow Lanches Inc. Mack Dastrip (or La Mar, brother) (435) 896-5306

T.D.A. Foundation

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Exhibit "1"

SURFACE DAMAGE AGREEMENT

This agreement is between <u>Kings Meadow Ranches</u>, Inc., a <u>Utah Corporation</u>, whose address is <u>P. O. Box 570125, Sigurd, UT 84657</u> and <u>T.D.A. Foundation</u>, whose address is <u>620 South</u> <u>Main Street. Bountiful, Utah 84047</u>, collectively hereinafter referred to as <u>"Kings Meadow"</u>, and <u>Wolverine Gas and Oil Corporation</u>, hereinafter referred to as <u>"Wolverine"</u>, whose address is <u>One</u> <u>Riverfront Plaza</u>, Grand Rapids, MI 49503-2616.

The above parties agree to the basic understanding as follows:

- 1. Wolverine plans to commence drilling operations for the #17-1 well, located in the SE¼NW¼ of Section 17, Township 23 South, Range 1 West, Sevier County, Utah ("Subject Lands"). Prior to the commencement of any drilling operation Wolverine shall pay Kings Meadow. One Thousand Dollars (\$1,000.00) as compensation for damage to the surface for a drill site location not to exceed three acres, and access road to well site. The route for access roads shall be mutually agreed upon by parties herein, and Wolverine shall diligently attempt to avoid irrigated and pasture lands owned by Kings Meadow. In the event roads are abandoned by Wolverine, Kings Meadow shall have the option to take over operations of the roads free of cost, and accept liability and upkeep of the access road.
- 2. Any and all access roads shall not exceed 30 feet in width (maximum).
- 3. In the event of a dry hole, drill site and coadways will be restored to their original condition as nearly as practicable within 180 days after plugging date of the well.
- 4. In the event of production, Wolverine shall have the right to install production equipment, upgrade access roads, lay pipeline, power lines and telephone lines (below plow depth) on the surface of Kings Meadow. Wolverine shall pay an annual rental fee of \$800.00 for use of said surface at well site, and shall pay a one time fee equal to \$8.00 per rod for pipelines, power lines and telephone lines.
- 5. Firearms, dogs and liquor shall be prohibited from the well location and access roads.
- All gates (if applicable) shall remain closed during operations by Wolverine and if requested by Kings Meadow, the well site will be fenced.
- 7. Only Wolverine personnel and authorized contractors performing work for Wolverine will have the combination (or key) to the locked gate and will lock it each time they pass through it.

Page 2 Surface Damage Agreement

- 8. Unauthorized personnel, contractors, etc. will not be allowed on location or access to location.
- 9. Wolverine will make every reasonable effort to have a company representative on the location at all times during drilling/completion operations.
- 10. This agreement shall be binding upon Wolverine, Kings Meadow and their executors, administrators, successors, and assigns and all contract workers, and shall inure to the benefit of all parties herein.
- 11. This agreement may be executed in counterparts, and each signature shall be binding upon the parties who have executed such counterparts hereto with the same force and effect as if all parties have signed the same document.

Signed this <u>17 76</u> day of <u>January</u>, 2003.

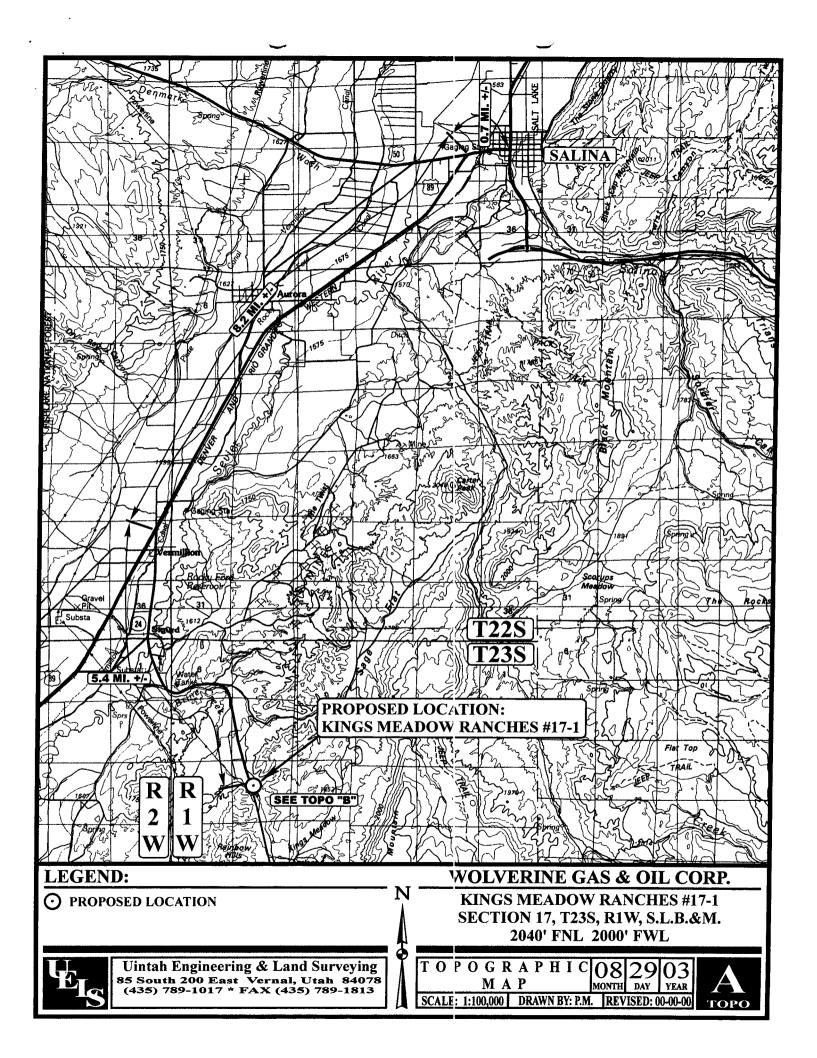
Kings Meadow Ranches, Inc. By PRESIDENT Title:

2003. Signed this iay of as and Oil Corporation Wolve Title:

T.]).A. Foundation

* 10/3/03 updated document being mailed w/o T.D.A. Foundation.

MyFilesForms SurfaceAgree



WOLVERINE GAS & OIL CORP. KINGS MEADOW RANCHES #17-1 LOCATED IN SEVIER COUNTY, UTAH

SECTION 17, T23S, R1W, S.L.B.&M.

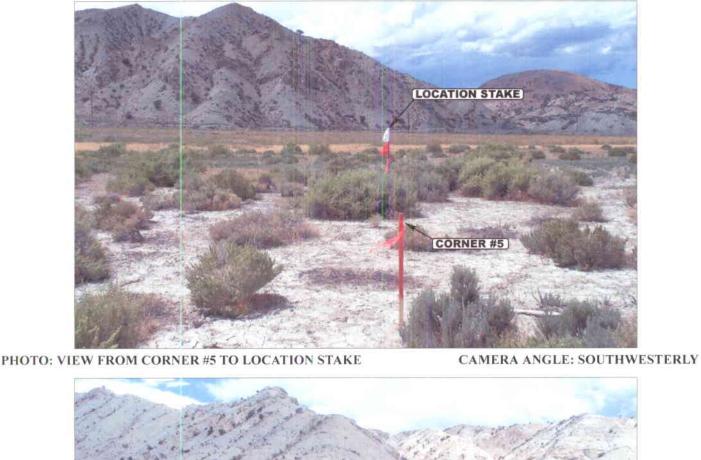


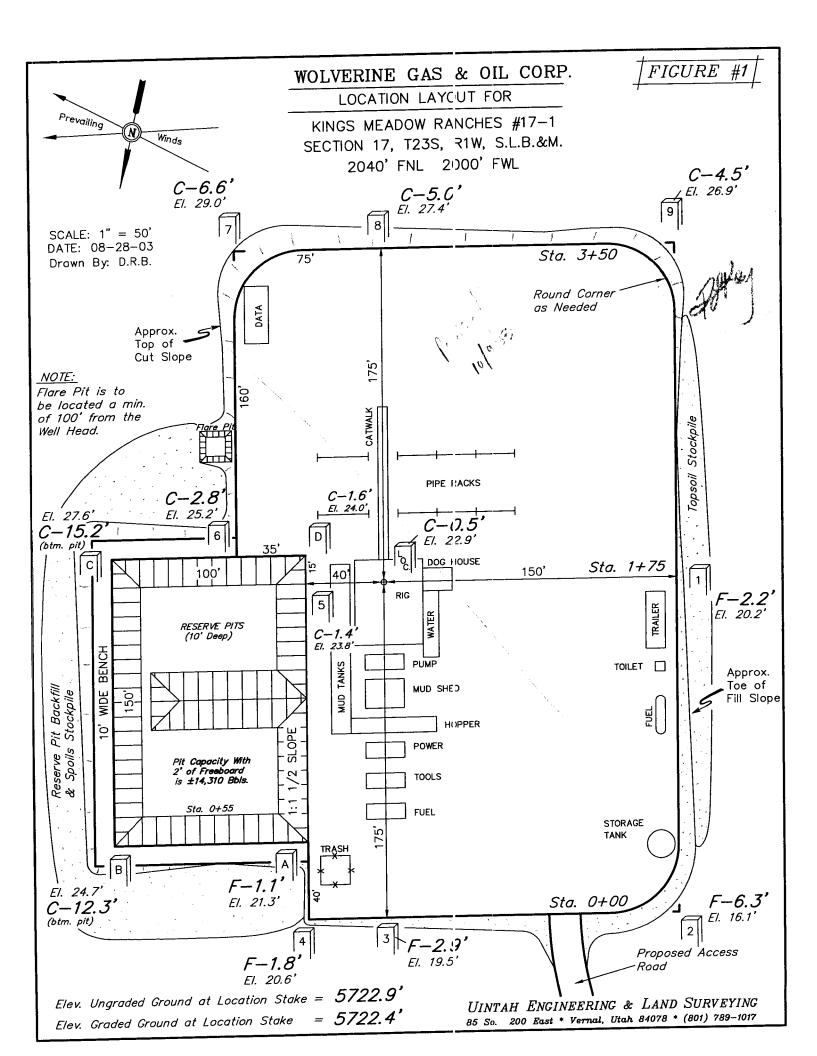


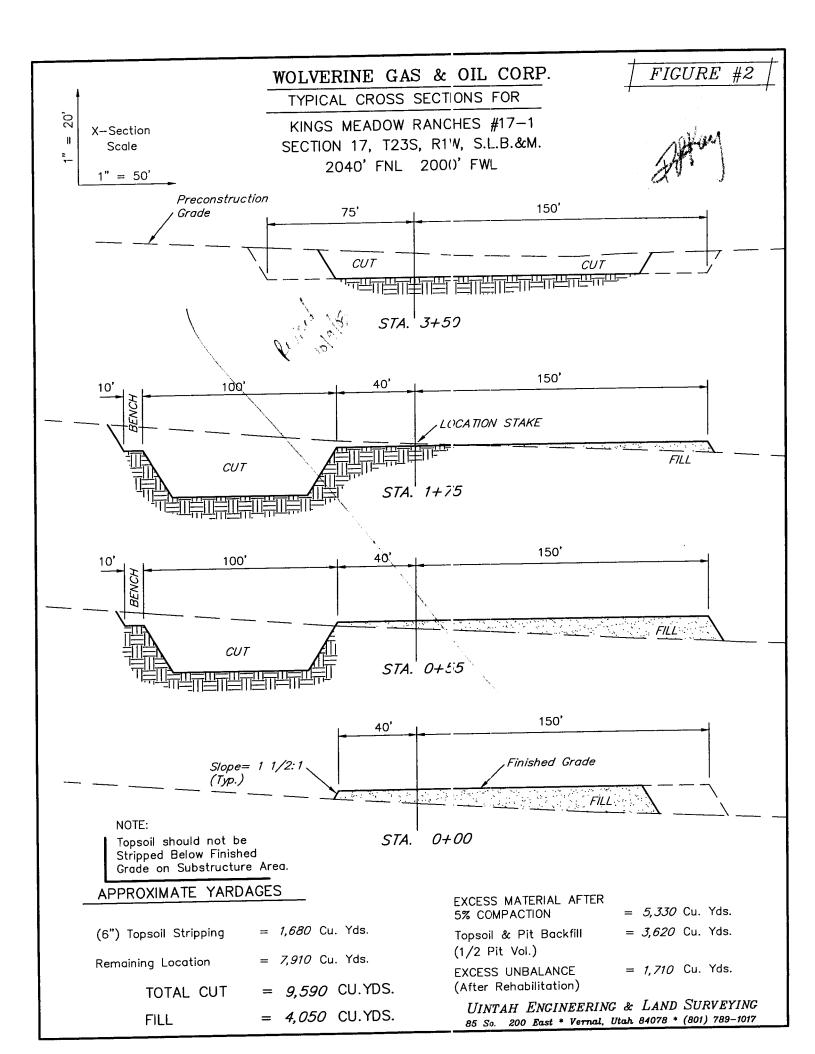
PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

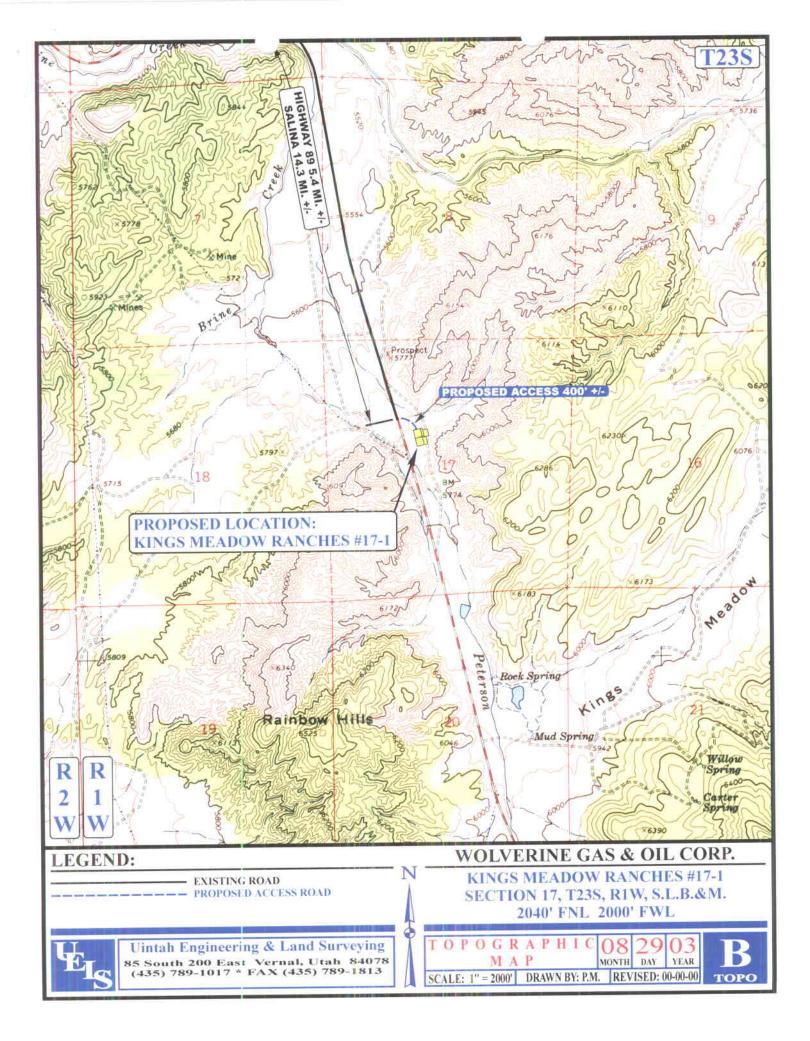
CAMERA ANGLE: SOUTHEASTERLY

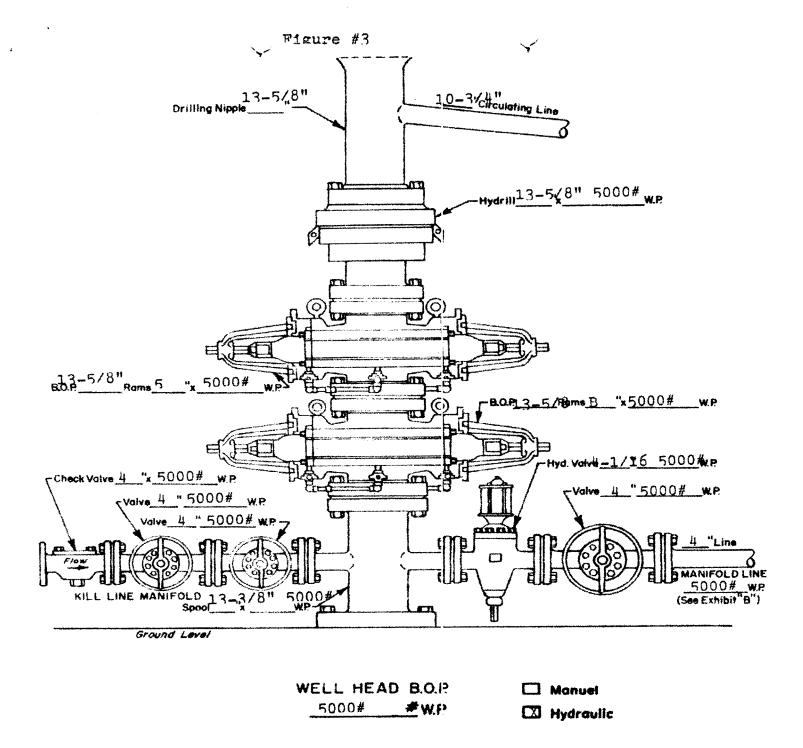












UTAH DIVISION OF WATER RIGHTS WATER RIGHT POINT OF DIVERSION PLOT CREATED WED, SEP 17, 2003, 1:39 PLOT SHOWS LOCATION OF 5 POINTS OF DIVERSION

PLOT OF AN AREA WITH A RADIUS OF 5280FEET FROM A POINTS 2040 FEET, E 2010 FEET OF THE NW CORNER,SECTION 17 TOWNSHI? 23SRANGE 1WSL BASE AND MERIDIAN

PLOT SCALE IS APPROXIMATELY 1 INCH = 2000 FEET

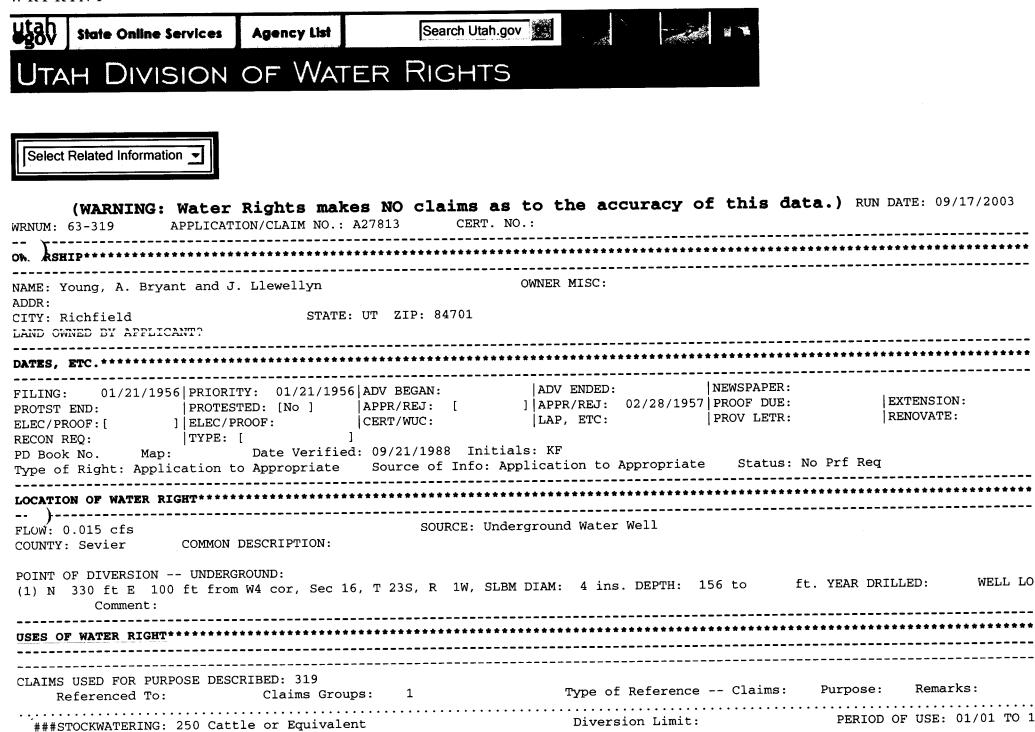
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http://waterrights.utah.gov/cgi-bin/wwwplat.exe?rad=5280&ns=S2040&ew=E2000&cor=NW&sec=17&to... 9/17/2003

UTAH DIVISION OF WATER RIGHTS NWPLAT POINT OF DIVERSION LOCATION PROGRAM

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| 1 | <u>63 3180</u> | 3.1600 WATER USE(S): J Nebeker, G. W. Dastrup, Lamar | IRRIGATION (Jr.) | Kings Meado | ww Creek | | S 2 | 900 1 | E 1800 | NW 1 PRIORI Sig Sig |
| 1 | <u>63 3181</u> | | OOMESTIC STOCKWA (Jr.) | | ow Creek | | S 2 | 900 1 | E 1800 | NW 1 PRIORI Sig Sig |
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Page 1 of 2

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UTAH DIVISION OF WATER RIGHTS

Agency List

Select Related Information -

State Online Services

(WARNING: Water Rights makes NO claims as to the accuracy of this data.) RUN DATE: 09/17/2003 CERT. NO.: APPLICATION/CLAIM NO.: WRNUM: 63-3180 OWNER MISC: NAME: Dastrup, Lamar A. ADDR: INTEREST: 59% STATE: UT ZIP: CITY: Sigurd INT: 75.1 acs in Secs. 7 & 17 OWNER MISC: NAME: Nebeker, G. W. (Jr.) ADDR: INTEREST: 41% STATE: UT ZIP: 84657 CITY: Sigurd INT: 51.4 acs. in Sec. 8 and Sec. 18 LAND OWNED BY APPLICANT? _____ NEWSPAPER: ADV ENDED: PRIORITY: 00/00/1870 ADV BEGAN: FILING: EXTENSION: PROOF DUE:] APPR/REJ: |PROTESTED: [No] APPR/REJ: [PROTST END: RENOVATE: LAP, ETC: PROV LETR: CERT/WUC:] ELEC/PROOF: ELFC/PROOF:[TYPE: [1 RI N REQ: Date Verified: 05/16/1991 Initials: CSW Map: PD Book No. Status: Source of Info: Decree Type of Right: Decree SOURCE: Kings Meadow Creek FLOW: 3.16 cfs COMMON DESCRIPTION: COUNTY: Sevier POINT OF DIVERSION -- SURFACE: (1) S 2900 ft E 1800 ft from NW cor, Sec 17, T 23S, R 1W, SLBM Source: Kings Meadow Creek Diverting Works: Nebeker Ditch

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| Culinary, domestic and/or stockwatering from occ. Isen to April 1950 | ot Acrg.: 126.5 * Sec 07 T 23S R 1W SLBM * Sec 08 T 23S R 1W SLBM * Sec 17 T 23S R 1W SLBM * Sec 18 T 23S R 1W SLBM * or a Total of 0.00 ac | * NW NE SW * X X * X X * X X * X X cres. Sole S | SE * NW X X* X X X* X X X* X X X* X upply: | NE SW SE * X X X* X X X* X X X* X X X* Diversion Limit: | NW NE SW SE NW X X X X* X X X X* |

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UTAH DIVISION OF WATER RIGHTS

Agency List

Select Related Information 💌

State Online Services

(WARNING: Water Rights makes NO claims as to the accuracy of this data.) RUN DATE: 09/17/2003 CERT. NO.: APPLICATION/CLAIM NO.: WRNUM: 63-3181 OL OWNER MISC: NAME: Dastrup, Lamar A. ADDR: INTEREST: 59% STATE: UT ZIP: CITY: Sigurd INT: 75.1 acres in Sec. 7 & 17 OWNER MISC: NAME: Nebeker, G. W. (Jr.) ADDR: INTEREST: 41% STATE: UT ZIP: 84657 CITY: Sigurd INT: 51.4 acs in Sec. 8 & Sec. 18 LAND OWNED BY APPLICANT? ADV ENDED: NEWSPAPER: PRIORITY: 00/00/1870 ADV BEGAN: FILING: EXTENSION: PROOF DUE:] APPR/REJ: APPR/REJ: [PROTST END: PROTESTED: [No] RENOVATE: LAP, ETC: PROV LETR: CERT/WUC: ELEC/PROOF:[| | ELEC / PROOF : TYPE: [1 RI N REQ: Date Verified: 05/16/1991 Initials: CSW PD Book No. Map: Status: Source of Info: Decree Type of Right: Decree LOCATION OF WATER RIGHT**************** SOURCE: Kings Meadow Creek FLOW: 0.01 cfs COMMON DESCRIPTION: COUNTY: Sevier POINT OF DIVERSION -- SURFACE: (1) S 2900 ft E 1800 ft from NW cor, Sec 17, T 23S, R 1W, SLBM Source: Kings Meadow Creek Diverting Works: Nebeker Ditch PLACE OF USE OF WATER RIGHT*

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| Sec 07 T 23S R 1W SLBM Sec 08 T 23S R 1W SLBM Sec 17 T 23S R 1W SLBM Sec 18 T 23S R 1W SLBM | NORTH-WEST¼ NW NE SW SE * X: X: X: X* * X: X: X: X* * X: X: X: X* * X: X: X: X* | NORTH-EAST ¹ /4 NW NE SW SE * X: X: X: X* * X: X: X: X* * X: X: X: X* * X: X: X: X* | SOUTH-WEST¼ NW NE SW SE * X: X: X: X* * X: X: X: X* * X: X: X: X* * X: X: X: X* | SOUTH-EAST ⁴ NW NE SW SE * X: X: X: X* * X: X: X: X* * X: X: X: X* * X: X: X: X* | |
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| ###STOCKWATERING: 100 Ca | ttle or Equivalent | | Diversion Li | .mit: | PERIOD OF USE: 01/01 TO 1 |
|)#DOMESTIC: 5 Persons *Culinary, domestic and/or | | | **************** | ****** | PERIOD OF USE: 01/01 TO 1 |
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| WRNUM: 63-2050 APPLICATION/CLAIM NO.: D3133 CERT. NO | to the accuracy of this data.) RUN DATE: 09/17/2003 .: |
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| OV. IRSHIP************************************ | *************************************** |
| NAME: USA Bureau of Land Management (Richfield District) ADDR: 150 East 900 North CITY: Richfield STATE: UT ZIP: 84701 LAND OWNED BY APPLICANT? | OWNER MISC: INTEREST: 100% |
| DATES, ETC.************************************ | *************************************** |
| FILING:06/19/1975 PRIORITY:00/00/1903 ADV BEGAN:PROTST END: PROTESTED:[No] APPR/REJ:ELEC/PROOF: ELEC/PROOF: CERT/WUC:BECON BEO: TYPE:] | ADV ENDED:NEWSPAPER: APPR/REJ: PROOF DUE: LAP, ETC: PROV LETR: RENOVATE: |
| PD Book No. Map: Date Verified: 03/30/1990 Initial Type of Right: Diligence Claim Source of Info: Wat | er User's Claim Status: |
| LOCATION OF WATER RIGHT************************************ | |
| FLOW: 0.01 cfs SOURCE: Peter COUNTY: Sevier COMMON DESCRIPTION: | son Creek |
| POINT OF DIVERSION POINT TO POINT: (1)Stockwatering directly on stream from a point in SE4SW4 Sec to a point in NE4SW4 Sec 17, T23: Source: | S, RIW, SLBM. |
| USES OF WATER RIGHT************************************ | ******************* |
| CLAIMS USED FOR PURPOSE DESCRIBED: 2050 | |

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| ###STOCKWATERING: | 240 Cattle or Equivalent | | Diversion Limit: | | USE: 01/01 TO 1 |
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utah UTAH DIVISION OF WATER RIGHTS

Agency List

Select Related Information 👻

State Online Services

| WRNUM: 63-2050 APPLICATION/CLAIM NO.: D3133 CERT. NO. | |
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| | *************************************** |
| NAME: USA Bureau of Land Management (Richfield District)OADDR: 150 East 900 NorthCITY: RichfieldSTATE: UT ZIP: 84701CITY: RichfieldSTATE: UT ZIP: 84701ILAND OWNED BY APPLICANT?STATE: UT ZIP: 84701I | DWNER MISC: INTEREST: 100% |
| DATES, ETC.************************************ | *************************************** |
| FILING:06/19/1975PRIORITY:00/00/1903ADVBEGAN:PROTST END: PROTESTED:[No] APPR/REJ:[ELEC/PROOF: ELEC/PROOF: CERT/WUC:RECON REQ: TYPE:] | ADV ENDED:NEWSPAPER: APPR/REJ:PROOF DUE:EXTENSION: LAP, ETC:PROV LETR:RENOVATE: |
| PD Book No. Map: Date Verified: 03/30/1990 Initial: Type of Right: Diligence Claim Source of Info: Wate | er User's Claim Status: |
| LOCATION OF WATER RIGHT************************************ | |
| FLOW: 0.01 cfs SOURCE: Peter COUNTY: Sevier COMMON DESCRIPTION: | son Creek |
| POINT OF DIVERSION POINT TO POINT: (1)Stockwatering directly on stream from a point in SE4SW4 Sec to a point in NE4SW4 Sec 17, T23S Source: | , RIW, SLBM. |
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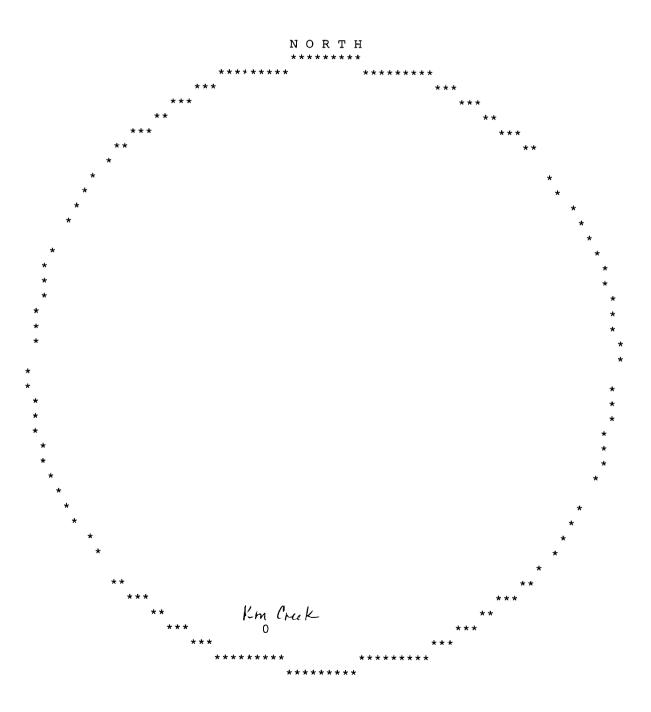
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UTAH DIVISION OF WATER RIGHTS WATER RIGHT POINT OF DIVERSION PLOT CREATED THU, OCT 2, 2003, 11:40 PLOT SHOWS LOCATION OF 2 POINTS OF DIVERSION

*Surface Water 300-1000'

PLOT OF AN AREA WITH A RADIUS OF 1000FEET FROM A POINTS 2040 FEET, E 2000 FEET OF THE NW CORNER,SECTION 17 TOWNSHIP 23SRANGE 1WSL BASE AND MERIDIAN

PLOT SCALE IS APPROXIMATELY 1 INCH = 400 FEET



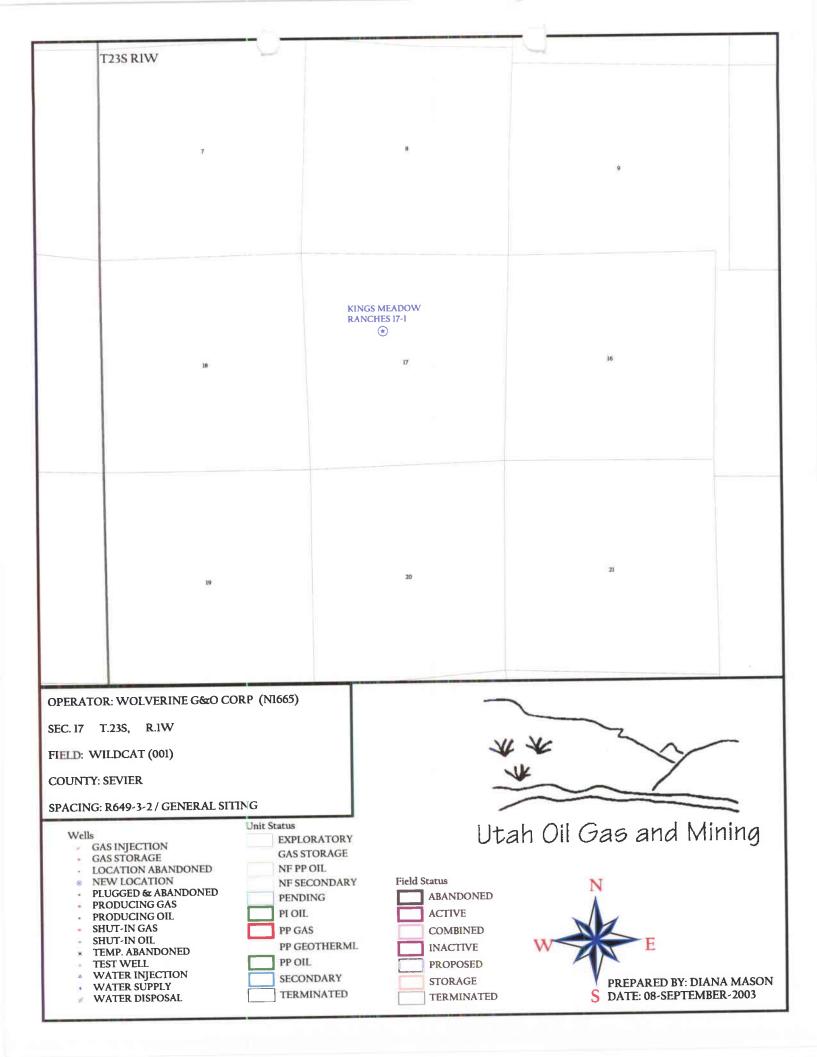
UTAH DIVISION OF WATER RIGHTS NWPLAT POINT OF DIVERSION LOCATION PROGRAM

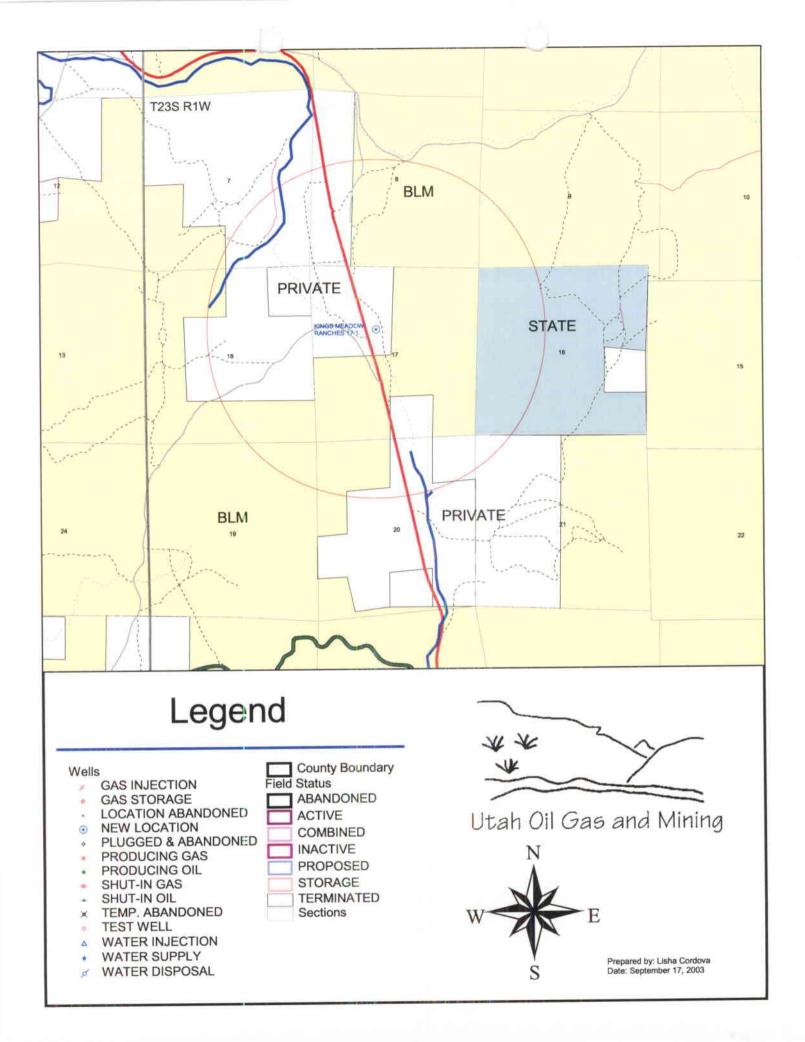
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MAP WATER QUANTITY SOURCE DESCRIPTION or WELL INFO POINT OF DIVERSION CHAR RIGHT CFS AND/OR AC-FT DIAMETER DEPTH YEAR LOG NORTH EAST CNR SE _ _ _ _ _ _ _ _ _____ 0 63 3180 3.1600 S 2900 E 1800 NW 1 .00 Kings Meadow Creek WATER USE(S): IRRIGATION PRIORI Nebeker, G. W. (Jr.) Sig Dastrup, Lamar A. Sig 0 63 3181 .0100 .00 Kings Meadow Creek S 2900 E 1800 NW 1 WATER USE(S): DOMESTIC STOCKWATERING PRIORI Nebeker, G. W. (Jr.) Sig Dastrup, Lamar A. Sig

WORKSHEET APPLICATION FOR PERMIT TO DRILL

| WELL NAME: | | | | | | |
|---|---|---|--|----------|--|--|
| OPERATOR: | WOLVERINE GAS & OIL CO (N1655) VINCE GUINN | DUCNE NUMPED. 4 | 35-722-8324 | | | |
| CONTACT: | VINCE GOINN | PHONE NUMBER: 435-722-8324 | | | | |
| PROPOSED LO | DCATION: | INSPECT LOCATN | BY: / / | , | | |
| SENW | 17 230S 010W : 2000 FWL 204) FNL | Tech Review | Initials | Date | | |
| | 2000 FWL 204) FNL | Engineering | DKD | 1023/0 | | |
| SEVIER WILDCAT | (1) | Geology | | | | |
| LEASE TYPE | : 4 - Fee | Surface | | | | |
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| COMMENTS: | | und 14/13) | | | | |
| STIPULATIO | NS: I. Spring Ship intermediate Casing Should be connected production Cover Shall be comented | d above all Frashwa | ter or mineral Be | ing tone | | |





| From: | "Tim Brock" <tbrock@wolvgas.com></tbrock@wolvgas.com> |
|----------|---|
| То: | lishaccrdova@utah.gov> |
| Date: | 10/6/03 12:56PM |
| Subject: | Wolverine Kings Meadow Ranches 17-1 |

Lisha,

Pursuant to our recent phone discussion, the following narrative will hopefully answer the concerns that you have:

To the best of our knowledge, TDA Foundation's option expired at the end of last month. As soon as it is available, we will provide documentation of same to your office. Therefore, the surface use agreement will be only between Wolverine Gas and Oil Co. of Utah and Kings Meadow Ranches, Inc.

Since it is privately owned land, no archeological or paleontological studies were conducted on this site.

If successful, we anticipate that this well will be a gas well. As such, production equipment would likely consist of a line heater, separation and dehydration equipment and probably two tanks. Considering the topography of the site and the prevailing winds, we would anticipate this equipment to be located on the south side of the location. The tanks would be in a diked enclosure that would meet or exceed Utah DOGM specifications. Naturally, a gas sales line would be necessary as well. While we have not speced out the line as yet, we anticipate that it would connect into the Kern River Pipeline about 25 miles away. Due to the distance and the fact that we do not as yet have a discovery, we have not set a specific delivery point.

We do not believe that any flood plains or wetlands will be affected as a result of our drilling this well. The US Fish and Wildlife service website has a mapping capability that identifies wetlands and many other things. We do not see any wetlands associated with this wellsite.

While our permit application states the Operator as Wolverine Gas and Oil Corporation, it is meant to say Wolverine Gas and Oil Co. of Utah, to be consistent with our bonding. If necessary, we will be happy to submit a revised APD to account for this.

With regard to the on-site pre-drill inspection, I am trying to arrange this meeting with Mr. Mark Dolar, our local representative and Mr. Pat Clark, our drilling supervisor. We would like to set this meeting for either Wednesday or Thursday of this week.

If you have any questions, please feel free to call or send back an e-mail. I am usually in this office on Mondays from 8:30 AM to 4:30 PM EDT. Otherwise, I am available at 517-676-7023.

Tim Brock

Timothy J. Brock, PE Wolverine Gas and Oil Corporation One Riverfront Plaza, 55 Campau NW Grand Rapids, Michigan 49503 Phone: (616) 458-1150 Fax: (616) 458-0869

CC: "Richard Moritz" <rmoritz@wolvgas.com>, "Pat Clark (E-mail)" <PATCLARK@WYOMING.COM>, "Mark S. Dolar (E-mail)" <dolarenergy@yahoo.com>

| chart 79 |) | SALINA C. | ANYO FEET | | OUTH |
|-------------|---|--|--------------|---------------------------------------|--|
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| | Fm of | Black Cap Mtn | 0-600 | D D | volcaniclastic ss |
| | | Albinus Canyon ? | 0-250 | 555 | 25 m.y. |
| | | e Creeks Tuff Mbr | 0-30 | 144 | 27 m.y. |
| | Unname | d ss, cg, mudstone | 0-100 | +++ | 30 m.y. tuffaceous ss |
| X | Formation of Aurora Crazy Hollow Formation | | 0-1400 | | bentonitic 39 m.y. formerly Bald Knoll Fm |
| TERTIARY | | | 500-1000 | | red & pink mudstone salt & pepper ss |
| TER | Green River | Upper member | 730 | | pale yellow algal is 44 m.y. K-Ar on tuffs |
| | Fm | Lower member | 430 | E E | green shale |
| | Colt | on Formation | 100-530 | F=1 | red mudstone |
| | Flags | taff Limestone | 0-100 | | ss, cg. Is, mudstone |
| | North | Horn Formation | 0-1500 | | STRATA BELOW THE NORTH HORN FM ARE STEEPLY TILTED |
| | | Sixmile Canyon Formation (not exposed in | 4500 | | valent units on east side of Wasatch Plateau Castlegate Ss° |
| EOUS | | Salina Canyon) (fluvial sandstone &silitstone in upward-fining cycles) | 1300 | · · · · · · · · · · · · · · · · · · · | Blackhawk Fm° Upper Blue Gate Sh° (formerly Masuk Sh) Emery Ss° |
| CRETACEOUS | Indianola Group | Funk Valley Formation (only lower third exposed in Salina Canyon) (marine shale and near-shore sandstone) | 2400 | | Lower Blue Gate Sh [®] Inoccanaus Ferron Ss [®] |
| | | Allen Valley Shale | 900 | EEE | Callignoniceras |
| | | Sanpete Formation | 1200 | | Tununk Shale" |
| | Cedar | Mountain Fm | 850 | 0 01111 | 90-96 m.y. FT zircon from bentonite bed |
| | | Summerville equiv? | 10 | المعنية الم | vollowice |
| | an i | Curtis Fm equiv | 200 | | yellow ss |
| | Twist Gulch Fm | Entrada Ss equivalent | 1700 | | reddish-brown siltstone mudstone & sandstone |
| | | Unit E | 400 | | salt-bearing shale |
| JURASSIC | Arapien Shale | Unit D | 3000 | | gypsiferous shale mudstone & sandstone |
| | | Unit C | 1000 | | gypsum equivalent to Leeds Creek |
| | <u> </u> | Units A & B | 400 | ht 3 | Mbr. Twin Creek Ls |
| Mz | Subsurfa | ce Mesozoic strata | 3300 + | 1 | pre-Arapien strata |
| Pz | Subsurfa | ce Paleozoic strata | 3400 + | 22 | likely nearly horizontal |
| | | | | | |

Chart **UPPER SALINA CANYON I-70** 80 FEET Ø Alluvium and colluvium 0-100 white Green River В 1000 + Formation green Colton Formation 500 red PALEOCE fresh-water is Flagstaff Limestone 300-1000 ΤĪ red and gray North Horn 77.3 900-1200 mudstone, ss. Formation ---prone to slumping _____ Price River Fm 700 Mesa-Castlegate Sandstone 210-240 verde Blackhawk Group 800-900 coa Formation Phillips Petroleum Star Point Sandstone 400 20-225-3E 20-22 1973 Upper Blue Gate 500 formerly Masuk Sh M S Shale Member CRETACEOU Emery Ss 1200 Member coal Inoceranus Mancos Lower Blue Gate 1500 Shale Ξ Shale Member Insceramus Ferron Ss coal 720 ÷ Member Inoceramus Tununk 940 Shale Member 100 Dakota Sandstone Cedar Mountain Fm 300 ~~ Morrison Fm 400 Summerville Fm 600 190 Curtis Formation 노노 ÷ silly redbeds Twist Gulch equivalent Entrada 1000 JURASSIC Sandstone ---------salt & gypsum Winn Arapien is equivalent to Arapien Shale 1100 upper 2 members of Imlay's ΞŦ Twin Creek Ls. As used here the Twin Twin Creek Limestone 550 Creek includes Imlay's lower 5 members Navajo Sandstone 900 Kayenta Formation 120 Wingate Sandstone 330 Upper member 200 bentonitic Chinle Fm Moss Back Ss M 60 IASSIC Upper member 1200 Moenkop TRI Formation Sinbad Ls Mbr 270 Black Dragon Mbr 250 150 Plympton Fm equivalent Harrisburg Mbr PERM Kaibab ann Fossil Mtn Mbr Black Box Dolo equivalent 110 Fm 53 Pakoon Dolomite 800 + Σ **Redwall Limestone** 800+ Undivided Devonian 600 +Ω ls, dolomite, & ss CAMB Undivided Cambrian 1500 +dolomite, limestone shale & quartzite

PRINCIPAL REFERENCE--Willis, 1986; TERTIARY -Weiss, 1982; Sperry, 1980: CRETACEOUS--Lawton, 1982; Fouch et al. 1982; Spieker, 1949; JURASSIC--Imlay, 1980; Standlee, 1982; STRUCTURE--Witkind & Page, 1982; Stokes, 1982; Lawton, 1985; Hardy, 1952. EXPOSED TERTIARY & CRETACEOUS-Bachman, 1959; Baughman, 1959; Doelling, 1972, Stanley & Collinson, 1979; Spieker & Baker, 1928; SUBSURFACE-Phillips Petroleum No. 1 United States D well log as interpreted by J. L. Baer and J. E. Welsh.

