

FIML NATURAL RESOURCES, LLC

January 19, 2006

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, UT 84114-5801

Attn.: Ms. Diana Whitney

RE: Exception Letter for the Ute Tribal #7-28-1319
Uintah County, Utah

Dear Ms. Whitney:

FIML Natural Resources, LLC has no objection to the proposed Ute Tribal #7-28-1319 well being drilled 2,050' FNL and 1,772' FEL of Section 28 T-13S R-19E. The original "legal" drill site location was moved due to severe topographic conditions. Moreover, the Ute Tribal representatives would not allow the drill site to be placed at the legal location due to the severe topographic constraints.

FIML Natural Resources, LLC is the only owner within a 460 foot radius of the proposed well location.

The signature below is our written waiver of objection to UT Administrative Code R649-3-3.

Signature:



Name: Rick L. Parks

Title: Operations Manager

Date: January 19, 2006

FIML Natural Resources, LLC
410 17th Street, Suite 900
Denver, CO 80202

FIML NATURAL RESOURCES, LLC

January 25, 2005

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, UT 84114-5801

Attn.: Ms. Diana Whitney

RE: Ute Tribal #7-28-1319
SWNE Sec 28 T-13S R-19E
Wildcat Field
Uintah County, Utah

Dear Ms. Whitney:

Enclosed is an original of the application to drill concerning the referenced proposed well and the exception location letter.

FIML Natural Resources, LLC (FNR) is requesting the Utah Division of Oil, Gas and Mining to hold this application and all future information as confidential.

If any questions arise or additional information is required, please contact the undersigned at 303-893-5090.

Sincerely,



Cassandra Parks
Operations Assistant

/cp

Enclosures:

Form
(August 2004)

**UTE INDIAN TRIBE
DEPARTMENT OF ENERGY AND MINERALS
APPLICATION FOR PERMIT TO DRILL OR REENTER**

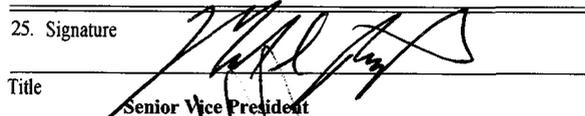
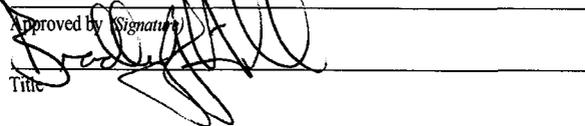
FORM
Approved August 2004

5. Lease Serial No. or EDA No. EDA Number UIT-EDA-001-000	
6. Tribe Name Ute	
7. If Unit or CA Agreement, Name and No. N/A	
8. Lease Name and Well No. Ute Tribal 7-28-1319	
9. API Well No. 43-047-37658	
1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER	10. Field and Pool, or Exploratory Wildcat
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone	11. Sec., T. R. M. or Blk. and Survey or Area Sec 28, T-13S R-19E
2. Name of Operator FIML Natural Resources, LLC	
3a. Address 410 17th St., 9th Floor, Denver, CO 80202	3b. Phone No. (include area code) (303) 893-5073
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SW/4 NE/4 2,050' FNL & 1,772' FEL Sec 28 T-13S R-19E At proposed prod. zone Same 603653X 4390389Y 39.658908 -109.791728	
14. Distance in miles and direction from nearest town or post office* 40.90 miles south southwest of Ouray, Utah	12. County Uintah
	13. State UT
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1,772'	16. No. of acres in lease 640
	17. Spacing Unit dedicated to this well 40 Acres
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1,836'	19. Proposed Depth 5,172'
	20. State Bond # 8193-15-93
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6,926' GL	22. Approximate date work will start* 03/10/2006
	23. Estimated duration 15 days

24. Attachments

The following shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan.
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Such other site specific information and/or plans as may be required by the Energy and Minerals Department.

25. Signature 	Name (Printed/Typed) Mark D. Bingham	Date 01/18/2006
Title Senior Vice President		
Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL	Date 02-14-06
Title ENVIRONMENTAL SCIENTIST III		

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

CONFIDENTIAL

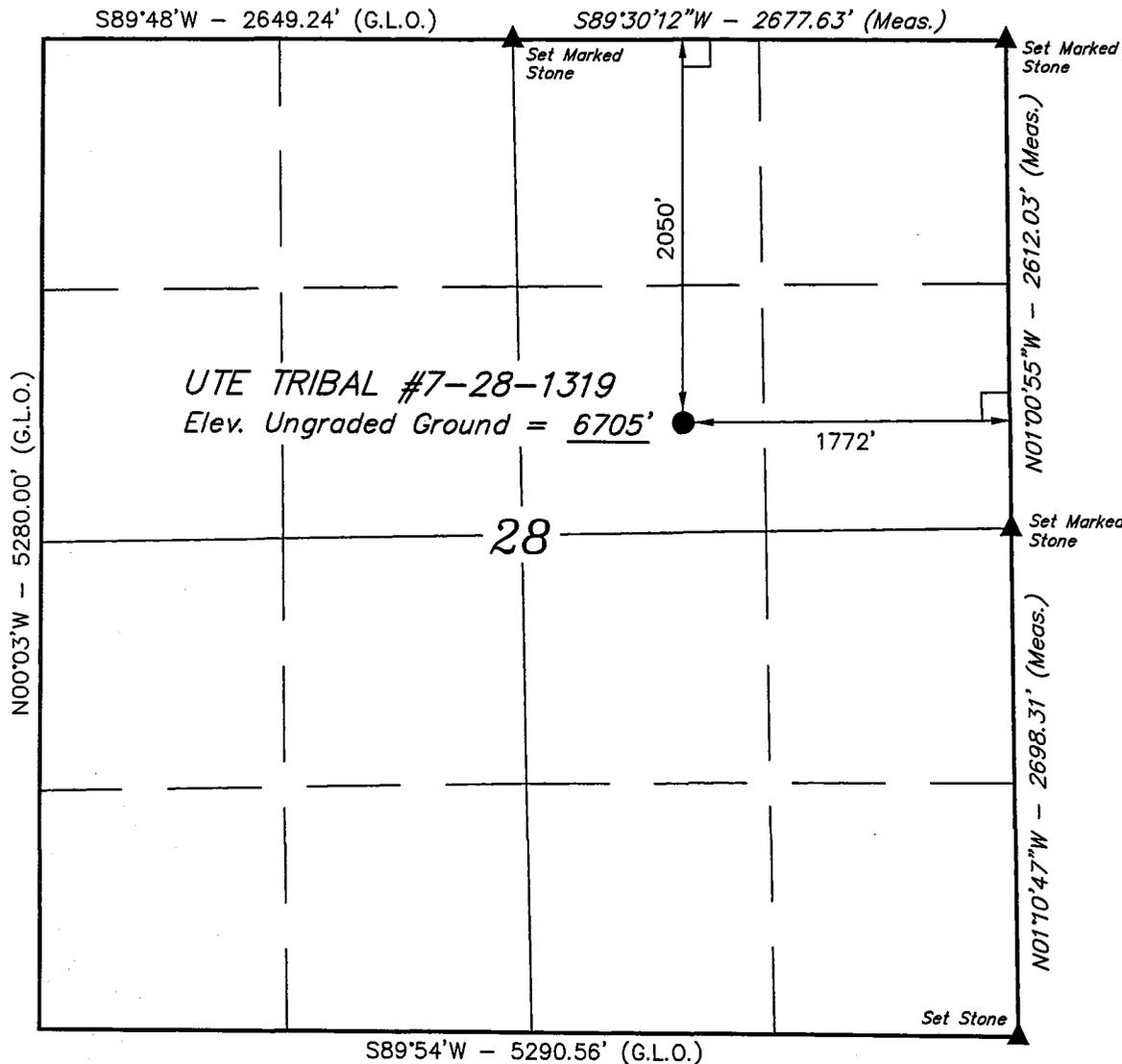
RECEIVED

JAN 31 2006

**Federal Approval of this
Action is Necessary**

DIV. OF OIL, GAS & MINING

T13S, R19E, S.L.B.&M.



N00°03'W - 5280.00' (G.L.O.)

UTE TRIBAL #7-28-1319
Elev. Ungraded Ground = 6705'

28

S89°54'W - 5290.56' (G.L.O.)

