

**RYAN GULCH 3C/3D GEOPHYSICAL SURVEY
GREEN RIVER ENERGY RESOURCES, INC**

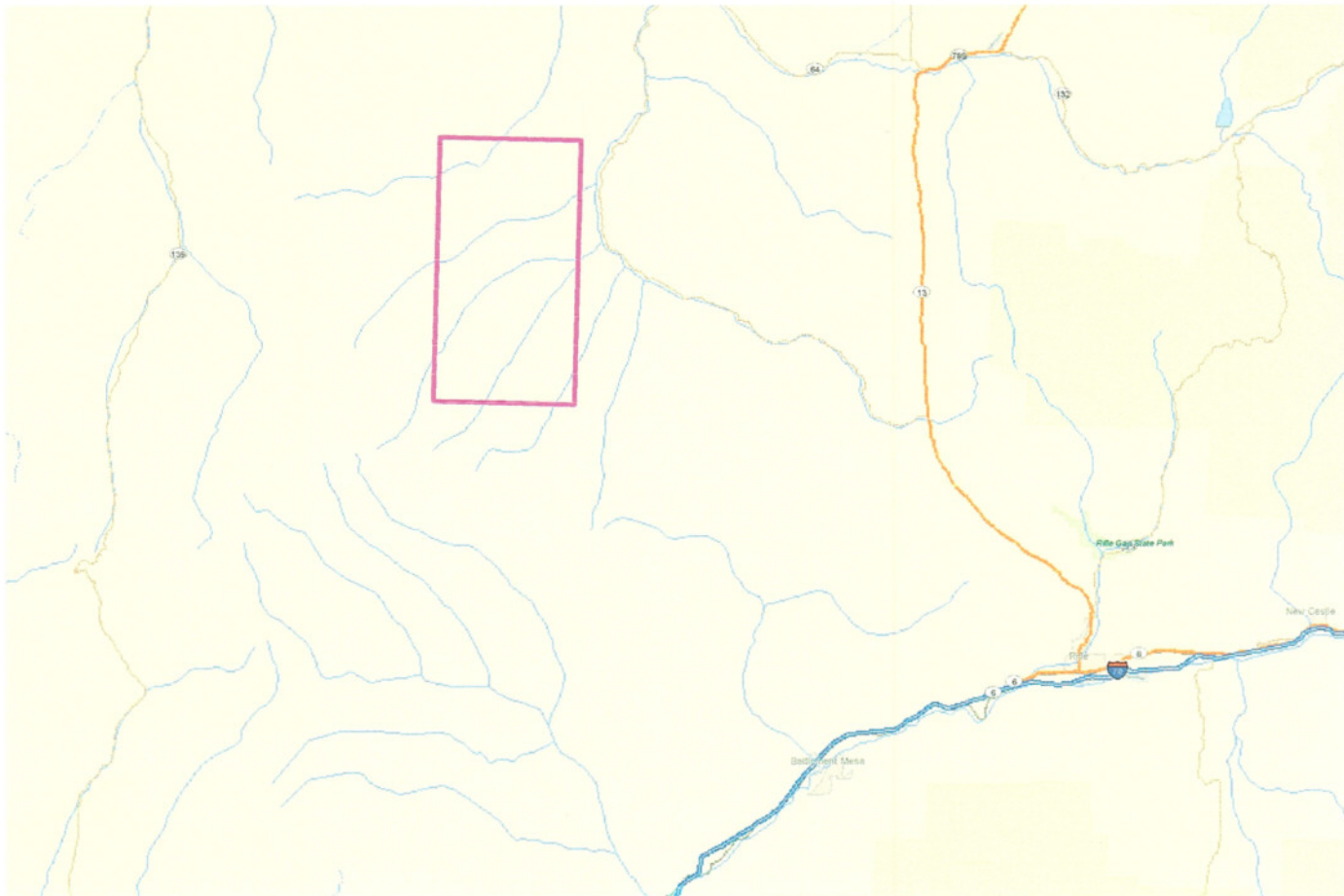
On behalf of:

WILLIAMS PRODUCTION RMT Co.

