

**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><br>Tidewater Federal 24-32-2118  |
| <b>2. TYPE OF WORK</b><br>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><br>WILDCAT   |
| <b>4. TYPE OF WELL</b><br>Oil Well      Coalbed Methane Well: NO  |  | <b>5. UNIT or COMMUNITIZATION AGREEMENT NAME</b><br>CRESCENT  |
| <b>6. NAME OF OPERATOR</b><br>TIDEWATER OIL & GAS COMPANY, LLC  |  | <b>7. OPERATOR PHONE</b><br>303 468-0656 201  |
| <b>8. ADDRESS OF OPERATOR</b><br>110 16th St Ste 1220, Denver, CO, 80202  |  | <b>9. OPERATOR E-MAIL</b><br>jjones@tidewater-oil.com   |
| <b>10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE)</b><br>UTU-79812  | <b>11. MINERAL OWNERSHIP</b><br>FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>    | <b>12. SURFACE OWNERSHIP</b><br>FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> |
| <b>13. NAME OF SURFACE OWNER (if box 12 = 'fee')</b>  |  | <b>14. SURFACE OWNER PHONE (if box 12 = 'fee')</b>  |
| <b>15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')</b>   |  | <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><br>YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/> | <b>19. SLANT</b><br>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             | 2014 FNL 2579 FEL | SWNE    | 24      | 21.0 S   | 18.0 E | S        |
| Top of Uppermost Producing Zone | 2014 FNL 2579 FEL | SWNE    | 24      | 21.0 S   | 18.0 E | S        |
| At Total Depth                  | 2014 FNL 2579 FEL | SWNE    | 24      | 21.0 S   | 18.0 E | S        |

|   |   |  |
|---|---|--|
| <b>21. COUNTY</b><br>GRAND                  | <b>22. DISTANCE TO NEAREST LEASE LINE (Feet)</b><br>460                                       | <b>23. NUMBER OF ACRES IN DRILLING UNIT</b><br>40  |
| <b>27. ELEVATION - GROUND LEVEL</b><br>4921 | <b>25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed)</b><br>13200 | <b>26. PROPOSED DEPTH</b><br>MD: 5000 TVD: 5000  |
|   | <b>28. BOND NUMBER</b><br>UTB000211   | <b>29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE</b><br>Town of Thompson Springs |

**Hole, Casing, and Cement Information**

| String | Hole Size | Casing Size | Length   | Weight | Grade & Thread | Max Mud Wt. | Cement       | Sacks | Yield | Weight |
|--------|-----------|-------------|----------|--------|----------------|-------------|--------------|-------|-------|--------|
| COND   | 20        | 16          | 0 - 40   | 65.0   | H-40 ST&C      | 8.5         | Class G      | 50    | 1.18  | 15.0   |
| SURF   | 12.25     | 9.625       | 0 - 500  | 36.0   | J-55 ST&C      | 9.0         | Rockies Lite | 150   | 2.08  | 12.8   |
| PROD   | 7.875     | 5.5         | 0 - 5000 | 17.0   | N-80 LT&C      | 9.5         | Rockies Lite | 375   | 2.08  | 12.8   |

**ATTACHMENTS**

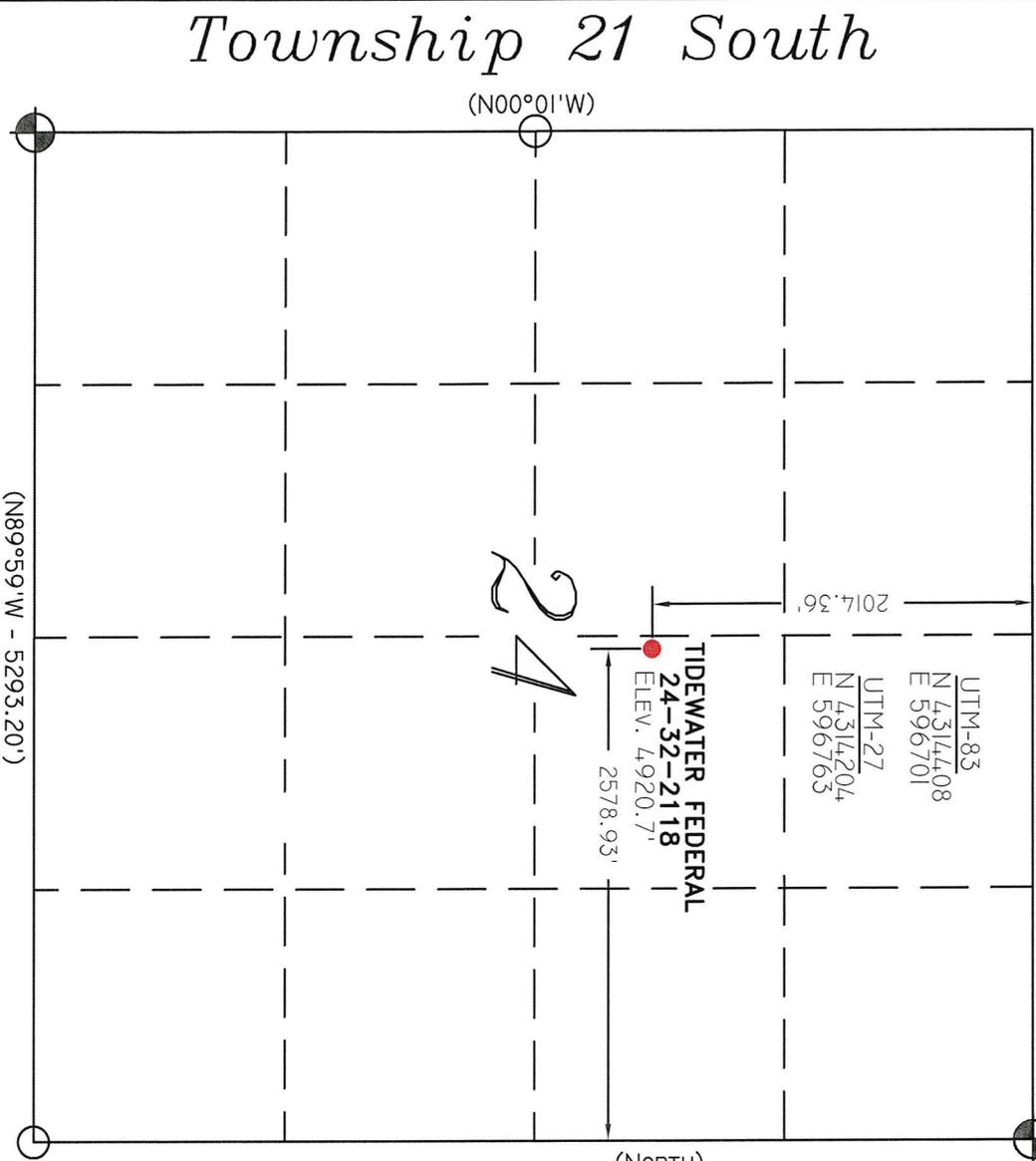
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES

|  |  |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN                 |
| <input 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> Walter Lowry                     | <b>TITLE</b> Engineer  | <b>PHONE</b> 303 884-5505             |
| <b>SIGNATURE</b>                             | <b>DATE</b> 07/10/2012   | <b>EMAIL</b> wlowry@tidewater-oil.com |
| <b>API NUMBER ASSIGNED</b><br>43019500240000 | <b>APPROVAL</b><br><br><br>Permit Manager |                                       |

# Range 18 East

(S89°58'W - 5293.20')



**Location:**  
The well location was determined using a Trimble 5700 GPS survey grade unit.

**Basis of Bearing:**  
The Basis of Bearing is GPS Measured.

**GLO Bearing:**  
The Bearings indicated are per the recorded plat obtained from the U.S. Land Office.

**Basis of Elevation:**

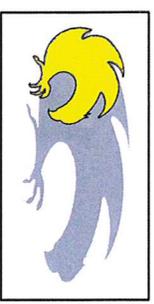
Basis of Elevation of 4961' being at the Northwest Section Corner of Section 33, Township 21 South, Range 19 East, Salt Lake Base and Meridian, as shown on the Crescent Junction Quadrangle 7.5 minute series map.

**Description of Location:**

Proposed Drill Hole located in the SW/4 NE/4 of Section 24, T21S, R18E, S.L.B.&M., being South 2014.36' from the North Line and West 2578.93' from the East Line of Section 24, T21S, R18E, Salt Lake Base & Meridian.

**Surveyor's Certificate:**

I, John S. Huefner, a Professional Land Surveyor, holding Certificate No. 144842 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



**TALON RESOURCES, INC.**  
615 North 400 East P.O. Box 1230  
Huntington, Utah 84528  
Phone (435)687-5310 Fax (435)687-5311  
E-Mail talon @ etv.net

**TIDEWATER**  
TIDEWATER FEDERAL  
24-32-2118

Section 24, T21S, R18E, S.L.B.&M.  
Grand County, Utah

|                           |                              |
|---------------------------|------------------------------|
| Drawn By:<br>N. BUTKOVICH | Checked By:<br>A.P.C./J.S.H. |
| Drawing No.<br>A-1        | Date:<br>4/9/12              |
| Sheet 1 of 4              | Scale:<br>1" = 1000'         |
|                           | Job No.<br>5037              |

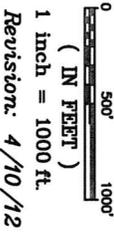
**Legend**

- Drill Hole Location
- Metal Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Calculated Corner
- ( ) GLO
- GPS Measured

**NOTES:**  
1. UTM and Latitude / Longitude Coordinates are derived using a GPS Pathfinder.

|   |   |
|---|---|
| NAD 83/WGS 84                                   | SURFACE-NAD 27                                  |
| LAT / LONG<br>38°58'23.939"N<br>109°53'01.272"W | LAT / LONG<br>38°58'24.045"N<br>109°52'58.816"W |

**GRAPHIC SCALE**



Revisions: 4/10/12