BASIS OF BEARINGS

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

(AUTONOMOUS NAD 83)
 LATITUDE = 39°39'31.77" (39.658825)
 LONGITUDE = 109°47'32.71" (109.792419)
 (AUTONOMOUS NAD 27)
 LATITUDE = 39°39'31.90" (39.658861)
 LONGITUDE = 109°47'30.21" (109.791725)

LEGEND:

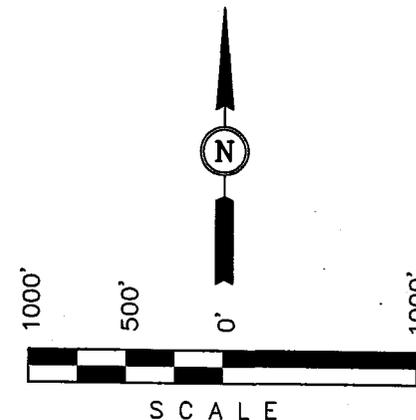
- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

UTE/FNR LLC.

Well location, UTE TRIBAL #7-28-1319, located as shown in the SW 1/4 NE 1/4 of Section 28, T13S, R19E, S.L.B.&M. Uintah County, Utah.

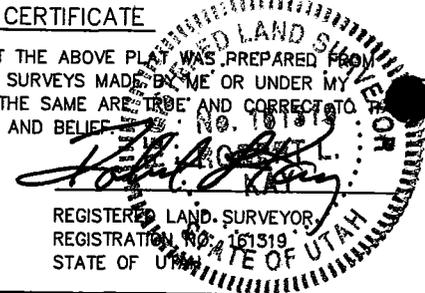
BASIS OF ELEVATION

BENCH MARK (47 WF) LOCATED IN THE NW 1/4 OF SECTION 22, T12S, R19E, S.L.B.&M. TAKEN FROM THE DOG KNOLL QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED ON CAP AS BEING 6473 FEET.



CERTIFICATE

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.



Revised: 9-7-05

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

SCALE 1" = 1000'	DATE SURVEYED: 7-14-05	DATE DRAWN: 7-21-05
PARTY B.H. B.W. K.G.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE UTE/FNR LLC.	

SELF CERTIFICATION STATEMENT

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

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

Ute Tribal 7-28-1319
SW/4 NE/4 2,050' FNL 1,772' FEL Sec 28, T-13S, R-19E, S.L.B.&M.
EDA Number UIT-EDA-001-000
Uintah County, Utah

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



Rick L. Parks
Operations Manager
FIML Natural Resources, LLC
410 17th Street
9th Floor
Denver, Colorado 80202
(303) 893-5081

UTE/FNR LLC
Managed and Operated by FIML Natural Resources, LLC

Ute Tribal 7-28-1319
SW/4 NE/4 2,050' FNL 1,772' FEL Section 28 T-13S R-19E
Uintah County, Utah
EDA Number UIT-EDA-001-000

DRILLING PROGRAM

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, the approved Plan of Operations, and any applicable Notice to Lessees.

UTE/FNR LLC is responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" and the Standard Operating Procedures will be furnished to the field representative(s) to ensure compliance and will be on location during all construction and drilling operations.

1. Estimated Tops of Geological Markers:

Formation	Depth
Green River	Surface
Wasatch	2,468'
Mesa Verde	4,922'
Total Depth	5,172'

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

Substance	Formation	Depth
Oil/Gas	Wasatch	2,468'
Oil/Gas	Mesa Verde	4,922'

All usable water, having less than 10,000 ppm total dissolved solids, and any prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine their commercial potential. This information will be reported to the Ute Tribe Energy and Minerals Department.

All water shows and water bearing zones will be reported to the Ute Tribe Energy and Minerals Department within one (1) business day after being encountered. Filing of the State of Utah form 7 Report of Water Encountered is optional.

3. Pressure Control Equipment:

Please refer to UTE/FNR LLC Standard Operating Procedure (SOP Version: Revised November 18, 2005).

4. **Proposed Casing and Cementing Program:**

Please refer to UTE/FNR LLC Standard Operating Procedure (SOP Version: Revised November 18, 2005).

5. **Drilling Fluids Program:**

Please refer to UTE/FNR LLC Standard Operating Procedure (SOP Version: Revised November 18, 2005).

6. **Evaluation Program:**

Please refer to UTE/FNR LLC Standard Operating Procedure (SOP Version: Revised November 18, 2005).

7. **Abnormal Conditions:**

Please refer to UTE/FNR LLC Standard Operating Procedure (SOP Version: Revised November 18, 2005).

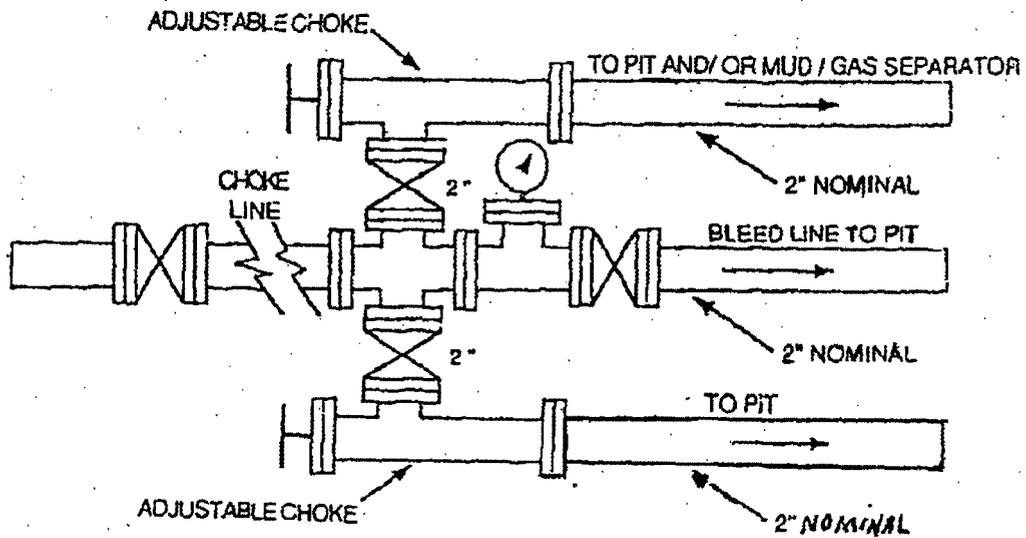
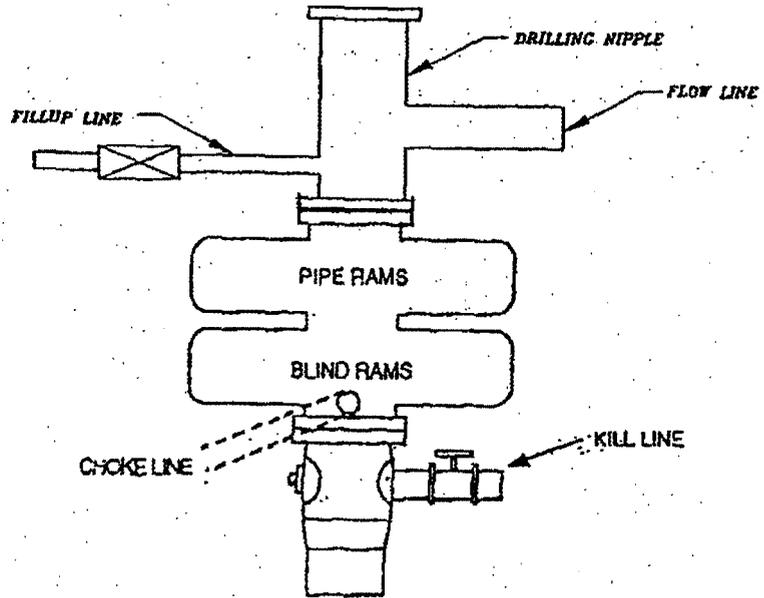
8. **Anticipated Starting Dates and Notification of Operations:**

Please refer to UTE/FNR LLC Standard Operating Procedure (SOP Version: Revised November 18, 2005).

9. **Other Information:**

Please refer to UTE/FNR LLC Standard Operating Procedure (SOP Version: Revised November 18, 2005).

