

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL			5. MINERAL LEASE NO: Fee	6. SURFACE: Fee
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>			8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: Slate River Resources, LLC			9. WELL NAME and NUMBER: Mustang 1320-14P	
3. ADDRESS OF OPERATOR: 418 East Main <small>CITY</small> Vernal <small>STATE</small> UT <small>ZIP</small> 84078		<small>PHONE NUMBER:</small> (435) 781-1871	10. FIELD AND POOL, OR WILDCAT: Undesignated Wildcat	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 837' FSL & 729' FEL 416731X 39.681564 AT PROPOSED PRODUCING ZONE: same as above 4393091Y -109.638847			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 14 13S 20E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 71.8 miles south of Vernal, UT.			12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 729'	16. NUMBER OF ACRES IN LEASE: 640	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 2,900'	19. PROPOSED DEPTH: 8,000	20. BOND DESCRIPTION: B-001556		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6,180' GR	22. APPROXIMATE DATE WORK WILL START: 12/1/2005	23. ESTIMATED DURATION: 30 Days		

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4	9 5/8 H-40 32#	2,000	CEMENT "V"	180 SKS	3.82 CF 15.8 PPG
			CEMENT "G"	225 SKS	1.15 CF 15.8 PPG
7 7/8	4 1/2 M-80 11.6#	8,000	PREMIUM CEMENT	140 SKS	3.82 CF 11.0 PPG
			CLASS "G"	580 SKS	1.26 CF 14.15 PPG

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input checked="" type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

CONFIDENTIAL

NAME (PLEASE PRINT) Ginger Stringham TITLE Agent
SIGNATURE *Ginger Stringham* DATE 10/17/2005

(This space for State use only)

API NUMBER ASSIGNED: 43-047-37288

Approved by the
Utah Division of
Oil, Gas and Mining
APPROVAL:

Date: 11-17-05
By: *[Signature]*

RECEIVED
OCT 20 2005

DIV. OF OIL, GAS & MINING

DESIGNATION OF AGENT OR OPERATOR

The undersigned is, on record, the holder of oil and gas lease

LEASE NAME: Fee Leases, see attached

LEASE NUMBER: Fee, no numbers assigned

and hereby designates

NAME: Ginger Stringham, Paradigm Consulting Inc.

ADDRESS: PO Box 790203

city Vernal state UT zip 84078

as his (check one) agent / operator , with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Division Director or Authorized Agent may serve written or oral instructions in securing compliance with the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah with respect to:

(Describe acreage to which this designation is applicable. Identify each oil and gas well by API number and name. Attach additional pages as needed.)
Fee leases, see attached

It is understood that this designation of agent/operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah. It is also understood that this designation of agent or operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated agent/operator, the lessee will make full and prompt compliance with all rules, lease terms or orders of the Board of Oil, Gas and Mining of the State of Utah or its authorized representative.

The lessee agrees to promptly notify the Division Director or Authorized Agent of any change in this designation.

Effective Date of Designation: 03/01/2005

BY: (Name) J.T. Conley
(Signature) *J.T. Conley*
(Title) VP Operations
(Phone) (435) 781-1871

OF: (Company) Slate River Resources, LLC
(Address) 418 East Main
city Vernal
state UT zip 84078

UT10001.000

Eagle Minerals Ltd. Oil and Gas Lease

Dated February 1, 2005

Recorded Book 914, Page 535 Uintah County, Utah

DESCRIPTION OF LEASED PREMISES:

TOWNSHIP 12 SOUTH, RANGE 20 EAST, S.L.M.

Section 21:	All (640.00 acres)	Serial Number: 10:079:0001
Section 22:	All (640.00 acres)	Serial Number: 10:080:0001
Section 23:	All (640.00 acres)	Serial Number: 10:081:0001
Section 24:	W/2 (320.00 acres)	Serial Number: 10:082:0001
Section 25:	W/2 (320.00 acres)	Serial Number: 10:083:0001
Section 26:	All (640.00 acres)	Serial Number: 10:084:0001
Section 27:	All (640.00 acres)	Serial Number: 10:085:0001
Section 28:	All (640.00 acres)	Serial Number: 10:086:0001
Section 29:	All (640.00 acres)	Serial Number: 10:087:0001
Section 35:	All (640.00 acres)	Serial Number: 10:089:0001

TOWNSHIP 12 SOUTH, RANGE 21 EAST, S.L.M.

Section 31:	Lots 3, 4, E/2SW/4 (SW/4) (149.66 acres)	Serial Number: 10:093:0002
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TOWNSHIP 13 SOUTH, RANGE 20 EAST, S.L.M.

Section 1:	Lots 1,2,3,4, S/2N/2, S/2 (All) (640.24 acres)	Serial Number: 11:004:0001
Section 3:	Lots 1,2,3,4, S/2N/2, S/2 (All) (641.80 acres)	Serial Number: 11:005:0001
Section 4:	Lots 1,2,3,4, S/2N/2, S/2 (All) (642.00 acres)	Serial Number: 11:006:0001
Section 5:	Lots 1,2,3,4, S/2N/2, S/2 (All) (641.40 acres)	Serial Number: 11:007:0001
Section 6:	Lots 1,2,3,8,10,11,13, S/2 NE/4, SE/4NW/4, E/2SW/4, SE/4 (585.52 acres)	Serial Number: 11:008:0001
Section 7:	Lots 2,3,4,5, E/2W/2, E/2 (All) (636.15 acres)	Serial Number: 11:009:0001
Section 8:	All (640 acres)	Serial Number: 11:010:0001
Section 9:	All (640 acres)	Serial Number: 11:011:0001
Section 10:	All (640 acres)	Serial Number: 11:012:0001
Section 11:	All (640 acres)	Serial Number: 11:013:0001
Section 12:	All (640 acres)	Serial Number: 11:014:0001
Section 13:	All (640 acres)	Serial Number: 11:015:0001
Section 14:	All (640 acres)	Serial Number: 11:016:0001
Section 15:	E/2 (320 acres)	Serial Number: 11:017:0001
Section 22:	E/2 (320 acres)	Serial Number: 11:018:0001
Section 23:	All (640 acres)	Serial Number: 11:019:0001
Section 24:	All (640 acres)	Serial Number: 11:020:0001
Section 25:	All (640 acres)	Serial Number: 11:021:0001
Section 26:	All (640 acres)	Serial Number: 11:022:0001
Section 27:	NE/4 (160 acres)	Serial Number: 11:023:0001

TOWNSHIP 13 SOUTH, RANGE 21 EAST, S.L.M.

Section 6:	Lots 3,4,5,6,7, SE/4NW/4, E/2SW/4 (W/2) (299.60 acres)	Serial Number: 11:026:0002
Section 7:	Lots 1,2,3,4, E/2W/2 (W/2) (300.28 acres)	Serial Number: 11:027:0002
Section 18:	Lots 1,2,3,4, E/2W/2 (W/2) (301.64 acres)	Serial Number: 11:033:0001
Section 19:	Lots 1,2,3,4, E/2W/2 (W/2) (303.44 acres)	Serial Number: 11:034:0001
Section 30:	Lots 1,2,3,4, E/2W/2 (W/2) (304.80 acres)	Serial Number: 11:038:0001
Section 31:	Lots 1,2, E/2NW/4 (NW/4) (153.27 acres)	Serial Number: 11:039:0001

UINTAH COUNTY, UTAH

containing a total of 19,199.80 acres, more or less

UT10002.000

Uintah Oil Association Oil & Gas Lease

Dated September 15, 2004

Recorded Book 904, Page 1 Uintah County, Utah

Description of Leased Premises

Township 12 South, Range 21 East

Sec 31: SE/4

Sec 32: S/2

Township 13 South, Range 21 East

Sec 5: Lots 2,3,4, S/2NW/4, SW/4NE/4, SW/4, W/2SE/4

Sec 6: Lots 1,2, S/2NE/4, SE/4

Sec 7: E/2

Sec 8: W/2, W/2NE/4, NW/4SE/4

Uintah County, Utah

2,038.96 acres

UT10003.000

Utah Oil Shales, Inc. Oil & Gas Lease

Dated September 15, 2004

Recorded Book 904, Page 9 Uintah County, Utah

Description of Leased Premises

Township 13 South, Range 21 East

Sec 4: Lots 1,2,3,4, S/2N/2, S/2

Sec 5: Lot 1, SE/4NE/4, E/2SE/4

Sec 8: E/2E/2, SW/4SE/4

Sec 9: All

Sec 16: W/2

Sec 17: E/2

Uintah County, Utah

2,278.69 acres

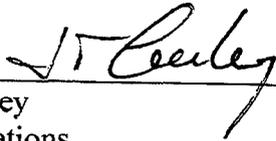
AFFIDAVIT OF SURFACE OWNER USE AGREEMENT

Slate River Resources, LLC has in place, agreements with the surface owners of the following leases. Slate River Resources, LLC is the operator and makes this certification that the agreements provide for management of the Fee surface lands under development.

Eagle Minerals Ltd. Oil and Gas Lease

Uintah Oil Association Oil & Gas Lease

Utah Oil Shales, Inc. Oil & Gas Lease



J.T. Conley
VP Operations
Slate River Resources, LLC
418 East Main
Vernal, UT 84078
435-781-1871

Ten Point Plan

Slate River Resources, LLC

Mustang 1320-14P

Section 14, Township 13 South, Range 20 East, SE¼ SE¼

1. Surface Formation

Green River

2. Estimated Formation Tops and Datum:

<u>Formation</u>	<u>Depth</u>	<u>Datum</u>
Green River	Surface	6,180'G.R.
Wasatch	2370'	3,810'
Mesaverde	4870'	1,310'
Castlegate	6850'	-670'
Mancos	7500'	-1,320'
TD	8000'	-1,820'

A 12 ¼ hole will be drilled to 2,000' +/- . The hole depth will depend on the depth that the Birds Nest Zone is encountered. The hole will be drilled 400' beyond the top of the Birds Nest.

3. Producing Formation Depth:

Formation objective includes the Green River, Wasatch, Mesaverde and its sub-members.

Off Set Well information (Wells within a one-mile radius)

Drilling/Permitted:

Mustang 1320-13D

Mustang 1320-24E

Abandon Well:

Champlin 23-1A

4. Proposed Casing:

<u>Hole Size</u>	<u>Casing Size</u>	<u>Weight/FT</u>	<u>Grade</u>	<u>Coupling & Tread</u>	<u>Casing Depth</u>	<u>New/Used</u>
12 ¼	9 5/8	32#	H-40	ST&C	2000	NEW
7 7/8	4 ½	11.6#	M-80	LT&C	T.D.	NEW

Cement Program:

The Surface Casing will be cemented to the Surface as follows:

	<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
Lead:	9 5/8	Cement "V" Gel 16% BWOC Gilsonite 10#/sk Salt 3% BWOC GR-3 3#/sk Flocele ¼#/sk	180 sks +/-	3.82 ft³/sk	15.8 ppg
Tail:	9 5/8	Cement "G" Calcium Chloride 2% BWOC Flocele ¼ #/sk 0.1% R-3 2% Bentonite	225 sks. +/-	1.15 ft³/sk	15.8 ppg
Top Out:	9 5/8	Cement "G" Calcium Chloride 3%BWOC Flocele ¼ #/sk	100 sks +/-	1.15 ft³/sk	15.8 ppg

Production casing will be cemented to 2,000' or higher as follows:

<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
Lead: 4 1/2	Premium Cement 100% Gel 16% BWOC Salt 3% BWOC Gilsonite 10#/sk Flocele 1/4 #/sk GR-3 3#/sk	140 sks +/-	3.82ft ³ /sk	11.0 ppg
Tail: 4 1/2	Class "G" 50% POZ 50% Gel 2% BWOC Salt 10%BWOC Dispersant .2% BWOC Fluid loss .3% Flocele 1/4 #/sk	580 sks +/-	1.26ft ³ /sk	14.15 ppg

5. BOP and Pressure Containment Data:

The anticipated bottom hole pressure will be less than 3600 psi.

A 3000-psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 9 5/8" surface casing. The BOP system including the casing will be pressure tested to minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

6. Mud Program:

<u>Interval</u>	<u>Mud weight lbs./gal.</u>	<u>Viscosity Sec./OT.</u>	<u>Fluid Loss Ml/30 Mins.</u>	<u>Mud Type</u>
0-2000	Air/Mist	-----	No Control	Air/Air mist
2000-T.D.	8.4-12.0	30	8-10	Water/Gel

7. Auxiliary Equipment

Upper Kelly cock, full opening stabbing valve, 2 ½" choke manifold and pit level indicator.

8. Testing, Coring, Sampling and Logging:

- a) Test: None are anticipated.
- b) Coring: There is the possibility of sidewall coring.
- c) Sampling: Every 25' from 2000' to T.D.
- d) Logging:

Type	Interval
DLL/SFL W/GR and SP	T.D. to Surf. Csg
FDC/CNL W/GR and CAL	T.D. to Surf. Csg

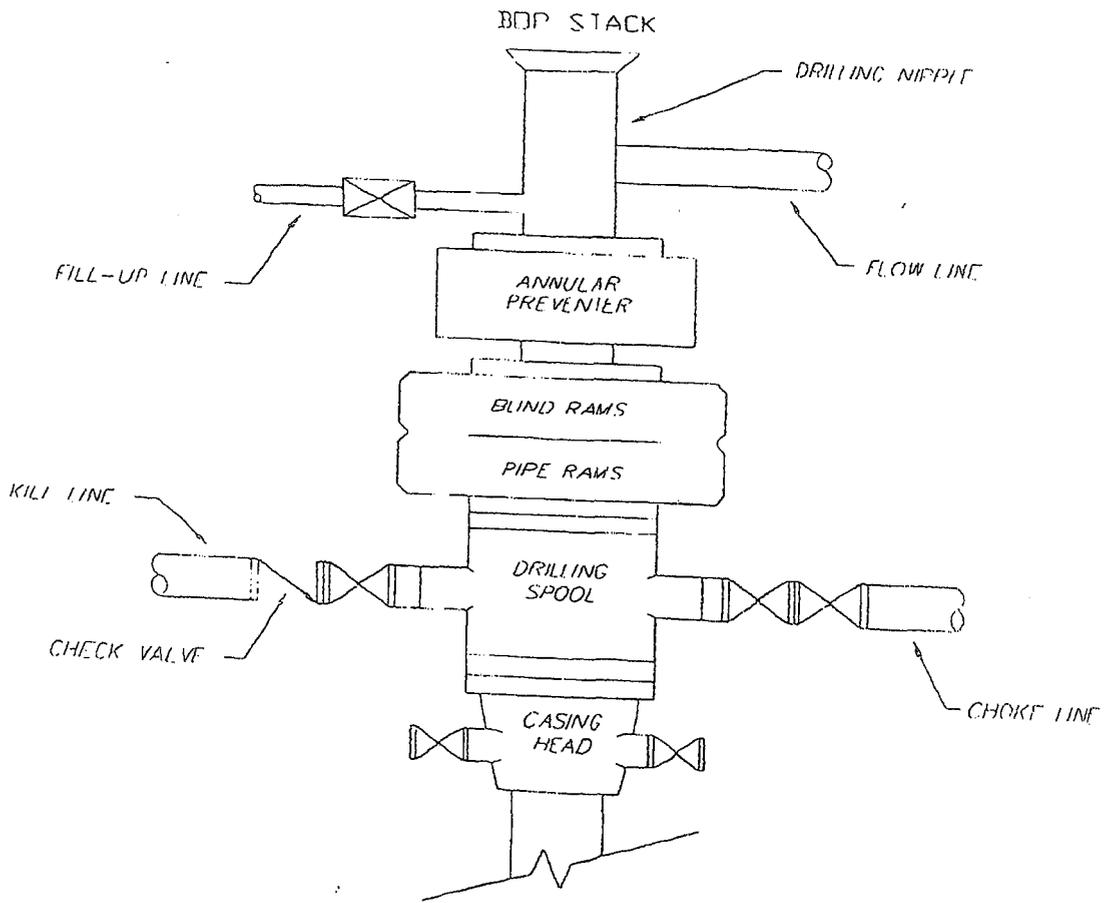
9. Abnormalities (including sour gas):

No abnormal pressures, temperatures or other hazards are anticipated. Oil and gas shows are anticipated in the Wasatch Formation. Other wells drilled in the area have not encountered over pressured zones or H₂S.

