

APPLICATION FOR PERMIT TO: ☐ DRILL ☒ DEEPEN ☐ REWORK OR ☐ OPERATE A WELLMAIL TO:
MICHIGAN DEPARTMENT OF NATURAL RESOURCES
GEOLOGICAL SURVEY DIVISION
BOX 30028, LANSING, MICHIGAN 48909NON-SUBMISSION AND/OR FALSIFICATION OF THIS INFORMATION
MAY RESULT IN FINES AND/OR IMPRISONMENT.

BY AUTHORITY OF:

1a. ☒ Act 61, P.A. 1939, as amended
☒ Oil & Gas
☐ Brine Disposal
☐ Hydrocarbon Storage
☐ Secondary Recovery1b. ☐ Act 315, P.A. 1969, as amended
☐ Disposal ☐ Storage
☐ Brine ☐
☐ Test Well Type
☐ Single ☐ Blanket1. Application to: (no fee required if permit is valid)
Deepen ☒ Revise Application ☐ Cancel and Transfer ☐ Convert to ☐
3. Fee enclosed: ☒ No ☐ Yes
4. Do prior permits exist? ☐ No ☒ Yes ☒ Drilled ☐ Abandoned/Terminated2. List each permit number
501278. Fed. Employer Ident. No. or Soc. Security No.
38-25094107. Surety Bond:
☒ Blanket ☐ Single Well
8. ☐ Attached ☒ On File
9. Bond No.
0312972
10. Bond Amount:
\$50,000.00

1. Applicant: (name each "owner" as they are bonded)

Petrostar Energy

2. Address: (operator only if more than one "owner")
P.O. Box 2410
Traverse City, MI 49685-2410
Phone: (616) 941-07183. Lease or well name: (be as brief as possible)
Tosch-Molson
Well number:
1-17 HD-24. Surface owner:
Melvin Tosch5. Address:
255 Mayer, Frankenmuth, MI 48734
Phone:6. Surface location (See instructions)
NE 1/4 SW 1/4 of Sec. 17 T. 34N R. 5E
Township Belknap
County Presque Isle7. Bottom hole location if directional drill (See instructions)
SW 1/4 NE 1/4 of Sec. 17 T. 34N R. 5E
Township Belknap
County Presque Isle

8. LOCATE WELL IN TWO DIRECTIONS FROM NEAREST LINES OF QUARTER SECTION AND DRILLING UNIT. (See instructions)

Surface 896 ft. from (N/S) South Line of quarter section. AND 1268 ft. from (E/W) West Line of quarter section.
Bot. Hole 1241 ft. from (N/S) North Line of quarter section. AND 1247 ft. from (E/W) East Line of quarter section.
Drilling Unit 1241 ft. from (N/S) North Line of drilling unit. AND 1247 ft. from (E/W) East Line of drilling unit.9. Drilling contractor:
Indrill
20. Kind of tools (Rotary, cable, combination)
Rotary
21. Is sour oil or gas expected? ☐ No ☒ Yes
22. Blowout control diagram enclosed? ☐ No ☒ Yes

23. Blowout control (Detail equipment type, size, trim, rating, testing, choke manifold, etc. See instructions)

See Attached

24. Intended Total Depth
3578 MD
25. Formation at Total Depth
Niagaran
26. Producing Formation
Niagaran
27. Objective Pool or Field

PROPOSED DRILLING, CASING, CEMENTING AND SEALING PROGRAM

HOLE			CASING				CEMENT		MUD		
Depth	Geol. Form	Bit Dia.	O.D. Size	Wt./Ft. — Grade — Condition		Depth	Sacks	W.O.C.(hrs)	Wt.	Vis.	W.L.
64'	Drift	20"	16"	65#	H-40 Existing	64'	75	exist			
250'	Traverse	14 3/4"	11 3/4"	42#	H-40 Existing	250'	225	exist			
1662'	F-Salt	10 5/8"	8 5/8"	32#	J-55 Existing	1662'	275	exist			
3222' MD	Niagaran	7 7/8"	5 1/2"	17#	K-55 New	3222'	150	12	11.4	43	3
3067' TVD											
3578' MD	Niagaran	4 3/4"	Open	Hole		3578'			10.1	33	5
3073' TVD											

29. Send correspondence and permit to: Address
Petrostar Energy, P.O. Box 2410, Traverse City, MI 49685-2410 ATTN: Mark Quinlan

FOR DNR USE ONLY

Permit
Act 61
Act 315
Date Issued
2-8-96
Number
267330. Application Prepared By: (Print)
Mark Quinlan
Phone: (616) 941-071831. Signature: Mark Quinlan
Date: 1-3-96

FOR CASHIER'S USE ONLY, DO NOT WRITE IN THIS SPACE

PR 7200-1
Rev 10-85

16083

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
GEOLOGICAL SURVEY DIVISION
BOX 30028
LANSING, MICHIGAN 48909

PERMIT TO

☐ DRILL ☒ DEEPEN ☐ REWORK ☐ OPERATE

GRANTED UNDER PROVISIONS OF

Act 61, P.A. 1939, as amended (M.C.L. 319.1 to 319.27)

Violation of and/or non-compliance with the provisions of the acts and conditions of permit may result in penalties. This permit includes as requirements all the operations and methods proposed by the applicant, unless rejected or altered by the DNR, and along with the attached stipulations are incorporated in its entirety by reference.

WELL NAME

TOSCH & MOLSON #1-17 HD2

PERMIT	ISSUED	TYPE OF WELL
50127	02/08/96	OIL OR GAS
CANCEL AND TRANSFER		FORMATION
		NIAGARAN
DEEPENING PERMIT		DEPTH
2673		3578' MD/ 3073' TVD
PERMIT EXPIRES		KIND OF TOOLS
02/08/97		ROTARY
ISSUED TO		
PETROSTAR ENERGY (H & H STAR ENERGY, INC. DBA) PO BOX 2410 13561 W. BAY SHORE, STE 3000 TRAVERSE CITY, MI 49685-2410		

LOCATION AND FOOTAGES:

SHL: NE 1/4 SW 1/4 SW 1/4, Sec 17, 34N 05E, BELKNAP Twp, PRESQUE ISLE Co.
896 ft. from South and 1268 ft. from West line of quarter section.

BHL: SW 1/4 NE 1/4 SW 1/4, Sec 17, 34N 05E, BELKNAP Twp, PRESQUE ISLE Co.
1241 ft. from North and 1247 ft. from East line of quarter section.
1241 ft. from North and 1247 ft. from East line of drilling unit.

CASING AND SEALING REQUIREMENTS

O.D. SIZE	WT./FT.	CASING GRADE	CONDITION	DEPTH	SACKS	CEMENT	W.O.C. (HRS.)
16"	65#	H-40	EXISTING	64'	75		
11 3/4"	42#	H-40	EXISTING	250'	225		
8 5/8"	32#	J-55	EXISTING	1662'	275		
5 1/2"	17#	K-55	NEW	3222'	150		12
			OPEN HOLE	3578'			

1. Old reserve pit shall not be disturbed.
2. District Geologist shall be notified prior to pit encapsulation.

OFFICE TO BE NOTIFIED BEFORE DRILLING/DEEPENING STARTS

GAYLORD (517) 7323541

FOR THE SUPERVISOR OF WELLS

BY



TOM WELLMAN (517) 3346974

PERMIT COORDINATOR

SEE REVERSE SIDE FOR ADDITIONAL REQUIREMENTS

PR 7200
Rev. 9/90

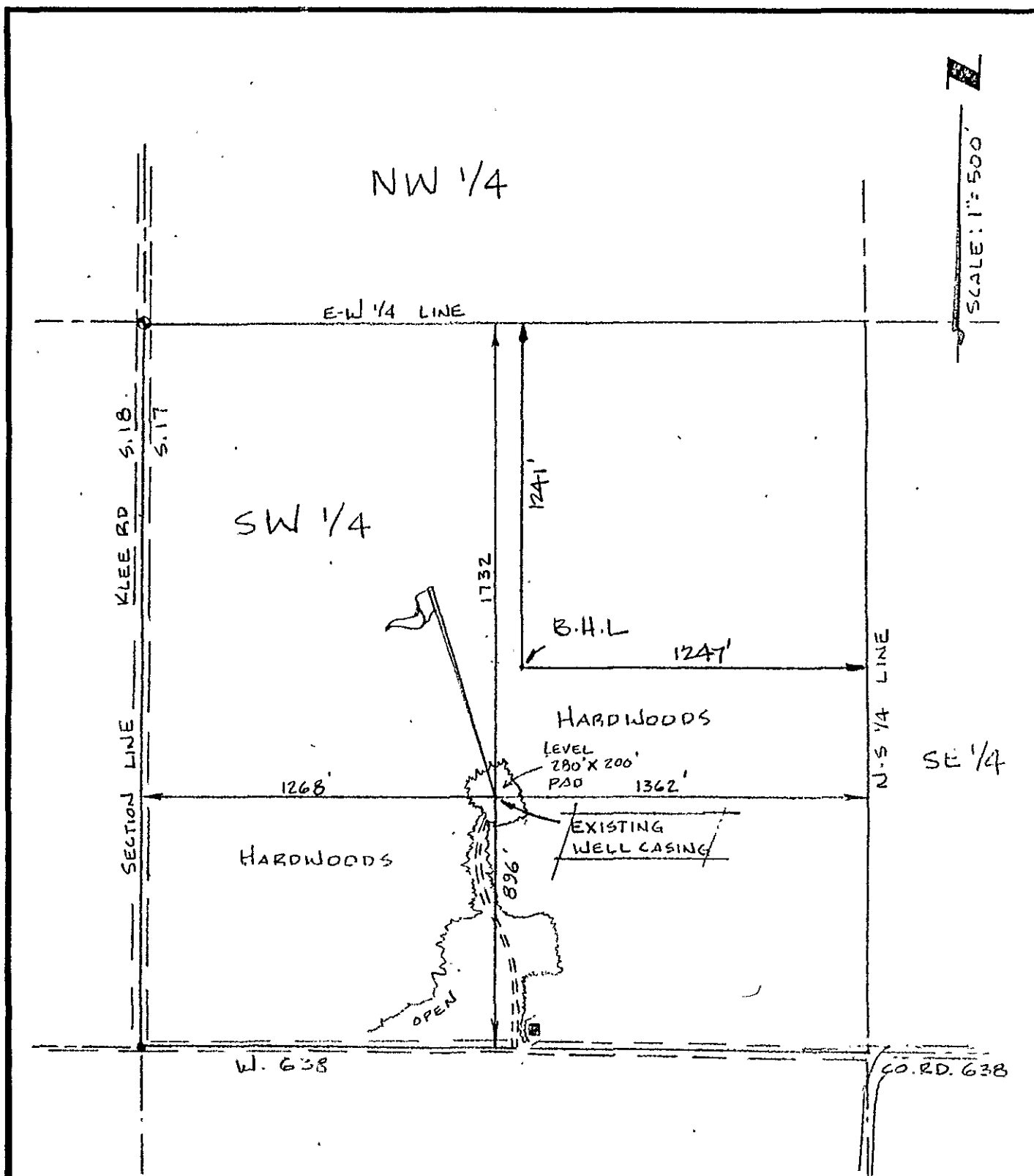
THIS PERMIT IS SUBJECT TO THESE GENERAL CONDITIONS

1. Drilling operations shall not start until drill site preparation requirements are completed.
2. Initiation of any work on the permitted project confirms the permittee's acceptance and agreement to comply with all the terms and conditions of this permit and rules, orders and requirements of the Supervisor of Wells/Mineral Wells.
3. The permittee is required to give notice to public utilities in accordance with Act 53, PA 1974 (M.C.L. 460.701 to 460.718).
4. Any changes from what is stated in the permit application and permit shall be approved by the Supervisor of Wells/Mineral Wells.
5. This permit is valid only for the permittee of issue and any changes of ownership shall be accompanied by a request to the Supervisor of Wells/Mineral Wells to transfer the permit from the current owner to the new owner.
6. "NOTICE AND REQUIREMENTS FOR SOURCE OF WATER AND WATER WELLS USED IN CONJUNCTION WITH OIL AND GAS OR MINERAL WELL DRILLING, AND OPERATIONS", December 1, 1984 is made part of and a condition of this permit.
7. During well completion and testing procedures all fluids shall be contained in tanks and transported to off site disposal facilities.
8. The Michigan Air Pollution Control Commission rules require that a person shall not install nor alter sour gas or oil well production equipment and flares unless a permit to install has been approved by the Commission. An operator is allowed to drill and test a sour well prior to obtaining the necessary permit to install from the Commission, but is not allowed full production of such wells before issuance of the necessary air use permits.
9. This permit does not convey property rights in either real estate or material or does it authorize any injury to private property or invasion of private or public rights or does it waive the necessity of seeking federal and local permits or complying with other state statutes.
10. If a Hydrogen Sulfide contingency plan is required, a copy of Part II of the plan shall be posted in the primary briefing area.
11. All trash and garbage shall be removed from the drill site at the completion of drilling.
12. Blowout preventers, accumulators, and pumps shall be certified as operable under the product manufacture's minimum operational specifications. This certification shall include proper operation of the closing unit valving, pressure gauges, and manufacture's recommended accumulatory fluids. Certification may be obtained through those companies presently used to test the blowout preventers stack and casing. Certification shall be required annually and shall be posted on the rig floor.
13. In addition to the primary closing system, including an accumulator system, the blowout preventers shall have a secondary system. A combination of any two of the following secondary closing systems will be acceptable: Electric-operated pump; Air-operated pump; Hand-operated pump or nitrogen. Extensions with hand wheels are not mandatory.
14. Blowout preventer rams shall be of proper size for the drill pipe being used or production casing being run in the well. Variable type rams of the proper size range will be acceptable.
15. The gas buster and flare system shall be in place and operable prior to drilling into a reservoir known or believed to contain Hydrogen Sulfide in excess of 500 ppm with the intention to complete in and/or test that reservoir.
16. A trip tank, or any accurate fluid monitoring system, as well as a gas buster and flare system where justified, shall be in place when penetrating the A2 Carbonate formation. Changes may be granted by the Department of Natural Resources District Geologist.

SURVEY RECORD OF WELL LOCATION

☐ Act 61, P.A. 1939, as amended. ☐ Act 315, P.A. 1969, as amended.
Filing of Survey Record, Plat or Plot Plan and Environmental Impact Assessment with Application
for Permit to Drill are REQUIRED by the above listed Acts, in order to obtain a Permit.

APPLICANT Petrostar Energy		WELL NAME AND NUMBER Tosch-Molson #1-17HDI	
SURFACE LOCATION		TOWNSHIP Belnap	COUNTY Presque Isle
NE 1/4 of SW 1/4 of Section 17 T 34N R 5E			
BOTTOM HOLE LOCATION		COUNTY Presque Isle	
SW 1/4 of NE 1/4 of SW 1/4 of Section 17 T 34N R 5E		Belnap	
Instructions: Outline drilling unit and spot well location on Plat shown below (1.). Where drilling unit crosses section lines, divide the Plat into an East half and a West half OR a North half and a South half (whichever applies). Outline the Unit and locate the well in two directions from NEAREST quarter section and unit lines (For Act 61, P.A. 1939, as amended).			
2. Location of well in two directions from NEAREST quarter section and unit lines is (For Act 61, P.A. 1939, as amended): Surface Location: <u>896</u> ft. from <u>South</u> line of Quarter Section (north-south) <u>1268</u> ft. from <u>West</u> line of Quarter Section (east-west) Bottom Hole Location: <u>1241</u> ft. from <u>North</u> line of Quarter Section (north-south) <u>1247</u> ft. from <u>East</u> line of Quarter Section (east-west) Bottom Hole Will Be: <u>1241</u> ft. from <u>North</u> line of unit/property (Act 315) lease (north-south) <u>1247</u> ft. from <u>East</u> line of unit/property (Act 315) lease (east-west)		1. PLAT BELOW REPRESENTS ONE FULL SECTION (1 MILE SQUARE) (Scale of Plat — 1 inch equals 1320 ft.)	
3a. Describe wellsite marker. Show or describe access route if it is not readily accessible. <u>Two wood lath spliced together for a height of 6' (flagged & labeled). Access is from W. County Road 638, then North 896' to the well site on an existing access road.</u>			
3b. Zoning. <input type="checkbox"/> Residential <input checked="" type="checkbox"/> Other: <u>Agriculture</u>			
3c. Effective date: _____			
4. ON SEPARATE PLAT OR PLOT PLAN, LOCATE, IDENTIFY AND SHOW DISTANCES TO: A. All roads, power lines, residences, farm buildings, and other structures within 300 feet of the stake. B. All lakes, streams, swamps, drainage-ways or any other surface water features within 1320 feet of the stake.			
5. In an ENVIRONMENTAL IMPACT ASSESSMENT describe all structures and surface features shown detailing plans for hazards prevention and erosion control (See instructions and guidelines for preparation of an environmental impact assessment).			
NAME OF INDIVIDUAL WHO SURVEYED SITE Howard C. Walker, President		DATE 01/02/96	TITLE Licensed Land Surveyor
ADDRESS 12868 W. Bay Shore Dr., Traverse City, MI 49684			
I CERTIFY THE ABOVE INFORMATION IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE AND BELIEF.			
SIGNATURE (Applicant or authorized representative)		DATE (Month, Day, Year)	



REVISIONS:

PLOT PLAN
TOSCH-MOLSON #1-17HD 1

SW 1/4 NE 1/4 SW 1/4, Section 17,
T34N, R5E, Belnap Township,
Presque Isle County, Michigan



WALKER LAND SURVEYING

P.O. BOX 1606
TRAVERSE CITY, MI 49685-1606
(616) 929-0544

CLIENT: Petrostar Energy

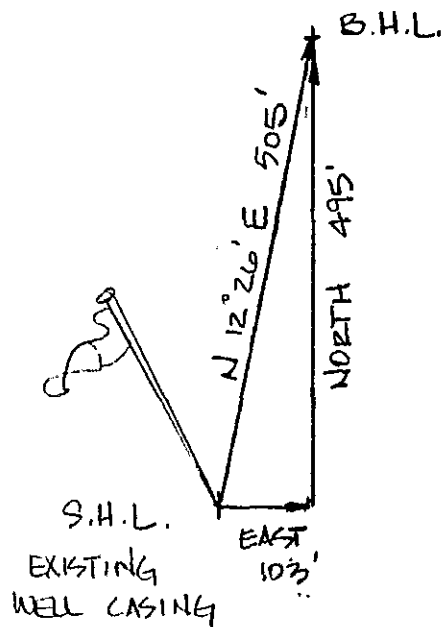
DRAWN:
SPB

DATE:
01/02/96

SHEET:
OF

JOB NO
95-022

#1-17
4D1



II

SCALE: 1 IN. = 20 FT.

BASIS OF BEARING IS TRUE NORTH.

REVISIONS:

DIRECTIONAL PLAN
TOSCH-MOLSON #1-17HD1

SW 1/4 NE 1/4 SW 1/4 Section 17,
T34N, R5E, Belnap Township,
Presque Isle County, Michigan



WALKER LAND SURVEYING
P.O. BOX 1606
TRAVERSE CITY, MI 49685-1606
(616) 929-0544

CLIENT:

Petrostar Energy

DRAWN:

SPB

DATE

01/02/96

SHEET

OF

JOB NO

95-022

WELL SITE INSPECTION REPORT

WELL NAME: Tosch-Molson #1-17HD1

LOCATION: NE 1/4, SW 1/4, SW 1/4, S. 17, T34N, R5E, Belnap Twp.,
Presque Isle Co., Michigan

TOPOGRAPHY: Level to rolling w/ Grades to 10%

COVER TYPE & DENSITY: site is on already leveled pad (280'x200'),
then slopes to 10%

LAND UTILIZATION: _____

SURFACE WATER (location and description if within 1320'): NONE

STRUCTURES (location and description if within 660'): NONE

EXISTING ROADS OR TRAILS (location and description if within 500'): _____

THERE IS AN EXISTING ACCESS ROAD FROM EXISTING PAD EXTENDING
sly

PROPOSED DRILL SITE ACCESS: FROM W. CO. RD. 638 Northerly
896' to EXISTING wellsite on EXISTING ACCESS RD.

RESTRICTIONS ON WELL SITE CONSTRUCTION: THIS IS A RE-ENTRY OF
WELL PERMIT

Prepared by: S. Byr

Date: 1/2/96

Job #: 95022



WALKER LAND SURVEYING
P.O. BOX 1606
TRAVERSE CITY, MI 49685-1606
(616) 929-0544

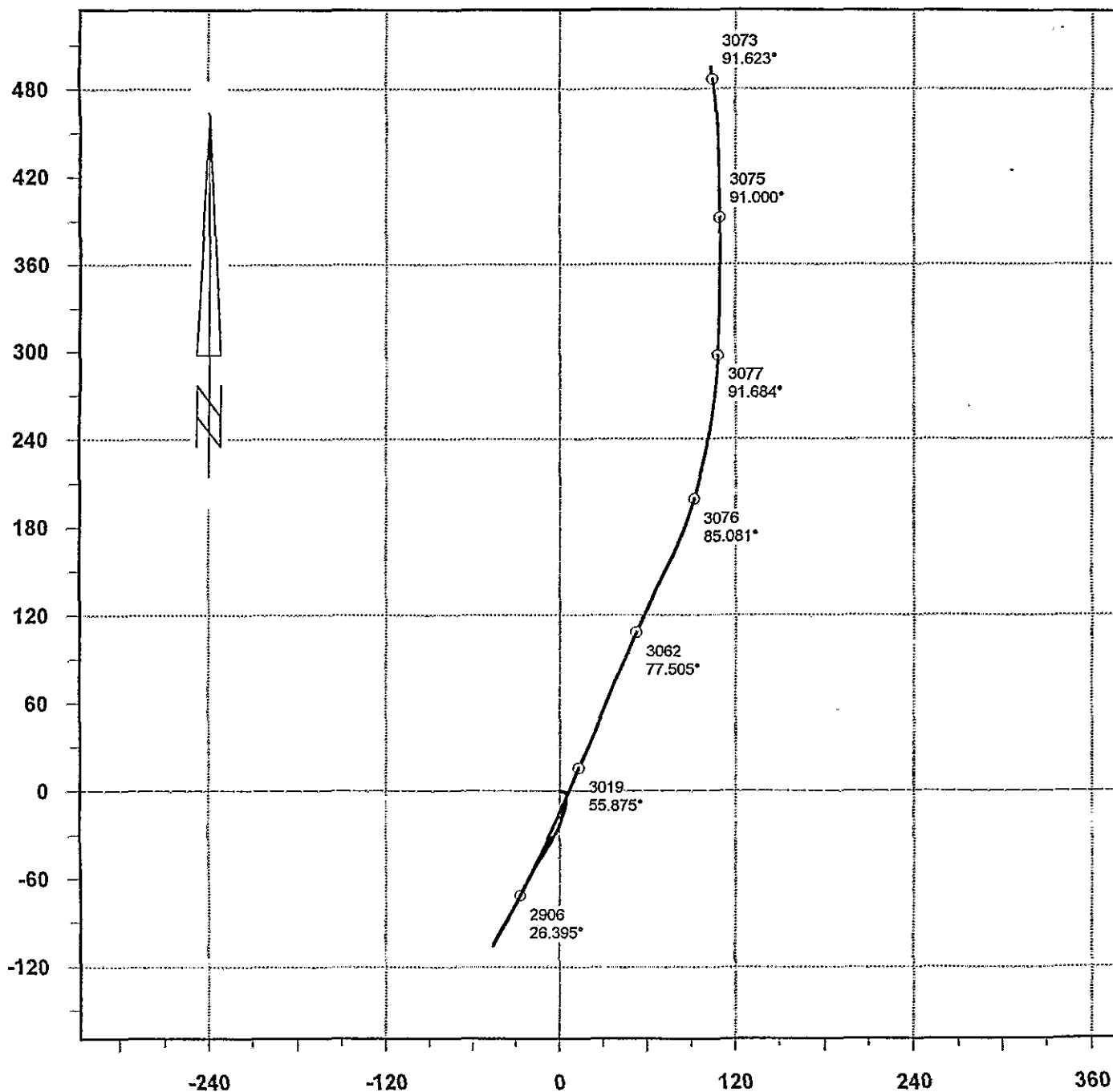
SPERRY-SUN DRILLING SERVICES HORIZONTAL SECTION

Original Survey Plot

PETROSTAR
TOSH-MOLSON 1-17 HD2

13/Dec/1995

LATITUDE
VALUES



DEPARTURE VALUES
Depths shown on plot are Vertical Depths.
All measurements are in Feet.