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



UTE/FNR LLC
Managed and Operated by FIML Natural Resources, LLC

Ute Tribal 7-28-1319
SW/4 NE/4 2,050' FNL 1,772' FEL Section 28 T-13S R-19E
Uintah County, Utah
EDA Number UIT-EDA-001-000

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads

- A. Proceed in a westerly direction from Vernal, Utah along U.S. Highway 40 approximately 14.0 miles to the junction of State Highway 88. Turn left and proceed in a southerly direction approximately 17.0 miles to Ouray, Utah. Proceed south out of Ouray for 9.1 miles to the Seep Ridge Road. Turn right and follow Seep Ridge Road in a southerly direction approximately 4.0 miles to the Black Bridge. Cross the Black Bridge and turn left. Proceed in a southerly direction for approximately 27.7 miles. Take the left fork of the road (the low road) and proceed approximately 0.9 miles. Turn west and go approximately 0.1 miles on the new access road to the Ute Tribal 7-28-1319 location.
- B. The proposed well site is located approximately 41.8 miles south southwest of Ouray, Utah – See attached Topographic Map “A”.
- C. Refer to attached Topographic Map “A”.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. Planned Access Roads

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

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

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

4. Location of Existing and /or Proposed Facilities

Please refer to UTE/FNR LLC Standard Operating Practices (SOP Version: November 18, 2005).

5. Location and Type of Water Supply

- A. Water supply will be from the Ute Tribal 6-11-1219 water well. The State Water Right number is 43-10447 and the well is located in Section 6, T-12S, R-19E, Uintah County, Utah.
- B. Water will be hauled by JN Trucking, Inc.

6. Source of Construction Materials

Please refer to UTE/FNR LLC Standard Operating Practices (SOP Version: November 18, 2005).

7. Method of Handling Waste Materials

Please refer to UTE/FNR LLC Standard Operating Practices (SOP Version: November 18, 2005).

8. Ancillary Facilities

Please refer to UTE/FNR LLC Standard Operating Practices (SOP Version: November 18, 2005).

9. Well Site Layout

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

10. Plans for Restoration of the Surface

Please refer to UTE/FNR LLC Standard Operating Practices (SOP Version: November 18, 2005).

11. Surface Ownership

Access Road: Ute Indian Tribe
Location: Ute Indian Tribe

12. Other Information

Please refer to UTE/FNR LLC Standard Operating Practices (SOP Version: November 18, 2005).

13. Operator's Representative and Certification

Name: Rick L. Parks
Address: 410 17th Street
9th Floor
Denver, Colorado 80202
Phone No. 303-893-5081
Cellular No. 303-229-7689

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

Certification:

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

4/18/06

Date



Rick L. Parks
Rick L. Parks
Operations Manager
FIML Natural Resources, LLC

EPA's LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

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

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

UTE/FNR LLC.
UTE TRIBAL #7-28-1319
 LOCATED IN UINTAH COUNTY, UTAH
 SECTION 28, T13S, R19E, S.L.B.&M.

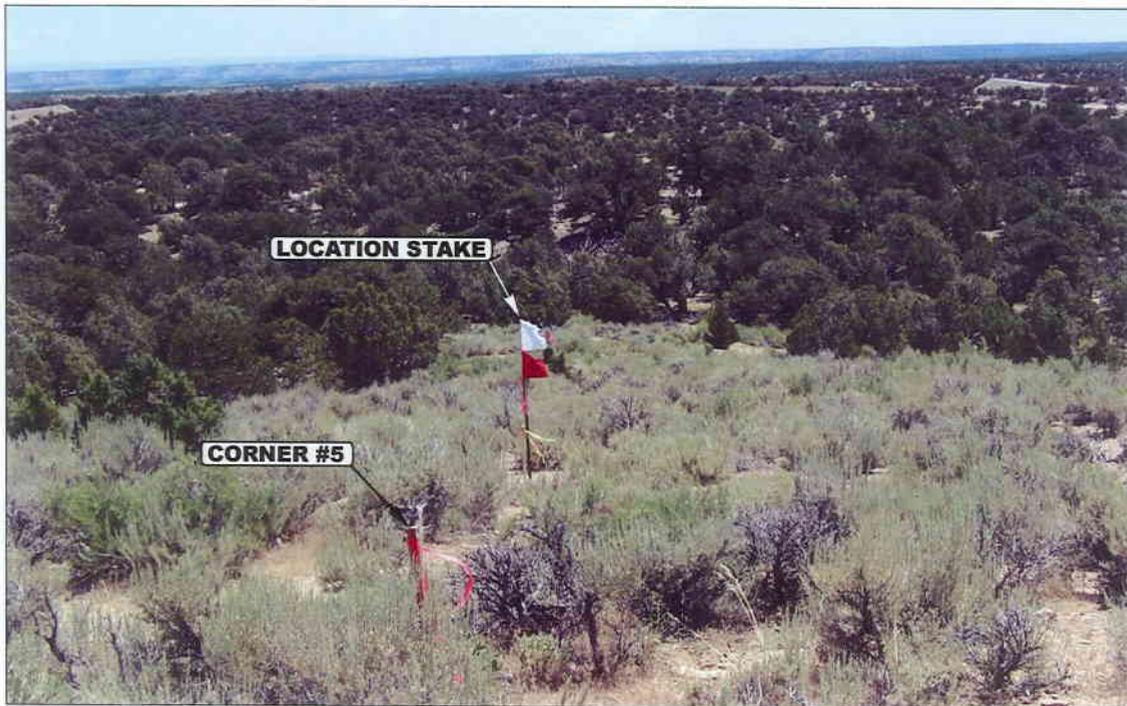


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY

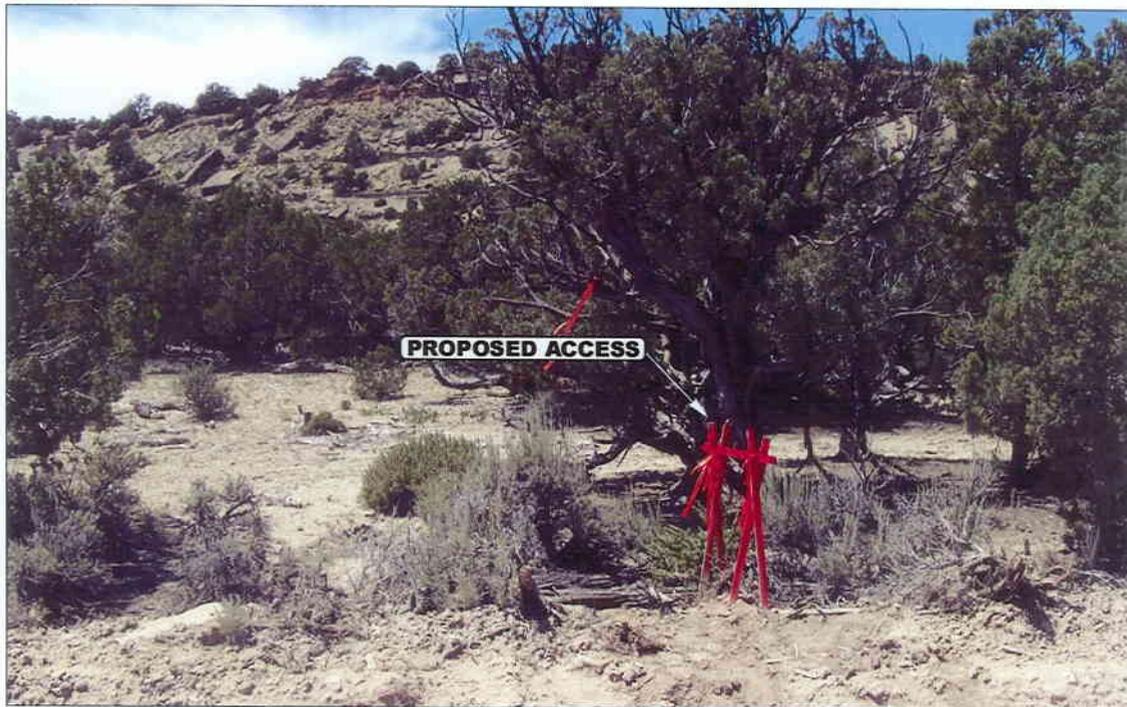


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: WESTERLY



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

- Since 1964 -

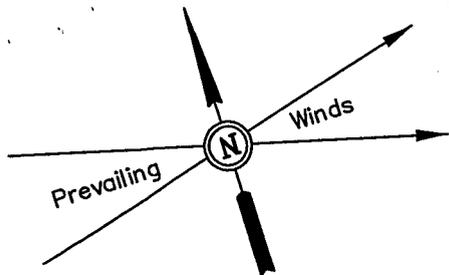
LOCATION PHOTOS			07	29	05	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: B.H.	DRAWN BY: L.K.	REV: 09-06-05 B.C.				

