

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

FORM 3

AMENDED REPORT

<b>APPLICATION FOR PERMIT TO DRILL</b>		<b>1. WELL NAME and NUMBER</b> Deep Creek 35-2A-4-2
<b>2. TYPE OF WORK</b> DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>		<b>3. FIELD OR WILDCAT</b> NATURAL BUTTES
<b>4. TYPE OF WELL</b> Oil Well      Coalbed Methane Well: NO		<b>5. UNIT or COMMUNITIZATION AGREEMENT NAME</b>
<b>6. NAME OF OPERATOR</b> FINLEY RESOURCES INC		<b>7. OPERATOR PHONE</b> 817 231-8735
<b>8. ADDRESS OF OPERATOR</b> PO Box 2200, Fort Worth, TX, 76113		<b>9. OPERATOR E-MAIL</b> awilkerson@finleyresources.com
<b>10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE)</b> Fee	<b>11. MINERAL OWNERSHIP</b> FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	<b>12. SURFACE OWNERSHIP</b> FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
<b>13. NAME OF SURFACE OWNER (if box 12 = 'fee')</b> Deep Creek Investments LLC		<b>14. SURFACE OWNER PHONE (if box 12 = 'fee')</b> 435-823-3231
<b>15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')</b> 2400 Sunnyside Avenue, Salt Lake City, UT 84108		<b>16. SURFACE OWNER E-MAIL (if box 12 = 'fee')</b>
<b>17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')</b>	<b>18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS</b> YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>	<b>19. SLANT</b> VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>

20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	297 FNL 2556 FEL	NWNE	35	4.0 S	2.0 E	U
Top of Uppermost Producing Zone	297 FNL 2556 FEL	NWNE	35	4.0 S	2.0 E	U
At Total Depth	297 FNL 2556 FEL	NWNE	35	4.0 S	2.0 E	U

<b>21. COUNTY</b> UINTAH	<b>22. DISTANCE TO NEAREST LEASE LINE (Feet)</b> 297	<b>23. NUMBER OF ACRES IN DRILLING UNIT</b> 40
<b>27. ELEVATION - GROUND LEVEL</b> 4721	<b>25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completion)</b> 720	<b>26. PROPOSED DEPTH</b> MD: 8500    TVD: 8500
	<b>28. BOND NUMBER</b> RLB0011264	<b>29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE</b> 43-11500

Hole, Casing, and Cement Information										
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
COND	17.5	13.375	0 - 60	48.0	H-40 ST&C	0.0	Class G	41	1.17	15.8
SURF	12.25	8.625	0 - 10.0	32.0	J-55 ST&C	8.6	Premium Lite High Strength	164	3.53	11.0
							Class G	212	1.17	15.8
PROD	7.875	5.5	0 - 8500	15.5	J-55 LT&C	9.2	50/50 Poz	1327	1.24	12.8

**ATTACHMENTS**

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

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input checked="" type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP

<b>NAME</b> Don Hamilton	<b>TITLE</b> Permitting Agent (Star Point Enterprises, Inc.)	<b>PHONE</b> 435 650-3866
<b>SIGNATURE</b>	<b>DATE</b> 02/11/2014	<b>EMAIL</b> starpoint@etv.net
<b>API NUMBER ASSIGNED</b> 43047543000000		<b>APPROVAL</b>

**Received: August 26, 2014**

**Finley Resources, Inc.**  
**Deep Creek 35-2A-4-2**  
**297' FNL & 2556' FEL, NW/4 NE/4, Sec 35, T4S, R2E, U.S.B.&M.**  
**Uintah County, UT**

**Drilling Program**

**1. Formation Tops**

Duchesne River	surface
Green River(top)	2,085'
Green River(pay)	4,200'
Wasatch	6,600'
TD	8,500'

**2. Depth to Oil, Gas, Water, or Minerals**

Green River(pay)	2,700' - 4,200'	(Oil)
Wasatch	6,600' - TD	(Oil)

Fresh water may be encountered in the Duchesne Formation but is not expected below about 300'.

**3. Pressure Control**

<u>Section</u>	<u>BOP Description</u>
Surface	12-1/4" c/w/ener

Interm/Prod The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc for a 5M system.

A 5M BOP system will consist of 2 ram preventers (double or two singles) and an annular preventer (see attached diagram). A choke manifold rated to at least 5,000 psi will be used.

**4. Casing**

Description	Interval		Weight (ppf)	Grade	Coup	Pore Press @ Shoe	MW @ Shoe	Frac Grad @ Shoe	Safety Factors		
	Top	Bottom							Burst	Collapse	Tension
Conductor 13 3/8	0'	60'	48	H-40	STC	--	--	--	1,730	770	322,000
									--	--	--
Surface 8 5/8	0'	1,000'	32	J-55	STC	8.33	8.6	11	3,930	2,530	417,000
									7.72	7.62	13.03
Production 5 1/2	0'	8,500'	15.5	J-55	LTC	9	9.2	11	4,810	4,040	217,000
									1.54	1.26	1.65

Assumptions:

Surface casing MASP = (frac gradient + 1.0 ppg) - (gas gradient)  
 Intermediate casing MASP = (reservoir pressure) - (gas gradient)  
 Production casing MASP = (reservoir pressure) - (gas gradient)  
 All collapse calculations assume fully evacuated casing with a gas gradient  
 All tension calculations assume air weight of casing  
 Gas gradient = 0.1 psi/ft

All casing shall be new.

All casing strings shall have a minimum of 1 centralizer on each of the bottom 3 joints.

## 5. Cement

Job	Hole Size	Fill	Slurry Description	ft <sup>3</sup>	OH excess	Weight (ppg)	Yield (ft <sup>3</sup> /sk)
				sacks			
Conductor	17 1/2	60'	Class G w/ 2% KCl + 0.25 lbs/sk Cello Flake	48	15%	15.8	1.17
				41			
Surface Lead	12 1/4	700'	Premium Lite II w/ 3% KCl + 10% bentonite	578	100%	11.0	3.53
				164			
Surface Tail	12 1/4	300'	Class G w/ 2% KCl + 0.25 lbs/sk Cello Flake	248	100%	12.8	1.17
				212			
Production Tail	7 7/8	7,600'	50/50 Poz/Class G w/ 3% KCl + 2% bentonite	1646	25%	12.8	1.24
				132			

The surface casing will be cemented to surface. In the event that cement does not reach surface during the primary cement job, a remedial job will be performed.

Actual cement volumes for the production casing string will be calculated from an open hole caliper log, plus 25% excess.

## 6. Type and Characteristics of Proposed Circulating Medium

<u>Interval</u>	<u>Description</u>
-----------------	--------------------

Surface - 1,000'	An air and/or fresh water system will be utilized.
------------------	--

1,000' - TD	A water based mud system will be utilized. Hole stability may be improved with additions of KCl or a similar inhibitive substance. In order to control formation pressure the system will be weighted with additions of bentonite, and if conditions warrant, with barite.
-------------	--

Anticipated maximum mud weight is 9.2 ppg.

## 7. Logging, Coring, and Testing

Logging: A dual induction, gamma ray, and caliper log will be run from TD to the base of the surface casing. A compensated neutron/formation density log will be run from TD to the top of the Garden Gulch formation. A cement bond log will be run from PBTD to the cement top behind the production casing.

Cores: As deemed necessary.

DST: There are no DST's planned for this well.

**8. Anticipated Abnormal Pressure or Temperature**

Maximum anticipated bottomhole pressure will be approximately equal to total depth (feet) multiplied by a 0.47 psi/ft gradient.

$$8,500' \times 0.47 \text{ psi/ft} = 3978 \text{ psi}$$

No abnormal temperature is expected. No H<sub>2</sub>S is expected.

**9. Other Aspects**

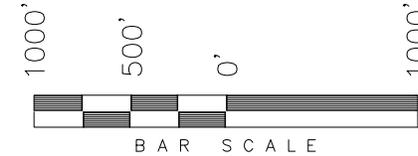
This is planned as a vertical well.

