

EFT Nevada LLC
Cedar Ridge 1
954' FNL 1,478' FEL (NW/4 NE/4)
Sec. 12 T29N R54E
Elko County, Nevada
Surface: Federal
Federal Mineral Lease: NVN83420

SURFACE USE PLAN OF OPERATIONS

This Application for Permit to Drill (APD) is filed under the Notice of Staking (NOS) process as stated in Onshore Order No. 1 (OSO #1) and supporting Bureau of Land Management (BLM) documents. This NOS process included an onsite meeting on August 15, 2013, prior to the submittal of the application, at which time the specific concerns were discussed. All specific concerns of the BLM representatives are addressed herein, as are specific stipulations from the BLM.

* Specific stipulations arising from the onsite meeting are shown as starred.

WELL LOCATION AND INTRODUCTION:

The wellsite was surveyed and staked at 954' FNL 1,478' FEL (NW/4 NE/4) of Sec. 12 T29N R54E in Elko County, Nevada on August 23, 2013, by DR Griffin & Associates, Inc. (DRG), surveyor, on a site that is geologically and topographically acceptable.

An NOS was submitted to BLM in Elko on August 8, 2013 for this location. An onsite meeting was held on August 15, 2013. Present were: Tom Schmidt and John Daniel - BLM; Alan Chamberlain and Rick Bailey - EFT Nevada; Cecil Gritz - Harbor Petroleum; Bill Arthur - La Garza; and Andrea Gross - Permit Agent.

DIRECTIONS TO LOCATION:

Beginning in Elko, Nevada, travel easterly on State Route NV-227 for ±6.39 miles. Turn right onto State Route NV-228 and travel southerly for ±26.8 miles. Turn right onto County Road 716 (CR 716) and travel northwesterly for ±1.3 miles. Turn left at the fork in the road and continue to travel southwesterly on CR 716 for ±0.8 miles. Take the center fork in the road and continue to travel westerly on CR 716 for ±2.5 miles. Turn left at the fork in the road and continue to travel on CR 716 southwesterly for ±2.6 miles to an existing two-track road. Turn right onto the proposed access road and travel southwesterly for ±1.0 miles. Turn right at the fork in the road and travel westerly for ±1.4 miles to the beginning of the staked access road. Turn right and travel in a northerly direction for ±2.5 miles along the stated proposed access route to reach the proposed wellsite for the Cedar Ridge 1.

1) EXISTING ROADS (See Exhibits 4 and 5)

- A) The well is an exploratory well.
- B) Existing roads within two mile consists of a gravel resource roads which will provide access to the proposed location.
- C) Plans for improvement and/or maintenance of existing roads are to maintain in as good or better conditions than at present. A maintenance plan will be entered into with Elko County for their portion of the access road. BLM requirements for their portion of the access road will also be adhered to. Surface owner of the fee portion of road has agreed to allow grading and improvements to their road, and has advised that Elko County only grades on average once each year.

- * D) The bridge located in Sec. 6 T29N R56E will be upgraded to support heavy equipment and traffic associated with operations. The surface owner on fee portion of road has agreed to allow a bypass with culverts to be installed adjacent to their existing low weight classification bridge located at: Lat 40.42118 and Long 115.7066 (Elev. 5403.71). The bypass will be utilized during drilling and completion operations. If a permanent road is required for production operations, a revised solution to upgrade the existing bridge will be implemented.

2) PLANNED ACCESS ROADS (See Exhibits 4 and 5)

±11,023'	(2.1 miles)	Sec. 12 T29N R54E	BLM	On lease
±3,764'	(0.7 miles)	Sec. 13 T29N R54E		
±888'	(0.2 miles)	Sec. 8 T29N R55E	BLM	On lease
±65'	(0.0 miles)	Sec. 9 T29N R55E	BLM	Off lease
±5,027'	(1.0 miles)	Sec. 17 T29N R55E	BLM	Off lease
±5,343'	(1.0 miles)	Sec. 17 T29N R55E	BLM	Off lease
±26,109'	(4.9 miles)	Total New Construction		

- * A) Running surface width to be approximately 14'-16', total disturbed width to be no more than 40'. Plans for improvement and/or maintenance of existing roads are to maintain in as good or better conditions than at present. A regular maintenance plan will include, but not be limited to blading, ditching, and surfacing.
- B) Borrow ditches to be backsloped 3:1 or shallower. Weather permitting, the access road will be mowed and the borrow ditch material will be pulled over the top of the mowed area.
- C) Maximum grades will not exceed BLM standards.
- * D) Culvert installation will be necessary and installed during construction. Culverts will be sized appropriately and will be installed prior to commencement of drilling operations. Riprap will be placed at the inlet and outlet. Drainage to consist of wing ditches between the existing road and the wellsite and will be installed prior to commencing drilling operations. The borrow ditches along the proposed access road will be re-seeded if the well is completed as a producer. The reseeded of the borrow ditches will reduce the area utilized by this location.
- * E) To control erosion and sediment transport, road shall be crowned or sloped, ditched, surfaced, drained with culverts and/or water dips, and constructed to BLM Gold Book standards or to engineered design if fragile soil properties exist.
- F) Surfacing material, if necessary, will consist of native material from borrow ditches. The topsoil will be cleared by fanning back during the construction and crowning of the road. Upon commencement of road construction, the topsoil will be replaced in the borrow ditches.
- G) No major road cuts are necessary.
- * H) Two (2) cattle-guards on the Country Road will be upgraded to accommodate industrial equipment and vehicles. The upgraded cattle-guards will remain in place after the drilling of the well.

- D) Road construction on public lands shall meet the minimum standards listed in BLM Manual Section 9113 and shall be constructed under the direction of a qualified construction supervisor(s). The qualified construction supervisor shall be an engineer, company superintendent or other representative who is competent and knowledgeable in oilfield road and drillsite construction, and able to speak for the operator. The dirt contractor, or drilling/completion foremen whose primary expertise is not in construction, do not qualify as construction supervisors.
- * J) EFT Nevada will use Best Management Practices to limit fugitive dust caused by their operations including speed restrictions, regular road maintenance according to BLM standards, and if possible, limiting construction during high wind days. If these measures do not achieve managing fugitive dust, EFT Nevada will wet the roads as necessary throughout the project to reduce dust in the area. A water truck with spreader bar will be used to distribute only fresh water suppress dust on both the roads and location.
- * K) All equipment will be cleaned prior to use to reduce the potential for introduction of noxious weeds or other undesirable non-native species.
- * L) Operator recognizes that upon further examination and determination by BLM, it may be necessary to implement procedures to address appropriate concerns about potential impact to certain portions of the California Trail in the vicinity of these proposed operations. Operator commits to work with BLM to establish necessary monitoring and engine and equipment noise suppression to satisfy the final requirements determined.

3) LOCATION OF EXISTING WELLS WITHIN A 2-MILE RADIUS
Oil & Gas Wells: None

LOCATION OF EXISTING PRODUCING FACILITIES OPERATED BY EFT Nevada

There are currently no production facilities on this location. Once it is determined if the well will be completed as a producer, production facilities will be engineered and implemented at that time. Operations will follow 43 CFR 3160 and a Sundry Notice on Form 3160-5 will be submitted with construction facilities prior to commencing any construction activities.

4) NEW PRODUCTION FACILITIES PROPOSED

- A) BLM will be contacted prior to construction of production facilities. A Sundry Notice (SN) will be filed if requested by BLM.
- B) Dimension of Proposed Facility of the pad is 240' x 360' = 84,400 ft², for drilling operations. Total disturbance will be ±4.7 acres.
- C) Traveled portion of production site will be gravel surfaced upon completion of production facility installation and prior to production. Site preparation for production will be done with standard excavation equipment using native materials. Additional surface material will be obtained from commercial sources or an approved borrow area. Construction and maintenance will not be performed when the ground or topsoil is frozen or too wet to adequately support construction equipment. If such equipment creates ruts in excess of four (4) inches deep, the soil will be deemed too wet.
- D) Production equipment will be painted light reflective colors to limit evaporation and waste of liquid hydrocarbons. All above ground permanent structures will be painted to blend with the surrounding landscape. The color specified is given with the Pantone® reference color, Covert Green (18-0617 TPX). To reduce the view of production facilities from visibility corridors and private residences, facilities will not be placed in visually exposed locations (such as ridgelines and hilltops). The tallest structure will be no greater than 20' in height.

