

Form
(August 2004)

FORM
Approved August 2004

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

5. Lease Serial No. or EDANo.
EDA Number UIT-EDA-001-000

6. Tribe Name
Ute

1a. Type of work: DRILL REENTER
1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

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

8. Lease Name and Well No.
Ute Tribal 14-34-1219

2. Name of Operator
FIML Natural Resources, LLC

9. API Well No.
43-047-40603

3a. Address **410 17th St., 9th Floor, Denver, CO 80202**

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

10. Field and Pool, or Exploratory
Wildcat

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface **SESW 717 FSL 1833 FWL 39.724658**
At proposed prod. zone **Same 604646X 4397701Y -109.778995**

11. Sec., T. R. M. or Blk. and Survey or Area
Sec 34, T-12S R-19E

14. Distance in miles and direction from nearest town or post office*
31 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)
717'

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.
N/A

19. Proposed Depth
6000'

20. State Bond #
8193-15-93

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
6111' GL

22. Approximate date work will start*
08/01/2009

23. Estimated duration
15 days

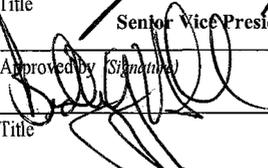
24. Attachments

The following shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan.
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. 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 06/16/2009
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Title
Senior Vice President

Approved by 	Name (Printed/Typed) BRADLEY G. HILL	Date 07-07-09
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Title
Tribal Office ENVIRONMENTAL MANAGER

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

RECEIVED

JUN 17 2009

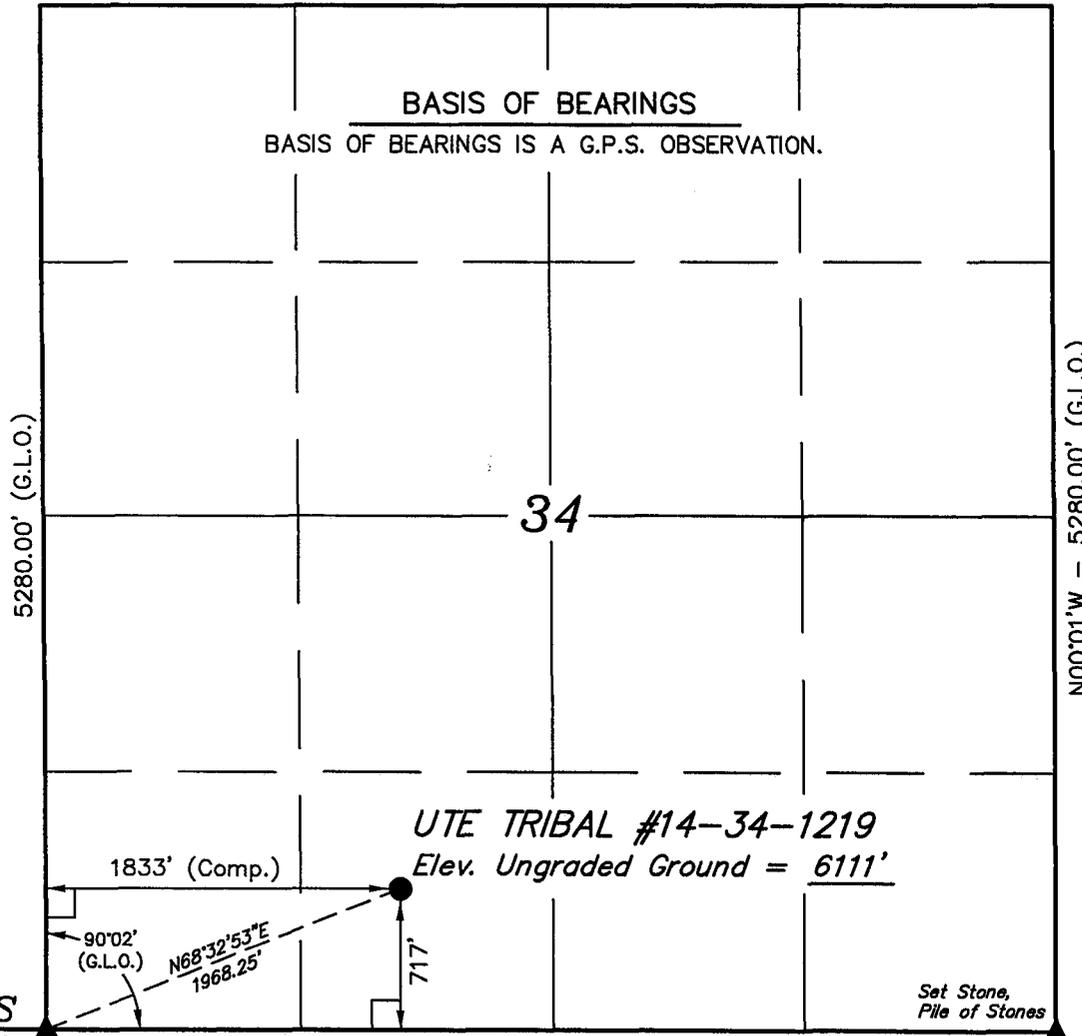
DIV. OF OIL, GAS & MINING

T12S, R19E, S.L.B.&M.

S89°55'W - 5266.80' (G.L.O.)

BASIS OF BEARINGS

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



UTE TRIBAL #14-34-1219
Elev. Ungraded Ground = 6111'

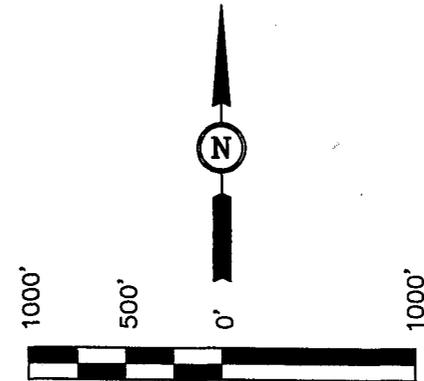
S89°54'30"W - 5261.62' (Meas.)

UTE/FNR, LLC.

Well location, UTE TRIBAL #14-34-1219, located as shown in the SE 1/4 SW 1/4 of Section 34, T12S, R19E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

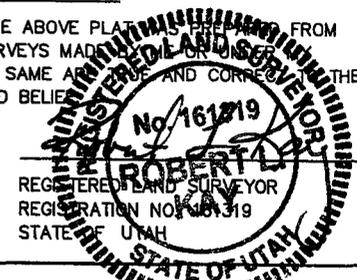
BENCH MARK 47WF LOCATED IN THE NW 1/4 OF SECTION 22, T13S, R19E, S.L.B.&M. TAKEN FROM THE DOG KNOLL, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6473' FEET.



SCALE

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT IS 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.



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

LEGEND:

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(AUTONOMOUS NAD 83)

LATITUDE = 39°43'29.07" (39.724742)

LONGITUDE = 109°46'47.42" (109.779839)

(AUTONOMOUS NAD 27)

LATITUDE = 39°43'29.20" (39.724778)

LONGITUDE = 109°46'44.92" (109.779144)

SCALE 1" = 1000'	DATE SURVEYED: 05-29-09	DATE DRAWN: 06-02-09
PARTY S.H. J.W. K.G.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE UTE/FNR, LLC.	

FIML NATURAL RESOURCES, LLC

June 16, 2009

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 Mason

RE: Permit Application

Dear Ms. Mason:

Enclosed is an original permit application for the following wells:

Ute Tribal 14-34-1219
SESW 34-12S-19E
1833' FWL & 717' FSL

Ute Tribal 15-22-1219
SWSE 22-12S-19E
1972' FEL & 1228' FSL

FIML (FNR) Natural Resources, LLC 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 me at 303-899-5603

Sincerely,



Elaine Winick
Regulatory Specialist

/ew

Enclosures:

RECEIVED

JUN 17 2009

DIV. OF OIL, GAS & MINING

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 14-34-1219
SE/4 SW/4 1833' FWL 717' FSL Sec 34, T-12S, 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.

A handwritten signature in black ink, appearing to read "Rick L. Parks", with a long horizontal flourish extending to the right.

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 14-34-1219
SESW 1833' FWL & 717' FSL Section 34 T-12S 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	2793'
Mesa Verde	5600'
Total Depth	6000'

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

Substance	Formation	Depth
Oil/Gas	Wasatch	2793'
Oil/Gas	Mesa Verde	5600'

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:**

The anticipated bottom hole pressure will be approximately 2,000 psi.

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).

UTE/FNR LLC
410 17th Street, Suite 900
Denver, Colorado 80202

Standard Operating Practices
Revised November 18, 2005

Naval Oil Shale Reserve #2
Drilling Through the Top of the Mesa Verde Formation
Uintah County, Utah

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 fully 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.

Details of the on-site inspection, including the day and time, the weather conditions, and all attending individuals will be submitted with the site specific APD.

BLM Notification Requirements:

- | | |
|--------------------------------|---|
| Location Construction: | 48 hours prior to construction of location and access roads. |
| Location Completion: | Prior to moving the drilling rig to the location. |
| Spud notice: | At least 24 hours prior to spudding the well. |
| Casing String & Cementing: | 24 hours prior to running casing and cementing each casing string. |
| BOP & Related Equipment Tests: | At least 24 hours prior to initiating pressure tests. |
| First Production Notice: | Within 5 days after production from a new well begins or production resumes after an existing well has been off production for more than 90 days. |

In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the Ute Tribe Energy and Minerals Department, but such approval does not waive the written report requirement.

1. **Estimated Tops of Geological Markers:**

The site specific APD will list the expected formations and their respective estimated depths.

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

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 geologic/engineering staff of the Ute Tribe Energy and Minerals Department prior to running the next string of casing or before plugging orders are requested. Filing of the State of Utah form 7 Report of Water Encountered is optional.

All water shows will be reported within one (1) business day after being encountered.

Detected water flows will be sampled, analyzed, and reported to the geologic/engineering staff of the Ute Tribe Energy and Minerals Department. Additional water samples for further analysis will be provided upon request.

The following information will be provided for water shows and samples where applicable:

Location
Sampled Interval
Hardness
Flow Rate

Date Sampled
Temperature
pH

State of Utah Water Classification

Dissolved Iron (Fe) (ug/l)
Dissolved Magnesium (Mg) (mg/l)
Dissolved Bicarbonate (NaHCO₃) (mg/l)
Dissolved Sulfate (SO₄) (mg/l)
Dissolved Total Solids (TDS) (mg/l)

Dissolved Calcium (Ca) (mg/l)
Dissolved Sodium (Na) (mg/l)
Dissolved Carbonate (CO₃) (mg/l)
Dissolved Chloride (Cl) (mg/l)

3. **Pressure Control Equipment:** (Schematic Attached)

UTE/FNR LLC's minimum specifications for pressure control equipment are as follows:

The BOP and related equipment will meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 2,000 psi system. Chart recorders will be used for all pressure tests.

Test charts, with individual test results identified, will be maintained on location while drilling and shall be made available to a Ute Tribe Energy and Minerals Department representative upon request.

All required BOP tests and/or drills will be recorded in the IADC report.

The anticipated bottom hole pressure will be less than 2,500 psi.

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

The proposed Casing Program will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>Casing Size</u>	<u>Type</u>	<u>Conn</u>	<u>Weight (lb/ft)</u>
Surface	1,500'+/-	12-1/4"	8-5/8"	J-55	ST &C	24.0
Production	TD	7-7/8"	4-1/2"	I-80	LT &C	11.6

The proposed casing and cementing program will be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement will receive approval prior to use. The casing setting depth will be calculated to position the casing seat opposite a competent formation, which will contain the maximum pressure to which it will be exposed during drilling operations. Determination of casing setting depth will be based on all relevant factors, including: presence/absence of hydrocarbons, fracture gradients, usable water zones, formation pressures, lost circulation zones, other minerals, or other unusual characteristics.

All casing, except conductor casing, will be new.

The surface casing will be cemented back to the surface either during the primary cement job or by remedial cementing.

All waiting on cement times will be adequate to achieve a minimum of five hundred (500) psi compressive strength at the casing shoe prior to drilling out.

As a minimum, usable water zones below the surface casing will be isolated and/or protected by having a cement top for the production casing at least 200 feet above the base of the usable water. If Gilsonite is encountered while drilling, it will be isolated and/or protected via the cementing program.

Surface casing will have centralizers on the bottom three joints, with a minimum of one (1) centralizer per joint.

Production casing will have one centralizer 10'-15' above the guide shoe, one centralizer directly below the float collar, and one centralizer on every other joint up to 100' above any potential pay zone.

Top plugs will be used to reduce contamination of cement by the displacement fluid. A bottom plug or other acceptable technique, such as a pre-flush fluid, will be utilized to help isolate the cement from contamination by the mud being displaced ahead of the cement slurry.

All casing strings below the conductor will be pressure tested to 0.22 psi per foot of casing string length or to 1,500 psi, whichever is greater, but not to exceed 70% of the minimum internal yield. If pressure declines more than 10% in 30 minutes, corrective action will be taken.

