

Completion Reports
Santa Fe 17#1
Concho Gas Development Project
Apache County, Arizona

934

10/27/2007 The rig crew didn't show up until 8:40 AM. Ran an R-2 pkr. Set @ 1778' w/ the SN @ 1792'. Rigged up to swab. FL @ 800'. Swabbed to SN. Rec. dark green water at first, followed by lighter green water. On the 2nd run there was 50' of fluid above the SN. Swabbed dry. SI half and hr. Pressure TSTM. Weak blow. FL 50' above the SN. No recovery. Rigged down the lubricator. Hooked up Halliburton. Loaded the annulus. Pmpd. 500 gal. 20% HCl. Pressure inc. after 6 Bbls. Trtd. @ 1690 psi and 6 B/M. ISIP 934. Pressure dec. to 213 psi in 5 min. Released the pressure. Inc. to 100 psi. Released the pressure after 20 min. Unhooked Halliburton. Rigged up to swab. Swabbed to the SN. Rec. load wtr. FL 200' above the SN on the 2nd run. Rec. wtr. and gas cut acid. FL 50' above the SN. SI. 0 pressure after 30 min. SD @ 12:30 PM PST.

10/28/2007 SI

10/29/2007 0 pressure. FL 1500'. Rec. 290' gas cut acid wtr. Rec. 150' of foamy acid water on the 2nd swab run. Swabbed dry on the 3rd run. Rigged down the lubricator and swabbing tee. Released the pkr. and TOO. Removed the pkr. TIH w/ CIBP. Set @ 994'. POOH, laying down the tbg. Pressure tested the plug to 500 psi. Held Ok. Began rigging down. SD @ dark.

10/30/2007 Finished rigging down. MOCT.

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10/24/2007 SITP 750 psi. Released the pressure. Unseated the pkr. POOH. RIH & pfd 1836-46' w/ 4 - 22 gm jpf. FL before perforating, 180'. After pftg., 168'. RIH & set the pkr. @ 1798'. Rigged up to swab. Flowed a small stream of wtr.. Swabbed to the SN. Rec. muddy gas cut water. No fluid on the 2nd run. Weak blow. SI an hr. SITP 35 psi. Inc. to 38 psi after 1 ½ hr. FL 80' above the SN. No fluid rec. Changed the swab cups. Swabbed dry. SI to gather a gas sample after the pressure builds.

10/25/2007 SITP 23 psi. Gathered a gas sample. Blew the well down. RIH. No fluid entry. Rigged down swabbing equip. Released the pkr. POOH. Rigged up Schlumberger. RIH and set a CIBP @ 1790'. Rigged down Sch. RIH & set the tbg. @ 1773'. Circ. the hole w/ clean wtr. cont. 2 gal. Claystay/1000 gal. of wtr. Pulled 8 stds. and swabbed down to perforate underbalanced. POOH. Rigged up Sch. RIH & pftd. 1748' - 64' w/ 4-22 gm jpf. FL before pftg., 879'. FL after, 864'. RIH & pftd. 1738' - 48' w/ 4-22 gm jpf. FL before pftg., 900'. FL after, 890'. RIH & pftd. 1728' - 38' w/ 4-22 gm jpf. FL before pftg., 856'. FL after, 853'. Rigged down Schlumberger. RIH w/ pkr. Set @ 1720'. Rigged up to swab. FL @ 850'. Swabbed to SN. Rec. black fluid followed by gray water. On a vacuum. Fluid 50' above the SN. No fluid rec. SI 30 min. Weak blow after 30 min. Pressure TSTM. SI @ 4:45 PM PST.

10/26/2007 SITP 0. RIH. Found FL 80' above the SN. Rec. black greasy material, possibly gun residue mixed w/ LCM and water. Released the pkr. POOH. Ram the SN, 2 jts. of tailpipe and the pkr. Set @ 1711'. End of the tbg., 1778'. Rigged up to swab. RIH. FL @ 800'. Swabbed to the SN. Rec. more black greasy water followed by gray water. FL 50' above the SN on the 2nd swab run. No rec. Rigged up to acidize. Az'd w/ 300 gal 20% HCl. Pmpd. the acid to the pfs. Pressure after 6.2 Bbls. 828 psi. BDP 1547 psi @ 1.2 BPM. Pressure inc. to 1700' psi @ 3.2 BPM. Unhooked Halliburton. Rigged up to swab. 250 psi after 45 min. Bled off. Pressure inc. to 500 psi. Swabbed back acid. Displaced unspent acid back to the pfs. w/ water cont. CLA STA. Pmpd. to 1100 psi and released pressure, washing the acid through the pfs. Unhooked. 700 psi. Flowed back to the pit. Decreased to a 1 inch stream of water. Swabbed to the SN. The water color changed to rust colored then clear. FL 1500' on the 2nd swab run, Rec. rusty colored gas cut acid water. FL 100' over SN on the 3rd run. Swabbed unspent acid. SI 30 min. Pressure 0. Rigged down the lubricator. Loaded the tbg. Released the pkr. POOH. RIH w/ CIBP. Set @ 1720'. Tested to 500 psi. Held Ok. RIH and swabbed down to perf. underbalanced. POOH. Rigged up Sch. RIH & pfd 1687' - 97' w/ 4-22 gm jpf. FL before pftg., 1020'. After pftg., 954'. Rigged down Sch. SD @ 6:30 PM PST.

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10/18/2007 SITP 10 psi. FL @ 600'. Swabbed muddy gas cut wtr. Rigged down the swabbing equip. Sent the final Wed. sample to Halliburton's lab for analysis. Released the pkr. Laid down 3 jts. POOH. Rigged up Schlumberger. RIH and set a CIBP @ 1890'. POOH. FL @ 715'. Loaded the hole. Pressured up to 500 psi. Plug held ok. Swabbed down to perf. underbalanced. RU Schlumberger. RIH and pf'd 1855-74' w/ 1-16 gm jpf. FL 1384' before pftg. After pftg., 1367'. RIH and pf'd 1837-52' w/ 1-16 gm jpf. FL @ 1385' before pftg.. After pftg., 1360'. RIH and pf'd 1822-37' w/ 1-16 gm jpf. FL @ 1391' before pftg. After pftg., 1360'. RIH & pf'd 1808-22' w/ 1-16 gm jpf. FL @ 1390' before pftg.. After pftg., 1360'. Rigged down Schlumberger. RIH & set the pkr. @ 1798'. Rigged up to swab. FL @ 1200'. Swabbed to the SN. Rec. pftg. trash followed by brown wtr. FL @ 1700' on the 2nd run. No rec. Swabbed dry. SI 30 min. No pressure. RI. FL 80' over the SN. No rec. SI. WO Halliburton to acidize pfs.

10/19/2007 SITP 0. No fluid in the tbq. Hooked up to acidize. Pmpd. 6 ½ Bbls. of 20% HCl. Broke after reaching 1322 psi. Pmpd. a total of 8.3 Bbls. for acid to reach all the perms.. SI 10 min. Pmpd. the rest of the 500 gal. @ 2.8 to 5.9 B/M. Treated from from 1230 to 1740 psi. ISIP 1070 psi. 975 psi in 15 min. SI for 1 ½ hr. Pressure 930 psi. Released the pressure. Rigged down Halliburton. Pressure built to over 900 psi. Hooked up to flow to the pit. Flowed approx. 5 GPM. Rigged up to swab. Began swabbing @ 2 PM PST. RIH to 1000'. Swabbed clean load wtr. FL @ 900'. Swabbed to the SN on the 2nd run. Rec. gas cut acid. Rigged down the lubricator. Hooked up Halliburton. Pmpd. 7 BW cont. 2 gal./Claystay/1000 gal. of water. Pumped the rem. acid back to the perms.. Pressured up after 6 ½ BW. Pressure inc. to 1130 psi. SI @ 950 psi @ 3 PM PST.

10/20/2007 SITP 880 psi.

10/21/2007 SI. WO 22 gm. charges.

10/22/2007 SITP 850 psi. WO Schlumberger.

10/23/2007 SITP 800 psi. WO Schlumberger.

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10/15/2007 SITP 6 psi. FL @ 700'. Swabbed down. Rec. green gas cut saltwater. Tbg. on a vacuum. Released the pkr. POOH. Rigged up Schlumberger. RIH & set a CIBP @ 2010'. Loaded the hole. Pressured to 1000 psi. Plug held OK. RIH to 1948'. Spotted 500 gal. 20% HCl. POOH. Rigged up Schlumberger. RIH. FL @ 255'. Pft'd 1947-52' w/ 4-16 gm jpf. FL after pftg., 210'. Pftg. head had pressure in it. RIH. FL @ 207'. Pf'd 1934-39' w/ 4-16 gm jpf. Pftg. head had pressure in it. FL after pftg., 193'. RIH. FL @ 200'. Pf'd. 1902-09' w/ 4-16 gm jpf. Pftg. head had pressure in it. FL after pftg. 209'. Rigged down Sch.. Ran the pkr. & 6 stds.. SI @ 6 PM.

10/16/2007 Finished in the hole. Set the pkr. @ 1160'. Hooked up to acidize. Az'd w/ the 500 gal. of 20% HCl followed by 500 gal. 15% HCl. BDP 1065 psi. Treated at 2.4 to 8.7 BPM. Max trtg. Pressure 1380 psi. ISIP 220 psi. Pressure dropped to zero in 2 min. Rigged down Halliburton. Released the pkr. RIH & set @ 1892'. Rigged up to swab. FL @ 400' on the first swab run. Swabbed load wtr. to the SN. FL @ 1200' on the 2nd swab run. Rec. gas cut acid wtr. that began clear and changed to muddy wtr. w/ a rainbow of oil on top of the sample. FL @ 1700' on the 3rd run. Rec. gas cut muddy army green wtr. FL @ 1700'. Rec. gas cut muddy wtr. Blowing slightly. FL @ 1500' on the 5th swab run. Rec. GCW. Flowed a couple slugs after the swab reached the lubricator and continued to blow faintly. 10-20% BS in the samples. FL @ 1600' on the 6th run. Rec. foamy gas cut acid wtr. w/ flecks of LCM. FL @ 1400' on the 7th run. Rec. foamy gas cut acid wtr. that was still unspent. SI 2 hrs. to allow the acid to spend. SITP 40 psi. FL @ 700'. Swabbed gas cut acid wtr. Made 27 swab runs. Final fluid level 1700'. SI @ 5 PM.

10/17/2007 SITP 20 psi. FL 700'. Swabbed gas cut wtr. FL 1400' on the 2nd run. Swabbed gas cut wtr. Made 30 swab runs. After the 10th swab run, the well was shut-in for 30 min.. The pressure built to 10 psi, and the fluid level rose to 900'. SI @ 5 PM. A gas sample was gathered and analyzed.

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- 10/11/2007 Tbg. on a vacuum. Finished running in the hole. Set the pkr. @ 2596'. Displaced the acid to the top of the pfs., 3368', using water cont. 2 gal. Clayfix/1000gal. of water. BDP 1272 psi. Treated @ 2 B/M. Pressure declined from 600 to 410 psi. ISIP 238 psi. On a vacuum in 3 ½ min. Released the pkr. RIH & set @ 3343'. Rigged up to swab. FL @ surface on the first swab run. Swabbed load wtr. from 1500'. FL @ 1500' on the 2nd run. Swabbed gas cut acid wtr. from the SN. FL @ 3000' on the 3rd run. Swabbed 350' of gcaw. FL @ 3200'. Swabbed 140' of brown muddy wtr. followed by gcaw. FL @ 3300'. Swabbed 50' of mgcaw. Released the pkr. TOOH. RIH retrieved the BP. POOH laying down tbg. and leaving 2225' of tbg. in the derrick. RIH and set a CIBP @ 2132', close to the bottom of cmt. FL @ 1124'. POOH. RIH. FL @ 1134'. Pf'd 2100-2110' w/ 1-16 gm jpf. FL 1130' after pftg. 2100-2110'. RIH. FL @ 1124' Pf'd 2090-2100' w/ 1-16 gm jpf. FL 1110' after pftg. Rigged down Sch. RIH. Set a new pkr. @ 2070' Rigged up to swab. FL @ 850'. Swabbed to 2066' on the first run. Rec. dark muddy wtr. followed by gcw. Little fluid entry. Swabbed 50-60' dark muddy gaw. Swabbed dry. SI @ 5:25 PM PST.
- 10/12/2007 SITP 3 ½ psi. Gathered a gas sample for analysis. FL 700' above the SN, ~1300'. Rec. slightly gas cut muddy water. FL 100' above the SN on the 2nd run. Rec. dark MW. FL 50' above the SN. Rec. Green wtr. w/ LCM on top. SI an hr. FL 100' above the SN. Rec. Green followed by reddish brown water w/ LCM floating on top. SI an hr. FL 100' above SN. Swabbed Green wtr. followed by reddish brown water. SI 3 hrs. Began flowing gas (A weak flow. TSTM). FL @ 1800', 270' above the SN. Swabbed dark green to brown water w/ celluflake and cedar Fiber (LCM). SI 2 hrs. FL @ 1800'. Swabbed dark green, then brown and then dark green water. SI.
- 10/13/2007 SITP 4 psi. FL @ 1000'. Swabbed gas cut green water. SI @ 10:30 A.M. (Note scale has formed in the line to the pit) SITP 3 ½ psi after 6 ½ hrs. FL @ 1300'. Swabbed Green foamy water. SI @ 5 PM.
- 10/14/2007 On a vacuum. FL @ 900'. Swabbed dark green water followed by gassy light green water. SI 8 hrs. SITP 5 psi. FL @ 1000'. Swabbed green water followed by gcsw. SI @ 5 PM.

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- 10/5/2007 SITP 60 psi. Bled off the pressure, and the gas is combustible. FL 1100'. SD to redirect the flow. Pressure built 15 psi in 30 min. FL @ 1800' on the second swab run. FL 3400' on the third run. Went on a vacuum. SI ½ hr. FL 300' above the SN, at 3366'. Rec. GCMF SI ½ hr. FL 150' above the SN, at 3516'. Swabbed dry. SI an hr. FL @ 3200'. Rec. GCSW. SI an hr. FL 300' above the SN, at 3366'. Rec. MGCSW. SI 2 hrs. FL @ 3200'. Swabbed MGCSW. SI.
- 10/6/2007 24 hr. SITP 15 psi.
- 10/7/2007 48 hr. SITP 18 psi.
- 10/8/2007 SITP 19 psi. WO rig crew, whose pickup broke down. Gathered another Penn gas sample for analysis.
- 10/9/2007 SITP 15 psi. FL @ 1300'. Swabbed to 3000'. Rec. brown muddy GCSW that left a film of oil on the pit. Released the pkr. POOH. RIH w/ ret. BP. Set the ret. BP @ 3650'. Spotted 500 gal. 15% HCl. POOH. Rigged up Sch. Pf'd 3611-17' w/ 4-16 gm jpf. FL before pftg., 400'. FL after pftg. 3611-17', 383'. Pf'd 3569-72'. Rigged down Sch. RIH. Set the pkr. @ 2652'. Az'd. BDP 860 psi. Treated @ 8.6 B/M and 2440 psi. ISIP 125 psi. On a vacuum in 6 min.. Released the pkr., RIH and reset @ 3541'. Rigged up to swab. FL 300'. Swabbed wtr. to the pit from 2000'. FL @ 1500' on the 2nd run. Swabbed to the SN. Rec. muddy gas cut acid water. FL @ 3200'. Swabbed 300' of muddy gas cut acid water. FL @ 3400'. Swabbed 140' of brown muddy water followed by gcw. SI an hr. SIP 3 psi. FL @ 3200'. Swabbed 340' green colored water. SI.
- 10/10/2007 SITP 10 psi. FL 1500'. Swabbed to 3000' Rec. muddy gas cut saltwater. FL @ 3000' on the 2nd run. Swabbed to the SN. FL @ 3400' on 3rd run. No fluid rec. FL @ 3400' on 4th run. Rec. muddy gas cut saltwater. Swabbed dry. SI an hr. FL @ 3400'. Swabbed muddy gas cut saltwater. LCM recovered and floating on the pit. SI an hr. FL @ 3300'. Swabbed a green fluid followed by GCSW. Released the pkr. POOH. RIH retrieved the BP and reset it @ 3440'. Spotted 500 gal. 15% HCl w/ the tbg. set @ 3385'. POOH. RU Sch. RIH & pf'd 3380-86' w/ 4-16 gm jpf. FL before pftg. 385'. FL after pftg. 391'. RIH & pf'd 3368-73' w/ 4-16 gm jpf. Encountered pressure. FL before pftg. 400'. FL after pftg. 377'. Rigged down Sch. Ran the pkr. And 9 stds. SI.

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- 9/29/2007 SITP after 24 hrs. 3 psi.
- 9/30/2007 Gathered gas samples for analysis.
- 10/1/2007 FL @ 1200'. TOO. RIH & set a CIBP @ 3850'. POOH. Ran 58 stds. of tbg. Set @ 3799'. Circ., adding 5 gal. of Clayfix. Pulled up 23 stds. Set @ 2310', Swabbed down to perforate underbalanced. SD @ dark.
- 10/2/2007 Rigged down from swabbing. POOH. Rigged up Schlumberger. RIH. Pf'd 3776-84' w/ 1-16 gm jpf. FL before pftg. 1860'. After pftg, FL 1850'. Rigged down Sch. Picked up and ran a pkr., SN and tbg. Set @ 3738'. RU to swab. FL @ 1500'. Swabbed to 3000' on the first run. Swabbed to the SN on the second run. Rec. thin green fluid w/ an odor of paint thinner. SI for an hr. and a half. 100' of fillup. Then, swabbed dry. SI. Waiting on acid.
- 10/3/2007 SITP 0. Tbg. dry. (Note: The sample from swabbing Tuesday had separated into 5% oily substance on top, 10% BS on the bottom and the rest water). Loaded the annulus and prepared to acidize. At 10 AM PST, Halliburton arrived with the acid. Pmpd. 500 gal. 15% HCl. Displaced w/ 15 BW cont. 2 gal. Clayfix/1000. ISIP 1425 psi 15 min. 186 psi. SI 1 hr. Swabbed back spent acid. Swabbed dry. SI an hr. After an hr., SITP 9 psi and 200' of fillup, acid water. Rec. 100' greenish fm. and acid wtr. w/ 5% BS on the second swab run. Swabbed dry on the third swab run. SI for an hr. After an hr., 7 psi and 50' of fillup. Swabbed dry on the second run.
- 10/4/2007 SITP 25 psi. 350' of fillup. Unable to drop down to the SN. Unseated the pkr. Reversed out fillup. POOH. RIH. Set a CIBP @ 3760'. RIH. Set @ 3712'. Spotted 500 gal. 15% HCl. POOH. Rigged up Schlumberger. Pf'd 3710-15' w/ 4-16 gm jpf. FL @ 439' before pftg. FL @ 439' after pftg. 3710-15'. Pf'd 3703-09' w/ 4-16 gm jpf. FL before pftg. @ 438'. FL @ 439' after pftg. 3703-09'. Pf'd 3695-98' w/ 4-16 gm jpf. FL before 440'. FL after 413'. Rigged down Sch. RIH w/ pkr. Set @ 2949'. Displ. acid BDP 628 psi. Treated @ 4 B/M. Went on a vacuum. Released the pkr. RIH. Set @ 3676'. Rigged up to swab. FL @ 350'. Began swabbing back water. FL @ less than 100' on the second run. FL @ 800' on the 3rd run. FL @ 1100' on the 4th run GCW on the final swab run.