**BUREAU OF LAND MANAGEMENT
WHITE RIVER RESOURCE AREA**

STATEMENT OF OPERATIONS

July 11, 2008



INTRODUCTION

Green River Energy Resources (GRER) proposes to conduct an exploratory, three-dimensional (3D), geophysical survey of the Ryan Gulch project area using 3 Component (3C MEMS) sensors. This technologically superior method will be the first full scale 3D/3C in the area. WILLIAMS PRODUCTION RMT Co. the majority mineral holder for the program has elected to use this advanced method of recording technology so that data gathered may benefit field development well into the future.

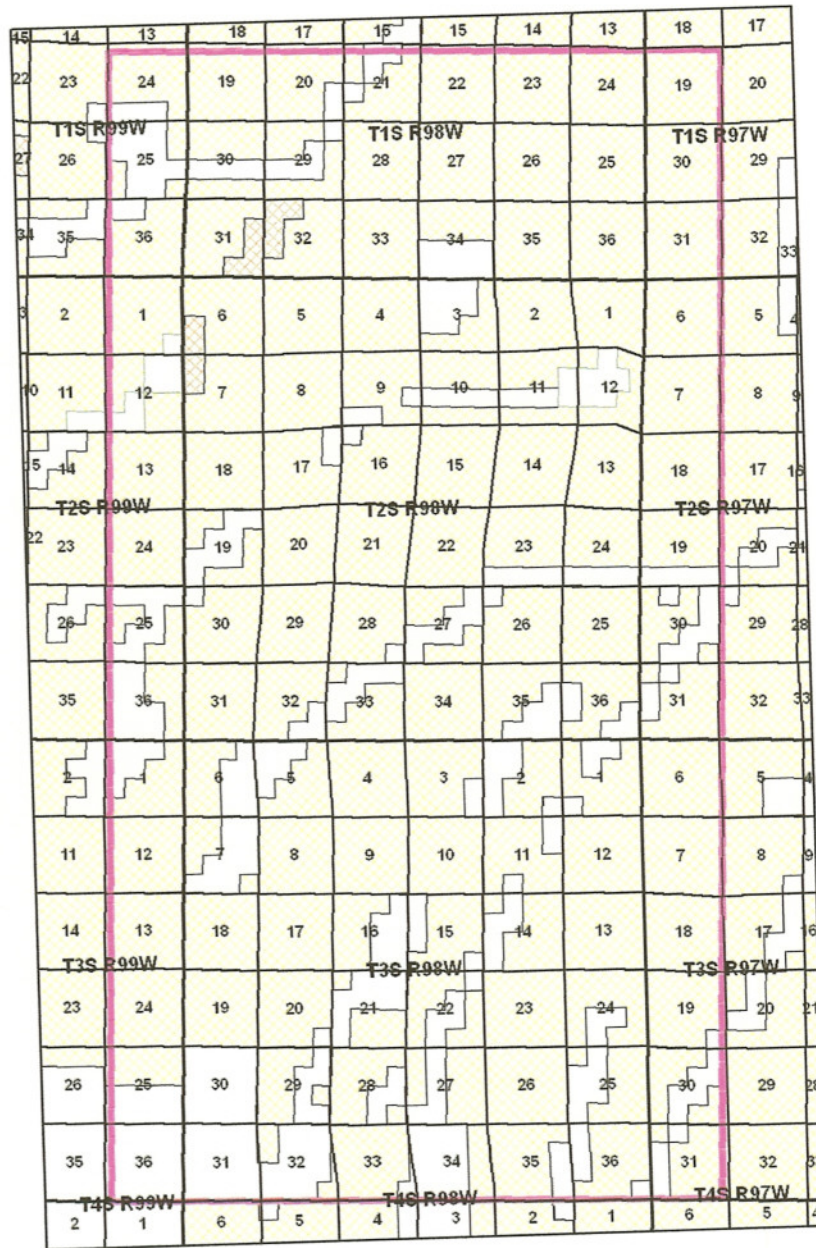
The proposed program is approximately 117.19 square miles in size and is located in Townships 1, 2 and 3 South and Ranges 97, 98 and 99 West in Rio Blanco County, Colorado. This survey will provide data to develop a 3 dimensional image of the geologic structure and stratigraphy underlying the project area. The survey area includes federal lands administered by the US Bureau of Land Management (94.80 square miles), Colorado Division of Wildlife (0.77 square miles) and private fee lands (21.62 square miles). The data generated from this survey will significantly enhance evaluation of the potential mineral resources under federal lease, thus reducing the potential for non-productive wells and associated construction of new roads, well pads, pipelines, etc. Administrative activities associated with downstream oil and gas actions would also be significantly reduced by virtue of the increased accuracy of drilling objectives facilitated by this 3C/3D seismograph survey.