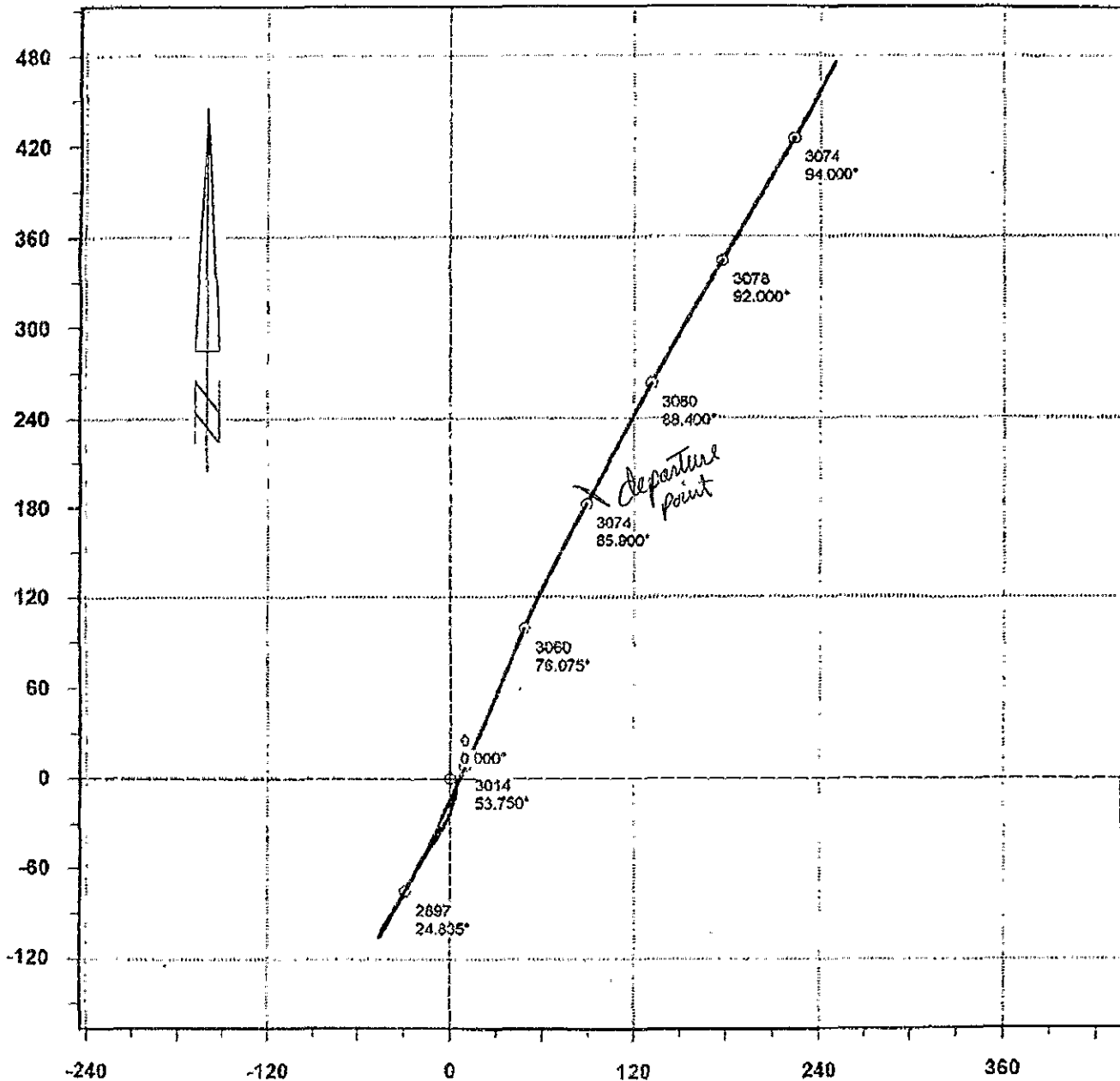
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SPERRY-SUN DRILLING SERVICES HORIZONTAL SECTION

PETROSTAR
TOSH-MOLSON 1-17 HD1

14/Dec/1995

LATITUDE
VALUES



DEPARTURE VALUES

Depths shown on plot are Vertical Depths.
All measurements are in Feet.

(b-1000)

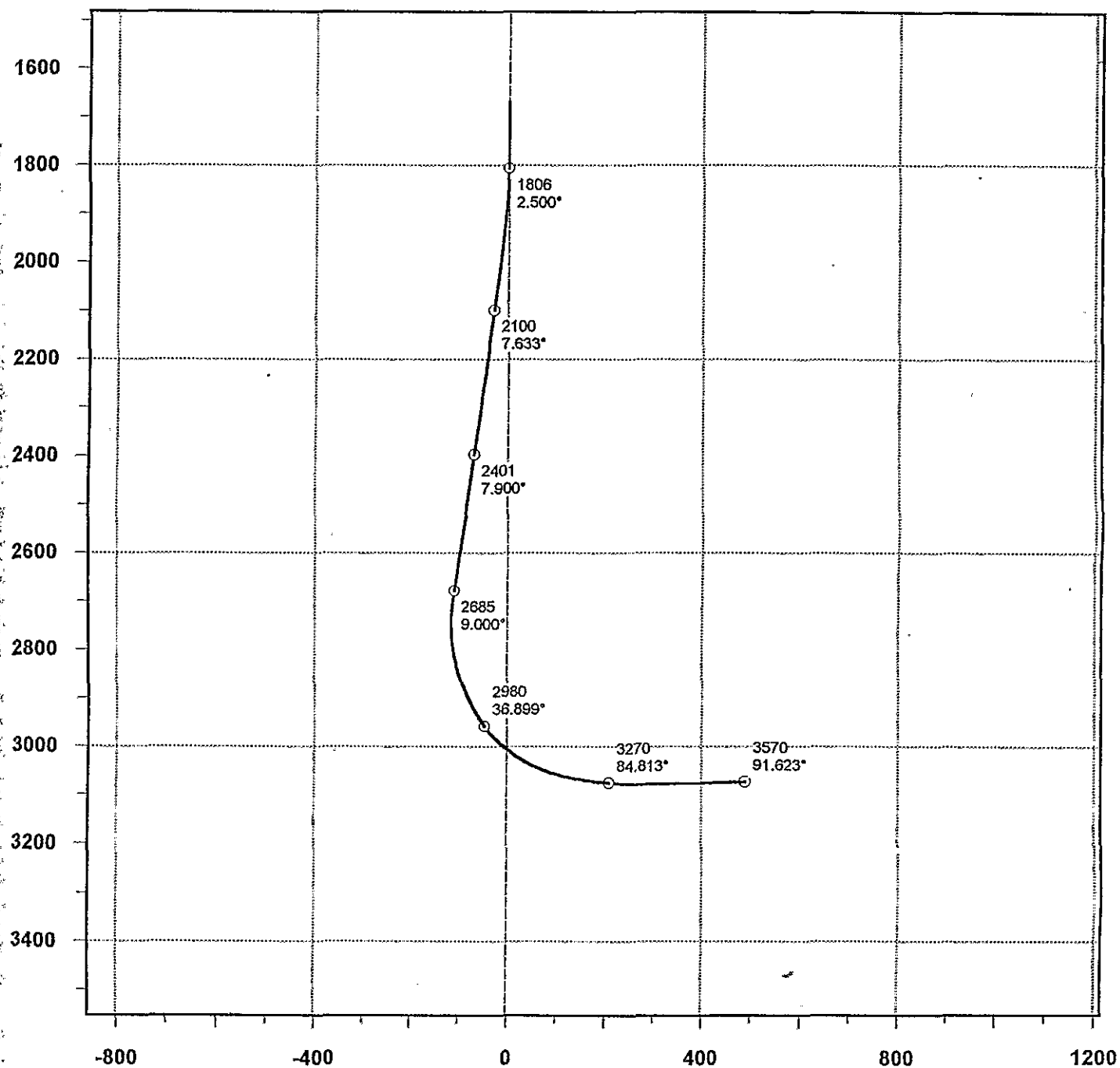
SPERRY-SUN DRILLING SERVICES VERTICAL SECTION

Original Survey Plot

PETROSTAR
TOSH-MOLSON 1-17 HD2

13/Dec/1995

VERTICAL
DEPTH



VERTICAL SECTION - Direction: 23.000° (True)

Depths shown on plot are Measured Depths.
All measurements are in Feet.

[Unlabeled]

SPERRY-SUN DRILLING SERVICES WELL PROFILE DATA

Original Surveys

PETROSTAR
TOSH-MOLSON 1-17 HD2

13/Dec/1995

MEASURED DEPTH	ANGLE DEG	DIRECTION DEG	VERTICAL DEPTH	LATITUDE (Ft)	DEPARTURE (Ft)	VERTICAL SECTION	DOG LEG	TOOL FACE
1670.00	0.000	0.000	1670.00	0.00	0.00	0.00		
1682.00	1.800	100.000	1682.00	0.03 S	0.19 E	0.04	15.000	100.000
1713.00	2.000	95.700	1712.98	0.17 S	1.20 E	0.31	0.792	322.356
1775.00	2.100	117.800	1774.94	0.81 S	3.28 E	0.54	1.277	93.923
1806.00	2.500	151.000	1805.92	1.66 S	4.12 E	0.08	4.415	90.322
1837.00	3.300	172.300	1836.88	3.14 S	4.56 E	-1.11	4.287	64.366
1868.00	4.500	179.500	1867.81	5.24 S	4.69 E	-2.99	4.173	25.819
1899.00	5.700	185.300	1898.68	7.99 S	4.56 E	-5.57	4.208	26.158
1931.00	6.500	197.100	1930.50	11.30 S	3.88 E	-8.89	4.635	63.421
1962.00	5.800	197.100	1961.33	14.48 S	2.91 E	-12.19	2.258	180.000
2025.00	6.900	197.800	2023.94	21.12 S	0.81 E	-19.13	1.750	4.374
2089.00	7.600	209.400	2087.43	28.47 S	2.44 W	-27.16	2.530	70.275
2152.00	7.800	213.000	2149.86	35.69 S	6.81 W	-35.51	0.829	69.270
2184.00	7.700	211.400	2181.57	39.34 S	9.11 W	-39.77	0.743	244.342
2246.00	7.700	212.100	2243.01	46.40 S	13.49 W	-47.98	0.151	90.347
2278.00	7.600	211.200	2274.73	50.03 S	15.72 W	-52.19	0.488	229.704
2340.00	7.800	207.100	2336.17	57.28 S	19.76 W	-60.45	0.943	287.966
2401.00	7.900	207.500	2396.60	64.68 S	23.58 W	-68.76	0.187	28.847
2465.00	7.700	206.100	2460.00	72.43 S	27.50 W	-77.42	0.431	222.839
2527.00	8.200	210.100	2521.41	79.99 S	31.54 W	-85.96	1.202	49.886
2621.00	8.500	210.500	2614.41	91.78 S	38.43 W	-99.50	0.325	11.156
2652.00	8.600	209.600	2645.07	95.76 S	40.74 W	-104.07	0.539	306.327
2685.00	9.000	209.600	2677.68	100.15 S	43.23 W	-109.09	1.212	0.000
2716.00	6.000	206.100	2708.41	103.72 S	45.14 W	-113.11	9.785	186.927
2747.00	0.800	175.700	2739.35	105.39 S	45.84 W	-114.92	17.179	184.366
2779.00	4.400	31.900	2771.32	104.57 S	45.18 W	-113.91	15.836	210.862
2810.00	9.300	28.900	2802.09	101.37 S	43.34 W	-110.24	15.843	354.331
2842.00	14.800	29.400	2833.37	95.54 S	40.08 W	-103.60	17.190	1.332
2873.00	19.200	29.400	2863.01	87.64 S	35.63 W	-94.60	14.194	0.000
2904.00	23.900	27.700	2891.83	77.64 S	30.20 W	-83.27	15.293	351.638
2954.00	31.700	26.600	2936.03	56.89 S	19.60 W	-60.02	15.633	355.746
2986.00	38.100	25.600	2962.26	40.45 S	11.56 W	-41.75	20.079	354.478
3017.00	44.500	23.100	2985.54	21.81 S	3.15 W	-21.31	21.317	344.593
3048.00	51.200	23.800	3006.33	0.74 S	5.99 E	1.66	21.677	4.667
3080.00	58.000	23.800	3024.86	23.11 N	16.51 E	27.72	21.250	0.000
3112.00	64.500	21.700	3040.24	48.97 N	27.34 E	55.76	21.110	343.670
3142.00	70.300	22.600	3051.77	74.61 N	37.78 E	83.44	19.530	8.329
3174.00	76.900	23.500	3060.80	102.84 N	49.80 E	114.12	20.800	7.584
3237.00	83.266	26.706	3071.64	158.99 N	76.13 E	176.10	11.279	26.680
3258.00	84.500	20.800	3073.88	178.10 N	84.53 E	196.97	28.574	281.542
3288.00	85.300	14.500	3076.55	206.56 N	93.59 E	226.70	21.086	276.978
3319.00	88.900	11.300	3078.12	236.73 N	100.49 E	257.17	15.528	318.310
3350.00	91.200	6.900	3078.09	267.33 N	105.40 E	287.26	16.015	297.586
3381.00	91.700	2.900	3077.31	298.20 N	108.04 E	316.71	12.999	277.175
3413.00	91.400	1.500	3076.44	330.16 N	109.27 E	346.61	4.473	257.920

SPERRY-SUN DRILLING SERVICES
WELL PROFILE DATA

Original Surveys

PETROSTAR
TOSH-MOLSON 1-17 HD2

13/Dec/1995

MEASURED DEPTH	ANGLE DEG	DIRECTION DEG	VERTICAL DEPTH	LATITUDE (Ft)	DEPARTURE (Ft)	VERTICAL SECTION	DOG LEG	TOOL FACE
3475.00	91.000	358.800	3075.15	392.14 N	109.43 E	403.73	4.401	261.601
3506.00	90.800	359.400	3074.66	423.13 N	108.94 E	432.07	2.040	108.432
3537.00	91.300	356.400	3074.09	454.11 N	107.81 E	460.13	9.809	279.489
3578.00	91.700	350.000	3073.02	494.78 N	102.96 E	495.68	15.635	273.658

The Dogleg Severity is in Degrees per 100.00 Feet
Vertical Section was calculated along an Azimuth of 23.000° (True)

Based upon Minimum Curvature type calculations. At a Measured Depth of 3578.00 Feet,
the Bottom Hole Displacement is 505.38 Feet, in the Direction of 11.755° (True)

13561 West Bay Shore, Suite 3000
Traverse City, MI 49684
(616) 941-0718
Fax (616) 941-0338



Mailing Address:
P.O. Box 2410
Traverse City, MI
49685-2410

January 3, 1996

Department of Natural Resources
Geological Survey Division
Oil & Gas Section
P.O. Box 30256
Lansing, MI 48909
ATTN: Rex Tefertiller

RE: Petrostar Energy - Tosch-Molson 1-17 HD-1
S.H. NE/4 SW/4 SW/4 Section 17, T34N R5E
B.H.L. SW/4 NE/4 SW/4 Section 17, T34N R5E
Belknap Township, Presque Isle County, Michigan

GEOLOGICAL SURVEY
JAN 05 1996
Permits & Bonding Unit

Dear Mr. Tefertiller:

Enclosed, please find five copies our application to deepen the above referenced test from the permitted BHL in the Niagaran formation of 460' FNL and 725' FEL of the SW/4, Section 17, T34N R5E, Belknap Township, Presque Isle County to a new BHL in the Niagaran formation of 1241' FNL and 1247' FEL of the SW/4, Section 17, T34N R5E, Belknap Township, Presque Isle County, Michigan. Also enclosed, please find five copies of Survey Record of Well Location showing the new BHL and Directional Drilling Plans.

Please do not hesitate to contact me should any additional information be needed to support the approval of our request.

Very truly yours,
Petrostar Energy

A handwritten signature in black ink that reads "Mark Quinlan". The signature is written in a cursive, flowing style.

Mark Quinlan

Deepening

DRILLING PERMIT APPLICATION FLOW SHEET

APPLICANT Petroleum Energy NUMBER 0008
WELL NAME Tosch & Molson #1-17 HD2 DATE REC'D 1-5-96
VENDOR # 4444 NEW VENDOR ☐ ORGANIZATIONAL CHART REC'D ☐

☐ Ck cashier (Ch#/Bank/City) _____
FEE ☒ Deepening 50127
☐ Revision _____
☐ C & T Tag enclosed _____

BOND ☒ Single Well ☐ Surety ☐ C.D. ☒ L.C. ☐ Cash
☒ Blanket Bond Number 312972

DRILLING UNIT ☒ S.O. 1-73 ☐ S.O. 1-86 ☐ Statement of control of unit
☐ 10-12-87 ☐ Sub 330
☐ General Rules Conflicts _____
☐ Field Spacing Order Voluntary 140
☒ Voluntary Pooling ☒ Admin. Approval ☒ Pooling Doc's
from PN 50127

LOCATION ☒ Survey ☐ Certification of Elevation to be Run
☐ Directional Plans
☒ Posted on Map Zoning AG ☐ S.I. 2-87

CASING SEALING ☒ Rotary ☐ Cable ☐ Combination
☐ Int. Csg. S.O. 2-73 ☐ 30% Exception ☐ Short Int Exc
☐ Through Gas Storage S.O. 1-87
☒ BOP Existing

SURFACE/MINERAL OWNERSHIP ☒ Private Surface, Notified by ☒ Statement ☐ Letter
☐ State Surface
☐ State Minerals Lease # _____ Restrictions _____
☐ Real Estate Emp. Contacted _____ Date _____
☐ Real Estate Approval by _____ Date _____
☐ Federal ☐ Copy to MMS ☐ Copy to USFS ☐ USFS Approval

H₂S ☒ Copy to H₂S Unit ☐ Sweet ☐ Sour
☐ Contingency Plan Acceptable _____

EIA REVIEW ☒ Special Order 1-81 ☐ Supervisor Letter 1-84 _____
☒ Remote Pit Required ☐ Landowner Approval _____
☐ Water Well ☐ Temp. ☐ Perm. ☐ Surface ☐ Trucked
☐ EIA Acceptable Deficiencies _____
☐ Field Review Rec'd

DISTRIB. ☒ HD-2 previously drilled by verbal permission of field 7/2/96
☐ Confidential Request ☐ Copy to Northville, Plymouth, Canton Twp
☐ Copy to Subsurface and Petroleum Geology Unit
☐ Transmittal to District _____ Copy to _____
☐ Transmittal to Region _____

MISC. ☒ Public Hearing Pending _____
☐ Permits Hold ☒ Other Compliance 10 9/10 Ready to issue
☐ Other Problems _____

REVIEWER: P20

DATE SENT TO FIELD: _____

☒ F.T. ENTRY

APPLICATION FOR PERMIT TO: ☒ DRILL ☐ DEEPEN ☐ REWORK OR ☐ OPERATE A WELL

BELKNAP 17-34N-5E (#765)

MAIL TO: **GEOLOGICAL SURVEY**
MICHIGAN DEPARTMENT OF NATURAL RESOURCES
GEOLOGICAL SURVEY DIVISION
BOX 30028, LANSING, MICHIGAN 48906
MAY 10 1995

NON-SUBMISSION AND/OR FALSIFICATION OF THIS INFORMATION
MAY RESULT IN FINES AND/OR IMPRISONMENT

Permits & Bonding Unit

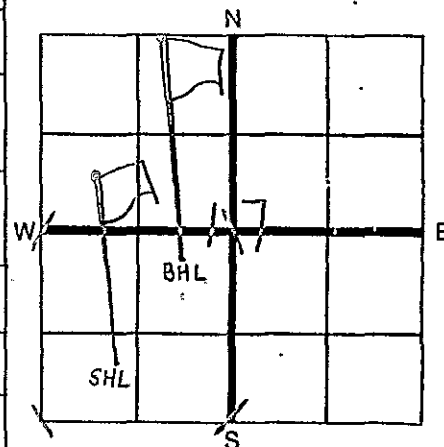
BY AUTHORITY OF:

- 1a. ☒ Act 61, P.A. 1939, as amended
☒ Oil & Gas
☐ Brine Disposal
☐ Hydrocarbon Storage
☐ Secondary Recovery
- 1b. ☐ Act 315, P.A. 1969, as amended
☐ Disposal ☐ Storage
☐ Brine ☐
☐ Test Well Type
☐ Single ☐ Blanket

2. Application to: (no fee required if permit is valid)
 Deepen ☐ Revise Application ☐ Cancel and Transfer ☐ Convert to ☐
3. Fee enclosed: ☐ No ☒ Yes
4. Do prior permits exist? ☐ No ☒ Yes ☐ Drilled ☐ Abandoned/Terminated

5. List each permit number
~~21-1441~~-33255
6. Fed. Employer Ident. No. or Soc. Security No.
 38-2509410
7. Surety Bond:
☒ Blanket ☐ Single Well ☒ On File
8. ☐ Attached ☒ On File
9. Bond No.
 C0312972
10. Bond Amount:
 \$50,000.00

LOCATE WELL AND OUTLINE UNIT ON SECTION PLAT - 640 ACRES



11. Applicant: (name each "owner" as they are bonded)
 PetroStar Energy
12. Address: (operator only if more than one "owner")
 P.O. Box 2410
 Traverse City, MI 49685-2410
13. Lease or well name: (be as brief as possible)
 Tosch-Molson
14. Surface owner:
 Melvin Tosch
15. Address:
 255 Mayer, Frankenmuth, MI 48734
16. Surface location (See instructions)
 NE 1/4 SW 1/4 of Sec. 17 T.34N R. 5E
17. Bottom hole location if directional drill (See instructions)
 NW 1/4 NE 1/4 of SW 1/4 of Sec. 17 T.34N R. 5E
18. LOCATE WELL IN TWO DIRECTIONS FROM NEAREST LINES OF QUARTER SECTION AND DRILLING UNIT. (See instructions)

19. Drilling contractor:
 Not yet determined
20. Kind of tools (Rotary, cable, combination)
 Rotary
21. Is sour oil or gas expected? ☐ No ☐ Yes
22. Blowout control diagram enclosed? ☐ No ☒ Yes
23. Blowout control (Detail equipment type, size, trim, rating, testing, choke manifold, etc. See instructions)
 See attached

MDNR34918-1 05/19/95
 71351 99003 9096 \$100.00

24. Intended Total Depth
 3030' TVD
25. Formation at Total Depth
 Niagaran
26. Producing Formation
 Niagaran
27. Objective Pool or Field

PROPOSED DRILLING, CASING, CEMENTING AND SEALING PROGRAM

HOLE			CASING			CEMENT		MUD		
Depth	Geol. Form	Bit Dia.	O.D. Size	Wt./Ft. — Grade — Condition	Depth	Sacks	W.O.C.(hrs.)	Wt.	Vis.	W.L.
64'	Drift	20"	16"	65 H-40 Existing	64'	75	exist			
250'	Traverse	14 3/4"	11 3/4"	42 H-40 Existing	250'	225	exist			
1662'	F-Salt	10 5/8"	8 5/8"	32# J-55 Existing	1662'	275	exist			
3030' TVD	Niagaran	7 7/8"	5 1/2"	15.5# J-55 New&Used	3030'	150	N/A	10.2	29	10
				OPEN HOLE	4408'					

29. Send correspondence and permit to: Address
 Fitz Well & Land Services, P.O. Box 5233, Traverse City, MI 49685-5233

FOR DNR USE ONLY

30. Application Prepared By: (Print)
 Lyn A. Fitzsimons
31. Signature:
 Lyn A. Fitzsimons
- Phone:
 (616) 946-7060
- Date:
 5/8/95

FOR CASHIER'S USE ONLY. DO NOT WRITE IN THIS SPACE

PR 7200-1
 Rev. 10/85

15364

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
GEOLOGICAL SURVEY DIVISION
BOX 30028
LANSING, MICHIGAN 48909

PERMIT TO

☒ DRILL ☐ DEEPEN ☐ REWORK ☐ OPERATE

GRANTED UNDER PROVISIONS OF

Act 61, P.A. 1939, as amended (M.C.L. 319.1 to 319.27)

Violation of and/or non-compliance with the provisions of the acts and conditions of permit may result in penalties. This permit includes as requirements all the operations and methods proposed by the applicant, unless rejected or altered by the DNR, and along with the attached stipulations are incorporated in its entirety by reference.

