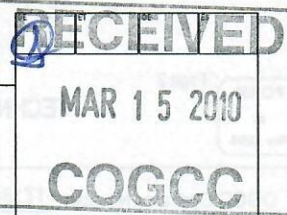




State of Colorado

Oil and Gas Conservation Commission

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



SUNDRY NOTICE

Submit original plus one copy. This form is to be used for general, technical and environmental sundry information. For proposed or completed operations, describe in full on Technical Information Page (Page 2 of this form.) Identify well or other facility by API Number or by OGCC Facility ID. Operator shall send an informational copy of all sundry notices for wells located in High Density Areas to the Local Government Designee (Rule 603b.)

| | | |
|--|----------------------------------|--|
| 1. OGCC Operator Number: 17180 | 4. Contact Name: Bridget Lisenbe | Complete the Attachment Checklist OP OGCC |
| 2. Name of Operator: Citation Oil & Gas Corp. | Phone: (281) 891-1565 | |
| 3. Address: P O Box 690688 City: Houston State: Tx Zip: 77269 | Fax: (281) 580-2168 | |
| 5. API Number 05-017-07386 | OGCC Facility ID Number | Survey Plat |
| 6. Well/Facility Name: Bledsoe | 7. Well/Facility Number 7-12 | Directional Survey |
| 8. Location (Qtr/Qtr, Sec, Twp, Rng, Meridian): SWNE Sec. 12 T12S R51 W 6th PM | | Surface Eqpm Diagram |
| 9. County: Cheyenne | 10. Field Name: Speaker | Technical Info Page |
| 11. Federal, Indian or State Lease Number: | | Other |

General Notice

☐ CHANGE OF LOCATION: Attach New Survey Plat (a change of surface qtr/qtr is substantive and requires a new permit)

| | | |
|---|---------|---------|
| Change of Surface Footage from Exterior Section Lines: | FNL/FSL | FEL/FWL |
| Change of Surface Footage to Exterior Section Lines: | | |
| Change of Bottomhole Footage from Exterior Section Lines: | | |
| Change of Bottomhole Footage to Exterior Section Lines: | | |

Bottomhole location Qtr/Qtr, Sec, Twp, Rng, Mer _____ attach directional survey

Latitude _____ Distance to nearest property line _____ Distance to nearest bldg, public rd, utility or RR _____

Longitude _____ Distance to nearest lease line _____ Is location in a High Density Area (rule 603b)? Yes/No _____

Ground Elevation _____ Distance to nearest well same formation _____ Surface owner consultation date: _____

GPS DATA:
Date of Measurement _____ PDOP Reading _____ Instrument Operator's Name _____

☐ CHANGE SPACING UNIT
Formation _____ Formation Code _____ Spacing order number _____ Unit Acreage _____ Unit configuration _____

☐ Remove from surface bond
Signed surface use agreement attached _____

☐ CHANGE OF OPERATOR (prior to drilling):
Effective Date: _____
Plugging Bond: ☐ Blanket ☐ Individual

☐ CHANGE WELL NAME
From: _____
To: _____
Effective Date: _____

☐ ABANDONED LOCATION:
Was location ever built? ☐ Yes ☐ No
Is site ready for inspection? ☐ Yes ☐ No
Date Ready for Inspection: _____

☐ NOTICE OF CONTINUED SHUT IN STATUS
Date well shut in or temporarily abandoned: _____
Has Production Equipment been removed from site? ☐ Yes ☐ No
MIT required if shut in longer than two years. Date of last MIT _____

☐ SPUD DATE: _____ ☐ REQUEST FOR CONFIDENTIAL STATUS (6 mos from date casing set)

☐ SUBSEQUENT REPORT OF STAGE, SQUEEZE OR REMEDIAL CEMENT WORK *submit cbl and cement job summaries

| Method used | Cementing tool setting/perf depth | Cement volume | Cement top | Cement bottom | Date |
|-------------|-----------------------------------|---------------|------------|---------------|------|
| | | | | | |

☐ RECLAMATION: Attach technical page describing final reclamation procedures per Rule 1004.
Final reclamation will commence on approximately _____ ☐ Final reclamation is completed and site is ready for inspection.

