

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

FORM 3

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL						1. WELL NAME and NUMBER Deep Creek 26-16A-4-2				
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>						3. FIELD OR WILDCAT NATURAL BUTTES				
4. TYPE OF WELL Oil Well Coalbed Methane Well: NO						5. UNIT or COMMUNITIZATION AGREEMENT NAME				
6. NAME OF OPERATOR FINLEY RESOURCES INC						7. OPERATOR PHONE 817 231-8735				
8. ADDRESS OF OPERATOR PO Box 2200, Fort Worth, TX, 76113						9. OPERATOR E-MAIL awilkerson@finleyresources.com				
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) Fee			11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>			12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>				
13. NAME OF SURFACE OWNER (if box 12 = 'fee') Deep Creek Investments						14. SURFACE OWNER PHONE (if box 12 = 'fee') 435-823-3231				
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') 2400 Sunnyside Avenue, ,						16. SURFACE OWNER E-MAIL (if box 12 = 'fee')				
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')			18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>			19. SLANT 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		739 FSL 178 FEL		SESE	26	4.0 S	2.0 E	U		
Top of Uppermost Producing Zone		739 FSL 178 FEL		SESE	26	4.0 S	2.0 E	U		
At Total Depth		739 FSL 178 FEL		SESE	26	4.0 S	2.0 E	U		
21. COUNTY UINTAH			22. DISTANCE TO NEAREST LEASE LINE (Feet) 178			23. NUMBER OF ACRES IN DRILLING UNIT 40				
			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completion) 1005			26. PROPOSED DEPTH MD: 8500 TVD: 8500				
27. ELEVATION - GROUND LEVEL 4936			28. BOND NUMBER RLB0011264			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 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 - 80	48.0	H-40 ST&C	0.0	Class G	41	1.17	15.8
Surf	12.25	8.625	0 - 100	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					
NAME Don Hamilton			TITLE Permitting Agent (Star Point Enterprises, Inc.)				PHONE 435 650-3866			
SIGNATURE			DATE 03/25/2014				EMAIL starpoint@etv.net			
API NUMBER ASSIGNED 43047543570000					APPROVAL					

Received: August 26, 2014

Finley Resources, Inc.
Deep Creek 26-16A-4-2
739' FSL & 178' FEL, SE/4 SE/4, Lot 4, Sec 26, 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" diverter

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
Production 5 1/2	0'	8,500'	15.5	J-55	LTC	9	9.2	11	7.72	7.62	13.03
									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 ³	OH excess	Weight (ppg)	Yield (ft ³ /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

Interval Description

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 H₂S is expected.