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- 9/24/2007 Ran Halliburton's pkr. and 10 jts. Set @ 669'. Pressured up to 1042 psi. Held OK. Pulled a std. Set @ 603'. Pressured up to 25 psi on the backside and pmpd 2 1/2 BPM out of the 4 1/2" csg. Pulled a jt. Set @ 570'. Pressured up to 20 psi on the backside. Circ. to the pit. Set @ 471'. Pressured up & circ. POOH. Removed the pkr. Removed the BOP. Loosened the cap on the 4 1/2 inch csg. Pulled 15,000 lbs. on the csg. Csg. not free. Loaded the csg. w/ 4 BW and wtr. circ. from the annulus between the 4 1/2" & 7" csg..
- 9/25/2007 RIH and set the R-4 pkr. @ 234'. Pressured up to 250 psi. Held. Pulled a std. Set @ 202'. Pressured up on the annulus. Circ. POOH. Waited 6 hrs. for tools to uncrew and remove 4 1/2" csg. RU Wireline Specialties. Backed off @ 353'. Unscrewed the csg. Picked up, and there were holes in the csg. from when United cutoff and left the holes below the slips. Rigged up to pull csg. Pulled and laid down 9 jts. of 4 1/2" 10.5# csg.
- 9/26/2007 Ran 8 jts. of 4 1/2" csg. back in the hole. Replaced the joint with the holes in it. Screwed in. Pulled 15,000 lbs. to check the connection. Set the slips. Removed the landing jt. Installed the tbg. head. NU the BOP. Loaded the hole. Pressured up to 500 psi. Dropped back and held at 400 psi. Rigged up Halliburton and pmpd. 250 sx. of 50-50 poz cont. 3 lbs/sk gilsonite and 1/8 lb/sk Poly-E-Flake down the annulus between the 4 1/2" and 7" csg. Pressure inc. to 300 psi. at the end of the job. Cmtg. finished @ 12:40 PM PST. Remained @ 30 psi after cmtg. SD. WOC.
- 9/27/2007 TIH. Circ. water, adding 2 gal of Clay Fix/1000 gal. Swabbed down to perforate balanced. TOOH. Rigged up Schlumberger. FL @ 600' going in the hole. Pf'd 3940-44' w/ 1-16 gm jpf. FL 400' coming out of the hole. RIH. FL @ 720' going in the hole. Pf'd 3926-36' w/ 1-16 gm jpf. FL @ 1005' coming out of hole. RIH FL @ 1150' going in the hole. Pf'd 3916-26' w/ 1-16 gm jpf. FL @ 980' after pftg. TIH. RU to swab to the wtr. truck. Swabbed 18 BLW. Beginning FL @ 600'. Ending FL @ 1300'. Began recovering cmt. cuttings, so removed and laid down a jt., setting the SN @ 3944'. SD.
- 9/28/2007 SITP 3 psi SICP TSTM psi. Bled off the pressure. Removed and laid down another jt. to set @ 3911 (5 ft. above the top pf.) FL 2000. Lit the gas on the first swab run. Swabbed 48 BLW and muddy filtrate in 4 hrs. FL down to 2400'. SI an hr. After an hr. FL 2100'. Swabbed down to 2600' in 2 hrs. Rec. muddy filtrate water followed by gas cut water. Swabbed 60 BGCSW in 4 hrs. Final FL 2700'. SI @ 5 PM PST.

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- 9/11/2007 Installed anchors.
- 9/12/2007 Moved in a flowback tank and test equipment. Professional Well Services' rig moved to Gallup, on the way to Concho.
- 9/13/2007 MICT, Professional Well Service's Rig #7.
- 9/14/2007 Rigged up. Welded on a bell nipple. Installed the tubinghead and nipped up the BOP. Picked up and ran tbg. to the DV Tool. SD. Waiting on Dawn Trucking to deliver the pit, pump and power swivel to drill out the DV Tool.
- 9/15/2007 Received and repaired the pit and the pump. Began drlg. @ 1:30 PM. Finished drlg. the DV tool @ 4:30 PM. RIH. Tagged @ 3862'. SD.
- 9/16/2007 Lost circ. when drlg. began. Hauled another load of wtr. from St. Johns. Resumed drlg. cmt.. Rec. metal, rubber, gilsonite and LCM cuttings. Regained circ. for 2 jts.. Lost partial returns. Finished drlg. @ 5 PM. Circ. 30 min.. Pressure tested to 200 psi, and leakage occurred outside of the 7 inch csg. Started to trip out of the hole. Ran out of daylight.
- 9/17/2007 Finished tripping out. Rigged up Schlumberger. Ran the CBL and a temperature log to find the leak in the 4 ½ inch csg.. Top of first stage cement is 2800 feet. Top of the second stage is 1197 feet. The leak appears to be at 630'. SD. WO Halliburton to sqz.
- 9/18/2007 Waiting on Halliburton.
- 9/19/2007 Waiting on Halliburton.
- 9/20/2007 Waiting on Halliburton, which pushed the sqz. From Friday to Monday @ 6:36 PM on Thursday.
- 9/21/2007 Waiting on Halliburton.
- 9/22/2007 Waiting on Halliburton.
- 9/23/2007 Waiting on Halliburton.

SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator High Plains Petroleum Corporation

2. OIL WELL GAS WELL OTHER (Specify) _____

3. Well Name Santa Fe 17#1

Location 450' FNL and 510' FEL

Sec. 17 Twp. 12 North Rge. 26 East County Apache, Arizona.

4. Federal, State or Indian Lease Number, or lessor's name if fee lease Santa Fe

5. Field or Pool Name Concho

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF	<input type="checkbox"/>	PULL OR ALTER CASING	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	DIRECTIONAL DRILL	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	PERFORATE CASING	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>
(OTHER) _____			

SUBSEQUENT REPORT OF:

WATER SHUT-OFF	<input type="checkbox"/>	MONTHLY PROGRESS	<input type="checkbox"/>
FRACTURE TREATMENT	<input type="checkbox"/>	REPAIRING WELL	<input type="checkbox"/>
SHOOTING OR ACIDIZING	<input type="checkbox"/>	ALTERING CASING	<input type="checkbox"/>
(OTHER) <u>spudding, csg. & cmtg.</u>		ABANDONMENT	<input type="checkbox"/>
			<input checked="" type="checkbox"/>

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

7. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

8/31/2006 Spudded @ 7:30 PM. Ran 18' 13 3/8" 48# H40 conductor pipe.

9/1/2006 Cmtd. conductor pipe w/ 5 yds. of concrete containing 1 sk. CaCl2.

9/2/2006 Ran a csg. shoe and 4 jts. (168') 9 5/8" 48# J55 surface csg. cmtd. w/ 90 sx. Cl. G cmt. cont. 2% CaCl2, 1/4#/sk flocele and 2#/sk phenol seal.

9/11/2006 Ran a csg. shoe, 1 jt., fc and 22 jts. (1005') 7" 23# J55 intermediate csg. Cmtd. w/ 160 sx. San Juan PRBII cont. 1/4#/sk flocele.

9/12/2006 Pmpd. 7 1/2 yds. of concrete into the annulus between the 7" and 9 5/8" csg., filling the csg. to the surface.

10/16/2006 Ran a guide shoe, 1 jt., fc, 37 jts., a DV tool @ 2531' and 64 jts. of 4 1/2" 10.5# J55 production csg. set @ 4008'. Cmtd. w/ 170 sx. 50-50 pozmix cmt. cont. 1% gel, 15% salt, 0.9% Halad 9, 5 lbs/sk gilsonite and 1/4#/sk flocele in the first stage. After 4 hrs., cmtd. w/ 140 sx. San Juan PRBII cont. 5 lb/sk phenol seal for the second stage.

8. I hereby certify that the foregoing is true and correct.

Signed John B. Somers II Title President Date Feb. 26, 2007
 John B. Somers II

Permit No. 934

STATE OF ARIZONA
 OIL & GAS CONSERVATION COMMISSION
 Sundry Notices and Reports On Wells
 File One Copy
 Form No. 25

High Plains Petroleum Corporation
Daily Drilling Reports
Santa Fe 17#1
Section 17, T12N, R26E
Apache County, Arizona

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- 10/14/2006 4028' Tripping out to log. Drld. 114' in 10 hrs. Mixed mud. Raised vis to Short tripped 20 jts. RIH. 3 hrs. working on the pump. Top of PreCambrian 3962'.
- 10/15/2006 4032' Preparing to run csg. WO Sch. until 2 PM, 7 hrs. Rigged up Sch. to log. Ran the density log and the laterolog wouldn't work. Got a sonic and laterolog. to run after 12 hrs. of computer and laterolog problems. Finished logging and rigged down Sch. @ 4 A.M. Unloaded and strapped csg.
- 10/16/2006 4032' W.O.C.T. Ran a guide shoe, 1 jt., fc, 37 jts., a DV Tool @ 2532', and 64 jts. of 4 1/2" 10.5# J55 csg. Set @ 4008' and cmtd. w/ a first stage consisting of 170 sx. of 50-50 poz mix cmt. cont. 1% gel 15% salt, 0.6% Halad 9, 5 lb./sk. gilsonite and 1/4#/sk. Flocele. Opened the DV tool @ 4 PM. Circ. 4 hrs. Pmpd. the second stage consisting of 140 sx. San Juan PRBII cont. 5 lb./sk. phenoseal PD @ 10:35 PM. Began rigging down. WOC.

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- 10/7/2006 2937' Waited 17 ¼ hrs. for replacement of the torque converter. Resumed drlg. @ 12:45 A.M. Drld. 90' in 6 ¼ hrs. BW20,000 RPM 60 MW 9.8 vis 34.
- 10/8/2006 3231' Drlg. Drld 13 ½ hrs. Mixed mud to replace filtrate loss. Resumed drlg. Drld. 294' in 21 ½ hrs. BW 25,000# RPM 60 PP 1000 MW 9.5 vis 33. Survey @ 3073' 1 degree. There was a marked color change from the ls., dol. and anhydrite in the Upper Supai to the reddish brown ss, sltst and sh. in the Amos Wash.
- 10/9/2006 3574' Drlg. Drld. 343' in 22 ½ hrs. 1 ½ hr. worked on the pmp. BW 25,000 RPM ---- PP 1000 Survey @ 3483' 1 ¼ degrees. MW 9.7 vis 34 WL 6. Sample top of Penn (Naco) 3344'. Increase in background gas. Drlg. brk. 3562-74'. ls. w/ faint oil stain. 20u of gas, C1 and C4 after reaching the bottom of the drlg. break.
- 10/10/2006 3701' Waiting on mud. Drld. 127' in 11 ¾ hrs. Lost circ. Pulled and laid down 13 jts. of d.p. Mixed mud. MW 9.5 vis 32. Oil and gas show in a ls. 3600-3616'. Stain, flour., streaming cut w/ 103 units of gas (See the attached part of the mud log).
- 10/11/2006 3701' Reaming and circulating to bottom. Waited 11 hrs. for a truck to haul mud from Farmington and 6 more hrs. for the mud to arrive. Mixed mud. Increased vis to 45 to carry LCM and better clean the hole. MW 8.9 vis 45 LCM 10%. Circulation regained in less than 10 min. 185u of trip gas.
- 10/12/2006 3736' Drlg. Reamed and CO. Reached btm., @ 1 PM. Oil show 3710-18' in ls. w/ visible porosity. Stn, flour., fast strong cut, w/ 175u of gas (See attached part of the mudlog). Drld. 23' in 3 ¾ hrs. Circ. 45 min. TOO H for Bit #6, a 6 1/8" STX 44C. Resumed drlg. @ 6 A.M. Drld. a total of 35' in 4 ¾ hrs. BW 23,000 RPM 60 PP 400 MW 9.6 vis 44 pH10.
- 10/13/2006 3914' Drlg. Drld 178' in 24 hrs. BW 23,000# RPM 65 PP 1000 MW 10.0 vis 38 pH 10. Oil and gas shows in: a porous sd. 3776' - 3786'. Drlg. break, oil stain, high gravity oil or condensate, flour., streaming cut, no gas; another porous sd. 3816' - 22'. Drlg. break, oil stain, no flour., no cut and no gas; and a conglomeritic sd. 3898' - 3906'. Drlg break of 1 min./ft., tr. of dead oil stain, excellent porosity, 25u of gas (See attached parts of the mud log). Background gas increasing steadily. Top of Granite Wash possibly 3755'.

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- 9/29/2006 1008' Mixing mud. Circulated out sd. from 960' to 997', a foot below the 7" csg. Pmpd. 10 BW containing CaCl₂, 2 BFW and a 60 sk plug of Type III cmt. containing 4% Econolite, 10#/sk gilsonite, 1/4#/sk flocele, 1% CaCl₂ and 3#/sk phenoseal. Cmtg. completed @ 10 A.M. SI. WOC for 8 hrs. RIH. Encountered LCM and diluted, unset cmt. @ 412'. Circ. out to 997', a foot below the 7" csg. Set down w/ 12,000#. DO cmt. from 997' to 1008'. Pulled and laid down 2 jts. of d.p. SI for 4 hrs. to check for sd. entry. RIH to 1008'. No sd. fillup. SD. Began mixing mud @ 4 A.M.
- 9/30/2006 1170' Reaming and cleaning out to bottom. Mixed mud until the mud wt. was 9.6 and the vis 45. Drld. 2' of cmt. and began cleaning out to bottom. BW 10,000# Received 3 loads (300 Bbls.) of salt saturated mud from El Paso's gas storage well. MW 9.3 vis 35 WL 3.5 CL 150,000 ppm.
- 10/1/2006 1580' Drilling. BW 15-20,000 PP 250 MW 9.1 vis 33. Kicked off the cmt. plug. Drld. 410' of new hole in 24 hrs.
- 10/2/2006 1913' Drlg. BW 7 - 20,000# PP 50-250 MW 10.2 vis 38 Drld. 333' in 23 hrs. w/ partial returns.
- 10/3/2006 2379' Drlg. BW 20,000 RPM 66 PP 550 MW 9.5 vis 36. Drld. 466' in 24 hrs. Gas show from ls. and dol. interval from 1934' to 1952' (See the attached section of the mud log).
- Note: Inert gases may be suppressing the chromatograph response to C1 and C2.
- 10/4/2006 2801' Drlg. BW 23,000# RPM 60 PP 800 MW 9.6 vis 37. Drld. 422' in 24 hrs.. Shows of gas were encountered in a 56 foot interval from 2348' to 2404' (See the attached section of the mud log). Obtained 3 more loads of salt saturated mud from El Paso's gas storage well.
- 10/5/2006 2825' Mixing mud. Drld. 24' in 1 1/2 hrs. Tripped for Bit #6, a 6 1/8" STX35. RIH to 900' (in the 7" csg.), SI. WO wtr.
- 10/6/2006 2847' Waiting on a torque converter. Obtained a load of wtr. Mixed mud. Obtained two loads of mud from El Paso's well. MW 9.8 vis 32. RIH. CO a bridge @ 2600'. Circ. to btm. Drld. 22' in 1 1/2 hr. Broke down. SD 12 hrs. waiting for a part and repair.

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- 9/25/2006 975' Jarring to free d.p. Waited 1 ¾ hrs. for Halliburton. RU to cmt. Lowered the tbg. to 1134' and rotated as 30 sx. of cmt. was pumped. The pipe stuck as Halliburton began to displace. Pulled up to 180,000 lbs. Unable to get free. Circ. muddy wtr. and all of the cmt. to the pit. Circ. and waited for Wireline Specialties. Ran free point. Stuck @ 1015'. Backed off. Pulled d.p. and blew the hole dry from 300'. POOH. Made up fishing tools. RIH to 600' and blew the hole dry. Lowered the d.p. to 900' and blew the hole dry. Screwed into the fish and blew the hole down to 1134'. The well began to make water. Pushed the fish down. Was able to rotate. Jarred and worked the pipe until there was 8' of movement. Circ. w/ wtr. w/o further improvement.
- 9/26/2006 980' Drilling out cmt. Rigged up to rotate up through the bridge(s) of sand. Pulled, rotated and jarred for 8 ¾ hrs. circulating sand laden water to the pit with the compressor. Came free. POOH. Removed jars. RIH. Set at the bottom of the csg. Blew the hole down. Lowered the d.p. to 1007'. Pmpd. a 30 sk plug of Type III Econolite cmt. cont. ¼#/sk flocele and 10#/sk gilsonite (11.6 ppg) to eliminate the lost circulation, differential sticking and bridging. Cmt. displaced @ 9:30 PM. TOOH. SI 8 hrs. RIH. Tagged cmt. @ 980'. Began drlg. out cmt.
- 9/27/2006 985' RIH to cleanout sd. Drld. out sd. to 1008', no cmt. PU. Blew down, and there was water entry. Ordered more cmt. to fill the washout and shutoff the sd. POOH. Removed the bit. RIH to 975' open ended. WOC. Lowered the d.p. Tagged sd. Circ. out sd. to 985'. TOH for a bit.
- 9/28/2006 1008' Running in the hole to pump a cmt. plug. Finished going in the hole with the bit. Encountered sd. @ 960'. CO to 1008'. TOOH. Notched a damaged tool joint to circ. out sd. and cmt. w/o tripping to remove the bit, which was when sd. fillup occurred. Circ. out sd. to 996', the bottom of the 7" csg. Encountered an obstruction. Pulled up. Mixed mud. MW 8.7 vis 36. RIH w/ bit. Tagged sd. @ 979'. CO to 996'. Drld. out the obstruction and CO to 1008'. Lost mud into the fm. TOOH. RIH w/ notched d.p. Tagged sd. @ 960'.

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- 9/19/2006 2350' Running in the hole to test 2276-2350'. Reamed to bottom, where there was 5' of fill. Resumed drlg. @ 8 A.M. Drld. 112' ss, sltst, dol & anhydrite in 10 hrs. Mixed mud. Raised vis to test. POOH. Made up DST tools.
- 9/20/2006 2350' Differentially stuck. Waiting on diesel. RIH. Tried to open the DST tool. Unable to set down. Worked the pipe. Pulled up to 180,000 lbs. Unable to work free. Loaded the pipe. Opened the circulating valve. Circ. mud. Pulled, jarred and tried to rotate to get free. Pmpd. 100 Bbls. of fresh water, and the reduced pressure in the hole did not free the pipe.
- 9/21/2006 2350' Circulating. Waiting for a freepoint to back off and fish out d.p. collars and DST tools. Circ. 5 hrs. Spotted 2000 gal. of diesel. SI for 5 hrs. Circ. diesel, water cont. LCM and mud. Worked and rotated the pipe, trying to get free. MW 9.4 vis 85.
- 9/22/2006 975' Waiting for a fisherman to be available. Waited 14 ½ hrs. for Wireline Services. Ran a freepoint and found the d.p. stuck between 1007' and 1015'. Backed off @ 975'. POOH. RIH to 300' and blew the hole dry. Lowered the d.p. to 600' and blew the hole dry. Lowered the d.p. to 900' and blew the hole dry to relieve pressure and get unstuck. Tagged the fish. Unable to screw in.
- 9/23/2006 975' Waiting on a fisherman, who is supposed to arrive this morning.
- 9/24/2006 2350' WOC. Waited 2 ½ hrs. for Baker fisherman. Made up fishing tools. RIH. Screwed into the fish. Jarred 3 hrs., pulling up to 120,000 lbs. Pmpd. 50 Bbls. fresh wtr. Jarred, pulling 140,000 lbs., and fish came free. POOH. Removed DST tools. RIH to 975'. SI. WOC.

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- 9/12/2006 1008' Waiting on cmt.. Reamed the tight spots @ 172' and 210'. Unable to make connection @ 300'. Mixed mud. Raised the vis to 52. Reamed to 600'. Lost circ. Reamed to bottom w/ no returns. POOH. Laid down d.p. and collars. Rigged up to run csg. @ 9:45 PM. Ran a guide shoe, 1 jt., fc, 22 jts. of 7" 23# J55 csg. Had to wash down the last 3 jts. Set @ 1005' and cmtd. w/ 160 sx. of San Juan PRBII cont. 1/4#/sk flocele. No returns. PD @ 2:50 A.M. SD. WOC.
- 9/13/2006 1008' Mixing mud. WOC. Pmpd. 7 1/2 yds. of cmt. into the annulus between the 7" and 9 5/8" csg. SI WOC. Began filling the pit with water to mix salt based mud to drill the Supai.
- 9/14/2006 1166' Drlg. w/ Bit #4 a 6 1/8" STX 44C. Mixed mud. NU BOP. DO fc, cmt. and shoe and drld. 158' consolidated ss, sh & anhy. in 10 hrs. MW 9.0, vis 29 CL 120,000 ppm PP 500 BW 35,000 Sample Top of Supai - 1106'. Survey 3/4 degree @ 1102'.
- Note: 120,000 ppm KCl is salt saturated.
- 9/15/2006 1610' Waiting on water to mix mud after loss of circulation. Drld. 444' anhydrite, dol., ss and ls in 22 1/2 hrs. MW 9.8 vis --- CL --- PP 800 BW 35,000. Sucrosic ls. 1582 - 90'. NS. Before losing circulation, we expected to conduct a DST of the two Permian Supai gas zones in the Sumatra well on Saturday. Now, that test will probably be conducted on Sunday.
- 9/16/2006 1645' Drlg. Waited 9 hrs. for mud. Mixed mud. Drld. 45' in 2 hrs. MW 9.3 vis 31 20% LCM CL ? BW 12,000# until 4 PM 20,000# from 4 to 7 AM 60 RPM. Drlg. brk. starting at 1618'. Sucrosic dol. NFSC.
- 9/17/2006 2146' Drld. 501' in 24 hrs. MW 9.3 vis 29 CL 150,000 BW 20,000# RPM 60 PP 250. From 2016' to the depth drld. there may be inert gas, as the gas readings have been affected. Inc. in C1 thru C4 in sd. 2096-2104'. More C4 than C1.
- 9/18/2006 2238' Reentry to bottom. Drld. 92' sh, sltst, anhy & dol. in 11.0 hrs. Tripped for Bit #5, a 6 1/8" STX 35, @ 6 P.M., after the ROP fell off in a shale. Bit #4 drld. out the fc, 42' of cmt., the guide shoe and 1242' of Supai before being pulled. Washed from the base of the 7" to 1500'. Then, the hole was out of gauge. MW 9.2 vis 25 CL unknown.