1

STATE ACTIONS Governor's Office of Planning and Budge Resource Development Coordinating Committee P.O. Box 145610 1594 W. North Temple, Suite 3710 SLC, UT 84114-5610 538-5535

.

| 53 | 8-5535 |
|---|---|
| 1. Administering State Agency | 2. Approximate date project will start: |
| Oil, Gas and Mining | |
| 1594 West North Temple, Suite 1210 | Upon Approval or November 1, 2003 |
| Salt Lake City, UT 84114-5801 | |
| | |
| 3. Areawide clearinghouse(s) receiving state action: (to be a | sent out by agency in block 1) |
| Six County Association of Governments | |
| 4. Type of action: //Lease /X/Permit //License / | / Land Acquisition |
| / / Land Sale / / Land Exchange / / Other | |
| 5. Title of proposed action: | |
| Application for Permit to Drill | |
| 6. Description: | |
| Wolverine Gas and Oil Corporation proposes to drill the Ki Sevier County, Utah. This action is being presented to the interests. The Division of Oil, Gas and Mining is the prima approval before operations commence. | RDCC for consideration of resource issues affecting state |
| 7. Land affected (site location map required) (indicate coun 2000' FWL 2040' FNL SE/4, NW/4 | |
| Section 17, Township 23 South, Range 01 W | |
| | |
| 8. Jordan River Natural Areas Forum review – If the propo | sed action affects lands within the Jordan River Natural |
| Areas Corridor. N/A | |
| 9. Has the local government(s) been contacted? No | |
| If yes, | |
| a. How was contact made? | |
| b. Who was contacted? | |
| | |
| c. What was the response? | a imported? |
| d. If no response, how is the local government(s) likely to b | e impacted : |
| | |
| 10. Possible significant impacts likely to occur: | |
| Degree of impact is based on the discovery of oil or gas in | commercial quantities. |
| 11. Name and phone of district representative from your ag N/A | ency near project site, if applicable: |
| 12. For further information, contact: | 13. Signature and title of authorized officer |
| 12. FUI IUI IIICI IIIUI IIIAUUII, CUITACI. | |
| | K I P K |
| | 1 /m R. Eq- |
| Diana Masan | John R. Baza, Associate Director |
| Diana Mason Phone: (201) 522 5212 | Date: September 8, 2003 |
| Phone: (801) 538-5312 | |

Division of Oil, Gas and Mining PHONE CONVERSATION DOCUMENTATION FORM

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۰. مربع

| 171 w | riginal/copy to:ell File \Box Suspense $p_{\underline{a}, \underline{b}, \underline{a}, \underline{c}, \underline{b}, \underline{s}, \underline{l}, $ | |
|-------|---|--|
| 1. | Date of Phone Call: $\frac{10/8}{03}$ Time: $\frac{9:30}{30}$ | |
| 2. | DOGM Employee (name) $f. f. f$ | |
| 3. | Topic of Conversation: <u>Presite on 10/9/03 10:30 A.M.</u> | |
| 4. | Highlights of Conversation: Norma E. Mack Dastrif (Even Dastrip (marksbrother, Ken's father) Ken Dastrip (Son) X All are aware of presite date, will probably able to attend. will notify Docim if they hav special concerns however none at this tim | |

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() () 4



DEPARTMENT OF NATURAL RESOURCES DIVISION OF WATER RIGHTS

DOLAR ENERGY LLC

Michael O. Leavitt Governur Robert E. Morgan Executive Director Jerry D. Olds State Engineer 130 North Main Street PO Box 563 Richfieki, Utah 84701-0563 (435) 896-4429 telephone (435) 893-8114 fax www.or.utah.gov

October 9, 2003

A,

Sevier Valley Canal Company c/o Mark S. Dolar 935 East South Union Avenue, Suite D - 202 Midvale, UT 84047-2393

RE: TEMPORARY CHANGE APPLICATION t28334

Dear Sir:

The above numbered Temporary Change Application has been approved subject to prior rights and the following condition:

Review has been made of the proposed temporary change and the underlying right. The historic use of water for irrigation diverted 14.0 acre-feet (3 ac-ft per acre x 4.667 acre) of which about 78.7(11.01 ac ft) would have been consumed (Consumptive Use of Irrigated Crops. Research Report 145) (NWS Station at Circleville). The proposed construction use would consume 100%. This would result in enlarged depletion. Therefore, the proposed construction use is limited to a diversion of 11.01 acre-feet.

Copies are herewith returned to you for your records and future reference.

Sincerely,

Kirk Forbush, P.E. Regional Engineer for Jerry Olds, State Engineer



RECEIVED

OCT 1 5 2003

DIV. OF OIL, GAS & MINING

| | APPLICATION FOR TEMPORARY CHANGE OF WATER RIGHTS RCC. by |
|----------------------------|--|
| | OF WATER OF WATER RIGHTS OCT 9 - 2003 Fee Paid s |
| | STATE OF UTAHICHFIELD AREA Microfilmed |
| | Cle # 2809 Roll # |
| | For the purpose of obtaining permission to make a temporary change of water in the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of Section 73-3-3 Utah Code Annotated 1953, as amended. |
| • • | *WATER RIGHT NO *APPLICATION NO. t |
| | Changes are proposed in (check those applicable) |
| | point of diversion place of use nature of use period of use. |
| 1. | OWNER INFORMATION |
| | Name: <u>Server Valley Canal Company</u> "Interest: "Interest: |
| | City: Richfield State: Utah Zip Code: \$4701 |
| 2. | |
| | |
| 3 | RICHT EVIDENCED BY: A Portion 103-2812 |
| | RIGHT EVIDENCED BI: |
| | Prior Approved Temporary Change Applications for this right: |
| | r hor Approved Temporary Grange Applications for this fight: |
| | |
| ** | |
| 17 X | |
| | ************************************** |
| 4. | QUANTITY OF WATER: |
| 4. 5. | QUANTITY OF WATER: |
| 4. 5. 6. | QUANTITY OF WATER: cis and/or (4 ac-ii. SOURCE: Cis and/or |
| 4. 5. 6. | QUANTITY OF WATER: cis and/or dc-ii. SOURCE: |
| 4. 5. 6. | QUANTITY OF WATER: cis and/or(4) ac-ii. SOURCE: |
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| 4. 5. 6. | QUANTITY OF WATER: |
| 4. 5. 6. | QUANTITY OF WATER: cis and/or(4 ac-ii. SOURCE: cis and/or(4 ac-ii. COUNTY: POINT(S) OF DIVERSION: $\leq 1266^{\circ}$, $\in 1444^{\circ}$ from NW (sr. Sec. 27) |
| 4. 5. 6. 7. | QUANTITY OF WATER: Counce: Counce: County: < |
| 4. 5. 6. 7. | QUANTITY OF WATER: Counce: Counce: County: < |
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| 4. 5. 6. 7. 3. | QUANTITY OF WATER: |
| 4. 5. 6. 7. | QUANTITY OF WATER: |
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| 4. 5. 7. | QUANTITY OF WATER: |
| 4. 5. 6. 7. | QUANTITY OF WATER: |

| OCT-15-2003 11:36 | DOLAR ENERGY LLC | 80: | 1 561 3133 | P.04/07 |
|--|---|--|------------------------|---|
| 20. NATURE AND PER | | | | |
| 20. NATORE AND PER Irrigation: | From to | , | | |
| Stockwatering: | From to | | | |
| Domestic: | From to | | | |
| Municipal: | From to | | | |
| Mining | From to | | | |
| Power: | From to | • | | |
| Other: | From 10/ /03 to 10/09 | | | |
| 21. PURPOSE AND EXT | TENT OF USE | | | |
| Irrigation: | acres. Sole supply of _ | acres. | | |
| Stockwatering (nur | nber and kind): | | | |
| Domestic: | Families and/or Pers | ons. | | |
| Municipal (namé): | | | | |
| Mining: | | Mining District at the | | Mine. |
| Ores mined: | | ····· | | ······································ |
| | | | | |
| Other (describe): 1 | KE WATER FOR GAS | WELL DIALLING | | |
| م همین میکند. این از این | f place of use by 40 acre tract(s): | 1235 | K W S | scom) |
| 23. STORAGE | | | | |
| | | Storage Period: from | to | |
| | ac-it. inundated Area: | | | |
| lieight of dam: | | | | |
| | inur dated area by 40 tract(s): | | | منبعي او اور من |
| | ann a tha ann an an an an an an ann an an an an | <u></u> | | |
| 24. EXPLANATORY | | a na sen a sen | ····· | |
| The following is set | forth to define more clearly the fu r the same purpose. (Use additiona | l purpose of this application. It l pages of same size if necessa | nclude any sup rv): | plemental -561-5121 |
| RKK POR | TEP (896-8633) | (201-9760) / MARK | 5. DOLAR | \ |
| 195 NORTH 1 | ULIN - | / 935,1 | East South | Union Ave, ' |
| CENTRAL | VALLEY 84754 | (Sute | D-202 | |
| ******* | \ ************************************ | ****** | Je, Ut. 8 | ***** |
| of the above-numbe | reby acknowledges that even thoug red application through the courte he accuracy of the information c | sy of the employees of the Div | ision of Water | Rights, all |

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Signature of Applicant(s)

| ' . | | | miaw. | | · | | | | | |
|---------------------------------------|--|---|---|---|-------------------|--|---|--------------|--|-----|
| 10. 1 | NATURE AND PER | NOD OI | UŞ . | · - | 1 | . • | | | | |
| 1 | NATURE AND PER Irrigation: | From | li A | L to C | +12 | | | | | |
| | Stockwatering: | From | - V | to | | | | | | |
| | - | Esona | | to | | | | | | |
| | Domestic: | | | to | | | | | | |
| | Municipal: | | | | | | | | | |
| | Mining: | | | to | | | | | | |
| ļ | Powor: | | | to | | | | | | |
| (| Other: | From | | to | | | | | | |
| 11 | PURPOSE AND EX | TENT () | F USE | | | | | • | | |
| 1 1 1 | Irrigation:4 | . Wal | acres. Sol | e supply of _ | | acres. | | | | |
| | Stockwatering (nu | mhor an | d kind): | | | | | | | |
| • | Domestic: F | amilia: | and/or | Persons | | | | | | |
| 1 | Domestic: | dittino: | anu/or | | | | | | | |
| | Municipal (name): Mining: | · | <u> </u> | | Mining Di | etnict in th | | | | Min |
| | Mining: | | | | MINING DE | strict in th | | | | |
| | Ores mined: _ | | | | | | | <u> </u> | | |
| | Power: Plant name | : | | | | Ty | pe: | Capaci | iry: | |
| | Other (describe): _ | | | | | | | | 7 | |
| | | | | | | | | | | |
| 2. | PLACE OF USE Legal description (| . f i = | | 0 | $\Delta = \Delta$ | 15. | TOUS | R3 | لا ج | usn |
| | Legal description of | oi place | oi use by 4 | u acre tracti | s): | | | 1-1 | | |
| - | | | | | | | | | | ^ |
| • | | | | | | | | | | |
| 13. | STORAGE | | | | 6. | an Bastad | (10)m | | to | |
| | STORAGE Reservoir Name: _ | <u> </u> | | | Stora | ge reriod: | 10m | | IV | |
| | | | | | | - | | | | |
| (| Capacity: | ac-ft | Inundated | Arca: | acres. | - | | | | |
| | Capacity: Heleht of dam: | | Inundated | Area: | _acres. | | | | | |
| | Halahi of dom. | | Inundated | Area: | _acres. | | | | | |
| | Height of dam: Legal description of | of inund | Inundated feet. atcd area l | l Area: by 40 tract(s) DLLOWING (| acres. | E PROPOS | ED **** | | | |
| 14. (15.) 16. (17. | Height of dam: Legal description of AAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAA | of inund TER: s Me GE () RSION: | Inundated feet. atcd area f atcd atcd atcd atcd atcd atcd atcd atcd atcd atcd atcd atcd atcd | Area: by 40 tract(s) DLLOWING (cfs and ed: th th th th th th by | acres. | E PROPOS it r will be us u)est , R L L | ED **** -11. | | ~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~ | |
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TOTAL P.07

TERMINATION OF OPTION

KNOW BY THESE PRESENTS:

That certain "Option" dated May 8, 2001, by and between Kings Meadow Ranch, Inc. as Sellers, and T.D.A. Foundation, as Buyer, Recorded in Book 410, at Page 535, Sevier County Recorders Office has terminated under its own terms and conditions.

The property described in the "Option" was located in Sevier County. Utah, to-wit:

- 4-182-1: BEG AT NE CORN SEC 18 TP 23 S R 1 W SLM S 420 FT S 900 FT W 820 FT N 1320 FT E 1320 FT TO BEG AREA 29.67 ACRES
- 4-181-5: BEG AT NW COR SEC 17 TP 23 S R 1 W SKN S 420 PT E 275 FT S 12!05'40"E 920.50 FT W 367.48 FT S 1320 FT E 2640 FT N 2640 FT W 2640 FT TO BEG AREA 153.36 AC LESS CO RD.
- 4-179-3: THE E% OF NE 14 AND E% OF SE% OF SEC 7, T23 S, R 1 W, SL MER AREA 1 60.00 ACRES. TRACT 1.
- 4-179-4: W% OF W% OF SEC 8 TP 23 S R 1 W SLM AREA 150.34 AC LESS 9.66 AC DEEDED TO ST ROAD & LESS 4.26 AC TO SEVIER CO AREA 146.08 ACRES

63-3180: WATER RIGHT #

Signed this <u>/</u> day of <u>October</u>, 2003.

Kings Meadow Ranches, Inc.

CORPORATE NOTARY

STATE OF UTAH SS. COUNTY OF SEVIER

BEFORE ME, the undersigned authority, on this day personally appeared <u>Mack T. Dastrup</u> known to me to be the person whose name is subscribed to the foregoing instrument as the <u>Person to an to</u> of <u>Kings Meadow Ramhes</u>, Inc. , and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 15 day of _____

My commission expires:

2003. 0 Noticy Public



NOTARY PUBLIC 51 West 100 North Richfield, Litah \$4701 My Commission Expires December 13, 2005 STATE OF UTAH



Phone: (801) 561-3121 Fax: (801) 561-3133

DOLAR ENERGY L.L.C.

· .

935 East South Union Avenue Suite D-202 Midvale, UT 84047-2393

FACSIMILE TRANSMITTAL COVER SHEET

| TO: Losh Corplona |
|---|
| FACSIMILE NUMBER: 359-3940 |
| FROM: Mark S. Dolar |
| DATE: 10/15, 2003 TIME SENT: 11:25 |
| NUMBER OF PAGES:6 (Including cover sheet) |
| MESSAGE: Wolvering 17-1 well: |
| 1) Water Kight permit |
| 2) TErminution of T.P.J. agreented |
| |
| |

If documents described above are not properly received, please call (801) 561-3121. Our fax number is (801) 561-3133

RECEIVED

OCT 1 5 2003

DIV. OF OIL, GAS & MINING

Drilling Plan Wolverine Gas & Oil Corp.

Kings Meadow Ranch #17-1

1. Estimated Formation Tops (Depth from Surface):

| Arapien | Surface |
|-------------|---------|
| Carmel | 5340' |
| Twin Creek | 7059' |
| Navajo | 7463' |
| Kayenta | 8877' |
| Total Depth | 9720' |
| | .1 11 |

2. The mud program for the well will be:

| Air/Air mist | surface – 700' |
|-------------------|----------------------|
| Saturated KCL mud | 700' – 7480' |
| LSND w/ air | 748 0 – 9720' |

- 3. Estimated depth at which oil, gas, water or other mineral bearing zones are expected to be encountered are 7480' 8900'.
- 4. The primary objective of this well is to log and test the potential of the Navajo Formation at the depth of 7480'. All shows of fresh water, oil and gas will be reported and protected. The well will be drilled using the following programs:

| Hole Size | Casing Size | <u>Depth</u> | <u>Cement</u> |
|-----------|-------------|--------------|---------------|
| 171/2" | 13-3/8" | 700' | 830 sks |
| 12¼" | 9-5/8" | 7480' | 400 sks |
| 7-7/8" | 5½" | 9720' | 425 sks |

- 5. R649-3-7 BOP Equipment:
 - A. 5,000 psi WP Double Gate Blowout Preventer with Annular Preventer (schematic diagram attached fig. 3) will be used.
 - B. BOPE will be pressure tested upon installation, whenever a seal subject to test pressure is broken or repairs are made; and at least once every 30 days.
 - C. Ram-type preventers and related pressure control equipment will be pressure tested to the rated working pressure of the stack assembly if a test plug is used. If a test plug is not used, the stack assembly will be tested to the rated working pressure of the stack assembly or to 70% of the minimum internal yield pressure of the casing, which ever is less.

- D. Annular-type preventers will be pressure tested to 50% of rated working pressure.
- 6. Casing Program:

Pursuant to R649-3-8 of the Conservation Rules, the cementing of casing shall be pump and plug method.

| | | Hole Size | | Grade | Weight/Ft. | |
|--------------|-------|--------------|---------|-------|--------------|--|
| Surface | 700' | 17½" | 13-3/8" | K-55 | 54.5# | |
| Intermediate | 7480' | 12¼" | 9-5/8" | S-95 | 53.5# | |
| Production | 9720' | 7-7/8" | 51⁄2" | L-80 | 1 7 # | |

7. Cement Program:

Surface Casing 0 - 700' - 830 sks Class "H" w/ additives

| Cement Characteristics: | Yield – 1.18 cu ft per sk |
|-------------------------|---|
| | Slurry Weight = 15.8 ppg |
| | Compressive strength = $3385 \text{ psi}/24 \text{ hr.}$ @ 80°F |

Intermediate Casing 0 - 7480' - 400 sks Class "H" w/ additives

| Cement Characteristics: | Yield – 1.18 cu ft per sk Slurry Weight = 15.8 ppg Compressive strength = 3385 psi/24 hr. @ 80°F |
|------------------------------|---|
| Production Liner 7200' - 972 | 20' – 425 sks 50:50 Pozmix w/ additives |
| Cement Characteristics: | Yield – 1.26 cu ft per sk Slurry Weight = 14.2 ppg Compressive strength = 1125 psi/24 hr. @ 140°F |

Actual cement volumes will be based on caliper log calculations and drilling experience. The objective will be to bring the cement to 6,500' for drilling purposes and then into surface casing should the well become a producer. The production liner will be cemented from TD to top of liner hanger.

All casing strings will be pressure tested to 0.22 psi/ft or 1500 psi, whichever is greater prior to drilling plug after cementing. Test pressure not to exceed 40% of the internal yield pressure of the casing.

- 8. Pursuant to R649-3-12, hydrogen sulfide is not expected to be encountered while drilling this well.
- 9. Upon completion of the drilling and testing cf the well, should the well not contain commercial hydrocarbon, the well will be plugged and abandoned pursuant to R649-3-24, and the surface will restored pursuant to R649-3-34. Anticipated plan for plugging includes cutting and removal of the 9-5/8" casing, setting a 100' cement plug in and out of the casing stub, and spotting a 100' plug from 750' 650' in and out of the bottom of the surface casing. The surface casing will then be cut off and plugged at the top of the stub. All cement will be with class "G" cement.

SURFACE USE PLAN WOLVERINE GAS AND OIL CORPORATION

KINGS MEADOW RANCH #17-1

- A vicinity map Topo "A" indicates location of the well site. Access to the well
 pad will be obtained by traveling 0.7 miles ir. a westerly direction from Salina,
 Utah along U.S. 50 to the junction of U.S. highway 89. Exit left and proceed in a
 southwesterly direction for approximately 8.2 miles to the junction of state
 highway 24. Turn left and travel through the town of Sigurd, Utah and south on
 24 for approximately five and four tenths (5.4) miles between mile markers #13
 and #14 to the proposed access road. Access to the location will be following the
 flags in a southeasterly direction 400'. Surface Use Agreement with Wolverine
 for the well pad and access to the well is attached and labeled as exhibit "1".
- 2. The reserve pit for waste mud and drill cuttings will be located on the south side of the well site plan. The pit will be 100 feet X 150 feet and will be 10 feet deep. Volume of the pit is 26,000 barrels. The pit will be lined and will be evaporated prior to reclamation. Rules pursuant to R649-3-16 will be followed regarding the reserve pit.
- 3. Pursuant to R649-3-14, all rubbish and debris shall be kept in containers on the well site, and will be hauled to an approved disposal site upon completion of drilling and completion operations.

SOURCE OF WATER

- 1. Water for drilling the Kings Meadow Ranch #17-1 will be purchased from Rich Porter or from water wells drilled on location pending the air drilling of the surface hole. Water for drilling will be hauled to location and stored in storage tanks on the drill site. Wastewater will not be discharged on the surface at this site, and the drilling of the well will not require a wastewater management plan.
- 2. In addition, after air drilling the 700' surface hole, ground water will be evaluated and a water well will be permitted and drilled on site.

Page 5 Wolverine Gas & Oil Corp. Kings Meadow Ranch #17-1

OPERATOR'S REPRESENTATIVE

Vince Guinn Brandywine Operating, L.L.C. 869 N. Canyon View Dr. #416-16 Roosevelt, UT 84066 Office – 435-722-8324 Fax - 435-722-8323 Cell - 435-722-6604 1 each 13-5/8" – 5,000 psi Shaffer SPH annular BOP S/N 1493 with studded top and flanged bottom, H2S trim, API gasket BX 160.

1 each 13-5/8" – 5,000 psi Shaffer type L.W.S. double gate BOP S/N 1466 with 4-1/16" outlets, studded top and bottom, H2S trim, API gasket BX 160.

1 each 13-5/8" ID x 25"H, 5,000 psi drilling spool with 4-1/16" flanged outlets, H2S trim, API gaskets 13-5/8" BX 160 and 4-1/16" RX 39. (Stainless armored hose sets for BOP's in cellar).

BOP Accumulator

On rig floor, model # MGBK5EH Serial # 7903.

BOP Closing Unit

Stewart & Stevenson Koomey Model T20160-3S blowout preventer control unit with 280 gallon volume tank, main energy provided by a 20 HP electric motor driven triplex plunger pump charging (16 each) 11-gallon bladder type separate accumulator bottles. Second energy system consists of two (2) air pumps. The above two systems are back up by (4 each) 220 cubic feet nitrogen bottles connected to the manifold system. The unit is controlled by a Model SU2KB5S series manifold with five (5) manual control stations at the unit.

Choke Manifold

2-1/16" CIWS 5,000 psi WP.

1 each OCT manual adjustable choke.

1 each 2" 10,000 psi pressure gauge.

Mud Mix Pump

Mud mixing hopper rated 700 GPM.

Crown Block

6-sheave crown with 1 fastline sheave, 400-ton rating.

Links & Elevators

2 each 3-1/2" x 140" elevator links, 350-ton.

2 each 3-1/2" x 108" elevator links, 350-ton.

Exhibit "1"

SURFACE DAMAGE AGREEMENT

This agreement is between Kings Meadow Ranches, Inc., a Utah Corporation, whose address is <u>P. O. Box 570125, Sigurd, UT 84657</u> and <u>T.D.A. Foundation</u>, whose address is <u>620 South</u> Main Street, Bountiful, Utah 84047. collectively hereinafter referred to as <u>"Kings Meadow"</u>, and <u>Wolverine Gas and Oil Corporation</u>, hereinafter referred to as <u>"Wolverine"</u>, whose address is <u>One</u> Riverfront Plaza, Grand Rapids, MI 49503-2616.

The above parties agree to the basic understanding as follows:

- 1. Wolverine plans to commence drilling operations for the #17-1 well, located in the SE¼NW¼ of Section 17, Township 23 South, Range 1 West, Sevier County, Utah ("Subject Lands"). Prior to the commencement of any drilling operation Wolverine shall pay Kings Meadow <u>One Thousand Dollars (\$1,000.00)</u> as compensation for damage to the surface for a drill site location not to exceed three acres, and access road to well site. The route for access roads shall be mutually agreed upon by parties herein, and Wolverine shall diligently attempt to avoid irrigated and pasture lands owned by Kings Meadow. In the event roads are abandoned by Wolverine, Kings Meadow shall have the option to take over operations of the roads free of cost, and accept liability and upkeep of the access road.
- 2. Any and all access roads shall not exceed 30 feet in width (maximum).
- 3. In the event of a dry hole, drill site and roadways will be restored to their original condition as nearly as practicable within 180 days after plugging date of the well.
- 4. In the event of production, Wolverine shall have the right to install production equipment, upgrade access roads, lay pipeline, power lines and telephone lines (below plow depth) on the surface of Kings Meadow. Wolverine shall pay an annual rental fee of \$800.00 for use of said surface at well site, and shall pay a one time fee equal to \$8.00 per rod for pipelines, power lines and telephone lines.
- 5. Firearms, dogs and liquor shall be prchibited from the well location and access roads.
- 6. All gates (if applicable) shall remain closed during operations by Wolverine and if requested by Kings Meadow, the well site will be fenced.
- 7. Only Wolverine personnel and authorized contractors performing work for Wolverine will have the combination (or key) to the locked gate and will lock it each time they pass through it.

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Page 2 Surface Damage Agreement

- 8. Unauthorized personnel, contractors, etc. will not be allowed on location or access to location.
- Wolverine will make every reasonable effort to have a company representative on the location at all times during drilling/completion operations.
- 10. This agreement shall be binding upon Wolverine, Kings Meadow and their executors, administrators, successors, and assigns and all contract workers, and shall inure to the benefit of all parties herein.
- 11. This agreement may be executed in counterparts, and each signature shall be binding upon the parties who have executed such counterparts hereto with the same force and effect as if all parties have signed the same document.

Signed this <u>17 76</u> day of <u>January</u>. 2003.

Kings Meadow Ranches, Inc. B Title: RESIDE

Signed this 003. day of and Oil Corporation Wolve

Title:

T.I).A. Foundation

By ______ Title:

MyFilesForms SurfaceAgree

WOLVERINE GAS & OIL CORP. KINGS MEADOW RANCHES #17-1 LOCATED IN SEVIER COUNTY, UTAH

SECTION 17, T23S, R1W, S.L.B.&M.

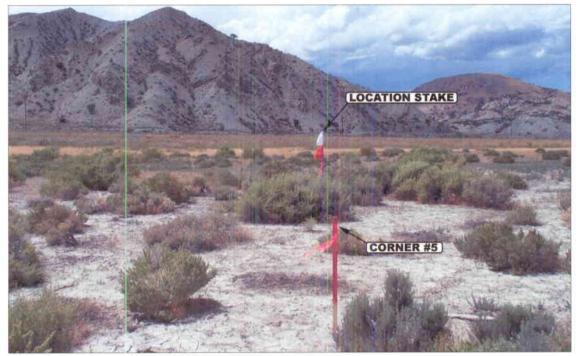


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY

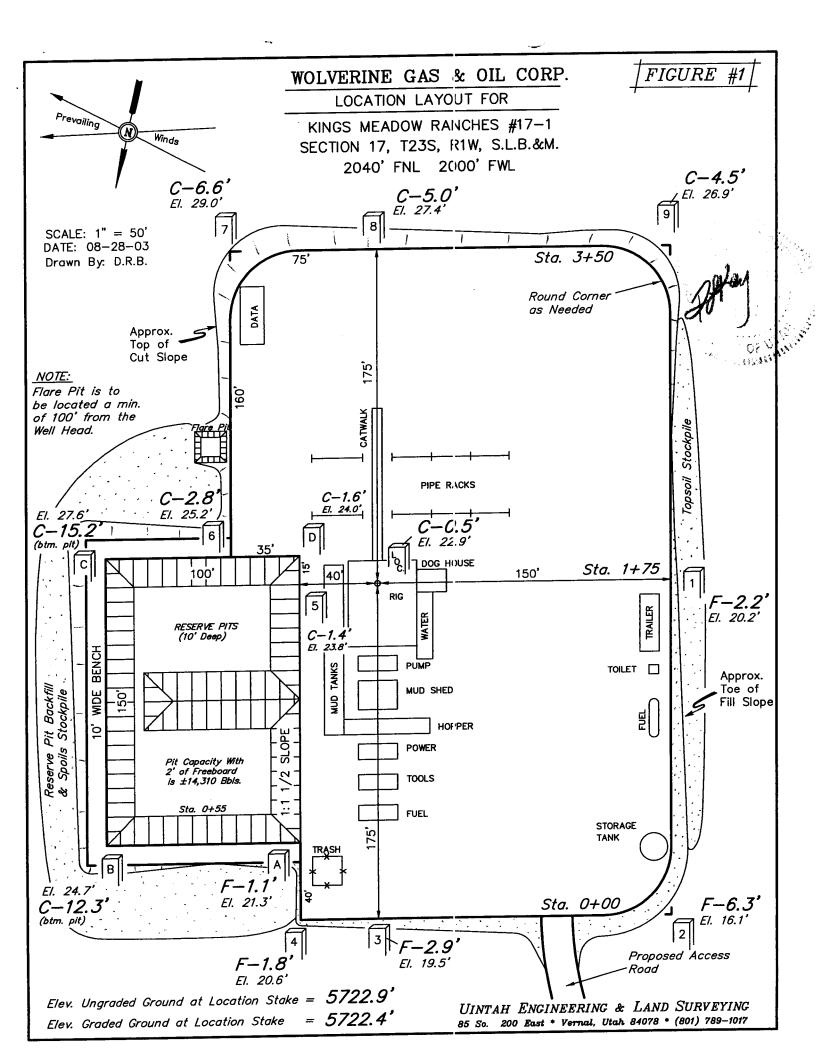


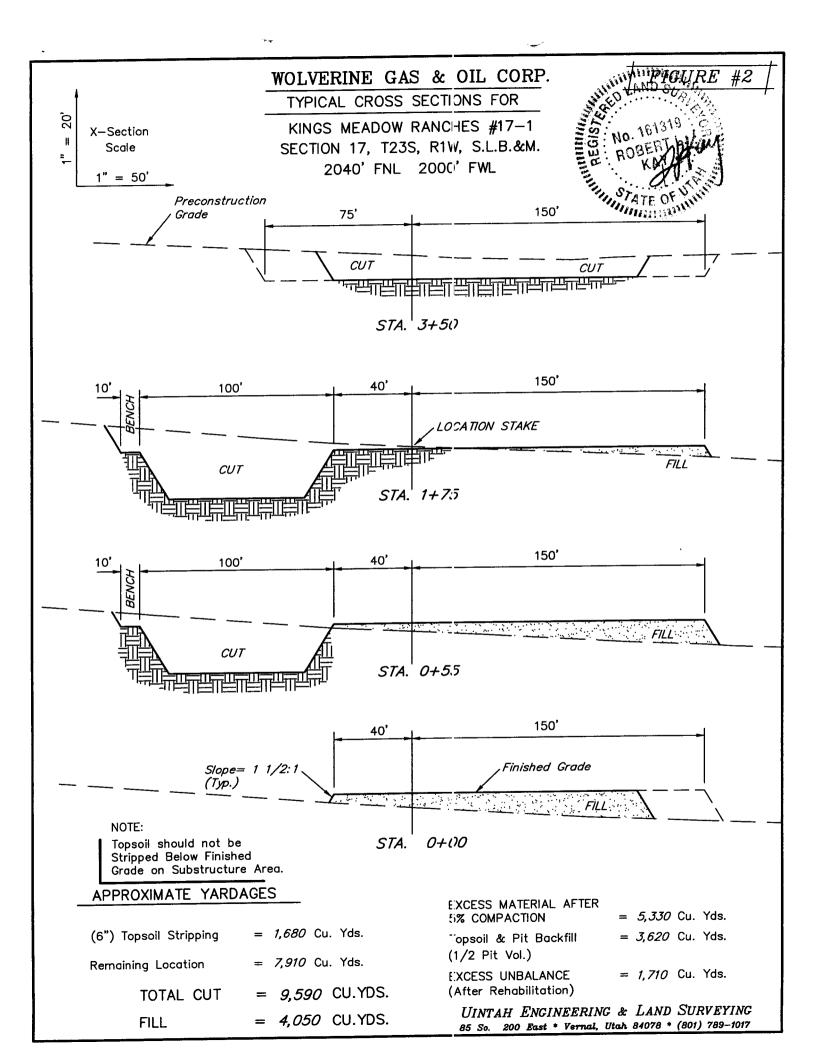
PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

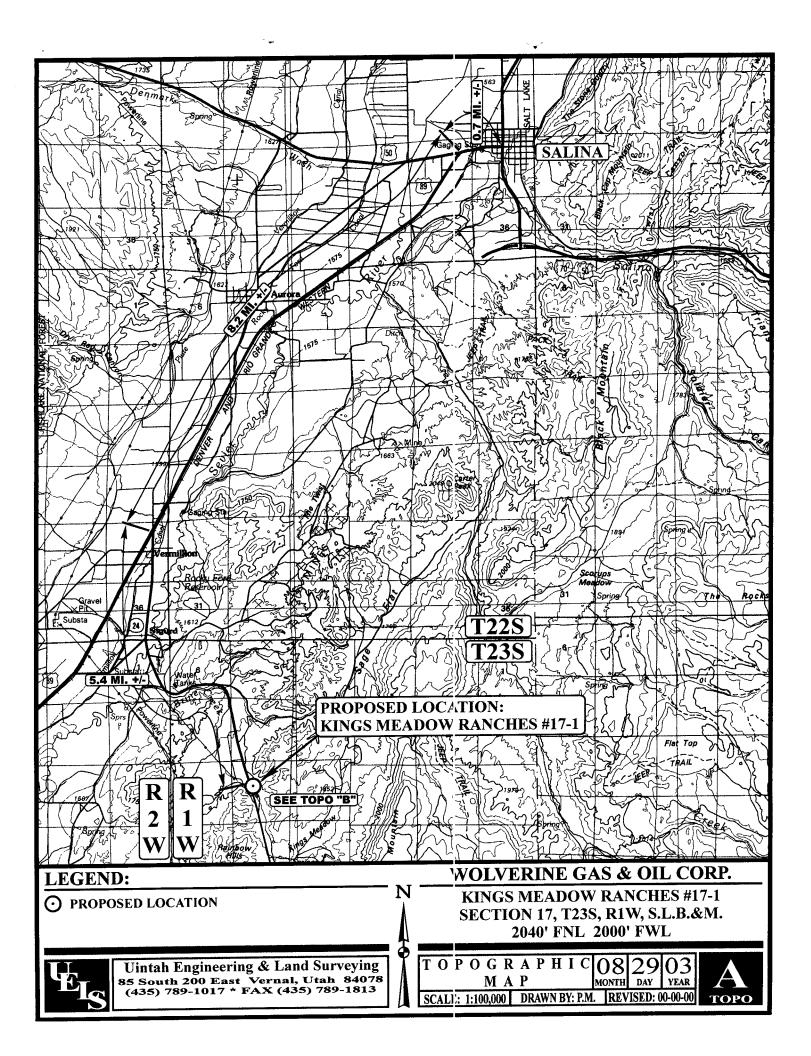
CAMERA ANGLE: SOUTHEASTERLY

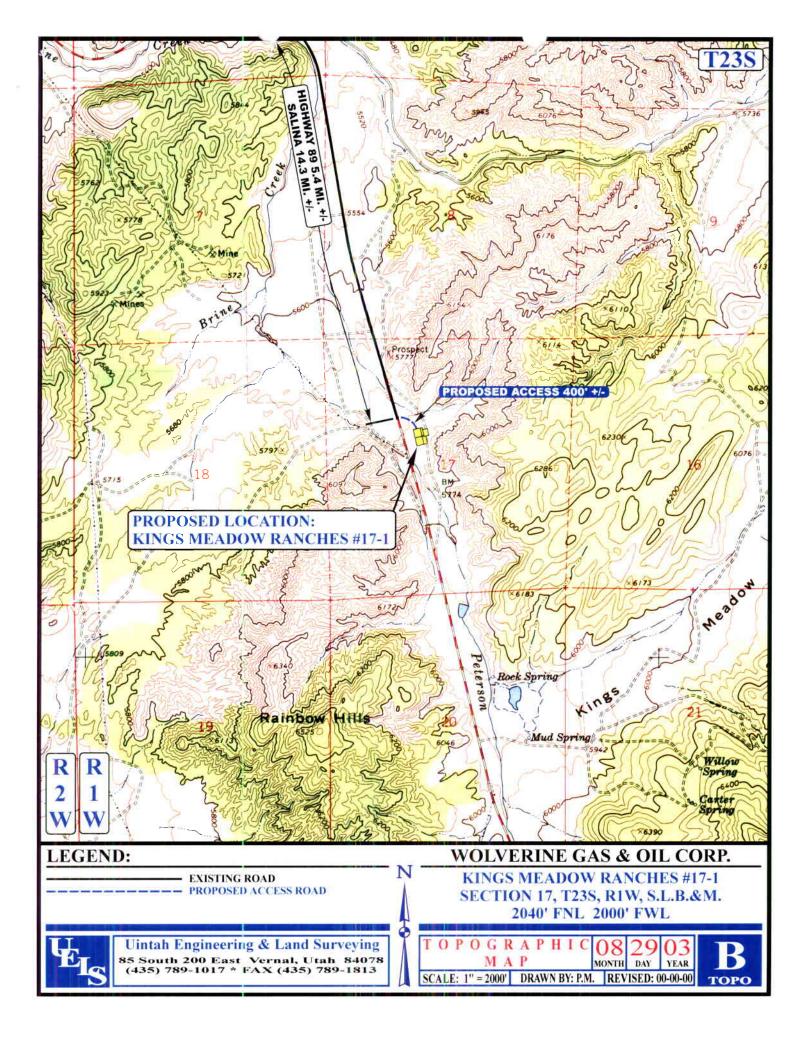


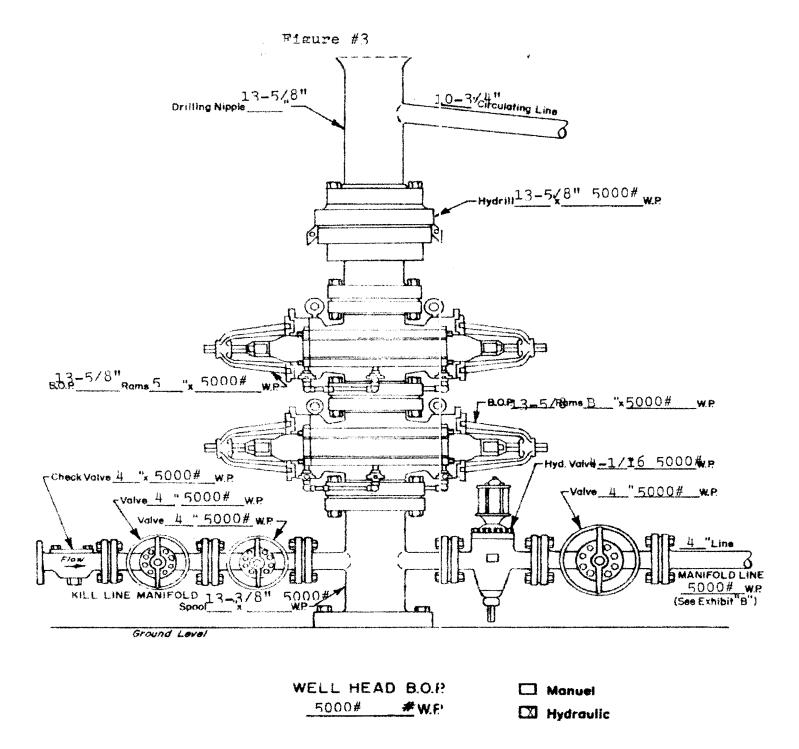


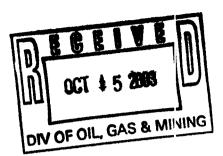












H₂S Contingency Plan

for

KINGS MEADOW RANCHES #17-1

Township 23S, Range 1W

Section 17

Sevier County, Utah

Wolverine Gas & Oil of Utah, LLC One Riverfront Flaza 55 Campau NW Grand Rapids, MI 49503

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Introduction

It is the policy of Wolverine Gas & Oil of Utah, LLC to provide a safe and healthful work environment for all of its employees as well as contractors that may work on Wolverine Leases. Wolverine Gas & Oil of Utah, LLC makes a continued effort to comply with laws and regulations relative to worker safety and health, and to manage all operations in a manner to reduce risk.

The following is a H_2S contingency plan for the Wolverine Kings Meadow Ranches #17-1 well. It is designed for personnel working on this project to follow in case of an accidental release of hydrogen sulfide during drilling and or completion operations. For the plan to be effective, all personnel must review and be familiar with onsite duties as well as the safety equipment involved.

The purpose of this plan is to act as a guideline for personnel working on the wellsite in the event of a sudden release of hydrogen sulfide. All personnel working on the wellsite as well as service personnel that may travel to location on an unscheduled basis must be familiar with this program. The cooperation and participation of all personnel involved with the crilling operation is necessary for this plan to be effective.

I. Responsibilities and Duties

In order to assure proper execution of the contingency plan, it is essential that one person be responsible for and in complete charge of implementing the procedures outlined in this plan. The order of Responsibility will be as follows:

- 1. Wolverine Gas & Oil Of Utah, LLC drilling representative on location if unable to perform his / her duties
- 2. Alternate Wolverine Gas & Oil Of Utah, LLC representative if unable to perform his / her duties
- 3. Rig Toolpusher / Supervisor if unable to perform his / her duties
- 4. Safety consultant representative if available

A. All Personnel

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- 1. Always be alert for possible H_2S alarms both audible and visual.
- 2. Be familiar with location of Safe Brie ing Areas (SBA) and protective breathing equipment.
- 3. Develop a "wind awareness". Be aware of prevailing wind direction as well as nearby uphill areas, should there be no wind.
- 4. Familiarize yourself with nearest escape routes for safe evacuation
- 5. Should H₂S alarms sound, DON'T PANIC Remain calm and follow instructions of person in charge.
- 6. If the H_2S alarms sound:
 - a. Essential personnel shall don the appropriate respiratory protective equipment and follow company procedures. Essential personnel will continue to wear respiratory protective equipment until the area is deemed safe (H₂S concentration less than 10 PPM)
 - b. Non-essential personnel shall evacuate to the appropriate safe briefing area using escape breathing systems. Wait there for further instructions form Wolverine drilling representative.

c. Initiate rescue protocol if necessary - following training procedures.

B. Drilling Foreman

- 1. The Wolverine drilling foreman will confirm that all personnel on location are trained in H₂S safety and aware of above list of duties when the H₂S plan becomes effective at drill out of intermediate casing shoe above the Navajo Formation.
- 2. The Wolverine foreman will ensure that all safety and emergency procedures are observed by all personnel.
- 3. The Wolverine foreman will make an effort to keep the number of personnel on location to a minimum and to ensure that only essential personnel are on location during critical operations.
- 4. Should any extreme danger condition exist, the Wolverine foreman will:
 - a. Assess the situation and advise all personnel by appropriate means of communication.
 - b. Be responsible for determining that the extreme danger condition is warranted and the red flag shall be posted at location entrance.
 - c. Go to safe briefing area and give clear instructions relative to hazard on location, and actions for personnel to follow.
 - d. Notify company and regulatory groups of current situation as outlined in company protocol.
 - e. Proceed to rig floor and supervise operations with rig supervisor. Take action to control and reduce the H₂S hazard.
 - f. Ensure that essential personr el are properly protected with supplied air breathing equipment and that non-essential personnel are in a "poison gas free" area.
 - g. Be responsible for authorizing evacuation of persons / residents in area surrounding the drilling location.
 - h. Commence any ignition procedures if ignition criteria are met.