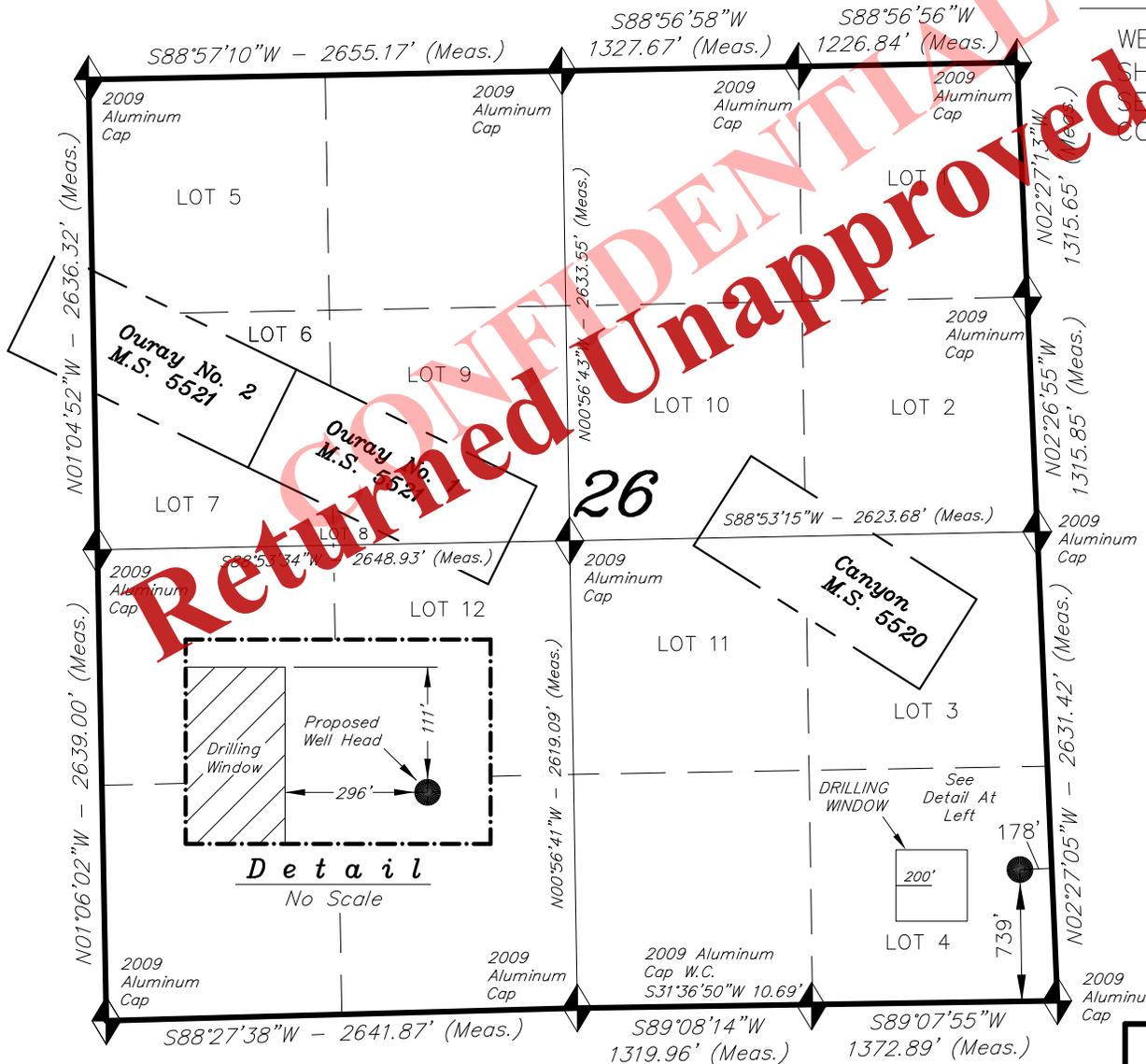
9. Other Aspects

This is planned as a vertical well.

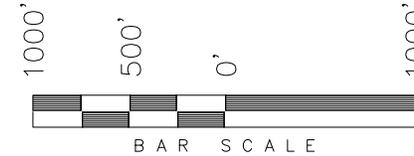
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T4S, R2E, U.S.B.&M.

FINLEY RESOURCES INC.



WELL LOCATION, 26-16A-4-2, LOCATED AS SHOWN IN THE SE 1/4 SE 1/4 (LOT 4) OF SECTION 26, 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.



WELL LOCATION:
26-16A-4-2

ELEV. UNGRADED GROUND = 4936.3'

THIS IS TO CERTIFY THAT THE ABOVE PLAN 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.



◆ = SECTION CORNERS LOCATED

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

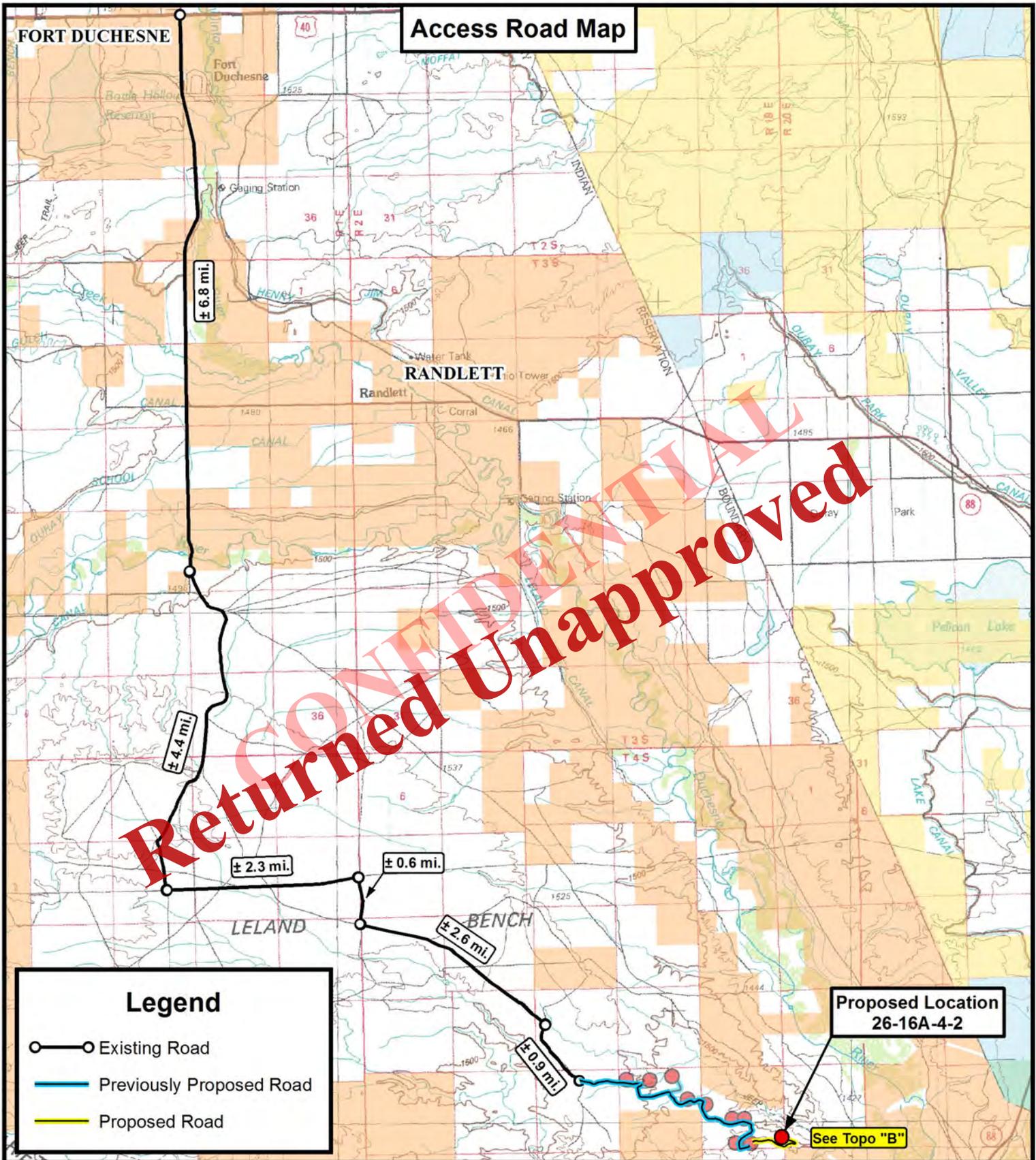
NAD 83 (SURFACE LOCATION)	
LATITUDE	= 40°06'08.75"
LONGITUDE	= 109°43'34.21"

