

2014 APR -7 PM 1:03



KIM S COLTON
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April 4, 2014

Bureau of Land Management
Attn: Branch of Minerals
Justin Abernathy,
Fluid Minerals Leasing Coordinator
440 West 200 South, Suite 500
Salt Lake City, UT 84101-1345

VANCOTT, BAGLEY,
CORNWALL &
MCCARTHY, P.C.
ESTABLISHED 1874

RE: Expression of Interest

Dear Mr. Abernathy:

We represent Principio Resource Company, LLC, a Colorado limited liability company ("Principio"). Principio submits this Expression of Interest for competitive lease sale(s) involving oil and gas within the Harley Dome field. Principio is specifically interested in helium production from two potential leasing units. The desired leasing units are comprised of the following described lands, all of which are in Grand County, Utah:

Desired Leasing Unit #1:

Township 18 South, Range 25 East, Salt Lake Meridian

Section 23: All
Section 26: All
Section 29: N1/2, SE1/4
Section 34: N1/2
Section 35: NE1/4NE1/4, W1/2SE1/4, SW1/4
(containing 2,360.00 acres, more or less).

Desired Leasing Unit #2:

Township 19 South, Range 25 East, Salt Lake Meridian

Section 5: All
Section 8: All
Section 9: W1/2
(containing 1596.94 acres, more or less).

Our research of the relevant land records shows that all of the above-referenced lands are federally-owned surface and mineral estates and that Bureau of Land Management manages the surface of all of these lands.

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Expression of Interest
April 4, 2014
Page 2

VANCOTT

Principio requests that the lands described above be included in the next competitive oil and gas lease sale of properties managed by the Canyon Country District Office. We understand the next lease sale for Canyon Country is tentatively scheduled for February 17, 2015. Again, should Principio be the high bidder for these potential leasing units, it intends to seek a helium waiver.

Communication regarding this Expression of Interest should be directed to me or to Travis Stewart, President of Principio. Mr. Stewart's contact information is as follows:

Travis Stewart, President
Principio Resource Company, LLC
PO Box 1319
Carbondale, CO 81623
(970) 963-2296
tjs@ws-materials.com

Thank you for your attention to this Expression of Interest. Please call if you have questions or if this Expression of Interest is inadequate in any way.

Sincerely,

VAN COTT, BAGLEY, CORNWALL & MCCARTHY, P.C.



Kim S Colton

KSC:msb
cc: Travis Stewart