

Outgoing
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OK

OGMCOAL - Kinney Approved Drilling Permit

From: Steve Christensen
To: OGMCOAL
Date: 6/29/2010 1:18 PM
Subject: Kinney Approved Drilling Permit
Attachments: Ut Div Water Rights Drilling Approval 6-29-10.pdf

>>> Gregory Hunt <geohuntllc@gmail.com> 6/29/2010 12:55 PM >>>

Hi Daron, Joe, & Steve

Attached please find a scanned copy of the Approved Drilling Permit for the two shallow monitor wells Carbon Resources plans to drill next week.

When you arrive at a decision and produce a decision document for our application under the Geo-Tech rules to complete these two monitor wells, would you kindly scan and email that document. Because of the short time frame before our planned start-up sending it via snail-mail may not arrive in time to meet our schedule even if it is approved timely.

Thanking you in advance for your assistance in this matter,
Greg

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Gregory L. Hunt
16577 Columbine Lane
Cedaredge, CO
Land 970-856-9478
Cell 970-260-0448



GARY R. HERBERT
Governor
GREG BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

Division of Water Rights

MICHAEL R. STYLER KENT L. JONES
Executive Director State Engineer/Division Director

CARBON RESOURCES
PO BOX 954
SANDIA PARK, NM 87047

June 29, 2010

Dear Applicant:

RE: MONITOR WELL#: 1091005M00

Regarding your request to drill **2 MONITOR WELL(S)**, the anticipated drilling depths will exceed the minimum regulated and reporting depth of 30 feet, thereby requiring permission from the Division of Water Rights to proceed with this project.

The specifications outlined in your well project request dated June 29, 2010, meet the State Engineer's requirements and permission is **HEREBY GRANTED**. Therefore, this letter is your authorization to proceed with the construction of the well(s) in accordance with those specifications and with respect to the following provisions:

- 1) Small diameter casing is to be used in the construction of the well(s) and no more water is to be diverted than is necessary to determine the quality of the ground water by obtaining representative samples as required by the project.
- 2) The well(s) must be drilled by a currently licensed Utah driller and must be drilled in a manner consistent with the recommended construction standards cited in the Utah State Administrative Rules for Well Drillers.
- 3) The enclosed Driller (START) Card form must be given to the licensed driller for his submittal prior to commencing well construction. The other enclosed form is the 'Applicant Card.' It is **YOUR RESPONSIBILITY** to sign and return this Applicant Card form to our office upon well completion.
- 4) If complete information is not available in the initial application, it is the **APPLICANT'S RESPONSIBILITY** to provide, upon completion, descriptive locations of the wells referenced by course and distance from established section corners, e.g. *North 565 feet and West 1096 feet from the SE corner of Section 35, T2S, R5W, SLB&M.*
- 5) At such time as the well(s) are no longer utilized to monitor ground water and the intent of the project is terminated, the well(s) must be temporarily or permanently abandoned in a manner consistent with the Administrative Rules.

NOTE: Please be aware that your permission to proceed with the drilling under this authorization expires December 29, 2010.

Sincerely,

fox Marc Stilson, P.E.
Regional Engineer

APPLICANT CARD for Monitor WELL#: 1091005M00

IMPORTANT: THIS CARD MUST BE COMPLETED, SIGNED AND RETURNED BY THE WELL OWNER/APPLICANT AS SOON AS THE WELL IS DRILLED BY A LICENSED UTAH WATER WELL DRILLER.

OWNER/APPLICANT NAME: Carbon Resources

MAILING ADDRESS: PO Box 954, Sandia Park, NM 87047.

PHONE NUMBER: 970-856-9478

WELL LOCATION: You are authorized to drill 2 Monitor Wells. SEE BELOW.

WELL UTM COORDINATES:

WELL ACTIVITY: NEW () REPAIR () REPLACE () ABANDON ()
CLEAN () DEEPEN ()

WELL COMPLETION DATE: _____

NAME OF DRILLING COMPANY/LICENSEE: _____

Owner/Applicant Signature

Date

***COMPLETE, SIGN AND RETURN THIS PORTION UPON FINAL WELL COMPLETION - DO NOT GIVE THIS CARD TO LICENSED WELL DRILLER - YOU MUST RETURN IT.

STATE OF UTAH DIVISION OF WATER RIGHTS Phone No. 801-538-7416

Fax No. 801-538-7467

COMMENTS: _____

MONITOR WELL LOCATIONS:

- (1) S 3252 W 461 from the NW corner, S33 T 12S R 7E SLBM
- (2) S 1731 E 74 from the NW corner, S33 T 12S R 7E SLBM

START/APPLICANT CARD INSTRUCTIONS: First, for each well, you must give a Driller (Start) Card to the licensed driller with whom you contract to construct the well. Second, it is your responsibility to sign and return this Applicant Card to this office immediately after completion of the well. **CAUTION:** There may be local health requirements for the actual siting of your well. Please check with the proper local authority before construction begins. See the enclosed sheet addressing construction information.

DRILLER (START) CARD for Monitor WELL#: 1091005M00

IMPORTANT: THIS CARD MUST BE RECEIVED BY THE DIVISION OF WATER RIGHTS PRIOR TO THE BEGINNING OF WELL CONSTRUCTION -- REQUIRED ONLY FOR WELLS DEEPER THAN 30 FT.
OWNER/APPLICANT NAME: Carbon Resources
MAILING ADDRESS: PO Box 954, Sandia Park, NM 87047.
PHONE NUMBER: 970-856-9478
WELL LOCATION: You are authorized to drill 2 Monitor Wells. SEE BELOW.
WELL UTM COORDINATES: _____
WELL ACTIVITY: NEW () REPAIR () REPLACE () ABANDON ()
CLEAN () DEEPEN ()

For surface seals in unconsolidated formations (clay, silt, sand, and gravel), will you be using a temporary conductor casing or other formation stabilizer (e.g., drilling mud) in the surface seal interval to maintain the required annular space?

YES or NO (Circle one).

Answering 'NO' suggests that you will be placing the surface seal in an open and unstabilized annular space, which may require onsite inspection of seal placement by the State Engineer's Office.

PROPOSED START DATE: _____

PROJECTED COMPLETION DATE: _____

LICENSE #: _____ LICENSEE/COMPANY: _____

Licensee Signature

Date

NOTICE TO APPLICANT: THIS CARD IS TO BE GIVEN TO A UTAH LICENSED WATER WELL DRILLER FOR SUBMITTAL TO THE DIVISION OF WATER RIGHTS PRIOR TO WELL CONSTRUCTION.
STATE OF UTAH DIVISION OF WATER RIGHTS Phone No. 801-538-7416
Fax No. 801-538-7467

MONITOR WELL LOCATIONS:

- (1) S 3252 W 461 from the NW corner, S33 T 12S R 7E SLBM
- (2) S 1731 E 74 from the NW corner, S33 T 12S R 7E SLBM