

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

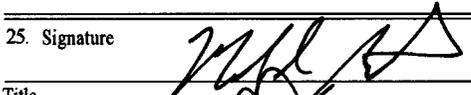
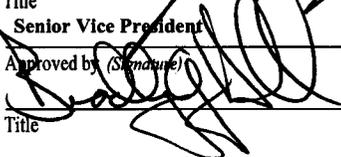
FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. 14-20-H62-5067
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name Ute Indian Tribe
2. Name of Operator FIML Natural Resources, LLC		7. If Unit or CA Agreement, Name and No.
3a. Address 410 17th Street, 9th Floor, Denver, CO 80202		8. Lease Name and Well No. Ute Tribal 3-36-56
3b. Phone No. (include area code) 303-893-5073		9. API Well No. 43-013-33615
4. Location of Well (Report location clearly and in accordance with any State requirements*) At surface NENW 775' FNL & 2,036' FWL 541828X 40.008322 At proposed prod. zone Same as above 4428586Y 110.509929		10. Field and Pool, or Exploratory Wildcat
14. Distance in miles and direction from nearest town or post office* 31 miles southwest of Myton, Utah		11. Sec., T. R. M. or Blk. and Survey or Area Sec 36, T5S-R6W, U.S.B.&M.
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 775'	16. No. of acres in lease 640	17. Spacing Unit dedicated to this well 40
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1,106'	19. Proposed Depth 6,250'	20. BLM/BIA Bond No. on file 8191-82-71
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 7,906' GL (Ungraded)	22. Approximate date work will start* 08/21/2007	23. Estimated duration Seven days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed/Typed) Mark Bingham	Date 12/19/2006
Title Senior Vice President		
Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL	Date 04-05-07
Title ENVIRONMENTAL MANAGER		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

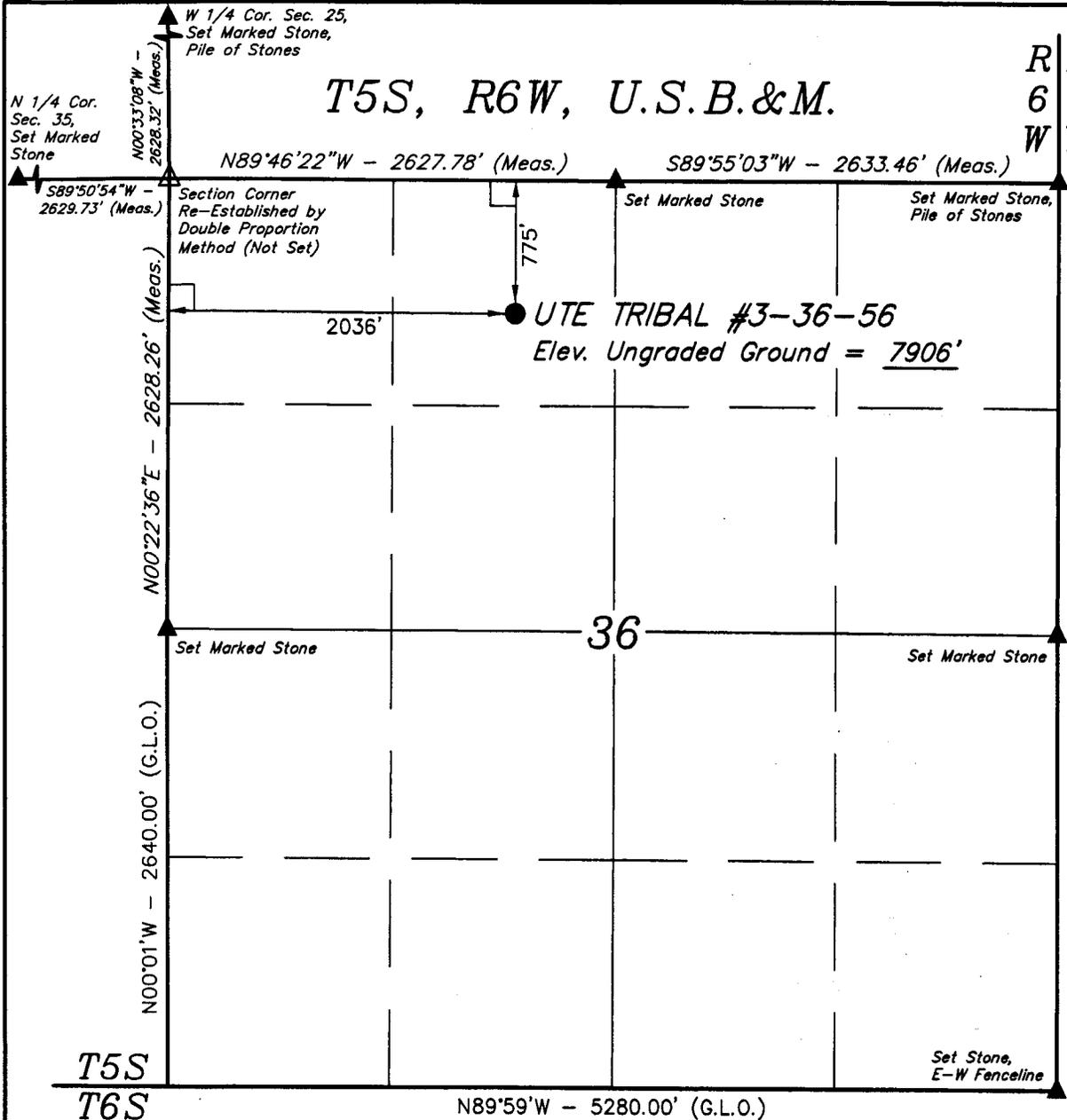
*(Instructions on page 2)

**Federal Approval of this
Action is Necessary**

CONFIDENTIAL

**RECEIVED
APR 04 2007**

DIV. OF OIL, GAS & MINING



UTE/FNR, LLC.

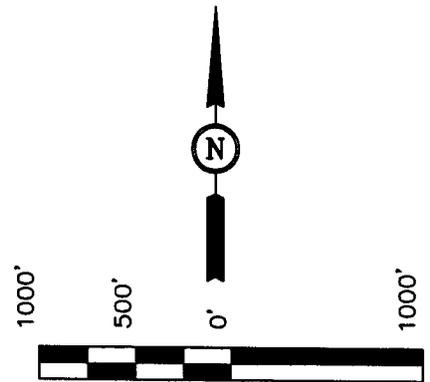
Well location, UTE TRIBAL #3-36-56, located as shown in the NE 1/4 NW 1/4 of Section 36, T5S, R6W, U.S.B.&M., Duchesne County, Utah.