WELL NAME

TOSCH-MOLSON #1-17HD-1

LOCATION AND FOOTAGES:

SHL: NE 1/4 SW 1/4 SW 1/4, Sec 17, 34N 05E, BELKNAP Twp, PRESQUE ISLE Co.
896 ft. from South and 1268 ft. from West line of quarter section.

BHL: NW 1/4 NE 1/4 SW 1/4, Sec 17, 34N 05E, BELKNAP Twp, PRESQUE ISLE Co.
460 ft. from North and 725 ft. from East line of quarter section.
460 ft. from North and 725 ft. from East line of drilling unit.

CASING AND SEALING REQUIREMENTS

O.D. SIZE	WT./FT.	CASING GRADE	CONDITION	DEPTH	SACKS	CEMENT	W.O.C. (HRS.)
16"	65#	H-40	EXISTING	64'	75		
11 3/4"	42#	H-40	EXISTING	250'	225		
8 5/8"	32#	J-55	EXISTING	1662'	275		
5 1/2"	15.5#	J-55	NEW/USED	3030'	150		N/A
			OPEN HOLE	4408'			

(SAME SURFACE AS 33255)

1. Old reserve pit shall not be disturbed.
2. District Geologist shall be notified prior to pit encapsulation.
3. Salt cuttings to be dissolved in fresh water and circulated to reserve pit.
4. Tubulars or downhole equipment that are classified as NORM materials by Order No. 3-6-92 SHALL NOT be used for the construction of this well.

PERMIT	ISSUED	TYPE OF WELL
50127	06/21/95	OIL OR GAS
CANCEL AND TRANSFER		FORMATION
		NIAGARAN
DEEPENING PERMIT		DEPTH
		4408' MD/ 3030' TVD
PERMIT EXPIRES		KIND OF TOOLS
06/21/96		ROTARY
ISSUED TO		
PETROSTAR ENERGY (H & H STAR ENERGY, INC. DBA)		
PO BOX 2410		
13561 W. BAY SHORE, STE 3000		
TRAVERSE CITY, MI 49685-2410		

OFFICE TO BE NOTIFIED BEFORE DRILLING/DEEPENING STARTS

GAYLORD (517) 7323541

BY

William Lee

WILLIAM LEE (517) 3346974 PERMIT COORDINATOR

FOR THE SUPERVISOR OF WELLS

SEE REVERSE SIDE FOR ADDITIONAL REQUIREMENTS

THIS PERMIT IS SUBJECT TO THESE GENERAL CONDITIONS

1. Drilling operations shall not start until drill site preparation requirements are completed.
2. Initiation of any work on the permitted project confirms the permittee's acceptance and agreement to comply with all the terms and conditions of this permit and rules, orders and requirements of the Supervisor of Wells/Mineral Wells.
3. The permittee is required to give notice to public utilities in accordance with Act 53, PA 1974 (M.C.L. 460.701 to 460.718).
4. Any changes from what is stated in the permit application and permit shall be approved by the Supervisor of Wells/Mineral Wells.
5. This permit is valid only for the permittee of issue and any changes of ownership shall be accompanied by a request to the Supervisor of Wells/Mineral Wells to transfer the permit from the current owner to the new owner.
6. "NOTICE AND REQUIREMENTS FOR SOURCE OF WATER AND WATER WELLS USED IN CONJUNCTION WITH OIL AND GAS OR MINERAL WELL DRILLING, AND OPERATIONS", December 1, 1984 is made part of and a condition of this permit.
7. During well completion and testing procedures all fluids shall be contained in tanks and transported to off site disposal facilities.
8. The Michigan Air Pollution Control Commission rules require that a person shall not install nor alter sour gas or oil well production equipment and flares unless a permit to install has been approved by the Commission. An operator is allowed to drill and test a sour well prior to obtaining the necessary permit to install from the Commission, but is not allowed full production of such wells before issuance of the necessary air use permits.
9. This permit does not convey property rights in either real estate or material or does it authorize any injury to private property or invasion of private or public rights or does it waive the necessity of seeking federal and local permits or complying with other state statutes.
10. If a Hydrogen Sulfide contingency plan is required, a copy of Part II of the plan shall be posted in the primary briefing area.
11. All trash and garbage shall be removed from the drill site at the completion of drilling.
12. Blowout preventers, accumulators, and pumps shall be certified as operable under the product manufacture's minimum operational specifications. This certification shall include proper operation of the closing unit valving, pressure gauges, and manufacture's recommended accumulatory fluids. Certification may be obtained through those companies presently used to test the blowout preventers stack and casing. Certification shall be required annually and shall be posted on the rig floor.
13. In addition to the primary closing system, including an accumulator system, the blowout preventers shall have a secondary system. A combination of any two of the following secondary closing systems will be acceptable: Electric-operated pump; Air-operated pump; Hand-operated pump or nitrogen. Extensions with hand wheels are not mandatory.
14. Blowout preventer rams shall be of proper size for the drill pipe being used or production casing being run in the well. Variable type rams of the proper size range will be acceptable.
15. The gas buster and flare system shall be in place and operable prior to drilling into a reservoir known or believed to contain Hydrogen Sulfide in excess of 500 ppm with the intention to complete in and/or test that reservoir.
16. A trip tank, or any accurate fluid monitoring system, as well as a gas buster and flare system where justified, shall be in place when penetrating the A2 Carbonate formation. Changes may be granted by the Department of Natural Resources District Geologist.

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
GEOLOGICAL SURVEY DIVISION

TRANSMITTAL AND FIELD REVIEW
FOR PROPOSED WELL SITE

☒ Act 61 PA 1939 as amended.

☐ Act 315 PA 1969 as amended.

1a. App. No. 1108	1b. Revision <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	1c. Coordinator LEE	1d. District Sent To CAYLORD	1e. Date 6-9-95
2. Applicant PETROSTAR ENERGY				
3a. Well Name & No. TOSCH-MOLSON 1-17HD-1			3b. For Redrills: Original Permit No. 33255	
4a. Surface Location NE 1/4 SW 1/4 SW 1/4 Sec. 17 T34N R5E BELKNAP PRESQUE ISLE				
4b. Footages 896 ft. from N/S line of 1/4 sec. 1268 ft. from E/W line of 1/4 sec.				
5a. Mineral Ownership <input checked="" type="checkbox"/> Private <input type="checkbox"/> State <input type="checkbox"/> Federal		5b. Surface Ownership <input checked="" type="checkbox"/> Private <input type="checkbox"/> State <input type="checkbox"/> Federal <input type="checkbox"/> DJ <input type="checkbox"/> PR		5c. State Lease No. _____ Lease Restrictions: _____
6. Information and requests: (Spacing, problem areas, etc.) Re-entry of plugged well for horizontal drain hole. H2S contingency plan included (if needed)			5d. Wellsite Area Local Zoning: <input type="checkbox"/> Residential: Date _____ <input checked="" type="checkbox"/> Other: AGRICULTURE	

FIELD REVIEW AND RECOMMENDATIONS: Date Received

7. Field Inspected By Name and Date John Sogut 6-9-95	8a. Land use: <input type="checkbox"/> Crops <input type="checkbox"/> Forests <input type="checkbox"/> Recreation <input checked="" type="checkbox"/> Vacant <input type="checkbox"/> Other _____	8b. Cover Type/Density: Open field - restored well pad
9. Topography Gently rolling	10. Acreage Involved: Drill Pad: 300' x 300' Acres Access Road: Existing Acres	
11. Soil type and drainage, field tiles, etc.	Sandy loam - well drained surface drainage north	
12. Are soil erosion and sedimentation control measures adequate? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
13. Type, direction & distance to surface waters and waterways including wet lands within 1/4 mile.	Swamp 600' north	
14. Nearby scenic, historical or recreational areas:	None	
15. Structures, pipelines, other utility lines within 300 feet of proposed well site.	None	
16. Is proposed method of disposal of produced and drilling brine acceptable? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
17. Is casing and sealing adequate? Conductor <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Surface <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Intermediate <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Production <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
18. Is Special Order #2-73 exception recommended? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
19a. H2S Contingency Plan: <input checked="" type="checkbox"/> "Sweet". Plan not required. <input type="checkbox"/> "Sour". Plan required. Complete and accurate? <input type="checkbox"/> Yes <input type="checkbox"/> No		
19b. H2S production Facilities & Flare Stack S.I. No. 2-87 apply? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Other? <input type="checkbox"/> Yes <input type="checkbox"/> No		
20. Pumping Jack Prime Mover: Require electric? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

RECEIVED
JUN 13 1995
DNR - REGION II
GEOLOGICAL SURVEY

JUN 19 1995

Permits & Bonding Unit

Discuss RECOMMENDATIONS with applicant before forwarding to Lansing

21. Source of freshwater: (Describe if other)
☐ Surface Water ☒ Exclusive Use
☐ Potable Well ☐ Municipal
☐ Other

22. Drilling pit requirements:
a. Forbidden! Use mud tanks only?
☐ Yes ☒ No

b. Specific placement required?
☒ Yes ☐ No

c. Relocate pit for burial?
☐ Yes ☒ No

d. Pit liner exception?
☐ Yes ☒ No

e. Salt cuttings to be: (Give Details)
☒ Dissolved
☐ Removed for disposal
☐ None

f. District Geologist to be notified prior to:
Excavation ☐ Yes ☒ No
Liner installation ☐ Yes ☒ No
Encapsulation ☒ Yes ☐ No

23. Wildlife/Fisheries/Forest Management's comments:

24. Items continued and/or not covered above (attach additional sheets if needed): (B.O.P.'s etc.)

25a. Permits Needed:

- ☐ Wetlands
☐ Inland lakes and streams
☐ County drain crossing
☐ Other

25b. Company Agent contacted regarding recommendations/deficiencies/non Act 61 requirements:

Date

Telephone No.

26. Revisions En Route?

☐ Yes ☐ No

27. District: Recommend a permit: ☒ Yes ☐ No ☐ See Memo:

Jean Sloggett
Signature

Geologist
Title

6-13-95
Date

28. Land Manager: Recommend a permit: ☐ Yes ☐ No ☐ See Memo:

Signature

Title

Date

29. Region: Recommend a permit: ☒ Yes ☐ No ☐ See Memo:

[Signature]
Signature

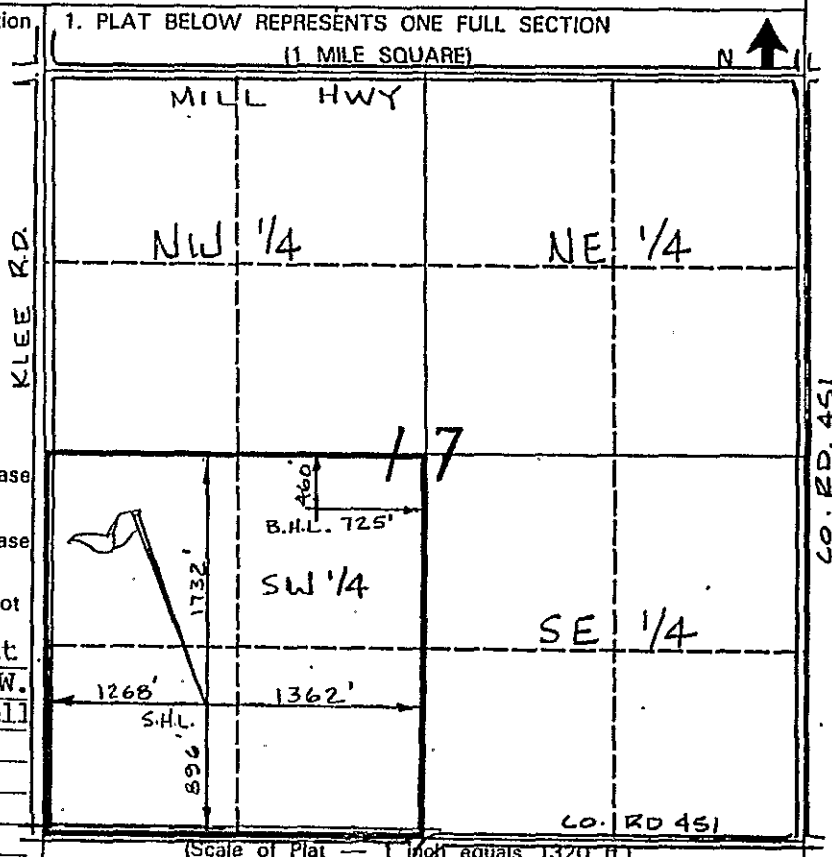
DEPUTY DIRECTOR
Title

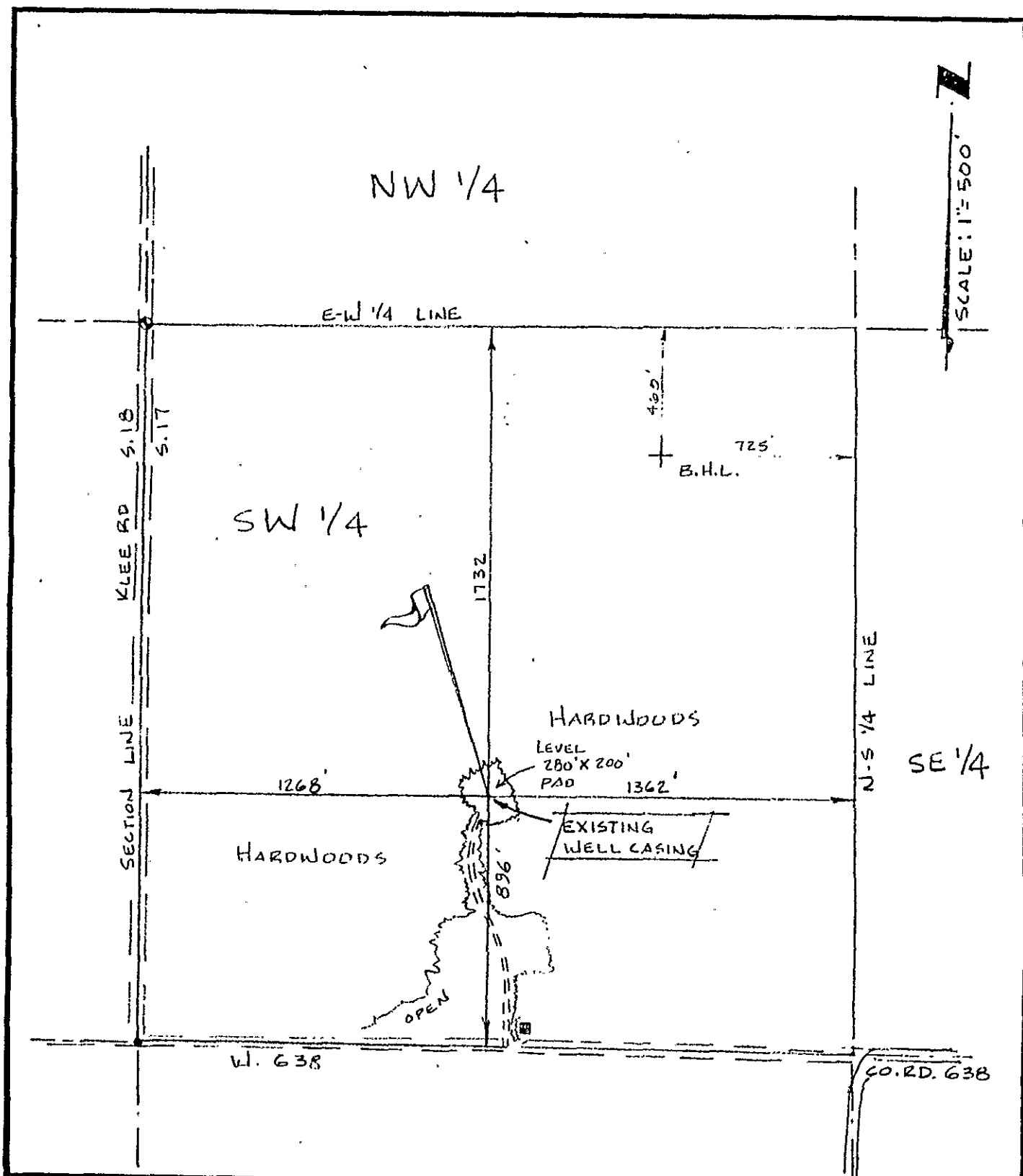
JUN 15 1995
Date


SURVEY RECORD OF WELL LOCATION

☐ Act 61, P.A. 1939, as amended. ☐ Act 315, P.A. 1969, as amended.
Filing of Survey Record, Plat or Plot Plan and Environmental Impact Assessment with Application
for Permit to Drill are REQUIRED by the above listed Acts, in order to obtain a Permit.

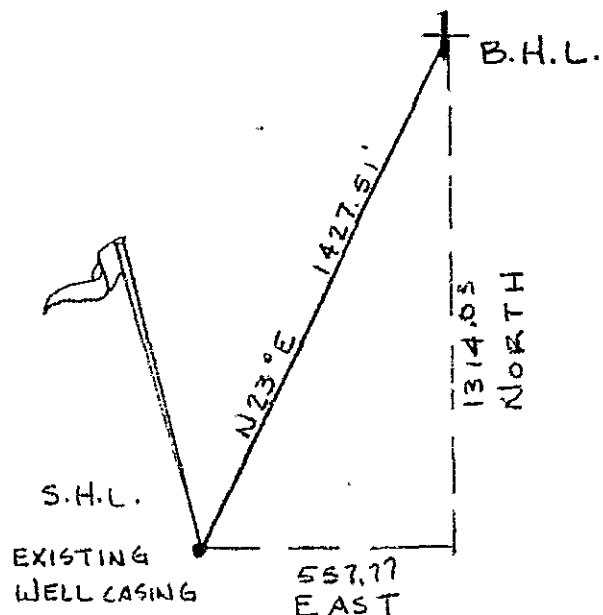
APPLICANT Petrostar Energy		WELL NAME AND NUMBER Tosch-Molson #1-17HD1	
SURFACE LOCATION NE $\frac{1}{4}$ of SW $\frac{1}{4}$ of Section 17 T 34N R 5E Belnap Presque Isle		TOWNSHIP COUNTY	
BOTTOM HOLE LOCATION NW $\frac{1}{4}$ of NE $\frac{1}{4}$ of SW $\frac{1}{4}$ of Section 17 T 34N R 5E Belnap Presque Isle		COUNTY	
<p>Instructions: Outline drilling unit and spot well location on Plat shown below (1.). Where drilling unit crosses section lines, divide the Plat into an East half and a West half OR a North half and a South half (whichever applies). Outline the Unit and locate the well in two directions from NEAREST quarter section and unit lines (For Act 61, P.A. 1939, as amended).</p> <p>2. Location of well in two directions from NEAREST quarter section and unit lines is (For Act 61, P.A. 1939, as amended):</p> <p>Surface Location:</p> <p>896 ft. from <u>South</u> line of Quarter Section (north-south)</p> <p>1268 ft. from <u>West</u> line of Quarter Section (east-west)</p> <p>Bottom Hole Location:</p> <p>460 ft. from <u>North</u> line of Quarter Section (north-south)</p> <p>725 ft. from <u>East</u> line of Quarter Section (east-west)</p> <p>Bottom Hole Will Be:</p> <p>460 ft. from <u>North</u> line of unit/property (Act 315) lease (north-south)</p> <p>725 ft. from <u>East</u> line of unit/property (Act 315) lease (east-west)</p> <p>3a. Describe wellsite marker. Show or describe access route if it is not readily accessible. Two wood lath spliced together for a height of 6' (flagged & labeled). Access is from W. County Road 638, then North 896' to the well site on an existing access road.</p> <p>3b. Zoning. <input type="checkbox"/> Residential <input checked="" type="checkbox"/> Other: <u>Agriculture</u></p> <p>3c. Effective date: _____</p> <p>4. ON SEPARATE PLAT OR PLOT PLAN, LOCATE, IDENTIFY AND SHOW DISTANCES TO:</p> <p>A. All roads, power lines, residences, farm buildings, and other structures within 300 feet of the stake.</p> <p>B. All lakes, streams, swamps, drainage-ways or any other surface water features within 1320 feet of the stake.</p> <p>5. In an ENVIRONMENTAL IMPACT ASSESSMENT describe all structures and surface features shown detailing plans for hazards prevention and erosion control (See instructions and guidelines for preparation of an environmental impact assessment).</p>			
NAME OF INDIVIDUAL WHO SURVEYED SITE Howard C. Walker, President		DATE 4/10/95	
ADDRESS 12868 W. Bay Shore Dr., Traverse City, MI 49684		TITLE Licensed Land Surveyor	
I CERTIFY THE ABOVE INFORMATION IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE AND BELIEF.			
SIGNATURE (Applicant or authorized representative)		DATE (Month, Day, Year)	





