

Shari Vleny 303-333-9810

12/11
13:00 left msg received OIR. Call if questions. Will schedule on-site for APD in.

Melissa Lasley ~~(303)~~ (720) 279-6805

12/1/06 @ 13:05. Inform of OIR for the 4 wells and game her #'s.

1/6 left msg for Vleny that APD in. Please return call to set up on-site.

~~2/2/07~~ left msg Vleny to call

2/1/07 msg from ~~Jeff~~ ^{Moxen} attorney working w/ Vleny (303) 333-9810

3/1/07 Jeff Moxen - pretty close on some. Hope to have it resolved soon. within next couple of weeks. Tare timeline is wanting to get things moving. Told him if Tare wants to move forward soon, could

3/1/07 Melissa Lasley - left msg to call

3/1/07 M.L. + ? on Tare called. They will call Moxen today and see about the OIR. Maybe can withdraw I told her if goes on and can't party approved let Moxen know and call set up on-site.

3/7/07 left msg for Moxen to call after can see Tare regarding status updates

3/8/07 msg for Moxen. Return call + left msg to call

3/16/07 withdraw per Moxen - Attorney 15/30

**Colorado Oil and Gas Conservation Commission (COGCC)
Onsite Inspection Request Form
(Effective for APDs submitted after February 15, 2005)**

As the surface owner(s) where a proposed well is being drilled, I/we are requesting that the COGCC conduct an onsite inspection. I/we did not execute a lease nor did I/we execute a surface use or other relevant agreement for the proposed well. I/we understand that good faith consultation with the operator as required under COGCC Rule 306. is required to have occurred prior to making this request to the COGCC to conduct an onsite inspection, and that this onsite inspection request must be received by the COGCC within ten (10) business days of the first day of the Rule 306. consultation.

Surface Owner Contact Information:

Name: Shari Ulery, Attorney for Contract Purchaser
Address: 621 17th St. 19th Fl. Denver, CO 80293
Telephone No. (303) 333-9810
Cell Phone No. _____

Well Operator and Location Information:

Operator: Texas American Resources Co.
Well Name: BOX ELDER H#13-31
Location: NW1/4SW1/4 S31 T1S R65W
Quarter/Quarter Section Township Range
County: Adams

First date Rule 306. consultation occurred: n/a
Date

Proposed two (2) dates for the COGCC onsite consultation (must be within thirty (30) days of the request)

1st date 12/14/06 2nd date 12/15/06

I would prefer to have a representative of the appropriate Local Government (COGCC Local Governmental Designee) invited to attend the onsite inspection? yes no

Briefly describe the unresolved issues related to the proposed well (The onsite inspection shall not address matters of surface owner compensation, property value diminution, future use of the property or any private party contractual issues between the operator and the surface owner.)
Location of wells

Signature(s) Shari Ulery Date 11/29/06

Please fax or first class mail this request for an onsite inspection to:

Colorado Oil and Gas Conservation Commission
Attn: Onsite Inspection Specialist
1120 Lincoln Street Suite 801
Denver, CO 80203
FAX (303) 894-2109

LAT: 39.919520

LONG: -104.708232

OP: 10138

**Colorado Oil and Gas Conservation Commission (COGCC)
Onsite Inspection Request Form
(Effective for APDs submitted after February 15, 2005)**

As the surface owner(s) where a proposed well is being drilled, I/we are requesting that the COGCC conduct an onsite inspection. I/we did not execute a lease nor did I/we execute a surface use or other relevant agreement for the proposed well. I/we understand that good faith consultation with the operator as required under COGCC Rule 306. is required to have occurred prior to making this request to the COGCC to conduct an onsite inspection, and that this onsite inspection request must be received by the COGCC within ten (10) business days of the first day of the Rule 306. consultation.