**CONFIDENTIAL**  
**Returned Unapproved**

**T4S, R2E, U.S.B.&M.**

**FINLEY RESOURCES INC.**

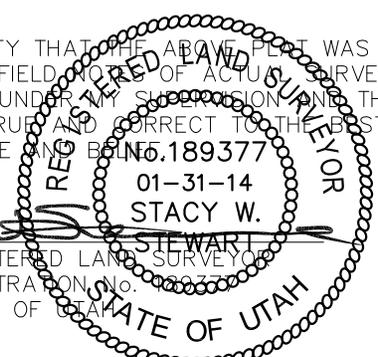
WELL LOCATION, 35-2A-4-2,  
LOCATED AS SHOWN IN THE NW 1/4  
NE 1/4 OF SECTION 35, T4S, R2E,  
U.S.B.&M. UINTAH COUNTY, UTAH.



**NOTES:**

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

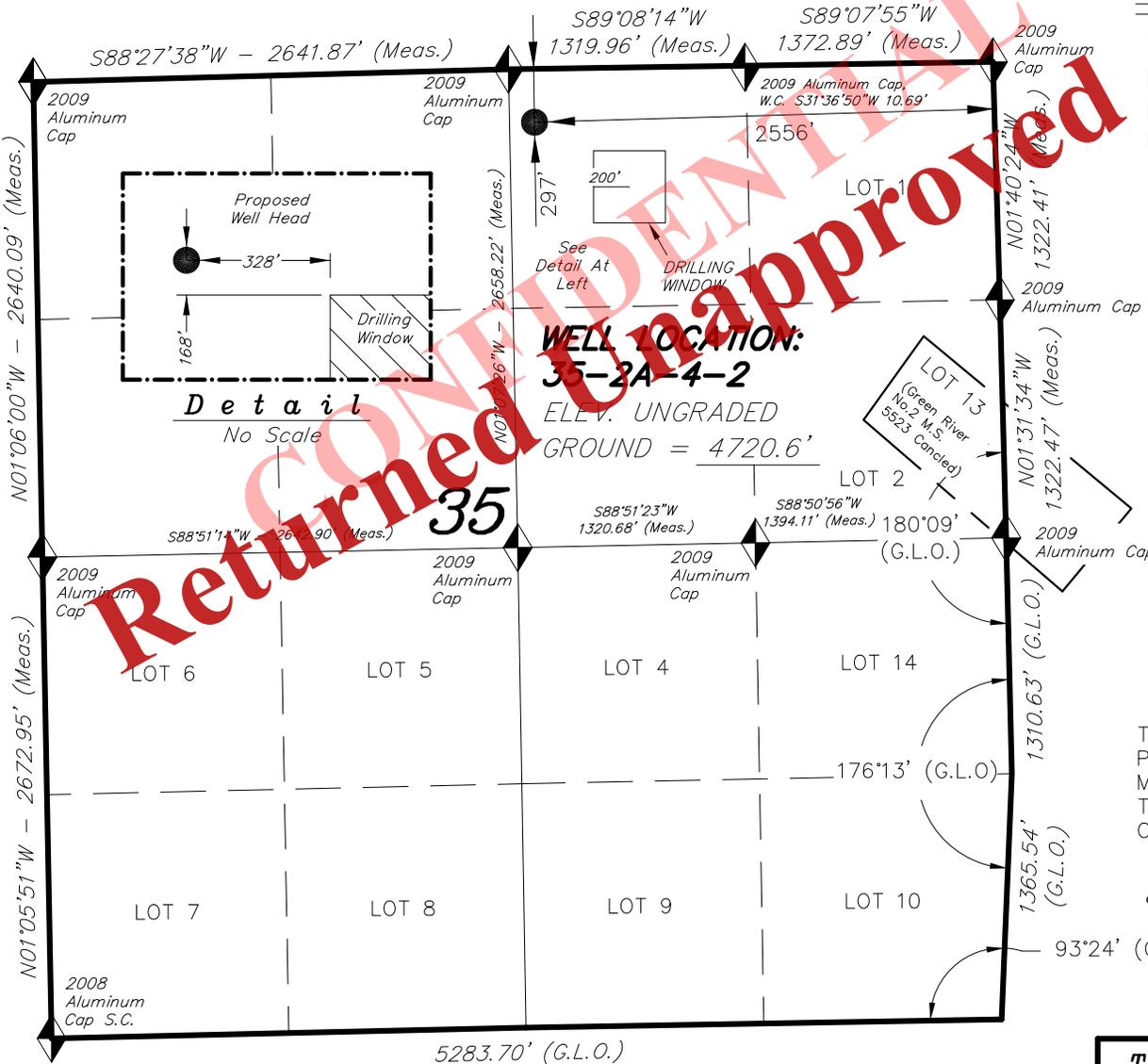
THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



Stacy W. Stewart  
REGISTERED LAND SURVEYOR  
REGISTRATION No. 189377  
STATE OF UTAH

**TRI STATE LAND SURVEYING & CONSULTING**  
180 NORTH VERNAL AVE. - VERNAL, UTAH 84078  
(435) 781-2501

DATE SURVEYED: 01-28-14	SURVEYED BY: S.H.
DATE DRAWN: 01-31-14	DRAWN BY: L.K.
REVISED:	SCALE: 1" = 1000'



**Returned to Client (Not Approved)**

Section 35 Dimensions:  
 Top:  $S88^{\circ}27'38''W - 2641.87'$  (Meas.)  
 Right:  $S89^{\circ}08'14''W - 1319.96'$  (Meas.)  
 Right:  $S89^{\circ}07'55''W - 1372.89'$  (Meas.)  
 Bottom:  $S88^{\circ}51'11''W - 2640.90'$  (Meas.)  
 Left:  $N01^{\circ}06'00''W - 2640.09'$  (Meas.)  
 Left:  $N01^{\circ}05'51''W - 2672.95'$  (Meas.)  
 Bottom:  $5283.70'$  (G.L.O.)

Well Location: **35-2A-4-2**  
 ELEV. UNGRADED GROUND = 4720.6'