Technical Engineering/Environmental Notice

☒ Notice of Intent
Approximate Start Date: _____

☐ Report of Work Done
Date Work Completed: _____

Details of work must be described in full on Technical Information Page (Page 2 must be submitted.)

| | | |
|--|--|--|
| <input checked="" type="checkbox"/> Intent to Recomplete (submit form 2) | <input type="checkbox"/> Request to Vent or Flare | <input type="checkbox"/> E&P Waste Disposal |
| <input type="checkbox"/> Change Drilling Plans | <input type="checkbox"/> Repair Well | <input type="checkbox"/> Beneficial Reuse of E&P Waste |
| <input type="checkbox"/> Gross Interval Changed? | <input type="checkbox"/> Rule 502 variance requested | <input type="checkbox"/> Status Update/Change of Remediation Plans |
| <input type="checkbox"/> Casing/Cementing Program Change | <input type="checkbox"/> Other: _____ | for Spills and Releases |

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct and complete.

Signed: Bridget Lisenbe Date: 3/12/2010 Email: blisenbe@cogcc.com
Print Name: Bridget Lisenbe Title: Permitting Analyst

COGCC Approved: [Signature] Title: [Signature] Date: 4/7/10

CONDITIONS OF APPROVAL, IF ANY:

Provide 24 hour notice of MIRU to Mike Craig Quint at 719-767-8939 or e-mail at craig.quint@state.co.us.

1) Complete proposed workover procedure w/in 3 months of permit issued due to outstanding NOAV #200215094 regarding failed MIT w/ abatement date of 1/10/10. Submit Form 4 requesting extension to NOAV. 2) If decision is made to P&A well contact COGCC 24 hrs prior to beginning P&A operations. Okay to proceed per workover procedure received 3/15/10 w/ this Permit and Sundry Notice. Also per Form 6-Intent #1897327. 3) If decision is to complete the Pawnee, provide remedial cement Cheyenne/Dakota interval (3300' - 2700') and run CBL across remedial cemented interval(s).

TECHNICAL INFORMATION PAGE



FOR OGCC USE ONLY

MAR 15 2010

COGCC

1. OGCC Operator Number: 17180 API Number: 05-017-07386
2. Name of Operator: Citation Oil & Gas Corp. OGCC Facility ID #
3. Well/Facility Name: Bledsoe Well/Facility Number: 7-12
4. Location (QtrQtr, Sec, Twp, Rng, Meridian): SWNE Sec. 12 T12S R51 W 6th PM

This form is to be completed whenever a Sundry Notice is submitted requiring detailed report of work to be performed or completed. This form shall be transmitted within 30 days of work completed as a "subsequent" report and must accompany Form 4, page 1.