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

DATE SURVEYED: 03-03-14	SURVEYED BY: G.D.O.
DATE DRAWN: 03-04-14	DRAWN BY: V.H.
REVISED:	SCALE: 1" = 1000'

Received: March 25, 2014

Access Road Map



Legend

- Existing Road
- Previously Proposed Road
- Proposed Road

Proposed Location
26-16A-4-2

See Topo "B"

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



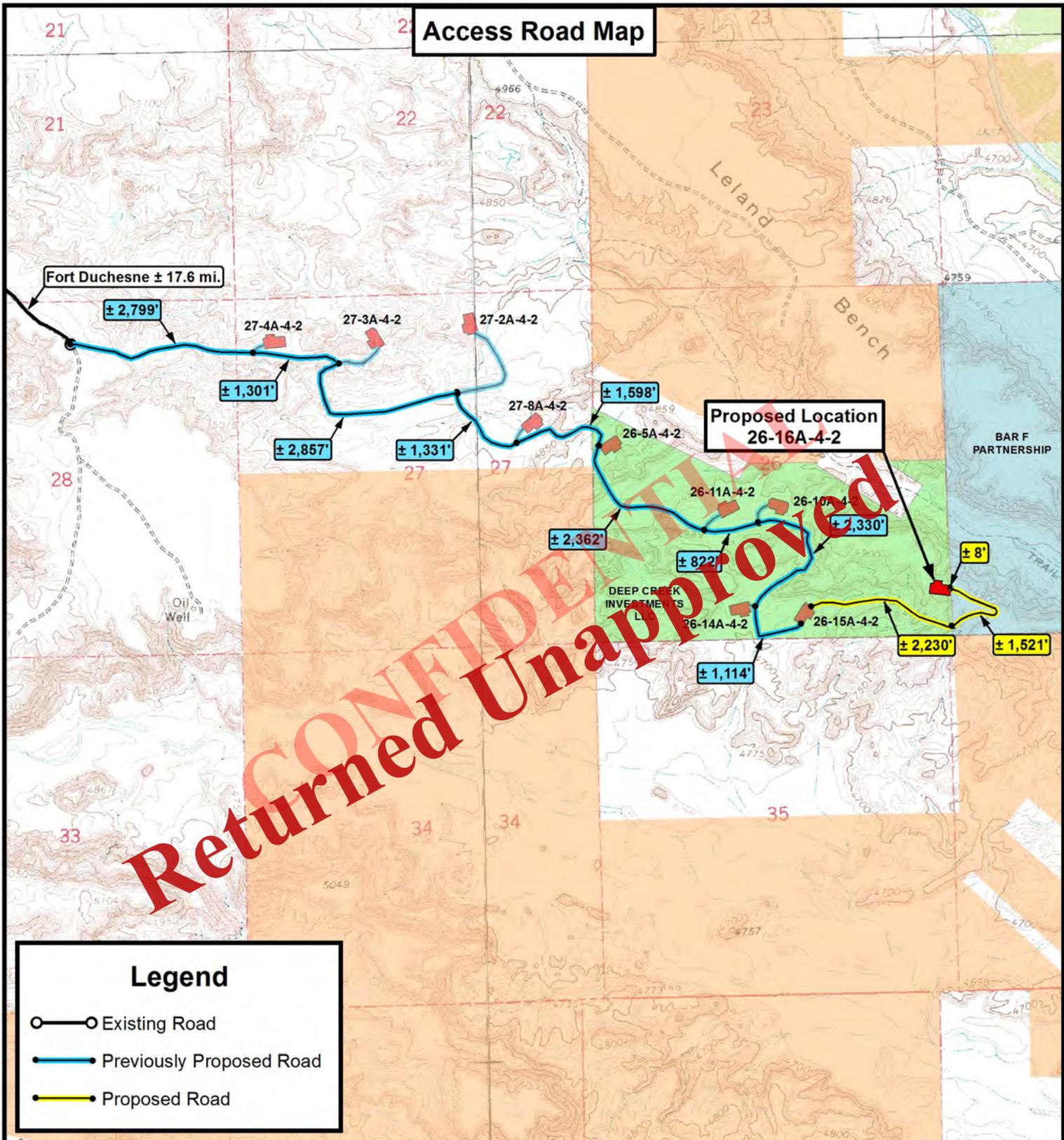
FINLEY RESOURCES INC.
26-16A-4-2
Sec. 26, T4S, R2E, U.S.B.&M.
Uintah County, UT.