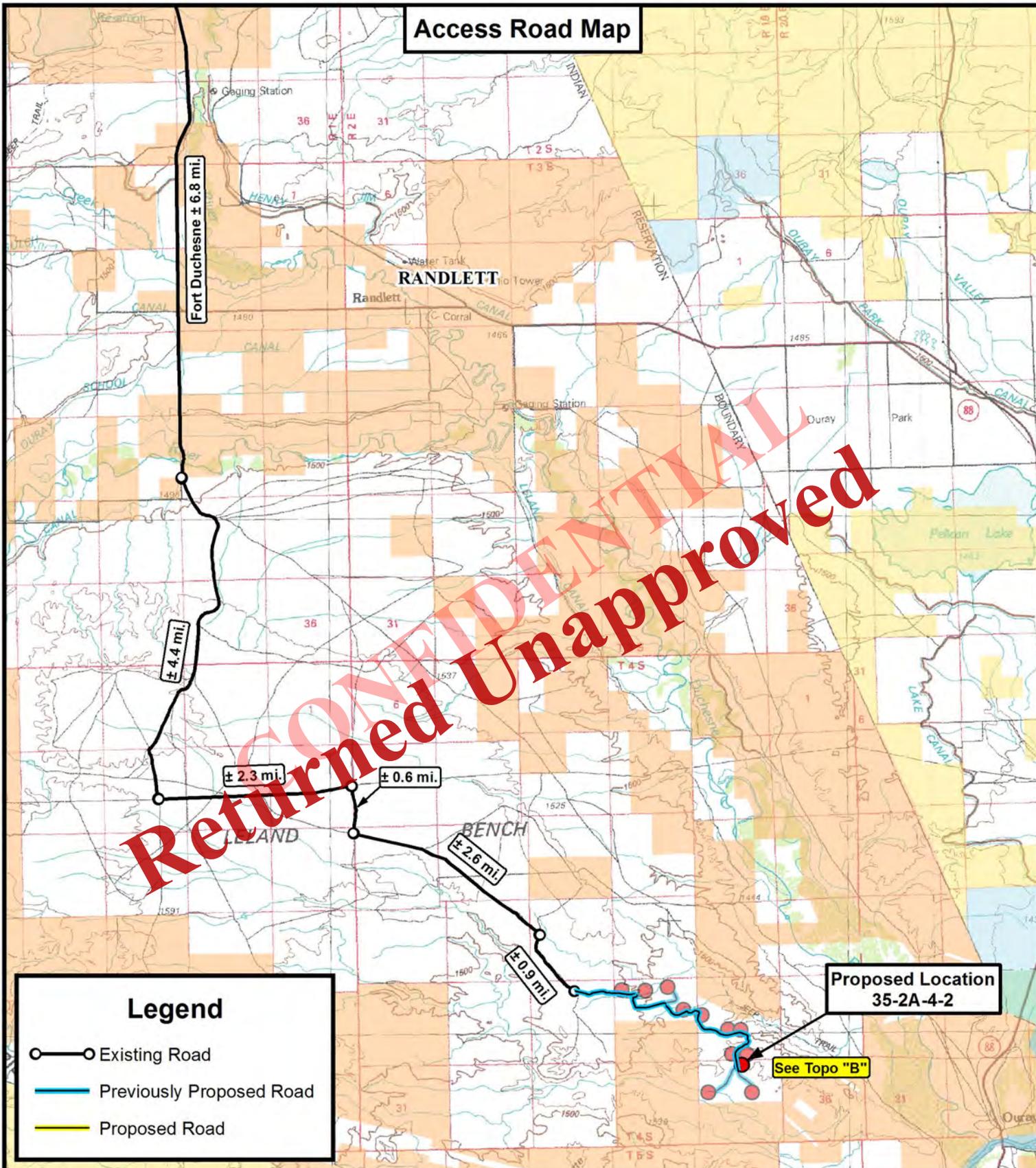
Lot Dimensions:  
 Lot 1:  $2556'$  (E-W),  $297'$  (N-S)  
 Lot 2:  $180^{\circ}09'$  (G.L.O.) (E-W),  $S88^{\circ}50'56''W - 1394.11'$  (Meas.) (N-S)  
 Lot 3:  $176^{\circ}13'$  (G.L.O.) (E-W),  $S88^{\circ}51'23''W - 1320.68'$  (Meas.) (N-S)  
 Lot 4:  $1310.63'$  (G.L.O.) (E-W),  $N01^{\circ}31'34''W - 1322.47'$  (Meas.) (N-S)  
 Lot 5:  $1365.54'$  (G.L.O.) (E-W),  $N01^{\circ}40'24''W - 1322.41'$  (Meas.) (N-S)  
 Lot 6:  $93^{\circ}24'$  (G.L.O.) (E-W),  $N01^{\circ}31'34''W - 1322.47'$  (Meas.) (N-S)  
 Lot 7:  $1310.63'$  (G.L.O.) (E-W),  $N01^{\circ}31'34''W - 1322.47'$  (Meas.) (N-S)  
 Lot 8:  $1365.54'$  (G.L.O.) (E-W),  $N01^{\circ}31'34''W - 1322.47'$  (Meas.) (N-S)  
 Lot 9:  $1310.63'$  (G.L.O.) (E-W),  $N01^{\circ}31'34''W - 1322.47'$  (Meas.) (N-S)  
 Lot 10:  $1365.54'$  (G.L.O.) (E-W),  $N01^{\circ}31'34''W - 1322.47'$  (Meas.) (N-S)  
 Lot 11:  $1310.63'$  (G.L.O.) (E-W),  $N01^{\circ}31'34''W - 1322.47'$  (Meas.) (N-S)  
 Lot 12:  $1365.54'$  (G.L.O.) (E-W),  $N01^{\circ}31'34''W - 1322.47'$  (Meas.) (N-S)  
 Lot 13:  $1310.63'$  (G.L.O.) (E-W),  $N01^{\circ}31'34''W - 1322.47'$  (Meas.) (N-S)

= SECTION CORNERS LOCATED

BASIS OF ELEV; Elevations are based on an N.G.S. OPUS Correction. LOCATION: LAT.  $40^{\circ}04'09.56''$  LONG.  $110^{\circ}00'43.28''$  (Tristate Aluminum Cap) Elev. 5281.57'

<b>NAD 83 (SURFACE LOCATION)</b>
LATITUDE = $40^{\circ}05'58.63''$
LONGITUDE = $109^{\circ}44'04.55''$

# Access Road Map



## Legend

- Existing Road
- Previously Proposed Road
- Proposed Road

**Tri State**  
Land Surveying, Inc.  
180 NORTH VERNAL AVE. VERNAL, UTAH 84078

P: (435) 781-2501  
F: (435) 781-2518



## FINLEY RESOURCES INC.

35-2A-4-2  
Sec. 35, T4S, R2E, U.S.B.&M.  
Uintah County, UT.

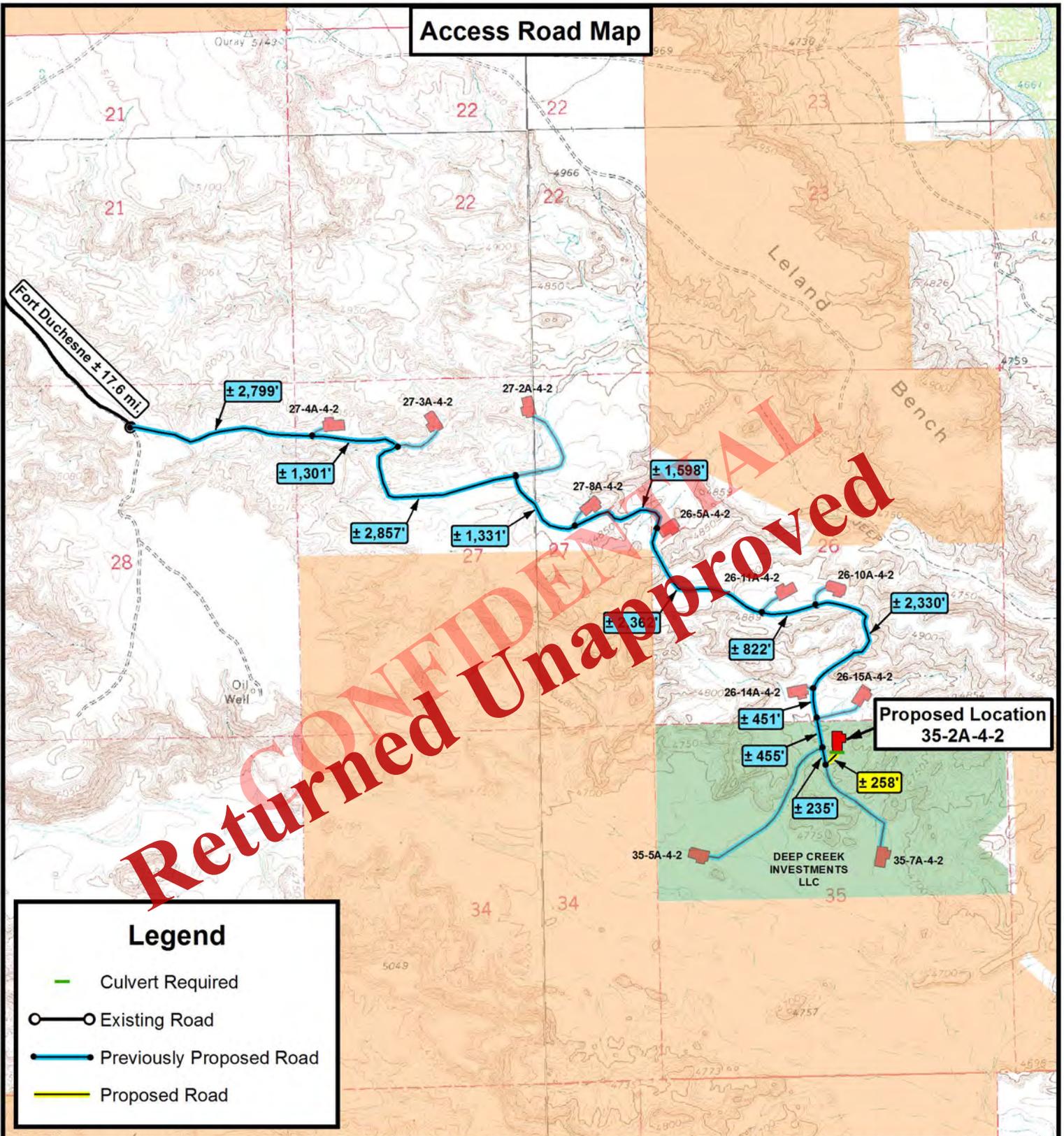
DRAWN BY:	A.P.C.	REVISED:
DATE:	02-03-2014	
SCALE:	1:100,000	

