

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/19/2005

API NO. ASSIGNED: 43-013-32787

WELL NAME: DS FED 3-23
OPERATOR: QUINEX ENERGY CORP (N9995)
CONTACT: DEFORREST SMOUSE

PHONE NUMBER: 801-292-3800

PROPOSED LOCATION:

NWSW 23 090S 170E
SURFACE: 1986 FSL 0632 FWL
BOTTOM: 1986 FSL 0632 FWL
DUCHESNE
MONUMENT BUTTE (105)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal
LEASE NUMBER: UTU-80566
SURFACE OWNER: 1 - Federal
PROPOSED FORMATION: GRRV
COALBED METHANE WELL? NO

LATITUDE: 40.01463
LONGITUDE: -109.9804

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NZS499876)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-2188)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: _____

1- Federal Approval
2- Spacing Strip



OPERATOR: QUINEX ENERGY CORP (N9995)

SEC: 23 T. 9S R. 17E

FIELD: MONUMENT BUTTE (105)

COUNTY: DUCHESNE

SPACING: R649-3-2 / GENERAL SITING



Wells	Units.shp	Fields.shp
⊕ GAS INJECTION	□ EXPLORATORY	⬛ ABANDONED
⊗ GAS STORAGE	□ GAS STORAGE	⬜ ACTIVE
⊗ LOCATION ABANDONED	□ NF PP OIL	⬜ COMBINED
⊕ NEW LOCATION	□ NF SECONDARY	⬜ INACTIVE
⊕ PLUGGED & ABANDONED	□ PENDING	⬜ PROPOSED
⊕ PRODUCING GAS	□ PI OIL	⬜ STORAGE
⊕ PRODUCING OIL	□ PP GAS	⬜ TERMINATED
⊕ SHUT-IN GAS	□ PP GEOTHERML	
⊕ SHUT-IN OIL	□ PP OIL	
⊕ TEMP. ABANDONED	□ SECONDARY	
⊕ TEST WELL	□ TERMINATED	
⊕ WATER INJECTION		
⊕ WATER SUPPLY		
⊕ WATER DISPOSAL		



PREPARED BY: DIANA WHITNEY
DATE: 20-MAY-2005

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

001

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.
UTU - 80566

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
FED

7. UNIT AGREEMENT NAME
FED

8. FARM OR LEASE NAME
FED

9. WELL NO.
DS FEDERAL #3-23

10. FIELD AND POOL, OR WILDCAT
UNDESIGNATED Monument Butte

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA.
SEC 23, T9S, R17E, UBM

12. COUNTY OR PARISH | 13. STATE
DUCHESNE | UTAH

16. NO. OF ACRES IN LEASE
1800

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

19. PROPOSED DEPTH
5700'

20. ROTARY OR CABLE TOOLS
ROTARY

22. APPROX. DATE WORK WILL START*
8/1/2005

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER
 SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
QUINEX ENERGY CORPORATION

3. ADDRESS OF OPERATOR
465 SOUTH 200 WEST, SUITE 300, BOUNTIFUL, UTAH 84010

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface **1986' FSL 632' FWL SECTION 23, T 9 S, R 17 E**
 At proposed prod. zone **NW 1/4; SW 1/4, SECTION 23 587015x 40.014632**
SAME AS ABOVE 44296694 -109.980425

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
16 MILES SOUTH OF MYTON, DUCHESNE COUNTY, UTAH

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) **632'**

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. **1326'**

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
5224' GR

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	300'	200 SKS
7 5/8"	7 1/2"	15.5#	5700'	400 SKS

NO INFORMATION WILL BE PROVIDED ON ACQUISITION OF DRILLING RIG.
DRILL NEW HOLE TO 5700' THROUGH GREEN RIVER FORMATION.

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

SIGNED *He Lorenz Smouse* TITLE PRESIDENT/QUINEX ENERGY CORP. DATE 5/18/05

(This space for Federal or State office use)

PERMIT NO. 43013-32782 APPROVAL DATE _____
 APPROVED BY *Bradley G. Hill* TITLE BRADLEY G. HILL DATE 05-24-05
 CONDITIONS OF APPROVAL, IF ANY: _____ ENVIRONMENTAL SCIENTIST III

RECEIVED
MAY 23 2005

T9S, R17E, S.L.B.&M.

1910 Brass Cap,
1.0' High, Pile of
Stones

N89°56'34"W - 2643.64' (Meas.)

S89°59'E - 2641.98' (G.L.O.)

Brass Cap,
1.0' High, Pile
of Stones

N00°01'29"E - 2641.01' (Meas.)

DUCHESNE CO.
UNITAH CO.

1910 Brass Cap,
1.0' High

23

N00°02'55"E - 2640.04' (Meas.)

632'

DS FEDERAL #3-23
Elev. Ungraded Ground = 5224'

1986'

N00°01'W - 5280.00' (G.L.O.)

Brass Cap,
1.0' High, Steel
Post

N89°58'57"W - 2643.64' (Meas.)

1910 Brass Cap,
1.5' High, Steel
Post

N89°59'E - 2641.32' (G.L.O.)

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(AUTONOMOUS NAD 83)

LATITUDE = 40°00'52.72" (40.014644)

LONGITUDE = 109°58'51.74" (109.981039)

(AUTONOMOUS NAD 27)

LATITUDE = 40°00'52.85" (40.014681)

LONGITUDE = 109°58'49.21" (109.980336)

LEGEND:

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

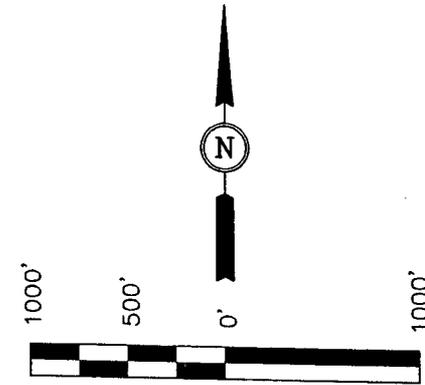
▲ = SECTION CORNERS LOCATED.

QUINEX ENERGY CORP.

Well location, DS FEDERAL #3-23, located as shown in the NW 1/4 SW 1/4 of Section 23, T9S, R17E, S.L.B.&M. Duchesne County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION LOCATED AT THE NORTHWEST CORNER OF SECTION 23, T9S, R17E, S.L.B.&M. TAKEN FROM THE PARIETTE DRAW SW, QUADRANGLE, UTAH, 7.5 MINUTE QUAD (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5198 FEET.



SCALE

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert H. Gray
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 3-14-05	DATE DRAWN: 3-16-05
PARTY S.H. L.M. K.G.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE QUINEX ENERGY CORP.	

EIGHT POINT PLAN
QUINEX ENERGY DS FEDERAL *3-23
NW. SW, SECTION 23, T9S, R17 E.
DUCHESNE COUNTY, UTAH
Elevation GR - 5,224'

1 & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS & WATER ZONES

<u>FORMATION</u>	<u>DEPTH</u>	<u>TYPE ZONES</u>	<u>MAX. PRESSURE</u>
Uinta Fm.	Surface	Fresh Water	
Green River Fm.	2550'	Oil & Gas	2500#
EST. TD	5,700'	Anticipated BHP	2000#

3. PRESSURE CONTROL EQUIPMENT

BOP Schematic Diagram attached

4. CASING PROGRAM:

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSL</u>
12 1/4"	0-300'	300'	8 5/8"	24#	J-55	P & C	2890#	4410#	526
7 5/8"	0-5700'	5700'	5 1/2"	15.5#	P110	P&C	7460#	7460#	558

All casing will be new or inspected.

5. MUD PROGRAM:

<u>INTERVAL</u>	<u>MUD TYPE</u>	
0-5700'	WATERGEL	8.5#
If needed	LOW SOLIDS	9.5#

Lost circulation zones are not anticipated.

Sufficient mud inventory will be maintained on location during drilling to handle any adverse conditions that may arise.

6. VARIANCE REQUESTS:

None

7. EVALUATION PROGRAM:

Logs : SCHLUMBERGER WIRELINE:

DIL-SFL

CNL-FDC

FW SONIC

MUDLOG

EIGHT POINT PLAN**QUINEX ENERGY DS FEDERAL 3-23**
NW/4W, SECTION 23, T9S, R17E
DUCHESNE COUNTY, UTAH

Additional logs as needed to evaluate formation to TD.

Cores: None Programmed

DST's None Programmed

Completion: To be submitted at a later date.

8. **ABNORMAL CONDITIONS:**

None anticipated.

9. **STANDARD REQUIRED EQUIPMENT:**

Choke Manifold

Gas Buster

Visual Mud Monitoring

10. **HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA Title III in an amount to or greater than 8,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

RECEIVED

MAY 24 2005

DIV. OF OIL, GAS & MINING

THIRTEEN POINT PLAN
Quinex Energy Corporation
DS Federal #3-23
NW,SW Section 23, T 9 S, R 17 E
632' FWL, 1986' FSL Section 23
Elevation GR- 5,224'

GENERAL Requirements for working on Bureau of Land Management Lands

1. Cultural resources are not expected to be disturbed, see attached report from Sagebrush Consultants L.L.C.
2. The area is grassland with minor sagebrush and other desert vegetation.

1. **Existing Roads - See Location Map.**

- A. Wellsite: 1986' FSL, 632' FWL, (NW, SW Section 23) T9S R17W S.L.B.& M.
- B. Travel 1.5 mile east of Myton, Utah on US 40 and turn south (left) on graded road for 11.2 miles on road leading to the old Castle Peak Mine. Turn right on the Snyder Springs Road for 3.7 miles to Snyder Springs then left – east southeast on the graded road 1.5 miles. Then northeast 0.3 miles, then left - north 0.3 miles on existing un-graded track. New road continues north 0.6 miles from Fed 4-23 location. See attached map.
- C. Roads: Existing County road from Myton is on graded roads. The final 0.9 miles leg is on new un-graded track.
- D. Other existing roads as marked on Topo map.
- E. Existing roads will be maintained by the county. The new access road to the DS Federal #3-23 well will be upgraded to BLM specifications and will be maintained as required, for all weather use, by the operator. (See engineer survey plat.)

2. **General:**

- (1) The Vernal District BLM will be notified 48 hours prior to commencing work on BLM controlled lands.
- (2) A steel pipe with brass cap is present 1986' south and 662' west of the proposed well site at the SW corner of Section 23.
- (3) The dirt contractor will be furnished a copy of this Surface Use Plan,

along with any additional BLM stipulations, prior to the work.

