

(b)(6)

OMB No. 1615-0061; Expires 01/31/2015

Department of Homeland Security
U.S. Citizenship and Immigration Services

**Form I-924A,
Supplement to Form I-924**

Part 1. Information About Principal of the Regional Center

Name: Last Mao	First Michael	Middle
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In Care Of:

Street Address/P.O. Box: 27 North 27th St Suite 2100

City: Billings	State: MT <input checked="" type="radio"/>	Zip Code: 59101
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<input type="text"/>	Fax Number (include area code): 406-839-2389	Telephone Number (include area code): <input type="text"/>
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Web site address:

USCIS-assigned number for the Designated Regional Center (attach the Regional Center's most recently issued approval notice) 1131850351

Part 2. Application Type (check one)

- a. Supplement for the Fiscal Year Ending September 30, 2013 (YYYY)
- b. Supplement for a Series of Fiscal Years Beginning on October 1, (YYYY) and Ending on September 30, (YYYY)

Part 3. Information About the Regional Center

(Use a continuation sheet, if needed, to provide information for additional management companies/agencies, regional center principals, agents, individuals, or entities who are or will be involved in the management, oversight, and administration of the regional center.)

A. Name of Regional Center: USA Montana Energy Regional Center

Street Address/P.O. Box: 27 North 27th St Suite 2100

City: Billings	State: MT <input checked="" type="radio"/>	Zip Code: 59101
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Web site Address: www.mtenergy.org	Fax Number (include area code): 406-839-2389	Telephone (include area code): <input type="text"/>
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B. Name of Managing Company/Agency:

Street Address/P.O. Box:

City:	State: <input checked="" type="radio"/>	Zip Code:
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Web site Address:	Fax Number (include area code):	Telephone (include area code):
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C. Name of Other Agent:

Street Address/P.O. Box:

City:	State: <input checked="" type="radio"/>	Zip Code:
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Web site Address:	Fax Number (include area code):	Telephone (include area code):
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RCW1401351646

egarcia2 1924A 01/06/2014

0900030 RECD CSC*14JAN 6 15:26

Part 3. Information About the Regional Center (Continued)

Answer the following questions for the time period identified in **Part 2** of this form. **Note:** If extra space is needed to complete any item, attach a continuation sheet, indicate the item number, and provide the response.

- (b)(4) 1. Identify the aggregate EB-5 capital investment and job creation has been the focus of EB-5 capital investments sponsored through the regional center. (Note: Separately identify jobs maintained through investments in "troubled businesses.")

--

2. Identify each industry that has been the focus of EB-5 capital investments sponsored through the Regional Center, and the resulting aggregate EB-5 capital investment and job creation. (Note: Separately identify jobs maintained through investments in "troubled businesses".)

a. Industry Category Title: N/A		NAICS Code for the Industry Category _____
Aggregate EB-5 Capital Investment:	Aggregate Direct and Indirect Job Creation:	Aggregate Jobs Maintained:
b. Industry Category Title:		NAICS Code for the Industry Category _____
Aggregate EB-5 Capital Investment:	Aggregate Direct and Indirect Job Creation:	Aggregate Jobs Maintained:
c. Industry Category Title:		NAICS Code for the Industry Category _____
Aggregate EB-5 Capital Investment:	Aggregate Direct and Indirect Job Creation:	Aggregate Jobs Maintained:

3. Provide the following information for each job creating commercial enterprise located within the geographic scope of your regional center that has received EB-5 investor capital:

a. Name of Commercial Enterprise: N/A		Industry Category Title:	
Address (Street Number and Name):	City:	State: <input checked="" type="radio"/>	Zip Code:
Aggregate EB-5 Capital Investment:	Aggregate Direct and Indirect Job Creation:	Aggregate Jobs Maintained:	
Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? <input type="checkbox"/> No <input type="checkbox"/> Yes			

Part 3. Information About the Regional Center (Continued)

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

(1) Business Name:		Industry Category Title:	
Address (Street Number and Name):	City:	State: ●	Zip Code:
EB-5 Capital Investment:	Direct and Indirect Job Creation:	Jobs Maintained:	
(2) Business Name		Industry Category Title:	
Address (Street Number and Name):	City:	State: ●	Zip Code:
EB-5 Capital Investment:	Direct and Indirect Job Creation:	Jobs Maintained:	

b. Name of Commercial Enterprise: N/A		Industry Category Title:	
Address (Street Number and Name):	City:	State: ●	Zip Code:
Aggregate EB-5 Capital Investment:	Aggregate Direct and Indirect Job Creation:	Aggregate Jobs Maintained:	

Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? No Yes

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

(1) Business Name:		Industry Category Title:	
Address (Street Number and Name):	City:	State: ●	Zip Code
EB-5 Capital Investment	Direct and Indirect Job Creation	Jobs Maintained	

Part 3. Information About the Regional Center (Continued)

(2) Business Name:		Industry Category Title:	
Address (Street Number and Name):	City:	State: ▼	Zip Code:
EB-5 Capital Investment:	Direct and Indirect Job Creation:	Jobs Maintained:	

c. Name of Commercial Enterprise: N/A		Industry Category Title:	
Address (Street Number and Name):	City:	State: ▼	Zip Code:
Aggregate EB-5 Capital Investment:	Aggregate Direct and Indirect Job Creation:	Aggregate Jobs Maintained:	

Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? No Yes

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

(1) Business Name:		Industry Category Title:	
Address (Street Number and Name):	City:	State: ▼	Zip Code:
EB-5 Capital Investment:	Direct and Indirect Job Creation:	Jobs Maintained:	

(2) Business Name:		Industry Category Title:	
Address (Street Number and Name):	City:	State: ▼	Zip Code:
EB-5 Capital Investment:	Direct and Indirect Job Creation:	Jobs Maintained:	

Part 3. Information About the Regional Center (Continued)

d. Name of Commercial Enterprise: N/A		Industry Category Title:	
Address (Street Number and Name):	City:	State: <input checked="" type="radio"/>	Zip Code:
Aggregate EB-5 Capital Investment:	Aggregate Direct and Indirect Job Creation:	Aggregate Jobs Maintained:	
Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? <input type="checkbox"/> No <input type="checkbox"/> Yes If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.			
(1) Business Name:		Industry Category Title:	
Address (Street Number and Name):	City:	State: <input checked="" type="radio"/>	Zip Code:
EB-5 Capital Investment:	Direct and Indirect Job Creation:	Jobs Maintained:	
(2) Business Name:		Industry Category Title:	
Address (Street Number and Name):	City:	State: <input checked="" type="radio"/>	Zip Code:
EB-5 Capital Investment:	Direct and Indirect Job Creation:	Jobs Maintained:	
e. Name of Commercial Enterprise: N/A		Industry Category Title:	
Address Street Number and Name:	City:	State: <input checked="" type="radio"/>	Zip Code:
Aggregate EB-5 Capital Investment:	Aggregate Direct and Indirect Job Creation:	Aggregate Jobs Maintained:	
Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? <input type="checkbox"/> No <input type="checkbox"/> Yes			

Part 3. Information About the Regional Center (Continued)

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

(1) Business Name:		Industry Category Title:	
Address (Street Number and Name):	City:	State:	Zip Code:
EB-5 Capital Investment:	Direct and Indirect Job Creation:	Jobs Maintained:	
(2) Business Name:		Industry Category Title:	
Address (Street Number and Name):	City:	State:	Zip Code:
EB-5 Capital Investment:	Direct and Indirect Job Creation:	Jobs Maintained:	

4. Provide the total number of approved, denied and revoked Form I-526 petitions filed by EB-5 investors making capital investments sponsored by the regional center. (Note: If an adverse action was ultimately reversed and the petition was approved, then note the case as approved.)

Form I-526 Petition Final Case Actions		
Approved	Denied	Revoked
0	0	0

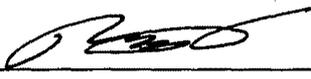
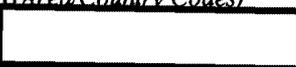
5. Provide the total number of approved, denied and revoked Form I-829 petitions filed by EB-5 investors making capital investments sponsored by the regional center. (Note: If an adverse action was ultimately reversed and the petition was approved, then note the case as approved.)

Form I-829 Petition Final Case Actions		
Approved	Denied	Revoked
0	0	0

NOTE: USCIS may require case-specific data relating to individual EB-5 petitions and the job creation determination and further information regarding the allocation methodologies utilized by a regional center in certain instances in order to verify the aggregate data provided above.

Part 4. Applicant Signature *Read the information on penalties in the instructions before completing this section. If someone helped you prepare this petition, he or she must compete Part 5.*

I certify, under penalty of perjury under the laws of the United States of America, that this supplemental form and the evidence submitted with it are all true and correct. I authorize the release of any information from my records that U.S. Citizenship and Immigration Services needs to determine eligibility for the benefit being sought. I also certify that I have authority to act on behalf of the Regional Center.

Signature of Applicant 	Printed Name of Applicant MICHAEL ZHI GUO MAO	Date (mm/dd/yyyy) 12/24/2013
Daytime Phone Number <i>(Area/Country Codes)</i> 	E-Mail Address 	
Relationship to the Regional Center Entity (Managing Member, President, CEO, etc.) President		

Part 5. Signature of Person Preparing This Form, If Other Than Above (Sign Below)

I declare that I prepared this form using information provided by someone with authority to act on behalf of the Regional Center, and the answers and information are those provided by the Regional Center.

Attorney or Representative: In the event of a Request for Evidence (RFE), may the USCIS contact you by Fax or E-mail? No Yes

Signature of Preparer	Printed Name of Preparer	Date (mm/dd/yyyy)
Firm Name and Address		
Daytime Phone Number <i>(Area/Country Codes)</i>	Fax Number (Area/Country Codes)	E-Mail Address

FOLD HERE / PLIEZ ICI

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PULL HERE / TIREZ ICI

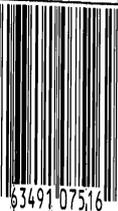
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Detach and apply to item / Détachez et appliquez sur l'article

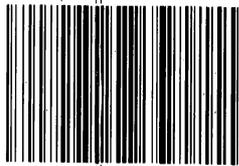


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From / Expéditeur
Customer No. / N° du client
Name / Nom: Michael Mao
Address / Adresse: 27 North 27th St Suite 2100
City / Ville: Billings
Province / Postal Code / Code postal: MT 59101

To / Destinataire
Customer No. / N° du client
Name / Nom
Address / Adresse: US Citizenship and Immigration California Processing Ctr.
2400 Avila Road 2nd floor. Alhambra
City / Ville: Laguna Niguel
Province / State / Country / Pays: California / United States

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Form I-924A Review Worksheet
Department of Homeland Security
U.S. Citizenship and Immigration Services (USCIS)

USCIS – IPO
Local Form

REGIONAL CENTER (RC) INFORMATION

RC Name: USA Montana Energy Regional Center	RC ID #: 1131850351
Principal Name: Michael Mao	I-924A Receipt #: RCW1401351646
Date of Designation: 7/10/2013	RC Website:

PETITIONS FILED BY EB-5 INVESTORS PER NCE (ICLAIMS)

NCE #1	Expected job creation:	0
I-526 Pending: 0	Approved: 0	Denied: 0
I-829 Pending: 0	Approved: 0	Denied: 0
		Revoked: 0

Comments:

NCE #2	Expected job creation:	
I-526 Pending:	Approved:	Denied:
I-829 Pending:	Approved:	Denied:
		Revoked:

Comments:

NCE #3	Expected job creation:	
I-526 Pending:	Approved:	Denied:
I-829 Pending:	Approved:	Denied:
		Revoked:

Comments:

DESIGNATION AMENDMENTS & CHANGES

Indicate the number of approved I-924 amendments since initial designation: 0

Comments:

Has there been a change in the organizational structure of the RC? Yes No

Comments:

RC WEBSITE

Does the RC website promise repayment of EB-5 investment? Yes No

Comments:

Does the RC website display the USCIS logo or suggest that USCIS has endorsed the RC or any of its investments? Yes No

Comments:

ADDITIONAL COMMENTS

ACTION

CONTINUE	<input type="checkbox"/> Request for Evidence (RFE)	Date:
	<input type="checkbox"/> Notice of Intent to Terminate (NOIT)	Date:
PASS	<input checked="" type="checkbox"/> All Requirements Met	Date:
FAIL	<input type="checkbox"/> Terminated	Date:

Prepared by: Nancy Sykes Date: September 3, 2014

COPY

RECEIPT NUMBER RCW1401351646		CASE TYPE I924A Supplement to Form I-924
RECEIVED DATE January 06, 2014		APPLICANT MAO, MICHAEL
NOTICE DATE January 13, 2014	PAGE 1 of 1	
USA MONTANA ENERGY REGIONAL CENTER 27 NORTH 27 ST STE 2100 BILLINGS MT 59101		NOTICE TYPE: Receipt Notice

Receipt Notice - This notice confirms that USCIS received your application or petition as shown above. Please reference the receipt number, above, on any correspondence with USCIS. If any of the above information is incorrect, please immediately contact us at USCIS.ImmigrantInvestorProgram@dhs.gov to let us know. This will help avoid future problems.

This notice does not grant any immigration status or benefit. It is not even evidence that this case is still pending. It only shows that the application or petition was filed on the date shown.

Processing time - Processing times vary by kind of case. You can check our website at www.uscis.gov for our current processing times for this kind of case at the particular office to which this case is or becomes assigned. If you do not receive an initial decision or update from us within our current processing time, email us at USCIS.ImmigrantInvestorProgram@dhs.gov. Save this notice, and any other notice we send you about this case, and please make and keep a copy of any papers you send us by any means along with any proof of delivery to us. Please have all these papers with you if you contact us about this case.

If your address changes - If your mailing address changes while your case is pending, notify us at USCIS.ImmigrantInvestorProgram@dhs.gov, otherwise you may not receive notice of our action on this case.

Please see the additional information on the back. You will be notified separately about any other cases you filed.

U.S. CITIZENSHIP & IMMIGRATION SVC
CALIFORNIA SERVICE CENTER
P.O. BOX 30111
LAGUNA NIGUEL CA 92607-0111
Customer Service Telephone: (800) 375-5283



A #	Application/Petition	
Receipt #	Application/Petitioner	
Notice Date	Page	Beneficiary
July 12, 2012	1 of 6	
RCW1131850351		1924, Application for Regional Center under Immigrant Investor Pilot Program
		Usa Montana Energy Regional Center, L L C

Linda Lau
Global Law Group
RE: USA Montana Energy Regional Center, LLC
909 El Centro Street, Suite 1
South Pasadena, CA 91030

ACTION COMPLETED
APPROVED FOR FILING
OCT 03 2012
Request for Evidence
INITIALS
FOC: CSC
C30169

Notice also sent to:

RECD CSC 12 OCT 3 21:37
C30097

RETURN THIS NOTICE ON TOP OF THE REQUESTED INFORMATION LISTED ON THE ATTACHED SHEET.

Note: You are given until **October 4, 2012** in which to submit the requested information to the address at the bottom of this notice.

Please note the required deadline for providing a response to this Request for Evidence. The deadline reflects the maximum period for responding to this RFE. However, since many immigration benefits are time sensitive, you are encouraged to respond to this request as early as possible but no later than the date provided on the request.

Pursuant to 8 C.F.R. 103.2(b)(11) failure to submit ALL evidence requested at one time may result in the denial of your application.

For more information, visit our website at **www.uscis.gov**

Or call us at **1-800-375-5283**

Telephone service for the hearing impaired: 1-800-767-1833

CSC4645 WS22145 DIV III AC

13.20.4.3

**For non-US Postal Service
Attn: EB 5 RC Proposal
24000 Avila Road, 2nd Floor
Laguna Niguel, CA 92677**

You will be notified separately about any other applications or petitions you filed. Save this notice. Please enclose a copy of it if you write to us about this case, or if you file another application based on this decision. Our address is:

USCIS - CALIFORNIA SERVICE CENTER
P.O. BOX 10590
LAGUNA NIGUEL, CA 92607-0590
800-375-5283



RCW1131850351

I. Background

The proposed Regional Center entity, USA Montana Energy Regional Center, LLC ("USAMERC"), was established on September 21, 2011 in Montana, and is structured as a limited liability company. USAMERC is requesting jurisdiction over a geographic area within the State of Montana, including Yellowstone, Musselshell, Garfield, Treasure, Petroleum, and Rosebud counties. USAMERC plans to offer EB-5 capital investment opportunities in affiliated new commercial enterprises, organized as limited partnerships, focusing on projects in the following industry categories:

1. Drilling Oil and Gas Wells
 - NAICS 213111
2. Crude Petrol Natural Gas Extraction
 - NAICS 211111

The capital investment projects will involve equity or loans to job creating enterprises located within the proposed bounds of the Regional Center.

II. Issues

A. Geographic Area - 8 CFR 204.6(m)(3)(i)

A Regional Center's geographic area must be contiguous and clearly delineated. The Regional Center's jurisdiction over a geographic area is different than the geographic area that is a Targeted Employment Area ("TEA") which may be located within the bounds of your Regional Center's jurisdiction. These are two distinct geographic areas and concepts.

Note: For immigrant investors requesting the reduced threshold of \$500,000 based upon an investment in a TEA, the immigrant investor must when filing a Form I-526, establish at the time of filing that the investment either will be made in a TEA designated area or was made in a TEA designated area at the time of the alien's initial investment into the enterprise. TEA determinations are not made within the context of the adjudication of Regional Center Proposals and thus cannot be relied on to establish TEA eligibility in prospective Form I-526 petitions.

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(b)(4) (b)(5)



B. Job Creation - 8 CFR 204.6(m)(3)(ii) and 8 CFR 204.6(m)(v)

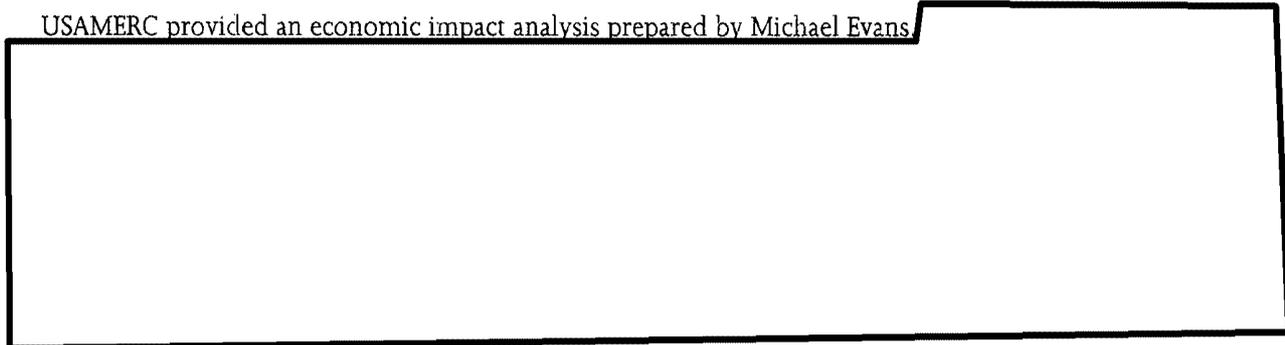
Section 610(c) of the Departments of Commerce, Justice and State, the Judiciary, and Related Agencies Appropriations Act of 1993, as amended, allows aliens admitted under the pilot program described in this section to establish reasonable methodologies for determining the number of jobs created by the pilot program, including jobs which are estimated to have been created indirectly through revenues, improved regional productivity, job creation, or increased domestic capital investment resulting from the pilot program.

8 CFR 204.6(m)(3)(ii) requires that a Regional Center proposal must provide in verifiable detail how jobs will be created indirectly, while 8 CFR 204.6(m)(3)(v) describes the analytical tools that the Regional Center must employ when making economic and job creation predictions. It is also noted in 8 CFR 204.6(m)(1) in pertinent part that except as provided herein, aliens seeking to obtain immigration benefits under this paragraph continue to be subject to all conditions and restrictions set forth in section 203(b)(5) of the Act and this section.

The reliability of job creation estimates provided by an economic analysis is dependent upon the validity of the information and assumptions that form the basis for the analysis. Any business plan, exemplar or actual, provided in support of a Regional Center proposal or amendment must contain sufficient specificity to provide valid and reasoned inputs into the economic model, if such a model is used to demonstrate job creation for EB-5 purposes. Otherwise, a determination cannot be made that the Regional Center proposal demonstrates in "verifiable detail" that the requisite jobs will be created. The ability of USAMERC to address the issues regarding the feasibility of each capital investment project, the validity of the economic analysis, and the timing of the EB-5 job creation is critical to the success of the immigrant investors' immigration process.

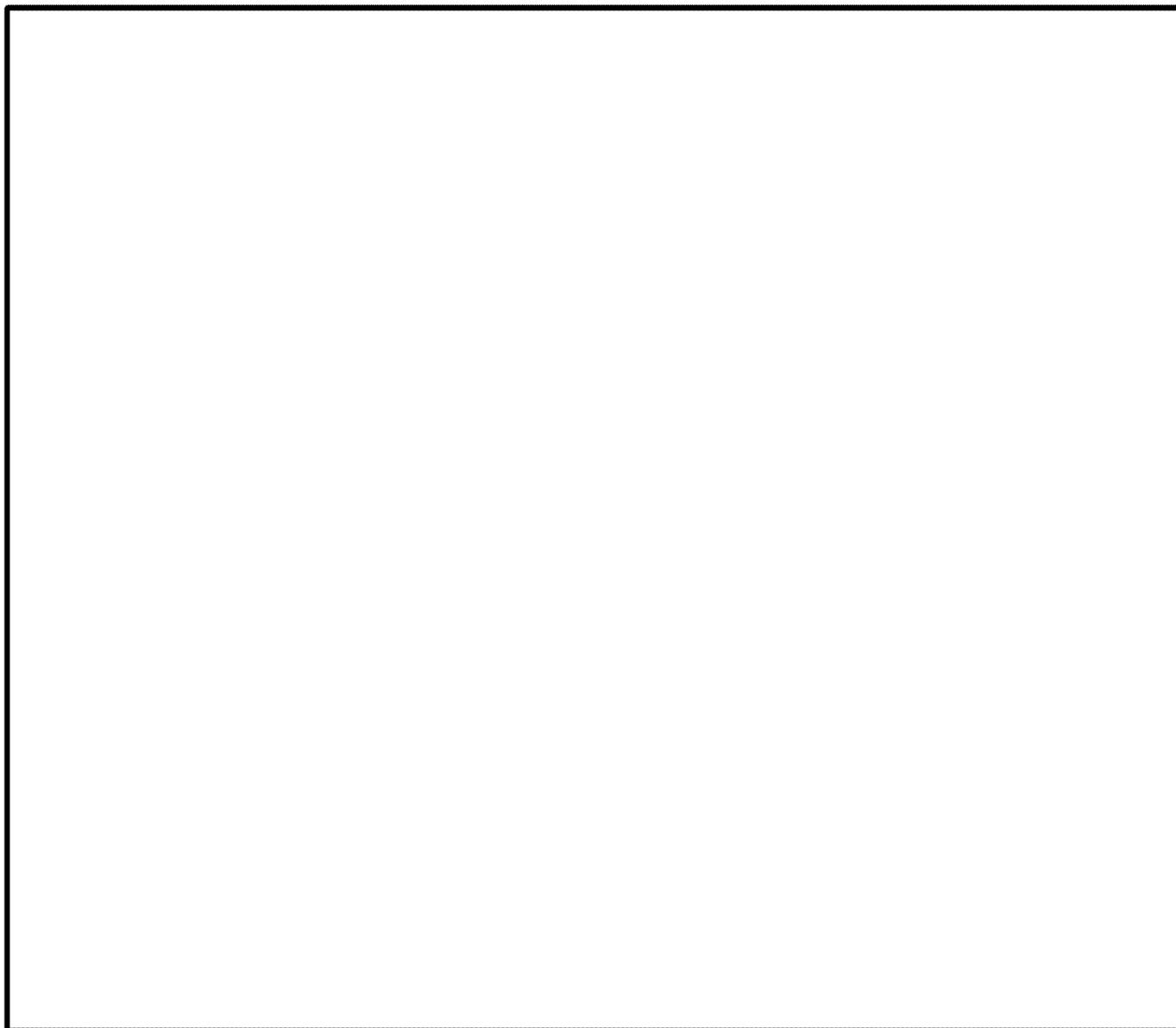
(b)(4) (b)(5)

USAMERC provided an economic impact analysis prepared by Michael Evans



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(b)(5)



In addition, the submission must clearly and specifically identify the timeframe for the commencement, implementation, and realization of each project, how the investors' funds will flow to the job creating entity, and as a result, how the jobs will be created.

C. Regional or National Impact - 8 CFR 204.6 (m) (3) (iv) and 8 CFR 204.6(m) (v)

In order to demonstrate the prospective regional or national impacts of the Regional Center, you have provided the flawed economic impact analysis discussed above.

Please provide a more detailed prediction using transparent and verifiable data and the underlying analysis that serves as the basis for the detailed prediction. The detailed prediction should realistically illustrate prospective impact regionally and/or nationally on household earnings, greater demand for business services, utilities, maintenance and repair, and construction both within and outside the Regional Center. Note that simply providing vague references to the Regional Center's impacts on the regional or national economy will not suffice.

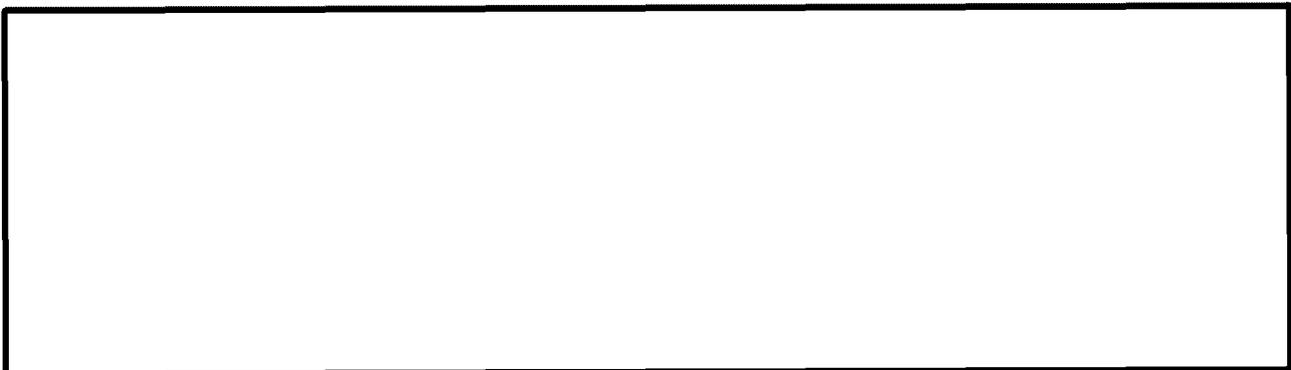
D. Project -- 8 CFR 204.6(j)(4) and Matter of Ho

USAMERC is seeking USCIS review and approval of an actual project to be included in the regional center approval notice. In order to be included, the project must comply with the requirements outlined in 8 CFR 204.6(j) and Matter of Ho.

If USCIS determines that the actual project does not comply with 8 CFR 204.6(j) and Matter of Ho, but complies with the job creation requirements for regional centers outlined in 8 CFR 204.6(m), the Form I-924 may be approved without specifically identifying the project in the Form I-924 approval letter.

8 CFR 204.6(j)(4) requires evidence that the new commercial enterprise will create at least 10 full-time positions per EB-5 investor. Pursuant to 8 C.F.R. § 204.6(j)(4)(i)(B), if the employment creation requirement has not been satisfied prior to filing the I-526 petition, the petitioner must submit a "comprehensive business plan." To be considered "comprehensive," a business plan must be sufficiently detailed to permit the USCIS to reasonably conclude that the NCE has the potential to meet the job-creation requirements. In Matter of Ho, 22 I. & N. Dec. 206 (Assoc. Comm'r, 1998), the Administrative Appeals Office held that a "comprehensive business plan as contemplated by the regulations should contain, at a minimum, a description of the business, its products and/or services, and its objectives." Elaborating on the contents of an acceptable business plan, the decision states the following:

- (b)(4) The plan should contain a market analysis, including the names of competing businesses and their relative strengths and weaknesses, a comparison of the competition's products and pricing structures, and a description of the target market/prospective customers of the new commercial enterprise. The plan should list the required permits and licenses obtained. If applicable, it should describe the manufacturing or production process, the materials required, and the supply sources. The plan should detail any contracts executed for the supply of materials and/or the distribution of products. It should discuss the marketing strategy of the business, including pricing, advertising, and servicing. The plan should set forth the business's organizational structure and its personnel's experience. It should explain the business's staffing requirements and contain a timetable for hiring, as well as job descriptions for all positions. It should contain sales, cost, and income projections and detail the bases therefor. Most importantly, the business plan must be credible. Matter of Ho, 22 I. & N. Dec. 206 at 213 (Assoc. Comm'r, 1998).
- (b)(5)

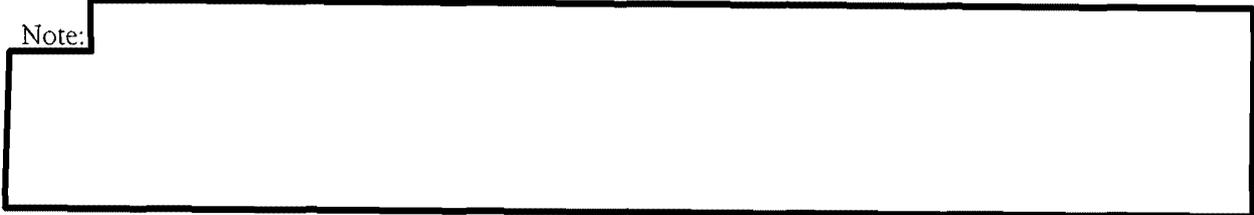


The business plan submitted with the present petition is insufficient to establish EB-5 compliance pursuant to 8 CFR 204.6(j) and Matter of Ho. As such, please provide the following information and evidence to establish that the job creating enterprise is at the stage where work is immediately ready to begin should the project be approved:

- Provide evidence that the appropriate permits, licenses, and leases have been obtained in order to begin work on the project.
- Provide a verifiable and transparent budget plan containing detailed cost estimates (including an explanation of the data of and methodology), and projected expenditures with timelines from the Project Owner, Stealth USA, Inc.

(b)(4)

Note:



E. Exemplar I-526

A Regional Center may provide documentation for USCIS to review for EB-5 compliance within a Regional Center proposal. USCIS acknowledges the receipt of the drafts of the Partnership Agreement, Subscription Agreement, and Confidential Private Offering Memorandum.

However, each document submitted should have a version date so the specific version reviewed can be referenced in the Regional Center designation approval notice. Having this date memorialized in the approval notice will allow all parties to be aware of the specific version of the documents that USCIS reviewed. The documentation provided does not identify versions or contain dates. USCIS also notes that the current version of the Confidential Private Offering Memorandum contains references to the economic impact analysis. If USAMERC provides an updated or revised economic impact analysis, it may want to provide a revised version of the Confidential Private Offering Memorandum for review.

III. Conclusion

At present, USCIS has determined that the record submitted does not establish eligibility for the benefit sought. Accordingly, USCIS is requesting evidence which addresses the issues outlined above. As required by regulation, the applicant must prove, by a preponderance of the evidence, that the applicant is fully qualified for the benefit sought. Please note that USCIS will make a final decision based on the initial evidence submitted upon filing and after consideration of all additional evidence submitted in response to this request.

NOTES:

Any document submitted to the USCIS containing a foreign language, must be accompanied by a full English language translation that has been certified by the translator as complete and accurate, and that the translator is competent to translate from the foreign language into English. Submit clear and legible copies of all requested evidence. If clear and legible copies are not possible, submit the original documents. These originals will be returned, if requested.

Please provide an index of any submitted evidence and include corresponding tabs for each section of evidence.



October 3, 2012

**Response to
Request for Evidence**

By Messenger (Control Number 5367857)

U.S. Citizenship and Immigration Services
California Service Center
Attn: EB-5 Processing Unit
24000 Avila Road, 2nd Floor
Laguna Niguel, CA 92677

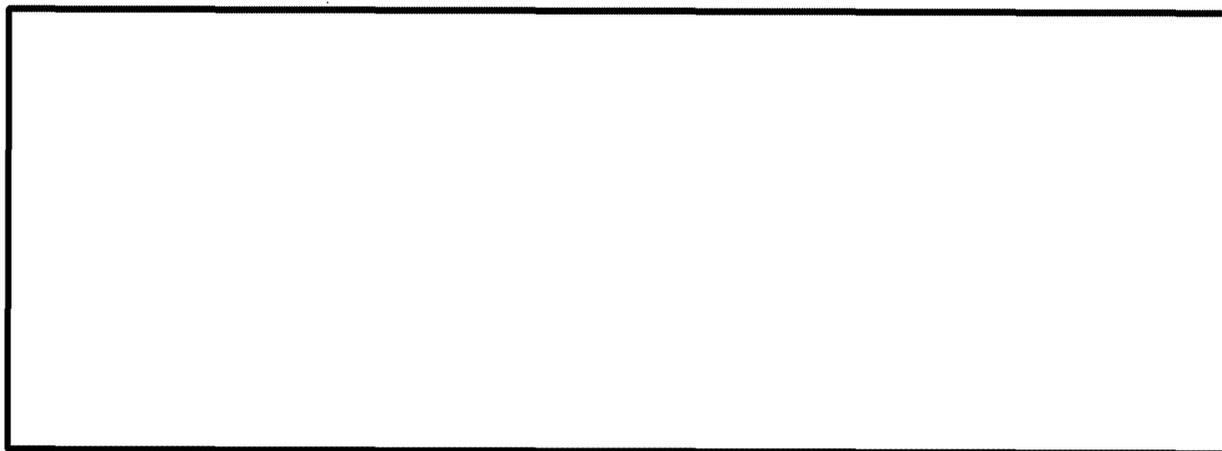
RE: Response to Request for Evidence

Type of Petition:	I-924, Application for Regional Center under the Immigrant Pilot Program
Name of Applicant:	USA Montana Energy Regional Center, LLC
USCIS Case Receipt Number:	RCW1131850351

We represent USA Montana Energy Regional Center, LLC ("USAMERC") in the above-referenced matter, and are submitting this complete and timely response to the Request for Evidence ("RFE") issued by USCIS on July 12, 2012. The original Request for Evidence notice is enclosed on top of this response per USCIS's instructions.

We wanted to thank officer 4645 for this concise and very thorough RFE which asks for further evidence regarding the following items pertaining to the proposed USAMERC:

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All evidence specifically requested by the RFE is enclosed with this response. For ease of reference, the various requests set forth in the RFE are restated separately below, followed by the associated responses. Exhibits are referenced where relevant.

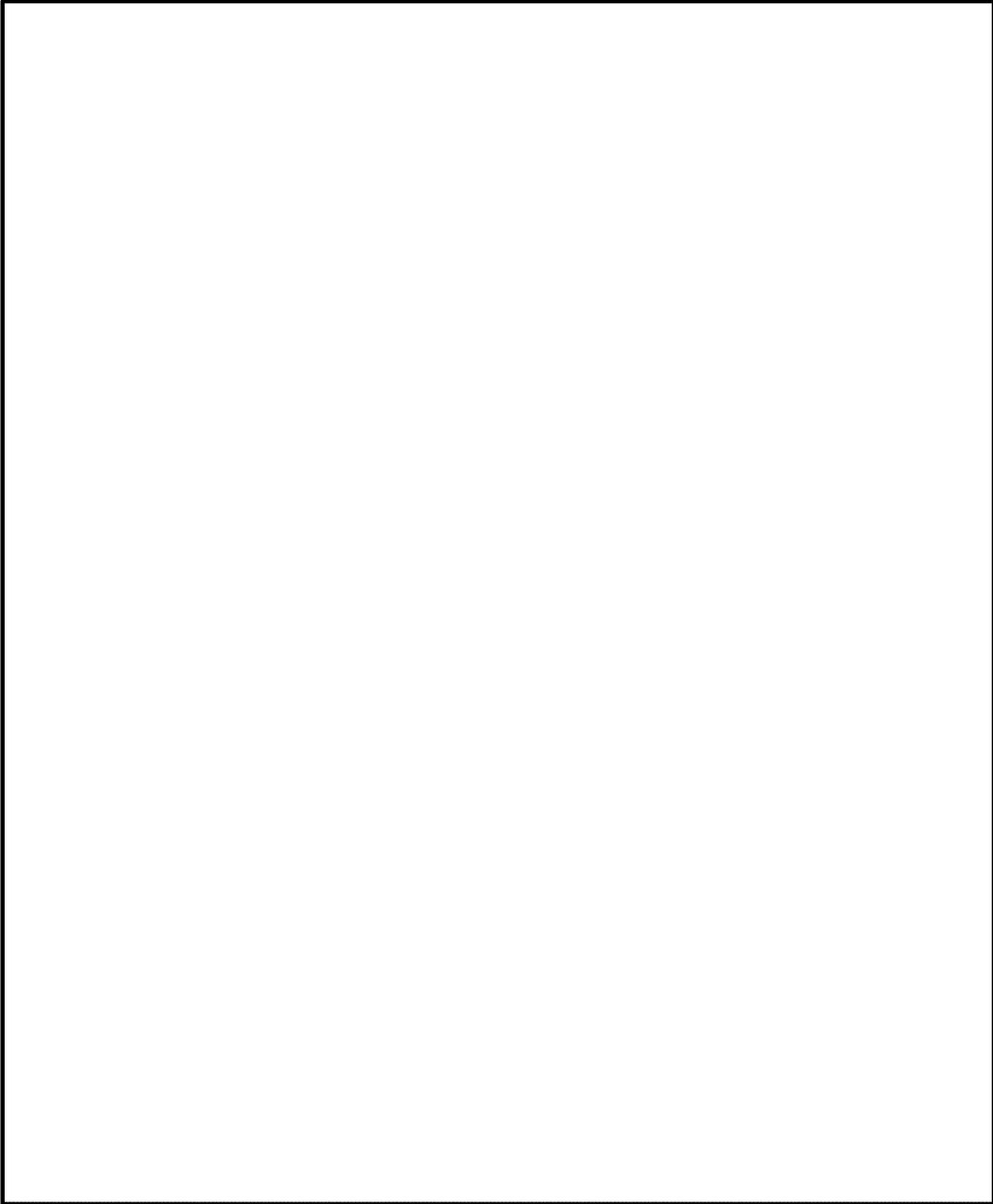
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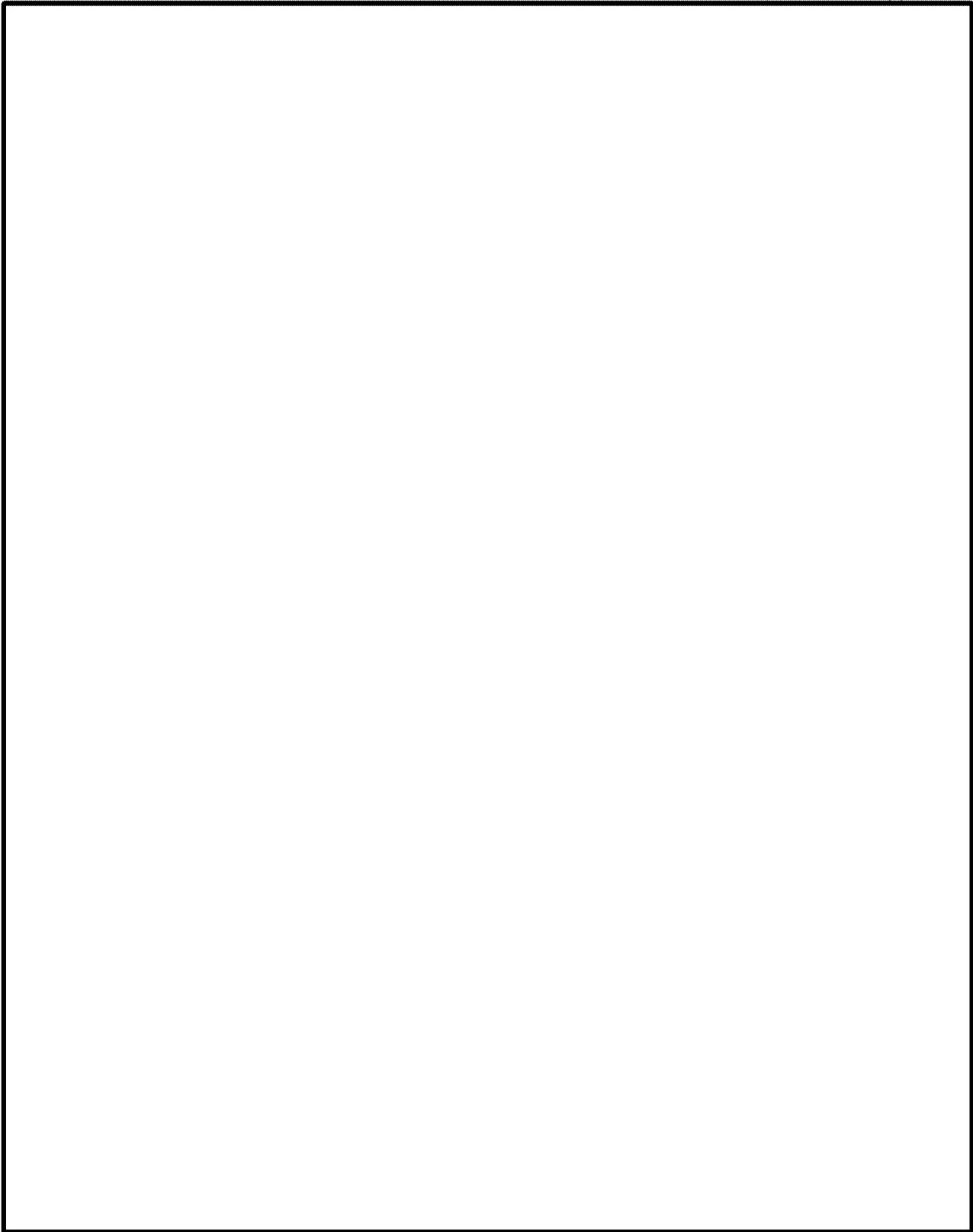
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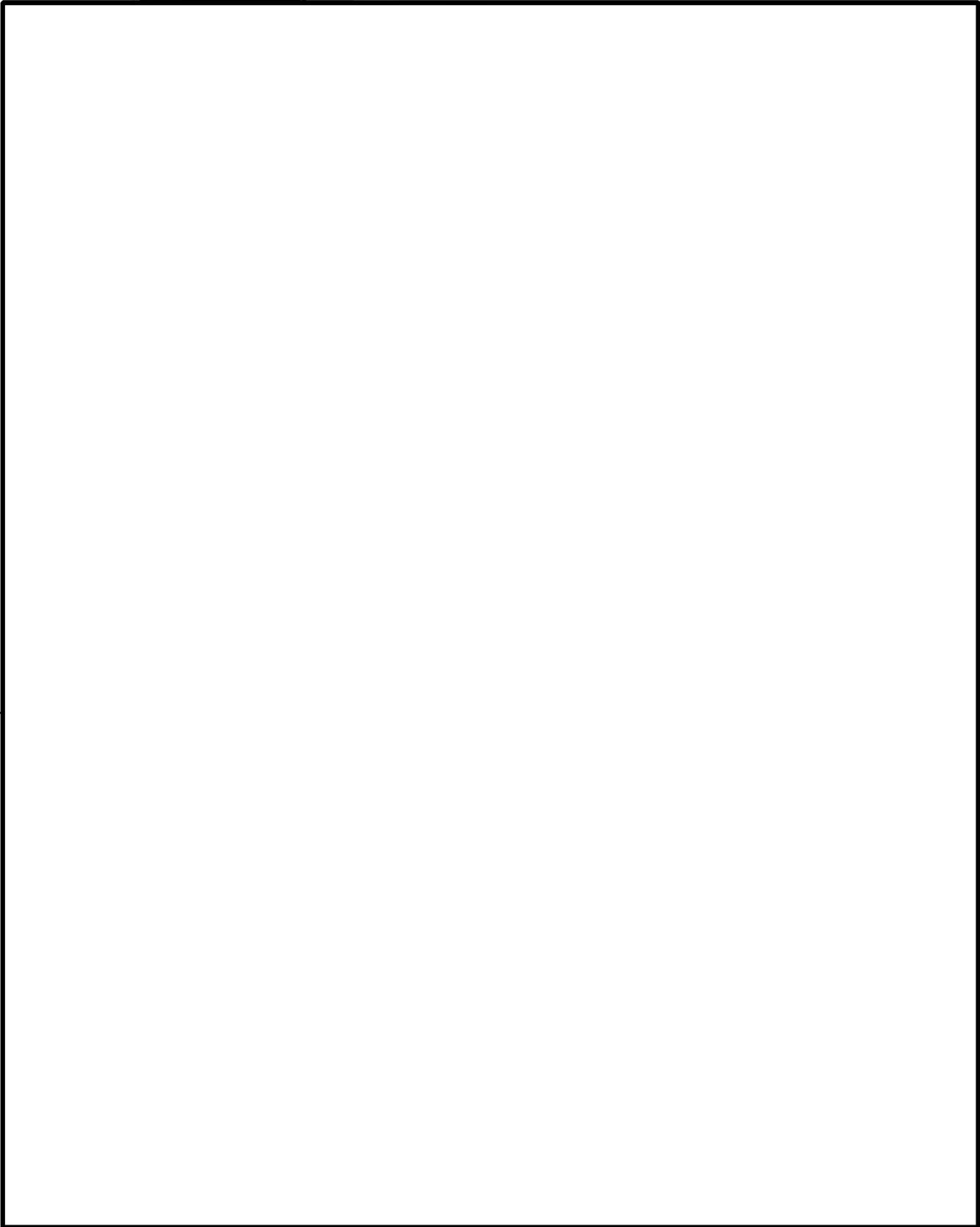


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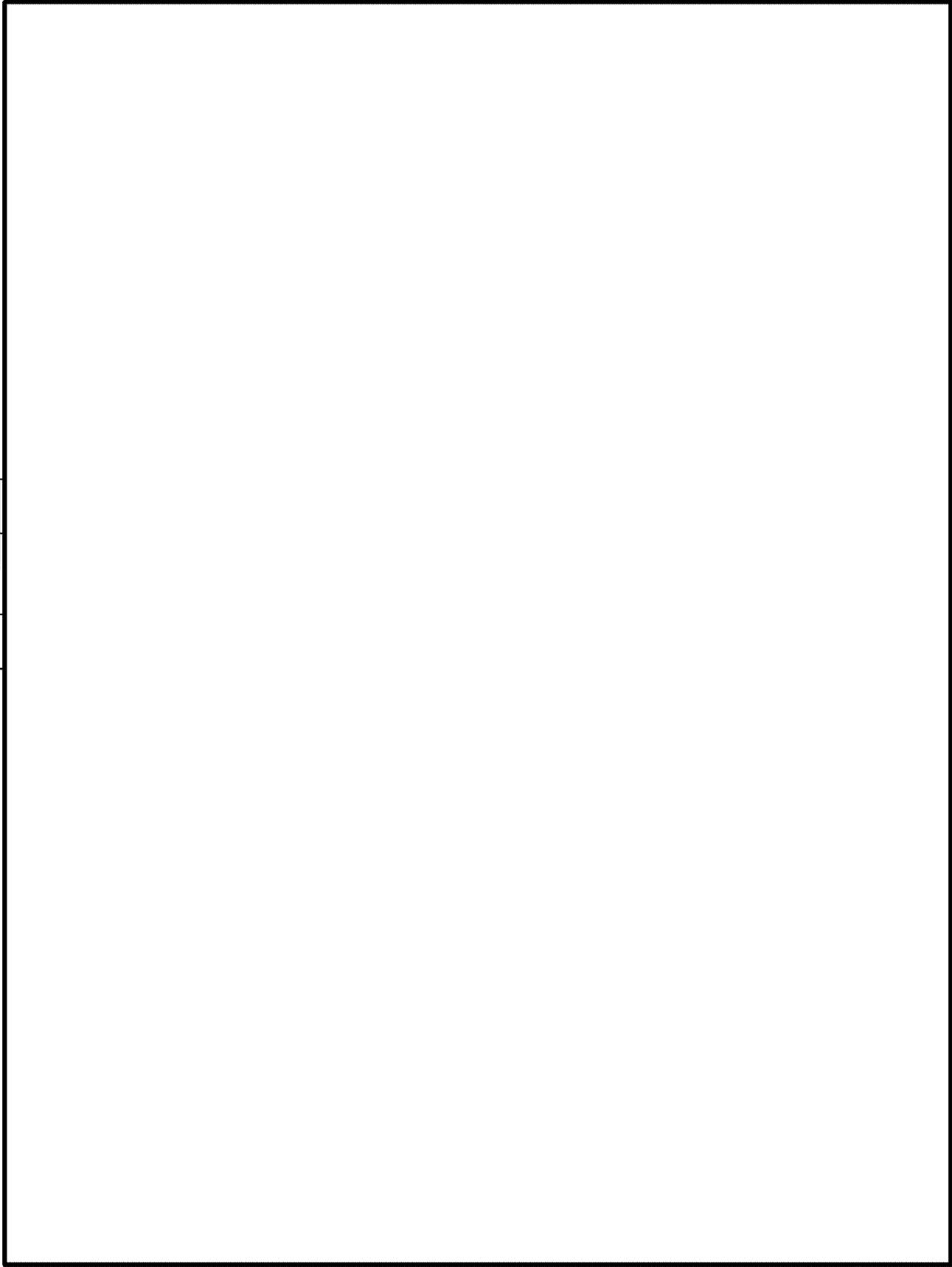


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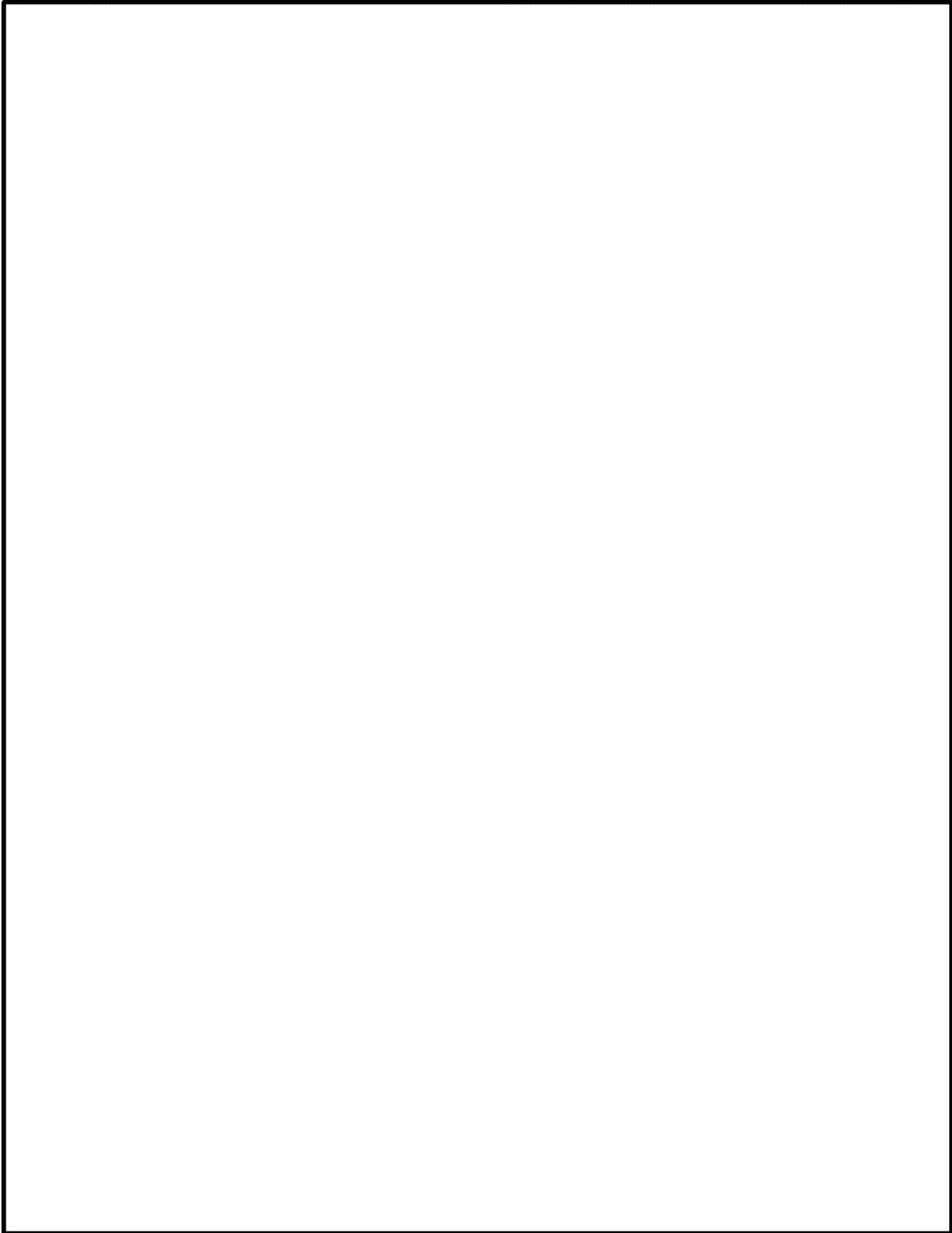
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Tel: (213) 830-9933 Fax: (213) 830-9930 Email: Contact@GlobalLawGroup.net
www.GlobalLawGroup.net

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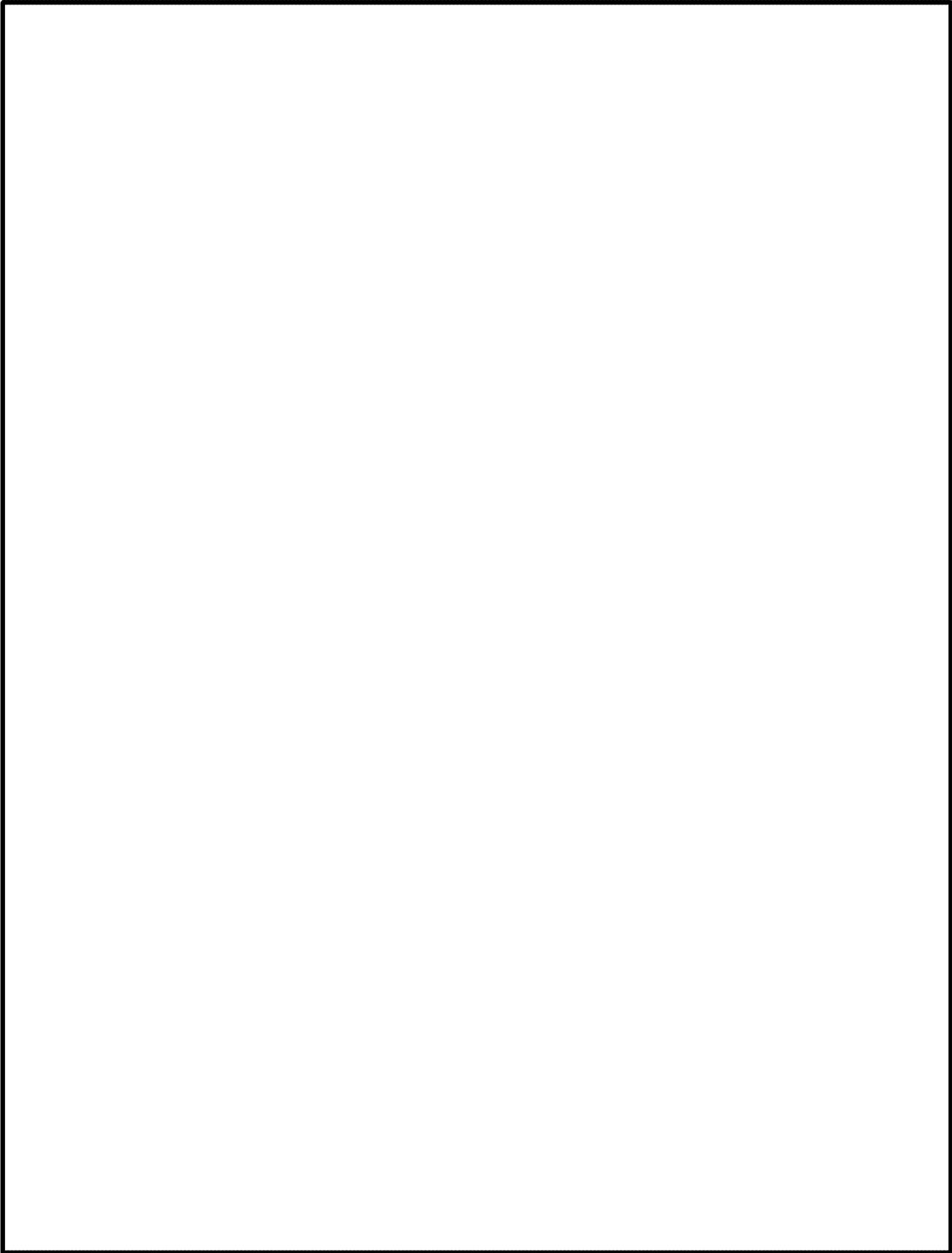
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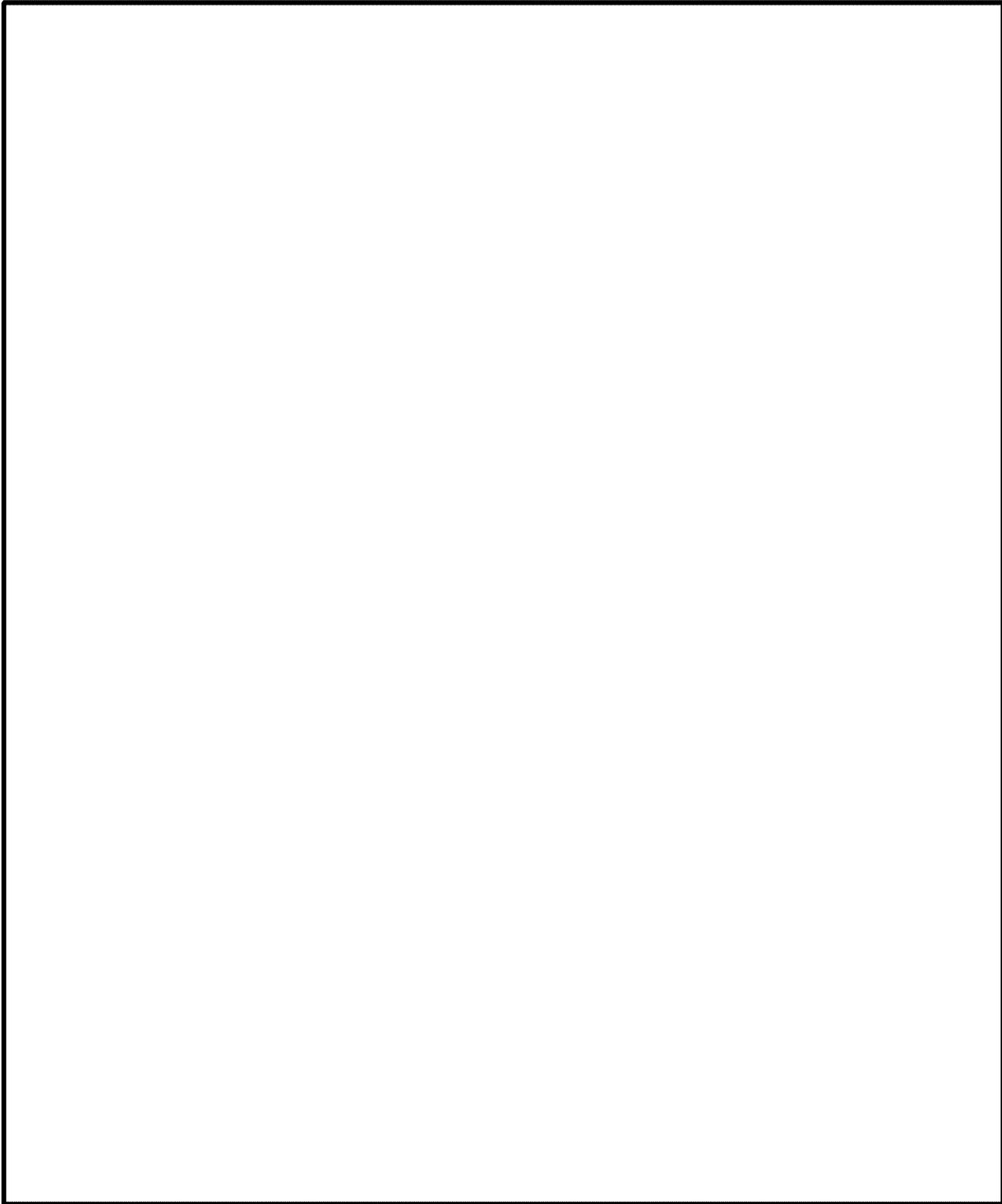
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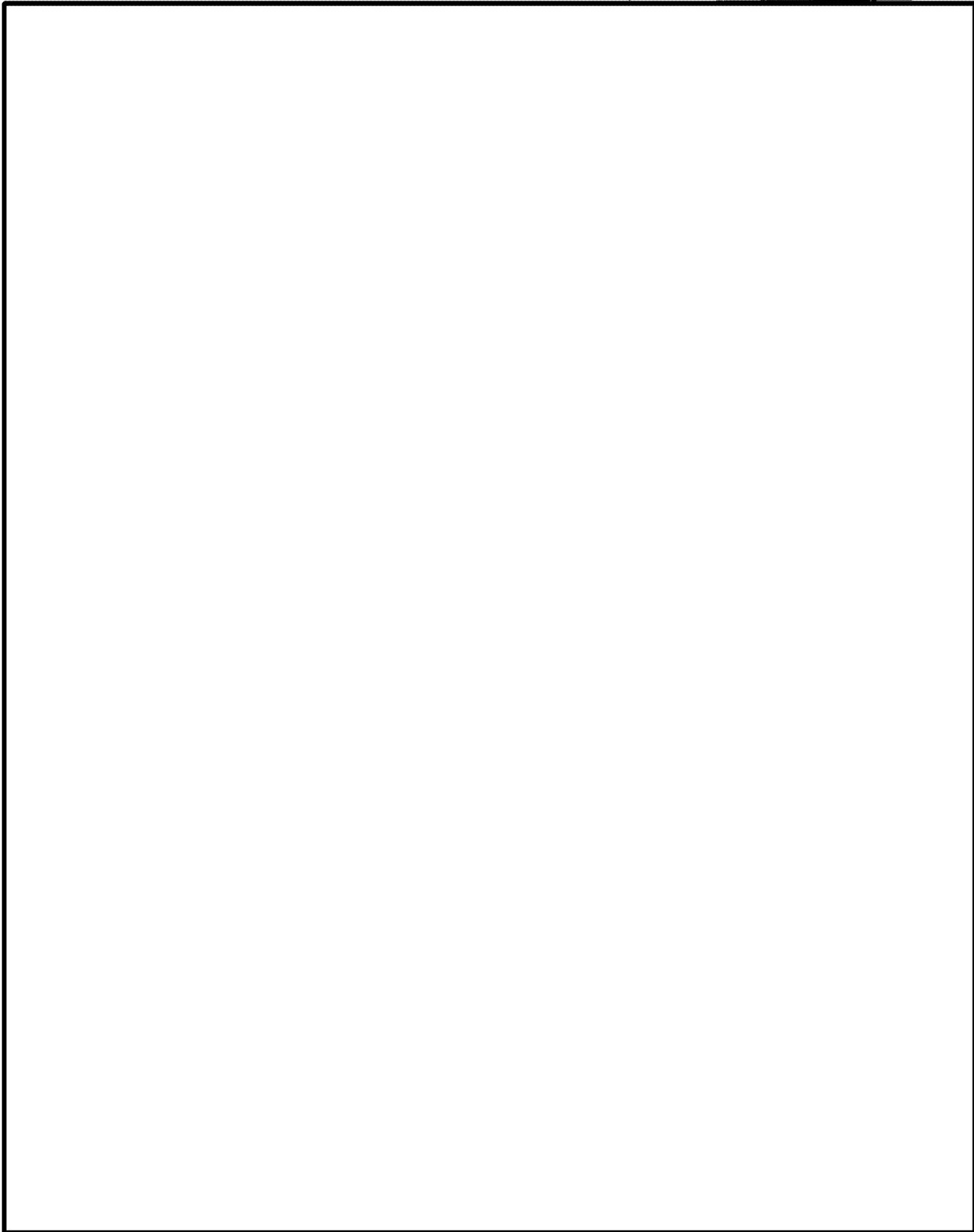


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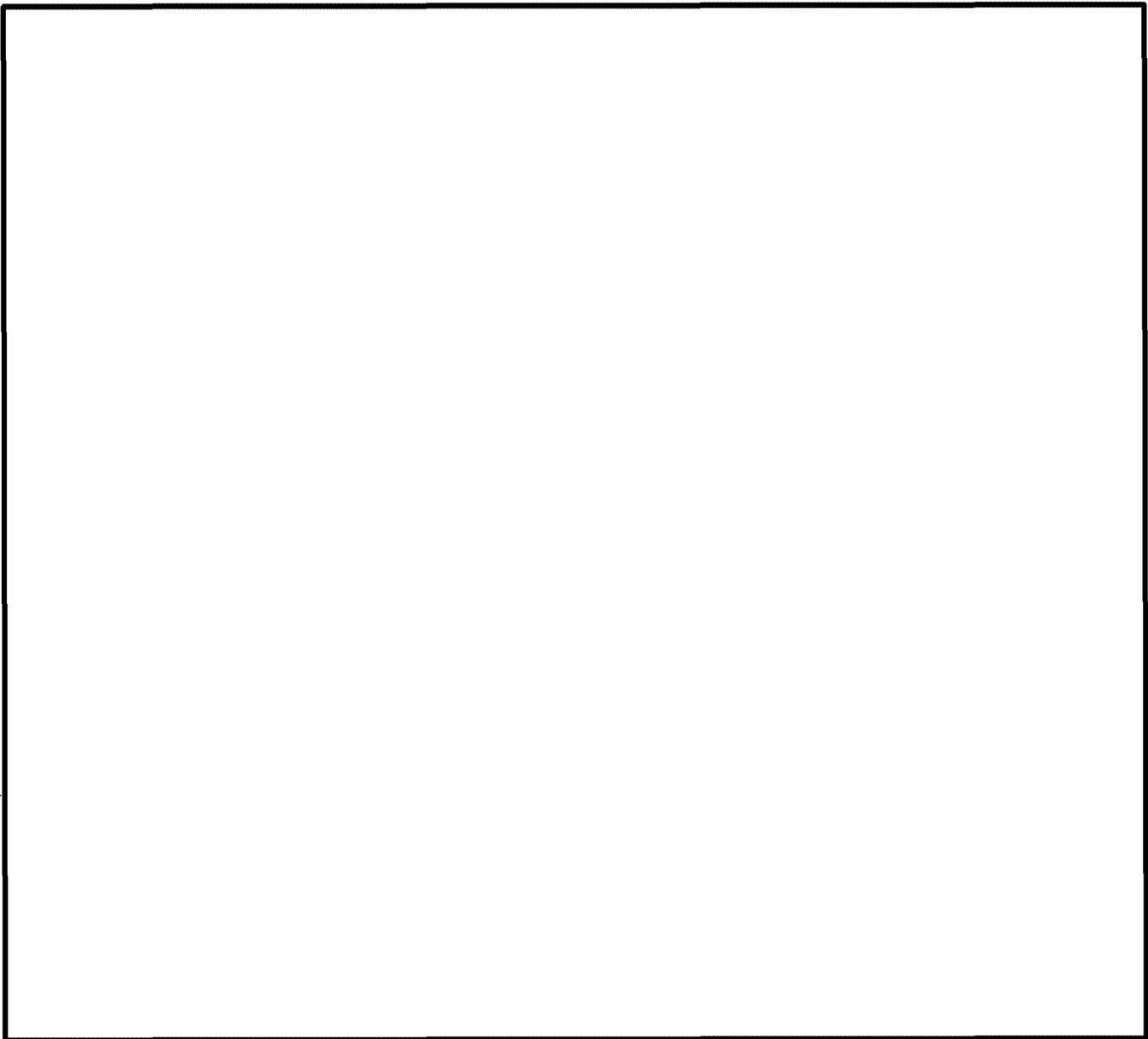
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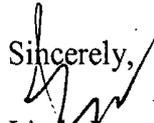
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The foregoing constitutes a complete and timely response to USCIS's RFE and demonstrates, along with the initially submitted documentation, USAMERC's compliance with the requirements of 8 CFR 204.6(m). Therefore, we respectfully request the approval and designation of USAMERC as a regional center under the Immigrant Investor Pilot Program.

Thank you for your kind consideration and assistance.

Sincerely,


Linda Lau, Esq.

Enclosures

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EXHIBIT LIST

Request for Evidence Response to I-924 Application of USAMERC

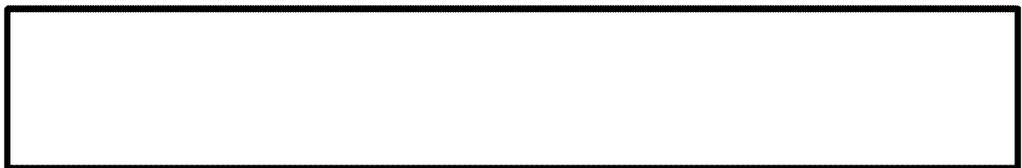
- Exhibit 1** Maps for the Trailblazer Project located in Musselshell and Rosebud Counties, and for the Winnett Project located in Musselshell County;
- Exhibit 2-A** Economic Impact of Drilling Oil Wells in Musselshell, Petroleum, Rosebud, Garfield, Yellowstone, and Treasure Counties in Montana for USA Montana Energy Regional Center revised October 2012 (For Entire Regional Center);
- Exhibit 2-B** Economic Impact of Drilling Oil Wells in Musselshell, Petroleum, Rosebud and Garfield Counties in Montana for Central Montana Oil and Gas Exploration, LP revised October 2012 (For Exemplar);
- Exhibit 3-A** Expense Summary for a Previous Well drilled by Stealth Energy USA, Inc.;
- Exhibit 3-B** Updated Overall Business Plan for USAMERC dated October 2012;
- Exhibit 3-C** Updated Comprehensive Business Plan for Central Montana Oil and Gas Exploration, LP dated October 2012 (For Exemplar);
- Exhibit 4-A** Permit for the exploratory drilling Dexter 7-1;
- Exhibit 4-B** Permit of the exploratory drilling Sam 14-1;
- Exhibit 4-C** Purchase agreement which includes the assignment of leases from HERCO to Stealth Energy USA, Inc.;
- Exhibit 4-D** Lease renewals for the leases expiring in 2012;
- Exhibit 5-A** Limited Partnership Agreement for Central Montana Oil and Gas Exploration, LP dated October 2012;
- Exhibit 5-B** Subscription Agreement for Central Montana Oil and Gas Exploration, LP dated October 2012;



- Exhibit 5-C** Loan Agreement and Security Agreement for Central Montana Oil and Gas Exploration, LP dated October 2012;
- Exhibit 5-D** Updated Private Offering Memorandum for Central Montana Oil and Gas Exploration, LP dated October 2012;
- Exhibit 6** Updated Executive Summary dated October 2012;
- Exhibit 7-A** Wunderlich Securities article entitled "Here Comes the Heath" dated June 30, 2011;
- Exhibit 7-B** News Release from First Star Resources Inc. dated February 14, 2007.
- Exhibit 8** Exemplar I-526 Form.

Exhibit 1

(b)(4)



(b)(4)

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Exhibit 2-A

Economic Impact of Drilling Oil Wells in Musselshell, Petroleum, Rosebud, Garfield, Yellowstone, and Treasure Counties in Montana, as Part of USA Montana Energy Regional Center, LLC revised October 2012 (For Entire Regional Center)

Exhibit 2-A

Economic Impact of Drilling Oil Wells in Musselshell, Petroleum, Rosebud, Garfield, Yellowstone, and Treasure Counties in Montana for USA Montana Energy Regional Center revised October 2012 (For Entire Regional Center)

1

**Economic Impact of Drilling Oil Wells in Musselshell,
Petroleum, Rosebud, Garfield, Yellowstone, and Treasure
Counties in Montana for USA Montana Energy Regional
Center**

Prepared by:

Michael K. Evans

Evans, Carroll & Associates, Inc.

2785 NW 26th St.

Boca Raton, FL 33434

561-470-9035

mevans@evanscarrollecon.com

Revised Version

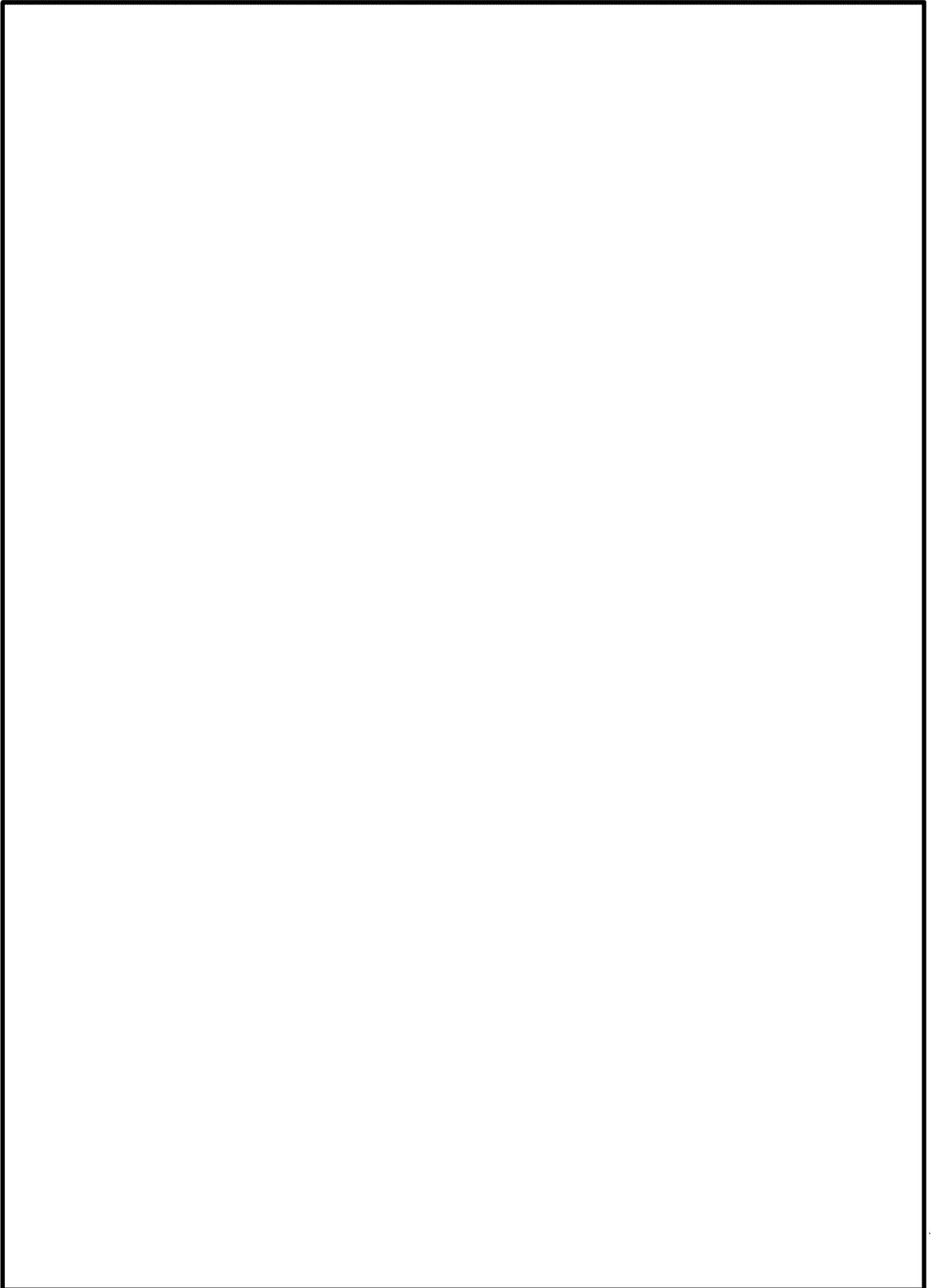
October 1, 2012

For Entire Regional Center

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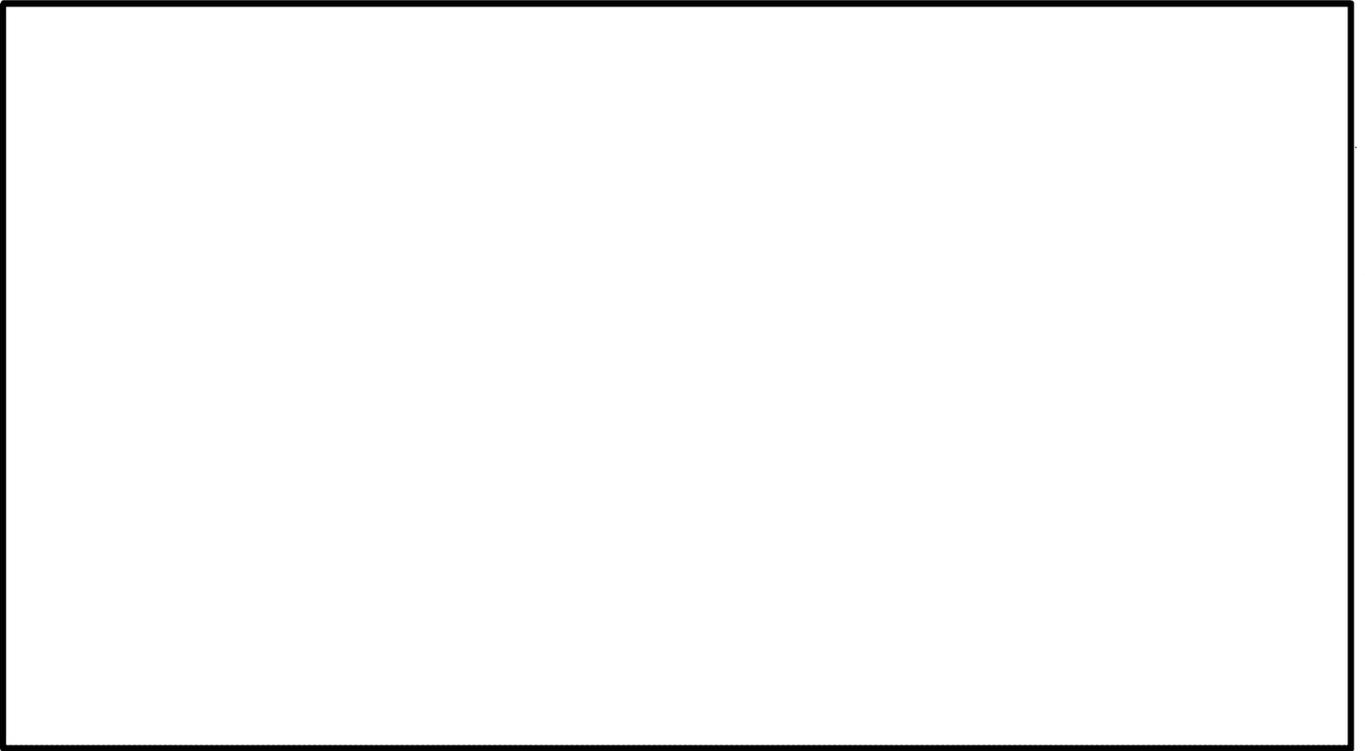
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1. Executive Summary

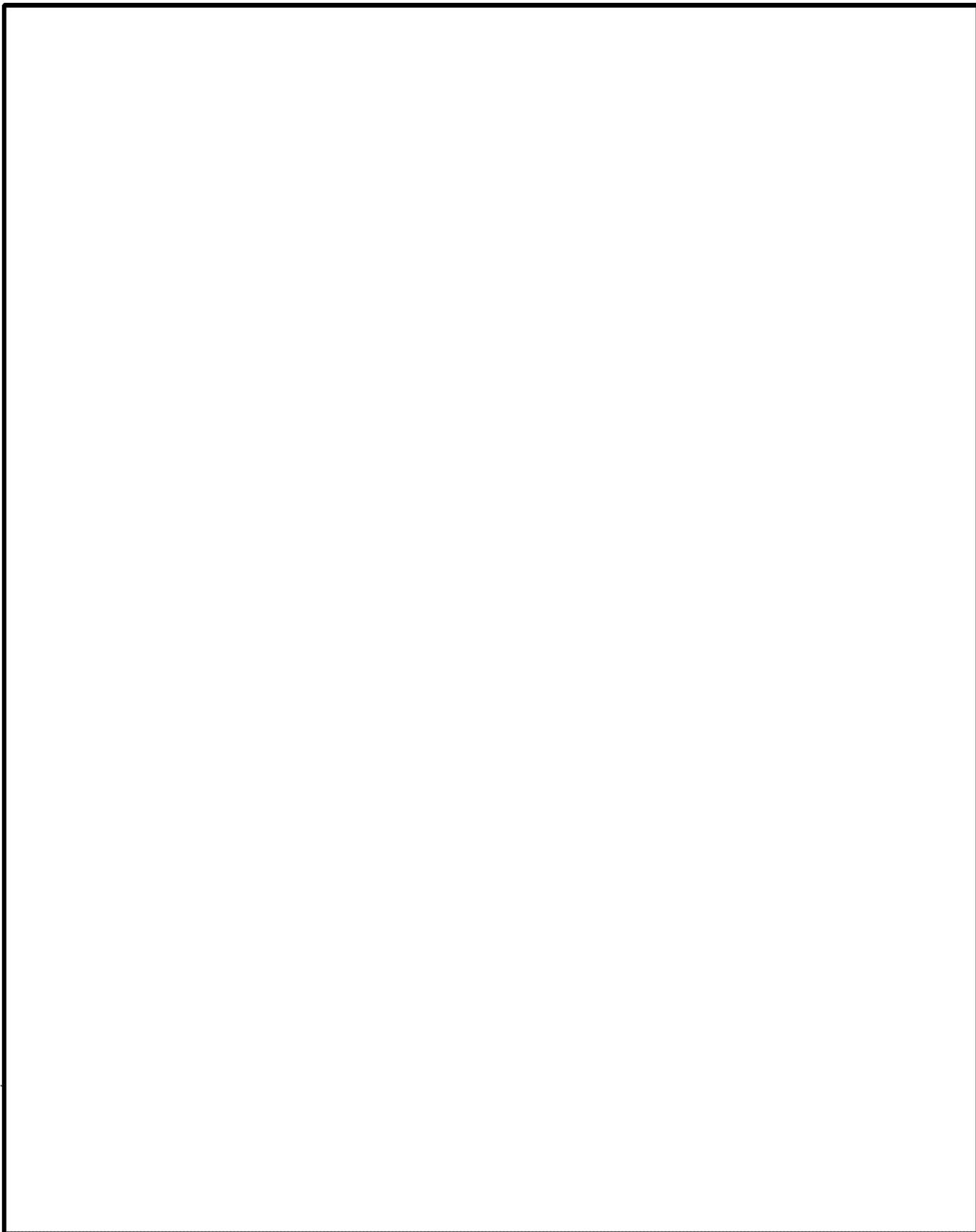


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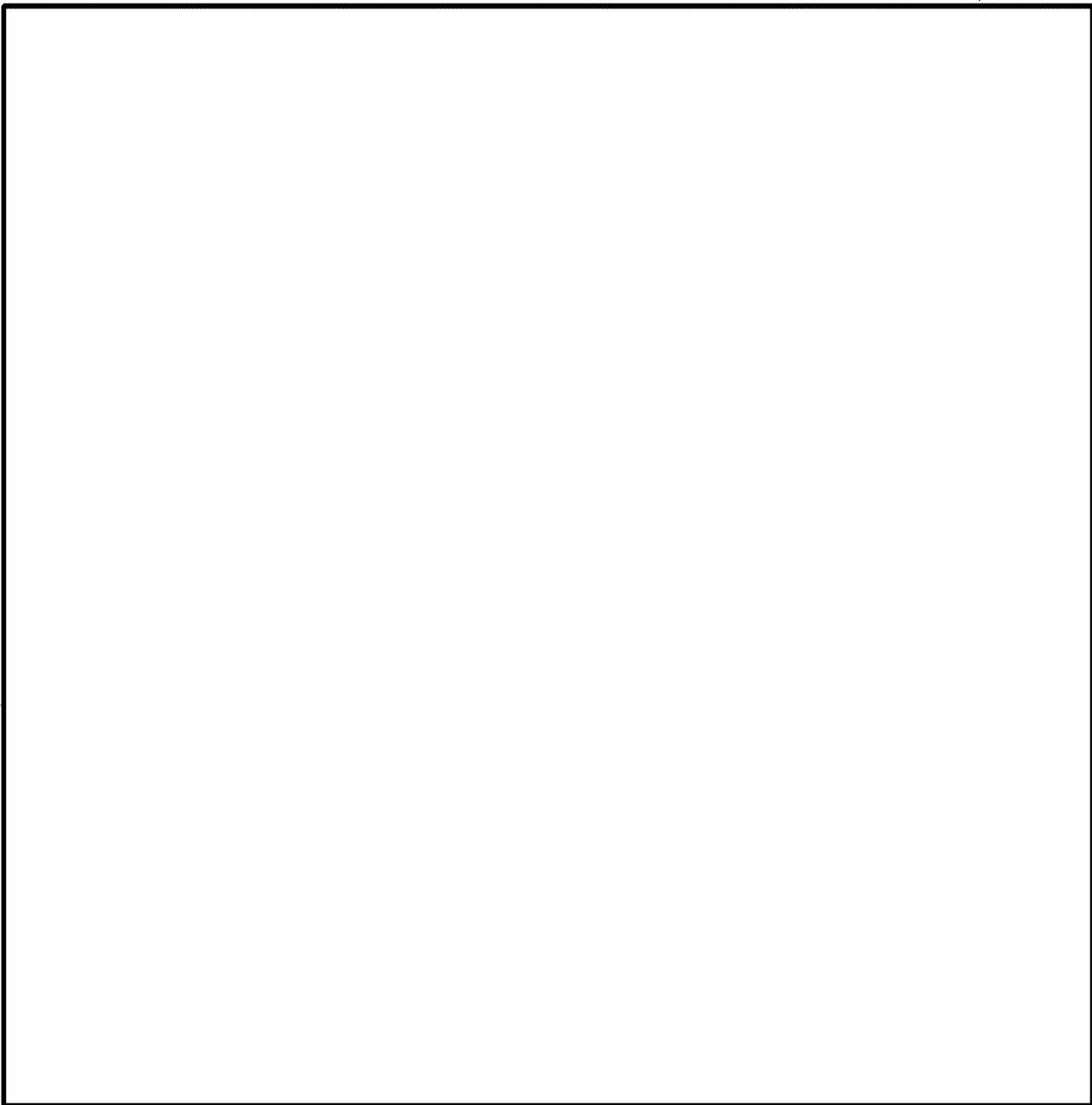
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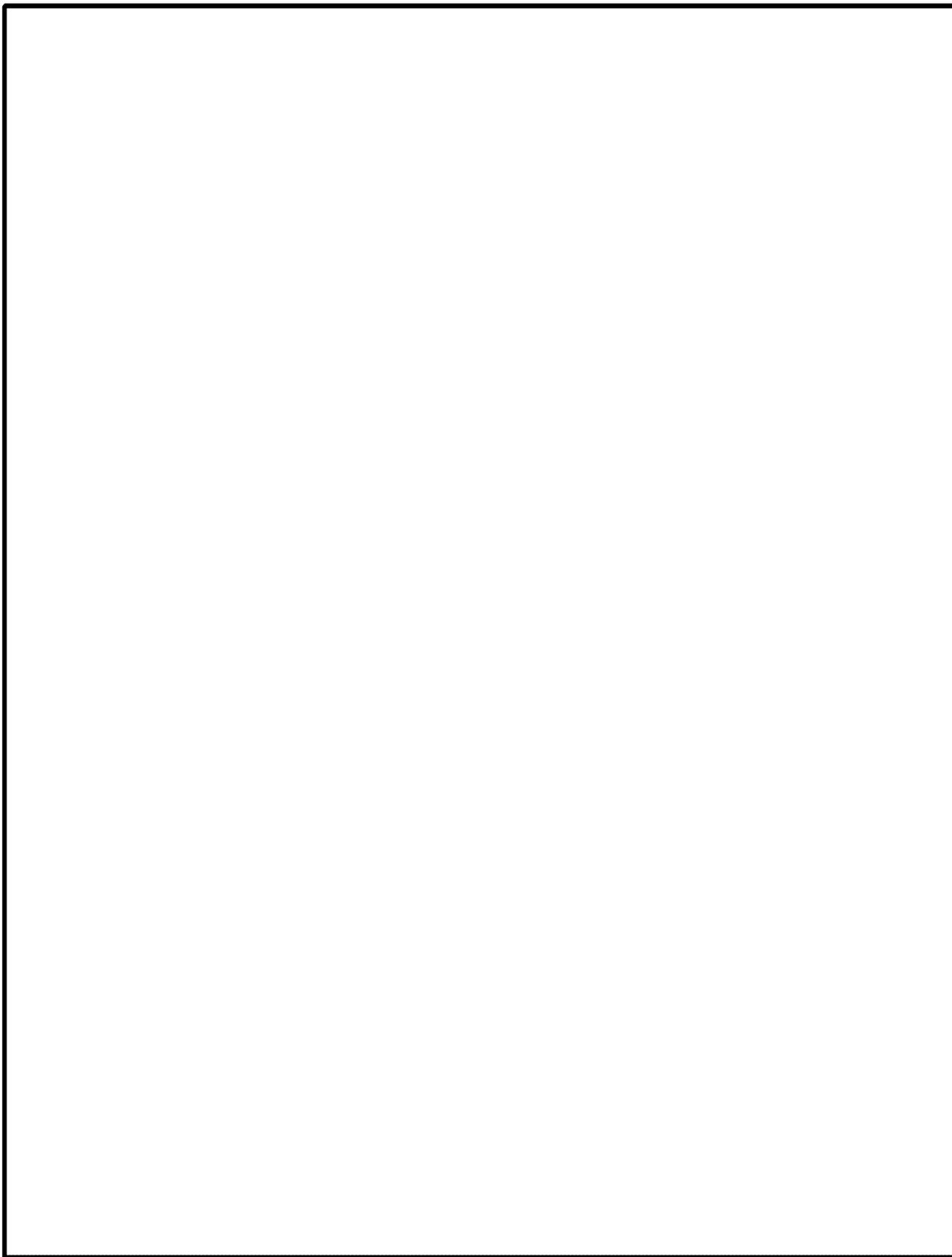
2. Tabulation of Principal Results



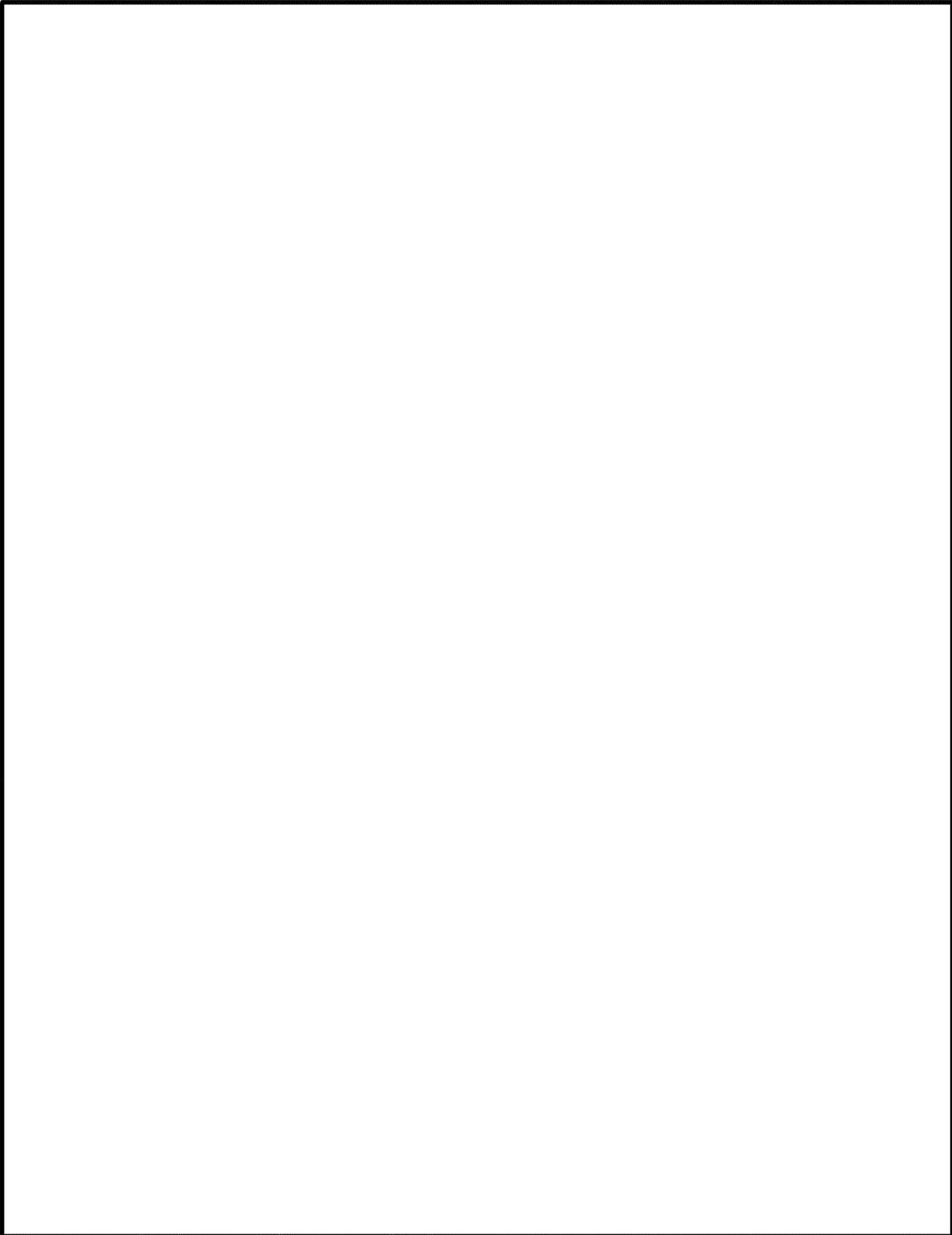
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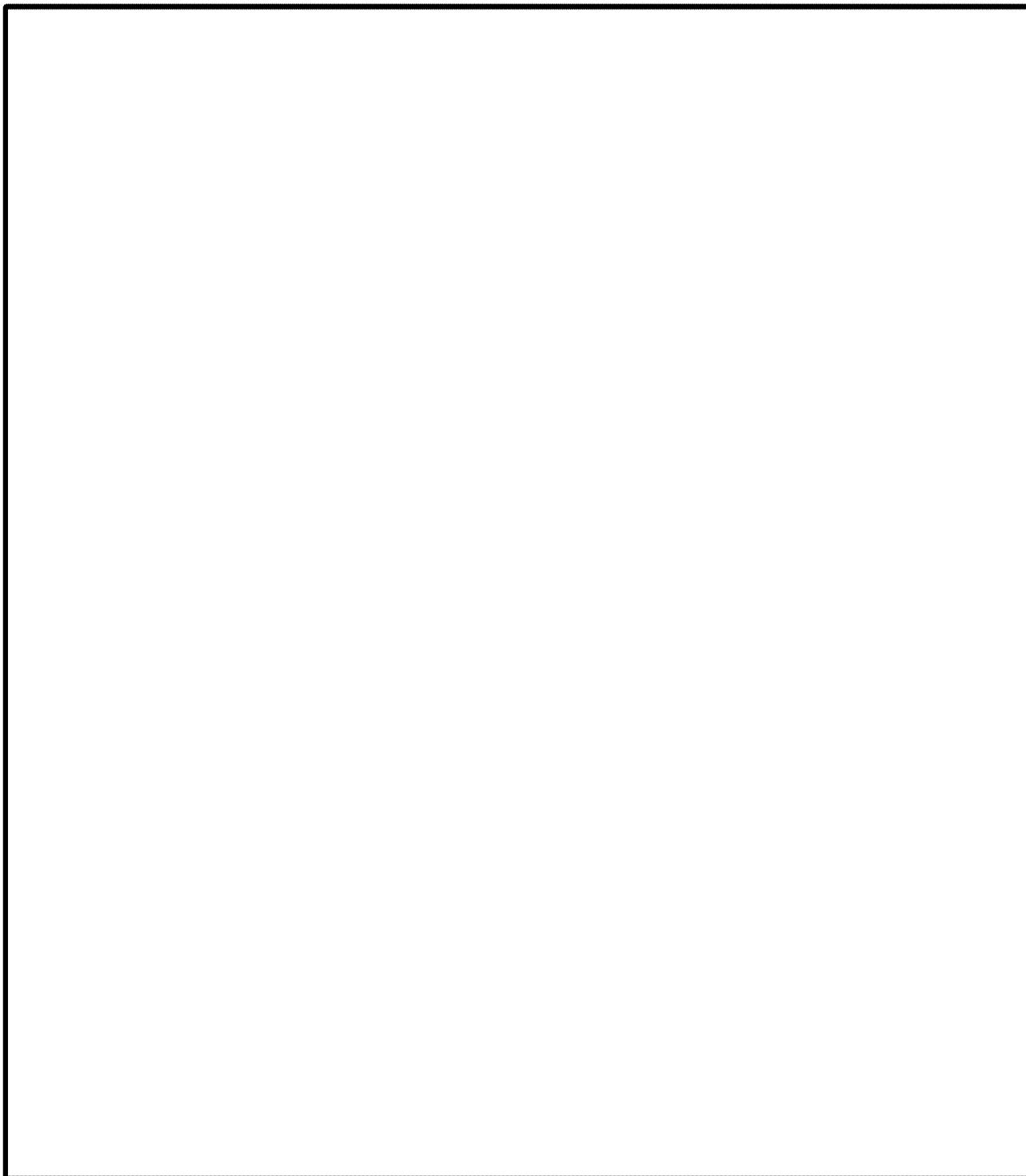


Demand for Business Services, Utilities, Maintenance and Construction, and New Supplier/Vendor Relationships Created with Manufacturers





3. Introduction and Scope of Work



4. Brief Guide to RIMS II Input/Output Model

The following material has been condensed from the RIMS II User Handbook.

Introduction and General Comments

Effective planning for public- and private-sector projects and programs at the State and local levels requires a systematic analysis of the economic impacts of these projects and programs on affected regions. In turn, systematic analysis of economic impacts must account for the inter-industry relationships within regions because these relationships largely determine how regional economies are likely to respond to project and program changes. Thus, regional input-output (I-O) multipliers, which account for inter-industry relationships within regions, are useful tools for conducting regional economic impact analysis.

In the 1970s, the Bureau of Economic Analysis (BEA) developed a method for estimating regional I-O multipliers known as RIMS (Regional Industrial Multiplier System), which was based on the work of Garnick and Drake. In the 1980s, BEA completed an enhancement of RIMS, known as RIMS II (Regional Input-Output Modeling System), and published a handbook for RIMS II users. In 1992, BEA published a second edition of the handbook in which the multipliers were based on more recent data and improved methodology. In 1997, BEA published a third edition of the handbook that provides more detail on the use of the multipliers and the data sources and methods for estimating them.

RIMS II is based on an accounting framework called an I-O table. For each industry, an I-O table shows the industrial distribution of inputs purchased and outputs sold. A typical I-O table in RIMS II is derived mainly from two data sources: BEA's national I-O table, which shows the input and output structure of nearly 500 U.S. industries, and BEA's regional economic accounts, which are used to adjust the national I-O table to show a region's industrial structure and trading patterns.

Using RIMS II for impact analysis has several advantages. RIMS II multipliers can be estimated for any region composed of one or more counties and for any industry, or group of industries, in the national I-O table. The accessibility of the main data sources for RIMS II keeps the cost of estimating regional multipliers relatively low. Empirical tests show that estimates based on relatively expensive surveys and RIMS II-based estimates are similar in magnitude.

BEA's RIMS multipliers can be a cost-effective way for analysts to estimate the economic impacts of changes in a regional economy. However, it is important to keep in mind that, like all economic impact models, RIMS provides approximate order-of-magnitude estimates of impacts. RIMS multipliers are best suited for estimating the impacts of small changes on a regional economy. For some applications, users may

want to supplement RIMS estimates with information they gather from the region undergoing the potential change. To use the multipliers for impact analysis effectively, users must provide geographically and industrially detailed information on the initial changes in output, earnings, or employment that are associated with the project or program under study. The multipliers can then be used to estimate the total impact of the project or program on regional output, earnings, and employment.

RIMS II is widely used in both the public and private sector. In the public sector, for example, the Department of Defense uses RIMS II to estimate the regional impacts of military base closings. State transportation departments use RIMS II to estimate the regional impacts of airport construction and expansion. In the private-sector, analysts and consultants use RIMS II to estimate the regional impacts of a variety of projects, such as the development of shopping malls and sports stadiums.

RIMS II Methodology

RIMS II uses BEA's benchmark and annual I-O tables for the nation. Since a particular region may not contain all the industries found at the national level, some direct input requirements cannot be supplied by that region's industries. Input requirements that are not produced in a study region are identified using BEA's regional economic accounts.

The RIMS II method for estimating regional I-O multipliers can be viewed as a three-step process. In the first step, the producer portion of the national I-O table is made region-specific by using six-digit NAICS location quotients (LQs). The LQs estimate the extent to which input requirements are supplied by firms within the region. RIMS II uses LQs based on two types of data: BEA's personal income data (by place of residence) are used to calculate LQs in the service industries; and BEA's wage-and-salary data (by place of work) are used to calculate LQs in the non-service industries.

In the second step, the household row and the household column from the national I-O table are made region-specific. The household row coefficients, which are derived from the value-added row of the national I-O table, are adjusted to reflect regional earnings leakages resulting from individuals working in the region but residing outside the region. The household column coefficients, which are based on the personal consumption expenditure column of the national I-O table, are adjusted to account for regional consumption leakages stemming from personal taxes and savings. In the last step, the Leontief inversion approach is used to estimate multipliers. This inversion approach produces output, earnings, and employment multipliers, which can be used to trace the impacts of changes in final demand on and indirectly affected industries.

Advantages of RIMS II

There are numerous advantages to using RIMS II. First, the accessibility of the main data sources makes it possible to estimate regional multipliers without conducting relatively expensive surveys. Second, the level of industrial detail used in RIMS II helps

avoid aggregation errors, which often occur when industries are combined. Third, RIMS II multipliers can be compared across areas because they are based on a consistent set of estimating procedures nationwide. Fourth, RIMS II multipliers are updated to reflect the most recent local-area wage-and-salary and personal income data.

Overview of Different Multipliers

RIMS II provides users with five types of multipliers: final demand multipliers for output, for earnings, and for employment; and direct-effect multipliers for earnings and for employment. These multipliers measure the economic impact of a change in final demand, in earnings, or in employment on a region's economy.

The final demand multipliers for output are the basic multipliers from which all other RIMS II multipliers are derived. In this table, each column entry indicates the change in output in each row industry that results from a \$1 change in final demand in the column industry. The impact on each row industry is calculated by multiplying the final demand change in the column industry by the multiplier for each row. The total impact on regional output is calculated by multiplying the final demand change in the column industry by the sum of all the multipliers for each row except the household row.

RIMS II provides two types of multipliers for estimating the impacts of changes on earnings: final demand multipliers and direct effect multipliers. These multipliers are derived from the table of final demand output multipliers.

The final demand multipliers for earnings can be used if data on final demand changes are available. In the final demand earnings multiplier table, each column entry indicates the change in earnings in each row industry that results from a \$1 change in final demand in the column industry. The impact on each row industry is calculated by multiplying the final demand change in the column industry by the multipliers for each row. The total impact on regional earnings is calculated by multiplying the final demand change in the column industry by the sum of the multipliers for each row.

Employment Multipliers

RIMS II provides two types of multipliers for estimating the impacts of changes on employment: final demand multipliers and direct effect multipliers. These multipliers are derived from the table of final demand output multipliers.

The final demand multipliers for employment can be used if the data on final demand changes are available. In the final demand employment multiplier table, each column entry indicates the change in employment in each row industry that results from a \$1 million change in final demand in the column industry. The impact on each row industry is calculated by multiplying the final demand change in the column industry by the multiplier for each row. The total impact on regional employment is calculated by multiplying the final demand change in the column industry by the sum of the multipliers for each row.

The direct effect multipliers for employment can be used if the data on the initial changes in employment by industry are available. In the direct effect employment multiplier table, each entry indicates the total change in employment in the region that results from a change of one job in the row industry. The total impact on regional employment is calculated by multiplying the initial change in employment in the row industry by the multiplier for the row.

Choosing a Multiplier

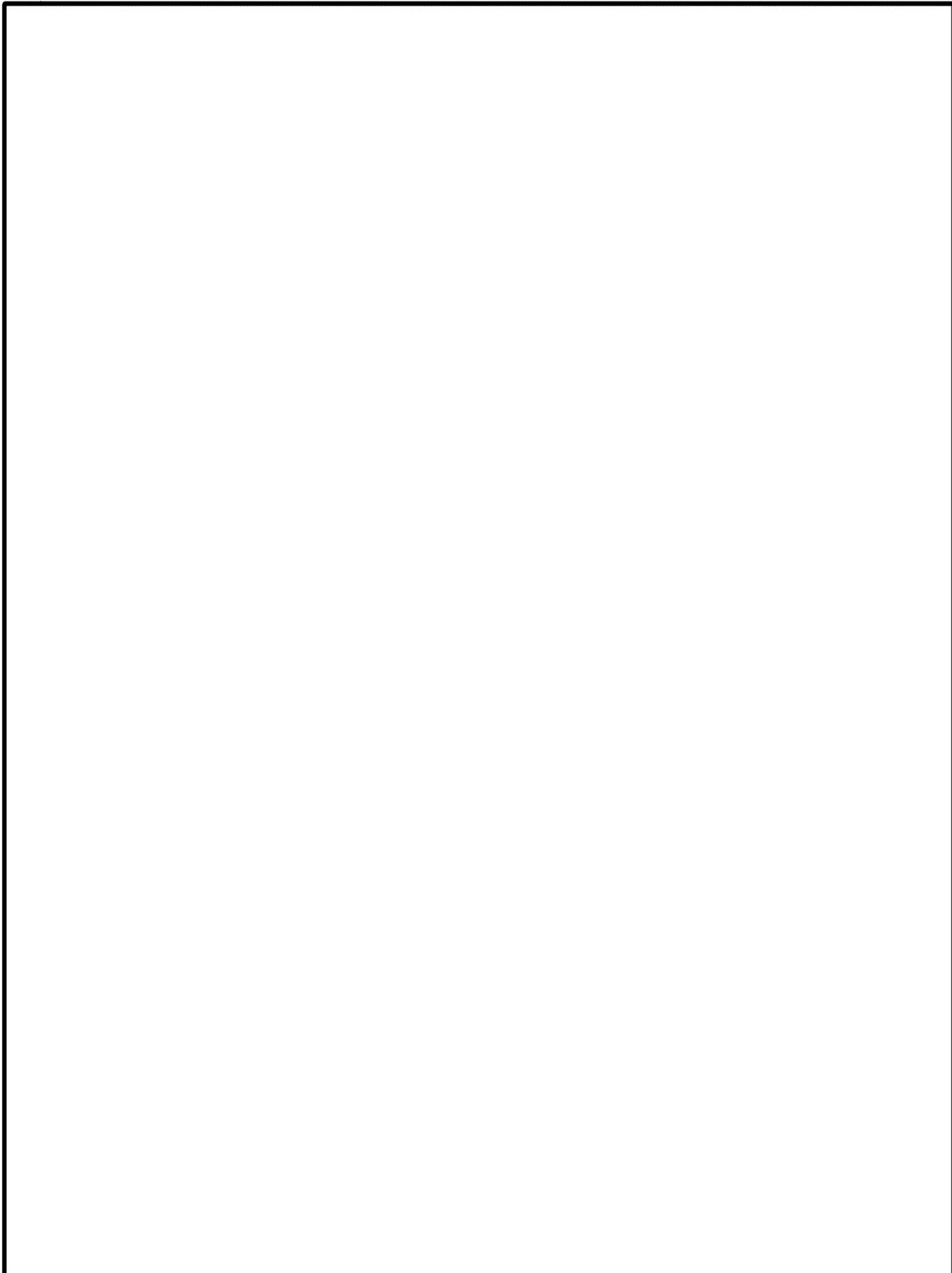
The choice of multiplier for estimating the impact of a project on output, earnings, and employment depends on the availability of estimates of the initial changes in final demand, earnings, and employment. If the estimates of the initial changes in all three measures are available, the RIMS II user can select any of the RIMS II multipliers. In theory, all the impact estimates should be consistent. If the available estimates are limited to initial changes in final demand, the user can select a final demand multiplier for impact estimation. If the available estimates are limited to initial changes in earnings or employment, the user can select a direct effect multiplier.

(b)(4) 5. Methodology for Calculating Indirect Job Gains

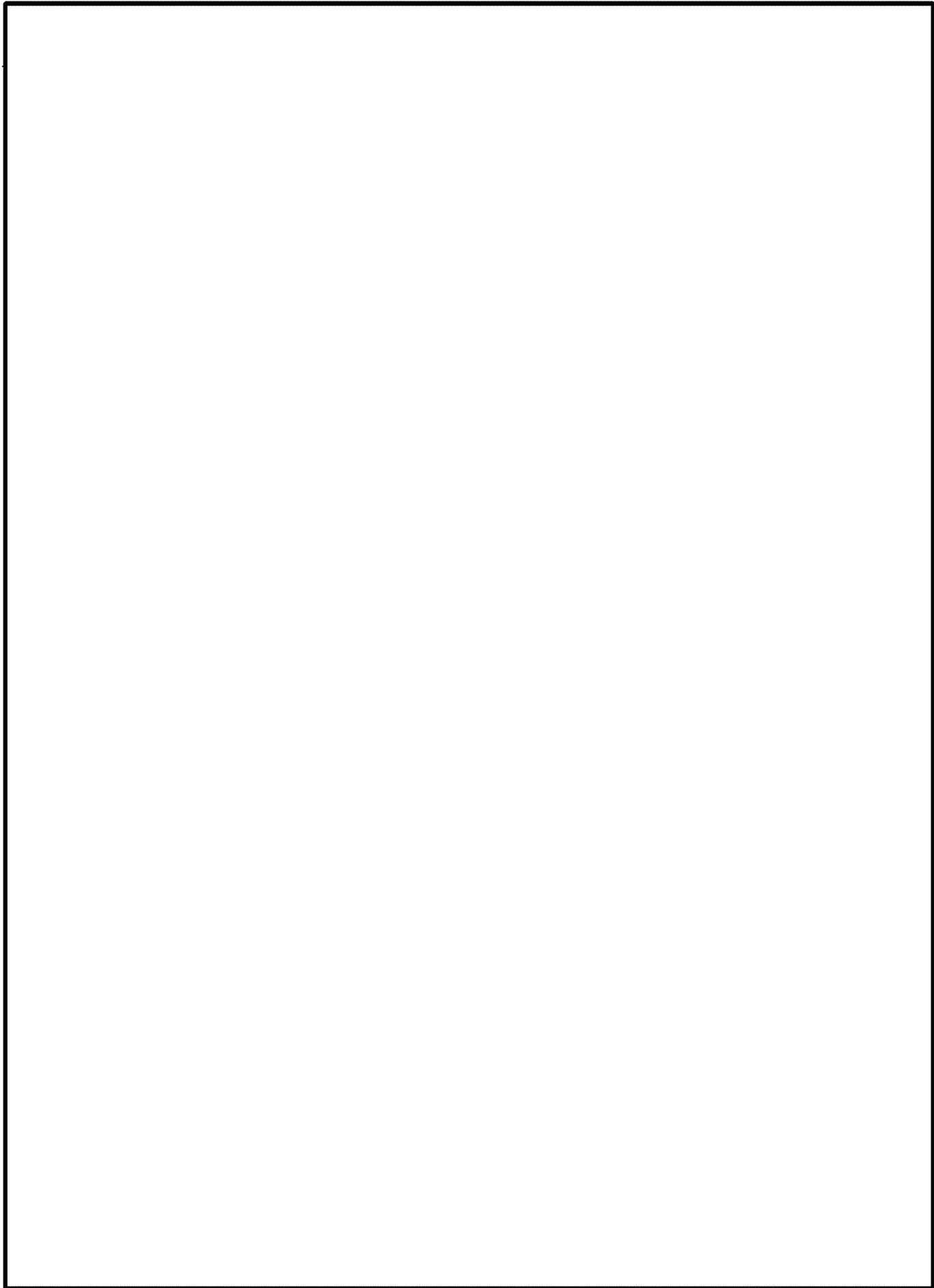
In spite of the explanation of the RIMS II model given directly above, some USCIS adjudicators have asked for further clarification about how that model is used to determine the increase in the number of indirect jobs. That is an important issue because, unlike the direct job count, which can be verified by USCIS from various payroll and withholding documents, the calculation of indirect jobs cannot be verified directly but depends on mathematical calculations.

The general concept is based on the coefficients in the input/output model itself (the same methodology applies to RIMS II, IMPLAN, or any other generally recognized and accepted input/output model). In any given year, the government calculates how much input is used for a given production of output. The detailed figures are taken from the Economic Censuses taken once every five years; the figures are then updated from various annual supplements.

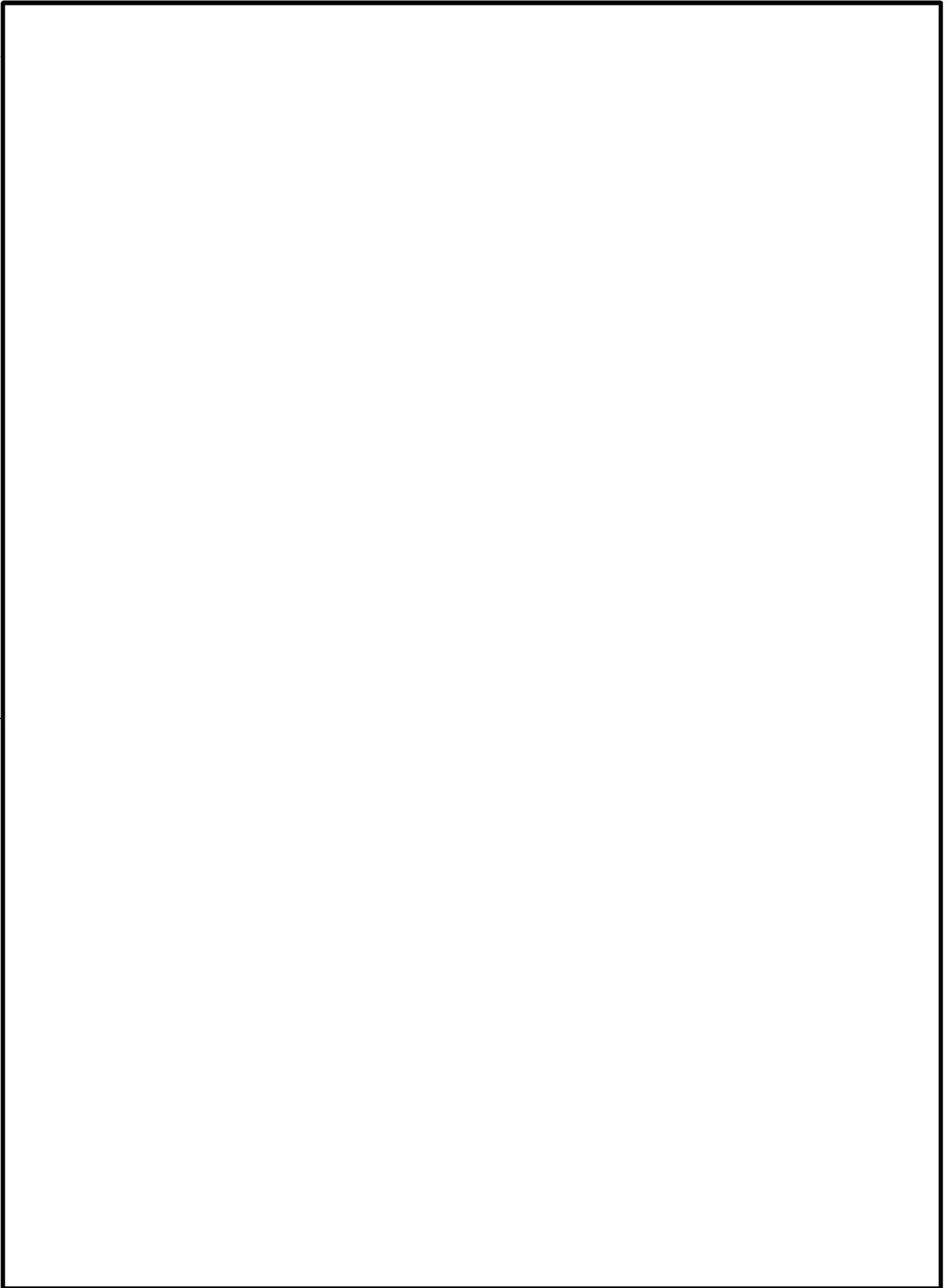




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6. Economic Parameters for Musselshell, Petroleum, Yellowstone, Rosebud, Garfield, and Treasure Counties

This section is organized as follows. Tables 6-1, 6-2, and 6-3 show the data for employment by major occupation and industrial classification, income distribution by deciles, mean and median household and family income, and poverty rates for Musselshell, Petroleum, Yellowstone, Rosebud, Garfield, and Treasure counties, and compare these figures to the U.S. totals or averages. Table 6-4 shows key labor market statistics over the past decade for the State of Montana and each of these counties. Tables 6-5 and 6-6 show the level and growth rate of population and personal income for these same areas.

Table 6-1. Key Economic Statistics for Musselshell and Petroleum Counties Compared to the U. S. Economy

Category	Mussel- shell	%	Petro- leum	%	U. S. 2005-09	%
EMPLOYMENT STATUS						
Population 16 years and over	3,652	100.0%	399	100.0%	235,871,704	100.0%
In labor force	2,050	56.1%	265	66.4%	153,407,584	65.0%
Civilian labor force	2,050	56.1%	265	66.4%	152,273,029	64.6%
Employed	1,960	53.7%	258	64.7%	141,303,145	59.9%
Unemployed	90	2.5%	7	1.8%	10,969,884	4.7%
Armed Forces	0	0.0%	0	0.0%	1,134,555	0.5%
Not in labor force	1,602	43.9%	134	33.6%	82,464,120	35.0%
OCCUPATION						
Civilian employed population 16 +	1,960	100.0%	258	100.0%	141,303,145	100.0%
Management & professional	455	23.2%	117	45.3%	49,129,589	34.8%
Service occupations	315	16.1%	10	3.9%	23,859,762	16.9%
Sales and office occupations	408	20.8%	39	15.1%	36,203,679	25.6%
Farming, fishing, & forestry	61	3.1%	48	18.6%	993,902	0.7%
Construction, maintenance, repair	418	21.3%	21	8.1%	13,383,294	9.5%
Production & transportation	303	15.5%	23	8.9%	17,732,919	12.5%

INDUSTRY

Civilian employed population 16 +	1,960	100.0%	258	100.0%	141,303,145	100.0%
Agriculture & mining	367	18.7%	127	49.2%	2,576,402	1.8%
Construction	293	14.9%	6	2.3%	10,520,876	7.4%
Manufacturing	124	6.3%	5	1.9%	15,887,145	11.2%
Wholesale trade	27	1.4%	0	0.0%	4,516,754	3.2%
Retail trade	292	14.9%	5	1.9%	16,277,681	11.5%
Transportation & utilities	205	10.5%	37	14.3%	7,173,048	5.1%
Information	2	0.1%	10	3.9%	3,450,324	2.4%
Finance, insurance & real estate	60	3.1%	0	0.0%	10,033,714	7.1%
Professional & administrative	36	1.8%	3	1.2%	14,540,450	10.3%
Educational services & health care	378	19.3%	41	15.9%	30,390,213	21.5%
Arts, entertain, hotel, food svcs	97	4.9%	10	3.9%	12,395,164	8.8%
Other private services	31	1.6%	6	2.3%	6,842,841	4.8%
Public administration	48	2.4%	8	3.1%	6,698,533	4.7%

INCOME AND BENEFITS

Total households	1,794	100.0%	220	100.0%	112,611,029	100.0%
Less than \$10,000	172	9.6%	17	7.7%	8,329,488	7.4%
\$10,000 to \$14,999	206	11.5%	9	4.1%	6,305,311	5.6%
\$15,000 to \$24,999	284	15.8%	31	14.1%	12,172,059	10.8%
\$25,000 to \$34,999	291	16.2%	40	18.2%	11,985,229	10.6%
\$35,000 to \$49,999	298	16.6%	46	20.9%	16,064,321	14.3%
\$50,000 to \$74,999	283	15.8%	52	23.6%	21,053,113	18.7%
\$75,000 to \$99,999	117	6.5%	9	4.1%	13,853,787	12.3%
\$100,000 to \$149,999	90	5.0%	7	3.2%	13,578,721	12.1%
\$150,000 to \$199,999	33	1.8%	5	2.3%	4,724,616	4.2%
\$200,000 or more	20	1.1%	4	1.8%	4,544,384	4.0%
Median household income (dollars)	33,000	64.2%	38,833	75.5%	51,425	
Mean household income (dollars)	44,222	63.1%	47,455	67.7%	70,096	
Families	1,315	100.0%	122	100.0%	75,082,471	100.0%
Less than \$10,000	41	3.1%	0	0.0%	3,393,200	4.5%
\$10,000 to \$14,999	114	8.7%	0	0.0%	2,479,747	3.3%
\$15,000 to \$24,999	164	12.5%	18	14.8%	6,274,623	8.4%
\$25,000 to \$34,999	218	16.6%	18	14.8%	7,046,604	9.4%
\$35,000 to \$49,999	272	20.7%	18	14.8%	10,374,067	13.8%
\$50,000 to \$74,999	261	19.8%	48	39.3%	15,181,992	20.2%
\$75,000 to \$99,999	110	8.4%	9	7.4%	10,997,786	14.6%
\$100,000 to \$149,999	84	6.4%	7	5.7%	11,350,903	15.1%
\$150,000 to \$199,999	31	2.4%	0	0.0%	4,060,380	5.4%
\$200,000 or more	20	1.5%	4	3.3%	3,923,169	5.2%

Median family income (dollars)	40,959	65.7%	51,346	82.3%	62,363
Mean family income (dollars)	52,310	64.2%	57,062	70.0%	81,537
Per capita income (dollars)	19,164	70.9%	22,168	82.0%	27,041
Median earnings for workers	20,678	71.2%	25,338	87.2%	29,050
Median earnings for male full-time	37,366	82.4%	26,346	58.1%	45,363
Median earnings for female full-time	22,111	62.8%	26,818	76.2%	35,207
PERCENTAGE BELOW POVERTY LEVEL					
All families	12.80%	129.3%	6.60%	66.7%	9.90%
All people	17.80%	131.9%	14.60%	108.1%	13.50%

Please note that in these tables, the percentage figures in black refer to the overall category in that column, while the figures in red refer to the U.S. average figures

Both Musselshell and Petroleum counties are both very sparsely populated areas that are largely farming and mining counties. The data are based on 2005-09 averages because of the small number of people, but even these figures may be subject to relatively wide sampling areas. The median and mean income for Musselshell County is about $\frac{2}{3}$ of the national average, while for Petroleum County the figure is about $\frac{3}{4}$ of the average. The poverty rate in Musselshell County is well above average; for Petroleum County the rate is below average for all families but slightly above average for all people.

Table 6-2. Key Economic Statistics for Yellowstone County Compared to Montana and the U. S. Economy

Category	Yellowstone	%	Montana	%	U.S. 2009	%
EMPLOYMENT STATUS						
Population 16 years and over	113,061	100.0%	780,092	100.0%	241,002,178	100.0%
In labor force	79,769	70.6%	508,058	65.1%	157,334,979	65.3%
Civilian labor force	79,769	70.6%	503,837	64.6%	156,044,453	64.7%
Employed	74,327	65.7%	463,880	59.5%	140,602,470	58.3%
Unemployed	5,442	4.8%	39,957	5.1%	15,441,983	6.4%
Armed Forces	0	0.0%	4,221	0.5%	1,290,526	0.5%
Not in labor force	33,292	29.4%	272,034	34.9%	83,667,199	34.7%
OCCUPATION						
Civilian employed population 16 +	74,327	100.0%	463,880	100.0%	140,602,470	100.0%
Management & professional	25,063	33.7%	157,412	33.9%	50,179,987	35.7%
Service occupations	11,929	16.0%	90,414	19.5%	25,066,647	17.8%
Sales and office occupations	19,207	25.8%	113,750	24.5%	35,425,756	25.2%
Farming, fishing, & forestry	440	0.6%	8,636	1.9%	988,070	0.7%

Construction, maintenance, repair	8,540	11.5%	47,508	10.2%	12,273,897	8.7%
Production & transportation	9,148	12.3%	46,160	10.0%	16,668,113	11.9%

INDUSTRY

Civilian employed population 16 +	74,327	100.0%	463,880	100.0%	140,602,470	100.0%
Agriculture & mining	2,628	3.5%	31,817	6.9%	2,561,033	1.8%
Construction	6,028	8.1%	33,108	7.1%	9,503,594	6.8%
Manufacturing	4,584	6.2%	23,743	5.1%	14,754,973	10.5%
Wholesale trade	3,098	4.2%	12,347	2.7%	4,103,620	2.9%
Retail trade	10,004	13.5%	56,068	12.1%	16,250,921	11.6%
Transportation & utilities	3,585	4.8%	23,410	5.0%	7,040,174	5.0%
Information	1,301	1.8%	9,601	2.1%	3,213,793	2.3%
Finance, insurance & real estate	5,931	8.0%	25,834	5.6%	9,657,009	6.9%
Professional & administrative	6,963	9.4%	40,130	8.7%	14,929,815	10.6%
Educational services & health care	15,459	20.8%	103,321	22.3%	31,924,265	22.7%
Arts, entertain, hotel, food svcs	8,391	11.3%	55,778	12.0%	12,877,546	9.2%
Other private services	3,811	5.1%	21,685	4.7%	6,984,373	5.0%
Public administration	2,544	3.4%	27,038	5.8%	6,801,354	4.8%

INCOME AND BENEFITS

Total households	57,523	100.0%	375,287	100.0%	113,616,229	100.0%
Less than \$10,000	2,429	4.2%	31,623	8.4%	8,806,058	7.8%
\$10,000 to \$14,999	3,825	6.6%	24,128	6.4%	6,487,937	5.7%
\$15,000 to \$24,999	7,833	13.6%	52,660	14.0%	12,772,231	11.2%
\$25,000 to \$34,999	6,699	11.6%	45,412	12.1%	12,133,527	10.7%
\$35,000 to \$49,999	9,491	16.5%	62,467	16.6%	16,376,340	14.4%
\$50,000 to \$74,999	11,366	19.8%	70,937	18.9%	20,840,835	18.3%
\$75,000 to \$99,999	7,223	12.6%	43,811	11.7%	13,686,950	12.0%
\$100,000 to \$149,999	5,810	10.1%	30,516	8.1%	13,332,224	11.7%
\$150,000 to \$199,999	1,551	2.7%	7,403	2.0%	4,712,459	4.1%
\$200,000 or more	1,296	2.3%	6,330	1.7%	4,467,668	3.9%
Median household income (dollars)	47,233	94.1%	42,322	84.3%	50,221	
Mean household income (dollars)	59,885	86.9%	54,472	79.0%	68,914	

Families	36,872	100.0%	235,940	100.0%	75,530,746	100.0%
Less than \$10,000	1,318	3.6%	12,248	5.2%	3,676,485	4.9%
\$10,000 to \$14,999	858	2.3%	7,022	3.0%	2,640,878	3.5%
\$15,000 to \$24,999	3,312	9.0%	23,814	10.1%	6,604,662	8.7%
\$25,000 to \$34,999	3,588	9.7%	24,581	10.4%	7,164,166	9.5%
\$35,000 to \$49,999	5,374	14.6%	38,025	16.1%	10,543,895	14.0%
\$50,000 to \$74,999	8,432	22.9%	52,789	22.4%	14,987,597	19.8%
\$75,000 to \$99,999	6,395	17.3%	38,183	16.2%	10,851,609	14.4%
\$100,000 to \$149,999	4,801	13.0%	26,778	11.3%	11,161,136	14.8%

\$150,000 to \$199,999	1,581	4.3%	6,954	2.9%	4,041,141	5.4%
\$200,000 or more	1,213	3.3%	5,546	2.4%	3,859,177	5.1%
Median family income (dollars)	60,733	99.4%	55,010	90.1%	61,082	
Mean family income (dollars)	72,623	90.6%	65,947	82.3%	80,155	
Per capita income (dollars)	24,646	93.3%	22,371	84.7%	26,409	
Median earnings for workers	26,534	93.5%	22,113	78.0%	28,365	
Median earnings for male full-time	43,605	95.9%	39,830	87.6%	45,485	
Median earnings for female full-time	29,928	84.2%	28,461	80.1%	35,549	
PERCENTAGE BELOW POVERTY LEVEL						
All families	8.30%	79.0%	9.90%	94.3%	10.50%	
All people	11.40%	79.7%	15.10%	105.6%	14.30%	

Yellowstone County includes the city of Billings, the largest city in Montana, and in fact the largest city in an area bordered by Minneapolis, Minnesota to the east and Seattle, Washington to the west Calgary, Alberta (Canada) to the north and Denver, Colorado to the south. The city serves as the major hub of agricultural and mining services for Eastern Montana, but these are mainly service jobs; the proportion of workers in these two sectors, while larger than the 1.8% national average figure, is still only a modest 3.5%. It also has 13.5% of the workforce in retail trade, compared to 11.6% nationally, because Montana has no sales tax, and hence attracts shoppers from nearby areas of Wyoming, North Dakota, and South Dakota. However, it has only a small manufacturing base, employing 6.2% of the workforce, compared to 10.5% nationally.

In spite of being the "economic capital" of the state, there are relatively few rich people living here, so the mean and median household and family income are all below the national average. However, there are also relatively few poor people in the city, so the poverty rates are less than 80% of the national average.

Table 6-3. Key Economic Statistics for Rosebud, Garfield, and Treasure Counties Compared to the U. S. Economy

Category	Rosebud	%	Garfield	%	Treasure	%
EMPLOYMENT STATUS						
Population 16 years and over	6,529	100.0%	927	100.0%	692	100.0%
In labor force	4,232	64.8%	643	69.4%	433	62.6%
Civilian labor force	4,232	64.8%	643	69.4%	433	62.6%
Employed	3,839	58.8%	631	68.1%	423	61.1%
Unemployed	393	6.0%	12	1.3%	10	1.4%
Armed Forces	0	0.0%	0	0.0%	0	0.0%

Not in labor force	2,297	35.2%	284	30.6%	259	37.4%
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OCCUPATION

Civilian employed population 16 +	3,839	100.0%	631	100.0%	423	100.0%
Management & professional	1,152	30.0%	223	35.3%	151	35.7%
Service occupations	776	20.2%	131	20.8%	46	10.9%
Sales and office occupations	710	18.5%	111	17.6%	63	14.9%
Farming, fishing, & forestry	128	3.3%	76	12.0%	57	13.5%
Construction, maintenance, repair	629	16.4%	54	8.6%	70	16.5%
Production & transportation	444	11.6%	36	5.7%	36	8.5%

INDUSTRY

Civilian employed population 16 +	3,839	100.0%	631	100.0%	423	100.0%
Agriculture & mining	754	19.6%	241	38.2%	158	37.4%
Construction	203	5.3%	36	5.7%	53	12.5%
Manufacturing	11	0.3%	12	1.9%	0	0.0%
Wholesale trade	27	0.7%	0	0.0%	17	4.0%
Retail trade	401	10.4%	69	10.9%	15	3.5%
Transportation & utilities	424	11.0%	24	3.8%	24	5.7%
Information	90	2.3%	11	1.7%	14	3.3%
Finance, insurance & real estate	135	3.5%	20	3.2%	6	1.4%
Professional & administrative	92	2.4%	11	1.7%	15	3.5%
Educational services & health care	881	22.9%	111	17.6%	69	16.3%
Arts, entertain, hotel, food svcs	370	9.6%	47	7.4%	3	0.7%
Other private services	162	4.2%	24	3.8%	6	1.4%
Public administration	289	7.5%	25	4.0%	43	10.2%

INCOME AND BENEFITS

Total households	3,204	100.0%	513	100.0%	342	100.0%
Less than \$10,000	295	9.2%	32	6.2%	17	5.0%
\$10,000 to \$14,999	273	8.5%	53	10.3%	15	4.4%
\$15,000 to \$24,999	433	13.5%	97	18.9%	63	18.4%
\$25,000 to \$34,999	337	10.5%	94	18.3%	52	15.2%
\$35,000 to \$49,999	395	12.3%	65	12.7%	45	13.2%
\$50,000 to \$74,999	538	16.8%	94	18.3%	73	21.3%
\$75,000 to \$99,999	526	16.4%	33	6.4%	35	10.2%
\$100,000 to \$149,999	365	11.4%	34	6.6%	36	10.5%
\$150,000 to \$199,999	1	0.0%	4	0.8%	6	1.8%
\$200,000 or more	41	1.3%	7	1.4%	0	0.0%
Median household income (dollars)	43,269	84.1%	32,880	63.9%	43,553	84.7%
Mean household income (dollars)	53,488	76.3%	45,507	64.9%	52,273	74.6%

Families	2,354	100.0%	311	100.0%	241	100.0%
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Less than \$10,000	160	6.8%	7	2.3%	2	0.8%
\$10,000 to \$14,999	178	7.6%	11	3.5%	5	2.1%
\$15,000 to \$24,999	308	13.1%	37	11.9%	24	10.0%
\$25,000 to \$34,999	231	9.8%	69	22.2%	44	18.3%
\$35,000 to \$49,999	275	11.7%	43	13.8%	34	14.1%
\$50,000 to \$74,999	419	17.8%	76	24.4%	61	25.3%
\$75,000 to \$99,999	470	20.0%	31	10.0%	33	13.7%
\$100,000 to \$149,999	278	11.8%	30	9.6%	32	13.3%
\$150,000 to \$199,999	1	0.0%	2	0.6%	6	2.5%
\$200,000 or more	34	1.4%	5	1.6%	0	0.0%
Median family income (dollars)	53,750	86.2%	48,083	77.1%	53,646	86.0%
Mean family income (dollars)	57,389	70.4%	54,431	66.8%	60,740	74.5%
Per capita income (dollars)	19,169	70.9%	21,151	78.2%	20,446	75.6%
Median earnings for workers	25,574	88.0%	16,550	57.0%	23,150	79.7%
Median earnings for male full-time	51,591	113.7%	33,942	74.8%	37,639	83.0%
Median earnings for female full-time	28,236	80.2%	15,811	44.9%	26,875	76.3%
PERCENTAGE BELOW POVERTY LEVEL						
All families	19.30%	194.9%	7.70%	77.8%	5.00%	50.5%
All people	23.10%	171.1%	11.30%	83.7%	8.00%	59.3%

These three counties are similar to Musselshell and Petroleum counties in that they are very sparsely settled, with the economic base tied directly to agriculture and mining. The mean and median income for these three counties ranges from 67% to 85% of the national average. The poverty rates bear no resemblance to these figures; the rate for all families is 195% of the national average in Rosebud, 78% in Garfield, and only 50% in Treasure County. However, these figures represent only a handful of families and are too small to provide a meaningful sample size.

Table 6-4. Labor Market Statistics for the State of Montana, 6 Counties, and 2 County Groups

	Labor Force	Employed	Unemployed
Montana			
2000	468865	446552	22313
2001	468963	447827	21136
2002	466299	445281	21018
2003	470472	450190	20282
2004	475566	456385	19181

2005	480747	463251	17496
2006	492358	476412	15946
2007	501929	485132	16797
2008	508225	485375	22850
2009	496499	465220	31279
2010	497395	461337	36058

Yellowstone

2000	71487	68572	2915
2001	72266	69663	2603
2002	74395	71698	2697
2003	75165	72635	2530
2004	75993	73549	2444
2005	77824	75531	2293
2006	79395	77284	2111
2007	81476	79417	2059
2008	82508	79740	2768
2009	81281	77573	3708
2010	81110	76641	4469

Musselshell

2000	2096	1969	127
2001	2048	1934	114
2002	2054	1926	128
2003	2056	1941	115
2004	2084	1973	111
2005	2061	1964	97
2006	2070	1993	77
2007	2034	1932	102
2008	2151	2038	113
2009	2417	2269	148
2010	2409	2247	162

Petroleum

2000	252	235	17
2001	223	213	10
2002	197	186	11
2003	203	191	12
2004	219	208	11
2005	224	214	10
2006	225	215	10
2007	236	224	12
2008	249	236	13

2009	233	222	11
2010	233	218	15

Rosebud

2000	4279	4029	250
2001	4259	4009	250
2002	3999	3767	232
2003	4294	4077	217
2004	4250	4053	197
2005	3980	3780	200
2006	3847	3648	199
2007	3916	3725	191
2008	4032	3805	227
2009	4005	3756	249
2010	3942	3647	295

Garfield

2000	706	677	29
2001	683	661	22
2002	620	598	22
2003	630	610	20
2004	654	632	22
2005	636	614	22
2006	636	615	21
2007	643	625	18
2008	658	637	21
2009	648	626	22
2010	615	589	26

Treasure

2000	458	437	21
2001	441	426	15
2002	399	383	16
2003	431	416	15
2004	413	396	17
2005	403	389	14
2006	396	384	12
2007	405	393	12
2008	407	391	16
2009	398	379	19
2010	394	375	19

The figures are dominated by Yellowstone County, which had a labor force of over 81,000 in 2010; the other five counties together had a labor force of less than 8,000. The total number of unemployed in the six-county area in 2010 was 4,986, far more than the estimated 377 new jobs that will be added by oil well drilling in these counties.

Table 6-5. Level and Growth of Population, State of Montana, 6 Counties, and the Total Area

	Montana	Yellowstone	Musselshell	Petroleum	Rosebud	Garfield	Treasure	6 counties
2009	974,989	144,797	4,600	440	9,258	1,173	612	160,880
2008	968,035	142,602	4,506	433	9,150	1,161	650	158,502
2007	957,225	140,047	4,466	431	9,126	1,193	654	155,917
2006	946,230	138,239	4,458	455	9,079	1,199	680	154,110
2005	934,801	136,493	4,376	460	9,147	1,173	698	152,347
2004	925,887	134,559	4,418	491	9,151	1,211	741	150,571
2003	916,750	133,054	4,401	484	9,216	1,234	742	149,131
2002	909,868	131,771	4,389	492	9,203	1,245	765	147,865
2001	905,873	130,608	4,397	483	9,250	1,262	821	146,821
2000	903,293	129,527	4,492	492	9,391	1,267	854	146,023
2009/08	0.72%	1.54%	2.09%	1.62%	1.18%	1.03%	-5.85%	1.50%
2008/07	1.13%	1.82%	0.90%	0.46%	0.26%	-2.68%	-0.61%	1.66%
2007/06	1.16%	1.31%	0.18%	-5.27%	0.52%	-0.50%	-3.82%	1.17%
2006/05	1.22%	1.28%	1.87%	-1.09%	-0.74%	2.22%	-2.58%	1.16%
2005/04	0.96%	1.44%	-0.95%	-6.31%	-0.04%	-3.14%	-5.80%	1.18%
2004/03	1.00%	1.13%	0.39%	1.45%	-0.71%	-1.86%	-0.13%	0.97%
2003/02	0.76%	0.97%	0.27%	-1.63%	0.14%	-0.88%	-3.01%	0.86%
2002/01	0.44%	0.89%	-0.18%	1.86%	-0.51%	-1.35%	-6.82%	0.71%
2001/00	0.29%	0.83%	-2.11%	-1.83%	-1.50%	-0.39%	-3.86%	0.55%
2009/00	0.85%	1.24%	0.26%	-1.23%	-0.16%	-0.85%	-3.63%	1.08%

Population growth in this 6-county area very close to the 1% rate for the U.S., and slightly higher than the 0.85% rate for Montana. All of the growth occurred in Yellowstone county; on balance, the other 5 counties lost population over the past decade.

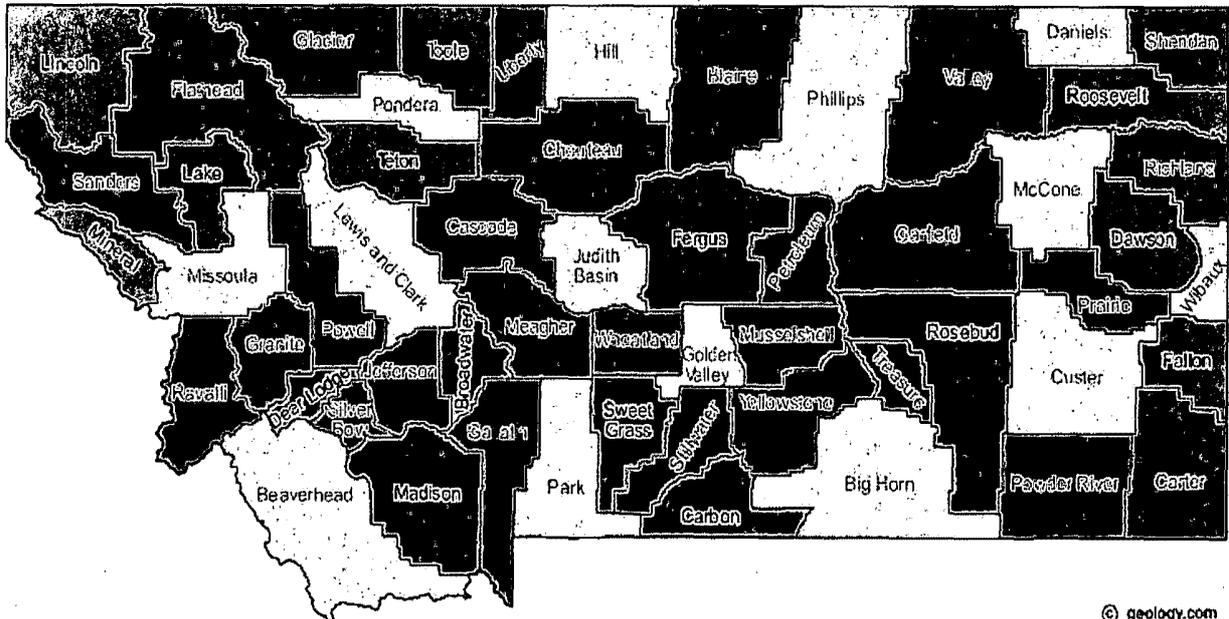
Table 6-6. Level and Growth of Personal Income (Billion \$), State of Montana, 6 Counties, and the Total Area

	Montana	Yellowstone	Musselshell	Petroleum	Rosebud	Garfield	Treasure	6 counties
2009	33.957	5.707	0.125	0.013	0.310	0.033	0.022	6.210
2008	34.141	5.732	0.110	0.013	0.305	0.040	0.022	6.222
2007	32.464	5.378	0.106	0.011	0.292	0.034	0.019	5.840
2006	30.447	5.031	0.097	0.011	0.284	0.032	0.016	5.471
2005	28.179	4.637	0.092	0.011	0.274	0.037	0.017	5.067
2004	26.495	4.335	0.089	0.010	0.262	0.033	0.017	4.744
2003	24.752	4.054	0.085	0.010	0.250	0.033	0.015	4.448
2002	23.370	3.877	0.078	0.008	0.224	0.027	0.015	4.230
2001	22.931	3.776	0.078	0.010	0.226	0.032	0.016	4.137
2000	21.200	3.475	0.071	0.008	0.208	0.025	0.015	3.801
2009/08	-0.54%	-0.44%	13.25%	1.46%	1.78%	-18.17%	0.49%	-0.20%
2008/07	5.17%	6.59%	4.41%	13.06%	4.22%	15.85%	18.31%	6.54%
2007/06	6.62%	6.89%	8.80%	8.18%	2.98%	7.25%	15.52%	6.75%
2006/05	8.05%	8.50%	5.86%	-4.86%	3.68%	-12.98%	-7.05%	7.96%
2005/04	6.35%	6.97%	3.25%	12.82%	4.63%	13.15%	2.47%	6.81%
2004/03	7.04%	6.92%	4.76%	-4.03%	4.63%	-1.97%	12.06%	6.67%
2003/02	5.91%	4.56%	7.99%	34.24%	11.59%	21.31%	2.45%	5.15%
2002/01	1.91%	2.69%	1.13%	-20.87%	-0.93%	-15.26%	-6.34%	2.23%
2001/00	8.17%	8.66%	9.87%	27.55%	8.62%	28.70%	9.20%	8.85%
2009/00	5.37%	5.66%	6.53%	6.29%	4.52%	2.94%	4.88%	5.60%

Personal income for this 6-county region rose at a 5.6% annual rate, well above the national average rate of 3.8% and slightly higher than the 5.4% rate for Montana. Rising energy prices were the main reason for the higher growth, since population gains were equal to the U. S. average. The decline in 2009 was very modest in spite of weaker oil prices, as the rise in prices over the previous three years generated a boom in oil drilling.

Figure 6-1 shows the county map of Montana. Yellowstone County is located near the southern border of the state, slightly east of center. Musselshell County is directly north of Yellowstone County, and Petroleum County is north of that. Treasure County is due east of Yellowstone County, and Rosebud is due east of that. Garfield County is north of Rosebud County.

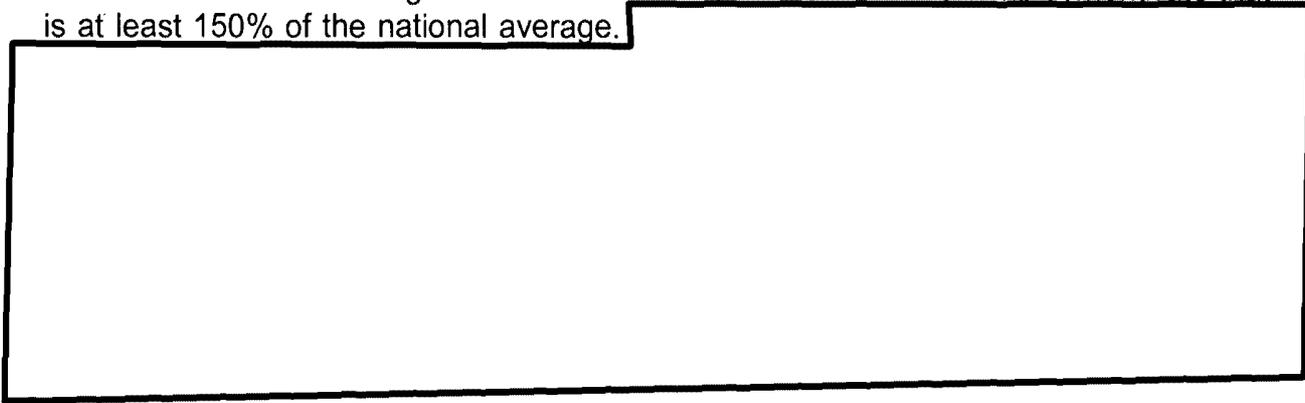
Figure 6-1. County Map of Montana



© geology.com

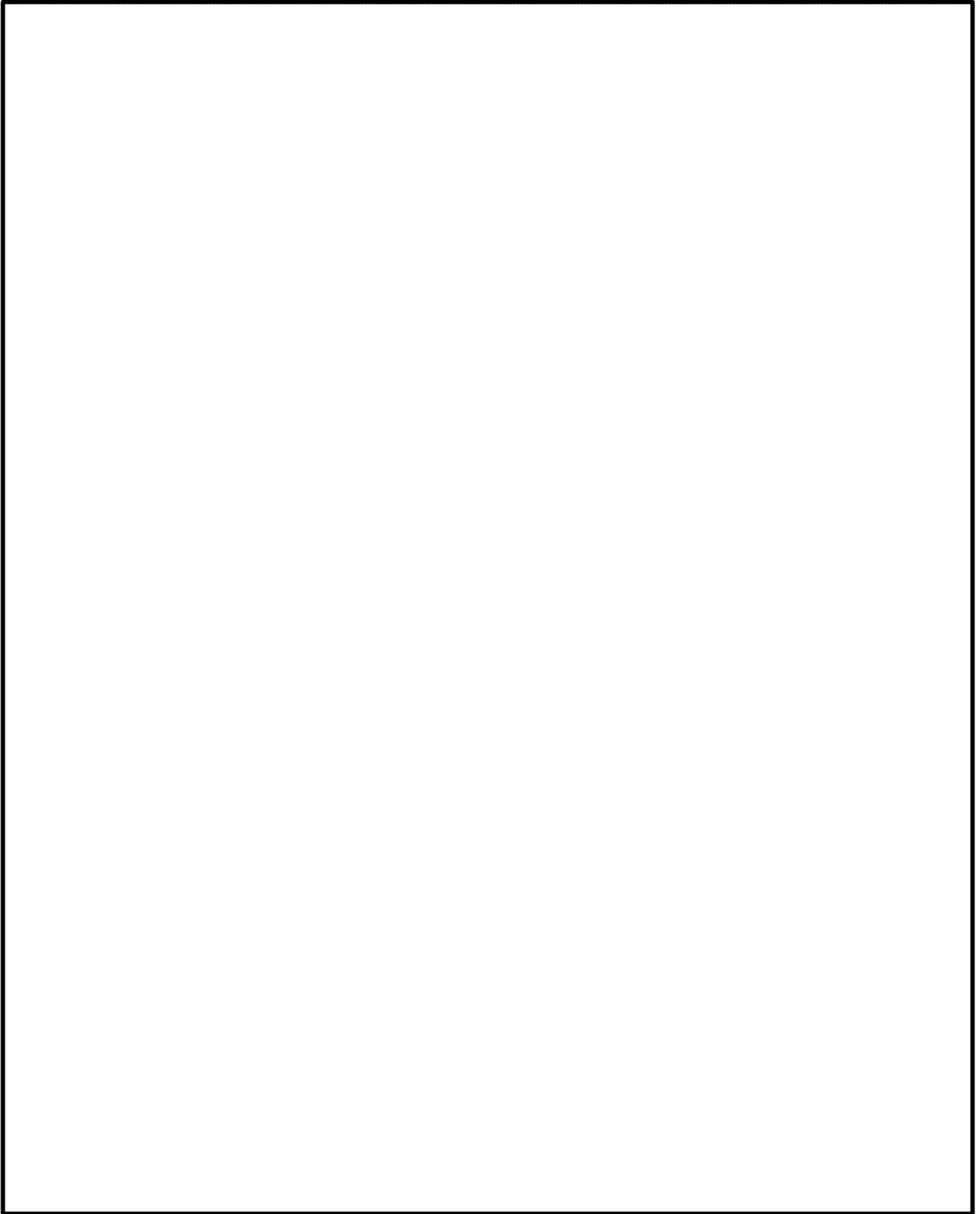
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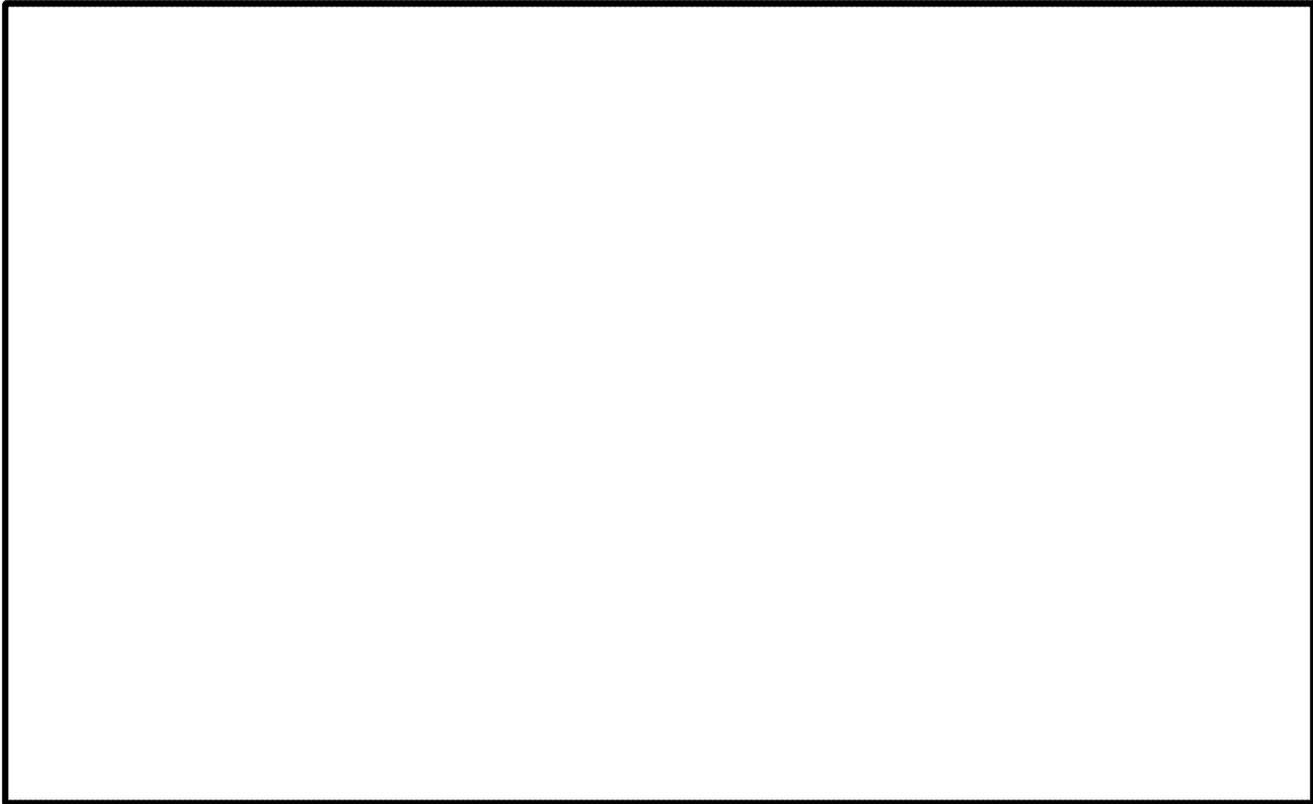
The USCIS defines a Targeted Employment Area (TEA) as an area that meets one or both of the following criteria: a rural area, or one with an unemployment rate that is at least 150% of the national average.



(b)(4)

7. Discussion of Oil Drilling in Montana





According to <http://www.theoil drum.com/node/9506>, first year production for similar oil wells in Montana (some of which are in the Bakken formation, of which a small part of Garfield county overlaps) is about 141 bbls/day, after which production declines at about a 40% annual rate.

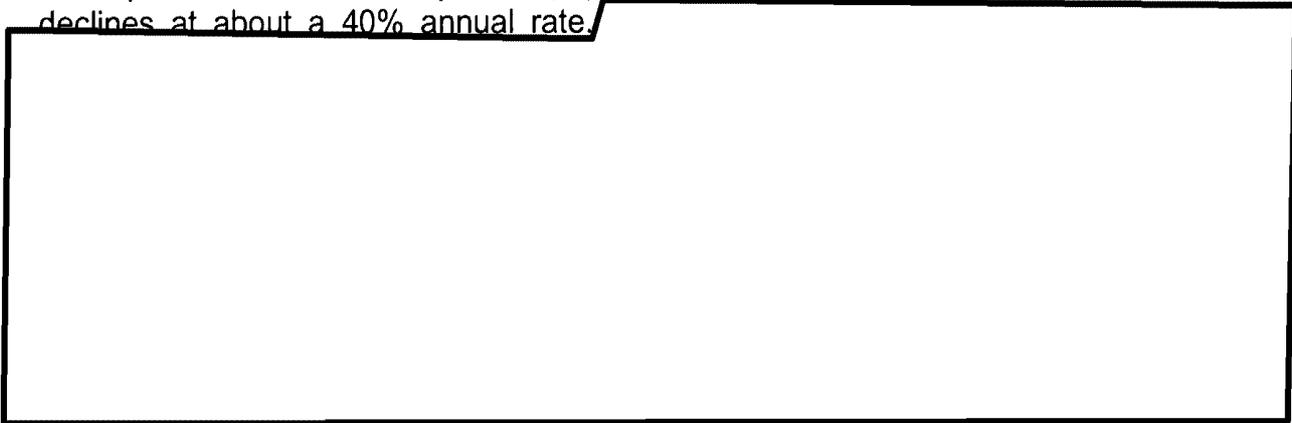


Figure 7-1. Montana Oil Production

Montana 2009**Distribution of Wells by Production Rate Bracket**

Prod. Rate Bracket (BOE/Day)	Oil Wells							Gas Wells						
	# of Oil Wells	% of Oil Wells	Annual Oil Prod. (Mbbbl)	% of Oil Prod.	Oil Rate per Well (bbl/Day)	Annual Gas Prod. (MMcf)	Gas Rate per Well (Mcf/Day)	# of Gas Wells	% of Gas Wells	Annual Gas Prod. (MMcf)	% of Gas Prod.	Gas Rate per Well (Mcf/Day)	Annual Oil Prod. (Mbbbl)	Oil Rate per Well (bbl/Day)
0 - 1	1,253	28.4	190.5	0.7	0.4	4.1	0.0	1,489	21.7	1,417.1	1.7	2.8	0.4	0.0
1 - 2	470	10.7	231.2	0.8	1.4	27.7	0.2	1,171	17.3	3,718.1	4.4	8.8	0.9	0.0
2 - 4	420	9.5	411.8	1.5	2.8	68.0	0.5	1,390	20.6	8,648.1	10.3	17.4	2.3	0.0
4 - 6	217	4.9	380.3	1.4	4.9	81.5	1.0	670	9.9	7,027.3	8.3	29.6	2.1	0.0
6 - 8	178	4.0	414.5	1.5	6.6	107.6	1.7	457	6.8	6,918.0	8.2	41.9	1.3	0.0
8 - 10	145	3.3	434.9	1.6	8.4	155.2	3.0	391	5.8	7,409.5	8.8	53.7	4.8	0.0
Subtotal <=10	2,683	60.8	2,063.3	7.5	2.2	442.2	0.5	5,548	82.1	35,136.1	41.7	18.0	11.7	0.0
10 - 12	115	2.6	430.2	1.6	10.4	149.1	3.6	294	4.3	6,948.4	8.2	65.7	0.4	0.0
12 - 15	159	3.6	715.5	2.6	12.7	289.8	5.1	389	5.5	10,557.2	12.5	80.6	1.7	0.0
Subtotal <=15	2,957	67.1	3,209.0	11.7	3.1	881.0	0.9	6,211	91.9	52,641.6	62.5	24.0	13.8	0.0
15 - 20	238	5.4	1,353.5	4.9	16.0	651.8	7.7	266	3.9	9,636.2	11.4	102.5	8.8	0.0
20 - 25	171	3.9	1,284.8	4.7	20.7	689.7	10.8	98	1.4	4,499.9	5.3	129.5	7.5	0.0
25 - 30	130	2.9	1,162.1	4.2	25.0	686.0	14.7	50	0.7	2,826.3	3.4	160.5	12.7	0.0
30 - 40	209	4.7	2,351.1	8.5	31.2	1,673.1	22.2	52	0.8	3,565.7	4.2	201.8	18.7	1.0
40 - 50	159	3.6	2,260.9	8.2	39.1	2,033.4	35.1	28	0.4	2,610.5	3.1	255.4	21.8	2.0
50 - 100	374	8.5	8,081.3	29.3	59.6	7,830.3	57.8	41	0.6	4,524.2	5.4	358.3	105.3	8.0
100 - 200	157	3.6	6,579.4	23.9	115.8	5,571.8	98.1	13	0.2	3,493.5	4.1	736.2	73.2	15.0
200 - 400	17	0.4	1,278.8	4.6	223.5	1,048.1	183.2	1	0.0	466.2	0.6	1,277.1	5.9	16.0
400 - 800	0	0.0	0.0	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0
800 - 1600	0	0.0	0.0	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0
1600 - 3200	0	0.0	0.0	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0
3200 - 6400	0	0.0	0.0	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0
6400 - 12800	0	0.0	0.0	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0
> 12800	0	0.0	0.0	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0
Total	4,410	100.0	27,541.1	100.0	17.7	21,045.3	13.5	6,760	100.0	84,264.0	100.0	35.3	267.8	0.0

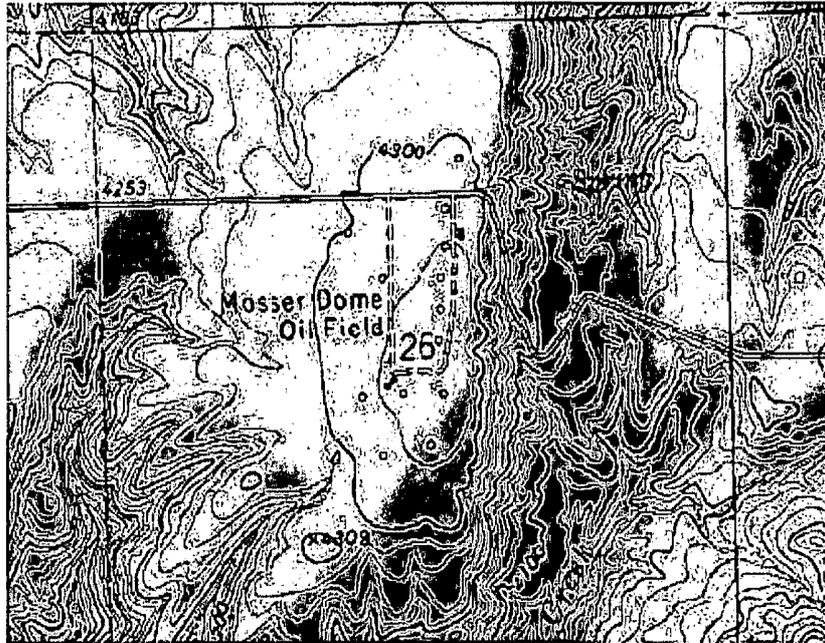
Notes:

- 1) State Government agencies and commercial sources provided base data.
- 2) The Reserves and Production Division, Office of Oil and Gas, EIA has reviewed and edited inaccurate production data.
- 3) To be consistent between states a GOR of 6,000 (cf/bbl) for each year's production was used to classify wells. If the GOR was less than 6,000 (cf/bbl) the well was classed an oil well, greater than or equal 6,000 (cf/bbl) were gas wells.
- 4) To determine production rate brackets for the first and last year of a well's life the annual production was divided by the number of days in the productive months. For other years the annual production was divided by 365 or 366 days.
- 5) Gas volumes have been converted from the various state pressure bases to the Federal base (14.73 psia).

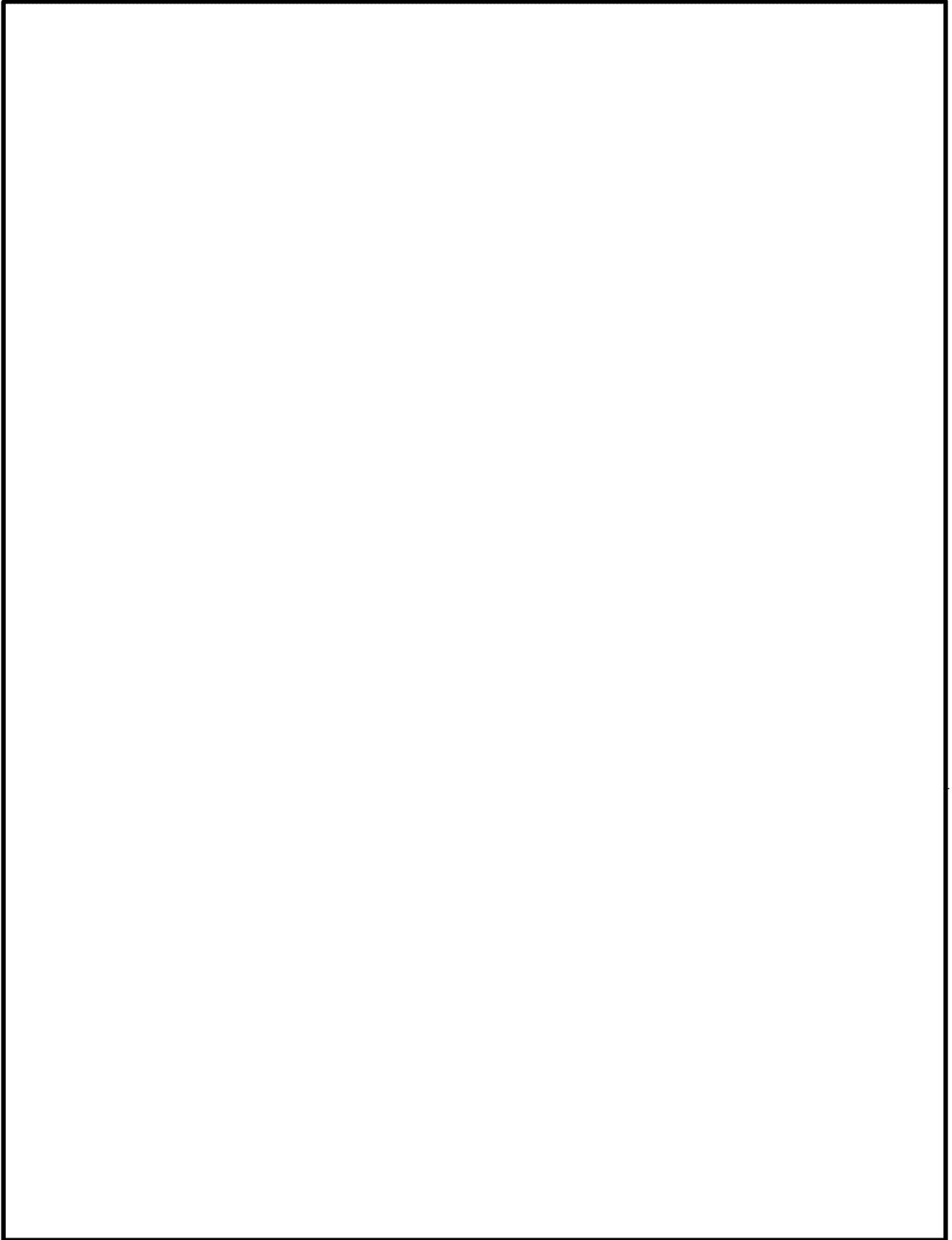
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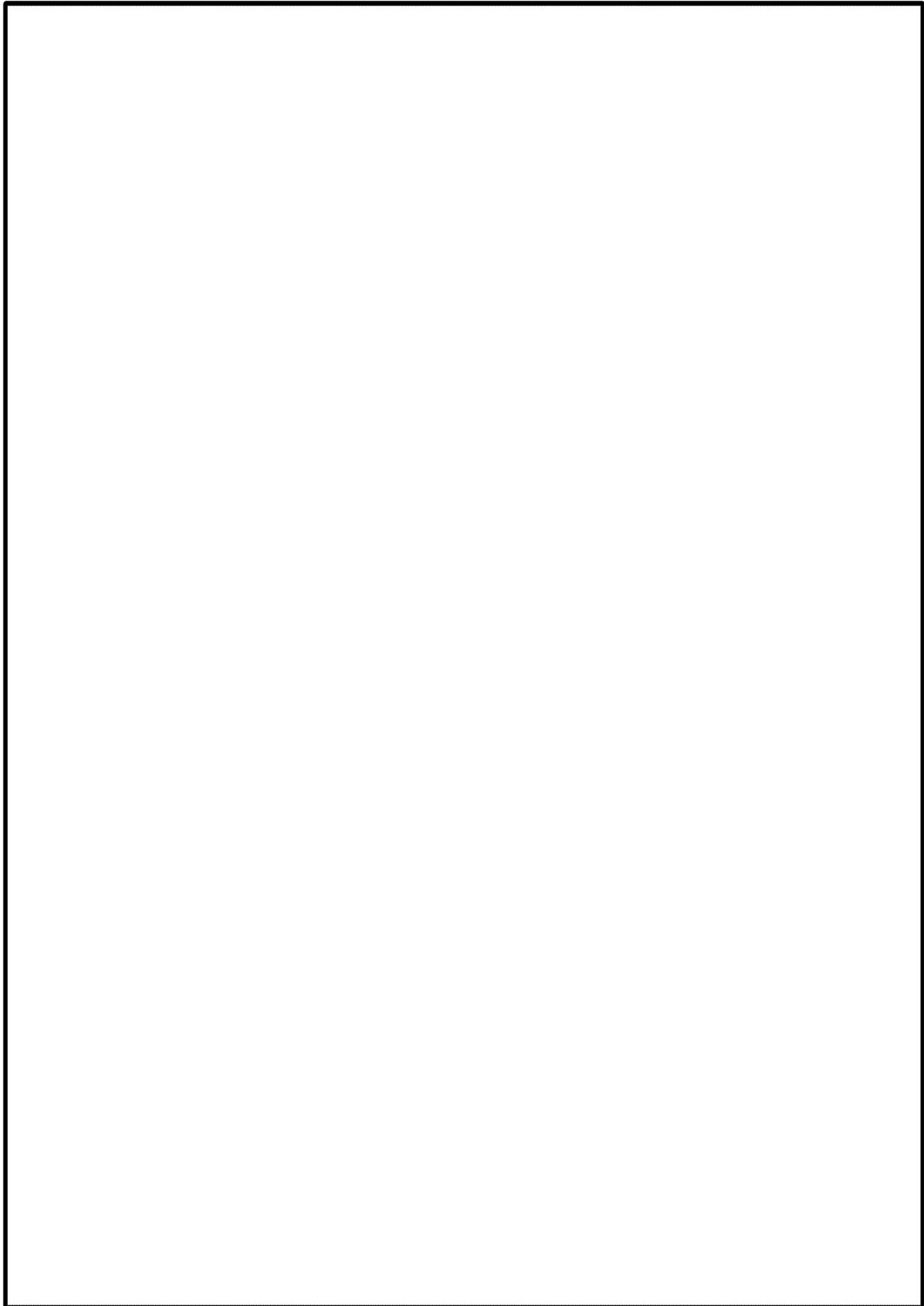
Source: ftp://ftp.eia.doe.gov/pub/oil_gas/petrosystem/mt_table.html

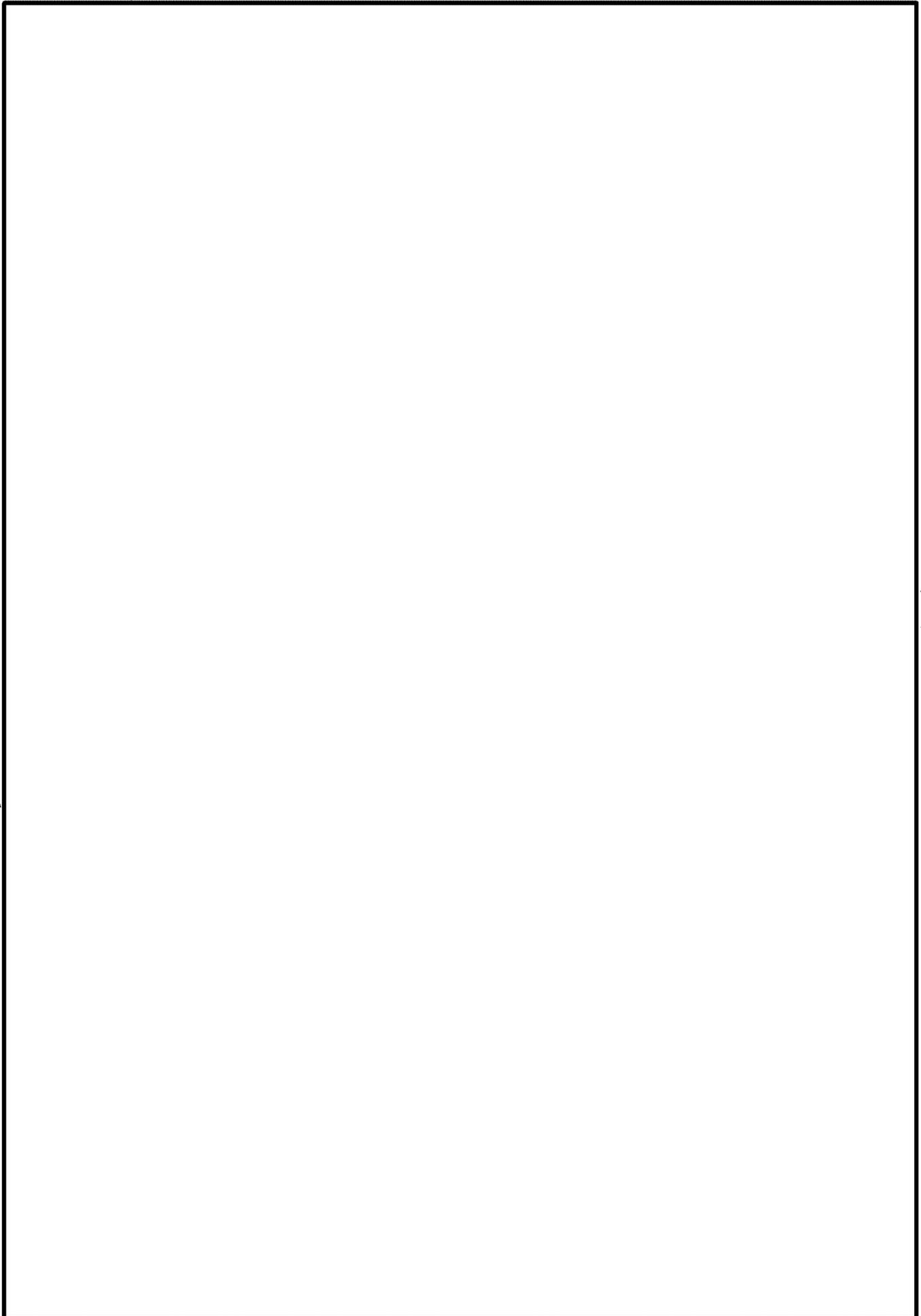
Less information is available on the Mosser Oil Dome formation, which is located primarily in Yellowstone County. The map is shown below. Because not much drilling has yet taken place there, detailed figures on bbls/day per well are not available. We assume the figures will be similar to those for the Heath formation and the rest of the State of Montana.



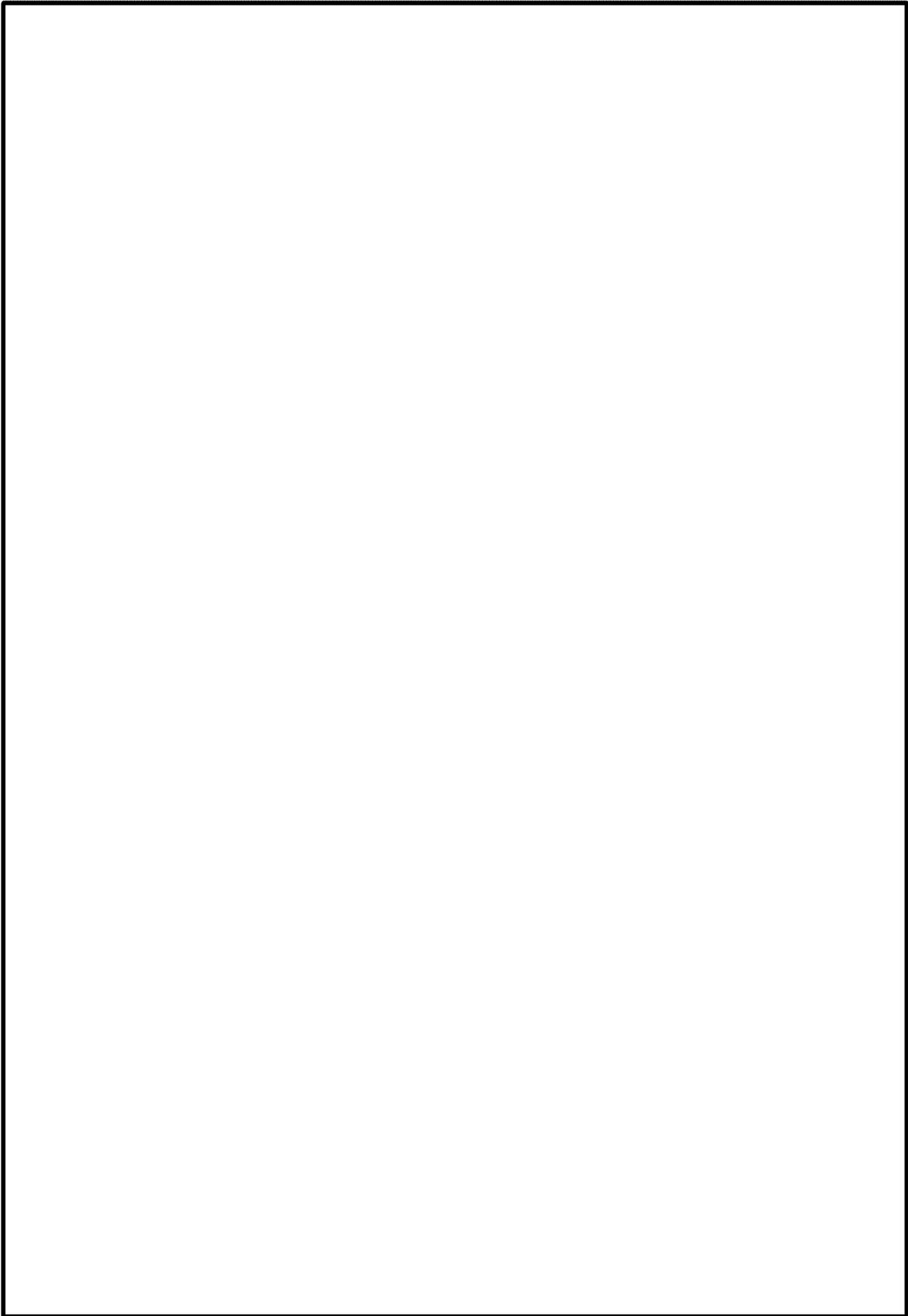
8. Economic Impact of Drilling Expenditures



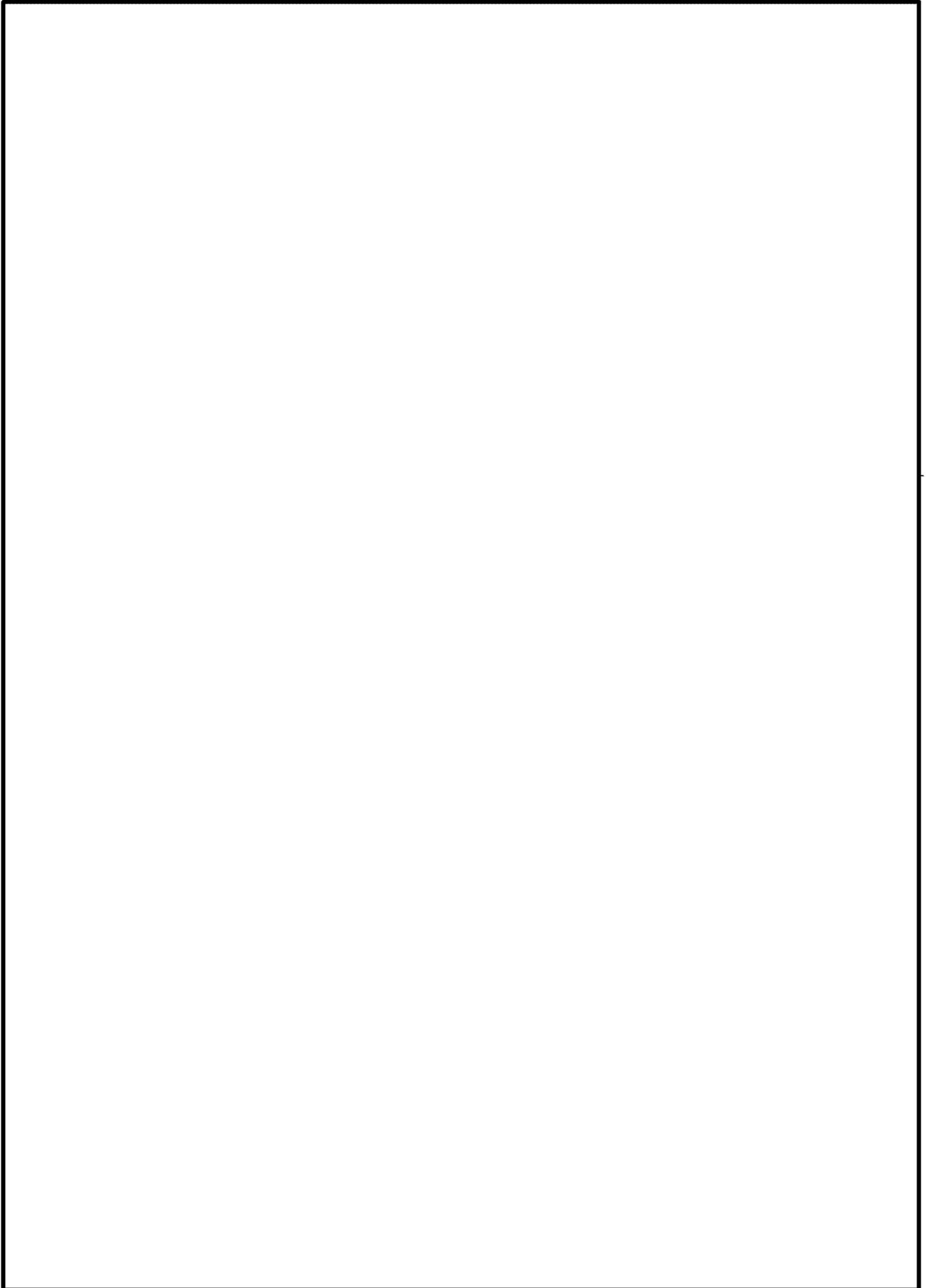


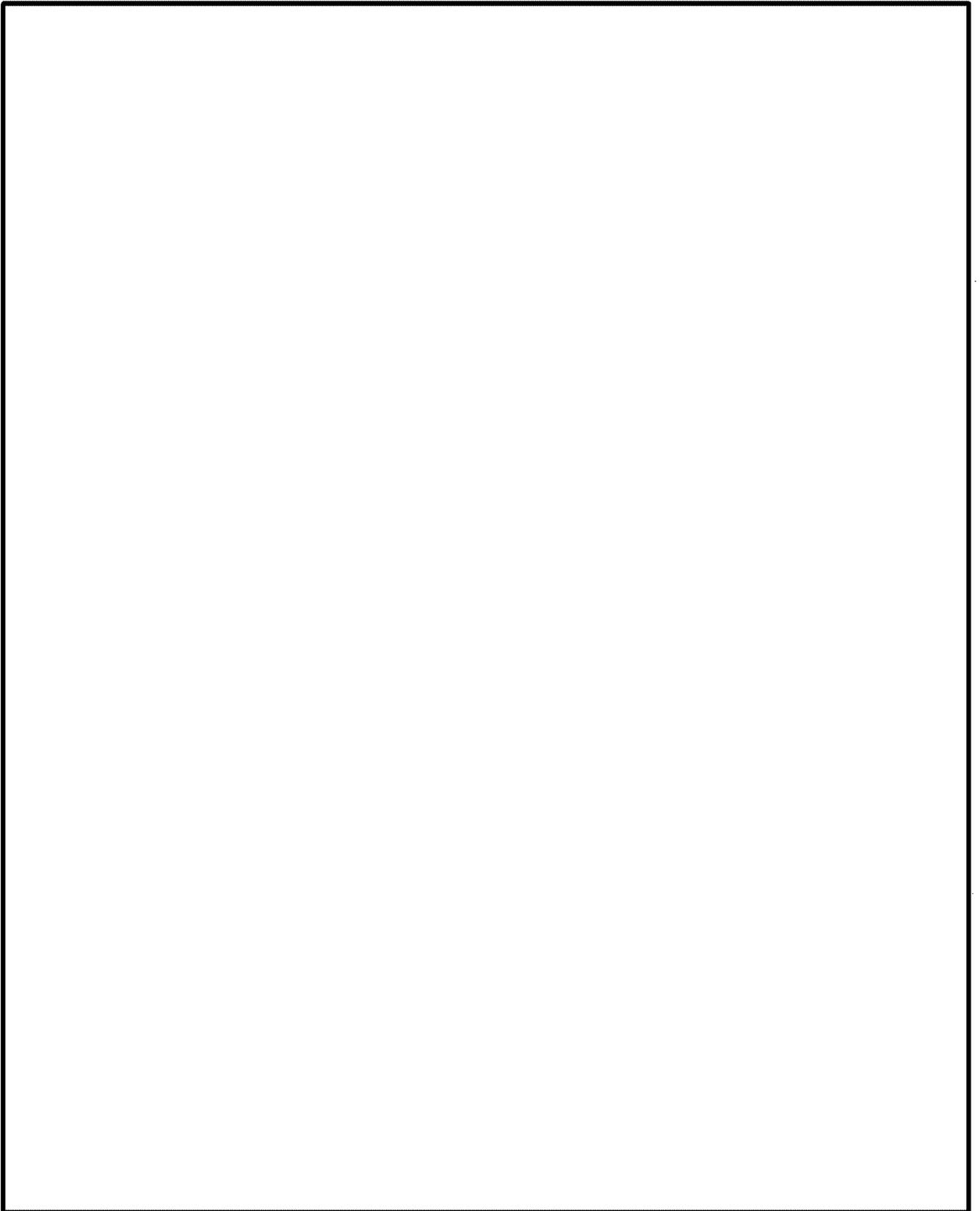


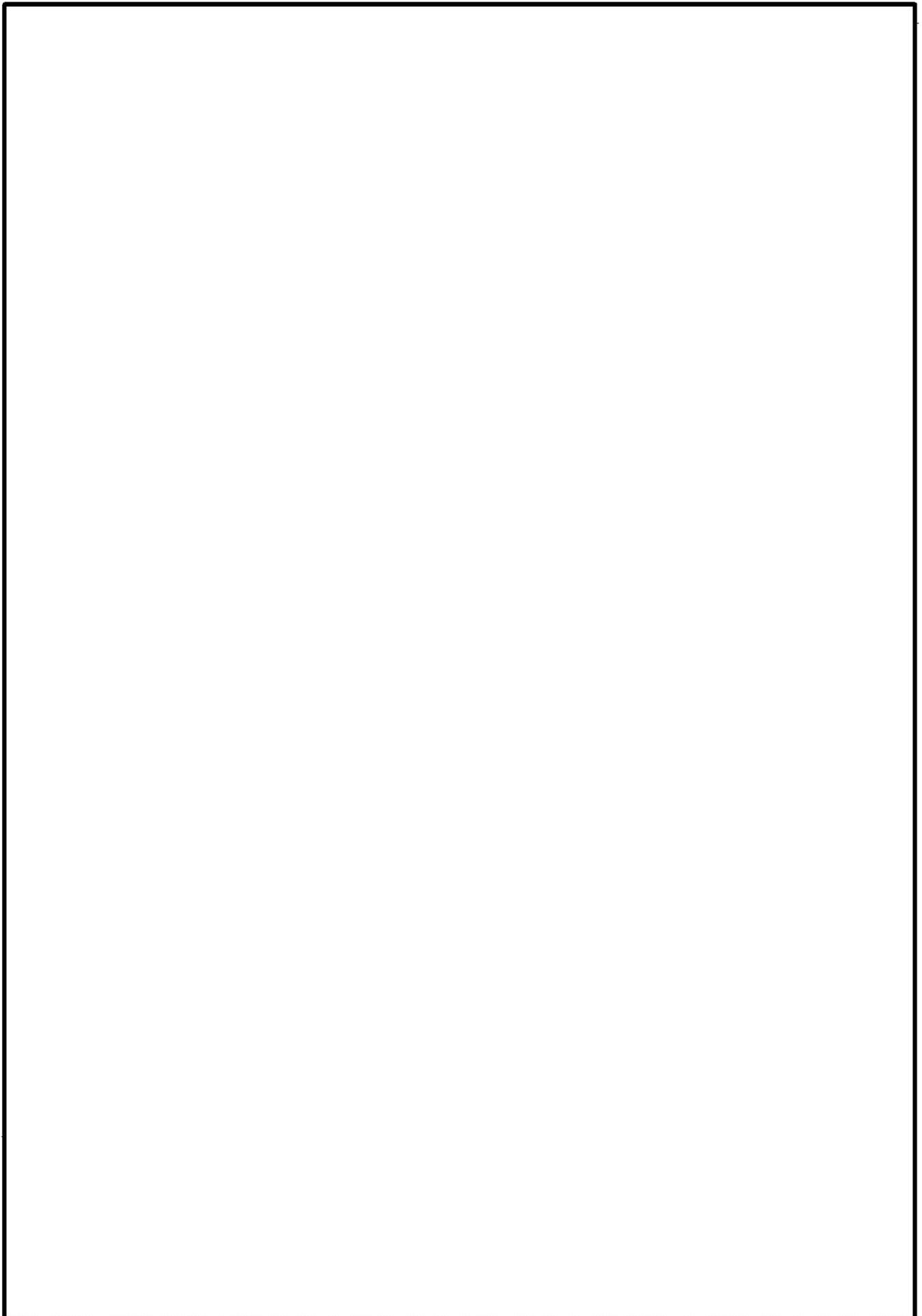
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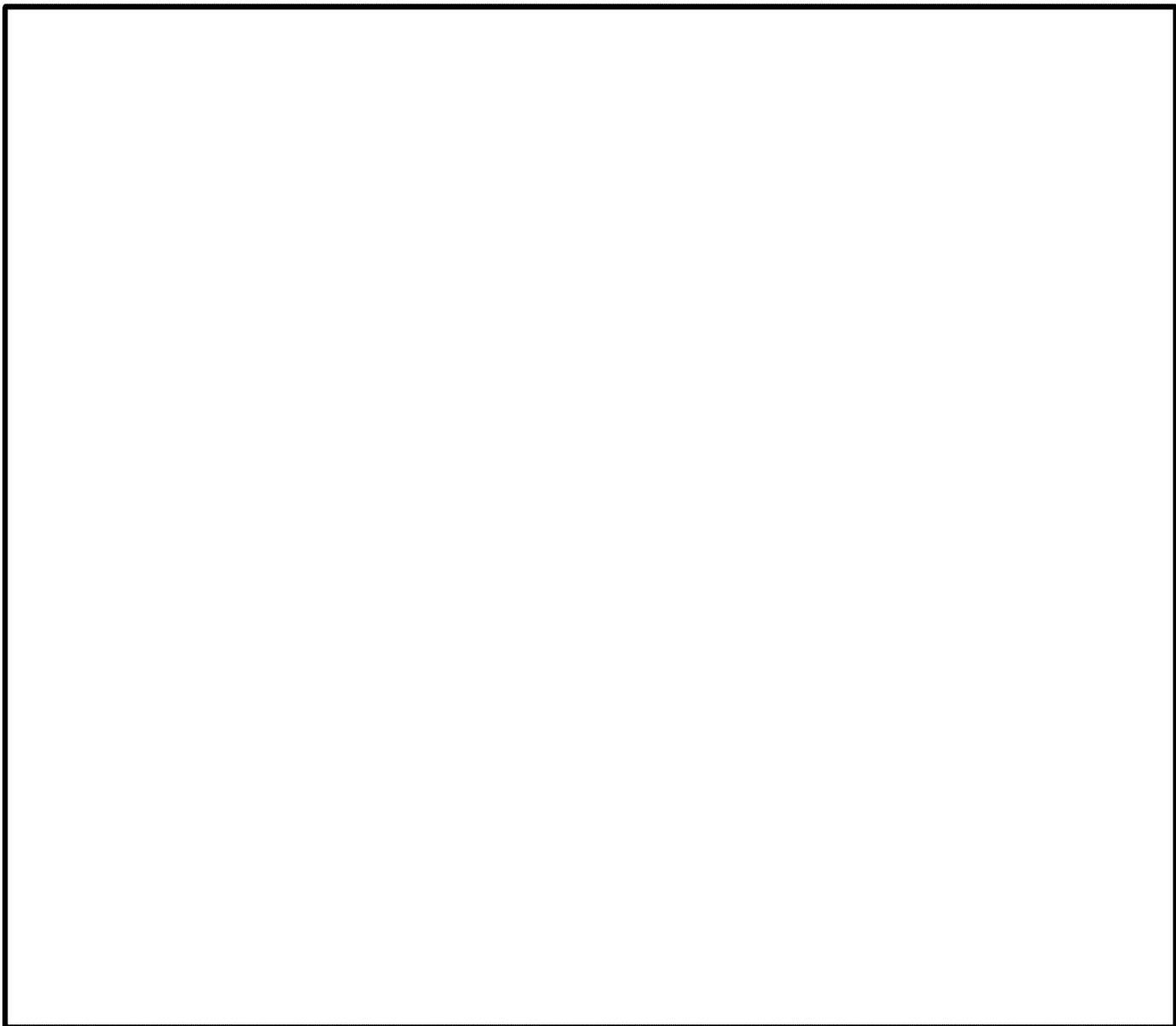


9. Economic Impact of Oil Production



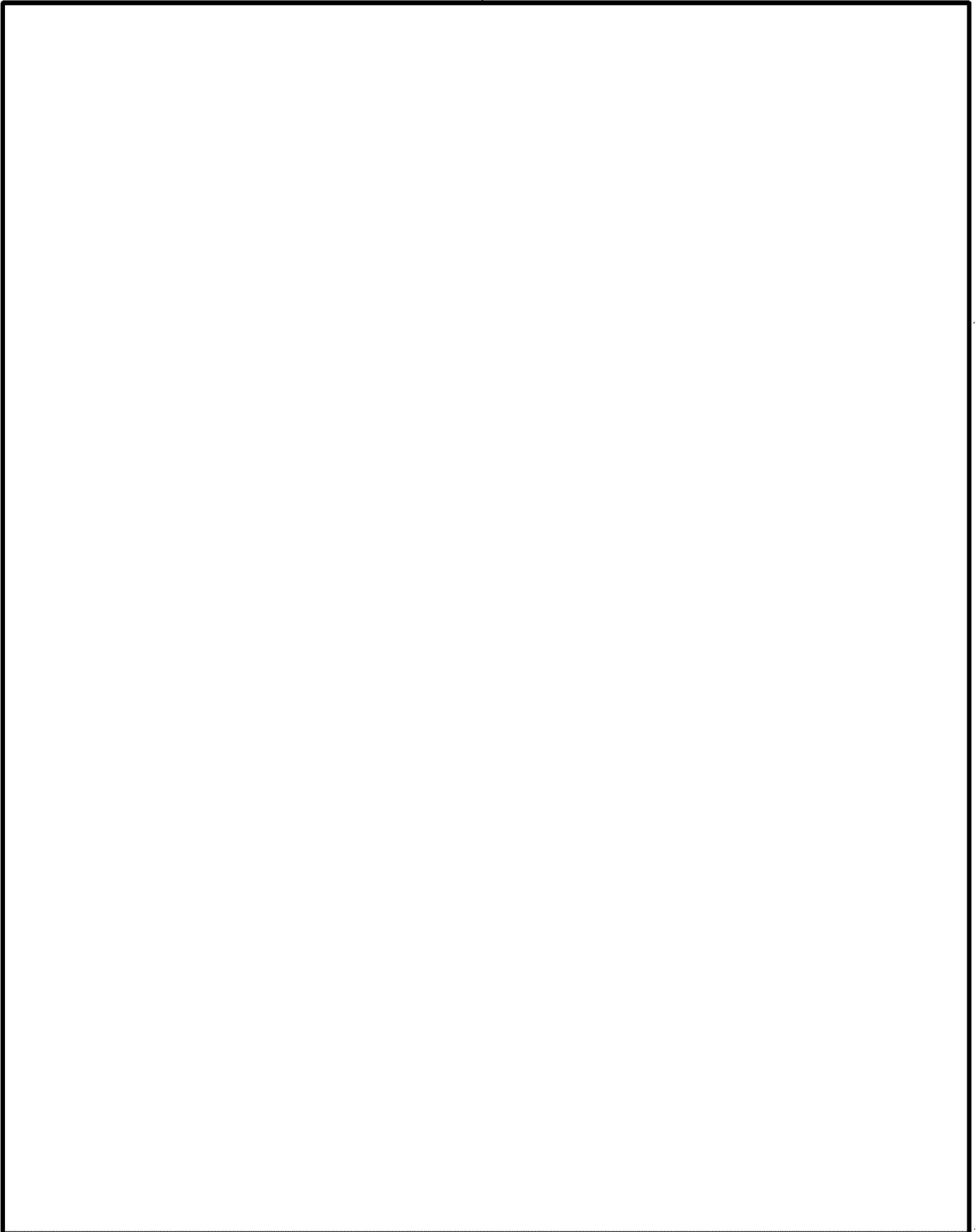


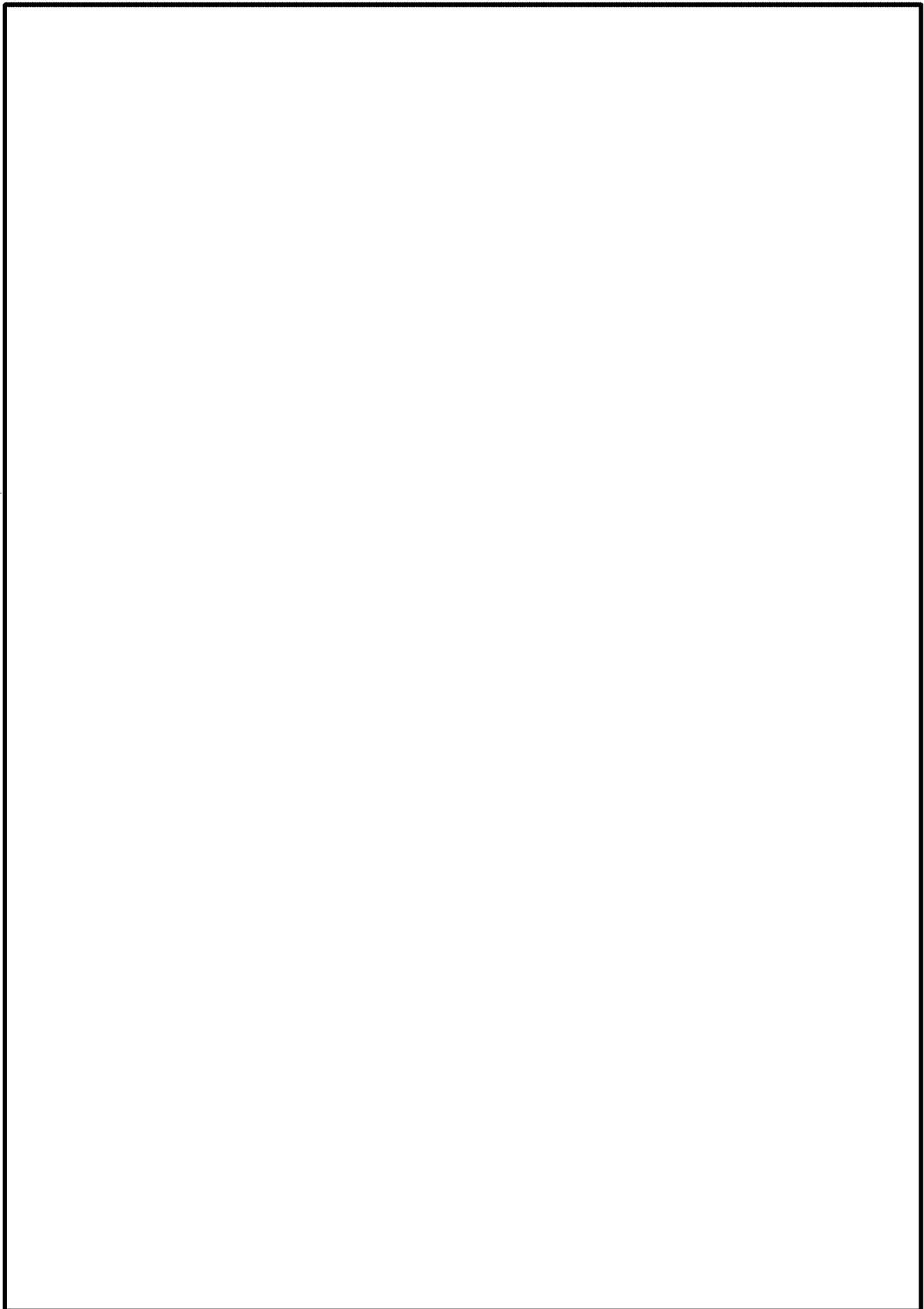


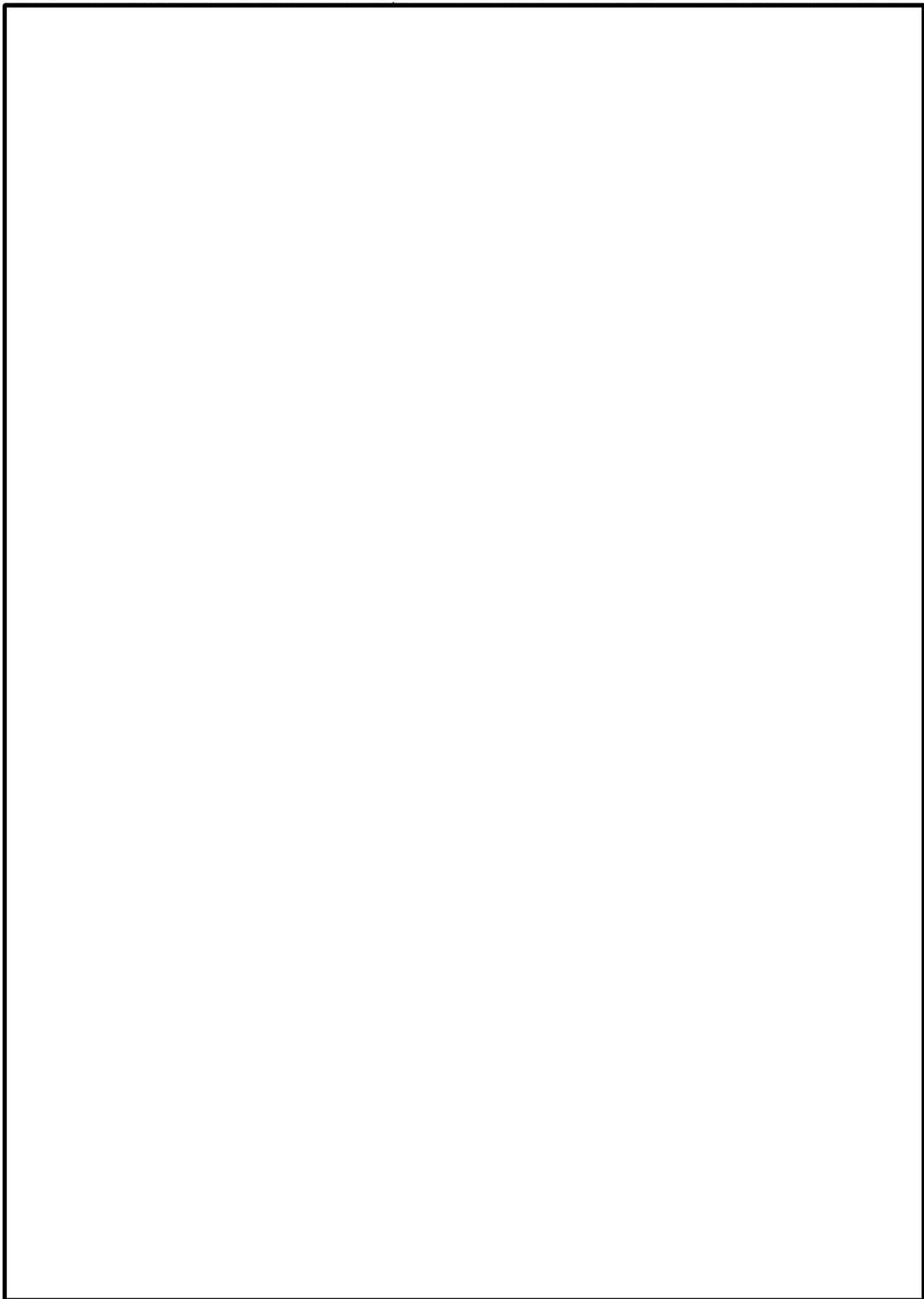


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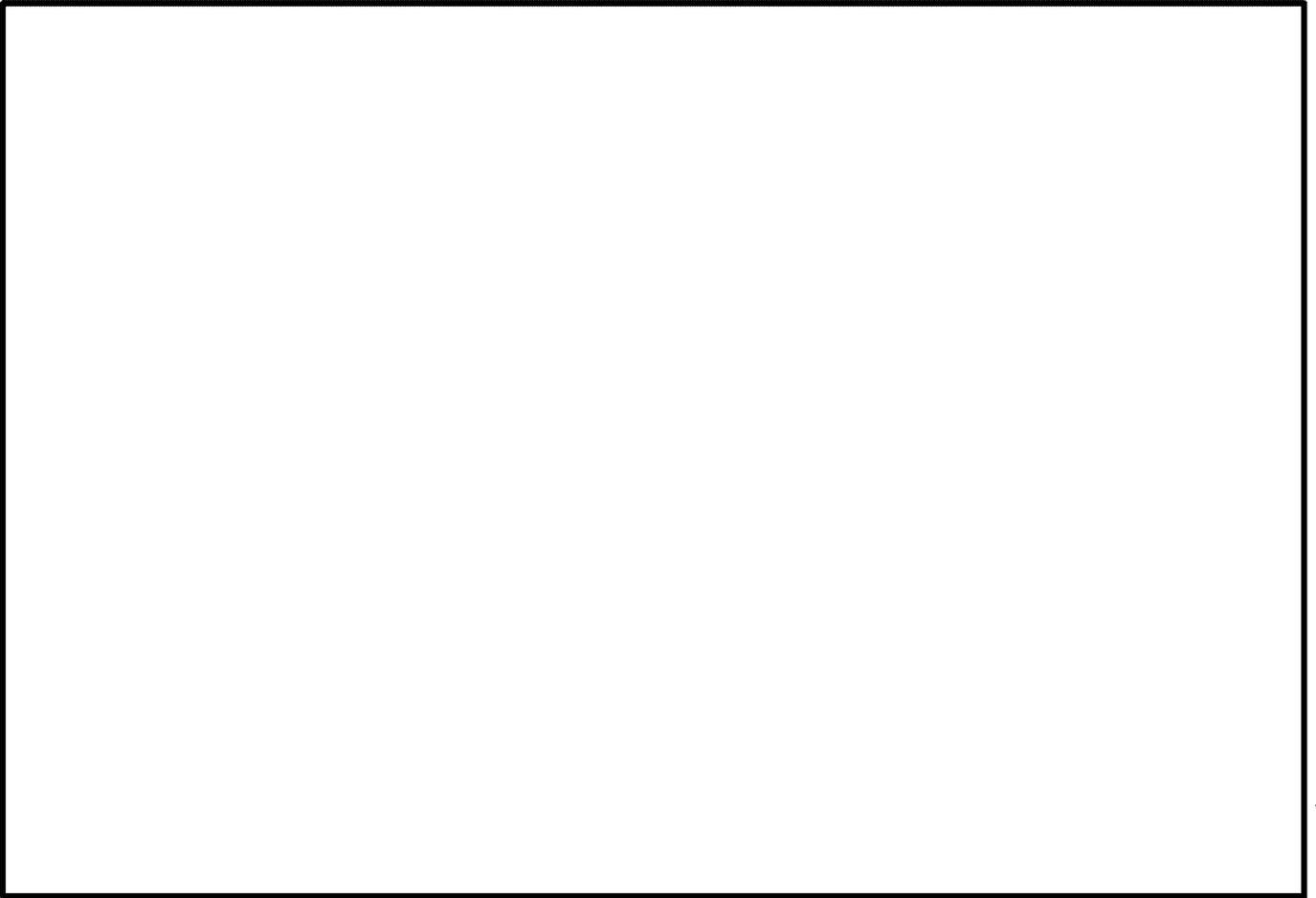
10. Summary Statistics for the Drilling and Extracting of Oil in Both County Groups







(b)(4)



Appendix: Resume of Dr. Michael K. Evans

mevans@evanscarrollecon.com

CURRENT AND PREVIOUS POSITIONS

- Chairman, *Evans, Carroll & Associates, Inc.*, 1980-present (previously Evans Economics)

Economic consulting firm specializing in EB-5 immigration analysis, economic impact studies of development projects and new construction, models of state and local tax receipts, impact of current and proposed government legislation, and construction of econometric models for individual industries and companies.

- Chief Economist, *American Economics Group*, 2000-2008.

Built a comprehensive state modeling system that provides economic analysis for a variety of consulting projects (see below).

- Clinical Professor of Economics, Department of Managerial Economics and Decision Sciences (MEDS), Kellogg Graduate School of Management, Northwestern University, 1996-99.

Taught courses in macroeconomics and business forecasting. Wrote textbooks for both courses.

- Winner of Blue Chip Economic Indicator Award for most accurate macroeconomic forecasts during the past four years, November 1999
- Founder and President, *Chase Econometric Associates*, 1970-1980
- Assistant and Associate Professor of Economics, Wharton School, University of Pennsylvania, 1964-69. Co-developer of the original Wharton Model.
- Visiting Professor, Radford University, (Radford, VA), 1987

Chairman of Institute for International Economic Competitiveness

- Visiting Lecturer, Hebrew University (Jerusalem), 1966-67

Built econometric model of the Israeli economy

- Ph. D. in Economics, Brown University. Dissertation, "A Postwar Quarterly Model of the United States Economy, 1948-1962". A. B. in Mathematical Economics, Brown University

PREVIOUS ACTIVITIES AND EDUCATION

- Contributing Editor, *Industry Week*

Wrote a column in each issue on economic and financial trends as they impact the manufacturing sector.

- Editor, *The Evans Report*

Weekly newsletter discussing economic trends and financial markets. Pioneered the concept of the Monthly Tracking Model to incorporate recent economic releases into the overall economic forecast, including methods to predict these economic data.

- Consultant, *National Printing Equipment and Supply Association*

Prepared quarterly forecasts of shipments of printing equipment and graphic arts supplies by product line, based on an econometric model constructed for NPES. Also prepares analysis and forecasts of exports and imports by principal product line.

- Consultant, *APICS -- The Educational Society for Resource Management*,

Designed and developed the *APICS Business Outlook Index*, which used survey data collected by the Evans Group to measure current production, production plans, shipments, employment, new orders, unfilled orders, inventory stocks, and the comparison of the actual to desired inventory/sales ratio to predict short-term changes in manufacturing sector activity. The results of this survey appeared every month in *APICS: The Performance Advantage*

- Consultant, *American Hardware Manufacturing Association*

Wrote a separate weekly edition of the Evans Report analyzing recent trends in the hardware and housing industries, including forecasts of the hardware industry based on an econometric model developed for AHMA.

- Board of Economists, *Los Angeles Times*

Wrote column every 6 weeks (5 other economists on the Board)

- Columnist, *United Press International*

Wrote twice-weekly column, "Dollars and Trends"

- Consultant, Senate Finance Committee,
Built the first large-scale supply-side model of the U. S. economy
- Consultant, Environmental Protection Agency and Council on Environmental Quality
Estimated inflationary impact of government regulations
- Consultant, National Aeronautics and Space Administration
Estimate impact of R&D spending on productivity growth
- Consultant, U. S. Treasury
Estimated impact of investment tax credit and accelerated depreciation on capital spending by industry
- Consultant, U. S. Department of Agriculture
Built large-scale econometric model of agricultural sector of U. S. economy
- Consultant, Organization of Economic Cooperation and Development
Built econometric model of the French economy

SAMPLE OF RECENT CONSULTING PROJECTS

For more information on these projects, see www.evansb5.com

Key to symbols: N, new regional center, E, extension of existing center

List is current as of April 1, 2011. Totals to date are 87 new regional centers, 58 extensions, and 7 new markets tax credits, for a total of 152 projects

A. Economic Impact of EB-5 Immigrant Investor Programs and New Markets Tax Credits

- E● Calculated the economic impact of construction and operation of a new automobile assembly plant in Petersburg, VA
- N● Calculated the economic impact of operating a call center for the U.S. government in Muskogee, OK
- N● Calculated the economic impact of developing a mixed-use commercial and residential center in Scottsdale, AZ
- N● Calculated the economic impact of constructing and operating a "Green Box" facility in New Jersey to process waste material on a pollution-free basis.

- N● Calculated the economic impact of constructing and operating a "Green Box" facility in Washington State to process waste material on a pollution-free basis.
- E● Calculated the economic impact of constructing and operating a new hotel in Coral Gables, FL
- E● Calculated the economic impact of developing a new residential community in Brevard County, and retail stores and restaurants in St. Lucie County, FL
- N● Calculated the economic impact of a new business to store and process field crops in Madison, MS
- N● Calculated the economic impact of operating food service establishments and assisted living centers in 40 counties in Texas.
- E● Calculated the economic impact of developing a mixed-use commercial center in Miami, FL
- N● Calculated the economic impact of renovating a theater in New York City to show film highlights of previous Broadway hits.
- N● Calculated the economic impact of renovating and operating distressed buildings in the San Francisco Bay area.
- E● Calculated the economic impact of a mixed-use commercial center in Montgomery County, TX
- E● Calculated the economic impact of expanding a manufacturing facility to produce more energy-efficient lighting in Sarasota, FL
- N● Calculated the economic impact of developing facilities for amateur sporting events in northern GA
- N● Calculated the economic impact of developing a mixed-use commercial center in Missoula, MT
- N● Calculated the economic impact of operating call centers in Las Vegas, NV, and other western Nevada counties
- E● Calculated the economic impact of constructing and operating a proton cancer treatment center in Boca Raton, FL
- E● Calculated the economic impact of constructing and operating a "Green Box" facility in Detroit to process waste material on a pollution-free basis.
- E● Calculated the economic impact of renovating and expanding commercial property in Lower Manhattan

Exhibit 2-B

Economic Impact of Drilling Oil Wells in Musselshell, Petroleum, Rosebud and Garfield Counties in Montana for Central Montana Oil and Gas Exploration, LP revised October 2012 (For Exemplar)

**Economic Impact of Drilling Oil Wells in Musselshell,
Petroleum, Rosebud and Garfield for Central Montana Oil and
Gas Exploration, LP**

Prepared by:

Michael K. Evans

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Revised Version

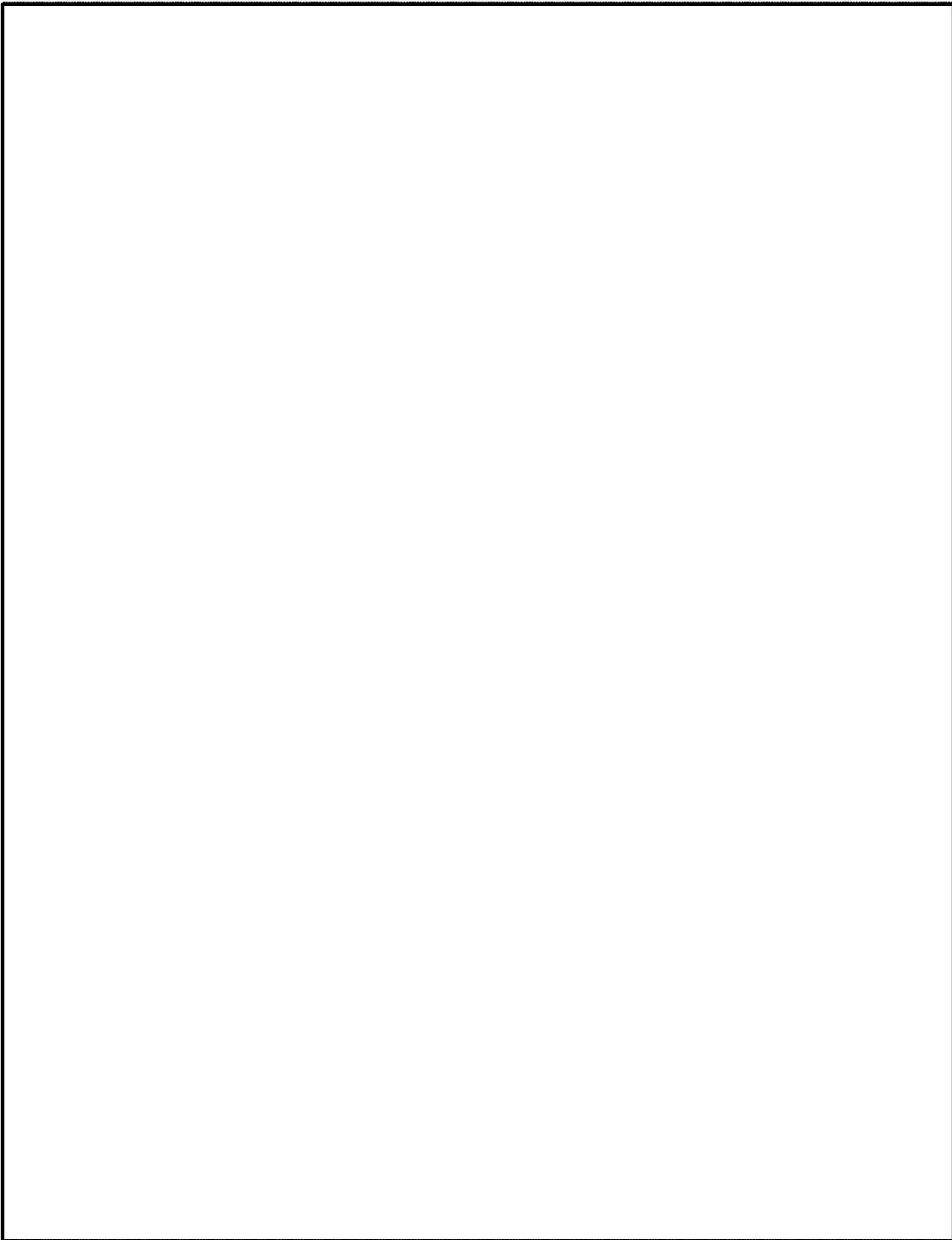
October 1, 2012

For Exemplar

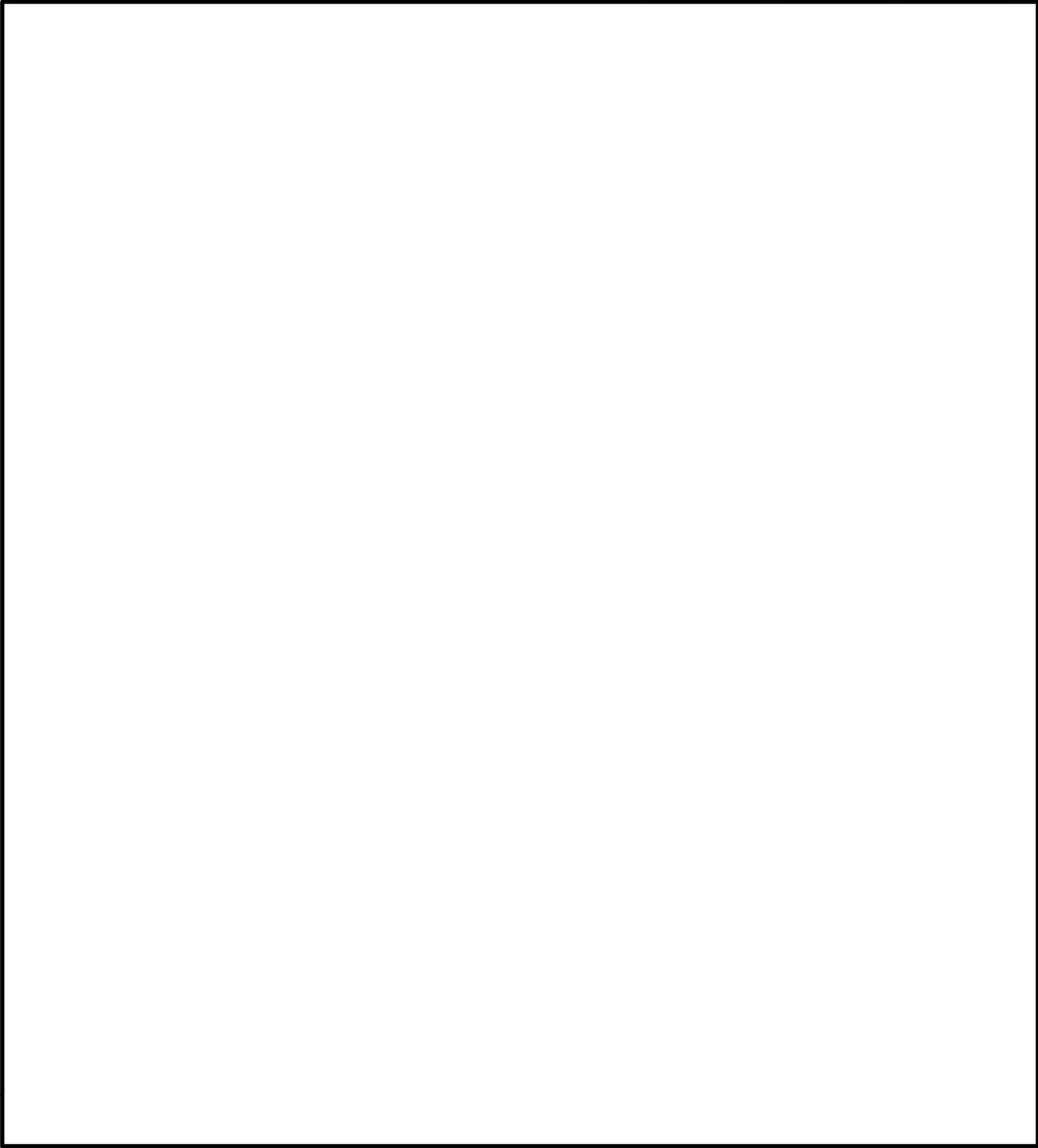
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5. Methodology for Calculating Indirect Jobs	13
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8. Economic Impact of Oil Drilling Activity	33
9. Economic Impact of Oil Production	37
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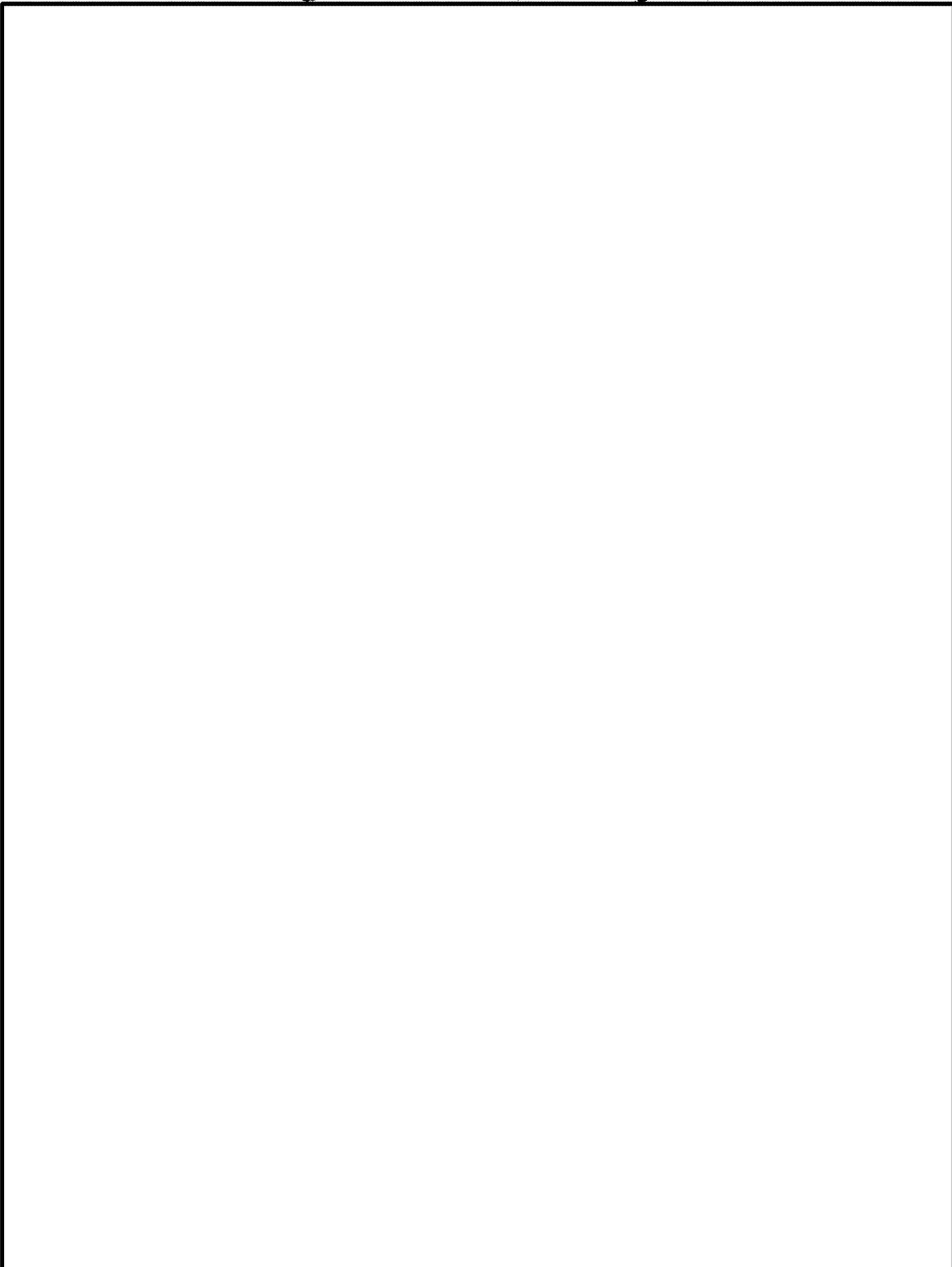
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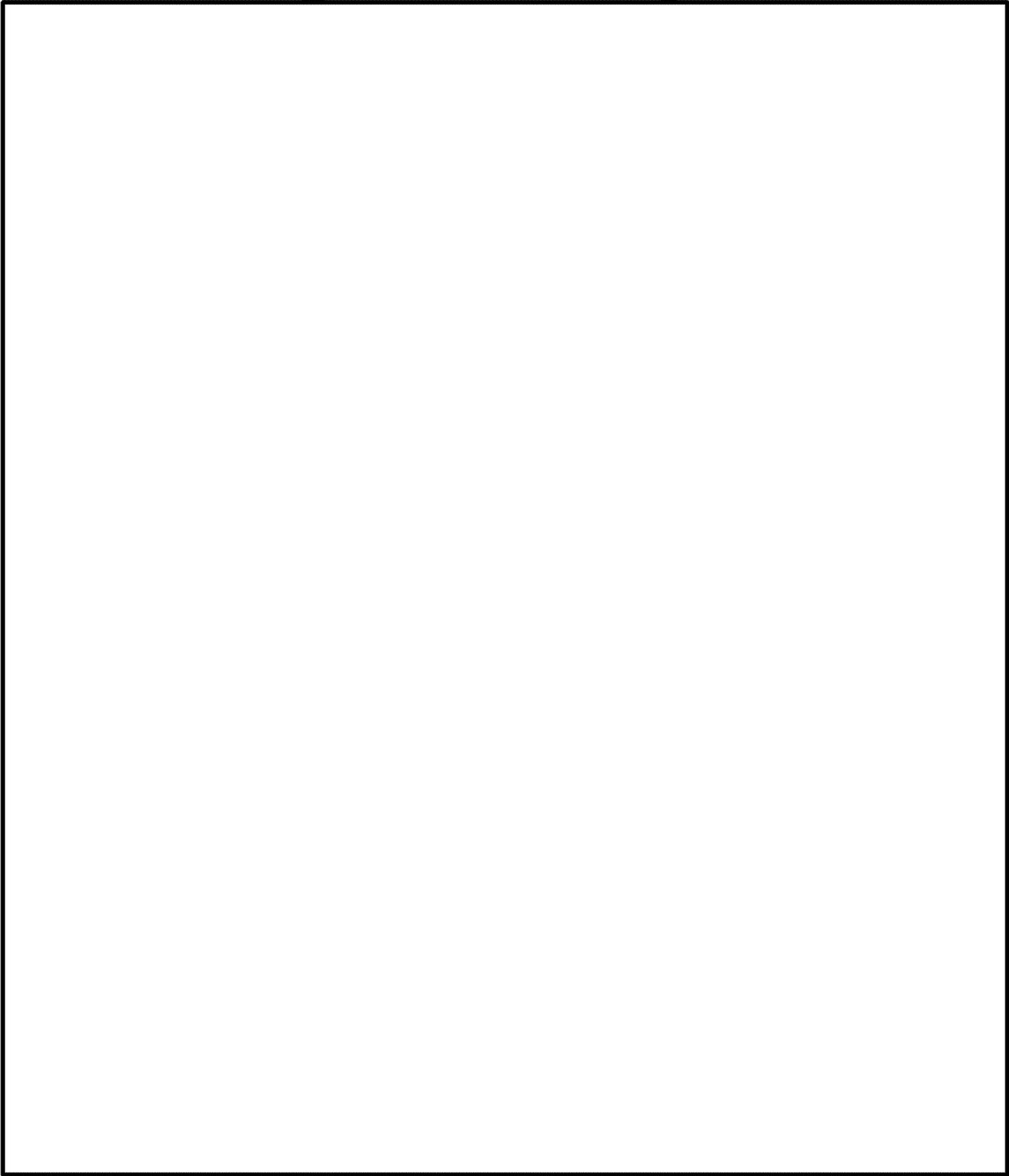


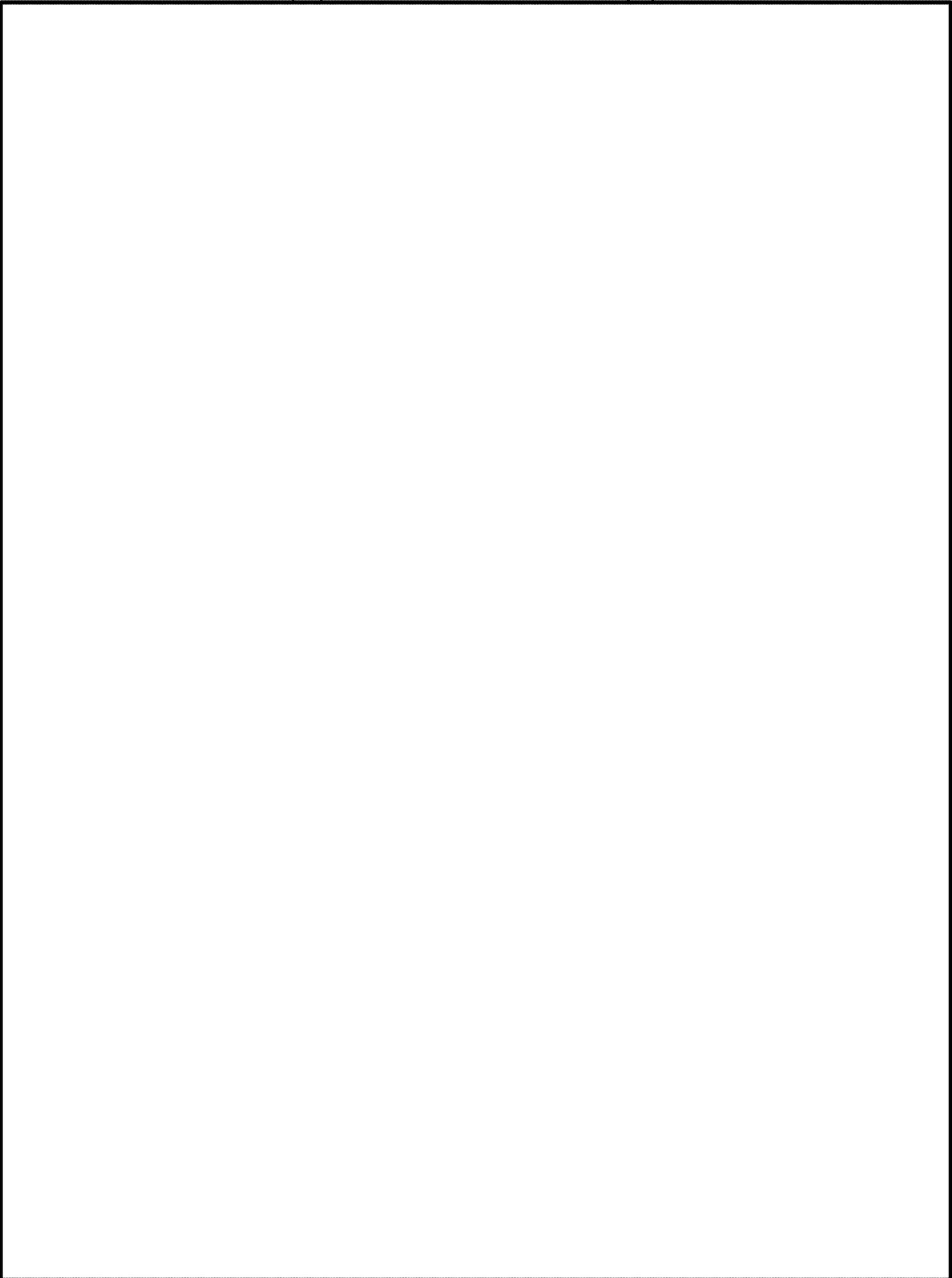
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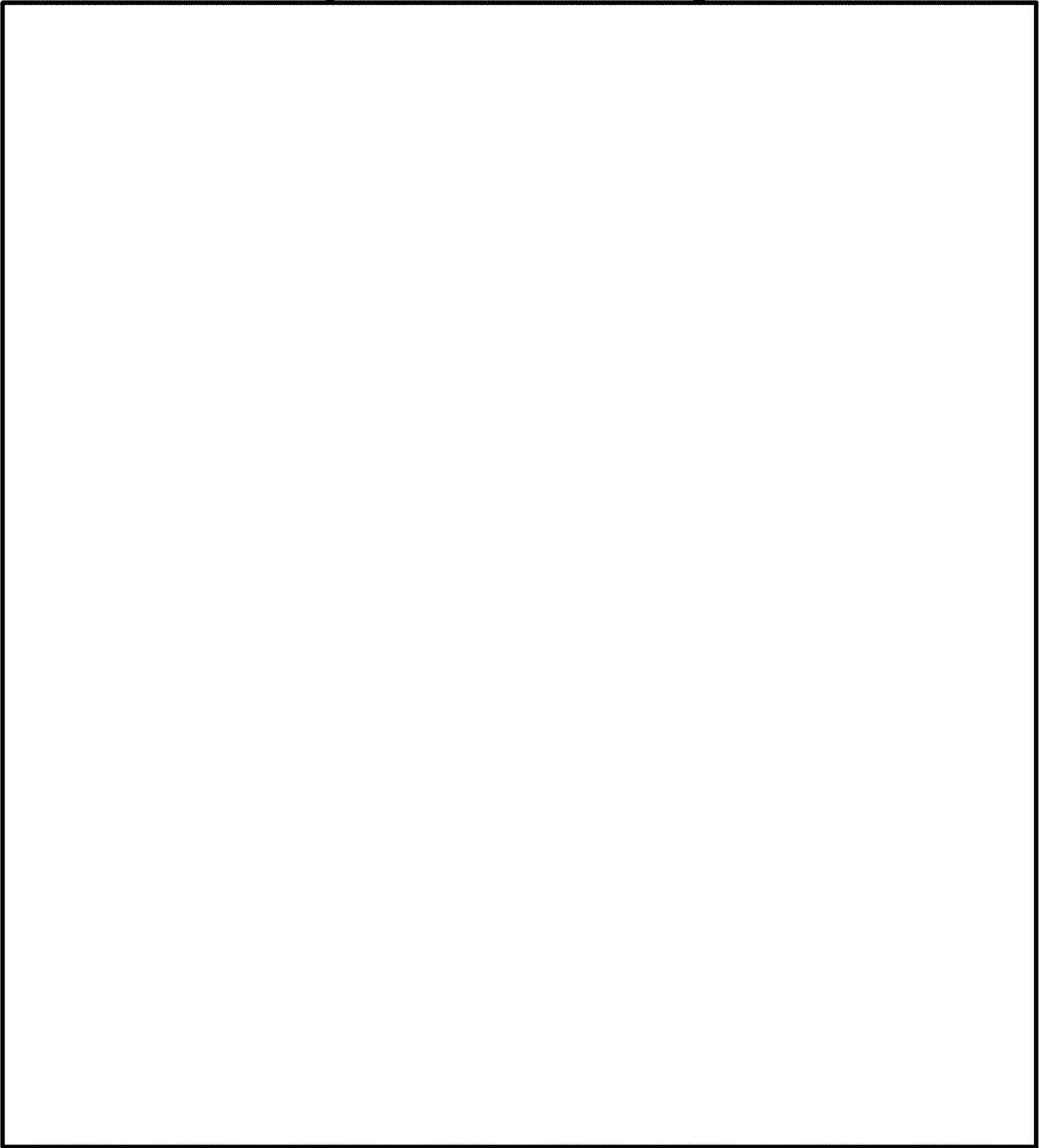
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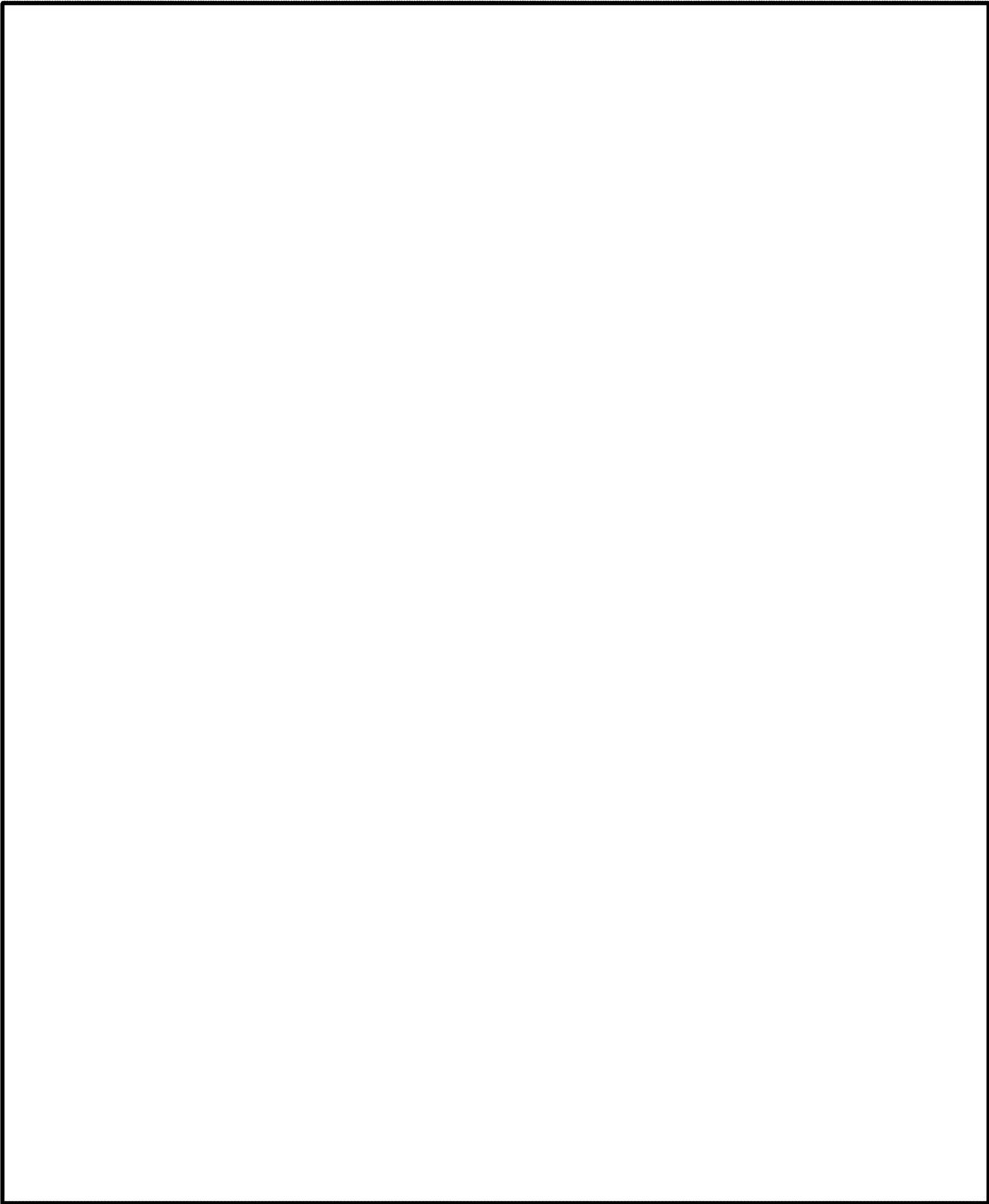


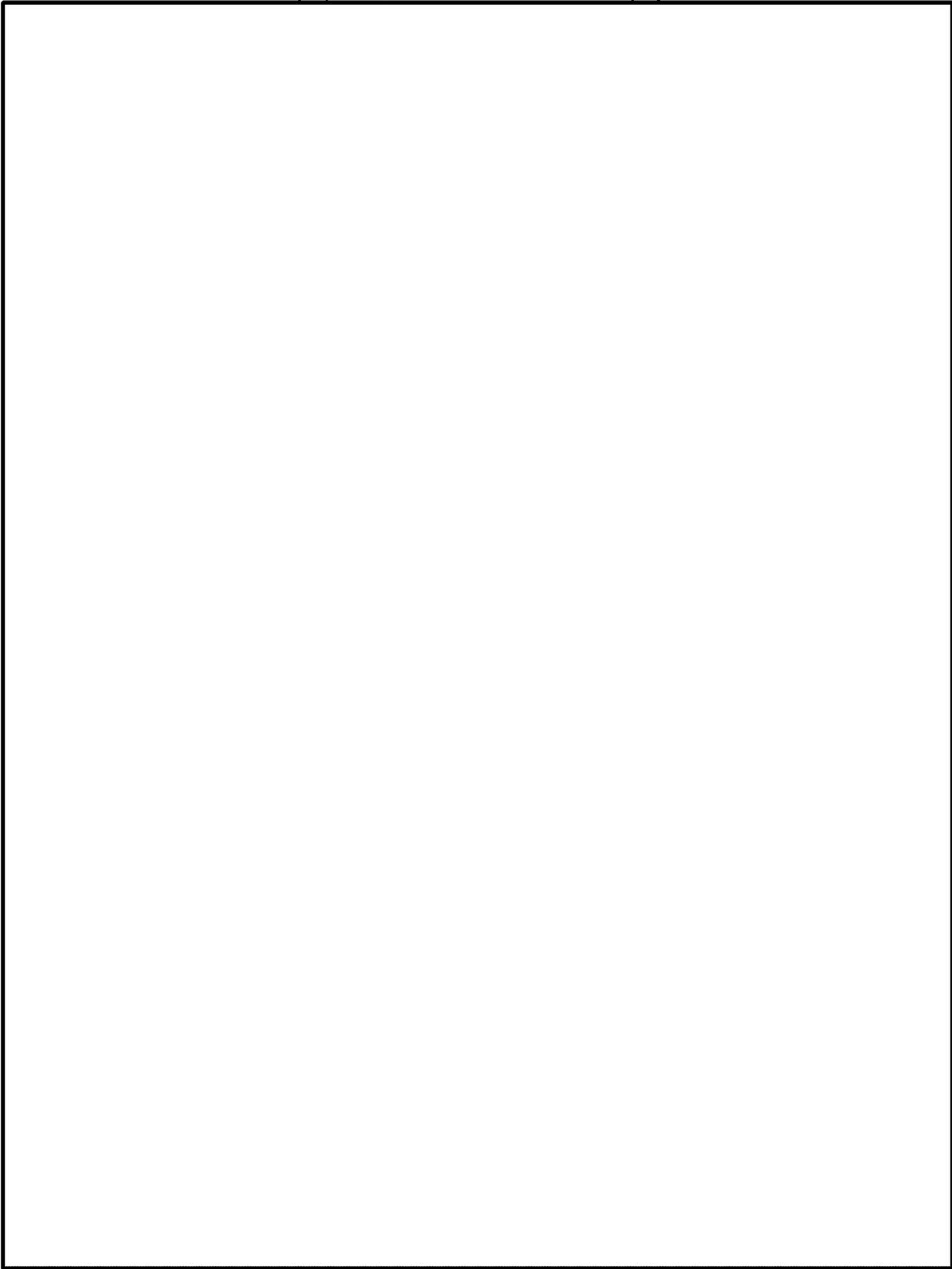


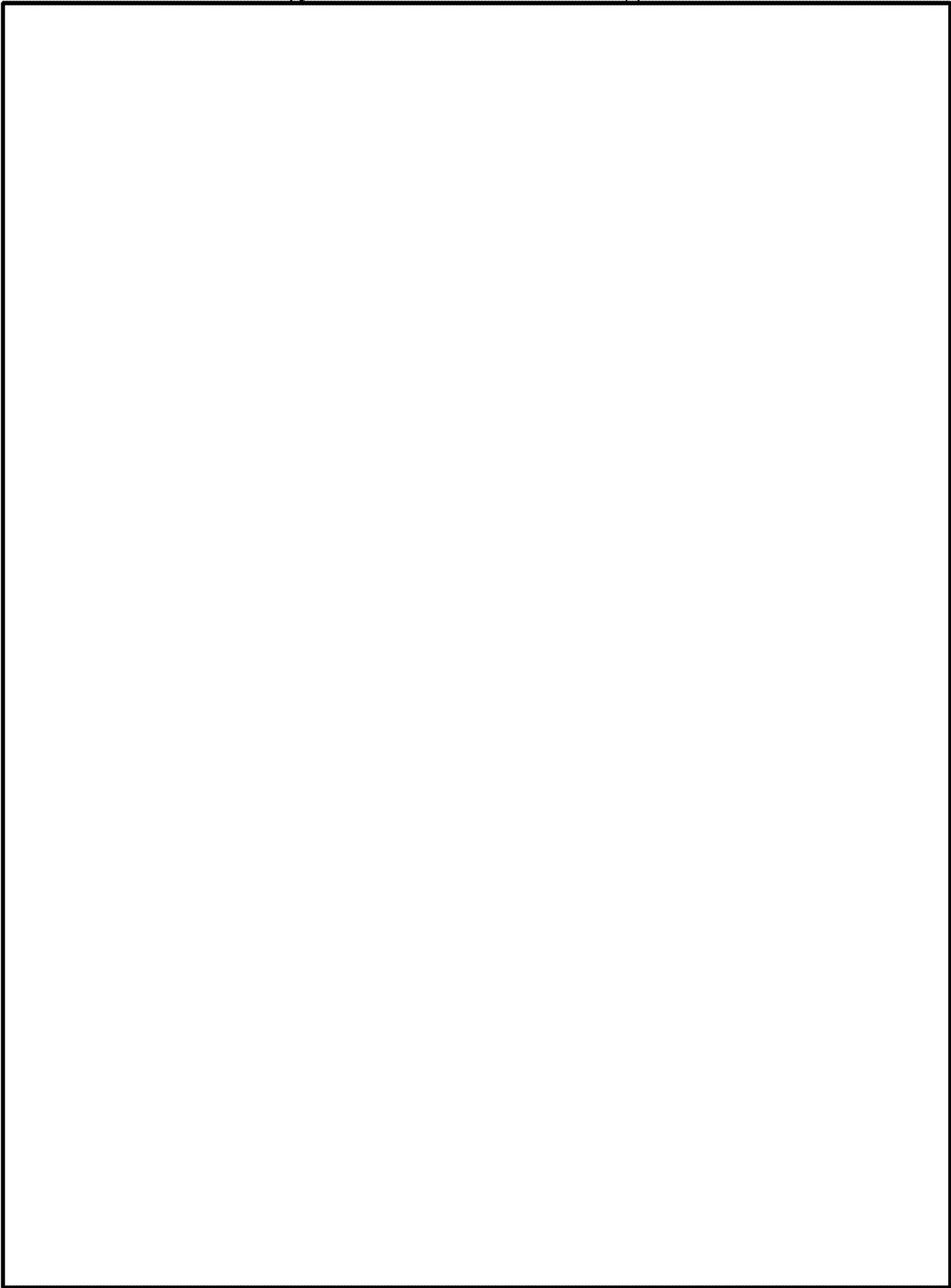


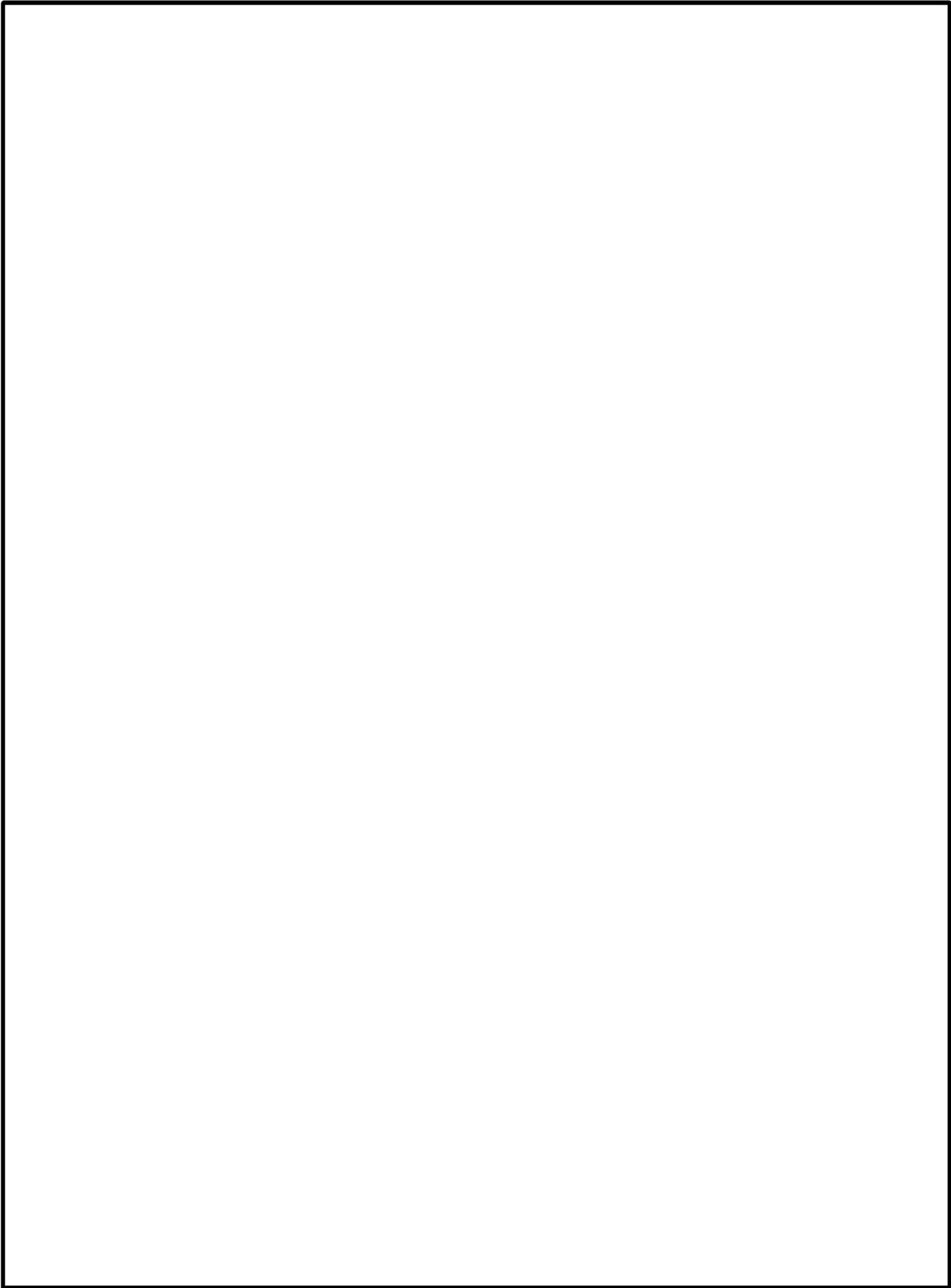
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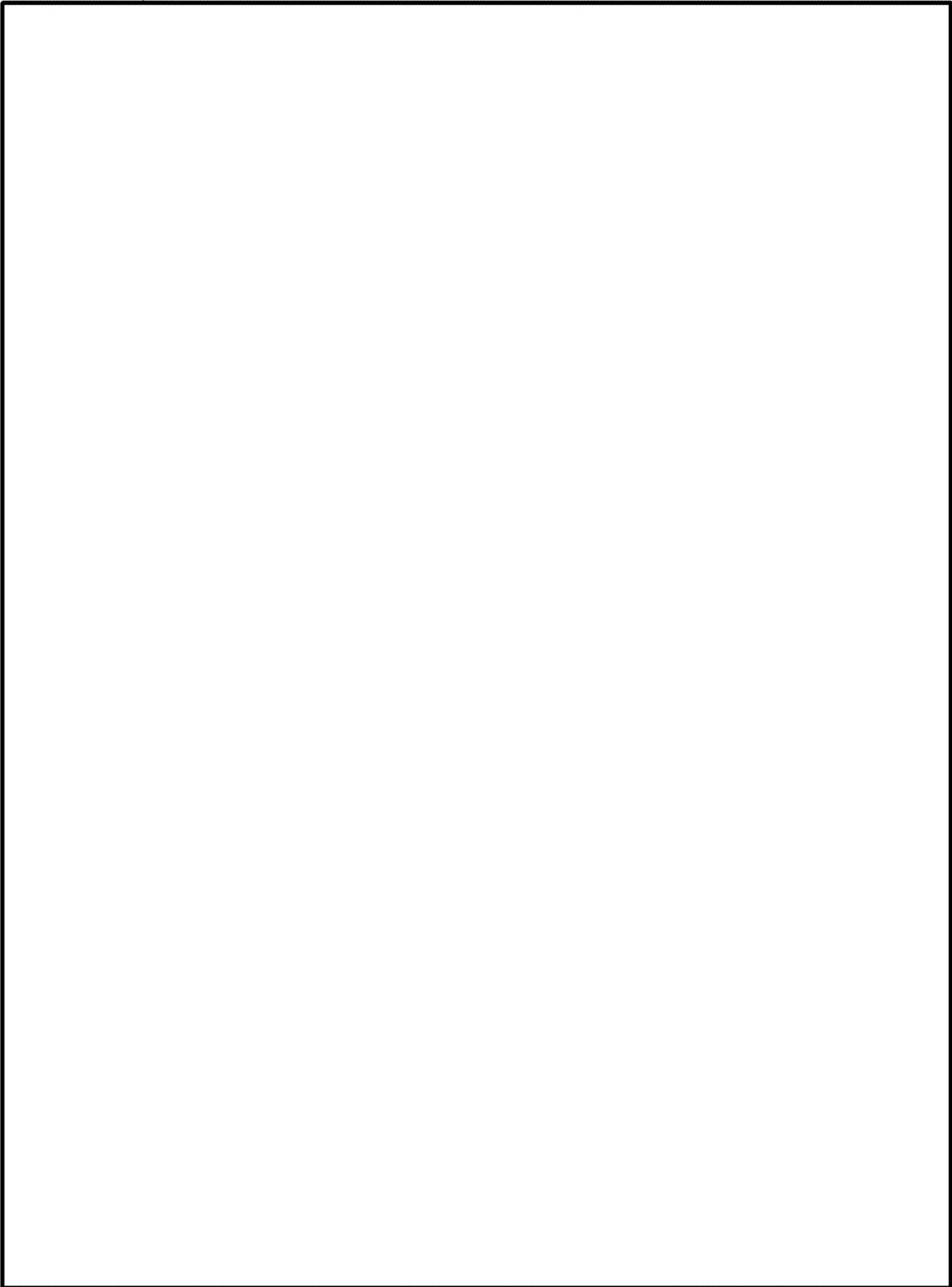




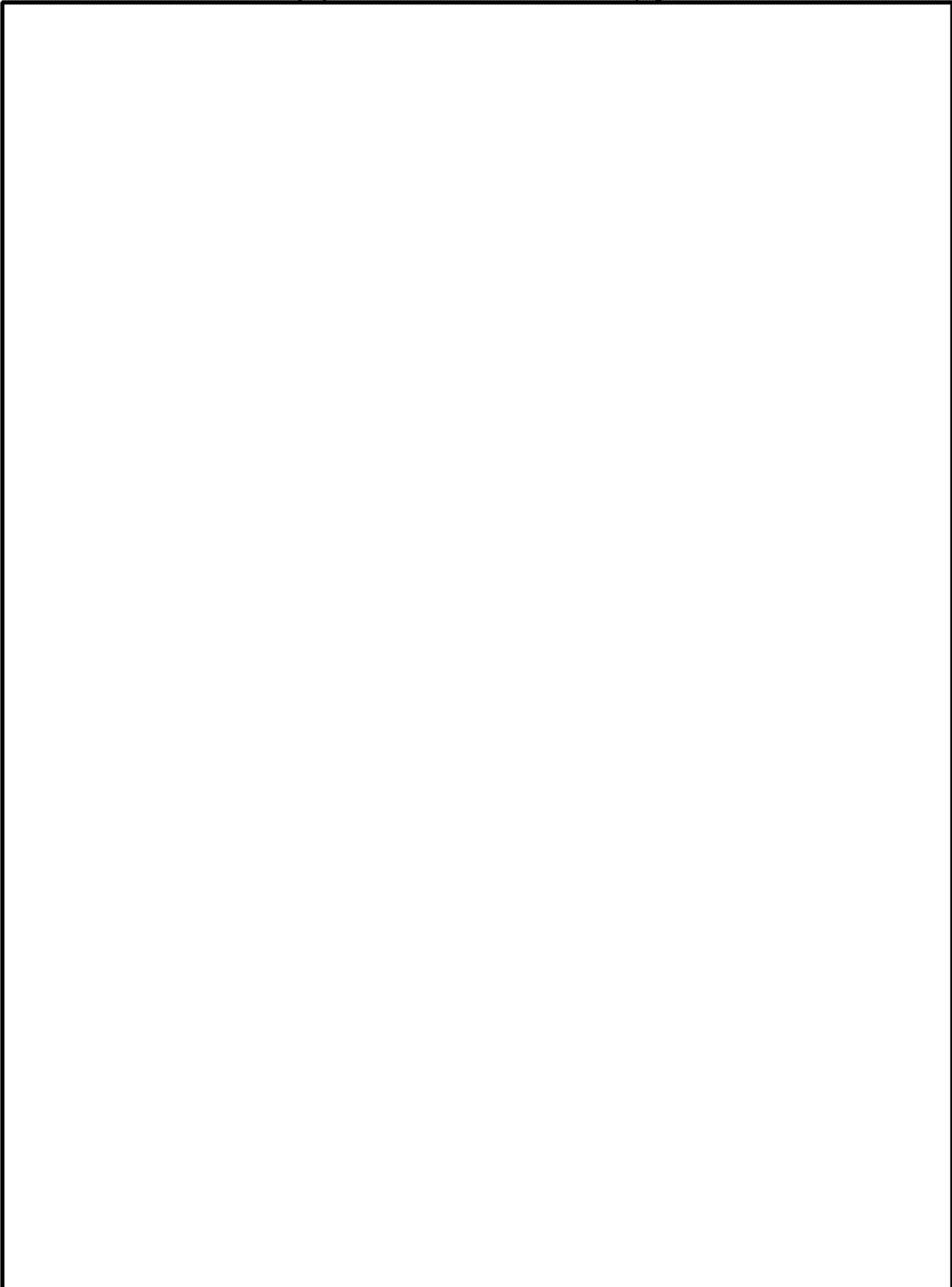




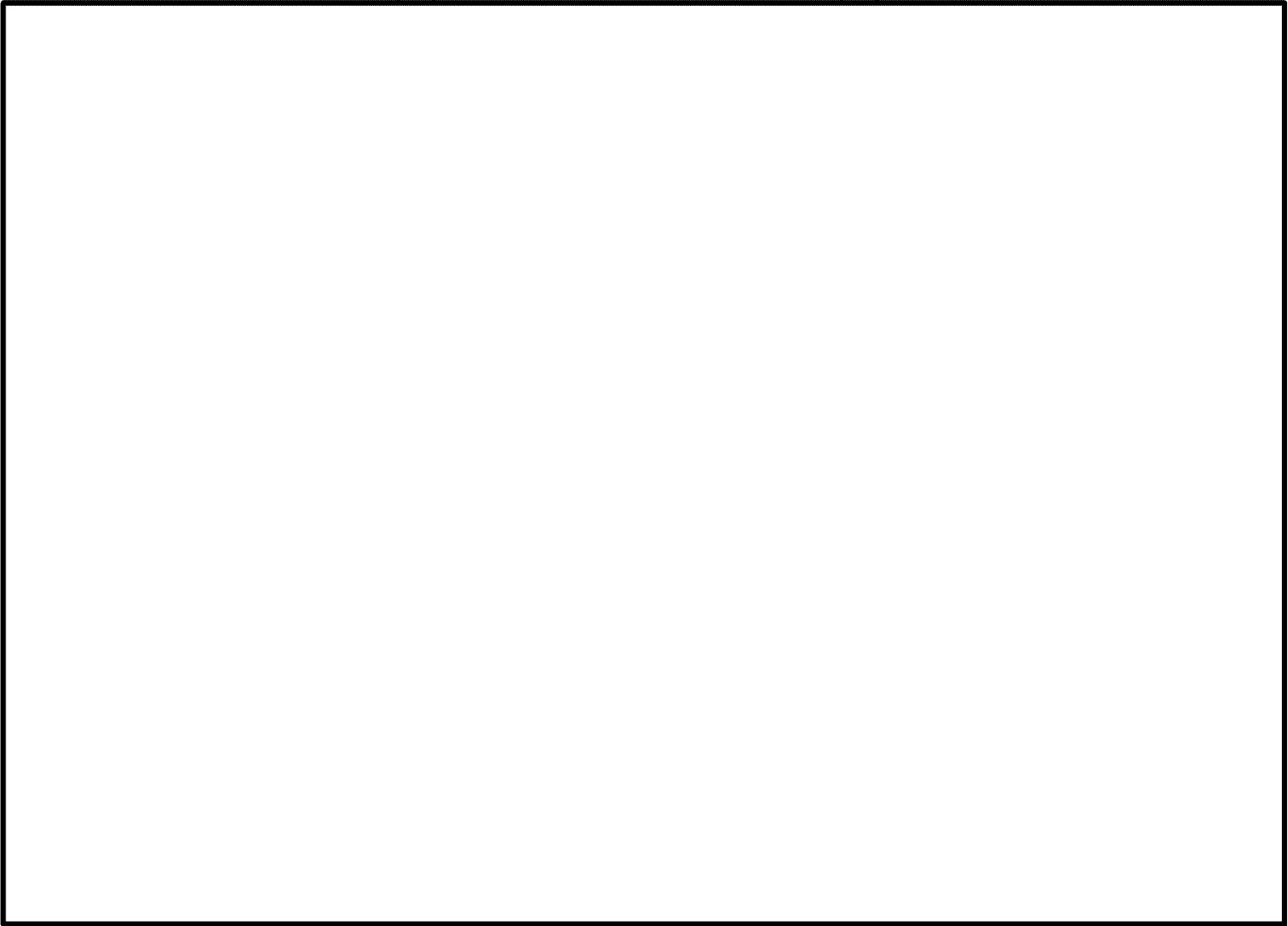


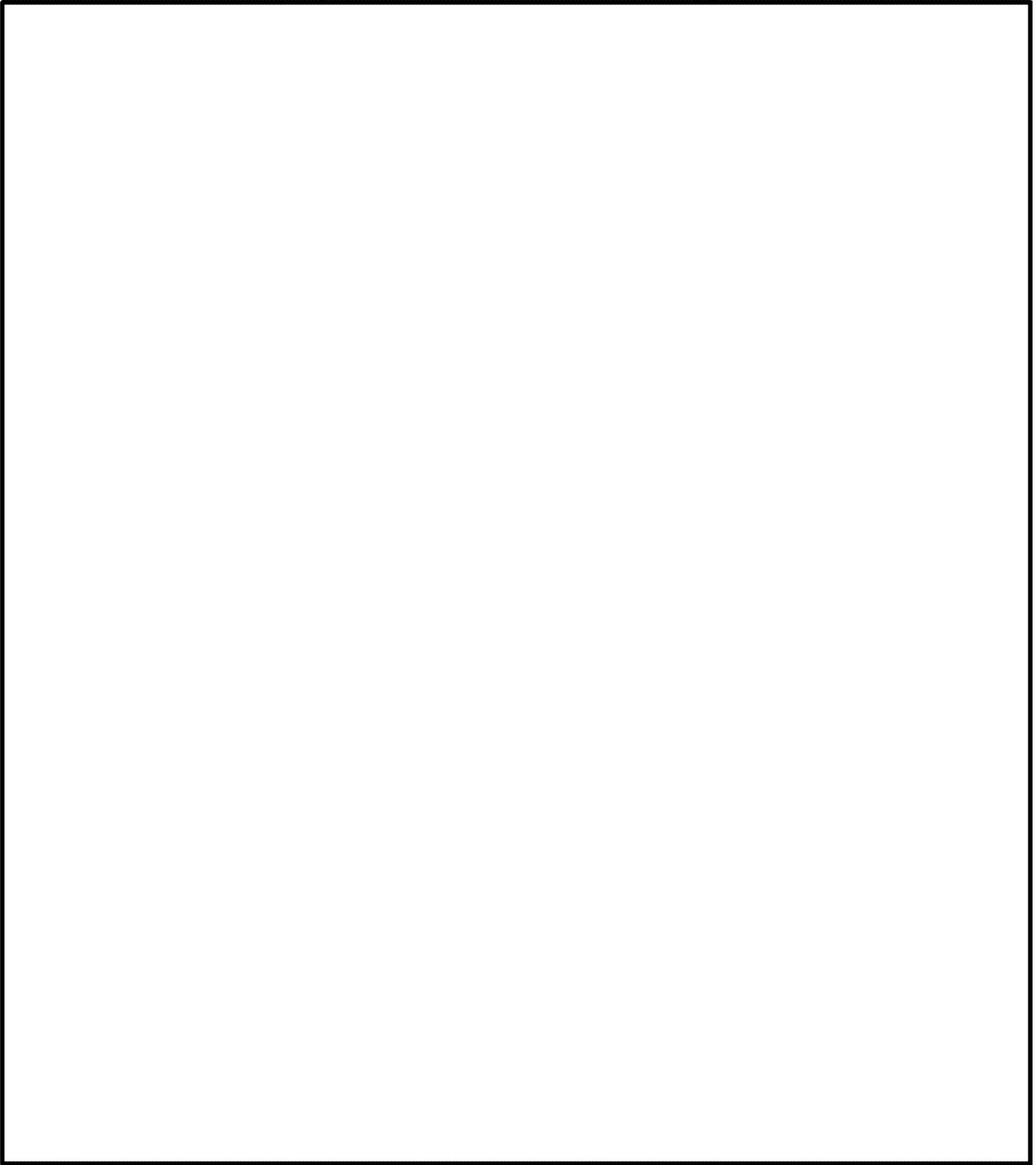


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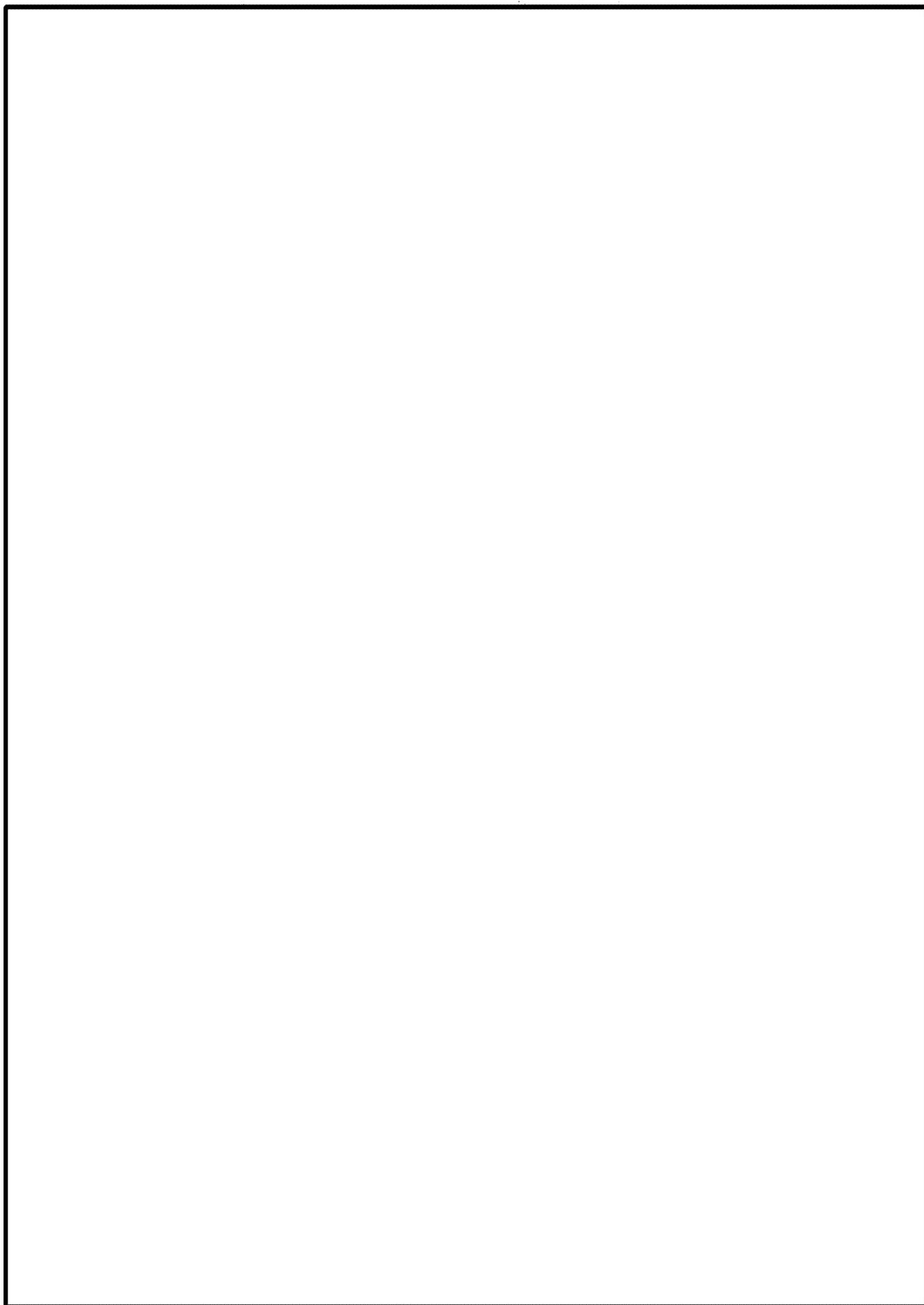
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1. Executive Summary



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2. Tabulation of Principal Results

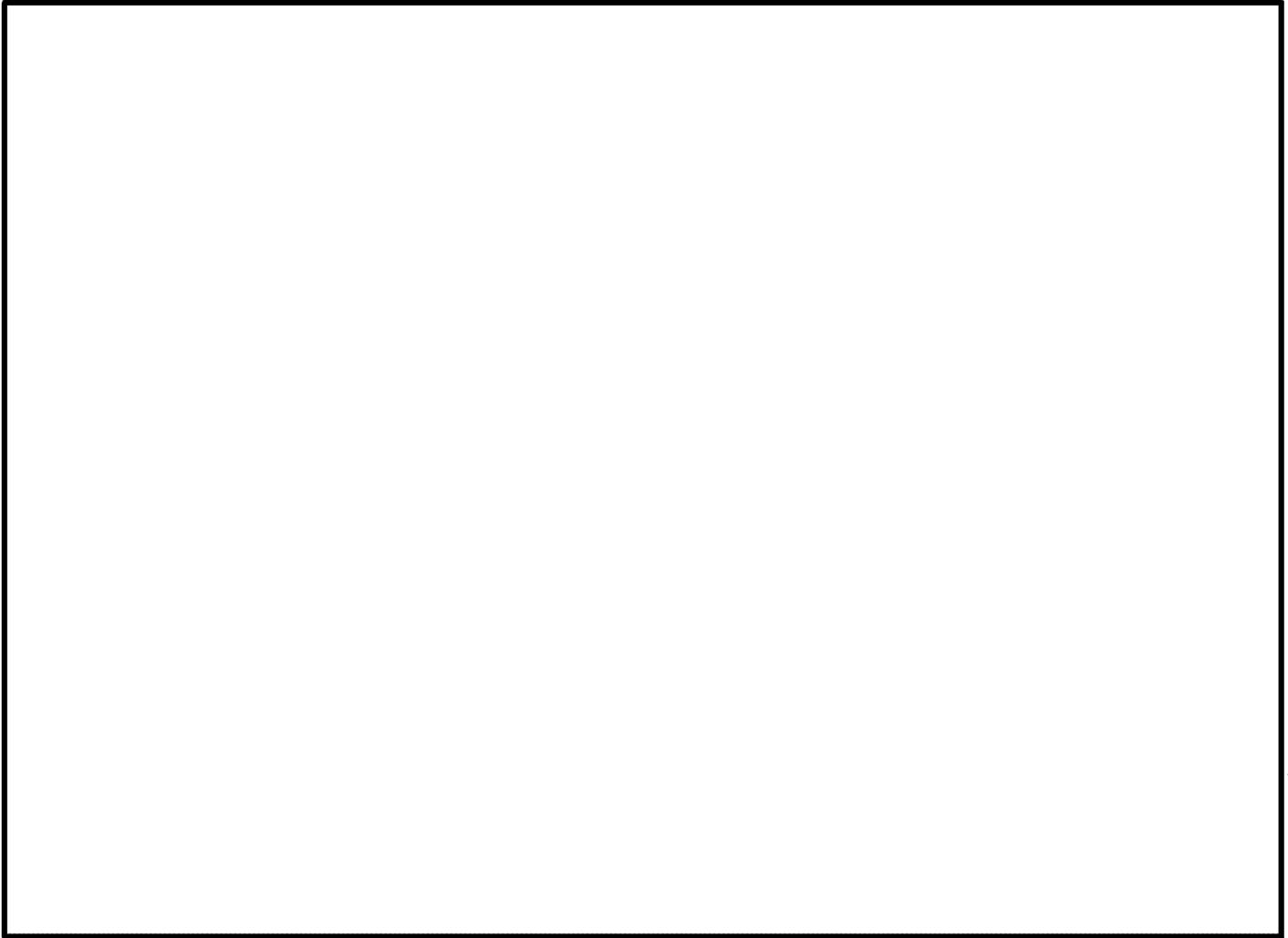


Table B shows the NAICS codes for each type of economic activity. The descriptions are taken from:

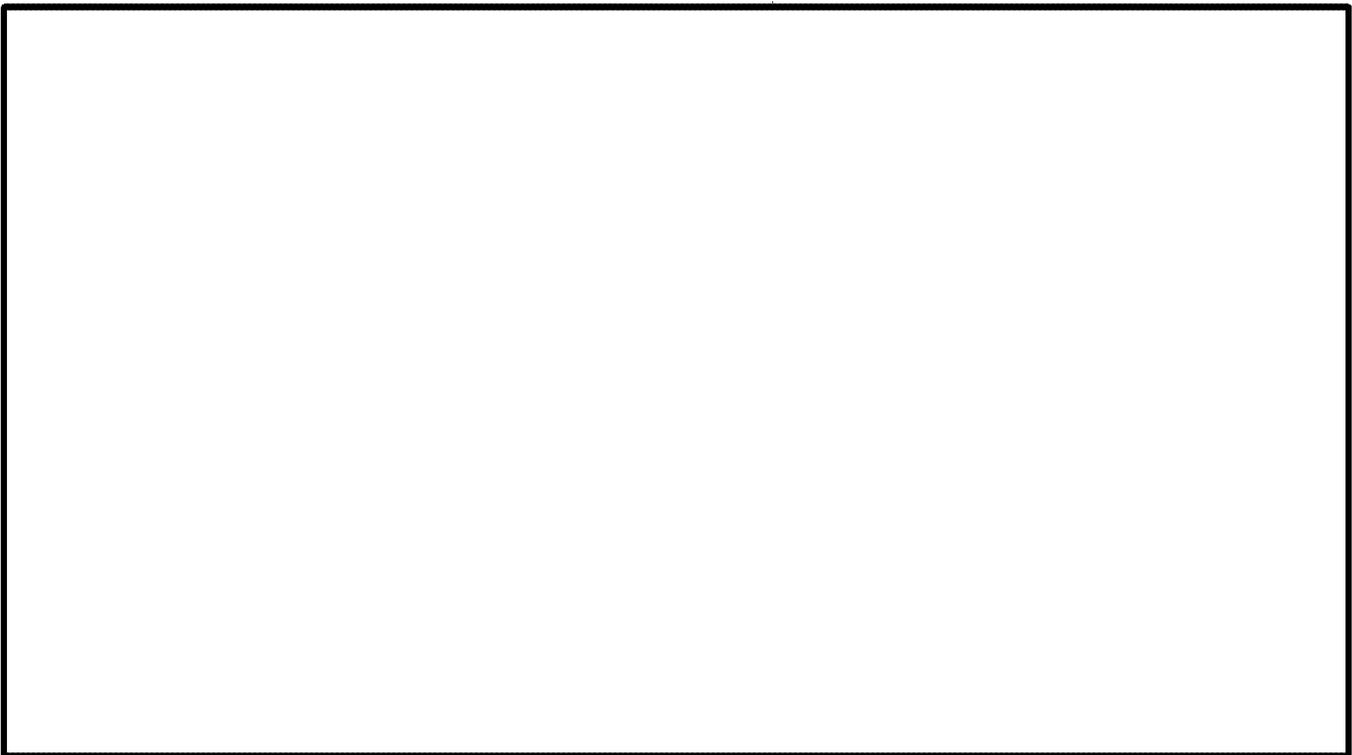
<http://www.census.gov/cgi-bin/sssd/naics/naicsrch?chart=2012>

Table B-1. NAICS Codes for Each Type of Activity

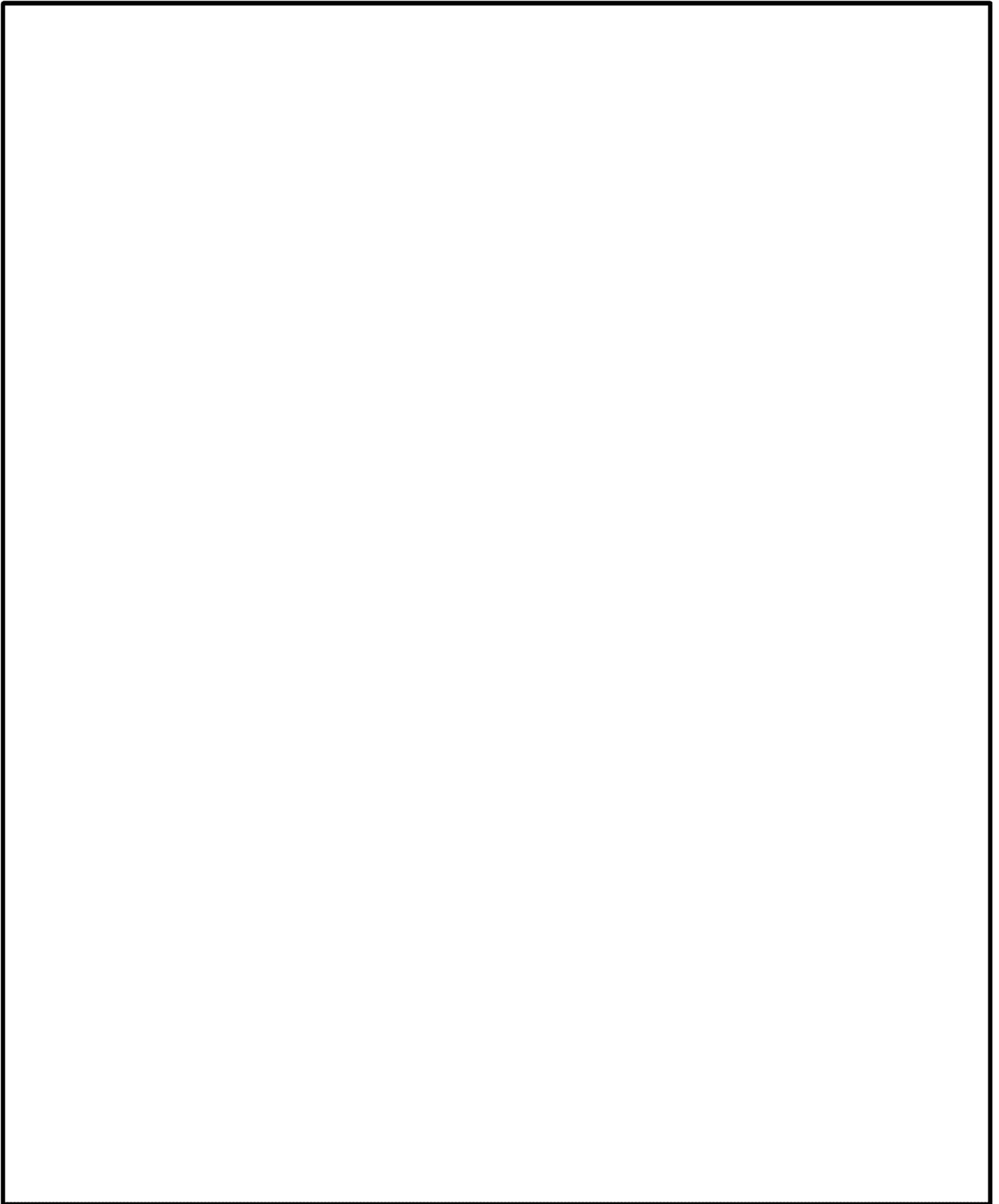
<u>213111</u> Drilling Oil and Gas Wells
<u>211111</u> Crude Petroleum and Natural Gas Extraction

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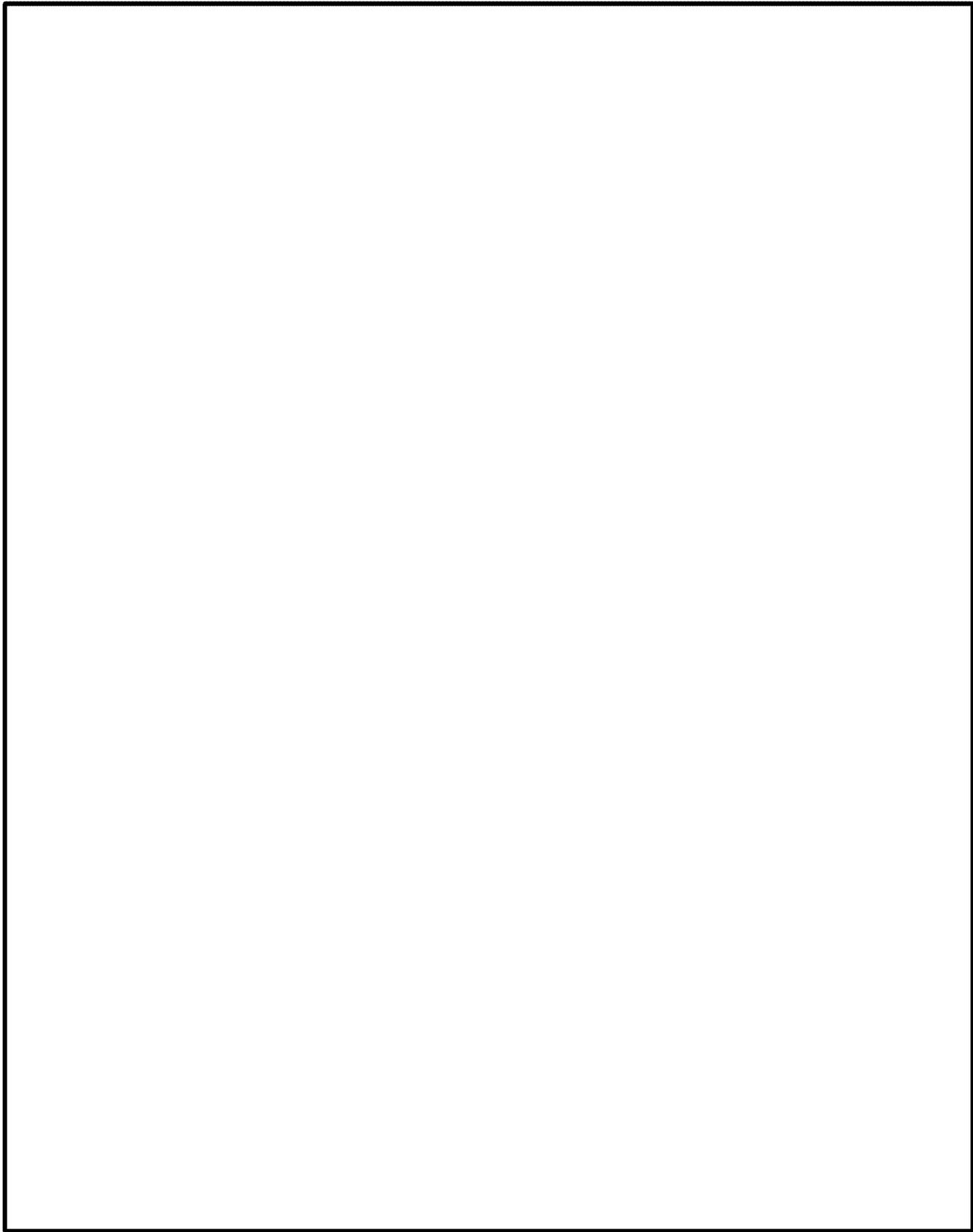
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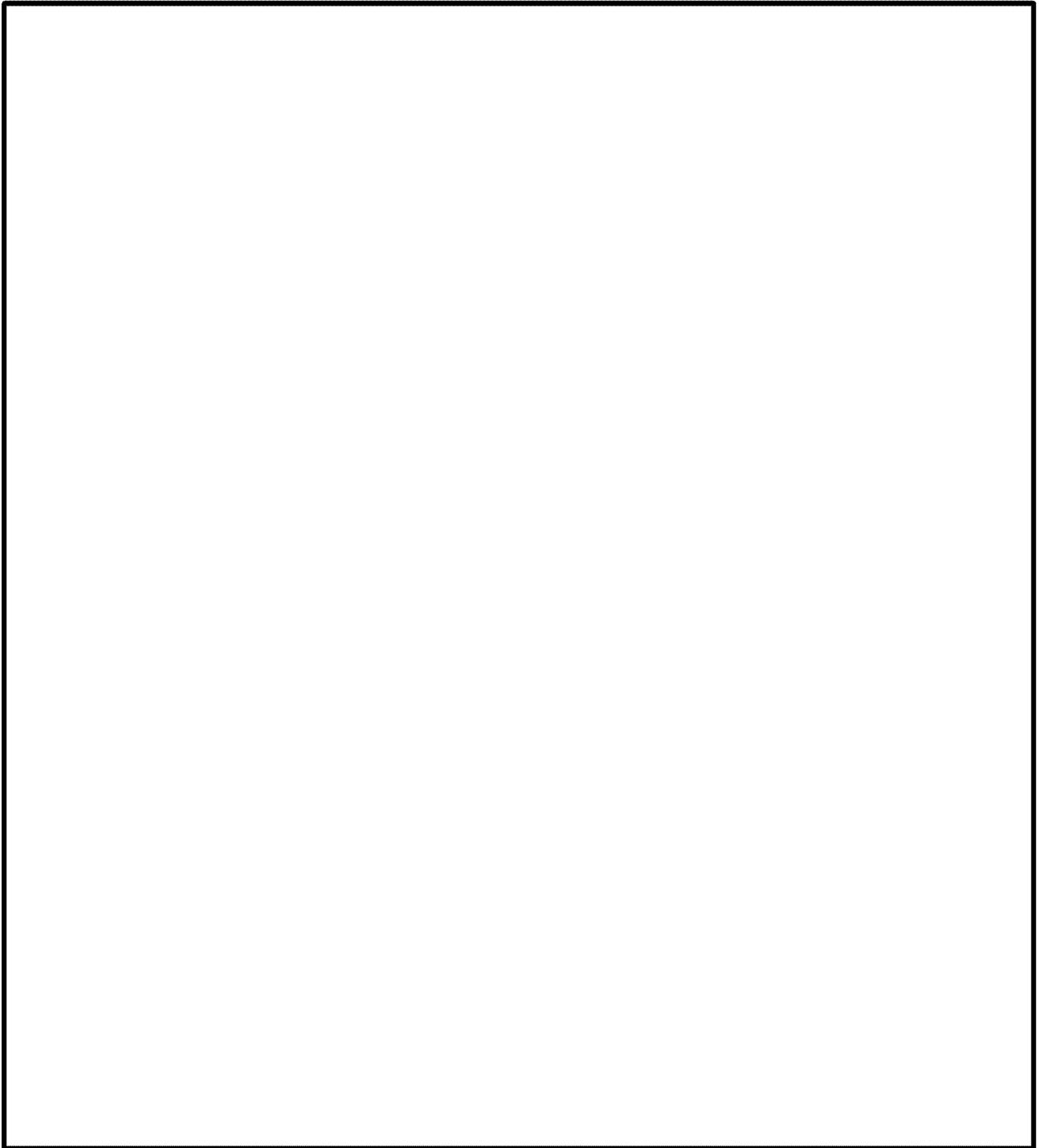
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Demand for Business Services, Utilities, Maintenance and Construction, and New Supplier/Vendor Relationships Created with Manufacturers



3. Introduction and Scope of Work



4. Brief Guide to RIMS II Input/Output Model

The following material has been condensed from the RIMS II User Handbook.