C. Rig Supervisor - Toolpusher

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- 1. If the Wolverine drilling foreman is unable to perform his / her duties, and the alternate drilling foreman is also unable or unavailable to perform his / her duties, the drilling rig Toolpusher will assume command of wellsite operations and all responsibilities listed above for drilling foreman.
- 2. Ensure that all rig personnel are properly trained to work in H₂S environment and fully understand purpose of H₂S alarms and actions to take when alarms activate. Ensure that all crew personnel understand the buddy system, safe briefing areas, and individual duties as well as emergency evacuation procedures.
- 3. Should an extreme danger operational condition arise, the rig Toolpusher shall assist the Wolverine foreman by:
 - a. Proceeding to the rig floor anc assist in supervising rig operations.
 - b. Ensure that only essential working personnel remain in hazardous areas.
 - c. Ensure that all crew members that remain in hazardous area wear respiratory protective equipment until notified that area is "clear" of any toxic gases.
 - d. Assign rig crew member or other service representative to block entrance to location. No unau:horized personnel will be allowed entry to location.
 - e. Help to determine hazardous 'danger zones" on location using portable detection equipment and position electric fans to move gas in any high concentration areas.

D. Safety Consultant

- 1. During normal operations (no H₂S present), the safety consultant will be responsible for the following:
 - a. Ensure that all wellsite safety equipment is in place and operational.

- b. Ensure that all wellsite personnel are familiar with location safety layout and operation of all safety equipment.
- c. Assist the Wolverine foreman in performing weekly H₂S drills for location personnel.
- 2. When an operational condition is classified as extreme danger, the safety consultant will be responsible for the following:
 - a. Account for all wellsite personnel

- b. Assess any injuries and direct first aid measure.
- c. Ensure that all safety and moritoring equipment is functioning properly and available.
- d. Monitor the safety of wellsite personnel
- e. Maintain a close communication with Wolverine foreman.
- f. Be prepared to assist Wolverine foreman with support for rig crew or other personnel using breathing equipment.
- g. Be prepared to assist Wolverine foreman with emergency procedures including possible well ignition.
- h. Be prepared to assist with evacuation of any area residents or other personnel working in the immediate area.

II. Drilling Rig Layout

A. Location

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- 1. All respiratory protective equipment and H₂S detection equipment will be rigged up prior to drilling out intermediate casing and entering the first zone suspected to contain hydrogen sulfide. The rig crews and other service personnel will be trained at this time.
- 2. The drilling rig will be situated on location to allow for the prevailing winds to blow across the rig toward the circulation tanks or at right angles to the lines from the BOP to the circulation tanks.
- 3. The entrance to the location is designed so that it can be barricaded if a hydrogen sulfide emergency condition arises. An auxiliary exit route will be available so that in case of an emergency, a shift in wind direction would not prevent escape from the location.

4. A minimum of 2 safe briefing areas (SBA) shall be designated for assembly of personnel during emergency conditions. These will be located at least 150 ft. or as practical, from the wellbore and in such a location that at least one area will be upwind of the well at all times. Upon recognition of an emergency situation, all personnel will be trained to assemble at the designated briefing area for instructions.

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- 5. Smoking areas will be established and "No Smoking" signs will be posted around the location.
- 6. Reliable 24 hour radio and telephone communications will be available at the drilling foremen's office.
- 7. A mud-gas separator will be rigged up and manifolded to the choke system.
- 8. All equipment that might come into contact with hydrogen sulfide drill pipe, drill stem test tools, blowout preventers, casing, and choke system will meet Wolverine's metallurgy requirements for H₂S service.
- 9. The drilling rig will have a continuous electronic H₂S detection system that automatically will activate visible and audible alarms if hydrogen sulfide is detected. The visible light will activate if 10 PPM H₂S is present. The audible siren will activate if 15 PPM or higher concentration is present. There will be at least 4 H₂S sensors in place on the drilling rig. They will be located to detect the presence of hydrogen sulfide in areas where it is most likely to come to surface. The sensor head locations will be: 1) rig floor by driller's console, 2) substructure area near the bell nipple, 3) the shale shaker, 4) the mud mixing area. Additional sensors will be positioned at the discretion of the drilling foreman. At least 1 light and 1 siren will be placed on the rig to indicate the presence of hydrogen sulfide. The light and siren will be strategically placed to be visible to all personnel on the drill site. Additional alarm lights & sirens may be added to ensure that all personnel on the drill site are able to notice the alarms at any time.
- 10. The H₂S detection equipment will be calibrated as recommended by the manufacturer. Calibration records will be maintained on location.
- 11. At least 4 windsocks will be placed around the drill site to ensure that everyone on the drilling location can readily determine wind direction. One windsock will be mounted on or near the rig floor to be readily visible to rig crews when tripping pipe.

12. All respiratory protective equipment will be NIOSH/MSHA approved positive pressure type and maintained according to manufacturer's guidelines. All breathing air used for this equipment will be CGA type Grade D breathing air. Battery powered voice mikes will be available for communication when wearing masks.

- 13. Both 30 minute self-contained breathing apparatuses (SCBA) and workline units with escape cylinders will be available on location. There will be sufficient numbers of this supplied air breathing equipment on location to ensure that all personnel on location have 1 piece of equipment available to them. All Respiratory protective equipment will use nose cups to prevent fogging in temperatures below 32 F. Spectacle kits will be available for personnel that require corrective lenses when working under mask.
- 14. Electric explosion-proof ventilating fans (bug blowers) will be available to provide air movement in enclosed areas where gas might accumulate.
- 15. H₂S drills will be conducted at least weekly to ensure that all well site personnel are competent in emergency donning procedures. These drills will be recorded in the driller's log.

Safety Procedures

A. Training

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All personnel who come onto the drilling location must be properly trained in hydrogen sulfide, nitrogen, and oxygen deficient atmospheres safety. The personnel shall carry documentation with them indicating that the training has occurred within the previous 12 months.

Training topics shall include at a minimum:

- 1. Hazards and characteristics of hydrogen sulfide, nitrogen, and oxygen deficient atmospheres and symptoms of exposure to these gases.
- 2. Proper use, care and limitations of respiratory protective equipment with hands on practice.
- 3. Use of both fixed and portable toxic gas detection equipment.
- 4. Work practices to reduce opportunities for toxic gas exposure as well as confined space procedures.

- 5. First aid for toxic gas exposure and resuscitation equipment.
- 6. The buddy system
- 7. Emergency evacuation procedures
- 8. A review of the contingency plan for the well.

B. Operating Conditions

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A three color flag warning system will be used to notify personnel approaching the drill site as to operating conditions on the wellsite. This system is in compliance with BLM O.O. #6 and follows industry standards.

Green Flag - Potential Danger

Yellow Flag - Moderate Danger

Red Flag - Extreme Danger - Do Not approach if red flag is flying.

C. Evacuation Plan

There is one resident within a one mile radius of the well site. Ron Dastrup lives approximately 1/2 mile west-northwest of the well location. In the event of an emergency requiring evacuation, Mr. Dastrup would be notified by Wolverine's drilling foreman and given specific directions as to how to evacuate, with due consideration to the wind at the time and other factors. Should a telephonic notification to Mr. Dastrup not be successful in reaching him, one of the non-critical rig personnel will be sent to his home to insure he can be evacuated to safety. Mr. Dastrup's contact information is:

Ron and Virginia Dastrup P.O. Box 57011 Sigurd, UT 84657 (435) 896-7259

D. Emergency Rescue Procedures

Wellsite personnel should not attempt emergency rescues unless they have been properly trained. A trained person who discovers another person overcome by hydrogen sulfide should **not attempt to rescue without donning the proper breathing equipment.** When making an emergency rescue always use the following procedures: 1. Don rescue breathing equipment before attempting to rescue someone.

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2. Remove the victim from the contaminated area to an area free of toxic gas by traveling upwind or cross wind. Be certain that you are in a safe area before removing your breathing equipment.

- 3. If the victim is not breathing, initiate mouth to mouth resuscitation immediately. Follow CPR guidelines and replace mouth to mouth with a bag mask resuscitator if available.
- 4. Treat the victim for shock, keeping the victim warm and calm. Never leave the victim alone.
- 5. Any personnel who experience hydrogen sulfide exposure must be taken to a hospital for examination and their supervisor notified of the incident.
- 6. Their supervisor shall follow the company Emergency Preparedness plan.

| IV. H ₂ S Safety Equipment | on Drilling Location |
|---------------------------------------|----------------------|
|---------------------------------------|----------------------|

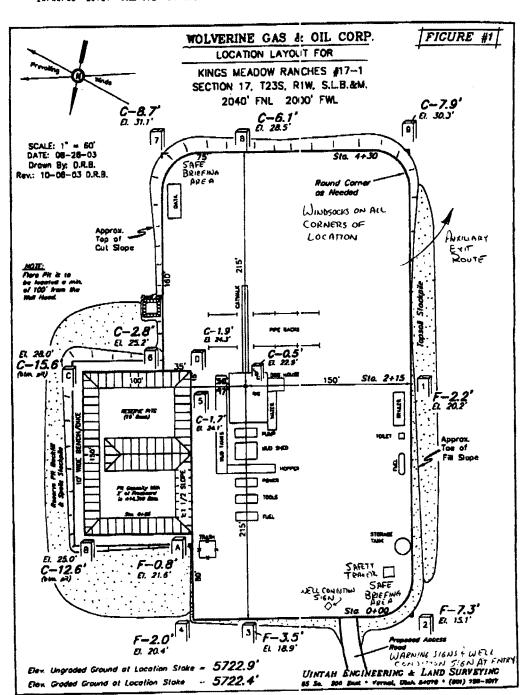
| ltem | Amount | Description |
|------|-------------------|--|
| 1. | One (1) | safety trailer with a cascade system of 10-300 cu. ft bottles of compressed breathing air complete with high pressure regulators |
| 2. | At least 1000 ft. | low pressure airline equipped with Hansen locking fittings. This airline will be rigged up with manifolds to supply breathing air to the rig floor, substructure, derrick, shale shaker area, and mud mixing areas. Three high pressure refill hoses will be attached to cascade systems for cylinder refill. |
| 3. | Twelve (12) | Scott 30 minute self contained breathing apparatuses (SC;BA) |
| 4. | Twelve (12) | Scott airline units with emergency escape cylinders. |
| 5. | One (1) | 4 - channel continuous electronic H_2S monitor with audible and visual alarms. The set points for these |

alarms are 10 PI^DM for the low alarm and 15 PPM for the high alarm.

- 6. Two (2) Sensidyne portable hand operated pump type detection units with tubes for hydrogen sulfide and sulfur dioxide.
- 7. One (1) oxygen resuscitator with spare oxygen cylinder.
- 8. One (1) trauma first aid kit
- 9. One (1) stokes stretcher and one (1) KED.
- 10. Four (4) wind socks

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- 11. At least one (1) well condition sign with 3 flag system
- 12. Two (2) Safe Briefing Area (SBA) signs
- 13.One (1)fire blanket
- 14. One (1) set air splints
- 15. Two (2) electric explosion proof fans
- 16. One (1) bullhorn and chalk board
- 17. Three (3) 300 cu. ft. air bottles for the safe briefing area.
- 18. Two (2) 30 # fire extinguishers
- 19. Six (6) battery powered voice mikes for communication when wearing air masks.
- 20. One (1) battery powered combustible gas meter



V. Well Ignition Procedures

If it should become apparent that an uncontrolled release of hydrogen sulfide to the atmosphere may endanger the health and safety of the public or well site personnel, the Wolverine drilling foreman will make a decision to ignite the well. The following procedure should be followed before attempting to ignite the well.

- **A. Ignition Equipment** the following equipment will be available on-site for use by the ignition team.
 - 1. 2 12-gauge flare guns with flare shells
 - 2. 2 500 ft. fire resistant retrieval ropes
 - 3. 1 portable combustible gas meter
 - 4. Self contained breathing apparatus (SCBA) for each member of the ignition team.
 - 5. 1 backup vehicle with communications equipment

B. Ignition Procedures

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- 1. The Wolverine drilling foreman will ensure that well site personnel are evacuated to a safe area upwind of the well bore prior to any ignition action.
- 2. The Wolverine foreman and a designated partner "buddy" backed up by well site safety personnel will comprise the ignition team. All team members will be wearing 30 minute SCBAs.
- 3. The backup crew will be positioned near a radio equipped vehicle at a safe distance from the sour gas release. They will standby to rescue the actual team igniting the well.
- 4. The partner of the ignition team will carry a combustible gas / hydrogen sulfide meter to continuously monitor the area in which they are working and define the perimeter of the gas cloud.
- 5. The Wolverine foreman will carry the flare gun and shells.

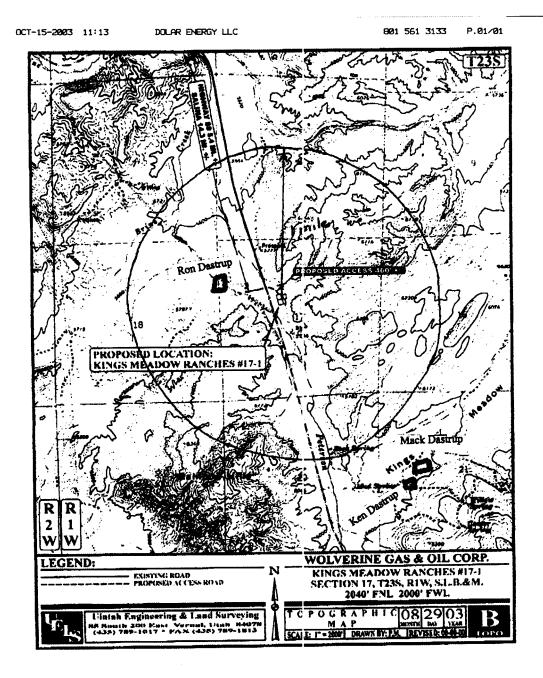
- 6. The ignition team will determine the hazardous area and establish safe working perimeters. Once this is ider tified the team will proceed upwind of the leak and fire into the area with flare gun. If trouble is encountered in trying to light the leak, retry to ignite by firing the flare shells at 45 and 90 degree angles to the gas source, but DO NOT approach closer to the leak.
- 7. After ignition, monitor for sulfur dioxicle and work with the support group to restrict access to the contaminated area.

VI. Residents - Public in Radius of Exposure

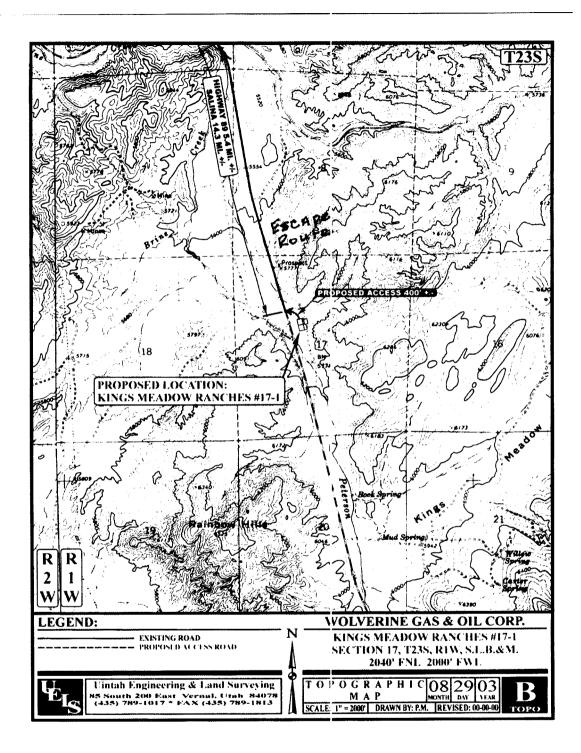
There is one resident within a one mile radius of the well site. Ron Dastrup lives approximately 1/2 mile west-northwest of the well location. In the event of an emergency requiring evacuation, Mr. Dastrup would be notified by Wolverine's drilling foreman and given specific directions as to how to evacuate, with due consideration to the wind at the time and other factors. Should a telephonic notification to Mr. Dastrup not be successful in reaching him, one of the non-critical rig personnel will be sent to his home to insure he can be evacuated to safety. Mr. Dastrup's contact information is:

Ron and Virginia Dastrup P.O. Box 57011 Sigurd, UT 84657 (435) 896-7259

Wolverine Gas & Oil of Utah, LLC operates no other wells within a one mile radius.



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VII. Emergency Phone Directory

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A. Wolverine Gas & Oil Of Utah, LLC One Riverfront Plaza 55 Campau NW Grand Rapids, MI 49503-2616 616-458-1150

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| Title | Name | Phone |
|---|-----------|--------------------------------------|
| Wolverine Gas and Oil of Utah Drilling Supervisor | Pat Clark | M (307) 259-6261 |
| Unit Drilling Drilling Superintendent | Leo Nolan | O (307) 266-2426 M (307) 262-2721 |
| Wolverine Gas and Oil of Utah Manager of Engineering | Tim Brock | O (517) 676-7023 M (517) 242-6588 |

B. Emergency Services Phone List

| 1. Sevier Valley Medical Center - Richfield, UT | 435-896-8271 |
|---|--------------|
| 2. Ambulance Services - Sevier County, UT | 911 |
| 3. Sheriff Department - Sevier County, UT | 435-896-2600 |
| 4. Highway Patrol - Utah | 800-222-0038 |
| 5. Fire Department - Richfield, UT | 435-896-5479 |
| 6. Utah Division Oil & Gas - Salt Lake City, UT | 801-538-5277 |
| 7. Medical Helicopter - Air Med- Salt Lake City, UT | 800-453-0120 |

VIII. Properties of Gas

If gas should be produced, it could be a mixture of Carbon Dioxide, Hydrogen Sulfide, and Methane.

| Common <u>Name</u> | Chemical Formula | Specific Gravity (Air = 1) | 1 Threshold Limit | 2 Hazardous Limit | 3 Lethal Concern |
|-----------------------|---------------------|----------------------------------|-------------------------|-----------------------------------|------------------------|
| Hydrogen Sulfide | H₂S | 1.18 | 10 ppm | 250 ppm/hr | 600 ppm |
| Sulfur Dioxide | SO ₂ | 2.21 | 5 ppm | | 1000 ppm |
| Carbon Monoxide | СО | 0.97 | 50 ppm | 400 ppm/hr | 1000 ppm |
| Carbon Dioxide | CO ₂ | 1.52 | 5000 pr _' m | 5% | 10% |
| Methane | CH₄ | 0.55 | 90000 ppm | Combustible above 5% in Air | |

TOXICITY OF VARIOUS GASES

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1. Threshold - Concentration at which it is believed that all workers may repeatedly be exposed, day after day, without adverse side effects.

- 2. Hazardous Concentration that may cause death.
- 3. Lethal Concentration that will cause death with short-term exposure

A. Hydrogen Sulfide

General Properties

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Hydrogen Sulfide itself is a colorless and transparent gas and is flammable. It is heavier than air and, hence, may accumulate in low places.

Although the slightest presence of H_2S in the air is normally detectable by its characteristic "rotten egg" odor, it is dangerous to rely on the odor as a means of detecting excessive concentrations because the sense of smell is rapidly lost, allowing lethal concentrations to be accumulated without warning. The following table indicates the poisonous nature of Hydrogen Sulfide, which is more toxic than Carbon Monoxide.

Common names: sour gas, acid gas, rotten egg gas, sulphur gas, sulphurated gas, sweet gas (H_2S is a sweet tasting gas, but often the word "tasting" is left out).

Physical - Chemical Properties

| Chemical Formula | . H ₂ S |
|-----------------------------------|--|
| 1. Specific Gravity (air = 1.000) | . 1.193 (@ 77 F) |
| 2. Color | . None |
| 3. Odor | . Compare to rotten eggs |
| 4. Odor Threshold | .0.13 part of 1 ppm |
| 5. Corrosivity | . Reacts with metals, plastics, tissues and nerves. |
| 6. Solubility in Water | .4.0 to 1 in H ₂ O @ 32 F 2.6 to 1 in H ₂ O @ 68 F |
| 7. Effects on Humans | . Olfactory nerves, respiratory nerves, irritates sensitive membranes in eyes, nose, and throat. |
| 8. Vapor Pressure | . 19.6 atmospheres at 25 C |

| 9. I | Explosive Limits | 4.3% to 46% by volume in air |
|------|----------------------|--|
| 10. | Ignition Temperature | 18 F (burns with a pale flame) |
| 11. | Molecular Weight | 34.08 |
| 12. | Conversion Factors | 1 mg / 1 of air = 717 ppm (at 25 C and 760 mm HG). 1 ppm = 0.00139 mg / 1 of air |
| 13. | pH | 3 in water |

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Industrial Occurrences

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Hydrogen Sulfide exposures occur in certain processes in the petroleum industry, chemical plants, chemical laboratories, sulfur and gypsum mines, viscose rayon and rubber industries, tanneries, and in the manufacture of some chemicals, dyes and pigments. It may be encountered in excavations in swampy or filled ground. It is produced when sulfur-containing organic matter decomposes, and it can therefore be found in sewage or organic-waste treatment plants. A common sewer gas, it may find its way into utility manholes, particularly dangerous when encountered in tanks, vessels, and other enclosed spaces.

Toxic Properties

Hydrogen Sulfide is an extremely toxic and irritating gas. Free Hydrogen Sulfide in the blood reduces its oxygen-carrying capacity, thereby depressing the nervous system. Sufficiently high concentrations cause blocking of the phrenic nerve, resulting in immediate collapse and death due to respiratory failure and asphyxiation.

Because Hydrogen Sulfide is oxidized quite rapidly to sulfates in the body, no permanent after effects occur in cases of recovery from acute exposures unless oxygen deprivation of the nervous system is prolonged. However, in cases of acute exposures, there is always the possibility that pulmonary edema may develop. It is also reported that symptoms such as nervousness, dry nonproductive coughing, nausea, headache, and insomnia, lasting up to about three days, have occurred after acute exposures to Hydrogen Sulfide. At low concentrations the predominant effect of Hydrogen Sulfide is on the eyes and respiratory tract. Eye irritation, conjunctivitis, pain, lacrimation, keratitis, and photophobia may persist for several days. Respiratory tract symptoms include coughing, painful breathing, and pain in the nose and throat.

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There is no evidence that repeated exposures to Hydrogen Sulfide result in accumulative or systemic poisoning. Effects such as eye irritation, respiratory tract irritation, slow pulse rate, lassitude, digestive disturbances, and cold sweats may occur, but these symptoms disappear in a relatively short time after removal from the exposure. Repeated exposures to Hydrogen Sulfide do not appear to cause any increase or decrease in susceptibility to this gas.

The paralytic effect of Hydrogen Sulfide on the olfactory nerve is probably the most significant property of the gas. This paralysis may create a false sense of security. A worker can be overcome after the typical rotten-egg odor has disappeared. Rather than the characteristic Hydrogen Sulfide odor, some victims of sudden acute overexposure have reported a brief, sickeningly sweet odor just prior to unconsciousness.

Subjective olfactory responses to various concentrations of Hydrogen Sulfide have been summarized as follows:

| 0.2 ppm | No odor |
|----------|--|
| 0.13 ppm | Minimal perceptible odor |
| 0.77 ppm | Faint, but readily perceptible odor |
| 4.60 ppm | Easily detectable, moderate odor |
| 27.0 ppm | Strong, unpleasant odor, but not intolerable |
| | |

Physiological responses to various concentrations of Hydrogen Sulfide have been reported as follows:

| 10 ppm | Beginning | eye irritation |
|--------|-----------|----------------|
|--------|-----------|----------------|

50-100 ppm.....Slight conjunctivitis and respiratory tract irritation after 1 hour exposure.

| 100 ppm | Coughing, eye irritation, loss of sense of smell after 2-15 minutes. Altered respiration, pain in the eyes, and drowsiness after 15-30 minutes, followed by throat irritation after 1 hour. Several hours' exposure results in gradual increase in severity of these symptoms and death may occur within the next 48 hours. |
|---------------|--|
| 200-300 ppm | .Marked conjunctivitis and respiratory tract irritation after 1 hour of exposure. |
| 500-700 ppm | Loss of consciousness and possibility of death in 30 minutes to 1 hour. |
| 700-1000 ppm | .Rapid unconsciousness, cessation of respiration, and death. |
| 1000-2000 ppm | Unconsciousness at once, with early cessation of respiration and death in a few minutes. Death may occur even if individual is removed to fresh air at once. |

Acceptable Concentrations

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Acceptable Eight-Hour Time-Weighted Average

To avoid discomfort, the time-weighted average concentration of Hydrogen Sulfide shall not exceed 10 ppm.

Acceptable Ceiling Concentrations

The acceptable concentration for protection of health for an eighthour, five-day week shall be 20 ppm. Fluctuations are to occur below this concentration.

Acceptable Maximum for Peaks Above Acceptable Base Line for Continuous Exposure

A single-peak concentration not exceeding 50 ppm for a maximum of 10 minutes is allowable provided that the daily time-weighted average is not exceeded.

H₂S Equivalents

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| Parts per Million | Percents | Grains per 100 cu. ft. |
|----------------------|----------|---------------------------|
| 1 | .0001 | .055 |
| 10 | .001 | .55 |
| 18 | .0018 | 1.0 |
| 100 | .01 | 5.5 |
| 1000 | .1 | 5.55 |
| 10000 | 1.0 | 555.5 |

Grains per 100 cu. ft. = % by volume Mo e 636.4 1% by volume = 10,000 ppm

B. Sulfur Dioxide

Sulfur Dioxide $(S0_2)$ is a colorless, transparent gas and is non-flammable.

Sulfur Dioxide is produced during the burning $cf H_2S$. Although SO_2 is heavier than air, it will be picked up by a breeze and carried downwind at elevated temperatures. While Sulfur Dioxide is extremely irritating to the eyes and mucous membranes of the upper respiratory tract, it has exceptionally good warning powers in this respect.

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Physical - Chemical Properties

| Chemical Formula | SO ₂ |
|-----------------------------------|---|
| 1. Specific Gravity (air = 1.000) | .2.212 |
| 2. Color | None |
| 3. Flammable | . No |
| 4. Odor | . Characteristic, pungent, gives ample warning of its presence. |
| 5. Corrosivity | . Dry – not corrosive to ordinary metals Wet – corrosive to most common metals |
| 6. Allowable Concentrations | .5 ppm (ACGIH) 5 ppm (OSHA) |
| 7. Effects on Humans | . Irritates eyes, throat and upper respiratory system |

Concentrations & Effects

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| %SO ₂ | ppm | Effects |
|------------------|-----|---|
| .0005 | 5 | Pungent odor-normally a person can detect SO_2 in this range. |
| .001 | 10 | Safe for eight (8) hour exposure. |
| .0012 | 12 | Throat irritation, coughing, constriction of the chest, tearing and smarting of the eyes. |
| .015 | 150 | So irritating that it can only be endured for a few minutes. |
| .05 | 500 | Causes a sense of suffocation, even with the first breath. |

Toxic Properties

Sulfur Dioxide is an irritating gas in its vapor form and the odor is so intensely irritating that concentrations of 3 to 5 parts per million in the air are readily detectable by the normal person. In higher concentrations, the severely irritating effect of the gas makes it unlikely that any person would be able to remain in a Sulfur Dioxide contaminated atmosphere unless he were unconscious or trapped.

Sulfur Dioxide gas is intensely irritating to the eyes, throat, and upper respiratory system. Inhalation of this gas in concentrations of 8 to 12 parts per million in air causes throat irritation, coughing, constriction of the chest, tearing and smarting of the eyes. 150 parts per million is so extremely irritating that it can be endured only for a few minutes. 500 parts per million is so acutely irritating to the upper respiratory tract that it causes a sense of suffocation, even with the first breath.

Out of numerous reported exposures to Sulfur Dioxide, there are few references that would indicate pneumonia as an after effect.

UTAH DFPARTMENT OF TRANSPORTATION

PERMIT

002

T-226(6/97) HIGHWAY RIGHT OF WAY ENCROACHMENT Region 4

01-1744-43

Work Order No:

Date:

Phone:

 Phone:
 (435) 722-8324

 Fax:
 (435) 722-8323

By: VINCE GUINN

Application of: WOLVERINE GAS & OIL CORPORATIO

Address: \$69 NORTH CANYON VIEW DRIVE. #416-16 ROOSEVELT

is hereby granted subject to: UDOT's Regulations For the Accommodation of Utilities: on Federal Aid and Non Federal-Aid Highway Right of Way, Regulations for the Control and Protection of State Highway Rights of Way, Standan's Specifications for Road and Bridge Construction, Specifications for Excavation of State Highway, State Occupational Safety and Health Laws, Manual on Uniform Traffic Control Devices, Instructions to Flaggers, the approved plane, and any special limitations set form herein, permission for the purpose of CONSTRUCT A 16' ACCESS within the right of way limits of Highway No. 24 Milepost No. 13 - 14, in SEVIER County, in the following locations: SOUTH ON HWY 24 FOR APPROXMATELY 5.4 MILES BETWEEN MP 13-14

Receipt o \$20 permit fee is hereby acknowledged. The work permitted herewith shall commence: 11/1/2003 and shall be diligently prosecuted to completion. The work shall be completed and all disturbed surfaces of objects restored on or before 12/31/2003. In the event work is commenced under this permittee fails or refuses to complete the work, the Utah Department of Transporation may, at its election, fill in or otherwise correct any existing deficiencies at the expense of and subject to immediate payment by the permittee.

Permittee shall execute a bond in the minimum amount of \$0.00, as determined by the Regional Director/District Engineering, to insure faithful performance of the permittee's obligation. The bond shall remain in force for three years after completion of work.

Before work permitted herewith is commenced, the permittee shall notify Maintenance Station No: 4327 Floyd Waters (435)896-1719 or ROGER SCOVIL. Richfield District Permits Officer at (435) 896-1302 and commencement of said work is understood to indicate that the permittee will comply with all instruction and regulations of the Utah Department of Transportation (as listed) with respect to performance of said work, and that she/he will property control and warn the public of said work to prevent accident and shall indemnify and hold harmless the Utah Department of Transportation from all dargages arising out of any and all operations performed under this Permit.

Permittee shall not perform any work on State Highway right of way beyond those areas of operation stipulated on this permit.

If permittee fails to comply with Utah Department of Transportation regulations, specifications, or instructions pertinent to this permit, the Region Director/District Engineer or his duly authorized representative, may by verbal order, suspend the work until the violation is corrected. If permittee fails or refuses to comply promptly, the Region Director/District Engineer or his authorized representative may issue a written order stopping all or any part of the work. When satisfactory corrective action is taken, an order permitting resumption of work may be issued.

Special Limitations:

-This agreement and/or permit is UDOT approval only. You are responsible to obtain clearances from private property owners and local jurisdictions that you are working within.

See regulations above. Standard warning signs shall be used and if the flow of traffic is interrupted certified flag performed are required. -Licensee must comply with all environmental issues to include cultural and paleontological clearances. If a suspected historic, archeological, or paleontological item or site is encountered, construction shall be immediately stopped and UDOT notified. -Call Marsha at (435) 896-1318 upon completion of project for final inspection.

-A 15" (minimum) CGM culvert with and sections shall be placed under approach long enough to accommodate a 12:1 side slope.

-There shall be a -1% grade for the first 25 ft. from the edge of the asphalt with 12:1 side clope.

-Licensee must restore shoulder of highway to its original or better condition to include rescoding, replacing sidewalk, fencing, pipes or signs removed or damaged during construction.

2 0 2003 DIV. OF OIL, GAS & MD (Signature of Permitee) Approved By: Maintenance Station No. 4327 Floyd Waters (435)896-1719 TOTAL P.02

DOLAR ENERGY LLC

.



Phone: (801) 561-3121 Fax: (801) 561-3133

DOLAR ENERGY L.L.C.

935 East South Union Avenue Suite D-202 Midvale, UT 84047-2393

FACSIMILE TRANSMITTAL. COVER SHEET

| TO: Loha Go | elain |
|--|--|
| FACSIMILE NUMBER: | 359-3940 |
| FROM: Mark S. Dolar | |
| DATE: DATE: | , 2003 TIME SENT: 9.55 |
| NUMBER OF PAGES: | (Including cover sheet) |
| MESSAGE: Road p | erry of for Wolverine well- |
| | |
| | - White |
| | ······································ |
| ······································ | |
| | |

If documents described above are not properly received, please call (801) 561-3121. Our fax number is (801) 561-3133

RECEIVED

OCT 2 0 2003

DIV. OF OIL CAS & MURLING

DIVISION OF OIL, GAS AND MINING APPLICATION FOR PERMIT TO DRILL STATEMENT OF BASIS

| OPERATOR: | WOLVERINE GAS AND OIL CO UT (N1655) |
|----------------------|--|
| WELL NAME & NUMBER: | KINGS MEADOW RANCHES 17-1 |
| API NUMBER: | 43-041-30030 |
| LEASE: FEE FIELD/UNI | T: WILDCAT (001) LOCATION: 1/4,1/4 SENW |
| | <u>S</u> RANGE <u>1W</u> FOOTAGES: <u>2040</u> FNL <u>2000</u> FWL |

Geology/Ground Water:

This location is placed in the High Plateaus section of the Colorado Plateau physiographic province in western central Utah. Some people have characterized this area as being in the Basin and Range - Colorado Plateau transition zone. The location is on fee acreage a few miles east of the Sevier River, in the Peterson Creek drainage, a tributary of Brine Creek, which subsequently flows into the Sevier River. The rancher heavily allocates water rights for the local springs, which arise from the volcanic rocks just to the east, for agriculture.

The well will likely spud into a thin alluvium covering the evaporite-rich Jurassic age Arapien Shale. The proposal calls for a saturated KCL mud system from below the surface casing into the top of the Navajo Sandstone. The quality of any surface water that manages to escape upstream allocation is diminished as it flows past the location and into Brine Creek, owing to the evaporite minerals in the Arapien Shale. Any water contained in the Arapien Shale is also likely to be of poor quality. It is noted that the proposal calls for the drilling of a water supply well on site after drilling the hole for the surface casing and upon evaluation of the drilled lithologies as aquifers. The north northeast to south southwest trending Sevier Fault is likely to be found passing by about 1 to 2 miles to the northwest along the east side of the Sevier River Valley. The Arapien Shale may have been somewhat intruded or elevated into the area between the Sevier Fault and the considerable parallel secondary faulting mapped in the Cedar Mountain - Black Mountain area, just east of the location A Division of Water Rights publication notes that aquifers in close proximity to the Arapien Shale are also like y to contain ground water with high TDS levels. Inasmuch as there do not appear to be any intervening aquifers documented in this area, which lie between the Arapien Shale and the underlying Navajo Sandstone, it is unlikely that any high quality ground water will be encountered. While it is noted that estimated formation tops for the Carmel Formation and Twin Creek Limestone are included in this location's drilling prognosis, this reviewer does not find any support for their existence in nearby offset drilling several miles north, on trend, along the Arapien Shale outcrop. This drilling (2 wells) cut nearly 9,000 feet of Arapien and made no mention of any othe: formation tops above the Navajo.

At this location it is unlikely that any high quality ground water resource will be encountered in the Navajo, at that depth, in any strata drilled below the Navajo or at all. The proposed casing, cementing and drilling fluid program should be sufficient to control and isolate the poor quality ground waters expected to be encountered in a well at this location. A water right, filed for a 156 feet deep water supply well, is found within a mile to the east.

Reviewer: Christopher J. Kierst Date: October 21, 2003

Surface:

Operator representatives, state engineer (Water Rights/Richfield), and landowner were present at the onsite conducted on October 9, 2003. Reserve pit backfill & spoils will be stockpiled on the east end of the well pad, behind the reserve pit & dike, and next to flare pit behind dice. The reserve pit liner will need to be properly installed and maintained in the reserve pit with a synthetic liner with a minimum thickness of 12 mils, and if the pit is built in rock, geotextile or some other Division approved material will be required to underlay the liner. The Division would like to be notified prior to lining the reserve pit to allow for Division inspection.

Reviewer: Lisha Cordova

Date: October 9, 2003

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.

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- 2. If the reserve pit is built in rock, geotextile or some other Division approved material will be required to underlay the liner.
- 3. The Division shall be notified prior to lining the reserve pit to allow for Division inspection.

ON-SITE PREDRILL EVALUATION Division of Oil, Gass and Mining

| OPERATOR : | WOLVERINE GAS AND OIL CO UT (N1655) |
|--|---|
| WELL NAME & NUMBER: | KINGS MEADOW RANCHES 17-1 |
| | 43-041-30030 |
| LEASE: FEE FIELD/UNI | IT: <u>WILDCAT (001)</u> |
| LOCATION: 1/4,1/4 SENW | Sec: <u>17</u> TWP: <u>235</u> RNG: <u>1W</u> <u>2040</u> FNL <u>2000</u> FWL |
| LEGAL WELL SITING : <u>460'</u> | FROM 1/4,1/4 LINE; 920' FROM ANOTHER WELL. |
| GPS COORD (UTM): X=41887 | 74 E; Y=4295303 N SURFACE OWNER: FEE |

PARTICIPANTS

Lisha Cordova (DOGM), Mark Dolar (Dolar Energy LLC) representing Wolverine, Pat Clark (Wolverine), Evan Dastrup (Surface Owner), and Kirk Forbush (Water Rights/Richfield).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

The location is approximately 5.5 miles southeast of Sigurd, east of HWY 24, in central Sevier Valley, surrounded by the Sevier and Wasatch Plateaus to the east and the Tushar Mountains, Valley Mountains, and Pahvant Range to the west. The topography at the location is relatively flat with a slight 1% grade in a southwest direction. Small gently sloping mountains surround the well site. The Sevier River runs through the valley lands, and is located on the west side of Hwy 24. In section 17, the NE ¼, SW ¼, and the majority cf the SE ¼ is BLM lands, the NW ¼ is fee/private lands. The outer edge of the well pad will be between 130-140' from HWY 24.

SURFACE USE PLAN

CURRENT SURFACE USE: <u>Cattle grazing</u>, and wildlife habitat including deer, rabbits, coyote, rodents, birds, snakes, etc.

PROPOSED SURFACE DISTURBANCE: <u>Pad approximately 430'X200' with an attached 150'X100' reserve pit 10' deep with a capacity of 21,390 barrels including 2' of freeboard. A 10' wide dike will surround the pits outer edges. A 13'X13' flare pit will be located a minimum of 100' from the wellhead, on the same side as the reserve pit. Excess dirt material will be stockpiled behind reserve pit & dike, and next to flare pit behind dike.</u>

LOCATION OF EXISTING WELLS WITHIN A .-MILE RADIUS: <u>There are no other</u> oil/gas wells within a one-mile radius; of the proposed well. There are four water rights within a one-mile radius, one underground water well, SW ¼ Sec. 16, for stock watering 250 cattle, two for the Kings Meadow Creek, NW ¼ Sec. 17, for culinary, donestic (five persons) and/or stock watering 100 cattle from Oct. 15th to April 1st, and one for Peterson Creek, SW ¼ Sec. 17, issued to the BLM for Wildlife. LOCATION OF PRODUCTION FACILITIES AND PIPELINES: If the well is successfully completed as a producing gas well production facilities will consist of wellhead, line heater, separation and dehydration equipment, gas sales line, and two storage tanks in a diked enclosure located on the south side of the location. Some oil production is anticipated. A new pipeline will be installed which will most likely connect into the Kern River Pipeline approximately 25 miles away (East). Pipeline approval from the appropriate agency(s) will be pursued.

SOURCE OF CONSTRUCTION MATERIAL: From location, dirt contractor, and local source(s).

ANCILLARY FACILITIES: <u>A trailer will be located east of well head during</u> drilling, and will be removed when well is completed.

WASTE MANAGEMENT PLAN:

Portable chemical toilets will be emptied into the municipal waste treatment system; garbage cans on location will be emptied into centralized dumpsters, which will be emptied into an approved landfill. Drilling fluid, and completion/frac fluid will be removed from the pit upon completion of the well. Cuttings will be buried in the pit unless oil based mud is used. If oil based mud is used disposal of the cuttings should be discussed with the Division. Used oil from drilling operations and support will be hauled to a used oil recycling facility. Produced water will be disposed of at an approved facility.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: <u>None observed.</u> <u>Wolverine was</u> advised to contact the Army Corp. of <u>Engineers</u> or Water Rights.

FLORA/FAUNA: <u>Small and large Sage Brush, Russian Thistle, Winter Fat,</u> Shadscale, <u>Crested Wheat Grass & other native grasses.</u>

SOIL TYPE AND CHARACTERISTICS: <u>The surface soil is tan in color, heavily</u> cracked, and clayey with low sand content. There are a few small boulders of basalt scattered around the surrounding area.

SURFACE FORMATION & CHARACTERISTICS: <u>The Middle Jurassic</u>, Arapien Shale Formation makes up the Arapien Basin in central Utah. The basin, measures more than 6000' thick, and is largely composed of mudstones, siltstones, evaporates, and limestones. Commercial gypsum and salt have been claimed from the basin between Nephi and Richfield. The depositional thickness of the gypsum and salt in the area is not known because of the plasticity of these evaporites and their enclosing mudstones, however several hundred feet of evaporites are indicated in available data. Permeability of the Arapien Shale Formation is low to moderate.

EROSION/SEDIMENTATION/STABILITY: <u>Stable</u>, there are no visible signs of <u>drainages</u> or <u>ditches</u> at this site. The location is relatively flat. The location will be built in mostly cut material. The vegetation at the well site is sparse; there are no cliffs or steep mountains in the near vicinity. The Peterson Creek drainage, which runs near the location, contains very little water (1-2" near confluence with King's Meadow Creek, approximately ½ mile southeast) during this season. The proposed site construction plans and the topographic layout of the area will prevent meteoric waters from entering and leaving the pit area &

PALEONTOLOGICAL POTENTIAL: <u>None observed.</u> Surface and mineral owners are Fee/Private. No paleontological survey has been done, nor requested by Wolverine. No survey required by rule.

RESERVE PIT

CHARACTERISTICS: The reserve pit will be built in mostly cut. Depth of soil & hard rock underlying the pit is unknown at present. Will want to make sure liner is installed properly to avoid liner puncture(s). If pit is built in rock, geotextile or some other approved material will be required to underlay the liner. The pit will be 10' deep with a capacity of 21,390 barrels including 2' of freeboard. The pits outer edge will be surrounded by a 10' wide dike, fenced on outer three sides.

LINER REQUIREMENTS (Site Ranking Form attached): <u>12 mils or higher.</u>

SURFACE RESTORATION/RECLAMATION PLAN

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SURFACE AGREEMENT: <u>A copy of the "Surface Damage Agreement" between</u> <u>Kings Meadow Ranches Inc. (surface owner) and Wolverine Gas and Oil, has</u> <u>been provided (Exhibit 1). Restoration of the well site will be</u> <u>completed in accordance with the agreement.</u>

CULTURAL RESOURCES/ARCHAEOLOGY: <u>None observed.</u> Surface and mineral <u>owners are Fee/Private.</u> No archeological survey has been done, nor requested by Wolverine. No survey is required by rule.

OTHER OBSERVATIONS/COMMENTS

The well pad dimensions have been changed to accommodate a larger drilling rig (20,000#), a copy of the revised layout map and cross section were submitted at onsite. Surveyor (Uintah Engineering) had not moved the location stakes at time of onsite, but plans to do so as soon as possible. An H₂S Contingency Plan will be submitted prior to permit approval. A new water permit needs to be issued by Water Rights (Richfield) for this well prior to permit approval, as requested by Kirk Forbush. Mark Dolar, representing Wo verine, stated at the onsite that they have filed for an access permit with the Department of Transportation (Richfield), the proposed well site is directly east off HWY 24 which winds through the area The surface agreement will be modified to remove T.D.A. Foundation (surface owner) from the agreement.

ATTACHMENTS

Photos of the location were taken at the onsite, see well file.