The cementing program will be as follows:

<u>Surface</u>	<u>Cement Fill</u>	<u>Type and Amounts</u>
0'-1,500'	1,500'	<p>Lead Slurry: 150+/- sks Class "G" Light Cement containing 16% gel, 10.0 lbs/sack Gilsonite, 3.0% salt, 3.0 lbs/sack GR-3 and 0.25 lbs/sack Flocele. Wt: 11.0 lbs/gal. Yield: 3.82 ft³/sk. Mix Water Ratio: 23.0 gals/sack. Calculated at 1,000' of fill with 40% excess.</p> <p>Tail Slurry: 230+/- sks Class "G" Cement with 0.25 lbs/sack Flocele. Wt: 15.8 lbs/gal. Yield: 1.15 ft³/sk. Mix Water Ratio: 5.0 gals/sk. Calculated at 500' of fill with 20% excess.</p> <p>If cement is not circulated to surface or does not remain at surface, a "top out" job will be performed with Class "G" Cement containing 3.0% CaCl₂ and 0.25 lbs/sack Flocele. Wt: 15.8 lbs/gal. Yield: 1.15 ft³/sk. Mix Water Ratio: 5.0 gals/sk.</p>

<u>Production</u>		<u>Type and Amounts</u>
0' - T.D.	+/-2,500'	<p>Lead Slurry: CBM Light Cement containing 10.0 lbs/sack Gilsonite and 0.25 lbs/sack Flocele. Wt: 10.5 lbs/gal. Yield: 4.29 ft³/sk. Mix Water Ratio: 26.05 gals/sk. Calculated at 1,500' of fill (1,000' of fill in open hole plus 500' of fill in 8-5/8"/4-1/2" annulus) with 35% excess in open hole and no excess in 8-5/8"/4-1/2" annulus.</p>
+/-2,500' - T.D.	T.D. - +/-2,500'	<p>Tail Slurry: 50/50 Poz/Premium AG Halliburton Cement containing 2.0% Bentonite, 0.6% Halad R-322, 2.0% Microbond, 5.0% salt, and 0.2% Super CBL. Wt: 14.25 lbs/gal. Yield: 1.25 ft³/sk. Mix Water Ratio: 5.45 gals/sk. Calculated fill plus 35% excess.</p>

Anticipated cement tops will be reported as to depth, not the expected number of sacks of cement to be used. The Ute Tribe Energy and Minerals Department will be notified, with sufficient lead time, in order to have a Ute Tribe Energy and Minerals Department representative on location while running all casing strings and cementing.

After cementing the surface casing and prior to commencing any test, UTE/FNR LLC will wait long enough for the cement to have at least a compressive strength of 500 psi at the shoe. WOC time will be recorded in the Driller's log.

The spud date will be shown on the first report that is submitted.

A Sundry Notice, Form 3160-5 will be filed with the Ute Tribe Energy and Minerals Department within 30 days after the work is completed. It will contain the following information:

The setting of each string showing the size, grade, weight of casing set, setting depth, amounts and types of cement used, whether the cement was circulated to surface or the top of cement behind casing, the depth of cementing tools used, casing testing methods and results, and the date the work was done.

The following auxiliary well equipment will be used:

A 2" choke manifold and pit level indicator.

An upper Kelly Cock will be kept in the drilling string at all times.

A float will be used in the bit at all times.

A stabbing valve will be available on the rig floor and will fit all rotary connections.

PVT and flow line sensor will be installed before drilling out from under surface casing. Monitoring equipment will be located on rig floor, tool pusher's living quarters and UTE/FNR LLC well site supervisor living quarters.

5. Drilling Fluids Program:

<u>Interval</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>	<u>Description</u>
0'-1,500'	Air - 8.4	27 - 35	N/A	Air Mist
1,500-T.D.	8.6 - 9.0	35 - 40	10 - 12 cc	KCL/Gel/Water

There will be sufficient mud inventory on location during drilling operations to control any adverse conditions which may arise.

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system without prior Ute Energy and Minerals Department approval to ensure adequate protection of fresh water aquifers.

No chemicals subject to reporting under SARA Title III in any amount to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of in the annulus in association with the drilling, testing, or completing of any wells in the Naval Oil Shale Reserve #2 area.. Furthermore, no hazardous substances, as defined in 40 CFR 355, in

threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completing of any wells in the Naval Oil Shale Reserve #2 area.

6. **Evaluation Program:**

Daily drilling and completion progress reports will be submitted to the Ute Energy and Minerals Department on a weekly basis.

Logging Program:

Compensated Density/Neutron Log; Dual Induction log. These two open hole logs will be run from Total Depth to the base of the surface casing. A Micro log, Sonic log, FMI log, or MRI log may be run on occasion.

A cement bond log (CBL) will be run from plug back total depth within the casing to the top of cement and it will be utilized to determine the bond quality for the production casing. A final copy of the CBL will be submitted to the Ute Energy and Minerals Department.

Deviation Surveys:

Surveys will be run at least every five-hundred (500) feet. Surveys will also be taken on every trip.

Mud Logger:

A manned/un-manned mud-logging unit will be on location from 200' above the first anticipated pay zone to Total Depth.

Sampling:

Dry samples will be taken every thirty (30) feet from the depths that are mud-logged. All samples with any type of shows will be saved for one (1) year.

Drill Stem Tests;

All Drill Stem Tests (DST) will be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the Ute Energy and Minerals Department. DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vapor proof for safe conditions). Packers can be released, but tripping will not begin before daylight unless prior approval is obtained from the Ute Energy and Minerals Department.

Cores:

When necessary.

Completion:

The "Well Completion and Re-Completion Report and Log" (Form 3160-4) will be submitted no later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164, whether the well is completed as a dry hole or a producer. One copy of all logs, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations will be filed with Form 3160-4.

Samples (cuttings, fluids, and/or gases) will be submitted when requested by the Ute Energy and Minerals Department.

7. **Abnormal Conditions:**

No abnormal conditions are anticipated in the Upper Mesa Verde/Wasatch zones.

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

Drilling Activity:

Drilling activity will begin after the site specific APD has been approved, the access road and location have been built, and a drilling rig contracted.

When possible, the surface hole will be drilled and surface casing set and cemented with a rathole rig. The drilling rig will move in after surface casing has been set and will drill the hole to Total Depth. Approximately ten (10) working days will be required to drill the hole including the surface hole operations.

Longstring cement will set for a minimum of 72 hours. Well completion operations should take approximately seven (7) working days.

Notification of Operations:

The Ute Energy and Minerals Department will be notified at least 24 hours prior to the commencement of spudding the well (to be followed with a Sundry Notice, Form 3160-5), of initiating pressure tests of the blowout preventer and related equipment, and running casing and cementing of all casing strings. Notification will be made during regular work hours (7:45 a.m. – 4:30 p.m., Monday – Friday except holidays).

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from the well to be placed in suspended status without prior approval from the Ute Energy and Minerals Department. If operations are to be suspended, prior approval of the Ute Energy and Minerals Department will be obtained and notification given before resumption of operations.

A completion rig will be used for completion operations.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

UTE/FNR LLC will report production data to the Ute Energy and Minerals Department and the State of Utah Oil, Gas and Mining Division. Production reporting will start with the month in which operations commence and continue each month until the well is physically plugged and abandoned.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever occurs first; and for gas wells, as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which gas is measured through permanent metering facilities, whichever occurs first.

Should the well be successfully completed for production, the Ute Energy and Minerals Department will be notified when the well is placed in a producing status. Such notification will be sent by written communication no later than 5 days following the date when the well is placed on production.

Produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During this period, an application for approval of the permanent disposal method must be submitted to the Ute Energy and Minerals Department.

Pursuant to NTL-4A, UTE/FNR LLC is authorized to vent/flare gas during the initial well evaluation tests, not to exceed 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the Ute Energy and Minerals Department and approval received for any venting/flaring of gas beyond the initial 30 days or authorized test period.

A schematic facilities diagram will be submitted to the Ute Energy and Minerals Department within 60 days of installation or first production, whichever occurs first. All site security regulations will be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.

Well abandonment operations will not be commenced without the prior approval of the Ute Energy and Minerals Department. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the Ute Energy and Minerals Department. A "Subsequent Report of Abandonment will be filed with the Ute Energy and Minerals Department within 30 days following completion of the well for abandonment. The report will indicate placement of the plugs and current status of the surface restoration. Final abandonment will not be approved until the surface reclamation work required by the APD or approved abandonment notice has been completed to the satisfaction of the Ute Energy and Minerals Department.

UTE/FNR LLC will ensure that its exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws, to the extent to which they are applicable on Indian lands.

9. Other Information:

All loading lines will be placed inside the berm surrounding the tank battery for new locations, and as existing locations are maintained.

All off-lease storage, off-lease measurement, or co-mingling on-lease or off-lease will have prior written approval from the Ute Energy and Minerals Department.

The gas meter will be calibrated and any production tank will be strapped in place prior to any deliveries of gas or oil. Tests for meter accuracy will be conducted following the initial installation or following any repair and at least quarterly thereafter. The Ute Energy and Minerals Department 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 reports will be submitted to the Ute Energy and Minerals Department. All measurement facilities will conform to API and AGA standards, Onshore Oil & Gas Order No. 4, and Onshore Oil & Gas Order No. 5 for natural gas and liquid hydrocarbon measurements.

Deviations from the proposed drilling and/or workover program will be approved by the Ute Energy and Minerals Department. Safe drilling and operating practices will be observed. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.

Form 3160-5 "Sundry Notice and Report in Wells" will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

In accordance with Section 102 (b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of Title 43 CFR 3162.4-1(c), "not later than the 5th business day after any well begins production on which royalty is due anywhere on the lease site or allocated to a lease site, resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the Ute Energy and Minerals Department by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

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.

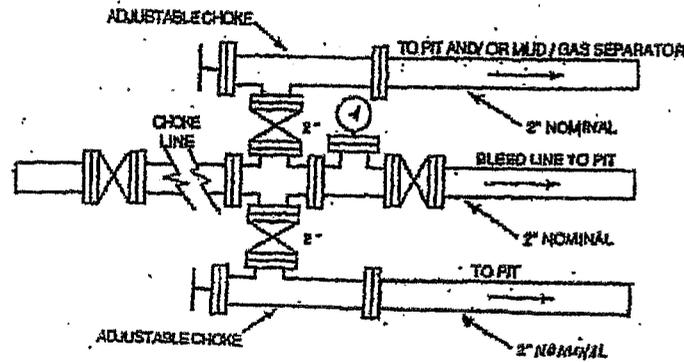
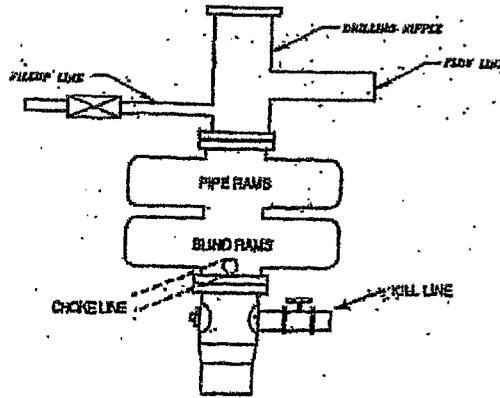
Ute Tribal 5-28-1319
SW/4 NW/4 2,041' FNL 912' FWL Sec 28, T-13S, R-19E, S.L.B.&M.
EDA Number UIT-EDA-001-000
Uintah County, Utah

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

**3M SYSTEM
BLOWOUT PREVENTER FOR HIGH PRESSURE WELLS
BOP: 11" X 3000 PSI W.P.**



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

Ute Tribal 14-34-1219
SESW 1833' FWL & 717' FSL Section 34 T-12S 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 in a southerly, then southeasterly direction approximately 9.1 miles on the Seep Ridge Road to the junction of this road and an existing road to the south; turn right and proceed in a southerly direction approximately 2.8 miles to the junction of this road and an existing road to the west; turn right and proceed in a westerly, then southwesterly, then southerly direction approximately 19.7 miles to the beginning of the proposed access to the southeast; follow road flags in a southeasterly direction approximately 350' to the proposed location.
- B. The proposed well site is located approximately 31.6 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 Ute Indian Tribe Water Permit number is EMD-WSP-001-2004 and the well is located in Section 11, T-12S, R-19E, Uintah County, Utah.
- B. Water will be hauled by Ute Tribal Water Service.

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 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.

6/16/09
Date


Rick 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 #14-34-1219
 LOCATED IN UINTAH COUNTY, UTAH
 SECTION 34, T12S, R19E, S.L.B.&M.