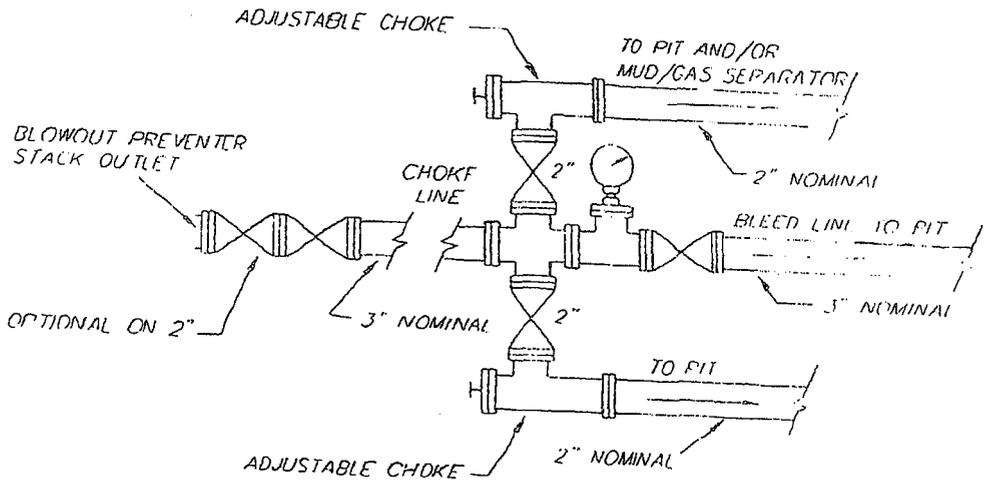
10. Drilling Schedule:

The anticipated starting date is December 1, 2005. Duration of operations is expected to be 30 days.

TYPICAL 3,000 p.s.i.
BLOWOUT PREVENTER SCHEMATIC



TYPICAL 3,000 p.s.i.
CHOKK MANIFOLD SCHEMATIC



SLATE RIVER RESOURCES, LLC

13 POINT SURFACE USE PLAN

FOR WELL

MUSTANG 1320-14P

LOCATED IN SE $\frac{1}{4}$ SE $\frac{1}{4}$

SECTION 14, T.13S, R20E, S.L.B.&M.

UINTAH COUNTY, UTAH

LEASE NUMBER: FEE

SURFACE OWNERSHIP: FEE

1. Existing Roads:

SLATE RIVER RESOURCES, LLC

Mustang 1320-14P

Section 14, T13S, R20E, S.L.B.&M.

837' FSL & 729' FEL

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION ALONG STATE HIGHWAY 88 APPROXIMATELY 17 MILES TO OURAY, UTAH; FROM OURAY, PROCEED IN A SOUTHERLY DIRECTION ALONG THE SEEP RIDGE ROAD (COUNTY B ROAD 2810) APPROXIMATELY 29.4 MILES TO ITS INTERSECTION WITH THE BUCK CANYON ROAD (COUNTY B ROAD 5460); EXIT RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION ALONG THE BUCK CANYON ROAD APPROXIMATELY 3.2 MILES TO WILLOW CREEK; TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION ALONG THE WILLOW CREEK ROAD (COUNTY B ROAD 5120) APPROXIMATELY 2.1 MILES TO ITS INTERSECTION WITH THE AGENCY DRAW ROAD (COUNTY B ROAD 5340); EXIT LEFT AND PROCEED IN A WESTERLY THEN SOUTHWESTERLY DIRECTION ALONG THE AGENCY DRAW ROAD APPROXIMATELY 3.7 MILES TO A COUNTY D ROAD. EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION ALONG THE COUNTY D ROAD APPROXIMATELY 2.3 MILES TO THE PROPOSED ACCESS ROAD; FOLLOW ROAD FLAGS IN A WESTERLY DIRECTION APPROXIMATELY 590 FEET TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 71.8 MILES.

All existing roads to the proposed location are State of Utah, BLM maintained or County Class D roads. Please see the attached map for additional details.

2. Planned access road

The proposed access road will be approximately 590' +/- of new construction on lease. The road will be graded once per year minimum and maintained.

- A) Approximate length 590 ft
- B) Right-of-Way width 30 ft
- C) Running surface 18 ft
- D) Surface material Native soil
- E) Maximum grade 5%
- F) Fence crossing None
- G) Culvert None
- H) Turnouts None
- I) Major cuts and fills None
- J) Road Flagged Yes
- K) Access road surface ownership Fee
- L) All new construction on lease Yes
- M) Pipe line crossing No

Please see the attached location plat for additional details.

An off lease Right-of-Way will not be required.

All surface disturbances for the road and location will be within the lease boundary.

3. Location of existing wells

The following wells are located within a one-mile radius of the location site.

- A) Producing well None
- B) Water well None
- C) Abandoned well
 Champlin 23-1A
- D) Temp. abandoned well None
- E) Disposal well None
- F) Drilling /Permitted well
 Mustang 1320-13D
 Mustang 1320-24E
- G) Shut in wells None
- H) Injection well None
- I) Monitoring or observation well
 None

Please see the attached map for additional details.

4. Location of tank batteries, production facilities and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted a **Carlsbad Canyon or Olive Green** color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the

battery. The integrity of the dike will be maintained.

The operator will adhere to all site security guidelines and regulation identified in 43 cfr 3126.7.

All off lease storage, off lease measurement, commingling on lease or off lease, of production, will have prior written approval from the authorized officer.

If the well is capable of economic production a surface gas line will be required.

Approximately 545' +/- of 3" steel surface pipeline would be constructed on Private Lands. The line would tie into the proposed pipeline in Section 14, T13S, R20E. The line will be strung and boomed to the southeast of the location and will follow the access road. The line will be buried at road crossings.

An off lease Right-of-Way will not be required.

Please see the attached location diagrams for pipeline location. There will be no additional surface disturbances required for the installation of a gathering line.

The gas meter run will be located within 500' of the wellhead. The gas line will be buried or anchored down from the wellhead to the meter. Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. Tests for meter accuracy will

be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The authorized officer will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration report will be submitted to the BLM's Vernal District office and State of Utah, Division of Oil, Gas, and Mining. All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

5. Location and type of water supply

Water for drilling and cementing will come from Willow Creek Permit # - T75377.

6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. Additional road gravel or pit lining material will be obtained from private resources.

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately **10 ft.** deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details. The reserve pit will be lined.

The reserve pit will be used to store water for drilling. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary, a storage tank for a period not to exceed 120 days after initial production. During the 120-day period an application for approval for permanent disposal method and location will be submitted to the authorized officer.

C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized landfill location.

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site clean-up:

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

8. Ancillary facilities

There are no ancillary facilities

planned at this time and none are foreseen for the future.

9. Well-site layout

Location dimensions are as follows:

- A) Pad length 340 ft
- B) Pad width 270 ft
- C) Pit depth 10 ft
- D) Pit length 160 ft
- E) Pit width 80 ft
- F) Max cut 23.6 ft
- G) Max fill 7.4 ft
- H) Total cut yds. 12,770 cu yds
- I) Pit location South end
- J) Top soil location North end
- K) Access road location East end
- L) Flare Pit corner C

Please see the attached location diagram for additional details.

All pits will be fenced according to the following minimum standards:

- A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.

C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.

E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area. The topsoil removed and piled will amount to approximately **1,490** cubic yards of material. Topsoil will be stockpiled in one distinct pile. Placement of the topsoil is noted on the attached location plat. The topsoil pile from the location will be seeded as soon as the soil is stock piled with the seed mix listed. When all drilling and completion activities have been completed and the pit back-filled the topsoil from the pit area will be spread on the pit area. The pit area will be seeded when the soil has been spread. The unused portion of the location (the area outside the dead men) will be re-contoured.

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

Changes to the drainage during the construction activities shall be restored

to its original line of flow or as near as possible when the pit is back-filled

All disturbed areas will be re-contoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 120 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rainfall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert the run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified. And left with a rough surface.

A) Seeding dates:

Seed will be spread when topsoil is stock piled and when reclamation work is performed.

The seed mix and quantity list will be used whether the seed is broadcast or drilled.

B) Seed Mix

To be determined by surface owner or will reflect the native vegetation.

11. Surface ownership:

Access road	Fee
Location	Fee
Pipe line	Fee

12. Other information:

A) Vegetation

The vegetation coverage is Slight. The majority of the existing vegetation consists of Sagebrush. Rabbit brush, Bitter Brush, and Indian Rice grass are also found on the location.

B) Dwellings:

There are no dwelling or other facilities within a one-mile radius of the location.

C) Archeology:

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations, which would affect such sites, will be suspended and the discovery reported promptly to the surface owner.

D) Water:

The nearest water is Willow Creek located approximately 5 miles to the East.

E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without prior application.

F) Notification:

- a) Location Construction
At least forty eight (48) hours prior to construction of location and access roads.
- b) Location completion
Prior to moving on the drilling rig.
- c) Spud notice
At least twenty-four (24) hours prior to spudding the well.
- d) Casing string and cementing
At least twenty-four (24) hours prior to running casing and cementing all casing strings.
- e) BOP and related equipment tests
At least twenty-four (24) hours prior to initial pressure tests.
- f) First production notice
Within five (5) business days after the new well begins, or production resumes after well has been off production for more than 90 days.

G) Flare pit:

The flare pit will be located in **corner C** of the reserve pit out side the pit fences and 100 feet from the bore hole on the east side of the location. All fluids will be removed from the pit within 48 hours of occurrence.

13. Lessees or Operator's representative and certification

A) Representative(s)

JT Conley
Slate River Resources, LLC
418 East Main ST
Vernal, UT 84078

Office 435-781-1871
Fax 435-781-1875

Ginger P Stringham, Agent
Paradigm Consulting, INC
PO BOX 790203
Vernal, UT 84079

Office 435-789-4162
Cell 435-790-4163

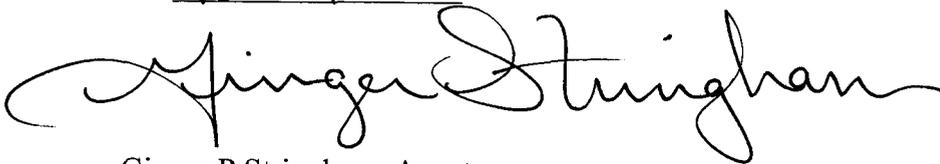
All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, onshore oil and gas orders, and any applicable notices to lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

B) 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 which 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 the operation proposed herein will be performed by Slate River Resources, LLC and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved.

Date 10-17-05

A handwritten signature in cursive script that reads "Ginger P Stringham".

Ginger P Stringham, Agent
Paradigm Consulting, INC

Onsite Dates:

Statement of use of Hazardous Materials

No chemical(s) from the EPA's consolidated list of Chemicals Subject to Reporting under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986 will be used, produced, transported, stored, disposed, or associated with the proposed action. No extremely hazardous substances, as defined in 40 cfr 355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

If you require additional information please contact:

Ginger Stringham
Agent for Slate River Resources, LLC
Paradigm Consulting, INC
PO BOX 790203
Vernal, UT 84079

435-790-4163 Office
435-789-0255 Fax

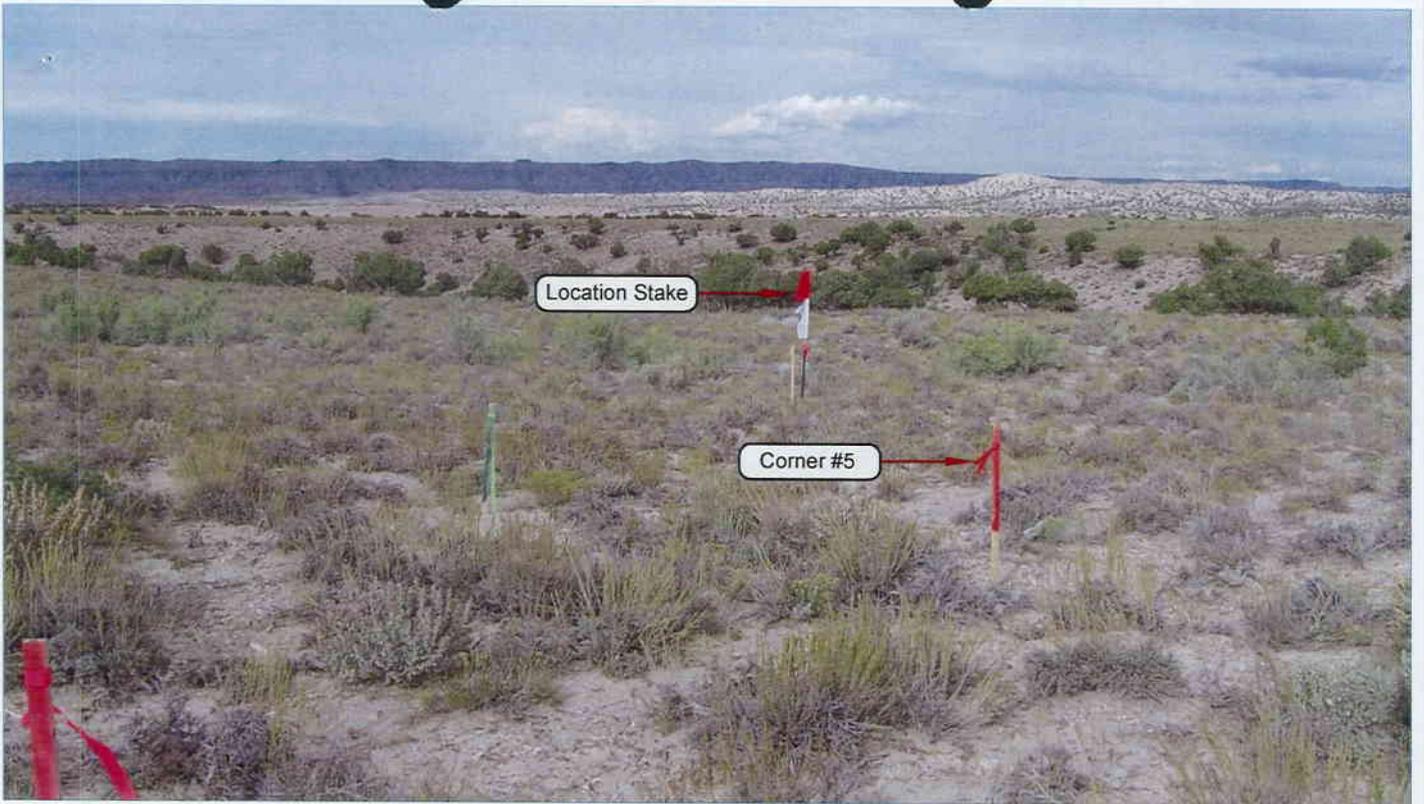


PHOTO VIEW: FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY

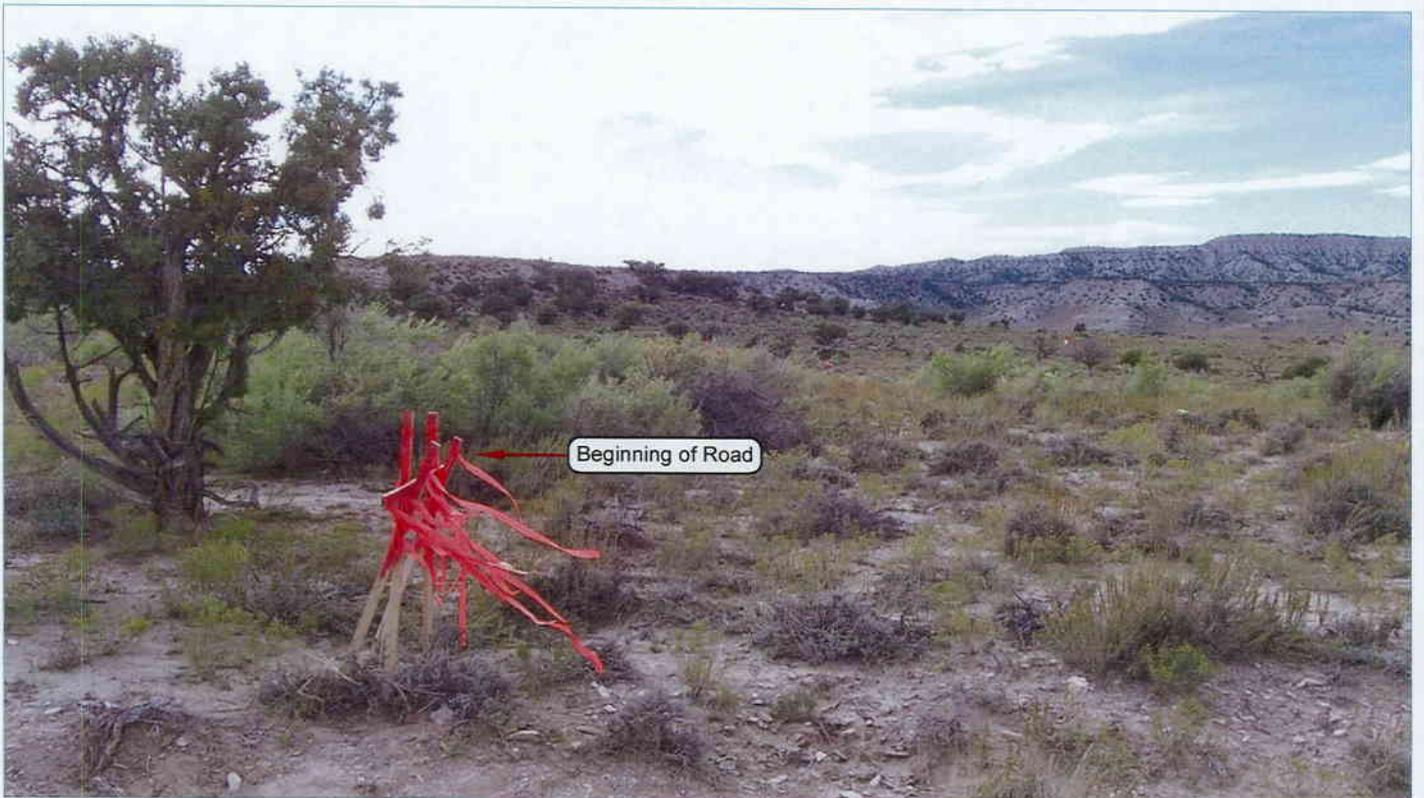


PHOTO VIEW: FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: WESTERLY

SLATE RIVER RESOURCES, LLC

Mustang 1320-14P
SECTION 14, T13S, R20E, S.L.B.&M.
837' FSL & 729' FEL

LOCATION PHOTOS

TAKEN BY: B.J.S.