Introduction and General Comments

Effective planning for public- and private-sector projects and programs at the State and local levels requires a systematic analysis of the economic impacts of these projects and programs on affected regions. In turn, systematic analysis of economic impacts must account for the inter-industry relationships within regions because these relationships largely determine how regional economies are likely to respond to project and program changes. Thus, regional input-output (I-O) multipliers, which account for inter-industry relationships within regions, are useful tools for conducting regional economic impact analysis.

In the 1970s, the Bureau of Economic Analysis (BEA) developed a method for estimating regional I-O multipliers known as RIMS (Regional Industrial Multiplier System), which was based on the work of Garnick and Drake. In the 1980s, BEA completed an enhancement of RIMS, known as RIMS II (Regional Input-Output Modeling System), and published a handbook for RIMS II users. In 1992, BEA published a second edition of the handbook in which the multipliers were based on more recent data and improved methodology. In 1997, BEA published a third edition of the handbook that provides more detail on the use of the multipliers and the data sources and methods for estimating them.

RIMS II is based on an accounting framework called an I-O table. For each industry, an I-O table shows the industrial distribution of inputs purchased and outputs sold. A typical I-O table in RIMS II is derived mainly from two data sources: BEA's national I-O table, which shows the input and output structure of nearly 500 U.S. industries, and BEA's regional economic accounts, which are used to adjust the national I-O table to show a region's industrial structure and trading patterns.

Using RIMS II for impact analysis has several advantages. RIMS II multipliers can be estimated for any region composed of one or more counties and for any industry, or group of industries, in the national I-O table. The accessibility of the main data sources for RIMS II keeps the cost of estimating regional multipliers relatively low. Empirical tests show that estimates based on relatively expensive surveys and RIMS II-based estimates are similar in magnitude.

BEA's RIMS multipliers can be a cost-effective way for analysts to estimate the economic impacts of changes in a regional economy. However, it is important to keep in mind that, like all economic impact models, RIMS provides approximate order-of-magnitude estimates of impacts. RIMS multipliers are best suited for estimating the impacts of small changes on a regional economy. For some applications, users may

want to supplement RIMS estimates with information they gather from the region undergoing the potential change. To use the multipliers for impact analysis effectively, users must provide geographically and industrially detailed information on the initial changes in output, earnings, or employment that are associated with the project or program under study. The multipliers can then be used to estimate the total impact of the project or program on regional output, earnings, and employment.

RIMS II is widely used in both the public and private sector. In the public sector, for example, the Department of Defense uses RIMS II to estimate the regional impacts of military base closings. State transportation departments use RIMS II to estimate the regional impacts of airport construction and expansion. In the private-sector, analysts and consultants use RIMS II to estimate the regional impacts of a variety of projects, such as the development of shopping malls and sports stadiums.

RIMS II Methodology

RIMS II uses BEA's benchmark and annual I-O tables for the nation. Since a particular region may not contain all the industries found at the national level, some direct input requirements cannot be supplied by that region's industries. Input requirements that are not produced in a study region are identified using BEA's regional economic accounts.

The RIMS II method for estimating regional I-O multipliers can be viewed as a three-step process. In the first step, the producer portion of the national I-O table is made region-specific by using six-digit NAICS location quotients (LQs). The LQs estimate the extent to which input requirements are supplied by firms within the region. RIMS II uses LQs based on two types of data: BEA's personal income data (by place of residence) are used to calculate LQs in the service industries; and BEA's wage-and-salary data (by place of work) are used to calculate LQs in the non-service industries.

In the second step, the household row and the household column from the national I-O table are made region-specific. The household row coefficients, which are derived from the value-added row of the national I-O table, are adjusted to reflect regional earnings leakages resulting from individuals working in the region but residing outside the region. The household column coefficients, which are based on the personal consumption expenditure column of the national I-O table, are adjusted to account for regional consumption leakages stemming from personal taxes and savings. In the last step, the Leontief inversion approach is used to estimate multipliers. This inversion approach produces output, earnings, and employment multipliers, which can be used to trace the impacts of changes in final demand on and indirectly affected industries.

Advantages of RIMS II

There are numerous advantages to using RIMS II. First, the accessibility of the main data sources makes it possible to estimate regional multipliers without conducting relatively expensive surveys. Second, the level of industrial detail used in RIMS II helps

avoid aggregation errors, which often occur when industries are combined. Third, RIMS II multipliers can be compared across areas because they are based on a consistent set of estimating procedures nationwide. Fourth, RIMS II multipliers are updated to reflect the most recent local-area wage-and-salary and personal income data.

Overview of Different Multipliers

RIMS II provides users with five types of multipliers: final demand multipliers for output, for earnings, and for employment; and direct-effect multipliers for earnings and for employment. These multipliers measure the economic impact of a change in final demand, in earnings, or in employment on a region's economy.

The final demand multipliers for output are the basic multipliers from which all other RIMS II multipliers are derived. In this table, each column entry indicates the change in output in each row industry that results from a \$1 change in final demand in the column industry. The impact on each row industry is calculated by multiplying the final demand change in the column industry by the multiplier for each row. The total impact on regional output is calculated by multiplying the final demand change in the column industry by the sum of all the multipliers for each row except the household row.

RIMS II provides two types of multipliers for estimating the impacts of changes on earnings: final demand multipliers and direct effect multipliers. These multipliers are derived from the table of final demand output multipliers.

The final demand multipliers for earnings can be used if data on final demand changes are available. In the final demand earnings multiplier table, each column entry indicates the change in earnings in each row industry that results from a \$1 change in final demand in the column industry. The impact on each row industry is calculated by multiplying the final demand change in the column industry by the multipliers for each row. The total impact on regional earnings is calculated by multiplying the final demand change in the column industry by the sum of the multipliers for each row.

Employment Multipliers

RIMS II provides two types of multipliers for estimating the impacts of changes on employment: final demand multipliers and direct effect multipliers. These multipliers are derived from the table of final demand output multipliers.

The final demand multipliers for employment can be used if the data on final demand changes are available. In the final demand employment multiplier table, each column entry indicates the change in employment in each row industry that results from a \$1 million change in final demand in the column industry. The impact on each row industry is calculated by multiplying the final demand change in the column industry by the multiplier for each row. The total impact on regional employment is calculated by multiplying the final demand change in the column industry by the sum of the multipliers for each row.

The direct effect multipliers for employment can be used if the data on the initial changes in employment by industry are available. In the direct effect employment multiplier table, each entry indicates the total change in employment in the region that results from a change of one job in the row industry. The total impact on regional employment is calculated by multiplying the initial change in employment in the row industry by the multiplier for the row.

Choosing a Multiplier

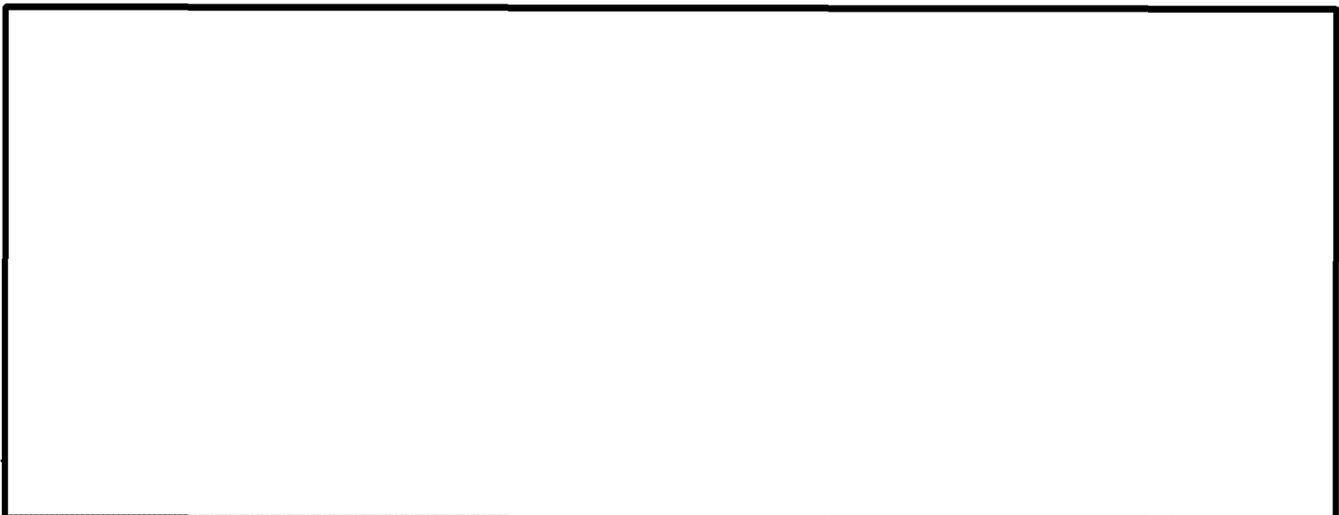
The choice of multiplier for estimating the impact of a project on output, earnings, and employment depends on the availability of estimates of the initial changes in final demand, earnings, and employment. If the estimates of the initial changes in all three measures are available, the RIMS II user can select any of the RIMS II multipliers. In theory, all the impact estimates should be consistent. If the available estimates are limited to initial changes in final demand, the user can select a final demand multiplier for impact estimation. If the available estimates are limited to initial changes in earnings or employment, the user can select a direct effect multiplier.

5. Methodology for Calculating Indirect Job Gains

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In spite of the explanation of the RIMS II model given directly above, some USCIS adjudicators have asked for further clarification about how that model is used to determine the increase in the number of indirect jobs. That is an important issue because, unlike the direct job count, which can be verified by USCIS from various payroll and withholding documents, the calculation of indirect jobs cannot be verified directly but depends on mathematical calculations.

The general concept is based on the coefficients in the input/output model itself (the same methodology applies to RIMS II, IMPLAN, or any other generally recognized and accepted input/output model). In any given year, the government calculates how much input is used for a given production of output. The detailed figures are taken from the Economic Censuses taken once every five years; the figures are then updated from various annual supplements.



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6. Economic Parameters for Musselshell, Petroleum, Rosebud, and Garfield Counties

This section is organized as follows. Tables 6-1 and 6-2 show the data for employment by major occupation and industrial classification, income distribution by deciles, mean and median household and family income, and poverty rates for Musselshell, Petroleum, Rosebud, and Garfield counties, and compare these figures to the U.S. totals or averages. Table 6-3 shows key labor market statistics over the past decade for the State of Montana and each of these counties. Tables 6-4 and 6-5 show the level and growth rate of population and personal income for these same areas.

Table 6-1. Key Economic Statistics for Musselshell and Petroleum Counties Compared to the U. S. Economy

Category	Mussel- shell	%	Petro- leum	%	U. S. 2005-09	%
EMPLOYMENT STATUS						
Population 16 years and over	3,652	100.0%	399	100.0%	235,871,704	100.0%
In labor force	2,050	56.1%	265	66.4%	153,407,584	65.0%
Civilian labor force	2,050	56.1%	265	66.4%	152,273,029	64.6%
Employed	1,960	53.7%	258	64.7%	141,303,145	59.9%
Unemployed	90	2.5%	7	1.8%	10,969,884	4.7%
Armed Forces	0	0.0%	0	0.0%	1,134,555	0.5%
Not in labor force	1,602	43.9%	134	33.6%	82,464,120	35.0%
OCCUPATION						
Civilian employed population 16 +	1,960	100.0%	258	100.0%	141,303,145	100.0%
Management & professional	455	23.2%	117	45.3%	49,129,589	34.8%
Service occupations	315	16.1%	10	3.9%	23,859,762	16.9%
Sales and office occupations	408	20.8%	39	15.1%	36,203,679	25.6%
Farming, fishing, & forestry	61	3.1%	48	18.6%	993,902	0.7%
Construction, maintenance, repair	418	21.3%	21	8.1%	13,383,294	9.5%
Production & transportation	303	15.5%	23	8.9%	17,732,919	12.5%

INDUSTRY

Civilian employed population 16 +	1,960	100.0%	258	100.0%	141,303,145	100.0%
Agriculture & mining	367	18.7%	127	49.2%	2,576,402	1.8%
Construction	293	14.9%	6	2.3%	10,520,876	7.4%
Manufacturing	124	6.3%	5	1.9%	15,887,145	11.2%
Wholesale trade	27	1.4%	0	0.0%	4,516,754	3.2%
Retail trade	292	14.9%	5	1.9%	16,277,681	11.5%
Transportation & utilities	205	10.5%	37	14.3%	7,173,048	5.1%
Information	2	0.1%	10	3.9%	3,450,324	2.4%
Finance, insurance & real estate	60	3.1%	0	0.0%	10,033,714	7.1%
Professional & administrative	36	1.8%	3	1.2%	14,540,450	10.3%
Educational services & health care	378	19.3%	41	15.9%	30,390,213	21.5%
Arts, entertain, hotel, food svcs	97	4.9%	10	3.9%	12,395,164	8.8%
Other private services	31	1.6%	6	2.3%	6,842,841	4.8%
Public administration	48	2.4%	8	3.1%	6,698,533	4.7%

INCOME AND BENEFITS

Total households	1,794	100.0%	220	100.0%	112,611,029	100.0%
Less than \$10,000	172	9.6%	17	7.7%	8,329,488	7.4%
\$10,000 to \$14,999	206	11.5%	9	4.1%	6,305,311	5.6%
\$15,000 to \$24,999	284	15.8%	31	14.1%	12,172,059	10.8%
\$25,000 to \$34,999	291	16.2%	40	18.2%	11,985,229	10.6%
\$35,000 to \$49,999	298	16.6%	46	20.9%	16,064,321	14.3%
\$50,000 to \$74,999	283	15.8%	52	23.6%	21,053,113	18.7%
\$75,000 to \$99,999	117	6.5%	9	4.1%	13,853,787	12.3%
\$100,000 to \$149,999	90	5.0%	7	3.2%	13,578,721	12.1%
\$150,000 to \$199,999	33	1.8%	5	2.3%	4,724,616	4.2%
\$200,000 or more	20	1.1%	4	1.8%	4,544,384	4.0%
Median household income (dollars)	33,000	64.2%	38,833	75.5%	51,425	
Mean household income (dollars)	44,222	63.1%	47,455	67.7%	70,096	
Families	1,315	100.0%	122	100.0%	75,082,471	100.0%
Less than \$10,000	41	3.1%	0	0.0%	3,393,200	4.5%
\$10,000 to \$14,999	114	8.7%	0	0.0%	2,479,747	3.3%
\$15,000 to \$24,999	164	12.5%	18	14.8%	6,274,623	8.4%
\$25,000 to \$34,999	218	16.6%	18	14.8%	7,046,604	9.4%
\$35,000 to \$49,999	272	20.7%	18	14.8%	10,374,067	13.8%
\$50,000 to \$74,999	261	19.8%	48	39.3%	15,181,992	20.2%
\$75,000 to \$99,999	110	8.4%	9	7.4%	10,997,786	14.6%
\$100,000 to \$149,999	84	6.4%	7	5.7%	11,350,903	15.1%
\$150,000 to \$199,999	31	2.4%	0	0.0%	4,060,380	5.4%
\$200,000 or more	20	1.5%	4	3.3%	3,923,169	5.2%
Median family income (dollars)	40,959	65.7%	51,346	82.3%	62,363	

Mean family income (dollars)	52,310	64.2%	57,062	70.0%	81,537
Per capita income (dollars)	19,164	70.9%	22,168	82.0%	27,041
Median earnings for workers	20,678	71.2%	25,338	87.2%	29,050
Median earnings for male full-time	37,366	82.4%	26,346	58.1%	45,363
Median earnings for female full-time	22,111	62.8%	26,818	76.2%	35,207
PERCENTAGE BELOW POVERTY LEVEL					
All families	12.80%	129.3%	6.60%	66.7%	9.90%
All people	17.80%	131.9%	14.60%	108.1%	13.50%

Please note that in these tables, the percentage figures in black refer to the overall category in that column, while the figures in red refer to the U.S. average figures

Both Musselshell and Petroleum counties are both very sparsely populated areas that are largely farming and mining counties. The data are based on 2005-09 averages because of the small number of people, but even these figures may be subject to relatively wide sampling areas. The median and mean income for Musselshell County is about $\frac{2}{3}$ of the national average, while for Petroleum County the figure is about $\frac{3}{4}$ of the average. The poverty rate in Musselshell County is well above average; for Petroleum County the rate is below average for all families but slightly above average for all people.

Table 6-2. Key Economic Statistics for Rosebud and Garfield Counties Compared to the U. S. Economy

Category	Rosebud	%	Garfield	%
EMPLOYMENT STATUS				
Population 16 years and over	6,529	100.0%	927	100.0%
In labor force	4,232	64.8%	643	69.4%
Civilian labor force	4,232	64.8%	643	69.4%
Employed	3,839	58.8%	631	68.1%
Unemployed	393	6.0%	12	1.3%
Armed Forces	0	0.0%	0	0.0%
Not in labor force	2,297	35.2%	284	30.6%
OCCUPATION				
Civilian employed population 16 +	3,839	100.0%	631	100.0%
Management & professional	1,152	30.0%	223	35.3%
Service occupations	776	20.2%	131	20.8%
Sales and office occupations	710	18.5%	111	17.6%

Farming, fishing, & forestry	128	3.3%	76	12.0%
Construction, maintenance, repair	629	16.4%	54	8.6%
Production & transportation	444	11.6%	36	5.7%

INDUSTRY

Civilian employed population 16 +	3,839	100.0%	631	100.0%
Agriculture & mining	754	19.6%	241	38.2%
Construction	203	5.3%	36	5.7%
Manufacturing	11	0.3%	12	1.9%
Wholesale trade	27	0.7%	0	0.0%
Retail trade	401	10.4%	69	10.9%
Transportation & utilities	424	11.0%	24	3.8%
Information	90	2.3%	11	1.7%
Finance, insurance & real estate	135	3.5%	20	3.2%
Professional & administrative	92	2.4%	11	1.7%
Educational services & health care	881	22.9%	111	17.6%
Arts, entertain, hotel, food svcs	370	9.6%	47	7.4%
Other private services	162	4.2%	24	3.8%
Public administration	289	7.5%	25	4.0%

INCOME AND BENEFITS

Total households	3,204	100.0%	513	100.0%
Less than \$10,000	295	9.2%	32	6.2%
\$10,000 to \$14,999	273	8.5%	53	10.3%
\$15,000 to \$24,999	433	13.5%	97	18.9%
\$25,000 to \$34,999	337	10.5%	94	18.3%
\$35,000 to \$49,999	395	12.3%	65	12.7%
\$50,000 to \$74,999	538	16.8%	94	18.3%
\$75,000 to \$99,999	526	16.4%	33	6.4%
\$100,000 to \$149,999	365	11.4%	34	6.6%
\$150,000 to \$199,999	1	0.0%	4	0.8%
\$200,000 or more	41	1.3%	7	1.4%
Median household income (dollars)	43,269	84.1%	32,880	63.9%
Mean household income (dollars)	53,488	76.3%	45,507	64.9%

Families	2,354	100.0%	311	100.0%
Less than \$10,000	160	6.8%	7	2.3%
\$10,000 to \$14,999	178	7.6%	11	3.5%
\$15,000 to \$24,999	308	13.1%	37	11.9%
\$25,000 to \$34,999	231	9.8%	69	22.2%
\$35,000 to \$49,999	275	11.7%	43	13.8%
\$50,000 to \$74,999	419	17.8%	76	24.4%
\$75,000 to \$99,999	470	20.0%	31	10.0%

\$100,000 to \$149,999	278	11.8%	30	9.6%
\$150,000 to \$199,999	1	0.0%	2	0.6%
\$200,000 or more	34	1.4%	5	1.6%
Median family income (dollars)	53,750	86.2%	48,083	77.1%
Mean family income (dollars)	57,389	70.4%	54,431	66.8%
Per capita income (dollars)	19,169	70.9%	21,151	78.2%
Median earnings for workers	25,574	88.0%	16,550	57.0%
Median earnings for male full-time	51,591	113.7%	33,942	74.8%
Median earnings for female full-time	28,236	80.2%	15,811	44.9%
PERCENTAGE BELOW POVERTY LEVEL				
All families	19.30%	194.9%	7.70%	77.8%
All people	23.10%	171.1%	11.30%	83.7%

These two counties are similar to Musselshell and Petroleum counties in that they are very sparsely settled, with the economic base tied directly to agriculture and mining. The mean and median income for these three counties ranges from 67% to 85% of the national average. The poverty rates bear no resemblance to these figures; the rate for all families is 195% of the national average in Rosebud and 78% in Garfield,. However, these figures represent only a handful of families and are too small to provide a meaningful sample size.

Table 6-3. Labor Market Statistics for the State of Montana, 4 Counties in the Heath Group

	Labor Force	Employed	Unemployed
Montana			
2000	468865	446552	22313
2001	468963	447827	21136
2002	466299	445281	21018
2003	470472	450190	20282
2004	475566	456385	19181
2005	480747	463251	17496
2006	492358	476412	15946
2007	501929	485132	16797
2008	508225	485375	22850
2009	496499	465220	31279
2010	497395	461337	36058

Musselshell

2000	2096	1969	127
2001	2048	1934	114
2002	2054	1926	128
2003	2056	1941	115
2004	2084	1973	111
2005	2061	1964	97
2006	2070	1993	77
2007	2034	1932	102
2008	2151	2038	113
2009	2417	2269	148
2010	2409	2247	162

Petroleum

2000	252	235	17
2001	223	213	10
2002	197	186	11
2003	203	191	12
2004	219	208	11
2005	224	214	10
2006	225	215	10
2007	236	224	12
2008	249	236	13
2009	233	222	11
2010	233	218	15

Rosebud

2000	4279	4029	250
2001	4259	4009	250
2002	3999	3767	232
2003	4294	4077	217
2004	4250	4053	197
2005	3980	3780	200
2006	3847	3648	199
2007	3916	3725	191
2008	4032	3805	227
2009	4005	3756	249
2010	3942	3647	295

	Garfield			
2000	706	677		29
2001	683	661		22
2002	620	598		22
2003	630	610		20
2004	654	632		22
2005	636	614		22
2006	636	615		21
2007	643	625		18
2008	658	637		21
2009	648	626		22
2010	615	589		26

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The four counties together had a labor force of less than 8,000.

Table 6-4. Level and Growth of Population, State of Montana, 4 Counties, and the Total Area

	Montana	Musselshell	Petroleum	Rosebud	Garfield	4 counties
2009	974,989	4,600	440	9,258	1,173	15,471
2008	968,035	4,506	433	9,150	1,161	15,250
2007	957,225	4,466	431	9,126	1,193	15,216
2006	946,230	4,458	455	9,079	1,199	15,191
2005	934,801	4,376	460	9,147	1,173	15,156
2004	925,887	4,418	491	9,151	1,211	15,271
2003	916,750	4,401	484	9,216	1,234	15,335
2002	909,868	4,389	492	9,203	1,245	15,329
2001	905,873	4,397	483	9,250	1,262	15,392
2000	903,293	4,492	492	9,391	1,267	15,642
2009/08	0.72%	2.09%	1.62%	1.18%	1.03%	1.45%
2008/07	1.13%	0.90%	0.46%	0.26%	-2.68%	0.22%
2007/06	1.16%	0.18%	-5.27%	0.52%	-0.50%	0.16%
2006/05	1.22%	1.87%	-1.09%	-0.74%	2.22%	0.23%
2005/04	0.96%	-0.95%	-6.31%	-0.04%	-3.14%	-0.75%
2004/03	1.00%	0.39%	1.45%	-0.71%	-1.86%	-0.42%
2003/02	0.76%	0.27%	-1.63%	0.14%	-0.88%	0.04%

2002/01	0.44%	-0.18%	1.86%	-0.51%	-1.35%	-0.41%
2001/00	0.29%	-2.11%	-1.83%	-1.50%	-0.39%	-1.60%
2009/00	0.85%	0.26%	-1.23%	-0.16%	-0.85%	-0.12%

Population growth in this 4-county area was actually negative for this 4-county region, trailing both the state of Montana and the overall U. S. economy.

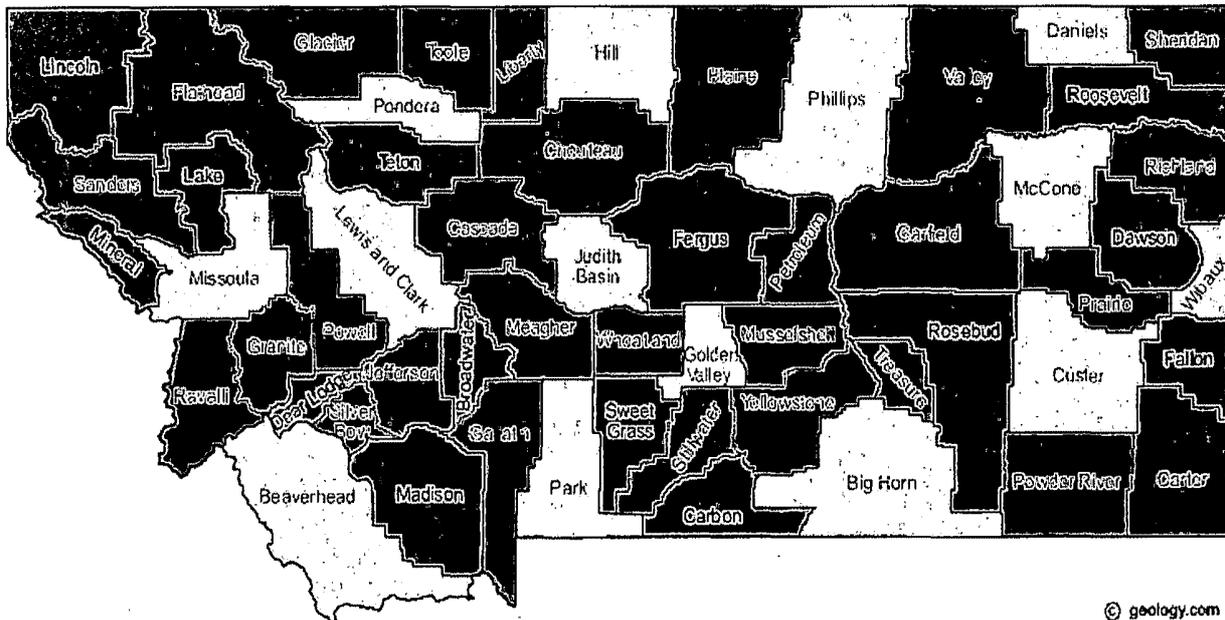
Table 6-5. Level and Growth of Personal Income (Billion \$), State of Montana, 4 Counties, and the Total Area

	Montana	Musselshell	Petroleum	Rosebud	Garfield	4 counties
2009	33.957	0.125	0.013	0.31	0.033	0.481
2008	34.141	0.11	0.013	0.305	0.04	0.468
2007	32.464	0.106	0.011	0.292	0.034	0.443
2006	30.447	0.097	0.011	0.284	0.032	0.424
2005	28.179	0.092	0.011	0.274	0.037	0.414
2004	26.495	0.089	0.01	0.262	0.033	0.394
2003	24.752	0.085	0.01	0.25	0.033	0.378
2002	23.37	0.078	0.008	0.224	0.027	0.337
2001	22.931	0.078	0.01	0.226	0.032	0.346
2000	21.2	0.071	0.008	0.208	0.025	0.312
2009/08	-0.54%	13.25%	1.46%	1.78%	-18.17%	2.78%
2008/07	5.17%	4.41%	13.06%	4.22%	15.85%	5.64%
2007/06	6.62%	8.80%	8.18%	2.98%	7.25%	4.48%
2006/05	8.05%	5.86%	-4.86%	3.68%	-12.98%	2.42%
2005/04	6.35%	3.25%	12.82%	4.63%	13.15%	5.08%
2004/03	7.04%	4.76%	-4.03%	4.63%	-1.97%	4.23%
2003/02	5.91%	7.99%	34.24%	11.59%	21.31%	12.17%
2002/01	1.91%	1.13%	-20.87%	-0.93%	-15.26%	-2.60%
2001/00	8.17%	9.87%	27.55%	8.62%	28.70%	10.90%
2009/00	5.37%	6.53%	6.29%	4.52%	2.94%	4.92%

Personal income for this 4-county region rose at a 4.9% annual rate, well above the national average rate of 3.8% and slightly higher than the 5.4% rate for Montana. Rising energy prices were the main reason for the higher growth, since population gains were equal to the U. S. average. The decline in 2009 was very modest in spite of weaker oil prices, as the rise in prices over the previous three years generated a boom in oil drilling.

Figure 6-1 shows the county map of Montana. Musselshell County is located near the southern border of the state, slightly east of center, directly north of Yellowstone County. Petroleum County is north of Musselshell County. Rosebud is due east of Musselshell County. Garfield County is north of Rosebud County.

Figure 6-1. County Map of Montana

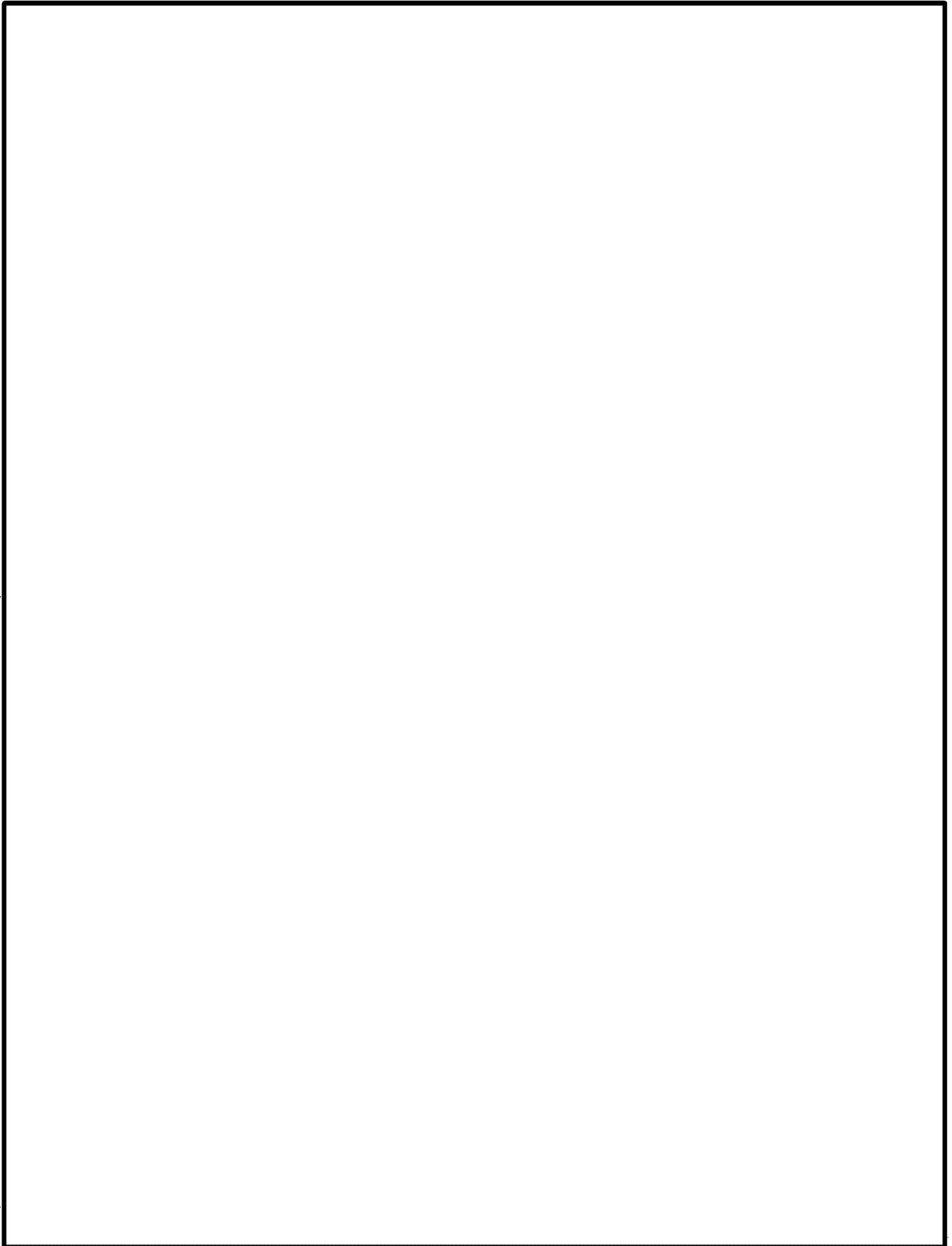


The USCIS defines a Targeted Employment Area (TEA) as an area that meets one or both of the following criteria: a rural area, or one with an unemployment rate that is at least 150% of the national average. In this case, it is clear that we are using the rural area definition. A county is a rural area if it is outside a metropolitan statistical area (MSA), and the location is outside any city with a population of over 20,000.

Since the total population of these counties is well under that figure, there is no question they are rural, so any of the counties should qualify as a TEA at the time of investment.

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7. Discussion of Oil Drilling in Montana



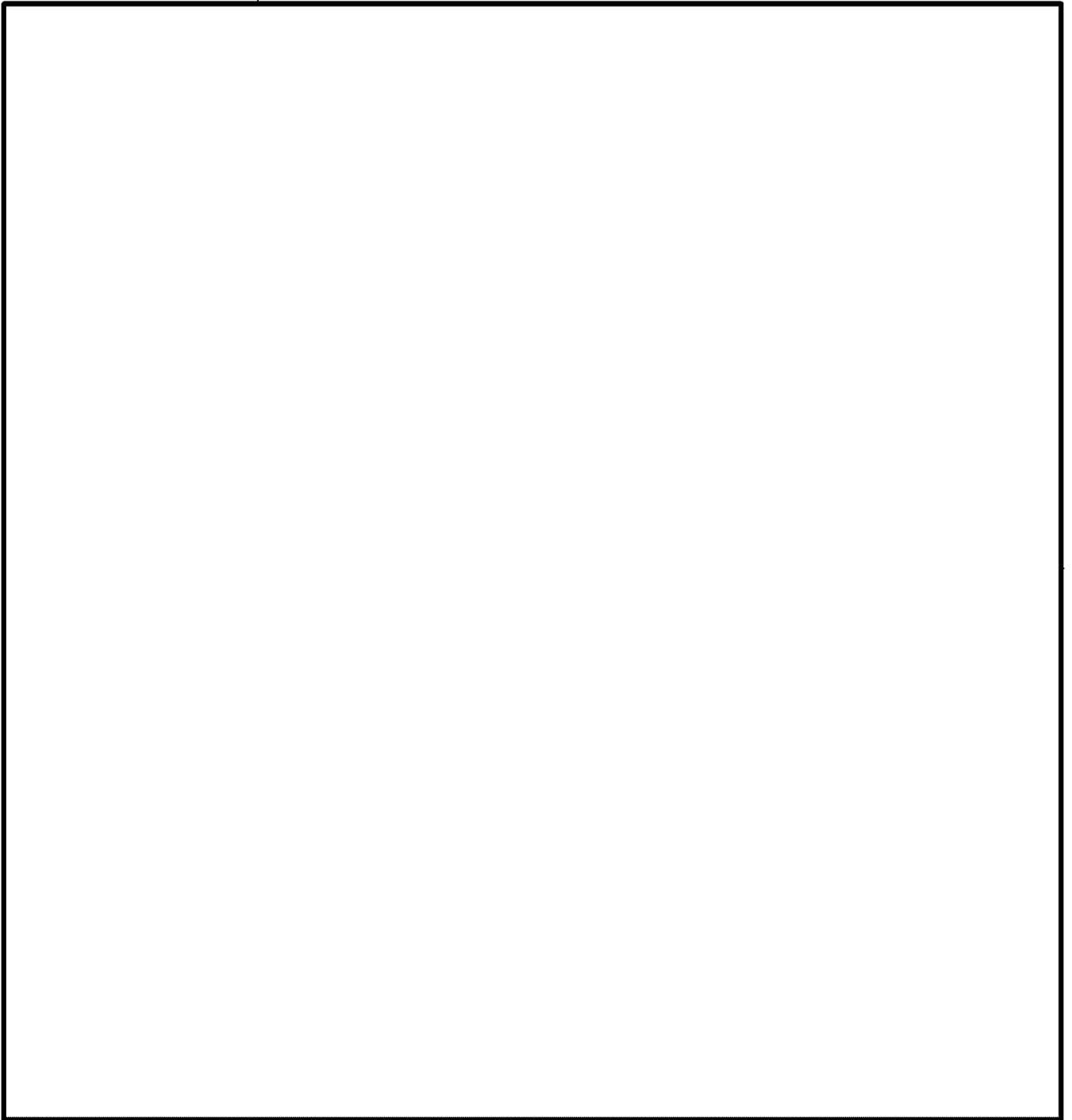


Figure 7-1. Montana Oil Production

Montana 2009

Distribution of Wells by Production Rate Bracket

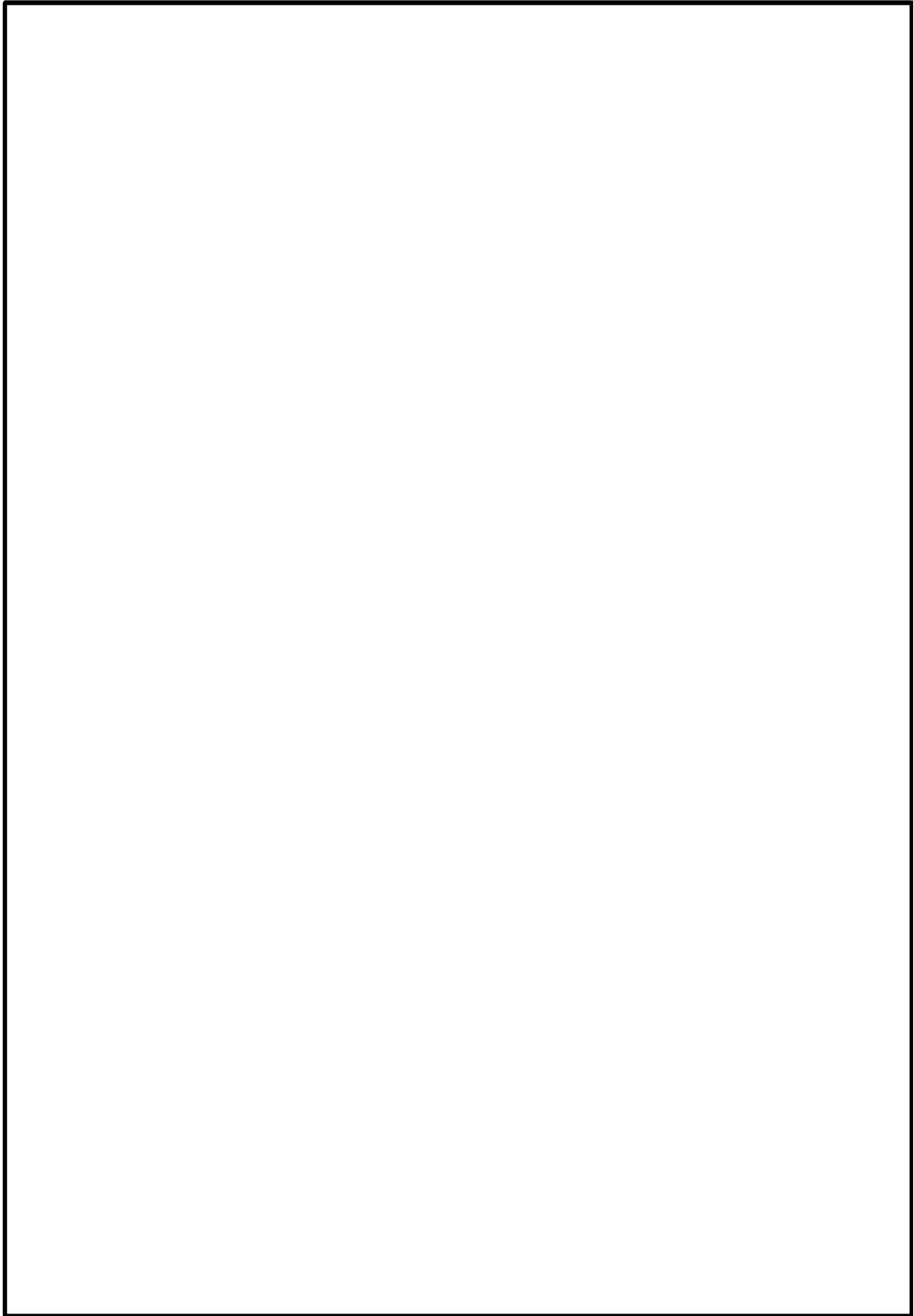
Prod. Rate Bracket (BOE/Day)	Oil Wells							Gas Wells						
	# of Oil Wells	% of Oil Wells	Annual Oil Prod. (Mbbbl)	% of Oil Prod.	Oil Rate per Well (bbl/Day)	Annual Gas Prod. (MMcf)	Gas Rate per Well (Mcf/Day)	# of Gas Wells	% of Gas Wells	Annual Gas Prod. (MMcf)	% of Gas Prod.	Gas Rate per Well (Mcf/Day)	Annual Oil Prod. (Mbbbl)	Oil Rate per Well (bbl/Day)
0 - 1	1,253	28.4	190.5	0.7	0.4	4.1	0.0	1,469	21.7	1,417.1	1.7	2.8	0.4	0.0
1 - 2	470	10.7	231.2	0.8	1.4	27.7	0.2	1,171	17.3	3,718.1	4.4	8.8	0.9	0.0
2 - 4	420	9.5	411.8	1.5	2.8	66.0	0.5	1,390	20.6	8,648.1	10.3	17.4	2.3	0.0
4 - 6	217	4.9	380.3	1.4	4.9	81.5	1.0	670	9.9	7,027.3	8.3	29.6	2.1	0.0
6 - 8	178	4.0	414.5	1.5	6.6	107.6	1.7	457	6.8	6,916.0	8.2	41.9	1.3	0.0
8 - 10	145	3.3	434.9	1.6	8.4	155.2	3.0	391	5.8	7,409.5	8.8	53.7	4.8	0.0
Subtotal <=10	2,683	60.8	2,063.3	7.5	2.2	442.2	0.5	5,548	82.1	35,136.1	41.7	18.0	11.7	0.0
10 - 12	115	2.6	430.2	1.6	10.4	149.1	3.6	294	4.3	6,948.4	8.2	65.7	0.4	0.0
12 - 15	159	3.6	715.5	2.6	12.7	289.8	5.1	389	5.5	10,557.2	12.5	80.6	1.7	0.0
Subtotal <=15	2,957	67.1	3,209.0	11.7	3.1	881.0	0.9	6,211	91.9	52,641.6	62.5	24.0	13.8	0.0
15 - 20	236	5.4	1,353.5	4.9	16.0	651.8	7.7	266	3.9	9,636.2	11.4	102.5	8.8	0.0
20 - 25	171	3.9	1,284.8	4.7	20.7	669.7	10.8	98	1.4	4,499.9	5.3	129.5	7.5	0.0
25 - 30	130	2.9	1,162.1	4.2	25.0	686.0	14.7	50	0.7	2,826.3	3.4	160.5	12.7	0.0
30 - 40	209	4.7	2,351.1	8.5	31.2	1,673.1	22.2	52	0.8	3,665.7	4.2	201.8	18.7	1.0
40 - 50	159	3.6	2,260.9	8.2	39.1	2,033.4	35.1	28	0.4	2,610.5	3.1	255.4	21.8	2.0
50 - 100	374	8.5	8,061.3	29.3	59.6	7,830.3	57.8	41	0.6	4,524.2	5.4	358.3	105.3	8.0
100 - 200	157	3.6	6,579.4	23.9	115.8	5,571.8	98.1	13	0.2	3,493.5	4.1	736.2	73.2	15.0
200 - 400	17	0.4	1,278.8	4.6	223.5	1,048.1	183.2	1	0.0	466.2	0.6	1,277.1	5.9	16.0
400 - 800	0	0.0	0.0	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0
800 - 1600	0	0.0	0.0	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0
1600 - 3200	0	0.0	0.0	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0
3200 - 6400	0	0.0	0.0	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0
6400 - 12800	0	0.0	0.0	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0
> 12800	0	0.0	0.0	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0
Total	4,410	100.0	27,541.1	100.0	17.7	21,045.3	13.5	6,760	100.0	84,264.0	100.0	35.3	267.8	0.0

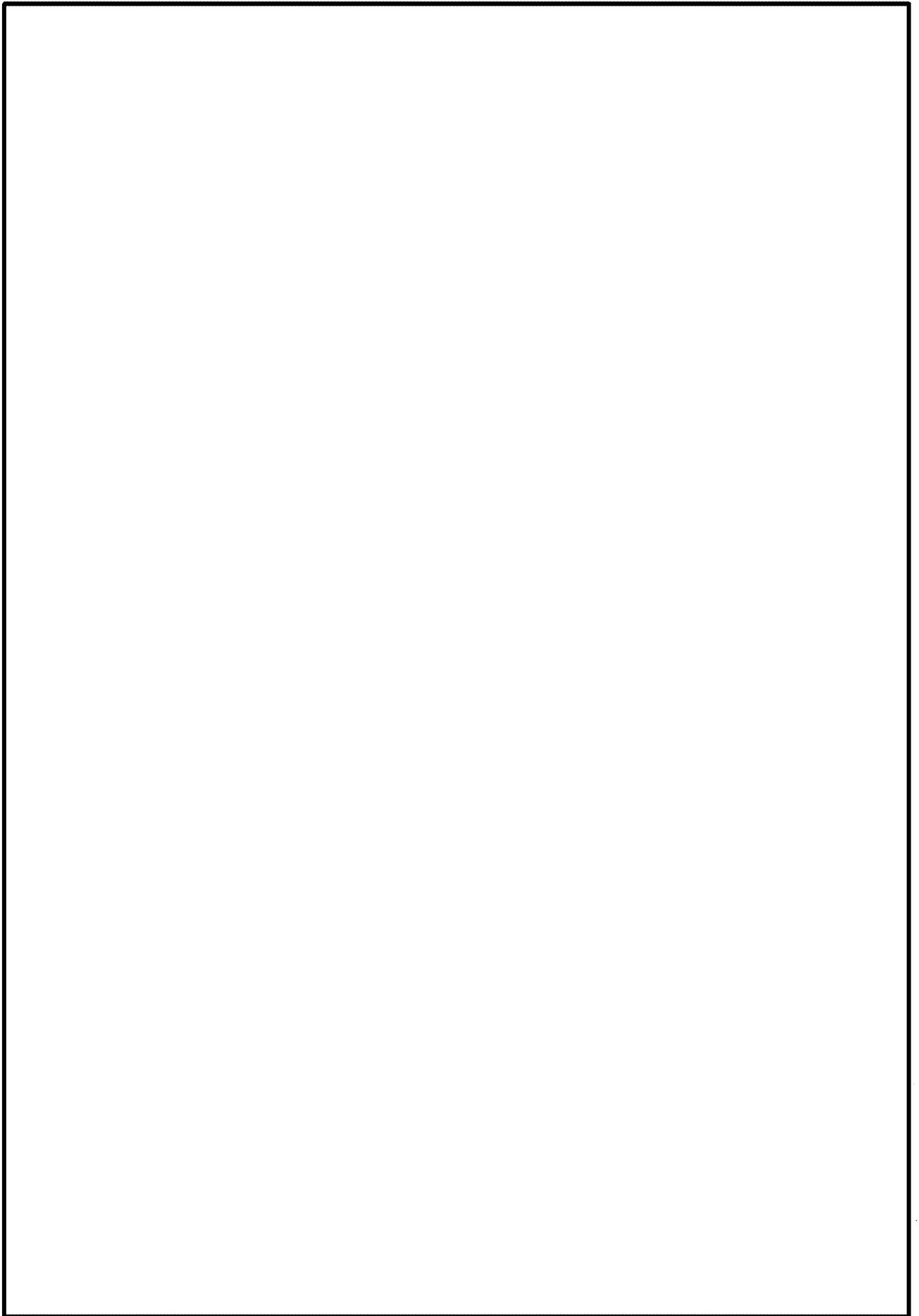
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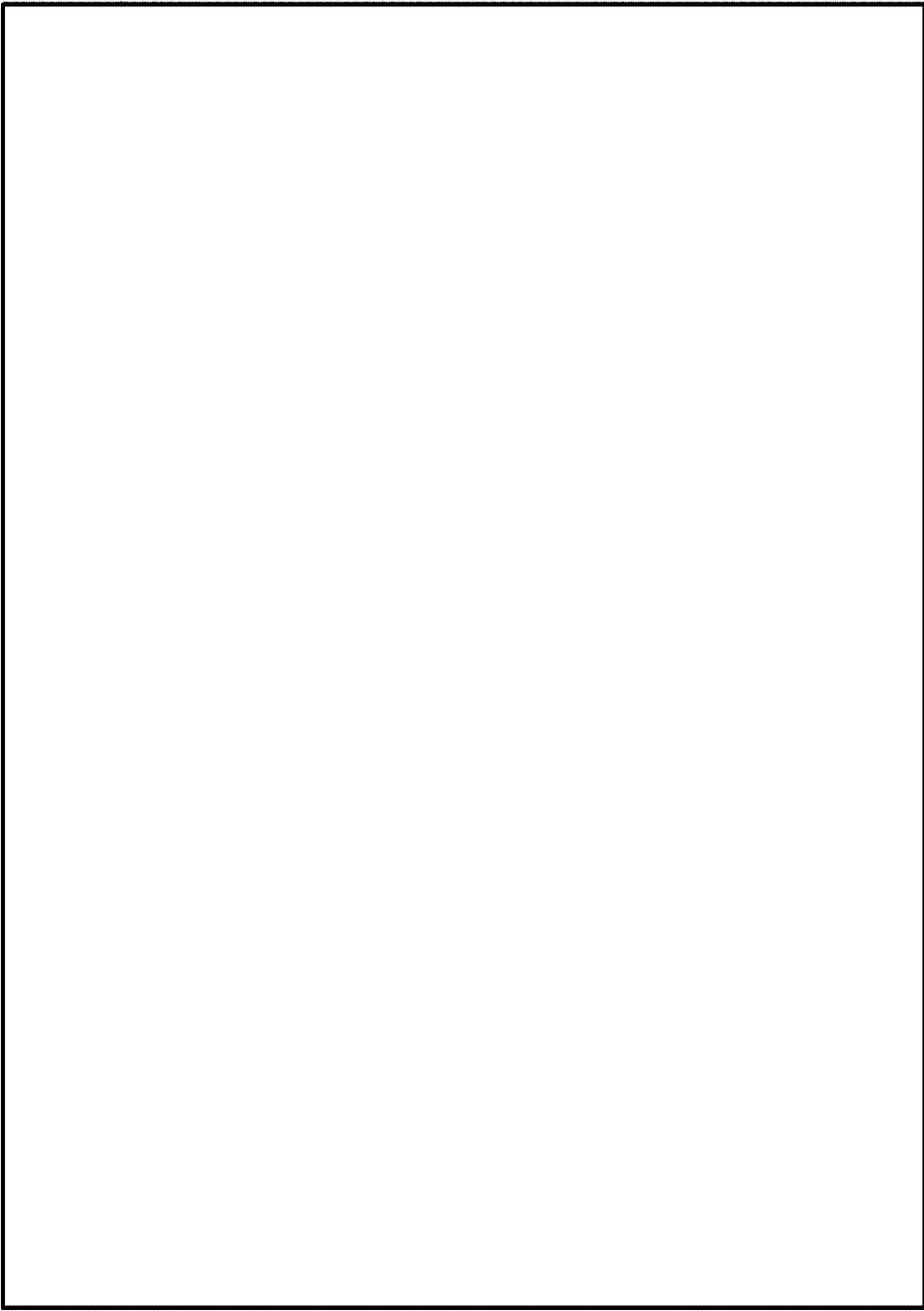
- 1) State Government agencies and commercial sources provided base data.
- 2) The Reserves and Production Division, Office of Oil and Gas, EIA has reviewed and edited inaccurate production data.
- 3) To be consistent between states a GOR of 6,000 (cf/bbl) for each years production was used to classify wells.
If the GOR was less than 6,000 (cf/bbl) the well was classed an oil well, greater than or equal 6,000 (cf/bbl) were gas wells.
- 4) To determine production rate brackets for the first and last year of a wells life the annual production was divided by the number of days in the productive months. For other years the annual production was divided by 365 or 366 days.
- 5) Gas volumes have been converted from the various state pressure bases to the Federal base (14.73 psia).

02NOV10

Source: ftp://ftp.eia.doe.gov/pub/oil_gas/petrosystem/mt_table.html



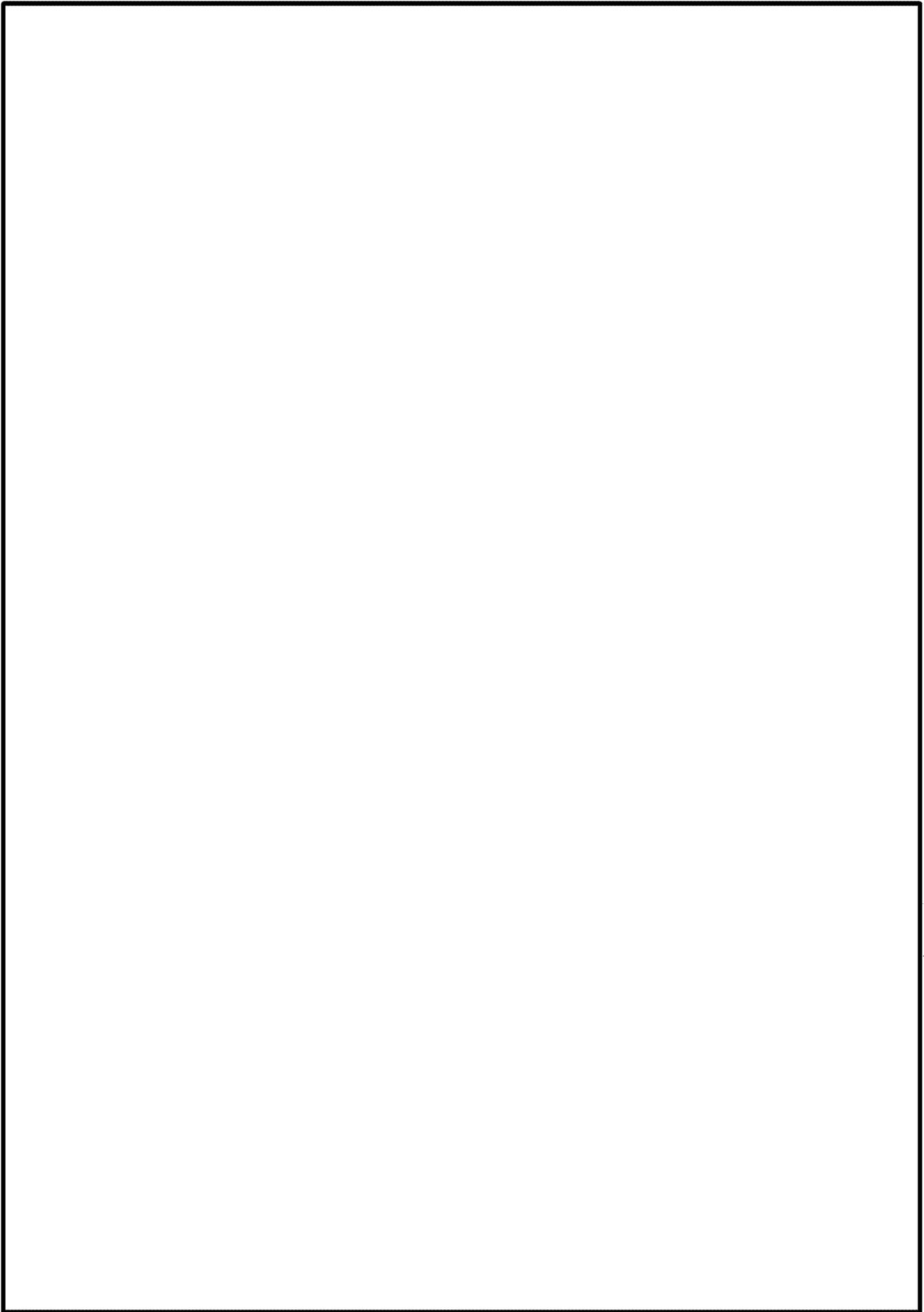


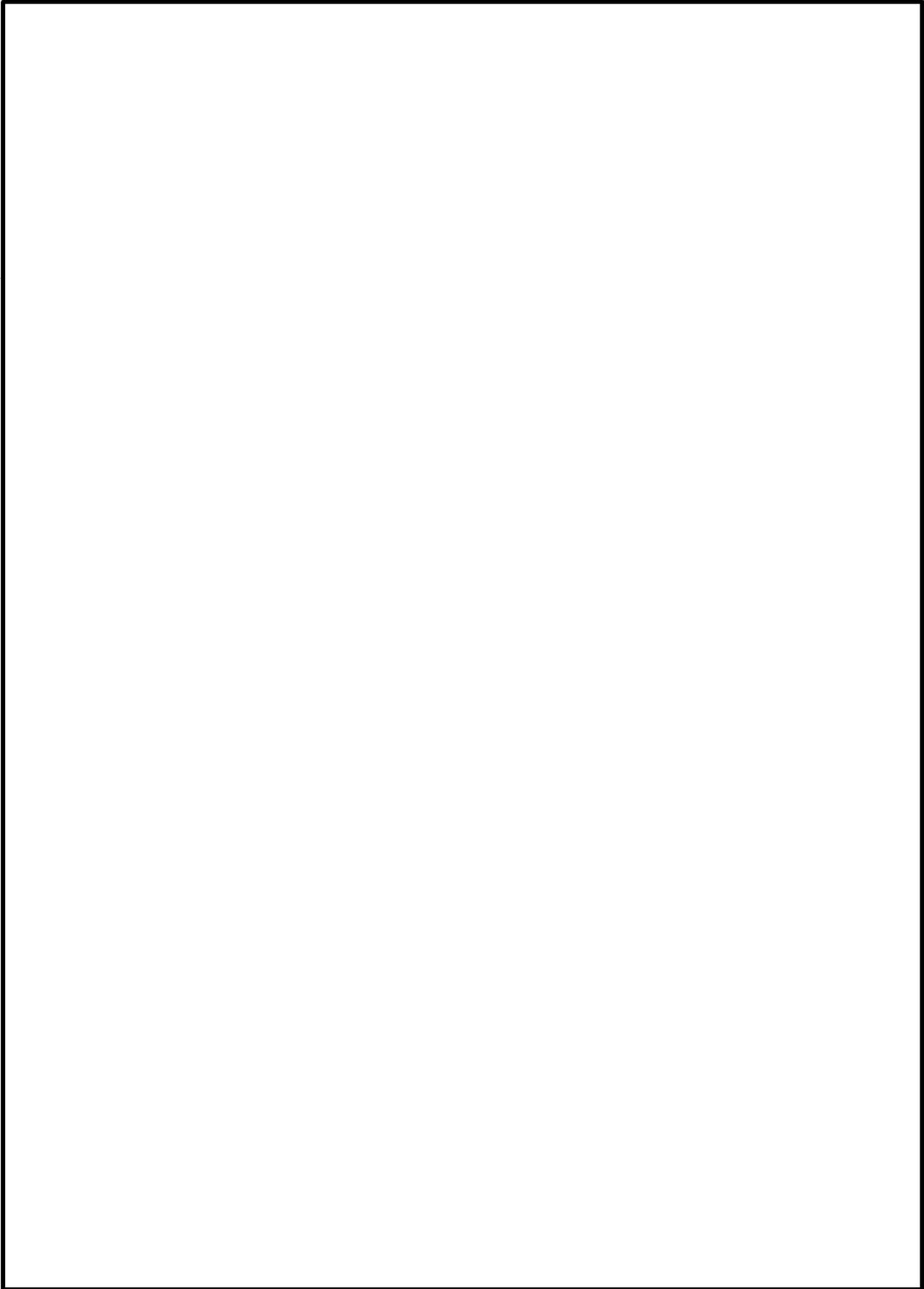




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Appendix: Resume of Dr. Michael K. Evans

mevans@evanscarrollecon.com

CURRENT AND PREVIOUS POSITIONS

- Chairman, *Evans, Carroll & Associates, Inc.*, 1980-present (previously Evans Economics)

Economic consulting firm specializing in EB-5 immigration analysis, economic impact studies of development projects and new construction, models of state and local tax receipts, impact of current and proposed government legislation, and construction of econometric models for individual industries and companies.

- Chief Economist, *American Economics Group*, 2000-2008.

Built a comprehensive state modeling system that provides economic analysis for a variety of consulting projects (see below).

- Clinical Professor of Economics, Department of Managerial Economics and Decision Sciences (MEDS), Kellogg Graduate School of Management, Northwestern University, 1996-99.

Taught courses in macroeconomics and business forecasting. Wrote textbooks for both courses.

- Winner of Blue Chip Economic Indicator Award for most accurate macroeconomic forecasts during the past four years, November 1999

- Founder and President, *Chase Econometric Associates*, 1970-1980

- Assistant and Associate Professor of Economics, Wharton School, University of Pennsylvania, 1964-69. Co-developer of the original Wharton Model.

- Visiting Professor, Radford University, (Radford, VA), 1987

Chairman of Institute for International Economic Competitiveness

- Visiting Lecturer, Hebrew University (Jerusalem), 1966-67

Built econometric model of the Israeli economy

- Ph. D. in Economics, Brown University. Dissertation, "A Postwar Quarterly Model of the United States Economy, 1948-1962". A. B. in Mathematical Economics, Brown University

PREVIOUS ACTIVITIES AND EDUCATION

- Contributing Editor, *Industry Week*

Wrote a column in each issue on economic and financial trends as they impact the manufacturing sector.

- Editor, *The Evans Report*

Weekly newsletter discussing economic trends and financial markets. Pioneered the concept of the Monthly Tracking Model to incorporate recent economic releases into the overall economic forecast, including methods to predict these economic data.

- Consultant, *National Printing Equipment and Supply Association*

Prepared quarterly forecasts of shipments of printing equipment and graphic arts supplies by product line, based on an econometric model constructed for NPES. Also prepares analysis and forecasts of exports and imports by principal product line.

- Consultant, *APICS -- The Educational Society for Resource Management*,

Designed and developed the *APICS Business Outlook Index*, which used survey data collected by the Evans Group to measure current production, production plans, shipments, employment, new orders, unfilled orders, inventory stocks, and the comparison of the actual to desired inventory/sales ratio to predict short-term changes in manufacturing sector activity. The results of this survey appeared every month in *APICS: The Performance Advantage*

- Consultant, *American Hardware Manufacturing Association*

Wrote a separate weekly edition of the Evans Report analyzing recent trends in the hardware and housing industries, including forecasts of the hardware industry based on an econometric model developed for AHMA.

- Board of Economists, *Los Angeles Times*

Wrote column every 6 weeks (5 other economists on the Board)

- Columnist, *United Press International*

Wrote twice-weekly column, "Dollars and Trends"

- Consultant, Senate Finance Committee,

Built the first large-scale supply-side model of the U. S. economy

- Consultant, Environmental Protection Agency and Council on Environmental Quality

Estimated inflationary impact of government regulations

- Consultant, National Aeronautics and Space Administration

Estimate impact of R&D spending on productivity growth

- Consultant, U. S. Treasury

Estimated impact of investment tax credit and accelerated depreciation on capital spending by industry

- Consultant, U. S. Department of Agriculture

Built large-scale econometric model of agricultural sector of U. S. economy

- Consultant, Organization of Economic Cooperation and Development

Built econometric model of the French economy

SAMPLE OF RECENT CONSULTING PROJECTS

For more information on these projects, see www.evansb5.com

Key to symbols: N, new regional center, E, extension of existing center

List is current as of April 1, 2011. Totals to date are 87 new regional centers, 58 extensions, and 7 new markets tax credits, for a total of 152 projects

A. Economic Impact of EB-5 Immigrant Investor Programs and New Markets Tax Credits

E● Calculated the economic impact of construction and operation of a new automobile assembly plant in Petersburg, VA

N● Calculated the economic impact of operating a call center for the U.S. government in Muskogee, OK

N● Calculated the economic impact of developing a mixed-use commercial and residential center in Scottsdale, AZ

N● Calculated the economic impact of constructing and operating a "Green Box" facility in New Jersey to process waste material on a pollution-free basis.

- N● Calculated the economic impact of constructing and operating a "Green Box" facility in Washington State to process waste material on a pollution-free basis.
- E● Calculated the economic impact of constructing and operating a new hotel in Coral Gables, FL
- E● Calculated the economic impact of developing a new residential community in Brevard County, and retail stores and restaurants in St. Lucie County, FL
- N● Calculated the economic impact of a new business to store and process field crops in Madison, MS
- N● Calculated the economic impact of operating food service establishments and assisted living centers in 40 counties in Texas.
- E● Calculated the economic impact of developing a mixed-use commercial center in Miami, FL
- N● Calculated the economic impact of renovating a theater in New York City to show film highlights of previous Broadway hits.
- N● Calculated the economic impact of renovating and operating distressed buildings in the San Francisco Bay area.
- E● Calculated the economic impact of a mixed-use commercial center in Montgomery County, TX
- E● Calculated the economic impact of expanding a manufacturing facility to produce more energy-efficient lighting in Sarasota, FL
- N● Calculated the economic impact of developing facilities for amateur sporting events in northern GA
- N● Calculated the economic impact of developing a mixed-use commercial center in Missoula, MT
- N● Calculated the economic impact of operating call centers in Las Vegas, NV, and other western Nevada counties
- E● Calculated the economic impact of constructing and operating a proton cancer treatment center in Boca Raton, FL
- E● Calculated the economic impact of constructing and operating a "Green Box" facility in Detroit to process waste material on a pollution-free basis.
- E● Calculated the economic impact of renovating and expanding commercial property in Lower Manhattan

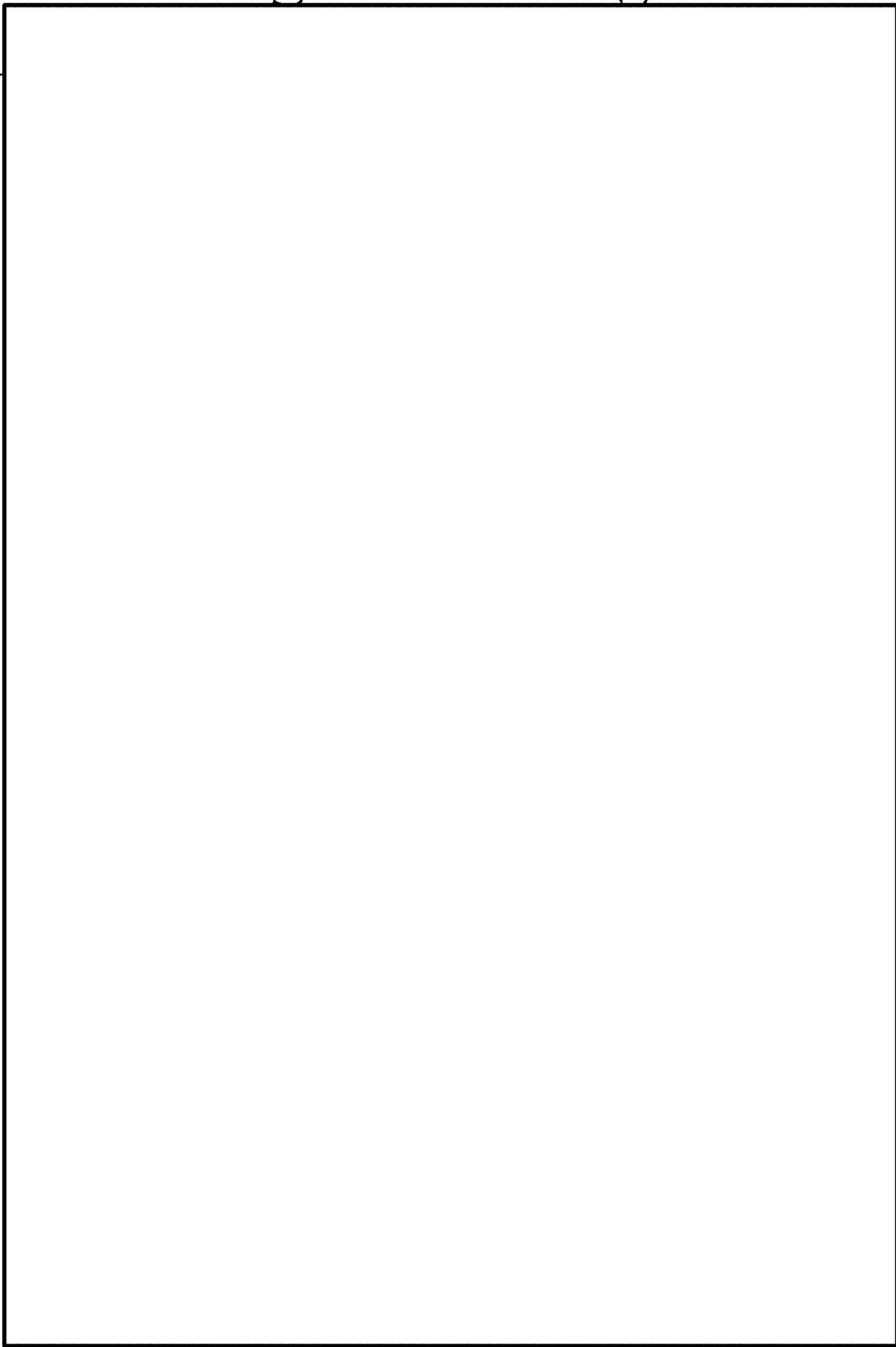
- N● Calculated the economic impact of constructing student housing and retail stores in Davie, FL
- E● Calculated the economic impact of constructing residential housing near Harvard University
- E● Calculated the economic impact of developing mixed-use commercial centers in Broward County, FL
- E● Calculated the economic impact of renovating a Dallas apartment building
- E● Calculated the economic impact of renovating and operating a nursing home in Las Vegas, NV
- E● Calculated the economic impact of constructing a hotel and shopping center in Miami, FL
- E● Calculated the economic impact of developing a design center in Miami/Dade county, FL
- E● Calculated the economic impact of developing and operating a chain of children's playrooms and party facilities in South Florida
- E● Calculated the economic impact of developing a new stadium for the Nets basketball team, to be located in Brooklyn, NY
- E● Calculated the economic impact of developing a Marriott hotel in Washington, D.C.
- E● Calculated the economic impact of developing and operating a casino for foreign patrons in Las Vegas, NV
- E● Calculated the economic impact of operating a series of yogurt fast-food restaurants in South Florida
- E● Calculated the economic impact of constructing steel homes and commercial buildings in South Florida
- N● Calculated the economic impact of construction and operation of a farm distillery in Vermont
- N● Calculated the economic impact of purchase and renovation of deeply discounted residential properties in South Florida
- N● Calculated the economic impact of a hotel to be built near LaGuardia Airport in Queens, NY
- N● Calculated the economic impact for several mixed-use commercial and residential properties for a regional center covering southern Wisconsin and northern Illinois.

- N● Calculated the economic impact for mixed-use commercial project in Flushing, NY
- E● Calculated the economic impact for major new hotel near the Washington, D. C. conference center
- N● Calculated the economic impact of an assisted living center in suburban Atlanta, GA
- N● Calculated the economic impact of an office tower in mid-town Manhattan for the diamond trade
- N● Calculated the economic impact of three mixed-use commercial and residential projects in Santa Clara County, CA
- N● Calculated the economic impact of six mixed-use commercial and residential projects in Los Angeles, Orange, Riverside, and San Bernardino counties
- N● Calculated the economic impact of operating a chain of pizza restaurants in southern Florida.
- N● Calculated the economic impact of constructing and operating an assisted living facility in Atlanta, GA
- E● Calculated the economic impact of constructing and operating an expansion of University Hospital in Cleveland, OH
- E● Calculated the economic impact of a wastewater treatment plant in Victorville, CA
- N● Calculated the economic impact of drilling for geothermal energy and constructing and operating power plants in several counties in Nevada
- E● Calculated the economic impact of a vacation club operation in Orlando, FL
- E● Calculated the economic impact of constructing and operating an extended-stay hotel in Boston, MA
- E● Calculated the economic impact of constructing and operating an assisted living facility in Walton County, FL
- N● Calculated the economic impact of manufacturing and constructing residential and commercial steel modular buildings in Lee County, FL
- E● Calculated the economic impact of a chain of yogurt and juice stores and restaurants in southern
- E● Calculated the economic impact of two mixed-use commercial developments in Orange County, CA.
- E● Calculated a Targeted Employment Area by census tracts for six counties in the Houston, TX metropolitan area

Exhibit 3-A

Expense Summary for a Previous Well drilled by Stealth Energy USA, Inc.

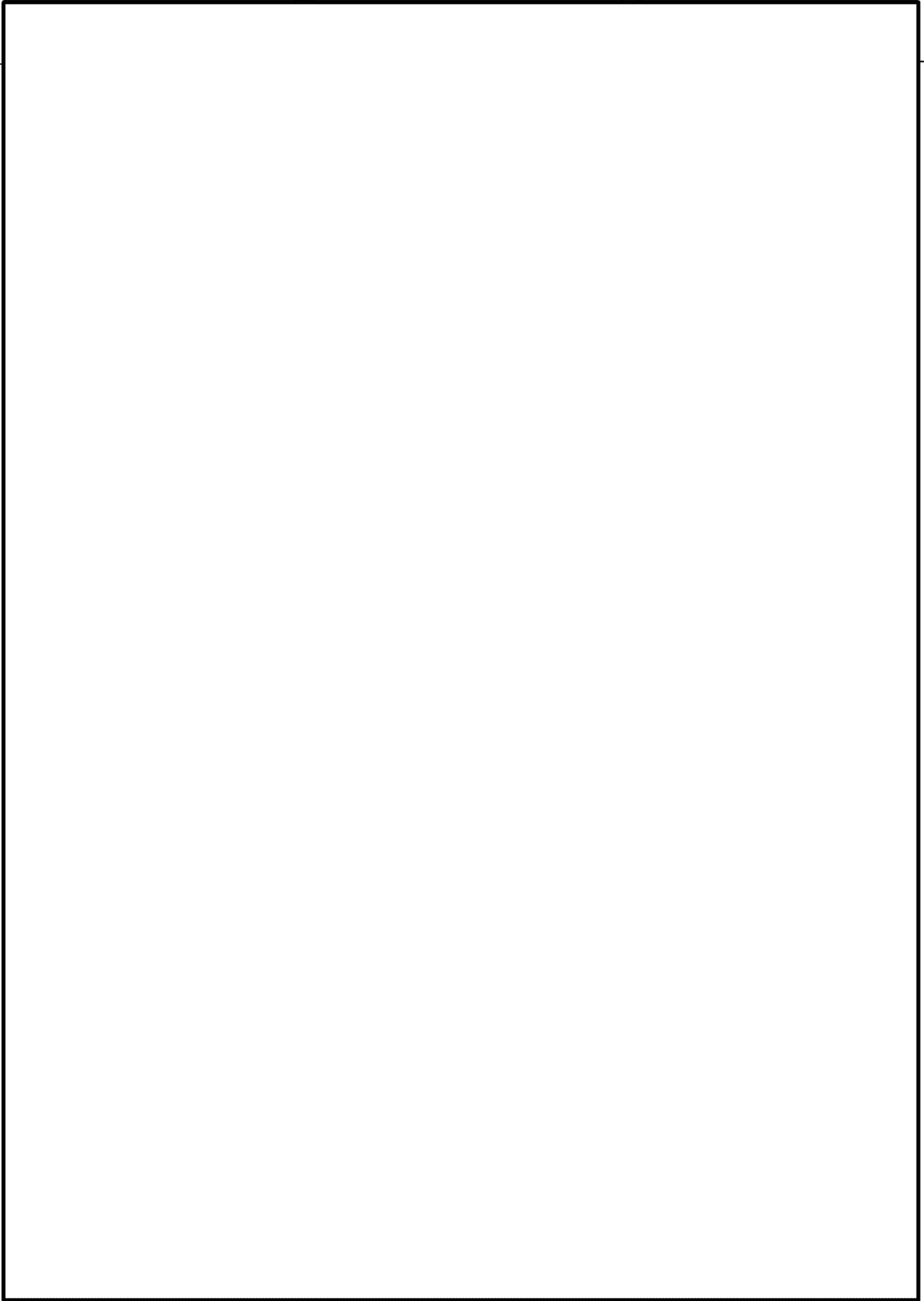
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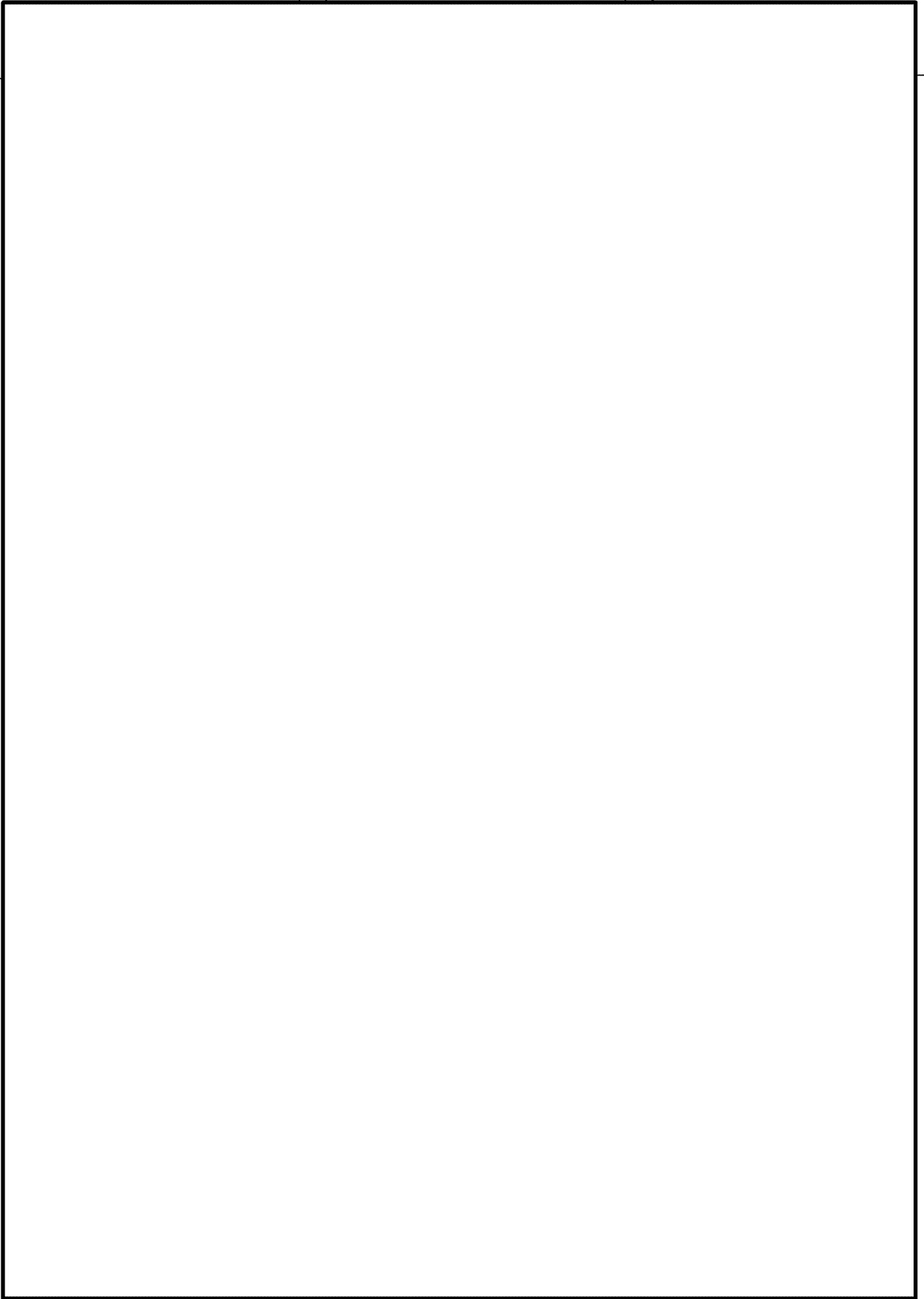
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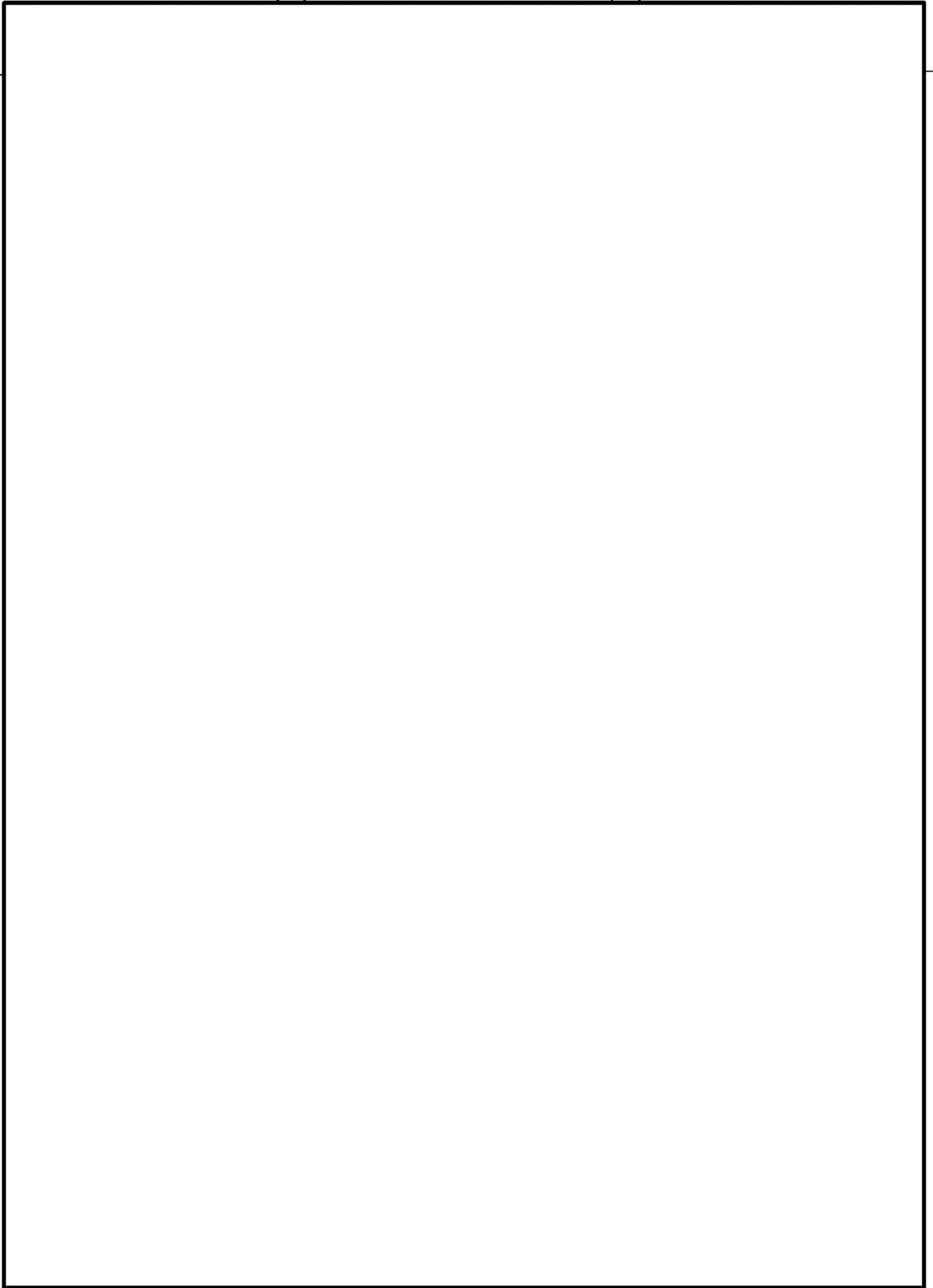
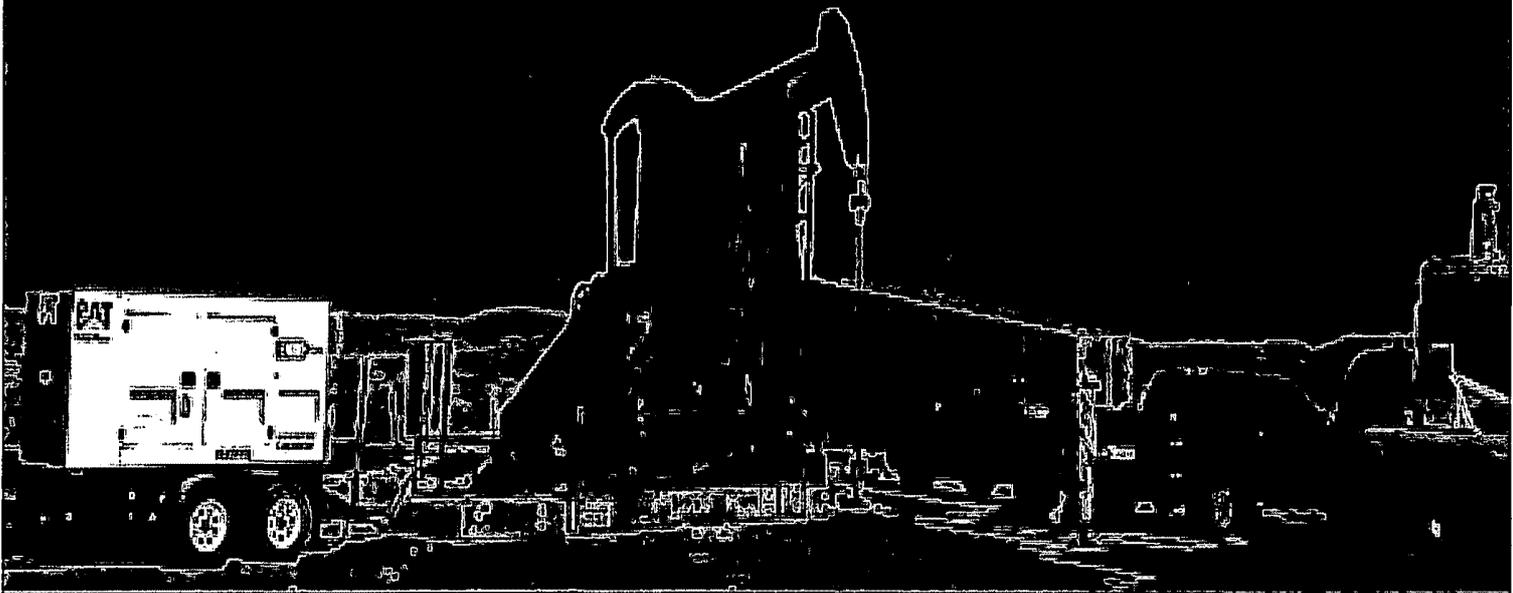


Exhibit 3-B

Updated Overall Business Plan for USAMERC dated October 2012

October 2012



USA MONTANA ENERGY REGIONAL CENTER, LLC

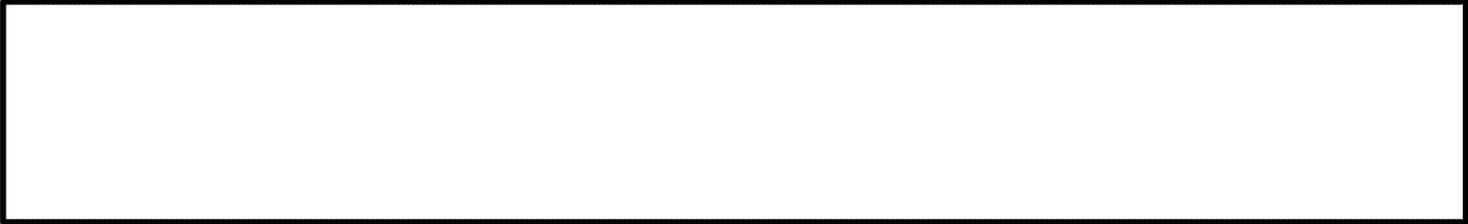
Updated Overall Business Plan



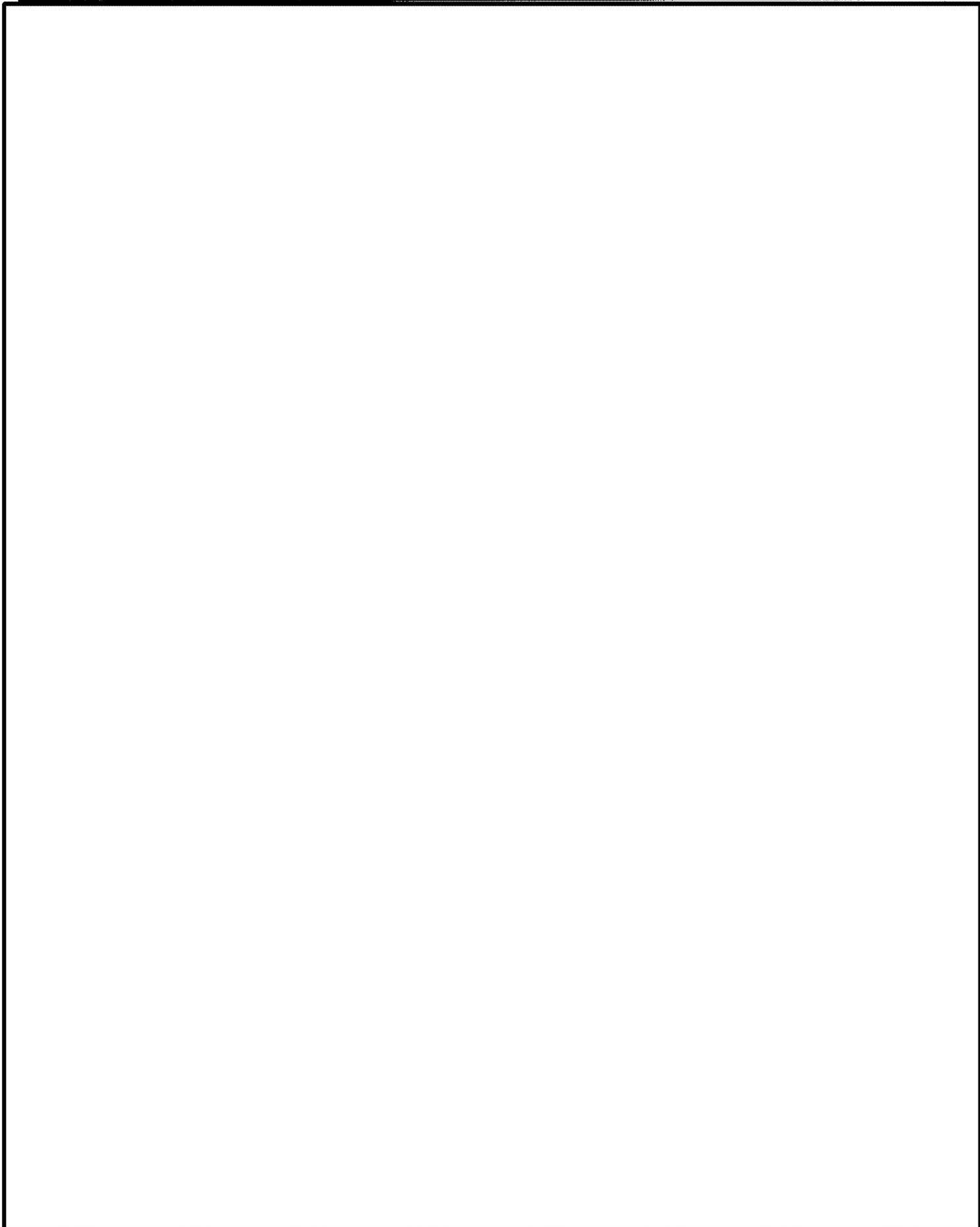
27 North 27th Street, Suite 2101, Billings, MT, 59101

Strictly Private and Confidential

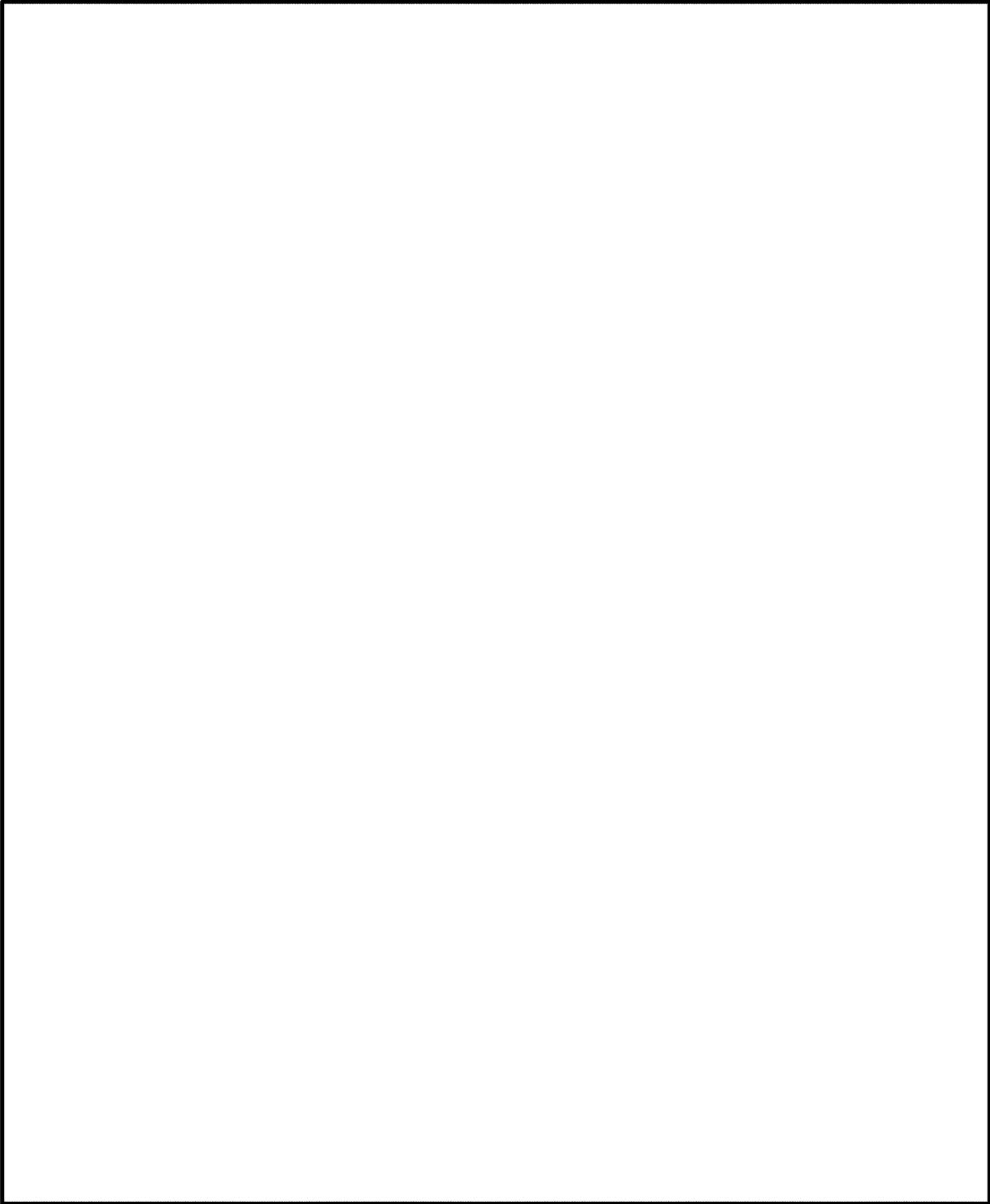
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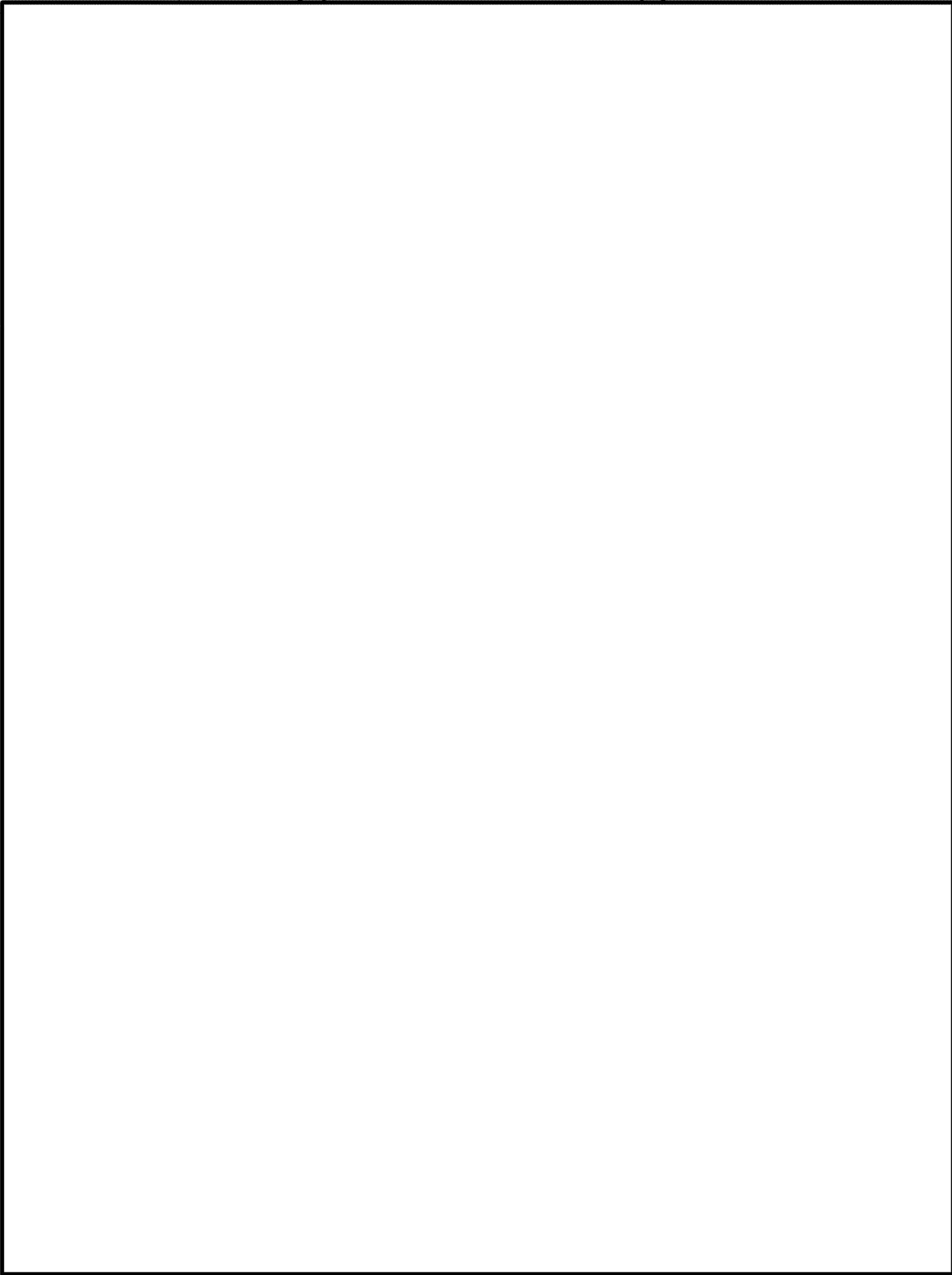


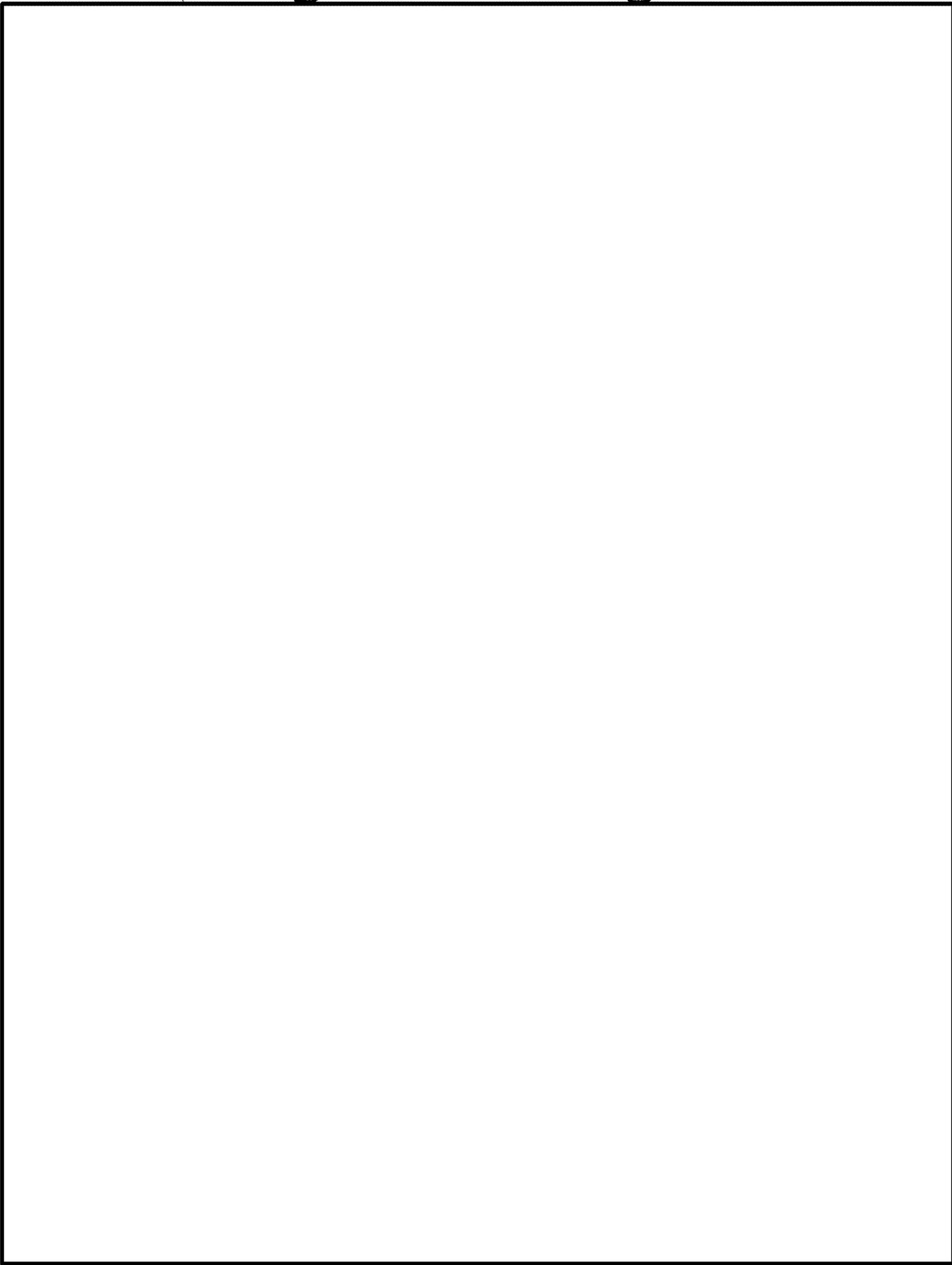
1.0 REGIONAL CENTER BUSINESS OVERVIEW

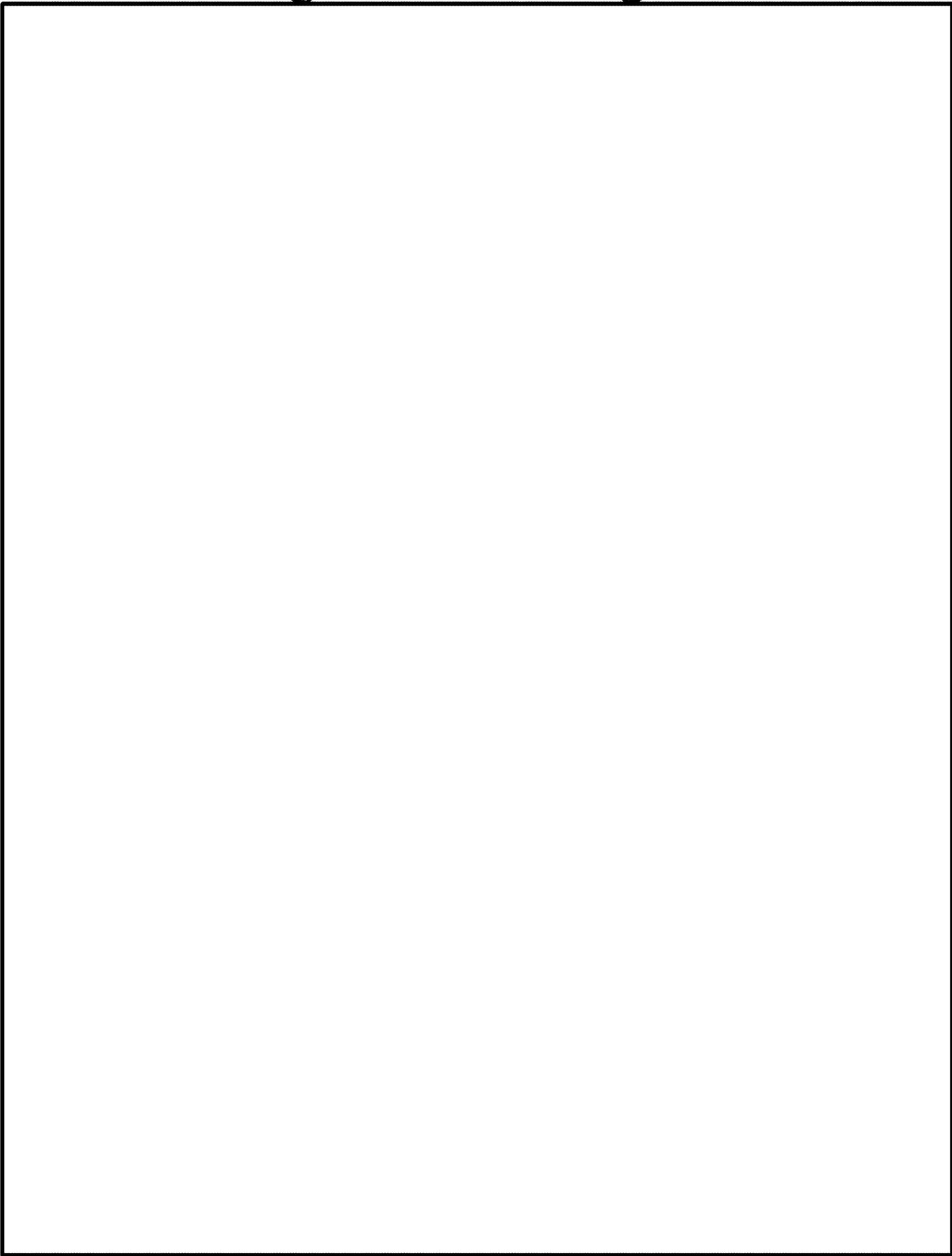


1.3 TARGET INDUSTRY GROUPS

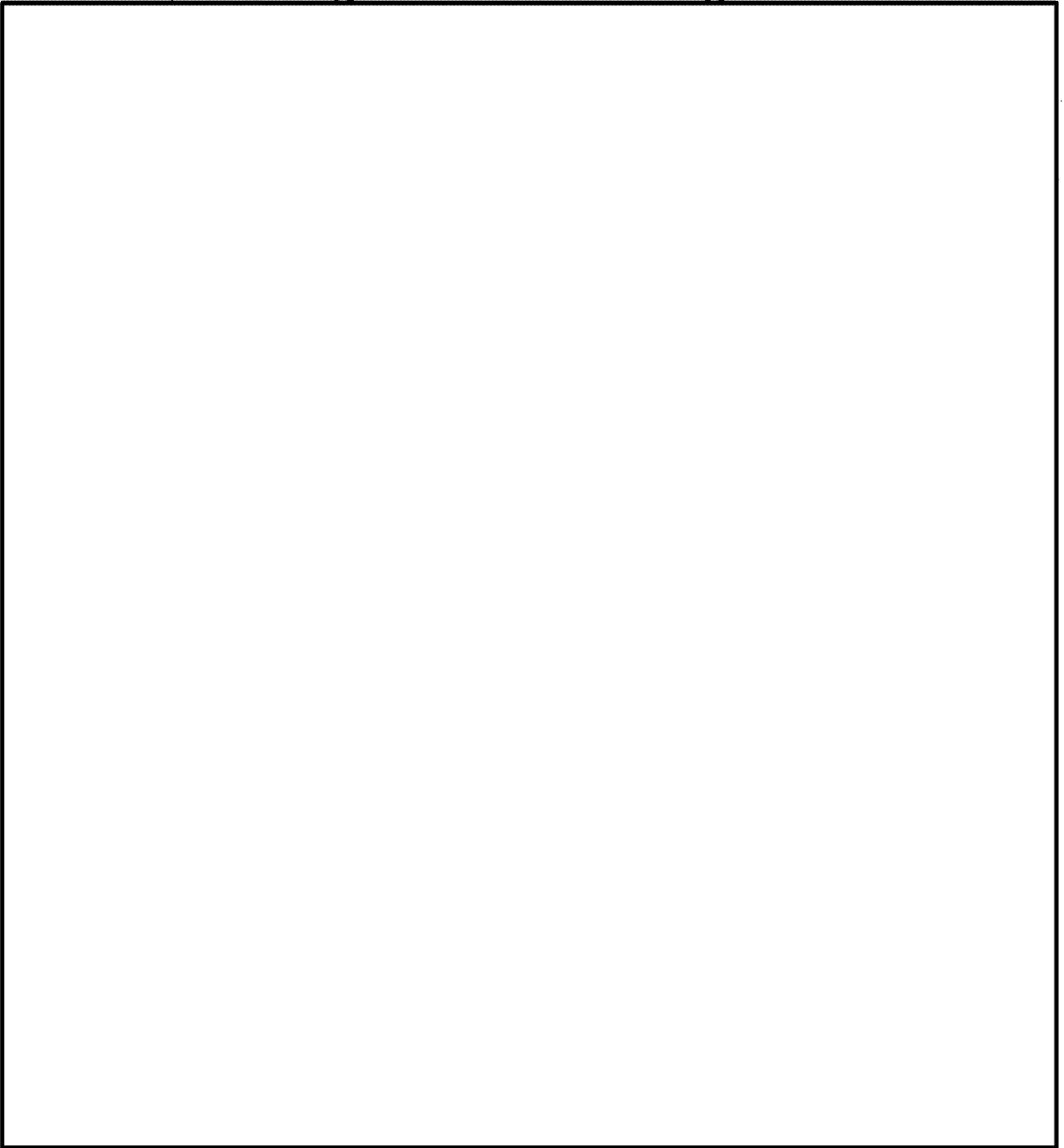


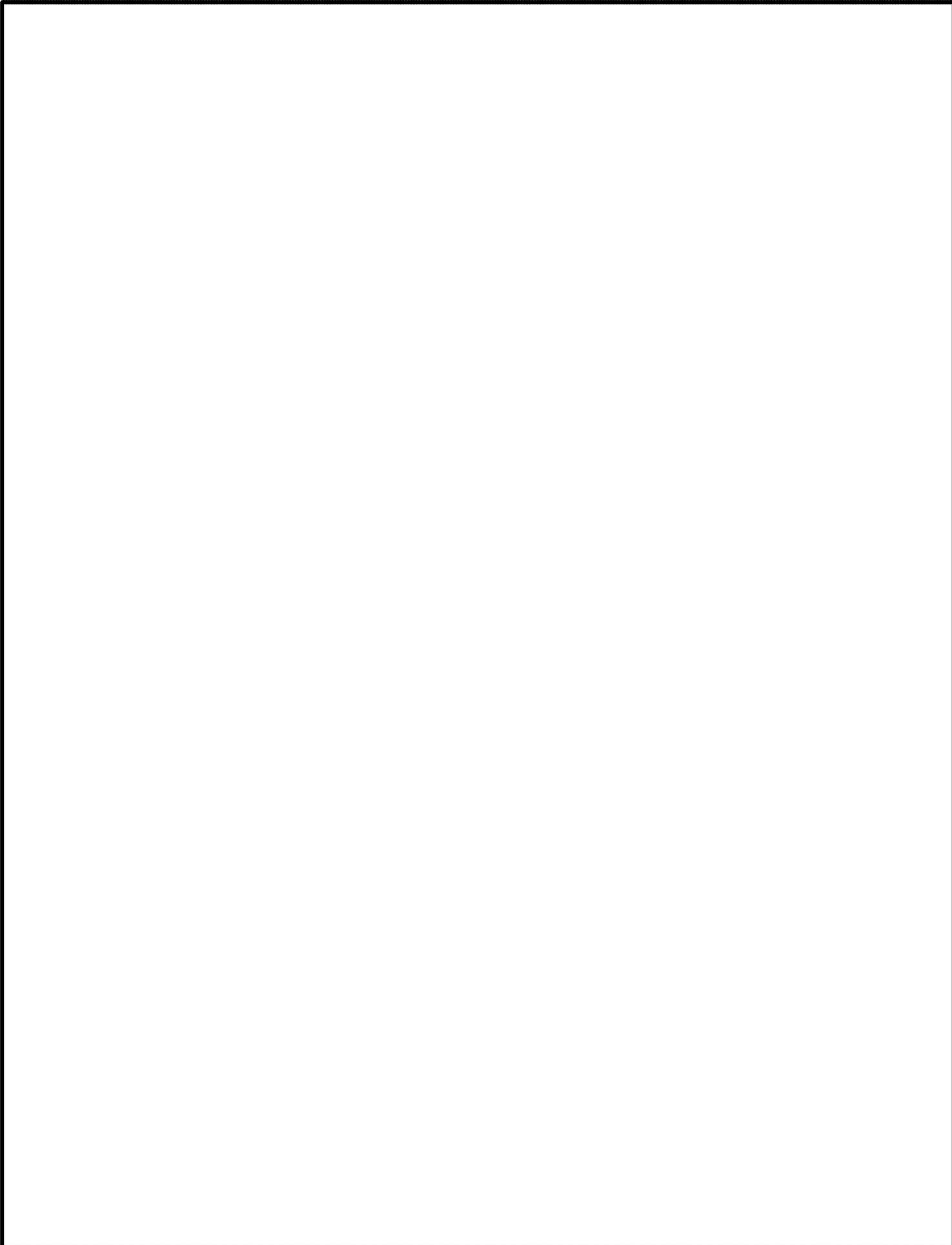




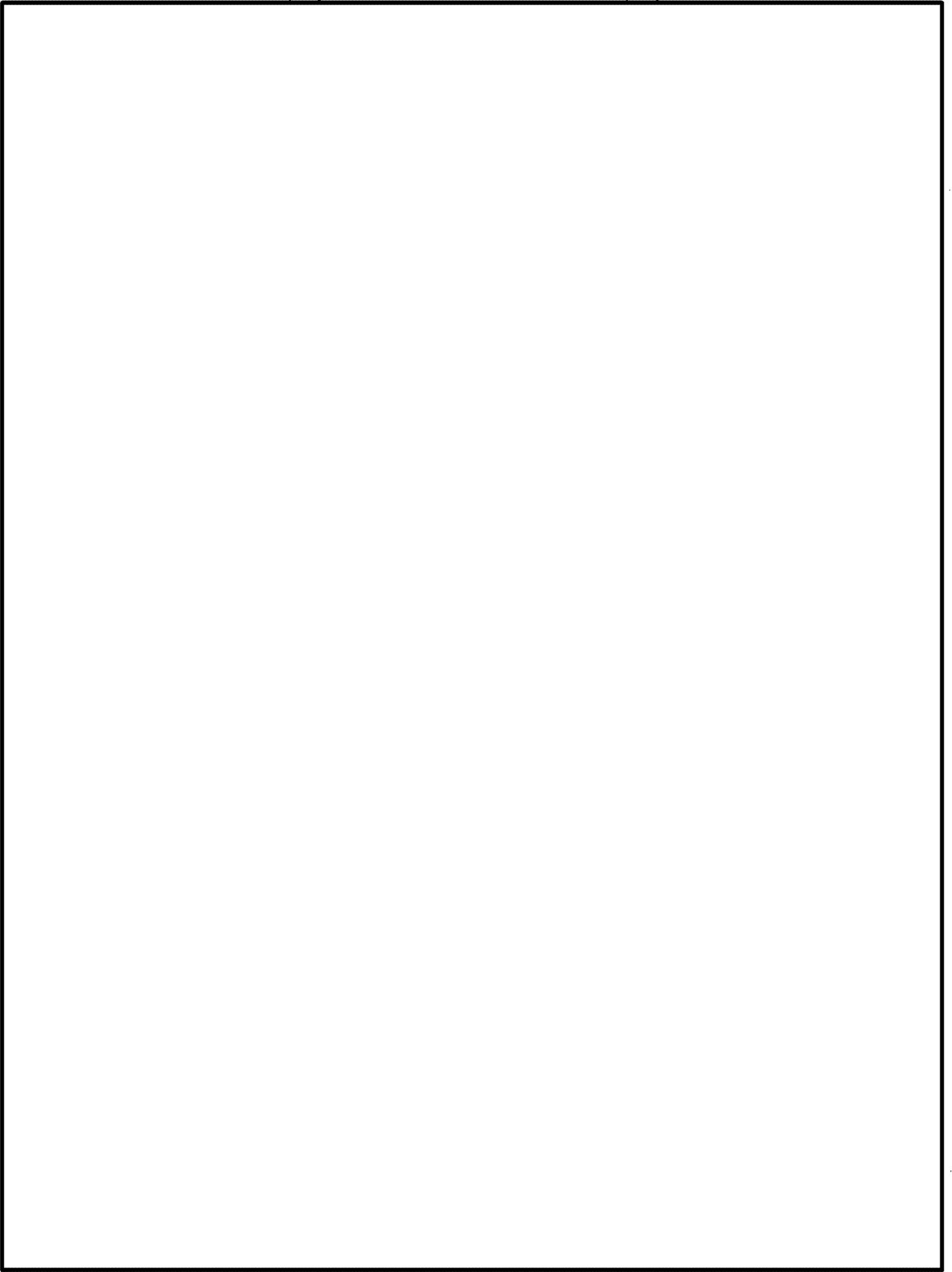


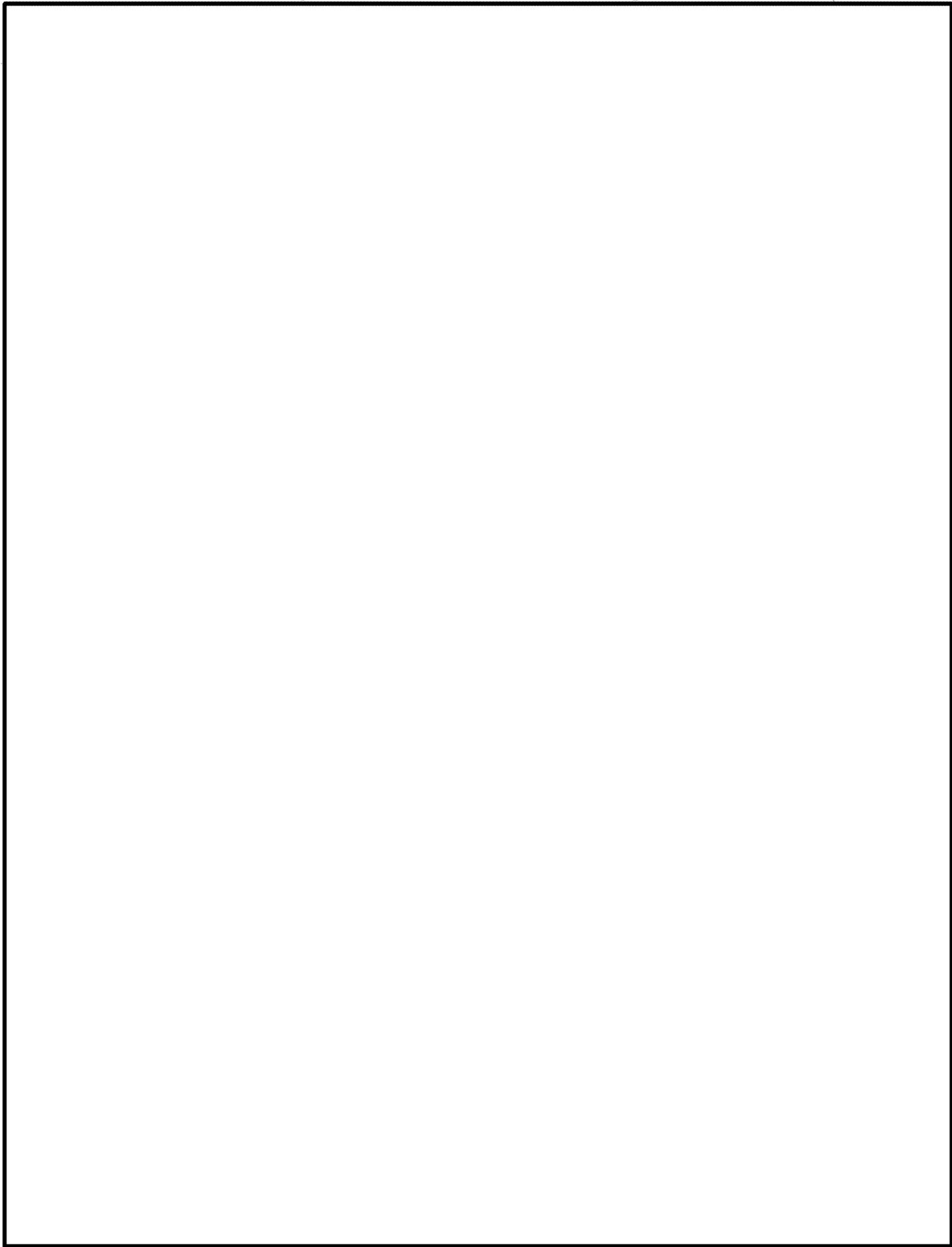
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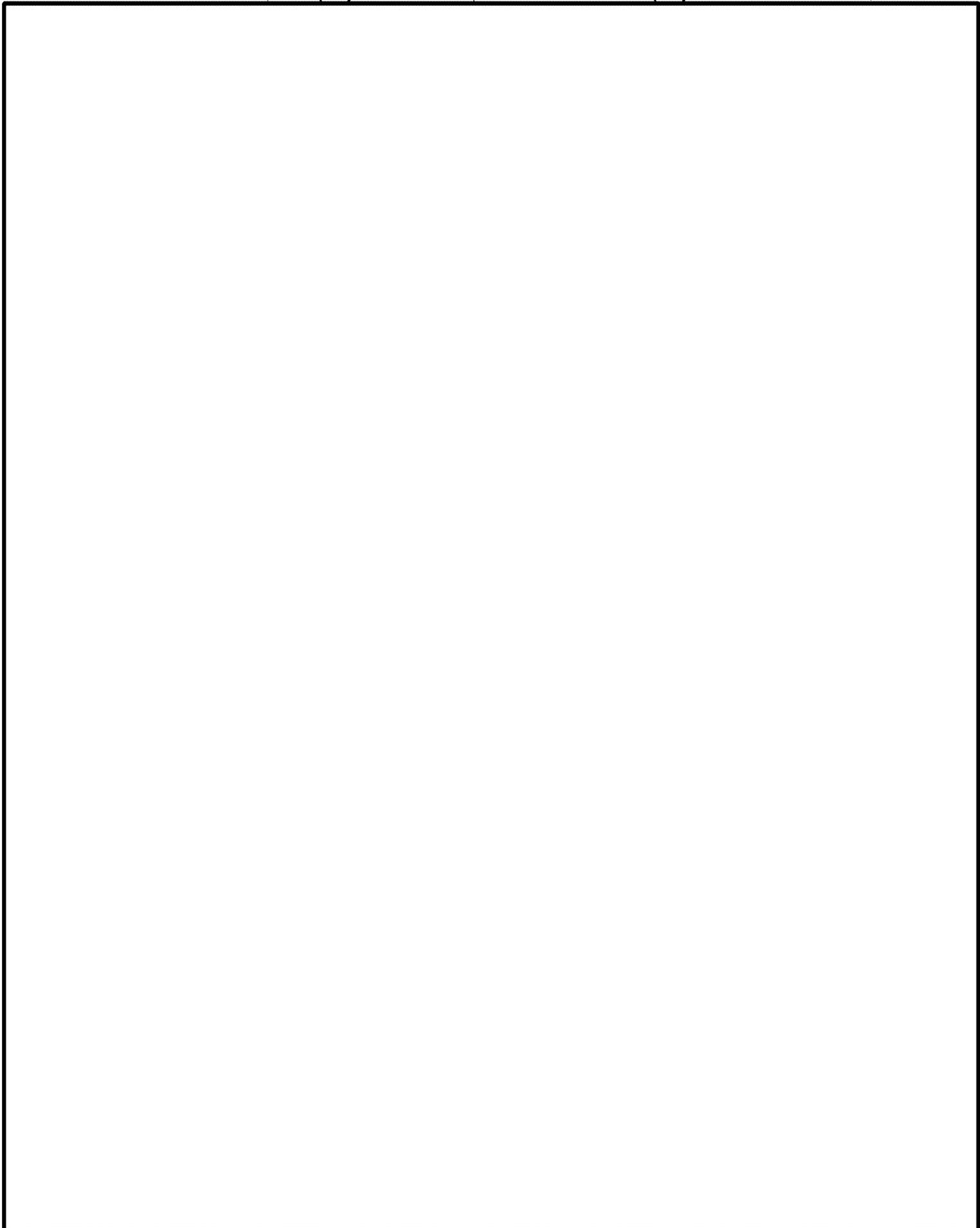
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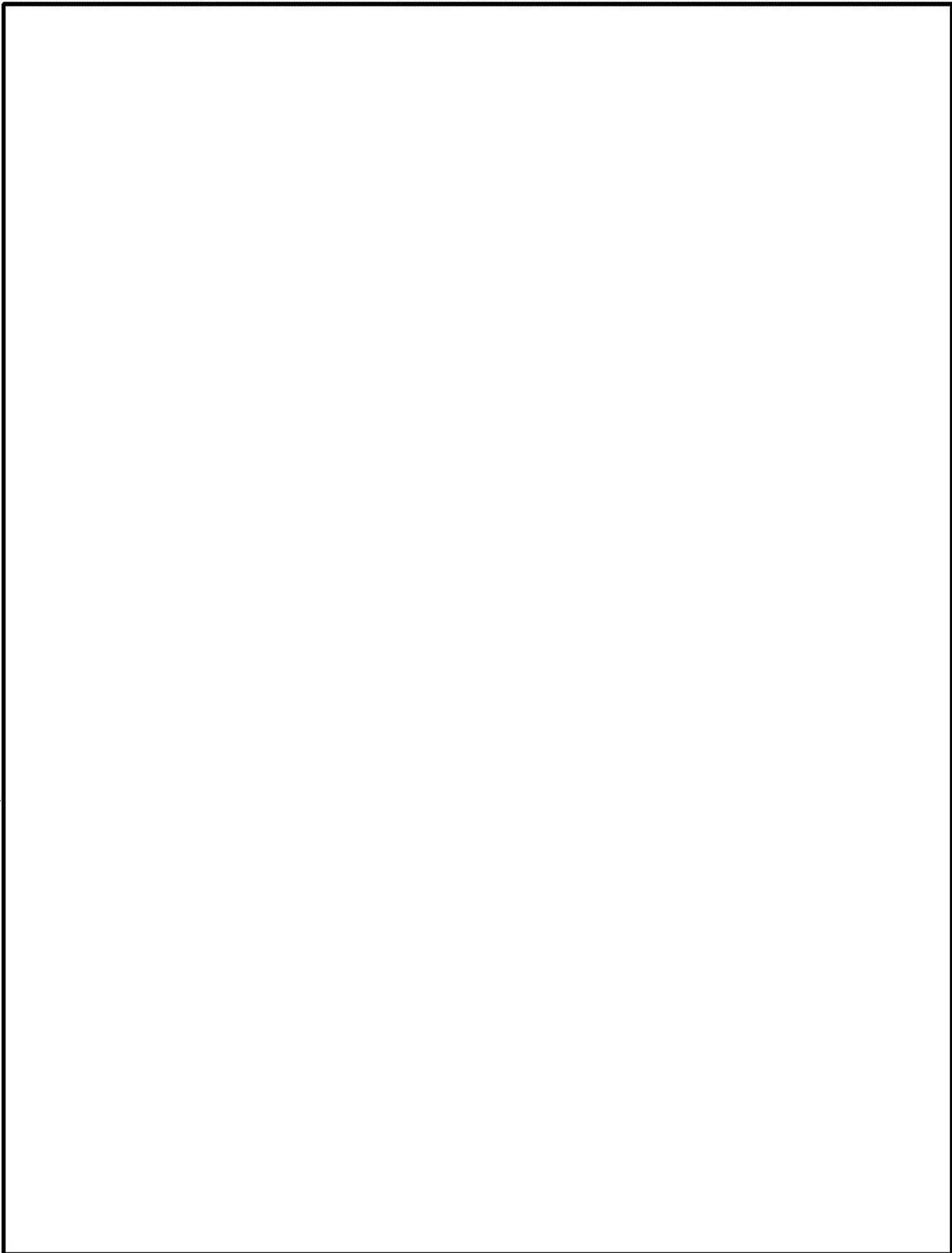
Natural gas liquids

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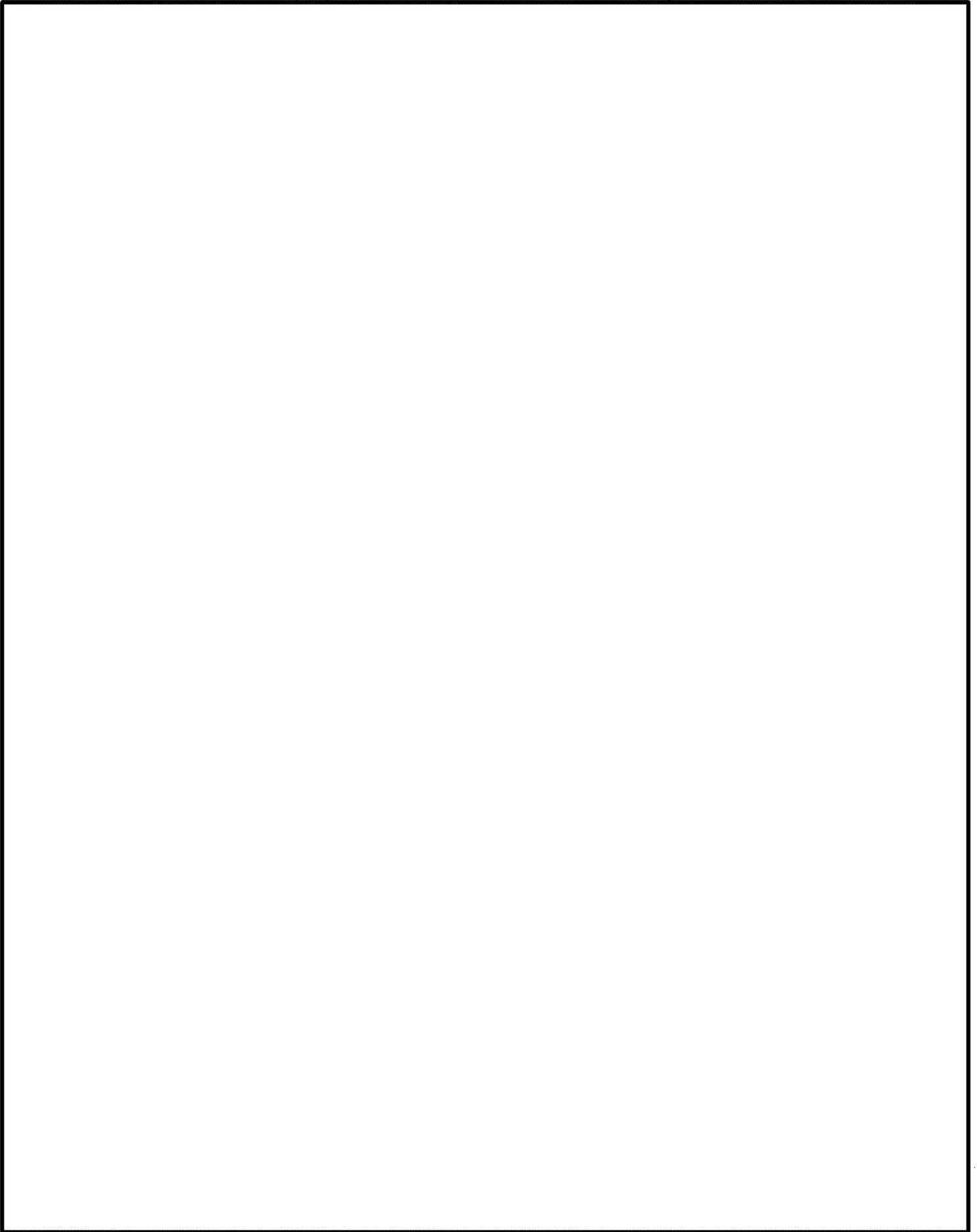




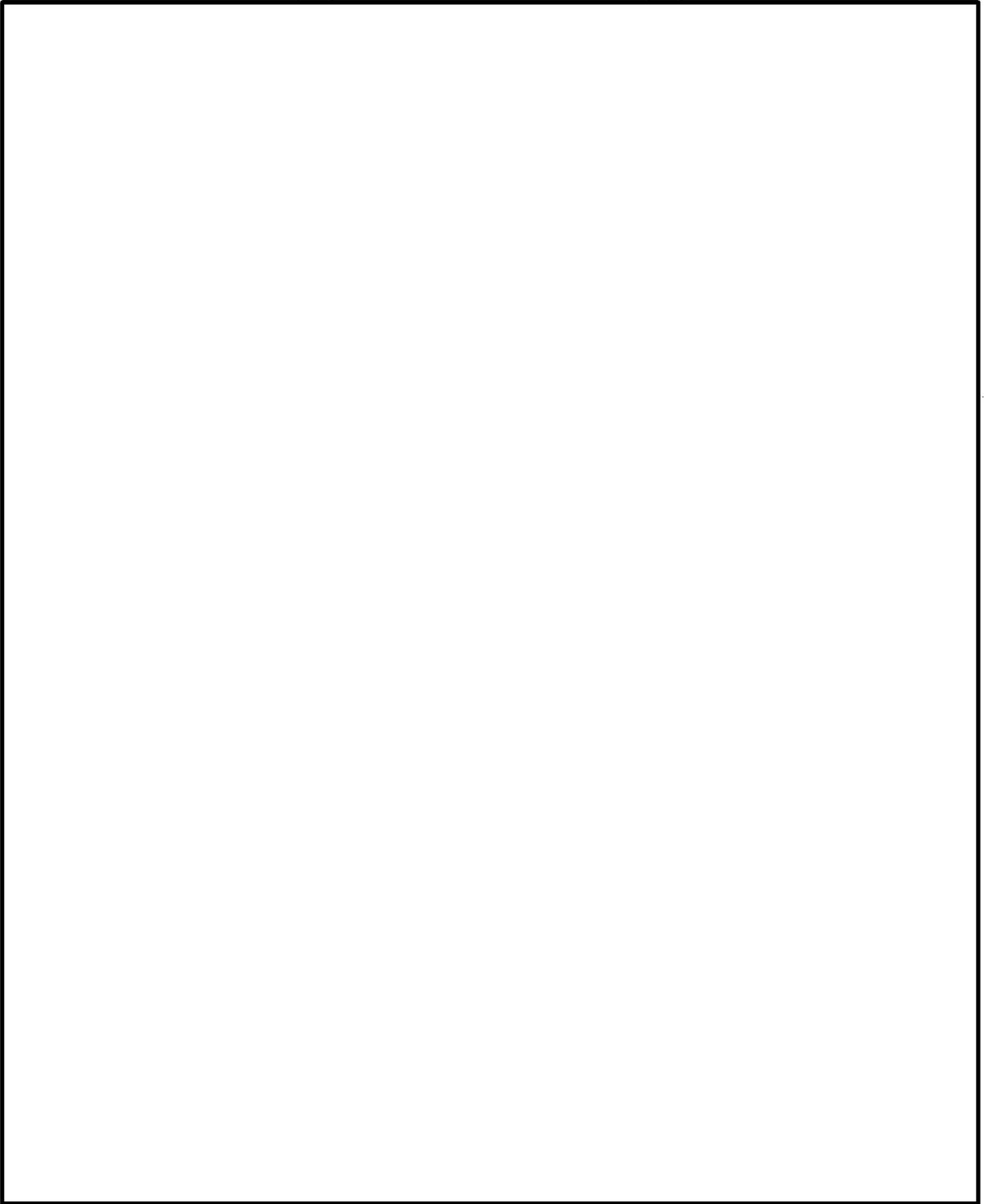
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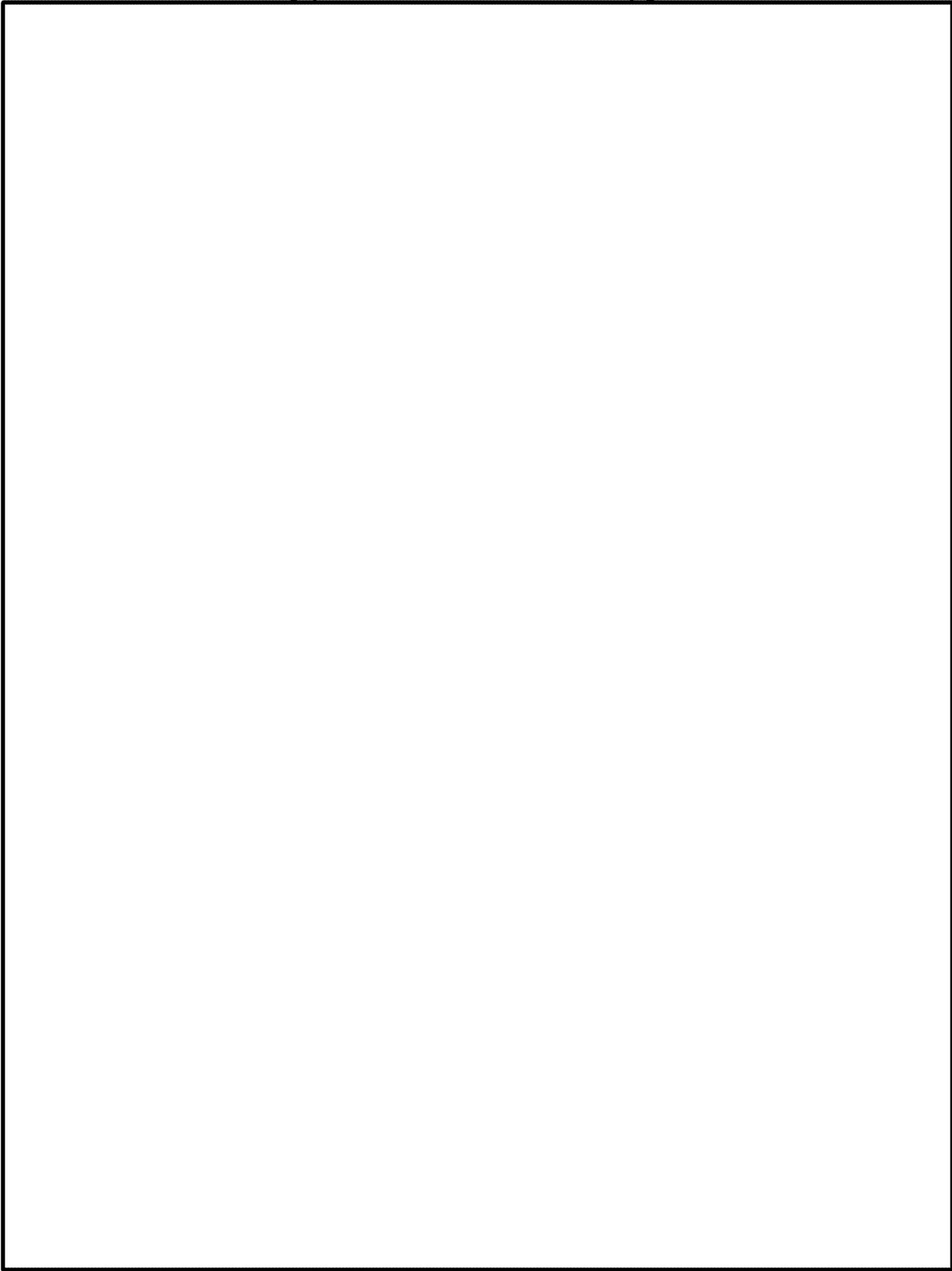


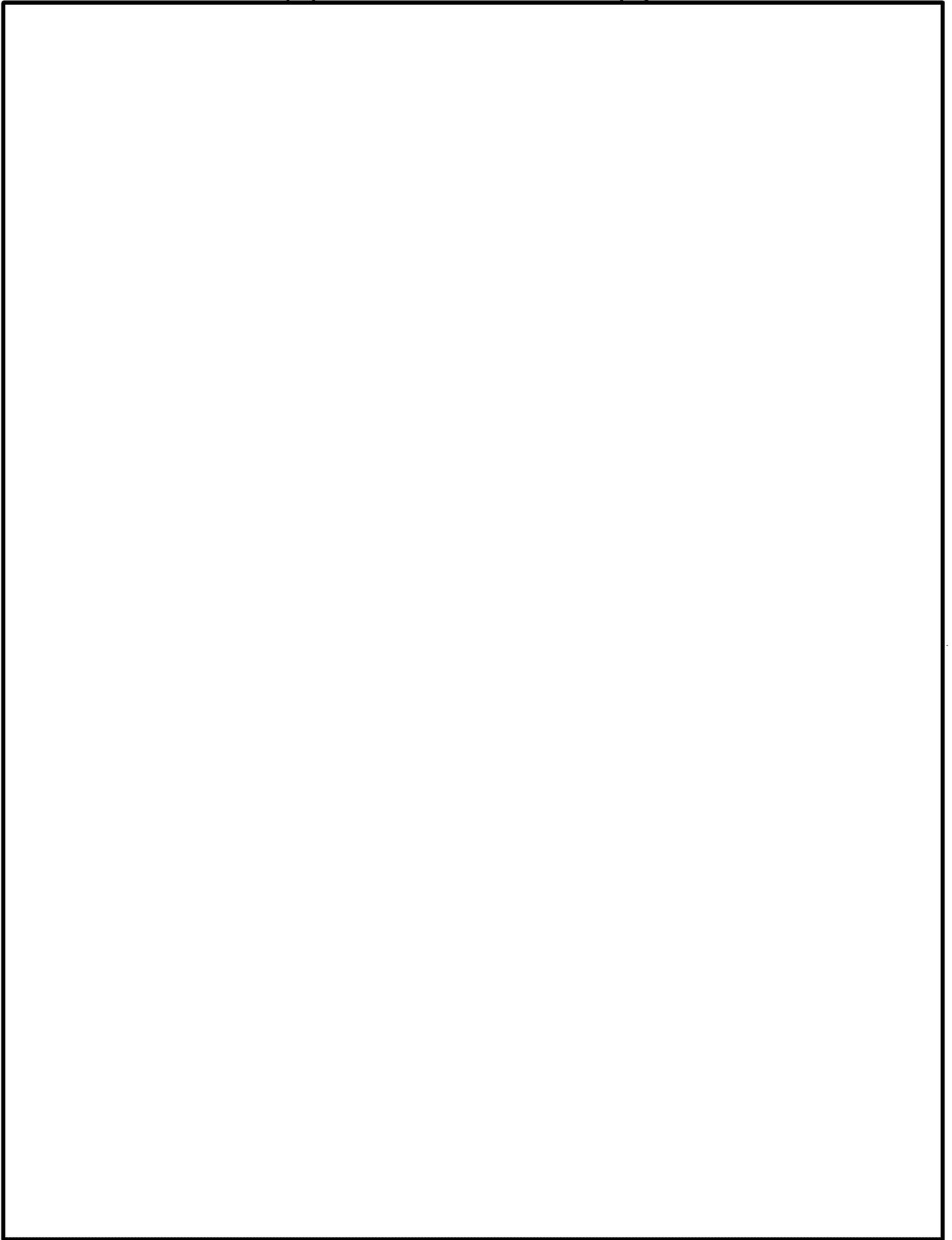
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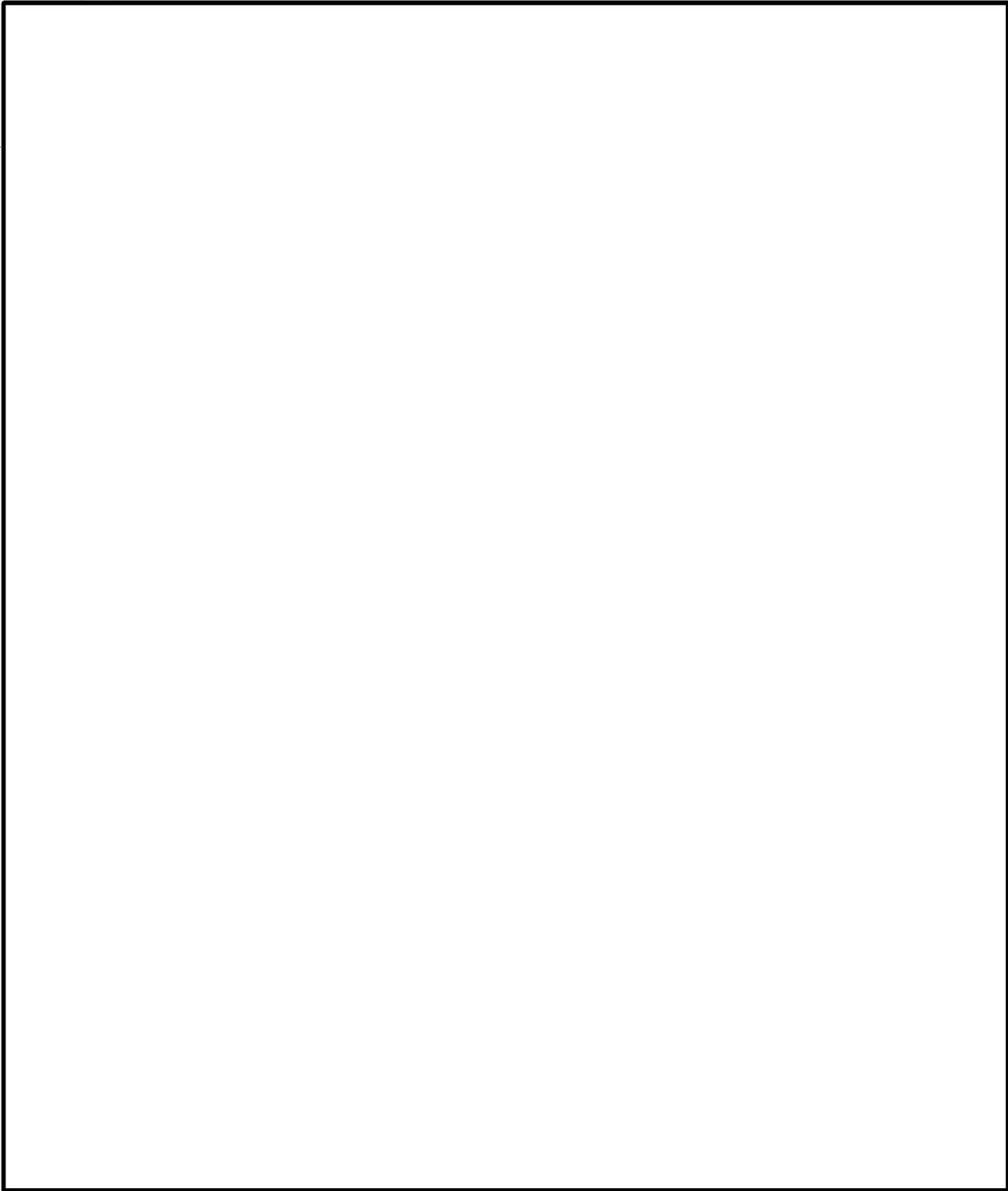


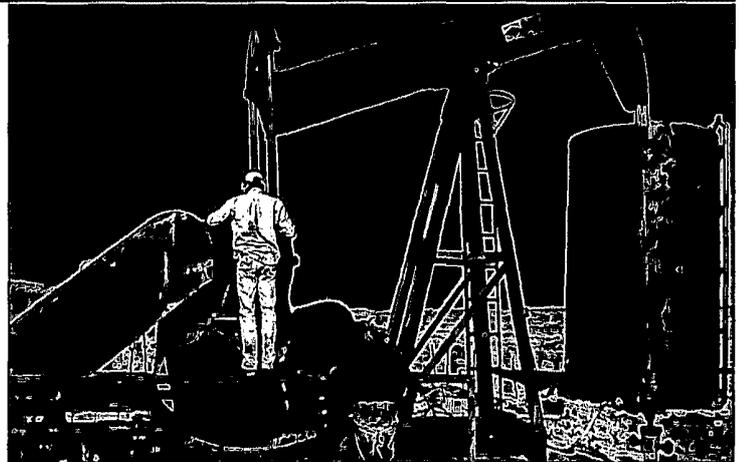
Exhibit 3-C

Updated Comprehensive Business Plan for Central Montana Oil and Gas Exploration, LP dated October 2012 (For Exemplar)

October 2012

For Exemplar

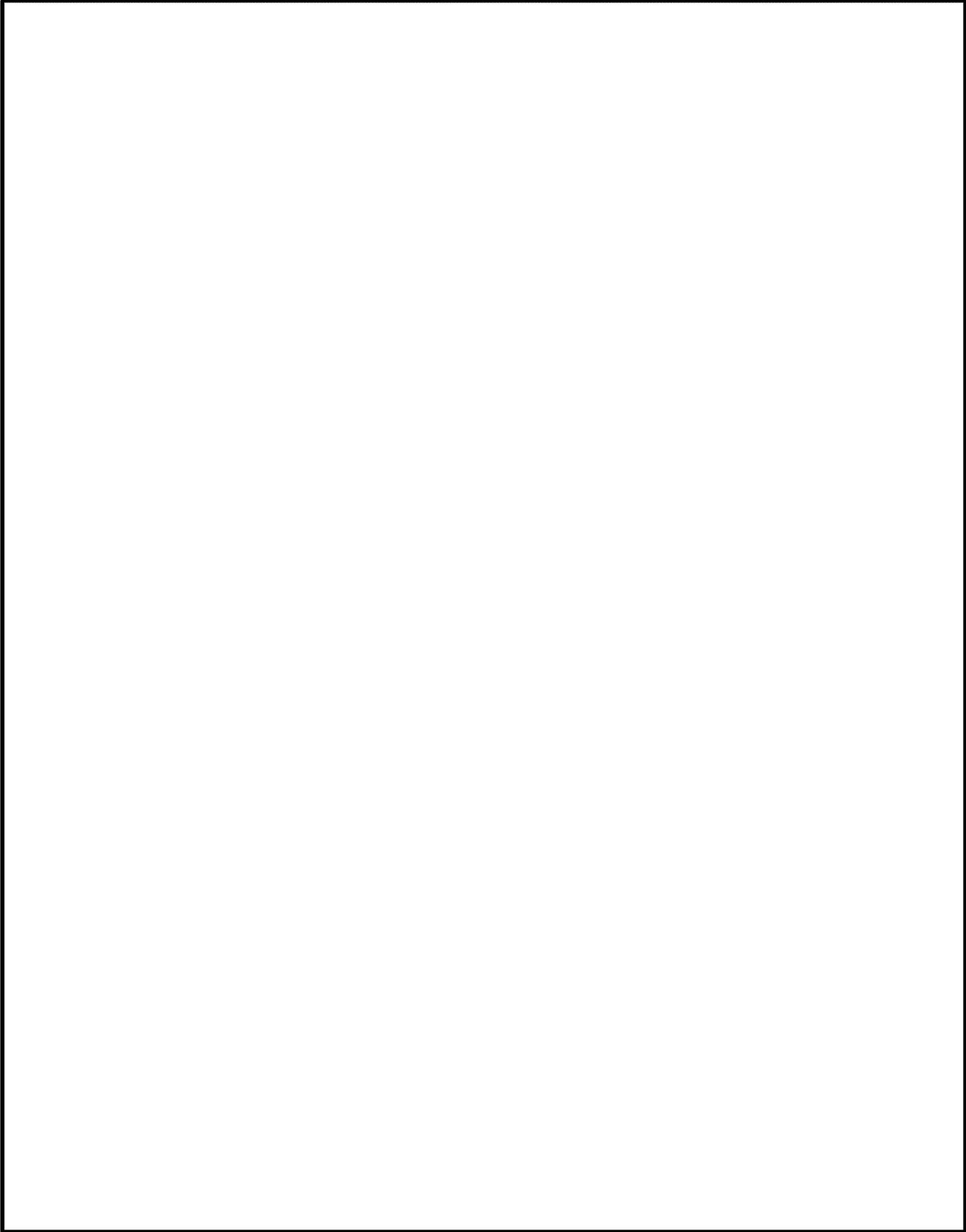
Central Montana Oil and Gas Exploration, LP
Updated Comprehensive Business Plan
for the Exemplar
Pursuant to 8 CFR §204.6(j)(4)(B) and Matter of Ho



Sponsored by: USA Montana Energy Regional Center

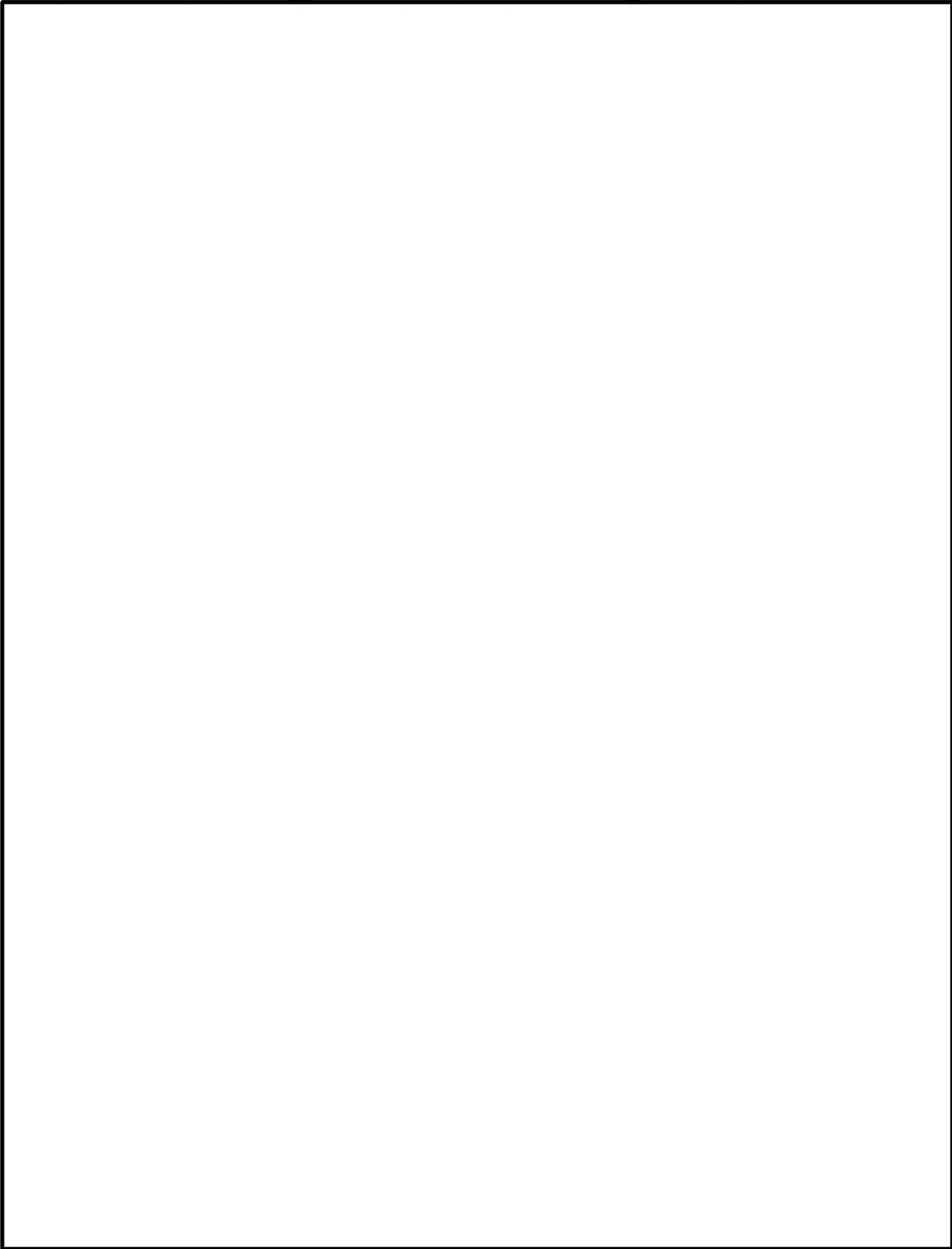
27 North 27th Street, Billings, MT, 59101

1.0 CENTRAL MONTANA OIL AND GAS EXPLORATION, LP ENTITY AND PROJECT SUMMARY

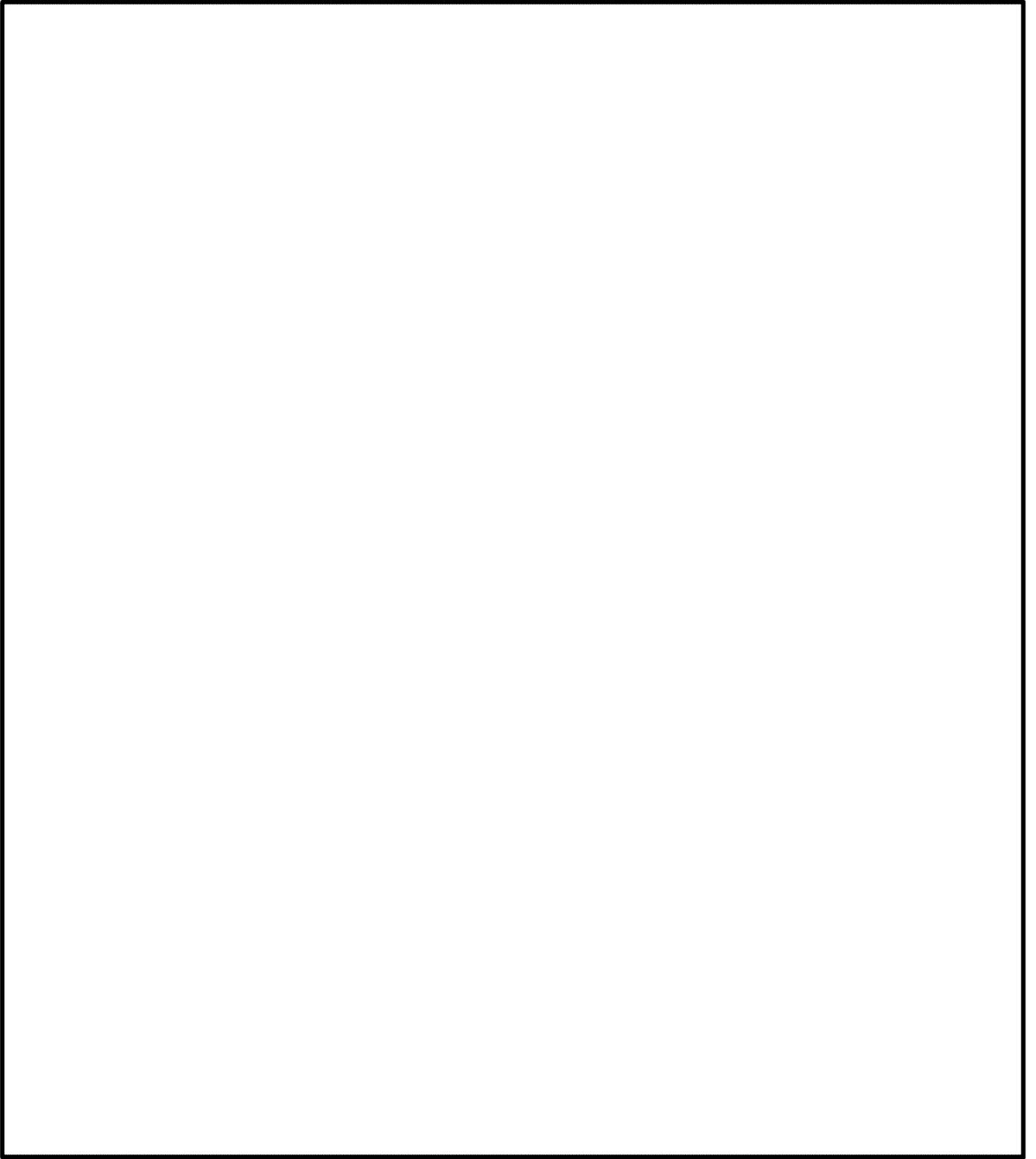


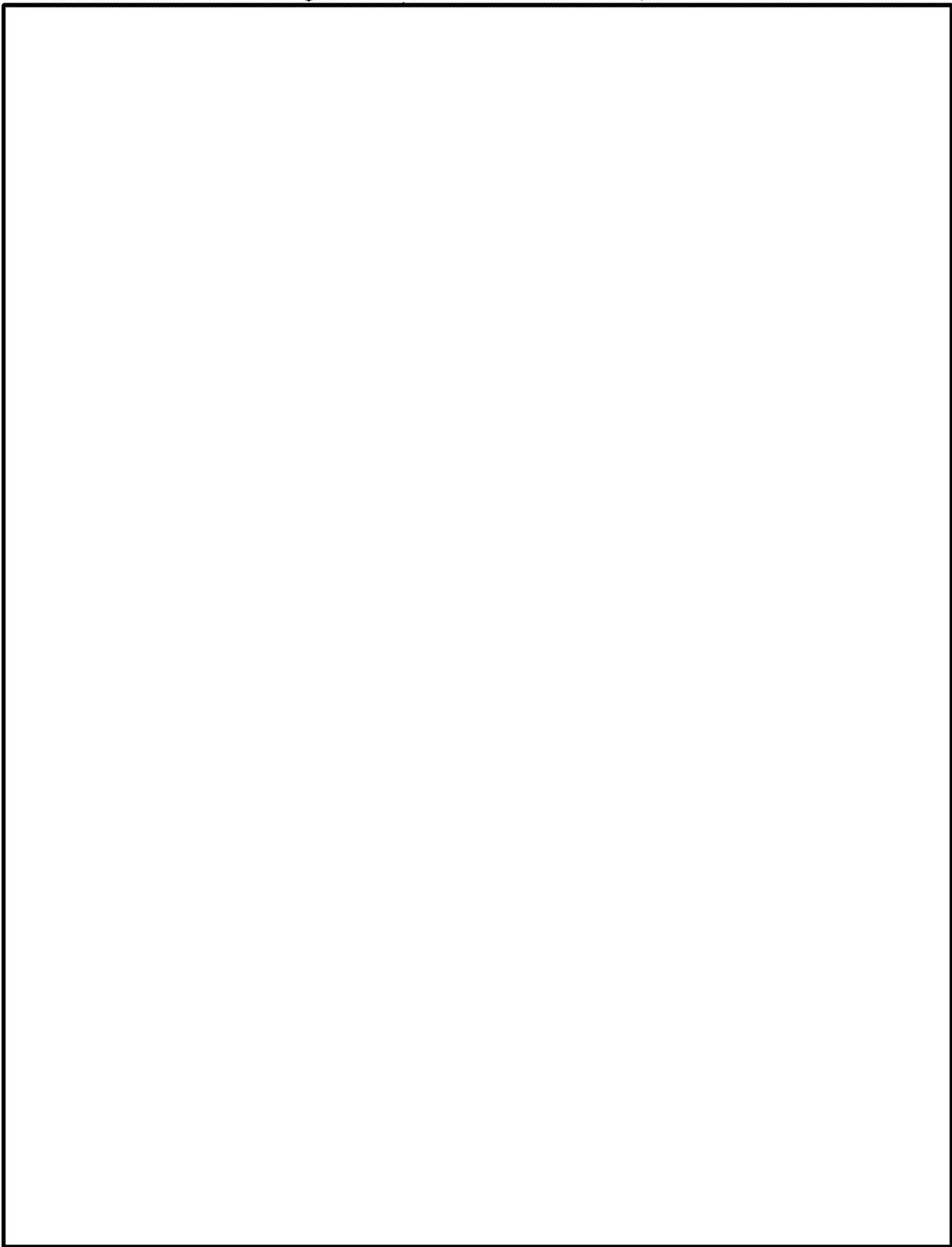


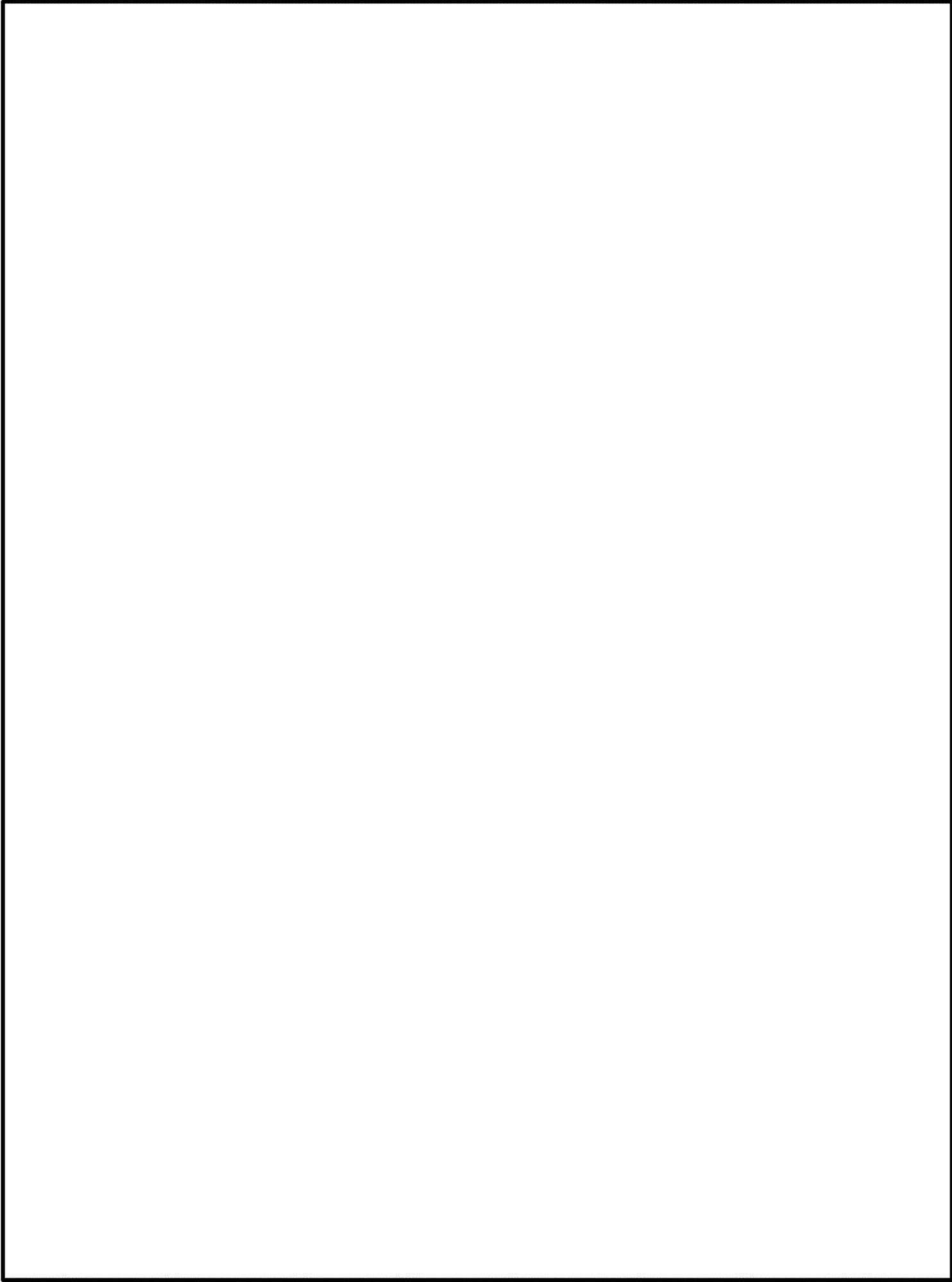
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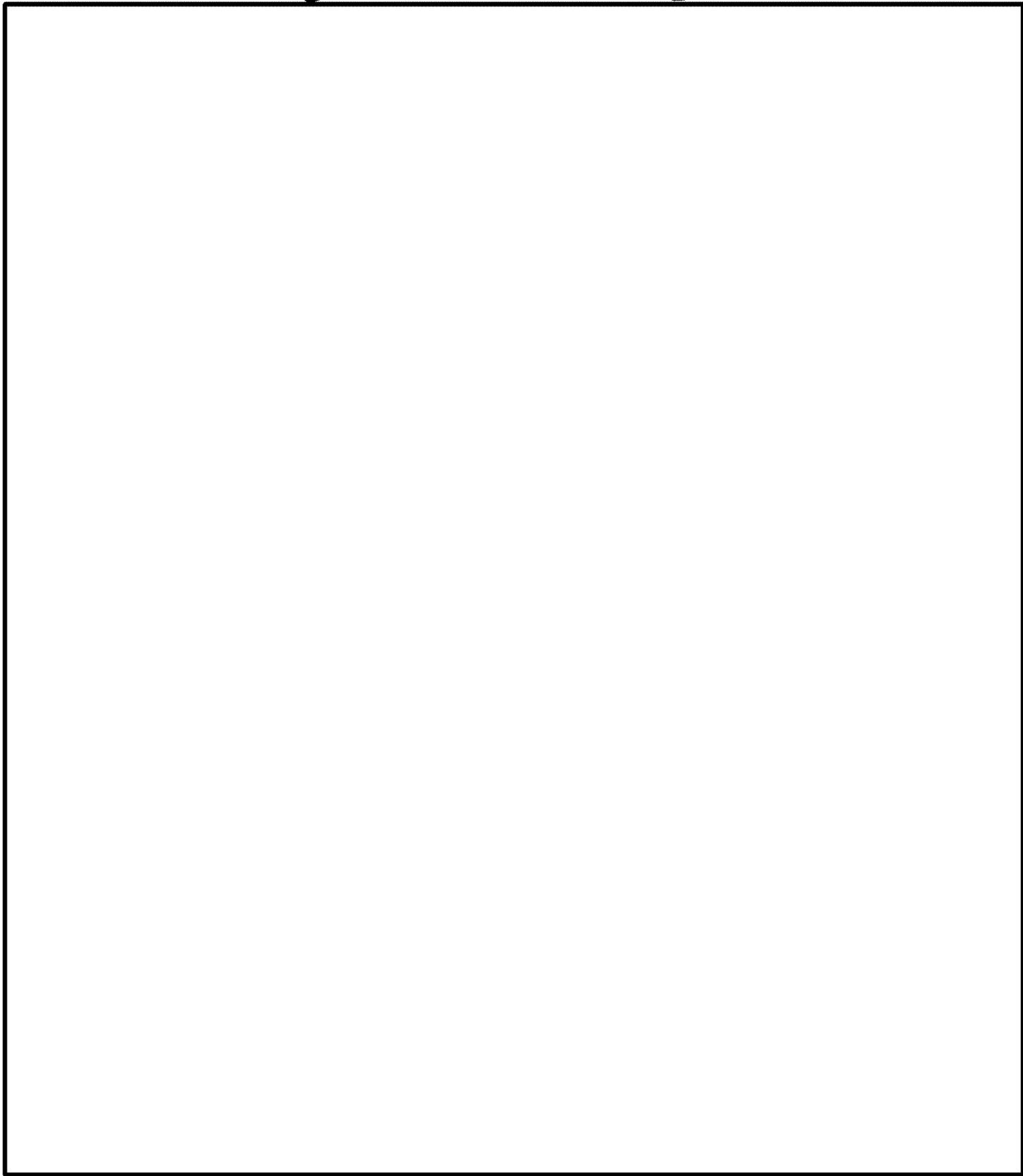


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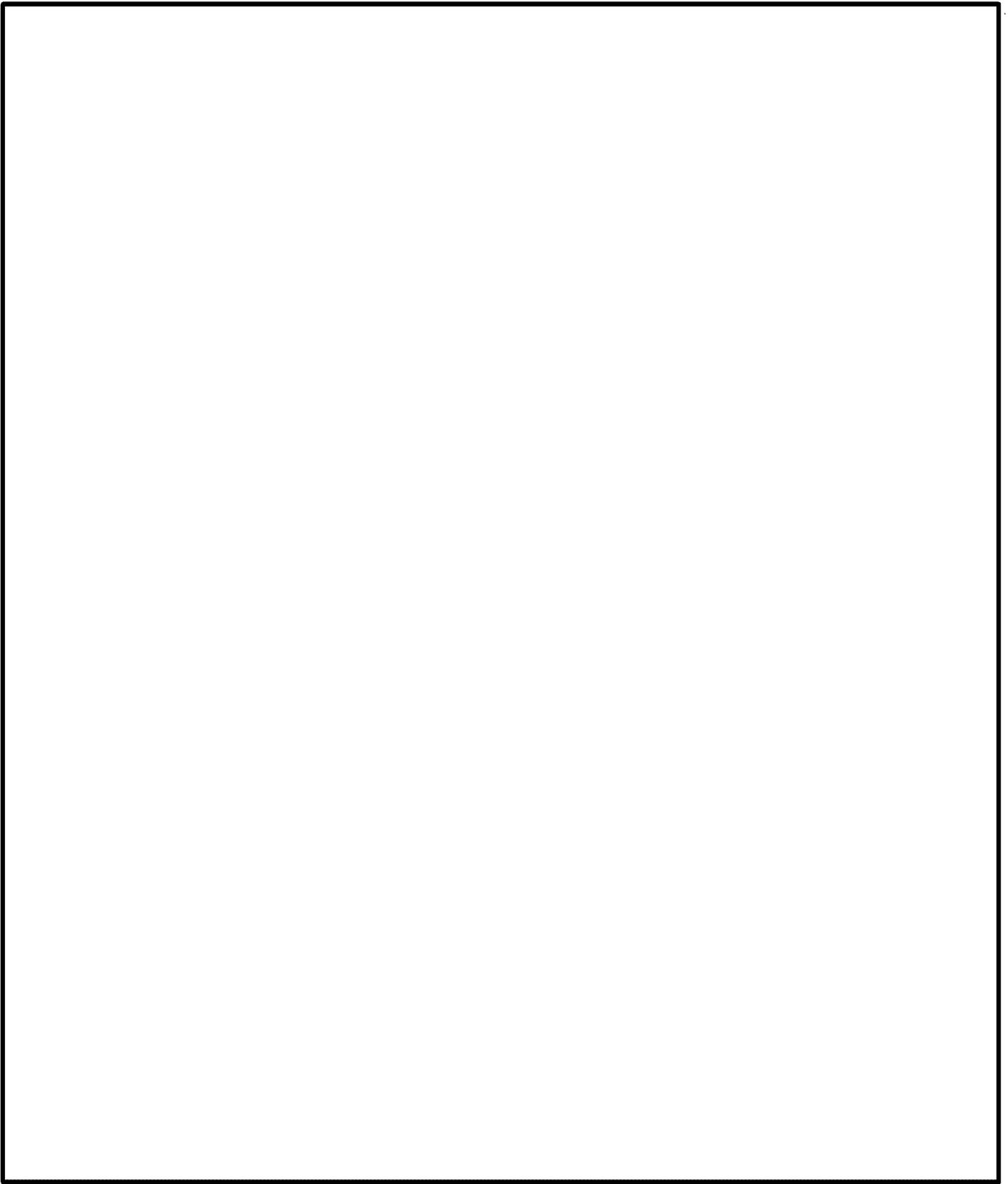






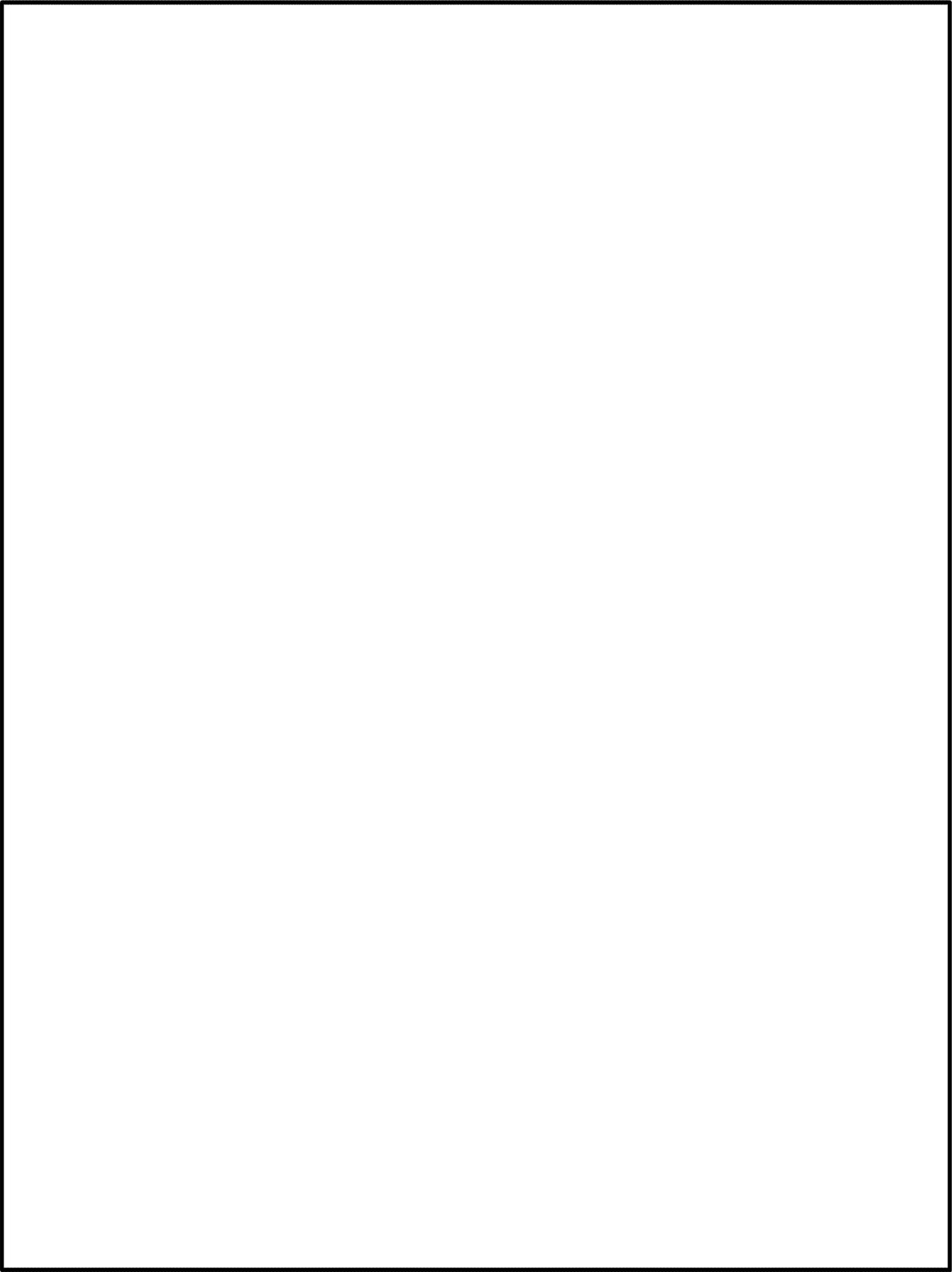


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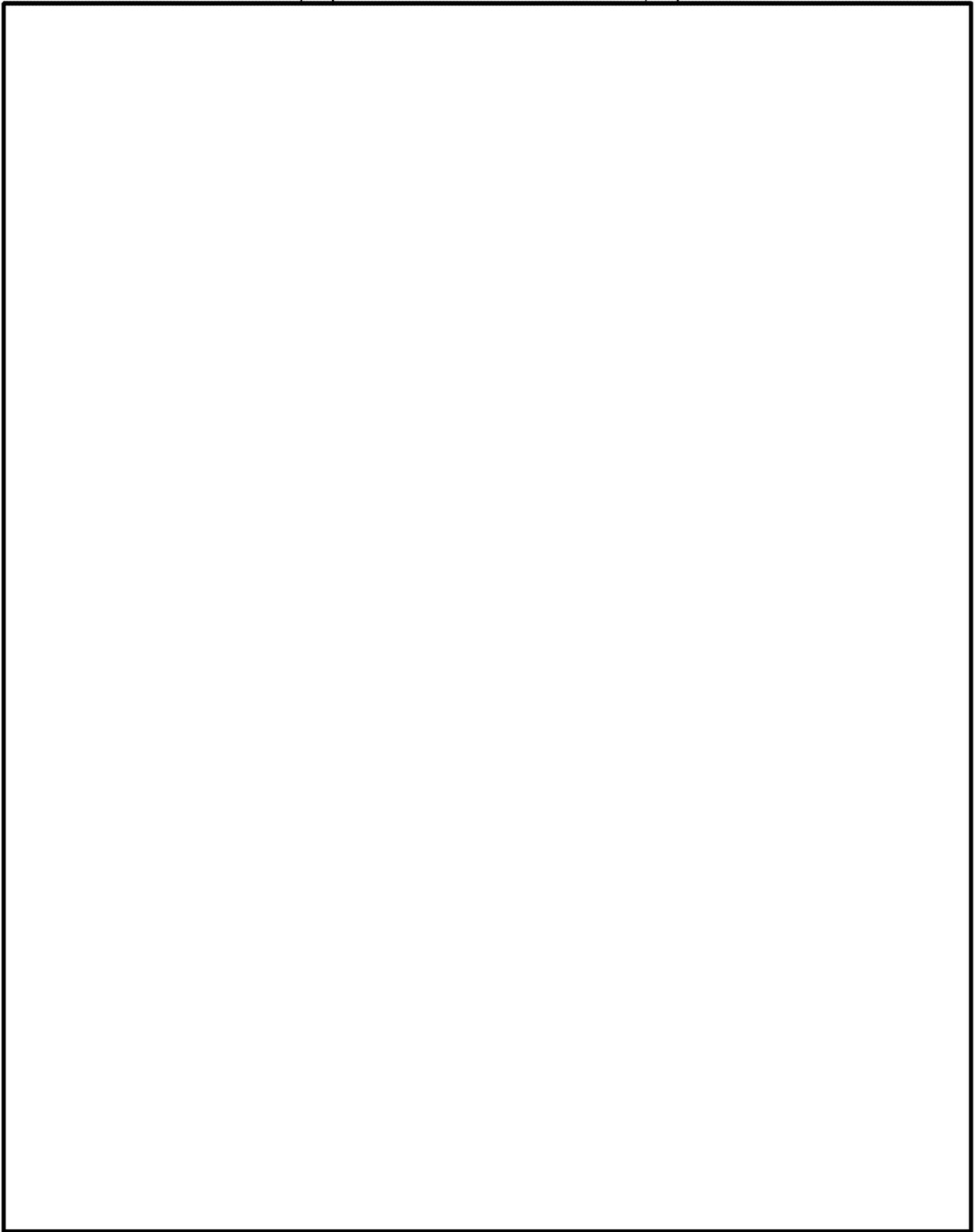


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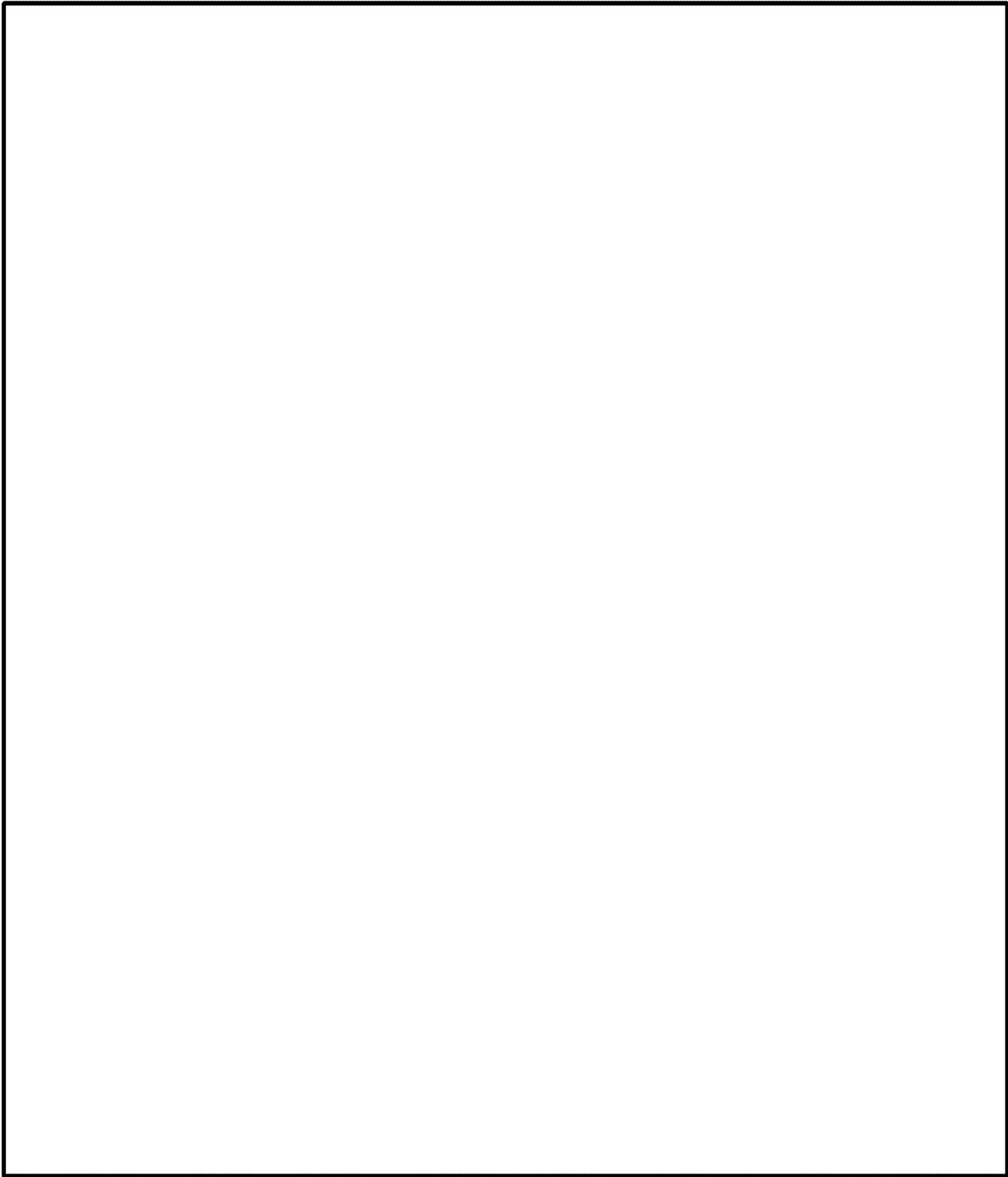




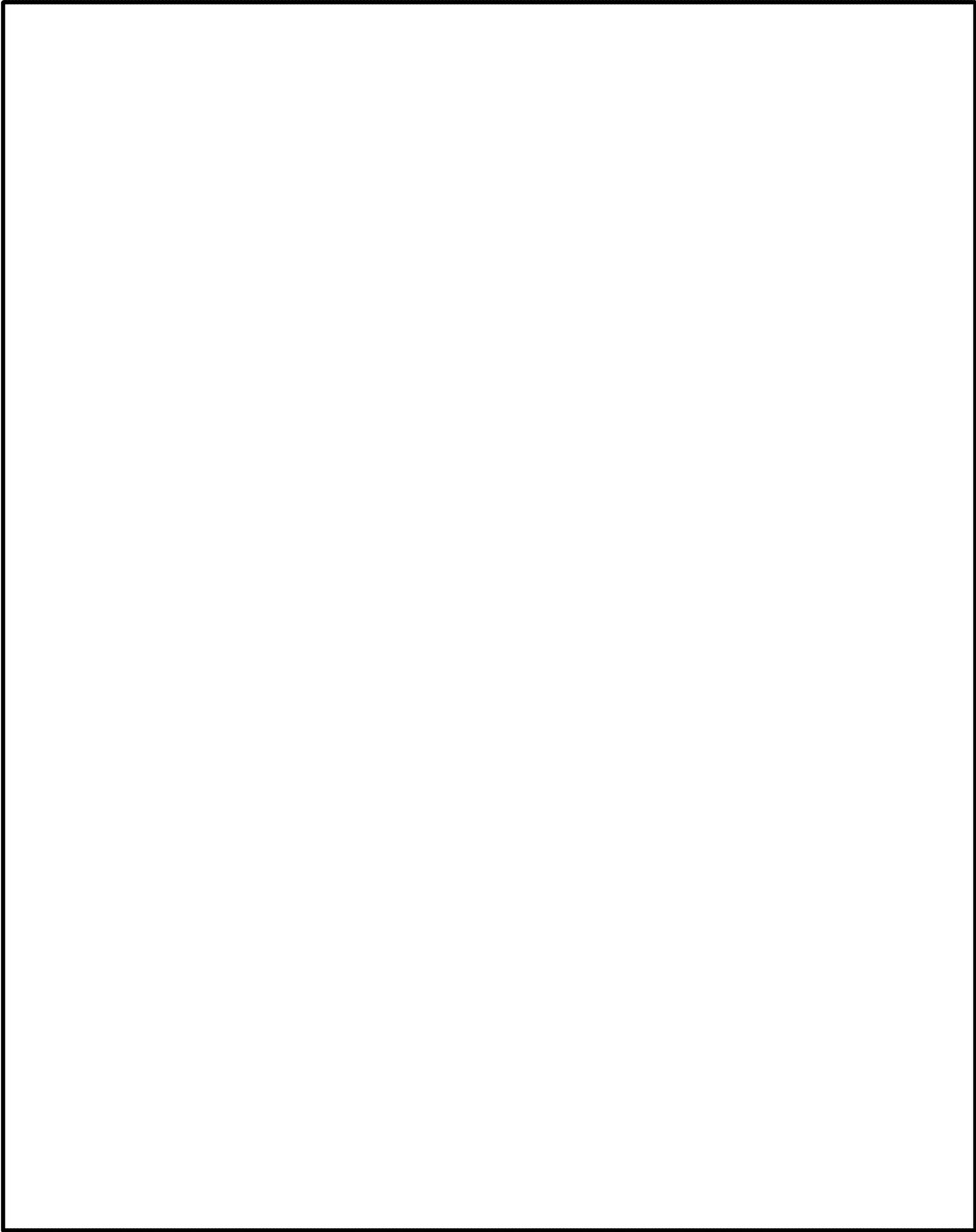
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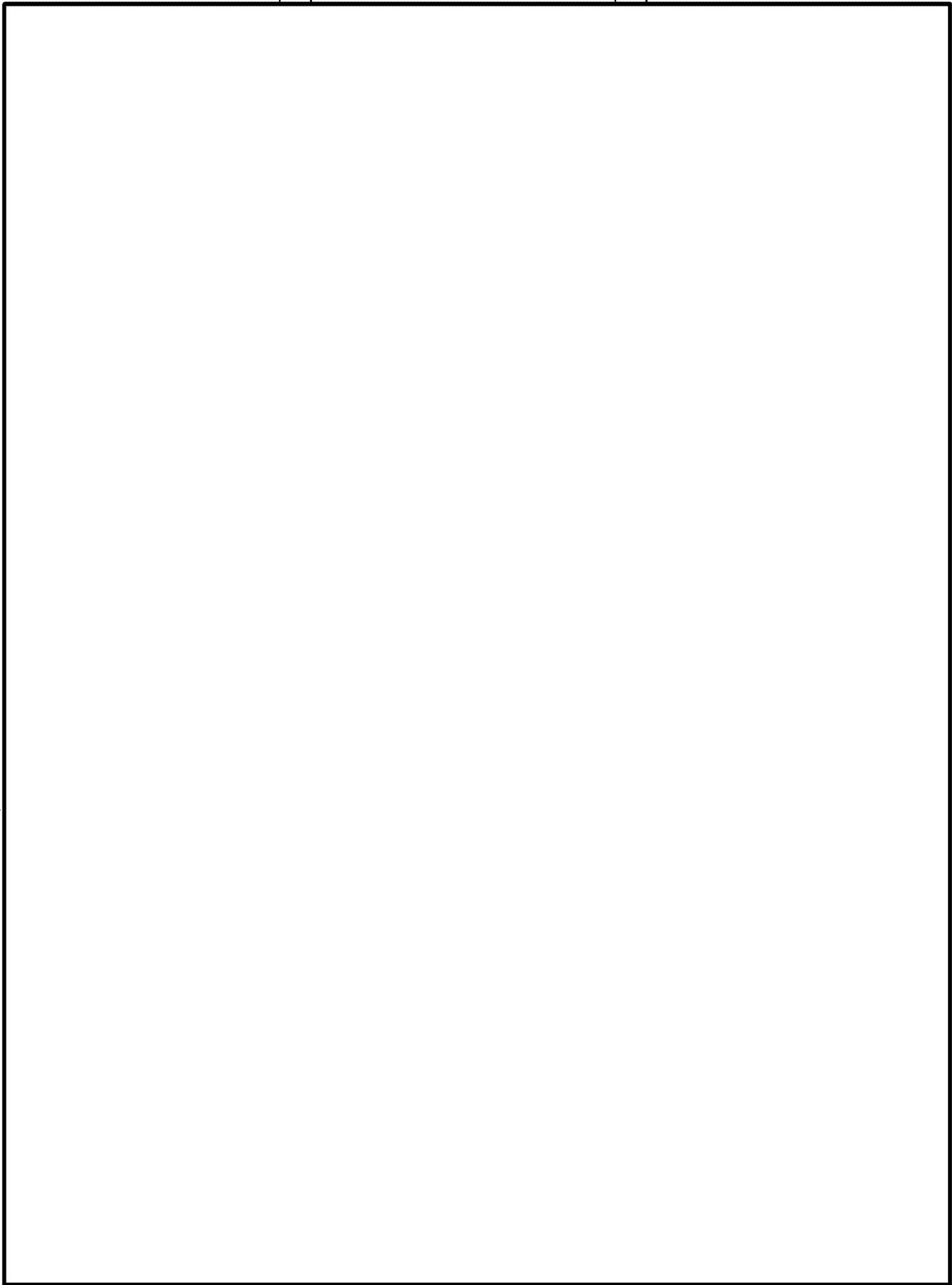


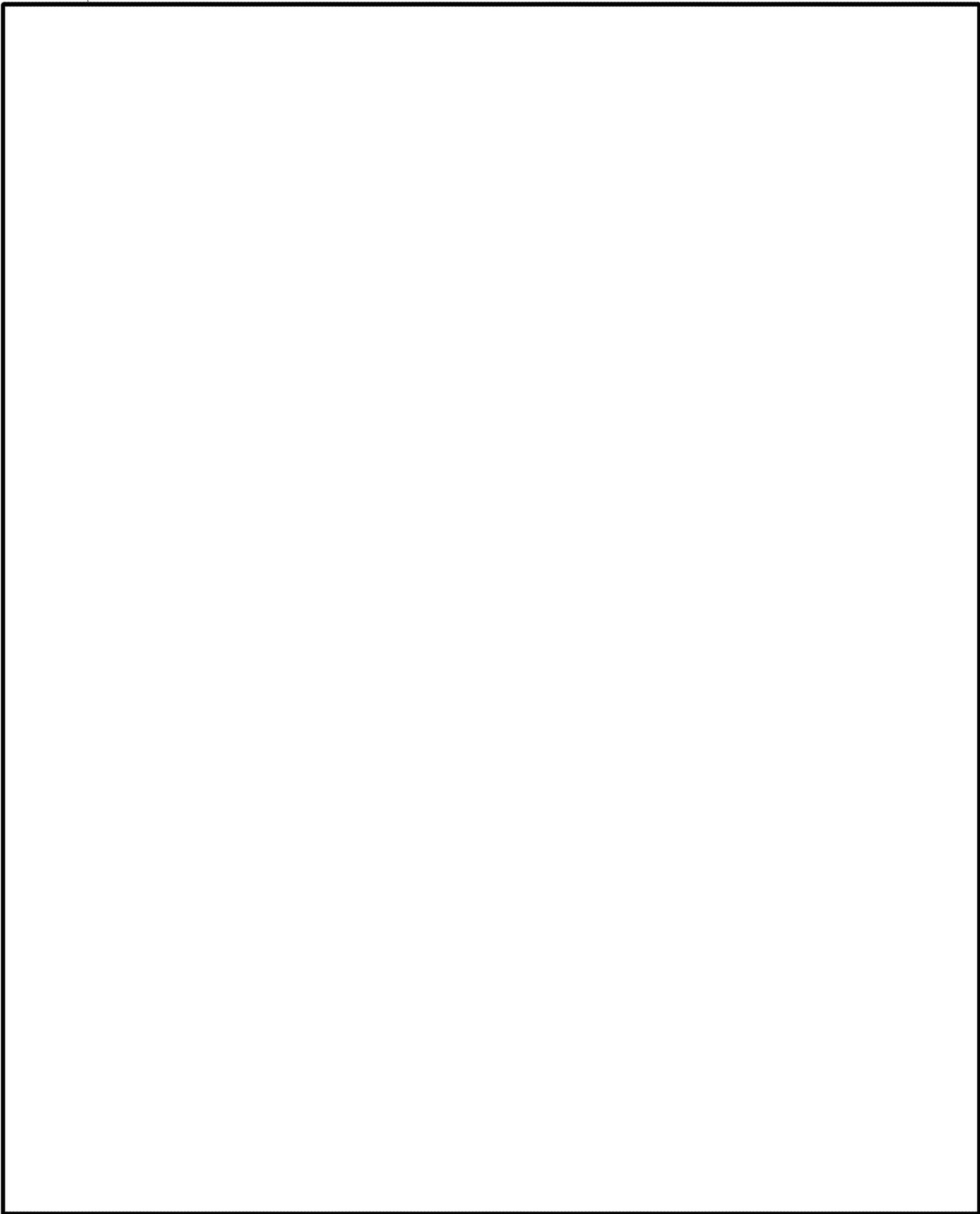
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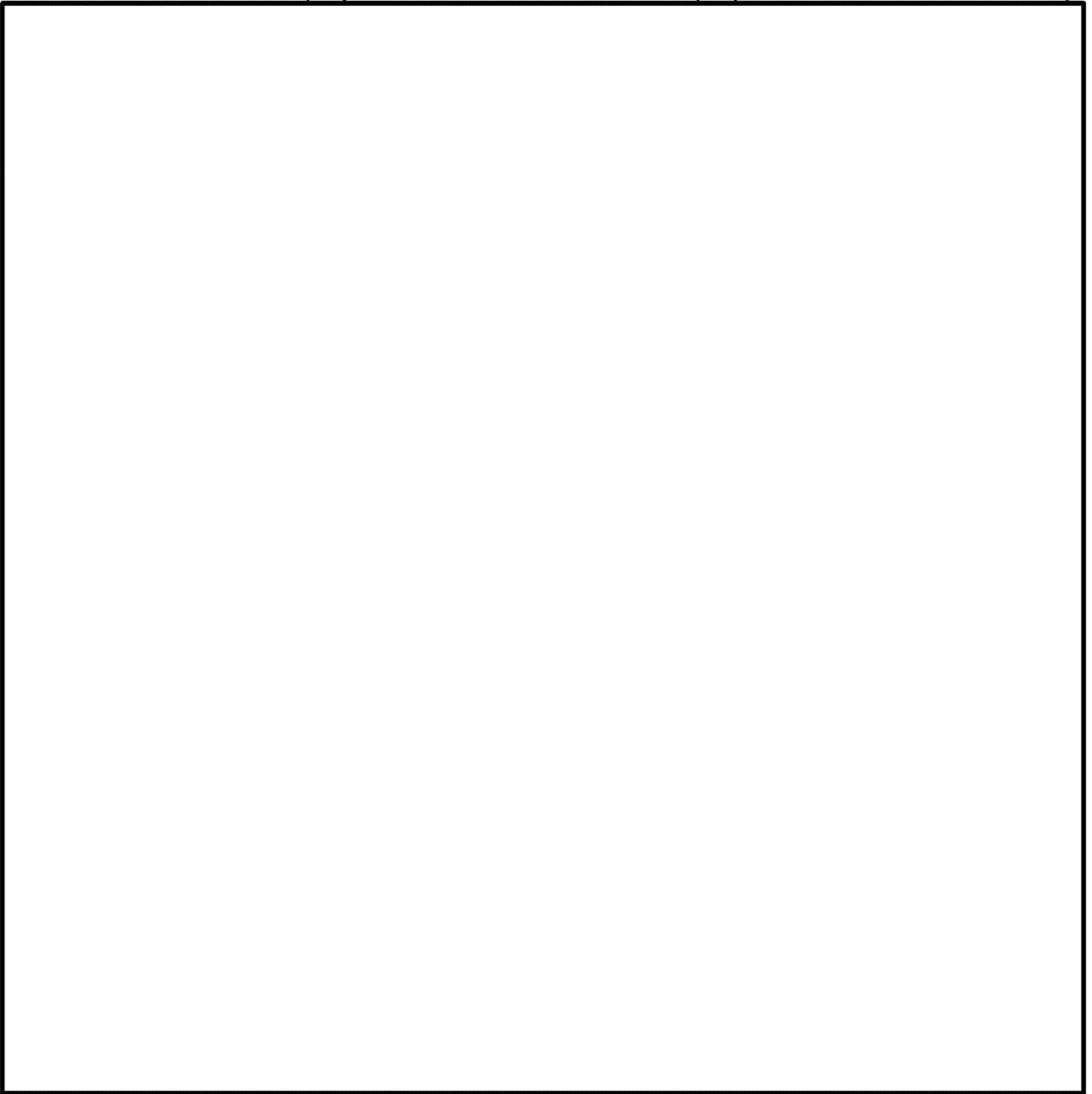
CRUDE OIL PRODUCTION BY REGION

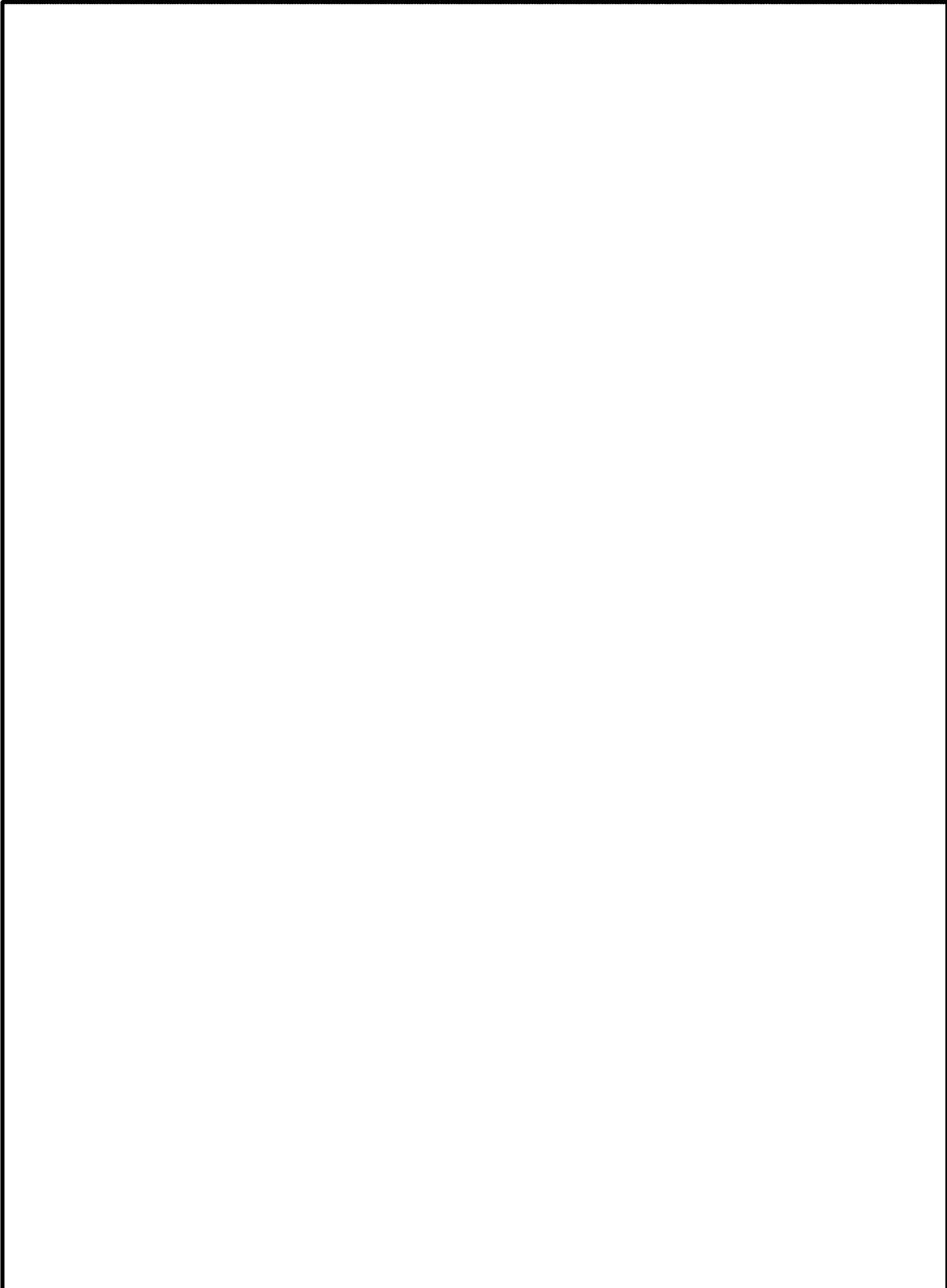


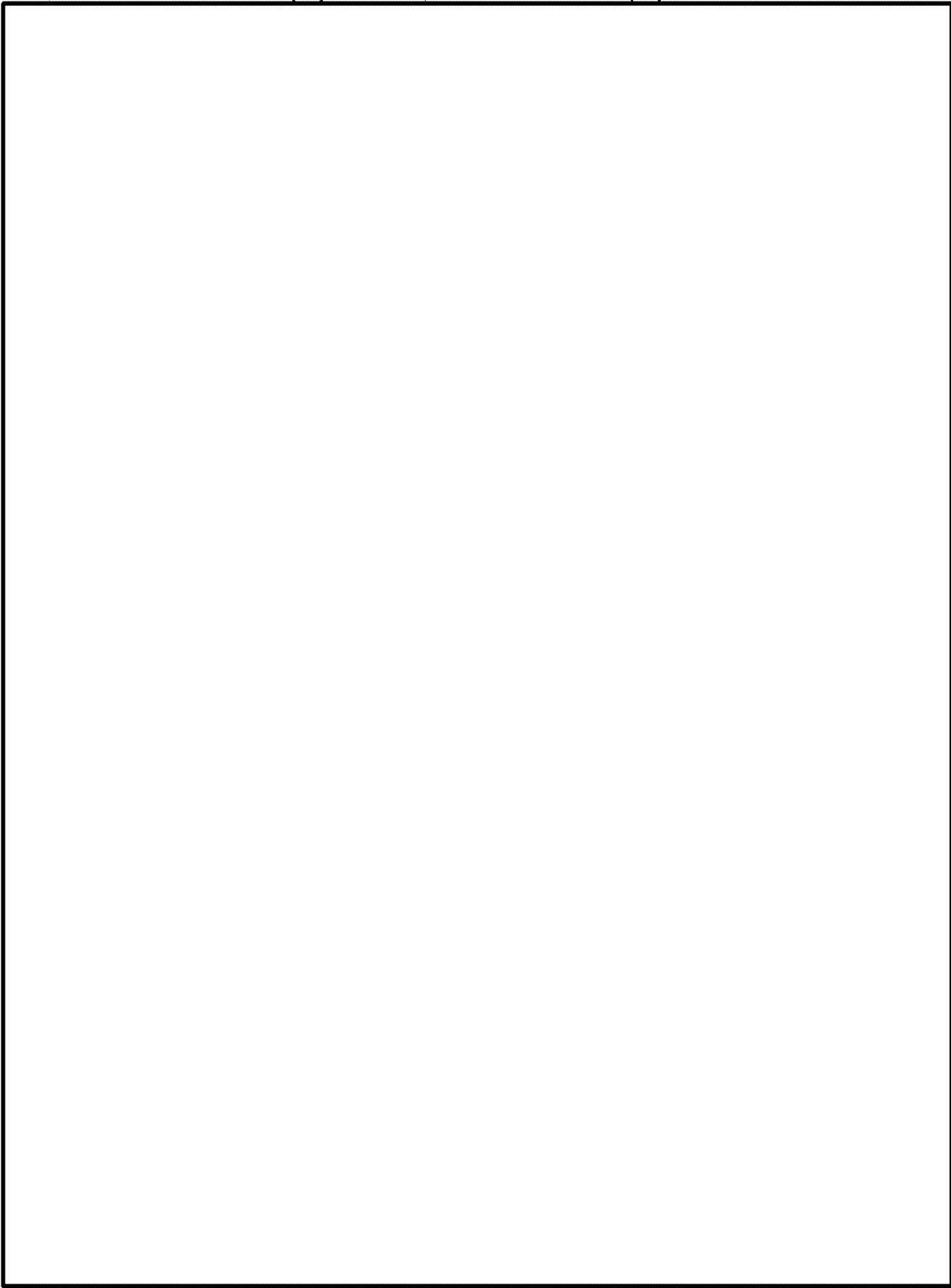


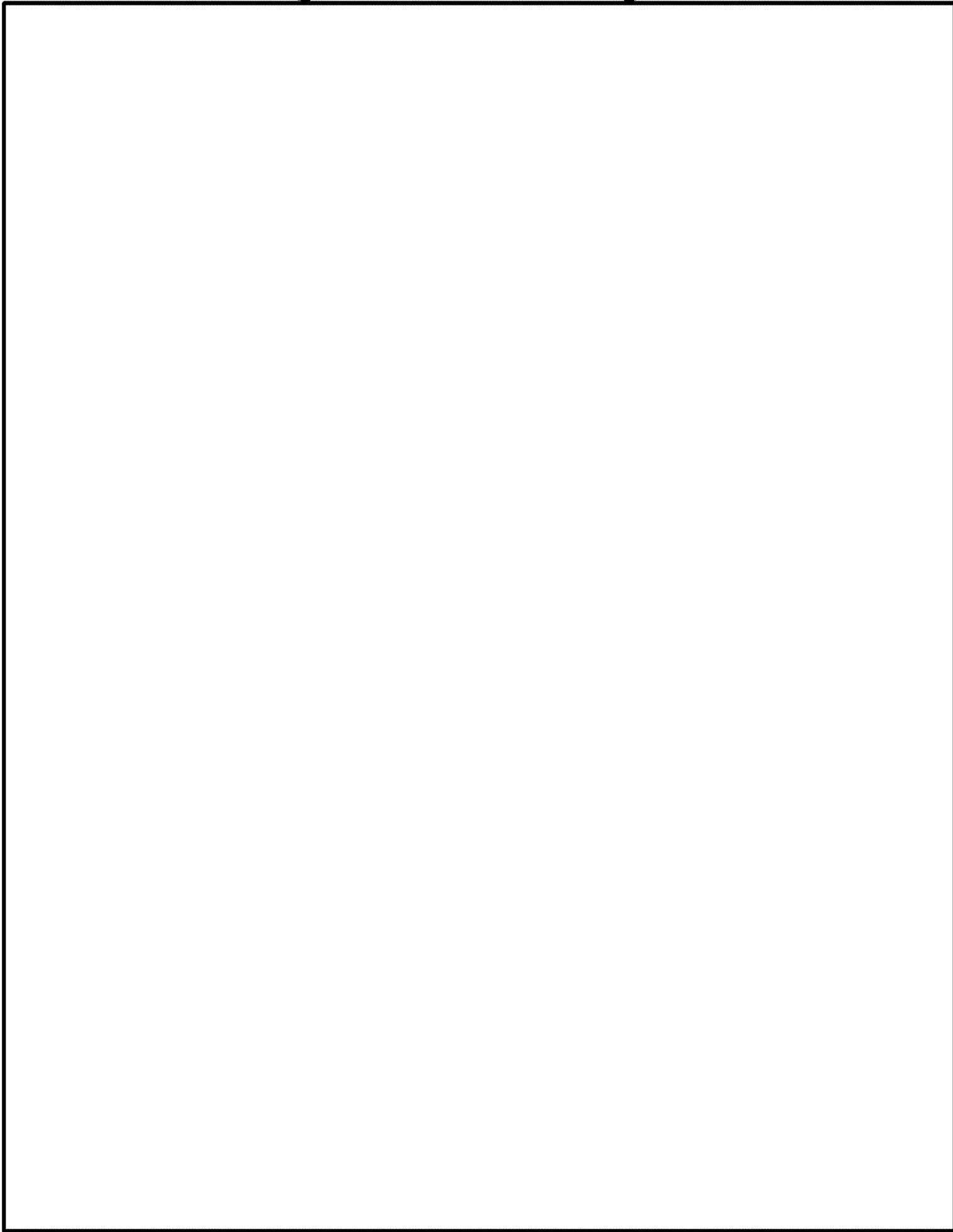


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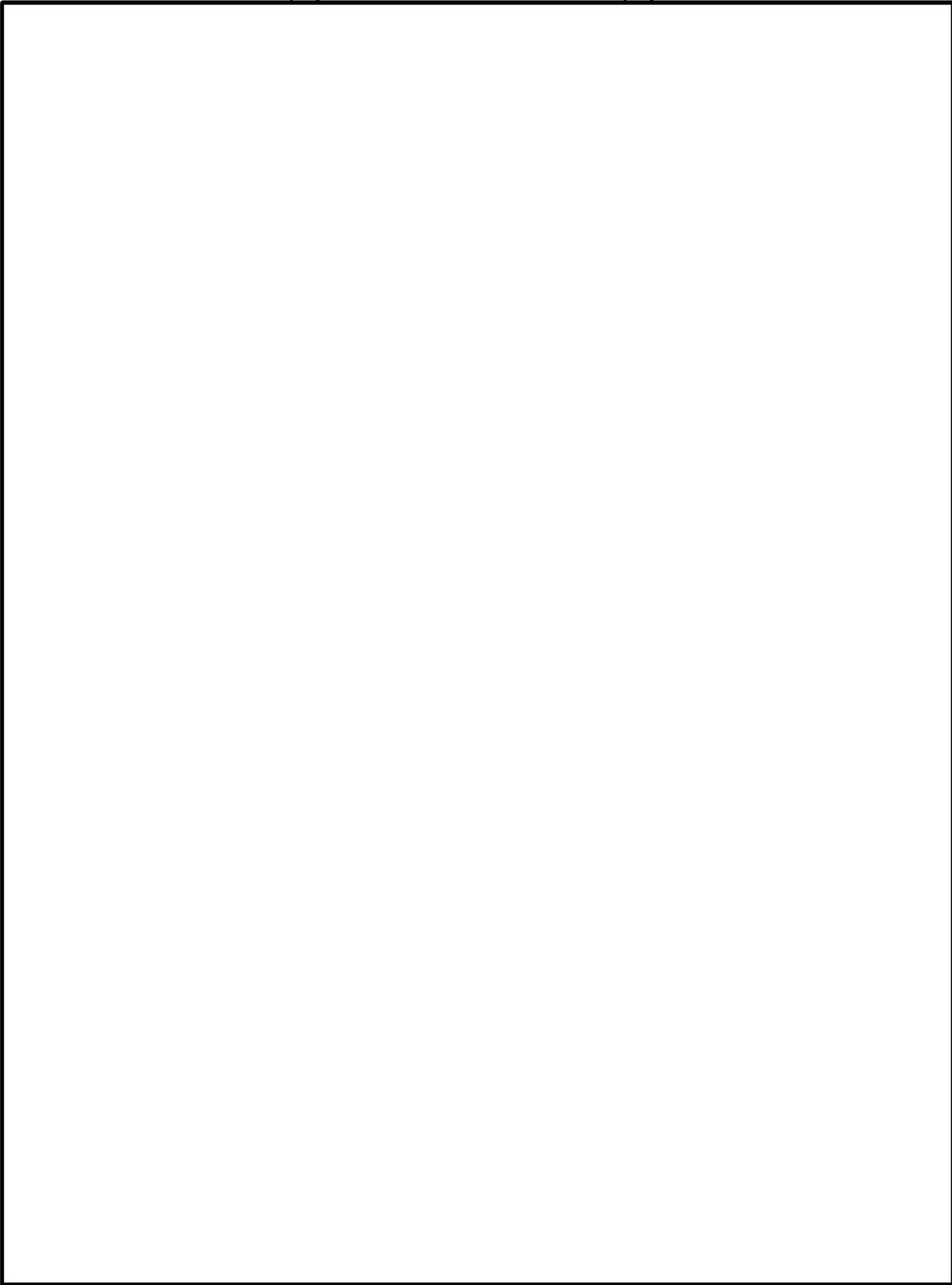


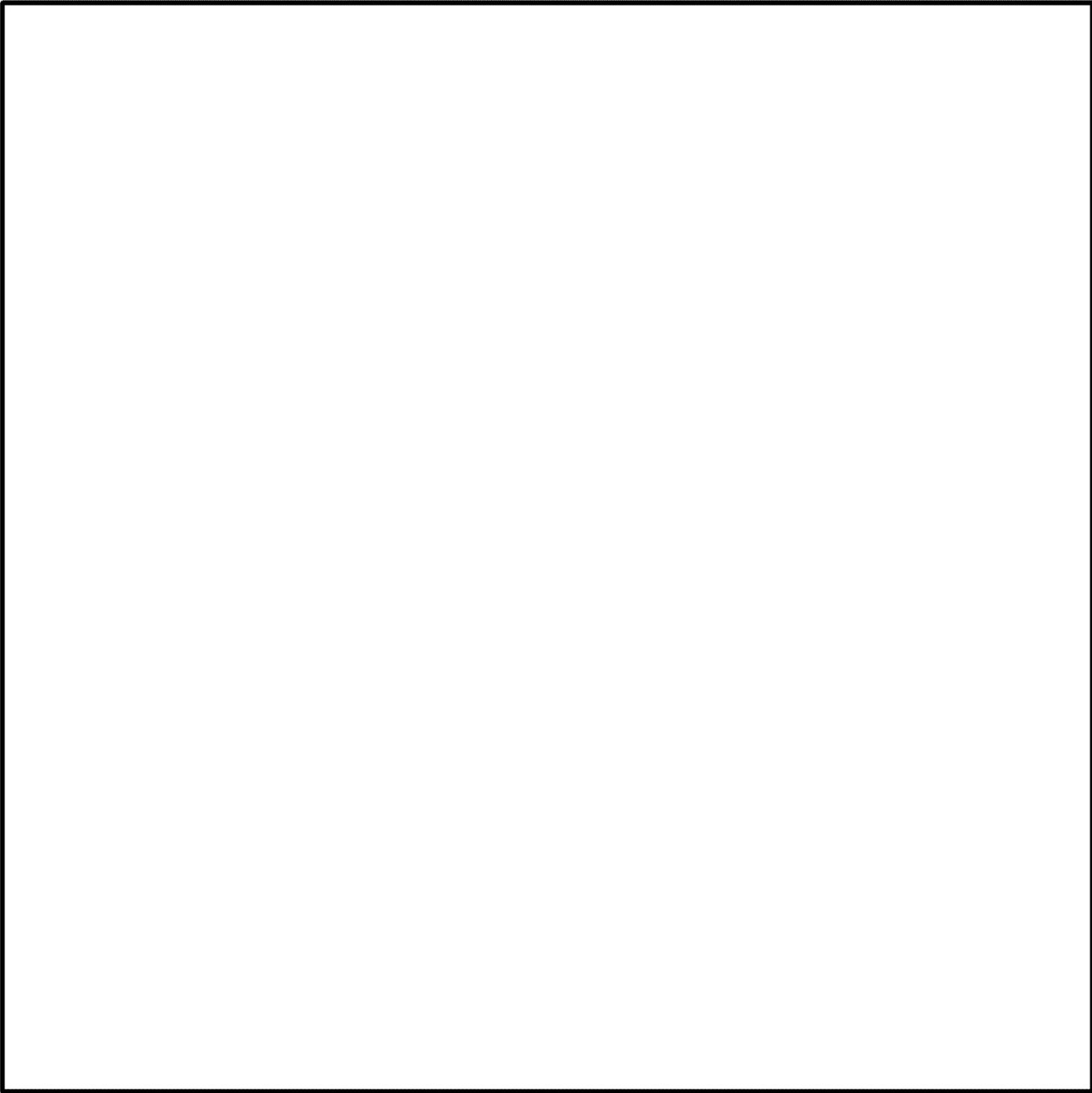


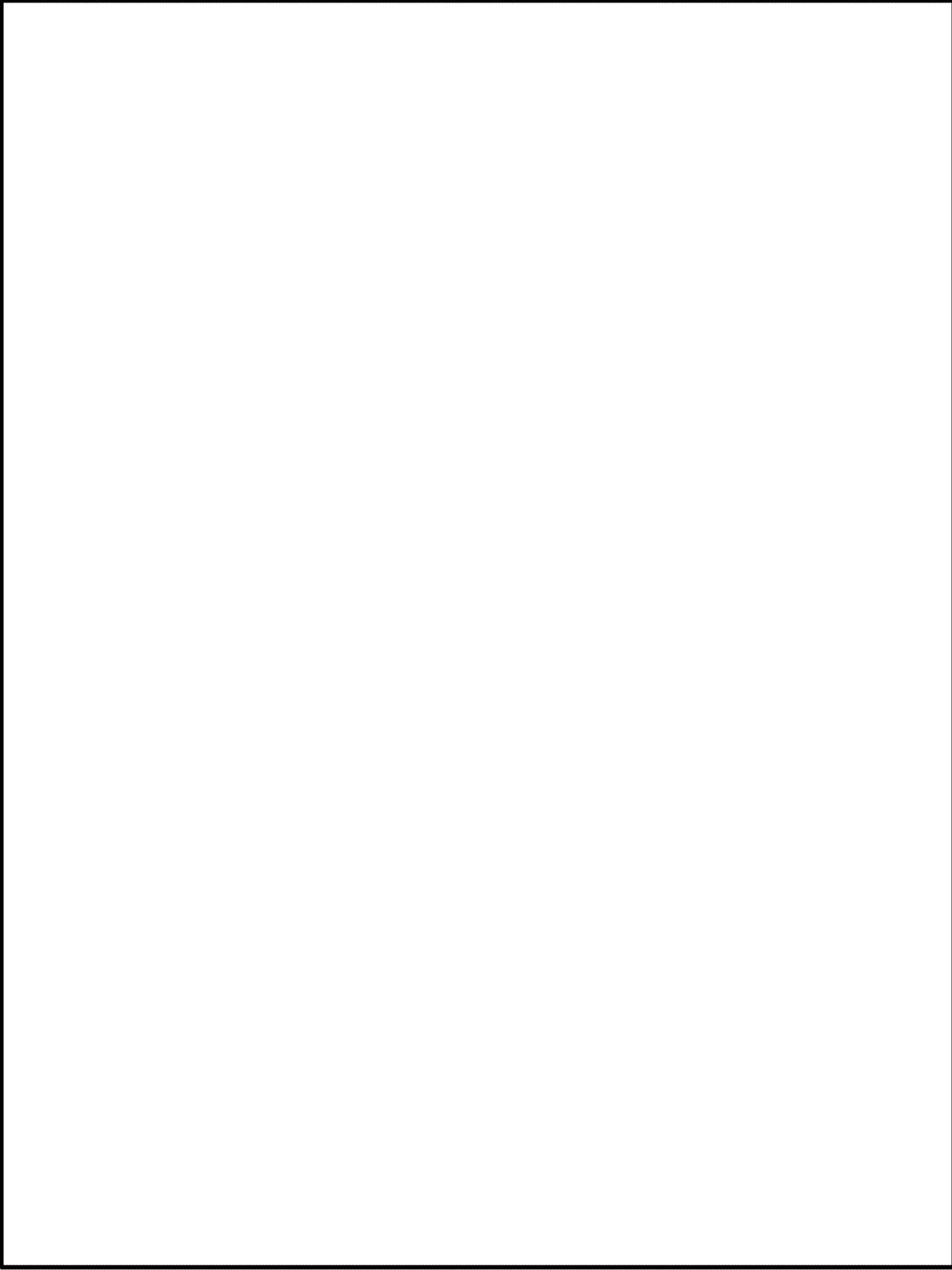




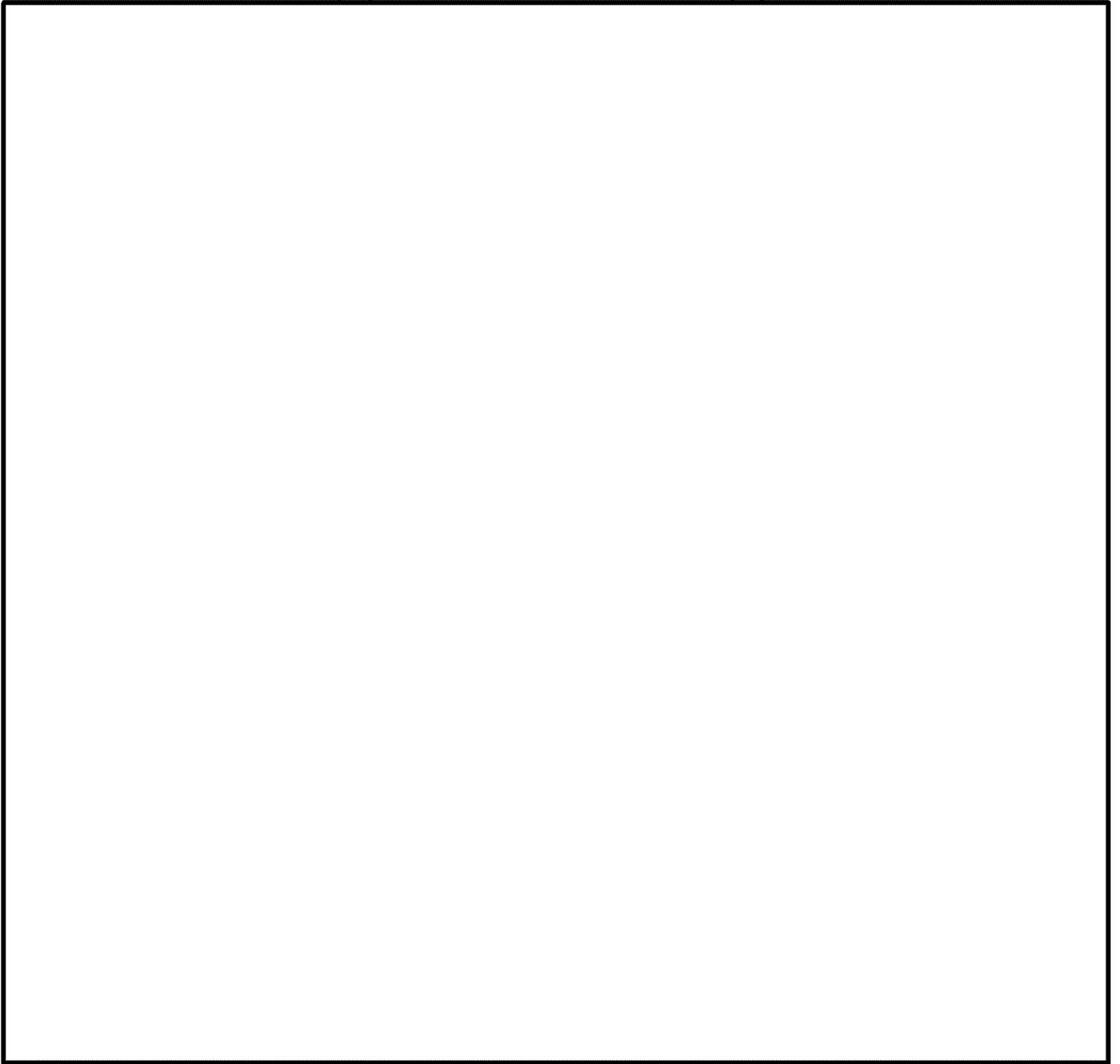
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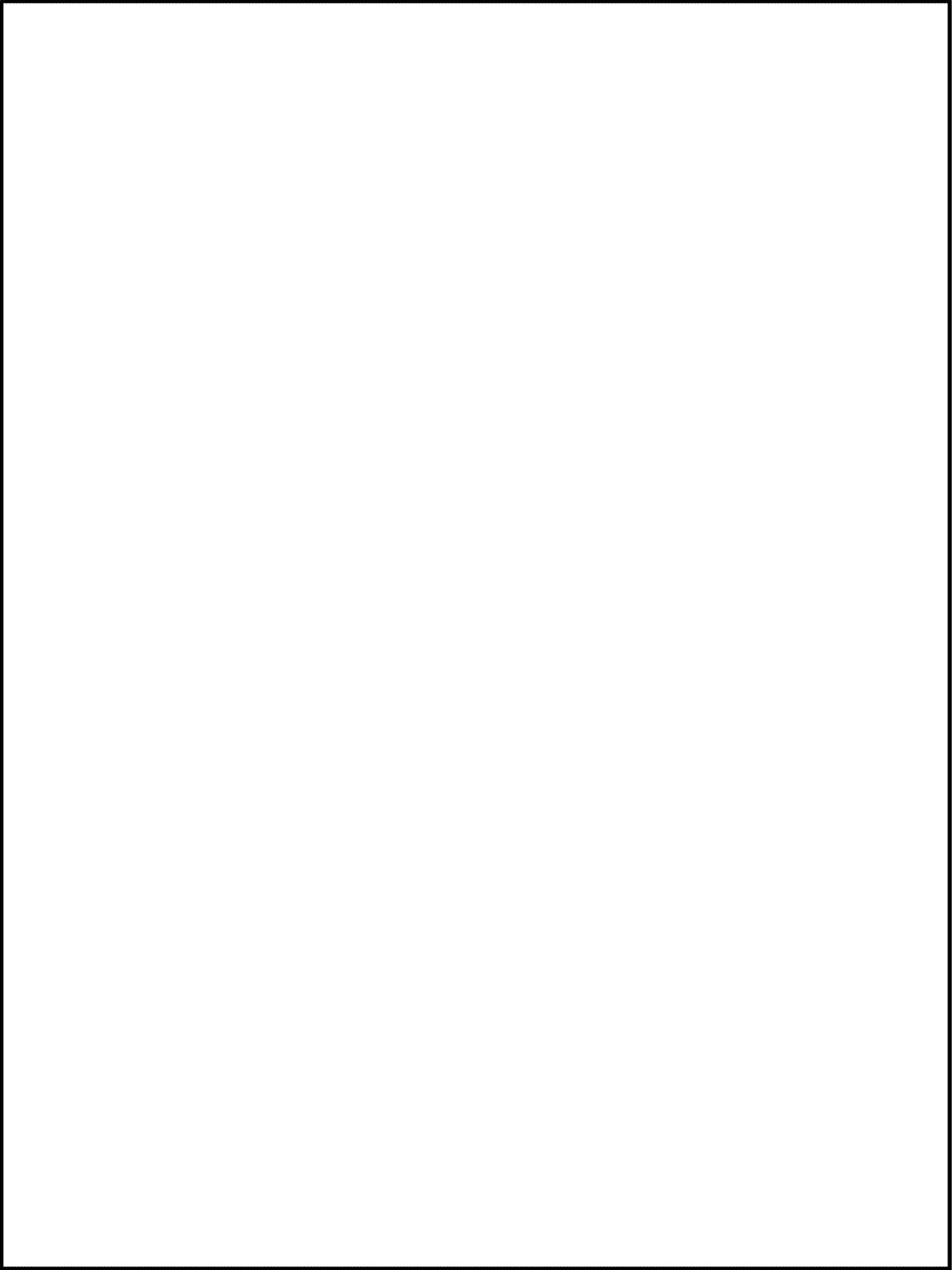