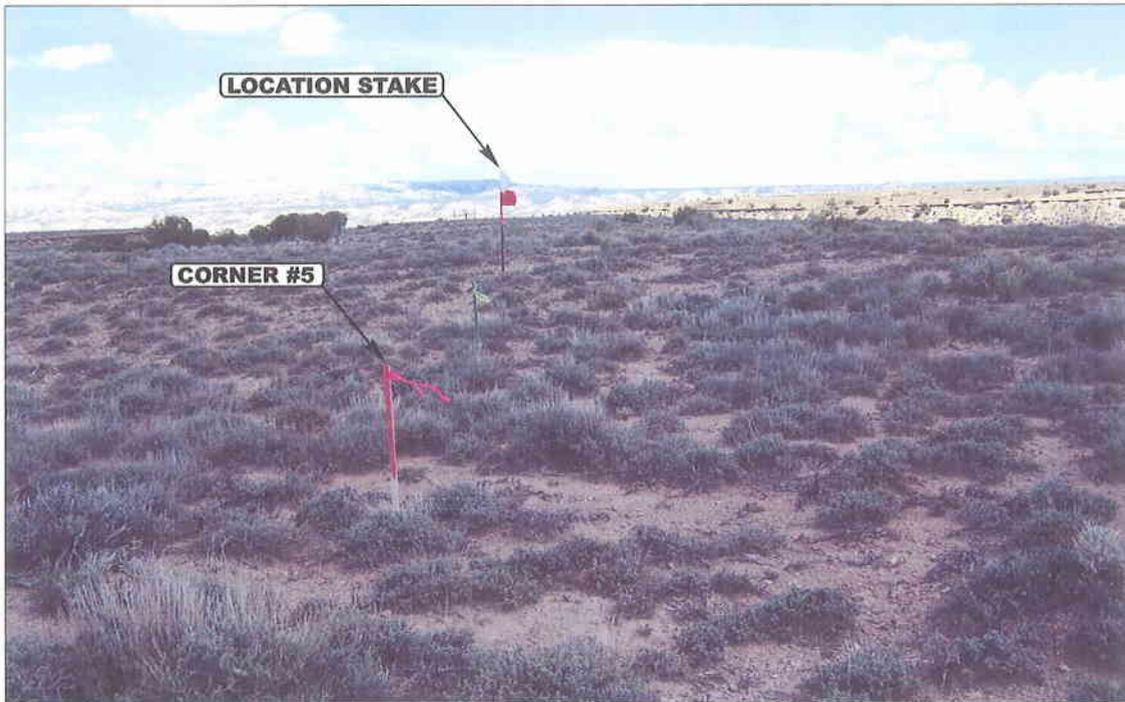


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



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

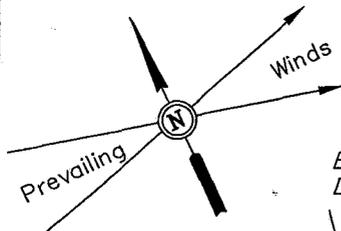
- Since 1964 -

LOCATION PHOTOS	6	1	09	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: S.H.	DRAWN BY: J.L.G.	REVISED: 00-00-00		

UTE/FNR, LLC.

FIGURE #1

LOCATION LAYOUT FOR
 UTE TRIBAL #14-34-1219
 SECTION 34, T12S, R19E, S.L.B.&M.

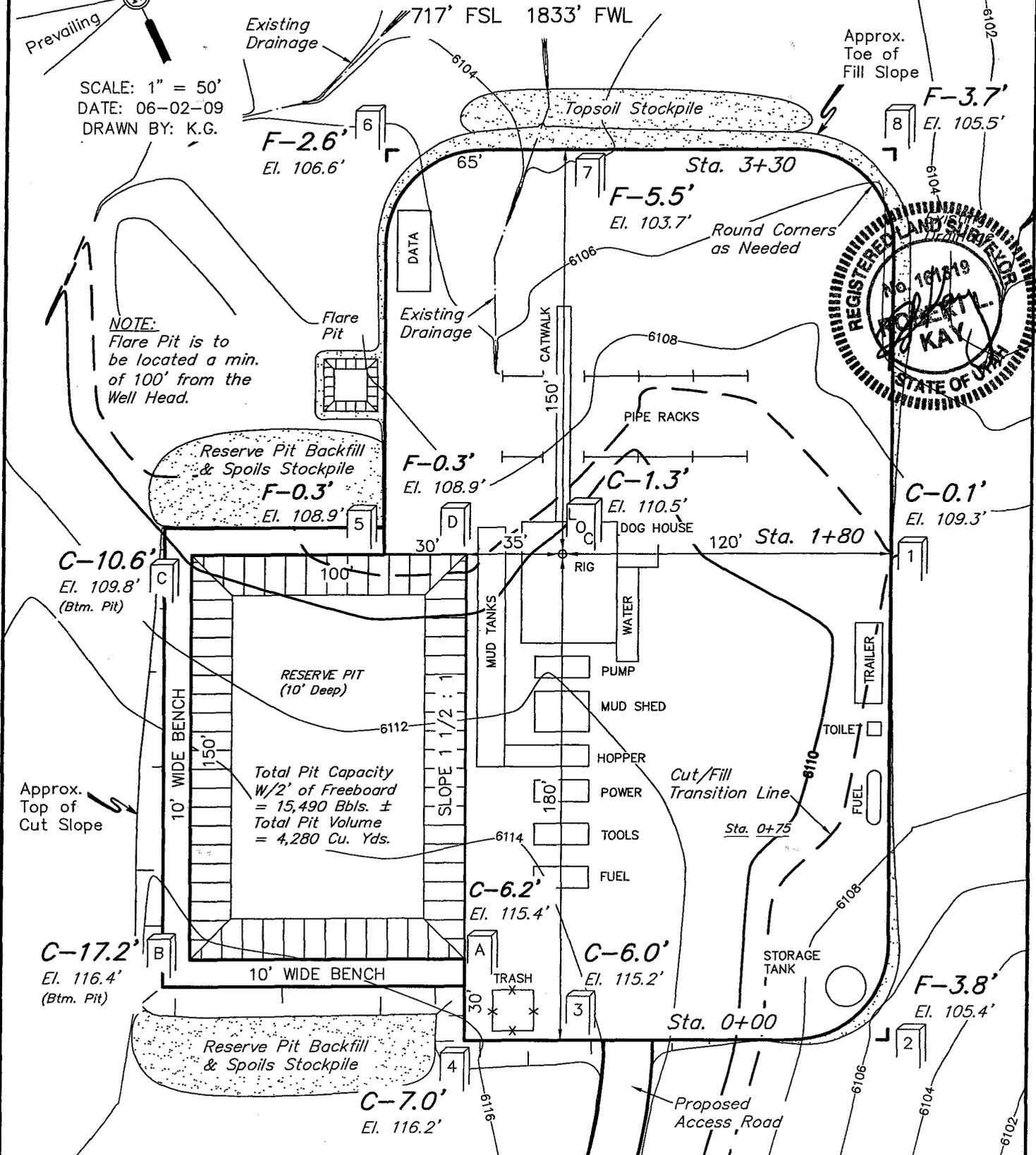
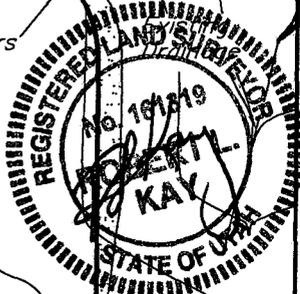


SCALE: 1" = 50'
 DATE: 06-02-09
 DRAWN BY: K.G.

Existing Drainage

Approx. Toe of Fill Slope

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



Elev. Ungraded Ground At Loc. Stake = 6110.5'
 FINISHED GRADE ELEV. AT LOC. STAKE = 6109.2'

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

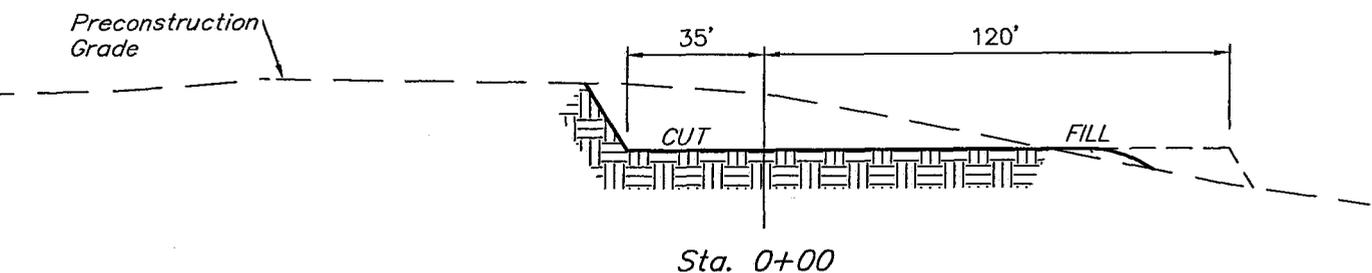
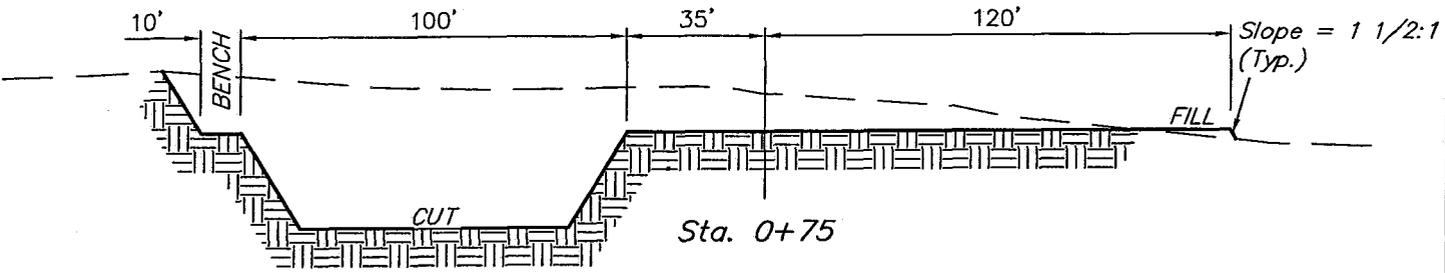
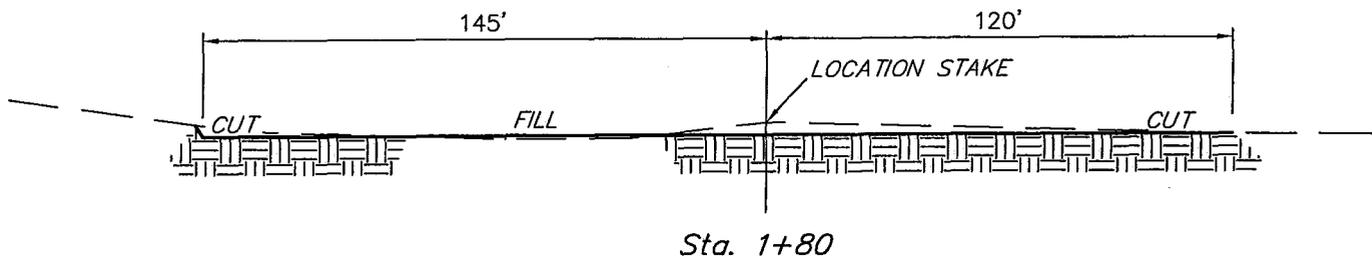
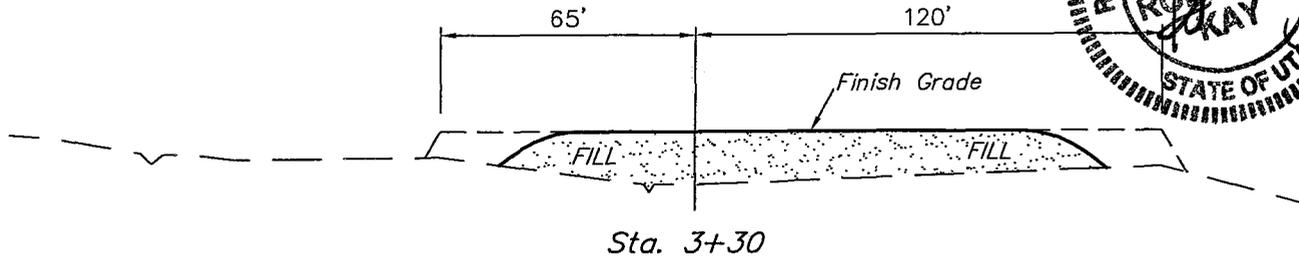
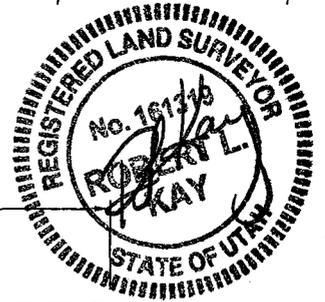
UTE/FNR, LLC.

FIGURE #2

TYPICAL CROSS SECTION FOR
 UTE TRIBAL #14-34-1219
 SECTION 34, T12S, R19E, S.L.B.&M.
 717' FSL 1833' FWL

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

DATE: 06-02-09
 DRAWN BY: K.G.



NOTE:

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

APPROXIMATE ACREAGES

WELL SITE DISTURBANCE = ± 2.661 ACRES
 ACCESS ROAD DISTURBANCE = ± 0.226 ACRES
 PIPELINE DISTURBANCE = ± 0.188 ACRES
 TOTAL = ± 3.075 ACRES

* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(12") Topsoil Stripping = 3,050 Cu. Yds.
 Remaining Location = 7,700 Cu. Yds.
TOTAL CUT = 10,750 CU.YDS.
FILL = 3,670 CU.YDS.

EXCESS MATERIAL = 7,080 Cu. Yds.
 Topsoil & Pit Backfill = 5,190 Cu. Yds.
 (1/2 Pit Vol.)
 EXCESS UNBALANCE = 1,890 Cu. Yds.
 (After Interim Rehabilitation)

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 85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

UTE/FNR, LLC.