Surface Owner Contact Information:

Name: Shari Ulery, Attorney for Contract Purchaser
Address: 621 17th St, 19th Fl, Denver, CO 80293
Telephone No. (303) 333-9810
Cell Phone No. _____

Well Operator and Location Information:

Operator: Texas American Resources Company
Well Name: BOX ELDER H#21-31
Location: NE1/4NW1/4 S31 T1S R65W
Quarter/Quarter Section Township Range
County: Adams

First date Rule 306. consultation occurred: n/a
Date

Proposed two (2) dates for the COGCC onsite consultation (must be within thirty (30) days of the request)
1st date 12/14/06 2nd date 12/15/06

I would prefer to have a representative of the appropriate Local Government (COGCC Local Governmental Designee) invited to attend the onsite inspection? yes no

Briefly describe the unresolved issues related to the proposed well (The onsite inspection shall not address matters of surface owner compensation, property value diminution, future use of the property or any private party contractual issues between the operator and the surface owner.)

Location of wells

Signature(s)  Date 11/29/06

Please fax or first class mail this request for an onsite inspection to:

Colorado Oil and Gas Conservation Commission
Attn: Onsite Inspection Specialist
1120 Lincoln Street Suite 801
Denver, CO 80203
FAX (303) 894-2109

LAP 39.927303
LON - 104.708539
OP 10138

Colorado Oil and Gas Conservator Commission (COGCC)
Onsite Inspection Request Form
 (Effective for APDs submitted after February 15, 2005)

As the surface owner(s) where a proposed well is being drilled, I/we are requesting that the COGCC conduct an onsite inspection. I/we did not execute a lease nor did I/we execute a surface use or other relevant agreement for the proposed well. I/we understand that good faith consultation with the operator as required under COGCC Rule 306. is required to have occurred prior to making this request to the COGCC to conduct an onsite inspection, and that this onsite inspection request must be received by the COGCC within ten (10) business days of the first day of the Rule 306. consultation.

Surface Owner Contact Information:

Name: Shari Ulery, Attorney for Contract Purchaser
 Address: 621 17th St, 19th Fl, Denver, CO 80293
 Telephone No. (303) 333-9810
 Cell Phone No. _____

Well Operator and Location Information:

Operator: Texas American Resources Company
 Well Name: BOX ELDER H#24-31
 Location: SE1/4SW1/4 S31 T1S R65W
Quarter/Quarter Section Township Range
 County: Adams County

First date Rule 306. consultation occurred: n/a
Date

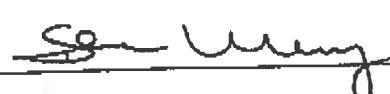
Proposed two (2) dates for the COGCC onsite consultation (must be within thirty (30) days of the request)

1st date 12/14/06 2nd date 12/15/06

I would prefer to have a representative of the appropriate Local Government (COGCC Local Governmental Designee) invited to attend the onsite inspection? yes no

Briefly describe the unresolved issues related to the proposed well (The onsite inspection shall not address matters of surface owner compensation, property value diminution, future use of the property or any private party contractual issues between the operator and the surface owner.)

Location of wells

Signature(s)  Date 11/29/04

Please fax or first class mail this request for an onsite inspection to:

Colorado Oil and Gas Conservation Commission
 Attn: Onsite Inspection Specialist
 1120 Lincoln Street Suite 801
 Denver, CO 80203
 FAX (303) 894-2109

LOM 39.916053
 LOM 5204.787652
 OP 10138

**Colorado Oil and Gas Conservator Commission (COGCC)
Onsite Inspection Request Form
(Effective for APDs submitted after February 15, 2005)**

As the surface owner(s) where a proposed well is being drilled, I/we are requesting that the COGCC conduct an onsite inspection. I/we did not execute a lease nor did I/we execute a surface use or other relevant agreement for the proposed well. I/we understand that good faith consultation with the operator as required under COGCC Rule 306. is required to have occurred prior to making this request to the COGCC to conduct an onsite inspection, and that this onsite inspection request must be received by the COGCC within ten (10) business days of the first day of the Rule 306. consultation.