REVISIONS:	<p>PLOT PLAN TOSCH-MOLSON #1-17HD 1 NE 1/4 SW 1/4 SW 1/4, Section 17, T34N, R5E, Belnap Township, Presque Isle County, Michigan</p>		<p> WALKER LAND SURVEYING P.O. BOX 1606 TRAVERSE CITY, MI 49685-1606 (616) 929-0544</p>			
CLIENT:	Petrostar Energy		DRAWN: SPB	DATE: 4/7/95	SHEET: OF	JOB NO. 95-022

SCALE: 1" = 500



BASIS OF BEARING: TRUE NORTH

REVISIONS:

DIRECTIONAL PLAN
TOSCH-MOLSON #1-17HD 1

NW 1/4 NE 1/4 SW 1/4, Section 17
T34N, R5E, Belnap Township,
Presque Isle County, Michigan



WALKER LAND SURVEYING
P.O. BOX 1606
TRAVERSE CITY, MI 49685-1606
(616) 929-0544

CLIENT:
Petrostar Energy

DRAWN:
SPB

DATE:
4/7/95

SHEET:
OF

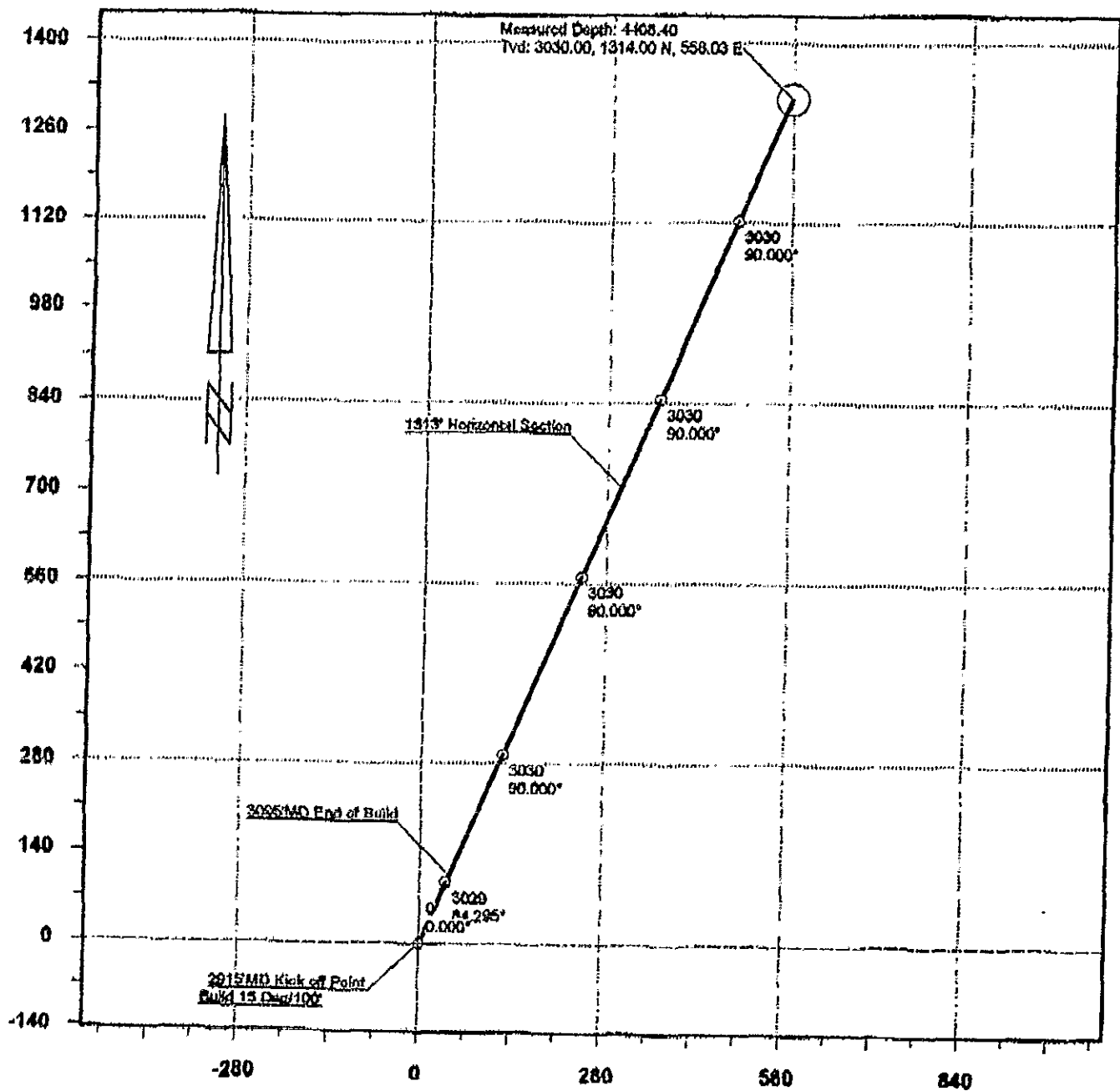
JOB NO.:
95-022

SPERRY-SUN DRILLING SERVICES HORIZONTAL SECTION

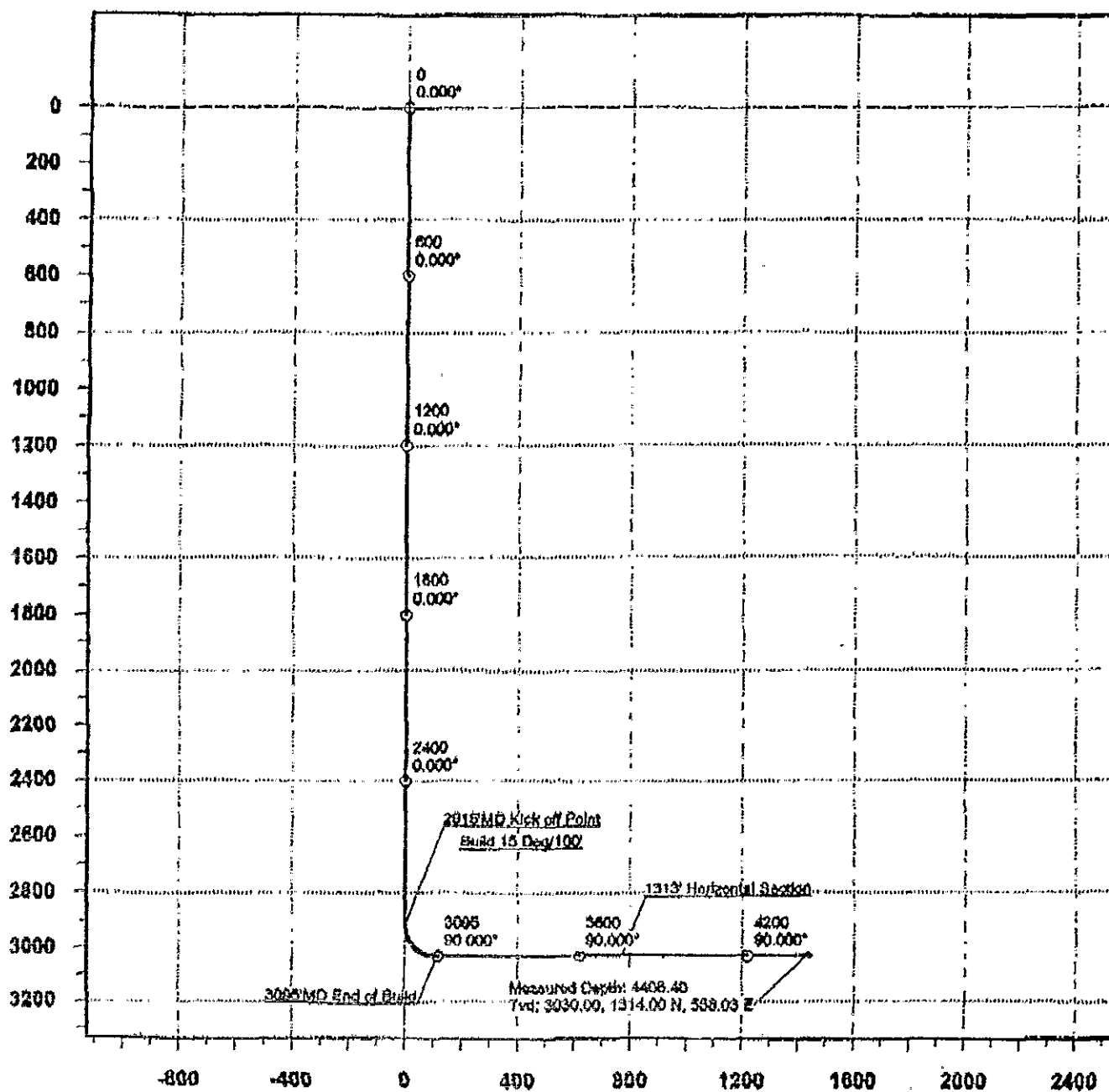
PETROSTAR ENERGY
Tosch Molson 1-17 HD1

**Belknap Township
Presque Isle County, Michigan**

LATITUDE VALUES



DEPARTURE VALUES
Depth shown on plot are Vertical Depths.
All measurements are in Metres.

**SPERRY-SUN DRILLING SERVICES
VERTICAL SECTION****PETROSTAR ENERGY**
Toach Moison 1-17 HD1Belknap Township
Presque Isle County, Michigan**VERTICAL
DEPTH****VERTICAL SECTION - Direction: 23.010° (Grid)**

Depth shown on plot are Measured Depths.

All measurements are in Metres.

SPERRY-SUN DRILLING SERVICES WELL PROFILE DATA

**PETROSTAR ENERGY
Tesch-Molson # 1-17 HD1**

**Belknap Township
Presque Isle County, Michigan**

MEASURED DEPTH	ANGLE DEG	DIRECTION DEG	VERTICAL DEPTH	LATITUDE (FL)	DEPARTURE (FL)	VERTICAL SECTION	DOG LEG	TOOL FACE
0.00	0.000	0.000	0.00	0.00	0.00	0.00		
2915.41	0.000	0.000	2915.41	0.00	0.00	0.00	0.000	0.000
3000.00	42.285	23.010	2892.52	27.48 N	11.68 E	29.83		
3095.41	90.000	23.010	3030.00	105.47 N	44.79 E	114.59	50.000	23.010
3100.00	90.000	23.010	3030.00	109.70 N	46.50 E	119.18		
3200.00	90.000	23.010	3030.00	201.74 N	85.68 E	219.18		
3300.00	90.000	23.010	3030.00	293.79 N	124.77 E	319.18		
3400.00	90.000	23.010	3030.00	385.83 N	163.85 E	419.18		
3500.00	90.000	23.010	3030.00	477.87 N	202.94 E	519.18		
3600.00	90.000	23.010	3030.00	569.92 N	242.03 E	619.18		
3700.00	90.000	23.010	3030.00	661.96 N	281.12 E	719.18		
3800.00	90.000	23.010	3030.00	754.01 N	320.21 E	819.18		
3900.00	90.000	23.010	3030.00	846.05 N	359.30 E	919.18		
4000.00	90.000	23.010	3030.00	938.09 N	398.39 E	1019.18		
4100.00	90.000	23.010	3030.00	1030.14 N	437.48 E	1119.18		
4200.00	90.000	23.010	3030.00	1122.18 N	476.57 E	1219.18		
4300.00	90.000	23.010	3030.00	1214.22 N	515.66 E	1319.18		
4400.00	90.000	23.010	3030.00	1306.27 N	554.75 E	1419.18		
4408.40	90.000	23.010	3030.00	1314.00 N	559.03 E	1427.58	0.000	0.000

The Dogleg Severity is in Degrees per 100.00 Feet
Vertical Section was calculated along an Azimuth of 23.010° (True)

Based upon Minimum Curvature type calculations, At a Measured Depth of 4408.40 Feet,
the Bottom Hole Displacement is 1427.58 Feet, in the Direction of 23.010° (True)

ENVIRONMENTAL IMPACT ASSESSMENT

NAME OF APPLICANT: PetroStar Energy
P.O. Box 2410
Traverse City, MI 49685-2410

WELL NAME & NUMBER: Tosch-Molson 1-17 HD1
DIRECTIONAL REDRILL
S.L.: NE/4 SW/4 SW/4, Section 17
B.H.L.: NW/4 NE/4 SW/4, Section 17
T34N R5E, Belknap Township
Presque Isle County, Michigan

I. DESCRIPTION OF PROJECT

PetroStar Energy proposes to re-enter the Michigan Oil/Northern Michigan Exploration Co. Tosch-Molson 1-17 wellbore located 896' FSL and 1268' FWL of the SW/4 Section 17, T34N R5E, Belknap Township, Presque Isle County, Michigan and directionally redrill their Tosch-Molson 1-17 HD1. PetroStar proposes to weld on an 8 5/8" stub and drill out the top three 1-17 plugs, set a 200 sack cement plug at approximately 1900' vertical depth and sidetrack around the existing hole to a vertical depth of 2915', then directionally drill to a vertical depth of 3030' (measured depth of 3095'). From that point PetroStar proposes to drill a 1314' horizontal section for the production of oil and/or gas from the Salina Niagaran formation to a 3030' vertical depth (4408' measured depth) bottom hole location of 460' FNL and 725' FEL of the SW/4 Section 17, T34N R5E, Belknap Township, Presque Isle County, Michigan.

The surface and minerals surrounding the surface location are in private ownership. The interested parties are being notified of this proposed test in conformance with Supervisor of Wells's Instruction 2-94 as evidenced by the attached copy of the notification letter.

In conformance with Act 61, PA 1939, the required well elevation will be run and submitted within fourteen days after drilling has commenced.

Access to the site exists as follows: From the intersection of Klee Road and Hwy 638 proceed easterly approximately 1275' to an existing access road and proceed northerly approximately 896' to the well pad.

The general topography of this area is an existing wellsite. The HD1 test is proposed to re-enter the existing Tosch-Molson 1-17 wellbore. The existing 1-17 wellsite has existed for approximately 15 years. There have been no new dwellings or other structures constructed near the site since drilling of the original test. Klee Road runs north-south approximately 1270' to the west and Hwy 638 runs east-west approximately 896' to the south of the site.

II. ENVIRONMENTAL IMPACT ASSESSMENT:

The redrilling of this test and the operations resulting from a producing well at this location would have a minimal effect on the ecological system of this area. There are no special or endangered species of wildlife known to inhabit the area. No drainage problems are anticipated, so fish and other aquatic life should not be affected by these operations. The existing wellsite will not be expanded to redrill this test.

The recoverable topsoil has been stockpiled to prevent contamination with drilling fluids, mud and/or other chemicals. The reserve pit will be selectively located to take advantage of soil conditions and drilling equipment arrangement, while not disturbing the existing encapsulated reserve pit used for drilling of the original 1-17 test. If groundwater is encountered while digging the reserve pit, PetroStar Energy is prepared to pursue the utilization of an offsite reserve pit, pursuant to Supervisor of Wells and Supervisor of Mineral Wells Instruction 1-84, effective 2-1-85.

During the drilling operation, the brines and salt formation cuttings retrieved from the hole will be solutioned in water prior to being pumped to the reserve pit lines with a 20 mil PVC liner. All fluids from the rat and mouse holes will be drained to the impermeable cellar and pumped to the lines reserve pit, pursuant to Supervisor of Wells' Instruction 1-84. All of these fluids will be stored in the pit until completion of the operations. As soon after completion of operations as possible, the reserve pit solutions will be hauled by a licensed industrial waste hauler to a state approved disposal site in accordance with Special Order #1-81. During well completion and/or production, fluids will be contained in steel tanks where the brines and oil will be separated. The brines will then be hauled by approved contractors to authorized disposal sites.

The list of wells from which brine water will be hauled has been submitted to your office.

Temporary water wells will be used while drilling, completion and production operations are in progress. these wells will be and/or have been drilled pursuant to "Requirements For Water Wells Drilled in Connection With Oil & Gas Operations", effective 12-1-84 as an attachment to DNR Permit for Oil and Gas Drilling Operations. Following drilling, completion, and/or production operations, these wells will be plugged and abandoned in accordance with governmental rules and regulations.

III. POSSIBLE ALTERNATIVE TO PROPOSED WELL LOCATION

This proposed directional redrill will utilize an existing wellbore and drillsite. The site is not located in an area where an alternate location would be desirable.

IV. IRREVERSIBLE AND IRRETRIEVABLE COMMITMENT OF RESOURCES

The current need for energy in Michigan requires the efficient use of all resources. The production of oil and/or gas is an irreversible and irretrievable commitment of reserves, however this is necessary in the production of hydrocarbons. The surface resources at the drillsite will not irreversible committed. The re-drilling of this test will not curtail the use of the surrounding environment.

V. SUMMARY

This proposed test is aimed at increasing the energy reserves in the State of Michigan. The test will utilize an existing producing well location and will require no dirtwork. On site inspection indicates that no drainage problems are anticipated. In view of presented information, we believe the redrilling of this test would not cause any significant change in the environment or existing ecological system of this area. During the course of operations, every effort will be made to ensure the protection and preservation of the environment and the natural beauty of this area.

Very truly yours
Fitz Well & Land Services

Lyn A. Fitzsimons

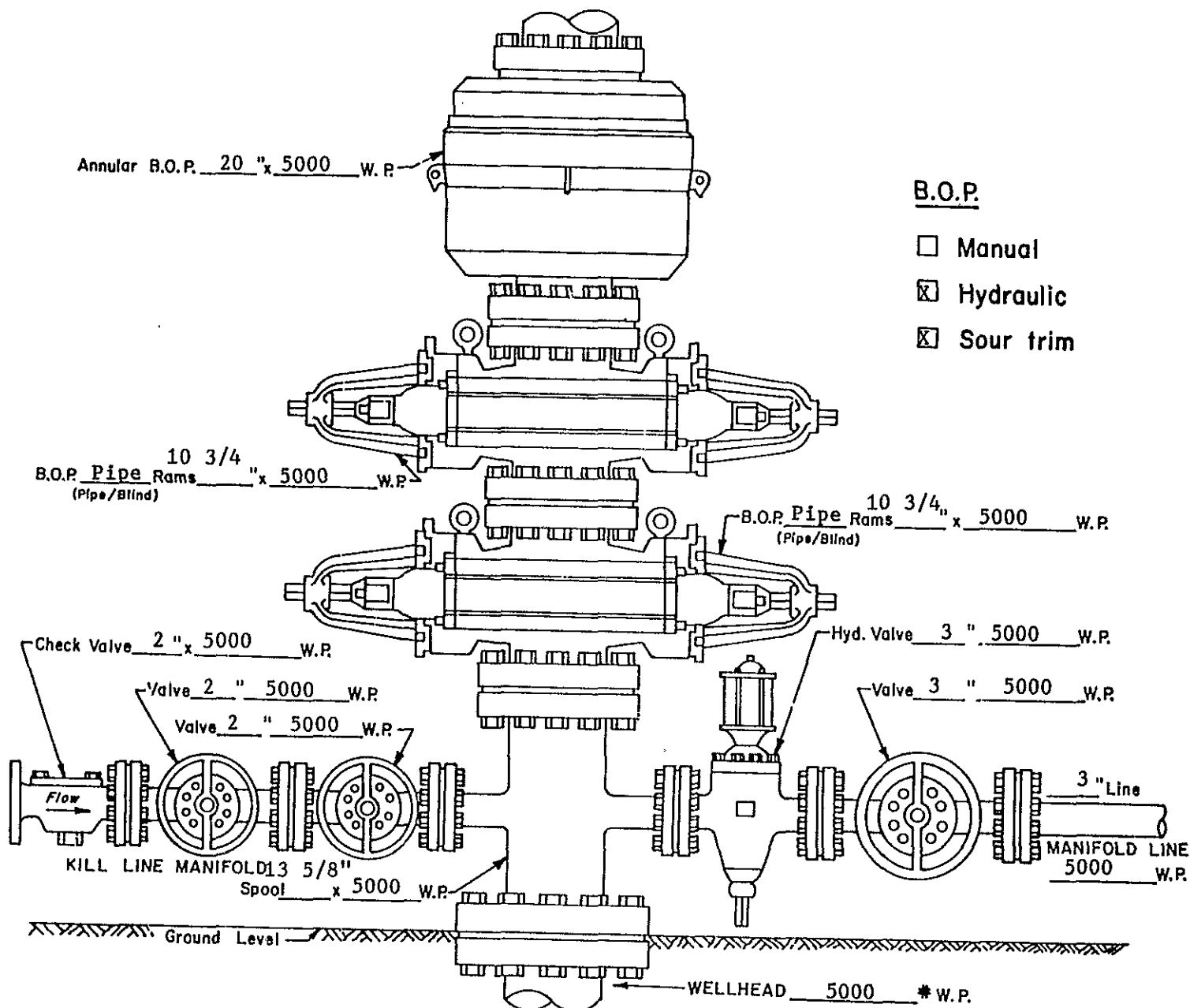
Lyn A. Fitzsimons
Agent for PetroStar Energy

WELLHEAD BLOWOUT CONTROL SYSTEM

Optional worksheet supplement for "Application For Permit to Drill, Deepen, Rework, or Operate a Well," By Authority of Act 61, P.A. 1939, as amended or Act 315, P.A. 1969, as amended.

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
GEOLOGICAL SURVEY DIVISION
Box 30028
Lansing, Michigan 48909

COMPANY PetroStar Energy	WELL NAME AND NUMBER Tosch Molson 1-17 HD-1
LOCATION NE/4 SW/4 SW/4 Section 17, T34N R5E, Belnap Township, Presque Isle County, Michigan	



Fill blanks with applicable information. If not applicable, enter "N.A." or cross-out item shown. Enter other pertinent information below.

H₂S Contingency Plan Evaluation

Applicant: PETROSTAR

Well Name and Number: TOSCH-MOLSON 1-7HD1

Application Number: 1108

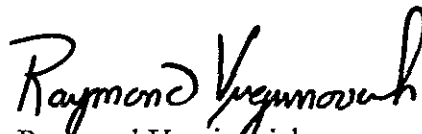
☐ A contingency plan is required for the above well

☒ A contingency plan is not required for the above well

If a contingency plan is required:

☐ The plan submitted meets requirements for part II contingency plans set forth in R299.1920, Act 61, PA 1939, amended, the Supervisor of Wells Act.