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9/5/2006 597' Drlg. variegated shales & sds. in the Triassic. Zones of interest: 284-94', a fg ss cont. C1 thru C3 (5u); 308', first red sh & sltst; 450-478', a med-fg ss with an inc. in C4 through the whole zone; and 516-532', 15u C4. Good samples. Bit sub arrived. Drld. out cmt. and drld. out shoe @ 10:45 PM. Drld. 437' in 8 ¼ hrs. Drlg. w/ mist.

Note: The Pinta Dome and Navajo Springs Fields produced helium from the Triassic, as well as the Permian Coconino.

9/6/2006 919' Circulating. Unable to make connection. Drld. 332' in 17 ½ hrs. Unable to make connections due to fillup from loose, unconsolidated sds.. Waiting on mud for 4 ½ hrs. Zone of interest: a tight fractured sand 578 to 584' with oil stain in the fractures, fluorescence and cut.

9/7/2006 919' Waiting on mud and LCM. Waited on mud. Mixed mud containing LCM. Loaded the hole. Unable to circulate with the mud pump. Used all the mud delivered. Rotating and circ. w/ the compressor. Making water, which has filled the pits.

9/8/2006 919' Mixing mud and LCM. Western Mud was unable to get a truck to haul mud from Farmington, so mud was hauled up from Silver City, arriving at 1 PM. Mixed mud to raise the vis to 70 and the LCM content to 30%.

9/9/2006 1008' Waiting for a csg. crew. Mixed mud. Regained circ. long enough to drill 89' and reach the Supai. The sample from 980' to 1000' contained anhydrite, dolomite and variegated shales. Mixed mud and prepared to run 7" intermediate csg.

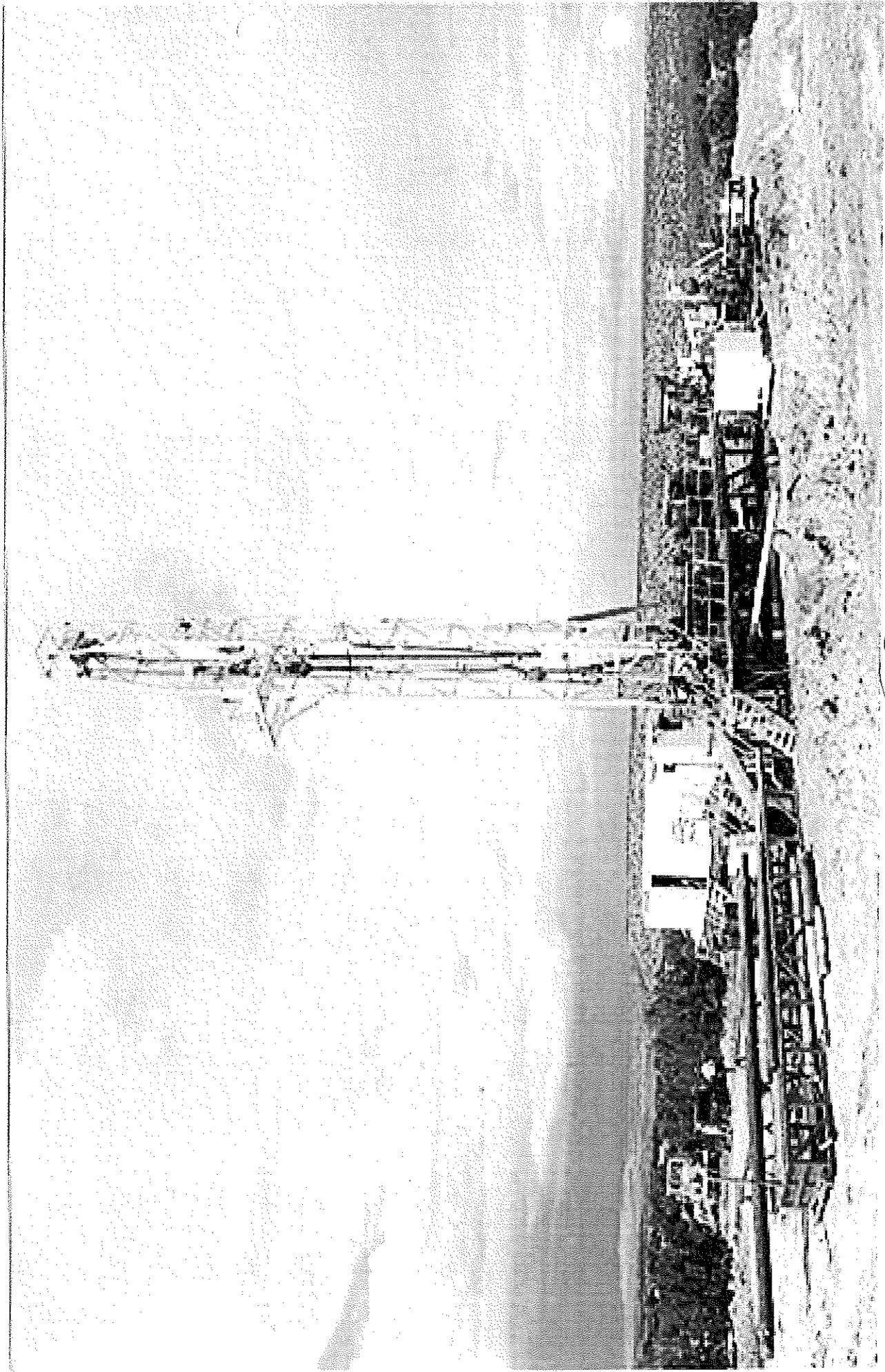
9/10/2006 1008' Continuing to wait for a csg. crew.

9/11/2006 1008' Waited until 9 PM for the csg. crew. Ran 4 jts. of 7" csg and hung up at the bottom of the 12 ¼" hole. Rotated and dropped into the 8 ¾" hole. Hung up. POOH. Mixed mud to ream the hole to bottom. MW 8.5 vis 35.

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- 8/30/2006 Rigging up. United Rig 11 arrived @ 11:45 AM on 8/29/2006. Raised the derrick.* Waiting on parts to repair United's winch truck and remaining equipment to arrive. Plan to spud this afternoon.
- * A picture of the rig, which is on Concho Creek Drive in Concho Valley, Arizona, is attached.
- 8/31/2006 Waiting on United's mud pump. Rigged up. Unloaded conductor pipe, surface csg. and intermediate csg..
- 9/1/2006 18' Waiting on cement. United's mud pump arrived. Finished rigging up. Waited 5 hrs. for water to begin drlg. (finally obtained a cement mixer full of water from White Mtn. Ready Mix). Spudded @ 7:30 PM on 8/31/2006. Drld. through the top soil and lava rocks into the lava. Ran 18' 13 3/8" 48 lb. H40 conductor pipe. SD. WOC.
- 9/2/2006 102' Drlg. Waited 6 hrs. for cmt. Cmtd. the conductor pipe w/ 5 yds. of concrete containing 1 sk. CaCl₂. SI. WOC. Rigged up to drill the lava with a hammer and Bit #2, a 12 1/4" bit. Drld. 88' in 7 hrs. Detected trace amts. of C1 thru C4 with indications of inert gas @ 90', when there was a drlg. break.
- 9/3/2006 177' WOC. Drld. 75' in 2 hrs. POOH. Rigged down the air hammer. Moved the pipe rack next to the catwalk. PU the 9 5/8" surface csg. Halliburton arrived @ 4 PM. San Juan Casing Crew arrived @ 6 PM. Ran a shoe, 1 jt., a float, and 3 jts. (168') 9 5/8" 48# J55 surface csg.. Set @ 160'. Finished running csg. @ 9 PM. Rigged up to cmt.. Pmpd. 10 BW followed by 90 sx. Cont. containing 2% CaCl₂, 1/4# Flocele and 2#/sk Phenoseal. Circ. cmt. to the surface. PD @ 10:25 PM. SI. WOC. Rain hampered drilling for the second day. The location was too muddy and slick to use the forklift.
- 9/4/2006 177' Preparing to drill out cmt. SI for 15 1/2 hrs. WOC. Shut in 8 1/2 hrs. waiting on a bit sub for Bit #3, an 8 3/4" XC20.

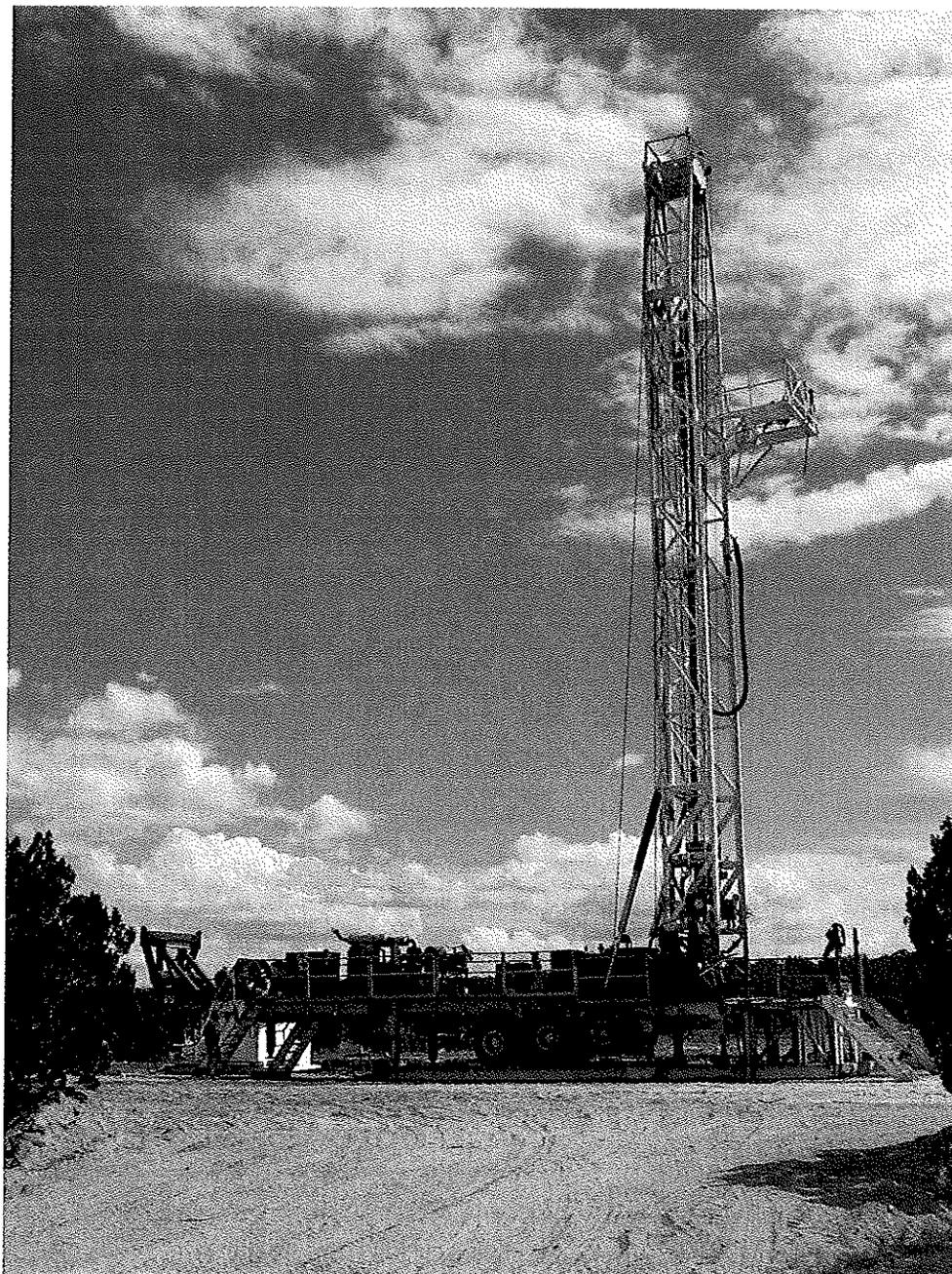


10-6-2006

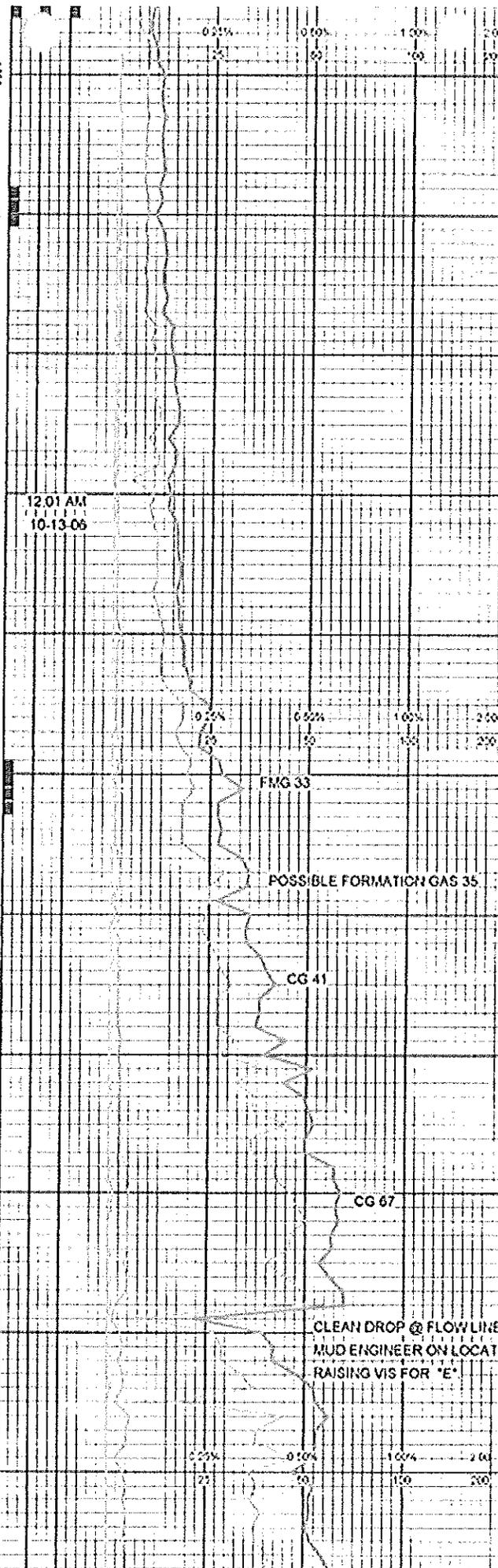
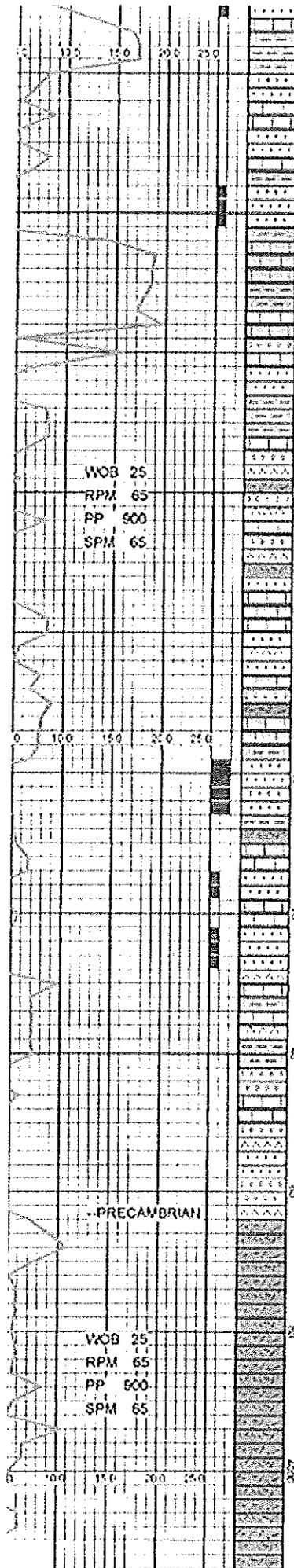
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High Plains Sweeten Fe # 17-1

934



High Plains Petroleum Santa Fe # 17-1



FAIR VIS INGL PORO, GOOD LT BRN STN. GOOD FAST SRTM CUT, 50% VERY FAINT WH/BLU FLOR. NO FLOR IF NOT CHECKED IMMEDIATELY.

WT 9.8, VIS 35, PH 10.

SS - WH CLR, F - CRS GRS, SBANG - V ANG. POOR SRT. FRI - HD, WELL CONS. DOLO'C @ LMY CMNT, TR FAIR VIS INGL PORO, TR LT BRN, TR DOS. NO CUT, NO FLOR.

CONGLOMERATE - SAMPLE PREDOM LS AND SS - W/ ABND CHERT. FELDSPAR AND LG FREE QTZ GRS.

SS - WH CLR, PK, DK BRN, VF GR, SB RD, F SRT, LMY CMNT, FRI, OCC TR INBD CHERT. SME CONTACT FACES W/ CRPXLN LS.

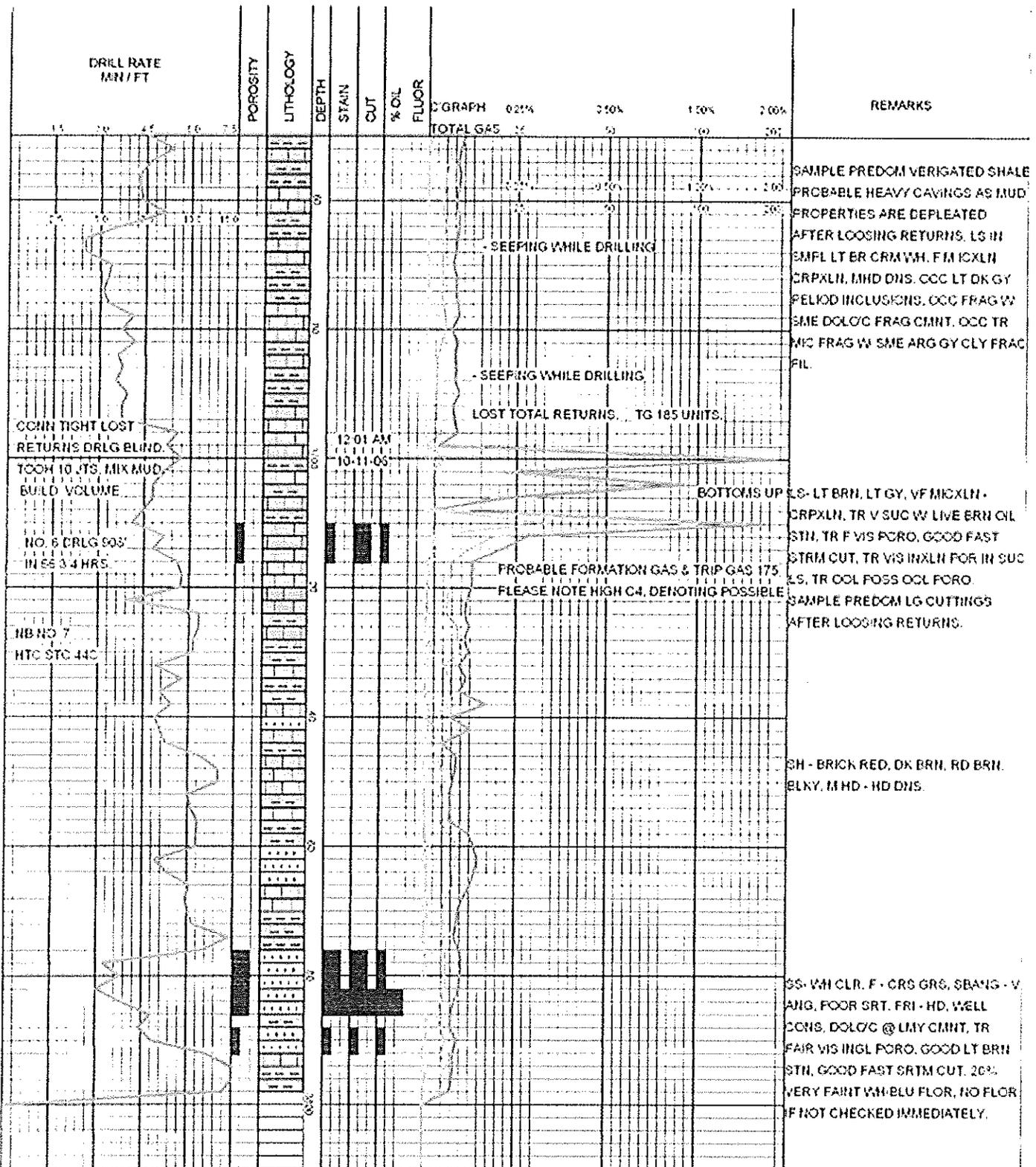
SS - WH CLR, F - CRS GRS, SBRD-RD, POOR SRT - CONGL, FAIR CONS WITH LIGHT DOLO'C CEMENT IN FINER CLUSTERS, SAND PREDOM UNCONS CRS RD QTZ GRS, W/ FINER SDY INBD. FAIR VIS INGR PORO, OCC TR LT BRN - DK BRN DOS, NO FLOR NO CUT.