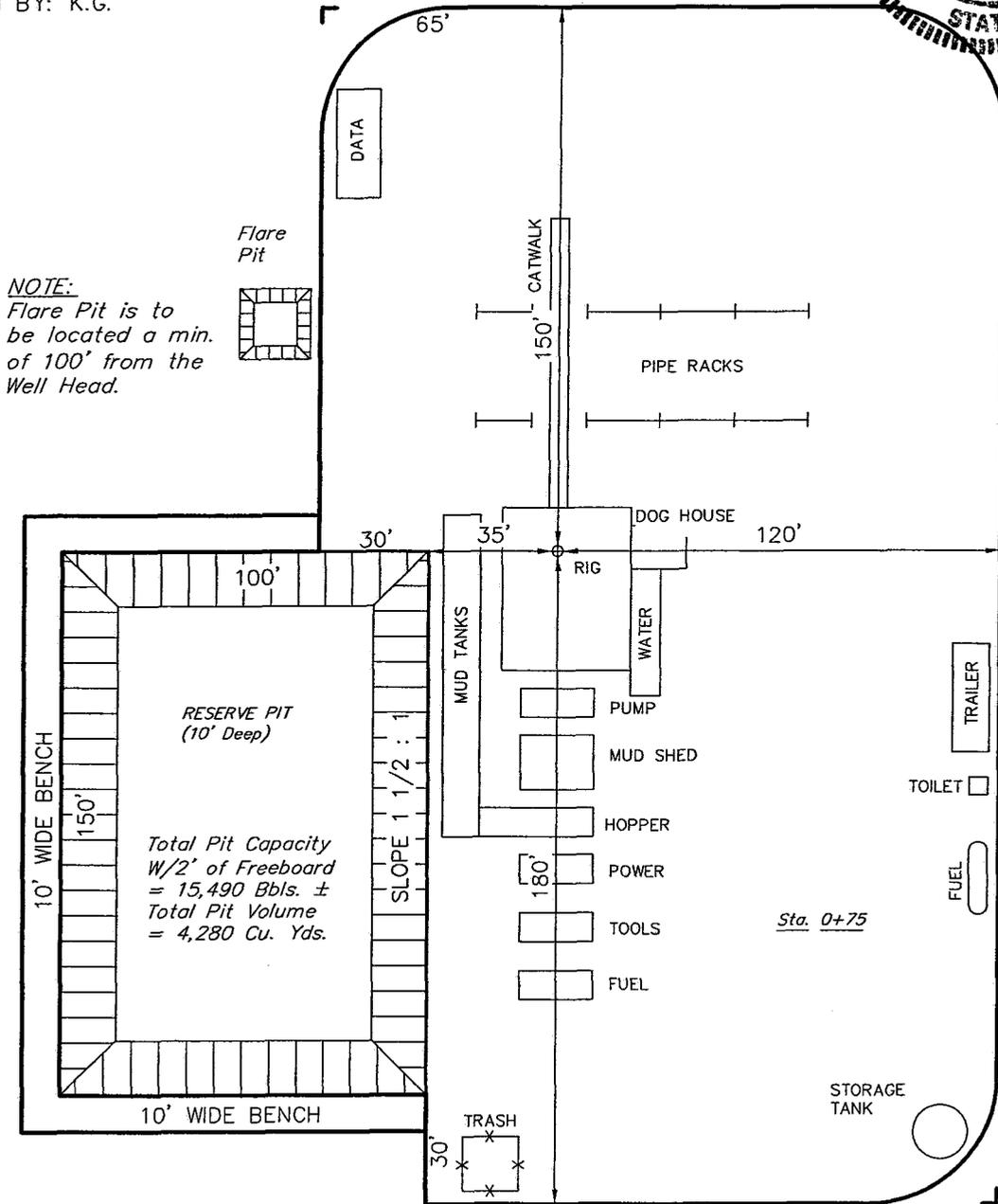
FIGURE #3

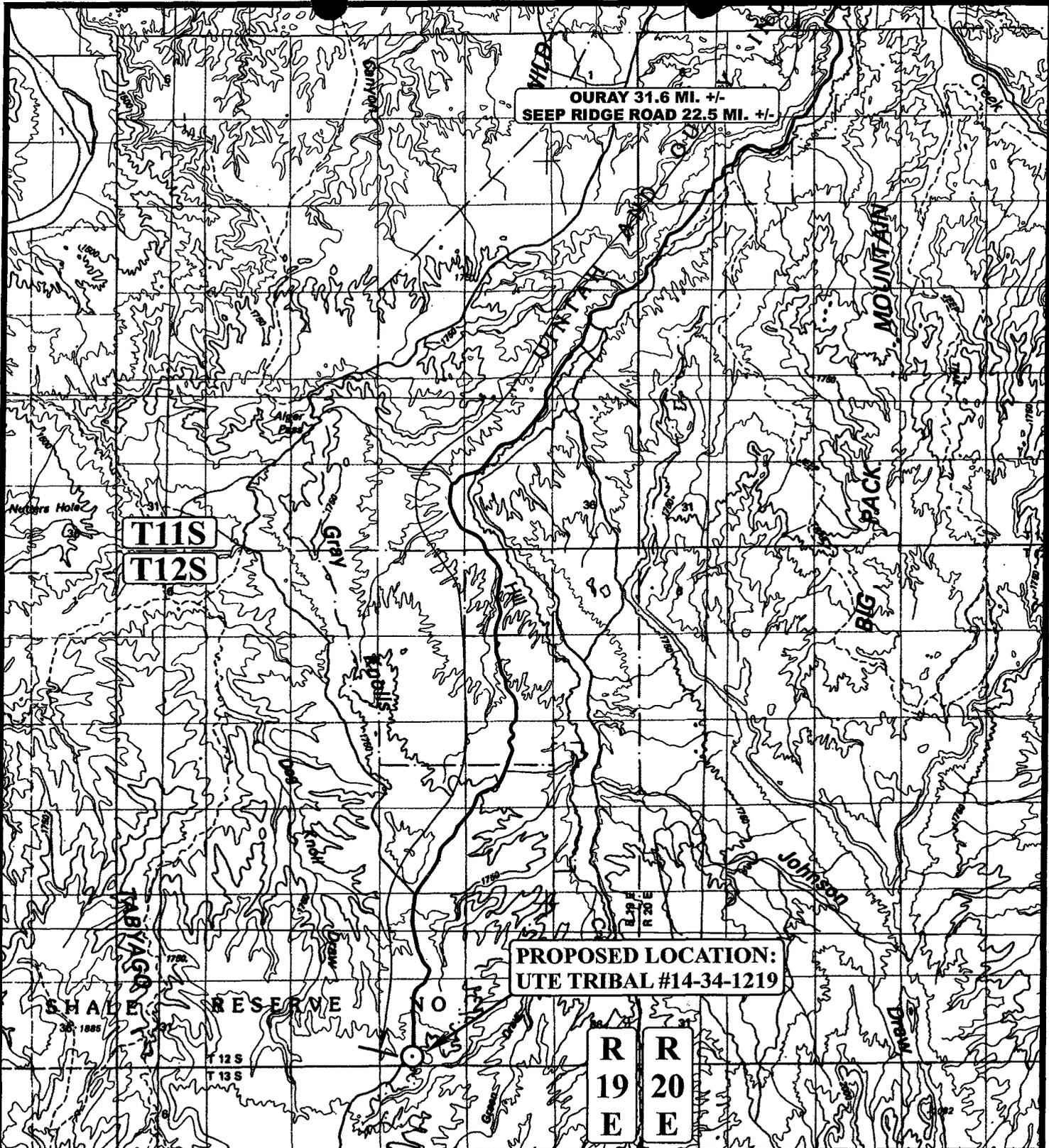
TYPICAL RIG LAYOUT FOR

UTE TRIBAL #14-34-1219
SECTION 34, T12S, R19E, S.L.B.&M.
717' FSL 1833' FWL



SCALE: 1" = 50'
DATE: 06-02-09
DRAWN BY: K.G.





LEGEND:

○ PROPOSED LOCATION



UTE/FNR, LLC.

**UTE TRIBAL #14-34-1219
SECTION 34, T12S, R19E, S.L.B.&M.
717' FSL 1833' FWL**



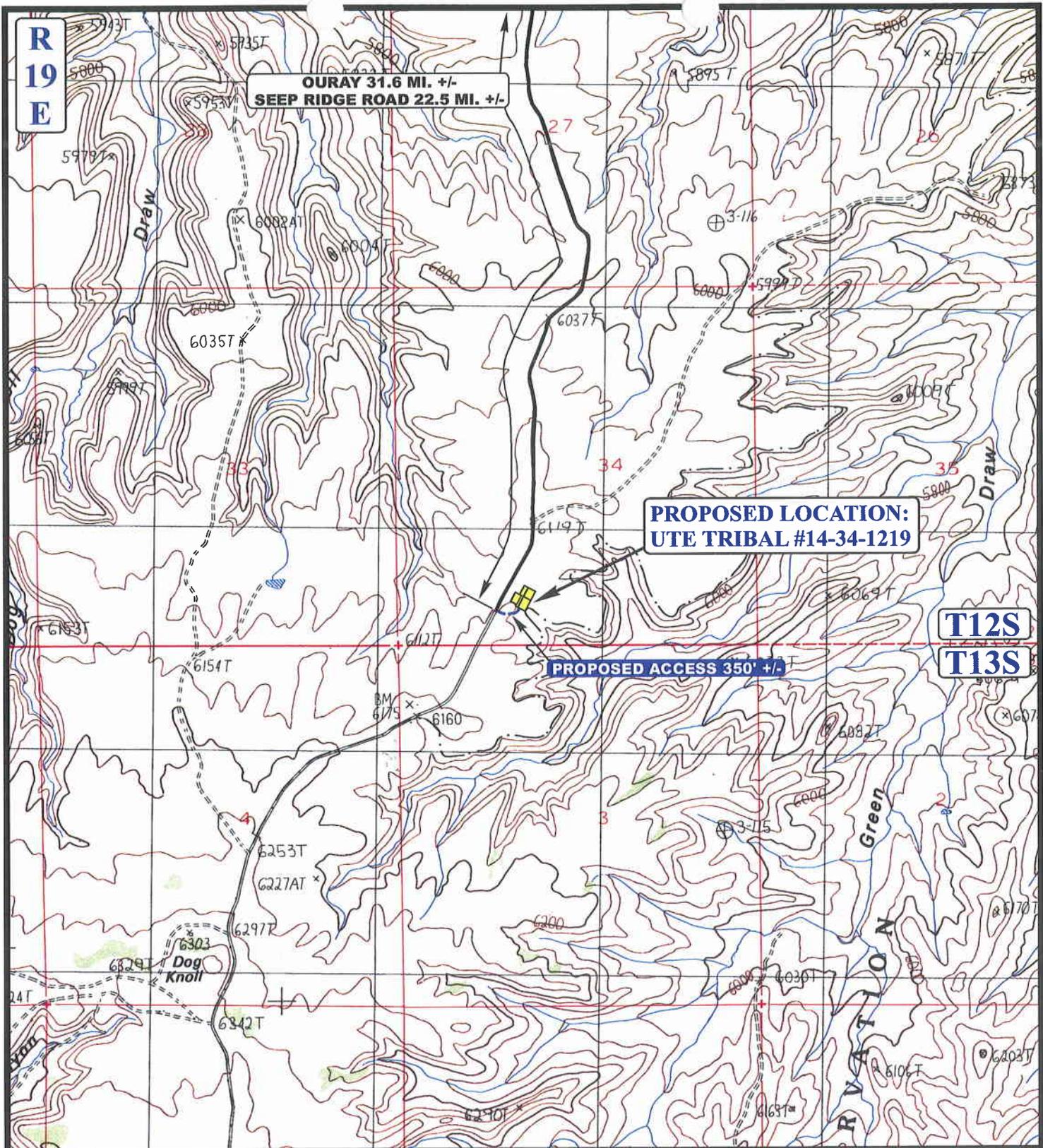
Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