BASIS OF ELEVATION

BENCH MARK (M67) LOCATED IN THE SW 1/4 OF SECTION 9, T5S, R4W, U.S.B.&M., TAKEN FROM THE DUCHESNE SE QUADRANGLE, UTAH, DUCHESNE COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED ON CAP AS BEING 6097 FEET.

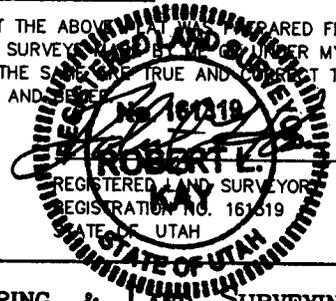
BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



SCALE
CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE INFORMATION WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY AND UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

LEGEND:

- └─┘ = 90° SYMBOL (NAD 83)
- = PROPOSED WELL HEAD. LATITUDE = 40°00'29.95" (40.008319)
LONGITUDE = 110°30'37.95" (110.510542)
- ▲ = SECTION CORNERS LOCATED. (NAD 27)
- △ = SECTION CORNERS RE-ESTABLISHED. (Not Set on Ground) LATITUDE = 40°00'30.09" (40.008358)
LONGITUDE = 110°30'35.40" (110.509833)

SCALE 1" = 1000'	DATE SURVEYED: 11-08-06	DATE DRAWN: 11-10-06
PARTY J.R. R.P. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE UTE/FNR, LLC.	

SELF CERTIFICATION STATEMENT

The following self-certification statement is provided per federal requirements dated June 15, 1988.

Please be advised that FIML Natural Resources, LLC is considered to be the operator of the following well.

Ute Tribal 3-36-56
NE/4 NW/4 775' FNL 2,036' FWL, Section 36 T-5S, R-6W U.S.B. & M.
Lease BIA: #14-20-H62-5067
Duchesne County, Utah

FIML Natural Resources, LLC is responsible under the terms of this lease for the operations conducted upon lease lands.



Rick L. Parks
Operations Manager
FIML Natural Resources, LLC
410 17th Street
Suite 900
Denver, Colorado 80202
(303) 893-5081

FIML NATURAL RESOURCES, LLC

Ute Tribal 3-36-56
NENW 775'FNL 2,036' FWL Sec 36, T-5S, R-6W, U.S.B. & M.
Duchesne County, Utah
BIA Lease Number 14-20-H62-5067

DRILLING PROGRAM

1. Estimated Tops of Geological Markers:

Formation Depth

Uinta	surface
Green River	1,505' (top based on FIML Natural Resources, LLC Green River structure map dated September 26, 2005)
Mahogany Bench	2,593' (top based on FIML Natural Resources, LLC Mahogany Bench structure map dated September 26, 2005)
Garden Gulch	3,521' (top based on FIML Natural Resources, LLC Garden Gulch structure map dated September 26, 2005)
Douglas Creek	4,371' (top based on FIML Natural Resources, LLC Douglas Creek structure map dated September 26, 2005)
Castle Peak	5,284' (top based on FIML Natural Resources, LLC Castle Peak structure map dated September 26, 2005)
Uteland Butte Ls.	5,708' (top based on FIML Natural Resources, LLC Uteland Butte structure map dated September 26, 2005)
Wasatch	5,884' (top based on FIML Natural Resources, LLC Wasatch structure map dated September 26, 2005)
Total Depth	6,250'

2. Estimated Depths of Anticipated Water, Oil, Gas, or Other Minerals:

Substance Formation Depth

Oil/Gas	Douglas Creek	4,371' (top based on FIML Natural Resources, LLC Douglas Creek structure map dated September 26, 2005)
Oil/Gas	Castle Peak	5,284' (top based on FIML Natural Resources, LLC Castle Peak structure map dated September 26, 2005)
Oil/Gas	Uteland Butte	5,708' (top based on FIML Natural Resources, LLC Uteland Butte structure map dated September 26, 2005)
Oil/Gas	Wasatch	5,884' (top based on FIML Natural Resources, LLC Wasatch structure map dated September 26, 2005)
Other Mineral Zones		N/A

3. Pressure Control Equipment:

Please refer to FIML Natural Resources, LLC Standard Operating Procedure (SOP Version: Revised October 6, 2005).

4. Proposed Casing and Cementing Program:

Please refer to FIML Natural Resources, LLC Standard Operating Procedure (SOP Version: Revised October 6, 2005).

5. Drilling Fluids Program:

Please refer to FIML Natural Resources, LLC Standard Operating Procedure (SOP Version: Revised October 6, 2005).

6. Evaluation Program:

Please refer to FIML Natural Resources, LLC Standard Operating Procedure (SOP Version: Revised October 6, 2005).

7. Abnormal Conditions:

Please refer to FIML Natural Resources, LLC Standard Operating Procedure (SOP Version: Revised October 6, 2005).