**TOPOGRAPHIC MAP**

SHEET  
**A**

**Received: February 11, 2014**

# Access Road Map



CONFIDENTIAL  
Returned Unapproved

**Legend**

- Culvert Required
- Existing Road
- Previously Proposed Road
- Proposed Road

THE PARCEL INFORMATION SHOWN HAS NOT BEEN SURVEYED BY TRI-STATE LAND SURVEYING, INC. - TRI-STATE DOES NOT WARRANTY PROPERTY PARCEL DATA OR ANY ASSOCIATED INFORMATION. A PROPERTY SURVEY IS REQUIRED TO DETERMINE THE ACTUAL LOCATION OF PROPERTY LINES AND SHOW ACCURATE DISTANCES ACROSS PARCELS.

**Tri State Land Surveying, Inc.**  
180 NORTH VERNAL AVE. VERNAL, UTAH 84078

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**FINLEY RESOURCES INC.**

35-2A-4-2  
Sec. 35, T4S, R2E, U.S.B.&M.  
Uintah County, UT.

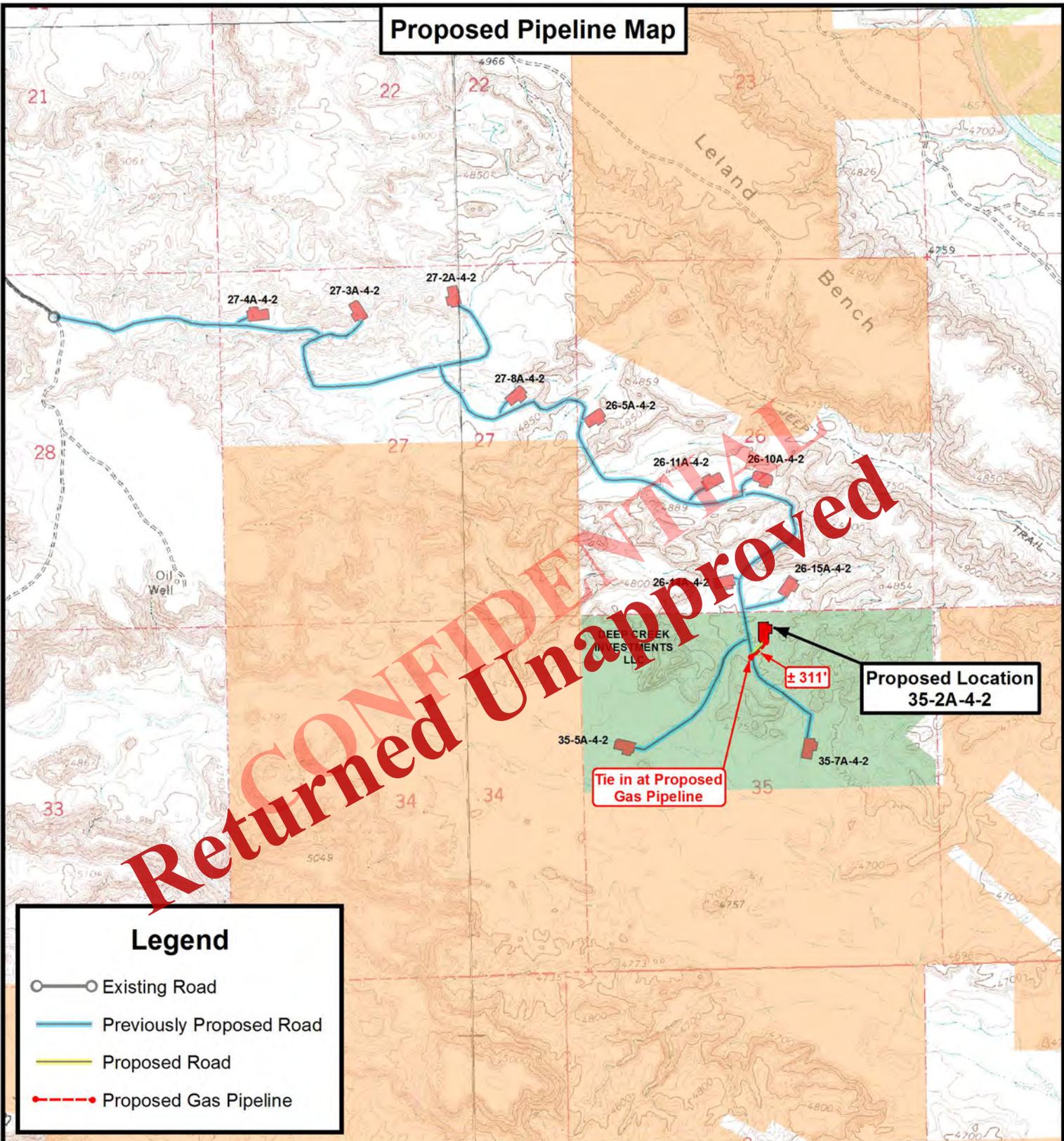
DRAWN BY:	A.P.C.	REVISED:
DATE:	02-03-2014	
SCALE:	1" = 2,000'	

**TOPOGRAPHIC MAP**

SHEET  
**B**

Received: February 11, 2014

# Proposed Pipeline Map



## Legend

- Existing Road
- Previously Proposed Road
- Proposed Road
- Proposed Gas Pipeline

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Land Surveying, Inc.**

180 NORTH VERNAL AVE. VERNAL, UTAH 84078

P: (435) 781-2501  
F: (435) 781-2518



## FINLEY RESOURCES INC.

35-2A-4-2  
Sec. 35, T4S, R2E, U.S.B.&M.  
Uintah County, UT.

DRAWN BY:	A.P.C.	REVISED:
DATE:	02-03-2014	
SCALE:	1" = 2,000'	

**TOPOGRAPHIC MAP**

SHEET  
**C**

**Received: February 11, 2014**

**Exhibit "B" Map**

**Proposed Location  
35-2A-4-2**

**CONFIDENTIAL**  
**Returned Unapproved**

**Legend**

-  1 Mile Radius
-  Proposed Location

THE PARCEL INFORMATION SHOWN HAS NOT BEEN SURVEYED BY TRI-STATE LAND SURVEYING, INC. - TRI-STATE DOES NOT WARRANTY PROPERTY PARCEL DATA OR ANY ASSOCIATED INFORMATION. A PROPERTY SURVEY IS REQUIRED TO DETERMINE THE ACTUAL LOCATION OF PROPERTY LINES AND SHOW ACCURATE DISTANCES ACROSS PARCELS.



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Land Surveying, Inc.**  
180 NORTH VERNAL AVE. VERNAL, UTAH 84078

P: (435) 781-2501  
F: (435) 781-2518



**FINLEY RESOURCES INC.**

**35-2A-4-2**  
**Sec. 35, T4S, R2E, U.S.B.&M.**  
**Uintah County, UT.**

DRAWN BY:	A.P.C.	REVISED:
DATE:	02-03-2014	
SCALE:	1" = 2,000'	

**TOPOGRAPHIC MAP**

SHEET  
**D**

**Received: February 11, 2014**

**AFFIDAVIT OF EASEMENT, RIGHT-OF-WAY  
AND SURFACE USE AGREEMENT**

**State:** Utah  
**County:** Uintah  
**Affiant:** Scott Ramsey, Land Manager, Finley Resources Inc.

Pursuant to the State of Utah R649-3-34.7, I Scott Ramsey personally attests and duly swears and deposes the following information:

My name is Scott Ramsey. I am the Land Manger for Finley Resources Inc., authorized to do business in the State of Utah, whose address is 1308 Lake Street, Fort Worth, Texas 76102, hereinafter referred to as ("Finley"). Finley owns, operates and manages oil and gas properties in Uintah County, Utah. Finley is the owner of certain oil and gas leasehold in the Section 26, 27 & 35 Township 4 South Range 2 East where a future drillsite location, right-of-way, easement will be located.