6	1	09
MONTH	DAY	YEAR

SCALE: 1:100,000 | DRAWN BY: J.L.G. | REVISED: 00-00-00





LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD

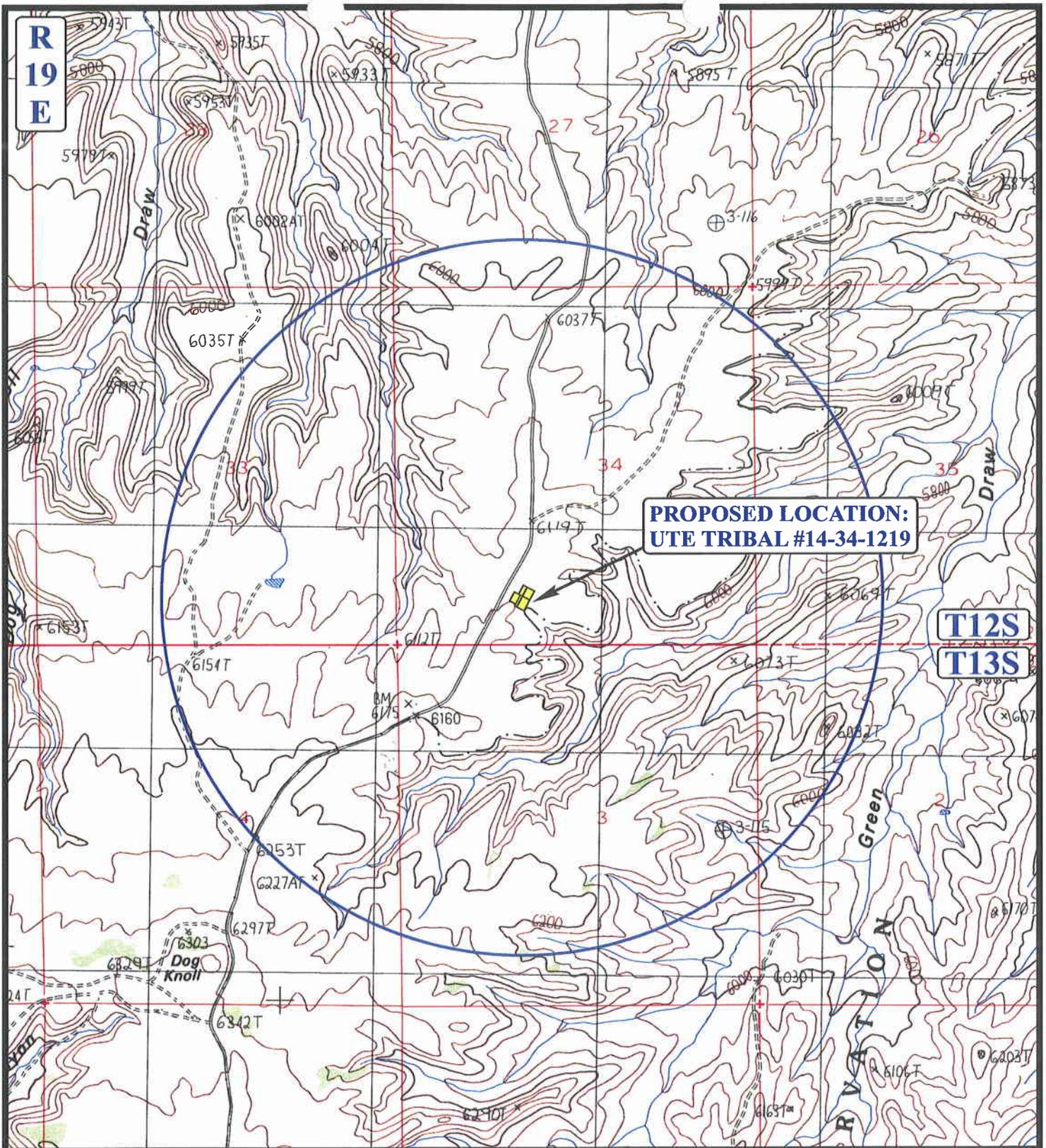


UTE/FNR, LLC.

UTE TRIBAL #14-34-1219
SECTION 34, T12S, R19E, S.L.B.&M.
717' FSL 1833' FWL

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

TOPOGRAPHIC **6 1 09**
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00 **B**
 TOPO



LEGEND:

- | | |
|-------------------|-------------------------|
| ⊗ DISPOSAL WELLS | ⊗ WATER WELLS |
| ● PRODUCING WELLS | ⊖ ABANDONED WELLS |
| ⊖ SHUT IN WELLS | ⊖ TEMPORARILY ABANDONED |



UTE/FNR, LLC.

**UTE TRIBAL #14-34-1219
SECTION 34, T12S, R19E, S.L.B.&M.
717' FSL 1833' FWL**



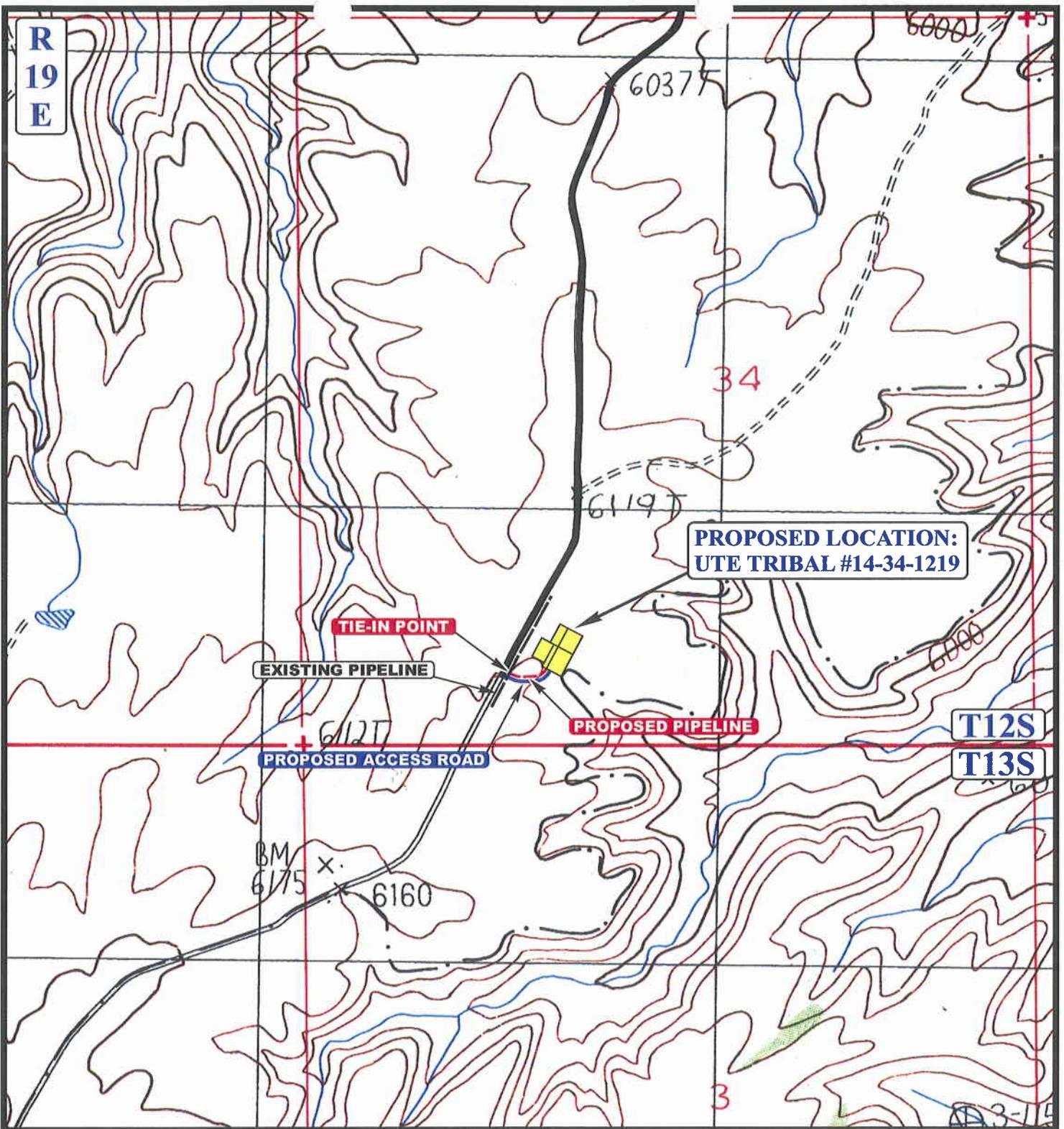
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

6 1 09
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 300' +/-

LEGEND:

-  EXISTING PIPELINE
-  PROPOSED PIPELINE
-  PROPOSED ACCESS



UTE/FNR, LLC.

UTE TRIBAL #14-34-1219
SECTION 34, T12S, R19E, S.L.B.&M.
717' FSL 1833' FWL

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

TOPOGRAPHIC **6** **1** **09**
MAP MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: J.L.G. REVISED: 00-00-00

D
TOPO

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 06/17/2009

API NO. ASSIGNED: 43-047-40603

WELL NAME: UTE TRIBAL 14-34-1219

OPERATOR: FIML NATURAL RESOURCES, (N2530)

PHONE NUMBER: 303-893-5073

CONTACT: MARK BINGHAM

PROPOSED LOCATION:

SESW 34 120S 190E

SURFACE: 0717 FSL 1833 FWL

BOTTOM: 0717 FSL 1833 FWL

COUNTY: UINTAH

LATITUDE: 39.72466 LONGITUDE: -109.77900

UTM SURF EASTINGS: 604646 NORTHINGS: 4397701

FIELD NAME: WILDCAT (1)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKO	7/2/09
Geology		
Surface		

LEASE TYPE: 2 - Indian

LEASE NUMBER: 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. UTE)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

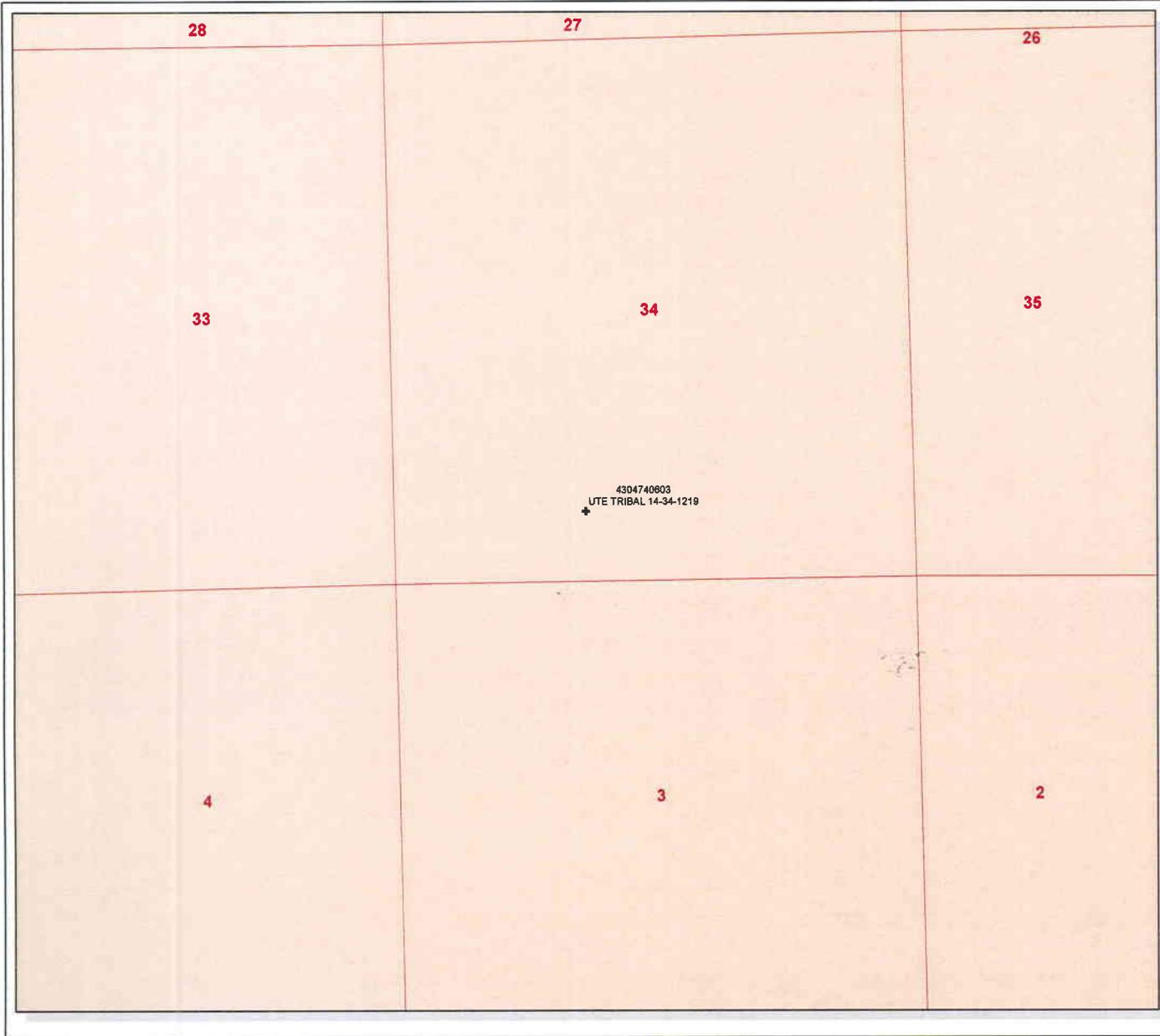
- R649-2-3.
- Unit: _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
- Board Cause No: _____
- Eff Date: _____
- Siting: _____
- R649-3-11. Directional Drill

COMMENTS:

See Separate file

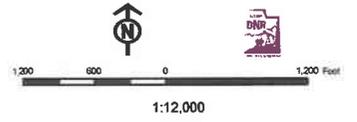
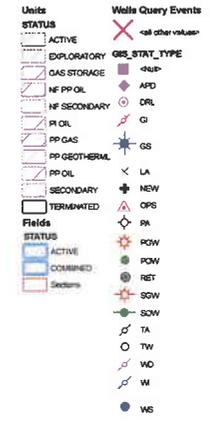
STIPULATIONS:

- ~~1- Federal Approval~~
- 2- Spacing Stip
- 3- Surface Stip (cont)
- 4- STATEMENT OF BASIS
- 5- SPENCE NATL DEFENSE AREA STIP



API Number: 4304740603
Well Name: UTE TRIBAL 14-34-1219
Township 12.0 S Range 19.0 E Section 34
Meridian: SLBM
 Operator: FIML NATURAL RESOURCES, LLC (FNR)

Map Prepared:
 Map Produced by Diana Mason



Application for Permit to Drill

Statement of Basis

7/7/2009

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
1730	43-047-40603-00-00		GW	I	No
Operator	FIML NATURAL RESOURCES, LLC (FNR)		Surface Owner-APD		
Well Name	UTE TRIBAL 14-34-1219		Unit		
Field	WILDCAT		Type of Work		
Location	SESW 34 12S 19E S 717 FSL 1833 FWL GPS Coord (UTM) 604646E 4397701N				

Geologic Statement of Basis

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 2,000 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.