DRAWN BY:	A.P.C.	REVISED:
DATE:	03-07-2014	
SCALE:	1:100,000	

TOPOGRAPHIC MAP

SHEET
A

Access Road Map



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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FINLEY RESOURCES INC.

26-16A-4-2
 Sec. 26, T4S, R2E, U.S.B.&M.
 Uintah County, UT.

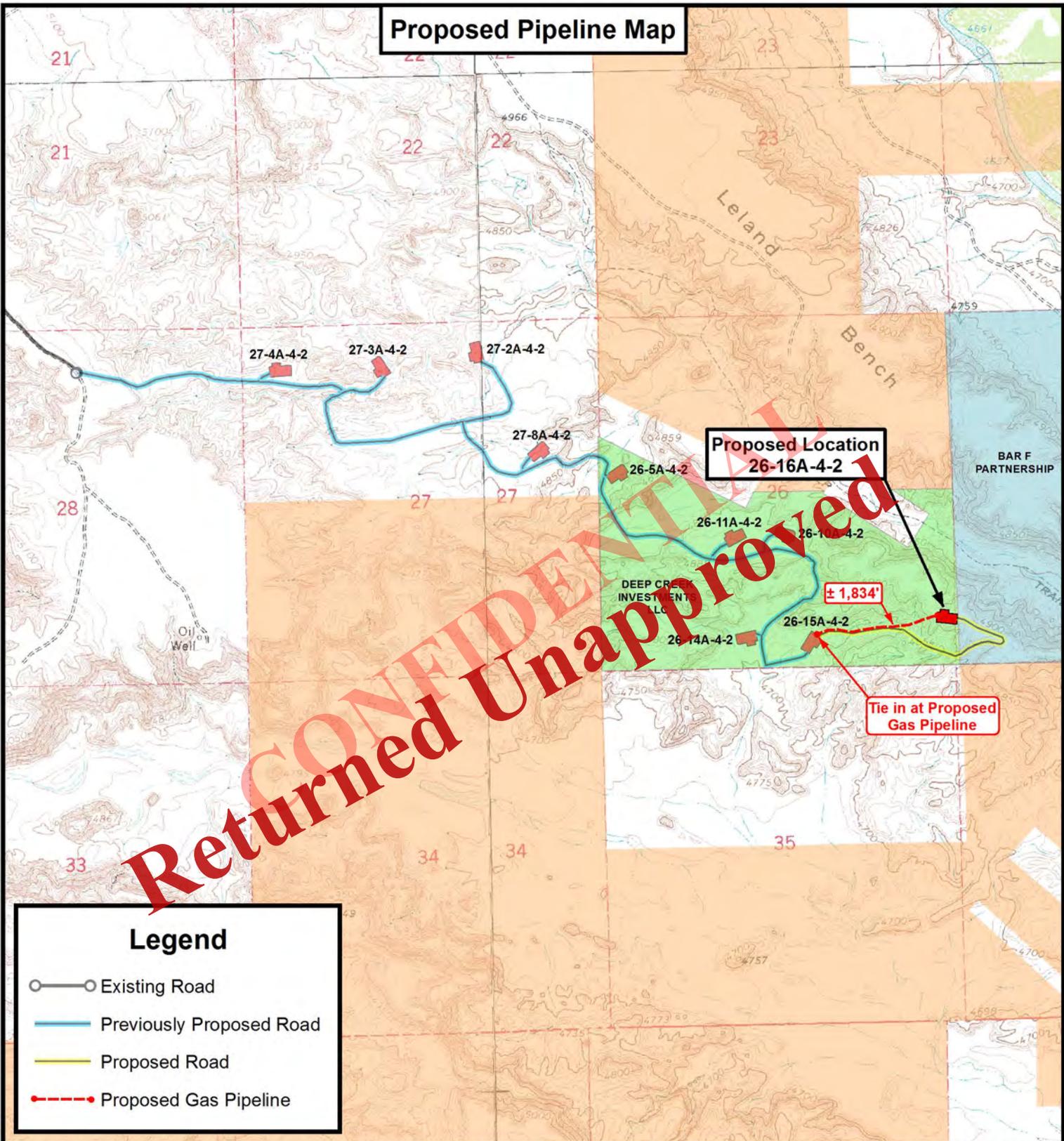
DRAWN BY:	A.P.C.	REVISED:
DATE:	03-07-2014	
SCALE:	1" = 2,000'	