<u>Lisha Cordova</u> DOGM REPRESENTATIVE October 9, 2003 DATE

Evaluation Ranking Criteria and Ranking Score For Reserve and Onsite Pit Liner Requirements

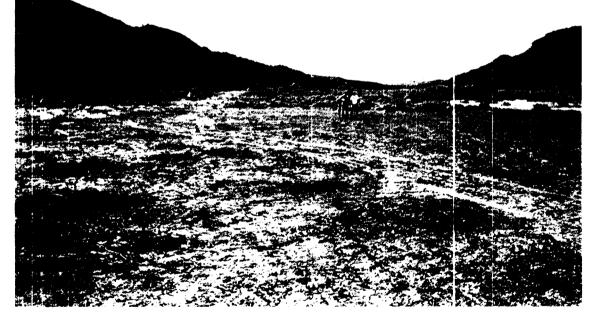
| Site-Specific Factors (1 Mile Radius) | Ranking | Site Ranking |
|---|--------------------------|--------------|
| Distance to Groundwater (ft) >200 100 to 200 (156' WR 63-319) 75 to 100 25 to 75 <25 or recharge area | 0 5 10 15 20 | 5 |
| Distance to Surf. Water (ft) >1000 300 to 1000 (Kings Meadow Creek 200 to 300 & Peterson Creek) 100 to 200 < 100 | 0 2 10 15 20 | 2 |
| Distance to Nearest Municipal Well (ft) >5280 (Sigurd 5280-6000') 1320 to 5280 500 to 1320 <500 | 0 5 10 20 | 0 |
| Distance to Other Water Wells (ft) >1320 (WR 63-319 3300') 300 to 1320 <300 | 0 10 20 | 0 |
| Native Soil Type Low permeability (Arapien Shale) Mod Permeability High permeability | 0 10 20 | 5 |
| Fluid Type Air/mist (Surf-700') Fresh Water < 5000 TDS TDS >5000 & <10000 (Sat. KCL Mud) TDS >10000 or Oil Base Mud Fluid containing significant levels of hazardous constituents | 0 5 10 15 20 | 10 |
| Drill Cuttings Normal Rock (Arapien Shale Salt/detrimental Surf-5340) | 0 10 | 5 |
| Annual Precipitation (inches) <10 (8.1" ave/6.5" 2002) 10 to 20 *Richfield >20 | 0 5 10 | 0 |
| Affected Populations <10 10 to 30 30 to 50 >50 | 0 6 8 10 | 0 |
| Presence of Nearby Utility Conduits Not Present Unknown Present (Overhead power lines) | 0 10 15 | 15 |

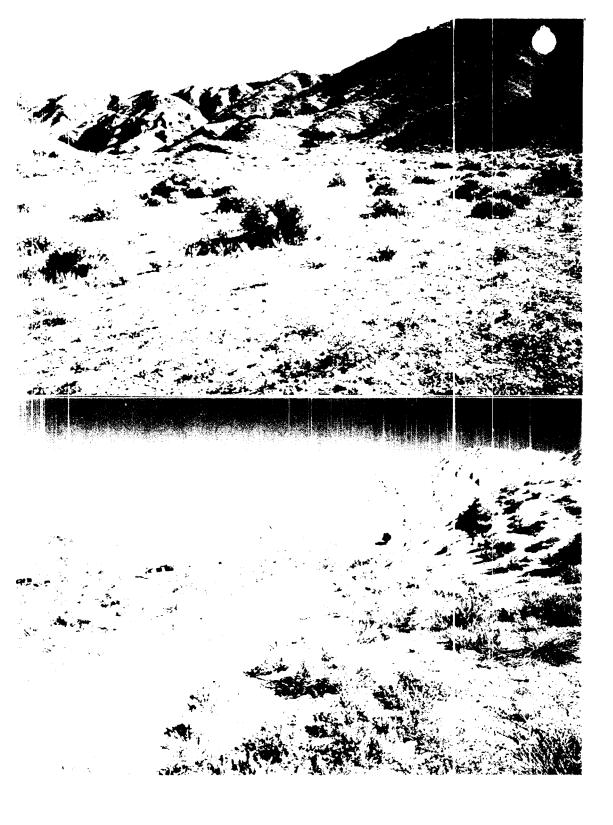
Final Score

<u>42</u> (Level <u>1</u> Sensitivity)

Sensitivity Level I = 20 or more; total containment is required. Sensitivity Level II = 15-19; lining is discretionary. Sensitivity Level III = below 15; no specific lining is required.













Michael O. Leavitt Governor Robert L. Morgan Executive Director Lowell P. Braxton Division Director 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 (801) 538-5340 telephone (801) 359-3940 fax (801) 538-7223 TTY www.nr.utah.gov

October 23, 2003

Wolverine Gas & Oil of Utah, LLC One Riverfront Plaza, 55 Campau NW Grand Rapids, MI 49503

Re: <u>King Meadow Ranches 17-1 Well, 2000' FWL, 2040' FNL, SE NW, Sec. 17, T. 23 South,</u> R. 18 West, Sevier County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

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 43-041-30030.

Sincerely John R. Eaza

Associate Director

pab Enclosures

cc: Sevier County Assessor



| Operator: | Wolverine Gas & Oil of Utah, LLC | | | |
|------------------------|----------------------------------|-------------|--------------------------|--|
| Well Name & Number | King Meadow Ranches 17-1 | | | |
| API Number: | 43-041-30030 | | | |
| Lease: | Fee | | | |
| Location: <u>SE NW</u> | Sec17_ | T. 23 South | R. <u>10 West</u> | |

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:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
- 5. Operator shall comply with applicable recommendations resulting from Resource Development Coordinating Committee review. Statements attached.

Page 2 Conditions of Approval API #43-047-30030 October 23, 2003

- 6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.
- 7. Intermediate casing of 9 5\8" should be cemented above all freshwater or mineral bearing zones.
- 8. Production liner of 5 1/2" shall be cemented through top of liner (TOL) at ± 7200 '.

008

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

| Name of Company: | WOLVERINE GAS & OIL COMPANY UT | | | |
|----------------------------------|--------------------------------|--------------------|--------|----------|
| Well Name: | KINGS MEA | DOW RANCHES | 17-1 | |
| Api No <u>: 43-041-30</u> | 030 | Lease Type: | FEE | |
| Section <u>17</u> Towns | hip <u>23S</u> Range_ | 01W_County_ | SEVIER | |
| Drilling Contractor | UNIT DRILLING | R | G #36 | . |
| SPUDDED: | | | | |
| Date | 11/20/03 | - | | |
| Time | 8:30 PM | - | | |
| How | ROTARY | - | | |
| Drilling will comme | nce: | | | |
| Reported by | PAT CLARK | | | |
| Telephone # | 1-307-259-620 | 61 | | |
| Date 11/21/2003 | Signed _ | CHD | | |

-

| | | STATE OF UTAH | 1 | |
|--|---|--|--|---|
| | | DEPARTMENT OF NATURAL RE DIVISION OF OIL, GAS AN | SOURCES | S. LEASE DESIGNATION AND SERIAL N |
| _ | | | | |
| | SUNDR | Y NOTICES AND REPO | RTS ON WELLS | 6. IF INDIAN, ALLOTTEE OR TRIBG NAM |
| ¢ | a not use this form for proposals to orth drill horizontal | An wells, significantly deepen saleting wells by interate. Use APPLICATION FOR PERMIT TO | now current bottom-hole clepth, reanter plugged walls PRILL form for such proposals. | 7. UNIT or CA AGREEMENT NAME: |
| 1. | TYPE OF WELL OIL WELL | | ER Drilling | 8. WELL NAME and NUMBER; |
| | Name of Operator; Volverime Gas and Oil of | Utah, LLC | | Kings Meadow Ranches 1 A. JAH NUMBER: 4304130030 |
| 3. / | ADDRESS OF OPERATOR: | | | 10. FIELD AND POOL, OR WILDCAT: |
| | LOCATION OF WELL | Grand Rapids STATE MI | ZIP 49503 (616) 458-115 | 50 Wildcat |
| I | FOOTAGES AT SURFACE: 2000' | FWL & 2040' FNL | | COUNTY: Sevier |
| (| othoth, Section, Yownship, Rai | NGE. MERIDIAN: SENW 17 235 | 5 1W. | STATE: |
| | | | | UTAH |
| 11, | CHECK APP TYPE OF SUBMISSION | ROPRIATE BOXES TO INDI | CATE NATURE OF NOTICE, R | EPORT, OR OTHER DATA |
| | | | | |
| ш | NOTICE OF INTENT (Submit in Duplicate) | ALTER CASING | | |
| | Approximate data work will stort: | | | |
| | | | | |
| _ | | | PLUG AND ABANDON | VENT OR PLARE |
| Ø | SUBSEQUENT REPORT (Submit Original Form Only) | | | |
| | Date of work complation: | CHANGE WELL STATUS | PRODUC'TON (START/RESUME) | WATER SHUT-OFF |
| | 12/15/2003 | | | other: Report of Drilling |
| | 12/15/2003 | | | |
| 11 | DESCRIBE PROPOSED OR CC | | RECOMPLETE - DIFFERENT FORMA I all pertinent details i scluding dates, depths. | Volumes, etc. |
| 11 Sp Go 12 Dri 12 Dri 12 | Descrube proposed or co /24/2003: Dud on 11/20/2003. Drill | DMPLETED OPERATIONS. Clearly show to 675'. Set 13-3/8" osg at 6 | | volumes, etc. |
| 11 Sp Gc Dri 12 Dri 12 Dri | DESCRUBE PROPOSED OR CO /24/2003: bud on 11/20/2003. Drill bod returns throughout ju /1/2003: illing at 2,386' /8/2003: illing at 3,424' /15/2003: | DMPLETED OPERATIONS. Geens anon to 675'. Set 13-3/8" osg at 6 ob, cemented to surface with | vall pertinent details including dates, depths, v 75'. Cement with 845 sx "V' w/ 2 | volumes. etc. 2% CaCl2 and 1/4#/ax Flocele. 6AM 11/24/2003: 735' |
| 11 Sp Gc Dri 12 Dri 12 Dri 12 Dri | DESCRUBE PROPOSED OR CO /24/2003: bud on 11/20/2003. Drill bod returns throughout ju /1/2003: illing at 2,366' /8/2003: illing at 3,424' /15/2003: illing at 3,424' /15/2003: illing at 5,220' | DMPLETED OPERATIONS. Geens anon to 675'. Set 13-3/8" osg at 6 ob, cemented to surface with | 75'. Cement with 845 sx "V' w/ 2 cement returns to pit. Depth at 1 returns to pit. Depth at 1 mile Manager - En | volumes. etc. 2% CaCl2 and 1/4#/ax Flocele. 6AM 11/24/2003: 735' |
| 11 Sp Gc Dri 12 Dri 12 Dri | DESCRUBE PROPOSED OR CO /24/2003: bud on 11/20/2003. Drill bod returns throughout ju /1/2003: illing at 2,366' /8/2003: illing at 3,424' /15/2003: illing at 3,424' /15/2003: illing at 5,220' | DMPLETED OPERATIONS. Geensy show to 675'. Set 13-3/8" osg at 6 ob, comented to surface with Brock | 75'. Cement with 845 sx "V' w/ 2 cement returns to pit. Depth at 1 returns to pit. Depth at 1 mile Manager - En | Progress volumes.stc. 2% CaCl2 and 1/4#/ax Flocele. 6AM 11/24/2003: 735' ngineering RECEIVED |
| 11 Sp Gc Dri 12 Dri 12 Dri 12 Dri | DESCRUBE PROPOSED OR CO /24/2003: bud on 11/20/2003. Drill bod returns throughout ju /1/2003: illing at 2,366' /8/2003: illing at 3,424' /15/2003: illing at 3,424' /15/2003: illing at 5,220' | DMPLETED OPERATIONS. Geensy show to 675'. Set 13-3/8" osg at 6 ob, comented to surface with Brock | TTILE Manager - En | volumes, stc. 2% CaCl2 and 1/4#/ax Flocele. 6AM 11/24/2003: 735' |

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WOLVERINE GAS AND OIL CORPORATION

| | FACSIMILE TRANSMITTAL SHEET |
|-------------------------------|---|
| TO: Earlene Russell | FROM: Tim Brock, Wolverine Gas and Oil of Utah, LLC |
| COMPANY: Utah DOGM | DATE: 12:/15/2003 |
| FAX NUMBER: 801-359-3940 | TOTAL NO. OF PAGES INCLUDING COVER |
| PHONE NUMBER: 801-538-5336 | SENDRI 'S REFERENCE NUMBER |
| Form 9, Kings Meadow R | YOUR REFERENCE NUMBER: |
| URGENT DFOR REVIEW | PLEASE COMMENT PLEASE RECYCLE |

Earlene,

.

Attached is the Form 9 for Wolverine Gas & Oil of Utah, LLC's Kings Meadow Ranches 17-1 well. After this submittal, we will be sending out the form weekly. Pleas : call if you have any questions. Tim Brock

RECEIVED

DEC 1 5 2003

15:34

FORM 6

STATE OF UT/AH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM

| perator: | Wolverine Gas & Oll of | | Operator Account Number: | |
|----------|-------------------------|----------------|--------------------------|---------------|
| ddress: | One Riverfront Plaza, 5 | 5 Campau | | |
| | city Grand Rapids | | | |
| | state Mi | zip 49503-2616 | Phone Number: | (517) 876-702 |

| API Number | Well | Name | 90 | Sec | Twp | Rng | County |
|-------------|--------------------------|----------------------|------------|---------|-----|-----|------------------------------|
| 4304130030 | King Meadow Ranc | hes 17-1 | SENW | 17 | 239 | 10W | Sevier |
| Action Code | Current Entity Number | New Entity Number | . 8 | pud Da | te | | y Assignment lective Date |
| Α | 99999 | 13995 | 1 | 1/20/20 | 03 | 13 | 418/03 |

Well 2

| 1 lieW | lamo | QQ | Sec | Тур | Rng | County |
|--------------------------|----------------------|---------------------------|-----------------------------|-----------------------------------|-------------------------------------|---|
| Current Entity Number | New Entity Number | 8 | ipud Da | te | | ity Assignment ffective Date |
| | | | | | | |
| | Current Entity | Current Entity New Entity | Current Entity New Entity S | Current Entity New Entity Spud Da | Current Entity New Entity Spud Date | Current Entity New Entity Spud Date Ent |

144-11 9

| API Number | Weil | Name | <u>QQ</u> | Sec | Тwp | Rng | County |
|-------------|--------------------------|----------------------|-----------|---------|-----|-----------|--------------------------------|
| Action Gode | Current Entity Number | New Entity Number | 8 | ipud Da | te | Enti E | ity Assignment Nective Date |
| mments: | | | <u> </u> | | | <u> </u> | |

ACTION CODES:

- A Establish new entity for new well (single well only)
- Add new well to existing antity (group or unit well)
- Re-assign well from one existing entity to another existing entity C
- · Re-assign well from one existing entity to a new entity D
- Other (Explain In 'comments' section) E

Timothy J. Brock Name (Please Print) 1 an Signature 12/15/2003 Manager Engineering RECEIVED Date Title

(6/2000)

DEC 1 5 2003



WOLVERINE GAS ANI) OIL CORPORATION

Energy Exploration in Partnership with the Environment

CONFIDENTIAL .

December 22, 2003

Utah Division of Oil Gas and Mining Attn: Mr. Dustin Doucet 1594 West North Temple, Suite 1210 P.O. Box 145801 Salt Lake City, Utah 84114-5801

Kings Meadow Ranches 17-1

Transmitted Via Fax: (801)359-3940

T 735 ROIW 5-17

API: 43-041-30030 Sevier County, Utah

Dear Mr. Doucet,

Pursuant to R649-2-11, Wolverine Gas and Oil of 'Jtah, LLC respectfully requests that all information for this well be held confidential. Should you have any questions, feel free to contact me at (517) 676-7023.

Sincerely,

Re:

Brak

Timothy J. Brock Manager – Engineering Wolverine Gas and Oil of Utah, LLC

RECEIVED

DEC 2 2 2003

DIV. OF OIL, GAS & MUNCTES

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WOLVERINE GAS AND OIL CORPORATION

FACSIMILE TRANSMITTAL SHEET TO: FROM: Earlene Russell Tim Brock, Wohlerine Gas and Oil of Utah, LLC COMPANY: DATE: Utah DOGM 12/22/2003 FAX NUMBER TOTAL NO. OF PAGES INCLUDING COVIER: 801-359-3940 2 PHONE NUMBER SENDER'S REFERENCE NUMBER 801-538-5336 RE: YOUR REFERENCE NUMBER: Form 9, Kings Meadow Ranches 17-1

D PLEASE REPLY

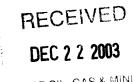
Earlene,

D URGENT

FOR REVIEW

Attached is the Form 9 for Wolverine Gas & Oil of Utah, LLC's Kings Meadow Ranches 17-1 well. Please call if you have any questions. Tim Brock

D PLEASE COMMENT



DIV. OF OIL, GAS & MINING

D PLEASE RECYCLE

| | 15:08 WOLVERINE GAS OIL | → 18013593940 | NO.590 |
|---|---|---------------------------------------|---|
| 1 | STATE OF UTAH DEPARTMENT OF NATURAL RESO DIVISION OF OIL, GAS AND N | URCES | TNFIDENTIAL FORM |
| SU | NDRY NOTICES AND REPORT | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| | | | 7. UNIT OF CA AGREEMENT NAME: |
| | als to drift new wells, signalicanily deopon aideling wells below o orizontal laterate. Use APPLICATION FOR PERMIT TO ORIU | | |
| 2. NAME OF OPERATOR: | | Drilling | WELL NAME and NUMBER: Kings Meadow Ranches 17-1 |
| Wolverine Gas and | Oil of Utah, LLC | | 9. API NUMBER: 4304130030 |
| 3. ADDRESS OF OPERATOR: 55 Campau NW | CITY Grand Rapids STATE MI | 49503 (6' 6) 458-1150 | 10. FIELD AND POOL, OR WILDCAT: Wildcat |
| 4. LOCATION OF WELL | 21616 | | VVIIGCR |
| FOOTAGES AT SURFACE | 2040'FNL & 2,000'FWL | | COUNTY: Sevier |
| QTR/QTR, SECTION, TOWNS | hip, rangel meridian; SENW 17 23S | 1 W S | STATE: |
| n. CHECK | APPROPRIATE BOXES TO INDICA | TE NATURE OF NOTICE, REPO | ORT, OR OTHER DATA |
| TTPE OF SUBMISSA | | TYPE OF ACTION | |
| Submit in Duplicate) | ACIDIZE | PRACTURE TREAT | |
| Approximate date work will | | | SIDETRACK TO REPAIR WELL TEMPORARILY AGANDON |
| _ | CHANGE TO PREVIOUS PLANS | OPERATOR CHANGE | |
| | CHANGE TUBING | | VENT OR FLARE |
| SUBSEQUENT REPOR (Submi) Original Form Q | | PLUG BACK | |
| Data of work completion; | CHANGE WELL STATUS | PRODUCTION (ST/ RT/RESUME) | WATER SHUT-OFF |
| | | RECLAMATION OF WELL SITE | OTHER: Drilling Status |
| 2/22/2003: Drilling (| OR COMPLETED OPERATIONS. Clearly show all p at 6,205' | | |
| | | | RECEIVED |
| | | | DEC 2 2 2003 |
| | | | DIV. OF OIL, GAS & MINING |
| | | · · · · · · · · · · · · · · · · · · · | |
| | hy J. Brock | Manager - Engine | ering |
| | | | |
| | the Brak | DATE 12/22/03 | |
| | ithe fland | DATE 12/22/03 | |

| 2_ | | DEPARTMENT OF NATURAL RESO DIVISION OF OIL, GAS AND N | | | 5. LEASE DEBIGNATION AND SEMIAL NUMB |
|-------------------|---|--|-------------------------|---|---|
| | SUNDRY | Y NOTICES AND REPORT | IS ON WELL | | 8. # HIDIAN, ALLOTTEE OR TRIDE NAME: |
| I | Do not use this form for proposals to drill drill horizontal ! | new wells, significantly deepen existing wells below a Islands. Use APPLICATION FOR PERANT' TO DRIL | went bottom-hole depti | h, reenter plugged wells, or to | 7. UNIT or CA AGREEMENT NAME: |
| 1. | I. TYPE OF WELL OIL WELL | | Drilling Well | | 8. WELL NAME and NUMBER: Kings Meadow Ranches 17- |
| | 2. NAME OF OPERATOR: Wolverine Gas and Oil of | | NFITEN | TIAL | 9. API NUMBER 4304130030 |
| 8. | . ADDRESS OF OPERATOR: 55 Campau, NW CIT | | 1P 49203 | (616) 458-1150 | 16. FIELD AND FOOL, OR WILDCAT: |
| 4 | FOOTAGES AT SURFACE: 2940 | FNL & 2000 FWL | | $\sum_{i=1}^{n} \sum_{j=1}^{n} \frac{1}{2} \sum_{i=1}^{n} \frac{1}{2} \sum_{j=1}^{n} \frac{1}{2} \sum_{i=1}^{n} \frac{1}{2} \sum_{j=1}^{n} $ | COUNTY: Sevier |
| | QTRIQTR, SECTION, TOWNSHIP, RAN | NGE, MERIDIAN: SENW 17 235 | 1W 5 | | STATE; UTAH |
| 11 | | ROPRIATE BOXES TO INDICA | TE NATURE (| F NOTICE, REP | ORT, OR OTHER DATA |
| | TYPE OF SUBMISSION | | | PE OF ACTION | |
| Ľ | NOTICE OF INTENT (Submit in Duplicate) | ALTER CASING | | (NEAT | REPERFORATE CURRENT FORMATI BIDETRACK TO REPAR WELL |
| | Approximate data work will start: | CABING REPAIR | | | |
| | | CHANGE TO PREVIOUS PLANS | | HANGE | |
| _ | | | | EANDON | VENT OR FLARE |
| | SUBSEQUENT REPORT (Submit Original Form Only) | | PLUG BACK | | WATER DISPOSAL |
| | Date of work completion: | | | (START/RESUME) | WATER SHUT-OFF |
| | • | COMMINGLE PRODUCING FORMATIONS | | | |
| | 12/29/2003 2 DESCRUSE PROPOSED OR CO 12/29/2003: TD: 6,798', n. | CONVERT WELL TYPE | | DN OF WELL SITE 1:- DIFFERENT FORMATION | |
| | 2. DESCRIBE PROPOSED OR CO | CONVERT WELL TYPE | | 1: - DIFFERENT FORMATION | nee, etc. |
| | 2. DESCRIBE PROPOSED OR CO | CONVERT WELL TYPE | | 1: - DIFFERENT FORMATION | nes, etc. |
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| | 2. DESCRIBE PROPOSED OR CO | CONVERT WELL TYPE | | 1: - DIFFERENT FORMATION | nes, etc. |
| 1 | 2. DESCRIBE PROPOSED OR CO | CONVERT WELL TYPE | | 1: - DIFFERENT FORMATION | RECEIVED DEC 2 9 2003 DIV. OF OIL, GAS & MINING |
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BROCKENGINEERING

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|----------------|--------------|
| • | 43.041.30030 |
| CON | FIDENTIAL |

| WOLVER | JNE/ | | | | | | |
|-----------------------------|-------------|--|-----------|--------------------|--------------------|------------------|----------------------|
| | 17 | WOLVERINE GAS AN | | ompa | ny of Ul | ah, | LLC |
| | 1 | Main Office: | | | | <u></u> |] |
| \sim | | One Riverfront Plaza, 55 Camp Grand Rapids, Michigan 49503- | | | Telephone: Fax: | • • | 458-1150 458-0829 |
| Weinene Gasane Oil 1 | CONFORMEDIA | Mason Office: | 2010 | <u> </u> | | | |
| | | 763 Wolverine Road Mason, Michigan 48854-9304 | | | Telephone: Fax: | | 676-7023 676-7024 |
| RECIPIENT : | Carol | Danieis | | | | | |
| | Utah [| | • | DATE: | January 5, | 2004 | |
| FROM: | Tim B | | - | | | | |
| MATERIALS S | SENT: | Form 9 - 12/29/2003 | - | FAX NO.: | 801-359-39 | 40 | |
| NUMBER OF | PAGES | 6 (including this cover sheet): | - | | | | |
| IF TRANSMIS | SION I | S INCOMPLETE, PLEASE CALL | Tim Brock | | _ AT (517) 6 | \$76-70 2 | 23 |
| COMMENTS, | IF ANY | ·: | | | | | |
| Attached is W questions. | olverine | e's weekly report on the Kings Meado | w Ranches | . 17-1. Pie | ase call if yo | u have | any |
| | | | | | | | |
| | | | | | | | |
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CONFIDENTIALITY NOTICE

THIS FACSIMILE TRANSMISSION AND ANY ACCOMPANYING DOCUMENTS CONTAIN INFORMATION BELONGING TO THE SENDER WHICH MAY BE CONFIDENTIAL AND LEGALLY PRIVILEGED. THIS INFORMATION IS INTENDED ONLY FOR THE USE OF THE RECIPIENT TO WHOM THIS FACSIMILE TRANSMISSION WAS SENT AS INDICATED ABOVE. IF YOU ARE NOT THE INTENDED RECIPIENT, ANY DISCLOSURE, COPYING, DISTRIBUTION, OR ACTION TAKEN IN RELIANCE ON THE CONTENTS OF THE INFORMATION CONTAINED IN THIS FACSIMILE TRANSMISSION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS INFORMATION IN ERROR, PLEASE NOTIFY US IMMEDIATELY BY TELEPHONE AND RETURN THE ORIGINAL MESSAGE TO US VIA THE U.S. POSTAL SERVICE. WE WILL BE HAPPY TO REMIT THE POSTAGE COST BACK TO YOU.

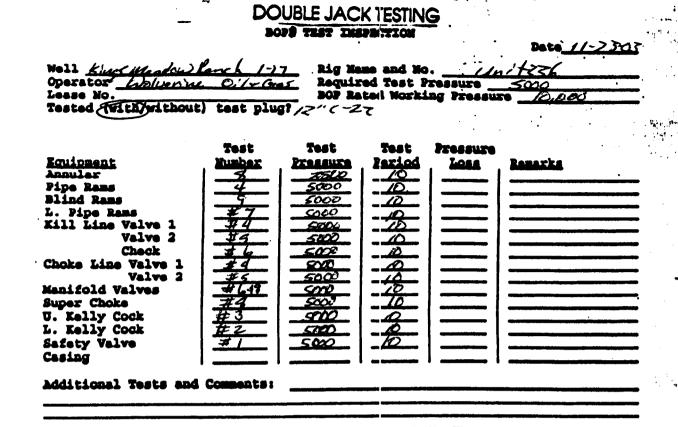
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JAN 0 5 2004

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|--|--|--|--|
| - | STATE OF UTAH DEPARTMENT OF NATURAL RESOU DIVISION OF OIL, GAS AND M | | FORM |
| | IDRY NOTICES AND REPORT | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| | | | 7. UNIT of CA AGREEMENT NAME: |
| | s to drill new wells, significantly deepen endeling wells below or vizontal intensis. Use APPLICATION FOR PERMIT TO DRILL | arent bottom-hole depith, reenter plugged wells, or to form for such proposels | |
| 1. TYPE OF WELL. OIL | WELL 🔲 GAS WELL 🗌 OTHER | | a. WELL NAME and NUMBER: Kings Meadow Ranches 17-1 |
| 2. NAME OF OPERATOR: Wolverine Gas and (| Oil of Utah. LLC | CONTRENTIAL | 9. APINLMBER: 4304130030 |
| 3. ADDRESS OF OPERATOR: 55 Campau, NW | GITY Grand Rapids STATE MI | 49203 (616) 458-1150 | 10. FIELD AND POOL, OR WILDCAT: |
| 4. LOCATION OF WELL | CITY OF CITY O | | COUNTY: Sevier |
| QTRIQTR, SECTION, TOWNS | HP, RANGE, MERIDIAN: SENW 17 23S | 1W S | STATE: UTAH |
| 11. CHECK | APPROPRIATE BOXES TO INDICA | TE NATURE OF NOTICE, REPO | ORT, OR OTHER DATA |
| TYPE OF SUBMISSIO | N | TYIPE OF ACTION | |
| | | | |
| (Submit in Duplicate) Approximate date work will | start: CASING CASING | FRACTURE TREAT | BIDETRACK TO REPAIR WELL. |
| | | | |
| ····· | | PLUG AND ALIANDON | VENT OR FLARE |
| | | PLUG BACK | |
| (Submit Original Form O Date of work completion: | CHANGE WELL STATUS | PRODUCTION (START/RESUME) | WATER SHUT-OFF |
| 1/5/2004 | | RECLAMATIC IN OF WELL SITE | progress |
| 12/29/2003: TD: 6,7 Dual Spaced Neutro | | • | |
| 12/29/2003: TD: 6,7 Dual Spaced Neutro Spectral Density: 67 Gamma Ray 6794'-s Full Wave Sonic: 67 Dipmeter: 6729'-surf Caliper: 6794'-700' 12/30/2003: Run 9-5 Cement w/ 310 sx 5 | 98', run the following logs: n: 6729'-surf 29'-surf surf 94'-surf f 5/8" 53.5#/ft 95/110 LTC csg. SA 6774 0/50 poz w/3% gel, 0.4% Halad 567, 3 2% gel, 3% KCl, 3#/sx Silicalite, 1#/st | 4.5' KB 3% D-Air 3000, 5#/sx Gilsonite, 0 | .25#/sx Flocele lead slurry @ 13 pp |
| 12/29/2003: TD: 6,7 Dual Spaced Neutro Spectral Density: 67 Gamma Ray 6794'-s Full Wave Sonic: 67 Dipmeter: 6729'-suri Caliper: 6794'-700' 12/30/2003: Run 9-5 Cement w/ 310 sx 5 385 sx 50/50 poz w/ heid 01/04/2004: Drilling | 98', run the following logs: n: 6729'-surf 29'-surf surf 94'-surf f 5/8" 53.5#/ft 95/110 LTC csg. SA 6774 0/50 poz w/3% gel, 0.4% Halad 567, 3 2% gel, 3% KCl, 3#/sx Silicalite, 1#/st | 4.5' KB 3% D-Air 3000, 5#/sx Gilsonite, 0 | .25#/sx Flocele lead slurry @ 13 pp my @ 13.4 ppg. Bump plug, float |
| 12/29/2003: TD: 6,7 Dual Spaced Neutro Spectral Density: 67 Gamma Ray 6794'-6 Full Wave Sonic: 67 Dipmeter: 6729'-suri Caliper: 6794'-700' 12/30/2003: Run 9-5 Cement w/ 310 sx 5 385 sx 50/50 poz w/ heid 01/04/2004: Drilling | 98', run the following logs: n: 6729'-surf '29'-surf surf 94'-surf f 5/8" 53.5#/ft 95/110 LTC csg. SA 6774 0/50 poz w/3% gel, 0.4% Halad 567, 3 ' 2% gel, 3% KCI, 3#/sx Silicalite, 1#/s 7-7/8" hole at 7566' | 4.5' KB 3% D-Air 3000, 5#/sx Gilsonite, 0 x Granulite, 2%, Halad 322 tail sk | .25#/sx Flocele lead slurry @ 13 pp my @ 13.4 ppg. Bump plug, float |
| 12/29/2003: TD: 6,7 Dual Spaced Neutro Spectral Density: 67 Gamma Ray 6794'-s Full Wave Sonic: 67 Dipmeter: 6729'-surf Caliper: 6794'-700' 12/30/2003: Run 9-5 Cement w/ 310 sx 5 385 sx 50/50 poz w/ heid 01/04/2004: Drilling | 98', run the following logs: on: 6729'-surf '29'-surf surf 94'-surf f 5/8" 53.5#/ft 95/110 LTC csg. SA 6774 0/50 poz w/3% gel, 0.4% Halad 567, 3 '2% gel, 3% KCI, 3#/sx Silicalite, 1#/s: 7-7/8" hole at 7566' | 4.5' KB 3% D-Air 3000, 5#/sx Gilsonite, 0 x Granulite, 2%, Halad 322 tail sk | .25#/sx Flocele lead slurry @ 13 pp my @ 13.4 ppg. Bump plug, float |
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| 12/29/2003: TD: 6,7 Dual Spaced Neutro Spectral Density: 67 Gamma Ray 6794'-s Full Wave Sonic: 67 Dipmeter: 6729'-surf Caliper: 6794'-700' 12/30/2003: Run 9-5 Cement w/ 310 sx 5 385 sx 50/50 poz w/ heid 01/04/2004: Drilling | 98', run the following logs: in: 6729'-surf '29'-surf surf 94'-surf f 5/8" 53.5#/ft 95/110 LTC csg. SA 677- 0/50 poz w/3% gel, 0.4% Halad 567, 3 '2% gel, 3% KCI, 3#/sx Silicalite, 1#/si 7-7/8" hole at 7566' othy J. Brock | 4.5' KB 3% D-Air 3000, 5#/sx Gilsonite, 0 x Granulite, 2%, Halad 322 tail sk | .25#/sx Flocele lead slurry @ 13 pp my @ 13.4 ppg. Bump plug, float neering |

API 43-041-30030



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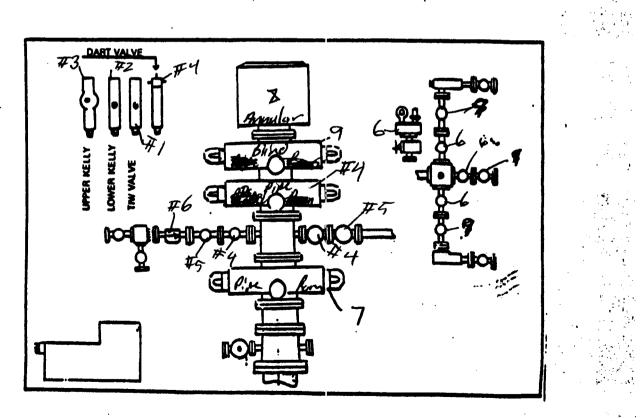
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Indicate on the diagram below which piece of equipment was isolated during which test.



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Division of Oil, Gas and Mining PHONE CONVERSATION DOCUMENTATION FORM

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| $\begin{array}{c} \left \begin{array}{c} \begin{matrix} \mathbf{X} \\ \mathbf{X} \end{matrix} \right \\ \hline \begin{matrix} \mathbf{\mu} \\ \hline \begin{matrix} \mathbf{\mu} \end{matrix} \\ \hline \begin{matrix} \mathbf{Loc.} \end{matrix} \end{array}$ | original/copy to:/ell File \Box SuspenseIngs Mindow Fanches, 17-1(Return Date)) Sec 17 Twp 235 Rng I_{L} (To-Initials)No.) $43-041-30250$ | Other |
|--|--|--|
| 1. | Date of Phone Call: 1/14/04 Time: 4:30 | |
| 2. | DOGM Employee (name) (\Box Initiated Talked to: Name fat Clark (\Box Initiated Call) - Phone No. (307) of (Company/Organization) | |
| 3. | Topic of Conversation: | |
| 4. | Highinghis of conversation. 8559' (two days age) 20' motor Stuck in hole, fished 1''z tays to retree Tripped out of hole to 8328' E'. cmt. on top Now at 8328', intend to side track E'. chg. 9720 to 10,700 - 11,000'. Approx. 2 weeks H2 ⁵ safety training at start of operation Unit on location. H2 ⁵ Contingency plan sub * Op. should have gotten Docm approval to cmt E. to operations. I requested into. USAR for approva Heed Docm approval for TO chg. also- heg. on v | re, un success ful. of motor. TD' from to complete. s, un manned mitted with APD. |

| 6 | | FORM 9 | | |
|---|---|---|---|---|
| | | 5. LEASE DESIGNATION AND SERIAL NUMBER: | | |
| - | SUNDR | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: | | |
| _ | Do not use this form for proposals to drill drill horizonial | 7. UNIT or CA AGREEMENT NAME: | | |
| _ | 1. TYPE OF WELL OIL WELL | | Drilling Well | a. Well, NME and NUMBER: Kings Meadow Ranches 17-1 |
| | 2. NAME OF OPERATOR: Wolverine Gas and Oil of | Utah, LLC | · · · · · · | 9. APINUMBER: 4304130030 |
| _ | | Y Grand Rapids STATE MI ZIP | 49203 (616) 458-1150 | 10. FIELD AND POOL, OR WILDCAT: |
| | 4. LOCATION OF WELL POOTAGES AT SURFACE: 2040* | ······ | · · · | COUNTY: Sevier |
| - | QTRATE, SECTION, TOWNSHIP, RAI | | W S | STATE: UTAH |
| - | | ROPRIATE BOXES TO INDICAT | E NATURE OF NOTICE, REPO | RT, OR OTHER DATA |
| _ | TYPE OF SUBMISSION | | TYPE OF ACTION | |
| | NOTICE OF INTENT | ACIDIZE | DEEPEN | |
| | (Subnit in Duplicate) | ALTER CASING | FRACTURE TREAT | SIDETRACK TO REPAIR WELL |
| | Approximate date work will start: | CASING REPAIR | NEW CONSTRUCTION | TEMPORARILY ABANDON |
| | | CHANGE TO PREVIOUS PLANS | OPERATC & CHANGE | TUBING REPAIR |
| | | | PLUG AND ABANDON | VENT OR FLARE |
| | SUBSEQUENT REPORT {Submit Original Form Only} | | PLUG BACK | WATER DISPOSAL |
| | Date of work completion: | CHANGE WELL STATUS | PRODUCTION (START/RESUME) | WATER SHUT-OFF |
| | 1/14/2004 | | RECLAMATION OF WELL SITE | • • • • • • • • • • • • • • • • • • • |
| | | CONVERT WELL TYPE | | |
| | 12. DESCRIBE PROPOSED OR O | DMPLETED OPERATIONS. Clearly show all p | ertinent details including dates, depths, volum | ss, etc. |

While drilling at 8,549', the mud motor twisted off, leaving the bit and part of the mud motor in the hole, a total fish length of 19'. Two attempts to fish the motor and bit were made, unsuccessfully. It was decided to set an 85 sx cement plug (17ppg, 'AG-300' w/ 0.3% CFR-3 & 0.1% HR-5, 0.99ft*3/sx) on top of the fish and sidetrack around it. In order to set the plug, we ran in with 315' of 2-7/8" EUE tubing as a stinger on the end of the drill pipe to the top of the fish. We then pumped a 10 bbl water spacer, the 85 sx plug, 10 bbl of water behind the plug and 106 bbl of mud. We pulled out of the plug and circulated one hole volume before pulling out of the hole. The calculated top of the plug is at 8,328'. We plan to wait 24 hours from the end of pumping (14:00 1/14/2004) before dressing off the plug to sidetrack.

| NAME (PLEASE PRINT) Timothy J | . Brock | TIT LE | Manager - Engineering | |
|---------------------------------|--|--------|-----------------------|--|
| SIGNATURE Tringthe | fre | _ DATE | 1/15/2004 | |
| (This space for State use entry | Accepted by the Utah Division of Oil, Gas and Mining Date: 1/(5/09 ^(See Instructions on II) By: AUX | | | |

| WOLVERINE | WOLVERINE GAS | AND OIL C | ORPORATION |
|---|--|----------------|--|
| Wolarman Grant And On Contents The | One Riverfront Plaza, 55 Campau NV Grand Rapids, Michigan 49503-261() | | Telephone: (616) 458-1150 Fax: (616) 458-0869 |
| | Mason Office: 763 Wolverine Road Mason, Michigan 48854-9304 | | Telephone: (517) 676-7023 Fax: (517) 676-7024 |
| RECIPIENT: Lisha Co | ndova, Utah DOGM | | |
| | | DATE: | January 15, 2004 |
| FROM: Tim Broo | * 1 | | |
| MATERIALS SENT: F | form 9 | FAX NO. | .: <u>(801) 359-3940</u> |
| NUMBER OF PAGES (If | ncluding this cover sheet): <u>2</u> | | |
| IF TRANSMISSION IS I | NCOMPLETE, PLEASE CALL Tim E | Brock | AT (517) 676-7023 |
| COMMENTS, IF ANY: | | | |
| Lisha, Attached is the Form 9 fo in the hole. Please call r | or plugging back the Kings Meadow Ran ne if you have any quesitons. | iches 17-7 and | sidetracking around the junk |
| | | | |
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CONFIDENTIALITY NOT CE

THIS FACSIMILE TRANSMISSION AND ANY ACCOMPANYING DOCUMENTS CONTAIN INFORMATION BELONGING TO THE SENDER WHICH MAY BE CONFIDENTIAL AND LEGALLY PRIVILEGED. THIS INFORMATION IS INTENDED ONLY FOR THE USE OF THE RECIPIENT TO WHOM THIS FACSIMILE TRANSMISSION WAS SENT AS INDICATED ABOVE. IF YOU ARE NOT THE INTENDED RECIPIENT, ANY DISCLOSURE, COPYING, DISTRIBUTION, OR ACTION TAKEN IN RELIANCE ON THE CONTENTS OF THE INFORMATION CONTAINED IN THIS FACSIMILE TRANSMISSION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS INFORMATION IN ERROR, PLEASE NOTIFY US IMMEDIATELY BY TELEPHONE AND RETURN THE ORIGINAL MESSAGE TO US VIA THE U.S. POSTAL SERVICE. WE WILL BE HAPPY TO REMIT THE POSTAGE COST BACK TO YOU.

| 017 | 20/2004 | | | | | | | | | | |
|--------------------|--|--|---------------------------|--|---|--|--|----------|---|---|--------|
| | | | | STATE OF U | | | Confide | entia | l Hole | | FORM 9 |
| | | | | RTMENT OF NATUR | | | | 5. LEA | SE DESIGNATION A | ND SERIAL NU | MBER: |
| | | SUNDRY | Y NO | TICES AND R | EPORTS O | N WEL | LS | B. IF IN | IDIAN, ALLOTTEE O | R TRIBE NAME | Ł |
| Don | not use this form fo | or proposais to ciril drill horizontal | new wells, Islensis, U | , significantly dampon existing top APPLICATION FOR PER | wells below current bo MIT TO DRILL form for | tion-hole depi | h, reenter plugged wells, or to ls. | | t or CA AGREEMEN Verine Feder | | |
| | PE OF WELL | OHL WELL | _ | GAS WELL | OTHER Drilli | | ····· | King | IL NAME and NUMB 35 Meadow R | | 7-1 |
| | NHE OF OPERATION | or: s and Oil of | Utah, | LLC | | | | 430 | NUMBER: 4130030 | | |
| 3. N | DORESS OF OPEN | RATOR: | | | | | PHONE NUMBER: | 10. FIE | LD AND POOL, OR | WILDCAT: | |
| 55 | Campau, I | NW cr | _{rv} Gra | nd Rapids STAT | _{re} MI _{zip} 492 | 03 | (616) 458-1150 | | | | |
| 4. 10 | CATION OF WEL | Ц. | | nd Rapids _{STAT} 2000' FWL | _™ MI _{ZIP} 492 | 03 | | COUNT | ry: Sevier | | |
| 4. LC FC | DCATION OF WEL | II. RFACE: 2040" | FNL (| | _™ MI _{ZP} 492 23S 1W | 03 S | | COUNT | • | | |
| 4. LC FC | DCATION OF WEL DOTAGES AT SUF TRIQTR, SECTION | IL RFACE: 2040 ° N, TOWNSHIP, RA | FNL & | 8 2000' FWL 801411: SENW 17 | 23S 1W | S | | STATE | <u>.</u> ບາ. | | |
| 4. UC FC Q | DCATION OF WEL DOTAGES AT SUF TRIQTR, SECTION | ll Rface: 2040° n, township, ra HECK APP | FNL & | 8 2000' FWL 801411: SENW 17 | 23S 1W | S | (616) 458-1150 | STATE | עד ROTHERD | ATA | |
| 4. UC FC Q | DOCATION OF WEL DOOTAGES AT SUF TRADTR, BECTION C TYPE OF SU | IL RFACE: 2040 N, TOWNSHIP, RA HECK APP BMISSION | FNL & | 8 2000' FWL 801411: SENW 17 | 23S 1W | S | (616) 458-1150 OF NOTICE, REPC | STATE | <u>.</u> ບາ. | ATA | MATION |
| 4. UC FC Q | DCATION OF WEL DOTAGES AT SUF TRADTR, SECTION | IL RFACE: 2040 N, TOWNSHIP, RA HECK APP BMISSION NTENT | FNL & | 2000' FWL RIATE BOXES TO | 23S 1W | S ATURE | (616) 458-1150 OF NOTICE, REPO YPE OF ACTION | STATE | עד ROTHERD | ATA | MATION |
| 4. UC FC Q | DCATION OF WEL DOTAGES AT SUF TRIQTR, SECTION C TYPE OF SUF NOTICE OF IP | IL RFACE: 2040 N, TOWNSHIP, RA HECK APP BMISSION NTENT Iplicate) | FNL & | 2000' FWL BOINN: SENW 17 RIATE BOXES TO ACIDIZE | 23S 1W | | (616) 458-1150 OF NOTICE, REPO YPE OF ACTION | STATE | UT. R OTHER D | ATA URRENT FOR | MATION |
| 4. UC FC Q | DOCATION OF WEL DOTAGES AT SUF TRIQTR, BECTION C TYPE OF SUI NOTICE OF It (Submit in Du | IL RFACE: 2040 N, TOWNSHIP, RA HECK APP BMISSION NTENT Iplicate) | FNL & | RIATE BOXES TO ACIDIZE ALTER CASING | 23S 1W | S ATURE T DEEPEN FRACTURE | (616) 458-1150 OF NOTICE, REPO YPE OF ACTION | STATE | R OTHER D REPERFORATE C SIDETRACK TO R | ATA URRENT FOR | MATION |
| 4. UC FC Q | DOCATION OF WEL DOTAGES AT SUF TRIQTR, BECTION C TYPE OF SUI NOTICE OF It (Submit in Du | IL RFACE: 2040 N, TOWNSHIP, RA HECK APP BMISSION NTENT Iplicate) | FNL & | 2000' FWL BOMAN: SENW 17 RIATE BOXES TO ACIDIZE ALTER CASING CASING REPAIR | 23S 1W | S ATURE T DEEPEN FRACTURE NEW CON | (616) 458-1150 OF NOTICE, REPO YPE OF ACTION TREAT | STATE | R OTHER D REPERFORATE C SIDETRACK TO R TEMPORABLY AR | ATA URRENT FOR | MATION |
| 4. UC FC Q | CATION OF WEL DOTAGES AT SUF TRIQTR, SECTION C TYPE OF SUI NOTICE OF 19 (Submit in Du Approximate dat | IL RFACE: 2040 HECK APP BMISSION NTENT plicate a work will start: | FNL & | A 2000' FWL RIATE BOXES TO ACIDIZE ALTER CASING CASING REPAIR CHANGE TO PREVIOUS PL | 23S 1W | S ATURE T DEEPEN FRACTURE NEW CONS OPERATOR | (616) 458-1150 OF NOTICE, REPO YPE OF ACTION TREAT TRUCTION CHANGE ABANDON | STATE | R OTHER D REPERFORATE C SIDETRACK TO R TEMPORARILY AS TUBBING REPAIR | ATA URRENT FOR EPAIR WELL WINDON | MATION |
| 4. LC PC 11. | CATION OF WELL DOTAGES AT SUF TRIQTR, SECTION C TYPE OF SUE NOTICE OF IP (Submit in Du Approximate date SUBSEQUEN (Submit Origi | LL RFACE: 2040 N. TOWNSHIP, RA HECK APP BMISSION NTENT uplicate) a work will start: TREPORT hell Form Only) | FNL & | 2000' FWL RIATE BOXES TO ACIDIZE ALTER CASING CASING REPAIR CHANGE TO PREVIOUS PL CHANGE TO BREVIOUS PL | 23S 1W | S IATURE DEEPEN FRACTURE NEW CONS OPERATOR PLUG BAC | (616) 458-1150 OF NOTICE, REPO YPE OF ACTION TREAT TRUCTION CHANGE ABANDON | STATE | REPERFORATE C SIDETRACK TO R TEMPORARILY AE TUBING REPAIR VENT OR FLARE | ATA URRENT FOR EPAIR WELL IANDON | MATION |
| 4. LC PC 11. | CATION OF WEL DOTAGES AT SUF TRIQTR, SECTION C TYPE OF SUI NOTICE OF 19 (Submit in Du Approximate dat | LL RFACE: 2040 HECK APP BMISSION NTENT uplicate) as work will start: TREPORT heal Form Only) mplation: | FNL & | A 2000' FWL ROMAN: SENVY 17 RIATE BOXES TO ACIDIZE ALTER CASING CASING REPAIR CHANGE TO PREVIOUS PL CHANGE TUBING CHANGE WELL NAME | 23S 1W | S ATURE T DEEPEN FRACTURE NEW CONK OPERATOR PLUG BAC PRODUCT | (616) 458-1150 OF NOTICE, REPO YPE OF ACTION TREAT TRUCTION & CHANGE ABANDON | STATE | R OTHER D REPERFORATE C SIDETRACK TO R TEMPORARILY AS TUBING REPAIR VENT OR FLARE WATER DISPOSA | ATA URRENT FOR EPAIR WELL IANDON | MATION |

After setting the cement plug on 1/14/2004, we WOC for 24 hours, then dressed the plug off to 8,338' and kicked off the plug, drilling to 8,608'. At this depth, we made a bit trip, and upon rearning to bottom got into the old hole, as evidenced by cement returns in the cuttings. We continued to drill to 8,523'. We then decided to set another cement plug from 8,523' to 8,100' (est'd top of plug). The plug is 185 sx Class G w/ 0.8% dispersent & 0.1% retarder. We plan to kick off this plug to get around the fish and continue to our authorized TD, with no change in bottom hole location.

| NAME (PLEASE PRINT) Timothy J. Brock | mue Manager - Engineering | |
|--------------------------------------|------------------------------------|----|
| SIGNATURE Twinty flick | DATE 1/20/2004 | |
| (This space for State use only) | HRECELYFED | |
| (5/2000) | (See Instructione on Reverse Side) | NG |

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43,041.30030

| WOLVER | | WOLVERINE GAS AN | id Oil C | compa | ny of Ut | lah, | LLC |
|-----------------------|-----------------|---|-----------|----------|--------------------|--------|----------------------|
| WOLMERDIN GAS AND OIL | Corporation | Main Office: One Riverfront Plaza, 55 Camp Grand Rapids, Michigan 49503 | | | Telephone: Fax: | • • | 458-1150 458-0869 |
| | | Mason Office: 763 Wolverine Road Mason, Michigan 48854-9304 | | | Telephone: Fax: | • • | 676-7023 676-7024 |
| RECIPIENT: | Carol Dan | iels | - | | | | |
| | Utah DOG | | - | DATE: | January 20 | , 2004 | |
| FROM: | Tim Brock | K K | - | | | | |
| MATERIALS S | SENT: <u>Fo</u> | rm 9 - 01/20/2004 | - | FAX NO.: | 801-359-39 | 40 | |
| NUMBER OF | PAGES (in | cluding this cover sheet): | - | | | | |
| IF TRANSMIS | SION IS IN | COMPLETE, PLEASE CALL | Tim Brock | | _ AT (517) 6 | 78-70 | 23 |
| COMMENTS, | IF ANY: | | | | | | |
| | | · · · · · · · · · · · · · · · · · · · | | | | | |

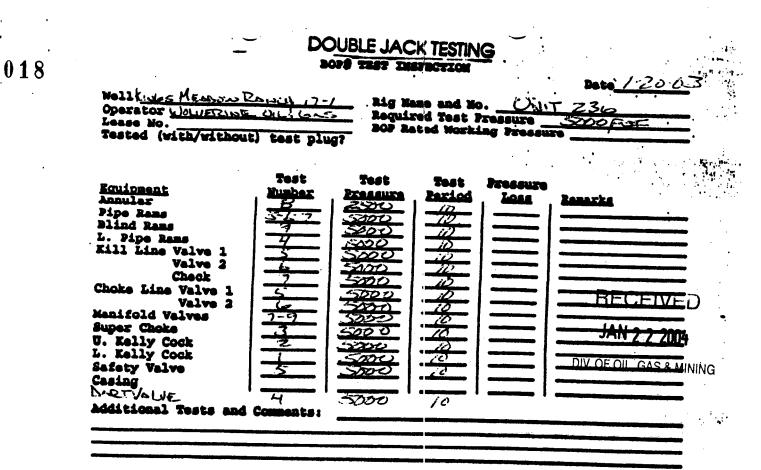
Attached is a Form 9 for the Kings Meadow Ranches 17-1. Please call if you have any questions.