SAMPLE QUALITY DEGRADING, INCREASING BACKGROUND GAS AND DECREASING SAMPLE QUALITY INDICATING VISCOSITY VARIANCES.

VIS 35

GRANITE/ GRANITE WASH WH PINK CLR GREEN DK GY, PREDOM CRS ANG QTZ FELDSPAR, SME DK GRN MIN. ABND LARGE BIOTITE BOOKS.

SAMPLE QUALITY IMPROVING WHILE RAISING VISCOSITY.





PERMIT TO DRILL

This constitutes the permission and authority from the

OIL AND GAS CONSERVATION COMMISSION,
STATE OF ARIZONA,

To: HIGH PLAINS PETROLEUM CORP
(OPERATOR)

to drill a well to be known as

17-1 SANTA FE
(WELL NAME)

located 450' ENL & 510' FEL

Section 17 Township 12N Range 26E, APACHE County, Arizona.

The N2 NE of said
Section, Township and Range is dedicated to this well.

Said well is to be drilled substantially as outlined in the attached Application and must be drilled in full compliance with all applicable laws, statutes, rules and regulations of the State of Arizona.

Issued this 10 day of AUGUST, 2006, 1906.

OIL AND GAS CONSERVATION COMMISSION

By 56 Rainis
EXECUTIVE DIRECTOR
OIL & GAS PROGRAM ADMINISTRATOR

PERMIT 00036

RECEIPT NO. 3140

A.P.I. NO. 02-001-20327

State of Arizona
Oil & Gas Conservation Commission
Permit to Drill

FORM NO. 27

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

NAME OF COMPANY OR OPERATOR

High Plains Petroleum Corporation

Address

City

State

Phone Number

3860 Carlock Dr. Boulder, Colorado 80305 303-494-4529

Drilling Contractor

United Drilling

Address

P.O. Box 2488 Roswell, New Mexico 88202

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor

Santa Fe

Well number

17-1

Elevation (ground)

6359

Nearest distance from proposed location to property or lease line:

450 feet

Distance from proposed location to nearest drilling, completed or applied-for well on the same lease:

4110 feet

Number of acres in lease

3274.38 acres.

Number of wells on lease, including this well, completed in or drilling to this reservoir:

One

If lease purchased with one or more wells drilled, from whom purchased.

Name

N/A

Address

Well location (give footage from section lines)

450' ENL and 510' FEL

Section - Township - Range or Block and Survey

Sec. 17, T12N, R26E, G4SRM

Dedication per A.A.C. R12-7-104(A)(3)

N/2 NE/4

Field and reservoir (if wildcat, so state)

wildcat

County

Apache

Distance in miles and direction from nearest town or post office

1 1/2 mi from the Concho Post Office

Proposed depth:

4075 Feet

Rotary or cable tools

Rotary

Approximate date work will start

August 21, 2006

Bond status

Attached

Organization Report

Filing Fee of \$25.00

Amount

\$10,000

On file

Or attached

Attached

Remarks

API # 02-001-20327

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the:

President

of the

High Plains Petroleum Corporation (company), and that I am authorized by said company to make this report; and that this

report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Signature

John B. Somers II
August 8, 2006

Date

Mail completed form to:
Oil and Gas Program Administrator
Arizona Geological Survey
416 W. Congress, #100
Tucson, AZ 85701-1315

Permit Number:

934

Approval Date:

8-10-2006

Approved By:

SL Ravig

STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION

Application to Drill or Re-enter

File Two Copies

NOTICE: Before sending in this form be sure that you have given all information requested. Much unnecessary correspondence will thus be avoided.

Form No. 3

- Operator shall outline on the plat the acreage dedicated to the well in compliance with A.A.C. R12-7-107.
- A registered surveyor shall show on the plat the location of the well and certify this information in the space provided.
- ALL DISTANCES SHOWN ON THE PLAT MUST BE FROM THE OUTER BOUNDARIES OF THE SECTION.
- Is the operator the only owner in the dedicated acreage outlined on the plat below? YES _____ NO X
- If the answer to question four is no, have the interests of all owners been consolidated by communitization agreement or otherwise? YES X NO _____ If answer is yes, give type of consolidation Farmout Agreement
- If the answer to question four is no, list all the owners and their respective interests below:

Owner <u>Prize Energy Resources</u> <u>Santa Fe</u>	Land Description <u>N/2 NE/4 Sec. 17, T12N, R26E</u>
450' 0510'	CERTIFICATION I hereby certify that the information above is true and complete to the best of my knowledge and belief. <u>John B. Somers II</u> Name <u>John B. Somers II</u> Position <u>President</u> Company <u>High Plains Petroleum</u> Date <u>August 8, 2006</u> <u>See attached survey plat</u> I hereby certify that the well location shown on the plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.
Date Surveyed <u>8/5/2006</u>	Registered Land Surveyor <u>Kenneth Isaacson</u>
Certificate No. <u>15928</u>	

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
<u>9 5/8"</u>	<u>36#</u>	<u>J55</u>	<u>0</u>	<u>150'</u>	<u>150' to surface</u>	<u>90sx</u>	<u>Std. Type II</u>
<u>7"</u>	<u>23#</u>	<u>J55</u>	<u>0</u>	<u>1130'</u>	<u>1130' " "</u>	<u>160sx</u>	<u>Std. PRBI</u>

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name	
⁷ OGRID No.	⁶ Operator Name	⁸ Elevation 6358.8

10 Surface Location

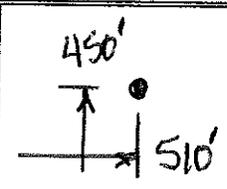
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	17	12	26		510	FEL	450	FNL	APACHE

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

16				<p>17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or released mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p>
	SECTION 17 T12N, R26E			<p>18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: </p> <p>Certificate Number _____</p>

WELL LOCATION AND ACREAGE DEDICATION PLAT

' API Number	' Pool Code	' Pool Name
' Property Code	' Property Name	
' OGRID No.	High Plains Petroleum Corporation	' Elevation

10 Surface Location

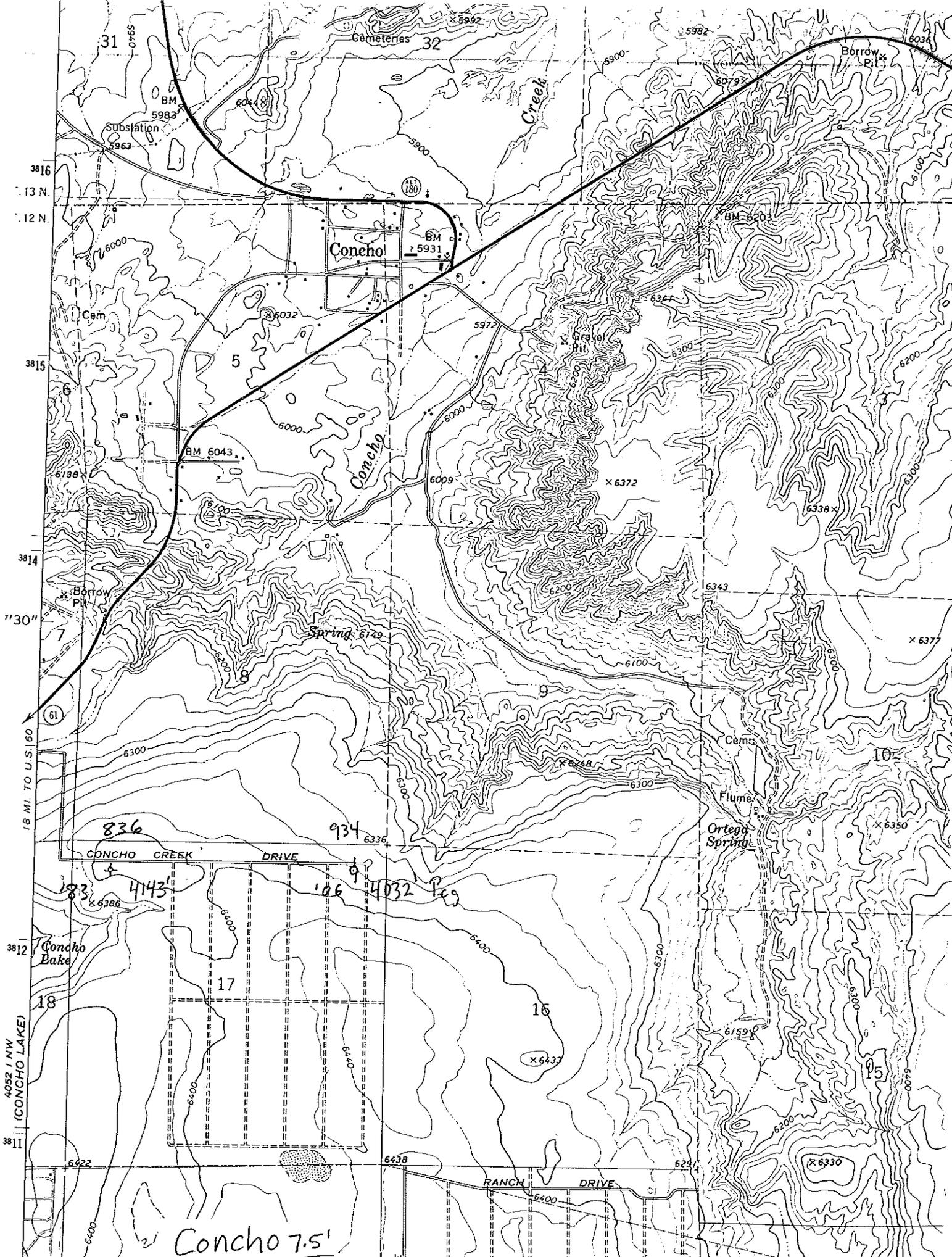
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	17	12	26		450'	NORTH	510'	EAST	APACHE

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
' Dedicated Acres		' Joint or Infill		' Consolidation Code		' Order No.			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

16				↓ 450' ↑ 510'	<p>17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p>
					<p>18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p style="text-align: right;">8/5/06</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor _____</p>
					<p>Certificate Number _____</p> <div style="text-align: right;"> </div>



31

32

Borrow Pit

Substation
5963

Concho

Concho

Spring 6122

Flume
Ortega Spring

CONCHO CREEK DRIVE

RANCH DRIVE

Concho 7.5'

3816

13 N.

12 N.

3815

3814

'30"

61

3812

18

3811

4052 / NW
(CONCHO LAKE)

836

934

183
6386

4143

106
4032 P 29

17

16

10

15

2

E

63



High Plains Petroleum Corporation

3860 Carlock Dr. Boulder, CO 80305 303-494-4529

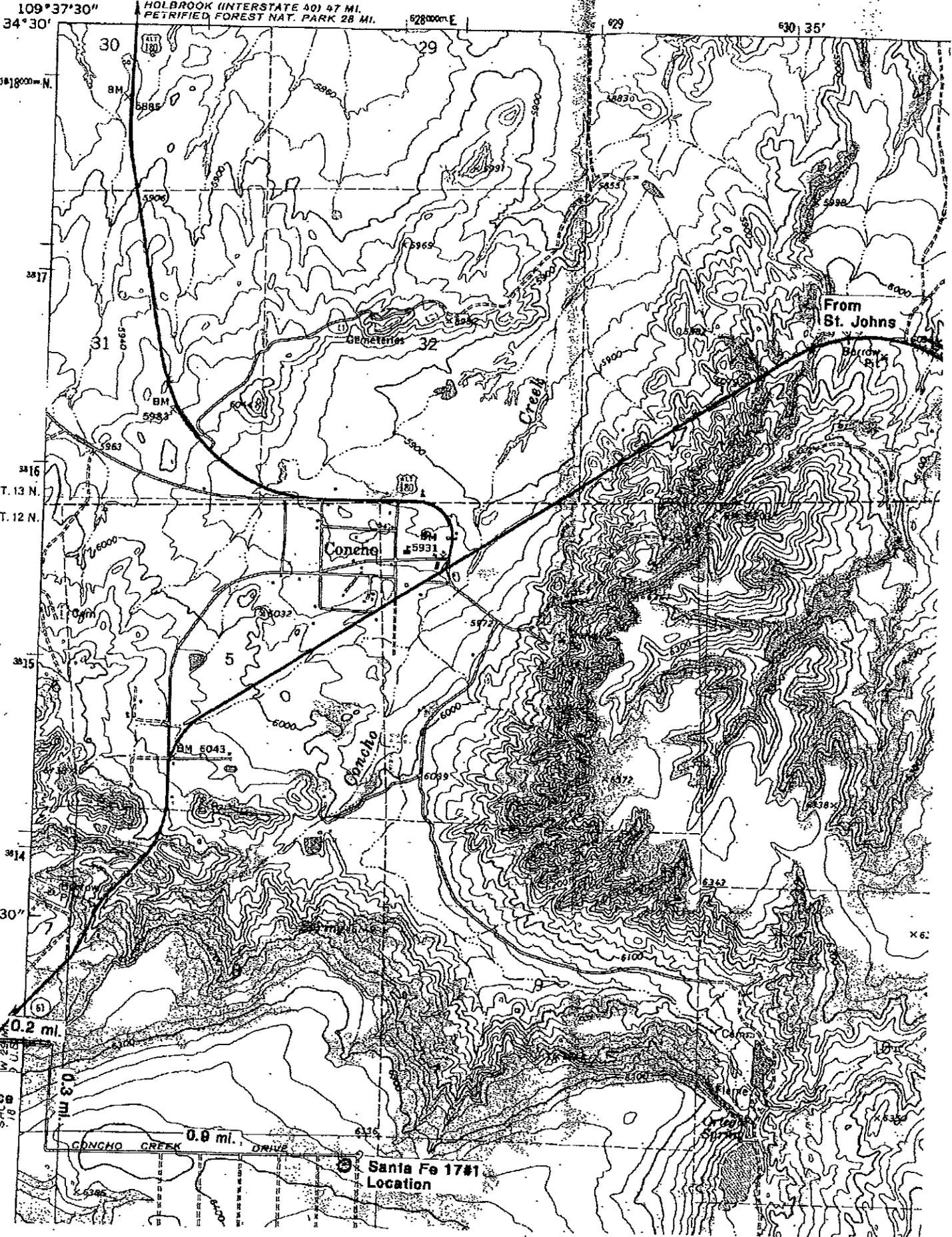
**Directions to Santa Fe 17#1
From
St. Johns, Arizona ***

- (1) Take Arizona State Hwy. 61 west from St. Johns to Concho, Arizona,
- (2) From the intersection of U.S. Highway 180A and State Highway 61 in Concho, continue 2 miles south on State Highway 61 to Concho Valley,
- (3) Turn left (east) onto Apache County Road 5165, just before the Concho Post Office,
- (4) Cross a cattleguard and go east 0.2 mi. on a gravel road,
- (5) Turn right (south) and go 0.3 mi. uphill on another gravel road,
- (6) Turn left (east) around a curve onto Concho Dreck Drive, another gravel road
- (7) Go east 0.9 mi. to the location, which is in Lot 1 Block 32 on the right (south) side of Concho Creek Drive.

* A map of part of the USGS topo map for the Concho Quadrangle accompanies these directions.

DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

HOLBROOK (INTERSTATE 40) 47 MI.
PETRIFIED FOREST NAT. PARK 28 MI.



Concho Post Office

Santa Fe 17#1 Location

**High Plains Petroleum Corporation
3860 Carlock Drive
Boulder, Colorado 80305**

934

Drilling Prognosis
Concho SF 17#1

- (1) A rotary percussion drill will be used to air drill the 12 ¼" surface hole through the lava on the surface.
- (2) 9 5/8" 36# surface casing will be set at 150' and cemented to the surface.
- (3) An 8 ¾" hole will be drilled to the base of the Coconino SS at approximately 1100', using air.
- (4) 7" 23# intermediate casing will be set through the fresh water zones to protect those aquifers.
- (5) A 6 1/8" hole will be drilled to PreCambrian Granite at an estimated depth of 4075' to test shows of oil and inert gas in the Permian Supai in Sumatra Energy Company's Santa Fe 17-1 Well and to test shows of combustible gas in zones in the Penn that may also contain helium. A salt based drilling mud will be used to prevent the salt in the Upper Permian Supai from being dissolved, to obtain good samples and to be able to log and test without sloughing or bridging.
- (6) 4 ½" 10.5# casing may be set and cemented back 200' into the intermediate casing to conduct further test(s) to determine if commercial production is possible.

Prepared by: J. Somers

Prepared on: August 9, 2006

Revised on: August 22, 2006

**High Plains Petroleum Corporation
3860 Carlock Drive
Boulder, Colorado 80305**

934

Drilling Prognosis
Concho SF 17#1

- (1) A rotary percussion drill will be used to air drill the 12 1/4" surface hole through the lava on the surface.
- (2) 9 5/8" 36# surface casing will be set at 150' and cemented to the surface.
- (3) An 8 3/4" hole will be drilled to the base of the Coconino SS at approximately 1100', using fresh water drilling mud.
- (4) 7" 23# intermediate casing will be set through the fresh water zones to protect those aquifers.
- (5) A 6 1/8" hole will be drilled to PreCambrian Granite at an estimated depth of 4075' to test shows of oil and inert gas in the Permian Supai in Sumatra Energy Company's Santa Fe 17-1 Well and to test shows of combustible gas in zones in the Penn that may also contain helium. A salt based drilling mud will be used to prevent the salt in the Upper Permian Supai from being dissolved, to obtain good samples and to be able to log and test without sloughing or bridging.
- (6) 4 1/2" 10.5# casing may be set and cemented back 200' into the intermediate casing to conduct further test(s) to determine if commercial production is possible.

See revised

Prepared by: J. Somers

Prepared on: August 9, 2006

HIGH PLAINS PETROLEUM CORPORATION 11-91

3917

TRUST ACCOUNT
3860 CARLOCK DRIVE 494-4529
BOULDER, CO 80305-6511

DATE August 8, 2006 23-7-1020

PAY TO THE ORDER OF

Arizona Geological Survey

\$ 25.00

Twenty-five dollars and no cents

DOLLARS  Security Features Included. Details on Back.

WELLS FARGO BANK, N.A.
DENVER
DENVER, CO 80274

FOR Filing Fee for APD

John B. Amers II 

⑈003917⑈ ⑆102000076⑆ 1018196318⑈

RECEIPT

Date 8-9-2006 No. 3140

Received From High Plains Petroleum

Address 3860 Carlock Drive Boulder CO 80305

Twenty five and no/100 Dollars \$ 25.00

For Filing fee permit 934

ACCOUNT		HOW PAID	
AMT. OF ACCOUNT		CASH	
AMT. PAID		<u>3917</u>	<u>25.00</u>
BALANCE DUE		MONEY ORDER	

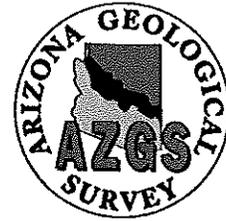
By Steven Raing



Janet Napolitano
Governor

State of Arizona
Arizona Geological Survey

416 W. Congress, Suite 100
Tucson, Arizona 85701
(520) 770-3500
www.azgs.az.gov



M. Lee Allison
Director and State Geologist

Date: October 10, 2006

Memo: Blanket Bond File

From: *SLR* Steven L. Rauzi, Oil and Gas Program Administrator

Re: \$25,000 Blanket bond for High Plains Petroleum Corporation consisting of:

1. Wells Fargo Bank \$10,000 Certificate of Deposit #7401589515
2. Wells Fargo Bank \$15,000 Certificate of Deposit #9320931562

High Plains Petroleum has posted a \$25,000 blanket bond consisting of two separate certificates of deposit as referenced above. The \$25,000 bond covers up to 10 wells pursuant to A.A.C. R12-7-103.