- E) Production facilities may vary according to actual reservoir discovered and will be engineered upon completion of well tests. Production facilities will be clustered and placed away from cut/fill slopes to allow the maximum recontouring of cut/fill slopes.
- F) If well is a producer all production facilities will be authorized by a SN.
- G) No facilities will be constructed off location.
- H) Pursuant to Onshore Order No. 7 (OSO #7), this is a request for authorization for reserve pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by BLM and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method will be submitted along with any necessary water analyses, in compliance with OSO #7 as soon as possible, but no later than 45 days after the date of first production. Any method of disposal, which has not been approved prior to the end of the authorized 90-day period, will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by BLM.

5) LOCATION OF WATER SUPPLY

- A) A water supply well will be drilled and completed on the well location to provide water needed for drilling and completion operations. The well will be equipped with an electric pump to be operated by a generator. A backup water source has also been identified from an existing water well located at Lat 40.42631 and Long 115.7042 (Elev. 5428.71). If a closer water source is identified and deemed usable, EFT Nevada will notify the Authorized Officer (AO) with the necessary information.
- B) Anticipated water use is as follows:
Mud drilling water requirements are anticipated to be approximately 10,814 bbls (454,188 gallon [US, liquid] = 1.3938419 acre foot [US survey]).
Road watering will be done only if dry conditions dictate, and would utilize approximately 900 bbls (37,800 gallons or 0.11 acre feet).

6) SOURCE OF CONSTRUCTION MATERIALS

- A) Construction materials will consist of native materials from borrow ditches and location areas.
- B) Surfacing materials will be obtained from available permitted sources, if needed, and consist of pit gravel. The source for material required to improve surfacing on the existing access roads, provide surface material for the proposed new section of road required to reach the location, and to surface the drilling location has been identified at: Twin Bridge Rock Products facility in Elko County.

WASTE DISPOSAL (See Exhibits 2 and 3)

- A) Drill cuttings will be buried in reserve pit when dry.
- B) Drilling fluid will be evaporated and then buried in the reserve pit when dry.
- C) Completion fluids will be flowed to the reserve pit and allowed to evaporate.
- D) Reserve pit layout is illustrated on attached exhibits.

- * E) Reserve pit will be lined with a synthetic liner 12 mil or thicker. The reserve pit liner shall be made of any manmade synthetic material of sufficient size and qualities to sustain a hydraulic conductivity no greater than 1×10^{-7} cm/sec after installation and which is sufficiently reinforced to withstand normal wear and tear associated with the installation and pit use thereof. The liner shall be chemically compatible with all substances that may be put into the pit.
 - F) Reserve pit will be fenced on three sides during drilling operations and on fourth side at time of rig release. Pit will remain fenced until backfilled.
 - * G) Produced fluid will be contained in test tanks during completion and testing. If a successful well completion is achieved, and the oil & gas production stream contains some amount of entrained formation water, the produced water will be separated onsite and disposed offsite. Redi Services, LLC is prepared to provide this service. An additional alternate suitable facility may also be located, and will be identified and reported if such is determined.
 - H) Evaporators will be utilized to decrease the less viscous liquid phase volume in the reserve pit fluids. Thicker non-toxic fluid and solids will be disposed of at the Elko County Landfill. Any fluids not acceptable to the County Landfill can be taken by Redi Services, LLC, which is located in Elko, and transported to the Wasatch Regional Landfill. The pit liner will be removed prior to final closing and backfill of the reserve pit area.
 - I) Sewage disposal facilities will be in accordance with State and Local Regulations. Sewage may not be buried on location or put in a borehole. Nevada Department of Environmental Quality (NV DEQ) Regulations prevent this unless a NV DEQ Permit is obtained.
 - J) Garbage and other waste - burnable waste will be contained in a portable trash cage which will be totally enclosed with small mesh wire. Cage and contents will be transported to and trash dumped at a NV DEQ approved Sanitary Landfill upon completion of operations.
 - K) Trash will be picked up if scattered and contained in trash cage as soon as practical after rig is moved off.
 - L) Upon release of the drilling rig, rathole and mousehole will be filled. Debris and equipment not required for production will be removed.
- 8) ANCILLARY FACILITIES
No ancillary facilities will be necessary.
- 9) WELLSITE LAYOUT (See Exhibits 2 and 3)
- A) See attached drillsite plat and cut/fill diagram.
 - B) Roads and well production equipment, such as tanks, treaters, separators, vents, electrical boxes, and equipment associated with pipeline operation, will be placed on location so as to permit maximum interim reclamation of disturbed areas. If equipment is found to interfere with the proper interim reclamation of disturbed areas, the equipment may be moved so proper recontouring and revegetation can occur.
 - * C) Six inches (6") of topsoil will be removed prior to location construction from the reserve pit area and/or any other disturbed areas. Topsoil will be stockpiled adjacent to the wellsite within the maximum disturbed area shown on the wellsite plat.
 - D) Topsoil and spoils pile will be clearly separated.
 - E) Erosion control measures will be applied pursuant to EFT Nevada's General Permit to Discharge Stormwater under the Nevada General Stormwater Permit at Construction Sites and accompanying Stormwater Pollution Prevention Plan.

- F) EFT Nevada will use Best Management Practices to limit fugitive dust caused by their operations including speed restrictions, regular road maintenance according to BLM standards, and if possible, limiting construction during high wind days. If these measures do not achieve managing fugitive dust, EFT Nevada will wet the roads as necessary throughout the project to reduce dust in the area.
- * G) All equipment will be cleaned prior to use to reduce the potential for introduction of noxious weeds or other undesirable non-native species.
- * H) Two (2) feet of fill will be excavated on the wellpad.
- * D) Operator recognizes that upon further examination and determination by BLM, it may be necessary to implement procedures to address appropriate concerns about potential impact to certain portions of the California Trail in the vicinity of these proposed operations. Operator commits to work with BLM to establish necessary monitoring and engine and equipment noise suppression to satisfy the final requirements determined.

10) PIPELINES AND FLOWLINES

If necessary, a separate Right-of-Way (ROW) application for the pipeline route will be submitted at a later date.

11) SURFACE RESTORATION (General)

- A) Salvaging and spreading topsoil will not be performed when the ground or topsoil is frozen or too wet to adequately support construction equipment. If such equipment creates ruts in excess of four (4) inches deep, the soil will be deemed too wet.
- B) Earthwork for interim and final reclamation must be completed within six (6) months of well completion or plugging (weather permitting).
- C) In areas that will not be drill-seeded, the seed mix will be broadcast-seeded at twice the application rate shown and covered 0.25 to 0.5 inches deep with a harrow or drag bar or will be broadcast-seeded into imprints, such as fresh dozer cleat marks.
- * D) No seeding will occur from May 15 to September 15. Fall seeding is preferred and will be conducted after September 15 and prior to ground freezing. Spring seeding will be conducted after the frost leaves the ground and no later than May 15.
- E) Annual or noxious weeds shall be controlled on all disturbed areas as directed by the Field Office Manager. An intensive weed monitoring and control program will be implemented beginning the first growing season after interim and final reclamation. Noxious weeds that have been identified during monitoring will be promptly treated and controlled. A Pesticide Use Proposal (PUP) will be submitted to the BLM for approval prior to the use of herbicides. All equipment will be cleaned prior to use to reduce the potential for introduction of noxious weeds or other undesirable non-native species. The operator will coordinate all weed and insect control measures with state and/or local management agencies.
- F) Reclaimed areas will be monitored annually. Actions will be taken to ensure that reclamation standards are met as quickly as reasonably practical.

- G) Reclamation monitoring will be documented in a reclamation report and submitted to the AO. The report will document compliance with all aspects of the reclamation objectives and standards, identify whether the reclamation objectives and standards are likely to be achieved in the near future without additional actions, and identify actions that have been or will be taken to meet the objectives and standards. The report will also include acreage figures for: Initial Disturbed Acres; Successful Interim Reclaimed Acres; Successful Final Reclaimed Acres. Reports will not be submitted for sites approved by the AO in writing as having met interim or final reclamation standards. Any time 30% or more of a reclaimed area is re-disturbed, monitoring will be reinitiated.
- H) The AO will be informed when reclamation has been completed, is successful, and the site is ready for final inspection.
- I) EFT Nevada will use Best Management Practices to limit fugitive dust caused by their operations including speed restrictions, regular road maintenance according to BLM standards, and if possible, limiting construction during high wind days. If these measures do not achieve managing fugitive dust, EFT Nevada will wet the roads as necessary throughout the project to reduce dust in the area.
- J) All equipment will be cleaned prior to use to reduce the potential for introduction of noxious weeds or other undesirable non-native species.