Finley and the Surface Owner, Deep Creek Investments, LLC have executed a Surface Use Agreement, covering but not limited to, future drill site locations, right-of-ways and easements, dated January 29, 2014 which include the right of ingress and egress, the right to construct drill site locations and rights-of-way under, through and across the following lands:

- Township 4 South, Range 2 East, USM**
- Section 7: S/2**
- Section 8: S/2**
- Section 9: NE/4 & S/2**
- Section 10: W/2NW/4 & W/2SW/4**
- Section 15: S/2**
- Section 16: N/2**
- Section 21: All**
- Section 22: All**
- Section 26: Lot 3, 4, 7, 8, 11, 12, W/2SW/4, SE/4SW/4 & the SW/4SE/4**
- Section 27: Lot 1, 2, W/2NE/4 & NW/4**
- Section 28: ALL**
- Section 35: Lot 1, 2, W/2NE/4 & the NW/4**

Furthermore, this shall serve as sufficient notice of Finley's agreement to access the aforementioned lands for the future development of the oil and gas leasehold.

\_\_\_\_\_  
Scott Ramsey, Land Manager  
Finley Resources Inc.

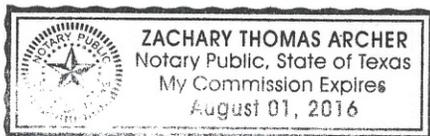
ACKNOWLEDGEMENT

STATE OF TEXAS            §  
  
COUNTY OF TARRANT    §

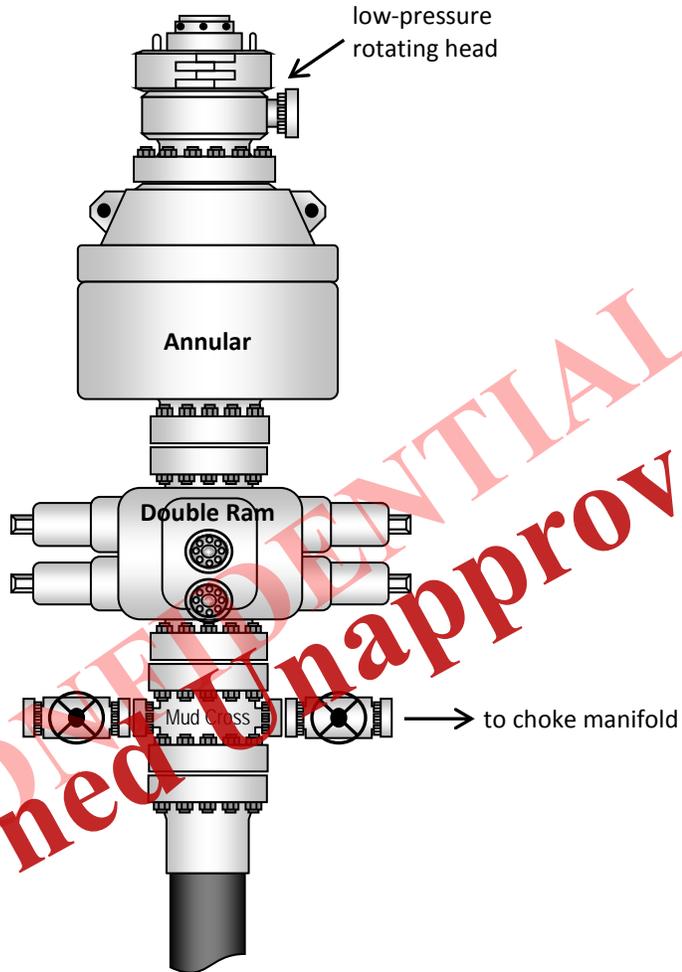
Before me the undersigned, a Notary Public, in and for said County and State, on this 29<sup>th</sup> day of January, 2014, personally appeared Scott Ramsey, as Land Manager, of Finley Resources Inc., to me known to be the identical person who subscribed the name of the maker therefore to the foregoing instrument, and acknowledged to me that he executed the same as his own free and voluntary act and deed for the uses and purposes therein set forth.

\_\_\_\_\_  
NOTARY PUBLIC  
My Commission Expires: 8. 1. 2016

[SEAL]



Typical 5M BOP stack configuration



# FINLEY

## resources

P.O. Box 2200  
Fort Worth, TX 76113  
817-231-8735

February 11, 2014

Mrs. Diana Mason  
State of Utah  
Division of Oil Gas and Mining  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801

RE: Request for Exception to Spacing – Finley Resources, Inc. – **Deep Creek 35-2A-4-2**  
297' FNL & 2556' FEL, NW/4 NE/4, Section 35, T4S, R2E, USB&M  
Uintah County, Utah

Dear Diana:

Finley Resources, Inc. respectfully submits this request for exception to spacing (R649-3-3) based on geology since the well is located less than 460 feet to the drilling unit boundary. Finley Resources, Inc. is the only owner and operator within 460 feet of the surface and target location as well as all points along the intended well bore path, and neither the surface nor target locations are within 460 feet of any uncommitted tracts or a unit boundary.

Thank you very much for your timely consideration of this application. Please feel free to contact me at 817-231-8759 should you have any questions or need additional information.