The two separate certificates of deposit referenced above represent a single \$25,000 blanket bond. They should be held in safekeeping together and not released individually until all wells drilled by High Plains Petroleum Corporation have been plugged and abandoned or otherwise released from High Plains' responsibility through either sale or transfer in accordance with A.A.C. R12-7-103

SECURITIES SAFEKEEPING
 1700 WEST WASHINGTON ST. - PHOENIX, ARIZONA 85007

DATE: 10/02/2006

STATE AGENCY NO. _____

STATE AGENCY ARIZONA GEOLOGICAL SURVEY

COMPANY HIGH PLAINS PETROLEUM CORPORATION

3860 CARLOCK DRIVE

BOULDER CO 80905

State Treasurer's Use Only

DOMESTIC

FOREIGN

DEPOSIT

C.D. NO.: 9320931562

BANK: WELLS FARGO BANK NA

Received
 Arizona State Treasury
 03 October 2006 15:13:15

MATURITY DATE: 09/28/2007

INTEREST RATE: 4.10 %

AMOUNT \$ 15,000.00

C.D. ASSIGNMENT MUST BE ATTACHED UNLESS C.D. IS PAYABLE TO STATE TREASURER

RELEASE

C.D. NO.:

BANK:

MATURITY DATE:

INTEREST RATE: %

AMOUNT \$

STATE TREASURER VALIDATION NO. _____

RECEIVED THE ABOVE RELEASE BY _____ Authorized Signature	STATE AGENCY AUTHORIZATION BY <u>SL Raint</u> Authorized Signature
_____ Date _____ Bank or Firm	STATE TREASURER AUTHORIZATION BY <u>Katherine [Signature]</u> Authorized Signature
FOR BANK USE ONLY _____ Checked by	BANK AUTHORIZATION BY _____ Authorized Signature STATE'S DEPOSITORY BANK
_____ Verified by	

ASSIGNMENT TO ARIZONA STATE TREASURER
SECURITY IN LIEU OF CASH DEPOSIT FOR COMPLIANCE WITH
SECTION 35-155 ARIZONA REVISED STATUTES

NAME High Plains Petroleum Corporation
STREET ADDRESS 3860 Carlock Drive CITY Boulder
COUNTY Boulder STATE Colorado TELEPHONE NUMBER 303-494-4529

hereinafter referred to as ASSIGNOR, does hereby assign and transfer to the Treasurer of the State of Arizona, hereinafter referred to as the TREASURER, all right, title and interest of any kind whatsoever, owned or held by Assignor in principal, but not in the interest hereinafter accruing after the date of this assignment in the insured account of ASSIGNOR so long as such funds remain on deposit in the

Wells Fargo Bank N.A.
FINANCIAL INSTITUTION

whose address is 1551 E. White Mtn. Blvd CITY Pinebl COUNTY Navajo
STREET ADDRESS CITY COUNTY

Arizona, as evidenced by an account in the amount of fifteen thousand dollars (\$ 15,000) identified by account number 9320931562 which account is insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation. This assignment is given as security for compliance with A.R.S. §§ 27-501 through 27-539, §§ 27-651 through 27-677, and with the Rules of the Oil and Gas Conservation Commission.

Dated this 28th day of September, 2006, at Pinebl, Arizona.

IMPORTANT - SIGNATURE OF ASSIGNOR

This assignment shall be signed by the Individual Himself

High Plains Petroleum Corporation
NAME OF ASSIGNOR EXACTLY AS SHOWN ABOVE

BY: John B. Somers II SIGNATURE OF ASSIGNOR
President

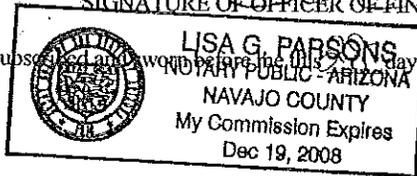
FIRST ENDORSEMENT - RECEIPT FOR NOTICE OF ASSIGNMENT

Receipt is hereby acknowledged to the Treasurer of the State of Arizona, hereinafter referred to as the TREASURER, of written notice of the assignment to said Treasurer of the above-identified account. We have noted in our records to show the interest of the Treasurer in said account as shown in and by the assignment above. We have retained a copy of this document. We hereby certify that we have not received any notice of lien, encumbrance, hold, claim or other obligation against the above-identified account prior to its assignment to the Treasurer. We further hereby waive any current and future right of set-off against such account. We agree to make payment as required by the Rules and Regulations of the Treasurer adopted in accordance with applicable laws and the law applicable to this institution.

Dated this 28 day of September, 2006, at Pinebl, Arizona.

Wells Fargo Bank, N.A.
NAME OF FINANCIAL INSTITUTION

BY: [Signature] SIGNATURE OF OFFICER OF FINANCIAL INSTITUTION TITLE PERSONAL BANKING OFFICER



Subscribed and sworn to before me this 28 day of September, 2006 at [Signature] NOTARY PUBLIC SIGNATURE
12/19/2008 COMMISSION EXPIRES

SECOND ENDORSEMENT - RECEIPT FOR SECURITY AND DIRECTION TO PAY EARNINGS

Receipt is acknowledged of the assignment above and the account identified in the assignment above. The financial institution named in the assignment above is hereby authorized and directed to pay any earnings credited after the date of this assignment on the above-identified account of the above-named assignor.

Dated this _____ day of _____, 20____, at _____
ARIZONA STATE TREASURER
Treasurer or Authorized Representative
BY: [Signature]
(Prepare in duplicate. Please Type all Information)

Received
Arizona State Treasurer
03 October 2006 15:13:52

Attach Original Assignment to Certificate of Deposit and File with State.

9320931562



Time Account Receipt/Disclosure

Bank name

Wells Fargo Bank, N.A.

Time Account number

9320931562

Date opened

09/28/2006

Term of Time Account

12 months days

Maturity date

Your Time Account will mature on 09/28/2007

Interest rate

4.02

Fixed rate

X

Variable rate

Annual Percentage Yield
4.10

Interest will be paid

EVERY 12 MONTHS AND AT WITHDRAWAL

The method of interest payments will be

BY CREDITING CHECKING

ACCT NO.

122105278

1018196318

YOU WILL AUTOMATICALLY RENEW MY TIME ACCOUNT
AT MATURITY UNLESS I NOTIFY YOU OTHERWISE

Taxpayer Identification Number (TIN)

84-0772602

The Bank is opening the above described Time Account for your deposit of
FIFTEEN THOUSAND AND 0/100

Your name and address

\$ ***\$15,000.00

HIGH PLAINS PETROLEUM CORPORATION
3860 CARLOCK DR
BOULDER CO 80305-6511

09/28/2006 18:11

L5178 05178 Bank# 00038

This is a receipt. It need not be presented at the time you obtain payment from the Bank.
WFO168 (11/04 83975-J) Time Accounts

SECURITIES SAFEKEEPING
1700 WEST WASHINGTON ST. - PHOENIX, ARIZONA 85007

DATE: 8-10-2006

STATE AGENCY NO. _____

STATE AGENCY ARIZONA GEOLOGICAL SURVEY

State Treasurer's Use Only

COMPANY HIGH PLAINS PETROLEUM CORPORATION
3860 CARLOCK DRIVE
BOULDER CO 80305

DOMESTIC FOREIGN

DEPOSIT

C.D. NO.: 7401589515 ✓

BANK: WELLS FARGO BANK NA
1701 E SPEEDWAY
TUCSON AZ

Received
Arizona State Treasurer
11 August 2006 11:11:10

MATURITY DATE: 08/08/2007 ✓

INTEREST RATE: 4.10 % ✓

AMOUNT \$ 10,000.00 ✓

C.D. ASSIGNMENT MUST BE ATTACHED UNLESS C.D. IS PAYABLE TO STATE TREASURER

RELEASE

C.D. NO.:

BANK:

MATURITY DATE:

INTEREST RATE: %

AMOUNT \$

STATE TREASURER VALIDATION NO. _____

RECEIVED THE ABOVE RELEASE		STATE AGENCY AUTHORIZATION	
BY _____	_____	BY <u>Steven L. Rainz</u>	_____
Authorized Signature	Date	Authorized Signature	
Bank or Firm		STATE TREASURER AUTHORIZATION	
_____		BY <u>Katherine Cavemillo</u>	_____
_____		Authorized Signature	
FOR BANK USE ONLY		BANK AUTHORIZATION	
Checked by _____	Verified by _____	BY _____	_____
		Authorized Signature	
STATE'S DEPOSITORY BANK			

ASSIGNMENT TO ARIZONA STATE TREASURER
SECURITY IN LIEU OF CASH DEPOSIT FOR COMPLIANCE WITH
SECTION 35-155 ARIZONA REVISED STATUTES

High Plains Petroleum Corporation
NAME
3860 Carlock Drive
STREET ADDRESS
Boulder
COUNTY
Colorado
STATE
Boulder
CITY
303-494-4529
TELEPHONE NUMBER

hereinafter referred to as ASSIGNOR, does hereby assign and transfer to the Treasurer of the State of Arizona, hereinafter referred to as the TREASURER, all right, title and interest of any kind whatsoever, owned or held by Assignor in principal, but not in the interest hereinafter accruing after the date of this assignment in the insured account of ASSIGNOR so long as such funds remain on deposit in the

Wells Fargo Bank, N.A.
FINANCIAL INSTITUTION

whose address is 1701 E. SPEEDWAY, TUCSON
STREET ADDRESS
TUCSON
CITY
PIMA
COUNTY

Arizona, as evidenced by an account in the amount of ten thousand dollars
dollars (\$ 10,000) identified by account number 7401589515 which account is insured by
the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation. This assignment is given as security for
compliance with A.R.S. §§ 27-501 through 27-539, §§ 27-651 through 27-677, and with the Rules of the Oil and Gas Conservation Commission.

Dated this 8 day of AUGUST, 2006, at TUCSON, Arizona.

IMPORTANT - SIGNATURE OF ASSIGNOR

High Plains Petroleum Corporation
NAME OF ASSIGNOR EXACTLY AS SHOWN ABOVE

This assignment shall be signed by the
Individual Himself

BY: John B. Ames II
President
SIGNATURE OF ASSIGNOR

FIRST ENDORSEMENT - RECEIPT FOR NOTICE OF ASSIGNMENT

Receipt is hereby acknowledged to the Treasurer of the State of Arizona, hereinafter referred to as the TREASURER, of written notice of the assignment to said Treasurer of the above-identified account. We have noted in our records to show the interest of the Treasurer in said account as shown in and by the assignment above. We have retained a copy of this document. We hereby certify that we have not received any notice of lien, encumbrance, hold, claim or other obligation against the above-identified account prior to its assignment to the Treasurer. We further hereby waive any current and future right of set-off against such account. We agree to make payment as required by the Rules and Regulations of the Treasurer adopted in accordance with applicable laws and the law applicable to this institution.

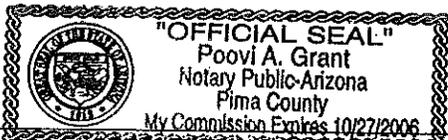
Dated this 8 day of AUGUST, 2006, at TUCSON, Arizona.

WELLS FARGO BANK, N.A.
NAME OF FINANCIAL INSTITUTION

BY: Wendy Grages
SIGNATURE OF OFFICER OF FINANCIAL INSTITUTION

BUSINESS SPECIALIST
TITLE

Subscribed and sworn before me this 8th day of August, 2006



[Signature]
NOTARY PUBLIC SIGNATURE
10/27/2006
COMMISSION EXPIRES

SECOND ENDORSEMENT - RECEIPT FOR SECURITY AND DIRECTION TO PAY EARNINGS

Receipt is acknowledged of the assignment above and the account identified in the assignment above. The financial institution named in the assignment above is hereby authorized and directed to pay any earnings credited after the date of this assignment on the above-identified account of the above-named assignor.

Dated this ___ day of ___, 20___, at ___, Arizona.

ARIZONA STATE TREASURER
Treasurer or Authorized Representative
BY: [Signature]
(Prepare in duplicate. Please Type all Information)

Received
Arizona State Treasury
11 August 2006 11:11:56

Attach Original Assignment to Certificate of Deposit and File with State.



7401589515

Time Account Receipt/Disclosure

Bank name Wells Fargo Bank, N.A.			
Time Account number 7401589515			
Maturity date 08/08/2007	Date opened 08/08/2006	Term of Time Account 12 months	days
Your Time Account will mature on 08/08/2007	Interest rate 4.02	Variable rate X	Annual percentage yield 4.10
Interest will be paid EVERY 12 MONTHS AND AT WITHDRAWAL			
<i>The method of interest payment will be</i> BY CREDITING CHECKING			
Renewability	ACCT NO.	102000076	1018196318
YOU WILL AUTOMATICALLY RENEW MY TIME ACCOUNT AT MATURITY UNLESS I NOTIFY YOU OTHERWISE			
<i>The Bank is opening the above described Time Account for your deposit of</i> TEN THOUSAND AND 0/100			
Your name and address HIGH PLAINS PETROLEUM CORPORATION 3860 CARLOCK DR BOULDER CO 80305-6511			
			\$ ***\$10,000.00

CNS2597 (109)

08/08/2006 17:13
P4480 02059 Bank# 00038

This is a receipt. It need not be presented at the time you obtain payment from the Bank.
W60168 (11/04 63975-J) Time Accounts

605G10

ORGANIZATION REPORT

Full Name of the Company, Organization, or Individual

High Plains Petroleum Corporation

Mailing Address and Phone Number

3860 Carlock Dr., Boulder, CO 80305-6511 303-494-4529

Plan of Organization (State whether organization is a corporation, joint stock association, firm or partnership, or individual)

corporation

Purpose of Organization (State type of business in which engaged)

Oil and gas exploration and production

If a reorganization, give name and address of previous organization

If a foreign corporation, give (1) State where incorporated	(2) Name and mailing address of state agent	(3) Date of permit to do business in state
Colorado	CT Corporation System 3225 N. Central Ave. Phoenix, AZ 85012	February 23, 2001
Principal Officers or Partners (If partnership) NAME	TITLE	MAILING ADDRESS
John B. Somers II	President	3860 Carlock Drive Boulder, CO 80305
Scott Alan Somers	Vice president & Secretary	Same as above

DIRECTORS NAME	MAILING ADDRESS
<u>John B. Somers II</u>	<u>3860 Carlock Dr., Boulder, CO 80305</u>
<u>Scott Alan Somers</u>	"
<u>Deborah R. Miles</u>	<u>1425 Kendall Dr., Boulder, CO 80305</u>

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the President of the High Plains Petroleum Corporation (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

John B. Somers II
Signature

March 6, 2002
Date



902

Mail completed form to:
Oil and Gas Program Administrator
Arizona Geological Survey
416 W. Congress., #100
Tucson, AZ 85701

STATE OF ARIZONA

OIL & GAS CONSERVATION COMMISSION

Organization Report
File One Copy

Form No. 1

BLANKET BOND COVER SHEET

HIGH PLAINS PETROLEUM CORPORATION

<u>Operator</u>	<u>Bank</u>	<u>Account Number</u>	<u>Approval</u>	<u>Amount</u>
High Plains Petroleum	Wells Fargo Bank	C.D. #7401589515	08/11/06	\$10,000
High Plains Petroleum	Wells Fargo Bank	C.D. #9320931562	09/28/06	\$15,000
TOTAL				\$25,000

High Plains Petroleum Corporation has posted a \$25,000 blanket bond consisting of the two separate certificates of deposit listed above. The \$25,000 blanket bond covers up to 10 wells pursuant to A.A.C. R12-7-103.

The two separate certificates of deposit listed above represent a single \$25,000 blanket bond. They are not to be released individually until all wells drilled by High Plains Petroleum Corporation have been properly plugged and abandoned or otherwise released from High Plains Petroleum Corporation's responsibility through either sale or transfer in accordance with the provisions of A.A.C. R12-7-103.

PERMITS COVERED BY THIS BLANKET BOND:

- 934 Drilled October 2006
- 935 Application October 2006
- 936 Application November 2006

Subject: Santa Fe 17#1 Completion Report for October 30th

From: John Somers <hpboulder@yahoo.com>

Date: Wed, 31 Oct 2007 09:20:29 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>, NonOp Morning Reports <Non-OpMorningReports@cimarex.com>

Attached to this e-mail is the final report on the completion of Santa Fe 17#1.

934

Sincerely,

John Somers
High Plains Petroleum

Do You Yahoo!?

Tired of spam? Yahoo! Mail has the best spam protection around
<http://mail.yahoo.com>

HP Daily Completion Report for Santa Fe 17#1 for 10 30 2007.doc

3853368567-HP
Daily Completion
Content-Description: Report for Santa Fe
17#1 for 10 30
2007.doc
Content-Type: application/msword
Content-Encoding: base64

Subject: Santa Fe 17#1 Completion Report for October 25th

From: John Somers <hpboulder@yahoo.com>

Date: Fri, 26 Oct 2007 06:36:32 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>, NonOp Morning Reports <Non-OpMorningReports@cimarex.com>

934

Attached to this e-mail is the report for Santa Fe 17#1 for Thursday, October 25th.

The gas sample that was obtained and analyzed Thursday appears to be contaminated with acid gas.

Sincerely,

John Somers
High Plains Petroleum

Do You Yahoo!?
Tired of spam? Yahoo! Mail has the best spam protection around
<http://mail.yahoo.com>

HP Daily Completion Report for Santa Fe 17#1 for 10 25 2007.doc

Content-Description: pat2061456474
Content-Type: application/msword
Content-Encoding: base64

Subject: Santa Fe 17#1 Completion Reports for October 23rd and 24th

From: John Somers <hpboulder@yahoo.com>

Date: Thu, 25 Oct 2007 06:28:43 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>, NonOp Morning Reports <Non-OpMorningReports@cimarex.com>

934

The Santa Fe 17#1 reports for Tuesday, October 23rd, and Wednesday, October 24th are attached to this e-mail.

In accordance with instructions from Finley Resources, 10 feet in the interval from 1808' to 1874' was re-perforated with the larger, 22 gram jets that penetrate up to 34 inches.

Sincerely,

John Somers
High Plains Petroleum

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HP Daily Completion Reports for Santa Fe 17#1 for 10 23 2007 and 10 24 2007.doc

Content-Description: 3126033277-HP
Daily Completion
Reports for Santa
Fe 17#1 for 10 23
2007 and 10 24
2007.doc
Content-Type: application/msword
Content-Encoding: base64

Subject: Santa Fe 17#1 Completion Report for October 22nd

From: John Somers <hpboulder@yahoo.com>

Date: Tue, 23 Oct 2007 09:12:49 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>, NonOp Morning Reports <Non-OpMorningReports@cimarex.com>

934

The Santa Fe 17#1 report for Monday, October 22nd, is attached to this letter.

Tomorrow we plan to re-perforate the zone from 1808' to 1874' using deeper penetrating, 22 gram jets that penetrate up to 34 inches from the wellbore.

Sincerely,

John Somers
High Plains Petroleum

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HP Daily Completion Report for Santa Fe 17#1 for 10 22 2007.doc

2572224590-HP
Daily Completion
Content-Description: Report for Santa Fe
17#1 for 10 22
2007.doc
Content-Type: application/msword
Content-Encoding: base64

Subject: Re: Santa Fe 17#1
From: Steve Rauzi <steve.rauzi@azgs.az.gov>
Date: Mon, 22 Oct 2007 10:02:52 -0700
To: John Somers <hpboulder@yahoo.com>

John, The commissioners did not think it was necessary to consider extending TA at its October 19 meeting because you are diligently involved in completion activity. The well will either be PA or you will be requesting TA at the next meeting, which is scheduled for January 18, 2008. Steve

934

On 10/19/2007 6:09 AM, John Somers wrote:

High Plains will probably be requesting another six months, depending on what Finley Resources, which has provided the funding for drilling and completion, wants to do. Your help in reporting to the commissioners is appreciated very much.

Sincerely,

John Somers

Steve Rauzi <steve.rauzi@azgs.az.gov> wrote:

I'll let the commissioners know that you are currently testing and have more zones to test. Are you requesting three months until next January or six months? Thanks. Sincerely, Steve

On 10/18/2007 6:13 AM, John Somers wrote:

Dear Steve,

The Ft. Apache was just tested yesterday, and three (3) more Upper Supai intervals are to be tested. As a result, I will be unable to report the results until the next meeting of the Oil and Gas Conservation Commission. Therefore, High Plains will formally request temporary abandonment in writing so that the testing may be completed and the results analyzed.