TOPOGRAPHIC MAP

SHEET
B

Received: March 25, 2014

Proposed Pipeline Map



Legend

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

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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26-16A-4-2
Sec. 26, T4S, R2E, U.S.B.&M.
Uintah County, UT.

DRAWN BY:	A.P.C.	REVISED:
DATE:	03-07-2014	
SCALE:	1" = 2,000'	

TOPOGRAPHIC MAP

SHEET
C

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Exhibit "B" Map

**Proposed Location
26-16A-4-2**

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Legend

-  1 Mile Radius
-  Proposed Location

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FINLEY RESOURCES INC.

**26-16A-4-2
Sec. 26, T4S, R2E, U.S.B.&M.
Uintah County, UT.**

DRAWN BY:	A.P.C.	REVISED:
DATE:	03-07-2014	
SCALE:	1" = 2,000'	

TOPOGRAPHIC MAP

SHEET
D

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**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

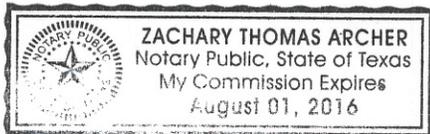
STATE OF TEXAS §

COUNTY OF TARRANT §

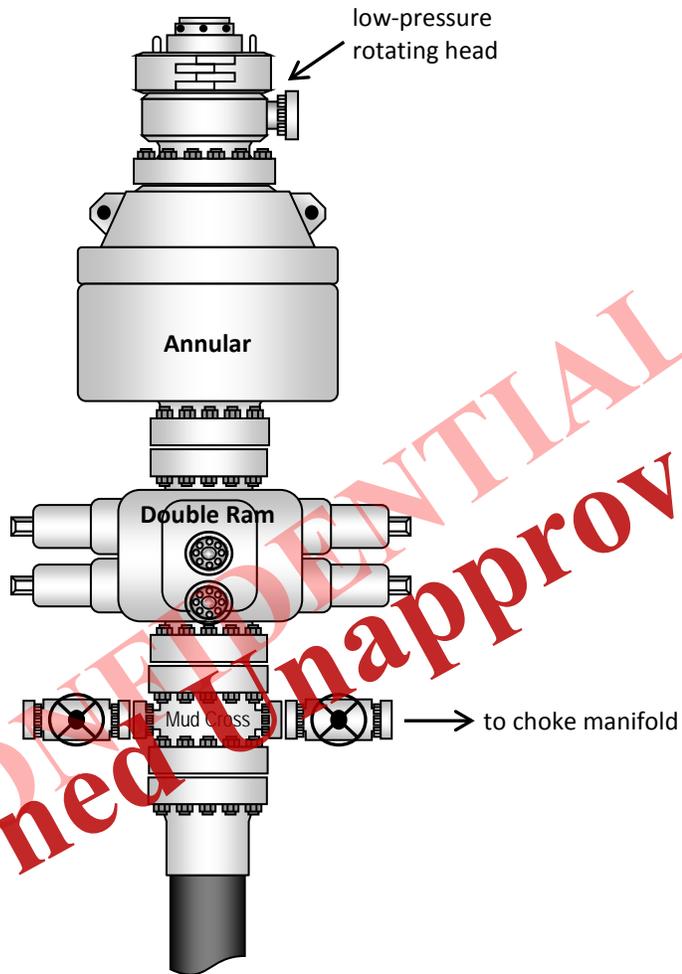
Before me the undersigned, a Notary Public, in and for said County and State, on this 29th day of January, 2014, personally appeared Scott Ramsey, as Land Manager, of Finley Resources Inc., to me known to be the identical person who subscribed the name of the maker therefore to the foregoing instrument, 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



