Form 3160-3
(August 2007)

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No. UTU-0307-A

6. If Indian, Allotee or Tribe Name NA

1a. Type of work: ☑ DRILL ☐ REENTER

7. If Unit or CA Agreement, Name and No. SAN Arroyo

1b. Type of Well: ☐ Oil Well ☑ Gas Well ☐ Other ☐ Single Zone ☑ Multiple Zone

8. Lease Name and Well No. San Arroyo 1625-22O

2. Name of Operator Augustus Energy Partners, LLC

9. API Well No. 43-019-31580

3a. Address 2016 Grand Ave, Suite A, Billings, MT 59102

3b. Phone No. (include area code) 406-294-5995

10. Field and Pool, or Exploratory San Arroyo 250

4. Location of Well (Report location clearly and in accordance with any State requirements.*)
At surface 946' FSL & 1424' FEL SWSE 660270X 39.396746
At proposed prod. zone same as above 4362249Y -109.138801

11. Sec., T. R. M. or Blk. and Survey or Area Sec 22, T16S, R25E

14. Distance in miles and direction from nearest town or post office* 28.4 miles northwest of Mack, Colorado

12. County or Parish Grand

13. State UT

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 946'

16. No. of acres in lease 1000

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. 1700'

19. Proposed Depth 6,700'

20. BLM/BIA Bond No. on file UTB000317

21. Elevations (Show whether DF, KDB, RT, GL, etc.) 7564.5 GL

22. Approximate date work will start* 09/01/2008

23. Estimated duration 30 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, must be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature Ginger Bowden — Name (Printed/Typed) Ginger Bowden — Date 06/13/2008

Title Agent

Approved by (Signature) [signature] — Name (Printed/Typed) BRADLEY G. HILL — Date 07-16-08

Title — 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.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

*(Instructions on page 2)

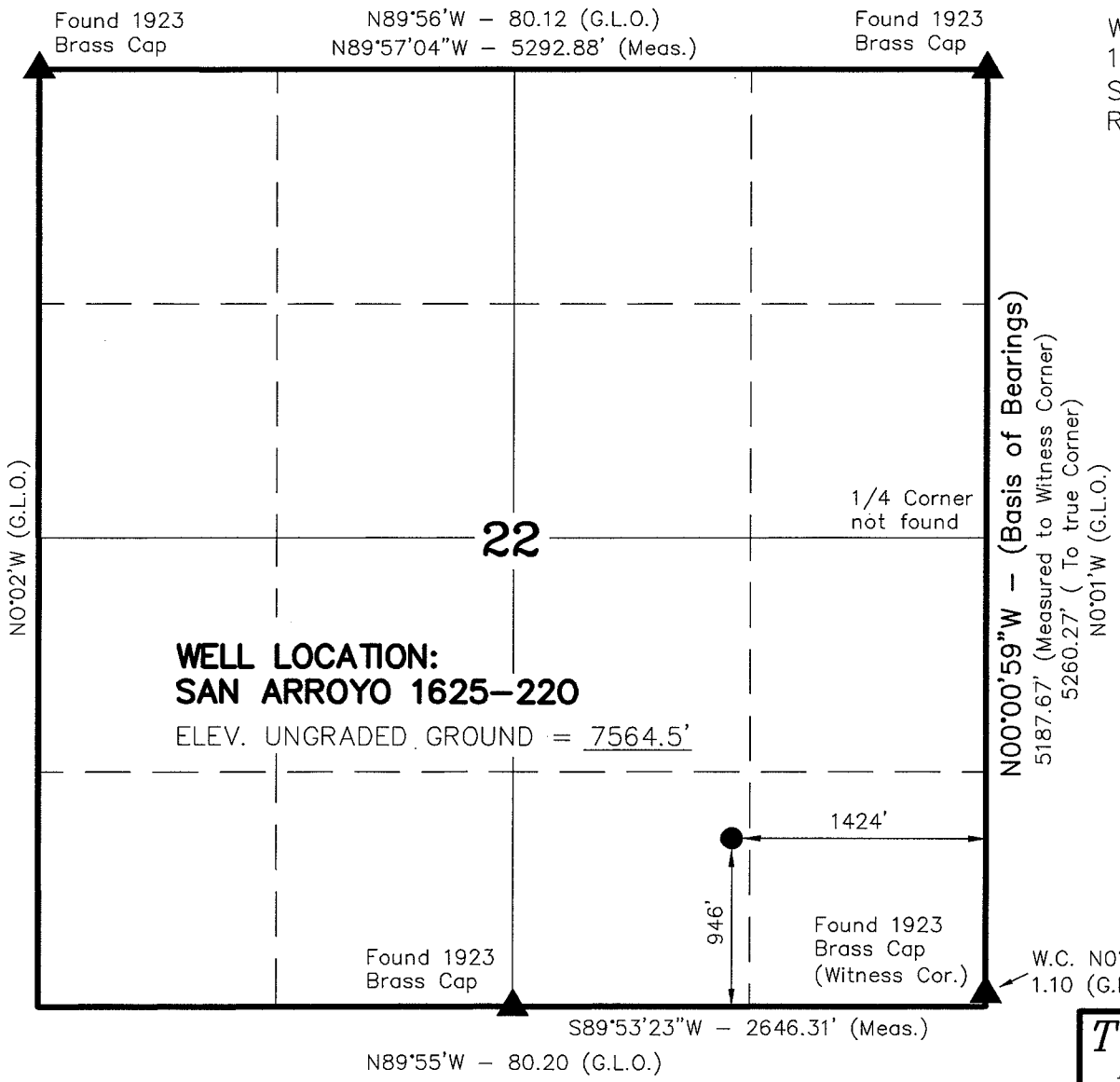
Federal Approval of this Action is Necessary