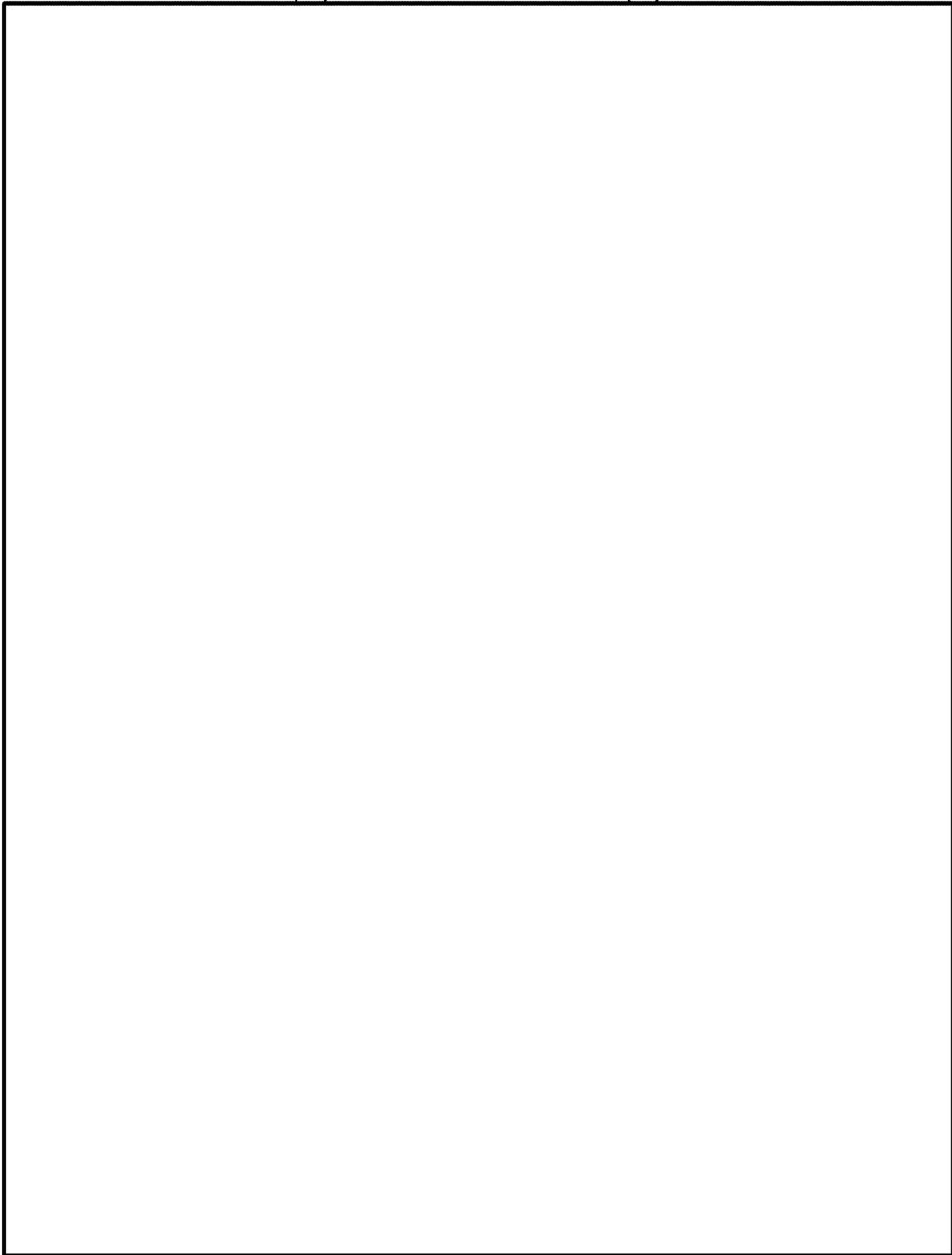


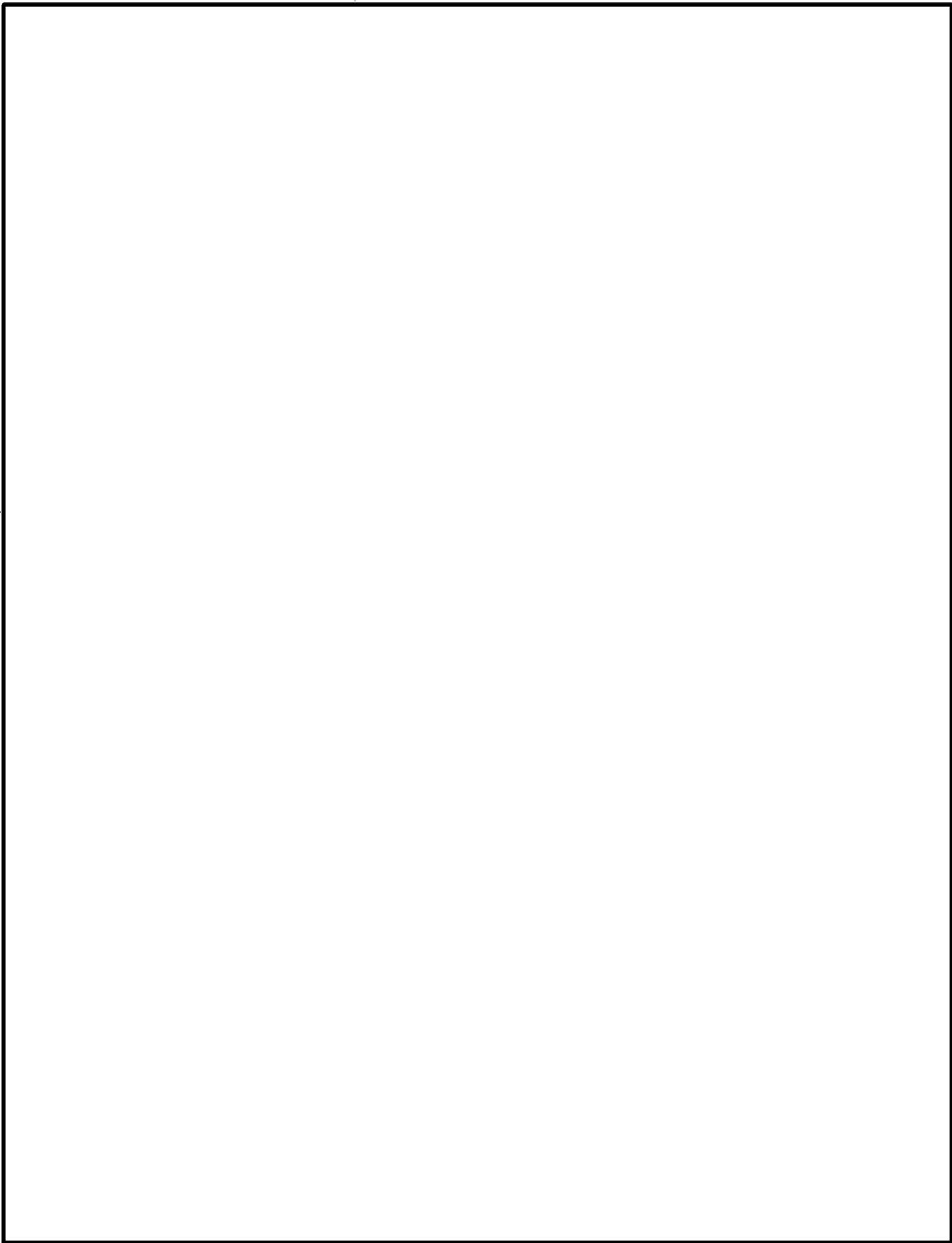
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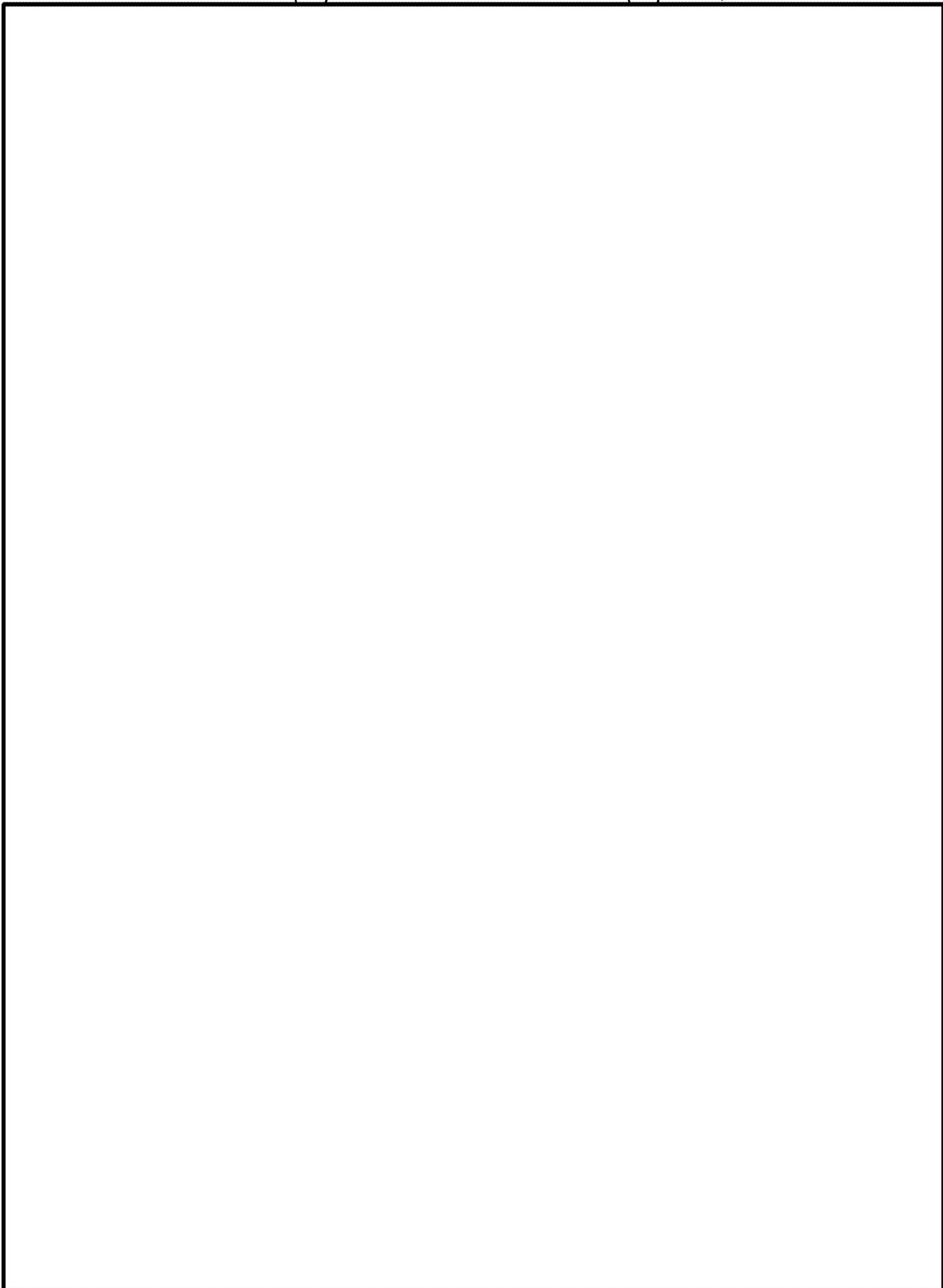


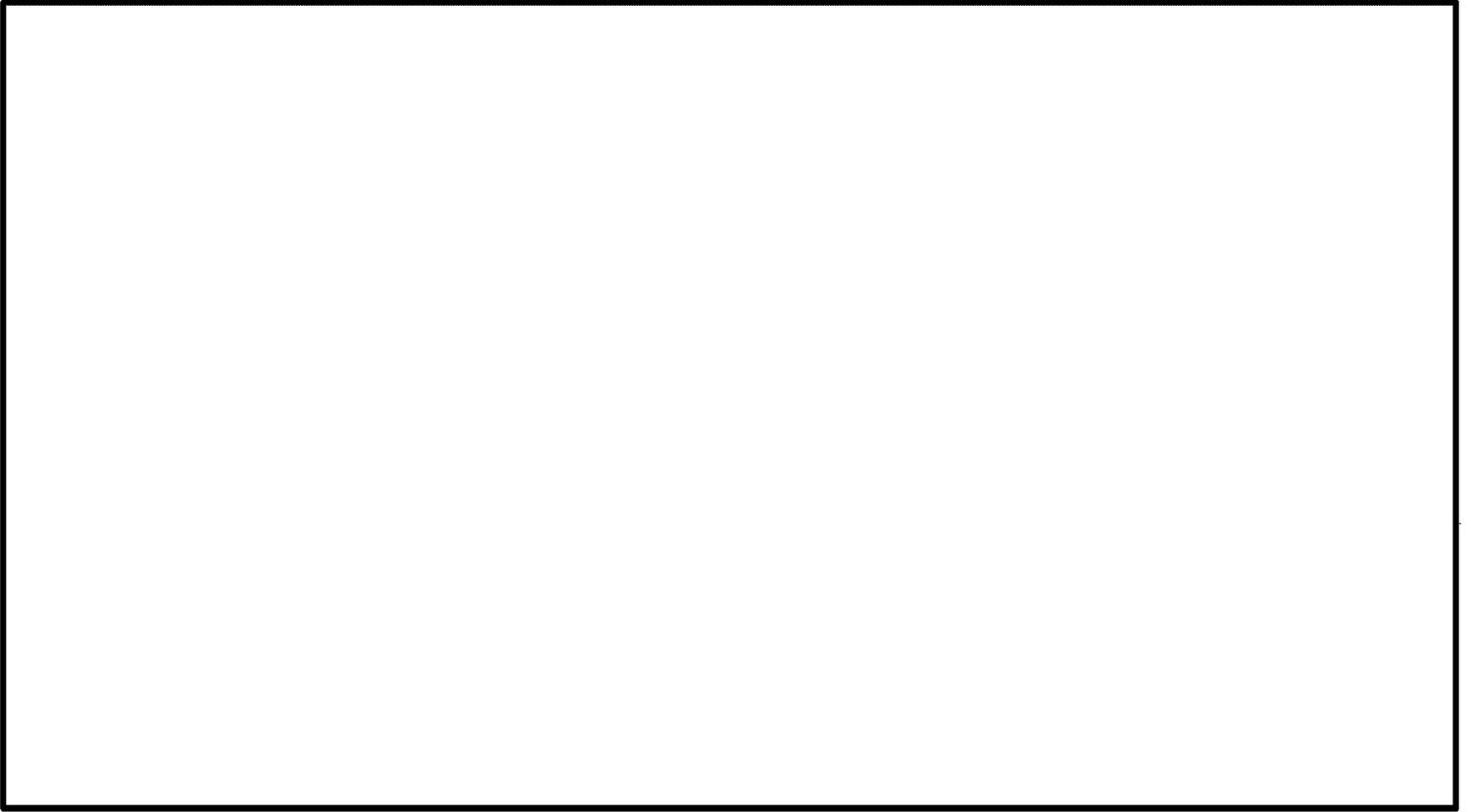
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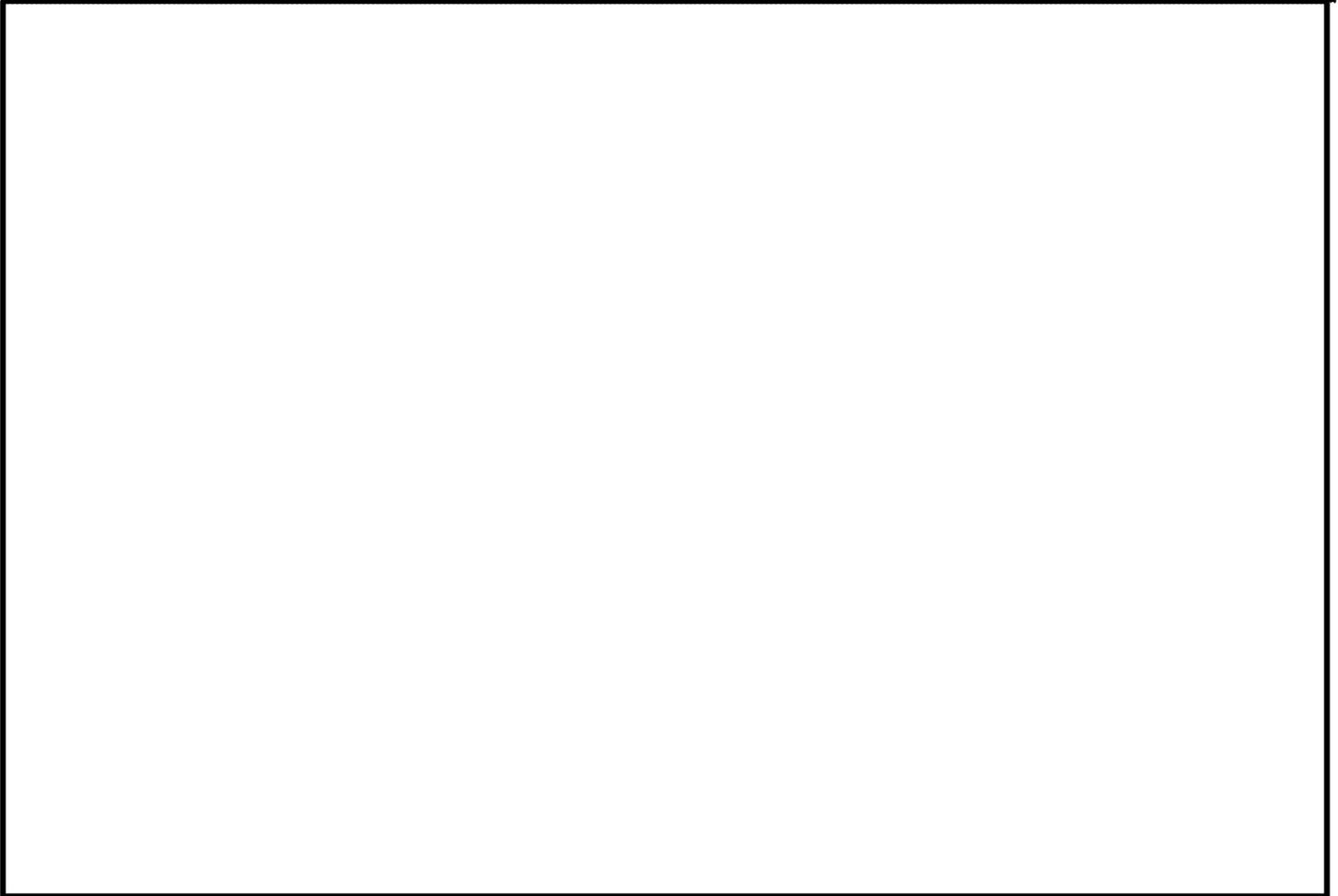


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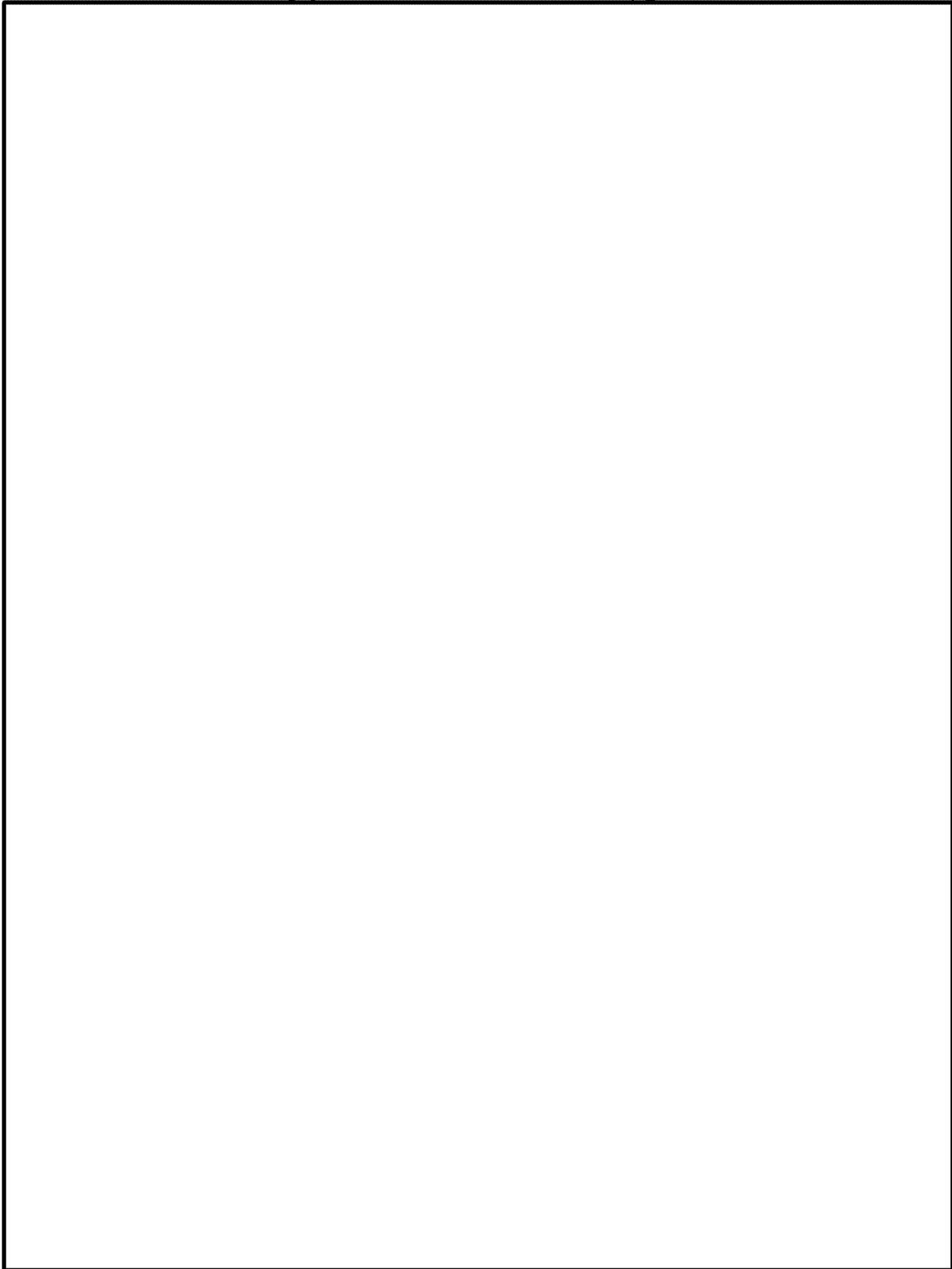




3.0 DEVELOPMENT SCHEDULE

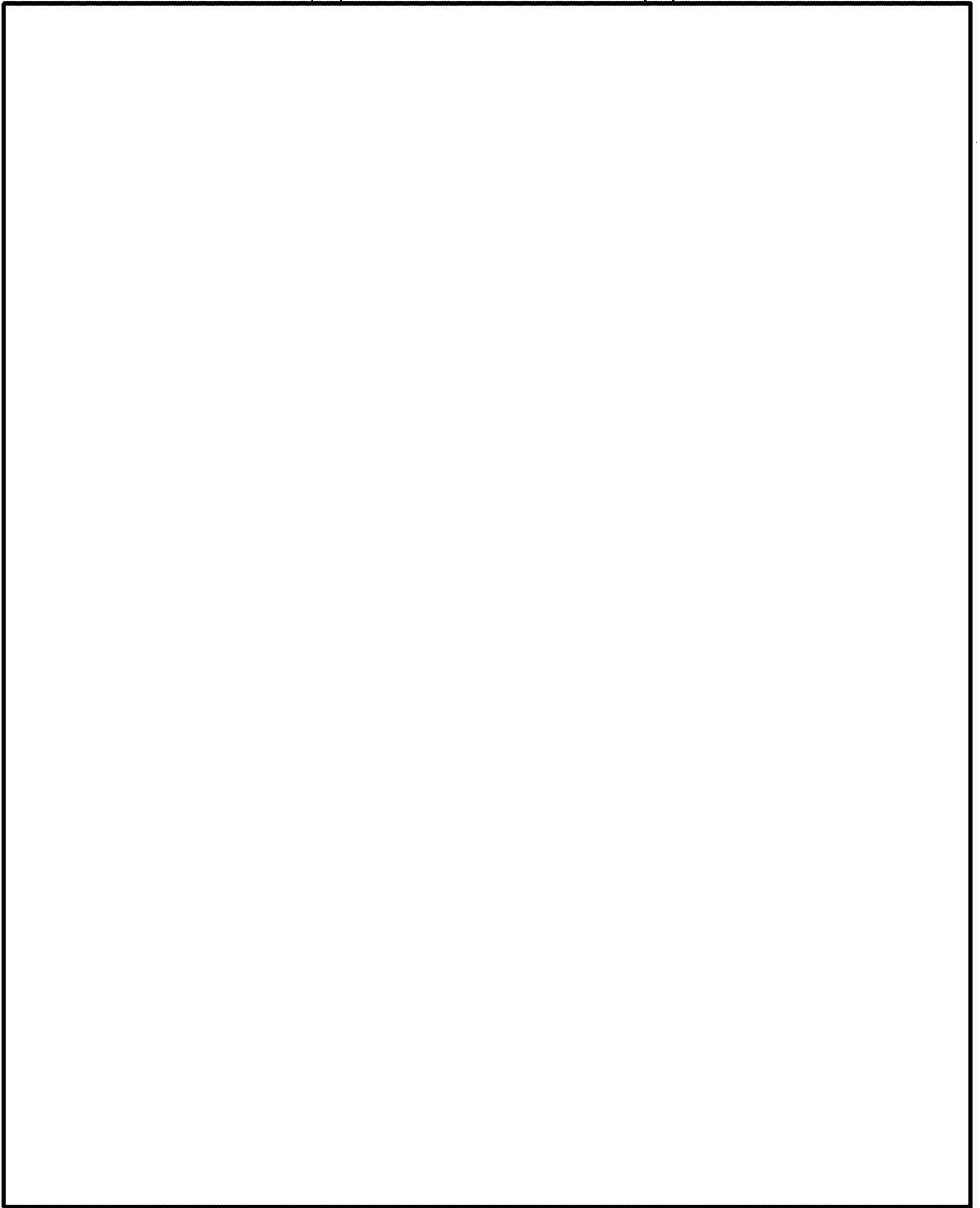


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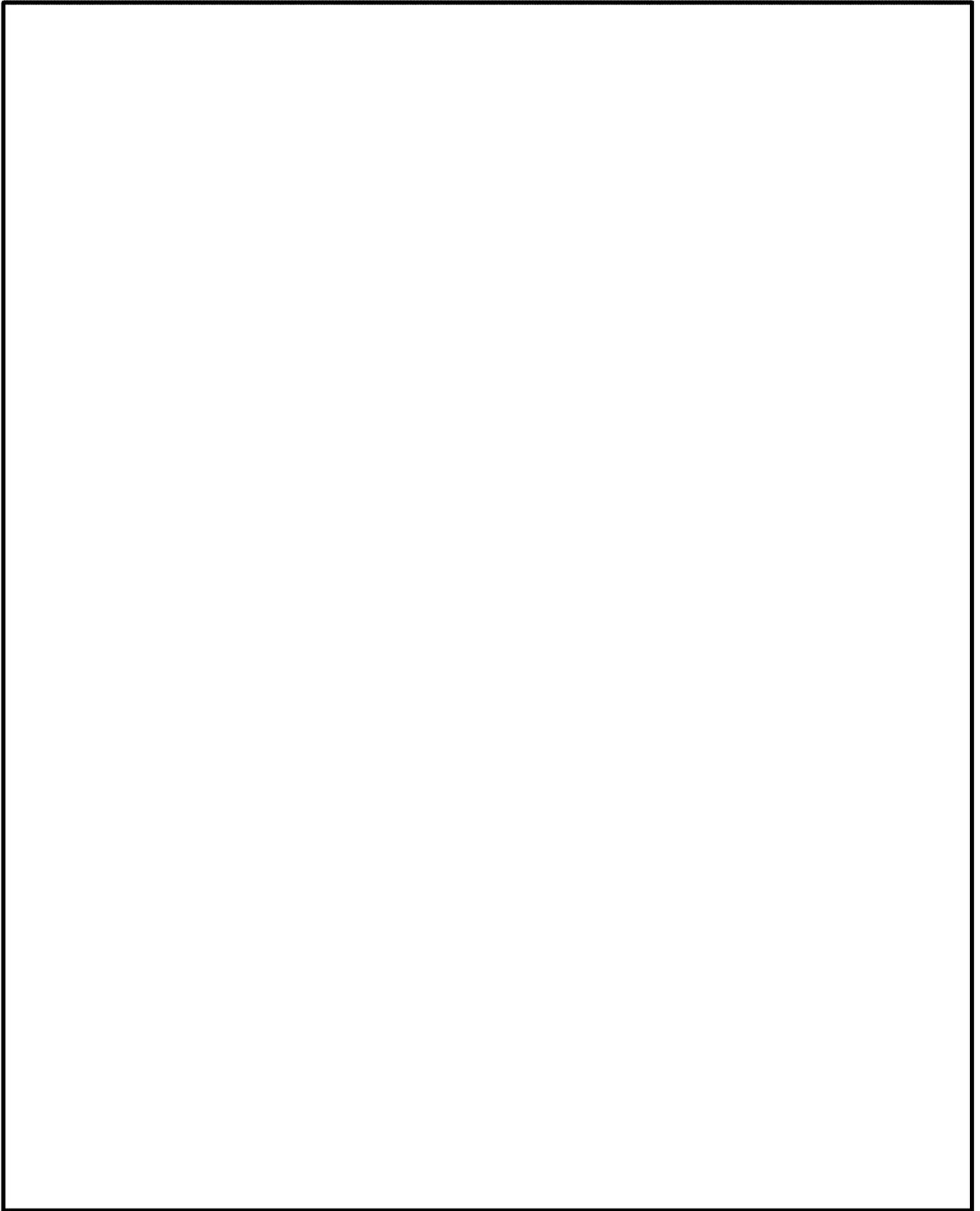


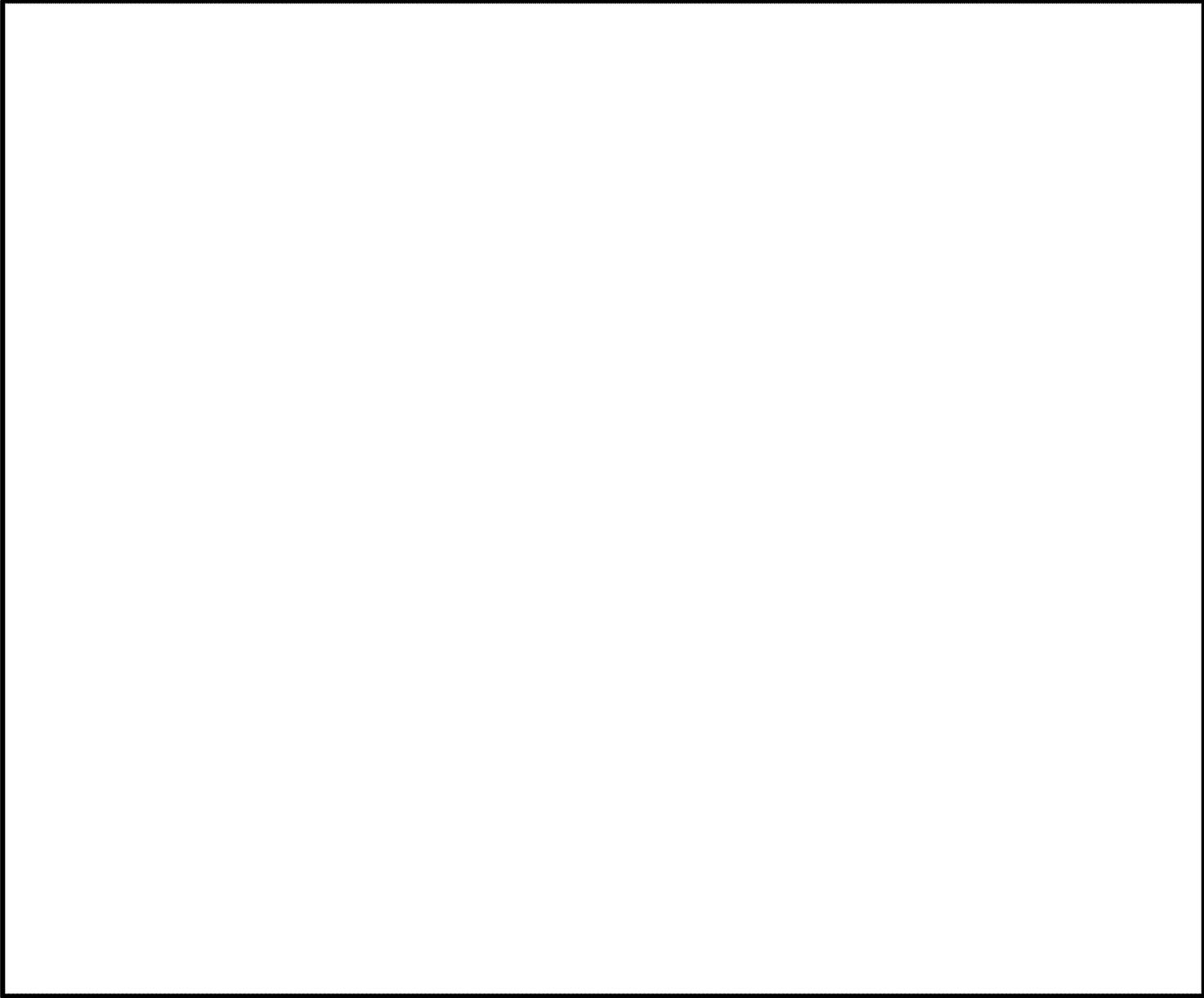


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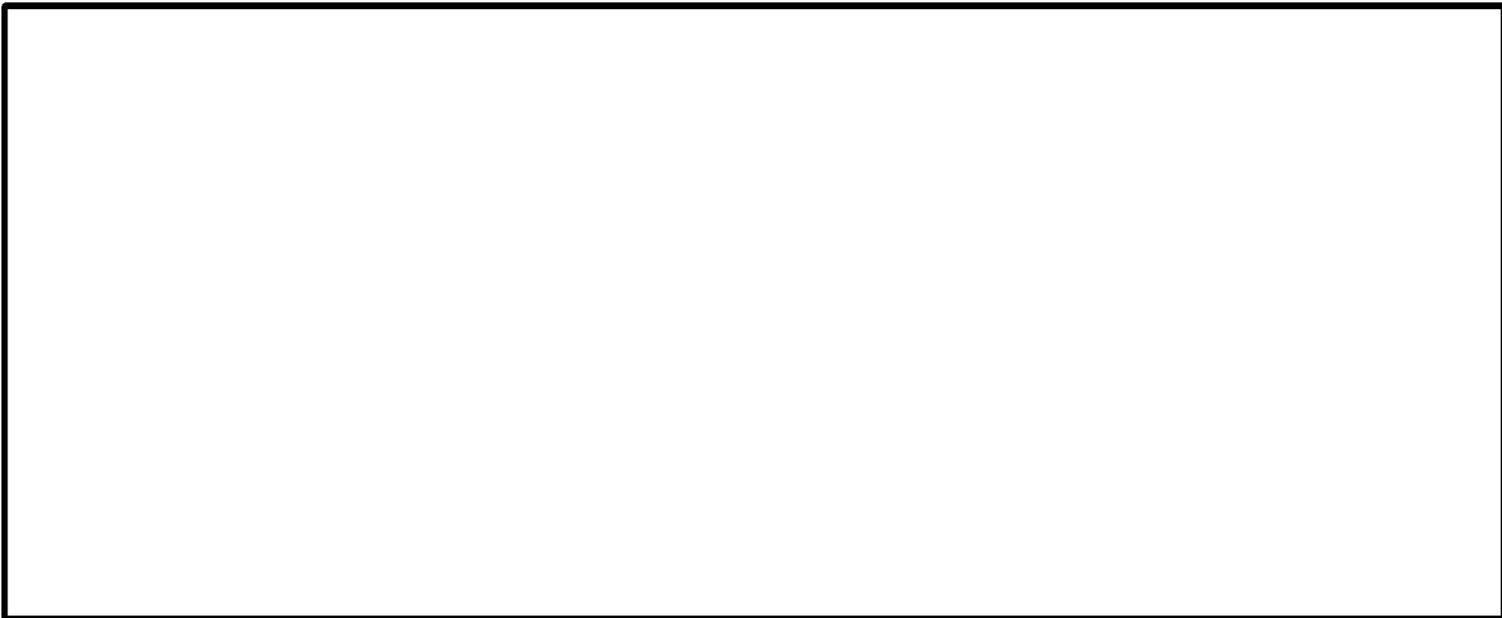


4.0 BUSINESS STRUCTURE AND MANAGEMENT TEAM

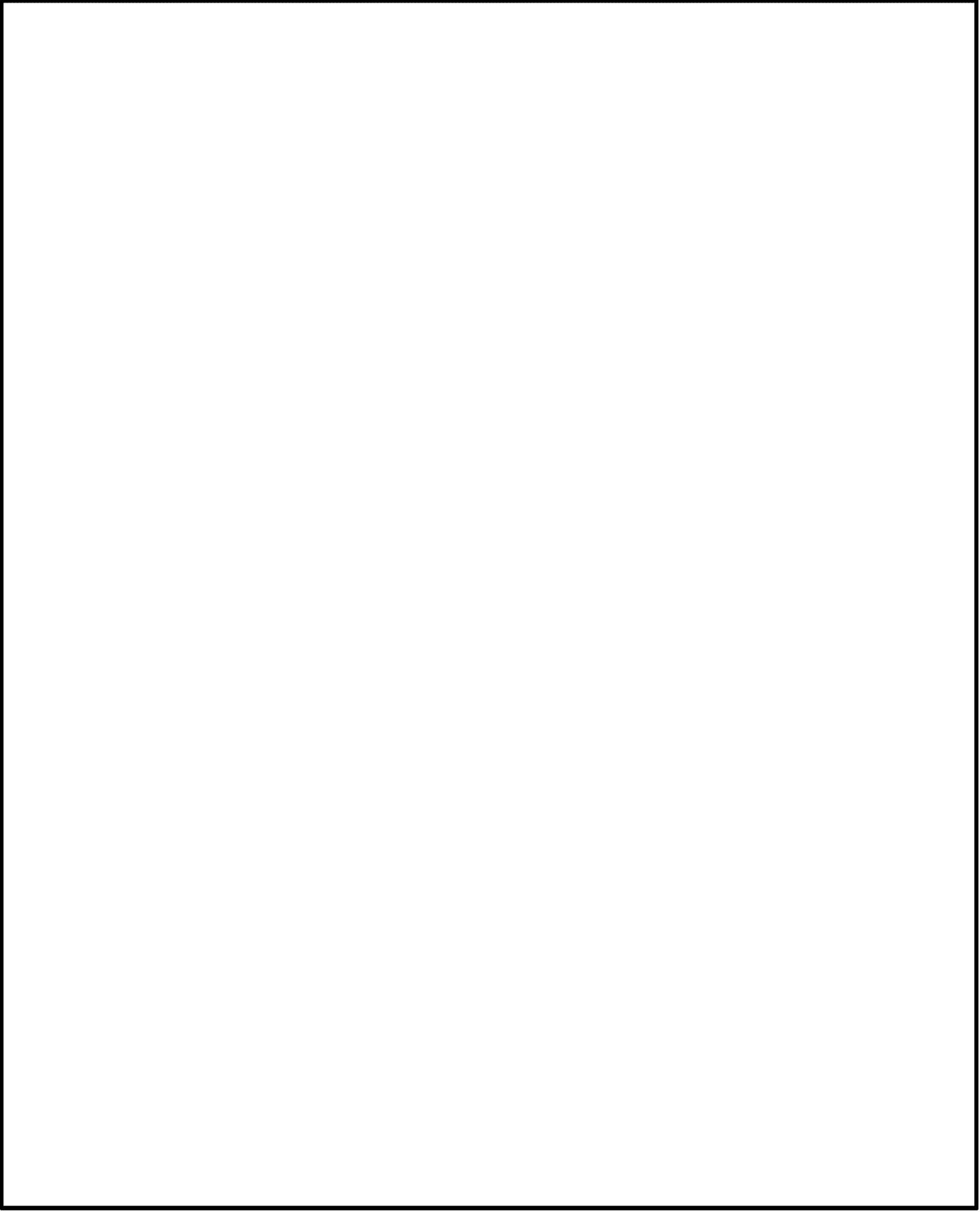




5.0 JOB CREATION



6.0 FINANCIAL PROJECTIONS



APPENDIX

APPENDIX A

2010 Top 100 Oil Producers

Company	Barrels of Oil	Company	Barrels of Oil
1 Enzone Operating LP	5,452,349	51 H&R Energy, LLC	29,487
2 Enerplus Resources USA Corporation	3,767,269	52 Broadmoor Oil & Gas Company	29,265
3 Continental Resources Inc	2,886,923	53 El Paso E&P Company, L.P.	26,460
4 XTO Energy Inc.	2,521,107	54 Shakespeare Oil Co Inc	25,258
5 Burlington Resources Oil & Gas Company LP	2,082,470	55 Mesco Operating, Inc.	25,253
6 EM Energy Company	830,992	56 Eagle Oil & Gas Co.	25,203
7 Pebo-Hunt, LLC	592,577	57 Craft Petroleum Company	24,194
8 St. Mary Land & Exploration Company	577,421	58 Tyler Oil Company	21,957
9 EOG Resources, Inc.	543,996	59 Camel Oil Company (Dba Coco	21,275
10 Enzone Energy Partners Operating LLC	494,934	60 Pindar Oil	20,824
11 TQA North USA, Inc.	452,097	61 Bluebonnet Energy Corporation	20,578
12 Etzheim Exploration Company Inc	447,842	62 McRae & Henry Ltd	19,820
13 Newfield Production Company	446,325	63 Wyoming Resources Corporation	19,175
14 Citation Oil & Gas Corp.	367,470	64 Provident Energy Assoc. Of MI Llc	19,128
15 Whiting Oil and Gas Corporation	234,665	65 Missouri Basin Well Service, Inc.	18,967
16 MCR, LLC	205,325	66 Eaststone Energy, Inc.	18,842
17 Oasis Petroleum North America LLC	200,812	67 Hanley & Desmond	18,733
18 Catalyst Resources, Inc.	146,342	68 Beacon, Inc.	18,673
19 True Oil LLC	123,106	69 NFR Bear Paw Basin, LLC	18,233
20 Summit Oil Company, Inc.	109,954	70 Northern Oil Production, Inc.	18,210
21 Luf Exploration Company	99,032	71 Crusader Energy Group Inc.	17,926
22 Zenegy Operating Company, LLC	97,892	72 Kipling Energy Incorporated	17,471
23 Heils Oil and Gas Company, LLC	90,406	73 Anadarko Minerals, Inc.	17,448
24 Abrams Petroleum Corporation	89,761	74 Beron Corporation	15,166
25 Nautica Poplar, LLC	89,092	75 Conduge, G. B., Inc.	15,145
26 Summit Resources, Inc.	87,769	76 Energy Corporation of America	14,663
27 Kordick Oil & Gas (USA) Inc.	81,914	77 Blackjack Oil, Inc.	14,632
28 Brigham Oil & Gas LP	80,990	78 Urrn Operating Inc.	14,452
29 Prima Exploration, Inc.	78,679	79 Behm Energy, Inc.	13,018
30 Samson Resources Company	70,990	80 R & A Oil, Inc.	12,905
31 G3 Operating, LLC	68,695	81 BTA Oil Producers, LLC	12,707
32 Keason Corporation	68,237	82 Enclave Operating, LLC	12,271
33 FX Drilling Company, Inc.	67,341	83 Basic Earth Science Systems, Inc.	11,997
34 Oudrex Canada, Ltd.	67,009	84 K2 America Corporation	11,813
35 Chaparral Energy, LLC	62,823	85 Reserve Energy Resources, LLC	11,664
36 Cine Production Company	61,669	86 Grand Resources, Ltd.	10,408
37 Tomshank Oil Company, Inc.	58,385	87 Comanche Drilling Company	9,976
38 Armstrong Operating, Inc.	52,330	88 T.W.O. (Taylor Well Operating)	9,364
39 Oudrex Petroleum, Inc.	45,630	89 Marum Energy Inc.	9,343
40 Mountain View Energy, Inc.	41,517	90 Tyler Rockies Exploration Ltd	9,306
41 Sinclair Oil & Gas Company	40,541	91 Hawkins, Robert S.	9,196
42 Bafin, Inc.	40,445	92 Sands Oil Company	9,102
43 EDOCO, LLC	39,243	93 Sannes, Ronald M. Or Margaret Ann	9,095
44 Cowry Enterprises, Ltd.	38,463	94 Hoffman, James D.	9,000
45 Soap Creek Associates, Inc.	37,953	95 Big Snowy Resources LP	8,862
46 Nadel and Guzman Rockies, LLC	36,571	96 King-Glenwood Oil	8,450
47 Willbros Industrial Supply Corporation	35,485	97 Missouri River Royalty Corporation	8,357
48 Genesis BT Operating LLC	34,929	98 Black Hawk Resources, LLC	7,682
49 Bayswater Exploration & Production, LLC	34,107	99 XOIL Inc.	7,282
50 Cardinal Oil, LLC	29,973	100 NorthWestern Corporation	7,224

APPENDIX B

2010 Top Oil And Gas Producing Fields

Oil Fields		Gas Fields	
Field	Barrels	Field	MCF
1 Elm Coulee	11,452,612	1 Center Creek	15,652,229
2 Pennell	1,576,305	2 Bowdoin	12,022,833
3 Lookout Butte, East, Unit	1,305,169	3 CK	8,717,200
4 Pine	1,050,486	4 Tiger Ridge	8,665,746
5 Lookout Butte	783,254	5 Seastock Mountain	1,913,874
6 Cabin Creek	781,043	6 Col Bank	1,697,577
7 Red Creek	418,369	7 Whitewater	1,582,809
8 Elk Bash	349,836	8 Loring	1,471,747
9 Flat Lake	340,319	9 Battle Creek	1,418,831
10 Col Bank	302,220	10 St. Joe Road	1,245,201
11 Kevin-Gumburst	291,480	11 Ashfield	1,222,330
12 Buffalo, North	254,198	12 Red Rock	1,214,190
13 Elm Coulee, Northeast	246,599	13 Sheridan, Area	1,161,919
14 Little Beaver	227,392	14 Budwecker	1,078,928
15 Waterhole Creek	189,156	15 Dietz	537,271
16 Mon Dak, West	175,775	16 Loring, East	517,886
17 Ponders	161,419	17 Whitlash	495,483
18 Brazos	158,616	18 Kevin-Gumburst	444,000
19 Monarch	150,312	19 Prairie Dell	439,054
20 Gas City	149,429	20 Dry Creek	411,011
21 Windy Ridge	140,649	21 Old Shelby	390,123
22 Bush Lake	131,571	22 Rocky Bay Area	320,203
23 Ohide	115,528	23 Keith, East	293,414
24 Little Beaver, East	114,241	24 Fresno	282,334
25 Stout Pass, North	109,576	25 Pine Gas	267,601
26 East, North	98,705	26 Black Coffee	259,730
27 Dwyer	98,490	27 Amanda	255,686
28 Lodge	93,332	28 Bowes	227,657
29 Buffalo	92,658	29 Toluca	223,598
30 Nohy	91,841	30 Big Coffee	220,778
31 Ridgefarm	91,799	31 Badlands	209,919
32 Stout Pass	91,634	32 Sheridan	208,695
33 Sumatra	89,162	33 Leroy	207,474
34 Katy Lake, North	88,259	34 Coal Creek	193,912
35 Rabbit Hits	88,050	35 Swanson Creek	171,768
36 Lease	84,255	36 Big Rock	165,227
37 Glendive	82,316	37 Whitewater, East	159,315
38 Vot	75,409	38 Kevin Southwest	147,398
39 Red Bank	67,400	39 Utopia	140,031
40 Breed Creek	66,741	40 Miners Coffee	130,282
41 Fairview	66,472	41 Brown's Coffee, East	116,950
42 Whitefish	65,994	42 Danmore	116,331
43 Poplar, East	64,654	43 Lake Francis	114,730
44 Steamfield, South	63,721	44 Cherry Patch, Southeast	112,794
45 Crane	61,421	45 O'Brien's Coffee	109,550
46 Poplar, Northwest	59,992	46 Arch Apex	104,090
47 Reagan	57,907	47 Lake Basin	99,935
48 Clear Lake	57,486	48 Willow Ridge, South	95,349
49 Palomina	56,906	49 Cherry Patch, Southwest	92,363
50 Arall, North	54,731	50 Dry Creek (Shallow Gas)	65,019

Exhibit 4-A

Permit for the exploratory drilling Dexter 7-1

FORM NO. 2 R 10/09

ARM 36.22.307, 601, 605,
1003, 1004, 1011, 1013,
1103, 1222, 1240, 1301,
1306, 1309, and 1417

Submit In Quadruplicate To:

MONTANA BOARD OF OIL AND GAS CONSERVATION
2535 ST. JOHNS AVENUE
BILLINGS, MONTANA 59102

RECEIVED

AUG 23 2011

SUNDRY NOTICES AND REPORT OF WELLS

MONTANA BOARD OF OIL & GAS CONS. BILLINGS

Operator Stealth Energy USA Inc.
Address 27 N 27th Street Suite 2100
City Billings State Mt Zip Code 59070
Telephone 406-259-5781 Fax 406-839-2318

Lease Name:
Dexter
Type (Private/State/Federal/Tribal/Allotted):
Private
Well Number:
7-1

Location of well (1/4-1/4 section and footage measurements):
2273 FSL, 2180 FWL
NESW Section T11N R 31E
7

Unit Agreement Name:
N/A
Field Name or Wildcat:
Wildcat
Township, Range, and Section:
T11N R 31E Sec 7

API Number:
25 | 065 | 21880
State County Well

Well Type (oil, gas, injection, other):
Oil

County:
Musselshell

Indicate below with an X the nature of this notice, report, or other data:

Notice of Intention to Change Plans	<input type="checkbox"/>	Subsequent Report of Mechanical Integrity Test	<input type="checkbox"/>
Notice of Intention to Run Mechanical Integrity Test	<input type="checkbox"/>	Subsequent Report of Stimulation or Treatment	<input checked="" type="checkbox"/>
Notice of Intention to Stimulate or to Chemically Treat	<input type="checkbox"/>	Subsequent Report of Perforation or Cementing	<input checked="" type="checkbox"/>
Notice of Intention to Perforate or to Cement	<input type="checkbox"/>	Subsequent Report of Well Abandonment	<input type="checkbox"/>
Notice of Intention to Abandon Well	<input type="checkbox"/>	Subsequent Report of Pulled or Altered Casing	<input type="checkbox"/>
Notice of Intention to Pull or Alter Casing	<input type="checkbox"/>	Subsequent Report of Drilling Waste Disposal	<input type="checkbox"/>
Notice of Intention to Change Well Status	<input type="checkbox"/>	Subsequent Report of Production Waste Disposal	<input type="checkbox"/>
Supplemental Well History	<input type="checkbox"/>	Subsequent Report of Change in Well Status	<input checked="" type="checkbox"/>
Other (specify) _____	<input type="checkbox"/>	Subsequent Report of Gas Analysis (ARM 36.22.1222)	<input type="checkbox"/>

Describe Proposed or Completed Operations:

Describe planned or completed work in detail. Attach maps, well-bore configuration diagrams, analyses, or other information as necessary. Indicate the intended starting date for proposed operations or the completion date for completed operations.
A bridge plug was set at 4250 and the Tyler Zone was perfed at 4102 - 4110, 4130-4138, 4150- 4155 4 spf
A light acid wash at 10% HCL for 2000 gal was then used to cleanup around perfs
A 40,000lb frac was applied to the Tyler formation with 20-40 sand. Well sanded out at 15,000 lb.
Well was put on test production on 12 of August, and is currently under going production testing.

BOARD USE ONLY	
Approved	AUG 23 2011
	Date
Original Signed By	
Steven P. Sasaki, Chief Field Inspector	
Name	Title

The undersigned hereby certifies that the information contained on this application is true and correct:

8/22/2011
Date

[Signature]
Signed (Agent)

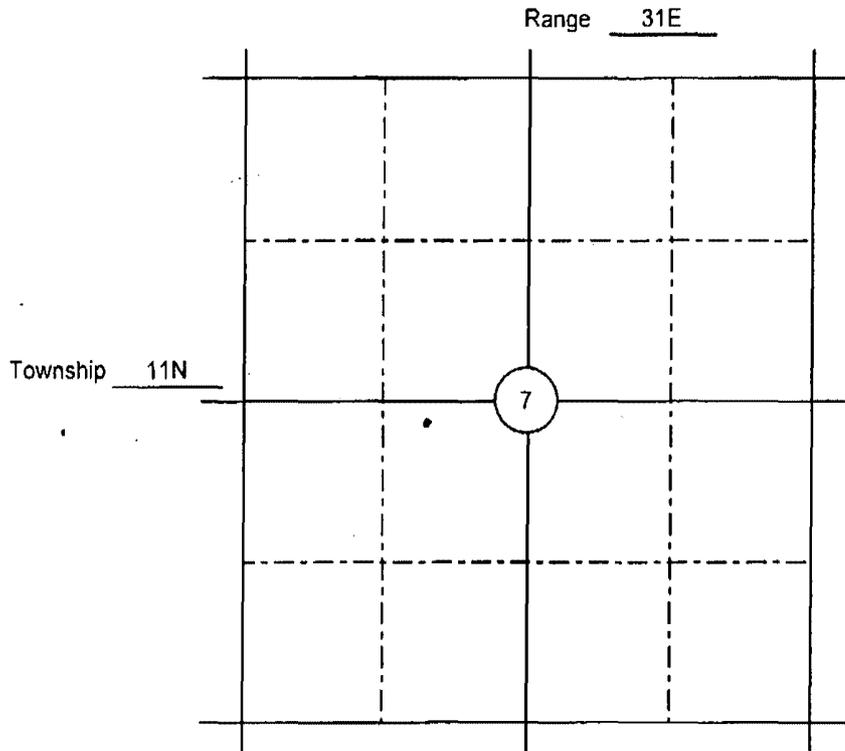
R. Zimmerman Operations Supervisor Stealth Energy USA Inc
Print Name and Title

Telephone: 406-259-5781

SUPPLEMENTAL INFORMATION

NOTE: Additional information or attachments may be required by Rule or by special request.

Plot the location of the well or site that is the subject of this notice or report.



BOARD USE ONLY

CONDITIONS OF APPROVAL

The operator must comply with the following condition(s) of approval:

Failure to comply with the conditions of approval may void this permit.

Submit In Quadruplicate To:

**MONTANA BOARD OF OIL AND GAS CONSERVATION
2535 ST. JOHNS AVENUE
BILLINGS, MONTANA 59102**

SUNDRY NOTICES AND REPORT OF WELLS

Operator Stealth Energy USA Inc.		Lease Name: Dexter	
Address 27 N 27th Street Suite 2100		Type (Private/State/Federal/Tribal/Allotted): Private	
City Billings	State Mt	Zip Code 59070	Well Number: 7-1
Telephone 406-259-5781	Fax 406-839-2318		Unit Agreement Name: N/A
Location of well (1/4-1/4 section and footage measurements): 2273 FSL, 2180 FWL NESW Section T11N R 31E		Field Name or Wildcat: Wildcat	
API Number: 25 065 21880 State County Well		Well Type (oil, gas, injection, other): Oil	
		Township, Range, and Section: T11N R 31E Sec 7	
		County: Musselshell	

Indicate below with an X the nature of this notice, report, or other data:

Notice of Intention to Change Plans	<input type="checkbox"/>	Subsequent Report of Mechanical Integrity Test	<input type="checkbox"/>
Notice of Intention to Run Mechanical Integrity Test	<input type="checkbox"/>	Subsequent Report of Stimulation or Treatment	<input checked="" type="checkbox"/>
Notice of Intention to Stimulate or to Chemically Treat	<input type="checkbox"/>	Subsequent Report of Perforation or Cementing	<input checked="" type="checkbox"/>
Notice of Intention to Perforate or to Cement	<input type="checkbox"/>	Subsequent Report of Well Abandonment	<input type="checkbox"/>
Notice of Intention to Abandon Well	<input type="checkbox"/>	Subsequent Report of Pulled or Altered Casing	<input type="checkbox"/>
Notice of Intention to Pull or Alter Casing	<input type="checkbox"/>	Subsequent Report of Drilling Waste Disposal	<input type="checkbox"/>
Notice of Intention to Change Well Status	<input type="checkbox"/>	Subsequent Report of Production Waste Disposal	<input type="checkbox"/>
Supplemental Well History	<input type="checkbox"/>	Subsequent Report of Change in Well Status	<input checked="" type="checkbox"/>
Other (specify) _____	<input type="checkbox"/>	Subsequent Report of Gas Analysis (ARM 36.22.1222)	<input type="checkbox"/>

Describe Proposed or Completed Operations:

Describe planned or completed work in detail. Attach maps, well-bore configuration diagrams, analyses, or other information as necessary. Indicate the intended starting date for proposed operations or the completion date for completed operations.

A bridge plug was set at 4250 and the Tyler Zone was perfered at 4102 - 4110, 4130-4138, 4150- 4155
A light acid wash at 10% HCL for 2000 gal was then used to cleanup around perfs
A 40,000lb frac was applied to the Tyler formation with 20-40 sand. Well sanded out at 15,000 lb.
Well was put on test production on 12 of August, and is currently under going production testing.

BOARD USE ONLY	
Approved _____	Date _____
Name _____	Title _____

The undersigned hereby certifies that the information contained on this application is true and correct:

8/22/2011 _____
Date Signed (Agent)

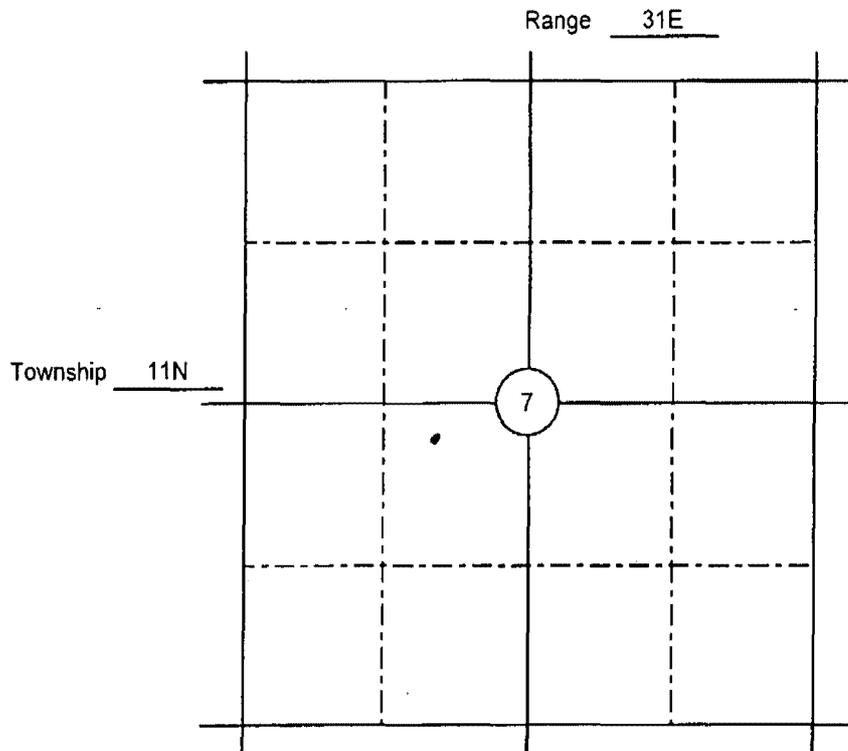
R. Zimmerman Operations Supervisor Stealth Energy USA Inc
Print Name and Title

Telephone: 406-259-5781

SUPPLEMENTAL INFORMATION

NOTE: Additional information or attachments may be required by Rule or by special request.

Plot the location of the well or site that is the subject of this notice or report.



BOARD USE ONLY

CONDITIONS OF APPROVAL

The operator must comply with the following condition(s) of approval:

Failure to comply with the conditions of approval may void this permit.

Submit In Quadruplicate To:

**MONTANA BOARD OF OIL AND GAS CONSERVATION
2535 ST. JOHNS AVENUE
BILLINGS, MONTANA 59102**

SUNDRY NOTICES AND REPORT OF WELLS

Operator Stealth Energy USA Inc.		Lease Name: Dexter	
Address 27 N 27th Street Suite 2100		Type (Private/State/Federal/Tribal/Allotted): Private	
City Billings	State Mt	Zip Code 59101	Well Number: .7-1
Telephone 406-259-5781	Fax		Unit Agreement Name: N/A
Location of well (1/4-1/4 section and footage measurements): 2273 FSL, 2180 FWL NESW Section 7 T11N R31E		Field Name or Wildcat: Wildcat	
API Number: 25 065 21880 State County Well		Well Type (oil, gas, injection, other): Oil	
		Township, Range, and Section: T 11N R 31 E Sec 7	
		County: Musselshell	

Indicate below with an X the nature of this notice, report, or other data:

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Notice of Intention to Abandon Well	<input type="checkbox"/>	Subsequent Report of Pulled or Altered Casing	<input type="checkbox"/>
Notice of Intention to Pull or Alter Casing	<input type="checkbox"/>	Subsequent Report of Drilling Waste Disposal	<input type="checkbox"/>
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Describe Proposed or Completed Operations:

Describe planned or completed work in detail. Attach maps, well-bore configuration diagrams, analyses, or other information as necessary. Indicate the intended starting date for proposed operations or the completion date for completed operations.

Radial drilling on the Dexter 7-1 was completed successfully at two intervals. Four laterals were completed at a depth of 4388 with each lateral extending 337'. The laterals were set at a 90 degree phasing in each other. Four more laterals were drilled at a depth of 4354 with each of these laterals extending 337'. These laterals were also at a 90 degree phasing. Dexter 7-1 has been shut in until more analysis is completed.

BOARD USE ONLY	
Approved _____	Date _____
Name _____	Title _____

The undersigned hereby certifies that the information contained on this application is true and correct:

6/9/2011	
Date	Signed (Agent)
R. Zimmerman Operations Supervisor	
Print Name and Title	
Telephone: _____	406-259-5781

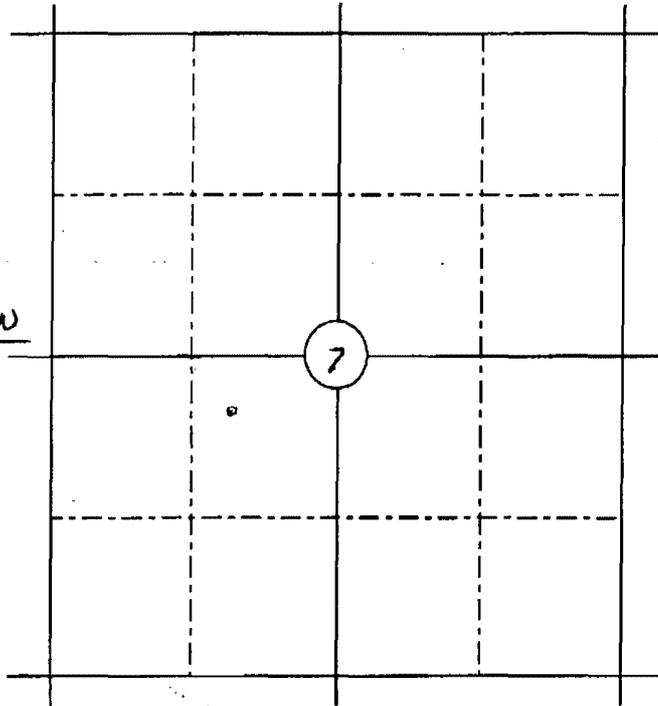
SUPPLEMENTAL INFORMATION

NOTE: Additional information or attachments may be required by Rule or by special request.

Plot the location of the well or site that is the subject of this notice or report.

Range 31E

Township 11N



BOARD USE ONLY

CONDITIONS OF APPROVAL

The operator must comply with the following condition(s) of approval:

Failure to comply with the conditions of approval may void this permit.

FORM NO 2 R 10/09

ARM 36.22.1222, 1240, 1301, 1306, 1309, 3011417

RECEIVED
 JUN 10 2011
 MONTANA BOARD OF OIL
 & GAS COM. BILLINGS

Submit In Quadruplicate To:

MONTANA BOARD OF OIL AND GAS CONSERVATION
 2535 ST. JOHNS AVENUE
 BILLINGS, MONTANA 59102

SUNDRY NOTICES AND REPORT OF WELLS

Operator Stealth Energy USA Inc, Address 27 N 27th Street Suite 2100 City Billings State Mt Zip Code 59101 Telephone 406-259-5781 Fax		Lease Name: Dexter Type (Private/State/Federal/Tribal/Allotted): Private Well Number: 7-1
Location of well (1/4-1/4 section and footage measurements): 2273 FSL, 2180 FWL NESW Sec 7 T11N R 31 E		Unit Agreement Name: N/A Field Name or Wildcat: Wildcat Township, Range, and Section: T11N R31E Sec 7
API Number: 25 065 21880 State County Well	Well Type (oil, gas, injection, other): oil	County: Musselshell

Indicate below with an X the nature of this notice, report, or other data:

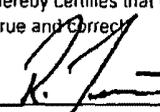
Notice of Intention to Change Plans	<input type="checkbox"/>	Subsequent Report of Mechanical Integrity Test	<input type="checkbox"/>
Notice of Intention to Run Mechanical Integrity Test	<input type="checkbox"/>	Subsequent Report of Stimulation or Treatment	<input type="checkbox"/>
Notice of Intention to Stimulate or to Chemically Treat	<input checked="" type="checkbox"/>	Subsequent Report of Perforation or Cementing	<input type="checkbox"/>
Notice of Intention to Perforate or to Cement	<input checked="" type="checkbox"/>	Subsequent Report of Well Abandonment	<input type="checkbox"/>
Notice of Intention to Abandon Well	<input type="checkbox"/>	Subsequent Report of Pulled or Altered Casing	<input type="checkbox"/>
Notice of Intention to Pull or Alter Casing	<input type="checkbox"/>	Subsequent Report of Drilling Waste Disposal	<input type="checkbox"/>
Notice of Intention to Change Well Status	<input type="checkbox"/>	Subsequent Report of Production Waste Disposal	<input type="checkbox"/>
Supplemental Well History	<input type="checkbox"/>	Subsequent Report of Change in Well Status	<input type="checkbox"/>
Other (specify) _____	<input type="checkbox"/>	Subsequent Report of Gas Analysis (ARM 36.22.1222)	<input type="checkbox"/>

Describe Proposed or Completed Operations:
 Describe planned or completed work in detail. Attach maps, well-bore configuration diagrams, analyses, or other information as necessary. Indicate the intended starting date for proposed operations or the completion date for completed operations.

Set bridge plug at 4250 and perf the upper Tyler
 Perfs will be at Perfs 4102-4110, 4130-4138, 4150-4155, 4163-4168
 Acid wash and swab, analysis on upper Tyler formation

BOARD USE ONLY	
Approved	<u>JUN 17 2011</u> Date
Original Signed By Steven P. Sasaki, Chief Field Inspector	
Name	Title

The undersigned hereby certifies that the information contained on this application is true and correct.

6/10/2011 
 Date Signed (Agent)
 R. Zimmermann Operations Supervisor
 Print Name and Title
 Telephone: 406-259-5781

FORM NO. 2 R 10/09

ARM 36.22.307, 601, 605,
1003, 1004, 1011, 1013,
1103, 1222, 1240, 1301,
1302, 1303, 1304, 1305,

Submit In Quadruplicate To:

MONTANA BOARD OF OIL AND GAS CONSERVATION
2535 ST. JOHNS AVENUE
BILLINGS, MONTANA 59102

RECEIVED

JUN 24 2011

SUNDRY NOTICES AND REPORT OF WELLS **MONTANA BOARD OF OIL & GAS CONS. BILLINGS**

Operator Stealth Energy USA, INC.		Lease Name: Dexter
Address 27 N 27th Street Suite 2100		Type (Private/State/Federal/Tribal/Allotted): Private
City Billings	State MT	Zip Code 59101
Telephone 406-259-5781	Fax	Well Number: 7-1
Location of well (1/4-1/4 section and footage measurements): 2273 FSL, 2180 FWL NESW Sec 7 T11N R31E		Unit Agreement Name: N/A
API Number: 25 065 21880 State County Well		Field Name or Wildcat: Wildcat
Well Type (oil, gas, injection, other): Oil		Township, Range, and Section: T11N R31E Sec 7
		County: Musselshell

Indicate below with an X the nature of this notice, report, or other data:

Notice of Intention to Change Plans	<input type="checkbox"/>	Subsequent Report of Mechanical Integrity Test	<input type="checkbox"/>
Notice of Intention to Run Mechanical Integrity Test	<input type="checkbox"/>	Subsequent Report of Stimulation or Treatment	<input type="checkbox"/>
Notice of Intention to Stimulate or to Chemically Treat	<input checked="" type="checkbox"/>	Subsequent Report of Perforation or Cementing	<input type="checkbox"/>
Notice of Intention to Perforate or to Cement	<input type="checkbox"/>	Subsequent Report of Well Abandonment	<input type="checkbox"/>
Notice of Intention to Abandon Well	<input type="checkbox"/>	Subsequent Report of Pulled or Altered Casing	<input type="checkbox"/>
Notice of Intention to Pull or Alter Casing	<input type="checkbox"/>	Subsequent Report of Drilling Waste Disposal	<input type="checkbox"/>
Notice of Intention to Change Well Status	<input type="checkbox"/>	Subsequent Report of Production Waste Disposal	<input type="checkbox"/>
Supplemental Well History	<input type="checkbox"/>	Subsequent Report of Change in Well Status	<input type="checkbox"/>
Other (specify) _____	<input type="checkbox"/>	Subsequent Report of Gas Analysis (ARM 36.22.1222)	<input type="checkbox"/>

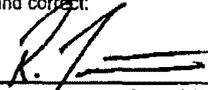
Describe Proposed or Completed Operations:

Describe planned or completed work in detail. Attach maps, well-bore configuration diagrams, analyses, or other information as necessary. Indicate the intended starting date for proposed operations or the completion date for completed operations.

Stealth Energy USA Inc. plans to Frac the Tyler Zone in the Dexter 7-1 well.
Swab and analysis will be completed after the frac to determine if well will produce.

BOARD USE ONLY	
Approved	JUN 24 2011
	Date
Original Signed By _____	
Steven P. Sasaki, Chief Field Inspector	
Name	Title

The undersigned hereby certifies that the information contained on this application is true and correct:

6/23/2011	
Date	Signed (Agent)
	R. Zimmerman
	Print Name and Title
Telephone:	406-259-5781

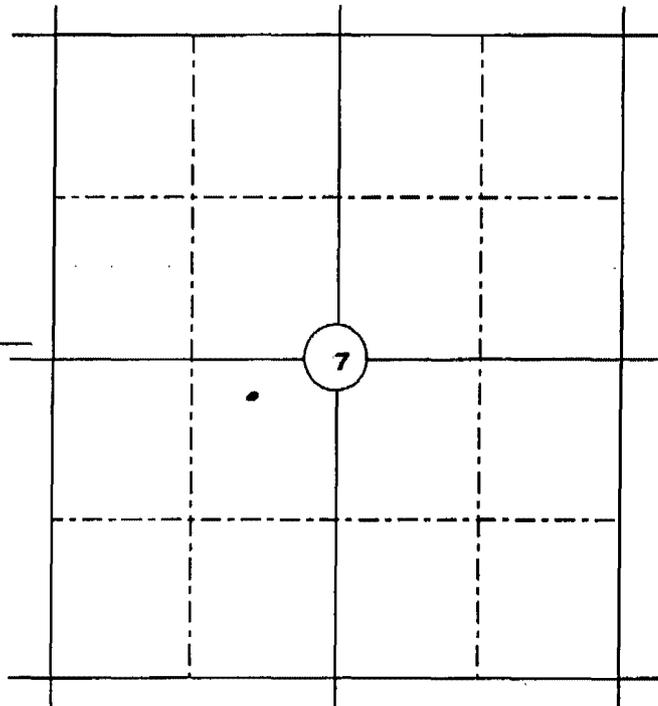
SUPPLEMENTAL INFORMATION

NOTE: Additional information or attachments may be required by Rule or by special request.

Plot the location of the well or site that is the subject of this notice or report.

Range 31E

Township 11N



BOARD USE ONLY

CONDITIONS OF APPROVAL

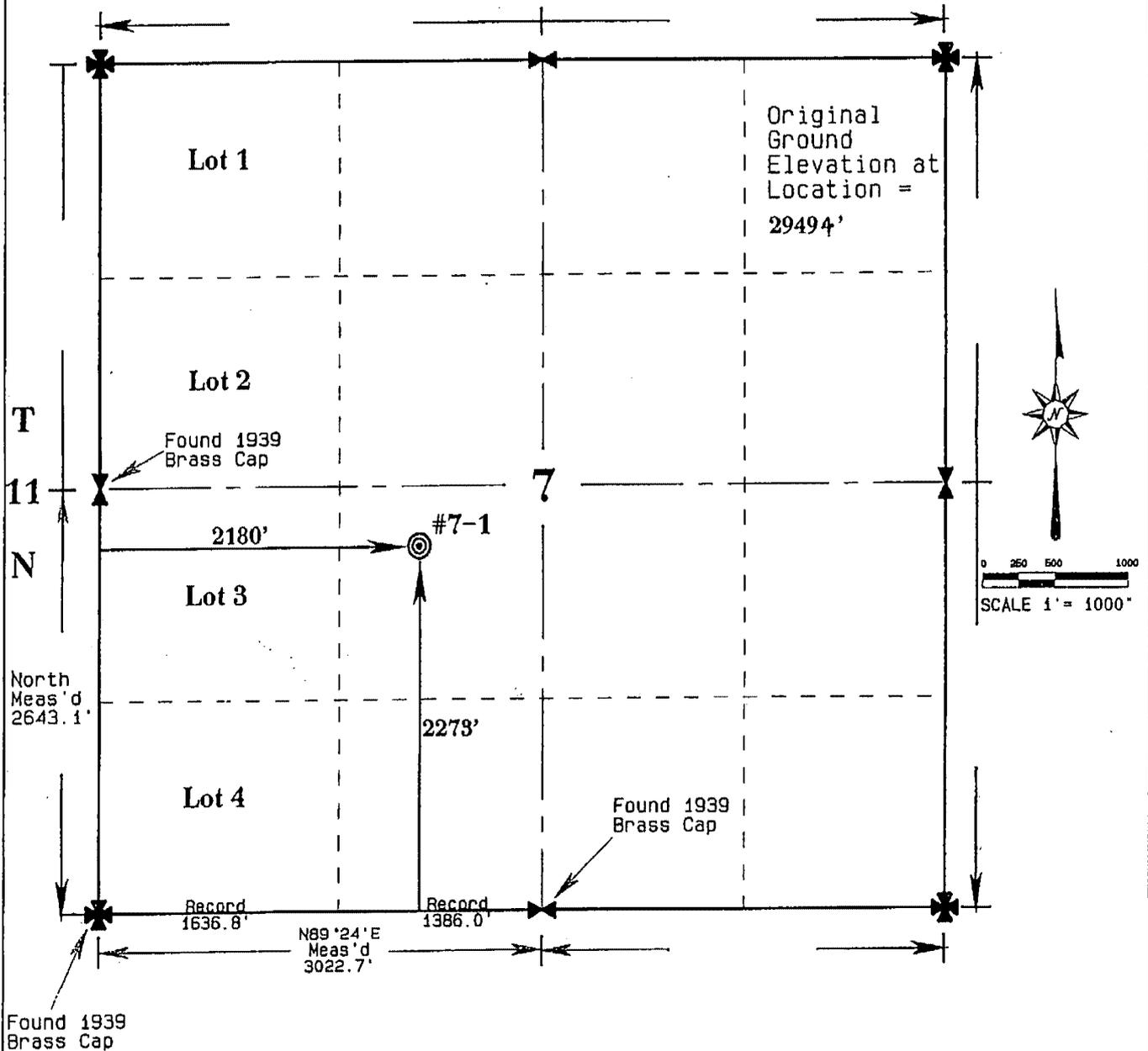
The operator must comply with the following condition(s) of approval:

Failure to comply with the conditions of approval may void this permit.

R 31 E

LOCATION: WGS 84

Lat = 46°43'57.9" N
Long = 107°52'17.1" W



JOE KEHL and ASSOCIATES, Inc. of BILLINGS, MONTANA has, in accordance with a request from **Brian Hohn** for **Stealth Energy, USA Inc.** determined the location of **Dexter #7-1**

to be **2273' FSL & 2180' FWL** Section **7** Township **11 North**
 Range **31 East of the Montana** Principle Meridian
 County of **Musselshell**, State of **Montana**

I hereby certify that this survey was made under my direct supervision, and on the basis of my knowledge and belief, this plat represents said field survey.

Michael C. Lang
 MICHAEL C. LANG
 LICENSED LAND SURVEYOR NO. 8797 LS
 STATE OF MONTANA

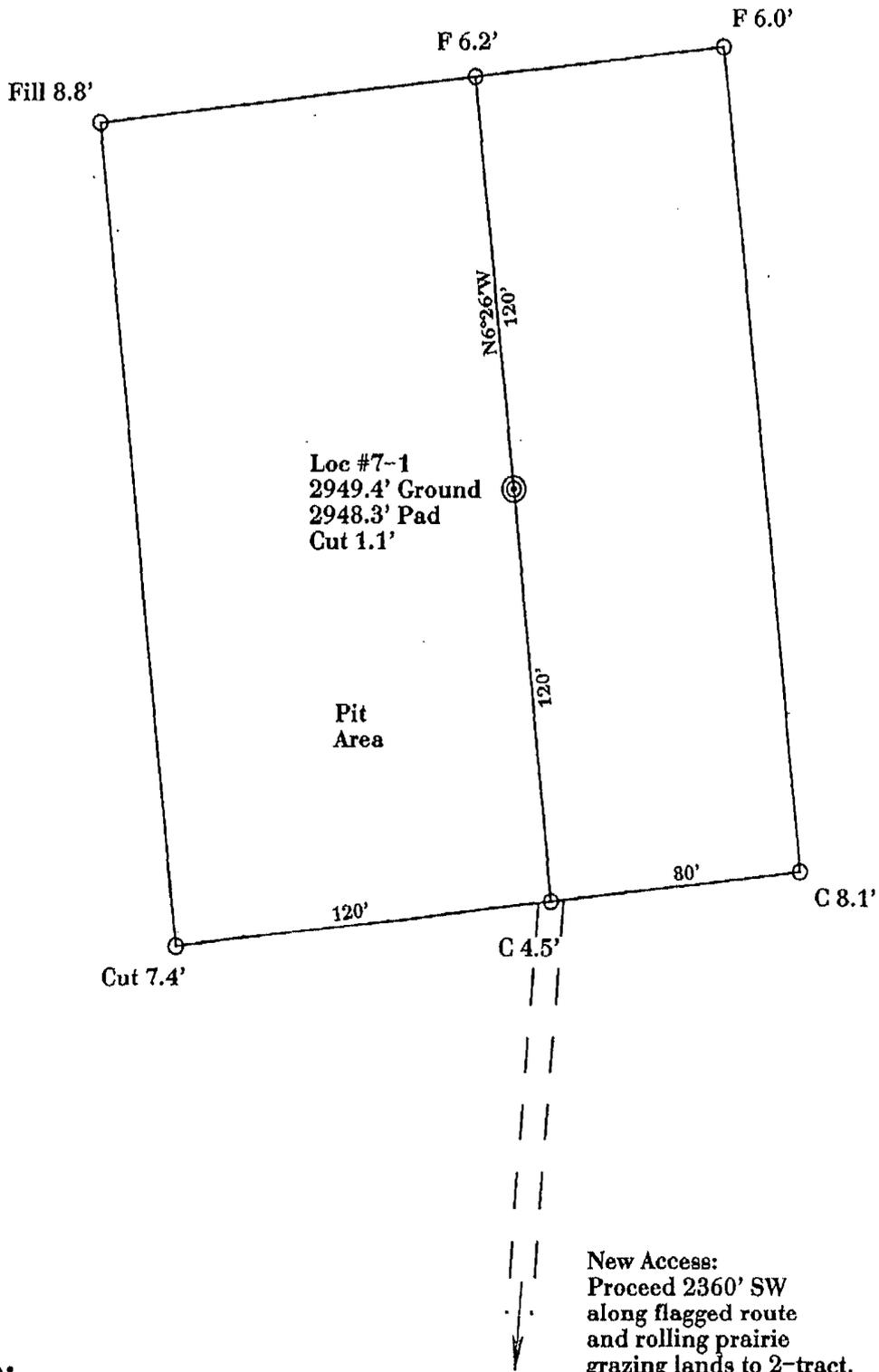
8-19-2010
 DATE

PAD LAYOUT

#7-1 Dexter



Scale:
1" = 40'



Note:

Pad area falls on rolling prairie grazing lands.

Dirt contractor to determine final cuts and fills.

(b)(4)

(b)(4)

FORM NO. 2 R 10/09

ARM 36.22.307, 601, 605,
1003, 1004, 1011, 1013,
1103, 1222, 1240, 1301,
1306, 1309, and 1417

Submit In Quadruplicate To:

MONTANA BOARD OF OIL AND GAS CONSERVATION
2535 ST. JOHNS AVENUE
BILLINGS, MONTANA 59102

RECEIVED

SUNDRY NOTICES AND REPORT OF WELLS

Operator Stealth Energy USA Inc.		Lease Name: Dexter
Address 27 N 27th Suite 2100		Type (Private/State/Federal/Leased/Other): Private
City Billings	State MT	Zip Code 59101
Telephone 406-259-5781	Fax 406-839-2318	
Location of well (1/4-1/4 section and footage measurements): 2273 FSL, 2180 FWL NESW Section 7 T11N R31E		Well Number: 7-1
		Unit Agreement Name: N/A
		Field Name or Wildcat: Wildcat
		Township, Range, and Section: T 11N R 31E Sec 7
API Number: 25 065 21880 State County Well	Well Type (oil, gas, injection, other): Oil	County: Musselshell

AUG 16 2011

MONTANA BOARD OF OIL & GAS CONSERVATION BILLINGS

Indicate below with an X the nature of this notice, report, or other data:

Notice of Intention to Change Plans	<input type="checkbox"/>	Subsequent Report of Mechanical Integrity Test	<input type="checkbox"/>
Notice of Intention to Run Mechanical Integrity Test	<input type="checkbox"/>	Subsequent Report of Stimulation or Treatment	<input type="checkbox"/>
Notice of Intention to Stimulate or to Chemically Treat	<input type="checkbox"/>	Subsequent Report of Perforation or Cementing	<input type="checkbox"/>
Notice of Intention to Perforate or to Cement	<input type="checkbox"/>	Subsequent Report of Well Abandonment	<input type="checkbox"/>
Notice of Intention to Abandon Well	<input type="checkbox"/>	Subsequent Report of Pulled or Altered Casing	<input type="checkbox"/>
Notice of Intention to Pull or Alter Casing	<input type="checkbox"/>	Subsequent Report of Drilling Waste Disposal	<input type="checkbox"/>
Notice of Intention to Change Well Status	<input checked="" type="checkbox"/>	Subsequent Report of Production Waste Disposal	<input type="checkbox"/>
Supplemental Well History	<input type="checkbox"/>	Subsequent Report of Change in Well Status	<input checked="" type="checkbox"/>
Other (specify) _____	<input type="checkbox"/>	Subsequent Report of Gas Analysis (ARM 36.22.1222)	<input type="checkbox"/>

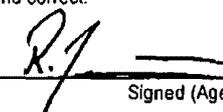
Describe Proposed or Completed Operations:

Describe planned or completed work in detail. Attach maps, well-bore configuration diagrams, analyses, or other information as necessary. Indicate the intended starting date for proposed operations or the completion date for completed operations.

Dexter 7-1 went on pump on 8-12-2011.
This well will be pumped and observed for thirty days to determine commercial viability.

BOARD USE ONLY	
Approved	AUG 17 2011
	Date
Original Signed By	
Steven P. Sasaki, Chief Field Inspector	
Name	Title

The undersigned hereby certifies that the information contained on this application is true and correct:

8/15/2011 

Date Signed (Agent)

R. Zimmerman - Operations Supervisor- Stealth Energy USA

Print Name and Title

Telephone: 406-259-5781

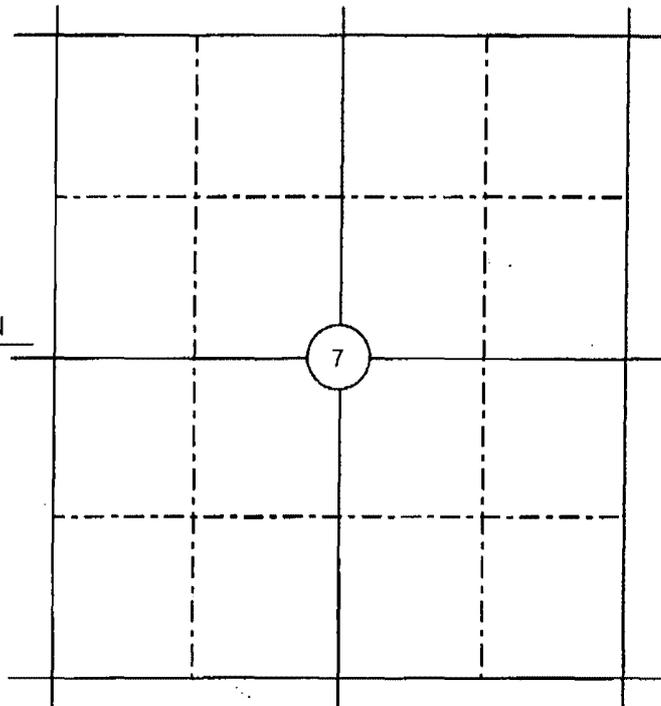
SUPPLEMENTAL INFORMATION

NOTE: Additional information or attachments may be required by Rule or by special request.

Plot the location of the well or site that is the subject of this notice or report.

Range 31E

Township T11N



RECEIVED
AUG 16 2011
MONTANA BOARD OF OIL
& GAS CONS. BILLINGS

BOARD USE ONLY

CONDITIONS OF APPROVAL

The operator must comply with the following condition(s) of approval:

Failure to comply with the conditions of approval may void this permit.

Exhibit 4-B

Permit of the exploratory drilling Sam 14-1

FORM NO. 2 R 10/09

ARM 36.22.307, 601, 605,
1003, 1004, 1011, 1012,
1013, 1014, 1015, 1016,
1017, 1018, 1019, 1020,
1021, 1022, 1023, 1024,
1025, 1026, 1027, 1028,
1029, 1030, 1031, 1032,
1033, 1034, 1035, 1036,
1037, 1038, 1039, and 1417

RECEIVED

SEP - 2 2011

**MONTANA BOARD OF OIL
& GAS CONS. BILLINGS**

Submit In Quadruplicate To:

**MONTANA BOARD OF OIL AND GAS CONSERVATION
2535 ST. JOHNS AVENUE
BILLINGS, MONTANA 59102**

SUNDRY NOTICES AND REPORT OF WELLS

Operator Stealth Energy USA Inc. Address 27 N 27th Street Suite 2100 City Billings State MT Zip Code 59101 Telephone 406-259-5781 Fax 406-839-2318		Lease Name: <Sam
Location of well (1/4-1/4 section and footage measurements): 2048' FNL & 1974' FEL SW 1/4, NW1/4 Section 14 T11N R30E		Type (Private/State/Federal/Tribal/Allotted): Private
API Number: 25 065 21882 State County Well		Well Number: <14E1
Well Type (oil, gas, injection, other): Oil		Unit Agreement Name: N/A
		Field Name or Wildcat: Wildcat
		Township, Range, and Section: T 11N R 30E Sec 14
		County: <Musselshell

Indicate below with an X the nature of this notice, report, or other data:

Notice of Intention to Change Plans	<input checked="" type="checkbox"/>	Subsequent Report of Mechanical Integrity Test	<input type="checkbox"/>
Notice of Intention to Run Mechanical Integrity Test	<input type="checkbox"/>	Subsequent Report of Stimulation or Treatment	<input type="checkbox"/>
Notice of Intention to Stimulate or to Chemically Treat	<input type="checkbox"/>	Subsequent Report of Perforation or Cementing	<input type="checkbox"/>
Notice of Intention to Perforate or to Cement	<input type="checkbox"/>	Subsequent Report of Well Abandonment	<input type="checkbox"/>
Notice of Intention to Abandon Well	<input type="checkbox"/>	Subsequent Report of Pulled or Altered Casing	<input type="checkbox"/>
Notice of Intention to Pull or Alter Casing	<input type="checkbox"/>	Subsequent Report of Drilling Waste Disposal	<input type="checkbox"/>
Notice of Intention to Change Well Status	<input type="checkbox"/>	Subsequent Report of Production Waste Disposal	<input type="checkbox"/>
Supplemental Well History	<input type="checkbox"/>	Subsequent Report of Change in Well Status	<input type="checkbox"/>
Other (specify) _____	<input type="checkbox"/>	Subsequent Report of Gas Analysis (ARM 36.22.1222)	<input type="checkbox"/>

Describe Proposed or Completed Operations:

Describe planned or completed work in detail. Attach maps, well-bore configuration diagrams, analyses, or other information as necessary. Indicate the intended starting date for proposed operations or the completion date for completed operations.

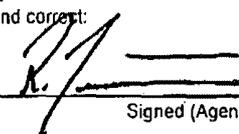
Please note: change to original well permit.

The rig has been changed from Capstar #311 to Faith # 5

Attached are the changes in Rig layouts for Faith #5 and BOP diagrams for Faith #5

BOARD USE ONLY	
Approved	SEP 06 2011
Date	
Original Signed By	
Steven P. Sasaki, Chief Field Inspector	
Name	Title

The undersigned hereby certifies that the information contained on this application is true and correct:

August 31 2011 
Date Signed (Agent)

R. Zimmerman Operations Supervisor Stealth Energy USA Inc
Print Name and Title

Telephone: 406-259-5781

SUPPLEMENTAL INFORMATION

RECEIVED

NOTE: Additional information or attachments may be required by Rule or by special request.

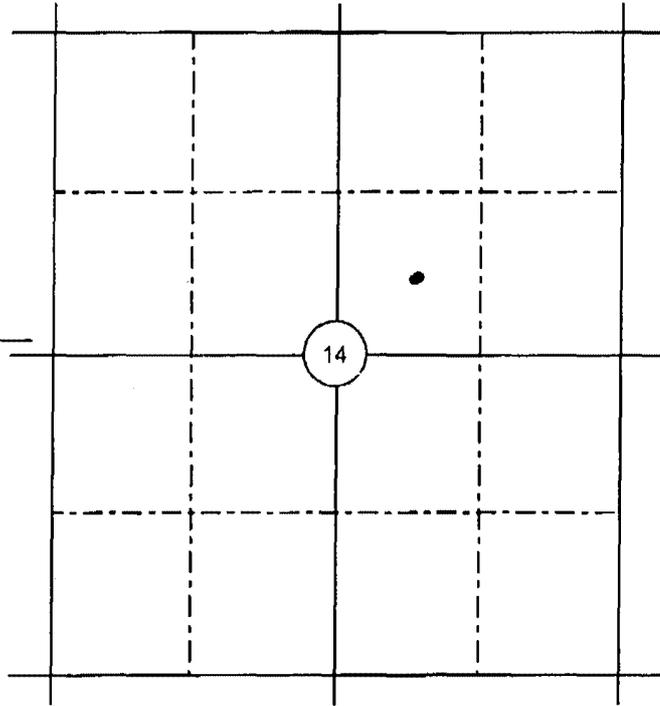
SEP - 2 2011

Plot the location of the well or site that is the subject of this notice or report.

**MONTANA BOARD OF OIL
& GAS CONS. BILLINGS**

Range 30E

Township 11N



BOARD USE ONLY

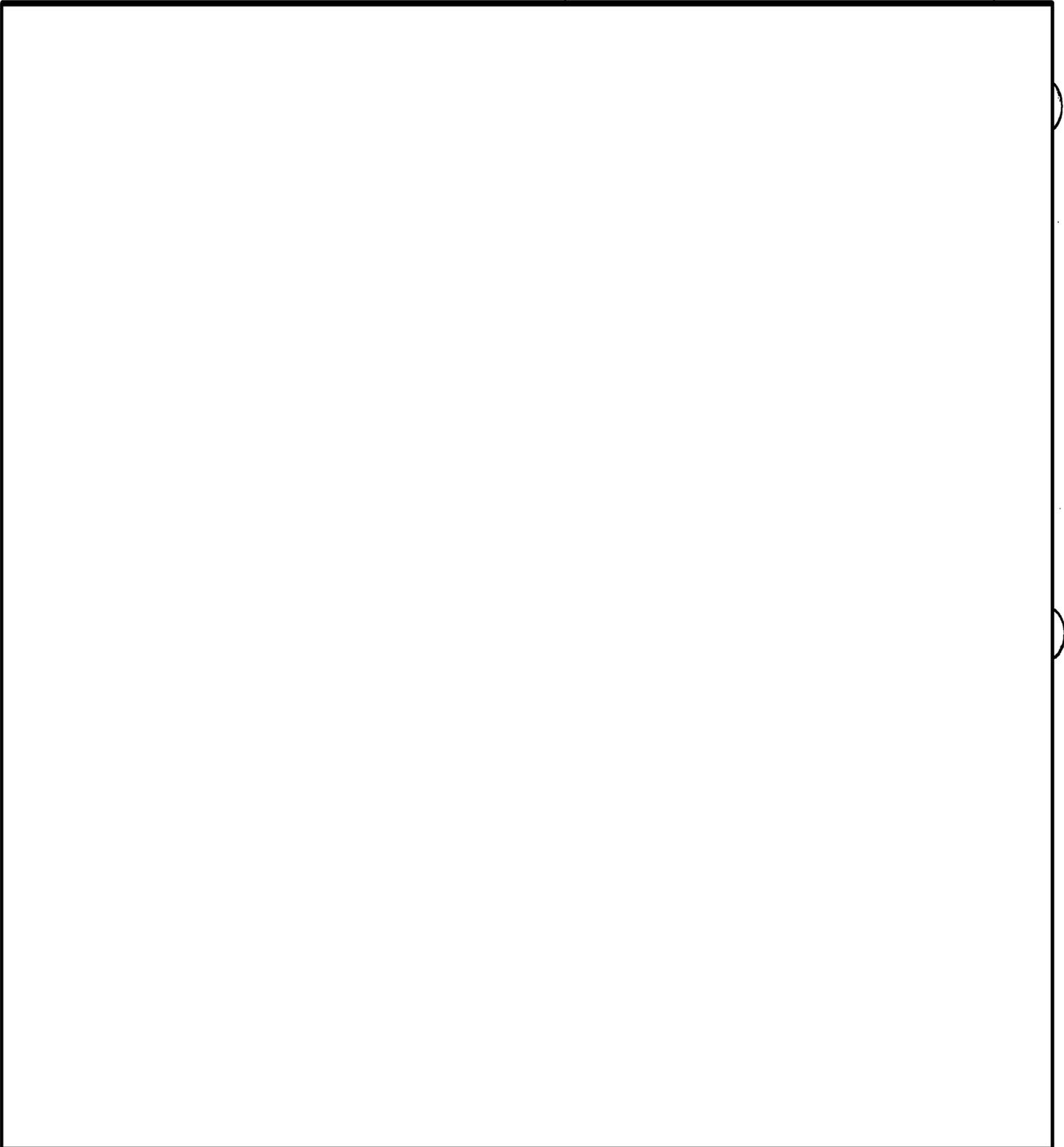
CONDITIONS OF APPROVAL

The operator must comply with the following condition(s) of approval:

Failure to comply with the conditions of approval may void this permit.

(b)(4)

Faith Drilling Inc.
Rig #5 Layout



(b)(4)

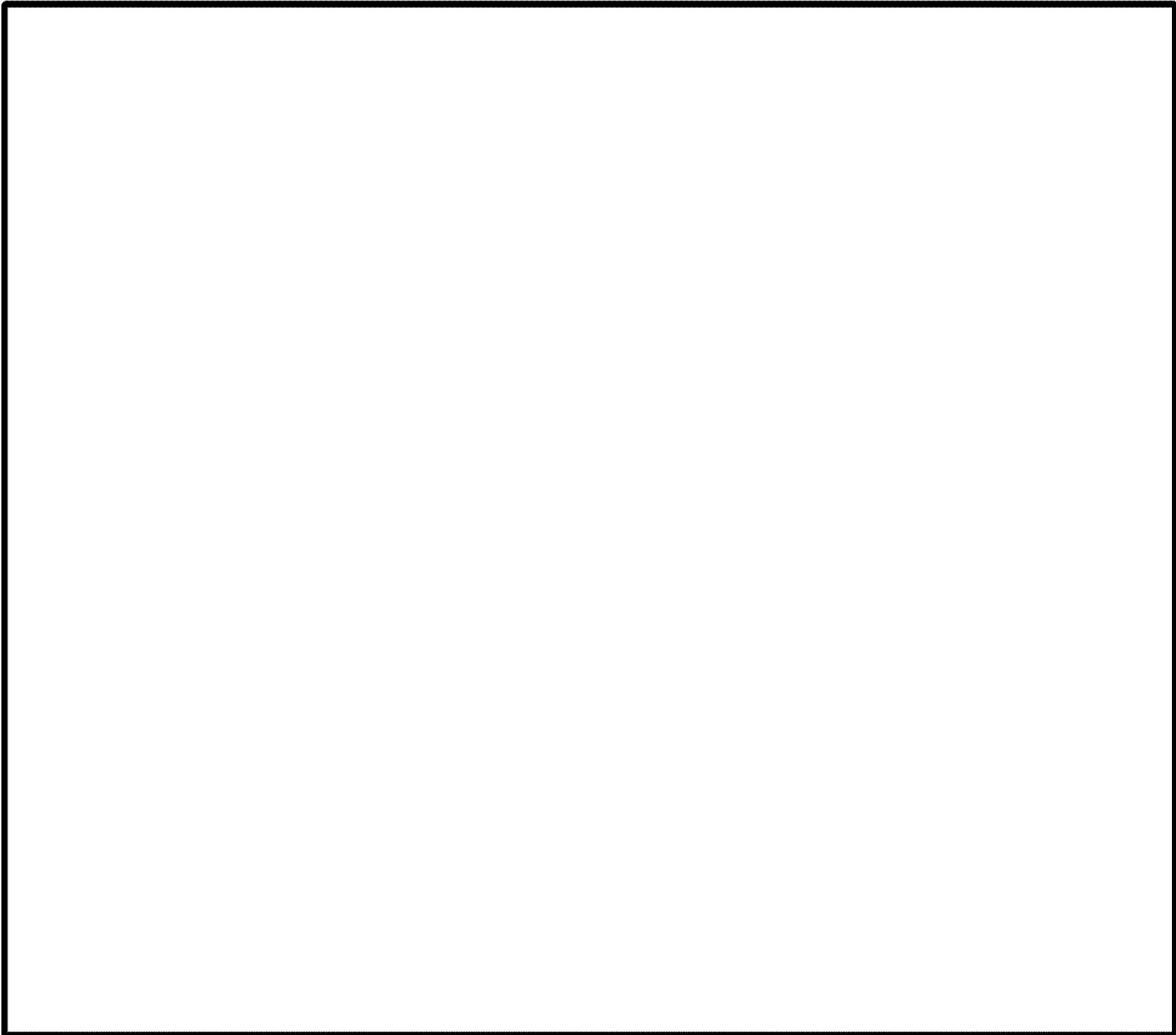
(b)(4)

(b)(4)

(b)(4)



Water Well Locations



LOCATION: WGS 84

Lat = 46°43'15.0"N
Long = 107°54'38.5"W

R 30 E

Found 1908
GLO Stone

N89°51'11"W
Meas'd
2647.8'

Found 1908
GLO Stone

2048'

N0°05'E
Meas'd
2641.4'

T
11
N

#14-1

1974'

14

Fd. 1908
GLO Stone

Original
Ground
Elevation at
Location =
3045.1'

0 200 400 1000
SCALE 1" = 1000"

JOE KEHL and ASSOCIATES, Inc. of BILLINGS, MONTANA has, in
accordance with a request from Justin Hohn
for Stealth Energy, USA Inc.
determined the location of Sam #14-1

to be 2048' FNL & 1974' FBL Section 14 Township 11 North
Range 30 East of the Montana Principle Meridian

County of Musselshell State of Montana

I hereby certify that this survey was made under my direct supervision, and
on the basis of my knowledge and belief, this plat represents said field survey.

MICHAEL C. ZANCANELLA
LICENSED LAND SURVEYOR NO. 58797LS
STATE OF MONTANA

2-20-2011
DATE

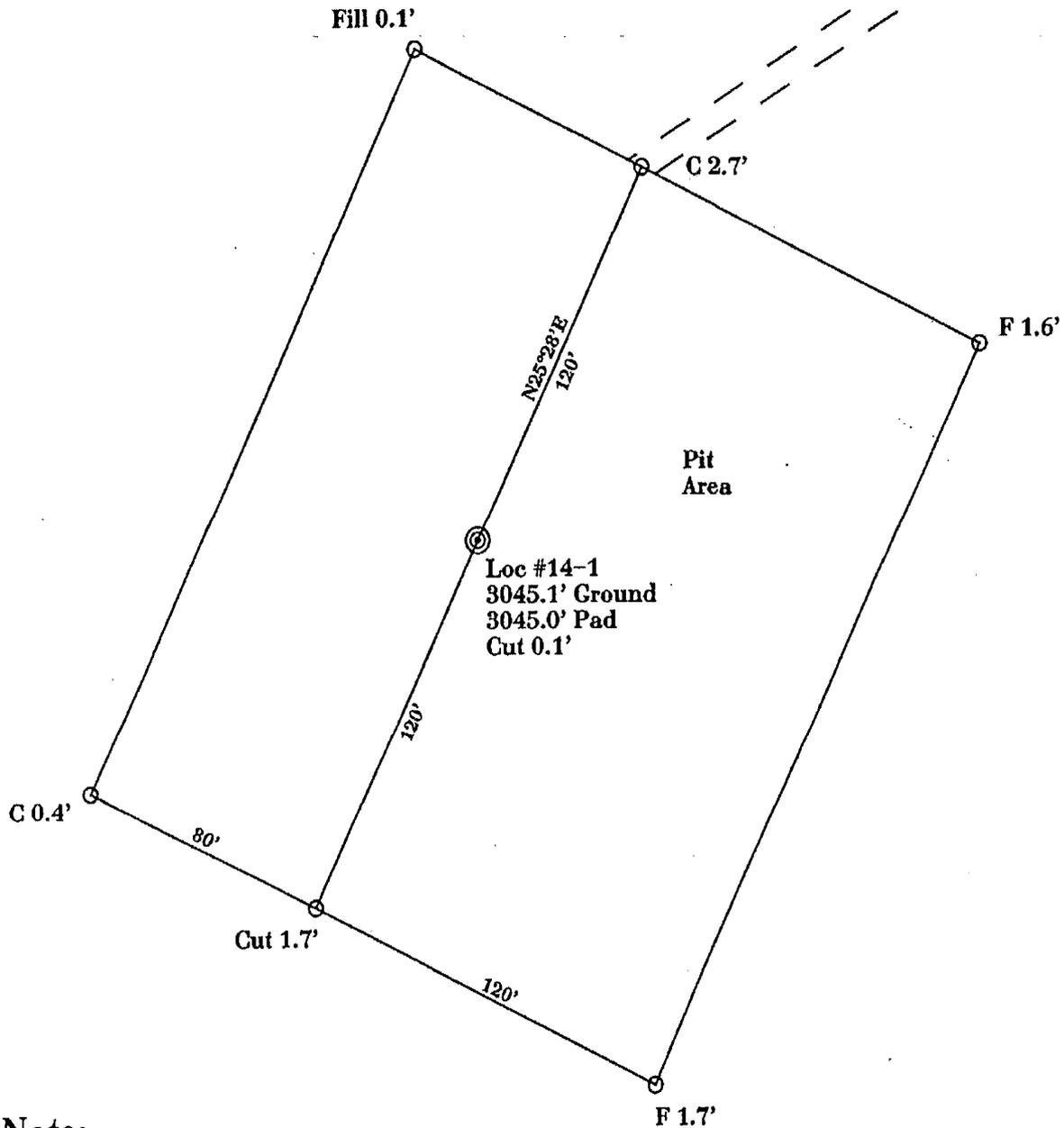
PAD LAYOUT

Sam #14-1



Scale:
1" = 40'

New Access:
Proceed 2700' North'ly
along flagged route
and rolling prairie
grazing lands to
faint, E-W, 2-tract.



Note:

Pad area falls on rolling prairie grazing lands.
Dirt contractor to determine final cuts and fills.

(b)(4)

(b)(4)

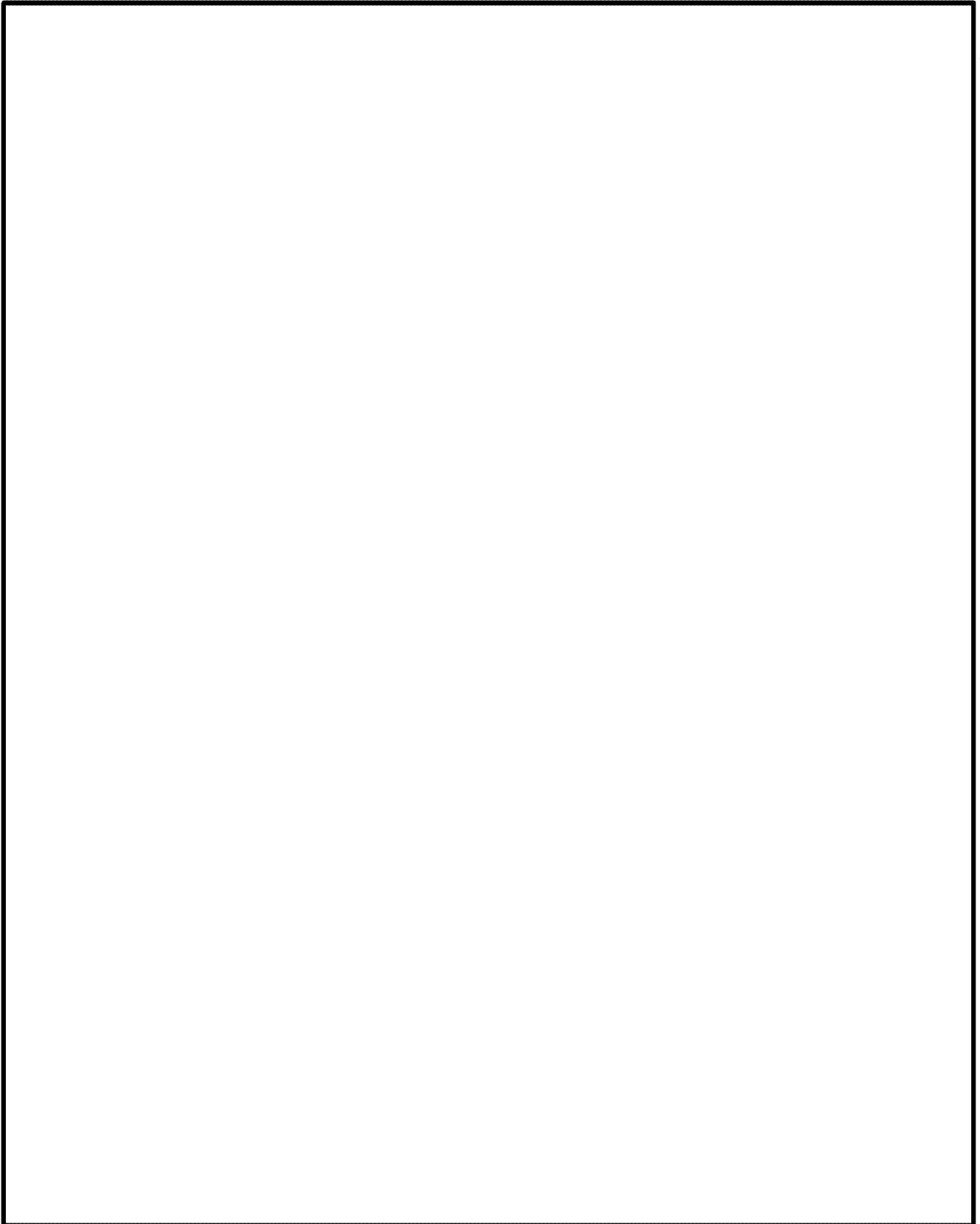
Exhibit 4-C

Purchase agreement which includes the assignment of leases from
 Stealth Energy USA, Inc.

(b)(4)

(b)(4)

PURCHASE AND SALE AGREEMENT



○ ○

STEALTH

ENERGY USA INC.

March 13, 2012

Petroleum County Recorder
201 E Main St
Winnett, MT 59087

RE: Assignments of Oil and Gas Leases for recording
Petroleum Co., Montana

Dear Recorder,

Please find enclosed Assignments of Oil and Gas Leases to be
put of record.

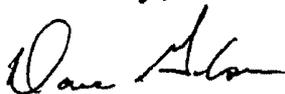
Please return the enclosed documents to:

Stealth Energy USA Inc.
27 N 27th St, Ste 2100
Billings, MT 59101

You will also find enclosed a blank check for recording fees.

If you should have any questions, please feel free to call me at
(406) 208-3261. Thank you for all of your help and time in this
matter.

Sincerely,



Dave Gilson

(b)(4)

ACKNOWLEDGMENT

STATE OF MONTANA)
) ss.
COUNTY OF YELLOWSTONE)

BEFORE ME, the undersigned authority, on this 12th day of March, 2012 personally appeared Charles J. Heringer, III, President, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed as the act and deed of said corporation and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 12th day of March, 2012.

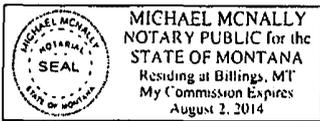
Witness my hand and official seal.

Notary Public, State of Montana

My Commission expires: 8-2-2014

(Seal)

Michael McNally
Name: MICHAEL MCNALLY
Residing at: Billings, MT



(b)(4)

(b)(4)

(b)(4)

ACKNOWLEDGMENT

STATE OF MONTANA)
) ss.
COUNTY OF YELLOWSTONE)

BEFORE ME, the undersigned authority, on this 12th day of March, 2012 personally appeared Charles J. Heringer, III, President, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed as the act and deed of said corporation and in the capacity therein stated.

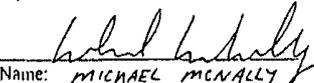
GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 12th day of March, 2012.

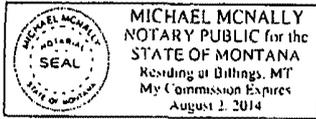
Witness my hand and official seal.

Notary Public, State of Montana

My Commission expires: 8-2-2014

(Seal)


Name: MICHAEL MCNALLY
Residing at: Billings, MT



(b)(4)

(b)(4)

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Petroleum Co. Recorder
 201 E. Main St
 Winnett, MT 59087

COMPLETE THIS SECTION ON DELIVERY

A. Signature *X [Signature]* Addressee Addressee

B. Received by (Printed Name) *Bob Grewitt* C. Date of Delivery *3/15/12*

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

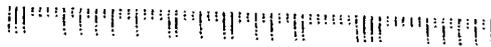
4. Restricted Delivery? (Extra Fee) Yes

2. Article Number **7011 2970 0002 2698 7474**
 (Transfer from service label)

PS Form 3811, February 2004

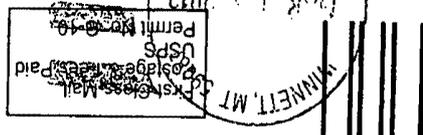
Domestic Return Receipt

102595-02-M-1540



STEALTH Energy USA, Inc
 27 N 27th St STE 2100
 Billings, MT 59101

• Sender: Please print your name, address, and ZIP+4 in this box.



UNITED STATES POSTAL SERVICE

STEALTH
ENERGY USA INC.

March 13, 2012

Musselshell County Recorder
506 Main St
Roundup, MT 59072

RE: Assignments of Oil and Gas Leases for recording
Musselshell Co., Montana

Dear Recorder,

Please find enclosed Assignments of Oil and Gas Leases to be
put of record.

Please return the enclosed documents to:

Stealth Energy USA Inc.
27 N 27th St, Ste 2100
Billings, MT 59101

You will also find enclosed a blank check for recording fees.

If you should have any questions, please feel free to call me at
(406) 208-3261. Thank you for all of your help and time in this
matter.

Sincerely,

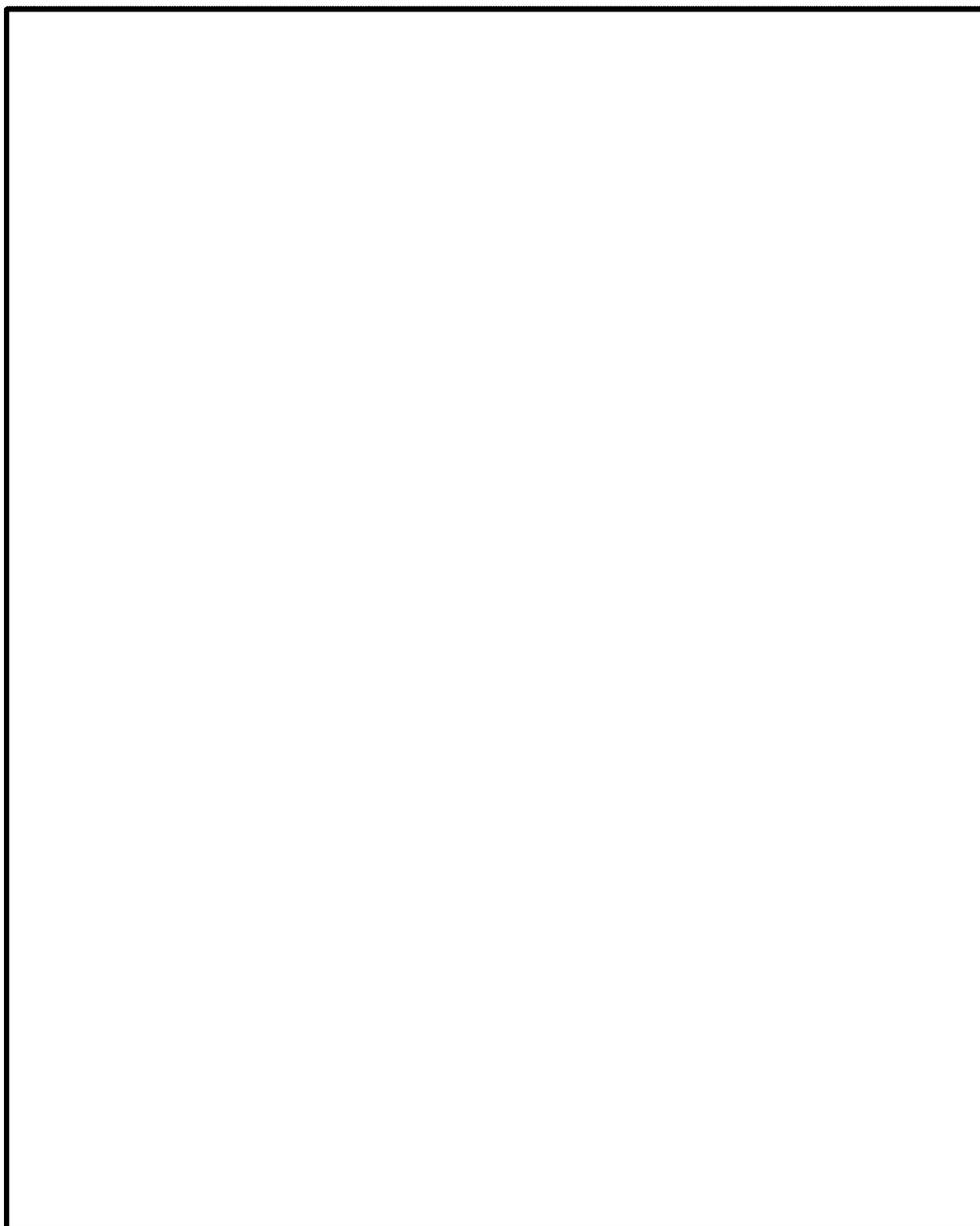


Dave Gilson

Return to:

(b)(4)

ASSIGNMENT OF OIL & GAS LEASE



ACKNOWLEDGMENT

STATE OF MONTANA)
) ss.
COUNTY OF YELLOWSTONE)

BEFORE ME, the undersigned authority, on this 12th day of March, 2012 personally appeared Charles J. Heringer, III, President, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed as the act and deed of said corporation and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 12th day of March, 2012.

Witness my hand and official seal.

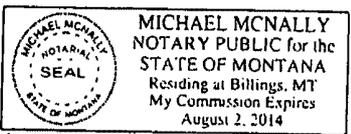
Notary Public, State of Montana

Michael McNally

My Commission expires: 8-2-2014

Name: MICHAEL MCNALLY
Residing at: Billings, MT

(Seal)



(b)(4)

(b)(4)

(b)(4)

Return to:

(b)(4)

ASSIGNMENT OF OIL & GAS LEASE



ACKNOWLEDGMENT

STATE OF MONTANA)
) ss.
COUNTY OF YELLOWSTONE)

BEFORE ME, the undersigned authority, on this 12th day of March, 2012 personally appeared Charles J. Heringer, III, Manager, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed as the act and deed of said limited liability company and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 12th day of March, 2012.

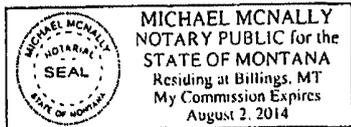
Witness my hand and official seal:

Notary Public, State of Montana

My Commission expires: 8-2-2014

Michael McNally
Name: MICHAEL MCNALLY
Residing at: Billings, MT

(Seal)



(b)(4)

○ ○

STEALTH

ENERGY USA INC.

March 13, 2012

Rosebud County Recorder
PO Box 47
Forsyth, MT 59327

RE: Assignments of Oil and Gas Leases for recording
Rosebud Co., Montana

Dear Recorder,

Please find enclosed Assignments of Oil and Gas Leases to be
put of record.

Please return the enclosed documents to:

Stealth Energy USA Inc.
27 N 27th St, Ste 2100
Billings, MT 59101

You will also find enclosed a blank check for recording fees.

If you should have any questions, please feel free to call me at
(406) 208-3261. Thank you for all of your help and time in this
matter.

Sincerely,

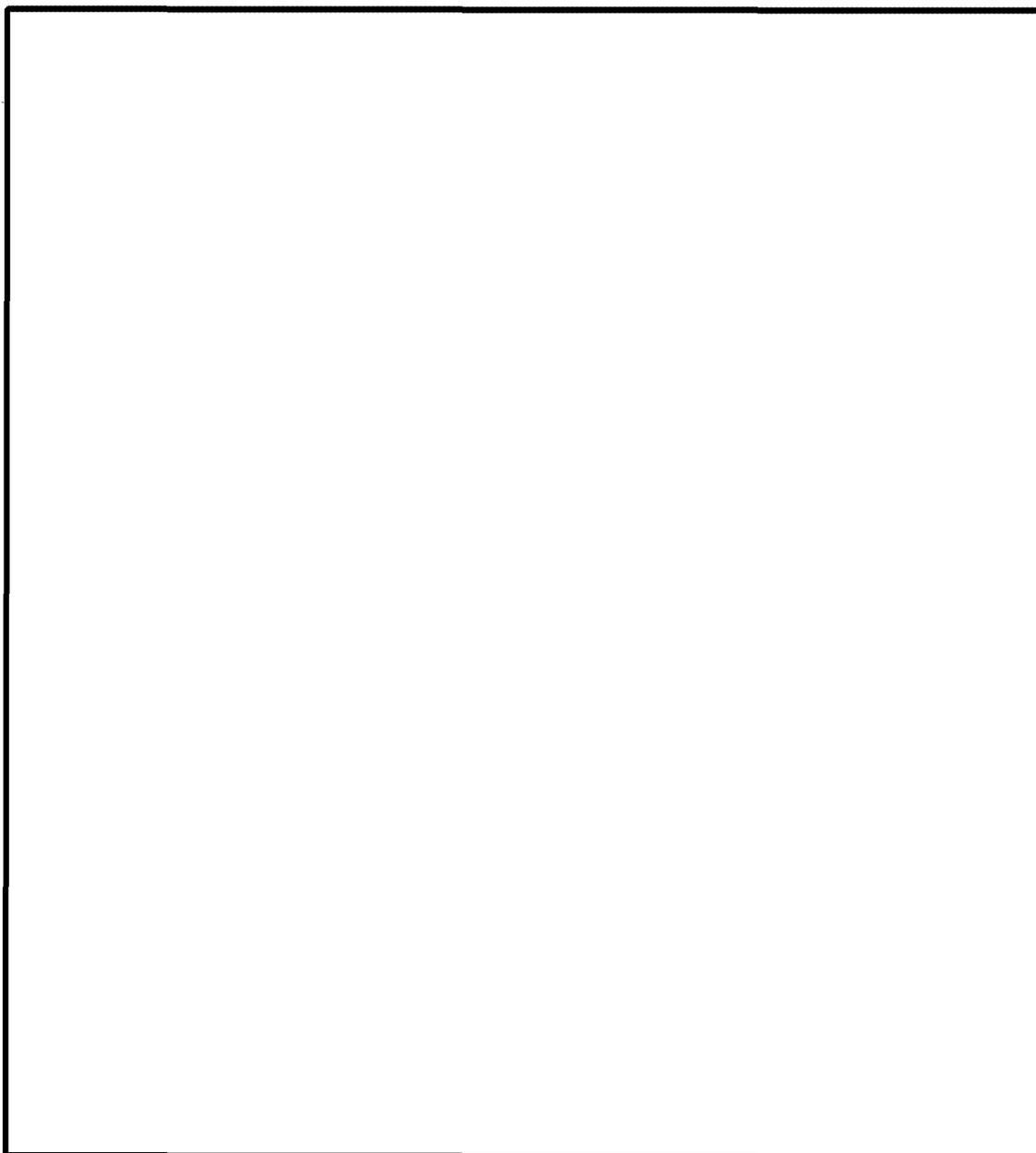


Dave Gilson

Return to:

(b)(4)

ASSIGNMENT OF OIL & GAS LEASE



ACKNOWLEDGMENT

STATE OF MONTANA)
) ss.
COUNTY OF YELLOWSTONE)

BEFORE ME, the undersigned authority, on this 12th day of March, 2012 personally appeared Charles J. Heringer, III, President, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed as the act and deed of said corporation and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 12th day of March, 2012.

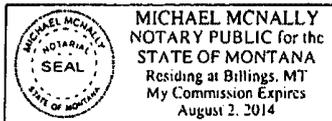
Witness my hand and official seal.

Notary Public, State of Montana

My Commission expires: 8-2-2014

Michael McNally
Name: MICHAEL MCNALLY
Residing at: Billings, MT

(Seal)



(b)(4)

(b)(4)

Exhibit 4-D

Lease renewals for the leases expiring in 2012

STEALTH

ENERGY USA INC.



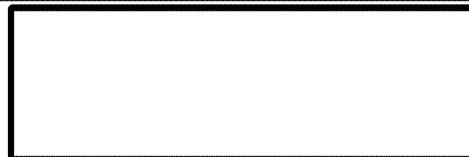
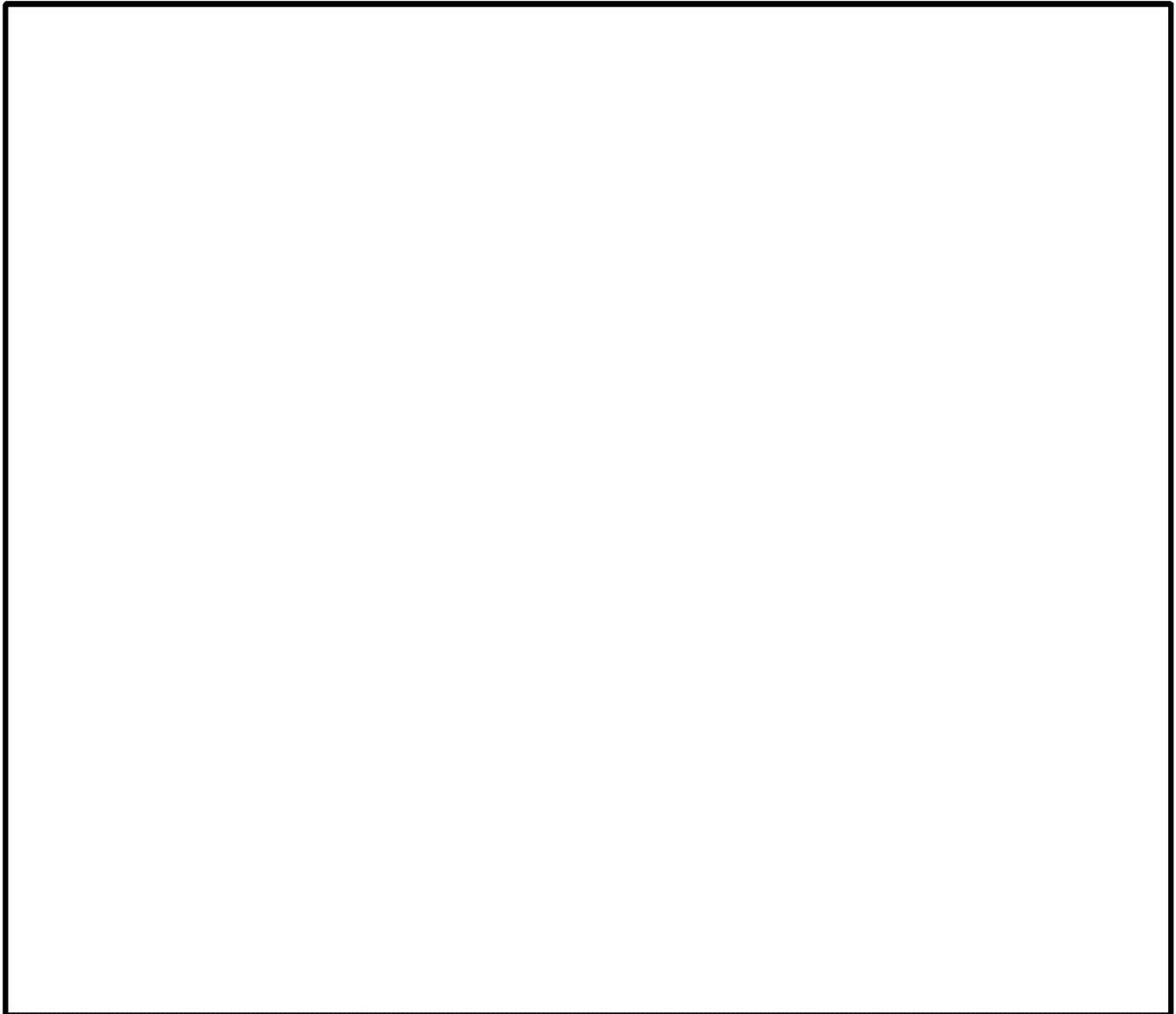
May 21, 2012



(b)(6)

RE: Extension of Oil and Gas Lease dated June 18, 2007

(b)(4)



STEALTH

ENERGY USA INC.



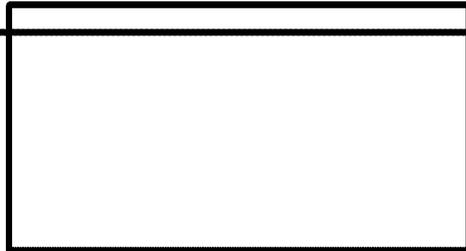
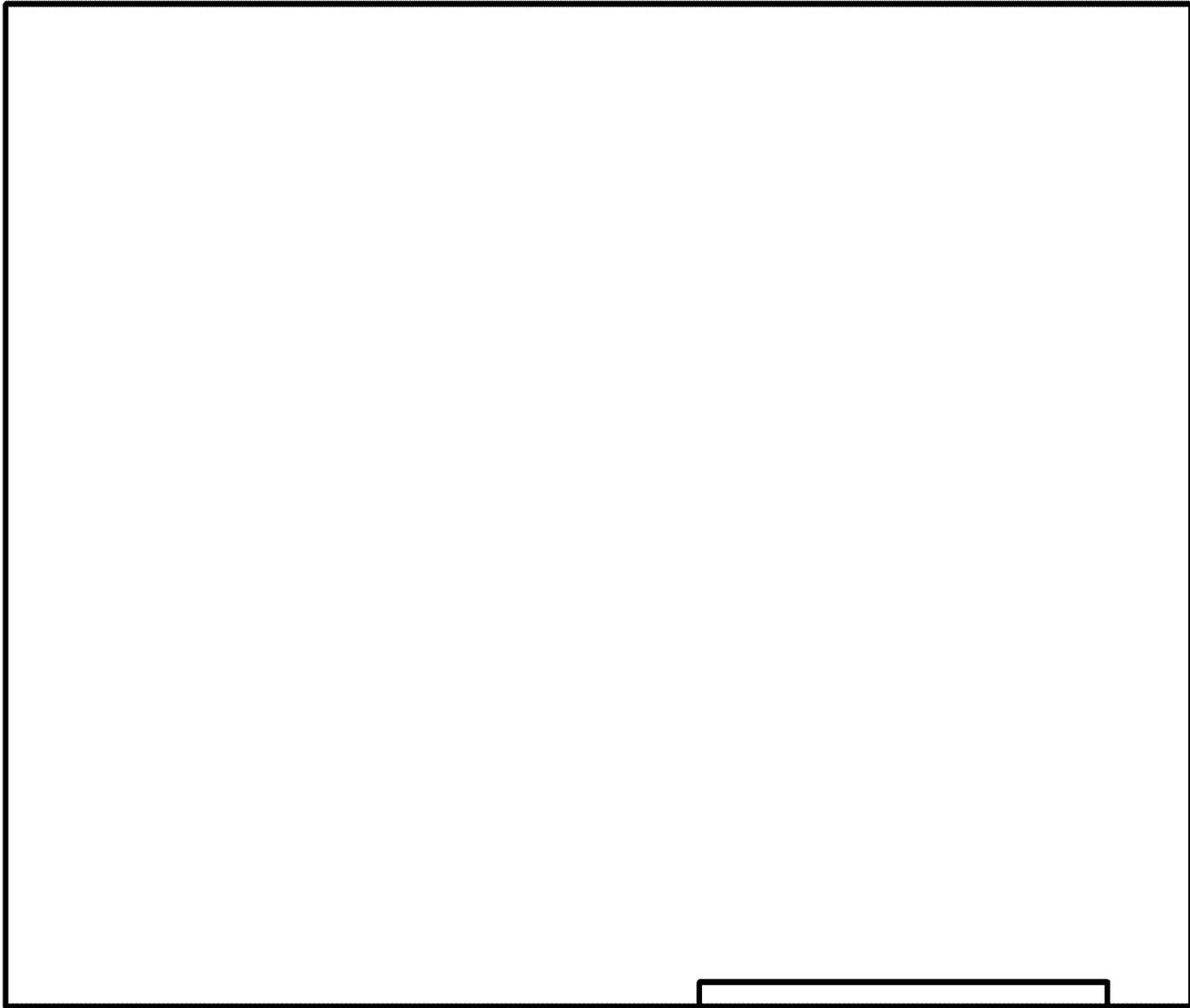
May 21, 2012



(b)(6)

RE: Extension of Oil and Gas Lease dated July 6, 2007

(b)(4)



STEALTH

ENERGY USA INC.



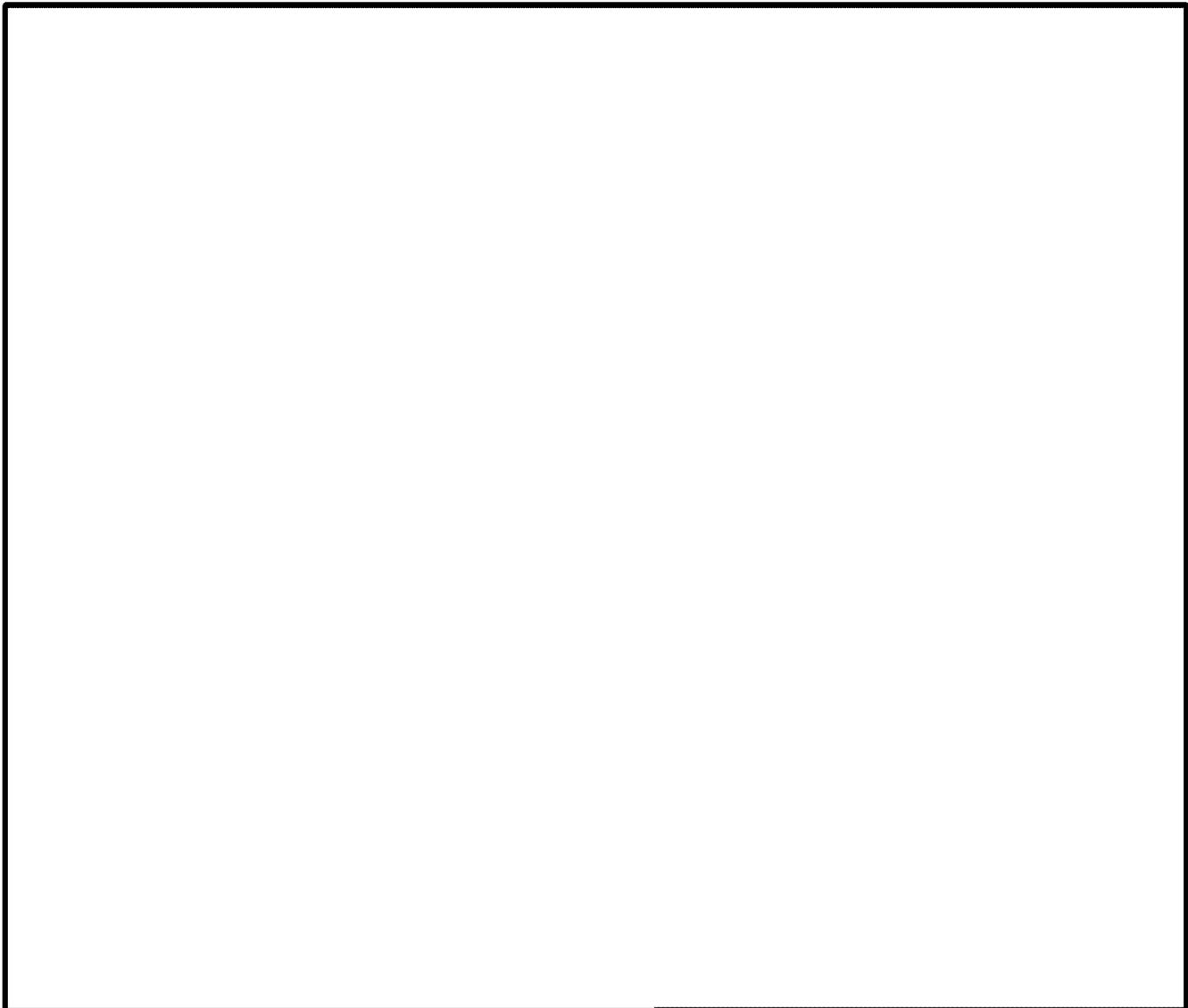
May 21, 2012



(b)(6)

RE: Extension of Oil and Gas Lease dated June 26, 2007

(b)(4)



STEALTH

ENERGY USA INC.



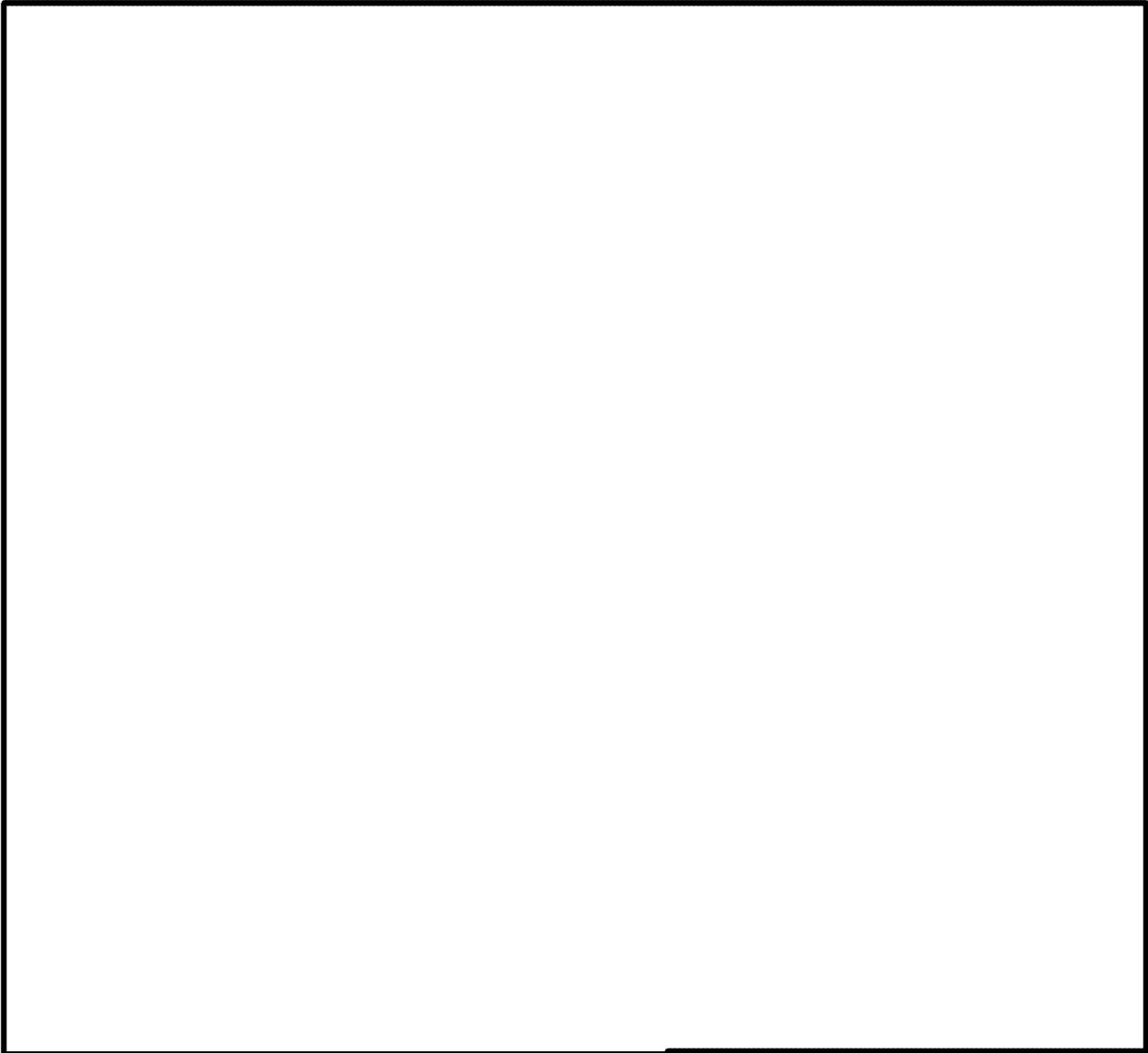
May 21, 2012



(b)(6)

RE: Extension of Oil and Gas Lease dated July 13, 2012

(b)(4)



STEALTH



ENERGY USA INC.

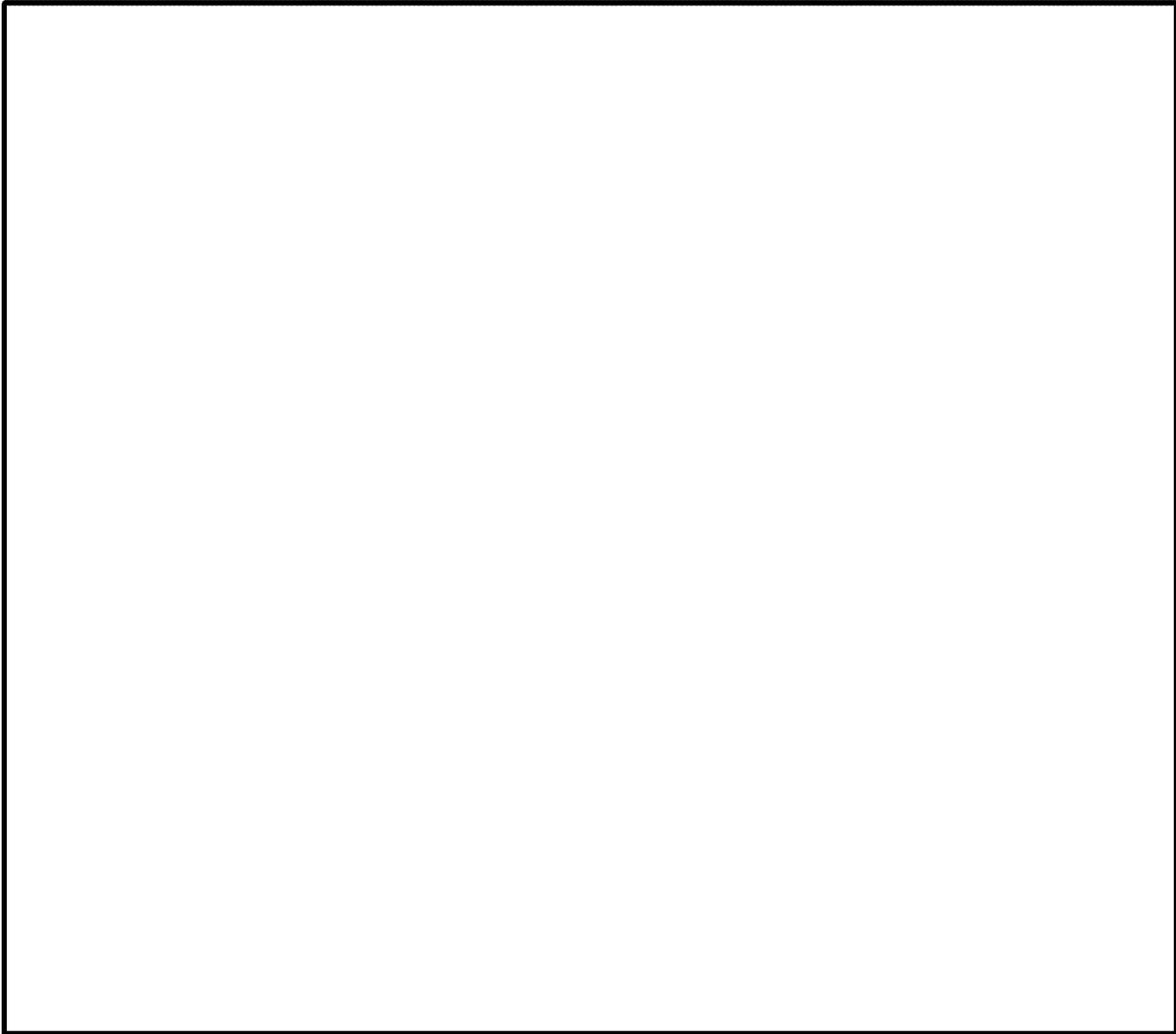
May 21, 2012



(b)(6)

RE: Extension of Oil and Gas Lease dated June 18, 2007

(b)(4)



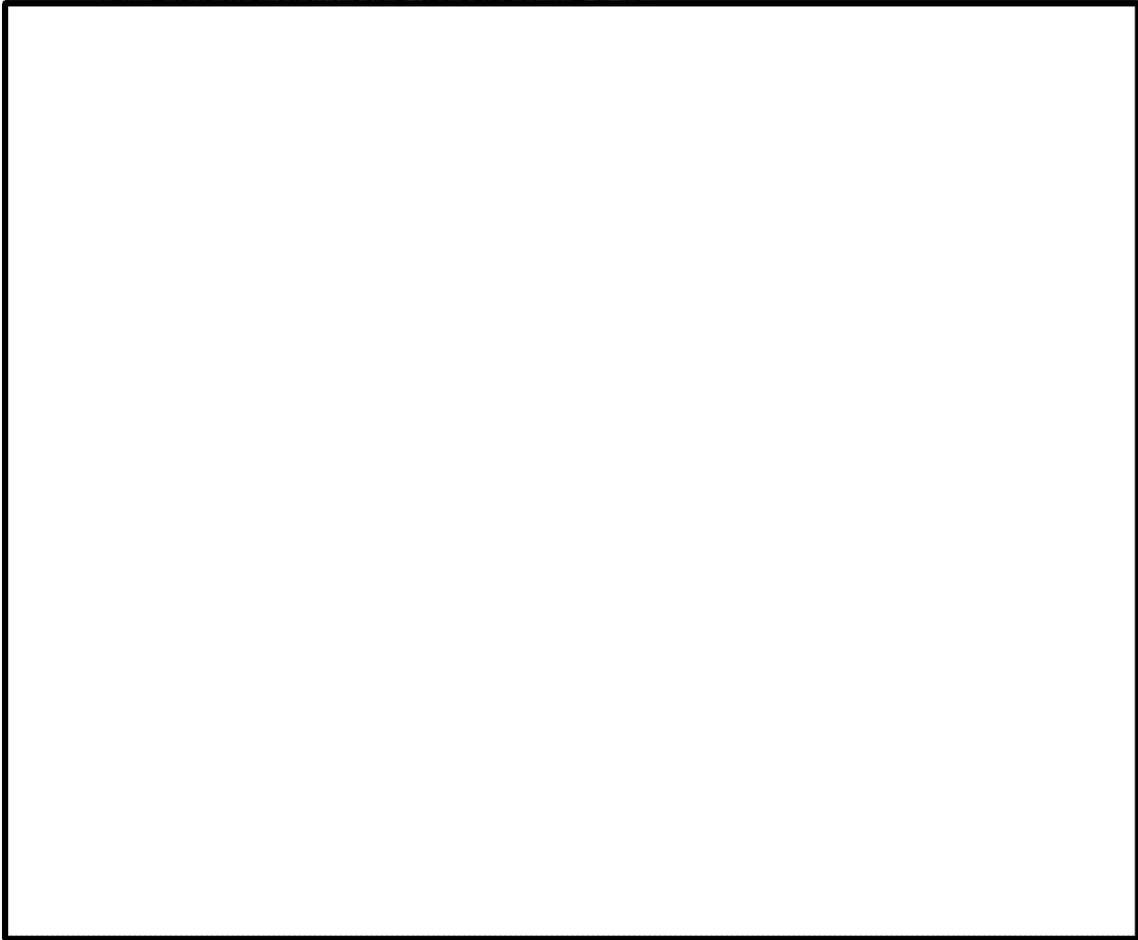


June 4, 2012

(b)(6)



RE: Extension of Oil and Gas Lease dated June 28, 2007

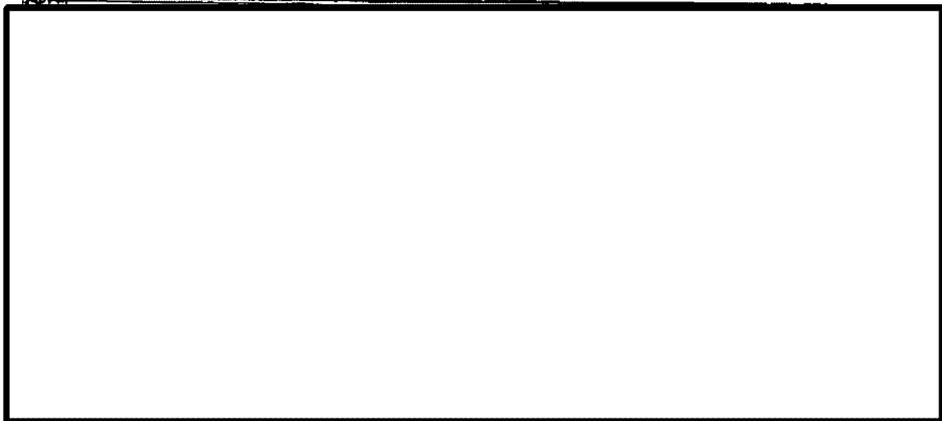


(b)(4)



27 North 27th Street, Suite 2100 • Billings, MT 59101 • PH: (406) 281-8298 • FAX: (406) 839-2389

(b)(4)



STEALTH

ENERGY USA INC.

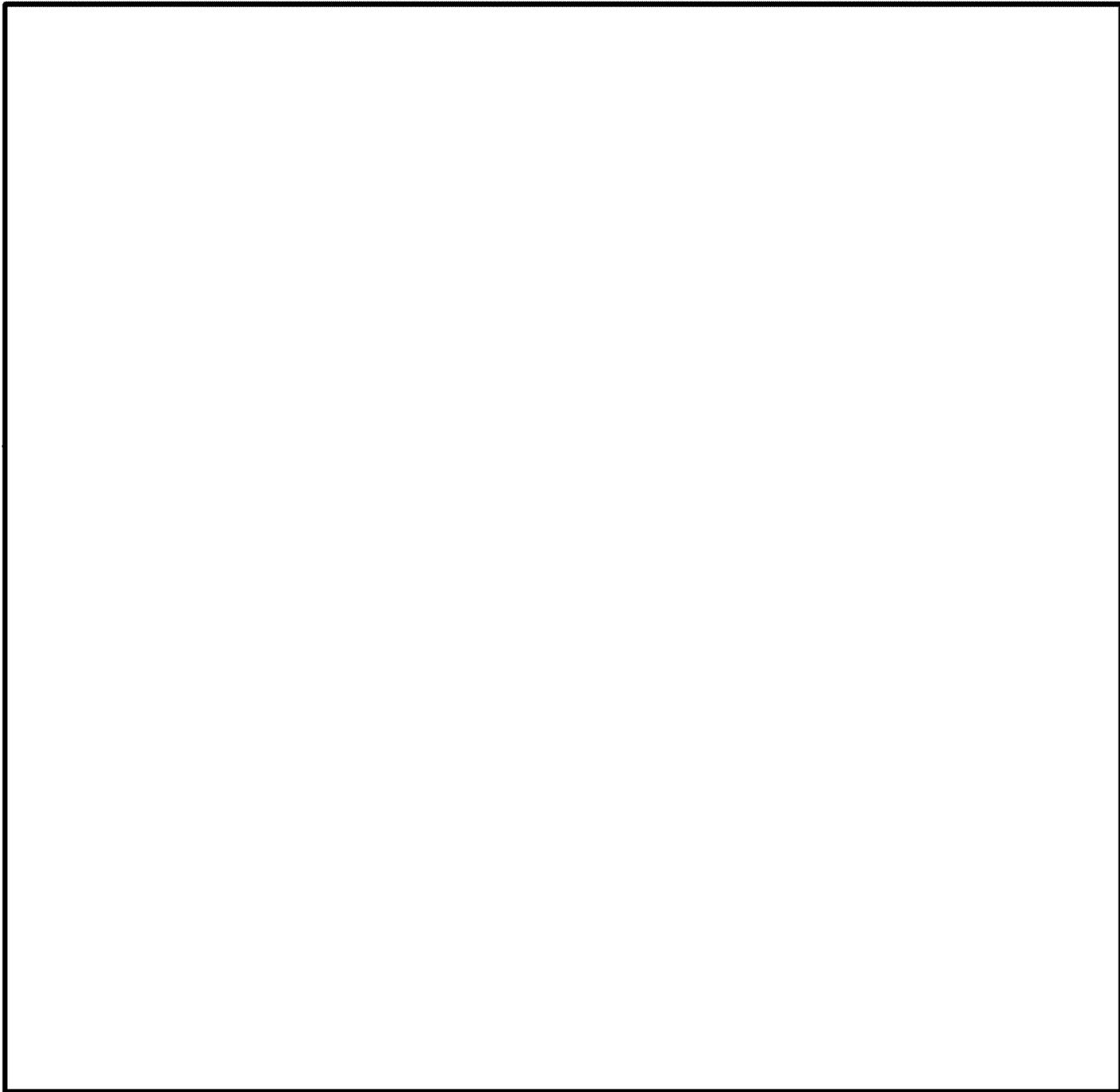
June 6, 2012



(b)(6)

RE: Extension of Oil and Gas Lease dated July 7, 2012

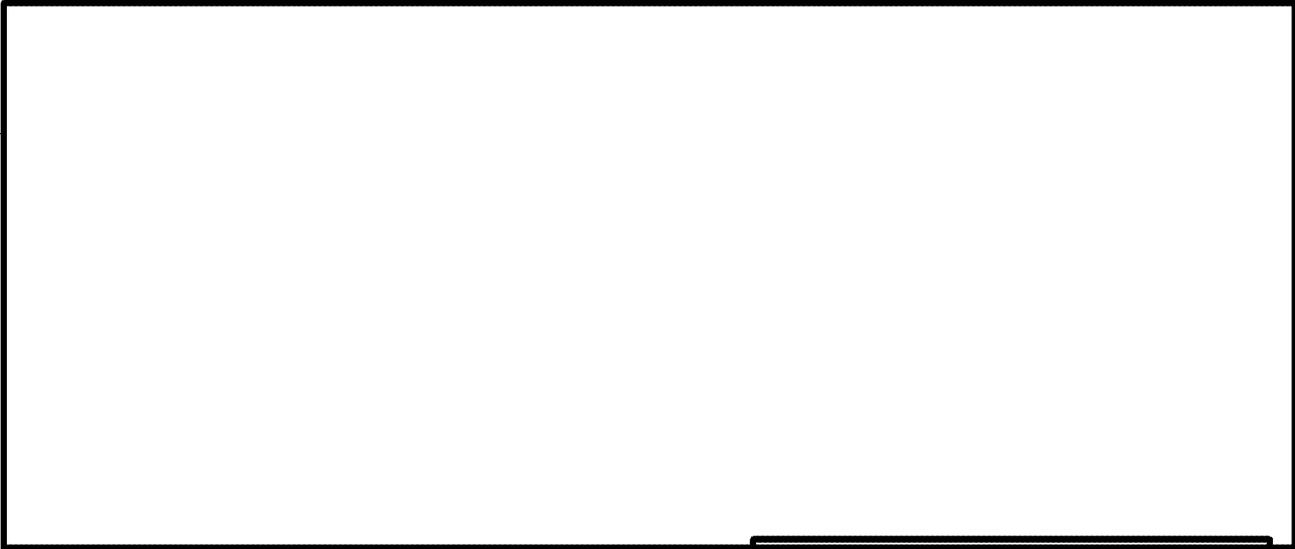
(b)(4)



STEALTH

ENERGY USA INC.

(b)(4)



(b)(6)



August 6, 2012

(b)(6)

RE: Extension of Oil and Gas Lease dated December 31, 2012

(b)(4)

Stealth Energy USA, Inc.
c/o Dream Well Oil & Gas, LLC
P.O. Box 677, Billings, MT 59103
(406) 208-3261



COPY

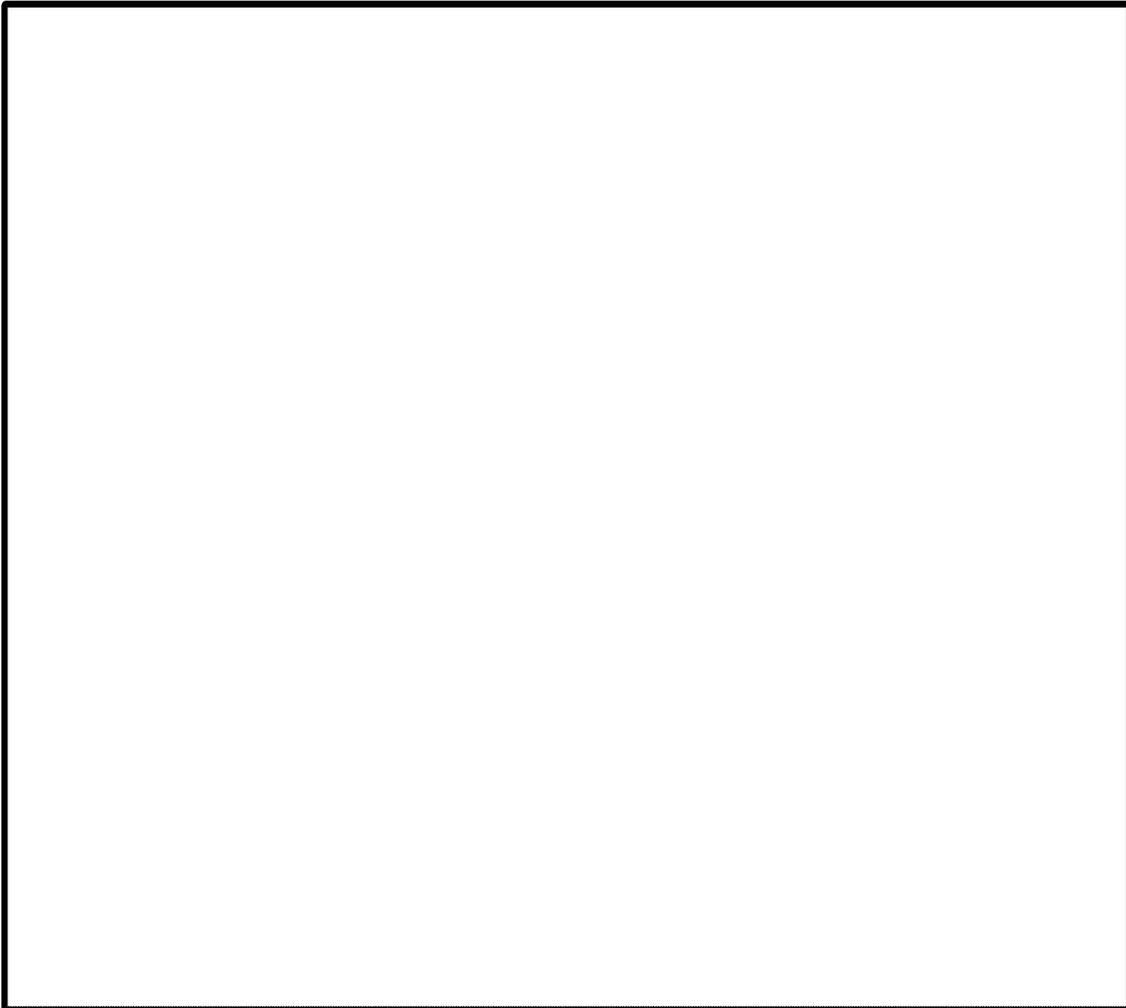


September 14, 2012

(b)(6)



RE: Extension of Oil and Gas Lease dated December 31, 2012



(b)(4)

Stealth Energy USA, Inc.
c/o Dream Well Oil & Gas, LLC
P.O. Box 677, Billings, MT 59103
(406) 208-3261



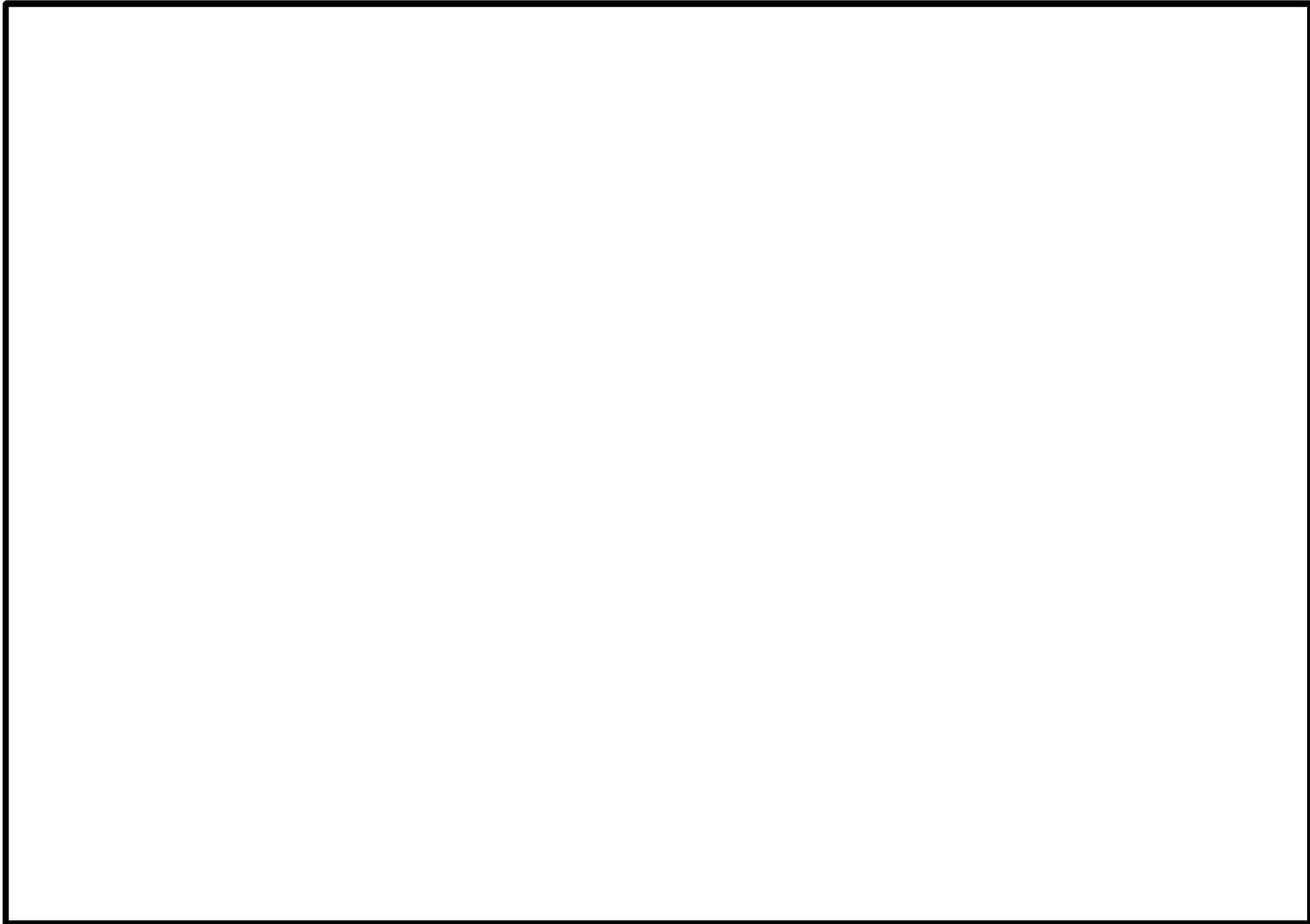


August 8, 2012



(b)(6)

RE: Extension of Oil and Gas Lease dated September 20, 2012



(b)(4)



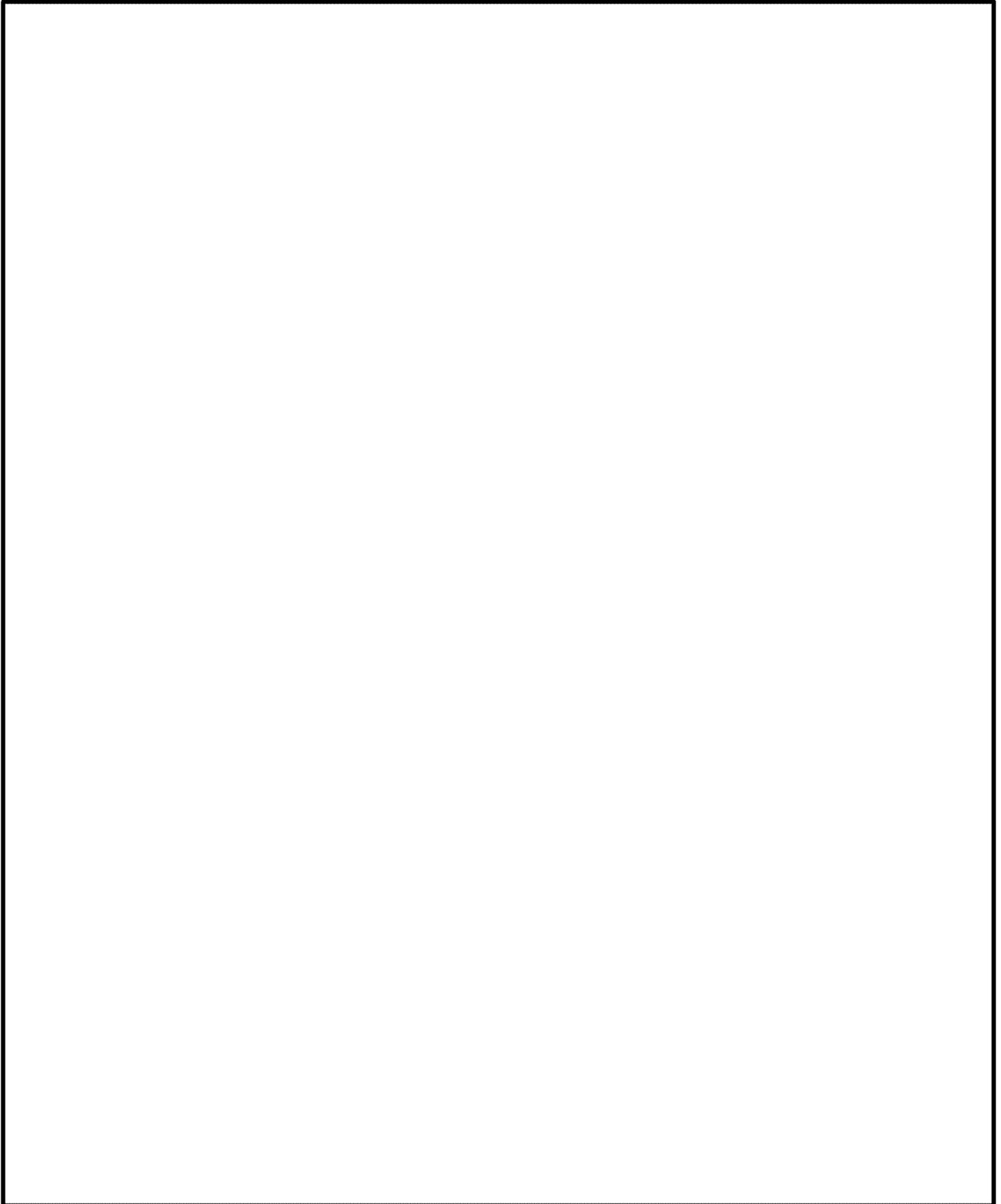
Stealth Energy USA, Inc.
c/o Dream Well Oil & Gas, LLC
P.O. Box 677, Billings, MT 59103
(406) 208-3261

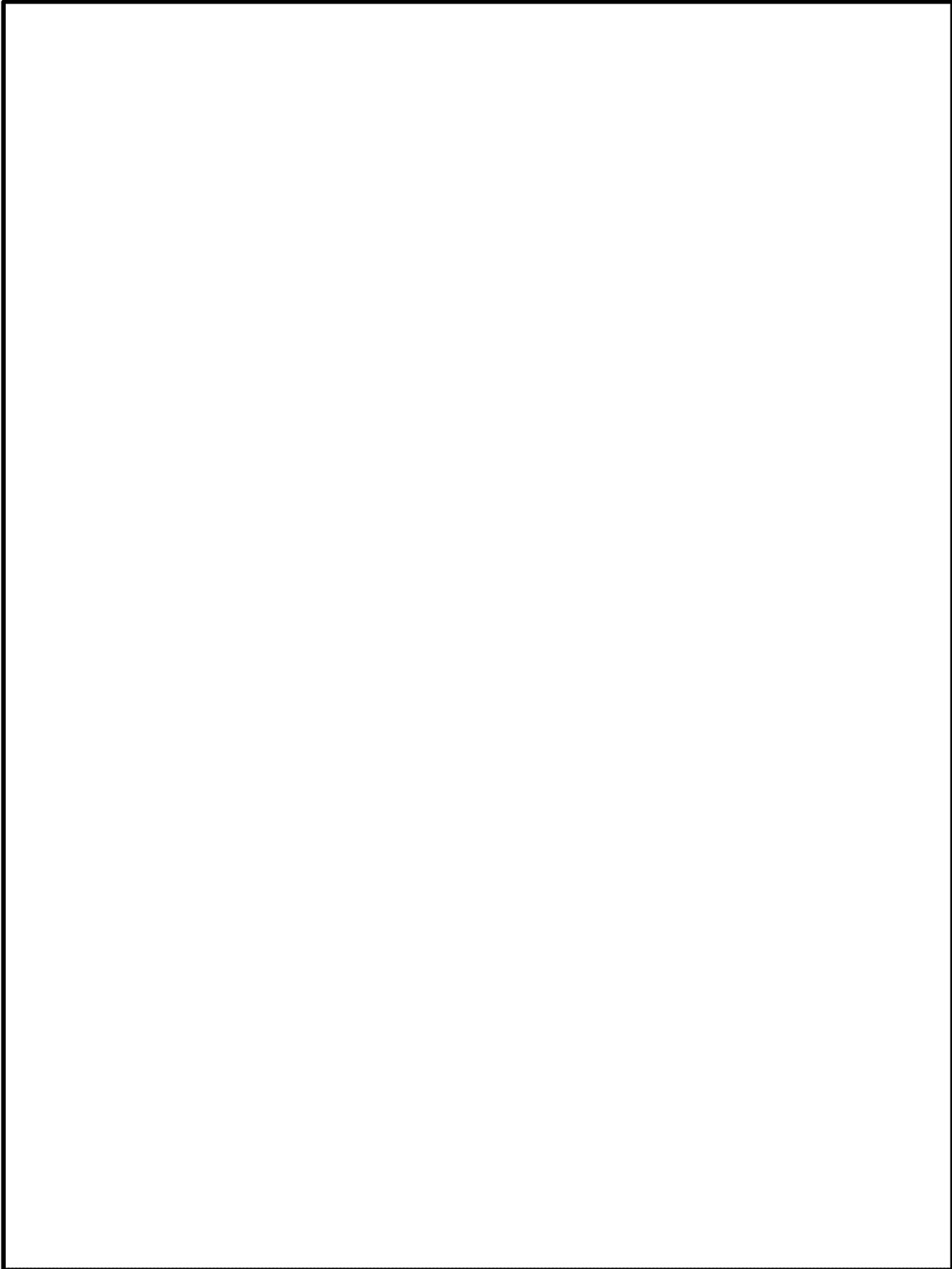
Exhibit 5-A

Limited Partnership Agreement for Central Montana Oil and Gas
Exploration, LP dated October 2012

(b)(4)

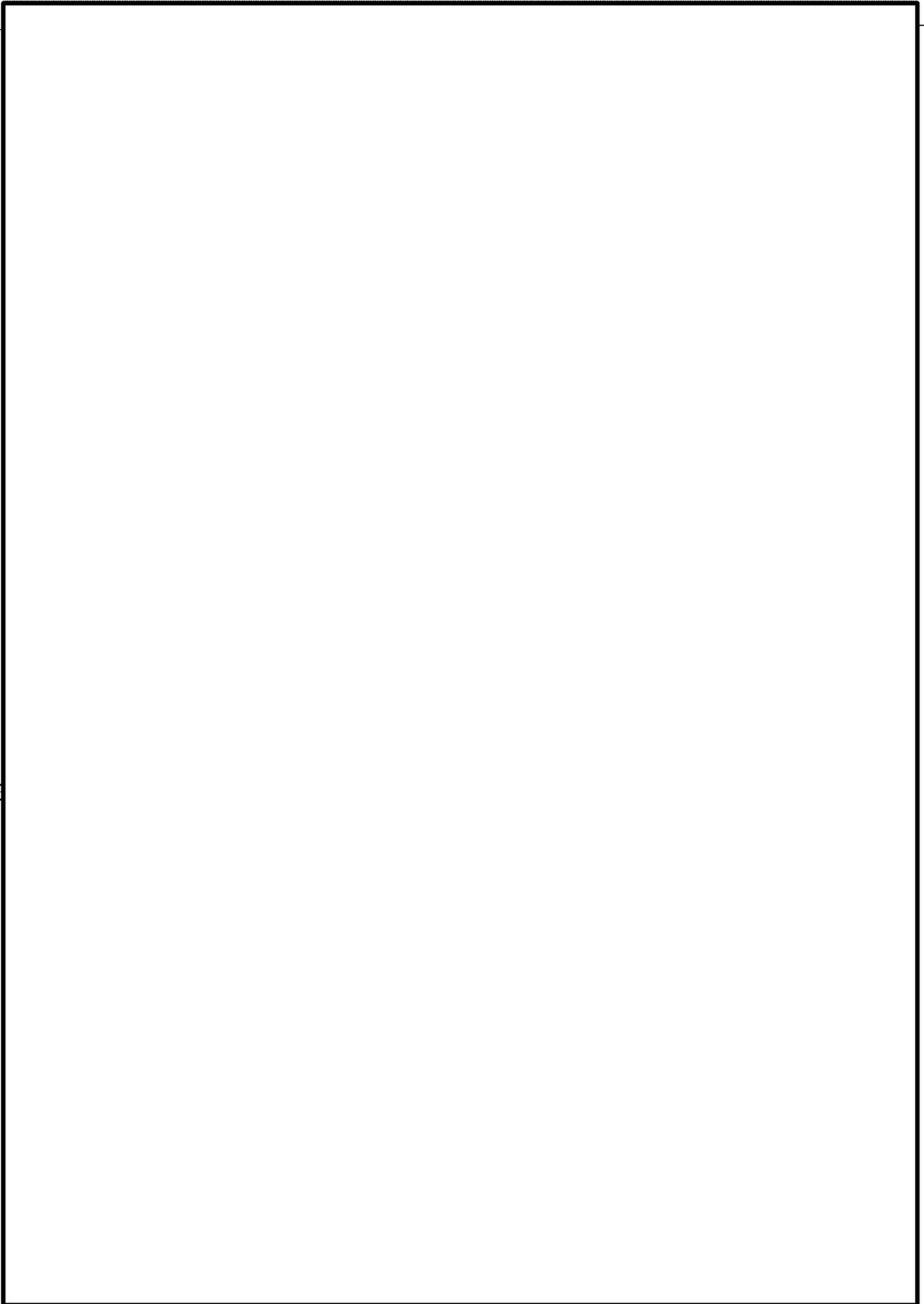
LIMITED PARTNERSHIP AGREEMENT OF

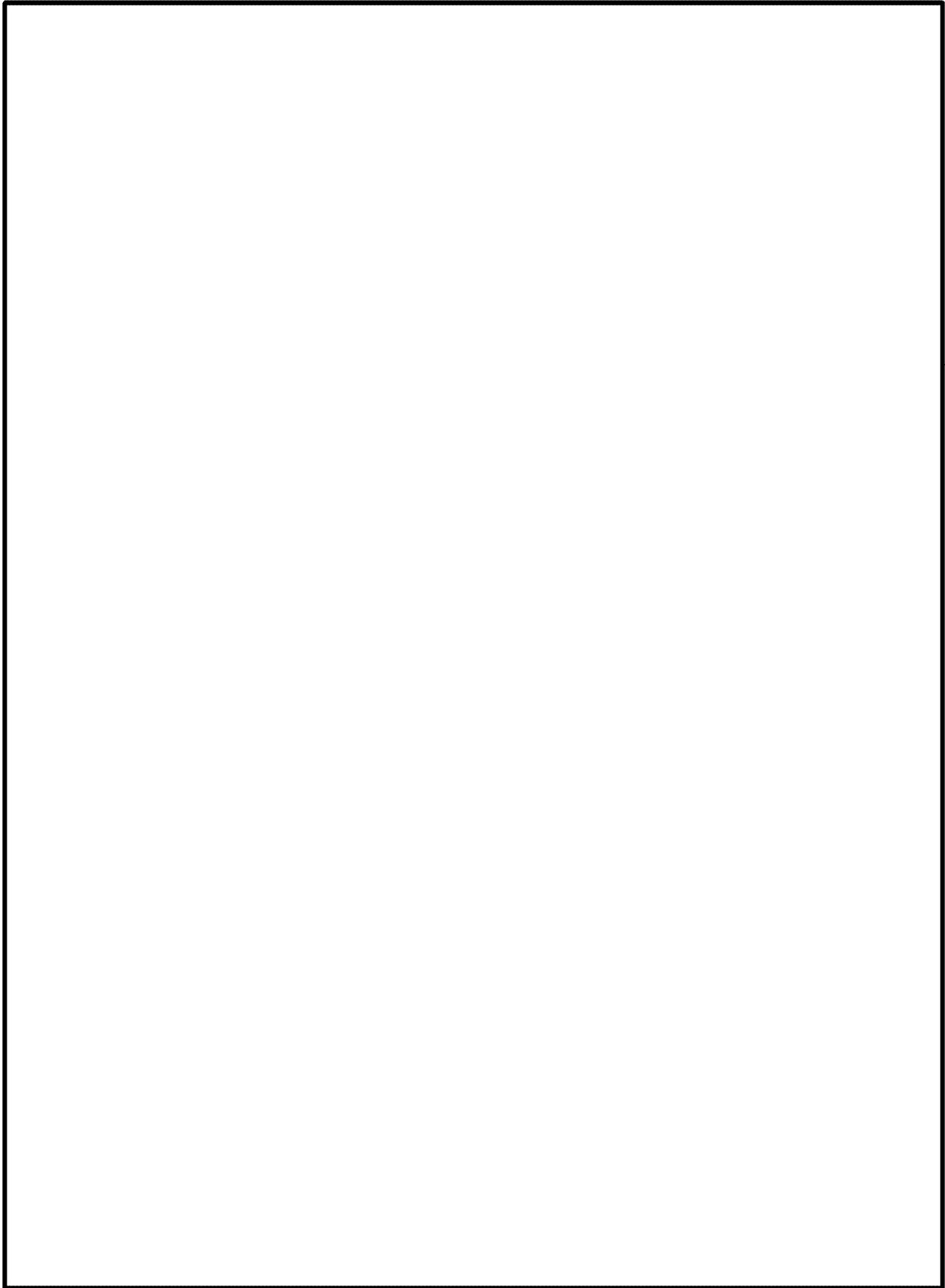






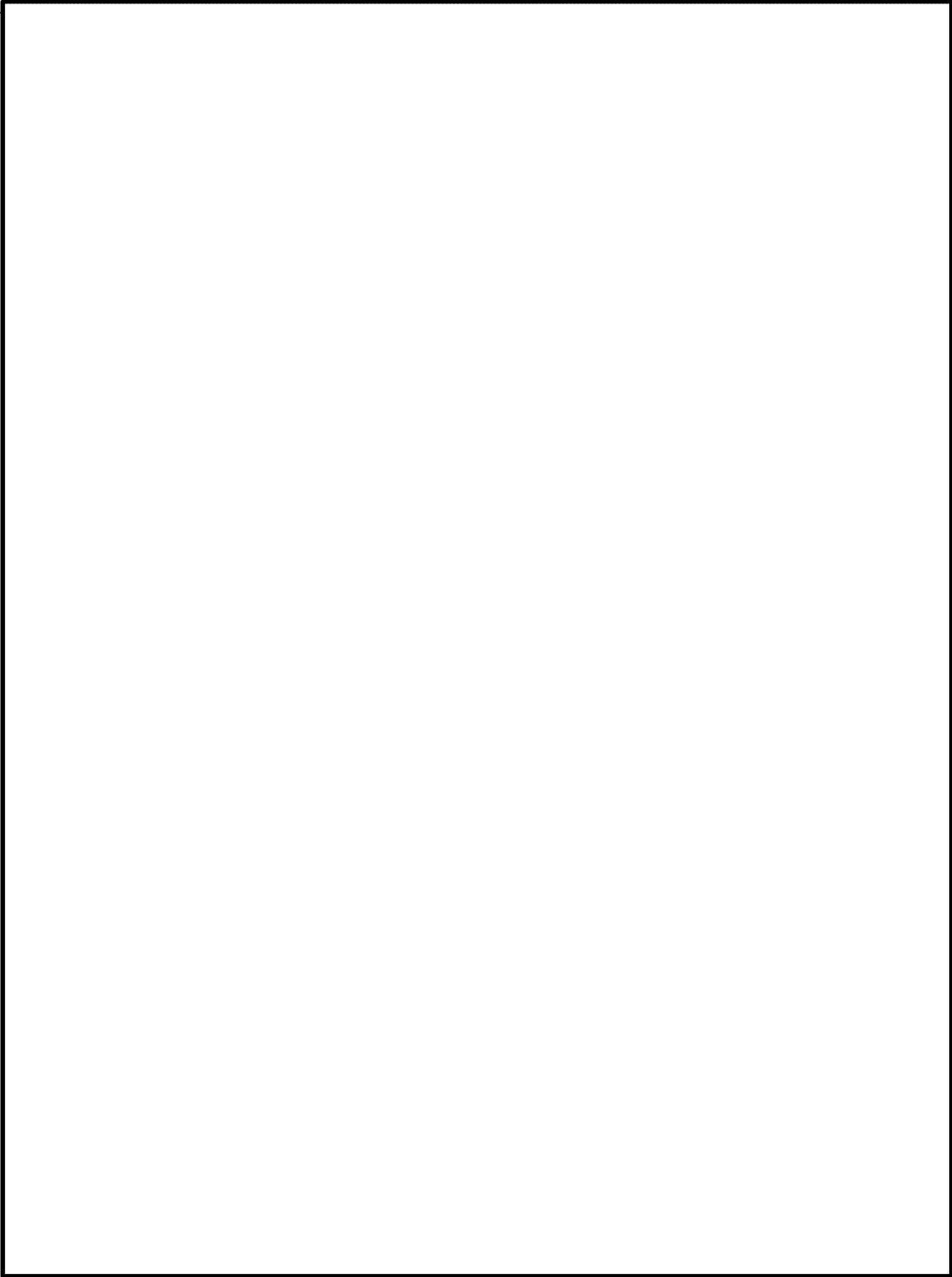
(b)(4)

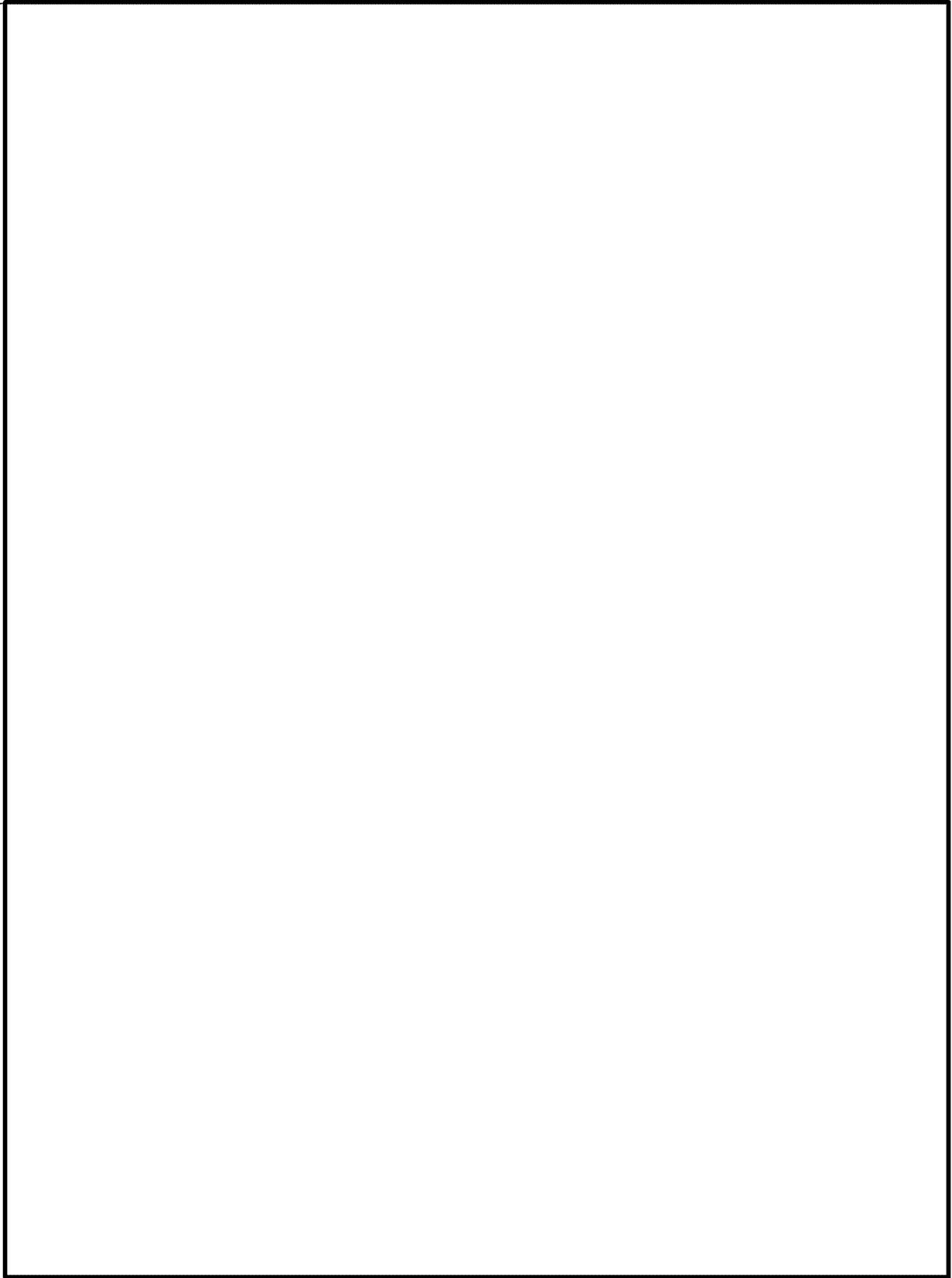






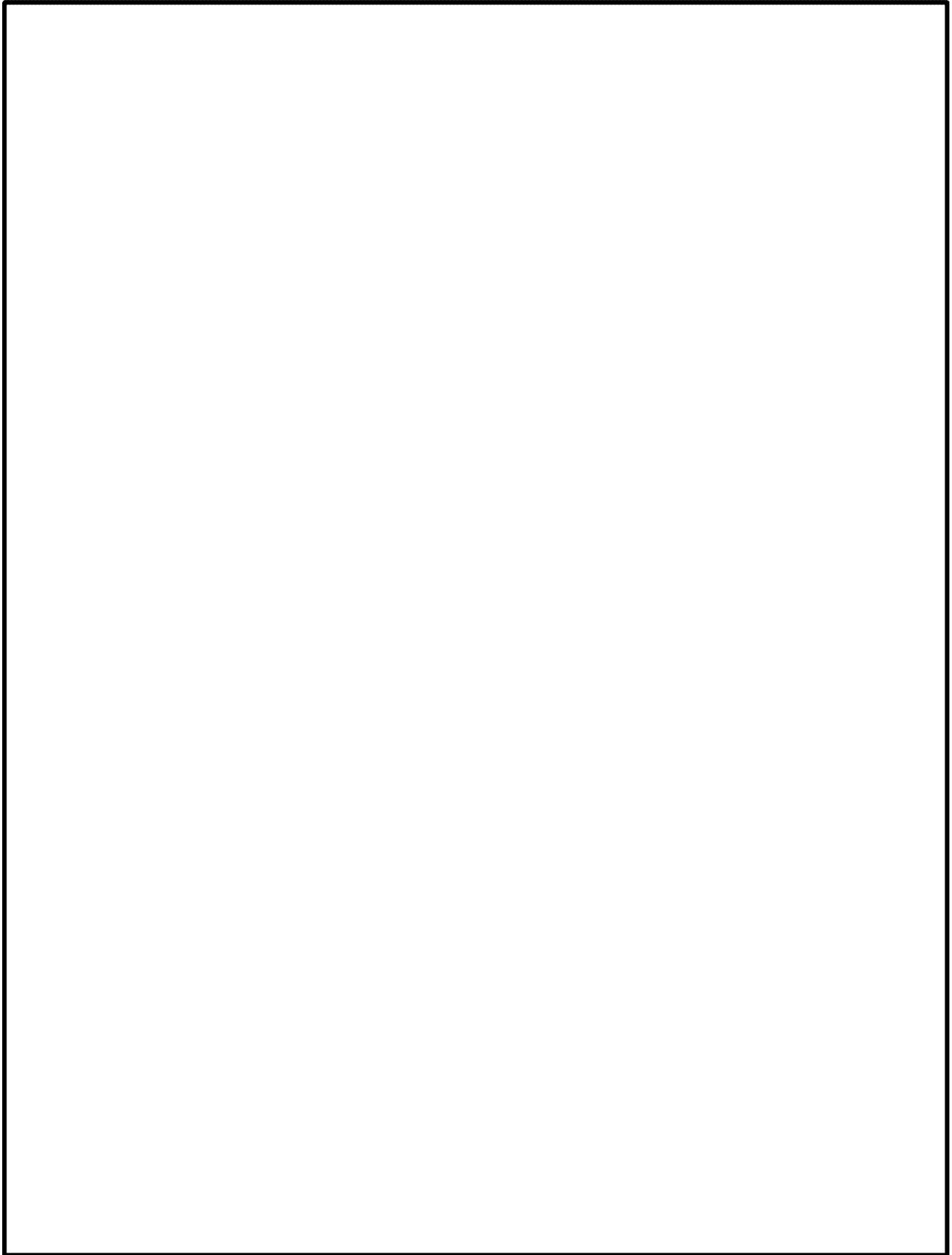
(b)(4)





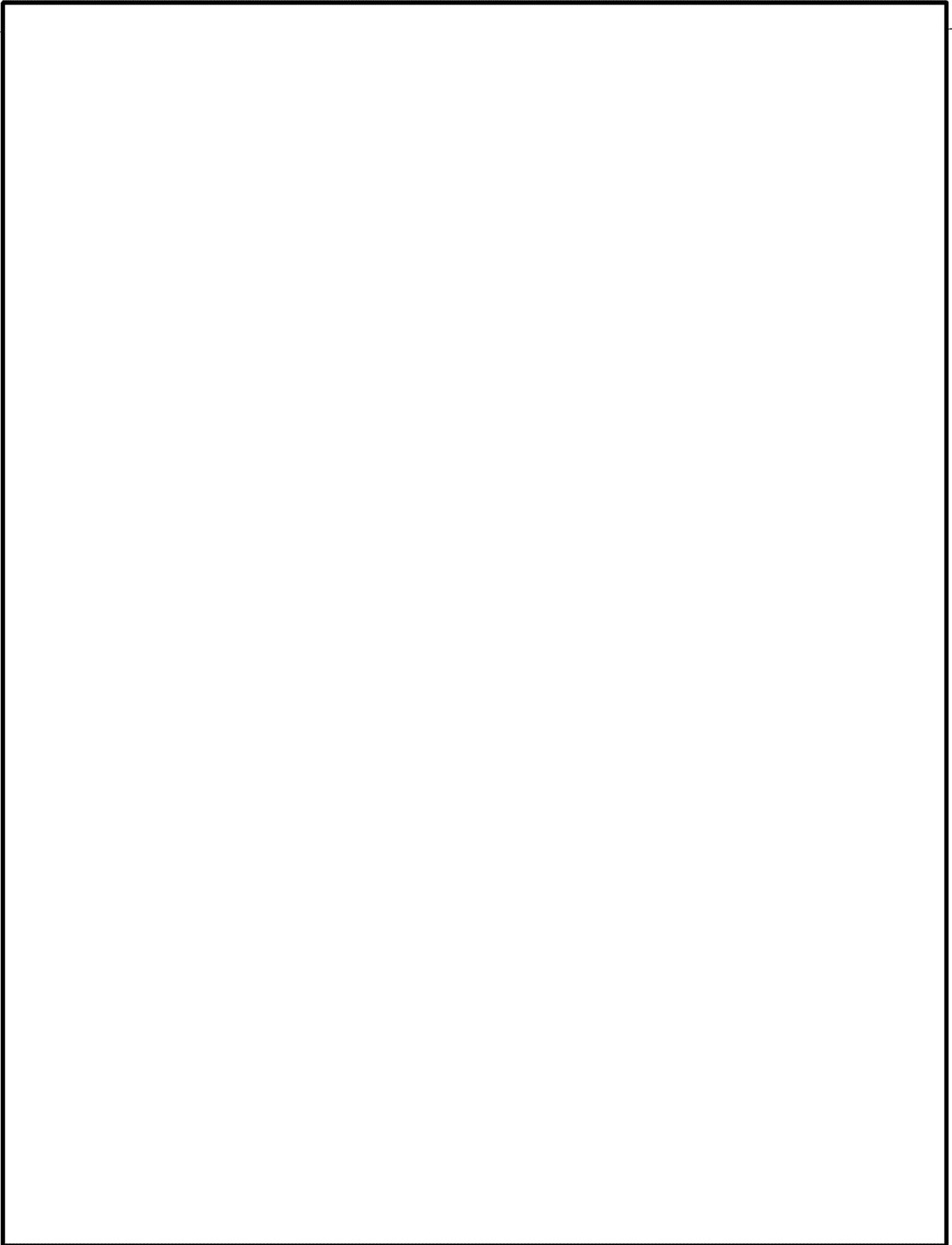


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(b)(4)



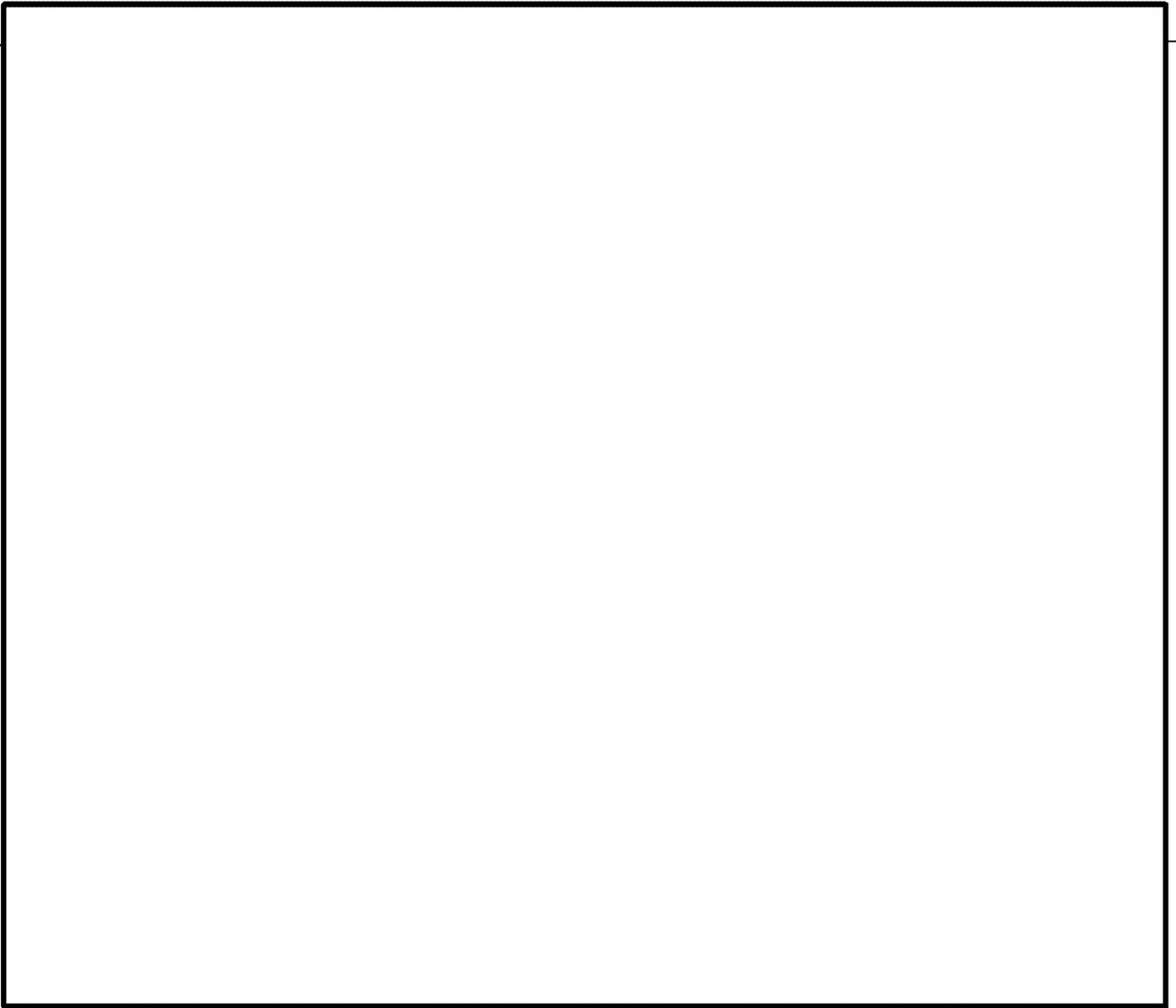


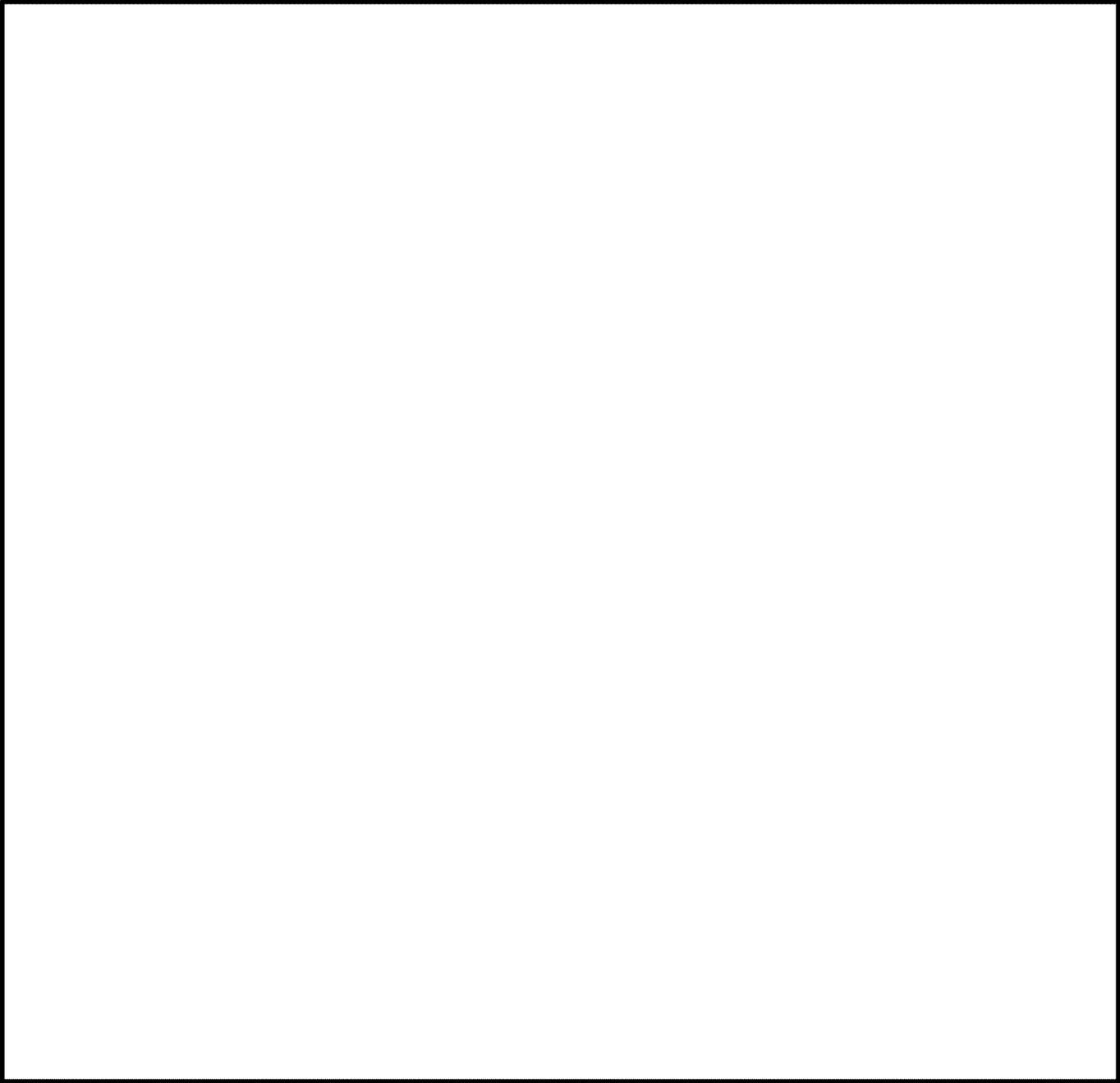
(b)(4)





(b)(4)





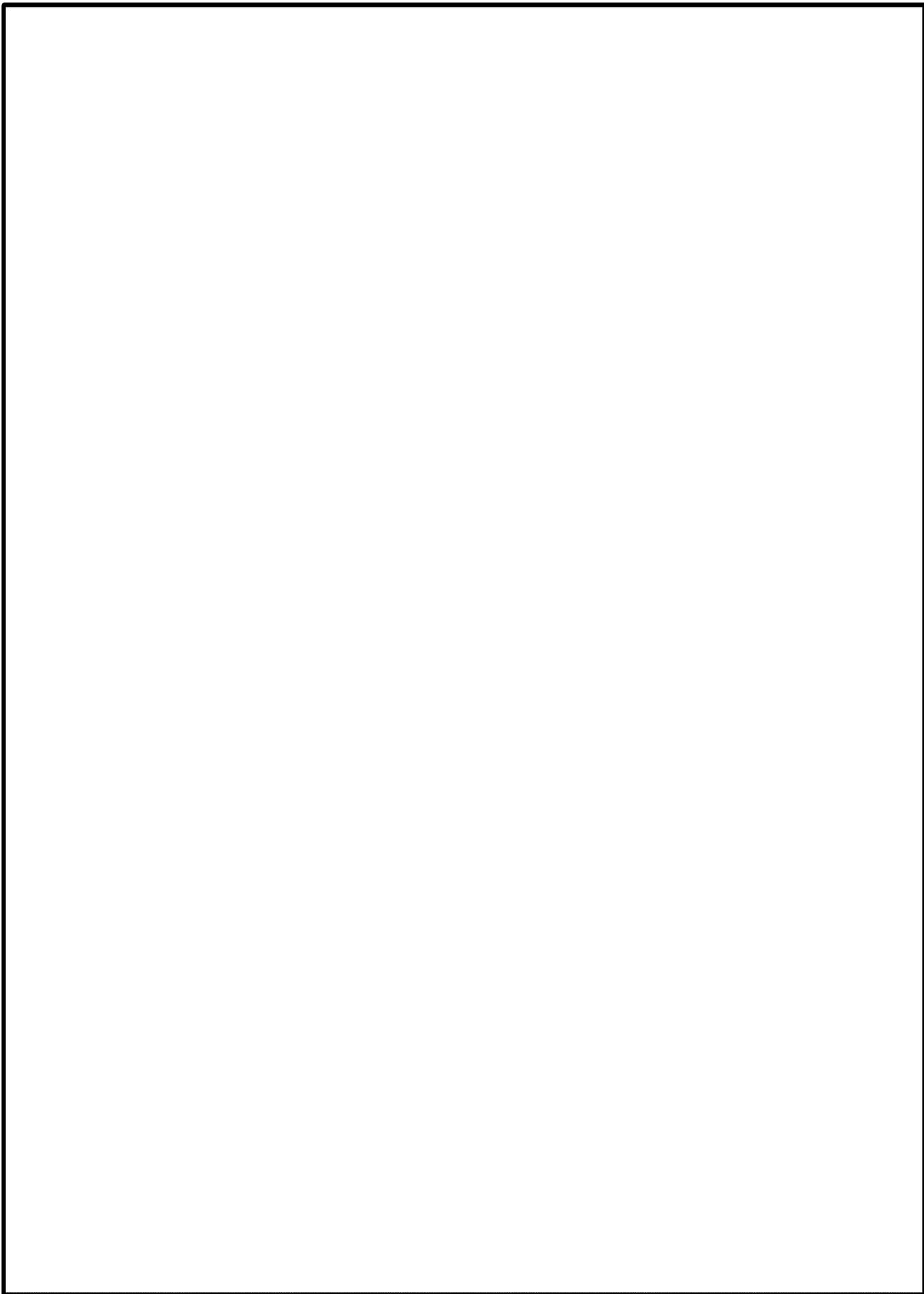


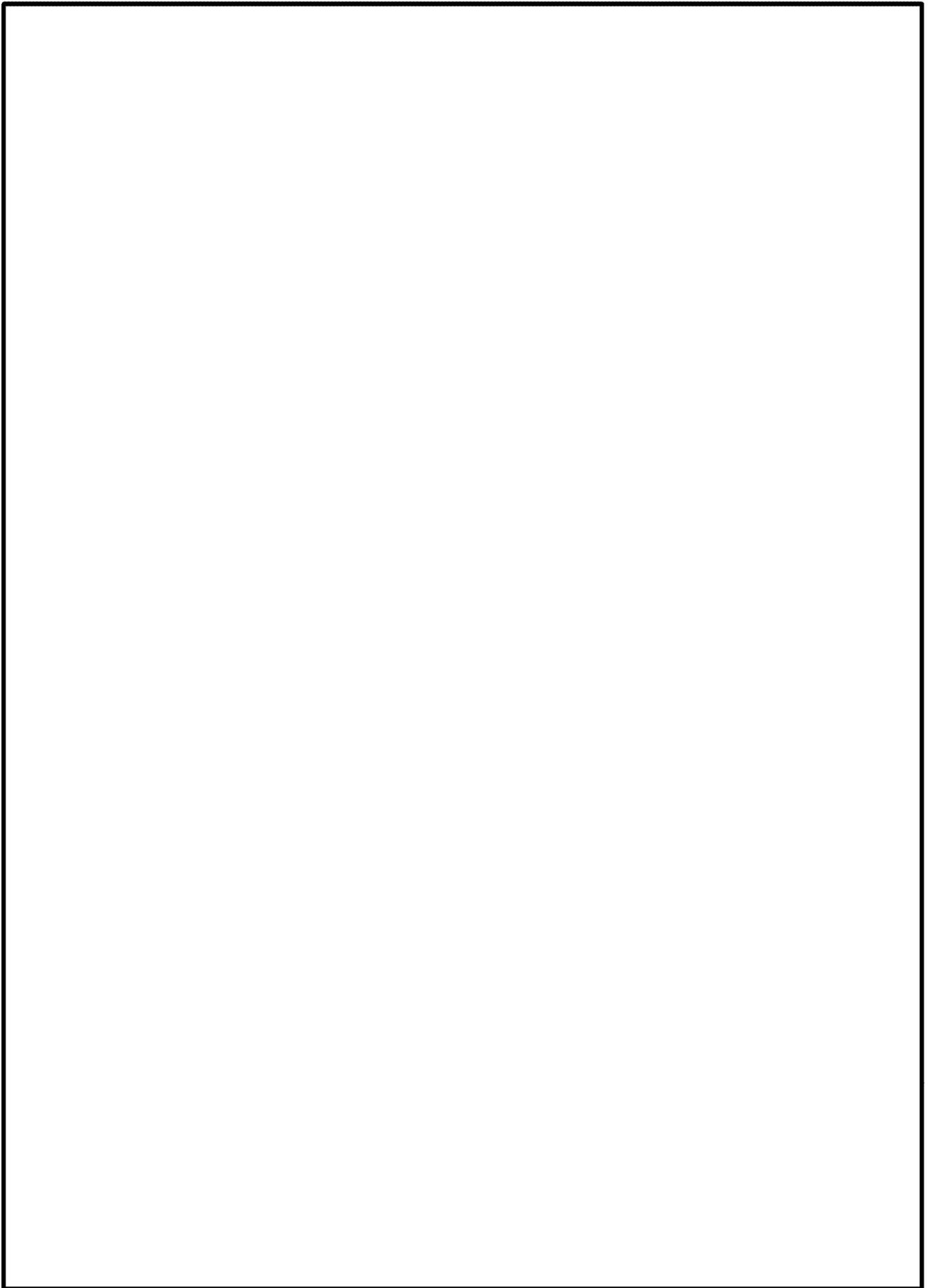
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Exhibit 5-B

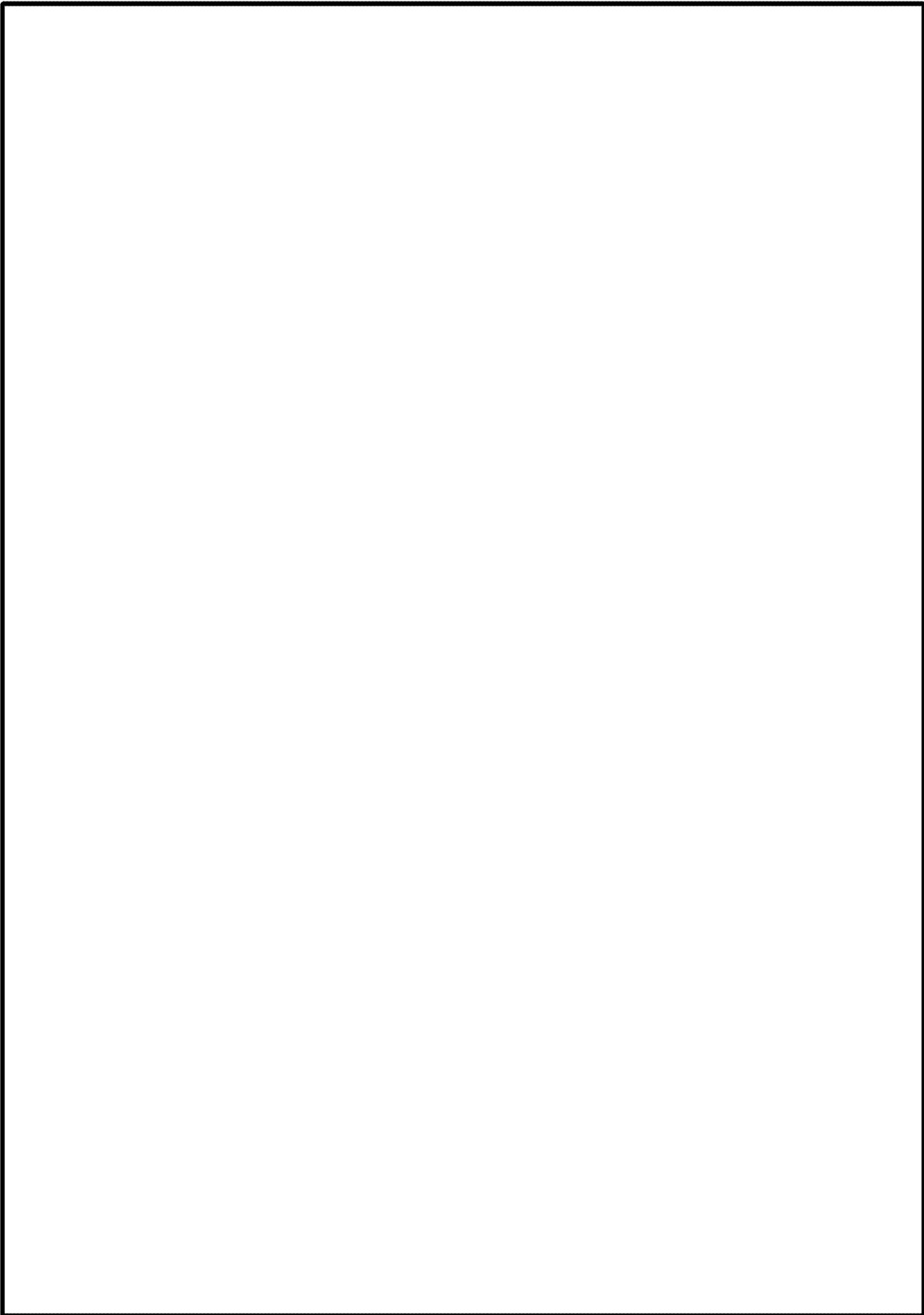
Subscription Agreement for Central Montana Oil and Gas
Exploration, LP dated October 2012



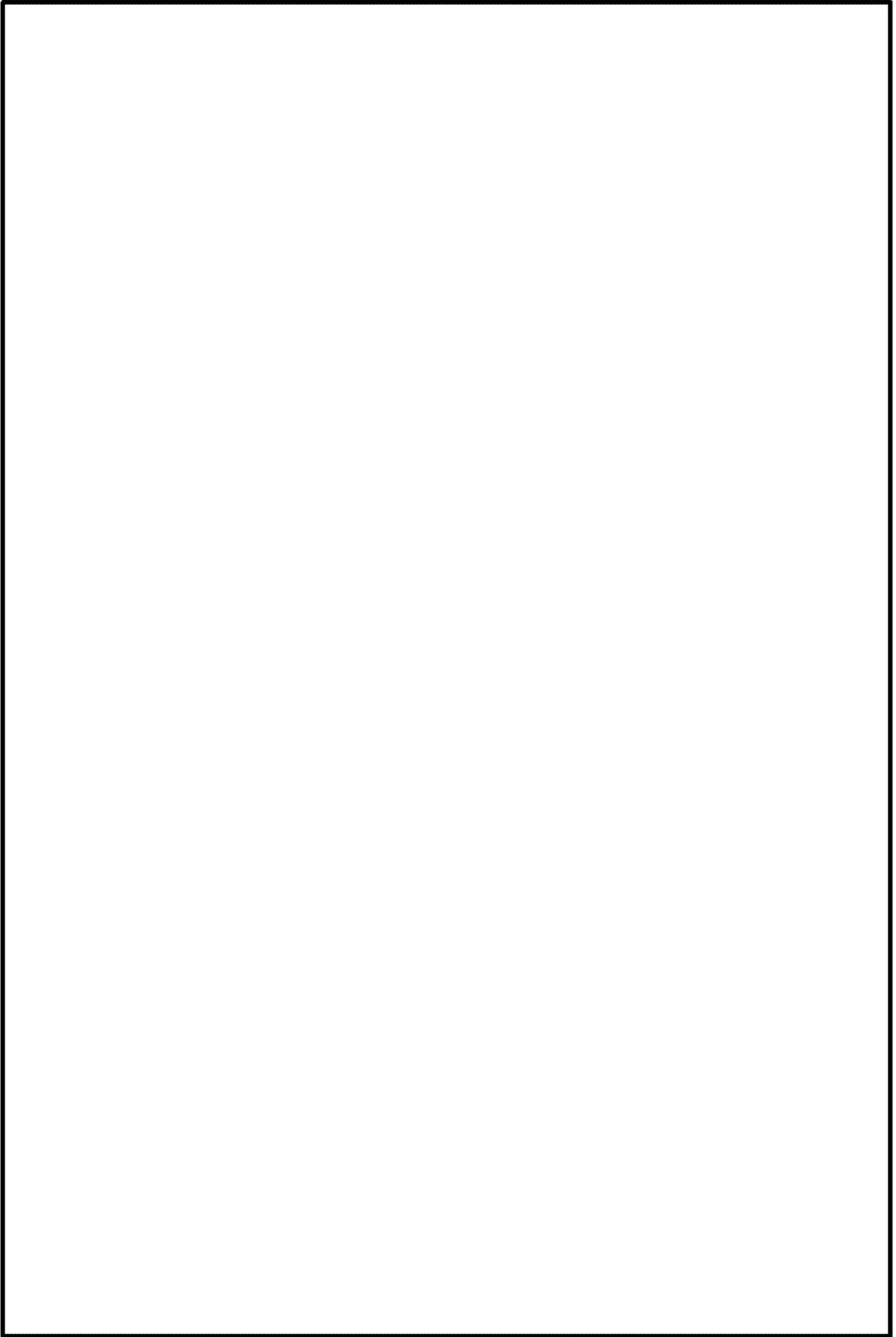




(b)(4)



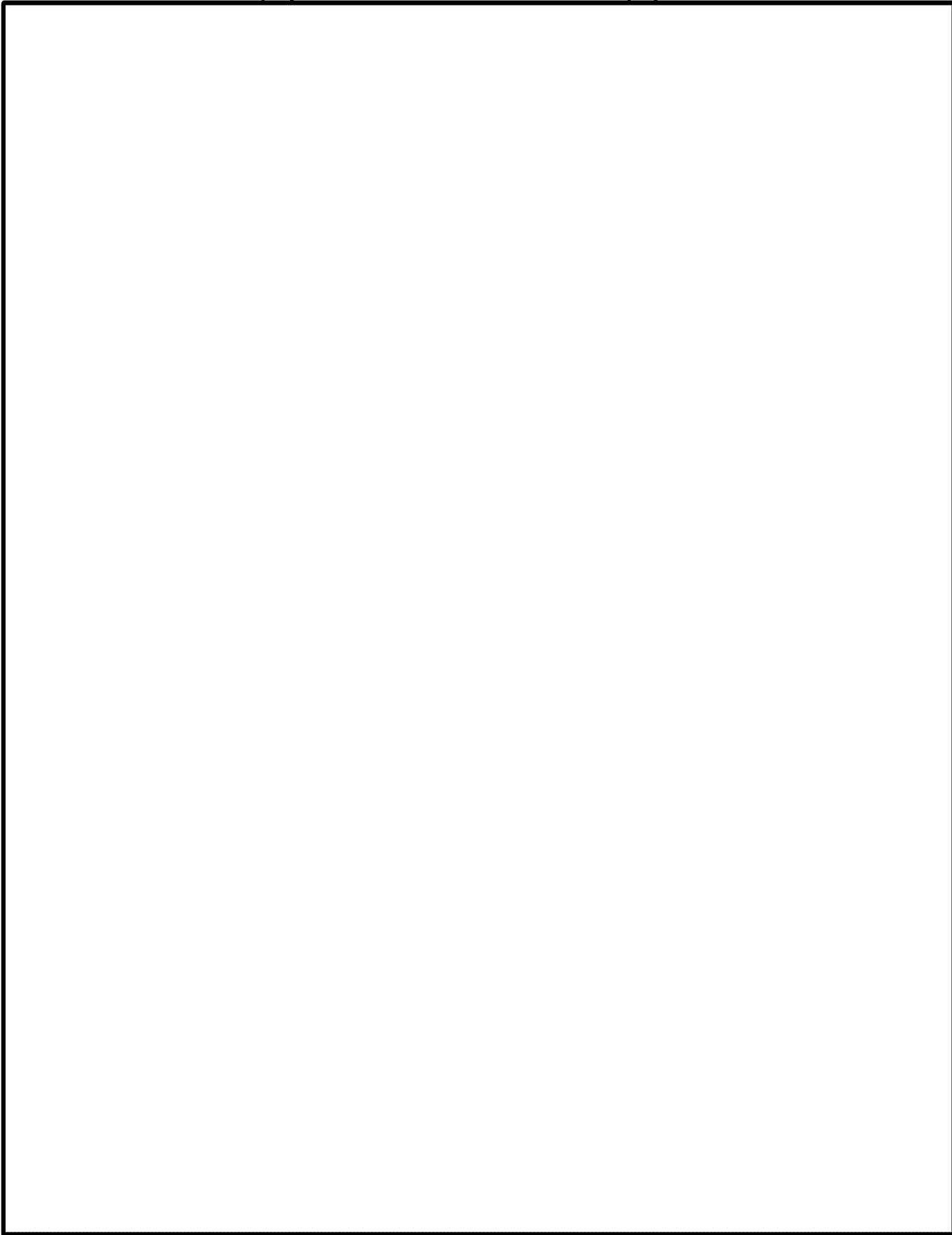
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Version Date October 2012

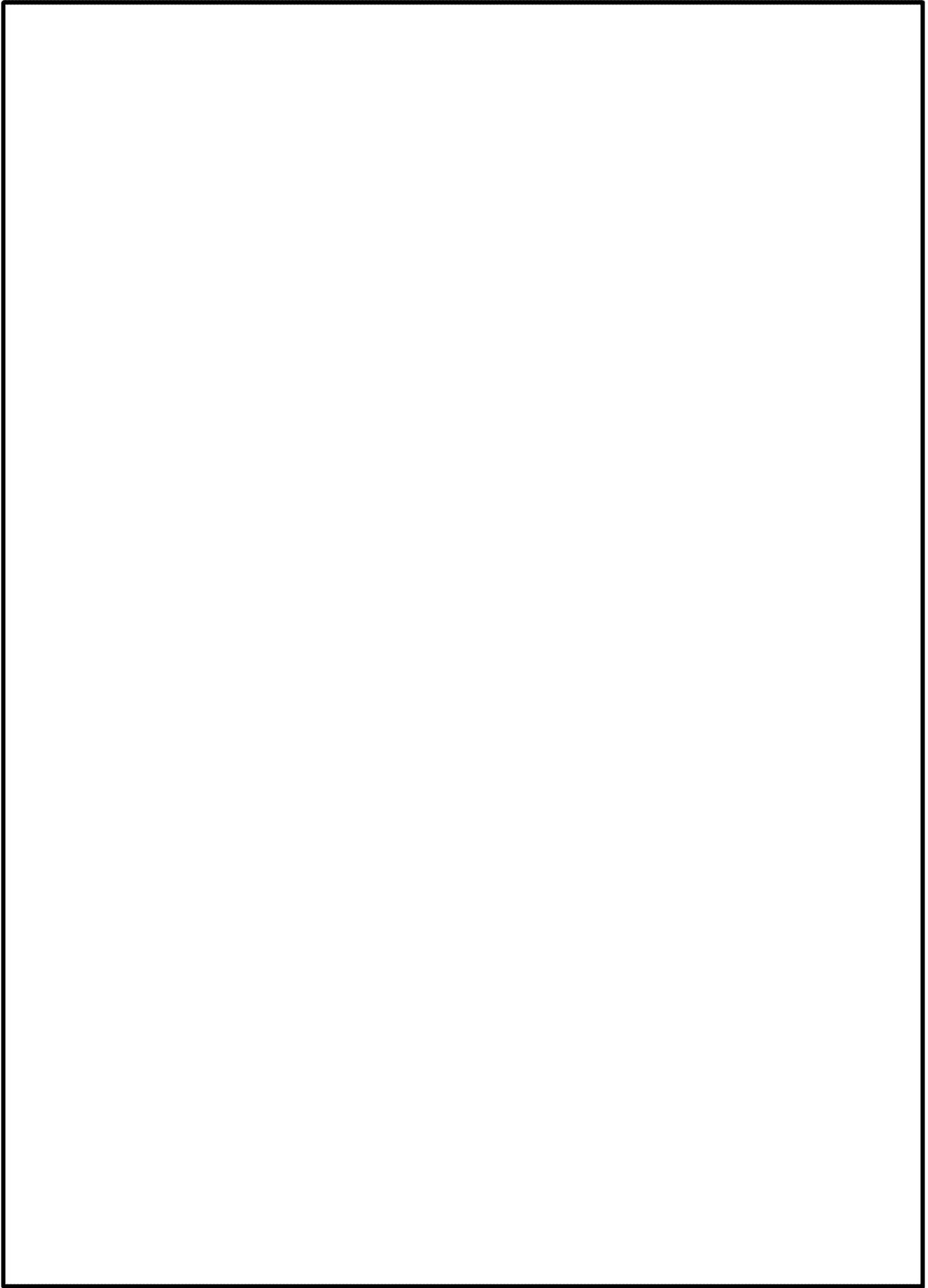
4888015.2/44349-00001

(b)(4)



Version Date October 2012

4888015.2/44349-00001



(b)(4)

ACCREDITED INVESTOR QUESTIONNAIRE

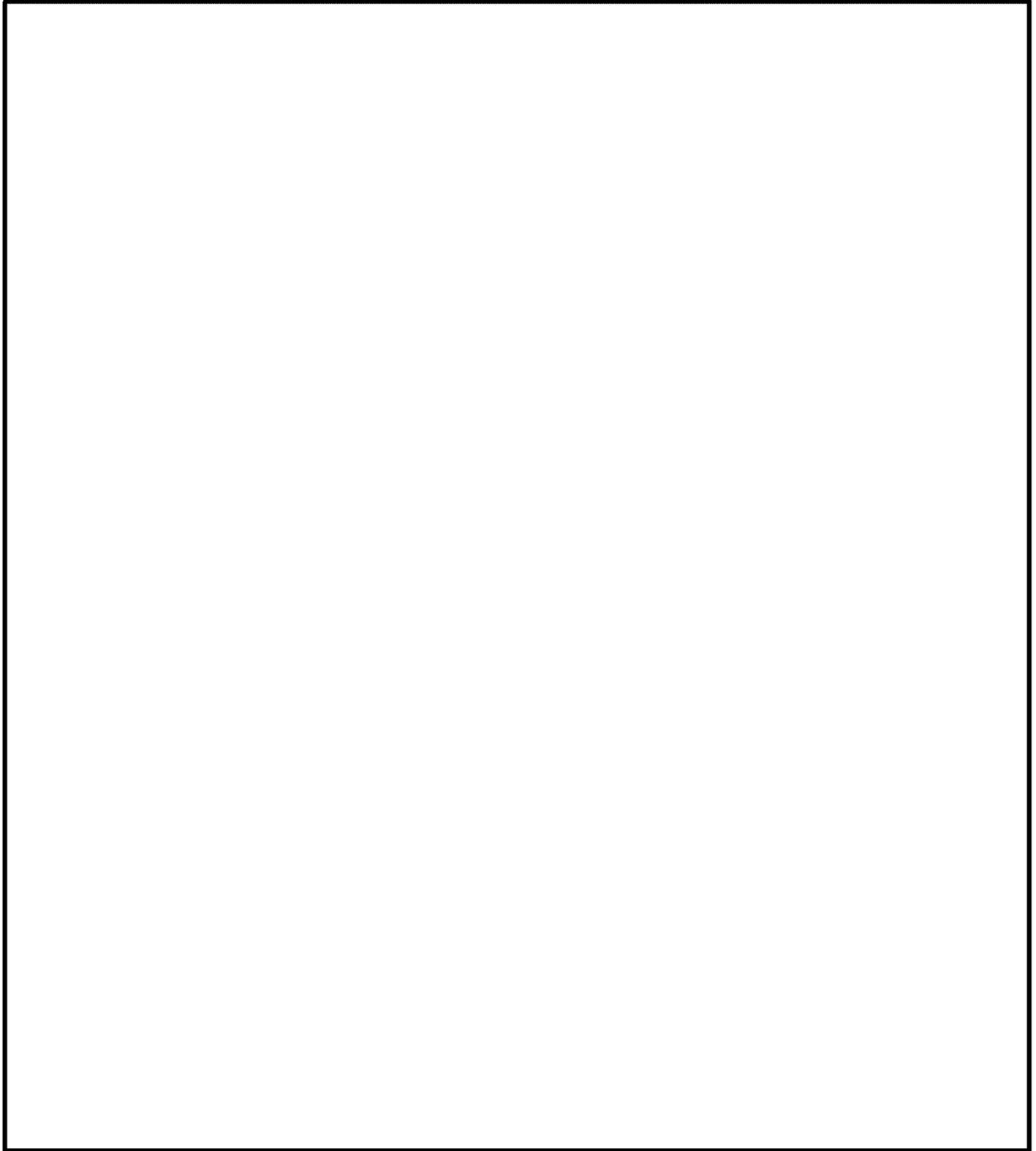
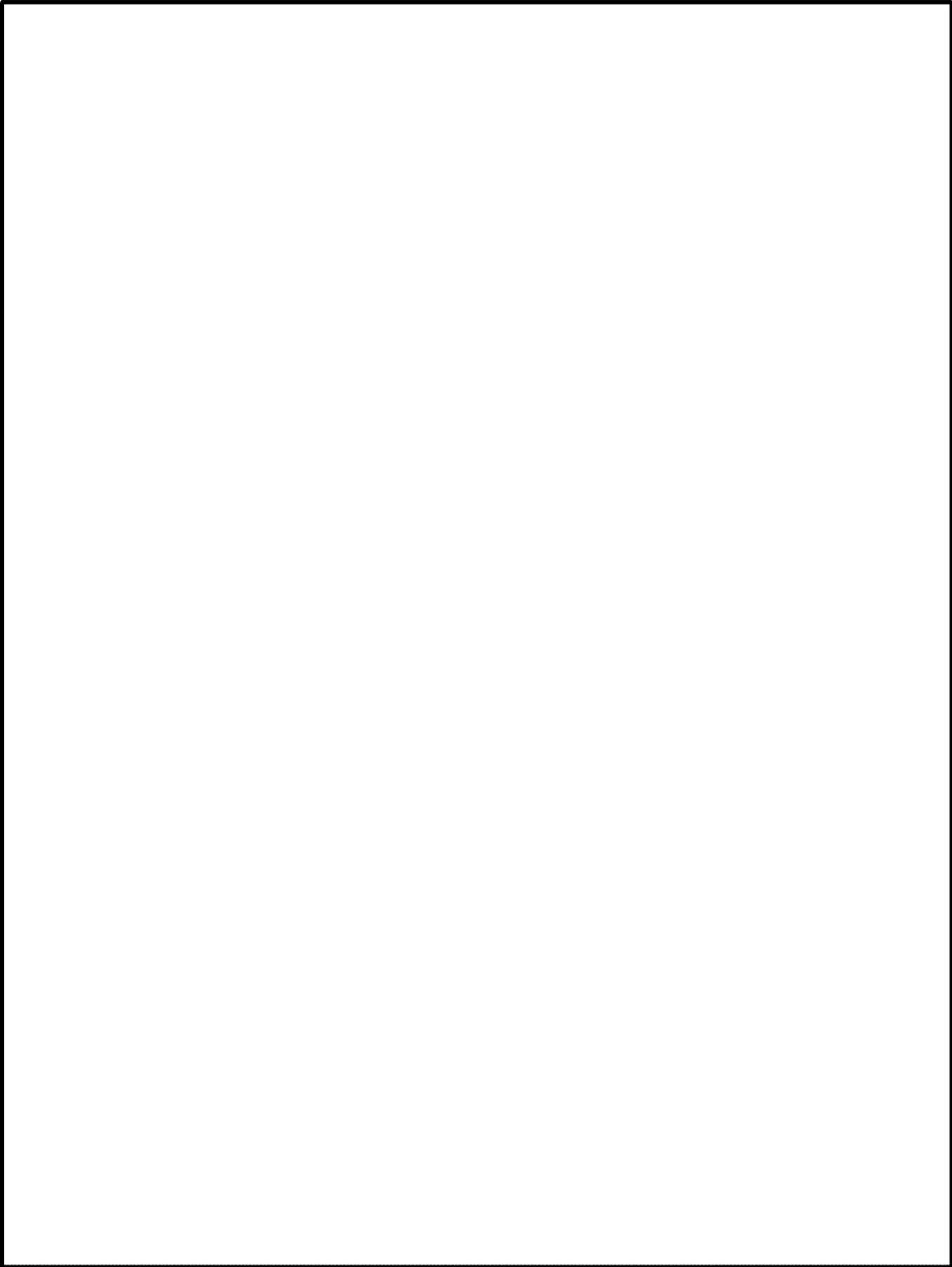


Exhibit 5-C

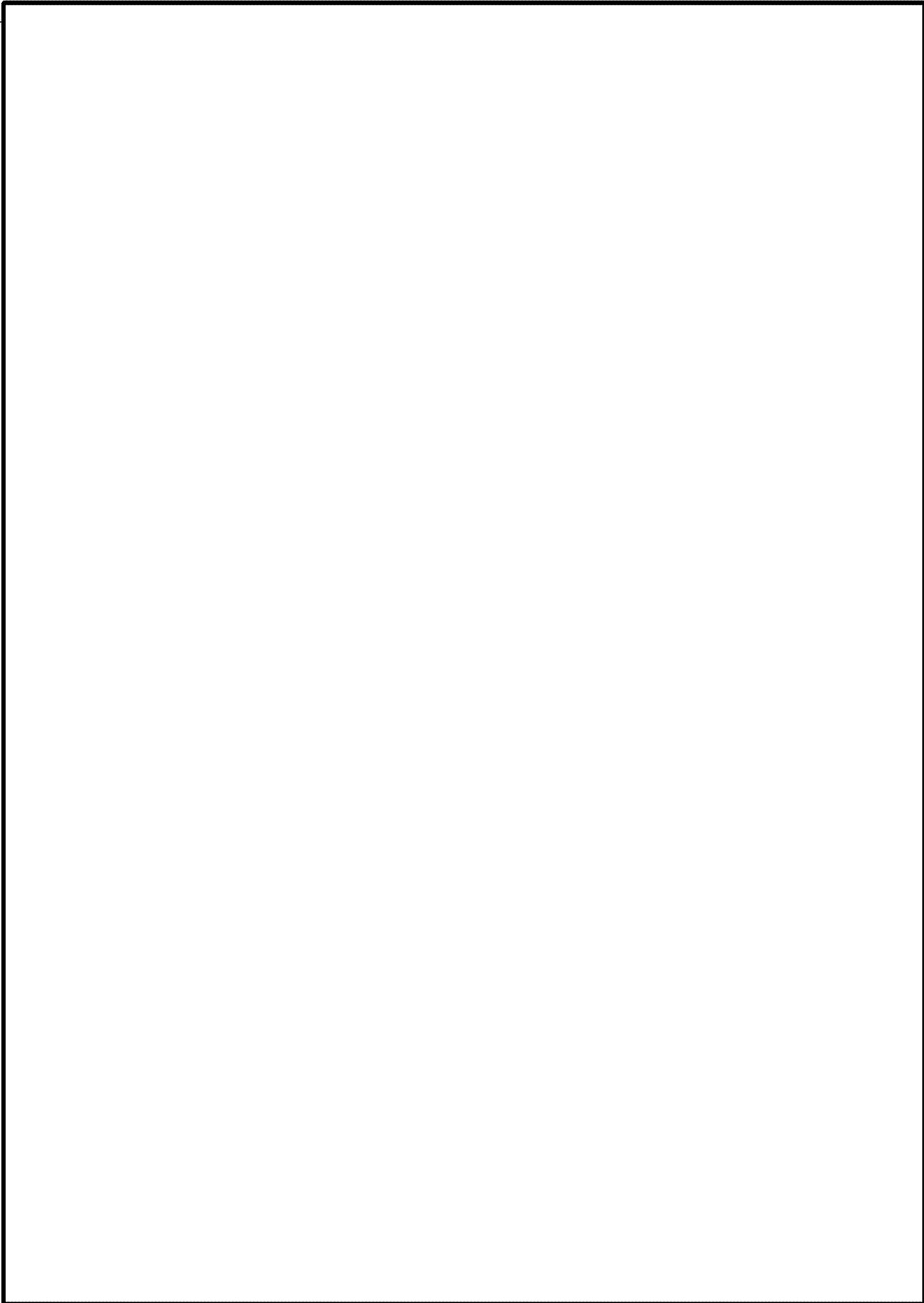
Loan Agreement and Security Agreement for Central Montana Oil
and Gas Exploration, LP dated October 2012

LOAN AND SECURITY AGREEMENT



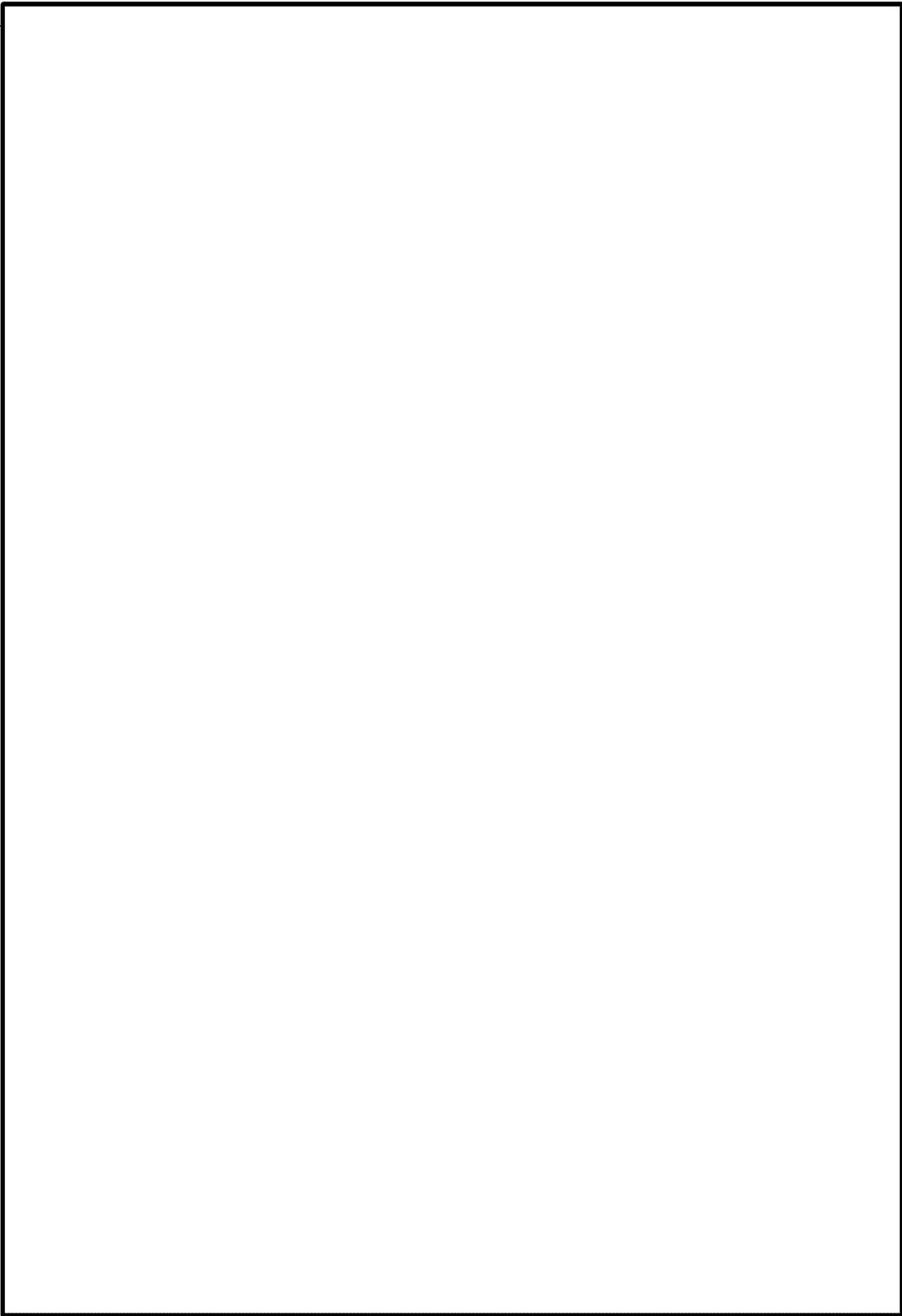


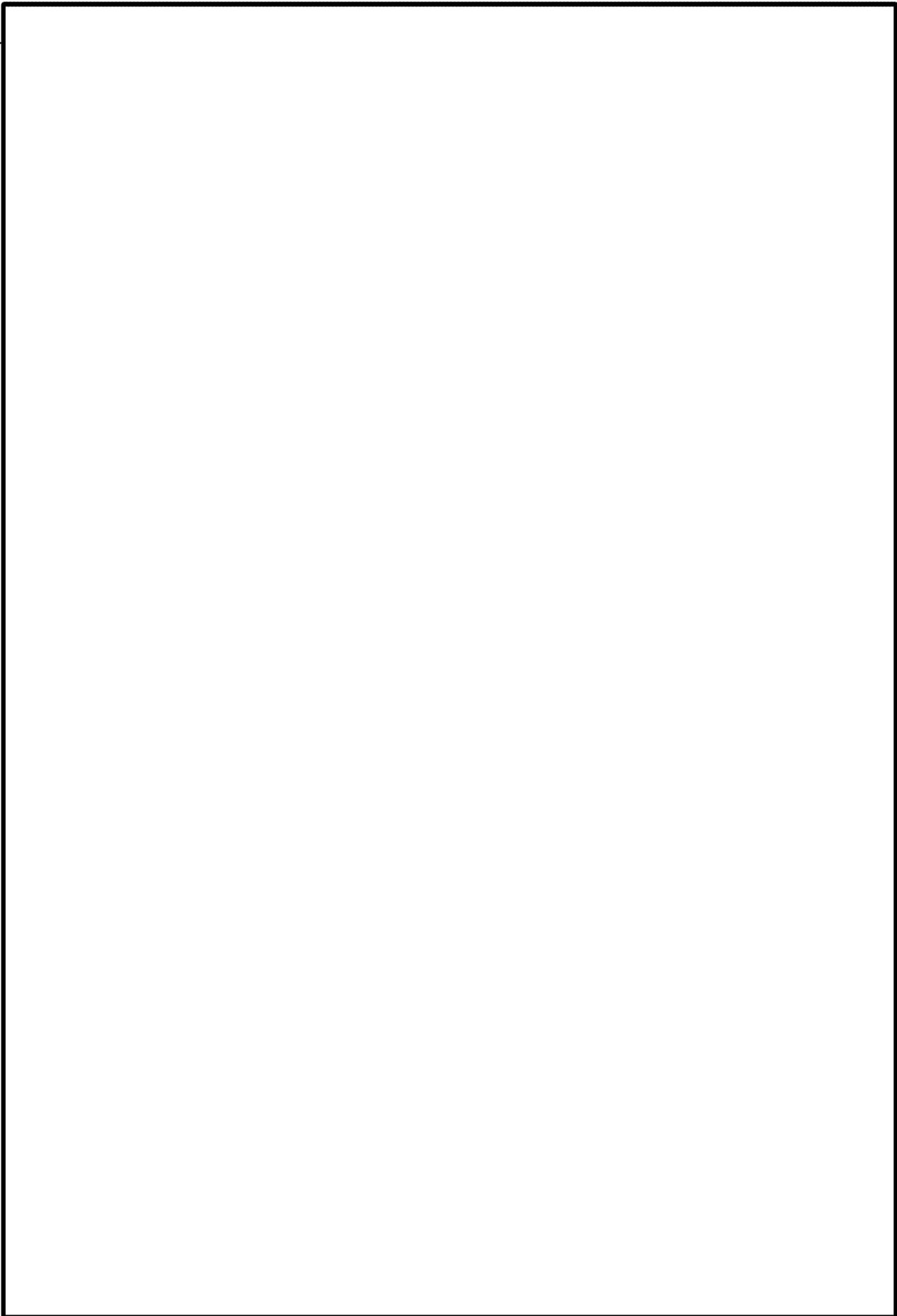
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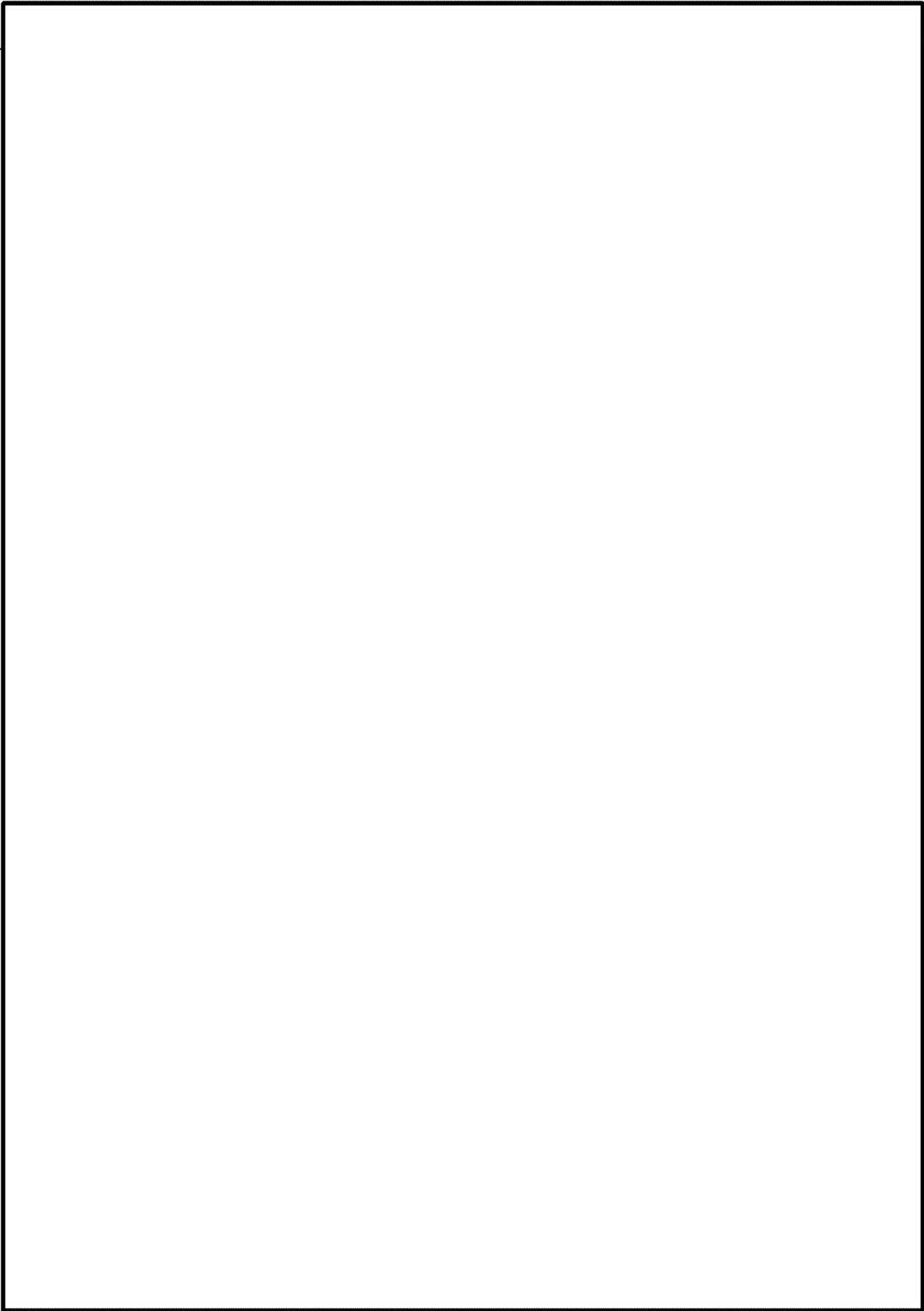




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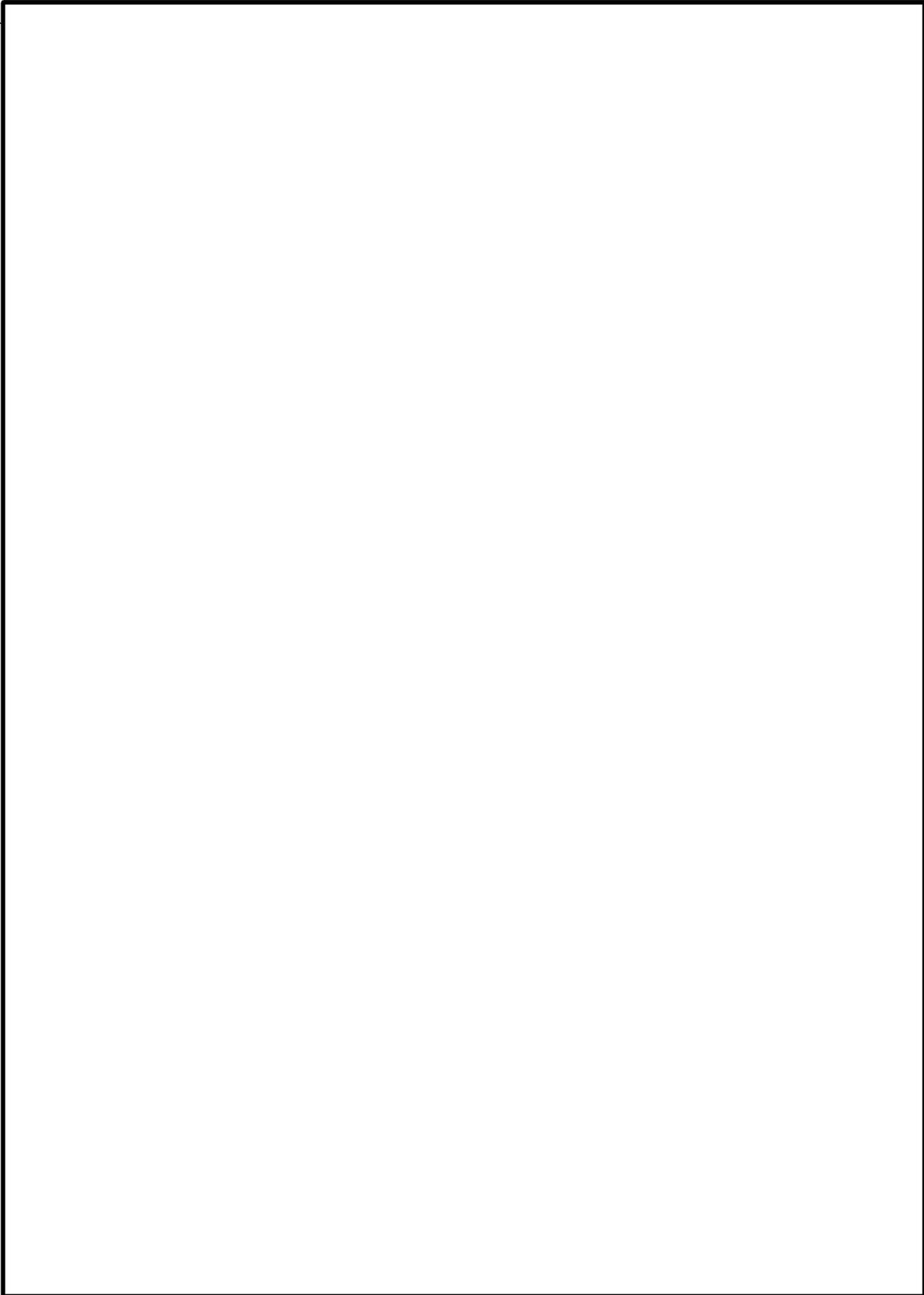


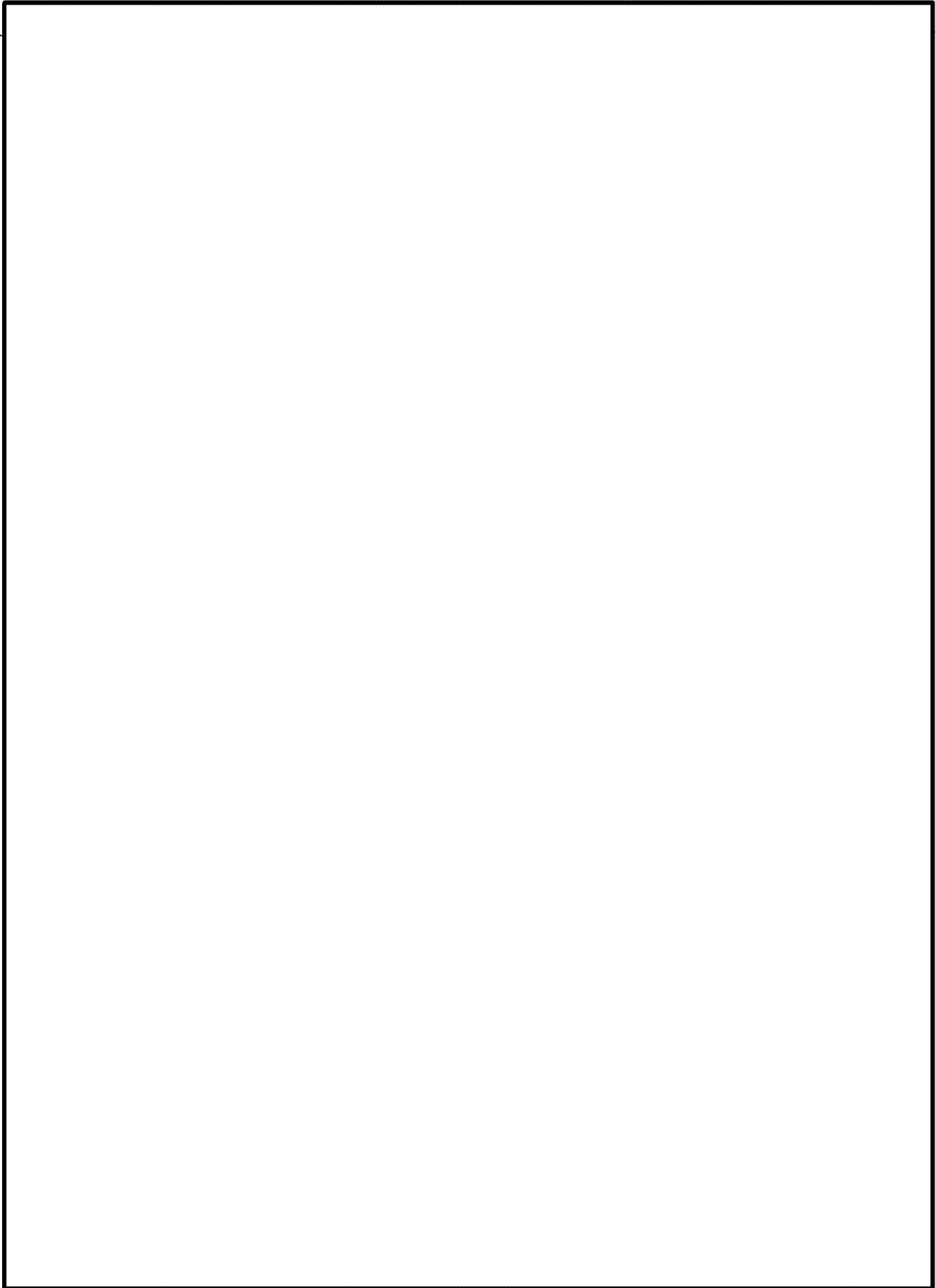


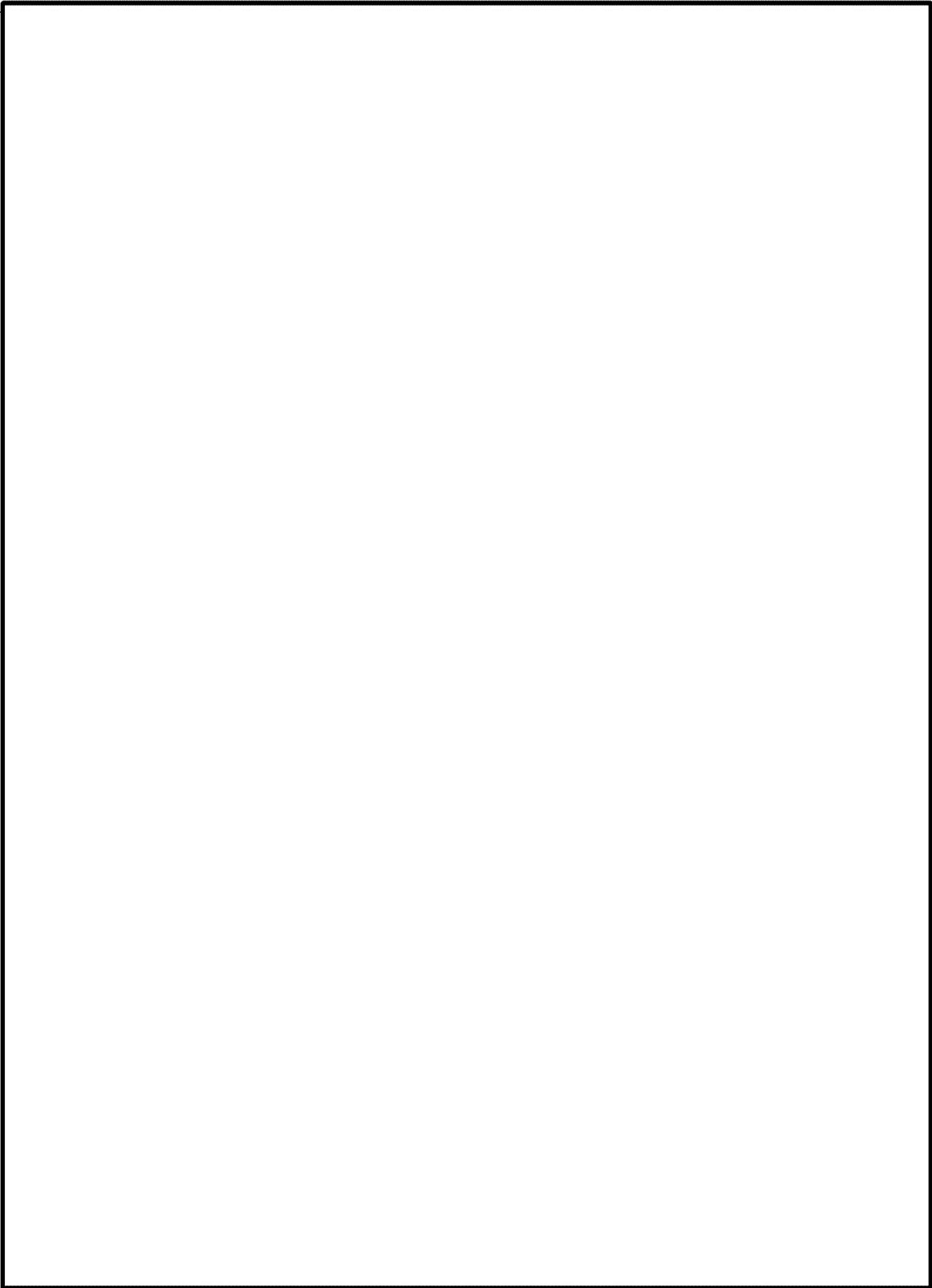




(b)(4)