5. DESCRIBE PROPOSED OR COMPLETED OPERATIONS

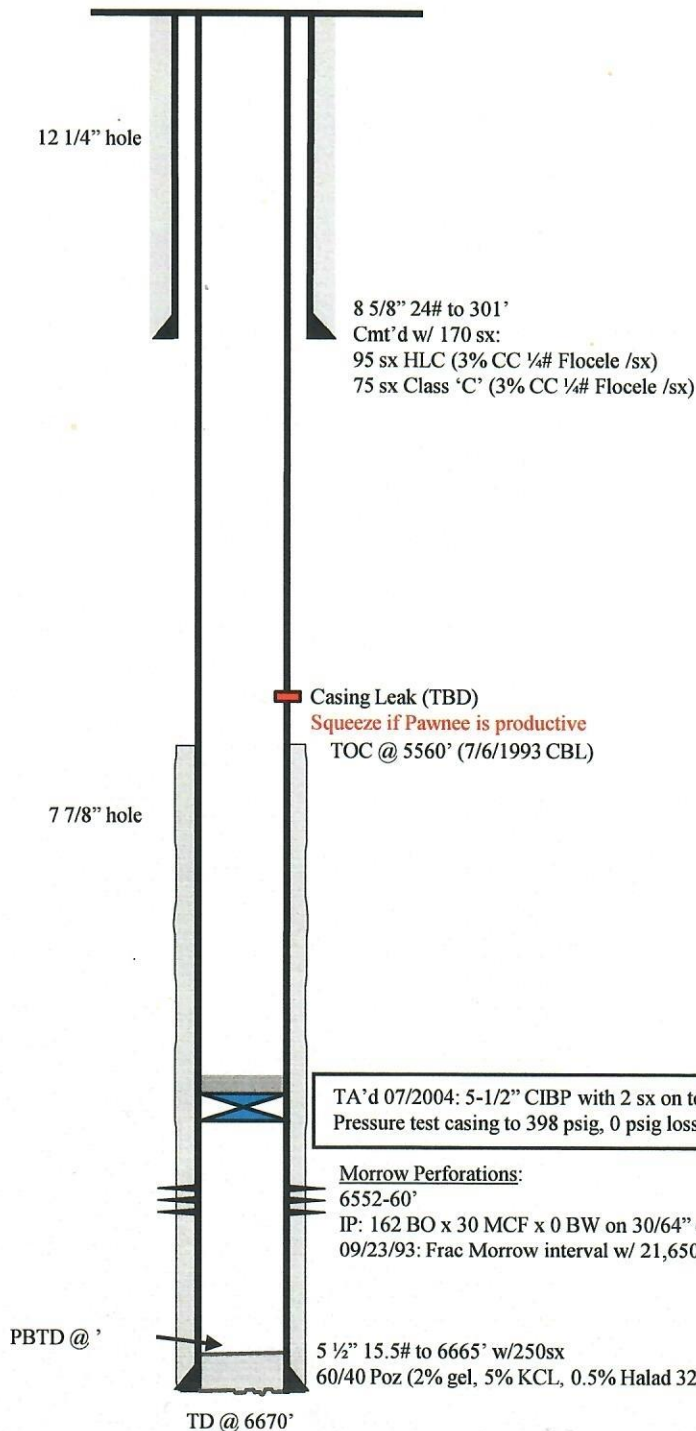
Citation requested permission to recomplete the referenced well uphole to the Pawnee with the attached procedure. If the Pawnee is uneconomical Citation will plug and abandon the well.

CITATION OIL AND GAS CORPORATION WELLBORE DIAGRAM AND INFORMATION

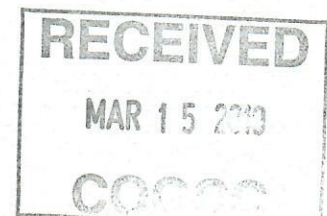
Well Name: Bledsoe Unit 7-12
Date: 08/27/2009
County: Cheyenne

Field: Speaker Unit
Location: SWNE Sec.12 T12S R51W
State: Colorado

| | |
|-------------------|---|
| Surface: | SWNE Sec. 12 T12S R51W Cheyenne County, CO |
| Spud: | 06/10/1993 |
| Elevation: | 4832' |
| KB: | 4822' |
| API #: | 05-017-07122 |



| CASING DETAIL | | | |
|---------------|--------|-------|-------|
| Size | Weight | Grade | Depth |
| 8 5/8" | 24# | J-55 | 301' |
| 5 1/2" | 15.5# | K-55 | 6665' |



CITATION OIL AND GAS CORPORATION

WELLBORE DIAGRAM AND INFORMATION

UP-HOLE RECOMPLETION

Well Name: Bledsoe Unit 7-12 **Field:** Speaker Unit
Date: 08/27/2009 **Location:** SWNE Sec.12 T12S R51W
County: Cheyenne **State:** Colorado