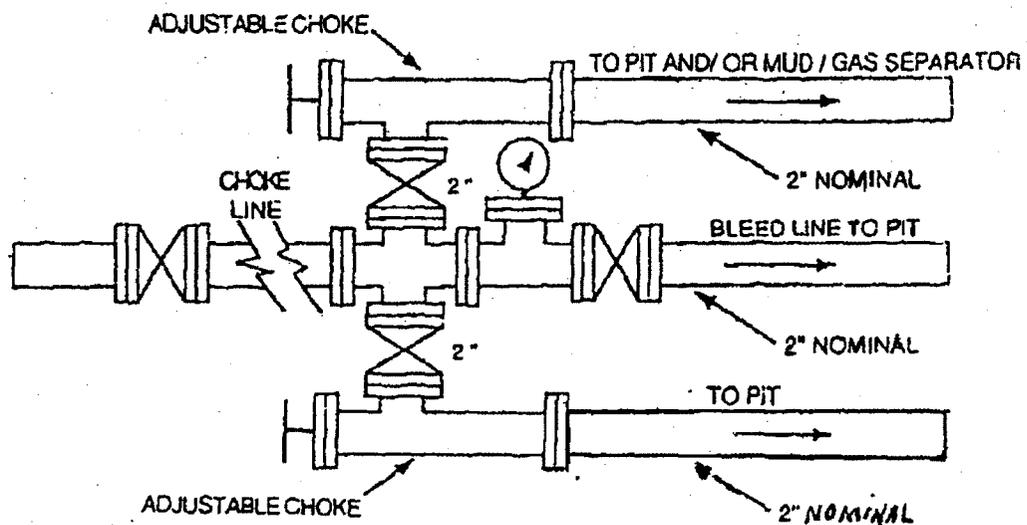
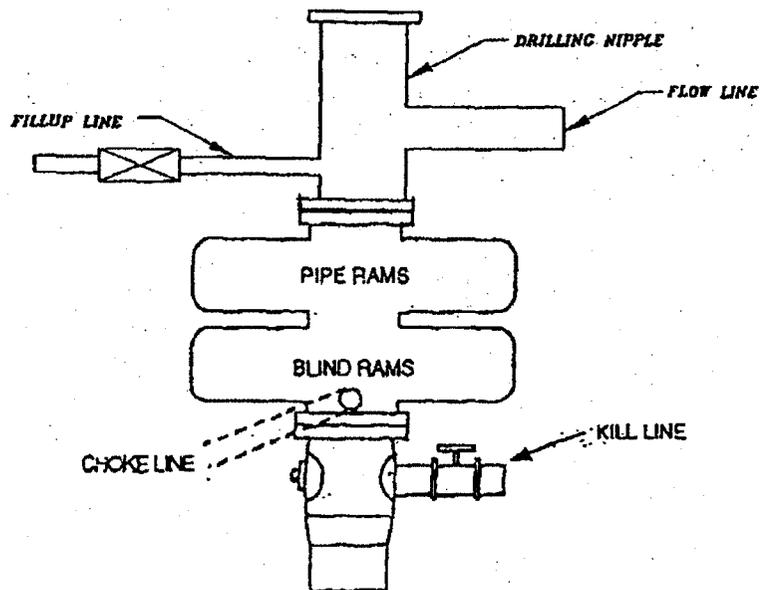
8. Anticipated Starting Dates and Notification of Operations:

Please refer to FIML Natural Resources, LLC Standard Operating Procedure (SOP Version: Revised October 6, 2005).

9. Other Information:

Please refer to FIML Natural Resources, LLC Standard Operating Procedure (SOP Version: Revised October 6, 2005).

2M SYSTEM
BLOWOUT PREVENTER FOR HIGH PRESSURE WELLS
900 SERIES MINIMUM
2000# psi W.P.
BOP 6" X 3000 PSI or 10" X 3000 PSI



FIML NATURAL RESOURCES, LLC

**Ute Tribal 3-36-56
NENW 775' FNL 2,036' FWL, Sec 36, T-5S, R-6W, U.S.B. &M. Duchesne County, Utah
Lease Number 14-20-H62-5067**

Onshore Order No. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads

- A. Start in Myton, Utah. Proceed west on US Highway 40, 8.8 miles to the Antelope Creek/Sowers Canyon Road at the Bridgeland turnoff. Turn south and proceed 15.6 miles on the Sowers Canyon Road. Turn northeast and then northwest for approximately 1.0 mile. Then turn southwest and proceed approximately 8.1 miles along the existing road. Turn west and continue for approximately 300' to the Ute Tribal 3-35-56 well location.
- B. The proposed well site is located approximately 31 miles southwest of Myton, Utah – See attached Topographic Map “A”.
- C. Refer to attached Topographic Map “A”.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. Planned Access Roads

See Topographic Map “B” for the location of the proposed access road.

3. Location of existing wells within a one mile radius of proposed well location

See Topographic Map “C” for the location of existing wells within a one-mile radius.

4. Location of Existing and /or Proposed Facilities

Please refer to FIML Natural Resources, LLC Standard Operating Procedure (SOP Version: October 6, 2005).

5. Location and Type of Water Supply

- A. Water supply will be from East Duchesne Water District, Arcadia, Utah. Section 28, T-3S, R-3W, Duchesne County, Utah. The water right number is 43-10152.
- B. Water will be hauled by Ute Tribal Water Service.
- C. No water well will be drilled on the lease.

6. Source of Construction Materials

Please refer to FIML Natural Resources, LLC Standard Operating Procedure (SOP Version: October 6, 2005).

7. Method of Handling Waste Materials

Please refer to FIML Natural Resources, LLC Standard Operating Procedure (SOP Version: October 6, 2005).

8. Ancillary Facilities

Please refer to FIML Natural Resources, LLC Standard Operating Procedure (SOP Version: October 6, 2005).

9. Well Site Layout

The attached Location Layout diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, pipe racks, trailer parking, spoil dirt stockpile(s) and top soil stockpile(s).

10. Plans for Restoration of the Surface

Please refer to FIML Natural Resources, LLC Standard Operating Procedure (SOP Version: October 6, 2005).

11. Surface Ownership

Access Road: Ute Indian Tribe
Location: Ute Indian Tribe

12. Other Information

Please refer to FIML Natural Resources, LLC Standard Operating Procedure (SOP Version: October 6, 2005).

13. Operator's Representative and Certification

Name: Rick L. Parks
Address: 410 17th Street
Suite 900
Denver, Colorado 80202
Phone No. 303-893-5081
Cellular No. 303-229-7689

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations and Onshore Oil and Gas Orders. FIML Natural Resources, LLC is fully responsible for the actions of its subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

Certification:

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

12/19/06
Date


Rick L. Parks
Operations Manager
FIML Natural Resources, LLC

EPA's LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

- Unused fracturing fluids or acids
- Gas plant cooling tower cleaning wastes
- Painting wastes
- Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids
- Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste
- Refinery wastes
- Liquid and solid wastes generated by crude oil and tank bottom reclaimers
- Used equipment lubrication oils
- Waste compressor oil, filters, and blowdown
- Used hydraulic fluids
- Waste solvents
- Waste in transportation pipeline-related pits
- Caustic or acid cleaners
- Boiler cleaning wastes
- Boiler refractory bricks
- Incinerator ash
- Laboratory wastes
- Sanitary wastes
- Pesticide waste
- Radioactive tracer wastes
- Drums, insulation, and miscellaneous solids

UTE/FNR, LLC.
UTE TRIBAL #3-36-56
 LOCATED IN DUCHESNE COUNTY, UTAH
 SECTION 36, T5S, R6W, U.S.B.&M.