☐ The plan submitted does not meet requirements for part II contingency plans set forth in R299.1920, Act 61, PA 1939, amended, the Supervisor of Wells Act.
The following information is required:


Raymond Vugrinevich
Senior Geologist

H2S CONTINGENCY PLAN

PART II

PETROSTAR ENERGY

TOSCH-MOLSON 1-17 HD1

NE/4 SW/4 SW/4 SECTION 17
T34N R5E, BELNAP TOWNSHIP
PRESQUE ISLE COUNTY, MICHIGAN

The following is the H2S Contingence Plan (Part II)
for the above named well. This plan is filed in
conformance with the Michigan Department of
Natural Resources Geological Survey
Division, Contingency Plan
Requirements

Lyn A. Fitzsimons
Fitz Well & Land Services

TOSCH-MOLSON 1-17 HD1
RESIDENTIAL TELEPHONE LISTING
AREA CODE 517

1.	FRANK WIRGAU	734-4901
2.	C. RHODE, JR.	734-7031
3.	ELTON KOWALKSI	734-2849

**PETROSTAR ENERGY
H2S CONTINGENCY PLAN
PART II**

**PRESQUE ISLE COUNTY
EMERGENCY TELEPHONE NUMBERS**

COMPANY PERSONNEL:

NAME	LOCATION	NUMBER	MOBILE #
Mike Palmer	Traverse City	(O) 616-941-0718 (H) 616-275-7359	616-620-0181
Jerry Grantham	Traverse City	(O) 616-941-0718 (H) 616-947-8867	616-620-2992
Alan Blair	Traverse City	(O) 616-941-0718 (H) 616-223-7237	616-620-0192

DNR PERSONNEL:

Hal Fitch District Supervisor	Cadillac	(O) 616-775-9727 (H) 616-775-2310
Raymond Vugrinovich H2S Unit Supervisor	Lansing	(O) 517-334-6945 (H) 517-339-9547
Mel Kiogima H2S Specialist	Traverse City	(O) 616-922-5280 (H) 616-941-0174
Pollution Emergency Alert System (PEAS)		1-800-292-4706
Peter Dollica DNR PEAS Coordinator	Lansing	517-373-7660 (24 hours)

**PETROSTAR ENERGY
EMERGENCY PHONE NUMBERS
PRESQUE ISLE COUNTY**

OTHERS:

SHERIFF	Rogers City	(517) 734-2156
STATE POLICE	Cheboygan	(616) 627-9973
FIRE DEPARTMENT	Rogers City	(517) 734-2323
AMBULANCE	Rogers City	(517) 734-2151
HOSPITAL	Rogers City Hospital	(517) 734-2151

EMERGENCY PREPAREDNESS COORDINATOR:

ROGERS CITY SHERIFF DEPT	Rogers City	(517) 734-2156
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UTILITIES:

MISS DIG		1-800-482-7171
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FAA WEATHER INFORMATION:

U.S. COAST GUARD		(517) 362-4428
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Fitz Well

LYN A. FITZSIMONS PRESIDENT
P.O. BOX 5233
TRAVERSE CITY, MICHIGAN 49685

& LAND SERVICES

616-946-7060
FAX: 616-946-8586

May 8, 1995

CERTIFIED # Z 284 445 797

Mr. Melvin C. Tosch
255 Mayer
Frankenmuth, MI 48734

RE: PetroStar Energy - Tosch-Molson 1-17 HD1
S.L. NE/4 SW/4 SW/4 Section 17, T34N R5E
B.H.L. NW/4 NE/4 SW/4 Section 17, T34N R5E
Belnap Township, Presque Isle County, Michigan

Dear Mr. Tosch:

In conformance with State of Michigan, Department of Natural Resources rules concerning the drilling of wells, PetroStar Energy hereby notifies you that it proposes to drill a well for the potential production of oil and/or gas at the location test set forth in the attached State of Michigan Application for Permit to Drill a Well form.

From the date of the Department of Natural Resources' issuance of a Permit to Drill and up to one (1) year thereafter, PetroStar will have the right but not the obligation to commence drilling operations. PetroStar anticipates that operations could commence on or about June 1, 1995.

In further conformance with DNR rules, you will be notified again prior to commencement of site construction operations. Should you have any questions, regarding this matter in the mean time, please do not hesitate to contact this office at your convenience.

Very truly yours,
Fitz Well & Land Services

Joann M. Wendels
Joann M. Wendels

cc: Presque Isle County Clerk
Department of Natural Resources
PetroStar Energy

**&
LAND SERVICES**

616-946-7060
FAX: 616-946-6566

May 8, 1995

Department of Natural Resources
Geological Survey Division
Oil and Gas Section
PO Box 30256
Lansing, Michigan 48909
ATTN: REX TEFERTILLER

RE: PetroStar Energy - Tosch-Molson 1-17 HD1
S.L. NE/4 SW/4 SW/4 Section 17, T34N R5E
B.H.L. NW/4 NE/4 SW/4 Section 17, T34N R5E
Belknap Township, Presque Isle County, Michigan

Dear Mr. Tefertiller:

Enclosed please find the following items:

- 1) Check # 3786 in the amount of \$100.00, the fee for Application for Permit to Drill a Well
- 2) Five copies of Application for Permit to Drill a Well
- 3) Five copies of Environmental Impact Assessment
- 4) Five copies of Survey Record of Well Location and supporting data for a directional redrill
- 5) Five copies of H2S Contingency Plan

PetroStar Energy proposes to directionally redrill their Tosch-Molson 1-17 Niagaran well in an effort to improve production.

PetroStar Energy currently has an active blanket bond on file to cover their wells drilled in Michigan.

Since we cannot ascertain with complete accuracy which formations will contain Hydrogen Sulfide (H2S), all equipment which could be exposed to H2S will be composed of H2S resisting metal. Also, in known or anticipated areas of H2S, PetroStar implements their H2S Contingency Plan. Should this test complete as a successful well and H2S is encountered, all related production equipment will be composed of H2S resisting metal.

Also enclosed, please find our application receipt and self addressed, stamped envelope. For future reference, please indicate the application number for this application on the receipt and return in the self addressed, stamped envelope enclosed for your convenience.

Please do not hesitate to contact me should you have any questions or require any additional information to support the issuance of a permit to redrill this test.

Very truly yours,
Fitz Well & Land Services

Lyn A. Fitzsimons
Lyn A. Fitzsimons

cc: PetroStar Energy

enclosures

13561 West Bay Shore, Suite 3000
Traverse City, MI 49684
(616) 941-0718
Fax (616) 941-0338

PETROSTAR
ENERGY

Mailing Address:
P.O. Box 2410
Traverse City, MI
49685-2410

June 7, 1995

Mr. Bill Lee
Department of Natural Resources
Geological Survey Division
P.O. Box 30256
Lansing, MI 48909

GEOLOGICAL SURVEY
JUN 08 1995
Permits & Bonding Unit

RE: Tosch-Molson #1-17 HD1
S.L. NE/4 SW/4 SW/4 Section 17
B.H.L. NW/4 NE/4 SW/4 Section 17
T34N-R5E, Belknap, Presque Isle County, MI

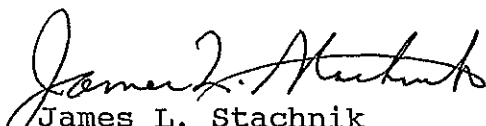
Dear Mr. Lee:

In accordance with your telephone conversation with Joann Wendels regarding the captioned, enclosed please find the original prospect map approved by Sam Alguire, as well as a copy of the Voluntary Pooling Declaration and Agreement signed by all interest owners.

If you should have any questions, please advise.

Very truly yours,

PETROSTAR ENERGY


James L. Stachnik
Staff Landman

encl.

cc: Mr Sam Alguire

GEOLOGICAL SURVEY
JUN 08 1995
Permits & Bonding Unit

GEOLOGICAL SURVEY

JUN 08 1995

BELKNAP 1-17

Permits & Bonding Unit

VOLUNTARY POOLING DECLARATION AND AGREEMENT

THIS AGREEMENT made and entered into by and between H & H STAR ENERGY, INC., d/b/a PetroStar Energy, a Delaware corporation of P.O. Box 2410, Traverse City, Michigan 49685-2410, hereinafter Lessee and the other parties signatory hereto being collectively referenced to as Lessor.

WHEREAS Lessee is the owner and holder of the following described Oil and Gas Leases recorded with the Presque Isle County Register of Deeds office covering premises located in Presque Isle County, Michigan, to wit:

- 1) Oil and Gas Lease dated December 12, 1994 by Melvin C. Tosch, a widower, as Lessor to H & H Star Energy, Inc., as Lessee, recorded in Liber 312, Page 741.
- 2) Oil and Gas Lease dated December 31, 1994 by Janice Molson, a married woman, as Lessor to H & H Star Energy, Inc., as Lessee, recorded in Liber 312, Page 744.

AS SAID LEASES HAVE BEEN EXTENDED, AMENDED OR RATIFIED.

WHEREAS, Lessor owns or claims oil and/or gas rights in and under the land described below, subject to terms and conditions of the above referenced oil and gas leases.

WHEREAS, it is the desire of all of the parties hereto that the following described land situated in Belknap Township, Presque Isle County, Michigan:

Township 34 North, Range 5 East (Belknap Township)

Section 17: SW/4

Containing 160 acres more or less

be developed and operated for oil, gas casinghead gas and condensate as a unit to the extent and in the manner hereinafter provided and the oil, gas, casinghead gas and condensate which may be produced from the land being referred to as the "Unitized Area" being hereinafter called "Unitized Substances".

NOW THEREFORE, the parties hereto hereby agree as follows:

1) All interests of the parties hereto in the Unitized Substances underlying the Unitized Area are hereby pooled, consolidated, and unitized into a single pooled unit for the operation for and the development and production of Unitized Substances from the Unitized Area.

2) Any well drilled on any part of the Unitized Area for the discovery and production of Unitized Substances, whether now drilling or heretofore or hereafter drilled, and all operations with respect to any such well, shall be considered for all purposes, except the payment of royalty, to be a well drilled and operations conducted under the terms of each of the leases described above.

3) All Unitized Substances produced from the Unitized Area shall be allocated to each tract comprising the Unitized Area in the proportion in which the acreage contained in such tract bears to the acreage contained within the Unitized Area. The share of production so allocated to each such tract shall be considered for all purposes, including the payment of royalty, to have been produced from such tract under the terms of the leases described above covering such tracts.

1875
1876
1877

1878
1879
1880

4) Nothing herein contained shall have the effect of changing the ownership of any delay rental or shut-in royalty that may become payable under the terms of the above-described leases.

5) PetroStar Energy, as unit operator, or its successor unit operator, shall not be obligated to drill any well or wells on any part of the Unitized Area for the purposes of protecting said part from drainage by reason of any well or wells located on any other part or parts of the Unitized Area producing Unitized Substances, and it shall not be obligated to keep, maintain or store the production of Unitized Substances from any other part or parts of Unitized Area separately or apart from the Unitized Substances from any other part of Unitized Area.

6) This Agreement shall be effective as set forth below and shall be and remain in full force and effect so long thereafter as the aforesaid leases, or any of them, remain in force except that this Agreement shall, in any event, terminate the latter of: A) one (1) year from the date hereof, or B) the end of 90 consecutive days during which there is no well on the Unitized Area producing or capable of producing Unitized Substances in paying quantities and no drilling or reworking operations are being conducted on the Unitized Area to obtain or restore production of Unitized Substances. PetroStar Energy, as unit operator, or its successor unit operator, may terminate this Agreement at any time by filing for record in the public office where this Agreement is recorded, a declaration to that effect if at that time there is no well on the Unitized Area producing or capable of producing Unitized Substances and no drilling or reworking operations are being conducted on the Unitized Area to obtain or restore production of Unitized Substances.

7) Except as expressly modified and amended by the provisions of this Agreement, each of the above-described leases shall continue in force and effect in compliance with the provisions thereof as written.

8) Upon termination of this Agreement, PetroStar Energy, as unit operator, or its successor unit, operator, shall file for record in the public office where this Agreement is recorded, a certificate evidencing such termination.

9) This Agreement may be executed in counterpart and shall be binding upon all parties executing the same, whether or not executed by all parties owning an interest in the Unitized Substances in the Unitized Area, but shall not become effective until recorded by or on behalf of PetroStar Energy, in the office of the Register of Deeds of Presque Isle County, Michigan. For recordation purposes, the signature and acknowledgement pages from one or more counterparts of this Agreement may be detached and attached with any other executed counterpart of this Agreement.

10) The terms and provisions hereof shall constitute covenants running with the land and leasehold estates, and shall extend to, be binding upon and inure to the benefit of the respective heirs, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, this Agreement is duly executed as of the
6th day of March, 1995.

WITNESSES:


James L. Stachnik


Cynthia Crego Haines

H & H STAR ENERGY, INC.,
a Delaware corporation
d/b/a PETROSTAR ENERGY


By: Alan R. Blair
Its: Land Manager

ACKNOWLEDGEMENT

STATE OF MICHIGAN)
) ss
COUNTY OF LEELANAU)

The foregoing instrument was acknowledged before me this
6th day of March, 1995, by Alan R. Blair, Land
Manager of H & H Star Energy, Inc., a Delaware corporation, d/b/a
PetroStar Energy, on behalf of the corporation.

My Commission Expires:
02/11/96

Notary Public in Michigan

James L. Stachnik
James L. Stachnik
Notary Public in Grand Traverse
County and acting in Leelanau
County, State of Michigan

LESSORS

WITNESSES:

Melvin C. Tosch

ACKNOWLEDGEMENT

STATE OF MICHIGAN)
) ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this
_____ day of _____, 1995, by Melvin C. Tosch, a
widower.

My Commission Expires:

Notary Public in _____
County, State of Michigan

WITNESSES: .

Janice Molson

ACKNOWLEDGEMENT

STATE OF MICHIGAN)
) ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this
_____ day of _____, 1995, by Janice Molson, a
married woman acting in her own right.

My Commission Expires:

Notary Public in _____
County, State of Michigan

ACKNOWLEDGEMENT

STATE OF MICHIGAN)
) ss
COUNTY OF LEELANAU)

The foregoing instrument was acknowledged before me this
6th day of March, 1995, by Alan R. Blair, Land
Manager of H & H Star Energy, Inc., a Delaware corporation, d/b/a
PetroStar Energy, on behalf of the corporation.

My Commission Expires:
02/11/96

James L. Stachnik
Notary Public in Grand Traverse
County, State of Michigan

James L. Stachnik
James L. Stachnik
Notary Public in Grand Traverse
County and acting in Leelanau
County, State of Michigan

LESSORS

WITNESSES:

Barbara Reinert
Barbara Reinert
Renee Hecht
Renee Hecht

Melvin C. Tosch
Melvin C. Tosch

ACKNOWLEDGEMENT

STATE OF MICHIGAN)
) ss
COUNTY OF Saginaw)

The foregoing instrument was acknowledged before me this
9th day of March, 1995, by Melvin C. Tosch, a
widower.

My Commission Expires:
02-12-97

Marie A. Althaus
Marie A. Althaus
Notary Public in Saginaw
County, State of Michigan

WITNESSES:

Janice Molson

ACKNOWLEDGEMENT

STATE OF MICHIGAN)
) ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this
_____ day of _____, 1995, by Janice Molson, a
married woman acting in her own right.

My Commission Expires:

Notary Public in _____
County, State of Michigan

ACKNOWLEDGEMENT

STATE OF MICHIGAN)
) ss
COUNTY OF LEELANAU)

The foregoing instrument was acknowledged before me this
6th day of March, 1995, by Alan R. Blair, Land
Manager of H & H Star Energy, Inc., a Delaware corporation, d/b/a
PetroStar Energy, on behalf of the corporation.

My Commission Expires:
02/11/96

JAMES L. STACHNIK
Notary Public, Leelanau County, Mich.
My Commission Expires 02/11/96

James L. Stachnik
James L. Stachnik
Notary Public in Grand Traverse
County and acting in Leelanau
County, State of Michigan

LESSORS

WITNESSES:

Melvin C. Tosch

ACKNOWLEDGEMENT

STATE OF MICHIGAN)
) ss
COUNTY OF Macomb)

The foregoing instrument was acknowledged before me this
13th day of March, 1995, by Melvin C. Tosch, a
widower.

My Commission Expires:
June 9, 1997

MARILYN M. MCSWAIN
Notary Public, Macomb County, MI
My Commission Expires June 9, 1997

Marilyn M. McSwain
Macomb
Notary Public in
County, State of Michigan

WITNESSES:

Karlene L. Lely
Sharon A. Garmory

Janice Molson
Janice Molson

ACKNOWLEDGEMENT

STATE OF MICHIGAN)
) ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this
____ day of _____, 1995, by Janice Molson, a
married woman acting in her own right.

My Commission Expires:

Notary Public in _____
County, State of Michigan

Voluntary Pooling Declaration and Agreement
Belknap 1-17
Page 4

WITNESSES:

[Signature]
[Signature]

Ethel M. Bleil
Ethel M. Bleil

ACKNOWLEDGEMENT

STATE OF MICHIGAN)
COUNTY OF St. Clair) ss

MARY C. REHBERG
Notary Public, St. Clair County, MI
My Comm. Expires Jan. 17, 1999

The foregoing instrument was acknowledged before me this
10/17 day of April, 1995, by Ethel M. Bleil, a
married woman acting in her own right.

My Commission Expires:
1-17-99

[Signature]
Notary Public in St. Clair
County, State of Michigan

DRILLING PERMIT APPLICATION FLOW SHEET

APPLICANT Petrostar Energy NUMBER 1108
 WELL NAME Losch-Molok #1-17 HD-1 DATE REC'D 5-10-95
 VENDOR # 4444 NEW VENDOR ☐ ORGANIZATIONAL CHART REC'D ☐

☒ Ck cashier (Ch#/Bank/City) Empire National Bank / Syracuse City
#3786
 FEE ☒ Deepening
☐ Revision
☐ C & T Tag enclosed REENTRY OF 33255

BOND ☒ Single Well ☐ Surety ☐ C.D. ☒ L.C. ☐ Cash
☒ Blanket Bond Number 00312972

DRILLING UNIT ☒ S.O. 1-73 ☐ S.O. 1-86 ☐ Statement of control of unit
☐ 10-12-87 ☐ Sub 330
☐ General Rules Conflicts
☐ Field Spacing Order REQUESTING Vol. 140 max unit
☒ Voluntary Pooling ☒ Admin. Approval ☒ Pooling Doc's

LOCATION ☒ Survey ☒ Certification of Elevation to be Run
☒ Directional Plans
☒ Posted on Map Zoning AGRICULTURE ☐ S.I. 2-87

CASING SEALING ☒ Rotary ☐ Cable ☐ Combination
☒ Int. Csg. S.O. 2-73 ☐ 30% Exception ☐ Short Int Exc
☐ Through Gas Storage S.O. 1-87
☒ BOP 16", 11 3/4" & B 5/8" csg in place.

SURFACE/MINERAL OWNERSHIP ☒ Private Surface, Notified by ☒ Statement ☒ Letter
☐ State Surface
☐ State Minerals Lease # _____ Restrictions _____
☐ Real Estate Emp. Contacted _____ Date _____
☐ Real Estate Approval by _____ Date _____
☐ Federal ☐ Copy to MMS ☐ Copy to USFS ☐ USFS Approval

H₂S ☒ Copy to H₂S Unit ☒ Sweet ☐ Sour
☐ Contingency Plan Acceptable PLAN INCLUDED

EIA REVIEW ☒ Special Order 1-81 ☒ Supervisor Letter 1-84
☐ Remote Pit Required ☐ Landowner Approval
☒ Water Well ☒ Temp. ☐ Perm. ☐ Surface ☐ Trucked
☒ EIA Acceptable Deficiencies
☒ Field Review Rec'd

DISTRIB. ☒ Confidential Request ☐ Copy to Northville, Plymouth, Canton Twp
☒ Copy to Subsurface and Petroleum Geology Unit
☒ Transmittal to District CAYLAND Copy to ADAMS
☐ Transmittal to Region II

MISC. ☒ Public Hearing Pending
☐ Permits Hold ☒ Other Compliance NO/RA
☐ Other Problems

REVIEWER: WRL DATE SENT TO FIELD: 5-9-95 ☒ F.T. ENTRY

50127

13561 West Bay Shore, Suite 3000
Traverse City, MI 49684
(616) 941-0718
Fax (616) 941-0338



Mailing Address:
P.O. Box 2410
Traverse City, MI
49685-2410

APR 17 1996

April 15, 1996

Department of Natural Resources
Attn: D. Michael Bricker
Geological Survey Division
735 E. Hazel Street
Lansing, MI 48912

Dear Mr. Bricker:

Enclosed please find the following forms, along with attachments, if required, for the following completed wells.

Form	Well Name	Well Permit	Number of Copies
7200-5	Tosch Molson 1-17 HD1	50127	2
7200-5	Tosch Molson 1-17 HD2	50127	2

If you have any questions, please feel free to call.

Sincerely,

A handwritten signature in cursive script that reads "Leslie Jones".

Leslie Jones
Production Department

enclosures

cc: Mike Palmer

APR 17 1996

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
GEOLOGICAL SURVEY DIVISION
P.O. BOX 30028, LANSING, MICHIGAN 48909

RECORD OF WELL DRILLING OR DEEPENING

USE APPROPRIATE BLOCKS, FOR ITEMS NOT LISTED SUBMIT ATTACHMENTS.
REQUIRED BY AUTHORITY OF:

☒ ACT 61, P.A. 1939, AS AMENDED.
(Submit 2 copies within 30 days
of completion.)

☐ ACT 315, P.A. 1969, AS AMENDED.
(Submit 2 copies within 60 days
of completion.)

NON-SUBMISSION AND/OR FALSIFICATION OF THIS INFORMATION MAY RESULT IN
FINES AND/OR IMPRISONMENT.