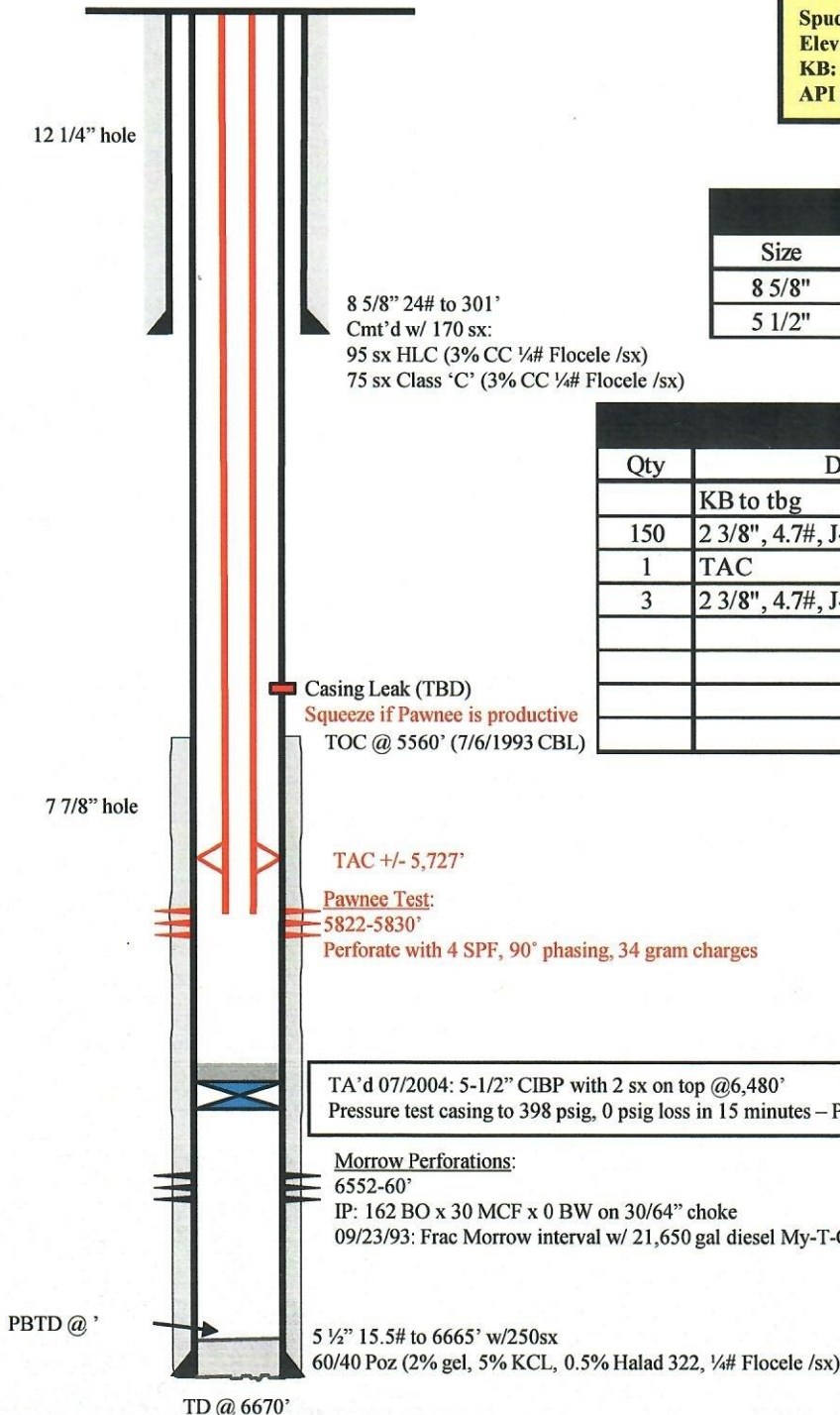
Surface: SWNE Sec. 12 T12S R51W
 Cheyenne County, CO
Spud: 06/10/1993
Elevation: 4832'
KB: 4822'
API #: 05-017-07122

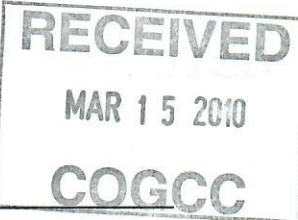
CASING DETAIL

| Size | Weight | Grade | Depth |
|--------|--------|-------|-------|
| 8 5/8" | 24# | J-55 | 301' |
| 5 1/2" | 15.5# | K-55 | 6665' |

TUBING DETAIL

| Qty | Description | Length | Depth |
|-----|--------------------|----------|----------|
| | KB to tbg | 10.00 | 10.00 |
| 150 | 2 3/8", 4.7#, J-55 | 5,717.00 | 5,727.00 |
| 1 | TAC | 2.71 | 5,729.71 |
| 3 | 2 3/8", 4.7#, J-55 | 94.00 | 5,823.71 |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |





WORKOVER PROCEDURE

PROJECT: Recomplete the Bledsoe 7-12 Uphole to the Pawnee

PRESENT FORMATION AND COMPLETION: Morrow

TUBING: None. The well is currently TA'd

MISC.: The well will be plugged and abandoned if economic rates are not attained

PROCEDURE

✓ Unload and rack 6,600' of 2-7/8" workstring for the workover.