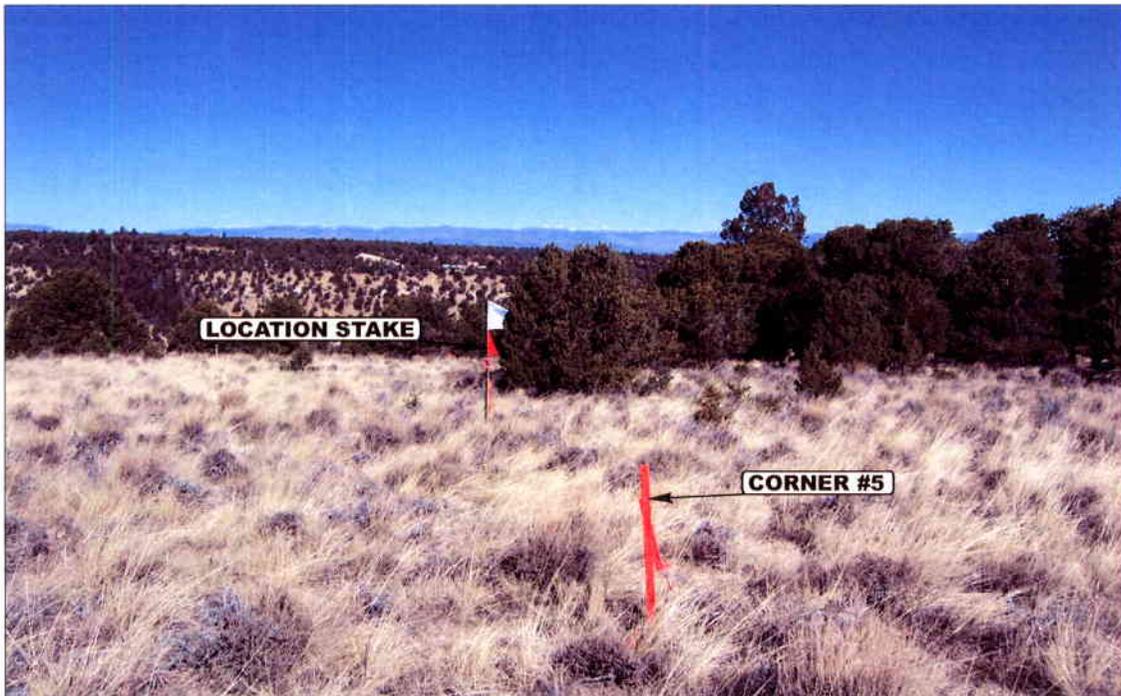


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

**U
E
L
S** Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 435-789-1017 uels@uelsinc.com

LOCATION PHOTOS			11	10	06	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: J.R.	DRAWN BY: C.P.	REVISED: 00-00-00				

UTE/FNR, LLC.

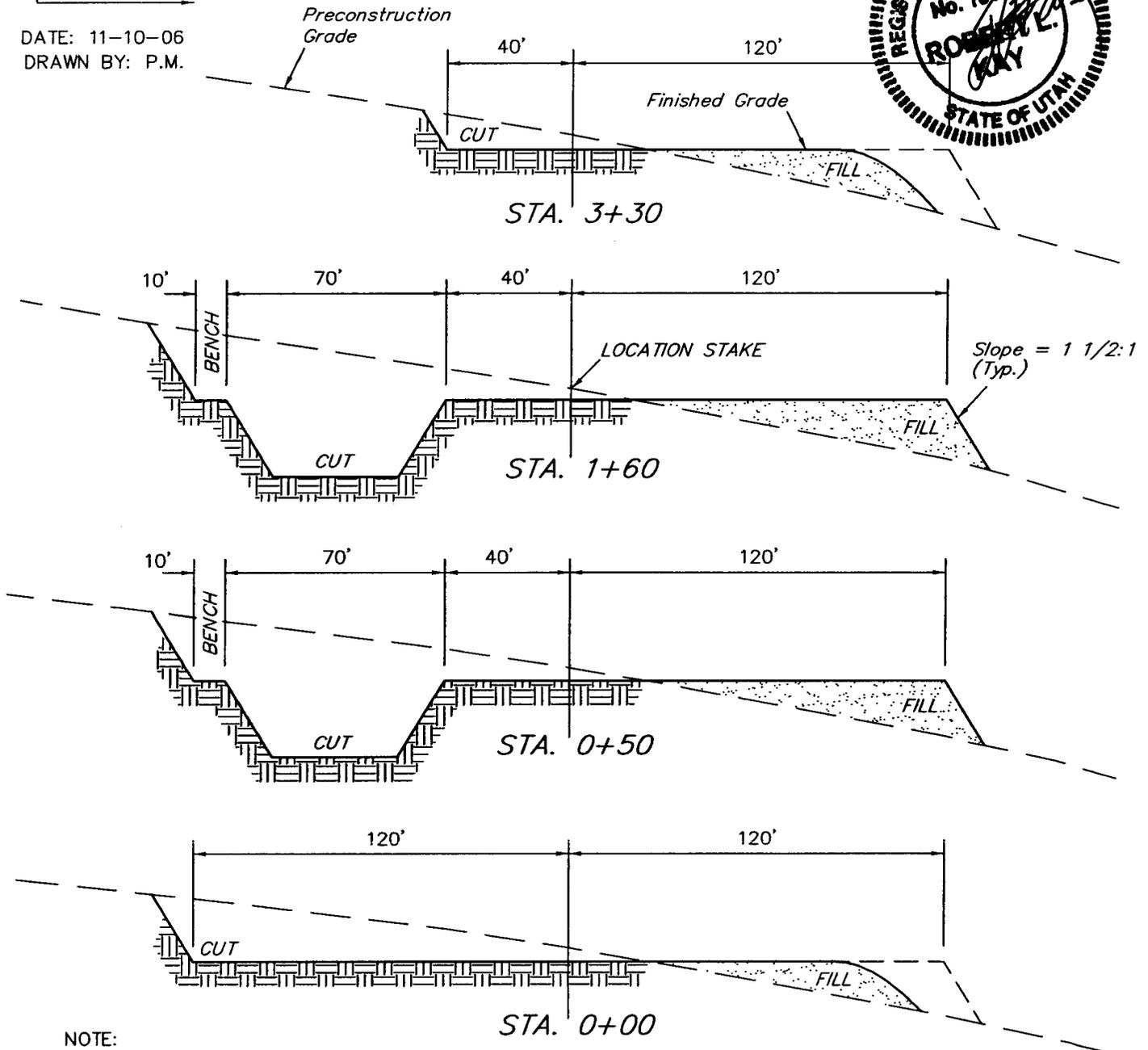
TYPICAL CROSS SECTIONS FOR

UTE TRIBAL #3-36-56
SECTION 36, T5S, R6W, U.S.B.&M.
775' FNL 2036' FWL



1" = 20'
X-Section Scale
1" = 50'

DATE: 11-10-06
DRAWN BY: P.M.