PERMIT NO./DEEPENING PERMIT NO. 50127			TYPE OF WELL (after completion) OIL		
FIELD/FACILITY NAME N/A					
WELL NAME & NUMBER TOSCH-MOLSON 1-17 HD-1					
SURFACE LOCATION NE 1/4 of SW 1/4 of SW 1/4 Section 17 T 34N R 5E					
NAME AND ADDRESS OF OWNER H & H STAR ENERGY, INC. d/b/a PetroStar Energy P.O. BOX 2410 TRAVERSE CITY, MICHIGAN 49684-2410			TOWNSHIP BELKNAP		
			COUNTY PRESQUE ISLE		
FOOTAGES: NORTH/SOUTH EAST/WEST 896 Ft. from S Line and 1268 Ft. from W Line of 1/4 Sec. 17					
NAME AND ADDRESS OF DRILLING CONTRACTOR INDRIL 2113 ENTERPRISE DRIVE MT PLEASANT, MI 48858			SUBSURFACE LOCATION (if directionally drilled) SW 1/4 of NE 1/4 of SW 1/4 Section 17 T 34N R 5E		
			TOWNSHIP BELKNAP		
			COUNTY PRESQUE ISLE		
DATE DRILLING BEGAN 11/25/95	DATE DRILL COMPLETED 12/14/95	DATE WELL COMPLETED 12/24/95	FOOTAGES: NORTH/SOUTH EAST/WEST 1373 Ft. from S Line and 1518 Ft. from W Line of 1/4 Sec. 17		
TOTAL DEPTH OF WELL Driller Log 3599	FORMATION AT T.D. NIAGARAN	PROD. FORMATION(S) NIAGARAN	FEET DRILLED - CABLE TOOLS From - To -		FEET DRILLED - ROTARY TOOLS From 0 To 3599
DATE OF FIRST INJECTION NA	INJECTED FORMATION NA	SOLUTION FORMATION NA	ELEVATIONS		
			K.B. 867	R.F. N.R.	R.T. N.R.
			Grd. 846.7		

CASING, CASING LINERS AND CEMENTING, OPERATING STRINGS**PERFORATIONS**

SIZE	WHERE SET	CEMENT	FT. PULLED	DATE	NUMBER HOLES	INTERVAL PERFORATED	OPEN	
8 5/8"	1662'	EXISTING	0				YES	NO
5 1/2"	3222'	150 SXS	0	N/A		OH 3222-3599'	X	

GROSS PAY INTERVALS**ALL OTHER OIL AND GAS SHOWS OBSERVED OR LOGGED**

FORMATION	OIL OR GAS	FROM	TO	FORMATION	OIL OR GAS	DEPTH	WHERE OBSERVED (X)					
NIAGARAN	OIL	3222'	3599'				Samp-les	Odor	Pits	Mud Line	Gas Log	Ful Up
				SEE ATTACHED								

STIMULATION BY ACID OR FRACTURING**WATER FILL UP (F.U.) OR LOST CIRCULATION (L.C.) (X)**

DATE	INTERVAL TREATED	MATERIALS AND AMOUNT USED	FORMATION	F.U.	L.C.	DEPTH	AMOUNT
12/22/95	3222-3599'	22 BBLS ACID	N/A				

MECHANICAL LOGS, LIST EACH TYPE RUN**DEPTH CORRECTION****DEVIATION SURVEY****PLUGGED BACK**

BRAND	(X)	LOG TYPES	LOGGED INTERVALS	DEPTH	CORRECTION	RUN AT	DEGREES	YES	NO	DEPTH
Schlumberger	N/R					SEE	ATTACHED		X	
Birdwell										
OTHER										

PRODUCTION TEST DATA

OIL - Bbls/day 89	GRAVITY - °API 41.0	COND. Bbls/day -	GAS - MCF/day -	WATER - Bbls/day 18	H ₂ S - Grains/100 cu.ft. -	B.H.P. AND DEPTH 842.5 @ 3048'
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I AM RESPONSIBLE FOR THIS REPORT. THE INFORMATION IS COMPLETE AND CORRECT.

DATE April 15, 1996	NAME AND TITLE (PRINT) Leslie A. Jones, Operations Assistant	SIGNATURE <i>Leslie A. Jones</i>
------------------------	---	-------------------------------------

NOTE: REPORT COMPLETE SAMPLE AND FORMATION RECORD, CORING RECORD AND DRILL STEM TEST INFORMATION ON REVERSE SIDE.

FORMATION RECORD

50127

(ATTACH ADDITIONAL SHEETS IF NECESSARY)

ELEVATION USED: 867	GEOLOGIST NAME: MCGRATH	TOPS TAKEN FROM: <input type="checkbox"/> DRILLERS LOG <input type="checkbox"/> SAMPLE LOG <input type="checkbox"/> ELECTRIC LOG
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FROM	TO	FORMATION (TYPE, COLOR, HARDNESS)	FROM	TOP	FORMATION (TYPE, COLOR, HARDNESS)
NOTE: IF WELL DIRECTIONALLY DRILLED, ADD TRUE VERTICAL DEPTH FORMATION TOPS WHERE APPROPRIATE.					
MD	TVD	Same as original well P.N. 33255			
1667	1667	F Salt E Unit D Unit C Shale B Unit			
2589	2582	B Salt	IF WELL WAS CORED, ATTACH CORE DESCRIPTION		
2868	2858	A2 Carb	DRILL STEM TEST DATA		
2951	2933	A2 Evap			
2996	2970	A1 Carb A1 Evap			
3064	3017	Brown Niagaran Grey Niagaran			
3599	3070	TD No tops reported by Driller. All reported tops are based on mud logger's picks			
			LIST ATTACHMENTS:		
			Show Report Sample Description Directional Survey		
			GEOLOGICAL SURVEY USE ONLY		
			REVIEWED BY:		
			DATE OF REVIEW:		

SPERRY-SUN DRILLING SERVICES WELL PROFILE DATA

50127

APR 17 1993

Original Surveys

PETROSTAR
TOSH-MOLSON 1-17 HD1

13/Dec/1995

MEASURED DEPTH	ANGLE DEG	DIRECTION DEG	VERTICAL DEPTH	LATITUDE (Ft.)	DEPARTURE (Ft.)	VERTICAL SECTION	DOG LEG	TOOL FACE
0.00	0.000	0.000	0.00	0.00	0.00	0.00		
1670.00	0.000	0.000	1670.00	0.00	0.00	0.00	0.000	0.000
1682.00	1.800	100.000	1682.00	0.03 S	0.19 E	0.04	15.000	100.000
1713.00	2.000	95.700	1712.98	0.17 S	1.20 E	0.31	0.792	322.356
1775.00	2.100	117.800	1774.94	0.81 S	3.28 E	0.54	1.277	93.923
1806.00	2.500	151.000	1805.92	1.66 S	4.12 E	0.08	4.415	90.322
1837.00	3.300	172.300	1836.88	3.14 S	4.56 E	-1.11	4.287	64.366
1868.00	4.500	179.500	1867.81	5.24 S	4.69 E	-2.99	4.173	25.819
1899.00	5.700	185.300	1898.68	7.99 S	4.56 E	-5.57	4.208	26.158
1931.00	6.500	197.100	1930.50	11.30 S	3.88 E	-8.89	4.635	63.421
1962.00	5.800	197.100	1961.33	14.48 S	2.91 E	-12.19	2.258	180.000
2025.00	6.900	197.800	2023.94	21.12 S	0.81 E	-19.13	1.750	4.374
2089.00	7.600	209.400	2087.43	28.47 S	2.44 W	-27.16	2.530	70.275
2152.00	7.800	213.000	2149.86	35.69 S	6.81 W	-35.51	0.829	69.270
2184.00	7.700	211.400	2181.57	39.34 S	9.11 W	-39.77	0.743	244.342
2246.00	7.700	212.100	2243.01	46.40 S	13.49 W	-47.98	0.151	90.347
2278.00	7.600	211.200	2274.73	50.03 S	15.72 W	-52.19	0.488	229.704
2340.00	7.800	207.100	2336.17	57.28 S	19.76 W	-60.45	0.943	287.966
2401.00	7.900	207.500	2396.60	64.68 S	23.58 W	-68.76	0.187	28.847
2465.00	7.700	206.100	2460.00	72.43 S	27.50 W	-77.42	0.431	222.839
2527.00	8.200	210.100	2521.41	79.99 S	31.54 W	-85.96	1.202	49.886
2621.00	8.500	210.500	2614.41	91.78 S	38.43 W	-99.50	0.325	11.156
2652.00	8.600	209.600	2645.07	95.76 S	40.74 W	-104.07	0.539	306.327
2685.00	9.000	209.600	2677.68	100.15 S	43.23 W	-109.09	1.212	0.000
2716.00	6.000	206.100	2708.41	103.72 S	45.14 W	-113.11	9.785	186.927
2747.00	0.800	175.700	2739.35	105.39 S	45.84 W	-114.92	17.179	184.366
2779.00	4.400	31.900	2771.32	104.57 S	45.18 W	-113.91	15.836	210.862
2810.00	9.300	28.900	2802.09	101.37 S	43.34 W	-110.24	15.843	354.331
2842.00	14.800	29.400	2833.37	95.54 S	40.08 W	-103.60	17.190	1.332
2873.00	19.200	29.400	2863.01	87.64 S	35.63 W	-94.60	14.194	0.000
2904.00	23.900	27.700	2891.83	77.64 S	30.20 W	-83.27	15.293	351.638
2954.00	31.700	26.600	2936.03	56.89 S	19.60 W	-60.02	15.633	355.746
2986.00	38.100	25.600	2962.26	40.45 S	11.56 W	-41.75	20.079	354.478
3017.00	44.500	23.100	2985.54	21.81 S	3.15 W	-21.31	21.317	344.593
3048.00	51.200	23.800	3006.33	0.74 S	5.99 E	1.66	21.677	4.667
3080.00	58.000	23.800	3024.86	23.11 N	16.51 E	27.72	21.250	0.000
3112.00	64.500	21.700	3040.24	48.97 N	27.34 E	55.76	21.110	343.670
3142.00	70.300	22.600	3051.77	74.61 N	37.78 E	83.44	19.530	8.329
3174.00	76.900	23.500	3060.80	102.84 N	49.80 E	114.12	20.800	7.584
3263.00	85.900	28.000	3074.10	181.98 N	88.02 E	201.91	11.278	26.680
3293.00	85.500	28.000	3076.35	208.39 N	102.06 E	231.71	1.333	180.000
3324.00	87.200	28.200	3078.32	235.68 N	116.63 E	262.52	5.522	6.703
3355.00	88.400	28.900	3079.51	262.89 N	131.44 E	293.35	4.481	30.252
3386.00	89.900	29.300	3079.97	289.98 N	146.51 E	324.17	5.008	14.933
3418.00	91.900	29.600	3079.47	317.84 N	162.24 E	355.96	6.320	8.528

SPERRY-SUN DRILLING SERVICES
WELL PROFILE DATA

50127

Original Surveys

PETROSTAR
TOSH-MOLSON 1-17 HD1

13/Dec/1995

MEASURED DEPTH	ANGLE DEG	DIRECTION DEG	VERTICAL DEPTH	LATITUDE (Ft.)	DEPARTURE (Ft.)	VERTICAL SECTION	DOG LEG	TOOL FACE
3448.00	92.000	30.500	3078.45	343.79 N	177.26 E	385.72	3.017	83.641
3479.00	92.500	29.600	3077.23	370.60 N	192.77 E	416.46	3.319	299.090
3510.00	93.200	29.300	3075.69	397.56 N	207.99 E	447.23	2.456	336.834
3541.00	94.000	28.400	3073.74	424.66 N	222.92 E	478.00	3.880	311.717
3599.00	92.700	28.200	3070.35	475.64 N	250.37 E	535.66	2.268	188.737

The Dogleg Severity is in Degrees per 100.00 Feet
Vertical Section was calculated along an Azimuth of 23.000° (True)

Based upon Minimum Curvature type calculations. At a Measured Depth of 3599.00 Feet,
the Bottom Hole Displacement is 537.51 Feet, in the Direction of 27.761° (True)



50127

APR 17 1996

PETROSTAR ENERGY
Tosch-Molson 1-17HD1
SHOW REPORT

FORMATION	DEPTH	WHERE OBSERVED	OIL/GAS
A1C	3010-3064	gas log	gas
REEF	3064-3194	gas log , samples	oil/gas
REEF	3250-3380	gas log, samples	oil/gas

M.J. McGrath
12-28-95

S.J. HARRIGAN CO., INC.

WELLSITE GEOLOGICAL SERVICES

3144 English Woods Drive • Traverse City, MI 49684 • (616) 929-1105 • Fax: (616) 929-9623
P.O. Box 520 • Acme, MI 49610 • (317) 685-4251

APR 17 1996

50127



INTERPRETIVE SAMPLE DESCRIPTIONS

PetroStar Energy
Tosch-Molson #1-17 HD1
SHL: Sec. 17, T. 34N., R. 05E.
Belknap Twp., Presque Isle Co., MI
Permit #50127 - T.D. @ 12-10-95

- Salina 'B' Salt 2800'-2868' md Salt: clear to white, crystalline, with interbedded anhydrite and anhydritic dense dolomite @ base.
- " A-2 Carb 2868'-2951' md Limestone: predominantly tan-gray, white, some gray brown, micro-very finely crystalline, dense, argillaceous, shale inclusions, trace pyrite & anhydrite mottled & thin bedded; alternating dolomite @ top, tan, very finely crystalline, sucrosic, trace intercrystalline porosity, salt plugged, some shale laminations & anhydrite nodules.
- " A-2 Evap. 2951'-2996' md Salt: clear to white, mottled anhydrite w/ predominantly white powdery & dense anhydrite @ 2967' md, mottled limestone.
- " A-1 Carb 2996'-3064' md Limestone: tan white, mottled brown, micro-very finely crystalline, dense, hard, vugular porosity w/ indications of salt plugged, slightly argillaceous, chalky in part, some white anhydrites, trace black carbonaceous laminations, no show.
- Brown Niagaran 3064'-3538' md Limestone: white-tan, brown, micro-very finely crystalline, dense-vuggy porosity, slightly chalky w/ salt crystals & plugging indicated @ times, traces bleeding gas, some dolomitic & dolomite lined vugs w/ estimated 2-7% porosity, clear waxy oil film in part, 1% bright yellow white fluorescence w/ fast streaming to milky yellow white cuts.
- " A-2 Evap. 3538'-3599' md Salt: clear, w/ trace white anhydrite brown fossiliferous lime.

TOTAL DEPTH @ 0100 hrs. @ 12-10-95
MUDLOGGER: Jim Lackie



MAY 1 1996

50127

13561 West Bay Shore, Suite 3000
Traverse City, MI 49684
(616) 941-0718
Fax (616) 941-0338

PETROSTAR
ENERGY

Mailing Address:
P.O. Box 2410
Traverse City, MI
49685-2410

April 29, 1996

Department of Natural Resources
Attn: D. Michael Bricker
Geological Survey Division
735 E. Hazel Street
Lansing, MI 48912

Dear Mr. Bricker:

*-no
attachments*

Enclosed please find the following forms, along with attachments, if required, for the following completed wells. This form shows the correct and revised surface hole location for the well.

Form	Well Name	Well Permit
7200-5	Tosch-Molson 1-17 HD2	50127

If you have any questions, please feel free to call.

Sincerely,



Leslie Jones
Production Department

enclosures

Found in computer under DP

REVISED SHL

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
GEOLOGICAL SURVEY DIVISION
P.O. BOX 30028, LANSING, MICHIGAN 48909

MAY 1 1996

RECORD OF WELL DRILLING OR DEEPENING

USE APPROPRIATE BLOCKS, FOR ITEMS NOT LISTED SUBMIT ATTACHMENTS.
REQUIRED BY AUTHORITY OF:

☒ ACT 61, P.A. 1939, AS AMENDED.
(Submit 2 copies within 30 days
of completion.)

☐ ACT 315, P.A. 1969, AS AMENDED.
(Submit 2 copies within 60 days
of completion.)

NON-SUBMISSION AND/OR FALSIFICATION OF THIS INFORMATION MAY RESULT IN
FINES AND/OR IMPRISONMENT.

NAME AND ADDRESS OF OWNER H & H STAR ENERGY, INC. d/b/a PetroStar Energy P.O. BOX 2410 TRAVERSE CITY, MICHIGAN 49684-2410			TOWNSHIP BELKNAP		COUNTY PRESQUE ISLE	
NAME AND ADDRESS OF DRILLING CONTRACTOR INDRIL 2113 ENTERPRISE DRIVE MT PLEASANT, MI 48858			SUBSURFACE LOCATION (if directionally drilled) SW 1/4 of NE 1/4 of SW 1/4 Section 17 T 34N R 5E			
DATE DRILLING BEGAN 11/25/95	DATE DRILL COMPLETED 12/14/95	DATE WELL COMPLETED 12/24/95	FOOTAGES: NORTH/SOUTH EAST/WEST 1241 Ft. from N Line and 1247 Ft. from E Line of 1/4 Sec. 17			
TOTAL DEPTH OF WELL Driller Log 3578	FORMATION AT T.D. NIAGARAN	PROD. FORMATION(S) NIAGARAN	FEET DRILLED - CABLE TOOLS From - To -		FEET DRILLED - ROTARY TOOLS From 0 To 3578	
DATE OF FIRST INJECTION NA	INJECTED FORMATION NA	SOLUTION FORMATION NA	ELEVATIONS K.B. 867 R.F. N.R. R.T.N.R. Grd. 846.7			

CASING, CASING LINERS AND CEMENTING, OPERATING STRINGS

PERFORATIONS

SIZE	WHERE SET	CEMENT	FT. PULLED	DATE	NUMBER HOLES	INTERVAL PERFORATED	OPEN	
8 5/8"	1662'	EXISTING	0				YES	NO
5 1/2"	3222'	150 SXS	0			OH 3222-3578'	X	

GROSS PAY INTERVALS

ALL OTHER OIL AND GAS SHOWS OBSERVED OR LOGGED

FORMATION	OIL OR GAS	FROM	TO	FORMATION	OIL OR GAS	DEPTH	WHERE OBSERVED (X)					
NIAGARAN	OIL	3222	3578	SEE ATTACHED			Samples	Odor	Pits	Mud Log	Gas Log	Fil Up

STIMULATION BY ACID OR FRACTURING

WATER FILL UP (F.U.) OR LOST CIRCULATION (L.C.) (X)

DATE	INTERVAL TREATED	MATERIALS AND AMOUNT USED	FORMATION	F.U.	L.C.	DEPTH	AMOUNT
12/22/95	3222-3578'	22 BBLS ACID	N/R				

MECHANICAL LOGS, LIST EACH TYPE RUN

DEPTH CORRECTION

DEVIATION SURVEY

PLUGGED BACK

BRAND	(X)	LOG TYPES	LOGGED INTERVALS	DEPTH	CORRECTION	RUN AT	DEGREES	YES	NO	DEPTH
Schlumberger		N.R.		N.A.		SEE	ATTACHED		X	
Birdwell										
OTHER										

PRODUCTION TEST DATA

OIL - Bbls/day 89	GRAVITY - °API 41.0	COND. Bbls/day -	GAS - MCF/day -	WATER - Bbls/day 18	H ₂ S - Grains/100 cu.ft. -	B.H.P. AND DEPTH 842.5 @ 3048'
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I AM RESPONSIBLE FOR THIS REPORT. THE INFORMATION IS COMPLETE AND CORRECT.

DATE April 29, 1996	NAME AND TITLE (PRINT) Leslie A. Jones, Operations Assistant	SIGNATURE <i>Leslie A. Jones</i>
------------------------	---	-------------------------------------

NOTE: REPORT COMPLETE SAMPLE AND FORMATION RECORD, CORING RECORD AND DRILL STEM TEST INFORMATION ON REVERSE SIDE.

PR7200-5

FORMATION RECORD
(ATTACH ADDITIONAL SHEETS IF NECESSARY)

ELEVATION USED: 867	GEOLOGIST NAME: MCGRATH	TOPS TAKEN FROM: <input type="checkbox"/> DRILLERS LOG <input type="checkbox"/> SAMPLE LOG <input type="checkbox"/> ELECTRIC LOG
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FROM	TO	FORMATION (TYPE, COLOR, HARDNESS)	FROM	TOP	FORMATION (TYPE, COLOR, HARDNESS)			
NOTE: IF WELL DIRECTIONALLY DRILLED, ADD TRUE VERTICAL DEPTH FORMATION TOPS WHERE APPROPRIATE.								
MD	TVD	Same as original well P.N. 33255						
1667	1667	F Salt E Unit D Unit C Shale B Unit						
2589	2582	B Salt	IF WELL WAS CORED, ATTACH CORE DESCRIPTION					
2868	2858	A2 Carb	DRILL STEM TEST DATA					
2951	2933	A2 Evap						
2996	2970	A1 Carb A1 Evap						
3064	3017	Brown Niagaran Grey Niagaran						
3578	3073	TD						
No tops reported by driller. All reported tops are based on the mud logger's picks.			LIST ATTACHMENTS:					
			Show Report Directional Survey Sample Description					
						GEOLOGICAL SURVEY USE ONLY		
						REVIEWED BY:		
			DATE OF REVIEW:					

SPERRY-SUN DRILLING SERVICES WELL PROFILE DATA

Original Surveys

APR 17 1996

PETROSTAR
TOSH-MOLSON 1-17 HD2

13/Dec/1995

MEASURED DEPTH	ANGLE DEG	DIRECTION DEG	VERTICAL DEPTH	LATITUDE (Ft.)	DEPARTURE (Ft.)	VERTICAL SECTION	DOG LEG	TOOL FACE
1670.00	0.000	0.000	1670.00	0.00	0.00	0.00		
1682.00	1.800	100.000	1682.00	0.03 S	0.19 E	0.04	15.000	100.000
1713.00	2.000	95.700	1712.98	0.17 S	1.20 E	0.31	0.792	322.356
1775.00	2.100	117.800	1774.94	0.81 S	3.28 E	0.54	1.277	93.923
1806.00	2.500	151.000	1805.92	1.66 S	4.12 E	0.08	4.415	90.322
1837.00	3.300	172.300	1836.88	3.14 S	4.56 E	-1.11	4.287	64.366
1868.00	4.500	179.500	1867.81	5.24 S	4.69 E	-2.99	4.173	25.819
1899.00	5.700	185.300	1898.68	7.99 S	4.56 E	-5.57	4.208	26.158
1931.00	6.500	197.100	1930.50	11.30 S	3.88 E	-8.89	4.635	63.421
1962.00	5.800	197.100	1961.33	14.48 S	2.91 E	-12.19	2.258	180.000
2025.00	6.900	197.800	2023.94	21.12 S	0.81 E	-19.13	1.750	4.374
2089.00	7.600	209.400	2087.43	28.47 S	2.44 W	-27.16	2.530	70.275
2152.00	7.800	213.000	2149.86	35.69 S	6.81 W	-35.51	0.829	69.270
2184.00	7.700	211.400	2181.57	39.34 S	9.11 W	-39.77	0.743	244.342
2246.00	7.700	212.100	2243.01	46.40 S	13.49 W	-47.98	0.151	90.347
2278.00	7.600	211.200	2274.73	50.03 S	15.72 W	-52.19	0.488	229.704
2340.00	7.800	207.100	2336.17	57.28 S	19.76 W	-60.45	0.943	287.966
2401.00	7.900	207.500	2396.60	64.68 S	23.58 W	-68.76	0.187	28.847
2465.00	7.700	206.100	2460.00	72.43 S	27.50 W	-77.42	0.431	222.839
2527.00	8.200	210.100	2521.41	79.99 S	31.54 W	-85.96	1.202	49.886
2621.00	8.500	210.500	2614.41	91.78 S	38.43 W	-99.50	0.325	11.156
2652.00	8.600	209.600	2645.07	95.76 S	40.74 W	-104.07	0.539	306.327
2685.00	9.000	209.600	2677.68	100.15 S	43.23 W	-109.09	1.212	0.000
2716.00	6.000	206.100	2708.41	103.72 S	45.14 W	-113.11	9.785	186.927
2747.00	0.800	175.700	2739.35	105.39 S	45.84 W	-114.92	17.179	184.366
2779.00	4.400	31.900	2771.32	104.57 S	45.18 W	-113.91	15.836	210.862
2810.00	9.300	28.900	2802.09	101.37 S	43.34 W	-110.24	15.843	354.331
2842.00	14.800	29.400	2833.37	95.54 S	40.08 W	-103.60	17.190	1.332
2873.00	19.200	29.400	2863.01	87.64 S	35.63 W	-94.60	14.194	0.000
2904.00	23.900	27.700	2891.83	77.64 S	30.20 W	-83.27	15.293	351.638
2954.00	31.700	26.600	2936.03	56.89 S	19.60 W	-60.02	15.633	355.746
2986.00	38.100	25.600	2962.26	40.45 S	11.56 W	-41.75	20.079	354.478
3017.00	44.500	23.100	2985.54	21.81 S	3.15 W	-21.31	21.317	344.593
3048.00	51.200	23.800	3006.33	0.74 S	5.99 E	1.66	21.677	4.667
3080.00	58.000	23.800	3024.86	23.11 N	16.51 E	27.72	21.250	0.000
3112.00	64.500	21.700	3040.24	48.97 N	27.34 E	55.76	21.110	343.670
3142.00	70.300	22.600	3051.77	74.61 N	37.78 E	83.44	19.530	8.329
3174.00	76.900	23.500	3060.80	102.84 N	49.80 E	114.12	20.800	7.584
3237.00	83.266	26.706	3071.64	158.99 N	76.13 E	176.10	11.279	26.680
3258.00	84.500	20.800	3073.88	178.10 N	84.53 E	196.97	28.574	281.542
3288.00	85.300	14.500	3076.55	206.56 N	93.59 E	226.70	21.086	276.978
3319.00	88.900	11.300	3078.12	236.73 N	100.49 E	257.17	15.528	318.310
3350.00	91.200	6.900	3078.09	267.33 N	105.40 E	287.26	16.015	297.586
3381.00	91.700	2.900	3077.31	298.20 N	108.04 E	316.71	12.999	277.175
3413.00	91.400	1.500	3076.44	330.16 N	109.27 E	346.61	4.473	257.920

**SPERRY-SUN DRILLING SERVICES
WELL PROFILE DATA**

Original Surveys

**PETROSTAR
TOSH-MOLSON 1-17 HD2**

13/Dec/1995

MEASURED DEPTH	ANGLE DEG	DIRECTION DEG	VERTICAL DEPTH	LATITUDE (Ft.)	DEPARTURE (Ft.)	VERTICAL SECTION	DOG LEG	TOOL FACE
3475.00	91.000	358.800	3075.15	392.14 N	109.43 E	403.73	4.401	261.601
3506.00	90.800	359.400	3074.66	423.13 N	108.94 E	432.07	2.040	108.432
3537.00	91.300	356.400	3074.09	454.11 N	107.81 E	460.13	9.809	279.489
3578.00	91.700	350.000	3073.02	494.78 N	102.96 E	495.68	15.635	273.658

The Dogleg Severity is in Degrees per 100.00 Feet
Vertical Section was calculated along an Azimuth of 23.000° (True)

Based upon Minimum Curvature type calculations. At a Measured Depth of 3578.00 Feet,
the Bottom Hole Displacement is 505.38 Feet, in the Direction of 11.755° (True)

APR 1 9 1996

PETROSTAR ENERGY
Tosch-Molson 1-17HD2
SHOW REPORT

FORMATION	DEPTH	WHERE OBSERVED	OIL/GAS
REEF	3255-3350	gas log, samples	oil/gas

M.J. McGrath
12-28-95

S.J. HARRIGAN CO., INC.