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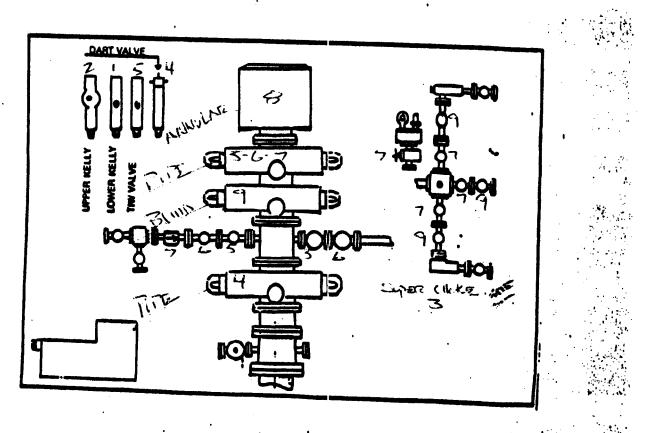
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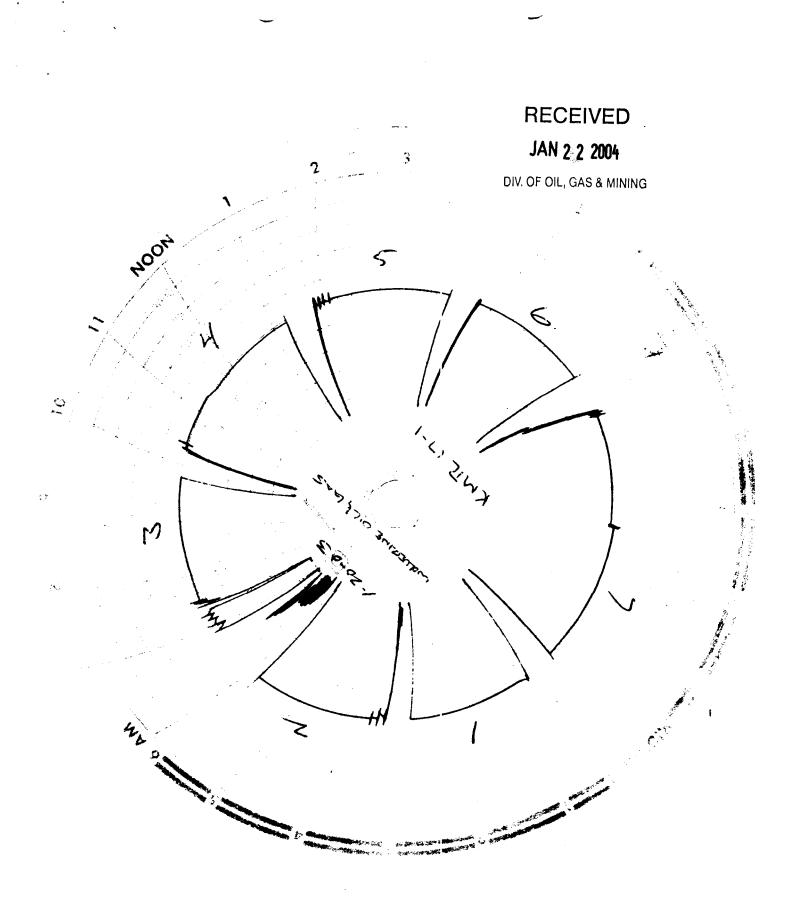
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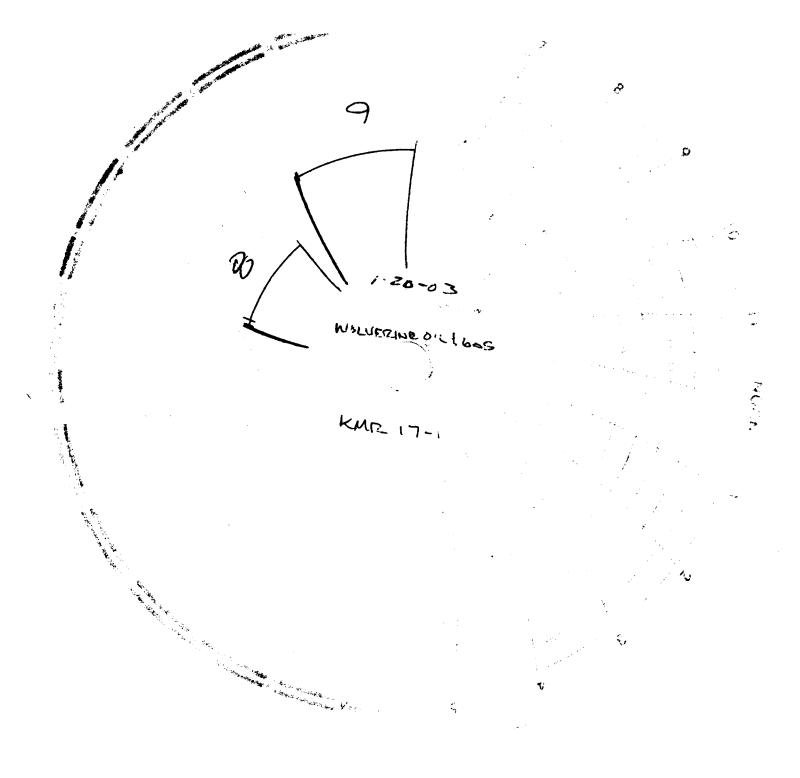






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| | | Manager of Control of | | - 7°* | |
|-------------|---|---|------------------------|---|---|
| l 9 | | | | | FORM |
| LU | DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING | | | 2. LEASE DESIGNATION AND SERIAL NUMBER: | |
| | SUNDRY | NOTICES AND REPORTS | S ON WELI | LS | 8. IF INDIAN, ALLOYTEE OR YRIBE NAME: |
| Do | | w wells, significantly deepen existing wells below ca state. Une APPLICATION FOR Plated 1 TO DHELL | ment hottom-hole depti | n reanter pluttled wells, or to | 7. UNIT or CA AGREEMENT NAME: |
| 1. T | YPE OF WELL OIL WELL | | Dritting Well | | 8. WELL NAME and NUMBER: Kings Meadow Ranches 17-1 |
| 2. N | AME OF OPERATOR: | THAT THE | TI-NIIA | | 9. APINUMBER: 4304130030 |
| | olverine Gas and Oil of L | | | HOME NUMBER: | 10. FIELD AND POOL, OR WILDCAT: |
| | 5 Campau, NW | Grand Rapids STATE MI ZI | ,49203 | (616) 458-1150 | |
| | OCATION OF WELL | | | | COUNTY: Sevier |
| C | RTRACTR. SECTION, TOWNSHIP, RANG | | IW S | | STATE: UTAH |
| 11, | CHECK APPR | OPRIATE BOXES TO INDICA | TE NATURE | OF NOTICE, REPO | RT, OR OTHER DATA |
| | TYPE OF SUBMISSION | | | PE OF ACTION | |
| | NOTICE OF INTENT (Submit in Suplicity) | ACIDIZE | | 'REAT | REPERFORATE CURRENT FORMATION |
| | Approximate date work will start: | | NEW CONS | RUCTION | |
| | | CHANGE TO PREVIOUS PLANS | OPERATOR | t CHANGE | |
| | | | | | VENT OR PLARE |
| | SUBSECUENT REPORT (Submit Original Form Only) | | | | WATER SHUT OFF |
| | Date of work completion: | CHANGE WELL STATUS | = | CN (START/REGUME) II ON OF WELL SITE | |
| | 2/3/2004 | | | EIE - DIFFERENT FORMATION | progress |
| | | CONVERT WELL TYPE | | | NAR, StC. |
| 0 | 1/27/2004: TD 7-7/8" hol | e @ 9458', run the following log | | | |
| S |)ual Spaced Neutron: 931 spectral Density: 9313' - 6 Samma Ray 9313'- 6773' | 13-6773 3773' | | | RECEIVED |
| F | ull Wave Sonic: 9313' - 6 Dipmeter: 9313' - 6773' | 3773' | | | FEB 0 5 2004 |
| н | Caliper, 9313' - 6773' ligh Resolution Induction | : 9340' - 6763' | | | DIV. OF OIL, GAS & MINING |
| 0 0 7 | 2/02/2004: Cement w/ 62 0.000 scf N2: Bump plug | 7###I90 ITC A6A 661/70 9395' | Sppe silicate. | 1).2% Versaset, 0.3 | % Diacel LWL, foamed to 11ppg v |

| NAME (PLEASE PRINT)_TIMOthy J. Brock | mis Manager - Engineering |
|--------------------------------------|-------------------------------|
| BRUNTLIFF Drivethy J. Groch by | ERHenle - Agent DATE 2/3/2004 |

(This space for State use only)

(See instructions on Reverse lide)

DIV. OF OIL, GAS & MINING

| | | WOLVERINE GAS AND OIL Main Office: One Riverfront Plaza, 55 Campau NV/ Grand Rapids, Michigan 49503-2616 | Compe | Telephone: (616) 458-1150 Fax: (616) 458-0869 |
|---|------------|---|---------------|--|
| ₩657 /8999 (3 98 4 10 9 Q 4 | Corportion | Mason Office: 763 Wolverine Road Mason, Michigan 48854-9304 | | Telephone: (517) 676-7023 Fax: (517) 676-7024 |
| RECIPIENT : | Carol De | aniels | | |
| | Utah DC | DGM | DATE: | February 4, 2004 |
| FROM: | Tim Bro | ck | | |
| | | Form 9 - 02/04/2004 | FAX NO | .: 801-359-3940 |
| NUMBER OF | PAGES (i | ncluding this cover sheet): | | |
| IF TRANSMIS | SION IS I | NCOMPLETE, PLEASE CALL Tim Isroo | sk | AT (517) 676-7023 |
| COMMENTS, | IF ANY: | | | |
| Attached is a | Form 9 fo | r the Kings Meadow Ranches 17-1. Please | call if you h | ave any questions. |
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Steven R Hash

From: Steven R Hash [stevehash@exactengineering.com]

Sent: Friday, April 09, 2004 12:29 AM

To: 'Dustin Doucet'

Cc: 'Tim Brock'

Subject: Wolverine - Kings Meadow Ranches #17-1 well

T 235 ROIN 5-17 43-041-30030

Dear Mr. Doucet,

Please find attached a Sundry with March completion reports for the subject well. PLEASE MAINTAIN CONFIDENTIAL. An original with signature is being placed in the USMail simultaneously with this transmittal. Thank you for you cooperation in these regards.

Steve Steven R. Hash EXACT Engineering, Inc. 415 S. Boston, Suite 734 Tulsa, OK 74103 office: (918) 599-9400 fax: (918) 599-9401 direct: (918) 599-9801 mob fax: (801) 640-7470 stevehash@exactengineering.com Petroleum Engineering Consulting, Personnel and Jobsite Supervision

> RECEIVED APR 1 5 2004 DIV. OF OIL, GAS & MINING

| • | N 1 | | | _ | | IDENTIAL |
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| | STATE OF UTAH DEPARTMENT OF NATURAL RESOUR | RCES | | | | FOR |
| | DIVISION OF OIL, GAS AND MINING | | | | | |
| SUNDRY | SUNDRY NOTICES AND REPORTS ON WELLS | | | | | |
| Do not use this form for proposals to drill n drill horizontal la | new wells, significantly deepen existing wells below curr aterals. Use APPLICATION FOR PERMIT TO DRILL fo | ent botto orm for su | om-hole depth such proposals | , reenter plugged wells, or to | 7. UNI | T or CA AGREEMENT NAME: |
| 1. TYPE OF WELL OIL WELL | GAS WELL OTHER | Drilling | g Well | | | LL NAME and NUMBER: gs Meadow Ranches 17-1 |
| 2. NAME OF OPERATOR: | ···· | | | | | NUMBER: |
| Wolverine Gas and Oil of | Utan, LLC | | | | | 4130030 ELD AND POOL, OR WILDCAT: |
| 3. ADDRESS OF OPERATOR: 55 Campau, NW | Y Grand Rapids STATE MI ZIP | 49203 | | (616) 458-1150 | 10. Fi | ELU AND POOL, OR WILDCAT: |
| 4. LOCATION OF WELL | | | <u> </u> | (0.0) | | |
| FOOTAGES AT SURFACE: 2040' | FNL & 2000' FWL | | | | COUN | TY: Sevier |
| QTR/QTR, SECTION, TOWNSHIP, RAN | ige, meridian: SENW 17 23S 1 | W | S | | STATE | UTAH |
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| | | | DEEPEN | | | REPERFORATE CURRENT FORMATION |
| (Submit in Duplicate) | ALTER CASING | | FRACTURE 1 | REAT | | SIDETRACK TO REPAIR WELL |
| Approximate date work will start: | | | NEW CONST | RUCTION | | TEMPORARILY ABANDON |
| | CHANGE TO PREVIOUS PLANS | | OPEFATOR | CHANGE | | TUBING REPAIR |
| | | | PLUG AND A | BANDON | | VENT OR FLARE |
| SUBSEQUENT REPORT | | | PLUG BACK | | | WATER DISPOSAL |
| (Submit Original Form Only) | CHANGE WELL STATUS | | PROE UCTIO | N (START/RESUME) | | WATER SHUT-OFF |
| Date of work completion: | | | | ON OF WELL SITE | | OTHER: report of drilling |
| 3/31/2004 | | | | E - DIFFERENT FORMATION | | progress |
| | OMPLETED OPERATIONS. Clearly show all p | | | | nes, etc. | |
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| Report of completion ope | rations for the months of February | y ox IVI | arch 200 | J4 IS allacheu | | |
| PLEASE KEEP THE ENC | CLOSED INFORMATION CONFIL | DENT | TIAL - TH | IANK YOU | | |

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APR 1 5 2004

| NAME (PLEASE PRINT) Steven R. Hash | TITLE | Consultant & Agent for Wolverine Gas & Oil |
|------------------------------------|---------|--|
| SIGNATURE Steven R. H | al DATE | 4/9/2004 |
| | | |

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Wolverine Gas & Oil Company of Utah, LLC Kings Meadow Ranches #17-1 well SE NW Sec 17 T23S R01W Sevier Co., Utah page 1 of 4

New Completion 5-1/2" 17# L80 @ 9295' PBTD

Gl. to KB: 23' WO rig KB: 7'

"TIGHT HOLE - PLEASE MAINTAIN CONFIDENTIAL"

- 02/11/04 FIRST COMPLETION REPORT (brief operation to run bond log in upper csg). Cameron install 1-13/16" 10m gate valve on B-section & remove well cap. Halco WLS MIRU & RIH w/ 3-1/8" VD-CBL tool w/ bow centralizers in 5-1/2" csg. Tool set down in csg 16 times from 1810 to 6290', must be pushing ice plug ahead. Work tool to 6320' kb (stage tool @ 6555' kb). Log to top of cement behind 5-1/2" at approximately 5300'. Log top of cement behind 9-5/8" at 4900'. Go back to btm with tool and attempt to get deeper, did not. POOH. Bleed nitrogen buildup from 9-5/8" x 5-1/2" annulus in 20 min, leave csg valve open during next pressure test. Cameron re-install well cap, hook Adler Hot Oil pump truck to csg, load 5-1/2" csg with 2 bbls brine water, pressure test 5-1/2" to 3025 psi with 1 bbl, shut in to monitor, no indication of circulation to 9-5/8" x 5-1/2" annulus. 5-1/2" csg pressure bled to 2950 psi in 10 min, 2850 in 20 min (6%). Release pressure and release Adler. Remove well cap & Halco RIH w/ JB & 4.4" OD gauge ring on wireline, set down @ 6450', 130 ft deeper than CBL. Spud several times, did not get deeper, POOH. Re-install well cap, lock csg valve with padlock. Rig down & release Halco & Cameron, secure well & lock location gate @ 6pm. Status: Waiting on completion anticipated in approx 30 days, OFF REPORT UNTIL FURTHER ACTIVITY. NOTE: Gate & wellhead combination 1150; CMOL: SHash
- 03/03/04 <u>Status report</u> Target completion for week of 3/15-19; location has been wet all month, Nielsen Construction to move in equipment 3/5 and begin cleaning location & hauling rock on 3/8. MD Well Service WSU, pump, tank & swivel scheduled for week of 3/15-19.
- 03/15/04 <u>Status report</u> Nielsen cleaned location 3/8 to 3/10 & spread 16 loads 2" rock on lease road and around wellhead. Rky Mtn set (4) OSHA approved rig anchors & pull tested to 20,000#. MD Well Service scheduled to move in rig Wed 3/17. Engr: SHash
- 03/17/04 <u>ON REPORT</u> sunny, 50° Moved in MD Well Service late yesterday, prep to move in equipment, rig up & recv tbg today. Expect to begin drilling stage tool tomorrow CMOL: SHash
- 03/18/04 Day #1

sunny, 55°

Check well pressures; 5-1/2" csg on slight vacuum for 5 rnin; 9-5/8" x 5-1/2" csg annulus had 120 psi, bled off nitrogen in 2 min; left csg gate valve in cellar open & piped up above GL on south side of east csg valve; 13-3/8" x 9-5/8" slight blow, bled off; left csg gate valve in cellar open and piped up above GL on north side of east csg valve. Filled cellar with 2" rock to GL in order to set rig base beam. RU MD WSU rig #5, spotted rig pump & tank, catwalk & (1) set p peracks & power swivel. Spotted open top flow back tank, (4) frac tanks for treated fluid, (2) frac tanks for produced fluid, trailer house & storage container. Received & racked 300 jts of 2-7/8" 6.5ppf L80 EUE 8rd Koeppel seamless tubing w/ 2,4,6,8,10' tbg subs. Removed 7-1/16" 10k cap flange, iristalled 7-1/16" 10m x 7-1/16" 5m adapter spool, NU 7-1/16" 5m hydraulic BOP w/ 2-7/8" rams top & CSO rams btm w/ closing unit. Received (6) drill collars, handling tools, etc. Tallied collars & prep to "TH w/ drilling BHA in am. SDFN @ 7pm CMOL: SHash

03/19/04 Day #2

sunny, 55-60°

7am – RU power tbg tongs and make rig adjustments, make-up Varel 4-3/4" rock bit, xo, (6) 3-1/2" od DC's, xo, 2.25" SN; BHA is 181.32'. Tubing tongs failed, could not repair, backup tongs not yet on rig, shut down for day @ 9:30am, off company time. Roustabouts continued laying flowback and test lines and hooking up tanks. Weatherford Completions toolman on location to witness drillout. Replacement tongs on location by 7pm. CMOL: SHash

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Wolverine Gas & Oil Company of Utah. LLC Kings Meadow Ranches #17-1 well SE NW Sec 17 T23S R01W Sevier Co., Utah

"TIGHT HOLE - PLEASE MAINTAIN CONFIDENTIAL"

- sunny, 70° 03/20/04 Dav #3 7am - RU replacement power tongs, pick up 2-7/8" tbg & TIH to 6398', start taking weight 6-8 pts, 8-10 pts drag up, LD 2 jts to 6320'. RU rig pump & lines, brea circulation down tbg w/ 2 bbls, ok. PT 5-1/2" csg & BOPE to 3100 psi, bled to 3050 psi in 20 min, ok, release. (note: prior test bled 3025 to 2850 in 20 min on Feb 11). RIH w/ 5 its to 6472', tag up, sticky. POOH to 6430, circ drlg mud out of hole w/ 150 bbls 4% KCl until clean. SWI&SDFN @ 7pm CMOL: SHash
- 03/21/04 Day #4 7am - SICP zero, RIH to 6478, tag up, pick up power sw vel, reverse circ washing fill w/ 2-4 pts to 6527', tag solid btm, suspect stage tool @ 6527', circ clean, shut down. Set 15 pts weight on stage tool & pressure up to 2000 psi to attempt to open tool, held ok, no response. Drilled stage tool & opening dart @ 6527' in 20 min with 2-3 pts, recv 2 gts cuttings, RIH w/ tbg to 6605', ok. Close rams & attempt to PT csg to 3000 psi, brokedown @ 2300 psi, SD, standing pressure 1100 psi. Conduct injection test as follows: 1 bpm for 5 min @ 1400 to 1150 psi; 2 bpm for 10 min @ 1300 to 1100 psi; 3 bpm for 10 min @ 2700 to 2000; shutdown test, 55 bbls total pumped into hole in csg. All pumping done with 9-5/8" annulus open, no indication, dead. RIH picking up to to 6983 (215 its), SD&SWIFN@ 7pm. Weatherford toolman on location. CMOL: SHash
- sunny, 75° 03/22/04 Day #5 7am - SICP zero, finish picking up 289 jts of 2-7/8" tbg, tag solid btm @ 9295' kb, tbg measure. Pick up 2 ft & circ hole w/ 130 bbls 4% KCL drlg fluid. POOH w/ 144 stds tbg & BHA. Add 5-1/2" csg scraper to BHA, new BHA #2 = 183.84'. TIH w/ BHA #2 & 196 its to 6386', 141' above stage tool. SD&SWIFN @ CMOL: SHash 5:30pm.
- 03/23/04 Dav #6 7am - SICP zero, RIH w/ scraper assy to stage tool @ 6:527', reciprocate scraper thru stage tool (8) times while turning pipe. TIH to TD @ 9295', reverse circ well w/ 220 bbls 4% KCI drlg fluid. POOH, CMOL: SHash SWI&SDFN @ 6:30pm. Next move: run Schlumberger USIT log
- sunny, 70° 03/24/04 Day #7 6am - SICP slight blow, RU SWS to run UltraSonic Image Tool (USIT) in 5-1/2" csg. Logged from 9295 to 4500'; logged stage tool @ 6527'. Released rig crew 2 4pm while still logging. Ran VD-CBL w/ CCL from 9288' to 4500'. RD SWS. SWI&SDFN @ 1am. SWS crew inexperienced in USIT tool operation & interpretation. Weatherford toolman on location. Next move: Run pkr & locate leak. CMOL: SHash
- partly cloudy. 60° 03/25/04 Dav #8 7am - SICP slight blow, pickup WF 5-1/2" x 2-7/8" model HD pkr w/ 2.25" SN (1) jt up & TIH to 6552', set pkr 25' below stage tool @ 6552'. PT down tbg & pump n @ 1-1/2 bpm @ 2600 psi. PT annulus & WF stage tool to 3000 psi, good. WF stage tool not leaking. Reset pkr @ 7594', pump in to tbg as above, PT annulus to 3000 psi, good. Reset pkr @ 8101', PT same as above. Reset pkr @ 8605', PT same as above. Reset pkr @ 8921, PT same as before. During all tests casing held 3000 psig & could inject into tbg @ 1 to 2 bpm @ 2000 psi, pressure would bleed to zero in 5 min. Proposed btm perf is 8690'. Release pkr & reverse circulate 220 bbls of clean 4% KCL until flow clean. POOH w/ tbg & pkr. SD&SWIFN @ 7pm. Weatherford toolman on location. Next move: LD DC's & set CIBP @ ~ 8900' in CMOL: SHash 5-1/2" csg.

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page 2 of 4

New Completion 5-1/2" 17# L80 @ 9295' PBTD

Gl. to KB: 23' WO rig KB: 7'

sunny, 80°

sunny, 85°



Wolverine Gas & Oil Company of Utah, LLC Kings Meadow Ranches #17-1 well SE NW Sec 17 T23S R01W Sevier Co., Utah

"TIGHT HOLE - PLEASE MAINTAIN CONFIDENTIAL"

03/26/04 Day #9 partly cloudy, 55° 7am - SICP zero, LD 6 DC's, RU Computalog. RIH w/ gauge ring to 8915', OK, POOH. Set Alpha Big Boy 10k CIBP @ 8850' kb, POOH. Load csg & PT to 3000 psi, good. RIH w/ cmt bailer and dump 3sx or 24' of cement on top of CIBP, POOH, WOC. New PBTD = 8826' SWI&SDFN @ 4:30. Next move: Run TCP guns CMOL: SHash

- 03/27/04 Dav #10 cloudy, 40° 7am - SICP zero, RU WellServ Intervention Services WLU, make up WellServ tbg conveyed perforating assembly as shown on the attached WBD to perforate Lv/r Navaio zone #1 in 5-1/2" csg from 8670'-8690' (20'), 4 ipf @ 60° phasing per open hole Spectral-Density Log dated 29Jan04 w/ Owen SDP 39gm charges for 0.43 diam hole & 34 in penetration - total 80 holes. TIH w/ gun assy, mechanical firing head, spacer jts, underbalance ceramic disk, "X" nipple, tbg jt, Arrow 1X 10k retrievable casing pkr, tbg jt, 6' marker jt, 2 tbg jts, 2-7/8" (2.250 id) SN & tbg to surface. Stop @ 2286' in hole & fill tbg with 4% KCL water for 1000 psig water cushion. Land string in wellhead, RU WellServ wireline, RIH w/ gamma ray and log in marker it - correcting to open hole log. POOH w/ WL & space out tbg for correct depth. Set Arrow 1X pkr @ 8548' w/ 30 pts set wt on pkr w/ top shot @ 8670 & btm shot @ 8690, "X" nipple (2.31") @ 8587' & 2.25" id SN @ 8448. RIH w/ gamma ray, log marker it within 1/2 ft of planned depth, good. ND BOPE & NU 10m tree. PT 9-5/8" x 5-1/2" annulus to 800 psi, lock in. Hookup flowline from wellhead to flowback manifold & SWI&SDFN @ 7pm. Next move: drop firing bar & test CMOL: SHash
- 03/28/04 Day #11

7am – SITP zero, Held safety mtg, applied 1000 psi to casing, PT flowline & wellhead to 4000 psi, found flowline leak, repaired. Dropped bar @ 10am, observed 'licker in csg pressure after 2 min, casing pressure increased to 1300 psi in 10 min, tbg pressure increased to 90 psi in 15 min. Pressures stabilized in 1 hr at SITP 290 psi & SICP 1750 psi. Opened well to pit @ 1pm on a 30/64" chk, bled down in 1 min to zero, monitored while rigging up to swab, well dead. Made 1 swab run to SN @ 8448' without cups. Began swabbing @ 2:30pm, BFL 300' fs, rnade 6 swab runs & recovered 13 BLW & 51 BNW in 3 hrs. Pulling from 3000', could not swab down, EFL 300' fs, deepest pull from 3000'. No show of oil or gas during swabbing. SICP increased to 2000 psi while swabbing. Collected 3 gal sample from end of last swab run. Sample #1 SG 1.04; 32,000 ppm Cl, pH 7.5, no significant fines. SWI&SDFN @ 6:30pm Next move: SDF Sunday, prep to abandon & move uphole CMOL: SHash

03/29/04 Day #12

SITP 20 psi, SICP 1100, SDF Sunday

03/30/04 Day #13

SITP 20 psi, SICP 1100, zone #1 8670' - 8690', PBTD 8824'

Release pressure, ND tree, NU BOPE, well balanced, release pkr & POOH with tbg & laydown all tools. Pkr dragged all way out of hole. RU WellServ WLU. Run GR-JB in 5-1/2" csg to 8650', POOH. Set Arrow 10k CIBP @ 8600' on wireline, POOH. Load hole w/ 15 bbls 4% KCL & PT to 4000 psi, OK. Dump bail 20ft cement on plug. New PBTD = 8580'. Skip zone 2, perf zone 3 select fire at 8187, 8263, 8270, 8293, 8347, 8364 with 2 jpf @ 180° phasing per or en hole Spectral-Density Log dated 29Jan04 w/ Owen SDP 39gm charges for 0.46 diam hole & 40.39 in penetration - total 6 ft w/ 12 holes, note: planned perfs at 8175' did not fire. No change in fluid level while perforating. SWI&SDFN @ 8pm. Next move: run pkr & tbg

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page 3 of 4

New Completion 5-1/2" 17# L80 @ 9295' PBTD

Gl. to KB: 23' WO rig KB: 7'

CMOL: SHash

clear, 50°

clear, 50°

clear, 50°

Wolverine Gas & Oil Company of Utah, LLC Kings Meadow Ranches #17-1 well SE NW Sec 17 T23S R01W Sevier Co., Utah

"TIGHT HOLE -- PLEASE MAINTAIN CONFIDENTIAL"

03/31/04 Day #14

page 4 of 4

New Completion 5-1/2" 17# L80 @ 9295' PBTD

GL to KB: 23' WO rig KB: 7'

clear, 65°

SICP zero, zone #3 (perfs 8187, 8263, 8270, 8293, 8347, 8364), PBTD 8580' RD WellServ WLU, pick up WF Arrow 5-1/2" x 2-7/8" 10k retr csg pkr (7.0'), 1 jt 2-7/8" tbg (31.70'), 2.31" id "X" profile nipple (1.27'), and TIH w/ 255 jts 2-7/8' tbg (8053.40); overall 8093.37'; set below kb 21'; less compression 3.2'; btm pkr set at 8111', "X" nipple @ 8071'. ND BOPE, land tbg & NU tree & flowline. Apply 1000 psi pressure to annulus, lock in. RU to swab, begin swabbing at 1:30pm, BFL @ surface, made 12 swab runs in 4 hrs, EFL 2900', nipple () 8071'. Recv 47 BLW & 24 BNW in 4 hrs. Very slight show oil, tstm. Sample #2; 3 gal water sample from last swab run SG 1.05; Chlorides 39,500 ppm. pH 7.0 Sample #3 (1) pint oil/wtr skimmed from days swabbing; SWI @ 6pm & SDFN. SICP 1600. Rig operations suspended until April 6 for crew time off. Next move: POOH & plugback CMOL: SHash

| | 04/28/2004 | 10:30 | 5176767024 | 2 | DCKENGINEERING | | PAGE 02/1 |
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|) 2 1 | | | STATE OF UTAH DEPARTMENT OF NATURAL RI DIVISION OF OIL, GAS AN | - ESOURCES | CONFIDE | ENTIAL WELL | FORM 9 |
| | SUNDRY NOTICES AND REPORTS ON WELLS | | | | 6. IF INDIAN, ALLOTTEE | OR TRIBE NAME | |
| | Do not use this form for | proposals to drill drill horizontal | naw wells, significantly deepen existing wells b Istensis. Use APPLICATION FOR PERMIT TO | slow current battam-hole (DRULL form for such prop | lepth, reenter plugged wells, or a seate. | NOLVERINE F | |
| | 1. TYPE OF WELL OIL WELL DI GAS WELL DOTHER | | | | 8. WELL NAME and NUM | ER: W RANCHES 17- | |
| | 2. NAME OF OPERATOR: WOLVERINE GAS AND OIL COMPANY OF UTAH, LLC | | | | | 9. API NUMBER 4304130030 | |
| | 3. ADDRESS OF OPERATOR: 55 CAMPAU NW GRAND RAPIDS STATE MI ZIP 49503-2616 (616) 458-1150 | | | | | 10. FIELD AND POOL, OR WILDCAT | WILDCAT: |
| • | | | | | | | |
| • | 4. LOCATION OF WELL FOOTAGES AT SURF | - | FNL & 2000' FWL | | × | COUNTY: SEVIER | |
| | FOOTAGES AT SURF | FACE: 2040' | FNL & 2000' FWL NGE, MERIDIAN: SENW 17 23 | s 1w s | | STATE: | AH |
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| | FOOTAGES AT SURF ATR/QTR, SECTION, 11. CH TYPE OF SUBI NOTICE OF INT (Submit in Dupi Approximate date of SUBSEQUENT | REPORT I Form Only) | NGE, MERIDIAN: SENW 17 23 ROPRIATE BOXES TO IND ACIDIZE ALTER CASING CASING REPAIR CHANGE TO PREVIOUS PLANS CHANGE TUBING | | TYPE OF ACTION RETREAT INSTRUCTION OR CHANGE DI ABUNDON | STATE: UI PORT, OR OTHER D REPERFORATE O SIDETRACK TO R SIDETRACK TO R TEMPORARILY AI TUBING REPAIR VENT OR FLARE | ATA SURRENT FORMATION EPAIR WELL BANDON |

| NAME (PLEASE PRINT) TIMOTHY J. BROCK | TITLE | MANAGER - ENGINEERING |
|--------------------------------------|-------|-----------------------|
| SIGNATURE Timothy Suck | DATE | 4/26/2004 |
| (This space for State use only) | | |

(5/2000)

(See Instructions on Reverse Side)

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| RECIPIENT: | | ucet - UDOGM, (801) 359-3940 | - | | | |
| FROM: | Tim Brock | - BLM, (801) 539-4260 | _ DATE: | <u>April 28, 20</u> | 04 | |
| | | rm 9 and attachment | - | | | |
| NUMBER OF PAGES (including this cover sheet): _// | | | | | | |
| COMMENTS, I | | COMPLETE, PLEASE CALL | <u>Tim Brock</u> | AT (517) 6 | 76-7023 | |
| | ······································ | | | | | |

See attached UDOGM Form 9 and its attachment. Note: Confidential Well

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Daily Operations Report

Wolverine Gas & Oil Company of Utah, LLC Kings Meadow Ranches #17-1 well SE NW Sec 17 T23S R01W Sevier Co., Utah page 1 of 8

New Completion 5-1/2" 17# L80 @ 9295' PBTD

GL 10 KB: 23' WO rig KB: 7'

"CONFIDENTIAL HOLE"

- 2/11/04 <u>FIRST COMPLETION REPORT</u> (brief operation to run bond log in upper csg). Cameron install 1-13/16" 10m gate valve on B-section & remove well cap. Halco WLS MIRU & RIH w/ 3-1/8" VD-CBL tool w/ bow centralizers in 5-1/2" csg. Tool set down in csg 16 times from 1810 to 6290", must be pushing ice plug ahead. Work tool to 6320' kb (stage tool @ 6555' kb). Log to top of cement behind 5-1/2" at approximately 5300'. Log top of cement behind 9-5/8" at 4900". Go back to btm with tool and attempt to get deeper, did not. POOH. Bleed nitrogen buildup from 9-5/8" x 5-1/2" annulus in 20 min, leave csg valve open during next pressure test. Cameron re-install will cap, hook Adler Hot Oil pump truck to csg, load 5-1/2" csg with 2 bbls brine water, pressure test 5-1/2" to 3025 psi with 1 bbl, shut in to monitor, no indication of circulation to 9-5/8" x 5-1/2" annulus. 5-1/2" csg pressure bled to 2950 psi in 10 min, 2850 in 20 min (6%). Release pressure and release Adler. Remove well cap & Halco RiH w/ JB & 4.4" OD gauge ring on wireline, set down @ 6450', 130 ft deeper than CBL. Spud several times, did not get deeper, POOH. Re-install well cap, lock csg valve with padlock. Rig down & release Halco & Cameron, secure well & lock location gate @ 6pm. Status: Waiting on completion anticipated in approx 30 days, <u>OFF REPORT UNTIL FURTHER ACTIVITY</u>. CMOL: SHash
- 03/03/04 <u>Status recort</u> Target completion for week of 3/15-19; location has been wet all month, Nielsen Construction to move in equipment 3/5 and begin cleaning location & hauling rock on 3/8. MD Well Service WSU, pump, tank & swivel scheduled for week of 3/15-19.
- 03/15/04 <u>Status report</u> Nielsen cleaned location 3/8 to 3/10 & spre:ad 16 loads 2" rock on lease road and around wellhead. Rky Mtn set (4) OSHA approved rig anchors & pull tested to 20,000#. MD Well Service scheduled to move in rig Wed 3/17. Engr: SHash
- 03/17/04 <u>ON REPORT</u> sunny, 50° Moved in MD Well Service late yesterday, prep to move in ∉quipment, rig up & recv tbg today. Expect to begin drilling stage tool tomorrow CMOL: SHash
- 03/18/04 Day #1

sunny, 55*

Check well pressures; 5-1/2" csg on slight vacuum for 5 min; 9-5/8" x 5-1/2" csg annulus had 120 psi, bled off nitrogen in 2 min; left csg gate valve in cellar open & piped up above GL on south side of east csg valve; 13-3/8" x 9-5/8" slight blow, bled off; left csg gate valve in cellar open and piped up above GL on north side of east csg valve. Filled cellar with 2" rock to (3L in order to set rig base beam. RU MD WSU rig #5, spotted rig pump & tank, catwalk & (1) set piperacks & power swivel. Spotted open top flow back tank, (4) frac tanks for treated fluid, (2) frac tanks for produced fluid, trailer house & storage container. Received & racked 300 jts of 2-7/8" 6.5ppf L80 IEUE 8rd Koeppel seamless tubing w/ 2,4,6,8,10' tbg subs. Removed 7-1/16" 10k cap flange, installed 7-1/16" 10m x 7-1/16" 5m adapter spool, NU 7-1/16" 5m hydraulic BOP w/ 2-7/8" rams top & CSO rams btm w/ closing unit. Received (6) drill collars, handling tools, etc. Tallied collars & prep to TIH w/ drilling BHA in am. SDFN @ 7pm CMOL: SHash

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Nev: Completion 5-1/2" 17# L80 @ 9295' PBTD

GL 10 KB: 23' WO rig KB: 7'

03/19/04 Day #2

Tam – RU power tbg tongs and make rig adjustments, make-up Varel 4-3/4" rock bit, xo, (6) 3-1/2" od DC's, xo, 2.25" SN; BHA is 181.32'. Tubing tongs failed, could not repair, backup tongs not yet on rig, shut down for day @ 9:30am, off company time. Roustabouts continued laying flowback and test lines and hooking up tanks. Weatherford Completions toolman on location to witness drillout. Replacement tongs on location by 7pm. CMOL: SHash

03/20/04 Day #3

sunny, 70°

7am – RU replacement power tongs, pick up 2-7/8" tbg & TIH to 6398', start taking weight 6-8 pts, 8-10 pts drag up, LD 2 jts to 6320'. RU rig pump & lines, break circulation down tbg w/ 2 bbls, ok, PT 5-1/2" csg & BOPE to 3100 psi, bled to 3050 psi in 20 min, ok, release. (note: prior test bled 3025 to 2850 in 20 min on Feb 11). RIH w/ 5 jts to 6472', tag up, sticky. POOH to 6430, circ drlg mud out of hole w/ 150 bbls 4% KCl until clean. SWI&SDFN @ 7pm CMOL: SHash

03/21/04 Day #4

Sunny, 80° 7am – SICP zero, RIH to 6478, tag up, pick up power swivel, reverse circ washing fill w/ 2-4 pts to 6527', tag solid btm, suspect stage tool @ 6527', circ clean, shut down. Set 15 pts weight on stage tool & pressure up to 2000 psi to attempt to open tool, held ok, no response. Drilled stage tool & opening dart @ 6527' in 20 min with 2-3 pts, recv 2 qts cuttings, RIH w/ tbg to 6605', ok. Close rams & attempt to PT csg to 3000 psi, brokedown @ 2300 psi, SD, standing pressure 1100 psi. Conduct injection test as follows: 1 bpm for 5 min @ 1400 to 1150 psi; 2 bpm for 10 min @ 1300 to 1100 psi; 3 bpm for 10 min @ 2700 to 2000; shutdown test, 55 bbls total pumped into hole in csg. All pumping done with 9-5/8" annulus open, no indication, dead. RIH picking up tbg to 6983 (215 jts), SD&SWIFN@ 7pm. Weatherford toolman on location.