Sincerely,

John B. Somers II
President
High Plains Petroleum

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Subject: Santa Fe 17#1 Completion Reports for October 20th and 21st

From: John Somers <hpboulder@yahoo.com>

Date: Mon, 22 Oct 2007 10:08:41 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>, NonOp Morning Reports <Non-OpMorningReports@cimarex.com>

934

Attached to this e-mail are the Santa Fe 17#1 reports for Saturday, October 20th, and Sunday, October 21st.

Schlumberger doesn't expect to receive the 22 gram jets until tomorrow. As a result, the next zone or the present Upper Supai zone will not be perforated, or reperforated until Wednesday. A copy of part of the caliper log is attached to show the washouts in the interval that was perforated on Thursday. The deeper penetrating 22 gram jets should enable us to test the zones from 1808' to 1874' and 1728' to 1764'.

Sincerely,

John Somers
High Plains Petroleum

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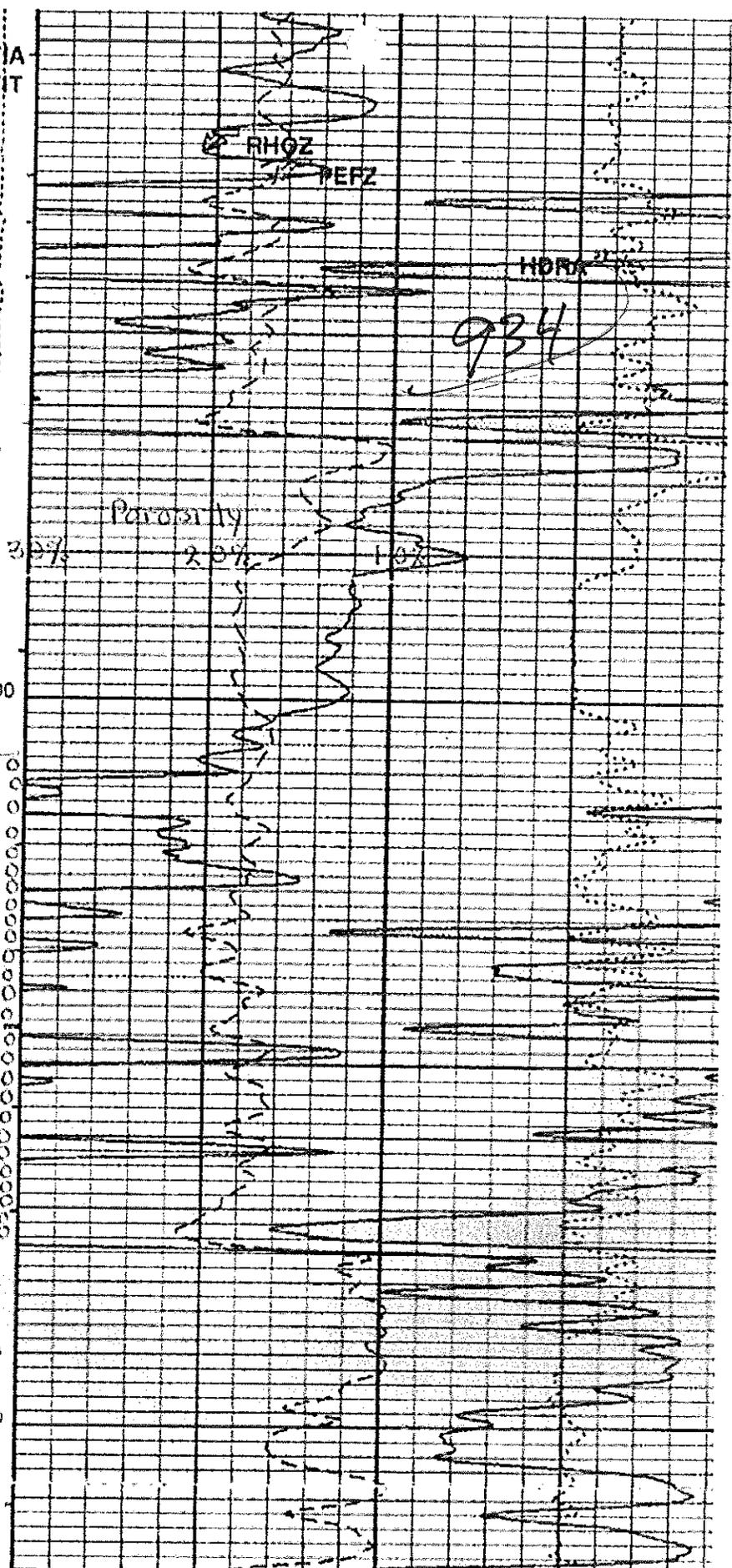
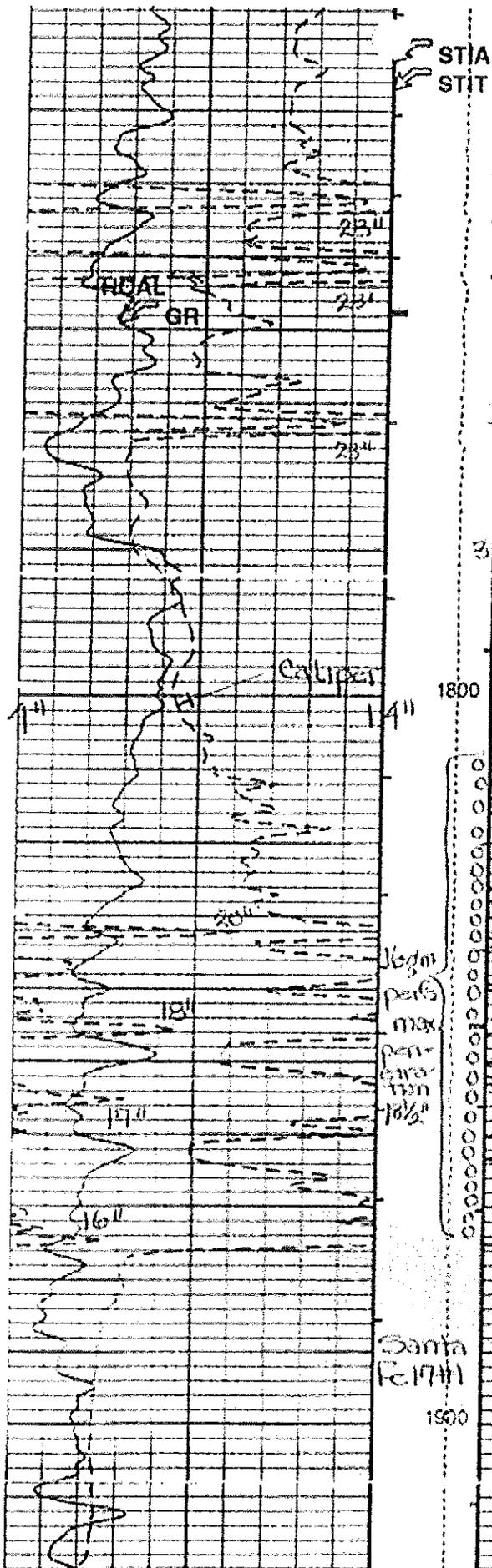
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HP Daily Completion Reports for Santa Fe 17#1 for 10 20 2007 & 10 21 2007.doc

Content-Description: pat1504309374
Content-Type: application/msword
Content-Encoding: base64

Santa Fe 17#1 Upper Supai caliper log.pdf

Content-Description: 1368508114-Santa Fe 17#1 Upper Supai caliper log.pdf
Content-Type: application/pdf
Content-Encoding: base64



Subject: Santa Fe 17#1 Completion Report for October 19th

From: John Somers <hpboulder@yahoo.com>

Date: Sat, 20 Oct 2007 10:23:32 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>, NonOp Morning Reports <Non-OpMorningReports@cimarex.com>

934

A report for Friday, October 19th, is attached to this e-mail.

Since the well swabbed dry after the Upper Supai sands from 1808' to 1874' were perforated and unspent acid was recovered after acidizing that interval, it appears that cement may have been lost into those very porous, predominantly loose and unconsolidated sands, and it may not be possible to test the gas that openhole logs indicate is in those sands.

The acid has been washed back into the perforations and left to break down the cement. On Monday, we'll try again to test the interval. If that isn't possible, the next interval, which contains more washed out gas sands, will be perforated and tested differently. Instead of perforating underbalanced, the next interval will be perforated in acid to immediately act on the cement. In addition, the perforation density will be increased from one jet per foot (1 jpf) to 4 jets per foot (4 jpf), and deeper penetrating jets will be used, jets that penetrate 34 inches instead of 18 inches.

Sincerely,

John Somers
High Plains Petroleum

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<p>HP Daily Completion Report for Santa Fe 17#1 for 10 19 2007.doc</p>	<p>297487888-HP Daily Completion Content-Description: Report for Santa Fe 17#1 for 10 19 2007.doc Content-Type: application/msword Content-Encoding: base64</p>
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Subject: Santa Fe 17#1 report for October 18th

From: John Somers <hpboulder@yahoo.com>

Date: Fri, 19 Oct 2007 06:21:00 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>, NonOp Morning Reports <Non-OpMorningReports@cimarex.com>

939

The completion report for Thursday, October 18th, is attached to this e-mail.

The sands in the intervals that were perforated were "washed out" to as far as 21 inches from the wellbore. As a result, the jets, which only penetrate 18 1/2 inches, did not go far enough into the formation for fluid entry. So, the perforations will be acidized this morning, and the interval will be tested, if the acid job is successful.

Sincerely,

John Somers
High Plains Petroleum

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HP Daily Completion Report for Santa Fe 17#1 for 10 18 2007.doc

2195756079-HP
Daily Completion
Content-Description: Report for Santa Fe
17#1 for 10 18
2007.doc
Content-Type: application/msword
Content-Encoding: base64

Subject: Santa Fe 17#1 Completion Report for October 17th

From: John Somers <hpboulder@yahoo.com>

Date: Thu, 18 Oct 2007 05:47:34 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>, NonOp Morning Reports <Non-OpMorningReports@cimarex.com>

934

Attached to this e-mail is the report for Wednesday, October 17th.

From the rapid build up of pressure in the Ft. Apache and from the sustained rate at which it was swabbed, the Ft. Apache could be commercially productive at a higher structural position on the anticline.

Sincerely,

John Somers
High Plains Petroleum

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HP Daily Completion Report for Santa Fe 17#1 for 10 17 2007.doc

1560554301-HP
Daily Completion
Content-Description: Report for Santa Fe
17#1 for 10 17
2007.doc
Content-Type: application/msword
Content-Encoding: base64

Subject: Santa Fe 17#1 Report for October 15th

From: John Somers <hpboulder@yahoo.com>

Date: Tue, 16 Oct 2007 06:26:58 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>, NonOp Morning Reports <Non-OpMorningReports@cimarex.com>

939

The report for Monday, October 15th, is attached to this e-mail.

The scale that built up dissolved in acid, so it's probably calcium carbonate.

The Fort Apache zones that were perforated do not appear to contain gas, because there was only minimal neutron density crossover in one of the three (3) zones. However, Schlumberger's log analysis indicated hydrocarbons, so it is probably oil.

According to the Bureau of Mines, the Supai outcrop for over one hundred miles (100+ mi.) from Vernon to Sedona is impregnated with oil. Furthermore, three (3) wells drilled for potash north of Concho, on the flank of Concho Dome, encountered oil and gas in the Supai. So, there is oil in the Supai north and south of the anticline at Concho.

Sincerely,

John Somers
High Plains Petroleum

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HP Daily Completion Report for Santa Fe 17#1 for 10 15 2007.doc

3357026120-HP
Daily Completion
Content-Description: Report for Santa Fe
17#1 for 10 15
2007.doc
Content-Type: application/msword
Content-Encoding: base64

934

Subject: Santa Fe 17#1 Completion Report for 10/14/2007

From: John Somers <hpboulder@yahoo.com>

Date: Sun, 14 Oct 2007 20:28:51 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>, NonOp Morning Reports <Non-OpMorningReports@cimarex.com>

Attached to this e-mail is the report for Sunday, October 14th.

The fluid level has risen every day for the past three days, indicating that the zone is cleaning up. Two gas samples will be analyzed and the result should be available Monday afternoon.

Sincerely,

John Somers
High Plains Petroleum

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HP Daily Completion Report for Santa Fe 17#1 for 10 14 2007.doc	Content-Description: pat2020323090
	Content-Type: application/msword
	Content-Encoding: base64

Subject: Santa Fe 17#1 Report for October 13th

From: John Somers <hpboulder@yahoo.com>

Date: Sun, 14 Oct 2007 12:06:05 -0700 (PDT)

934

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>, NonOp Morning Reports <Non-OpMorningReports@cimarex.com>

The report for Saturday, October 13th, is attached to this e-mail.

A buildup of scale in the pipe from the tubing to the pit was noticed. A picture of that rapidly forming scale is also attached. On Monday, a sample will be tested to determine if the scale is acid soluble calcium carbonate scale, insoluble calcium sulphate scale or water soluble salt.

There are travertine domes in the area, so the scale may have come from calcium saturated water in the Permian.

Sincerely,

John Somers
High Plains Petroleum

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934



Scale build up from possible calcium-saturated water
in Petunian

934

Subject: Santa Fe 17#1 Report for October 12th

From: John Somers <hpboulder@yahoo.com>

Date: Sat, 13 Oct 2007 07:40:55 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>, NonOp Morning Reports <Non-OpMorningReports@cimarex.com>

The report for Friday, October 12th, is attached to this e-mail.

From the recovery of the same green water from all of the zones that have been tested, it appears that those zones have all been deeply invaded by mud filtrate.

The pressure gradient in the Permian appears to be less than the pressure gradient in the Penn and the Granite Wash. The reason that the Permian is underpressured may be that it contained much more helium than it does now, and leakoff has left the Permian underpressured.

The pressure in the Pinta Dome Helium Field was just over 100 psi at a depth of 1100 feet. Still, that Permian Coconino blew out, flowed over 10 MM/D and produced over 700 MM of helium, so low pressure in the Permian isn't unexpected.

Sincerely,

John Somers
High Plains Petroleum

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3962374074-HP
Daily Completion
Content-Description: Report for Santa Fe
17#1 for 10 12
2007.doc
Content-Type: application/msword
Content-Encoding: base64

Subject: Santa Fe 17#1 Completion Report for 10/11/2007

From: John Somers <hpboulder@yahoo.com>

Date: Fri, 12 Oct 2007 06:27:55 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>, NonOp Morning Reports <Non-OpMorningReports@cimarex.com>

934

Attached to this e-mail is the report for Thursday, October 11th.

Yesterday, the first zone in the Permian was perforated and will be tested today. A picture of two water samples from the Penn is also attached to this e-mail. The sample on the right was tested first and appears to be mud filtrate. The green colored sample on the left appears to be formation water. That sample has been sent to Halliburton's lab for analysis to determine the resistivity of water in the Penn for use in evaluating the Penn in future wells.

Sincerely,

John Somers
High Plains Petroleum

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934



Water samples recovered on Penn test

934

Subject: Santa Fe 17#1 Completion Report for 10/10/2007

From: John Somers <hpboulder@yahoo.com>

Date: Wed, 10 Oct 2007 22:03:47 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>, NonOp Morning Reports <Non-OpMorningReports@cimarex.com>

Attached to this e-mail is the report for Wednesday, October 10th.

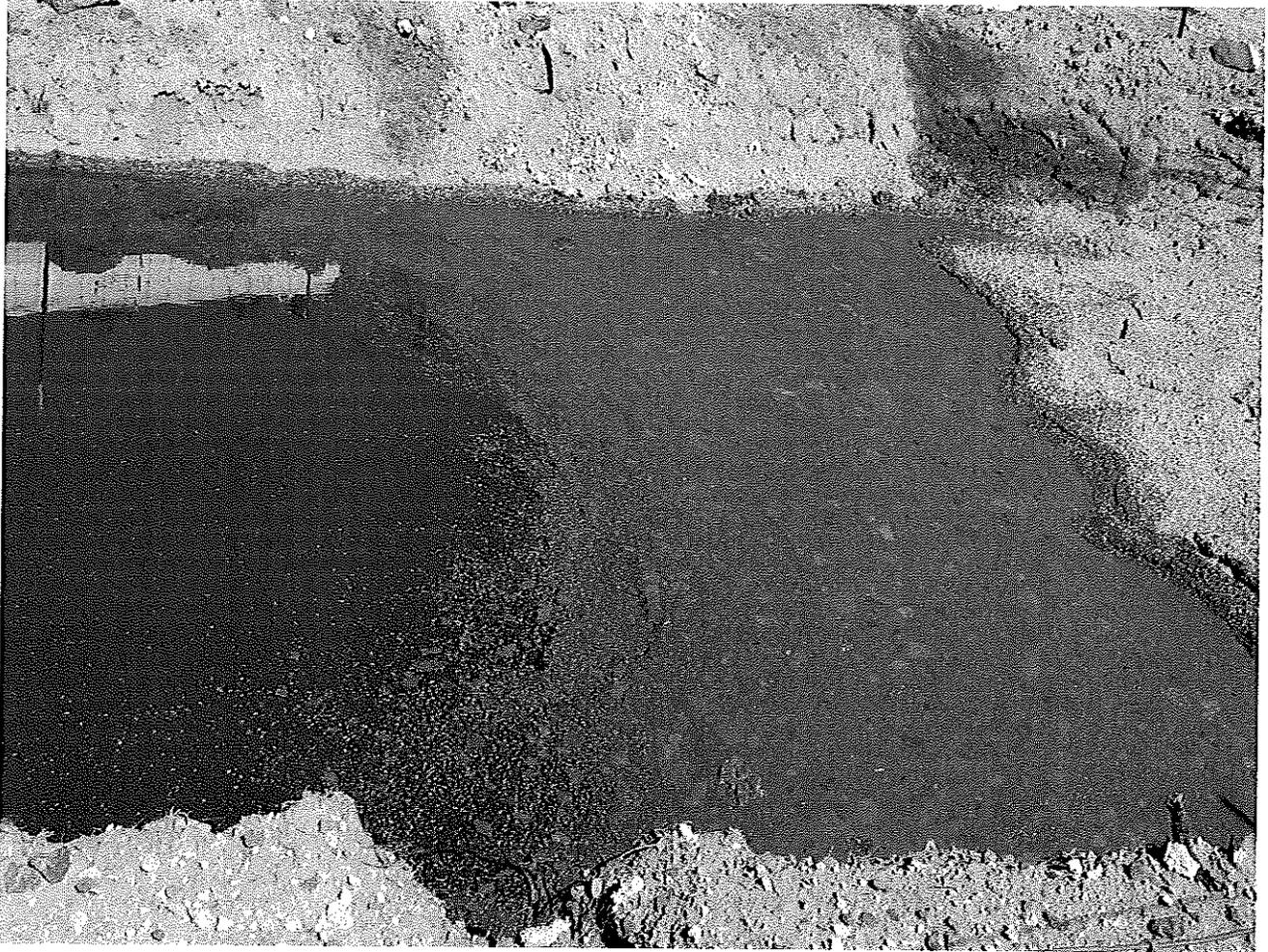
A picture of the LCM that was recovered this morning is also attached. Since no LCM was recovered from the first Penn interval, it appears that lost circulation only took place into the zone tested today.

Sincerely,

John Somers
High Plains Petroleum

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939



LCM be covered on Penn test 3569-72'

Subject: Santa Fe 17#1 Completion Report for 10/8/2007

From: John Somers <hpboulder@yahoo.com>

Date: Tue, 9 Oct 2007 06:00:34 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>, NonOp Morning Reports <Non-OpMorningReports@cimarex.com>

934

Attached to this e-mail is the report for Monday, October 8th.

A sample from the final swab run on Friday was submitted to Halliburton for analysis, and there was condensate on top.

A gas sample from the zone contained a relatively high percentage of pentane, which is natural gasoline. So, the condensate could be natural gasoline.

The completion plan has been changed to add another Penn zone that the mud logger described as a "zone of interest". Schlumberger calculated the water saturation in that zone to be twenty percent and indicated that hydrocarbons are present. The zone, which is from 3595' to 3598', will be perforated, acidized and tested with the zone from 3611' to 3617'. Instead of a CIBP, a retrievable bridge plug will be used so that it can be removed; further mud, and more oil recovered from the interval from 3695' to 3715'; and the three (3) intervals tested together, after separately testing the two (2) new intervals.

Sincerely,

John Somers
High Plains Petroleum

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HP Daily Completion Report for Santa Fe 17#1 for 10 8 2007.doc

Content-Description: pat1345748556

Content-Type: application/msword

Content-Encoding: base64

934

Subject: Santa Fe 17#1 Reports for October 6th and 7th

From: John Somers <hpboulder@yahoo.com>

Date: Mon, 8 Oct 2007 08:01:58 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>, NonOp Morning Reports <Non-OpMorningReports@cimarex.com>

Reports for Saturday, October 6th, and Sunday, October 7th, are attached to this e-mail.