Brad Hill
APD Evaluator

7/7/2009
Date / Time

Surface Statement of Basis

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.

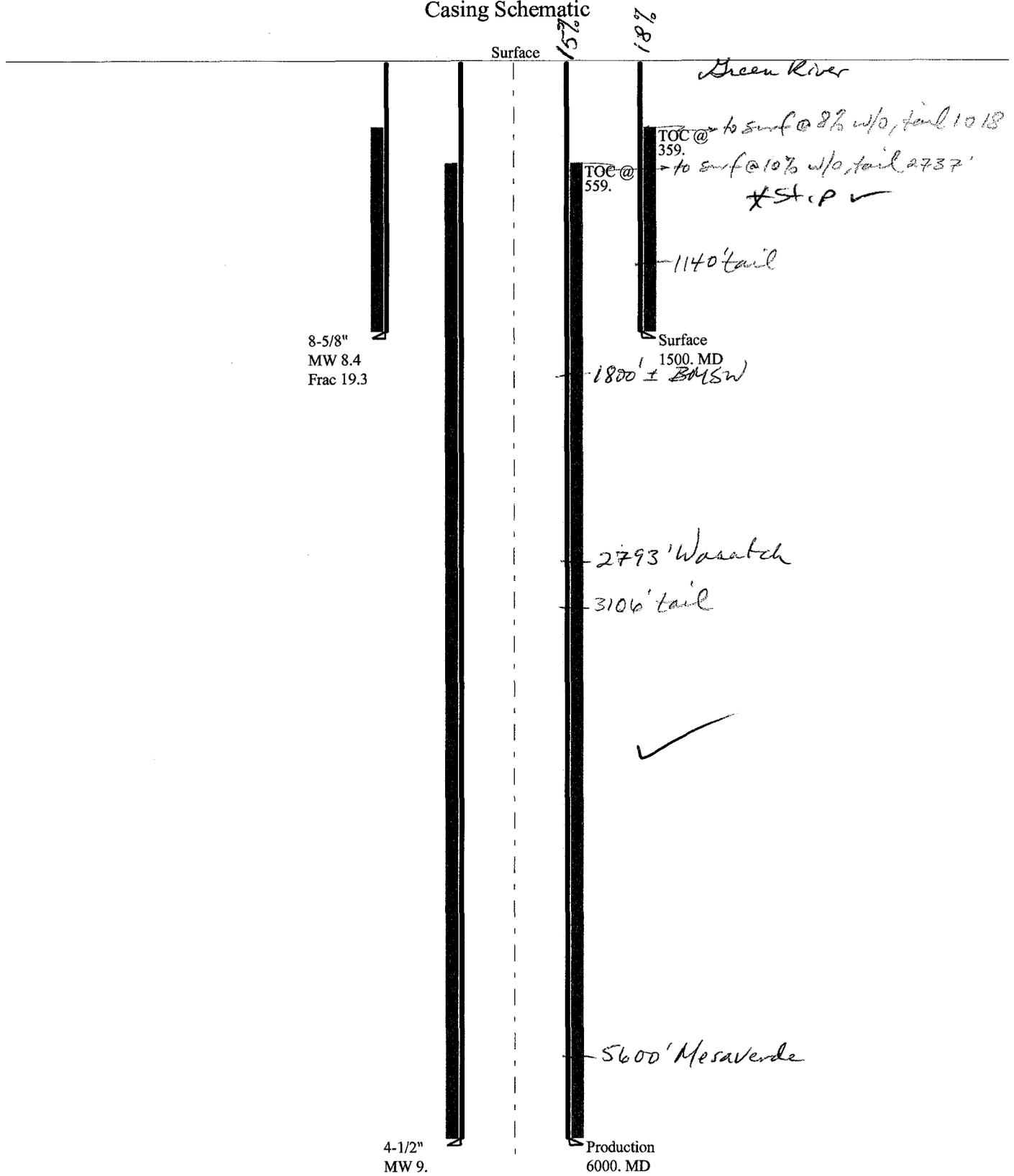
Brad Hill
Onsite Evaluator

7/7/2009
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
	None

Casing Schematic



Well name:	43047406030000 Ute Tribal 14-34-1219	
Operator:	FIML Natural Resources, LLC	
String type:	Surface	Project ID: 43-047-40603-0000
Location:	Uintah County	

Design parameters:

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

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 86 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 185 ft

Cement top: 359 ft

Burst

Max anticipated surface pressure: 1,320 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 1,500 psi

No backup mud specified.

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: 1,311 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 6,000 ft
Next mud weight: 9.000 ppg
Next setting BHP: 2,805 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	536.3
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	655	1370	2.093	1500	2950	1.97	36	244	6.78 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 810-538-5357

Date: June 25, 2009
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
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.
Burst strength is not adjusted for tension.

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

Well name:	43047406030000 Ute Tribal 14-34-1219	
Operator:	FIML Natural Resources, LLC	
String type:	Production	Project ID: 43-047-40603-0000
Location:	Uintah County	

Design parameters:

Collapse

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

Burst

Max anticipated surface pressure: 1,485 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 2,805 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: 5,193 ft

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 149 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 368 ft

Cement top: 559 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	6000	4.5	11.60	I-80	LT&C	6000	6000	3.875	523.6
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	2805	6360	2.267	2805	7780	2.77	70	212	3.05 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 810-538-5357

Date: June 25, 2009
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
Collapse is based on a vertical depth of 6000 ft, a mud weight of 9 ppg. The casing is considered to be evacuated for collapse purposes.
Burst strength is not adjusted for tension.

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

BOPE REVIEW

FIML Ute Tribal 14-34-1219

API 43-047-40603-0000

INPUT

Well Name

FIML Ute Tribal 14-34-1219		API 43-047-40603-0000	
String 1	String 2		
Casing Size (")	8 5/8	4 1/2	
Setting Depth (TVD)	1500	6000	
Previous Shoe Setting Depth (TVD)	0	1500	
Max Mud Weight (ppg)	8.4	9	
BOPE Proposed (psi)	0	3000	
Casing Internal Yield (psi)	2950	7780	
Operators Max Anticipated Pressure (psi)	2598	8.3 ppg	

Calculations

String 1 8 5/8 "

Max BHP [psi]	$.052 * \text{Setting Depth} * \text{MW} =$	655	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	$\text{Max BHP} - (0.12 * \text{Setting Depth}) =$	475	NO
MASP (Gas/Mud) [psi]	$\text{Max BHP} - (0.22 * \text{Setting Depth}) =$	325	NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	$\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$	325	NO <i>Reasonable depth</i>
Required Casing/BOPE Test Pressure		1500	psi
*Max Pressure Allowed @ Previous Casing Shoe =		0	psi <i>*Assumes 1psi/ft frac gradient</i>

Calculations

String 2 4 1/2 "

Max BHP [psi]	$.052 * \text{Setting Depth} * \text{MW} =$	2808	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	$\text{Max BHP} - (0.12 * \text{Setting Depth}) =$	2088	YES
MASP (Gas/Mud) [psi]	$\text{Max BHP} - (0.22 * \text{Setting Depth}) =$	1488	YES ✓
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	$\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$	1818	← NO <i>OK</i>
Required Casing/BOPE Test Pressure		3000	psi
*Max Pressure Allowed @ Previous Casing Shoe =		1500	psi ✓ <i>*Assumes 1psi/ft frac gradient</i>



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

July 7, 2009

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

Re: Ute Tribal 14-34-1219 Well, 717' FSL, 1833' FWL, SE SW, Sec. 34, T. 12 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.

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 43-047-40603.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor

Operator: FIML Natural Resources, LLC
Well Name & Number Ute Tribal 14-34-1219
API Number: 43-047-40603
Lease: EDA-001-000

Location: SE SW Sec. 34 T. 12 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 Dustin Doucet at (801) 538-5281 (801) 733-0983 home

3. Reporting Requirements

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

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

5. 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

43-047-40603

July 7, 2009

6. 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.
7. Surface casing shall be cemented to the surface.

43-047-40603

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

Ute Tribal 14-34-1219
SESW 1833' FWL & 717' FSL Section 34 T-12S 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	2793'
Mesa Verde	5600'
Total Depth	6000'

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

Substance	Formation	Depth
Oil/Gas	Wasatch	2793'
Oil/Gas	Mesa Verde	5600'

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:**

The anticipated bottom hole pressure will be approximately 2,500 psi.

Please refer to UTE/FNR LLC Standard Operating Procedure (SOP Version: Revised June 23, 2009).

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

Please refer to UTE/FNR LLC Standard Operating Procedure (SOP Version: Revised June 23, 2009).

5. **Drilling Fluids Program:**

Please refer to UTE/FNR LLC Standard Operating Procedure (SOP Version: Revised June 23, 2009).

6. **Evaluation Program:**

Please refer to UTE/FNR LLC Standard Operating Procedure (SOP Version: Revised June 23, 2009).

7. **Abnormal Conditions:**

Please refer to UTE/FNR LLC Standard Operating Procedure (SOP Version: Revised June 23, 2009).

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

Please refer to UTE/FNR LLC Standard Operating Procedure (SOP Version: Revised June 23, 2009).

9. **Other Information:**

Please refer to UTE/FNR LLC Standard Operating Procedure (SOP Version: Revised June 23, 2009).

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

Ute Tribal 14-34-1219
SESW 1833' FWL & 717' FSL Section 34 T-12S 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 in a southerly, then southeasterly direction approximately 9.1 miles on the Seep Ridge Road to the junction of this road and an existing road to the south; turn right and proceed in a southerly direction approximately 2.8 miles to the junction of this road and an existing road to the west; turn right and proceed in a westerly, then southwesterly, then southerly direction approximately 19.7 miles to the beginning of the proposed access to the southeast; follow road flags in a southeasterly direction approximately 350' to the proposed location.
- B. The proposed well site is located approximately 31.6 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 Procedure (SOP Version: Revised June 23, 2009).

5. Location and Type of Water Supply

- A. Water supply will be from the Ute Tribal 6-11-1219 water well. The Ute Indian Tribe Water Permit number is EMD-WSP-001-2004 and the well is located in Section 11, T-12S, R-19E, Uintah County, Utah.
- B. Water will be hauled by Ute Tribal Water Service.

6. Source of Construction Materials

Please refer to UTE/FNR LLC Standard Operating Procedure (SOP Version: Revised June 23, 2009).

7. Method of Handling Waste Materials

Please refer to UTE/FNR LLC Standard Operating Procedure (SOP Version: Revised June 23, 2009).

8. Ancillary Facilities

Please refer to UTE/FNR LLC Standard Operating Procedure (SOP Version: Revised June 23, 2009).

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 Procedure (SOP Version: Revised June 23, 2009).

11. Surface Ownership

Access Road: Ute Indian Tribe
Location: Ute Indian Tribe

12. Other Information

Please refer to UTE/FNR LLC Standard Operating Procedure (SOP Version: Revised June 23, 2009).

13. Operator's Representative and Certification

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

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

Certification:

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

6/23/09

Date



Rick Parks
Operations Manager
FIML Natural Resources, LLC

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: FIML NATURAL RESOURCES, LLC (FNR)

Well Name: UTE TRIBAL 14-34-1219

Api No: 43-047-40603 Lease Type: INDIAN

Section 34 Township 12S Range 19E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # BUCKET

SPUDDED:

Date 08/07/2009

Time 10:00 AM

How DRY

Drilling will Commence: _____

Reported by CASSANDRA PARKS

Telephone # (303) 893-5090

Date 08/10/2009 Signed CHD

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

FORM 6

ENTITY ACTION FORM

Operator: FIML Natural Resources, LLC
Address: 410 17th Street Suite 900
city Denver
state CO zip 80202

Operator Account Number: N 2530
Phone Number: (303) 893-5073

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304740603	Ute Tribal 14-34-1219	SESW	34	12S	19E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
A	99999	17342	8/6/2009		8/13/09	
Comments: <u>MURD</u>						CONFIDENTIAL

Well 2

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

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:						RECEIVED AUG 12 2009

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)

Cassandra Parks DIV. OF OIL, GAS & MINING

Name (Please Print)

Cassandra Parks

Signature

Regulatory Specialist

Title

8/12/2009

Date

FIML NATURAL RESOURCES, LLC

CONFIDENTIAL

August 14, 2009

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. Carol Daniels

RE: ^{43 047 40603} Ute Tribal #14-34-1219
SESW Sec 34 T-12S R-19E
Uintah County, Utah

Dear Ms. Daniels:

Enclosed is an original of the following for the above referenced well.