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

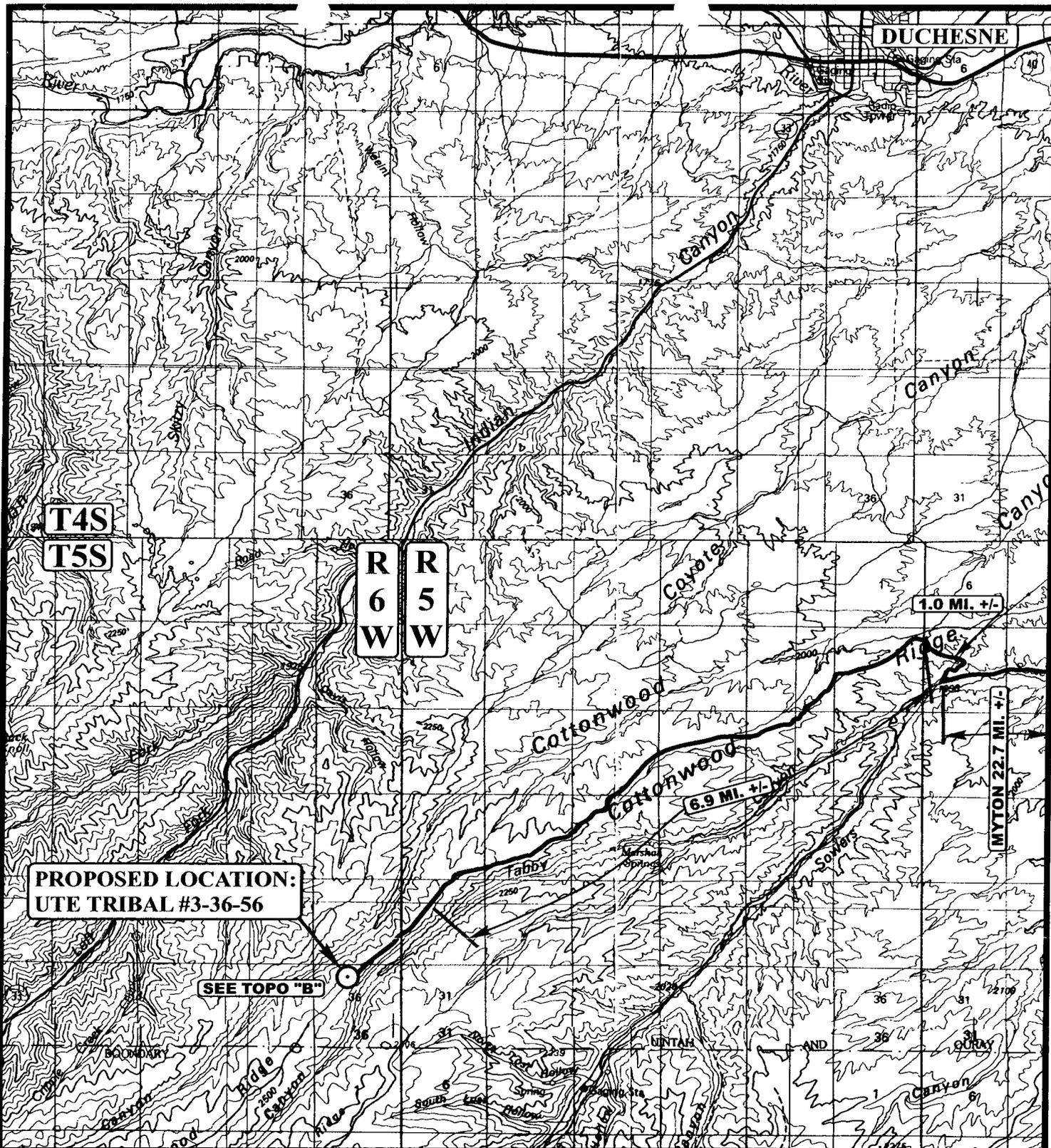
* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(12") Topsoil Stripping	= 3,120 Cu. Yds.
Remaining Location	= 8,540 Cu. Yds.
TOTAL CUT	= 11,660 CU.YDS.
FILL	= 6,740 CU.YDS.

EXCESS MATERIAL	= 4,920 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 4,920 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.



LEGEND:

○ PROPOSED LOCATION

UTE/FNR, LLC.