UTE/FNR LLC.

LOCATION LAYOUT FOR

UTE TRIBAL #7-28-1319
SECTION 28, T13S, R19E, S.L.B.&M.
2050' FNL 1772' FEL

Approx.
Toe of
Fill Slope



SCALE: 1" = 50'
DATE: 9-7-05
DRAWN BY: K.G.

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.

Approx. Top of Cut Slope

Reserve Pit Backfill & Spoils Stockpile

Flare Pit

C-8.1'
El. 709.1'

C-30.9'
El. 721.9'
(Btm. Pit)

10' WIDE BENCH

Total Pit Capacity
w/2' of Freeboard
= 12,810 Bbls. ±
Total Pit Volume
= 3,590 Cu. Yds.

RESERVE PITS
(10' Deep)

1 1/2:1 Slope

C-10.0'
El. 711.0'

MUD TANKS

TRASH

RIG

DOG HOUSE

WATER
PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

F-0.8'
El. 700.2'

Proposed Access Road

Install Culvert as Needed

F-14.4'
El. 686.6'

TRAILER
TOILET
FUEL

STORAGE TANK

Sta. 0+50

Sta. 0+00

Sta. 3+30

F-10.6'
El. 690.4'

Round Corners as Needed

DATA

170'

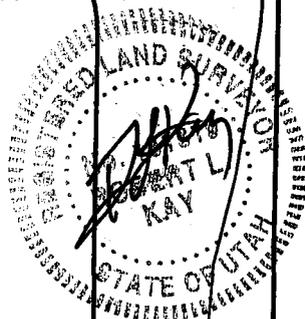
PIPE RACKS

125' Sta. 1+60

F-3.1'
El. 697.9'

Topsoil Stockpile

F-26.5'
El. 674.5'



C-39.4'
El. 730.4'
(Btm. Pit)

C-8.7'
El. 709.7'

Reserve Pit Backfill & Spoils Stockpile

F-7.4'
El. 693.6'

CONSTRUCT DIVERSION DITCH

Elev. Ungraded Ground at Location Stake = 6704.9'

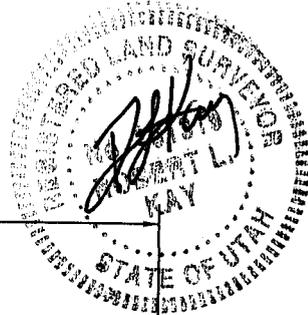
Elev. Graded Ground at Location Stake = 6701.0'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

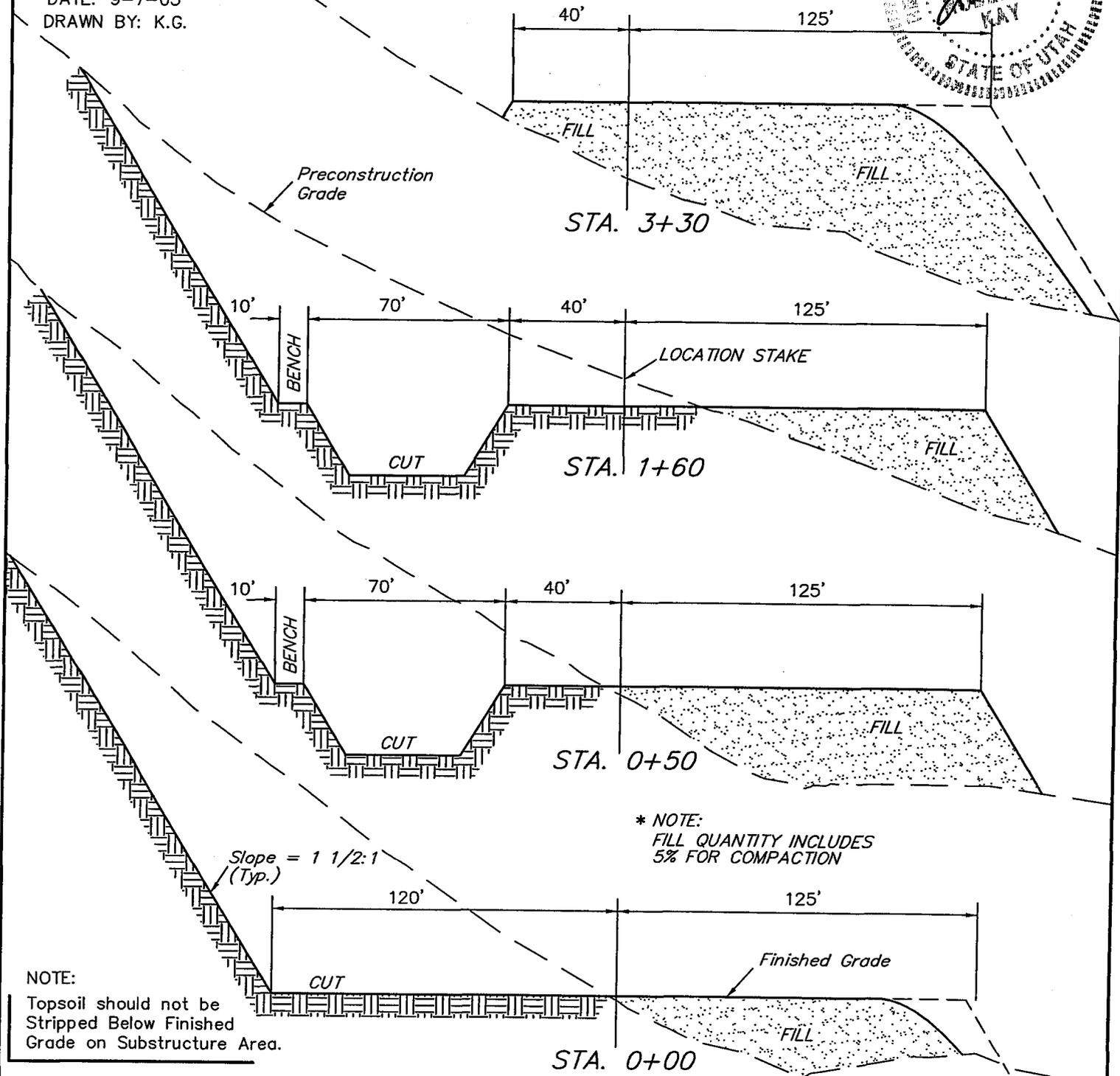
UTE/FNR LLC.

TYPICAL CROSS SECTIONS FOR

UTE TRIBAL #7-28-1319
SECTION 28, T13S, R19E, S.L.B.&M.
2050' FNL 1772' FEL



1" = 20'
X-Section Scale
1" = 50'
DATE: 9-7-05
DRAWN BY: K.G.