Surface Owner Contact Information:

Name: Shari Ulery, Attorney for Contract Purchaser
Address: 621 17th St, 19th Fl, Denver, CO 80293
Telephone No. (303) 333-9810
Cell Phone No. _____

Well Operator and Location Information:

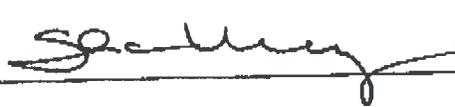
Operator: Texas American Resources Company
Well Name: BOX ELDER H#22-31
Location: SE1/4NW1/4 S31 T1S R65W
Quarter/Quarter Section Township Range
County: Adams

First date Rule 306. consultation occurred: n/a
Date

Proposed two (2) dates for the COGCC onsite consultation (must be within thirty (30) days of the request)
1st date 12/14/06 2nd date 12/15/06

I would prefer to have a representative of the appropriate Local Government (COGCC Local Governmental Designee) invited to attend the onsite inspection? yes no

Briefly describe the unresolved issues related to the proposed well (The onsite inspection shall not address matters of surface owner compensation, property value diminution, future use of the property or any private party contractual issues between the operator and the surface owner.)
Location of wells

Signature(s)  Date 11/29/06

Please fax or first class mail this request for an onsite inspection to:

Colorado Oil and Gas Conservation Commission
Attn: Onsite Inspection Specialist
1120 Lincoln Street Suite 801
Denver, CO 80203
FAX (303) 894-2109

LAT 39.922659
LON -104.707964
OP: 10138

01958250

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303)894-2100 Fax: (303)894-2109



RECEIVED
JAN 17 07
COGCC
Hydrone Fracturing Surety ID#

1. Drill, Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL
OIL GAS COALBED OTHER: _____
SINGLE ZONE MULTIPLE ZONES COMMINGLE ZONES

Refilling
Sidetrack

		Complete the Attachment Checklist	
		OP	COGCC
3. Name of Operator: <u>Texas American Resources Co.</u>	4. COGCC Operator Number: <u>10138</u>	APD Orig & 1 Copy	<input checked="" type="checkbox"/>
5. Address: <u>410 17th St., Suite 1610</u>	City: <u>Denver</u> State: <u>CO</u> Zip: <u>80202</u>	Form 2A	<input checked="" type="checkbox"/>
6. Contact Name: <u>Melissa Lasley</u>	Phone: <u>(720) 279-6805</u> Fax: <u>(303) 592-3030</u>	Well location plat	<input checked="" type="checkbox"/>
7. Well Name: <u>Box Elder H</u>	Well Number: <u>22-31</u>	Topo map	<input checked="" type="checkbox"/>
8. Unit Name (if appl): _____	Unit Number: _____	Mineral lease map	<input checked="" type="checkbox"/>
9. Proposed Total Measured Depth: <u>8500'</u>		Surface agrmt/Surety	
10. QtrQtr: <u>SENW</u> Sec: <u>31</u> Twp: <u>1S</u> Rng: <u>65W</u> Meridian: <u>6th</u> Latitude: <u>39.92337</u> Longitude: <u>104.70841</u>		30 Day notice letter	<input checked="" type="checkbox"/>
		Deviated Drilling Plan Exception Location Request	
11. Field Name: <u>Wattenberg</u> Field Number: <u>90750</u>		Exception Loc Waivers	
12. Ground Elevation: <u>5259</u> 13. County: <u>Adams</u>		H2S Contingency Plan	
14. GPS Data: Date of Measurement: <u>12.7.06</u> PDOP Reading: <u>1.7</u> Instrument Operator's Name: <u>Dallas Nielsen</u>		Federal Drilling Permit	

15. If well is: Directional Horizontal (highly deviated), submit deviated drilling plan. Bottomhole Sec Twp Rng: _____
Footage At Top of Prod Zone: _____ At Bottom Hole: _____
16. Is location in a high density area (Rule 603b)? Yes No
17. Distance to the nearest building, public road, above ground utility or railroad: 1734
18. Distance to Nearest Property Line: 906 19. Distance to nearest well permitted/completed in the same formation: 682'