Sincerely,

Zachary Archer  
Finley Resources, Inc.  
817-231-8759

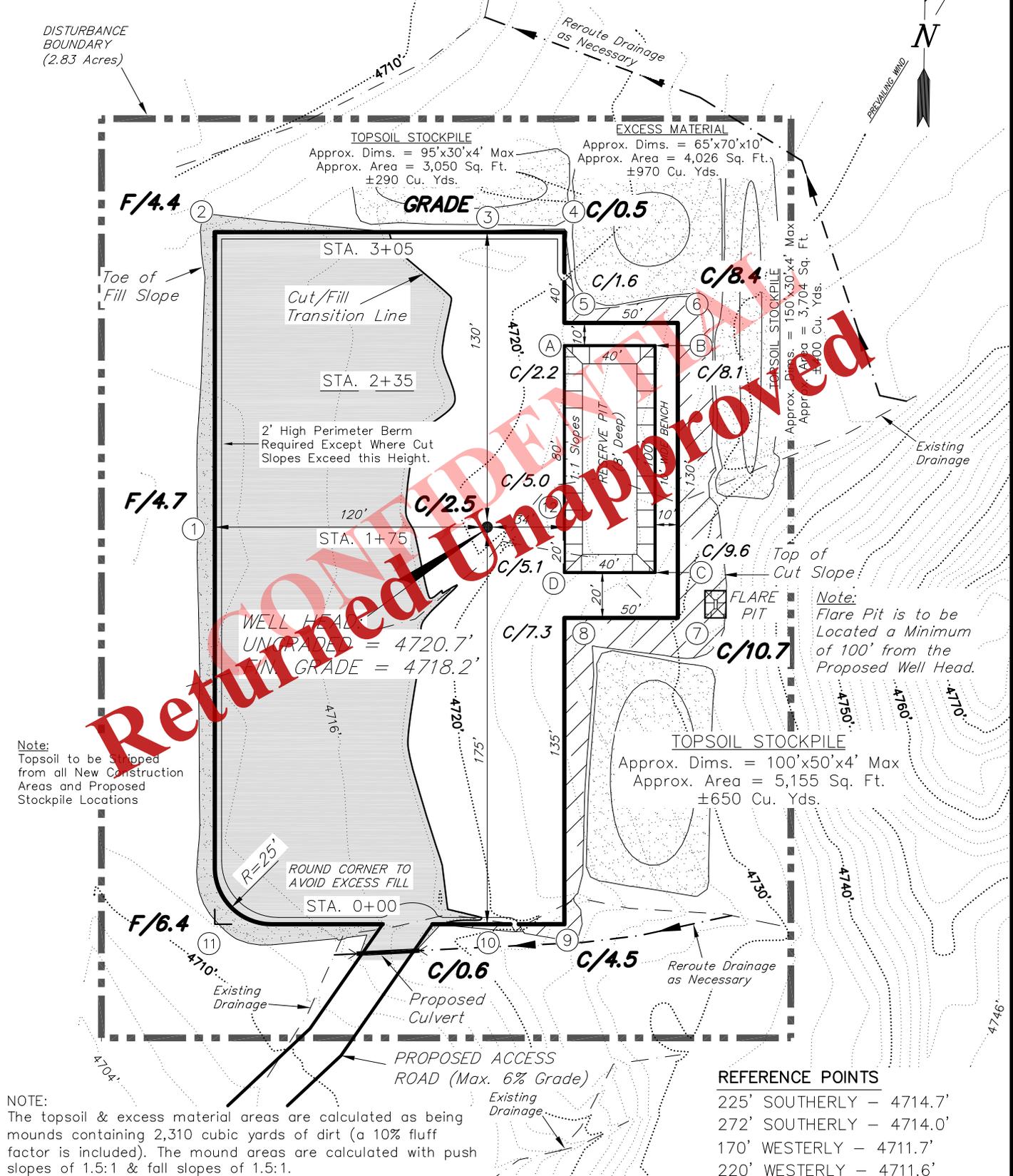
**Received: February 11, 2014**

# FINLEY RESOURCES INC.

## PROPOSED LOCATION LAYOUT

35-2A-4-2

Pad Location: NWNE Section 35, T4S, R2E, U.S.B.&M.



Note:  
Topsoil to be stripped from all New Construction Areas and Proposed Stockpile Locations

Note:  
Flare Pit is to be Located a Minimum of 100' from the Proposed Well Head.

NOTE:  
The topsoil & excess material areas are calculated as being mounds containing 2,310 cubic yards of dirt (a 10% fluff factor is included). The mound areas are calculated with push slopes of 1.5:1 & fall slopes of 1.5:1.

### REFERENCE POINTS

- 225' SOUTHERLY - 4714.7'
- 272' SOUTHERLY - 4714.0'
- 170' WESTERLY - 4711.7'
- 220' WESTERLY - 4711.6'

SURVEYED BY:	G.D.O.	DATE SURVEYED:	02-03-14
DRAWN BY:	L.K.	DATE DRAWN:	01-31-14
SCALE:	1" = 60'	REVISED:	V.H. 03-25-14

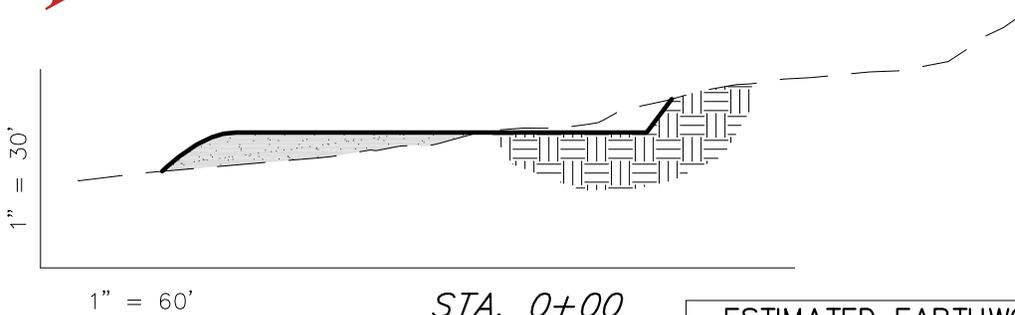
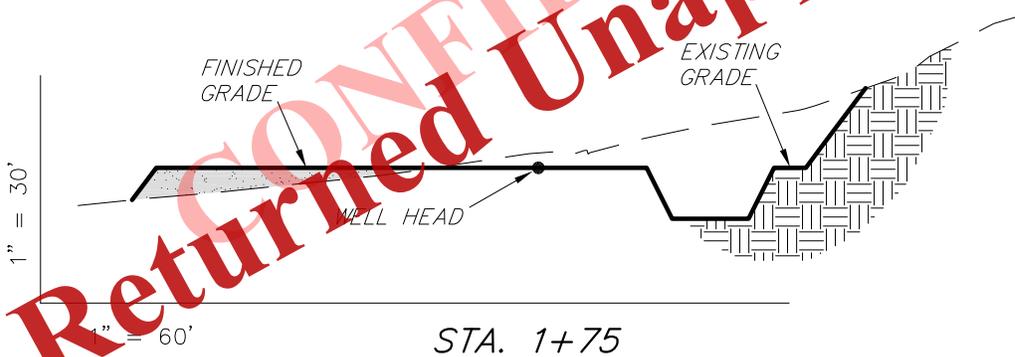
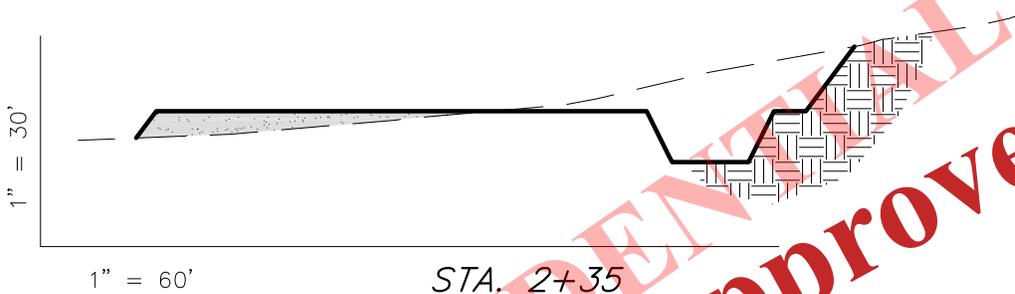
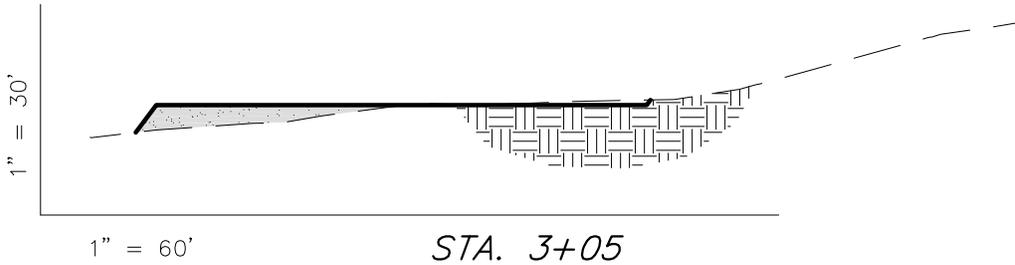
**Tri State** (435) 781-2501  
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 180 NORTH VERNAL AVE. VERNAL, UTAH 84078

# FINLEY RESOURCES INC.

## CROSS SECTIONS

35-2A-4-2

Pad Location: NWNE Section 35, T4S, R2E, U.S.B.&M.