RECEIVED JUN 17 2008 DIV OF OIL, GAS & MINING

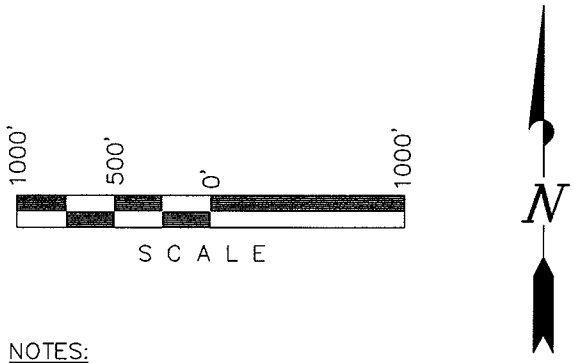
CONFIDENTIAL

T16S, R25E, S.L.B.&M.

AUGUSTUS ENERGY PARTNERS, LLC



WELL LOCATION, SAN ARROYO 1625–220, LOCATED AS SHOWN IN THE SW 1/4 SE 1/4 OF SECTION 22, T16S, R25E, S.L.B.&M. GRAND COUNTY, UTAH.



NOTES:

1. Well footages are measured at right angles to the Section Lines.
2. G.L.O. distances are shown in feet or chains. 1 chain = 66 feet.
3. Bearings are based on Global Positioning Satellite observations.

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

REGISTERED LAND SURVEYOR No.6028691 JOHN R LAUGH STATE OF UTAH

REGISTERED LAND SURVEYOR
REGISTRATION No. 6028691
STATE OF UTAH

▲ = SECTION CORNERS LOCATED

BASIS OF ELEVATION IS A BLACK ELEVATION AT THE NORTHWEST CORNER OF SECTION 22, T16S, R25E, S.L.B.&M. WHICH IS SHOWN ON THE SAN ARROYO RIDGE 7.5 MIN. QUADRANGLE AS BEING 7842'.

SAN ARROYO 1625–220
(Proposed Well Head)
NAD 83 Autonomous
LATITUDE = 39° 23' 48.3"
LONGITUDE = 109° 08' 22.1"

TIMBERLINE *(435) 789–1365*
ENGINEERING & LAND SURVEYING, INC.
38 WEST 100 NORTH – VERNAL, UTAH 84078

DATE SURVEYED: 8–15–07	SURVEYED BY: M.B.	SHEET
DATE DRAWN: 8–29–07	DRAWN BY: J.R.S.	2
SCALE: 1" = 1000'	Date Last Revised: 05–15–08	OF 10