20. LEASE, SPACING AND POOLING INFORMATION

Objective Formation(s)	Formation Code	Spacing Order Number (s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
J Sand	J SND	232-23	320	N/2

21. Mineral Ownership: Fee State Federal Indian Lease # _____
22. Surface Ownership: Fee State Federal Indian
23. Is the Surface Owner also the Mineral Owner? Yes No Surface Surety ID# _____
23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? Yes No
23b. If 23 is No: Surface Owners Agreement Attached or \$25,000 Blanket Surface Bond \$2,000 Surface Bond \$5,000 Surface Bond
24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):
Section 31: T1S-R65W ALL
25. Distance to Nearest Mineral Lease Line: 1734 26. Total Acres in Lease: 640acres

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? Yes No If Yes, attach contingency plan.
28. Will salt sections be encountered during drilling? Yes No
29. Will salt (>15,000 ppm TDS Cl) or oil based muds be used during drilling? Yes No
30. If questions 27 or 28 are yes, is this location in a sensitive area (Rule 903)? Yes No If 28, 29 or 30 are "Yes" a pit permit may be required.
31. Mud disposal: Offsite Onsite
Method: Land Farming Land Spreading Disposal Facility Other: TBD other disposal facility

NOTE: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b.) If air/gas drilling, notify local fire officials.

String	Size of Hole	Size of Casing	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
Surface	12 1/4	8 5/8	24#	425-1630'	300+	425-1630	Surface
Production	7 7/8	4 1/2	11.6#	8500'	300+	8500'	5900

32. BOP Equipment Type: Annular Preventor Double Ram Rotating Head None
33. Comments There is no PR well with in the 400'x400' window.

34. Initial Rule 306 Consultation took place on (date) 1.09.07, was waived, or is not required. Provide supporting documentation if consultation has been waived or if good faith effort did not result in consultation.
PERMIT SUBMITTED TO COGCC PRIOR TO COMPLIANCE WITH RULE 306 CONSULTATION SHALL BE RETURNED UNAPPROVED.
I hereby certify that a complete permit package has been sent to the applicable Local Government Designee(s), and all statements made in this form are, to the best of my knowledge, true, correct, and complete.
Signed: Melissa Lasley Print Name: Melissa Lasley
Title: Regulatory/Production Analyst Date: 1.12.07 Email: mlasley@texasarc.com

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: _____ Director of COGCC _____ Date: _____

Permit Number: 20070247 Expiration Date: _____

API NUMBER
05-

CONDITIONS OF APPROVAL, IF ANY:

1) Note surface casing setting depth change from 425' to 1630'. Increase cement coverage accordingly and cement to surface. 2) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us 3) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.



RECEIVED
 JAN 17 07
 Plugging Bond Surety ID#
COGCC

1. Drill, Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL
 OIL GAS COALBED OTHER: _____
 SINGLE ZONE MULTIPLE ZONES COMMINGLE ZONES

Refitting
 Sidetrack

Complete the Attachment Checklist

	OP	COGCC
APD Orig & 1 Copy	<input checked="" type="checkbox"/>	
Form 2A	<input checked="" type="checkbox"/>	
Well location plat	<input checked="" type="checkbox"/>	
Topo map	<input checked="" type="checkbox"/>	
Mineral lease map	<input checked="" type="checkbox"/>	
Surface agmt/Surety		
30 Day notice letter	<input checked="" type="checkbox"/>	
Deviated Drilling Plan		
Exception Location Request		
Exception Loc Waivers		
H2S Contingency Plan		
Federal Drilling Permit		

3. Name of Operator: Texas American Resources Co. 4. COGCC Operator Number: 10138
 5. Address: 410 17th St., Suite 1610
 City: Denver State: CO Zip: 80202
 6. Contact Name: Melissa Lasley Phone: (720) 279-6805 Fax: (303) 592-3030
 7. Well Name: Box Elder H Well Number: 24-31
 8. Unit Name (if appl): _____ Unit Number: _____
 9. Proposed Total Measured Depth: 8500'