DRAWN BY: M.W.W.

REVISED:

DATE TAKEN: 09-20-05

DATE DRAWN: 09-28-05

Timberline Land Surveying, Inc.
 38 West 100 North Vernal, Utah 84078
 (435) 789-1365

SHEET
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OF 10

SLATE RIVER RESOURCES, LLC

CUT SHEET MUSTANG 1320-14P

PREVAILING WIND

F/5.9

C/4.8

60'

C/1.8

STA. 3+40

9

Toe of Fill Slope

ROUND CORNER TO AVOID EXCESS FILL

0619

Top of Cut Slope

C/6.3

C/4.3

6

C/1.3

135'

F/7.4

1

Proposed Well Head:
Ungraded Ground El. 6181.7'
Finished Grade El. 6180.4'

TOPSOIL NOTE:
DO NOT STRIP TOPSOIL BELOW
FINISHED GRADE BENEATH DRILLING
RIG.

ROUND CORNER TO AVOID EXCESS FILL

STA. 0+25

STA. 0+00

F/6.7

2

PROPOSED ACCESS ROAD

C/6.2

C/2.1

165'

40'

3

Flare Pit

C/22.6
Btm. Pit

15' WIDE BENCH

RESERVE PITS
(10' Deep)

4' High Dike

Slope: 1:1

Slope: 1:1

EXCESS MATERIAL

C/23.6
Btm. Pit

C/6.2

40'

4

95'

160'

190'

6200

6170

6180

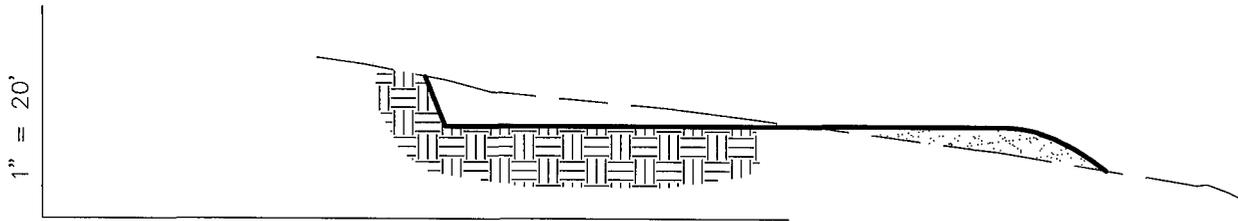
175'

CONTOUR INTERVAL = 2'

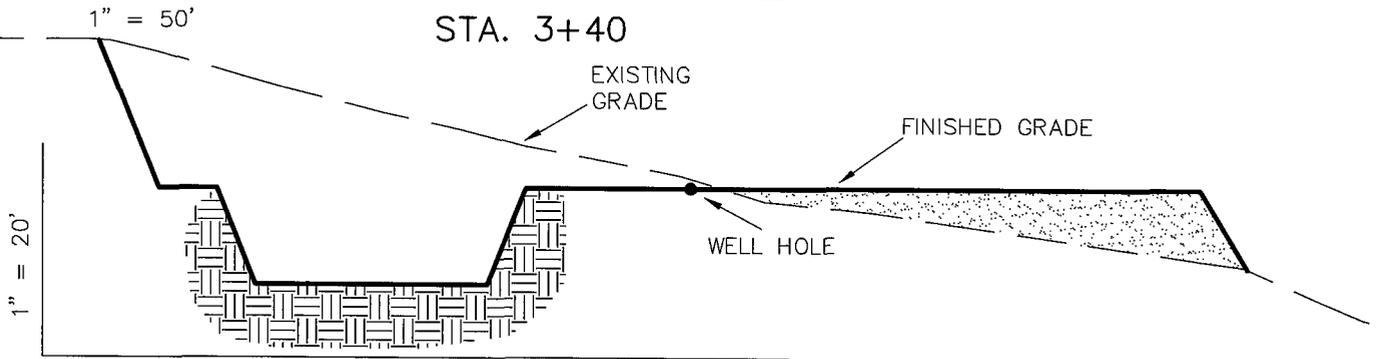
Section 14, T13S, R20E, S.L.B.&M.		Qtr/Qtr Location: SE SE	Footage Location: 837' FSL 729' FEL
Date Surveyed: 9-20-05	Date Drawn: 9-27-05	Date Last Revision:	Timberline (435) 789-1365 Land Surveying, Inc. 38 WEST 100 NORTH VERNAL, UTAH 84078
Surveyed By: B.J.S.	Drawn By: C.B.T.	Scale: 1" = 50'	
			SHEET 3 OF 10

SLATE RIVER RESOURCES, LLC

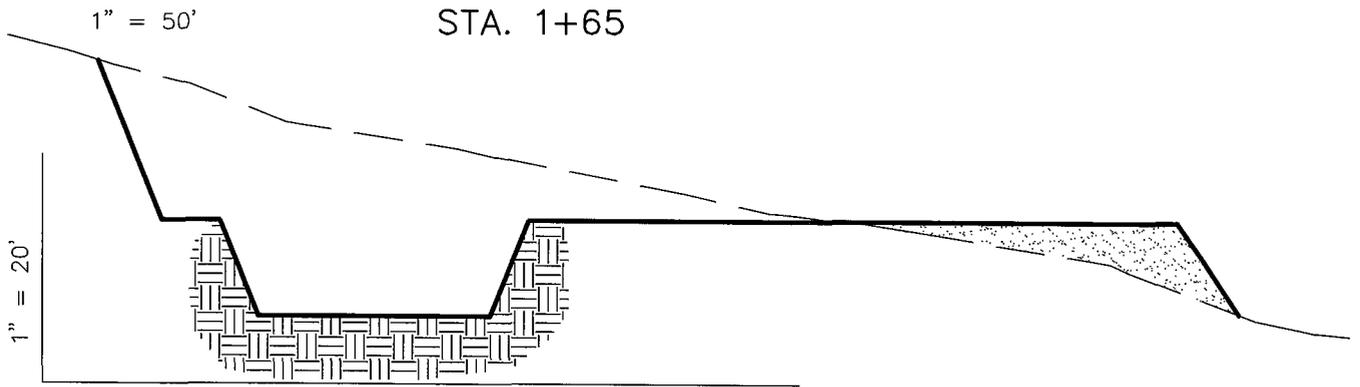
CROSS SECTIONS MUSTANG 1320-14P



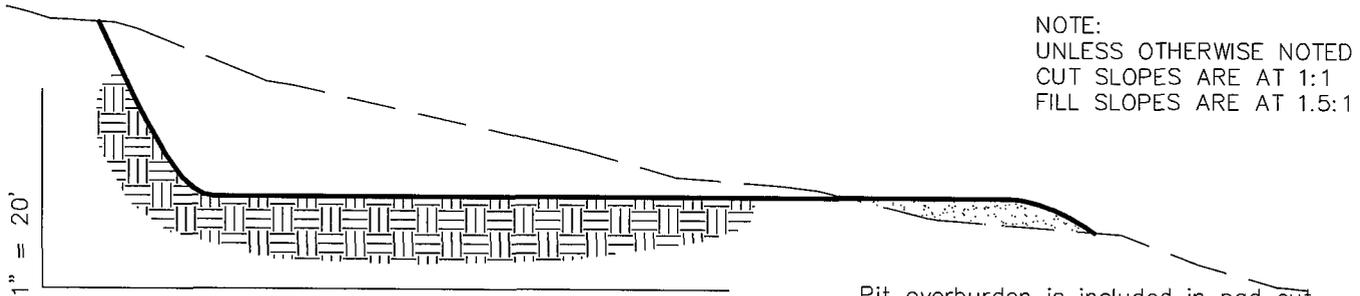
STA. 3+40



STA. 1+65



STA. 0+25



STA. 0+00

NOTE:
UNLESS OTHERWISE NOTED
CUT SLOPES ARE AT 1:1
FILL SLOPES ARE AT 1.5:1

Pit overburden is included in pad cut.

ESTIMATED EARTHWORK QUANTITIES (No shrink or swell adjustments have been used) (Expressed in Cubic Yards)

ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	8,920	6,080	Topsoil is not included in Pad Cut	2,840
PIT	3,850	0		3,850
TOTALS	12,770	6,080	1,490	6,690

Excess Material after Pit Rehabilitation = 4,760 Cu. Yds.

REFERENCE POINTS

185' Northeasterly	6165.7'
235' Northeasterly	6152.7'
225' Northwesterly	6181.2'
275' Northwesterly	6179.9'

Section 14, T13S, R20E, S.L.B.&M.

Qtr/Qtr Location: SE SE

Footage Location: 837' FSL 729' FEL

Date Surveyed:
9-20-05

Date Drawn:
9-27-05

Date Last Revision:

Timberline (435) 789-1365
Land Surveying, Inc.

SHEET

Surveyed By: B.J.S.

Drawn By: C.B.T.

Scale: 1" = 50'