INTERIM RESTORATION (Production)

- A) Rehabilitation of unneeded, previously disturbed areas will consist of backfilling and contouring the reserve pit area, back sloping and contouring all cut/fill slopes. These areas will be re-seeded.
- B) Wellpad size will be reduced to minimum size necessary to conduct safe operations. Cuts/fills will be reduced to 3:1 or shallower.
- C) Reserve pits will be closed and backfilled as soon as the pit contents are dry enough to do so, or no later than the end of the next full summer following rig release, whichever comes first, to allow sufficient time for the pit contents to dry. Reserve pits remaining open after this period will require written authorization of the AO. Immediately upon well completion, any hydrocarbons or trash in the reserve and flare pits will be removed. Pits will be allowed to dry, be pumped dry, or solidified in-situ prior to backfilling.
- D) Following completion activities, pit liners will be removed or removed to the solids level and disposed of at an approved landfill, or treated to prevent their reemergence to the surface and interference with long-term successful revegetation. If it was necessary to line the pit with a synthetic liner, the pit will not be trenched (cut) or filled (squeezed) while containing fluids. When dry, the pit will be backfilled with a minimum of five (5) feet of soil material. In relatively flat areas, the pit area will be slightly mounded to allow for settling and to promote surface drainage away from the backfilled pit.
- E) The portions of the cleared well site not needed for operational and safety purposes will be recontoured to the original contour if feasible, or if not feasible, to an interim contour that blends with the surrounding topography as much as possible. Sufficient level area will remain for setup of a workover rig and to park equipment. In some cases, rig anchors may need to be pulled and reset after recontouring to allow for maximum interim reclamation.
- F) Topsoil will be evenly respread and aggressively revegetated over the entire disturbed area not needed for all-weather operations including road cuts/fills and to within a few feet of the production facilities, unless an all-weather, surfaced, access route or small "teardrop" turnaround is needed on the well pad.

- G) Initial seedbed preparation will consist of backfilling, leveling, and ripping all compacted areas. Final seedbed preparation will consist of contour cultivating to a depth of 4 to 6 inches within 24 hours prior to seeding. Seeding will be conducted no more than 24 hours following completion of final seedbed preparation. A certified weed-free seed mix designed by BLM to meet reclamation standards will be used. The seed mix will be used on all disturbed surfaces including pipelines and road cut/fill slopes.
 - H) To help mitigate the contrast of recontoured slopes, reclamation will include measures to feather cleared lines of vegetation and to save and redistribute cleared trees, debris, and rock over recontoured cut/fill slopes.
 - I) Reclamation will be considered successful if the following criteria are met:
 - 70 percent of predisturbance cover
 - 90 percent dominate species*
 - Erosion features equal to or less than surrounding area
- * The vegetation will consist of species included in the seed mix and/or occurring in the surrounding natural vegetation.

FINAL RESTORATION (P & A – Removal of equipment)

- A) Flowlines on location will be removed before site reclamation and all flowlines between the wellsite and production facilities will remain in place and will be filled with water.
- B) If necessary to ensure timely revegetation, the pad will be fenced to BLM standards to exclude livestock grazing for the first two growing seasons or until seeded species become firmly established, whichever comes later. Fencing will meet standards found on page 18 of the Gold Book, 4th Edition, or will be fenced with operational electric fencing.
- C) Revegetation will be accomplished by planting mixed grasses as specified below. Revegetation is recommended for road area as well as around production site.
- D) Initial seedbed preparation will consist of backfilling, leveling, and ripping all compacted areas. Final seedbed preparation will consist of contour cultivating to a depth of 4 to 6 inches within 24 hours prior to seeding. Seeding will be conducted no more than 24 hours following completion of final seedbed preparation. A certified weed-free seed mix designed by BLM to meet reclamation standards will be used. The seed mix will be used on all disturbed surfaces including pipelines and road cut/fill slopes.
- E) Distribute topsoil, if any remains, evenly over the location, and seed according to the above seed mixture. If needed the access road and location shall be ripped or disked prior to seeding. Perennial vegetation must be established. Additional work shall be required in case of seeding failures, etc.
- F) All disturbed areas, including roads, pipelines, pads, production facilities, and interim reclaimed areas will be recontoured to the contour existing prior to initial construction or a contour that blends indistinguishably with the surrounding landscape. Re-salvaged topsoil will be spread evenly over the entire disturbed site to ensure successful revegetation. To help mitigate the contrast of recontoured slopes, reclamation will include measures to feather cleared lines of vegetation and to save and redistribute cleared trees, woody debris, and large rocks over recontoured cut/fill slopes.

12) GENERAL INFORMATION

- A) Project area is situated in the undulated uplands of the Cedar Ridge/Jiggs area.
- B) Topographic and geologic features - moderate relief area, moderately drained, silt deposition, surrounded by rolling uplands with highly eroded drainages.
- C) Soil characteristics – sandy/loam

- D) Flora consists of: Big Sagebrush, Matchbrush, Prickly pear, Blue grama, Bluegrass, Cheatgrass, Crested wheatgrass, Needle and thread, Primrose, and Prairie Junegrass.
- E) Fauna – observed: antelope; assumed: deer, coyotes, rabbits, raptors, and rodents.
- F) Concurrent surface use - grazing and hunting.
- G) Mineral Lessor – Bureau of Land Management
Tuscarora Field Office
3900 E. Idaho St.
Elko, Nevada 89801 Phone: 775-753-0200
- H) Surface Owner
Bureau of Land Management
Tuscarora Field Office
3900 E. Idaho St.
Elko, Nevada 89801 Phone: 775-753-0200
- I) Proximity of water, occupied dwellings or other features: un-named intermittent drainage $\pm 180'$ (0.03miles) to the southwest; flowing into Little Porter Creek.
- J) The archaeological field work is being completed and the information will be contained in a Class III Cultural Resources Inventory for the proposed wellpad and access road. The report will be completed by Cardno ENTRIX and will be submitted under separate cover to BLM.
- K) If any fossils are discovered during construction, the operator shall cease construction immediately and notify the AO so as to determine the significance of the discovery. A Class III (100% pedestrian) cultural resource inventory shall be completed prior to disturbance by a qualified professional archaeologist in the following areas: Well location. A report of the inventory will be submitted and approved by the BLM with stipulations as appropriate in order to comply with EO 11593 and Section 106 of the National Historic Preservation Act of 1966. See Section “General Information – K” above.
- L) The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the AO. The AO will inform the operator as to the work needed to determine the following:
- Whether the materials appear eligible for the National Register of Historic Places;
 - The mitigation measures the operator will likely have to undertake before the site can be used (assuming in site preservation is not necessary); and,
 - A timeframe for the AO to complete an expedited review to acquire the State Historic Preservation Officer’s concurrence that the findings of the AO are correct and that mitigation is appropriate.

- M) EFT Nevada LLC maintains a file, per 29 CFR 1910.1200(g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be transported across these lands may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous substances, EHS, and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

EFT Nevada LLC
Cedar Ridge 1
954' FNL 1,478' FEL (NW/4 NE/4)
Sec. 12 T29N R54E
Elko County, Nevada
Surface: Federal
Federal Mineral Lease: NVN83420

APPLICATION FOR PERMIT TO DRILL
OPERATOR CERTIFICATION

LESSEE'S OR OPERATOR'S REPRESENTATIVE:

Operator

EFT Nevada LLC
12900 Preston Road, Suite 730
Dallas, TX 75230
Phone: 972-458-7468
Fax: 972-386-4753

Rick Bailey: 702-683-0202

Permit Agent

Upstream Petroleum Management, Inc.
7000 S. Yosemite Street, Suite 290B
Englewood, Colorado 80112
Phone: 303-942-0506

+ Kim Rodell – Permit Agent
krodell@upstreampm.com
+ Andrea Gross – Permit Agent
agross@upstreampm.com

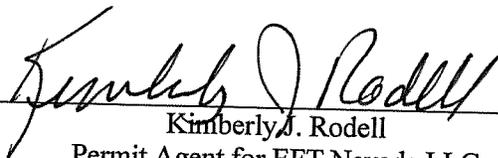
- * Contact to arrange onsite meeting.
- + For any questions or comments regarding this permit.

OPERATOR CERTIFICATION:

I hereby certify that EFT Nevada LLC and its contractors and sub-contractors are responsible for the operations conducted under this application subject to the terms and conditions of the mineral lease. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by EFT Nevada LLC under their lease bond, BLM Bond No. NVB001665.