10. QtrQtr: SESW Sec: 31 Twp: 1S Rng: 65W Meridian: 6th
 Latitude: 39.9161 Longitude: 104.70838
 Footage At Surface: 662 S 1744 W
 11. Field Name: Wattenberg Field Number: 90750
 12. Ground Elevation: 5273 13. County: Adams

14. GPS Data:
 Date of Measurement: 12.7.06 PDOP Reading: 2.1 Instrument Operator's Name: Dallas Nielsen

15. If well is: Directional Horizontal (highly deviated), submit deviated drilling plan. Bottomhole Sec Twp Rng: _____
 Footage At Top of Prod Zone: _____ At Bottom Hole: _____

16. Is location in a high density area (Rule 603b)? Yes No
 17. Distance to the nearest building, public road, above ground utility or railroad: 662'
 18. Distance to Nearest Property Line: 662' 19. Distance to nearest well permitted/completed in the same formation: 1000

20. LEASE, SPACING AND POOLING INFORMATION

Objective Formation(s)	Formation Code	Spacing Order Number (s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
<u>J Sand</u>	<u>J SND</u>	<u>232-23</u>	<u>320</u>	<u>S/2</u>

21. Mineral Ownership: Fee State Federal Indian Lease # _____
 22. Surface Ownership: Fee State Federal Indian
 23. Is the Surface Owner also the Mineral Owner? Yes No Surface Surety ID# _____
 23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? Yes No
 23b. If 23 is No: Surface Owners Agreement Attached or \$25,000 Blanket Surface Bond \$2,000 Surface Bond \$5,000 Surface Bond
 24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):
Section 31: T1S-R65W ALL
 25. Distance to Nearest Mineral Lease Line: 662' 26. Total Acres in Lease: 640acres

27. Is H2S anticipated? Yes No If Yes, attach contingency plan.
 28. Will salt sections be encountered during drilling? Yes No
 29. Will salt (>15,000 ppm TDS Cl) or oil based muds be used during drilling? Yes No
 30. If questions 27 or 28 are yes, is this location in a sensitive area (Rule 903)? Yes No If 28, 29 or 30 are "Yes" a pit permit may be required.
 31. Mud disposal: Offsite Onsite
 Method: Land Farming Land Spreading Disposal Facility Other: TBD other disposal facility

NOTE: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

String	Size of Hole	Size of Casing	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
<u>Surface</u>	<u>12 1/4</u>	<u>8 5/8</u>	<u>24#</u>	<u>425' 1640'</u>	<u>300+</u>	<u>425' 1640'</u>	<u>Surface</u>
<u>Production</u>	<u>7 7/8</u>	<u>4 1/2</u>	<u>11.6#</u>	<u>8500'</u>	<u>300+</u>	<u>8500'</u>	<u>5900</u>

32. BOP Equipment Type: Annular Preventor Double Ram Rotating Head None
 33. Comments There is no PR well with in the 400'x400' window.

34. Initial Rule 306 Consultation took place on (date) 1.09.07, was waived, or is not required. Provide supporting documentation if consultation has been waived or if good faith effort did not result in consultation.
PERMIT SUBMITTED TO COGCC PRIOR TO COMPLIANCE WITH RULE 306 CONSULTATION SHALL BE RETURNED UNAPPROVED.
 I hereby certify that a complete permit package has been sent to the applicable Local Government Designee(s), and all statements made in this form are, to the best of my knowledge, true, correct, and complete.
 Signed: Melissa Lasley Print Name: Melissa Lasley
 Title: Regulatory/Production Analyst Date: 1.12.07 Email: mlasley@texasarc.com

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.
 COGCC Approved: _____ Director of COGCC Date: _____

Permit Number: 20070248 Expiration Date: _____

05- API NUMBER

CONDITIONS OF APPROVAL, IF ANY:

- 1) Note surface casing setting depth change from 425' to 1640'. Increase cement coverage accordingly and cement to surface. 2) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us 3) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.