Sundry Notice-Spud and Set Surface Casing

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

Sincerely,



Cassandra Parks
Regulatory Specialist

/cp

Enclosures:

410 17th Street, Suite 900 * Denver, CO 80202 * (303)893-5073 * Facsimile (303) 573-0386

RECEIVED

AUG 17 2009

DIV. OF OIL, GAS & MINING

**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 **CONFIDENTIAL**
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 14-34-1219

9. API Well No.
43-047-40603

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)
303-893-5090

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SESW Sec 34 717' FSL & 1,833' FWL, T-12S R-19E

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

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

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 recomplate 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.)

Craig's Roustabout Service Bucket Rig spud conductor hole at 11:00 hours, MST, 8/6/2009.

Drilled 20" hole from 0' to 40' GLM. Set 14" conductor casing at 40' GLM and cemented conductor casing with 3-1/2 yards grout. Drilled mouse hole and rat hole.

Craig's Roustabout Service Air Rig #3 spud surface hole at 11:00 hours, MST, 8/10/2009.

Drilled 12-3/8" hole from 40' to 1530' GLM'. Hit water at ~1380', circulated ~10.0 bph to surface with air system while drilling remainder of surface hole. Ran 35 jts (1518.43') 8-5/8", 24#, J-55, ST&C condition A casing. Set casing at 1518.43' GLM. Float collar at 1473.52' GLM.

Superior Services cemented casing with lead slurry consisting of 195 sacks (162.5 bbls) class A cement containing 16% gel, 0.25 pps Super Flake, 7.0 pps gilsonite, 1.0% Super SIL-SP & 3% salt. Wt 10.5 ppg, Yield 4.68 ft³/sk, MWR 29.74 gps.

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

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

Cassandra Parks

Title **Regulatory Specialist**

Signature



Date

08/13/2009

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

AUG 17 2009

**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.

CONFIDENTIAL

FORM Approved August 2004
Lease, Serial No. or EDA No.
ED-EDA-001-000

SUBMIT IN TRIPLICATE		6. Tribe Name Ute Tribe
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit or CA/Agreement, Name and/or No.
2. Name of Operator FIML Natural Resources, LLC		8. Well Name and No. Ute Tribal 14-34-1219
3a. Address 410 17th Street, Suite 900 Denver, CO 80202	3b. Phone No. (include area code) 303-893-5090	9. API Well No. 43-047-40603
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SESW Sec 34 717' FSL & 1,833' FWL, T-12S R-19E		10. Field and Pool, or Exploratory Area Wildcat
		11. County Uintah

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

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

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 resumed drilling on the Ute Tribal 14-34-1219 on 8/22/2009.

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

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Cassandra Parks	Title Regulatory Specialist
Signature	Date 08/25/2009

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

AUG 31 2009

**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.

UTD / UTE / UTA / 001-000

6. Well Name

Ute Tribal

CONFIDENTIAL

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)
303-893-5090

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SESW Sec 34 717' FSL & 1,833' FWL, T-12S R-19E

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

8. Well Name and No.
Ute Tribal 14-34-1219

9. API Well No.
43-047-40603

10. Field and Pool, or Exploratory Area
Wildcat

11. County
Uintah

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Composite Drilling Report
	<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	

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 recomplate 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.)

Attached is the composite drilling report for the Ute Tribal 14-34-1219.

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

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

Cassandra Parks

Title **Regulatory Specialist**

Signature



Date

08/28/2009

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

AUG 31 2009

DIV. OF OIL, GAS & MINING



Ute Tribal 14-34-1219

Well History Report

Cultural Data GWiz Number: UT.0008.011 API Number: 43-047-40603 Rig Name: Frontier 1
 County: Uintah, UT Section: 34 Twp/Abstract: 12S Block: Range: 19E Qtr1: Qtr2: SE Qtr3: SW

Dates at a Glance

Spud: 8/6/2009 Rig Release: 8/26/2009 First Production: First Sales:

Depths at a Glance

Proposed TD: TD Drill: 6050 TD Log: 6043 PBTD: 0

Drilling

Date	Operation	Start Time	End Time	Start Depth	End Depth	Remarks
8/6/2009	Craig's Roustabout Service Bucket Rig spud conductor hole at 11:00 hours, MST, 8/6/2009.					
	Drilled 20" hole from 0' to 40' GLM. Set 14" conductor casing at 40' GLM and cemented conductor casing with 3-1/2 yards grout. Drilled mouse hole and rat hole.					
	Craig's Roustabout Service Air Rig #3 spud surface hole at 11:00 hours, MST, 8/10/2009.					
	Drilled 12-3/8" hole from 40' to 1530' GLM. Hit water at ~1380', circulated ~10.0 bph to surface with air system while drilling remainder of surface hole. Ran 35 jts (1518.43') 8-5/8", 24#, J-55, ST&C condition A casing. Set casing at 1518.43' GLM. Float collar at 1473.52' GLM.					
	Superior Services cemented casing with lead slurry consisting of 195 sacks (162.5 bbls) class A cement containing 16% gel, 0.25 pps Super Flake, 7.0 pps gilsonite, 1.0% Super SIL-SP & 3% salt. Wt 10.5 ppg, Yield 4.68 ft ³ /sk, MWR 29.74 gps.					
	Tailed in with 290 sacks (61.4 bbls) class H cement containing 2% CaCl ₂ & 0.25% Super Flake. Wt 15.6 ppg, Yield 1.19 ft ³ /sk, MWR 5.20 gps. Displaced cement with 95 bbls fresh water. Shut down pump at 05:42 hours MST, 8/12/09 (did not bump plug.) Float held ok. Circulated 25.0 bbls cement to surface. TOC remained at surface.					
	02 - Drilling			40	1570	Spud well at 11:00 hours, MST, 8/6/2009. Set conductor
8/22/2009	Notified Larry Love, Carol Daniels and Dave Hackford of RURT & BOP Pressure test. No one arrived on location to witness RU or pressure test.					
	01 - Rig Up & Tear Down	6:00 AM	6:00 PM	1530	1530	MIRURT
	01 - Rig Up & Tear Down	6:00 PM	3:30 AM	1530	1530	Pressure BOPE to 3000 psi and csg to 1500 psi
	01 - Rig Up & Tear Down	3:30 AM	4:00 AM	1530	1530	Install wear bushing
	01 - Rig Up & Tear Down	4:00 AM	6:00 AM	1530	1530	Strap and pick up BHA

Date	Operation	Start Time	End Time	Start Depth	End Depth	Remarks
8/23/2009	DOFUS @ 12:30 HOURS, MST, 8/22/2009.					
	02 - Drilling	6:00 AM	9:00 AM	1530	1530	Finished PU BHA and TIH to TOC @ 1460'
	02 - Drilling	9:00 AM	11:00 AM	1530	1530	Drill shoe track
	02 - Drilling	11:00 AM	11:30 AM	1530	1530	Test casing
	02 - Drilling	11:30 AM	12:30 PM	1530	1544	Finish drilling shoe track and 14' new hole from 1533 - 1544. Drilled out from under surface @ 12:30 hours, MST, 8/22/2009
	02 - Drilling	12:30 PM	1:00 PM	1544	1544	Spot gel pill on bottom. Perform FIT test to EMW of 10.2 ppg.
	02 - Drilling	1:00 PM	1:30 PM	1544	1621	Drilling from 1544 to 1621
	02 - Drilling	1:30 PM	2:00 PM	1621	1621	WLS @ 1542 @ .5°
	02 - Drilling	2:00 PM	3:00 PM	1621	1812	Drilling from 1621 to 1812'
	02 - Drilling	3:00 PM	3:30 PM	1812	1812	Rig Service.
	02 - Drilling	3:30 PM	5:00 PM	1812	2127	Drilling from 1812 to 2127
	02 - Drilling	5:00 PM	5:30 PM	2127	2127	WLS @ 2049 @ 1°
	02 - Drilling	5:30 PM	8:30 PM	2127	2599	Drilling from 2127 to 2599
	02 - Drilling	8:30 PM	9:00 PM	2599	2599	WLS @ 2521 @ 1.25°
	02 - Drilling	9:00 PM	12:00 AM	2599	3105	Drilling from 2599 to 3105
	02 - Drilling	12:00 AM	12:30 AM	3105	3105	WLS @ 3027 @ 1°
	02 - Drilling	12:30 AM	4:00 AM	3105	3610	Drilling from 3105 to 3610
	02 - Drilling	4:00 AM	4:30 AM	3610	3610	WLS @ 3533 @ 1.75°
	02 - Drilling	4:30 AM	6:00 AM	3610	3830	Drilling from 3610 to 3830
8/24/2009	Mud at report time: Wt 9.2, Vis 45					
	02 - Drilling	6:00 AM	8:00 AM	3830	4114	Drilling from 3830 to 4114
	02 - Drilling	8:00 AM	8:30 AM	4114	4114	WLS @ 4035 @ 1°
	02 - Drilling	8:30 AM	12:30 PM	4114	4617	Drilling from 4114 to 4617. Start mud up at 4500'
	02 - Drilling	12:30 PM	1:00 PM	4617	4617	WLS @ 4538 @ 1°
	02 - Drilling	1:00 PM	3:00 PM	4617	4775	Drilling from 4617 to 4775
	02 - Drilling	3:00 PM	3:30 PM	4775	4775	Rig service
	02 - Drilling	3:30 PM	6:30 PM	4775	5122	Drilling from 4775 to 5122
	02 - Drilling	6:30 PM	7:00 PM	5122	5122	WLS @ 5045 @ 1°

Date	Operation	Start Time	End Time	Start Depth	End Depth	Remarks
	02 - Drilling	7:00 PM	1:00 AM	5122	5629	Drilling from 5122 to 5629
	02 - Drilling	1:00 AM	1:30 AM	5629	5629	WLS @ 5552 @ 1°
	02 - Drilling	1:30 AM	2:00 AM	5629	5671	Drilling from 5629 to 5671
	02 - Drilling	2:00 AM	3:00 AM	5671	5671	Rig repair, change swivel packing.
	02 - Drilling	3:00 AM	6:00 AM	5671	5881	Drilling from 5671 to 5881

8/25/2009

21 - Other	6:00 AM	10:30 AM	5881	6050	Drilling from 5881 to 6050
21 - Other	10:30 AM	11:30 AM	6050	6050	Circulate bottoms up.
21 - Other	11:30 AM	3:30 PM	6050	6050	Short trip to 1500'. Tight spots at 5320' & 4880' while TOO. No problems while TIH.
21 - Other	3:30 PM	4:30 PM	6050	6050	Circulate bottoms up.
21 - Other	4:30 PM	5:30 PM	6050	6050	Short trip 15 stands to 4600'. Hole good - no tight spots.
21 - Other	5:30 PM	6:30 PM	6050	6050	Circulate bottoms up.
21 - Other	6:30 PM	10:00 PM	6050	6050	Pump pill and drop survey. WLS @ 5972 @ 1.5°. TOH for logs. SLM 6050.90'
21 - Other	10:00 PM	11:00 PM	6050	6050	RU Halliburton logging unit and HSM.
21 - Other	11:00 PM	2:30 AM	6050	6050	Ran open hole logs, LTD 6043. RD Halliburton
21 - Other	2:30 AM	3:00 AM	6050	6050	TIH with BHA
21 - Other	3:00 AM	6:00 AM	6050	6050	Wait on orders.

8/26/2009

17 - Plug Back	6:00 AM	10:00 AM	6050	6050	Wait on orders.
17 - Plug Back	10:00 AM	12:30 PM	6050	6050	LD BHA
17 - Plug Back	12:30 PM	1:00 PM	6050	6050	Pull wear bushing
17 - Plug Back	1:00 PM	3:30 PM	6050	6050	TIH with open ended DP
17 - Plug Back	3:30 PM	4:00 PM	6050	6050	PU 11 jts DP. Bottom of DP at 5840'.
17 - Plug Back	4:00 PM	4:30 PM	6050	6050	RU Superior Services cementing equipment and HSM.
17 - Plug Back	4:30 PM	5:00 PM	6050	6050	Set Plug #1: 5840' - 5640' (200') with 75 sacks (15.4 bbls) class G neat cement. Wt 15.8 ppg, Yield 1.16 ft ³ /sk
17 - Plug Back	5:00 PM	7:30 PM	6050	6050	Pull 5 stands and LD 90 jts DP

Date	Operation	Start Time	End Time	Start Depth	End Depth	Remarks
	17 - Plug Back	7:30 PM	8:00 PM	6050	6050	Set Plug #2: 2990' - 2790' (200') with 75 sacks (15.4 bbls) class G cement with 2% CaCl2. Wt 15.8 ppg, Yield 1.16 ft3/sk
	17 - Plug Back	8:00 PM	2:00 AM	6050	6050	Pulled 5 stands and WOC
	17 - Plug Back	2:00 AM	2:30 AM	6050	6050	TIH and tagged actual TOC at 2751'.
	17 - Plug Back	2:30 AM	4:00 AM	6050	6050	LD 43 jts DP and TIH with 3 stands DP. Bottom of drill pipe at 1633'.
	17 - Plug Back	4:00 AM	4:30 AM	6050	6050	Set Plug #3: 1633' - 1433' (200') with 85 sacks (17.5 bbls) class G cement with 2% CaCl2. Wt 15.8 ppg, Yield 1.16 ft3/sk
	17 - Plug Back	4:30 AM	6:00 AM	6050	6050	Pulled 5 stands DP and WOC.

