

Evergreen Operating Corporation
CSF 14C-13-4S-104
843' FNL & 1871' FWL
Sec. 13, T. 4 S., R. 104 W.
Rio Blanco County, Colorado

PAGE 7



Surface Use Plan

1. DIRECTIONS & EXISTING ROADS (See PAGES 12 - 14)

From the stoplight at the junction of Colorado 64 and White Avenue in Rangely:
Go South 18 miles on County Road 23 (aka, White Avenue)
Then turn left and go Southeast 2.9 miles on County Road 116
Then turn right and go Southwest 15.8 miles on County Road 109 to state line
Then turn left and go Southeast 2.7 miles on County Road 25
Then turn right and go South \approx 150' cross country to the proposed pad

Roads will be maintained to a standard at least equal to their present condition.

2. ROADS TO BE BUILT OR UPGRADED (See PAGE 13)

About 150' of new road will be built. Road will be crowned and ditched with a \approx 15' wide running surface. Top soil and brush will be piled beside the road. Maximum disturbed width will be \approx 40' (due to curve). Maximum grade will be \approx 1%. Maximum cut or fill will be \approx 1'. No culvert, turn out, gate, or cattle guard is needed. Existing roads need no upgrade.

3. EXISTING WELLS (See PAGE 14)

There are 3 gas or oil wells, 6 plugged and abandoned wells, and 1 disposal well within a mile radius. There are no existing water or injection wells within a mile.

4. PROPOSED PRODUCTION FACILITIES (See PAGES 16 & 18)

A separator, tank battery in a berm, and meter run will be set on the cut parts

Evergreen Operating Corporation
CSF 14C-13-4S-104
843' FNL & 1871' FWL
Sec. 13, T. 4 S., R. 104 W.
Rio Blanco County, Colorado

PAGE 8

of the pad. All will be painted a flat juniper green color, except for OSHA parts. Stacks and vents will be built to discourage nesting or perching.

A $\approx 25'$ long $\approx 4"$ O. D. steel gas line will be buried by Canyon east to Canyon's existing line (UTU-25122BR) which is between the pad and road. Canyon will apply for its own right-of-way. Evergreen will install a $\approx 25'$ long $\approx 4"$ O. D. polyethylene water pipeline in the same pipeline corridor. The water pipeline will "dead end" pending further water pipeline plans. All pipeline disturbance will be in the same 40' wide corridor.

5. WATER SUPPLY

Water will be trucked from a private source in Rangely or Bonanza.

6. CONSTRUCTION MATERIALS & METHODS

The top $\approx 6"$ of soil and brush will be stripped and piled west of the pad. Pit sub soil will be piled around the pit. No pit liner is planned at this time. Gravel, if needed, will be bought from an existing commercial site.

7. WASTE DISPOSAL

Reserve pit will be fenced live stock tight on three sides with woven wire topped with barbed wire. The fourth side will be fenced the same when drilling is completed. At least 2' of freeboard will be maintained in the reserve pit. The fence will be kept in good repair while the pit dries.

The flare pit will be similarly fenced. The flare pit will have a $\approx 10'$ high dirt back stop. Flare pit fluids will drain via trench to the reserve pit.

Evergreen Operating Corporation
CSF 14C-13-4S-104
843' FNL & 1871' FWL
Sec. 13, T. 4 S., R. 104 W.
Rio Blanco County, Colorado

PAGE 9

All trash will be placed in a portable trash cage. It will be hauled to a state approved landfill. No trash will be placed in the reserve pit. Human waste will be disposed of in chemical toilets. Toilet and trailer holding tank waste will be hauled to a state approved disposal site.

8. ANCILLARY FACILITIES

There will be no air strip or camp. Camper trailers will be on location for the company man, tool pusher, and mud logger.

9. WELL SITE LAYOUT

See PAGES 15 - 18 for depictions of the well pad, cross section, cut and fill diagram, reserve pit, trash cage, access road onto the location, parking, living facilities, soil stockpile, and rig orientation.

10. RECLAMATION

Reclamation starts once the reserve pit is dry. It usually takes a year for a reserve pit to fully evaporate, at which point it will be back filled with sub soil. The road and well site will be contoured to a natural shape, topsoil and brush spread evenly over disturbed areas, and disturbed areas ripped or harrowed. Seeding will be done in accordance with BLM stipulations. Seed bag tag will be kept. Road will be blocked. If the well is a producer, then the reserve pit and any other areas not needed for work overs will be reclaimed as described.

11. SURFACE OWNER

All construction is on lease and on BLM.

Evergreen Operating Corporation
CSF 14C-13-4S-104
843' FNL & 1871' FWL
Sec. 13, T. 4 S., R. 104 W.
Rio Blanco County, Colorado

12. OTHER INFORMATION

Archaeology report will be submitted by Metcalf.

13. REPRESENTATION

Anyone having questions concerning the APD should contact:

Brian Wood
Permits West, Inc.
37 Verano Loop
Santa Fe, NM 87508
(505) 466-8120 FAX (505) 466-9682 Cellular (505) 699-2276

Field representative will be:

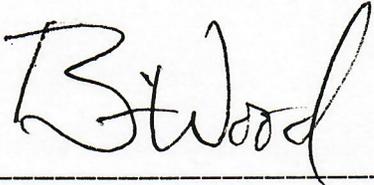
Ron Millet
Evergreen Operating Corporation
1401 17th St., Suite 1200
Denver, CO 80202
(303) 298-8100 FAX (303) 298-7800 Cellular (303) 916-7604

I hereby certify Evergreen Operating Corporation has the necessary consents from the proper lease and unit interest owners to conduct lease and unit operations in conjunction with this APD. Bond coverage *per* 43 CFR 3104 for lease activities is being provided by Evergreen Operating Corporation.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Evergreen Operating Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U. S. C. 1001 for the filing of a false statement.

