

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

NAME OF COMPANY OR OPERATOR

WIND RIVER II CORPORATION

Address

City

State

Phone Number

1245 EAST BRICKYARD RD. SUITE 110, SALT LAKE CITY, UT 84106 801-466-4131

Drilling Contractor

GRIMSHAW DRILLING, LLC

Address 667 EAST 5020 NORTH, CEDAR CITY, UT 84721

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor

AZA 34270

Well number

DUTCHMAN 18-1d

Elevation (ground)

4,925'

Nearest distance from proposed location to property or lease line:

870 feet

Distance from proposed location to nearest drilling, completed or applied-for well on the same lease:

FOUR PREVIOUS: SHALLOWER ATTEMPTS ON SAME LOCATION feet

Number of acres in lease

4,455.52

Number of wells on lease, including this well, completed in or drilling to this reservoir:

NONE COMPLETED OR DRILLING

If lease purchased with one or more wells drilled, from whom purchased.

Name

N/A

Address

Well location (give footage from section lines)

1,140' FSL & 870' FEL

Section - Township - Range or Block and Survey

SEC. 18-T37N-R9W, G&SRM

Dedication per A.A.C. R12-7-104(A)(3)

E/2 SE/4 (80 ac.)

Field and reservoir (if wildcat, so state)

WILDCAT

County

MOHAVE

Distance in miles and direction from nearest town or post office

37 MILES SOUTHEAST OF ST. GEORGE, UT

Proposed depth:

7,000'

Rotary or cable tools

ROTARY

Approximate date work will start

8-15-2008

Bond status

Federal (Personal)

Organization Report

Filing Fee of \$25.00

Amount

\$10,000

On file

Or attached

Attached

Remarks

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: VICE PRESIDENT of the WIND RIVER II CORPORATION (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

API # 02-015-20036

Signature

OCTOBER 31, 2008

Date

Mail completed form to:
Oil and Gas Program Administrator
Arizona Geological Survey
416 W. Congress, #100
Tucson, AZ 85701-1315

Permit Number: 976

Approval Date: 11-3-2008

Approved By: SL Roving

NOTICE: Before sending in this form be sure that you have given all information requested. Much unnecessary correspondence will thus be avoided.

**STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION**

Application to Drill or Re-enter
File Two Copies

Form No. 3

P/N 976

1. Operator shall outline on the plat the acreage dedicated to the well in compliance with A.A.C. R12-7-107.
2. A registered surveyor shall show on the plat the location of the well and certify this information in the space provided.
3. ALL DISTANCES SHOWN ON THE PLAT MUST BE FROM THE OUTER BOUNDARIES OF THE SECTION.
4. Is the operator the only owner in the dedicated acreage outlined on the plat below ? YES _____ NO X
5. If the answer to question four is no, have the interests of all owners been consolidated by communitization agreement or otherwise? YES X NO _____ If answer is yes, give type of consolidation All one lease with Premco Western, Inc. the 100% owner. Premco Western has designated Wind River II the operator.
6. If the answer to question four is no, list all the owners and their respective interests below:
Premco Western, Inc. = 100%

Owner PREMCO WESTERN, INC.	Land Description SEC. 18-T37N-R9W
<p>CERTIFICATION</p> <p>I hereby certify that the information above is true and complete to the best of my knowledge and belief.</p> <p style="text-align: right;"><i>Marc T. Eckels</i></p>	
Name Marc T. Eckels	
Position Vice President	
Company Wind River II Corp.	
Date 10-31-2008	
<p>I hereby certify that the well location shown on the plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <p>Surveyor's certified plat attached.</p>	
Date Surveyed	
Registered Land Surveyor	
Certificate No.	

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
SEE ATTACHED CASING & CEMENTING PROGRAM							

4. The Proposed Casing and Cementing Programs

PIN 976

	Hole Size	Setting Depth Interval	Section Length	Casing Size (OD)	Weight, Grade & Joint
Conductor	20"	40'	40'	16"	Contractor 0.250"
Surface	12-1/4"	0-1100'	1100'	9-5/8"	36#J-55, LT&C
Production	8-3/4"	0'-7000'	7000'	5-1/2"	17#J-55, LT&C

	<u>Surface</u>	<u>Production</u>
Maximum Mud Weight- Inside (ppg)	9.0	9.0
Maximum Mud Weight – Outside (ppg)	9.0	9.0
Max. Hydrostatic Inside w/Dry Outside (psi)	515	3276
Casing Burst Rating (psi)	3930	5320
Burst Safety Factor (1.10 minimum)	7.63	1.62
Collapse Rating	2530	4910
Collapse Safety Factor (1.125 Minimum)	4.91	1.49
Casing Weight in Air (kips)	35.2	119
Body Yield (kips)	503	273
Joint Strength (kips)	372	247
Tension Safety Factor (1.80 Minimum)	10.6	2.07

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Notes: Production casing depth may be adjusted based on results. All casing will be new. Casing with same or greater burst, collapse, and tension rating may be substituted for any of the planned casing sizes depending on availability and actual conditions.

CONDUCTOR – 0-40' Ready Mix to surface

SURFACE CASING – 0-1,100'

Lead: 72 sx Type V w/16% gel + 0.25 lbm/sk Poly-E-Flake (50% excess)

Tail: 75 sx Class A w/2% CaCl + 0.25 lbm/sk Poly-E-Flake (50% excess)

Cement Characteristics:

Lead: Yield = 3.91 cu ft per sk

Slurry Weight = 11.0 ppg

Tail: Yield = 1.19 cu ft per sk

Slurry Weight = 15.6 ppg

Will top with cement down 1" pipe with 50 sx Premium Top Out Cement, if needed.

PRODUCTION CASING – 0'-7,000'

Lead: 198 sx Type V w/16% gel + 0.25 lbm/sk Poly-E-Flake + 10 lbm/sk

Gilsonite + 1% Silica (15% excess)

Tail: 591 sx 50:50 Poz/Class G w/2% gel + 5% KCl

Cement Characteristics:

Lead: Yield = 3.91 cu ft per sk

Slurry Weight = 11.0 ppg

Tail: Yield = 1.29 cu ft per sk

Slurry Weight = 14.2 ppg

Note: Actual cement volumes will be based on caliper log volume calculations.