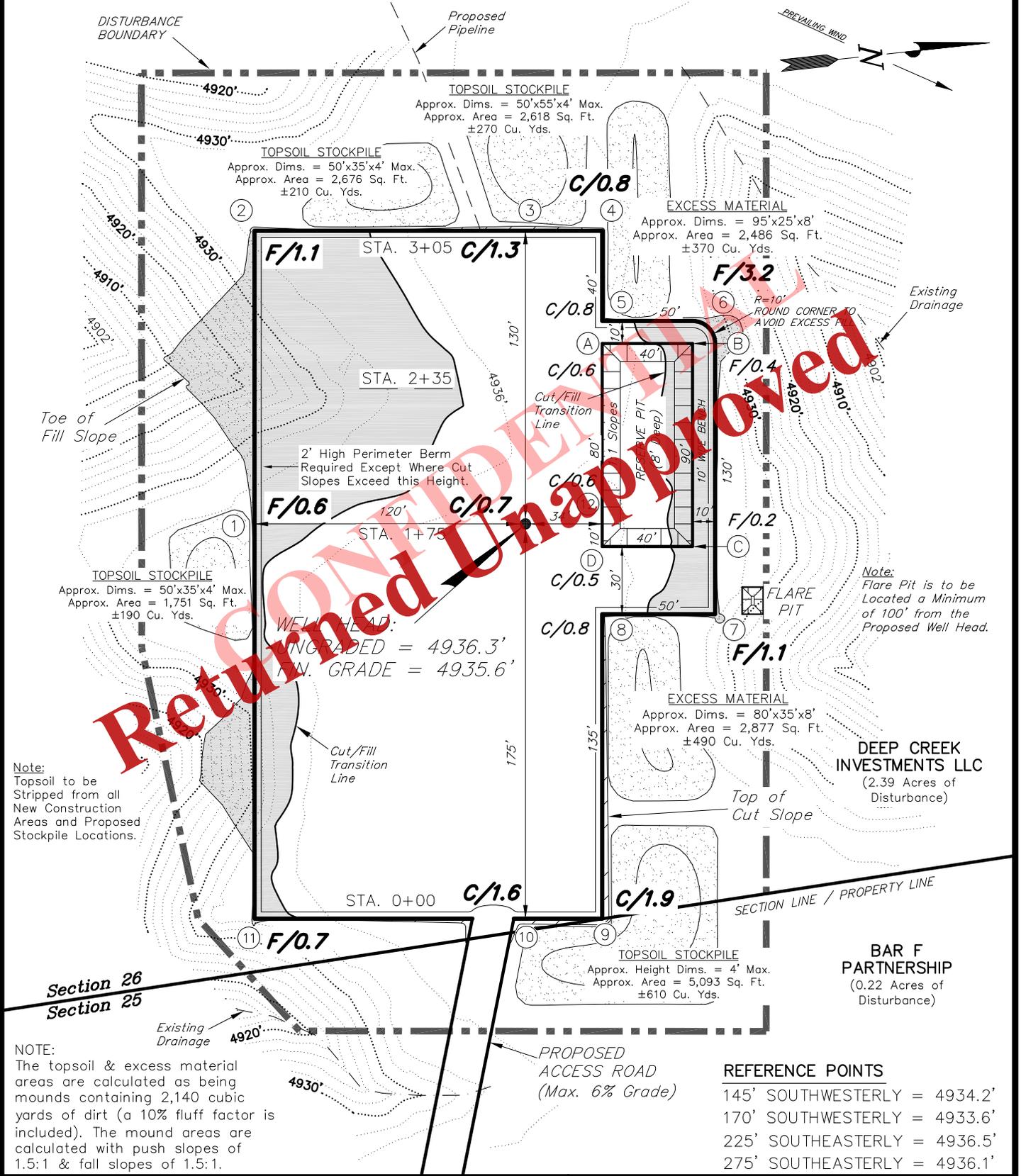
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FINLEY RESOURCES INC.

PROPOSED LOCATION LAYOUT

26-16A-4-2

Pad Location: SESE (LOT 4) Section 26, 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.

DEEP CREEK INVESTMENTS LLC
(2.39 Acres of Disturbance)

BAR F PARTNERSHIP
(0.22 Acres of Disturbance)

REFERENCE POINTS
 145' SOUTHWESTERLY = 4934.2'
 170' SOUTHWESTERLY = 4933.6'
 225' SOUTHEASTERLY = 4936.5'
 275' SOUTHEASTERLY = 4936.1'

SURVEYED BY:	G.D.O.	DATE SURVEYED:	03-03-14
DRAWN BY:	V.H.	DATE DRAWN:	03-04-14
SCALE:	1" = 60'	REVISED:	

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 180 NORTH VERNAL AVE. VERNAL, UTAH 84078