03/22/04 Day #5

Sunny, 75° 7am – SICP zero, finish picking up 289 jts of 2-7/8" tbg, tag solid btm @ 9295' kb, tbg measure. Pick up 2 ft & circ hole w/ 130 bbls 4% KCL drlg fluid. POOH w/ 144 stds tbg & BHA. Add 5-1/2" csg scraper to BHA, new BHA #2 = 183.84'. TIH w/ BHA #2 & 196 jts to 6086', 141' above stage tool. SD&SWIFN @ 5:30pm. CMOL: SHash

03/23/04 Day #6

Sunny, 85° 7am – SICP zero, RIH w/ scraper assy to stage tool @ 6527', reciprocate scraper thru stage tool (8) times while turning pipe, TIH to TD @ 9295', reverse circ well w/ 220 bbls 4% KCl drlg fluid. POOH, SWI&SDFN @ 6:30pm. Next move: run Schlumberger USI⁻ log CMOL: SHash

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"CONFIDENTIAL HOLE"

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New Completion 5-1/2" 17# L80 @ 9295' PBTD

GL to KB: 23' WO rig KB: 7'

03/24/04 Day #7

sunny, 70°

6am – SICP slight blow, RU SWS to run UltraSonic Image Tool (USIT) in 5-1/2" csg. Logged from 9295 to 4500'; logged stage tool @ 6527'. Released rig crew @ 4pm while still logging. Ran VD-CBL w/ CCL from 9288' to 4500'. RD SWS. SWI&SDFN @ 1am. SWS crew inexperienced in USIT tool operation & interpretation. Weatherford toolman on location. Next move: Run pkr & locate leak. CMOL: SHash

03/25/04 Day #8

partly cloudy, 60*

7am – SICP slight blow, pickup WF 5-1/2" x 2-7/8" model HD pkr w/ 2.25" SN (1) it up & TIH to 6552', set pkr 25' below stage tool @ 6552'. PT down tbg & pump in @ 1-1/2 bpm @ 2600 psi. PT annulus & WF stage tool to 3000 psi, good. WF stage tool not leaking. Risset pkr @ 7594', pump in to tbg as above, PT annulus to 3000 psi, good. Reset pkr @ 8101', PT same as above. Reset pkr @ 8605', PT same as above. Reset pkr @ 8921, PT same as before. During all tests casing held 3000 psig & could inject into tbg @ 1 to 2 bpm @ 2000 psi, pressure would bleed to zerc in 5 min. Proposed btm perf is 8690'. Release pkr & reverse circulate 220 bbls of clean 4% KCL until flow clean. POOH w/ tbg & pkr. SD&SWIFN @ 7pm. Weatherford toolman on location. Next move: LD DC's & set CIBP @ ~ 8900' in 5-1/2" csg.

03/26/04 Day #9

Day #9 partly cloudy, 55° 7am - SICP zero, LD 6 DC's, RU Computatog. RIH w/ gauge ring to 8915', OK, POOH. Set Alpha Big Boy 10k CIBP @ 8850' kb, POOH. Load csg & PT to 3000 psi, good. RIH w/ cmt bailer and dump 3sx or 24' of cement on top of CIBP, POOH, WOC. New PBTD = 8826' SWi&SDFN @ 4:30. Next move: Run TCP guns CMOL: SHash

03/27/04 Day #10

cloudy, 40°

7am – SICP zero, RU WellServ Intervention Services WLU, make up WellServ tbg conveyed perforating assembly as shown on the attached WBD to perforate Lwr Navajo zone #1 in 5-1/2" csg from 8670'-8690' (20'), 4 jpf @ 60° phasing per open hole Spectral-Density Log dated 29Jan04 w/ Owen SDP 39gm charges for 0.43 diam hole & 34 in penetration - total 80 holes. TIH w/ gun assy, mechanical firing head, spacer jts, underbalance ceramic disk, "X" nipple, tbg jt, Arnow 1X 10k retrievable casing pkr, tbg jt, 6' marker jt, 2 tbg jts, 2-7/8" (2.250 id) SN & tbg to surface. Stop @ 2286' in hole & fill tbg with 4% KCL water for 1000 psig water cushion. Land string in wellhead, RU WellServ wireline, RIH w/ gamma ray and log in marker jt – correcting to open hole log. POOH wi WL & space out tbg for correct depth. Set Arrow 1X pkr @ 8548' w/ 30 pts set wt on pkr w/ top shot @ 8670 & btm shot @ 8690, "X" nipple (2.31") @ 8587' & 2.25'' id SN @ 8448. RIH w/ gamma ray, log marker jt within 1/2 ft of planned depth, good. ND BOPE & NU 10m tree. PT 9-5/8" x 5-1/2" annulus to 800 psi, lock in. Hookup flowine from wellhead to flowback manifold & SWi&SDFN @ 7pm. Next move: drop firing bar & test CMOL: SHash

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"CONFIDENTIAL HOLE"

03/28/04 Day #11

clear, 50°

dear, 50°

clear. 50°

CMOL: SHash

clear, 65°

CMOL: SHash

7am – SITP zero, Held safety mtg, applied 1000 psi to casing, PT flowline & wellhead to 4000 psi, found flowline leak, repaired. Dropped bar @ 10am, observed flicker in csg pressure after 2 min, casing pressure increased to 1300 psi in 10 min, tbg pressure increased to 90 psi in 15 min. Pressures stabilized in 1 hr at SITP 290 psi & SICP 1750 psi. Opened well to pit @ 1pm on a 30/64" chk, bled down in 1 min to zero, monitored while rigging up to swab, well dead. Made 1 swab run to SN @ 8448' without cups. Began swabbing @ 2:30pm, BFL 300' fs, mide 6 swab runs & recovered 13 BLW & 51 BNW in 3 hrs. Pulling from 3000', could not swab down, EFL 300' fs, deepest pull from 3000'. No show of oil or gas during swabbing. SICP increased to 2000 psi while swabbing. Collected 3 gal sample from end of last swab run. Sample #2 SG 1.04; 32,000 ppm Cl. pH 7.5, no significant fines. SWI&SDFN @ 6:30pm Next move: SDF Sunday, prep to abandon & move uphole CMOL; SHash

03/29/04 Day #12

SITP 20 psi, SICP 1100, SDF Sunday

03/30/04 Day #13

SITP 20 psi, SICP 1100, zone #1 8670' - 8690', PBTD 8824'

Release pressure, ND tree, NU BOPE, well balanced, release pkr & POOH with tbg & laydown all tools. Pkr dragged all way out of hole. RU WellServ WLU. Run (3R-JB in 5-1/2" csg to 8650', POOH. Set Arrow 10k CIBP @ 8600' on wireline, POOH. Load hole w/ 15 bbls 4% KCL & PT to 4000 psi, OK. Dump bail 20ft cement on plug. New PBTD = 8580'. Skip zone 2, perf zone 3 select fire at 8187, 8263, 8270, 8293, 8347, 8364 with 2 jpf @ 180° phasing per open hole Spectral-Density Log dated 29Jan04 w/ Owen SDP 39gm charges for 0.46 diam hole & 40.39 in penetration - total 6 ft w/ 12 holes, note: planned perfs at 8175' did not fire. No change in fluid level while perforating. SWI&SDFN @ 8pm. Next move: run pkr & tbg

03/31/04 Day #14

SICP zero, zone #3 (perfs 8187, 8263, 8270, 8293, 8347, 3364), PBTD 8580' RD WellServ WLU, pick up WF Arrow 5-1/2" x 2-7/8" 10k retr csg pkr (7.0'), 1 jt 2-7/8" tbg (31.70'), 2.31" id "X" profile nipple (1.27'), and TIH w/ 255 jts 2-7/8" tbg (8(/53.40); overall 8093.37'; set below kb 21'; less compression 3.2'; btm pkr set at 8111', "X" nipple @ 80/71'. ND BOPE, land tbg & NU tree & flowline. Apply 1000 psi pressure to annulus, lock in. RU to swab, begin swabbing at 1:30pm, BFL @ surface, made 12 swab runs in 4 hrs, EFL 2900', nipple @ 3071'. Recv 47 BLW & 24 BNW in 4 hrs. Very slight show oil, tstm. Sample #3; 3 gal water sample from last swab run SG 1.05; Chlorides 39,500 ppm. pH 7.0 Sample #4 (1) pint oil/wtr skimmed from days swabbing; SWI @ 6pm & SDFN. SICP 1600. Rig operations suspended until April 6 for crew time off. Next move: POOH & plugback CMOL; SHash

04/01/04 Day #15 Crew off until April 6

SITP 75 psi, zone 3 (perfs 8187, 8263, 8270, 8293, 8347, 13364), PBTD 8580' Petroleum Systems inti picked up samples #2, #3 & #4 as fully described above CMOL: SHash

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Nev: Completion 5-1/2" 17# L80 @ 9295' PBTD

GL to KB: 23' WO rig KB: 7'

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| Kings M SE NW : | ne Gas & Oil Company of Utah, LLC leadow Ranches #17-1 well Sec 17 T23S R01W Co., Utah | New Completion 5-1/2" 17# L80 @ 9295' PBTD | | |
| "CONF | IDENTIAL HOLE" | GL 1:0 KB: 23' W | 0 rig KB: 7' | |
| 04/02/04 | Day #16 Crew off until April 6 SITP 75 psi, zone 3 (perfs 8187, 8263, 8270, 8293 | 6, 8347, 8364), PBTD 8 | 3580' CMOL: SHash | |
| 04/03/04 | Day #17 Crew off until April 6 SITP 75 psi, zone 3 (perfs 8187, 8263, 8270, 8293 | , 8347, 8364), PBTD 8 | 1580' CMOL: SHas h | |
| 04/ 04/04 | Day #18 Crew off until April 6 SITP 75 psi, zone 3 (perfs 8187, 8263, 8270, 8293 | , 8347, 3364), PBTD 8 | 580' CMOL: SHash | |
| 04/05/04 | Day #19 Crew off until April 6 SITP 75 psi, zone 3 (perfs 8187, 8263, 8270, 8293 | , 8347, 3364), PBTD 8 | 580' CMOL: D Spitz | |
| 04/06/04 | Day #20 Crew off until April 6 SITP 75 psi, zone 3 (perfs 8187, 8263, 8270, 8293, | , 8347, ⊮3364), PBTD 8 | 580° CMOL: D Spitz | |

04/07/04 Day #21

SITP 75 psi, zone 3 (perfs 8187, 8263, 8270, 8293, 8347, 8364), PBTD 8580'. CMOL: D Spitz Held Safety mtg. Ran swab run. Tagged fluid level @ 700'. Swabbed sample consisted of small oil trace. ND tree & NU BOP. Release Pkr. TOH w/ Pkr. LD 62 jts of "bg. Stand back 182 jts. LD Pkr. Set Arrow 10k CIBP @ 8110'. Load hole w/ 20 bbls 4% KCL & PT to 4000 psi. Dump 20' cmt plug on top. Set Arrow 10k CIBP @ 6430'. Load hole w/ 1 bbls 4% KCL & PT to 4000 psi. Dump 20' cmt plug on top. New PBTD @ 6410'.

04/08/04 Day #22

PBTD 6410'. CMOL: D Spitz

Rainy 53° F

7:30 AM.Held Safety mtg. Perf 6225"-6215' Lower Navajo w/ 39 gram charges, 4 spf, 60 deg phasing, 0.47 dia in 5-1/2" csg, 0.32 dia in 9-5/8" csg. 1st gun run did not fire. PU WF Arrow 5-1/2" x 2-7/8" Pkr and TIH w/ 193 jts of 2-7/8" tbg (6118'). Set Pkr @ 6139 w/ KB. X nipple @ 6107'. PT 5-1/2" x 2-7/8" annulus to 1000 psi, held & lock in. ND BOP & NU tree. Begin swabbing @ 6:00 PM. Fluid level was @ surface. Swabbed down to 2800'. Recovered 20.8 BLW. 16 BLW left to recover. SDFN @ 7:00 PM. Continue swabbing tomorrow.

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| 04/09/04 | Day #23 PBTD 6410'. CMOL: D Spitz 7:30 AM.Held Safety mtg. (Perfs 6225'-6215' Lower Nav Pressured up 9-5/8" x 5-1/2" annular to 600 psi & lock in immediately with small stream of oil. Initially flowing 100 Increased to 1gpm of 100% oil for next 3 hrs. Started sw 2 nd run was 25% oil. Next swab run to 95% oil. Remainin level was staying between 1700' to 2100'. Deepest swal made. Total fluid recovered was 97.8 bbls. 24 bbls of wa been recovered. Shut in tubing & SDFN @ 6:00 PM. Pla | . Cpen well up with no choke. Fell to 0 psi % oil, 39 gravity @ 1gal/10min for 1 st hr. rabbing @ 12:00 PM. 1 st swab run was 65% oil. rg swab runs were @ 100% oil. After 1 st run, fluid o run was fram 3300'. Total of 8 swab run were rten. 73.8 bbls of oil. Aft load water should have |
|------------------|--|--|
| 04/10/04 | Day #24 PBTD 6410'. CMOL: D Spitz 7:30 AM.Heid Safety mtg. (Perfs 6225'-6215' Lower Nav Open well up with no choke. Fell to 0 psi immediately wi AM to 6:00 PM. Recovered 179.7 bbls of oil. 0.0 bbls of swabbing is 253.5 bbls of oil, 24 bbls of water. Shut in tu the weekend and monitor SI pressure. Schedule to pump | th 1 gpm oil flow. Swabbed 21 runs from 7:45 water. Total fluid recovered for 2 days of birg & SDFN @ 6:30 PM. Plans are to SD for |
| 04/11 /04 | Day #25 PBTD 6410'. CMOL: D Spitz (Perfs 6225'-6215' Lower Navajo) SITP 390 psi. After 13 Well SI. Dropped off oil sample taken on 4/9 & gas sample taken Dropped off oil sample taken on 4/9 & gas sample taken | on. Oil is compatible with acid treatment. |
| 04/12/04 | Day #26 PBTD 6410'. CMOL: D Spitz (Perfs 6225'-6215' Lower Navajo) SITP 420 psi. After 39 Well St. Set up to pump acid tomorrow, and then flow ba | Partly Cloudy 61 ° F hrs ck and swab |
| 04/13/04 | Day #27 PBTD 6410'. CMOL: D Spitz (Perfs 6225'-6215' Lower Navajo) SITP 430 psi. After 64 Safety meeting @ 8:00 AM. Open well up. Dropped to 0 bbl/hr. Decrease to 4.7 bbls/hr after 2 hrs. Pressure test 4% KCL water ahead of acid @ 1.0 BPM, 4000 psi. Pum 1.1 BPM, 3990 psi. Flush Acid w/ 37.4 bbls of 4% KCL w fluid pumped was 100.6 bbls, 22.8 bbls of acid & 78.6 bb min was 598 psi. 15 min was 454 psi. Started flowing bar | psi immediately. Well started flowing @ 9.5 ines for acid job to 4600 psi. Pumped 38 bbls of ped 1000 gals of 7-1/2%HCL w/ additives @ ater. Rate increased to 4.2 BPM, 3810 psi. Total is of 4% KCL water. 5 min Si was 848 psi. 10 |

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"CONFIDENTIAL HOLE"

04/0

fuld pumped was 100.0 bbs, 22.0 Clifference of the second pack well @ 7 bbls/hr. Decrease to + Durne entering in was 598 psi, 15 min was 454 psi. Started flowing back well @ 7 bbls/hr. Decrease to + Durne entering in the second pack well 3:15 PM. Made 6 swab runs and then well kicked off @ 5:30 PM. Initial flow rate is 10 bbls/hr. Increased to 14 bbls/hr. At 11:30 PM leveled off @ 11 bbl/hr. Total fluid recovered RECEIVED

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Nev/ Completion 5-1/2" 17# L80 @ 9295' PBTD

GL to KB: 23' WO rig KB: 7'

04/28/2004 16:35 5176767024

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"CONFIDENTIAL HOLE"

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New Completion 5-1//2" 17# L80 @ 9295' PBTD

GL to KB: 23' WO rig KB: 7'

04/14/04 Day #28 PBTD 6410', CMOL: D Spitz Sunny 70 ° F

(Perfs 6225'-6215' Lower Navajo) Safety meeting @ 7:30 AM. Pumped 42 bbls of 4% KCL water ahead of acid @ 4.2 BPM, 3269 psi. Pumped 1500 gals of 7-1/2%HCL, w/ additives & 1.3 SG Eall sealers @ 4.2 BPM, 3373 psi. Flush Acid w/ 37.4 bbls of 4% KCL water. Bailed off @ 31 bbls into flush. SI for 1 hr. Established injection rate @ 4.2 BPM, 3100 psi. Total fluid pumped was 128 bbls, 35.7 bbls of acid & 92.3 bbls of 4% KCL water. 5 min SI was 232 psi. 10 min was 149 psi. 15 min was 112 psi. ISDP 1685 psi. FG 0.71 psi/ft. Started flowing back well @ 2.4 bbls/hr. Decrease to 0 bbl/hr after 1 hr. Started swabbing back well 11:45 AM. Made 8 swab runs and then well kicked off @ 4:00 PM. Initial flow rate is 10 bbls/hr. Increased to 27 bbls/hr for 2 hrs w/ gas cut. Decreased to 0 bbls/hr for 1 hr. After 6 hrs flow stabilized @ 13.1 bbls/hr. Total fluid recovered was 269.2 bbls, 207.6 oil & 61.6 water.

04/15/04 Day #29 Cloudy 66 ° F PBTD 6410'. CMOL: D Spitz (Perfs 6225'-6215' Lower Navajo) Safety meeting @ 7:30 AM. Flowing well. Max rate was 14 bbls/hr. Min rate was 10 bbls/hr. Ave rate was 11.5 bbls/hr. RIH w/ Downhole Pressure gauge @ 1:00 PM. SI for buildup test. Total fluid recovered from 6:00 AM to 7:00 PM was 149.0 bbls, 149.0 oil & 0.0 water. Release WSU crew until 4/20

04/16/04 Day #30 PBTD 6410'. CMOL: D Spitz (Perfs 6225'-6215' Lower Navajo) 12 hr SITP 350 psi SIFPBU, delivering crude sample to SLC refinery

- 04/17/04 Day #31 Crew off until April 20, SIFPBU w/ bhp instrument hung off in hole on PLS slickline zone 4a (perfs 6215' – 6225' Lower Navajo) PBTD 6410'
- 04/18/04 Day #32 Crew off until April 20, SIFPBU w/ bhp instrument hung off in hole on PLS slickline; surface SITP 400 psi (70hr), SICP 500 zone 4a (perfs 6215' – 6225' Lower Navajo) PBTD 6410', CMOL: SHash

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| Kings M | eadow Rat Sec 17 T23 | H Company of Utah, LLC tches #17-1 well 8 R01W | C New: Completion 5-1/2" 17# L80 @ 9295' PBTD | |
| | | | GL to KB: 23' WO rig KB: 7' | |
| CONFI | DENTIAL I | IULE | | |
| 04/19/04 | SITP 400 | Crew off until April 20, S psi (107hr) @ 6am 4/19, 3 (perfs 6215' - 6225' Lowe | IFPBU w/ bhp instrument hung off in hole on PLS slick SICP 500, prep to begin static gradient on way out of h r Navajo) PBTD 6410', CM | line; surface iole. OL: SHash |
| 04/20/04 | 10am 4/1 | Crew expected back this 9 - Production Logging Se MO 2pm. Left well SI. Pr | am, well shut in pending production test with artificial prvices retrieved bhp instruments & ran static gradient of ep to rig down WSU. | lift. coming out of |
| 04/21/04 | broken rig water from power sw day Will | axel while steam cleanin n & released (4) frac tank ivel. Rig down WSU at er channe out wellsite housi | S rig & equipment. Loaded out BOPE & tools, MDWS to g oil off rig & equipment, purged test lines of oil w/ wat s & flow back tank. Loaded out rig pump & tank, catwa nd of day. SDFN @ 8pm. Max daily charge 8hr minim ing from 5 th wheel to 10x40 skidded office trailer for ren prary battery equipmen. Anticipate 10-14 day delivery | er, empried alk, piperacks & um on rig down nainder of test |
| 04/22/04 | Roustabo | PBU – SITP 420 psi. outs broke out test lines, si (2) 500 bbl horizontal skie | rainy, 50 teamed cleaned equipment, stored fittings etc, cleaned dded tanks for additional storage. | °F Nocation, |
| 04/23/04 | Well SIFI Set 10 x | PBU – SITP 420 psi. 40 office trailer/bunkhouse | rain,snov e. Set water & sewage tanks | V |
| 04/24/04 | Hook up | PBU – SITP 420 psi. utilities, etc. Order Lufkin 0 psiWP HT, 30 x 10 125 | overcast 640-365-168 conv pmpg unit w/ elec mtr, (4) 400 bbl s psiWP sepr, 2″ gas meter run, rental 113 KW gen set. | |
| 04/25/04 | Well SIFI Begin ha | PBU SITP 420 psi. uling road base material t | sunny, p o location for truck turnaround & tank pad. Location w | art cloudy et |
| 04/26/04 | Continue Preparin | PBU – SITP 420 psi. Hauling road base materi g for production test on be PORT pending further acti | sunny, c ial in afternoon, weather forecast for week ~ high 70's, am pump lift presently estimated to begin ~ May 7 ivity | |
| | | | | RECEIVED |

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APR 2 8 2004

| • | 0 | 4/28/2004 | 22:43 | 5176767024 | 1 | | BRO | CKENGINEERING | | | | PAGE | 02/02 |
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| 0 ' | 22 |) | | DEPARTMENT O | F NATURAL RESO | URCE | s | CONFIDER | | AL-W | |], | FORM 9 |
| U | | | <u></u> | | | | | | | | | | BER: |
| | | | | | | | | | a.# | INDIAN, ALI | LOTTEE OR TR | ide name: | |
| | D | o not use this form for | proposals to drill drill horizontal (| | | current b L form fc | otiom-hole dep or such propose | th, resenter plugged weils, or to la | W | OLVER | INE FEDE | RAL U | NIT |
| | | NAME OF OPERATOR | | GAS WE | | | | | | | | | S 17-1 |
| | N | OLVERINE (| GAS AND (| DIL COMPANY | OF UTAH, LLC | | | | 9. A | PI NUMBER: | | | |
| | 5 | ADDRESS OF OPERA 5 CAMPAU N | | | | _p 495 | 03-2616 | (616) 458-1150 | | | | CAT: | |
| | | LOCATION OF WELL | | FNL & 2000' FW | STATE OF UTAH IENT OF NATURAL RESOURCES N OF OIL, GAS AND MINING SES AND REPORTS ON WELLS Cathy depon extend wells below summit bolom-hole depth, reinter plaged wells, or to Cathy depon extend wells below summit bolom-hole depth, reinter plaged wells, or to 7. UNT OF CA ADRESSION REFEAL UNIT AS WELL O OTHER PANY OF UTAH, LLC AS WELL O OTHER RAPIDS STATE MI ZIP 49503-2816 (616) 458-1150 Of FWL COUNTY: SEVIER SENW 17 238 1W S STATE UTAH BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION BETO PREVIOUS PLANS OPERATOR CIANGE TUBING PERART OR GUANGE TUBING REPAR PLUG AND AS WOON VENT OR FLARE WELL MAME PLUG BACK WELL STAUS PRODUCING FORMATIONS RECLAMATION OF WELL STE VALUE | · · | | | | | | | |
| | | ATRACTIC SECTION, 1 | Township, Ran | ge, meridian: SENV | V 17 238 | 1₩ | S | | STAT | E: | UTAH | | |
| | 11. | СН | ECK APPP | ROPRIATE BOX | ES TO INDICA | TE N | | F NOTICE, REPOI | रा. ० | ROTH | ER DATA | | |
| | | TYPE OF SUBN | ISSION | | | - | | | | | | | |
| | U | NOTICE OF INT (Submit in Duplic | | | | | | T CAT | | | | | ON |
| | | Approximate data w | ork will start | | | Π | | | | | | | |
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| - | | 4/25/2004 | | | | | | | | OTHER: | <u>KON 90-D</u> | AY IES | <u>sr_</u> |
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| | NAME | (PLEASE PRINT) | | BROCK | | | | VANAGER - ENGI | NEE | RING | Anna Anna | | |
| : | SIGNA | | mittel | Brok | | | DATE | 4/29/2004 | | <u> </u> | | | |
| (T) | ils ape | tos for State une entry | 04 | | | | | | | | | | |
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| WOLVE | | WOLVERINE GAS AND OIL CORPORATION | | | | | | | | |
|--------------------------------|----------------|---|---|---------------------|----------------------------------|--|--|--|--|--|
| Woldsman Grante Or. Conception | | Grand Rapids, Michigan 4950: | Main Office: One Riverfront Plaza, 55 Campau NW' Grand Rapids, Michigan 49503-2616 Mason Office: | | | | | | | |
| | | Mason Office. 763 Wolverine Road Mason, Michigan 48854-9304 | | | (517) 676-7023 (517) 676-7024 | | | | | |
| RECIPIENT: | Dustin E | oucet - UDOGM, (801) 359-3940 |) | | | | | | | |
| | Al McKe | e - BLM, (801) 539-4260 | _ DATE: | <u>April 29, 20</u> | 04 | | | | | |
| FROM: | Tim Bro | ck | - | | | | | | | |
| | SENT: <u>F</u> | Form 9 (Revised) | _ | | | | | | | |
| NUMBER OF | PAGES (i | ncluding this cover sheet): | _ | | | | | | | |
| IF TRANSMIS | ISION IS I | NCOMPLETE, PLEASE CALL | Tim Brock | AT (517) 6 | 76-7023 | | | | | |
| COMMENTS, | IF ANY: | | | | | | | | | |
| ſ | | | | | | | | | | |

| See attached revised UDOGM Form 9. Note: Confidential Well |
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CONFIDENTIALITY NOTICE

THIS FACSIMILE TRANSMISSION AND ANY ACCOMPANYING DOCUMENTS CONTAIN INFORMATION BELONGING TO THE SENDER WHICH MAY BE CONFIDENTIAL AND LEGALLY PRIVILEGED. THIS INFORMATION IS INTENDED ONLY FOR THE USE OF THE RECIPIENT TO WHOM THIS FACSIMILE TRANSMISSION WAS SENT AS INDICATED ABOVE. IF YOU ARE NOT THE INTENDED RECIPIENT, ANY DISCLOSURE, COPYING, DISTRIBUTION, OR ACTION TAKEN IN RELIANCE ON THE CONTENTS OF THE INFORMATION CONTAINED IN THIS FACSIMILE TRANSMISSION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS INFORMATION IN ERROR, PLEASE NOTIFY US IMMEDIATELY BY TELEPHONE AND RETURN THE ORIGINAL MESSAGE TO US VIA THE U.S. POSTAL SERVICE. WE WILL BE HAPPY TO REMIT THE POSTAGE COST BACK TO YOU.

RECEIVED APR 2 9 2004 DIV. OF OIL, GAS & MINING

023



- CONFIDENTIAL 43.041.30030 WOLVERINE GAS AND OIL COMPANY

of Utah, LLC

Energy Exploration in Partnership with the Environment

May 19, 2004

Mr. Dustin Doucet 1594 West North Temple, Suite 1 Salt Lake City, UT 84114

1---

Dear Dustin:

Enclosed is the Completion Report (Form 8) for Wolverine's Kings Meadow Ranches 17-1 well located in Sec. 17, T23-R1W, Sevier County, Utah, along with the following materials:

Initial Production Report BHP Buildup Test Static Gradient

Report of Sidewall Core Analysis **Directional Survey** Logs per attached list

Please call if you need anything from me at either Wolverine's number in Grand Rapids, which is 616-458-1150, or at my number in Lansing, which is 517-676-7023.

Sincerely.

Timothy. Brock Manager of Engineering

Enc.: 6 c: Sidney J. Jansma, Jr. President and CEO

WLP SE KI PMT

MAY 2 0 2004

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| DEPARTMENT OF NATURAL RESOURCES WELL (finding): disconder based base | JER. | | | | | | | | | | | | | | | | | |
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| b. TYPE OF WORK: NEW MORIZ. DE WELL MATS. DE | | | EEP- | 7 | RE- | | DIFF. RESVR. | | 4Q | EXPIRED N 6-3-05 | | | | ELL NAME | and NUM | BER: | | 17-1 |
| NAME OF OPER | ATOR: | | | | | | | معديد المحمد الأ ^{ر.} | | | ¢. | , X | | | | | ·. | |
| 55 Campau NW CITY Grand Rapids ST | | | | STATE | МІ | zip 495 | 503 | | | 1150 | | The Co | venan | t Fie | ld | | | |
| | | | 2,000 | ' FWL | | | | | | | | | | | | | | |
| AT TOP PRODU | CING INTE | RVAL REPO | RTED BI | ELOW: 2 | 2,012' | FNL & | 2,016 | ' FWL | | | | | | | | | | - |
| AT TOTAL DEPT | н 2,0 | 32' FNL | & 2,1 | 91' FV | VL | | | | | | | | | | { | 1 | 3. STATE | UTA |
| | | | | CHED: | 1 | | ETED: | Al | BANDON | IED [] | READY TO | PRODUC | — | 57 | 45,574 | 6,N// | A,5726 | |
| 8. TOTAL DEPTH: | | | | 19. PLUC | S BACK T | | | | 20. IF | MULTIPLE CO | OMPLETION | S, HOW | MANY? * | | | | | |
| | | IER MECHA | NICAL LO | OGS RUN | (Submit c | opy of each |) | | | WAS WEL WAS DST | RUN? | Y? | NO | | ES 🔲 | (Subr | nit report) | |
| 4. CASING AND L | INER RECO | ORD (Report | | | 1 | | | i | STAGE | | CEMENT | TYPE & | នាម | RRY | | | | |
| HOLE SIZE | SIZE/G | RADE | WEIGH | IT (#/ft.) | TOP | P (MD) | вотто | M (MD) | | | | ACKS | | | CEMENT | тор ** | AMOUN | |
| | | | | | | | | | | | | - | | | | | _ | |
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| 5. TUBING RECO | RD | B | | | | | · · · · · | | | | | | | | | | | |
| | | | PAC | KER SET | (MD) | SIZE | | DEPTH | SET (MC |) FACKE | R SET (MD) | | SIZE | DE | EPTH SET | (MD) | PACKER | SET (N |
| | | +.043 | | | | | | l | | 27. PERFO | RATION RE | CORD | | | | | | |
| FORMATION | NAME | тог | P (MD) | BOTT | OM (MD) | TOP | (TVD) | BOTTOM | M (TVD) | IN ERVA | L (Top/Bot - | MD) | SIZE | NO. HOLE | ES | PERFO | | |
| A) Navajo 1 | | 5, | 845 | 7, | 100 | 5,8 | 340 | 7,0 | 93 | 8.670 | | | | | Open | | | |
| B) | | | | | | | , | ļ | | | | | | | | | | |
| C) | | | | | | | | | | 6,215 | 6 | ,225 | 0.47 | 40 | | | | |
| | | | | | | | | | | L | · · · | | | L, | Open | | | <u> </u> |
| | | | T | | | | | | AN | | TYPE OF MA | TERIAL | | | D REPORT DEPORT FORM 8 Changes) ESIGNATION AND SERIAL NUMBER: FEE A AGREEMENT NAME erine Federal Unit ME and NUMBER: A AGREEMENT NAME erine Federal Unit ME and NUMBER: A AGREEMENT NAME erine Federal Unit ME and NUMBER: A AGREEMENT NAME erine Federal Unit ME and NUMBER: A AGREEMENT NAME erine Federal Unit ME and NUMBER: A AGREEMENT NAME erine Federal Unit ME and NUMBER: A AGREEMENT NAME erine Federal Unit ME and NUMBER: A AGREEMENT NAME erine Federal Unit ME and NUMBER: A AGREEMENT FIELD A AGREEMENT NAME erine Federal Unit ME and NUMBER: A AGREEMENT FIELD FORMATIONS (DF, RKB, RT, GL): A AGREEMENT TOP REPORTION STATUS A MOUNT PULLE A AGREEMENT TOP ** A | | | |
| | ····· | | 10 | 00 Ga | 17.5% | HCI | | | | | | | | | | | | |
| | | | | | | /RCB | s | | | | | | | | | | | |
| | | TS | | | | | | | | | | | | | [: | 30. WEL | L STATUS: | |
| | STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL GAS AND MINING CONFIDENTIAL WELL Aussuce Resources Division of Colic GAS AND MINING WELL WELL FEF WELL COMPLETION OR RECOMPLETION REPORT AND MINING FEF WELL WELL FEF WELL WELL WELL FEF WELL WELL WELL Well Well WELL WELL WELL Well Well Well WELL WELL Well Well Well Well Well WELL Well Well Well Well Well Well Well Well Well | 1 1 1 1 2 1 | | | | | | | | | | | | | | | | |
| DIVISION OF OIL, GAS AND MINING State descension was served. WELL COMPLETION OR RECOMPLETION REPORT AND AGE 4 if Human ALLOTEC OR TREE WAS Number of Wall Well Werl Other 1 | 2 1 21 | 34 | | | | | | | | | | | | | | | | |
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| (5/2000) | | | | | | | (CC | MINUE | | BAUN) | | | | | $D^{(\star)}$ | n- Or | مو بين زورا ب | |

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|--|------------|----------------------------------|----------------------------------|------------------|--------------|--|---------------------|-----|--|-----------------|--------------------|---|
| 31. INITIAL PRO | | | | | INT | ERVAL A (As sho | wn in item #: | 26) | | | | |
| DATE FIRST PR | | TEST DA | | | HOURS TESTER | | TEST PRC | | | GAS - MCF: | WATER - BBL: | PROD. METHOD: |
| 5/12/2004 | 1 | 5/17/ | /2004 | | | 24 | RATES: | U | 708 | 1 | 20 | Pump |
| CHOKE SIZE: | TBG. PRESS | 6. CSG. PF 7 | | gravity 39.50 | BTU – GAS | GAS/OIL RATIO | 24 HR PRO RATES: | | ION OIL - BBL: 708 | GAS – MCF: 1 | WATER - BBL: 20 | INTERVAL STATUS |
| | | | | | INT | ERVAL B (As sho | wn in item #2 | 26) | | | | <u>·</u> |
| DATE FIRST PR | ODUCED: | TEST DA | ATE: | | HOURS TESTE |): | TEST PRO | | ON OIL - BBL: | GAS - MCF: | WATER BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS | 5. CSG. PR | ESS. API | GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRC RATES: | | ION OIL - BBL: | GAS - MCF: | WATER BBL: | INTERVAL STATUS |
| | | | <u></u> | | INT | ERVAL C (As sho | wn in item #2 | 26) | ······································ | | | |
| DATE FIRST PR | ODUCED: | TEST DA | NTE: | | HOURS TESTED | D: | TEST PRO RATES: | | ON OIL - BBL: | GAS – MCF: | WATER - BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS | . CSG. PR | ESS. API | GRAVITY | BTU GAS | GAS/OIL RATIO | 24 HR PRC RATES; | | ION OIL - BBL: | GAS MCF: | WATER BBL: | INTERVAL STATUS: |
| | | | | | INT | ERVAL D (As show | wn in item # ? | 26) | | | | |
| DATE FIRST PR | ODUCED: | TEST DA | TE: | | HOURS TESTED |): | TEST PRO | | ON OIL - BBL: | GAS - MCF: | WATER - BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS | . CSG. PR | ESS. API (| GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRC | | ION OIL - BBL: | GAS – MCF: | WATER - BBL: | INTERVAL STATUS: |
| 32. DISPOSITIO | | ld, Used for F | Fuel, Vented, I | Etc.) | <u></u> | | L, | | | | | _ |
| 33. SUMMARY (| | ONES (Includ | e Aquifers): | | | | | | 34. FORMATION (| Log) MARKERS: | | |
| Show all importar tested, cushion us | | | | | | tests, including de | pth interval | | | - | | |
| Formatio | n | Top (MD) | Bottom (MD) | | Descript | ions, Contents, etc | | | | Name | (1 | Top Measured Depth) |
| Navajo 1 Kayenta Wingate Navajo 2 | | 5,845 7,100 7,256 8,149 | 7,100 7,256 7,835 9,396 | Sanc Sanc | lstone, pres | tains oil anc sumably cor sumably cor tains water | ntains wa | | | | | 0 5.549 5.845 7.100 7.256 7.835 8,149 |

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all avai able records.

| NAME (PLEASE PRINT) TIMOTHY J. Brock | TITLE Manager-Engineering |
|--------------------------------------|---------------------------|
| SIGNATURE MURATTAN LINGE | DATE 5/19/04 |
| // // | |

This report must be submitted within/30 days of • completing or plugging a new well

- · drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- · reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests
- * ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIF), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

| Send to: | Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 | Phone: | 801-538-5340 |
|----------|--|--------|--------------|
| | Box 145801 Salt Lake City, Utah 84114-5801 | Fax: | 801-359-3940 |



| List of logs attached to Form 8, Kings Meadow | Ranches 17-1 |
|---|--------------|
| Spectral Density Dual Spaced Neutron | 12/28/2003 |
| Dual Laterolog Microguard | 12/28/2003 |
| Full Wave Sonic | 12/28/2003 |
| Full Wave Sonic Shear/Compressional Delta T Log | 12/30/2003 |
| Electric Micro Imager SHIVA Dip Analysis | 12/28/2003 |
| i High Resolution Induction | 1/29/2004 |
| Spectral Density Dual Spaced Neutron | 1/29/2004 |
| Borehole Volume Plot | 1/29/2004 |
| Wave Sonic Delta T Plot | 2/4/2004 |
| Cement Bond Log | 2/10/2004 |
| Cement Bond Log | 1/29/2004 |
| Cement Bond Log Variable Density Gamma Ray | 3/23/2004 |

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INITIAL PRODUCTION REPORT

Confidential Well

| | | | | Field name T | he Cove | nant Field | d | |
|----------|-------------------------------|---|--|--|--|--|--|---|
| ny name | Wolverine | Gas and C | Dil Co. of L | Jtah, LLC | API No. | 43-041-300 | 30 | DP No. |
| ime & No | o. Kings Mea | adow Rano | ches 17-1 | | Completi | ion date 5/3/2 | 004 | |
| Sevie | r | | Towns | ship name | | | т | 23S R 1W |
| ing form | ation Navajo | 1 | Locati | on 2,040' FN | L & 2,000' | FWL SE/N | W Sec 17-2 | 23S-1W S Meridian |
| | | INITIAL | PRODUC | TION DATA | FOR: (MO | NTH) May, | (YEAR) 20 | 04 |
| Choke | Hours prod | | | Water Bhis | FTP | FCP | GOR SCF/bbl | Remarks |
| 5120 | 16 | 269 | 0 | 187 | 0 | - <u>-</u> | - | Load water |
| | 16 | 391 | 0 | 50 | 0-50 | 7 | - | Load Water |
| | 22 | 680 | 0 | 12 | 0-50 | 7 | - | Load Water; FLFS: 757' |
| | 21 | 601 | 0 | 33 | 0-50 | 7 | - | Load Water; FLFS: 957' |
| | 24 | 694 | 0 | 33 | 0-50 | 7 | - | 21 BBL Load; FLFS: 1122' |
| | 24 | 708 | 1 | 20 | 0-50 | 7 | 1.4 | FLFS: 1,201'- 1,176' |
| | 24 | 692 | 1 | 28 | 0-30 | 5 | 1.4 | FLFS: 1,220' |
| | | | | | | | | |
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| | ime & No Sevie ing form | Ime & No. Kings Mean Sevier ing formation Navajo Choke size Hours prod. 16 16 22 21 21 24 24 | ime & No. Kings Meadow Rand Sevier ing formation Navajo 1 INITIAL Choke Daily pro- Size Hours prod. Oil Bbls. 16 269 16 391 22 680 21 601 24 694 24 708 | Imme & No. Kings Meadow Ranches 17-1 Sevier Towns Initial PRODUC Initial PRODUC Choke Daily production Size Daily production Hours prod. Oil Bbls. Gas Mcf 16 269 0 16 391 0 22 680 0 21 601 0 24 694 0 24 708 1 | ny name Wolverine Gas and Oil Co. of Utah, LLC Ime & No. Kings Meadow Ranches 17-1 Sevier Township name ing formation Navajo 1 Location 2,040' FN INITIAL PRODUCTION DATA Choke Daily production Size Hours prod. Oil Bbls. Gas Mcf Water Bbls 16 269 0 187 16 391 0 50 12 680 0 12 22 680 0 12 21 601 0 33 24 694 0 33 24 708 1 20 | No. Kings Meadow Ranches 17-1 Complet Sevier Township name INITIAL PRODUCTION DATA FOR: (MO Sevier Township name INITIAL PRODUCTION DATA FOR: (MO Choke Paily production FTP Size Hours prod. OII Bbls. Gas Mcf Water Bbls psig 16 269 0 187 0 16 391 0 50 0-50 22 680 0 12 0-50 24 694 0 33 0-50 24 708 1 20 0-50 | Molverine Gas and Oil Co. of Utah, LLC API No. 4/3-041-300 Completion date 5/3/2 Sevier Township name Internation Navajo 1 Location 2,040' FNL & 2,000' FWL SE/N INITIAL PRODUCTION DATA FOR: (MON TH) May, FTP FCP Sevier Township name INITIAL PRODUCTION DATA FOR: (MON TH) May, Choke Paily production FTP FCP Size Hours prod. Oil Bbis. Gas Mcf Water Bbis psig psig 116 269 0 187 0 7 22 680 0 12 0-50 7 23 601 0 33 0-50 7 24 694 0 33 0-50 7 24 708 1 20 0-50 7 | Completion date 5/3/2004 Completion date 5/3/2004 Sevier T 2 Township name T 2 Introduction 2,040' FNL & 2,000' I*WL SE/NW Sec 17-2 INITIAL PRODUCTION DATA FOR: (MON TH) May, (YEAR) 20 Choke FTP FCP GOR Size Hours prod. OII Bbis. Gas Mcf Water Bbis Psig SCF/bbi 16 269 O 187 O 7 Choke FTP FCP GOR SCF/bbl 16 269 O 187 O 16 269 O 187 O 22 6880 O 187 O 21 601 O 33 0-50 7 - |



CONFIDENTIAL WELL «

Delta Time

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PRODUCTION LOGGING SERVICES, INC.

SURVEY RESULTS REPORT

COMPANY NAME: WOLVERINE GAS AND OIL COMPANY OF UTAH, LLC

WELL NAME: KING MEADOWS RANCH #17-1

TYPE OF SURVEY: PRESSURE BUILD-UP

DATE: 4/14/2004-04/19/2004

TIME ENGAGE BATTERY: TIME ON DEPTH (6125'): TIME SHUT WELL IN: TIME OFF DEPTH:

12:16:00 4/14/2004 12:46:45 4/14/2004 19:49:00 4/14/2004 10:26:34 4/19/2004 118.183333

SURFACE PRESSURE AT SWI: 1227 PSIG SURFACE PRESSURE AT EOS: 440 **PSIG**

COMMENTS:

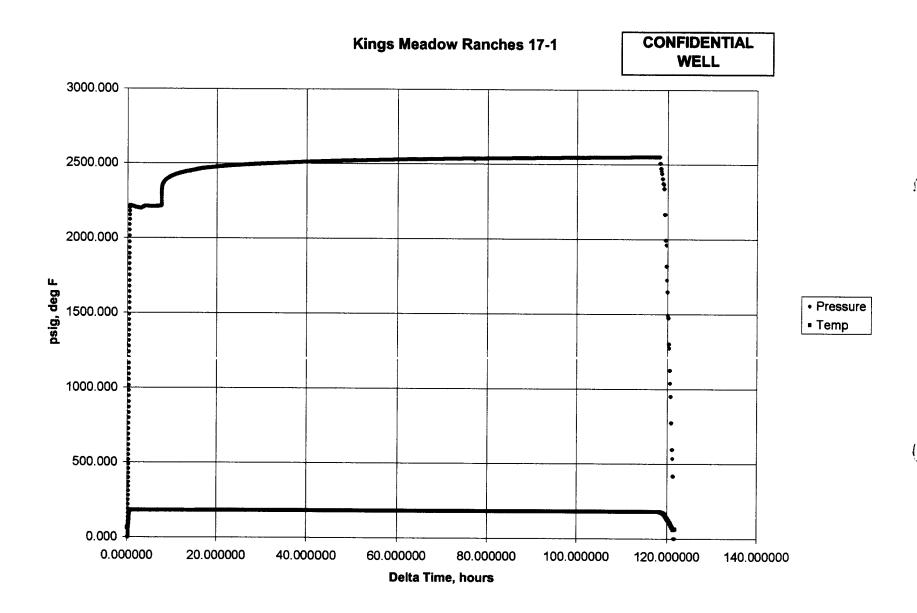
GAUGES SET AT 6125'. GAUGES RECORDED DATA SAMPILE EVERY 15 SECONDS FOR THE FIRST TEN HOURS AND EVERY TWO MINUTES THEREAFTER.

| Delta Time | Pressure | Temp | | | |
|------------|----------|---------|----------|----------|----------|
| 0.512500 | 2217.144 | 179.118 | On | Depth (| 6125') |
| 1.512500 | 2208.538 | 180.151 | | | |
| 2.512500 | 2201.039 | 180.239 | | <u></u> | L |
| 3.512500 | 2207.253 | 180.321 | | | |
| 4.512500 | 2211.961 | 180.390 | | | |
| 5.512500 | 2211.079 | 180.439 | | | |
| 6.512500 | 2211.619 | 180.502 | | - | |
| 7.512500 | 2212.878 | 180.551 | | | |
| 7.550000 | 2213.108 | 180.554 | sw | 1 | |
| 7.554167 | 2216.492 | 180.549 | | | · |
| 7.558333 | 2223.604 | 180.541 | | | |
| 7.562500 | 2233.215 | 180.553 | <u>+</u> | | <u> </u> |
| 7.570833 | 2263.366 | 180.571 | | | |
| 7.583333 | 2205.300 | | | <u></u> | |
| | | 180.594 | | <u> </u> | |
| 7.591667 | 2311.668 | 180.612 | | | |
| 7.600000 | 2318.677 | 180.628 | _ | | |
| 7.612500 | 2325.396 | 180.646 | | | |
| 7.620833 | 2328.836 | 180.655 | | | L |
| 7.629167 | 2331.607 | 180.659 | L | | |
| 7.641667 | 2335.128 | 180.665 | | | |
| 7.650000 | 2337.060 | 180.664 | | | |
| 7.700000 | 2345.765 | 180.639 | | | |
| 7.750000 | 2351.993 | 180.611 | | | |
| 7.800000 | 2356.788 | 180.579 | | | |
| 7.850000 | 2360.426 | 180.542 | | | |
| 7.900000 | 2363.679 | 180.514 | | | |
| 7.950000 | 2366.706 | 180.488 | | | |
| 8.050000 | 2371.622 | 180.431 | | | |
| 8.150000 | 2375.842 | 180.379 | | | <u> </u> |
| 8.250000 | 2379.638 | 180.340 | <u> </u> | • | + |
| 3.350000 | 2382.845 | 180.302 | <u> </u> | | |
| B.450000 | 2385.805 | 180.259 | <u> </u> | | <u> </u> |
| 8.550000 | 2388.581 | 180.239 | | · | |
| | | | <u> </u> | | |
| 9.050000 | 2399.726 | 180.100 | <u> </u> | | |
| 9.550000 | 2408.819 | 180.008 | | ••••• | |
| 0.550000 | 2422.743 | 179.861 | <u> </u> | | |
| 1.550000 | 2432.593 | 179.758 | ļ | | |
| 2.550000 | 2440.516 | 179.688 | ļ | | |
| 3.550000 | 2446.810 | 179.613 | L | | L |
| 4.550000 | 2452.695 | 179.657 | | | |
| 5.550000 | 2459.317 | 179.697 | | | |
| 6.550000 | 2465.487 | 179.708 | | | |
| 7.550000 | 2469.102 | 179.716 | <u> </u> | | |
| 9.550000 | 2475.369 | 179.722 | [| | [|
| 1.550000 | 2480.926 | 179.730 | [| | |
| 3.550000 | 2485.809 | 179.748 | | | |
| 5.550000 | 2490.115 | 179.758 | | | <u> </u> |
| 7.550000 | 2493.988 | 179.773 | | | |
| 2.550000 | 2502.119 | 179.803 | <u> </u> | | |
| 7.550000 | 2508.802 | 179.803 | <u> </u> | | |
| | | | | | |
| 2.550000 | 2514.289 | 179.852 | — | | |
| 7.550000 | 2519.010 | 179.869 | <u> </u> | | |
| 7.550000 | 2526.693 | 179.911 | | | |
| 7.550000 | 2532.813 | 179.945 | | | L |
| 7.550000 | 2537.001 | 179.974 | <u> </u> | | L |
| 37.550000 | 2541.607 | 179.994 | L | | L |
| 7.550000 | 2545.114 | 180.003 | | | |
| 07.550000 | 2548.156 | 180.020 | | | |
| 000000 | 2010.100 | | | | |

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Pressure Build-Up Survey King Meadows Ranch #17-1



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PRODUCTION LOGGING SERVICES, INC.