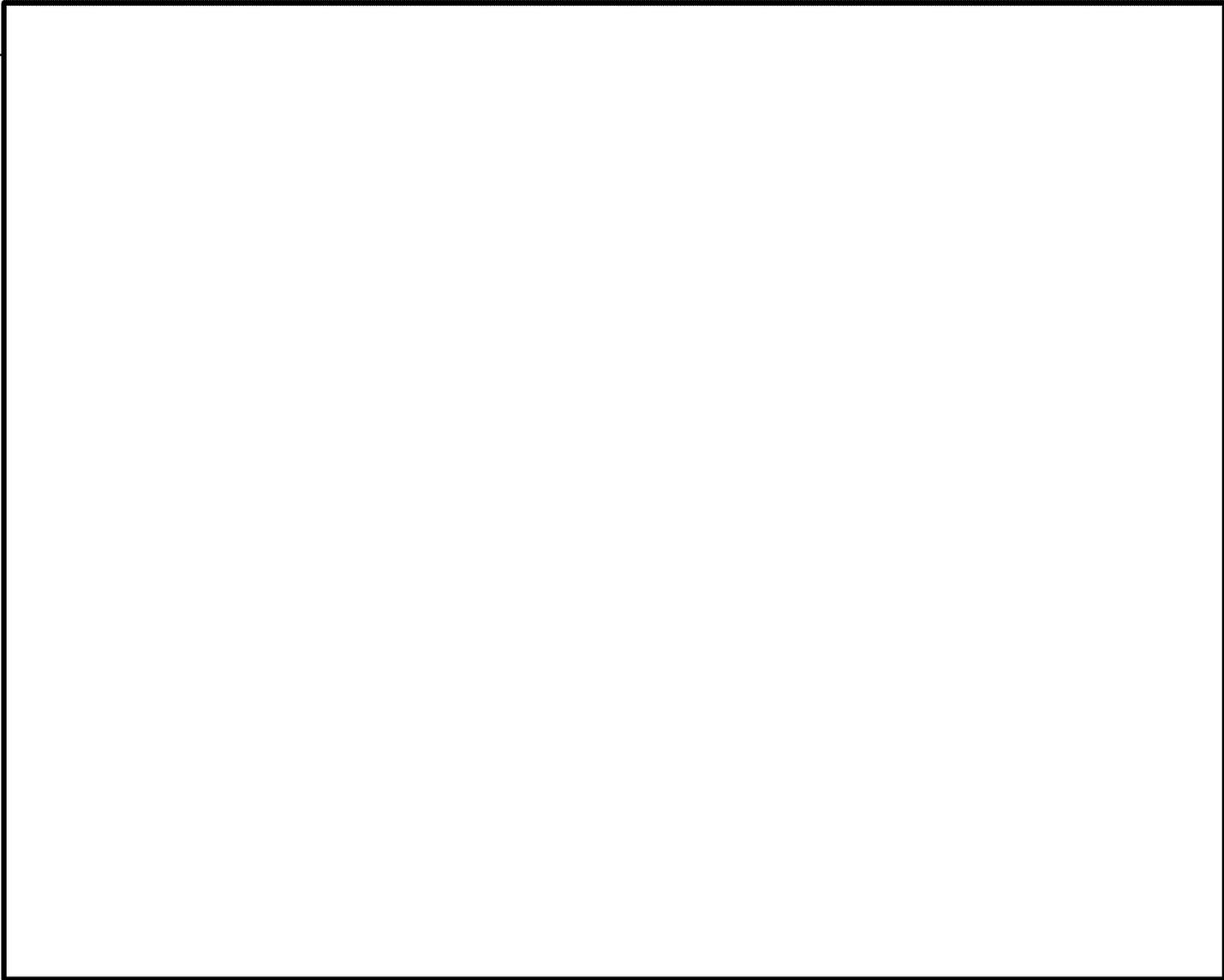
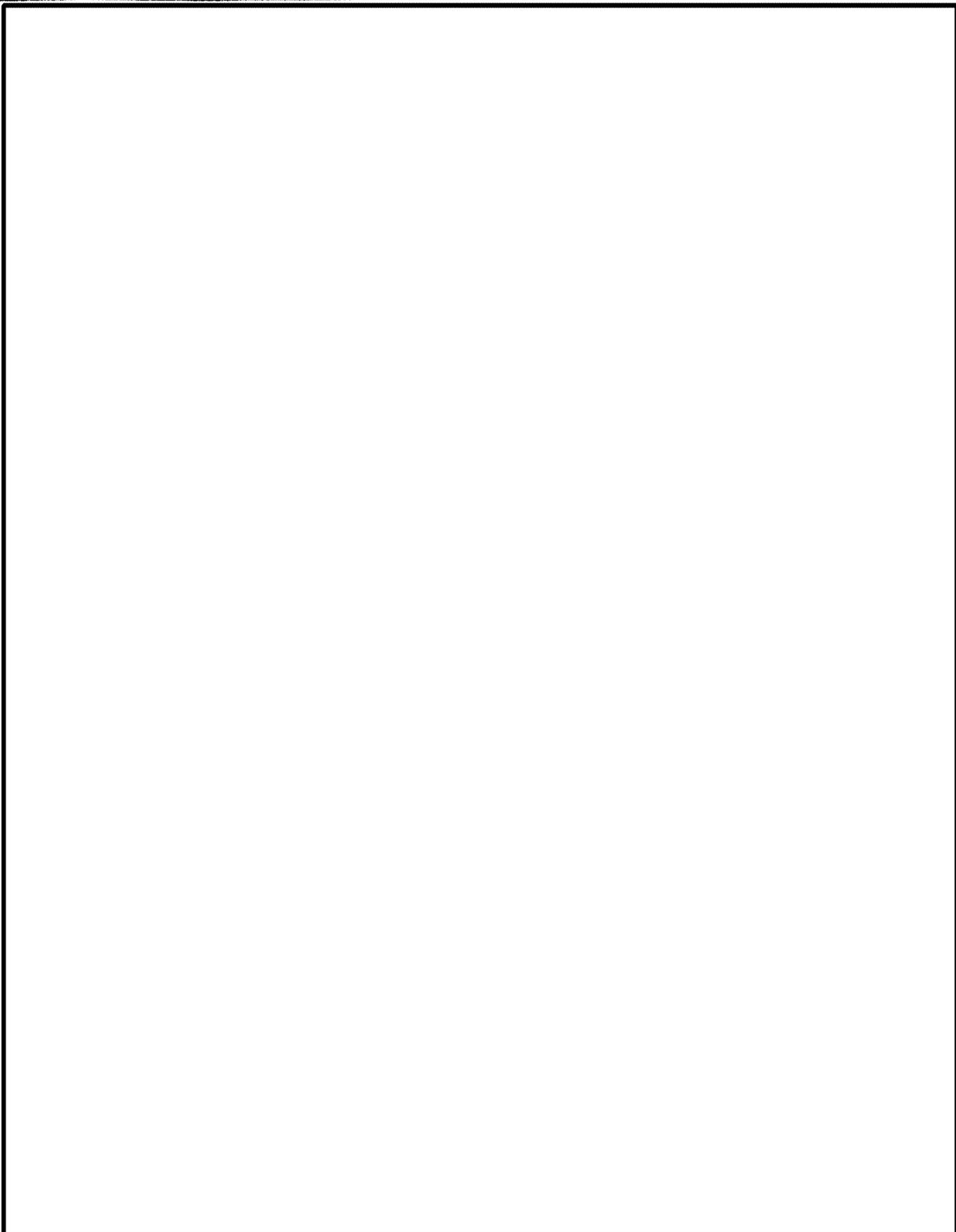


EXHIBIT "A"

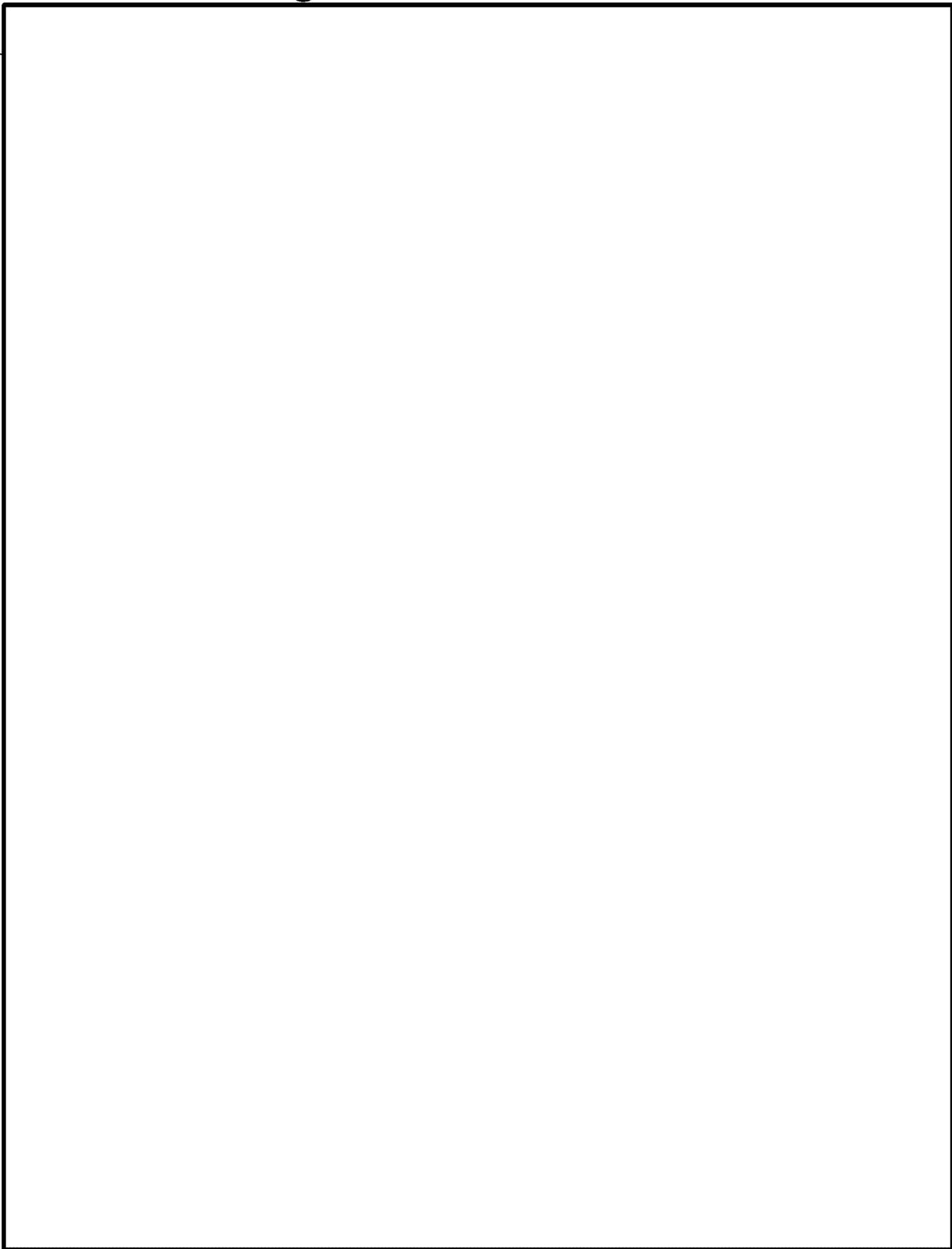
PROMISSORY NOTE

(see attached)

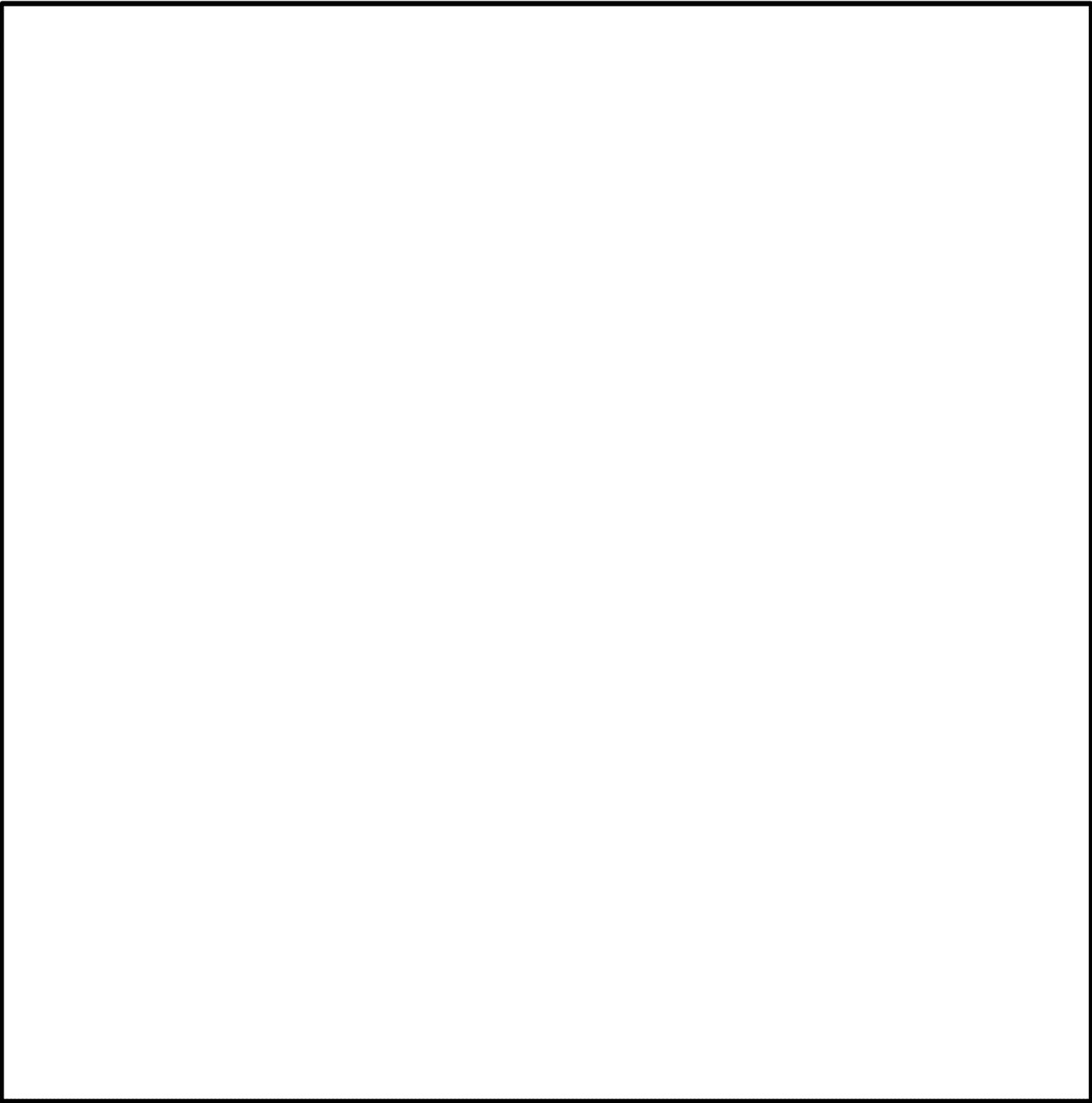
EXHIBIT "C"
FINANCING STATEMENT
(see attached)



Version date October 2012



Version date October 2012



Version date October 2012

Exhibit 5-D

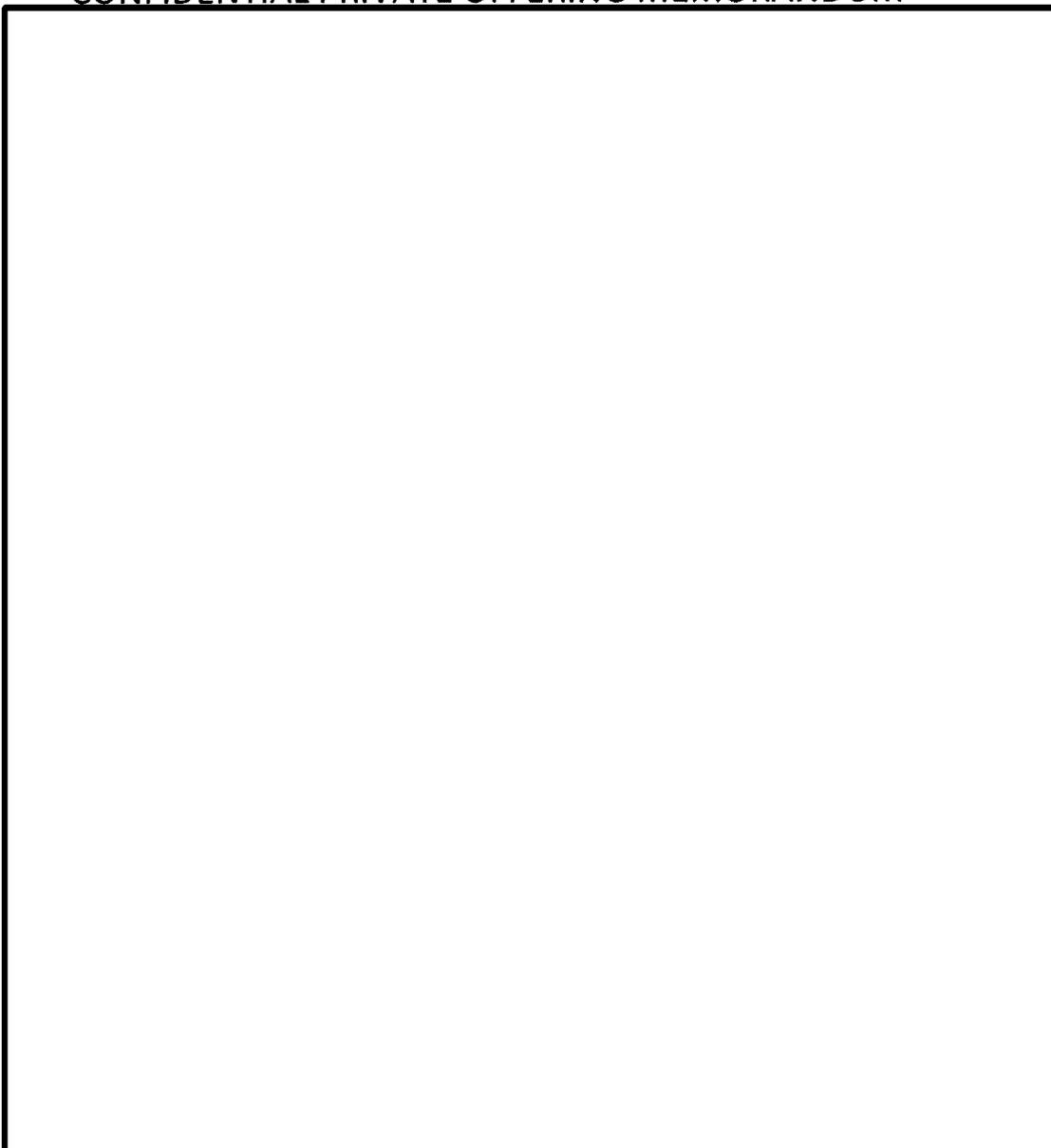
Updated Private Offering Memorandum for Central Montana Oil
and Gas Exploration, LP dated October 2012

Date: _____, 2012

Name: _____ No.: _____

(b)(4)

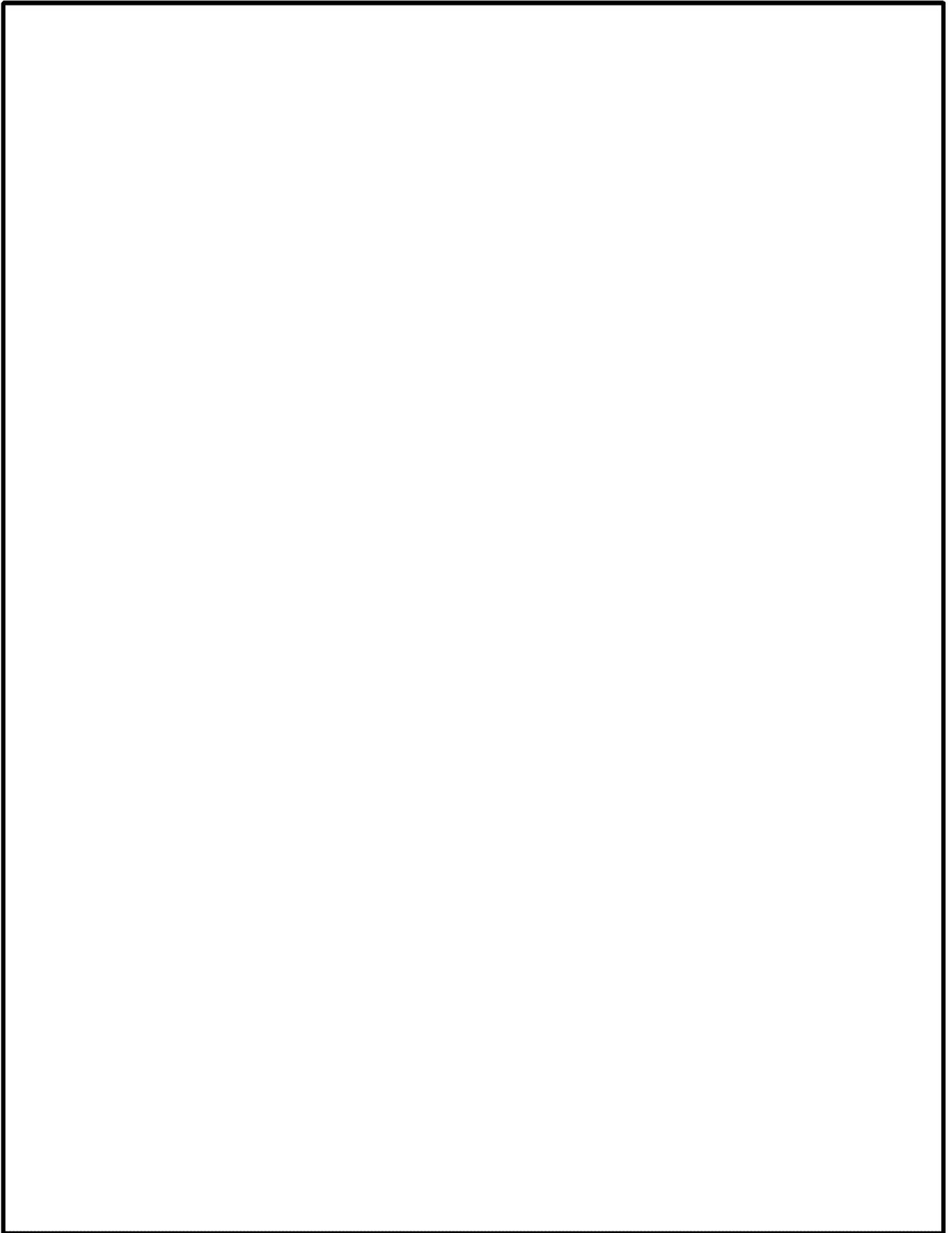
CONFIDENTIAL PRIVATE OFFERING MEMORANDUM

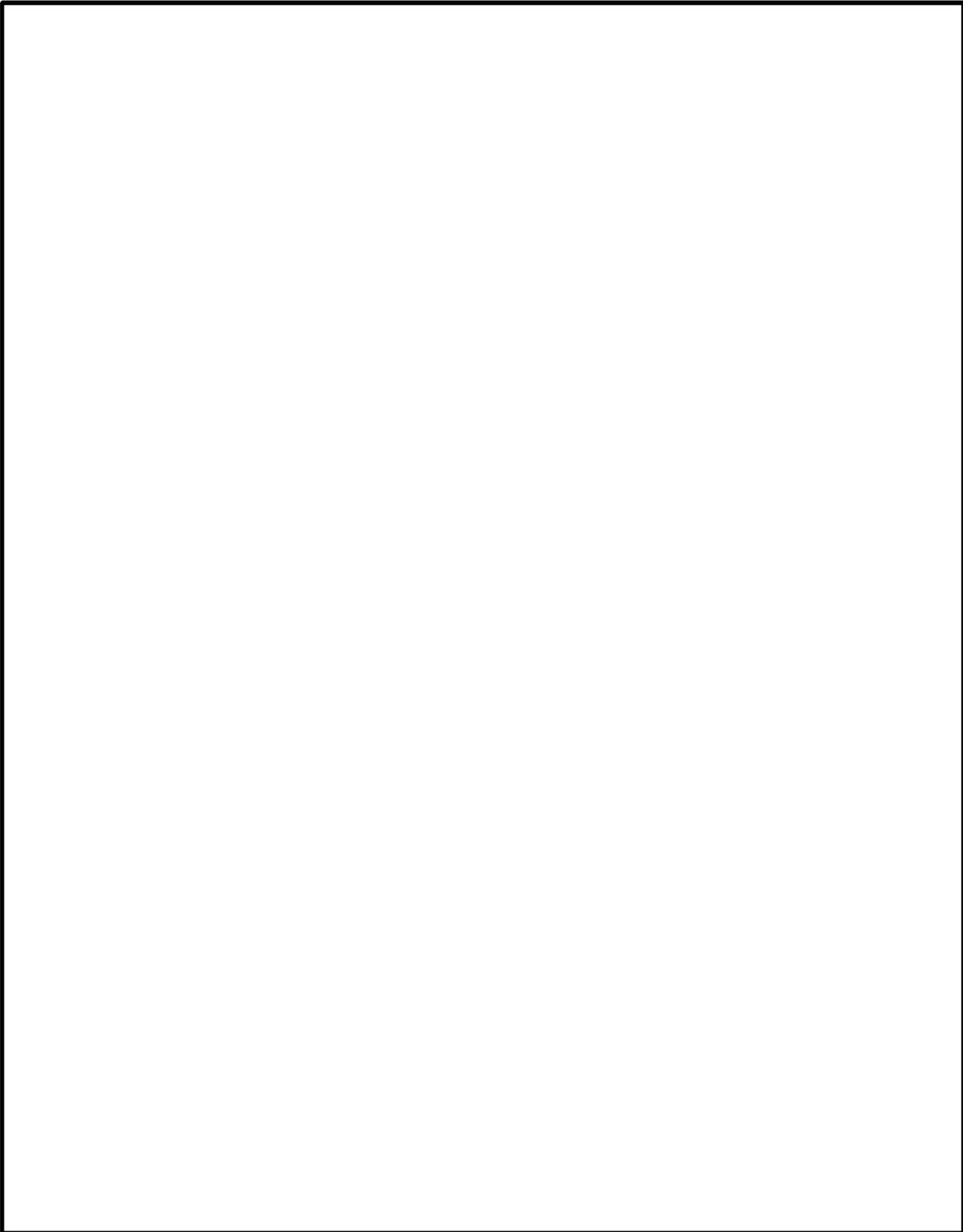


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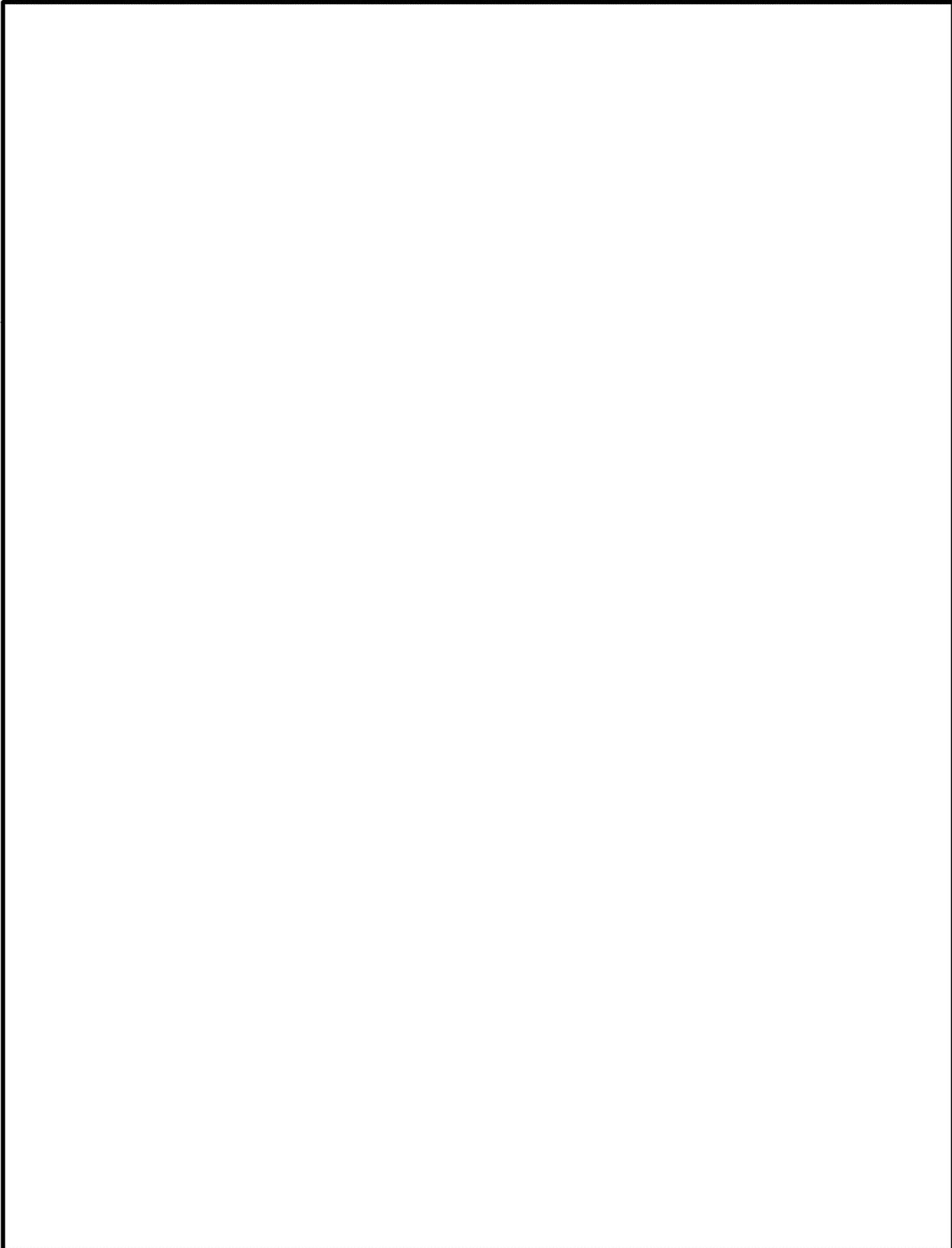


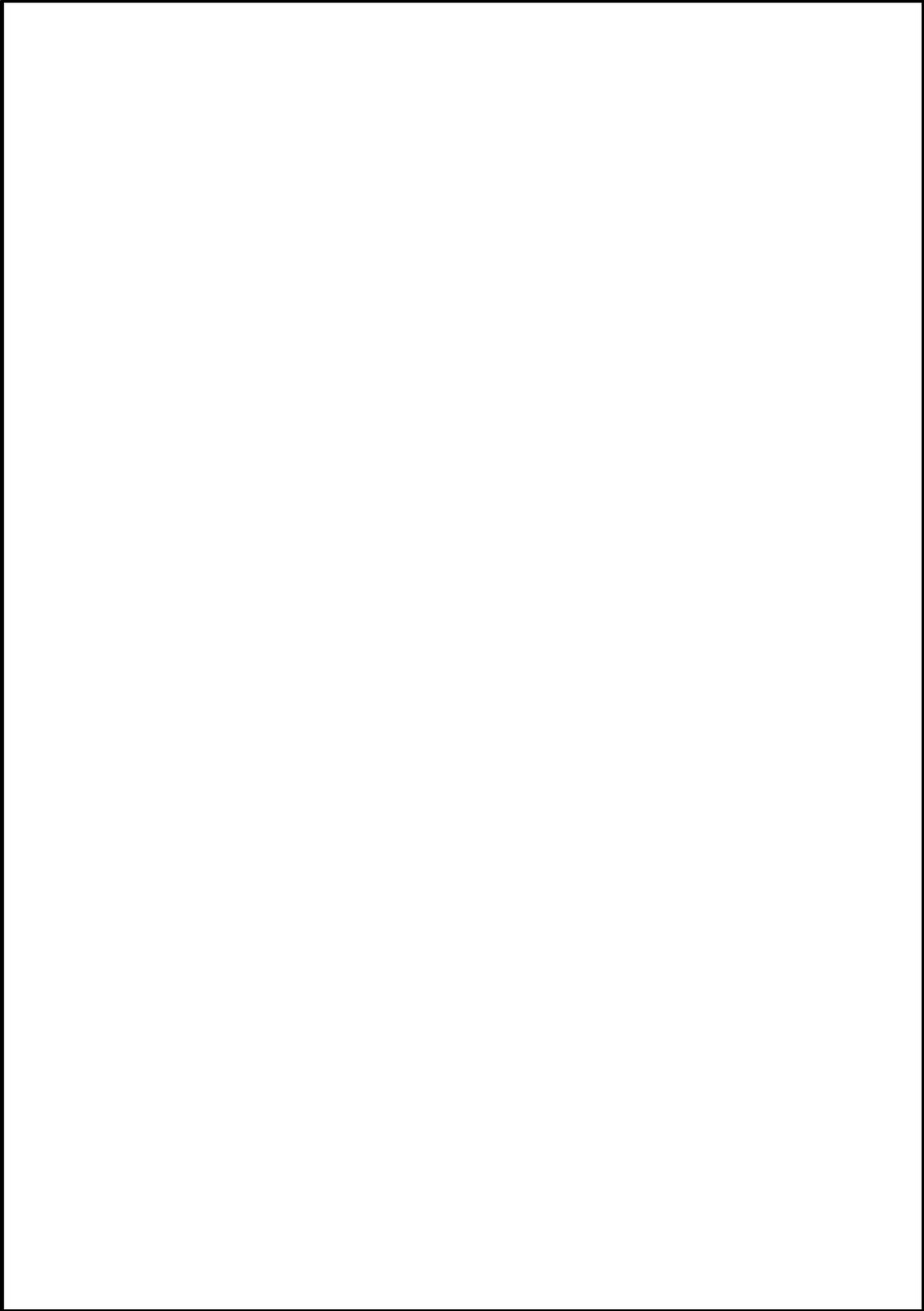
SUMMARY OF OFFERING TERMS





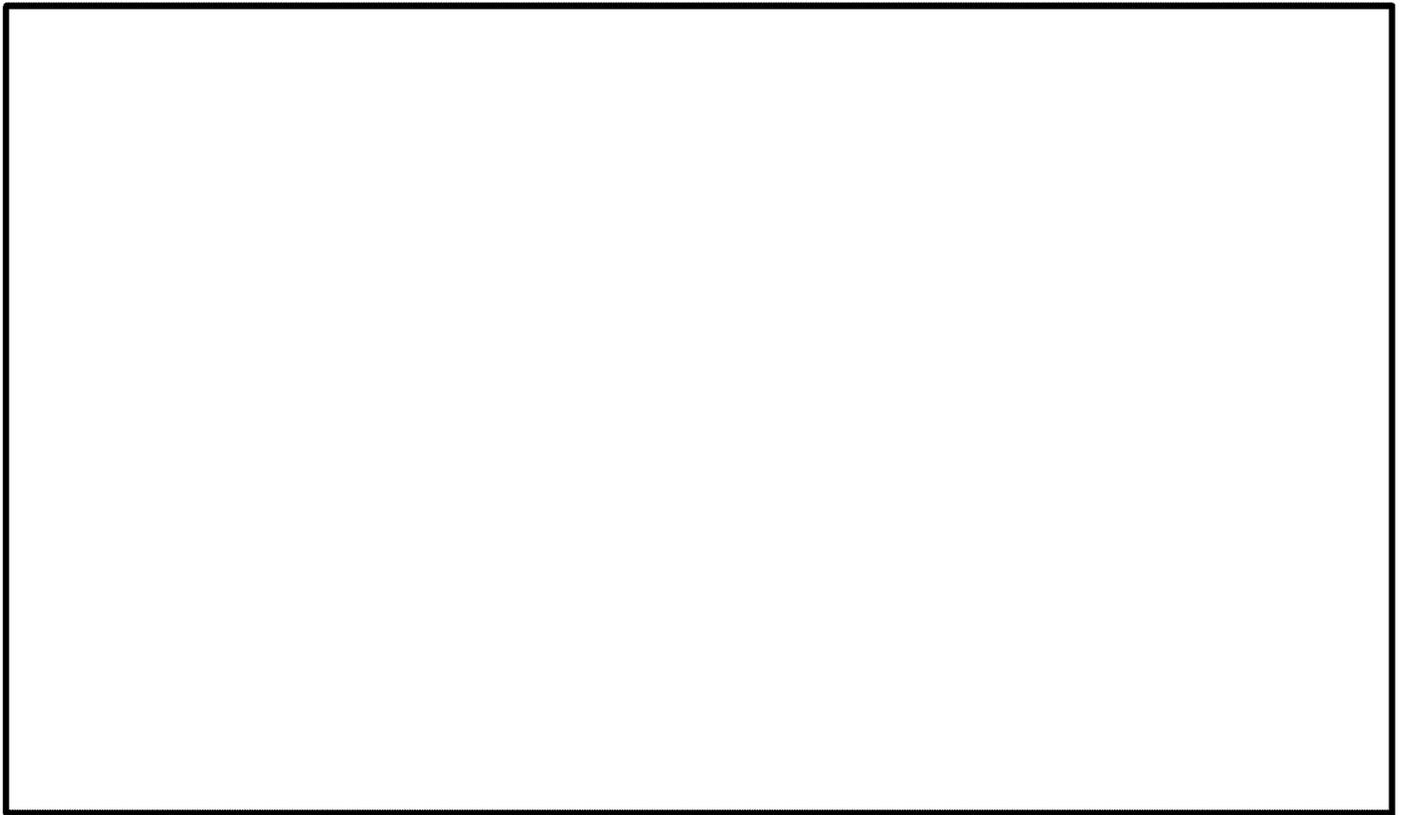
DESCRIPTION OF THE PROJECT







(b)(4)



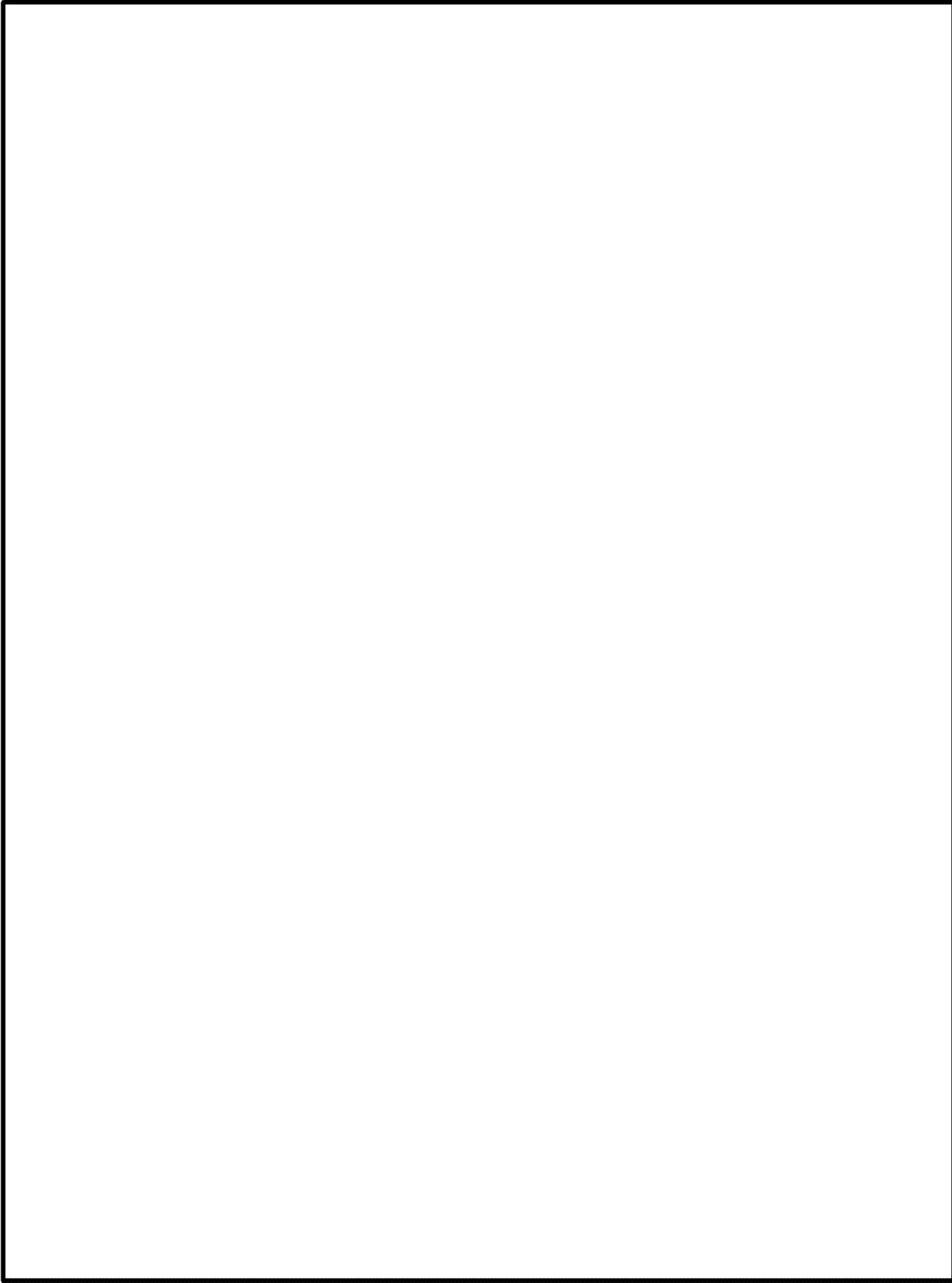


(b)(4)

(b)(6)



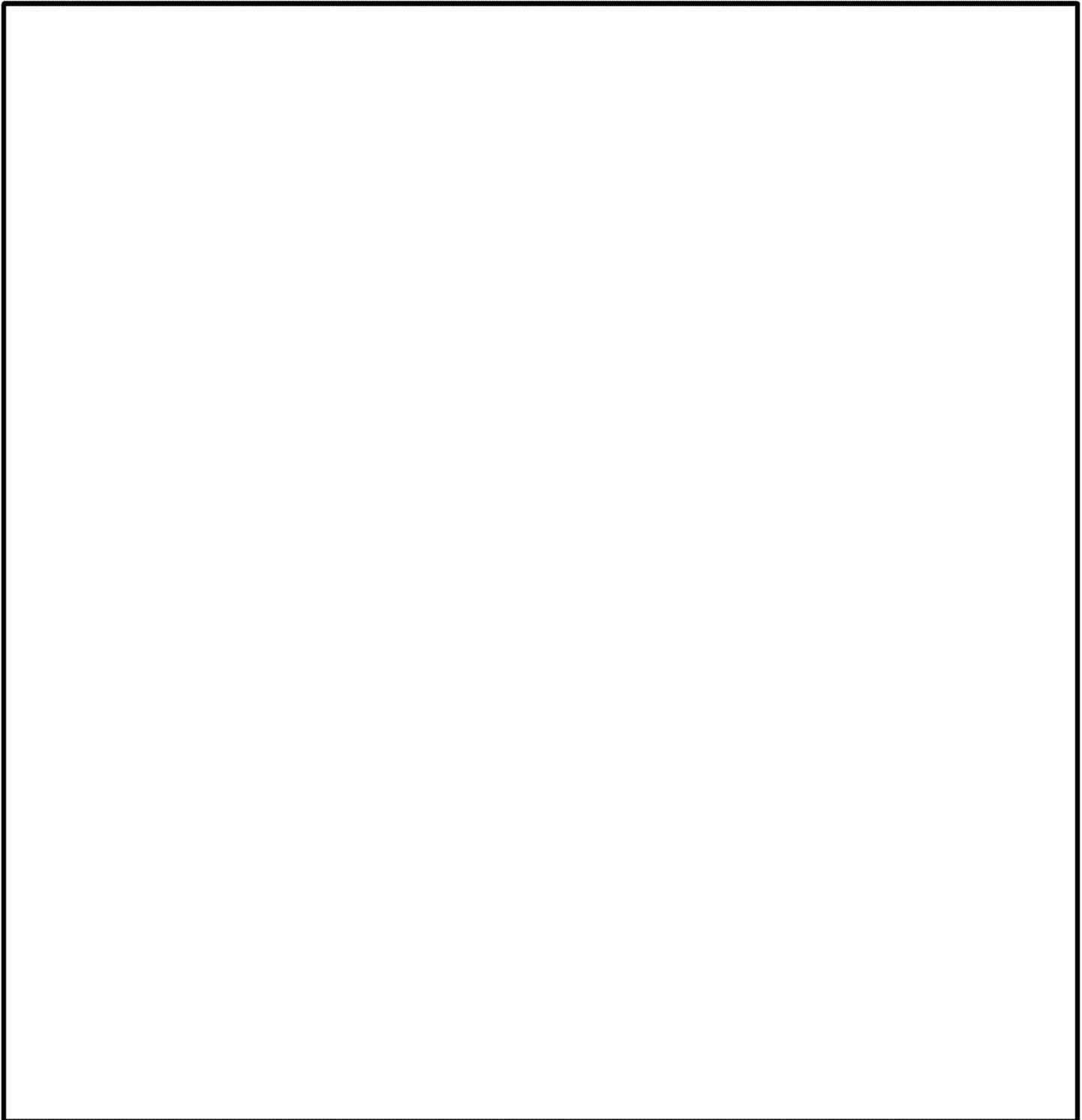
GENERAL PARTNER AND OWNER/OPERATOR; MANAGEMENT BIOGRAPHIES





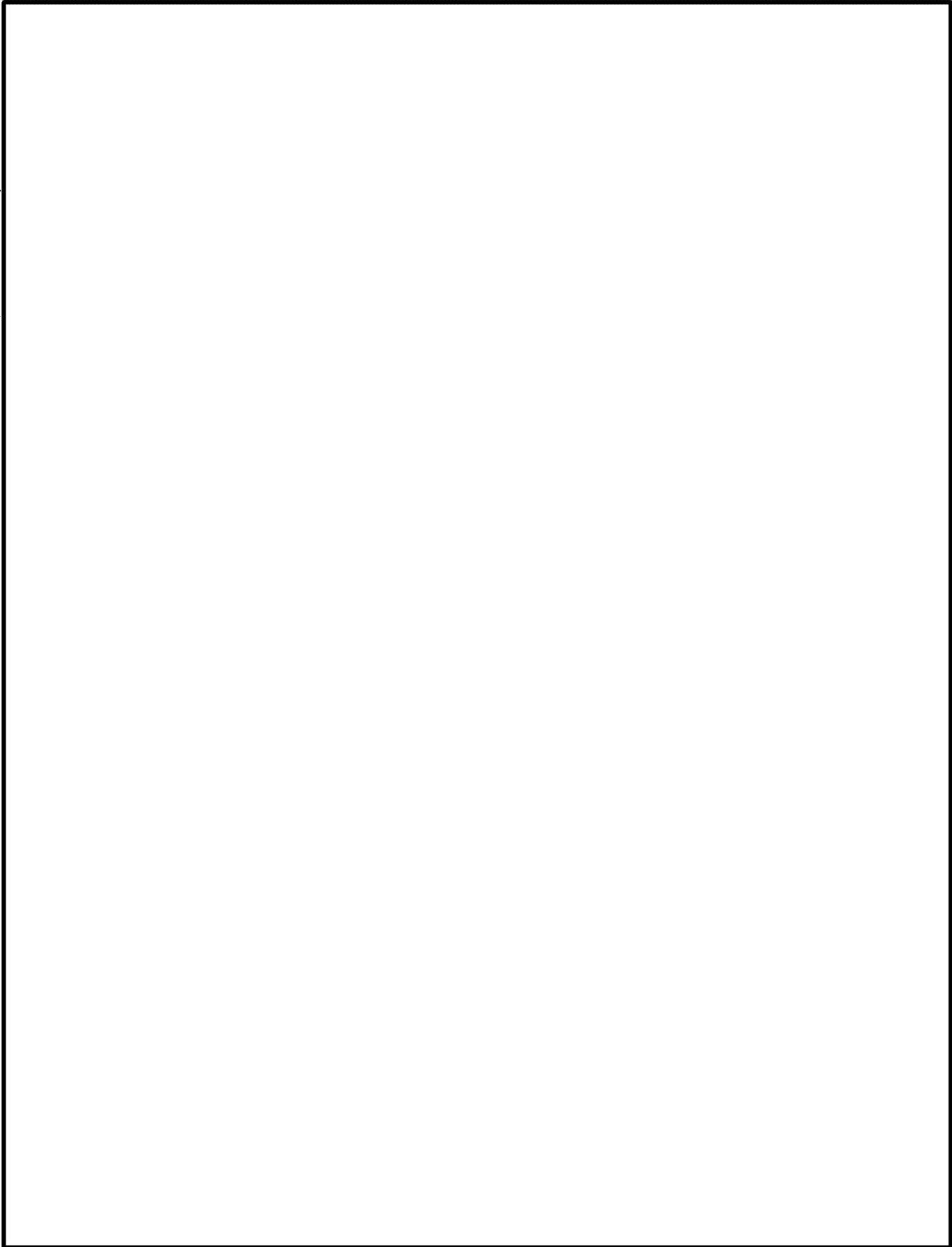
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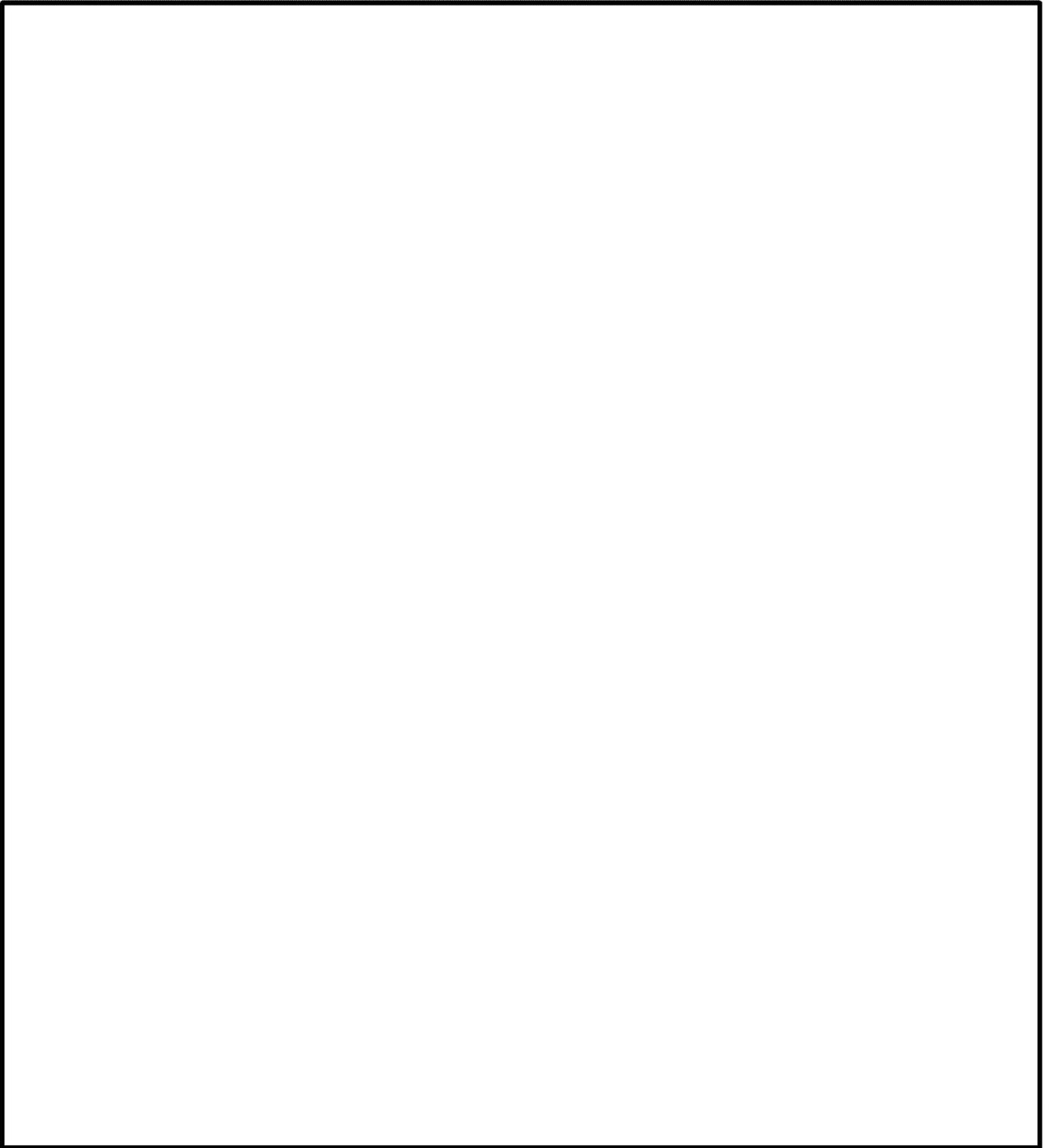
(b)(6)



(b)(4)

FINANCIAL CONSIDERATIONS



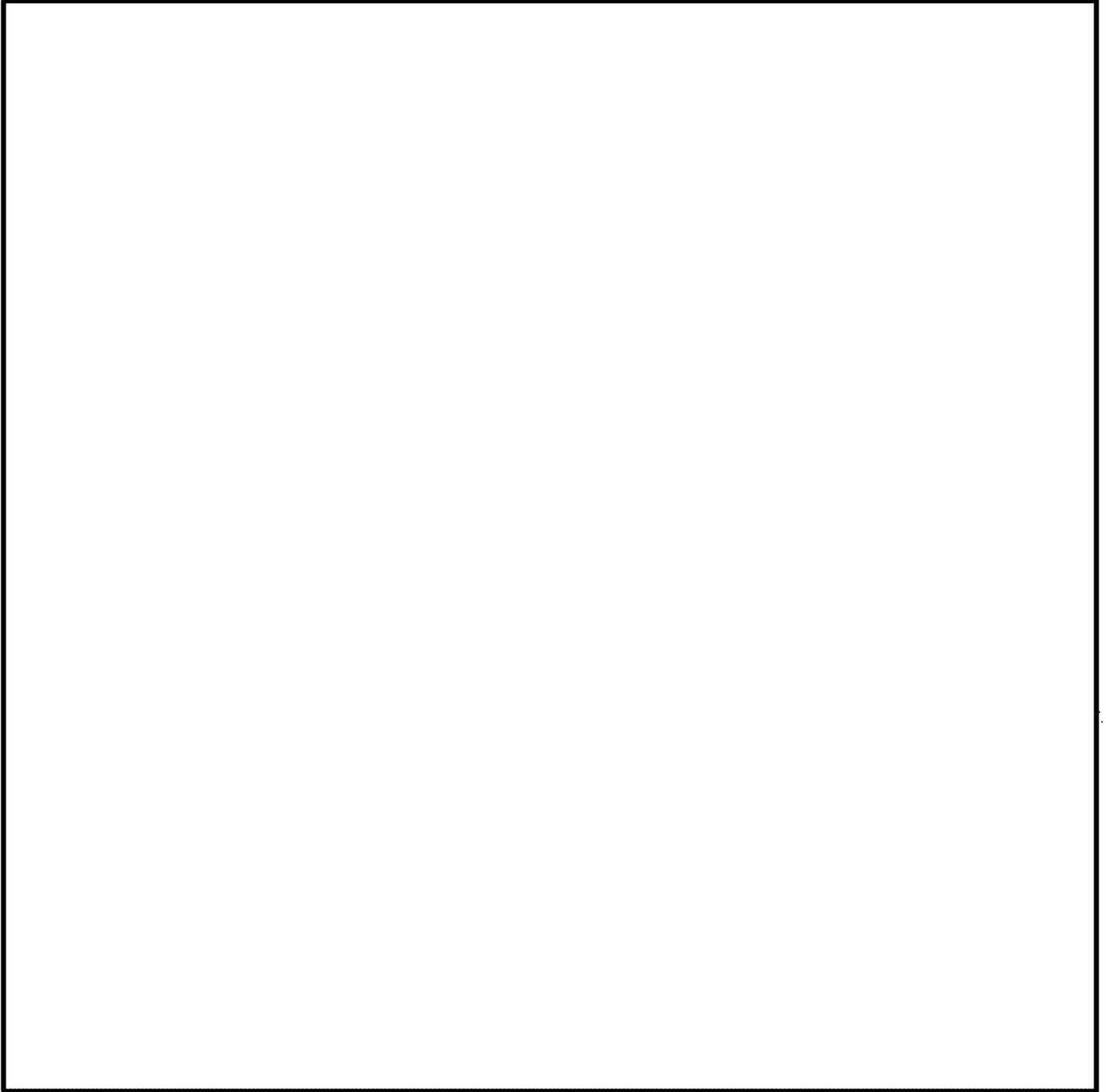




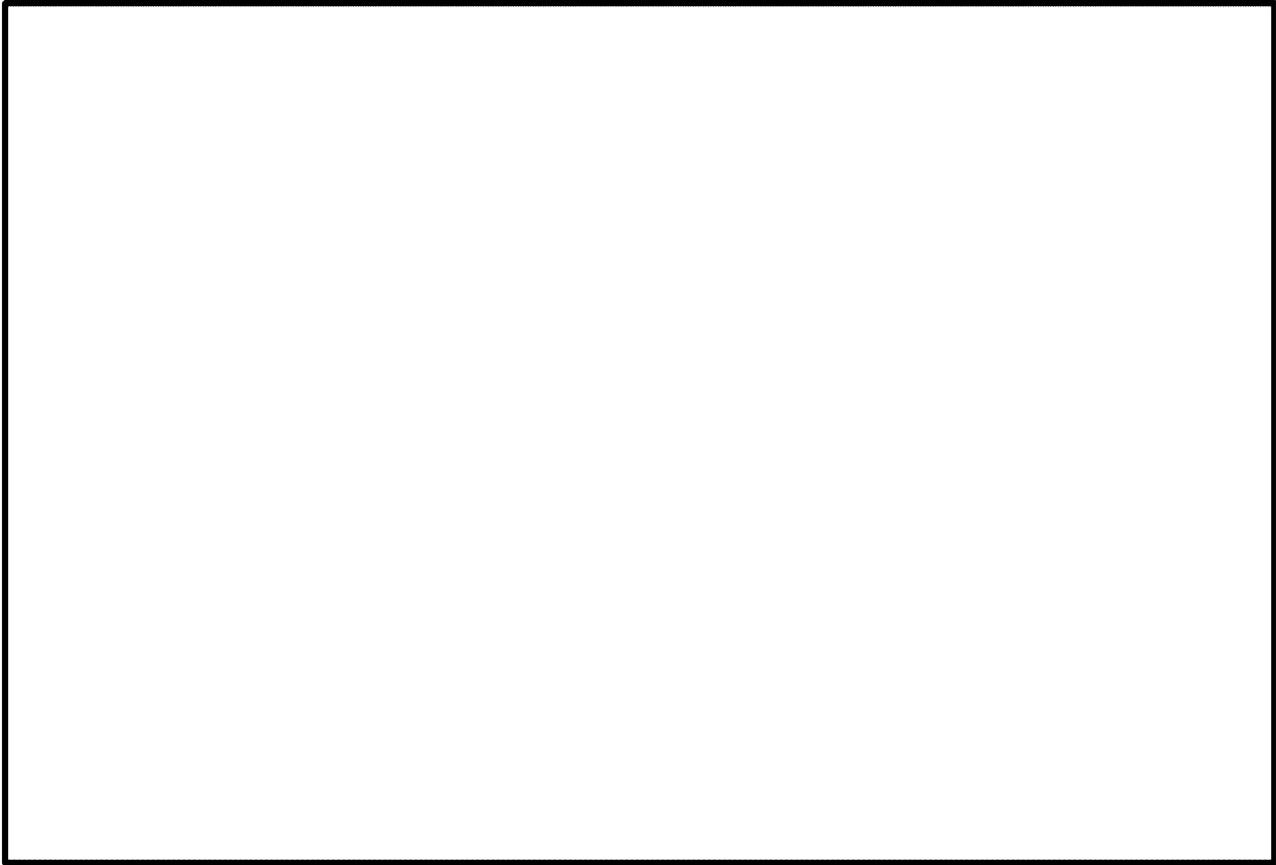
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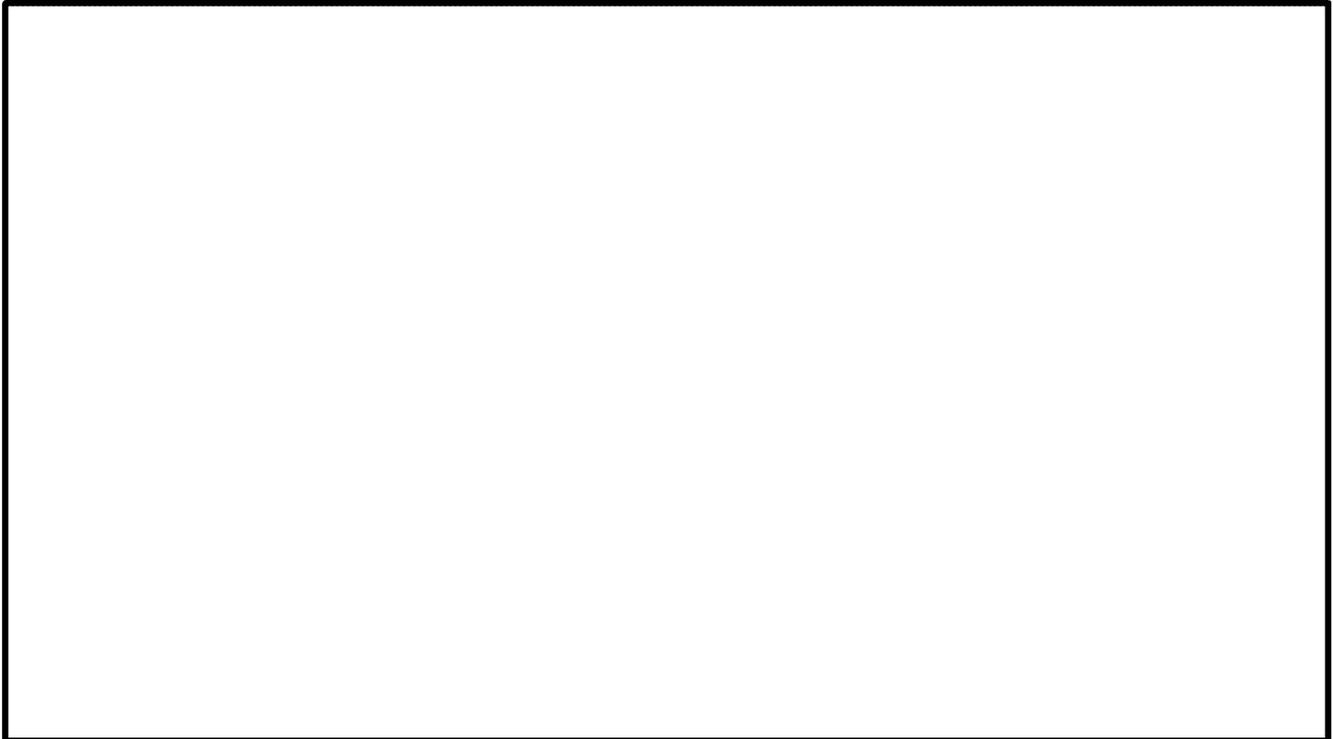
THE OFFERING

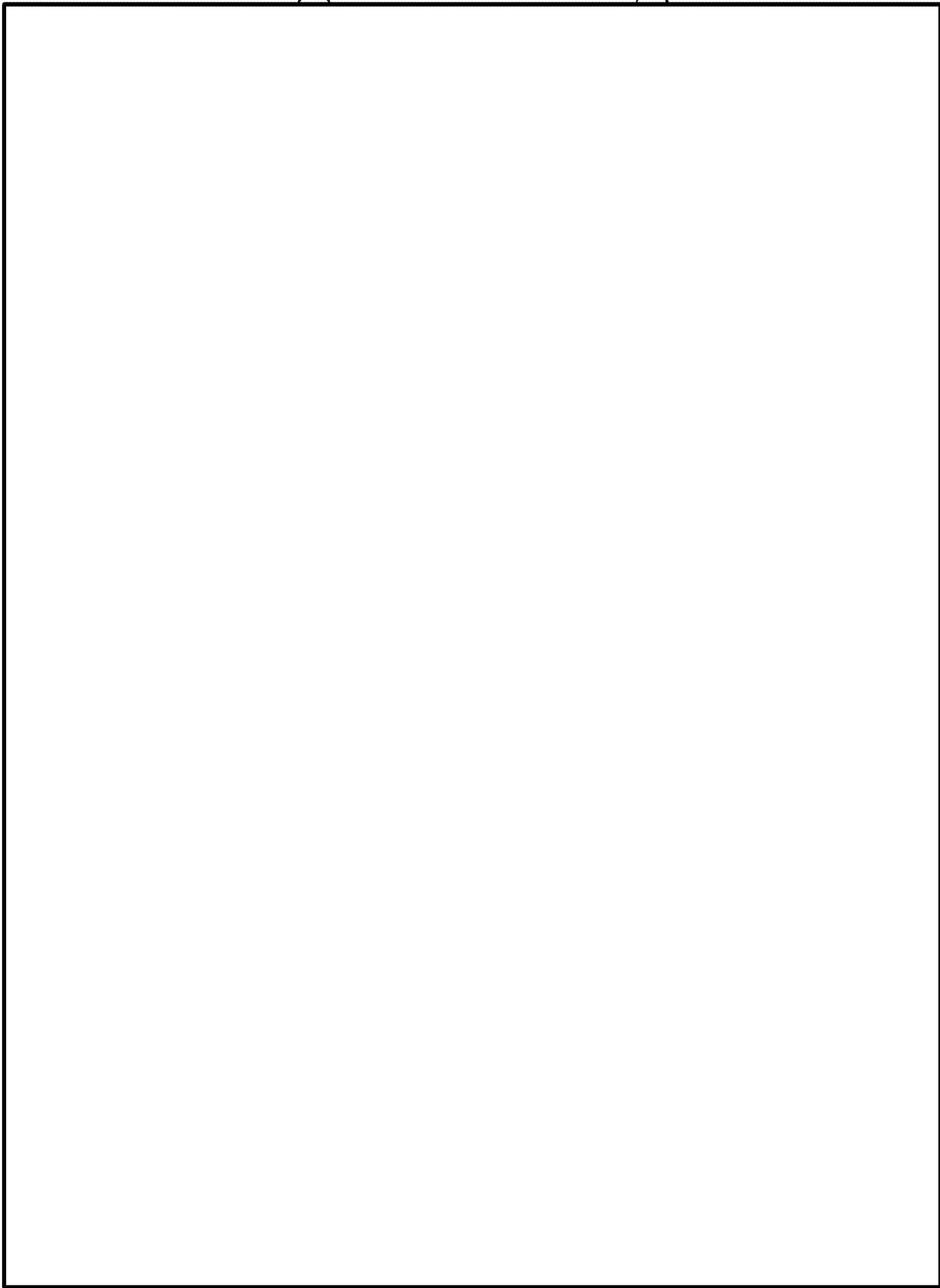


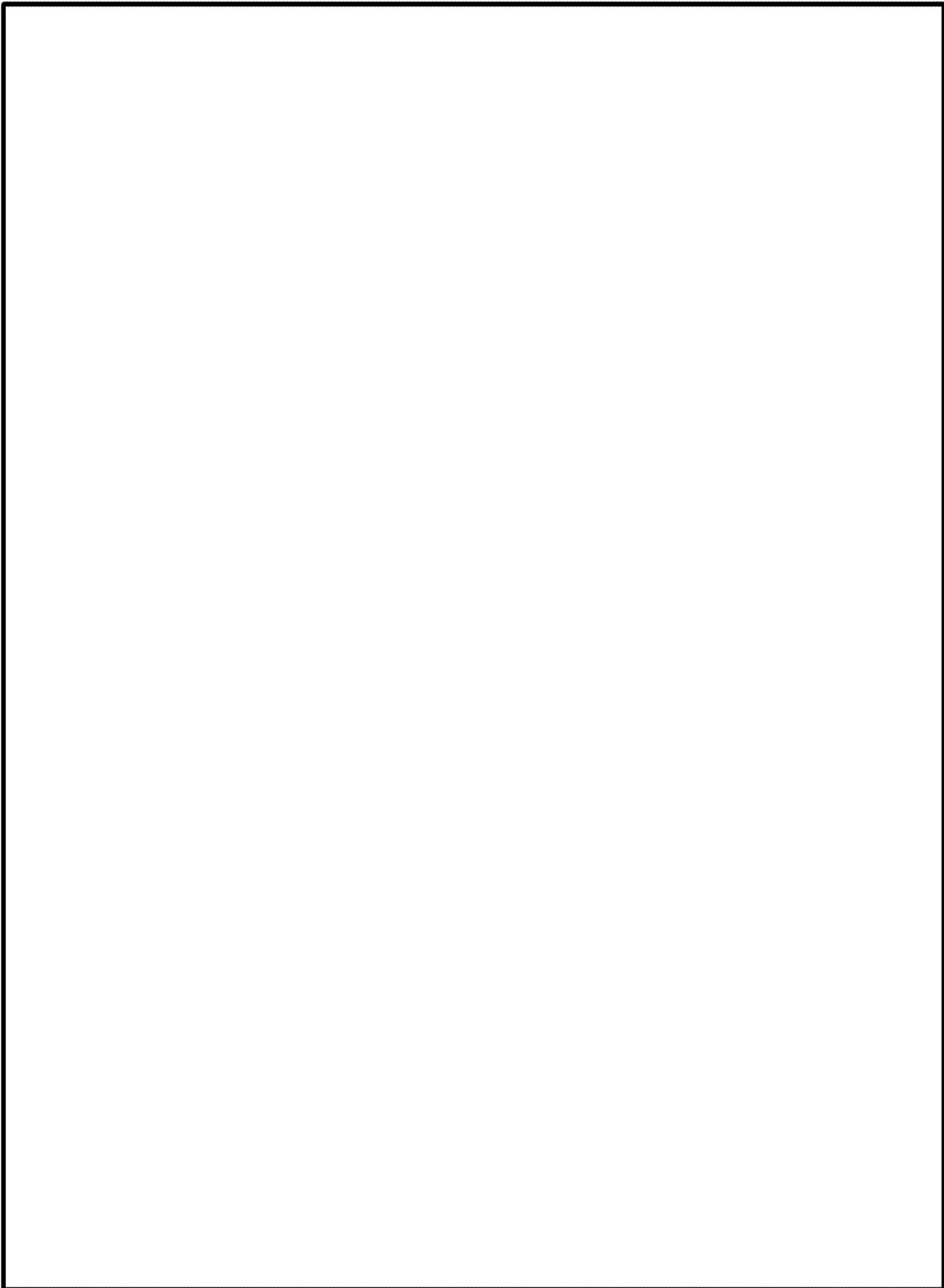
TAX CONSIDERATIONS



EB-5 IMMIGRATION DISCLOSURES - AND RISK FACTORS

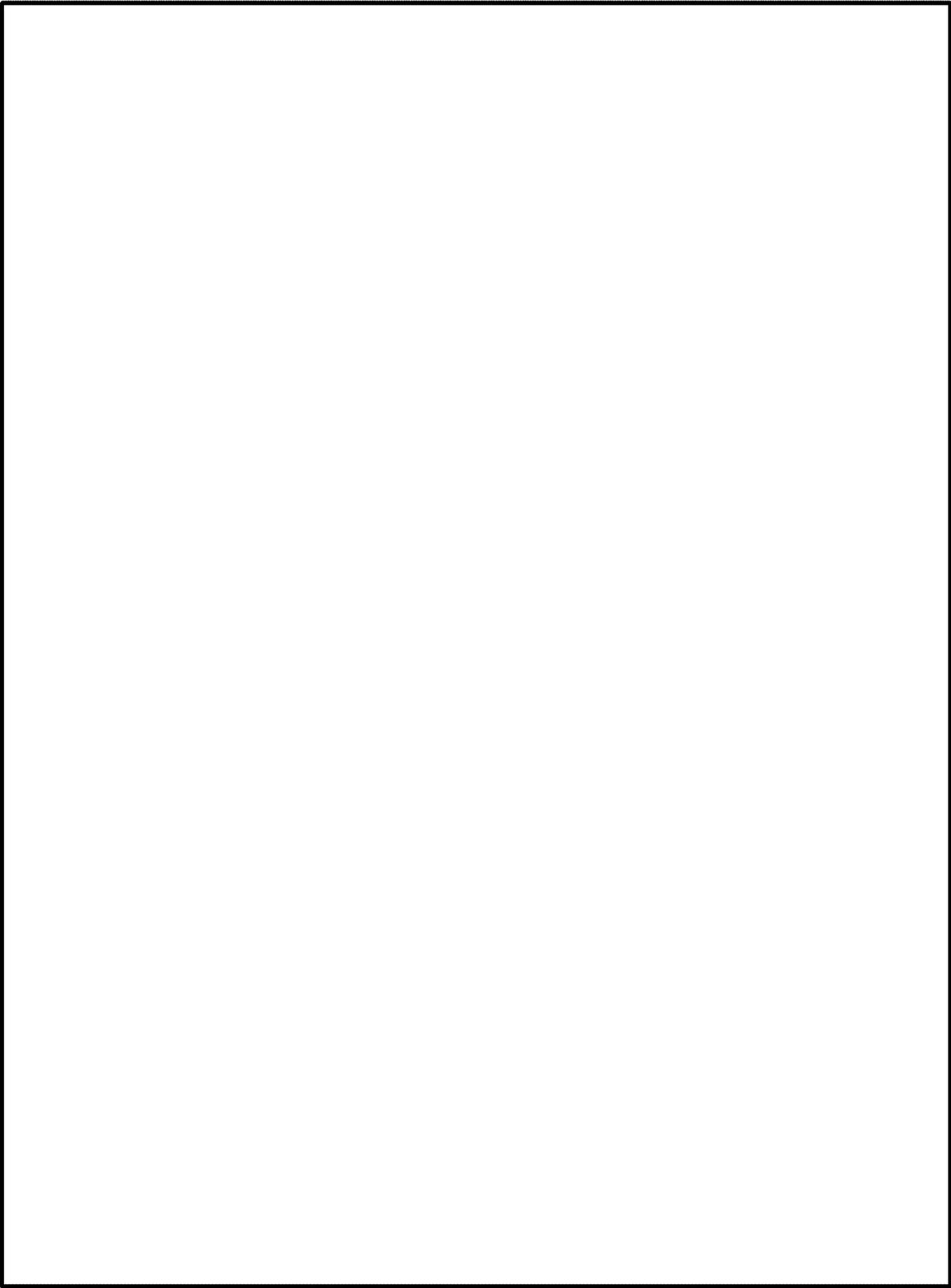


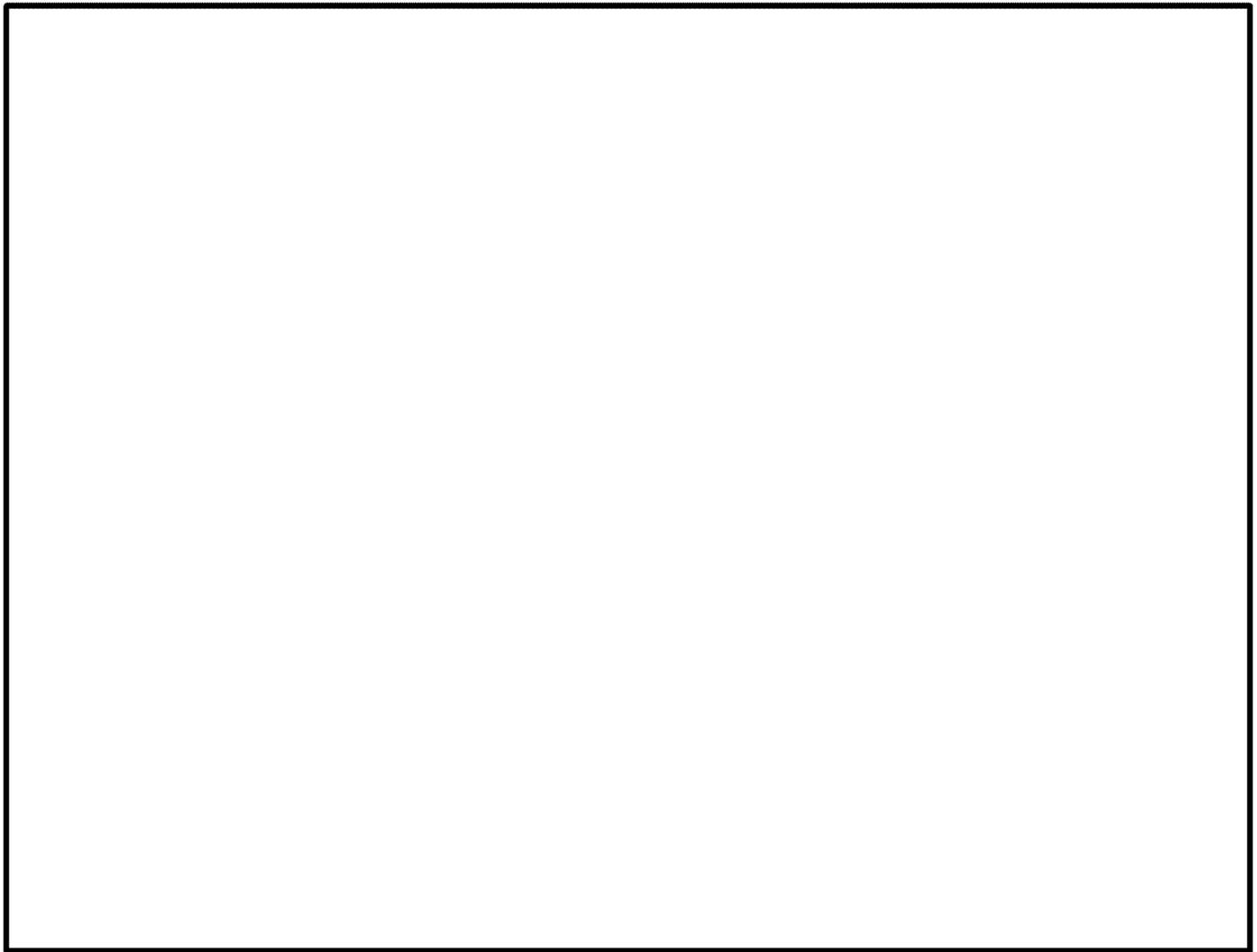




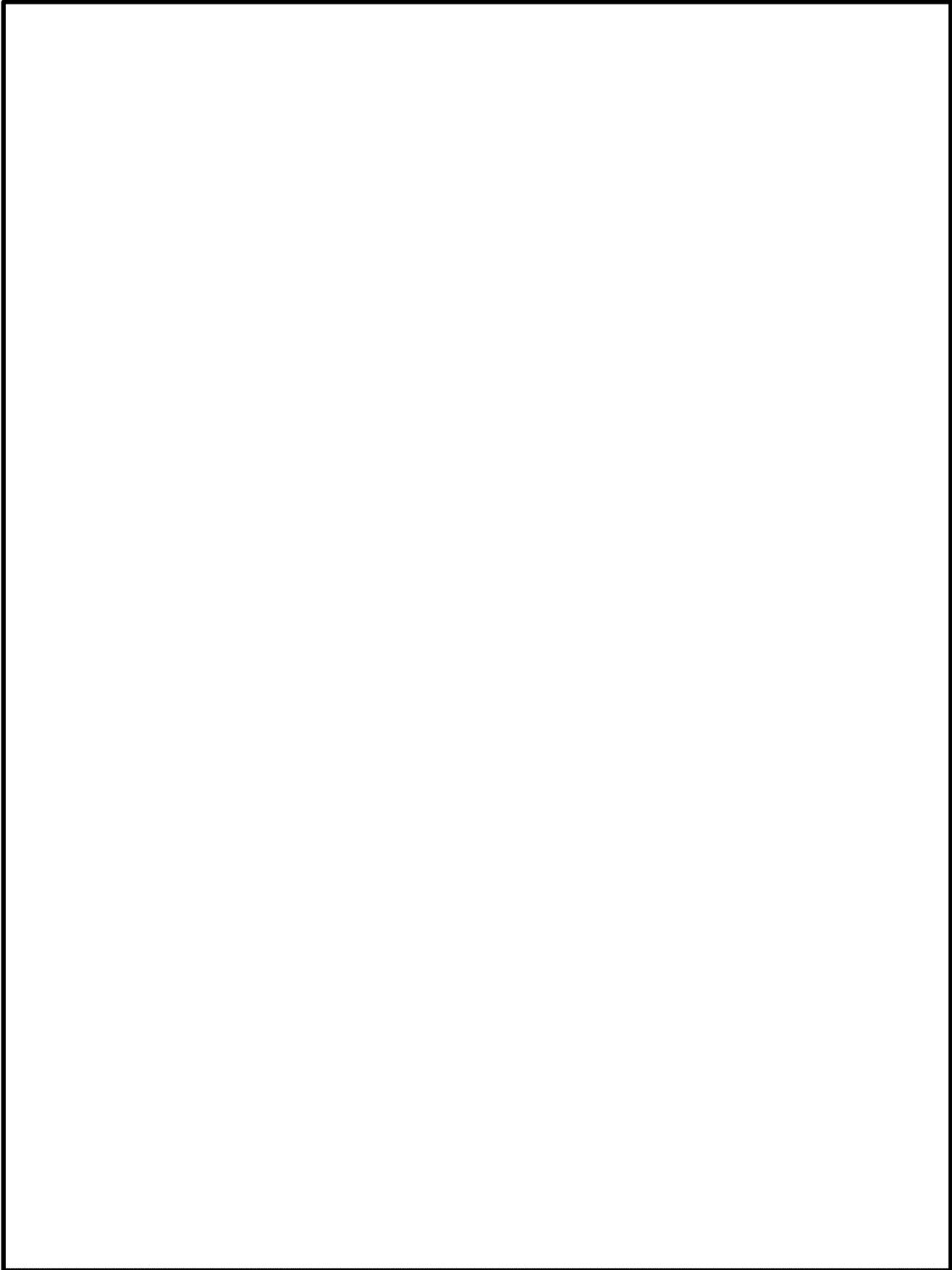


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SUBSCRIPTION



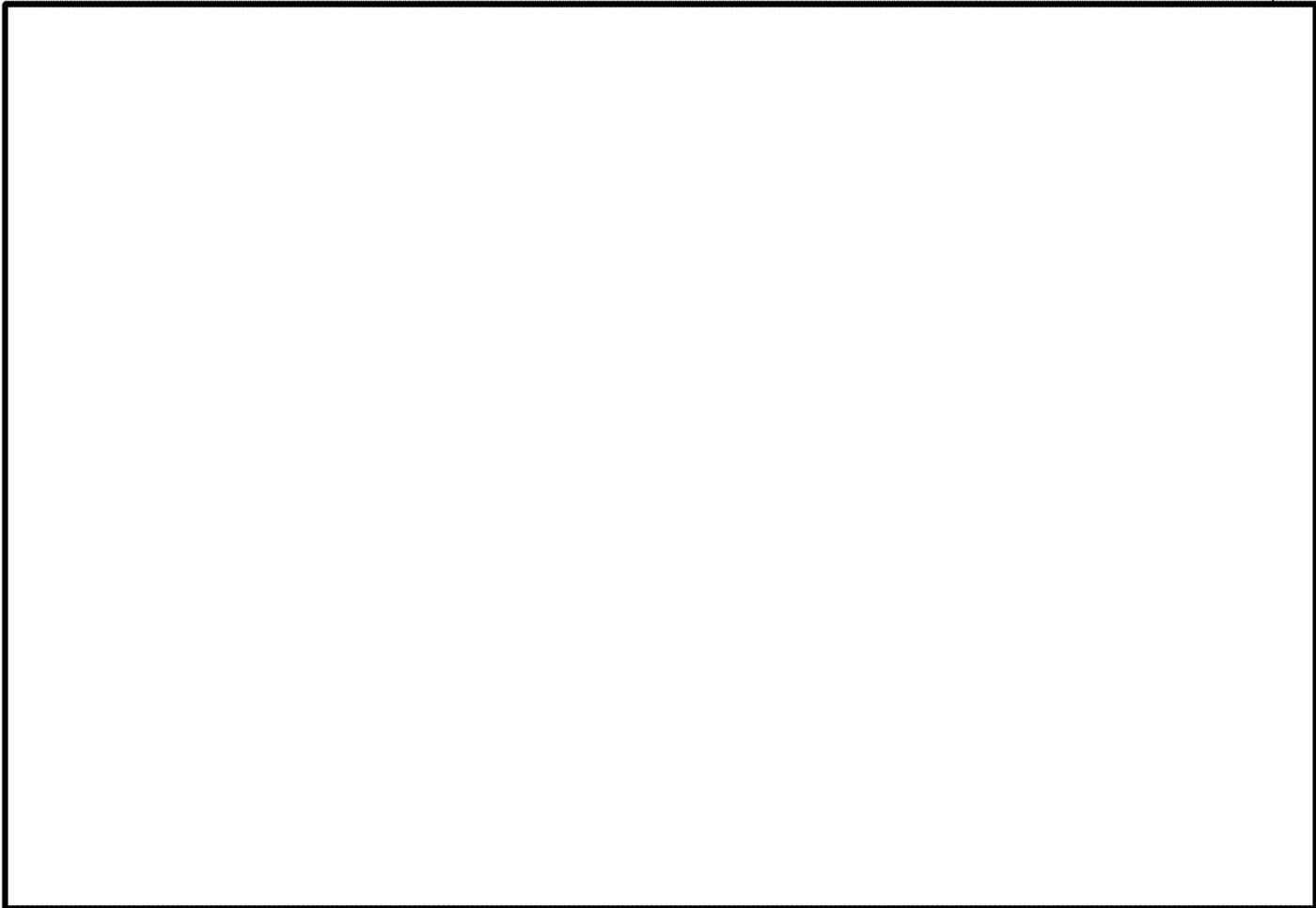
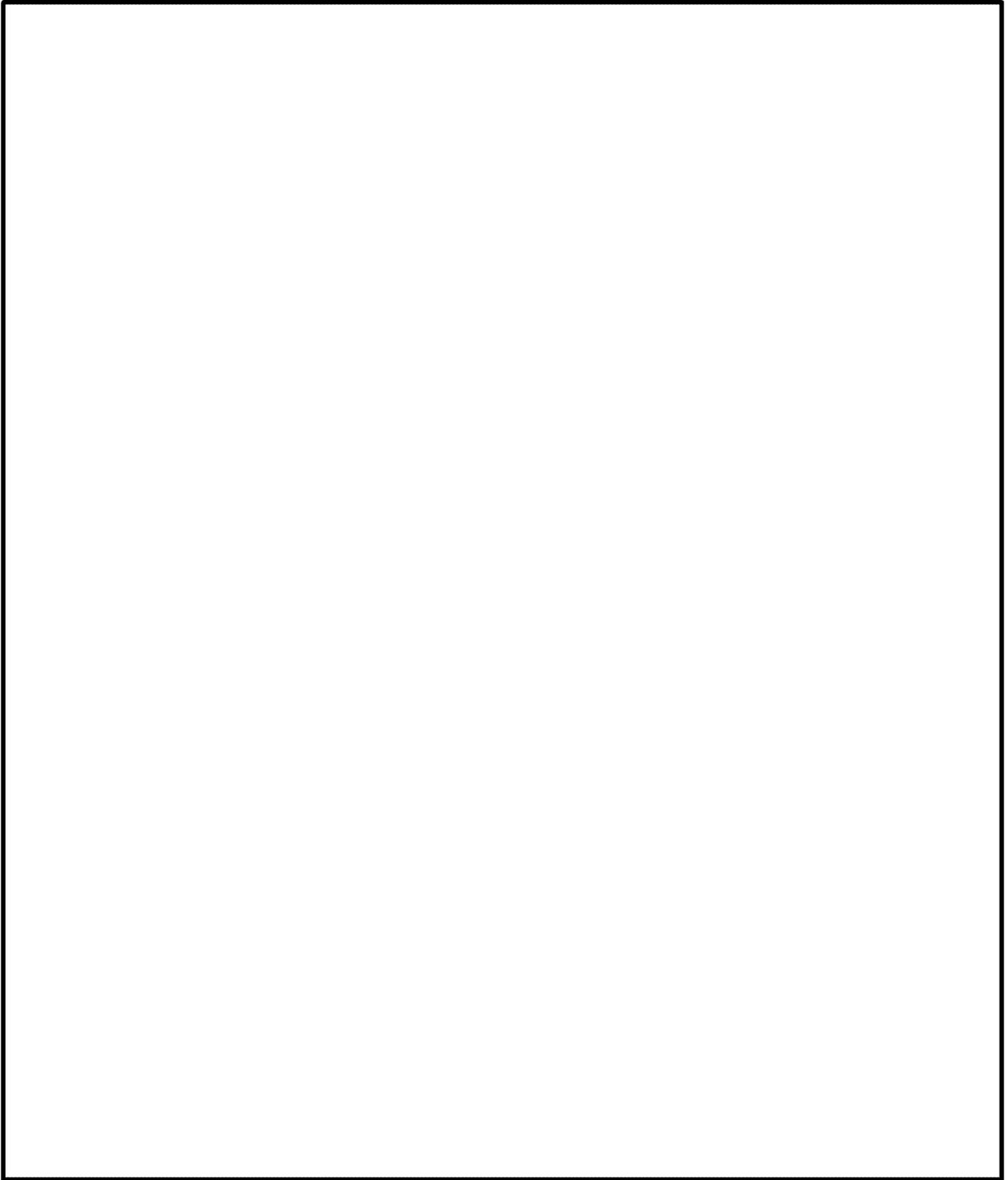


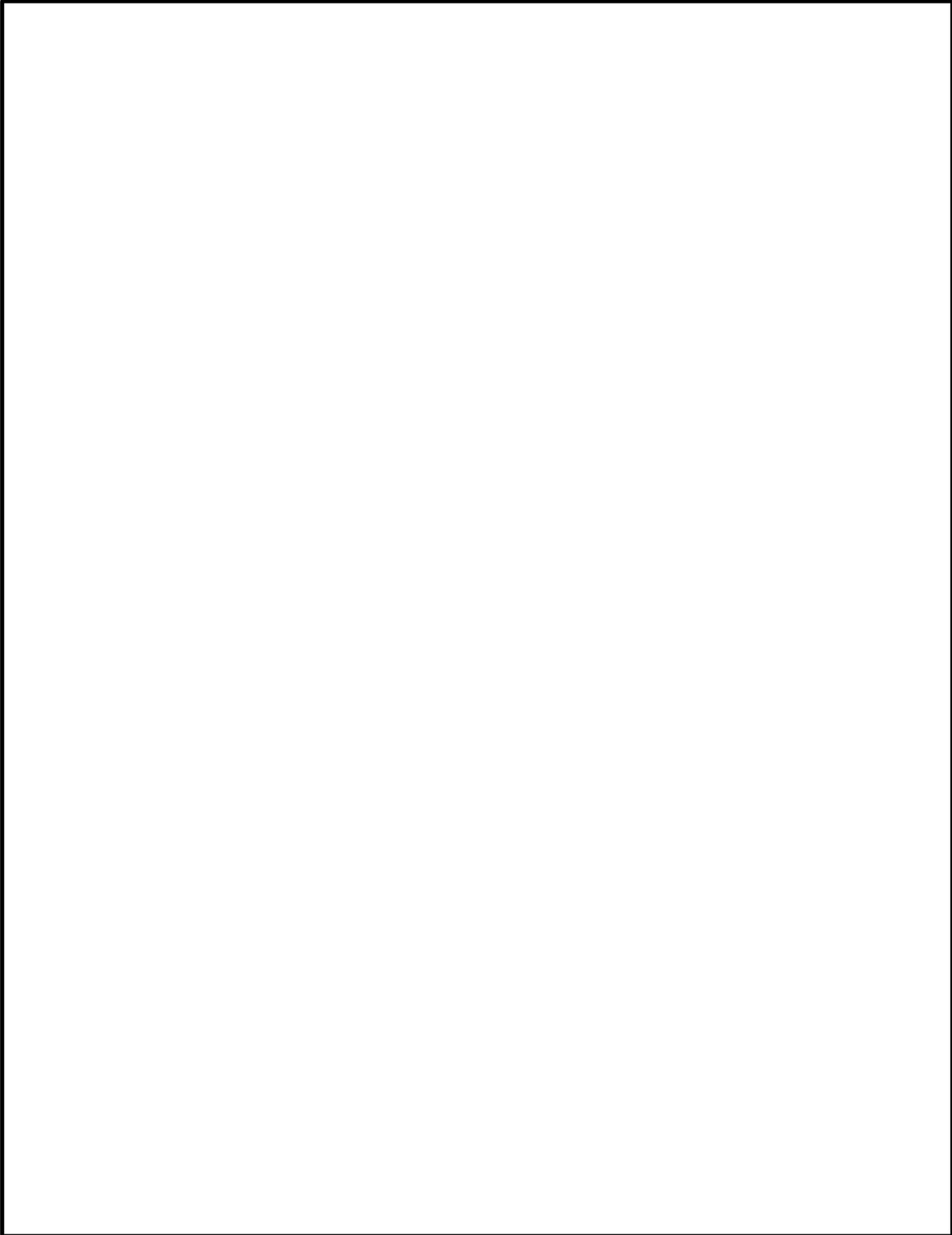
Exhibit 6 Updated Executive Summary dated October 2012

(b)(4)

Executive Summary

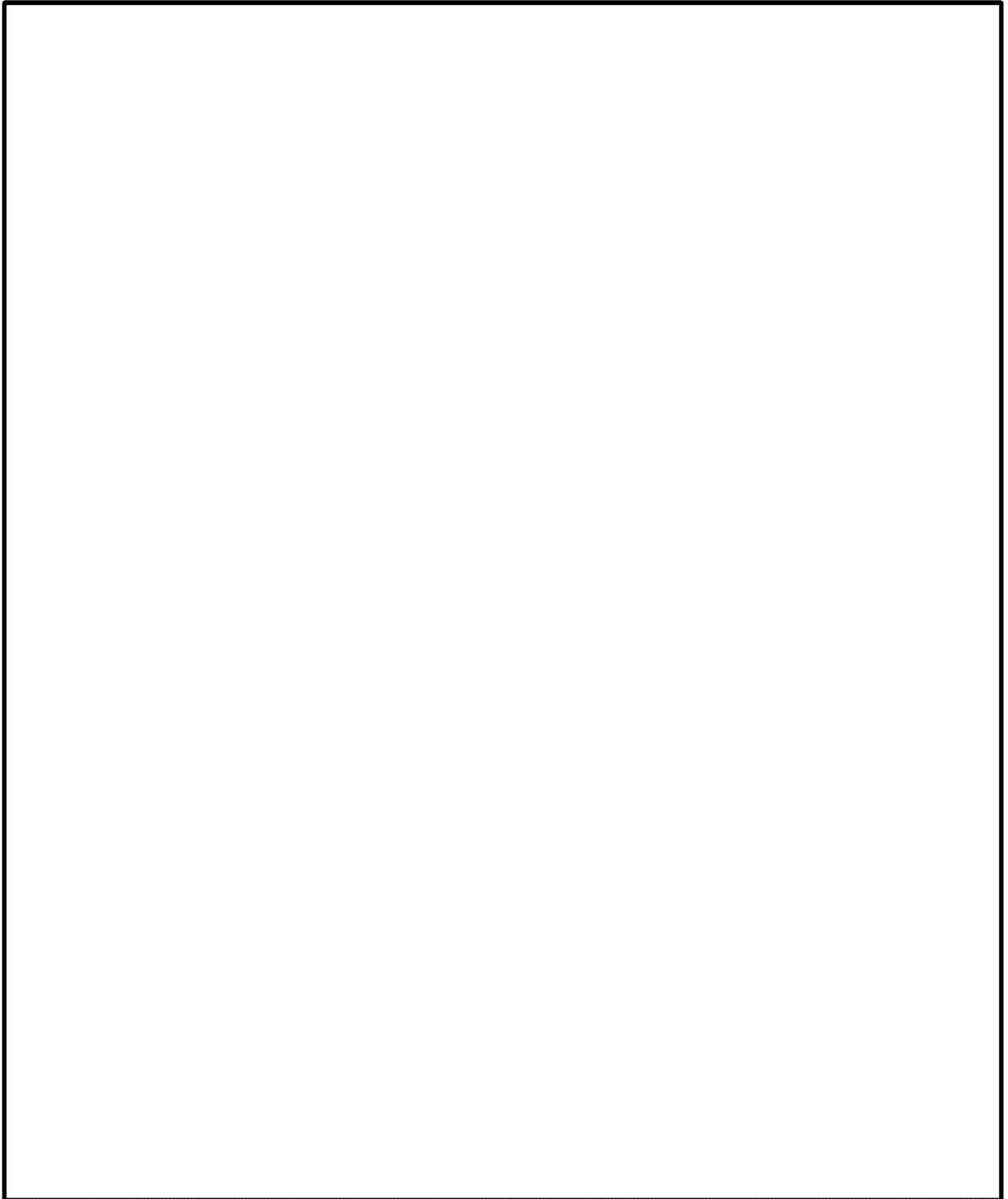


(b)(4)



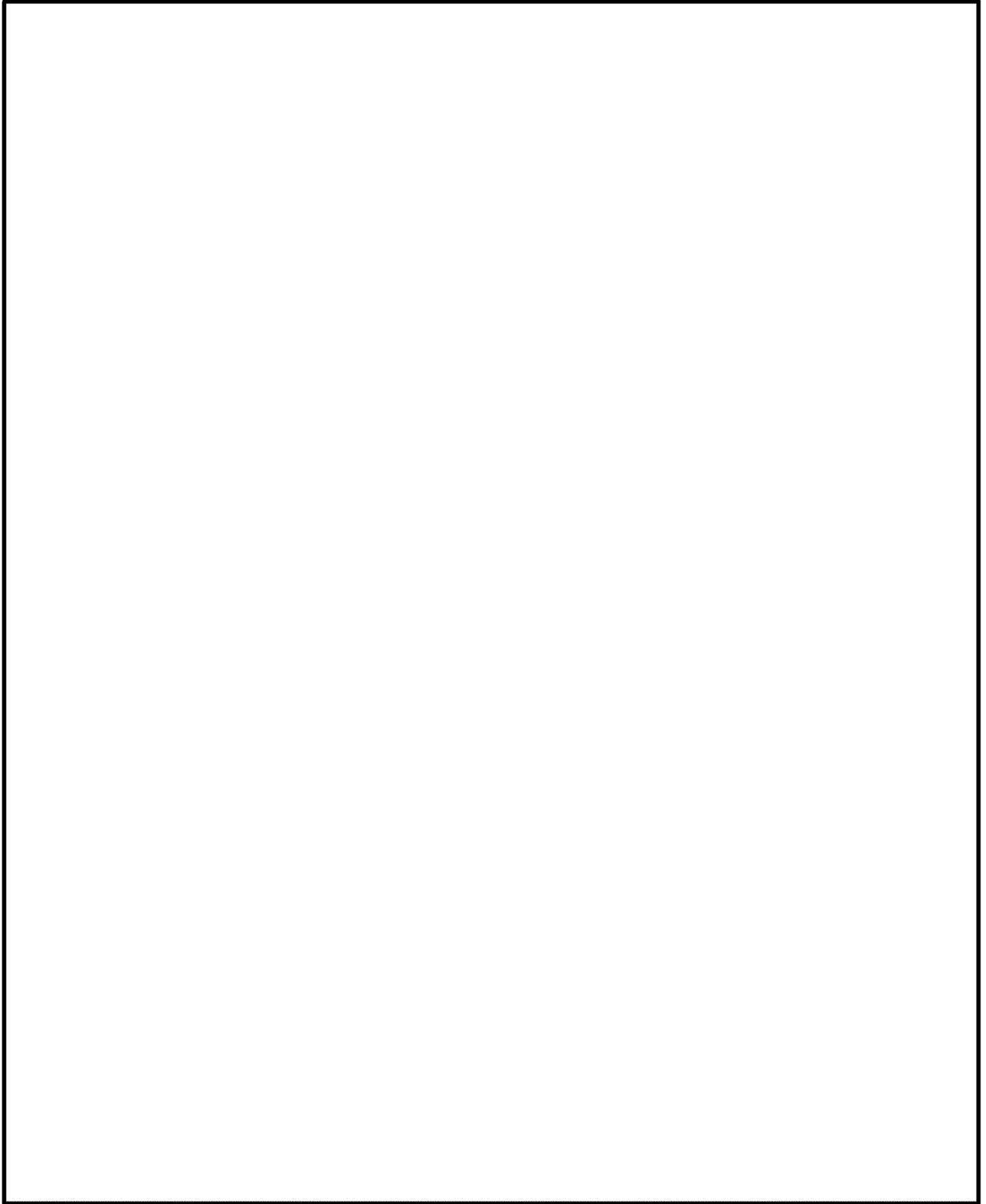


(b)(4)





(b)(4)



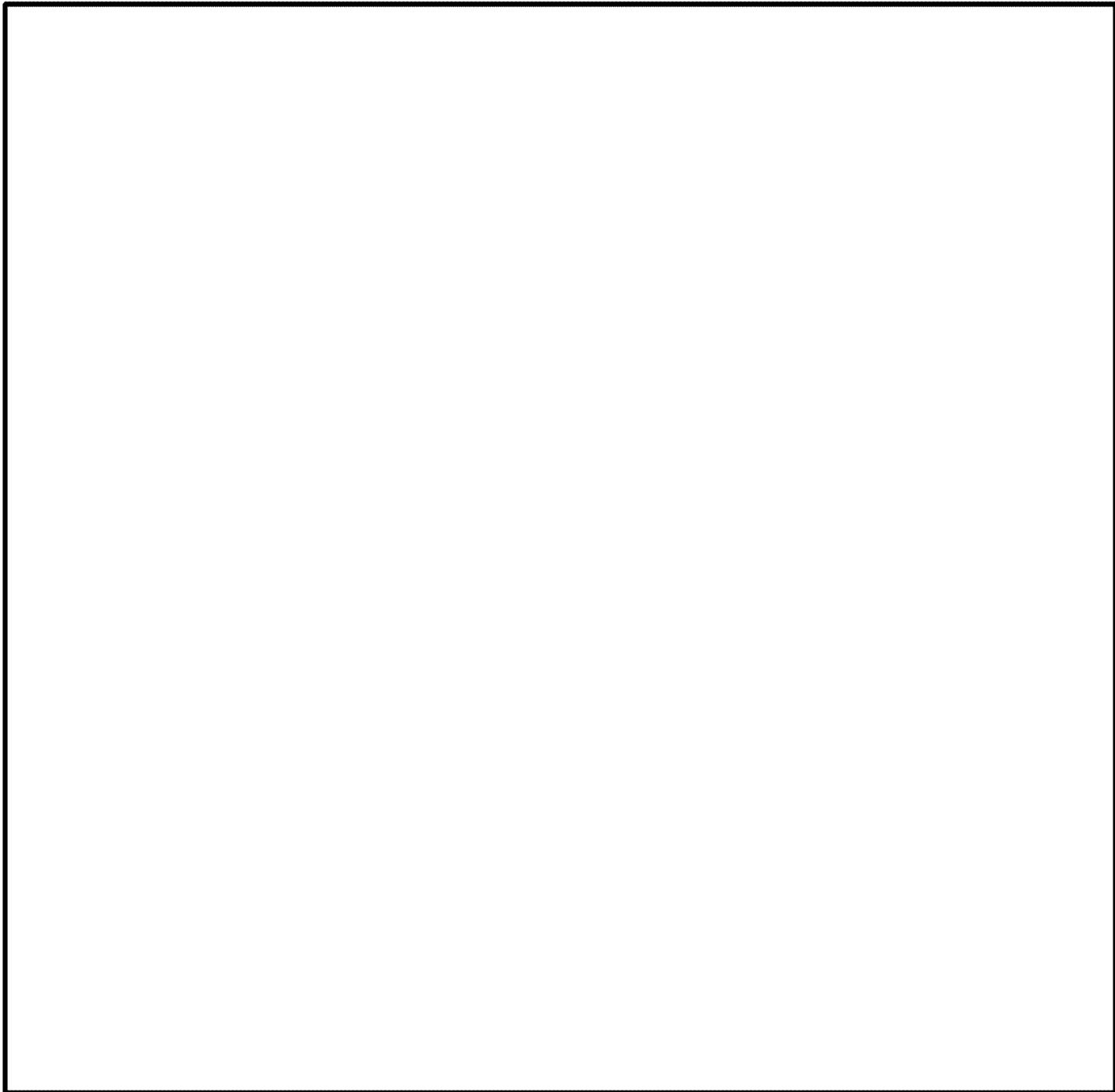


Exhibit 7-A

Wunderlich Securities article entitled "Here Comes the Heath" dated
June 30, 2011

June 30, 2011

Here Comes the Heath

Summary

The Heath Shale play, located in Central Montana, is heating up. The Heath Shale is a good source rock and was proven productive at the Devil Basin Discovery in 1918, in Musselshell County, Montana. Why are we excited about this play? To start with, the basin has a proven petroleum system, the Heath-Tyler play, with cumulative production of more than 137 mmboe. The shale has high organic content and a high percentage of brittle components, original oil in place (OOIP) looks promising, the porosity is good, and the drill depth is relatively shallow. All these factors combined make for a tantalizing exploration target. However, due to the remote location of the basin, severe winters, and a lack of established oil service infrastructure, it would take time to decode this play. We believe that 2011 could be a very interesting year for Heath: industry players could drill more than 20 wells, mostly horizontal, if current flooding in Central Montana does not impact logistics significantly.

Key Points

- **Who's who in the Heath?** The Heath play is tightly held by a handful of producers. The public companies we spoke with include Cabot Oil and Gas (COG-NR), ConocoPhillips (COP-NR), Endeavour International (END-\$13.81, Buy), MDU Resources Group (MDU-NR), Stealth Energy (CNSX.SLH-NR) and Voyager Oil and Gas (VOG-NR). There are a good number of private producers active in this play, and we were able to chat with Central Montana Resources, LLC and Cirque Resources LP and gained valuable insight into this emerging play. Most of the lands are fee lands with an average royalty rate of 15% to 20%.
- **Where is the Heath?** The Heath play is located in Central Montana, in a feature named the Central Montana or the Big Snowy Trough. The counties where most of the new drilling will take place are Rosebud, Garfield, Musselshell, and Petroleum. The basin was uplifted multiple times, and, as a result, the oil-bearing Heath-Tyler zones are at depths of roughly 5,000 feet, shallower than the average Williston Basin's Bakken well. While the Central Montana Trough has been connected to the Williston Basin in the geologic past, the Trough is smaller and the prospective Heath is slightly younger than the Bakken system in the Williston Basin. The Bakken is very thin in the Central Montana Trough and not a target for exploration.
- **What do we know about the Heath?** We know that the Heath is in a functioning petroleum system capable of producing light sweet crude. We know roughly the areal extent and the thickness of the Heath Interval. The lithology mix is good with a high percentage of brittle material. If the play proves to be viable, the shallower drill depth is significant, as drilling and completion costs will likely to be around \$3-\$4 million for an average horizontal well; this play could breakeven at a lower EUR than that of a typical Bakken well.
- **What we don't know.** The list is long, and there is much to learn about the Heath play. We do not know which and how many pay zones would work. If the Heath is like an "Oreo cookie," producers are still looking for the "vanilla filling." We do not have a high resolution picture of the lateral extent of the sweet spot and pressure regime within the play. Producers are still in the "trial and error" stage, trying to crack the code, collecting core samples, learning how to drill horizontal wells in the play, finding the right fracture completion techniques. We do not have any decline curve data on horizontal wells, nor do we have any EUR (estimated ultimate recovery) data.
- **Drilling catalysts for 2011.** The play is in exploration mode and 2011 should be an important year as we expect more than 20 new Heath Shale wells to be drilled. Thus far, the first movers are mostly private and smaller producers; Central Montana Resources could drill up to 18 wells in 2011 with its partner Endeavour International participating in three to four of these wells, and Cirque Resources is expected to drill four horizontal wells. We should have a better picture of the play within the next 12-18 months.
- **What is the resource potential and who is leveraged to the play?** While the Heath play is just taking off, and we do not have statistically meaningful samples of EUR per well, we still find it constructive to take a stab at the resource potential to provide some sense of scale for this play. This assessment will be refined as more data become available. Our very early and very rough estimate of recoverable resources is in the two-to-four-billion barrel range. If the Heath is proven to be successful, U.S. listed public companies most leveraged to the Heath play are (listed from most leveraged to least leveraged and adjusting for market cap): Voyager Oil and Gas, Endeavour International, MDU Resources, and Cabot Oil and Gas.

An Early Look at the Heath Shale Play in Montana

The Heath Shale play, located in Central Montana, is heating up. The Heath is a great source rock and has been tied to more than 137 mmboe of production in Central Montana. As in most oil resource plays, the Heath-Tyler play began as a conventional play developed using vertical drilling technology. The Heath, a traditional source rock, is now being viewed as a potential “reservoir” and explored using horizontal drilling and completion techniques. Industry drilled its first horizontal wells targeting the Heath in 2010 and there are more than six Heath wells in the process of being completed. We expect more than 20 new horizontal exploration wells to be drilled during 2011.

Private companies with multiple drilling permits (Figure 1) in this play include:

- Central Montana Resources, LLC — 580,000 net acres
- Cirque Resources LP — 108,000 net acres

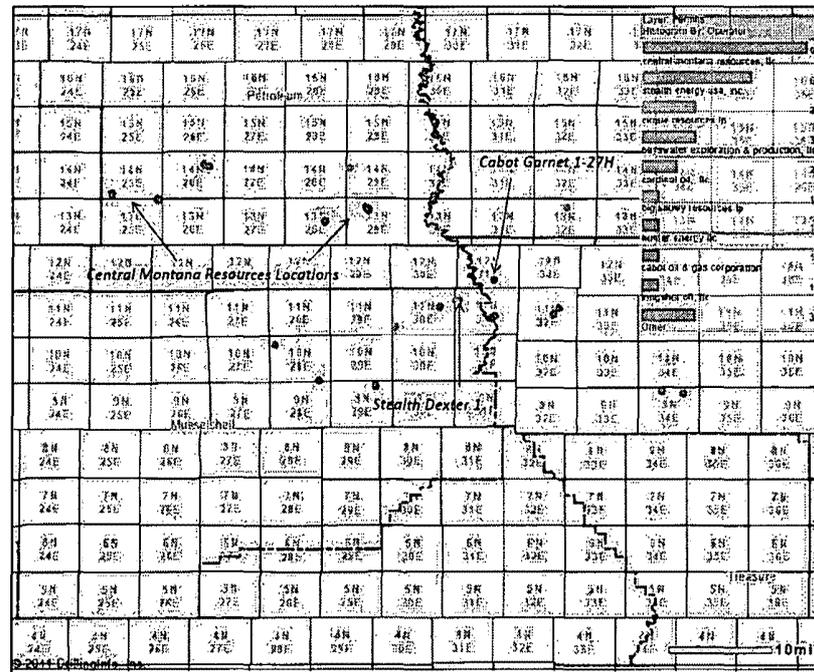
A handful of publicly traded companies have acreage positions in the play.

- Cabot Oil and Gas (COG-NR) — more than 100,000 net acres
- ConocoPhillips (COP-NR) — acreage not disclosed
- Endeavour International (END-\$13.81, Buy) — 85,000 net acres
- MDU Resources Group, Inc. (MDU-NR) — 80,000 net acres
- Stealth Energy Inc. (CNSX:SLH-NR) — 8,500 net acres
- Voyager Oil and Gas (VOG-NR) — 33,500 net acres

The Heath Shale play is in its infancy, and exploration using horizontal technology is barely getting started. Much like other obscure plays in Montana, data and publications on the Heath Shale are not plentiful. We compiled this study using company presentations and geologic publications, and we spoke with all the companies named in this report. Our report covers the following topics:

1. History of Oil and Gas Development in Central Montana
2. Mining for Heath Shale in Fergus County, Montana
3. Defining the Heath Shale Unconventional Fairway
4. The Central Montana Trough and the Williston Basin Are Not Alike
5. Stratigraphy, Depositional Environment, and Lithology
6. Thermal Maturity and Oil Gravity
7. Who’s Doing What in the Play
8. Resource Potential – A Very Rough Assessment
9. What Do We Know About the Play? What Are the Unknowns?

FIGURE 1: CENTRAL MONTANA TROUGH – PERMITS FILED IN THE LAST TWO YEARS (FOR WELLS WITH TOTAL DEPTHS OF MORE THAN 3,500 FEET)



Source: Drilling Info with annotation by Wunderlich Securities, Inc.

History of Oil and Gas Development in Central Montana

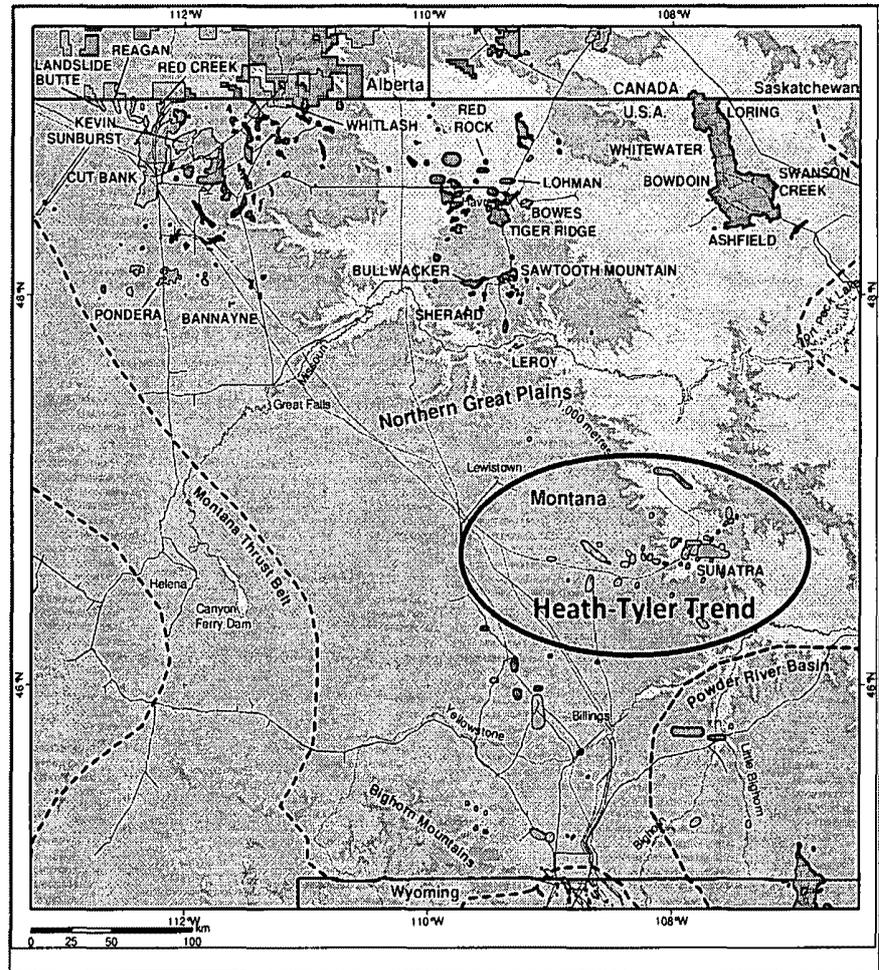
The Heath Shale play is located in Central Montana. This area has a long history of oil production. According to the Montana Oil and Gas Conservation Division (Halvorson, 1993), the first discovery occurred in 1919 at the Devil’s Basin Field within the Heath Formation in Musselshell County.

Between the first discovery in 1919 and now, there were a few periods of peak production: during 1950–1960 and 1970–1980. The more recent push happened in 1980 when producers used 2 D seismic data to identify incised valley fills within the Amsden group looking for Tyler targets.

The Heath Shale play, much like other unconventional oil and gas plays, has been around and been productive as a source rock within a conventional context. The Heath Shale is of Late-Mississippian age, is a carbonaceous shale, and has been identified as the main source rock for the Tyler Sand accumulations (within the Amsden Group) of early Pennsylvanian age.

The traps can be stratigraphic or structural and were mostly in place in early Tertiary time, prior to maturation and first expulsion of the first oil. Later tectonic events might have caused re-migration of oil from the primary traps.

FIGURE 2: THE CENTRAL MONTANA TROUGH – HEATH-TYLER FIELDS



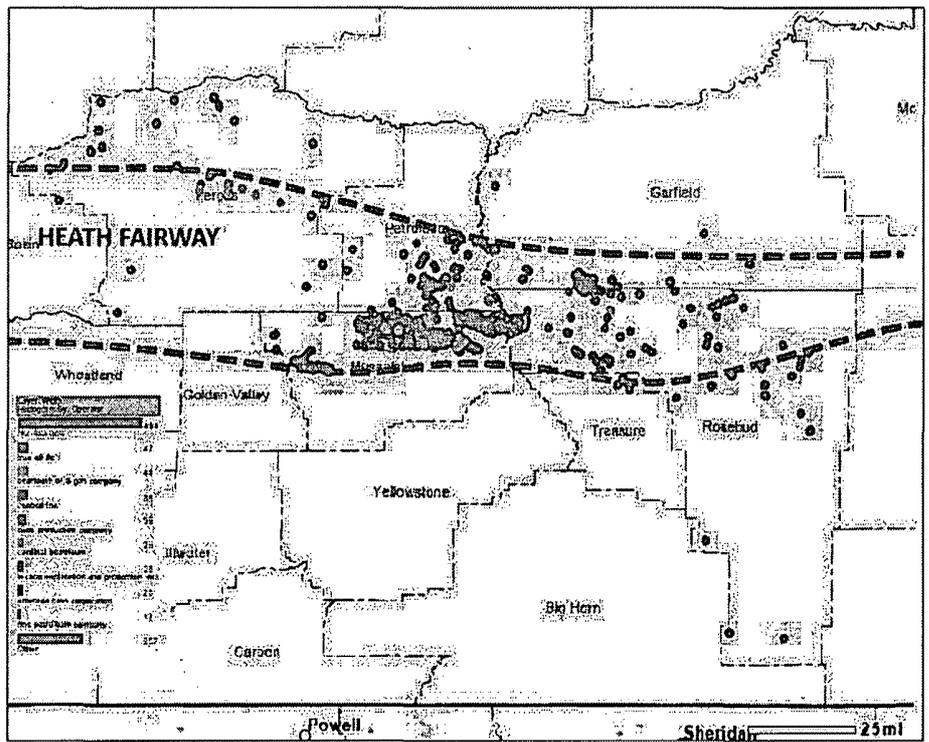
Source: Base Map from Wood Mckenzie (Heath-Tyler Trend annotated by Wunderlich in black)

Defining the Heath Shale Unconventional Play Fairway

The Heath Shale becomes increasingly mature from West to East and the Heath Oil Fairway covers a portion of these counties in Montana: Fergus, Petroleum, Musselshell, Garfield and Rosebud (see Figure 3). The basin is sandwiched between the Missouri River and the Yellowstone River.

How big is the Heath Fairway? Based on available Heath isopach maps and industry fairway maps, our very rough estimate is that the formation could be present over an area of 170 miles by 50 miles (or 8,500 square miles, 5.4 million acres). However, we do not know how much of this rock volume is in the right thermal maturity window to generate oil (Figure 3).

This conventional Heath-Tyler play has cumulatively produced more than 137 mmboc from more than 43 fields. These accumulations are tightly clustered in northern Musselshell and western Rosebud counties (Montana) in an 800–1200



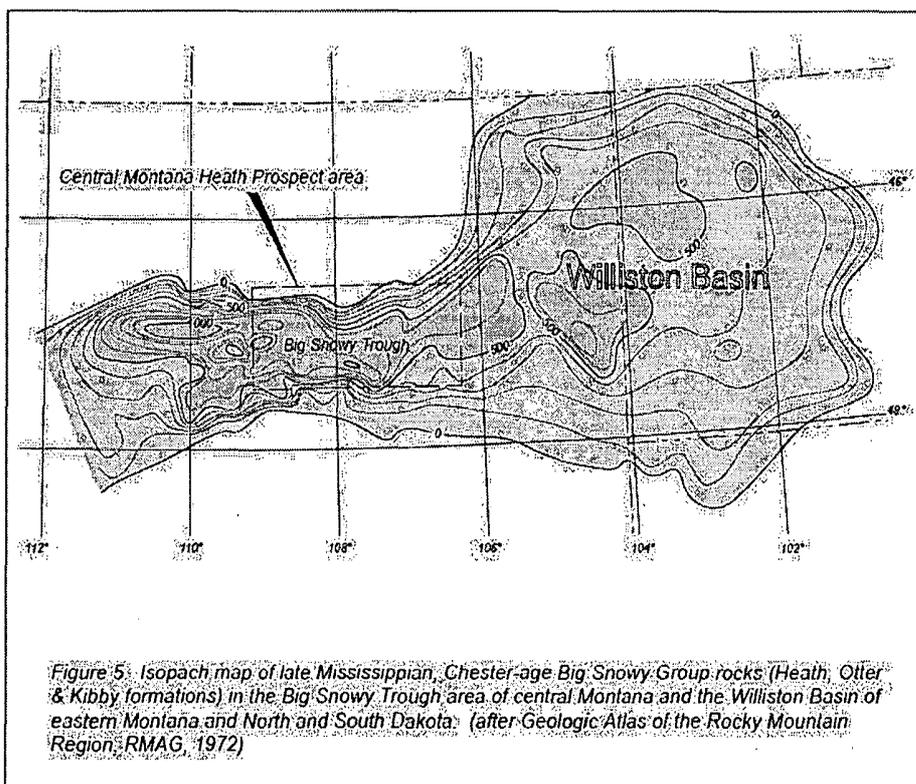
The Central Montana Trough and the Williston Basin Are Not Alike

While portion of the Central Montana Trough was connected with the nearby Williston Basin intermittently during geologic time, there are some key differences:

- Basin Shape
- Prospective Zones
- Tectonic Events

Basin shape. The Williston Basin is large and circular (see Figure 4), whereas the Central Montana Trough is linear, East-West trending and smaller than the Williston Basin. This trend is very unusual and distinct, likely controlled by deep-seated strike-slip or wrench-tectonic features, in our opinion.

FIGURE 4 – THE CENTRAL MONTANA TROUGH AND NEARBY WILLISTON BASIN



Source: Great Northern Gas Company, 2009

Prospective zones. Within the Williston Basin, the most prolific zones are the Middle-Bakken which is of early Mississippian age, whereas the most productive zone in the Central Montana Trough is the Tyler/Heath system, which is slightly younger, of late Mississippian to early Pennsylvanian age. During the early Mississippian time, the Central Montana Trough was a structural high and did not have sufficient accommodation for the Bakken Formation to be deposited.

Tectonic events. The Central Montana trough was imprinted by multiple tectonic events, the Heath was uplifted to a shallower drill depth, which translates into lesser footage and lower drilling costs. The Williston Basin, on the other hand, is deeper and relatively un-deformed, with a few large structural features such as the North-South trending Nesson Anticline.

The Central Montana Basin was buried deep enough to generate oil, but was subsequently uplifted during the Mid-Jurassic and Late-Cretaceous. This resulted in major unconformities (representing eroded or missing sections) within the stratigraphic columns. Due to uplifts and erosion, the oil bearing Heath-Tyler zones are at depths of roughly 5,000 feet, shallower than a "typical" Williston Basin Bakken well (8,000–10,000 feet). This is important as the shallower drill depth for the Heath means lower drilling costs (\$3 million for horizontal wells and \$1.5 million for vertical wells) and could be economic at a lower EUR as compared with the Bakken play.

Stratigraphy, Depositional Environment, and Lithology

The Heath Formation is part of the Big Snowy Group deposited in Late Mississippian time. It is overlain by the Tyler Formation within the Early Pennsylvanian age Amsden Group. The organic-rich Heath is separated from the Tyler Formation, a conventional reservoir, by an erosional unconformity.

The Heath is underlain by the Otter Formation, which is a calcareous mudstone with thin bedded limestone and dolomites. The Otter was deposited in a shallow, wave dominated marine environment. The Heath is a marine package with dark, organic rich mudstone inter-bedded with dark gray argillaceous carbonates (Cole and Drozd, 1994).

According to our conversation with Cirque Resources, the Heath has a high percentage of brittle rocks (70%), which makes it conducive to fracture stimulation. Average porosity is in the 3% to 18% range. Total organic carbon (TOC) ranges from 2% to 26% with an average at 14%, and original oil in place (OOIP) ranges from 10 to 20 mmbbl per section.

The Heath Formation is thick (200 feet) and continuous in the deeper part of the Big Snowy Trough. We believe that part of the Heath is thermally mature and within the oil-generating window.

The Heath Formation can be subdivided into three members: the oldest unit was deposited in a marine environment, the middle unit in a nearshore restricted environment, and the upper unit in a nearshore environment.

Great Northern Gas Company targeted a 50- to 75-foot package of radioactive (high gamma ray), organically rich, thinly bedded lime stones, dolomites and shales. This high-TOC limestone/limey shale could be ideal for horizontal exploration drilling.

FIGURE 5: STRATIGRAPHY CHART OF CENTRAL MONTANA

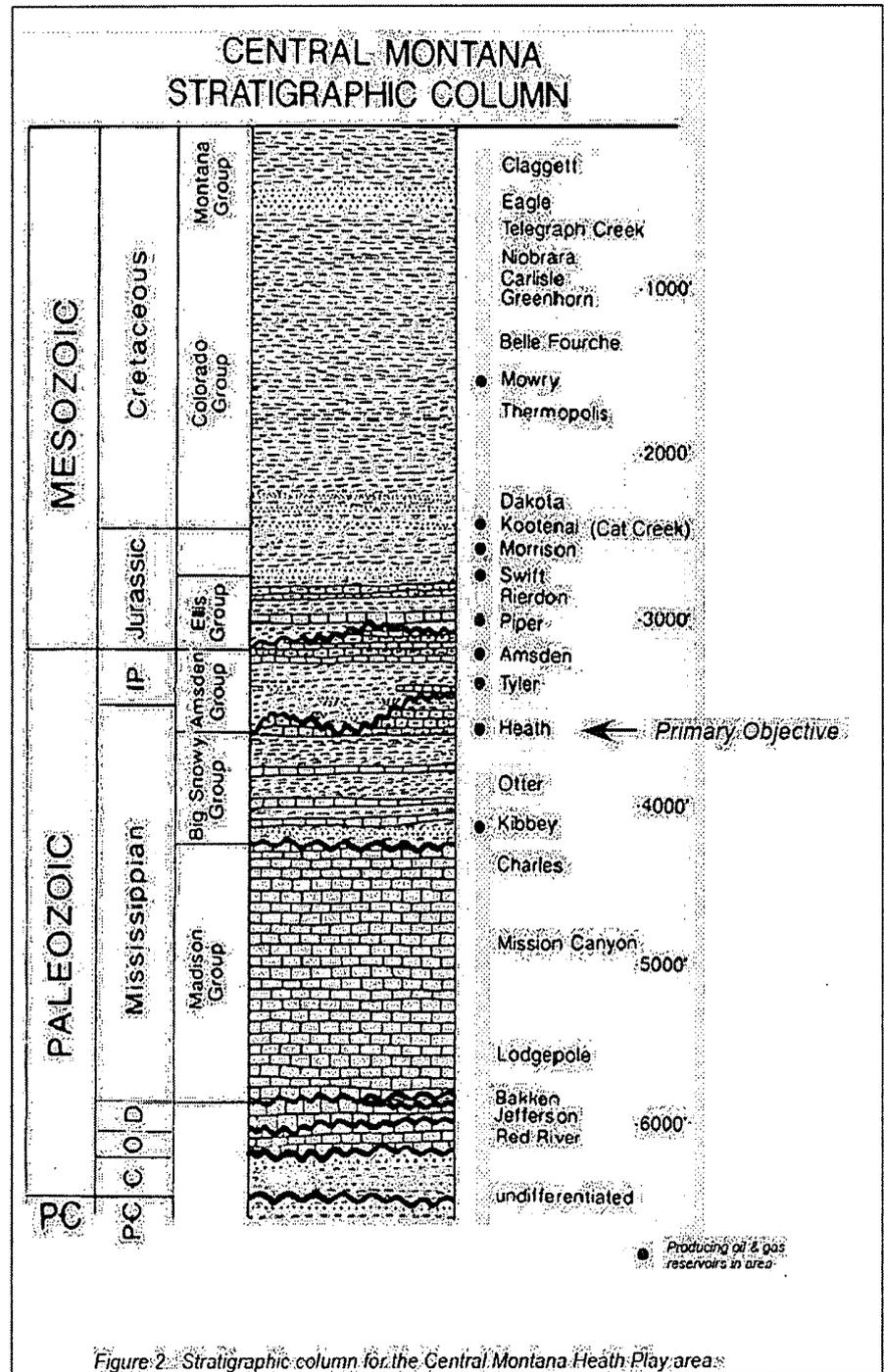


Figure 2: Stratigraphic column for the Central Montana Heath Play area

Source: Aram, 1993.

Thermal Maturity and Oil Gravity

Our best published source of information on thermal maturity of the Heath within the new play fairway is an article written by Richard Aram titled *Source Rock Study of Central Montana*. The author obtained rock samples from 12 wells drilled in the 1980s with the purpose of correlating the multiple source rock families with existing oil fields. These wells form a cluster around northern Rosebud and southern Garfield counties, with a few data points scattered in Petroleum and Musselshell counties. According to this study, the average TOC for this sample of wells for the Heath is 2% to 3%, with readings as high as 9%; and the source rock quality is good to excellent and oil prone.

Figure 6 is a diagram from the study showing the Ro value (vitrinite reflectance) for the Heath Shale at these well locations. Ro value is used for measuring thermal maturity and according to this study, most of the samples fall within a range of 0.69% to 0.99% which indicates an early to mid oil-generation window. Since much uplift and erosion occurred after the Heath was deposited, current depth to the Heath horizon is not a good maturity predictor, according to this study. According to Cole and Drozd (1994), oil produced from the Tyler Formation in Rosebud and Musselshell counties have API gravity of 29°–33°, low sulfur content, low concentration of nickel and vanadium, and low asphaltene content (3.4%).

FIGURE 6: HEATH SHALE – % RO VALUE INDICATING THERMAL MATURITY

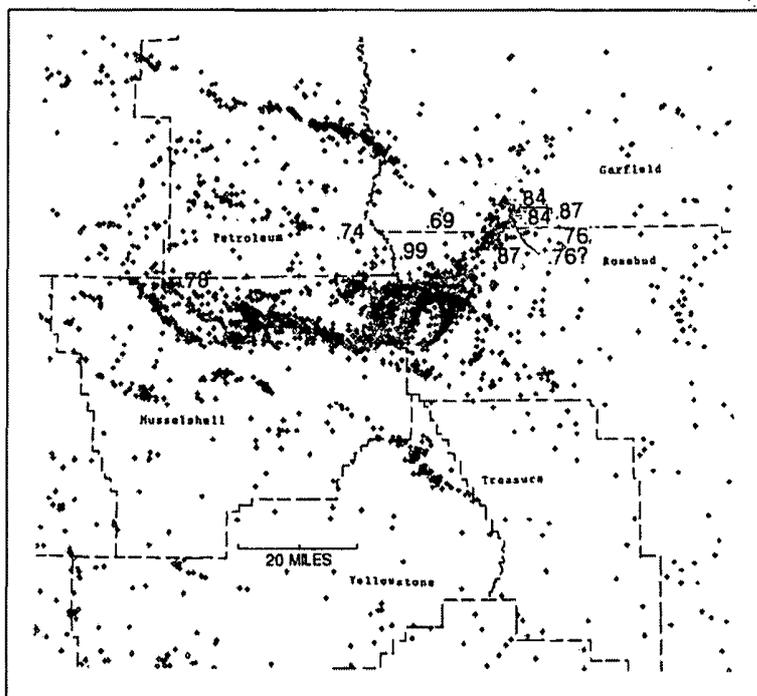


Figure 5. Map of Heath Ro values. Postal values are mostly interpreted from the entire stratigraphic column Ro values, thus are mostly higher than actual measurements.

Source: Richard Aram, 1993

Who's Doing What in the Play?

Cabot Oil and Gas (COG-NR) drilled one horizontal well in late 2010. The Garnet 1-27H well is located in Rosebud County. The well was permitted for 4,987 true vertical depth and 10,207 total depth. Drilling concluded in early 2011 and the well has been fracture stimulated, awaiting flow back. Cabot has more than 100,000 net acres in this play.

Central Montana Resources LLC, a San Antonio-based private producer, began accumulating acreage in this play as early as 2006. The company now holds 580,000 net acres of leases. The company has drilled five Heath wells to date, of which four are horizontal. Of the five wells, two are currently being tested, one is being recompleted for additional testing, and two are waiting for completion. Weather permitting (flooding ongoing in the area), the company plans to drill up to 18 wells in 2011 to test the play; with four to six wells east of the Musselshell River (with partner Endeavour International) and eight to 12 wells west of the Musselshell River. These wells will all be drilled systematically, first as vertical pilots, cores will be collected and analyzed, and the wells will be re-entered as horizontal after the core analyses are completed.

Cirque Resources LP holds 108,000 net acres in the Heath play and plans to drill four horizontal wells in the play this year, vertical drill depths will range from 4,000 to 6,000 feet, with laterals at 3,000 to 4,500 feet.

ConocoPhillips (COP-NR) owns a meaningful footprint within the Heath play. The company has not publically disclosed its acreage holding but we have confirmed that COP has inherited this from the Burlington Resources acquisition. Typical of railroad land grants, the leases are laid out in a "checker board" pattern and COP has the right to hold these leases for perpetuity. The company has no plans to drill the Heath Shale this year.

Endeavour International (END-\$13.81, Buy) has a 25% joint venture with two independent producers in Montana. The company holds 85,000 net acres mostly in Garfield and Rosebud counties. The company plans to participate in three to four wells; END will operating two and partner CMR will operate the other two. These four wells will all be drilled initially as vertical wells, but are designed with the option for horizontal reentry. Drilling and completion costs are expected to be \$1.5 million for the verticals and \$2.5-\$3.0 million for completed horizontals. In a success case, END could potentially have 900 gross horizontal well locations.

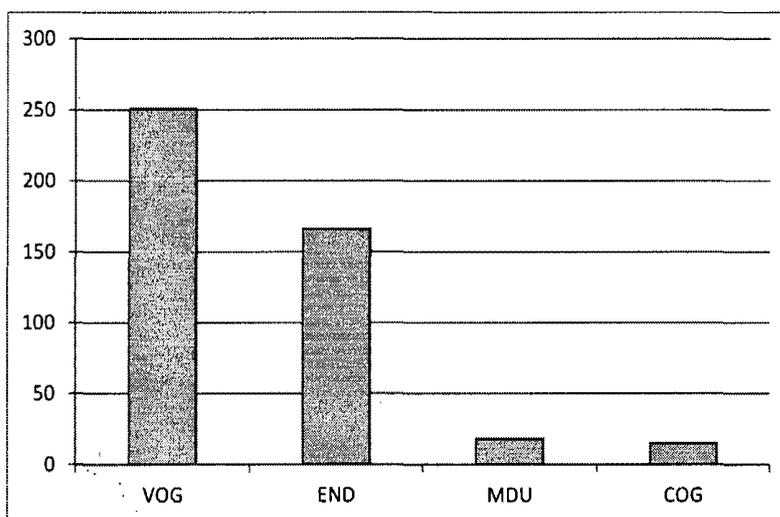
MDU Resources Group, Inc. (MDU-NR) holds an 80,000 net acre position mostly in Garfield County. The company plans to drill one test well later in 2011.

Stealth Energy Inc. (CNSX.SLH-NR), a Vancouver-based producer, holds about 8,500 net acres in the Heath Trend in Musselshell, Rosebud and Petroleum counties. The company drilled a vertical well, Dexter 7-1, in Musselshell County in 2010.

Stealth Energy Inc. had a frustrating time trying to secure a traditional "frac" crew to complete this well. Management has decided to use Radial Drilling Technology (RDT) to potentially put the well into production.

Voyager Oil and Gas (VOG-NR) controls roughly 33,500 net acres in the Heath Oil play in Garfield, Fergus, Musselshell, Petroleum, and Rosebud counties of Montana. Voyager believes that the Heath is "very similar to the Bakken, the Heath is characterized by very high porosity and significant fracturing." The company currently has no plans to drill within this trend until 2013.

FIGURE 7: PUBLIC COMPANIES LEVERAGED TO THE HEATH (ACREAGE PER \$MM MARKET CAP)



Source: Compiled by Wunderlich Securities, Inc.

Resource Potential – A Very Rough and cursory Assessment

While the Heath play is just taking off, and we do not have statistically meaningful samples of EUR per well, we still find it constructive to take a stab at the resource potential to provide some sense of scale for this play. This assessment will be refined as more data become available, we would like to caution readers that this is a very cursory look at the resource potential of this play.

From one source, we have an original-oil-in-place (OOIP) estimate of 10 to 20 mmboe per square mile (or section). If we assume 160 acre spacing, each section could fit four horizontal wells, and each well location can have 2.5 mmboe to 5.0 mmboe of oil in place. If we assume 5% recovery, each well location could potentially tap 125,000 to 250,000 barrels before royalties.

We estimated earlier that the formation could be present over an area of 170 miles by 50 miles (or 8,500 square miles, 5.4 million acres). We do not know how much of this rock volume is in the right thermal maturity window to generate oil, but if we assume that 50% of the acreage is prospective, then the play could potentially contain two to four billion barrels recoverable before royalties.

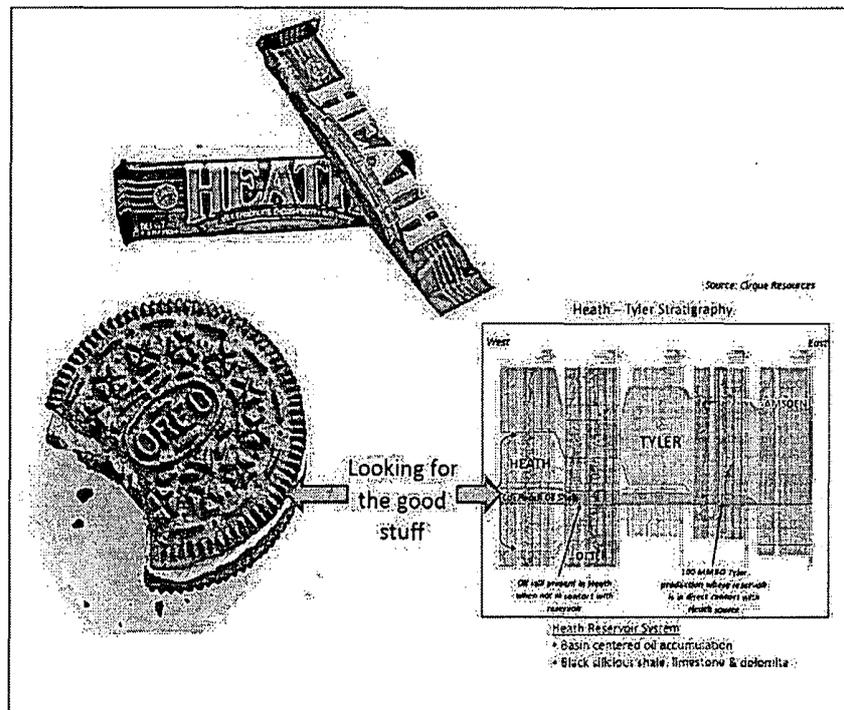
What Do We Know About the Play? What Are the Unknowns?

The Heath Shale play is at a very early stage, it feels a whole lot like the South Alberta Basin Bakken play about a year ago. The acreage is tightly held by a handful of companies. As compared with the South Texas Eagle Ford Shale play and the DJ Basin Niobrara Chalk play, the Heath play is still relatively unknown with fewer first movers. Due to the remote location, and a lack of big players actively spending big budgets on the play, we expect a longer lead time from discovery to first production.

What We Know: The Heath Is an Effective Oil-Generating Source Rock

- There is a functioning Petroleum system; the Heath is mature enough in a portion of the basin to source a number of conventional oilfields.
- Lithology, TOC data points are supportive of an oil resource play.
- The general thickness and lateral extent of the Heath Shale interval has been mapped.
- Drill depths will likely be around 5,000 feet, lateral lengths of horizontal wells likely less than 4,000 feet.
- Drilling and completion costs around \$3–\$4 million for horizontal wells.

FIGURE 8: HEATH SHALE – STILL LOOKING FOR THE “GOOD STUFF”



Source: Cross section from Cirque Resources, "Heath-Oreo Analogue" illustration by Wunderlich Securities, Inc., The Hershey Company, Kraft Foods, Inc

What We Don't Know: Where the Vanilla Filling Is In This "Oreo Cookie"

- ~~There is a lack of state-of-the-art log and core data on the Heath, which is needed for a more detailed understanding of the interval.~~
- How big is the Heath play? We believe that it could cover 5.4 million acres. How is the fairway defined? We do not have sufficient data points to do an accurate assessment yet.
- Is the Heath Shale interval normally pressured or over-pressured? One of the private producers we spoke with has encountered pressure issues, so we believe that in a portion of the basin, the Heath could be over pressured.
- The "Oreo Cookie" analogy has been used for both the Bakken play and the Niobrara play. Within the Heath play, producers are still trying to find the "good stuff," the "vanilla fillings" in this "Oreo Cookie" (Figure 8).
- Once the prospective zone or zones are identified, more drilling will be needed to understand the Heath, to look for "sweet spots" and map the lateral extent of the horizontal play.
- How does structure impact well productivity? Do regional faults and fractures help or harm fracture stimulation and well productivity? Some producers are looking for areas with moderate structural imprints with natural fractures but avoiding large and likely leaky faults.
- Optimal lateral lengths, frac stages and completion practice. Producers are still in the trial and error stage.
- Once in development mode, would cutting edge technologies be required: Geo-steering, 3-D seismic, micro-seismic, image log?
- Development spacing, one well per 320 acre or 160 acre, or tighter?
- Longer-term production history, decline curves and EUR for the new horizontal wells will not be available for at least 12 to 18 months.
- Drilling and completion logistics, the play is a little off the beaten path and without a whole lot of ongoing drilling activities. Producers have been able to securing drilling services, but fractures stimulation and completion services have been very difficult to lock down, as most equipment and crews are tied up with the Williston Basin's Bakken play. This could slow down the exploration process.

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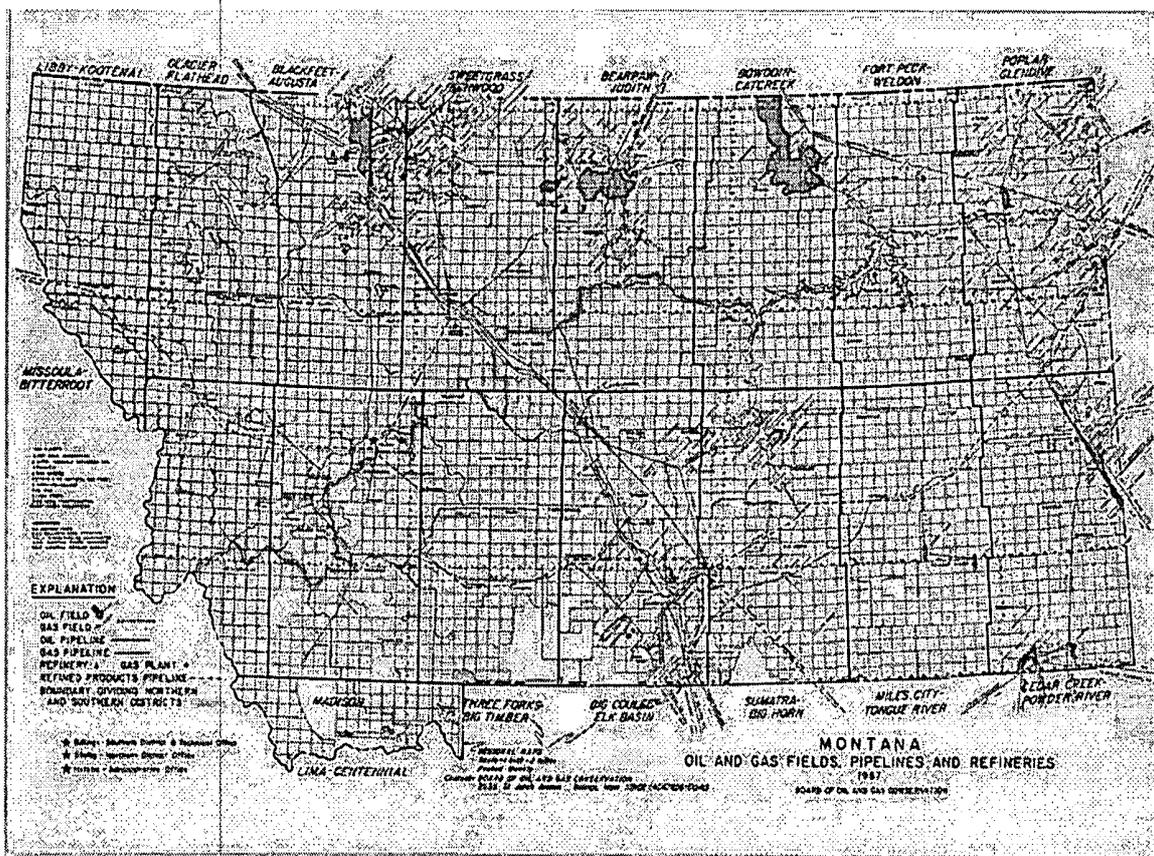
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FIGURE 9: MAJOR OIL AND GAS FIELDS, PIPELINES AND REFINERIES



Source: Montana Board of Oil and Gas Conservation

Companies Mentioned							
Ticker	Rating	Price	Price Target	Ticker	Rating	Price	Price Target
END	BUY	13.81	17.00				

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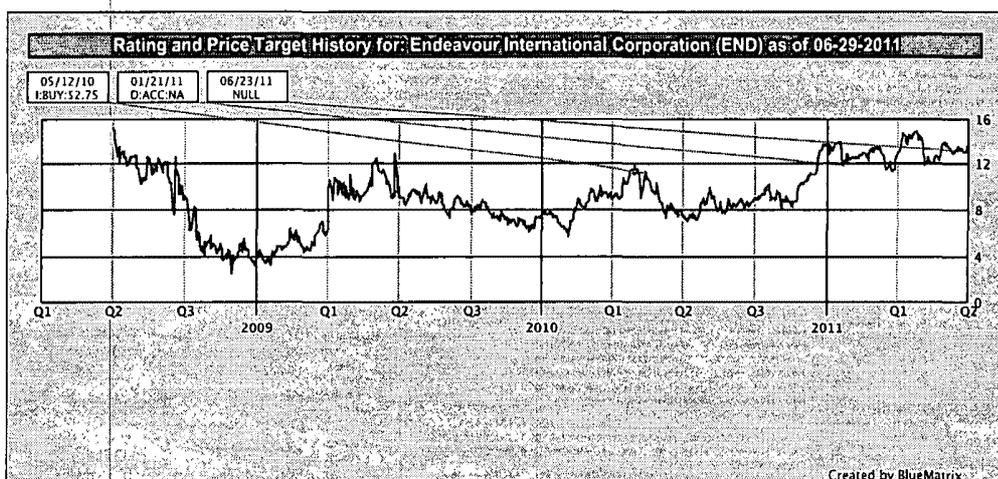
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Brian J. Butler, CFA 410.369.2614

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bbutler@wundermet.com

Energy

Alternative Energy

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toneill@wundermet.com

Exploration & Production/Oilfield Services

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Master Limited Partnerships

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Utilities/Power

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Director of Institutional Equity Trading

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cberry@wundermet.com

Trip Carey 617.892.7220

tcarey@wundermet.com

Jeffrey England 303.965.7960

jengland@wundermet.com

Exhibit 7-B News Release from First Star Resources Inc. dated February 14, 2007

First Star acquires 50% in Mosser Dome oil field

2007-02-14 06:02 ET - News Release

Mr. Bill Wishart reports

FIRST STAR SIGNS PURCHASE AND SALE AGREEMENT COMPLETES FIRST 50% OF MOSSER DOME OIL FIELD ACQUISITION

First Star Resources Inc. has released the following update on its acquisition of the Mosser Dome oil field in Montana. Further to the company's letter of intent dated Nov. 2, 2006, First Star has signed a formal purchase and sale agreement with Big Snowy Resources LP (the vendor) and has forwarded \$450,000 (U.S.), thereby acquiring a 50-per-cent working interest in the oil field. First Star has paid \$750,000 to date to acquire its first 50-per-cent interest in the property. The balance of the purchase price, being \$750,000 (U.S.), will be paid by First Star to the vendor on or before May 31, 2007, completing 100 per cent of the purchase. First Star will become the operator upon completing the purchase.

The company engaged Petrotech Engineering Ltd. to evaluate the primary and secondary recovery potentials of all three formations as per guidelines under National Instrument 51-101. The results of this evaluation were released on Jan. 30, 2007. Based on this evaluation, First Star plans an initial phase of development to drill two wells in the Mosser Dome field to obtain core analyses and pertinent reservoir data of the Muddy and Mosser sands so that a proper waterflood scheme can be designed to enhance the oil recovery. This would potentially upgrade possible reserves to either probable or proved reserve. These two wells are to be drilled within the first half of 2007.

The Mosser Dome field is located around 20 miles southwest of the Billings area in Montana and has produced over 500,000 barrels of oil since it was discovered in 1936. ~~The field has been held and produced privately and has never undergone corehole analysis or field engineering analysis.~~ With the core analyses to be taken by the two upcoming wells, additional reservoir data in all potential hydrocarbon formations (that is, Muddy, Basal and Mosser sands) will assist in the additional recovery of the possible and proved undeveloped reserves.

We seek Safe Harbor.

Exhibit 8 Exemplar I-526 Form Memo in Support of Petition



[DATE]

**Investment in an
EB-5 Regional
Center Project**

**Based on
Approved
Exemplar I-526
Documents**

**MEMORANDUM IN SUPPORT OF I-526 PETITION
UNDER IMMIGRANT INVESTOR PILOT PROGRAM**

Petitioner/Investor: [INVESTOR]
Regional Center: USA Montana Energy Regional Center, LLC
New Commercial Enterprise: Central Montana Oil and Gas Exploration, LP

[INVESTOR] seeks classification as an alien entrepreneur under the Immigrant Investor Pilot Program on the basis of [his/her] capital investment in *Central Montana Oil and Gas Exploration, LP* in connection with USA Montana Energy Regional Center, LLC, pursuant to §203(b)(5) of the Immigration and Nationality Act (“INA”) and Title 8, Code of Federal Regulations (“8 CFR”) §204.6. A copy of [INVESTOR]’s passport identity page is attached as **Exhibit 1**. USA Montana Energy Regional Center, LLC (“USAMERC”), a California Limited Liability Company, was designated as a regional center under the Immigrant Investor Pilot Program in an approval letter issued by USCIS on [DATE] (see **Exhibit 2** for copy of the regional center approval letter including exemplar I-526 approval). All investment and project-related documents submitted as part of [INVESTOR]’s I-526 petition based on the USCIS-approved exemplar documents.

As required by 8 CFR §204.6(m)(7), [INVESTOR]’s petition is accompanied by evidence establishing that [he/she] has made a qualifying investment into a new commercial enterprise within a regional center approved pursuant to 8 CFR §204.6(m)(4), and that [his/her] investment will create jobs indirectly through investment in the new commercial

enterprise. [INVESTOR]'s capital investment funds derive from a lawful source as required by 8 CFR §204.6(j)(3). Moreover, [INVESTOR]'s at-risk investment complies fully with the Administrative Appeals Office's precedent decisions in *Matter of Izummi*, *Matter of Soffici*, *Matter of Ho*, and *Matter of Hsiung* ("precedent decisions").

I. SUMMARY OF PETITION

On [DATE], [INVESTOR] made an at-risk capital investment of US \$500,000 in cash into *Central Montana Oil and Gas Exploration, LP* ("new commercial enterprise"), a Montana limited partnership. *Central Montana Oil and Gas Exploration, LP* was organized for the purpose of directing capital investments raised into oil well drilling and operation activities in the counties of Musselshell, Petroleum and Yellowstone in Montana. All four counties qualify as Targeted Employment Areas ("TEA") based on their status as rural areas. USAMERC's geographic area covers the six (6) contiguous counties of Rosebud, Garfield, Yellowstone, Treasure, Petroleum and Musselshell in Montana.

[INVESTOR]'s capital investment funds have been committed to the construction and operation of the Project, which is projected to result in the creation of new jobs, (b)(4) including jobs created indirectly. [INVESTOR]'s capital investment funds for *Central Montana Oil and Gas Exploration, LP* derive from . It is noted that the US \$ processing fee associated with [INVESTOR]'s subscription for the limited partnership unit was wired separately and is above and beyond the US \$500,000 capital investment amount. The source of funds analysis focuses on [his/her] US \$500,000 capital investment only, in accordance with 8 CFR §204.6(j)(3). On [DATE], [INVESTOR]'s capital investment of US \$500,000 was wired from [INVESTOR]'s bank account at [LOCATION] into *Central Montana Oil and Gas Exploration, LP's* account at Bank. In exchange for [his/her] capital investment, [INVESTOR] was issued one limited partnership unit in *Central Montana Oil and Gas Exploration, LP*.

II. NEW COMMERCIAL ENTERPRISE: *Central Montana Oil and Gas Exploration, LP*

A. Commercial Enterprise Established After November 29, 1990

Central Montana Oil and Gas Exploration, LP was registered in the State of Montana on October 13, 2011. Please see **Exhibit 4** for a copy of the company's Limited Partnership Certificate. Because it was established after November 29, 1990, *Central Montana Oil and Gas Exploration, LP* is a "new" commercial enterprise as defined in 8 CFR §204.6(e). It is



noted that Central Montana Oil and Gas Exploration, LP initially had a different general partner name and address but an amendment was filed on September 2, 2011 to clarify that USAMERC alone is the general partner and providing USAMERC's address.

B. Structure of the New Commercial Enterprise

Central Montana Oil and Gas Exploration, LP consists of one General Partner and up to 45 Limited Partnership units, one of which has been purchased by [INVESTOR]. The General Partner is USAMERC. Please refer to a copy of the Limited Partnership Agreement of *Central Montana Oil and Gas Exploration, LP* and [INVESTOR]'s share certificate, attached as **Exhibit 5A-5B**. Copies of the executed Subscription Agreement and Private Offering Memorandum are included as **Exhibit 5C-5D**.

C. Business Purpose of the New Commercial Enterprise

Central Montana Oil and Gas Exploration, LP was organized for the purpose of utilizing capital investments raised to provide a loan to the owner/operator of the Project, which will use the loan proceeds for oil well drilling and operation activities. The objective of *Central Montana Oil and Gas Exploration, LP* is to fund the creation of new business and new jobs within the regional center and the successful operations of the completed Project.

Please refer to *Central Montana Oil and Gas Exploration, LP*'s comprehensive business plan for further details on the new commercial enterprise and the Project (**Exhibit 6**). *Central Montana Oil and Gas Exploration, LP* satisfies the requirement under 8 CFR §204.6(e) that a commercial enterprise be "any for-profit activity formed for the ongoing conduct of lawful business."

III. CAPITAL INVESTMENT BY [INVESTOR]

A. \$500,000 Invested in a Targeted Employment Area

Under 8 CFR §204.6(f), the requisite capital investment amount for an investment made in a "targeted employment area" is US \$500,000. According to INA §203(b)(5)(ii), a targeted employment area is defined as either a rural area or an area that has experienced unemployment of at least 150% of the national average rate at the time of investment. Evidence of high unemployment may be in the form of either publicly available data from state and federal sources, or a high unemployment certification letter from the authorized governmental body of the state in which the area is located.



The new commercial enterprise into which [INVESTOR] has invested, *Central Montana Oil and Gas Exploration*, is located in Billings, Montana, which qualifies as a TEA based on _____. (See **Exhibit 3** for a copy of the TEA information). Moreover, the project owner/operator to which the EB-5 investor capital will be loaned for job creating activities, Stealth Energy Central Montana, is also located in Billings, Montana, and the project activities will take place in rural areas qualifying as TEA's. Accordingly, [INVESTOR]'s investment has been made in a TEA and [his/her] investment of US \$500,000 in the Project is sufficient to meet the capital investment requirement under INA §203(b)(5)(C) and 8 CFR §204.6 (f)(2).

B. AT-RISK INVESTMENT

Pursuant to 8 CFR §204.6(j)(2), to show that a petitioner has invested or is actively in the process of investing the required amount of capital, the petition must be accompanied by evidence that the petitioner has placed the required amount of capital at risk for the purpose of generating a return on the capital placed at risk.

[INVESTOR] made an at-risk capital investment of US \$500,000 into *Central Montana Oil and Gas Exploration, LP*, in exchange for a limited partnership interest. Please see **Exhibit 7A** for a copy of the incoming wire confirmation showing the deposit of US \$500,000 by [INVESTOR] into *Central Montana Oil and Gas Exploration, LP*'s account at [] Bank on [DATE], along with [INVESTOR]'s outgoing wire transfer order from [BANK] in [LOCATION]. Please refer to **Exhibit 5A-5B** for a copy of the Limited Partnership Agreement signed by [INVESTOR], and [INVESTOR]'s Limited Partnership Share Certificate.

In compliance with federal regulations and the four AAO precedent decisions, the full amount of [INVESTOR]'s US \$500,000 capital contribution was invested solely into the new commercial enterprise. No portion of [INVESTOR]'s capital contribution was, or will be, applied towards the administrative or marketing costs of USAMERC. In addition, legal service fees paid by [INVESTOR] are independent of the US \$500,000 investment. It is noted that [INVESTOR] paid a separate processing fee of US [] above and beyond the US \$500,000 capital investment amount pursuant to the executed Subscription Agreement for *Central Montana Oil and Gas Exploration, LP*. The processing fee was wired by [INVESTOR] on [DATE]. Please see **Exhibit 7B** for copies of the incoming wire notification confirming payment of the processing fee.

(b)(4)

There are no loans, promissory notes or other forms of borrowing related to any of [INVESTOR]'s capital contribution. [INVESTOR] is thus subject to the normal risks

inherent in and associated with the operation of a new commercial enterprise. In the event that the project is unsuccessful and unprofitable, [INVESTOR] will lose all of [his/her] investment in the new commercial enterprise. *Central Montana Oil and Gas Exploration, LP's* comprehensive business plan (see **Exhibit 6**) describes the job-generating for-profit business activities to be funded by the new commercial enterprise, demonstrating that [INVESTOR]'s capital contribution has been placed at risk.

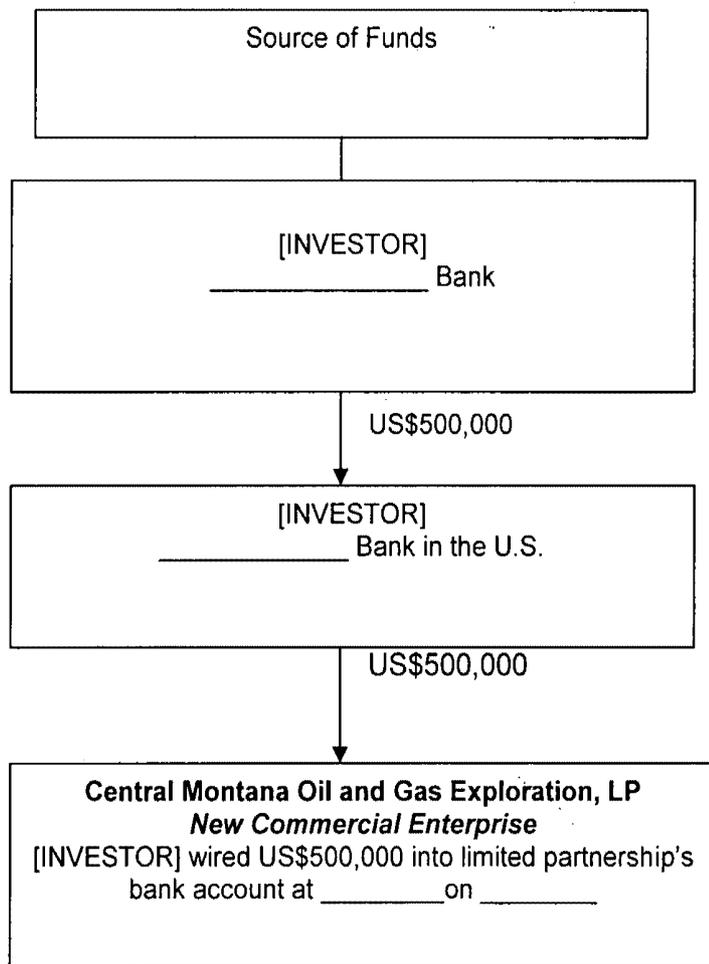
C. SOURCE OF FUNDS

Under 8 CFR §204.6(j)(3), evidence must be submitted showing that [INVESTOR]'s capital investment funds were "obtained through lawful means."

The source of funds for [INVESTOR]'s capital investment is summarized below with a narrative description following:



Source of Funds Summary for [INVESTOR]



[Insert narrative description of [INVESTOR]'s source of funds]

IV. JOB CREATION

(b)(4)

Based on the economic methodology included in USAMERC's proposal approved by USCIS, the Project will result in the creation of total new jobs including jobs created indirectly. Total employment impacts of oil well operations were calculated using the RIMS II final demand multiplier applied to revenue projections. Thus, operations jobs will be verified at the I-829 stage through evidence of actual revenues achieved. Indirect and induced impacts of oil well drilling activity were estimated based on drilling costs (expenditures) multiplied by RIMS II final demand multiplier, thus verification of those jobs will be through proof of actual expenditures and revenue generated.

For further explanation, please refer to *Central Montana Oil and Gas Exploration, LP's* comprehensive business plan (**Exhibit 6**) and the Economic Impact Analysis Report for the Project at **Exhibit 9**.

V. [INVESTOR] WILL BE ENGAGED IN THE MANAGEMENT OF THE NEW COMMERCIAL ENTERPRISE

Under 8 CFR §204.6(j)(5), the I-526 petitioner/investor is required to show that [he/she] is or will be engaged in the management of the new commercial enterprise, either through day-to-day managerial control or through policy formulation activities. 8 CFR §204.6(j)(5)(iii) provides that if the new commercial enterprise is a partnership, either limited or general, the petitioner "will be considered sufficiently engaged in the management of the new commercial enterprise" if the petitioner is a limited partner and the limited partnership agreement provides the petitioner with certain rights, powers, and duties normally granted to limited partners under the Uniform Limited Partnership Act.

As explained above, [INVESTOR] is a limited partner in *Central Montana Oil and Gas Exploration, LP* (see **Exhibit 5A-5B**). Article 7, paragraph 7.1 of the *Central Montana Oil and Gas Exploration, LP's* Limited Partnership Agreement states, "The Limited Partners shall engage in policy formulation activities and be granted certain rights, expressly afforded to them as limited partners under [the Uniform Limited Partnership Act]." Thus, [INVESTOR] is deemed sufficiently engaged in the management of the new commercial enterprise and satisfies immigrant investor requirements. (See **Exhibit 5A** for copy of the Limited Partnership Agreement.)

VI. CONCLUSION

For all of the foregoing reasons and based on the supporting documentation enclosed, [INVESTOR] has satisfied all of the requirements to be classified as an alien entrepreneur under the Immigrant Investor Pilot Program, pursuant to INA §203(b)(5) and 8 CFR §204.6. Therefore, we respectfully request the prompt approval of [INVESTOR]'s I-526 petition. Should you have any questions, please do not hesitate to contact the undersigned.

Sincerely,

Linda Lau, Esq.

Enclosures



EXHIBIT LIST

RE: I-526 PETITION OF [INVESTOR]

- Exhibit 1** Copy of [INVESTOR]'s passport identity page
- Exhibit 2** Copy of USA Montana Energy Regional Center, LLC's Approval Letter from USCIS, including exemplar I-526 approval
- Exhibit 4** Targeted Employment Area Information, for _____, MT
- Exhibit 4** Copy of *Central Montana Oil and Gas Exploration, LP's* Certificate of Limited Partnership and Amendment Showing USA Montana Energy Regional Center, LLC as General Partner
- Exhibit 5A** Copy of the Limited Partnership Agreement
- Exhibit 5B** [INVESTOR]'s Limited Partner Share Certificate
- Exhibit 5C** Copy of the executed Subscription Agreement
- Exhibit 5D** Copy of the executed Private Offering Memorandum
- Exhibit 6** *Central Montana Oil and Gas Exploration, LP's* Comprehensive Business Plan
- Exhibit 7A** Copy of incoming wire confirmation from _____ Bank and wire transfer order from _____ Bank showing deposit of [INVESTOR]'s capital investment
- Exhibit 7B** Copy of incoming wire confirmation from _____ Bank and wire transfer order from _____ Bank showing payment of processing fee by [INVESTOR]
- Exhibit 8A** Copy of [Source of Fund documents]
- Exhibit 8B** Copy of [Source of Fund documents]
- Exhibit 8C** Copy of [Source of Fund documents]
- Exhibit 9** Copy of USCIS-approved Economic Impact Analysis for USAMERC which



GLOBAL LAW GROUP™

A Professional Law Corporation

includes projections for the Project to be funded by *Central Montana Oil and Gas Exploration, LP*

909 El Centro Street, Suite 1, South Pasadena, CA 91030
Tel: (213) 830-9933 ✦ Fax: (213) 830-9930 ✦ E-mail: Contact@GlobalLawGroup.net
www.GlobalLawGroup.net

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Direct line to legal	(213) 250-9111	• Fax (213) 250-1197
Los Angeles (West)	(310) 277-9111	• Fax (310) 277-9153
Direct line to legal	(310) 277-7101	• Fax (310) 277-9153
Inland Empire	(951) 779-1110	• Fax (951) 779-0100
San Diego	(619) 231-9111	• Fax (619) 231-1361
San Francisco	(415) 626-3111	• Fax (415) 626-1331
Santa Ana	(714) 541-1110	• Fax (714) 541-8182
Sacramento	(916) 444-5111	• Fax (916) 443-3111
Las Vegas	(702) 671-4002	• Fax (702) 366-0768
Phoenix	(602) 248-9700	• Fax (602) 248-9727

MESSENGER FORM FOR MESSENGER USE ONLY		web address: firstlegalsupport.com		DATE: October 3, 2012	CTL #: 5367857
CHARGE TO: GLOBAL LAW GROUP			AUTHORIZATION / REQUESTED BY Chrystal		
			CHARGE REFERENCE USAMERC (RCW1131850351)		
PICK UP FROM: 909 EL CENTRO ST., SUITE 1 SOUTH PASADENA, CA 91030 TO SEE: PHONE: (213) 830-9933			DELIVER TO: USCIS, California Service Center 24000 Avila Rd., Laguna Niguel, CA 92677 TO SEE: ATTN: EB-5 PROCESSING (P.O. BOX 10590) PHONE:		
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> REGULAR (4 Hours)	<input type="checkbox"/> RETURN	Pieces _____		
<input type="checkbox"/> ASAP (1 Hour)	<input type="checkbox"/> NEXT DAY (By _____)	<input type="checkbox"/> NIGHT / WEEKEND SERVICE	Weight _____		
<input checked="" type="checkbox"/> RUSH (2 Hours)			P/U Time _____		
SPECIAL INSTRUCTIONS Please ask the person who receives this package to sign below, and email this signed page to chrystal@globallawgroup.net . Thank you.					
LEGIBLE SIGNATURE		DEL TIME	DRIVER	CHECK NO.	AMOUNT
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330169



**U.S. Citizenship
and Immigration
Services**

Date: **JUL 10 2013**

Michael Mao
USA Montana Energy Regional Center, LLC
27 North 27th Street, Suite 2101
Billings, MT 59101

Application: Form I-924, Application for Regional Center under the Immigrant Investor Pilot Program

Applicant: Michael Mao

Re: Initial Regional Center Designation
USA Montana Energy Regional Center
RCW1131850351 / ID1131850351

This notice is in reference to the Form I-924, Application for Regional Center Under the Immigrant Investor Pilot Program that was filed by the applicant with the U.S. Citizenship and Immigration Services ("USCIS") on November 14, 2011. The Form I-924 application was filed to request approval of initial regional center designation under the Immigrant Investor Program. The Immigrant Investor Program was established under § 610 of the Department of Commerce, Justice and State, the Judiciary, and Related Agencies Appropriations Act of 1993 (Pub. L. 102-395, Oct. 6, 1992, 106 Stat. 1874).

I. Executive Summary of Adjudication

Effective the date of this notice, USCIS approves the Form I-924 request to designate USA Montana Energy Regional Center as a qualifying participant in the Immigrant Investor Program.

COPY

II. Regional Center Designation¹

USCIS approves the applicant's request to focus, promote economic growth, and offer capital investment opportunities in the following geographic area and industry categories:

A. Geographic Area

State	Counties
Montana	Yellowstone, Musselshell, Garfield, Treasure, Petroleum, Rosebud.

B. Industry Categories

NAICS	Industry Name
213111	Drilling Oil and Gas Wells
211111	Crude Petrol Natural Gas Extraction

III. Job Creation

USCIS approves the geographic area and industry categories noted above based on the economic impact analysis presented and reviewed in conjunction with the adjudication of this regional center proposal.

USCIS approves the geographic area and industry categories noted above based on the economic impact analysis presented and reviewed in conjunction with the adjudication of this regional center proposal. USCIS' approval of the hypothetical job creation estimates presented in the Form I-924 will not be accorded deference and may not be relied upon by an individual investor when filing the Form I-526. The business plans and job creation estimates will receive a *de novo* review by USCIS when an individual investor files Form I-526.

¹ USCIS issued a Policy Memorandum (PM-602-0083) on the subject of "EB-5 Adjudication Policy," dated May 30, 2013, stating that formal amendments to the regional center designation are no longer required when a regional center changes its industries of focus or geographic boundaries. A regional center may still elect to pursue a formal amendment by filing Form I-924 if it seeks certainty in advance that changes in the industries or the geographic area will be permissible prior to filing Form I-526 petitions.

IV. Guidelines for Filing Form I-526 Petitions

Each individual petition, in order to demonstrate that it is affiliated with the USA Montana Energy Regional Center, in conjunction with addressing all the requirements for an individual immigrant investor petition, shall also contain the following:

1. A copy of this regional center approval notice and designation letter including all subsequent amendment approval letters (if applicable).
2. An economic impact analysis which reflects a job creation methodology required at 8 CFR § 204.6 (j)(4)(iii) and shows how the capital investment by an individual immigrant investor will create not fewer than ten (10) indirect jobs for each immigrant investor.
3. A comprehensive, detailed, and credible business plan as described in *Matter of Ho*, 22 I&N Dec. 206 (Assoc. Comm'r 1998).
4. Legally executed transactional and organizational documents.

Note: The project reviewed with this Form I-924 application is a hypothetical project. Organizational and transactional documents associated with the new commercial enterprise (NCE) submitted with this Form I-924 are not specifically approved in this application. All documents will receive *de novo* review in subsequent filings (e.g., an amended Form I-924 application with a Form I-526 exemplar or the first Form I-526 petition filed by an investor under the regional center project).

V. Designee's Responsibilities in the Operations of the Regional Center

As provided in 8 CFR § 204.6 (m)(6), to ensure that the regional center continues to meet the requirements of section 610(a) of the Appropriations Act, a regional center must provide USCIS with updated information to demonstrate the regional center is continuing to promote economic growth, improved regional productivity, job creation, and increased domestic capital investment in the approved geographic area. Such information must be submitted to USCIS on an annual basis or as otherwise requested by USCIS. The applicant must monitor all investment activities under the sponsorship of the regional center and to maintain records in order to provide the information required on the Form I-924A Supplement to Form I-924. Form I-924A, Supplement to Form I-924 Application is available in the "Forms" section on the USCIS website at www.uscis.gov.

Regional centers that remain designated for participation in the Immigrant Investor Program as of September 30th of a calendar year are required to file Form I-924A Supplement in that year. The Form I-924A Supplement with the required supporting documentation must be filed on or before December 29th of the same calendar year.

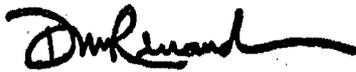
The failure to timely file a Form I-924A Supplement for each fiscal year in which the regional center has been designated for participation in the Immigrant Investor Program will result in the issuance of an intent

to terminate the participation of the regional center in the Immigrant Investor Program, which may ultimately result in the termination of the designation of the regional center.

The regional center designation is non-transferable, as any changes in management of the regional center will require the approval of an amendment to the approved regional center designation.

If the applicant has any questions concerning the regional center designation under the Immigrant Investor Program, please contact the USCIS by email at USCIS.ImmigrantInvestorProgram@uscis.dhs.gov.

Sincerely,



Daniel M. Renaud
Acting Chief, Immigrant Investor Program

cc: Linda Lau, Esq.
Mingjie Gan, Esq.
Tina Lee, Esq.

A #	Application/Petition 1924, Application for Regional Center under Immigrant Investor Pilot Program	
Receipt # RCW1131850351	Application/Petitioner Usa Montana Energy Regional Center	
Notice Date March 5, 2013	Page 1 of 6	Beneficiary

C30070

Linda Lau, Esq
Global Law Group
RE: USA Montana Energy Regional Center
909 El Centro Street, Suite 1
South Pasadena, CA 91030

**ACTION COMPLETED
APPROVED FOR FILING**
APR 08 2013
INITIALS: **C30070**
Intent to Deny Processing Coversheet

Notice also sent to:

**RETURN THIS BLUE PROCESSING COVERSHEET ON TOP OF YOUR
RESPONSE TO THE INTENT TO DENY.**

Note: You are given until **April 4, 2013** in which to submit the requested information to the address at the bottom of this notice.

RESPONSE TO AN INTENT TO DENY

For more information, visit our website at **www.uscis.gov**
Or call us at **1-800-375-5283**

Telephone service for the hearing impaired: **1-800-767-1833**

**For non-US Postal Service
Attn: EB 5 RC Proposal
24000 Avila Road, 2nd Floor
Laguna Niguel, CA 92677**

CSC4645 WS25084 DIV Investor Branch AC

You will be notified separately about any other applications or petitions you filed. Save this notice. Please enclose a copy of it if you write to us about this case, or if you file another application based on this decision. Our address is:

USCIS - CALIFORNIA SERVICE CENTER
P.O. BOX 10590
LAGUNA NIGUEL, CA 92607-0590
1-800-375-5283



RCW1131850351

13-25-6-2

NOTICE OF INTENT TO DENY

This notice is in reference to the Form I-924 Application for Regional Center Under the Immigrant Investor Pilot Program that was filed by USA Montana Energy Regional Center ("applicant") at the California Service Center on November 14, 2011. The U.S. Citizenship and Immigration Services ("USCIS") has completed its review of the application for designation as a regional center under the Immigrant Investor Program. The Program was established under § 610 of the Department of Commerce, Justice and State, the Judiciary, and Related Agencies Appropriations Act of 1993 (Pub. L. 102-395, Oct. 6, 1992, 106 Stat. 1874). The purpose of this notice is to notify the applicant that USCIS intends to deny its application requesting designation as a regional center.

I. Procedural History

The proposed Regional Center entity was established on September 21, 2011 in Montana and is structured as a limited liability company. The applicant is requesting jurisdiction over a geographic area to include:

Name of State	Counties
Montana	Yellowstone, Musselshell, Garfield, Treasure, Petroleum, Rosebud.

Additionally, the applicant plans to offer EB-5 capital investment opportunities in affiliated new commercial enterprises, organized as limited partnerships focusing on projects in the following industry categories:

NAICS	Industry Category
213111	Drilling Oil and Gas Wells
211111	Crude Petrol Natural Gas Extraction

The capital investment projects will involve equity investments in or loans to job creating enterprises located within the proposed bounds of the Regional Center.

On November 14, 2011, the applicant filed its Form I-924 requesting regional center designation. On July 12, 2012, USCIS issued a request for additional evidence ("RFE") as the initial application did not qualify under 8 C.F.R. § 204.6(m)(3). The response to the RFE was received on October 3, 2012.

II. Regional Center – Relevant Statute and Regulations

Section 610 of the Departments of Commerce, Justice and State, the Judiciary, and Related Agencies Appropriations Act of 1993, Pub. L. 102-395, (8 USC 1153 note), as amended by Section 402 of the Visa Waiver Permanent Program Act of 2000, Pub. L. 106-396, provides:

- (a) Of the visas otherwise available under section 203(b)(5) of the Immigration and Nationality Act (8 U.S.C. 1153(b)(5)), the Secretary of State, together with the Attorney General, shall set aside visas for a pilot program to implement the provisions of such section. Such pilot program shall involve a regional center in the United States for the promotion of

economic growth, including increased export sales, improved regional productivity, job creation, and increased domestic capital investment.

(b) For purposes of the pilot program established in subsection (a), beginning on October 1, 1992, but no later than October 1, 1993, the Secretary of State, together with the Attorney General, shall set aside 3,000 visas annually for five years to include such aliens as are eligible for admission under section 203(b)(5) of the Immigration and Nationality Act and this section, as well as spouses or children which are eligible, under the terms of the Immigration and Nationality Act, to accompany or follow to join such aliens.

(c) In determining compliance with section 203(b)(5)(A)(iii) of the Immigration and Nationality Act, and notwithstanding the requirements of 8 CFR 204.6, the Attorney General shall permit aliens admitted under the pilot program described in this section to establish reasonable methodologies for determining the number of jobs created by the pilot program, including such jobs which are estimated to have been created indirectly through revenues generated from increased exports, improved regional productivity, job creation, or increased domestic capital investment resulting from the pilot program.

The regulation at 8 CFR § 204.6(m) provides:

(3) Requirements for regional centers. Each regional center wishing to participate in the Immigrant Investor Pilot Program shall submit a proposal to the Assistant Commissioner for Adjudications, which:

(i) Clearly describes how the regional center focuses on a geographical region of the United States, and how it will promote economic growth through increased export sales, improved regional productivity, job creation, and increased domestic capital investment;

(ii) Provides in verifiable detail how jobs will be created indirectly through increased exports;

(iii) Provides a detailed statement regarding the amount and source of capital which has been committed to the regional center, as well as a description of the promotional efforts taken and planned by the sponsors of the regional center;

(iv) Contains a detailed prediction regarding the manner in which the regional center will have a positive impact on the regional or national economy in general as reflected by such factors as increased household earnings, greater demand for business services, utilities, maintenance and repair, and construction both within and without the regional center; and

(v) Is supported by economically or statistically valid forecasting tools, including, but not limited to, feasibility studies, analyses of foreign and domestic markets for the goods or services to be exported, and/or multiplier tables.

(4) ***

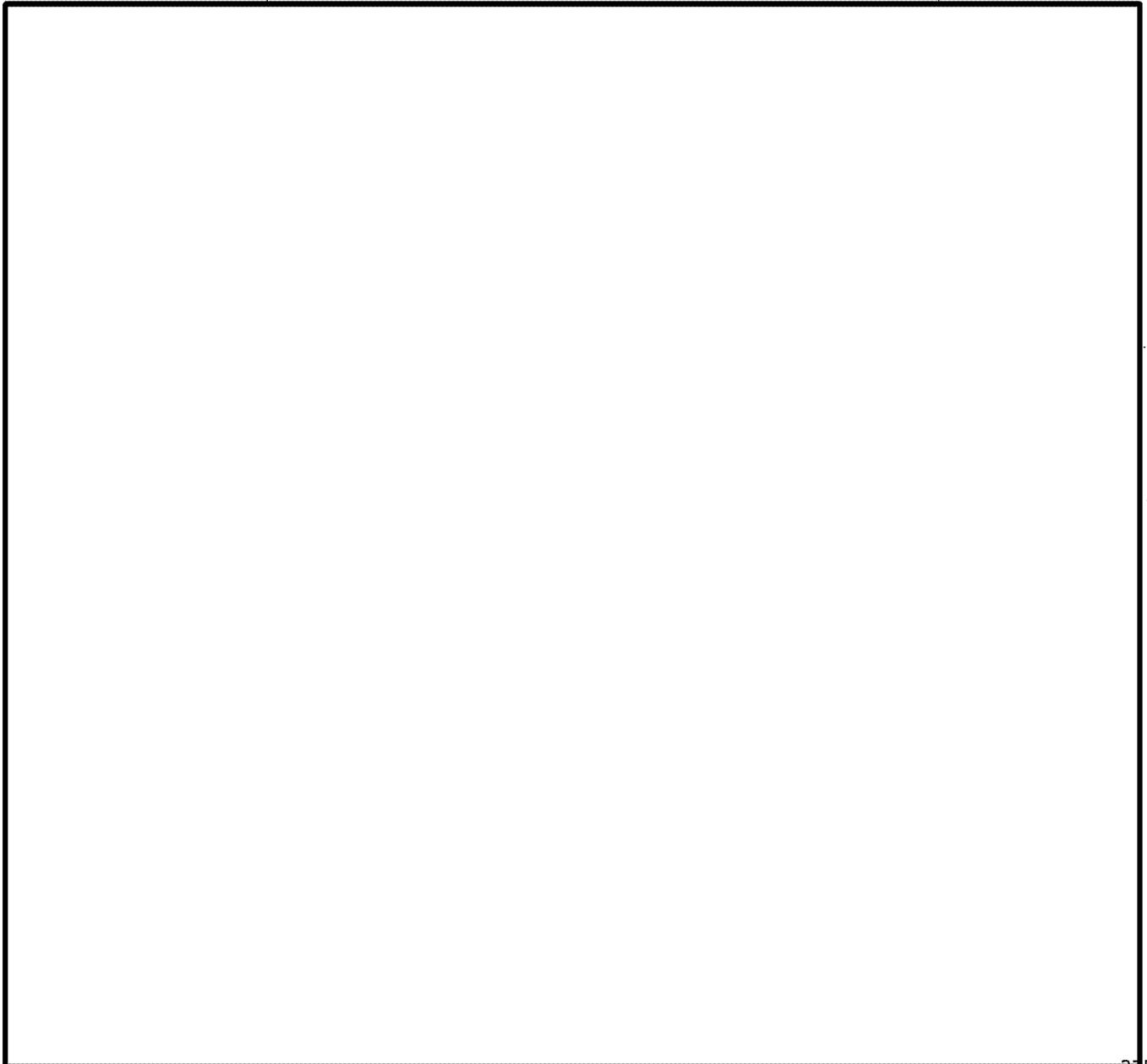
(5) Decision to participate in the Immigrant Investor Pilot Program. The Assistant Commissioner for Adjudications shall notify the regional center of his or her decision on the request for approval to participate in the Immigrant Investor Pilot Program, and, if the petition is denied, of the reasons for the denial and of the regional center's right of appeal to the Associate Commissioner for Examinations. Notification of denial and appeal rights, and the procedure for appeal shall be the same as those contained in 8 CFR 103.3.

In reviewing this application, USCIS has to determine whether the request for regional center designation has met all of the regulatory criteria and thereby will maintain a regional center within which aliens seeking to obtain permanent resident status under section 203(b)(5) of the Act will be able to successfully establish a new commercial enterprise (as described in 8 CFR § 204.6(h)) with the qualifying investment that will benefit the United States economy and create 10 full-time jobs, including jobs indirectly created through the new commercial enterprise.

III. Issues

(b)(4)

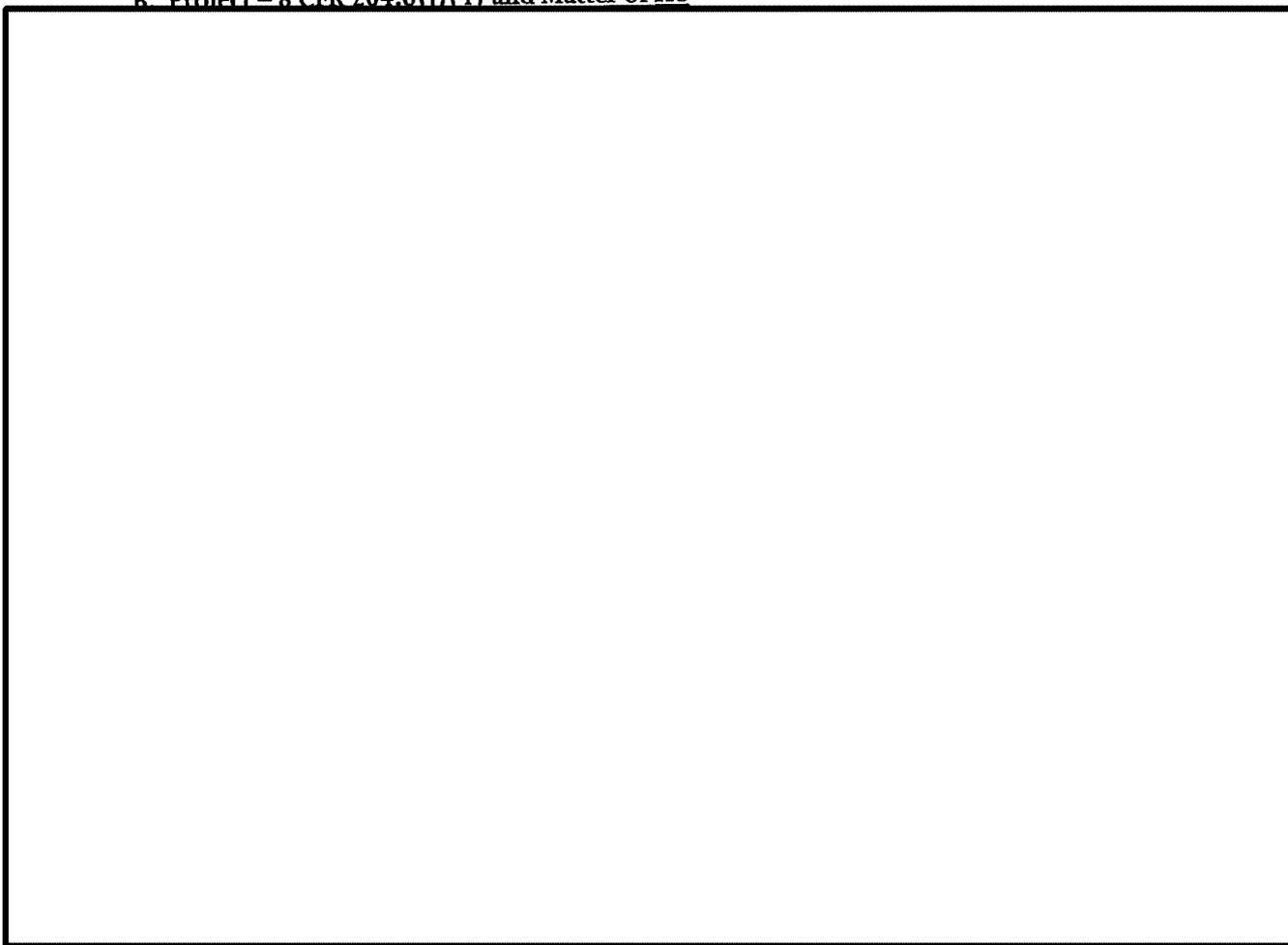
A. Job Creation - 8 C.F.R. § 204.6(m)(3)(ii) and (v)



(b)(4)

Thus, the applicant has not established job creation in verifiable detail using economically or statistically valid forecasting tools as required.

B. Project – 8 CFR 204.6(i)(4) and Matter of Ho



IV. Decision

This notice serves as notification of USCIS' intention to deny the applicant's request for designation as a regional center as the Form I-924 does not meet the regulatory requirements at 8 C.F.R. § 204.6(m)(3). Therefore, the applicant is afforded thirty (30) days from the date of this notice to submit additional information, evidence or arguments in support of the application. Additionally, when USCIS serves a notice by mail, three (3) days are added to the prescribed period in which to respond. See 8 C.F.R. 103.5a(b). Any response to this notice should include a detailed analysis that rebuts the grounds for denial raised above, corroborated by credible independent documentary evidence all of which will be considered before a decision is rendered.

V. Review Board Option

Pursuant to 8 C.F.R § 103.2(b)(9), USCIS has the authority to request the applicant's appearance for either an in-person interview at the California Service Center (CSC) or a telephonic interview. Should the applicant prefer an in-person or telephonic interview, please indicate as such in response to this notice of intent to deny.

However, be advised that USCIS will need to review any additional information, evidence, or arguments the applicant wishes to submit in support of the application before a review board may be scheduled.

Upon review of the applicant's response, the applicant will then be contacted via the USCIS Immigrant Investor Program mailbox at USCIS.ImmigrantInvestorProgram@uscis.dhs.gov for further instructions regarding the time and date of the interview.

The interview will last approximately 60 minutes. During this time, the applicant will be given the opportunity to present additional information regarding the pending case. The CSC will issue a written decision at a later date, after full consideration of the written record and statements made during the interview.

Failure to respond to this notice of intent to deny will result in the denial of the application based on the above stated reasons.



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April 2, 2013

By Federal Express (7994 0224 9910)

U.S. Citizenship and Immigration Services
California Service Center
Attn: EB-5 RC Proposal
24000 Avila Road, 2nd Floor
Laguna Niguel, CA 92677

(b)(4)

**Response to
Notice of Intent to
Deny**

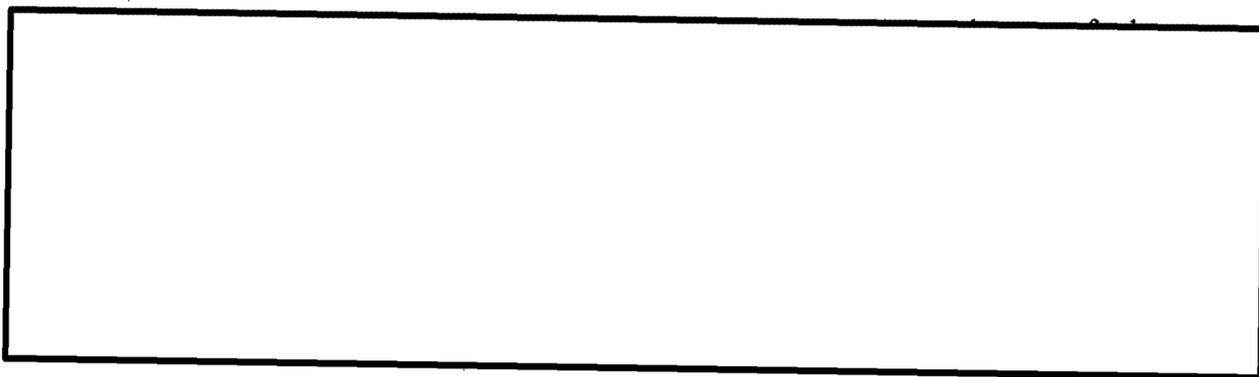
**IN-PERSON
INTERVIEW
REQUESTED**

RE: Response to Notice of Intent to Deny

Type of Petition:	I-924, Application for Regional Center under the Immigrant Pilot Program
Name of Applicant:	USA Montana Energy Regional Center, LLC
USCIS Case Receipt Number:	RCW1131850351

We represent USA Montana Energy Regional Center, LLC ("USAMERC") in the above-referenced matter, and are submitting this complete and timely response to the Intent to Deny ("ITD") issued by USCIS on March 5, 2013. The original Intent to Deny notice is enclosed on top of this response per USCIS's instructions. **Please note that we request an in-person interview.**

We wanted to thank officer 4645 for this concise and thorough ITD which asks for further evidence regarding the following items pertaining to the proposed USAMERC:



All evidence specifically requested by the ITD is enclosed with this response. For ease of reference, the various requests set forth in the ITD are restated separately below, followed by the associated responses. Exhibits are referenced where relevant.

Page 1

(b)(4)



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USCIS Request #1

Response to Request #1:

(b)(4)



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(b)(4)



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USCIS Request #2:

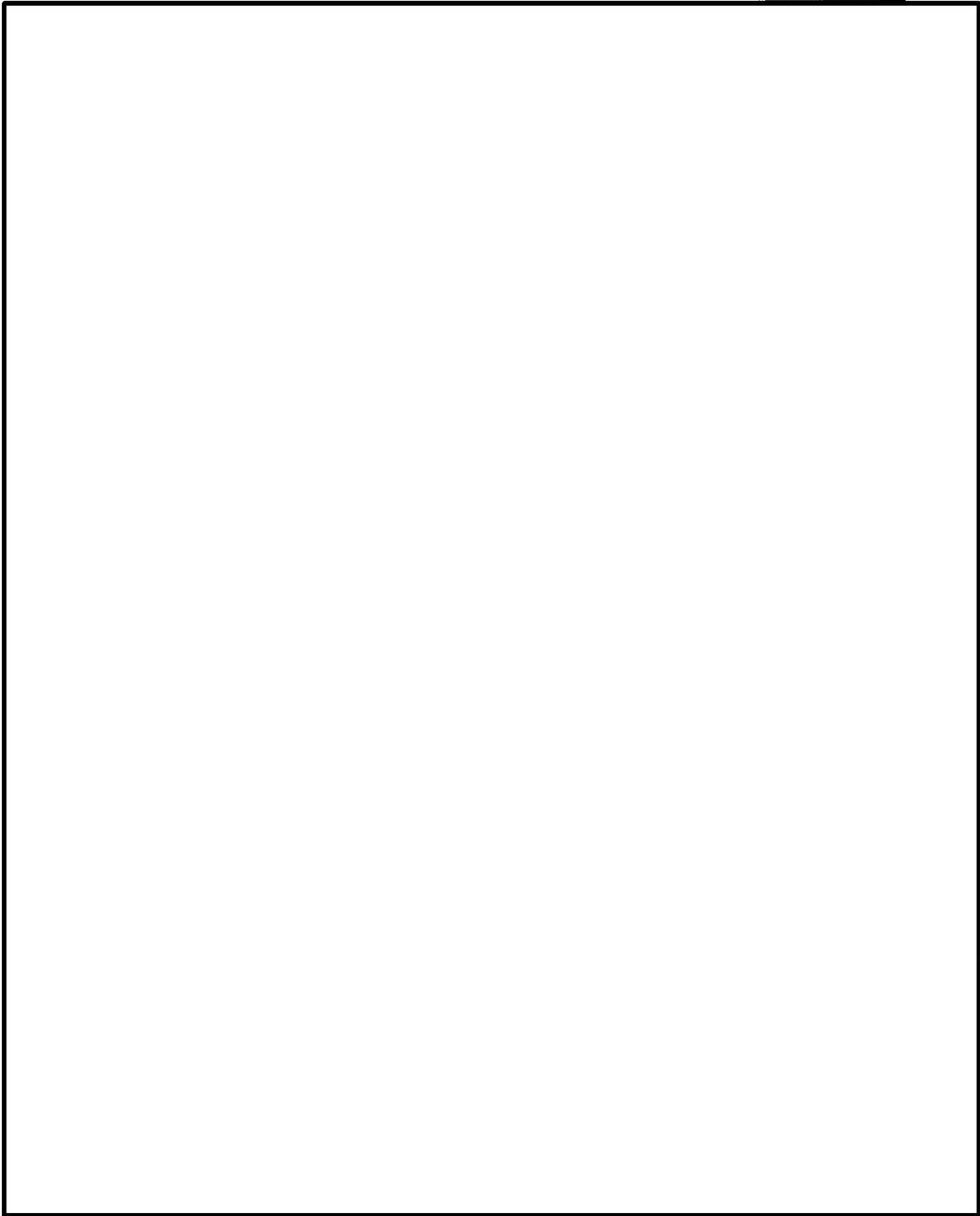
Response to Request #2:



(b)(4)

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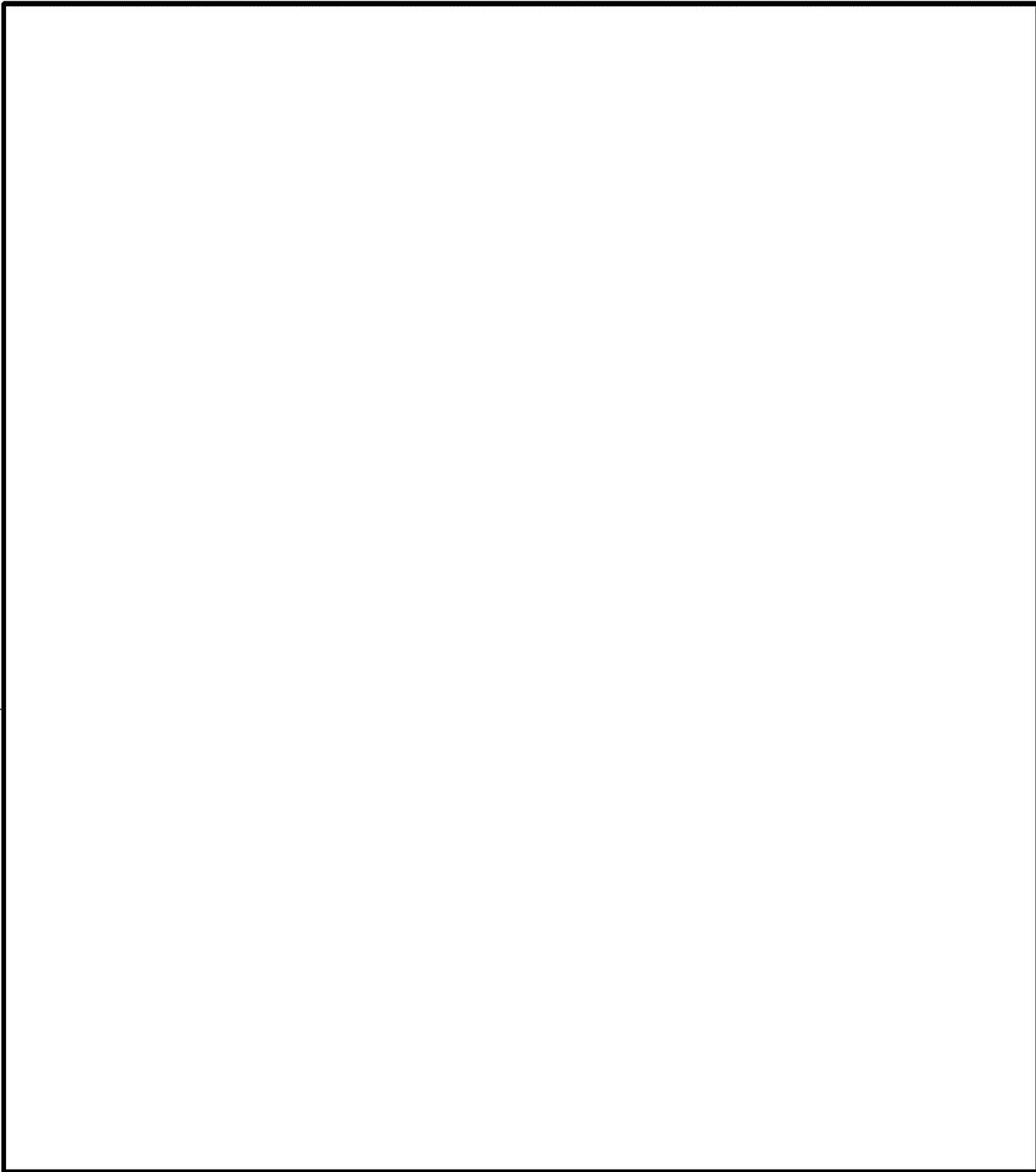


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USCIS Request #3:



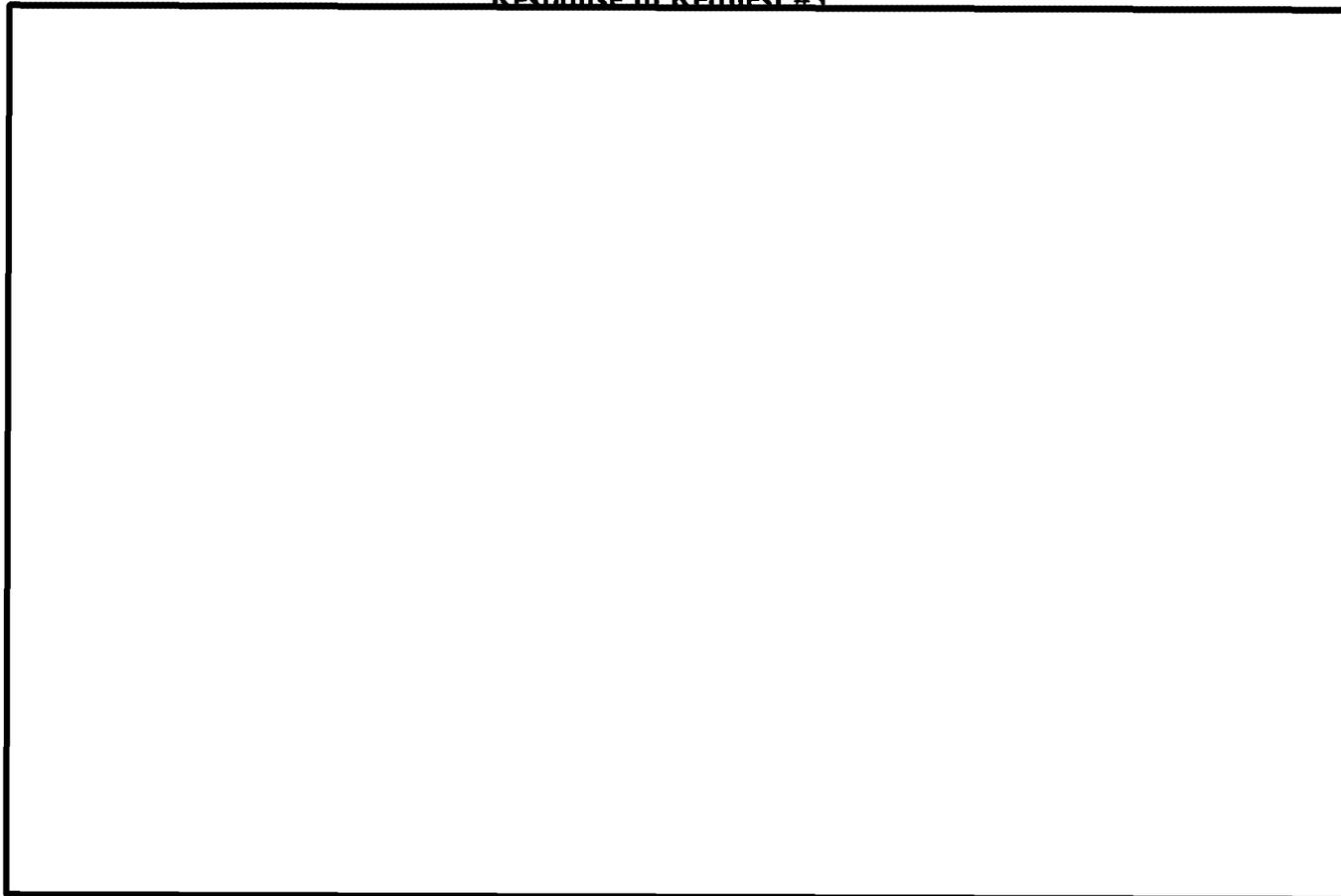
(b)(4)



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Response to Request #3:



Thank you for your kind consideration and assistance.

Sincerely,

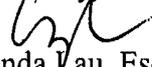

Linda Lau, Esq.
Enclosures

EXHIBIT LIST

Intent to Deny Response to I-924 Application of USAMERC

- Exhibit 1-A** Energy Information Administration Short Term Energy Outlook for Oil;
- Exhibit 1-B** Report on Forecasting Oil Prices and the Methods used by the EIA by Dr. Carol Dahl;
- Exhibit 1-C** Article from the Weekly Oil Report illustrating that Two Wells have been Completed in the Heath Play;
- Exhibit 1-D** Economic Impact Report for USA Montana Energy Regional Center dated April 2013 prepared by Dr. Geoffrey Hewings;
- Exhibit 2-A** Overall Business Plan updated April 2013;
- Exhibit 2-B** Executive Summary for the Regional Center dated April 2013;
- Exhibit 2-C-(i)** Loan Commitment Agreement and Promissory Note from [redacted] to Central Montana Oil and Gas Exploration, LP;
- Exhibit 2-C-(ii)** Bank Confirmation Letter for [redacted] dated April 2, 2013; (b)(4)
- Exhibit 2-D-(i)** Loan Commitment Agreement and Promissory Note from [redacted] to Stealth Energy USA, Inc.;
- Exhibit 2-D-(ii)** Certificate of Balance for [redacted] (formerly Stealth Energy Inc.) dated April 2, 2013;
- Exhibit 3-A** Sample Limited Partnership Agreement dated April 2013;
- Exhibit 3-B** Sample Loan and Security Agreement and Promissory Note dated April 2013;



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Exhibit 3-C Sample Subscription Agreement and Investor Questionnaire dated April 2013;

Exhibit 3-D Sample Private Placement Memorandum dated April 2013.

Exhibit 1-A

Energy Information Administration Short Term Energy Outlook for
Oil;



ANALYSIS & PROJECTIONS

SHORT-TERM ENERGY OUTLOOK

Release Date: March 12, 2013 | Next Release Date: April 9, 2013 | Full Report | Text Only | All Tables | All Figures

OVERVIEW

STEO REPORT ▾

DATA ▾

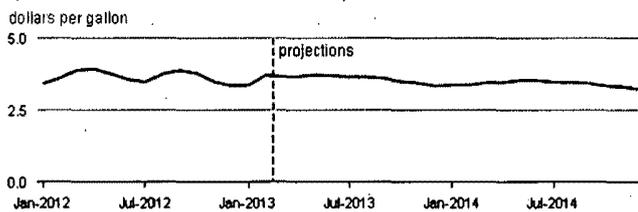
SPECIAL ANALYSIS

PRICE UNCERTAINTY

GLOSSARY ▾

FAQS ▾

Gasoline Regular Grade Retail Price Incl Taxes, U.S. Average



Source: Short-Term Energy Outlook

Price Summary

	2011	2012	2013	2014
WTI Crude Oil ^a (dollars per barrel)	94.66	94.12	91.92	92.17
Brent Crude Oil (dollars per barrel)	111.26	111.65	108.33	100.75
Gasoline ^b (dollars per gallon)	3.53	3.63	3.55	3.38
Diesel ^c (dollars per gallon)	3.84	3.97	3.90	3.80
Heating Oil ^d (dollars per gallon)	3.68	3.76	3.80	3.65
Natural Gas ^d (dollars per thousand cubic feet)	11.03	10.67	11.12	11.65
Electricity ^d (cents per kilowatthour)	11.72	11.88	12.10	12.32

^a West Texas Intermediate.

^b Average regular pump price.

^c On-highway retail.

^d U.S. Residential average.

Highlights

Price Summary

	2011	2012	2013	2014
WTI Crude Oil^a (dollars per barrel)	94.86	94.12	91.92	92.17
Brent Crude Oil (dollars per barrel)	111.26	111.65	108.33	100.75
Gasoline^b (dollars per gallon)	3.53	3.63	3.55	3.38
Diesel^c (dollars per gallon)	3.64	3.97	3.90	3.80
Heating Oil^d (dollars per gallon)	3.68	3.76	3.80	3.65
Natural Gas^d (dollars per thousand cubic feet)	11.03	10.67	11.12	11.65
Electricity^d (cents per kilowatt-hour)	11.72	11.88	12.10	12.32

^a West Texas Intermediate.

^b Average regular pump price.

^c On-highway retail.

^d U.S. Residential average.

Exhibit 1-B

Report on Forecasting Oil Prices and the Methods used by the EIA
by Dr. Carol Dahl;

Forecasting Oil Prices.

by .

Professor Carol A. Dahl.

Mineral and Energy Economics Program.

Colorado School of Mines.

Golden, Colorado.

March 20, 2013.

Introduction.

This letter is in response to your query whether EIA short term oil forecasts are from reputable industry analysis. It is my expert opinion that this is the case for the reasons stated below.

Forecasting oil prices is a difficult challenge. Even if we know the drivers, unexpected changes in the drivers and other shocks have thrown us many a curve ball in the last three decades. However, for the reason stated below, the Energy Information Administration is a forerunner in forecasting the prices of oil because it bases its oil projection forecasts on the best available evidence and reputable industry analyses. Their oil forecasts have been made by using in-house expert judgment in considering forecasts of world economic outlook, analyses of non-OPEC production, oil futures prices, inventories, political events, OPEC policy and activity, other government policy, weather, and forecasts from a number of consultants and investment banks.

Various Methods in Oil Forecasting.

The Survey Method – M1.

The survey method takes the predictions of forecasting groups in the field and tries to come up with a consensus, or at least a median forecast, with some degree of variation around that consensus. A famous organization that did just that is the International Energy Workshop (“IEW”) organized by Alan Manne at Stanford University in cooperation with Leo Schrattenholzer at the International Institute of Applied Systems Analysis in Austria.¹

From 1981 to 1997, the IEW collected forecasts for the price of oil as well as consumption, production, and some trade statistics for energy, oil, natural gas and other energy sources for a number of world regions. Beginning in the early 1990s, they also started to include forecasts of carbon dioxide emissions. These numbers were collected from dozens of organizations and modelers including major oil companies, academic research groups, and government organizations. The last poll included 49 participating organizations. One of these government organizations includes the Energy Information Administration (“EIA”).

¹ http://www.internationalenergyworkshop.org/IEW_history.html

Oil Futures Market – M2.

Another method that contains some information is the oil futures market. There have been futures contracts for West Texas Intermediate (“WTI”) since 1983 on the New York Mercantile Exchange (“NYMEX”), which is now part of CME Group. There have also been futures contracts for Brent Crude Oil since 1988 on the International Petroleum Exchange (“IPE”), which is now the Intercontinental Exchange (“ICE”). Since these contracts lock prices in at future dates, some have used them for forecasting. For example, if you buy a one year futures contract at \$100 a barrel, you have locked in a price of \$100. The person who sold the contract has also locked in the price. The forecast for crude oil using the futures price in one year would be \$100. Futures prices are transparent and easily accessed. The argument for using them is that they contain all the information that the market has accumulated and acted upon including market expectations.

Formal Statistical Models M3-M6.

Forecasts can also be based on more formal statistical analysis using historical data. Univariate time series estimation fits a variable to past lags of itself as follows:

$$P_t = \sum_{i=1}^n (\alpha_i P_{t-i}) + \varepsilon_t \quad (M3)$$

The subscript t indicates the price is for time period t , the subscript $t-i$ indicates the price is i time periods before t . Here the current oil price is fit to a function that includes oil prices for the last n periods. The last expression, ε_t , represents a random error or shock. Statistical criteria are used to estimate the α 's and the number of lags (n) that gives the best fit. The function would then use n past actual or forecasted prices to forecast the price at P_{t+n} .

In the simplest such model:

$$P_t = P_{t-1} + \varepsilon_t \quad (M4)$$

Here, P this period equals P last period plus some random error or shock that we are unable to know ahead of time. Statisticians call such a model a random walk. In such a model, only shocks move the oil price. As such, we could also call it a no price change model.

However, we know that prices are influenced by fundamentals such as supply and demand as well as shocks. Examples include: a strong economy may increase demand and prices; lower prices of substitutes may decrease demand and prices; higher exploration and drilling costs may decrease supply and raise prices; and improved technology may increase supply and decrease prices. We could try to model this structure and try to specify the functions for demand and supply, called structural equations, in order to set them equal and solve for price. This price equation might be called a reduced form equation or a multivariate time series. Because of inertia in most economic systems, such an equation may use lags of itself as well as other variables and their lags. For example we might fit:

$$P_t = \sum_{i=1}^n \alpha_i P_{t-i} + \sum_{i=0}^m \beta_i Cost_{t-i} + \sum_{i=0}^k \gamma_i Y_{t-i} + \varepsilon_t \quad (M5)$$

Here, P is the oil price, $Cost$ represents supply variables, and Y represents income and other demand variables. Again, well-developed statistical techniques and historical values are used to estimate the number of lags (n, m, k) and the unknown coefficients (α_i 's, β_i 's, χ_i 's).

Finally there may be feedback affects across markets with the price of oil influencing the economy. Thus P may influence Y and Y many influence P . Or there may even be feedback effects between all of the variables. In addition, we may not understand such complicated feedback effects and we may try to get the underlying data to inform us. In such a case, we may want to estimate all of the interactions, which require that we have models with more than one equation. Models that test for causality containing only two variables, are said to be testing for Granger causality. In such models, a correlation between P_t and Y_t could mean P is causing Y or Y is causing P , or indeed, that both are influencing each other. To try to isolate causality, we can lag what we suspect are causal variables. If P causes future Y to change, that suggests that P may be causing Y . If Y causes future P to change that suggests that Y may be causing P . We may include all the variables in all equations to see if the data can pick up complicated interactions and causality that we do not understand. Thus, the simplest model with 3 variables would have 3 equations, and might look as follows:

$$\begin{aligned} P_t &= \alpha_1 + \alpha_2 P_{t-1} + \alpha_3 Y_{t-1} + \alpha_4 X_{t-1} \\ Y_t &= \beta_1 + \beta_2 P_{t-1} + \beta_3 Y_{t-1} + \beta_4 X_{t-1} \\ X_t &= \gamma_1 + \gamma_2 P_{t-1} + \gamma_3 Y_{t-1} + \gamma_4 X_{t-1} \end{aligned} \tag{M6}$$

Such models are called vector auto-regressions (VARs). The challenge in such models is to use well-defined statistical techniques to estimate the α s, β s, and γ s while using economic theory and statistical tests to identify causality, as well as to decide whether more lags on the right-hand side improves the statistical fit.

EIA Technique for Forecasting Oil Prices.

The EIA has published quarterly forecasts of oil prices from 1983 to July of 2004 and monthly forecasts from August 2004 to date. Earlier quarterly forecasts start one quarter (3 months) out and continue to the end of the following year. The later monthly forecasts start one month out and again continue to the end of the following year. For example, all forecasts made in 2013 are monthly to the end of 2014. They use a similar technique to forecast natural gas prices. These assumed oil and gas prices as well as assumptions on macro-economic activity and weather are inputs into their Short Term Energy Forecasting Model (STIFS) for their Short-Term Energy Outlook (STEO). STIFS is a formal mathematical model with hundreds of equations that takes the assumptions on oil and gas prices, the macro economy, and weather and predicts other energy prices, consumption, and production by energy product with some of the predictions on a regional basis.

The EIA obtains their assumptions for global macro economic activity from contractors that are professional macro economic forecasters. The current contractor for the macro forecasts for

STEO is Global Insights.² Weather assumptions in the form of heating degree days and cooling degree days are based on historical weather patterns along with warming trends and forecasts by the National Oceanographic and Atmospheric Administration.

More important to this report is where the oil price forecasts come from, what oil prices are forecasted, and how accurate they are. The EIA oil price forecasts for STEO essentially are derived from in-house expert judgment obtained by examining the information available. Although the STEO modeling team follows the literature on econometric models such as equations (M3) through (M6) and sometimes consults formal models, the team has not found such models to be satisfactory overall forecasting tools. Given the vagaries of the oil market over the last thirty years of forecasting, they have found the expert judgment of their modeling team with hundreds of persons and years of experience in these markets outperforms any formal models for oil price forecasting estimated on historical data. The oil prices forecasted, which have to be vetted by and explained to upper management each month, are based on all the relevant data at their disposal, including the macro forecasts from Global Insights, the weather outlook from NOAA, oil and product inventory data, future prices (M2), analysis of expected non-OPEC production, political events, OPEC policy and activity, other government policy, and forecasts from a number of consultants and investment banks (M1). Essentially, the EIA considers all the modeling techniques above (M1-M6) when making its expert judgment oil price forecast. Further, they continually monitor their forecasting ability as well as the academic literature to try to incorporate new information and techniques to better forecast prices.

The EIA forecasted quarterly import prices (P_{imp}) and refinery acquisition costs (P_{rac}), which are a composite of import and domestic price, from the first quarter of 1983 (1983:I) to the third quarter of 1989 (1989:III). They forecasted only the price of imported oil from 1989:II to 1997:I. In March of 1997, they started to make quarterly forecasts every month for WTI spot prices (P_{WTI}) and refinery acquisition costs. In August of 2004, they started to make monthly forecasts and added back in forecasts for P_{imp} . These various crude prices have tended to be related in fairly predictable ways. However, recently the spread between WTI and Brent has widened and become more unpredictable. The EIA has adapted, and in November of 2012, they also started to include forecasts for Brent Crude Oil.

Comparison of the Different Techniques to the Energy Information Administration's Oil Forecasts.

All models and methods have difficulties forecasting oil prices. In my professional opinion, I am not aware of any other forecasts using (M1) – (M6) that dominate the EIA forecasts. I consider the EIA as standing above other forecasting models given that it is recognized by the industry as a most statistically-valid and reputable forecasting tool.

Further, formal support that the EIA does well compared to models (M1) – (M5) comes from a recent report, Alquist et al. (2011) (hereafter referred to as “AKV”). AKV compares a variety of forecasting techniques for nominal oil prices for monthly data compared to the no price change or random walk model (M4). The authors of this report³ are independent of the EIA. These

² <http://www.ihs.com/products/global-insight/index.aspx>

³ Ron Alquist – Bank of Canada, Lutz Killian – University of Michigan, and Robert F. Vigfusson – U.S. Federal Reserve System

authors consider a variety of methodologies for nominal and real oil price forecasts using monthly and quarterly U.S. price data including WTI and U.S. refinery acquisition costs. In some cases, they even include daily data. The tests most relevant to this discussion are on data spanning 1973 – 2010 and various subsets. I highlight a few of their results here for forecasting nominal prices that relate to EIA modeling and refer the interested reader to the article for more discussion, a good summary of analytical work on oil price forecasting, and more forecasting for the real price of oil.

AKV's benchmark forecast is the "no change" method (*M4*). Thus they compare the ability of other forecasting techniques to using the current spot price as the predictor. Their first sets of tests consider (*M2*) through (*M5*) on data from 1973-2010. Using the futures price on daily data as a forecast may provide some weak improvement over no change forecasting out a year in advance (intermediate run), but provides no improvement in the 1-3 month range (short run) or further out than a year in advance (long run). Further, simple time series forecasts extrapolating at recent growth rates, including trends, or allowing prices to drift, do not perform any better. For forecasts which are further out (i.e. further in the future), adjusting the price for expected inflation improves the no change forecast. To sum up, for (*M2*) through (*M5*), *M4* tends to have the statistically best performance (because on average, the forecast errors are smaller) in the short run forecasts (up to one quarter), futures prices add a bit of explanatory power to an (*M4*) model in the intermediate run, and adjusting (*M4*) for expected inflation is best in the long run (greater than 1 year). Thus (*M4*) or (*M4*) with slight tweaks gets pretty good marks across the board compared to (*M2*) through (*M5*).

Next, AKV compares the survey method (*M1*) to (*M2*) through (*M5*). Their survey comes from the U.K. firm Consensus Economics, Inc. ("Consensus") that has collected monthly forecasts from October 1989 to December 2009. Originally, Consensus collected numbers from more than 100 firms with the latest collection from 70 firms. AKV found the consensus survey (*M1*) does marginally better than the no change forecast (*M4*) at 12 months. Additionally, (*M1*) predicts turning points a slightly better.

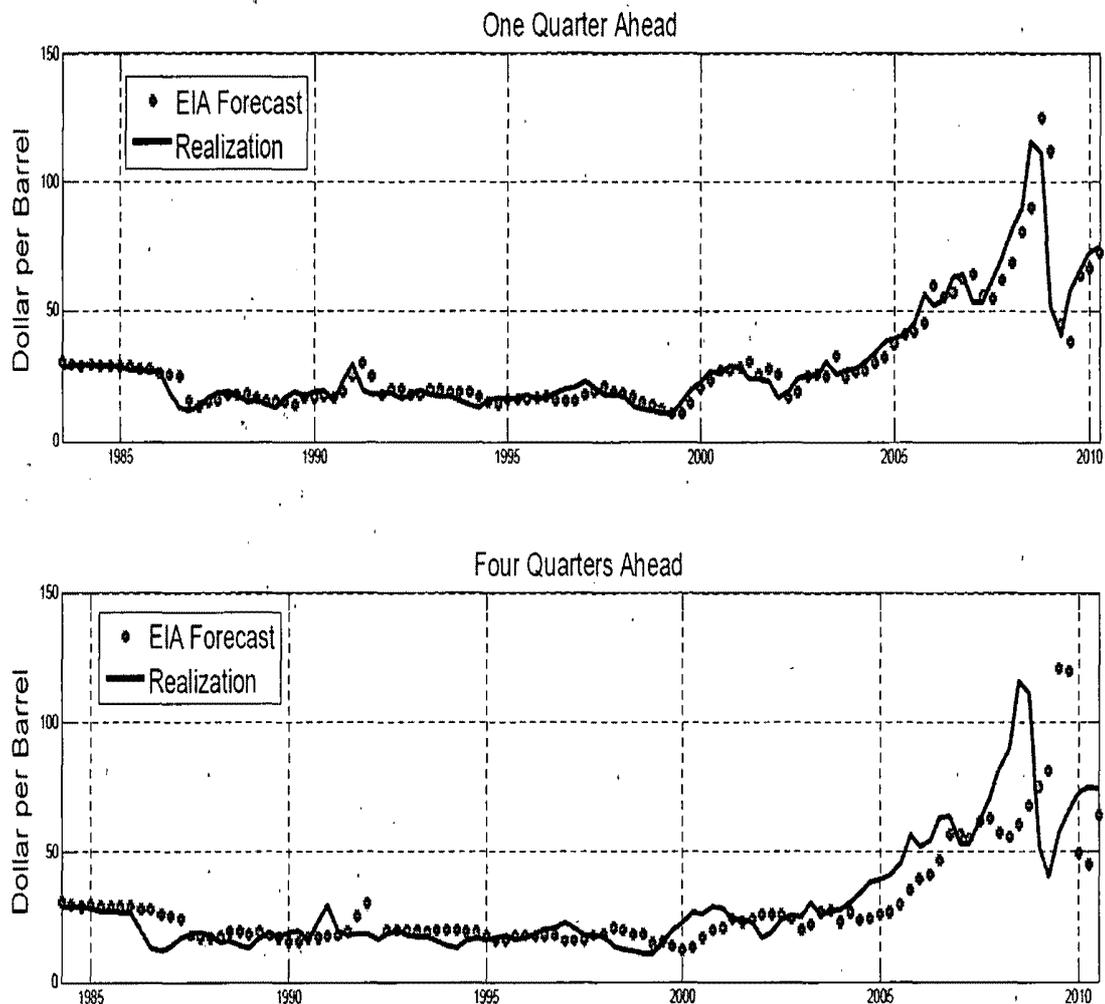
Within the Consensus group of forecasters, AKV explicitly consider forecasts from the EIA. AKV visually show the forecasting ability of the EIA forecasts for 3 months out and 12 months out in Figure 1 from 1983 to early 2010.

The EIA one quarter (three month) out forecasts dominated other forecasters in the Consensus survey and did better than the no change model (*M4*). You can visually see the good fit in the top panel of Figure 1. The black line represents EIA forecasts made three months ahead and the dots show what the actual price came to be. Although not perfect, at 3 months, the EIA tends to get the directions of change right; in fact, often their magnitudes are close as well despite the fact that their timing may be off a bit. For example, compared to the forecasts, actual price went a little higher a little later in the large price rise in 2008 than EIA thought it would. A similar example is that the price plunged a little lower a little later in 2009 than EIA thought it would.

The lower panel shows the EIA four quarters (one year out) forecasts. They were not as good and you will note the lag in adjustment to the large run ups and declines in 2008-2009. However, other forecasts from Consensus, Inc. showed a similar lag and these Consensus forecasts did better at forecasting these turning points than did (*M2*)-(*M5*). However, an interesting result from

AKV is that if we leave out some of the large price swings later in the sample ($M4$) again does quite well.

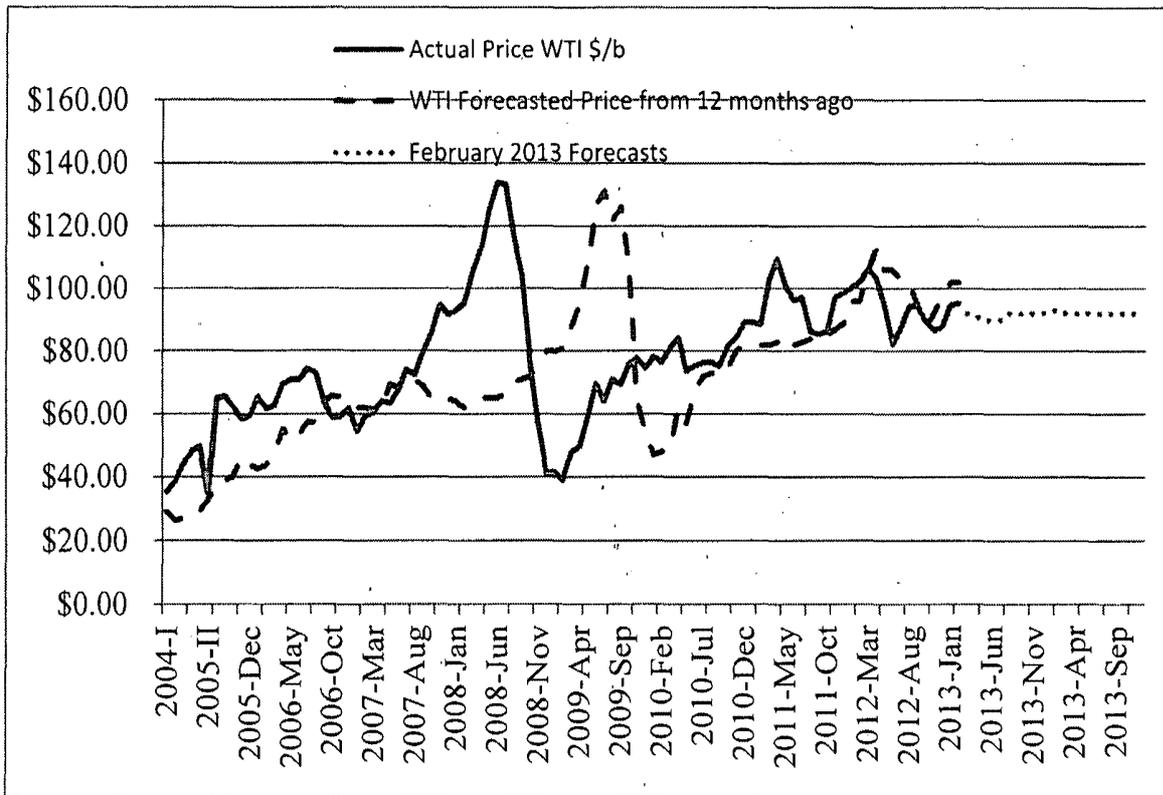
Figure 1 EIA Forecasts of U.S. Crude Oil Refinery Acquisition Cost, 1983:I to 2009:II



NOTES: The quarterly price forecasts were collected manually from the EIA's *Short-Term Economic Outlook* and compared with the ex-post realizations of the average quarterly nominal refiners' acquisition cost for imported crude oil. The plot shows the price realizations together with the EIA forecasts made for the same point in time one and four quarters earlier.

Figure 1 Source: Ahlquist et al. (2011).

Figure 2 EIA Actual and 12 Month Forecasted P_{WTI} January 2004 to February 2013



Notes: The first monthly forecasts commenced in October 2004 for October 2005. Source: Compiled from data in EIA STEO Archives <http://www.eia.gov/forecasts/steo/outlook.cfm>. All forecasts are 12 months out except the February 2013 forecasts for the next 22 months.

Although forecasts are better since mid-2010 than the 18 months before, there are still some misses. The forecasters didn't predict the Arab spring that knocked Libya out of the market for months. Nor did they get the price dip associated with the European financial crisis. I suspect few other modelers got these as well.

The EIA is committed to improving their processes and models. Early on, the EIA provided a base case oil price forecast along with a low and high price scenario based on expert judgment for the STEO. Model forecasts were then made for each assumed price trajectory. By the mid-1990s with more stable prices, the EIA abandoned a price band. However, given the uncharacteristically large forecast errors commencing in 2007, the EIA conducted some in-house workshops to develop a more formal statistical methodology to again some measure of market volatility. Invitees to these workshops included statistical experts, energy modelers as well as experts in futures and options markets.

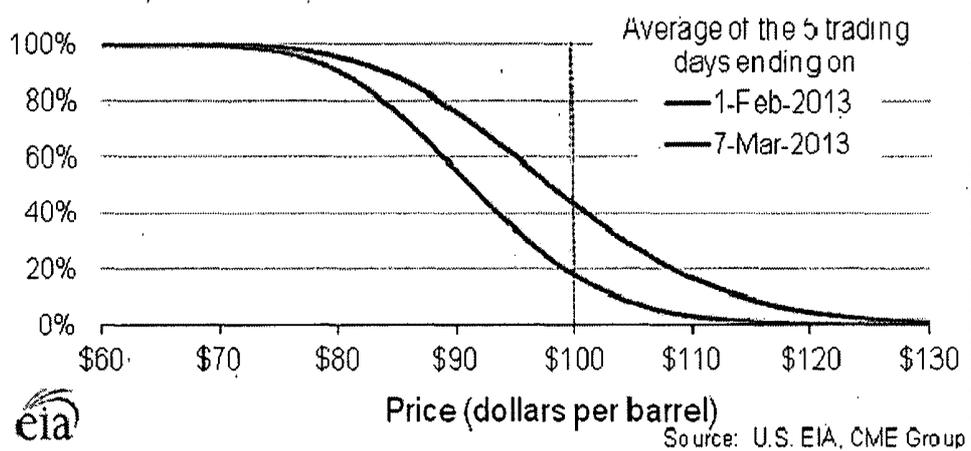
Recall that in some cases, futures prices may add some marginal explanatory value to oil price forecasts, and that the EIA does consider them in their base forecasts along with a host of other variables. The futures prices also might tell us something about price volatility. At any point in time, the future price for January 2014 reflects the collected opinion of the whole market. If this price varies considerably, then the market opinion is varying considerably as new information comes in, signaling more likely variation in oil prices in the future. With online trading, such

contracts can trade continuously, 24 hours, 7 days a week, which results in being able to observe many variations in their prices on even a 15-minute basis.

An option is a slightly different but related financial asset used in oil forecasting. It gives the right to buy a futures contract, if it is a call, and to sell a futures contract, if it is a put, at a price called the strike price. Such rights can be bought on NYMEX and ICE for a price. It turns out that the using the prices of such options provide better measures of volatility than other techniques surveyed, (Poon (2005) and Engel (2004)). It is these prices that the EIA has used every month since July of 2009 (EIA (2009)) to develop a supplemental report to the STEO.⁴

For example, their most relevant figure created from the volatility index for this report is for WTI shown in the following figure. Their forecasted price based on expert judgment for June 2013 is \$90. However, the figure suggests that from the March forecasts of volatility. The probability is essentially 100% it will be above \$60, around 50% it will be above \$90, and around 20% it will be above \$110.

Figure 3 Probability of the June 2013 WTI Contract Expiring above Different Price Level.



Source: EIA (2013b).

The above figure does not mean that the EIA's forecasts are more unreliable than others, especially given the fact that EIA is better than other modelers in responding to changes in volatility. Rather, it provides additional evidence on expected volatility within the market.

The conclusions I arrive at from the AKV results are that the EIA dominates other forecasts 3 months out. When prices are highly volatile and uncertain, all forecasts are fallible, but the EIA still dominates because it is able to adjust its data more quickly than other models. When prices are not trended up or down, but fluctuate more randomly around a common mean, the EIA forecasts do not necessarily dominate sampling using the current price (*M4*) as the year out forecast. However, since 2004, prices have continued to be rather volatile and uncertainty has been high, as illustrated in the updated the forecasts going beyond the AKV Figure using the price for WTI in Figure 2. As stated, the EAI tends to perform the best in responding to such volatility.

⁴ See for example, EIA (2013b)

Conclusion.

In choosing a forecast for the next few years, EIA comes out a strong candidate. The evidence suggests that for short term forecasts of nominal oil prices out three months, the EIA has a better record than other models. When we are not in a period of relative tranquility, but rather an exciting time of large uncertainty and game changing events, the EIA forecasts also tend to be more accurate than those of other models and modelers for periods further out. In such a time, there is evidence that the adaptability of the expert judgment at EIA outperforms the simpler method based on current price as well as other statistical models using historical data. EIA gets the turning points better than the statistical models and adapts more quickly to rude shocks than do other methodologies.

Further, EIA has a long established record of forecasting oil prices. It has a dedicated team of experts with decades of experience and a wealth of data at their disposal. Its forecasts are easily available, well respected in the industry, widely cited, and based on the most credible sources. When the modeling goes awry, EIA brings in experts with the latest modeling skills to advise and modify their methodology thereby ensuring the highest level of forecasts' validity. For these reasons, I believe the EIA bases its oil projection forecasts on the best available evidence and reputable industry analyses, and as such, the projected price of \$91.92 for the year 2013 by the EIA is based on the most reasonable industry analysis.

The Above Report is Based On.

1. Professional experience: research at EIA on three occasions (Jan. 30-July 31, 2004; Jan 5 – June 19, 2009; Jan. 3 – May 31, 2010; and doing a technical review of the propane and heating fuel modules for the Short Term Energy Forecasting Model, July 2006.
2. Personal conversations with current EIA employees that have worked on the STEO model.
3. Personal conversation with contractors, who have worked on the STEO model.
4. EIA model documentation, model forecasts, and data and a model comparison study as noted in the bibliography below.

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GOVERNMENT WORK EXPERIENCE RELATING TO ENERGY MODELING.

U.S. Federal Energy Administration (FEA), Summer 1975.

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MORE THAN 50 PRESENTATIONS WITH PUBLISHED PAPERS AND PROCEEDINGS RELATED TO ENERGY MODELLING.

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Exhibit 1-C

Article from the Weekly Oil Report illustrating that Two Wells have been Completed in the Heath Play;



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Two Wells Completed In Heath Play: Weekly Oil Report

Published: Wednesday, October 17, 2012 12:40 PM CDT

Compiled by Darryl L. Flowers

Re-Issued Locations

In Roosevelt County, Oasis Petroleum North America LLC was granted a permit for the Beta 2758 43-19H. The Bakken Formation well has a Surface Hole Location (SHL) at SW SE 19-27N-58E (61 FSL/1632 FEL) and a Probable Bottom Hole Location (PBHL) of 20,480 feet at SW SE 31-27N-58E (200 FSL/2000 FEL).

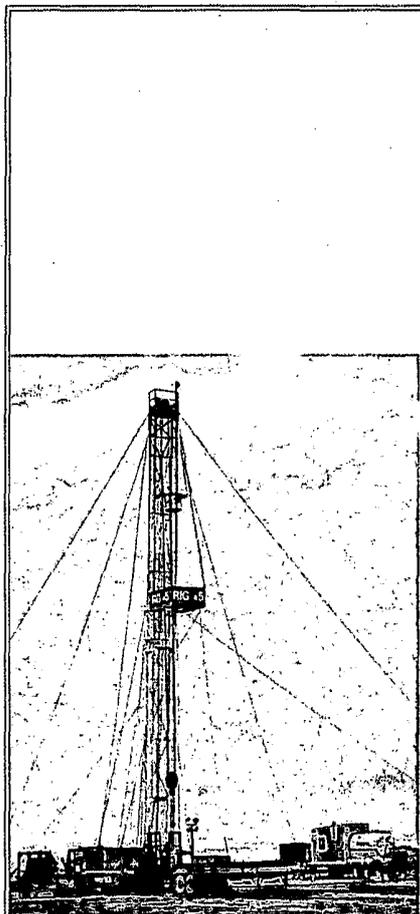
Permit Modifications / Corrections

In Richland County, a Permit Modification / Correction was issued to Slawson Exploration Company Inc. for the Scavenger 1-28H. The Bakken well has an SHL at NE NE 28-24N-52E (280 FNL/350 FEL) and a PBHL of 13,972 feet at SE SE 28-24N-52E (250 FSL/750 FEL).

Completions

In Garfield County, Cirque Resources LP reported the completion of the Lucky Strike 10-4H. The Heath Formation well has an SHL at NW NW 10-13N-32E (330 FNL/900 FWL) and a BHL of 10,515 feet at SE SE 10-13N-32E (491 FSL/886 FEL). The well reported an Initial Production (IP) of 104 Barrels of Oil Per Day (BOPD) and 33 Barrels of Water Per Day (BWPD).

In Richland County, Brigham Oil & Gas LP reported the completion of the Voss 11-14 2-H. The Bakken formation well has an SHL at NE NE 11-25N-59E (425 FNL/1320 FEL) and Bottom Hole Locations (BHL) of 10,855 feet at NW NE 11-25N-57E (1132 FNL/1777 FEL) and 20,144 feet at SW SE 14-25N-57E (300 FSL/2376 FEL). The well turned in an IP of 1,448 BOPD, 921 MCFPD (Thousand Cubic Feet of gas Per Day) and 2,563 BWPD. Fidelity Exploration & Production Co. reported the completion of the



ROCKIN AT ROCKPORT: Last weekend, both of the Rockport Colwyn wells drilled by Drimayr Distribution still had no releases.

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Linda 25-36H, a Three Forks Formation well with an SHL at NW NW 25-22N-57E (20 FNL/1320 FWL) and BHLs of 18,786 feet at NE SW 36-22N-57E (1815 FSL/1587 FWL) and 15,061 feet at SE SW 25-22N-57E (261 FSL/1391 FWL). The well reported an IP of 95 BOPD, 35 MCFPD and 428 BWPD.

County was drilled by primary reoperator Sun Times rigs in place as cleanout of the wells continued. This rig was expected to move to the Halverson Road well this week. Sun Times photo by Darryl L. Flowers

In Rosebud County, Cirque Resources LP reported they had finished the Rock Happy 33-3H-2. The well, which taps the Heath Formation, has an SHL at NE NW 33-11N-32E (842 FNL/2201 FWL) and a BHL of 9,510 feet at SE SE 33-11N-32E (421 FSL/640 FEL). The well turned in an IP of 271 BOPD and 428 BWPD.

Darryl L. Flowers, a contributor to Petroleum News Bakken, is the Publisher of the Sun Times in Fairfield, Montana, www.fairfieldsuntimes.com. He can be reached at publisher@fairfieldsuntimes.com



Class B State Tournament

Fairfield 11 12 12 24-08
 Staphard 8 8 13 18-05

Fairfield 14 18 17 20-70
 Powell County (Deer Lodge) 8 8 18 7-43

Fairfield 8 17 4 18 - 45
 Townsend 8 8 18 18 - 52

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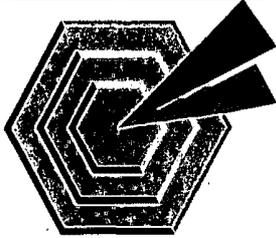
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Exhibit 1-D

Economic Impact Report for USA Montana Energy Regional Center
dated April 2013 prepared by Dr. Geoffrey Hewings;



Economic Impact of Drilling Oil Wells in the Heath Group covering Musselshell, Petroleum, Rosebud and Garfield Counties, and the Mosser Group covering Yellowstone and Treasure Counties in Montana

for

USA Montana Energy Regional Center

By

Geoffrey J. D. Hewings, PhD, AERI L.L.C¹

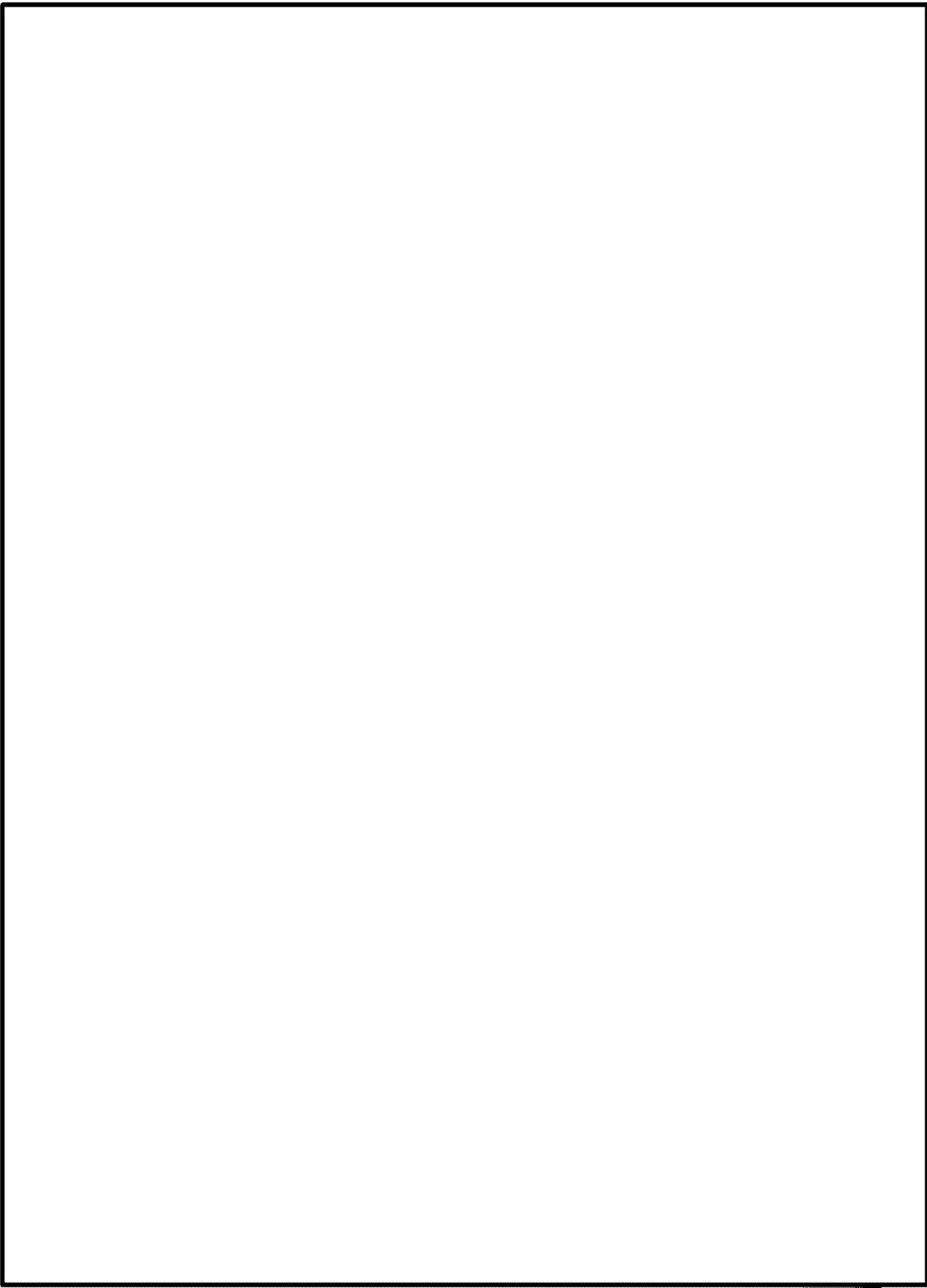
April 2013

The previous report that was prepared by Dr. Michael Evans has been updated in response to the Notice of Intent to Deny from USCIS dated March 5, 2013 by Dr. Geoffrey Hewings. In so doing, the data from RIMS II were updated to 2010 (the latest year available). Accordingly, the values offered by RIMS II, with EIA oil price forecasts (deflated to 2010 dollars) were used to update the report. Please see Appendix B for further details.

This report supersedes all previous reports.

Introduction and Summary

Oil wells are planned to be drilled in Musselshell, Petroleum, Rosebud, Garfield, Treasure, and Yellowstone counties. Except for the latter, all these are small rural counties in eastern Montana; Yellowstone County includes Billings, which is the largest city in Montana.



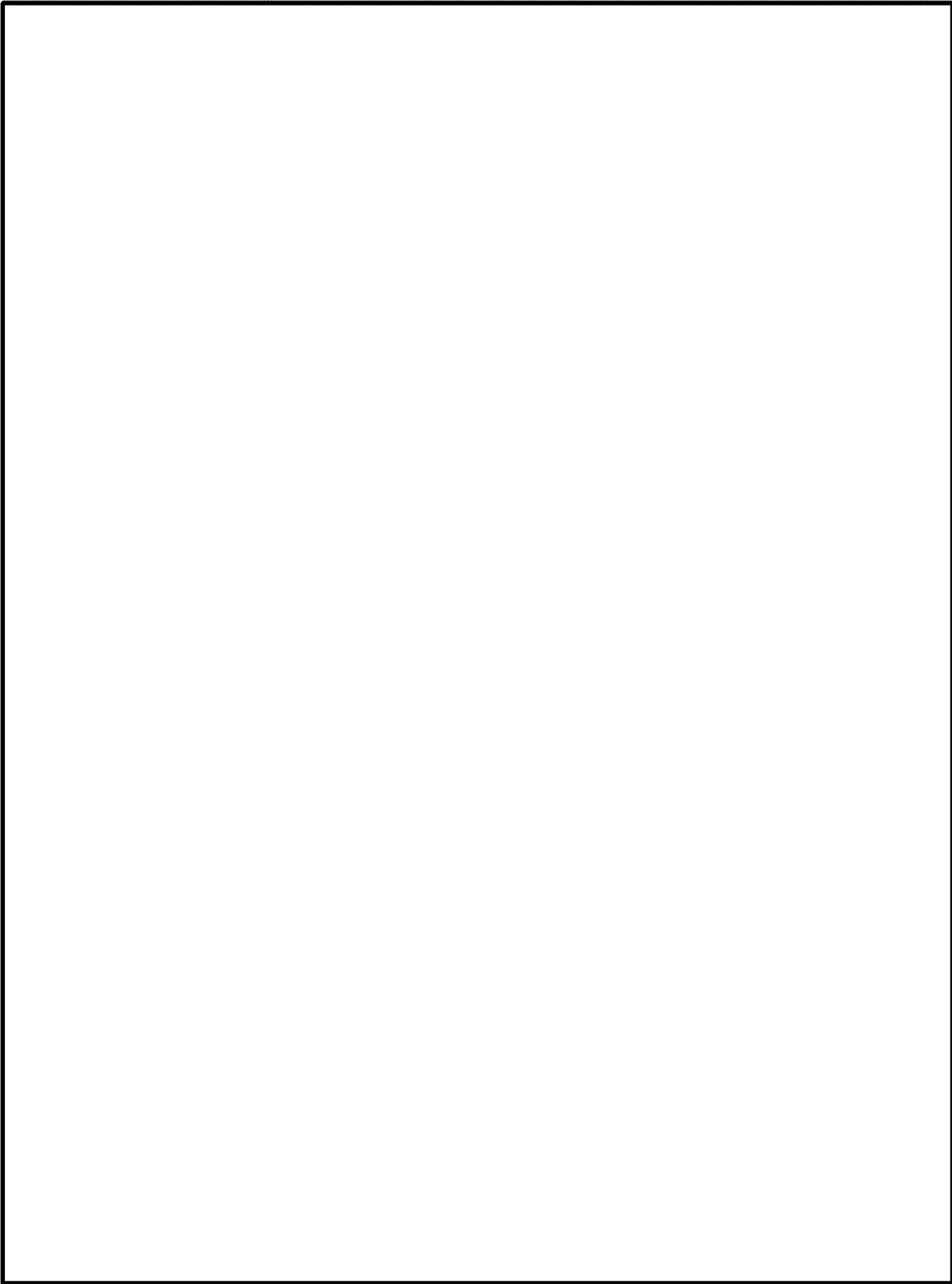




Table B shows the NAICS codes for each type of economic activity. The descriptions are taken from:

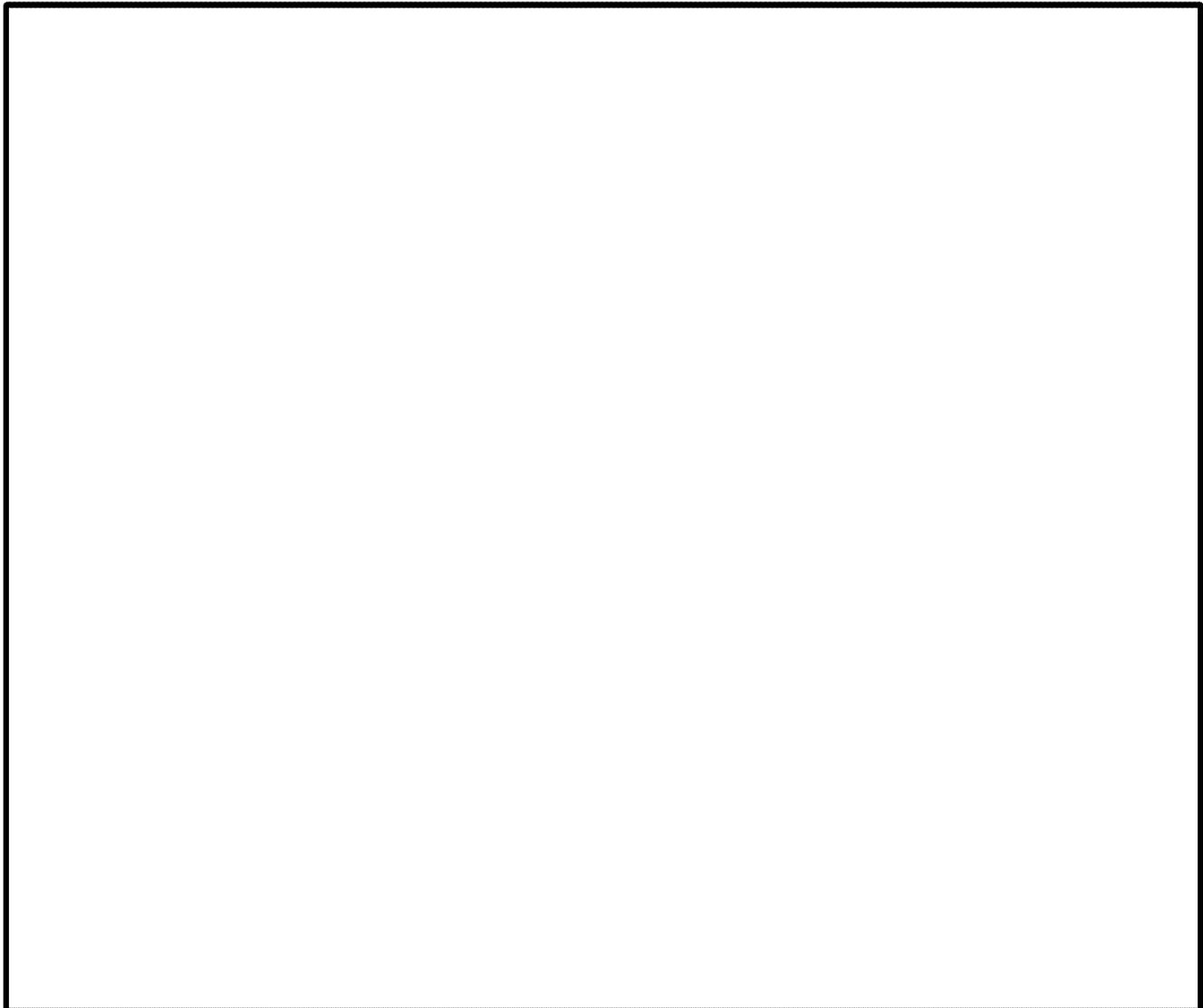
<http://www.census.gov/cgi-bin/sssd/naics/naicsrch?chart=2012>

Table B-1. NAICS Codes for Each Type of Activity

213111 Drilling Oil and Gas Wells
211000 Crude Petroleum and Natural Gas Extraction

Table B-2. Multipliers for Each Type of Activity

Heath Group – Multipliers for 2010



4. Brief Guide to RIMS II Input/Output Model

RIMS II is widely used in both the public and private sector. In the public sector, for example, the Department of Defense uses RIMS II to estimate the regional impacts of military base closings. State transportation departments use RIMS II to estimate the regional impacts of airport construction and expansion. In the private-sector, analysts and consultants use RIMS II to estimate the regional impacts of a variety of projects, such as the development of shopping malls and sports stadiums.

RIMS II is based on an accounting framework called an I-O table. For each industry, an I-O table shows the industrial distribution of inputs purchased and outputs sold. A typical I-O table in RIMS II is derived mainly from two data sources: the Bureau of Economic Analysis (BEA)'s national I-O table, which shows the input and output structure of nearly 500 U.S. industries, and BEA's regional economic accounts, which are used to adjust the national I-O table to show a region's industrial structure and trading patterns.

5. Economic Parameters for Musselshell, Petroleum, Yellowstone, Rosebud, Garfield, and Treasure Counties

This section is organized as follows. Tables 5-1, 5-2, and 5-3 show the data for employment by major occupation and industrial classification, income distribution by deciles, mean and median household and family income, and poverty rates for Musselshell, Petroleum, Yellowstone, Rosebud, Garfield, and Treasure counties, and compare these figures to the U.S. totals or averages. Table 5-4 shows key labor market statistics over the past decade for the State of Montana and each of these counties. Tables 5-5 and 5-6 show the level and growth rate of population and personal income for these same areas.

Table 5-1. Key Economic Statistics for Musselshell and Petroleum Counties Compared to the U. S. Economy

Category	Mussel- shell	%	Petro- leum	%	U. S. 2005-09	%
EMPLOYMENT STATUS						
Population 16 years and over	3,652	100.0%	399	100.0%	235,871,704	100.0%
In labor force	2,050	56.1%	265	66.4%	153,407,584	65.0%
Civilian labor force	2,050	56.1%	265	66.4%	152,273,029	64.6%
Employed	1,960	53.7%	258	64.7%	141,303,145	59.9%
Unemployed	90	2.5%	7	1.8%	10,969,884	4.7%
Armed Forces	0	0.0%	0	0.0%	1,134,555	0.5%
Not in labor force	1,602	43.9%	134	33.6%	82,464,120	35.0%

OCCUPATION

Civilian employed population 16 +	1,960	100.0%	258	100.0%	141,303,145	100.0%
Management & professional	455	23.2%	117	45.3%	49,129,589	34.8%
Service occupations	315	16.1%	10	3.9%	23,859,762	16.9%
Sales and office occupations	408	20.8%	39	15.1%	36,203,679	25.6%
Farming, fishing, & forestry	61	3.1%	48	18.6%	993,902	0.7%
Construction, maintenance, repair	418	21.3%	21	8.1%	13,383,294	9.5%
Production & transportation	303	15.5%	23	8.9%	17,732,919	12.5%

INDUSTRY

Civilian employed population 16 +	1,960	100.0%	258	100.0%	141,303,145	100.0%
Agriculture & mining	367	18.7%	127	49.2%	2,576,402	1.8%
Construction	293	14.9%	6	2.3%	10,520,876	7.4%
Manufacturing	124	6.3%	5	1.9%	15,887,145	11.2%
Wholesale trade	27	1.4%	0	0.0%	4,516,754	3.2%
Retail trade	292	14.9%	5	1.9%	16,277,681	11.5%
Transportation & utilities	205	10.5%	37	14.3%	7,173,048	5.1%
Information	2	0.1%	10	3.9%	3,450,324	2.4%
Finance, insurance & real estate	60	3.1%	0	0.0%	10,033,714	7.1%
Professional & administrative	36	1.8%	3	1.2%	14,540,450	10.3%
Educational services & health care	378	19.3%	41	15.9%	30,390,213	21.5%
Arts, entertain, hotel, food svcs	97	4.9%	10	3.9%	12,395,164	8.8%
Other private services	31	1.6%	6	2.3%	6,842,841	4.8%
Public administration	48	2.4%	8	3.1%	6,698,533	4.7%

INCOME AND BENEFITS

Total households	1,794	100.0%	220	100.0%	112,611,029	100.0%
Less than \$10,000	172	9.6%	17	7.7%	8,329,488	7.4%
\$10,000 to \$14,999	206	11.5%	9	4.1%	6,305,311	5.6%
\$15,000 to \$24,999	284	15.8%	31	14.1%	12,172,059	10.8%
\$25,000 to \$34,999	291	16.2%	40	18.2%	11,985,229	10.6%
\$35,000 to \$49,999	298	16.6%	46	20.9%	16,064,321	14.3%
\$50,000 to \$74,999	283	15.8%	52	23.6%	21,053,113	18.7%
\$75,000 to \$99,999	117	6.5%	9	4.1%	13,853,787	12.3%
\$100,000 to \$149,999	90	5.0%	7	3.2%	13,578,721	12.1%
\$150,000 to \$199,999	33	1.8%	5	2.3%	4,724,616	4.2%
\$200,000 or more	20	1.1%	4	1.8%	4,544,384	4.0%
Median household income (dollars)	33,000	64.2%	38,833	75.5%	51,425	
Mean household income (dollars)	44,222	63.1%	47,455	67.7%	70,096	
Families	1,315	100.0%	122	100.0%	75,082,471	100.0%

Less than \$10,000	41	3.1%	0	0.0%	3,393,200	4.5%
\$10,000 to \$14,999	114	8.7%	0	0.0%	2,479,747	3.3%
\$15,000 to \$24,999	164	12.5%	18	14.8%	6,274,623	8.4%
\$25,000 to \$34,999	218	16.6%	18	14.8%	7,046,604	9.4%
\$35,000 to \$49,999	272	20.7%	18	14.8%	10,374,067	13.8%
\$50,000 to \$74,999	261	19.8%	48	39.3%	15,181,992	20.2%
\$75,000 to \$99,999	110	8.4%	9	7.4%	10,997,786	14.6%
\$100,000 to \$149,999	84	6.4%	7	5.7%	11,350,903	15.1%
\$150,000 to \$199,999	31	2.4%	0	0.0%	4,060,380	5.4%
\$200,000 or more	20	1.5%	4	3.3%	3,923,169	5.2%
Median family income (dollars)	40,959	65.7%	51,346	82.3%	62,363	
Mean family income (dollars)	52,310	64.2%	57,062	70.0%	81,537	
Per capita income (dollars)	19,164	70.9%	22,168	82.0%	27,041	
Median earnings for workers	20,678	71.2%	25,338	87.2%	29,050	
Median earnings for male full-time	37,366	82.4%	26,346	58.1%	45,363	
Median earnings for female full-time	22,111	62.8%	26,818	76.2%	35,207	

**PERCENTAGE BELOW POVERTY
LEVEL**

All families	12.80%	129.3%	6.60%	66.7%	9.90%
All people	17.80%	131.9%	14.60%	108.1%	13.50%

Please note that in these tables, the percentage figures in black refer to the overall category in that column, while the figures in red refer to the U.S. average figures.

Both Musselshell and Petroleum counties are both very sparsely populated areas that are largely farming and mining counties. The data are based on 2005-09 averages because of the small number of people, but even these figures may be subject to relatively wide sampling areas. The median and mean income for Musselshell County is about $\frac{2}{3}$ of the national average, while for Petroleum County the figure is about $\frac{3}{4}$ of the average. The poverty rate in Musselshell County is well above average; for Petroleum County the rate is below average for all families but slightly above average for all people.