If no oil is recovered on the swab down this morning, a bridge plug will be set above this interval, and the next Penn zone will be perforated and tested. That zone contained shows of oil and hydrocarbon gases, but 880 barrels of mud were lost into that Penn limestone.

The lost circulation material (LCM) that sealed off the oil bearing zones in the Penn and allowed drilling to continue to the PreCambrian may also be preventing those zones from producing in this well. Therefore, future wells through the Penn will need to be drilled differently, with pipe set through the Permian and less mud wt., foam or air.

Sincerely,

John Somers
High Plains Petroleum

Boardwalk for \$500? In 2007? Ha!

[Play Monopoly Here and Now \(it's updated for today's economy\)](#) at Yahoo! Games.

HP Daily Completion Reports for Santa Fe 17#1 for 10 6 2007 & 10 7 2007.doc

Content-Description:	3122551162-HP Daily Completion Reports for Santa Fe 17#1 for 10 6 2007 & 10 7 2007.doc
Content-Type:	application/msword
Content-Encoding:	base64

Subject: 10/4/2007 Completion Report for Santa Fe 17#1

From: John Somers <hpboulder@yahoo.com>

Date: Fri, 5 Oct 2007 06:29:30 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>, NonOp Morning Reports <Non-OpMorningReports@cimarex.com>

934

Attached to this e-mail is the completion report for Thursday, October 4th.

Lost circulation occurred in the interval that was perforated yesterday. After circulation was restored, there was "live" oil stain on a limestone with visible porosity and over 180 units of gas. Therefore, the interval was acidized to try to recover the mud that was lost and any cement that might also have been lost into that oil zone in the Penn.

The gas from the Penn in the Four Corners Area usually contains 5 to 6% helium. Therefore, if possible, a gas sample will be obtained for analysis.

Sincerely,

John Somers
High Plains Petroleum

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<p>HP Daily Completion Report for Santa Fe 17#1 for 10 4 2007.doc</p>	<p>268124993-HP Daily Completion Content-Description: Report for Santa Fe 17#1 for 10 4 2007.doc Content-Type: application/msword Content-Encoding: base64</p>
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Subject: 10/2/2007 Completion Report for Santa Fe 17#1

From: John Somers <hpboulder@yahoo.com>

Date: Wed, 3 Oct 2007 05:53:42 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>, NonOp Morning Reports <Non-OpMorningReports@cimarex.com>

934

Attached to this e-mail is the completion report for Tuesday, October 2nd.

Since there was very little fluid entry, the cementation was described as calcareous and Schlumberger's log analysis indicated that part of the interval from 3776 to 3784' is a carbonate, that interval is to be acidized this morning.

A gas sample is to be obtained before acidizing. The gas appears to be heavier than air, as it accumulated in a low area between the rig and the vehicles on location.

A sample of the green fluid will also be obtained for analysis.

Sincerely,

John Somers
High Plains Petroleum

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HP Daily Completion Report for Santa Fe 17#1 for 10 2 2007.doc

	2760296792-HP Daily Completion
Content-Description:	Report for Santa Fe 17#1 for 10 2 2007.doc
Content-Type:	application/msword
Content-Encoding:	base64

Subject: 10/1/2007 Completion Report for Santa Fe 17#1

From: John Somers <hpboulder@yahoo.com>

Date: Tue, 2 Oct 2007 05:31:06 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>

934

Attached to this e-mail is the completion report for Monday, October 1st, for Santa Fe 17#1.

Based on the fluid level yesterday morning, the pressure in the Granite Wash is approximately 1365 psi, which is almost twice the pressure in the Granite Wash in the St. Johns Field. Furthermore, the water swabbed from the Granite Wash zones between 3916' and 3944' contained 190,000 ppm chlorides, which is very close to the chloride content of the salt saturated mud that was used to drill the well. Therefore, the water was very likely mud filtrate.

Sincerely,

John Somers
High Plains Petroleum

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<p>HP Daily Completion Report for Santa Fe 17#1 for 10 1 2007.doc</p>	<p>1022395490-HP Daily Completion Content-Description: Report for Santa Fe 17#1 for 10 1 2007.doc Content-Type: application/msword Content-Encoding: base64</p>
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Subject: 9/29/2007 & 9/30/2007 Completion Reports for Santa Fe 17#1

From: John Somers <hpboulder@yahoo.com>

Date: Mon, 1 Oct 2007 07:15:10 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>

934

Attached to this e-mail are the completion reports for Saturday, September 29th and Sunday, September 30th.

Today, the fluid level will be checked to determine the pressure in the Granite Wash. Then, a bridge plug will be set and the next Granite Wash interval perforated.

According to Finley Resources' geologist, there was high gravity oil, or condensate on the pit after drilling the interval to be perforated today. That oil evaporated and disappeared from the samples in less than 30 minutes.

Sincerely,

John Somers
High Plains Petroleum

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HP Daily Completion Reports for Santa Fe 17#1 for 9 29 2007 & 9 30 2007.doc

3711487833-HP
Daily Completion
Reports for Santa
Fe 17#1 for 9 29
2007 & 9 30
2007.doc
Content-Type: application/msword
Content-Encoding: base64

Subject: 9/28/2007 Completion Report for Santa Fe 17#1

From: John Somers <hpboulder@yahoo.com>

Date: Sat, 29 Sep 2007 09:52:25 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>

Attached to this e-mail is the completion report for Friday, September 28th.

934

From the testing on Friday, we learned that the gas in the Granite Wash is combustible, and we began to recover saltwater. That saltwater may be either filtrate from the salt saturated mud used to drill the well, or formation water. A comparison of Schlumberger's pit sample at the time openhole logs were run to the water swabbed from the well yesterday should tell us if further swabbing is needed.

On Monday, a gas sample will be gathered and analyzed and the water resistivity will be determined. Then, we will also have 24 and 48 hr. shut-in pressures.

Sincerely,

John Somers
High Plains Petroleum

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HP Daily Completion Report for Santa Fe 17#1 for 9 28 2007.doc

20476641-HP
Daily Completion
Content-Description: Report for Santa Fe
17#1 for 9 28
2007.doc
Content-Type: application/msword
Content-Encoding: base64

Subject: Change in the completion of Santa Fe 17#1

From: John Somers <hpboulder@yahoo.com>

Date: Wed, 19 Sep 2007 11:49:22 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>

934

Leakage after the DV tool was drilled out, leakage outside the 7 inch intermediate casing and no cement from 2800 feet to 2490 feet have made it necessary to change the completion of Santa Fe 17#1.

Since water was lost after the DV tool was drilled out, the casing below the DV tool will be tested to find that leak. Then, the casing will be perforated with four (4) squeeze holes and squeezed with enough cement to fill the unbonded interval from 2800 feet to 2490 feet.

Second, the leak at 630 feet will be perforated with four (4) squeeze holes and squeezed with enough cement to fill from the top of second stage cement, 1180 feet, into the 7 inch casing and up to the surface in the annulus between the 4 1/2 inch and 7 inch casing. One hundred percent (100%) excess will be used to provide for loss of cement below the 7 inch casing and behind the 7 inch casing, which the perforations should also penetrate.

To provide more immediate and accurate analysis, gas samples will be analyzed the next day in Farmington, rather than taken to Amarillo to the BLM lab for analysis. Then, we should have much better information on the composition of the gases.

If no leak is found below the DV tool, one interval in the Pennsylvanian Naco and another interval in the lower part of the Permian Amos Wash cannot be tested, because the cement bond log doesn't show any cement across those intervals. Fortunately, other intervals in those two formations can be tested. As a result, we should still be able to determine what those formations contain and if commercial production is possible from the Naco and the Amos Wash.

The Amos Wash is one of the producing zones in the St. Johns Field, where it produces CO₂ and helium. That field, which contains 14 tcf of reserves, is three townships, or roughly 18 miles east of the Concho well, and it extends southeast into Catron County, New Mexico.

Sincerely,

John Somers
High Plains Petroleum

Moody friends. Drama queens. Your life? Nope! - their life, your story.
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Subject: September 17th Completion Report for Santa Fe 17#1

From: John Somers <hpboulder@yahoo.com>

Date: Tue, 18 Sep 2007 09:10:26 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>

A report for Monday, September 17th, is attached.

Only two (2) out of eighteen (18) intervals cannot be tested as a result of the lack of cement.

To fix the leakage, a squeeze job is planned as soon as Halliburton is available.

934

Sincerely,

John Somers
High Plains Petroleum

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HP Daily Completion Report for Santa Fe 17#1 for 9 17 2007.doc

2468336157-HP
Daily Completion
Content-Description: Report for Santa Fe
17#1 for 9 17
2007.doc
Content-Type: application/msword
Content-Encoding: base64

Subject: September 16th Completion Report for Santa Fe 17#1

From: John Somers <hpboulder@yahoo.com>

Date: Sun, 16 Sep 2007 21:15:34 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>

The report for Sunday, September 16th, is attached. Remedial cementing will be needed to correct problems with the casing.

Sincerely,

John Somers
High Plains Petroleum

934

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HP Daily Completion Report for Santa Fe 17#1 for 9 16 2007.doc

2864550843-HP
Daily Completion
Content-Description: Report for Santa Fe
17#1 for 9 16
2007.doc
Content-Type: application/msword
Content-Encoding: base64

Subject: 9 15 2007 Completion Report for Santa Fe 17#1

From: John Somers <hpboulder@yahoo.com>

Date: Sat, 15 Sep 2007 22:01:46 -0700 (PDT)

To: Dyke Dodson <ddodson@finleyresources.com>, Jim Finley <jim@finleyresources.com>, Deborah R Miles <kalk_jm@yahoo.com>, Debbie Miles <d_r_miles@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>

934

The report for Saturday, September 15th, is attached to this e-mail.

According to Kiva Measuring, which is testing Ridgeway's latest development well as well as our well, the route for a 36 inch pipeline from the St. Johns Field to Roswell is being surveyed. Therefore, if Santa Fe 17#1 contains CO2 and helium in the Permian, like the St. Johns Field, there could soon be a market for any CO2 that is developed.

Kiva tested gas produced from the Granite Wash in one of Ridgeway's wells. Initially, that well tested 200 M/D. Later, after being SI for 6 mos., the same well tested 2.2 MM/D, indicating that either the well was damaged and cleaned up over time, or it wasn't swabbed long enough to recover the filtrate lost during drilling. Now, Ridgeway, which recently changed its name to Enhanced Oil Resources, is drilling with air to prevent damage to the Permian and the Granite Wash. The result has been a three fold increase in Permian productivity and natural production equal to stimulated, after frac production from their mud drilled development wells.

John Somers
High Plains Petroleum

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HP Daily Completion Report for Santa Fe 17#1 for 9 15 2007.doc

Content-Description: pat1595407752

Content-Type: application/msword

Content-Encoding: base64

Subject: Completion of Santa Fe 17#1
From: John Somers <hpboulder@yahoo.com>
Date: Thu, 13 Sep 2007 10:06:36 -0700 (PDT)
To: Steve Rauzi <steve.rauzi@azgs.az.gov>

934

Dear Steve,

Today, a rig is being moved in to begin the completion and testing of Santa Fe 17#1, which is expected to take about 3 weeks.

Thanks for the 1937 article from the Oil & Gas Journal.

Sincerely,

John Somers
High Plains Petroleum

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Subject: Concho well and exploratory wells in Arizona
From: John Somers <hpboulder@yahoo.com>
Date: Tue, 10 Jul 2007 15:20:26 -0700 (PDT)
To: Steve Rauzi <steve.rauzi@azgs.az.gov>

934

Dear Steve,

Last week, the president of Finley Resources, which paid for the drilling of the Santa Fe 17#1 Well near Concho, indicated that they want to proceed with the completion and testing later this month. Maybe we'll have some good news to report at the next commission meeting.

The July 2nd issue of the Oil & Gas Journal contained the attached forecast showing three (3) exploratory wells to be drilled in the second half of this year. Is that our Cluff well and two other wildcats?

Sincerely,

John Somers
High Plains Petroleum

TV dinner still cooling?

Check out "Tonight's Picks" on Yahoo! TV.

O&G Journal Well Forecast for 2007.pdf	Content-Description: pat1979448085
	Content-Type: application/pdf
	Content-Encoding: base64



High Plains Petroleum Corporation

3860 Carlock Dr. Boulder, CO 80305 303-494-4529

February 26, 2007

Mr. Steven L. Rauzi
Oil & Gas Administrator
Arizona Geological Survey
416 W. Congress, Suite 100
Tucson, Arizona 85701

934
RECEIVED

FEB 27 2007

Re: Santa Fe 17#1
Sec. 17, T12N, R26E, G&SRM,
Apache County, Arizona
State Permit No. 934

Dear Steve,

This letter is to request the temporary abandonment of Santa Fe 17#1 until the well can be completed and tested. A period of 6 months should be enough time to design the completion; estimate the costs of testing seventeen (17) zones in the Granite Wash, Naco and Supai; obtain the funds from Finley Resources to pay for the completion and testing of the well; obtain a completion rig to do the work and complete and test the well.

A Sundry Notice is enclosed to report the spudding of the well, the casing that was run and the cementing that was done. The DV tool hasn't been drilled out, and no perforating has been done so far.

If there are any questions about this request, or you would like for me to attend the meeting of the Oil and Gas Conservation Commission that is scheduled for March 9th to answer any questions that the commissioners may have, please let me know. By then, the well may be completed and tested so that test results may be available.

Sincerely,


John B. Somers II

President
High Plains Petroleum

Enclosure

cc: Mr. J. Dale Nations
Chairman
Oil and Gas Conservation Commission

Subject: Oil & Gas Journal Article about the Concho well
From: John Somers <hpboulder@yahoo.com>
Date: Fri, 06 Oct 2006 12:04:18 -0700 (PDT)
To: Steve Rauzi <steve.rauzi@azgs.az.gov>
CC: Debbie Miles <d_r_miles@yahoo.com>, Deborah R Miles <kalk_jm@yahoo.com>

934

Dear Steve,

The Oil & Gas Journal published an article about the Concho well that High Plains is drilling. A copy of that article is attached. The only erroneous information is the last sentence, because those are the porosities of the dolomites in the discovery well on the St. Johns Anticline, not Sumatra's 1983 well.

The mud logger has logged a show that he thought was an oil zone. However, that show of C1 through C5 occurred a half an hour after a load of mud was received from the El Paso well. As a result, the mudlogger was concerned that the show could have come from contamination. In my opinion, such a show of five (5) hydrocarbons from contamination is unlikely.

What kind of gas is causing the gas kicks up to 6800 units is uncertain, but they are not associated with connections. For example, one came after drilling through an anhydrite into a sand, a caprock or seal over a porous reservoir rock. Therefore, they appear to be legitimate gas shows.

By the time the Commission meets later this month, we should have results to report from at least the Concho well. So far, all the gas shows in the Supai are very encouraging.

Sincerely,

John Somers
High Plains Petroleum

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High Plains' (Concho) Santa Fe 17#1 in 9 4 2006 Oil & Gas Journal article.pdf

1755891939-High
Plains' (Concho)
Santa Fe 17#1 in
9 4 2006 Oil &
Gas Journal
article.pdf
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The Pio

VOLUME 6, NUMBER 20

NORTHEAST ARIZONA'S MOST READ NEWS

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Generous Donations Save Senior Center

PAGE 13 (SECTION B)

Soldiers Angels Find Super Supporter

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Heber-Overgaard Section

Exploratory Oil & Gas Drilling Continues Near Concho

BY ROBERT LUCAS
THE PIONEER

934

PetroSun Incorporated, a diversified oil and gas production company headquartered in Phoenix, announced September 19 that it has partnered with Holbrook Energy LLC to drill three prospect wells in Apache County. In August, PetroSun acquired mineral rights to 985,000 acres in northeastern Arizona and northwestern New Mexico, located in the gas-rich geologic formation known as the Holbrook Basin.

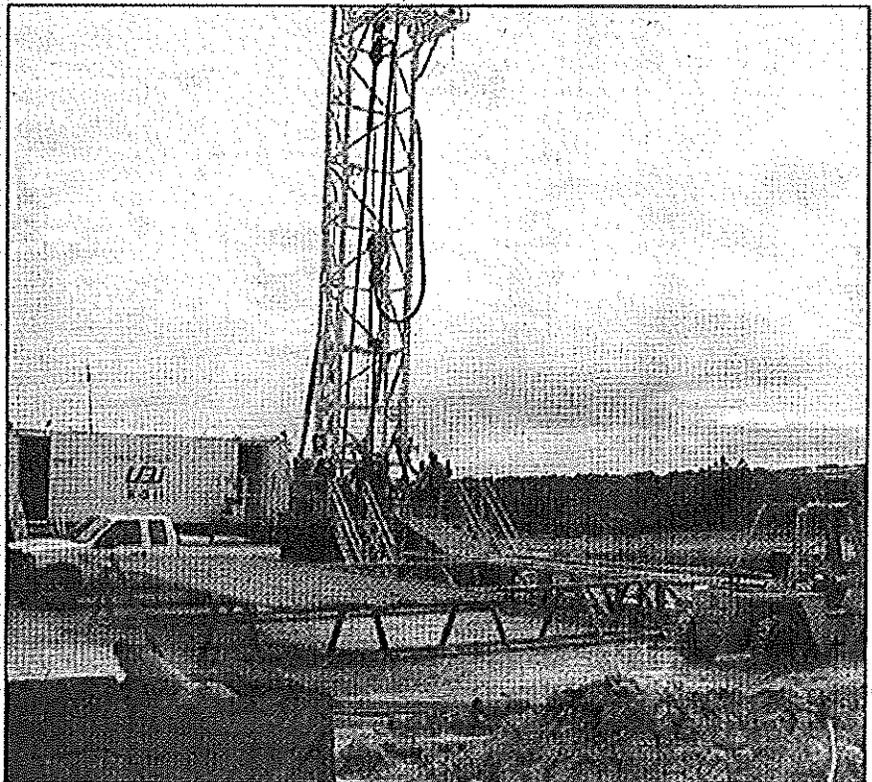
Another company, High Plains Petroleum Corporation of Boulder, Colorado, is currently drilling 1.5 miles from the Concho post office in a 3,274-acre mineral lease owned by Prize Energy Resources of Santa Fe. The rotary rig is operated by United Drilling of Roswell, New Mexico and plans call for a depth of 4,075 feet in search of oil or gas deposits. Work began late in August.

In February 2005, Holbrook Energy drilled to a depth of 2,320 feet near Con-

cho to test the Supai geologic formation. The well was later reported to the Arizona Oil and Gas Conservation Commission, the permitting agency, as "temporarily abandoned waiting on additional funding and testing." The Commission issued nine drilling permits in 2005 and seven wells were drilled that year. According to the Commission, Arizona's underground rocks have not been sufficiently explored and more wildcat drilling is encouraged. Among the states that produce crude oil, Arizona ranks second to last in the nation with production of only 142 barrels per day.

But the underground rock formations of the Holbrook Basin "are similar in age and characteristics to the deposits found in the Permian Basin of West Texas," explains a PetroSun news release. "The Holbrook Basin has produced commercial quantities of helium, contains a large discovery of carbon dioxide and has recorded numerous shows of oil and gas in exploration wells."