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

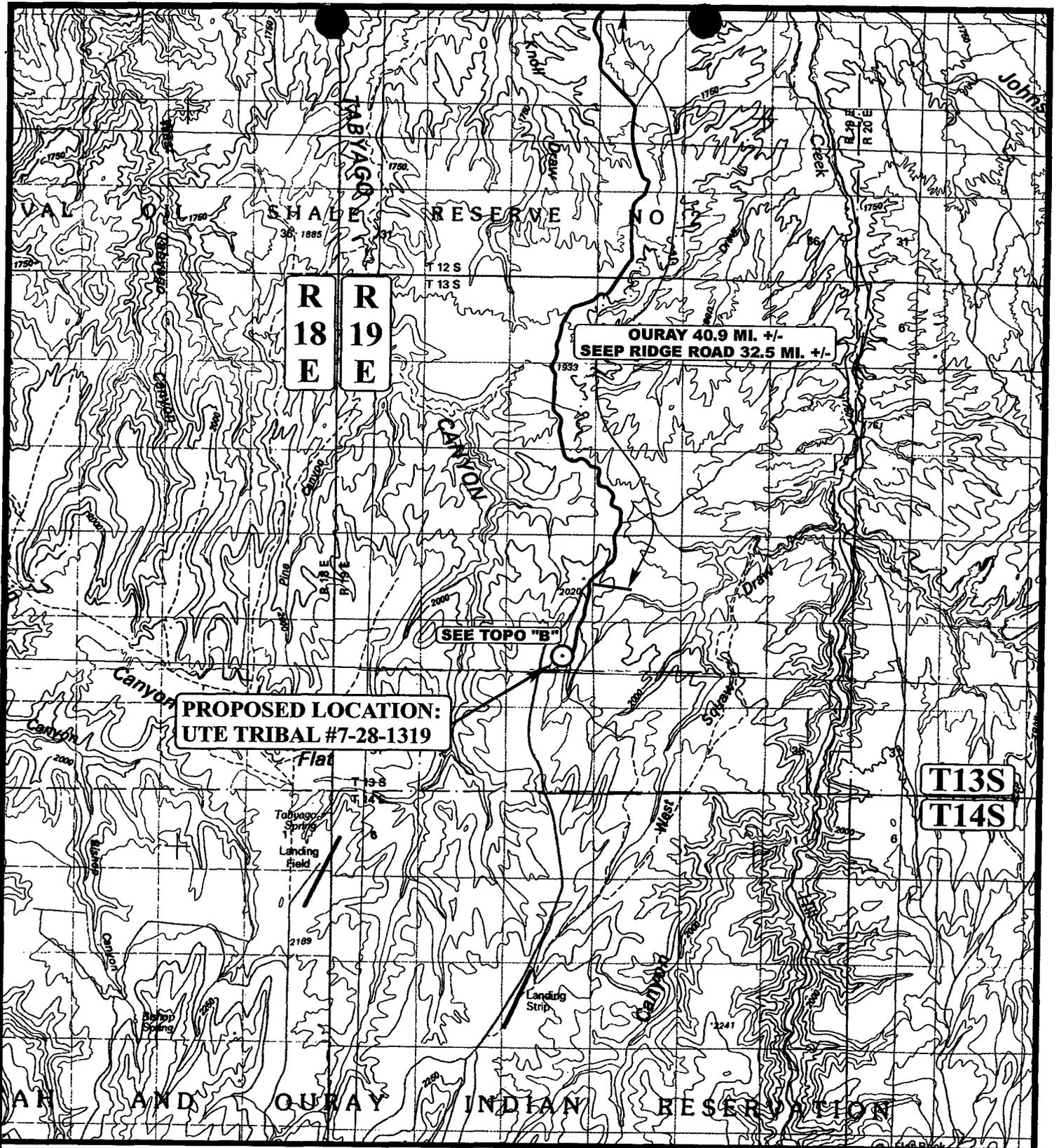
NOTE:
Topsoil should not be
Stripped Below Finished
Grade on Substructure Area.

APPROXIMATE YARDAGES

CUT	
(12") Topsoil Stripping	= 4,580 Cu. Yds.
Remaining Location	= 26,260 Cu. Yds.
TOTAL CUT	= 30,840 CU.YDS.
FILL	= 24,460 CU.YDS.

EXCESS MATERIAL	= 6,380 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 6,380 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah, 84078 * (435) 789-1017



LEGEND:

⊙ PROPOSED LOCATION

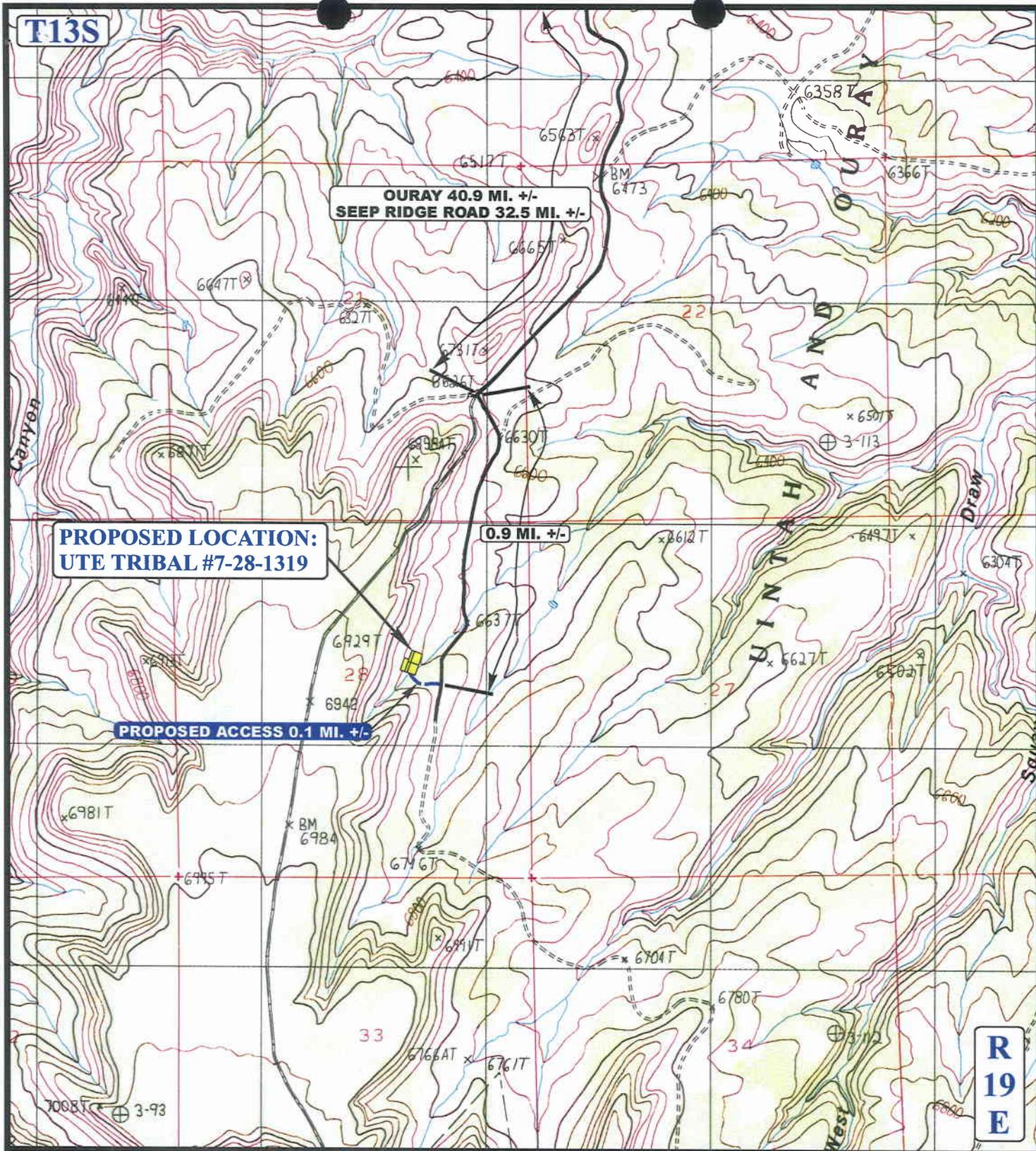


UTE/FNR LLC.

**UTE TRIBAL #7-28-1319
SECTION 28, T13S, R19E, S.L.B.&M.
2050' FNL 1772' FEL**

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

TOPOGRAPHIC **07 29 05**
MAP MONTH DAY YEAR
SCALE: 1:100,000 DRAWN BY: L.K. REV: 09-06-05 B.C. **TOPO**



LEGEND:

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD



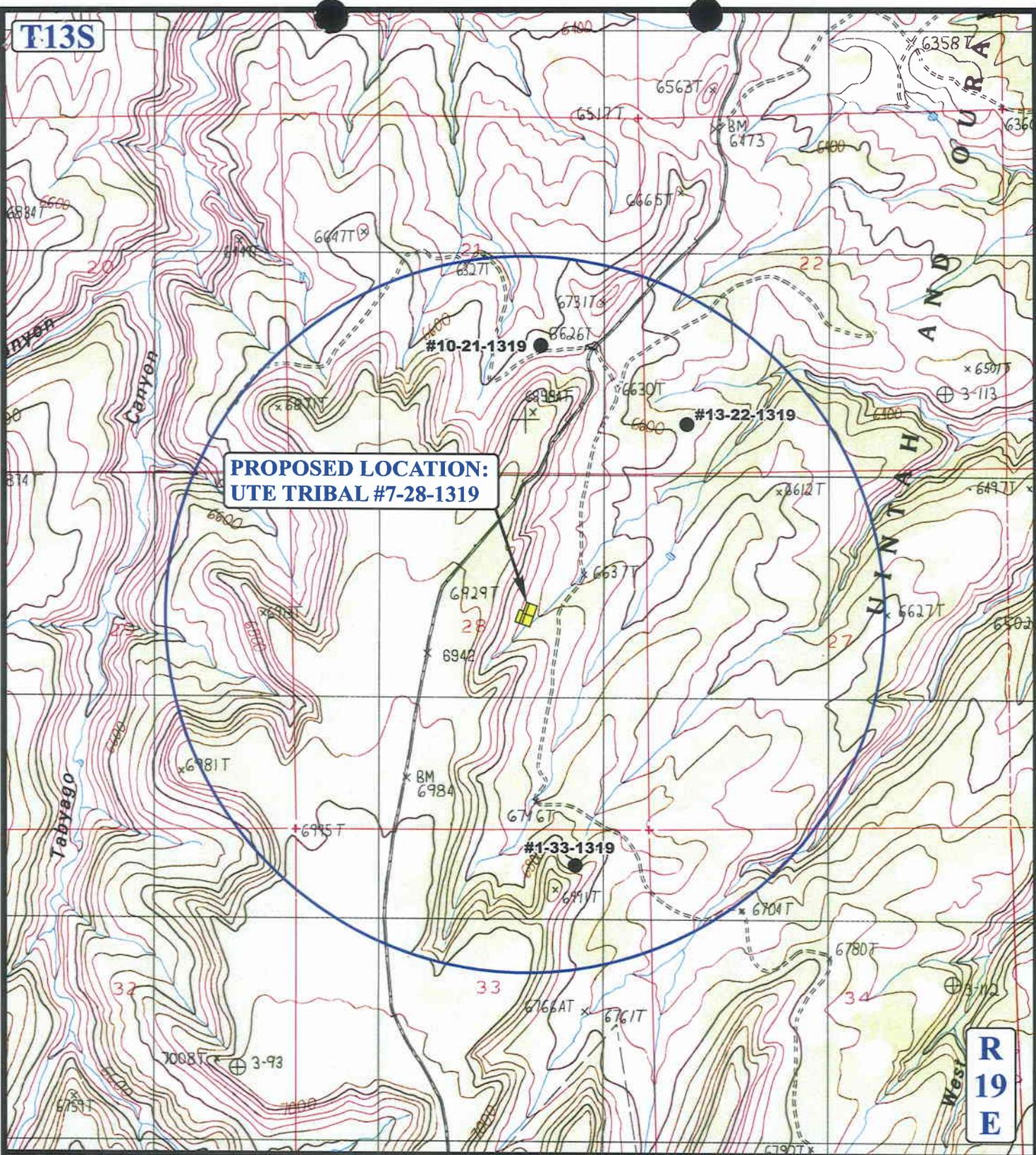
UTE/FNR LLC.

**UTE TRIBAL #7-28-1319
SECTION 28, T13S, R19E, S.L.B.&M.
2050' FNL 1772' FEL**

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

TOPOGRAPHIC MAP **07 29 05**
MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: L.K. REV: 09-06-05 B.C. **B**
TOPO

T13S



**PROPOSED LOCATION:
UTE TRIBAL #7-28-1319**

LEGEND:

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



UTE/FNR LLC.

UTE TRIBAL #7-28-1319
SECTION 28, T13S, R19E, S.L.B.&M.
2050' FNL 1772' FEL

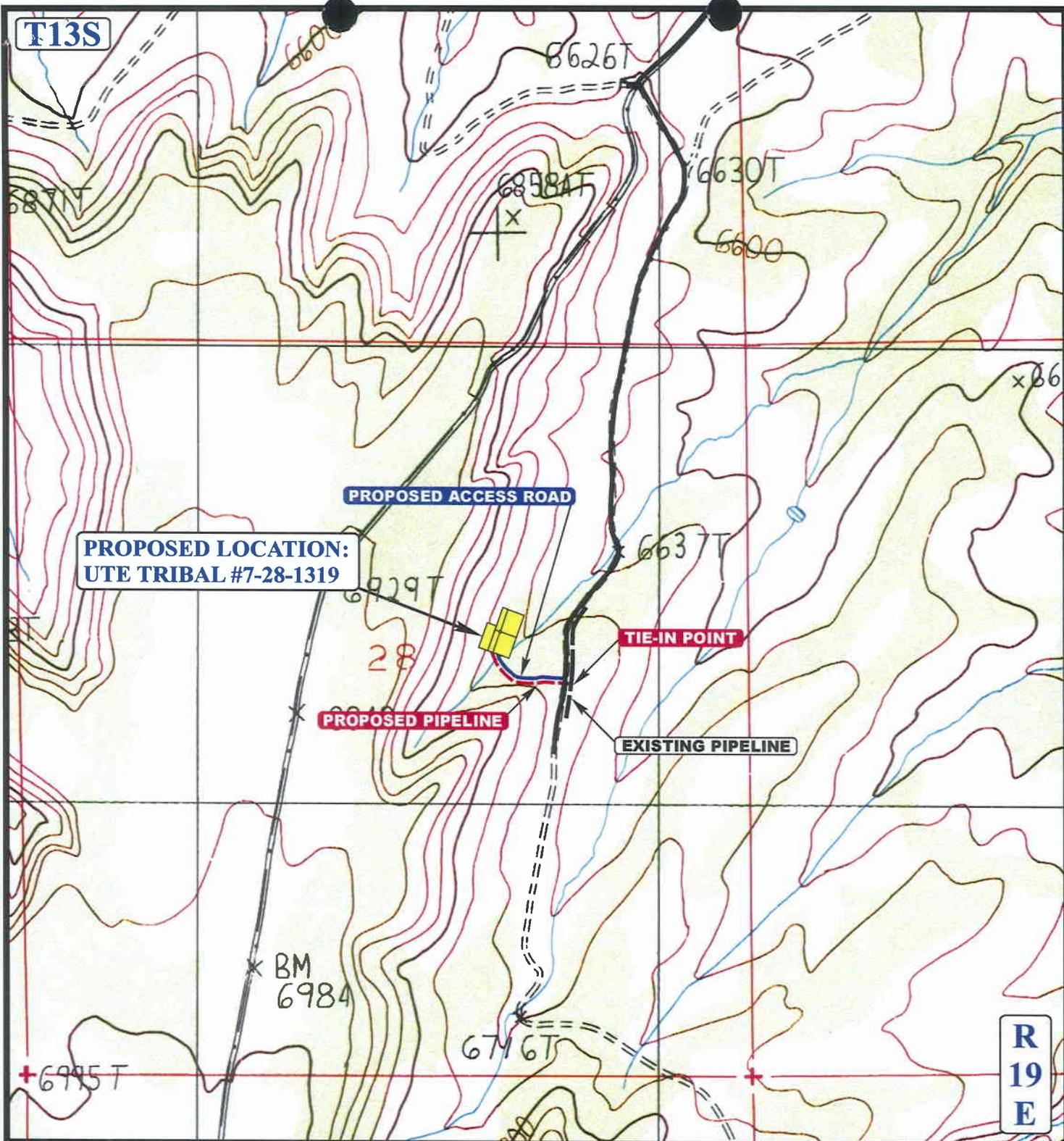


Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC 07 29 05
MAP MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REV: 09-06-05 B.C.





APPROXIMATE TOTAL PIPELINE DISTANCE = 617' +/-

LEGEND:

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



UTE/FNR LLC.

