

From: Malcolm Shannon [mshannon@wildhorseusa.net]
Sent: Thursday, January 26, 2012 4:30 PM
To: Cohen, Stephen
Cc: Rich Ziegler
Subject: RE: Project Update - WildHorse Energy, Inc.

Hello Steve:

It was good to talk to you yesterday morning. You indicated that a response to your e-mail was sufficient for your purposes rather than a formal update to the previous letters of intent.

1. Bison Basin/West Alkali. In July of 2011, WildHorse Energy, Inc. (WHE) ended its Confidentiality, Access and Purchase Agreement (Agreement) with Blue Eyed Sheep Resources LLC (along with its other affiliated persons and entities) (BES) and terminated its right to purchase the 50 core claims of BES (where the JORC resource was declared by WHE) along with related data package. WHE is currently in the process of completing the documents transfer to BES the monitor wells and met station which BES desires to remain in place rather than be reclaimed. In addition WHE is transferring 34 claims to BES that were staked or acquired that fell under an area of interest provision as required under the Agreement. BES is currently completing the proper applications and assumption of reclamation liability with the Wyoming Department of Environmental Quality to assume the position of WHE under its DN. Upon WDEQ approval, WHE will authorize the WDEQ to transfer its current cash bond amount under its DN to the new DN of BES.

WHE still holds and maintains approximately 600 other unpatented mining claims in the area and is currently exploring various arrangements and proposals regarding such properties.

2. Sweetwater. WHE conducted no additional exploration activities on the 520 unpatented mining claims comprising its Sweetwater Project it holds and maintains in that area. WHE is currently exploring various arrangements and proposals regarding such properties.

As I mentioned, I expect to soon be separating from my duties with WHE both as a consultant and officer. Future inquiries on any of the above matters should be addressed to Rich Ziegler, who you know, at Integrated Production Resources who will maintain a continuing relationship with WHE. Rich's e-mail is above and his phone number is 720-259-1535.

I anticipate that I may, from time to time, pick up some consulting work for uranium companies in the future and have the opportunity to work again with you and your fine colleagues. It seems like only a few years ago when I started working in the industry back in 1969 for Ranchers Exploration.

Regards,

Malcolm Shannon

From: Cohen, Stephen [<mailto:Stephen.Cohen@nrc.gov>]
Sent: Wednesday, January 25, 2012 8:16 AM

To: Malcolm Shannon

Subject: Project Update

Hello Malcolm:

How's everything? I was wondering if you could update me on the Wildhorse's Wyoming uranium projects. Hope all is well.

Stephen J. Cohen

Team Leader - New Facility Licensing

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