All operations will be conducted in accordance with BLM's Best Management Practices (BMP) and in compliance with Conditions of Approval (COA) developed through cooperation with the Bureau of Land Management White River Resource Area. **We request that the copies of this plan be distributed to any and all resource specialists who may be involved in this project or may have need to comment on these activities.**

OPERATIONS SCHEDULE

<u>OPERATION</u>	<u>COMMENCEMENT DATE</u>
Phase I Surveying and Permitting	November 2008 – January, 2009
Phase II Drilling	January – April, 2009
Phase III Recording	March – May, 2009
Phase IV Clean-up and Completion	May, 2009

RYAN GULCH Surface Ownership Map



- Legend**
-  Outline
 - NAME**
 -  Private
 -  BLM
 -  Colorado DOW

SCOPE OF PROGRAM

The proposed seismic project will involve a total of 26 lines of source points and 68 lines of receiver (geophone) stations. A total of 3024 stations with 1 Three-Component (MEMS) geophone per station will be active for the actual recording of each individual source point. WILLIAMS PRODUCTION RMT Co. has determined that studies on 3C data in a small pilot area of the nearby Rulison field, as completed by Colorado School of Mines, show significant preliminary results. The Ryan Gulch 3D/3C will follow up this academic work done by CSM through acquisition of a 3C survey on a larger scale that will be statistically significant and allow further investigation of shear wave data into the reservoir characterization model.

Receivers for the survey will be spaced at line intervals of 990 feet and station intervals of 165 feet for a total of approximately 20,250 receiver points (173 per square mile). The source lines will be spaced at intervals of 1,650 feet and source points will be at a 165-foot interval for a total of approximately 12,480 source-points (106 per square mile). The ideal configuration may be marginally modified due to topographic constraints, cultural or other resource avoidance areas. Due to the complex geological objective of this survey, it is beneficial to the integrity of the geophysical data that relocation of source points is kept to a minimum and that the receivers are positioned as closely as possible to the proposed locations.

Methods of generating sonic energy sources will include shot-hole operations. Drilling of the source points will be completed with the use of articulated buggy drills and heliportable drills. Areas not accessible by the buggies drills will be drilled and loaded by the heliportable drills. The exact number of each type of the various drill sources will be determined once the source-point survey phase of the job has been completed. Due to the moderate to steep terrain on the Ryan Gulch project the majority of the shotholes expected to be drilled using heliportable drills.

CHRONOLOGY OF PROJECT ACTIVITIES

Geophysical survey activities are planned to proceed systematically from the northern most point of the project area and continue working southward through project completion. Specific activities in order of occurrence will include:

1. Permitting of private, state and federal land for surface and mineral interests. Activities occurring on BLM lands will commence following consideration of appropriate permit processes with respect to geophysical exploration within the Ryan Gulch federal unit. All aspects of NEPA compliance will be met either through Categorical Exclusion (CX) or Environmental Assessment (EA) and upon receipt of White River Field Office notice to proceed.

| Buggy Drilling Operation



Heliportable Drills

For source locations located off road/trail that cannot be safely reached by buggy drills, the heliportable drills will be used to access and drill shot hole locations within the more rugged or steeper terrain. Surface disturbance by heliportable drill operations will result in a 4 to 5-inch diameter borehole from which cuttings will radially extend approximately 3 to 4 feet.