Locate casing leak / perforate and test the Pawnee interval:

1. MI RU PU. ND WH and NU BOP.
2. PU & Tally RIH w/ 4-3/4" bit and 5-1/2" casing scraper. Tag cement at +/- 6,540'.
3. POOH & LD bit and scraper.
4. RIH with packer and 2-7/8" tubing. From surface, work way down to locate top and bottom of casing leak. If casing leak is above 5,800', continue with procedure otherwise set CIBP above top of leak with 2 sxs cement on top.
5. POOH with packer & prepare perforators. Swab well down and lower FL to +/- 5,200'
6. MIRU WL. Correlate and perforate Pawnee interval using 4" gun at 4 SPF interval with 32 gram charges at a 90 deg. phasing as follow:

| Well Name | Interval | # Feet/ # Holes | Correlate to |
|--------------|-------------|-----------------|---|
| Bledsoe 7-12 | 5822'-5830' | 9' / 37 | BPB Array Induction Shallow Focused Electric Log (06/26/93) |

TOOH with perforating gun. RD WL

7. TIH with packer and set at +/- 5,760'. Swab Pawnee for inflow for the rest of the day.
8. Record FL in the morning to check for overnight inflow. If necessary acidize under the set packer with 750 gals of 15% HCL. Return to swabbing and record data.

Note: If the Pawnee tests economic, RDMOPU. An AFE will be submitted to purchase and install tubing and artificial lift. Otherwise continue to step #9 for P&A.

P&A

9. **Notify GOGCC office prior to beginning P&A operations.**
10. TOOH with packer. RIH with CIBP and set above Pawnee at +/- 5725' and test to 1,000 psi. If PT ok set 2 sxs cmt on top.
11. Assuming casing leak is below 3300', set CIBP above the casing leak (test to 1000 psi) with 2 sxs of cement on top. If casing leak is above the base of the Cheyenne (+/- 3290'), consult with engineering for cement squeeze job procedure.
12. RU WL. Perforate squeeze holes at: 3391', 3076', 2753, and 351'. RD WL.
13. TIH w/5-1/2" CICR and TBG. Set CICR at 3270'. Sting in.
14. MIRU cementers. Establish injection rate into sqz holes at 3391'. Mix and pump 40 sx 60/40 poz w/4% gel below CICR. Sting out and spot 1 sack cement on top of CICR. Reverse tubing clean.

15. Loan hole with lease water. TOO H with tbg and stand +/- 3076' laying down remainder. TIH with CICR and tbg. Set CICR at 2950'. Sting in.
16. RU cementers. Establish injection rate into sqz holes at 3076'. Mix and pump 40 sx 60/40 poz w/4% gel below CICR. Sting out and spot 1 sack cement on top of CICR. Reverse tubing clean.
17. Load hole with water. TOO H with tbg and stand +/- 2753' laying down remainder. TIH with CR and tbg. Set CR @ 2650'. Sting out. Sting back in.
18. MIRU cementer. Establish injection rate into sqz holes at 2753'. Mix and pump 40 sx 60/40 poz w/4% gel below CICR. Sting out and spot 1 sack cement on top of CICR. Reverse tbg clean.
19. TOO H laying down remaining tbg.
20. Rig up to 5-1/2" casing. Establish injection rate down 5-1/2" production casing and up 5-1/2" x 8-5/8" annulus.
21. RU cementers. Mix and pump 50 sx Class 'A' cement down 5-1/2" casing. Displace with 6.0 bbls water to +/- 250'.
22. Run 3 jts tubing. Mix and pump 10 sack plug in production string. RDMOSU.
23. Cut off casing string at least 5' below ground level and remove wellhead.
24. Cap casing string with steel plate. Clean off location. Reclaim location in accordance with COGCC specifications.