CONFIDENTIAL  
 Returned Unapproved

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

ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	3,450	3,450	Topsoil is not included in Pad Cut Volume	0
PIT	880	0		880
<b>TOTALS</b>	<b>4,330</b>	<b>3,450</b>	<b>1,220</b>	<b>880</b>

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

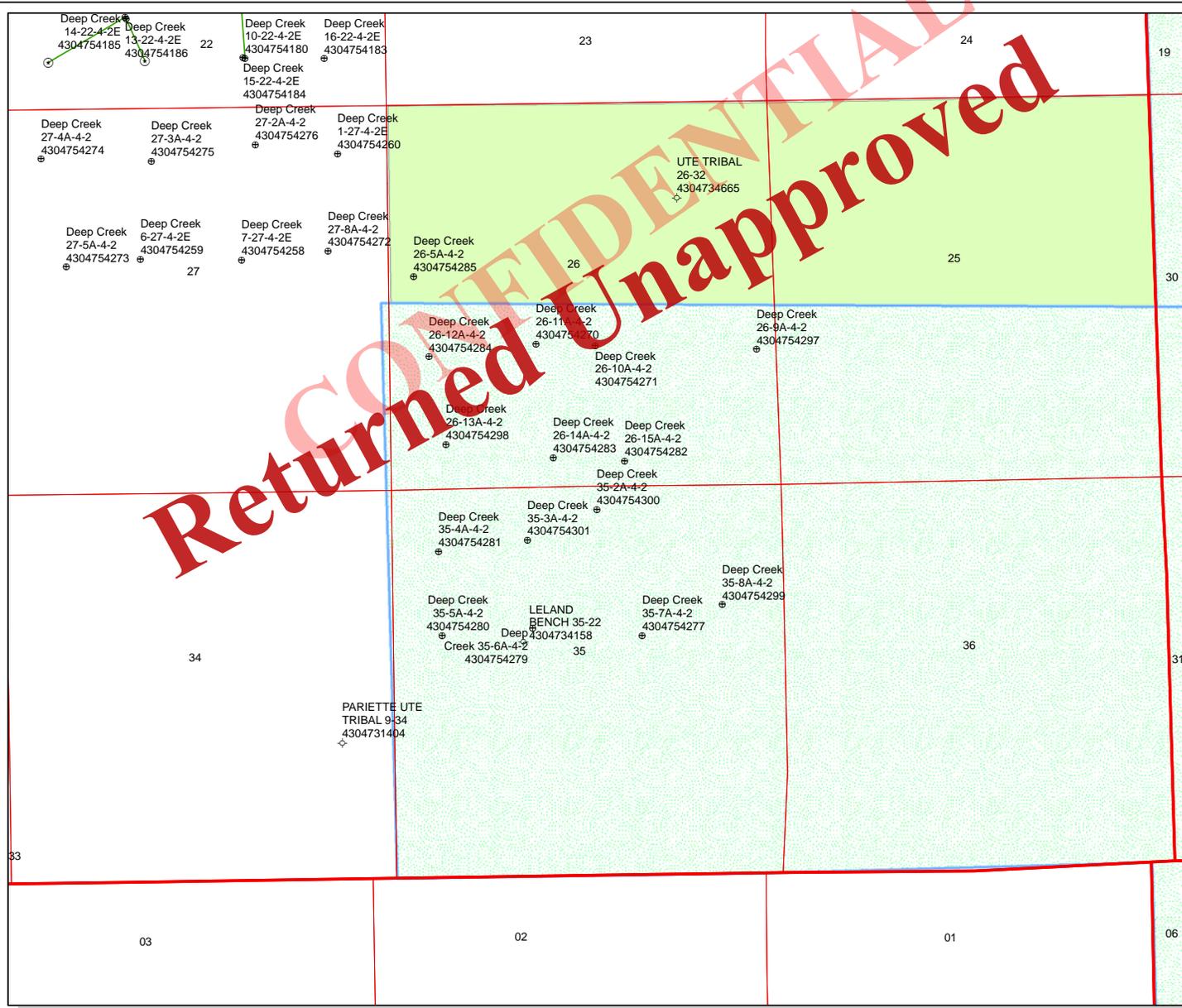
SURVEYED BY:	S.H.	DATE SURVEYED:	01-28-14
DRAWN BY:	L.K.	DATE DRAWN:	01-31-14
SCALE:	1" = 60'	REVISED:	V.H. 03-25-14

**Tri State**  
 Land Surveying, Inc.  
 180 NORTH VERNAL AVE. VERNAL, UTAH 84078  
 (435) 781-2501

Received: April 22, 2014



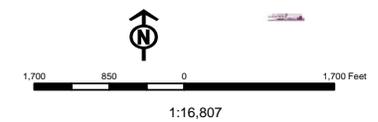
Returned Unapproved



**API Number: 4304754300**  
**Well Name: Deep Creek 35-2A-4-2**  
 Township: T04.0S Range: R02.0E Section: 35 Meridian: U  
 Operator: FINLEY RESOURCES INC

Map Prepared: 2/12/2014  
 Map Produced by Diana Mason

Wells Query		Units	
	APD - Approved Permit		ACTIVE
	DRL - Spudded (Drilling Commenced)		EXPLORATORY
	GIW - Gas Injection		GAS STORAGE
	GS - Gas Storage		NF PP OIL
	LOC - New Location		NF SECONDARY
	OPS - Operation Suspended		PI OIL
	PA - Plugged Abandoned		PP GAS
	PGW - Producing Gas Well		PP GEOTHERML
	POW - Producing Oil Well		PP OIL
	SGW - Shut-in Gas Well		SECONDARY
	SOW - Shut-in Oil Well		TERMINATED
	TA - Temp. Abandoned	<b>Fields</b>	
	TW - Test Well		Unknown
	WDW - Water Disposal		ABANDONED
	WW - Water Injection Well		ACTIVE
	WSW - Water Supply Well		COMBINED
			INACTIVE
			STORAGE
			TERMINATED



Well Name	FINLEY RESOURCES INC Deep Creek 35-2A-4-2 4304754300000			
String	COND	SURF	PROD	
Casing Size(")	13.375	8.625	5.500	
Setting Depth (TVD)	60	1000	8500	
Previous Shoe Setting Depth (TVD)	0	60	1000	
Max Mud Weight (ppg)	0.0	8.6	9.2	
BOPE Proposed (psi)	0	500	5000	
Casing Internal Yield (psi)	1000	3930	4810	
Operators Max Anticipated Pressure (psi)	3978		9.0	

Calculations	COND String	13.375	"
Max BHP (psi)	.052*Setting Depth*MW=	0	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	-7	YES
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	-13	YES
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	-13	YES
Required Casing/BOPE Test Pressure=		60	psi
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi *Assumes 1psi/ft frac gradient

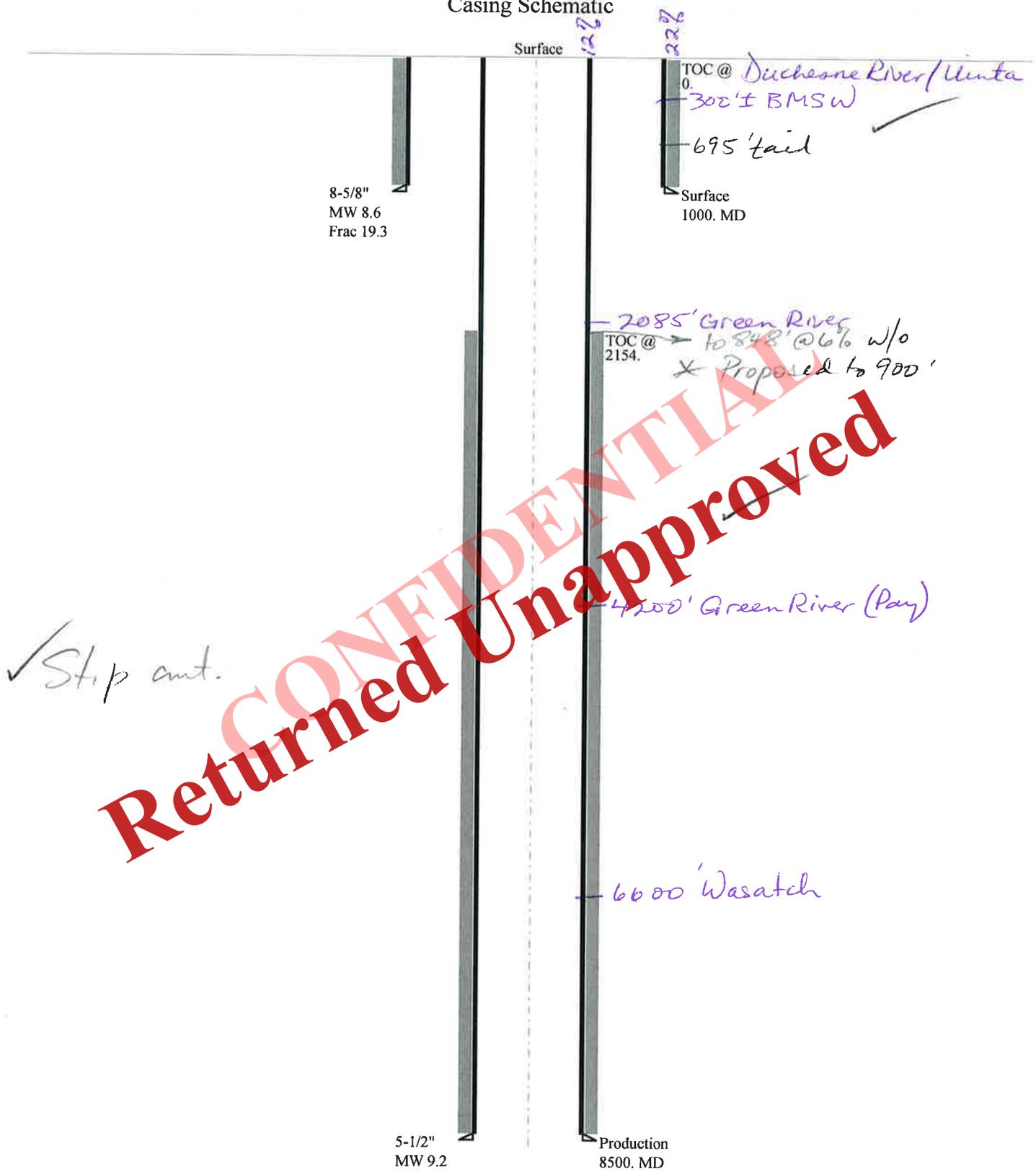
Calculations	SURF String	8.625	"
Max BHP (psi)	.052*Setting Depth*MW=	447	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	327	YES diverter
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	227	YES Ok
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	240	NO OK
Required Casing/BOPE Test Pressure=		1000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		60	psi *Assumes 1psi/ft frac gradient