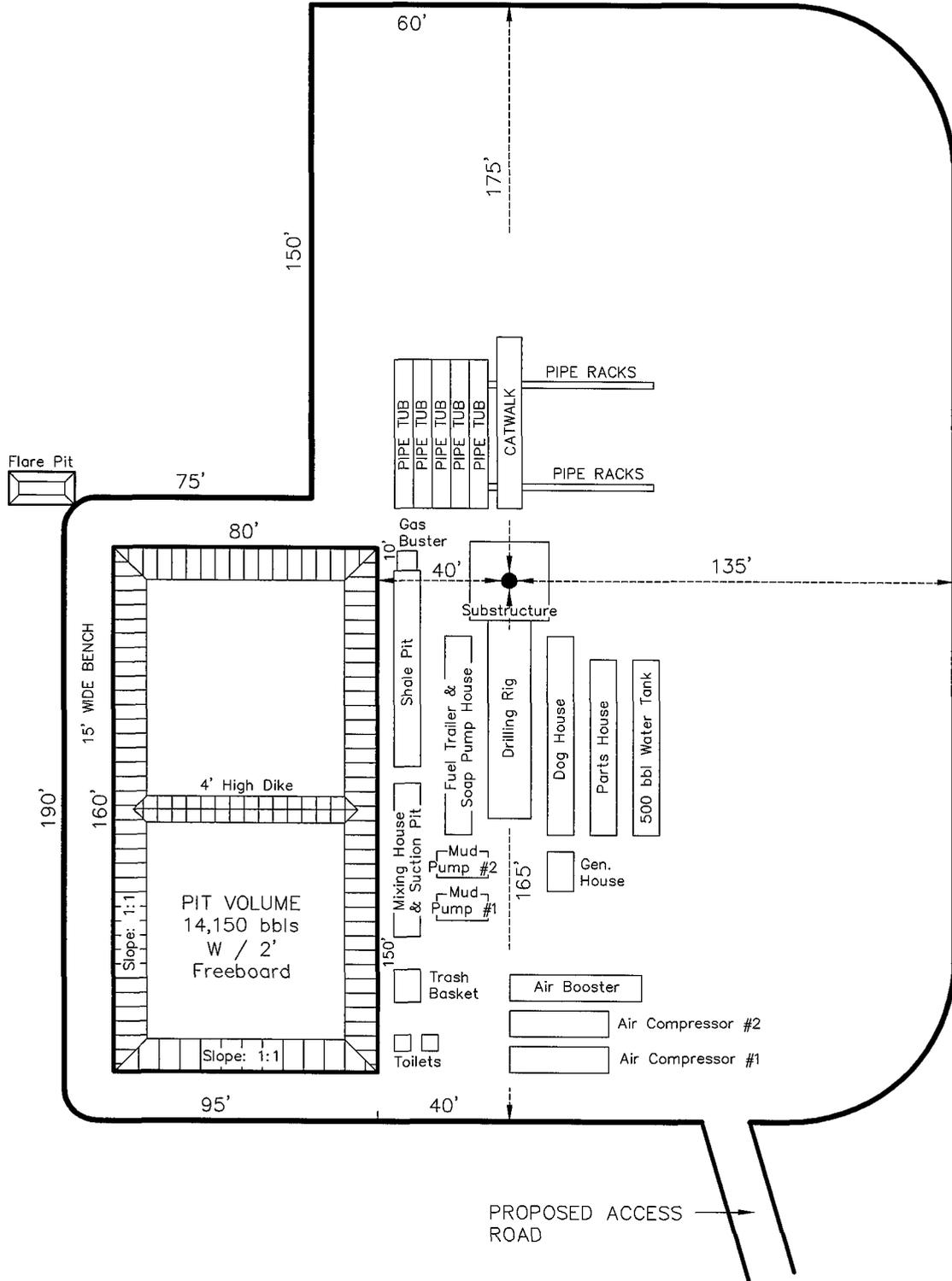
38 WEST 100 NORTH VERNAL, UTAH 84078

4

OF 10

SLATE RIVER RESOURCES, LLC

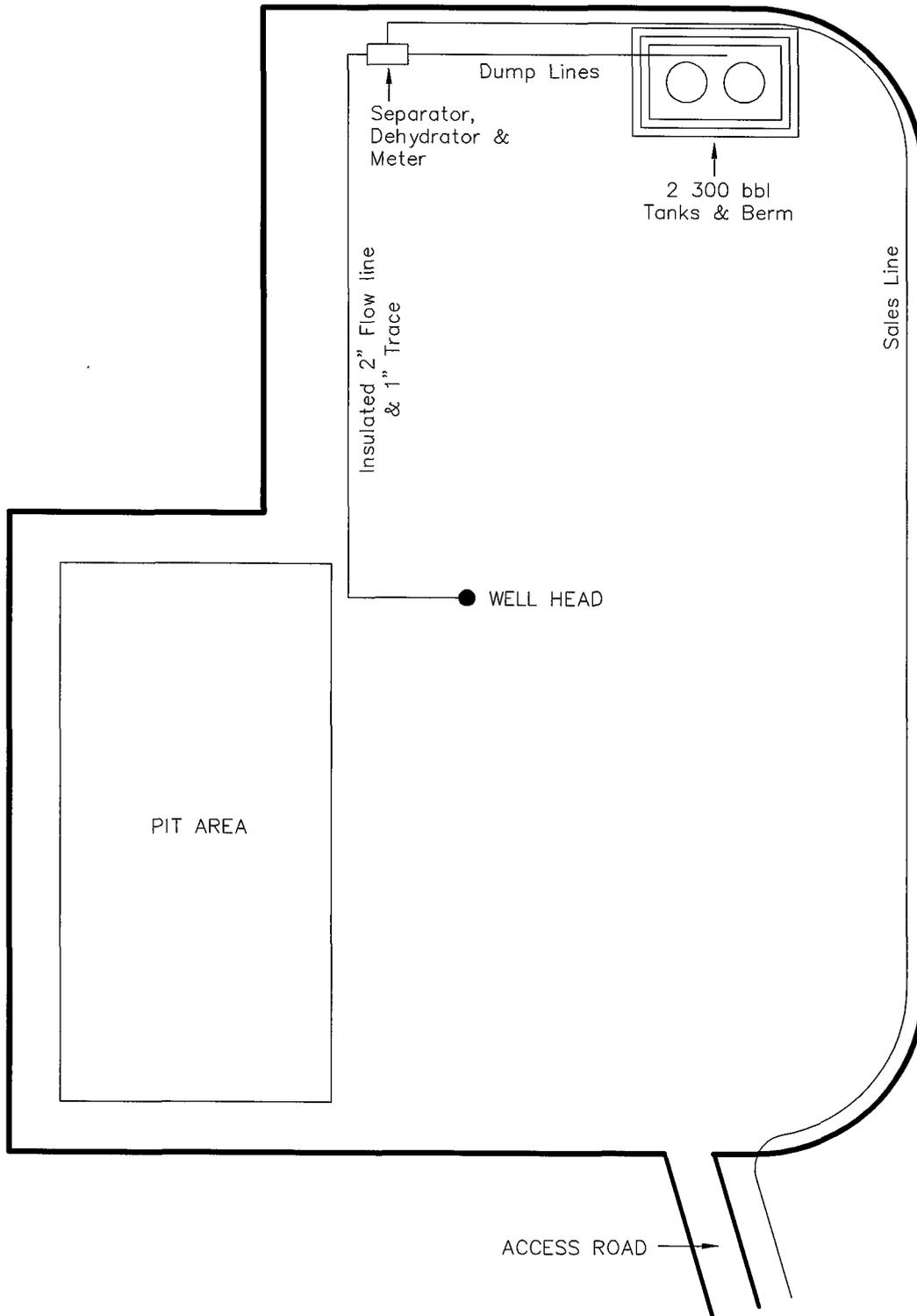
TYPICAL RIG LAYOUT MUSTANG 1320-14P



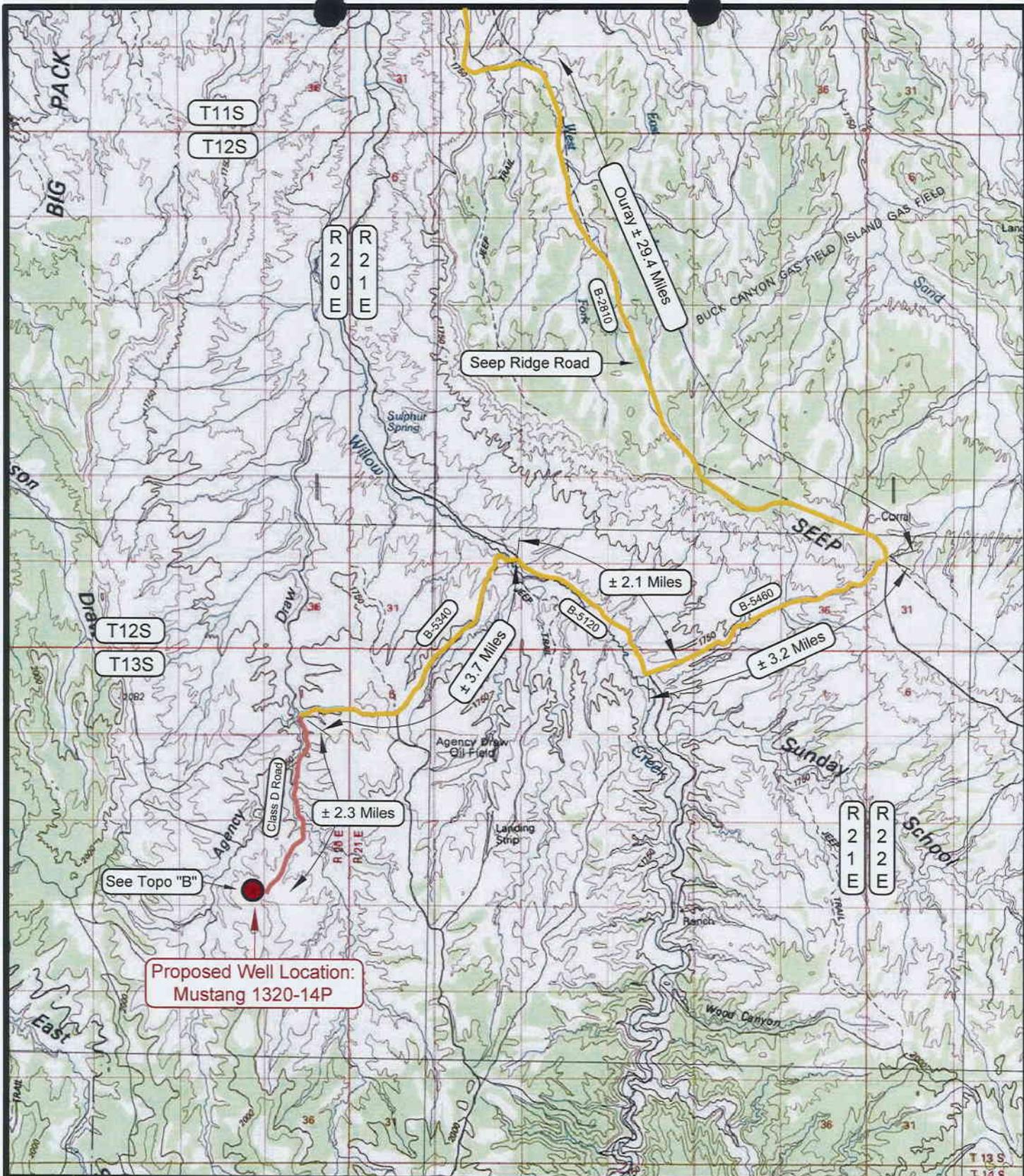
Section 14, T13S, R20E, S.L.B.&M.		Qtr/Qtr Location: SE SE	Footage Location: 837' FSL 729' FEL
Date Surveyed: 9-20-05	Date Drawn: 9-27-05	Date Last Revision:	Timberline (435) 789-1365 <i>Land Surveying, Inc.</i> 38 WEST 100 NORTH VERNAL, UTAH 84078
Surveyed By: B.J.S.	Drawn By: C.B.T.	Scale: 1" = 50'	
			SHEET 5 OF 10

SLATE RIVER RESOURCES, LLC

TYPICAL PRODUCTION LAYOUT MUSTANG 1320-14P



Section 14, T13S, R20E, S.L.B.&M.		Qtr/Qtr Location: SE SE	Footage Location: 837' FSL 729' FEL
Date Surveyed: 9-20-05	Date Drawn: 9-27-05	Date Last Revision:	Timberline (435) 789-1365 <i>Land Surveying, Inc.</i> 38 WEST 100 NORTH VERNAL, UTAH 84078
Surveyed By: B.J.S.	Drawn By: C.B.T.	Scale: 1" = 50'	
			SHEET 6 OF 10



Proposed Well Location:
Mustang 1320-14P

LEGEND

- = PROPOSED WELL LOCATION
- = EXISTING ROAD
- = EXISTING ROAD (TO BE IMPROVED)
- - - = PROPOSED ACCESS ROAD
- B-5460 = COUNTY ROAD CLASS & NUMBER

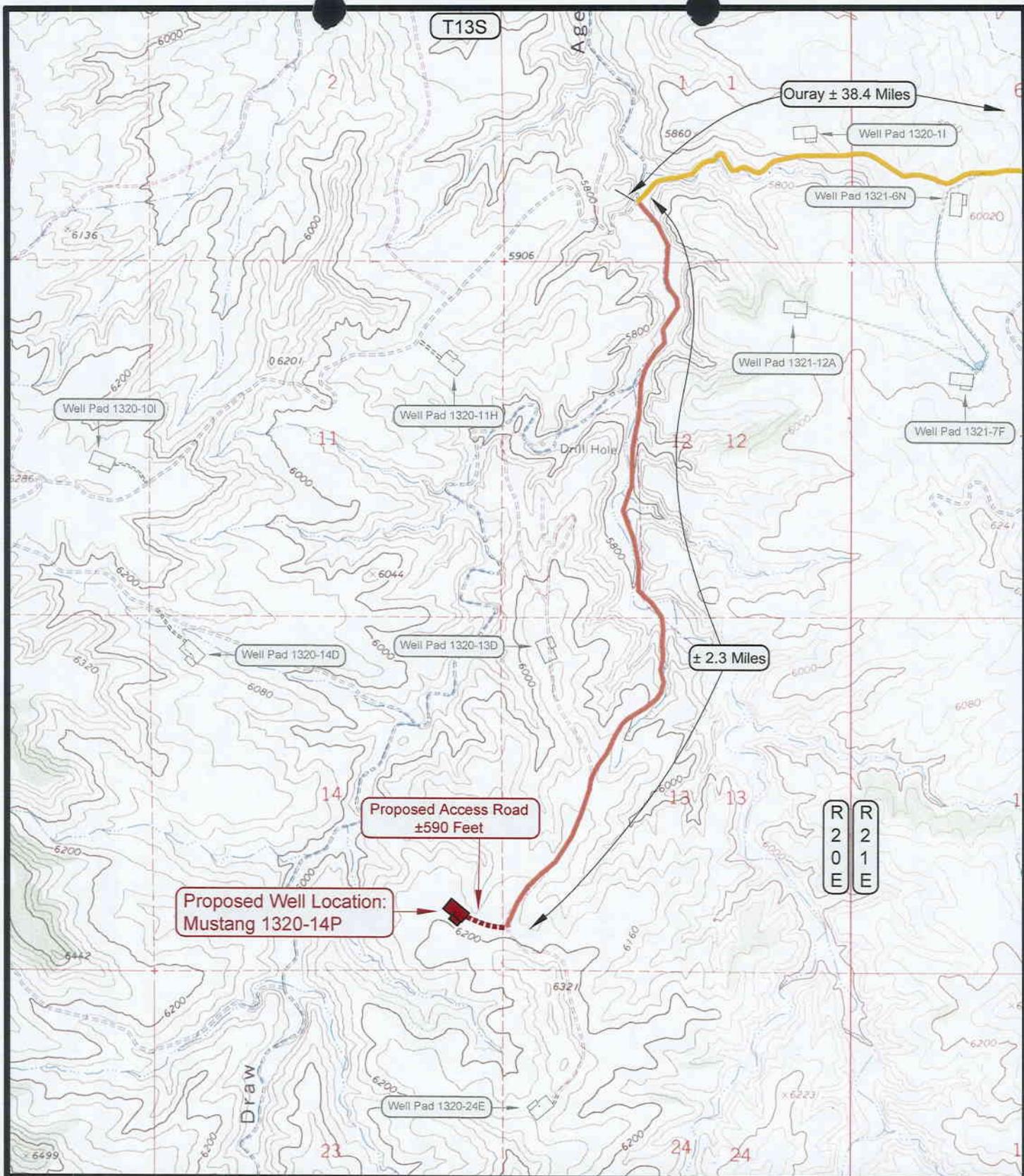
SLATE RIVER RESOURCES, LLC

Mustang 1320-14P
SECTION 14, T13S, R20E, S.L.B.&M.
837' FSL & 729' FEL

TOPOGRAPHIC MAP "A"		DATE SURVEYED: 9-20-05
SCALE: 1:100,000	DRAWN BY: M.W.W.	DATE DRAWN: 9-28-05
		REVISED:

Timberline Land Surveying, Inc.
 38 West 100 North Vernal, Utah 84078
 (435) 789-1365

SHEET
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OF 10



LEGEND

- PROPOSED ACCESS ROAD
- = SUBJECT WELL
- = SHARED ACCESS
- = EXISTING ROAD
- = EXISTING ROAD (TO BE IMPROVED)
- (B-5460) = COUNTY ROAD CLASS & NUMBER
- = LEASE LINE AND / OR PROPERTY LINE

SLATE RIVER RESOURCES, LLC

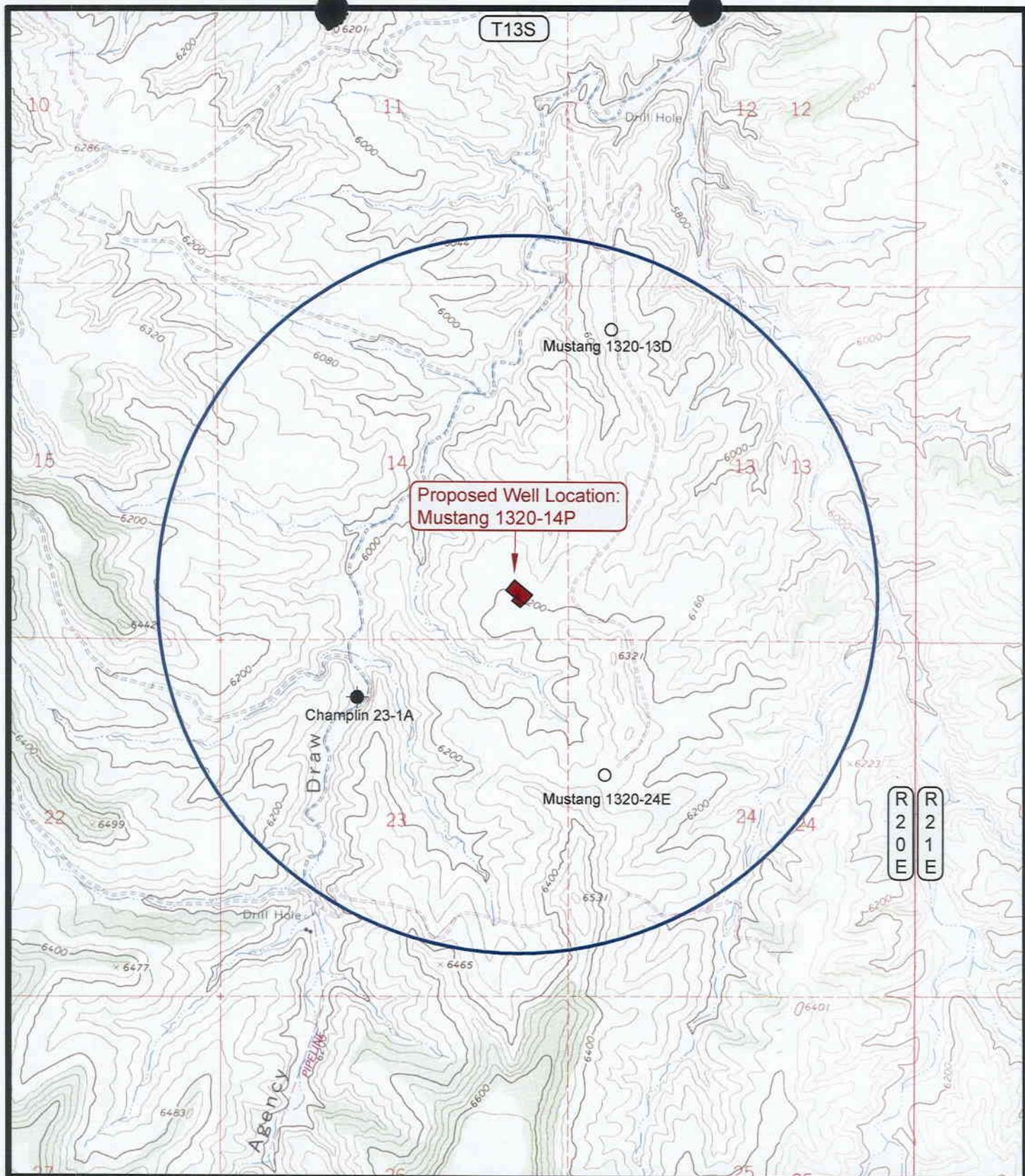
Mustang 1320-14P
SECTION 14, T13S, R20E, S.L.B.&M.
837' FSL & 729' FEL

TOPOGRAPHIC MAP "B"		DATE SURVEYED: 09-20-05
SCALE: 1" = 2000'	DRAWN BY: M.W.W.	DATE DRAWN: 09-28-05
		REVISED:



Timberline Land Surveying, Inc.
 38 West 100 North Vernal, Utah 84078
 (435) 789-1365

SHEET
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OF 10



LEGEND

- ⊘ = DISPOSAL WELL
- = PRODUCING WELL
- = SHUT IN WELL
- = PROPOSED WELL
- ⊘ = WATER WELL
- = ABANDONED WELL
- = TEMPORARILY ABANDONED WELL

SLATE RIVER RESOURCES, LLC

Mustang 1320-14P
SECTION 14, T13S, R20E, S.L.B.&M.
837' FSL & 729' FEL

TOPOGRAPHIC MAP "C"