SURVEY RESULTS REPORT

COMPANY NAME: WOLVERINE GAS AND OIL COMPANY OF UTAH, LLC

WELL NAME: KING MEADOWS RANCH #1'-1

TYPE OF SURVEY: STATIC GRADIENT

DATE: 4/14/2004

TIME ENGAGE BATTERY:

8:18:30

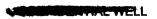
| | | START | END | AVERAGE | MEDIAN |
|---------|-------------------|-----------|-------------|--------------------|-----------------|
| STOPS | DURATION | TIME | TIME | PRI:SSURE | PRESSURE |
| 6125' | 117 HR 41 MIN | END PRESS | SURE: 2550. | 980 * SEE PRESSURE | BUILD-UP SURVEY |
| 6000' | 10 MINUTES | 10:27:21 | 10:37:30 | 2507.288 | 2507.293 |
| 5900' | 10 MINUTES | 10:38:01 | 10:48:11 | 2473.368 | 2473.385 |
| 5800' | 10 MINUTES | 10:48:45 | 10:59:00 | 2438.937 | 2439.127 |
| 5700' | 10 MINUTES | 10:59:34 | 11:09:44 | 2405.160 | 2405.137 |
| 5600' | 10 MINUTES | 11:10:11 | 11:20:21 | 2371.011 | 2371.012 |
| 5500' | 10 MINUTES | 11:20:45 | 11:30:55 | 2337.007 | 2337.002 |
| 5000' | 10 MINUTES | 11:32:18 | 11:42:28 | 2165.441 | 2165.481 |
| 4500' | 10 MINUTES | 11:44:00 | 11:54:10 | 1993.284 | 1993.247 |
| 4000' | 10 MINUTES | 11:55:29 | 12:05:39 | 1820.689 | 1820.670 |
| 3500' | 10 MINUTES | 12:07:06 | 12:17:16 | 1647.418 | 1647.418 |
| 3000' | 10 MINUTES | 12:18:38 | 12:28:48 | 1473.360 | 1473.344 |
| 2500' | 10 MINUTES | 12:30:03 | 12:40:13 | 1299.329 | 1299.309 |
| 2000' | 10 MINUTES | 12:41:44 | 12:51:54 | 1124.114 | 1124.097 |
| 1500' | 10 MINUTES | 12:53:01 | 13:03:11 | 948.813 | 948.787 |
| 1000' | 10 MINUTES | 13:04:23 | 13:14:33 | 772.712 | 772.708 |
| 500' | 10 MINUTES | 13:15:45 | 13:25:55 | 595.808 | 595.792 |
| SURFACE | 10 MINUTES | 13:28:48 | 13:38:48 | 4 6.608 | 416.639 |

Static Gradient Pressure Survey King Meadows Ranch #17-1

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CONFIDENTIAL WELL

WESTPORT TECHNOLOGY CENTER INTERNATIONAL



Rotary Sidewall Sample Inventory

Company:Wolverine Gas and Oil Company of Utah, LLCWell Name:Kings Meadow Ranch 17-1Location:Sevier Co., UT

Section 17, 23 South, 1 West API 4304130030

| | | | | Routine Properties | | | | | |
|--------|-------|---------|------------|--------------------|------------|------|--|--|--|
| Sample | Depth | Remarks | Dean-Stark | Grain | Pore Vol / | Air | | | |
| ID | (ft) | | Saturaticn | Vol / Den | Porosity | Perm | | | |
| 17 | 8292. | Wafers | | х | х | | | | |
| 8 | 8470. | Wafers | | Х | Х | | | | |
| 9 | 8495. | | Х | х | Х | х | | | |
| 10 | 8528. | | Х | Х | Х | Х | | | |
| 11 | 8567. | | Х | Х | Х | Х | | | |
| 12 | 8615. | | Х | Х | Х | Х | | | |
| 13 | 8645. | | Х | Х | Х | Х | | | |
| 14 | 8665. | | Х | х | Х | х | | | |
| 5 | 8740. | | Х | х | Х | Х | | | |
| 4 | 8753. | | Х | Х | Х | Х | | | |
| 3 | 8816. | | Х | Х | Х | Х | | | |
| 2 | 8934. | Wafers | | Х | Х | | | | |
| 1 | 8960. | Wafers | | х | Х | | | | |

WESTPORT TECHNOLOGY CENTER INTERNATIONAL

CONFIDENTIAL WELL

SUMMARY OF ROTARY CORE ANALYSIS RESULTS Net Confining Stress: 800 psi

| | | | | | | | | | | | Klinkenberg | Pore | Volume Satu | rations | |
|--------------|--------------------|----------------------|--------------------|------------------|--------------------------|--|--------------------------------------|--------------------------------------|-----------------------|-----------------------------|-----------------------------|--------------|--------------|--------------|-----------------------------|
| Sample ID | Depth (ft) | Dry Weight (g) | Length (cm) | Diameter (cm) | Grain Volume (cm³) | Grain Density (g/cm ³) | Pore Volume (cm ³) | Bulk Volume (cm ³) | Porosity (percent) | Air Permeability (md) | Air Permeability (md) | Water % | 0il % | Gas % | Lithological Description |
| 17 | 8292. | 9.7800 | | | 3.720 | 2.629 | | 3.720 | | | | | | | |
| 8 | 8470. | 20.4900 | | | 7.700 | 2.66 1 | | 7.700 | | | | | | | |
| 9 | 8495. at 4000 p | 30.5500 psi NCS | 3.260 | 2.320 | 11.520 11.520 | 2.652 | 1.910 1.810 | | 14.2 13.6 | 16.6 15.5 | 15.7 14.6 | 75.6 79.8 | 14.5 15.3 | 9.9 4.9 | MARTIN |
| 10 | 8528. at 4000 p | 25.7800 psi NCS | 2.790 | 2.310 | 9.720 9.720 | 2.652 | | 11.662 11.530 | 16.7 15.7 | 86.7 79.8 | 84.3 77.5 | 75.4 80.9 | 8.0 8.6 | 16.6 10.5 | |
| 11 | 8567. at 4000 p | 29.0300 psi NCS | 2. 94 0 | 2.310 | 10.870 10.870 | 2.671 | 1.323 1.229 | 12.193 12.099 | 10.9 10.2 | 4.27 2.93 | 3.85 2.57 | 84.0 90.4 | 3.6 3.9 | 12.4 5.7 | |
| 12 | 8615. at 4000 p | 33.2100 psi NCS | 3.530 | 2.310 | 12.510 12.510 | 2.655 | 2.138 1.985 | 14.648 14.495 | 14.6 13.7 | 11.0 9.57 | 10.3 8.89 | 82.7 89.0 | 2.8 3.1 | 14.5 7.9 | |
| 13 | at 4000 p | | 3.090 | | 10.670 10.670 | | 2.184 2.044 | 12.854 12.714 | 17.0 16.1 | 5.72 4.60 | 5.21 4.16 | 90.2 96.4 | 0.7 0.7 | 9.1 2.9 | |
| 14 | 8665. at 4000 g | 29.7900 nsi NCS | 3.310 | 2.300 | 11.220 11 220 | 2.655 | 1.732 1.571 | 12.952 12.791 | 13.4 12.3 | 2.99 2.35 | 2.63 2.05 | 87.5 96.4 | 2.9 3.2 | 9.6 0.4 | |
| 5 | 8740. at 4000 p | 31.1600 psi NCS | 3.080 | 2.320 | 11.720 11.720 | 2.659 | 1.972 1.817 | 13.692 13.537 | 14.4 13.4 | 7.47 6.69 | 6.87 6.14 | 60.9 66.1 | 23.5 25.5 | 15.6 8.4 | |
| 4 | 8753. at 4000 p | 16.1200 psi NCS | 2.540 | 2.310 | 6.080 6.080 | 2.6 51 | 1.334 1.226 | 7.414 7.306 | 18.0 16.8 | 192. 176. | 188. 172. | 84.0 91.4 | 3.6 3.9 | 12.3 4.6 | |
| 3 | 8816. at 4000 p | 22.350 psi NCS | 2.380 | 2.330 | 8.410 8.410 | 2.658 | 1.801 1.620 | 10.211 10.030 | 17.6 16.2 | 7.81 6.88 | 7.20 6.32 | 76.3 84.8 | 23.7 15.2 | 0.0 0.0 | |

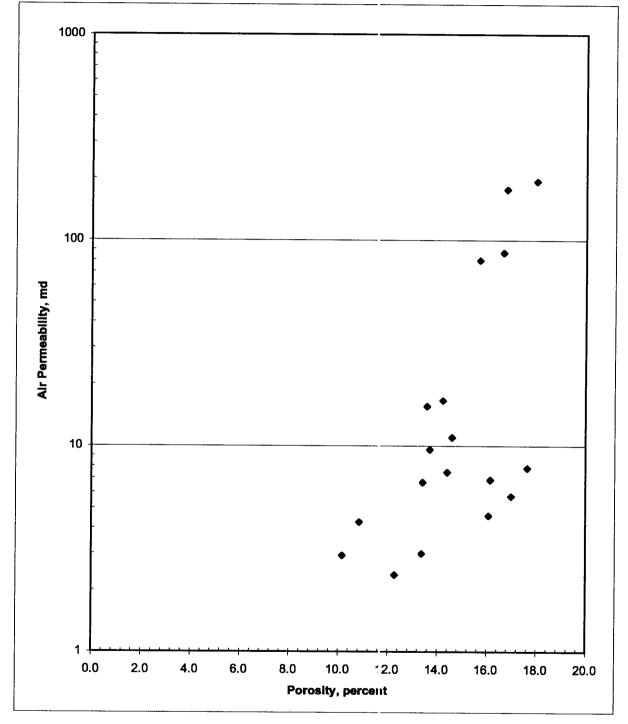
WESTPORT TECHNOLOGY CENTER INTERNATIONAL

CONFIDENTIAL WELL

SUMMARY OF ROTARY CORE ANALYSIS RESULTS

Net Confining Stress: 800 psi

Company:Wolverine Gas and OilSection 17, 23 South, 1 WestWell Name:Kings Meadow Ranch 17-1API 4304130030Location:Seviere Co., UTAPI 4304130030



Prepared for Wolverine Gas and Oil 02/06/04

R-04-SO#

Page 3

Survey Report

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| | (| Company | Wolve | rine Gas | & Oil | Company | of Utah | LLC | Tgt. Inc. | | | | |
|------------------|---------------|------------|--------|----------|-------|-------------|----------|---------|------------|-------|-------|---------|------|
| | | | | | | hes # 17-1 | J. J.all | , | Mag. Decl. | 12 04 | • | | |
| | | | | | nan | /163 # 1/-1 | | | • | | - | | |
| | | | Sigurd | | · | | | | Target TVD | 9200 | - | | |
| | | Rig | Unit # | 236 | | | | | Target Az. | | | | |
| | | | | | | | | | Tgt. Coor. | | • | | |
| Date | No. | DEPTH | INC. | A 714 | | | <u> </u> | 110 | - | | | | |
| Dale Tie - In | 1 | DEFIN | INC. | AZM | C.L. | T.V.D. | V.S. | N/S | E/W | DLS | B./D. | Walk | BR |
| ESS | 2 | 139 | 4.40 | 200.40 | 400 | (00.00) | | | | | | | |
| ESS | 3 | 270 | 1.40 | 290.40 | 139 | 138.99 | 0.59 | 0.59 N | 1.59 W | 1.01 | 1.01 | 208.92 | -0. |
| ESS | 4 | | 0.20 | 188.80 | | 269.97 | 0.92 | 0.92 N | 3.13 W | 1.11 | -0.92 | -77.56 | 0. |
| ESS | 4 5 | 440 634 | 0.60 | 194.50 | | 439.97 | -0.23 | 0.23 S | 3.39 W | 0.24 | 0.24 | 3.35 | - |
| ESS | 6 | | 1.40 | 334.90 | | 633.95 | 0.93 | 0.93 N | 4.65 W | 0.98 | 0.41 | 72.37 | -0. |
| ESS | | 975 | 3.10 | 65.40 | 341 | 974.75 | 8.54 | 8.54 N | 1.96 E | 1.00 | 0.50 | -79.03 | -0. |
| | 7 | 1198 | 4.30 | 317.00 | 223 | 1197.48 | 17.18 | 17.18 N | 1.75 E | 2.71 | 0.54 | 112.83 | -0. |
| ESS | 8 | 1285 | 4.10 | 28.60 | | 1284.30 | 22.30 | 22.30 N | 1.01 E | 5.65 | -0.23 | -331.49 | -0.(|
| ESS | 9 | 1465 | 4.80 | 335.50 | | 1463.83 | 34.80 | 34.80 N | 0.97 E | 2.24 | 0.39 | 170.50 | -0.(|
| ESS | 10 | 1562 | 4.20 | 270.20 | 97 | 1560.59 | 38.51 | 38.51 N | 4.27 W | 5.03 | -0.62 | -67.32 | -0.0 |
| ESS | 11 | 1673 | 2.80 | 80.40 | | 1671.51 | 38.98 | 38.98 N | 5.66 W | 6.28 | -1.26 | -170.99 | -0.0 |
| ESS | 12 | 1863 | 2.40 | 62.60 | 190 | 1861.32 | 41.58 | 41.58 N | 2.44 E | 0.47 | -0.21 | -9.37 | -0.0 |
| ESS | 13 | 1962 | 1.60 | 55.60 | 99 | 1960.26 | 43.32 | 43.32 N | 5.42 E | 0.84 | -0.81 | -7.07 | -0.0 |
| ESS | 14 | 2059 | 1.60 | 64.40 | 97 | 2057.22 | 44.67 | 44.67 N | 7.76 E | 0.25 | | 9.07 | -0.0 |
| ESS | 15 | 2145 | 2.60 | 69.80 | 86 | 2143.16 | 45.86 | 45.86 N | 10.68 E | 1.18 | 1.16 | 6.28 | -0.0 |
| ESS | 16 | 2242 | 3.00 | 70.60 | 97 | 2240.04 | 47.46 | 47.46 N | 15.14 E | 0.41 | 0.41 | 0.82 | -0.0 |
| ESS | 17 | 2336 | 2.60 | 67.20 | 94 | 2333.93 | 49.11 | 49.11 N | 19.42 E | 0.46 | -0.43 | -3.62 | -0.0 |
| ESS | 18 | 2430 | 3.20 | 81.00 | 94 | 2427.81 | 50.34 | 50.34 N | 23.98 E | 0.97 | 0.64 | 14.68 | -0.0 |
| ESS | 19 | 2528 | 3.70 | 79.60 | 98 | 2525.63 | 51.34 | 51.34 N | 29.79 E | 0.52 | 0.51 | -1.43 | -0.0 |
| ESS | 20 | 2600 | 4.60 | 80.10 | 72 | 2597.44 | 52.26 | 52.26 N | 34.92 E | 1.25 | 1.25 | 0.69 | -0.0 |
| ESS | 21 | 2642 | 5.00 | 92.60 | 42 | 2639.30 | 52.46 | 52.46 N | 38.41 E | 2.66 | 0.95 | 29.76 | -0.0 |
| ESS | 22 | 2717 | 5.20 | 97.10 | 75 | 2714.00 | 51.90 | 51.90 N | 45.04 E | 0.60 | 0.27 | 6.00 | -0.0 |
| ESS | 23 | 2779 | 4.80 | 101.80 | 62 | 2775.76 | 51.02 | 51.02 N | 50.37 E | 0.92 | -0.65 | 7.58 | -0.0 |
| ESS | 24 | 2837 | 4.30 | 103.60 | 58 | 2833.58 | 50.01 | 50.01 N | 54.86 E | 0.90 | -0.86 | 3.10 | -0.0 |
| SS | 25 | 2899 | 3.80 | 104.40 | 62 | 2895.43 | 48.95 | 48.95 N | 59.11 E | 0.81 | -0.81 | 1.29 | -0.0 |
| ESS | 26 | 2991 | 3.40 | 108.00 | 92 | 2987.25 | 47.35 | 47.35 N | 64.66 E | 0.50 | -0.43 | 3.91 | -0.0 |
| ESS | 27 | 3048 | 2.60 | 110.40 | 57 | 3044.17 | 46.38 | 46.38 N | 67.48 E | 1.42 | -1.40 | | -0.0 |
| ESS | 28 | 3116 | 2.40 | 111.20 | 68 | 3112.10 | 45.33 | 45.33 N | | | | 4.21 | |
| SS | 29 | 3209 | 2.20 | 119.80 | 93 | 3205.03 | | | 70.25 E | 0.30 | -0.29 | 1.18 | -0.0 |
| ISS | 30 | 3300 | 1.60 | 118.20 | 91 | 3295.98 | 43.73 | 43.73 N | 73.61 E | 0.43 | -0.22 | 9.25 | -0.0 |
| ESS | 31 | 3392 | 1.80 | | | | 42.27 | 42.27 N | 76.25 E | 0.66 | -0.66 | -1.76 | -0.0 |
| SS | 32 | 3481 | 1.20 | 135.60 | 92 | 3387.94 | 40.63 | 40.63 N | 78.39 E | 0.60 | 0.22 | 18.91 | -0.0 |
| ISS ISS | | | | 159.50 | 89 | 3476.91 | 38.76 | 38.76 N | 79.70 E | 0.96 | -0.67 | 26.85 | -0.0 |
| | 33 | 3572 | 0.70 | 195.40 | 91 | 3567.89 | 37.33 | 37.33 N | 79.88 E | 0.83 | -0.55 | 39.45 | -0.0 |
| ESS SS | 34 | 3664 | 0.60 | 223.20 | 92 | 3659.89 | 36.43 | 36.43 N | 79.40 E | 0.36 | -0.11 | 30.22 | -0.0 |
| SS SS | 35 | 3756 | 1.70 | 275.20 | 92 | 3751.87 | 36.21 | 36.21 N | 77.71 E | 1.53 | 1.20 | 56.52 | -0.0 |
| ISS . | 36 | 3870 | 2.80 | 288.20 | 114 | 3865.78 | 37.23 | 37.23 N | 73.39 E | 1.06 | 0.96 | 11.40 | -0.0 |
| ISS ISS | 37 | 3950 | 2.60 | 295.00 | 80 | 3945.69 | 38.61 | 38.61 N | 69.88 E | 0.47 | -0.25 | 8.50 | -0.0 |
| ISS ISS | 38 | 4065 | 2.20 | 278.00 | 115 | 4060.59 | 40.02 | 40.02 N | 65.33 E | 0.71 | -0.35 | -14.78 | -0.0 |
| SS | 39 | 4150 | 2.20 | 287.20 | 85 | 4145.53 | 40.73 | 40.73 N | 62.16 E | 0.42 | | 10.82 | -0.0 |
| ISS I | 40 | 4225 | 2.00 | 268.80 | 75 | 4220.48 | 41.12 | 41.12 N | 59.48 E | 0.93 | -0.27 | -24.53 | -0.0 |
| ISS | 41 | 4330 | 2.20 | 282.90 | 105 | 4325.41 | 41.54 | 41.54 N | 55.68 E | 0.53 | 0.19 | 13.43 | -0.0 |
| SS | 42 | 4415 | 1.80 | 293.00 | 85 | 4410.36 | 42.42 | 42.42 N | 52.86 E | 0.63 | -0.47 | 11.88 | -0.0 |
| SS | 43 | 4528 | 1.40 | 272.00 | 113 | 4523.32 | 43.16 | 43.16 N | 49.85 E | 0.62 | -0.35 | -18.58 | -0.0 |
| SS | 44 | 4625 | 1.40 | 285.00 | 97 | 4620.29 | 43.51 | 43.51 N | 47.52 E | 0.33 | | 13.40 | -0.0 |
| SS | 45 | 4714 | 2.20 | 273.30 | 89 | 4709.24 | 43.89 | 43.89 N | 44.76 E | 0.98 | 0.90 | -13.15 | |
| SS | 46 | 4800 | 3.30 | 272.00 | 86 | 4795.14 | 44.07 | 44.07 N | 40.64 E | 1.28 | 1.28 | -1.51 | -0.0 |
| SS | 47 | 4884 | 2.90 | 251.20 | 84 | 4879.02 | 43.47 | 43.47 N | 36.21 E | 1.41 | -0.48 | -24.76 | -0.0 |
| SS | 48 | 4975 | 1.80 | 247.60 | 91 | 4969.95 | 42.19 | 42.19 N | 32.71 E | 1.22 | -1.21 | -3.96 | -0.0 |

Survey Report

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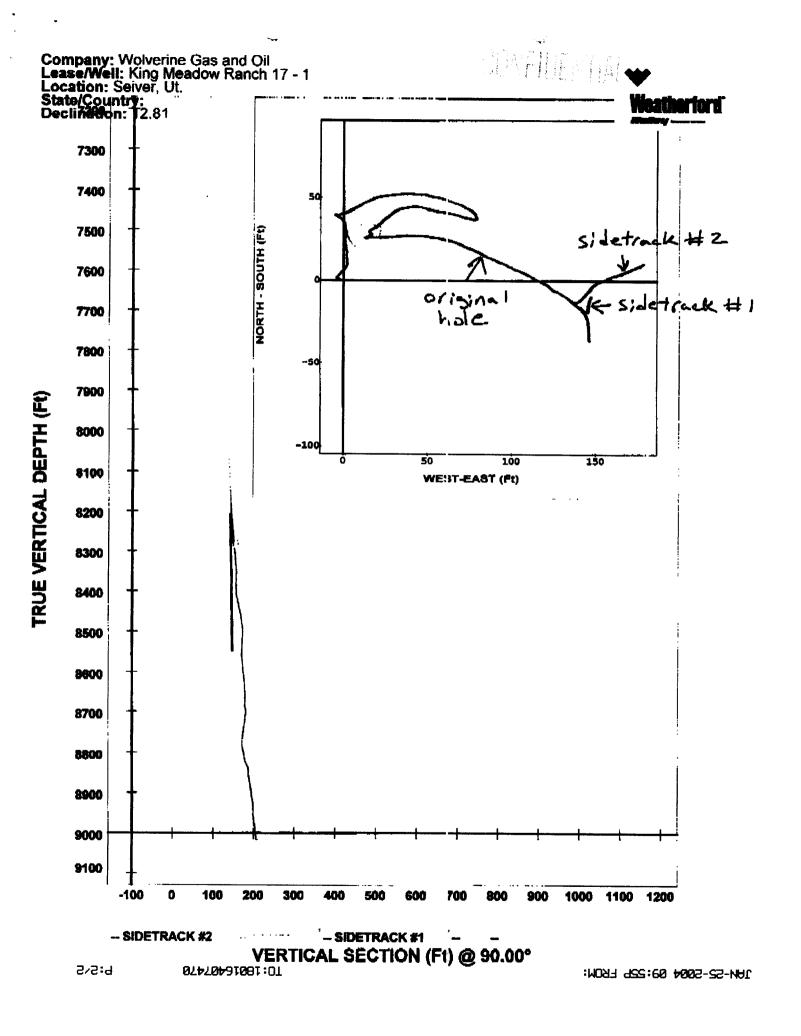
.

| | | | 387 3 | | | | | | | | | | |
|------------|----------|--------------|--------------|------------------|-----------|--------------------|-----------------------|------------------|----------------------|--------------|---------------|----------------|----------------|
| | (| • • | | | | Company | | LLC | Tgt. Inc. | | - | | |
| | | Well | Kings | Meadow | Ranc | hes # 17- | 1 | | Mag. Decl. | 12.81 | _ | | |
| | | Field | Sigurd | | | | | | Target TVD | 9200 | - | | |
| | | Ria | Unit# | 236 | | | | | Target Az. | | - | | |
| ł | | | | | | | | | - | | - | | |
| | | | <u> </u> | | | | | | Tgt. Coor. | | | | - |
| Date | No. | DEPTH | INC. | AZM | C.L. | T.V.D. | V.S. | N/S | E/W | DLS | B./D. | Walk | BRN |
| ESS | 49 | 5068 | 1.80 | 225.00 | 93 | 5062.90 | 40.60 | 40.60 N | 30.33 E | | | | |
| ESS | 50 | 5162 | 2.20 | 232.40 | 94 | 5156.84 | 38.45 | 38.45 N | 27.86 E | 0.76 0.51 | | -24.30 | -0.04 |
| ESS | 51 | 5286 | 1.60 | 231.70 | 124 | 5280.77 | 35.93 | 35.93 N | 24.61 E | 0.51 | 0.43 | 7.87 -0.56 | -0.05 |
| ESS | 52 | 5378 | 1.70 | 218.50 | 92 | 5372.74 | 34.06 | 34.06 N | 22.76 E | 0.43 | 0.40 | -14.35 | -0.04 |
| ESS | 53 | 5471 | 2.00 | 240.10 | 93 | 5465.69 | 32.17 | 32.17 N | 20.49 E | 0.81 | 0.32 | 23.23 | -0.05 |
| ESS | 54 | 5565 | 2.10 | 245.70 | 94 | 5559.63 | 30.65 | 30.65 N | 17.50 E | 0.24 | 0.11 | 5.96 | -0.06 |
| ESS | 55 | 5658 | 1.30 | 236.30 | 93 | 5652.59 | 29.36 | 29.36 N | 15.07 E | 0.91 | -0.86 | -10.11 | -0.04 |
| ESS | 56 | 5750 | 1.20 | 154.10 | 92 | 5744.57 | 27.91 | 27.91 N | 14.62 E | 1.79 | -0.11 | -89.35 | -0.03 |
| ESS | 57 | 5842 | 1.60 | 61.20 | 92 | 5836.55 | 27.67 | 27.67 N | 16.17 E | 2.23 | 0.43 | -100.98 | -0.05 |
| ESS | 58 | 5936 | 0.60 | 96.40 | 94 | 5930.54 | 28.24 | 28.24 N | 17.81 E | 1.24 | -1.06 | 37.45 | -0.02 |
| ESS | 59 | 6020 | 1.60 | 228.10 | 84 | 6014.53 | 27.41 | 27.41 N | 17.37 E | 2.44 | 1.19 | 156.79 | -0.05 |
| ESS | 60 | 6121 | 1.30 | 266.20 | 101 | 6115.50 | 26.39 | 26.39 N | 15.18 E | 0.98 | -0.30 | 37.72 | -0.04 |
| ESS | 61 | 6214 | 2.00 | 253.30 | 93 | 6208.46 | 25.86 | 25.86 N | 12.57 E | 0.85 | 0.75 | -13.87 | -0.07 |
| ESS | 62 | 6400 | 2.80 | 82.80 | 186 | 6394.40 | 25.49 | 25.49 N | 13.97 E | 2.57 | 0.43 | -91.67 | -0.10 |
| ESS | 63 | 6545 | 3.20 | 89.70 | 145 | 6539.20 | 25.96 | 25.96 N | 21.53 E | 0.37 | 0.28 | 4.76 | -0.12 |
| ESS | 64 | 6652 | 3.20 | 75.80 | 107 | 6646.03 | 26.71 | 26.71 N | 27.41 E | 0.72 | | -12.99 | -0.13 |
| ESS | 65 | 6820 | 3.80 | 93.50 | 168 | 6813.72 | 27.52 | 27.52 N | 37.51 E | 0.73 | 0.36 | 10.54 | -0.16 |
| ESS | 66 | 6909 | 3.50 | 92.20 | 89 | 6902.54 | 27.23 | 27.23 N | 43.17 E | 0.35 | -0.34 | -1.46 | -0.15 |
| ESS | 67 | 7004 | 3.60 | 99.30 | 95 | 6997.36 | 26.64 | 26.64 N | 49.01 E | 0.47 | 0.11 | 7.47 | -0.16 |
| ESS | 68 | 7063 | 3.70 | 99.90 | 59 | 7056.24 | 26.01 | 26.01 N | 52.71 E | 0.18 | 0.17 | 1.02 | -0.17 |
| ESS | 69 | 7157 | 4.20 | 103.70 | 94 | 7150.02 | 24.68 | 24.68 N | 59.05 E | 0.60 | 0.53 | 4.04 | -0.20 |
| ESS | 70 | 7250 | 4.50 | 108.90 | 93 | 7242.75 | 22.69 | 22.69 N | 65.81 E | 0.53 | 0.32 | 5.59 | -0.23 |
| ESS | 71 | 7343 | 5.00 | 113.60 | 93 | 7335.43 | 19.88 | 19.88 N | 72.97 E | 0.68 | 0.54 | 5.05 | -0.27 |
| ESS | 72 | 7437 | 6.10 | 116.00 | 94 | 7428.99 | 16.06 | 16.06 N | 81.22 E | 1.20 | 1.17 | 2.55 | -0.34 |
| ESS | 73 | 7466 | 6.20 | 114.10 | 29 | 7457.82 | 14.74 | 14.74 N | 84.03 E | 0.78 | 0.34 | -6.55 | -0.36 |
| ESS | 74 | 7561 | 6.40 | 115.40 | 95 | 7552.25 | 10.37 | 10.37 N | 93.50 E | 0.26 | 0.21 | 1.37 | -0.39 |
| ESS ESS | 75 | 7622 | 6.20 | 115.20 | 61 | 7612.88 | 7.51 | 7.51 N | 99.55 E | 0.33 | -0.33 | -0.33 | -0.39 |
| ESS | 76 77 | 7695 7737 | 6.00 | 113.70 113.90 | 73 | 7685.47 7727.24 | 4.30 | 4.30 N | 106.61 E | 0.35 | -0.27 | -2.05 | -0.40 |
| ESS | 78 | 7848 | 6.00 5.70 | 116.80 | 42 | | 2.53 | 2.53 N | 110.62 E | 0.05 | 0.07 | 0.48 | |
| MWD | 79 | 7941 | 4.00 | 128.40 | 111 93 | 7837.66 | -2.31 | 2.31 S | 120.85 E | 0.38 | -0.27 | 2.61 | -0.42 |
| MWD | 80 | 8001 | 4.00 | 120.40 | 93 60 | 7930.33 7990.16 | <u>-6.40</u> -9.03 | 6.40 S 9.03 S | 127.51 E 131.10 E | 2.10 0.97 | -1.83 0.83 | 12.47 | -0.31 |
| MWD | 81 | 8064 | 3.40 | 124.30 | 63 | 8053.01 | -11.38 | 9.03 S | 131.10 E 134.74 E | 0.97 1.78 | | -6.83 -5.24 | -0.37 |
| MWD | 82 | 8120 | 2.90 | 119.50 | 56 | 8108.93 | -12.94 | 11.38 S | 134.74 E | 0.90 | -1.75 | -5.24 | -0.30 -0.27 |
| MWD | 83 | 8131 | 2.80 | 111.20 | 11 | 8119.91 | -13.17 | 13.17 S | 137.40 E | 3.86 | -0.89 | -2.68 | -0.27 |
| MWD | 84 | 8140 | 2.70 | 88.40 | 9 | 8128.90 | -13.24 | 13.24 S | 137.85 E | 12.12 | -1.11 | -253.33 | -0.20 -0.25 |
| MWD | 85 | 8161 | 4.10 | 50.80 | 21 | 8149.87 | -12.76 | 12.76 S | 139.38 E | 12.19 | 6.67 | -179.05 | |
| MWD | 86 | 8192 | 6.60 | 39.70 | 31 | 8180.73 | -10.69 | 10.69 S | 141.38 E | 8.69 | 8.06 | -35.81 | -0.65 |
| MWD | 87 | 8209 | 7.50 | 38.10 | 17 | 8197.60 | -9.06 | 9.06 S | 142.69 E | 5.42 | 5.29 | -9.41 | -0.75 |
| MWD | 88 | 8223 | 7.20 | 37.70 | 14 | 8211.49 | -7.65 | 7.65 S | 143.79 E | 2.17 | -2.14 | -2.86 | -0.73 |
| MWD | 89 | 8255 | 6.60 | 44.10 | 32 | 8243.25 | -4.74 | 4.74 S | 146.29 E | 3.04 | -1.88 | 20.00 | -0.69 |
| MWD | 90 | 8287 | 6.90 | 47.90 | 32 | 8275.03 | -2.13 | 2.13 S | 149.00 E | 1.68 | 0.94 | 11.88 | -0.74 |
| MWD | 91 | 8317 | 6.30 | 52.20 | 30 | 8304.83 | 0.09 | 0.09 N | 151.64 E | 2.59 | -2.00 | 14.33 | -0.70 |
| MWD | 92 | 8348 | 6.10 | 56.60 | 31 | 8335.65 | 2.04 | 2.04 N | 154.36 E | 1.66 | -0.65 | 14.19 | -0.70 |
| MWD | 93 | 8379 | 5.80 | 57.50 | 31 | 8366.49 | 3.78 | 3.78 N | 157.05 E | 1.01 | -0.97 | 2.90 | -0.69 |
| MWD | 94 | 8427 | 5.40 | 62.50 | 48 | 8414.26 | 6.13 | 6.13 N | 161.10 E | 1.31 | -0.83 | 10.42 | -0.69 |
| MWD | 95 | 8459 | 4.90 | 66.50 | 32 | 8446.13 | 7.37 | 7.37 N | 163.69 E | 1.92 | -1.56 | 12.50 | -0.65 |
| MWD | 96 | 8490 | 4.30 | 72.20 | 31 | 8477.03 | 8.25 | 8.25 N | 166.01 E | 2.43 | -1.94 | 18.39 | -0.59 |
| | _ | | | | | | | | | | | · · · · · · · | |

Survey Report

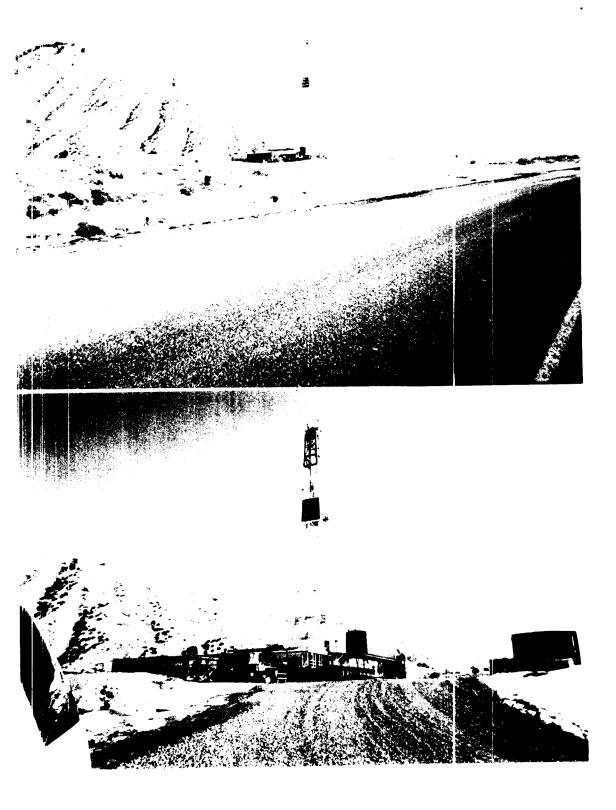
.

| | | Company | Wolve | rine Gas | & Oil | Company | y of Utah | , LLC | Tgt. Inc. | | | | |
|------|-----|---------|--------|----------|-------|------------------|-----------|---------|------------|------|-------|--------|-------|
| | | Well | Kings | Meadow | Ranc | hes # 17- | 1 | | Mag. Decl. | | - | | |
| | | Field | Sigurd | 1 | | | | | Target TVD | 9200 | - | | |
| | | Rig | Unit # | 236 | | | • | | Target Az. | | - | | |
| | | | | | | | | | Tgt. Coor. | | • | | - |
| Date | No. | DEPTH | INC. | AZM | C.L. | T.V.D. | V.S. | N/S | E/W | DLS | B./D. | Walk | BRN |
| MWD | 97 | 8569 | 4.00 | 92.10 | 79 | 8555.82 | 9.06 | 9.06 N | 171.59 E | 1.85 | -0.38 | 25.19 | -0.62 |
| MWD | 98 | 8600 | 3.40 | 82.10 | 31 | 8586.76 | 9.14 | 9.14 N | 173.58 E | 2.84 | -1.94 | -32.26 | -0.55 |
| MWD | 99 | 8645 | 2.00 | 80.80 | 45 | 8631.71 | 9.45 | 9.45 N | 175.67 E | 3.11 | | | |
| MWD | 100 | 8705 | 1.80 | 80.10 | 60 | 8691.68 | 9.78 | 9.78 N | 177.64 E | 0.34 | -0.33 | -1.17 | |
| MWD | 101 | 8766 | 2.00 | 82.00 | 61 | 8752.64 | 10.10 | 10.10 N | 179.63 E | 0.34 | 0.33 | | |
| MWD | 102 | 8827 | 2.40 | 82.10 | 61 | 8813.60 | 10.42 | 10.42 N | 181.95 E | 0.66 | | 0.16 | -0.62 |
| MWD | 103 | 8888 | 2.20 | 86.70 | 61 | 8874.55 | 10.66 | 10.66 N | 184.39 E | 0.45 | | | -0.68 |
| MWD | 104 | 8950 | 1.80 | 90.40 | 62 | 8936.51 | 10.72 | 10.72 N | 186.55 E | 0.68 | -0.65 | | |
| MWD | 105 | 9013 | 1.50 | 96.20 | 63 | 8999.48 | 10.63 | 10.63 N | 188.36 E | 0.54 | -0.48 | 9.21 | -0.75 |
| MWD | 106 | 9075 | 1.00 | 103.90 | 62 | 9061.47 | 10.41 | 10.41 N | 189.69 E | 0.85 | -0.81 | 12.42 | |
| MWD | 107 | 9132 | 0.80 | 108.80 | 57 | 9118.46 | 10.16 | 10.16 N | 190.55 E | 0.38 | -0.35 | | |
| MWD | 108 | 9194 | 0.40 | 149.60 | 62 | 9180.46 | 9.84 | 9.84 N | 191.07 E | 0.91 | -0.65 | | |
| MWD | 109 | 9254 | 0.50 | 173.70 | 60 | 9240.46 | 9.40 | 9.40 N | 191.20 E | 0.35 | 0.17 | 40.17 | 1.24 |
| MWD | 110 | 9316 | 0.40 | 193.50 | 62 | 9302.46 | 8.92 | 8.92 N | 191.18 E | 0.30 | -0.16 | 31.94 | |
| MWD | 111 | 9382 | 0.50 | 210.00 | 66 | 9368.45 | 8.44 | 8.44 N | 190.98 E | 0.25 | 0.15 | 25.00 | |
| | 112 | 9430 | 0.57 | 222.00 | 48 | 9416.45 | 8.08 | 8.08 N | 190.72 E | 0.27 | 0.15 | | |
| | | | | | | | | | | | | | [|



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| GWPC's RBDMS - Utah - [WELL INSPECTIONS] | × |
|---|---------------|
| 🗃 File Edit Forms Reports View Records Admin <u>Window H</u> elp | <u>_ # × </u> |
| K·B B Q ♥ % B B ♥ い 8 2+ X+ 𝔅 B 𝔅 + ★ ☞ @ @ @ - Q. | |
| Incidents/Spills Well Inspections | |
| Inspection Tracking Press/Rest | |
| API Well No. 43-041-30030-00-00 Owner | |
| Well Name | |
| Wi Typ Well Status | |
| Well S-T-R | |
| Directions | |
| Inspect No. Type Purpose Responsible Company | |
| Drilling _ Routine/Periodic _ WOLVERINE GAS 4: OIL CO UT _ | · · · · |
| Violation? SNC? C C Prior to inspection on 1/14/04 while drilling @8549 the mud motor twisted off leaving the bit & part Notification Type I of the mud motor in hole a total fish length of 19'. Two unsuccessful attempts were made to fish motor | |
| d bit. An 85 sx cmt plug was set on top of fish, top of plug @8328". On 1/19/04 dressed plug off to | |
| Write/View Vielation T 8338' and kicked off the plug, drilled to 8608', a bit trip was made and when reaming to bottom got into the old hole, continued drilling to 8523' before deciding to set another plug. A 185 sx cmt plug | |
| was set from 8523 to 8100'. On 1/20/04 a BOP test was conducted, all component a tested @5000# | |
| P. (1. J TA | |
| Date NOV | |
| Date RmdyReq | |
| Date Extension | |
| Date Passed | |
| Comply# Incident# Inspector Lisha Cordova Duration | |
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| Record: 14 4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | |
| Form View | FLTR CAPS NUM |
| 🖉 Start 💩 🕑 🕥 🔊 Novell-delivered Applicati 🙀 OIL & GAS INFORMATIO 🛛 📴 Well Selection Criteria 🔤 WELL INS | |
| | |







WOLVERINE GAS AND OIL CORPORATION

Energy Exploration in Partnership with the Environment

July 30, 2004

Mr. Dustin Doucet State of Utah Division of Oil, Gas and Mining 1594 West North Temple Suite 1210 Salt Lake City, UT 84114-5801

> Re: Wildcat Designation Kings Meadow Ranch 17-1

Dear Dustin:

Pursuant to your telephone message, enclosed please find a Sundry Notice requesting a Wildcat designation for Wolverine Gas and Oil Corporation's Kings Meadow Ranch 17-1. Please feel free to contact me if you have any questions or concerns.