- (4) **Trees:** There are no trees on the access route or location.
- (5) **All artifacts found on Federal Lands shall be left in place and the BLM promptly notified. None expected (Sagebrush Report).**
- (6) **The top 6 inches of topsoil will be removed and stockpiled on The NW corner of the location.**
- (7) **The reserve pit will be lined with native clay materials and water-proofed.**

B. Planned Access Roads:

0.3 miles of upgraded access road and 300' of new road will be required. The subject road will be built to BLM specifications (from 6, p. 26, "Surface Operating Standards for Oil and Gas Exploration and Development" as follows:

- (1) **Width: 170' at crown:
Total disturbed Width 270'.**
- (2) **Maximum Grades: 1.5° Maximum.**
- (3) **Turnouts: See Survey Map.**
- (4) **Drainage: Borrow pit on east side.**
- (5) **Culverts:
a. 18" zinc coated steel pipe if needed.**
- (6) **Surface material: The new road surface will be covered with 6 inches of roadbase and 2" inches of 1 ½" gravel topping as required for traction and erosion control.**
- (7) **Gates/Cattle-guards:
No fences will be crossed from county road to location of the #2-23 well.**

3. Location of Existing Wells: 5 existing wells within 1 mile.

Wells within one mile radius:

- (1) **Water wells: None**
- (2) **Abandoned Oil Wells: 1 well (NE,SW 23)**
- (3) **Temporarily Abandoned Wells: None**
- (4) **Disposal Wells: None**

- (5) Drilling Wells: None?
- (6) Producing Wells: 3wells: Newfield NGC 24-15H (SE,SW 15),
Newfield S Pleasant Valley Fed 10-15-9-17 (NW,SE 15)
Newfield Fed 44-14Y (NW,SE 14)
- (7) Shut in wells: None
- (8) Injection Wells: 1 well (NW,NE 22)
- (9) Monitoring Wells: None

4. Location of Existing and/or Proposed Facilities: - See Wellsite Plat.

A. Within 1mile radius of location, existing facilities owned or operated by lessee/operator.

- (1) Tank Batteries : Same as 6 above.
- (2) Production Facilities: Same as above.
- (3) Oil Gathering Lines : None
- (4) Gas Gathering Lines: Newfield Oil & Gas
- (5) Injection Lines: None
- (6) Disposal Lines : None

B. New Facilities Contemplated:

- (1) Off Well Pad: A gas line tie-in to Newfield Oil & Gas Gathering In Section 15 and Electric tie-in to Moon Lake Electric is anticipated.
Agreements with Newfield and Moon Lake will be executed prior to completion.
- (2) Well Pad Dimensions: Refer Rig Layout Plat.
- (3) Construction Methods: Tanks are to be welded. Battery grade will be less than 3' above well pad grade. All equipment will be painted medium sand brown.
- (4) Protective Measures: There will be no open vessels or permanent storage of fluids in open pits. Storage Tanks will be diked to provide emergency containment of a potential tank failure.

C. Location and Type of Water Supply

A. Water Source:

Approximately ten acre-feet of water will be required to drill and complete the well. Water is to be pumped or hauled from the Green River by Tu and Frum Trucking Inc. Dave Murray . Proper water rights will be obtained from a State Engineer prior to spudding. See attached temporary water right #49-2188.

- B. Transportation: Water will be trucked. Produced oil will be trucked**
- C. Water Well: None Proposed.**

6. Source of Construction Materials:

- A. Source: Materials from cuts will be used in fills. No additional requirements are anticipated.**
- B. Ownership: The access road and location are on BLM land.**
- C. Outside Materials: Road-base will be obtained from commercial gravel pits in the Roosevelt, Utah area.**
- D. Access: No additional access roads will be required excepting the 0.6 mile proposed road to the location from the JDC Federal 4-23 wellsite. (See surveyors plat above).**

7. Methods of Handling Waste Disposal

Disposal will be handled as follows:

- (1) Cuttings : Drill cuttings are to be buried in the reserve pit.**
- (2) Drilling Fluids: Drilling fluids are to be removed to a commercial disposal pit within 90 days of completion.**
- (3) Produced Fluids: Produced oil will be sold to an authorized oil buyer. Produced water will be hauled to an authorized disposal.**
- (4) Sewage: Chemical Toilets will be provided for the drilling crew.**
- (5) Trash and Garbage: Trash will be accumulated in a wire mesh receptacle and hauled to a sanitary landfill.**
- (6) Post Drilling cleanup: After drilling operations cease, the access road and location will be cleaned up and graded. The reserve pit will be covered and re-seeded to BLM specifications within 90 days.**

8. Ancillary Facilities

No camp facilities are planned or required.

9. **Wellsite layout** : see attached Wellsite Plat.

- (1) **Cross Sections:** Provided with plat.
- (2) **Equipment Layout:** Provided on plat.
- (3) **Rig Orientation:** Provided on plat.
- (4) **Pits:** All pits are to be sealed.

10. **Plans for Restoration of Surface.**

Upon completion of drilling operations, the location is to be restored as follows.

- (1) **Initial Cleanup:** Location and surrounding area are to be cleaned of all debris resulting from the drilling operation. All trash is to be hauled to a local sanitary landfill.
- (2) **Vernal BLM** will be notified 48 hours prior to any surface restoration requiring earth moving equipment, and upon completion of the work.
- (3) **Topography:** Within ninety days of completion (weather permitting) the well, the reserve pit is to be dried, filled and re-contoured to original shape. All spoil material is to be buried a minimum of five feet deep. All trash will be removed prior to burial. All disturbed areas, not required for continued operations, are to be re-contoured to original shape.
- (4) **Stockpiled topsoil** will be evenly distributed back over reclaimed areas.
- (5) **Re-vegetation:** Reclaimed areas will be scarified and seeded by broadcasting or drilling, per BLM recommendations.
- (6) **Unused areas** will be blocked from vehicular access.
- (8) **Oil on pits:** Any oil on the pits will be removed to a Commercial Disposal when rig is released.
- (9) **Timetable:** Reserve pit is to be reclaimed within 90 days of completion date. Other areas will be reclaimed within six months of discontinued use.

11. Other Information

- A. Ownership and Right-of-ways:**
Both the surface and minerals are owned by the Federal Government. Right-of ways for road, location, gas gathering lines, and power lines will be requested from the BLM.
- B. General Description of Area:**
- (1) Topography:** Semi-arid with sagebrush and desert vegetation. No irrigation.
 - (2) Surface Use Activity:** The surface is presently used for cattle grazing.
 - (3) Water, Dwellings, Archeology:** Water will be trucked to the location, on existing roads. There are no dwellings within ½ mile. No archeological sites are on wellsite or access road. Archeological survey is completed and submitted with APD.

12. Production Operations

- A. Notification:** A first production report will be sent to the BLM within 5 days of first production to establish site security and APD compliance.
- B. Site Security:** Site security plan will be submitted within thirty days of completion.
- C. Water Production:** NTL-2B will be submitted within 60 days of completion. It is anticipated that the water produced will be hauled to the pit located in LaPoint, Utah, Section 8, T 1 S, R 1 E.
- D. Weed Control:** The road and location will be professionally sprayed annually, using EPA approved chemicals, to control noxious weeds.
- E. The tank battery is to be built along the north side of the location. All permanent structures will be painted an approved earthtone color within six months of installation, OSHA required markings are excepted.**

13. Lessee's or Operator's Representative

Quinex Energy Corp.
DeForrest Smouse
465 South 200 West, Suite 300
Bountiful, Utah 84010
Phone: (801) 292-3800 or 292-2554

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route: that I am familiar with the conditions which presently exist: that the statements made in this plan are, to the best of my knowledge, true and correct: and the work associated will be performed by Quinex Energy and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Date: 5/20/05


DeForrest Smouse
Quinex Energy Corporation

SELF-CERTIFICATION STATEMENT

Please be advised that Quinex Energy Corporation is considered to be the operator of the DS Federal #3-23 located in the NW ¼, NWS ¼, Section 23, Township 9 South, Range 17 East, Lease UTU-80566 Duchesne County, Utah; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is Wells Fargo Bank NA; Irrevocable Document of Credit NZS499876 in the amount of \$10,000.00.

RECEIVED

SEP 22 2004

WATER RIGHTS
VERNAL

TEMPORARY APPLICATION TO APPROPRIATE WATER

Rec. by Bru
Fee Paid \$ 75.00 Cash
Receipt # 04-04079

STATE OF UTAH

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of Title 73, Chapter 3, Utah Code Annotated 1953, as amended.

WATER RIGHT NUMBER: 49 - 2188

TEMPORARY APPLICATION NUMBER: T75549

(BWHITE)

1. OWNERSHIP INFORMATION:

LAND OWNED? Yes

A. NAME: Tu and Frum Trucking Inc David Murray
ADDRESS: P. O. Box 146
Lapoint. UT 84039

B. PRIORITY DATE: September 22, 2004

FILING DATE: September 22, 2004

2. SOURCE INFORMATION:

A. QUANTITY OF WATER: 8.0 acre-feet

B. SOURCE: Green River

COUNTY: Uintah

C. POINT OF DIVERSION -- SURFACE:

(1) N 1,190 feet W 200 feet from SE corner, Section 20, T 11S, R 18E, SLBM

D. COMMON DESCRIPTION: 40 miles southeast of Myton

3. WATER USE INFORMATION:

OIL EXPLORATION: from Oct 1 to Sep 30 drilling and completion of oil/gas wells
- Oct 1, 2004 to Sep. 30, 2005

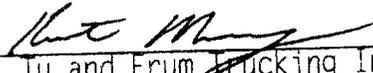
Water will be loaded into tank trucks and hauled to place of use.

4. PLACE OF USE: (which includes all or part of the following legal subdivisions:)

BASE	TOWN	RANG	SEC	NORTH-WEST 1/4				NORTH-EAST 1/4				SOUTH-WEST 1/4				SOUTH-EAST 1/4			
				NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE
SL	9S	17E		Entire TOWNSHIP															
SL	9S	18E		Entire TOWNSHIP															
SL	10S	17E		Entire TOWNSHIP															
SL	10S	18E		Entire TOWNSHIP															
SL	11S	17E		Entire TOWNSHIP															
SL	11S	18E		Entire TOWNSHIP															

5. SIGNATURE OF APPLICANT(S):

The applicant(s) hereby acknowledge(s) that he/she/they are citizen(s) of the United States of America or intend(s) to become such a citizen(s). The quantity of water sought to be appropriated is limited to that which can be beneficially used for the purposes herein described. The undersigned hereby acknowledges that even though he/she/they may have been assisted in the preparation of the above-numbered application through the courtesy of the employees of the Division of Water Rights, all responsibility for the accuracy of information contained herein, at the time of filing, rests with the applicant(s).