8/27/2009

Plugging summary:

Plug #1: 5840'-5640' (200') 75 sx (15.4 bbls) class G, neat cement. Wt: 15.8 ppg. Yield: 1.16 ft3/sk.

Plug #2: 2990'-2790' (200') 75 sx (15.4 bbls) class G, neat cement with 2% CaCl2. Wt: 15.8 ppg. Yield: 1.16 ft3/sk. Top of this plug was tagged.

Plug #3: 1633'-1387' (246') 85 sx (17.5 bbls) class G, cement w/ 2.0% CaCl2. Wt: 15.8 ppg. Yield: 1.16 ft3/sk. Top of this plug was tagged.

Plug #4: 60'-0' (60'). 30 sx (6.1 bbls) class G, neat cement. Wt: 15.8 ppg. Yield: 1.16 ft3/sk.

Fluid between plugs was 9.4 ppg, 42 viscosity & 900 chlorides fresh water mud. Superior Services - Vernal, UT provided cementing services.

01 - Rig Up & Tear Down	6:00 AM	10:30 AM	6050	6050	Finished WOC
01 - Rig Up & Tear Down	10:30 AM	11:00 AM	6050	6050	TIH and tagged top of plug #3 at 1387'
01 - Rig Up & Tear Down	11:00 AM	12:00 PM	6050	6050	LDDP
01 - Rig Up & Tear Down	12:00 PM	12:30 PM	6050	6050	Set P&A plug #4: 60' - 0' (60') with 30 sacks (6.1 bbls) class G neat cement. Wt 15.8 ppg, Yield 1.16 ft3/sk
01 - Rig Up & Tear Down	12:30 PM	1:00 PM	6050	6050	RD casing crew and cementing equipment.
01 - Rig Up & Tear Down	1:00 PM	2:00 PM	6050	6050	Flush out and NDBOPE
01 - Rig Up & Tear Down	2:00 PM	5:00 PM	6050	6050	Clean mud pits. Rig released at 17:00 hours, MST, 8/26/2009.

8/28/2009

01 - Rig Up & Tear Down	6:00 AM	6:00 PM	6050	6050	Moved Frontier rig 1 back to Roosevelt, UT yard. All rental equipment has been released and moved off location.
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Casing

Date In	Type	Hole Diam	Size	Weight	Grade	Top	Set Depth	Total Jts Run	Total Csg Footage	TD
8/10/2009	Surface	12.375	8.625	24.00	J-55	0.00	1,518.43	35	0.00	1,530.00

Cement

Csg Type	Date In	Stage Type	Grade	Desc.	Vol	Sks	PPG	MWR	Slry Yield
Surface	8/10/2009	Lead	Class A		0	195	10.5	29.74	4.68
Surface	8/10/2009	Tail	Class H		0	290	15.6	5.2	1.19

**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
Lease Area No. or EDA No. _____
ED # _____ UTE-EDA-001-000

CONFIDENTIAL

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)
303-893-5090

4. Location of Well (Footage, Sec., T, R, M, or Survey Description)
SESW Sec 34 717' FSL & 1,833' FWL, T-12S R-19E

6. Tribe Name
Ute Tribe

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

8. Well Name and No.
Ute Tribal 14-34-1219

9. API Well No.
43-047-40603

10. Field and Pool, or Exploratory Area
Wildcat

11. County
Uintah

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input checked="" 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	

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.)

The Ute Tribal 14-34-1219 was plugged on 8/26/2009. See attached plugging report.

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

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

Cassandra Parks

Title **Regulatory Specialist**

Signature



Date

08/28/2009

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

AUG 31 2009

DIV. OF OIL, GAS & MINING

Date	Operation	Start Time	End Time	Start Depth	End Depth	Remarks
	02 - Drilling	7:00 PM	1:00 AM	5122	5629	Drilling from 5122 to 5629
	02 - Drilling	1:00 AM	1:30 AM	5629	5629	WLS @ 5552 @ 1°
	02 - Drilling	1:30 AM	2:00 AM	5629	5671	Drilling from 5629 to 5671
	02 - Drilling	2:00 AM	3:00 AM	5671	5671	Rig repair, change swivel packing.
	02 - Drilling	3:00 AM	6:00 AM	5671	5881	Drilling from 5671 to 5881

8/25/2009

21 - Other	6:00 AM	10:30 AM	5881	6050	Drilling from 5881 to 6050
21 - Other	10:30 AM	11:30 AM	6050	6050	Circulate bottoms up.
21 - Other	11:30 AM	3:30 PM	6050	6050	Short trip to 1500'. Tight spots at 5320' & 4880' while TOOH. No problems while TIH.
21 - Other	3:30 PM	4:30 PM	6050	6050	Circulate bottoms up.
21 - Other	4:30 PM	5:30 PM	6050	6050	Short trip 15 stands to 4600'. Hole good - no tight spots.
21 - Other	5:30 PM	6:30 PM	6050	6050	Circulate bottoms up.
21 - Other	6:30 PM	10:00 PM	6050	6050	Pump pill and drop survey. WLS @ 5972 @ 1.5°. TOH for logs. SLM 6050.90'
21 - Other	10:00 PM	11:00 PM	6050	6050	RU Halliburton logging unit and HSM.
21 - Other	11:00 PM	2:30 AM	6050	6050	Ran open hole logs, LTD 6043. RD Halliburton
21 - Other	2:30 AM	3:00 AM	6050	6050	TIH with BHA
21 - Other	3:00 AM	6:00 AM	6050	6050	Wait on orders.

8/26/2009

17 - Plug Back	6:00 AM	10:00 AM	6050	6050	Wait on orders.
17 - Plug Back	10:00 AM	12:30 PM	6050	6050	LD BHA
17 - Plug Back	12:30 PM	1:00 PM	6050	6050	Pull wear bushing
17 - Plug Back	1:00 PM	3:30 PM	6050	6050	TIH with open ended DP
17 - Plug Back	3:30 PM	4:00 PM	6050	6050	PU 11 jts DP. Bottom of DP at 5840'.
17 - Plug Back	4:00 PM	4:30 PM	6050	6050	RU Superior Services cementing equipment and HSM.
17 - Plug Back	4:30 PM	5:00 PM	6050	6050	Set Plug #1: 5840' - 5640' (200') with 75 sacks (15.4 bbls) class G neat cement. Wt 15.8 ppg, Yield 1.16 ft ³ /sk
17 - Plug Back	5:00 PM	7:30 PM	6050	6050	Pull 5 stands and LD 90 jts DP

Date	Operation	Start Time	End Time	Start Depth	End Depth	Remarks
	17 - Plug Back	7:30 PM	8:00 PM	6050	6050	Set Plug #2: 2990' - 2790' (200') with 75 sacks (15.4 bbls) class G cement with 2% CaCl2. Wt 15.8 ppg, Yield 1.16 ft3/sk
	17 - Plug Back	8:00 PM	2:00 AM	6050	6050	Pulled 5 stands and WOC
	17 - Plug Back	2:00 AM	2:30 AM	6050	6050	TIH and tagged actual TOC at 2751'.
	17 - Plug Back	2:30 AM	4:00 AM	6050	6050	LD 43 jts DP and TIH with 3 stands DP. Bottom of drill pipe at 1633'.
	17 - Plug Back	4:00 AM	4:30 AM	6050	6050	Set Plug #3: 1633' - 1433' (200') with 85 sacks (17.5 bbls) class G cement with 2% CaCl2. Wt 15.8 ppg, Yield 1.16 ft3/sk
	17 - Plug Back	4:30 AM	6:00 AM	6050	6050	Pulled 5 stands DP and WOC.

8/27/2009

Plugging summary:

Plug #1: 5840'-5640' (200') 75 sx (15.4 bbls) class G, neat cement. Wt: 15.8 ppg. Yield: 1.16 ft3/sk.

Plug #2: 2990'-2790' (200') 75 sx (15.4 bbls) class G, neat cement with 2% CaCl2. Wt: 15.8 ppg. Yield: 1.16 ft3/sk. Top of this plug was tagged.

Plug #3: 1633'-1387' (246') 85 sx (17.5 bbls) class G, cement w/ 2.0% CaCl2. Wt: 15.8 ppg. Yield: 1.16 ft3/sk. Top of this plug was tagged.

Plug #4: 60'-0' (60'). 30 sx (6.1 bbls) class G, neat cement. Wt: 15.8 ppg. Yield: 1.16 ft3/sk.

Fluid between plugs was 9.4 ppg, 42 viscosity & 900 chlorides fresh water mud. Superior Services - Vernal, UT provided cementing services.

01 - Rig Up & Tear Down	6:00 AM	10:30 AM	6050	6050	Finished WOC
01 - Rig Up & Tear Down	10:30 AM	11:00 AM	6050	6050	TIH and tagged top of plug #3 at 1387'
01 - Rig Up & Tear Down	11:00 AM	12:00 PM	6050	6050	LDDP
01 - Rig Up & Tear Down	12:00 PM	12:30 PM	6050	6050	Set P&A plug #4: 60' - 0' (60') with 30 sacks (6.1 bbls) class G neat cement. Wt 15.8 ppg, Yield 1.16 ft3/sk
01 - Rig Up & Tear Down	12:30 PM	1:00 PM	6050	6050	RD casing crew and cementing equipment.
01 - Rig Up & Tear Down	1:00 PM	2:00 PM	6050	6050	Flush out and NDBOPE
01 - Rig Up & Tear Down	2:00 PM	5:00 PM	6050	6050	Clean mud pits. Rig released at 17:00 hours, MST, 8/26/2009.

8/28/2009

01 - Rig Up & Tear Down	6:00 AM	6:00 PM	6050	6050	Moved Frontier rig 1 back to Roosevelt, UT yard. All rental equipment has been released and moved off location.
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P-4A

Form Completion

Ute Indian Tribe Department of Energy and Minerals

CONFIDENTIAL

July 2005

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well [] Oil Well [] Gas Well [x] Dry [] Other
b. Type of Completion: [x] New Well [] Work Over [] Deepen [] Plug Back [] Diff. Resvr., Other

2. Name of Operator FIML Natural Resources, LLC

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

3a. Phone No. (include area code) 303-893-5090

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface SE/4 SW/4 717' FSL & 1,833' FWL Sec 34 T-12S, R-19E

At top prod. interval reported below Same as above

At total depth Same as above

14. Date Spudded 08/06/2009

15. Date T.D. Reached 08/24/2009

16. Date Completed 8/26/09 [x] D & A [] Ready to Prod.

17. Elevations (DF, RKB, RT, GL)* GL 6,111'

18. Total Depth: MD 6,043' TVD 6,043'

19. Plug Back T.D.: MD Surface TVD Surface

20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each) SpectralDensity/DualSpacedNeutron/ArrayCompensated/TrueResistivity

22. Was well cored? [x] No [] Yes (Submit analysis) Was DST run? [x] No [] Yes (Submit report) Directional Survey? [x] No [] Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Table with 10 columns: Hole Size, Size/Grade, Wt. (#/ft.), Top (MD), Bottom (MD), Stage Cementer Depth, No. of Sks. & Type of Cement, Slurry Vol. (BBL), Cement Top*, Amount Pulled. Includes data for 12-3/8" hole size.

24. Tubing Record

Table with 10 columns: Size, Depth Set (MD), Packer Depth (MD), Size, Depth Set (MD), Packer Depth (MD), Size, Depth Set (MD), Packer Depth (MD)

25. Producing Intervals

26. Perforation Record

Table with 8 columns: Formation, Top, Bottom, Perforated Interval, Size, No. Holes, Perf. Status. Includes rows A, B, C, D.

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Table with 2 columns: Depth Interval, Amount and Type of Material. Includes data for 0-60', 1433-1633', 2790-2990', 5640-5840'.

28. Production - Interval A

Table with 10 columns: Date First Produced, Test Date, Hours Tested, Test Production, Oil BBL, Gas MCF, Water BBL, Oil Gravity Corr. API, Gas Gravity, Production Method. Includes Choke Size, Tbg. Press. Flwg. SI, Csg. Press., 24 Hr. Rate, Oil BBL, Gas MCF, Water BBL, Gas/Oil Ratio, Well Status.

28a. Production - Interval B

Table with 10 columns: Date First Produced, Test Date, Hours Tested, Test Production, Oil BBL, Gas MCF, Water BBL, Oil Gravity Corr. API, Gas Gravity, Production Method. Includes Choke Size, Tbg. Press. Flwg. SI, Csg. Press., 24 Hr. Rate, Oil BBL, Gas MCF, Water BBL, Gas/Oil Ratio, Well Status.

*(See instructions and spaces for additional data on page 2)

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SEP 09 2009

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

30. Summary of Porous Zones (Include Aquifers):

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.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth

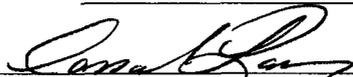
32. Additional remarks (include plugging procedure):

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- Electrical/Mechanical Logs (1 full set req'd.)
 Geologic Report
 DST Report
 Directional Survey
 Sundry Notice for plugging and cement verification
 Core Analysis
 Other: Mudlog. Hard copies of all logs accompany this form.

I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

Name (please print) Cassandra Parks Title Regulatory Specialist

Signature  Date 09/02/2009

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