WELLSITE GEOLOGICAL SERVICES

APR 17 1998

3144 English Woods Drive • Traverse City, MI 49684 • (616) 929-1105 • Fax: (616) 929-9623
P.O. Box 520 • Acme, MI 49610 • (317) 685-4251



INTERPRETIVE SAMPLE DESCRIPTIONS

PetroStar Energy

Tosch-Molson #1-17 HD2

SHL:Sec.17,T34N,R.05E.

Belknap Twp., Presque Isle Co., MI

Permit #50127 - T.D. @ 12-12-95

Brown Niagaran 3237'-3548'md Limestone:tan white-white,brown,becoming predominantly brown @ base,micro-veryfinely crystalline,dense w/ 5-7% estimated porosity to 3320'md, 2-7% thereafter, clear oil film on surface of fluid,some pinpoint brown-clear stain @ 3300'md,traces w/bleeding gas & dolomite lined vugs,10% bright yellow-white fluorescence to 3320'md,w/fast bright yellow white cuts; fluorescence decreasing to 1% or less after 3320', fair modest cuts from tighter rock.

Salina A-2 Evap 3548'-3578'md Salt:clear,crystalline,trace white anhydrite @ 3560'md.

TOTAL DEPTH @ 3578'md @ 1400 hrs. @ 12-12-95

Mudlogger: Jim Lackie



NATURAL RESOURCES
COMMISSION

JOHN ENGLER, Governor

DEPARTMENT OF NATURAL RESOURCES

Stevens T. Mason Building, P.O. Box 30028, Lansing, MI 48908-7528

ROLAND HARMES, Director

GEOLOGICAL SURVEY DIVISION

P.O. Box 30256, Lansing, MI 48909-7756

May 10, 1995

Mr. David B. Howard, President
PetroStar Energy, Inc.
13561 W. Bay Shore Drive, Ste. 3000
P. O. Box 2410
Traverse City, MI 49685

Dear Mr. Howard:

This letter acknowledges PetroStar Energy, Inc.'s, request that all data and samples furnished the Supervisor of Wells as required under Michigan's Oil and Gas Act, 1939, PA 61, relative to the Tosch-Molson 1-17HD1, Belknap Township, Presque Isle County, be held confidential and shall not be open to public inspection except by written consent by the owner of the well. This confidential status commences with the receipt of your written request and will remain in effect for ninety (90) days after the completion of drilling.

All information gathered in connection with the drilling of the well shall be available to the Supervisor of Wells or his authorized representative at all times.

Well data shall be filed with the Supervisor of Wells within thirty (30) days after the completion of drilling.

Sincerely,

D. Michael Bricker
Geologist-in-Charge
Subsurface & Petroleum Geology
Geological Survey Division
(517) 334-6930

DMB:eg

cc: F. Layton, GSD
A. Sullivan, GSD
W. Henderson, GSD
P. Sundeen, GSD
J. M. Wendels, Fitz Well & Land Services

&
LAND SERVICES

616-946-7060
FAX: 616-946-6566 MAY 10 1995

May 8, 1995

Department of Natural Resources
Geological Survey Division
Oil and Gas Section
P.O. Box 30056
Lansing, MI 48909
ATTN: D. Michael Bricker

RE: PetroStar Energy - Tosch-Molson 1-17 HD1
S.L. NE/4 SW/4 SW/4 Section 17, T34N R5E
B.H.L. NW/4 NE/4 SW/4 Section 17, T34N R5E
Belnap Township, Presque Isle County, Michigan

Dear Mr. Bricker:

PetroStar Energy requests that all information relative to the drilling and/or completion of the above referenced test be held confidential.

Please do not hesitate to contact me should any additional information be needed to support the approval of our request.

Very truly yours,
Fitz Well & Land Services

Joann M. Wendels
Joann M. Wendels

cc: PetroStar Energy

BOTTOM HOLE LOCATION CORRECTION

Permit 50127 Well Type Oil Date 5-15-96 Checked by: Gym Turner

Operator H&H Star Energy, Inc d/b/a Petrostar Energy

Well Name & Number Tosch-molson 1-17 HD-1

Surface Location NE 1/4 SW 1/4 SW 1/4, Sec. 17, T. 34N, R. 5E

Belknap Township, Presque Isle County

896 ft. from the S line and 1268 ft. from the W line of the 1/4 Section

Deepest Total Depth

3599'

True Vertical Depth

3070'

Rectangular Coordinates

476N & 250E

Bottom Hole Location at Reported Total Depth

SW 1/4 NE 1/4 SW 1/4, Sec. 17

T. 34N, R. 5E

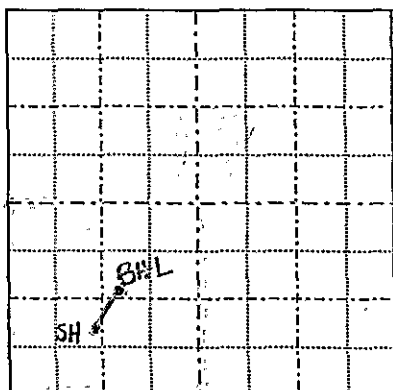
Belknap Township, Presque Isle County

1256 ft. from the N line and 1112 ft. from the

E line of the 1/4 Section and

1256 ft. from the N line and 1112 ft. from the

E line of the drilling unit.



Measured Depth

True Vertical Depth

Rectangular Coordinates

Upper Perforations

&

Lower Perforations

&

Upper Perforations _____ ft. from the _____ line and _____ ft. from the _____ line of the 1/4 Section

and _____ ft. from the _____ line and _____ ft. from the _____ line of the

drilling unit.

Lower Perforations _____ ft. from the _____ line and _____ ft. from the _____ line of the 1/4 Section

and _____ ft. from the _____ line and _____ ft. from the _____ line of the

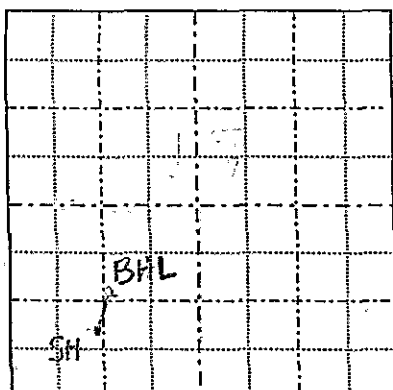
drilling unit.

BOTTOM HOLE LOCATION CORRECTION

Permit 50127 ^{DP2673} Well Type Oil Date 5-15-96 Checked by: JmcTieman
 Operator H & H Star Energy, Inc. d/b/a Petrostar Energy
 Well Name & Number Tosch-molson 1-17 HD2
 Surface Location NE 1/4 SW 1/4 SW 1/4, Sec. 17, T. 34N, R. 5E
Belknap Township, Presque Isle County
896 ft. from the S line and 1268 ft. from the W line of the 1/4 Section

Deepest Total Depth	True Vertical Depth	Rectangular Coordinates
<u>3578'</u>	<u>3073'</u>	<u>495 N & 103 E</u>

Bottom Hole Location at Reported Total Depth



SW 1/4 NE 1/4 SW 1/4, Sec. 17
T. 34N, R. 5E
Belknap Township, Presque Isle County
1237 ft. from the N line and 1259 ft. from the
E line of the 1/4 Section and
1237 ft. from the N line and 1259 ft. from the
E line of the drilling unit.

	Measured Depth	True Vertical Depth	Rectangular Coordinates
Upper Perforations	_____	_____	_____ & _____
Lower Perforations	_____	_____	_____ & _____

Upper Perforations _____ ft. from the _____ line and _____ ft. from the _____ line of the 1/4 Section
 and _____ ft. from the _____ line and _____ ft. from the _____ line of the
 drilling unit.

Lower Perforations _____ ft. from the _____ line and _____ ft. from the _____ line of the 1/4 Section
 and _____ ft. from the _____ line and _____ ft. from the _____ line of the
 drilling unit.



APPLICATION TO:

☐ CHANGE WELL STATUS OR
☒ PLUG AND ABANDON WELL

Required by authority of Part 615 Supervisor of Wells or Part 625 Mineral Wells, of Act 451 PA 1994, as amended. Non-submission and/or falsification of this information may result in fines and/or imprisonment.

☒ Part 615 Oil or Gas Well

☐ Part 625 Mineral Well

Change of well status requested to:

☐ Plug back ☐ Perforate ☐ Temporarily abandon
☐ Convert to ☐ Other

Last production/injection rate and type of fluid

Brief description of project

Permit number

50127

Type of well

DRY HOLE

Name and address of permittee

H&H STAR ENERGY
P.O. BOX 2410
TRAVERSE CITY, MI 49684-2410

Field/facility name

Well name and number

TOSCH-MOLSON 1-17 HD-1

Well location

NE 1/4 of SW 1/4 of SW 1/4 Section 17 T 34N R 5E

Township

BELKNAP

County

PRESQUE ISLE

Date drilling completed

12-14-95

Date last produced/utilized

Work to be done by

WILL NOTIFY

Starting date

WILL NOTIFY

CASING AND CEMENTING RECORD

Hole dia	Casing dia & wt/ft	Depths set	Cement quantity, type, additives	Cement top	Perforations
17 1/2"	16"	64'	75 SX CL A	CS	
14 3/4"	11 3/4"	250'	225 SX CL A	CS	
10 5/8"	8 5/8"	1662'	275 SX LT + 200 SX CL A	CS	
7 7/8"	5 1/2"	3222'	150 SX CL A W/ 18% SALT	2300'	

Formation record (formation and depth of top, oil, gas and water shows, etc.):

F SALT 1667'
B SALT 2589'
A2 CARB 2868'
A2 EVAP 2951'
A1 CARB 2996'
BRN NIAG 3064'
TD 3599'

Detail proposed procedures:

CIRCULATE HOLE FULL WITH HEAVY FLUID (10#/GAL MIN. WT.). THROUGH TUBING, SET 85 SX CLASS A CEMENT PLUG ON BOTTOM (TOC @ 2885'). CUT 5 1/2" CSG OFF @ FREE POINT (APPROX 2200'). BALANCE IN 50 SX CLASS A PLUG FROM 2300' TO 2100', THEN A 75 SX PLUG @ 1600' & 50 SX PLUG @ 250'. SPOT 10 SX @ 30' AS TUBING IS RECOVERED FROM HOLE. CUT CSGS OFF 4' BELOW GRD LEVEL & WELD A STEEL PLATE WITH PN ON IT ACROSS TOP.

Name/signature (authorized representative):

Date:

FOR GEOLOGICAL SURVEY DIVISION USE ONLY

DEQ additional requirements:

GEOLOGICAL SURVEY

SEP 04 1997

☐ Yes ☐ No ☐ Not applicable Production tests to commence within 10 days of completion and to be filed

☐ Yes ☐ No Service company records are to be filed

Approved by DEQ:

Office:

GAYLORD

Approval date:

09-03-97

Termination Date:

09-03-98

EQP 7200-6 (Rev 11/96)

Submit original and three (3) copies of this application to the District Office within 60 days of change of well status.

Note: Three copies of Record of Well Plugging or Change of Well status (EQP 7200-8) and any requested service company records are to be filed within 60 days of completion at the District Office.

RECEIVED

GEOLOGICAL SURVEY DIV.

SEP 4 1997

AM
PM
7/8/9/10/11/12/1/2/3/4/5/6





APPLICATION TO:

- ☐ CHANGE WELL STATUS OR
☒ PLUG AND ABANDON WELL

Required by authority of Part 615 Supervisor of Wells or Part 625 Mineral Wells, of Act 451 PA 1994, as amended. Non-submission and/or falsification of this information may result in fines and/or imprisonment.

☒ Part 615 Oil or Gas Well

☐ Part 625 Mineral Well

Change of well status requested to:

- ☐ Plug back ☐ Perforate ☐ Temporarily abandon
☐ Convert to ☐ Other

Last production/injection rate and type of fluid

Brief description of project

PLUG & ABANDON

Permit number

50127

Type of well

OIL

Name and address of permittee

H&H STAR ENERGY INC. D/B/A PETROSTAR ENERGY
P.O. BOX 2410
TRAVERSE CITY, MI 49684-2410

Field/facility name

Well name and number

TOSCH-MOLSON 1-17 HD-1

Well location

NE 1/4 of SW 1/4 of SW 1/4 Section 17 T 34N R 5E

Township

BELKNAP

County

PRESQUE ISLE

Date drilling completed

12/14/95

Date last produced/utilized

1/8/96

Work to be done by

Starting date

9/30/97

CASING AND CEMENTING RECORD

Hole dia	Casing dia & wt/ft	Depths set	Cement quantity, type, additives	Cement top	Perforations
16	16" 1/2 wall	64'	75 sxs Class A	Surf	
14 3/4	11 3/4	250'	225 sxs Class A	Surf	
10 5/8	8 5/8" 32#	1662	275 sxs lt, 200 sxs Class A	Surf	
7 7/8	5 1/2 17#	3222'	150 sxs Class A w/ 18% salt	2300'	open hole
					3222-3599

Formation record (formation and depth of top, oil, gas and water shows, etc.):

GEOLOGICAL SURVEY

SEP 15 1997

Permits & Bonding Unit

Detail proposed procedures:

Circulate with tubing at 3599' (TD). Set a 85 sx Class A plug at TD; top of cement will be 2885'. Cut 5-1/2" csg at approx 2200'. Set a 50 sx plug from 100' in stub to 100' above casing stub. Set a 75 sx plug at 1600', 50 sx at 250'. Wait 4 hrs and tag plug. Set 10 sx at surface, cut off 4' below ground level and weld on 1/2" plate with engraved permit number.

Name/signature (authorized representative):

W. M. J. Palmer

Date:

9/21/97

FOR GEOLOGICAL SURVEY DIVISION USE ONLY

DEQ additional requirements:

☐ Yes ☐ No ☐ Not applicable Production tests to commence within 10 days of completion and to be filed

☐ Yes ☐ No Service company records are to be filed

Approved by DEQ:

John Shoop

Office:

Seaford

Approval date:

9-9-97

Termination Date:

9-9-98

EQP 7200-8 (Rev 11/96)

Submit original and three (3) copies of this application to the District Office within 60 days of change of well status.

Note: Three copies of Record of Well Plugging or Change of Well status (EQP 7200-8) and any requested service company records are to be filed within 60 days of completion at the District Office.

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY - GEOLOGICAL SURVEY DIVISION



**RECORD OF WELL PLUGGING
OR CHANGE OF WELL STATUS**

Required by authority of Part 615 Supervisor of Wells or
Part 625 Mineral Wells of Act 451 PA 1994, as amended
Non-submission and/or falsification of this information
may result in fines and/or imprisonment.

- ☒ Part 615 Oil/Gas Well ☒ Plugging
☐ Part 625 Mineral Well ☐ Change of Well Status

Name and address of contractor/service company WellTech 209 E Park Drive Kalkaska, MI 49646	Permit number 50127	Well name and number Tosch-Molson -17 HD-1
	Name and address of permittee H&H Star Energy, Inc., d/b/a PetroStar Energy PO Box 2410 Traverse City, MI 49685-2410	
	Type of well oil	Field name N/A
	NE 1/4 SW 1/4 SW 1/4 Sec 17 T 34N R 5E	
	Township Belknap	County Presque Isle
	Date plugging/change started 09/13/97	Date plugging/change completed 09/17/97

DEQ employee issuing plugging permit or approving Change of Well Status.
Jean Shoquist

Date issued
9/9/97

Any change of well status which results in a change of production for a prorated well or a change in injectivity must include production or injection test records. All records must include a narrative or daily chronology and signed certification noted on reverse.

**WELL PLUGGING
(Hole conditions after plugging)**

CASING			
Casing size	Where set	Amount casing pulled	Depth casing cut/perfed; or windows milled
8-5/8"	1662'	-	-
5-1/2"	3222'	58 JTS 2297'	2297

PLUGS						
Depth of plug Bottom Top	Make and type of bridge or plug	Cement plugs: type, amount of cement & mix water	Additives, type and percent	Volume and types of spacers/flushed	Wait time	Tagged Top? Y/N
4' Surf	plug	10 Sks Class A	-	none	4	Y
252' 4	plug	75 Sks Class A	-	10 bbls FW	0	Y
1593' 1345	plug	75 Sks Class A	-	10 bbls FW	0	N
2393' 2193	plug	50 Sks Class A	-	10 bbls FW	0	N
3599 2781	plug	85 Sks Class A, FW	-	10 bbls FW	0	N

☐ Check if NORM or other materials were left or reinserted into wellbore. If so, describe materials fully in the Daily Chronology section on reverse.

☐ Check if cores were taken and attach core descriptions

Mail completed original and three copies to the appropriate DEQ district office or to the Lansing office within 60 days after completion of plugging/change of a Part 615 oil/gas well or within 30 days of a Part 625 mineral well.

GEOLOGICAL SURVEY DIVISION
MICHIGAN DEPT OF ENVIRONMENTAL QUALITY
PO BOX 30256
LANSING, MI 48909-7756

GEOLOGICAL SURVEY

OCT 10 1997

CHANGE OF WELL STATUS

Change was to: ☐ Convert current zone to: ☐ Remediate well: ☐ Plugback (recomplete as) ☐ Redrill:

☐ Production ☐ Perf and test existing zone ☐ New production zone ☐ Horizontal drain hole

☐ Disposal ☐ Repair casing/cement ☐ Disposal ☐ Collapsed casing

☐ Secondary recovery ☐ Other _____ ☐ Secondary recovery ☐ Underream open hole

☐ Storage ☐ Storage

☐ Other _____ ☐ Other _____

Well casing record - BEFORE change

Casing		Cement		Perforations			Acid or fracture treatment record
Size	Depth	Sacks	Type	From	To	If plugged, HOW?	

Well casing record - AFTER change (Indicate additions and changes only, complete test record)

Casing		Cement		Perforations			Acid or fracture treatment record
Size	Depth	Sacks	Type	From	To	If plugged, HOW?	

BEFORE CHANGE

Total depth	Completed Fm	Well completed for	
BOPD	MCFGPD	Inj Rate	Pressure

AFTER CHANGE

Total depth	Completed Fm	Well completed for	
BOPD	MCFGPD	Inj Rate	Pressure

DAILY PRODUCTION TEST RECORD

Date	Oil (bbls)	Water (bbls)	Gas (Mcf)	Pressure	
				Tubing	Casing

DAILY INJECTION TEST RECORD ☐ Injection well ☐ Brine disposal

Date	Bbls water or Mcf gas	Pressure		Specific gravity of water
		Beginning	Ending	

DAILY CHRONOLOGY

Describe in detail the daily chronology of change/plugging, include days shut down. Describe exceptions to issued plugging instructions. Describe tools, tubing, etc. left in hole and any logs running. Include dates pits filled, surface restored etc. Use additional pages as needed.

Date	Narrative
	SEE ATTACHED

NOTICE: Under Part 615 Supervisor of Wells or Part 625 Mineral Wells, Act 451 PA 1994, as amended, a well owner has continuing liability for the integrity of a plugged well.

CERTIFICATION "I state that I am authorized by said owner. This report was prepared under my supervision and direction. The facts stated herein are true, accurate and complete to the best of my knowledge."

Name and title (printed or typed) W. MIKE PALMER, OPERATIONS MANAGER	Authorized signature <i>W. Mike Palmer</i>	Date 10/2/97
--	---	------------------------

NOTE: Bonds cannot be terminated until plugging is completed, cellar, rat and mouse holes, and pits filled, site leveled and cleaned and records filed.

Mail completed original and three copies to the DEQ District Office within 60 days after completion of plugging or change of an oil/gas well; or within 30 days after completion of a mineral well.