Tu and Frum Trucking Inc David Murray



OLENE S. WALKER
Governor

GAYLE F. MCKEACHNIE
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

Division of Water Rights

ROBERT L. MORGAN
Executive Director

JERRY D. OLDS
State Engineer/Division Director

>>>>>>>OFFICIAL RECEIPT<<<<<<<<

RECEIPT No. 04-04079	DATE: September 22, 2004
RECEIVED FROM:	
TU AND FRUM TRUCKING INC DAVID MURRAY, P. O. BOX 146 LAPOINT, UT 84039	

NATURE OF SERVICE:	FEE:
Application to Appropriate 49-2188(T75549)	75.00
TOTAL:	\$75.00

METHOD OF PAYMENT: Cash

RECEIVED BY: BWHITE

**A CULTURAL RESOURCE INVENTORY OF AN ACCESS ROAD FOR
WELLS LFW FEDERAL #2-23, DS FEDERAL #3-23 AND JDC FEDERAL #4-23,
DUCHESNE COUNTY, UTAH**

by

Michael R. Polk
Principal Archaeologist

Prepared for:

Quinex Energy Corporation
465 South 200 West
Bountiful, Utah 84010

Prepared by:

Sagebrush Consultants, L.L.C.
3670 Quincy Avenue, Suite 203
Ogden, Utah 84403

Under the Authority of Cultural Resource Use Permit No. 04UT54630

and

Under the Authority of Utah State Antiquities Permit No. U-05-SJ-0191b

Cultural Resource Report No. 1393

April 11, 2005

INTRODUCTION

In February 2005, Quinex Energy Corporation (Quinex) of Bountiful, Utah, requested that Sagebrush Consultants, L.L.C. (Sagebrush) conduct a cultural resource inventory of three wells, LFW Federal #2-23, DS Federal #3-23 and JDC Federal #4-23, and their associated access roads and pipelines, in Duchesne and Uintah Counties, Utah. The purpose of this inventory is to identify cultural resource sites within the proposed project area.

The proposed well pads, access roads and pipelines are located in T. 9S., R. 17E., S. 14, 21, 23, 26, 27, and 28, on USGS 7.5' Quadrangles Pariette Draw SW, Utah (1964) and Myton SE, Utah (1964) (Figure 1). The locations of the center stakes for the three wells are: LFW Federal #2-23 (1960' FNL 661' FWL), DS Federal #3-23 (1986' FSL 632' FWL) and JDC Federal #4-23 (660' FSL 661' FWL). The proposed upgrade to an existing access road extends south and west into S. 21, 26, 27, 28 and joining an upgraded access road in S. 21, all in Duchesne County. In Uintah County, the proposed alternate access road and a pipeline parallel each other, extending north into S. 14 where they tie into an existing access road and another proposed pipeline.

The well pads and the associated access roads and pipelines lie on lands administered by the Bureau of Land Management (BLM), Vernal Field Office. The cultural resource survey, was carried out only on the portions of the access road south and west of S. 23, by Michael R. Polk on March 24, 2005. The inventory was conducted under the authority of Cultural Resource Use Permit No. 04UT54630 and Utah State Antiquities Permit No. U-05-SJ-0191b.

Prior to conducting fieldwork, a GIS file search for previously recorded cultural resource sites and projects conducted near the current project was completed through Kristen Jensen, of the Antiquities Section, Division of State History, Utah Historic Preservation Office (SHPO), in Salt Lake City, on March 31, 2005. An agency file search was conducted at the BLM, Vernal Field Office, in Vernal by Michael R. Polk and Andrew Williamson on March 23, 2005. Angela Garrison, of Sagebrush, conducted another file search at the SHPO on April 11, 2005. Sagebrush personnel also reviewed General Land Office (GLO) plat maps located in the Public Room of the BLM Utah State Office, Salt Lake City. The National Register of Historic Places (NRHP) was consulted prior to the commencement of fieldwork for the current project. No NRHP sites were found to be in the vicinity of the current project area.

Multiple previous cultural resource projects have been conducted in the vicinity of the project area. Due to the large number of projects conducted in this area, most of them will not be listed below. There are seven cultural resource sites which have been recorded within one mile of the current project area to be surveyed by Sagebrush. Following is a brief description of each site and its associated project.

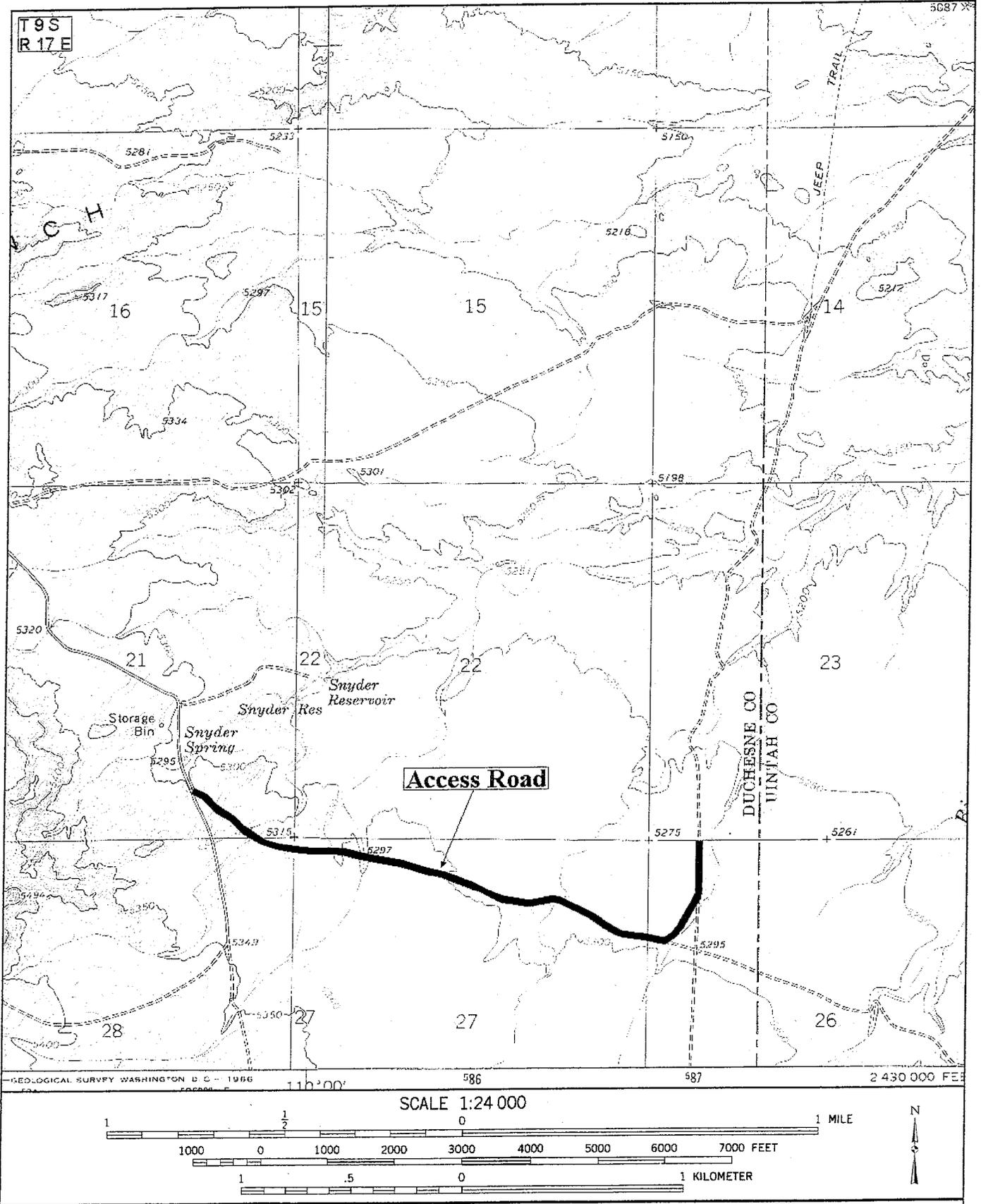


Figure 1. Location of the area surveyed for an access road for wells LFW Federal #2-23, DS Federal #3-23 and JDC Federal #4-23. Taken from USGS 7.5' Quadrangle Myton SE, Utah (1964) and Pariette Draw SW, Utah (1964).

In 2003, a block area was inventoried, including the northern portion of the current project area (Montgomery 2004). Blaine Phillips, BLM Archaeologist, Vernal Field Office, said that this inventory meets the intensive level survey requirement for sections 14 and 23 in the current project area (Phillips, personal communication 2005a). There were two new sites and one previously recorded site documented during the inventory which are within a mile of the current inventory area. The site descriptions are as follows:

Site 42UN2260. This Middle Archaic site was revisited during the 2004 inventory. It is a prehistoric open camp and lithic scatter located near low sandstone outcrops. There are scattered fire-cracked sandstone and other rock fragments at the site. A dart point was found in association with a concentration of lithic flakes concentration. Other tools observed at the site include a Duncan-McKean Complex side notched point, a chopper, a mano and mano fragments. The site was recommended Eligible to the NRHP.

Site 42UN3377. This is a low density lithic scatter present in a sand dune. It contains 15 flakes in all stages of reduction, with secondary flakes being the most common. Also present was one piece of lithic debitage. There were several milling tools found at the site, including a large rectangular slab metate made of coarse-grained gray-purple quartzite. Another slab metate made of dark gray-brown fine-grained sandstone was also found. Both metates had some wear facets and were lightly shaped. Due to the location of the site in loose sandy deposits, there appears to be potential for buried cultural material at the site. The site was recommended Eligible to the NRHP.

Site 42UN3381. This is a large temporary historic camp located on a low finger ridge top. Artifacts at the site consisted of 5 hole -in-top milk cans, several sanitary cans and a log cabin syrup can. A Liberty nickel and a deteriorated axe-cut wood pile were observed at the site. The cans embossed with "SANITARY" were manufactured between 1904 and 1908; the nickel was dated 1905. The site is in fair condition and may date to two different time periods, 1904-1908 and 1915-1930 (milk can type) based on diagnostic artifacts, however it has no integrity. The site was recommended NOT eligible to the NRHP.

In 1998, AERC inventoried block areas near the current project area, including the portions of sections 22 and 15 (Hauck 1998). AERC recorded several sites, three sites of which, 42DC1174, 42DC1175 and 42DC1176, are within a mile of the current survey. The descriptions of these sites is as follows:

Site 42UN1174. This site is a prehistoric open camp and lithic scatter located on a low bench. The variety of tools observed at the site include an Elko Eared or Pinto dart point, numerous bifaces, unifaces and preforms. There was chert debitage from all stages of lithic tool production. There is potential for depth of cultural materials at the site. The site was recommended Eligible to the NRHP.

Site 42UN1175. This Middle Archaic site is a large prehistoric lithic scatter in a sandy swale elevated above a drainage and its flood plain. The artifacts observed at the site include a

Rocker side notch dart point and a variety of lithic debitage. There is potential for depth of cultural materials at the site. The site was recommended Eligible to the NRHP.

Site 42UN1176. This is small lithic scatter located on a bench above a large intermittent drainage. The few artifacts at the site include five flakes and four expediency tools. No features were present. Based upon the limited information potential of the site, it is recommended NOT eligible to the NRHP.

In 1996, AERC inventoried a block area in the South Pleasant Valley Unit and recorded several cultural resource sites, one of which, 42UN2260, is within one mile of the current survey area (Hauck 1996).

Site 42UN2260. This Middle Archaic site is a prehistoric open camp and lithic scatter located near low sandstone outcrops. There are scattered fire-cracked sandstone and other rock fragments at the site. A dart point was found in association with a concentration of lithic flakes concentration. Other tools observed at the site include a Duncan-McKean Complex side notched point, a chopper, a mano and mano fragments. The site was recommended Eligible to the NRHP.