**UTE TRIBAL #3-36-56
SECTION 36, T5S, R6W, U.S.B.&M.
775' FNL 2036' FWL**



Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

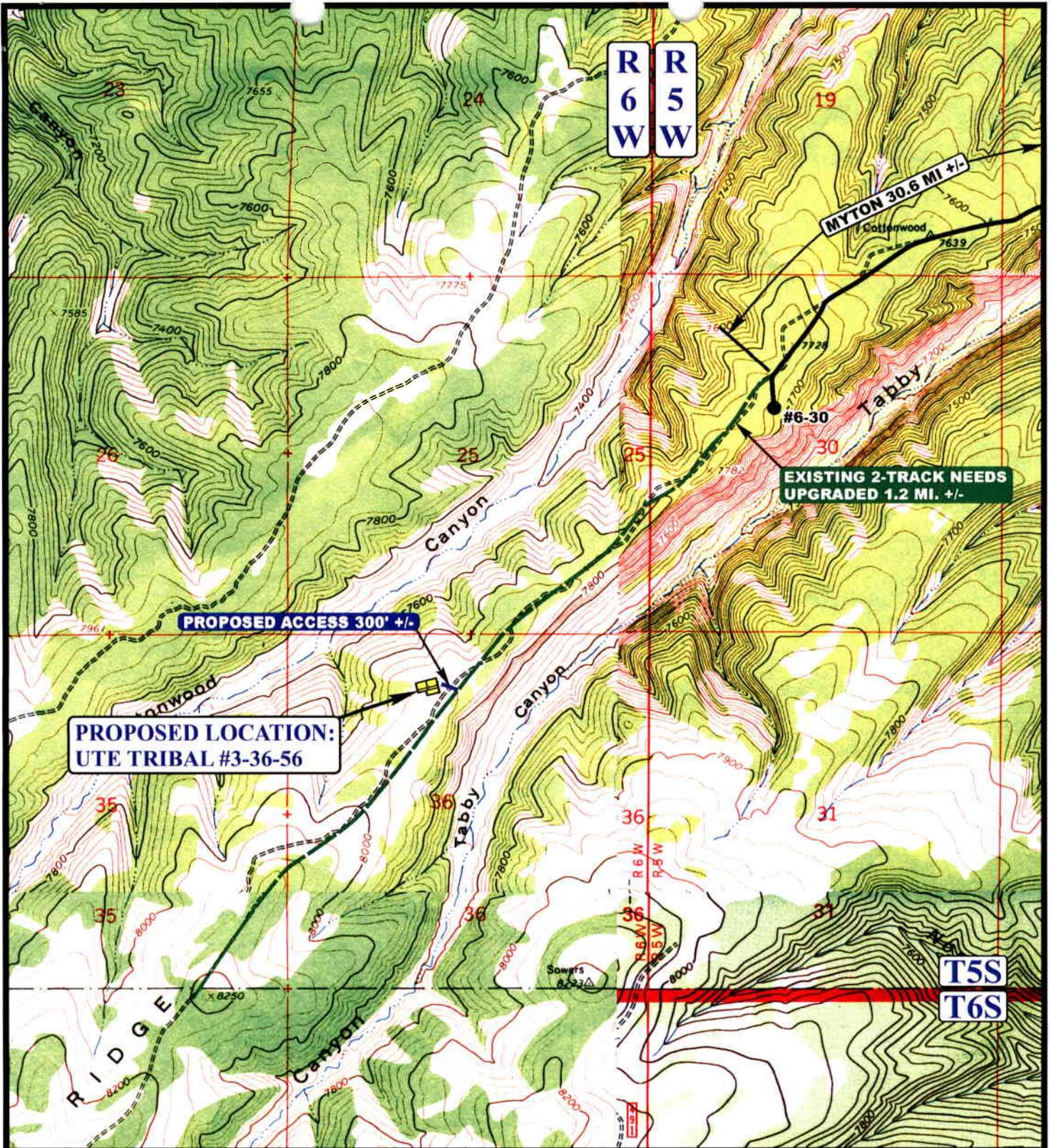


**TOPOGRAPHIC
MAP**

11	10	06
MONTH	DAY	YEAR

SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00





PROPOSED ACCESS 300' +/-

**PROPOSED LOCATION:
UTE TRIBAL #3-36-56**

**EXISTING 2-TRACK NEEDS
UPGRADED 1.2 MI. +/-**

MYTON 30.6 MI +/-

**R
6
W** **R
5
W**

**T5S
T6S**

LEGEND:

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD
-  EXISTING 2-TRACK NEEDS UPGRADED



UTE/FNR, LLC.

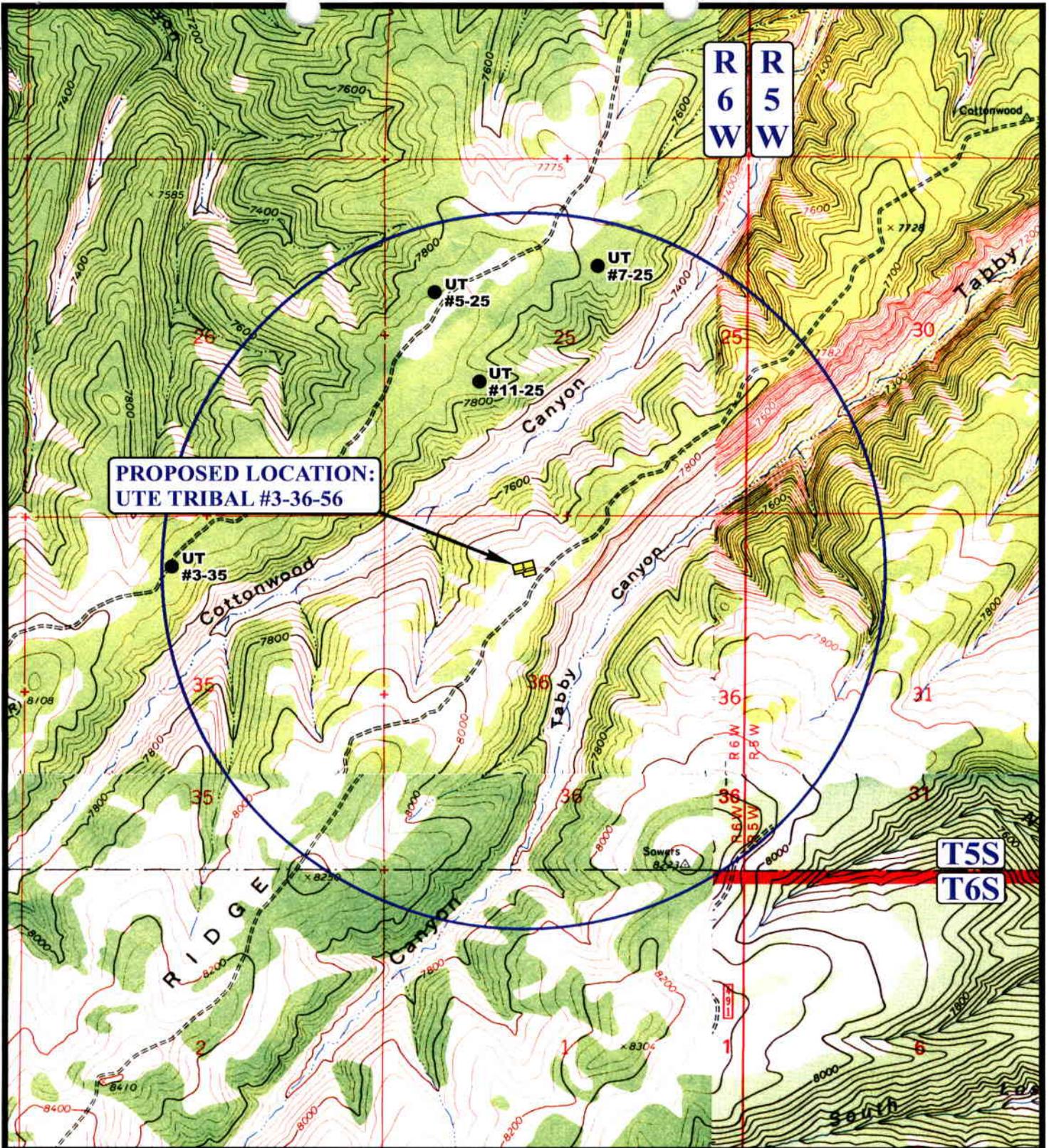
**UTE TRIBAL #3-36-56
SECTION 36, T5S, R6W, U.S.B.&M.
775' FNL 2036' FWL**



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP **11 10 06**
MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





**PROPOSED LOCATION:
UTE TRIBAL #3-36-56**

**R
6
W** **R
5
W**

**T5S
T6S**

LEGEND:

- ⊗ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ⊗ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

UTE/FNR, LLC.