**UTE TRIBAL #7-28-1319
SECTION 28, T13S, R19E, S.L.B.&M.
2050' FNL 1772' FEL**

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

TOPOGRAPHIC MAP **07 29 05**
 MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: L.K. REV: 09-06-05 B.C. **D**
 TOPO

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 01/31/2006

API NO. ASSIGNED: 43-047-37658

WELL NAME: UTE TRIBAL 7-28-1319
 OPERATOR: FIML NATURAL RESOURCES (N2530)
 CONTACT: MARK BINGHAM

PHONE NUMBER: 303-893-5073

PROPOSED LOCATION:

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKD	2/6/06
Geology		
Surface		

SWNE 28 130S 190E
 SURFACE: 2050 FNL 1772 FEL
 BOTTOM: 2050 FNL 1772 FEL
 COUNTY: UINTAH
 LATITUDE: 39.65891 LONGITUDE: -109.7917
 UTM SURF EASTINGS: 603653 NORTHINGS: 4390389
 FIELD NAME: WILDCAT (1)

LEASE TYPE: 2 - Indian
 LEASE NUMBER: UIT-EDA-001-000
 SURFACE OWNER: 2 - Indian

PROPOSED FORMATION: MVRD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[2] Sta[] Fee[]
(No. 8193-15-93)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-10447)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

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

COMMENTS: Sep, Separate file

STIPULATIONS: 1- Spacing Strip
2- Surface Csg Cut Strip

T13S R19E

UTE TRIBAL
13-22-1319

UTE TRIBAL
1-29-1319

UTE TRIBAL
3-28-1319

UTE TRIBAL
1-28-1319

UTE TRIBAL
5-27-1319

UTE TRIBAL
5-28-1319

UTE TRIBAL
7-28-1319

28

UTE TRIBAL
11-28-1319

UTE TRIBAL
9-28-1319

UTE TRIBAL
13-28-1319

UTE TRIBAL
15-28-1319

UTE TRIBAL
13-27-1319

UTE TRIBAL
1-33-1319

OPERATOR: FIML NATURAL RES (N2530)

SEC: 28 T. 13S R. 19E

FIELD: WILDCAT (001)

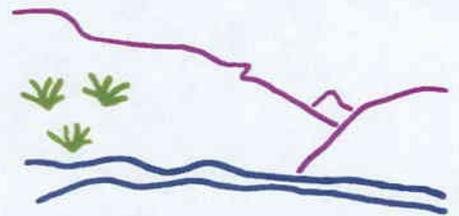
COUNTY: UINTAH

SPACING: R649-3-3 / EXCEPTION LOCATION

Field Status
 [Black Box] ABANDONED
 [Purple Box] ACTIVE
 [Pink Box] COMBINED
 [Light Purple Box] INACTIVE
 [Blue Box] PROPOSED
 [Light Blue Box] STORAGE
 [White Box] TERMINATED

Unit Status
 [White Box] EXPLORATORY
 [Light Green Box] GAS STORAGE
 [Light Yellow Box] NF PP OIL
 [Light Green Box] NF SECONDARY
 [Light Blue Box] PENDING
 [Light Green Box] PI OIL
 [Red Box] PP GAS
 [Light Green Box] PP GEOTHERML
 [Light Green Box] PP OIL
 [Light Blue Box] SECONDARY
 [White Box] TERMINATED

Wells Status
 [Red Circle with X] GAS INJECTION
 [Red Circle with X] GAS STORAGE
 [Red Circle with X] LOCATION ABANDONED
 [Blue Circle with X] NEW LOCATION
 [Green Circle with X] PLUGGED & ABANDONED
 [Green Circle with X] PRODUCING GAS
 [Green Circle with X] PRODUCING OIL
 [Red Circle with X] SHUT-IN GAS
 [Red Circle with X] SHUT-IN OIL
 [Red Circle with X] TEMP. ABANDONED
 [Blue Circle with X] TEST WELL
 [Blue Circle with X] WATER INJECTION
 [Blue Circle with X] WATER SUPPLY
 [Blue Circle with X] WATER DISPOSAL
 [Red Circle with X] DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
 DATE: 31-JANUARY-2006

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

OPERATOR: FIML Natural Resources, LLC
WELL NAME & NUMBER: Ute Tribal 7-28-1319
API NUMBER: 43-047-37658
LOCATION: 1/4,1/4 SWNE Sec: 28 TWP: 13S RNG: 19E 2050' FNL 1772' FEL

Geology/Ground Water:

FIML proposes to set 1,500 feet of surface casing cemented to the surface. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The base of the moderately saline water is estimated at 3,000 feet. The surface formation at the proposed location is the Green River Formation. The Green River Formation is made up of interbedded sandstones, limestones and shales. This location is in a recharge area for the aquifers of the upper Green River Formation and fresh water can be expected to be found in the upper Green River. The proposed casing and cementing program should cover the entire Green River section and adequately protect the Green River aquifer.

Reviewer: Brad Hill **Date:** 02-14-2006

Surface:

The Ute Indian Tribe is the surface owner at this location. The operator is responsible for obtaining any needed permits or rights of way before causing any surface disturbance or drilling.

Reviewer: Brad Hill **Date:** 02-14-2006

Conditions of Approval/Application for Permit to Drill:

None.

Casing Schematic

Green River

Surface

BHD
 $(.058)(5172)(9) = 2420$
 Anticipate $< 2500 \#$

8-5/8"
 MW 8.4
 Frac 19.3

Gas
 $(.12)(5172) = 620$
 MASP = 1800

BOPE - 2000 ✓

Surf csg - 2950
 70% = 2065
~~2065~~

Max pressure @ Surf csg shoe = 1612

✓ Test to 1400# surface pressure
 f 2065 shoe pressure

✓ Adequate Dued 2/6/06

4-1/2"
 MW 9.

TOC @
 0.

1018
 TOC Tail

Surface
 1500. MD

✓ 81 8% Washout
 150 SKs lead
 230 SKs Tail

2468 Wasatch
 2500 TOC Tail

✓ 81 15% Washout
 200 SKs lead
 720 SKs Tail

4922 Mesaverde

Production
 5172. MD

Well name:	01-06 FIML Ute Tribal 7-28-1319		
Operator:	FIML Natural Resources LLC		
String type:	Surface	Project ID:	43-047-37658
Location:	Uintah County		

Design parameters:

Collapse

Mud weight: 8.400 ppg
 Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 1,320 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP: 1,500 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 buoyed weight.
 Neutral point: 1,311 ft

Environment:

H2S considered? No
 Surface temperature: 65 °F
 Bottom hole temperature: 86 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 250 ft

Cement top: Surface

Non-directional string.

Re subsequent strings:

Next setting depth: 5,172 ft
 Next mud weight: 9.000 ppg
 Next setting BHP: 2,418 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 1,500 ft
 Injection pressure: 1,500 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	1500	8.625	24.00	J-55	ST&C	1500	1500	7.972	72.2
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	654	1370	2.093	1500	2950	1.97	31	244	7.76 J

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

Phone: 801-538-5280
 FAX: 810-359-3940

Date: January 31, 2006
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 1500 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. 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:	01-06 FIML Ute Tribal 7-28-1319		
Operator:	FIML Natural Resources LLC		
String type:	Production	Project ID:	43-047-37658
Location:	Uintah County		

Design parameters:

Collapse

Mud weight: 9.000 ppg
 Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 1,797 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP: 2,418 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 buoyed weight.
 Neutral point: 4,476 ft

Environment:

H2S considered? No
 Surface temperature: 65 °F
 Bottom hole temperature: 137 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,500 ft

Cement top: Surface

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	5172	4.5	11.60	J-55	LT&C	5172	5172	3.875	119.9

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	2418	4960	2.051	2418	5350	2.21	52	162	3.12 J

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

Phone: 801-538-5280
 FAX: 810-359-3940

Date: January 31, 2006
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 5172 ft, a mud weight of 9 ppg. The casing is considered to be evacuated for collapse purposes. 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
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

February 14, 2006

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

Re: Ute Tribal 7-28-1319 Well, 2050' FNL, 1772' FEL, SW NE, Sec. 28,
T. 13 South, R. 19 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.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby 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 43-047-37658.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor

Operator: FIML Natural Resources, LLC
Well Name & Number Ute Tribal 7-28-1319
API Number: 43-047-37658
Lease: UIT-EDA-001-000

Location: SW NE Sec. 28 T. 13 South R. 19 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

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

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. The lands subject to this application and the associated mineral rights have been transferred to the Ute Indian Tribe as fee lands, and not as part of the reservation lands pursuant to Public Law 106-398, the Floyd D Spence National Defense Authorization Act for Fiscal Year 2001. The Division on behalf of the State of Utah has been directed by Utah Code §§40-6-1 *et seq.* to exercise jurisdiction over all oil and gas exploration and development on all lands within the State of Utah, in order to promote the greatest economic recovery of oil and gas, and to protect the interests of the general public in the natural resources of the state. **The operator is responsible for obtaining the proper permits from both the State of Utah, Division of Oil Gas and Mining, and from the Ute Indian Tribe for all oil and gas related activities that may be permitted and under the regulations of the State of Utah or the Ute Indian Tribe.**

Page 2

43-047-37658

February 14, 2006

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

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: UIT-EDA-001-000
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: Ute
		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: Ute Tribal 7-28-1319	
2. NAME OF OPERATOR: FIML Natural Resources, LLC		9. API NUMBER: 4304737658
3. ADDRESS OF OPERATOR: 410 17th Street Ste 900 CITY Denver STATE CO ZIP 80202	PHONE NUMBER: (303) 893-5090	10. FIELD AND POOL, OR WILDCAT: Wildcat
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2,050' FNL 1,772' FEL		COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 28 13S 19E		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>5/1/2007</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 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 checked="" type="checkbox"/> OTHER: <u>Request for drilling permit extension</u>
	<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.