In 1981, portions of the proposed access road were inventoried for two different projects in S. 21, 26, 27 and 28 (Tate 1981; Cook 1981). Sagebrush consulted Blaine Phillips, BLM Archaeologist with the Vernal Field Office, about updating the surveys. He requested that Sagebrush inventory those sections of access road to locate and evaluate any cultural resources present within a 100-foot wide corridor for the current project area (Phillips, personal communication 2005b).

In addition, the University of Utah recorded site 42DC346 within a mile of the survey area (University of Utah 1974). This site is described as follows:

Site 42DC346. This site is a possible hunting station in a rock shelter containing low stone walls, however no artifacts were located in direct association with the shelter. The walls were collapsed when they were observed in 1977. An unidentified projectile point was found in a wash north of the shelter. The site has not been evaluated for eligibility to the NRHP.

ENVIRONMENT

The access road surveyed for this project is located in the low rolling dissected tablelands west of the Green River, about 16.4 miles south of Myton, Utah. The elevation of the area surveyed ranges between 5270 and 5320 feet a.s.l. The surface sediments in the area consist of an interfingering of fluvial deposits and thinly bedded Pleistocene lake bed deposits. Soils in these areas are poorly developed and sandy in nature. Sediments consist of tan to light reddish

brown sandy silt mixed with angular rock fragments composed of mudstone, limestone and sandstone. Vegetation in the area covers approximately 10 percent of the ground surface and consists of shadscale community species. Noted species include prickly pear cactus, small sagebrush, greasewood, and winterfat. Seasonally flowing drainages and washes are present in the vicinity of the current project area. These seasonal water sources were, no doubt, the primary source of water in this area historically. The nearest permanent water source is the Green River which is located about 12 miles east of the project area. Another large water source, Pleasant Valley Wash, is located about eight miles north of the survey area.

Natural disturbances in the area consist of sheetwash and aeolian erosion. Cultural disturbances include the construction of existing well pad locations, access roads, and pipelines and impacts from livestock grazing.

METHODOLOGY

An intensive cultural resource inventory was carried out for the proposed upgraded access road in T. 9S., R. 17E., S. 21, 26, 27 and 28 for three Quinex wells, LFW Federal #2-23, DS Federal #3-23 and JDC Federal #4-23. The project area consists of 3.64 km (2.10 mi) of proposed access road corridor. The proposed access corridor was walked in parallel transects spaced no more than 15 m (50 ft) apart to cover a width of 30 m (100 ft). The area surveyed during this cultural resource inventory totaled 10.30 ha (25.45 ac), all on land administered by the BLM.

RESULTS

An intensive cultural resource inventory was carried out for the portion of the access road to be upgraded in T. 9S., R. 17E., S. 21, 26, 27 and 28 for three Quinex wells, LFW Federal #2-23, DS Federal #3-23 and JDC Federal #4-23. No cultural resources were located during this inventory.

RECOMMENDATIONS

Cultural resource clearance is recommended for the surveyed portion of the project area, since no cultural resources were located during the inventory. This investigation was conducted with techniques which are considered to be adequate for evaluating cultural resources which

could be adversely affected by the project. However, should cultural resources be discovered on BLM land during construction, a report should be made immediately to the BLM Archaeologist at the Vernal Field Office in Vernal.

REFERENCES CITED

Berry, Michael

1974 [IMACS Site Form for Site 42DC346.] On file at the Antiquities Section, Utah State Historic Preservation Office, Salt Lake City.

Cook, Clayton

1981 *Archaeological Reconnaissance of Proposed Well Location Big Wash 23-23 South of Pleasant Valley, Uintah, Utah.* Utah Archaeological Research Corporation, Spanish Fork, Utah. U-81-UB-0682b.

Hauck, F. R.

1996 *Cultural Resource Evaluation of Two Proposed Well Locations in the Castle Peak Draw - Big Wash: Locality of Duchesne and Uintah Counties, Utah.* Archeological-Environmental Research Corporation, Bountiful, Utah. U-96-AF-0774b.

1998 *Cultural Resource Evaluation of Various Large Tracts in the Wells Draw to Pariette Bench Locality in Duchesne and Uintah Counties, Utah.* Archeological-Environmental Research Corporation, Bountiful, Utah. U-98-AF-0164bs.

Phillips, Blaine

2005a Personal Communication. [Conversation on March 23, 2005 at Vernal Field Office between Michael R. Polk of Sagebrush and the BLM Archaeologist regarding a cultural resource inventory for a new project in T. 9S., R. 17E., S. 14 and 23, which is a recently inventoried area]. Notes on file at Sagebrush Consultants, L.L.C., Ogden, Utah.

2005b Personal Communication. [Telephone conversation on April 12, 2005 between Michael R. Polk of Sagebrush and the BLM Archaeologist, Vernal Field Office regarding the cultural resource inventory for an upgraded access road in T. 9S., R. 17E., S. 21, 26, 27 and 28]. Notes on file at Sagebrush Consultants, L.L.C., Ogden, Utah.

Simon, Katie, and Keith R. Montgomery

2004 *Cultural Resource Inventory of Inland Productions Parcel in T 9 S., R. 17 E, Sec. 13, 14, 15, 23, & 24 and T 9 S, R 18 E., Sec. 18 & 19, Duchesne and Uintah Counties, Utah.* Montgomery Archaeological Consultants, Moab, Utah. U-03-MQ-0750b.

Tate, Marcia J.

1981 *Wilkin Ridge Unit 1-27.* Cultural Resource Management Report. Powers Elevation, Denver Colorado. U-81-PA-0814b.

QUINEX ENERGY CORP.

DS FEDERAL #3-23

LOCATED IN DUCHESNE COUNTY, UTAH

SECTION 23, T9S, R17E, S.L.B.&M.

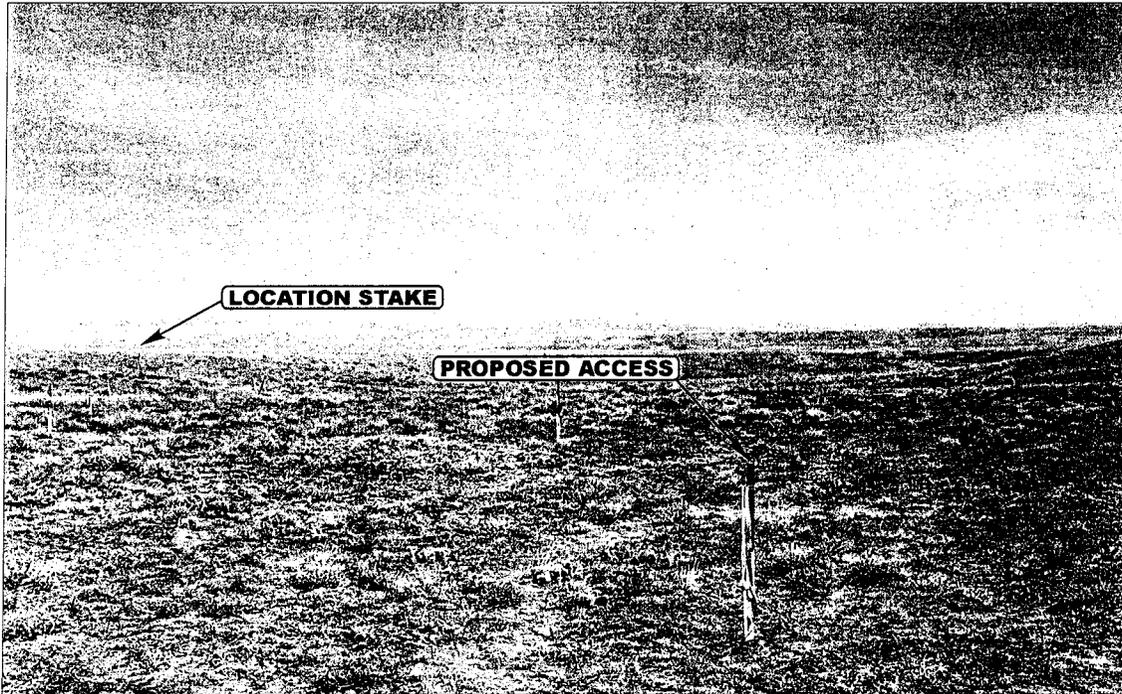


LOCATION STAKE

CORNER #5

PHOTO: VIEW OF LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



LOCATION STAKE

PROPOSED ACCESS

PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

E&LS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078

435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

03 15 05
MONTH DAY YEAR

PHOTO

TAKEN BY: A.F.

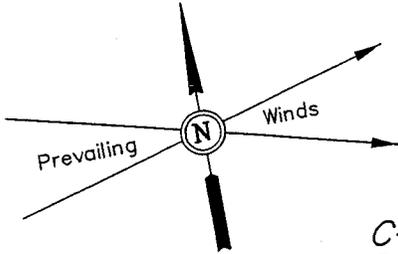
DRAWN BY: L.K.

REVISED: 00-00-00

QUINEX ENERGY CORP.