**UTE TRIBAL #3-36-56
SECTION 36, T5S, R6W, U.S.B.&M.
775' FNL 2036' FWL**

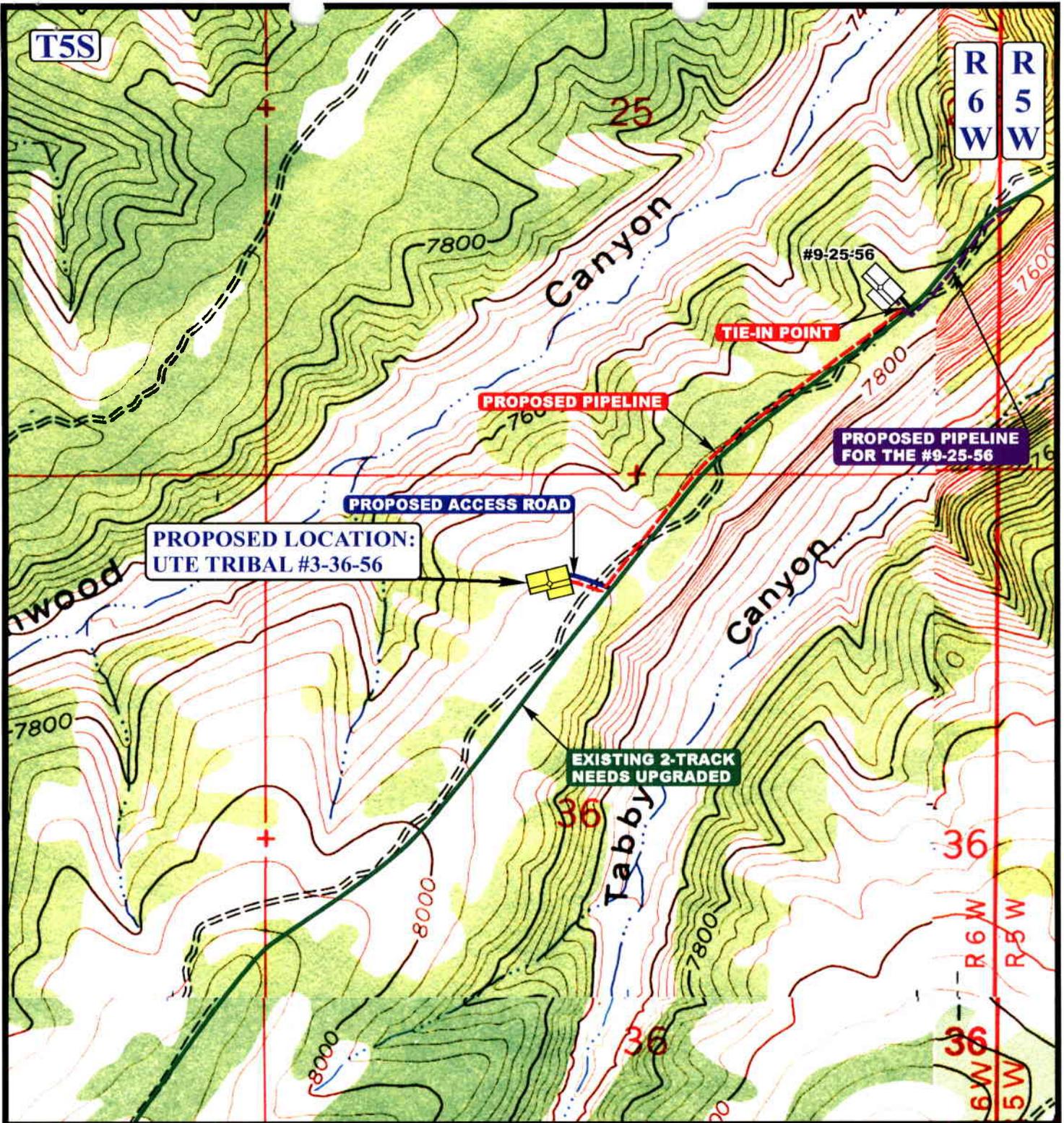


Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC MAP **11 10 06**
MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 3,387' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING 2-TRACK NEEDS UPGRADED
- - - - - PROPOSED PIPELINE
- - - - - PROPOSED PIPELINE (SERVICING OTHER WELLS)

UTE/FNR, LLC.

UTE TRIBAL #3-36-56
SECTION 36, T5S, R6W, U.S.B.&M.
775' FNL 2036' FWL



Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP **11 10 06**
MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 00-00-00



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 04/04/2007

API NO. ASSIGNED: 43-013-33615

WELL NAME: UTE TRIBAL 3-36-56
 OPERATOR: FIML NATURAL RESOURCES, (N2530)
 CONTACT: MARK BINGHAM

PHONE NUMBER: 303-893-5073

PROPOSED LOCATION:

NENW 36 050S 060W
 SURFACE: 0775 FNL 2036 FWL
 BOTTOM: 0775 FNL 2036 FWL
 COUNTY: DUCHESNE
 LATITUDE: 40.00832 LONGITUDE: -110.5099
 UTM SURF EASTINGS: 541828 NORTHINGS: 4428586
 FIELD NAME: WILDCAT (1)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 2 - Indian
 LEASE NUMBER: 14-20-H62-5067
 SURFACE OWNER: 2 - Indian