J.Mmp Richard D. Moritz

RECEVEN

AUG 0 2 2004

DIV OF OIL, GAS & WARNING

| CONFIDENTIAL FORM | 9 |
|-------------------|---|
|-------------------|---|

| | | STATE OF UTAH DEPARTMENT OF NATURAL RE | | | | FOR |
|--------------------------------------|--|---|--|---|--|---|
| 24 | | DIVISION OF OIL, GAS AN | 5. LEASE C | DESIGNATION AND SERIAL NUMBER: | | |
| | SUNDRY | NOTICES AND REPO | ORTS ON WEL | LS | 6. IF INDIA | N, ALLOTTEE OR TRIBE NAME: |
| Do not use this form for | proposals to drill ne drill horizontal lat | w wells, significantly deepen existing wells be erals. Use APPLICATION FOR PERMIT TO | elow current bottorn-hole de DRILL form for such propos | pih, reenter plugged wells, or ta a s. | | ca agreement name: rine Federal Unit |
| 1. TYPE OF WELL | | GAS WELL OTH | HER | | | AME and NUMBER: Meadow Ranches 17-1 |
| 2. NAME OF OPERATOR Wolverine Gas | | npany of Utah, LLC | | | 9. API NUM 43041 | 30030 |
| 3. ADDRESS OF OPERA 55 Campau NW | | Grand Rapids STATE MI | ZIP 49503 | PHONE NUMBER: (616) 458-1150 | | AND POOL, OR WILDCAT: ovenant Field |
| - | | | | | COUNTY | Sevier |
| FOOTAGES AT SURF | ace: 2,040' F | FNL & 2,000' FWL | S 11M 6 | | | |
| FOOTAGES AT SURF | TOWNSHIP, RANG | e, meridian: SENW 17 23 | | | STATE: | UTAH |
| QTR/QTR, SECTION, | TOWNSHIP, RANG | | ICATE NATURE | | STATE: | UTAH |
| FOOTAGES AT SURF | TACE: 2,040' F TOWNSHIP, RANG IECK APPR MISSION TENT icate) | e, meridian: SENW 17 23 | ICATE NATURE | PE OF ACTION | STATE: PORT, OR (RE SIL SIL TU TU | UTAH |

| NAME (PLEASE PRINT) Gary R. Bleeker | Vice President and COO | |
|-------------------------------------|------------------------|---|
| SIGNATURE Tang & Bleck | DATE 6/22/2004 | |
| (This space for State use only) | RECEIVED | = |

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| STATE OF UTAH | - FORM 9 |
|---|---|
| 0 2 5 | 5. LEASE DESIGNATION AND SERIAL NUMBER: |
| SUNDRY NOTICES AND REPORTS ON WELLS | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depl א, reent drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposa s. | er plugged wells, or to Wolverine Federal Unit |
| 1. TYPE OF WELL OIL WELL GAS WELL OTHER | 8. WELL NAME and NUMBER: Kings Meadow Ranch 17-1 |
| 2. NAME OF OPERATOR: Wolverine Gas and Oil Company of Utah, LLC | 9. API NUMBER: 4304130030 |
| 55 Campau NW CITY Grand Rapids STATE MI ZIP 49503 (616 | NUMBER: 10. FIELD AND POOL, OR WILDCAT: \$) 458-1150 Wildcat |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 2040' FNL & 2000' FWL | COUNTY: Sevier |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 17 23S 01W S | STATE: UTAH |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF N | |
| TYPE OF SUBMISSION TYPE O | |
| NOTICE OF INTENT (Submit in Duplicate) Image: Activities of the second | REPERFORATE CURRENT FORMATION SIDETRACK TO REPAIR WELL |
| Approximate date work will start: | |
| CHANGE TO PREVIOUS PLANS | |
| CHANGE TUBING | N VENT OR FLARE |
| SUBSEQUENT REPORT CHANGE WELL NAME PLUG BACK | WATER DISPOSAL |
| Date of work completion: | RT/RESUME) WATER SHUT-OFF |
| | e onen <u>rioduoor (filidour</u> |
| | FERENT FORMATION designation |
| Pursuant to R649-3-35, Wolverine requests a Wildcat designation for the Kin are no producing wells within a one mile radius of the KMR 17-1 (copy cf plat attached). Because there are no producing wells within a one mile radius, a is currently producing from the Navajo formation. A Completion Report (Forr on file with the State of Utah. It has yet to be determined if the KMR 17-1 is i | t map showing the location of the well is well comparison is not possible. The KMR 17-1 n 8) which includes all pertinent data is currently |
| · · · · · · · · · · · · · · · · · · · | AUG 0 2 2004 |
| CUNFIDENTIAL | DIV. OF O.L, CAS & MINING |
| NAME (PLEASE PRINT) Richard D. Moritz | ce President Land |
| SIGNATURE AMALA. AMANTE DATE 7/ | 30/2004 |
| (This space for State use only) | PROVED BY THE STATE OF UTAH DIVISION OF DIL, GAS, AND MINING TE: 원/20/0년 |

(5/2000)

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INSTRUCTIONS

This form shall be submitted by the operator to show the intention and/or completion of the following:

- miscellaneous work projects and actions for which other specific report forms do not exist;
- all other work and events as identified in section 11, Type of Action, or as required by the Utah Oil and Gas Conservation General Rules, including:
 - minor deepening of an existing well bore,
 - plugging back a well,
 - recompleting to a different producing formation within an existing well bore (intent only),
 - reperforating the current producing formation,
 - drilling a sidetrack to repair a well,
 - reporting monthly the status of each drilling well.

This form is not to be used for proposals to

- drill new wells,
- reenter previously plugged and abandoned wells,
- significantly deepen existing wells below their current bottom-hole depth,
- drill horizontal laterals from an existing well bore,
- drill hydrocarbon exploratory holes such as core samples and stratigraphic tests.

Use Form 3, Application for Permit to Drill (APD) for such proposals.

NOTICE OF INTENT - A notice of intention to do work on a well or to change plans previously approved shall be submitted in duplicate and must be received and approved by the division before the work is commenced. The operator is responsible for receipt of the notice by the division in ample time for proper consideration and action. In cases of emergency, the operator may obtain verbal approval to commence work. Within five days after receiving verbal approval, the operator shall submit a Sundry Notice describing the work and acknowledging the verbal approval.

SUBSEQUENT REPORT - A subsequent report shall be submitted to the division within 30 days of the completion of the outlined work. Specific details of the work performed should be provided, including dates, well depths, placement of plugs, etc.

WELL ABANDONMENT - Proposals to abandon a well and subsequent reports of abandonment should include reasons for the abandonment; data on any former or present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, and method of parting of any casing, liner, or tubing pulled and the depth to top of any left in the hole; method of closing top of well; and date well site conditioned for final inspection looking to approval of the abandonment.

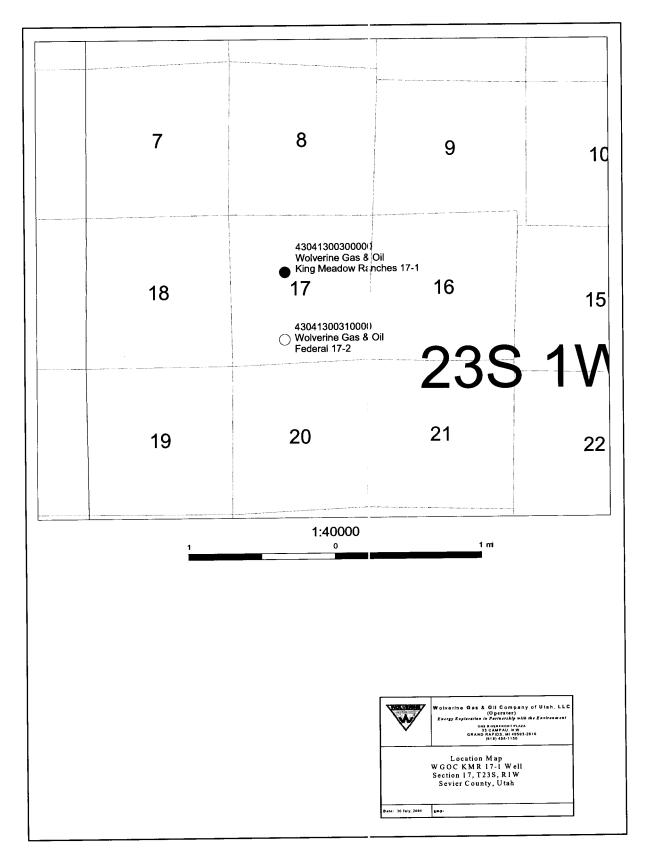
In addition to any Sundry Notice forms submitted, Form 8, Well Completion or Recompletion Report and Log must be submitted to the division to report the results of the following operations:

- completing or plugging a new well,
- reentering a previously plugged and abandoned well,
- significantly deepening an existing well bore below the current bottom-hole depth,
- drilling horizontal laterals from an existing well bore,
- drilling hydrocarbon exploratory holes such as core samples and stratigraphic tests,
- recompleting to a different producing formation.

Send to:

| Utah Division of Oil, Gas and Mining | Phone: | 801-538-5340 |
|--|--------|--------------|
| 1594 West North Temple, Suite 1210 Box 145801 | Fax: | 801-359-3940 |
| Salt Lake City, Utah 84114-5801 | | |





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DIVISION OF OIL, GAS AND MINING Wildcat Well Determination STATEMENT OF IBASIS

Applicant: Wolverine Gas and Oil Company of Utah, LLC

Location: SENW Sec. 17 T23S, R1W, Sevier County, Utah

 WELL NAME:
 Kings Meadow Ranch 17-1
 API #: 43-041-30030

FINDINGS

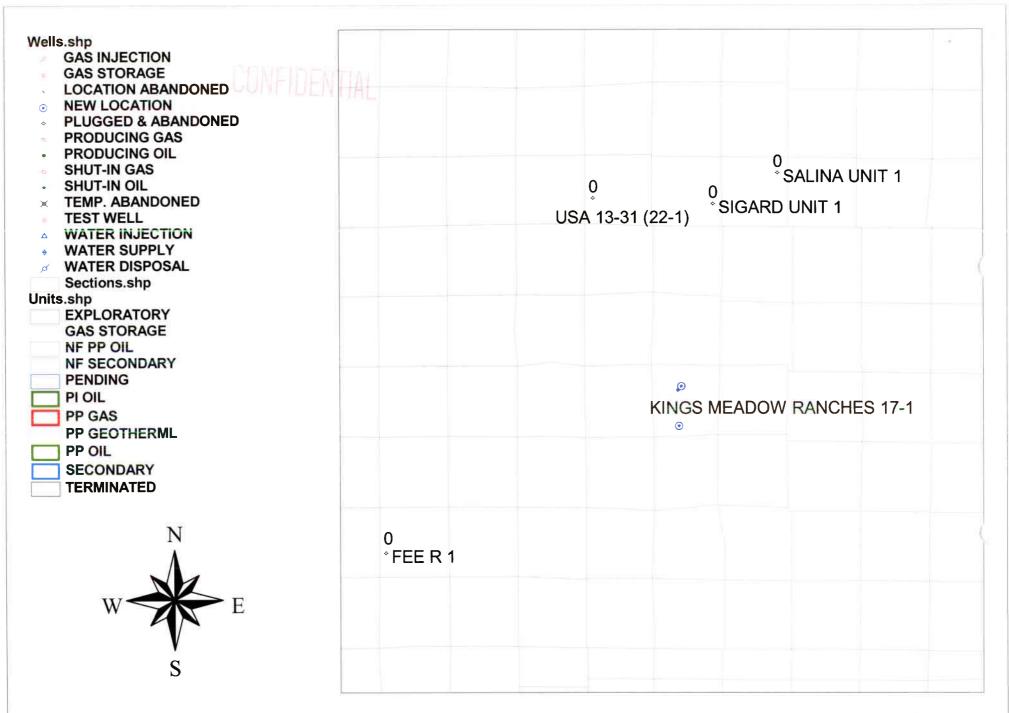
- 1. This well is currently producing from the Navajo formation.
- 2. This well is ± 45 miles from known production of any kind.
- 3. It is \pm 3 miles to the nearest well drilled in the area.
- 4. The 3 wells ± 3 miles north of this location were drilled to various depths ranging from 6377' to 17,423' and subsequently plugged without ever producing (see attached AOR map).

CONCLUSIONS

- Based off of the findings above the Division has determined the Kings Meadow Ranch 17-1 well was drilled into an unknown area for the Navajo formation. Therefore, the Division finds that this well qualifies for the severance tax exemption under Section 59-5-102(2)(d) for wildcat wells. This determination was made in accordance with Oil and Gas General Conservation Rule R649-3-35.

Reviewer(s): Dustin K. Doucet

Date: 8/20/2004



Kings Meadow Ranch 17-1 Wildcat Well Determination (AOR)

RECEIVED

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|--------------------------------|------------|--------------------|------------------|------------|--------------|--------------|-----------------|---------|--------------|----------|----------|-------------------------------|----------|-----------------------|--------|----------|----------------------|----------------------------|----------|
| 0.9.0 | | | DEPAF DIVISI | RTMEN | T OF N/ | ATURA GAS | L RESC AND I | DURCES | s Daiv na | : Oi | r • | > ∞ MINING | | ighlight (EASE DE | | |) SERI | AL NUME | ER: |
| 026 | | | | | . 0.2, | 0,10 | / | | | 1 | - U-, | > > MINING | | UTU - | | | | 5 <u>E</u> | |
| WEL | L CO | MPLE | ΓΙΟΝ | OR I | RECO | MPL | ETIC | | EPOF | ۲۲ | AN | DLOG | 6. 1 | F INDIÁN, | ALLOT | TEE OR | TRIBE | NAME | |
| 1a. TYPE OF WELL | : | C V | |] | GAS WELL |] | DRY | | OTH | ÆR | | | 7. 1 | | | | | Init | |
| b. TYPE OF WOR | K: | | | | | | | | | | | | 8. \ | | | | | TIIL | |
| | HORIZ. | | |] | RE- ENTRY |] | DIFF. RESVR. | | OTH | IER | Re-c | compl (perfs) | _ | Kings | Mea | | | hes 1 | 7-1 |
| 2. NAME OF OPER/ Wolverine | | nd Oil C | ompai | ny of l | Jtah, L | LC | | | | | | | | 43041 | | 30 | | | |
| 3. ADDRESS OF OF 55 Campau | | (| otty Gr a | and R | apids | STATE | MI | ZIP 49 | 503 | | | NUMBER: 6) 458-1150 | 10 8 | | | | | | |
| 4. LOCATION OF W | | | | | | | | | · . | - | | TH 111 | 11, | OTR/OTR | , SECT | ON, TO | WNSHI | P, RANGI | E, |
| AT SURFACE: | 2,040' | FNL & | 2,000' | FWL | | | | | | ; | | | | ENW | 17 | | 5 11 | | |
| AT TOP PRODU | CING INTE | RVAL REPC | RTED BEI | Low: 2 | 2,029' | FNL & | 2,031 | I' FWL | | | | | | | | | | | |
| AT TOTAL DEPT | н: 2,03 | 32' FNL | & 2,19 | 92' FW | /L | | | | | | | | | county Sevier | | | 13. | STATE | UTAH |
| 14. DATE SPUDDER 11/20/2003 | | 15. DATE 1/27/2 | | HED: | 16. DAT | | ETED: | - 04 " | BANDON | ED | | READY TO PRODUC | | 17. ELE | | | | r, gl): 1, 572 6 | 3 |
| 18. TOTAL DEPTH: | | | | 19. PLUG | BACK T.C | | 6,410 | | _ | | | OMPLETIONS, HOW | MANY? * | 21. DEP | · | | | 5,430 | |
| | тур 9 | | | | | | 6,404 | | | | | | | PL | UG SE | 1: | | 5,424 | |
| 22. TYPE ELECTRIC | C AND OTH | ER MECHA | NICAL LOO | 3S RUN (| Submit cop | by of each |) | · · · | | 23 | | **** | | | _ | | | | |
| No new logs | 6 | | | | | | | | | | AS WEL | L CORED? | NO NO | | | - | Submit a Submit r | analysis) | |
| | | | | | | | | | | | | NAL SURVEY? | NO | | | | Submit o | | |
| 24. CASING AND LI | INER RECO | RD (Report | all strings | s set in w | ell) | | | | | | | | | | | | | | |
| HOLE SIZE | SIZE/G | RADE | WEIGHT | (#/ft.) | TOP (| MD) | BOTTO | DM (MD) | STAGE D | CEM | | CEMENT TYPE & NO. OF SACKS | | irry 1e (BBL) | CEM | ENT TOP | >** i | AMOUNT | PULLED |
| 17-1/2" | 13.63 | J-55 | 54. | .5 | (|) | 66 | 65 | | | | 845 | 1 | 77 | C | , Circ | ; † | nc | ne |
| 12-1/4' | 9.66 | 5/11@ | 53. | 5 | C |) | 6,7 | 775 | | | | 695 | 1 | 93 | 490 |)0, CE | 3L | nc | ne |
| 7-7/8" | 5.5 | L-80 | 17. | 0 | C |) | 9,3 | 396 | 6, | 52 | 3 | 620 | 1 | 60 | 530 | 00, CE | 3L | nc | ne |
| | | | | | | | | | | | | | | | | | \dashv | | |
| | | | | | | | | | | | | | | | | | | | |
| | l <u> </u> | 11.5 | | | | | | | | | | | | | | | | | |
| 25. TUBING RECOR | | I SET (MD) | PACK | ER SET (| ותא | SIZE | | ПЕРТН | SET (MD | | PACKE | R SET (MD) | SIZE | | EPTH 9 | SET (MD) | | ACKER S | ET (MD) |
| 2.875 | | 4 | | | | 0122 | | | 021 (11.5 | + | | | | | | | + | | |
| 26. PRODUCING IN | TERVALS | | | | | | | 4 | | 27. | PERFO | RATION RECORD | | | | | | | |
| FORMATION | NAME | TOP | (MD) | BOTTO | DM (MD) | | (TVD) | BOTTO | M (TVD) | ł | ITERVA | L (Top/Bot - MD) | SIZE | NO. HOL | _ | | _ | ION STA | TUS |
| (A) Navajo 1 | | 5, | 845 | 7, | 100 | 5,8 | 340 | 7,0 | 93 | | 176 | 6,186 | .42 | 40 | c | pen 🔽 |] Sq | ueezed | <u> </u> |
| (B) | | | | | | | | | | | 144 | 6,154 | .42 | 40 | C | pen 🗸 |] Sq | queezed | |
| (C) | | | | | | | | ļ | | 6, | 100 | 6,115 | .42 | 60 | C | pen 🗸 | Sq | queezed | |
| (D) | | | | . | | | | | | | | | | | C | pen | Sq | queezed | |
| 28. ACID, FRACTUR | RE, TREAT | MENT, CEM | ENT SQUE | EEZE, ET | c. | | | | | | | | | | | | | | |
| DEPTH I | NTERVAL | | | | | | | | | | F AND T | YPE OF MATERIAL | | | | | | | ····· |
| 6176-6186 | | | | | /2% FE | | | | | - | | | | | | | | | |
| 6100-6186 | u. — . | | 10 b | bls 4% | 6 KCL | + 450 | 0 gal | 7-1/2% | 6 FEH | CL | + 210 | 0 Biobals +38 | bbis | 4% KC | ;L | | <u> </u> | | |
| | | | | | | | | | ···· | | | | | | | | | | |
| 29. ENCLOSED ATT | ACHMENT | 5: | | | | | | | | | | | | | | 30. 9 | CLL S | TATUS: | |
| ELECT | RICAL/MEC | HANICAL LO | OGS | | | | | GEOLOGI | C REPOR | т | | DST REPORT | | CTIONAL S | URVEN | · | | | |
| | Y NOTICE | FOR PLUG | GING AND | CEMENT | VERIFICA | TION | | CORE AN | ALYSIS | | | OTHER: | <u>.</u> | | | | | | |
| | | | . <u></u> | <u> </u> | | | | | | | <u> </u> | | | | | | | | |



| 31. INITIAL PRO | | | · · · · · · · | | ERVAL A (As sho | | | | | T |
|-------------------------|-------------|------------------------------------|---------------|-------------------------|------------------|------------------------------|-------------------|-----------------|--------------------|-----------------|
| DATE FIRST PR | ODUCED: | TEST DATE: | | HOURS TESTED | | | OIL - BBL: | GAS - MCF: | WATER - BBL: | PROD. METHOD: |
| 5/12/2004 | 1 | 11/14/20 | 04 | 7 | 76 | RATES: | 803 | 1 | 75 | pump |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. API GRAVITY 4 39.50 | | BTU – GAS GAS/OIL RATIO | | 24 HR PRODUCTION RATES: → | OIL - BBL: 803 | GAS – MCF: 1 | WATER - BBL: 75 | INTERVAL STATUS |
| | | | | · JNT | ERVAL B (As show | wn in ite m #26) | . | | | |
| DATE FIRST PR | ODUCED: | TEST DATE: | | HOURS TESTED |); | TEST PRODUCTION RATES: → | OIL - BBL: | GAS - MCF: | WATER - BBL: | PROD. METHOD: |
| CHOKE SIZE: TBG. PRESS. | | CSG. PRESS. | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: | GAS - MCF: | WATER - BBL: | INTERVAL STATUS |
| | | . | | iNT | ERVAL C (As sho | wn in its m #26) | | | | |
| DATE FIRST PR | ODUCED: | TEST DATE: | | HOURS TESTED | D: | TEST PRODUCTION RATES: → | OIL - BBL: | GAS - MCF: | WATER - BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL - BBL: | GAS - MCF: | WATER - BBL: | INTERVAL STATUS |
| | | . | | INT | ERVAL D (As sho | wn in ite m #26) | • | | | |
| DATE FIRST PRODUCED: | | TEST DATE: | | HOURS TESTED | D: | TEST PRODUCTION RATES: → | OIL - BBL: | GAS - MCF: | WATER - BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: | GAS ~ MCF: | WATER - BBL: | INTERVAL STATUS |

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

| Formation | Top (MD) | Bottom (MD) | Descriptions, Contents, etc. | Name | Top (Measured Depth) |
|--|----------------------------------|----------------------------------|--|------|---|
| Navajo 1 Kaventa Wingate Navajo 2 | 5,845 7,100 7,256 8,149 | 7,100 7,256 7,835 9,396 | Sandstone, contains oil and water Sandstone, presumably contain:3 water Sandstone, presumable contain:3 water Sandstone, contains water | | 0 5.549 5.845 7,100 7.256 7.835 8,149 |

35. ADDITIONAL REMARKS (include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from al available records.

TITLE Geologist NAME (PLEASE PRINT) John Vrona 25-05 DATE SIGNATURE

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation

reentering a previously plugged and abandoned well

• significantly deepening an existing well bore below the previous bottom-hole depth

34. FORMATION (Log) MARKERS:

• drilling hydrocarbor exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 Phone: 801-538-5340 Fax: 801-359-3940

| DI | STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES VISION OF OIL, GAS, AND MINING | G | FORM 9 5.LEASE DESIGNATION AND SERIAL NUMBER: FEE |
|--|---|---|--|
| Do not use this form for below current bottom-he | NOTICES AND REPORTS ON proposals to drill new wells, significantly dole depth, reenter plugged wells, or to drill | leepen existing wells | 6. IF TRIBAL, ALLOTTEE OR TRIBE NAME: 7.UNIT or CA AGREEMENT NAME: |
| Use APPLICATION FOR F 1. TYPE OF WELL Oil Well | PERMIT TO DRILL form for such proposals. | | WOLVERINE 8. WELL NAME and NUMBER: Kings Meadow Ranches 17-1 |
| 2. NAME OF OPERATOR: Wolverine Gas & Oil Compar | ny of Utah, LLC | | 9. API NUMBER: 43041300300000 |
| 3. ADDRESS OF OPERATO One Riverfront Plaza 55 Cam | DR: pau NW #1, Grand Rapids, MI, 49503-2616 | PHONE NUMBER: 616-458-1150 | 9. FIELD and POOL or WILDCAT: COVENANT |
| | : WNSHIP, RANGE, MERIDIAN: 7 Township: 23S Range: 1W Meridian: S | | COUNTY: SEVIER STATE: UTAH |
| | APPROPRIATE BOXES TO INDICATE N | NATURE OF NOTICE, | REPORT, OR OTHER DATA |
| TYPE OF SUBMISSION | | TYPE OF ACTION | N |
| Wolverine Gas and Oi Ranches (KMR) 17-1 makes about 90 BO a modeling efforts indic interval. Wolverine in between approx. 586 acidized. Assuming a | CHANGE TO PREVIOUS PLANS Image: Change well status CHANGE WELL STATUS Image: Change well status DeEPEN Image: Change well status OPERATOR CHANGE Image: Change well status PRODUCTION START OR RESUME Image: Change well status REPERFORATE CURRENT FORMATION Image: Change well status Image: Tubing Repair Image: Change well status Image: Water shutoff Image: Status | vorkover Kings Meado val. KMR 17-1 current tion, but reservoir the White Throne with perforations b tested and likely ently be put on line as | NEW CONSTRUCTION PLUG BACK ✓ RECOMPLETE DIFFERENT FORMATION TEMPORARY ABANDON WATER DISPOSAL APD EXTENSION OTHER: |
| NAME (PLEASE PRINT) Ron Meredith | PHONE NUMBER 616 490-8616 | TITLE Consulting Engineer for V | Volv. Gas & Oil |
| SIGNATURE N/A | | DATE 2/23/2022 | |

| DI | STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES VISION OF OIL, GAS, AND MINING | 6 | FORM 9 5.LEASE DESIGNATION AND SERIAL NUMBER: FEE |
|---|---|--|--|
| SUNDRY | NOTICES AND REPORTS ON | WELLS | 6. IF TRIBAL, ALLOTTEE OR TRIBE NAME: |
| below current bottom-he | proposals to drill new wells, significantly d ble depth, reenter plugged wells, or to drill PERMIT TO DRILL form for such proposals. | | 7.UNIT or CA AGREEMENT NAME: WOLVERINE |
| 1. TYPE OF WELL Oil Well | | | 8. WELL NAME and NUMBER: Kings Meadow Ranches 17-1 |
| 2. NAME OF OPERATOR: Wolverine Gas & Oil Compar | ny of Utah, LLC | | 9. API NUMBER: 43041300300000 |
| 3. ADDRESS OF OPERATO One Riverfront Plaza 55 Cam | DR: pau NW #1, Grand Rapids, MI, 49503-2616 | PHONE NUMBER: 616-458-1150 | 9. FIELD and POOL or WILDCAT: COVENANT |
| | : WNSHIP, RANGE, MERIDIAN: 7 Township: 23S Range: 1W Meridian: S | | COUNTY: SEVIER STATE: UTAH |
| 11. CHECK | APPROPRIATE BOXES TO INDICATE | IATURE OF NOTICE, | REPORT, OR OTHER DATA |
| TYPE OF SUBMISSION | | TYPE OF ACTION | N |
| Wolverine Gas & Oil C 05-17-2022 to squee | CHANGE TO PREVIOUS PLANS C CHANGE WELL STATUS C DEEPEN F OPERATOR CHANGE P PRODUCTION START OR RESUME F REPERFORATE CURRENT FORMATION S TUBING REPAIR V WATER SHUTOFF S | referenced well on nd complete the Whit | NEW CONSTRUCTION PLUG BACK RECOMPLETE DIFFERENT FORMATION TEMPORARY ABANDON WATER DISPOSAL APD EXTENSION OTHER: |
| NAME (PLEASE PRINT) Don Hamilton | PHONE NUMBER 435-650-3866 | TITLE Permitting Agent | |
| SIGNATURE N/A | | DATE 3/8/2023 | |

Sundry Number: 122104 API Well Number: 43041300300000

| WOLVERINE | | | | | |
|------------------|--|---|--|--|--|
| | Covenant Field | SHL: SE/NW S17, T23S, R1W | | | |
| | KMR 17-1 | BHL: SE/NW S17, T23S, R1W | | | |
| \checkmark | API# 43-041-30030 | Sevier County, Utah | | | |
| | Reason for well workover: Complete th | ne White Throne | | | |
| <u>5/5/2022</u> | Moved in frac tanks, set up flowback pip | ing and water filtration trailer. | | | |
| <u>5/9/2022</u> | Moved in and rigged up service unit. Nip | pled down the wellhead and nippled up the BOP. | | | |
| | Plan to pull out of the hole with the ESP, | run a bit and scraper and scan the tubing. | | | |
| <u>5/10/2022</u> | Opened well, 105 psi casing, 60 psi casin | g. Rigged up vac truck to the well and pulled out of the hole laying down | | | |
| | ESP equipment. Picked up 4 %" bit and 5 | $\%^{"}$ casing scraper and tripped in the hole to PBTD at 6410'. Rigged up | | | |
| | tubing scanning equipment and tripped out of the hole laying down bit and scraper. | | | | |
| | Note: All of the ESP equipment looked lil | ke new with no signs of corrosion, there was minor amounts of soft gypsum | | | |
| | on the outside of the motor, seal a | nd pump. (see photos tab) | | | |

All of the tubing exterior looked like new with no signs of scale or corrosion.

Laid down 6 total joints of tubing from internal pitting. See chart below.

No drag or tight spots were found while running the casing scraper.

The ESP equipment will be sent back to Baker Hughes in Casper WY to be inspected and repaired. The cable looked good and will be re-run in the well.

| | P | itting and H | loles: | kmr 1 | 17-1 | | |
|--|-----------|-------------------|---------|-------|------------|--|--|
| | Vellow: 0 | to 15 Blue: 16 to | 30 Gree | | Red: 31 to | | |
| 0 10 1 5 9 9 11 1 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 | 20 | 30 40 | | | 70 | | |

5/11/2022

Plan to perforate the White Throne from 5861'-6040' then swab test prior to acid work.

Opened well, 0 psi. Rigged up vac truck and wireline unit and perforated as follows:

31%" Owen scalloped guns loaded with 21.5-gram charges, 0.40 EH, 35" Pen.

Formation: White Throne

5861' - 5864' MD (5856' - 5859' TVD), 03', 4 spf, 12 Holes

5876' - 5884' MD (5871' - 5879' TVD), 08', 4 spf, 32 Holes

Sundry Number: 122104 API Well Number: 43041300300000

5905' – 5909' MD (5900' – 5904' TVD), 04', 2 spf, 08 Holes 5915' – 5954' MD (5910' – 5949' TVD), 39', 2 spf, 78 Holes 5970' – 5980' MD (5965' – 5975' TVD), 10', 4 spf, 40 Holes 5983' – 5988' MD (5978' – 5983' TVD), 05', 4 spf, 20 Holes 6030' – 6032' MD (6025' – 6027' TVD), 02', 4 spf, 08 Holes 6036' – 6040' MD (6031' – 6035' TVD), 04', 4 spf, 16 Holes All depths are with reference to Halliburton's 12/28/03 SDDSN Log Rigged down and released wireline unit. Picked up and tripped in the hole with retrievable bridge plug and HD packer. Set plug at 6070' and the packer at 5841 to swab all of the White Throne perfs. Rigged up swab equipment and swabbed well as follows: White Throne Perforations 5861'-6040' Swab runs: 12

Total fluid recovered: 71 bbls

Oil: 65 bbls.

Water: 6 bbls.

Final water cut: 0%

BHP during swabbing: 1400 psi

Rigged down swab equipment and left well open to the tank overnight.

Note: Well rates were not established. Tomorrows swab data will have accurate rates and bottom hole pressures.

The final three swab runs were 100% oil.

Cumulative oil from the White Throne 65 bbls.

<u>5/12/2022</u>

Rigged up swab equipment and swabbed well as follows:

White Throne Perforations 5861'-6040'

Well flowed 20 bbls of oil overnight.

Swab runs: 54

Total fluid recovered: 304 bbls

Oil: 304 bbls.

Water: 0 bbls.

Final water cut: 0%

BHP during swabbing: 1417 psi

PI - 0.712

Estimated production: 700 oil, 0 water @ 1417 psi BHP.

See "Swabbing 5-12" tab for details

Rigged down swab equipment and left well open to the frac tank for the night.

Note: Cumulative oil from the White Throne 369 bbls.

Plan to check for communication behind pipe in the White Throne then swab test Navajo perforations for rate and cut.

5/13/2022

Well flowed 17 bbls of oil overnight. Released packer and re-set at 5961'. Rigged up swab equipment and made 5 swab runs confirming communication between perf sets 5954' and 5970'.

Formation: White Throne

| | 5861' – 5864' MD (5856' – 5859' TVD), 03', 4 spf, 12 Holes |
|---|--|
| | 5876' – 5884' MD (5871' – 5879' TVD), 08', 4 spf, 32 Holes |
| | 5905' – 5909' MD (5900' – 5904' TVD), 04', 2 spf, 08 Holes |
| ٢ | - 5915' – 5954' MD (5910' – 5949' TVD), 39', 2 spf, 78 Holes |
| ٦ | 5915' – 5954' MD (5910' – 5949' TVD), 39', 2 spf, 78 Holes 5970' – 5980' MD (5965' – 5975' TVD), 10', 4 spf, 40 Holes |
| | 5983' – 5988' MD (5978' – 5983' TVD), 05', 4 spf, 20 Holes |
| | 6030' – 6032' MD (6025' – 6027' TVD), 02', 4 spf, 08 Holes |
| | 6036' – 6040' MD (6031' – 6035' TVD), 04', 4 spf, 16 Holes |
| | Rigged down swab equipment, released plug and packer, se |
| | |

Rigged down swab equipment, released plug and packer, set plug at 6239' and packer at 6200'. Rigged up swab equipment and made 3 swab runs confirming communication between perf sets 6186' and 6215'. Released plug and packer. Set plug at 6200', set packer at 6167'. Rigged up swab equipment and made 3 swab runs confirming communication between perf sets 6154' and 6176'. Rigged down swab equipment, released plug and packer, reset plug at 6166' and packer at 6134'. Rigged up swab equipment, made three runs confirming communication between perf sets 6115' and 6144'. Rigged down swab equipment, released plug and packer, reset plug at 6166' and packer at 6134'. Rigged down swab equipment, released plug and packer, reset plug at 6130' set packer at 6069'. Rigged up swab equipment and made 15 swab runs with a rate of 415 bfpd and a fluid level of 2500' confirming communication between perf sets 6115'-6144'. Rigged down swab equipment, released plug and packer. Reset the plug at 6070' and the packer at 5841'. Rigged up swab equipment and made 5 swab runs to recover water out of the tubing. Rigged down swab equipment and opened well to the frac tank overnight. Formation: Navajo

Communication Communication Communication

Communication

Communication - 6100'- 6115' MD (6095'- 6110' TVD), 15', 60 Holes

6144'- 6154' MD (6139'- 6149' TVD), 10', 40 Holes

- 6176'- 6186' MD (6171'- 6181' TVD), 10', 40 Holes
- 6215'- 6225' MD (6210'- 6220' TVD), 10', 40 Holes

Note: Oil/water cut and rate was not established due to communication between perf sets.

Cumulative oil from the White Throne 396 bbls, cumulative water from the White Throne 0 bbls. Cumulative oil from the Navajo 10 bbls, cumulative water from the Navajo 97 bbls

| | Plan to swab for half of the day tomorrow then release tools and pull out of the hole to prepare for a pump install |
|------------------|---|
| | on the 15th. |
| <u>5/14/2022</u> | Well flowed 42 bbls of oil overnight. |
| | Rigged up swab equipment and swabbed 128 bbls oil from the White Throne. Rigged down swab equipment and tripped |
| | out of the hole laying down plug and packer. |
| | Note: Cumulative oil from the White Throne 566 bbls, cumulative water from the White Throne 0 bbls. |
| | Cumulative oil from the Navajo 10 bbls, cumulative water from the Navajo 97 bbls |
| | Plan to install ESP equipment and return well to production. |
| <u>5/15/2022</u> | Opened well, 241 psi. Rigged up vac truck and spooling equipment. Tripped in the hole with centralizer, sensor, motor, |
| | seal, (2) pumps, centralizer, 2 joints, 6' sub and 182 joints of N-80 tubing to surface. Installed a field attachable lower |
| | connector and landed well. Nippled down BOP equipment, nippled up wellhead and returned well to production. |
| | Note: See "Tubing tally" tab for lengths and diameters of equipment. |

Sundry Number: 122104 API Well Number: 43041300300000

| SS bands are installed above and below each collar. | |
|---|---------|
| | |
| New O-rings were installed on the tubing hanger. | |
| There is not a check or drain valve in the well. | |
| The ESP equipment and motor leed installed were purchased from Baker Hughes. | |
| The lower connector is a Taurus Hybrid Wellhead Feedthru field attachable Part# H9C8-FA4-GRW. | |
| The well flowed 115 bbls of oil to the vac truck during the pump install. This was primarily water coming in fr | om |
| the Navajo and equalizing in the well bore. | |
| Static bottom hole pressure prior to start up was 2199 psi. | |
| Cumulative oil from the White Throne 681 bbls, cumulative water from the White Throne 0 bbls. | |
| Cumulative oil from the Navajo 10 bbls, cumulative water from the Navajo 97 bbls | |
| 5/16/2022 3.5 hour production rate, 70 oil, 52 water. 43% Water cut, BHP 1550, Tubing 45, Casing 0, 40 Hz. | |
| 5/17/2022 20 hour production, 538 oil, 285 water. 35% Water cut, BHP 1525, Tubing 39, Casing 12, 40 Hz. | |
| The well was shut down for 4 hours to re-tap the transformer and hook up the chemical system to the wellhead. | |
| The producing BHP is still falling slowly, otherwise the oil and water trends are stabilized at a rate of 560 bbls oil, 30 | 50 bbls |
| of water with a BHP of 1525 psi at mid-perf. | |
| 5/18/2022 24 hour production, 547 oil, 301 water, 35% water cut, BHP 1503, Tubing 40, Casing 13, 40 Hz. | |
| 5/19/2022 24 hour production, 546 oil, 281 water, 33% water cut, BHP 1497, Tubing 41, Casing 12, 40 Hz. -6 | |
| 5/20/2022 24 hour production, 546 oil, 286 water, 33% water cut, BHP 1483, Tubing 40, Casing 12, 40 Hz. -14 | |
| 5/21/2022 24 hour production, 545 oil, 269 water, 33% water cut, BHP 1473, Tubing 40, Casing 12, 40 Hz. -10 | |
| 5/22/2022 24 hour production, 543 oil, 259 water, 32% water cut, BHP 1459, Tubing 40, Casing 12, 40 Hz. -14 | |
| <u>5/23/2022</u> 24 hour production, 542 oil, 254 water, 32% water cut, BHP 1455, Tubing 40, Casing 12, 40 Hz4 | |

Supervisor:

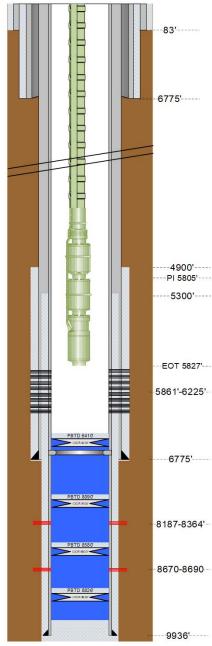
Tony E. Cook

Rig Operator: D Gardner

Daily Activity RECEIVED: Mar. 08, 2023



Ground Elevation: 5,723' KB Elevation: 5,746'



Kings Meadow Ranches 17-1 API # 43-041-30030 **Covenant Field** Section 17, T23S, R1W Sevier County, Utah

2040' FNL, 2000' FWL, SE NW, 17-23S-1W

(Not to Scale)

Deviated Well

Surface: Top of Pay (5850' MD): 2084' FNL, 2025' FWL, SE NW, 17-23S-1W Total Depth (9396' MD): 2074' FNL, 2205' FWL, SE NW, 17-23S-1W

Conductor Casing

Size: 20" Depth Landed: 83' Cement Data: Cemented to surface

Surface Casing (11/22/03)

Size/Wt/Grade: 13-3/8", 54.5#, J-55, STC, 8rd Depth Landed: 665' MD Cement Data: 845 sks Class "A" (15.6 ppg, 1.18 cf/sk)

Intermediate Casing (12/30/03)

Size/Wt/Grade: 9-5/8", 53.5#, HCP-110 & C-95, LTC, 8rd Depth Landed: 6775' MD Cement Data: 310 sks 50:50 Poz (13.0 ppg, 1.62 cf/sk), 385 sks 50:50 POZ (13.4 ppg, 1.51 cf/sk) Est. TOC @ 4900'

Production Casing (2/3/04)

Size/Wt/Grade: 5-1/2", 20#, L-80, LTC, 8rd Properties: 9190 psi burst, 4.653" drift, 4.778" ID, 0.0221 Bbl/ft Capacity Depth Landed: 9396' MD Stage Tool: Weatherford Model 781 POST at 6524' Cement Data: 570 sks N2 foamed Class "G", 50 sks Class "G" (14.4 ppg, 1.47 cf/sk)

White Throne Perforations

5861' - 5864' MD (5856'- 5859' TVD), 03', 4 spf, 12 Holes (5/13/22) 5876' - 5884' MD (5871'- 5879' TVD), 08', 4 spf, 32 Holes (5/13/22) 5905' - 5909' MD (5900'- 5904' TVD), 04', 2 spf, 08 Holes (5/13/22) 5915' - 5954' MD (5910'- 5949' TVD), 39', 2 spf, 78 Holes (5/13/22) 5970' - 5980' MD (5965'- 5975' TVD), 10', 4 spf, 40 Holes (5/13/22) 5983' - 5988' MD (5978'- 5983' TVD), 05', 4 spf, 20 Holes (5/13/22) 6030' - 6032' MD (6025'- 6027' TVD), 02', 4 spf, 08 Holes (5/13/22) 6036' - 6040' MD (6031'- 6035' TVD), 04', 4 spf, 16 Holes (5/13/22)

Navajo Perforations

6100' - 6115' MD (6095'- 6110' TVD), 15', 4 spf, 60 holes (11/3/04) 6144' - 6154' MD (6139'- 6149' TVD), 10', 4 spf, 40 holes (11/3/04) 6176' - 6186' MD (6171'- 6181' TVD), 10', 4 spf, 40 holes (11/3/04) 6215' - 6225' MD (6210'- 6220' TVD), 10', 4 spf, 40 holes (04/8/04)

Mid-Perf = 6043' MD (6038' TVD), 120' M (120' TV), 394 holes

8187'- 8364' MD (8182'- 8359' TVD), 06', 12 holes (3/30/04) 8670'- 8690' MD (8665'- 8685' TVD), 20', 80 holes (3/27/04)



Kings Meadow Ranches 17-1 API # 43-041-30030 Covenant Field Section 17, T23S, R1W Sevier County, Utah

Tubing (05/15/2022)

| Marker Jt | 5681' MD (5676' TVD) |
|-------------|----------------------|
| Pump Intake | 5805' MD (5800' TVD) |
| Sensor | 5823' MD (5818' TVD) |
| EOT | 5827' MD (5822' TVD) |
| | |

<u>PBTD</u>

(04/7/04) CIBP @ 6430' w/ top cement to 6410' MD (04/7/04) CIBP @ 8110' w/ top cement to 8090' MD (3/30/04) CIBP @ 8600' w/ top cement to 8580' MD (3/26/04) CIBP @ 8850' w/ top cement to 8826' MD

| Tubin | ng Detail (05/ | /15/2022) |
|-------|----------------|--|
| | 23.00 | КВ |
| | -2.00 | Landed above GL |
| | -5.00 | Wireline correction |
| 182 | 5664.62 | Tubing - 2-7/8", 6.5#, N-80, EUE, 8rd |
| 1 | 6.04 | Tubing - 2-7/8", 6.5#, N-80, EUE, 8rd |
| 1 | 63.48 | Tubing - 2-7/8", 6.5#, N-80, EUE, 8rd |
| 1 | 6.04 | Tubing - 2-7/8", 6.5#, N-80, EUE, 8rd with Centralizer |
| 1 | 0.50 | Pump discharge |
| 1 | 23.65 | Pump |
| 1 | 23.65 | Pump |
| 1 | 0.6 | Pump intake |
| 1 | 6.13 | Seal |
| 1 | 11.95 | Motor |
| 1 | 2.93 | Sensor |
| 1 | 1.38 | Centralizer |
| | '5826.97 | EOT (5827 MD, 5822' TVD) |
| Note: | | ralve in this well. acity = 0.00579 Bbl/ft, Burst = 10570 psi, Joint Yield = 144960 lbs |



Kings Meadow Ranches 17-1 API # 43-041-30030 Covenant Field Section 17, T23S, R1W Sevier County, Utah

Directional Data:

| <u>MD</u> | TVD | Incl. | MD | TVD | Incl. | |
|-----------|------|-------|------|------|-------|--|
| 1000 | 1000 | 1.3 | 6000 | 5995 | 0.8 | |
| 2000 | 1999 | 1.7 | 7000 | 6993 | 3.6 | |
| 3000 | 2997 | 2.7 | 8000 | 7989 | 4.5 | |
| 4000 | 3996 | 2.4 | 9000 | 8987 | 1.6 | |
| 5000 | 4996 | 1.7 | 8396 | 9383 | 0.5 E | |
| | | | | | | |

Wellhead Information

- Tubing head flange is 7-1/16", 10M with a 2-7/8" EUE 8rd top connection.

- North valve in cellar is to the 13-38" x 9-5/8" annulus
- South valve in cellar is to the 9-5/8" x 5-1/2" annulus

Stimulation

<u>4/13/04</u>: 6215' - 6225' w/ 1000 gal 7.5% HCI. BTR = 1.1 BPM @ 3990 psi, FTR = 4.4 BPM @ 3810 psi

<u>4/14/04</u>: 6215' - 6225' w/ 1500 gal 7.5% HCI. BTR = 4.2 BPM @ 3373 psi, FTR = 4.2 BPM @ 3100 psi, ISDP = 1685 psi

<u>11/4/04:</u> 6100' - 6186' w/ 4500 gal 7.5% HCl. ATR = 4.0 BPM @ 3200 psi, ISDP = 2220 psi

<u>Notes</u>

Surface Location: Latitude = 38° 48' 16.13", Longitude = -111° 56' 05.35" (1/29/04): Cement top behind 9-5/8" at 4900' on CBL-CCL-GR (2/10/04): Cement top behind 5-1/2" at 5300' on CBL-CCL-GR (2/25/08): Available Logs: HRI, DLL, SDL/DSN, EMI, CBL (3), USIT