The components of a heliportable drilling system consist of the drill, engine and mast and the compressor including drill stem, tools, etc. The weight of these items depends largely upon the depth of the shothole to be drilled and lift capacity of the helicopter is determined by the weight of the various components. For work in the Ryan Gulch 3C/3D area, 2 passes of the helicopter may be anticipated for each source position and 2 passes will be required to reposition the equipment to the next source point. Each pass will consist of less than one

minute of actual flight over the source location and the remainder of the daily flight time will consist of going to and from each source point or delivering personnel to the sight. Typically, around 3 - 4 flight hours per day are necessary to support an operation such as the Ryan Gulch 3C/3D, resulting in a total of 30 - 40 holes per day.

Heliportable Drill Operation



Shothole Parameters and BATF Regulatory Authority

All shotholes will be bored to a depth of 60 feet and loaded with an explosive charge of 11 pounds developed specifically for seismograph operations. (MSDS information available upon request.) The contract geophysical crew will detonate the explosives set in drilled shotholes located by Green River Energy Resources, Inc. GRER operates under Bureau of Alcohol, Tobacco and Firearms (BATF) License 9-MT-029-33-8D-00367 and in accordance with Title 27, Code of Federal Regulations Part 55 – Commerce in Explosives. All employee possessors are specifically authorized through BATF to handle and transport explosives, and ultimate responsibility for explosives handling rests with the principals of GRER.

Each shothole will be detonated individually. Detonation will be triggered from a

central control truck (“recorder”) stationed on an existing road/trail and according to operational logistics as determined by the recording contractor. In the event that a detonated shothole blows the plug and the drill cuttings out of the hole (a blowout), the surface will be repaired as part of line restoration/reclamation, including re-plugging and replacing the hole packing materials with drill cuttings and soil materials that were expelled by the blast from the hole. Based on experience in similar geologic settings, blowouts are quite unlikely to occur.

RECORDING OPERATIONS

Data Acquisition

Source point recording activities will progress from the northern end of the project, recording each swath of shotpoints in an east to west direction and progressing southward until recording operations are complete. The recording truck containing the command and control equipment for personnel communications, data collection, shotpoint initiation and trouble shooting can usually be located on an existing road or trail. Shothole recording as well as management of the active geophone array will be centralized in this location. Each shothole will be detonated between 18-line groups of active 3 Component Sensor (MEMS) stations. It is important to understand, when determining the Area of Potential Effect (APE), that the recording of each individual shotpoint is a separate event connected to the next shotpoint only through seismic processing procedures using computers located in Denver, Houston and other major cities around the United States. The Ryan Gulch Project will be conducted according to the offset parameters as defined within BLM Release 3-330 H-3150-1 dated January 9, 2007 for a charge size of 11 lbs at a depth of 60 feet .

Field Logistics

Recording equipment will initially be transported to the field and to staging areas by truck using existing roads and trails. Sufficient equipment to lay out six sets of geophones, one length of seismic cable with their associated battery and field recording boxes will be placed in reinforced nylon cache bags at helicopter landing sites and flown to the pre-determined, flagged locations for stations along each receiver line. One helicopter will be used for the recording operation and will operate only in daylight hours ferrying the receiver-station cache bags. The helicopter will move six to eight cache bags at a time suspended from a “long-line.” The helicopter will operate at an altitude of approximately 100 to 1,000 feet above the receiver lines and deposit one bag at a time at the GPS pin flagged locations provided by the surveyors.

A Typical Staging Area



Personnel will be organized into working teams (crews) of 4 to 6 personnel. These groups will operate at intervals of 1 to 3 miles separation throughout the project area. Crewmembers will walk to the first dropped cache bag on their receiver line, prepare and connect the station and manually deploy cables and geophones. Seismic cable and geophones connected to the field recording unit (a cubic box 10" X 10" X 8" in height) will be laid out by hand around each station in a pre-determined pattern. The geophones will be mounted on a four-inch spike and placed into the soil or snow using foot pressure. The crewmember will then proceed on foot to the second bag and repeat the set up. Cables and geophones will be laid out in this manner at each station across the project area. Approximately 3024 3C sensor stations will be active at any time throughout the data acquisition task. Individual troubleshooters (3 to 5 personnel) will repair any line problems that may arise during the recording operations. Troubleshooting operations will be done in pickup trucks on existing roads and trails and with ATV's for off-road access to receiver and source lines. Crewmembers will carpool daily to the project area in the morning and return to Meeker, Colorado in the evening. In the event that motel accommodations are not available in the area Green River will provide a man-camp onsite and in accordance with BLM specifications. A total of approximately 40 crewmembers will conduct operations