Table 5-2. Key Economic Statistics for Yellowstone County Compared to Montana and the U. S. Economy

Category	Yellow- stone	%	Montana	%	U.S. 2009	%
EMPLOYMENT STATUS						
Population 16 years and over	113,061	100.0%	780,092	100.0%	241,002,178	100.0%
In labor force	79,769	70.6%	508,058	65.1%	157,334,979	65.3%
Civilian labor force	79,769	70.6%	503,837	64.6%	156,044,453	64.7%
Employed	74,327	65.7%	463,880	59.5%	140,602,470	58.3%

Unemployed	5,442	4.8%	39,957	5.1%	15,441,983	6.4%
Armed Forces	0	0.0%	4,221	0.5%	1,290,526	0.5%
Not in labor force	33,292	29.4%	272,034	34.9%	83,667,199	34.7%

OCCUPATION

Civilian employed population 16 +	74,327	100.0%	463,880	100.0%	140,602,470	100.0%
Management & professional	25,063	33.7%	157,412	33.9%	50,179,987	35.7%
Service occupations	11,929	16.0%	90,414	19.5%	25,066,647	17.8%
Sales and office occupations	19,207	25.8%	113,750	24.5%	35,425,756	25.2%
Farming, fishing, & forestry	440	0.6%	8,636	1.9%	988,070	0.7%
Construction, maintenance, repair	8,540	11.5%	47,508	10.2%	12,273,897	8.7%
Production & transportation	9,148	12.3%	46,160	10.0%	16,668,113	11.9%

INDUSTRY

Civilian employed population 16 +	74,327	100.0%	463,880	100.0%	140,602,470	100.0%
Agriculture & mining	2,628	3.5%	31,817	6.9%	2,561,033	1.8%
Construction	6,028	8.1%	33,108	7.1%	9,503,594	6.8%
Manufacturing	4,584	6.2%	23,743	5.1%	14,754,973	10.5%
Wholesale trade	3,098	4.2%	12,347	2.7%	4,103,620	2.9%
Retail trade	10,004	13.5%	56,068	12.1%	16,250,921	11.6%
Transportation & utilities	3,585	4.8%	23,410	5.0%	7,040,174	5.0%
Information	1,301	1.8%	9,601	2.1%	3,213,793	2.3%
Finance, insurance & real estate	5,931	8.0%	25,834	5.6%	9,657,009	6.9%
Professional & administrative	6,963	9.4%	40,130	8.7%	14,929,815	10.6%
Educational services & health care	15,459	20.8%	103,321	22.3%	31,924,265	22.7%
Arts, entertain, hotel, food svcs	8,391	11.3%	55,778	12.0%	12,877,546	9.2%
Other private services	3,811	5.1%	21,685	4.7%	6,984,373	5.0%
Public administration	2,544	3.4%	27,038	5.8%	6,801,354	4.8%

INCOME AND BENEFITS

Total households	57,523	100.0%	375,287	100.0%	113,616,229	100.0%
Less than \$10,000	2,429	4.2%	31,623	8.4%	8,806,058	7.8%
\$10,000 to \$14,999	3,825	6.6%	24,128	6.4%	6,487,937	5.7%
\$15,000 to \$24,999	7,833	13.6%	52,660	14.0%	12,772,231	11.2%
\$25,000 to \$34,999	6,699	11.6%	45,412	12.1%	12,133,527	10.7%
\$35,000 to \$49,999	9,491	16.5%	62,467	16.6%	16,376,340	14.4%
\$50,000 to \$74,999	11,366	19.8%	70,937	18.9%	20,840,835	18.3%
\$75,000 to \$99,999	7,223	12.6%	43,811	11.7%	13,686,950	12.0%
\$100,000 to \$149,999	5,810	10.1%	30,516	8.1%	13,332,224	11.7%
\$150,000 to \$199,999	1,551	2.7%	7,403	2.0%	4,712,459	4.1%
\$200,000 or more	1,296	2.3%	6,330	1.7%	4,467,668	3.9%
Median household income (dollars)	47,233	94.1%	42,322	84.3%	50,221	

Mean household income (dollars)	59,885	86.9%	54,472	79.0%	68,914	
Families	36,872	100.0%	235,940	100.0%	75,530,746	100.0%
Less than \$10,000	1,318	3.6%	12,248	5.2%	3,676,485	4.9%
\$10,000 to \$14,999	858	2.3%	7,022	3.0%	2,640,878	3.5%
\$15,000 to \$24,999	3,312	9.0%	23,814	10.1%	6,604,662	8.7%
\$25,000 to \$34,999	3,588	9.7%	24,581	10.4%	7,164,166	9.5%
\$35,000 to \$49,999	5,374	14.6%	38,025	16.1%	10,543,895	14.0%
\$50,000 to \$74,999	8,432	22.9%	52,789	22.4%	14,987,597	19.8%
\$75,000 to \$99,999	6,395	17.3%	38,183	16.2%	10,851,609	14.4%
\$100,000 to \$149,999	4,801	13.0%	26,778	11.3%	11,161,136	14.8%
\$150,000 to \$199,999	1,581	4.3%	6,954	2.9%	4,041,141	5.4%
\$200,000 or more	1,213	3.3%	5,546	2.4%	3,859,177	5.1%
Median family income (dollars)	60,733	99.4%	55,010	90.1%	61,082	
Mean family income (dollars)	72,623	90.6%	65,947	82.3%	80,155	
Per capita income (dollars)	24,646	93.3%	22,371	84.7%	26,409	
Median earnings for workers	26,534	93.5%	22,113	78.0%	28,365	
Median earnings for male full-time	43,605	95.9%	39,830	87.6%	45,485	
Median earnings for female full-time	29,928	84.2%	28,461	80.1%	35,549	

PERCENTAGE BELOW POVERTY LEVEL

All families	8.30%	79.0%	9.90%	94.3%	10.50%
All people	11.40%	79.7%	15.10%	105.6%	14.30%

Yellowstone County includes the city of Billings, the largest city in Montana, and in fact the largest city in an area bordered by Minneapolis, Minnesota to the east and Seattle, Washington to the west Calgary, Alberta (Canada) to the north and Denver, Colorado to the south. The city serves as the major hub of agricultural and mining services for Eastern Montana, but these are mainly service jobs; the proportion of workers in these two sectors, while larger than the 1.8% national average figure, is still only a modest 3.5%. It also has 13.5% of the workforce in retail trade, compared to 11.6% nationally, because Montana has no sales tax, and hence attracts shoppers from nearby areas of Wyoming, North Dakota, and South Dakota. However, it has only a small manufacturing base, employing 6.2% of the workforce, compared to 10.5% nationally.

In spite of being the “economic capital” of the state, there are relatively few rich people living here, so the mean and median household and family income are all below the national average. However, there are also relatively few poor people in the city, so the poverty rates are less than 80% of the national average.

**Table 5-3. Key Economic Statistics for Rosebud, Garfield, and Treasure Counties
Compared to the U. S. Economy**

Category	Rosebud	%	Garfield	%	Treasure	%
EMPLOYMENT STATUS						
Population 16 years and over	6,529	100.0%	927	100.0%	692	100.0%
In labor force	4,232	64.8%	643	69.4%	433	62.6%
Civilian labor force	4,232	64.8%	643	69.4%	433	62.6%
Employed	3,839	58.8%	631	68.1%	423	61.1%
Unemployed	393	6.0%	12	1.3%	10	1.4%
Armed Forces	0	0.0%	0	0.0%	0	0.0%
Not in labor force	2,297	35.2%	284	30.6%	259	37.4%
OCCUPATION						
Civilian employed population 16 +	3,839	100.0%	631	100.0%	423	100.0%
Management & professional	1,152	30.0%	223	35.3%	151	35.7%
Service occupations	776	20.2%	131	20.8%	46	10.9%
Sales and office occupations	710	18.5%	111	17.6%	63	14.9%
Farming, fishing, & forestry	128	3.3%	76	12.0%	57	13.5%
Construction, maintenance, repair	629	16.4%	54	8.6%	70	16.5%
Production & transportation	444	11.6%	36	5.7%	36	8.5%
INDUSTRY						
Civilian employed population 16 +	3,839	100.0%	631	100.0%	423	100.0%
Agriculture & mining	754	19.6%	241	38.2%	158	37.4%
Construction	203	5.3%	36	5.7%	53	12.5%
Manufacturing	11	0.3%	12	1.9%	0	0.0%
Wholesale trade	27	0.7%	0	0.0%	17	4.0%
Retail trade	401	10.4%	69	10.9%	15	3.5%
Transportation & utilities	424	11.0%	24	3.8%	24	5.7%
Information	90	2.3%	11	1.7%	14	3.3%
Finance, insurance & real estate	135	3.5%	20	3.2%	6	1.4%
Professional & administrative	92	2.4%	11	1.7%	15	3.5%
Educational services & health care	881	22.9%	111	17.6%	69	16.3%
Arts, entertain, hotel, food svcs	370	9.6%	47	7.4%	3	0.7%
Other private services	162	4.2%	24	3.8%	6	1.4%
Public administration	289	7.5%	25	4.0%	43	10.2%
INCOME AND BENEFITS						
Total households	3,204	100.0%	513	100.0%	342	100.0%
Less than \$10,000	295	9.2%	32	6.2%	17	5.0%
\$10,000 to \$14,999	273	8.5%	53	10.3%	15	4.4%

\$15,000 to \$24,999	433	13.5%	97	18.9%	63	18.4%
\$25,000 to \$34,999	337	10.5%	94	18.3%	52	15.2%
\$35,000 to \$49,999	395	12.3%	65	12.7%	45	13.2%
\$50,000 to \$74,999	538	16.8%	94	18.3%	73	21.3%
\$75,000 to \$99,999	526	16.4%	33	6.4%	35	10.2%
\$100,000 to \$149,999	365	11.4%	34	6.6%	36	10.5%
\$150,000 to \$199,999	1	0.0%	4	0.8%	6	1.8%
\$200,000 or more	41	1.3%	7	1.4%	0	0.0%
Median household income (dollars)	43,269	84.1%	32,880	63.9%	43,553	84.7%
Mean household income (dollars)	53,488	76.3%	45,507	64.9%	52,273	74.6%
Families	2,354	100.0%	311	100.0%	241	100.0%
Less than \$10,000	160	6.8%	7	2.3%	2	0.8%
\$10,000 to \$14,999	178	7.6%	11	3.5%	5	2.1%
\$15,000 to \$24,999	308	13.1%	37	11.9%	24	10.0%
\$25,000 to \$34,999	231	9.8%	69	22.2%	44	18.3%
\$35,000 to \$49,999	275	11.7%	43	13.8%	34	14.1%
\$50,000 to \$74,999	419	17.8%	76	24.4%	61	25.3%
\$75,000 to \$99,999	470	20.0%	31	10.0%	33	13.7%
\$100,000 to \$149,999	278	11.8%	30	9.6%	32	13.3%
\$150,000 to \$199,999	1	0.0%	2	0.6%	6	2.5%
\$200,000 or more	34	1.4%	5	1.6%	0	0.0%
Median family income (dollars)	53,750	86.2%	48,083	77.1%	53,646	86.0%
Mean family income (dollars)	57,389	70.4%	54,431	66.8%	60,740	74.5%
Per capita income (dollars)	19,169	70.9%	21,151	78.2%	20,446	75.6%
Median earnings for workers	25,574	88.0%	16,550	57.0%	23,150	79.7%
Median earnings for male full-time	51,591	113.7%	33,942	74.8%	37,639	83.0%
Median earnings for female full-time	28,236	80.2%	15,811	44.9%	26,875	76.3%
PERCENTAGE BELOW POVERTY LEVEL						
All families	19.30%	194.9%	7.70%	77.8%	5.00%	50.5%
All people	23.10%	171.1%	11.30%	83.7%	8.00%	59.3%

These three counties are similar to Musselshell and Petroleum counties in that they are very sparsely settled, with the economic base tied directly to agriculture and mining. The mean and median income for these three counties ranges from 67% to 85% of the national average. The poverty rates bear no resemblance to these figures; the rate for all families is 195% of the national average in Rosebud, 78% in Garfield, and only 50% in Treasure County. However, these figures represent only a handful of families and are too small to provide a meaningful sample size.

Table 5-4. Labor Market Statistics for the State of Montana, 6 Counties, and 2 County Groups

	Labor Force	Employed	Unemployed
Montana			
2000	468865	446552	22313
2001	468963	447827	21136
2002	466299	445281	21018
2003	470472	450190	20282
2004	475566	456385	19181
2005	480747	463251	17496
2006	492358	476412	15946
2007	501929	485132	16797
2008	508225	485375	22850
2009	496499	465220	31279
2010	497395	461337	36058
Yellowstone			
2000	71487	68572	2915
2001	72266	69663	2603
2002	74395	71698	2697
2003	75165	72635	2530
2004	75993	73549	2444
2005	77824	75531	2293
2006	79395	77284	2111
2007	81476	79417	2059
2008	82508	79740	2768
2009	81281	77573	3708
2010	81110	76641	4469
Musselshell			
2000	2096	1969	127
2001	2048	1934	114
2002	2054	1926	128
2003	2056	1941	115
2004	2084	1973	111
2005	2061	1964	97
2006	2070	1993	77
2007	2034	1932	102
2008	2151	2038	113
2009	2417	2269	148

2010	2409	2247	162
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Petroleum

2000	252	235	17
2001	223	213	10
2002	197	186	11
2003	203	191	12
2004	219	208	11
2005	224	214	10
2006	225	215	10
2007	236	224	12
2008	249	236	13
2009	233	222	11
2010	233	218	15

Rosebud

2000	4279	4029	250
2001	4259	4009	250
2002	3999	3767	232
2003	4294	4077	217
2004	4250	4053	197
2005	3980	3780	200
2006	3847	3648	199
2007	3916	3725	191
2008	4032	3805	227
2009	4005	3756	249
2010	3942	3647	295

Garfield

2000	706	677	29
2001	683	661	22
2002	620	598	22
2003	630	610	20
2004	654	632	22
2005	636	614	22
2006	636	615	21
2007	643	625	18
2008	658	637	21
2009	648	626	22
2010	615	589	26

Treasure			
2000	458	437	21
2001	441	426	15
2002	399	383	16
2003	431	416	15
2004	413	396	17
2005	403	389	14
2006	396	384	12
2007	405	393	12
2008	407	391	16
2009	398	379	19
2010	394	375	19

The figures are dominated by Yellowstone County, which had a labor force of over 81,000 in 2010; the other five counties together had a labor force of less than 8,000. The total number of unemployed in the six-county area in 2010 was 4,986.

Table 5-5. Level and Growth of Population, State of Montana, 6 Counties, and the Total Area

	Montana	Yellowstone	Musselshell	Petroleum	Rosebud	Garfield	Treasure	6 counties
2009	974,989	144,797	4,600	440	9,258	1,173	612	160,880
2008	968,035	142,602	4,506	433	9,150	1,161	650	158,502
2007	957,225	140,047	4,466	431	9,126	1,193	654	155,917
2006	946,230	138,239	4,458	455	9,079	1,199	680	154,110
2005	934,801	136,493	4,376	460	9,147	1,173	698	152,347
2004	925,887	134,559	4,418	491	9,151	1,211	741	150,571
2003	916,750	133,054	4,401	484	9,216	1,234	742	149,131
2002	909,868	131,771	4,389	492	9,203	1,245	765	147,865
2001	905,873	130,608	4,397	483	9,250	1,262	821	146,821
2000	903,293	129,527	4,492	492	9,391	1,267	854	146,023
2009/08	0.72%	1.54%	2.09%	1.62%	1.18%	1.03%	-5.85%	1.50%
2008/07	1.13%	1.82%	0.90%	0.46%	0.26%	-2.68%	-0.61%	1.66%
2007/06	1.16%	1.31%	0.18%	-5.27%	0.52%	-0.50%	-3.82%	1.17%
2006/05	1.22%	1.28%	1.87%	-1.09%	-0.74%	2.22%	-2.58%	1.16%
2005/04	0.96%	1.44%	-0.95%	-6.31%	-0.04%	-3.14%	-5.80%	1.18%
2004/03	1.00%	1.13%	0.39%	1.45%	-0.71%	-1.86%	-0.13%	0.97%
2003/02	0.76%	0.97%	0.27%	-1.63%	0.14%	-0.88%	-3.01%	0.86%
2002/01	0.44%	0.89%	-0.18%	1.86%	-0.51%	-1.35%	-6.82%	0.71%

2001/00	0.29%	0.83%	-2.11%	-1.83%	-1.50%	-0.39%	-3.86%	0.55%
2009/00	0.85%	1.24%	0.26%	-1.23%	-0.16%	-0.85%	-3.63%	1.08%

Population growth in this 6-county area very close to the 1% rate for the U.S., and slightly higher than the 0.85% rate for Montana. All of the growth occurred in Yellowstone county; on balance, the other 5 counties lost population over the past decade.

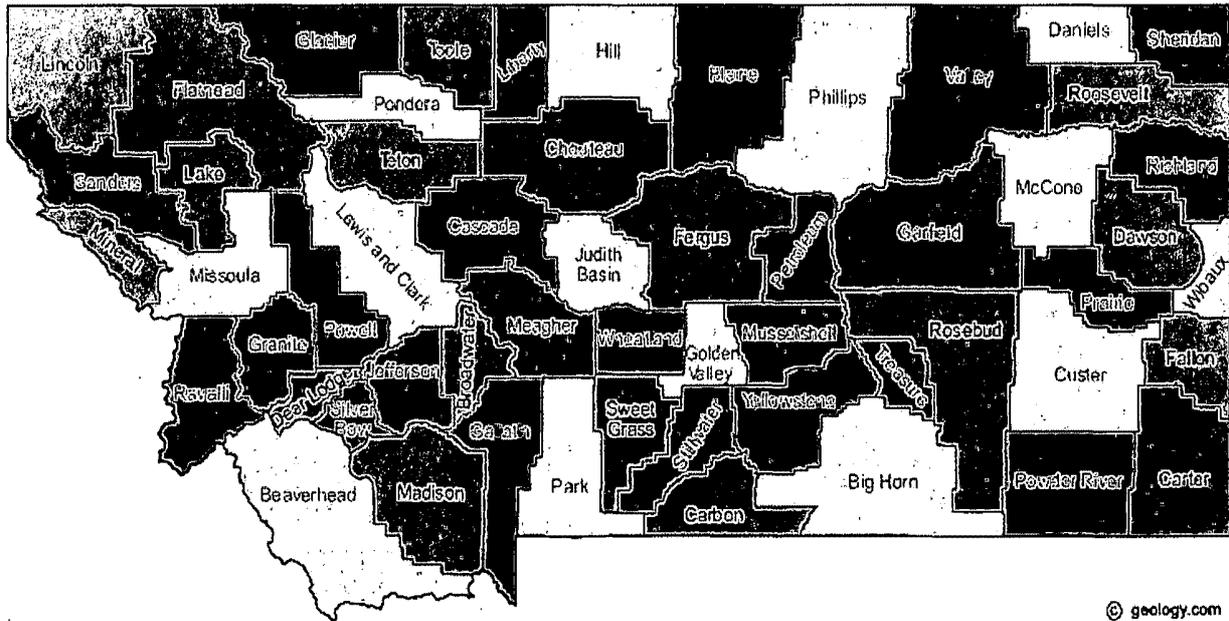
Table 5-6. Level and Growth of Personal Income (Billion \$), State of Montana, 6 Counties, and the Total Area

	Montana	Yellowstone	Musselshell	Petroleum	Rosebud	Garfield	Treasure	6 counties
2009	33.957	5.707	0.125	0.013	0.310	0.033	0.022	6.210
2008	34.141	5.732	0.110	0.013	0.305	0.040	0.022	6.222
2007	32.464	5.378	0.106	0.011	0.292	0.034	0.019	5.840
2006	30.447	5.031	0.097	0.011	0.284	0.032	0.016	5.471
2005	28.179	4.637	0.092	0.011	0.274	0.037	0.017	5.067
2004	26.495	4.335	0.089	0.010	0.262	0.033	0.017	4.744
2003	24.752	4.054	0.085	0.010	0.250	0.033	0.015	4.448
2002	23.370	3.877	0.078	0.008	0.224	0.027	0.015	4.230
2001	22.931	3.776	0.078	0.010	0.226	0.032	0.016	4.137
2000	21.200	3.475	0.071	0.008	0.208	0.025	0.015	3.801
2009/08	-0.54%	-0.44%	13.25%	1.46%	1.78%	-18.17%	0.49%	-0.20%
2008/07	5.17%	6.59%	4.41%	13.06%	4.22%	15.85%	18.31%	6.54%
2007/06	6.62%	6.89%	8.80%	8.18%	2.98%	7.25%	15.52%	6.75%
2006/05	8.05%	8.50%	5.86%	-4.86%	3.68%	-12.98%	-7.05%	7.96%
2005/04	6.35%	6.97%	3.25%	12.82%	4.63%	13.15%	2.47%	6.81%
2004/03	7.04%	6.92%	4.76%	-4.03%	4.63%	-1.97%	12.06%	6.67%
2003/02	5.91%	4.56%	7.99%	34.24%	11.59%	21.31%	2.45%	5.15%
2002/01	1.91%	2.69%	1.13%	-20.87%	-0.93%	-15.26%	-6.34%	2.23%
2001/00	8.17%	8.66%	9.87%	27.55%	8.62%	28.70%	9.20%	8.85%
2009/00	5.37%	5.66%	6.53%	6.29%	4.52%	2.94%	4.88%	5.60%

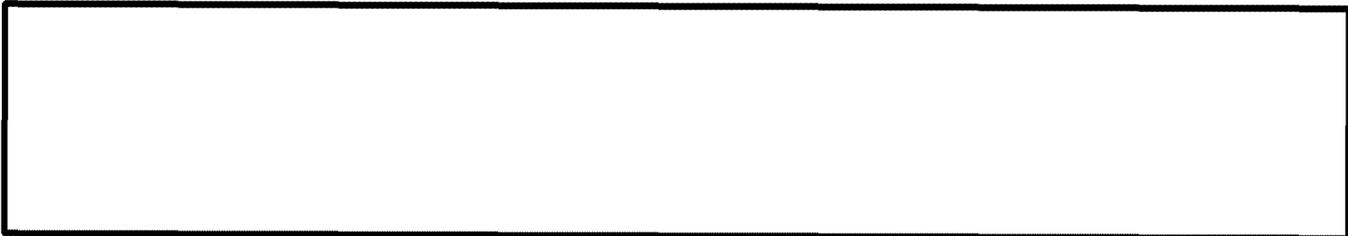
Personal income for this 6-county region rose at a 5.6% annual rate, well above the national average rate of 3.8% and slightly higher than the 5.4% rate for Montana. Rising energy prices were the main reason for the higher growth, since population gains were equal to the U. S. average. The decline in 2009 was very modest in spite of weaker oil prices, as the rise in prices over the previous three years generated a boom in oil drilling.

Figure 5-1 shows the county map of Montana. Yellowstone County is located near the southern border of the state, slightly east of center. Musselshell County is directly north of Yellowstone County, and Petroleum County is north of that. Treasure County is due east of Yellowstone County, and Rosebud is due east of that. Garfield County is north of Rosebud County.

Figure 5-1. County Map of Montana

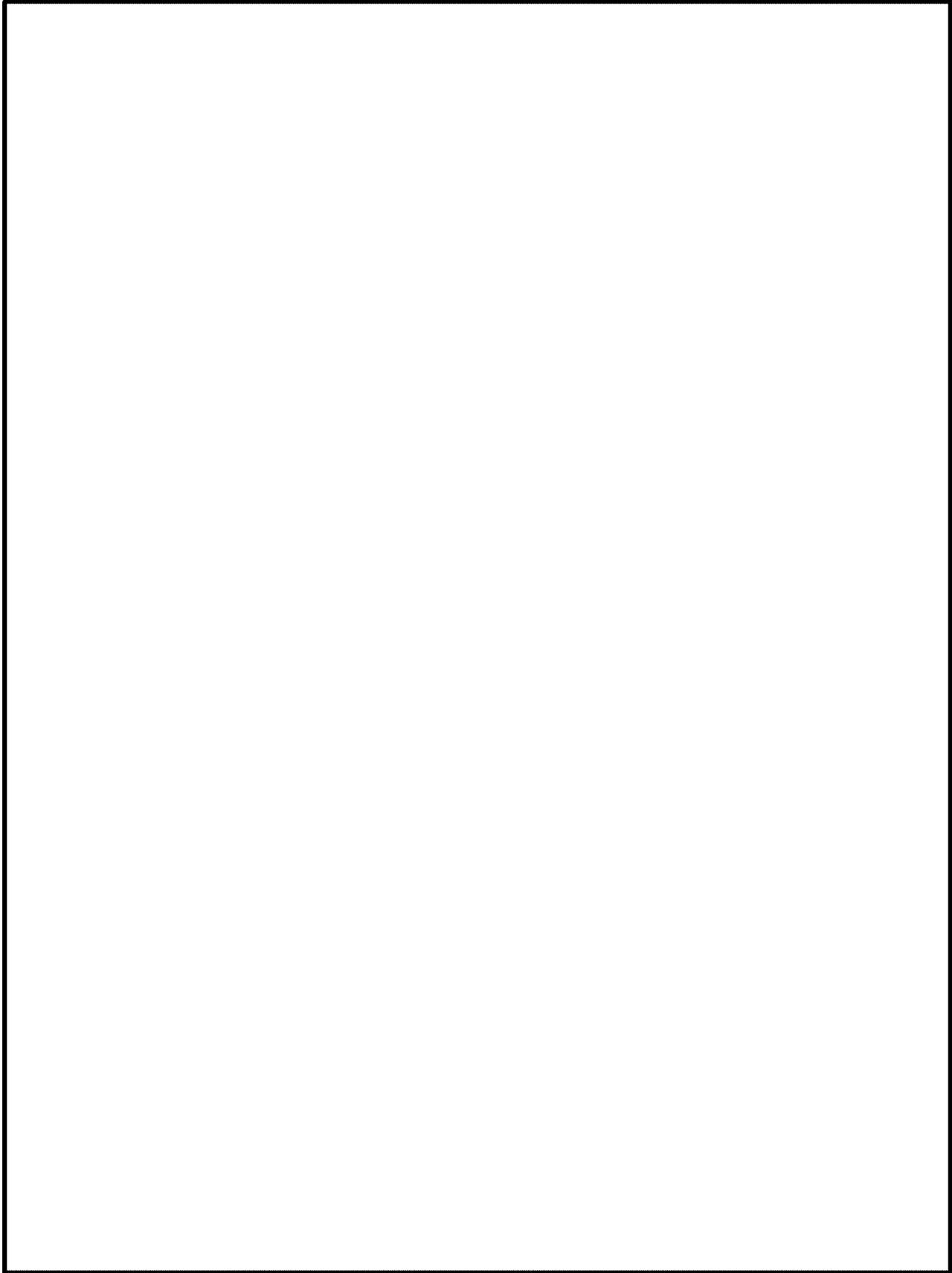


The USCIS defines a Targeted Employment Area (TEA) as an area that meets one or both of the following criteria: a rural area, or one with an unemployment rate that is at least 150% of the national average. In this case, it is clear that we are using the rural area definition. A county is a rural area if it is outside a metropolitan statistical area (MSA), and the location is outside any city with a population of over 20,000.



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6. Discussion of Oil Drilling in Montana



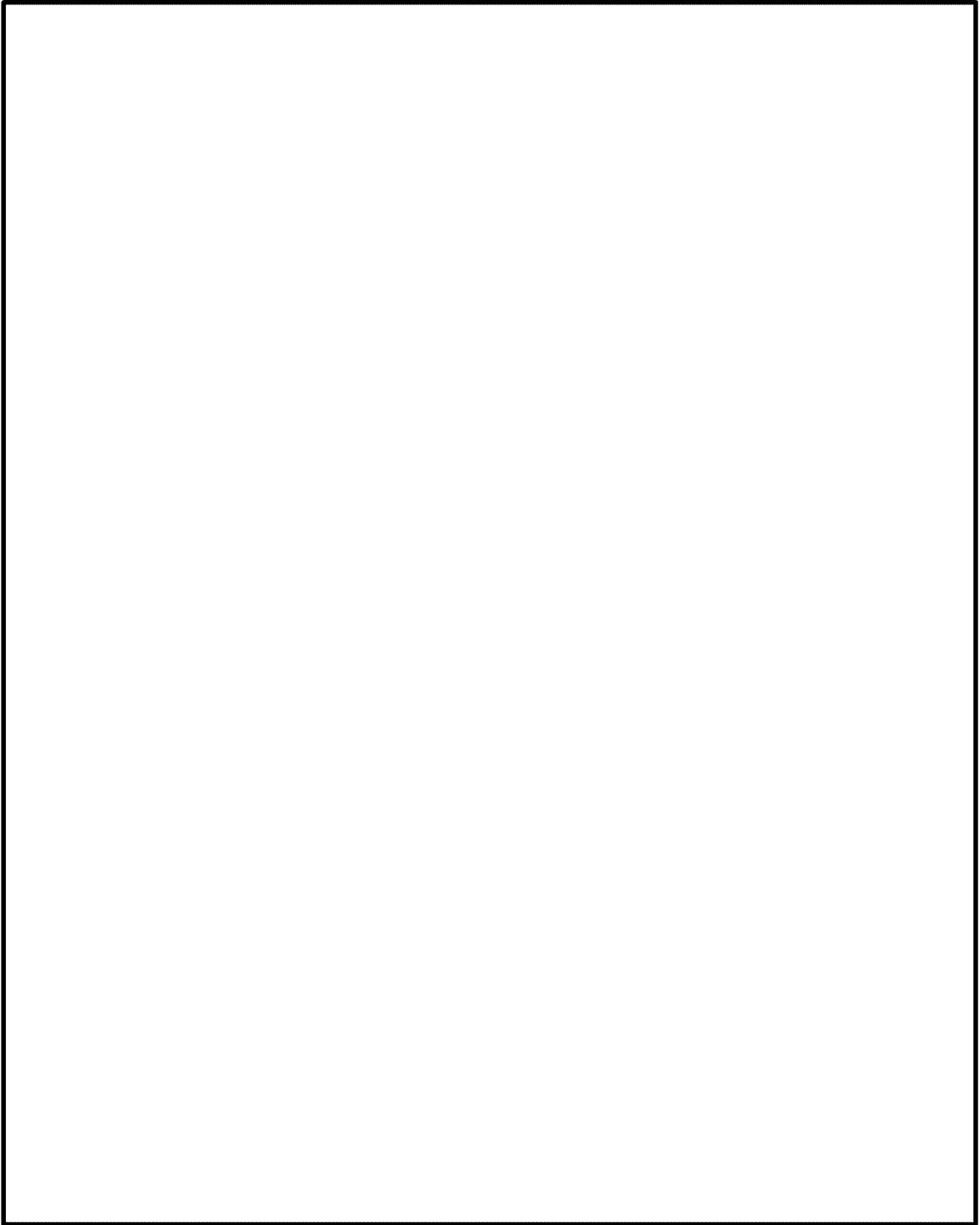


Figure 6-1. Montana Oil Production

Montana 2009

Distribution of Wells by Production Rate Bracket

Prod. Rate Bracket (BOE/Day)	Oil Wells							Gas Wells						
	# of Oil Wells	% of Oil Wells	Annual Oil Prod. (Mbbbl)	% of Oil Prod.	Oil Rate per Well (bbl/Day)	Annual Gas Prod. (MMcf)	Gas Rate per Well (Mcf/Day)	# of Gas Wells	% of Gas Wells	Annual Gas Prod. (MMcf)	% of Gas Prod.	Gas Rate per Well (Mcf/Day)	Annual Oil Prod. (Mbbbl)	Oil Rate per Well (bbl/Day)
0-1	1,253	28.4	190.5	0.7	0.4	4.1	0.0	1,469	21.7	1,417.1	1.7	2.8	0.4	0.0
1-2	470	10.7	231.2	0.8	1.4	27.7	0.2	1,171	17.3	3,718.1	4.4	8.8	0.9	0.0
2-4	420	9.5	411.8	1.5	2.8	68.0	0.5	1,390	20.6	8,648.1	10.3	17.4	2.3	0.0
4-6	217	4.9	380.3	1.4	4.9	81.5	1.0	670	9.9	7,027.3	8.3	29.6	2.1	0.0
6-8	178	4.0	414.5	1.5	6.6	107.6	1.7	457	6.8	6,916.0	8.2	41.9	1.3	0.0
8-10	145	3.3	434.9	1.6	8.4	155.2	3.0	391	5.8	7,409.5	8.8	53.7	4.8	0.0
Subtotal <=10	2,683	60.8	2,063.3	7.5	2.2	442.2	0.5	5,548	82.1	35,136.1	41.7	18.0	11.7	0.0
10-12	115	2.6	430.2	1.6	10.4	149.1	3.6	294	4.3	6,948.4	8.2	65.7	0.4	0.0
12-15	159	3.6	715.5	2.6	12.7	289.8	5.1	369	5.5	10,557.2	12.5	83.6	1.7	0.0
Subtotal <=15	2,957	67.1	3,209.0	11.7	3.1	881.0	0.9	6,211	91.9	52,641.6	62.5	24.0	13.8	0.0
15-20	228	5.4	1,353.5	4.9	16.0	651.8	7.7	288	3.9	9,838.2	11.4	102.5	8.8	0.0
20-25	171	3.9	1,284.8	4.7	20.7	659.7	10.8	98	1.4	4,459.9	5.3	129.5	7.5	0.0
25-30	130	2.9	1,162.1	4.2	25.0	688.0	14.7	50	0.7	2,826.3	3.4	160.5	12.7	0.0
30-40	209	4.7	2,351.1	8.5	31.2	1,673.1	22.2	52	0.8	3,565.7	4.2	201.8	18.7	1.0
40-50	159	3.6	2,280.9	8.2	39.1	2,033.4	35.1	28	0.4	2,610.5	3.1	255.4	21.8	2.0
50-100	374	8.5	8,061.3	29.3	59.6	7,830.3	57.8	41	0.6	4,524.2	5.4	358.3	105.3	8.0
100-200	157	3.6	6,579.4	23.9	115.8	5,571.3	98.1	13	0.2	3,493.5	4.1	736.2	73.2	15.0
200-400	17	0.4	1,278.8	4.6	223.5	1,048.1	183.2	1	0.0	466.2	0.6	1,277.1	5.9	16.0
400-800	0	0.0	0.0	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0
800-1600	0	0.0	0.0	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0
1600-3200	0	0.0	0.0	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0
3200-6400	0	0.0	0.0	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0
6400-12800	0	0.0	0.0	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0
>12800	0	0.0	0.0	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0
Total	4,410	100.0	27,541.1	100.0	17.7	21,045.3	13.5	6,760	100.0	84,264.0	100.0	353	267.8	0.0

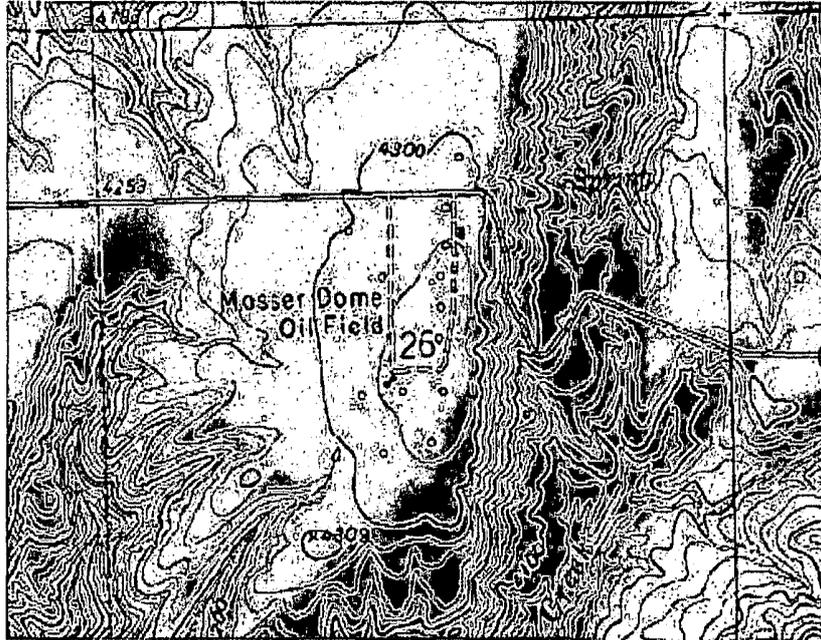
Notes:

- 1) State Government agencies and commercial sources provided base data.
- 2) The Reserves and Production Division, Office of Oil and Gas, EIA has reviewed and edited inaccurate production data.
- 3) To be consistent between states a GOR of 6,000 (cf/bbl) for each years production was used to classify wells. If the GOR was less than 6,000 (cf/bbl) the well was classed an oil well, greater than or equal 6,000 (cf/bbl) were gas wells.
- 4) To determine production rate brackets for the first and last year of a wells life the annual production was divided by the number of days in the productive months. For other years the annual production was divided by 365 or 366 days.
- 5) Gas volumes have been converted from the various state pressure bases to the Federal base (14.73 psia).

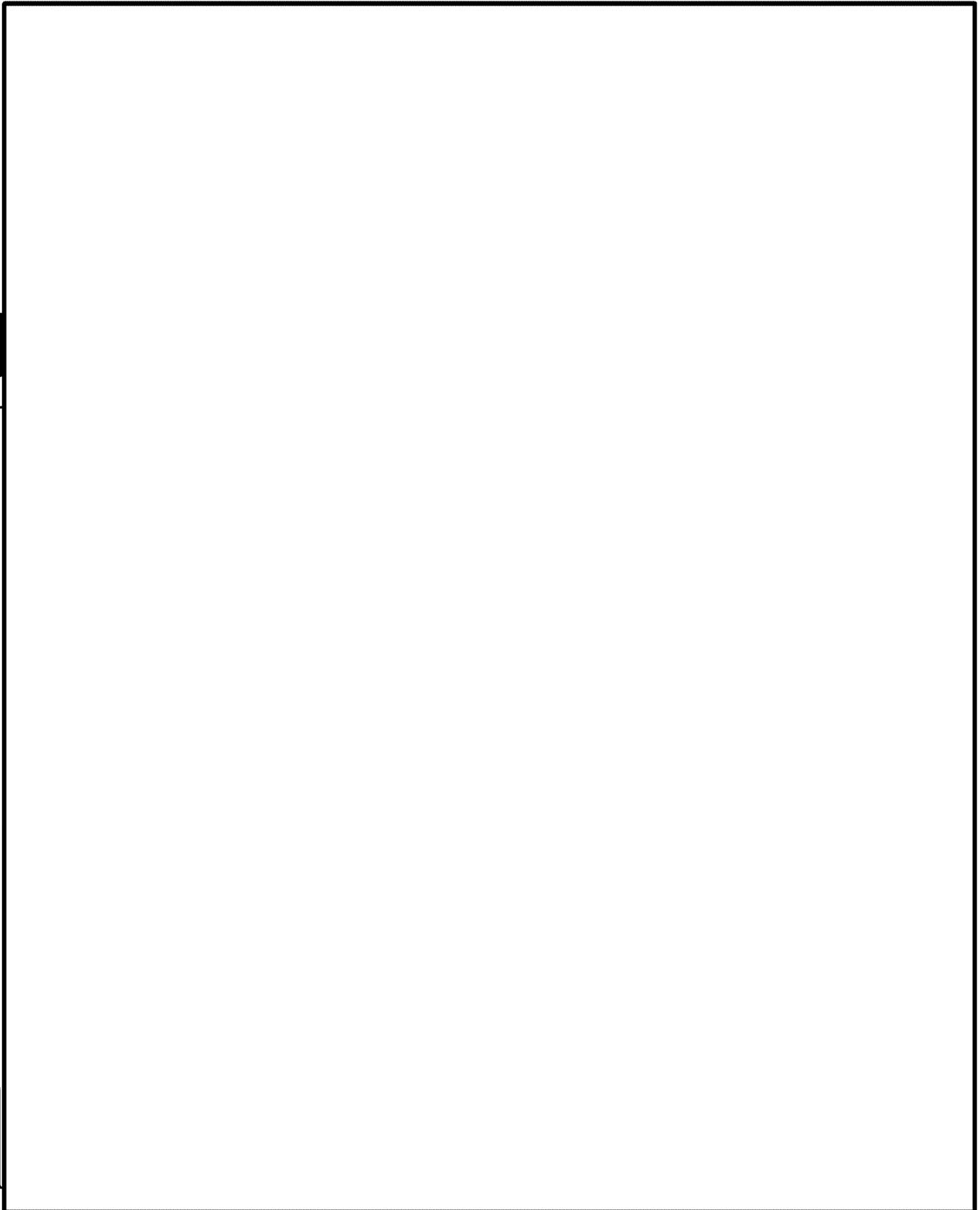
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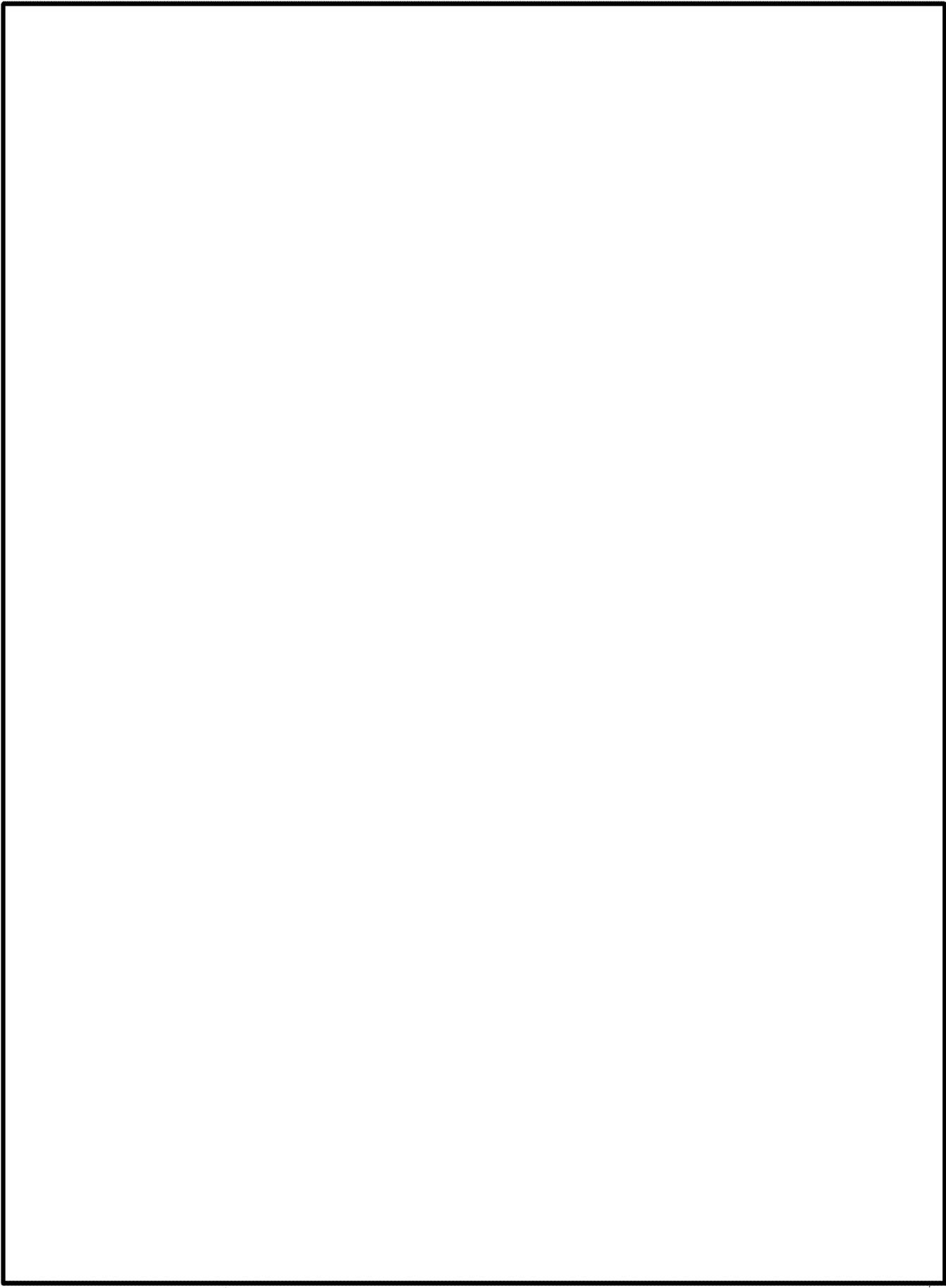
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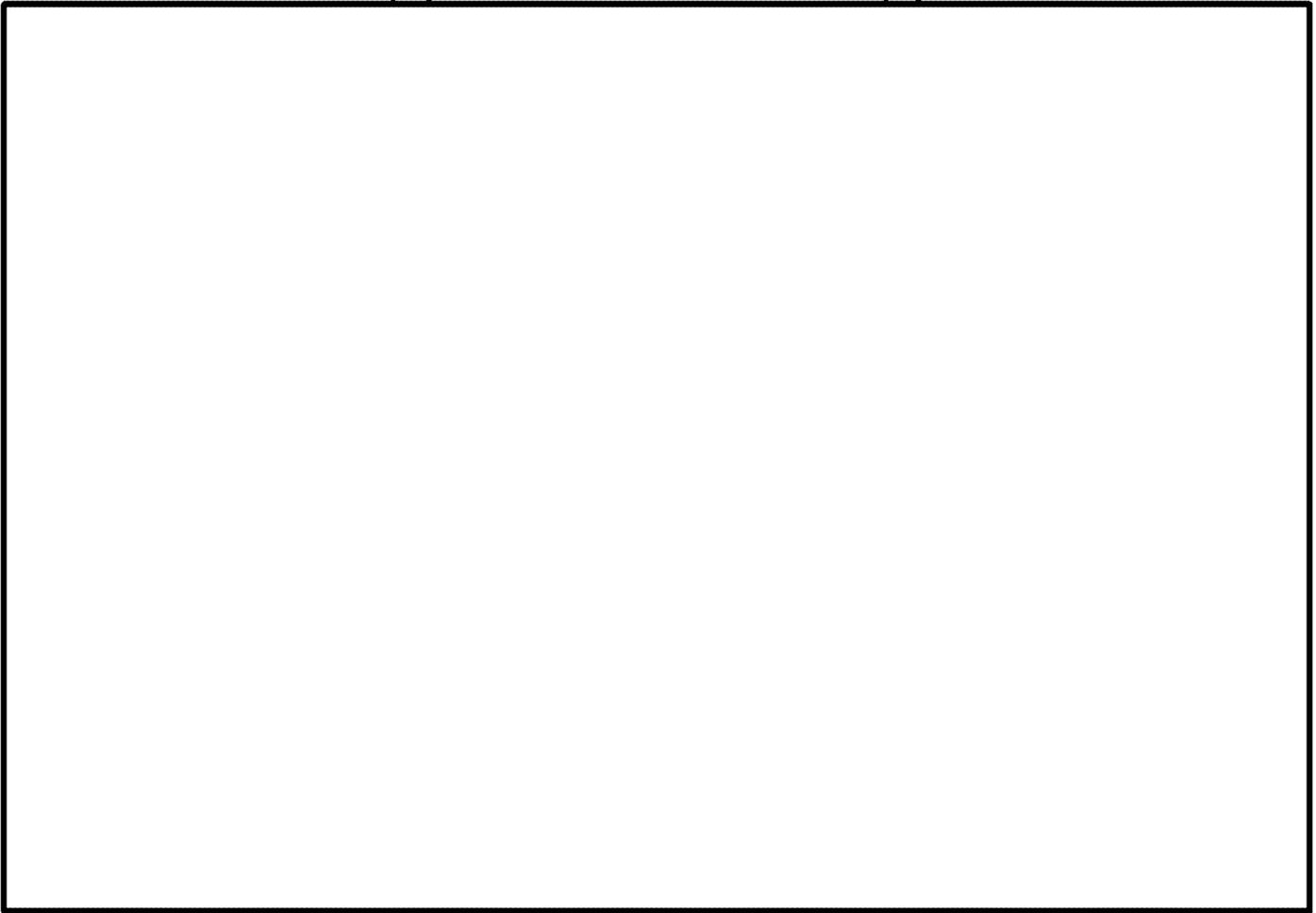
Less information is available on the Mosser Oil Dome formation, which is located primarily in Yellowstone County. The map is shown below. Because not much drilling has yet taken place there, detailed figures on bbls/day per well are not available. We assume the figures will be similar to those for the Heath formation and the rest of the State of Montana.



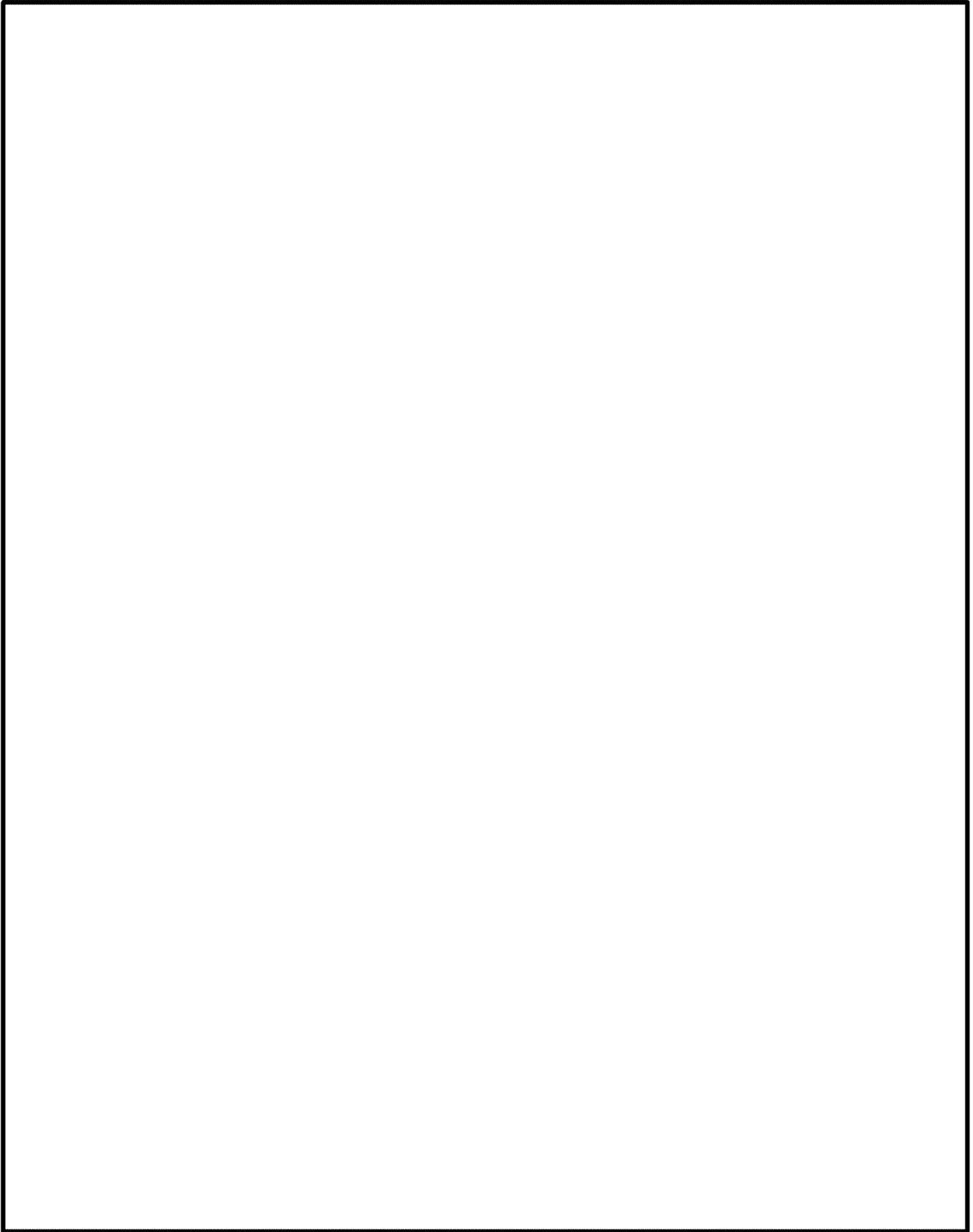
7. Economic Impact of Drilling Expenditures

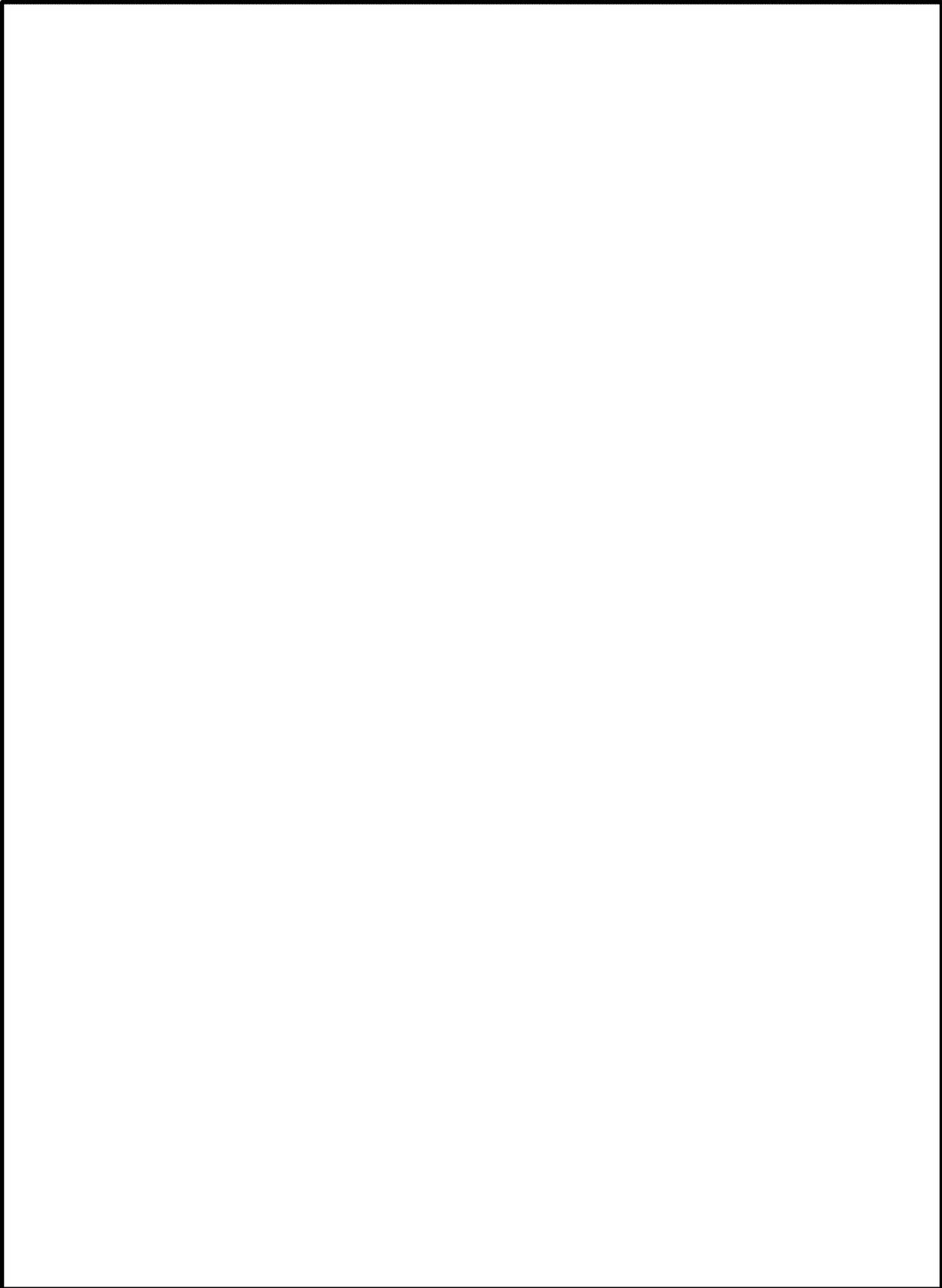




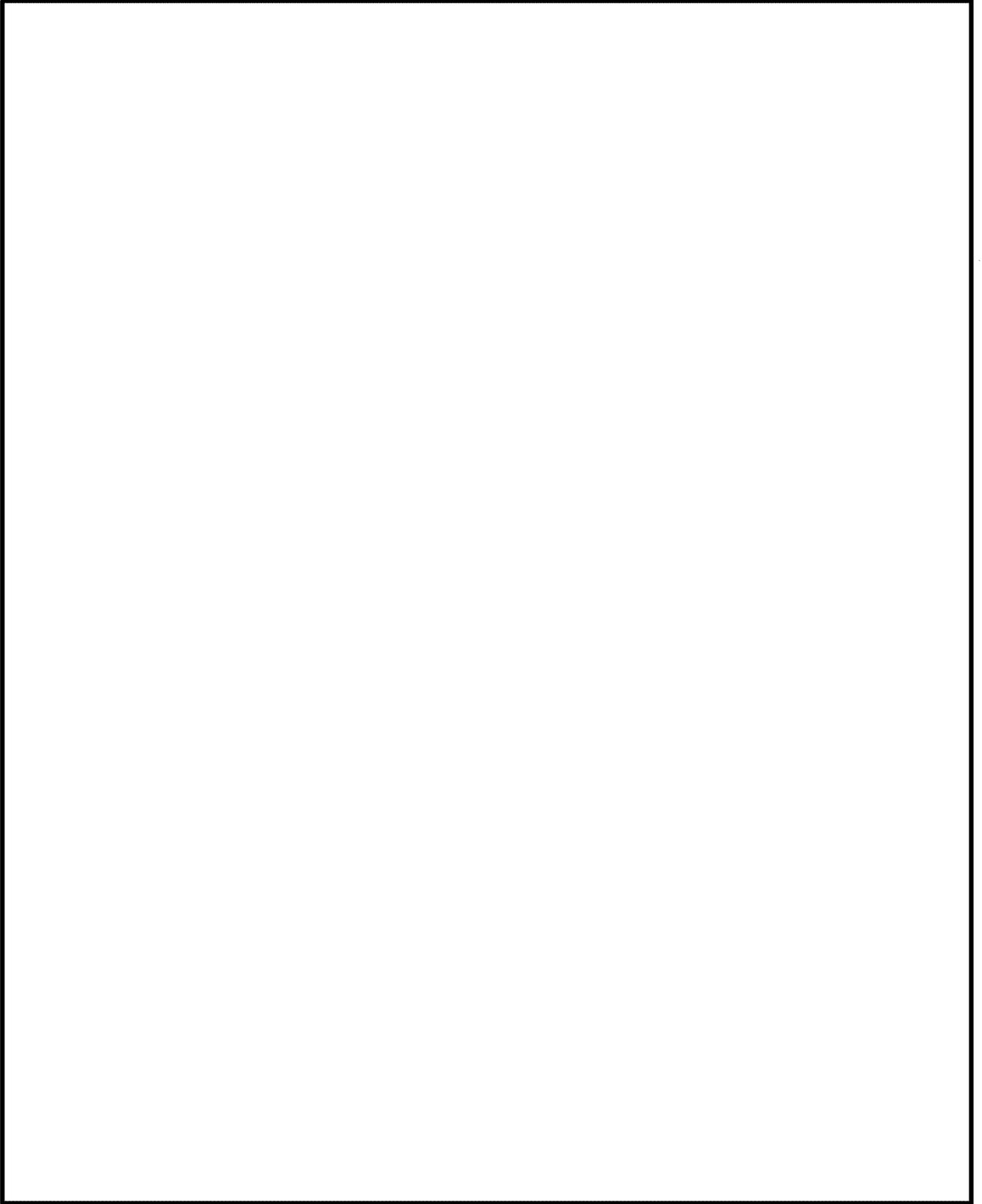


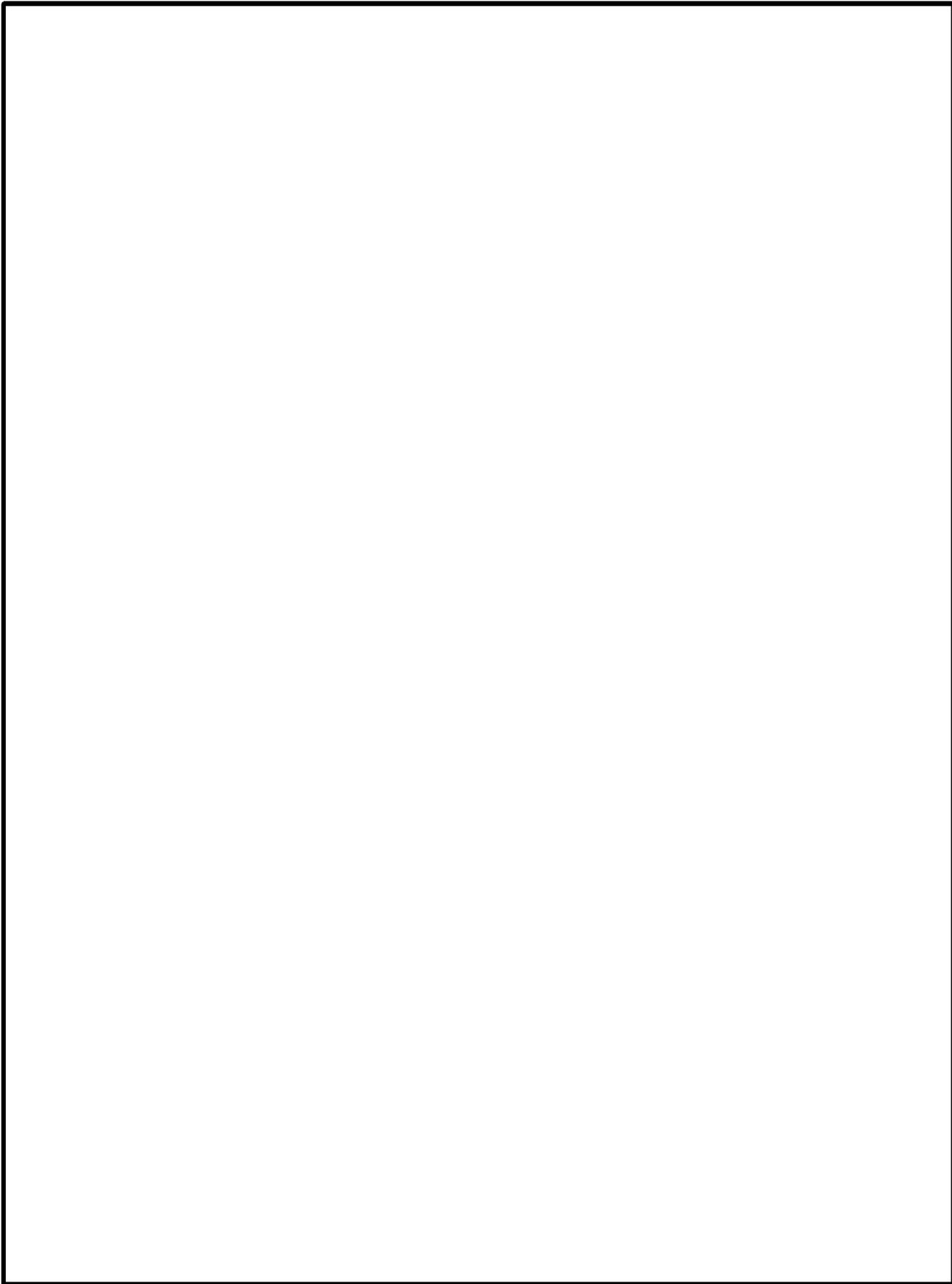
8. Economic Impact of Oil Production

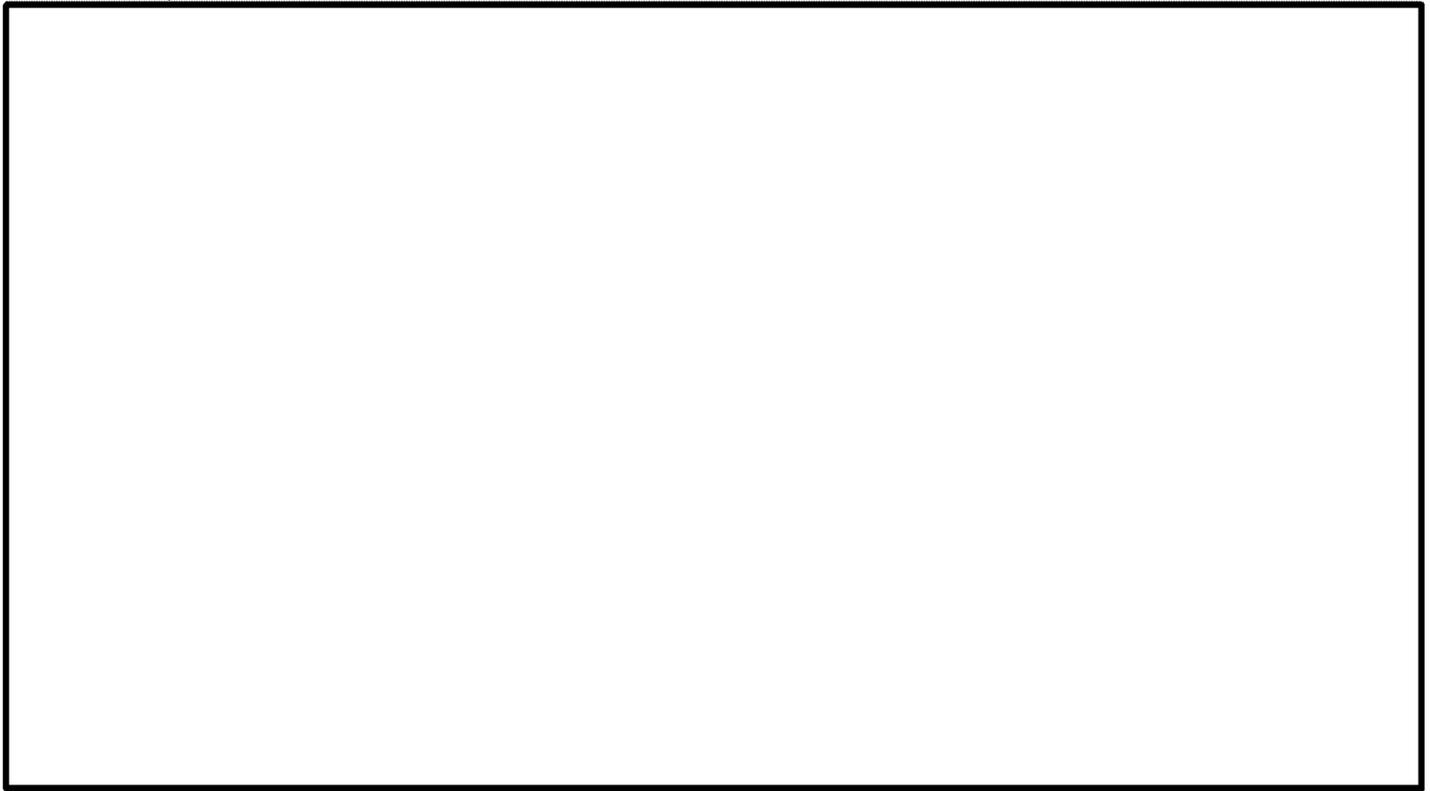




9. Summary Statistics for the Drilling and Extracting of Oil in Both County Groups



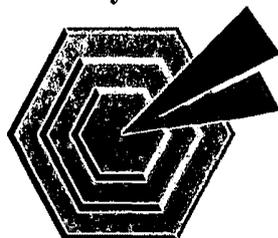




APPENDIX A

QUALIFICATIONS

Geoffrey J. D. Hewings, PhD



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Resumé

Dr. Geoffrey J.D. Hewings, *Principal*

Geoffrey Hewings, a native of Wales, has been a specialist in the development of methods to analyze, interpret and forecast urban, metropolitan and regional economies. His experience extends over four decades; while focused primarily on the United States, he has worked in Japan, Korea, China, Bangladesh, Indonesia, Colombia, Chile, and Brazil. He has engaged with several international organizations including the *World Bank*, the *Asian Development Bank* and the *Inter-American Development Bank*. Several of his doctoral students have come from central banks – in Korea, Brazil and Colombia.

In addition to his consulting work through AERI, LLC, he holds a professorship in several departments (economics, agricultural economics, geography and urban and regional planning) at the University of Illinois at Urbana-Champaign and directs the Regional Economics Applications Laboratory (REAL). For almost 25 years, REAL, under his leadership, has performed a variety of economic impact assessments for state and local governments and a variety of private sector and public interest groups. While at the University of Illinois, he has directed 48 doctoral dissertations and published over 150 books, chapters and professional journal papers. He has received several awards for his work, especially in the fields of input-output analysis and regional science. He has received Fulbright and Woodrow Wilson awards and was honored as a University Scholar by the University of Illinois. He is a *Fellow* of the Regional Science Association International, the Western Regional Science Association and the International Input-Output Association. Between 2000-2002, he served as *President* of the Regional Science Association and currently serves as *President* of the International Input-Output Association. The

latter association is the premier professional organization that focuses on the development and application of methods to model economies and conduct impact analyses.

Recent impact analysis projects have involved estimating the job creation effects of the airport system in New York state, a proposed high-speed rail line in Illinois, the effects of ageing population on the Midwest, the impact of interstate trade and the indirect impacts of job creation through the Ford Company's supply chains in Illinois.

Dr. Geoffrey J.D. Hewings, *Selected Recent Publications*

(1) Monographs

Russel J. Cooper, Kieran P. Donaghy and Geoffrey J.D. Hewings. (eds.) (2007) *Globalization and Regional Economic Modeling*, Heidelberg, Springer-Verlag.

(2) Chapters in Books

Eduardo A. Haddad, Geoffrey J. D. Hewings and Matthew Peter "Input-output Systems in Regional and Interregional CGE Modeling." (2002) In Geoffrey J.D. Hewings, Michael Sonis and David E. Boyce (eds.) *Trade, Networks and Hierarchies, Advances in Spatial Sciences*, Heidelberg, Springer-Verlag.

Michael Sonis, Geoffrey J.D. Hewings and Dong Guo. (2008) "Industrial Clusters in the Input-Output Economic Systems," In Charlie Karlsson (ed.) *Handbook of Research on Cluster Theory*, Cheltenham, UK, Elgar, pp. 153-168.

Michael Sonis and Geoffrey J.D. Hewings (2009) "New developments in input-output analysis," in Michael Sonis and Geoffrey J.D. Hewings (eds.) (2009) *Tool Kits in Regional Science*, Heidelberg, Springer-Verlag, pp. 69-118.

(3) Journal Articles

Yasuhide Okuyama, Geoffrey J.D. Hewings, Michael Sonis and Philip R. Israilevich, (2002) "An Econometric Analysis of Bi-Proportional Properties in an Econometric-Input-Output Modeling System," *Journal of Regional Science* 42, 361-388.

Joaquim J.M. Guilhoto, Michael Sonis and Geoffrey J.D. Hewings, (2005) "Linkages and Multipliers in a multiregional Framework: Integration of Alternative Approaches," *Australian Journal of Regional Studies*, 11, 75-89.

Yasuhide Okuyama, Michael Sonis and Geoffrey J.D. Hewings (2006) "Typology of Structural Change in a Regional Economy: A Temporal Inverse Analysis," *Economic Systems Research* 18, 133-153.

Miguel A. Márquez, Julián Ramajo, and Geoffrey J.D. Hewings (2006) "Measuring externalities in regional growth: an empirical approach" (*Environment and Planning A*) 38, 711-732.

Kieran P. Donaghy, Nazmiye Balta-Ozkan and Geoffrey J.D. Hewings (2007) "Modeling Unexpected Events in Temporally Disaggregated Econometric-Input-Output Models of Regional Economies," *Economic Systems Research*, 19, 125-146.

Jae-Hong Kim and Geoffrey J.D. Hewings (2012) "Integrating the fragmented regional and subregional socioeconomic forecasting and analysis: a spatial regional econometric input-output framework," *Annals of Regional Science*, 49, 485-513.

APPENDIX B

Explanation from the Bureau of Economic Analysis Regarding the Significant Change in Multipliers 2008 to 2010

From: RIMS <RIMS@bea.gov>
Date: Monday, March 25, 2013 2:32 PM
To: Geoffrey Hewings <hewings@illinois.edu>
Subject: RE: Significant change in multipliers 2008 to 2010

Dr. Hewings,

Thank you for contacting the RIMS II staff.

Both sets of multipliers that you highlight below are based on the same year's (2002) national benchmark I-O data. However, the Oil and gas extraction multipliers have larger differences because of the different regional data used to calculate them.

The 2002 national I-O data gives us the ratio between earnings and output for each industry. We use state-level earnings and employment data from 2008 and 2010 for the ratio between earnings and employment. The earnings-per-job for Oil and gas extraction in Montana was much larger in 2008 than 2010. This means the RIMS II model is assuming that more employees are making less per employee and that more jobs are required per \$1m of final demand.

RIMS II earnings includes proprietors' income and our employment numbers include the proprietors themselves. The majority of the earnings and employment in Montana in the Oil and gas extraction industry consist of proprietors. The data that we used to calculate your multipliers showed more proprietors, but less proprietors' income in 2010 than 2008. All of our regional source data are in current dollars, so the change in price of both oil and (especially) natural gas probably is contributing to the lower proprietors' income.

Please contact me at 202-606-5343 or RIMS@bea.gov if you have any additional questions.

Sincerely,

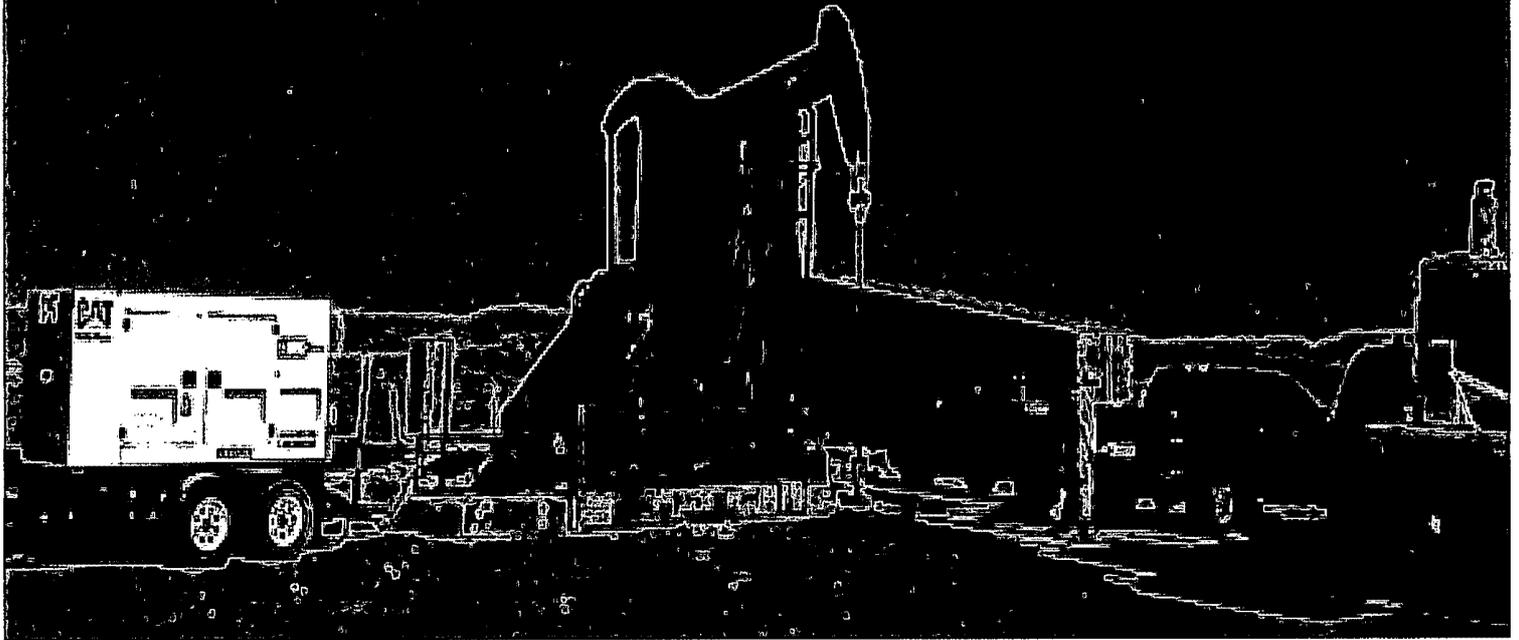
Tom McComb
Math Statistician, RIMS II Branch
Regional Product Division
U.S. Bureau of Economic Analysis
Washington, DC 20230
Tel: 202-606-5343

RIMS@bea.gov

Exhibit 2-A

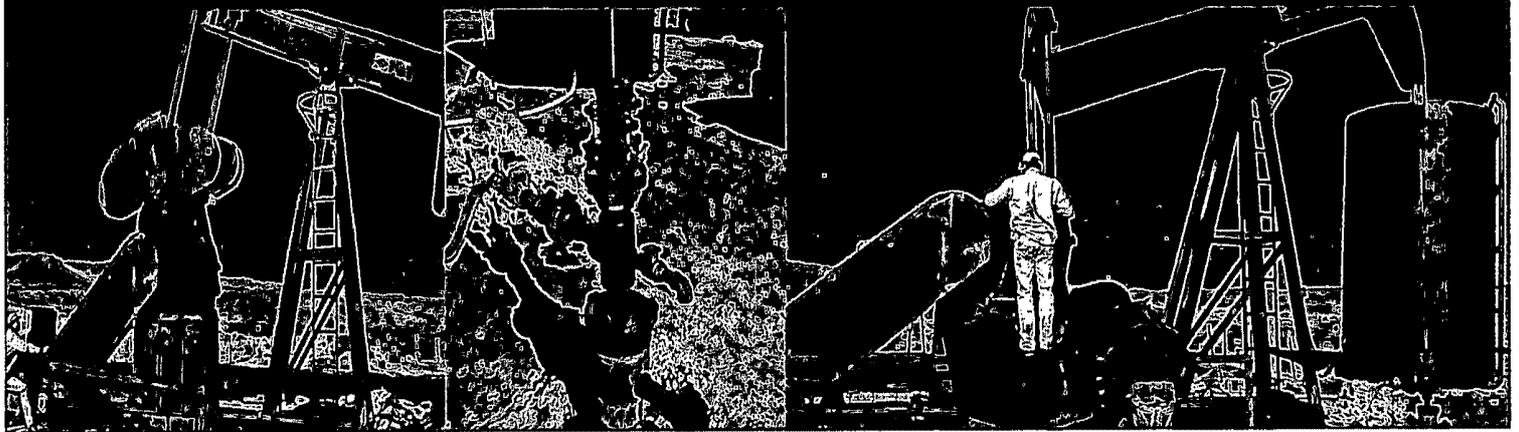
Overall Business Plan updated April 2013;

April 2013



USA MONTANA ENERGY REGIONAL CENTER, LLC

Updated Overall Business Plan

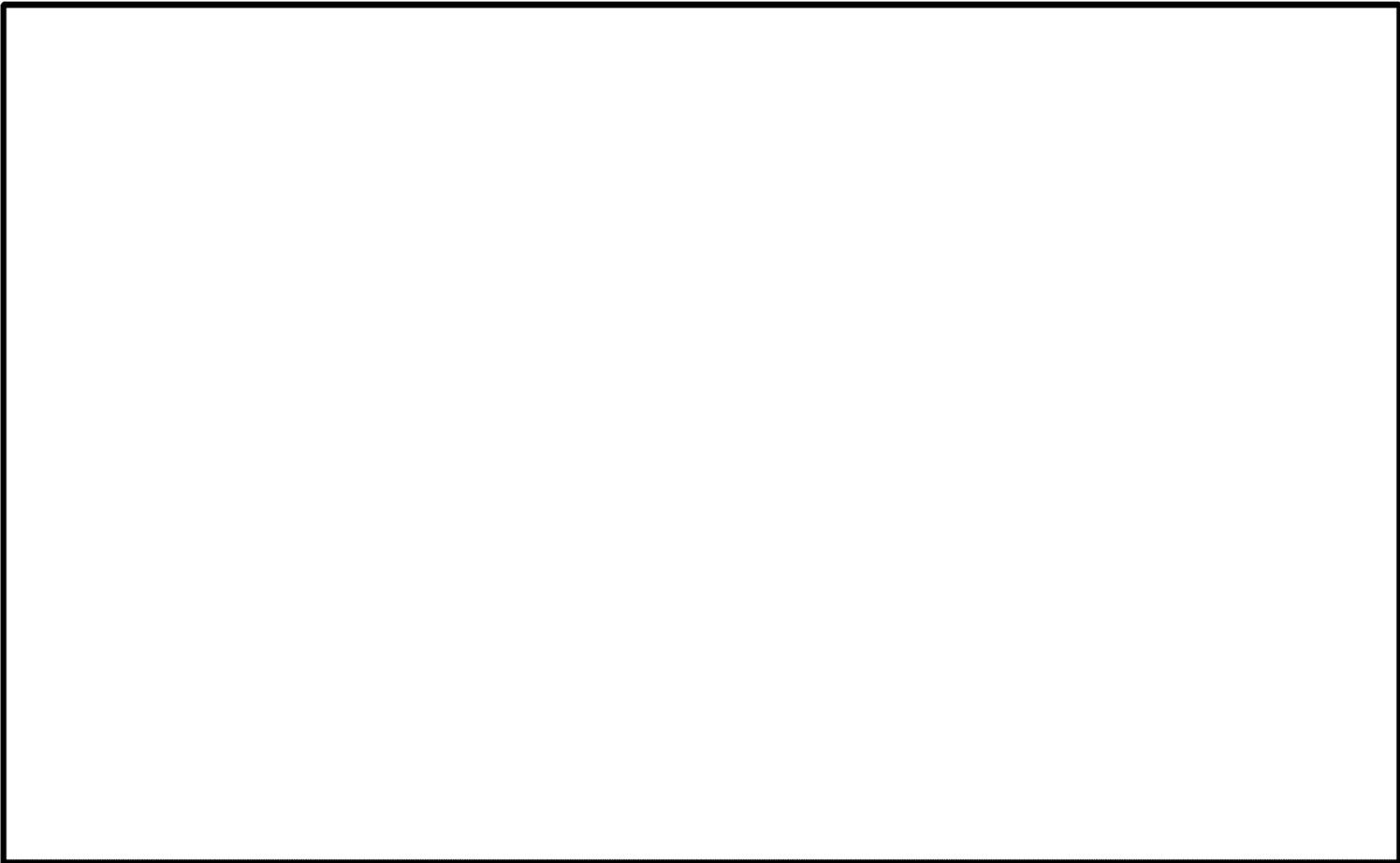


27 North 27th Street, Suite 2101, Billings, MT, 59101

Strictly Private and Confidential

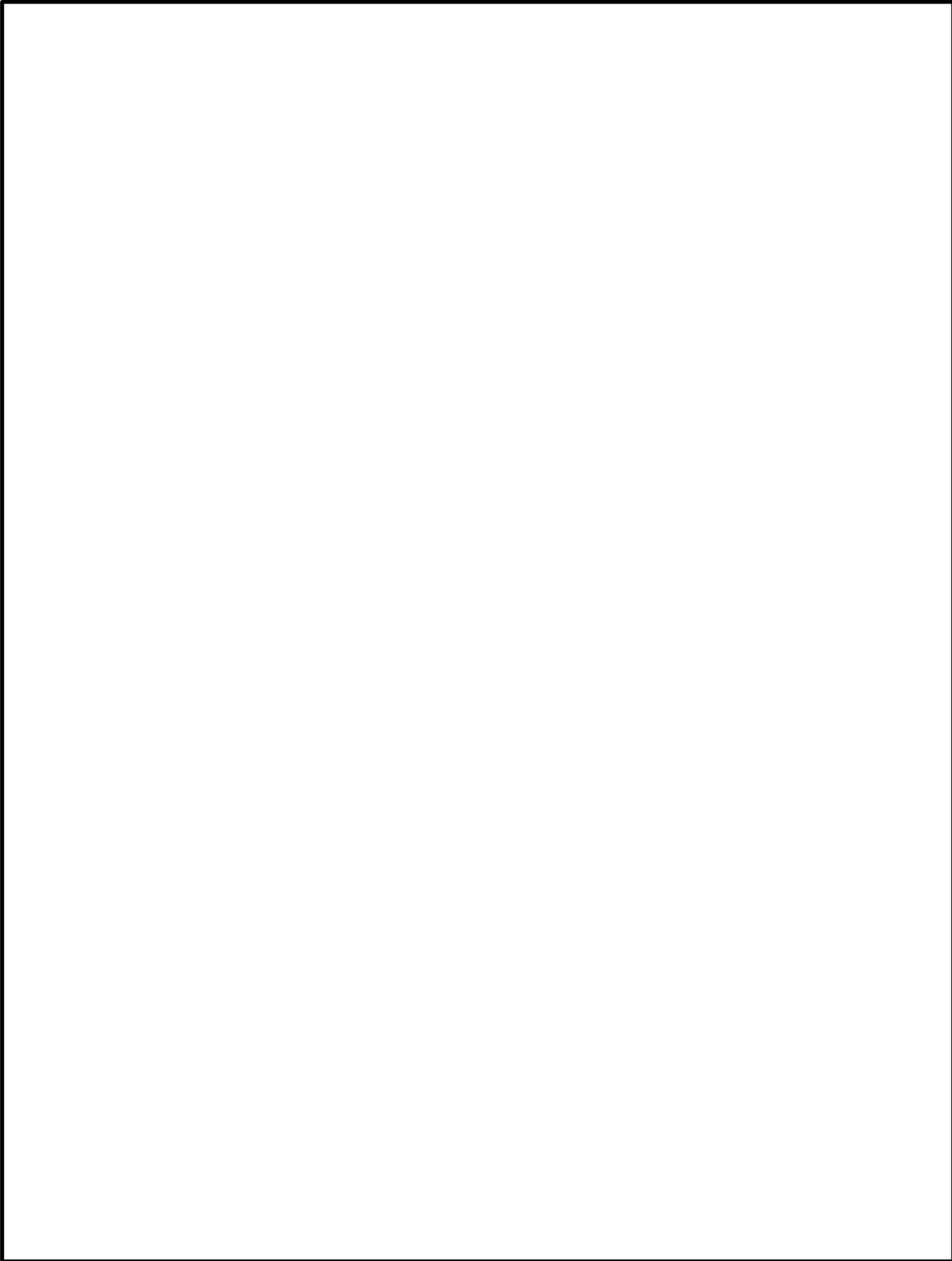
TABLE OF CONTENTS

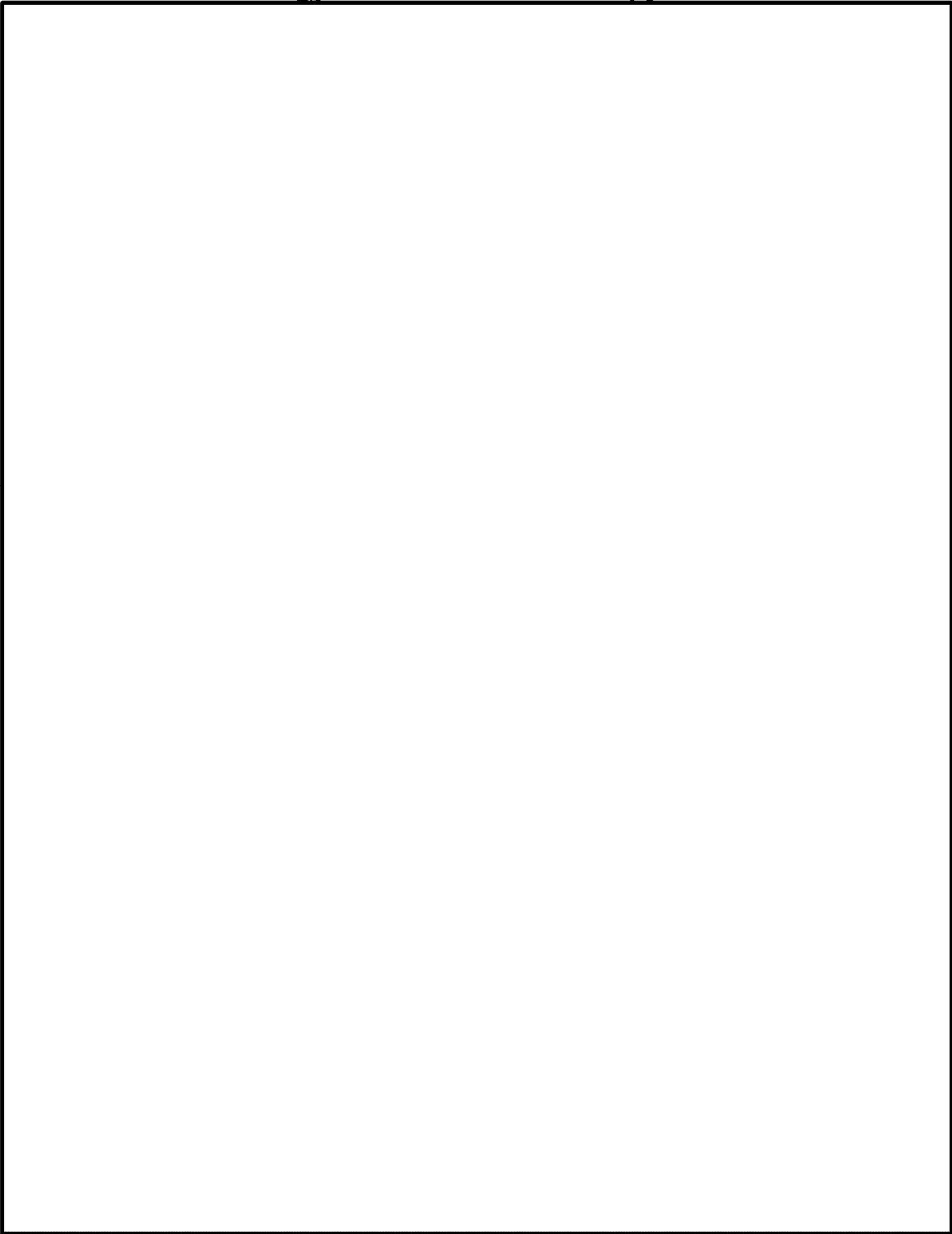
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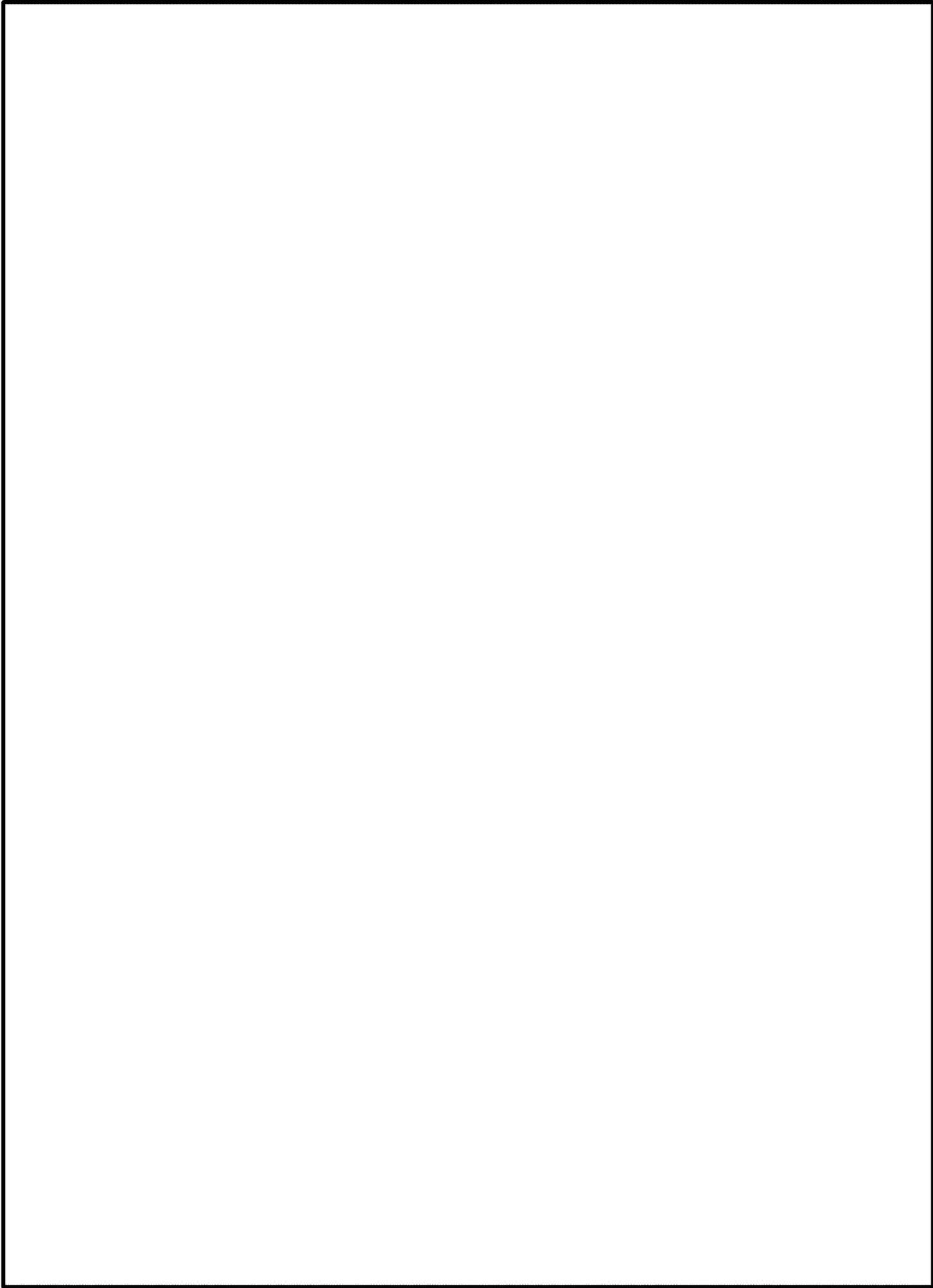
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1.0 REGIONAL CENTER BUSIN  OVERVIEW 



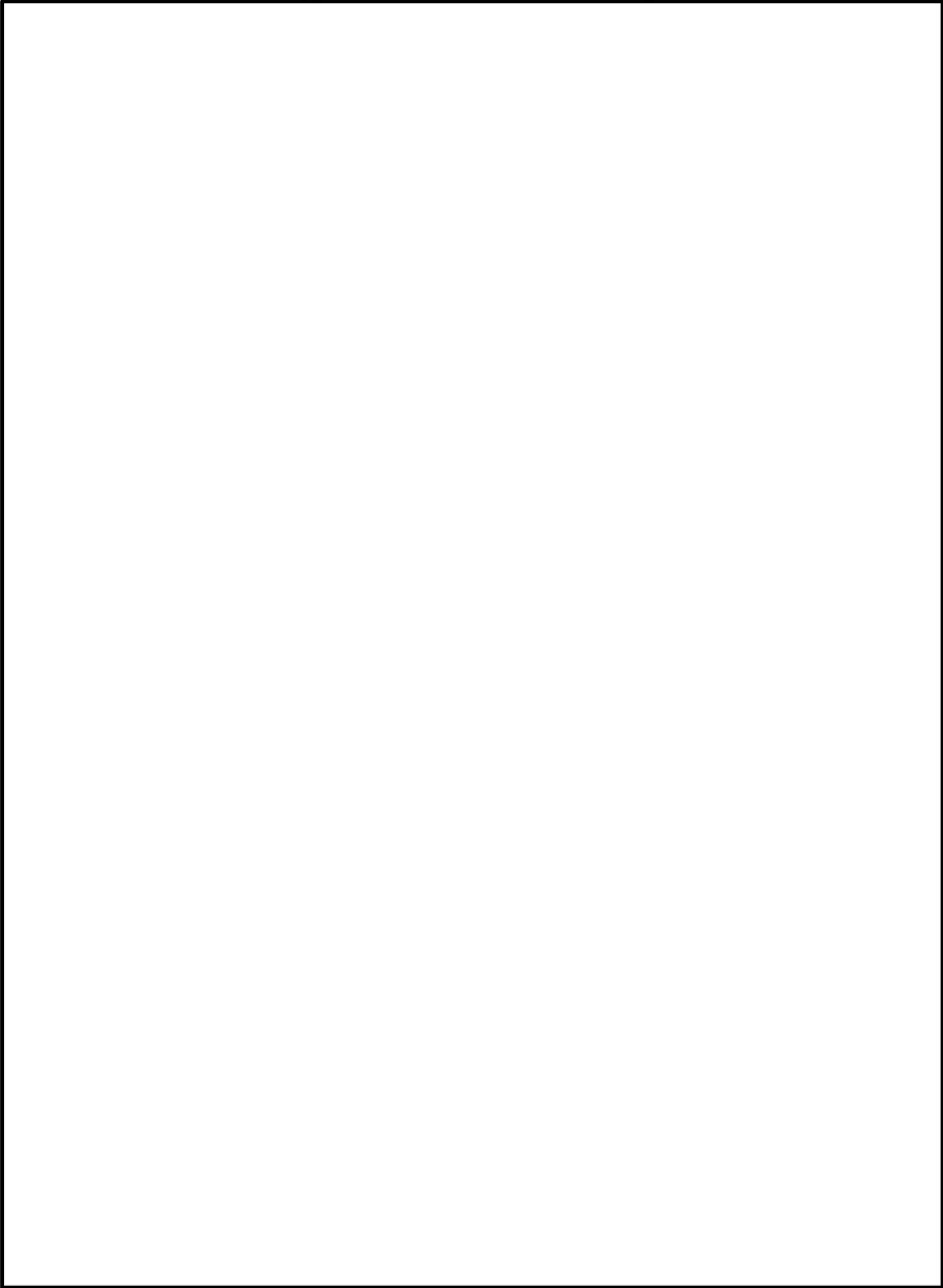


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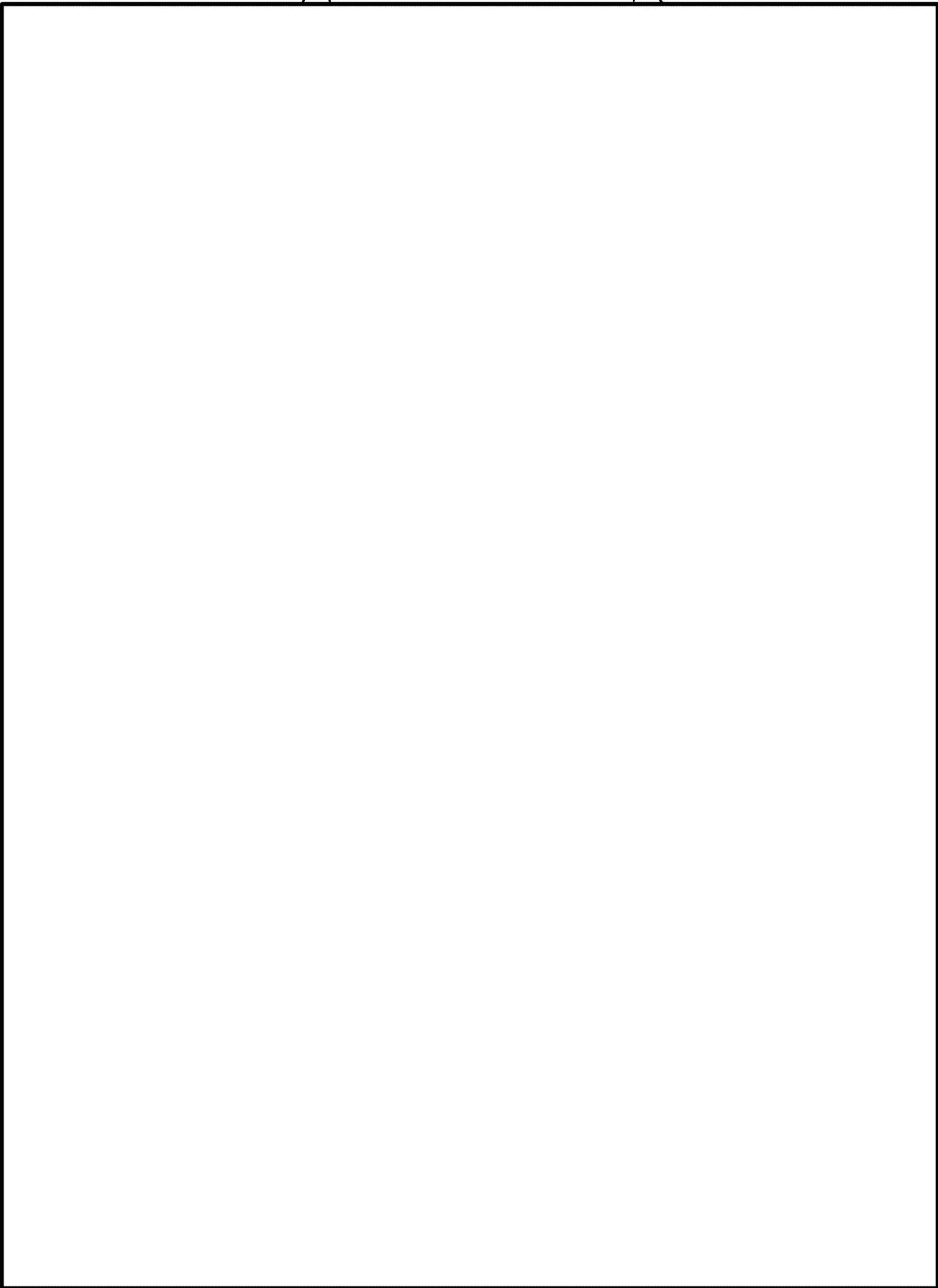
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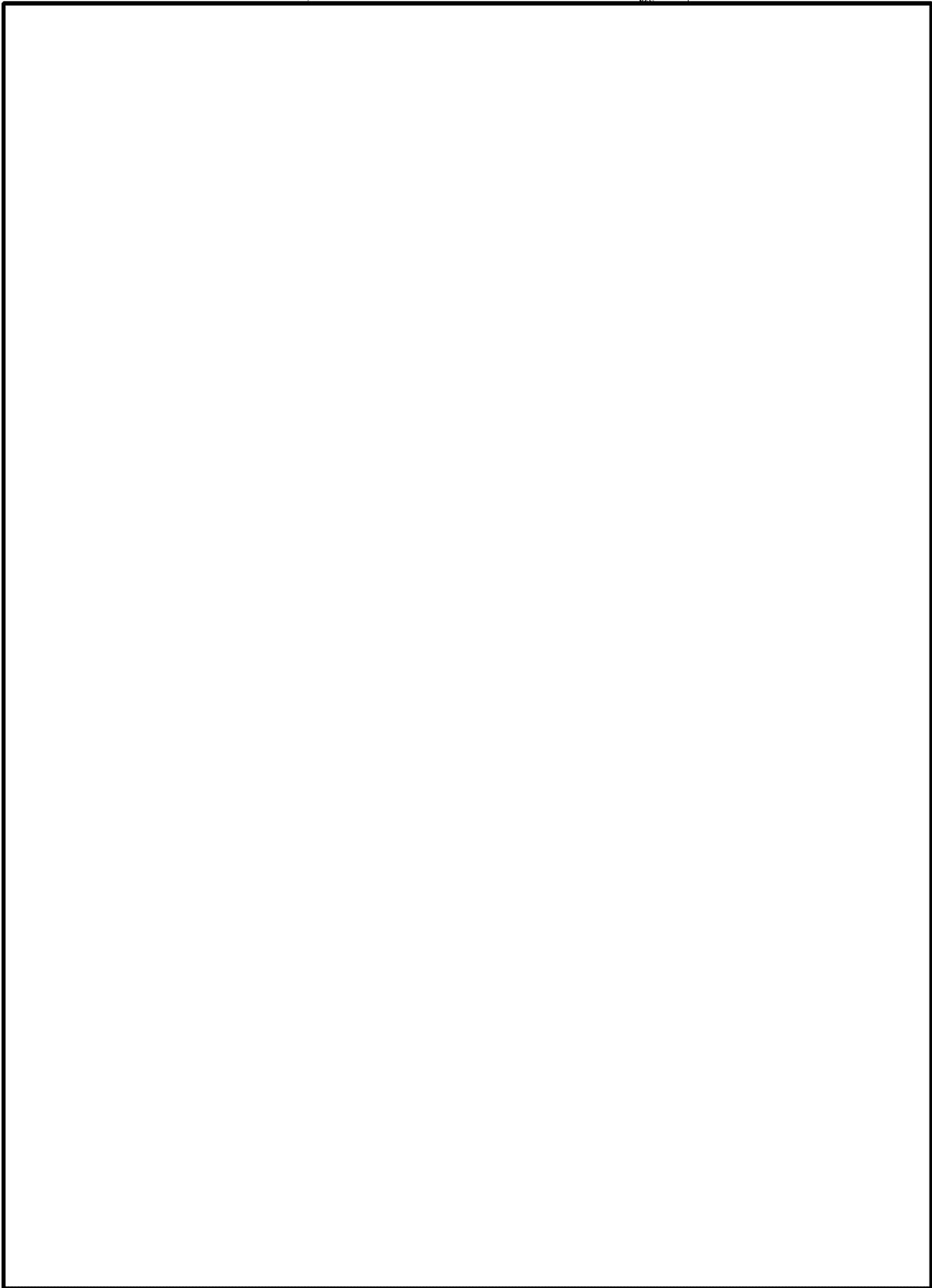
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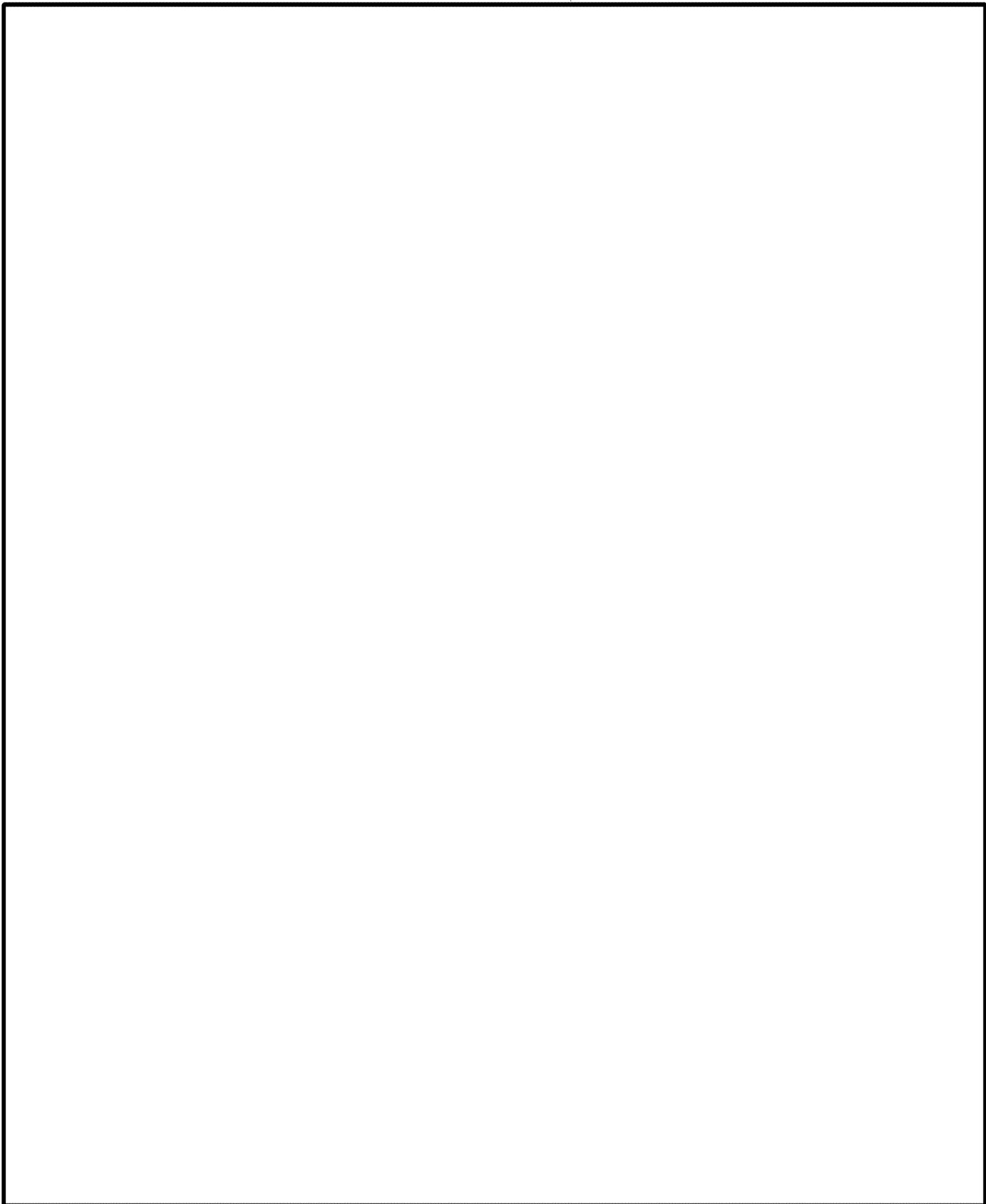
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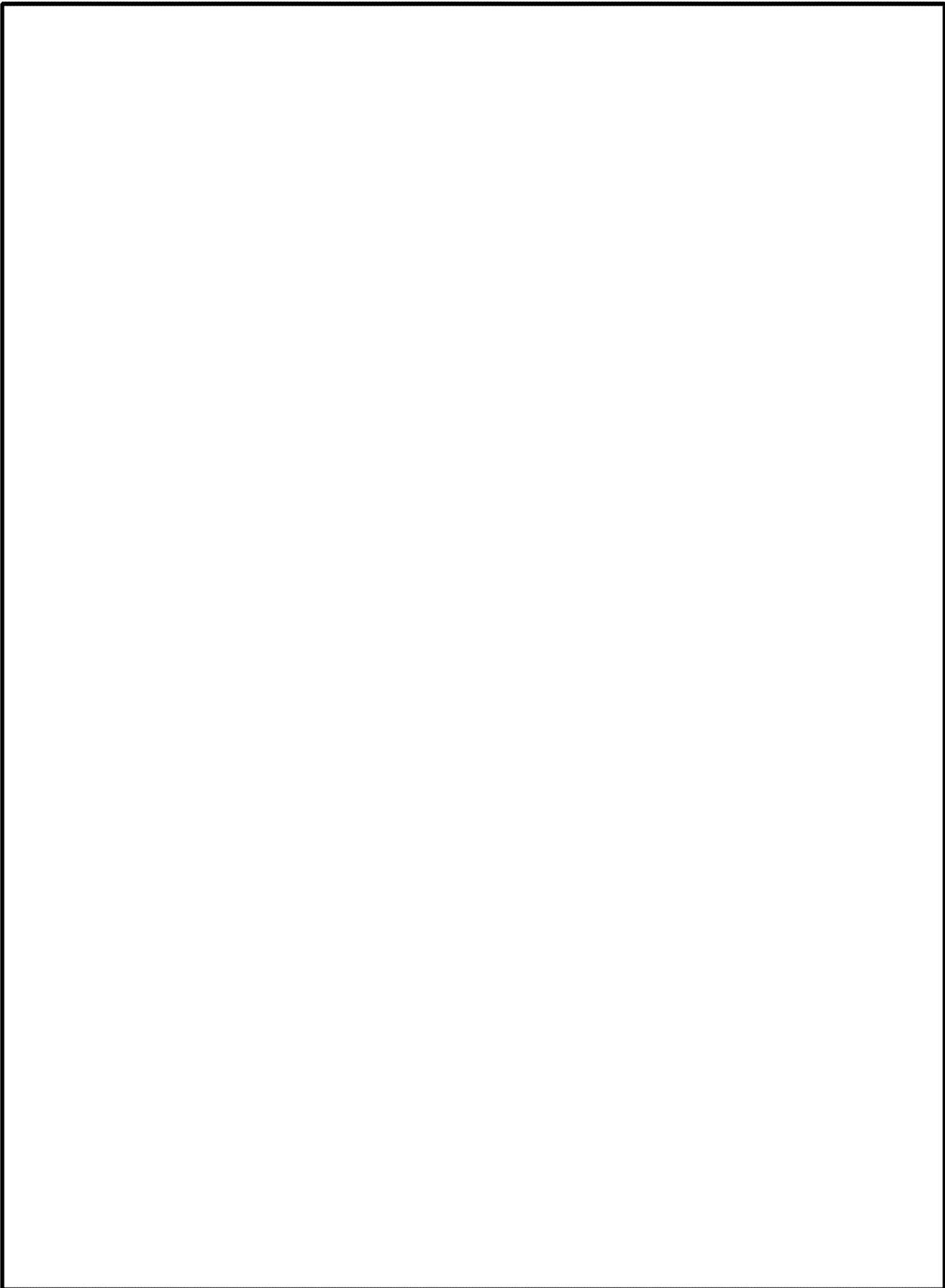




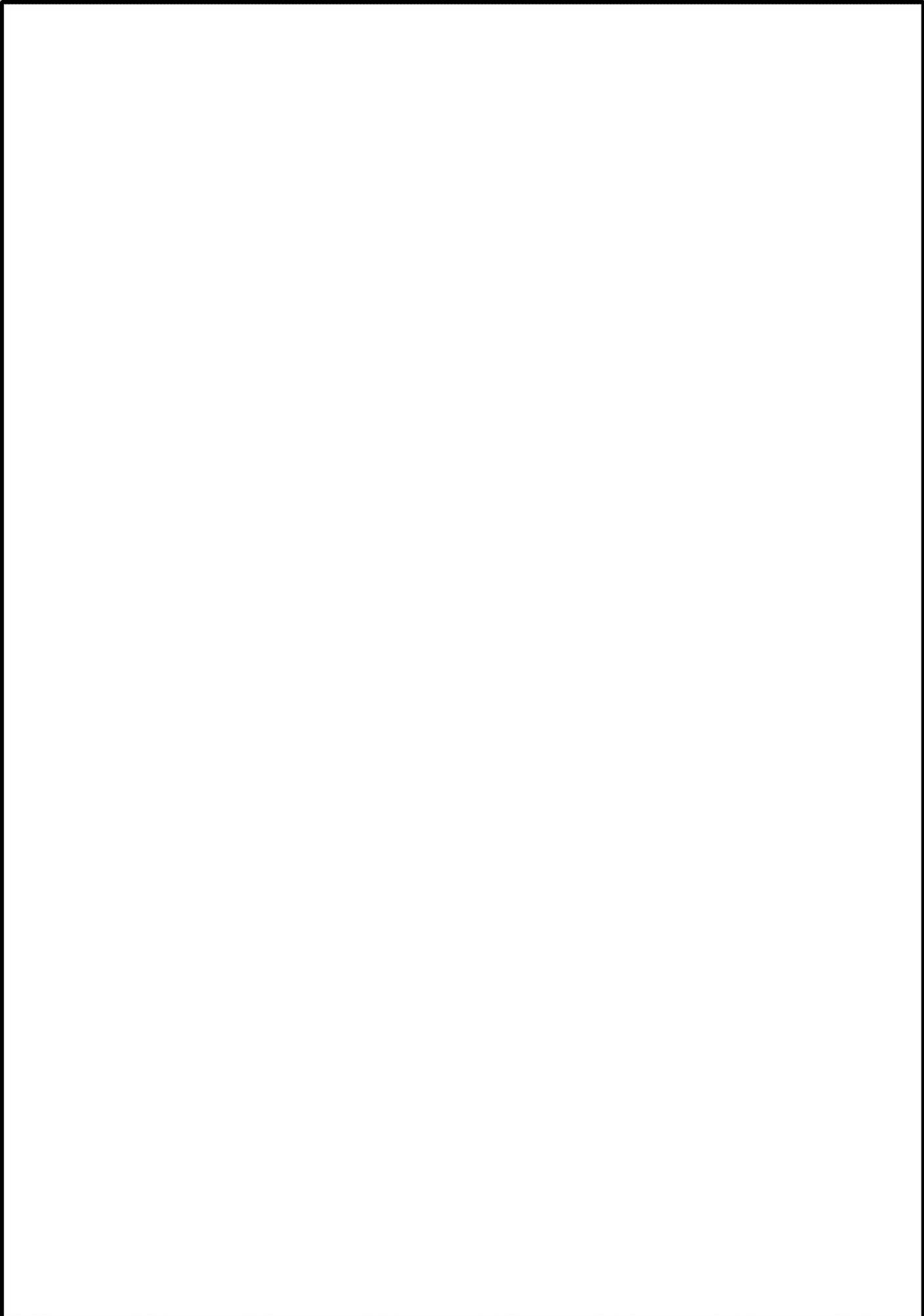
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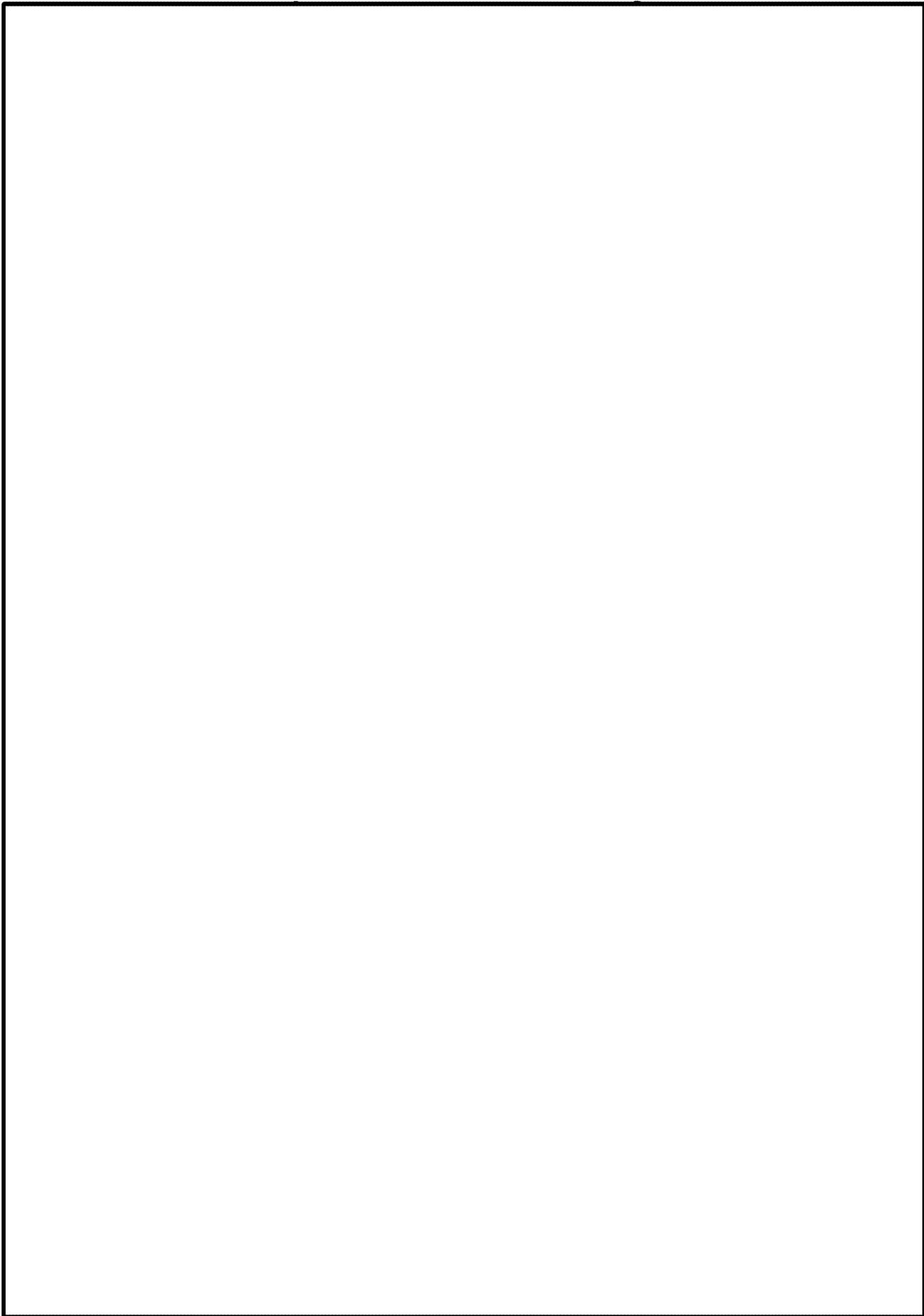
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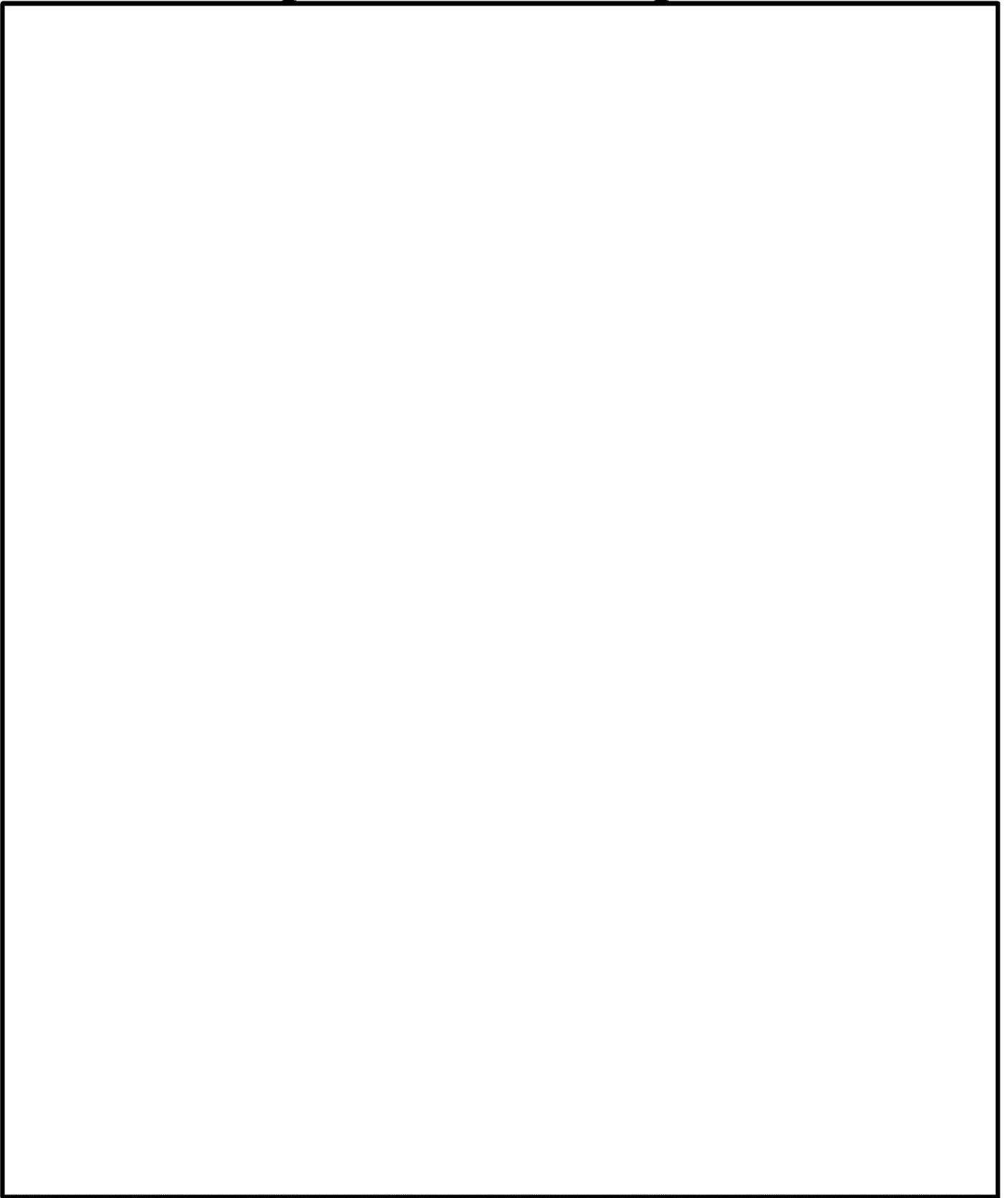
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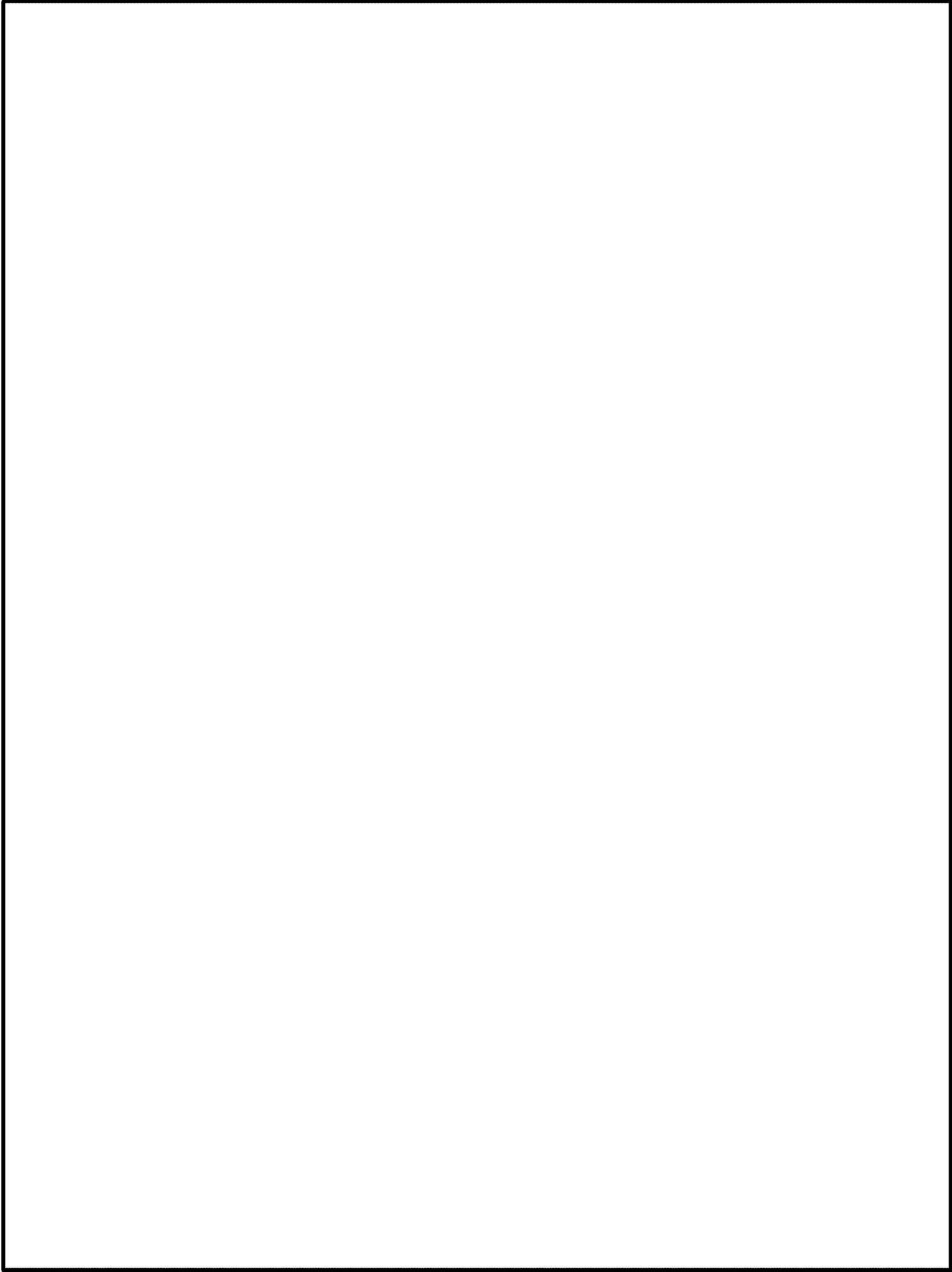
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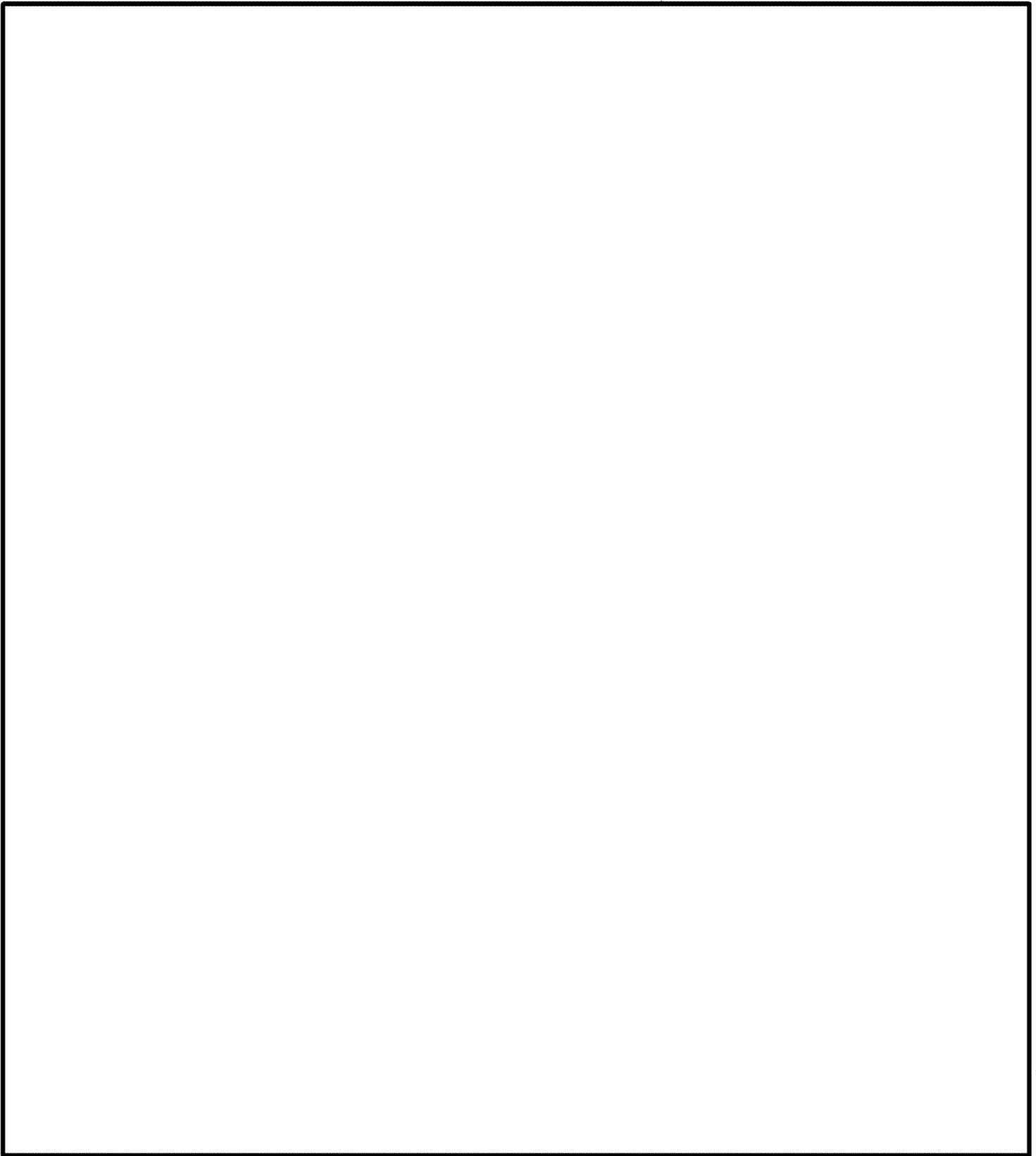


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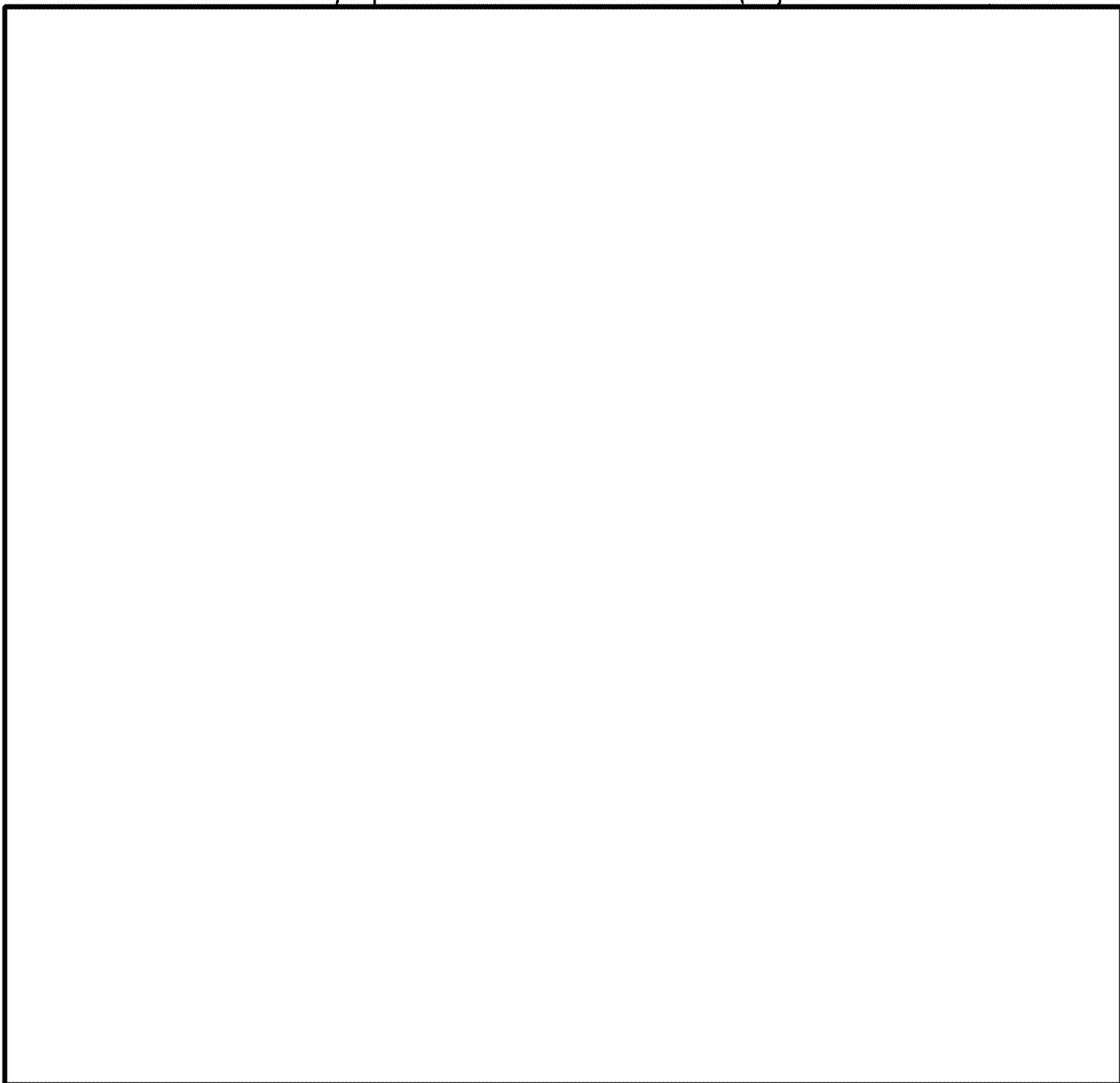


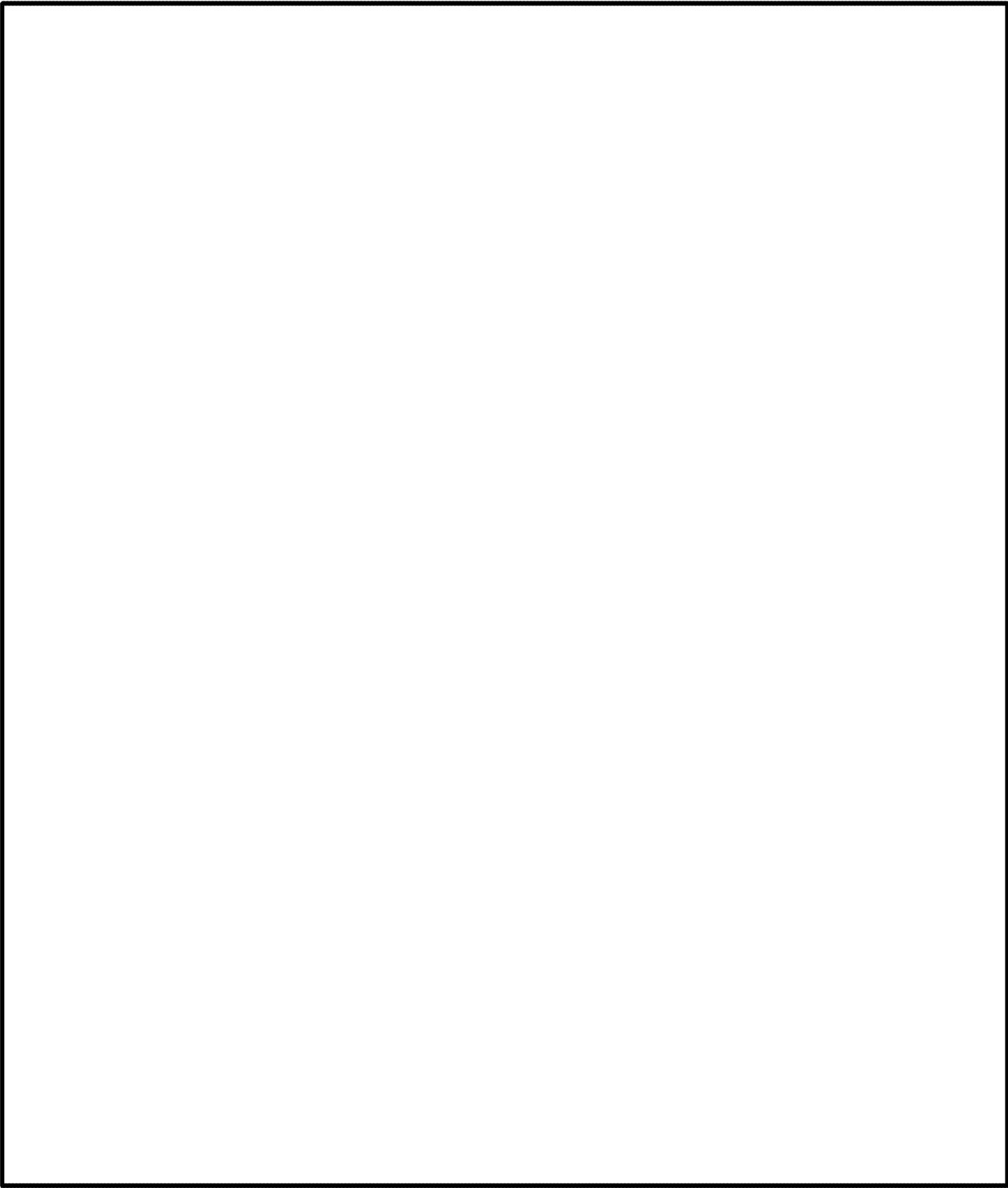
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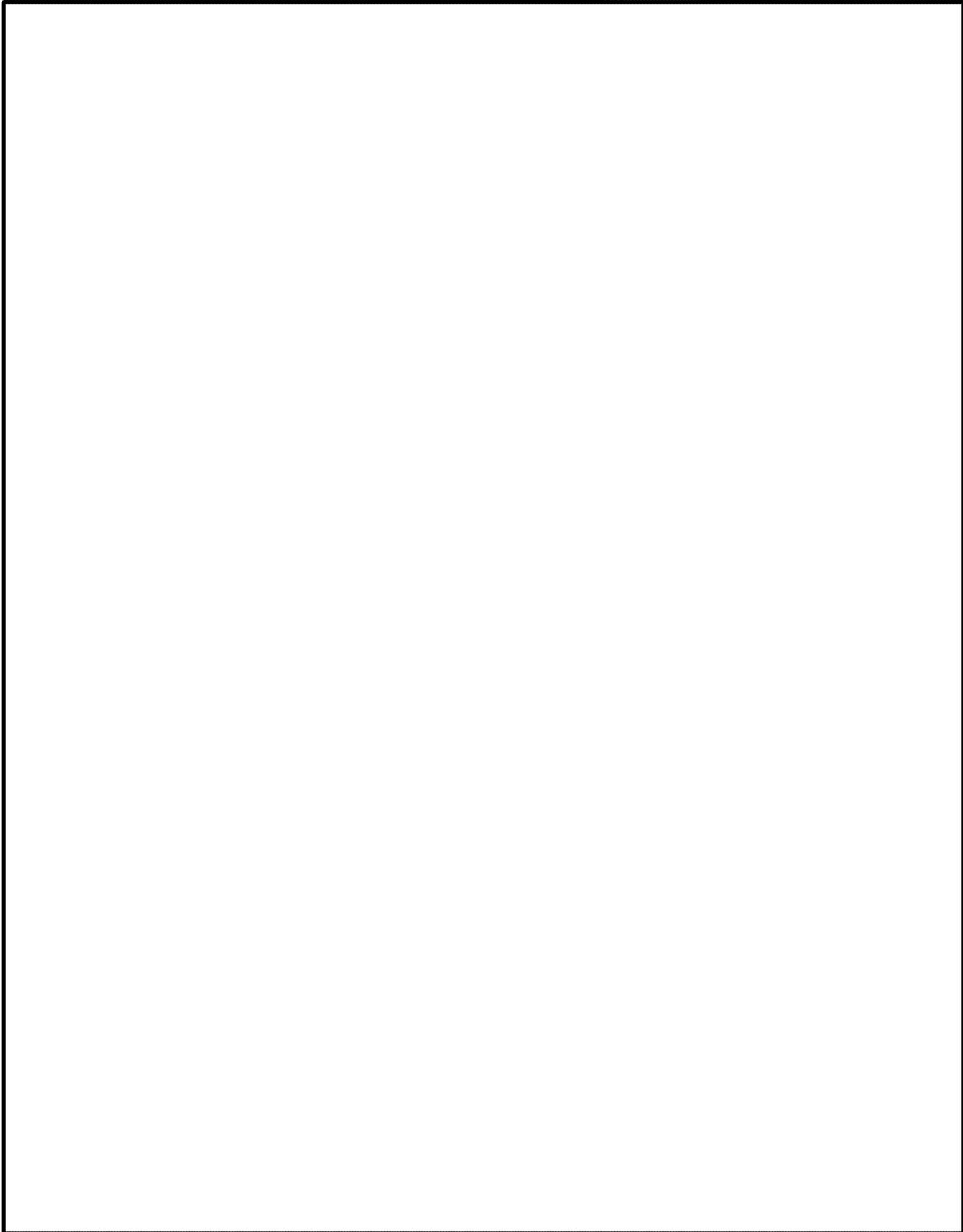


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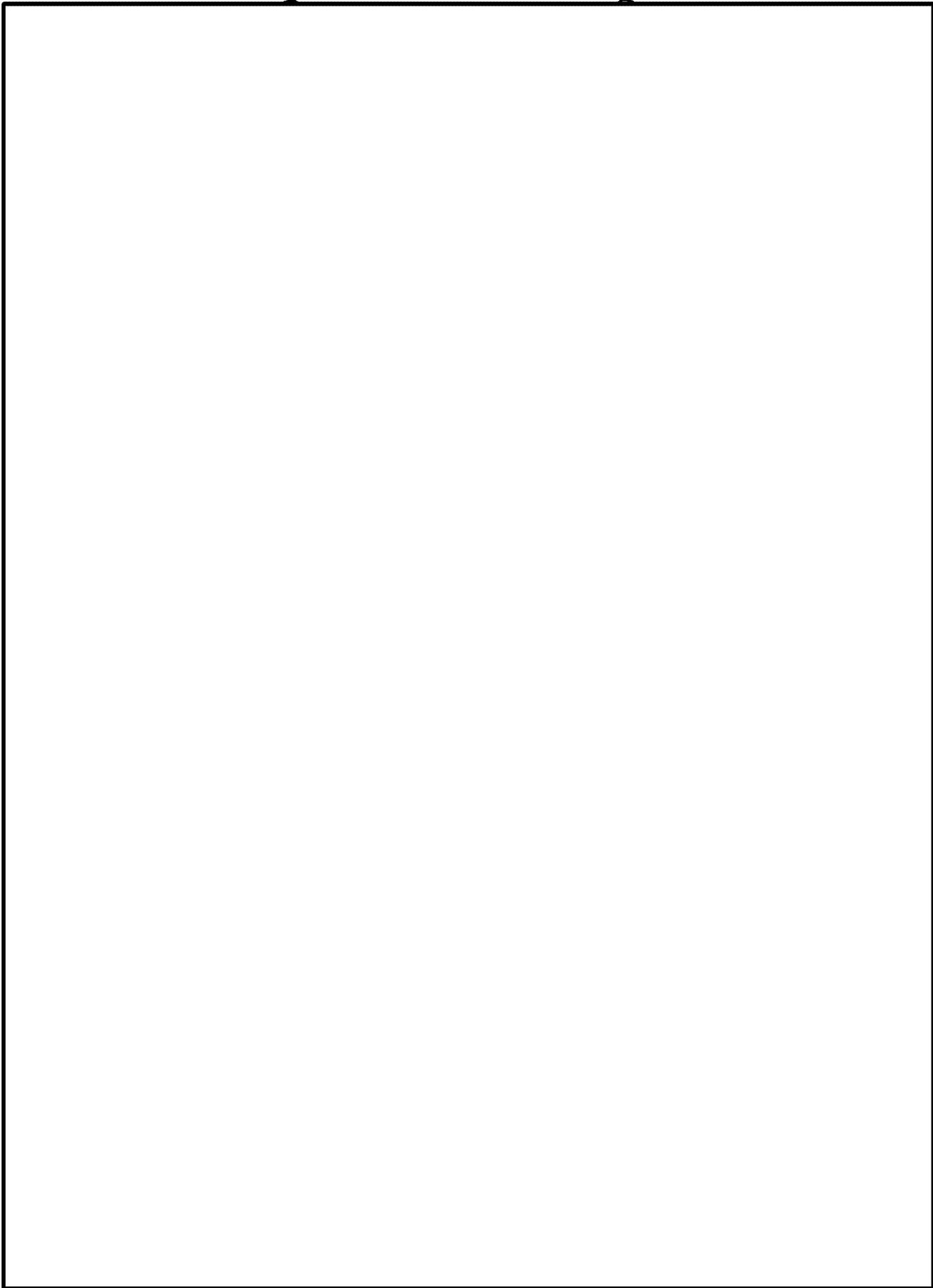
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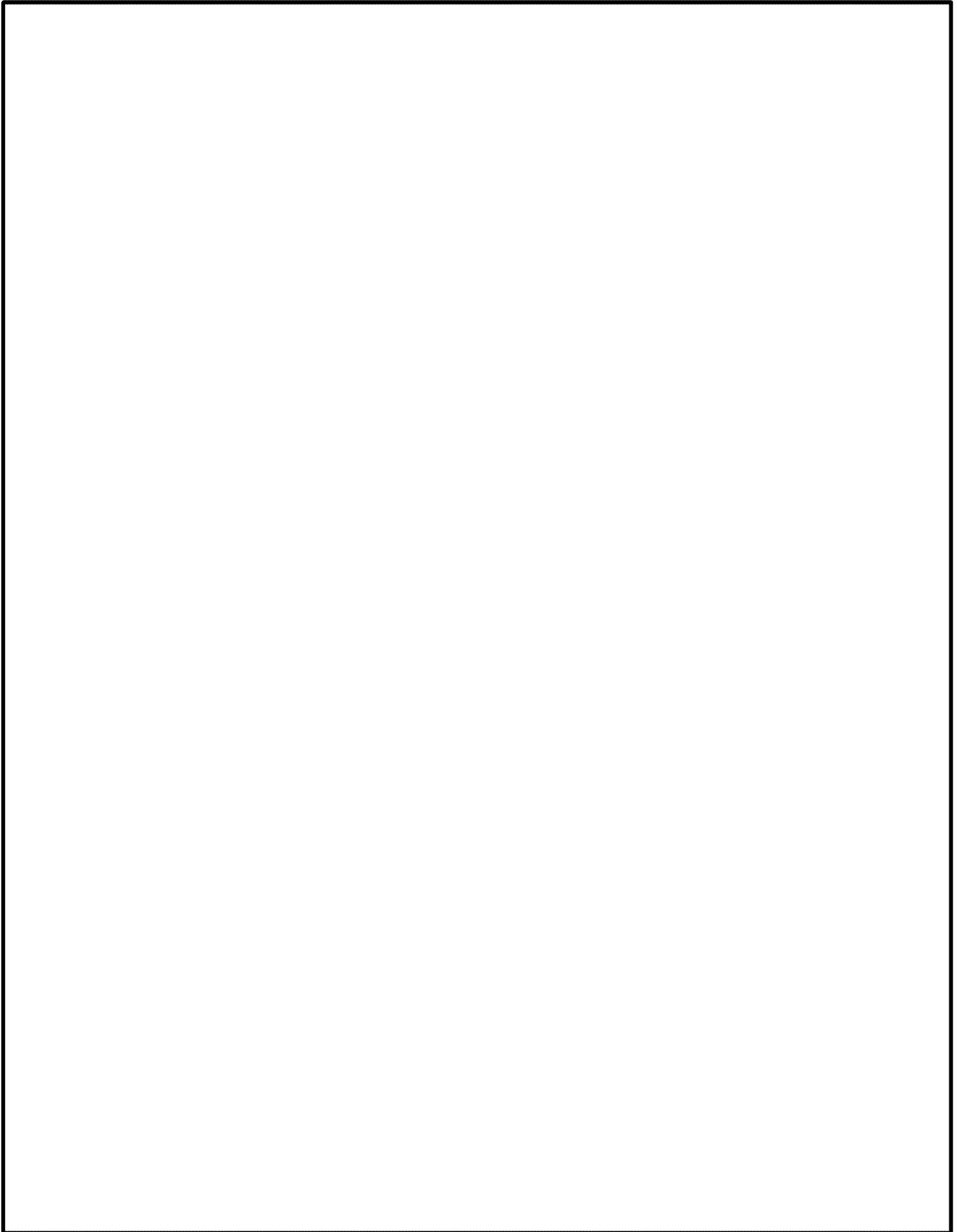
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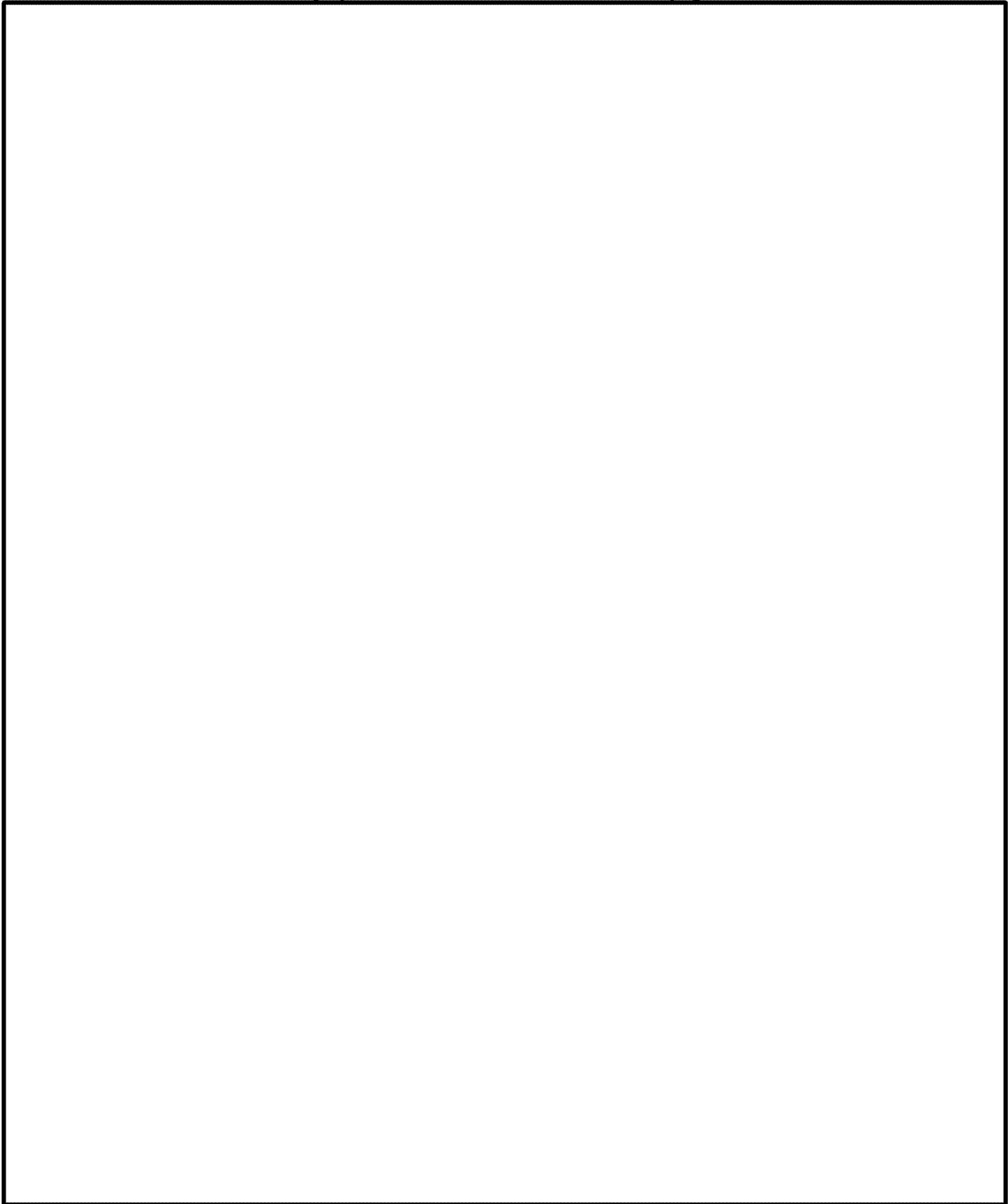


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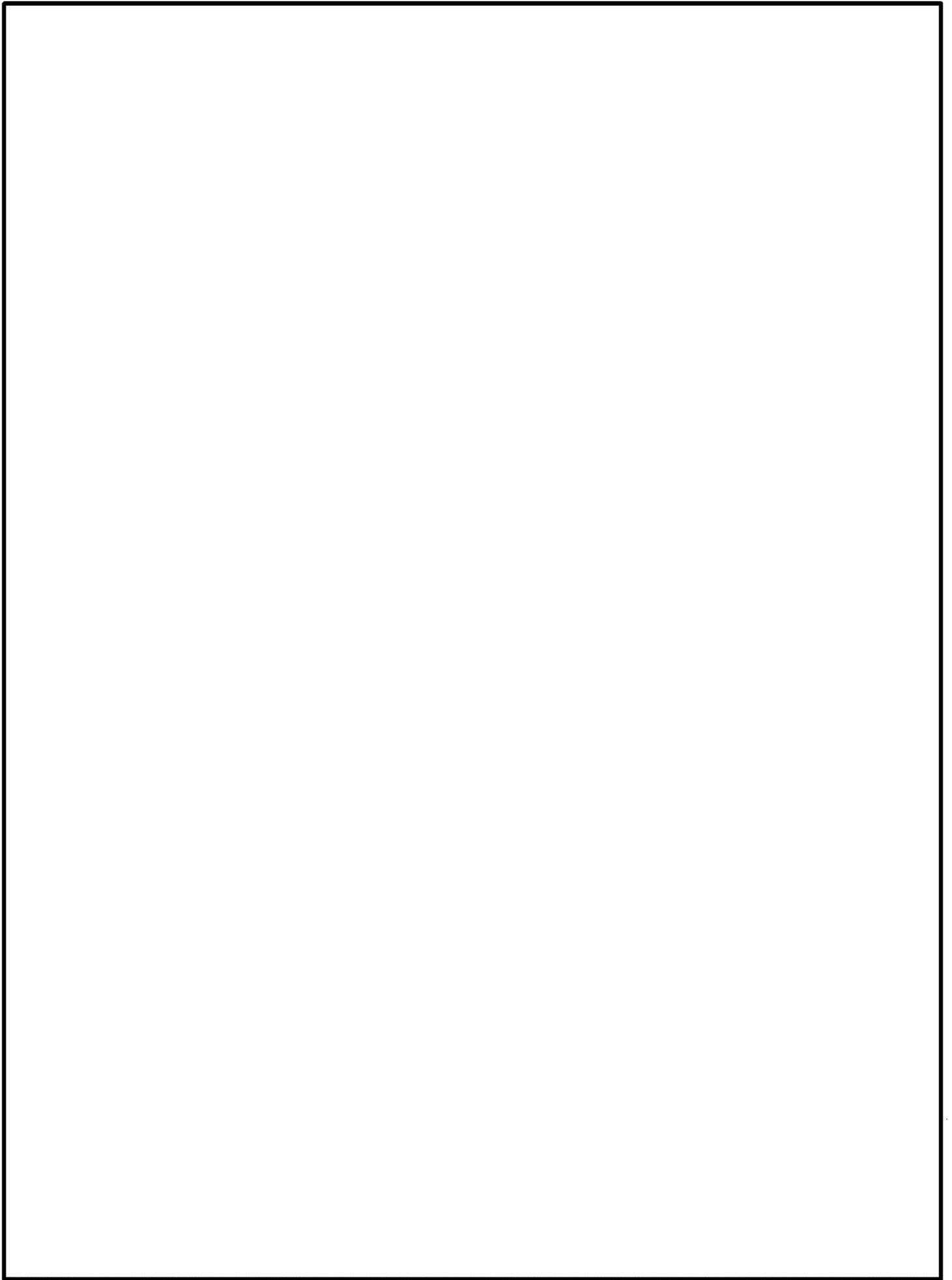
2010 County Drilling And Production Statistics



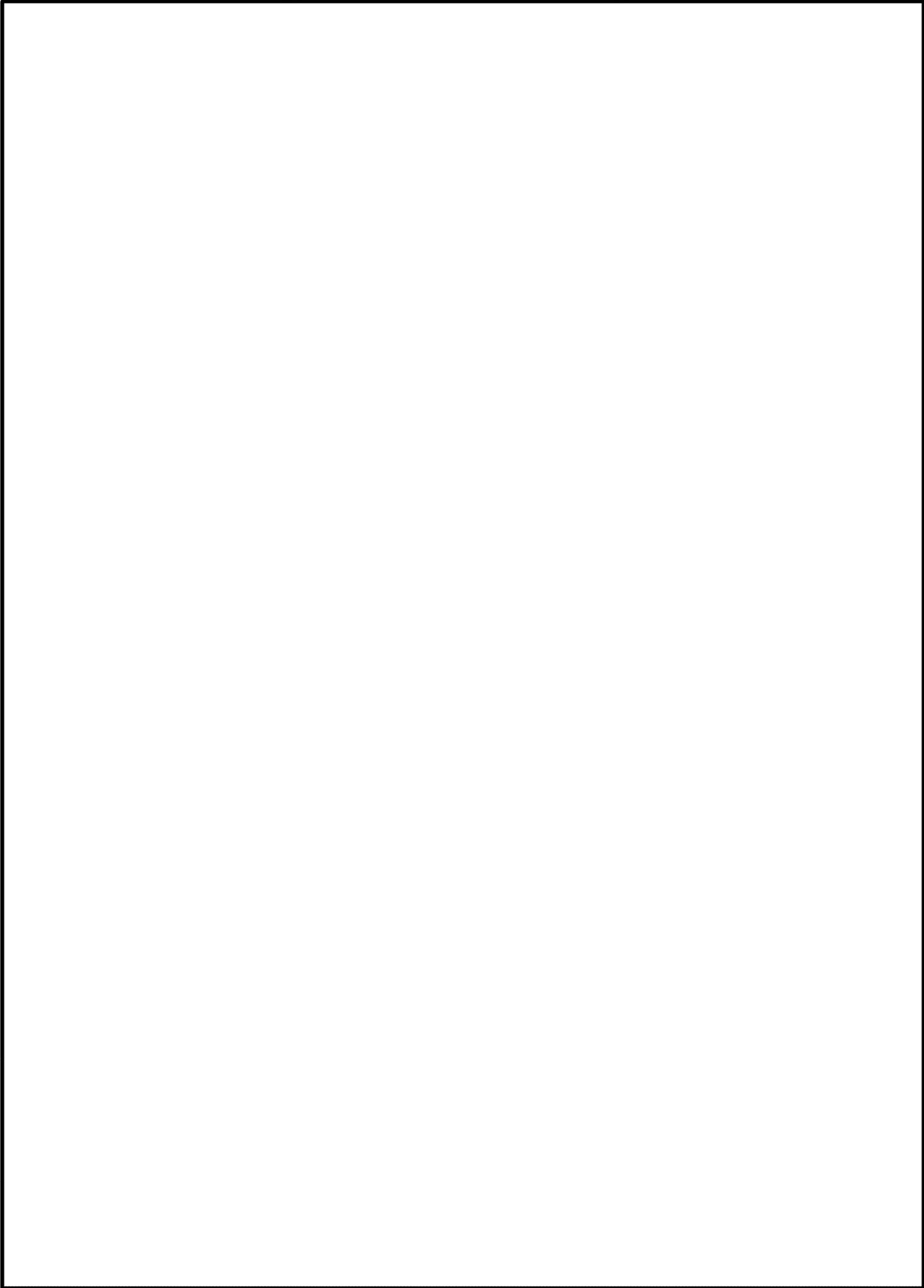
471 of 500



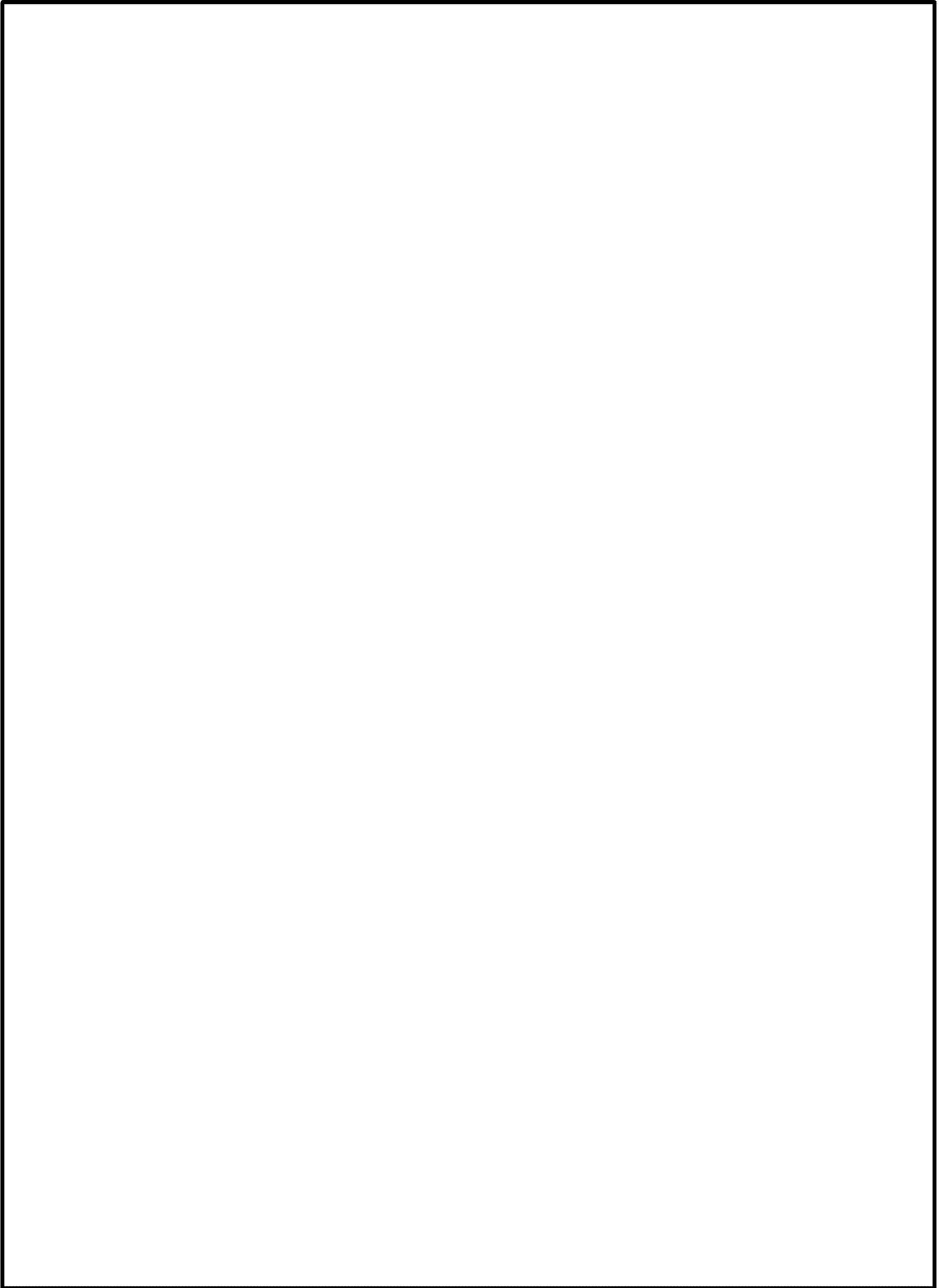
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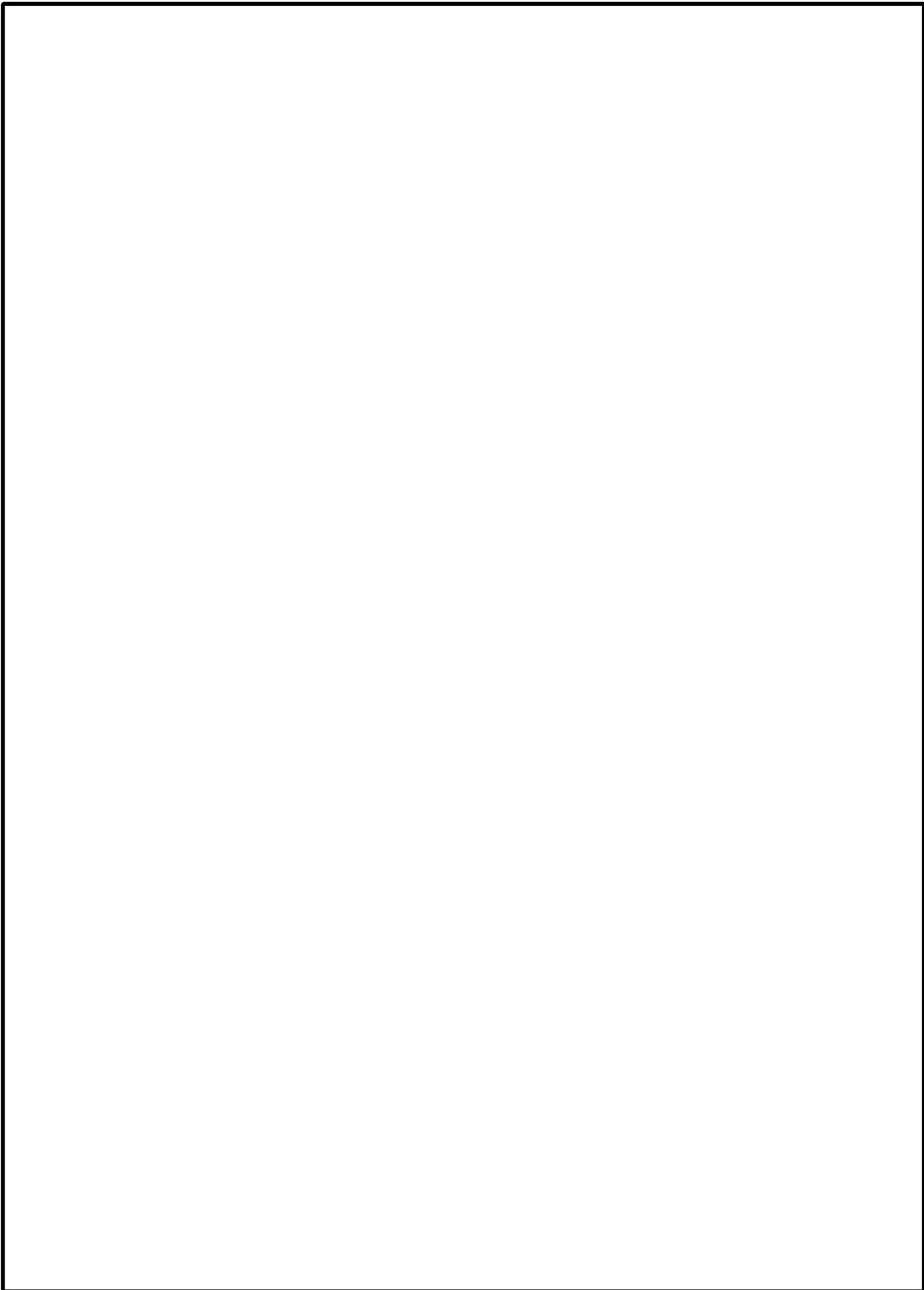


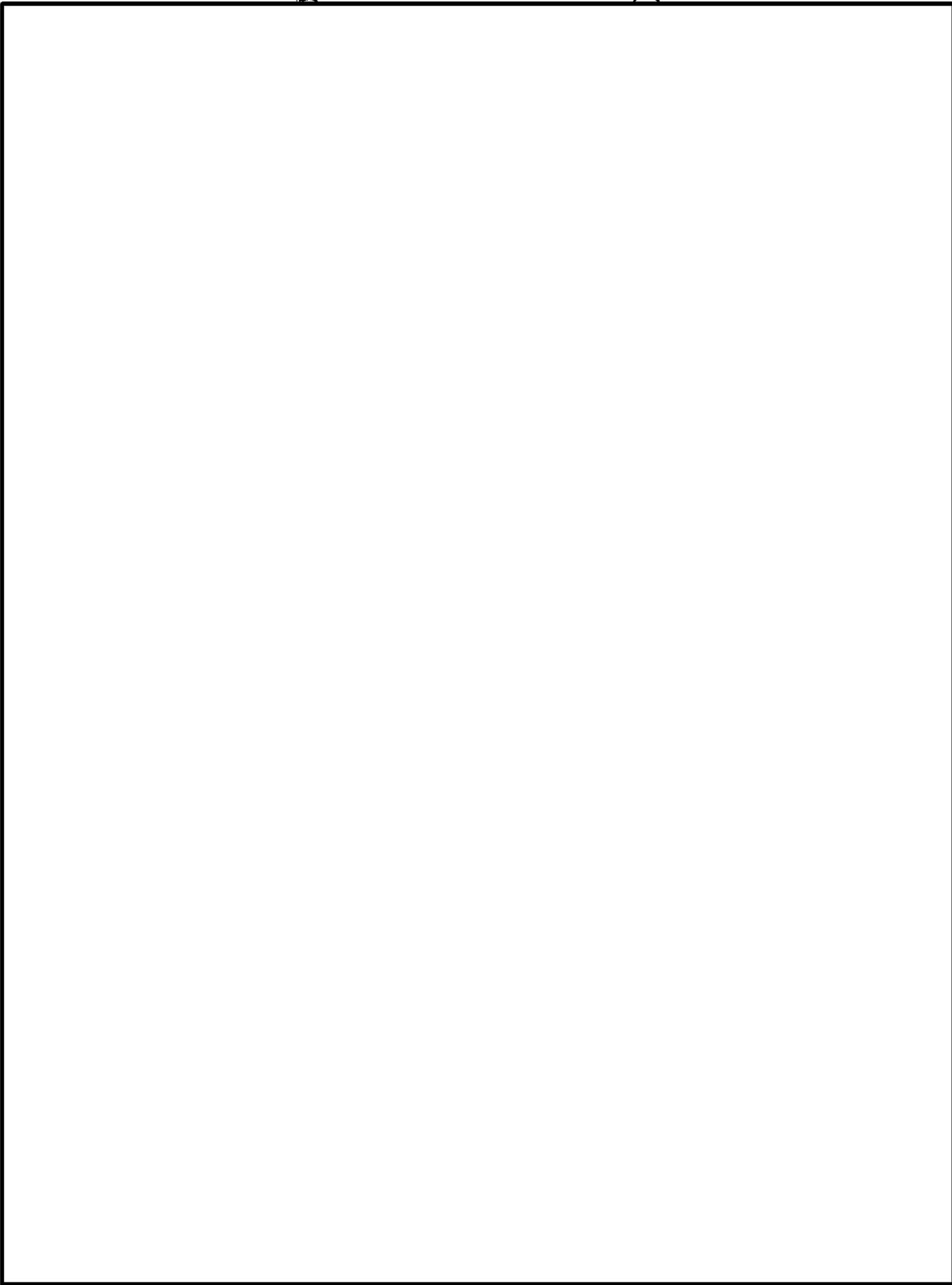
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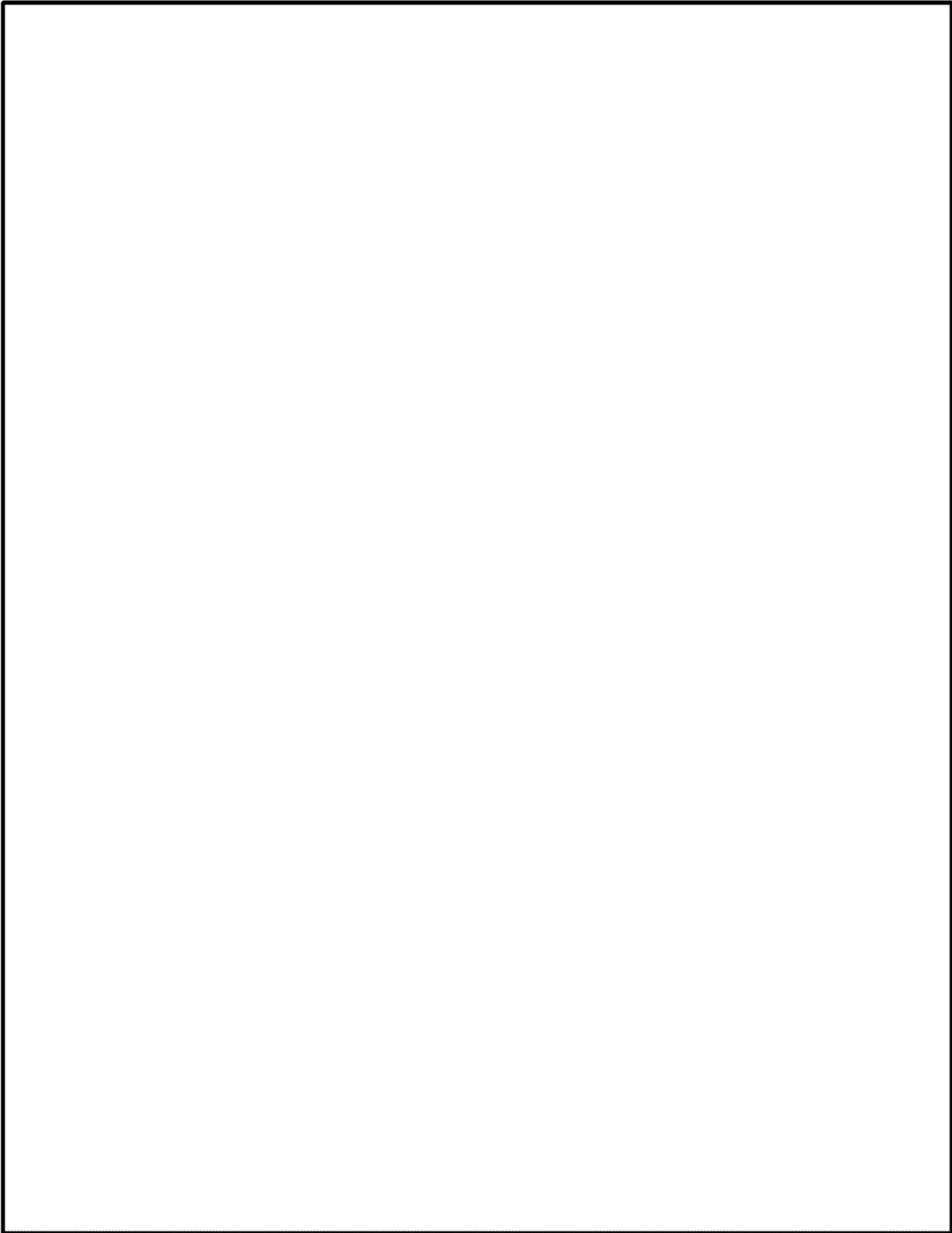


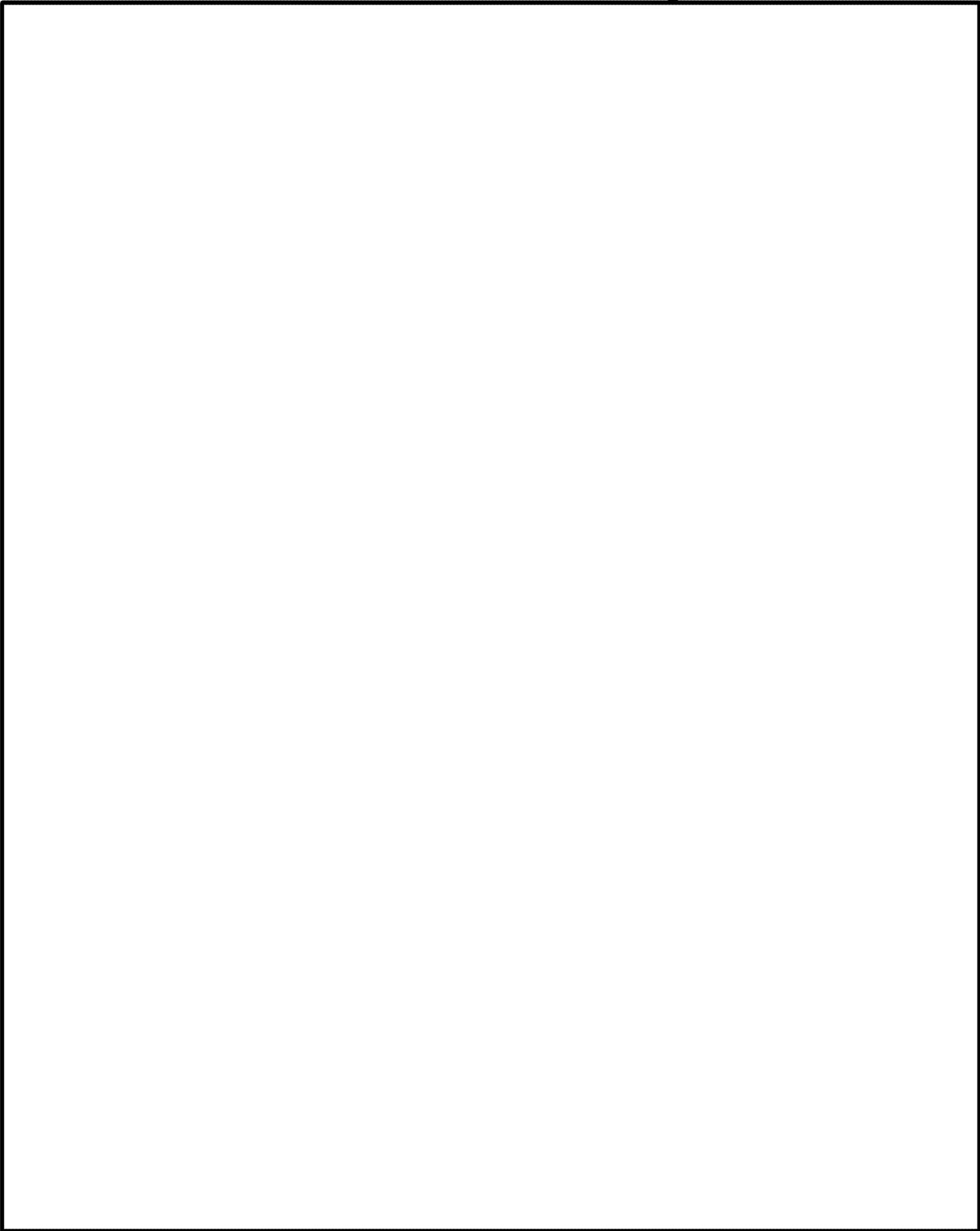
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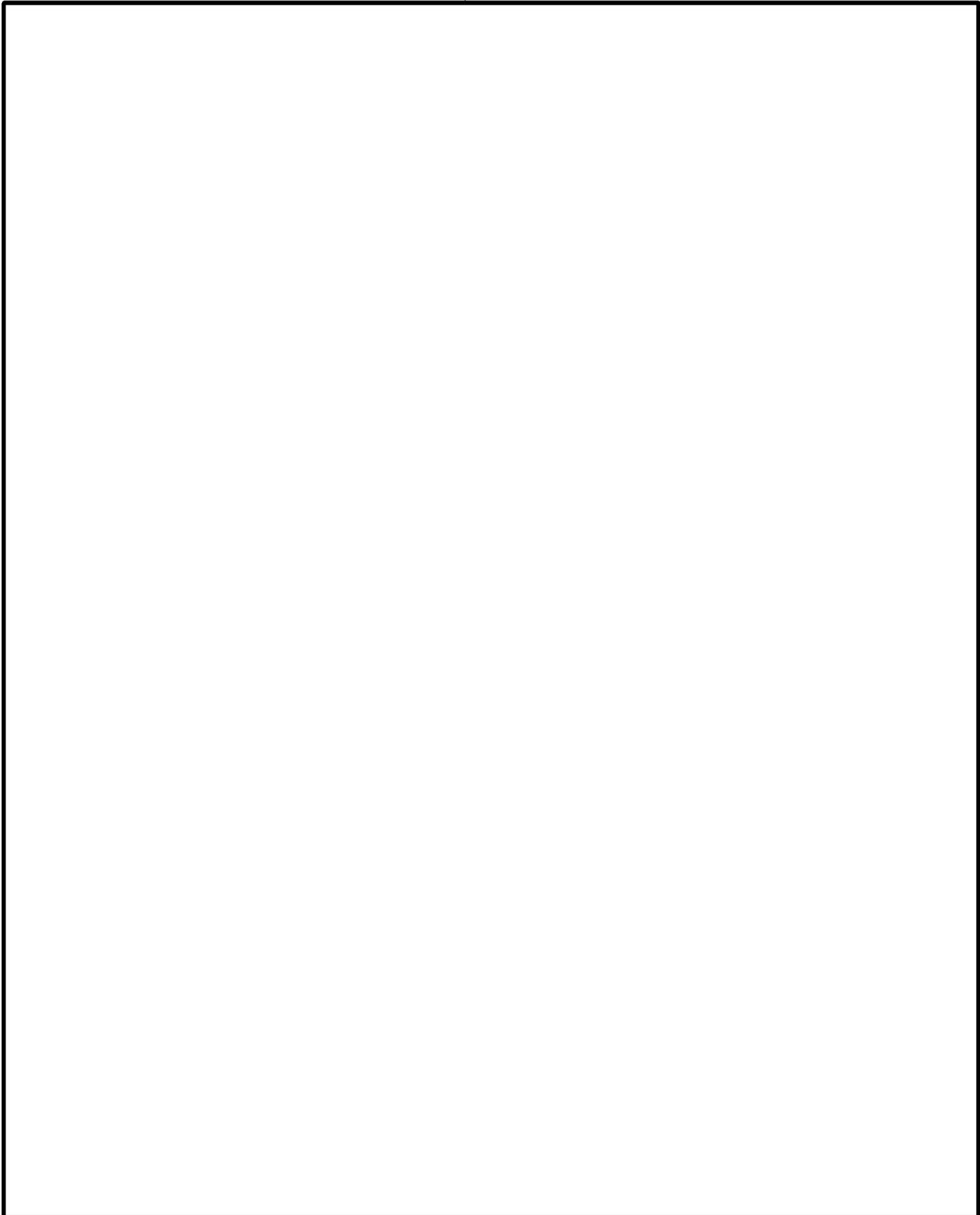




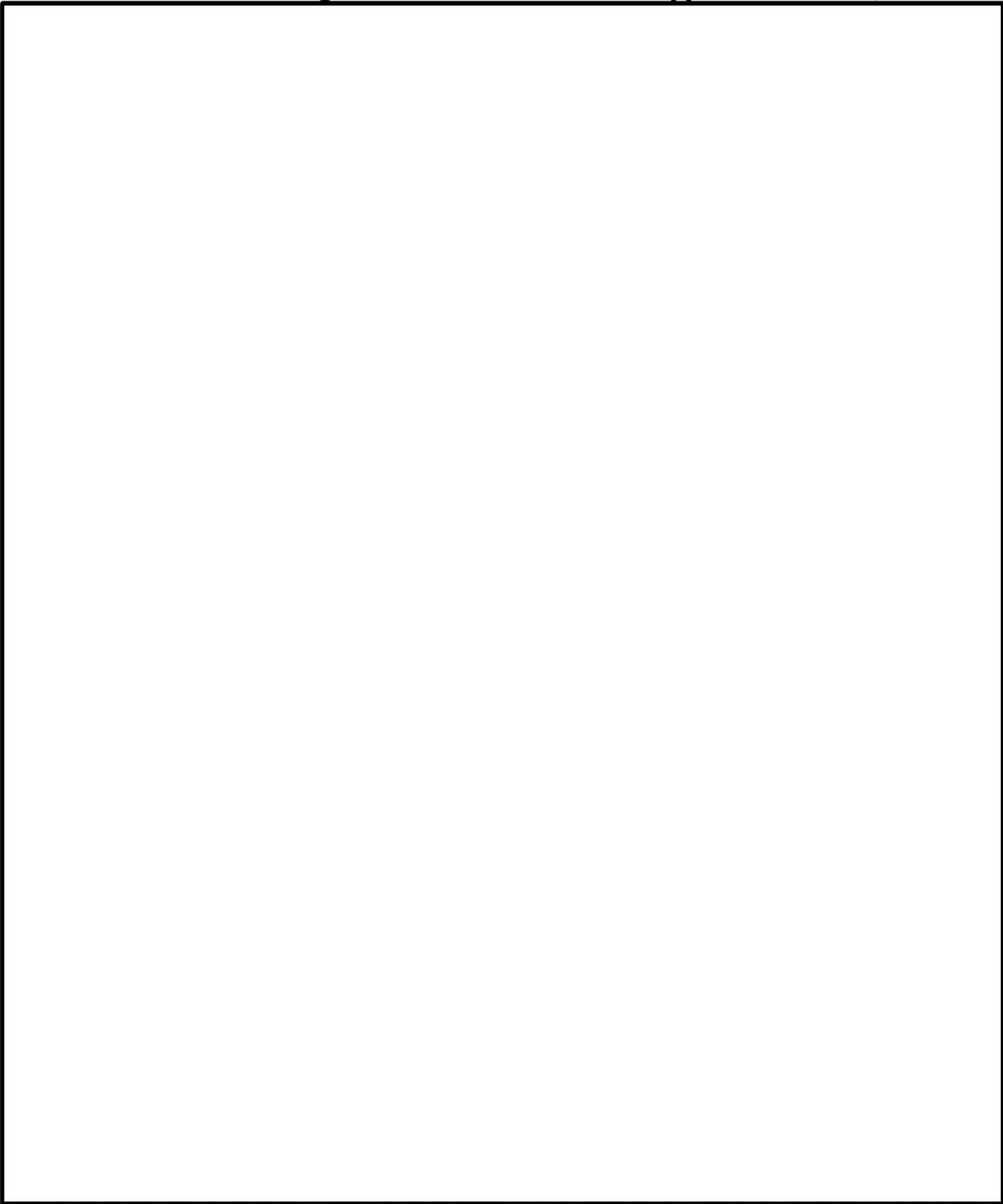


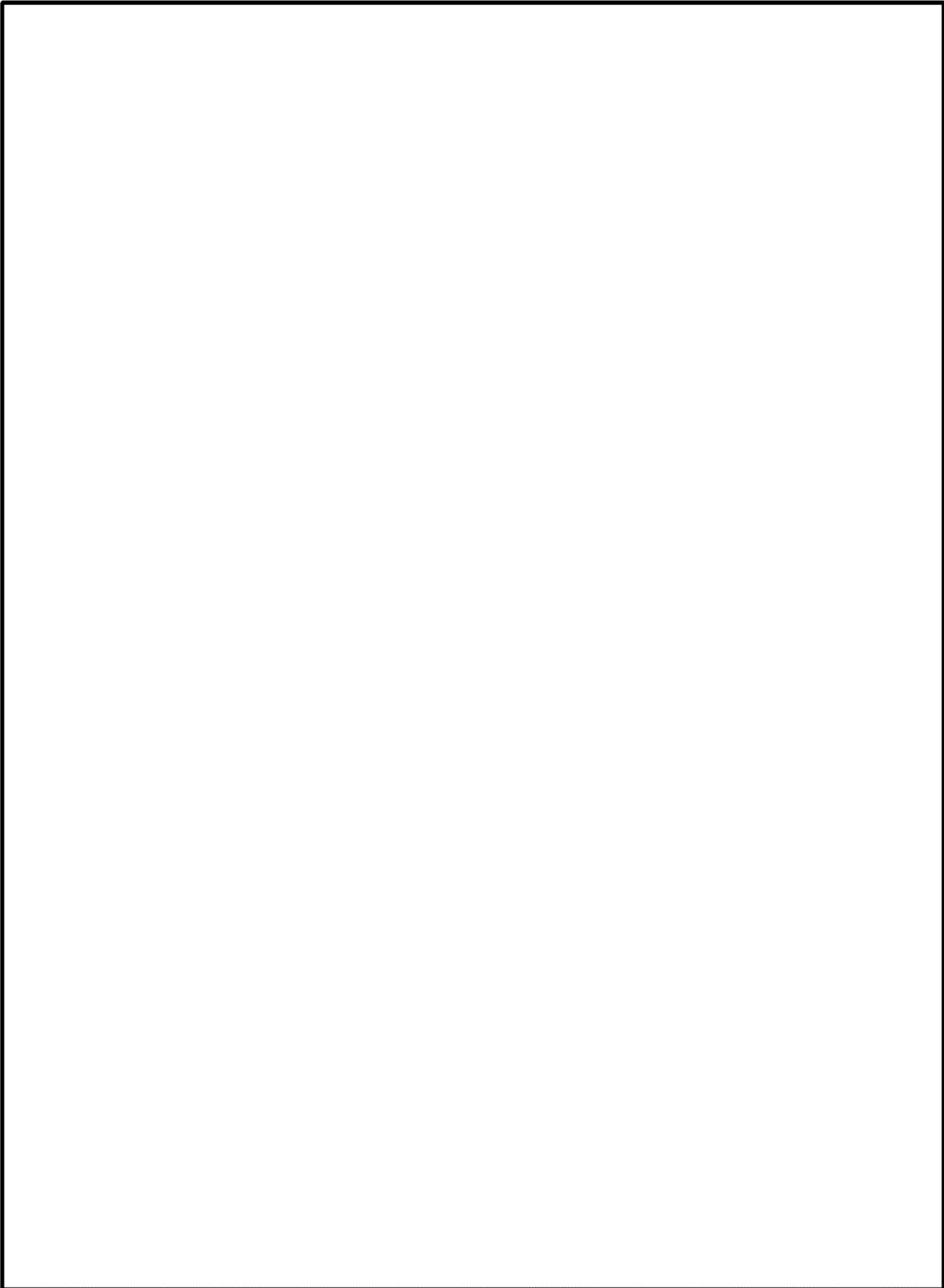
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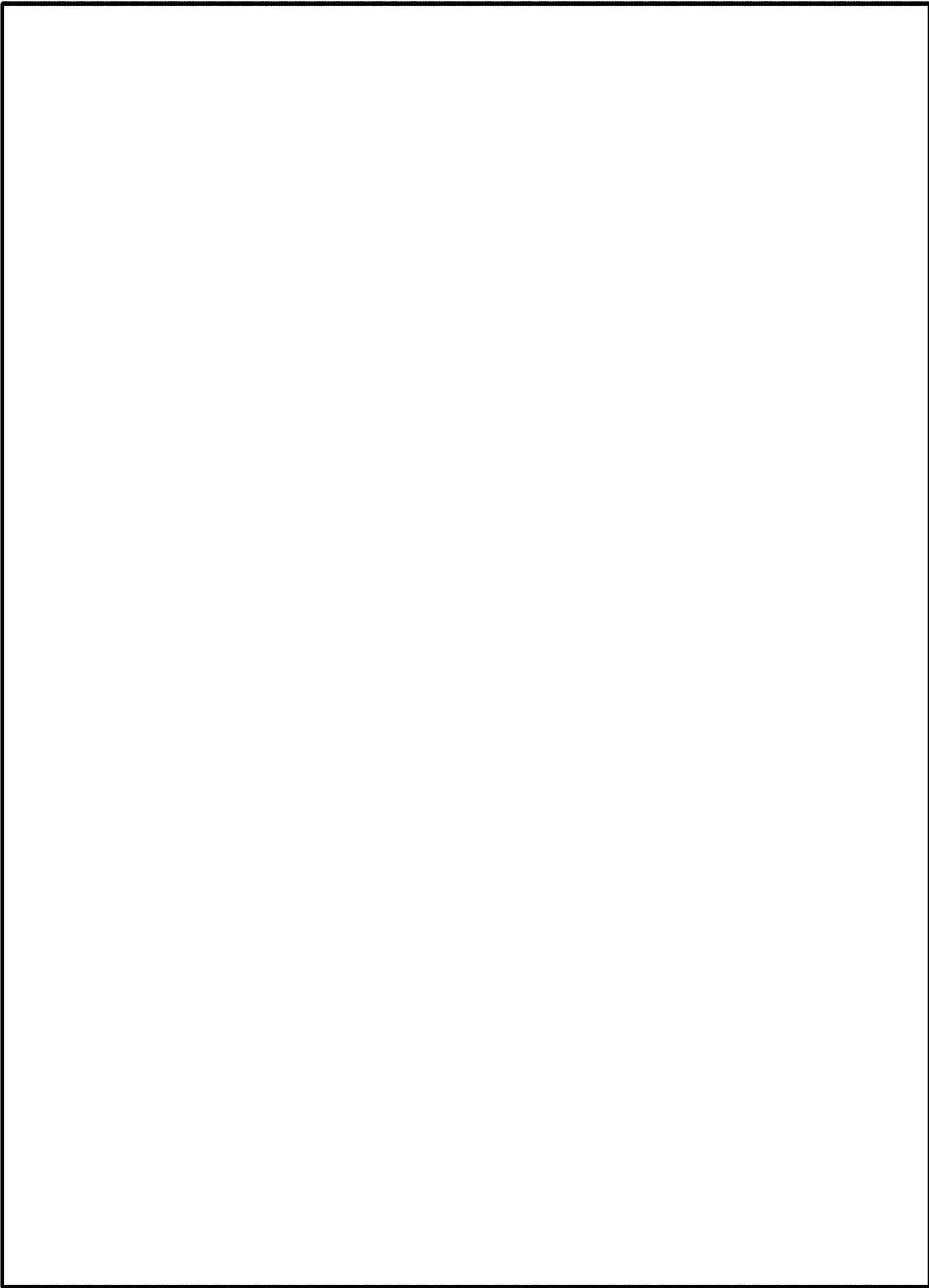
2010 County Drilling And Production Statistics



(b)(4)









2010 Top 100 Oil Producers

Company	Barrels of Oil	Company	Barrels of Oil
1 Encore Operating LP	5,452,349	51 H&R Energy, LLC	29,487
2 Enerplus Resources USA Corporation	3,767,268	52 Beadfoot Oil & Gas Company	29,285
3 Continental Resources Inc	2,886,923	53 El Paso E&P Company, L.P.	26,460
4 XTO Energy Inc.	2,521,107	54 Shakespeare Oil Co Inc	25,258
5 Burlington Resources Oil & Gas Company LP	2,082,470	55 Wesco Operating, Inc.	25,263
6 SM Energy Company	830,502	56 Eagle Oil & Gas Co.	25,203
7 Petro-Hunt, LLC	592,577	57 Craft Petroleum Company	24,194
8 St. Mary Land & Exploration Company	577,421	58 Tyler Oil Company	21,957
9 EOG Resources, Inc.	543,996	59 Camel Oil Company Dba Coca	21,275
10 Encore Energy Partners Operating LLC	494,934	60 Parker Oil	20,824
11 TAGA North USA, Inc.	452,097	61 Bluebonnet Energy Corporation	20,578
12 Ebscon Exploration Company Inc	447,842	62 McRae & Henry Ltd	19,820
13 Newfield Production Company	446,325	63 Wyoming Resources Corporation	19,175
14 Citron Oil & Gas Corp.	367,470	64 Provident Energy Assoc. Of Mt Lic	19,128
15 Whiting Oil and Gas Corporation	234,665	65 Missouri Basin Well Service, Inc.	18,967
16 MCR, LLC	205,325	66 Earthstone Energy, Inc.	18,842
17 Oasis Petroleum North America LLC	200,812	67 Horley & Deshmon	18,733
18 Outsilver Resources, Inc.	146,342	68 Benzco, Inc.	18,673
19 True Oil LLC	123,105	69 NFR Bear Paw Basin, LLC	18,233
20 Summit Oil Company, Inc.	109,654	70 Northern Oil Production, Inc.	18,210
21 Luff Exploration Company	99,002	71 Crusader Energy Group Inc.	17,926
22 Zenegy Operating Company, LLC	97,082	72 Kipling Energy Incorporated	17,471
23 Helix Oil and Gas Company, LLC	90,406	73 Anadarko Minerals, Inc.	17,448
24 Abrams Petroleum Corporation	89,761	74 Breen Corporation	15,166
25 Nautilus Poptar, LLC	89,082	75 Coolidge, G. B., Inc.	15,145
26 Summit Resources, Inc.	87,768	76 Energy Corporation of America	14,663
27 Kodiak Oil & Gas (UBA) Inc.	81,914	77 Blackjack Oil, Inc.	14,632
28 Brigham Oil & Gas LP	80,990	78 Linn Operating Inc.	14,452
29 Prima Exploration, Inc.	78,679	79 Beton Energy, Inc.	13,018
30 Samson Resources Company	70,990	80 R & A Oil, Inc.	12,905
31 G3 Operating, LLC	68,695	81 BTA Oil Producers, LLC	12,707
32 Keeson Corporation	68,237	82 Enclave Operating, LLC	12,271
33 FX Drilling Company, Inc.	67,341	83 Basic Earth Science Systems, Inc.	11,997
34 Orlimar Canada, Ltd.	67,008	84 K2 America Corporation	11,813
35 Chaparral Energy, LLC	62,823	85 Reserve Energy Resources, LLC	11,664
36 Cine Production Company	61,669	86 Grand Resources, Ltd.	10,408
37 Tomahawk Oil Company, Inc.	58,395	87 Comanche Drilling Company	9,976
38 Armstrong Operating, Inc.	52,330	88 T.W.O. (Taylor Well Operating)	9,364
39 Orlimar Petroleum, Inc.	45,630	89 Macum Energy Inc.	9,343
40 Mountain View Energy, Inc.	41,517	90 Tyler Rockies Exploration Ltd	9,306
41 Sinclair Oil & Gas Company	40,541	91 Hawkins, Robert S.	9,196
42 Bakko, Inc.	40,445	92 Sands Oil Company	9,102
43 EDOCO, LLC	39,243	93 Barnes, Ronald M. Or Margaret Ann	9,095
44 Cowry Enterprises, Ltd.	38,463	94 Hoffman, James D.	9,000
45 Soap Creek Associates, Inc.	37,553	95 Big Snowy Resources LP	8,862
46 Nadel and Gussman Rockies, LLC	36,571	96 King-Sherwood Oil	8,450
47 Wiliton Industrial Supply Corporation	36,486	97 Missouri River Royalty Corporation	8,357
48 Genesis ST Operating LLC	34,929	98 Black Hawk Resources, LLC	7,682
49 Bayswater Exploration & Production, LLC	34,107	99 XOIL Inc.	7,282
50 Cardinal Oil, LLC	29,973	100 NorthWestern Corporation	7,224

2010 Top Oil And Gas Producing Fields

Oil Fields		Gas Fields	
Field	Barrels	Field	MCF
1 Elm Coulee	11,452,512	1 Cedar Creek	15,698,229
2 Pennel	1,575,305	2 Bowston	12,023,833
3 Lockroot Suite, East, Unit	1,205,169	3 CK	8,717,200
4 Pine	1,050,486	4 Tiger Ridge	8,685,745
5 Lockroot Suite	783,254	5 Sawtooth Mountain	1,913,874
6 Cat'n Creek	781,043	6 Cat Bank	1,697,577
7 Bell Creek	418,369	7 Whitewater	1,568,609
8 Elk Beach	349,835	8 Loring	1,471,747
9 Flat Lake	340,319	9 Battle Creek	1,416,831
10 Cat Bank	302,220	10 St Joe Road	1,245,201
11 Kevin-Gumburst	291,480	11 Ashmeto	1,229,330
12 Basin/De, North	254,198	12 Red Rock	1,214,190
13 Elm Coulee, Northeast	246,599	13 Sherard, Area	1,161,919
14 Little Beaver	227,392	14 Butteacker	1,078,928
15 Waterhole Creek	189,156	15 Otetz	537,271
16 Moon Dak, West	175,775	16 Loring, East	517,686
17 Ponders	161,419	17 Whitash	485,483
18 Bowens	158,516	18 Kevin-Gumburst	444,000
19 Mcmarsh	150,312	19 Prairie Dell	439,054
20 Gas City	149,429	20 Dry Creek	411,011
21 Windy Ridge	140,649	21 Old Shelby	350,123
22 Bush Lake	131,571	22 Rocky Boy Area	320,303
23 Divide	115,528	23 Keith, East	298,414
24 Little Beaver, East	114,241	24 Fresno	283,334
25 Sioux Pass, North	108,576	25 Pine Gas	257,601
26 Entel, North	99,705	26 Black Coulee	259,730
27 Dayer	98,490	27 Amards	255,686
28 Lustra	93,332	28 Bowes	227,657
29 Basin/De	92,658	29 Tonca	223,598
30 Mofly	91,841	30 Big Coulee	220,778
31 Ridgefarm	91,799	31 Badlands	209,919
32 Sioux Pass	91,534	32 Sherard	208,695
33 Scamtra	89,162	33 Leroy	207,474
34 Katy Lake, North	88,259	34 Cool Creek	183,912
35 Rabbit Hills	88,050	35 Swanson Creek	171,768
36 Lane	84,255	36 Big Rock	166,227
37 Glendive	82,316	37 Whitewater, East	159,315
38 Vol	75,409	38 Kevin Southwest	147,398
39 Red Bank	67,400	39 Utopia	140,031
40 Breed Creek	66,741	40 Miners Coffee	130,282
41 Fairview	66,472	41 Brown's Coffee, East	116,950
42 Whitash	65,994	42 Dunmore	116,331
43 Poplar, East	64,654	43 Lake Francis	114,730
44 Bloomfield, South	63,721	44 Cherry Patch, Southeast	112,794
45 Crane	61,421	45 O'Briens Coffee	109,650
46 Poplar, Northwest	58,992	46 Arch Apex	101,090
47 Reagan	57,907	47 Lake Basin	98,935
48 Clear Lake	57,486	48 Willow Ridge, South	95,349
49 Palomino	56,906	49 Cherry Patch, Southwest	92,363
50 Anvil, North	54,731	50 Dry Creek (Shallow Gas)	85,019

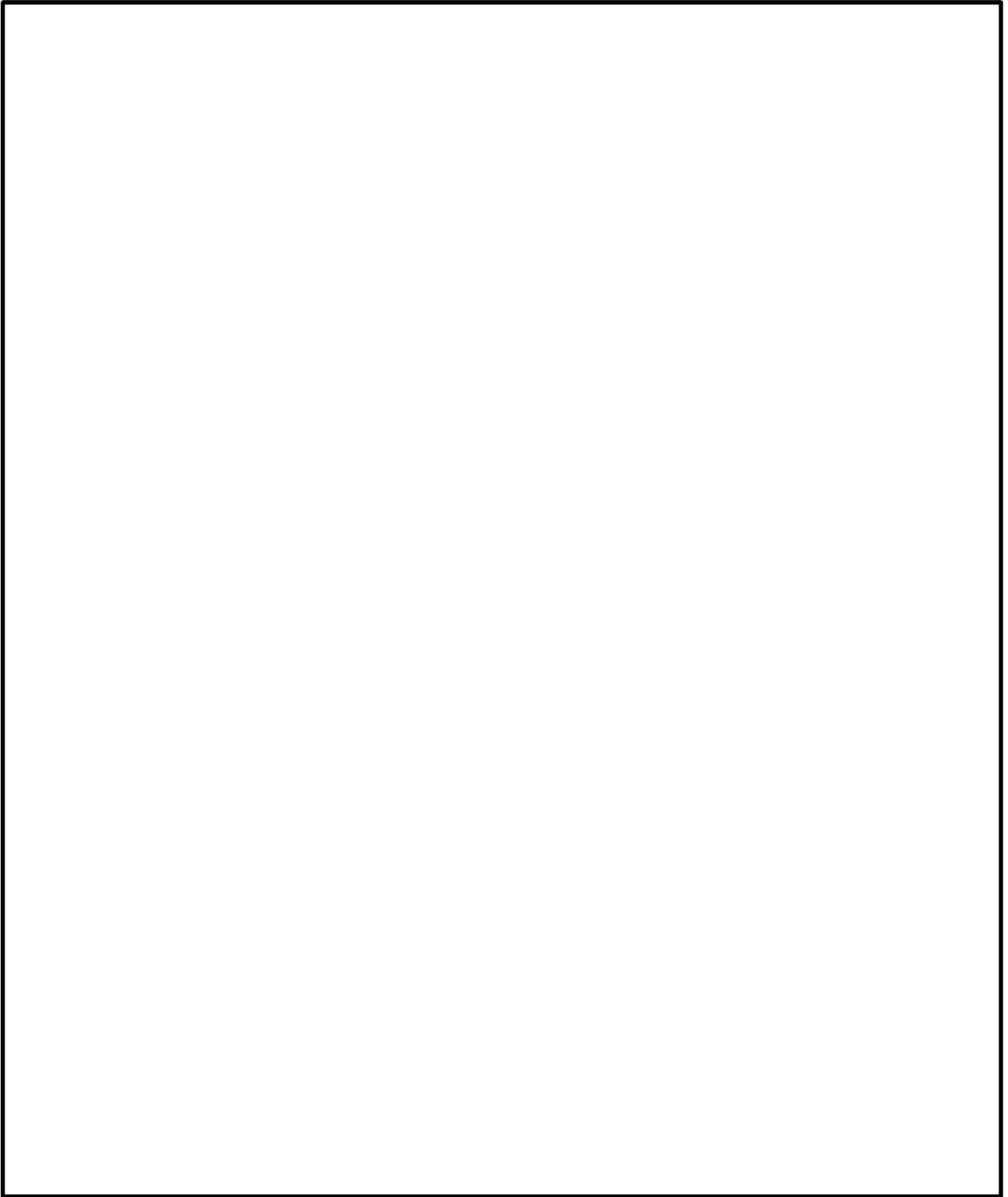
Exhibit 2-B

Executive Summary for the Regional Center dated April 2013;

April 2013

(b)(4)

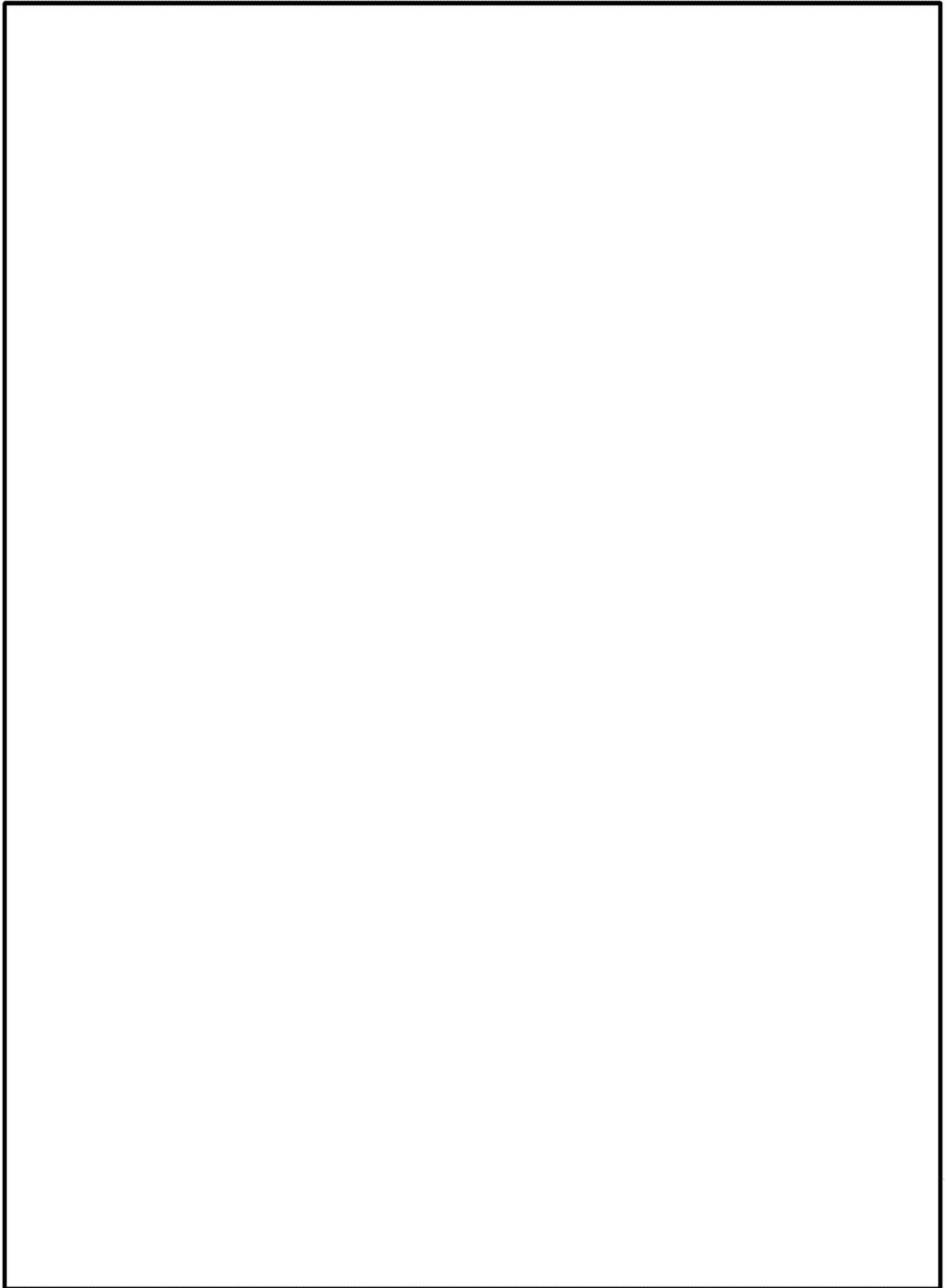
Executive Summary



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April 2013



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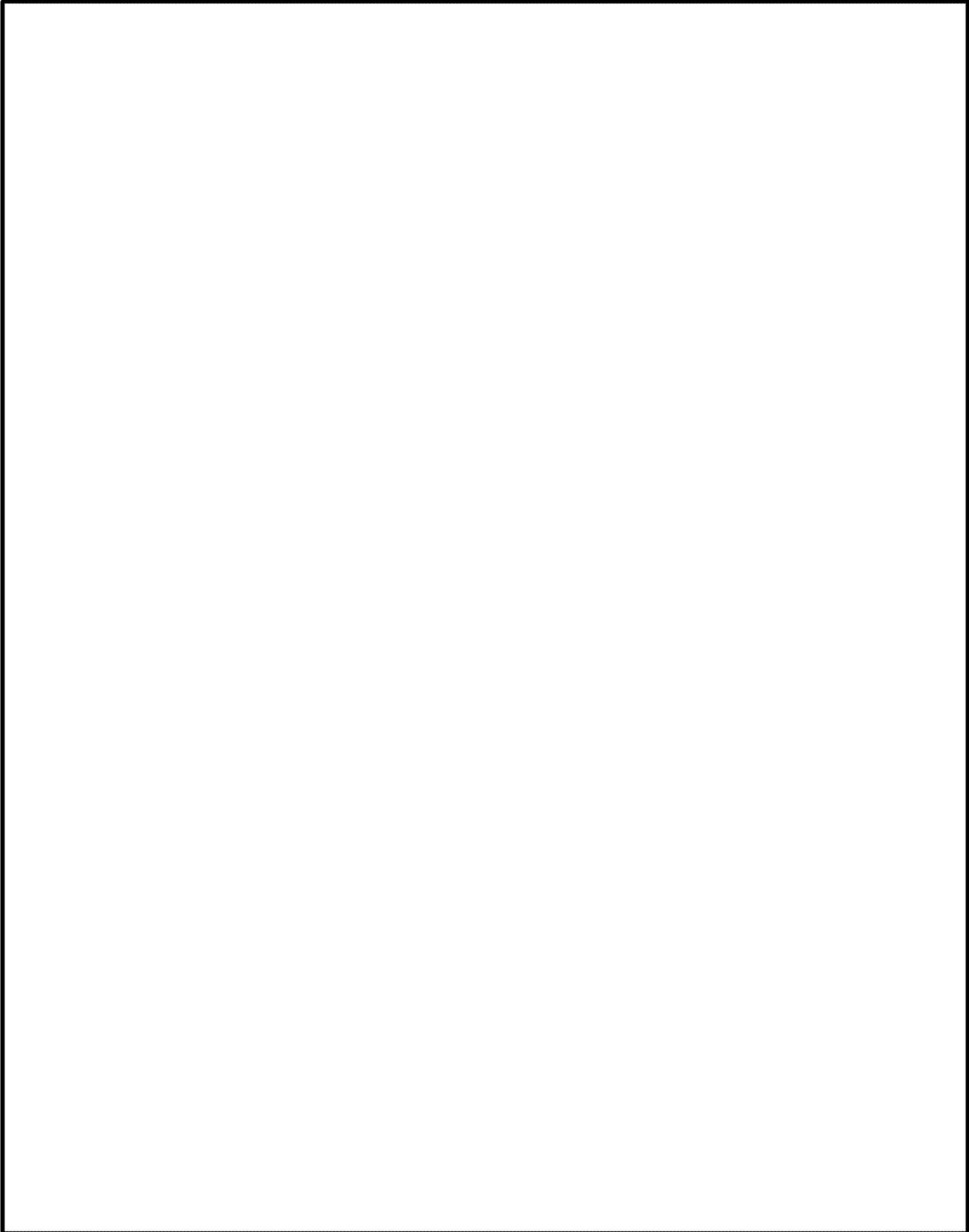
April 2013



(b)(4)



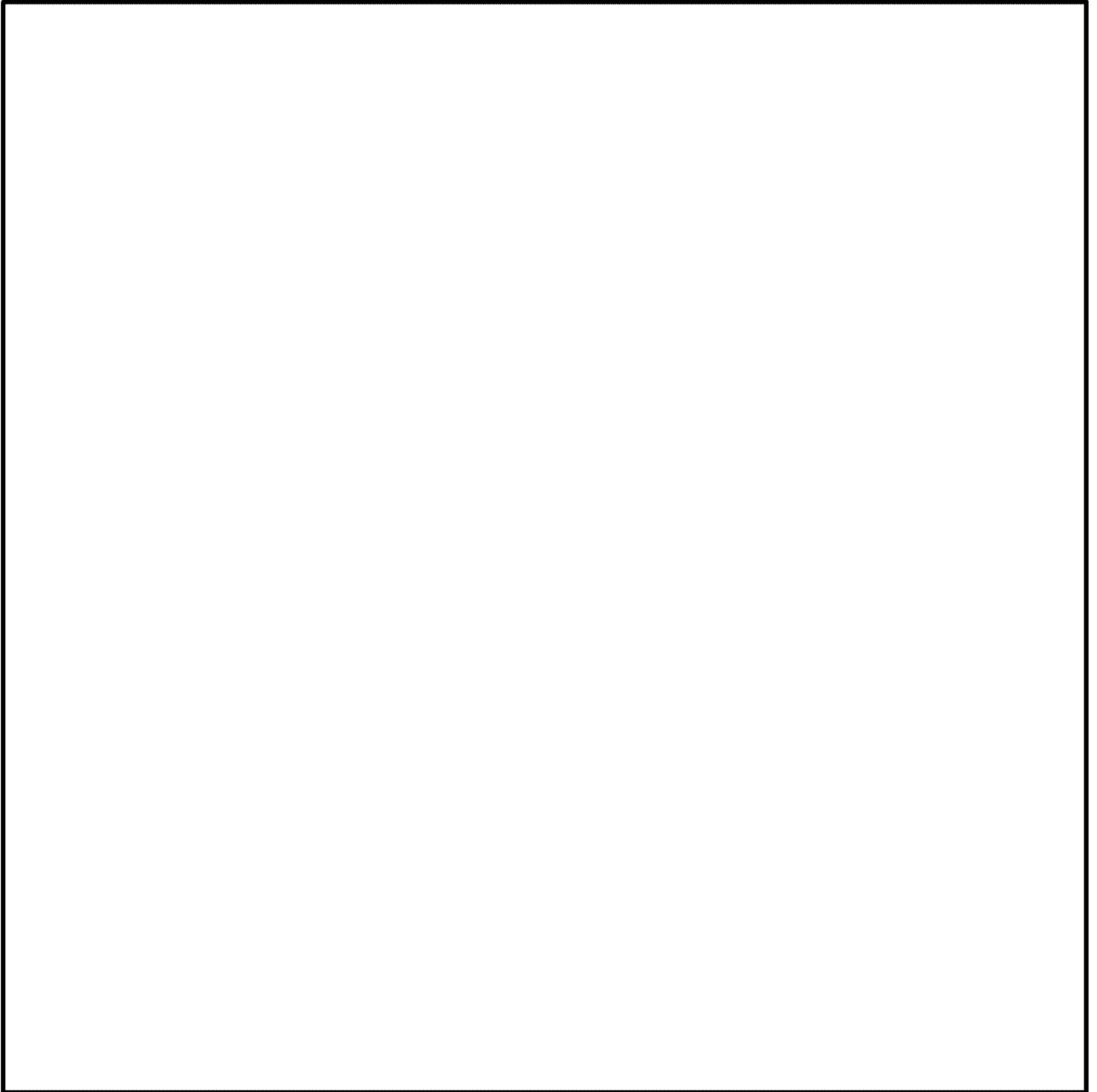
April 2013



(b)(4)



April 2013





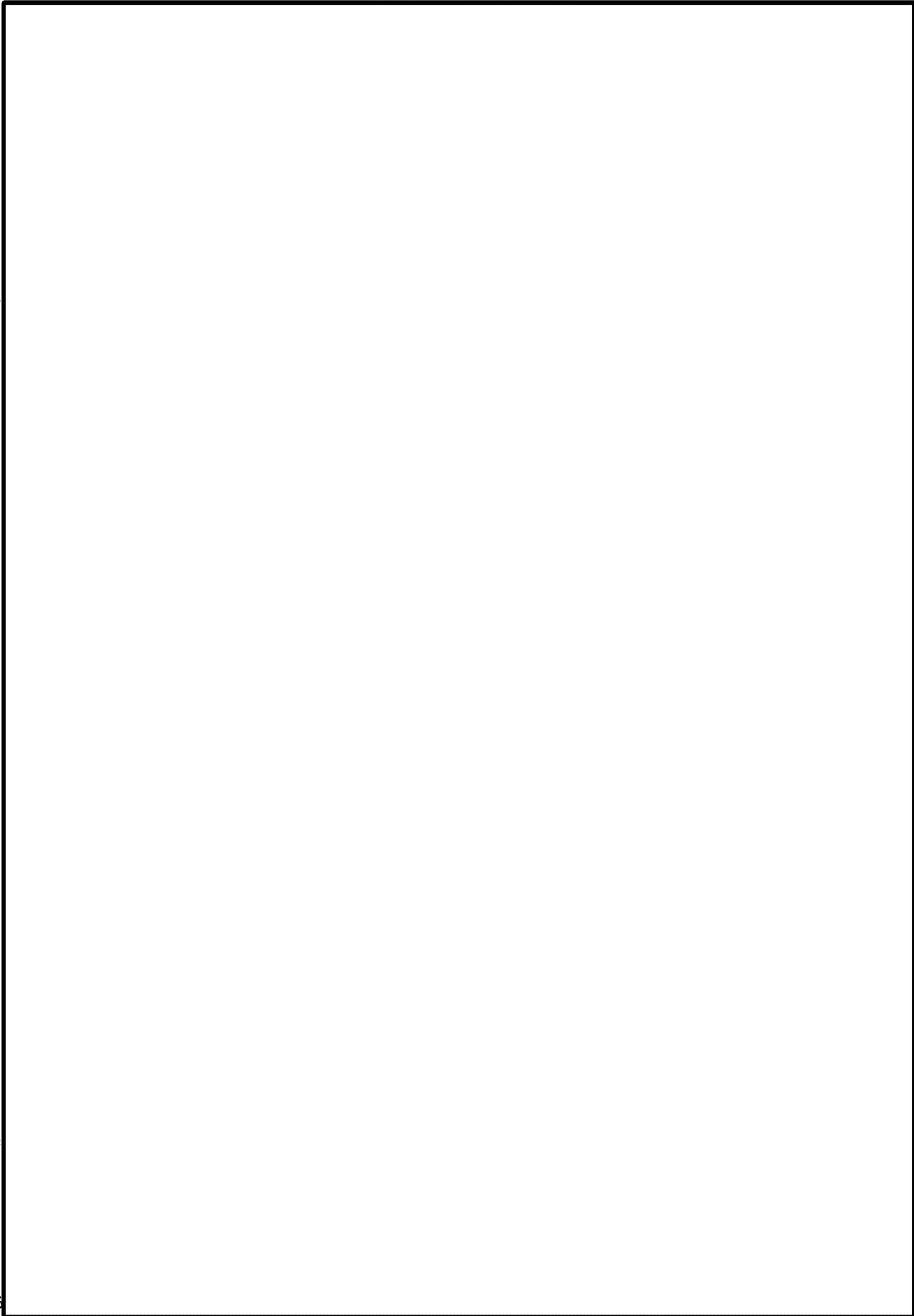
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Exhibit 2-C-(i)



(b)(4)

LOAN AGREEMENT



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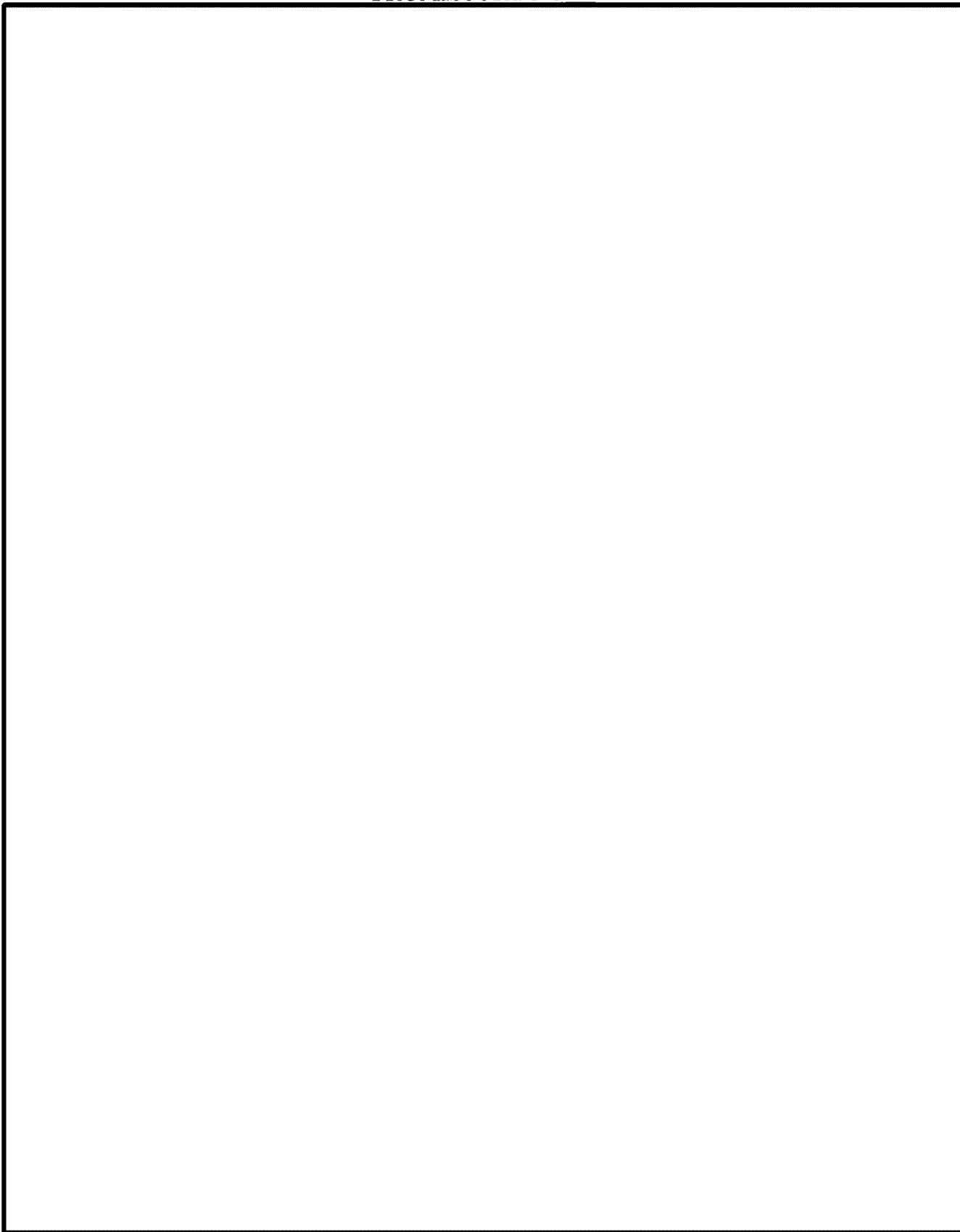
EXHIBIT "A"
PROMISSORY NOTE

(see attached)



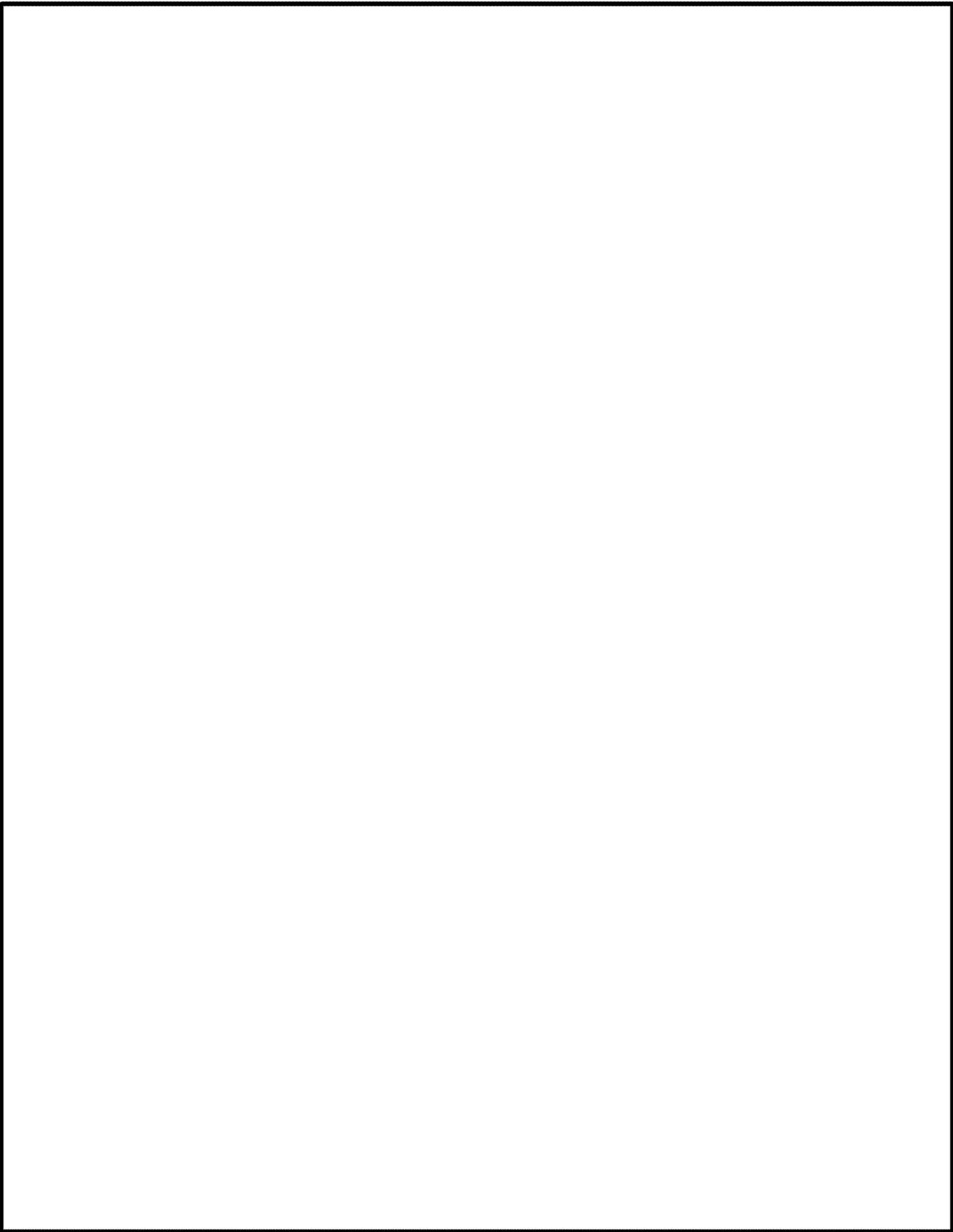
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PROMISSORY NOTE

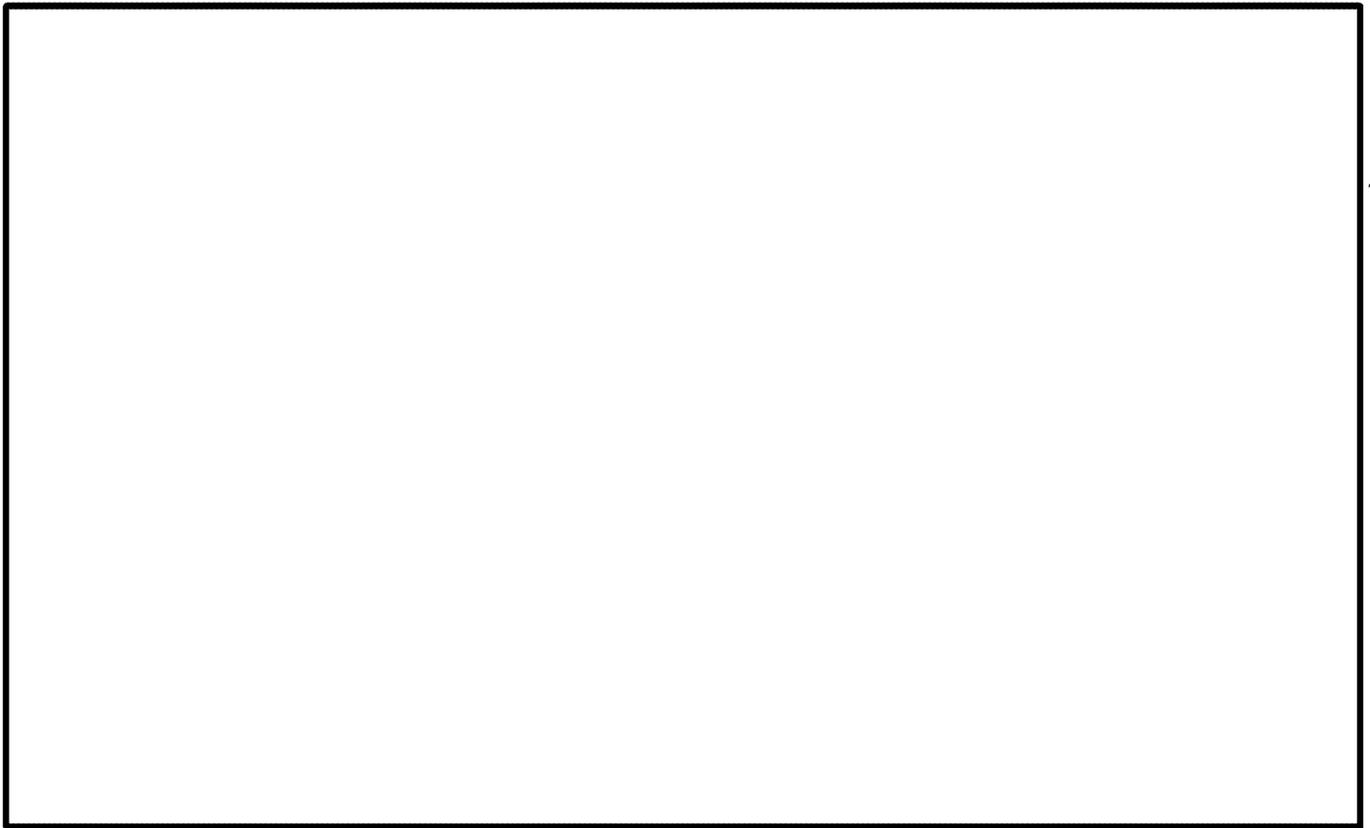




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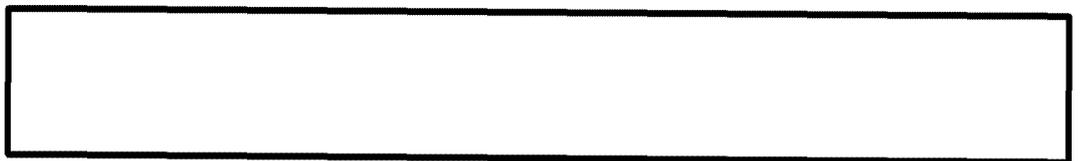
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(b)(4)

Exhibit 2-C-(ii)



(b)(4)

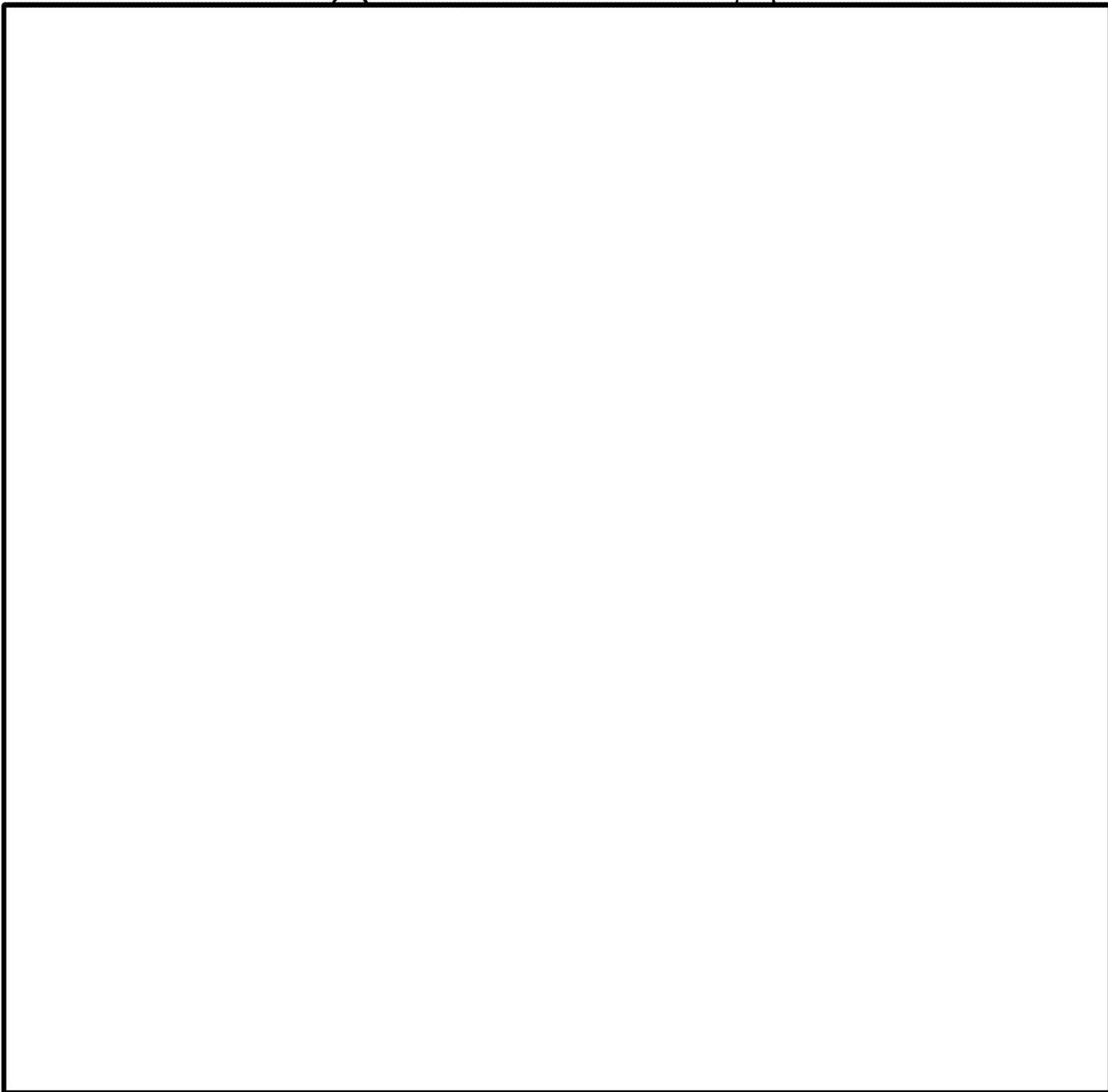


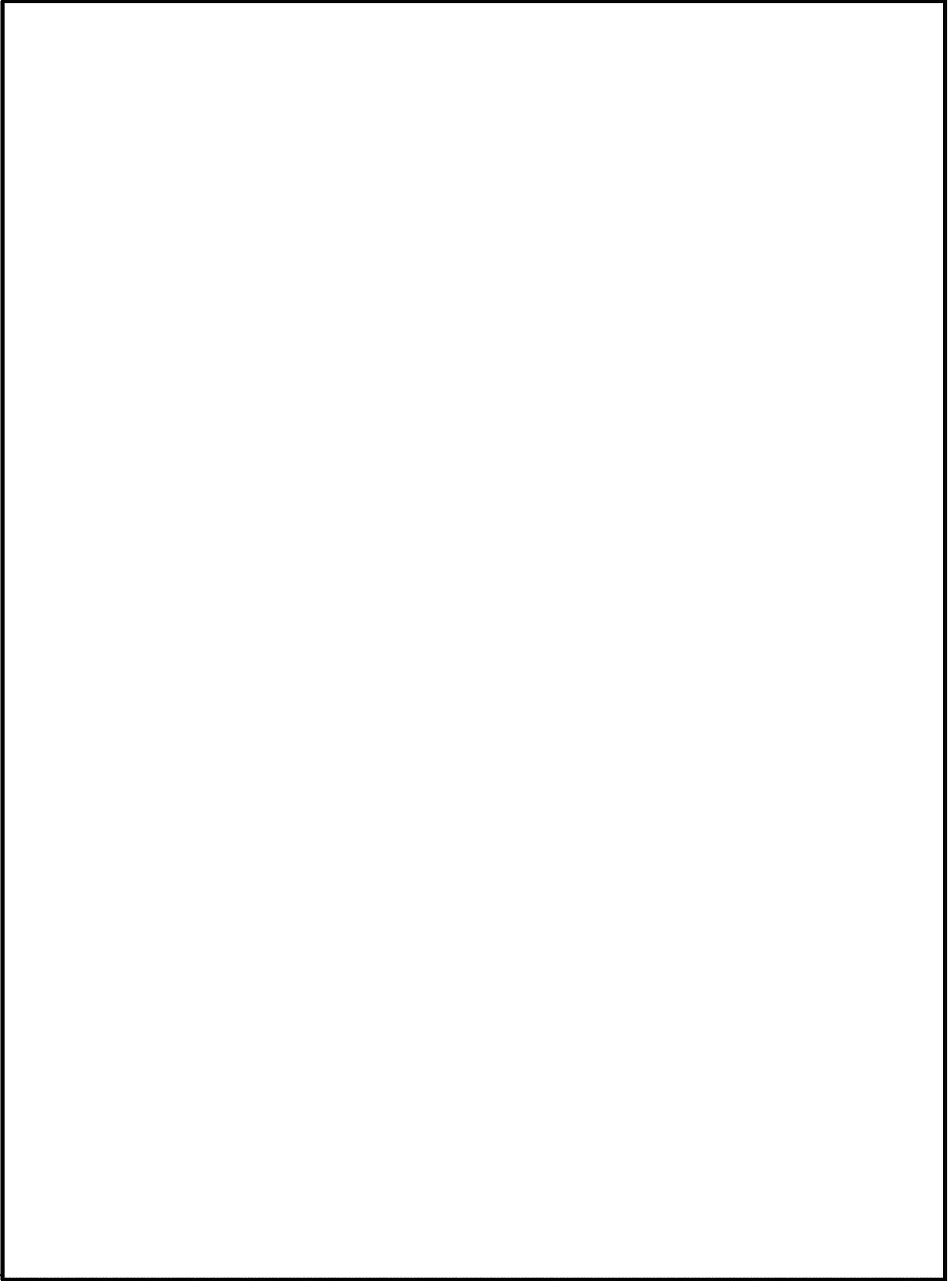
Exhibit 2-D-(i)



(b)(4)

(b)(4)

LOAN AGREEMENT



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(b)(4)

EXHIBIT "A"
PROMISSORY NOTE

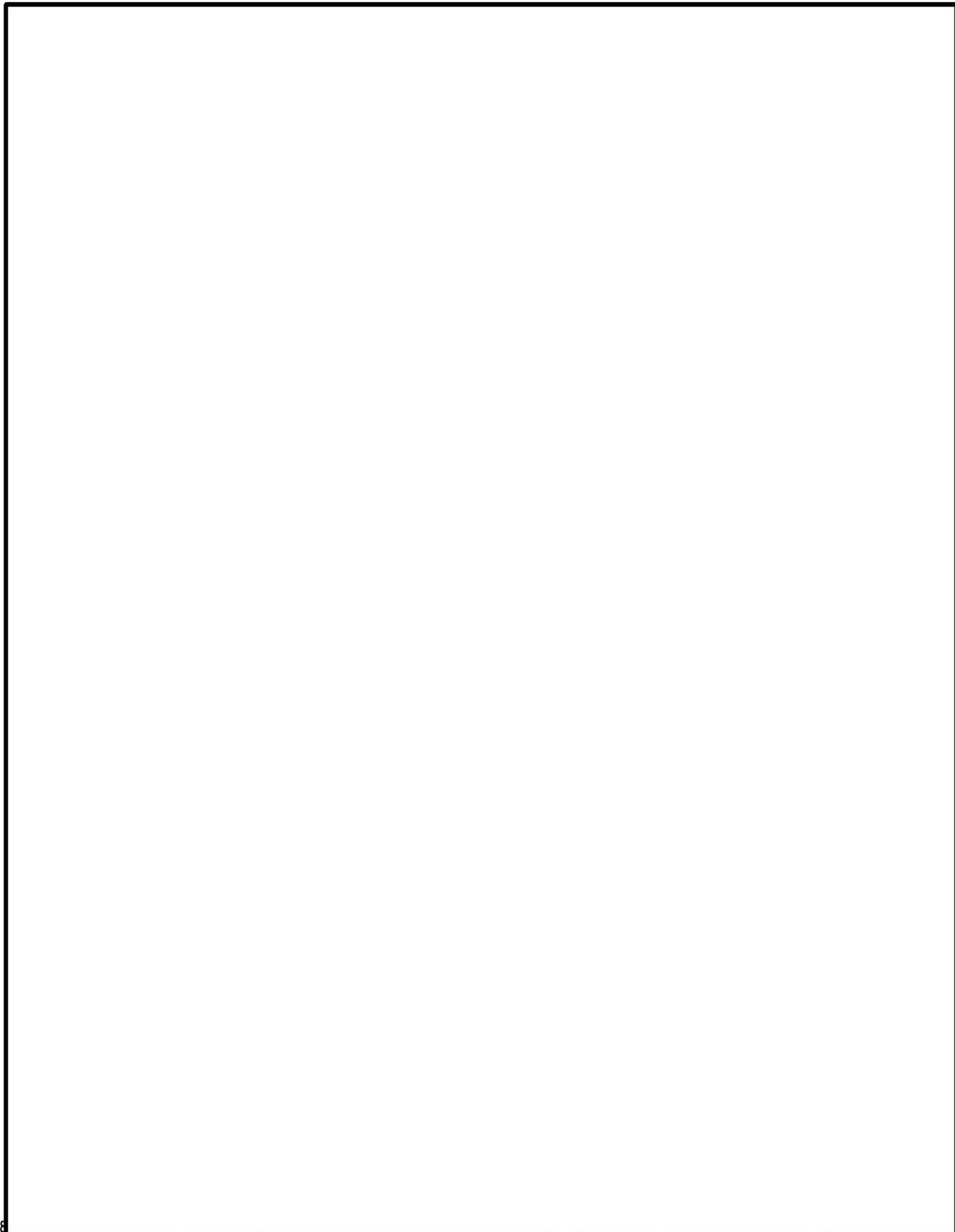
(see attached)

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PROMISSORY NOTE



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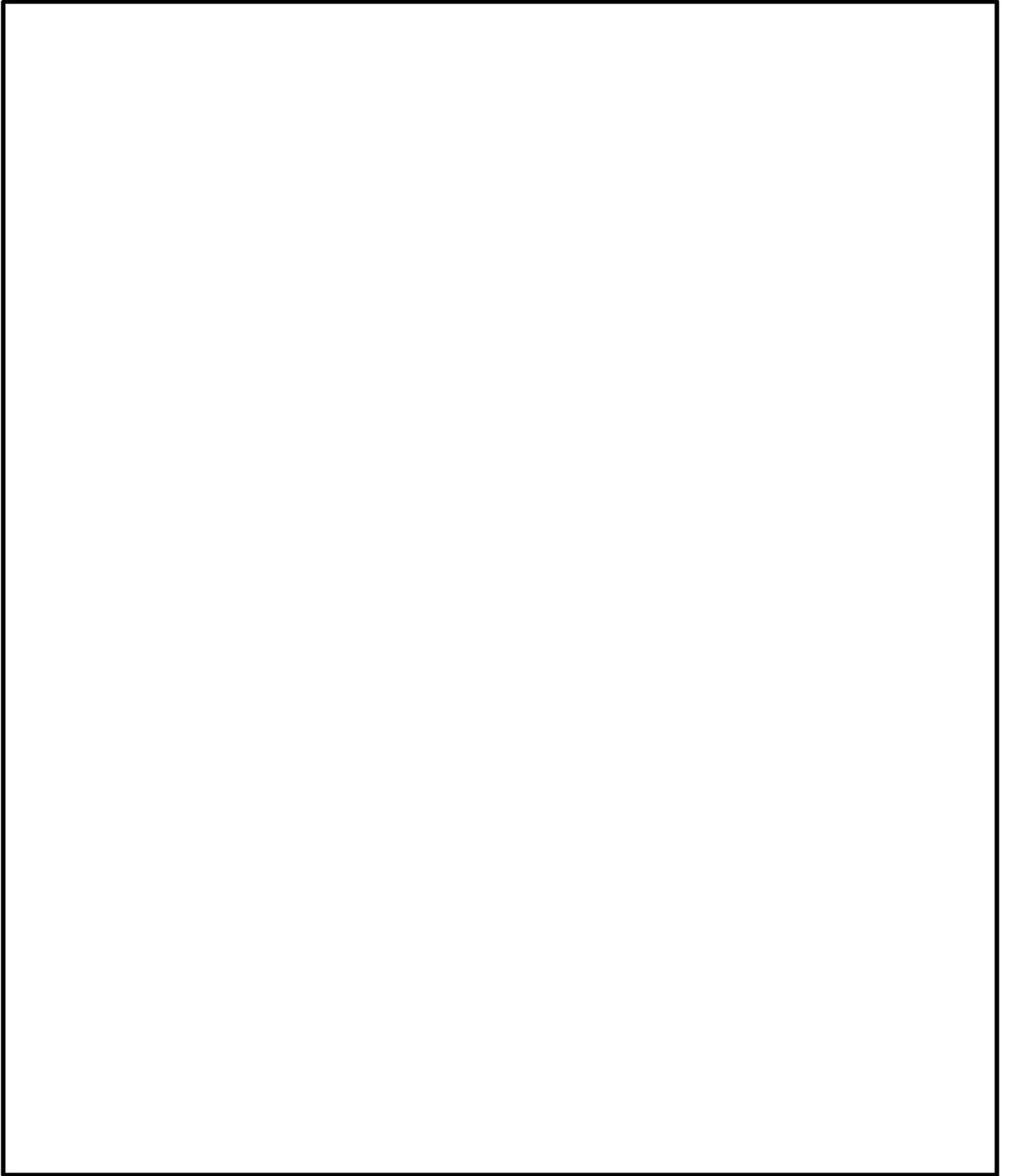


Exhibit 2-D-(ii)



(b)(4)

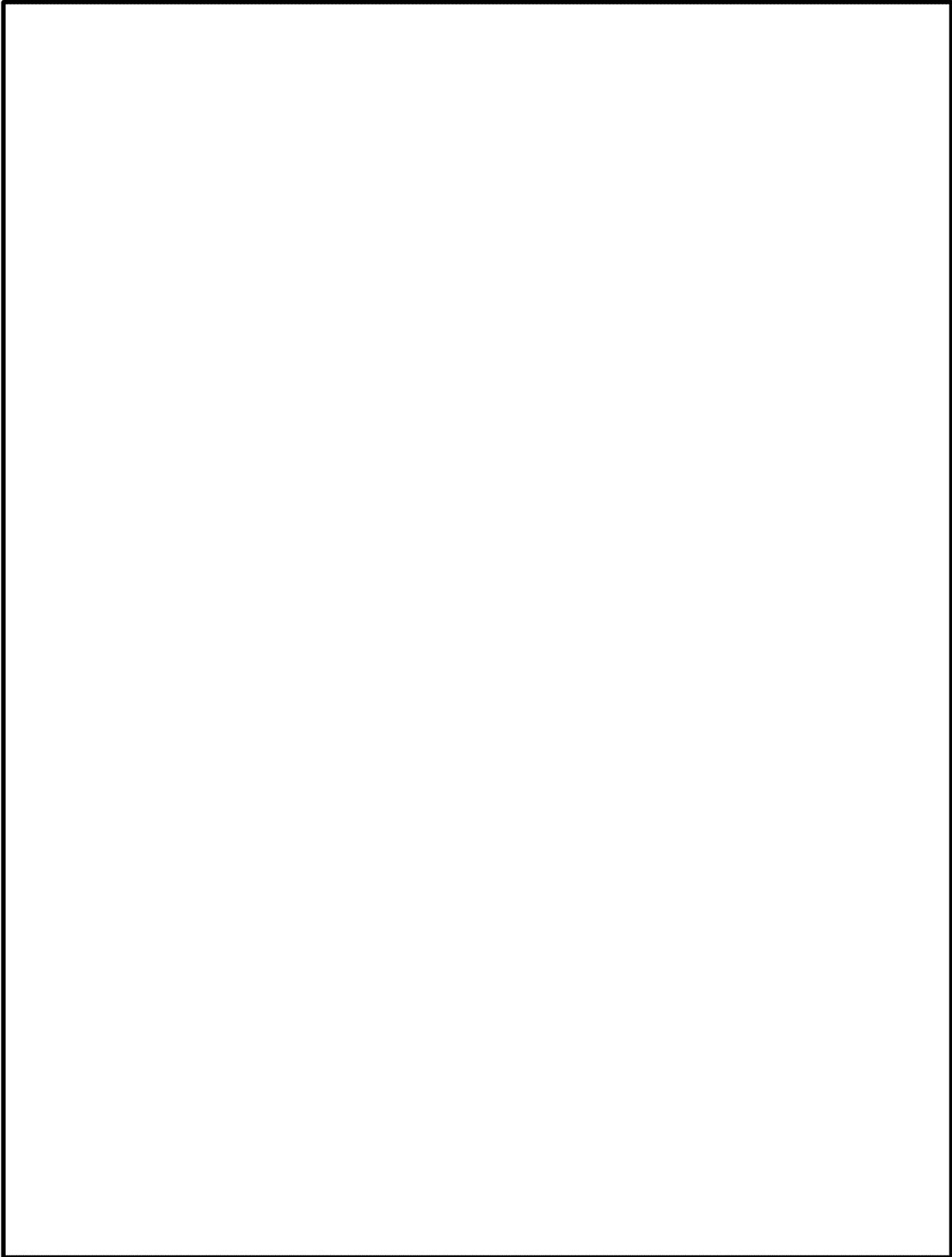
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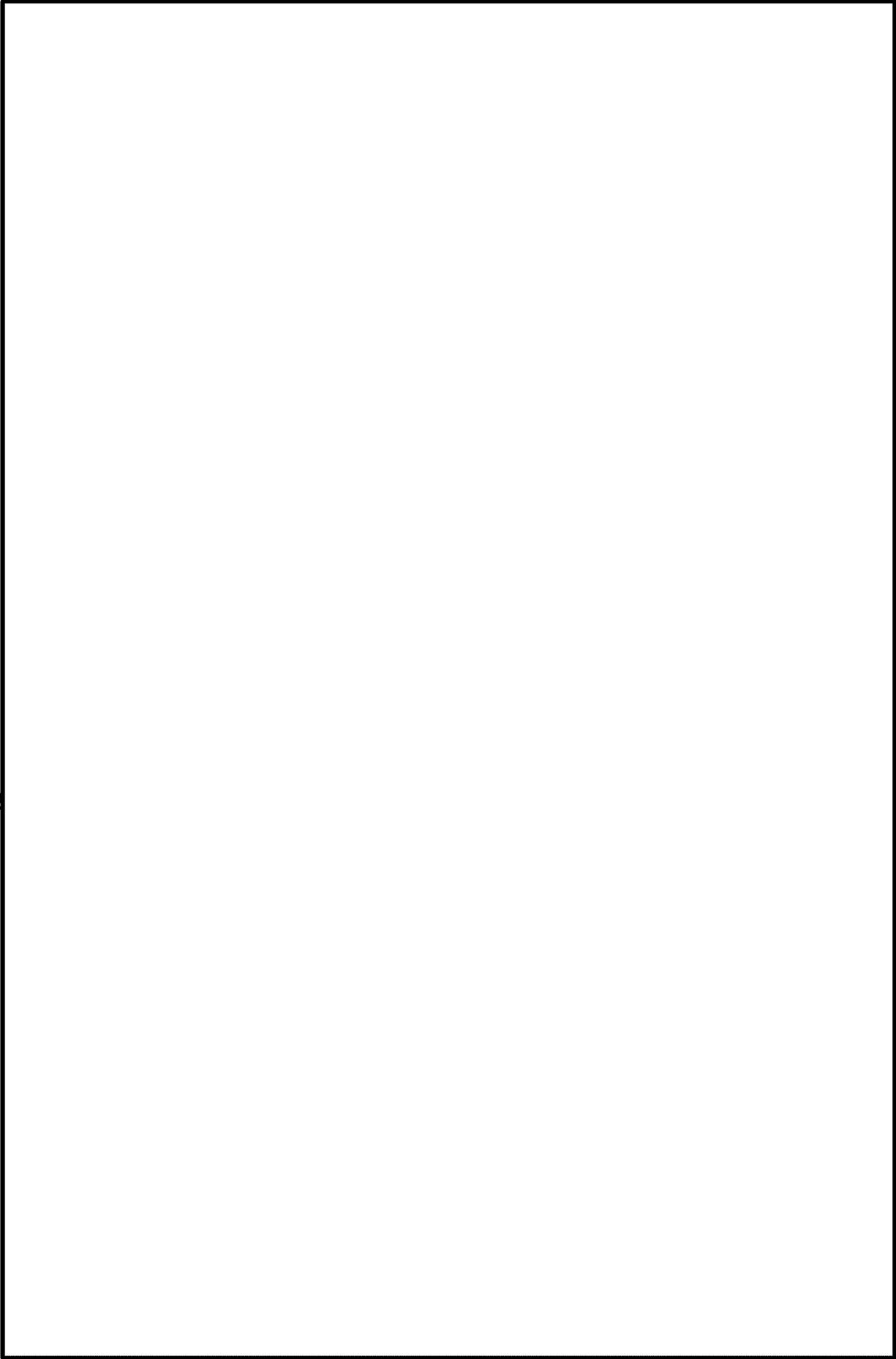
Exhibit 3-A

Sample Limited Partnership Agreement dated April 2013;