DATE SURVEYED: 09-20-05

DATE DRAWN: 09-28-05

SCALE: 1" = 2000'

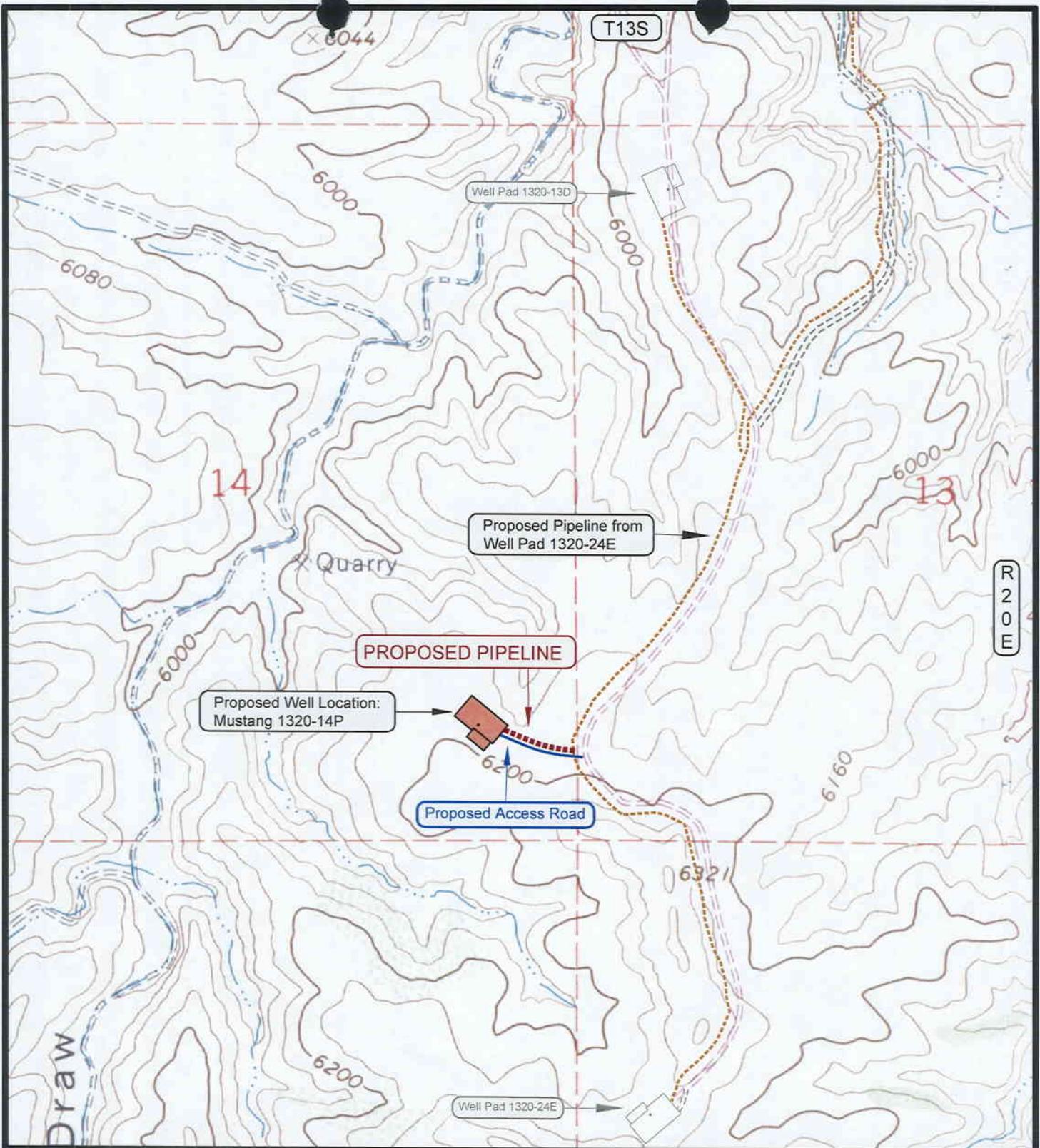
DRAWN BY: M.W.W.

REVISED:

Timberline Land Surveying, Inc.

38 West 100 North Vernal, Utah 84078
 (435) 789-1365

SHEET
9
OF 10



APPROXIMATE PIPELINE LENGTH = 545 Feet

LEGEND

- = EXISTING PIPELINE
- - - - - = PROPOSED PIPELINE
- = PROPOSED ACCESS ROAD

SLATE RIVER RESOURCES, LLC

Mustang 1320-14P
SECTION 14, T13S, R20E, S.L.B.&M.
837' FSL & 729' FEL

TOPOGRAPHIC MAP "D"

DATE SURVEYED: 09-20-05

DATE DRAWN: 09-28-05

SCALE: 1" = 1000'

DRAWN BY: M.W.W.

REVISED:



Timberline Land Surveying, Inc.
 38 West 100 North Vernal, Utah 84078
 (435) 789-1365

SHEET
10
OF 10

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 10/20/2005

API NO. ASSIGNED: 43-047-37288

WELL NAME: MUSTANG 1320-14P
 OPERATOR: SLATE RIVER RESOURCES (N2725)
 CONTACT: GINGER STINGHAM

PHONE NUMBER: 435-781-1871

PROPOSED LOCATION:

SESE 14 130S 200E
 SURFACE: 0837 FSL 0729 FEL
 BOTTOM: 0837 FSL 0729 FEL
 UINTAH
 WILDCAT (1)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DLD	11/17/05
Geology		
Surface		

LEASE TYPE: 4 - Fee
 LEASE NUMBER: FEE
 SURFACE OWNER: 4 - Fee
 PROPOSED FORMATION: MNCS
 COALBED METHANE WELL? NO

LATITUDE: 39.68156
 LONGITUDE: -109.6389

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. B001556)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. T75377)
- RDCC Review (Y/N)
(Date: 11/08/2005)
- 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: 207-1
Eff Date: 8-25-83
Siting: See Cause order
- R649-3-11. Directional Drill

COMMENTS: Needs Quits (11-02-05)

STIPULATIONS: 1- STATEMENT OF BASIS
2- Surface Csg Cont Step

**DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS**

OPERATOR: Slate River Resources, LLC
WELL NAME & NUMBER: Mustang 1320-14P
API NUMBER: 43-047-37288
LOCATION: 1/4,1/4 SE/SE Sec:14TWP: 13S RNG: 20 E 837' FSL 729' FEL

Geology/Ground Water:

Slate River proposes to set 2,000' of surface casing at this location. The base of the moderately saline water is at approximately 3,700 feet in this area. This location lies on the Green River Formation. The proposed location is in a recharge area for the aquifers of the Green River Formation and fresh water can be expected to be found in the Green River. A search of Division of Water Rights records indicates 1 water well within a 10,000 foot radius of the proposed location. This well is over a mile from the proposed location. This well is owned by Utah Oil Shales was drilled to a depth of 70 feet and listed as used for stock watering. The proposed casing and cement program should adequately protect any useable ground water.

Reviewer: Brad Hill **Date:** 11-09-2005

Surface:

At the request of Slate River Resources, a pre-site for this well was completed on 11/2/2005. Both the surface and minerals are privately owned. Mr. Savid Salter represents the owner, Mustang-Eagle Minerals. He was contacted by phone on 10-26-2005 and informed of and invited to participate in the presite. He said the company has no specific concerns and he would not attend.

The area poses no problems for drilling a well.

Reviewer: Floyd Bartlett **Date:** 11/3/2005

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner with a minimum thickness of 12 mils with a felt sub-liner shall be properly installed and maintained in the reserve pit.

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: Slate River Resources, LLC

WELL NAME & NUMBER: Mustang 1320-14P

API NUMBER: 43-047-37288

LEASE: FEE **FIELD/UNIT:** Undesignated

LOCATION: 1/4,1/4 SE/SE Sec:14TWP: 13S RNG: 20 E 837' FSL 729' FEL

LEGAL WELL SITING: Well should be located in NW/4 or SE/4 and 660' from quarter boundary.

GPS COORD (UTM): 4393091 Y 0616731 X **SURFACE OWNER:** Mustang-Eagle Oil

PARTICIPANTS

Floyd Bartlett (DOGM), John Conley, (Vice President Slate River LLC,) Ginger Stringham, (Permit Consultant), Travis Oldham (Diamond J Construction), Colby Kay (Timberline Land Surveying), Ben Williams (Utah Division of Wildlife Resources)

REGIONAL/SETTING TOPOGRAPHY

Site is in Uintah County, Utah in the Agency Draw area approximately 72miles south east of Vernal, UT. The Willow Creek drainage lies to the east and Hill Creek drainage is to the west. The general topography is characterized by open broad to narrow ridges or plateaus intersected by numerous draws or canyons, which often become steep. Drainage is generally northeasterly into Willow Creek, which contains a perennial stream. All drainages in the Agency Draw area are ephemeral.

Access to the site from Ouray, UT is following the Seep Ridge Road south 29.4 miles from Ouray, UT, then south west 3.2 miles down the Uintah Co. road B-5460 to Willow Cr, then northwest 2.1 miles along Willow Cr and Uintah Co. road B-5120 to the Agency Draw road then following the roads in the Agency Draw area to near the site. (See Topographic Sheets "A and B" of the APD) Approximately 545 feet new road will be constructed to access the site.

This location is on a gentle east sloping side hill below a small ridge located to the west. The side hill eventually drops off to the east into a significant draw with pinion and juniper vegetation.

SURFACE USE PLAN

CURRENT SURFACE USE: Winter sheep grazing, limited big game hunting and general recreation.

PROPOSED SURFACE DISTURBANCE: Location of 340'x 175' and a reserve pit of 80' x 160' with an additional 10' wide bench. Approximately 545 feet of new road is planned for construction. A pipeline 545 feet in length will be laid adjacent to the road.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: See Topographic Map "C".

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All production facilities will be on location and added after drilling well. Pipeline will follow access road.

SOURCE OF CONSTRUCTION MATERIAL: All construction material will be obtained from the site.

ANCILLARY FACILITIES: None will be required.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST CONCERNS? (EXPLAIN). No public concerns or interests are expected from drilling this well.

WASTE MANAGEMENT PLAN:

Drilled cuttings will be settled into reserve pit. Liquids from pit will be allowed to evaporate. Formation water will be confined to storage tanks. Commercial contractor will handle sewage facilities, storage and disposal. Trash will be contained in trash baskets and hauled to an approved land fill.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None.

FLORA/FAUNA: Well vegetated with a Desert shrub type consisting of black sage, shadscale, curly mesquite, greasewood, broom snakeweed. Wild horses, deer, elk, mountain lion, coyote and other small mammals and birds.

SOIL TYPE AND CHARACTERISTICS: Deep sandy clay loam with frequent small, flat shale surface rocks.

EROSION/SEDIMENTATION/STABILITY: Very little natural erosion. Sedimentation and stability are not a problem and location construction shouldn't cause an increase in stability or erosion problems.

PALEONTOLOGICAL POTENTIAL: None observed.

RESERVE PIT

CHARACTERISTICS: 80' x 160' x 10' deep, located on the southwest corner of the location. , The reserve pit is all within cut. A 15' wide bench is planned around the outer edges. Two feet of freeboard is provided.

LINER REQUIREMENTS (Site Ranking Form attached): Level II sensitivity. A pit liner with a sub liner is required for the reserve pit. The operator stated they will line the pit with a 20,mil liner and an appropriate sub-liner.

SURFACE RESTORATION/RECLAMATION PLAN

As per Land Owner Agreement.

SURFACE AGREEMENT:

A surface agreement has been executed and is on file.

ARCULTURAL RESOURCES/ARCHAEOLOGY: No Cultural or Archeological survey is required as per the Land Owner Agreement.

OTHER OBSERVATIONS/COMMENTS

None.

ATTACHMENTS

Photos of this site were taken and placed on file.

FLOYD BARTLETT
DOGM REPRESENTATIVE

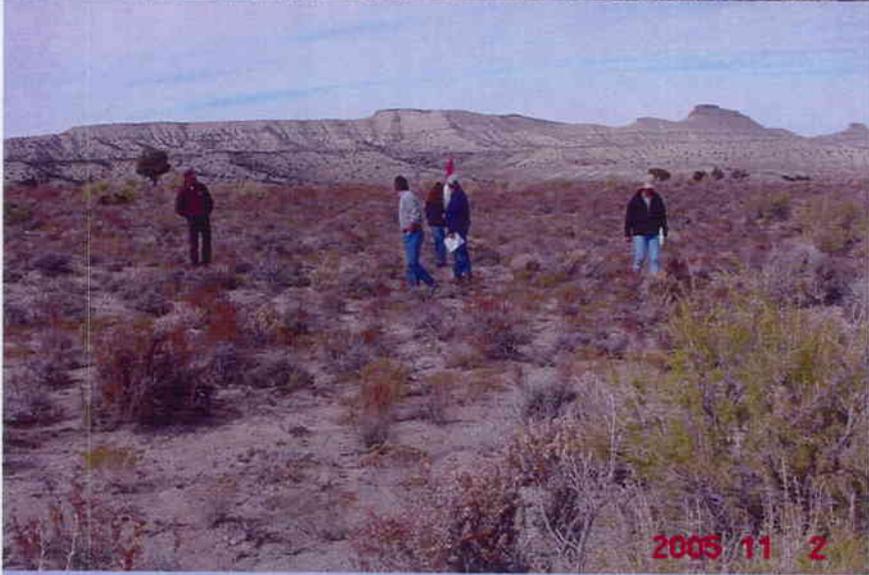
November 2, 2005; 12:00 NOON

DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>
Final Score	<u>15</u>	<u>(Level II Sensitivity)</u>

Sensitivity Level I = 20 or more; total containment is required.
Sensitivity Level II = 15-19; lining is discretionary.
Sensitivity Level III = below 15; no specific lining is required.





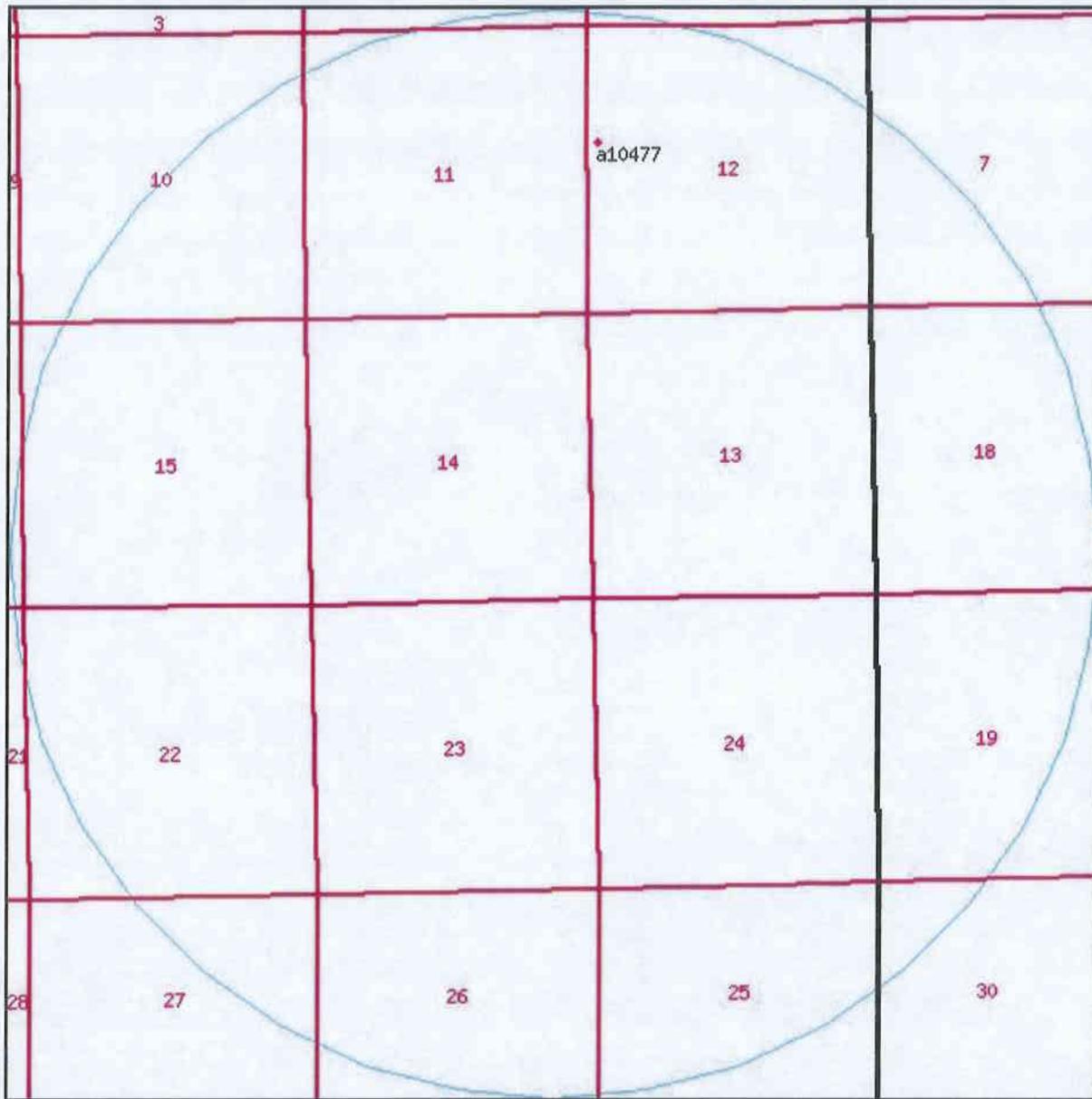
 **State Online Services** **Agency List** **Business.utah.gov**