FIML Natural Resources, LLC requests the permit to drill be extended. Further evaluation of the area is needed prior to drilling this well.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 02-02-2007
By: [Signature]

NAME (PLEASE PRINT) <u>Cassandra Parks</u>	TITLE <u>Operations Assistant</u>
SIGNATURE <u>[Signature]</u>	DATE <u>2/2/2007</u>

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-37658
Well Name: Ute Tribal #7-28-1319
Location: SWNE 2,050' FNL 1,772' FEL Sec 28 T13S R19E
Company Permit Issued to: FIML Natural Resources, LLC
Date Original Permit Issued: 2/14/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No


Signature

2/2/2007
Date

Title: Operations Assistant

Representing: FIML Natural Resources, LLC

RECEIVED
FEB 05 2007
DIV. OF OIL, GAS & URBAN

**UTE INDIAN TRIBE
DEPARTMENT OF ENERGY AND MINERALS**

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form APD for such proposals.

FORM
Approved August 2004

5. Lease Serial No. or EDA No.
EDA # UIT-EDA-001-000

6. Tribe Name
Ute Tribe

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
Ute Tribal 7-28-1319

9. API Well No.
43-047-37658

10. Field and Pool, or Exploratory Area
Wildcat

11. County
Uintah

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator **FIML Natural Resources, LLC**

3a. Address
410 17th Street, Suite 900 Denver, CO 80202

3b. Phone No. (include area code)
303-893-5073

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SWNE 2050' FNL 1772' FEL Sec 28 T-13S R-19E

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other Request for Permit Extension

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with the State of Utah. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form Completion shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

FIML Natural Resources, LLC requests the permit to drill be extended. Further evaluation of the area is needed prior to drilling this well.

State of Utah, Division of Oil, Gas & Mining Surety Bond No. 8193-15-93

Approved by the
Utah Division of
Oil, Gas and Mining

COPY SENT TO OPERATOR

Date: 2-7-2008

Initials: KS

Date: 02-07-08
By: [Signature]

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Cassandra Parks

Title **Regulatory Specialist**

Signature

[Signature]

Date

2/5/2008

THIS SPACE FOR UTE INDIAN TRIBE OFFICE USE

Approved by _____

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

Title

Date

Office

RECEIVED

FEB 06 2008

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-37658
Well Name: Ute Tribal #7-28-1319
Location: SWNE 2,050' FNL 1,772' FEL Sec 28 T13S R19E
Company Permit Issued to: FIML Natural Resources, LLC
Date Original Permit Issued: 2/14/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No



Signature

2/5/2008

Date

Title: Regulatory Specialist

Representing: FIML Natural Resources, LLC

RECEIVED
FEB 06 2008
DIV. OF OIL, GAS & MINING

CONFIDENTIAL

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.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UIT-EDA-001-000
2. NAME OF OPERATOR: FIML Natural Resources, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Ute
3. ADDRESS OF OPERATOR: 410 17th Street Ste 900 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (303) 899-5603		8. WELL NAME and NUMBER: Ute Tribal 7-28-1319
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2,050' FNL 1,772' FEL		9. API NUMBER: 4304737658
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 28 13S 19E		10. FIELD AND POOL, OR WILDCAT: Wildcat
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 (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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 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 checked="" type="checkbox"/> OTHER: <u>Request for drilling permit extension</u>
	<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.

FIML Natural Resources, LLC requests the permit to drill be extended. Further evaluation of the area is needed prior to drilling this well. Request for Permit Extension Validation form is attached.

Approved by the
Utah Division of
Oil, Gas and Mining

COPY SENT TO OPERATOR

Date: 2-11-2009

Initials: KS

Date: 02-10-09
By: [Signature]

NAME (PLEASE PRINT) <u>Elaine Winick</u>	TITLE <u>Regulatory Specialist</u>
SIGNATURE <u>Elaine Winick</u>	DATE <u>2/5/2009</u>

(This space for State use only)

RECEIVED
FEB 09 2009
DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-37658
Well Name: Ute Tribal #7-28-1319
Location: SWNE 2,050' FNL 1,772' FEL Sec 28 T13S R19E
Company Permit Issued to: FIML Natural Resources, LLC
Date Original Permit Issued: 2/14/2006

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Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No

Elaine Minich
Signature

2/5/2009
Date

Title: Regulatory Specialist

Representing: FIML Natural Resources, LLC

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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.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UIT-EDA-001-000
2. NAME OF OPERATOR: FIML Natural Resources, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Ute
3. ADDRESS OF OPERATOR: 410 17th Street Ste 900 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2,050' FNL 1,772' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 28 13S 19E		8. WELL NAME and NUMBER: Ute Tribal 7-28-1319
		9. API NUMBER: 4304737658
		10. FIELD AND POOL, OR WILDCAT: Wildcat
		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 (Submit in Duplicate) Approximate date work will start: _____ <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 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 checked="" type="checkbox"/> OTHER: <u>Request for drilling permit extension</u>
	<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.

FIML Natural Resources, LLC requests the permit to drill be extended. Further evaluation of the area is needed prior to drilling this well. Request for Permit Extension Validation form is attached.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 02-10-10
By: [Signature]

COPY SENT TO OPERATOR
Date: 2-11-2010
Initials: KS

NAME (PLEASE PRINT) <u>Elaine Winick</u>	TITLE <u>Regulatory Specialist</u>
SIGNATURE <u>[Signature]</u>	DATE <u>2-5-2010</u>

(This space for State use only)

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**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-37658
Well Name: Ute Tribal #7-28-1319
Location: SWNE 2,050' FNL 1,772' FEL Sec 28 T13S R19E
Company Permit Issued to: FIML Natural Resources, LLC
Date Original Permit Issued: 2/14/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No

Elaine Winick
Signature

2-5-2010
Date

Title: Regulatory Specialist

Representing: FIML Natural Resources, LLC

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DIV. OF OIL, GAS & MINING

Earlene Russell - Drill Permits in the "Naval Reserve"

From: Earlene Russell
To: Elaine Winick; Mark Bingham
Date: 5/12/2010 10:28 AM
Subject: Drill Permits in the "Naval Reserve"
CC: Brad Hill; Diana Mason; Jean Sweet; Randy Thackeray
Attachments: Naval Reserve Bond.pdf

Dear Elaine and Mark,

Years ago the "Naval Reserve Area" was given to the Tribe by the United States Government as FEE SIMPLE property and it includes the minerals. A separate blanket bond was provided by FIML for these wells. DOGM monitors the permitting for this area to insure the wells are properly cased, etc.

The APDs FIML submits in this area (Uintah County, Townships 12S and 13S, Range 19E) should be submitted as Fee minerals, rather than Indian minerals. The bond number for the wells in the Naval Reserve is bond number 81918314 (copy attached) and bond type is State/Fee (5).

Based on the above information, DOGM's database has been changed to show fee minerals and the bond number 81918314. This includes the two new pending permits "Horn Frog".

If you have any questions, please call me at (801) 538-5336.

Earlene Russell
Division of Oil, Gas & Mining
PO Box 145801
Salt Lake City, UT 84114-5801
or
1594 W North Temple, Suite 1210
Salt Lake City, UT 84116
Phone (801) 538-5336
Fax (801) 359-3940
e-mail earlenerussell@utah.gov



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

February 15, 2011

FIML Natural Resources
410 17th Street, Suite 900
Denver, Colorado 80202

Re: APD Rescinded – Ute Tribal 7-28-1319, Sec. 28, T.13S, R.19E,
Uintah County, Utah API No. 43-047-37658

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on February 14, 2006. On February 7, 2007, February 7, 2008 and February 10, 2009 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective February 15, 2011.

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

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

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
Brad Hill, Technical Service Manager