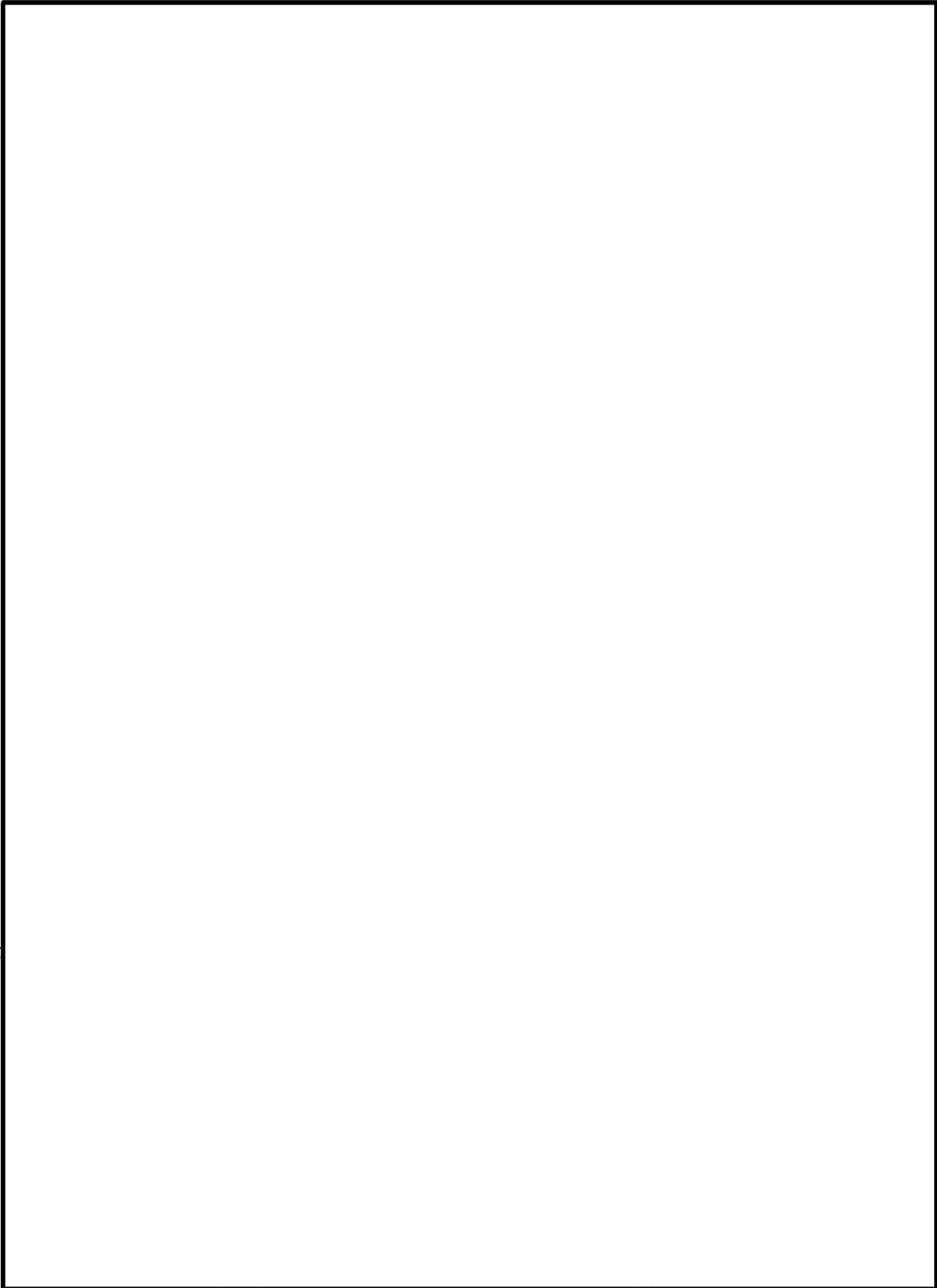


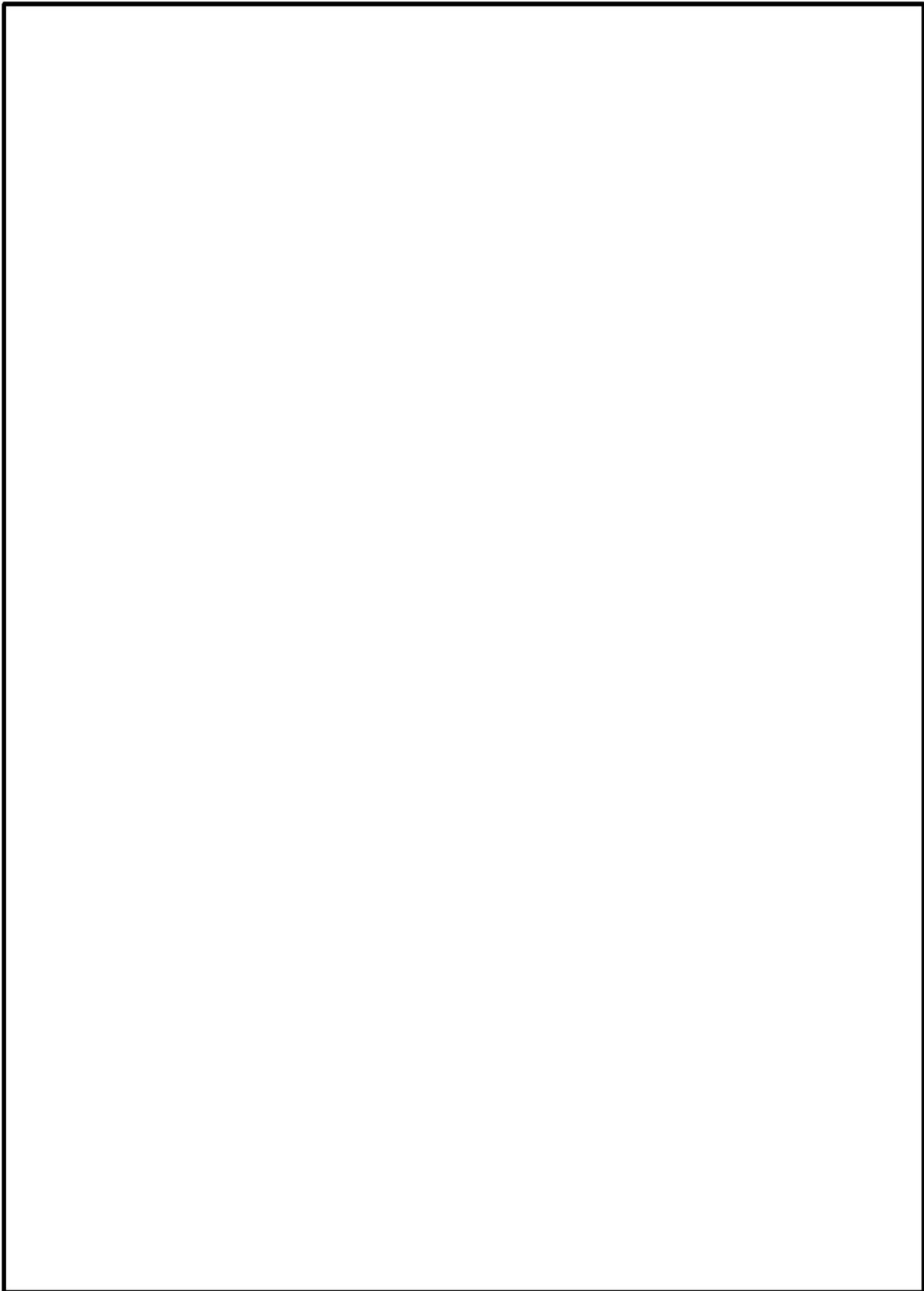
LIMITED PARTNERSHIP AGREEMENT OF

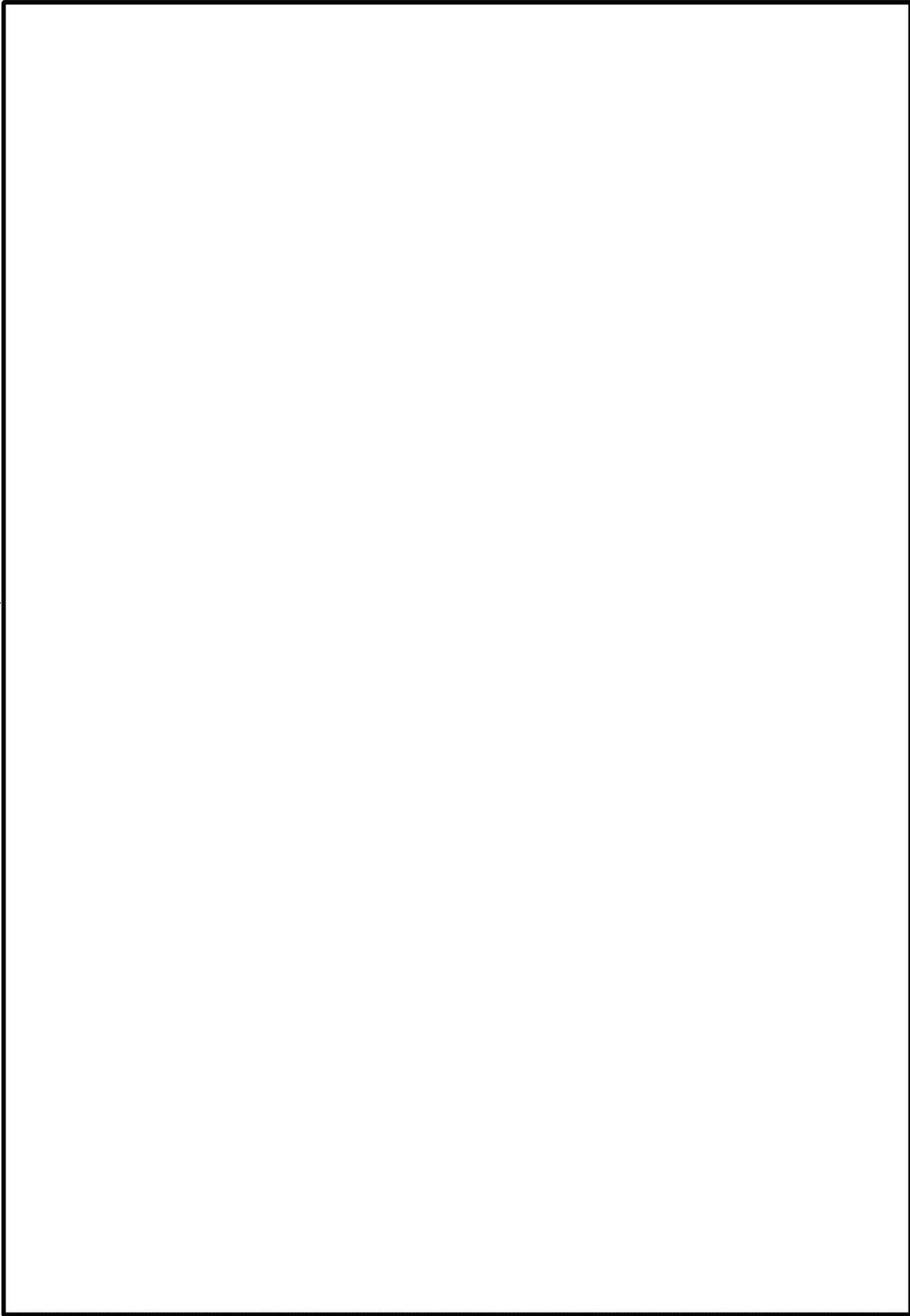


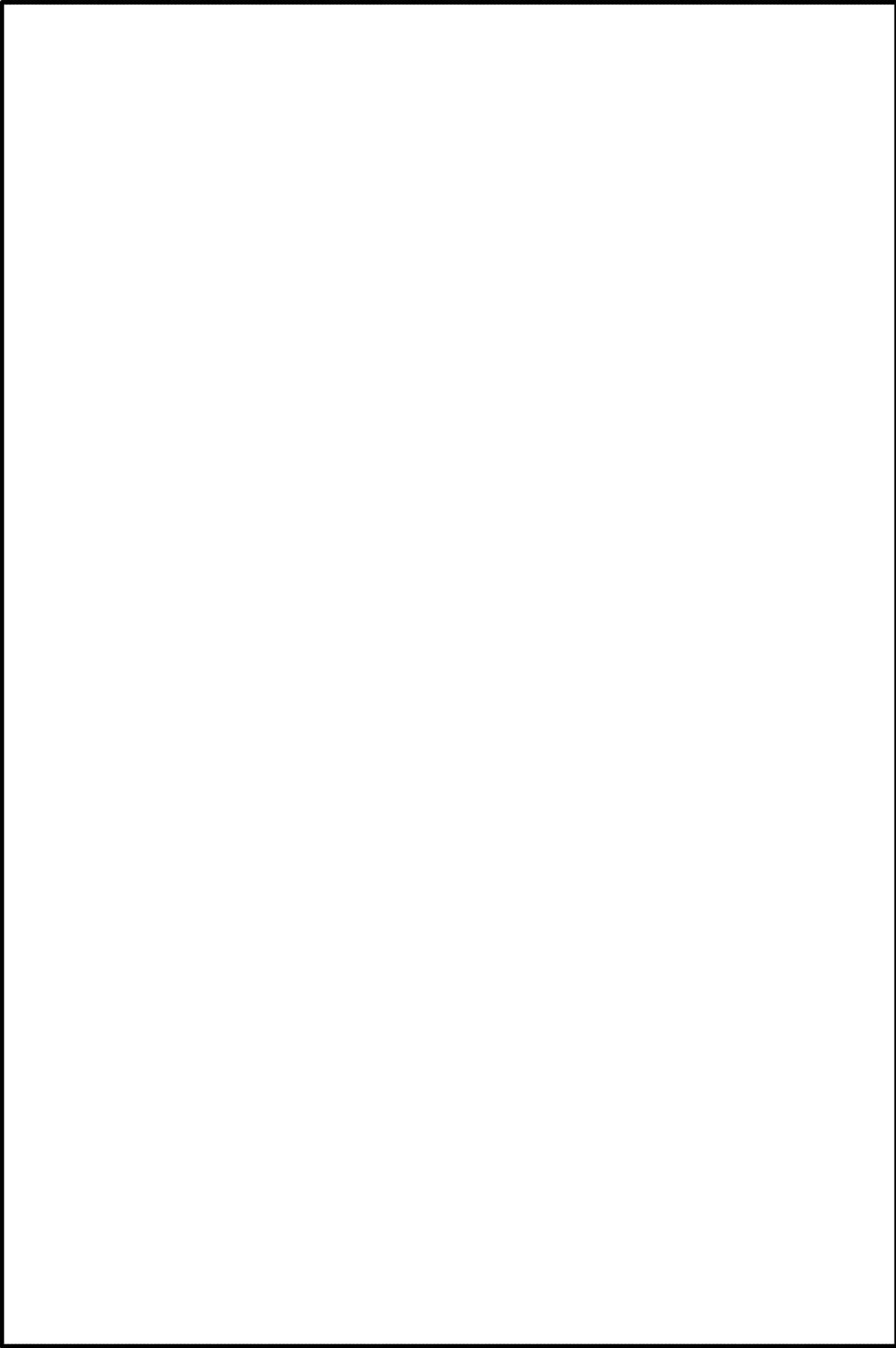


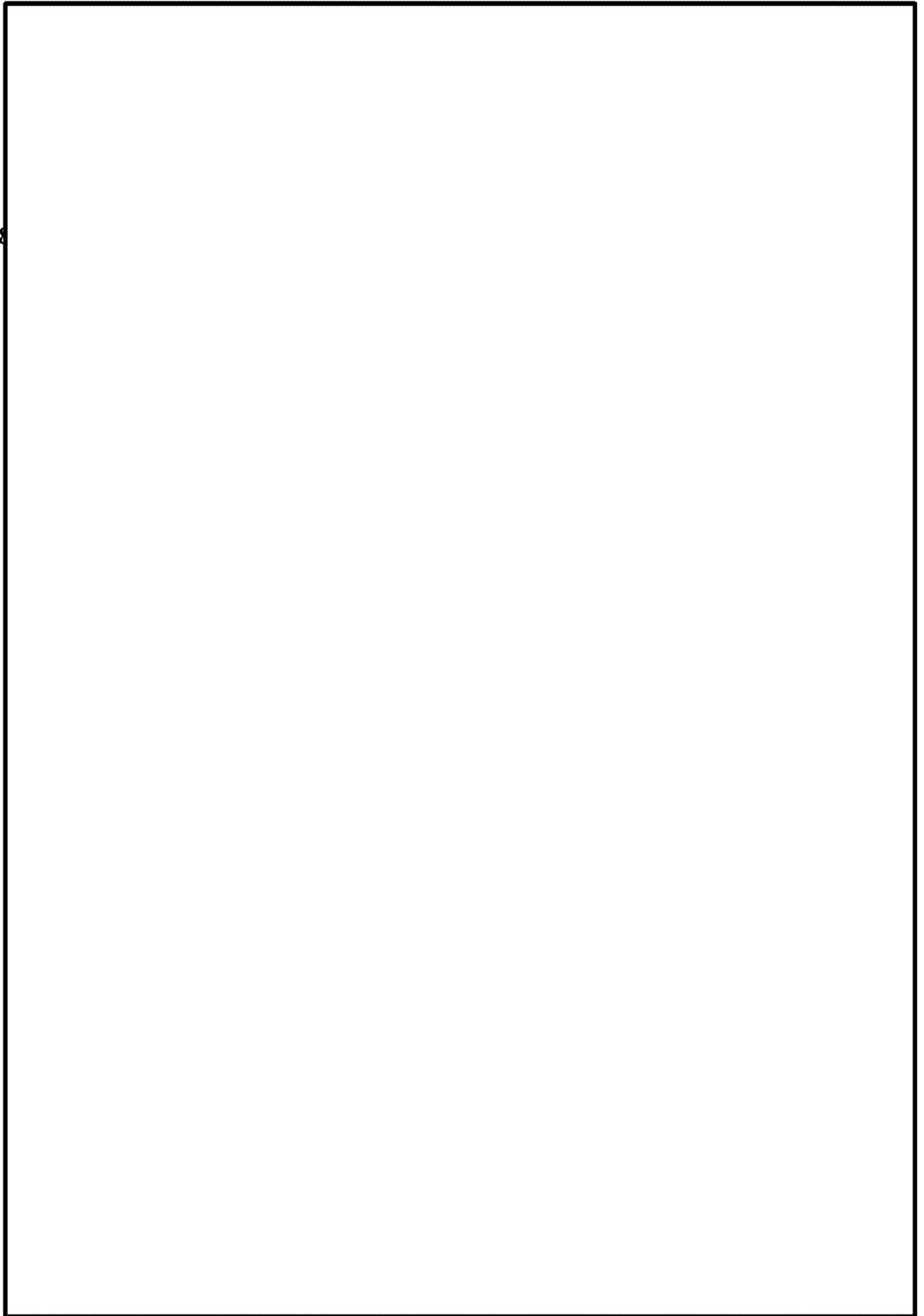
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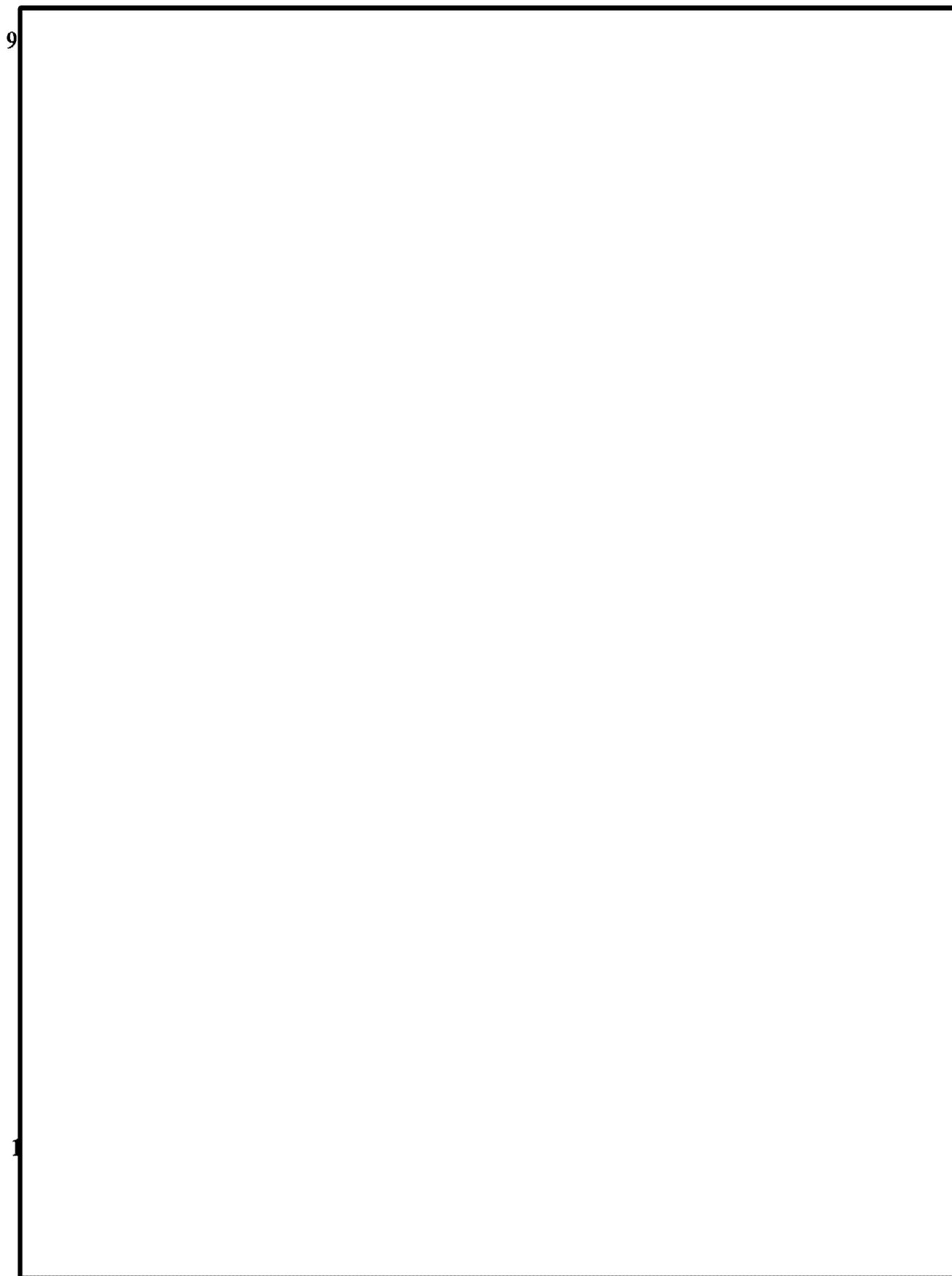


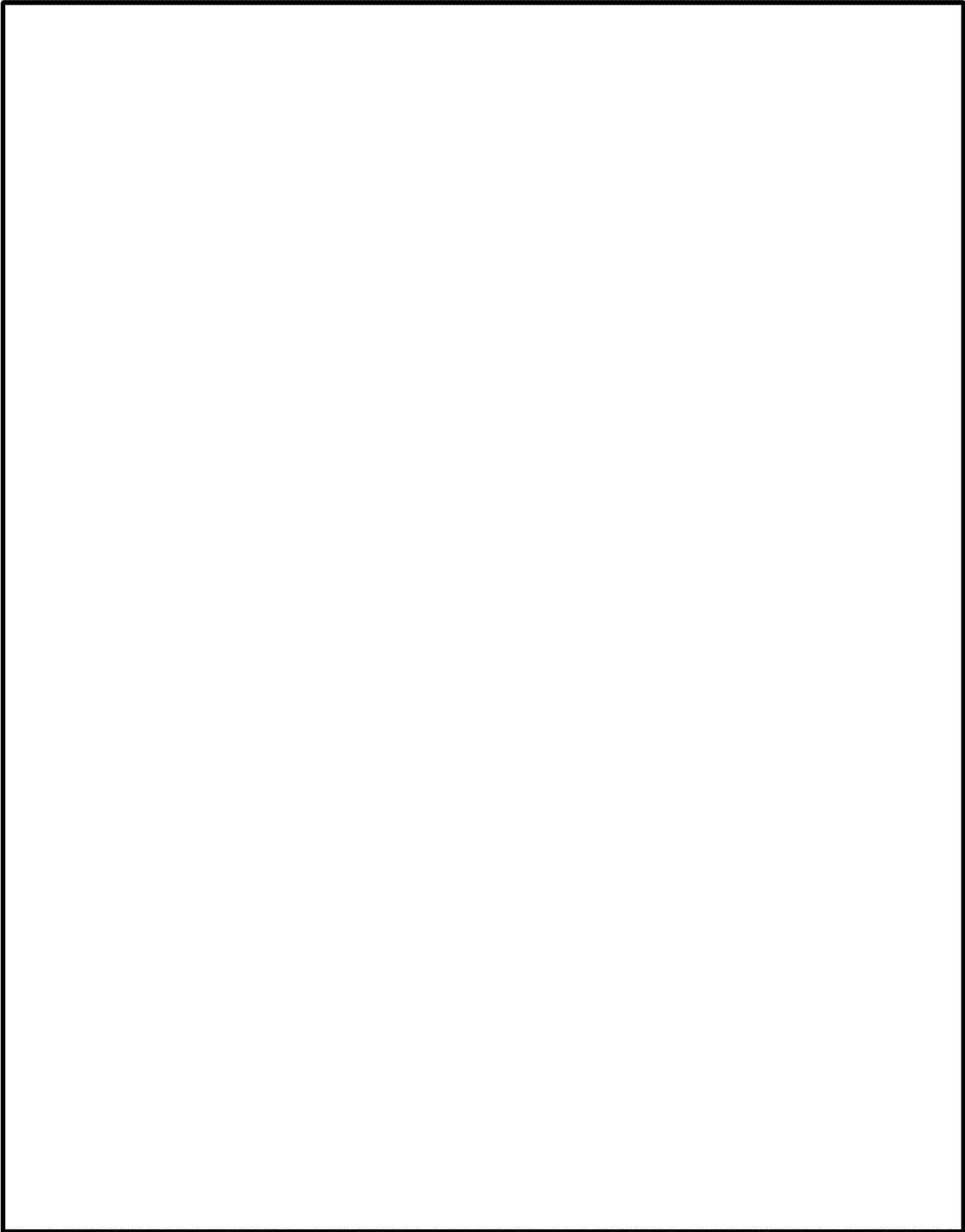




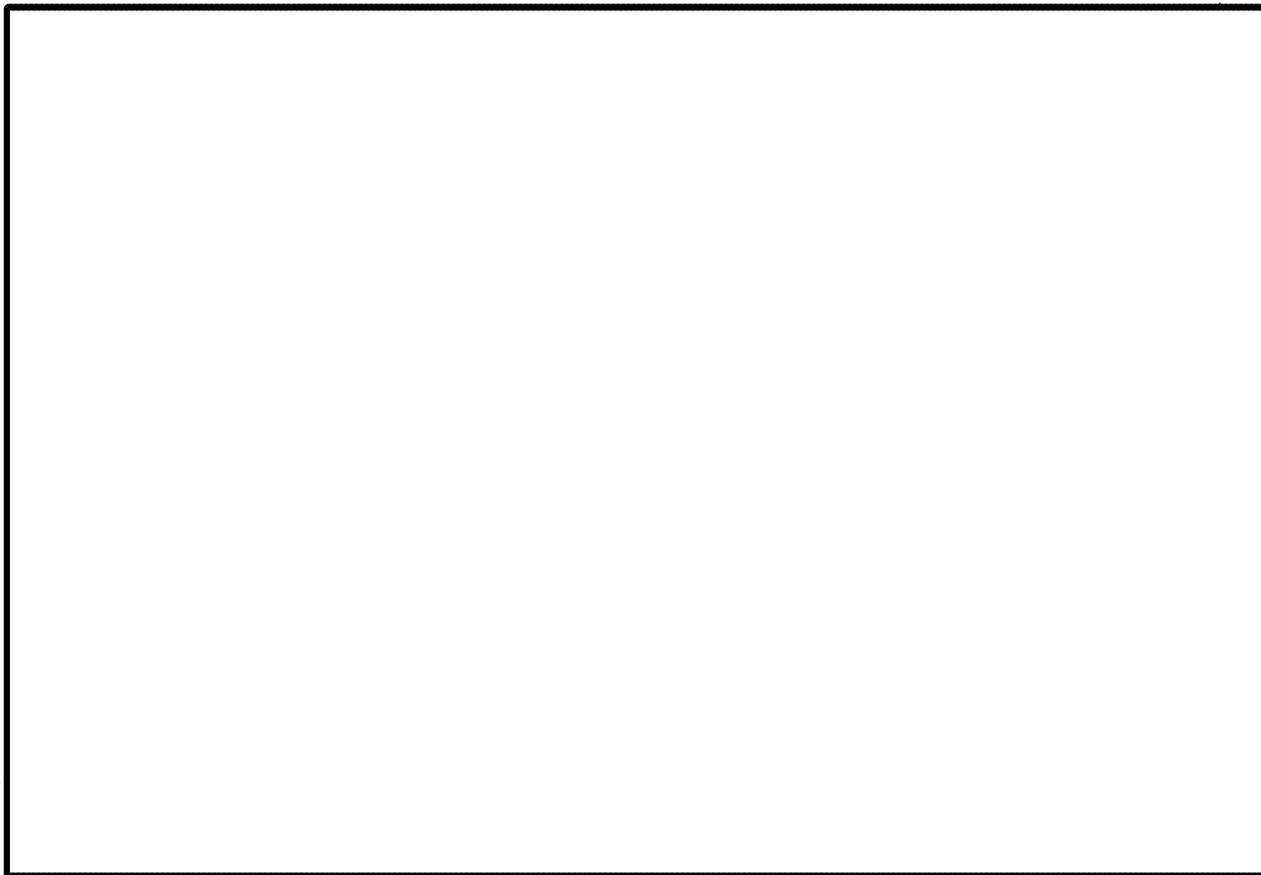








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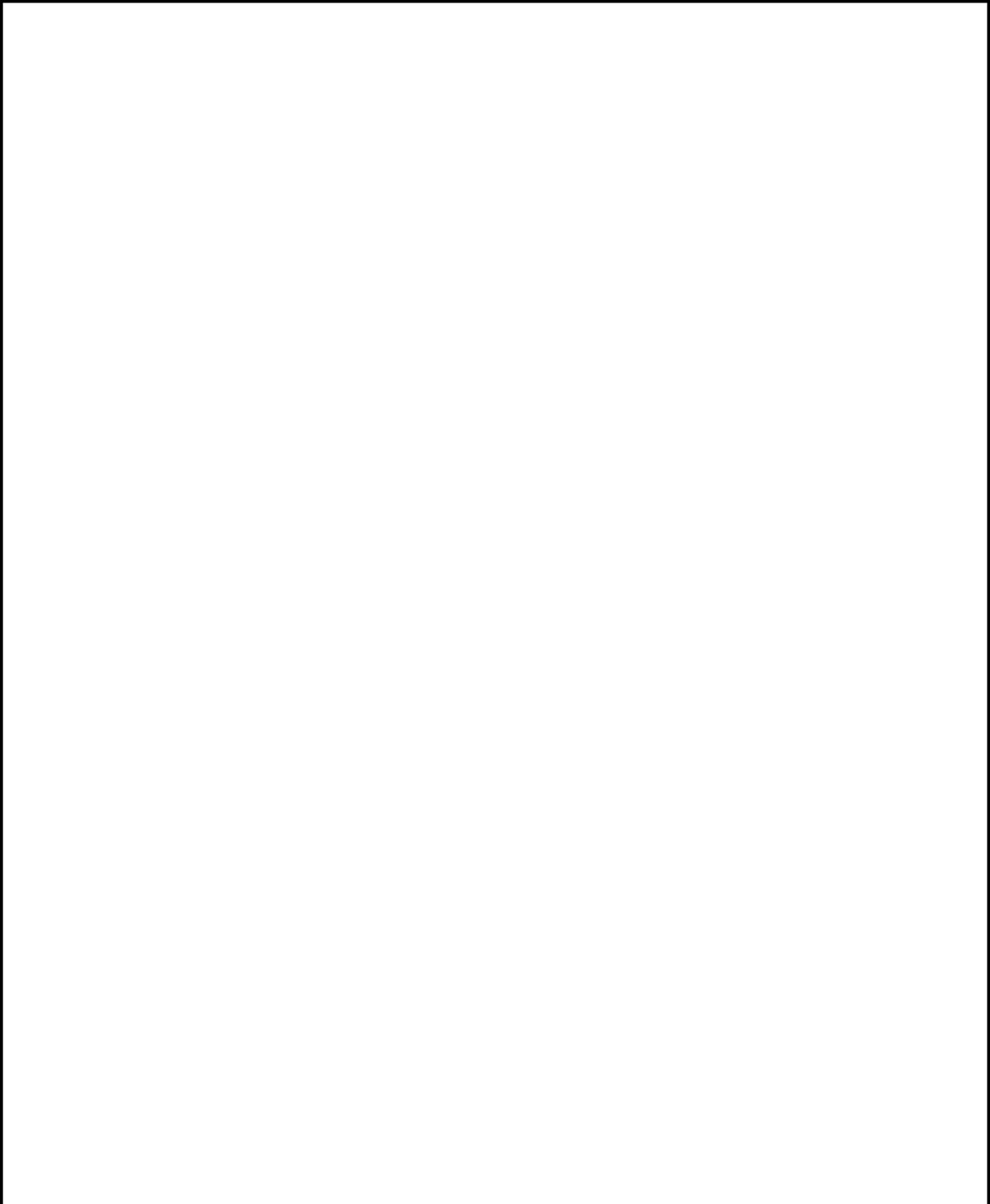
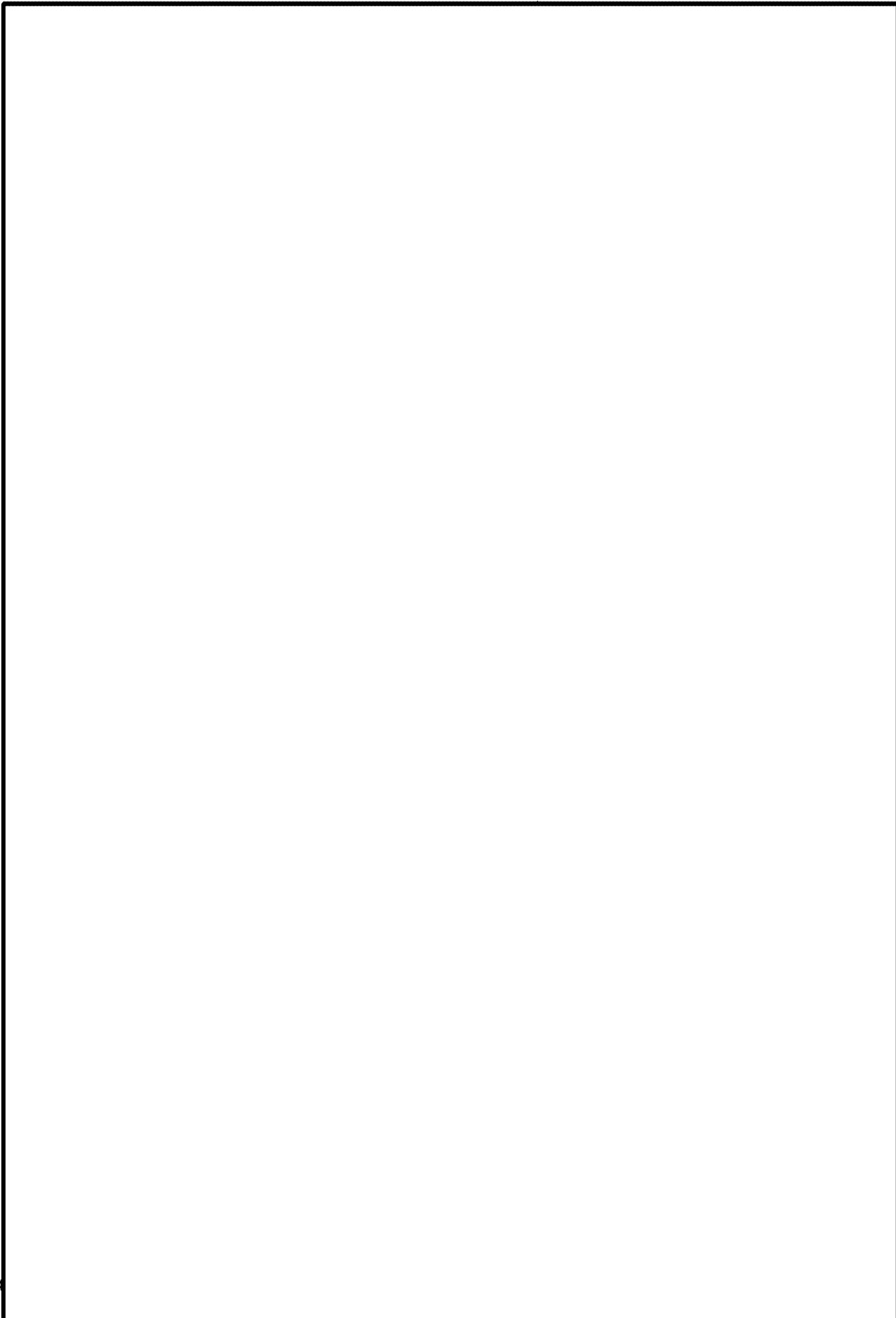
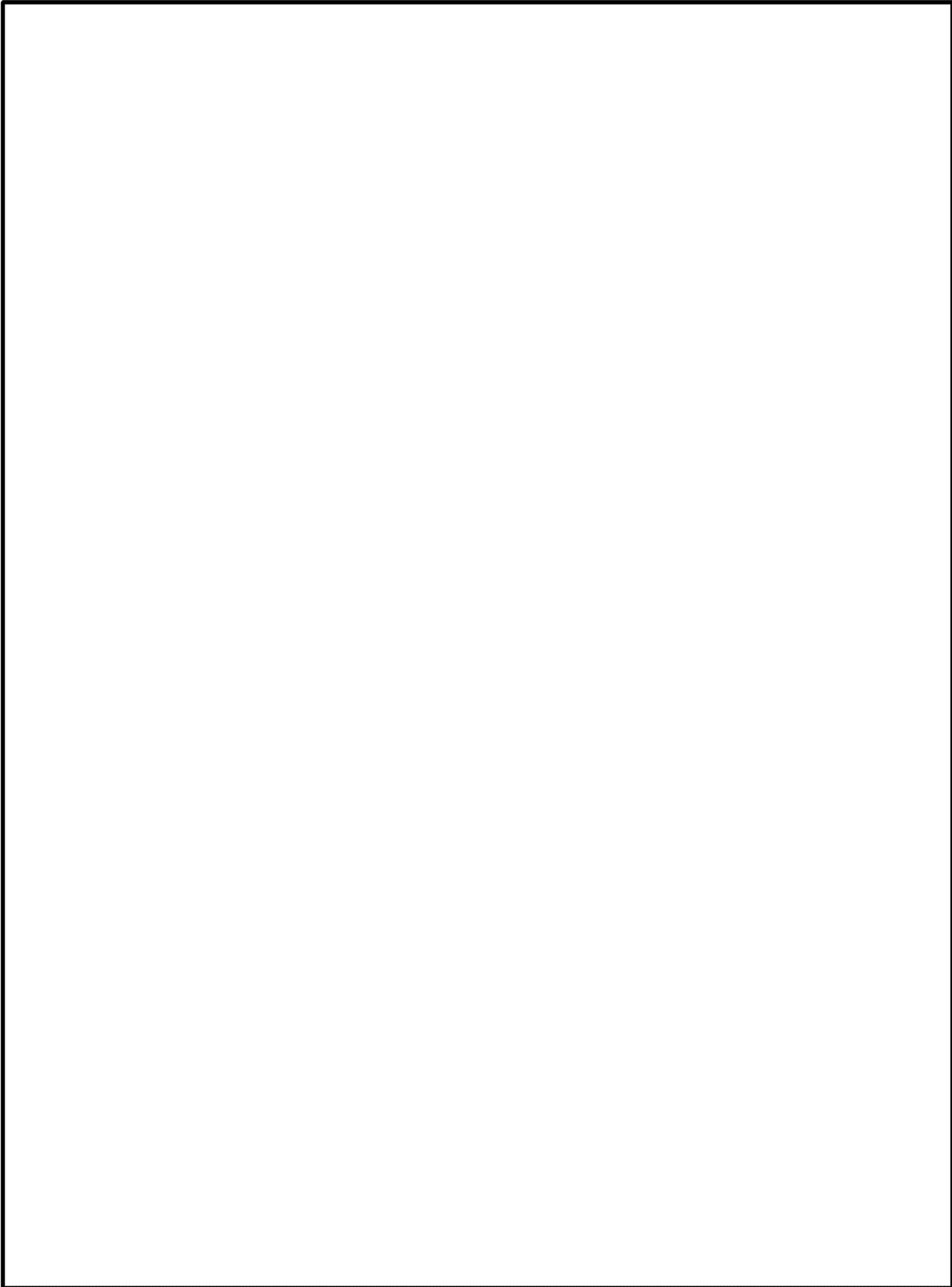


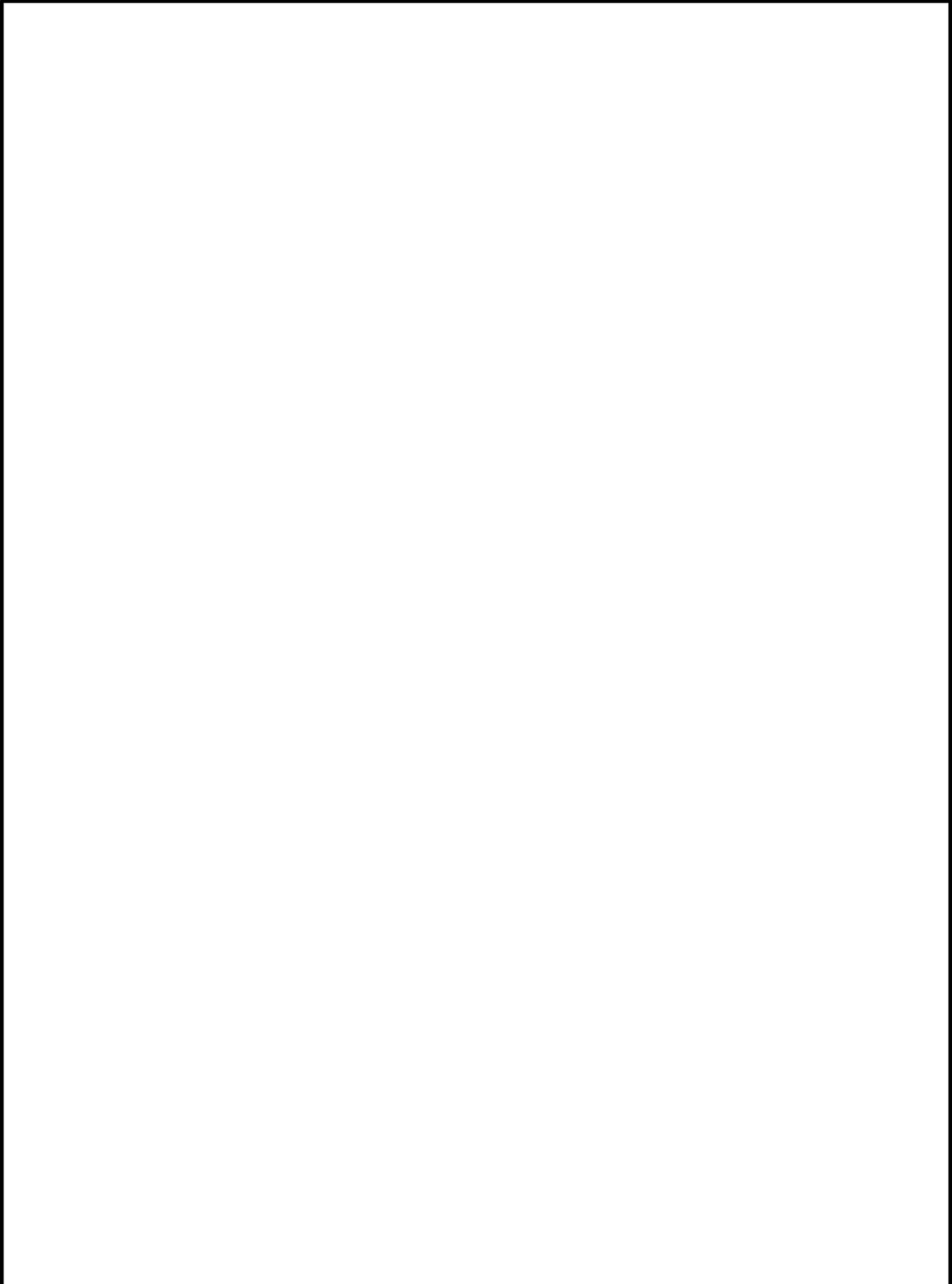
Exhibit 3-B

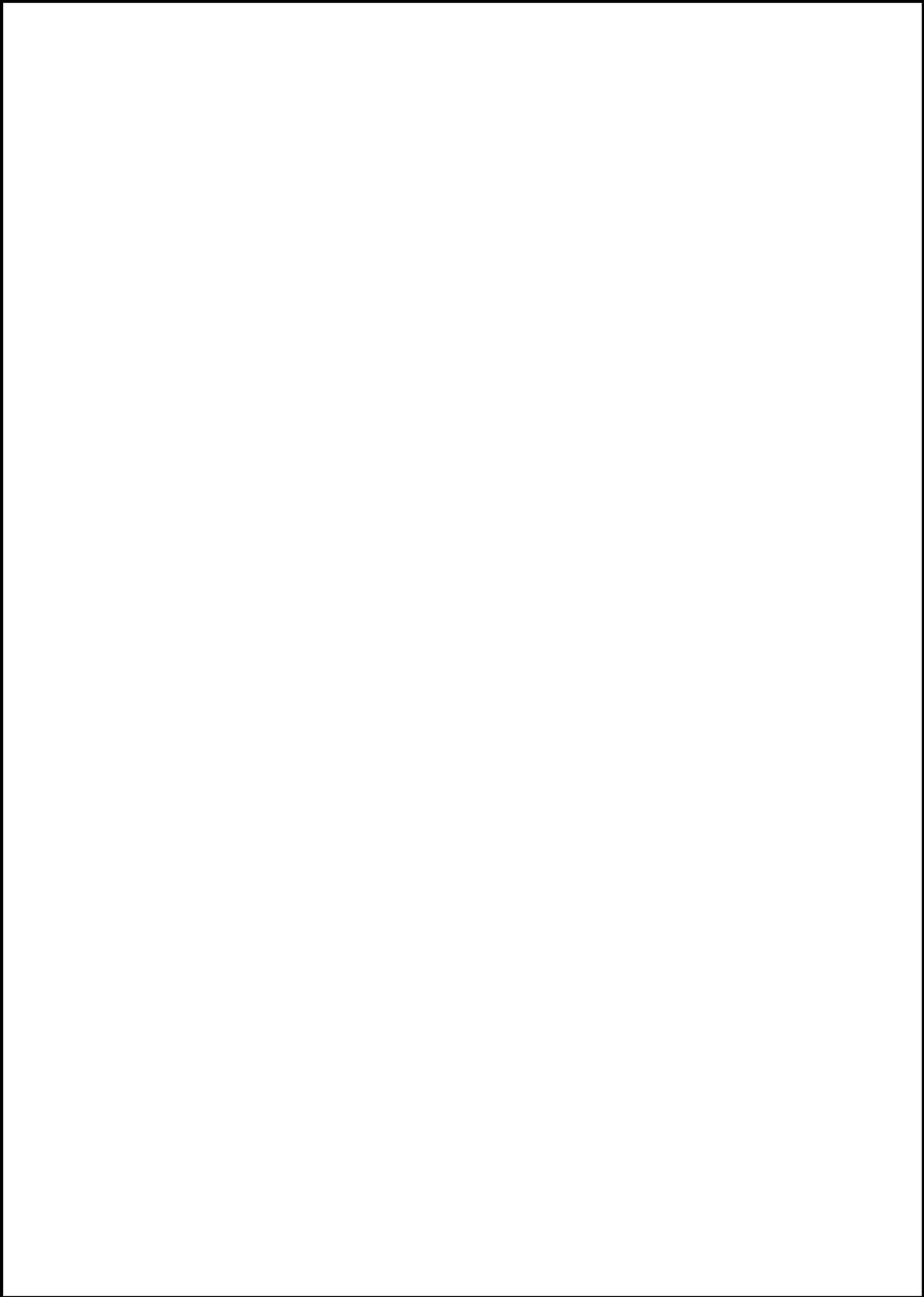
Sample Loan and Security Agreement and Promissory Note dated
April 2013;

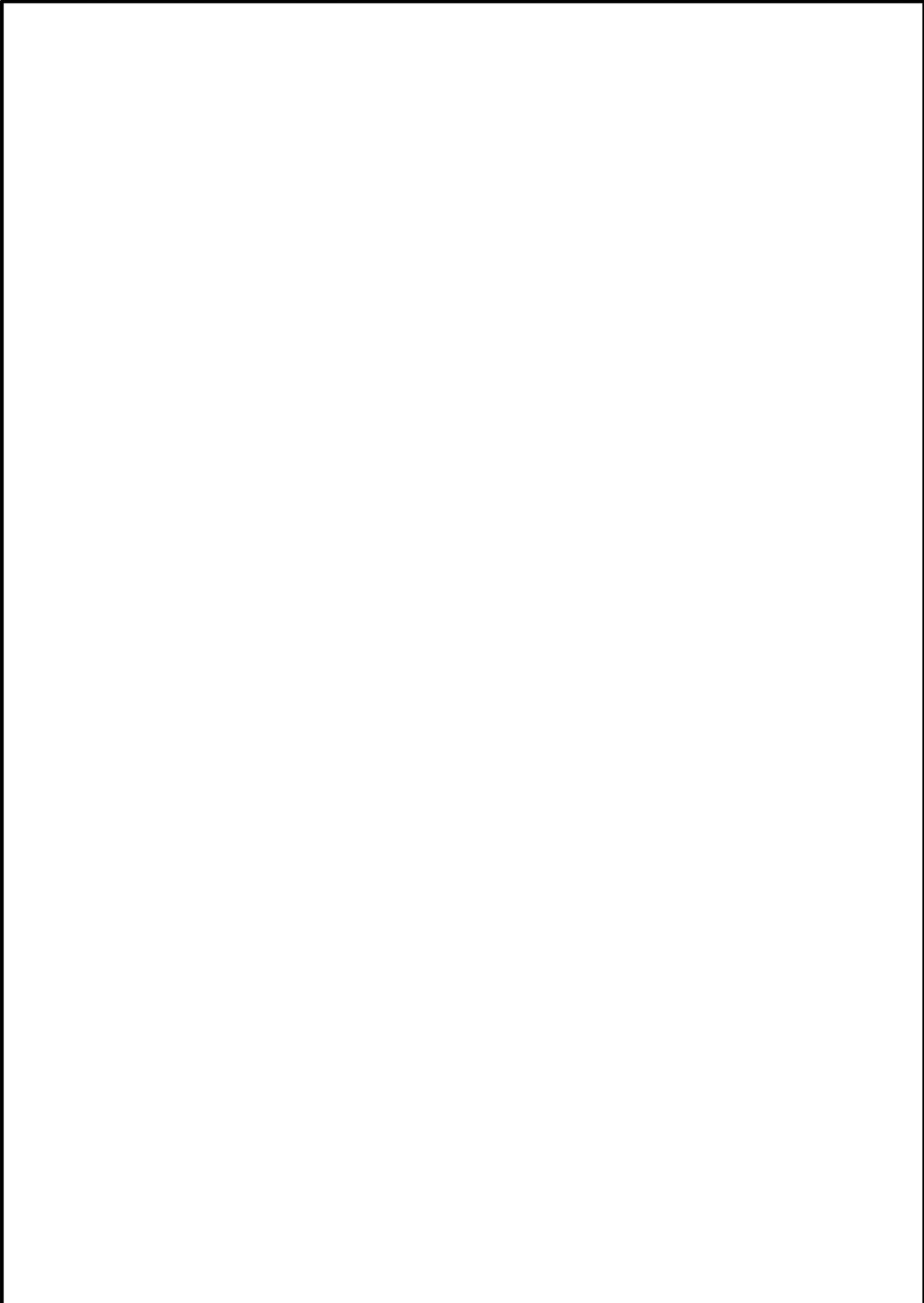
LOAN AND SECURITY AGREEMENT

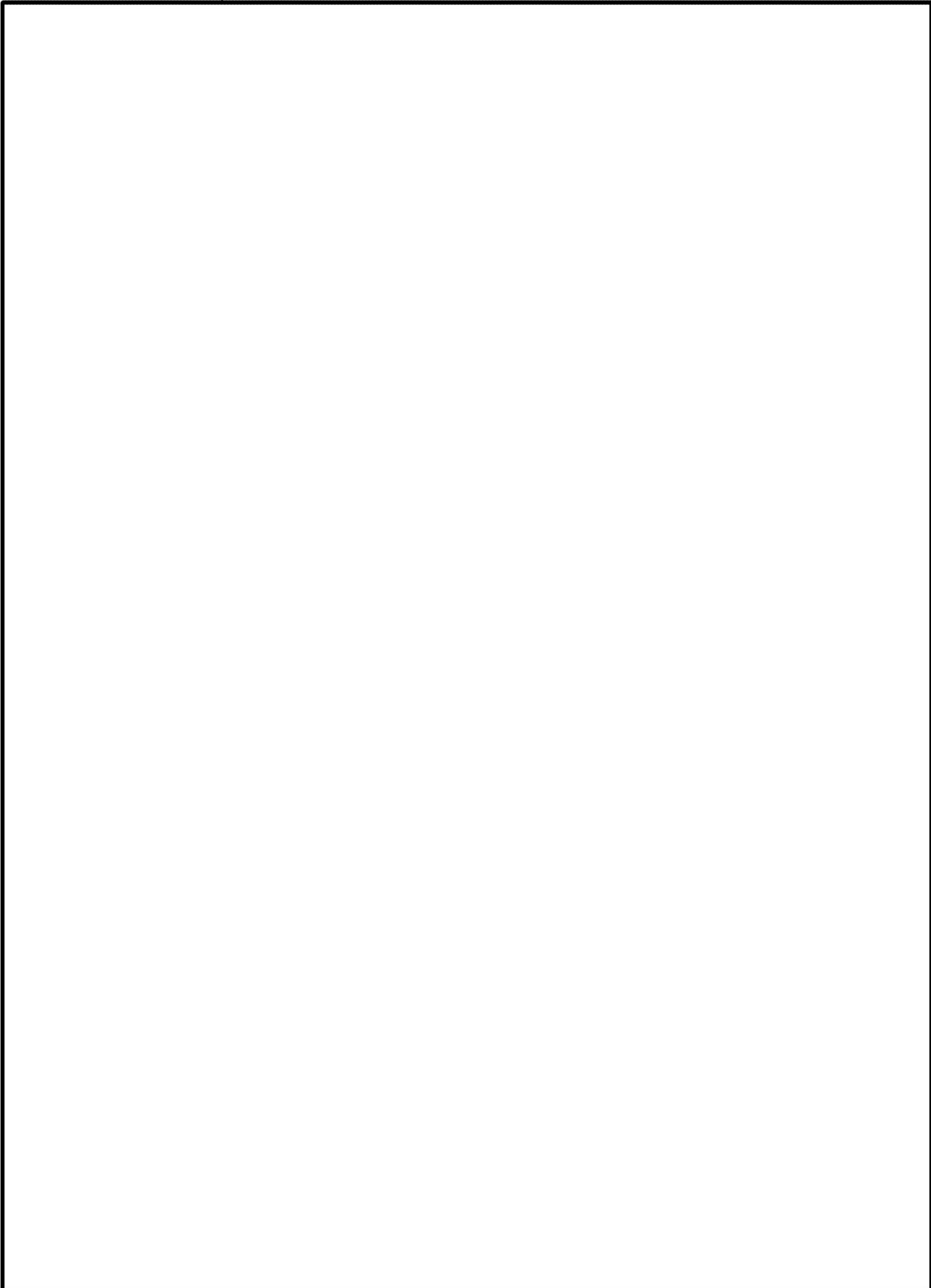












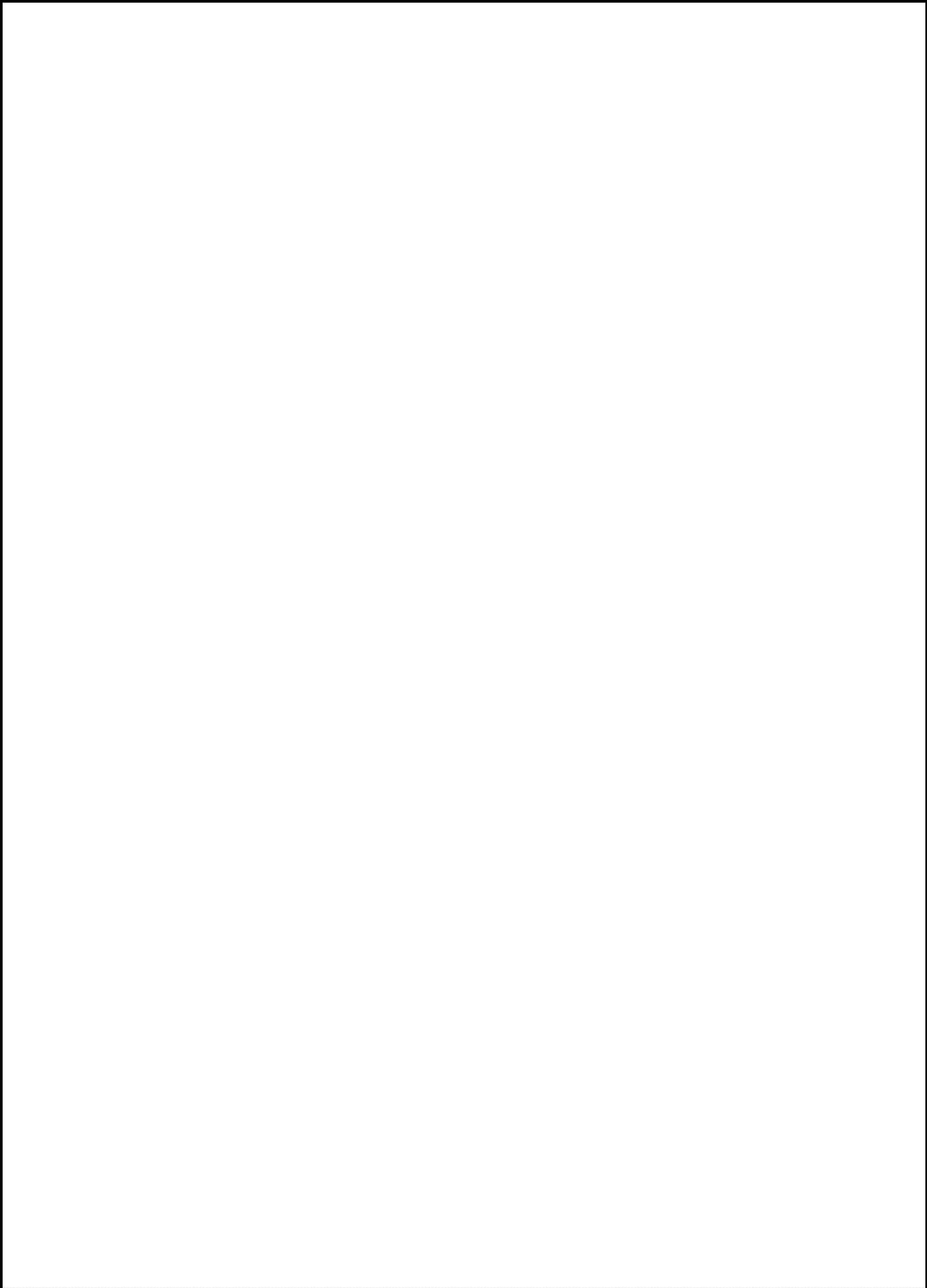




EXHIBIT "A"
PROMISSORY NOTE

(see attached)

(b)(4)





EXHIBIT "B"
FINANCING STATEMENT
(see attached)

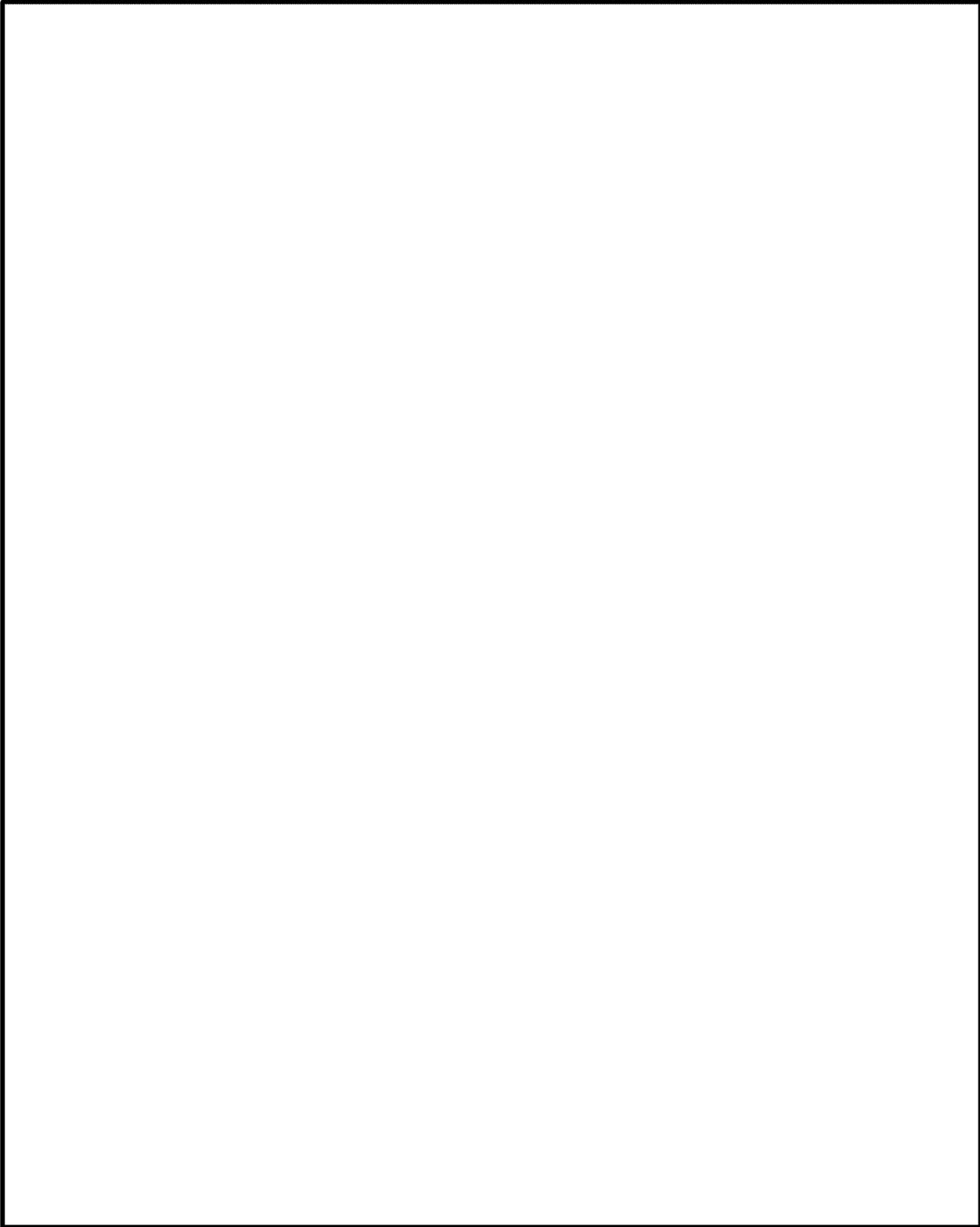
(b)(4)



(b)(4)

Version Date April 2013

PROMISSORY NOTE



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Version Date April 2013

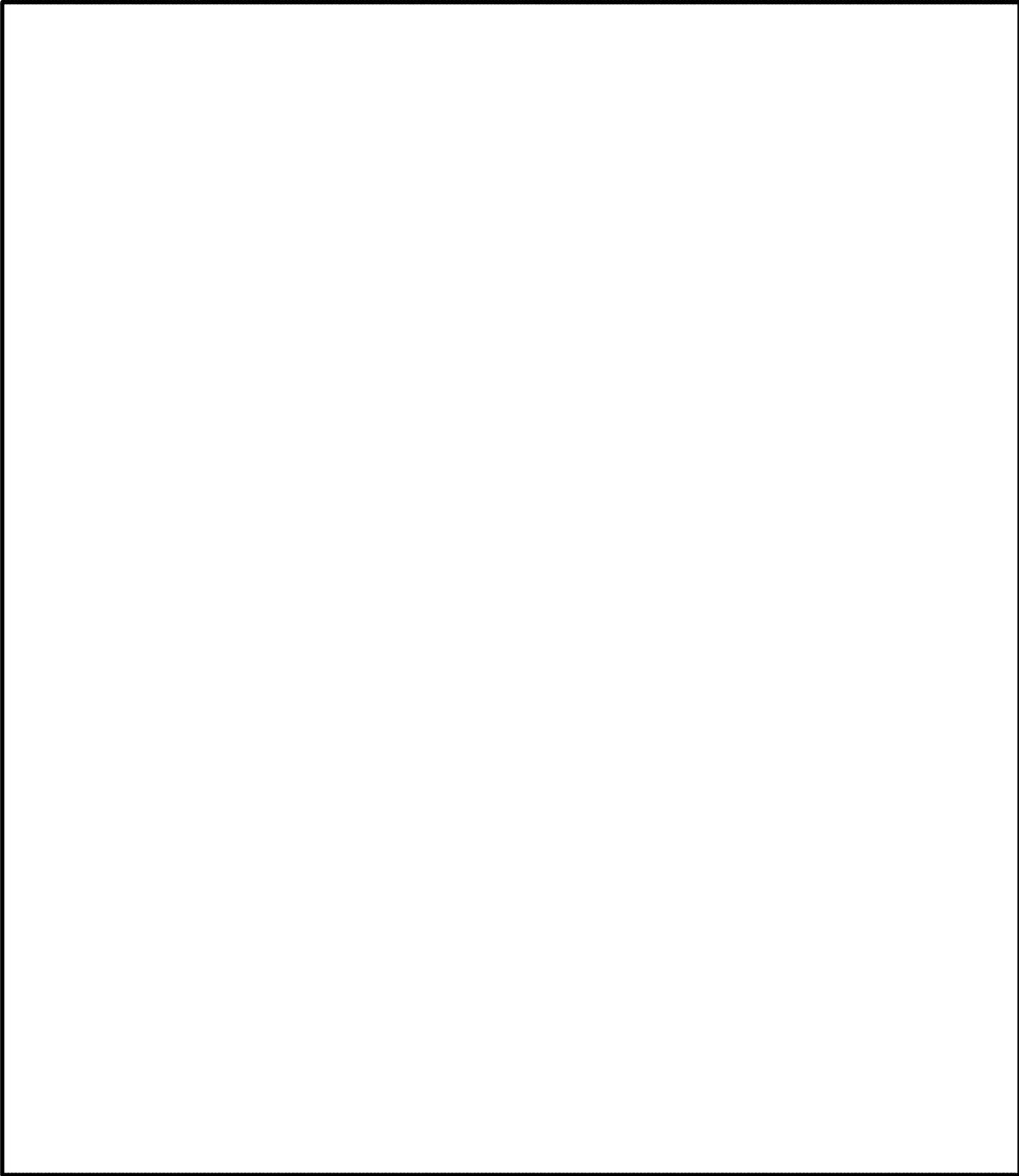
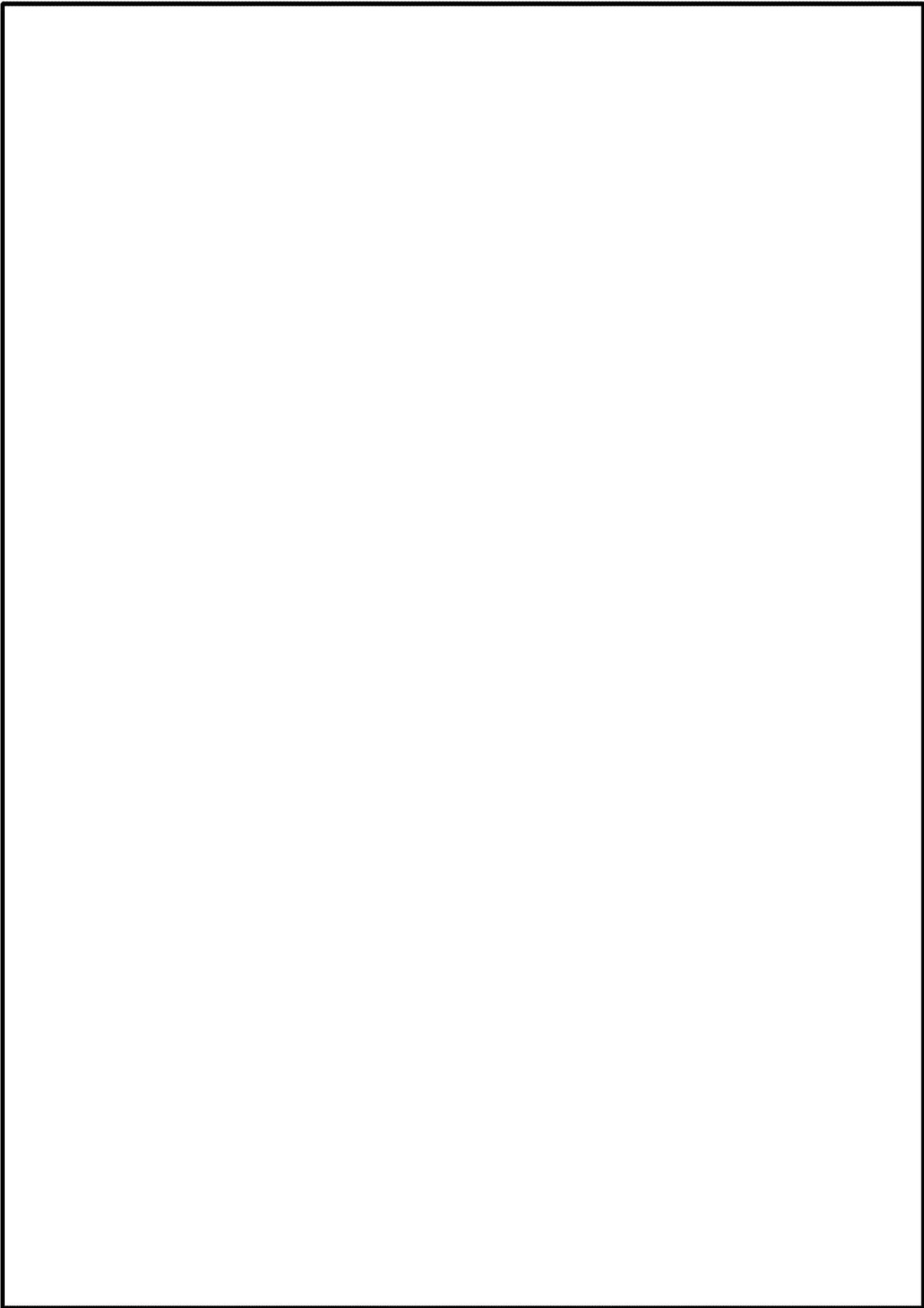


Exhibit 3-C

Sample Subscription Agreement and Investor Questionnaire dated
April 2013;

[], LP
A MONTANA LIMITED PARTNERSHIP

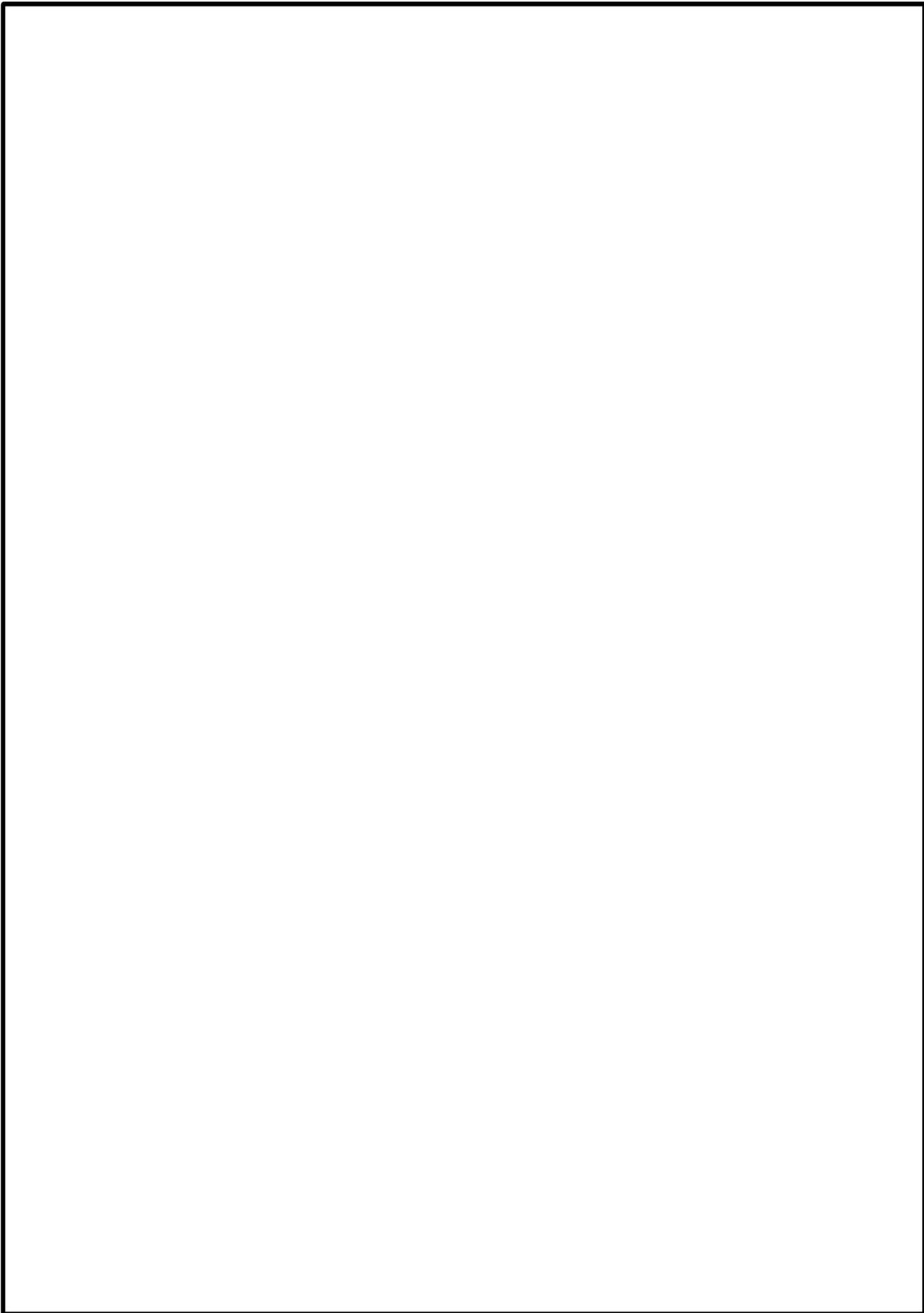




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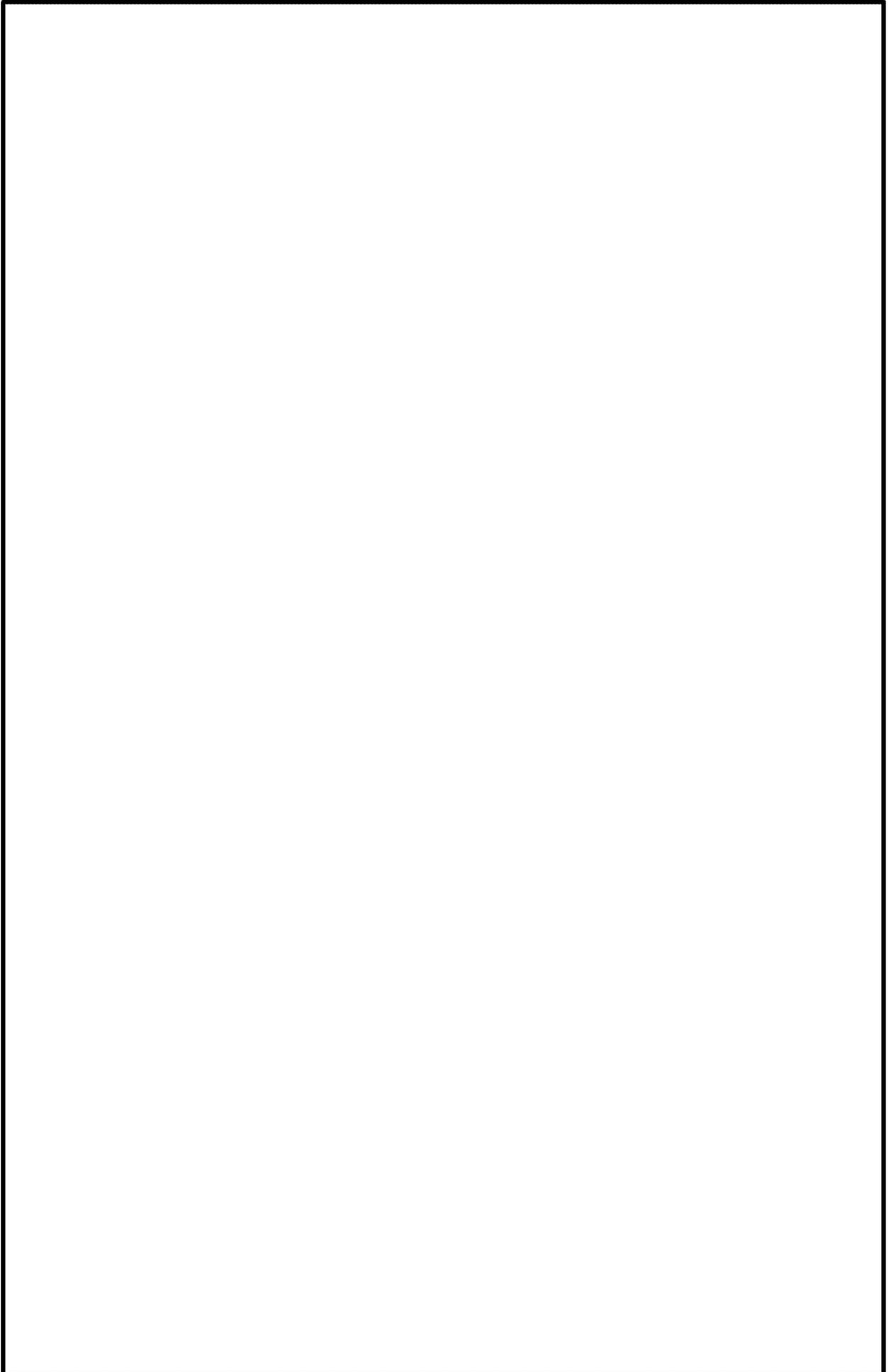
Version dated April 2013



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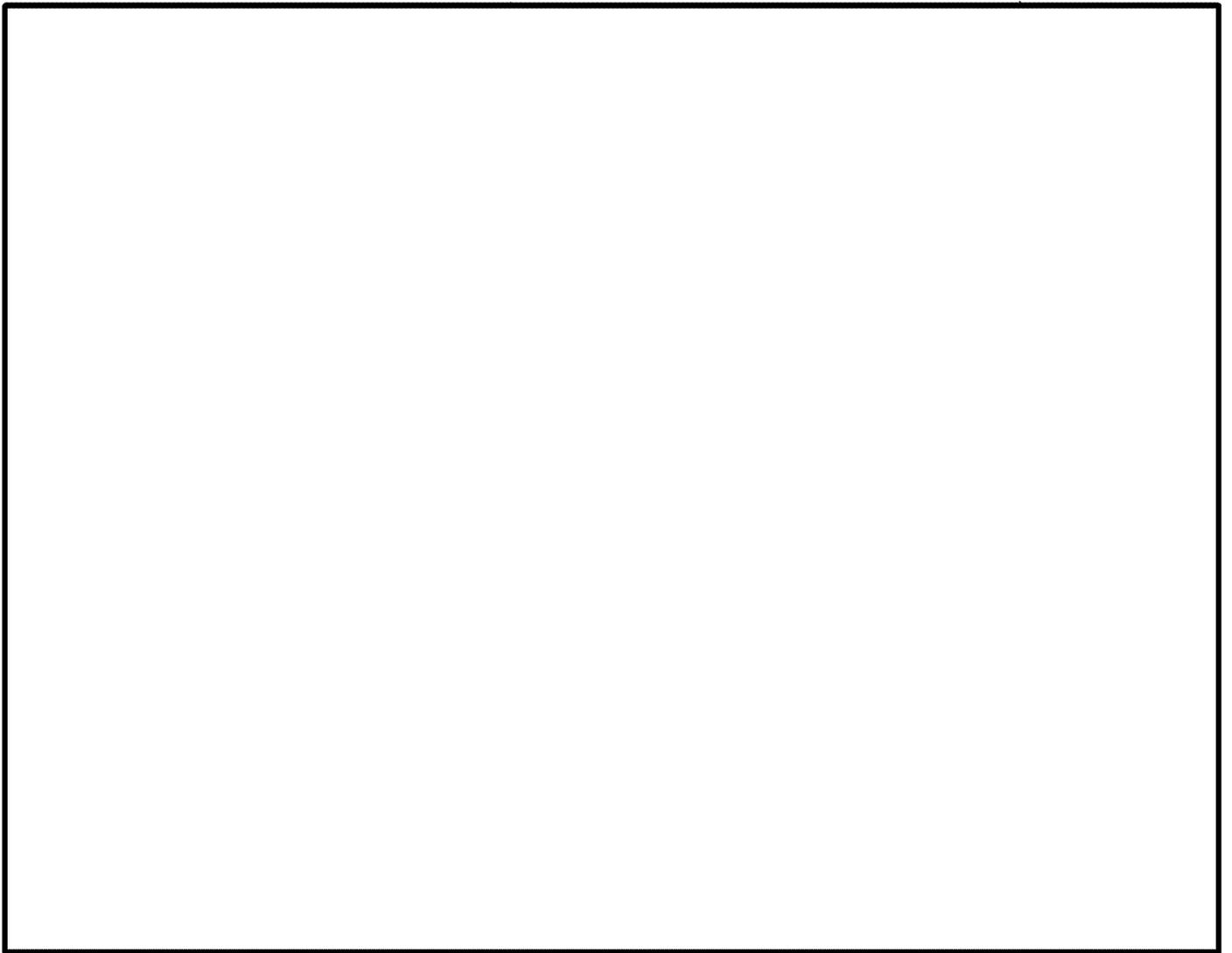
Version dated April 2013



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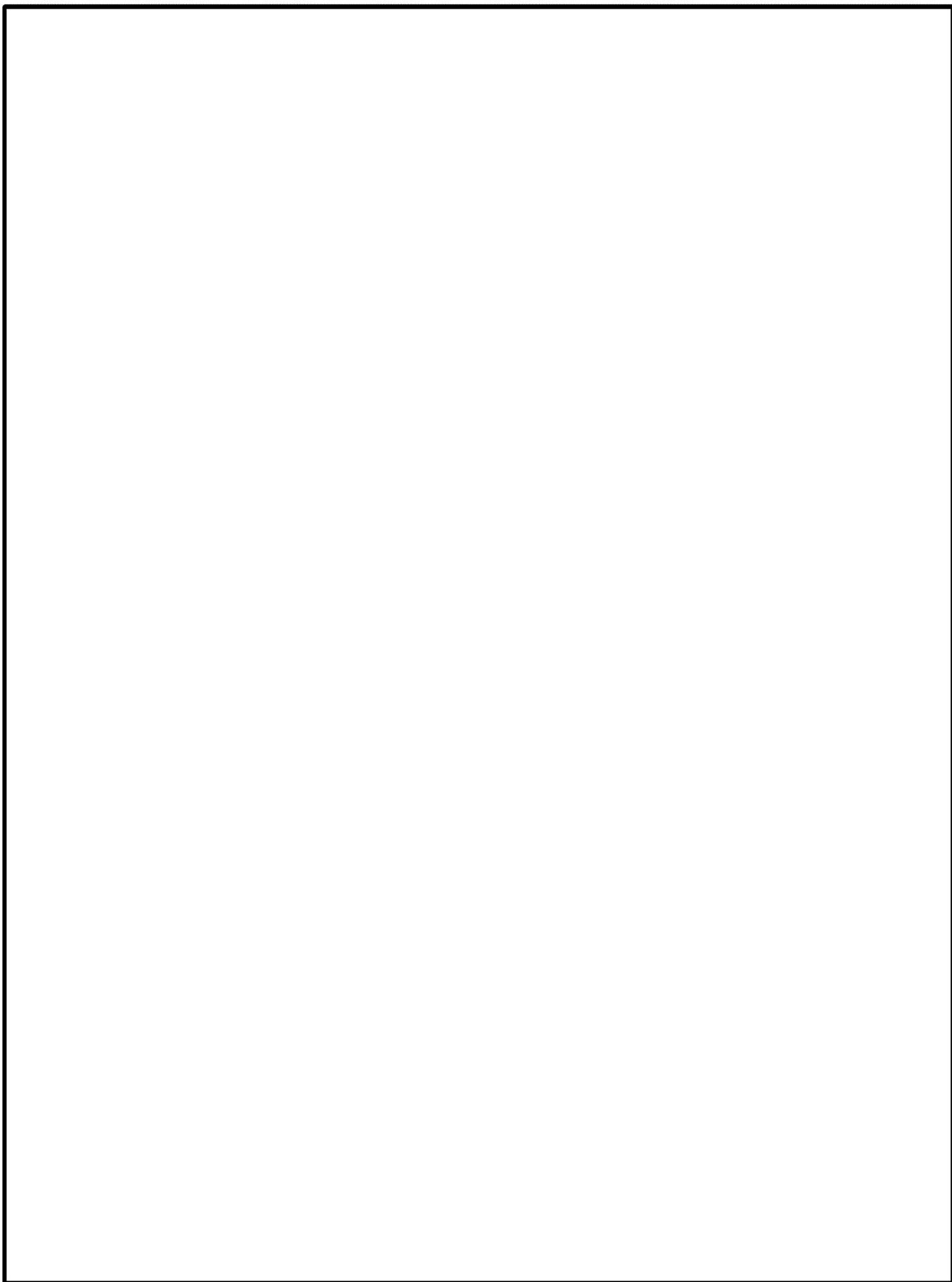
Version dated April 2013



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Version dated April 2013



(b)(4)

ACCREDITED INVESTOR QUESTIONNAIRE

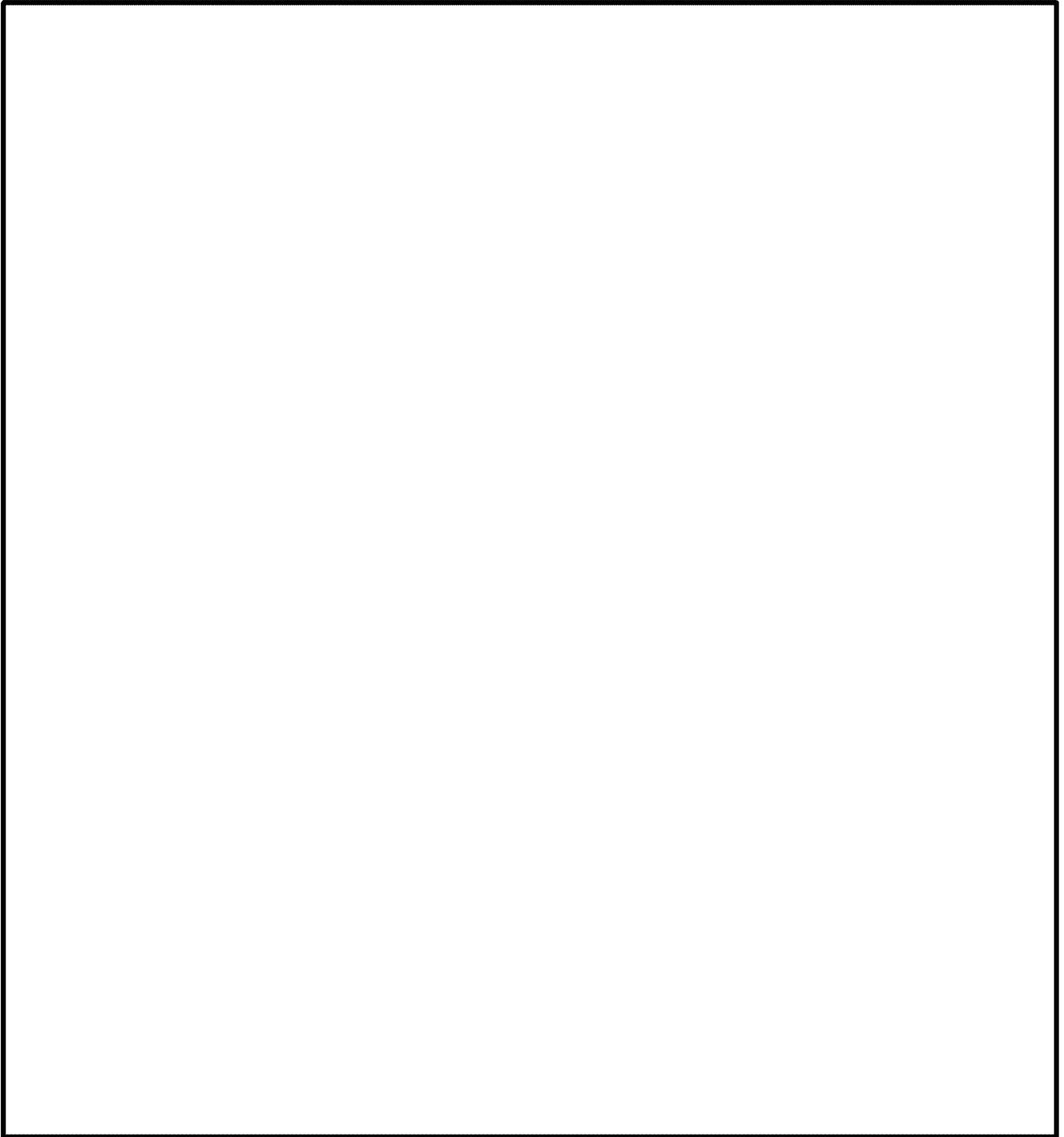
A large, empty rectangular box with a black border, occupying the central portion of the page. It appears to be a redaction or a placeholder for content that is not visible in this document.

Exhibit 3-D

Sample Private Placement Memorandum dated April 2013.

Date: _____, 201__

Name: _____ No.: _____

CONFIDENTIAL PRIVATE OFFERING MEMORANDUM

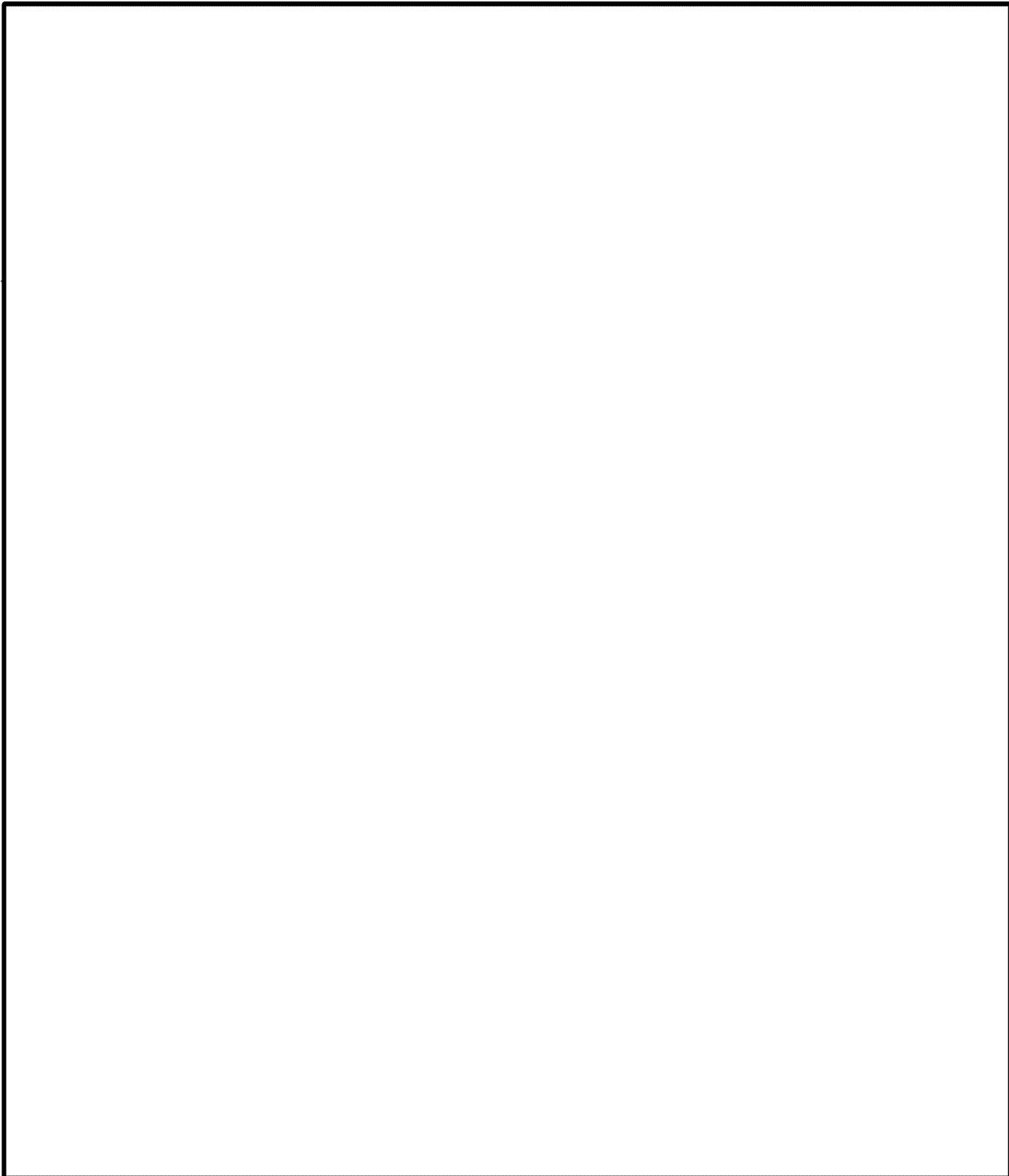
Up to [] Units
Of
[], LP
(a Montana Limited Partnership)

Up to \$[] million
Of
Limited Partnership Interests
At
\$500,000 per Unit

Contact:
[], LP
c/o USA Montana Energy Regional Center, LLC
27 N. 27th Street, Suite 2101
Billings, MT 59101
Telephone: []

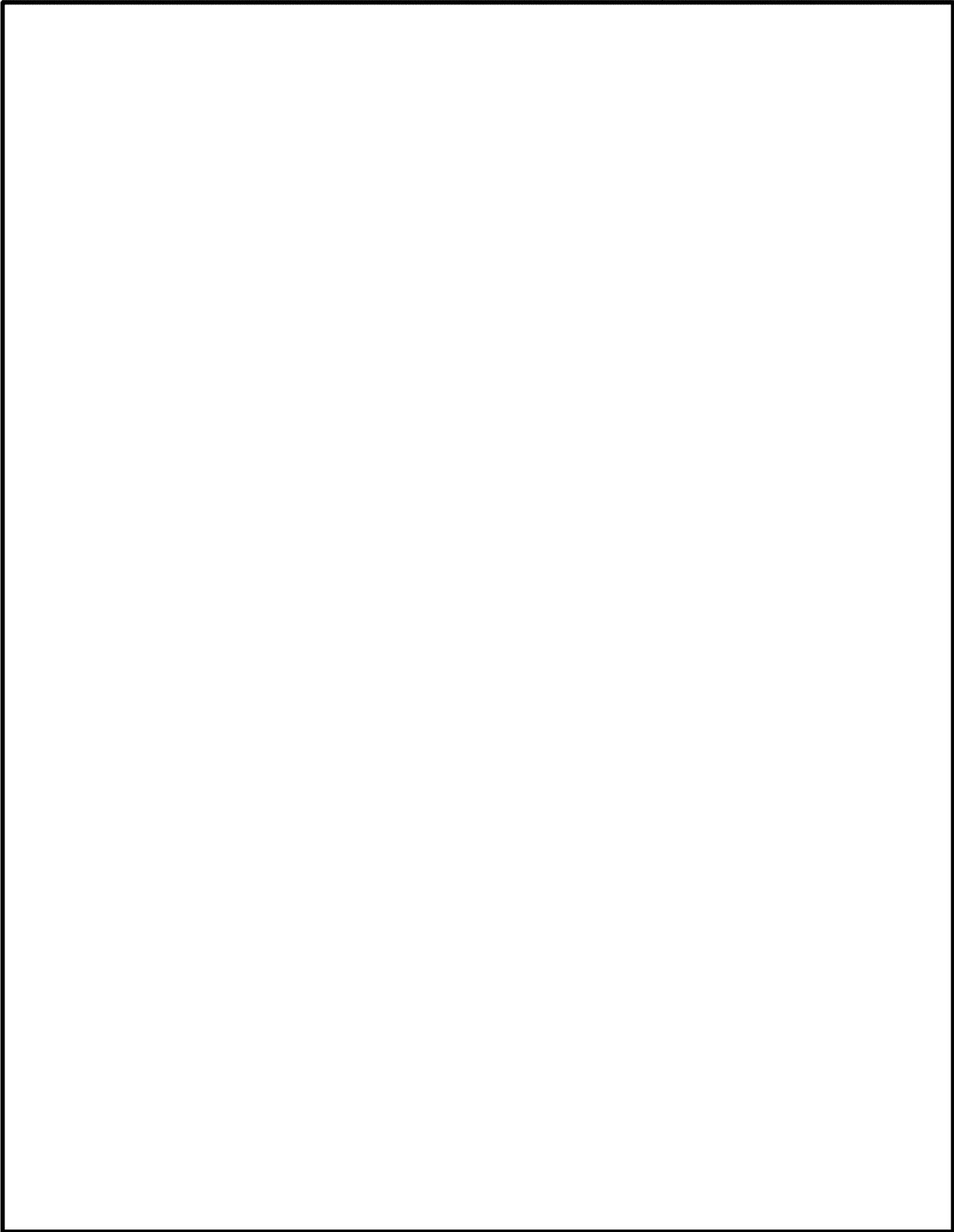


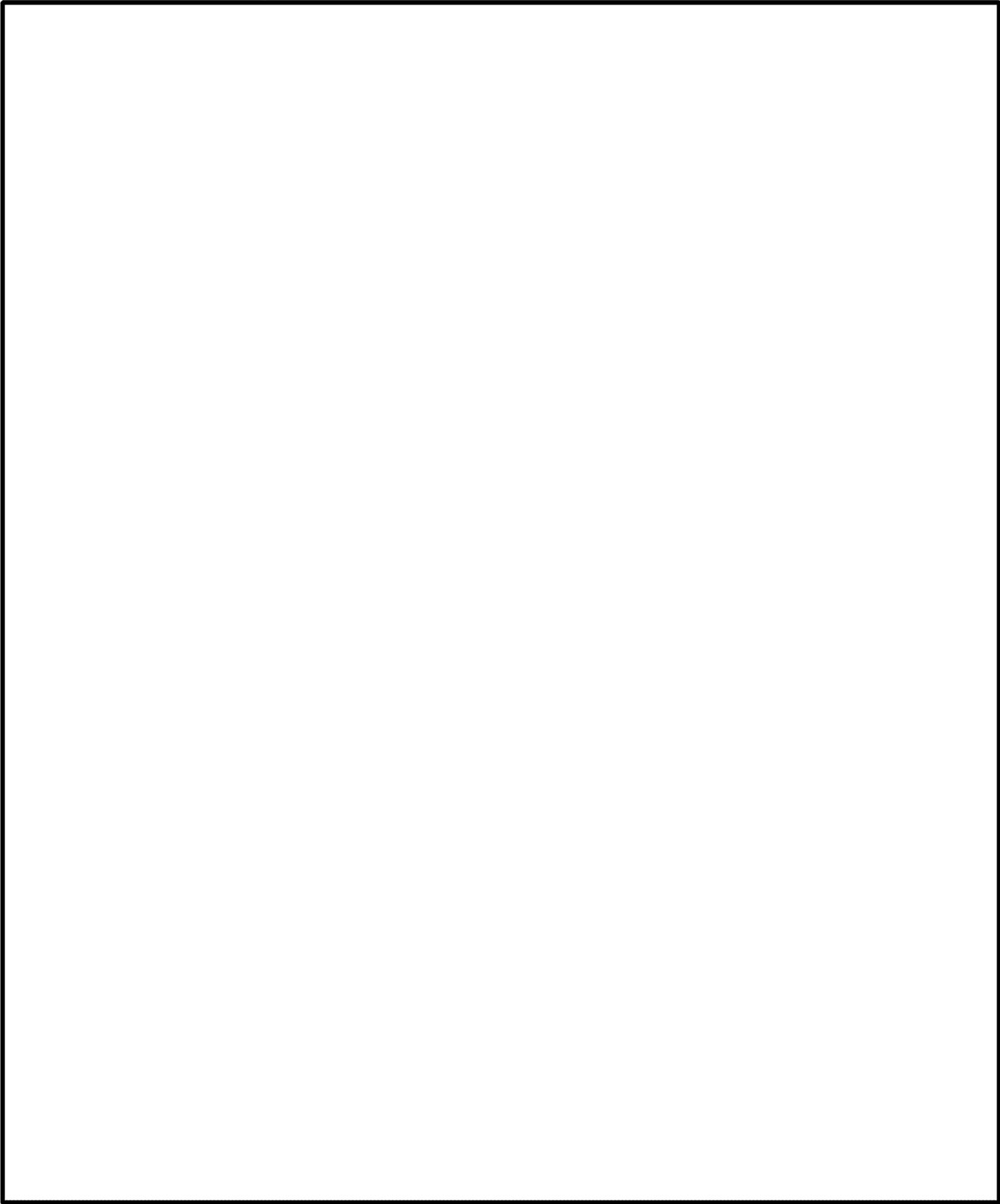
CONFIDENTIAL PRIVATE OFFERING MEMORANDUM
UP TO [] UNITS OF
[], LP





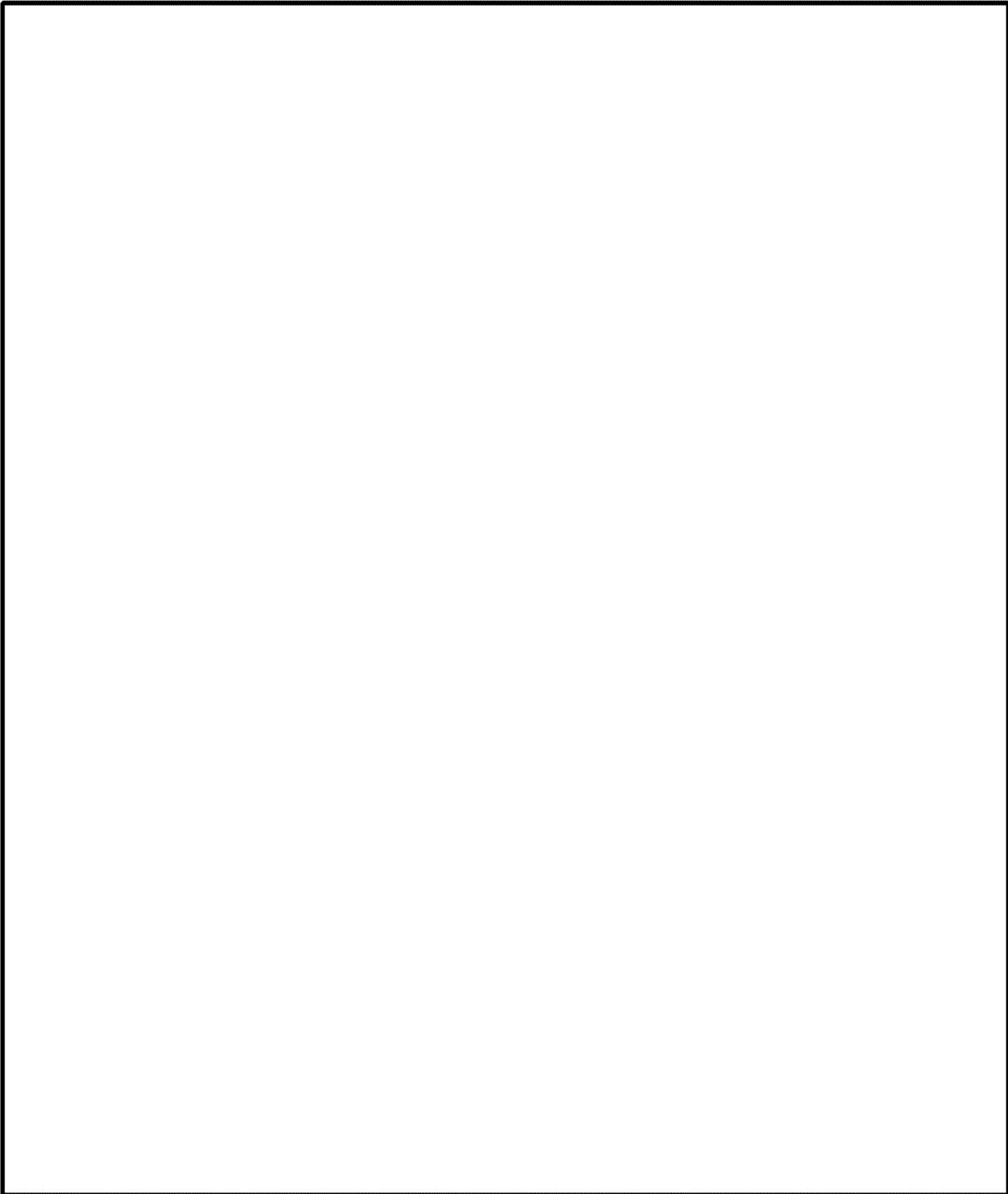
SUMMARY OF OFFERING TERMS







DESCRIPTION OF THE PROJECT



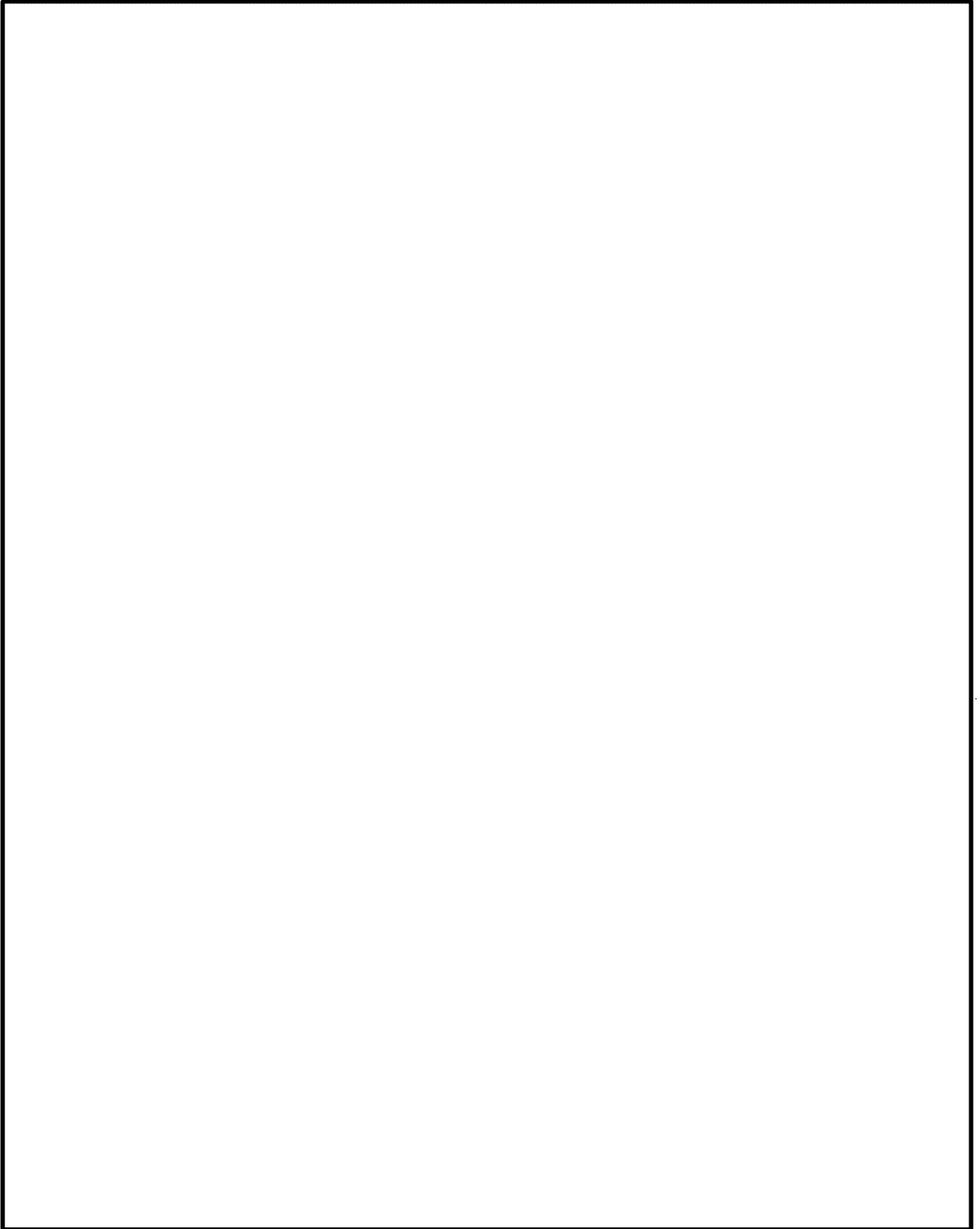


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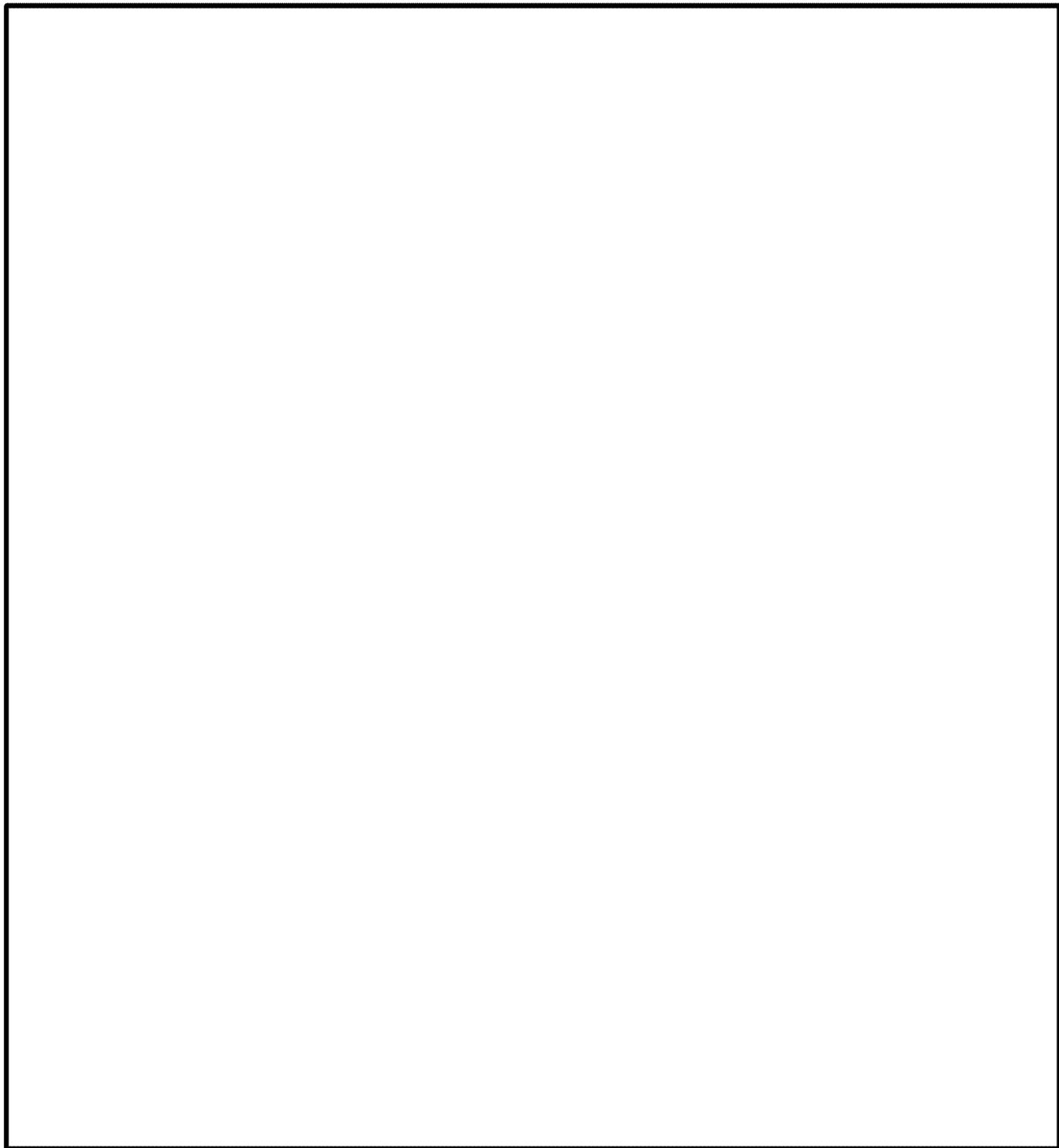
GENERAL PARTNER AND PROJECT OWNER/OPERATOR; MANAGEMENT
BIOGRAPHIES





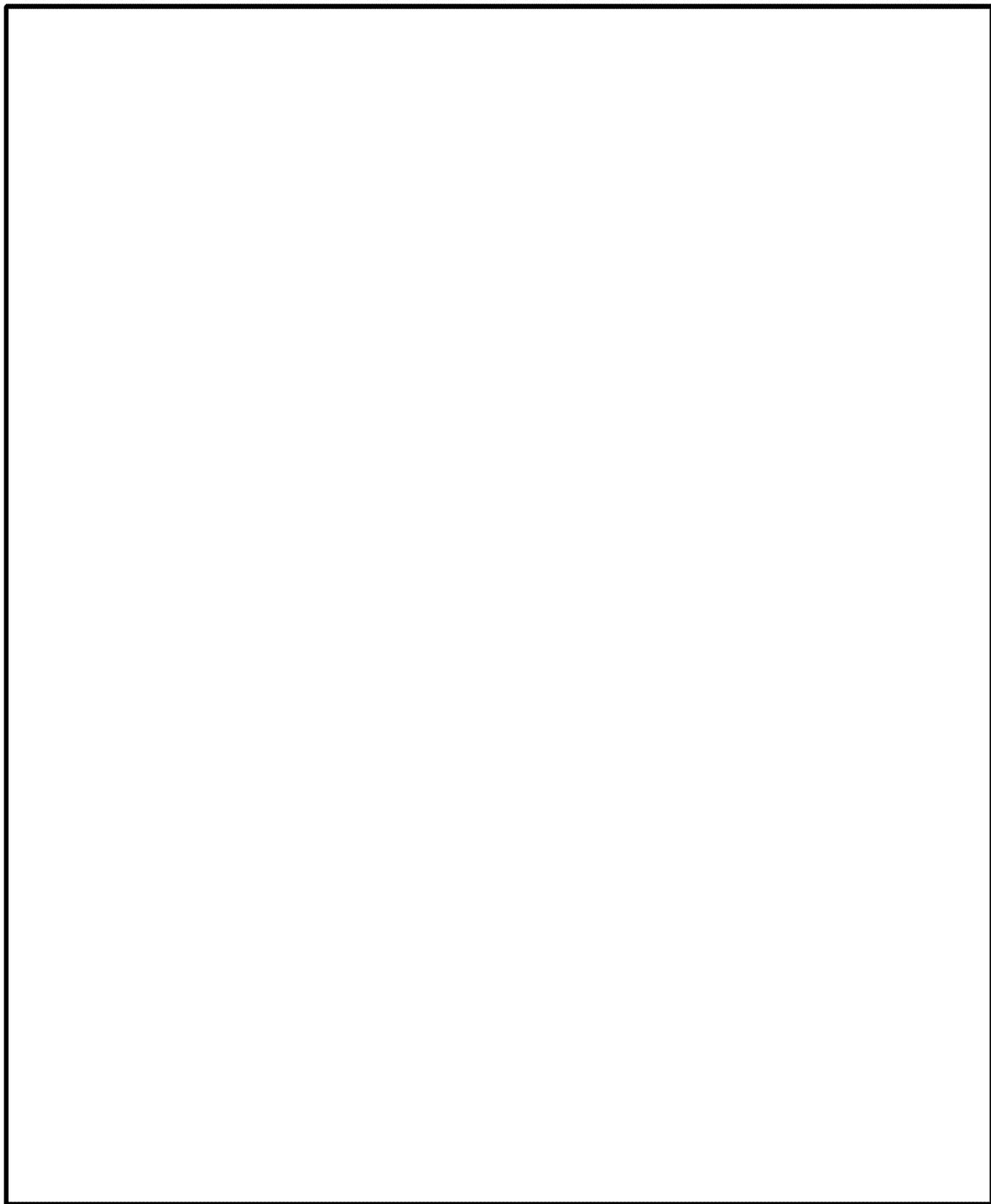
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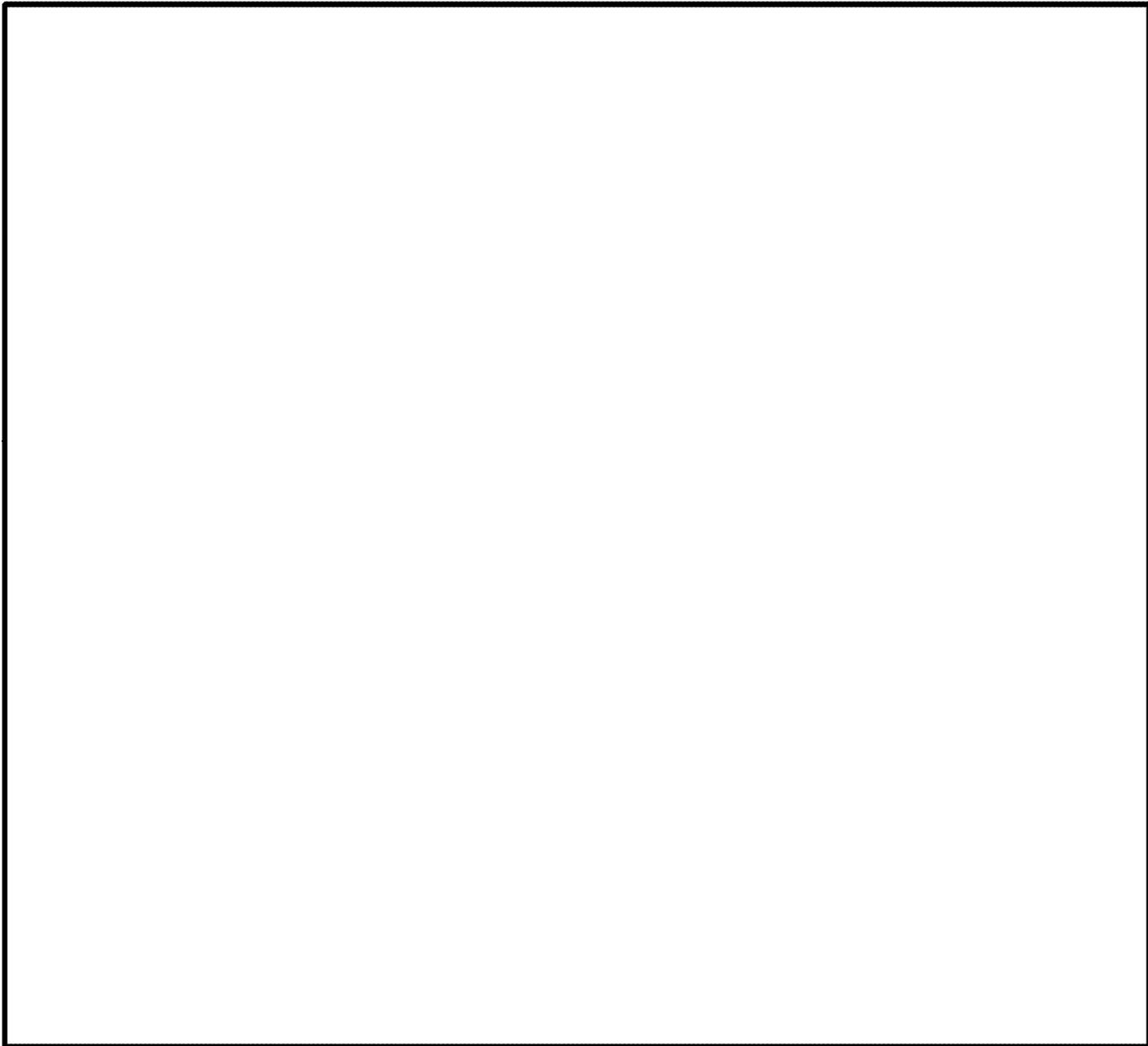
FINANCIAL CONSIDERATIONS





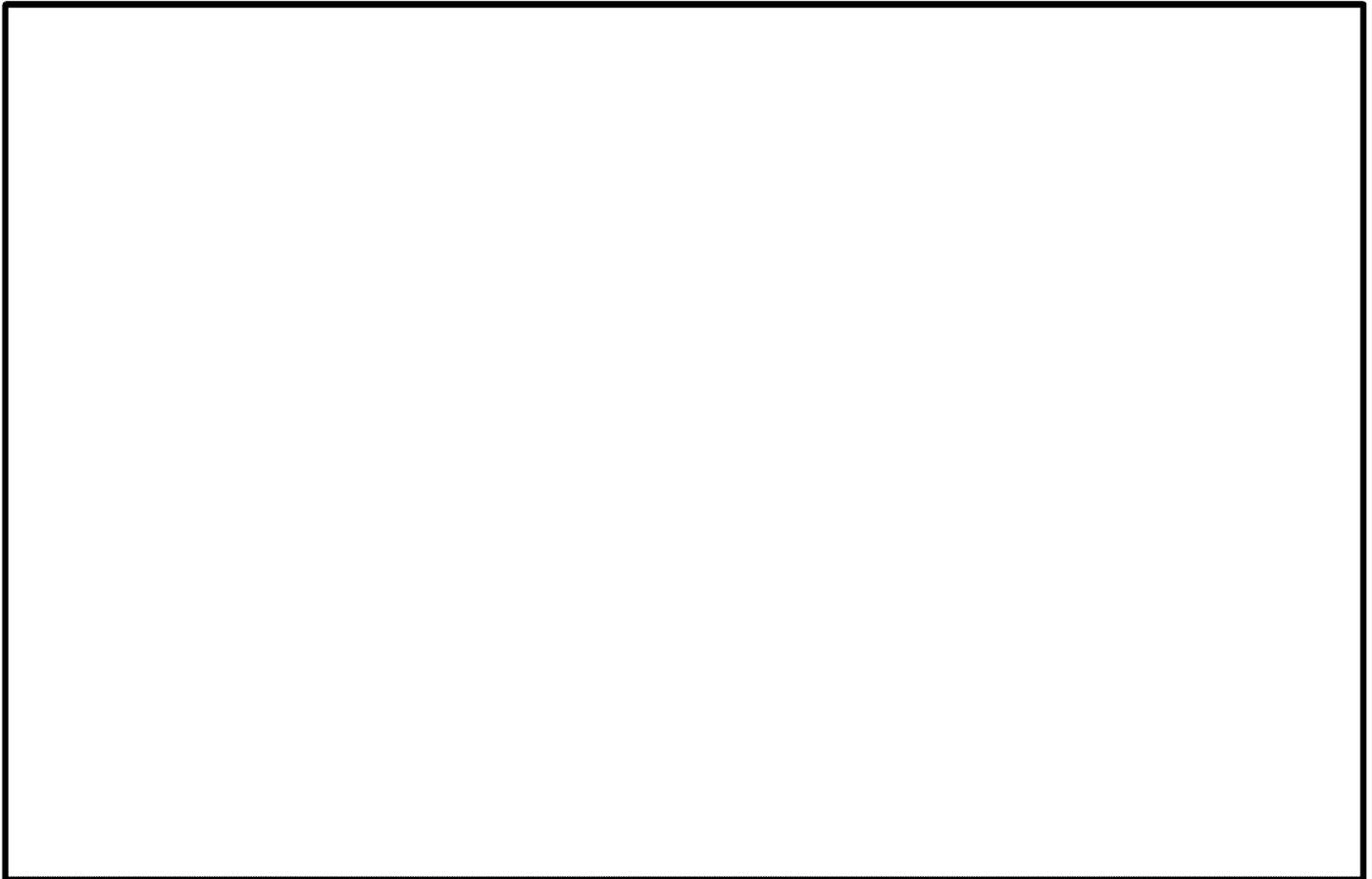
(b)(4)

THE OFFERING

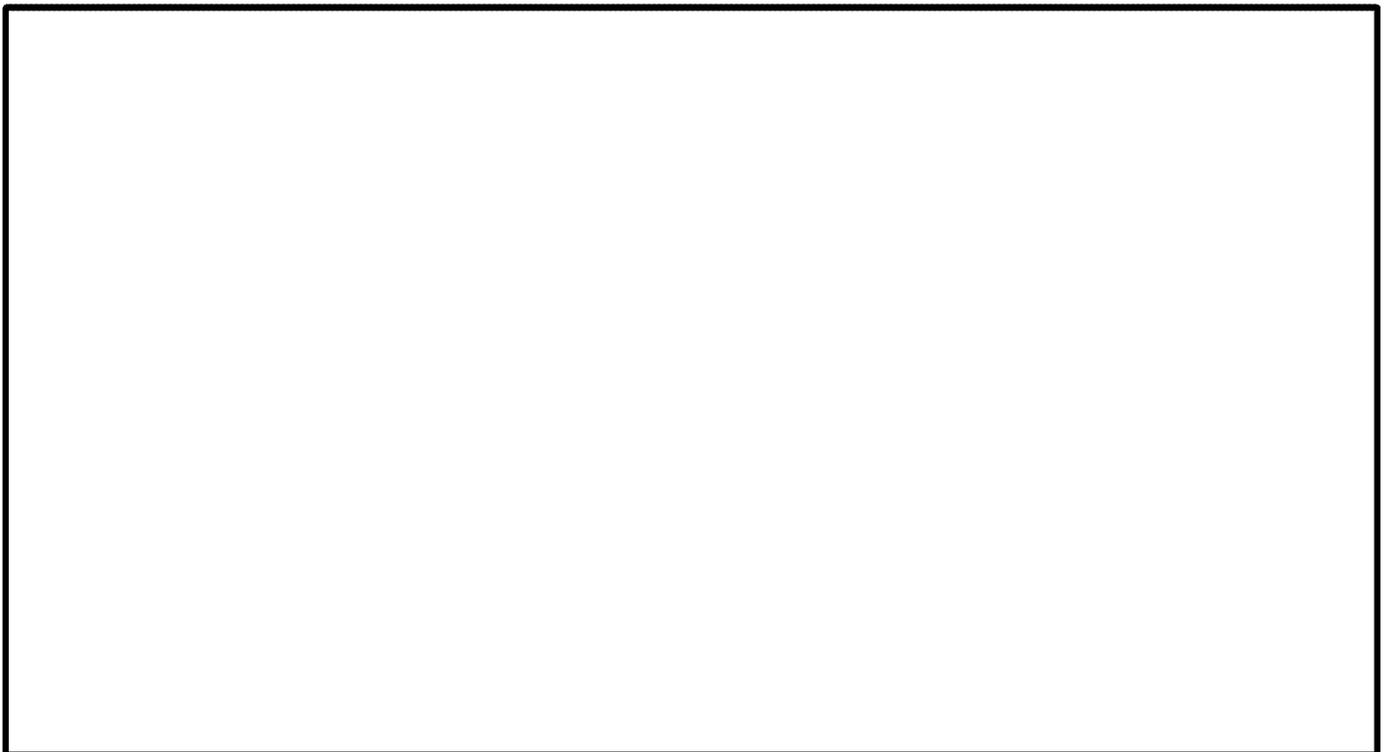


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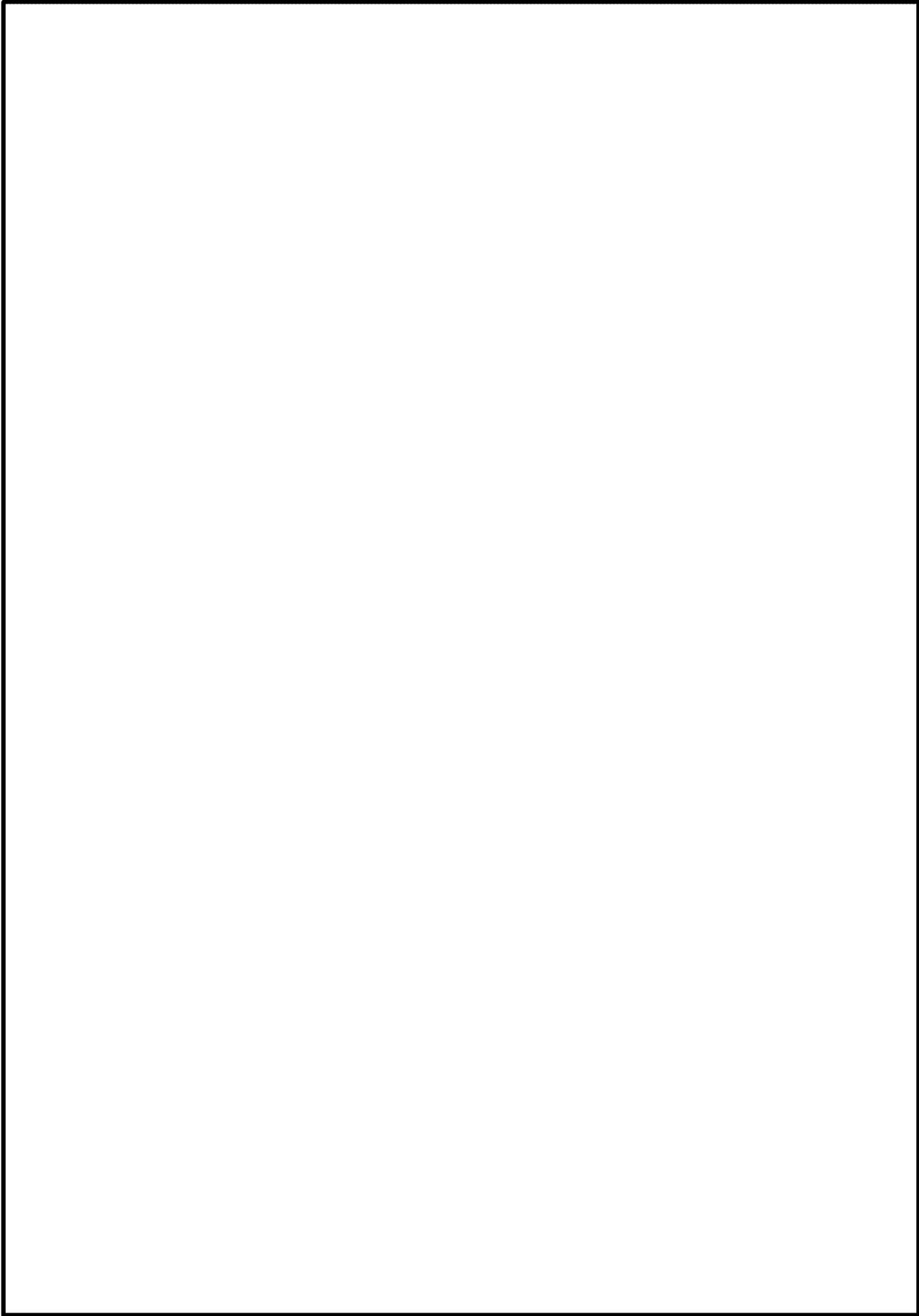
TAX CONSIDERATIONS

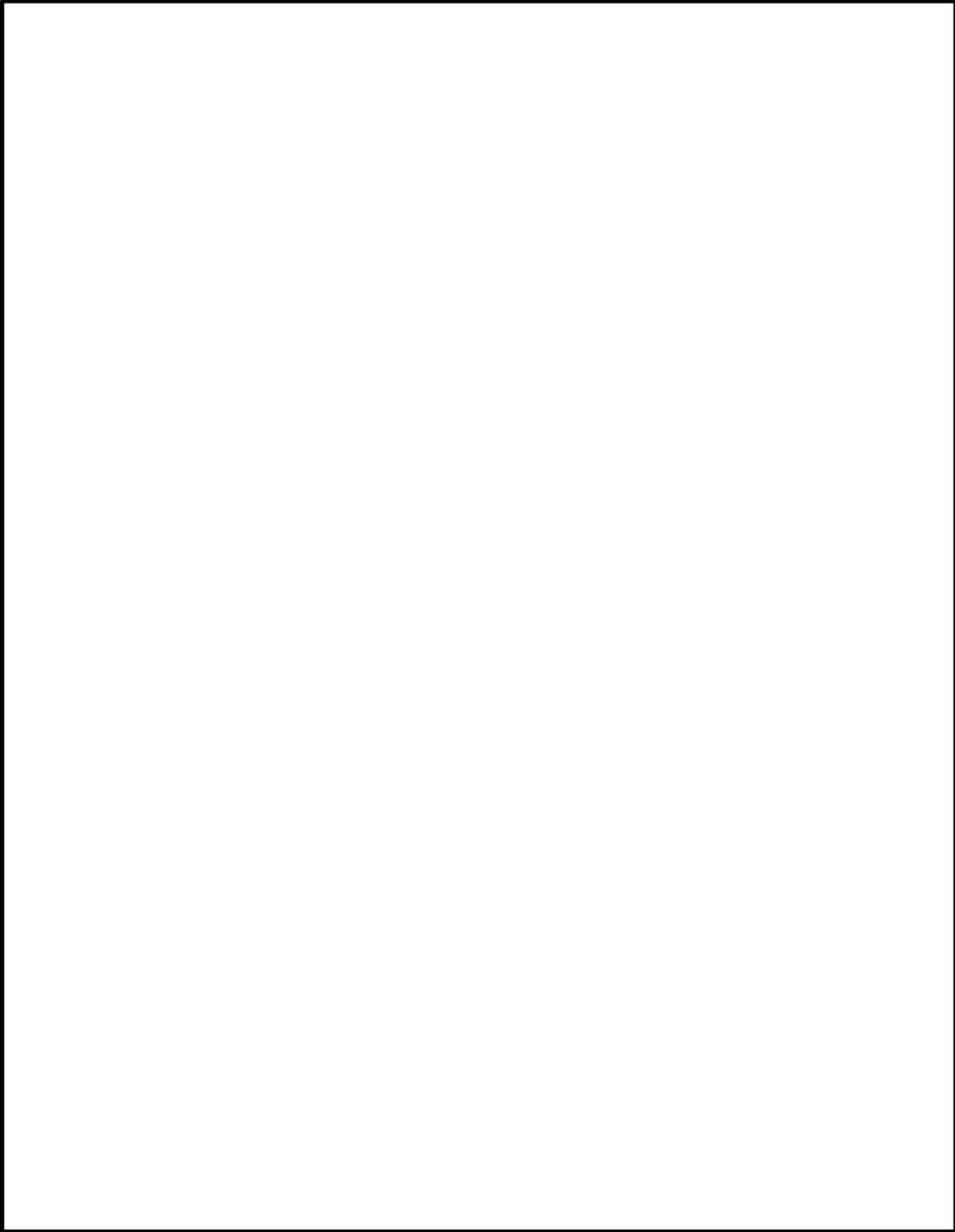


EB-5 IMMIGRATION DISCLOSURES - AND RISK FACTORS



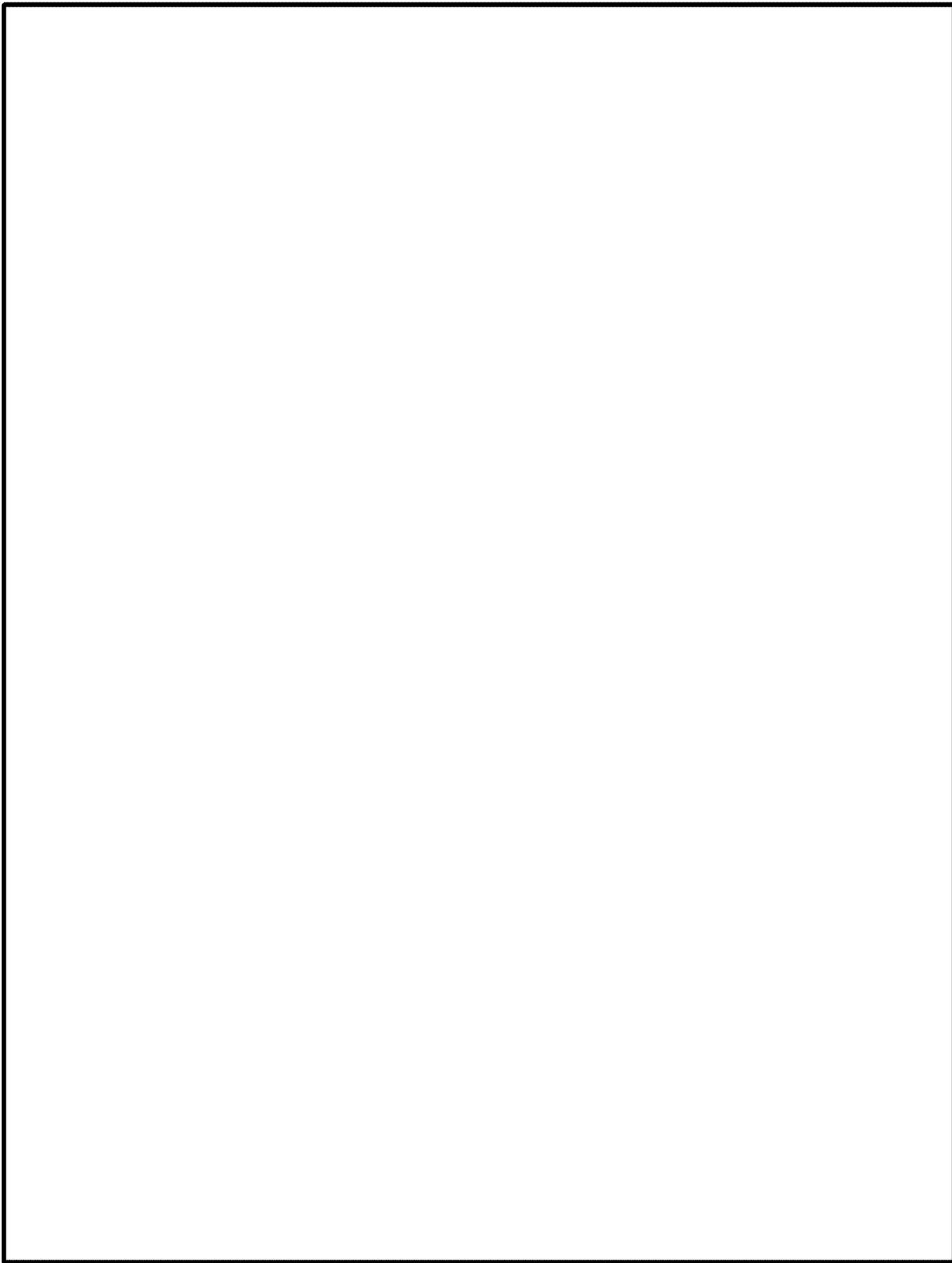








SUBSCRIPTION



From: (213) 830-0933
Sarah Hays
Global Law Group
909 El Centro Street, Suite 1
South Pasadena, CA 91030

Origin ID: WHPA



Ship Date: 29MAR13
Act/Wgt: 1.0 LB
CAD: 3494387/NET3370

Delivery Address Bar Code

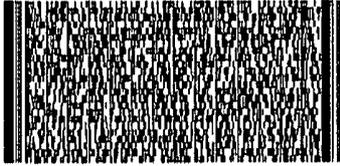


Ref #
Invoice #
PO #
Dept #
USA Montana (Boran Xue)

SHIP TO: (213) 830-8933
Attn: EB-5 RC Proposal
USCIS- California Service Center
24000 AVILA RD FL 2

B2L SENDER

LAGUNA NIGUEL, CA 92677

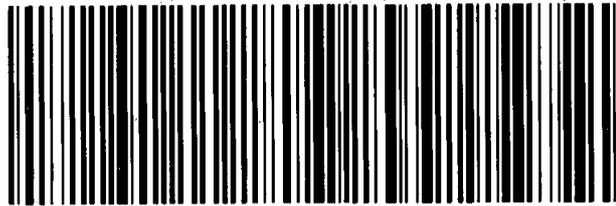


FedEx
TRK# 7994 0224 9910
0201

WED - 03 APR 10:30A
PRIORITY OVERNIGHT

92 JORA

92677
CA-US SNA



*1878434 04/02 518G1/64BE/93AB

CSC
AM APR 03 2013
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C30070
RFE

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Warning: Use only the printed original label for shipping. Use the FedEx account number.

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A #	Application/Petition I924, Application for Regional Center under Immigrant Investor Pilot Program	
Receipt # RCW1131850351	Application/Petitioner Usa Montana Energy Regional Center, L L C	
Notice Date July 12, 2012	Page 1 of 6	Beneficiary

Linda Lau
Global Law Group
RE: USA Montana Energy Regional Center, LLC
909 El Centro Street, Suite 1
South Pasadena, CA 91030

Request for Evidence

Notice also sent to:

RETURN THIS NOTICE ON TOP OF THE REQUESTED INFORMATION LISTED ON THE ATTACHED SHEET.

Note: You are given until **October 4, 2012** in which to submit the requested information to the address at the bottom of this notice.

Please note the required deadline for providing a response to this Request for Evidence. The deadline reflects the maximum period for responding to this RFE. However, since many immigration benefits are time sensitive, you are encouraged to respond to this request as early as possible but no later than the date provided on the request.

Pursuant to 8 C.F.R. 103.2(b)(11) failure to submit ALL evidence requested at one time may result in the denial of your application.

For more information, visit our website at **www.uscis.gov**

Or call us at **1-800-375-5283**

Telephone service for the hearing impaired: **1-800-767-1833**

CSC4645 WS22145 DIV III AC

**For non-US Postal Service
Attn: EB 5 RC Proposal
24000 Avila Road, 2nd Floor
Laguna Niguel, CA 92677**

You will be notified separately about any other applications or petitions you filed. Save this notice. Please enclose a copy of it if you write to us about this case, or if you file another application based on this decision. Our address is:

USCIS - CALIFORNIA SERVICE CENTER
P.O. BOX 10590
LAGUNA NIGUEL, CA 92607-0590
800-375-5283



RCW1131850351

Please see additional information on the reverse side.

COPY

Form I-797E (Rev. 05/05/06)

G-28, Notice of Entry of Appearance as Attorney or Accredited Representative

Department of Homeland Security

Part 1. Notice of Appearance as Attorney or Accredited Representative

A. This appearance is in regard to immigration matters before:

- USCIS - List the form number(s): I-924 CBP - List the specific matter in which appearance is entered:
 ICE - List the specific matter in which appearance is entered: _____

B. I hereby enter my appearance as attorney or accredited representative at the request of:

List Petitioner, Applicant, or Respondent. **NOTE:** Provide the mailing address of Petitioner, Applicant, or Respondent being represented, and not the address of the attorney or accredited representative, except when filed under VAWA.

Principal Petitioner, Applicant, or Respondent			A Number or Receipt Number, if any	<input type="checkbox"/> Petitioner <input checked="" type="checkbox"/> Applicant <input type="checkbox"/> Respondent
Name: Last	First	Middle		
Mao	Michael			
Address: Street Number and Street Name Apt. No.		City	State	Zip Code
27 N. 27th Street, Suite 2101		Billings	MT	59101

Pursuant to the Privacy Act of 1974 and DHS policy, I hereby consent to the disclosure to the named Attorney or Accredited Representative of any record pertaining to me that appears in any system of records of USCIS, USCBP, or USICE.

Signature of Petitioner, Applicant, or Respondent

Date Oct. 24, 2011

Part 2. Information about Attorney or Accredited Representative (Check applicable item(s) below)

- A. I am an attorney and a member in good standing of the bar of the highest court(s) of the following State(s), possession(s), territory(ies), commonwealth(s), or the District of Columbia: Supreme Court of California or New York
 I am not or am subject to any order of any court or administrative agency disbaring, suspending, enjoining, restraining, or otherwise restricting me in the practice of law (If you are subject to any order(s), explain fully on reverse side).
- B. I am an accredited representative of the following qualified non-profit religious, charitable, social service, or similar organization established in the United States, so recognized by the Department of Justice, Board of Immigration Appeals pursuant to 8 CFR 1292.2. Provide name of organization and expiration date of accreditation:
- C. I am associated with _____
 The attorney or accredited representative of record previously filed Form G-28 in this case, and my appearance as an attorney or accredited representative is at his or her request (If you check this item, also complete item A or B above in Part 2, whichever is appropriate).

Part 3. Name and Signature of Attorney or Accredited Representative

I have read and understand the regulations and conditions contained in 8 CFR 103.2 and 292 governing appearances and representation before the Department of Homeland Security. I declare under penalty of perjury under the laws of the United States that the information I have provided on this form is true and correct.

Name of Attorney or Accredited Representative		Attorney Bar Number(s), if any
Tina Lee (CA SBN: 229398) Linda Lau (CA SBN: 135064); Mingjie Gan (NY SBN: 4850574)		135064; 4850574; 229398
Signature of Attorney or Accredited Representative		Date
		<u>11/8/2011</u>
Complete Address of Attorney or Organization of Accredited Representative (Street Number and Street Name, Suite No., City, State, Zip Code)		
Global Law Group 909 El Centro Street, Suite 1, South Pasadena, CA 91030		
Phone Number (Include area code)	Fax Number, if any (Include area code)	E-Mail Address, if any
(213) 830-9933	(213) 830-9930	Linda@GlobalLawGroup.net

(b)(6)

OMB No. 1615-0061; Expires 09/30/2012

Department of Homeland Security
U.S. Citizenship and Immigration Services

Form I-924, Application for Regional Center Under the Immigrant Investor Pilot Program

REC'D CSC 11NOV14 2:28:31

C30056

Do Not Write in This Block - for USCIS Use Only (except G-28 block below)

Action Block



Fee Received



RCW1131850351

G-28 attached

Attorney's State License No.
135064, 229398, 4850574

Part 1. Information About Principal of the Regional Center

Name: Last Mao	First Michael	Middle
-------------------	------------------	--------

C/O: USA Montana Energy Regional Center, LLC

Street Address/P.O. Box: 27 North 27th Street, Suite 2101

City: Billings	State: MT	Zip Code: 59101
----------------	-----------	-----------------

Date of (mm/dd)	Fax Number (include area code): (406) 839-2389	Telephone Number (include area code)
-----------------	--	--------------------------------------

Web site address: www.usamerc.com

Part 2. Application Type (Check one)

- a. Initial Application for Designation as a Regional Center
- b. Amendment to an approved Regional Center application. Note the previous application receipt number, if any (also attach the Regional Center's previous approval notice):

Part 3. Information About the Regional Center

(Use a continuation sheet, if needed, to provide information for additional management companies/agencies, Regional Center principals, agents, individuals or entities who are or will be involved in the management, oversight, and administration of the regional center.)

A. Name of Regional Center: USA Montana Energy Regional Center, LLC

Street Address/P.O. Box: 27 N. 27th Street, Suite 2101

City: Billings	State: MT	Zip Code: 59101
----------------	-----------	-----------------

Web site address: www.usamerc.com	Fax Number (include area code): (406) 839-2389	Telephone Number (include area code): (406) 281-8266
--------------------------------------	---	---



Form I-924 (11/23/10)

Part 3. Information About the Regional Center (Continued)

B. Name of Managing Company/Agency: USA Montana Energy Regional Center, LLC

Street Address/P.O. Box: 27 N. 27th Street, Suite 2101

City: Billings	State: MT	Zip Code: 59101
Web site address: www.usamerc.com	Fax Number (include area code): (406) 839-2389	Telephone Number (include area code): (406) 281-8266

C. Name of Other Agent: None

Street Address/P.O. Box:

City:	State:	Zip Code:
Web site address:	Fax Number (include area code):	Telephone Number (include area code):

D. Continuation, if needed, to provide information for additional management companies/agencies, regional center principals, agents, individuals or entities who are or will be involved in the management, oversight, and administration of the regional center.)

USA Montana Energy Regional Center, LLC and our officers and associates will manage the regional center projects and its activities. We presently have two officers who will provide oversight and administration of the regional center.

We also work with a number of professionals and service providers. These entities offer essential support and advise allowing us to make informed decisions as to the acceptability of various investment opportunities. The professionals and service providers include legal counsel, financial/investment analysts, accountants, bankers and escrow agents (when applicable to a particular project).



Part 3. Information About the Regional Center (Continued)

Note: If extra space is needed to complete any item, attach a continuation sheet, indicate the item number, and provide the response.

1a. Describe the structure, ownership and control of the regional center entity.

USA Montana Energy Regional Center, LLC is a Montana limited liability company. It is wholly owned by GUCH, LLC, which is a Montana limited liability company whose manager is [redacted]

b. Date the Regional Center was established(mm/dd/yyyy): 09/21/2011

c. Organization Structure for the Regional Center:

- 1. Agency of a U.S. State or Territory (identify) _____
- 2. Corporation
- 3. Partnership (including Limited Partnership)
- 4. Limited Liability Company (LLC)
- 5. Other (Explain) _____

2. Has this regional center's designation ever been formally terminated by USCIS, or has the regional center ever filed a Form I-924 or regional center proposal or amendment that was denied?

- No
- Yes - Attach a copy of the adverse decision, with an explanation, the date of decision, and case number, if any.

3. Describe the geographic area of the regional center. Note: This area must be contiguous. Provide a map of the geographic area.

Yellowstone, Musselshell, Garfield, Treasure, Petroleum, Rosebud Counties
(See map on ATTACHMENT)

4. Describe the regional center's administration, oversight, and management functions that are or will be in place to monitor all EB-5 capital investment activities and the allocation of the resulting jobs created or maintained under the sponsorship of the regional center.

The regional center will be responsible for collecting and maintaining records of all investment projects and foreign investors during the conditional period of each immigrant investor. An annual report will be made to USCIS on Form I-924A as required for each federal fiscal year following regional center designation. The regional center will assess the progress of each investment and will monitor job creation based on the USCIS approved industry clusters and methodology in the regional center proposal.



Part 3. Information About the Regional Center (Continued)

5. Describe the past, current, and future promotional activities for the regional center. Include a description of the budget for this activity, along with evidence of the funds committed to the regional center for promotional activities. Submit a plan of operation for the regional center that addresses how EB-5 investors will be recruited, the method(s) by which the capital investment opportunities will be offered to the investors, and how they will subscribe or commit to the investment interest.

We will create brochures and marketing materials which will be used to inform prospective investors, and ensure that contents of marketing media are in compliance with the relevant regulations. Our promotional activities cost is expected to be approximately [redacted] in the first year of regional center operation.

(b)(4)

6. Describe whether and how the regional center is engaged in supporting a due diligence screening of its alien investor's lawful source of capital and the alien investor's ability to fully invest the requisite amount of capital. Also, describe the regional center's prospective plans in this regard if they differ from past practice.

We will work only with reputable immigration professionals overseas to source potential investors. Once potential investors are identified, we will commence a thorough screening process through a qualified accounting or law firm. In this manner, we will be able to screen investors' source of funds and assess each investor's ability to fully invest the requisite capital.

7. Identify each industry that has or will be the focus of EB-5 capital investments sponsored through the regional center.

Industry Category Title:

Drilling Oil and Gas Wells

NAICS Code for the Industry Category:

2 1 3 1 1 1

Is the Form I-924 application supported by an economic analysis and underlying business plan for the determination of prospective EB-5 job creation through EB-5 investments in this industry category?

No - Attach an explanation

Yes

Industry Category Title:

Crude Petrol Natural Gas Extraction

NAICS Code for the Industry Category:

2 1 1 1 1 1

Is the Form I-924 application supported by an economic analysis and underlying business plan for the determination of prospective EB-5 job creation through EB-5 investments in this industry category?

No - Attach an explanation

Yes

Industry Category Title:

[redacted]

NAICS Code for the Industry Category:

Is the Form I-924 application supported by an economic analysis and underlying business plan for the determination of prospective EB-5 job creation through EB-5 investments in this industry category?

No - Attach an explanation

Yes



Part 3. Information About the Regional Center (Continued)

8a. Describe and document the current and/or prospective structure of ownership and control of the commercial entity(s) in which the EB-5 alien investors have or will make their capital investments.

New commercial enterprises affiliated with USA Montana Energy Regional Center, LLC will be limited partnerships. The first new commercial enterprise affiliated with the regional center is Central Montana Oil and Gas Exploration, LP. EB-5 alien investors will make their capital investments into the new commercial enterprises and be admitted as limited partners and will engage in policy formulation activities as well as have the rights afforded to them in the Uniform Limited Partnership Act. (continued on ATTACHMENT)

b. Date commercial enterprise established, if any (mm/dd/yyyy): 10/13/2011

c. Organization Structure for commercial enterprise:

- 1. Corporation
- 2. Partnership (including Limited Partnership)
- 3. Limited Liability Company (LLC)
- 4. Other (Explain) _____

d. Has or will the Regional Center or any of its principals or agents have an equity stake in the commercial enterprise?

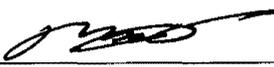
- No
- Yes - Attach an explanation and documentation that outlines when and under what circumstances these remittances will be paid.

e. Has or will the Regional Center or any of its principals or agents receive fees, profits, surcharges, or other like remittances through EB-5 capital investment activities from this commercial enterprise, beyond the minimum capital investment threshold required of the EB-5 alien entrepreneurs?

- No
- Yes - Attach an explanation and documentation that outlines when and under what circumstances these remittances will be paid.

Part 4. Applicant Signature *Read the information on penalties in the instructions before completing this section. If someone helped you prepare this petition, he or she must compete Part 5.*

I certify, under penalty of perjury under the laws of the United States of America, that this form and the evidence submitted with it are all true and correct. I authorize the release of any information from my records that U.S. Citizenship and Immigration Services needs to determine eligibility for the benefit being sought. I also certify that I have authority to act on behalf of the Regional Center.

Signature of Applicant 	Daytime Phone Number <i>(Area/Country Codes)</i> (406) 281-8266	Date (mm/dd/yyyy) 10/24/2011
Printed Name of Applicant Michael Mao	E-Mail Address info@usamerc.com	
Relationship to the Regional Center Entity (Managing Member, President, CEO, etc.) President of USA Montana Energy Regional Center, LLC		

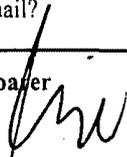


Part 5. Signature of Person Preparing This Form, If Other Than Above (Sign Below)

I declare that I prepared this application using information provided by someone with authority to act on behalf of the Regional Center, and the answers and information provided by the Regional Center.

Attorney or Representative: In the event of a Request for Evidence (RFE), may the USCIS contact you by Fax or E-mail?

No Yes

Signature of Preparer 	Printed Name of Preparer Linda Lau, Esq.	Date (mm/dd/yyyy) 6/8/2011
Firm Name and Address Global Law Group 909 El Centro Street, Suite 1 South Pasadena, CA 91030		
Daytime Phone Number (Area/Country Codes) (213) 830-9933	Fax Number (Area/Country Codes) (213) 830-9930	E-Mail Address Linda@globallawgroup.net





Global Law Group

A Professional Law Corporation

November 11, 2011

Via FedEx (Tracking # 7977 3180 3582)

ATTN: EB-5 Regional Center Unit
California Service Center
U.S. Citizenship and Immigration Services
24000 Avila Road, 2nd Floor
Laguna Niguel, CA 92677

**EB-5 Regional
Center Designation
Application
(Form I-924)**

Re: Initial Application for Designation as a Regional Center (Form I-924)

Name of Proposed Regional Center: USA Montana Energy Regional Center, LLC

Dear Sir/ Madam:

This office represents USA Montana Energy Regional Center, LLC in connection with its request for designation by USCIS as a regional center under the Immigrant Investor Pilot Program. An exemplar I-526 petition is included containing documents relating to Central Montana Oil and Gas Exploration, LP, a new commercial enterprise to be undertaken by USA Montana Energy Regional Center, LLC upon its designation.

Enclosed please find the following items pertaining to the proposed USA Montana Energy Regional Center, LLC:

1. Form G-28, Notice of Entry of Appearance as Attorney;
2. Form I-924, Initial Application for Regional Center Designation;
3. Executive Summary;
4. Overall Business Plan;
5. Operational Plan;
6. Economic Impact Analysis Report;
7. Sample Investment Agreements, including:
 - a. Sample Private Offering Memorandum;
 - b. Sample Limited Partnership Agreement;
 - c. Sample Subscription Agreement; and
 - d. Sample Loan Agreement.
8. Company documents for USA Montana Energy Regional Center, LLC:
 - a. Articles of Organization;

909 El Centro Street, Suite 1, South Pasadena, CA 91030

Tel: (213) 830-9933 ♦ Fax: (213) 830-9930 ♦ E-mail: Contact@GlobalLawGroup.net

www.GlobalLawGroup.net



Global Law Group

A Professional Law Corporation

- b. Company Bank Statement;
 - c. Operating Agreement.
9. Exemplar I-526 petition documents for Central Montana Oil and Gas Exploration, LP, marked as Exhibits 9.1-9.10:
- 9.1 Certificate of Limited Partnership for Central Montana Oil and Gas Exploration, LP;
 - 9.2 Sample memorandum in support of I-526 petition;
 - 9.3 Sample Form I-526 with new commercial enterprise information completed;
 - 9.4 Comprehensive Business Plan for Central Montana Oil and Gas Exploration;
 - 9.5 Economic Impact Analysis Report;
 - 9.6 Targeted Employment Area information for planned drilling and exploration activity locations (Musselshell, Petroleum, Rosebud and Garfield counties in Montana)
 - 9.7 Private Offering Memorandum;
 - 9.8 Limited Partnership Agreement;
 - 9.9 Subscription Agreement; and
 - 9.10 Loan Agreement.

Thank you for your consideration of this application and your kind assistance.

Sincerely,

Linda Lau, Esq.

Enclosures

LIST OF EXHIBITS

1. **Form G-28**
2. **Form I-924 (Initial Application for Regional Center Designation with Exemplar I-526)**
3. **Executive Summary** including summary of:
 - Geographic area of proposed regional center, with map showing it is contiguous;
 - Regional center's administration, oversight, and management functions;
 - Promotional activities for regional center;
 - Due diligence screening of alien investors' lawful source of capital;
 - Industries, with NAICS Codes, that will be focus of EB-5 capital investments;
 - Economic impact analysis report and business plan; and
 - Structure of ownership and control of commercial entities to receive EB-5 investor capital, including regional center's equity stake.
4. **Overall Business Plan**
5. **Operational Plan**
6. **Economic Impact Analysis Report by Dr. Michael Evans**
7. **Sample Investment Agreements**
 - a. Sample Private Offering Memorandum;
 - b. Sample Limited Partnership Agreement;
 - c. Sample Subscription Agreement; and
 - d. Sample Loan Agreement.
8. **Company Documents for USA Montana Energy Regional Center, LLC**
 - a. Articles of Organization;
 - b. Company Bank statement showing capital currently committed for regional center operations;
 - c. Operating Agreement.
9. **Exemplar I-526 petition documents for Central Montana Oil and Gas Exploration, LP, marked as Exhibits 9.1-9.10:**
 - 9.1 Central Montana Oil and Gas Exploration, LP's Certificate of Limited Partnership;
 - 9.2 Sample Form I-526 completed with new commercial enterprise information;
 - 9.3 Sample Memorandum in support of I-526 petition;
 - 9.4 Comprehensive Business Plan for Central Montana Oil and Gas Exploration, LP;

- 9.5 Economic Impact Analysis;
- 9.6 Targeted Employment Area information for planned drilling and exploration activity locations (Musselshell, Petroleum, Rosebud and Garfield counties);
- 9.7 Investment Agreements for Central Montana Oil and Gas Exploration, LP;
- 9.8 Private Offering Memorandum;
- 9.9 Limited Partnership Agreement;
- 9.10 Subscription Agreement; and
- 9.11 Loan Agreement;

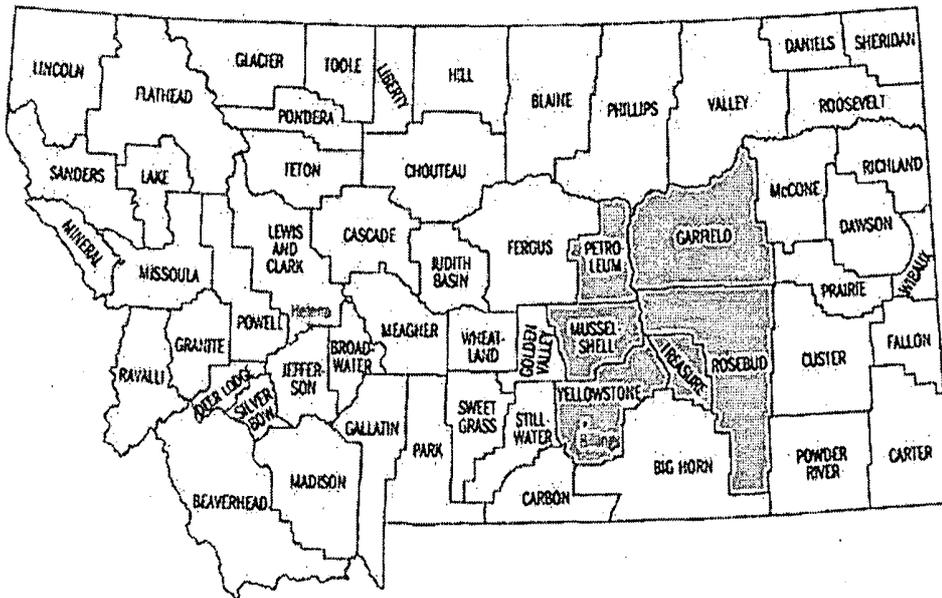
1. Form G-28, Notice of Entry of Appearance as Attorney

2. Form I-924, Initial Application for Regional Center
Designation

ATTACHMENTS to I-924 Application of USA Montana Energy, LLC Regional Center

ATTACHMENT TO Part 3, Item 3: Describe the geographic area of the regional center.

(Continued) Please find below a map of Montana showing the six (6) contiguous counties of: Petroleum, Garfield, Musselshell, Yellowstone, Treasure and Rosebud, that comprise the geographic area of USA Montana Energy Regional Center, LLC.

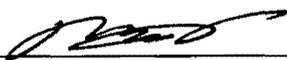


ATTACHMENT TO I-924, Part 3, Item 8A

(Continued) USA Montana Energy Regional Center, LLC will be the general partner of each new commercial enterprise that is being structured as a limited partnership and will have control over day-to-day operations. Additional projects with the regional center will be structured as limited partnerships with USA Montana Energy Center as a general partner and alien investors as limited partners.

ATTACHMENT TO I-924, Part 3, Item 8D

The regional center will be a general partner in each new commercial enterprise and will be entitled to receive profit distributions out of net cash flow after operation commences in accordance with the Limited Partnership Agreement.


Michael Mao

Oct. 24, 2011
Date

(b)(4)

ATTACHMENT TO I-924, Part 3, Item 8E



A handwritten signature in black ink, appearing to read "Michael Mao".

Michael Mao

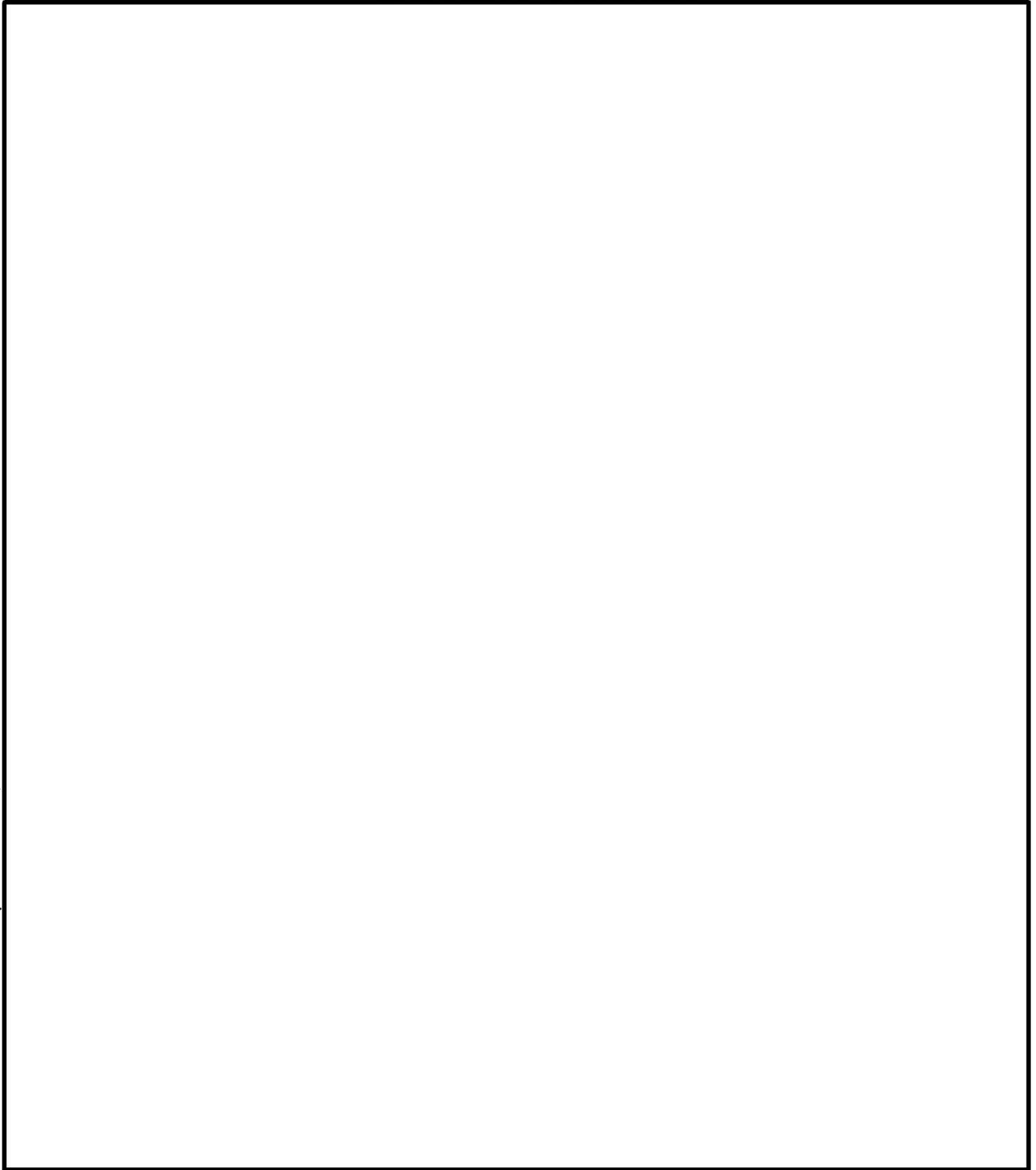
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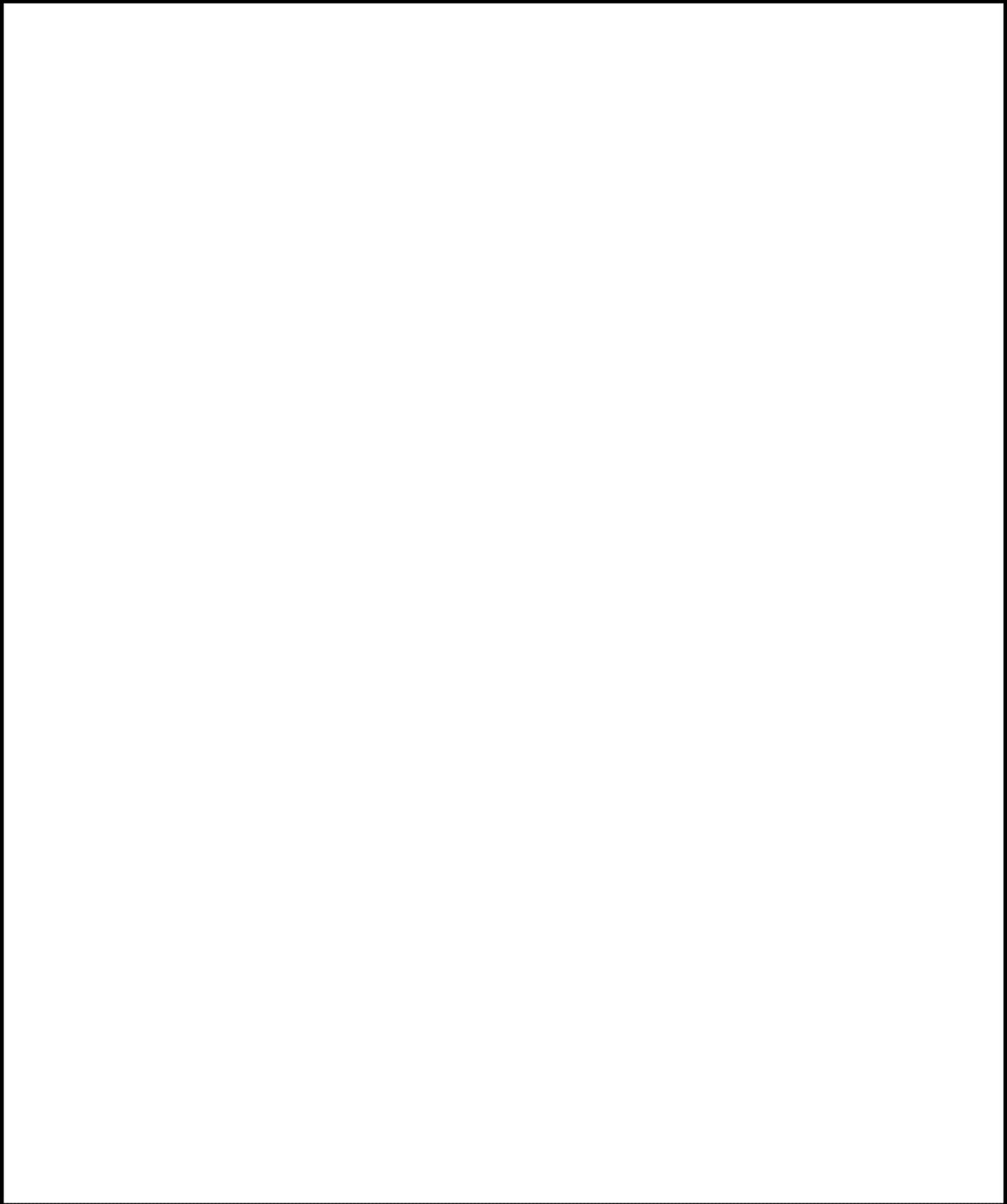
3. Executive Summary

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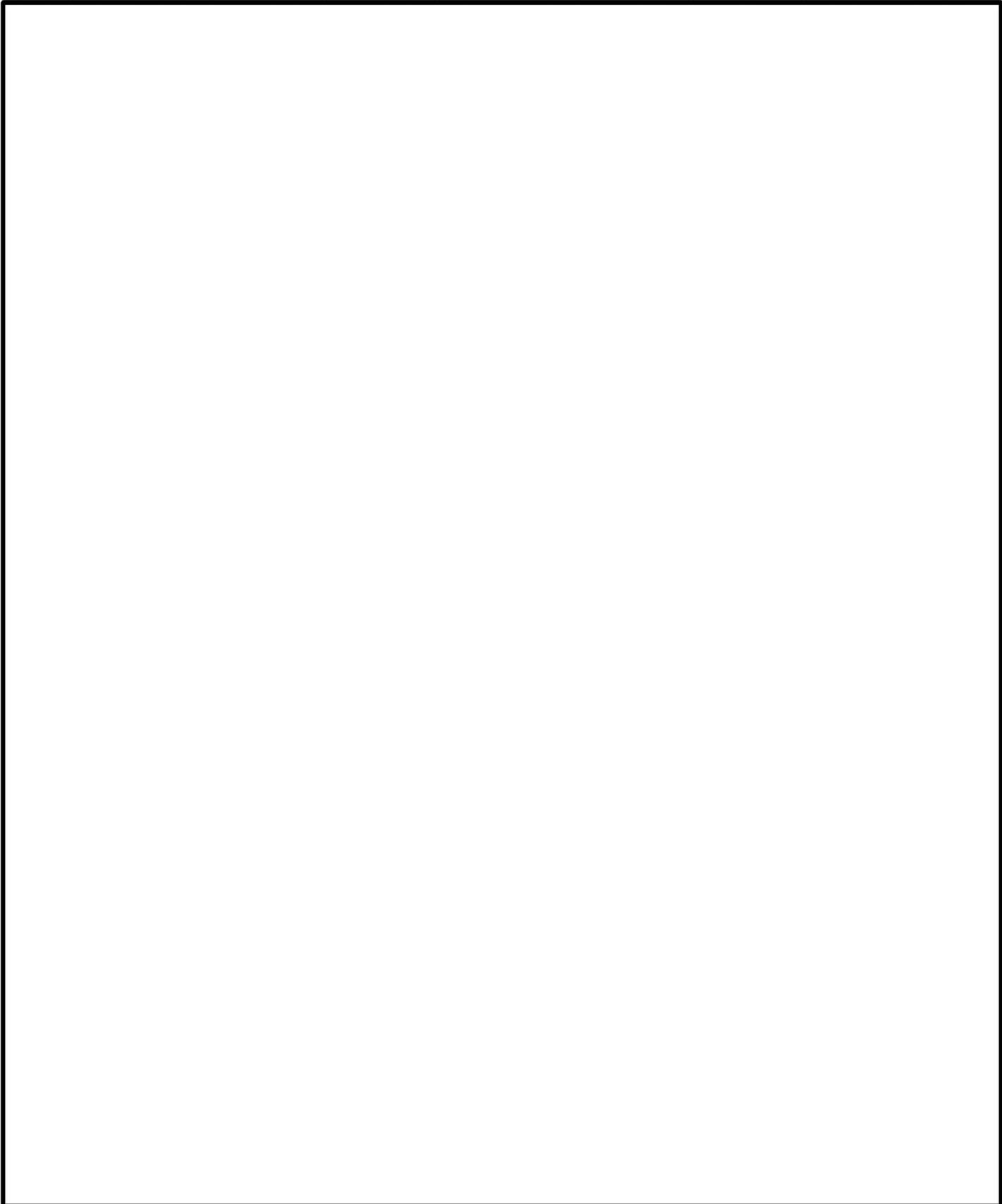
Executive Summary



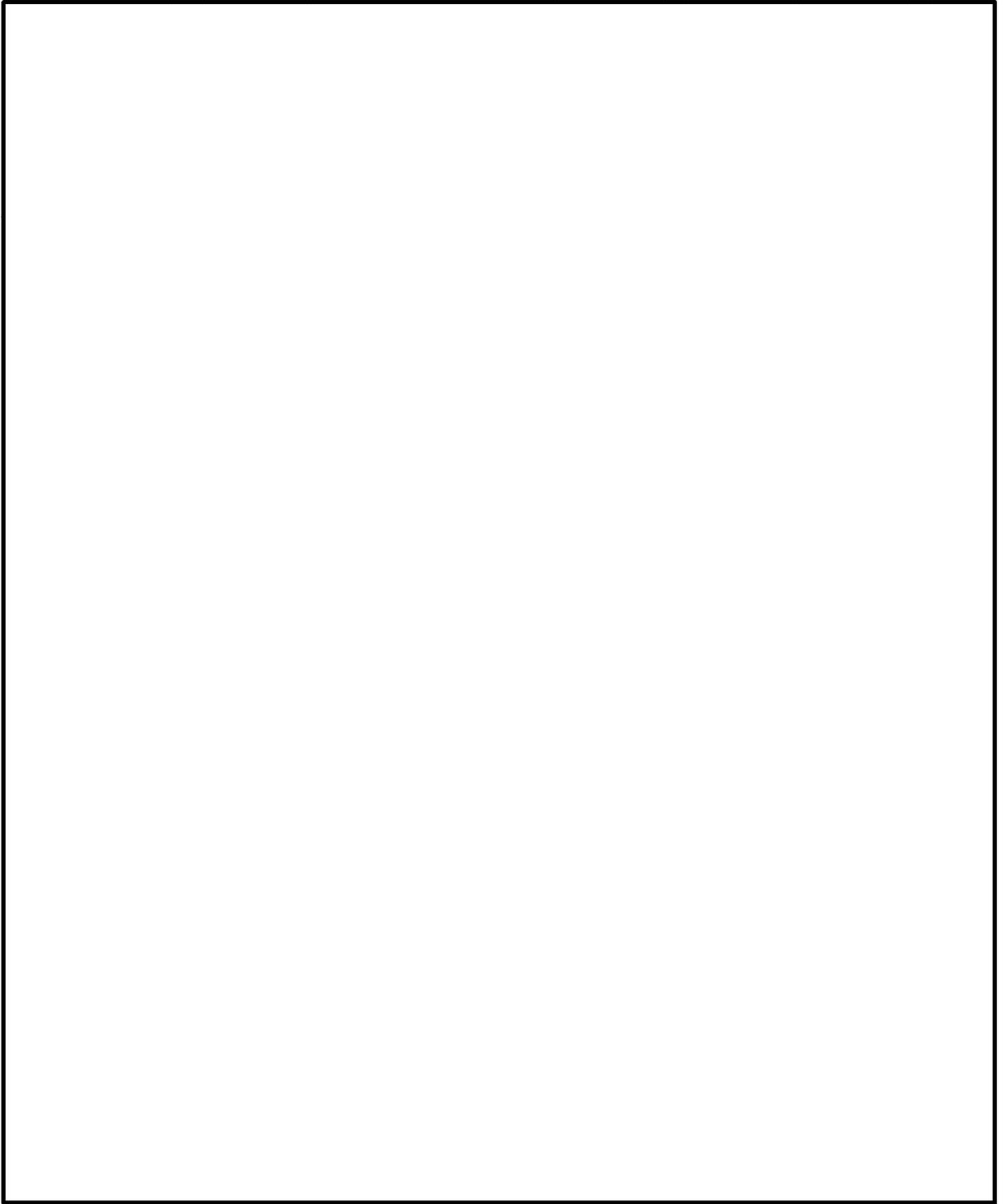
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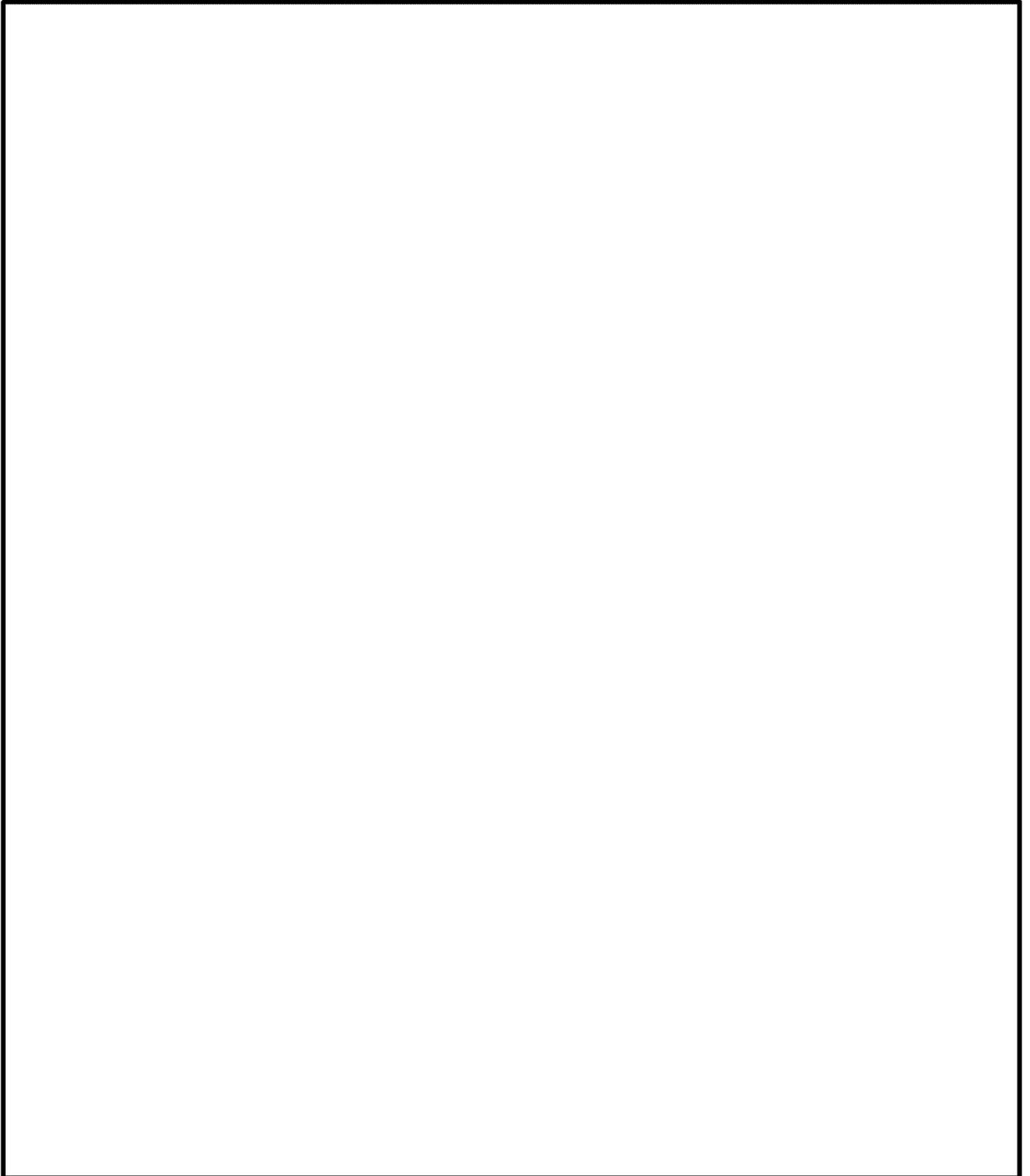
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4. Overall Business Plan

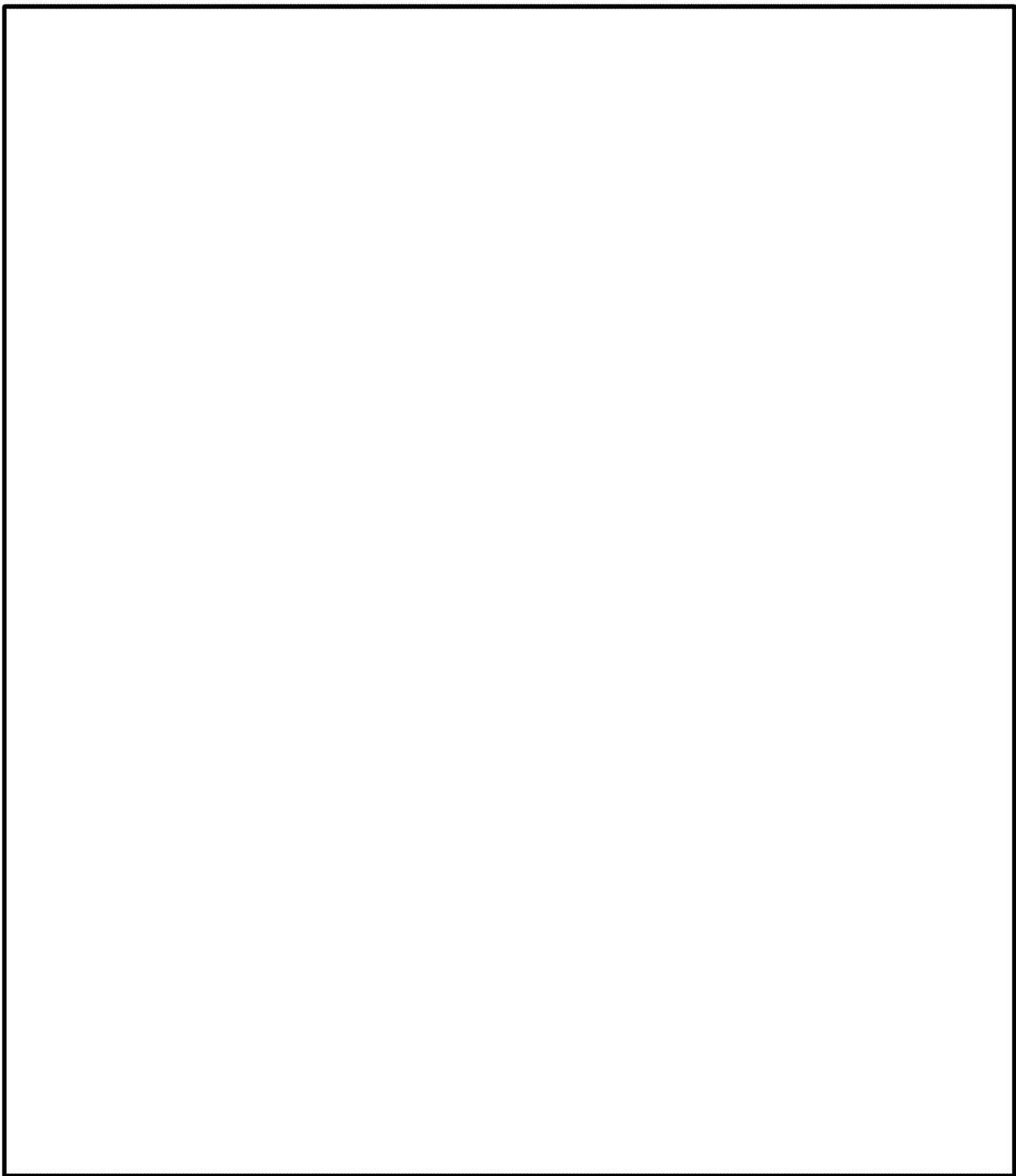
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USA MONTANA ENERGY REGIONAL CENTER, LLC
Overall Business Plan pursuant to 8CFR 204.6(m)(3)

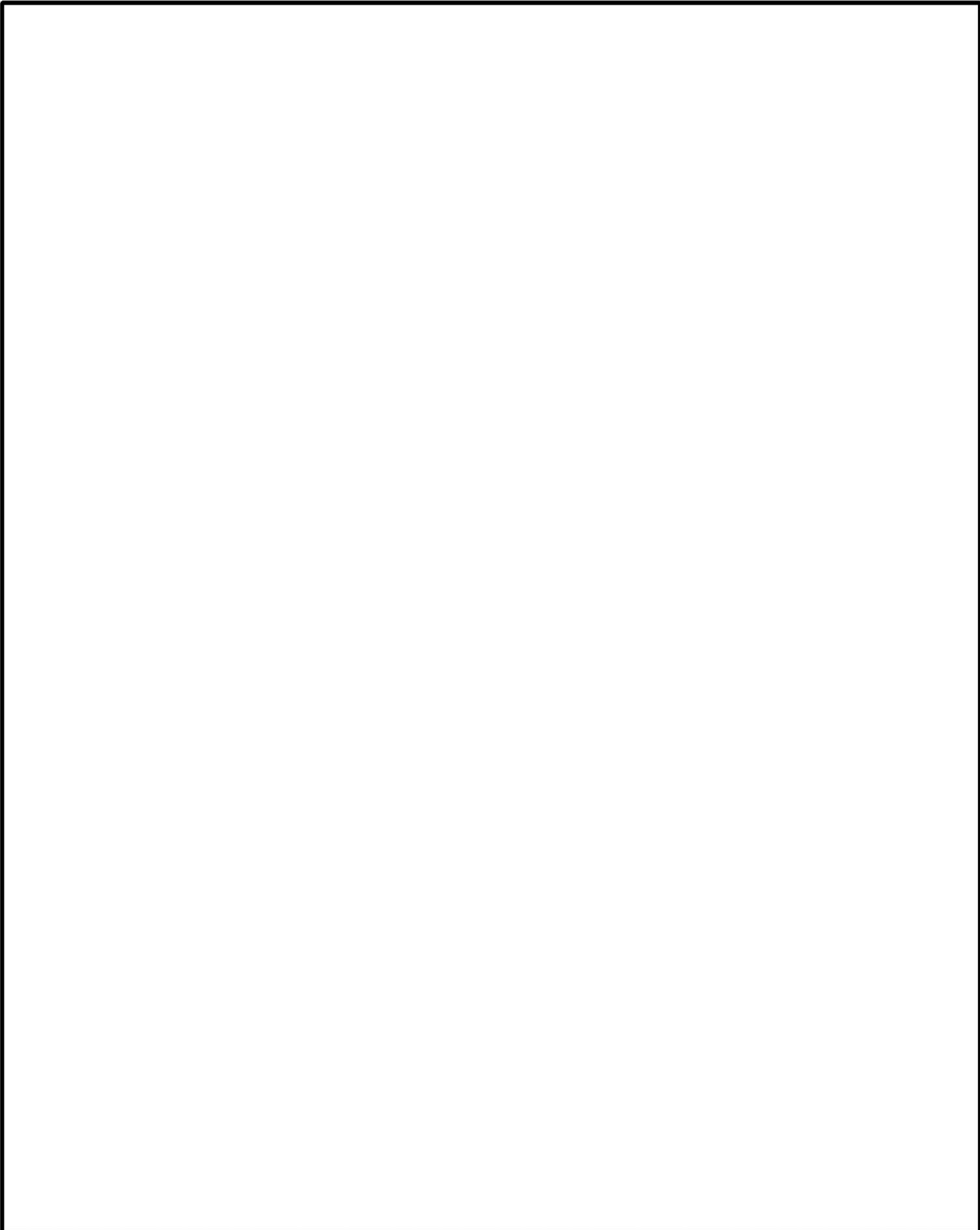
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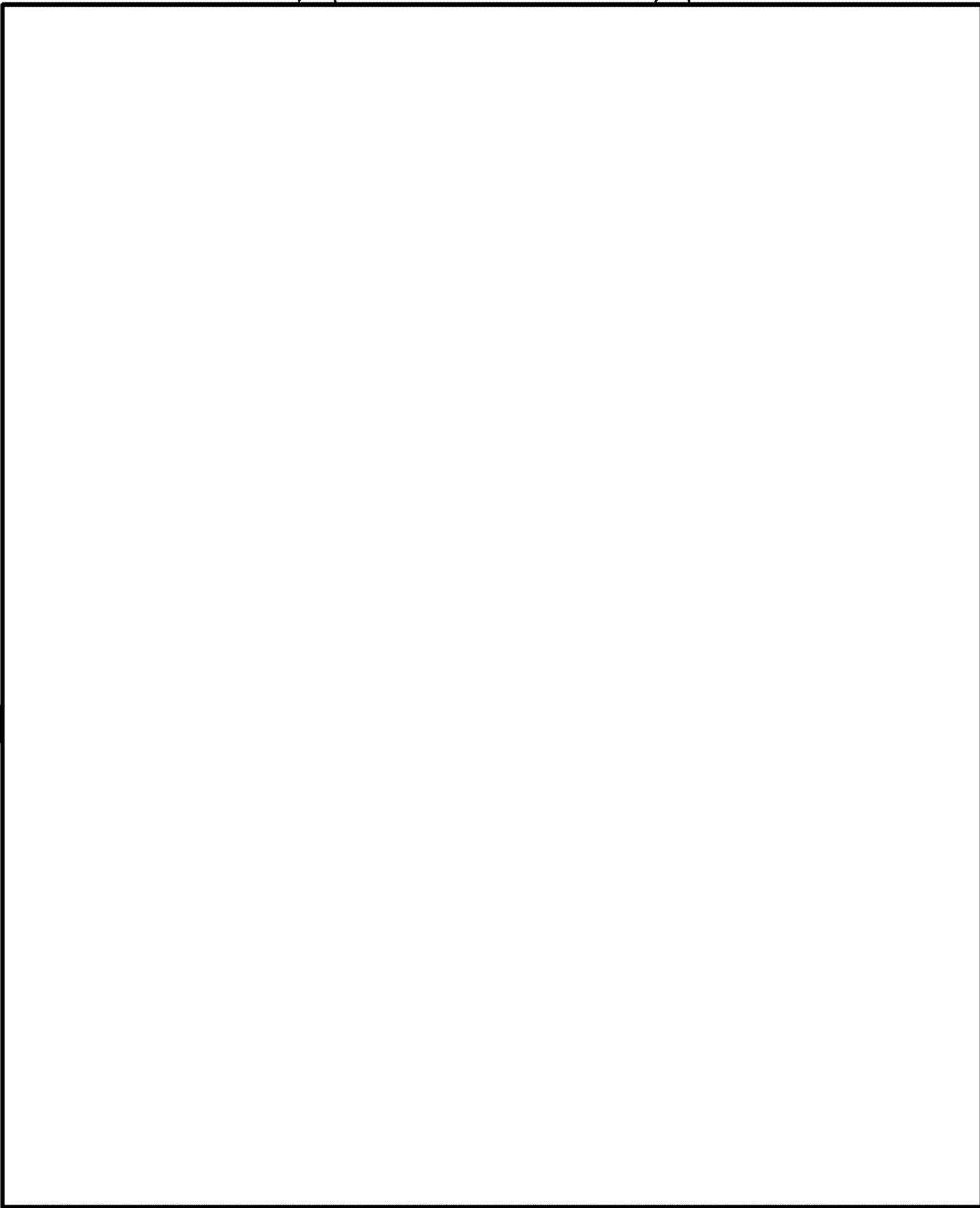
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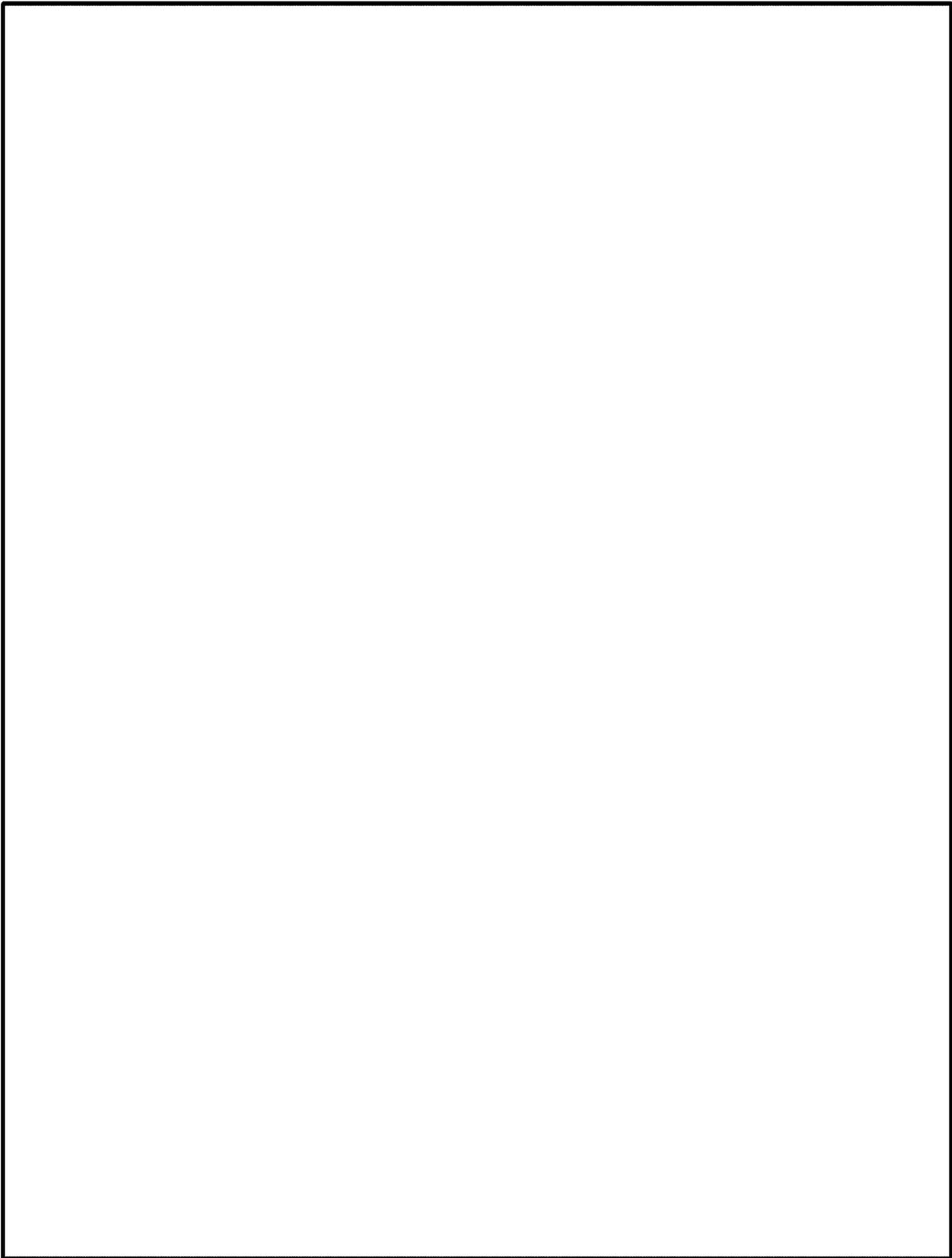
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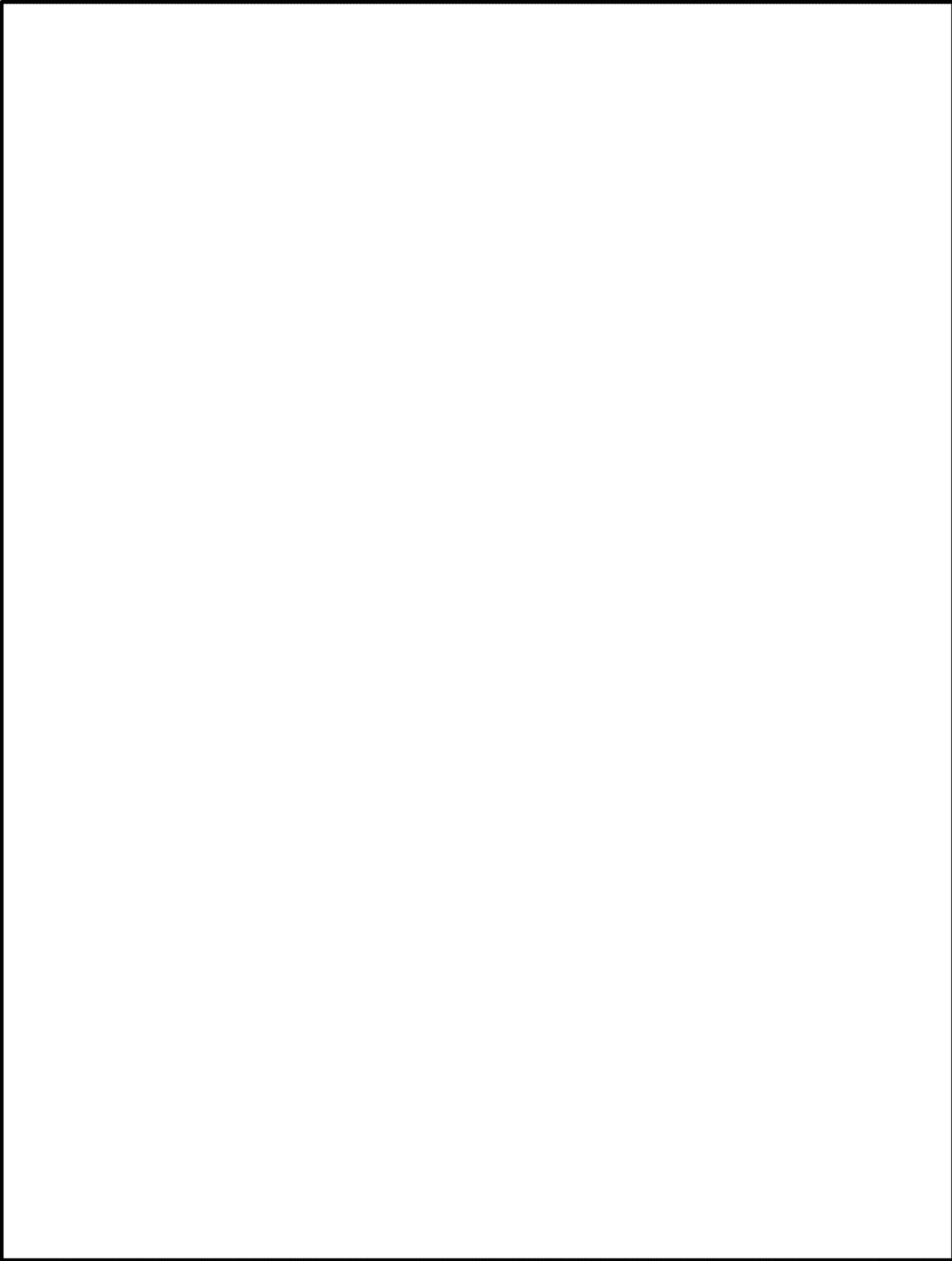






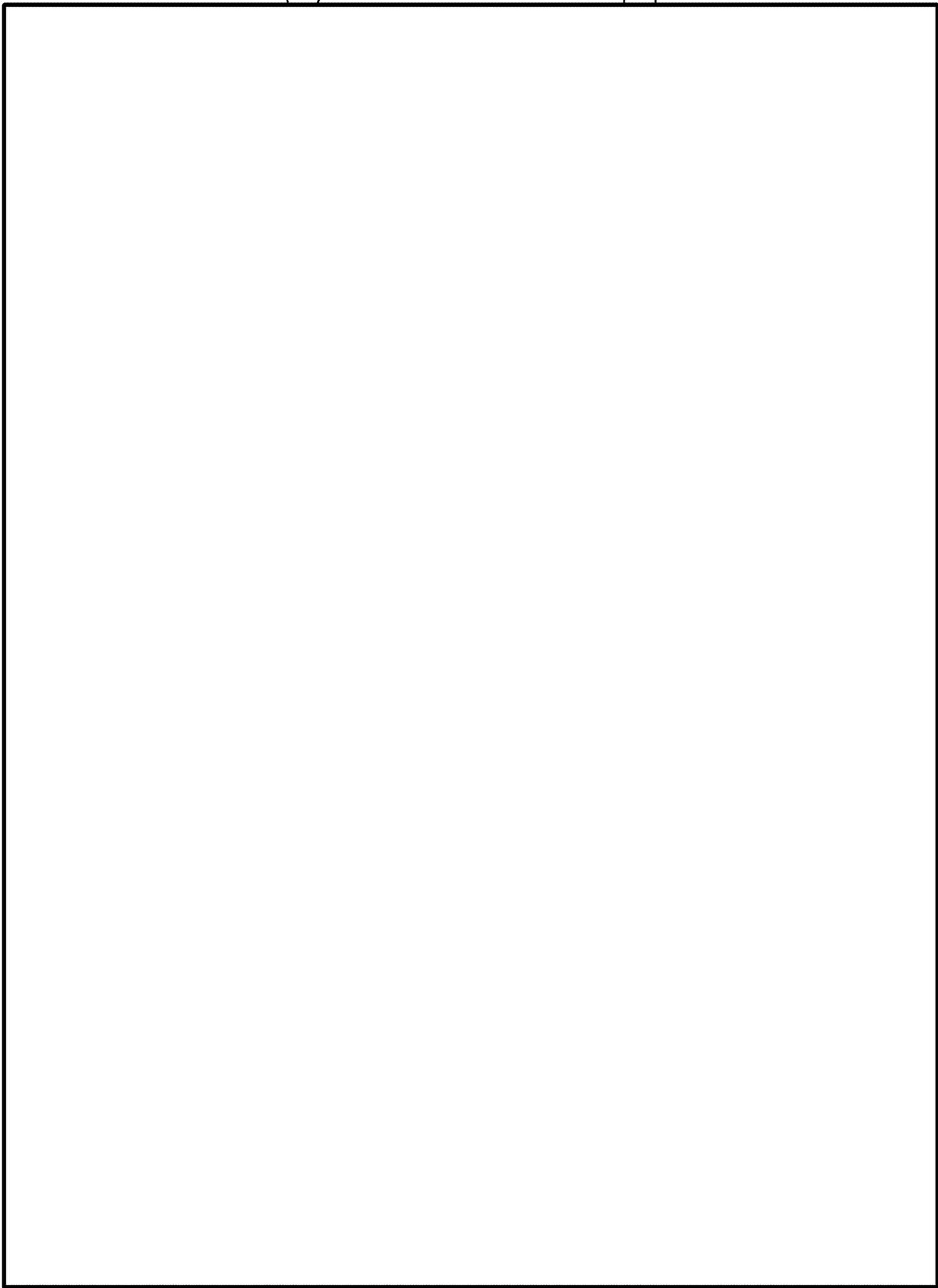
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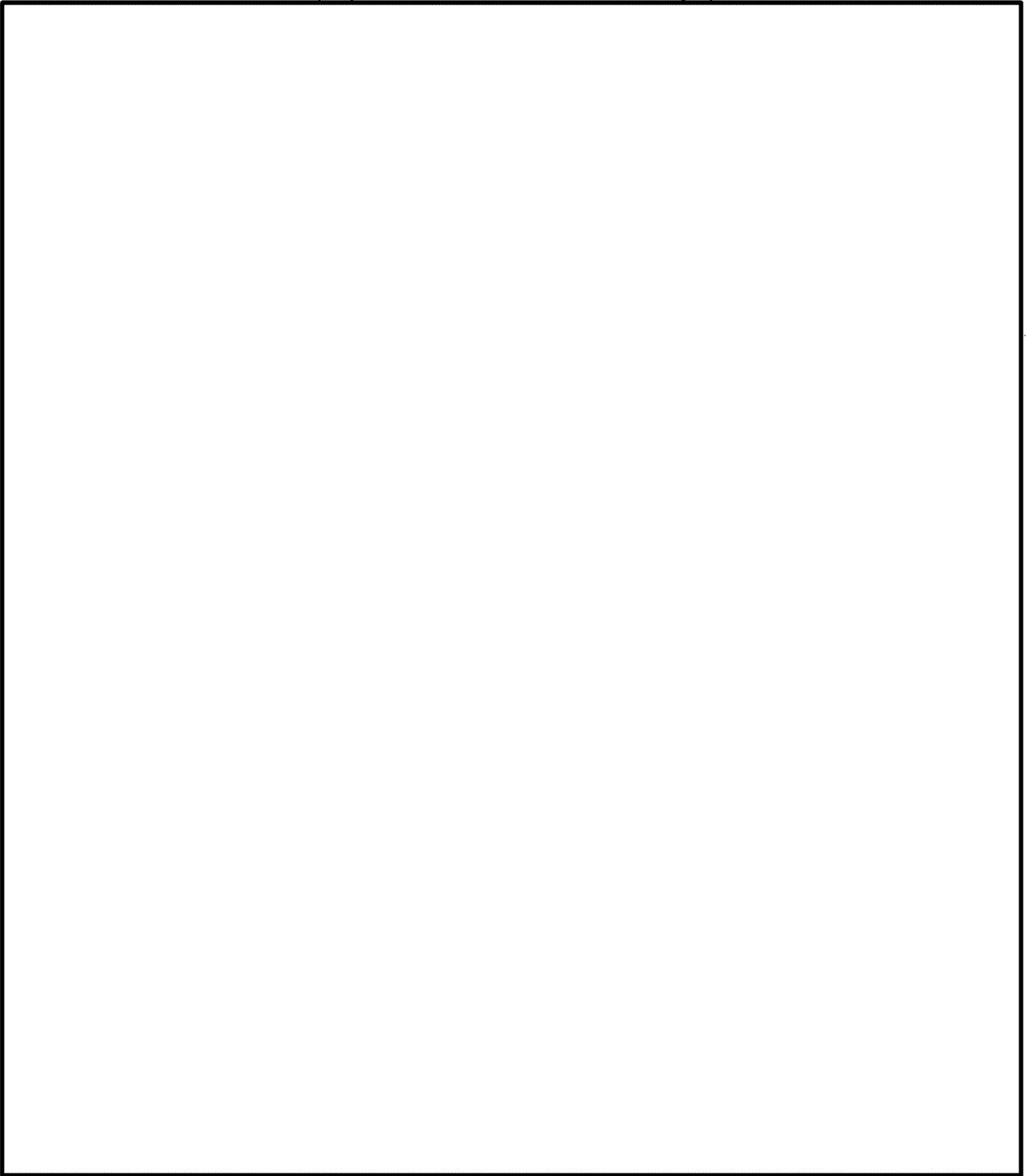
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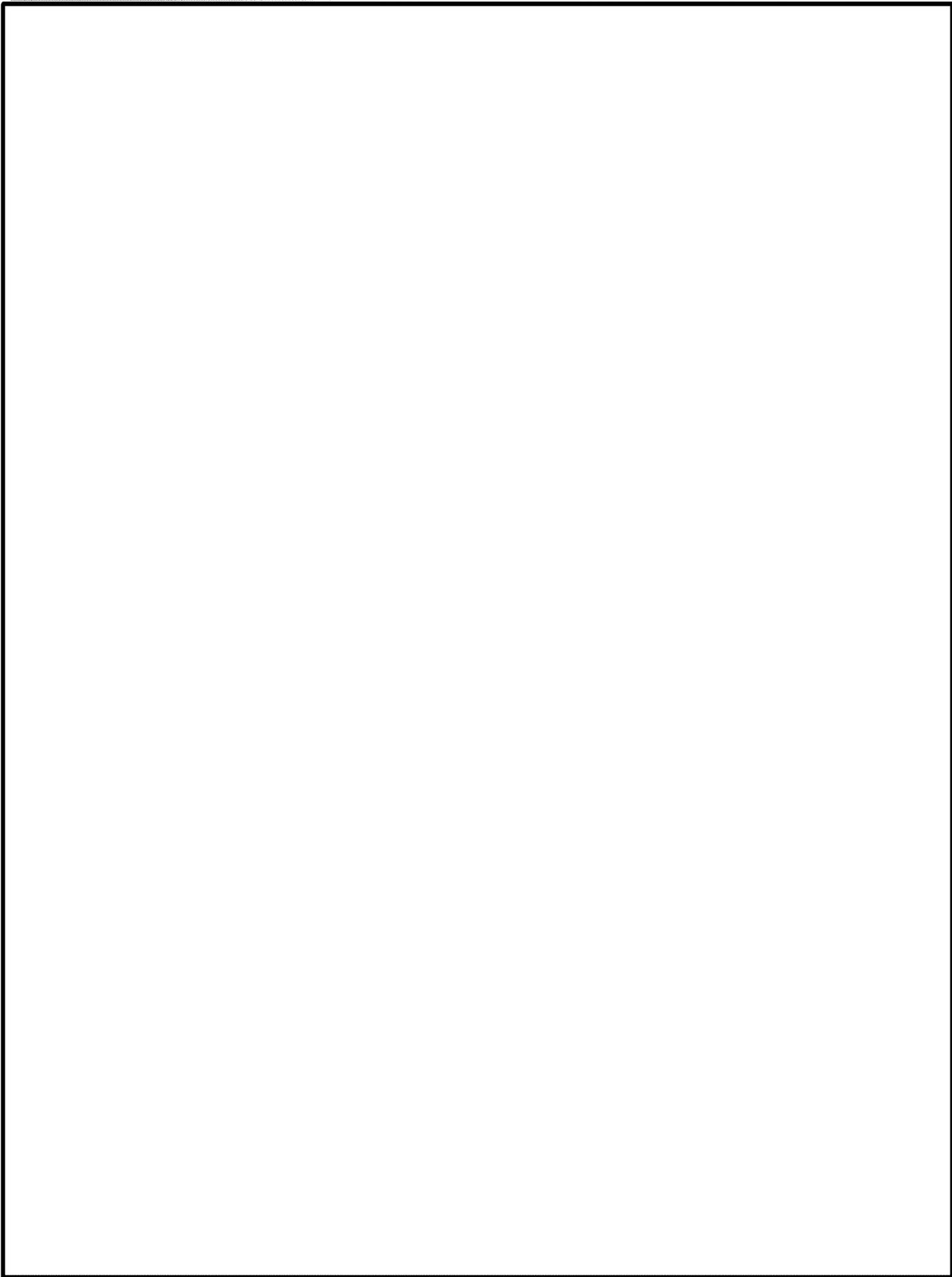


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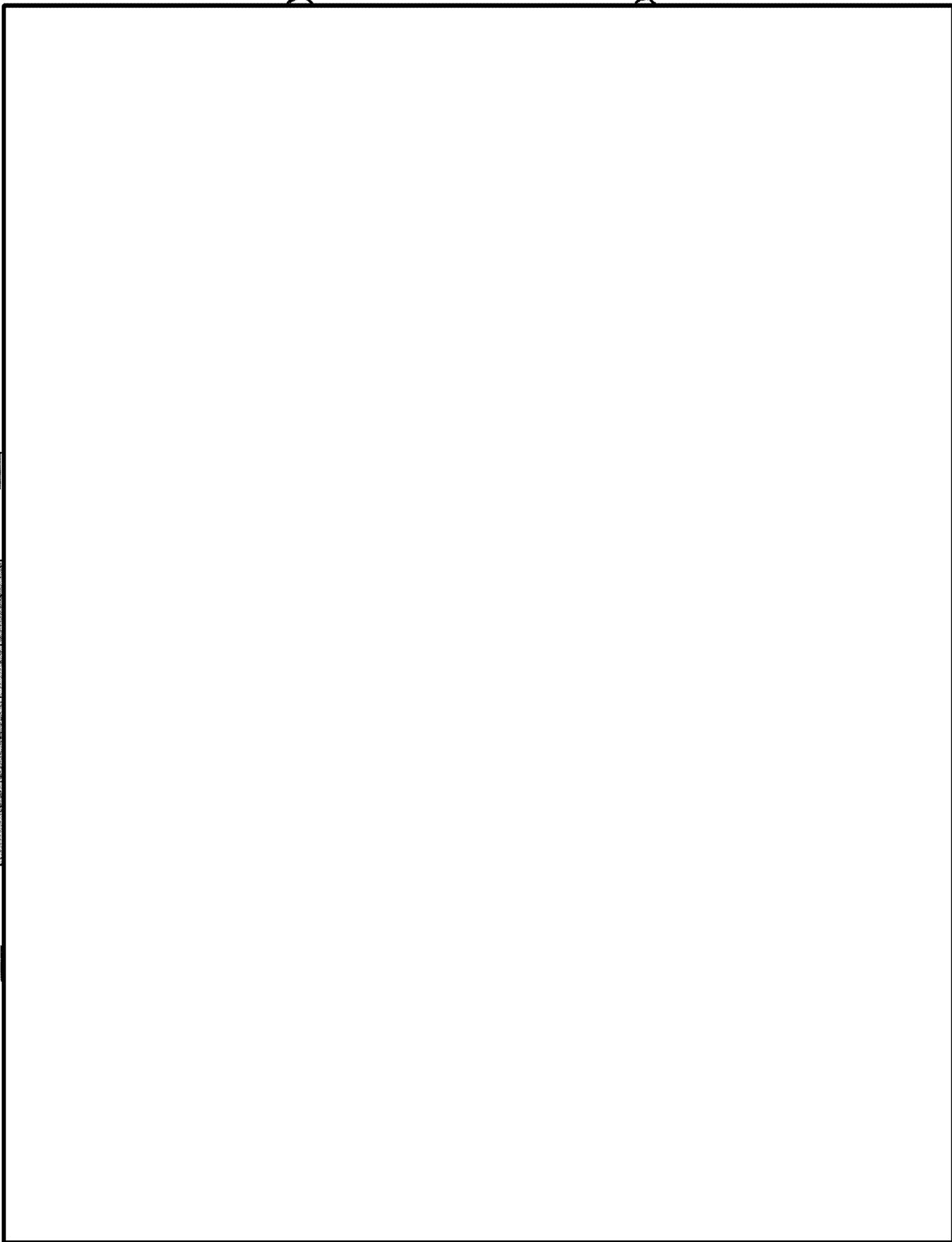
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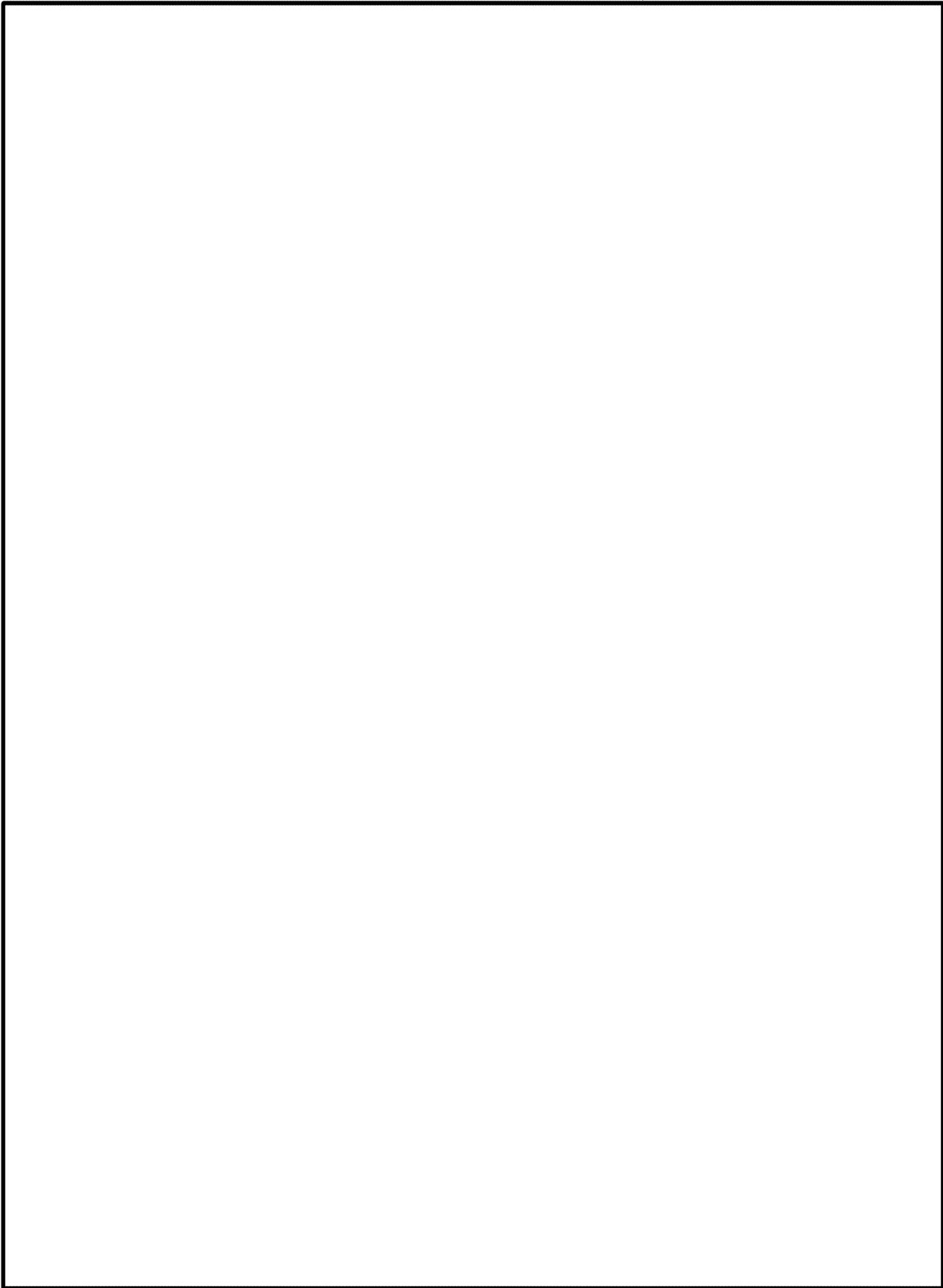


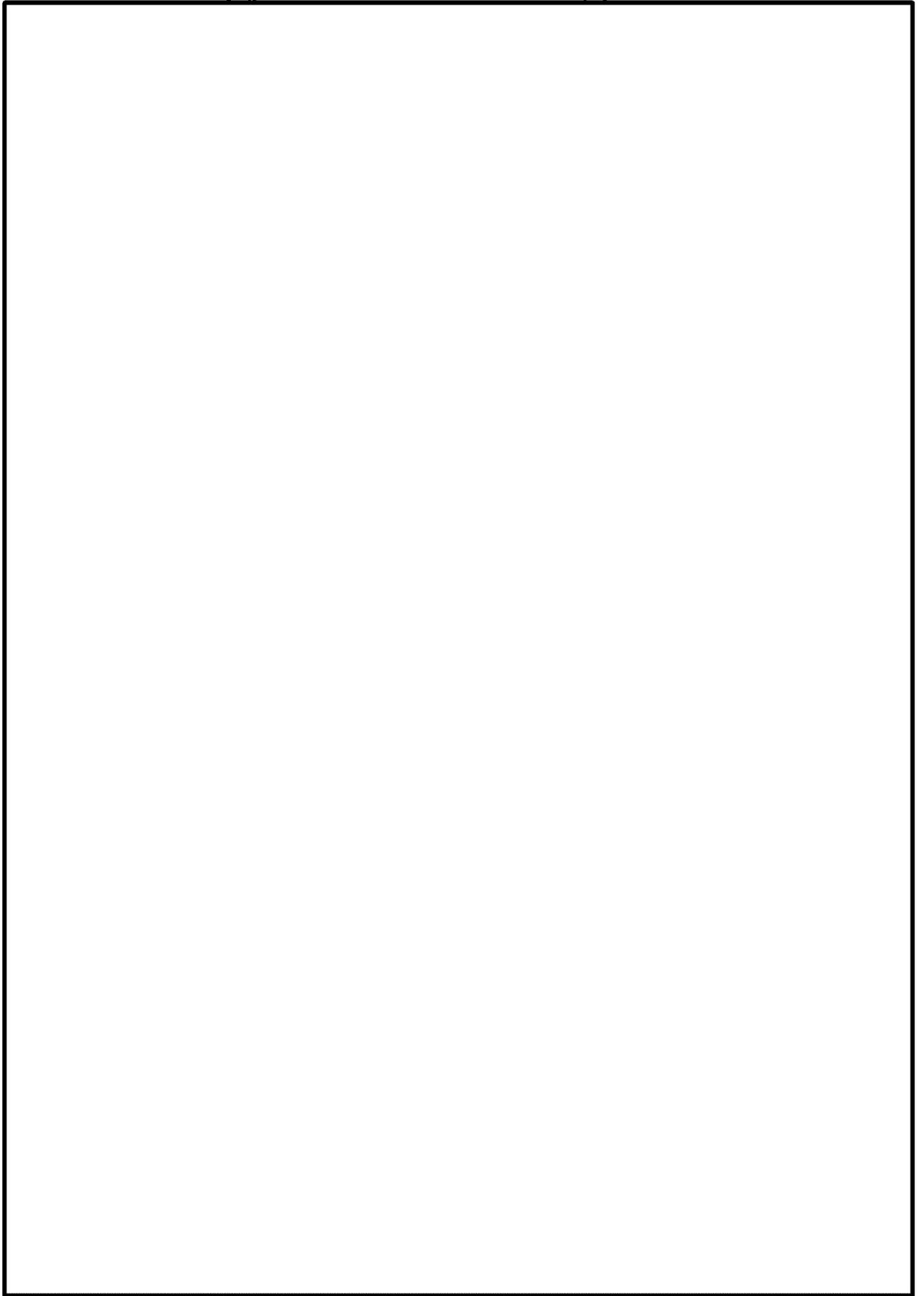
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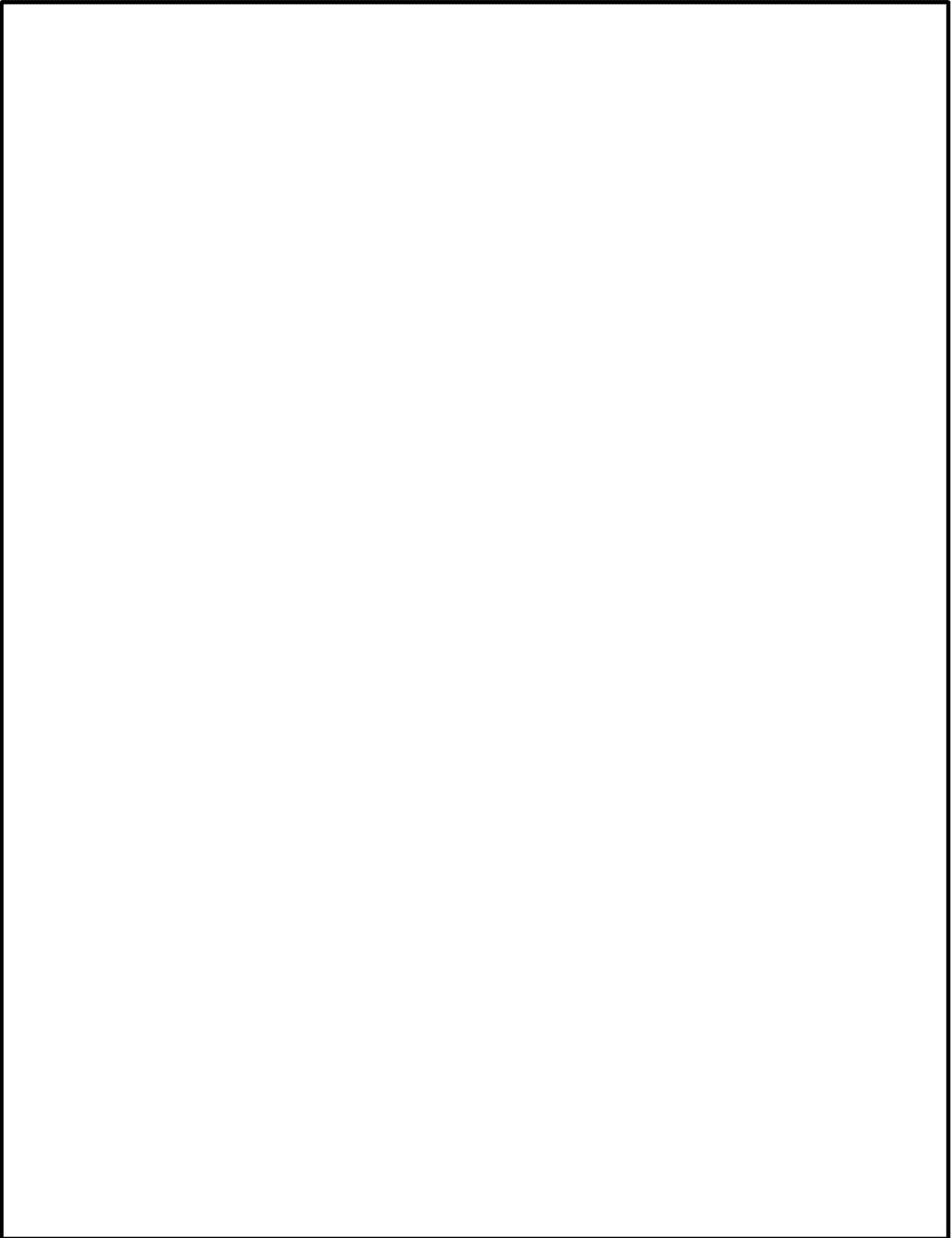


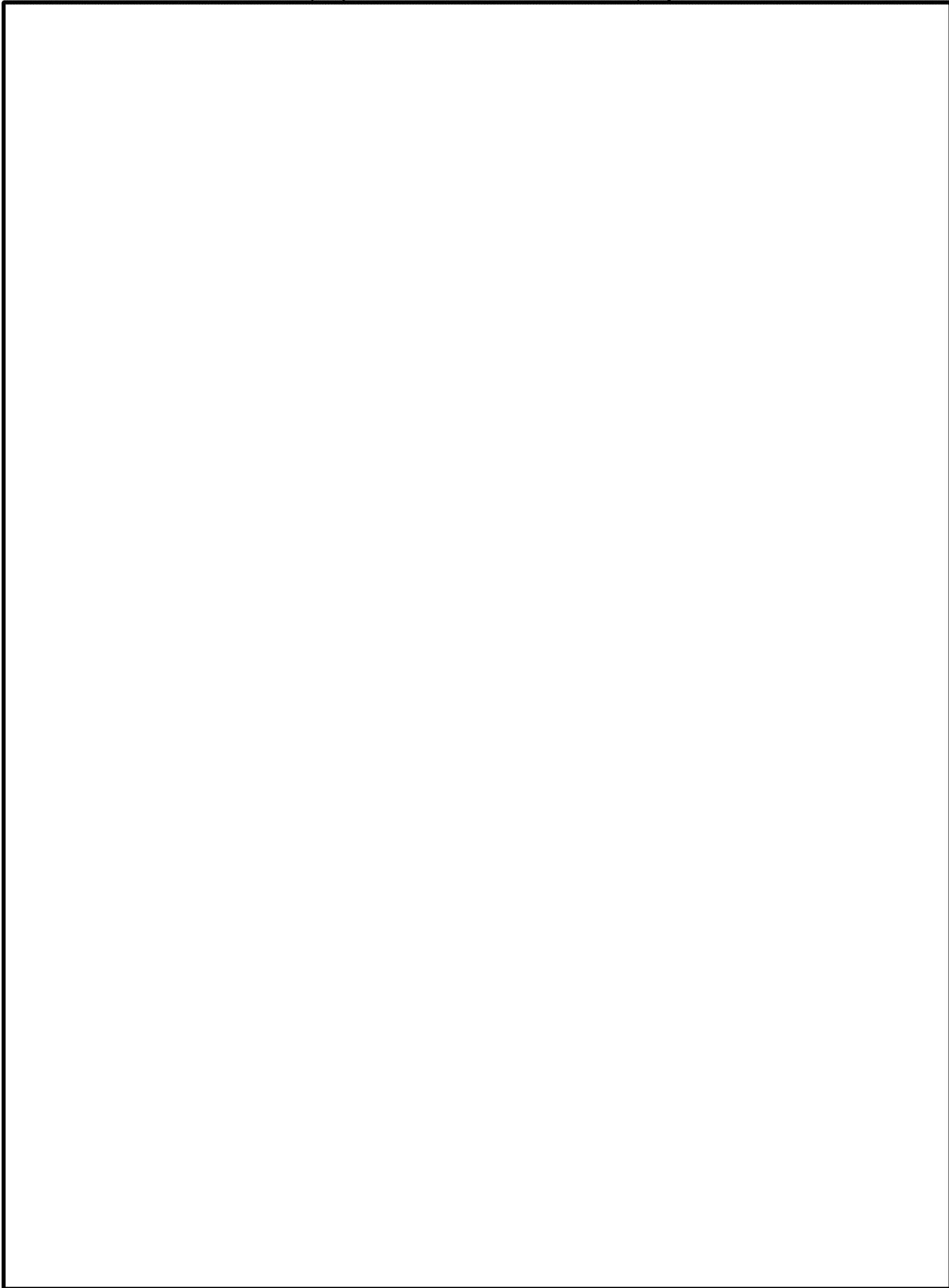
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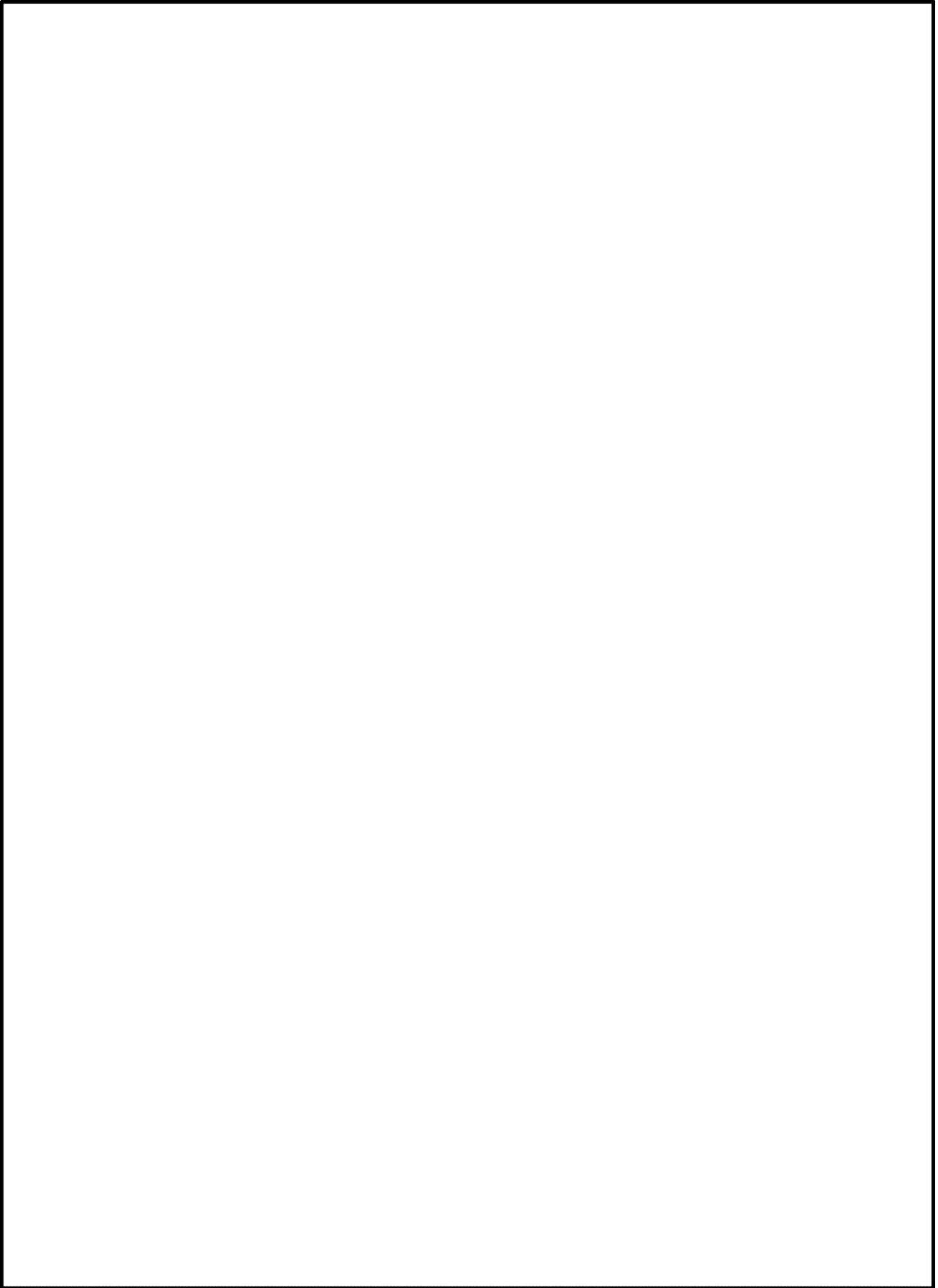


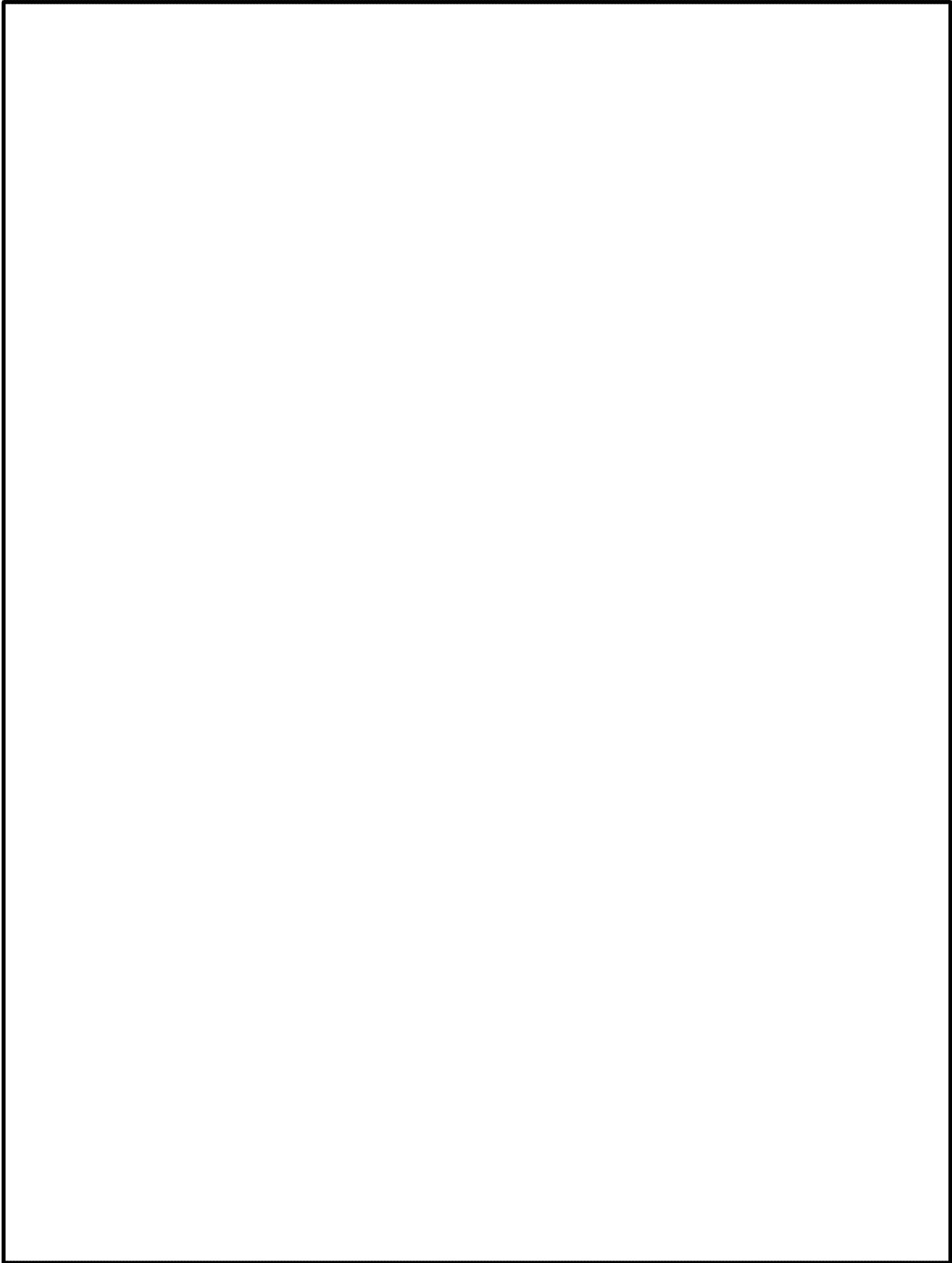




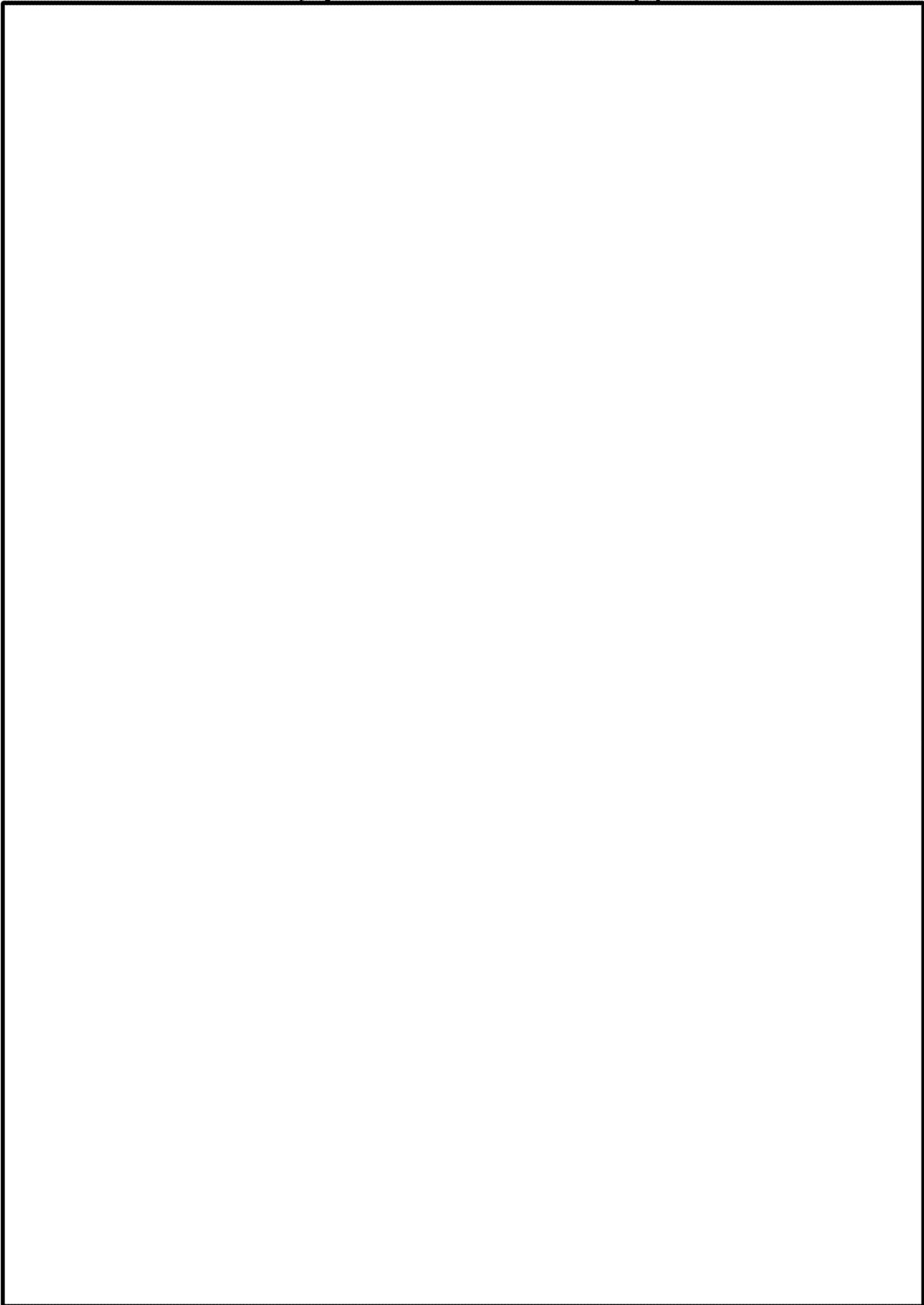


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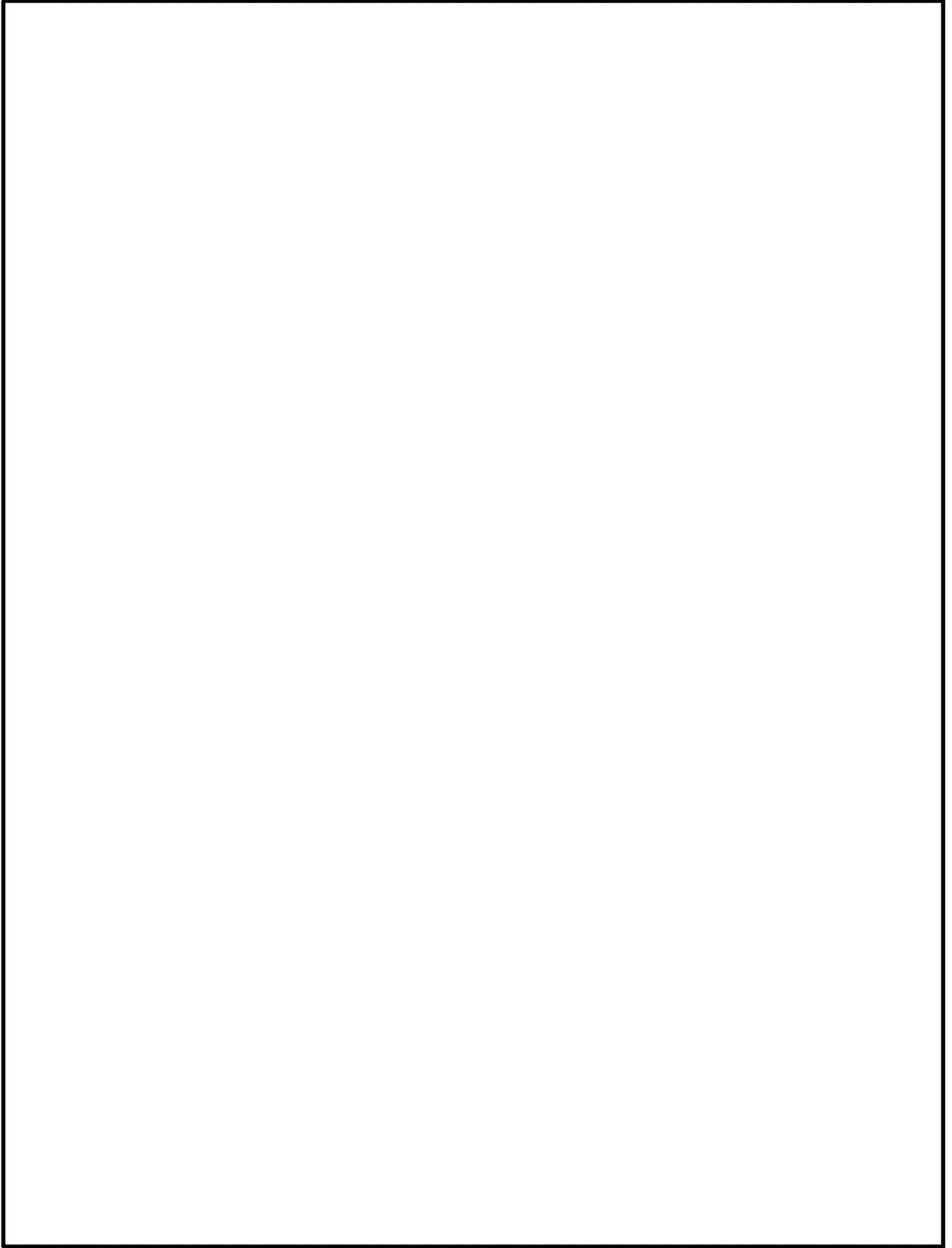


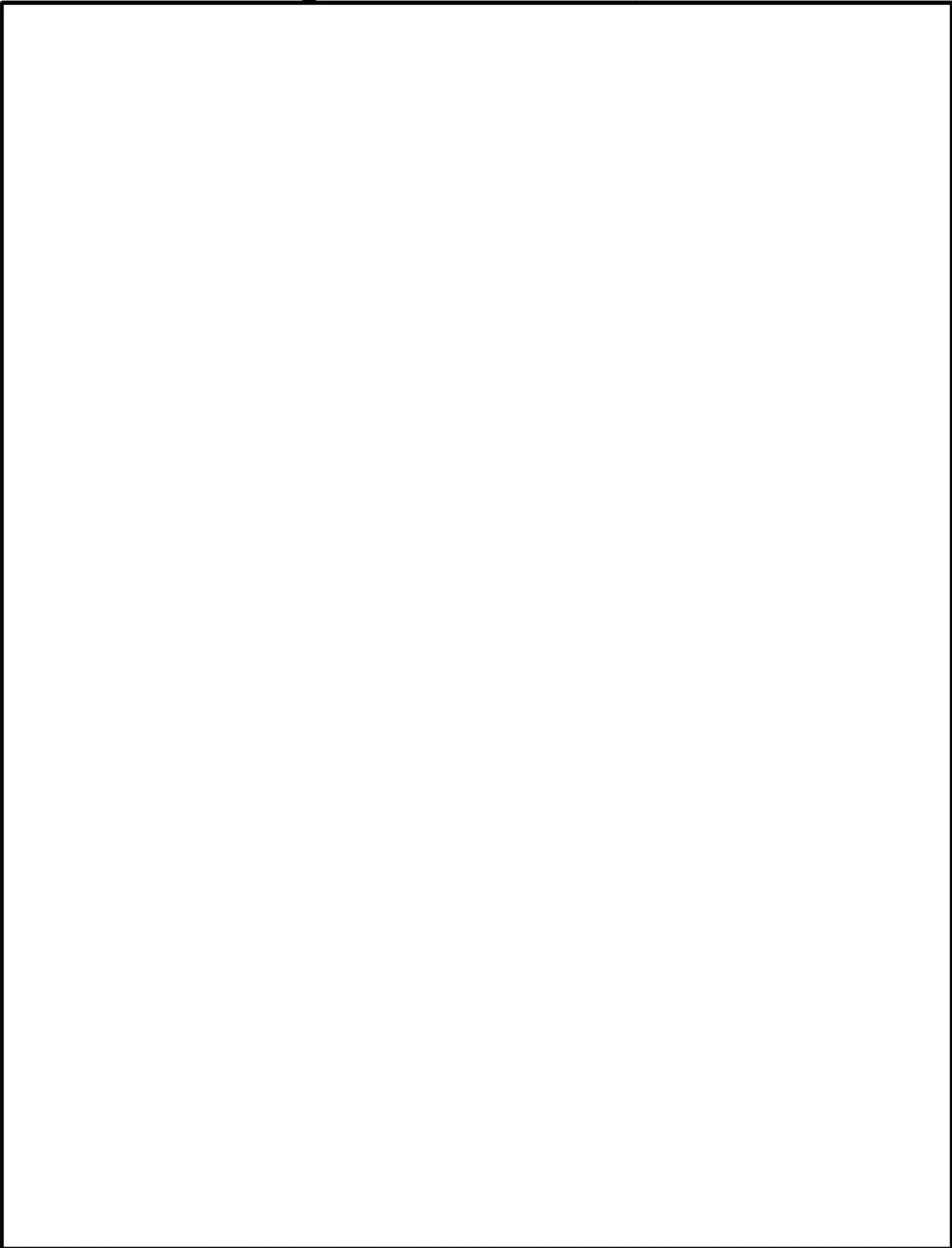


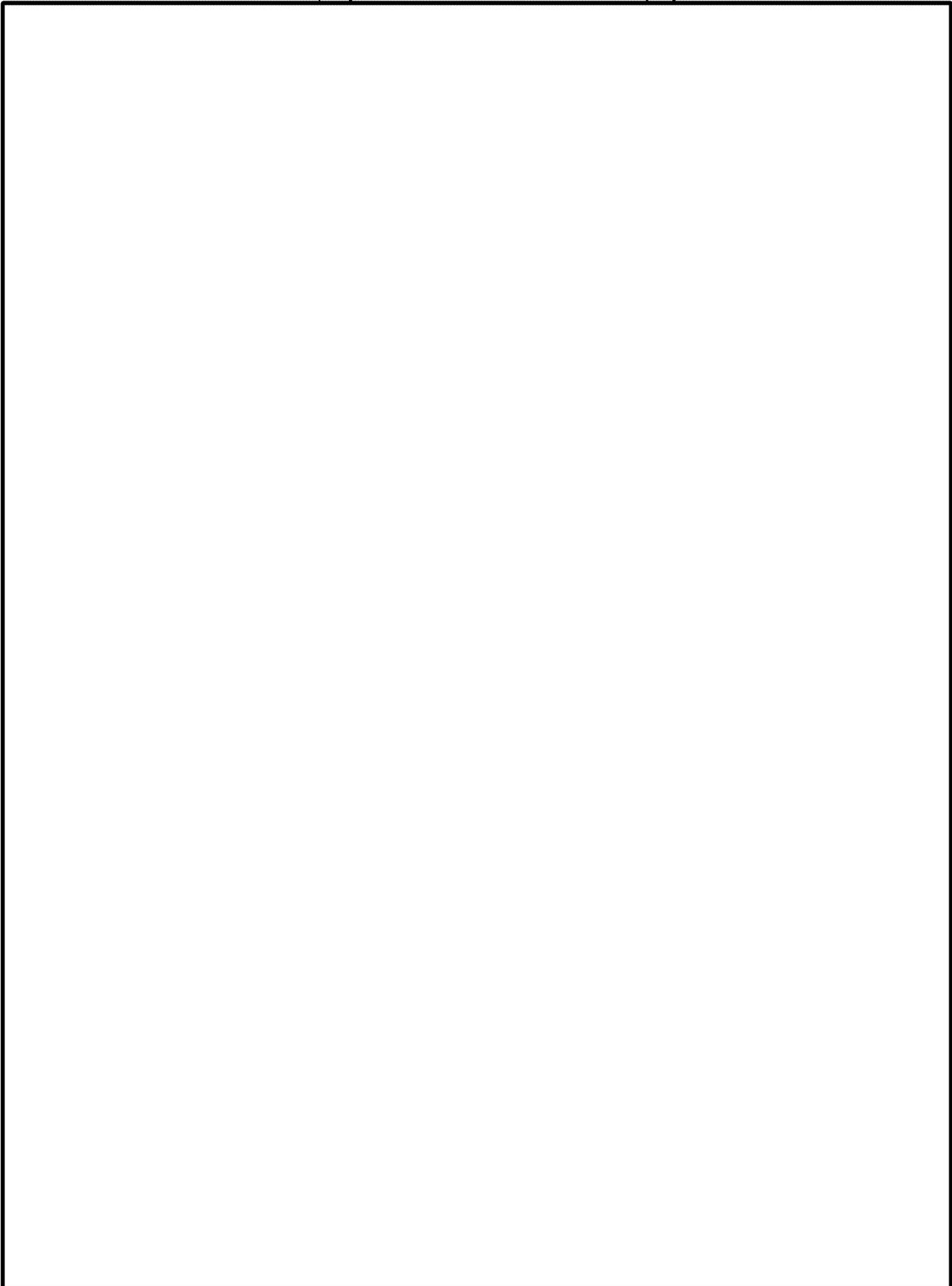
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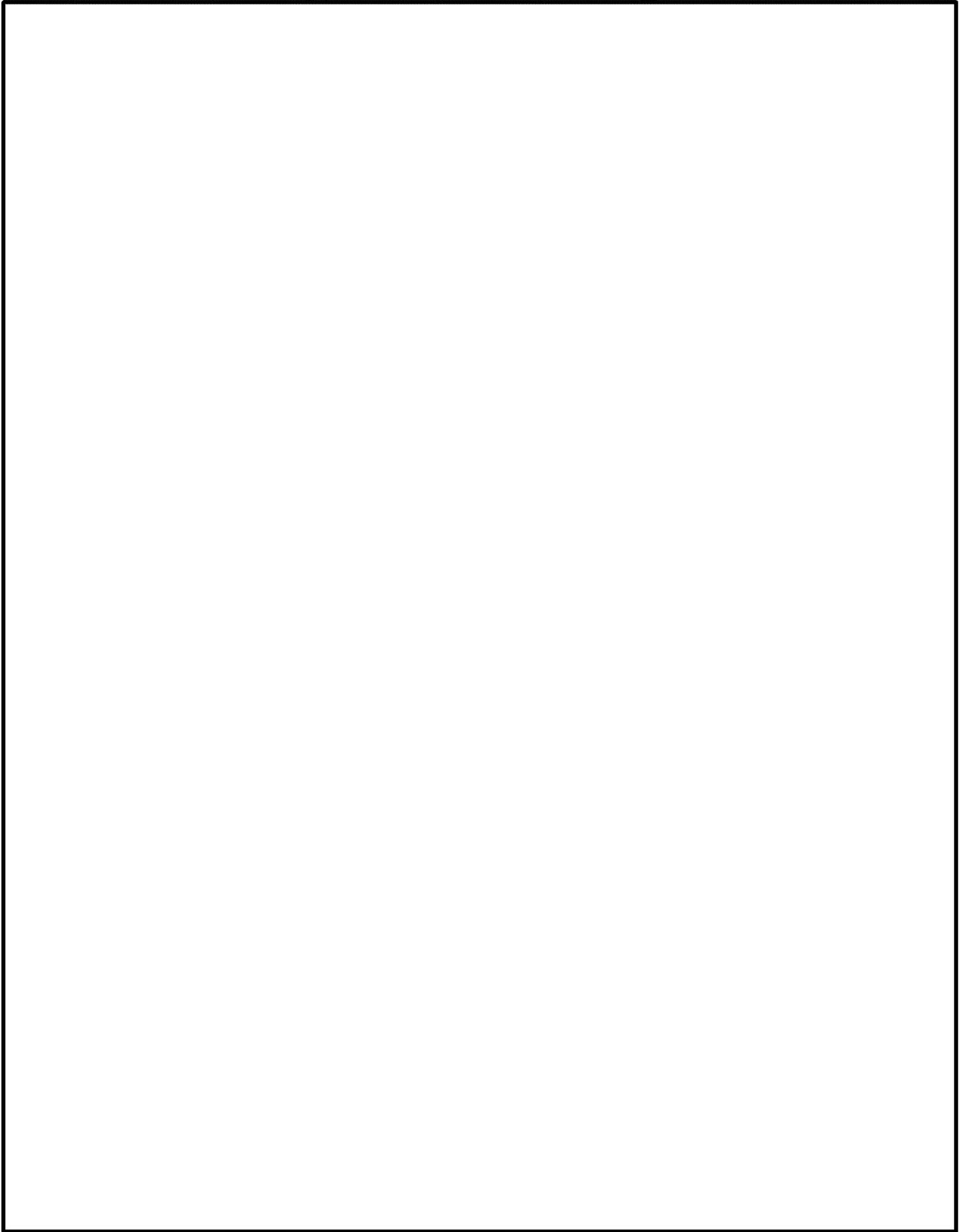


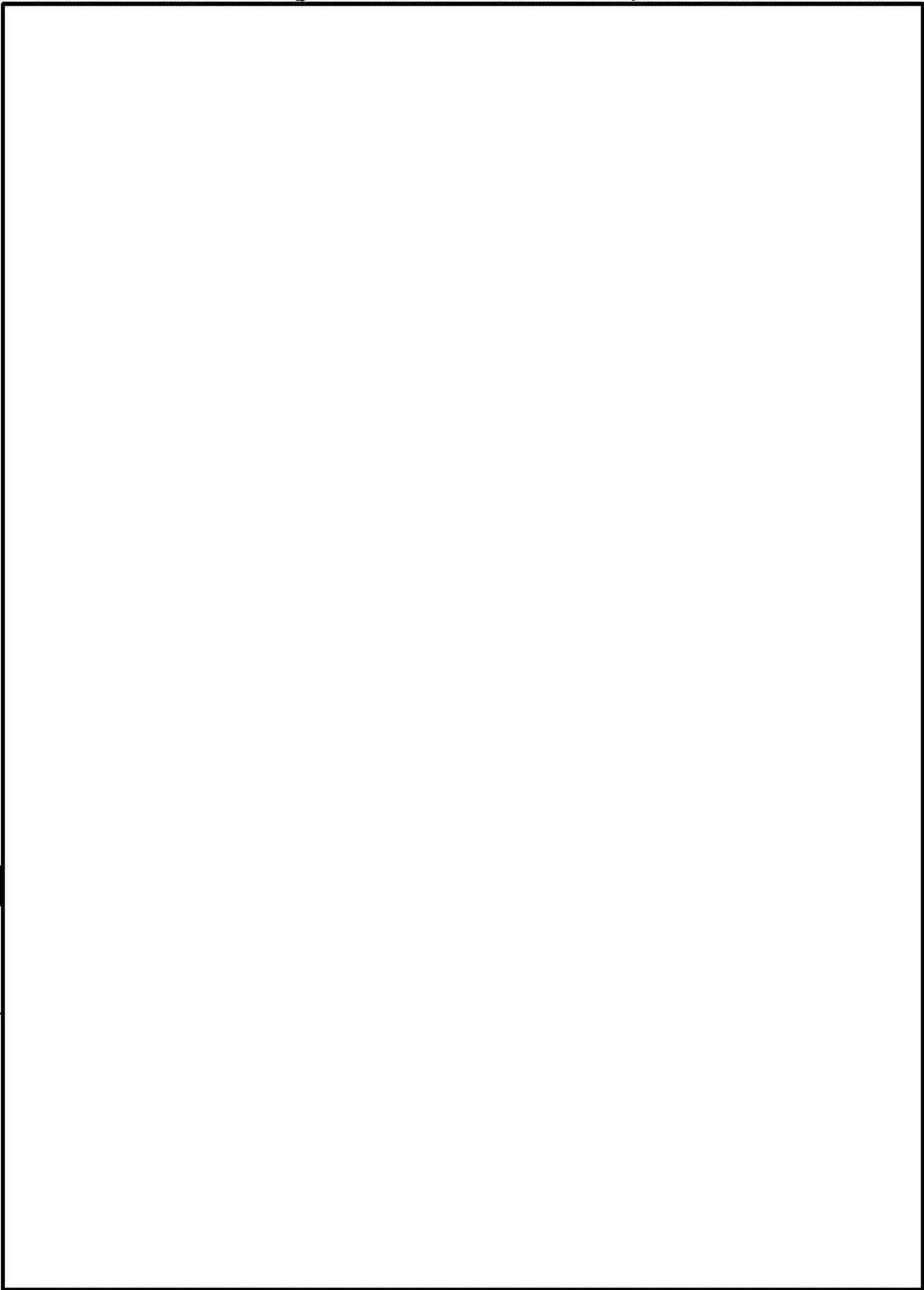
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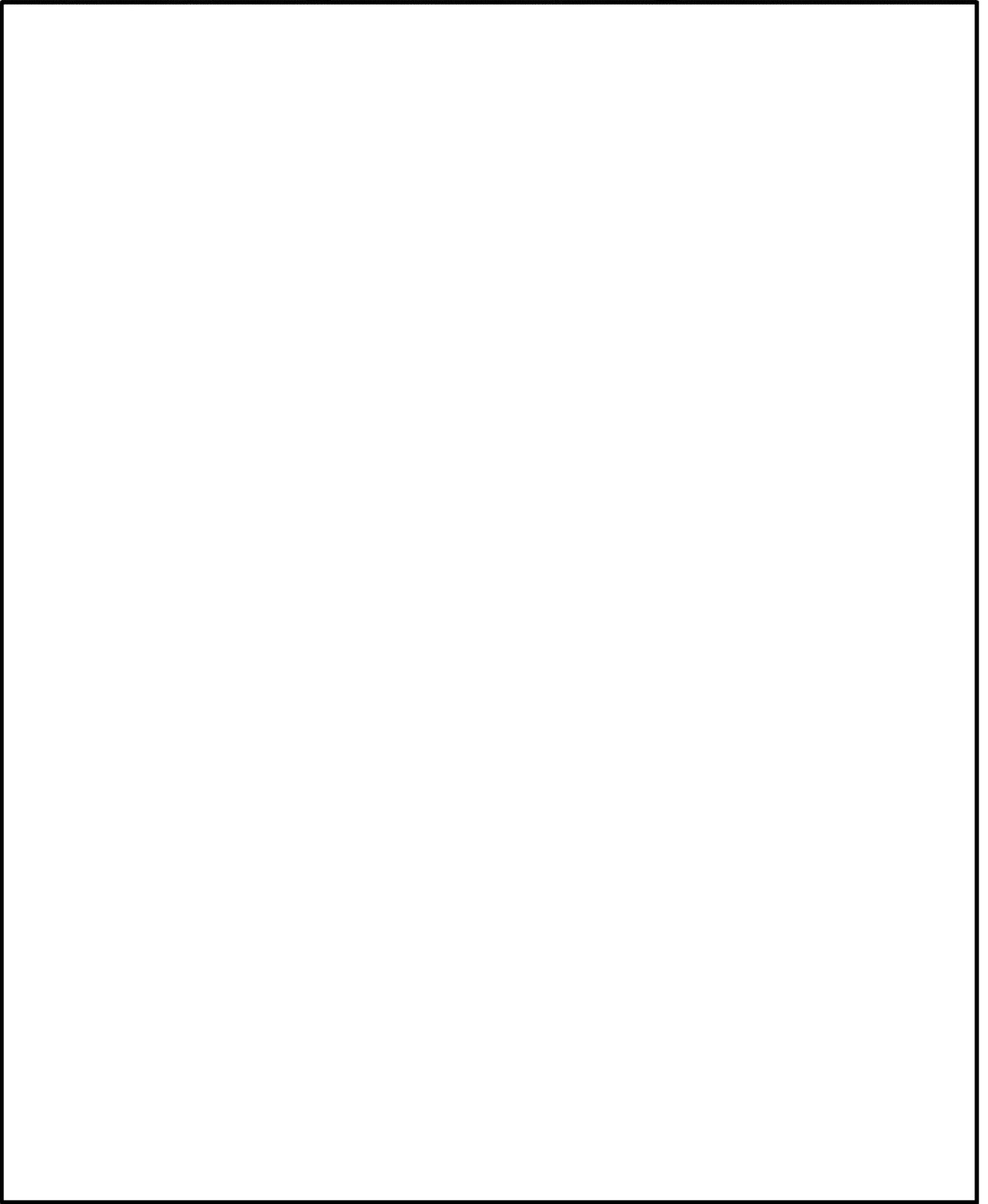