UTAH DIVISION OF WATER RIGHTS

WRPLAT Program Output Listing

Version: 2004.12.30.00 Rundate: 11/09/2005 02:36 PM

Radius search of 10000 feet from a point N837 W729 from the SE corner, section 14, Township 13S, Range 20E, SL b&m
Criteria:wrtypes=W,C,E podtypes=U status=U,A,P usetypes=all



0 1300 2600 3900 5200 ft

Water Rights

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS	ACFT	Owner Name
<u>49-285</u>	Underground S2125 E170 NW 12 13S 20E SL		A	19701203	S	0.015	0.000	UTAH OIL SHALES INC. C/O RAYMOND T. SENIOR, PRESIDENT
<u>a10477</u>	Underground S2125 E170 NW 12 13S 20E SL		A	19781106	S	0.015	0.000	UTAH OIL SHALES INC. 622 NEWHOUSE BLDG. (10 EXCHANGE PLACE)

[Natural Resources](#) | [Contact](#) | [Disclaimer](#) | [Privacy Policy](#) | [Accessibility Policy](#)

STATE ACTIONS
Resource Development Coordinating Committee
Governor's Office of Planning and Budget
5110 State Office Building
SLC, UT 84114
Phone No. 537-9230

1. State Agency Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801	2. Approximate date project will start: Upon Approval or November 7, 2005
3. Title of proposed action: Application for Permit to Drill	
4. Description of Project: Slate River Resources, LLC proposes to drill the Mustang 1320-14P well (wildcat) on a Fee lease , Uintah County, Utah. This action is being presented to the RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.	
5. Location and detailed map of land affected (site location map required, electronic GIS map preferred) (include UTM coordinates where possible) (indicate county) 837' FSL 729' FEL, SE/4 SE/4, Section 14, Township 13 South, Range 20 East, Uintah County, Utah	
6. Possible significant impacts likely to occur: Surface impacts include up to five acres of surface disturbance during the drilling and completion phase (estimated for five weeks duration). If oil and gas in commercial quantities is discovered, the location will be reclaimed back to a net disturbance of between one and two acres – not including road, pipeline, or utility infrastructure. If no oil or gas is discovered, the location will be completely reclaimed.	
7. Identify local government affected a. Has the government been contacted? No. b. When? c. What was the response? d. If no response, how is the local government(s) likely to be impacted?	
8. For acquisitions of land or interests in land by DWR or State Parks please identify state representative and state senator for the project area. Name and phone number of state representative, state senator near project site, if applicable: a. Has the representative and senator been contacted? N/A	
9. Areawide clearinghouse(s) receiving state action: (to be sent out by agency in block 1) Uintah Basin Association of Governments	
10. For further information, contact: Diana Whitney Phone: (801) 538-5312	11. Signature and title of authorized officer  Gil Hunt, Associate Director Date: October 24, 2005

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		5. MINERAL LEASE NO: Fee	6. SURFACE: Fee
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
2. NAME OF OPERATOR: Slate River Resources, LLC		8. UNIT or CA AGREEMENT NAME:	
3. ADDRESS OF OPERATOR: 418 East Main CITY Vernal STATE UT ZIP 84078		PHONE NUMBER: (435) 781-1871	9. WELL NAME and NUMBER: Mustang 1320-14P
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 837' FSL & 729' FEL AT PROPOSED PRODUCING ZONE: same as above		10. FIELD AND POOL, OR WILDCAT: Undesignated Wildcat	11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 14 13S 20E
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 71.8 miles south of Vernal, UT.		12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 729'	16. NUMBER OF ACRES IN LEASE: 640	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 2,900'	19. PROPOSED DEPTH: 8,000	20. BOND DESCRIPTION: B-001556	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6,180' GR	22. APPROXIMATE DATE WORK WILL START: 12/1/2005	23. ESTIMATED DURATION: 30 Days	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4	9 5/8 H-40 32#	2,000	CEMENT "V"	180 SKS	3.82 CF 15.8 PPG
			CEMENT "G"	225 SKS	1.15 CF 15.8 PPG
7 7/8	4 1/2 M-80 11.6#	8,000	PREMIUM CEMENT	140 SKS	3.82 CF 11.0 PPG
			CLASS "G"	580 SKS	1.26 CF 14.15 PPG

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- | | |
|--|---|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input checked="" type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

CONFIDENTIAL

NAME (PLEASE PRINT) Ginger Stringham TITLE Agent
SIGNATURE *Ginger Stringham* DATE 10/17/2005

(This space for State use only)

API NUMBER ASSIGNED: 43-047-37288

APPROVAL:

RECEIVED
OCT 20 2005

T13S, R20E, S.L.B.&M.

SLATE RIVER RESOURCES, LLC

Set Marked Stone,
Pile of Stones

S89°54'W 79.70 (G.L.O.)

N89°55'48"W 2625.98' (Meas) S89°39'42"W 2600.58' (Meas)

Set Marked Stone,
Pile of Stones

Set Marked Stone,
Pile of Stones

**WELL LOCATION:
MUSTANG 1320-14P**

ELEV. UNGRADED GROUND = 6181.7'

14

1/4 Corner
Missing

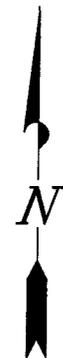
Set Marked Stone,
Pile of Stones

N00°01'W (G.L.O.)
5286.34' (Measured)
S00°22'55"E (Basis of Bearings)

N01°13'56"W 2646.44' (Meas)

N00°01'W (G.L.O.)

N00°21'27"E 2636.11' (Meas)



NOTES:

1. Well footages are measured at right angles to the Section Lines.
2. Bearings are based on Global Positioning Satellite observations.

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
KOLBY R. KAY
REGISTRATION No. 036251
STATE OF UTAH

Set Marked Stone,
Pile of Stones

1/4 Corner
Missing

837'

Set Marked Stone,
Pile of Stones

N89°49'10"E 5231.76' (Meas)

S89°56'W - 79.74 (G.L.O.)

MUSTANG 1320-14P

(Proposed Well Head)

NAD 83 Autonomous

LATITUDE = 39° 40' 53.5"

LONGITUDE = 109° 38' 21.4"

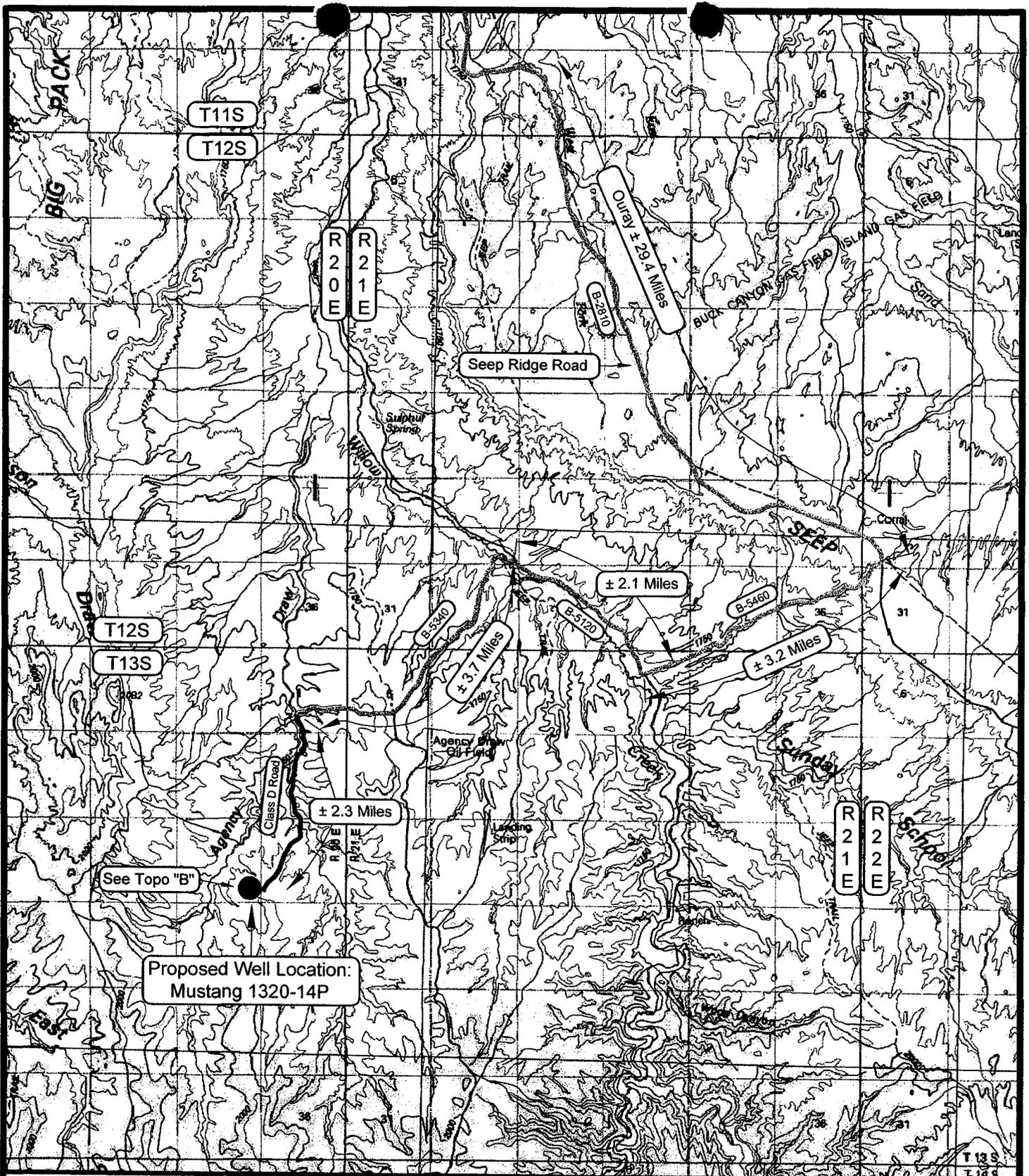
▲ = SECTION CORNERS LOCATED

BASIS OF ELEVATION IS BENCH MARK 66 WF 1952 LOCATED IN THE NE 1/4 OF SECTION 6, T13S, R21E, S.L.B.&M. THE ELEVATION OF THIS BENCH MARK IS MARKED ON THE AGENCY DRAW NE 7.5 MIN. QUADRANGLE AS BEING 5812'.

TIMBERLINE LAND SURVEYING, INC.

38 WEST 100 NORTH. - VERNAL, UTAH 84078
(435) 789-1365

DATE SURVEYED: 9-20-05	SURVEYED BY: K.R.K.	SHEET 2 OF 10
DATE DRAWN: 9-27-05	DRAWN BY: C.B.T.	
SCALE: 1" = 1000'	Date Last Revised:	



LEGEND

- = PROPOSED WELL LOCATION
- = EXISTING ROAD
- = EXISTING ROAD (TO BE IMPROVED)
- = PROPOSED ACCESS ROAD
- B-5460 = COUNTY ROAD CLASS & NUMBER

TOPOGRAPHIC MAP "A"

DATE SURVEYED: 9-20-05

DATE DRAWN: 9-28-05

SCALE: 1:100,000

DRAWN BY: M.W.W.

REVISED:

SLATE RIVER RESOURCES, LLC

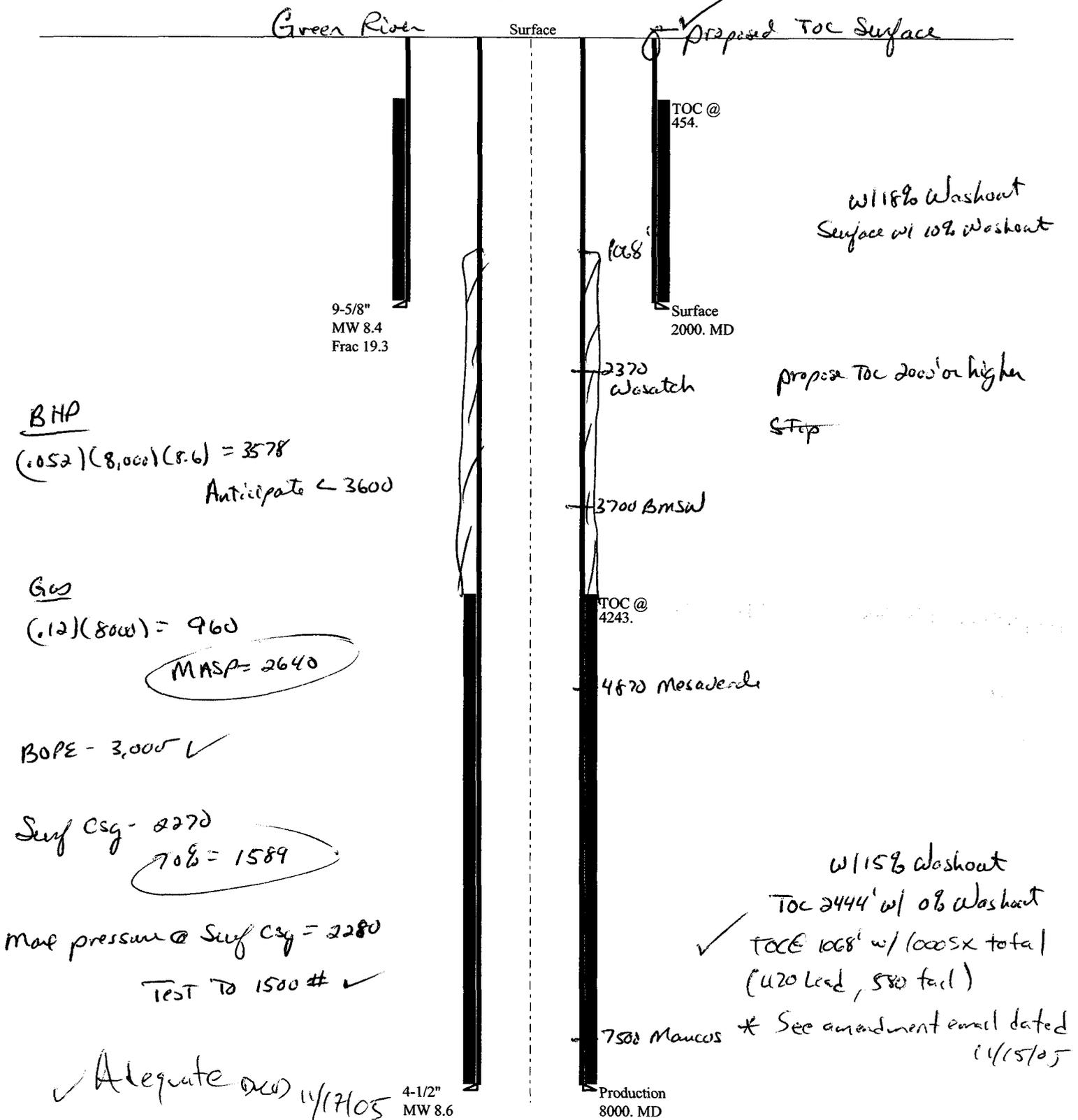
Mustang 1320-14P
SECTION 14, T13S, R20E, S.L.B.&M.
837' FSL & 729' FEL

Timberline Land Surveying, Inc.
 38 West 100 North Vernal, Utah 84078
 (435) 789-1365

SHEET
7
OF 10

11-05 Slate Mustang 1320-14P

Casing Schematic



Well name:	11-05 Slate Mustang 1320-14P	
Operator:	Slate River Resources, LLC	
String type:	Surface	Project ID: 43-047-37288
Location:	Uintah County, Utah	