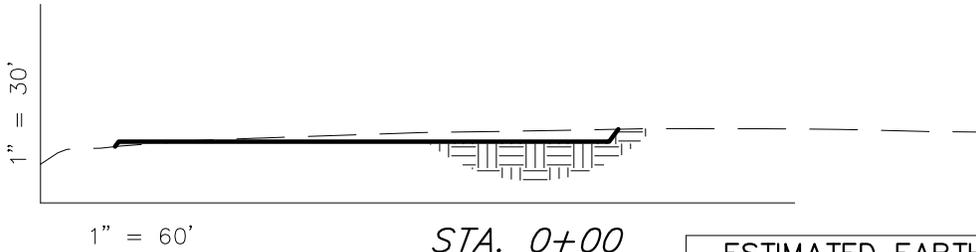
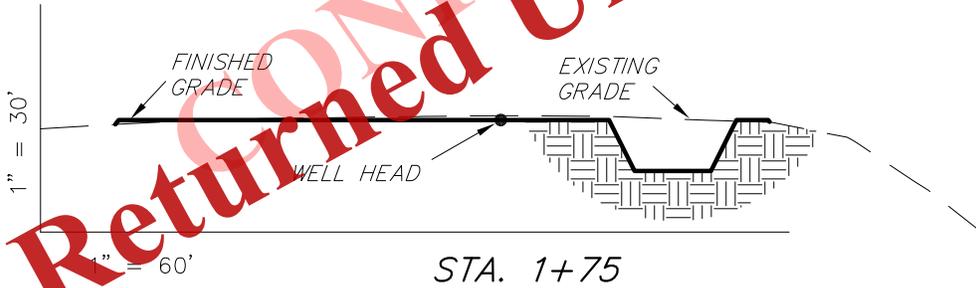
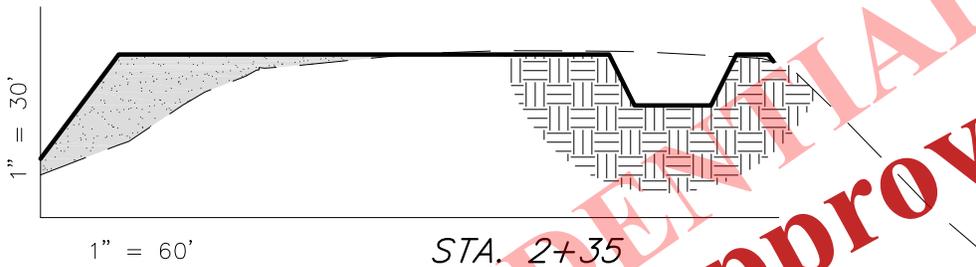
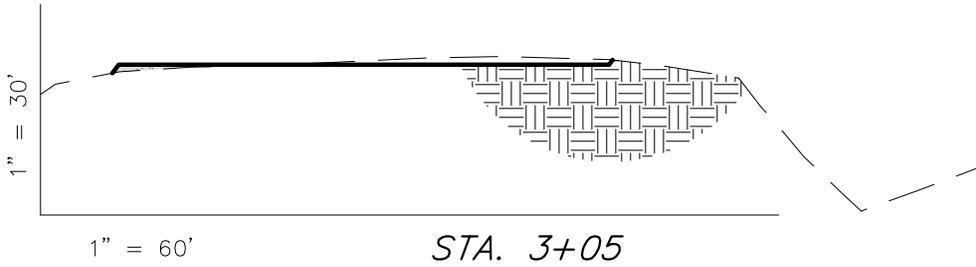
Received: March 25, 2014

FINLEY RESOURCES INC.

CROSS SECTIONS

26-16A-4-2

Pad Location: SESE (LOT 4) Section 26, T4S, R2E, U.S.B.&M.