**PETROSTAR ENERGY
DAILY COMPLETION REPORT**

page 1

WELL NAME TOSCH-MOLSON 1-17 HD-1
REPORT DATE 09/13/97
OPERATOR H & H STAR ENERGY, INC.
DAY NO 1

PERFS OPEN 3222-3599. FORM: NIAGARAN. 0700 MOVE IN RU RIG. SPOT (2) FRAC TANKS. HOOK UP H2S TANK & FLAIR W/FLAME ACCESTER. SITP 780# SICP 720#. INSTALL CHOKE INCSG. HOWCO PUMP 180 BBLs @ 2-1/2 BPM. FLAIR & CHOKE CSG. WELL DEAD. NIPPLE DOWN TREE. NIPPLE UP BOPS. FUNCTION TEST BOP OK. RU FLOOR. RU H2S EQ. TIH TO 3593'. HOWCO PUMP 85 SKS CLASS A FROM 3593 TO EST 2781' PULL 37 STDS. TOO H W/ TBG TO 1280'. LD REMAINING TBG. CLOSE BLIND RAMS.

WELL NAME TOSCH-MOLSON 1-17 HD-1
REPORT DATE 09/16/97
OPERATOR H & H STAR ENERGY, INC.
DAY NO 2

0700 NIPPLE DOWN BOP. CHECK 8-5/8" X 5-1/2 ANNULUS. PSI RUN BAR THRU VALVE. SUSPECTED TRAPPED PSI. OK. NIPPLE DOWN 11 X 7 1/16 3M SPOOL. LOAD 5-1/2 W/ FLUID. DRESS 5-1/2 STUB & WELD ON LIFT SUB. TAG & PULL SLIPS @ 127,000 NIPPLE UP 7-1/16 X 7-1/15 5M XO. XO RAMS TO 5-1/2". RU MICH W.L. RAN FREE POINT. STUCK @ 2352' FREE @ 2300'. TIH W/CUTTER. TAGGING WHERE PUMP JT IS WELDED. GET WELDER. RECUT & REWELD 5-1/2 CSG & WINDOW SLIGHTLY DRESS CSG. RENIPPLE UP BOP. RUN 4-3/4" CUTTER TO 63'. WON'T GO CUTTER SHOULD BE 4-1/2". CLOSE IN FOR NIGHT.

WELL NAME TOSCH-MOLSON 1-17 HD-1
REPORT DATE 09/17/97
OPERATOR H & H STAR ENERGY, INC.
DAY NO 3

TIH W/ COLLAR BUSTER TO 2297', FIRE CB. TOO H W/ WIRELINE. PULL CSG FREE, RD W.L., RU POWER TONGS. LAY DOWN 58 JTS 5-1/2 17# CSG. SWITCH RAMS TO 2-7/8" TIH W/ OPEN END TBG @ 2393' HOWCO PUMP 50 SKS CLASS A, LD TO 1593', PUMP 75 SKS @ 1593'. LD TO 252' PUMP 75 SKS CLASS A. CIRC CEMENT TO SURFACE. LAY DOWN TBG. CEMENT @ SURFACE. CLOSE RAMS & BOP. LOAD OUT 5-1/2 CSG. LOAD OUT WELLHEAD EQ RIG DOWN H2S TANK. SDFN.

WELL NAME TOSCH-MOLSON 1-17 HD-1
REPORT DATE 09/18/97
OPERATOR H & H STAR ENERGY, INC.
DAY NO 4

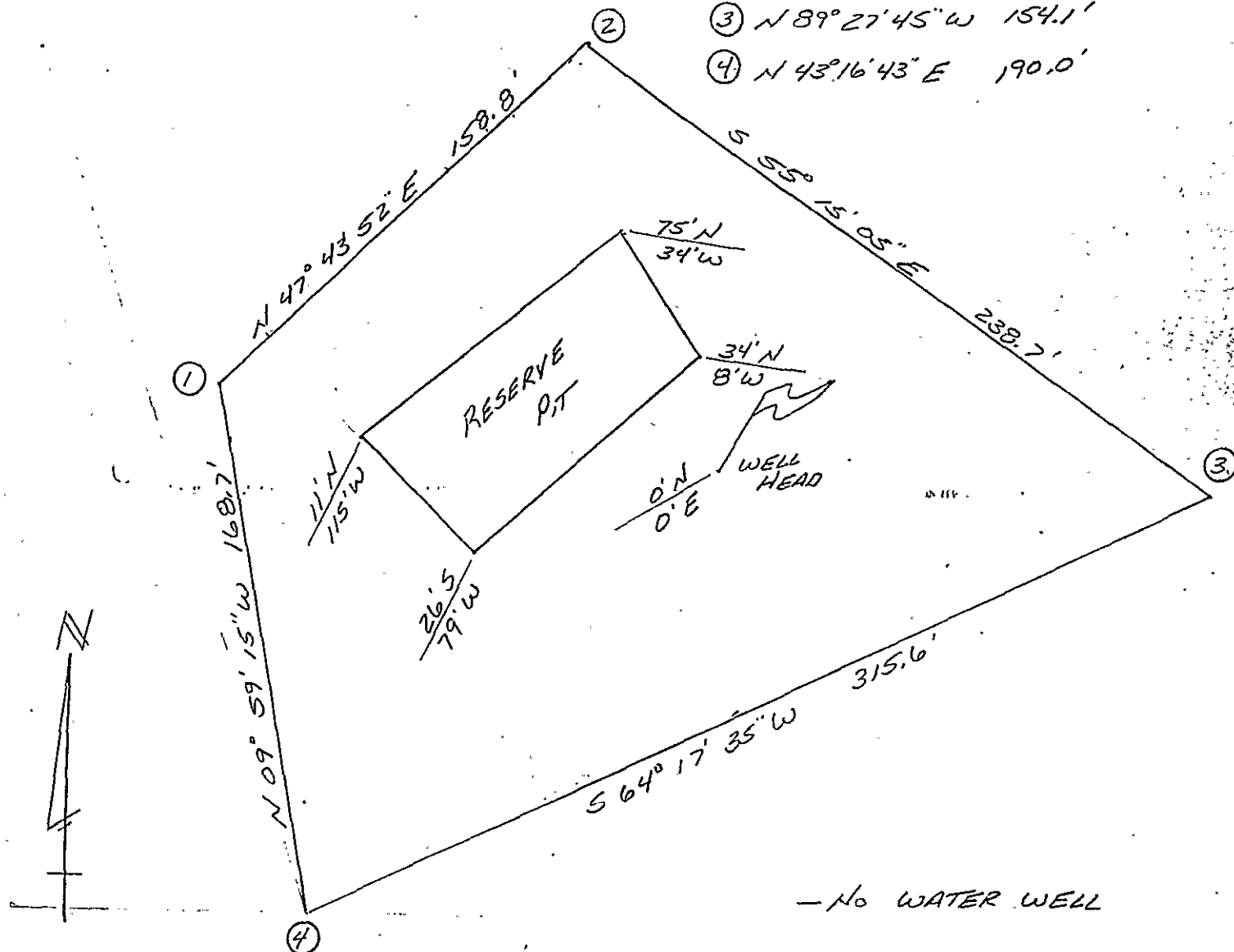
NIPPLE DOWN BOP, NIPPLE DOWN HEAD. RD RIG, MOVE TO ALLIS 2-25. DIG OUT CELLAR 6' BELOW G.L. CUT OFF HEAD. WELD ON 1/2" PLATE W/ "50127" ON PLATE. BACK FILL CELLAR. PULL ANCHORS. PU PLASTIC, CELLAR, CELLAR DIRT & HAUL TO LANDFILL. P&A COMPLETE 9/17/97 ALL EQ OFF LOCATION. READY TO RESTORE.

RECEIVED
DEC 2 1991
JUL 23 2002
GAYLORD

TOSCH MOLSON 1-17
PN: 50127

WELL TIES

- ① S 80°06'38"E 161.9'
- ② S 17°20'36"E 141.0'
- ③ N 89°27'45"W 154.1'
- ④ N 43°16'43"E 190.0'



SCALE: 1" = 50'
DATE: JAN. 5, 1996
JOB NO: 4-96

PLOT PLAN
PROPOSED WELL: TOSCH-MOLSON. NO. 1-17
SECTION 17 T. 34 N., R. 5 E
BELKNAP TOWNSHIP, PRESQUE ISLE COUNTY, MICH
PERMIT NO. GROUND ELEV. 846.7 USGS
RIG NAME AND NO. NO 1214 ON-SITE



REQUEST FOR TRANSFER OF PERMIT

Required by authority of Part 615 Supervisor of Wells or Part 625 Mineral Wells, Act 451 PA 1994 as amended. Non-submission and/or falsification of this information may result in fines and/or imprisonment.

☒ Part 615 Oil/Gas Well☐ Part 625 Mineral Well

Permit number 50127	Well type Oil	Current true vertical depth NA
Well name and number Tosch & Molson 1-17		
Surface location NE 1/4 SW 1/4 SW 1/4 Section 17 T 34N R 5E		
Township Belknap		County Presque Isle

NOTE: Eligibility for permits is conditioned upon compliance with the statutes, rules and orders of the Department of Environmental Quality. Permits shall not be transferred to persons not in compliance. A permit for a well shall not be transferred if the permittee is under notice because of unsatisfactory conditions at the well site until compliance is achieved. The acquiring permittee shall attach a current Organization Report (EQP 7200-13)

This permit does not convey property rights in either real estate or material nor does it authorize any injury to private property or invasion of private or public rights nor does it waive the necessity of seeking federal and local permits or complying with other state statutes.

TRANSFER OF A PERMIT FROM:

Name(s) of Selling Permittee(s) H & H Star Energy, Inc., dba Petrostar Energy	PERMITS & BONDING	Fed. I.D.# or S.S.# 38-2509410
Address: Number and Street, City or Town, State, ZIP Code Telephone 13561 W. Bay Shore, Ste: 3000 P.O. Box 2410 Traverse City, MI 49684		APR 30 2002 (231) 995-7850
All permits rights and responsibilities are discharged by:		GEOLOGICAL SURVEY

Same as above Permittee	W. Mike Palmer Authorized representative name	 Signature	4/23/02 Date
Permittee	Authorized representative name	Signature	Date
Permittee	Authorized representative name	Signature	Date

TRANSFER OF A PERMIT TO:

Name(s) of Acquiring Permittee(s): Howard Energy Co., Inc.	Fed. I.D.# or S.S.# 91-1218779
Address: Number and Street, City or Town, State, ZIP Code 13561 W. Bay Shore, Ste. 3000, P.O. Box 2410 Traverse City, MI 49684	Telephone (231) 995-7850

(We are) (I am) an owner or authorized representative of the owner of the well under this permit and assume full responsibility for the drilling, operation, and abandonment in conformity with the law, regulations and orders.

BOND: ☐ Single Well ☐ Attached Surety or Bank Irwin Union Bank
☒ Blanket ☒ On File Bond Number 80266737 Amount \$250,000.00
☐ Statement of Financial Responsibility

All permittee rights and responsibilities are assumed by:

Howard Energy Co., Inc. Permittee	W. Mike Palmer Authorized representative name	 Signature	4/23/02 Date
Permittee	Authorized representative name	Signature	Date
Permittee	Authorized representative name	Signature	Date

FOR DEPARTMENT OF ENVIRONMENTAL QUALITY USE ONLY

Approved Signature	AUG 19 2002 Date	Distribution by DEQ <input checked="" type="checkbox"/> Lansing <input type="checkbox"/> Selling Owner <input type="checkbox"/> Field <input type="checkbox"/> Acquiring Owner
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REPORT of WELL PERMIT FINAL COMPLETION, TRANSFER or TERMINATION

Permit: **50127** WellName: **TOSCH & MOLSON 1-17HD-1** Activity W/LPA (final comp), TRAN or TERM: **TRAN** Date Effect: **8/19/2002**
CompanyNo: **4444** CoName: **PETROSTAR ENERGY** BondNo: **080266737**
New CoNo: **5034** New CoName: **HOWARD ENERGY CO INC** New BondNo: **80266737**

GSD Field Approval

Field comments:

Surface casing properly abandoned:
Rat, mouse holes are properly abandoned:
Well cellar, pits and excavations filed:
Flowlines, vessels have been properly abandoned:
Water well plugged or permitted under Public Health Code
Debris has been removed:
Surface contour restored and erosion minimized:

Yes
Yes
Yes
Yes
Yes
Yes
Yes

Pit plot is filed:
Water well log is filed:
Plugging records received and reviewed:
Land owner Assumption or Resp.:
Change of Well Status records filed:
H2S analysis is filed:
Other well records are filed:
Loss reports filed:

Yes
Yes
Yes
Yes
Yes
Yes
Yes
Yes

Permit term expired:
Well site construction not begun:

Yes
Yes

Field Apprv: **Yes** Date: **7/24/2002**

GSD Pet Glg/Prod Unit Approval

Drilling Records

Drilling records comments:

Driller's log is filed:
Electric logs are filed:
Certification of surface casing filed:
Well elevations filed:
Directional surveys filed:
Service company records filed as requested:
Drill cuttings and cores delivered:
Deepening records filed:
Other required records are filed:

Yes
Yes
Yes
Yes
Yes
Yes
Yes
Yes
Yes

Drig Apprv: **Yes** Date: **6/19/2002**

GSD Pet Glg/Prod Unit Approval

Engineering/Production Records

Eng/Prod comments:

Well completion report is filed:
Gas and oil production records are filed:
Well capacity tests filed as required:
Reservoir evaluation test data filed:
Secondary recovery records filed:
Injection well operating reports filed:
Other required records filed:

Yes
Yes
Yes
Yes
Yes
Yes
Yes

Eng/Prod Apprv: **Yes** Date: **5/7/2001**

GSD Compliance Unit Approval

Compliance comments:

No compliance cases initiated for this well
Field level cases are closed:
Compliance Unit cases are closed:
Acquiring permittee eligible for permit
Consent agreement signed by acquiring person

Yes
Yes
Yes
Yes
Yes

Compliance Apprv: **Yes** Date: **5/9/2002**

GSD Permit/Bond Unit Approval

Permit and Bond comments:

One yr elapsed since plug date (Part 625 only):
Affidavit of compliance is on file (Part 625 only):
Bond in effect prior to 9/20/95 rule changes:
Final well on a blanket bond?:

NA
NA
No
No

Date Permit/Bond Apprv: **8/19/2002**

Approved by: *David R. Davis* Date: 8/19/2002



JOHN ENGLER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
LANSING



RUSSELL J. HARDING
DIRECTOR

August 29, 2002

Petrostar Energy
13561 W Bay Shore Ste 3000
PO Box 2410
Traverse City, MI 49685-2410

Howard Energy Co Inc
13561 W Bay Shore Dr #3000
PO Box 2410
Traverse City, MI 49685-4550

NOTICE

Pursuant to Part 615, Supervisor of Wells, of the Natural Resources and Environmental Protection Act (NREPA), 1994 PA 451, as amended, the following well permits have been transferred from Petrostar Energy to Howard Energy Co Inc effective August 19, 2002:

Permit No	API Well Number	Well Name and Number
29430	21-137-29430-00-00	WOLF, CARL 1-A
29958	21-137-29958-00-00	WOLF, CARL ET AL "C" 1
29958	21-137-29958-01-00	WOLF, CARL ET AL "C" 1 HD1
29958	21-137-29958-02-00	WOLF, CARL ET AL "C" 1 HD2
39065	21-101-39065-00-00	STATE & FILER 1-1
40505	21-141-40505-00-00	TENNANT & STATE ALLIS 2-24
41842	21-129-41842-00-00	STATE GOODAR 1-21
42282	21-069-41118-01-00	RENO 1-26A
42282	21-069-41118-02-00	RENO 1-26A HD1
42583	21-129-42583-00-00	STATE GOODAR 13-17
42638	21-069-42638-00-00	STATE RENO 1-33
42963	21-069-42963-00-00	PLAINFIELD 6-34
45121	21-141-45121-00-00	STATE ALLIS 2-25
45121	21-141-45121-01-00	STATE ALLIS 2-25 HD1
45121	21-141-45121-02-00	STATE ALLIS 2-25 HD2
47250	21-069-47250-00-00	STATE BURLEIGH 1-26
48727	21-101-48727-00-00	PCA 1-14
48788	21-141-41702-02-00	STATE ALLIS 1-25BHD1
48788	21-141-41702-03-00	STATE ALLIS 1-25B HD2
48788	21-141-41702-04-00	STATE ALLIS 1-25B HD3
49448	21-141-48036-02-00	STATE ALLIS 3-26B HD
✓50127	21-141-33255-02-00	TOSCH & MOLSON 1-17 HD2
50127	21-141-33255-01-00	TOSCH & MOLSON 1-17HD-1
51446	21-141-50703-01-00	STATE ALLIS & FALCON 1-34A
51446	21-141-50703-02-00	STATE ALLIS & FALCON 1-34A HD-1
51446	21-141-50703-03-00	STATE ALLIS & FALCON 1-34A HD2
51446	21-141-50703-04-00	STATE ALLIS & FALCON 1-34A HD3
52408	21-141-50701-01-00	STATE ALLIS & TOMCAT 2-33
54417	21-011-40097-01-00	STATE WHITNEY & PENDRED 1-27

Thirty days from the effective date of the transfer, Howard Energy Co Inc shall be required to erect updated well and surface facility identification signs in accordance with Part 615, R 324.1012, which states:

Rule 1012. (1) A permittee of a well shall ensure that a well is identified by a sign which is posted in a conspicuous place and which is not more than 20 feet from the well. A sign shall be durably constructed, be kept in good condition, and the lettering shall be not less than 1 1/2 inches high and legible under normal conditions at a distance of 25 feet. A sign shall show all of the following information:

- (a) The permit number.
- (b) The name of the permittee.
- (c) The name of the lease and well number.
- (d) The well location by quarter-quarter section, township, and range.
- (e) An emergency telephone number.

(2) A surface facility shall be identified by a sign that shows all of the following information:

- (a) The name of the permittee or owner.
- (b) An emergency telephone number.
- (c) The location by quarter-quarter section, township, and range.

If more than 1 facility is located at a common site, 1 identification sign is sufficient. A sign shall be kept in good condition and the lettering shall be not less than 1 1/2 inches high and legible under normal conditions at a distance of 25 feet.

Please be advised that permits issued pursuant to Part 615 do not convey property rights or material nor do they authorize any injury to private property or invasion of private or public rights nor do they waive the necessity of seeking federal and local permits or complying with other state statutes.

Our bond and permit records have been changed to reflect the change of permittee. Copies of the approved transfer request forms are enclosed.

Sincerely,



David R. Davis
Bond Specialist
Permits and Bonding Unit
Geological Survey Division
517-241-1529

Enclosure
cc: Permit File



JOHN ENGLER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
LANSING



RUSSELL J. HARDING
DIRECTOR

August 19, 2002

HOWARD ENERGY CO INC
13561 W BAY SHORE DR #3000
PO BOX 2410
TRAVERSE CITY, MI 49685

Dear Sir or Madam:

SUBJECT: Oil and Gas Blanket Conformance Bond 80266737

You are hereby notified that the following well(s) has been plugged and abandoned and brought to apparent final completion. Consequently, liability for the well(s) under the subject bond has been released subject to the conditions of the bond.

Notice: The release of a well from a blanket conformance bond does not release the permittee from liability for any violations of the act, the rules, permit conditions, instructions, or orders of the supervisor which occurred during the time the conformance bond was in effect and which have not been corrected and the corrections accepted by the Supervisor.

<u>Permit</u>	<u>API Well Number</u>	<u>Well Name and Number</u>
50127	21141332550100	TOSCH & MOLSON 1-17HD-1
50127	21141332550200	TOSCH & MOLSON 1-17 HD2
53595	21141360300100	STATE ALLIS 1-12A
53595	21141360300200	STATE ALLIS 1-12A HD 1
53684	21141536840000	ARKWOOD 1-19
53774	21141536840100	ARKWOOD 1-19A

Sincerely

David R. Davis
Bond Specialist
Permits and Bonding Unit
Geological & Land Management Division
517-241-1529

cc: Permit File



REPORT of WELL PERMIT FINAL COMPLETION, TRANSFER or TERMINATION

Permit: **50127** WellName: **TOSCH & MOULSON 1-17HD-1** Activity W/LPA (final comp), TRAN or TERM, W/LPA Date Effect: **9/9/2002**
CompanyNo: **4444** CoName: **PETROSTAR ENERGY** BondNo: **7400171**
New CoNo: New CoName: New BondNo:

GSD Field Approval

Field comments:

Surface casing properly abandoned: ☐ Yes
Rat, mouse holes are properly abandoned: ☐ Yes
Well cellar, pits and excavations filled: ☐ Yes
Flowlines, vessels have been properly abandoned: ☐ Yes
Water well plugged or permitted under Public Health Code: ☐ Yes
Debris has been removed: ☐ Yes
Surface contour restored and erosion minimized: ☐ Yes

Pit plot is filed: ☐ Yes
Water well log is filed: ☐ Yes
Plugging records received and reviewed: ☐ Yes
Land owner Assumption or Resp.: ☐ Yes
Change of Well Status records filed: ☐ Yes
H2S analysis is filed: ☐ Yes
Other well records are filed: ☐ Yes
Loss reports filed: ☐ Yes

Permit term expired: ☐ Yes
Well site construction not begun: ☐ Yes
Field Apprvl: ☒ Yes Date: **8/29/2002**

GSD Pet Glg/Prod Unit Approval

Drilling Records

Drilling records comments:

OK BY MB

Driller's log is filed: ☐ Yes
Electric logs are filed: ☐ Yes
Certification of surface casing filed: ☐ Yes
Well elevations filed: ☐ Yes
Directional surveys filed: ☐ Yes
Service company records filed as requested: ☐ Yes
Drill cuttings and cores delivered: ☐ Yes
Deepening records filed: ☐ Yes
Other required records are filed: ☐ Yes

GSD Pet Glg/Prod Unit Approval

Engineering/Production Records

Eng/Prod comments:

OK BY GS 5/21/98

Well completion report is filed: ☐ Yes
Gas and oil production records are filed: ☐ Yes
Well capacity tests filed as required: ☐ Yes
Reservoir evaluation test data filed: ☐ Yes
Secondary recovery records filed: ☐ Yes
Injection well operating reports filed: ☐ Yes
Other required records filed: ☐ Yes

Eng/Prod Apprvl: ☒ Yes Date: **5/21/1998**

GSD Compliance Unit Approval

Compliance comments:

OK BY SS

No compliance cases initiated for this well: ☐ Yes
Field level cases are closed: ☐ Yes
Compliance Unit cases are closed: ☐ Yes
Acquiring permittee eligible for permit: ☐ Yes
Consent agreement signed by acquiring person: ☐ Yes

GSD Permit/Bond Unit Approval

Permit and Bond comments:

One yr elapsed since plug date (Part 625 only): ☐ NA
Affidavit of compliance is on file (Part 625 only): ☐ NA
Bond in effect prior to 9/20/96 rule changes: ☐ No
Final well on a blanket bond?: ☐ No

Date Permit/Bond Apprvl: **9/9/2002**

Approved by: *David K. Davis* Date: **9/9/2002**