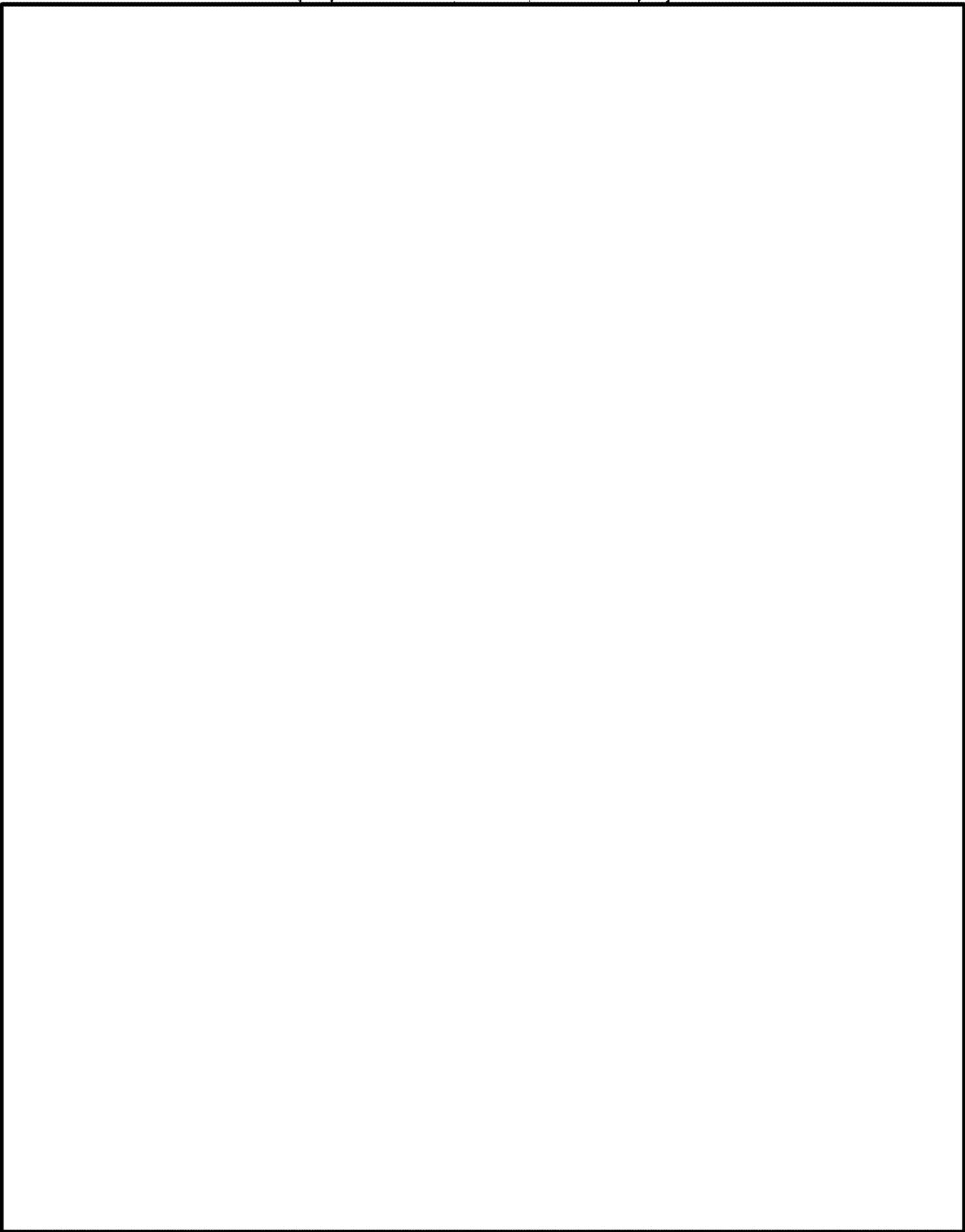


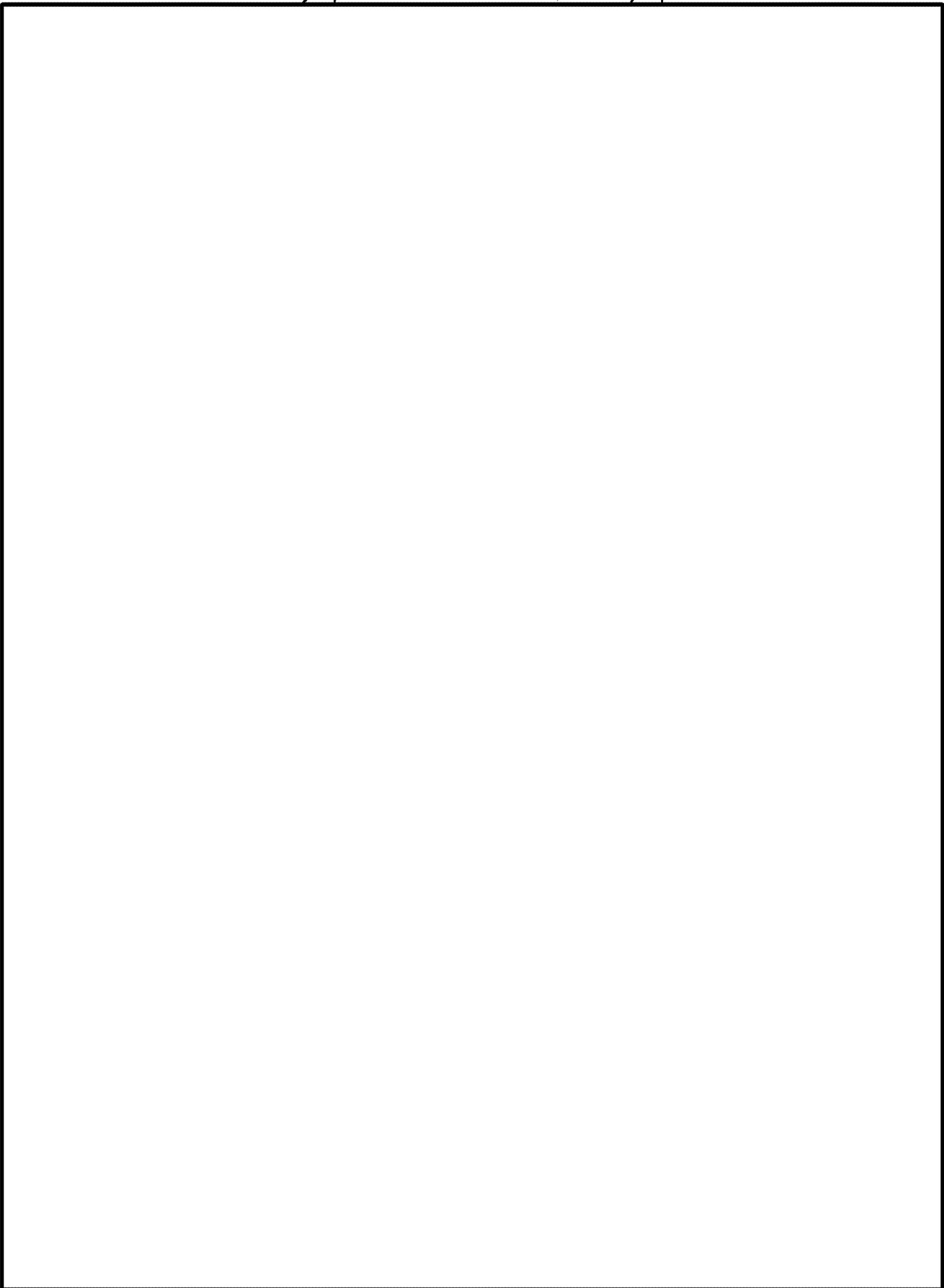




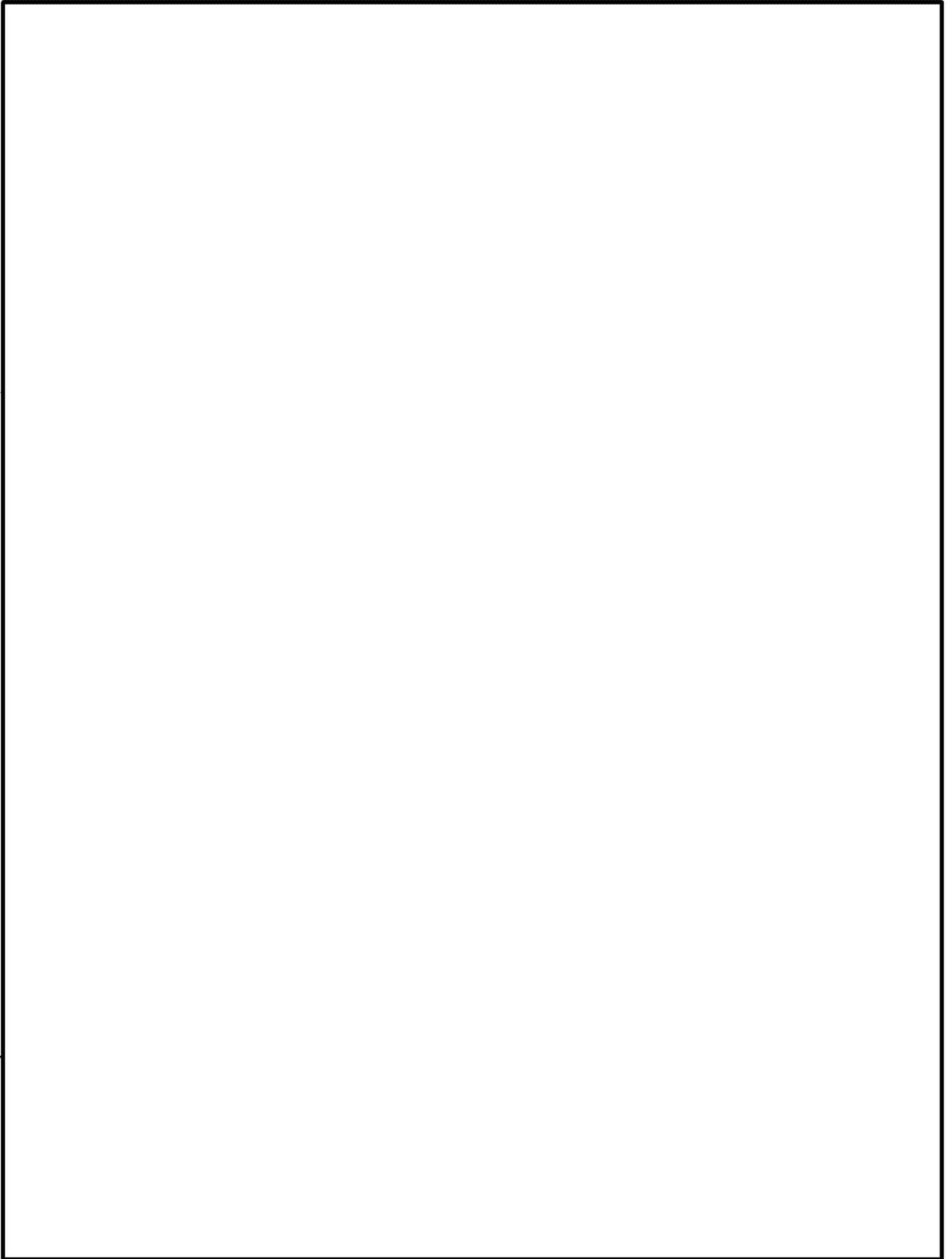




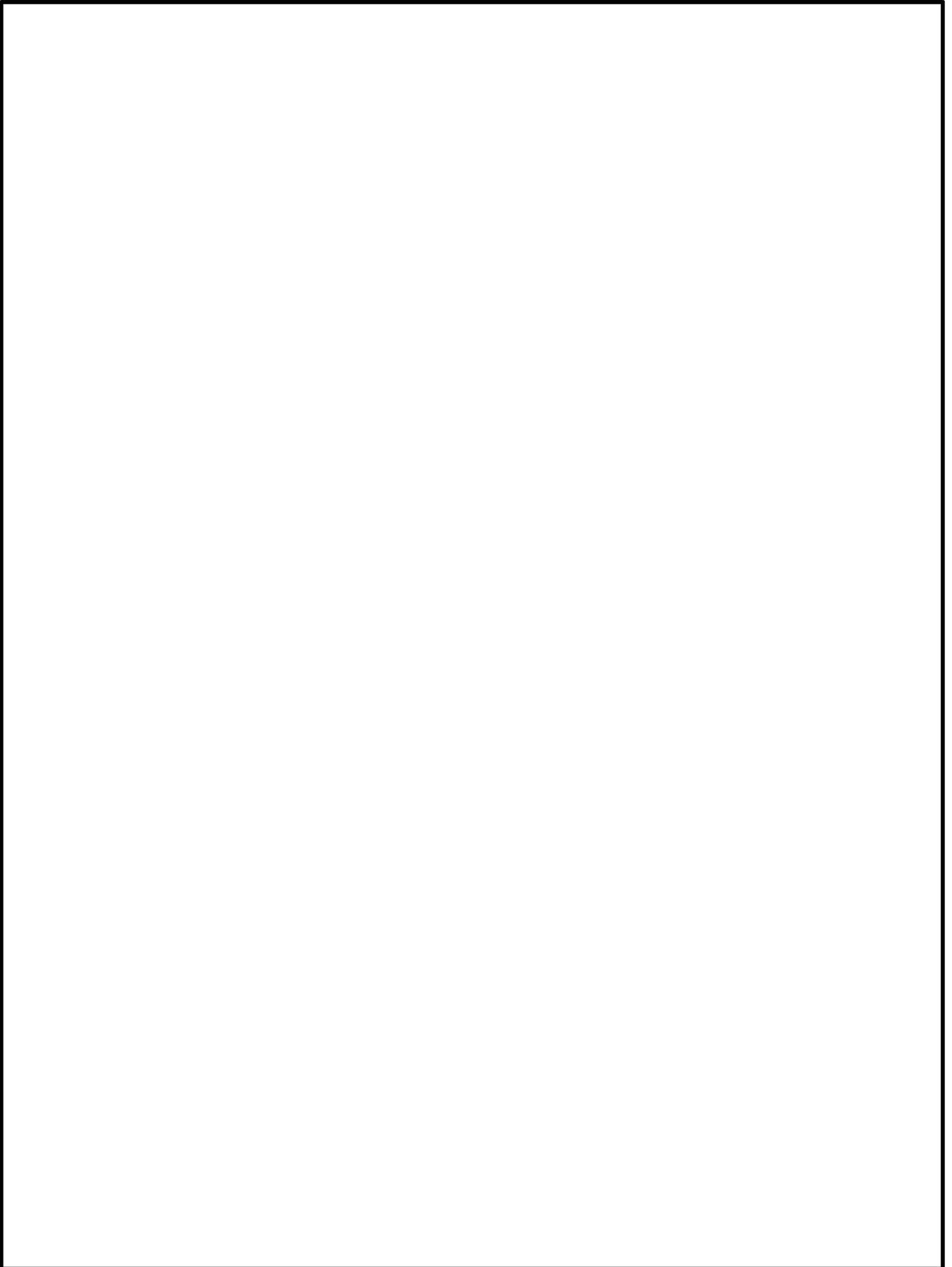


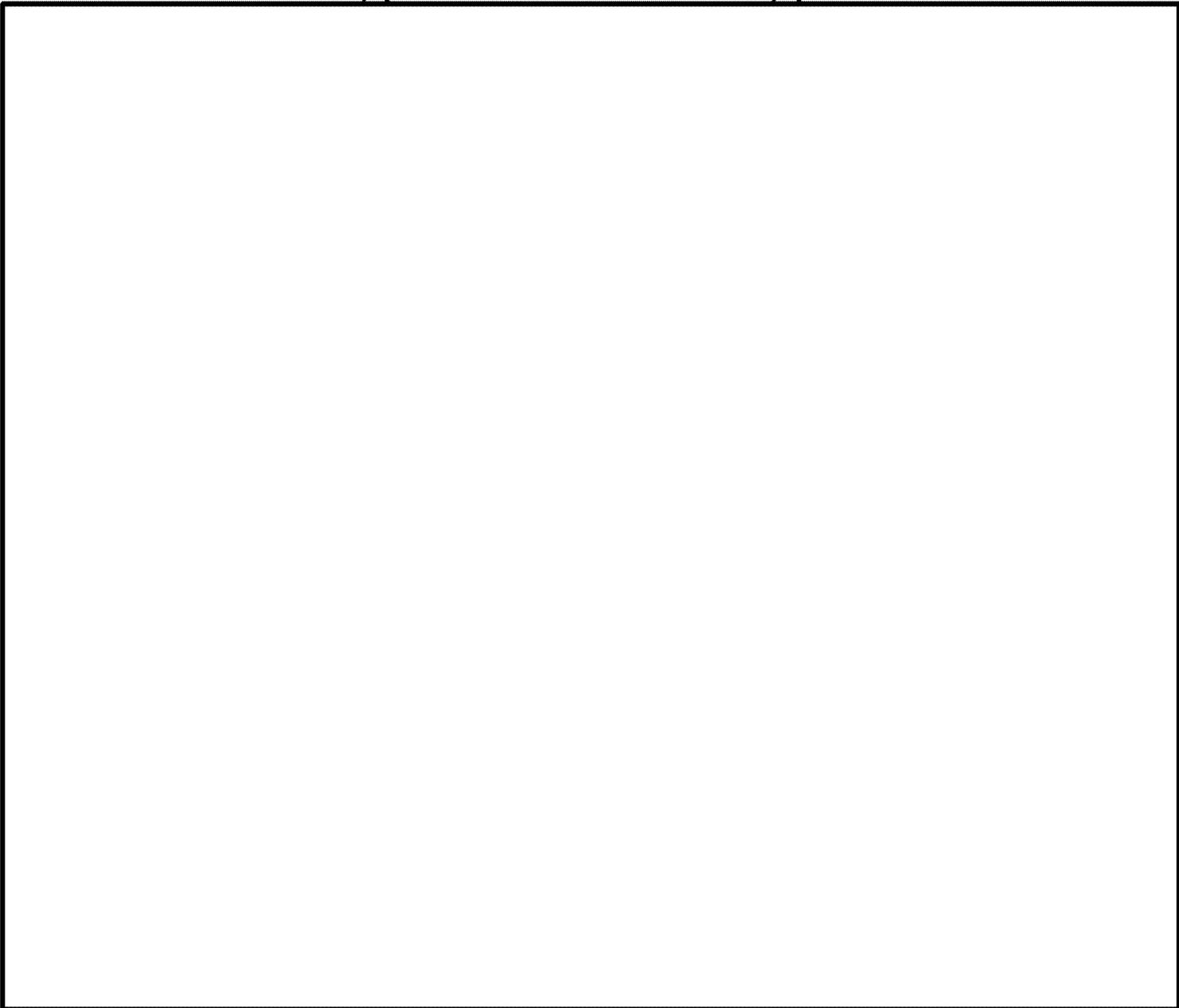


PROFILE AND SUMMARY



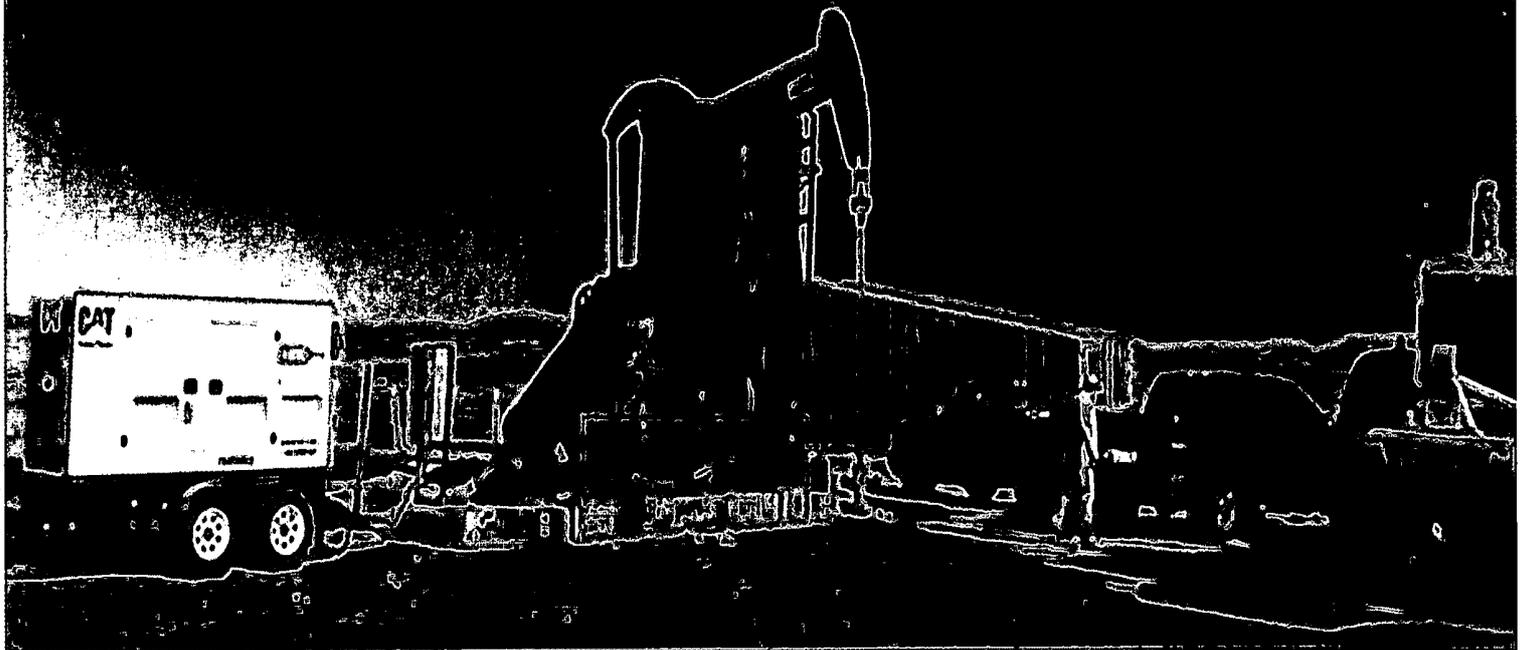
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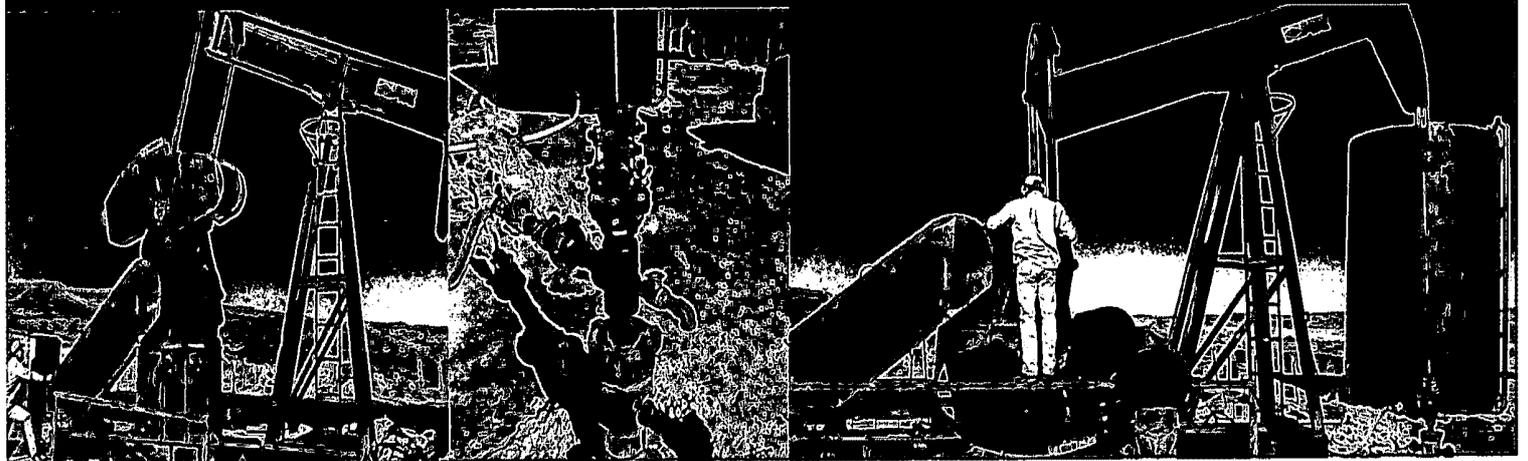


5. Operational Plan

November 2011



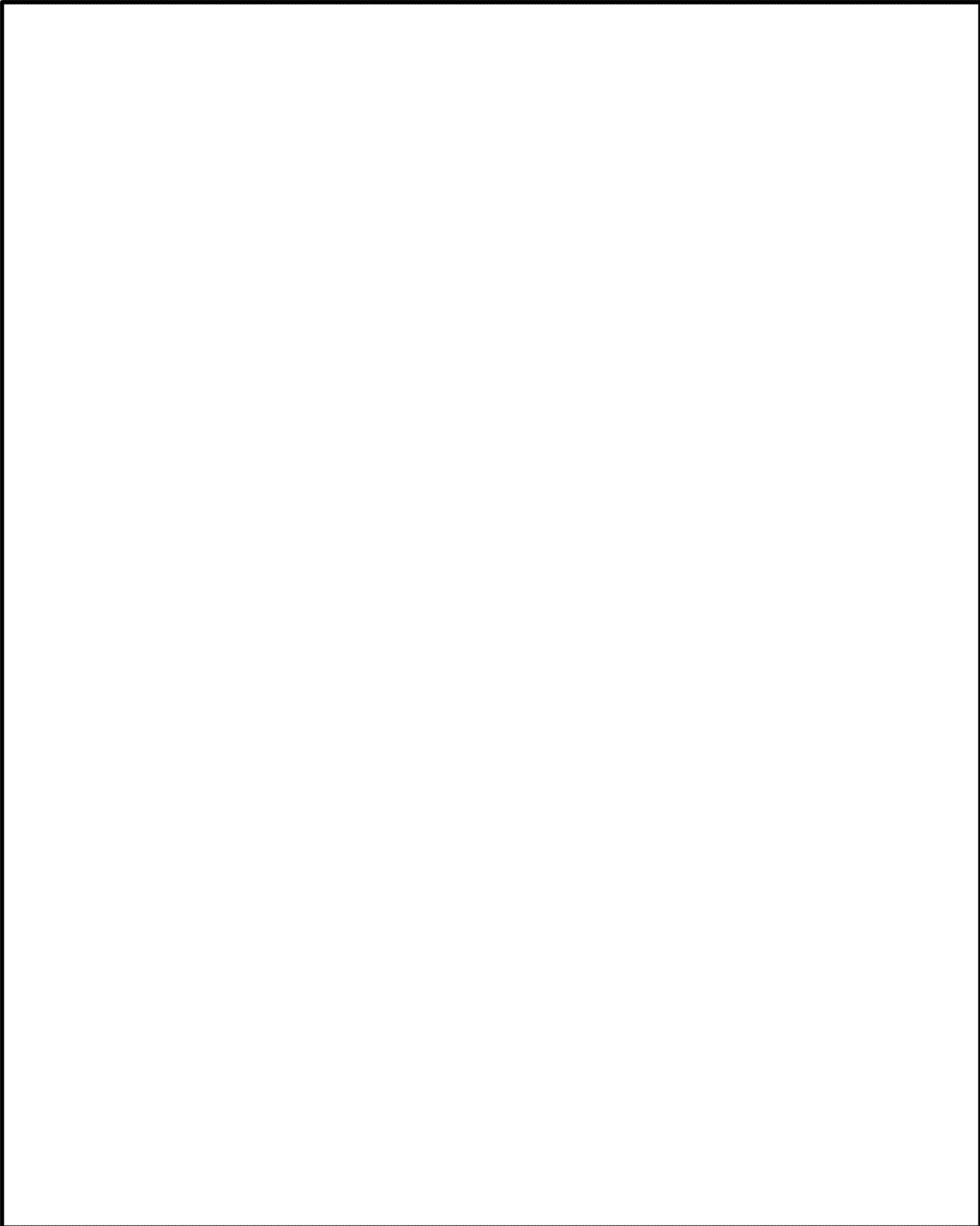
USA MONTANA ENERGY REGIONAL CENTER, LLC
Operational Plan pursuant to 8 CFR 204.6 (m)(3)

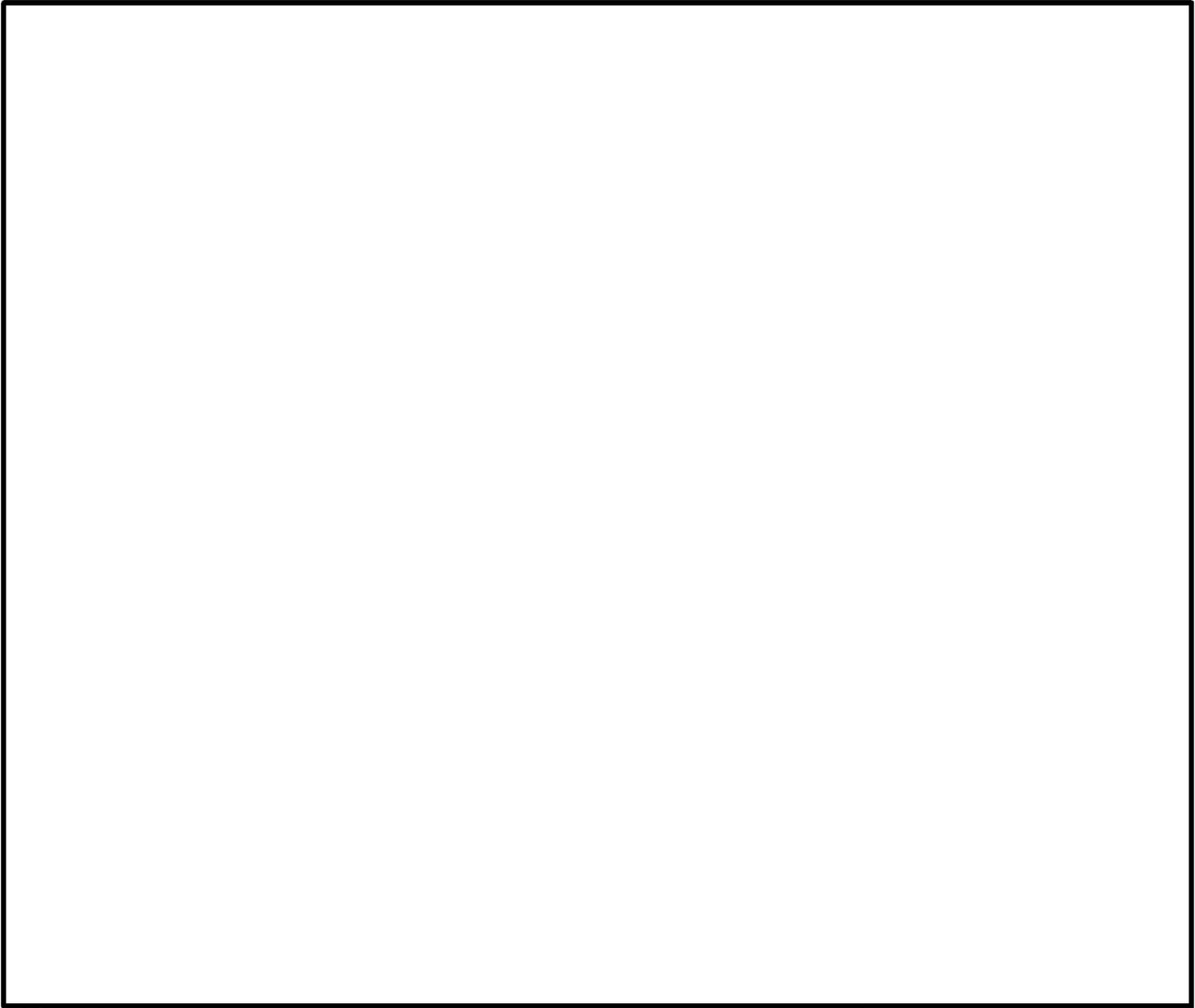


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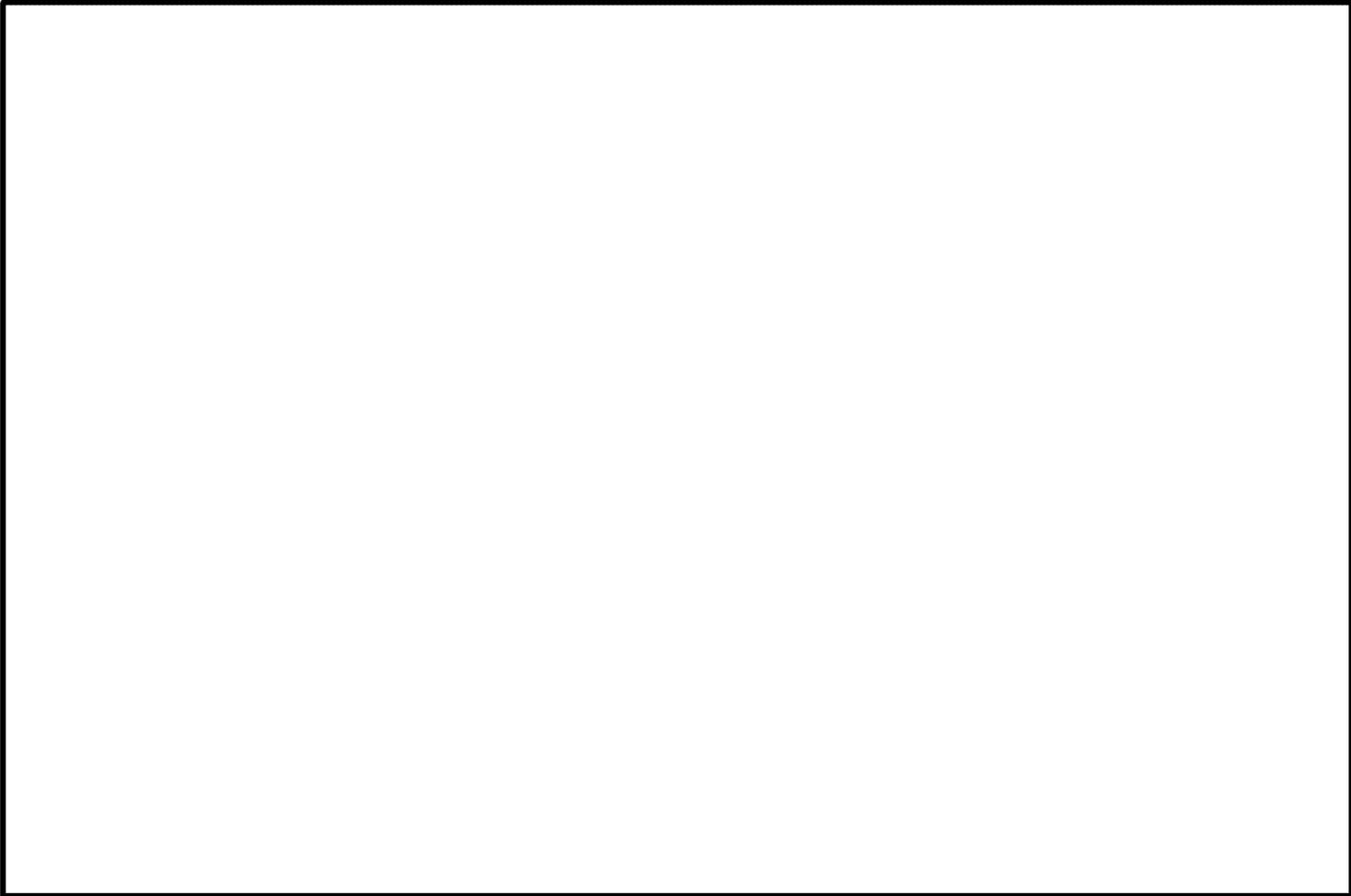
1.0 REGIONAL CENTER OVERVIEW



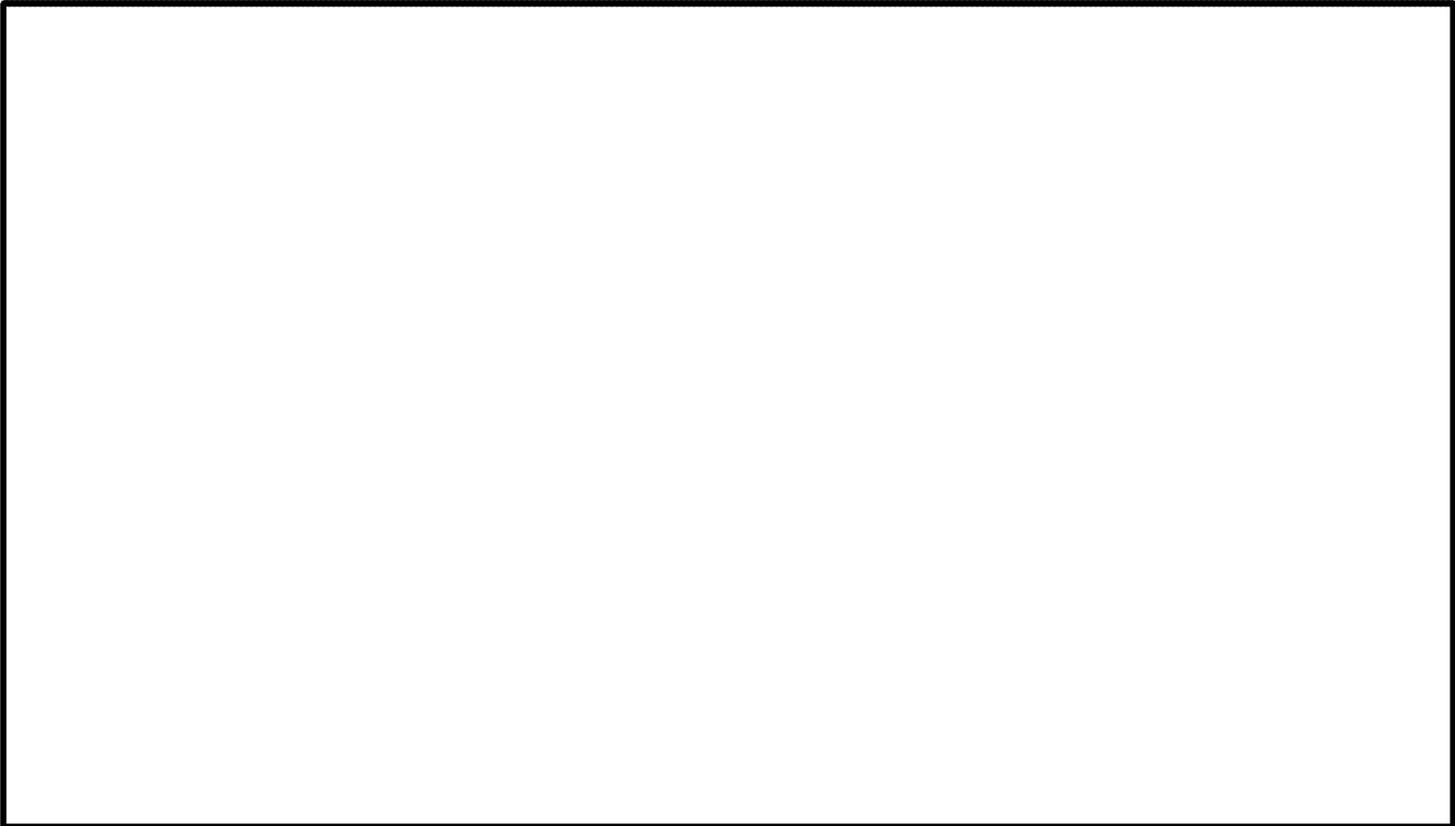


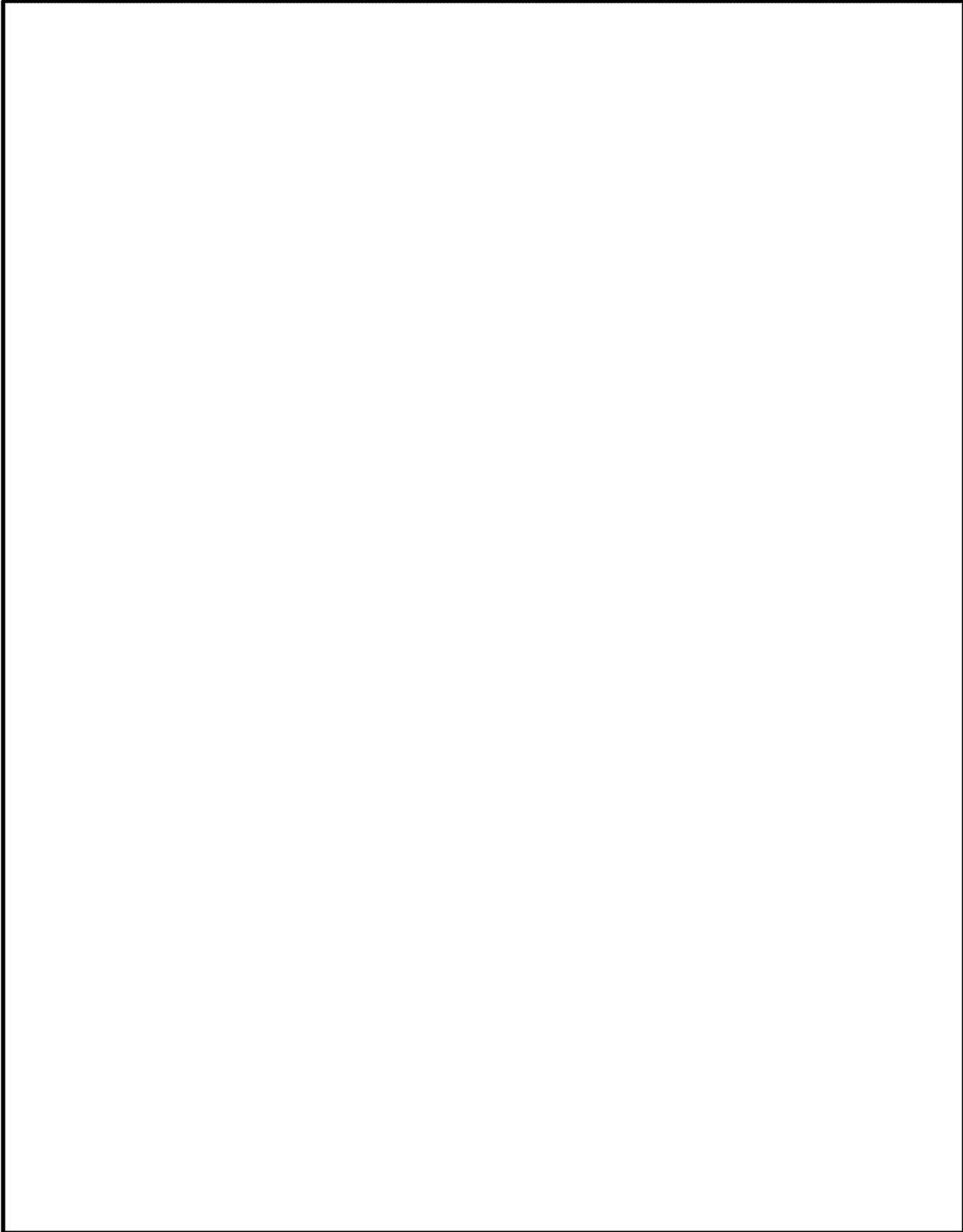
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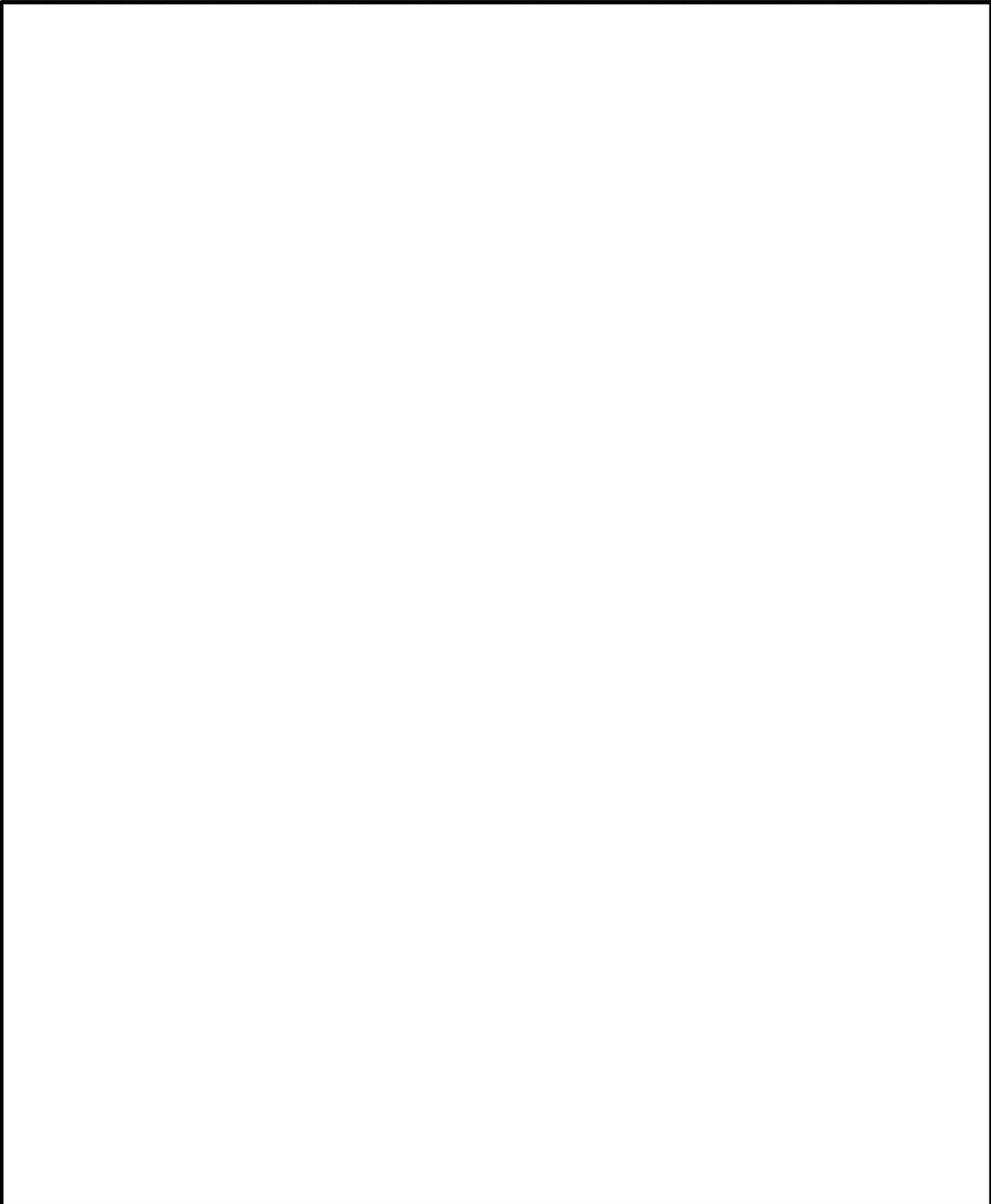


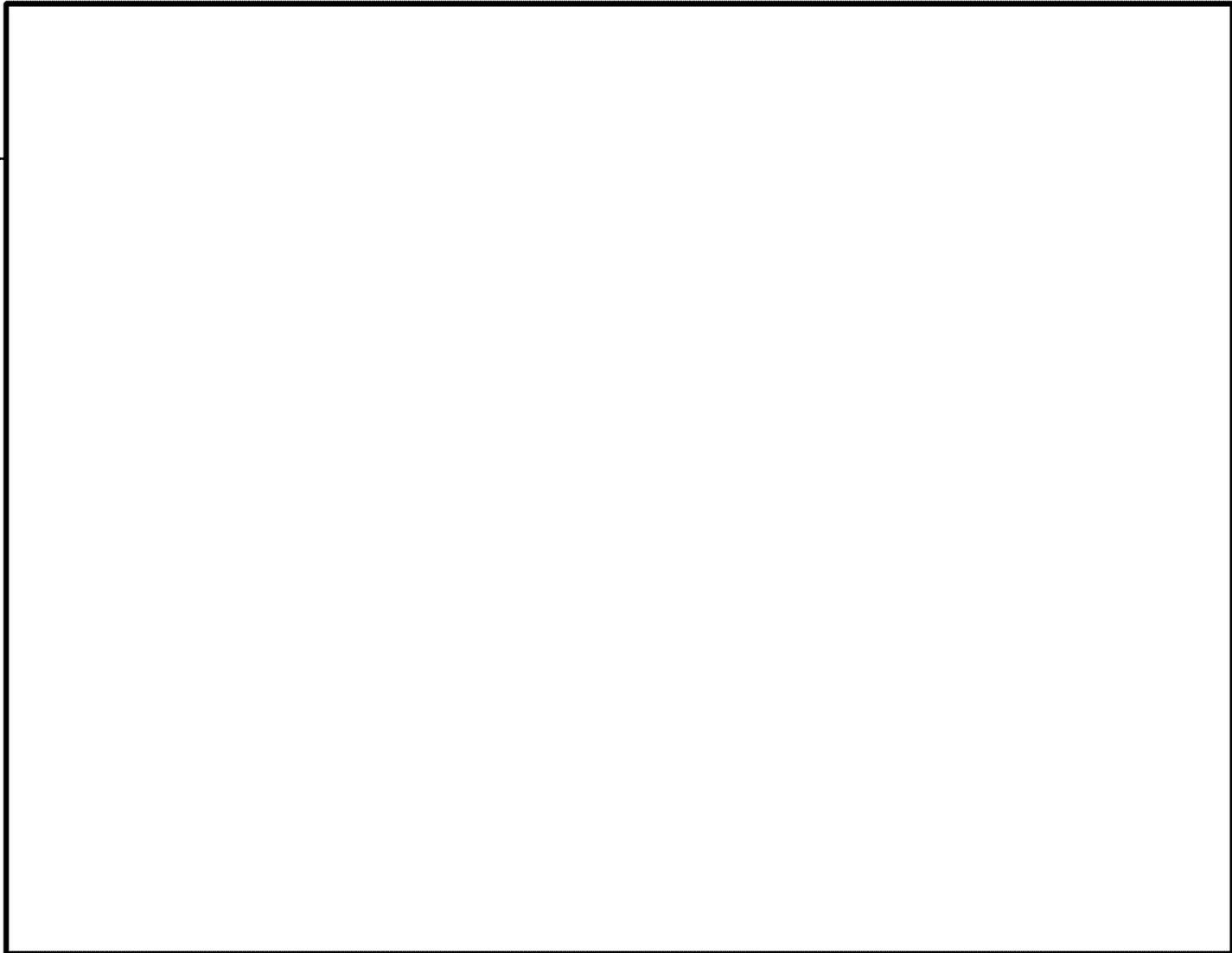
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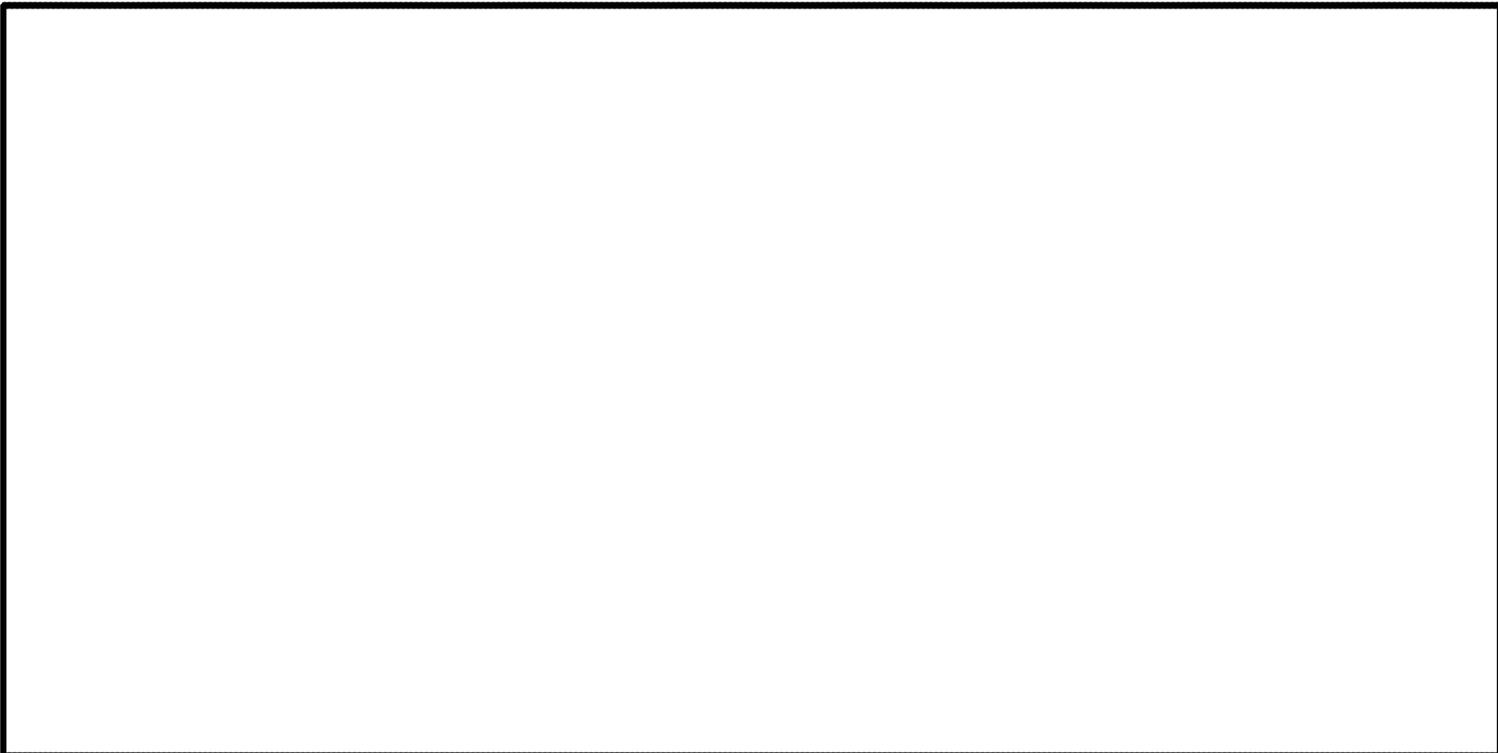


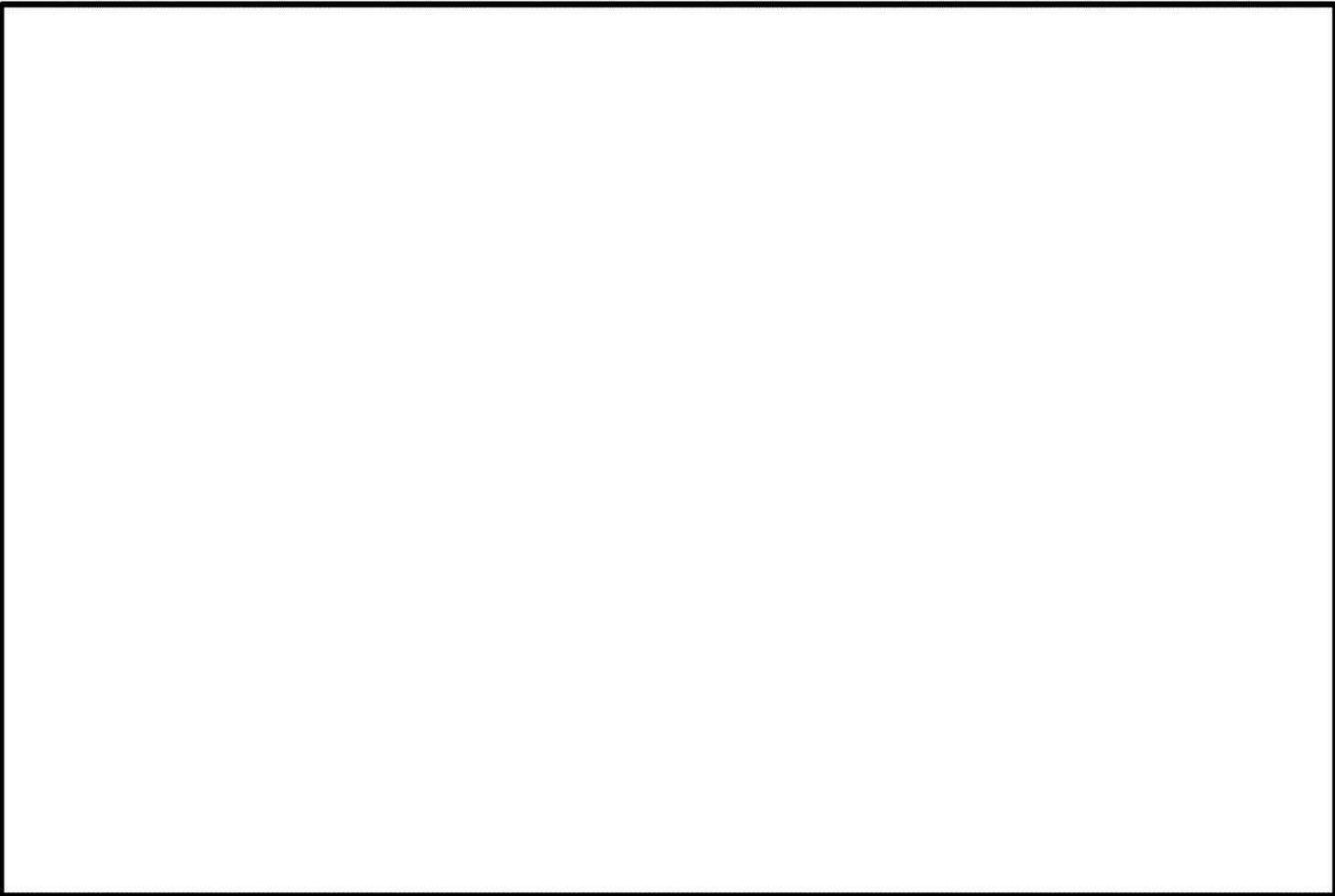
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5.0 ADMINISTRATIVE OVERSIGHT





6. Economic Impact Analysis Report

**Economic Impact of Drilling Oil Wells in Musselshell,
Petroleum, Rosebud, Treasure, Yellowstone and Garfield
Counties in Montana, as Part of USA Montana Energy
Regional Center, LLC**

Prepared for:

**USA Montana Energy Regional Center, LLC
27 N. 27th St., Suite 2101, Billings, MT 59101**

Prepared by:

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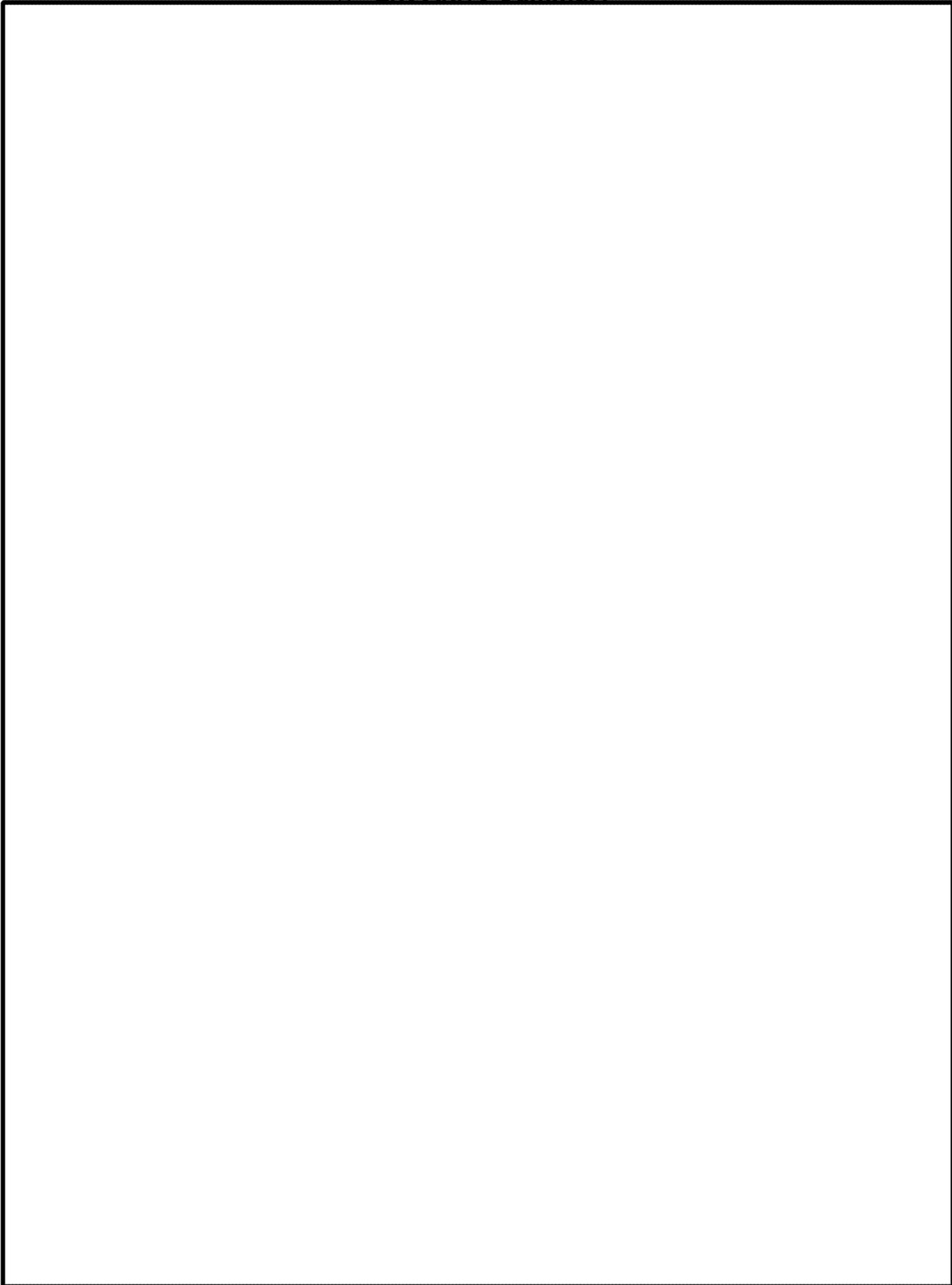
November, 2011

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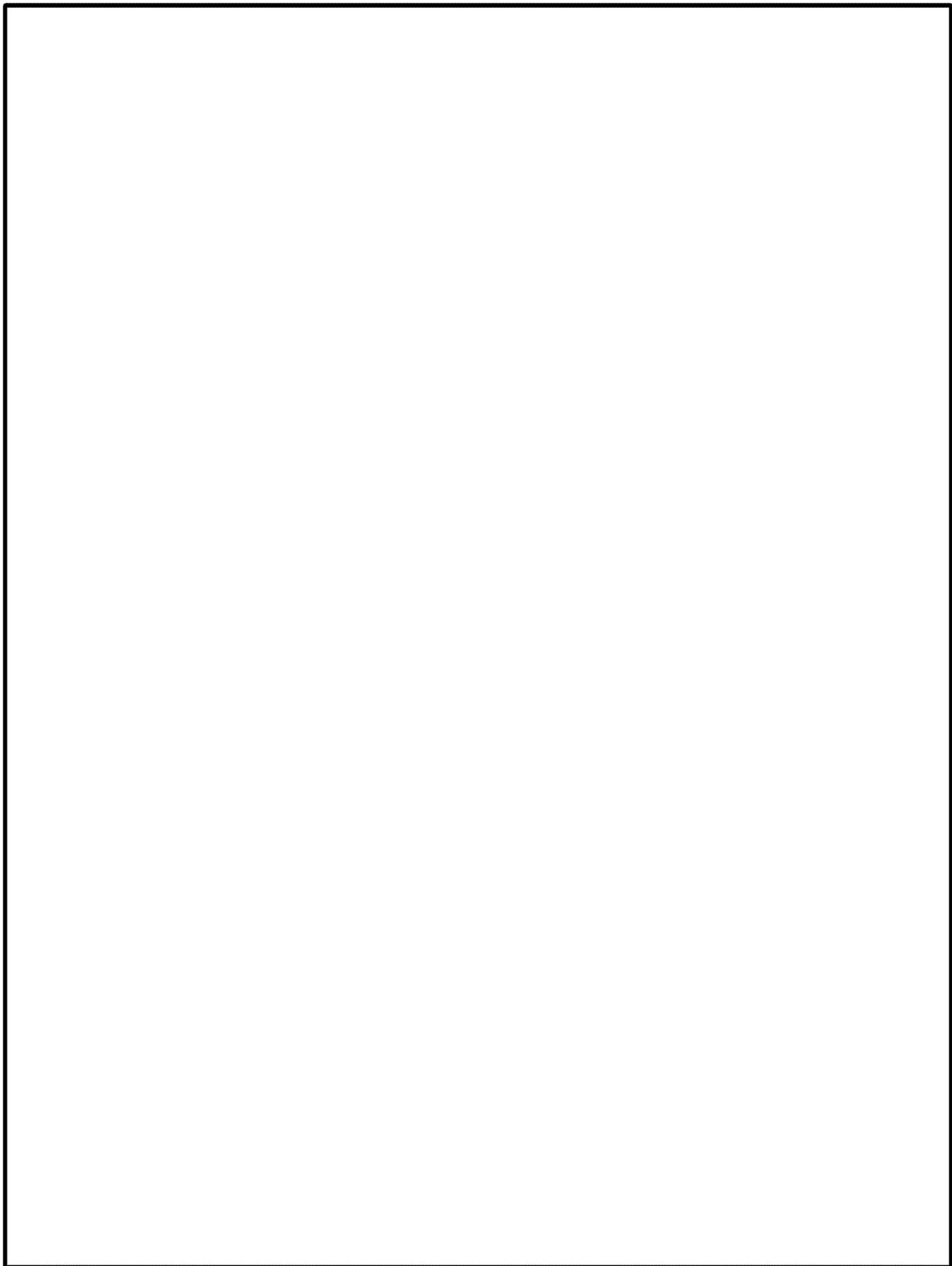
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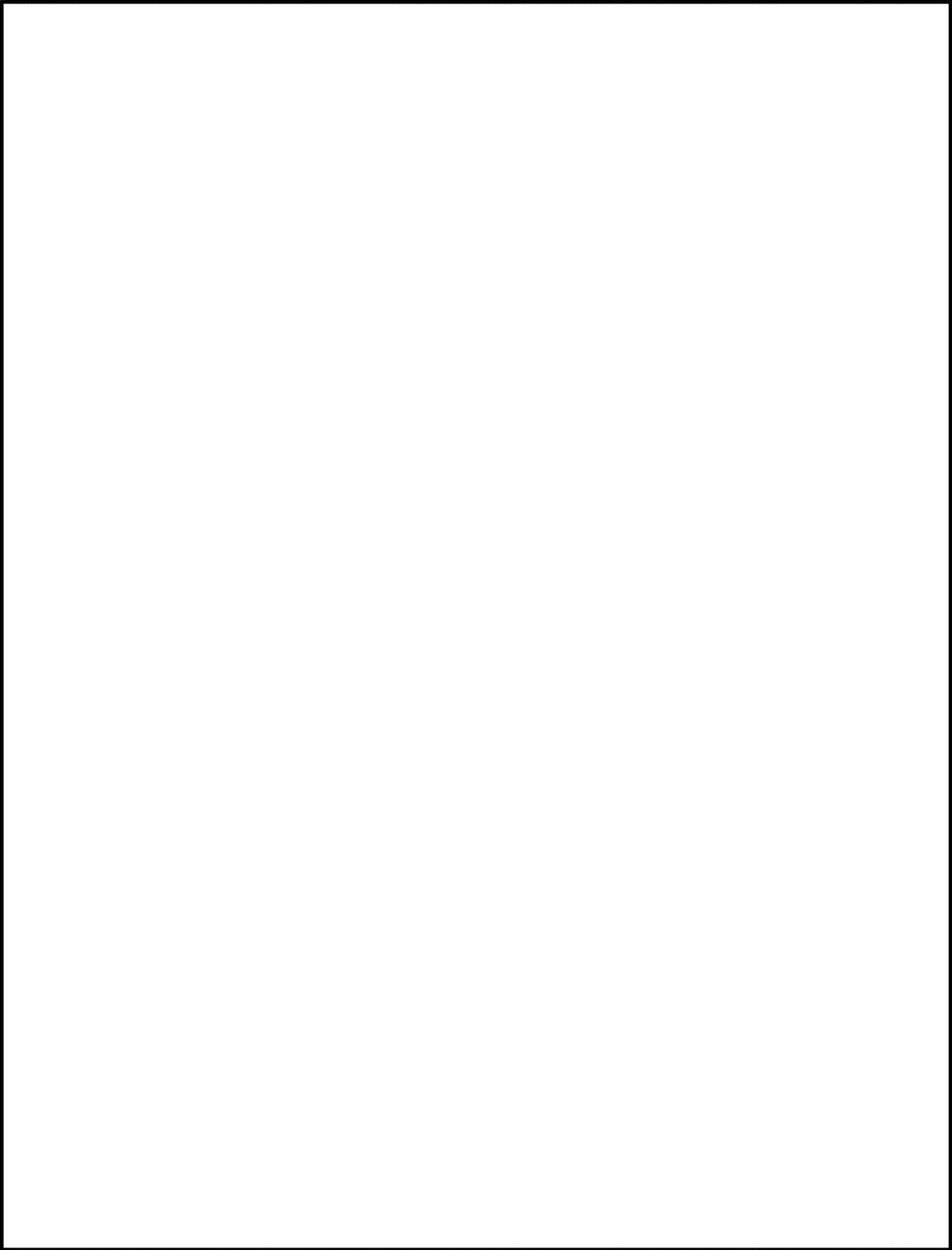
1. Executive Summary



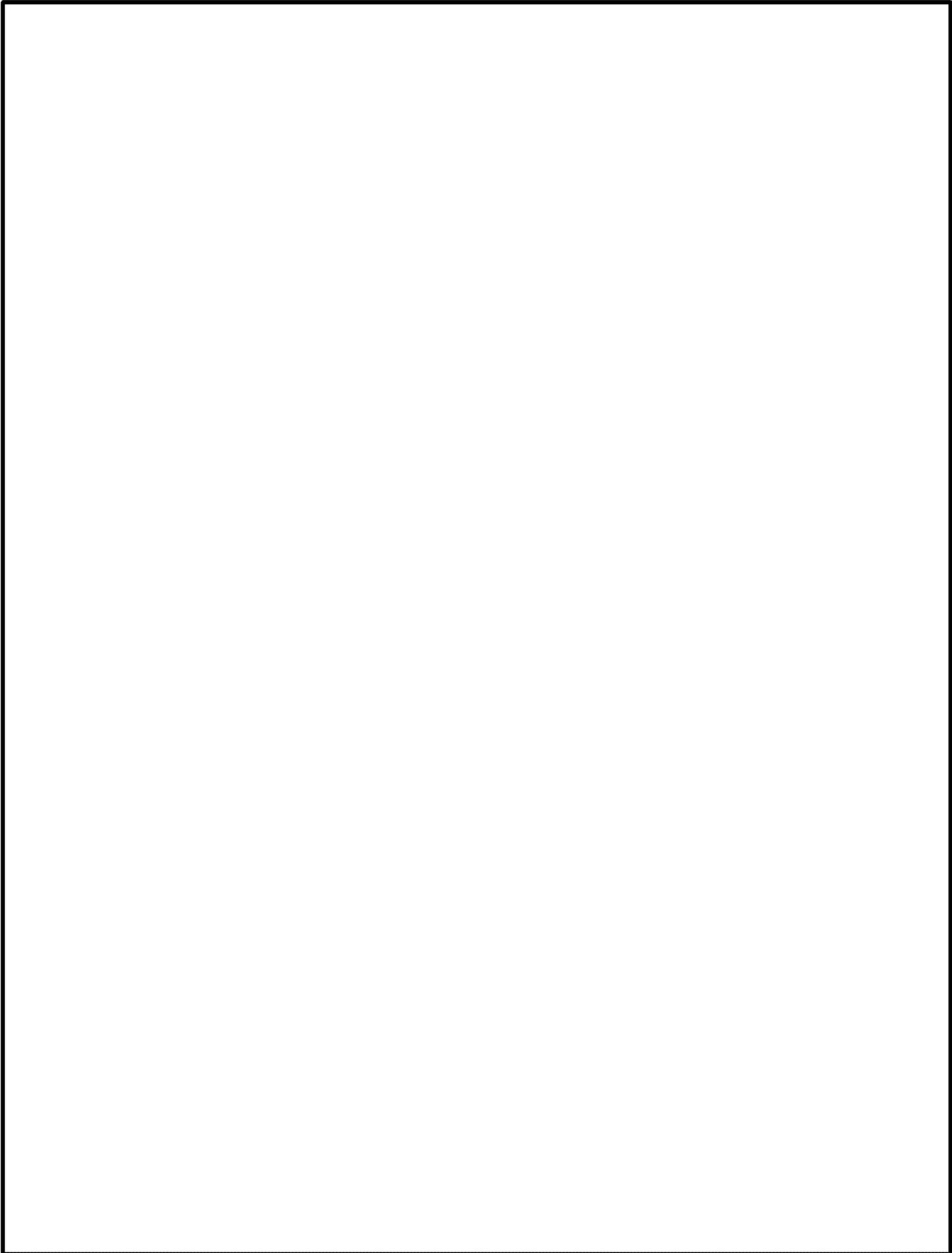
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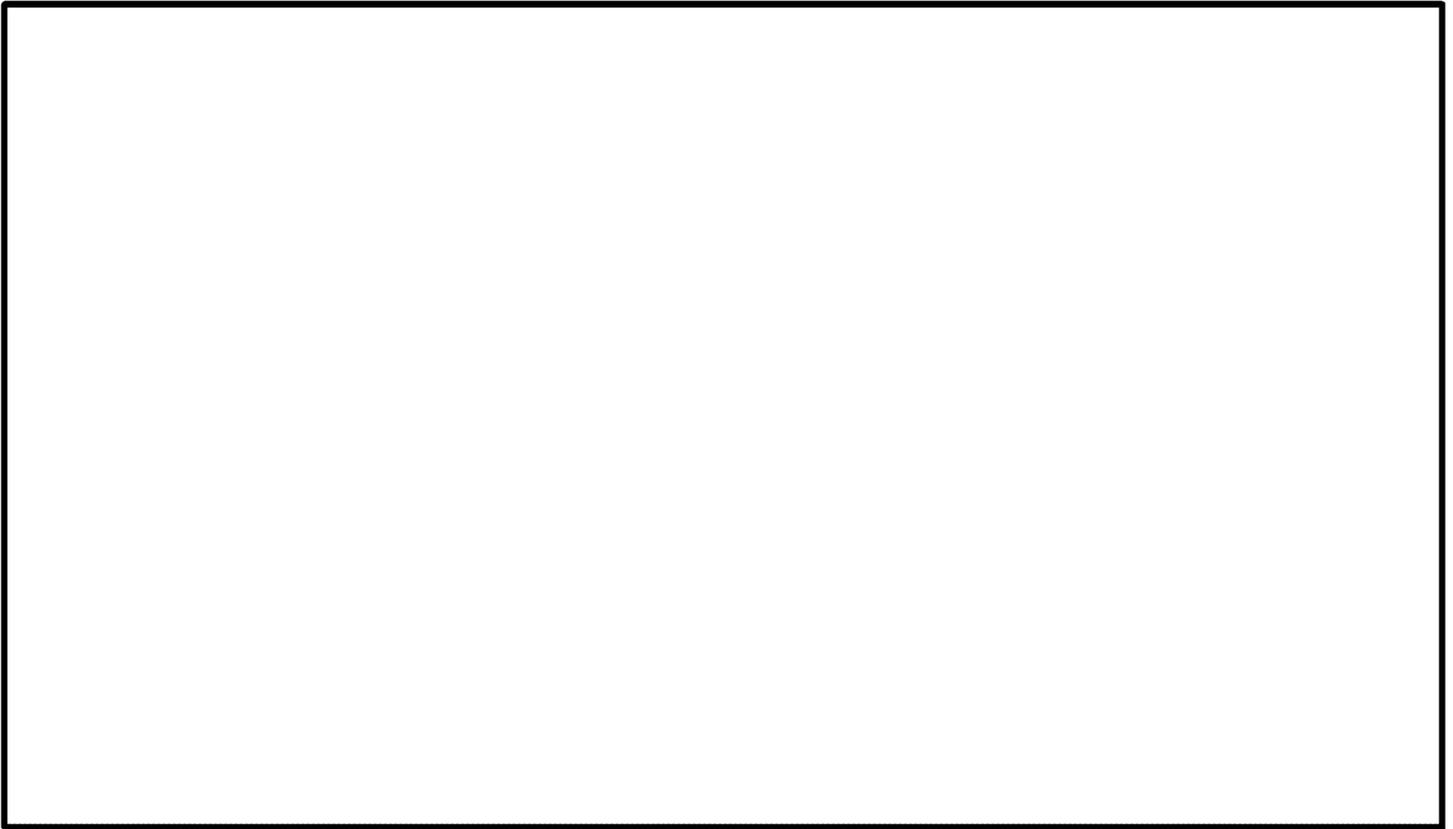
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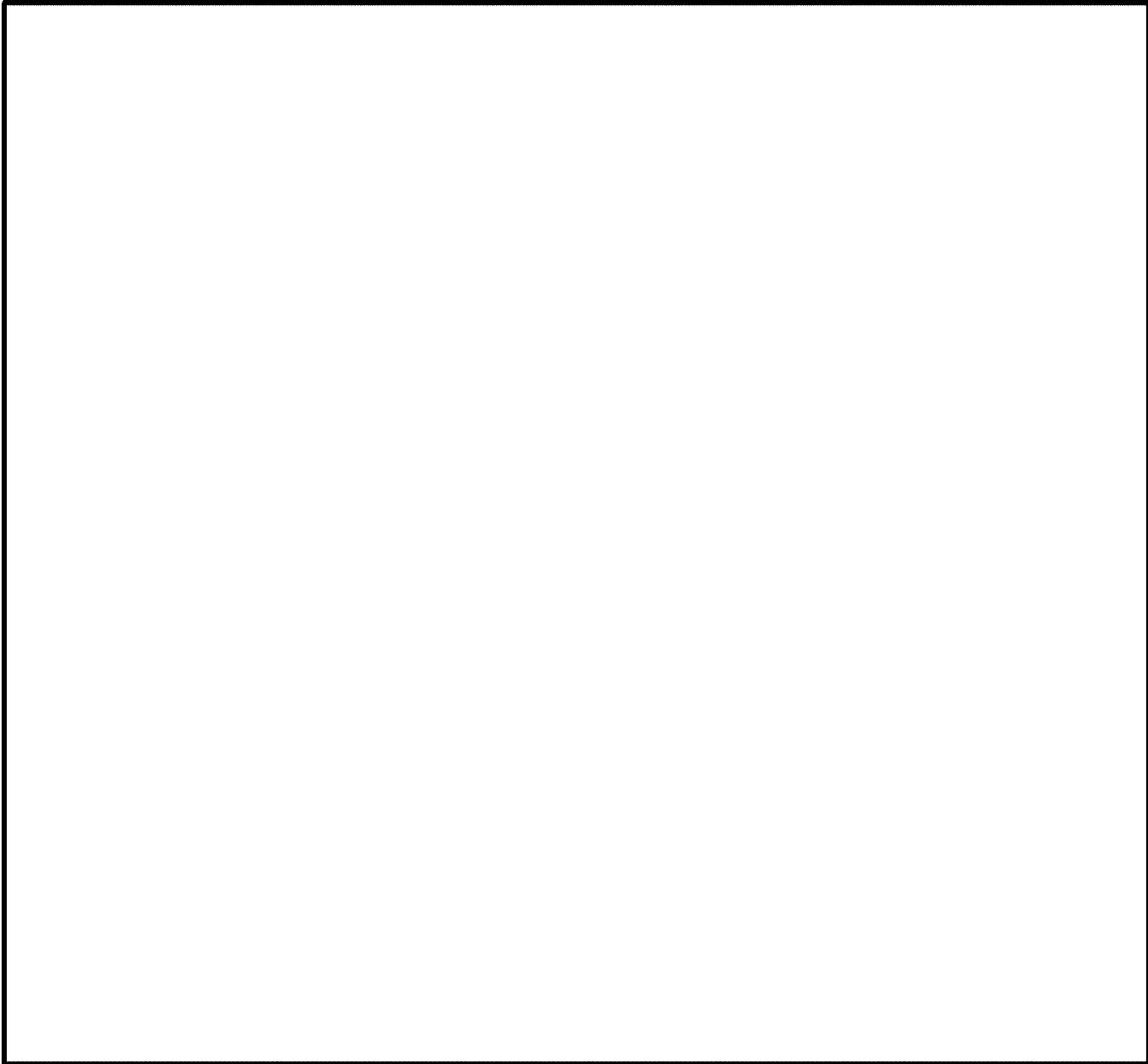


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3. Introduction and Scope of Work



4. Brief Guide to RIMS II Input/Output Model

The following material has been condensed from the RIMS II User Handbook.

Introduction and General Comments

Effective planning for public- and private-sector projects and programs at the State and local levels requires a systematic analysis of the economic impacts of these projects and programs on affected regions. In turn, systematic analysis of economic impacts must account for the inter-industry relationships within regions because these relationships largely determine how regional economies are likely to respond to project and program changes. Thus, regional input-output (I-O) multipliers, which account for inter-industry relationships within regions, are useful tools for conducting regional economic impact analysis.

In the 1970s, the Bureau of Economic Analysis (BEA) developed a method for estimating regional I-O multipliers known as RIMS (Regional Industrial Multiplier System), which was based on the work of Garnick and Drake. In the 1980s, BEA completed an enhancement of RIMS, known as RIMS II (Regional Input-Output Modeling System), and published a handbook for RIMS II users. In 1992, BEA published a second edition of the handbook in which the multipliers were based on more recent data and improved methodology. In 1997, BEA published a third edition of the handbook that provides more detail on the use of the multipliers and the data sources and methods for estimating them.

RIMS II is based on an accounting framework called an I-O table. For each industry, an I-O table shows the industrial distribution of inputs purchased and outputs sold. A typical I-O table in RIMS II is derived mainly from two data sources: BEA's national I-O table, which shows the input and output structure of nearly 500 U.S. industries, and BEA's regional economic accounts, which are used to adjust the national I-O table to show a region's industrial structure and trading patterns.

Using RIMS II for impact analysis has several advantages. RIMS II multipliers can be estimated for any region composed of one or more counties and for any industry, or group of industries, in the national I-O table. The accessibility of the main data sources for RIMS II keeps the cost of estimating regional multipliers relatively low. Empirical tests show that estimates based on relatively expensive surveys and RIMS II-based estimates are similar in magnitude.

BEA's RIMS multipliers can be a cost-effective way for analysts to estimate the economic impacts of changes in a regional economy. However, it is important to keep in mind that, like all economic impact models, RIMS provides approximate order-of-magnitude estimates of impacts. RIMS multipliers are best suited for estimating the impacts of small changes on a regional economy. For some applications, users may want to supplement RIMS estimates with information they gather from the region undergoing the potential change. To use the multipliers for impact analysis effectively,

users must provide geographically and industrially detailed information on the initial changes in output, earnings, or employment that are associated with the project or program under study. The multipliers can then be used to estimate the total impact of the project or program on regional output, earnings, and employment.

RIMS II is widely used in both the public and private sector. In the public sector, for example, the Department of Defense uses RIMS II to estimate the regional impacts of military base closings. State transportation departments use RIMS II to estimate the regional impacts of airport construction and expansion. In the private-sector, analysts and consultants use RIMS II to estimate the regional impacts of a variety of projects, such as the development of shopping malls and sports stadiums.

RIMS II Methodology

RIMS II uses BEA's benchmark and annual I-O tables for the nation. Since a particular region may not contain all the industries found at the national level, some direct input requirements cannot be supplied by that region's industries. Input requirements that are not produced in a study region are identified using BEA's regional economic accounts.

The RIMS II method for estimating regional I-O multipliers can be viewed as a three-step process. In the first step, the producer portion of the national I-O table is made region-specific by using six-digit NAICS location quotients (LQs). The LQs estimate the extent to which input requirements are supplied by firms within the region. RIMS II uses LQs based on two types of data: BEA's personal income data (by place of residence) are used to calculate LQs in the service industries; and BEA's wage-and-salary data (by place of work) are used to calculate LQs in the non-service industries.

In the second step, the household row and the household column from the national I-O table are made region-specific. The household row coefficients, which are derived from the value-added row of the national I-O table, are adjusted to reflect regional earnings leakages resulting from individuals working in the region but residing outside the region. The household column coefficients, which are based on the personal consumption expenditure column of the national I-O table, are adjusted to account for regional consumption leakages stemming from personal taxes and savings. In the last step, the Leontief inversion approach is used to estimate multipliers. This inversion approach produces output, earnings, and employment multipliers, which can be used to trace the impacts of changes in final demand on and indirectly affected industries.

Advantages of RIMS II

There are numerous advantages to using RIMS II. First, the accessibility of the main data sources makes it possible to estimate regional multipliers without conducting relatively expensive surveys. Second, the level of industrial detail used in RIMS II helps avoid aggregation errors, which often occur when industries are combined. Third, RIMS II multipliers can be compared across areas because they are based on a consistent set

of estimating procedures nationwide. Fourth, RIMS II multipliers are updated to reflect the most recent local-area wage-and-salary and personal income data.

Overview of Different Multipliers

RIMS II provides users with five types of multipliers: final demand multipliers for output, for earnings, and for employment; and direct-effect multipliers for earnings and for employment. These multipliers measure the economic impact of a change in final demand, in earnings, or in employment on a region's economy.

The final demand multipliers for output are the basic multipliers from which all other RIMS II multipliers are derived. In this table, each column entry indicates the change in output in each row industry that results from a \$1 change in final demand in the column industry. The impact on each row industry is calculated by multiplying the final demand change in the column industry by the multiplier for each row. The total impact on regional output is calculated by multiplying the final demand change in the column industry by the sum of all the multipliers for each row except the household row.

RIMS II provides two types of multipliers for estimating the impacts of changes on earnings: final demand multipliers and direct effect multipliers. These multipliers are derived from the table of final demand output multipliers.

The final demand multipliers for earnings can be used if data on final demand changes are available. In the final demand earnings multiplier table, each column entry indicates the change in earnings in each row industry that results from a \$1 change in final demand in the column industry. The impact on each row industry is calculated by multiplying the final demand change in the column industry by the multipliers for each row. The total impact on regional earnings is calculated by multiplying the final demand change in the column industry by the sum of the multipliers for each row.

Employment Multipliers

RIMS II provides two types of multipliers for estimating the impacts of changes on employment: final demand multipliers and direct effect multipliers. These multipliers are derived from the table of final demand output multipliers.

The final demand multipliers for employment can be used if the data on final demand changes are available. In the final demand employment multiplier table, each column entry indicates the change in employment in each row industry that results from a \$1 million change in final demand in the column industry. The impact on each row industry is calculated by multiplying the final demand change in the column industry by the multiplier for each row. The total impact on regional employment is calculated by multiplying the final demand change in the column industry by the sum of the multipliers for each row.

The direct effect multipliers for employment can be used if the data on the initial changes in employment by industry are available. In the direct effect employment multiplier table, each entry indicates the total change in employment in the region that results from a change of one job in the row industry. The total impact on regional employment is calculated by multiplying the initial change in employment in the row industry by the multiplier for the row.

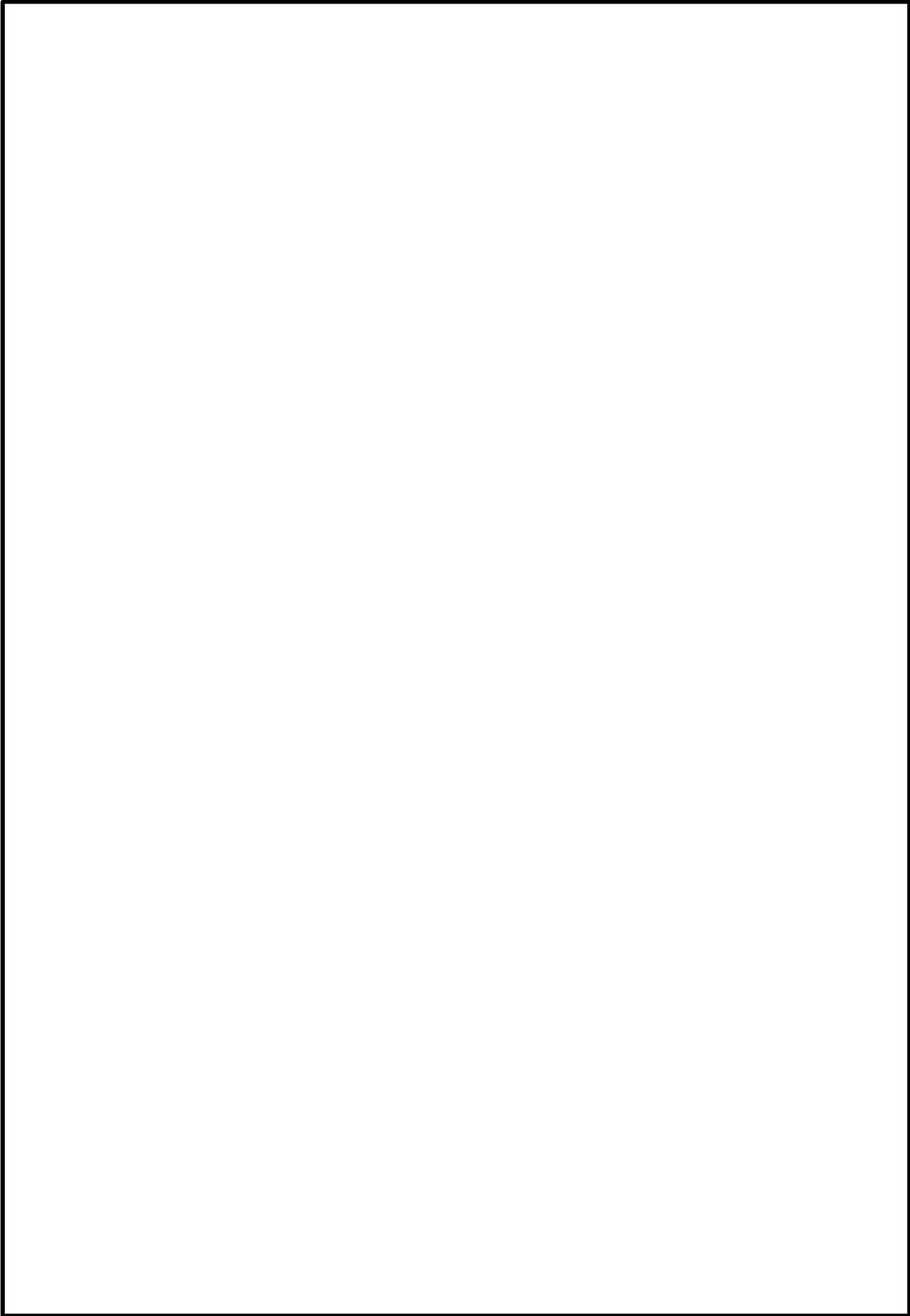
Choosing a Multiplier

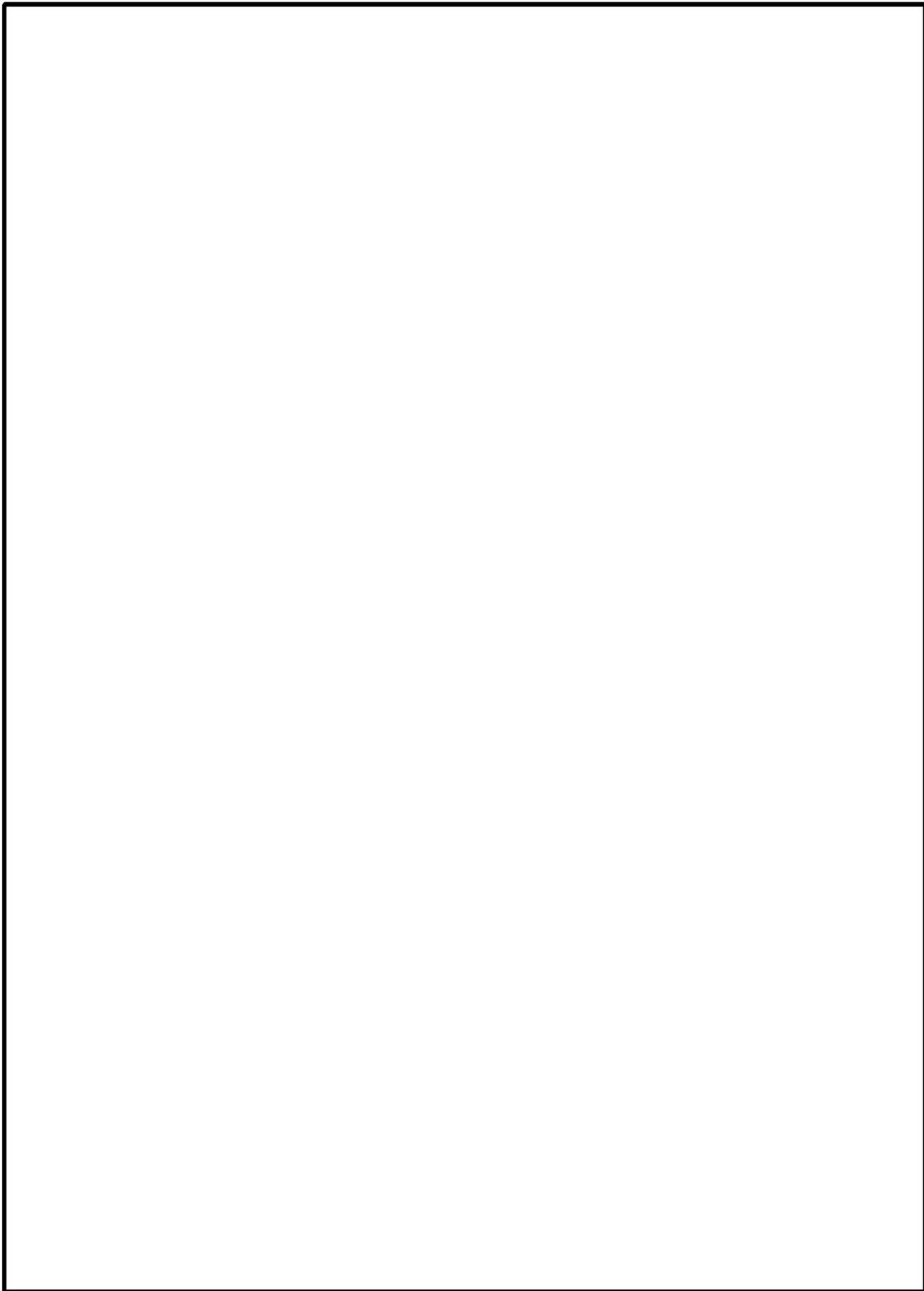
The choice of multiplier for estimating the impact of a project on output, earnings, and employment depends on the availability of estimates of the initial changes in final demand, earnings, and employment. If the estimates of the initial changes in all three measures are available, the RIMS II user can select any of the RIMS II multipliers. In theory, all the impact estimates should be consistent. If the available estimates are limited to initial changes in final demand, the user can select a final demand multiplier for impact estimation. If the available estimates are limited to initial changes in earnings or employment, the user can select a direct effect multiplier.

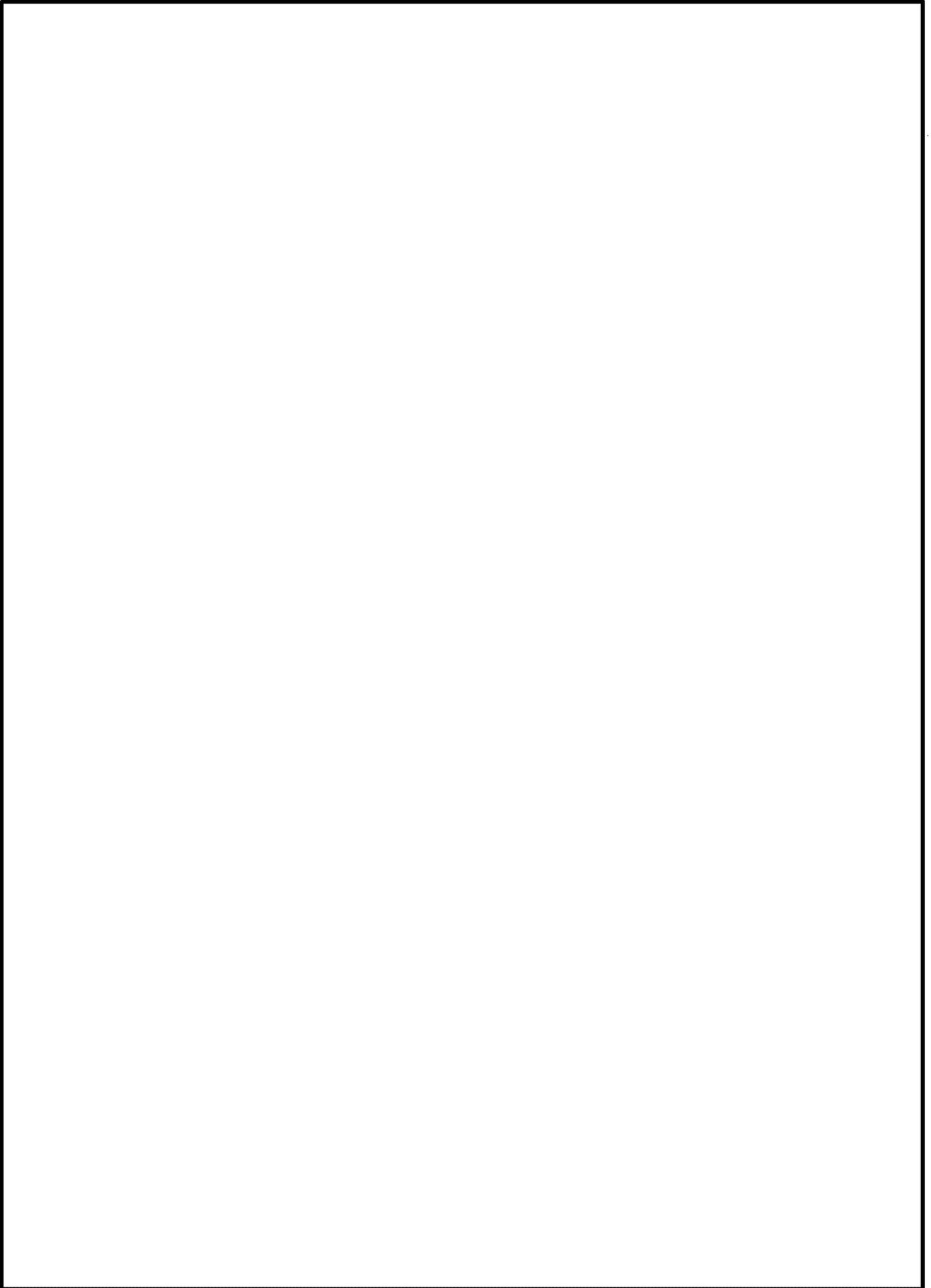
5. Methodology for Calculating Indirect Jobs

In spite of the explanation of the RIMS II model given directly above, some USCIS adjudicators have asked for further clarification about how that model is used to determine the increase in the number of indirect jobs. That is an important issue because the calculation of indirect jobs cannot be verified directly but depends on mathematical calculations.

(b)(4) The general concept is based on the coefficients in the input/output model itself (the same methodology applies to RIMS II, IMPLAN, or any other generally recognized and accepted input/output model). In any given year, the government calculates how much input is used for a given production of output. The detailed figures are taken from the Economic Censuses taken once every five years; the figures are then updated from various annual supplements.







6. Economic Parameters for 6 Counties in Montana: Musselshell, Petroleum, Yellowstone, Rosebud, Garfield, and Treasure Counties

This section is organized as follows. Tables 6-1, 6-2, and 6-3 show the data for employment by major occupation and industrial classification, income distribution by deciles, mean and median household and family income, and poverty rates for Musselshell, Petroleum, Yellowstone, Rosebud, Garfield, and Treasure counties, and compare these figures to the U.S. totals or averages. Table 6-4 shows key labor market statistics over the past decade for the State of Montana, each of these counties, and the two county group totals. Tables 6-5 and 6-6 show the level and growth rate of population and personal income for these same areas.

Table 6-1. Key Economic Statistics for Musselshell and Petroleum Counties Compared to the U.S. Economy

Category	Mussel- shell	%	Petro- leum	%	U. S. 2005-09	%
EMPLOYMENT STATUS						
Population 16 years and over	3,652	100.0%	399	100.0%	235,871,704	100.0%
In labor force	2,050	56.1%	265	66.4%	153,407,584	65.0%
Civilian labor force	2,050	56.1%	265	66.4%	152,273,029	64.6%
Employed	1,960	53.7%	258	64.7%	141,303,145	59.9%
Armed Forces	0	0.0%	0	0.0%	1,134,555	0.5%
Not in labor force	1,602	43.9%	134	33.6%	82,464,120	35.0%
OCCUPATION						
Civilian employed population 16 +	1,960	100.0%	258	100.0%	141,303,145	100.0%
Management & professional	455	23.2%	117	45.3%	49,129,589	34.8%
Service occupations	315	16.1%	10	3.9%	23,859,762	16.9%
Sales and office occupations	408	20.8%	39	15.1%	36,203,679	25.6%
Farming, fishing, & forestry	61	3.1%	48	18.6%	993,902	0.7%
Construction, maintenance, repair	418	21.3%	21	8.1%	13,383,294	9.5%
Production & transportation	303	15.5%	23	8.9%	17,732,919	12.5%
INDUSTRY						
Civilian employed population 16 +	1,960	100.0%	258	100.0%	141,303,145	100.0%
Agriculture & mining	367	18.7%	127	49.2%	2,576,402	1.8%

Construction	293	14.9%	6	2.3%	10,520,876	7.4%
Manufacturing	124	6.3%	5	1.9%	15,887,145	11.2%
Wholesale trade	27	1.4%	0	0.0%	4,516,754	3.2%
Retail trade	292	14.9%	5	1.9%	16,277,681	11.5%
Transportation & utilities	205	10.5%	37	14.3%	7,173,048	5.1%
Information	2	0.1%	10	3.9%	3,450,324	2.4%
Finance, insurance & real estate	60	3.1%	0	0.0%	10,033,714	7.1%
Professional & administrative	36	1.8%	3	1.2%	14,540,450	10.3%
Educational services & health care	378	19.3%	41	15.9%	30,390,213	21.5%
Arts, entertain, hotel, food svcs	97	4.9%	10	3.9%	12,395,164	8.8%
Other private services	31	1.6%	6	2.3%	6,842,841	4.8%
Public administration	48	2.4%	8	3.1%	6,698,533	4.7%

INCOME AND BENEFITS

Total households	1,794	100.0%	220	100.0%	112,611,029	100.0%
Less than \$10,000	172	9.6%	17	7.7%	8,329,488	7.4%
\$10,000 to \$14,999	206	11.5%	9	4.1%	6,305,311	5.6%
\$15,000 to \$24,999	284	15.8%	31	14.1%	12,172,059	10.8%
\$25,000 to \$34,999	291	16.2%	40	18.2%	11,985,229	10.6%
\$35,000 to \$49,999	298	16.6%	46	20.9%	16,064,321	14.3%
\$50,000 to \$74,999	283	15.8%	52	23.6%	21,053,113	18.7%
\$75,000 to \$99,999	117	6.5%	9	4.1%	13,853,787	12.3%
\$100,000 to \$149,999	90	5.0%	7	3.2%	13,578,721	12.1%
\$150,000 to \$199,999	33	1.8%	5	2.3%	4,724,616	4.2%
\$200,000 or more	20	1.1%	4	1.8%	4,544,384	4.0%
Median household income (dollars)	33,000	64.2%	38,833	75.5%	51,425	
Mean household income (dollars)	44,222	63.1%	47,455	67.7%	70,096	

Families	1,315	100.0%	122	100.0%	75,082,471	100.0%
Less than \$10,000	41	3.1%	0	0.0%	3,393,200	4.5%
\$10,000 to \$14,999	114	8.7%	0	0.0%	2,479,747	3.3%
\$15,000 to \$24,999	164	12.5%	18	14.8%	6,274,623	8.4%
\$25,000 to \$34,999	218	16.6%	18	14.8%	7,046,604	9.4%
\$35,000 to \$49,999	272	20.7%	18	14.8%	10,374,067	13.8%
\$50,000 to \$74,999	261	19.8%	48	39.3%	15,181,992	20.2%
\$75,000 to \$99,999	110	8.4%	9	7.4%	10,997,786	14.6%
\$100,000 to \$149,999	84	6.4%	7	5.7%	11,350,903	15.1%
\$150,000 to \$199,999	31	2.4%	0	0.0%	4,060,380	5.4%
\$200,000 or more	20	1.5%	4	3.3%	3,923,169	5.2%
Median family income (dollars)	40,959	65.7%	51,346	82.3%	62,363	
Mean family income (dollars)	52,310	64.2%	57,062	70.0%	81,537	
Per capita income (dollars)	19,164	70.9%	22,168	82.0%	27,041	

Median earnings for workers	20,678	71.2%	25,338	87.2%	29,050
Median earnings for male full-time	37,366	82.4%	26,346	58.1%	45,363
Median earnings for female full-time	22,111	62.8%	26,818	76.2%	35,207

PERCENTAGE BELOW POVERTY
LEVEL

All families	12.80%	129.3%	6.60%	66.7%	9.90%
All people	17.80%	131.9%	14.60%	108.1%	13.50%

Please note that in these tables, the percentage figures in black refer to the overall category in that column, while the figures in red refer to the U.S. average figures

Both Musselshell and Petroleum counties are both very sparsely populated areas that are largely farming and mining counties. The data are based on 2005-09 averages because of the small number of people, but even these figures may be subject to relatively wide sampling areas. The median and mean income for Musselshell County is about 2/3 of the national average, while for Petroleum County the figure is about 3/4 of the average. The poverty rate in Musselshell County is well above average; for Petroleum County the rate is below average for all families but slightly above average for all people.

Table 6-2. Key Economic Statistics for Yellowstone County Compared to Montana and the U. S. Economy

Category	Billings	%	Montana	%	U.S. 2009	%
EMPLOYMENT STATUS						
Population 16 years and over	113,061	100.0%	780,092	100.0%	241,002,178	100.0%
In labor force	79,769	70.6%	508,058	65.1%	157,334,979	65.3%
Civilian labor force	79,769	70.6%	503,837	64.6%	156,044,453	64.7%
Employed	74,327	65.7%	463,880	59.5%	140,602,470	58.3%
Armed Forces	0	0.0%	4,221	0.5%	1,290,526	0.5%
Not in labor force	33,292	29.4%	272,034	34.9%	83,667,199	34.7%
OCCUPATION						
Civilian employed population 16 +	74,327	100.0%	463,880	100.0%	140,602,470	100.0%
Management & professional	25,063	33.7%	157,412	33.9%	50,179,987	35.7%
Service occupations	11,929	16.0%	90,414	19.5%	25,066,647	17.8%
Sales and office occupations	19,207	25.8%	113,750	24.5%	35,425,756	25.2%
Farming, fishing, & forestry	440	0.6%	8,636	1.9%	988,070	0.7%
Construction, maintenance, repair	8,540	11.5%	47,508	10.2%	12,273,897	8.7%
Production & transportation	9,148	12.3%	46,160	10.0%	16,668,113	11.9%
INDUSTRY						
Civilian employed population 16 +	74,327	100.0%	463,880	100.0%	140,602,470	100.0%

Agriculture & mining	2,628	3.5%	31,817	6.9%	2,561,033	1.8%
Construction	6,028	8.1%	33,108	7.1%	9,503,594	6.8%
Manufacturing	4,584	6.2%	23,743	5.1%	14,754,973	10.5%
Wholesale trade	3,098	4.2%	12,347	2.7%	4,103,620	2.9%
Retail trade	10,004	13.5%	56,068	12.1%	16,250,921	11.6%
Transportation & utilities	3,585	4.8%	23,410	5.0%	7,040,174	5.0%
Information	1,301	1.8%	9,601	2.1%	3,213,793	2.3%
Finance, insurance & real estate	5,931	8.0%	25,834	5.6%	9,657,009	6.9%
Professional & administrative	6,963	9.4%	40,130	8.7%	14,929,815	10.6%
Educational services & health care	15,459	20.8%	103,321	22.3%	31,924,265	22.7%
Arts, entertain, hotel, food svcs	8,391	11.3%	55,778	12.0%	12,877,546	9.2%
Other private services	3,811	5.1%	21,685	4.7%	6,984,373	5.0%
Public administration	2,544	3.4%	27,038	5.8%	6,801,354	4.8%

INCOME AND BENEFITS

Total households	57,523	100.0%	375,287	100.0%	113,616,229	100.0%
Less than \$10,000	2,429	4.2%	31,623	8.4%	8,806,058	7.8%
\$10,000 to \$14,999	3,825	6.6%	24,128	6.4%	6,487,937	5.7%
\$15,000 to \$24,999	7,833	13.6%	52,660	14.0%	12,772,231	11.2%
\$25,000 to \$34,999	6,699	11.6%	45,412	12.1%	12,133,527	10.7%
\$35,000 to \$49,999	9,491	16.5%	62,467	16.6%	16,376,340	14.4%
\$50,000 to \$74,999	11,366	19.8%	70,937	18.9%	20,840,835	18.3%
\$75,000 to \$99,999	7,223	12.6%	43,811	11.7%	13,686,950	12.0%
\$100,000 to \$149,999	5,810	10.1%	30,516	8.1%	13,332,224	11.7%
\$150,000 to \$199,999	1,551	2.7%	7,403	2.0%	4,712,459	4.1%
\$200,000 or more	1,296	2.3%	6,330	1.7%	4,467,668	3.9%
Median household income (dollars)	47,233	94.1%	42,322	84.3%	50,221	
Mean household income (dollars)	59,885	86.9%	54,472	79.0%	68,914	

Families	36,872	100.0%	235,940	100.0%	75,530,746	100.0%
Less than \$10,000	1,318	3.6%	12,248	5.2%	3,676,485	4.9%
\$10,000 to \$14,999	858	2.3%	7,022	3.0%	2,640,878	3.5%
\$15,000 to \$24,999	3,312	9.0%	23,814	10.1%	6,604,662	8.7%
\$25,000 to \$34,999	3,588	9.7%	24,581	10.4%	7,164,166	9.5%
\$35,000 to \$49,999	5,374	14.6%	38,025	16.1%	10,543,895	14.0%
\$50,000 to \$74,999	8,432	22.9%	52,789	22.4%	14,987,597	19.8%
\$75,000 to \$99,999	6,395	17.3%	38,183	16.2%	10,851,609	14.4%
\$100,000 to \$149,999	4,801	13.0%	26,778	11.3%	11,161,136	14.8%
\$150,000 to \$199,999	1,581	4.3%	6,954	2.9%	4,041,141	5.4%
\$200,000 or more	1,213	3.3%	5,546	2.4%	3,859,177	5.1%
Median family income (dollars)	60,733	99.4%	55,010	90.1%	61,082	
Mean family income (dollars)	72,623	90.6%	65,947	82.3%	80,155	
Per capita income (dollars)	24,646	93.3%	22,371	84.7%	26,409	

Median earnings for workers	26,534	93.5%	22,113	78.0%	28,365
Median earnings for male full-time	43,605	95.9%	39,830	87.6%	45,485
Median earnings for female full-time	29,928	84.2%	28,461	80.1%	35,549

PERCENTAGE BELOW POVERTY
LEVEL

All families	8.30%	79.0%	9.90%	94.3%	10.50%
All people	11.40%	79.7%	15.10%	105.6%	14.30%

Yellowstone County includes the city of Billings, the largest city in Montana, and in fact the largest city in an area bordered by Minneapolis, Minnesota to the east and Seattle, Washington to the west Calgary, Alberta (Canada) to the north and Denver, Colorado to the south. The city serves as the major hub of agricultural and mining services for Eastern Montana, but these are mainly service jobs; the proportion of workers in these two sectors, while larger than the 1.8% national average figure, is still only a modest 3.5%. It also has 13.5% of the workforce in retail trade, compared to 11.6% nationally, because Montana has no sales tax, and hence attracts shoppers from nearby areas of Wyoming, North Dakota, and South Dakota. However, it has only a small manufacturing base, employing 6.2% of the workforce, compared to 10.5% nationally.

In spite of being the "economic capitol" of the state, there are relatively few rich people living here, so the mean and median household and family income are all below the national average. However, there are also relatively few poor people in the city, so the poverty rates are less than 80% of the national average.

Table 6-3. Key Economic Statistics for Rosebud, Garfield, and Treasure Counties Compared to the U. S. Economy

Category	Rosebud	%	Garfield	%	Treasure	%
EMPLOYMENT STATUS						
Population 16 years and over	6,529	100.0%	927	100.0%	692	100.0%
In labor force	4,232	64.8%	643	69.4%	433	62.6%
Civilian labor force	4,232	64.8%	643	69.4%	433	62.6%
Employed	3,839	58.8%	631	68.1%	423	61.1%
Armed Forces	0	0.0%	0	0.0%	0	0.0%
Not in labor force	2,297	35.2%	284	30.6%	259	37.4%
OCCUPATION						
Civilian employed population 16 +	3,839	100.0%	631	100.0%	423	100.0%
Management & professional	1,152	30.0%	223	35.3%	151	35.7%

Service occupations	776	20.2%	131	20.8%	46	10.9%
Sales and office occupations	710	18.5%	111	17.6%	63	14.9%
Farming, fishing, & forestry	128	3.3%	76	12.0%	57	13.5%
Construction, maintenance, repair	629	16.4%	54	8.6%	70	16.5%
Production & transportation	444	11.6%	36	5.7%	36	8.5%

INDUSTRY

Civilian employed population 16 +	3,839	100.0%	631	100.0%	423	100.0%
Agriculture & mining	754	19.6%	241	38.2%	158	37.4%
Construction	203	5.3%	36	5.7%	53	12.5%
Manufacturing	11	0.3%	12	1.9%	0	0.0%
Wholesale trade	27	0.7%	0	0.0%	17	4.0%
Retail trade	401	10.4%	69	10.9%	15	3.5%
Transportation & utilities	424	11.0%	24	3.8%	24	5.7%
Information	90	2.3%	11	1.7%	14	3.3%
Finance, insurance & real estate	135	3.5%	20	3.2%	6	1.4%
Professional & administrative	92	2.4%	11	1.7%	15	3.5%
Educational services & health care	881	22.9%	111	17.6%	69	16.3%
Arts, entertain, hotel, food svcs	370	9.6%	47	7.4%	3	0.7%
Other private services	162	4.2%	24	3.8%	6	1.4%
Public administration	289	7.5%	25	4.0%	43	10.2%

INCOME AND BENEFITS

Total households	3,204	100.0%	513	100.0%	342	100.0%
Less than \$10,000	295	9.2%	32	6.2%	17	5.0%
\$10,000 to \$14,999	273	8.5%	53	10.3%	15	4.4%
\$15,000 to \$24,999	433	13.5%	97	18.9%	63	18.4%
\$25,000 to \$34,999	337	10.5%	94	18.3%	52	15.2%
\$35,000 to \$49,999	395	12.3%	65	12.7%	45	13.2%
\$50,000 to \$74,999	538	16.8%	94	18.3%	73	21.3%
\$75,000 to \$99,999	526	16.4%	33	6.4%	35	10.2%
\$100,000 to \$149,999	365	11.4%	34	6.6%	36	10.5%
\$150,000 to \$199,999	1	0.0%	4	0.8%	6	1.8%
\$200,000 or more	41	1.3%	7	1.4%	0	0.0%
Median household income (dollars)	43,269	84.1%	32,880	63.9%	43,553	84.7%
Mean household income (dollars)	53,488	76.3%	45,507	64.9%	52,273	74.6%
Families	2,354	100.0%	311	100.0%	241	100.0%
Less than \$10,000	160	6.8%	7	2.3%	2	0.8%
\$10,000 to \$14,999	178	7.6%	11	3.5%	5	2.1%
\$15,000 to \$24,999	308	13.1%	37	11.9%	24	10.0%
\$25,000 to \$34,999	231	9.8%	69	22.2%	44	18.3%
\$35,000 to \$49,999	275	11.7%	43	13.8%	34	14.1%

\$50,000 to \$74,999	419	17.8%	76	24.4%	61	25.3%
\$75,000 to \$99,999	470	20.0%	31	10.0%	33	13.7%
\$100,000 to \$149,999	278	11.8%	30	9.6%	32	13.3%
\$150,000 to \$199,999	1	0.0%	2	0.6%	6	2.5%
\$200,000 or more	34	1.4%	5	1.6%	0	0.0%
Median family income (dollars)	53,750	86.2%	48,083	77.1%	53,646	86.0%
Mean family income (dollars)	57,389	70.4%	54,431	66.8%	60,740	74.5%
Per capita income (dollars)	19,169	70.9%	21,151	78.2%	20,446	75.6%
Median earnings for workers	25,574	88.0%	16,550	57.0%	23,150	79.7%
Median earnings for male full-time	51,591	113.7%	33,942	74.8%	37,639	83.0%
Median earnings for female full-time	28,236	80.2%	15,811	44.9%	26,875	76.3%
PERCENTAGE BELOW POVERTY LEVEL						
All families	19.30%	194.9%	7.70%	77.8%	5.00%	50.5%
All people	23.10%	171.1%	11.30%	83.7%	8.00%	59.3%

These three counties are similar to Musselshell and Petroleum counties in that they are very sparsely settled, with the economic base tied directly to agriculture and mining. The mean and median income for these three counties ranges from 67% to 85% of the national average. The poverty rates bear no resemblance to these figures; the rate for all families is 195% of the national average in Rosebud, 78% in Garfield, and only 50% in Treasure County. However, these figures represent only a handful of families and are too small to provide a meaningful sample size.

Table 6-4. Labor Market Statistics for the State of Montana, 6 Counties, and 2 County Groups

	Labor Force	Employed	Unemployed	Un Rate, %
Montana				
2000	468865	446552	22313	4.8
2001	468963	447827	21136	4.5
2002	466299	445281	21018	4.5
2003	470472	450190	20282	4.3
2004	475566	456385	19181	4.0
2005	480747	463251	17496	3.6
2006	492358	476412	15946	3.2
2007	501929	485132	16797	3.3
2008	508225	485375	22850	4.5
2009	496499	465220	31279	6.3
2010	497395	461337	36058	7.2

Yellowstone

2000	71487	68572	2915	4.1
2001	72266	69663	2603	3.6
2002	74395	71698	2697	3.6
2003	75165	72635	2530	3.4
2004	75993	73549	2444	3.2
2005	77824	75531	2293	2.9
2006	79395	77284	2111	2.7
2007	81476	79417	2059	2.5
2008	82508	79740	2768	3.4
2009	81281	77573	3708	4.6
2010	81110	76641	4469	5.5

Musselshell

2000	2096	1969	127	6.1
2001	2048	1934	114	5.6
2002	2054	1926	128	6.2
2003	2056	1941	115	5.6
2004	2084	1973	111	5.3
2005	2061	1964	97	4.7
2006	2070	1993	77	3.7
2007	2034	1932	102	5.0
2008	2151	2038	113	5.3
2009	2417	2269	148	6.1
2010	2409	2247	162	6.7

Petroleum

2000	252	235	17	6.7
2001	223	213	10	4.5
2002	197	186	11	5.6
2003	203	191	12	5.9
2004	219	208	11	5.0
2005	224	214	10	4.5
2006	225	215	10	4.4
2007	236	224	12	5.1
2008	249	236	13	5.2
2009	233	222	11	4.7
2010	233	218	15	6.4

3 counties

2000	73835	70776	3059	4.1
2001	74537	71810	2727	3.7

2002	76646	73810	2836	3.7
2003	77424	74767	2657	3.4
2004	78296	75730	2566	3.3
2005	80109	77709	2400	3.0
2006	81690	79492	2198	2.7
2007	83746	81573	2173	2.6
2008	84908	82014	2894	3.4
2009	83931	80064	3867	4.6
2010	83752	79106	4646	5.5

Rosebud

2000	4279	4029	250	5.8
2001	4259	4009	250	5.9
2002	3999	3767	232	5.8
2003	4294	4077	217	5.1
2004	4250	4053	197	4.6
2005	3980	3780	200	5.0
2006	3847	3648	199	5.2
2007	3916	3725	191	4.9
2008	4032	3805	227	5.6
2009	4005	3756	249	6.2
2010	3942	3647	295	7.5

Garfield

2000	706	677	29	4.1
2001	683	661	22	3.2
2002	620	598	22	3.5
2003	630	610	20	3.2
2004	654	632	22	3.4
2005	636	614	22	3.5
2006	636	615	21	3.3
2007	643	625	18	2.8
2008	658	637	21	3.2
2009	648	626	22	3.4
2010	615	589	26	4.2

Treasure

2000	458	437	21	4.6
2001	441	426	15	3.4
2002	399	383	16	4.0
2003	431	416	15	3.5
2004	413	396	17	4.1
2005	403	389	14	3.5

2006	396	384	12	3.0
2007	405	393	12	3.0
2008	407	391	16	3.9
2009	398	379	19	4.8
2010	394	375	19	4.8
2000	76930	73715	3215	4.2
2001	77649	74759	2890	3.7
2002	79413	76446	2967	3.7
2003	80520	77738	2782	3.5
2004	81310	78630	2680	3.3
2005	82843	80314	2529	3.1
2006	84274	81931	2343	2.8
2007	86440	84160	2280	2.6
2008	87605	84573	3032	3.5
2009	86332	82334	3998	4.6
2010	86061	81252	4809	5.6

The figures are dominated by Yellowstone County, which had a labor force of over 81,000 in 2010; the other five counties together had a labor force of less than 8,000.

Table 6-5. Level and Growth of Population, State of Montana, 6 Counties, and the Total Area

	Montana	Yellowstone	Musselshell	Petroleum	Rosebud	Garfield	Treasure	6 Counties
2010	989,415	147,972	4,538	494	9,233	1,206	718	164,161
2009	974,989	144,797	4,600	440	9,258	1,173	612	160,880
2007	957,225	140,047	4,466	431	9,126	1,193	654	155,917
2006	946,230	138,239	4,458	455	9,079	1,199	680	154,110
2005	934,801	136,493	4,376	460	9,147	1,173	698	152,347
2004	925,887	134,559	4,418	491	9,151	1,211	741	150,571
2003	916,750	133,054	4,401	484	9,216	1,234	742	149,131
2002	909,868	131,771	4,389	492	9,203	1,245	765	147,865
2001	905,873	130,608	4,397	483	9,250	1,262	821	146,821
2000	903,293	129,527	4,492	492	9,391	1,267	854	146,023
2010/09	1.48%	2.19%	-1.35%	12.27%	-0.27%	2.81%	17.32%	2.04%
2009/08	0.72%	1.54%	2.09%	1.62%	1.18%	1.03%	-5.85%	1.50%

2008/07	1.13%	1.82%	0.90%	0.46%	0.26%	-2.68%	-0.61%	1.66%
2007/06	1.16%	1.31%	0.18%	-5.27%	0.52%	-0.50%	-3.82%	1.17%
2006/05	1.22%	1.28%	1.87%	-1.09%	-0.74%	2.22%	-2.58%	1.16%
2005/04	0.96%	1.44%	-0.95%	-6.31%	-0.04%	-3.14%	-5.80%	1.18%
2004/03	1.00%	1.13%	0.39%	1.45%	-0.71%	-1.86%	-0.13%	0.97%
2003/02	0.76%	0.97%	0.27%	-1.63%	0.14%	-0.88%	-3.01%	0.86%
2002/01	0.44%	0.89%	-0.18%	1.86%	-0.51%	-1.35%	-6.82%	0.71%
2001/00	0.29%	0.83%	-2.11%	-1.83%	-1.50%	-0.39%	-3.86%	0.55%
2009/00	0.85%	1.24%	0.26%	-1.23%	-0.16%	-0.85%	-3.63%	1.08%

Population growth in this 6-county area very close to the 1% rate for the U.S., and slightly higher than the 0.85% rate for Montana. was even lower than the anemic 0.36% growth rate for the state of New Jersey. All of the growth occurred in Yellowstone county; on balance, the other 5 counties lost population over the past decade.

Table 6-6. Level and Growth of Personal Income (Billion \$), State of Montana, 6 Counties, and the Total Area

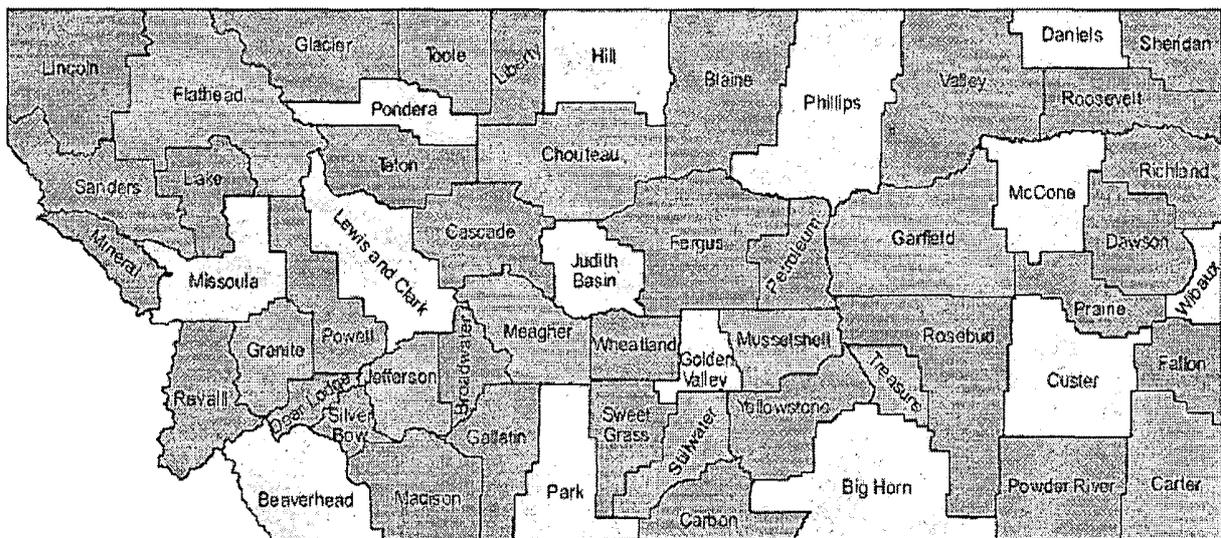
	Montana	Yellowstone	Musselshell	Petroleum	Rosebud	Garfield	Treasure	6 Counties
2009	33.957	5.707	0.125	0.013	0.310	0.033	0.022	6.210
2008	34.141	5.732	0.110	0.013	0.305	0.040	0.022	6.222
2007	32.464	5.378	0.106	0.011	0.292	0.034	0.019	5.840
2006	30.447	5.031	0.097	0.011	0.284	0.032	0.016	5.471
2005	28.179	4.637	0.092	0.011	0.274	0.037	0.017	5.067
2004	26.495	4.335	0.089	0.010	0.262	0.033	0.017	4.744
2003	24.752	4.054	0.085	0.010	0.250	0.033	0.015	4.448
2002	23.370	3.877	0.078	0.008	0.224	0.027	0.015	4.230
2001	22.931	3.776	0.078	0.010	0.226	0.032	0.016	4.137
2000	21.200	3.475	0.071	0.008	0.208	0.025	0.015	3.801
2009/08	-0.54%	-0.44%	13.25%	1.46%	1.78%	-18.17%	0.49%	-0.20%
2008/07	5.17%	6.59%	4.41%	13.06%	4.22%	15.85%	18.31%	6.54%
2007/06	6.62%	6.89%	8.80%	8.18%	2.98%	7.25%	15.52%	6.75%
2006/05	8.05%	8.50%	5.86%	-4.86%	3.68%	-12.98%	-7.05%	7.96%
2005/04	6.35%	6.97%	3.25%	12.82%	4.63%	13.15%	2.47%	6.81%
2004/03	7.04%	6.92%	4.76%	-4.03%	4.63%	-1.97%	12.06%	6.67%
2003/02	5.91%	4.56%	7.99%	34.24%	11.59%	21.31%	2.45%	5.15%
2002/01	1.91%	2.69%	1.13%	-20.87%	-0.93%	-15.26%	-6.34%	2.23%
2001/00	8.17%	8.66%	9.87%	27.55%	8.62%	28.70%	9.20%	8.85%

2009/00 5.37% 5.66% 6.53% 6.29% 4.52% 2.94% 4.88% 5.60%

Personal income for this 6-county region rose at a 5.6% annual rate, well above the national average rate of 3.8% and slightly higher than the 5.4% rate for Montana. Rising energy prices were the main reason for the higher growth, since population gains were equal to the U. S. average. The decline in 2009 was very modest in spite of weaker oil prices, as the rise in prices over the previous three years generated a boom in oil drilling.

Figure 6-1 shows the county map of Montana. Yellowstone County is located near the southern border of the state, slightly east of center. Musselshell County is directly north of Yellowstone County, and Petroleum County is north of that. Treasure County is due east of Yellowstone County, and Rosebud is due east of that. Garfield County is north of Rosebud County.

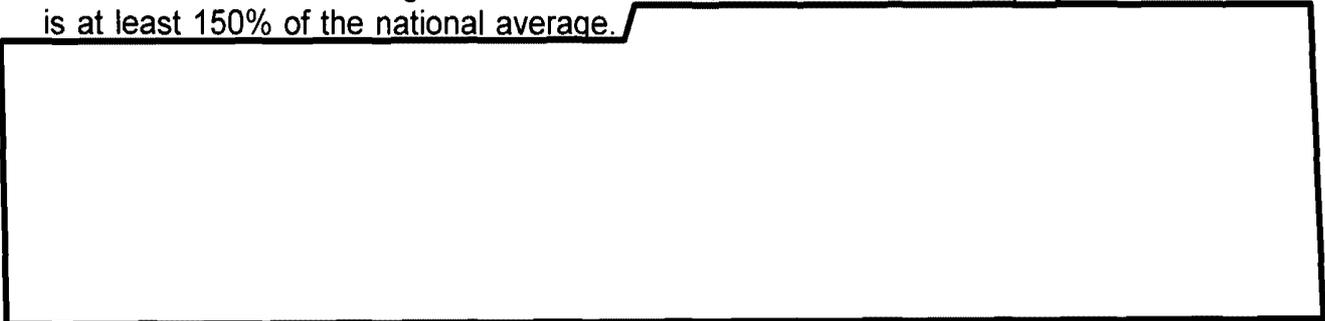
Figure 6-1. County Map of Montana



© geology.com

The USCIS defines a Targeted Employment Area (TEA) as an area that meets one or both of the following criteria: a rural area, or one with an unemployment rate that is at least 150% of the national average.

(b)(4)

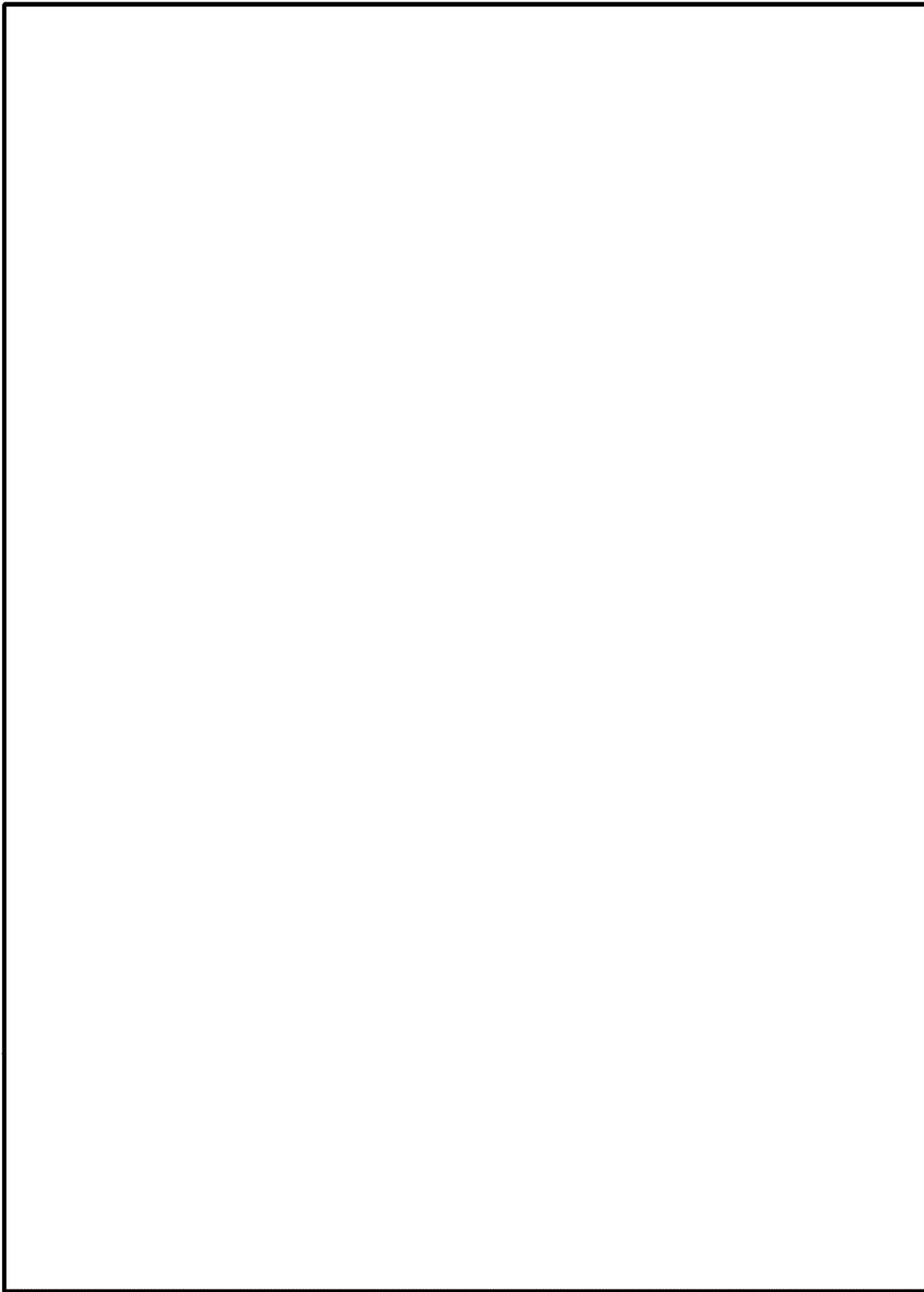


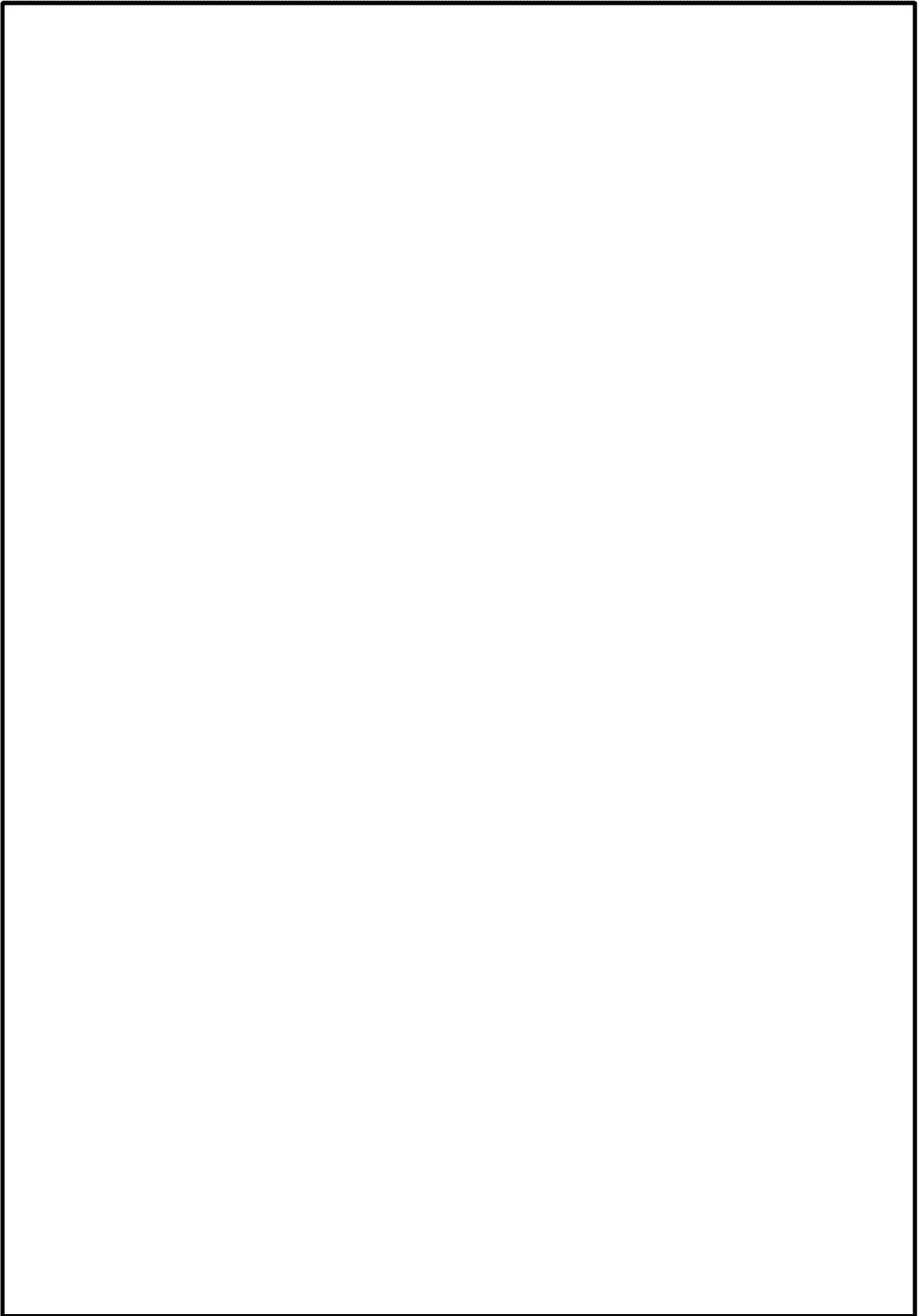


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Figure 7-1. Location of Bakken Shale Formation

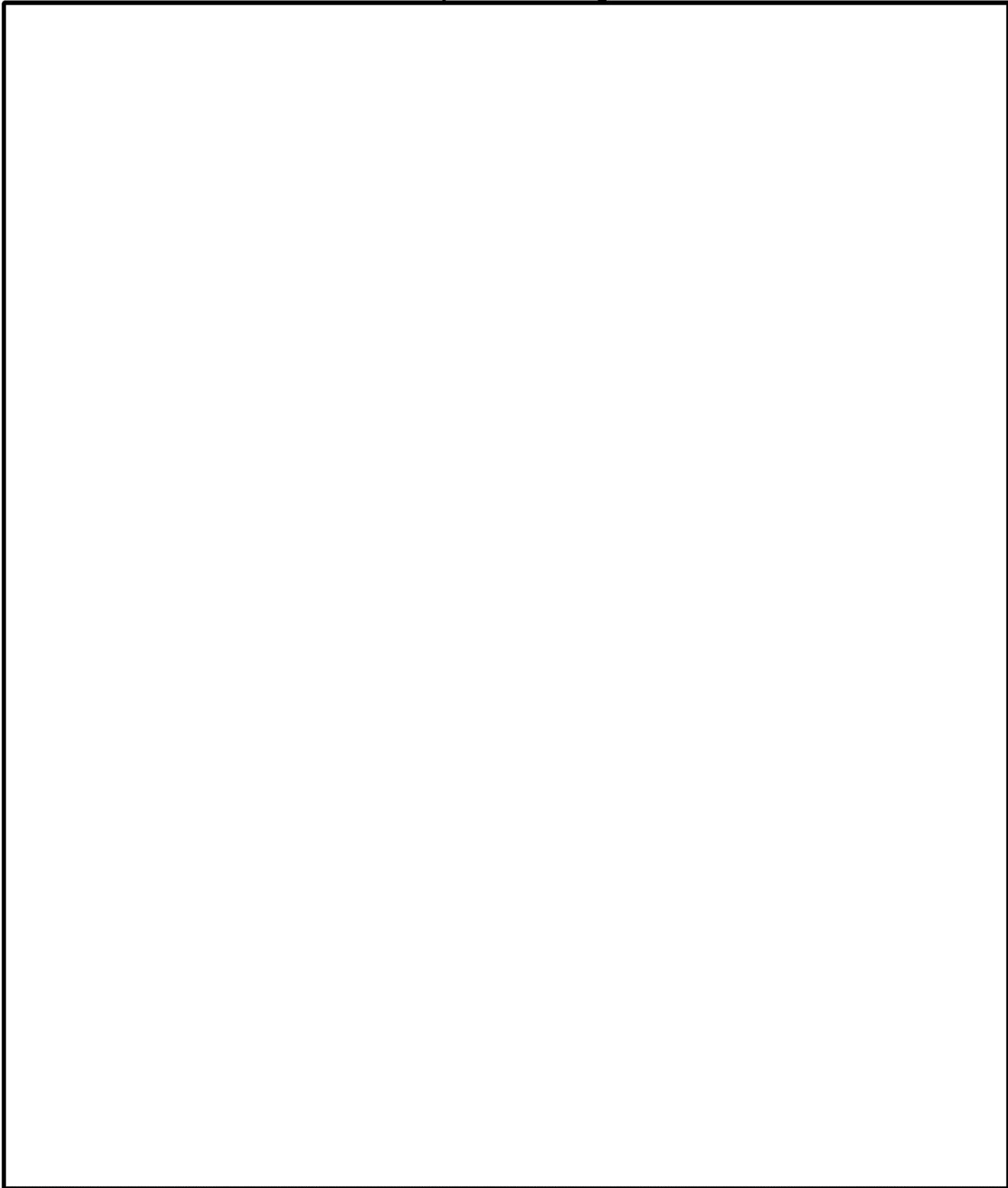


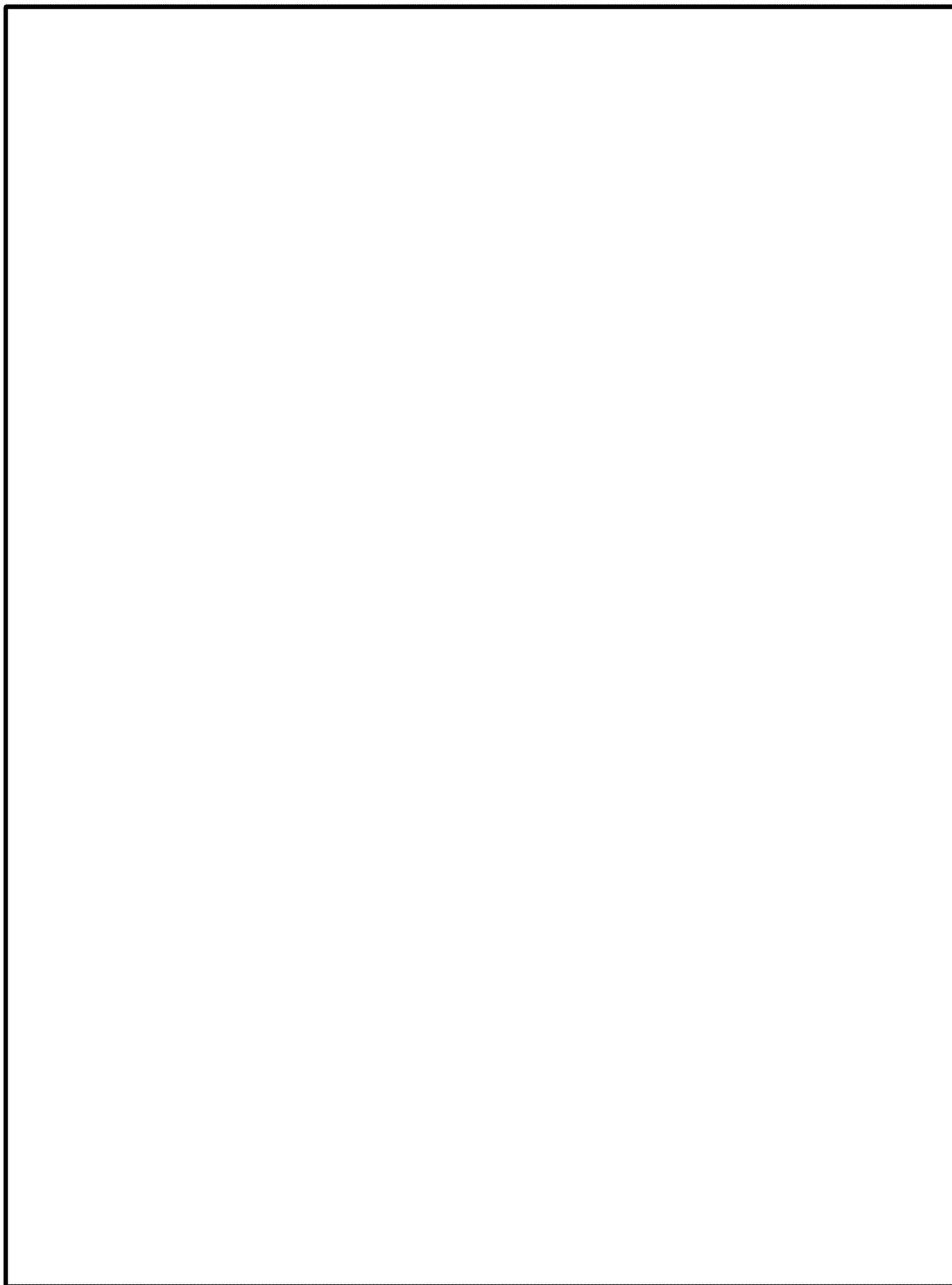


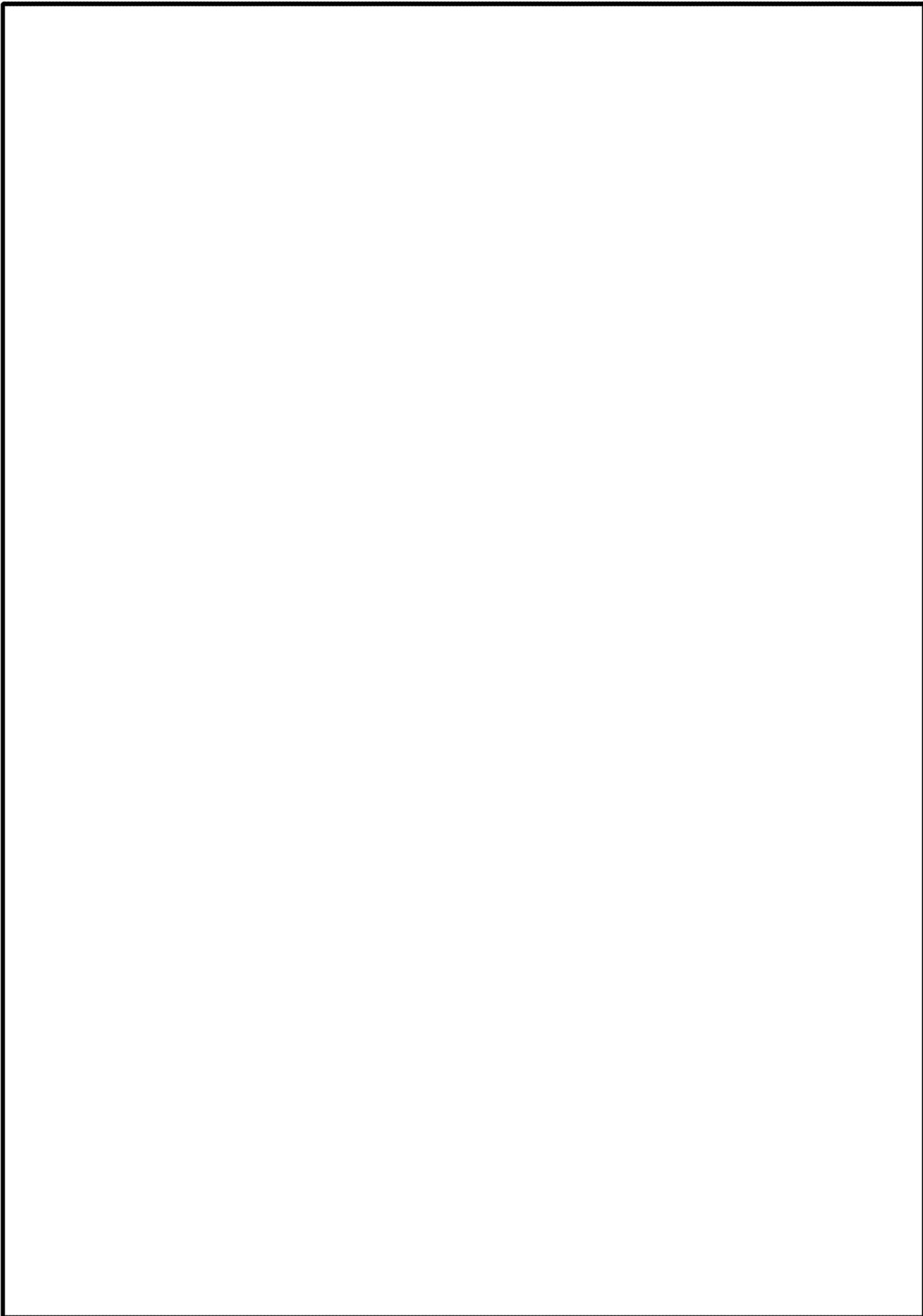




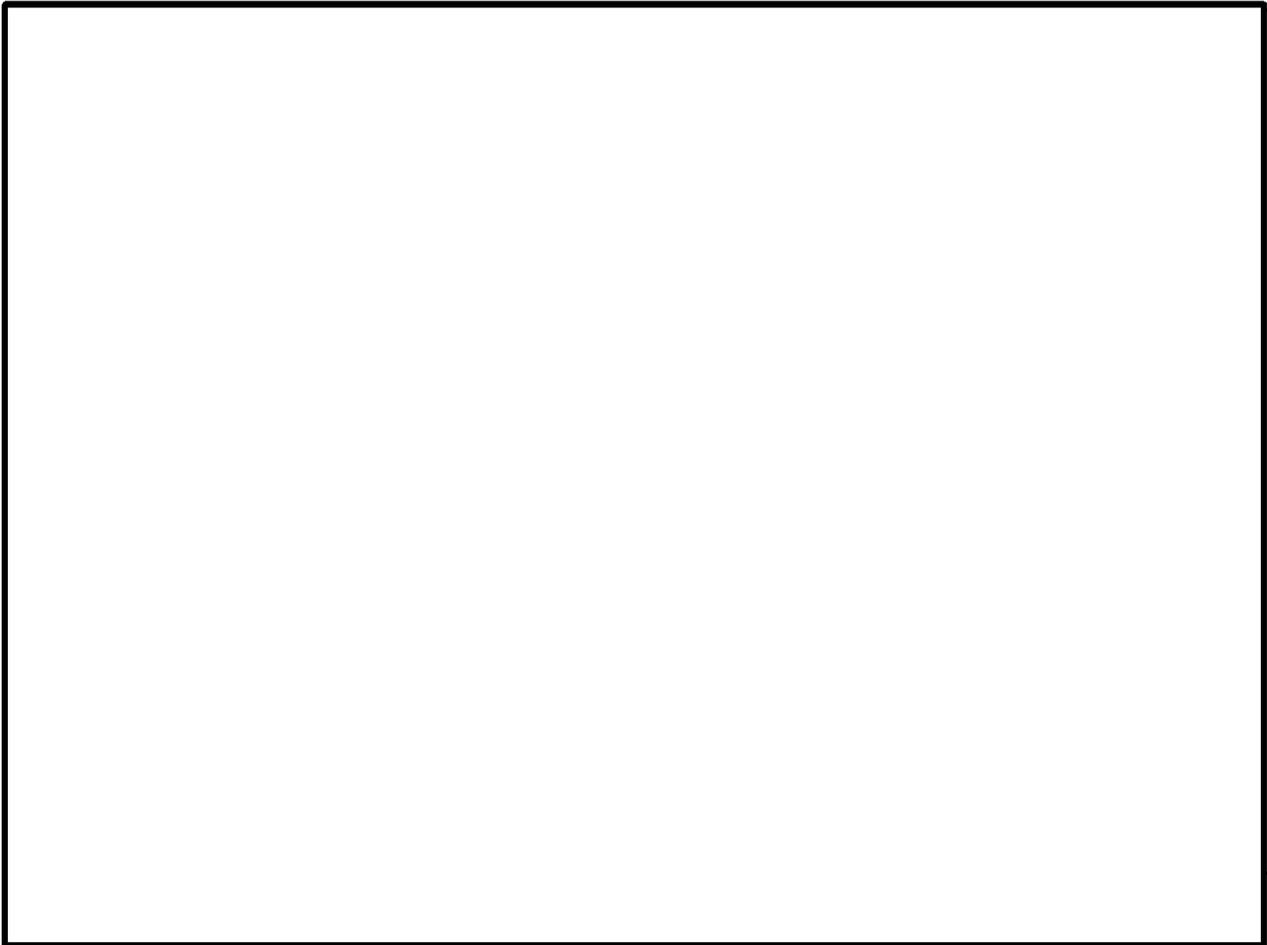
8. Economic Impact of Drilling Activities



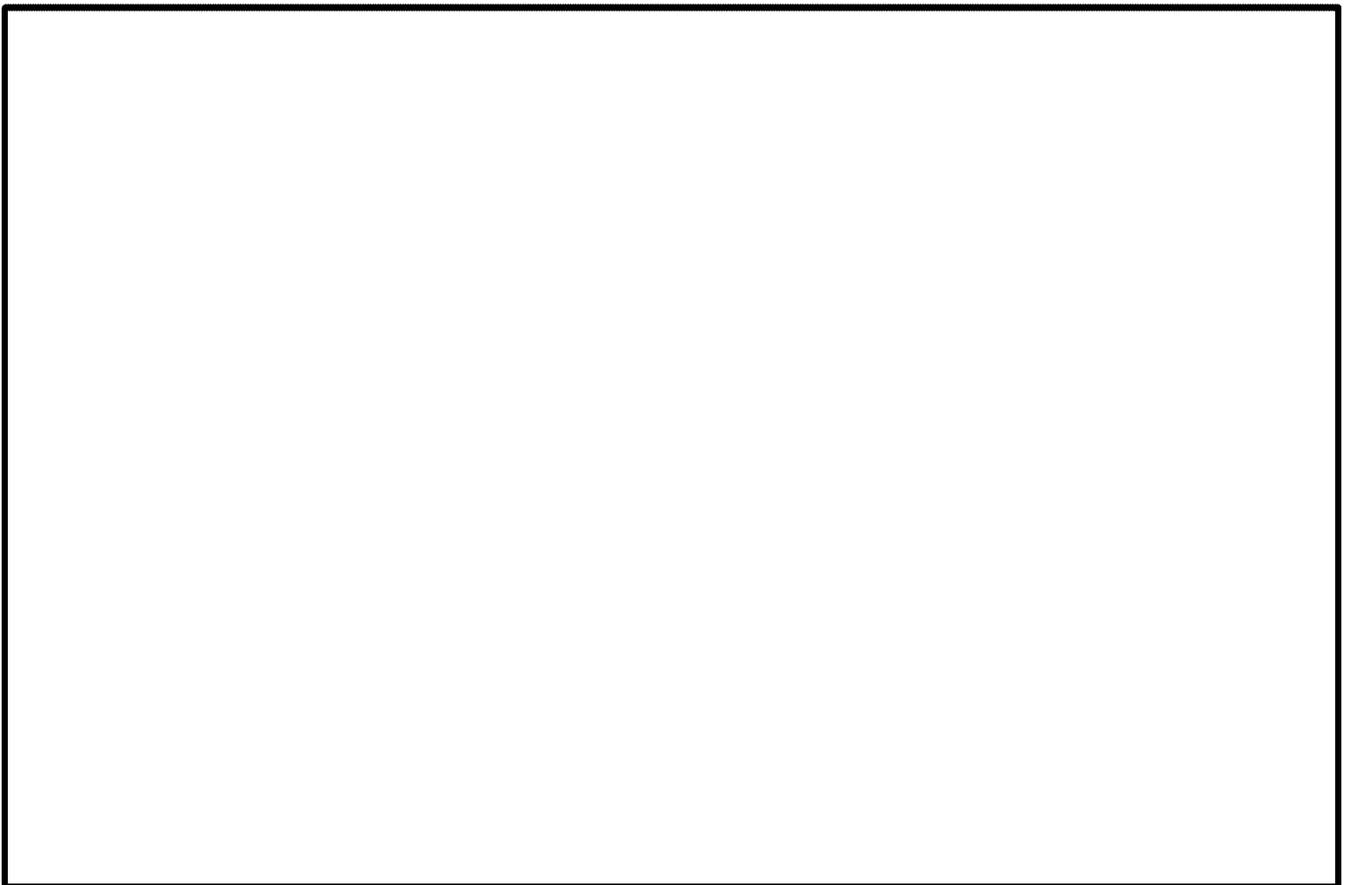


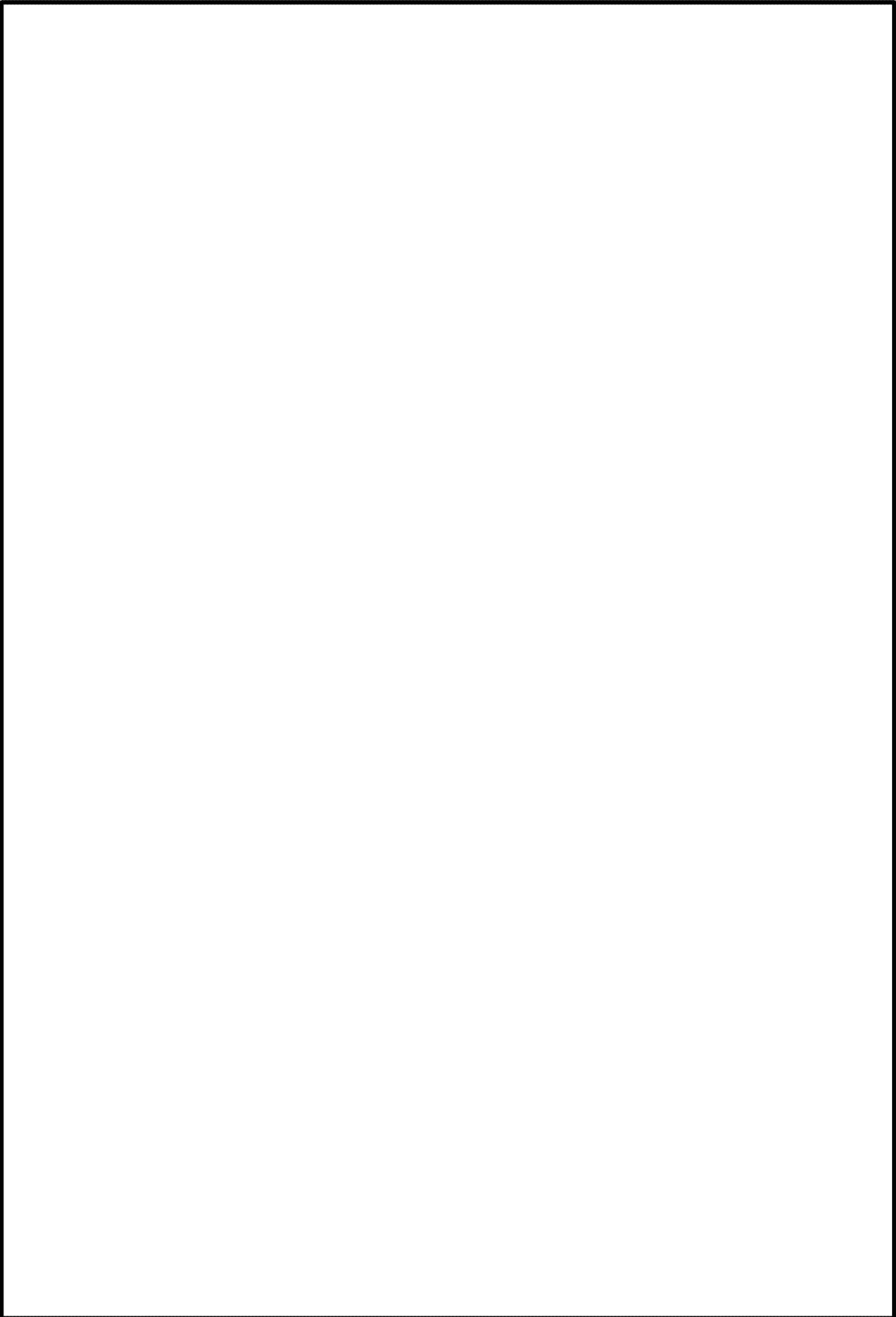


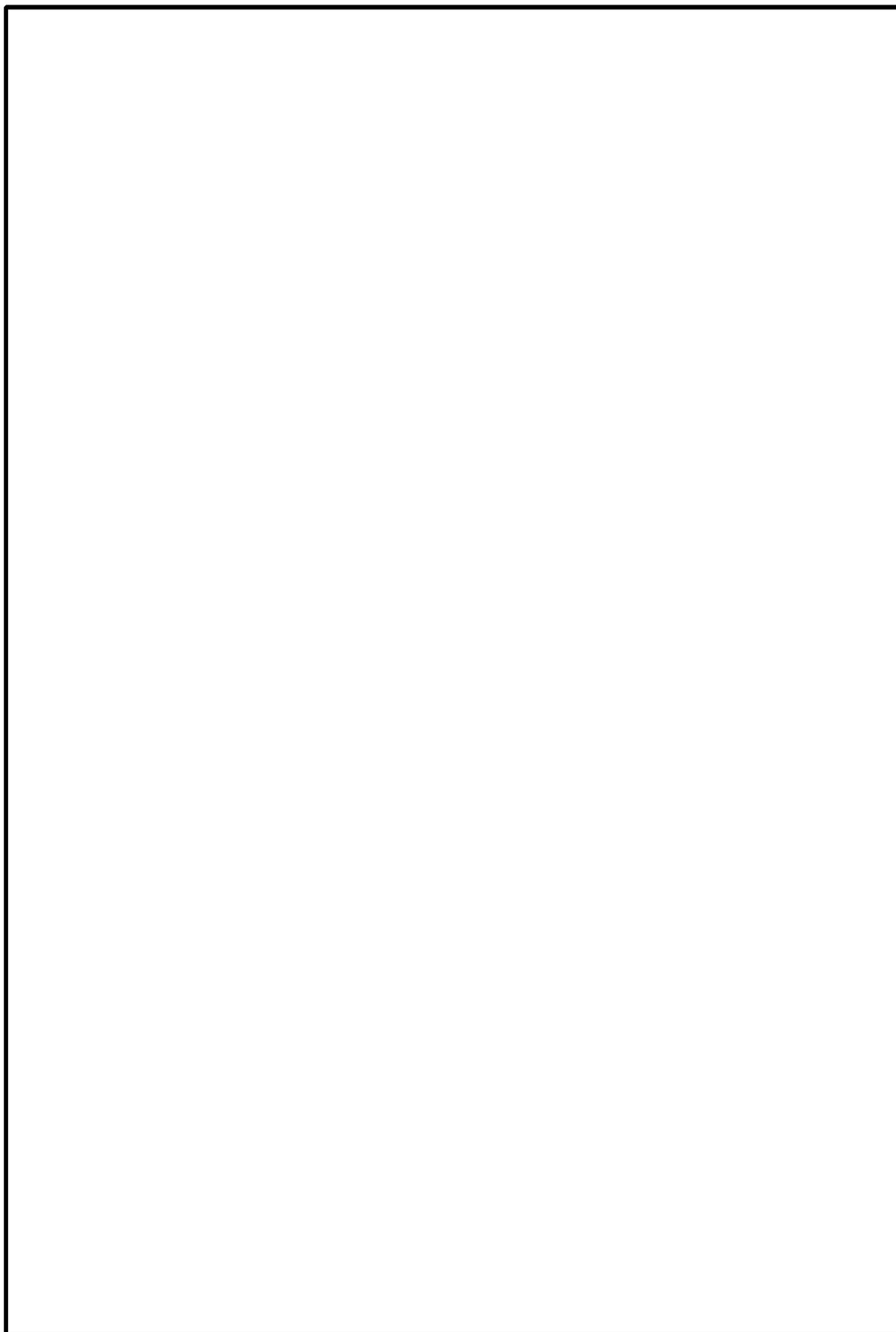
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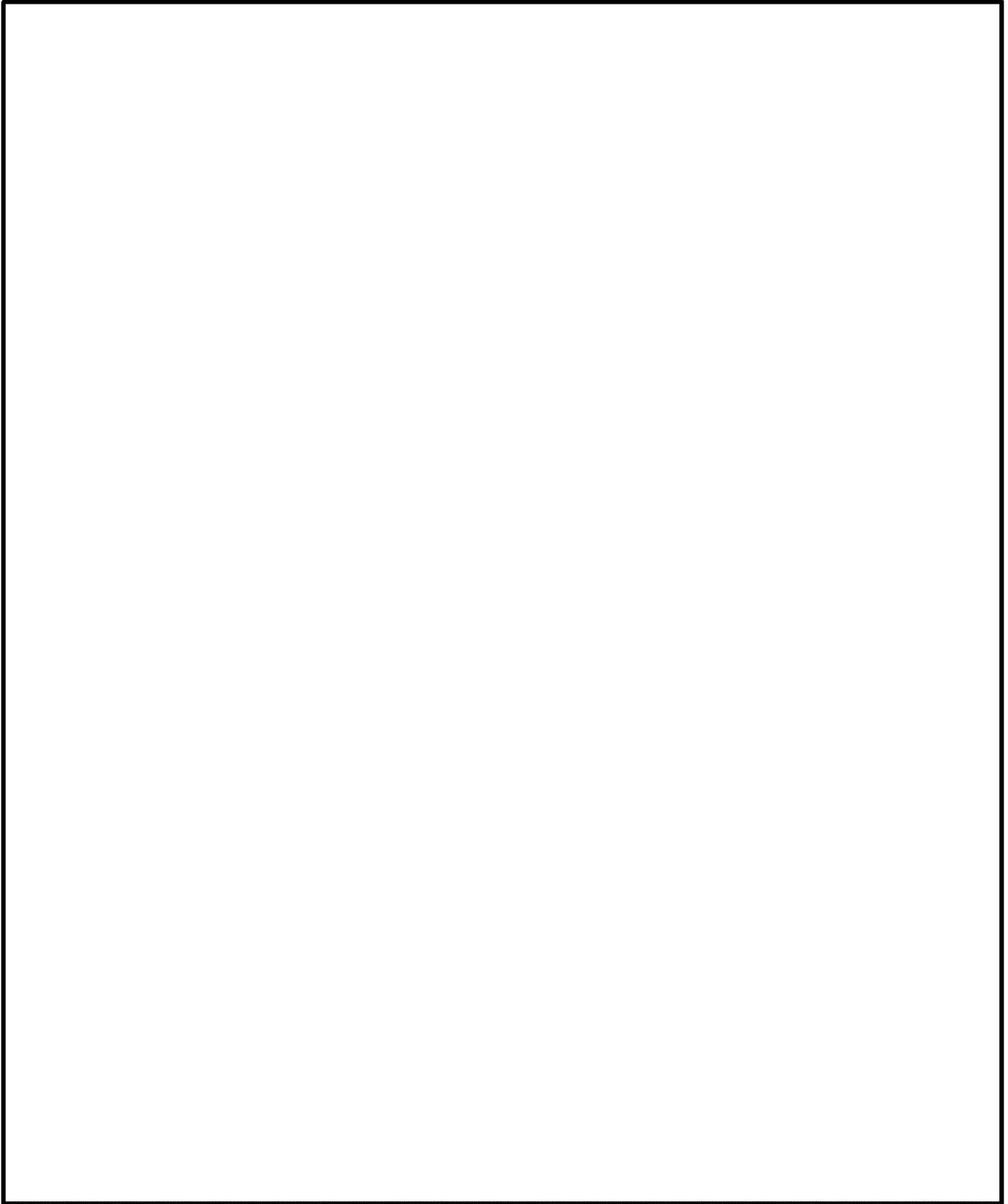


9. Economic Impact of Oil Well Operations



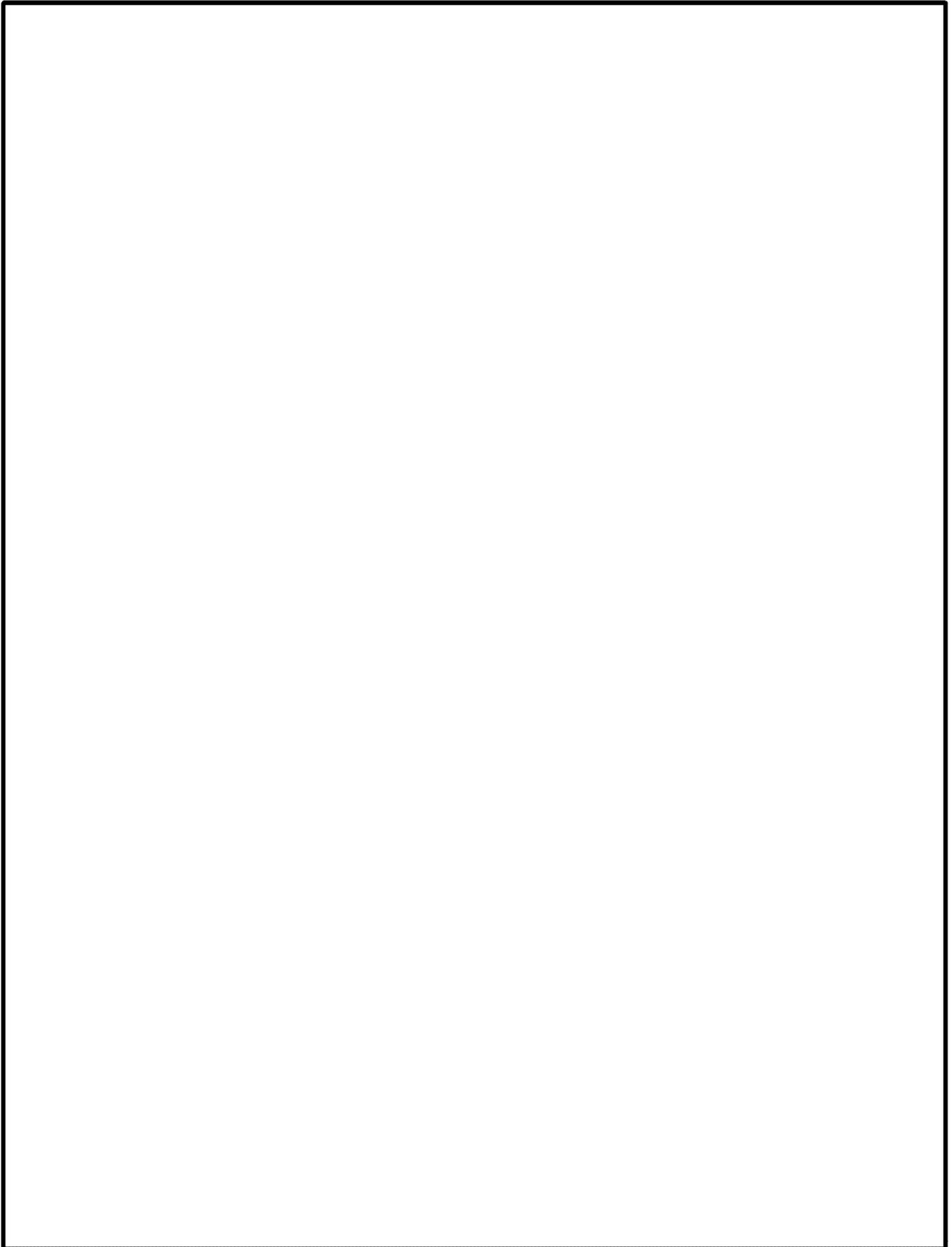


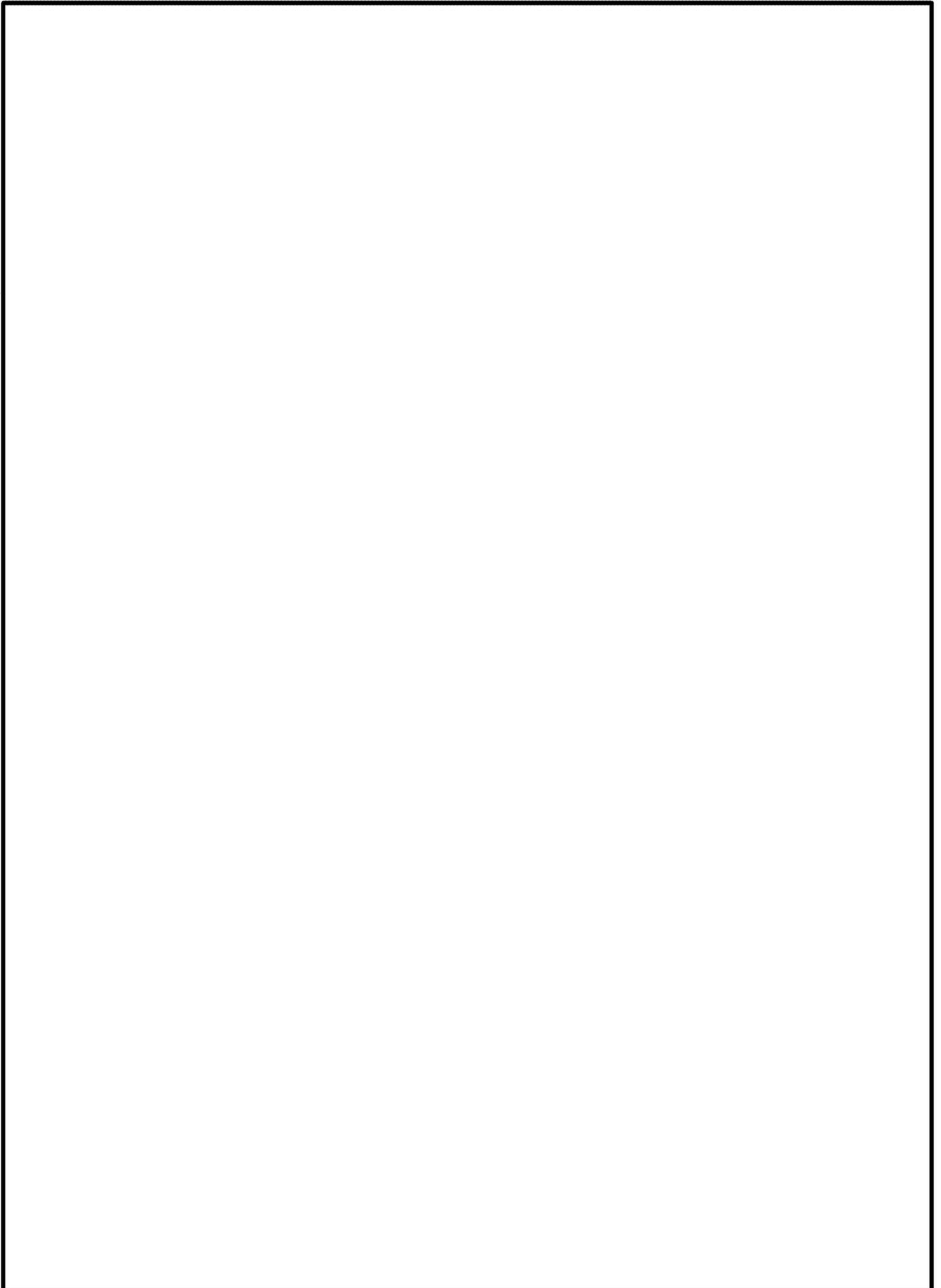


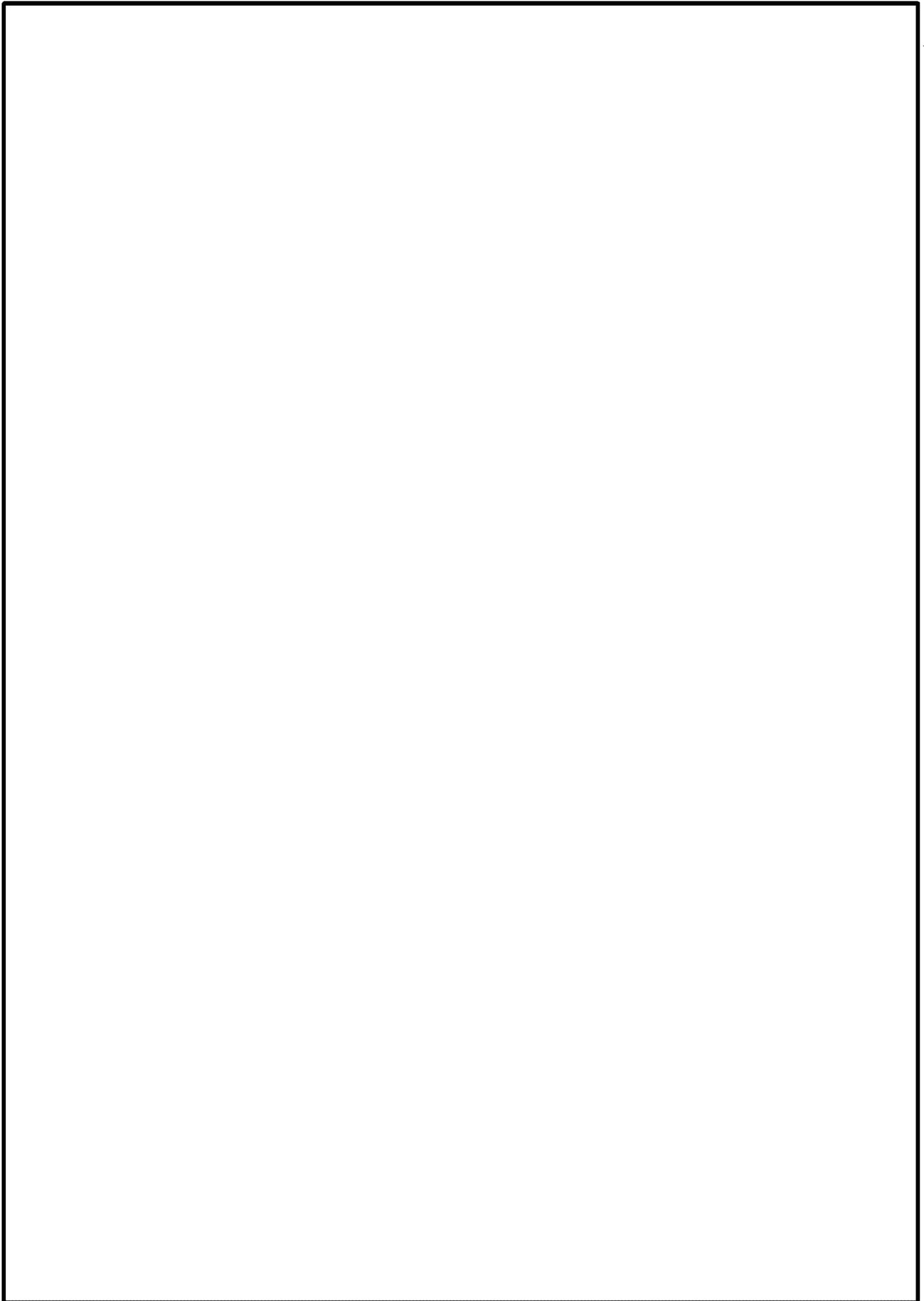


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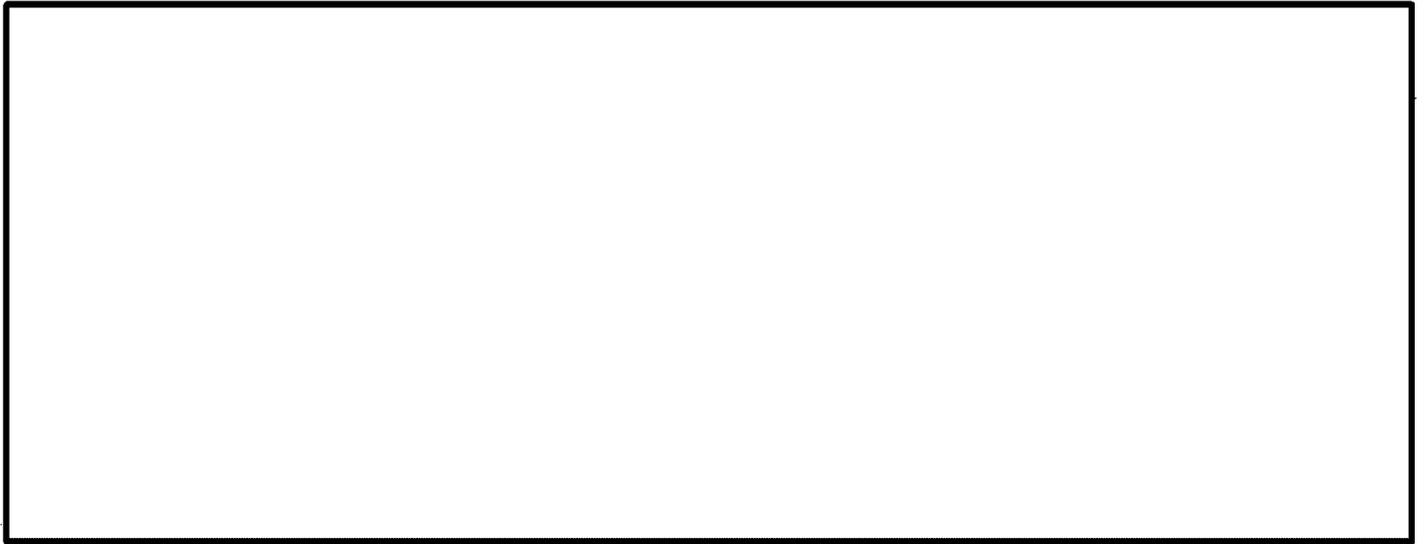
**10. Summary Statistics for All Drilling and Extraction/Operation
Activities**







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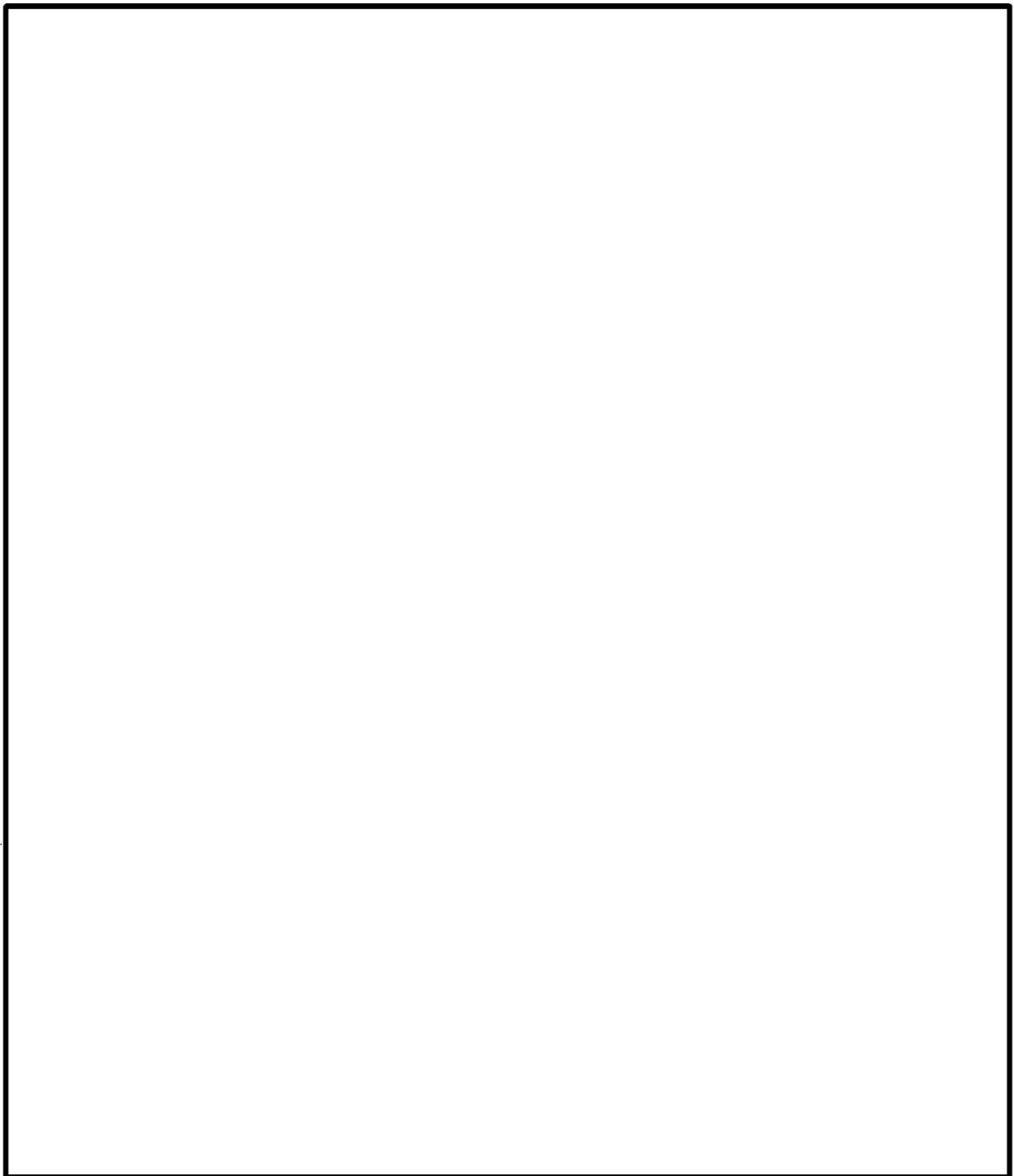
7. a. Sample Private Offering Memorandum

Date: _____, 2011

Name: _____ No.: _____

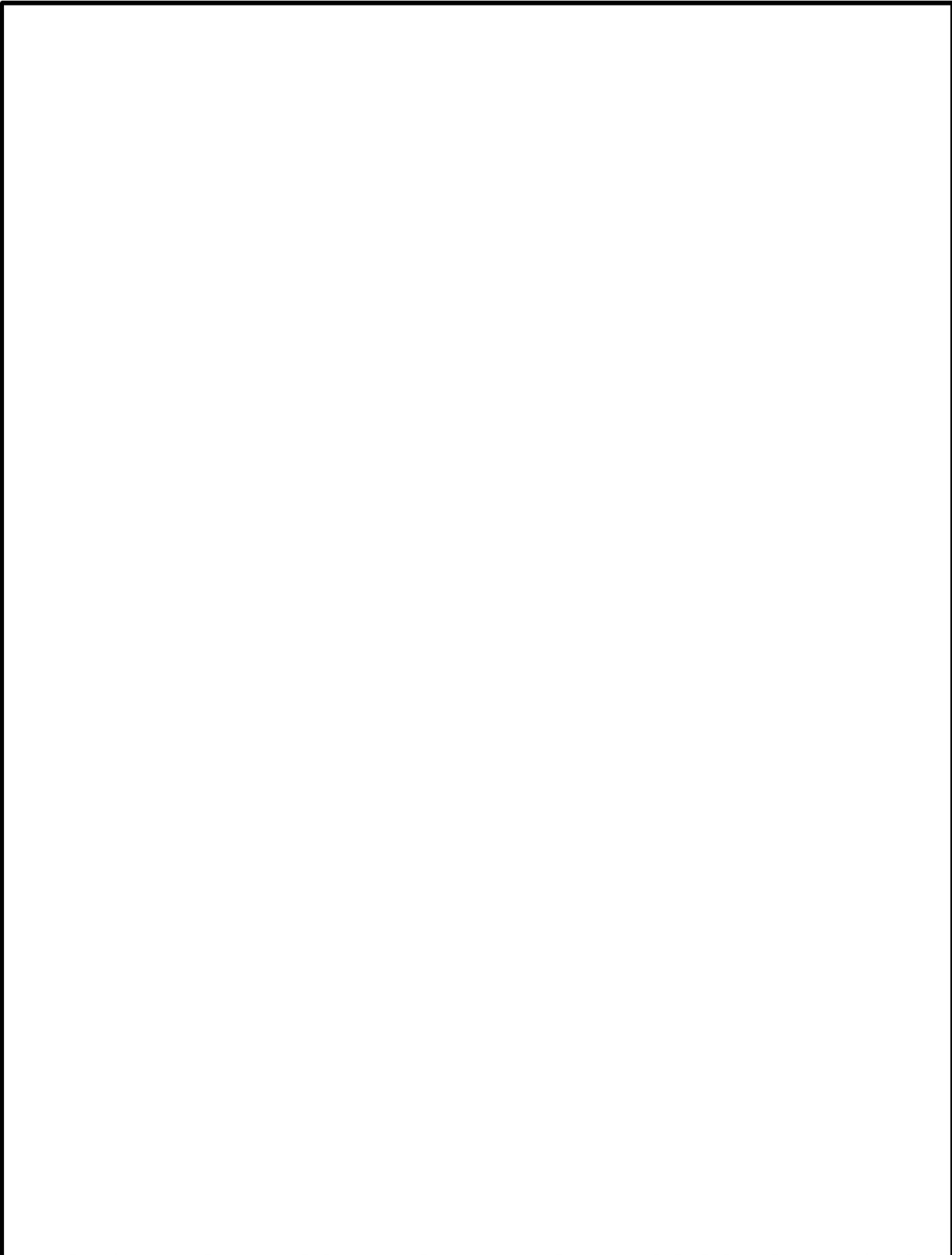
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CONFIDENTIAL PRIVATE OFFERING MEMORANDUM



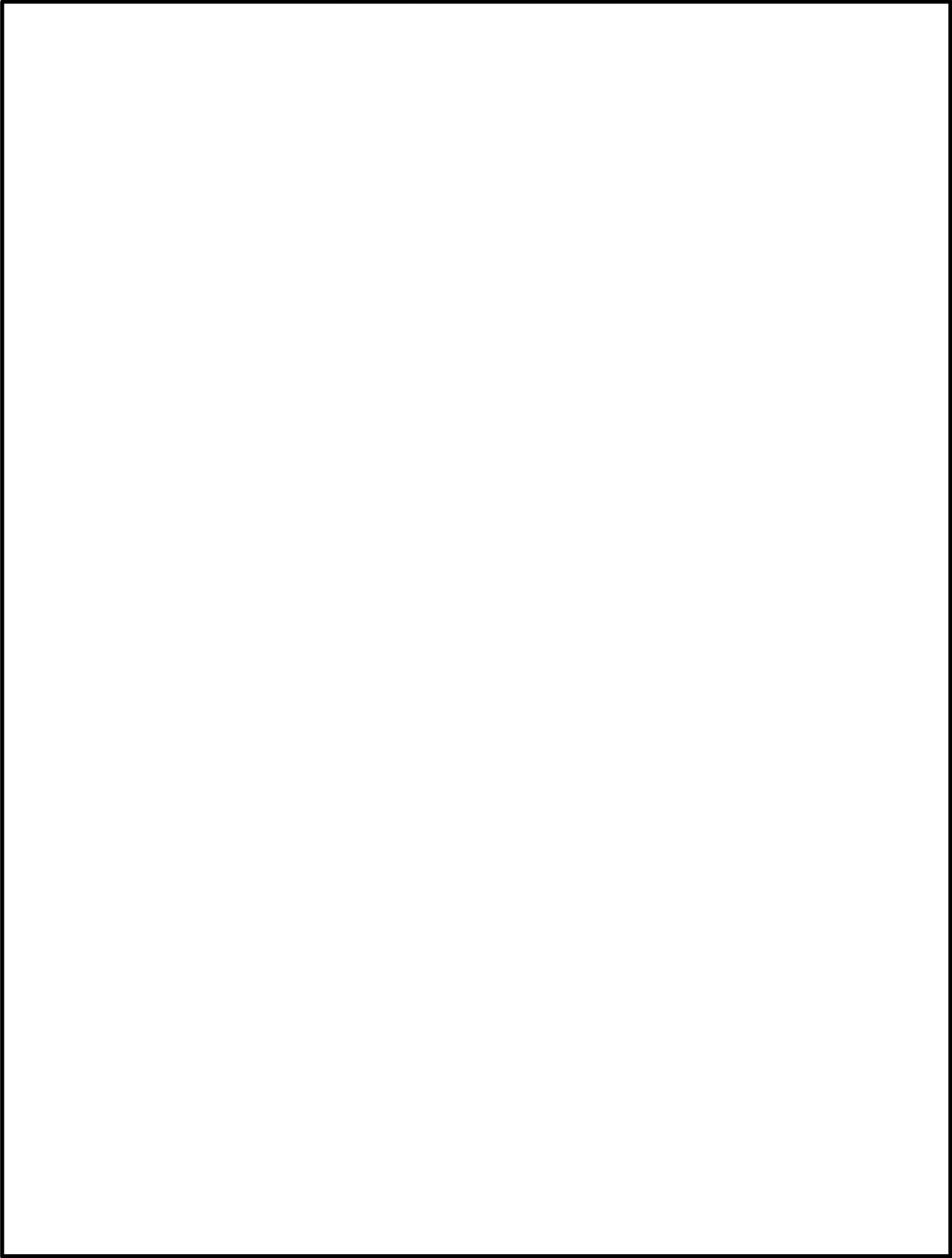
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CONFIDENTIAL PRIVATE OFFERING MEMORANDUM



(b)(4)

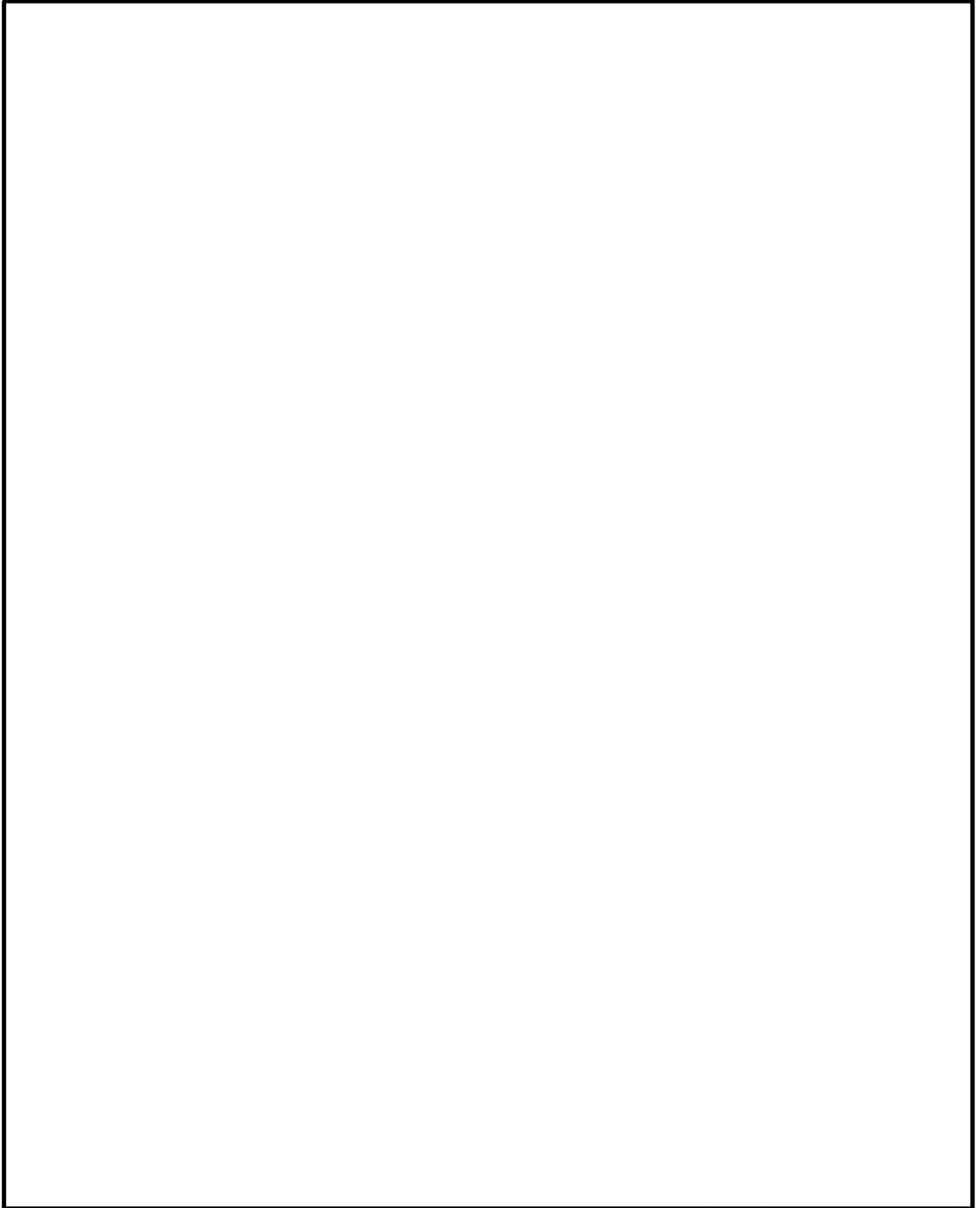
SUMMARY OF OFFERING TERMS



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(b)(4)

DESCRIPTION OF THE PROJECT



(b)(4)

GENERAL PARTNER AND PROJECT OWNER/OPERATOR; MANAGEMENT
BIOGRAPHIES



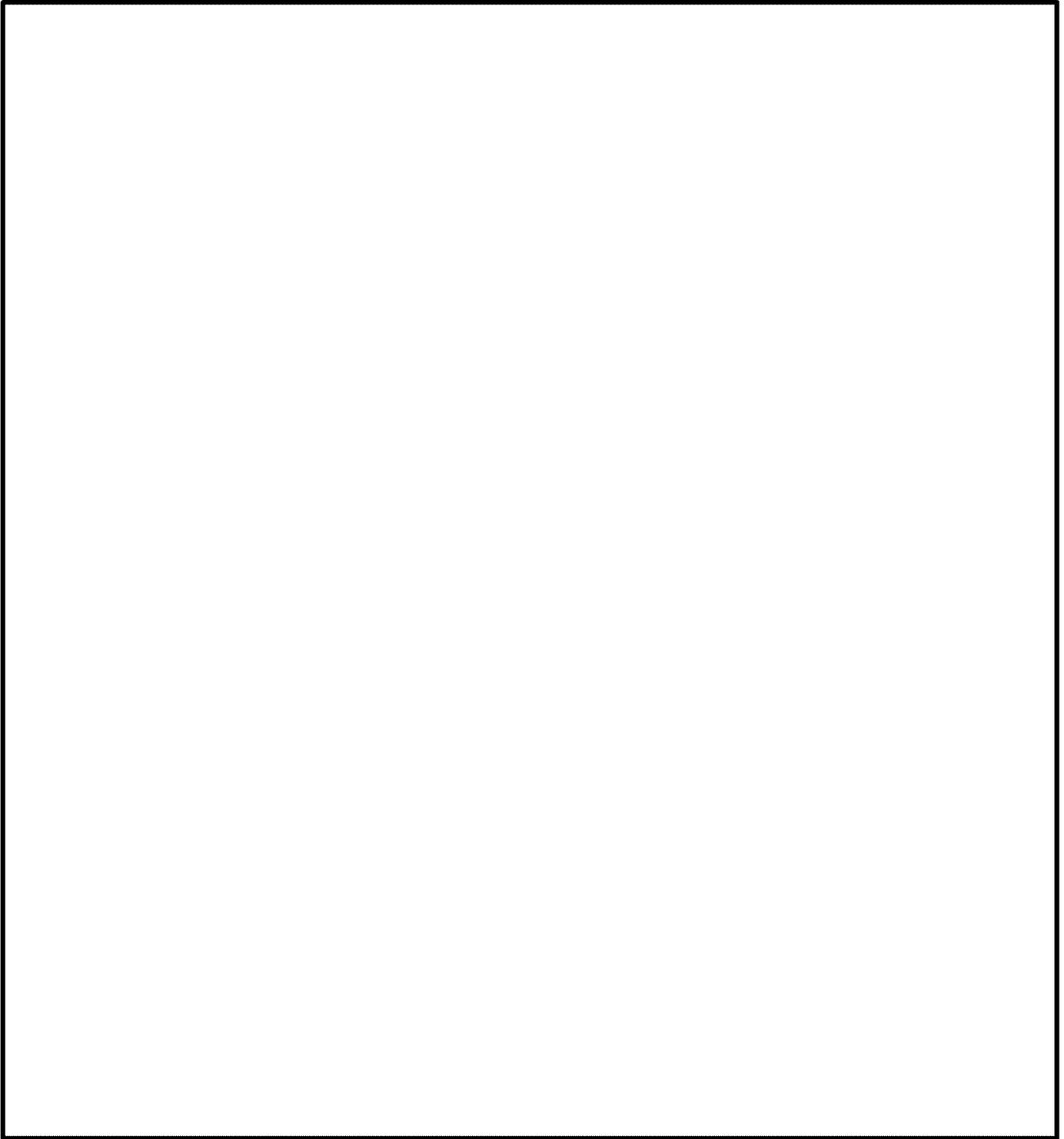
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FINANCIAL CONSIDERATIONS

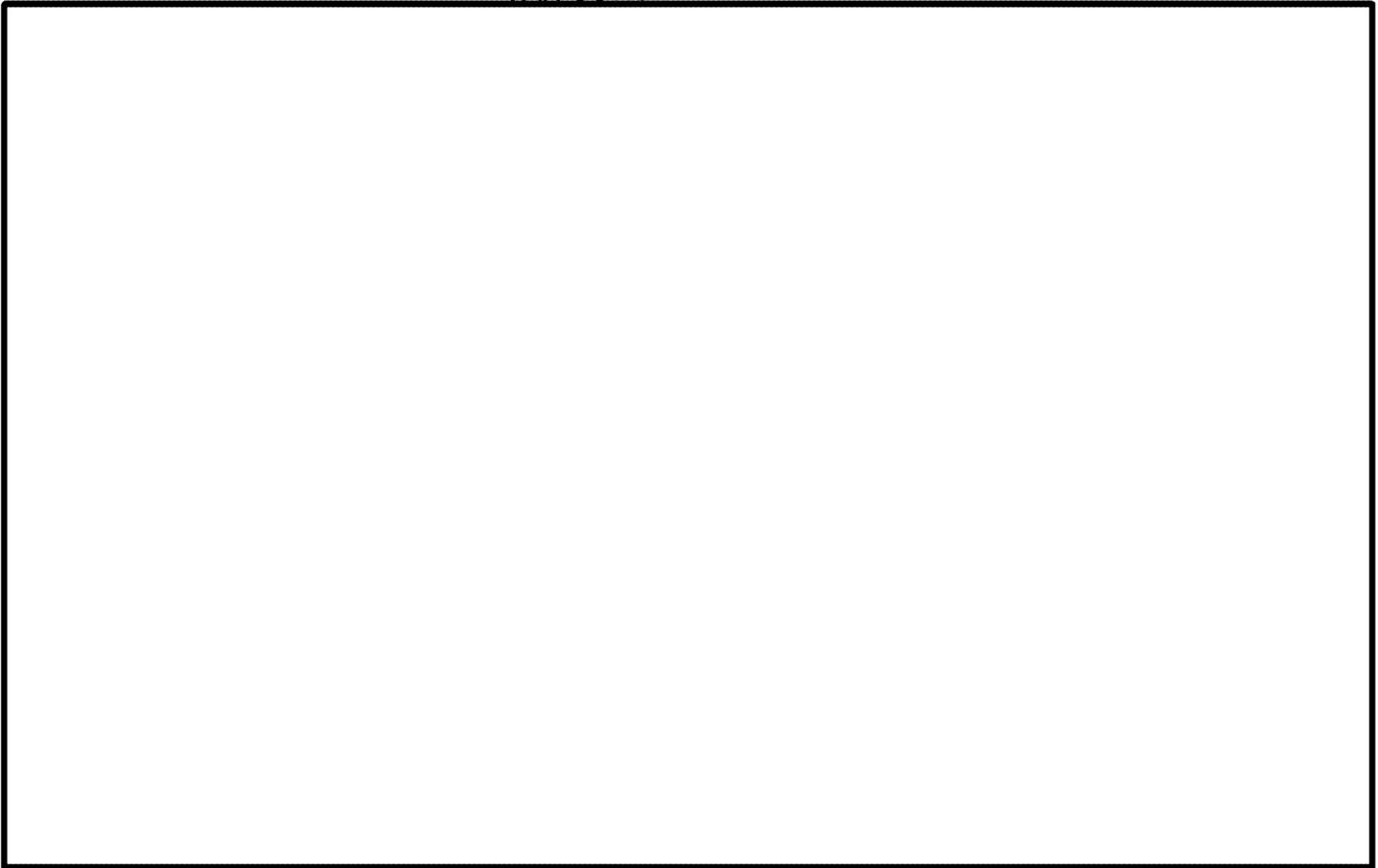
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THE OFFERING

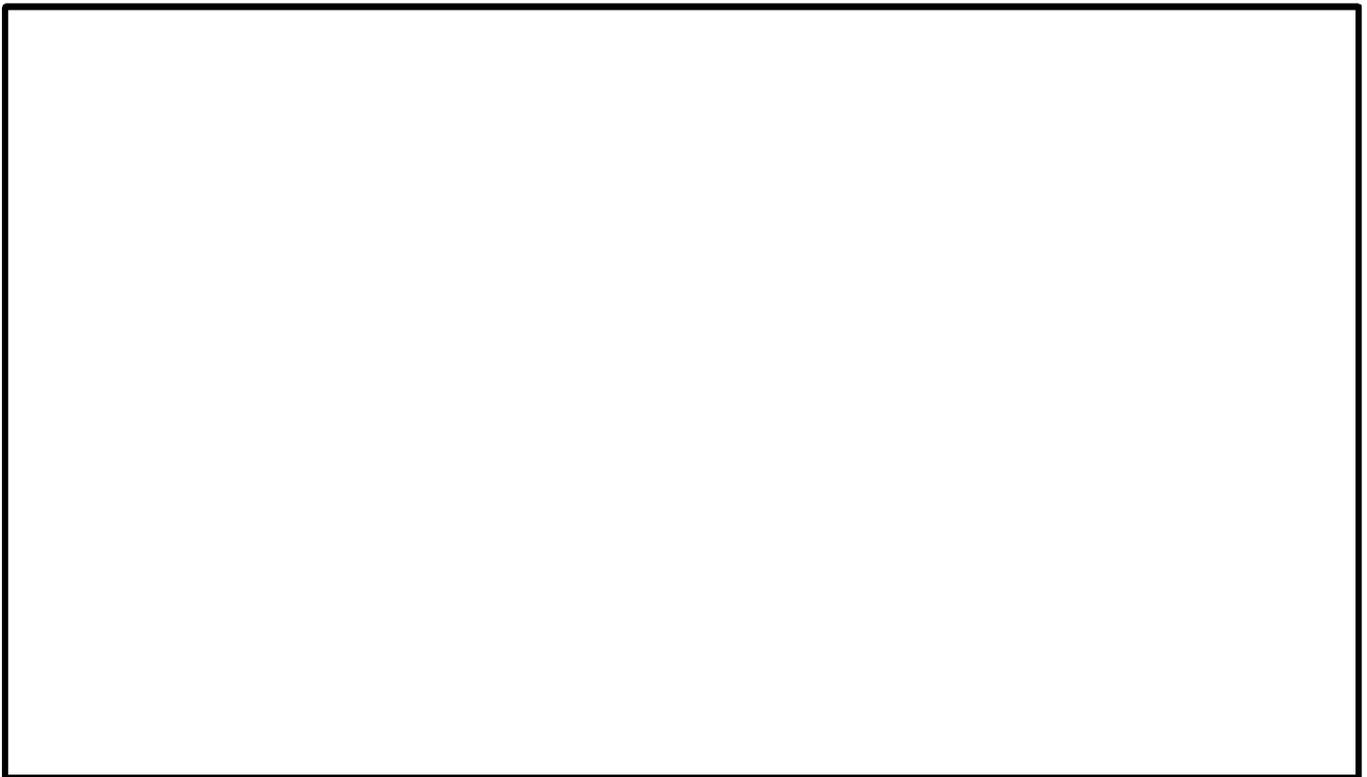


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TAX CONSIDERATIONS



EB-5 IMMIGRATION DISCLOSURES - AND RISK FACTORS



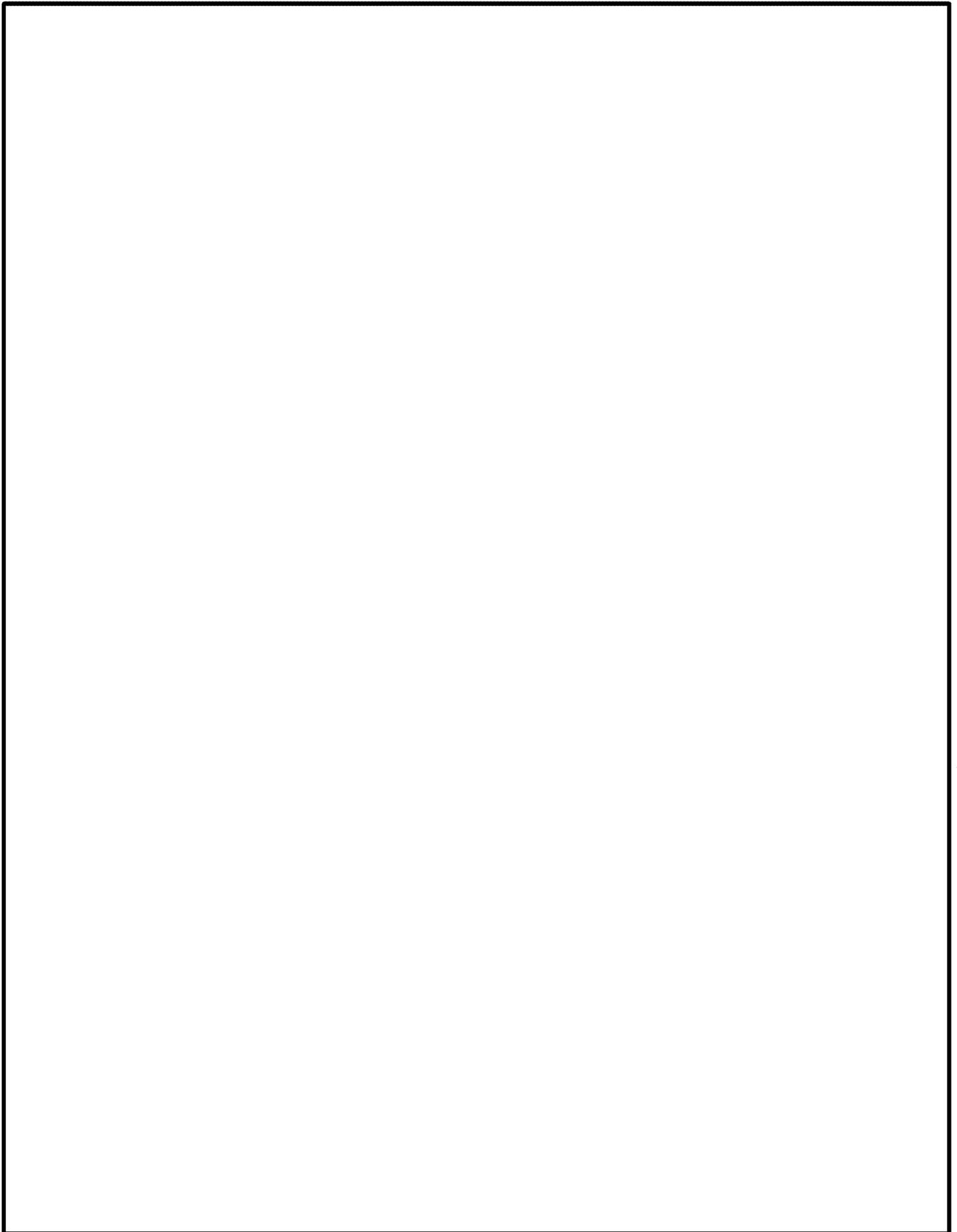
(b)(4)

(b)(4)

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(b)(4)

SUBSCRIPTION



7. b. Sample Limited Partnership Agreement

(b)(4)

LIMITED PARTNERSHIP AGREEMENT OF



(b)(4)

7. c. Sample Subscription Agreement

(b)(4)

[], LP
A MONTANA LIMITED PARTNERSHIP



(b)(4)

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(b)(4)

7. d. Sample Loan Agreement

(b)(4)

LOAN AND SECURITY AGREEMENT



(b)(4)

(b)(4)

(b)(4)

(b)(4)

(b)(4)

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EXHIBIT "A"
PROMISSORY NOTE
(see attached)

EXHIBIT "C"
FINANCING STATEMENT
(see attached)

8. a. Articles of Organization

STATE OF MONTANA

ARTICLES of ORGANIZATION for
DOMESTIC LIMITED LIABILITY COMPANY
MCA 35-8-202

MAIL: LINDA McCULLOCH
Secretary of State
P.O. Box 202801
Helena, MT 59620-2801
PHONE: (406)444-3665
FAX: (406)444-3976
WEB SITE: SOLJ.MT.GOV



Prepare, sign, and submit with an original signature and filing fee.

This is the minimum information required.
(This space for use by the Secretary of State only)

FILED
STATE OF MONTANA
SEP 21 2011
SECRETARY OF STATE
Filing Fee: \$70.00

24 Hour Priority Filing Add \$20.00
 1 Hour Expedite Filing Add \$100.00

Executed by the undersigned for the purpose of forming a Montana Limited Liability Company.
PLEASE CHECK ONE BOX: Domestic Limited Liability Company Professional Limited Liability Company

1. The name of the limited liability company: USA Montana Energy Regional Center, LLC
(do not contain "limited liability company", "limited company", or if professional, "professional limited liability company", or an abbreviation)

2. The name and address of its registered office/agent in Montana:
Appointment of the Registered Agent is confirmation of the agent's consent.

Name: BORAN XUB
Street Address: 27N 27th Street #2100
Mailing Address (if different from street address):
City: Billings MT Zip Code: 59101

Signature of Registered Agent: [Signature]

3. The street address of its principal place of business:

Street Address: 27N 27th Street #2100
City: Billings State: MT Zip Code: 59101

4. (Check one) At Will Term If Term, the latest date on which the LLC is to dissolve: _____

5. The LLC will be managed by (check one) Manager or by its Members

6. The names of the Managers or Members and street addresses are (attach a list if necessary):

CUCB, LLC, 27N 27th Street #2100, Billings, MT 59101

7. If one or more members of the company are liable for the LLC's debts and obligations under 35-8-304(3), MCA, please attach a list of liable members and written consents of each.

8. If a Professional Limited Liability Company, the services to be provided: _____

9. [Signature] PARIA BUXER 9/16/2011
Signature of Organizer Printed Name & Title Date (Mo/Day/Year)

RECEIVED
HELENA MONTANA
2011 SEP 21 PM 4:48
SECRETARY OF STATE
LINDA MCCULLOCH



STATE OF MONTANA

Office of the Secretary of State
I hereby certify this to a true and
correct copy consisting of 2 pages,
as taken from the original on file in this
office. Originality of this certification can
be determined by the color blue.



DATED: 9/22/2011

BY: Rose Ann Drake
Deputy

Linda McCulloch
Linda McCulloch
Secretary of State

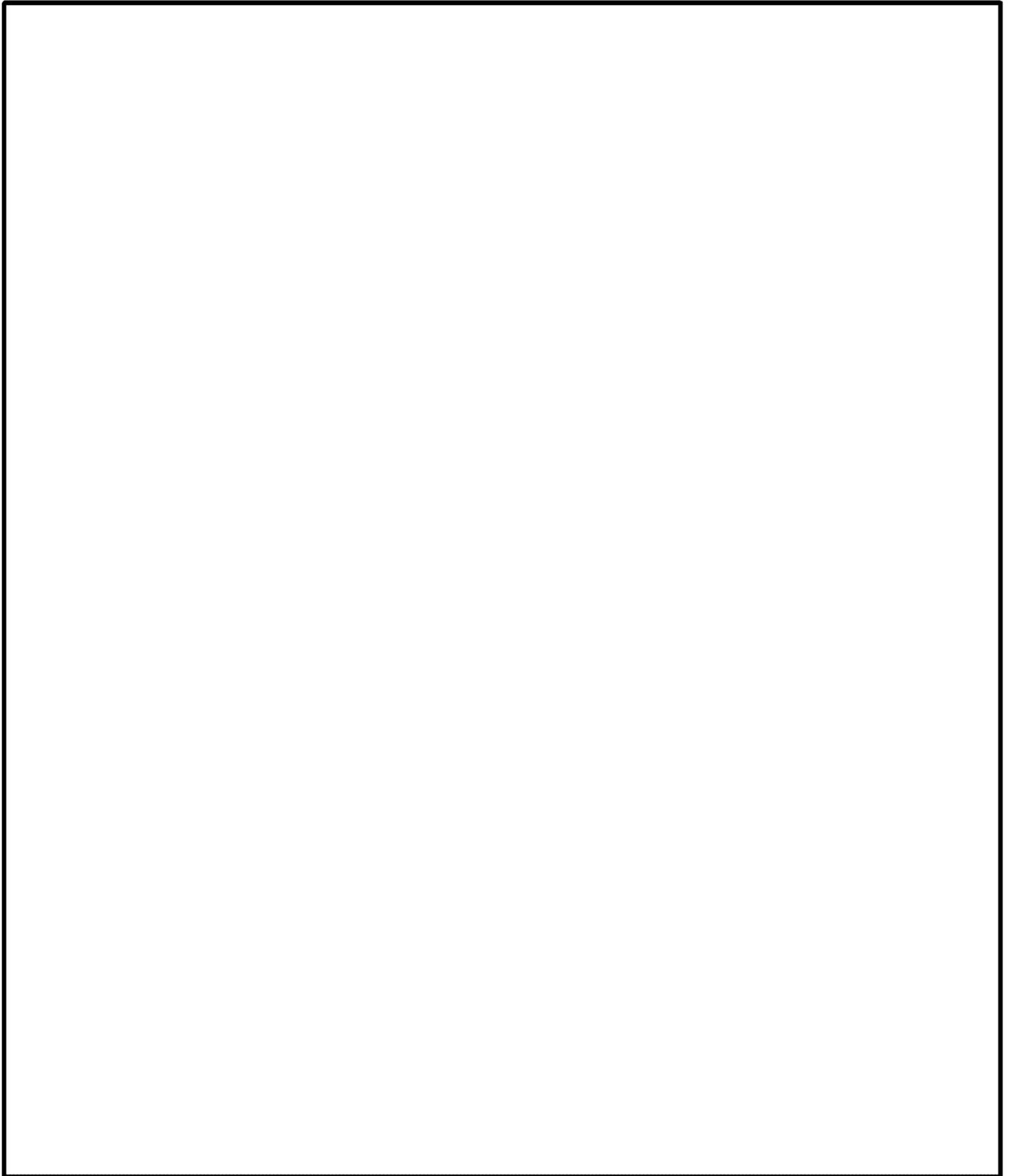
8. b. Company Bank Statement

(b)(4)

8. c. Operating Agreement

(b)(4)

OPERATING AGREEMENT



(b)(4)

**9. Exemplar I-526 petition documents for new commercial
enterprise: Central Montana Oil and Gas Exploration, LP**

EXEMPLAR I-526 petition documents for new commercial enterprise: CENTRAL MONTANA OIL AND GAS EXPLORATION, LP

The following Exemplar I-526 petition documents relate to Central Montana Oil and Gas Exploration, LP, a new commercial enterprise to be undertaken by USA Montana Energy Regional Center, LLC ("USAMERC") upon its designation by USCIS (Exhibits 9.1–Exhibit 9.7):

- 9.1 Central Montana Oil and Gas Exploration, LP's Certificate of Limited Partnership;
- 9.2 Sample Memorandum in support of I-526 petition;
- 9.3 Form I-526 completed with new commercial enterprise information;
- 9.4 Comprehensive Business Plan for Central Montana Oil and Gas Exploration, LP;
- 9.5 Economic Impact Analysis Report submitted with USAMERC's designation application;
- 9.6 Targeted Employment Area Evidence for Planned Drilling and Exploration Areas; and
- 9.7 Investment Agreements for Central Montana Oil and Gas Exploration, LP:
 - a. Private Offering Memorandum;
 - b. Limited Partnership Agreement; and
 - c. Subscription Agreement
 - d. Loan Agreement.

**9.1 Certificate of Limited Partnership for Central
Montana Oil and Gas Exploration, LP**

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(b)(4)

9.2 Sample memorandum in support of I-526 petition

**9.3 Sample Form I-526 with new commercial enterprise
information completed**

Do Not Write in This Block - For USCIS Use Only (Except G-28 Block Below)

Classification 	Action Block	Fee Receipt
Priority Date 		To be completed by Attorney or Representative, if any <input checked="" type="checkbox"/> G-28 is attached Attorney's State License No. 135064; 229398; 4850574
Remarks:		

START HERE - Type or print in black ink.

Part 1. Information About You

Family Name **XXXX** Given Name **XXXX** Middle Name

In care of Street Number and Name: **Global Law Group**

Address: **909 El Centro Street, Suite 1** Apt. Number

City **South Pasadena** State or Province **California** Country **USA** Zip/Postal Code **91030**

Date of Birth (mm/dd/yyyy) **XXXX** Country of Birth **XXXX** Social Security # (if any) **XXXX** A # (if any) **XXXX**

If you are in the United States, provide the following information: Date of Arrival (mm/dd/yyyy) **N/A** I-94 # **N/A**

Current Nonimmigrant Status **N/A** Date Current Status Expires (mm/dd/yyyy) **N/A** Daytime Phone # with Area Code **N/A**

Part 2. Application Type (Check one)

- a. This petition is based on an investment in a commercial enterprise in a targeted employment area for which the required amount of capital invested has been adjusted downward.
- b. This petition is based on an investment in a commercial enterprise in an area for which the required amount of capital invested has been adjusted upward.
- c. This petition is based on an investment in a commercial enterprise that is not in either a targeted area or in an upward adjustment area.

Part 3. Information About Your Investment

Name of commercial enterprise in which funds are invested **Central Montana Oil and Gas Exploration, LP**

Street Address **c/o 27 N. 27th Street, Suite 2101, Billings, MT 59101 for all oil wells are in rural and remote areas with no mail delivery services**

Phone # with Area Code **406-281-8266** Business organized as (corporation, partnership, etc.) **Limited Partnership**

Kind of business (e.g. furniture manufacturer) **Oil and drilling production** Date established (mm/dd/yyyy) **10/13/2011** IRS Tax # **38-3854200**

RECEIVED: _____ RESUBMITTED: _____ RELOCATED: SENT _____ REC'D _____



Part 3. Information About Your Investment (Continued)

Date of your initial investment (mm/dd/yyyy)	XXXX	Amount of your initial investment	\$ 500,000
Your total capital investment in the enterprise to date	\$ 500,000	Percentage of the enterprise you own	one limited partnership unit

If you are not the sole investor in the new commercial enterprise, list on separate paper the names of all other parties (natural and non-natural) who hold a percentage share of ownership of the new enterprise and indicate whether any of these parties is seeking classification as an alien entrepreneur. Include the name, percentage of ownership, and whether or not the person is seeking classification under section 203(b)(5). **NOTE:** A "natural" party would be an individual person, and a "non-natural" party would be an entity such as a corporation, consortium, investment group, partnership, etc.

If you indicated in **Part 2** that the enterprise is in a targeted employment area or in an upward adjustment area, name the county and State:

County	Rural Area	State	MT
--------	------------	-------	----

Part 4. Additional Information About the Enterprise

Type of Enterprise (check one):

- New commercial enterprise resulting from the creation of a new business.
- New commercial enterprise resulting from the purchase of an existing business.
- New commercial enterprise resulting from a capital investment in an existing business.

Composition of the Petitioner's Investment:

Total amount in U.S. bank account	\$	500,000
Total value of all assets purchased for use in the enterprise.....	\$	
Total value of all property transferred from abroad to the new enterprise.....	\$	
Total of all debt financing.....	\$	
Total stock purchases.....	\$	
Other (explain on separate paper).....	\$	
Total	\$	500,000

Income:

When you made the investment.....	Gross	\$	N/A	Net	\$	N/A
Now.....	Gross	\$	N/A	Net	\$	N/A

Net worth:

When you made investment.....	Gross	\$	N/A	Now	\$	N/A
-------------------------------	-------	----	-----	-----	----	-----



Part 5. Employment Creation Information

Number of full-time employees in the enterprise in U.S. (excluding you, your spouse, sons, and daughters)

When you made your initial investment? Now Difference

How many of these new jobs were created by your investment? How many additional new jobs will be created by your additional investment?

What is your position, office, or title with the new commercial enterprise?

Briefly describe your duties, activities, and responsibilities.

What is your salary? \$ What is the cost of your benefits? \$

Part 6. Processing Information

Check One:

- The person named in Part 1 is now in the United States, and an application to adjust status to permanent resident will be filed if this petition is approved.
- If the petition is approved and the person named in Part 1 wishes to apply for an immigrant visa abroad, complete the following for that person:

Country of nationality:

Country of current residence or, if now in the United States, last permanent residence abroad:

If you provided a United States address in Part 1, print the person's foreign address:

If the person's native alphabet is other than Roman letters, write the foreign address in the native alphabet:

Are you in deportation or removal proceedings? Yes (Explain on separate paper) No

Have you ever worked in the United States without permission? Yes (Explain on separate paper) No

Part 7. Signature Read the information on penalties in the instructions before completing this section.

I certify, under penalty of perjury under the laws of the United States of America, that this petition and the evidence submitted with it is all true and correct. I authorize the release of any information from my records that U.S. Citizenship and Immigration Services needs to determine eligibility for the benefit I am seeking.

Signature Date

NOTE: If you do not completely fill out this form or fail to submit the required documents listed in the instructions, you may not be found eligible for the immigration benefit you are seeking and this petition may be denied.

Part 8. Signature of Person Preparing Form, If Other Than Above (Sign below)

I declare that I prepared this application at the request of the above person, and it is based on all information of which I have knowledge.