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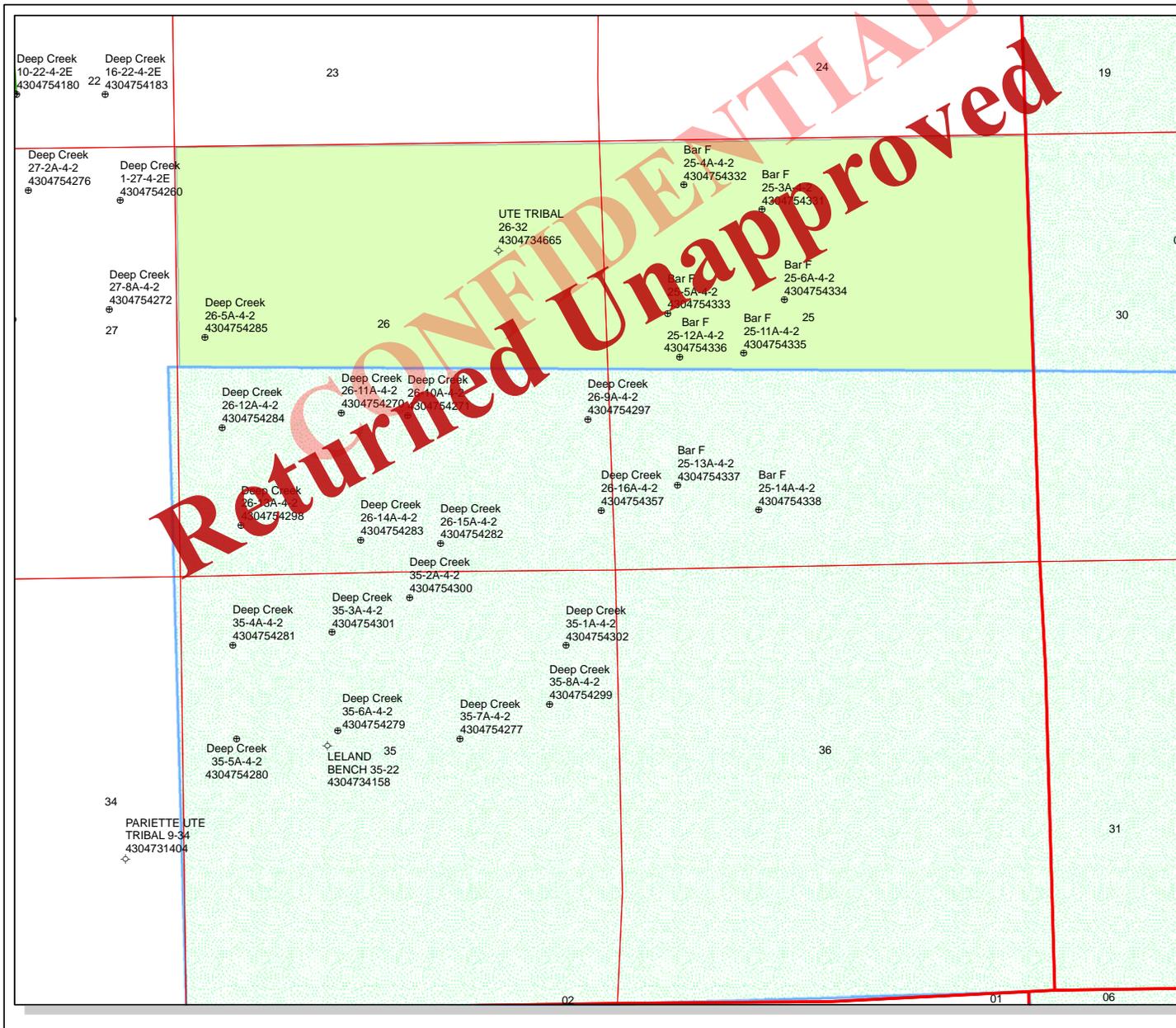
NOTE:
UNLESS OTHERWISE
NOTED ALL CUT/FILL
SLOPES ARE AT 1.5:1

ESTIMATED EARTHWORK QUANTITIES (No Shrink or swell adjustments have been used) (Expressed in Cubic Yards)				
ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	1,250	1,250	Topsoil is not included in Pad Cut Volume	0
PIT	780	0		780
TOTALS	2,030	1,250	1,170	780

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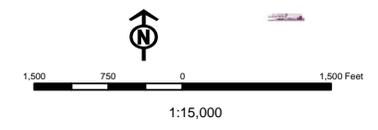
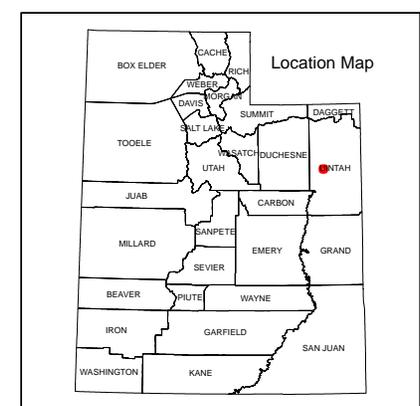
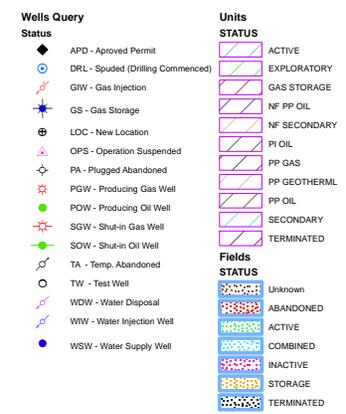
API Number: 4304754357

Well Name: Deep Creek 26-16A-4-2

Township: T04.0S Range: R02.0E Section: 26 Meridian: U

Operator: FINLEY RESOURCES INC

Map Prepared: 3/26/2014
Map Produced by Diana Mason





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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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 26-16A-4-2 well, API 43047543570000 that was submitted March 25, 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