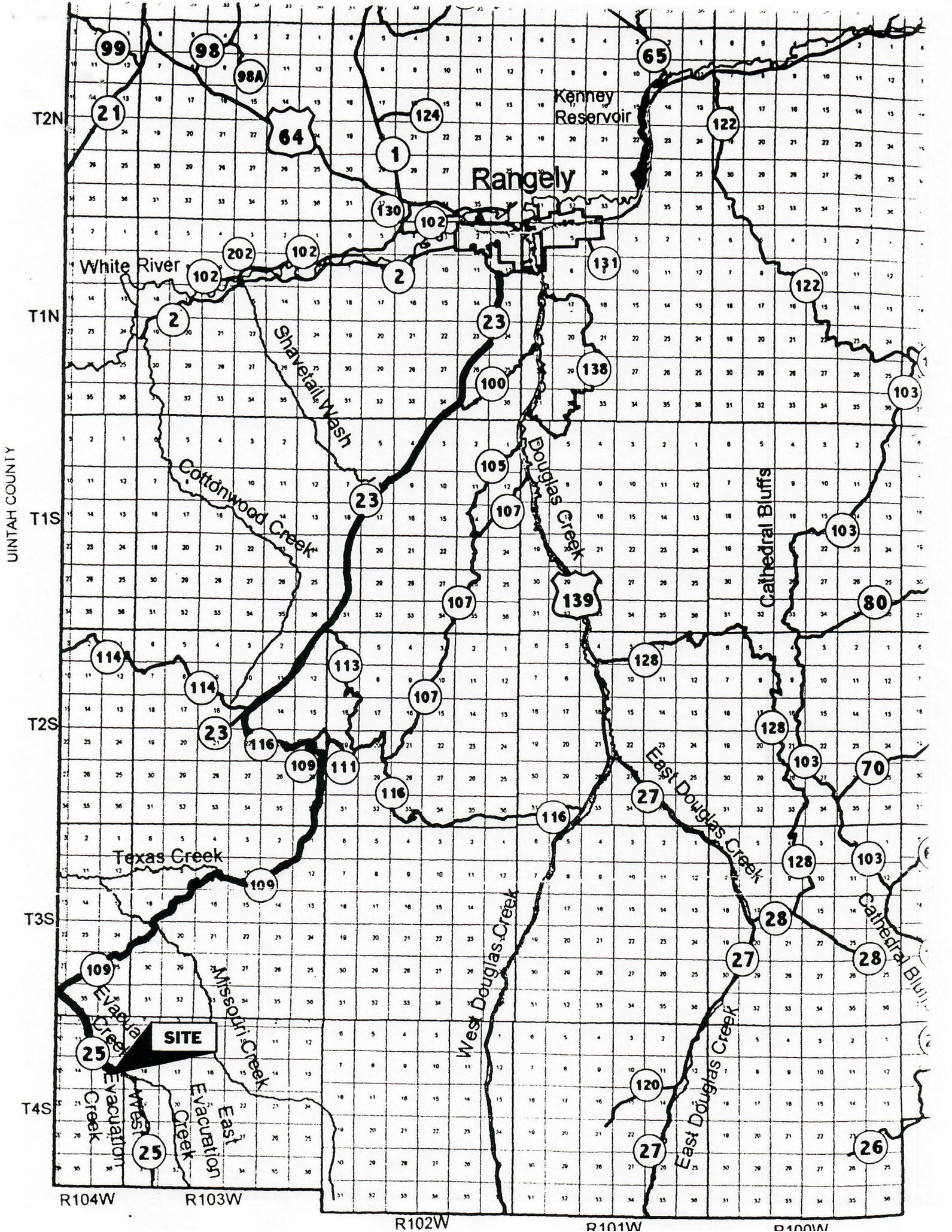
Evergreen Operating Corporation
CSF 14C-13-4S-104
843' FNL & 1871' FWL
Sec. 13, T. 4 S., R. 104 W.
Rio Blanco County, Colorado

PAGE 11



October 17, 2004

Brian Wood, Consultant



T2N

T1N

T1S

T2S

T3S

T4S

UINTAH COUNTY

Rangely

Kenney Reservoir

White River

Shoveltail Wash

Cottonwood Creek

Douglas Creek

Cathedral Bluffs

Texas Creek

Missouri Creek

West Douglas Creek

East Douglas Creek

Cathedral Bluffs

SITE

West
Evacuation
Creek

East
Evacuation
Creek

R104W

R103W

R102W

R101W

R100W

99

98

98A

64

124

65

21

1

122

202

102

130

102

131

122

2

2

23

138

103

Shoveltail Wash

100

105

107

23

139

103

80

114

113

128

114

107

128

23

116

109

111

116

116

70

Texas Creek

109

27

128

103

109

109

111

116

116

27

128

103

25

25

25

25

25

116

27

28

28

120

27

26

25

25

25

25

25

116

27

28

28

120

27

26