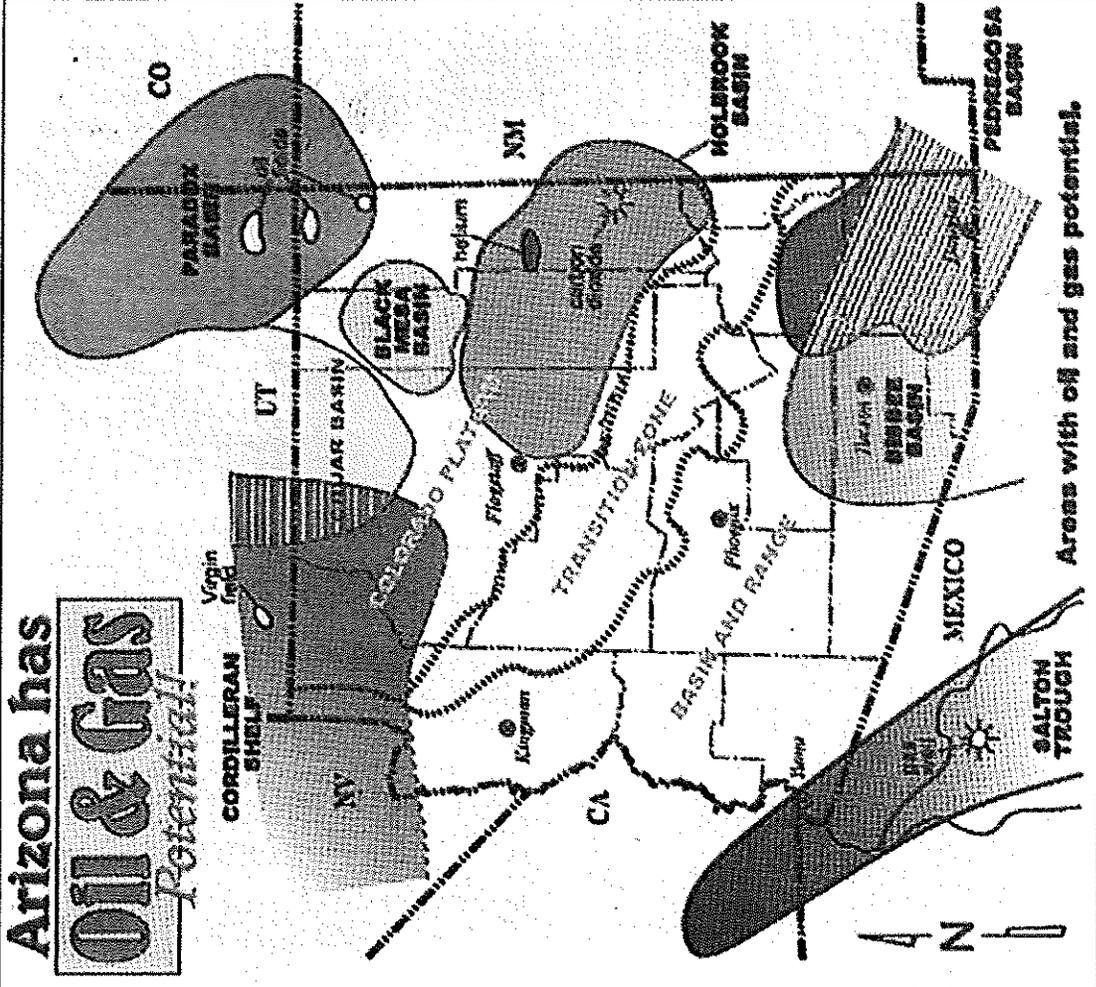
Continued on page 17



Workers with United Drilling of Roswell, New Mexico were drilling in search of oil on a Saturday morning last month near Concho.

10-4-2006

Arizona has Oil & Gas Potential!



Areas with oil and gas potential.

Exploration from page 1

However, the only oil producing wells in Arizona are in the Four Corners region of Apache County, and they are "stripper wells" producing low flows. Wells in this region have been pumping small amounts since 1939. The Arizona Oil and Gas Conservation Commission reports 2005 oil production in the state at 50,251 barrels from 18 producing wells, down from 51,341 barrels from 16 producing wells in 2004. Six gas producing wells totaled 233 million cubic feet in 2005, also down from the 331 million cubic feet produced in 2004. Carbon Dioxide is no longer being

The only oil producing wells in Arizona are in the Four Corners region of Apache County.

extracted, and helium, which was mined near Adamana from 1961 to 1976, is not on tap either at the moment. Fourteen propane storage wells in subsurface salt near Phoenix and at Adamana are a valuable resource, however.

PetroSun, formerly known as PetroSun Drilling, is expanding operations from the Arkansas-Louisiana-Texas region into Arizona, Utah, New Mexico and Australia. Corporate President Rayfield Wright played for the Dallas Cowboys in the 1970s, including five Super Bowls. He was inducted into the National Football League Hall of Fame this past summer. His company sponsors the PetroSun Independence Bowl.

This map, by the Arizona Geological Survey in Tucson, shows proven deposits in Apache County and underground formations across the state with potential to contain oil and gas.

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934

Subject: Santa Fe 17#1 Drilling Report for 9/28/2006

From: John Somers <hpboulder@yahoo.com>

Date: Thu, 28 Sep 2006 12:16:23 -0700 (PDT)

To: Robert M Colpitts <bcolpitts@finleyresources.com>, D Elliott <delliott@cimarex.com>, Jim Finley <jim@finleyresources.com>, Debbie Miles <d_r_miles@yahoo.com>, Deborah R Miles <kalk_jm@yahoo.com>, Steve Rauzi <steve.rauzi@azgs.az.gov>, Brent Talbot <brent@finleyresources.com>, Mike Wolfe <mwolfe@cimarex.com>

934

The report for 9/28/2006 for Santa Fe 17#1 is attached.

Yesterday, the Little Colorado well, LC State 12#1, was staked. Today, while we're waiting on cement, the application for a permit to drill is being prepared. Tomorrow, that APD will be taken to the Arizona Geological Survey in Tucson. Then, a surface use plan will be taken to the Arizona State Land Department in Phoenix to expedite permitting and enable us to use Rig 11 to drill that well too.

Cimarex hasn't responded to our request for a farmout of the Santa Fe land on the anticline in Manuel Seep Draw, so staking and permitting of a well on that structure has been postponed.

John Somers
High Plains Petroleum

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HP Daily Drilling Report for Santa Fe 17#1 for 9 28 2006.doc	Content-Description: pat525270427 Content-Type: application/msword Content-Encoding: base64
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government tendered three new blocks off West Sulawesi: Karama, Malunda, and Mandar.

Also put up for tender offer were

Lampung I Block off Lampung, south-easternmost Sumatra, and offshore and onshore blocks in Ujung Kulon in West Java. ✦

Directorate. The well was in rocks of Late Paleozoic age at TD.

The license covers blocks 8/6, 9/2, 9/3, 9/4, 9/5, 9/6 and 10/4, 10/7, 10/8, 10/9, and 11/7, awarded in 2004. Participants are ExxonMobil, Statoil ASA, and Petoro 30% each and RWE-Dea Norge AS 10%.

SW Oman airborne data encourage Circle Oil

Circle Oil PLC, London, expressed encouragement at the results of preliminary processing of a 4,800-km airborne gravity and magnetic survey on Block 49 in southwestern Oman.

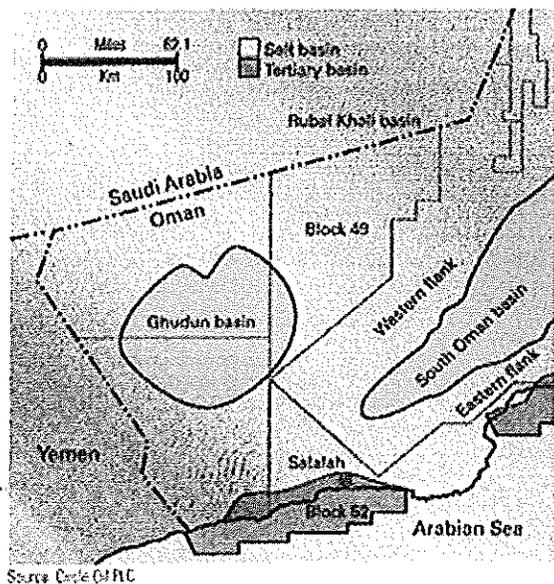
The 15,438 sq km block is on the southern edge of the Rub al Khali basin and the eastern flank of the Ghudun Salt basin. Circle Oil's interest is 100%.

Results of the survey by Fugro Aerosurveys, Johannesburg, are to be integrated with other data to design a 2D seismic survey to start in early 2007. The block's northern border is with Saudi Arabia.

Preliminary analysis already indicates that the eastern edge of a postulated InfraCambrian salt basin, analogous to the nearby highly oil productive South Oman Salt basin, extends into Block 49, Circle Oil said.

Circle Oil previously said the block's

SW OMAN EXPLORATION AREA



two main play concepts are the Silurian Sahmah play, which it hoped extends into Block 49 from eastern Saudi Arabia, and the Lower Haima-Huqf play.

Circle Oil also noted that several billion barrels of oil have been discovered in Proterozoic-Cambrian reservoirs associated with the Ara salt in the South Oman basin southeast of Block 49, and there is evidence of the presence of a similar salt basin, named Ghudun, beneath the western part of the block. ✦

Arizona

High Plains Petroleum Corp., Boulder, Colo., will drill a confirmation attempt that could establish the Holbrook basin's first hydrocarbon production.

The new well, on a 13,000-acre anticline, is to go to TD 4,075 ft in 17-12n-26e, Apache County. The Sumatra Energy 1-17 Santa Fe, drilled in 1983, encountered gas in nine Pennsylvanian carbonates, but no gas market was available (OGJ, Oct. 20, 1987, p. 84).

The Holbrook basin has produced helium from Pinta Dome and Navajo Springs fields and carbon dioxide and helium on the St. Johns and Coyote Creek anticlines.

The new well has secondary objectives in Permian. Wells drilled for potash in Permian Supai have encountered shows of oil in porous carbonates like the pay zones in the 1983 discovery well. Porosities in the two dolomites were 16% and 31%.

Colorado

Lexam Explorations Inc., Toronto, said it applied to the Colorado Oil & Gas Conservation Commission for drilling permits for two wells on the Baca Project in the San Luis Valley. Each well is to reach TD of 14,000 ft (see map, OGJ, Sept. 1, 1997, p. 78).

The project is also being permitted for a 26 sq km 3D seismic survey that will confirm and define the drilling targets identified from extensive 2D data and help define new targets on the flanks of the Crestone structure and further define gas targets in the Lower Tertiary section of the basin.

Norway

An ExxonMobil Corp. affiliate came up dry at the deepest hole on the Norwegian continental shelf.

Exploration well 9/4-5, on the Permian age Kogge Prospect, went to

TD 5,837 m. It is in 77 m of water on PL 315 about 100 km southwest of Egersund in the southern North Sea.

It employed leading edge drilling technology and new geologic modeling approaches in a high risk, new play area, said the Norwegian Petroleum

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934

Arizona

By OGJ editors

HOUSTON, Aug. 24 -- High Plains Petroleum Corp., Boulder, Colo., will drill a confirmation attempt that could establish the Holbrook basin's first hydrocarbon production.

The new well, on a 13,000-acre anticline, is to go to TD 4,075 ft in 17-12n-26e, Apache County. The Sumatra Energy 1-17 Santa Fe, drilled in 1983, encountered gas in nine Pennsylvanian carbonates, but no gas market was available (OGJ, Oct. 20, 1987, p. 84).

The Holbrook basin has produced helium from Pinta Dome and Navajo Springs fields and carbon dioxide and helium on the St. Johns and Coyote Creek anticlines.

The new well has secondary objectives in Permian. Wells drilled for potash in Permian Supai have encountered shows of oil in porous carbonates like the pay zones in the 1983 discovery well. Porosities in the two dolomites were 16% and 31%.

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Subject: Concho Project

From: John Somers <hpboulder@yahoo.com>

Date: Tue, 22 Aug 2006 08:39:16 -0700 (PDT)

To: Brent Talbot <brent@finleyresources.com>

CC: Debbie Miles <d_r_miles@yahoo.com>, Deborah R Miles <kalk_jm@yahoo.com>, Jim Finley <jim@finleyresources.com>

934

Dear Brent,

This e-mail is to acknowledge receipt of the funds needed to pay for the drilling of the initial Concho well, Santa Fe 17#1.

Yesterday, United Drilling Co. advised High Plains that Rig No. 11, the rig that is to be moved from New Mexico to Arizona to drill Santa Fe 17#1, was delayed. Therefore, Cimarex has been contacted, and an extension has been requested.

The location for the well has been cleared and leveled, and pits are being dug.

United expects to begin moving Thursday, August 24th, so the well will probably be spudded this weekend. A copy of the revised drilling prognosis is attached.

If you have any questions, please call me.

A copy of the letter granting the extension will be forwarded to you as soon as it is received.

Sincerely,

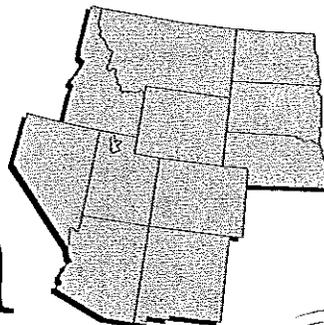
John Somers

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Revised Concho Santa Fe 17#1 Drilling Prognosis.tif

Content-Description: 3610176990-Revised
Concho Santa Fe
17#1 Drilling
Prognosis.tif
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Rocky Mountain



934

Wyoming Edition

Colorado independent schedules eastern Arizona wildcat



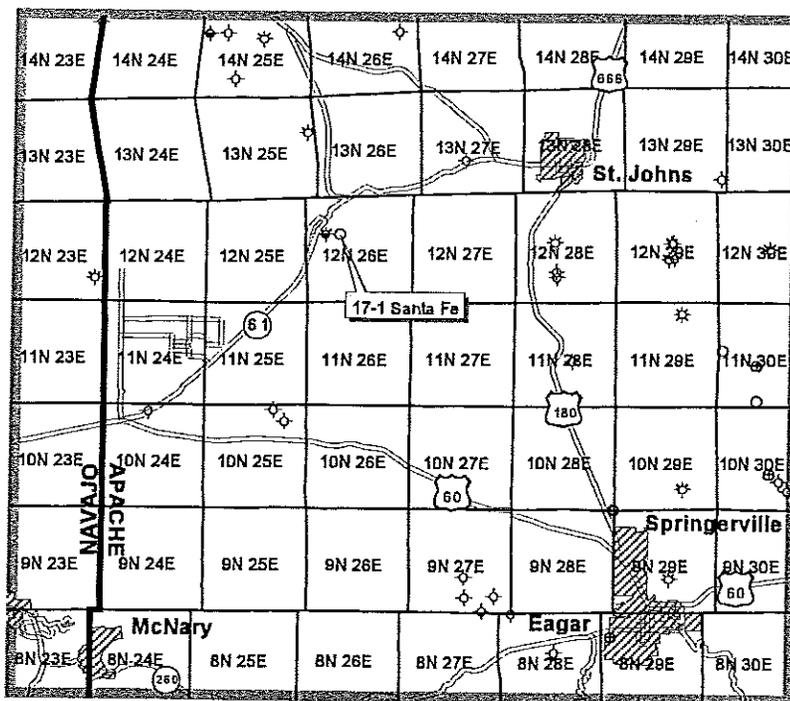
THE PERMIAN Supai is the objective of a remote wildcat staked by Boulder, Colorado-based High Plains Petroleum Corp in a non-producing area of eastern Arizona approximately 13 miles west-southwest of St. Johns.

The 17-1 Santa Fe, ne ne 17-12n-26e, southwestern Apache County, is projected to reach total depth at about 4075 ft. It's under contract to United Drilling, Roswell, New Mexico, and will be drilled approximately 40 miles south of the Pinta Dome/Navajo Springs field area, where gas (primarily nitrogen, with commercial amounts of helium) has been produced from Shinarump (Triassic) and Coconino (Permian) above 1500 ft. The closest oil and gas production from Permian zones is about 200 miles to the north, in Boundary Butte field on the Arizona/Utah

border. That field has produced more than 5.4 million bbls of oil and 12.4 billion cu ft of gas from Permian and Pennsylvanian Paradox zones since its discovery in 1946.

The wildcat is within a mile east of a 4143-ft dry hole drilled by Sumatra Energy Co in 1983 at the 1-17 Santa Fe RR in nw

(Continued on Page 6)



(Headington, from preceding page)

Fisher, Headington has location staked for a tri-lateral horizontal Bakken exploratory test at the 11X-31 Butch-Fee in nw nw 31-26n-52e (RMRR 6-28-06). No activity has

been reported at that site.

Meanwhile, the company has received a drilling permit for another tri-lateral horizontal Bakken wildcat, this one eight miles east-northeast of

the 11X-33 Fisher site.

The 41X-22 Tolksdorf, ne ne 22-26n-53e, will be drilled on a 1,920-acre unit taking in all of sections 21, 22 and 27. Plans call for one lateral to be drilled southward to measured total depth of 18,110 ft at a bottom-hole location in se se of section 27; a second lateral will be drilled southwestward to a measured total depth of 15,314 ft at a bottom-hole location in nw nw of section 27; and a third lateral will be drilled west-southwestward to a measured total depth of 18,028 ft at a bottom-hole location in sw nw of section 21. True vertical depth is estimated at 9101 ft.

It's two miles northeast of Headington's 44X-26 Keller, se se 28-26n-53e, which was completed earlier this year as a tri-lateral horizontal Bakken producer. In May (its first month on line), the 44X-26 Keller produced 6,800 bbls of oil, 3,672,000 cu ft of gas and 4,913 bbls of water in 23 days, an average of about 296 bbls of oil, 159,700 cu ft of gas and 214 bbls of water daily.

(Arizona, from Page 1)

nw 17-12n-26e. Sumatra encountered shows of oil while drilling in Moenkopi and Kaibab and shows of gas in Naco and Redwall. Formation tops include Moenkopi at 538 ft, Kaibab 750, Coconino 830, Supai 1123, Fort Apache 2515, Naco 2940, Redwall 3528, Granite Wash 4016 and Precambrian at 4072 ft, measured from a kelly bushing elevation of 6220 ft.

Approximately 14 miles to the northwest, Scottsdale, Arizona,

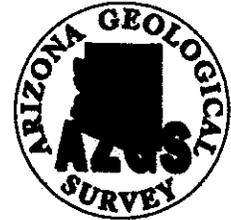
independent Holbrook Energy LLC last year drilled and temporarily abandoned the 17-1 NZO&G in ne nw 17-14n-25e. That Apache County wildcat, which was designed to evaluate oil and gas zones in Permian Upper Supai dolomites (RMRR 2-1-05), was drilled by Stewart Brothers Drilling's Rig #46 to a total depth of 2320 ft. It was cased to 2296 ft and perforated at 1965-74 ft. No results were reported. Holbrook noted that High Plains developed the prospect.



Janet Napolitano
Governor

State of Arizona
Arizona Geological Survey

416 W. Congress, Suite 100
Tucson, Arizona 85701
(520) 770-3500
www.azgs.az.gov



M. Lee Allison
Director and State Geologist

August 14, 2006

Delwin Wengert
County Manager
P.O. Box 428
St Johns AZ 85936

Re: High Plains Petroleum #17-1 Santa Fe, Sec. 17-12n-26e, Apache Co.,
State Permit 934.

Dear Mr. Wengert:

I am enclosing a copy of the approved application to drill the referenced well because of a policy of the Arizona Oil and Gas Conservation Commission to inform county government about proposed exploration and drilling activity. The referenced well is being drilled in search of oil and gas.

The Commission issues a permit to drill under A.R.S. § 27-513. The permit is issued for wells that are in compliance with applicable statutes (A.R.S. § 27-516) and rules (12 A.A.C. 7), which were promulgated to safeguard the public health and safety and protect the environment and natural resources.

Sincerely,

A handwritten signature in cursive script that reads "Steven L. Rauzi".

Steven L. Rauzi
Oil and Gas Program Administrator

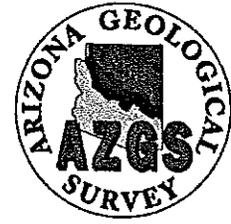
Enclosure



Janet Napolitano
Governor

State of Arizona
Arizona Geological Survey

416 W. Congress, Suite 100
Tucson, Arizona 85701
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M. Lee Allison
Director and State Geologist

August 11, 2006

Mr. John Somers
High Plains Petroleum
3860 Carlock Drive
Boulder CO 80305

Re: High Plains Petroleum #17-1 Santa Fe, Sec. 17-12n-26e, Apache Co., State Permit 934

Dear Mr. Somers:

I have enclosed a copy of your approved application for permit to drill, Permit to Drill #934, and filing-fee receipt #3140.

The referenced application is approved on the condition that High Plains Petroleum conduct its operations in compliance with all applicable statutes and rules of the State of Arizona and that High Plains Petroleum or its designated representative *notify me at least 48 hours* before you:

- Move in drilling equipment and commence operations,
- Run and cement surface casing, and
- Test the BOPE

An operator shall post a sign at the well site pursuant to A.A.C. R12-7-106 and submit drilling samples and all other well data and information pursuant to A.A.C. R12-7-121. Several Sundry Notice forms are enclosed for your use in reporting all pertinent drilling and testing activity to the Oil and Gas Conservation Commission of the State of Arizona. An operator is required to keep daily drilling reports detailing the spud date and daily progress (depth) and status of the well and to submit the reports to the Commission at the letterhead address on a weekly basis through the completion of operations.

Sincerely,

Steven L. Rauzi
Oil & Gas Administrator

Enclosures

c J. Dale Nations, Chairman, Oil and Gas Conservation Commission
M. Lee Allison, Director and State Geologist