Design parameters:	Minimum design factors:	Environment:
<u>Collapse</u>	<u>Collapse:</u>	H2S considered? No
Mud weight: 8.400 ppg	Design factor 1.125	Surface temperature: 65 °F
Design is based on evacuated pipe.		Bottom hole temperature: 93 °F
		Temperature gradient: 1.40 °F/100ft
		Minimum section length: 299 ft
	<u>Burst:</u>	Cement top: 454 ft
	Design factor 1.00	
<u>Burst</u>		
Max anticipated surface pressure: 83 psi	<u>Tension:</u>	Non-directional string.
Internal gradient: 0.436 psi/ft	8 Round STC: 1.80 (J)	
Calculated BHP 956 psi	8 Round LTC: 1.80 (J)	
No backup mud specified.	Buttress: 1.60 (J)	
	Premium: 1.50 (J)	
	Body yield: 1.50 (B)	Re subsequent strings:
	Tension is based on air weight.	Next setting depth: 8,000 ft
	Neutral point: 1,753 ft	Next mud weight: 8.600 ppg
		Next setting BHP: 3,574 psi
		Fracture mud wt: 19.250 ppg
		Fracture depth: 2,000 ft
		Injection pressure 2,000 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2000	9.625	32.30	H-40	ST&C	2000	2000	8.876	126.8

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	873	1370	1.570	956	2270	2.37	65	254	3.93 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & Mining

Phone: (801) 538-5281
FAX: (801)359-3940

Date: November 10,2005
Salt Lake City, Utah

ENGINEERING STIPULATIONS -
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	11-05 Slate Mustang 1320-14P	
Operator:	Slate River Resources, LLC	
String type:	Production	Project ID: 43-047-37288
Location:	Uintah County, Utah	

Design parameters:

Collapse
Mud weight: 8.600 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 83 psi
Internal gradient: 0.436 psi/ft
Calculated BHP: 3,574 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor: 1.125

Burst:
Design factor: 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 6,971 ft

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 177 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 4,243 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	8000	4.5	11.60	M-80	LT&C	8000	8000	3.875	185.4
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3574	6350	1.777	3574	7780	2.18	93	267	2.88 B

Prepared by: Clinton Dworshak
Utah Div. of Oil & Mining

Phone: (801) 538-5281
FAX: (801)359-3940

Date: November 10, 2005
Salt Lake City, Utah

ENGINEERING STIPULATIONS -
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Wildlife Resources**

JAMES F. KARPOWITZ
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

*Mustang
1320-14P*

October 31, 2005

Gil Hunt
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Subject: RDCC Project #5861, Application for Permit to Drill

Dear Mr. Hunt:

The Utah Division of Wildlife Resources has reviewed the subject document, and we provide the following comments:

We are concerned that the proposed action in conjunction with other proposed wells to be drilled in the area may result in cumulative impact to big game winter range. This area is classified as critical winter range for mule deer and substantial value elk winter range. Disturbances caused by drilling activities and increased human presence in the area increase stress to wintering big game. Increased human activity may cause animals to relocate to less desirable areas. These factors may result in increased winter mortality. We suggest a seasonal closure on new surface disturbances i.e.... pad and road construction and workover activities from November 15 – April 15 to minimize negative impacts to wintering big game animals.

Well pad and road locations should avoid open sagebrush/oakbrush areas and be located within pinion juniper stands where possible. Areas of suitable winter forage should be left undisturbed to minimize forage loss.

Mitigation should be accomplished by completing a habitat restoration project that creates and enhances beneficial habitat that will benefit mule deer and elk and compensate for ground disturbance and habitat loss. Ideas for mitigation may be discussed at the Uintah Basin Conservation and Development group via this office.

Thank you for the opportunity to review this proposed action and provide comment. If you have any questions, please call Ben Williams, Oil and Gas Habitat Biologist, at our Northeast Region, Vernal office (435-781-5357).

Sincerely,

Walt Donaldson
Regional Supervisor

Page 2
November 3, 2005
Subject:

Cc:JFK/TBW/Walt Donaldson/Steve Brayton/Mike Styler/Carolyn Wright

Clinton Dworshak - Slate River APD Cement Detail

From: "JTConley" <jconley@sl8river.com>
To: <clintondworshak@utah.gov>
Date: 11/15/2005 8:56 AM
Subject: Slate River APD Cement Detail
CC: "Ginger Stringham" <gs_paradigm@yahoo.com>

Clint;
Slate River's cementing practice and program intends to bring the lead cement to surface in each and every well.

Actual cement volumes are based on the openhole caliper and cement volume log. Typical cement jobs for the production casing run between 1000 and 1200 sx's total of the lead plus tail.

Please note this change for the APDs submitted as shown in the well listing below, and include our intent to bring the cement to surface.

Well	Spot	S-T-R
Mustang #1220-35I	NESE	35-12S-20E
Mustang #1320-10I	NESE	10-13S-20E
Mustang #1320- 3O	SWSE	3-13S-20E
Mustang #1320-11H	SENE	11-13S-20E
Mustang #1320-13D	NWNW	13-13S-20E
Mustang #1320-14P	SESE	14-13S-20E
Mustang #1320-24E	SWNW	24-13S-20E
Mustang #1320-14D	NWNW	14-13S-20E
UOA #1321- 7P	SESE	7-13S-21E
UOS #1321-17A	NENE	17-13S-21E
UOS #1321- 4M	SWSW	4-13S-21E
Mustang #1320-15B	NWNE	15-13S-20E

Please contact me if you have questions.

thanx,

**J.T. Conley
Slate River Resources
418 East Main, Suite 18
Vernal, UT 84078
435-781-1870**



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

November 17, 2005

Slate River Resources, LLC
418 East Main
Vernal, UT 84078

Re: Mustang 1320-14P Well, 837' FSL, 729' FEL, SE SE, Sec. 14, T. 13 South,
R. 20 East, Uintah 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 43-047-37288.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor

Operator: Slate River Resources, LLC

Well Name & Number Mustang 1320-14P

API Number: 43-047-37288

Lease: Fee

Location: SE SE Sec. 14 T. 13 South R. 20 East

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

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

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. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

5. Operator shall comply with applicable recommendations resulting from Resource Development Coordinating Committee review. Statements attached.

6. Surface casing shall be cemented to the surface.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: SLATE RIVER RESOURCES LLC
Address: 418 E. MAIN SUITE 18
city VERNAL
state UT zip 84078

Operator Account Number: N 2725
Phone Number: (435) 781-1870

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304737288	MUSTANG 1320-14P		SESE	14	13S	20E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	15179	2/1/2006		2/9/06		
Comments: MIRU PETE MARTIN BUCKET RIG SPUD @ 11:30 AM ON 2/1/2006 MNCs CONFIDENTIAL K							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304737289	MUSTANG 1320-13D		NWNW	13	13S	20E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	15180	2/1/2006		2/9/06		
Comments: MIRU PETE MARTIN BUCKET RIG SPUD @ 2:00 PM ON 2/1/2006 MNCs CONFIDENTIAL K							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

LUCY NEMEC

Name (Please Print)

Lucy Nemece
Signature

Sr. Operations Specialist

2/6/2006

Title

Date

(5/2000)

RECEIVED
FEB 08 2006
DIV. OF OIL, GAS & MINING

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS		5. Lease Designation and Serial Number: FEE
Do not use this form for proposals to drill or deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT -" for such proposals		6. If Indian, Allottee or Tribe Name:
		7. Unit Agreement Name:
1. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER:		8. Well Name and Number: MUSTANG 1320-14P
2. Name of Operator: SLATE RIVER RESOURCES, LLC		9. API Well Number: 43-047-37288
3. Address and Telephone Number: 418 E. MAIN STE 18 VERNAL, UT 84078		10. Field and Pool, or Wildcat: WILDCAT
4. Location of Well: Footages: 837' FSL & 729' FEL QQ, Sec., T., R., M.: SESE SEC 14 T13S R20E SLC MERIDIAN		County: UINTAH State: UT

CONFIDENTIAL

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandon <input type="checkbox"/> New Construction <input type="checkbox"/> Repair Casing <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Recomplete <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Reperforate <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Other _____	<input type="checkbox"/> Abandon* <input type="checkbox"/> New Construction <input type="checkbox"/> Repair Casing <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Reperforate <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Water Shut-Off <input checked="" type="checkbox"/> Other <u>Spud Notice</u>
Approximate date work will start _____	Date of work completion <u>2/1/2006</u> <small>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.</small>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Pete Martin Rathole Drilling MI&RU RHR. The well was spud at 11:30 a.m. on 2/1/2006. 40' of 14" conductor pipe was cemented with approx. 3 yards of ready-mix cement.

214 - 2/5/2006

Bill Jr. Rathole Drilling, Inc. MI&RU. Drilled a 12-1/4" surface hole to 2070'. Ran 2025' (48 Jts) of 9-5/8" 32.30# H-40 ST&C set @ 2041'KB as follows: **Lead** - 170 sks 16% gel, 10# gilsonite, 3% salt, 3# GR3, 1/4# Flocele; **Tail** - 200 sks 2% CaCl₂, 1/4# flocele; **Top** - 225 sks 4% CaCl₂, 1/4" flocele; Land plug w/500 PSI up to 950 PSI.

RDMOL. WO Rotary tool.

13. Name and Signature: Lucy Nemecek Title: SR. Operations Spec Date: 08-Feb-06
Lucy Nemecek

(This space for State use only.)

RECEIVED
FEB 10 2006

**STATE OF UTAH
DIVISION OF OIL, GAS AND MINING**

SUNDRY NOTICES AND REPORTS ON WELLS		5. Lease Designation and Serial Number: FEE
Do not use this form for proposals to drill or deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT -" for such proposals		6. If Indian, Allottee or Tribe Name:
		7. Unit Agreement Name:
1. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER:	8. Well Name and Number: MUSTANG 1320-14P	
2. Name of Operator: SLATE RIVER RESOURCES, LLC	CONFIDENTIAL	
3. Address and Telephone Number: 418 E. MAIN STE 18 VERNAL, UT 84078	9. API Well Number: 43-047-37288	
4. Location of Well: Footages: 837' FSL & 729' FEL County: UINTAH QQ, Sec., T., R., M.: SESE SEC 14 T13S R20E SLC MERIDIAN State: UT	10. Field and Pool, or Wildcat: WILDCAT	

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandon <input type="checkbox"/> New Construction <input type="checkbox"/> Repair Casing <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Recomplete <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Reperforate <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Other _____	<input type="checkbox"/> Abandon* <input type="checkbox"/> New Construction <input type="checkbox"/> Repair Casing <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Reperforate <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Water Shut-Off <input checked="" type="checkbox"/> Other <u>Set & Cement Production String</u>
Approximate date work will start _____	Date of work completion <u>3/7/2006</u> Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

2/24 - 3/7/2006
MIRU Union Rig #7. Drilled a 7-7/8" hole from 2086' - 7751'.
Ran 183 jts (7760') of new 4-1/2" 11.60# M-80 LT&C casing and set @ 7751'.
Big 4 Cementing cemented production casing with 1150 sx cement as follows:
Lead - 250 sx of 16% Gel - 10# sk Gilsonite, 3% salt, 1/4# flocele, 3# sk GR-3
Tail - 900 sx - 50/50 Poz ,2% Gel, 10% salt, 3% Fld .4% dispersant, 1/4# sk flocele
Land plug w/2000 psi up to 2500 psi on 3/6/06.
Good returns throughtout job, no cement to surface.

Rig Released @ 5:00 am 3/7/06. RDMOL. WO Completion Rig

13. Name and Signature: *Lucy Nemece* Title: **SR. Operations Spec** Date: 30-Mar-06
 Lucy Nemece

(This space for State use only.)

RECEIVED
APR 03 2006
 DIV. OF OIL, GAS & MINING

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT" for surface casing.

5. Lease Designation and Serial Number:

FEE

6. If Indian, Allottee or Tribe Name:

7. Unit Agreement Name:

8. Well Name and Number:

See attached

9. API Well Number:

43-047-37288

10. Field and Pool or Widout:

1. Type of Well: OIL GAS OTHER

2. Name of Operator:

SLATE RIVER RESOURCES, LLC

3. Address and Telephone Number:

418 E. MAIN VERNAL, UT 84078

4. Location of Well:

Forages: See attached

QQ, Sec. T., R., M.:

County: UINTAH

State: UT

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT

(Submit in Duplicate)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other Disposal of Produced Water
- New Construction
- Pull or Alter Casing
- Recomplete
- Reperforate
- Vent or Flare
- Water Shut-Off

Approximate date work will start 1/25/2006

SUBSEQUENT REPORT

(Submit Original Form Only)

- Abandon*
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other
- New Construction
- Pull or Alter Casing
- Reperforate
- Vent or Flare
- Water Shut-Off

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Slate River Resources LLC requests approval to dispose of produced water at either one or both of the approved disposal sites listed below for the attached list of producing wells.

Dalbo/Ace
6848 W. Hwy 40
Vernal, UT

Dalbo Inc. Glen Bench Disposal
26800 S. Glen Bench Road
Vernal, Utah

COPY SENT TO OPERATOR

Date: 10-13-06
Initials: RM

13.

Name and Signature:

Lucy Werpke
Lucy Werpke

Title: S.R. Operations Specialist

Date: 11-Sep-06

(This space for State use only.)

Accepted by the
Utah Division of
Oil, Gas and Mining

RECEIVED

OCT 12 2006

(494) Date: 10-12-06

(See Instructions on Reverse Side)

DIV. OF OIL, GAS & MINING

By: *[Signature]*

**SLATE RIVER RESOURCES LLC
 AGENCY DRAW PRODUCING WELLS
 OCTOBER 12,2006**

Well	Field	Lease	API #	Spot	Description S-T-R	County	State
UOS #1321- 9P	Agency Draw	Fee	43-047-36375	SESE	9-13S-21E	Uintah	Utah
Mustang #1320- 1I	Agency Draw	Fee	43-047-36384	NESE	1-13S-20E	Uintah	Utah
UOS #1321- 9L	Agency Draw	Fee	43-047-36376	NWSW	9-13S-21E	Uintah	Utah
UOA #1321- 7A	Agency Draw	Fee	43-047-36372	NENE	7-13S-21E	Uintah	Utah
UOA #1321- 6G	Agency Draw	Fee	43-047-36370	SWNE	6-13S-21E	Uintah	Utah
UOA #1321- 8C	Agency Draw	Fee	43-047-36373	NENW	8-13S-21E	Uintah	Utah
Mustang #1321- 7F	Agency Draw	Fee	43-047-36371	SESW	7-13S-21E	Uintah	Utah
Mustang #1320-12A	Agency Draw	Fee	43-047-36369	NENE	12-13S-20E	Uintah	Utah
Mustang #1321- 6C	Agency Draw	Fee	43-047-36383	NENW	6-13S-21E	Uintah	Utah
UOS #1321- 8A	Agency Draw	Fee	43-047-36374	NENE	8-13S-21E	Uintah	Utah
Mustang #1220-35I	Agency Draw	Fee	43-047-37287	NESE	35-12S-20E	Uintah	Utah
Mustang #1320-10I	Agency Draw	Fee	43-047-37291	NESE	10-13S-20E	Uintah	Utah
Mustang #1320-11H	Agency Draw	Fee	43-047-37295	SENE	11-13S-20E	Uintah	Utah
Mustang #1320-24E	Agency Draw	Fee	43-047-37298	SWNW	24-13S-20E	Uintah	Utah
Mustang #1320-14P	Agency Draw	Fee	43-047-37288	SESE	14-13S-20E	Uintah	Utah
Mustang #1320-13D	Agency Draw	Fee	43-047-37289	NWNW	13-13S-20E	Uintah	Utah
Mustang #1320-14D	Agency Draw	Fee	43-047-37296	NWNW	14-13S-20E	Uintah	Utah

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*
1a. TYPE OF WELL
1b. TYPE OF COMPLETION
2. NAME OF OPERATOR
3. ADDRESS AND TELEPHONE NO.
4. LOCATION OF WELL
5. LEASE DESIGNATION AND SERIAL NO.
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME, WELL NO.
9. API NO.
10. FIELD AND POOL OR WILDCAT
11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
12. COUNTY
13. STATE

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14. DATE SPUDDED
15. DATE T.D. REACHED
16. DATE COMPL.
17. ELEVATIONS
18. TOTAL DEPTH, MD & TVD
19. PLUG, BACK T.D., MD & TVD
20. IF MULTIPLE COMPL., HOW MANY
21. DEPTH BRIDGE PLUG SET
24. PRODUCING INTERVAL(S)
25. WAS DIRECTIONAL SURVEY MADE

26. TYPE ELECTRIC AND OTHER LOGS RUN
27. WAS WELL CORED
DRILL STEM TEST

Table with 6 columns: CASING SIZE, WEIGHT, LB./FT., DEPTH SET (MD), HOLE SIZE, CEMENTING RECORD, AMOUNT PULLED. Rows include 9-5/8" H-40 and 4-1/2" M-80.