Signature Print Your Name Date

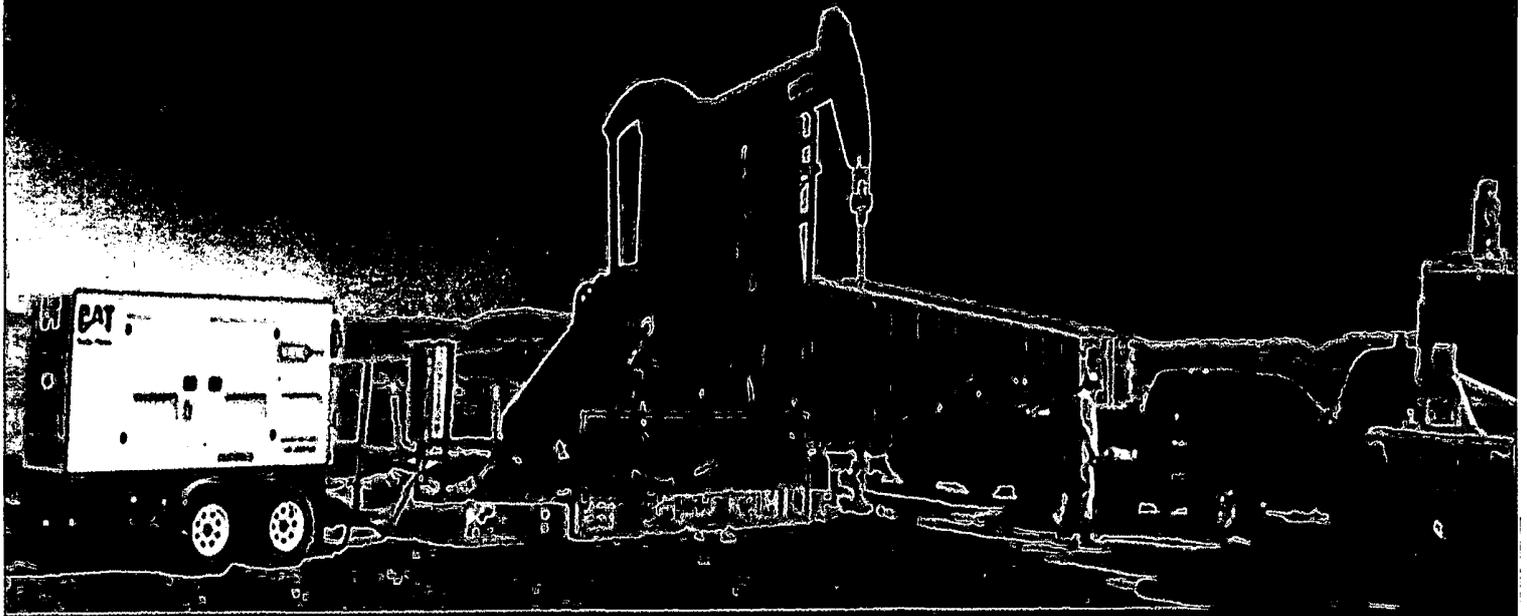
Firm Name Daytime phone # with area code

Address

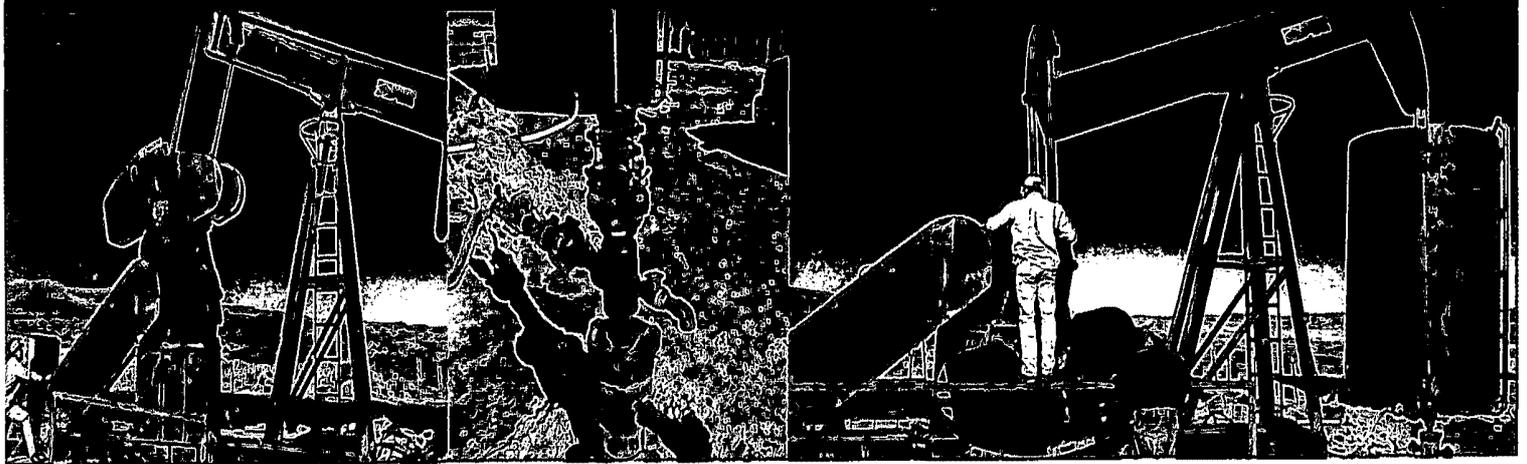


**9.4 Comprehensive Business Plan for Central Montana
Oil and Gas Exploration**

November 2011



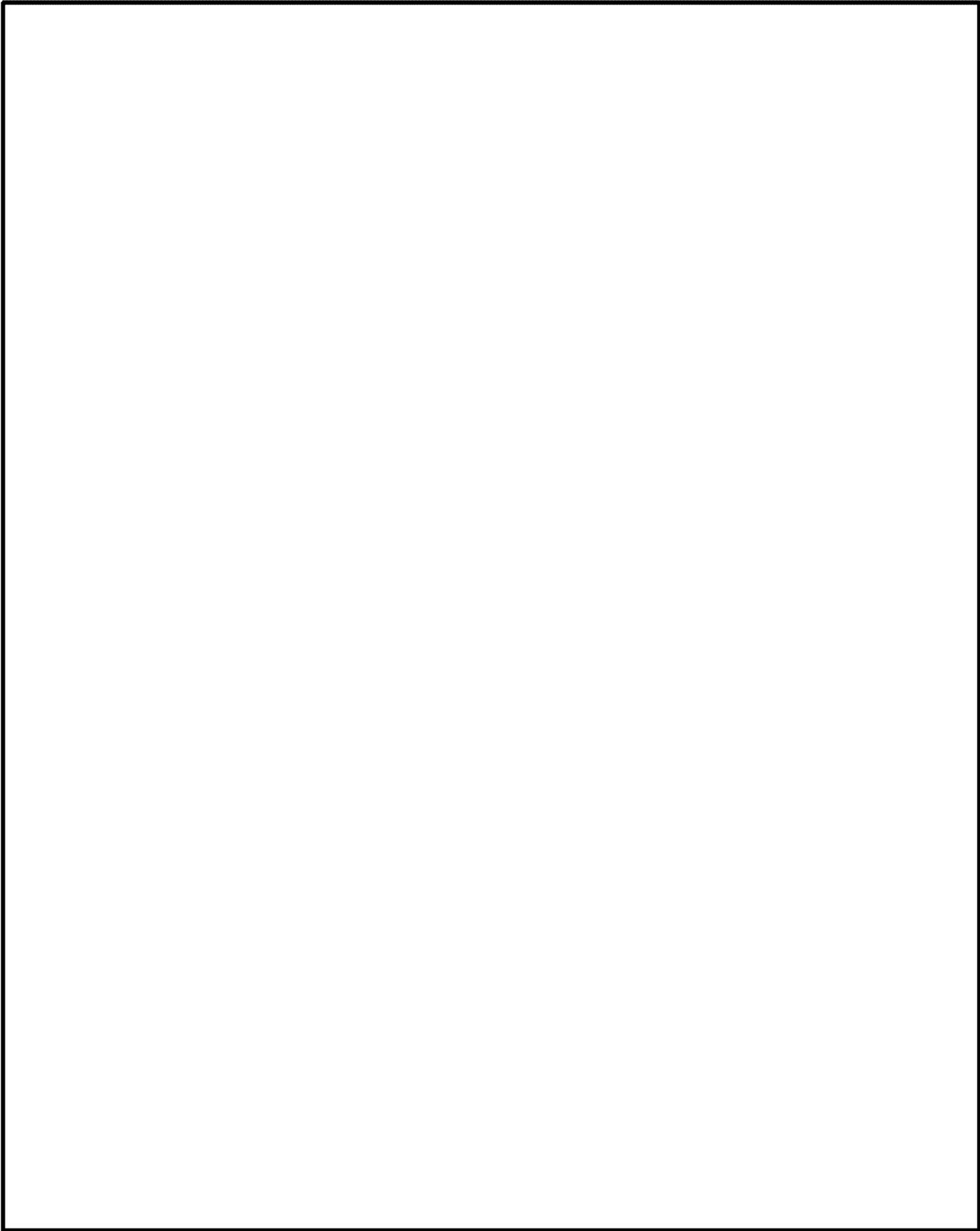
Central Montana Oil and Gas Exploration, LP
Comprehensive Business Plan
Pursuant to 8 CFR §204.6(j)(4)(B) and Matter of Ho



Sponsored by: USA Montana Energy Regional Center

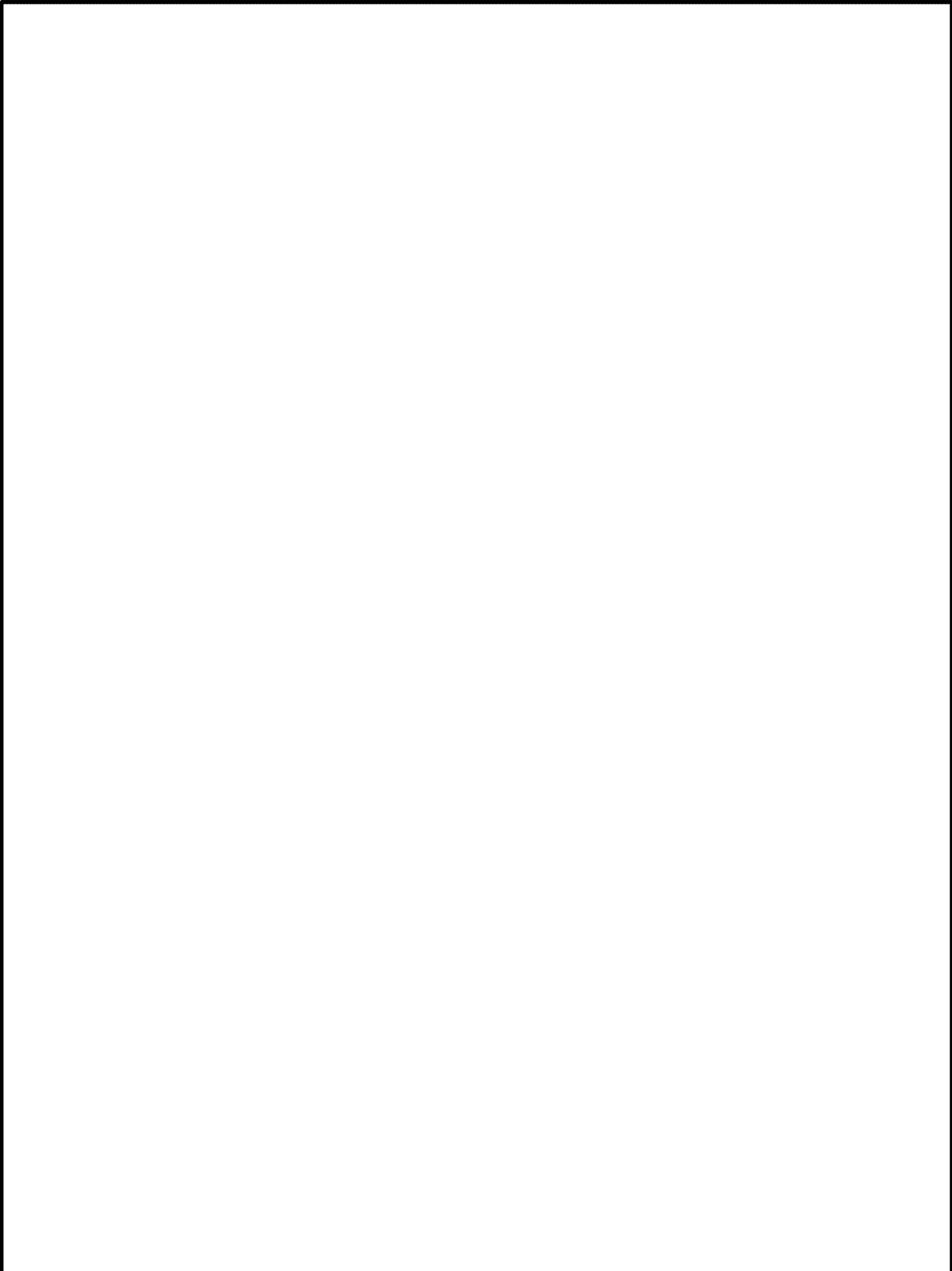
27 North 27th Street, Billings, MT, 59101

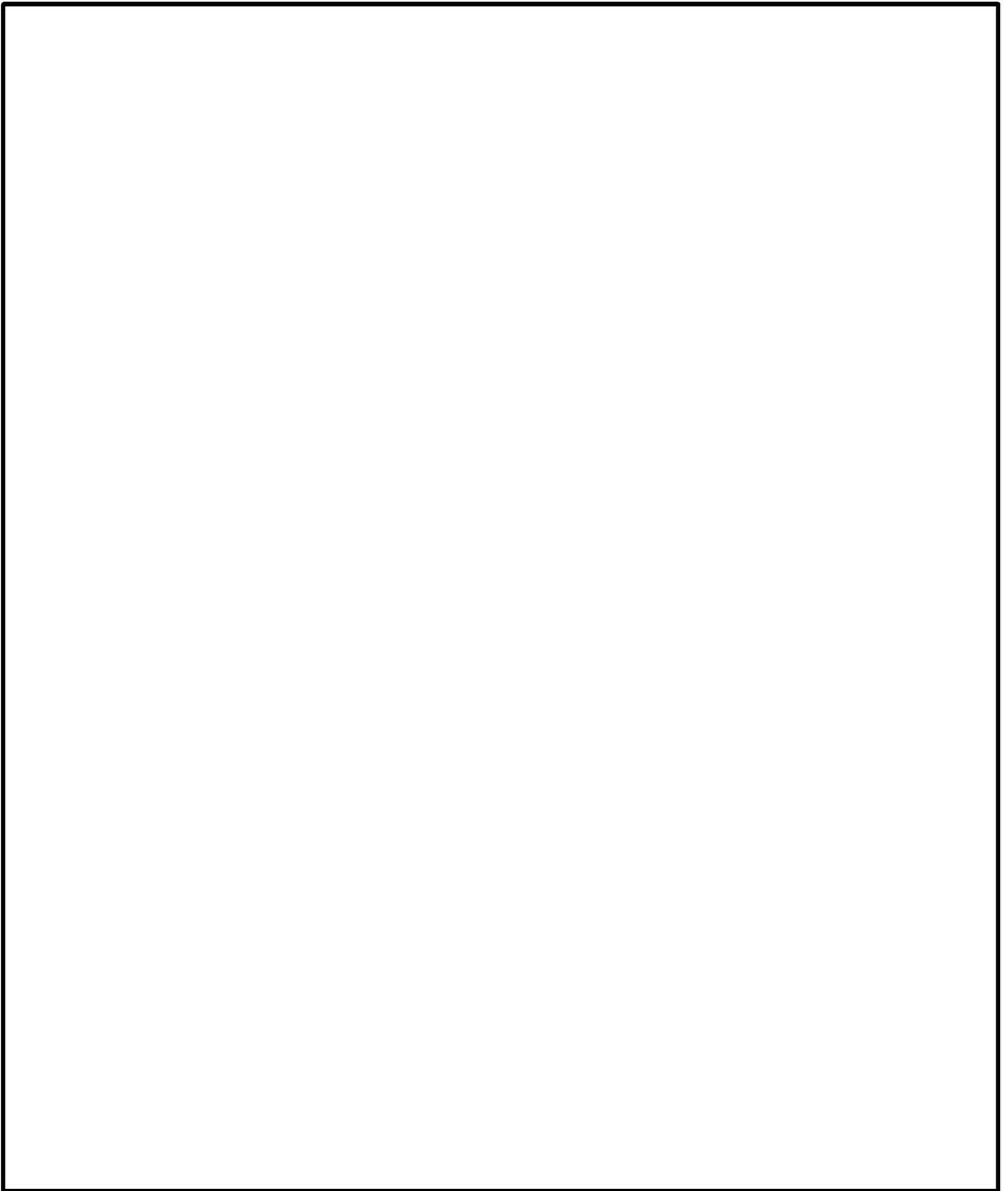
1.0 CENTRAL MONTANA OIL AND GAS EXPLORATION, LP ENTITY AND PROJECT SUMMARY





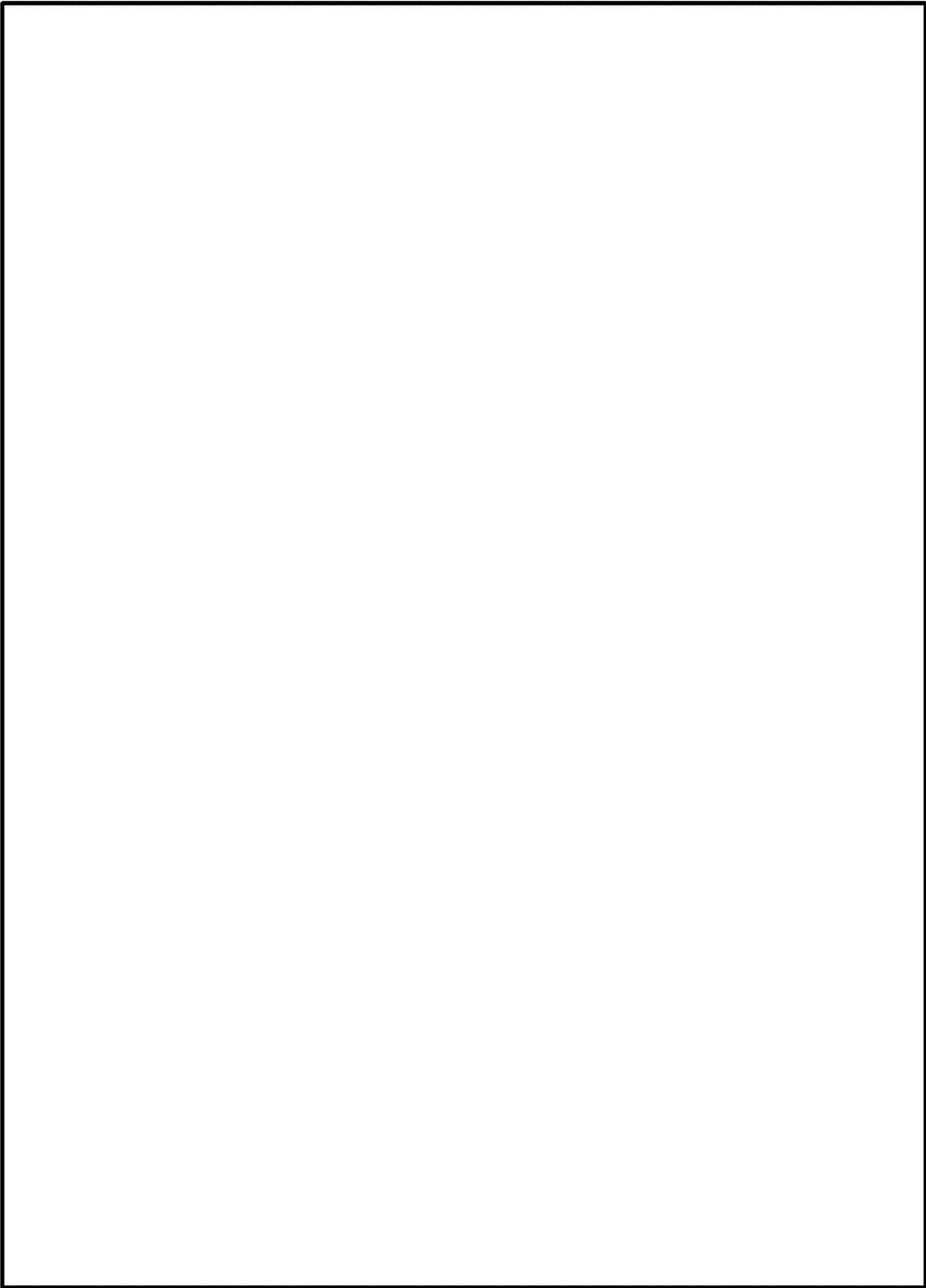
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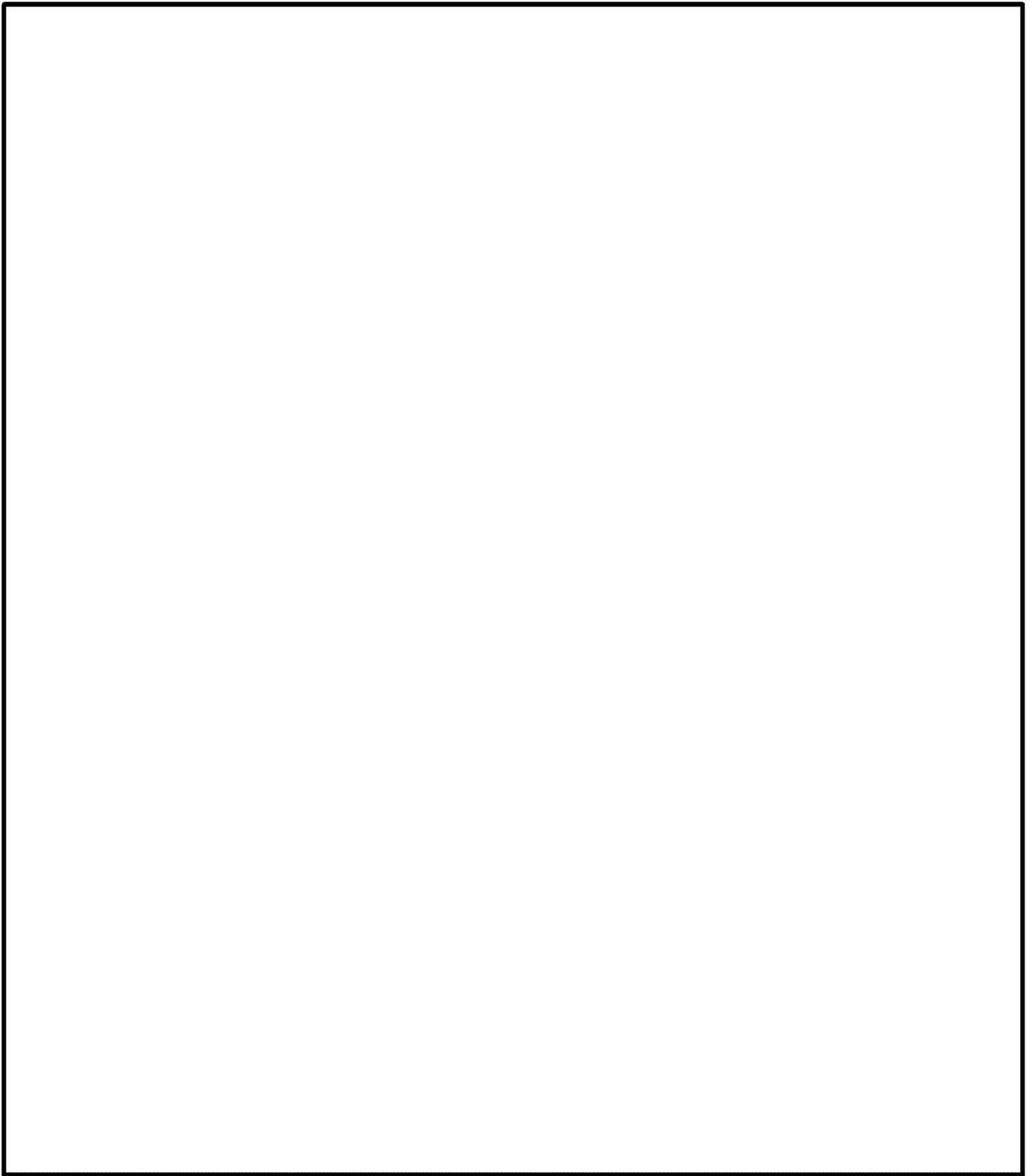




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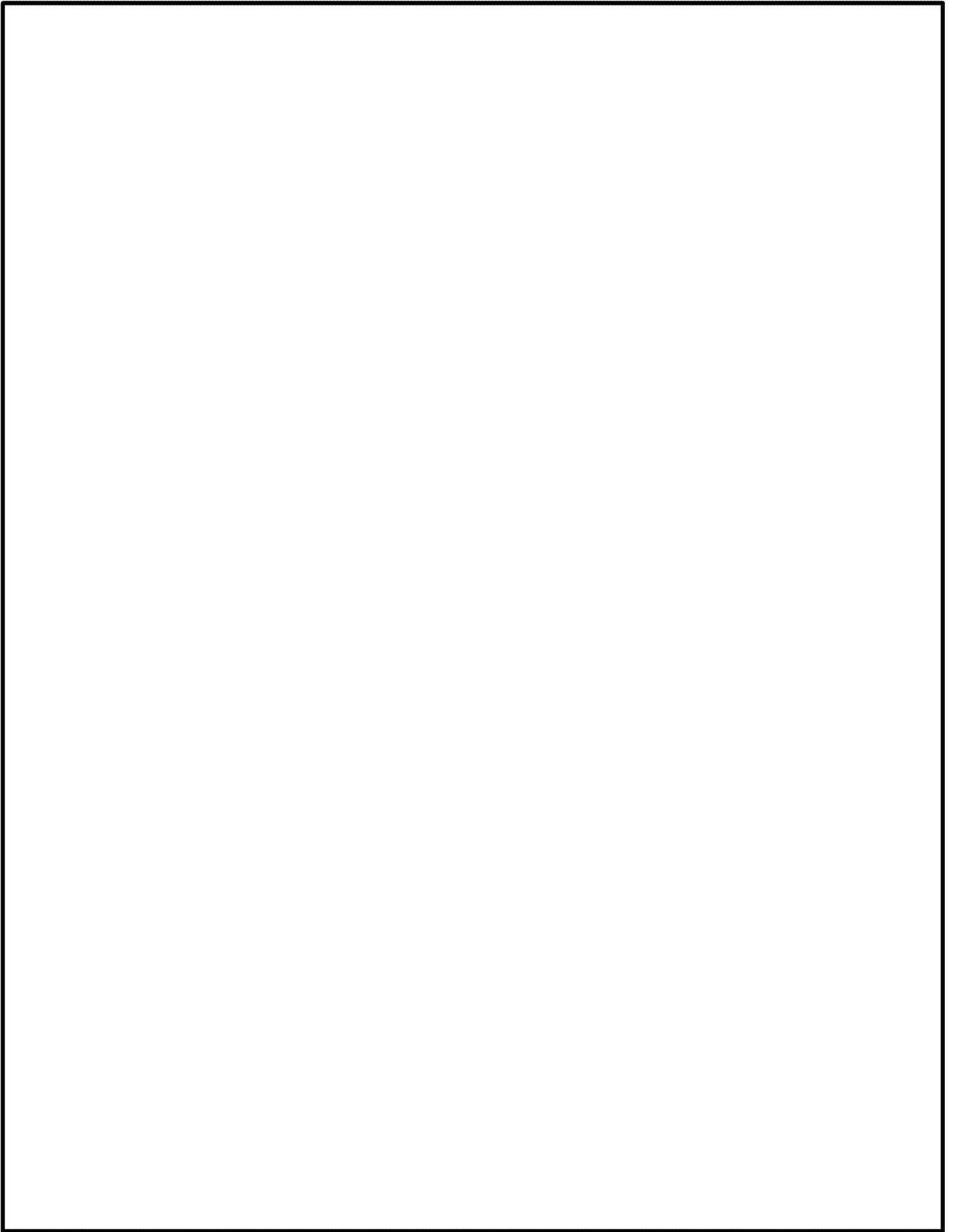
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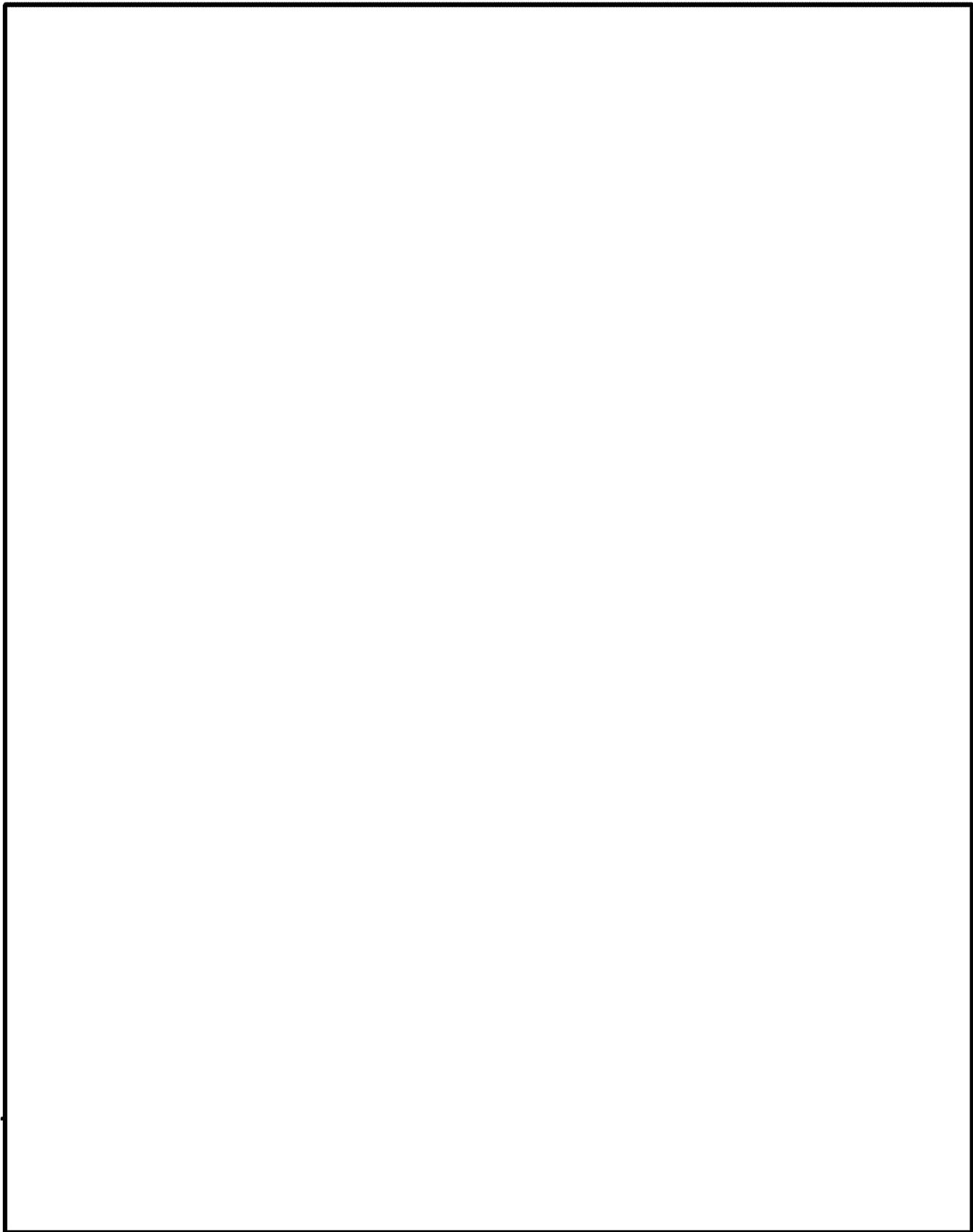






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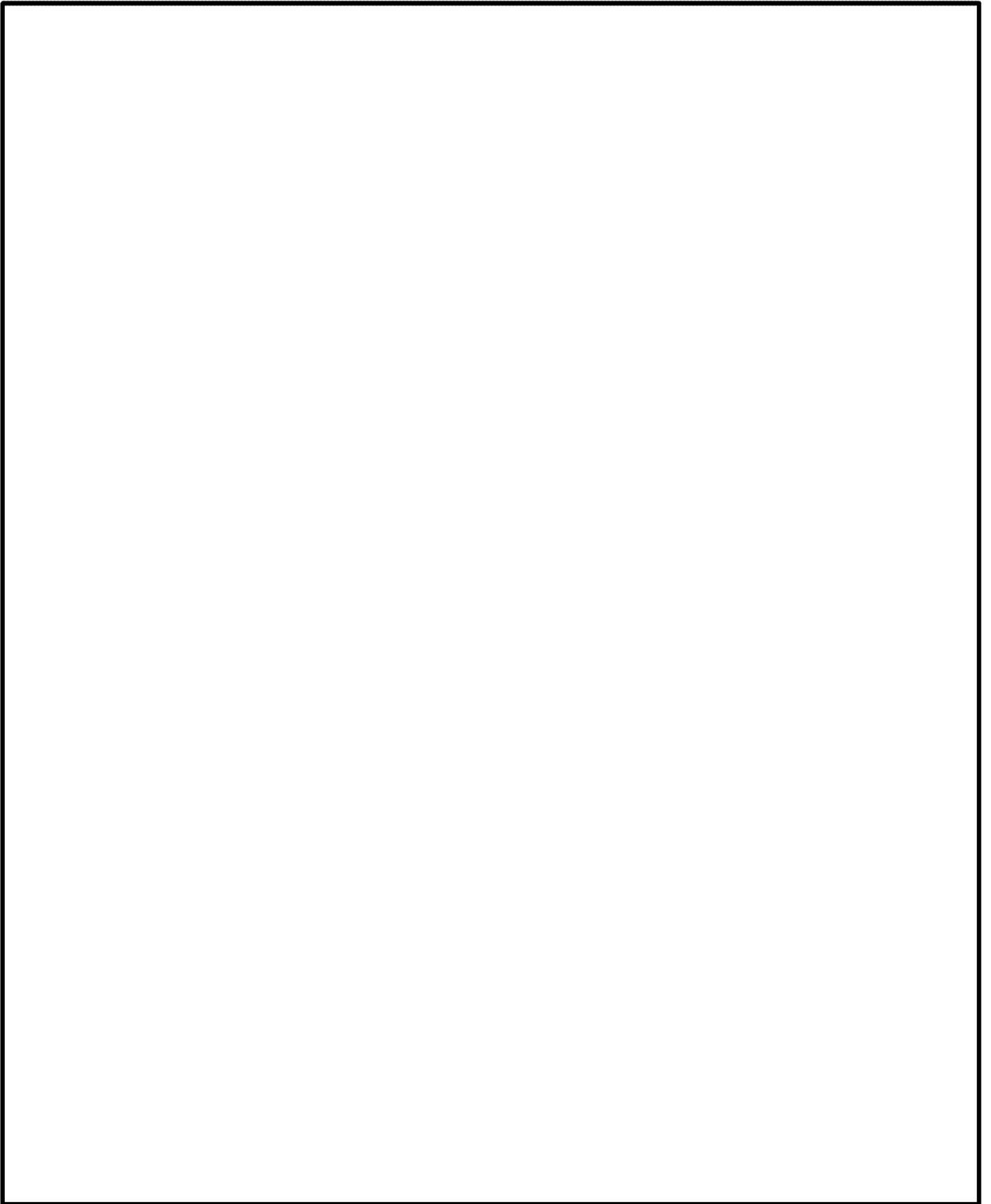


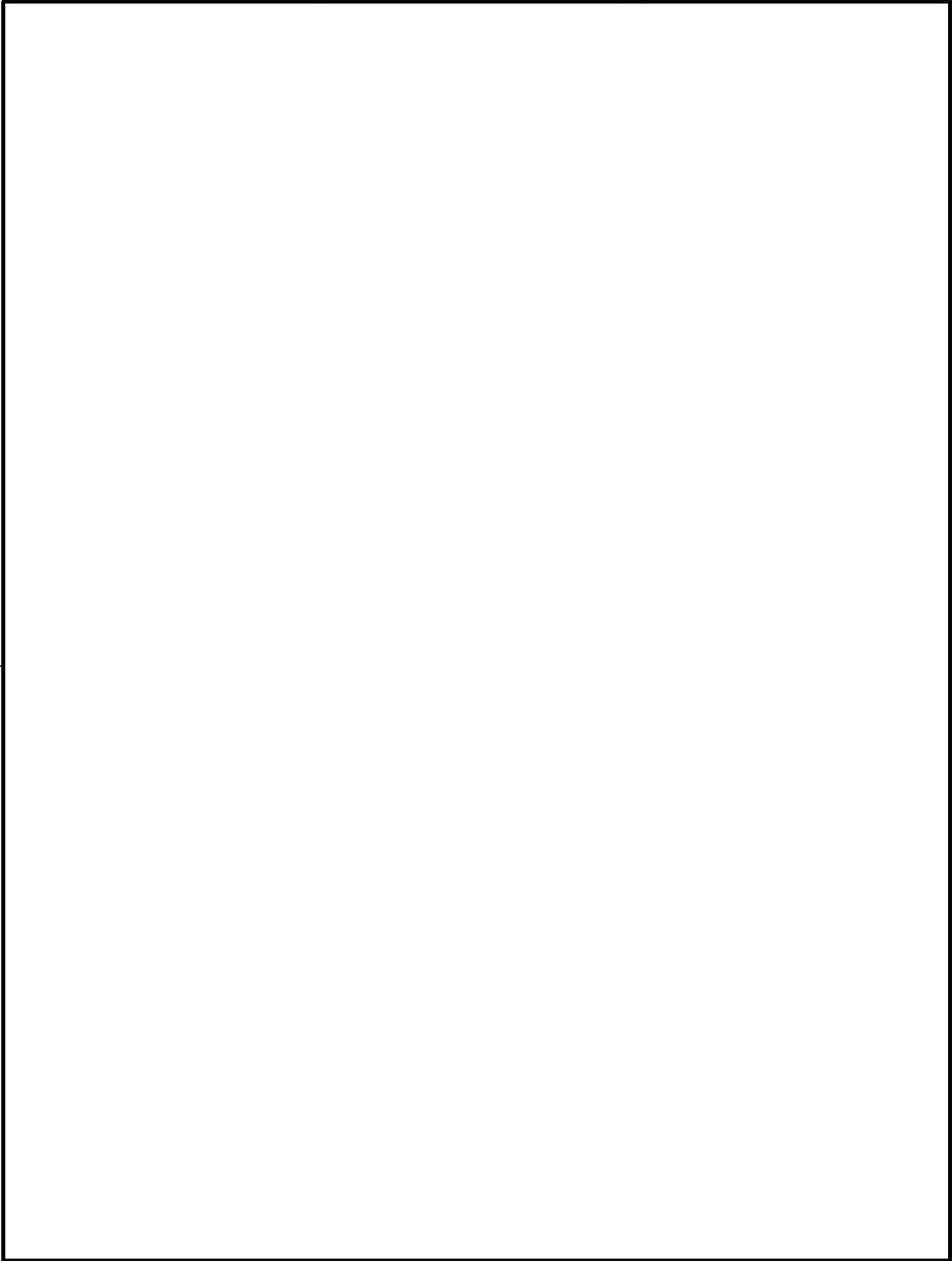


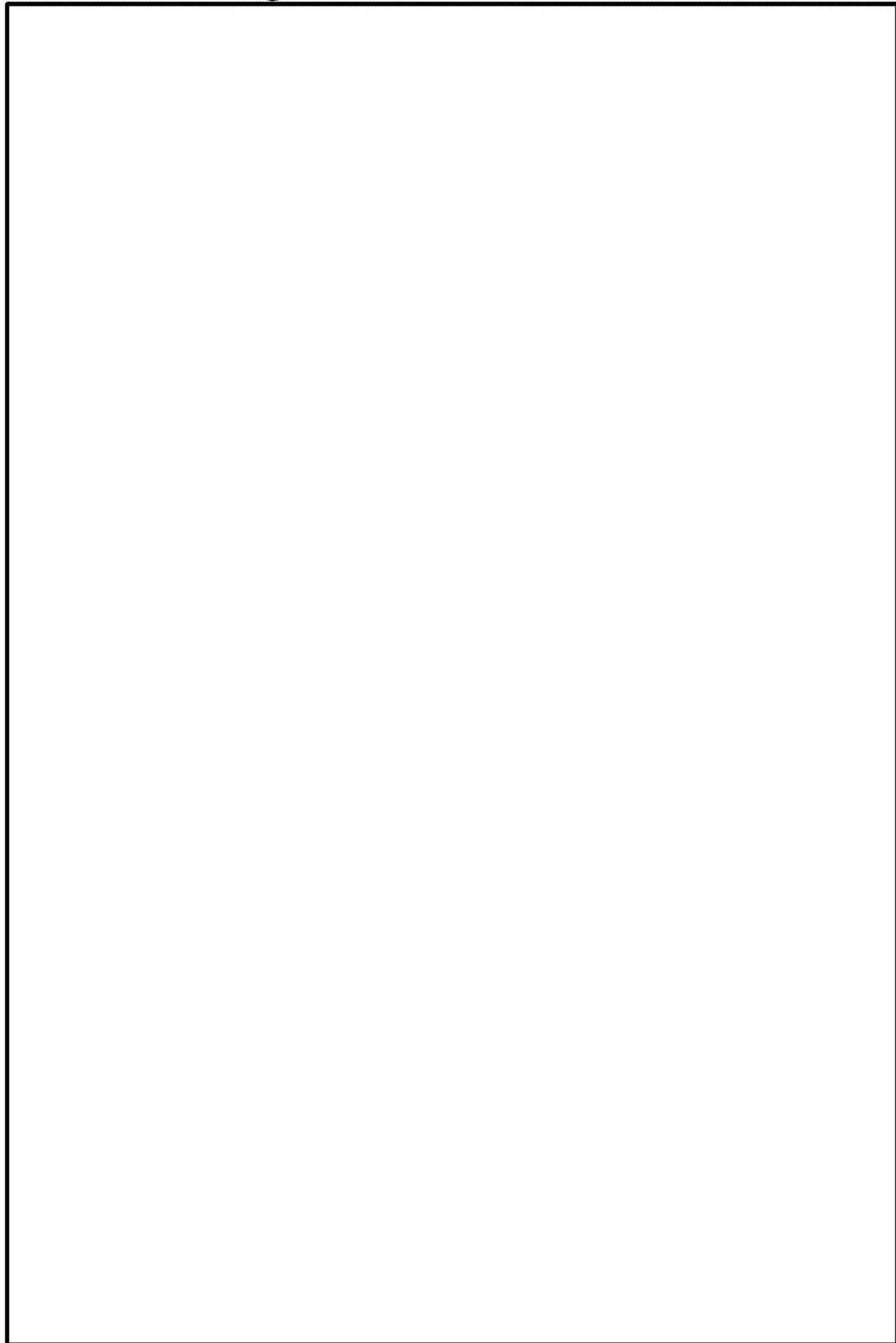
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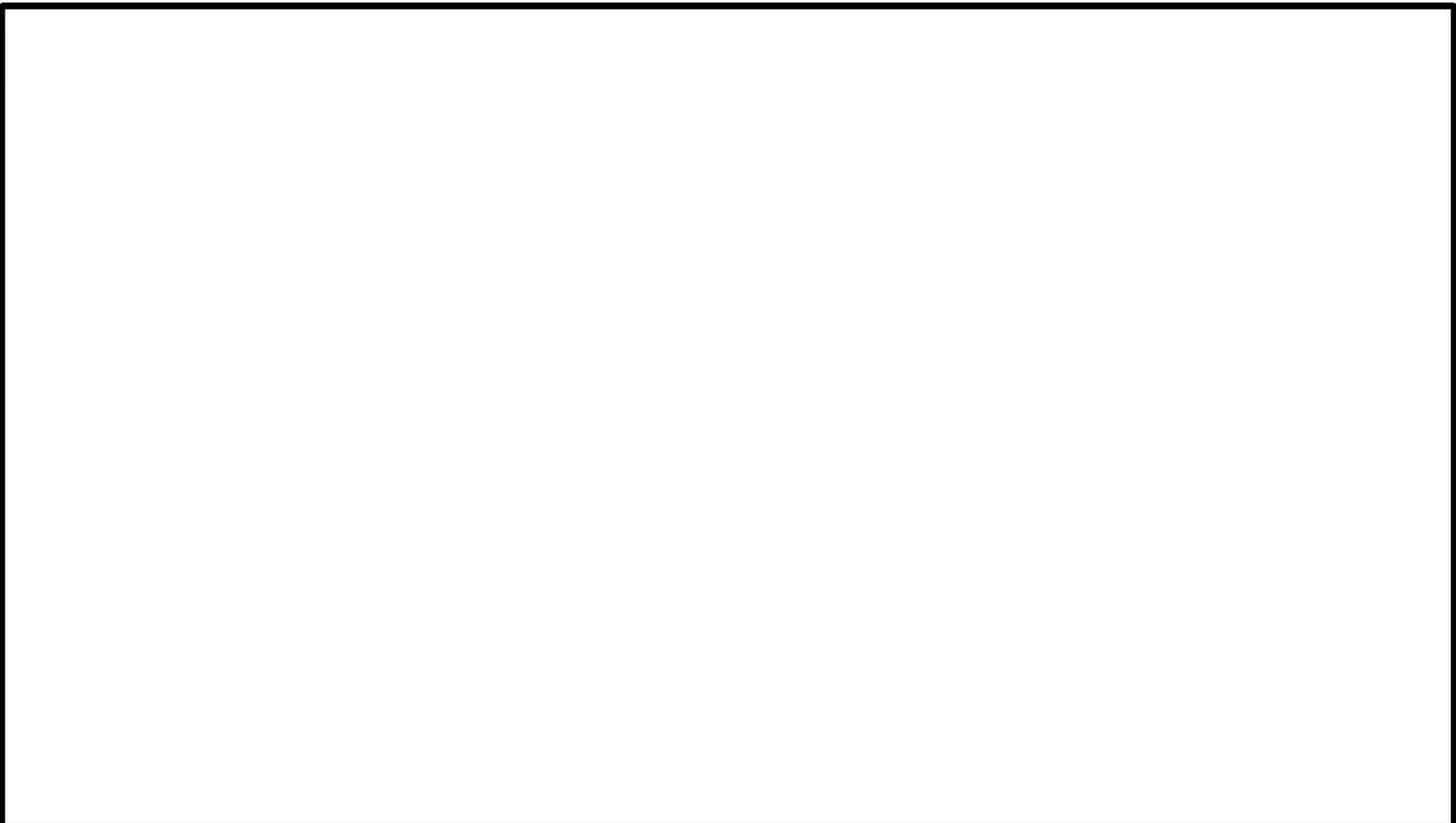


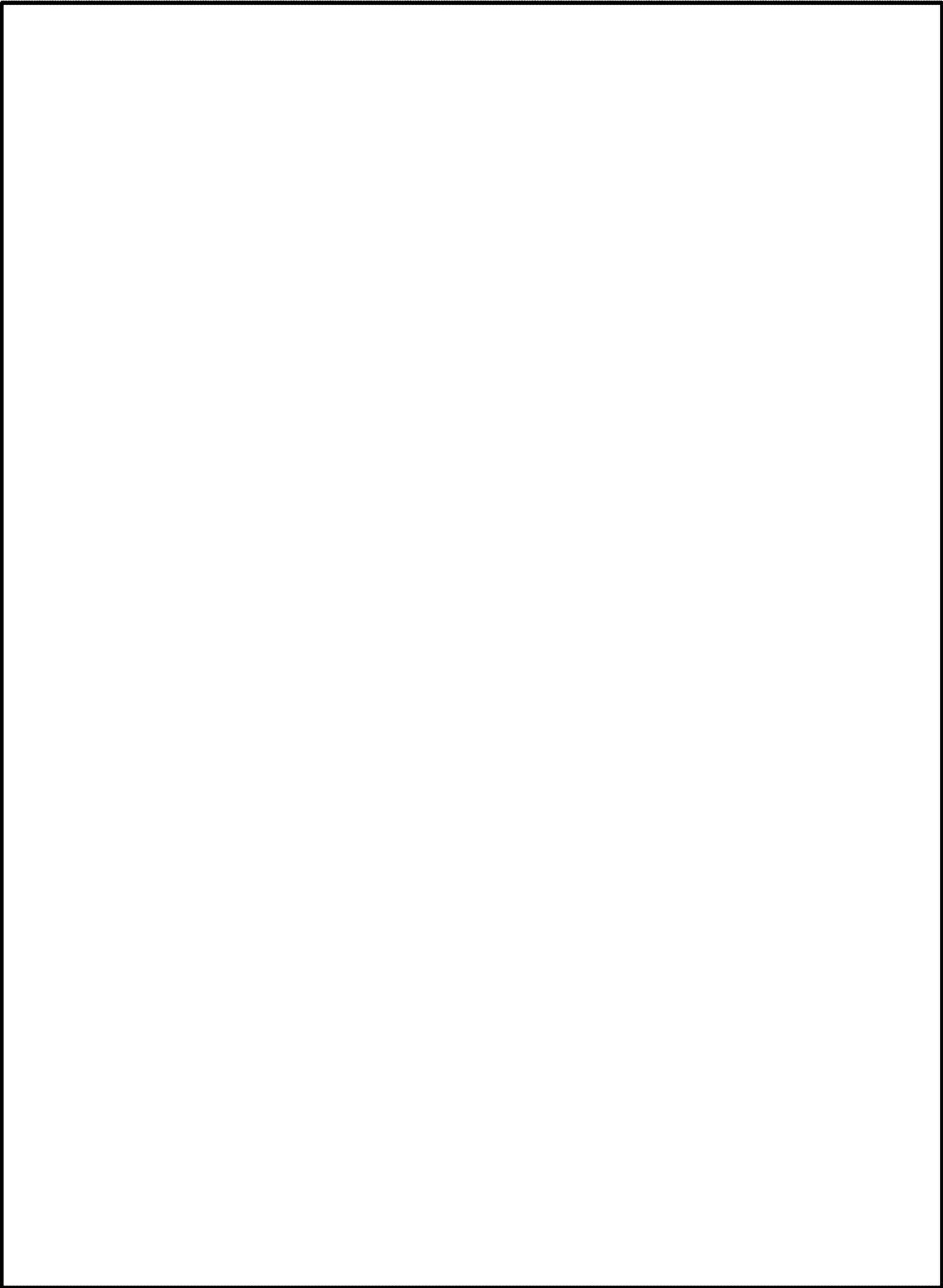






2.0 MARKET ANALYSIS

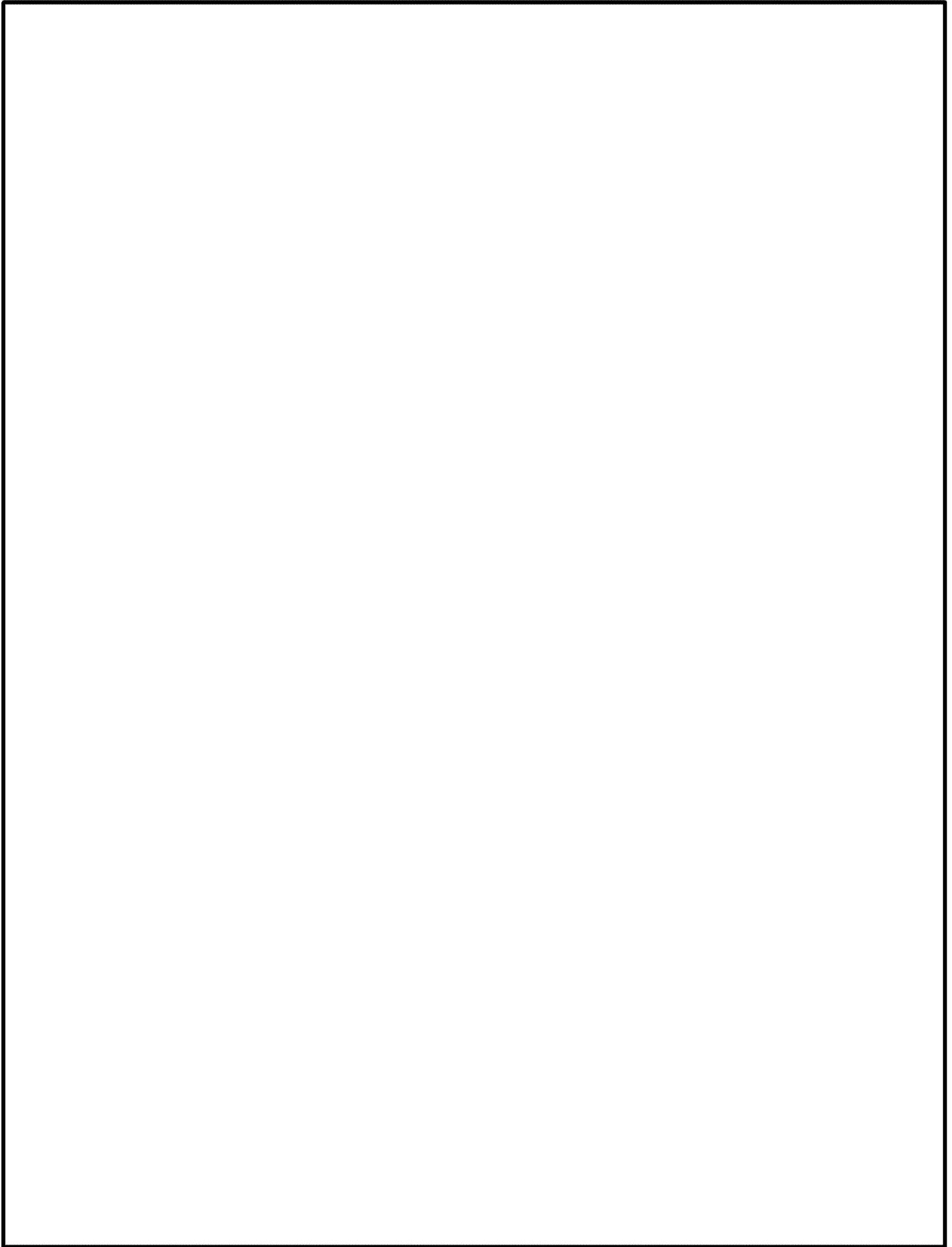






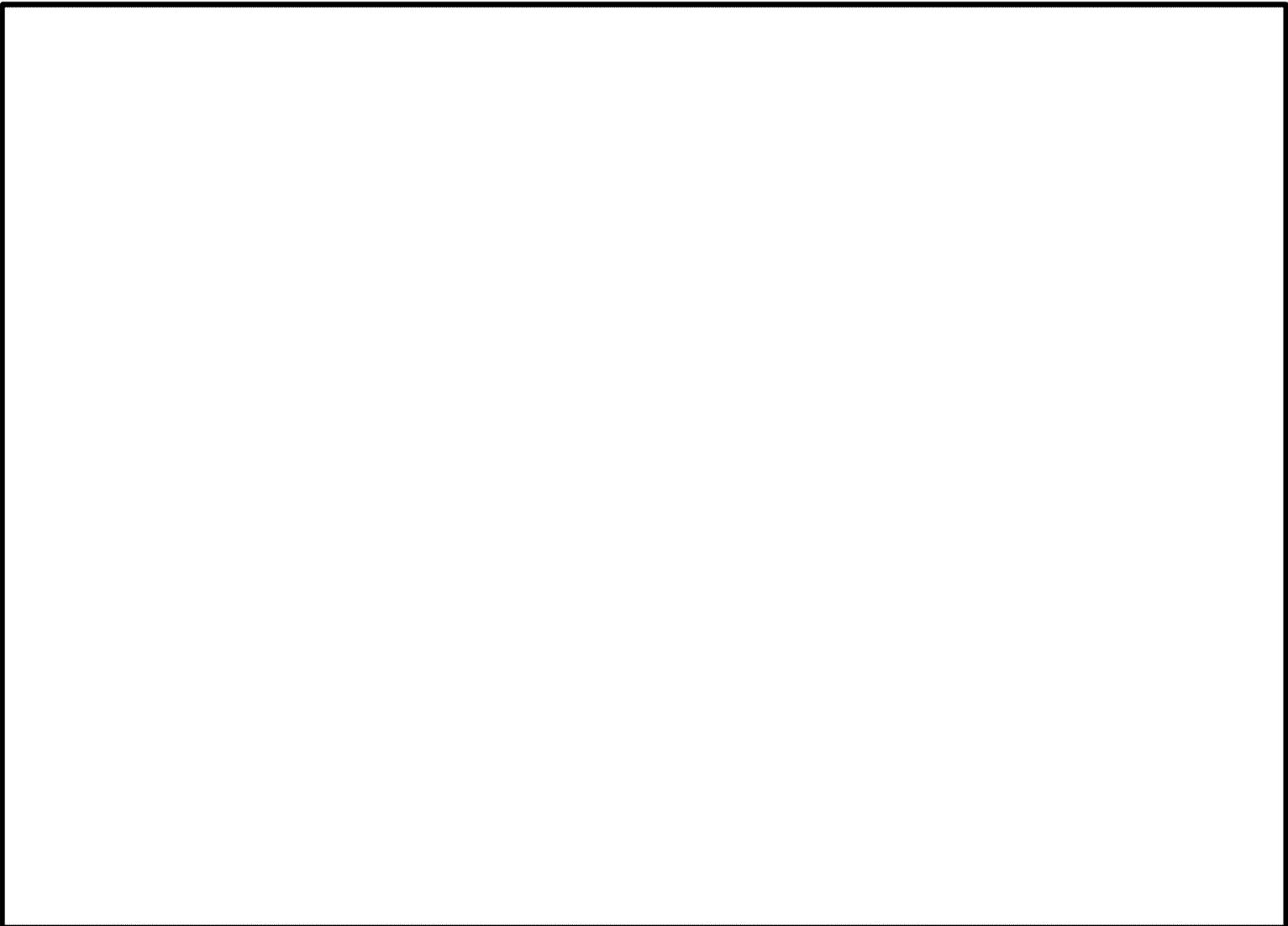


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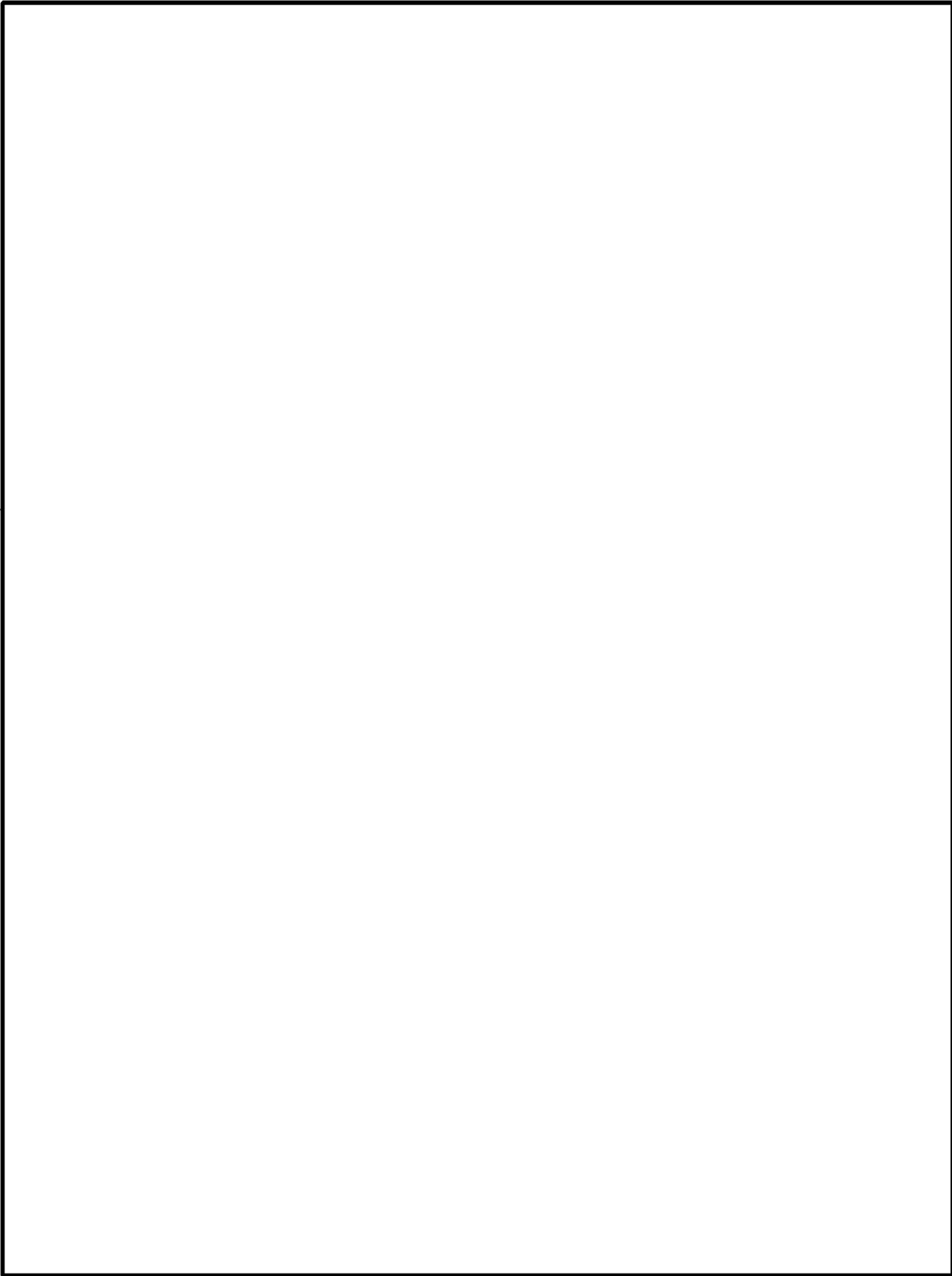


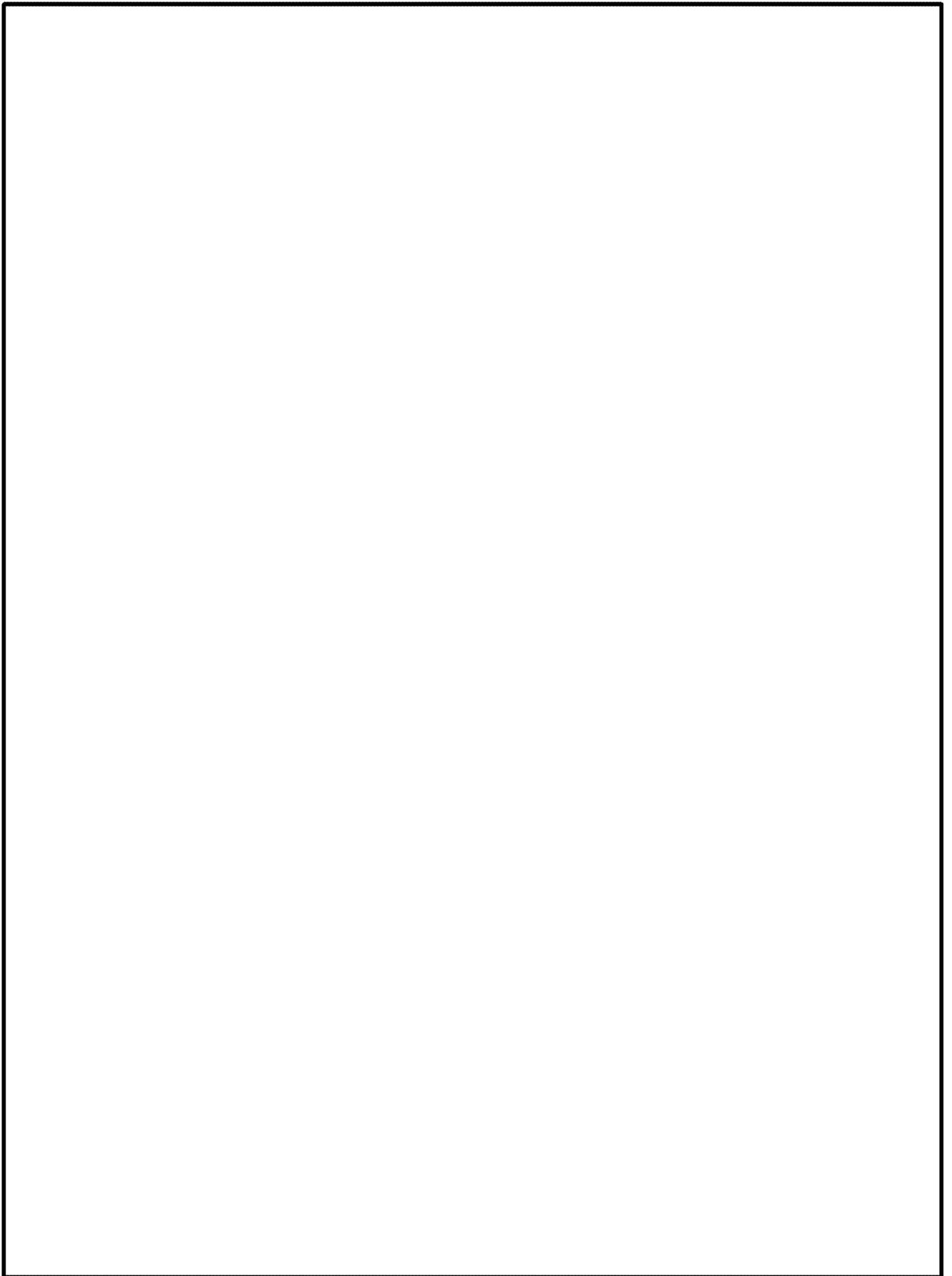


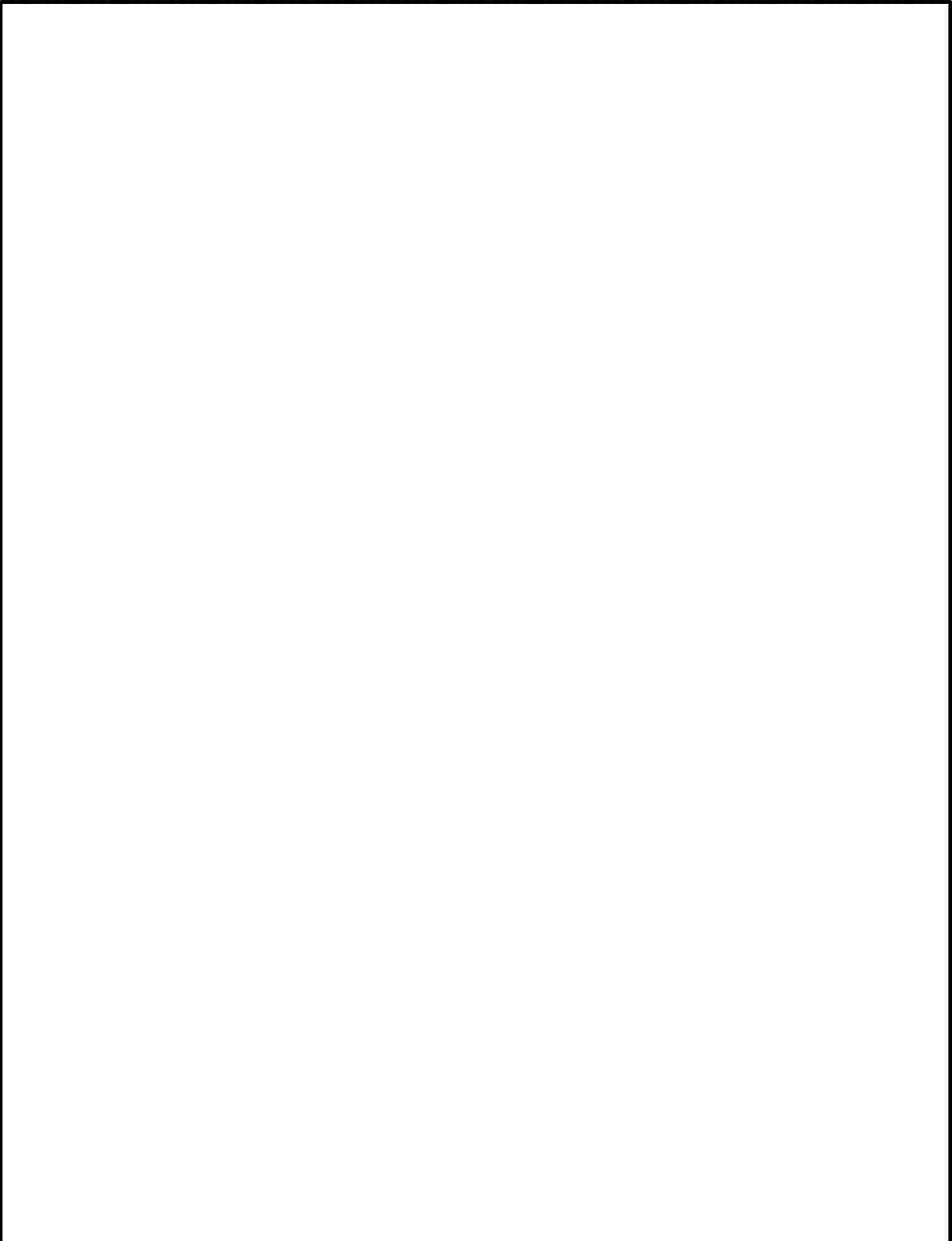
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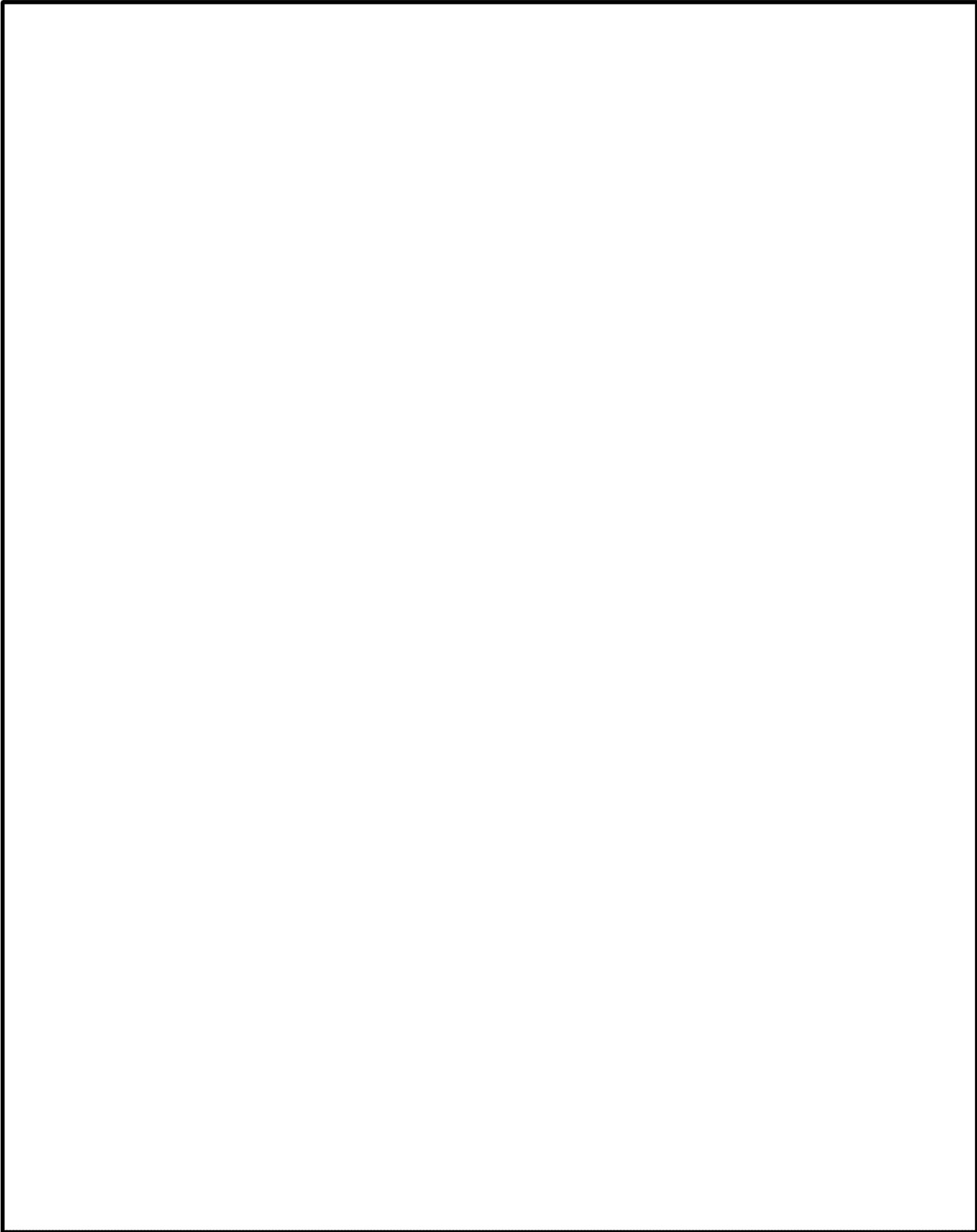






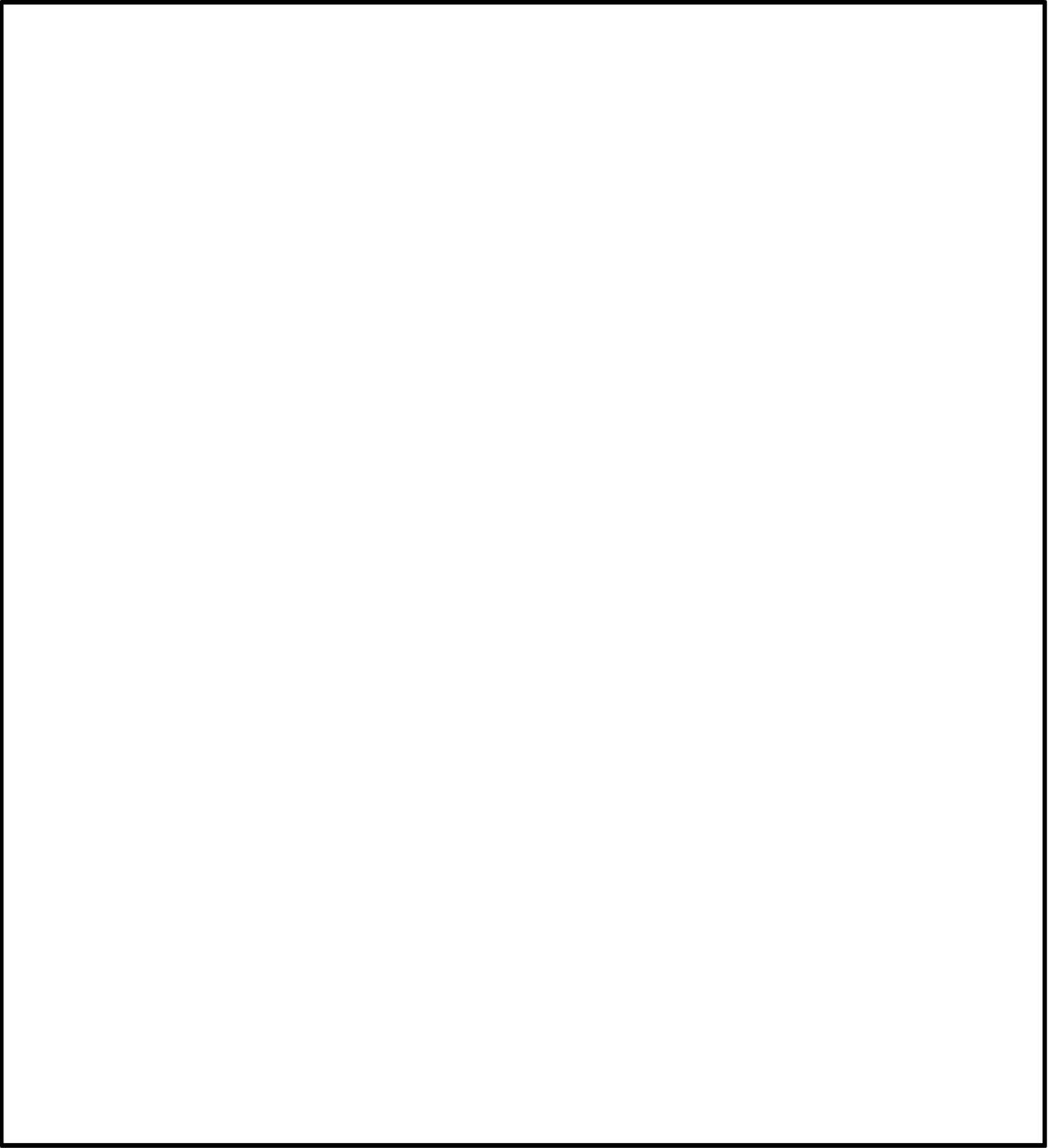


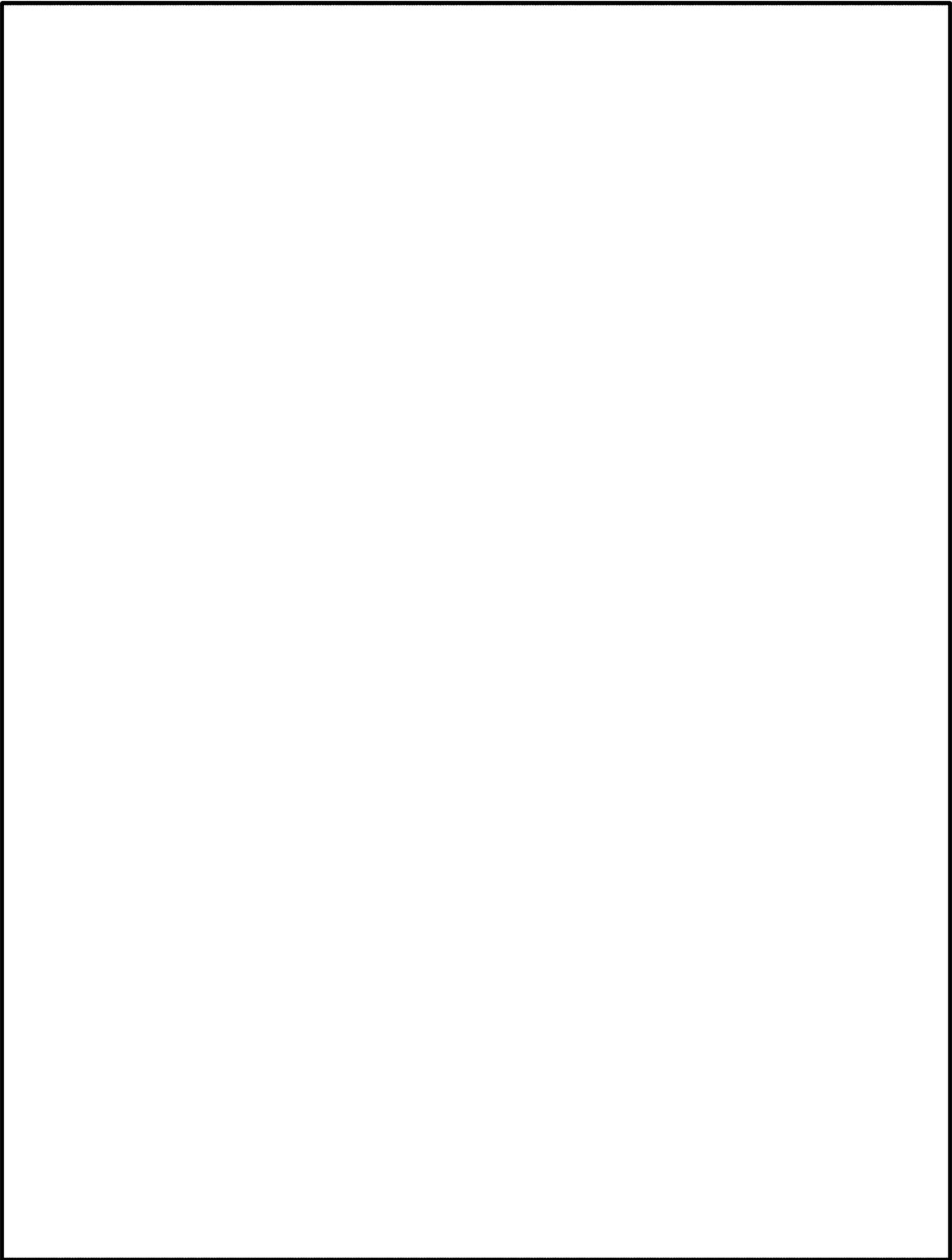






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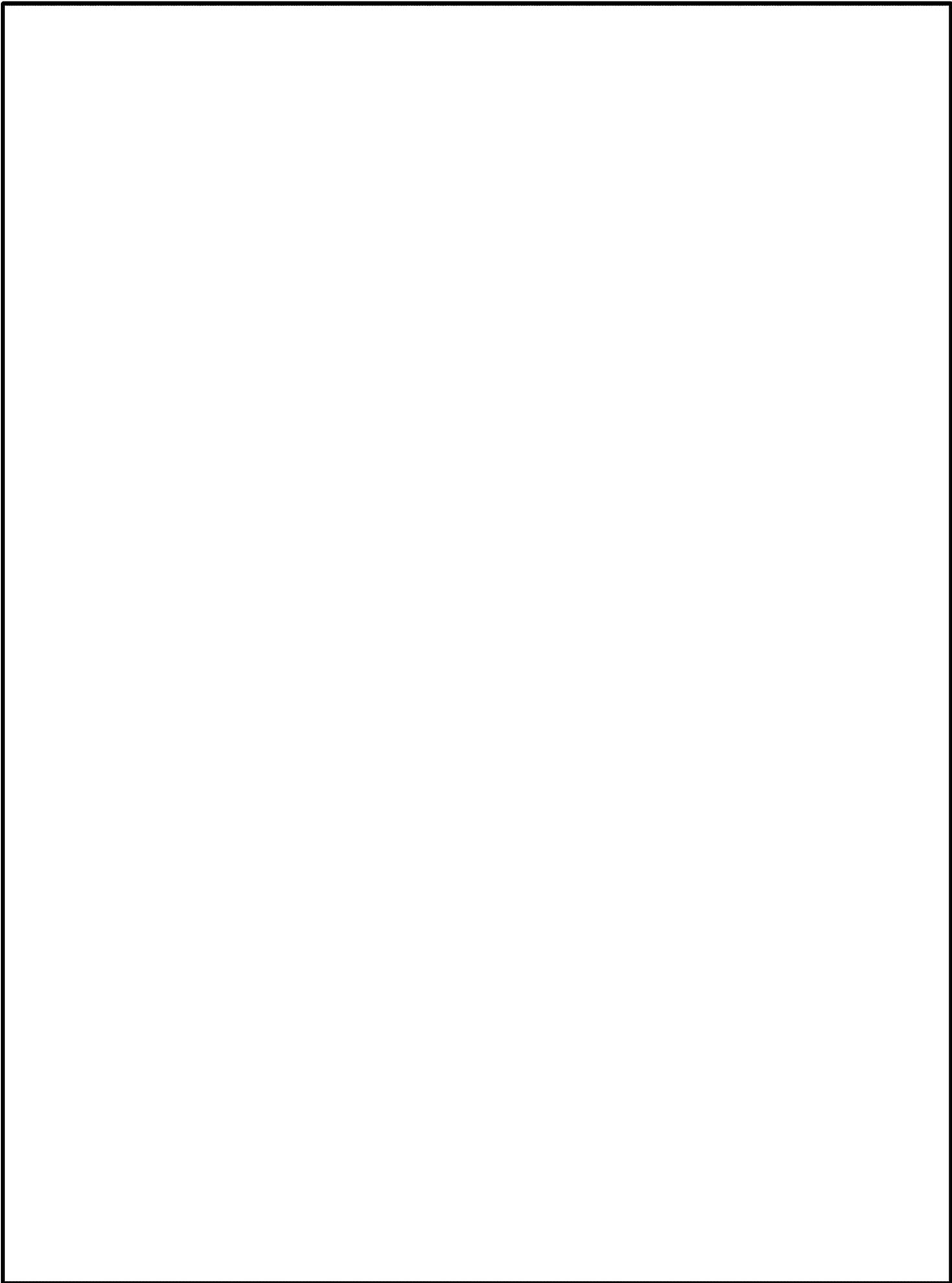


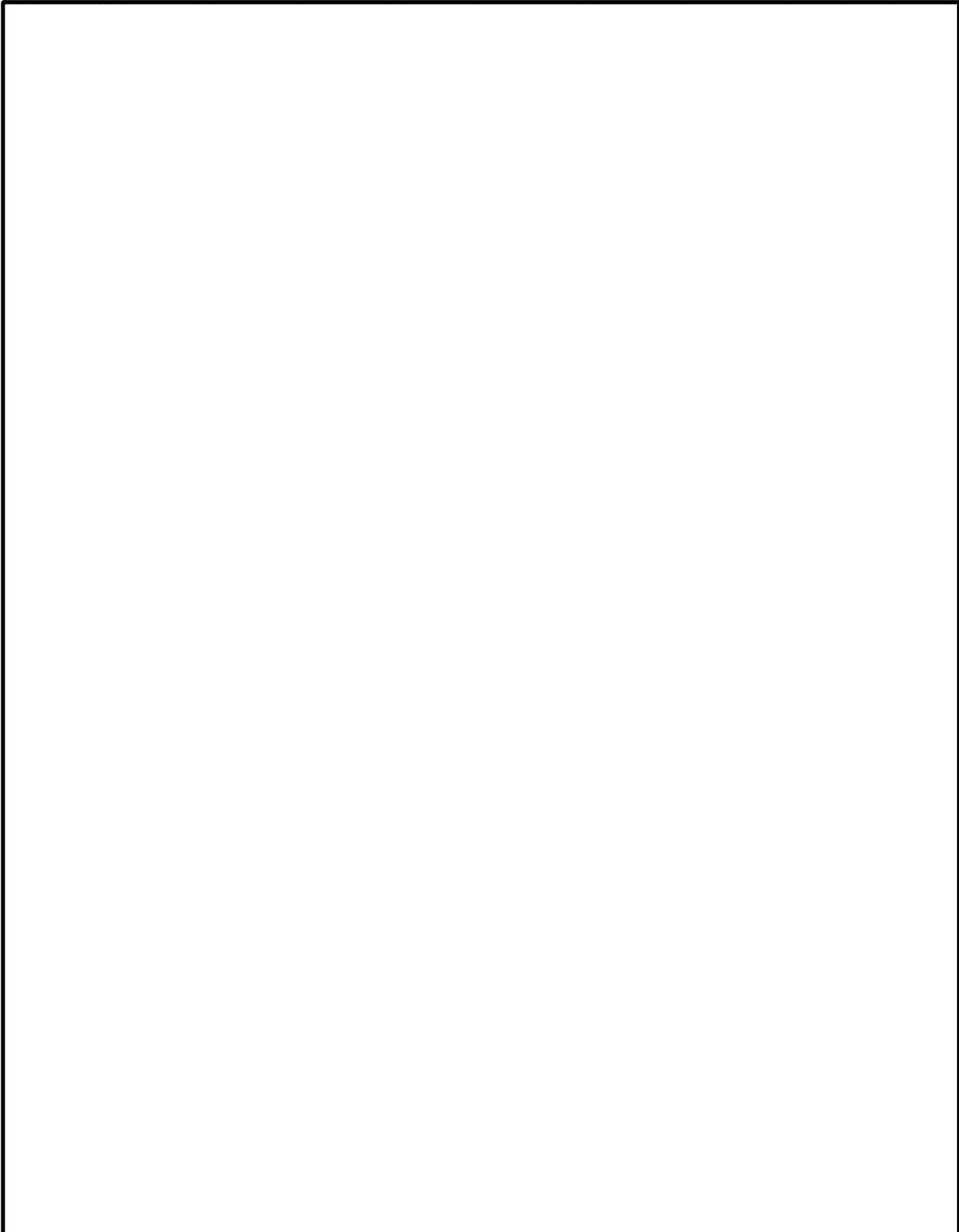


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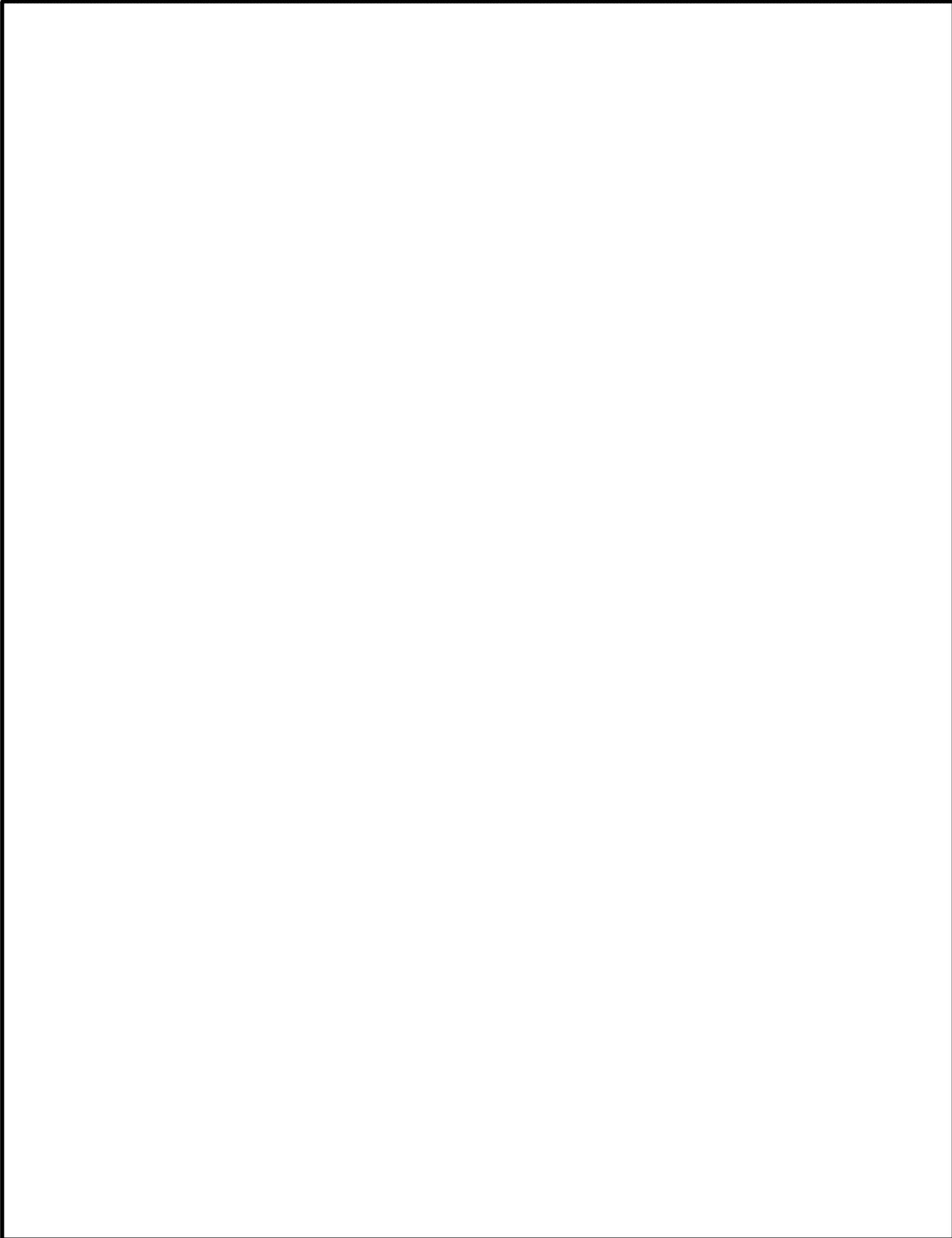


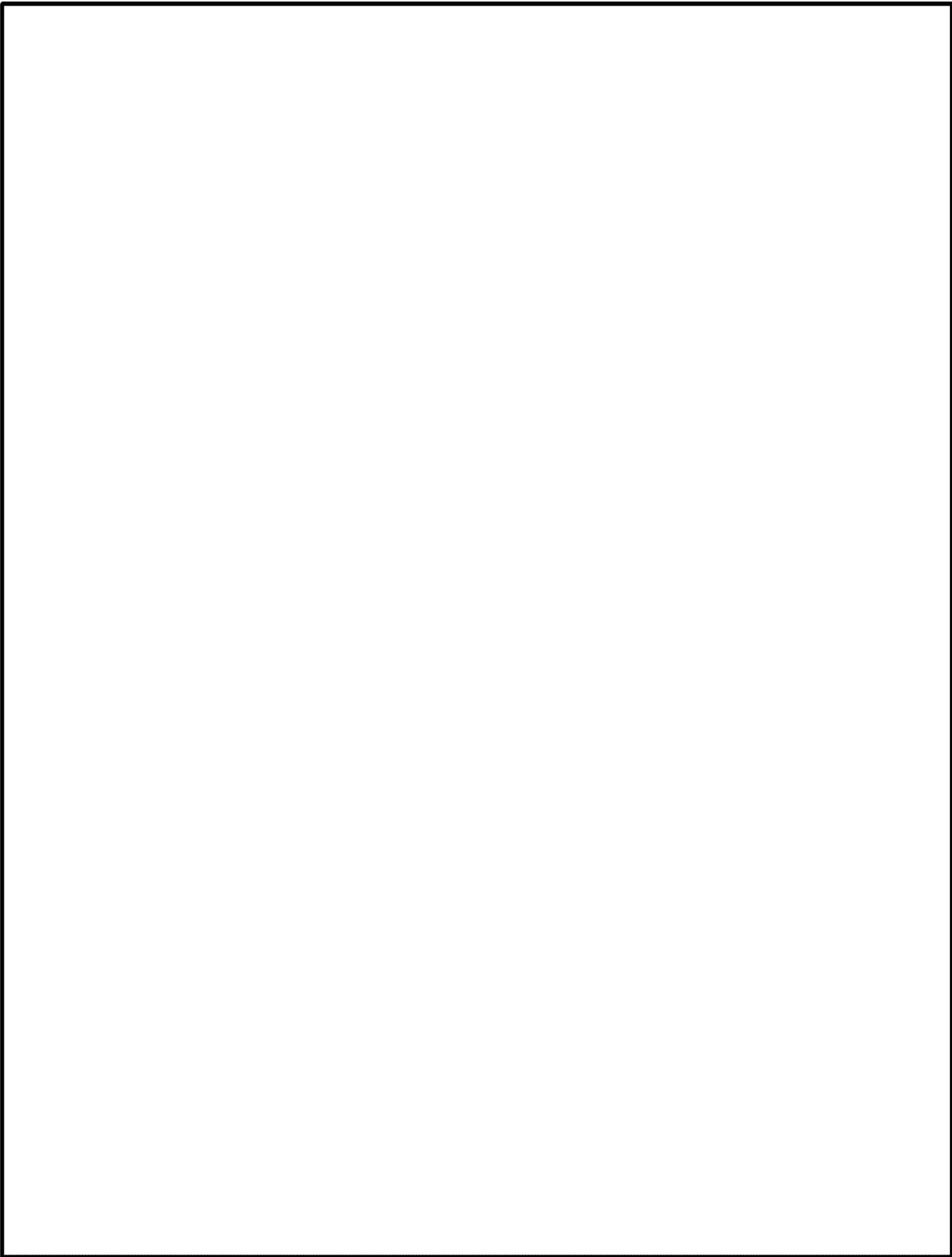


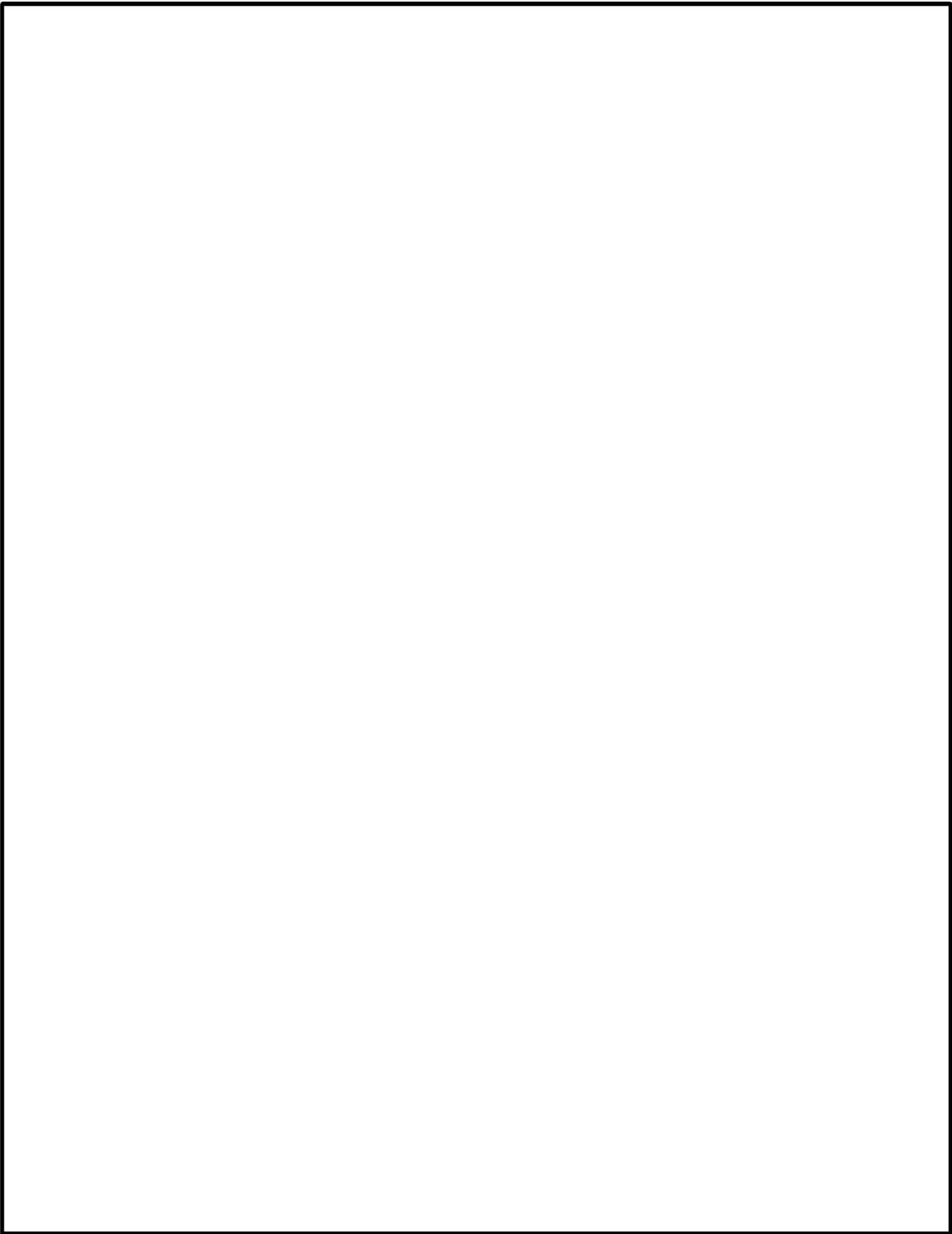




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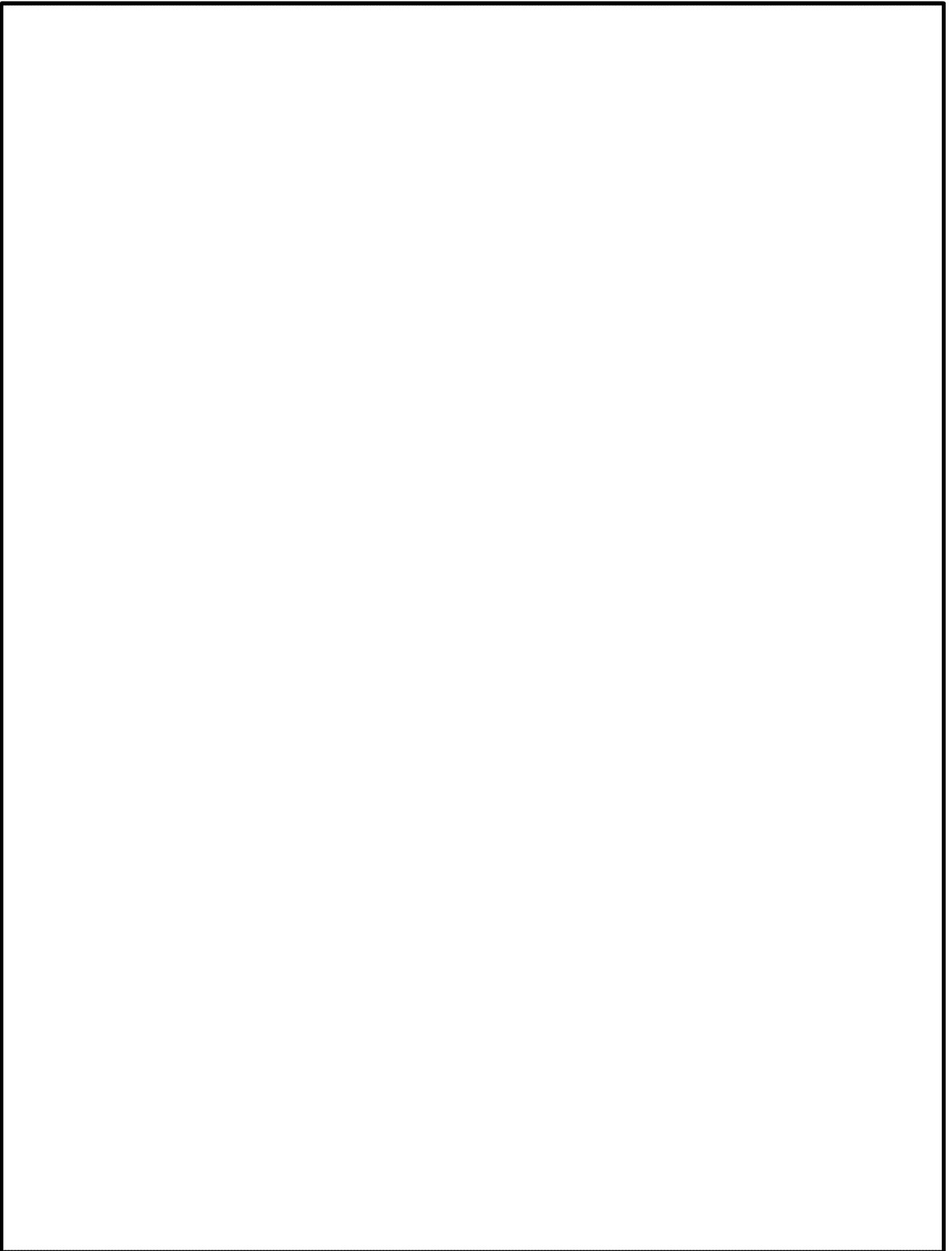






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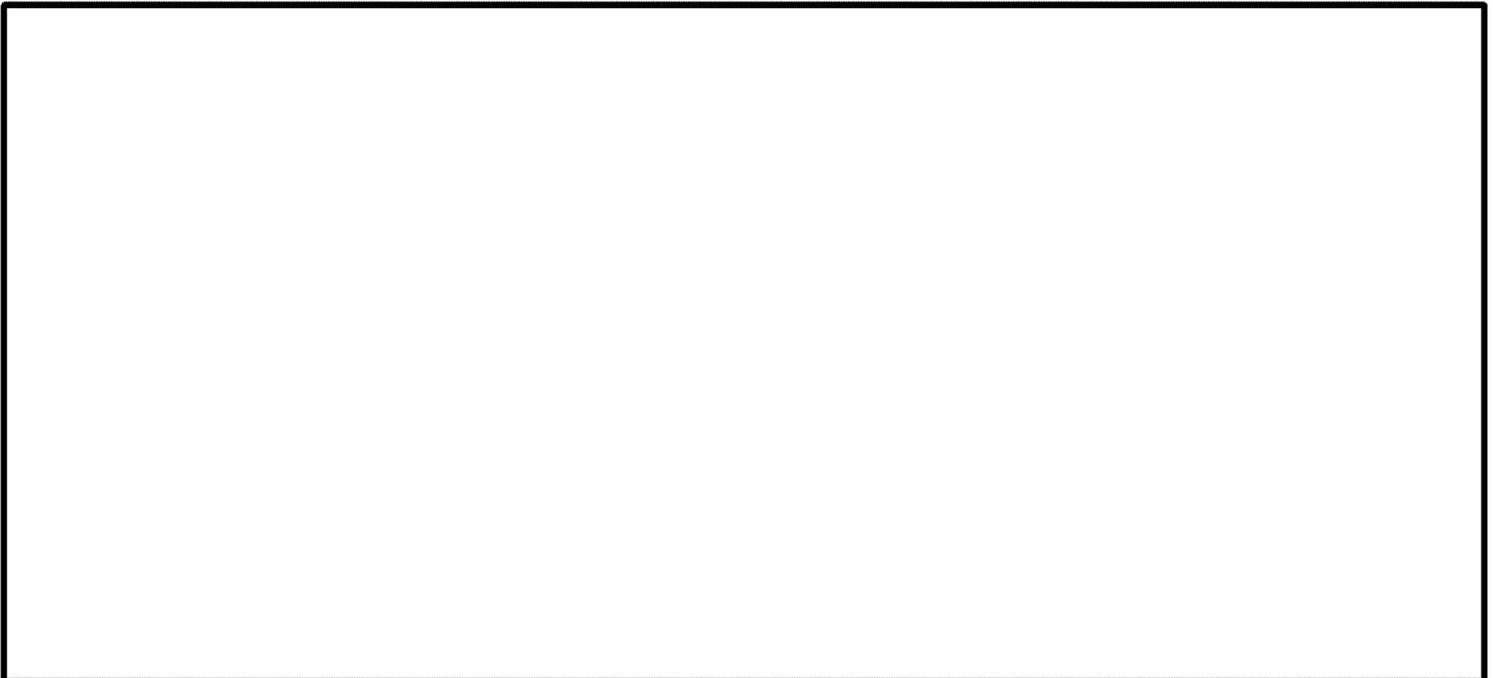




5.0 JOB CREATION



6.0 FINANCIAL PROJECTIONS



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2010 Top 100 Oil Producers

Company	Barrels of Oil	Company	Barrels of Oil
1 Encore Operating LP	5,452,349	51 H&R Energy, LLC	28,487
2 Enerplus Resources USA Corporation	3,767,268	52 Beartooth Oil & Gas Company	28,255
3 Continental Resources Inc	2,886,923	53 El Paso E&P Company, L.P.	26,460
4 XTO Energy Inc.	2,521,107	54 Shakespeare Oil Co Inc	25,258
5 Burlington Resources Oil & Gas Company LP	2,082,470	55 Wesco Operating, Inc.	25,253
6 SM Energy Company	830,902	56 Eagle Oil & Gas Co.	25,203
7 Petro-Hunt, LLC	592,577	57 Croft Petroleum Company	24,194
8 St. Mary Land & Exploration Company	577,421	58 Tyler Oil Company	21,997
9 EOG Resources, Inc.	543,996	59 Conell Oil Company DBS Coco	21,275
10 Encore Energy Partners Operating LLC	494,934	60 Porter Oil	20,824
11 TAQA North USA, Inc.	452,097	61 Blusbonnet Energy Corporation	20,578
12 Slocum Exploration Company Inc	447,842	62 McRae & Henry Ltd	19,820
13 Newfield Production Company	446,325	63 Wyoming Resources Corporation	19,178
14 Cibatton Oil & Gas Corp.	367,470	64 Provident Energy Assoc. Of Mt Lic	19,128
15 Whiting Oil and Gas Corporation	234,865	65 Missouri Basin Well Service, Inc.	18,967
16 MCR, LLC	209,325	66 Earthstone Energy, Inc.	18,842
17 Oasis Petroleum North America LLC	200,812	67 Hawley & Desimon	18,733
18 Gulcksilver Resources, Inc.	146,342	68 Benzco, Inc.	18,673
19 True Oil LLC	123,105	69 NFR Bear Paw Basin, LLC	18,233
20 Samont Oil Company, Inc.	109,854	70 Northern Oil Production, Inc.	18,210
21 Luff Exploration Company	95,002	71 Crusader Energy Group Inc.	17,926
22 Zenergy Operating Company, LLC	97,082	72 Kipling Energy Incorporated	17,471
23 Huls Oil and Gas Company, LLC	90,405	73 Anadarko Minerals, Inc.	17,448
24 Abraxas Petroleum Corporation	89,761	74 Beren Corporation	15,166
25 Nautika Poplar, LLC	89,062	75 Coolidge, G. B., Inc.	15,145
26 Summit Resources, Inc.	87,768	76 Energy Corporation of America	14,663
27 Kodiak Oil & Gas (USA) Inc.	81,914	77 Blackjack Oil, Inc.	14,632
28 Brigham Oil & Gas LP	80,990	78 Linn Operating Inc.	14,452
29 Prima Exploration, Inc.	78,679	79 Batin Energy, Inc.	13,018
30 Samson Resources Company	70,990	80 R & A Oil, Inc.	12,905
31 G3 Operating, LLC	68,895	81 BTA Oil Producers, LLC	12,707
32 Keeson Corporation	68,237	82 Enclave Operating, LLC	12,271
33 FX Drilling Company, Inc.	67,341	83 Basic Earth Science Systems, Inc.	11,997
34 Cimrex Canada, Ltd.	67,008	84 K2 America Corporation	11,813
35 Chaparral Energy, LLC	62,823	85 Reserve Energy Resources, LLC	11,664
36 Cine Production Company	61,669	86 Grand Resources, Ltd.	10,408
37 Tomahawk Oil Company, Inc.	58,385	87 Comanche Drilling Company	9,976
38 Armstrong Operating, Inc.	52,330	88 T.W.O. (Taylor Well Operating)	9,364
39 Cimrex Petroleum, Inc.	48,630	89 Moxum Energy Inc.	9,343
40 Mountain View Energy, Inc.	41,517	90 Tyler Rockies Exploration Ltd	9,306
41 Sinclair Oil & Gas Company	40,541	91 Hawkins, Robert S.	9,196
42 Baflo, Inc.	40,445	92 Sands Oil Company	9,102
43 SDOCO, LLC	39,243	93 Barnes, Ronald M. Or Margaret Ann	9,099
44 Coary Enterprises, Ltd.	38,463	94 Hoffman, James D.	9,000
45 Soap Creek Associates, Inc.	37,553	95 Big Snowy Resources LP	8,862
46 Nadel and Gussman Rockies, LLC	36,571	96 King-Sherwood Oil	8,460
47 Williston Industrial Supply Corporation	36,496	97 Missouri River Royalty Corporation	8,397
48 Genesis ST Operating LLC	34,929	98 Black Hawk Resources, LLC	7,682
49 Bayswater Exploration & Production, LLC	34,107	99 XOIL Inc.	7,282
50 Cardinal Oil, LLC	29,973	100 NorthWestern Corporation	7,224

APPENDIX B

2010 Top Oil And Gas Producing Fields

Oil Fields		Gas Fields	
Field	Barrels	Field	MCF
1 Elm Coulee	11,452,612	1 Cedar Creek	15,693,229
2 Penzel	1,576,305	2 Bowdoin	12,033,333
3 Lookout Butte, East, Unit	1,206,169	3 CX	8,717,200
4 Pine	1,050,496	4 Tiger Ridge	8,603,746
5 Lookout Butte	783,264	5 Sastooch Mountain	1,913,874
6 Cabin Creek	781,043	6 Cut Bank	1,697,577
7 Bell Creek	418,369	7 Whitewater	1,523,209
8 Elk Basin	349,836	8 Loring	1,471,767
9 Flat Lake	340,319	9 Battle Creek	1,412,831
10 Cut Bank	302,220	10 St. Joe Road	1,243,201
11 Kevin-Gunburst	291,450	11 Ashfield	1,229,330
12 Bainville, North	264,193	12 Red Rock	1,214,190
13 Elm Coulee, Northeast	246,589	13 Sherard, Area	1,161,919
14 Little Beaver	227,392	14 Bulwacker	1,073,928
15 Waterhole Creek	189,156	15 Dietz	937,271
16 Mon Dak, West	175,775	16 Loring, East	517,656
17 Pondera	161,419	17 Whitlash	433,483
18 Bowes	158,616	18 Kevin-Gunburst	444,000
19 Monarch	150,312	19 Prairie Dog	439,054
20 Gas City	149,429	20 Dry Creek	411,011
21 Windy Ridge	140,649	21 Old Shelby	390,123
22 Brush Lake	131,971	22 Rocky Boy Area	320,303
23 Divide	116,528	23 Keith, East	293,414
24 Little Beaver, East	114,241	24 Fresno	283,334
25 Sioux Pass, North	108,576	25 Pine Gas	267,601
26 Erld, North	98,705	26 Black Coulee	259,730
27 Dwyer	98,490	27 Amanda	253,686
28 Lucere	93,332	28 Bowes	227,657
29 Bainville	92,668	29 Toluca	223,598
30 Nohty	91,841	30 Big Coulee	220,778
31 Ridgetown	91,739	31 Badlands	209,919
32 Sioux Pass	91,634	32 Sherard	203,695
33 Sumatra	89,162	33 Leroy	207,474
34 Katy Lake, North	88,259	34 Coal Creek	183,912
35 Rabbit Hills	88,050	35 Swanson Creek	171,768
36 Lane	84,283	36 Big Rock	166,227
37 Glendive	82,316	37 Whitewater, East	159,315
38 Vot	75,409	38 Kevin Southwest	147,398
39 Red Bank	67,400	39 Utopia	140,031
40 Breed Creek	66,741	40 Miners Coulee	130,282
41 Fairview	66,472	41 Brown's Codies, East	116,950
42 Whitlash	65,994	42 Dunmore	116,331
43 Poplar, East	64,654	43 Lake French	114,730
44 Bloomfield, South	63,721	44 Cherry Patch, Southeast	112,794
45 Crane	61,421	45 O'Brien's Coulee	109,650
46 Poplar, Northwest	58,992	46 Arch Apex	101,090
47 Reagan	57,907	47 Lake Basin	98,935
48 Clear Lake	57,486	48 Willow Ridge, South	95,349
49 Palomino	56,906	49 Cherry Patch, Southwest	92,383
50 Anvil, North	54,731	50 Dry Creek (Shallow Gas)	85,019

9.5 Economic Impact Analysis Report

**Economic Impact of Drilling Oil Wells in Musselshell,
Petroleum, Rosebud, Treasure, Yellowstone and Garfield
Counties in Montana, as Part of USA Montana Energy
Regional Center, LLC**

Prepared for:

**USA Montana Energy Regional Center, LLC
27 N. 27th St., Suite 2101, Billings, MT 59101**

Prepared by:

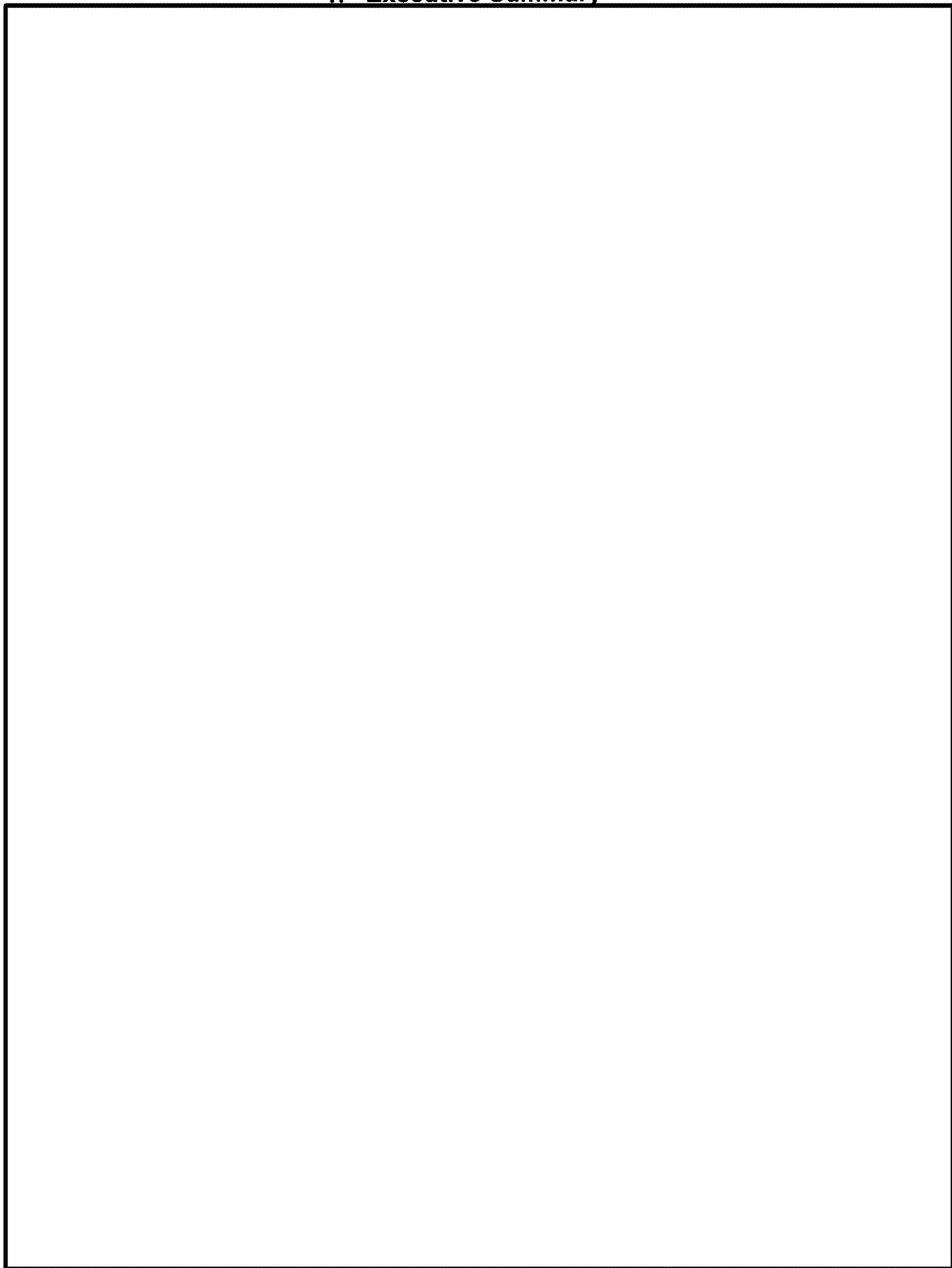
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November, 2011

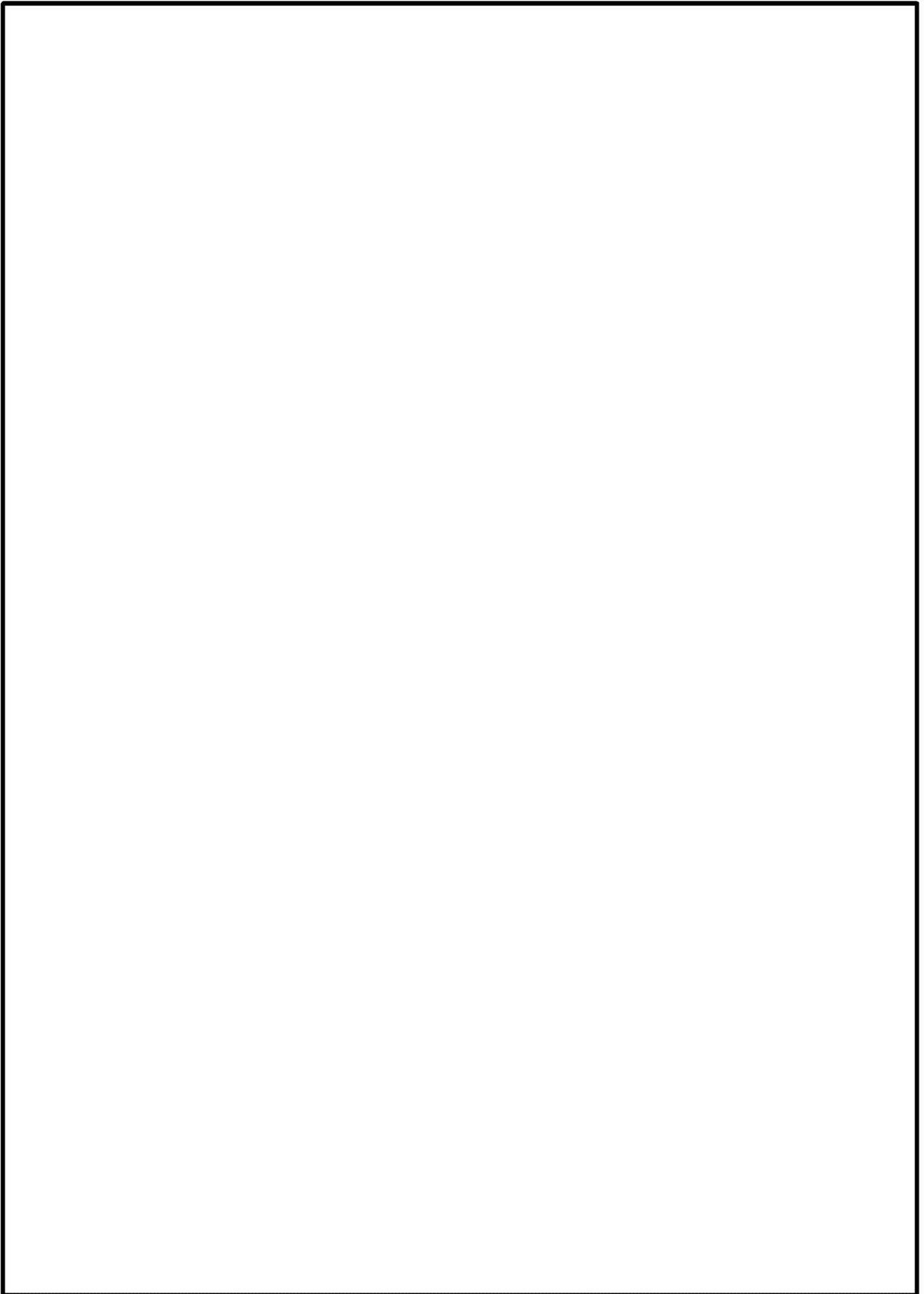
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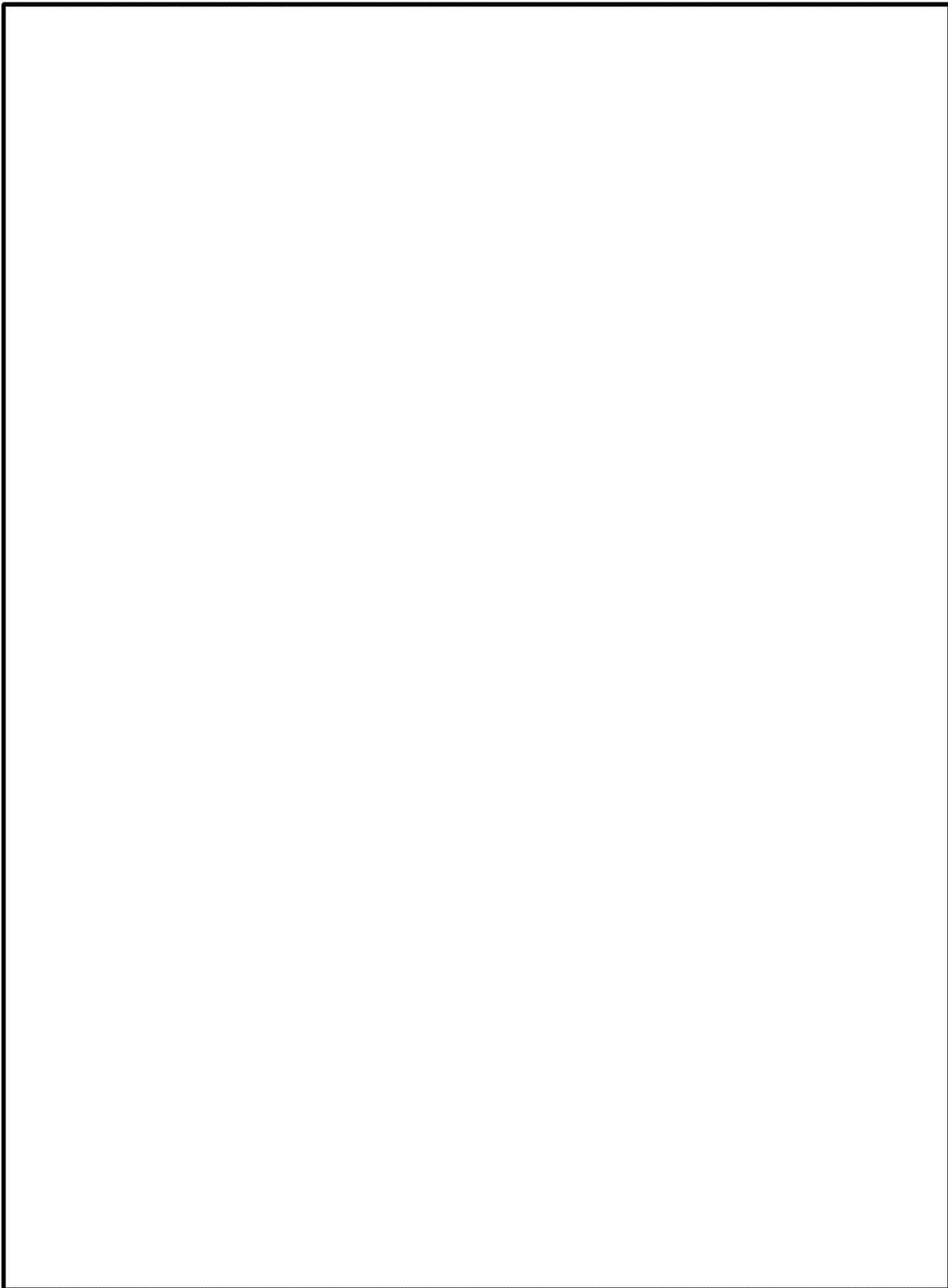
1. Executive Summary



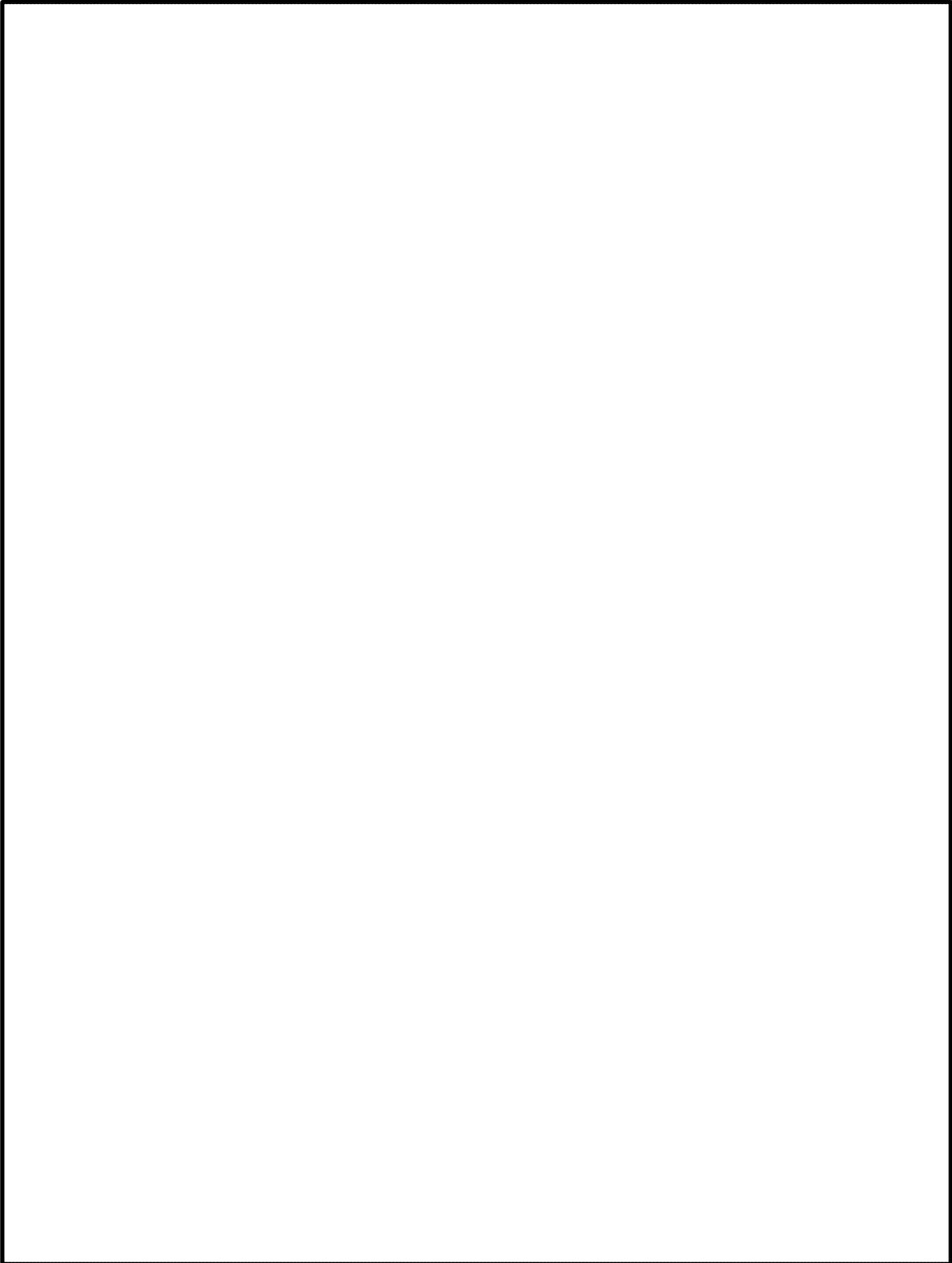
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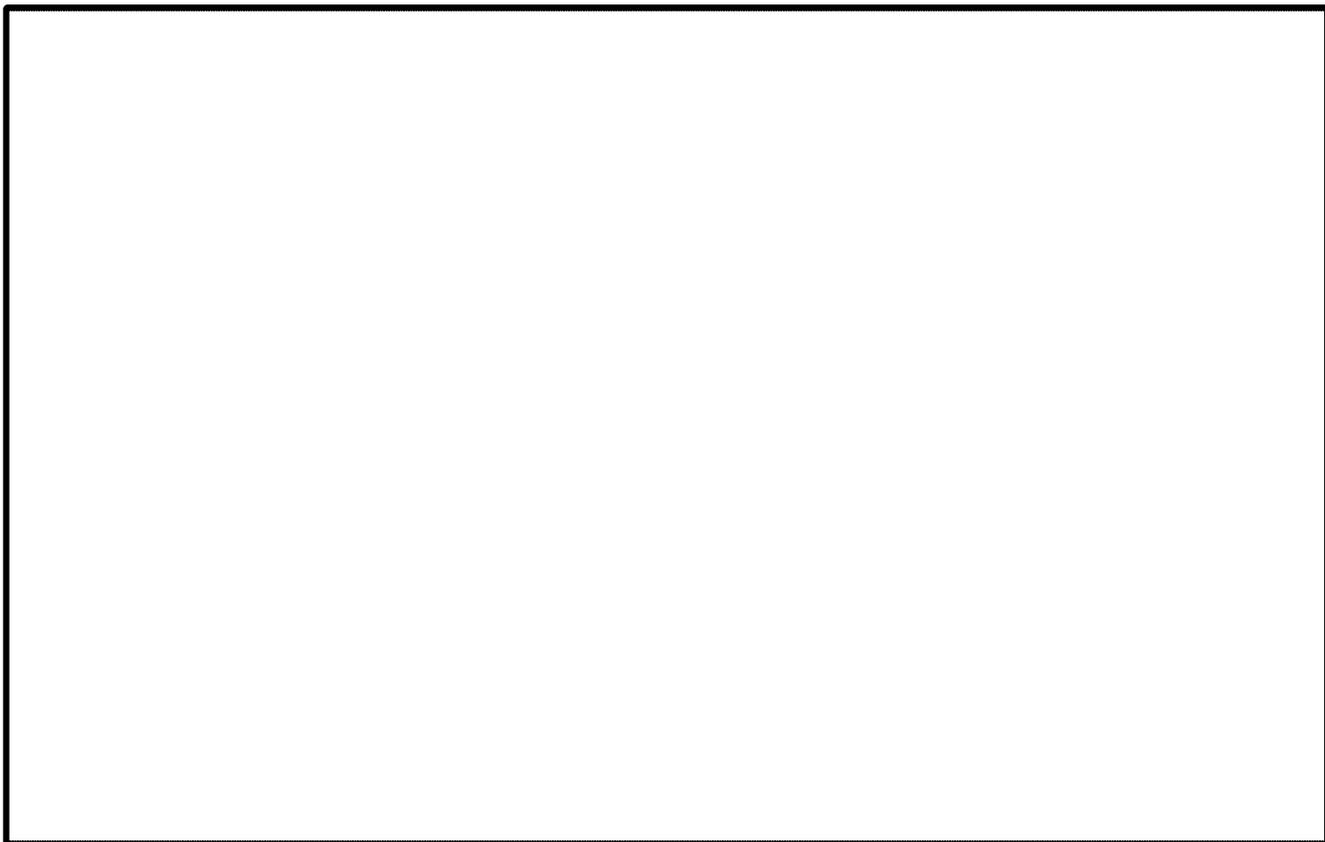
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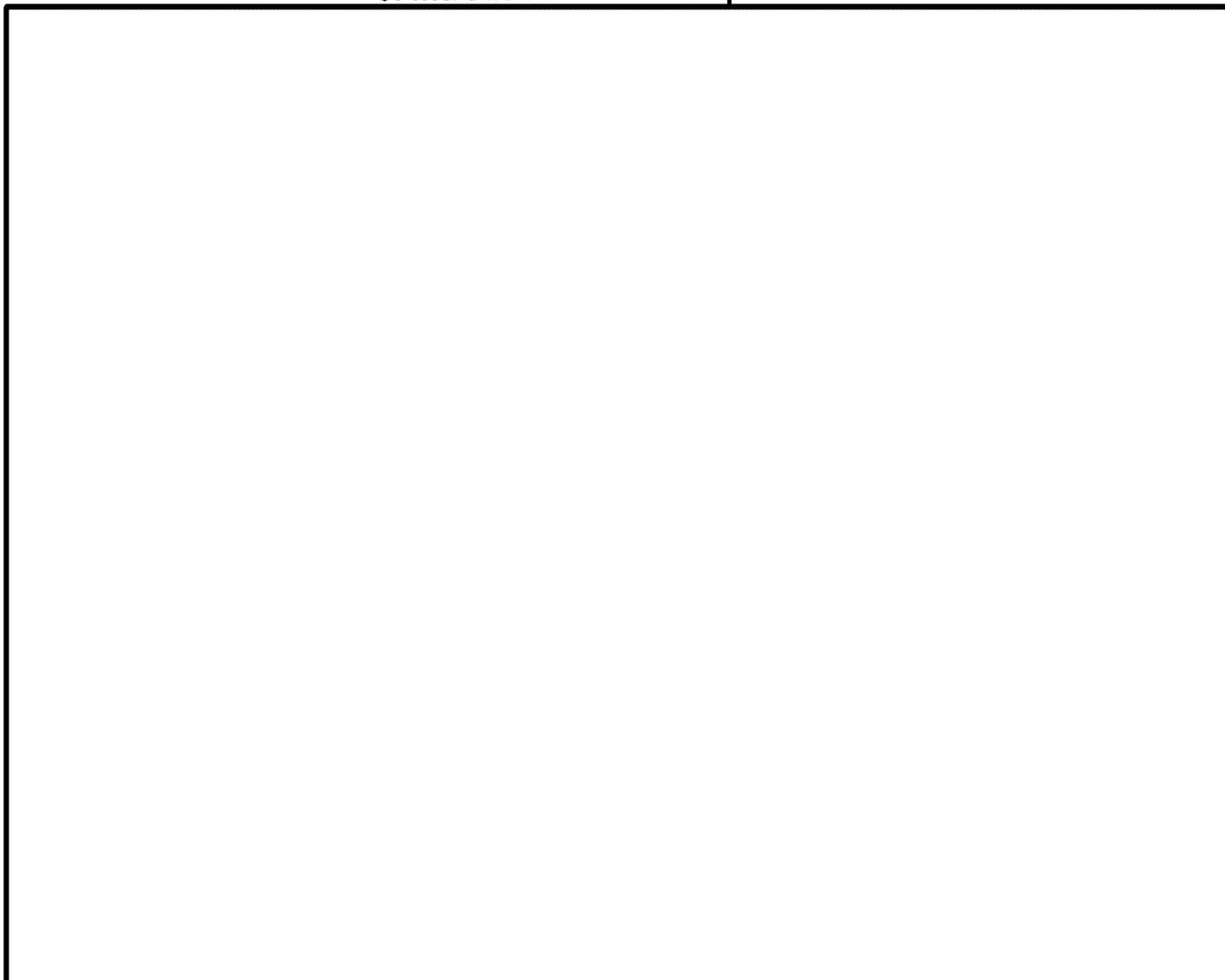
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3. Introduction and Scope of Work



4. Brief Guide to RIMS II Input/Output Model

The following material has been condensed from the RIMS II User Handbook.

Introduction and General Comments

Effective planning for public- and private-sector projects and programs at the State and local levels requires a systematic analysis of the economic impacts of these projects and programs on affected regions. In turn, systematic analysis of economic impacts must account for the inter-industry relationships within regions because these relationships largely determine how regional economies are likely to respond to project and program changes. Thus, regional input-output (I-O) multipliers, which account for inter-industry relationships within regions, are useful tools for conducting regional economic impact analysis.

In the 1970s, the Bureau of Economic Analysis (BEA) developed a method for estimating regional I-O multipliers known as RIMS (Regional Industrial Multiplier System), which was based on the work of Garnick and Drake. In the 1980s, BEA completed an enhancement of RIMS, known as RIMS II (Regional Input-Output Modeling System), and published a handbook for RIMS II users. In 1992, BEA published a second edition of the handbook in which the multipliers were based on more recent data and improved methodology. In 1997, BEA published a third edition of the handbook that provides more detail on the use of the multipliers and the data sources and methods for estimating them.

RIMS II is based on an accounting framework called an I-O table. For each industry, an I-O table shows the industrial distribution of inputs purchased and outputs sold. A typical I-O table in RIMS II is derived mainly from two data sources: BEA's national I-O table, which shows the input and output structure of nearly 500 U.S. industries, and BEA's regional economic accounts, which are used to adjust the national I-O table to show a region's industrial structure and trading patterns.

Using RIMS II for impact analysis has several advantages. RIMS II multipliers can be estimated for any region composed of one or more counties and for any industry, or group of industries, in the national I-O table. The accessibility of the main data sources for RIMS II keeps the cost of estimating regional multipliers relatively low. Empirical tests show that estimates based on relatively expensive surveys and RIMS II-based estimates are similar in magnitude.

BEA's RIMS multipliers can be a cost-effective way for analysts to estimate the economic impacts of changes in a regional economy. However, it is important to keep in mind that, like all economic impact models, RIMS provides approximate order-of-magnitude estimates of impacts. RIMS multipliers are best suited for estimating the impacts of small changes on a regional economy. For some applications, users may want to supplement RIMS estimates with information they gather from the region undergoing the potential change. To use the multipliers for impact analysis effectively,

users must provide geographically and industrially detailed information on the initial changes in output, earnings, or employment that are associated with the project or program under study. The multipliers can then be used to estimate the total impact of the project or program on regional output, earnings, and employment.

RIMS II is widely used in both the public and private sector. In the public sector, for example, the Department of Defense uses RIMS II to estimate the regional impacts of military base closings. State transportation departments use RIMS II to estimate the regional impacts of airport construction and expansion. In the private-sector, analysts and consultants use RIMS II to estimate the regional impacts of a variety of projects, such as the development of shopping malls and sports stadiums.

RIMS II Methodology

RIMS II uses BEA's benchmark and annual I-O tables for the nation. Since a particular region may not contain all the industries found at the national level, some direct input requirements cannot be supplied by that region's industries. Input requirements that are not produced in a study region are identified using BEA's regional economic accounts.

The RIMS II method for estimating regional I-O multipliers can be viewed as a three-step process. In the first step, the producer portion of the national I-O table is made region-specific by using six-digit NAICS location quotients (LQs). The LQs estimate the extent to which input requirements are supplied by firms within the region. RIMS II uses LQs based on two types of data: BEA's personal income data (by place of residence) are used to calculate LQs in the service industries; and BEA's wage-and-salary data (by place of work) are used to calculate LQs in the non-service industries.

In the second step, the household row and the household column from the national I-O table are made region-specific. The household row coefficients, which are derived from the value-added row of the national I-O table, are adjusted to reflect regional earnings leakages resulting from individuals working in the region but residing outside the region. The household column coefficients, which are based on the personal consumption expenditure column of the national I-O table, are adjusted to account for regional consumption leakages stemming from personal taxes and savings. In the last step, the Leontief inversion approach is used to estimate multipliers. This inversion approach produces output, earnings, and employment multipliers, which can be used to trace the impacts of changes in final demand on and indirectly affected industries.

Advantages of RIMS II

There are numerous advantages to using RIMS II. First, the accessibility of the main data sources makes it possible to estimate regional multipliers without conducting relatively expensive surveys. Second, the level of industrial detail used in RIMS II helps avoid aggregation errors, which often occur when industries are combined. Third, RIMS II multipliers can be compared across areas because they are based on a consistent set

of estimating procedures nationwide. Fourth, RIMS II multipliers are updated to reflect the most recent local-area wage-and-salary and personal income data.

Overview of Different Multipliers

RIMS II provides users with five types of multipliers: final demand multipliers for output, for earnings, and for employment; and direct-effect multipliers for earnings and for employment. These multipliers measure the economic impact of a change in final demand, in earnings, or in employment on a region's economy.

The final demand multipliers for output are the basic multipliers from which all other RIMS II multipliers are derived. In this table, each column entry indicates the change in output in each row industry that results from a \$1 change in final demand in the column industry. The impact on each row industry is calculated by multiplying the final demand change in the column industry by the multiplier for each row. The total impact on regional output is calculated by multiplying the final demand change in the column industry by the sum of all the multipliers for each row except the household row.

RIMS II provides two types of multipliers for estimating the impacts of changes on earnings: final demand multipliers and direct effect multipliers. These multipliers are derived from the table of final demand output multipliers.

The final demand multipliers for earnings can be used if data on final demand changes are available. In the final demand earnings multiplier table, each column entry indicates the change in earnings in each row industry that results from a \$1 change in final demand in the column industry. The impact on each row industry is calculated by multiplying the final demand change in the column industry by the multipliers for each row. The total impact on regional earnings is calculated by multiplying the final demand change in the column industry by the sum of the multipliers for each row.

Employment Multipliers

RIMS II provides two types of multipliers for estimating the impacts of changes on employment: final demand multipliers and direct effect multipliers. These multipliers are derived from the table of final demand output multipliers.

The final demand multipliers for employment can be used if the data on final demand changes are available. In the final demand employment multiplier table, each column entry indicates the change in employment in each row industry that results from a \$1 million change in final demand in the column industry. The impact on each row industry is calculated by multiplying the final demand change in the column industry by the multiplier for each row. The total impact on regional employment is calculated by multiplying the final demand change in the column industry by the sum of the multipliers for each row.

The direct effect multipliers for employment can be used if the data on the initial changes in employment by industry are available. In the direct effect employment multiplier table, each entry indicates the total change in employment in the region that results from a change of one job in the row industry. The total impact on regional employment is calculated by multiplying the initial change in employment in the row industry by the multiplier for the row.

Choosing a Multiplier

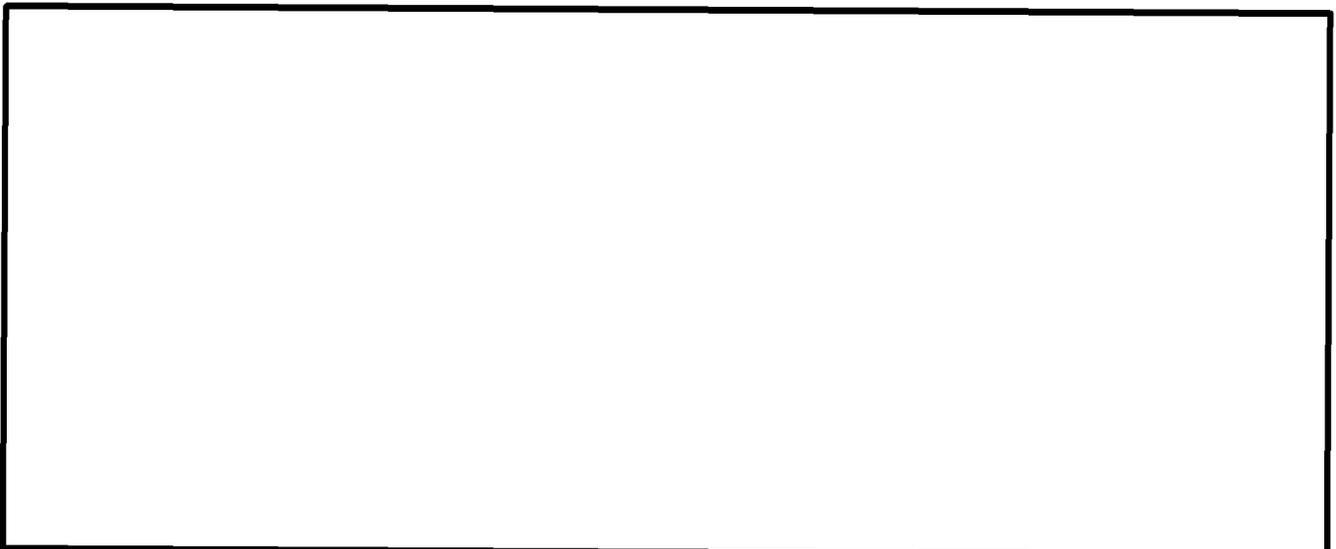
The choice of multiplier for estimating the impact of a project on output, earnings, and employment depends on the availability of estimates of the initial changes in final demand, earnings, and employment. If the estimates of the initial changes in all three measures are available, the RIMS II user can select any of the RIMS II multipliers. In theory, all the impact estimates should be consistent. If the available estimates are limited to initial changes in final demand, the user can select a final demand multiplier for impact estimation. If the available estimates are limited to initial changes in earnings or employment, the user can select a direct effect multiplier.

5. Methodology for Calculating Indirect Jobs

In spite of the explanation of the RIMS II model given directly above, some USCIS adjudicators have asked for further clarification about how that model is used to determine the increase in the number of indirect jobs. That is an important issue because the calculation of indirect jobs cannot be verified directly but depends on mathematical calculations.

The general concept is based on the coefficients in the input/output model itself (the same methodology applies to RIMS II, IMPLAN, or any other generally recognized and accepted input/output model). In any given year, the government calculates how much input is used for a given production of output. The detailed figures are taken from the Economic Censuses taken once every five years; the figures are then updated from various annual supplements.

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6. Economic Parameters for 6 Counties in Montana: Musselshell, Petroleum, Yellowstone, Rosebud, Garfield, and Treasure Counties

This section is organized as follows. Tables 6-1, 6-2, and 6-3 show the data for employment by major occupation and industrial classification, income distribution by deciles, mean and median household and family income, and poverty rates for Musselshell, Petroleum, Yellowstone, Rosebud, Garfield, and Treasure counties, and compare these figures to the U.S. totals or averages. Table 6-4 shows key labor market statistics over the past decade for the State of Montana, each of these counties, and the two county group totals. Tables 6-5 and 6-6 show the level and growth rate of population and personal income for these same areas.

Table 6-1. Key Economic Statistics for Musselshell and Petroleum Counties Compared to the U.S. Economy

Category	Mussel- shell	%	Petro- leum	%	U. S. 2005-09	%
EMPLOYMENT STATUS						
Population 16 years and over	3,652	100.0%	399	100.0%	235,871,704	100.0%
In labor force	2,050	56.1%	265	66.4%	153,407,584	65.0%
Civilian labor force	2,050	56.1%	265	66.4%	152,273,029	64.6%
Employed	1,960	53.7%	258	64.7%	141,303,145	59.9%
Armed Forces	0	0.0%	0	0.0%	1,134,555	0.5%
Not in labor force	1,602	43.9%	134	33.6%	82,464,120	35.0%
OCCUPATION						
Civilian employed population 16 +	1,960	100.0%	258	100.0%	141,303,145	100.0%
Management & professional	455	23.2%	117	45.3%	49,129,589	34.8%
Service occupations	315	16.1%	10	3.9%	23,859,762	16.9%
Sales and office occupations	408	20.8%	39	15.1%	36,203,679	25.6%
Farming, fishing, & forestry	61	3.1%	48	18.6%	993,902	0.7%
Construction, maintenance, repair	418	21.3%	21	8.1%	13,383,294	9.5%
Production & transportation	303	15.5%	23	8.9%	17,732,919	12.5%
INDUSTRY						
Civilian employed population 16 +	1,960	100.0%	258	100.0%	141,303,145	100.0%
Agriculture & mining	367	18.7%	127	49.2%	2,576,402	1.8%

Construction	293	14.9%	6	2.3%	10,520,876	7.4%
Manufacturing	124	6.3%	5	1.9%	15,887,145	11.2%
Wholesale trade	27	1.4%	0	0.0%	4,516,754	3.2%
Retail trade	292	14.9%	5	1.9%	16,277,681	11.5%
Transportation & utilities	205	10.5%	37	14.3%	7,173,048	5.1%
Information	2	0.1%	10	3.9%	3,450,324	2.4%
Finance, insurance & real estate	60	3.1%	0	0.0%	10,033,714	7.1%
Professional & administrative	36	1.8%	3	1.2%	14,540,450	10.3%
Educational services & health care	378	19.3%	41	15.9%	30,390,213	21.5%
Arts, entertain, hotel, food svcs	97	4.9%	10	3.9%	12,395,164	8.8%
Other private services	31	1.6%	6	2.3%	6,842,841	4.8%
Public administration	48	2.4%	8	3.1%	6,698,533	4.7%

INCOME AND BENEFITS

Total households	1,794	100.0%	220	100.0%	112,611,029	100.0%
Less than \$10,000	172	9.6%	17	7.7%	8,329,488	7.4%
\$10,000 to \$14,999	206	11.5%	9	4.1%	6,305,311	5.6%
\$15,000 to \$24,999	284	15.8%	31	14.1%	12,172,059	10.8%
\$25,000 to \$34,999	291	16.2%	40	18.2%	11,985,229	10.6%
\$35,000 to \$49,999	298	16.6%	46	20.9%	16,064,321	14.3%
\$50,000 to \$74,999	283	15.8%	52	23.6%	21,053,113	18.7%
\$75,000 to \$99,999	117	6.5%	9	4.1%	13,853,787	12.3%
\$100,000 to \$149,999	90	5.0%	7	3.2%	13,578,721	12.1%
\$150,000 to \$199,999	33	1.8%	5	2.3%	4,724,616	4.2%
\$200,000 or more	20	1.1%	4	1.8%	4,544,384	4.0%
Median household income (dollars)	33,000	64.2%	38,833	75.5%	51,425	
Mean household income (dollars)	44,222	63.1%	47,455	67.7%	70,096	

Families	1,315	100.0%	122	100.0%	75,082,471	100.0%
Less than \$10,000	41	3.1%	0	0.0%	3,393,200	4.5%
\$10,000 to \$14,999	114	8.7%	0	0.0%	2,479,747	3.3%
\$15,000 to \$24,999	164	12.5%	18	14.8%	6,274,623	8.4%
\$25,000 to \$34,999	218	16.6%	18	14.8%	7,046,604	9.4%
\$35,000 to \$49,999	272	20.7%	18	14.8%	10,374,067	13.8%
\$50,000 to \$74,999	261	19.8%	48	39.3%	15,181,992	20.2%
\$75,000 to \$99,999	110	8.4%	9	7.4%	10,997,786	14.6%
\$100,000 to \$149,999	84	6.4%	7	5.7%	11,350,903	15.1%
\$150,000 to \$199,999	31	2.4%	0	0.0%	4,060,380	5.4%
\$200,000 or more	20	1.5%	4	3.3%	3,923,169	5.2%
Median family income (dollars)	40,959	65.7%	51,346	82.3%	62,363	
Mean family income (dollars)	52,310	64.2%	57,062	70.0%	81,537	
Per capita income (dollars)	19,164	70.9%	22,168	82.0%	27,041	

Median earnings for workers	20,678	71.2%	25,338	87.2%	29,050
Median earnings for male full-time	37,366	82.4%	26,346	58.1%	45,363
Median earnings for female full-time	22,111	62.8%	26,818	76.2%	35,207

PERCENTAGE BELOW POVERTY
LEVEL

All families	12.80%	129.3%	6.60%	66.7%	9.90%
All people	17.80%	131.9%	14.60%	108.1%	13.50%

Please note that in these tables, the percentage figures in black refer to the overall category in that column, while the figures in red refer to the U.S. average figures

Both Musselshell and Petroleum counties are both very sparsely populated areas that are largely farming and mining counties. The data are based on 2005-09 averages because of the small number of people, but even these figures may be subject to relatively wide sampling areas. The median and mean income for Musselshell County is about 2/3 of the national average, while for Petroleum County the figure is about 3/4 of the average. The poverty rate in Musselshell County is well above average; for Petroleum County the rate is below average for all families but slightly above average for all people.

Table 6-2. Key Economic Statistics for Yellowstone County Compared to Montana and the U. S. Economy

Category	Billings	%	Montana	%	U.S. 2009	%
EMPLOYMENT STATUS						
Population 16 years and over	113,061	100.0%	780,092	100.0%	241,002,178	100.0%
In labor force	79,769	70.6%	508,058	65.1%	157,334,979	65.3%
Civilian labor force	79,769	70.6%	503,837	64.6%	156,044,453	64.7%
Employed	74,327	65.7%	463,880	59.5%	140,602,470	58.3%
Armed Forces	0	0.0%	4,221	0.5%	1,290,526	0.5%
Not in labor force	33,292	29.4%	272,034	34.9%	83,667,199	34.7%
OCCUPATION						
Civilian employed population 16 +	74,327	100.0%	463,880	100.0%	140,602,470	100.0%
Management & professional	25,063	33.7%	157,412	33.9%	50,179,987	35.7%
Service occupations	11,929	16.0%	90,414	19.5%	25,066,647	17.8%
Sales and office occupations	19,207	25.8%	113,750	24.5%	35,425,756	25.2%
Farming, fishing, & forestry	440	0.6%	8,636	1.9%	988,070	0.7%
Construction, maintenance, repair	8,540	11.5%	47,508	10.2%	12,273,897	8.7%
Production & transportation	9,148	12.3%	46,160	10.0%	16,668,113	11.9%
INDUSTRY						
Civilian employed population 16 +	74,327	100.0%	463,880	100.0%	140,602,470	100.0%

Agriculture & mining	2,628	3.5%	31,817	6.9%	2,561,033	1.8%
Construction	6,028	8.1%	33,108	7.1%	9,503,594	6.8%
Manufacturing	4,584	6.2%	23,743	5.1%	14,754,973	10.5%
Wholesale trade	3,098	4.2%	12,347	2.7%	4,103,620	2.9%
Retail trade	10,004	13.5%	56,068	12.1%	16,250,921	11.6%
Transportation & utilities	3,585	4.8%	23,410	5.0%	7,040,174	5.0%
Information	1,301	1.8%	9,601	2.1%	3,213,793	2.3%
Finance, insurance & real estate	5,931	8.0%	25,834	5.6%	9,657,009	6.9%
Professional & administrative	6,963	9.4%	40,130	8.7%	14,929,815	10.6%
Educational services & health care	15,459	20.8%	103,321	22.3%	31,924,265	22.7%
Arts, entertain, hotel, food svcs	8,391	11.3%	55,778	12.0%	12,877,546	9.2%
Other private services	3,811	5.1%	21,685	4.7%	6,984,373	5.0%
Public administration	2,544	3.4%	27,038	5.8%	6,801,354	4.8%

INCOME AND BENEFITS

Total households	57,523	100.0%	375,287	100.0%	113,616,229	100.0%
Less than \$10,000	2,429	4.2%	31,623	8.4%	8,806,058	7.8%
\$10,000 to \$14,999	3,825	6.6%	24,128	6.4%	6,487,937	5.7%
\$15,000 to \$24,999	7,833	13.6%	52,660	14.0%	12,772,231	11.2%
\$25,000 to \$34,999	6,699	11.6%	45,412	12.1%	12,133,527	10.7%
\$35,000 to \$49,999	9,491	16.5%	62,467	16.6%	16,376,340	14.4%
\$50,000 to \$74,999	11,366	19.8%	70,937	18.9%	20,840,835	18.3%
\$75,000 to \$99,999	7,223	12.6%	43,811	11.7%	13,686,950	12.0%
\$100,000 to \$149,999	5,810	10.1%	30,516	8.1%	13,332,224	11.7%
\$150,000 to \$199,999	1,551	2.7%	7,403	2.0%	4,712,459	4.1%
\$200,000 or more	1,296	2.3%	6,330	1.7%	4,467,668	3.9%
Median household income (dollars)	47,233	94.1%	42,322	84.3%	50,221	
Mean household income (dollars)	59,885	86.9%	54,472	79.0%	68,914	
Families	36,872	100.0%	235,940	100.0%	75,530,746	100.0%
Less than \$10,000	1,318	3.6%	12,248	5.2%	3,676,485	4.9%
\$10,000 to \$14,999	858	2.3%	7,022	3.0%	2,640,878	3.5%
\$15,000 to \$24,999	3,312	9.0%	23,814	10.1%	6,604,662	8.7%
\$25,000 to \$34,999	3,588	9.7%	24,581	10.4%	7,164,166	9.5%
\$35,000 to \$49,999	5,374	14.6%	38,025	16.1%	10,543,895	14.0%
\$50,000 to \$74,999	8,432	22.9%	52,789	22.4%	14,987,597	19.8%
\$75,000 to \$99,999	6,395	17.3%	38,183	16.2%	10,851,609	14.4%
\$100,000 to \$149,999	4,801	13.0%	26,778	11.3%	11,161,136	14.8%
\$150,000 to \$199,999	1,581	4.3%	6,954	2.9%	4,041,141	5.4%
\$200,000 or more	1,213	3.3%	5,546	2.4%	3,859,177	5.1%
Median family income (dollars)	60,733	99.4%	55,010	90.1%	61,082	
Mean family income (dollars)	72,623	90.6%	65,947	82.3%	80,155	
Per capita income (dollars)	24,646	93.3%	22,371	84.7%	26,409	

Median earnings for workers	26,534	93.5%	22,113	78.0%	28,365
Median earnings for male full-time	43,605	95.9%	39,830	87.6%	45,485
Median earnings for female full-time	29,928	84.2%	28,461	80.1%	35,549

PERCENTAGE BELOW POVERTY
LEVEL

All families	8.30%	79.0%	9.90%	94.3%	10.50%
All people	11.40%	79.7%	15.10%	105.6%	14.30%

Yellowstone County includes the city of Billings, the largest city in Montana, and in fact the largest city in an area bordered by Minneapolis, Minnesota to the east and Seattle, Washington to the west Calgary, Alberta (Canada) to the north and Denver, Colorado to the south. The city serves as the major hub of agricultural and mining services for Eastern Montana, but these are mainly service jobs; the proportion of workers in these two sectors, while larger than the 1.8% national average figure, is still only a modest 3.5%. It also has 13.5% of the workforce in retail trade, compared to 11.6% nationally, because Montana has no sales tax, and hence attracts shoppers from nearby areas of Wyoming, North Dakota, and South Dakota. However, it has only a small manufacturing base, employing 6.2% of the workforce, compared to 10.5% nationally.

In spite of being the "economic capitol" of the state, there are relatively few rich people living here, so the mean and median household and family income are all below the national average. However, there are also relatively few poor people in the city, so the poverty rates are less than 80% of the national average.

Table 6-3. Key Economic Statistics for Rosebud, Garfield, and Treasure Counties Compared to the U. S. Economy for Years 2005-2009

Category	Rosebud	%	Garfield	%	Treasure	%
EMPLOYMENT STATUS						
Population 16 years and over	6,529	100.0%	927	100.0%	692	100.0%
In labor force	4,232	64.8%	643	69.4%	433	62.6%
Civilian labor force	4,232	64.8%	643	69.4%	433	62.6%
Employed	3,839	58.8%	631	68.1%	423	61.1%
Armed Forces	0	0.0%	0	0.0%	0	0.0%
Not in labor force	2,297	35.2%	284	30.6%	259	37.4%
OCCUPATION						
Civilian employed population 16 +	3,839	100.0%	631	100.0%	423	100.0%
Management & professional	1,152	30.0%	223	35.3%	151	35.7%

Service occupations	776	20.2%	131	20.8%	46	10.9%
Sales and office occupations	710	18.5%	111	17.6%	63	14.9%
Farming, fishing, & forestry	128	3.3%	76	12.0%	57	13.5%
Construction, maintenance, repair	629	16.4%	54	8.6%	70	16.5%
Production & transportation	444	11.6%	36	5.7%	36	8.5%

INDUSTRY

Civilian employed population 16 +	3,839	100.0%	631	100.0%	423	100.0%
Agriculture & mining	754	19.6%	241	38.2%	158	37.4%
Construction	203	5.3%	36	5.7%	53	12.5%
Manufacturing	11	0.3%	12	1.9%	0	0.0%
Wholesale trade	27	0.7%	0	0.0%	17	4.0%
Retail trade	401	10.4%	69	10.9%	15	3.5%
Transportation & utilities	424	11.0%	24	3.8%	24	5.7%
Information	90	2.3%	11	1.7%	14	3.3%
Finance, insurance & real estate	135	3.5%	20	3.2%	6	1.4%
Professional & administrative	92	2.4%	11	1.7%	15	3.5%
Educational services & health care	881	22.9%	111	17.6%	69	16.3%
Arts, entertain, hotel, food svcs	370	9.6%	47	7.4%	3	0.7%
Other private services	162	4.2%	24	3.8%	6	1.4%
Public administration	289	7.5%	25	4.0%	43	10.2%

INCOME AND BENEFITS

Total households	3,204	100.0%	513	100.0%	342	100.0%
Less than \$10,000	295	9.2%	32	6.2%	17	5.0%
\$10,000 to \$14,999	273	8.5%	53	10.3%	15	4.4%
\$15,000 to \$24,999	433	13.5%	97	18.9%	63	18.4%
\$25,000 to \$34,999	337	10.5%	94	18.3%	52	15.2%
\$35,000 to \$49,999	395	12.3%	65	12.7%	45	13.2%
\$50,000 to \$74,999	538	16.8%	94	18.3%	73	21.3%
\$75,000 to \$99,999	526	16.4%	33	6.4%	35	10.2%
\$100,000 to \$149,999	365	11.4%	34	6.6%	36	10.5%
\$150,000 to \$199,999	1	0.0%	4	0.8%	6	1.8%
\$200,000 or more	41	1.3%	7	1.4%	0	0.0%
Median household income (dollars)	43,269	84.1%	32,880	63.9%	43,553	84.7%
Mean household income (dollars)	53,488	76.3%	45,507	64.9%	52,273	74.6%
Families	2,354	100.0%	311	100.0%	241	100.0%
Less than \$10,000	160	6.8%	7	2.3%	2	0.8%
\$10,000 to \$14,999	178	7.6%	11	3.5%	5	2.1%
\$15,000 to \$24,999	308	13.1%	37	11.9%	24	10.0%
\$25,000 to \$34,999	231	9.8%	69	22.2%	44	18.3%
\$35,000 to \$49,999	275	11.7%	43	13.8%	34	14.1%

\$50,000 to \$74,999	419	17.8%	76	24.4%	61	25.3%
\$75,000 to \$99,999	470	20.0%	31	10.0%	33	13.7%
\$100,000 to \$149,999	278	11.8%	30	9.6%	32	13.3%
\$150,000 to \$199,999	1	0.0%	2	0.6%	6	2.5%
\$200,000 or more	34	1.4%	5	1.6%	0	0.0%
Median family income (dollars)	53,750	86.2%	48,083	77.1%	53,646	86.0%
Mean family income (dollars)	57,389	70.4%	54,431	66.8%	60,740	74.5%
Per capita income (dollars)	19,169	70.9%	21,151	78.2%	20,446	75.6%
Median earnings for workers	25,574	88.0%	16,550	57.0%	23,150	79.7%
Median earnings for male full-time	51,591	113.7%	33,942	74.8%	37,639	83.0%
Median earnings for female full-time	28,236	80.2%	15,811	44.9%	26,875	76.3%
PERCENTAGE BELOW POVERTY LEVEL						
All families	19.30%	194.9%	7.70%	77.8%	5.00%	50.5%
All people	23.10%	171.1%	11.30%	83.7%	8.00%	59.3%

These three counties are similar to Musselshell and Petroleum counties in that they are very sparsely settled, with the economic base tied directly to agriculture and mining. The mean and median income for these three counties ranges from 67% to 85% of the national average. The poverty rates bear no resemblance to these figures; the rate for all families is 195% of the national average in Rosebud, 78% in Garfield, and only 50% in Treasure County. However, these figures represent only a handful of families and are too small to provide a meaningful sample size.

Table 6-4. Labor Market Statistics for the State of Montana, 6 Counties, and 2 County Groups

	Labor Force	Employed	Unemployed	Un Rate, %
Montana				
2000	468865	446552	22313	4.8
2001	468963	447827	21136	4.5
2002	466299	445281	21018	4.5
2003	470472	450190	20282	4.3
2004	475566	456385	19181	4.0
2005	480747	463251	17496	3.6
2006	492358	476412	15946	3.2
2007	501929	485132	16797	3.3
2008	508225	485375	22850	4.5
2009	496499	465220	31279	6.3
2010	497395	461337	36058	7.2

Yellowstone				
2000	71487	68572	2915	4.1
2001	72266	69663	2603	3.6
2002	74395	71698	2697	3.6
2003	75165	72635	2530	3.4
2004	75993	73549	2444	3.2
2005	77824	75531	2293	2.9
2006	79395	77284	2111	2.7
2007	81476	79417	2059	2.5
2008	82508	79740	2768	3.4
2009	81281	77573	3708	4.6
2010	81110	76641	4469	5.5

Musselshell				
2000	2096	1969	127	6.1
2001	2048	1934	114	5.6
2002	2054	1926	128	6.2
2003	2056	1941	115	5.6
2004	2084	1973	111	5.3
2005	2061	1964	97	4.7
2006	2070	1993	77	3.7
2007	2034	1932	102	5.0
2008	2151	2038	113	5.3
2009	2417	2269	148	6.1
2010	2409	2247	162	6.7

Petroleum				
2000	252	235	17	6.7
2001	223	213	10	4.5
2002	197	186	11	5.6
2003	203	191	12	5.9
2004	219	208	11	5.0
2005	224	214	10	4.5
2006	225	215	10	4.4
2007	236	224	12	5.1
2008	249	236	13	5.2
2009	233	222	11	4.7
2010	233	218	15	6.4

Treasure	
2000	458
2001	441

2002	399
2003	431
2004	413
2005	403
2006	396
2007	405
2008	407
2009	398
2010	394

Rosebud County
Group

2000	76930
2001	77649
2002	79413
2003	80520
2004	81310
2005	82843
2006	84274
2007	86440
2008	87605
2009	86332
2010	86061

The figures are dominated by Yellowstone County, which had a labor force of over 81,000 in 2010; the other five counties together had a labor force of less than 8,000.

Table 6-5. Level and Growth of Population, State of Montana, 6 Counties, and the Total Area

	Montana	Yellowstone	Musselshell	Petroleum	Rosebud	Garfield	Treasure	6 Counties
2010	989,415	147,972	4,538	494	9,233	1,206	718	164,161
2009	974,989	144,797	4,600	440	9,258	1,173	612	160,880
2007	957,225	140,047	4,466	431	9,126	1,193	654	155,917
2006	946,230	138,239	4,458	455	9,079	1,199	680	154,110
2005	934,801	136,493	4,376	460	9,147	1,173	698	152,347
2004	925,887	134,559	4,418	491	9,151	1,211	741	150,571
2003	916,750	133,054	4,401	484	9,216	1,234	742	149,131
2002	909,868	131,771	4,389	492	9,203	1,245	765	147,865
2001	905,873	130,608	4,397	483	9,250	1,262	821	146,821

2000	903,293	129,527	4,492	492	9,391	1,267	854	146,023
2010/09	1.48%	2.19%	-1.35%	12.27%	-0.27%	2.81%	17.32%	2.04%
2009/08	0.72%	1.54%	2.09%	1.62%	1.18%	1.03%	-5.85%	1.50%
2008/07	1.13%	1.82%	0.90%	0.46%	0.26%	-2.68%	-0.61%	1.66%
2007/06	1.16%	1.31%	0.18%	-5.27%	0.52%	-0.50%	-3.82%	1.17%
2006/05	1.22%	1.28%	1.87%	-1.09%	-0.74%	2.22%	-2.58%	1.16%
2005/04	0.96%	1.44%	-0.95%	-6.31%	-0.04%	-3.14%	-5.80%	1.18%
2004/03	1.00%	1.13%	0.39%	1.45%	-0.71%	-1.86%	-0.13%	0.97%
2003/02	0.76%	0.97%	0.27%	-1.63%	0.14%	-0.88%	-3.01%	0.86%
2002/01	0.44%	0.89%	-0.18%	1.86%	-0.51%	-1.35%	-6.82%	0.71%
2001/00	0.29%	0.83%	-2.11%	-1.83%	-1.50%	-0.39%	-3.86%	0.55%
2009/00	0.85%	1.24%	0.26%	-1.23%	-0.16%	-0.85%	-3.63%	1.08%

Population growth in this 6-county area very close to the 1% rate for the U.S., and slightly higher than the 0.85% rate for Montana. was even lower than the anemic 0.36% growth rate for the state of New Jersey. All of the growth occurred in Yellowstone county; on balance, the other 5 counties lost population over the past decade.

Table 6-6. Level and Growth of Personal Income (Billion \$), State of Montana, 6 Counties, and the Total Area

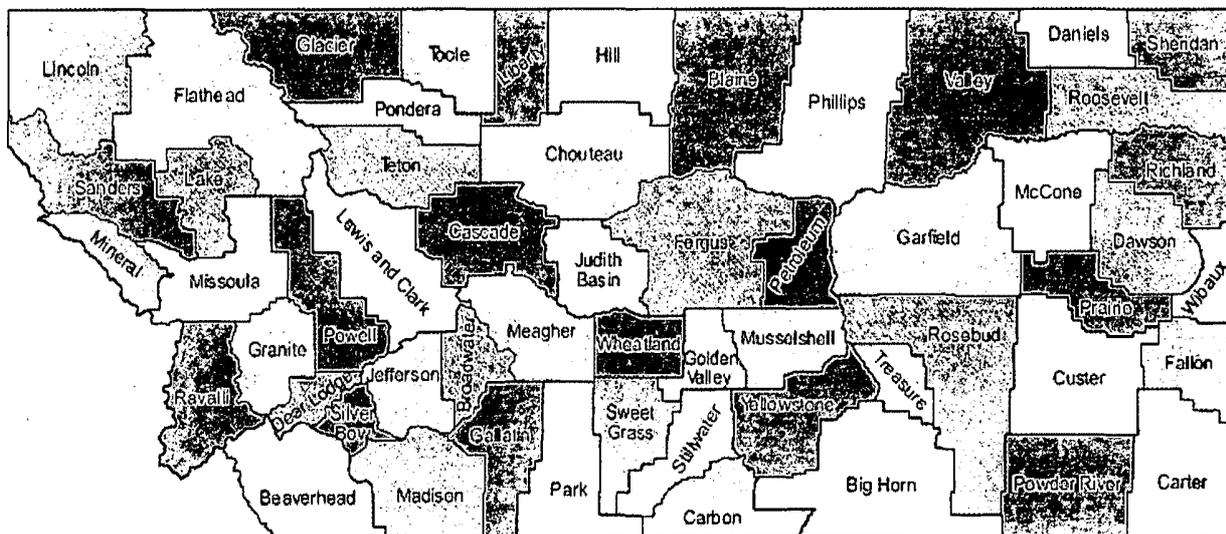
	Montana	Yellowstone	Musselshell	Petroleum	Rosebud	Garfield	Treasure	6 Counties
2009	33.957	5.707	0.125	0.013	0.310	0.033	0.022	6.210
2008	34.141	5.732	0.110	0.013	0.305	0.040	0.022	6.222
2007	32.464	5.378	0.106	0.011	0.292	0.034	0.019	5.840
2006	30.447	5.031	0.097	0.011	0.284	0.032	0.016	5.471
2005	28.179	4.637	0.092	0.011	0.274	0.037	0.017	5.067
2004	26.495	4.335	0.089	0.010	0.262	0.033	0.017	4.744
2003	24.752	4.054	0.085	0.010	0.250	0.033	0.015	4.448
2002	23.370	3.877	0.078	0.008	0.224	0.027	0.015	4.230
2001	22.931	3.776	0.078	0.010	0.226	0.032	0.016	4.137
2000	21.200	3.475	0.071	0.008	0.208	0.025	0.015	3.801
2009/08	-0.54%	-0.44%	13.25%	1.46%	1.78%	-18.17%	0.49%	-0.20%
2008/07	5.17%	6.59%	4.41%	13.06%	4.22%	15.85%	18.31%	6.54%
2007/06	6.62%	6.89%	8.80%	8.18%	2.98%	7.25%	15.52%	6.75%
2006/05	8.05%	8.50%	5.86%	-4.86%	3.68%	-12.98%	-7.05%	7.96%
2005/04	6.35%	6.97%	3.25%	12.82%	4.63%	13.15%	2.47%	6.81%
2004/03	7.04%	6.92%	4.76%	-4.03%	4.63%	-1.97%	12.06%	6.67%

2003/02	5.91%	4.56%	7.99%	34.24%	11.59%	21.31%	2.45%	5.15%
2002/01	1.91%	2.69%	1.13%	-20.87%	-0.93%	-15.26%	-6.34%	2.23%
2001/00	8.17%	8.66%	9.87%	27.55%	8.62%	28.70%	9.20%	8.85%
2009/00	5.37%	5.66%	6.53%	6.29%	4.52%	2.94%	4.88%	5.60%

Personal income for this 6-county region rose at a 5.6% annual rate, well above the national average rate of 3.8% and slightly higher than the 5.4% rate for Montana. Rising energy prices were the main reason for the higher growth, since population gains were equal to the U. S. average. The decline in 2009 was very modest in spite of weaker oil prices, as the rise in prices over the previous three years generated a boom in oil drilling.

Figure 6-1 shows the county map of Montana. Yellowstone County is located near the southern border of the state, slightly east of center. Musselshell County is directly north of Yellowstone County, and Petroleum County is north of that. Treasure County is due east of Yellowstone County, and Rosebud is due east of that. Garfield County is north of Rosebud County.

Figure 6-1. County Map of Montana



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The USCIS defines a Targeted Employment Area (TEA) as an area that meets one or both of the following criteria: a rural area, or one with an unemployment rate that is at least 150% of the national average.

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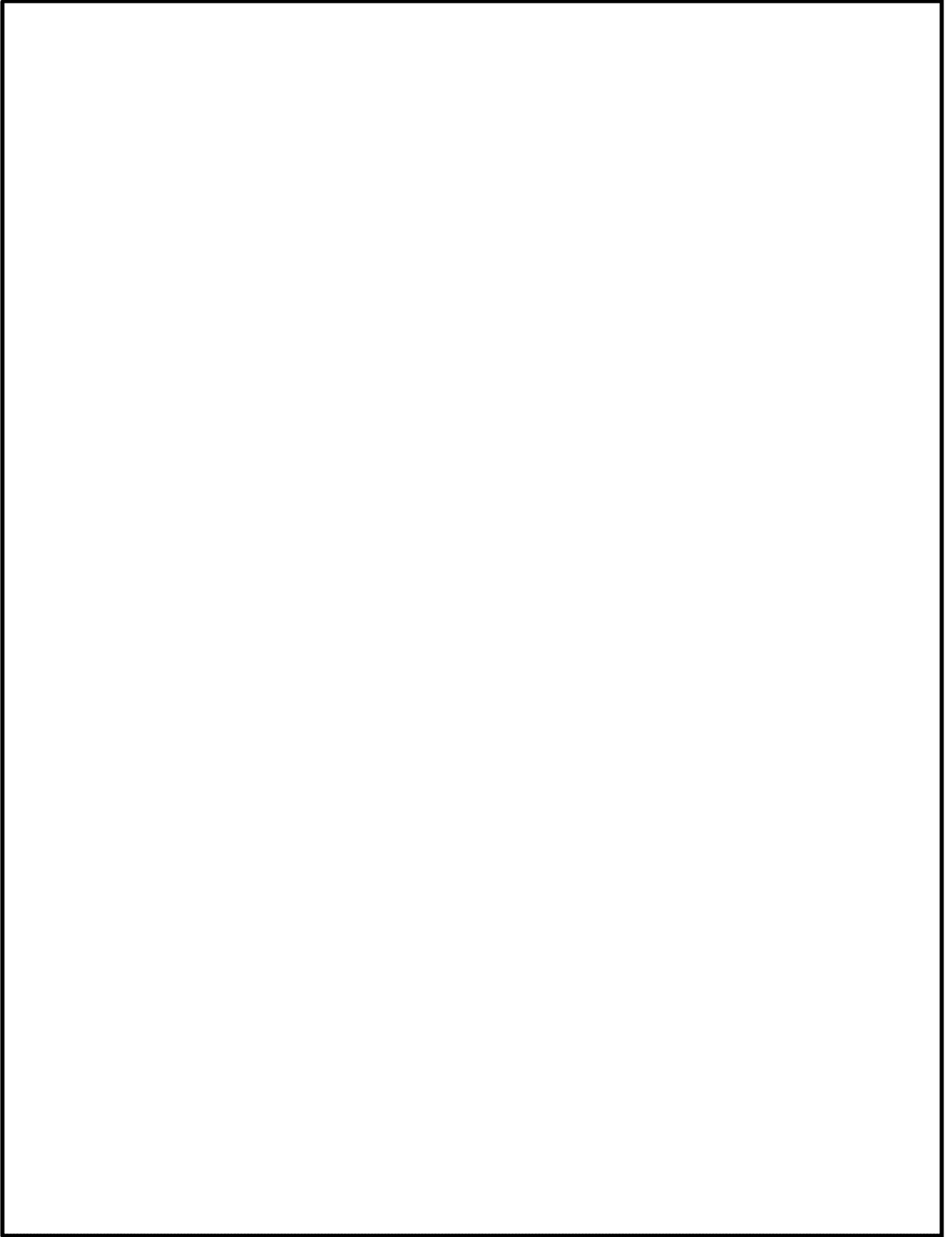
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8. Economic Impact of Drilling Activities



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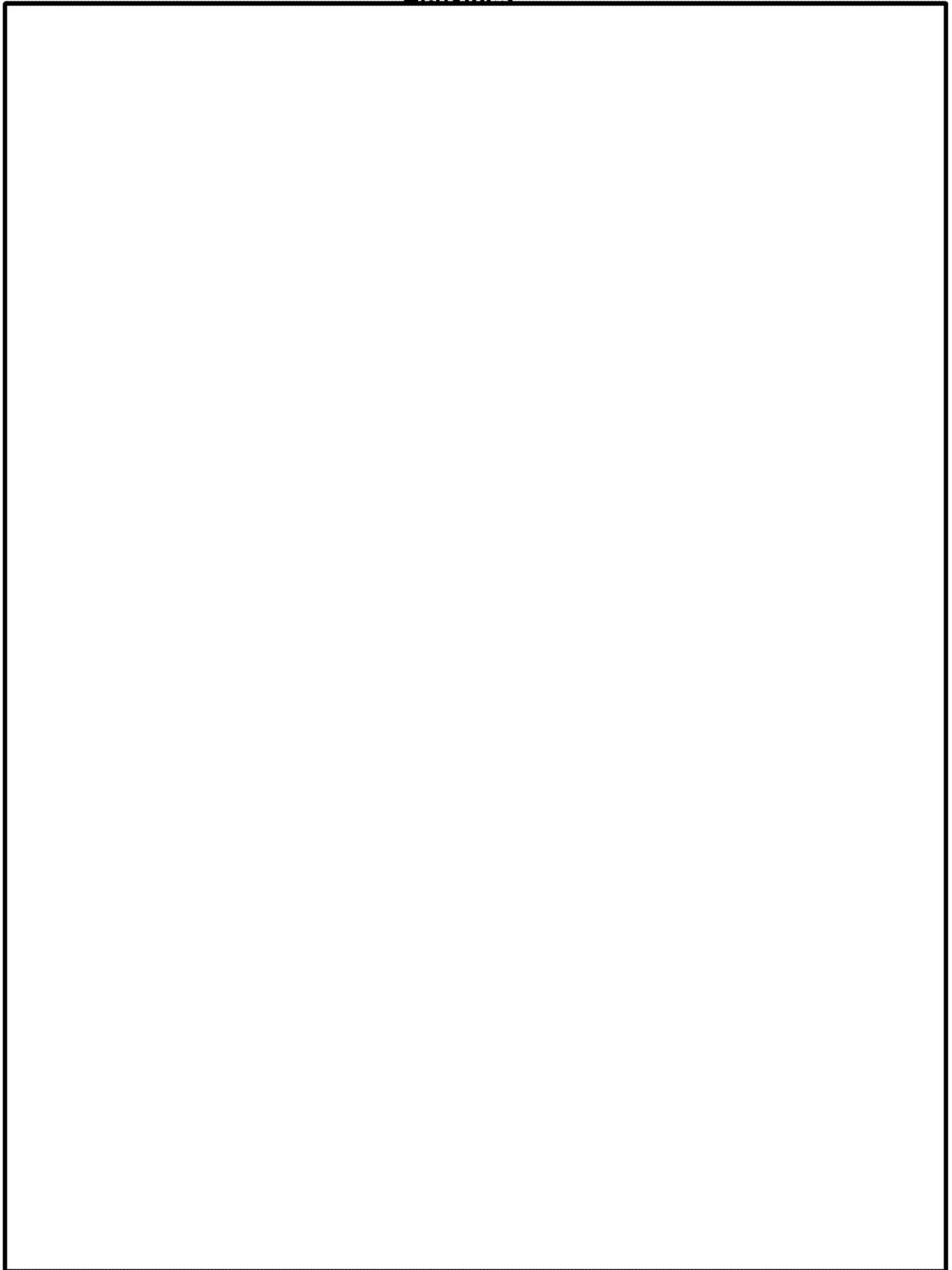
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**10. Summary Statistics for All Drilling and Extraction/Operation
Activities**



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9.6 Targeted Employment Area information for planned drilling and exploration activity locations (Musselshell, Petroleum, Rosebud and Garfield counties in Montana)



Global Law Group

A Professional Law Corporation

Targeted Employment Area (TEA) Information for the Counties of Musselshell, Petroleum, Garfield and Rosebud in Montana

These four (4) counties each qualify as a TEA due to qualifying as a “rural area” as defined in INA §203(b)(5)(B)(iii) and 8 CFR §204.6(e): any area other than an area within a metropolitan statistical area (MSA) or within the outer boundary of any city or town having a population of 20,000 or more (based on the most recent decennial census of the United States). The TEA evidence for the four (4) counties consists of 1. MSA information for Montana from the state of Montana’s website, showing Montana has 3 MSA’s, none of which include any of the four (4) counties; and 2. Population data for the four (4) counties printed from the U.S. Census Bureau’s website, showing each county has a population under 20,000.

Montana Core Based Statistical Areas (CBSA) Metropolitan and Micropolitan Statistical Areas
 Metropolitan and Micropolitan statistical areas defined by Office of Management and Budget, 6/6/2003

Core: A densely settled concentration of population, comprising either an urbanized area (of 50,000 or more population) or an urban cluster (of 10,000 to 49,999 population) defined by the Census Bureau, around which a Core Based Statistical Area is defined.

Core Based Statistical Area (CBSA): A statistical geographic entity consisting of the county or counties associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties containing the core. Metropolitan and Micropolitan Statistical Areas are the two categories of Core Based Statistical Areas

FIPS		
CBSA	State/	
Code	County	Metropolitan Statistical Area and Division Titles and Components
13740		Billings, MT Metropolitan Statistical Area
13740	30009	Carbon County, MT
13740	30111	Yellowstone County, MT
24500		Great Falls, MT Metropolitan Statistical Area
24500	30013	Cascade County, MT
33540		Missoula, MT Metropolitan Statistical Area
33540	30063	Missoula County, MT

FIPS		
CBSA	State/	
Code	County	Micropolitan Statistical Area Titles and Components
14580		Bozeman, MT Micropolitan Statistical Area
14580	30031	Gallatin County, MT
15580		Butte-Silver Bow, MT Micropolitan Statistical Area
15580	30093	Silver Bow County, MT
25660		Havre, MT Micropolitan Statistical Area
25660	30041	Hill County, MT
25740		Helena, MT Micropolitan Statistical Area
25740	30043	Jefferson County, MT
25740	30049	Lewis and Clark County, MT
28060		Kalispell, MT Micropolitan Statistical Area
28060	30029	Flathead County, MT

State & County QuickFacts

Garfield County, Montana

People QuickFacts	Garfield County	Montana
Population, 2010	1,206	989,415
Population, percent change, 2000 to 2010	-5.7%	9.7%
Population, 2000	1,279	902,195
Persons under 5 years, percent, 2010	6.6%	6.3%
Persons under 18 years, percent, 2010	23.1%	22.6%
Persons 65 years and over, percent, 2010	20.6%	14.8%
Female persons, percent, 2010	48.8%	49.8%
White persons, percent, 2010 (a)	98.6%	89.4%
Black persons, percent, 2010 (a)	0.2%	0.4%
American Indian and Alaska Native persons, percent, 2010 (a)	0.4%	6.3%
Asian persons, percent, 2010 (a)	0.1%	0.6%
Native Hawaiian and Other Pacific Islander, percent, 2010 (a)	0.0%	0.1%
Persons reporting two or more races, percent, 2010	0.5%	2.5%
Persons of Hispanic or Latino origin, percent, 2010 (b)	0.2%	2.9%
White persons not Hispanic, percent, 2010	98.4%	87.8%
Living in same house 1 year & over, 2005-2009	93.2%	82.0%
Foreign born persons, percent, 2005-2009	0.0%	1.9%
Language other than English spoken at home, pct age 5+, 2005-2009	1.9%	4.7%
High school graduates, percent of persons age 25+, 2005-2009	90.9%	90.4%
Bachelor's degree or higher, pct of persons age 25+, 2005-2009	15.3%	27.0%
Veterans, 2005-2009	138	100,259
Mean travel time to work (minutes), workers age 16+, 2005-2009	11.0	17.3
Housing units, 2010	844	482,825
Homeownership rate, 2005-2009	74.9%	68.9%
Housing units in multi-unit structures, percent, 2005-2009	3.4%	16.5%
Median value of owner-occupied housing units, 2005-2009	\$69,600	\$162,100
Households, 2005-2009	513	372,947
Persons per household, 2005-2009	2.21	2.49
Per capita money income in past 12 months (2009 dollars) 2005-2009	\$21,151	\$22,881
Median household income, 2009	\$32,359	\$42,222
Persons below poverty level, percent, 2009	17.4%	15.0%
Business QuickFacts	Garfield County	Montana
Private nonfarm establishments, 2009	28	36,326 ²
Private nonfarm employment, 2009	172	341,357 ²
Private nonfarm employment, percent change 2000-2009	38.7%	15.2% ²
Nonemployer establishments, 2009	100	78,775
Total number of firms, 2007	S	114,398
Black-owned firms, percent, 2007	S	0.2%

American Indian and Alaska Native owned firms, percent, 2007	S	2.0%
Asian-owned firms, percent, 2007	S	0.6%
Native Hawaiian and Other Pacific Islander owned firms, percent, 2007	S	S
Hispanic-owned firms, percent, 2007	S	1.0%
Women-owned firms, percent, 2007	S	24.6%

Manufacturers shipments, 2007 (\$1000)	0 ¹	10,638,145
Merchant wholesaler sales, 2007 (\$1000)	D	8,202,782
Retail sales, 2007 (\$1000)	10,240	14,686,854
Retail sales per capita, 2007	\$8,583	\$15,343
Accommodation and food services sales, 2007 (\$1000)	647	2,079,426
Building permits, 2010	2	2,022
Federal spending, 2009	13,136	10,353,034 ²

Geography QuickFacts	Garfield County	Montana
Land area in square miles, 2010	4,675.36	145,545.80
Persons per square mile, 2010	0.3	6.8
FIPS Code	033	30
Metropolitan or Micropolitan Statistical Area	None	

1: Counties with 500 employees or less are excluded.
 2: Includes data not distributed by county.

(a) Includes persons reporting only one race.
 (b) Hispanics may be of any race, so also are included in applicable race categories.

D: Suppressed to avoid disclosure of confidential information
 F: Fewer than 100 firms
 FN: Footnote on this item for this area in place of data
 NA: Not available
 S: Suppressed; does not meet publication standards
 X: Not applicable
 Z: Value greater than zero but less than half unit of measure shown

Source U.S. Census Bureau: State and County QuickFacts. Data derived from Population Estimates, American Community Survey, Census of Population and Housing, Small Area Income and Poverty Estimates, State and County Housing Unit Estimates, County Business Patterns, Nonemployer Statistics, Economic Census, Survey of Business Owners, Building Permits, Consolidated Federal Funds Report
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State & County QuickFacts

Musselshell County, Montana

People QuickFacts	Musselshell County	Montana
Population, 2010	4,538	989,415
Population, percent change, 2000 to 2010	0.9%	9.7%
Population, 2000	4,497	902,195
Persons under 5 years, percent, 2010	4.5%	6.3%
Persons under 18 years, percent, 2010	20.6%	22.6%
Persons 65 years and over, percent, 2010	18.8%	14.8%
Female persons, percent, 2010	50.2%	49.8%
White persons, percent, 2010 (a)	96.1%	89.4%
Black persons, percent, 2010 (a)	0.2%	0.4%
American Indian and Alaska Native persons, percent, 2010 (a)	1.3%	6.3%
Asian persons, percent, 2010 (a)	0.2%	0.6%
Native Hawaiian and Other Pacific Islander, percent, 2010 (a)	Z	0.1%
Persons reporting two or more races, percent, 2010	1.9%	2.5%
Persons of Hispanic or Latino origin, percent, 2010 (b)	2.6%	2.9%
White persons not Hispanic, percent, 2010	94.3%	87.8%
Living in same house 1 year & over, 2005-2009	83.1%	82.0%
Foreign born persons, percent, 2005-2009	1.5%	1.9%
Language other than English spoken at home, pct age 5+, 2005-2009	1.4%	4.7%
High school graduates, percent of persons age 25+, 2005-2009	83.9%	90.4%
Bachelor's degree or higher, pct of persons age 25+, 2005-2009	13.6%	27.0%
Veterans, 2005-2009	739	100,259
Mean travel time to work (minutes), workers age 16+, 2005-2009	23.1	17.3
Housing units, 2010	2,654	482,825
Homeownership rate, 2005-2009	78.8%	68.9%
Housing units in multi-unit structures, percent, 2005-2009	5.5%	16.5%
Median value of owner-occupied housing units, 2005-2009	\$105,400	\$162,100
Households, 2005-2009	1,794	372,947
Persons per household, 2005-2009	2.46	2.49
Per capita money income in past 12 months (2009 dollars) 2005-2009	\$19,164	\$22,881
Median household income, 2009	\$33,382	\$42,222
Persons below poverty level, percent, 2009	20.5%	15.0%
Business QuickFacts	Musselshell County	Montana
Private nonfarm establishments, 2009	124	36,326 ²
Private nonfarm employment, 2009	694	341,357 ²
Private nonfarm employment, percent change 2000-2009	18.8%	15.2% ²
Nonemployer establishments, 2009	361	78,775
Total number of firms, 2007	S	114,398
Black-owned firms, percent, 2007	S	0.2%

American Indian and Alaska Native owned firms, percent, 2007	S	2.0%
Asian-owned firms, percent, 2007	S	0.6%
Native Hawaiian and Other Pacific Islander owned firms, percent, 2007	S	S
Hispanic-owned firms, percent, 2007	S	1.0%
Women-owned firms, percent, 2007	S	24.6%
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Manufacturers shipments, 2007 (\$1000)	0 ¹	10,638,145
Merchant wholesaler sales, 2007 (\$1000)	5,025	8,202,782
Retail sales, 2007 (\$1000)	33,610	14,686,854
Retail sales per capita, 2007	\$7,526	\$15,343
Accommodation and food services sales, 2007 (\$1000)	3,467	2,079,426
Building permits, 2010	1	2,022
Federal spending, 2009	39,769	10,353,034 ²
	Musselshell County	Montana
Geography QuickFacts		
Land area in square miles, 2010	1,868.16	145,545.80
Persons per square mile, 2010	2.4	6.8
FIPS Code	065	30
Metropolitan or Micropolitan Statistical Area	None	

1: Counties with 500 employees or less are excluded.
 2: Includes data not distributed by county.

(a) Includes persons reporting only one race.
 (b) Hispanics may be of any race, so also are included in applicable race categories.

D: Suppressed to avoid disclosure of confidential information
 F: Fewer than 100 firms
 FN: Footnote on this item for this area in place of data
 NA: Not available
 S: Suppressed; does not meet publication standards
 X: Not applicable
 Z: Value greater than zero but less than half unit of measure shown

Source U.S. Census Bureau: State and County QuickFacts. Data derived from Population Estimates, American Community Survey, Census of Population and Housing, Small Area Income and Poverty Estimates, State and County Housing Unit Estimates, County Business Patterns, Nonemployer Statistics, Economic Census, Survey of Business Owners, Building Permits, Consolidated Federal Funds Report
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State & County QuickFacts

Petroleum County, Montana

People QuickFacts	Petroleum County	Montana
Population, 2010	494	989,415
Population, percent change, 2000 to 2010	0.2%	9.7%
Population, 2000	493	902,195
Persons under 5 years, percent, 2010	5.1%	6.3%
Persons under 18 years, percent, 2010	22.9%	22.6%
Persons 65 years and over, percent, 2010	20.9%	14.8%
Female persons, percent, 2010	46.0%	49.8%
White persons, percent, 2010 (a)	98.8%	89.4%
Black persons, percent, 2010 (a)	0.0%	0.4%
American Indian and Alaska Native persons, percent, 2010 (a)	0.0%	6.3%
Asian persons, percent, 2010 (a)	0.0%	0.6%
Native Hawaiian and Other Pacific Islander, percent, 2010 (a)	0.0%	0.1%
Persons reporting two or more races, percent, 2010	1.2%	2.5%
Persons of Hispanic or Latino origin, percent, 2010 (b)	1.0%	2.9%
White persons not Hispanic, percent, 2010	98.4%	87.8%
Living in same house 1 year & over, 2005-2009	91.5%	82.0%
Foreign born persons, percent, 2005-2009	0.0%	1.9%
Language other than English spoken at home, pct age 5+, 2005-2009	1.8%	4.7%
High school graduates, percent of persons age 25+, 2005-2009	91.2%	90.4%
Bachelor's degree or higher, pct of persons age 25+, 2005-2009	12.6%	27.0%
Veterans, 2005-2009	72	100,259
Mean travel time to work (minutes), workers age 16+, 2005-2009	11.5	17.3
Housing units, 2010	324	482,825
Homeownership rate, 2005-2009	71.8%	68.9%
Housing units in multi-unit structures, percent, 2005-2009	0.7%	16.5%
Median value of owner-occupied housing units, 2005-2009	\$95,000	\$162,100
Households, 2005-2009	220	372,947
Persons per household, 2005-2009	2.33	2.49
Per capita money income in past 12 months (2009 dollars) 2005-2009	\$22,168	\$22,881
Median household income, 2009	\$31,380	\$42,222
Persons below poverty level, percent, 2009	20.3%	15.0%
Business QuickFacts	Petroleum County	Montana
Private nonfarm establishments, 2009	11	36,326 ³
Private nonfarm employment, 2009	0 ²	341,357 ³
Private nonfarm employment, percent change 2000-2009	NA	15.2% ³
Nonemployer establishments, 2009	34	78,775
Total number of firms, 2007	S	114,398
Black-owned firms, percent, 2007	S	0.2%

Petroleum County QuickFacts from the US Census Bureau

American Indian and Alaska Native owned firms, percent, 2007	S	2.0%
Asian-owned firms, percent, 2007	S	0.6%
Native Hawaiian and Other Pacific Islander owned firms, percent, 2007	S	S
Hispanic-owned firms, percent, 2007	S	1.0%
Women-owned firms, percent, 2007	S	24.6%
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Manufacturers shipments, 2007 (\$1000)	0 ¹	10,638,145
Merchant wholesaler sales, 2007 (\$1000)	0	8,202,782
Retail sales, 2007 (\$1000)	D	14,686,854
Retail sales per capita, 2007	D	\$15,343
Accommodation and food services sales, 2007 (\$1000)	409	2,079,426
Building permits, 2010	0	2,022
Federal spending, 2009	5,178	10,353,034 ³

Geography QuickFacts	Petroleum County	Montana
Land area in square miles, 2010	1,654.87	145,545.80
Persons per square mile, 2010	0.3	6.8
FIPS Code	069	30
Metropolitan or Micropolitan Statistical Area	None	

1: Counties with 500 employees or less are excluded.

2: Represents 20-99 employees.

3: Includes data not distributed by county.

(a) Includes persons reporting only one race.

(b) Hispanics may be of any race, so also are included in applicable race categories.

D: Suppressed to avoid disclosure of confidential information

F: Fewer than 100 firms

FN: Footnote on this item for this area in place of data

NA: Not available

S: Suppressed; does not meet publication standards

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State & County QuickFacts

Rosebud County, Montana

People QuickFacts	Rosebud County	Montana
Population, 2010	9,233	989,415
Population, percent change, 2000 to 2010	-1.6%	9.7%
Population, 2000	9,383	902,195
Persons under 5 years, percent, 2010	8.0%	6.3%
Persons under 18 years, percent, 2010	29.6%	22.6%
Persons 65 years and over, percent, 2010	11.5%	14.8%
Female persons, percent, 2010	49.4%	49.8%
White persons, percent, 2010 (a)	61.3%	89.4%
Black persons, percent, 2010 (a)	0.3%	0.4%
American Indian and Alaska Native persons, percent, 2010 (a)	34.7%	6.3%
Asian persons, percent, 2010 (a)	0.5%	0.6%
Native Hawaiian and Other Pacific Islander, percent, 2010 (a)	0.0%	0.1%
Persons reporting two or more races, percent, 2010	2.8%	2.5%
Persons of Hispanic or Latino origin, percent, 2010 (b)	3.4%	2.9%
White persons not Hispanic, percent, 2010	60.2%	87.8%
Living in same house 1 year & over, 2005-2009	82.1%	82.0%
Foreign born persons, percent, 2005-2009	0.6%	1.9%
Language other than English spoken at home, pct age 5+, 2005-2009	10.2%	4.7%
High school graduates, percent of persons age 25+, 2005-2009	88.5%	90.4%
Bachelor's degree or higher, pct of persons age 25+, 2005-2009	16.2%	27.0%
Veterans, 2005-2009	840	100,259
Mean travel time to work (minutes), workers age 16+, 2005-2009	14.0	17.3
Housing units, 2010	4,057	482,825
Homeownership rate, 2005-2009	69.5%	68.9%
Housing units in multi-unit structures, percent, 2005-2009	11.0%	16.5%
Median value of owner-occupied housing units, 2005-2009	\$88,600	\$162,100
Households, 2005-2009	3,204	372,947
Persons per household, 2005-2009	2.82	2.49
Per capita money income in past 12 months (2009 dollars) 2005-2009	\$19,169	\$22,881
Median household income, 2009	\$45,146	\$42,222
Persons below poverty level, percent, 2009	17.2%	15.0%
Business QuickFacts	Rosebud County	Montana
Private nonfarm establishments, 2009	186	36,326 ²
Private nonfarm employment, 2009	2,597	341,357 ²
Private nonfarm employment, percent change 2000-2009	-2.8%	15.2% ²
Nonemployer establishments, 2009	470	78,775
Total number of firms, 2007	747	114,398
Black-owned firms, percent, 2007	F	0.2%

American Indian and Alaska Native owned firms, percent, 2007	8.6%	2.0%
Asian-owned firms, percent, 2007	F	0.6%
Native Hawaiian and Other Pacific Islander owned firms, percent, 2007	F	S
Hispanic-owned firms, percent, 2007	F	1.0%
Women-owned firms, percent, 2007	19.9%	24.6%
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Manufacturers shipments, 2007 (\$1000)	0 ¹	10,638,145
Merchant wholesaler sales, 2007 (\$1000)	D	8,202,782
Retail sales, 2007 (\$1000)	53,358	14,686,854
Retail sales per capita, 2007	\$5,847	\$15,343
Accommodation and food services sales, 2007 (\$1000)	9,014	2,079,426
Building permits, 2010	6	2,022
Federal spending, 2009	98,343	10,353,034 ²

Geography QuickFacts	Rosebud County	Montana
Land area in square miles, 2010	5,010.40	145,545.80
Persons per square mile, 2010	1.8	6.8
FIPS Code	087	30
Metropolitan or Micropolitan Statistical Area	None	

1: Counties with 500 employees or less are excluded.
 2: Includes data not distributed by county.

(a) Includes persons reporting only one race.
 (b) Hispanics may be of any race, so also are included in applicable race categories.

D: Suppressed to avoid disclosure of confidential information
 F: Fewer than 100 firms
 FN: Footnote on this item for this area in place of data
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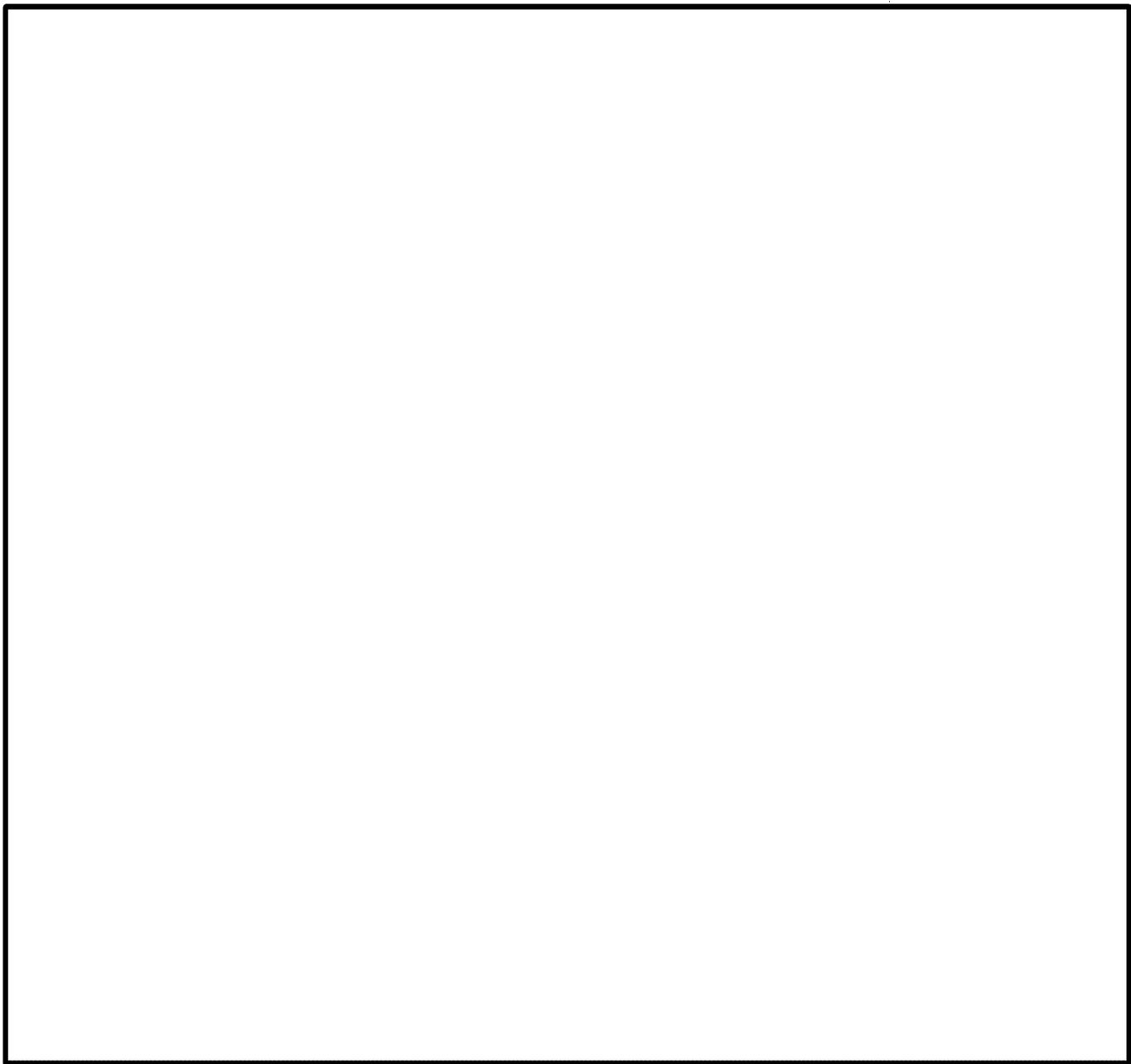
9.7 Private Offering Memorandum

Date: _____, 2011

Name: _____ No.: _____

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CONFIDENTIAL PRIVATE OFFERING MEMORANDUM

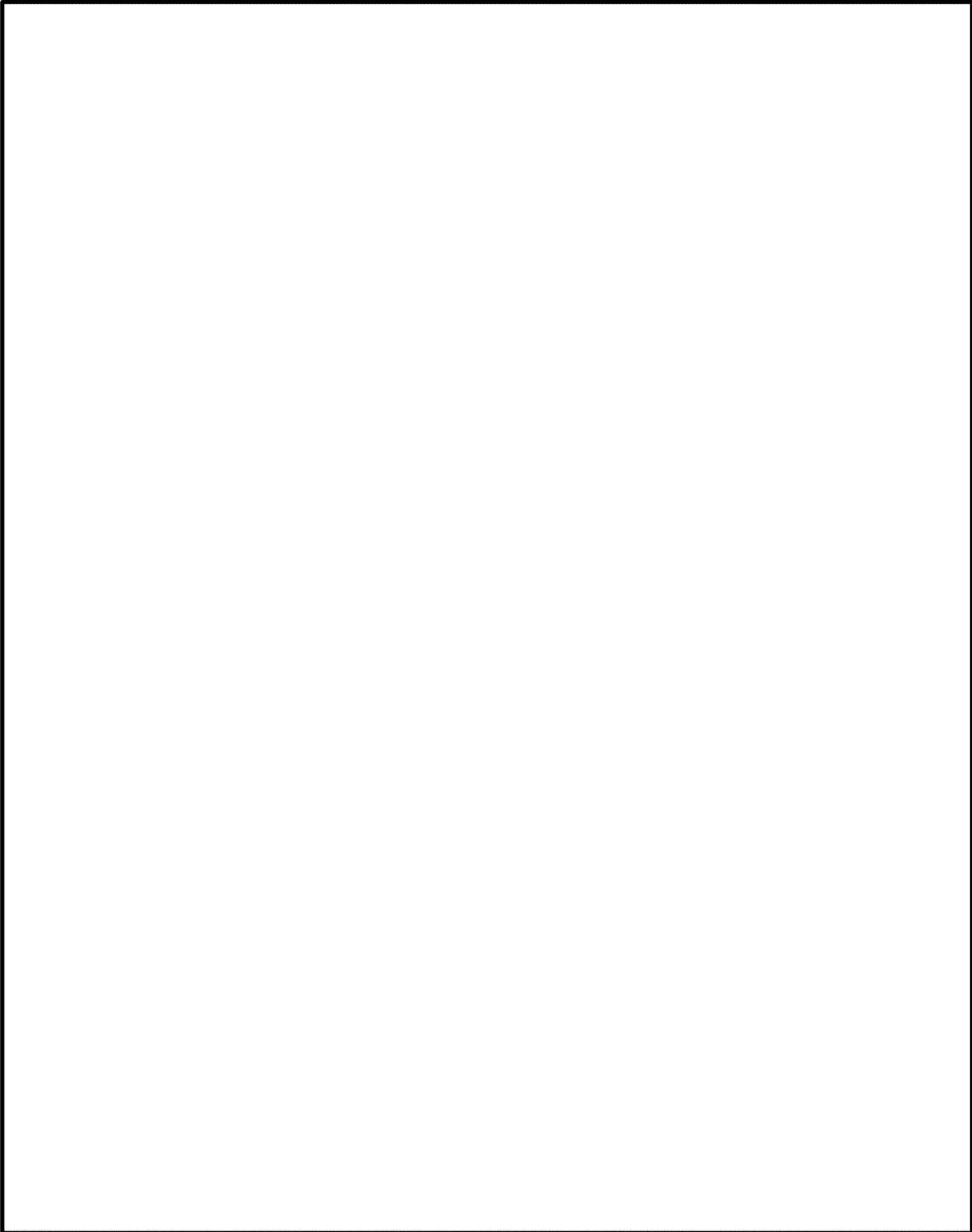


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CONFIDENTIAL PRIVATE OFFERING MEMORANDUM

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SUMMARY OF OFFERING TERMS



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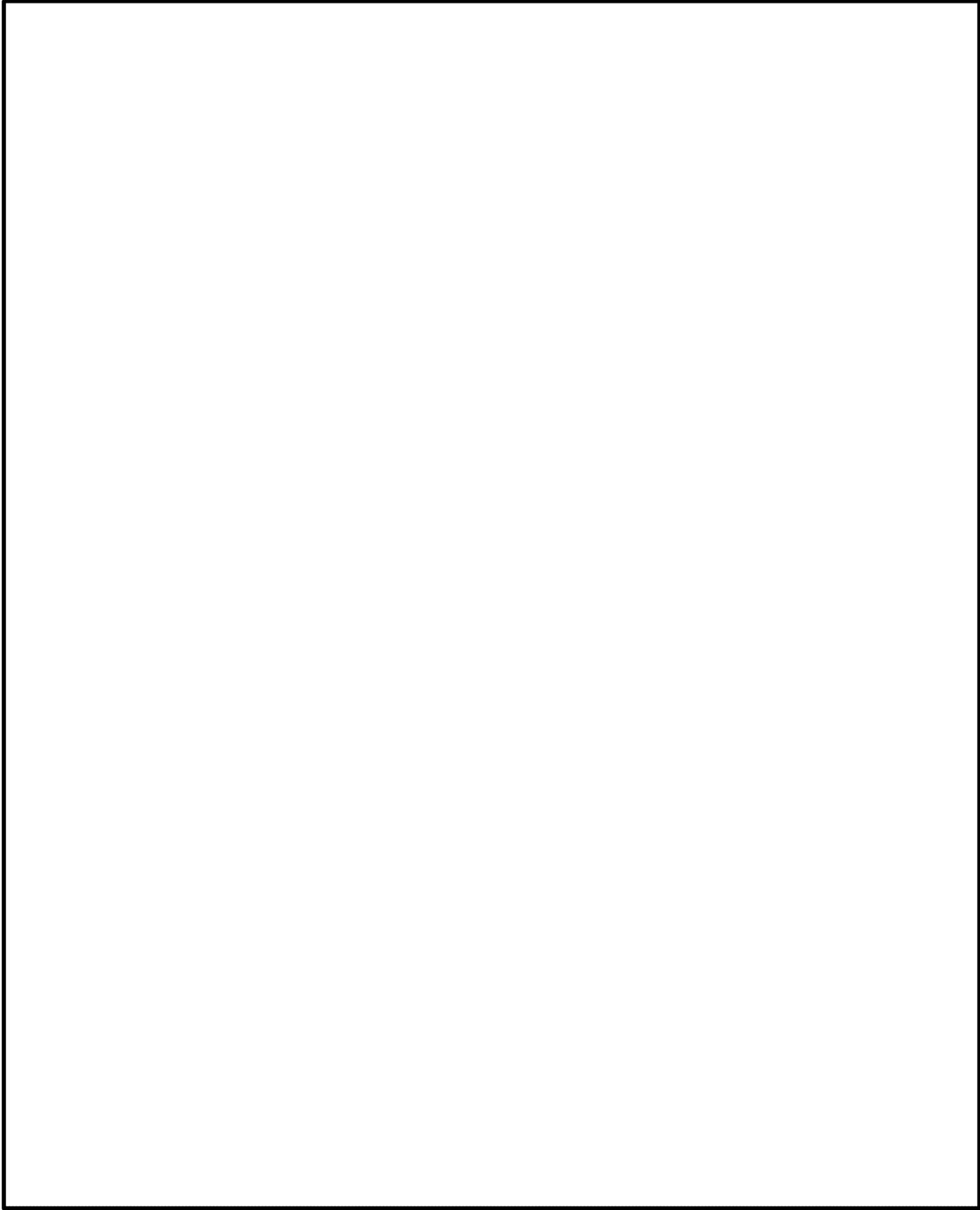
DESCRIPTION OF THE PROJECT

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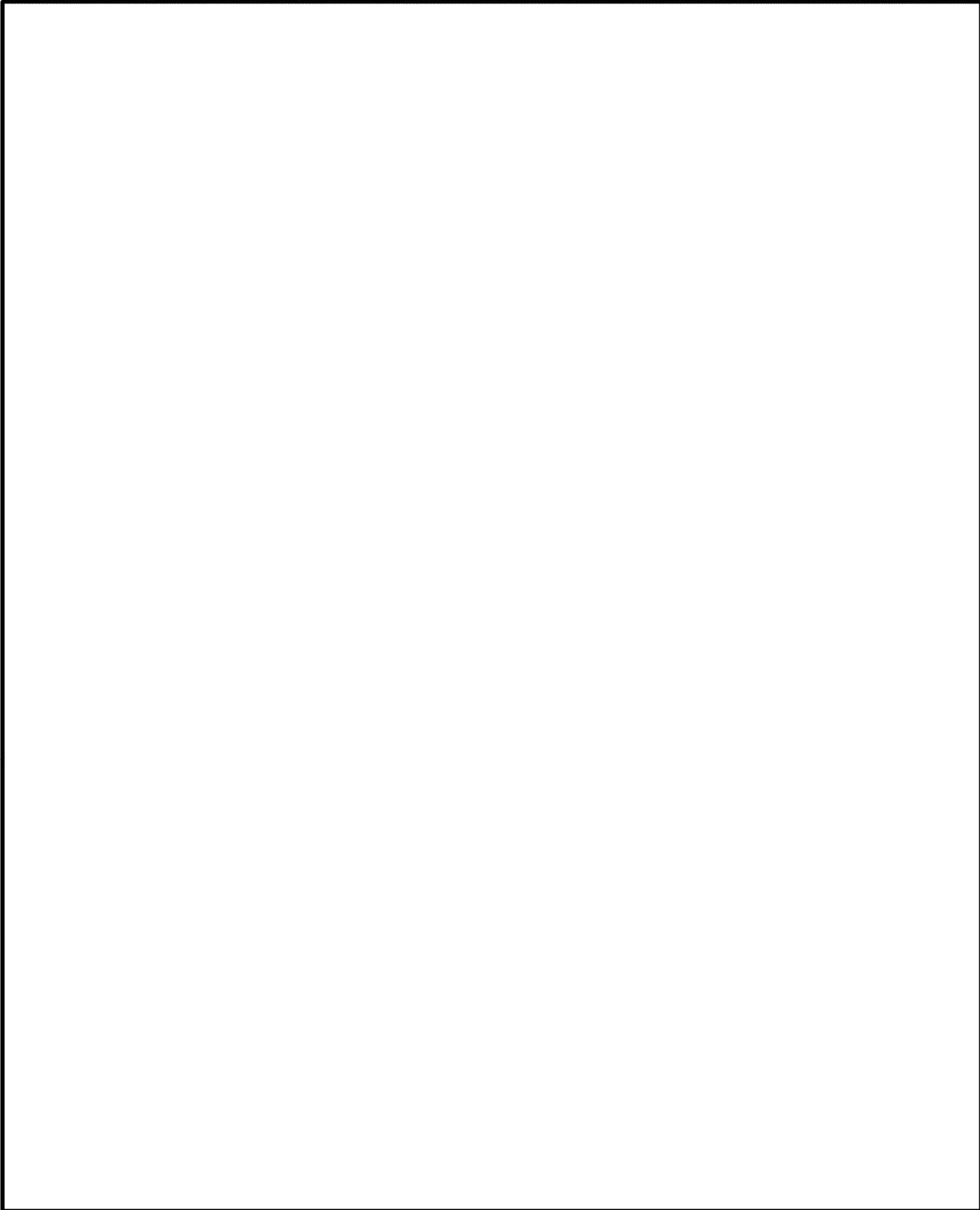
GENERAL PARTNER AND OWNER/OPERATOR; MANAGEMENT BIOGRAPHIES



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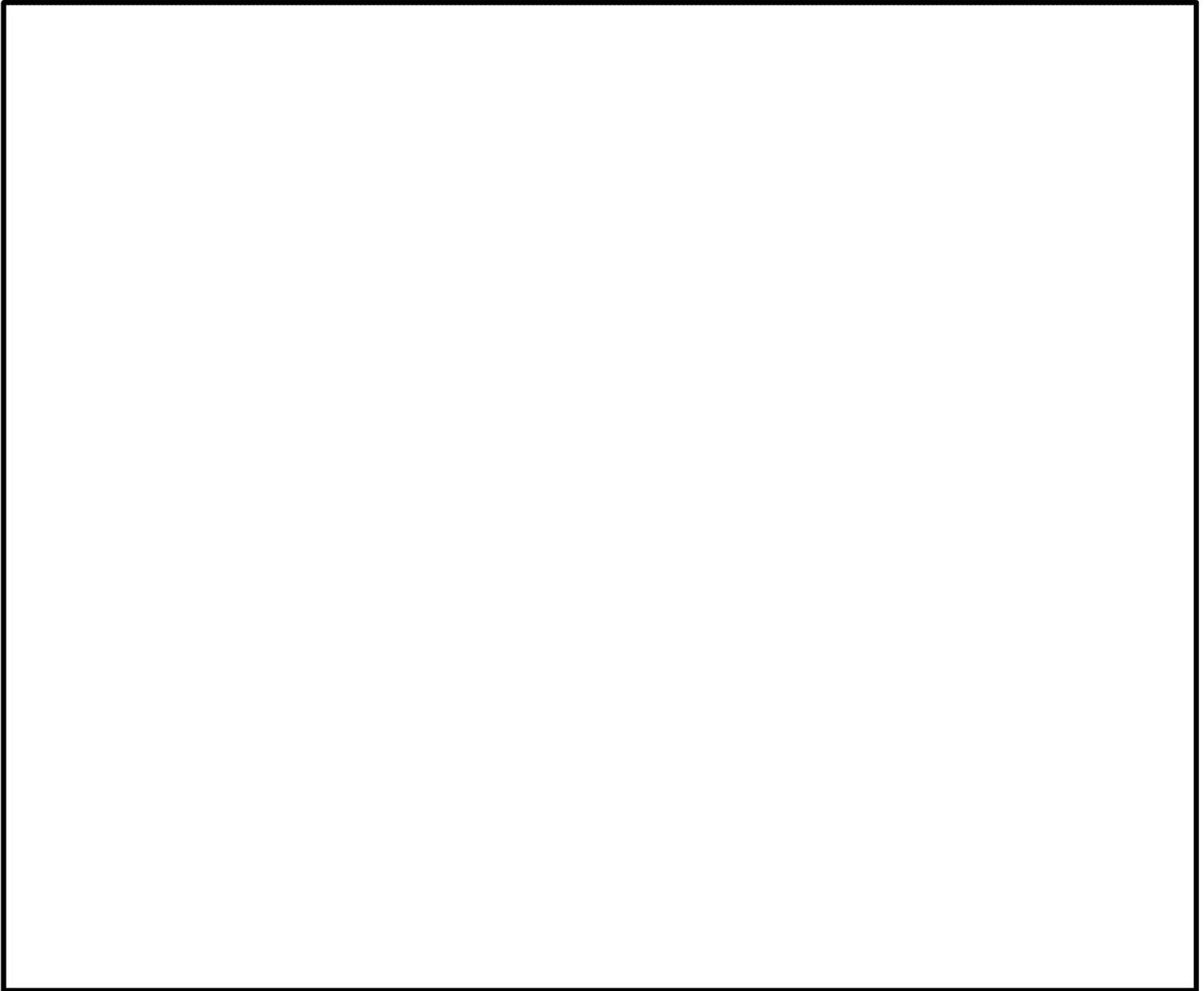
FINANCIAL CONSIDERATIONS



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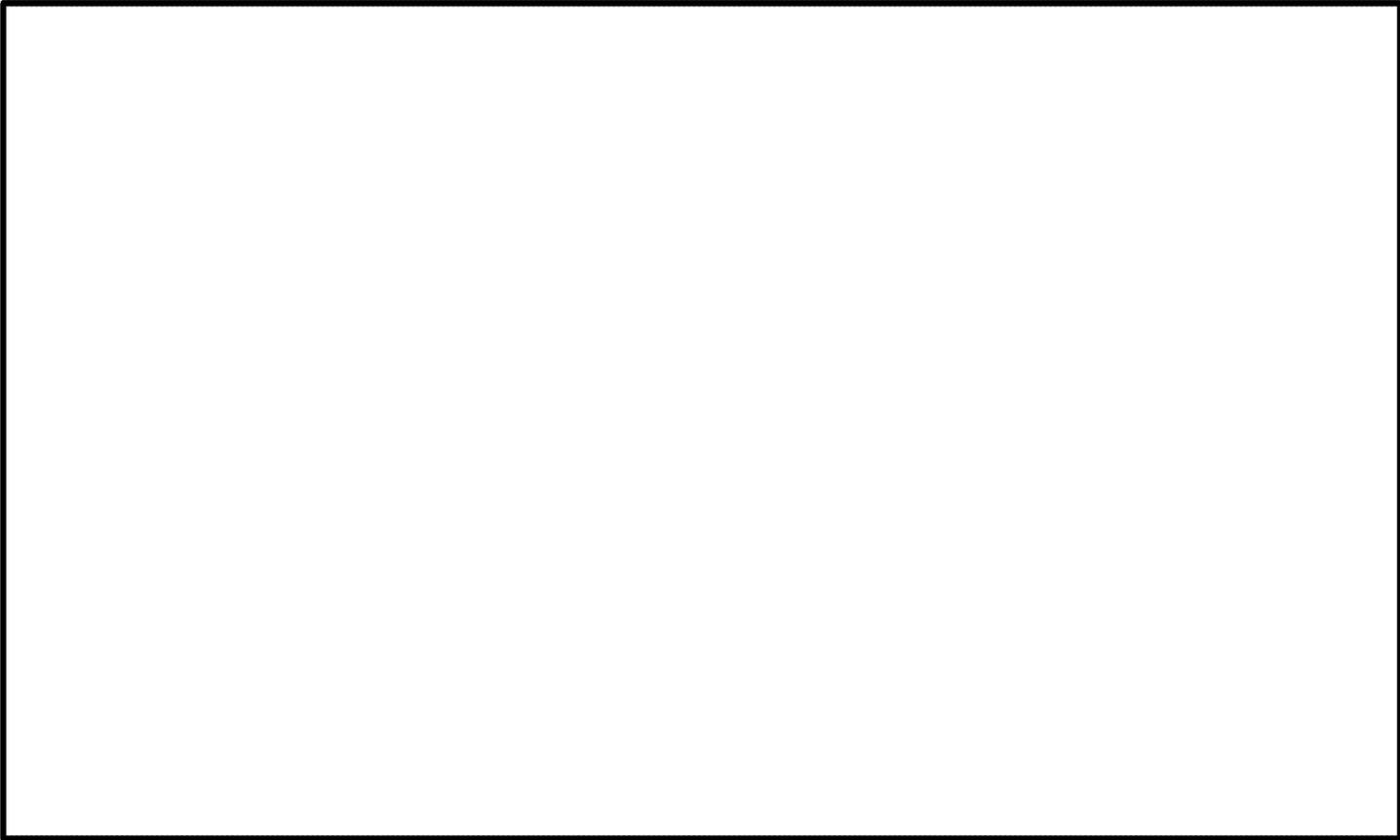
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THE OFFERING

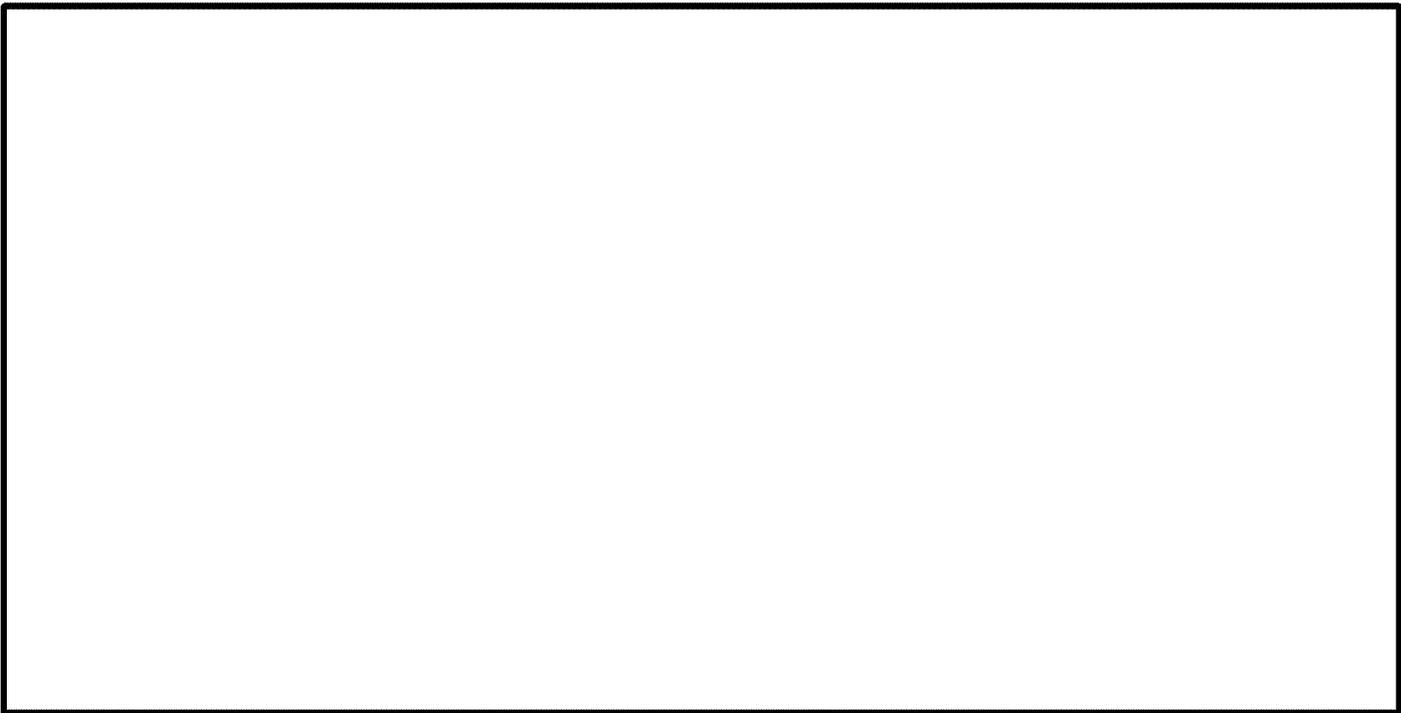


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TAX CONSIDERATIONS



EB-5 IMMIGRATION DISCLOSURES - AND RISK FACTORS



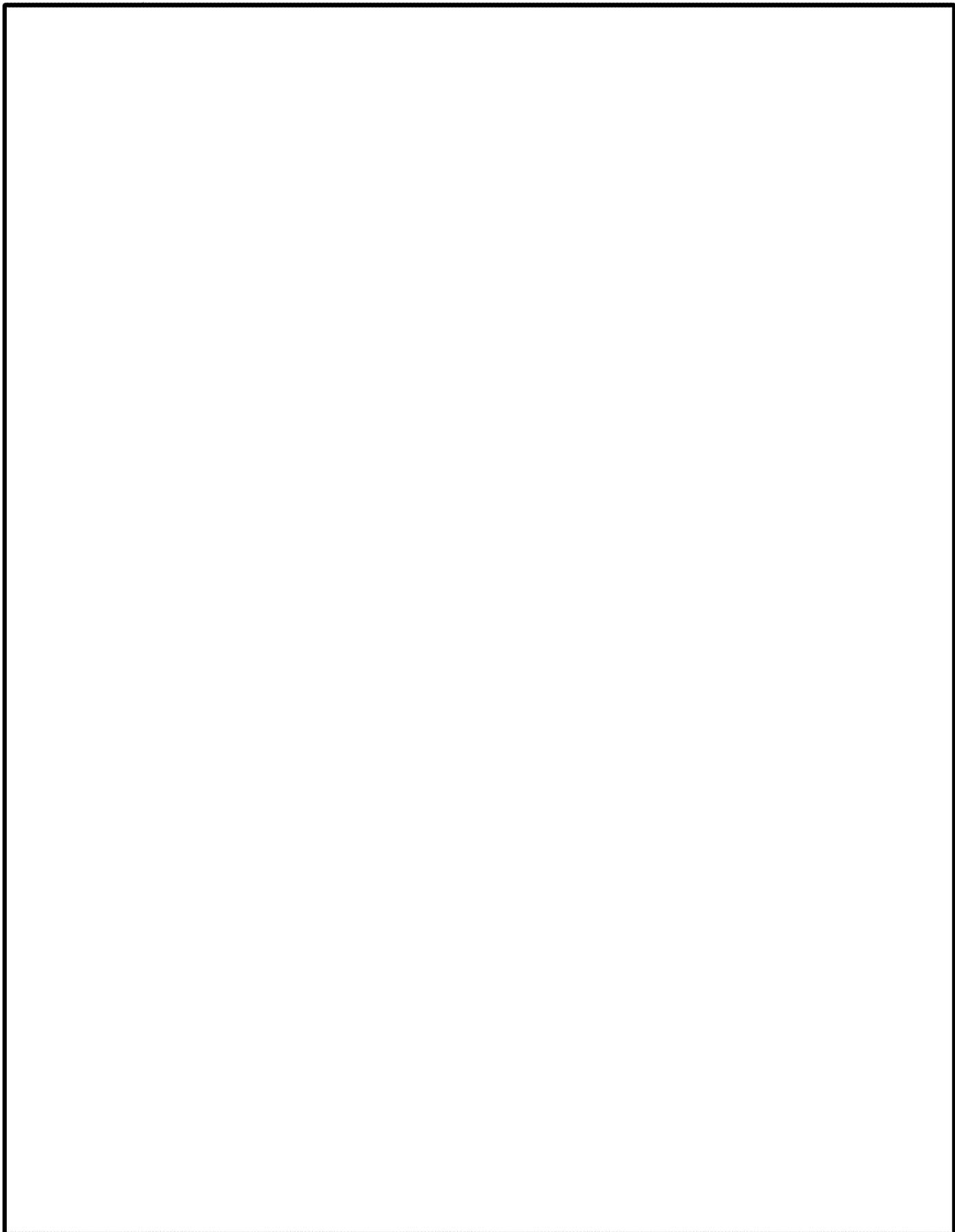
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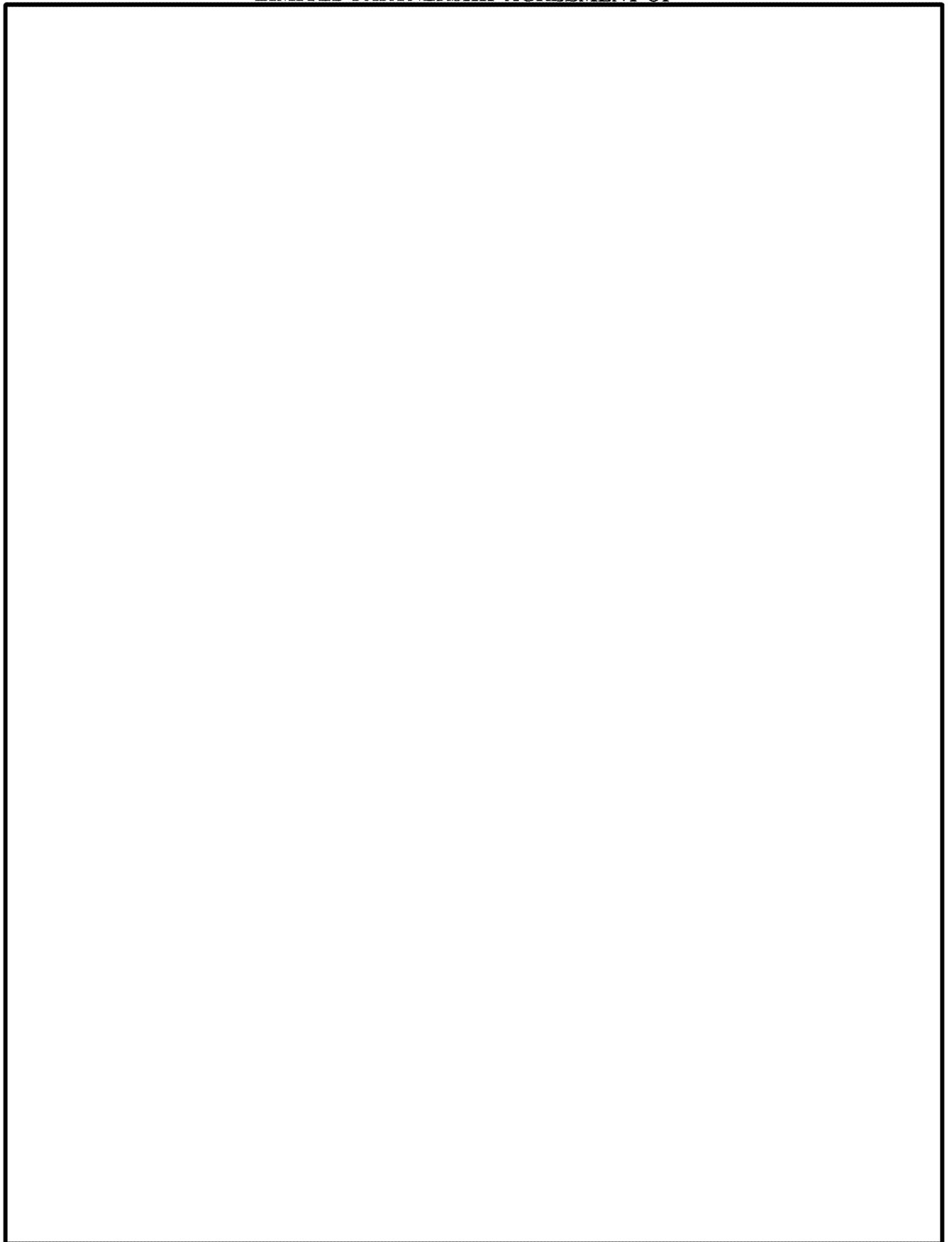
SUBSCRIPTION



9.8 Limited Partnership Agreement

(b)(4)

LIMITED PARTNERSHIP AGREEMENT OF



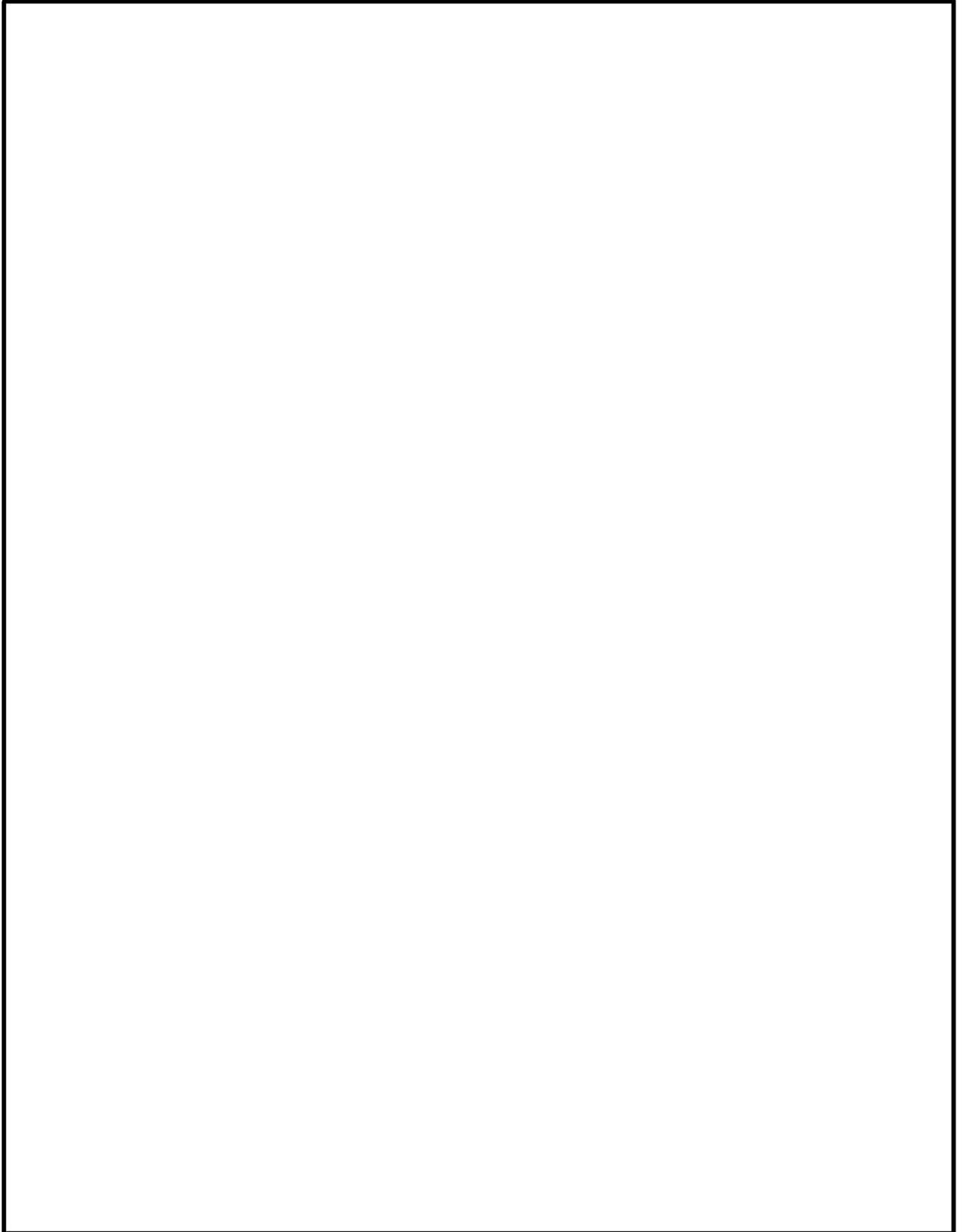
(b)(4)

9.9 Subscription Agreement

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**IMMIGRANT INVESTOR
SUBSCRIPTION AGREEMENT**



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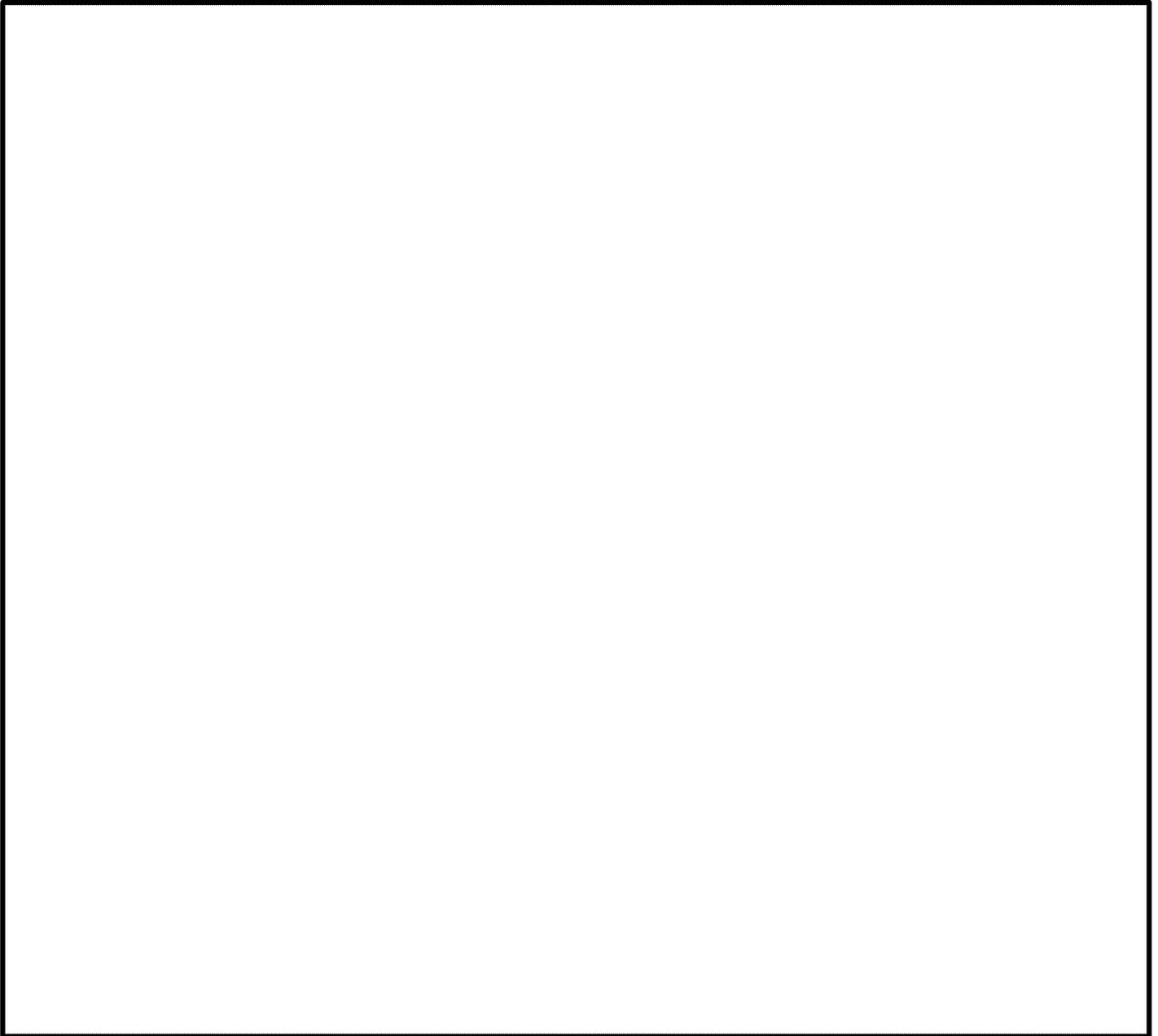
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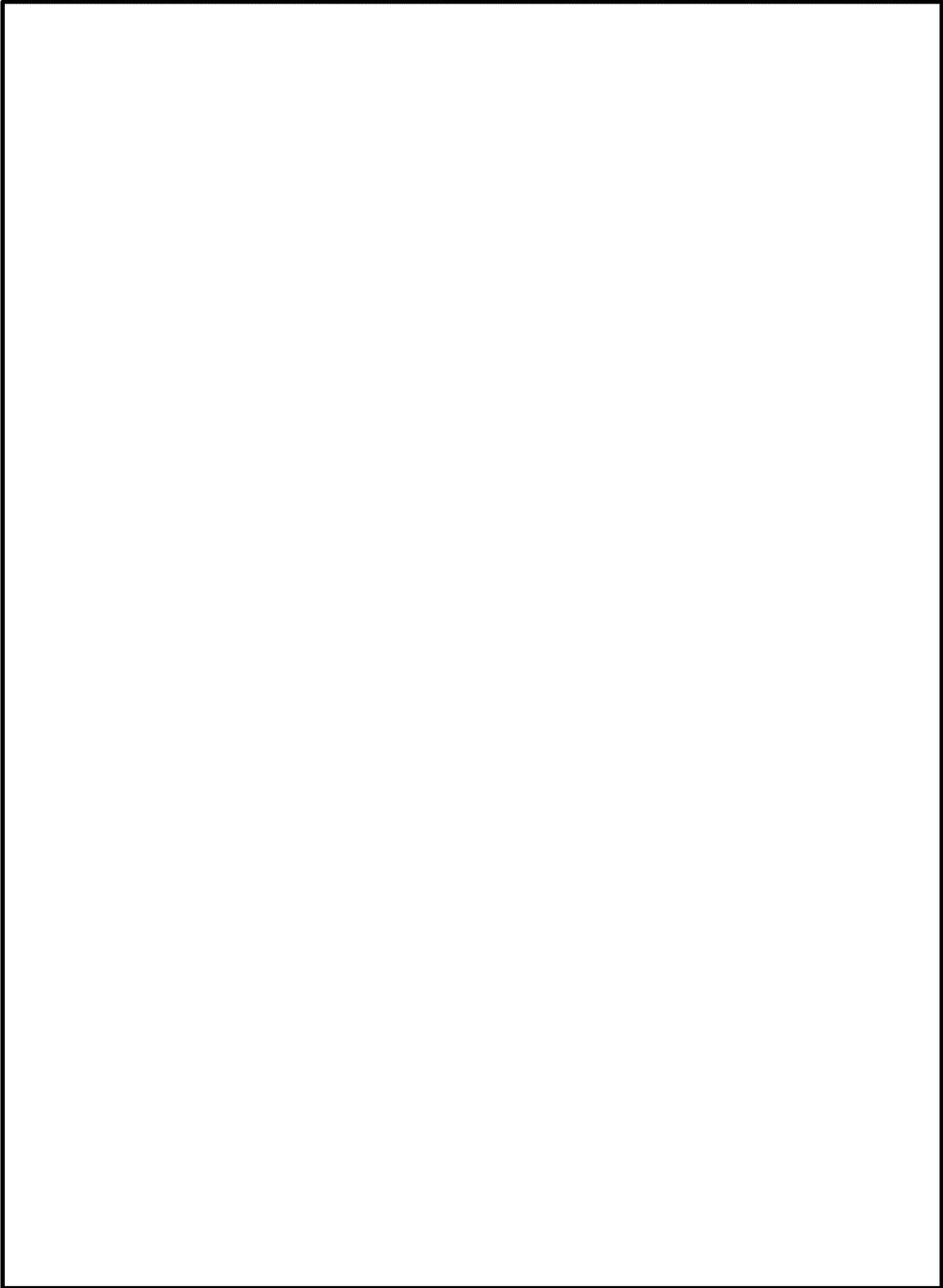
ACCREDITED INVESTOR QUESTIONNAIRE



9.10 Loan Agreement

(b)(4)

LOAN AND SECURITY AGREEMENT



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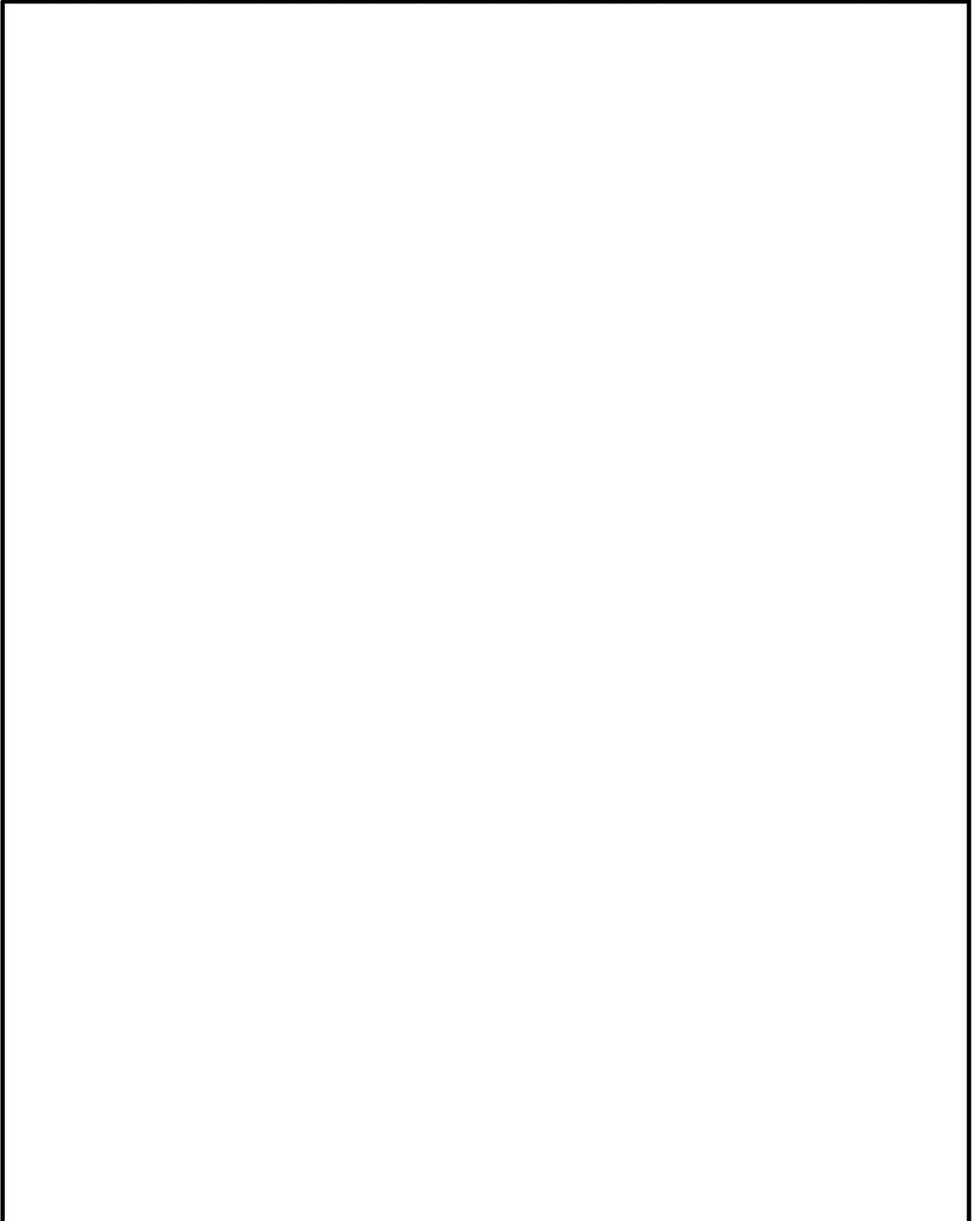
(b)(4)

EXHIBIT "A"
PROMISSORY NOTE
(see attached)

EXHIBIT "C"
FINANCING STATEMENT
(see attached)

(b)(4)

PROMISSORY NOTE



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SHIP TO
 Attn: E
 USCIS Ca
 24000 AVILA
 2ND FLOOR,
 LAGUNA NIGUEL, CA 92677

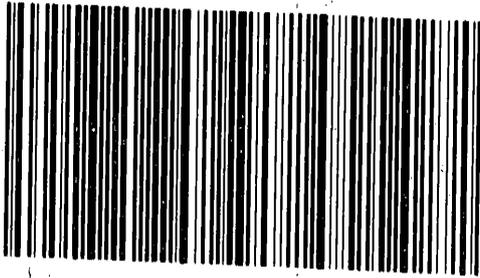
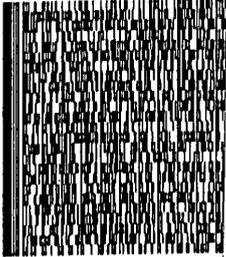
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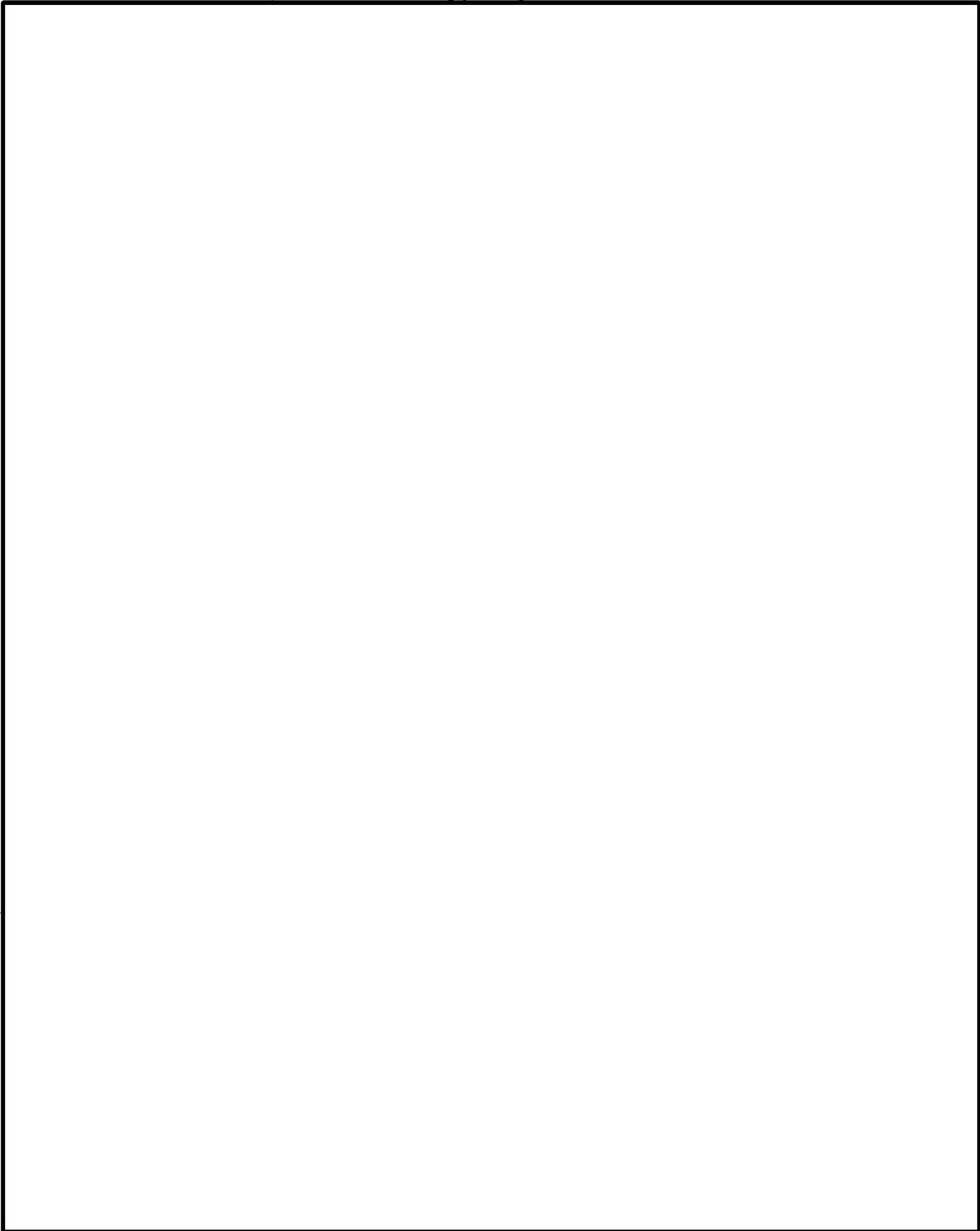
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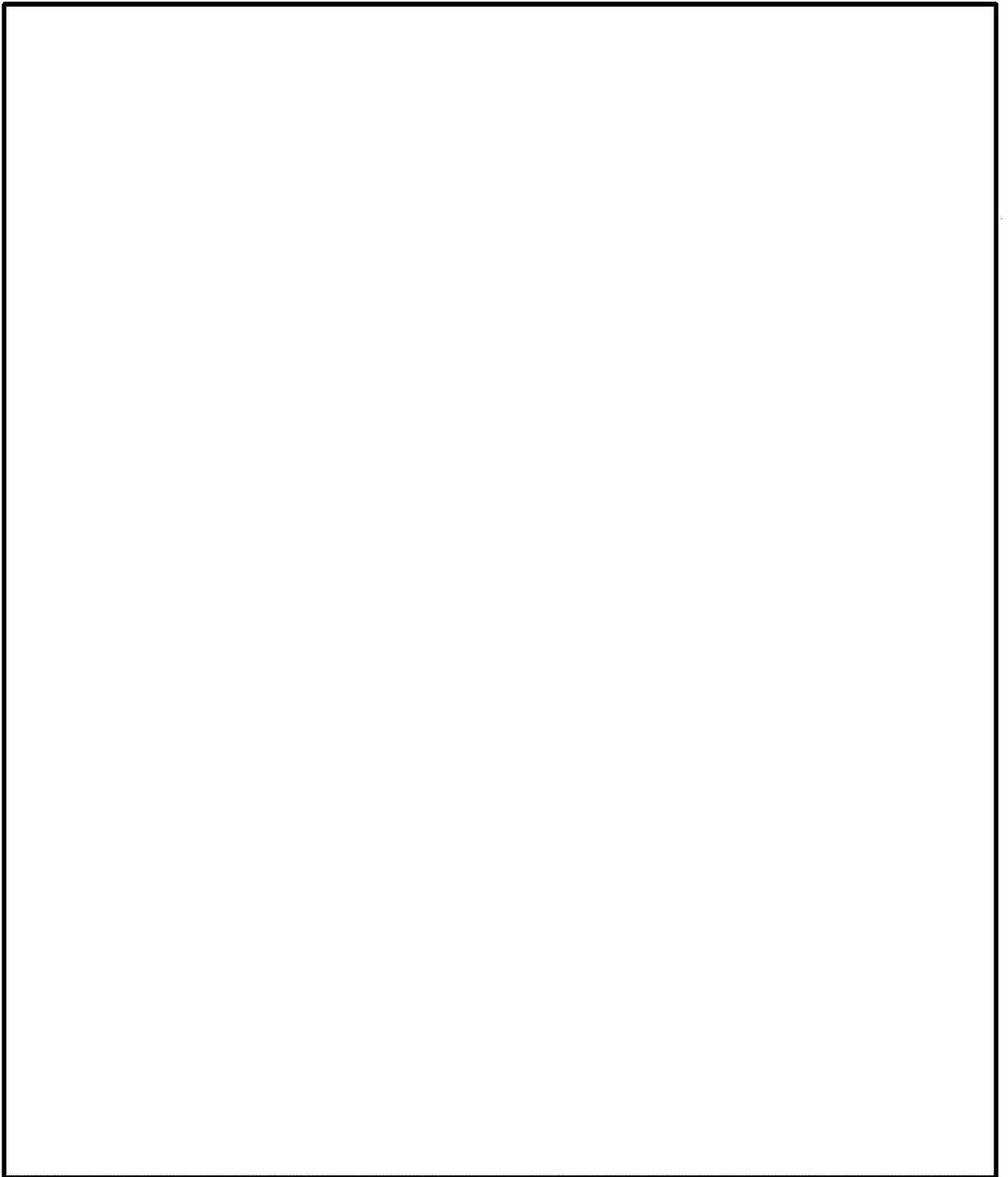
ECONOMIST SUMMARY **CONFIDENTIAL**: DELIBERATIVE, PRE-DECISIONAL WORK PRODUCT—PRIVILEGED AND
CONFIDENTIAL—FOR USCIS INTERNAL USE ONLY

USA Montana Energy Regional Center, LLC



(b)(5)

ECONOMIST SUMMARY REPORT: DELIBERATIVE, PRE-DECISIONAL WORK PRODUCT—PRIVILEGED AND
CONFIDENTIAL—FOR USCIS INTERNAL USE ONLY



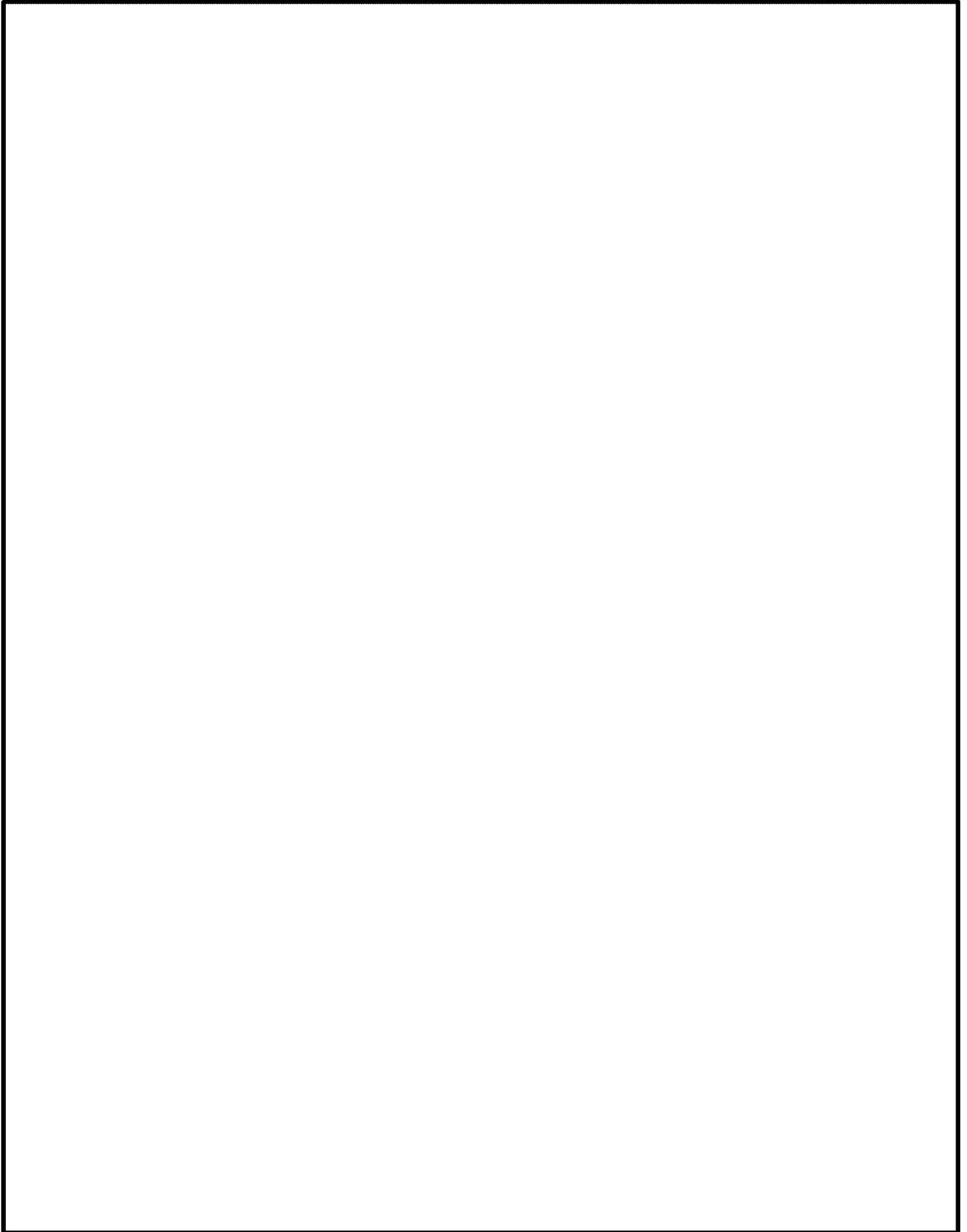
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Decision Processing Worksheet

[This area is a large, empty rectangular box, likely intended for a decision matrix or detailed notes.]

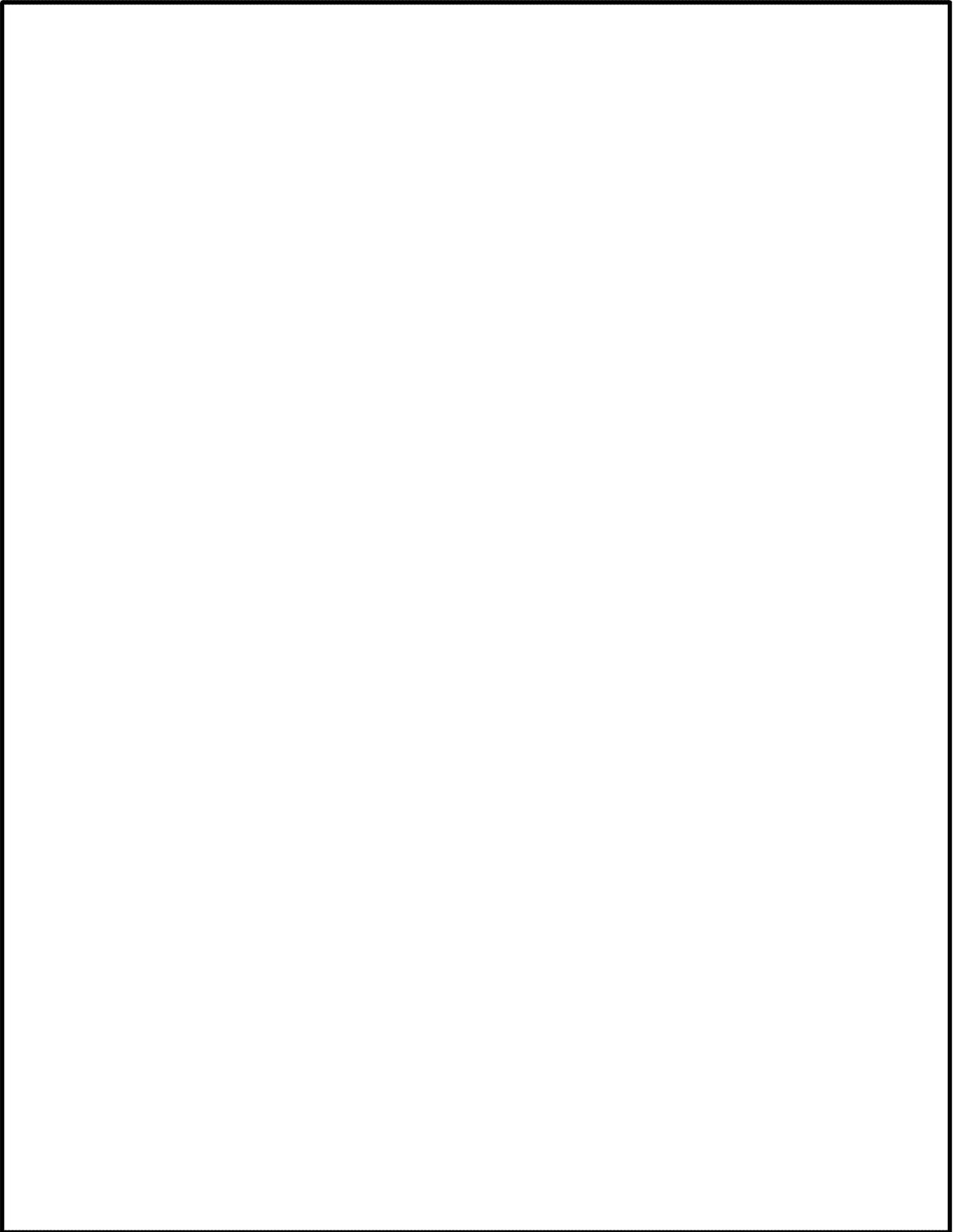
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USA Montana Energy Regional Center, LLC



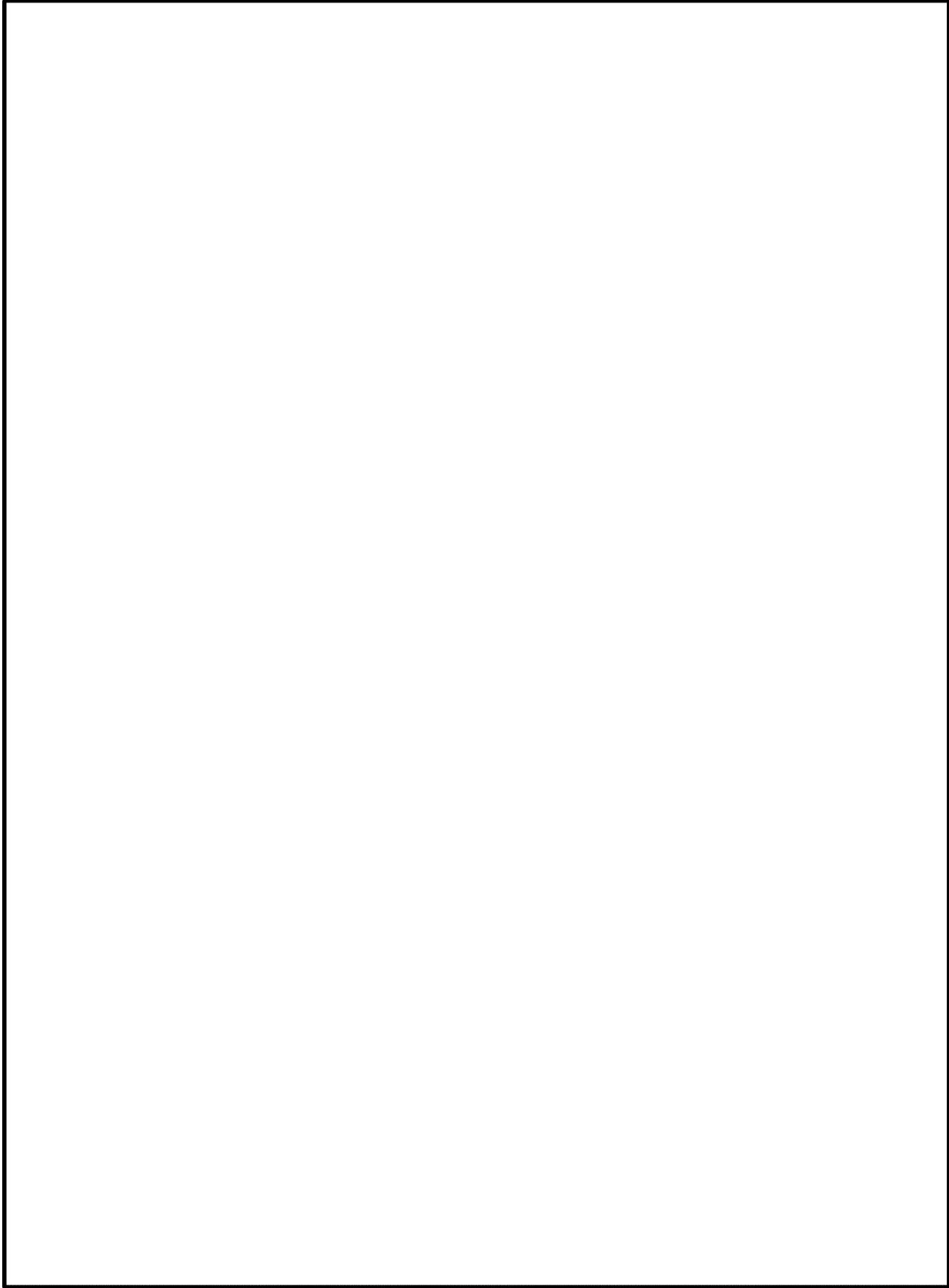
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ECONOMIST SUMMARY REPORT: DELIBERATIVE, PRE-DECISIONAL WORK PRODUCT—PRIVILEGED AND
CONFIDENTIAL—FOR USCIS INTERNAL USE ONLY



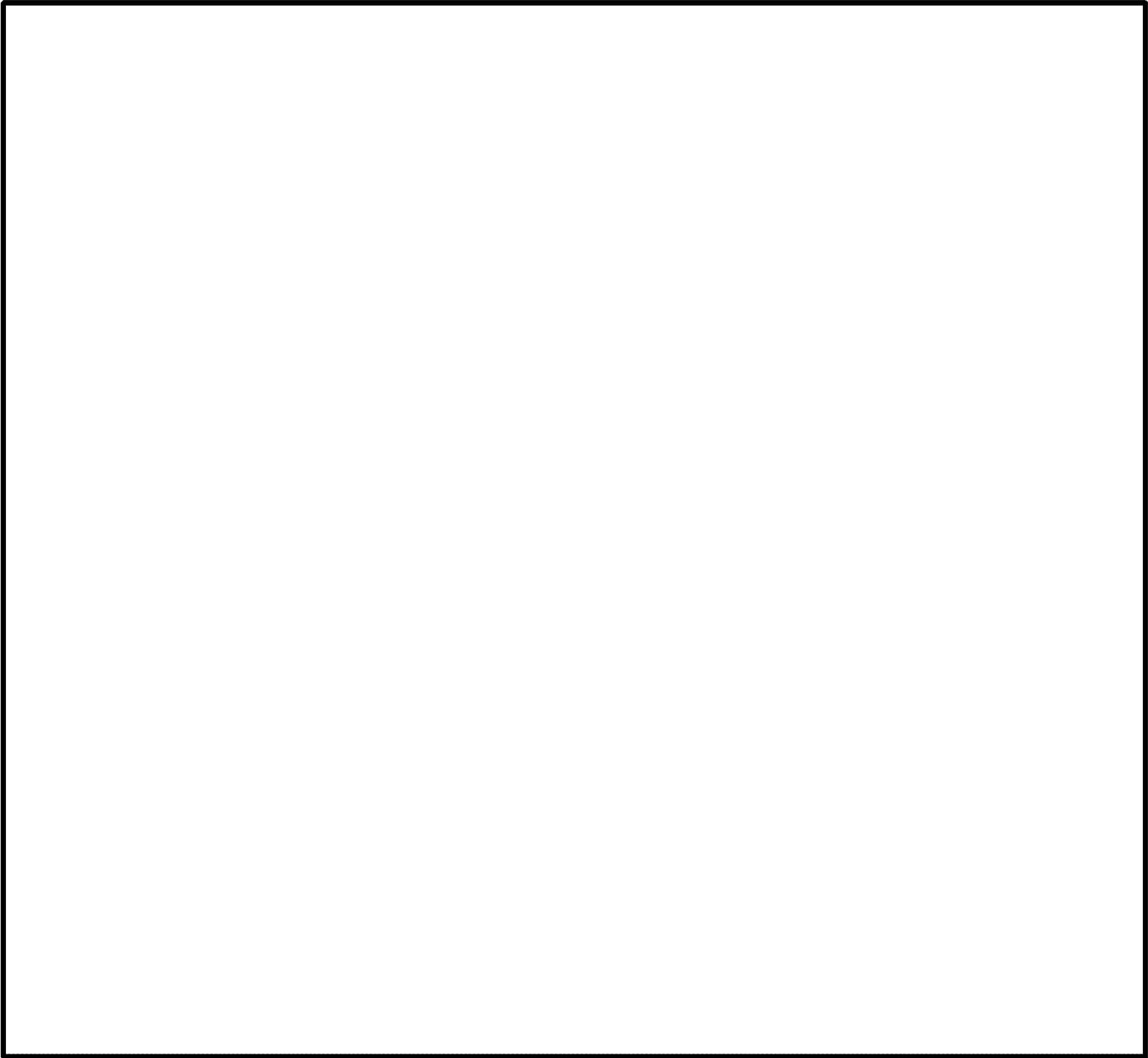
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ECONOMIST SUMMARY REPORT: DELIBERATIVE, PRE-DECISIONAL WORK PRODUCT—PRIVILEGED AND
CONFIDENTIAL—FOR USCIS INTERNAL USE ONLY



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ECONOMIST SUMMARY REPORT: DELIBERATIVE, PRE-DECISIONAL WORK PRODUCT—PRIVILEGED AND
CONFIDENTIAL—FOR USCIS INTERNAL USE ONLY



I-924 Regional Center Worksheet

(Update if there was an RFE Response)

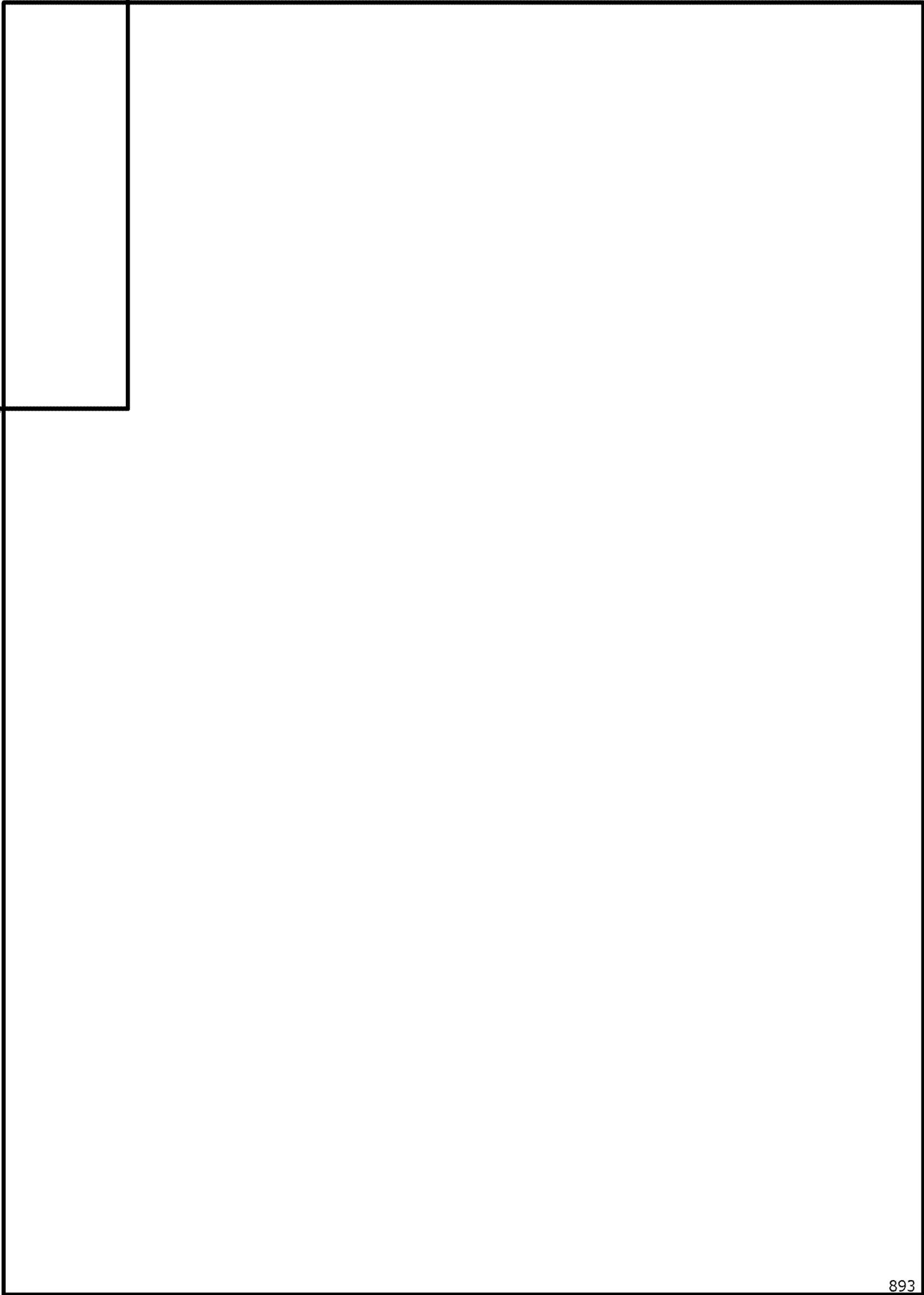
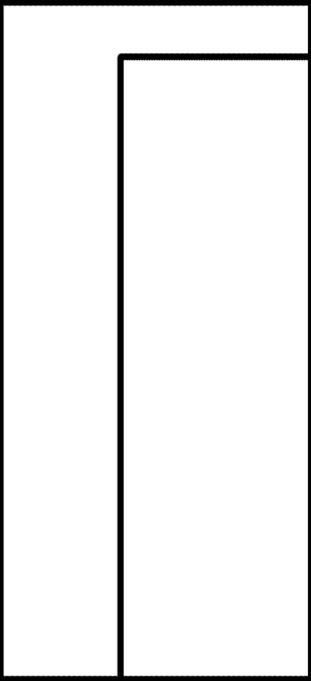
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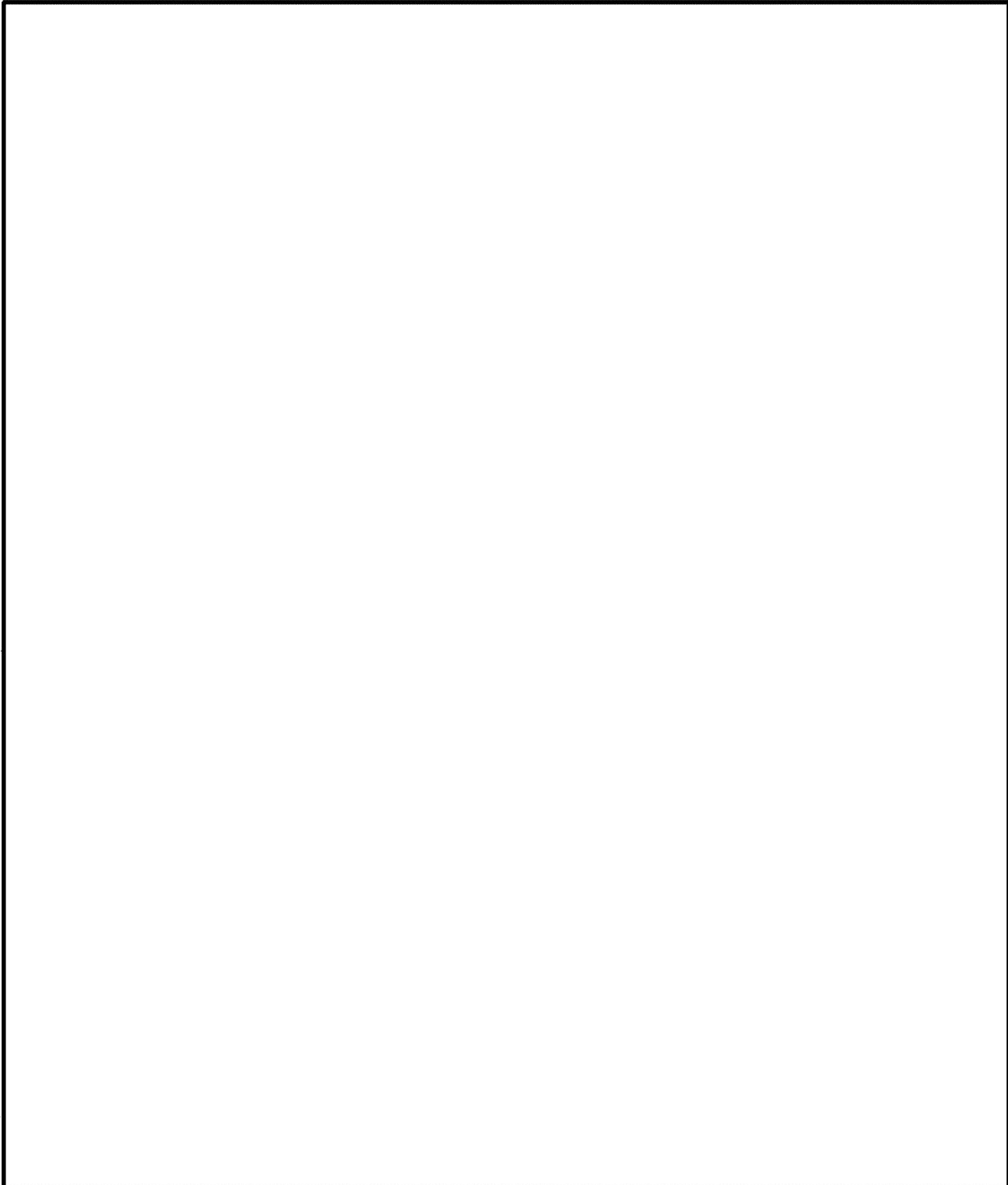


TTER of HO COMPLIANT ACTUAL INVESTMENT PROJECT/PLAN



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**USA Montana Energy Regional Center, LLC
Economist Comments: Business Plan and Economic Impact Analysis**



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U.S. Dept. of Homeland Security

MEMO

1-924 filing fee for USA Montana Energy Regional Center

THIS DOCUMENT

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REC'D CSC 11/10/14 21:03

COPY

RECEIPT NUMBER RCW1131850351		CASE TYPE 1924 Application for Regional Center Under the Immigrant Investor Pilot Program
RECEIVED DATE November 14, 2011	APPLICATION TYPE: A (INITIAL)	REGIONAL CENTER NAME USA MONTANA ENERGY REGIONAL CENTER LLC
NOTICE DATE November 14, 2011	PAGE 1 of 1	REGIONAL CENTER ID ID1131850351
LINDA LAU GLOBAL LAW GROUP RE: USA MONTANA ENERGY REGIONAL CENTER LLC 909 EL CENTRO ST STE 1 SOUTH PASADENA CA 91030		NOTICE TYPE: Receipt Notice

Receipt Notice - This notice confirms that USCIS has accepted your "Application for Regional Center Under the Immigrant Investor Pilot Program" (Form I-924) for processing. This notice does not grant any immigration status or benefit. This notice does not grant any immigration status or benefit.

Processing Time - The current processing time for this type of case is estimated at 120 days. Unlike many other USCIS case types, verification or tracking of this case is not available on our website. We will notify you by mail when we make a decision on this case or if we need further evidence to establish your eligibility for the regional center designation.

Unique Identifier - In the top portion of this Notice, you will find a unique identifier that has been assigned to your Form I-924. Unlike a receipt number which changes with every filing, this unique identifier is permanently assigned to your approved or prospective regional center, and will be associated with any future request to amend the regional center. Please refer to your regional center's unique identifier as well as to the Form I-924 receipt number in all subsequent correspondence with USCIS regarding this application.

E-Mail Communication Regarding Your Pending Form I-924 Application - USCIS has established a direct e-mail communication tool to facilitate communication between USCIS and those applicants with pending Form I-924s. Form I-924 applicants may use the e-mail communication process to correspond with USCIS regarding pending Form I-924 applications, to include questions that may arise if USCIS issues a Request for Evidence (RFE) or a Notice of Intent to Deny (NOID). USCIS may also reach out to Form I-924 applicants via e-mail to informally ask for clarification on certain issues in order to facilitate USCIS' review, understanding, and adjudication of the Form I-924 application. USCIS may also e-mail a courtesy copy of the RFE or NOID to the e-mail address listed on the I-924 and, if applicable, to the e-mail address listed on the Form G-28 associated with the application.

Please use the following table to determine which email address has been assigned to your Form I-924.

If your unique identifier ends in the number:	Then please utilize this email address:
0, 1, or a 2	CSC-EB5-RCID0-2@dhs.gov
3, 4, or 5	CSC-EB5-RCID3-5@dhs.gov
6 or 7	CSC-EB5-RCID6-7@dhs.gov
8 or 9	CSC-EB5-RCID8-9@dhs.gov

Example: If a regional center's unique identifier is IDxxxxxxx0, then the regional center's Form I-924 has been assigned to email account CSC-EB5-RCID0-2@dhs.gov, as the unique identifier ends in "0".

E-Mail "Subject Line" Advisory - Please ensure that the subject line in your email correspondence contains the following information in this order: (1) Regional Center Unique Identifier; (2) Receipt Number; (3) Regional Center Name. Doing so will facilitate USCIS' timely handling of and response to your email correspondence.

E-mail Scope - This e-mail communication tool is to be used solely to facilitate communication between applicants with a pending Form I-924 and USCIS. The scope of the communication must relate to matters concerning the pending Form I-924. The direct e-mail communication initiative is not a forum for general policy and legal questions about adjudicative procedures or decisions, or for questions relating to either "Immigrant Petition by Alien Entrepreneur" (Form I-526), "Petition by Entrepreneur to Remove Conditions" (Form I-829), or any "Appeal or Motion" (Form I-290B). USCIS will not respond to e-mails received concerning issues unrelated to the currently pending Form I-924. For more information about how to make other EB-5 inquiries, visit the EB-5 Inquiries page on the USCIS website (www.uscis.gov). USCIS will not respond to e-mails received concerning issues unrelated to the currently pending Form I-924 via this email communication process.

General Questions - USCIS has a page entitled EB-5 Inquiries at www.uscis.gov that outlines how the public may make other inquiries on EB-5 related matters, to include inquiries that you may have after the Form I-924 has been adjudicated. This page clarifies the EB-5 inquiries that are appropriate to send to the general EB-5 mailbox (at uscis.immigrantinvestorprogram@dhs.gov), and other avenues that can be used to send questions or inquire to USCIS that are not suitable for the general EB-5 mailbox.

Attorney Or Accredited Representative - If a valid Form G-28 is associated with the Form I-924, USCIS will need to have a viable Form G-28 e-mail address for the legal representative in order to use the e-mail process to correspond with the Form I-924 applicant. If a valid Form G-28 is associated with the Form I-924 applicant, but USCIS does not have a viable Form G-28 e-mail address, then one will need to be obtained prior to USCIS sending any out-going e-mail correspondence to the applicant which discuss issues related to the Form I-924. In such circumstance, the legal representative should provide an updated Form G-28 with a valid e-mail address by sending a pdf of a fully executed Form G-28 to the EB-5 mailbox at uscis.immigrantinvestorprogram@dhs.gov.

Please see the additional information on the back. You will be notified separately about any other cases you filed.

U.S. CITIZENSHIP & IMMIGRATION SVC
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LAGUNA NIGUEL CA 92607-0111
Customer Service Telephone: (800) 375-5283