LOCATION LAYOUT FOR

DS FEDERAL #3-23
SECTION 23, T9S, R17E, S.L.B.&M.
1986' FSL 632' FWL

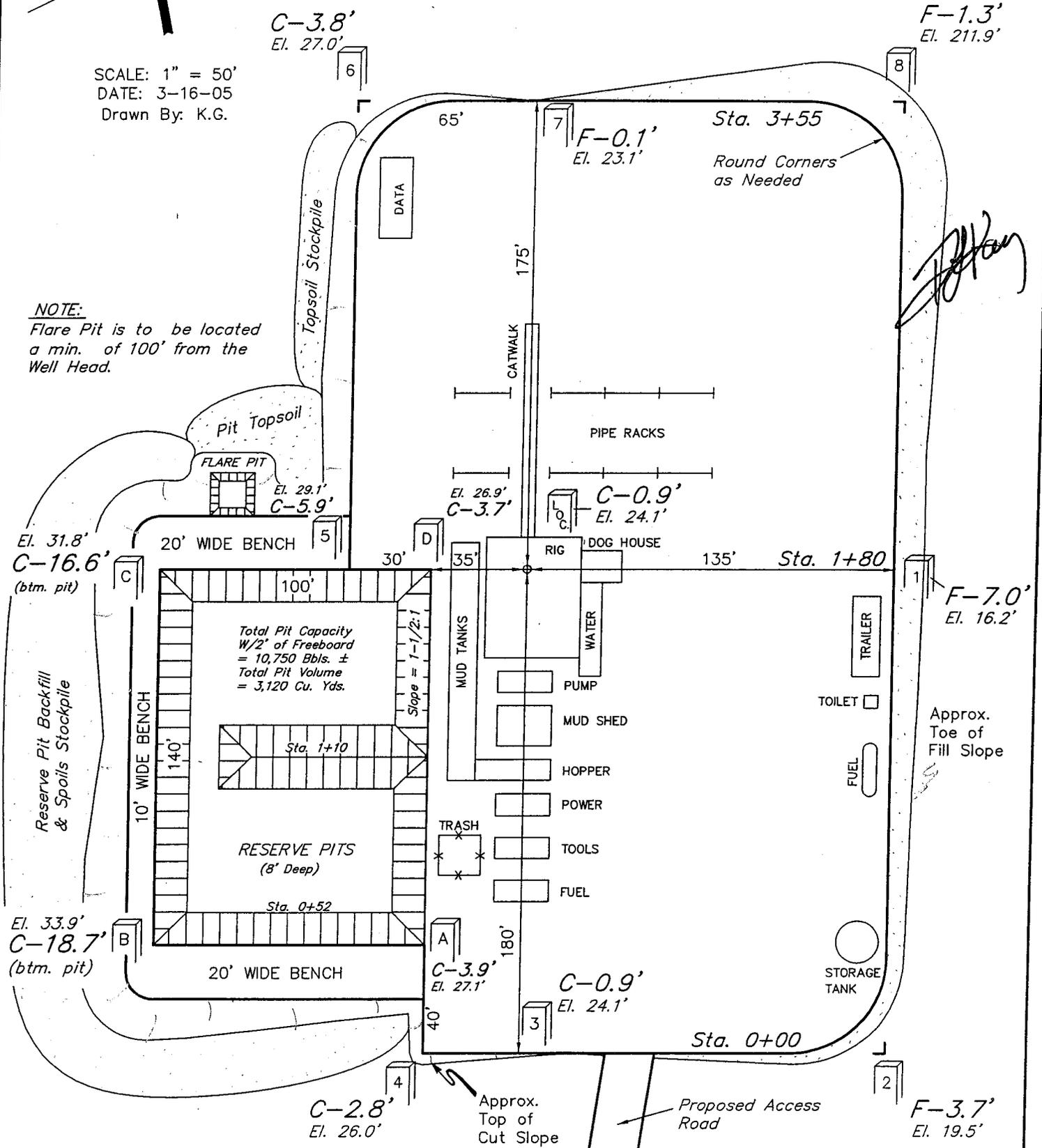


SCALE: 1" = 50'
DATE: 3-16-05
Drawn By: K.G.

C-3.8'
El. 27.0'

F-1.3'
El. 211.9'

NOTE:
Flare Pit is to be located
a min. of 100' from the
Well Head.



Elev. Ungraded Ground at Location Stake = 5224.1'
Elev. Graded Ground at Location Stake = 5223.2'

UINTAH ENGINEERING & LAND SURVEYING
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QUINEX ENERGY CORP.

TYPICAL CROSS SECTIONS FOR

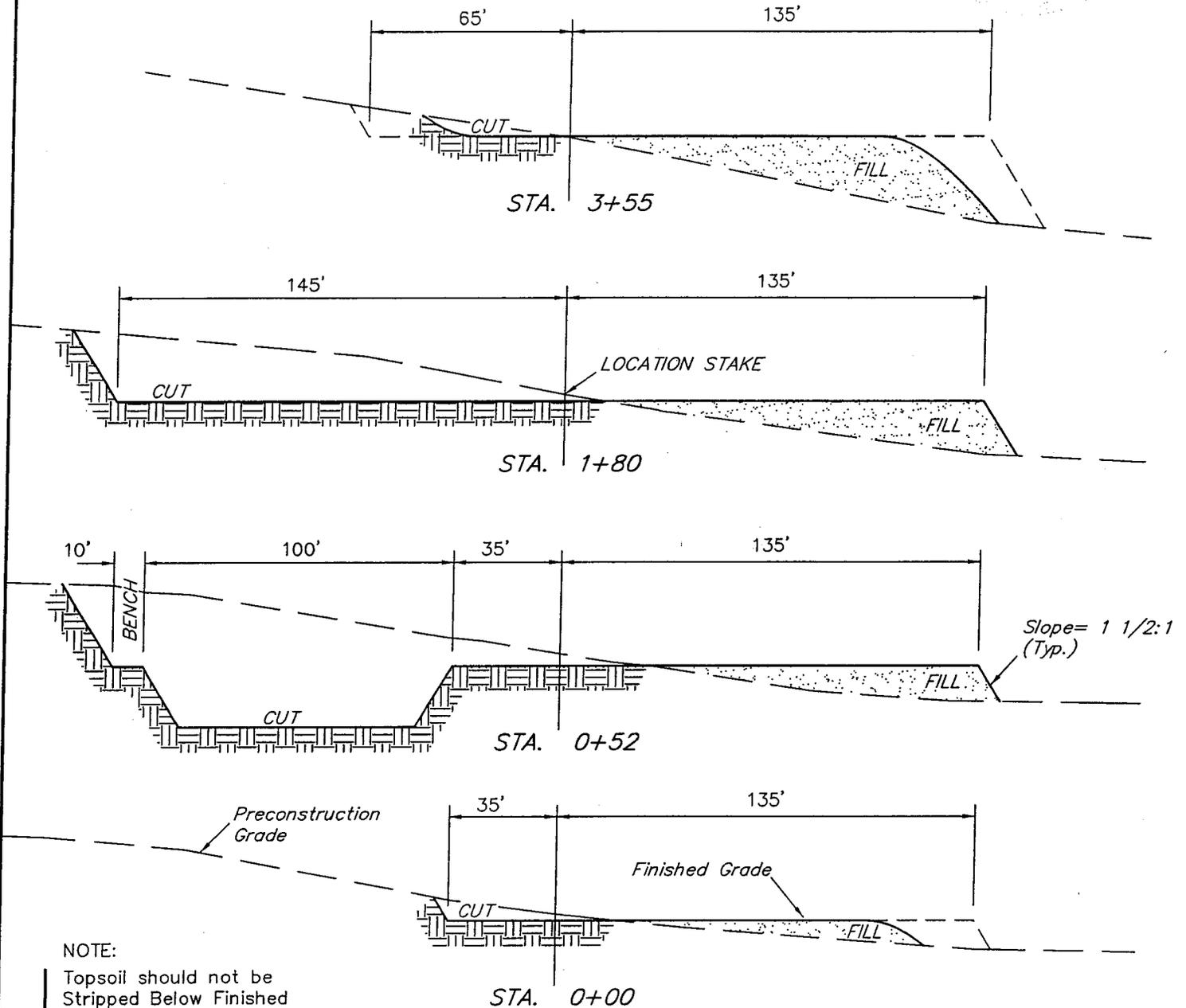
DS FEDERAL #3-23

SECTION 23, T9S, R17E, S.L.B.&M.

1986' FSL 632' FWL

1" = 20'
X-Section
Scale
1" = 50'

DATE: 3-16-05
Drawn By: K.G.



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:

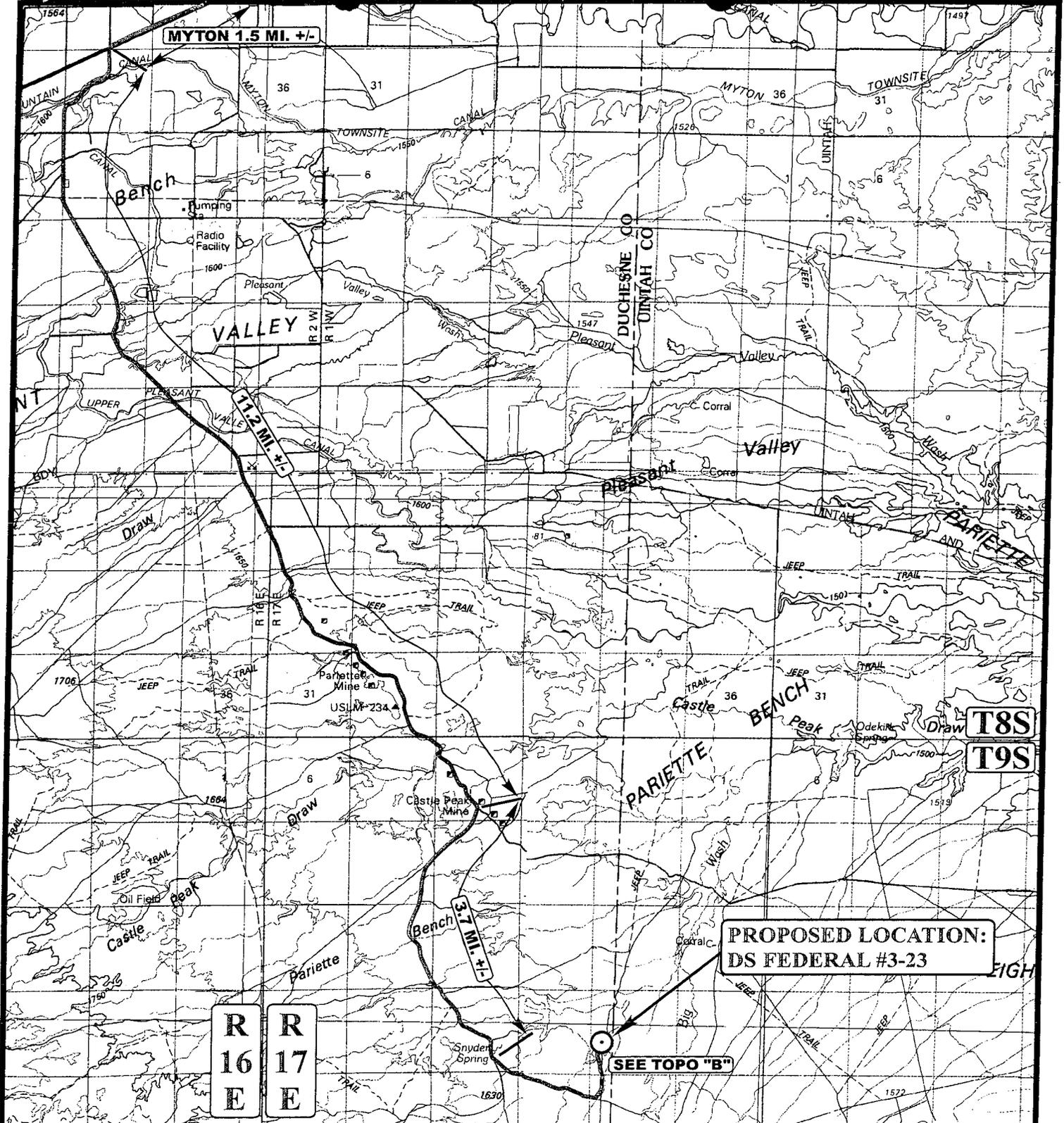
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,840 Cu. Yds.
Remaining Location	= 10,270 Cu. Yds.
TOTAL CUT	= 12,110 CU.YDS.
FILL	= 7,820 CU.YDS.

EXCESS MATERIAL	= 4,290 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,400 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 890 Cu. Yds.