Table with 8 columns: SIZE, TOP (MD), BOTTOM (MD), SACKS CEMENT*, SCREEN (MD), SIZE, DEPTH SET (MD), PACKER SET (MD). Includes LINER RECORD and TUBING RECORD.

Table with 4 columns: INTERVAL, SIZE, NUMBER, ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC. Includes perforation and fracture data.

33.* PRODUCTION
DATE FIRST PRODUCTION
PRODUCTION METHOD
WELL STATUS
DATE OF TEST
HOURS TESTED
CHOKE SIZE
PROD'N FOR TEST PERIOD
OIL--BBL.
GAS--MCF.
WATER--BBL.
GAS-OIL RATIO
FLOW. TUBING PRESS.
CASING PRESSURE
CALCULATED 24-HOUR RATE
OIL--BBL.
GAS--MCF.
WATER--BBL.
OIL GRAVITY-API (CORR.)

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)
TEST WITNESSED BY

35. LIST OF ATTACHMENTS
Perforation Record & Additional Frac History

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
SIGNED
TITLE Sr. Operations Specialist
DATE 2/13/2007

RECEIVED

See Spaces for Addition Data on Reverse Side

FEB 15 2007

INSTRUCTIONS

This form should be completed in compliance with the Utah Oil and Gas Conservation General Rules. If not filed prior to this time, all logs, tests, and directional surveys as required by Utah Rules should be attached and submitted with this report.

ITEM 18: Indicate which elevation is used as reference for depth measurements given in other spaces on this form and on any attachments.

ITEMS 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

ITEM 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

ITEM 33: Submit a separate completion report on this form for each interval to be separately produced (see instruction for items 22 and 24 above).

37. SUMMARY OF POROUS ZONES: Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries.				38. GEOLOGIC MARKERS		
Formation	Top	Bottom	Description, contents, etc.	Name	Top	
					Meas. Depth	True Vert. Depth
Wasatch	2307		Shale, Sandstone			
Mesaverde	4680		Sandstone & Shale			
Castlegate	6761		Sandstone & Shale			
Mancos	7214		Sandstone & Shale			
Blackhawk	7332		Sandstone & Shale			
CONFIDENTIAL						

Mesaverde and Mancos are comingled. Test on 9/20/05 included both intervals.

CONFIDENTIAL

Attachment to Completion Report

Mustang 1320-14P

27. PERFORATION RECORD

3-1/8" Barrel Gun 120 Deg Phasing .35 perf Diameter

<u>Formation</u>	<u>Interval</u>	<u>No Holes</u>		<u>Status</u>
Blackhawk	7438 - 7440	6	3 SPF	Open
Blackhawk	7385 - 7388	9	3 SPF	Open
Castlegate	6995 - 6998	6	2 SPF	Open
Castlegate	6930 - 6933	6	2 SPF	Open
Sego	6804 - 6809	15	3 SPF	Squeezed
Mesaverde	6216 - 6220	12	3 SPF	Open
Mesaverde	6166 - 6169	9	3 SPF	Open
	Total	63		

28. FRAC HISTORY (cont'd)

<u>Depth of Interval</u>	<u>Amount / type of material</u>
6804 - 6809	Squeezed using 50 sxs G cement

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ
2. CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

2/21/2008

FROM: (Old Operator): N2725-Slate River Resources, LLC 418 E Main, Suite 18 Vernal, UT 84078 Phone: 1 (435) 781-1874	TO: (New Operator): N1675-Mustang Fuel Corporation 13439 Broadway Ext. Oklahoma City, OK 73114-2202 Phone: 1 (405) 748-9487
---	---

CA No.		Unit:						
WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 3/28/2008
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 3/18/2008
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 4/28/2008
- a. Is the new operator registered in the State of Utah: Yes Business Number: 1467562-0143
- b. If **NO**, the operator was contacted on: _____
- a. (R649-9-2)Waste Management Plan has been received on: _____ Requested
- b. Inspections of LA PA state/fee well sites complete on: n/a
- c. Reports current for Production/Disposition & Sundries on: _____
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM n/a BIA n/a
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 4/28/2008
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 4/28/2008
- Bond information entered in RBDMS on: 4/28/2008
- Fee/State wells attached to bond in RBDMS on: 4/28/2008
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: _____ n/a

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: n/a
- Indian well(s) covered by Bond Number: n/a
- a. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 400KB7078
- b. The **FORMER** operator has requested a release of liability from their bond on: 4/18/2008 Disposal Facilities only
The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 4/28/2008

COMMENTS:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: See attached	
2. NAME OF OPERATOR: Mustang Fuel Corporation <i>N1675</i>	9. API NUMBER: See attach	
3. ADDRESS OF OPERATOR: 13439 Broadway Extension CITY Oklahoma City STATE OK ZIP 73114-2202	PHONE NUMBER: (405) 748-9487	10. FIELD AND POOL, OR WILDCAT: See attached
4. LOCATION OF WELL FOOTAGES AT SURFACE: See attached schedule of wells		COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>2/21/2008</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Mustang Fuel Corporation requests a change of operator from Slate River Resources, LLC to Mustang Fuel Corporation, effective February 21, 2008 for the wells and facilities listed on the attached schedule.

The bond numbers for Mustang Fuel Corporation are:
 State of Utah DOGM Bond *400KB7078*
 State of Utah Bond of Lessee
 Federal Utah Statewide Bond

NAME (PLEASE PRINT) <u>Jim Hill</u>	TITLE <u>Operations Manager</u>
SIGNATURE <i>Jim Hill</i>	DATE <u>2/21/2008</u>

(This space for State use only)

APPROVED 4128108
Earlene Russell
 Division of Oil, Gas and Mining (See Instructions on Reverse Side)
 Earlene Russell, Engineering Technician

RECEIVED
MAR 18 2008
 DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: See attached	
2. NAME OF OPERATOR: Slate River Resources, LLC <i>N2725</i>	9. API NUMBER: See attach	
3. ADDRESS OF OPERATOR: 418 E. Main, Suite 18 CITY Vernal STATE UT ZIP 84078	PHONE NUMBER: (435) 781-1874	10. FIELD AND POOL, OR WILDCAT: See attached
4. LOCATION OF WELL FOOTAGES AT SURFACE: See attached schedule of wells		COUNTY: Utah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>2/21/2008</u> <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Slate River Resources, LLC requests a Change of Operator from Slate River Resources, LLC to Mustang Fuel Corporation on the wells listed on the attached schedule including a change of Operator for the AD Disposal Pit 1, AD Disposal Pit #2 and the Willow Creek Compressor facility effective 2/21/08.

NAME (PLEASE PRINT) <u>Lucy Nemeec</u>	TITLE <u>Sr. Operations Specialist</u>
SIGNATURE <i>Lucy Nemeec</i>	DATE <u>3/27/2008</u>

(This space for State use only)

APPROVED 4/28/08
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED
MAR 28 2008
DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: MUSTANG 1320-14P
2. NAME OF OPERATOR: MUSTANG FUEL CORPORATION	9. API NUMBER: 43047372880000
3. ADDRESS OF OPERATOR: 418 East Main , Vernal , UT, 84078	PHONE NUMBER: 405 748-9487 Ext
	9. FIELD and POOL or WILDCAT: AGENCY DRAW
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0837 FSL 0729 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 14 Township: 13.0S Range: 20.0E Meridian: S	COUNTY: UINTAH
	STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 5/15/2015	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input checked="" type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Shut in effective 5/15/2015. Expectations are to plug well within the next 6 months.

Approved by the
June 04, 2015
Oil, Gas and Mining

Date: _____
 By: *Angelia Duffy*

NAME (PLEASE PRINT) Angelia Duffy	PHONE NUMBER 405 748-9261	TITLE Operations Tech
SIGNATURE N/A	DATE 5/28/2015	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: MUSTANG 1320-14P
2. NAME OF OPERATOR: MUSTANG FUEL CORPORATION	9. API NUMBER: 43047372880000
3. ADDRESS OF OPERATOR: 418 East Main , Vernal , UT, 84078	PHONE NUMBER: 405 748-9487 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0837 FSL 0729 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 14 Township: 13.0S Range: 20.0E Meridian: S	9. FIELD and POOL or WILDCAT: AGENCY DRAW
	COUNTY: UINTAH
	STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 8/31/2015	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

1. MIRU Peak Well Service, ND WH, NU BOP. Unset TAC and POOH w/ tbg. 2. RIH w/ CIBP to +/- 6850' (Top of Segoo). Set CIBP and spot 10 sks Cement on plug 3. PU workstring and RIH to +/- 6100'. Set the following plugs: a. 20 sks plug at Top of Mesaverde perms (+/- 5900-6100') b. 25 sks plug at Top of Wasatch (+/- 2100-2300') c. Cut casing at +/-850' and spot 40 sks Class G over cut d. Fill surface w/ 60 sks from 150-0'. 4. ND BOP Cut off wellhead. Install P&A Marker w/ cement. RDMO Peak Well Service. Cut Anchors.

**Approved by the
Utah Division of
Oil, Gas and Mining**

Date: September 17, 2015

By: 

Please Review Attached Conditions of Approval

NAME (PLEASE PRINT) Angelia Duffy	PHONE NUMBER 405 748-9261	TITLE Operations Tech
SIGNATURE N/A	DATE 8/20/2015	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43047372880000

- 1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338.**
- 2. Add Plug #3: A 100' plug (± 10 sx) shall be balanced from $\pm 4700'$ to 4600'. This will isolate the Mesaverde formation.**
- 3. Add Plug #3: A 100' plug (± 10 sx) shall be balanced from $\pm 3200'$ to 3100'. This will isolate the base of moderately saline groundwater as required by R649-3-24-3.3.**
- 4. All balanced plugs shall be tagged to ensure they are at the depths specified in the procedure.**
- 5. All annuli shall be cemented from a minimum depth of 100' to the surface.**
- 6. Surface reclamation shall be done in accordance with R649-3-34 – Well Site Restoration.**
- 7. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply.**
- 8. If there are any changes to the procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 (ofc) or 801-733-0983 (home) prior to continuing with the procedure.**
- 9. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.**

Wellbore Diagram

API Well No: 43-047-37288-00-00 Permit No: Well Name/No: MUSTANG 1320-14P

Company Name: MUSTANG FUEL CORPORATION

Location: Sec: 14 T: 13S R: 20E Spot: SESE

Coordinates: X: 616669 Y: 4393296

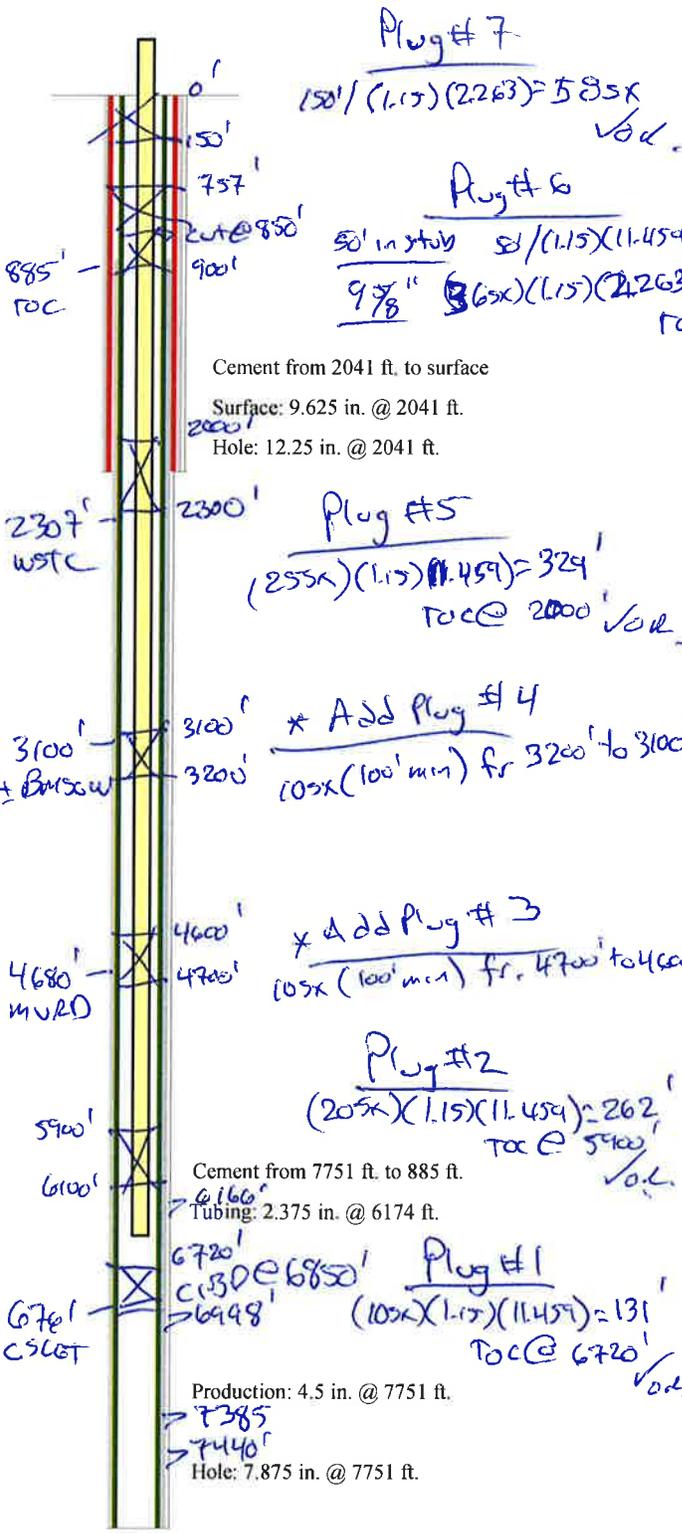
Field Name: AGENCY DRAW

County Name: Uintah

String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)	Capacity (f/cf)
HOL1	2041	12.25			
SURF	2041	9.625	32.3	2041	2.263
HOL2	7751	7.875			
PROD	7751	4.5	11.6	7751	11.459
T1	6174	2.375			

$9 \frac{7}{8} \times 4 \frac{1}{2} \rightarrow 3.017$



Cement from 2041 ft. to surface

Surface: 9.625 in. @ 2041 ft.

Hole: 12.25 in. @ 2041 ft.

Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
PROD	7751	885	PC	760
PROD	7751	885	PM	350
SURF	2041	0	G	595

Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Squeeze
6166	7440			

Formation Information

Formation	Depth
WSTC	2307
BMSW	3100
MVRD	4680
CSLGT	6761
MNCS	7214
BLKHK	7332

Cement from 7751 ft. to 885 ft.

Tubing: 2.375 in. @ 6174 ft.

Production: 4.5 in. @ 7751 ft.

Hole: 7.875 in. @ 7751 ft.

TD: 7751 TVD: 7751 PBD: 7706

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
1. TYPE OF WELL Gas Well	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: MUSTANG FUEL CORPORATION	7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: 418 East Main , Vernal , UT, 84078	8. WELL NAME and NUMBER: MUSTANG 1320-14P
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0837 FSL 0729 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 14 Township: 13.0S Range: 20.0E Meridian: S	9. API NUMBER: 43047372880000
PHONE NUMBER: 405 748-9487 Ext	9. FIELD and POOL or WILDCAT: AGENCY DRAW
	COUNTY: UINTAH
	STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 10/14/2015	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

ND WH, NU BOP's, POOH laying down 225 jts, PU 3 7/8" bit, RIH picking up work string to 6900', POOH, PU 4 1/2" CIBP, run in to 6860', set & spot 15 sx cmt on top, pull up to 6102', spot 25 sx, balance plug, pull 20 jts, reverse out, RIH & tag cement @ 6003', press test to 1450# f/ 30 mins, pull up to 4714' EOT, spot 10 sx, balance plug, pull to 3199' EOT, spot 10 sx, balance plug, pull to 2306', spot 30 sx, balance plug, POOH, cut off csg head & 4 1/2", fill surf w/ 70 sx to 150', weld on marker, RD, well plugged 10-14-15.

**Accepted by the
 Utah Division of
 Oil, Gas and Mining
 FOR RECORD ONLY
 October 28, 2015**

NAME (PLEASE PRINT) Angelia Duffy	PHONE NUMBER 405 748-9261	TITLE Operations Tech
SIGNATURE N/A	DATE 10/28/2015	