Calculations	PROD String	5.500	"
Max BHP (psi)	.052*Setting Depth*MW=	4066	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	3046	YES 5M BOP, two ram preventers, annular preventer, choke
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	2196	YES manifold
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	2416	NO OK
Required Casing/BOPE Test Pressure=		3367	psi
*Max Pressure Allowed @ Previous Casing Shoe=		1000	psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

43047543000000 Deep Creek 35-2A-4-2

Casing Schematic



Well name:	4304754300000 Deep Creek 35-2A-4-2	
Operator:	FINLEY RESOURCES INC	
String type:	Surface	Project ID: 43-047-54300
Location:	UINTAH COUNTY	

**Design parameters:**

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

**Minimum design factors:**

**Collapse:**  
Design factor 1.125

**Environment:**

H2S considered? No  
Surface temperature: 74 °F  
Bottom hole temperature: 88 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 100 ft

**Burst:**  
Design factor 1.00

Cement top: Surface

**Burst**

Max anticipated surface pressure: 880 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP 1,000 psi

No backup mud specified.

**Tension:**  
8 Round STC: 1.80 (J)  
8 Round LTC: 1.70 (J)  
Buttress: 1.60 (J)  
Premium: 1.50 (J)  
Body yield: 1.50 (B)

**Non-directional string.**

**Re subsequent strings:**

Next setting depth: 8,500 ft  
Next mud weight: 9.200 ppg  
Next setting BHP: 4,062 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 1,000 ft  
Injection pressure: 1,000 psi

Tension is based on buoyed weight  
Neutral point: 872 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	1000	8.625	32.00	J-55	ST&C	1000	1000	7.875	7979
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	447	2530	5.664	1000	3930	3.93	27.9	372	13.33 J

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

Phone: 801 538-5357  
FAX: 801-359-3940

Date: April 15, 2014  
Salt Lake City, Utah

Remarks:  
Collapse is based on a vertical depth of 1000 ft, a mud weight of 8.6 ppg. The casing is considered to be evacuated for collapse purposes.  
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

Received: May 01, 2014

Well name: **4304754300000 Deep Creek 35-2A-4-2**  
 Operator: **FINLEY RESOURCES INC**  
 String type: **Production**  
 Location: **UINTAH COUNTY**  
 Project ID: **43-047-54300**

**Design parameters:**

**Collapse**  
 Mud weight: 9.200 ppg  
 Internal fluid density: 1.100 ppg

**Minimum design factors:**

**Collapse:**  
 Design factor 1.125

**Environment:**

H2S considered? No  
 Surface temperature: 74 °F  
 Bottom hole temperature: 193 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 1,000 ft

**Burst**

Max anticipated surface pressure: 2,192 psi  
 Internal gradient: 0.220 psi/ft  
 Calculated BHP 4,062 psi

**Burst:**

Design factor 1.00

Cement top: 2,154 ft

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: 1.60 (B)

**Non-directional string.**

Tension is based on buoyed weight  
 Neutral point: 7,317 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	8500	5.5	15.50	J-55	LT&C	8500	8500	4.825	30013
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	3577	4040	1.130	4062	4810	1.18	113.4	217	1.91 J

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

Phone: 801 538-5357  
 FAX: 801-359-3940

Date: April 15, 2014  
 Salt Lake City, Utah

Remarks:  
 Collapse is based on a vertical depth of 8500 ft, a mud weight of 9.2 ppg. An internal gradient of .057 psi/ft was used for collapse from TD to  
 Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

**Received: May 01, 2014**



Diana Mason <dianawhitney@utah.gov>

### FW: Approved DOGM Permits

Star Point Enterprises, Inc. <starpoint@etv.net>

Mon, Aug 25, 2014 at 11:21 AM

Reply-To: starpoint@etv.net

To: dianawhitney@utah.gov, Brad Hill <BRADHILL@utah.gov>

Cc: Zachary Archer <ZArcher@finleyresources.com>, Helen MacDonald <hmacdonald@utah.gov>

Diana;

Finley Resources, Inc. respectfully requests that the following APD's be rescinded following an earlier operating agreement between Finley and Crescent (memorandum attached):

#### Applications For FINLEY RESOURCES INC

APD	API Well No	Well Name
9342	43047542760000	Deep Creek 27-2A-4-2
9343	43047542750000	Deep Creek 27-3A-4-2
9344	43047542740000	Deep Creek 27-4A-4-2
9345	43047542730000	Deep Creek 27-5A-4-2
9346	43047542720000	Deep Creek 27-8A-4-2
9347	43047542710000	Deep Creek 26-10A-4-2
9348	43047542700000	Deep Creek 26-11A-4-2
9357	43047542850000	Deep Creek 26-5A-4-2
9358	43047542840000	Deep Creek 26-12A-4-2
9359	43047542830000	Deep Creek 26-14A-4-2
9360	43047542820000	Deep Creek 26-15A-4-2

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9364	43047542770000	Deep Creek 35-7A-4-2
9404	43047542970000	Deep Creek 26-9A-4-2
9405	43047542980000	Deep Creek 26-13A-4-2
9406	43047543000000	Deep Creek 35-2A-4-2
9408	43047542990000	Deep Creek 35-8A-4-2
9409	43047543020000	Deep Creek 35-1A-4-2
9477	43047543350000	Bar F 25-11A-4-2
9478	43047543360000	Bar F 25-12A-4-2
9479	43047543370000	Bar F 25-13A-4-2
9480	43047543380000	Bar F 25-14A-4-2
9513	43047543570000	Deep Creek 26-16A-4-2

Don

**CONFIDENTIAL**  
**Returned Unapproved**

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 **FRI Executed - Memo to UDOGM.pdf**  
522K



GARY R. HERBERT  
*Governor*

SPENCER J. COX  
*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*

August 26, 2014

FINLEY RESOURCES INC  
PO Box 2200  
Fort Worth, TX 76113

Re: Application for Permit to Drill - UINTAH County, Utah

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the Deep Creek 35-2A-4-2 well, API 43047543000000 that was submitted February 11, 2014 is being returned unapproved. If you plan on drilling this well in the future, you must first submit a new application.

Should you have any questions regarding this matter, please call me at (801) 538-5312.

Sincerely,

Diana Mason  
Environmental Scientist

Enclosure

cc: Bureau of Land Management, Vernal, Utah