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LEGEND:

○ PROPOSED LOCATION

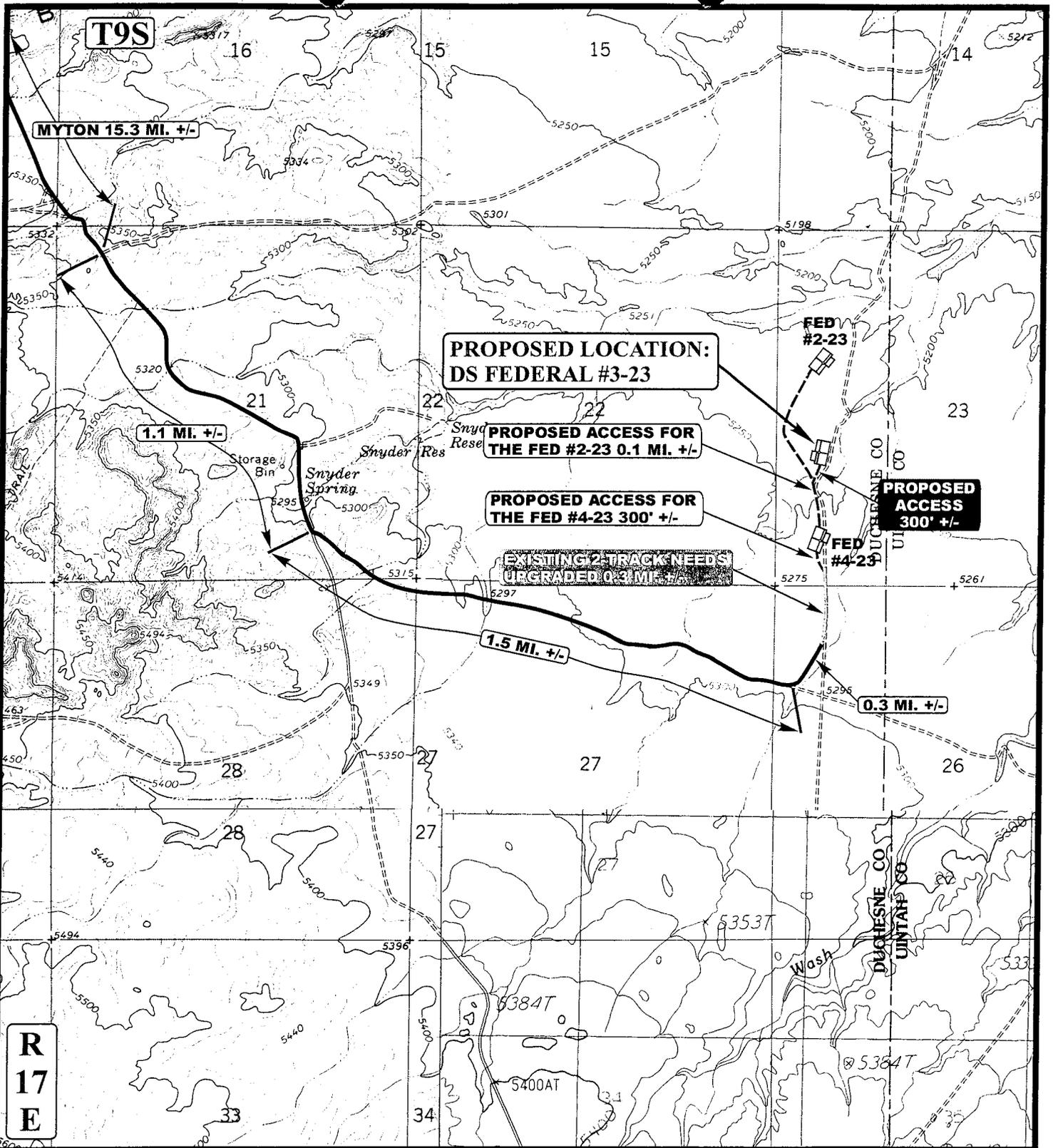
QUINEX ENERGY CORP.

DS FEDERAL #3-23
SECTION 23, T9S, R17E, S.L.B.&M.
1986' FSL 632' FWL

U&S Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC 03 15 05
MAP MONTH DAY YEAR
SCALE: 1:100,000 DRAWN BY: L.K. REVISED: 00-00-00 **A**
TOPO



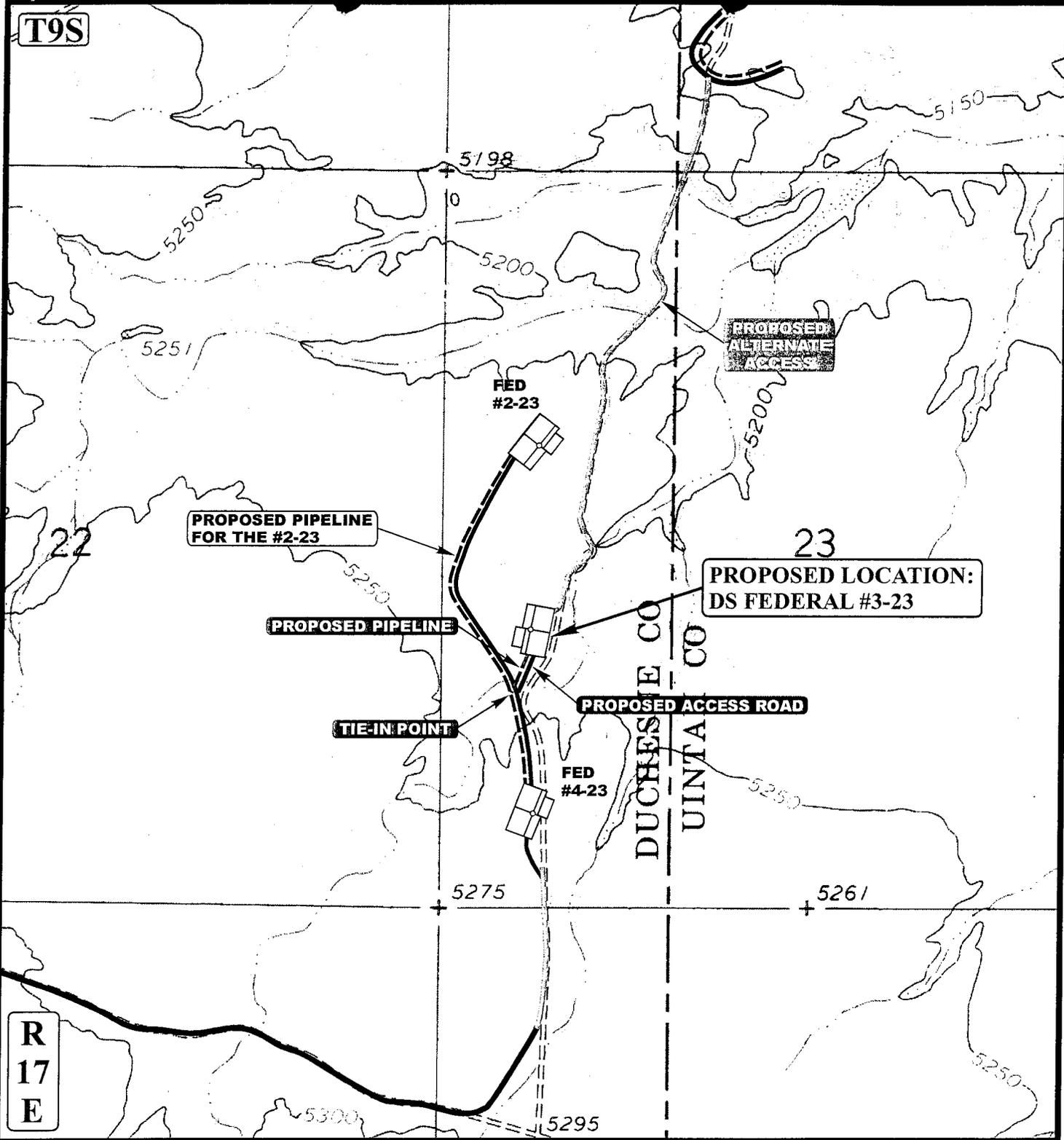
LEGEND:

	EXISTING ROAD
	PROPOSED ACCESS ROAD
	EXISTING 2-TRACK NEEDS UPGRADED
	PROPOSED ALTERNATE ACCESS

U&L S Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

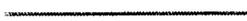
QUINEX ENERGY CORP.
 DS FEDERAL #3-23
 SECTION 23, T9S, R17E, S.L.B.&M.
 1986' FSL 632' FWL

TOPOGRAPHIC MAP 03 15 05
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00 **B TOPO**



APPROXIMATE TOTAL PIPELINE DISTANCE = 200' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE
-  EXISTING 2-TRACK NEEDS UPGRADED
-  PROPOSED ALTERNATE ACCESS



QUINEX ENERGY CORP.

DS FEDERAL #3-23
 SECTION 23, T9S, R17E, S.L.B.&M.
 1986' FSL 632' FWL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC **03 15 05**
 MAP MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: L.K. REVISED: 00-00-00



**State of Utah****Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

May 24, 2005

Quinex Energy Corporation
465 South 200 West, Suite 300
Bountiful, UT 84010

Re: DS Federal 3-23 Well, 1986' FSL, 632' FWL, NW SW, Sec. 23, T. 9 South,
R. 17 East, Duchesne County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-32787.

Sincerely,


for Gil Hunt
Acting Associate Director

pab
Enclosures

cc: Duchesne County Assessor
Bureau of Land Management, Vernal District Office

Operator: Quinex Energy Corporation
Well Name & Number DS Federal 3-23
API Number: 43-013-32787
Lease: UTU-80566

Location: NW SW Sec. 23 T. 9 South R. 17 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 80566
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: FEDERAL
		7. UNIT or CA AGREEMENT NAME: FEDERAL
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: DS FEDERAL 3-23	
2. NAME OF OPERATOR: QUINEX ENERGY CORPORATION		9. API NUMBER: 43-013-32787
3. ADDRESS OF OPERATOR: 465 SOUTH 200 WEST BOUNTIFUL UT 84010	PHONE NUMBER: (801) 292-3800	10. FIELD AND POOL, OR W/LDCAT: UNDESIGNATED
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1986' FSL, 632' FWL Section 23, T 9 S, R 17 E		COUNTY: DUCHESNE
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NW SW 23 9 S 17E		STATE: UTAH

11 CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON	
<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR	
<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE	
<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL	
<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF	
<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____	
<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION		

12 DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

QUINEX ENERGY CORPORATION REQUESTS AN EXTENSION OF THE DRILLING PERMIT FOR THE DS FEDERAL #3-23.

**Approved by the
Utah Division of
Oil, Gas and Mining**

Date: 05-30-06
By: [Signature]

2-10-06
CHD

NAME (PLEASE PRINT) <u>DeForrest Smouse</u>	TITLE <u>President Quinex Energy Corporation</u>
SIGNATURE <u>[Signature]</u>	DATE <u>5/26/2006</u>

(This space for State use only)

**RECEIVED
MAY 30 2006**



**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-013-32787
Well Name: DS Federal 3-23
Location: 1986' FSL, 632' FWL, Section 23, T 9 S, R 17 E
Company Permit Issued to: QUINEX ENERGY CORPORATION
Date Original Permit Issued: 5/24/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No



 Signature

5/26/2006

 Date

Title: President, Quinex Energy Corporation

Representing: QUINEX ENERGY CORPORATION

RECEIVED
 MAY 30 2006

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 80566
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: FEDERAL
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: FEDERAL
2. NAME OF OPERATOR: QUINEX ENERGY CORPORATION		8. WELL NAME and NUMBER: DS FEDERAL 3-23
3. ADDRESS OF OPERATOR: 465 S. 200 W. CITY BOUNTIFUL STATE UT ZIP 84010		9. API NUMBER: 43-013-32787
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1986' FSL, 632' FWL Section 23 , T 9 S, R 17 E.		10. FIELD AND POOL, OR WILDCAT: UNDESIGNATED
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 23 9S 17E		COUNTY: DUCHESNE
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input checked="" type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
QUINEX ENERGY CORP. INTENDS TO RUN THE 8 5/8" SURFACE CASIN DOWN TO 800'.

10:11:06 PM

NAME (PLEASE PRINT) <u>DEFORREST SMOUSE PhD</u>	TITLE <u>PRESIDENT</u>
SIGNATURE <u><i>De Forrest Smouse</i></u>	DATE <u>7/11/2006</u>

(This space for State use only)

Accepted by the
Utah Division of
Oil, Gas and Mining

Date: 7/19/06 (See Instructions on Reverse Side)

By: *[Signature]*

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(5/2000)

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS	5. Lease Designation and Serial Number: UTU 80566
Do not use this form for proposals to drill new wells, deepen existing wells or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT To DRILL OR DEEPEN for such Proposals.	6. If Indian, Allottee or Tribe Name: FEDERAL
1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:	7. Unit Agreement Name: FEDERAL
2. Name of Operator: QUINEX ENERGY CORPORATION	8. Well Name and Number: DS FEDERAL 3-23
3. Address and Telephone Number: 465 South 200 West, Suite 300, Bountiful, Utah 84010	9. AP Well Number: 43-013-32787
4. Location of Well: 1986' FSL, 621' FWL, SECTION 23, T 9 S, R 17 E Footages: NW SW Section 23, T 9 S, R 17 E QQ, Sec., T., R., M.:	10. Field and Pool, or Wildcat: UNDESIGNATED County: DUCHESNE State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA																											
<p style="text-align: center; font-weight: bold;">NOTICE OF INTENT <small>(Submit in Duplicate)</small></p> <table style="width:100%; border: none;"> <tr> <td style="width:50%; border: none;"><input type="checkbox"/> Abandon</td> <td style="width:50%; border: none;"><input type="checkbox"/> New Construction</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Repair Casing</td> <td style="border: none;"><input type="checkbox"/> Pull or Alter Casing</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Change of Plans</td> <td style="border: none;"><input type="checkbox"/> Recomplete</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Convert to Injection</td> <td style="border: none;"><input type="checkbox"/> Reperforate</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Fracture Treat or Acidize</td> <td style="border: none;"><input type="checkbox"/> Vent or Flare</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Multiple Completion</td> <td style="border: none;"><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Other _____</td> <td style="border: none;"></td> </tr> </table> <p>Approximate date work will start _____</p>	<input type="checkbox"/> Abandon	<input type="checkbox"/> New Construction	<input type="checkbox"/> Repair Casing	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Reperforate	<input type="checkbox"/> Fracture Treat or Acidize	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> Other _____		<p style="text-align: center; font-weight: bold;">SUBSEQUENT REPORT <small>(Submit Original Form Only)</small></p> <table style="width:100%; border: none;"> <tr> <td style="width:50%; border: none;"><input type="checkbox"/> Abandon *</td> <td style="width:50%; border: none;"><input type="checkbox"/> New Construction</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Repair Casing</td> <td style="border: none;"><input type="checkbox"/> Pull or Alter Casing</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Change of Plans</td> <td style="border: none;">Reperforate</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Convert to Injection</td> <td style="border: none;"><input type="checkbox"/> Vent or Flare</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Fracture Treat or Acidize</td> <td style="border: none;"><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Other <u>Drill surface & run 800' of 8 5/8" Surface Casing</u></td> <td style="border: none;"></td> </tr> </table> <p>Date of work completion <u>September 29, 2006</u></p> <p style="font-size: x-small;">Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.</p>	<input type="checkbox"/> Abandon *	<input type="checkbox"/> New Construction	<input type="checkbox"/> Repair Casing	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Change of Plans	Reperforate	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Fracture Treat or Acidize	<input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> Other <u>Drill surface & run 800' of 8 5/8" Surface Casing</u>	
<input type="checkbox"/> Abandon	<input type="checkbox"/> New Construction																										
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<input type="checkbox"/> Other <u>Drill surface & run 800' of 8 5/8" Surface Casing</u>																											

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Drilled 800' of 12 3/4" hole down to 800' . Ran 800' of 8 5/8" surface. Cemented with sufficient cement to surface.

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OCT 02 2006
DIV. OF OIL, GAS & MINING

13. Name & Signature: DeForrest Smouse, PhD Title: President, Quinex Energy Date: 9/29/2006

(This space for State use only)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM

Operator: QUINEX ENERGY CORPORATION
Address: 465 SOUTH 200 WEST, SUITE #300
city BOUNTLEIGH
state UTAH zip 84010

Operator Account Number: N 9995
Phone Number: (801) 292-3800

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-013-32787	DS FEDERAL #3-23		NWSW	23	9S	17E	DUCHESNE
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	15772	10/04/2006			11/8/06	
Comments: GRPV SPUDED WITH A DRY HOLE DIGGER							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

DeForrest Smouse
Name (Please Print)
DeForrest Smouse
Signature
President
Title
Date: 11/06/2006

(5/2000)

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NOV 06 2006

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STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

MAY 22 2007

AMENDED REPORT FORM 8
(highlight changes)

DIV. OF OIL, GAS & MINING

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU 80566

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
FEDERAL

7. UNIT or CA AGREEMENT NAME
FEDERAL

8. WELL NAME and NUMBER:
D S FEDERAL 3-23

9. API NUMBER:
013-32787

10. FIELD AND POOL, OR WILDCAT
UNDESIGNATED

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
NWSW 23 9S 17E

12. COUNTY
DUCHESNE

13. STATE
UTAH

14. DATE SPUNDED: 10/6/2006

15. DATE T.D. REACHED: 11/10/2006

16. DATE COMPLETED: 1/15/2007

ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
KB 5,227', GR 5,212'

18. TOTAL DEPTH: MD 5,800
TVD -573

19. PLUG BACK T.D.: MD 0
TVD 5,212

20. IF MULTIPLE COMPLETIONS, HOW MANY? *
12 ZONES

21. DEPTH BRIDGE MD
PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
CD, CN, GR, DIG,

23.
WAS WELL CORED? NO YES (Submit analysis)
WAS DST RUN? NO YES (Submit report)
DIRECTIONAL SURVEY? NO YES (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"			0	50	80	surface		0	0
12 3/4"	8 5/8" J55	24#	0	800	800	Class G		0	0
7 5/8"	5 1/2" P110	15.5#	0	5,280	5,280	lite		0	0
						Class G			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8"	5,200	5,200						

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Green River Fm.	5,180	5,186	119	41	5,180 5,186		32	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B) Green River Fm	4,598	4,766	625	461	4,598 4,766		72	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(C) Green River Fm	4,303	4,395	924	862	4,303 4,395		54	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(D) Green River Fm	3,953	4,114	1,271	1,113	3,953 4,114		24	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
5,108' - 5,186'	10,000 gal AuuaFrac & 5,184 gal water, 36,000 # 20/40 sand
4,598' - 4,766'	16000 gal Aq.-Fr. & 8,589 gal water 72,582# 20/40 sand
4,303'-4,396' & 3956-4114	22,000gal DyFr & 4302gal water 63750# 20/40 sd./10,100gal DyFr & 3955gal water 27,862# 20/40 s

29. ENCLOSED ATTACHMENTS:

- ELECTRICAL/MECHANICAL LOGS
 SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION
 GEOLOGIC REPORT
 CORE ANALYSIS
 DST REPORT
 OTHER: _____
 DIRECTIONAL SURVEY

30. WELL STATUS:

producing

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #28)

DATE FIRST PRODUCED: 3/7/2007		TEST DATE: 3/12/2007		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL - BBL: 141	GAS - MCF: 21	WATER - BBL: 31	PROD. METHOD: pump
CHOKE SIZE:	TBG. PRESS. 65	CSG. PRESS. 0	API GRAVITY 32.00	BTU - GAS	GAS/OIL RATIO 7	24 HR PRODUCTION RATES: →	OIL - BBL: 141	GAS - MCF: 21	WATER - BBL: 31	INTERVAL STATUS: all zones

INTERVAL B (As shown in Item #28)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL C (As shown in Item #28)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL D (As shown in Item #28)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Duchesne River	5,212	0	Red bed sand & mudstone		
Green River fm	2,719	2,508	sandstone, marlstone & limestone		
Garden Gulch	3,556	1,671	limestone & sandstone		
Garden Gulch 1	3,412	1,851	marlstone, limestone & sandstone		
Garden Gulch 2	3,520	1,707	marlstone, limestone & sandstone		
Douglas Creek	4,209	1,018	limestone & sandstone		
Castle Peak mbr	4,871	356	sandstone marlstone & limestone		
Black Shale	4,900	327	marlstone		

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) DeForrest Smouse TITLE President Quinex Energy
 SIGNATURE *DeForrest Smouse* DATE 4/15/2007

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining Phone: 801-538-5340
 1594 West North Temple, Suite 1210
 Box 145801 Fax: 801-359-3940
 Salt Lake City, Utah 84114-5801

From: "Mike Hebertson" <mike@quinexenergy.com>
To: <CAROLDANIELS@UTAH.GOV>
Date: 8/20/2008 4:03 PM
Subject: Well Information Changes
Attachments: Wells Stat Sheet.xls

The attached spreadsheet contains corrections to Quinex wells that will help update your files

43 D13 32787
DS Fed 3-23
QS 17E 23

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QUINCY ENERGY CORP

API Well Number	Well Name	County	Qtr/Qtr	Sec	T-R	Ft. NS	NS	Ft. EW	EW	Well Status	Well Type
43-047-31889	ALL RED 2-32A1E	Uintah	SESW	32	1S-1E	660	S	1521	W	POW	Oil Well
43-047-31713	BOWEN-BASTIAN 1-14A1	Uintah	SESW	14	1S-1W	398	S	2030	W	POW	Oil Well
43-013-32162	BRITTANY 4-12A3	Duchesne	C-NE	12	1S-3W	1320	N	1320	E	POW	Oil Well
43-047-31695	CHASEL-SPROUSE 1-18A1E	Uintah	SWNW	18	1S-1E	1516	N	804	W	POW	Oil Well
43-047-31711	CMS 1-13A1	Uintah	NENW	13	1S-1W	1300	N	1530	W	POW	Oil Well
43-047-39983	D.C. FED 1-11	Uintah	NENE	11	11S-20E	839	N	650	E	Permit	Gas Well
43-047-39982	D.C. FED 2-11	Uintah	NENE	11	11S-20E	829	N	621	E	Permit	Gas Well
43-013-32149	DAVID 3-7B2	Duchesne	NWSE	7	2S-2W	1547	S	1749	E	POW	Oil Well
43-047-31874	DEEP CREEK 2-19A2E	Uintah	NWSW	19	1S-2E	2421	S	980	W	POW	Oil Well
43-013-32787	DS FED 3-23	Duchesne	NWSW	23	9S-17E	1986	N	612	W	SI	Oil Well
43-047-39196	HELEN FED 1-26	Uintah	SWNW	26	9S-17E	1367	N	721	W	New Permit	Oil Well
43-047-39195	JANS FED 1-25	Uintah	NWNW	25	9S-17E	660	N	660	W	Permit	Oil Well
43-013-32789	JDC FED 4-23	Duchesne	SWSW	23	9S-17E	600	S	661	W	SI	Oil Well
43-013-31248	JODIE 3-36A3	Duchesne	NWNE	36	1S-3W	752	N	1662	E	POW	Oil Well
43-013-32786	JODIE FED 1-23	Duchesne	NWNW	23	9S-17E	563	N	832	W	POW	Oil Well
43-047-39198	JOELYN FED 1-27	Uintah	CNNW	27	9S-17E	660	N	1320	W	New Permit	Oil Well
43-013-31216	JOHN 2-7B2	Duchesne	NWNW	7	2S-2W	484	N	671	W	POW	Oil Well
43-013-31882	JOHN CHASEL 3-6A2	Duchesne	SWSE	6	1S-2W	660	S	1400	E	SI	Oil Well
43-013-33617	JSW FED 2-26	Duchesne	NWNW	26	9S-17E	660	N	660	W	POW	Oil Well
43-013-33618	JW FED 2-27	Duchesne	NENE	27	9S-17E	656	N	705	E	Permit	Oil Well
43-047-31828	LESLIE TAYLOR 24-5	Uintah	SWNW	24	1S-1W	2450	N	1260	W	POW	Oil Well
43-013-32788	LFW FED 2-23	Duchesne	SWNW	23	9S-17E	1980	N	661	W	POW	Oil Well
43-047-31714	MALNAR-PIKE 1-17A1E	Uintah	SWSW	17	1S-1E	660	S	660	W	POW	Oil Well
43-013-31247	MERLENE 2-36A3	Duchesne	SESE	36	1S-3W	1040	S	1100	E	SI	Oil Well
43-047-31390	MICHELLE UTE 7-1	Uintah	NESW	7	1S-1E	1539	S	2439	W	POW	Oil Well
43-013-30381	UTE TRBL 11-6A2	Duchesne	SESW	6	1S-2W	2227	N	1561	W	POW	Oil Well
43-047-31591	REDCAP J D C 30-4-1A	Uintah	NWNW	30	1S-2E	876	N	669	W	SI	Oil Well
43-047-31653	SAM HOUSTON 24-4	Uintah	NWSE	24	1S-1W	1350	S	1400	E	POW	Oil Well
43-013-32129	SASHA 4-6A2	Duchesne	SWSW	6	1S-2W	660	S	660	W	SI	Oil Well
43-047-31940	EINERSON 1-4B1E	Uintah	SWSW	4	2S-1E	1056	S	795	W	POW	Oil Well
43-013-32131	TRISTAN 5-6A2	Duchesne	NWNW	6	1S-2W	660	N	660	W	POW	Oil Well
43-047-30127	UINTAH-SAM 28-2R	Uintah	NESW	28	1N-1E	2111	S	1847	W	POW	Oil Well
43-013-30042	UTE TRIBAL U 2-12A3	Duchesne	SWSW	12	1S-3W	1322	S	1325	W	SI	Oil Well
43-047-33179	WADE COOK 2-14A1	Uintah	NWNW	14	1S-1W	705	N	662	W	POW	Oil Well
43-047-31845	MARY R. U. 278	Uintah	NWSE	13	1S-1W	1971	S	2072	E	POW	Oil Well

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Field Name	Surface	Mineral	UTM E	UTM N	Elev. GR	Elev. KB	TD	PBTD
BLUEBELL	Fee	Fee	592565	4466702	5362	5383	12750	12743
BLUEBELL	Fee	Fee	587831	4471387	5610	5634	14055	13982
BLUEBELL	Indian	Indian	570808	4473805	6532	6553	15790	15782
BLUEBELL	Fee	Fee	590665	4472468	5571	5595	14300	14300
BLUEBELL	Fee	Fee	589279	4472503	5608	5622	14200	14161
HILL CREEK	Federal	Federal	616404	4415106	5095			
HILL CREEK	Federal	Federal	616412	4415109	5087			
BLUEBELL	Fee	Fee	572323	4463431	5848	5869	13527	13523
BLUEBELL	Fee	Fee	600377	4470560	5392	5418	13900	13859
MONUMENT BUTTE	Federal	Federal	587015	4429669	5224	5238	5800	5280
UNDESIGNATED	Federal	Federal	587054	4428648	5290			
8 MILE FLAT NORTH	Federal	Federal	588644	4428882	5290			
MONUMENT BUTTE	Federal	Federal	587029	4429265	5260	5272	5700	5700
BLUEBELL	Indian	Indian	570762	4467531	6302	6324	14145	14019
MONUMENT BUTTE	Federal	Federal	587065	4430504	5192	5204	6001	5967
UNDESIGNATED	Federal	Federal	585635	4428865	5312			
BLUEBELL	Indian	Indian	571502	4464416	5922	5943	14030	13994
BLUEBELL	Indian	Indian	572320	4474433	6455	5477	15878	15877
UNDESIGNATED	Federal	Federal	587033	4428863	5280	5298	5607	5606
UNDESIGNATED	Federal	Federal	586617	4428863	5282			
BLUEBELL	Fee	Fee	589220	4470543	5497	5518	14022	13990
MONUMENT BUTTE	Federal	Federal	587019	4430071	5226	5242	5655	5419
BLUEBELL	Fee	Fee	592230	4471526	5502	5523	14403	13470
BLUEBELL	Indian	Indian	570933	4466471	6259	6280	13860	13860
BLUEBELL	Indian	Indian	591145	4473399	5617	5643	14711	14638
BLUEBELL	Indian	Indian	571672	4475277	6639	6663	16800	13780
BLUEBELL	Indian	Indian	600302	4469555	5344	5369	13550	13510
BLUEBELL	Fee	Fee	590012	4470087	5460	5483	13865	13826
BLUEBELL	Indian	Indian	571441	4474432	6533	6554	15830	15828
BLUEBELL	Fee	Fee	593962	4465212	5274	5293	12833	12804
BLUEBELL	Indian	Indian	571397	4475754	6646	6657	16782	16747
ROBIDOUX	Indian	Indian	594136	4478438	5892	5917	16000	15345
BLUEBELL	Indian	Indian	570014	4473004	6467	6483	15700	15693
BLUEBELL	Fee	Fee	587414	4472656	5699	5720	14212	14150
BLUEBELL	Indian	Indian	589788	4471891	5555	5576	16998	13914

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AUG 20 2008

DIV OF OIL, GAS & MINING

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ
2. CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective

12/1/2009

FROM: (Old Operator): N9995-Quinex Energy Corporation 465 South 200 West, Suite 300 Bountiful, UT 84010 Phone: 1 (801) 292-3800	TO: (New Operator): N2695-Newfield Production Company 1001 17th St, Suite 2000 Denver, CO 80202 Phone: 1 (303) 893-0102
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CA No.		Unit:		GREATER MONUMENT BUTTE (GRRV)*				
WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
JODIE FED 1-23	23	090S	170E	4301332786	15771	Federal	OW	S
DS FED 3-23	23	090S	170E	4301332787	15772	Federal	OW	P
LFW FED 2-23	23	090S	170E	4301332788	16533	Federal	OW	P
JDC FED 4-23	23	090S	170E	4301332789	16244	Federal	OW	P
JSW FED 2-26	26	090S	170E	4301333617	16514	Federal	OW	P
JW FED 2-27	27	090S	170E	4301333618	17159	Federal	OW	P
JANS FED 1-25	25	090S	170E	4304739195	17160	Federal	OW	P
JOELYN FED 1-27 *	27	090S	170E	4301334072		Federal	GW	APD
HELEN FED 1-26 *	26	090S	170E	4301334073		Federal	GW	APD

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on 12/17/2009
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 12/17/2009
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 11/9/2007
- a. Is the new operator registered in the State of Utah: yes Business Number: 755627-0143
- b. If **NO**, the operator was contacted on:
- a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- b. Inspections of LA PA state/fee well sites complete or n/a
- c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA n/a
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 12/19/2009
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 12/19/2009
- Bond information entered in RBDMS on: 12/19/2009
- Fee/State wells attached to bond in RBDMS on: 12/19/2009
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: requested

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: WYB000493
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number B001834

COMMENTS: At this point, 5 of these wells will be within the Greater Monument Butte (GRRV) Unit, *except for 43-013-34072 and 43-013-34073.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-80566
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: DS Fed 3-23	
2. NAME OF OPERATOR: Newfield Production Company	9. API NUMBER: 4301332787	
3. ADDRESS OF OPERATOR: 1001 17th St. Suite 2000 CITY Denver STATE CO ZIP 80202	PHONE NUMBER: (303) 893-0102	10. FIELD AND POOL, OR WILDCAT: Undesignated
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1986 FSL 632 FWL		COUNTY: Duchesne
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 23 9S 17E S		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Change of Operator
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Change of Operator to Newfield Production Company from Quinex Energy Corporation pursuant to the inclusion into the Greater Monument Butte Unit and approval of the unit by the BLM. Effective as of 1 December, 2009.
(Bond #WYB000493)

Quinex Energy Corporation **N 9995**
K. Hebertson
Printed Name: **K. M. HEBERTSON**
Title: **PRESIDENT**
465 South 200 West, Suite 300
Bountiful, UT 84010 (801) 292-3800

Date: 17 December

NAME (PLEASE PRINT) Kelly Donohue	TITLE Newfield Production Company, Land Lead
SIGNATURE <u>Kelly Donohue</u>	DATE <u>12/16/09</u>

(This space for State use only)

APPROVED 12/19/2009
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

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DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-80566
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: GMBU (GRRV)
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: DS FED 3-23
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY	9. API NUMBER: 43013327870000
3. ADDRESS OF OPERATOR: Rt 3 Box 3630 , Myton, UT, 84052	PHONE NUMBER: 435 646-4825 Ext
9. FIELD and POOL or WILDCAT: MONUMENT BUTTE	4. LOCATION OF WELL FOOTAGES AT SURFACE: 1986 FSL 0632 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 23 Township: 09.0S Range: 17.0E Meridian: S
COUNTY: DUCHESNE	STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 10/17/2013	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <input type="text" value="OAP to Current Formation"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Newfield proposes to perforate and fracture stimulate from 5038'-5089' with in the current production formation (Green River)

**Accepted by the
Utah Division of
Oil, Gas and Mining**

Date: October 22, 2013

By: *Dark Quist*

NAME (PLEASE PRINT) Mandie Crozier	PHONE NUMBER 435 646-4825	TITLE Regulatory Tech
SIGNATURE N/A	DATE 10/17/2013	