PROPOSED FORMATION: WSTC
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

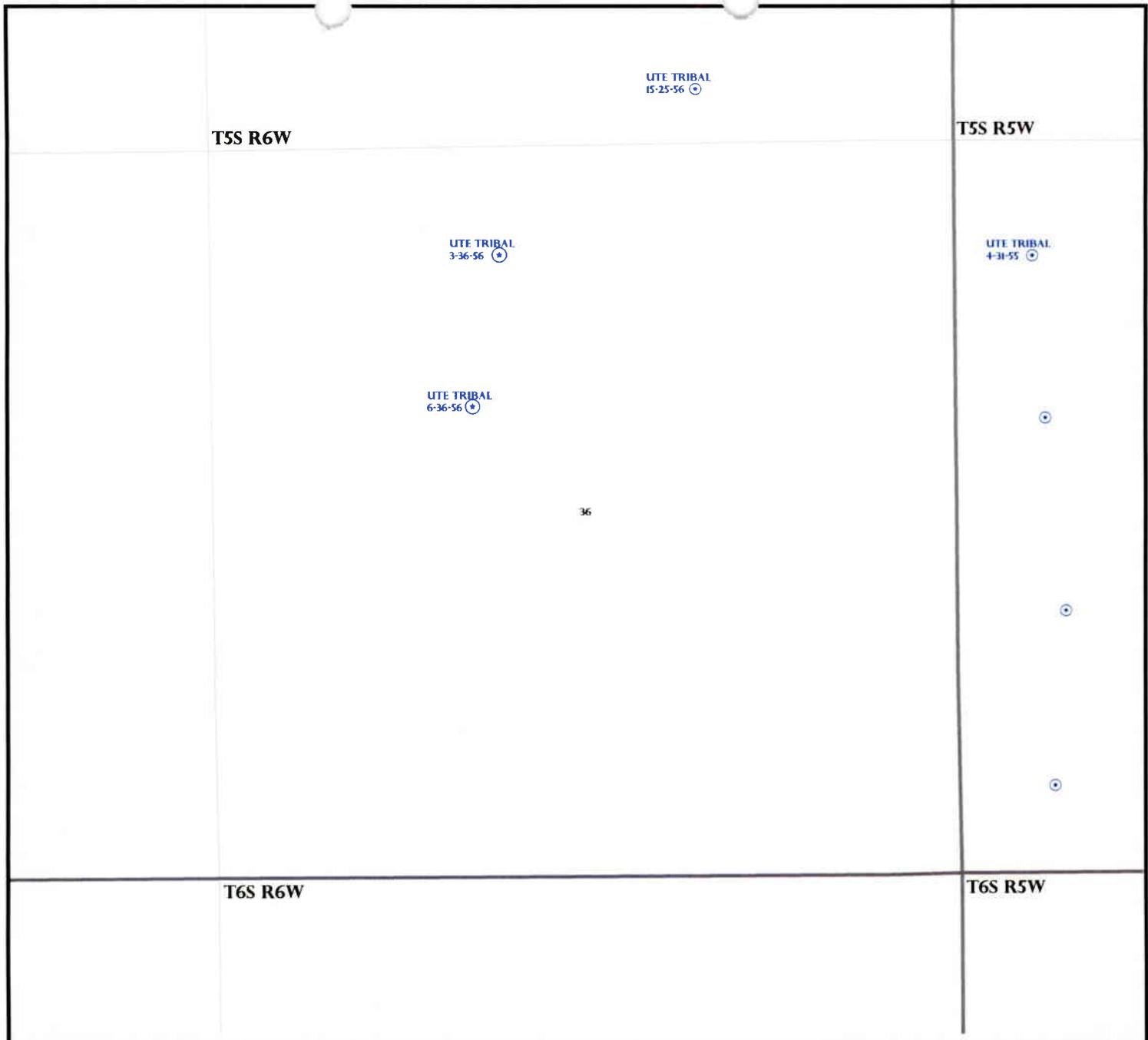
- Plat
- Bond: Fed[] Ind[2] Sta[] Fee[]
(No. 8191-82-71)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-10152)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit: _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
- Board Cause No: _____
- Eff Date: _____
- Siting: _____
- R649-3-11. Directional Drill

COMMENTS: Sup, Separate file

STIPULATIONS: 1. Sealed Approval
2. Spacing Well



OPERATOR: FIML NATURAL RES (N2530)

SEC: 35 T.5S R. 6W

FIELD: WILDCAT (001)

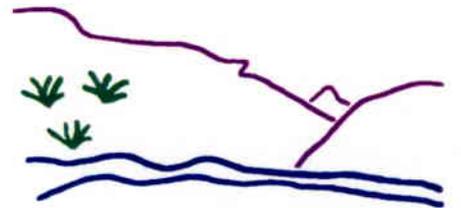
COUNTY: DUCHESNE

SPACING: R649-3-2 / GENERAL SITING

- Field Status**
- ABANDONED
 - ACTIVE
 - COMBINED
 - INACTIVE
 - PROPOSED
 - STORAGE
 - TERMINATED

- Unit Status**
- EXPLORATORY
 - GAS STORAGE
 - NF PP OIL
 - NF SECONDARY
 - PENDING
 - PI OIL
 - PP GAS
 - PP GEOTHERML
 - PP OIL
 - SECONDARY
 - TERMINATED

- Wells Status**
- GAS INJECTION
 - GAS STORAGE
 - LOCATION ABANDONED
 - NEW LOCATION
 - PLUGGED & ABANDONED
 - PRODUCING GAS
 - PRODUCING OIL
 - SHUT-IN GAS
 - SHUT-IN OIL
 - TEMP. ABANDONED
 - TEST WELL
 - WATER INJECTION
 - WATER SUPPLY
 - WATER DISPOSAL
 - DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA MASON
DATE: 04-APRIL-2007



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

April 5, 2007

FIML Natural Resources, LLC
410 17th Street, 9th Floor
Denver, CO 80202

Re: Ute Tribal 3-36-56 Well, 775' FNL, 2036' FWL, NE NW, Sec. 36, T. 5 South,
R. 6 West, Duchesne County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-33615.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Duchesne County Assessor
Bureau of Land Management, Vernal Office

Operator: FIML Natural Resources, LLC

Well Name & Number Ute Tribal 3-36-56

API Number: 43-013-33615

Lease: 14-20-H62-5067

Location: NE NW **Sec.** 36 **T.** 5 South **R.** 6 West

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division with 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 office
(801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

March 31, 2008

Cassandra Parks
FIML Natural Resources, LLC
410 17TH Street, 9th Floor
Denver, CO 80202

Re: APD Rescinded – Ute Tribal 3-36-56, Sec. 36, T. 5S, R. 6W
Duchesne County, Utah API No. 43-013-33615

Dear Ms. Parks:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (the Division) on April 5, 2007. On March 31, 2008, you requested that the division rescind the approved APD. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective March 31, 2008.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject locations.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal