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of State and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

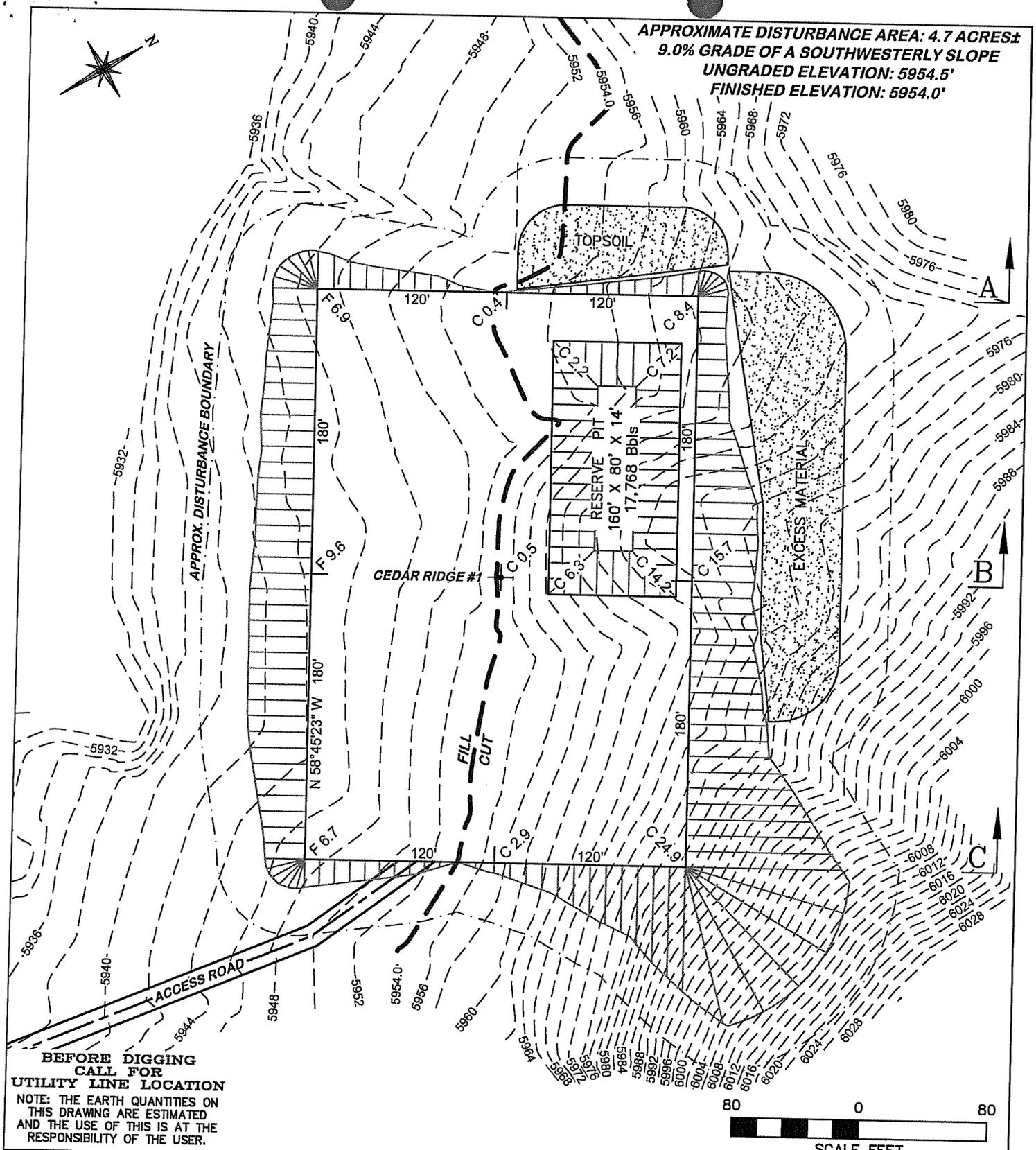
September 30, 2013



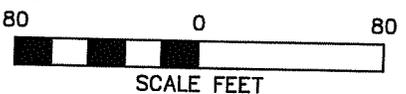
Kimberly J. Rodell
Permit Agent for EFT Nevada LLC



APPROXIMATE DISTURBANCE AREA: 4.7 ACRES±
 9.0% GRADE OF A SOUTHWESTERLY SLOPE
 UNGRADED ELEVATION: 5954.5'
 FINISHED ELEVATION: 5954.0'



**BEFORE DIGGING
 CALL FOR
 UTILITY LINE LOCATION**
 NOTE: THE EARTH QUANTITIES ON
 THIS DRAWING ARE ESTIMATED
 AND THE USE OF THIS IS AT THE
 RESPONSIBILITY OF THE USER.

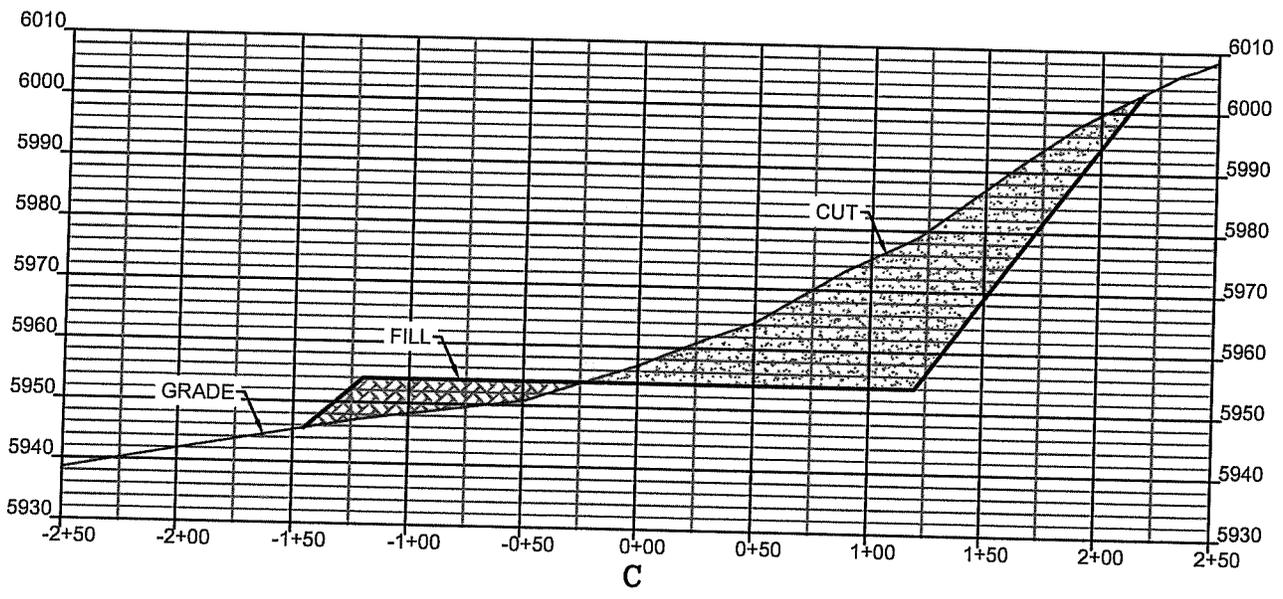
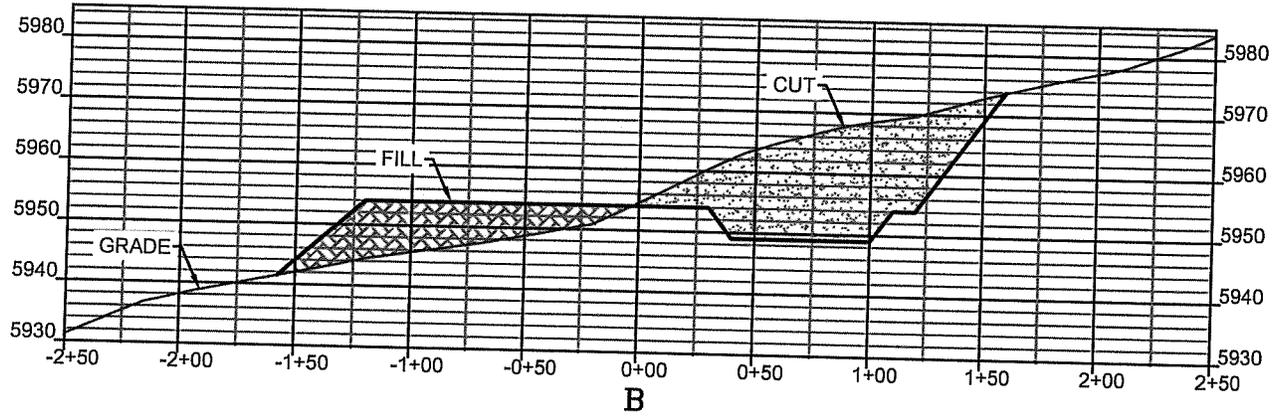
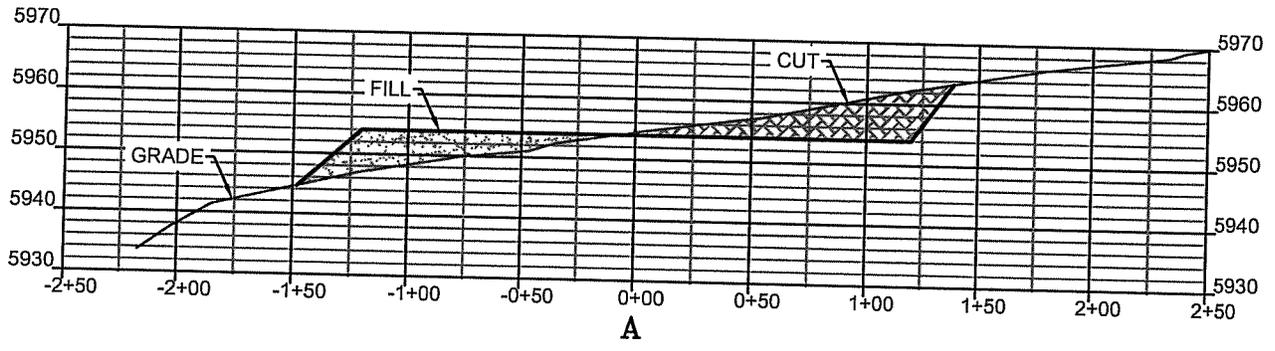


DRG RIFFIN & ASSOCIATES, INC.
 1414 ELK ST., ROCK SPRINGS, WY 82901
 (307) 362-5028

**RIG LAYOUT
 EFT NEVADA
 CEDAR RIDGE #1
 SECTION 12, T29N, R54E**

DRAWN: 09/03/2013 - TKM	SCALE: 1" = 80'
REVISED: NA	DRG JOB No. 20054
EXHIBIT 2	

ESTIMATED EARTHWORK				
ITEM	CUT	FILL	TOPSOIL	EXCESS
PAD	22,052 CY	10,107 CY	1,600 CY	10,345 CY
PIT	3,695 CY			3,695 CY
TOTALS	25,747 CY	10,107 CY	1,600 CY	14,040 CY



 DRG RIFFIN & ASSOCIATES, INC. (307) 362-5028 1414 ELK ST., ROCK SPRINGS, WY 82901	
DRAWN: 09/03/2013 - TKM	HORZ. 1" = 80' VERT. 1" = 30'
REVISED: NA	DRG JOB No. 20054
EXHIBIT 3	

TYPICAL CROSS SECTION
EFT NEVADA
CEDAR RIDGE #1
SECTION 12, T29N, R54E

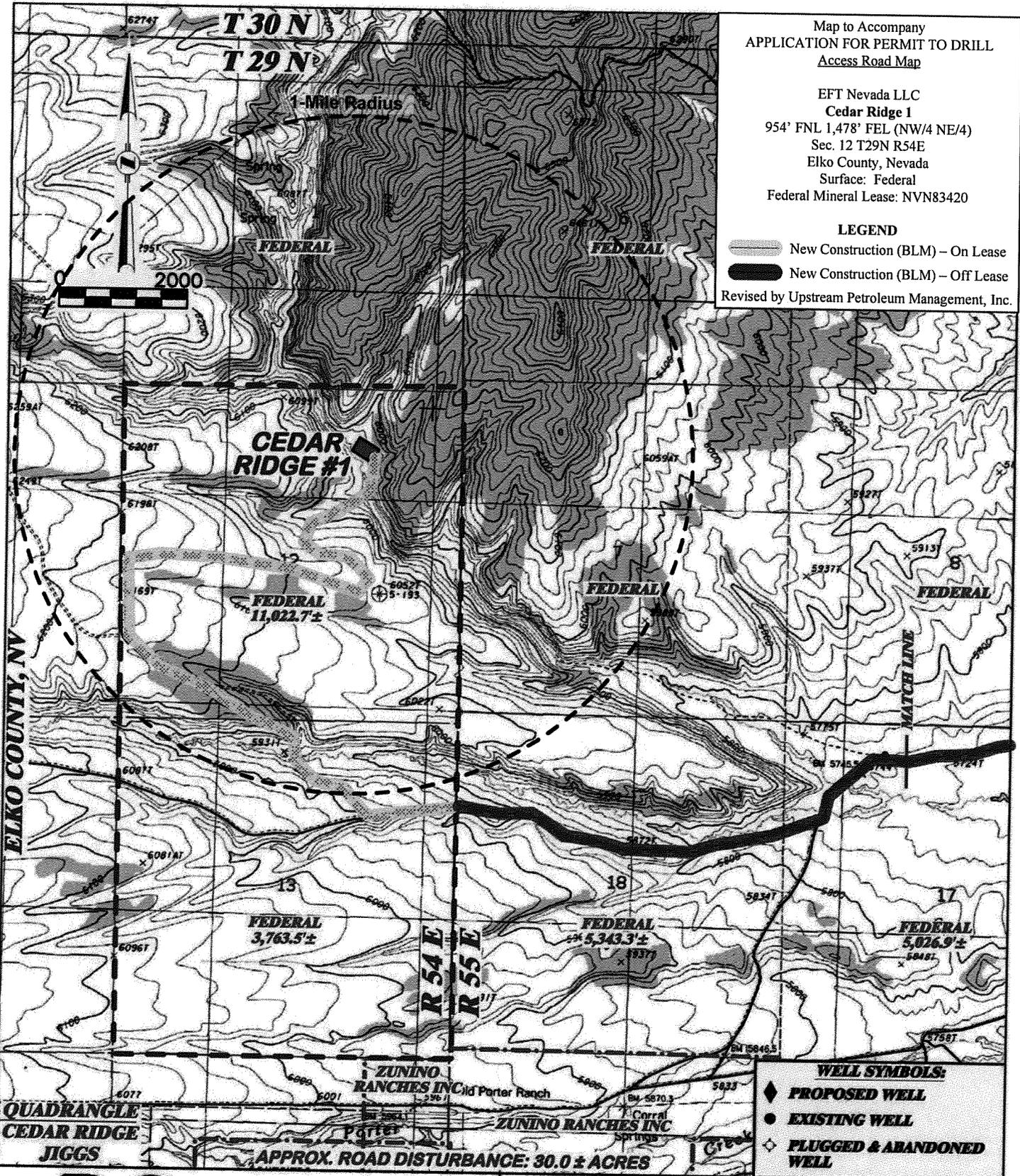
UNGRADED ELEVATION: 5954.5'
FINISHED ELEVATION: 5954.0'

Map to Accompany
APPLICATION FOR PERMIT TO DRILL
Access Road Map

EFT Nevada LLC
Cedar Ridge #1
 954' FNL 1,478' FEL (NW/4 NE/4)
 Sec. 12 T29N R54E
 Elko County, Nevada
 Surface: Federal
 Federal Mineral Lease: NVN83420

LEGEND
 New Construction (BLM) – On Lease
 New Construction (BLM) – Off Lease

Revised by Upstream Petroleum Management, Inc.



WELL SYMBOLS:
 **PROPOSED WELL**
 **EXISTING WELL**
 **PLUGGED & ABANDONED WELL**

DRG RIFFIN & ASSOCIATES, INC.
 (307) 982-8028 1414 ELK ST., ROCK SPRINGS, WY 82901

PROPOSED ACCESS
EFT NEVADA
CEDAR RIDGE #1
SECTION 12, T29N, R54E

PROPOSED ROAD - - - - -	EXISTING ROAD —————
TOTAL LENGTH: 26,109.6' ±	

DRAWN: 09/03/2013 - TKM	SCALE: 1" = 2000'
REVISED: 09/12/2013 - TKM	DRG JOB No. 20054
ACCESS ROAD	EXHIBIT 4 - SHEET 1 OF 4

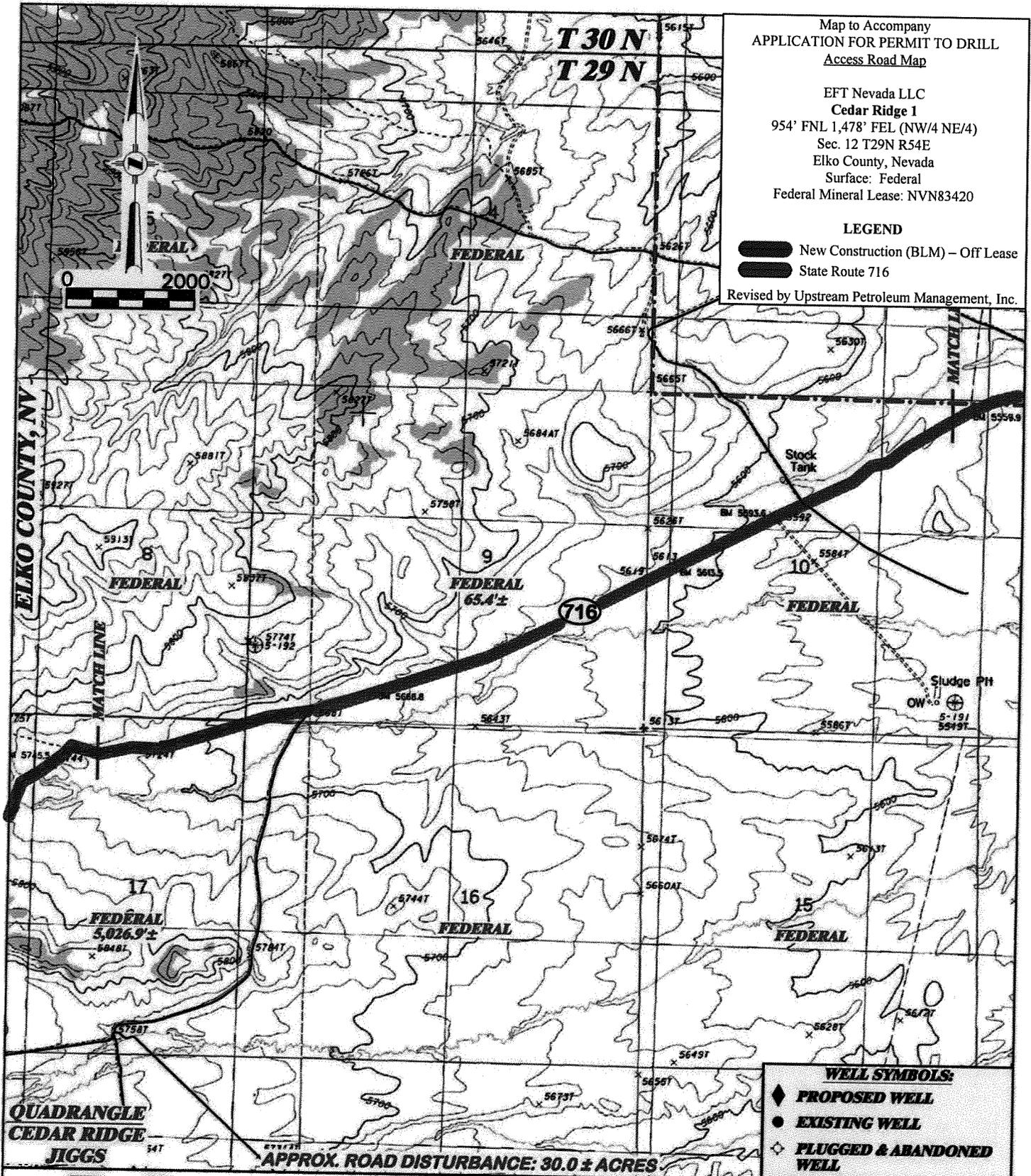
Map to Accompany
APPLICATION FOR PERMIT TO DRILL
Access Road Map

EFT Nevada LLC
Cedar Ridge 1
954' FNL 1,478' FEL (NW/4 NE/4)
Sec. 12 T29N R54E
Elko County, Nevada
Surface: Federal
Federal Mineral Lease: NVN83420

LEGEND

-  New Construction (BLM) – Off Lease
-  State Route 716

Revised by Upstream Petroleum Management, Inc.



WELL SYMBOLS:

-  PROPOSED WELL
-  EXISTING WELL
-  PLUGGED & ABANDONED WELL

APPROX. ROAD DISTURBANCE: 30.0 ± ACRES

DRG RIFFIN & ASSOCIATES, INC.
(307) 363-6028 1414 ELK ST., ROCK SPRINGS, WY 82901

PROPOSED ACCESS
EFT NEVADA
CEDAR RIDGE #1
SECTION 12, T29N, R54E

DRAWN: 09/03/2013 - TKM	SCALE: 1" = 2000'
REVISED: 09/12/2013 - TKM	DRG JOB No. 20054
ACCESS ROAD	EXHIBIT 4 - SHEET 2 OF 4

PROPOSED ROAD 	EXISTING ROAD 
TOTAL LENGTH: 28,109.6' ±	

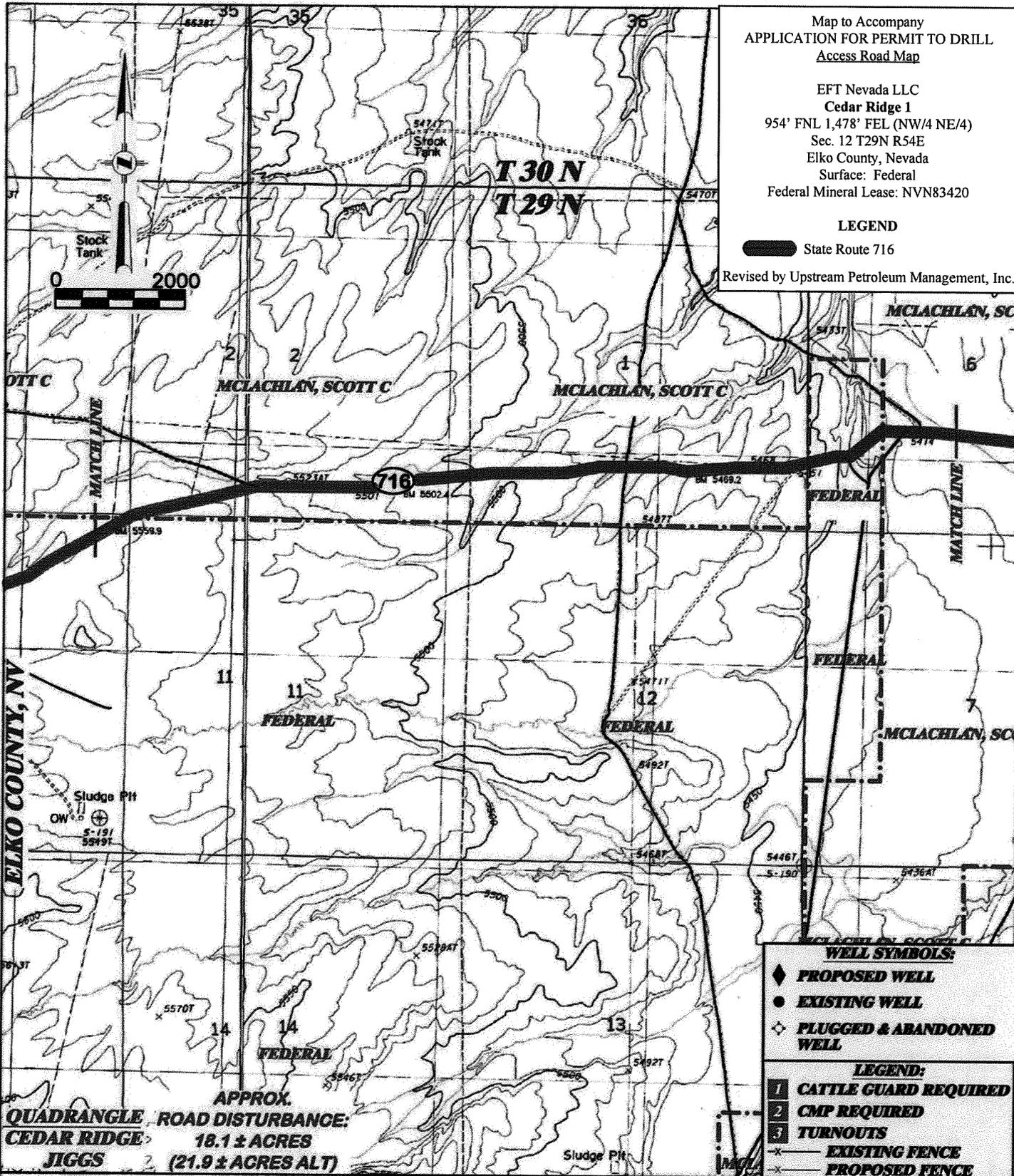
Map to Accompany
APPLICATION FOR PERMIT TO DRILL
Access Road Map

EFT Nevada LLC
Cedar Ridge 1
954' FNL 1,478' FEL (NW/4 NE/4)
Sec. 12 T29N R54E
Elko County, Nevada
Surface: Federal
Federal Mineral Lease: NVN83420

LEGEND

State Route 716

Revised by Upstream Petroleum Management, Inc.



APPROX.
QUADRANGLE ROAD DISTURBANCE:
CEDAR RIDGE 18.1 ± ACRES
JIGGS (21.9 ± ACRES ALT)

WELL SYMBOLS:

- ◆ PROPOSED WELL
- EXISTING WELL
- ◇ PLUGGED & ABANDONED WELL

LEGEND:

- 1 CATTLE GUARD REQUIRED
- 2 CMP REQUIRED
- 3 TURNOUTS
- EXISTING FENCE
- - - - - PROPOSED FENCE



DRG RIFFIN & ASSOCIATES, INC.
1414 ELK ST., ROCK SPRINGS, WY 82901

**PROPOSED ACCESS
EFT NEVADA
CEDAR RIDGE #1
SECTION 12, T29N, R54E**

DRAWN: 09/03/2013 - TKM	SCALE: 1" = 2000'	PROPOSED ROAD - - - - -	EXISTING ROAD ———
REVISED: NA	DRG JOB No. 20054	ALTERNATE ROAD - - - - -	
EXHIBIT 4 - SHEET 3 OF 4			

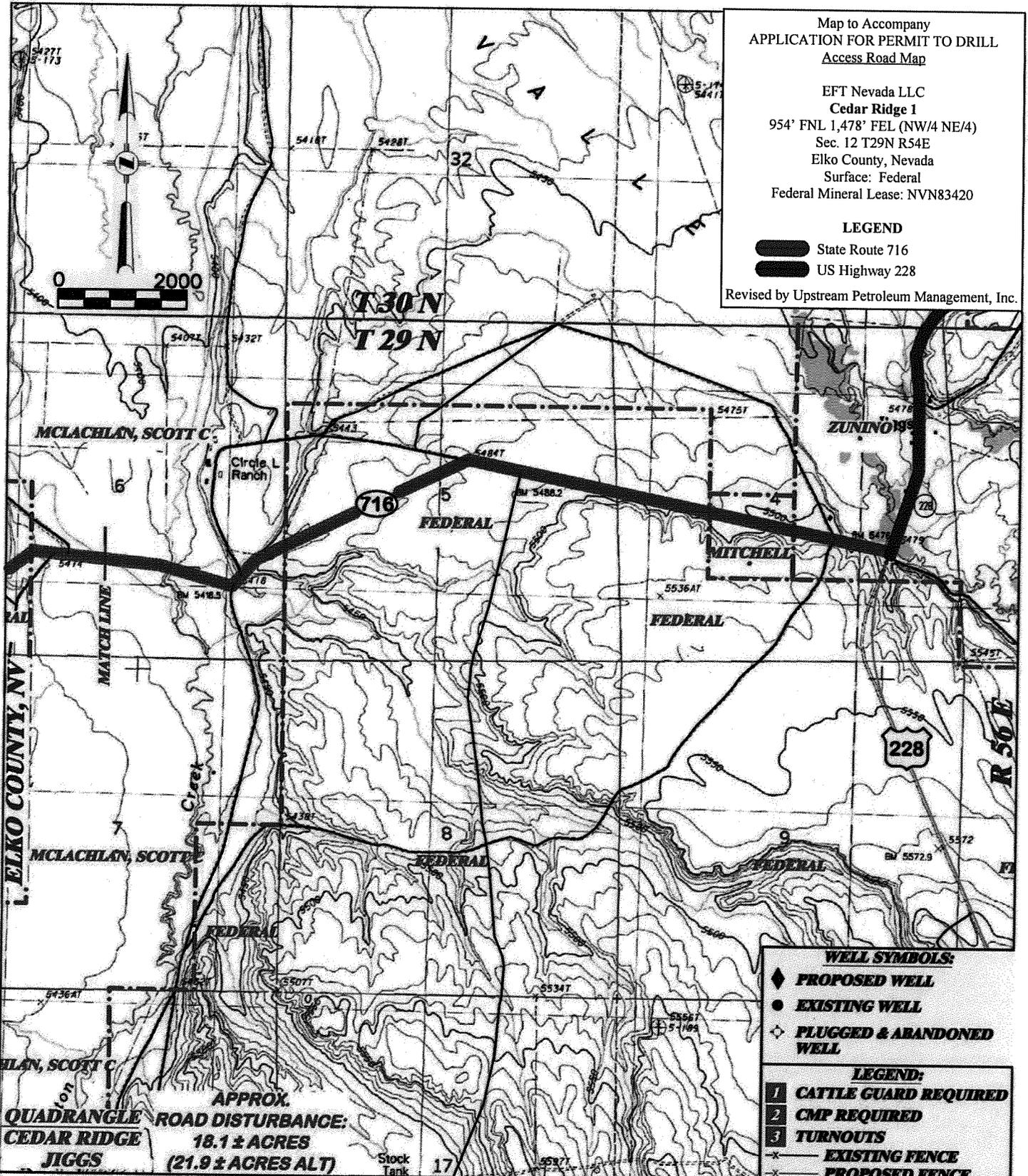
Map to Accompany
APPLICATION FOR PERMIT TO DRILL
Access Road Map

EFT Nevada LLC
Cedar Ridge 1
954' FNL 1,478' FEL (NW/4 NE/4)
Sec. 12 T29N R54E
Elko County, Nevada
Surface: Federal
Federal Mineral Lease: NVN83420

LEGEND

-  State Route 716
-  US Highway 228

Revised by Upstream Petroleum Management, Inc.



WELL SYMBOLS:

-  PROPOSED WELL
-  EXISTING WELL
-  PLUGGED & ABANDONED WELL

LEGEND:

-  1 CATTLE GUARD REQUIRED
-  2 CMP REQUIRED
-  3 TURNOUTS
-  - - - - - EXISTING FENCE
-  - - - - - PROPOSED FENCE

APPROX. QUADRANGLE ROAD DISTURBANCE:
CEDAR RIDGE 18.1 ± ACRES
JIGGS (21.9 ± ACRES ALT)



RIFFIN & ASSOCIATES, INC.
1414 ELK ST., ROCK SPRINGS, WY 82901

(307) 982-0028

DRAWN: 09/03/2013 - TKM

SCALE: 1" = 2000'

REVISED: NA

DRG JOB No. 20054

EXHIBIT 4 - SHEET 4 OF 4

PROPOSED ACCESS
EFT NEVADA
CEDAR RIDGE #1
SECTION 12, T29N, R54E

PROPOSED ROAD - - - - -

EXISTING ROAD - - - - -

ALTERNATE ROAD - - - - -

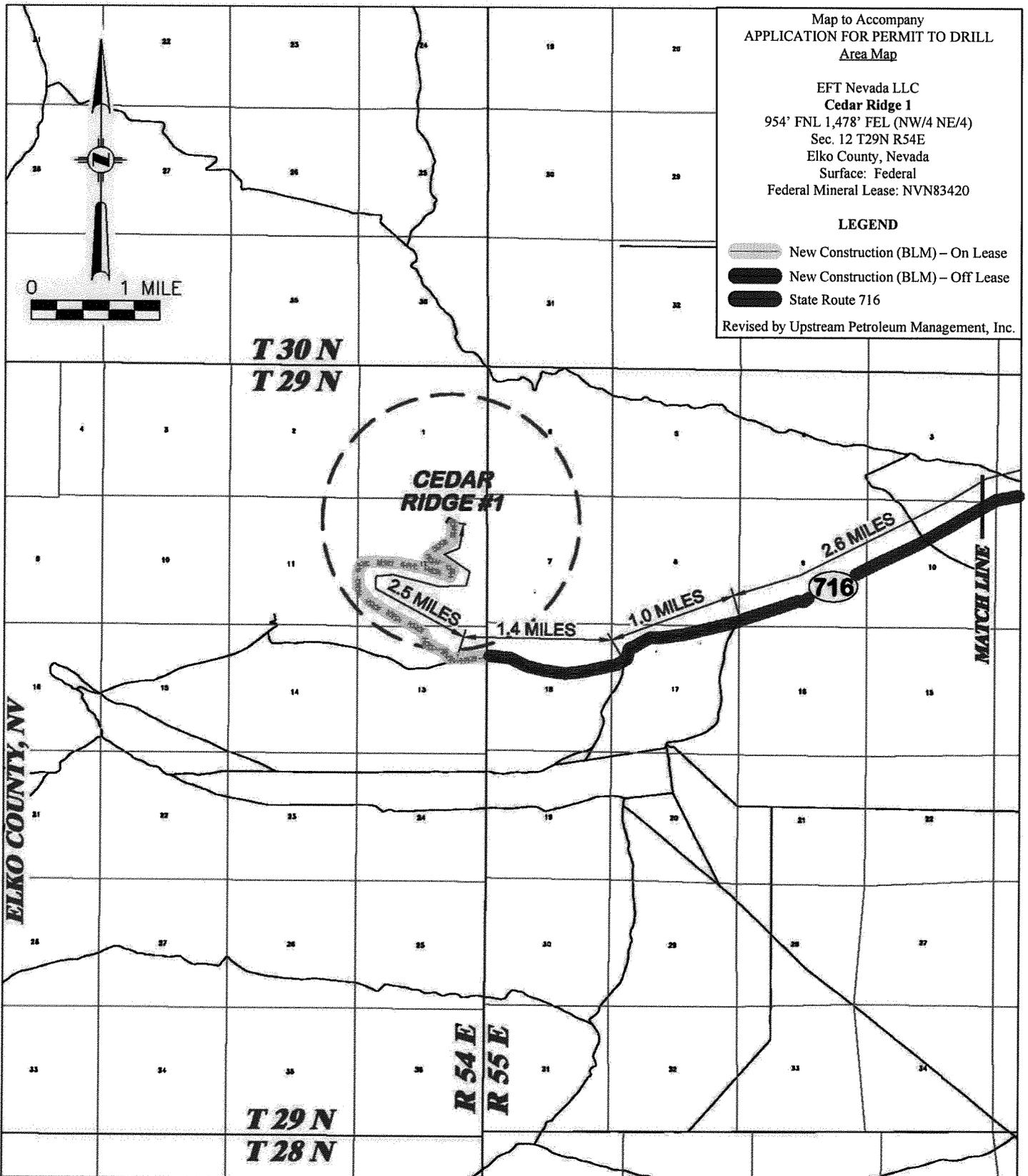
Map to Accompany
APPLICATION FOR PERMIT TO DRILL
Area Map

EFT Nevada LLC
Cedar Ridge 1
954' FNL 1,478' FEL (NW/4 NE/4)
Sec. 12 T29N R54E
Elko County, Nevada
Surface: Federal
Federal Mineral Lease: NVN83420

LEGEND

-  New Construction (BLM) – On Lease
-  New Construction (BLM) – Off Lease
-  State Route 716

Revised by Upstream Petroleum Management, Inc.



DRG RIFFIN & ASSOCIATES, INC.
1414 ELK ST., ROCK SPRINGS, WY 82801

PROPOSED ROAD ROUTE MAP
EFT NEVADA
CEDAR RIDGE #1
SECTION 12, T29N, R54E

DRAWN: 09/03/2013 - TKM

SCALE: 1" = MILE

REVISED: 09/12/2013 - TKM

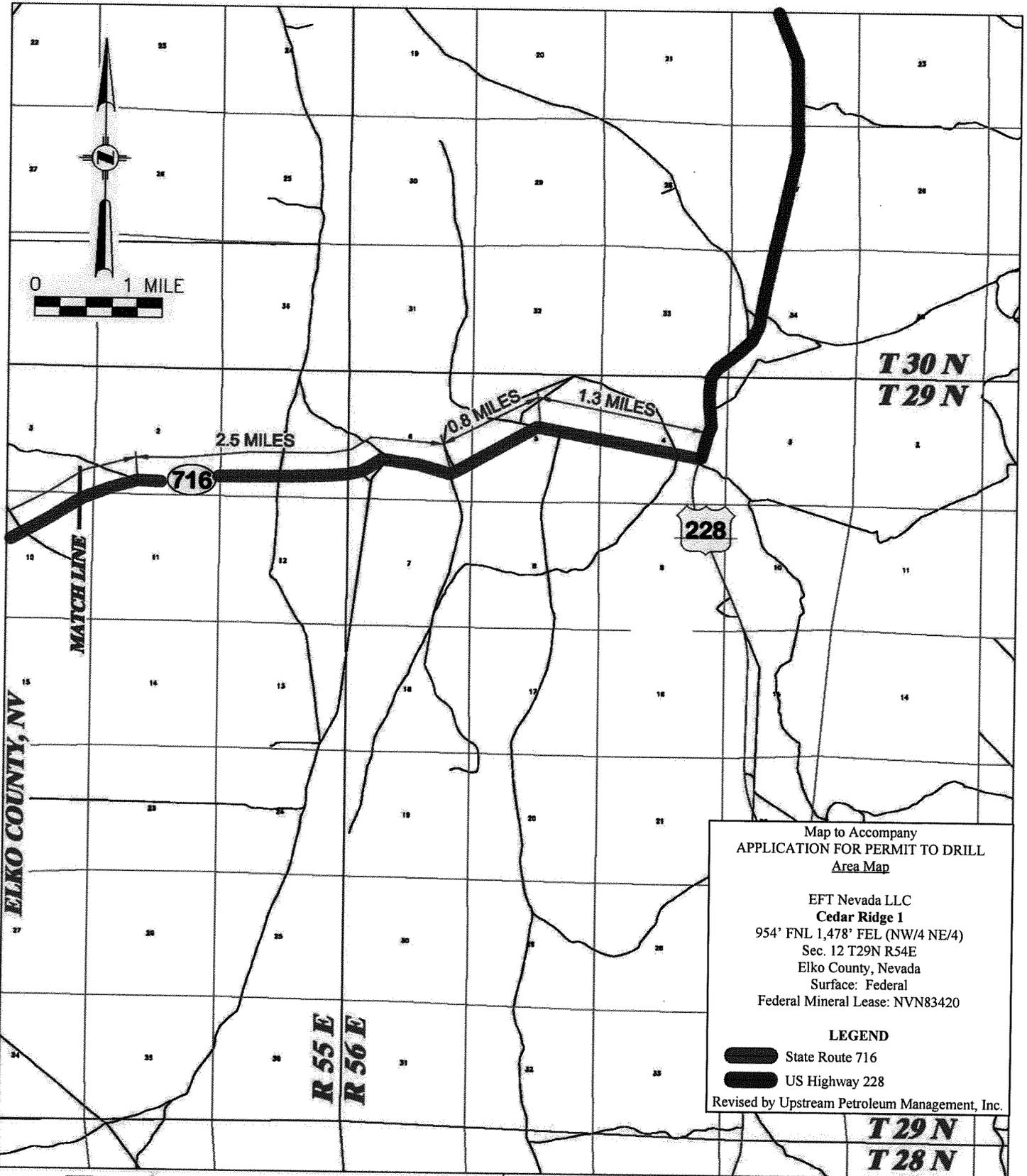
DRG JOB No. 20054

ACCESS ROAD

EXHIBIT 5 - SHEET 1 OF 2

PROPOSED ROAD - - - - -

EXISTING ROAD —————



Map to Accompany
 APPLICATION FOR PERMIT TO DRILL
 Area Map

EFT Nevada LLC
 Cedar Ridge 1
 954' FNL 1,478' FEL (NW/4 NE/4)
 Sec. 12 T29N R54E
 Elko County, Nevada
 Surface: Federal
 Federal Mineral Lease: NVN83420

LEGEND

State Route 716
 US Highway 228

Revised by Upstream Petroleum Management, Inc.

T 29 N
 T 28 N

DRG RIFFIN & ASSOCIATES, INC.
 1414 ELK ST., ROCK SPRINGS, WY 82901

PROPOSED ROAD ROUTE MAP
EFT NEVADA
CEDAR RIDGE #1
SECTION 12, T29N, R54E

DRAWN: 08/03/2013 - TKM	SCALE: 1" = MILE	PROPOSED ROAD - - - - -	EXISTING ROAD - - - - -
REVISED: NA	DRG JOB No. 20054	ALTERNATE ROAD - - - - -	
EXHIBIT 5 - SHEET 2 OF 2			