for 10 to 12 hours per day. Green River will cooperate with BLM to determine ingress/egress procedures necessary to minimize the effect of geophysical survey activities on recreational interests in this area such as may be present during winter and spring operations. Field logistics, as determined by the geophysical contractor, may result in certain variations of these procedures and BLM will be informed of any significant changes.

Support Operations

All equipment will be initially brought to the project area by 4 or 5 transport trucks/tractor trailers as part of project mobilization. GRER will consult with BLM and local land owners to identify potential staging areas at convenient locations throughout the project. Existing well pads and maintained facilities will be given preference and all equipment and vehicle storage will be located within the perimeter of these staging areas. Smaller staging areas of less duration will be located along trails and roads throughout the project and will be used to expedite the deployment and retrieval of equipment. The magazines containing seismic charges will be located on non-federal property when possible (in accordance with BATF regulations) to minimize public access and to optimize public safety. The helicopter will typically land at these staging areas; however, it may also land adjacent to existing road and trail intersections to pick up or drop off equipment or personnel.

CLEANUP AND DEMOBILIZATION

After recording the source points the recording equipment will be retrieved on foot and bagged, reversing the placement procedure, and moved to the staging area by helicopter in preparation for demobilization. The task of project clean up will proceed concurrently with data acquisition. All pin flags, flagging, lathe and related seismic debris will be gathered daily as the field groups and crew members complete data-acquisition portions of the project. The debris will be collected at points on roads or trails and transported by vehicle or helicopter to staging areas where personnel will organize materials, handle equipment, and dispose of used/unusable materials. Materials disposal will occur at approved facilities or local land-fills. Lines will be inspected by Green River management personnel prior to departure of the recording crew to insure the project has been reclaimed according to the White River Field Office specifications. In the event that any materials are buried by snow these lines will be revisited and materials reclaimed once the snow has melted.

SURFACE DISTURBANCE AND CRITICAL WINTER RANGE

Green River will provide a BLM approved 3rd Party QA/QC Monitor, to assure compliance with regard to the Ryan Gulch Conditions of Approval (COA). Surface use associated with the proposed project would result from drilling shotholes, using existing roads and trails, traveling cross-country along source lines and using previously cleared areas for storage and staging. Access within the project area may be limited by moderate to steep terrain. Disturbance occurring as the result of the geophysical survey operations being conducted over snow and frozen ground will be negligible. To demonstrate this, Green River will provide upon request, recent monitoring reports completed in cooperation with the Kremmling BLM Field Office in Jackson County, Colorado during the winter of 2007 – 2008.

In the event that wintering ungulates are found to be present during the proposed operating schedule, Green River will contract a BLM approved wildlife biologist to monitor the behavior and condition of these big game to determine what impacts, if any, are experienced in relationship to the transient seismic operations. In the event that seismic activities are determined detrimental to the animals, all operations will cease until such time as they may be conducted without impacts to wintering wildlife.

BLM AUTHORIZED OFFICER

This Statement of Operations is provided as supplement to the Notice of Intent submitted July 2, 2008, for the benefit of the BLM Authorized Officer of the White River Field Office. We request that the copies be distributed to any and all resource specialists who may be involved in this project or may have need to comment on these activities. We look forward to discussing these operations at your earliest convenience and propose meeting in Meeker during the week of July 21, 2008. Should any questions arise in the meantime, please contact me at 208 761 3300 or General Manager, Mike Simons at 713 806 1956. The Ryan Gulch 3C/3D Project Manager, John Stephens may be reached at 573 247 4434.

Thank you,

Green River Energy Resources, Inc.

DeWitt A. Morris, President