

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

FORM 3

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL		1. WELL NAME and NUMBER Lake Fork Ranch 5-23B4
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>		3. FIELD OR WILDCAT ALTAMONT
4. TYPE OF WELL Oil Well Coalbed Methane Well: NO		5. UNIT or COMMUNITIZATION AGREEMENT NAME
6. NAME OF OPERATOR EP ENERGY E&P COMPANY, L.P.		7. OPERATOR PHONE 713 997-5038
8. ADDRESS OF OPERATOR 1001 Louisiana, Houston, TX, 77002		9. OPERATOR E-MAIL maria.gomez@epenergy.com
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) Fee	11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
13. NAME OF SURFACE OWNER (if box 12 = 'fee') Lake Fork Ranch, Inc.		14. SURFACE OWNER PHONE (if box 12 = 'fee') 435-454-3546
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') HC 65, Box 510048, Mountain Home, UT 84051		16. SURFACE OWNER E-MAIL (if box 12 = 'fee')
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')	18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>	19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>

20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	1265 FNL 1114 FWL	NWNW	23	2.0 S	4.0 W	U
Top of Uppermost Producing Zone	1265 FNL 1114 FWL	NWNW	23	2.0 S	4.0 W	U
At Total Depth	1265 FNL 1114 FWL	NWNW	23	2.0 S	4.0 W	U

21. COUNTY DUCHESNE	22. DISTANCE TO NEAREST LEASE LINE (Feet) 1114	23. NUMBER OF ACRES IN DRILLING UNIT 640
25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1700	26. PROPOSED DEPTH MD: 13500 TVD: 13500	
27. ELEVATION - GROUND LEVEL 6259	28. BOND NUMBER 400JU0708	29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 43-8362

Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
COND	17	13.375	0 - 1000	54.5	J-55 LT&C	8.8	Class G	1241	1.15	15.8
SURF	12.25	9.625	0 - 5900	40.0	N-80 LT&C	9.5	35/65 Poz	878	3.16	11.0
							Premium Lite High Strength	191	1.33	14.2
I1	8.75	7	0 - 10750	29.0	P-110 LT&C	11.0	Premium Lite High Strength	310	2.31	12.0
							Premium Lite High Strength	91	1.91	12.5
L1	6.125	4.5	10550 - 13500	13.5	P-110 LT&C	13.5	50/50 Poz	242	1.45	14.2

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input checked="" type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP

NAME Maria S. Gomez	TITLE Principle Regulatory Analyst	PHONE 713 997-5038
SIGNATURE	DATE 05/04/2011	EMAIL maria.gomez@epenergy.com
API NUMBER ASSIGNED 43013507390000	APPROVAL  Permit Manager	

**Lake Fork Ranch 5-23B4
Sec. 23, T2S, R4W
DUCHESNE COUNTY, UT**

EP ENERGY E&P COMPANY, L.P.

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers

<u>Formation</u>	<u>Depth</u>
Green River (GRRV)	5,674'
Green River (GRTN1)	6,582'
Mahogany Bench	7,620'
L. Green River	8,953'
Wasatch	10,628'
T.D. (Permit)	13,500'

2. Estimated Depths of Anticipated Water, Oil, Gas or Mineral Formations:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River (GRRV)	5,674'
	Green River (GRTN1)	6,582'
	Mahogany Bench	7,620'
Oil	L. Green River	8,953'
Oil	Wasatch	10,628'

3. Pressure Control Equipment: (Schematic Attached)

A 4.5" by 20.0" rotating head on structural pipe from surface to 1,000'. A 4.5" by 13 3/8" Smith Rotating Head from 1,000' to 5,900' on Conductor. A 5M BOP stack, 5M kill lines and choke manifold used from 5,900' to 10,750'. A 10M BOE w/rotating head, 5M annular, blind rams & mud cross from 10,750' to TD. The BOPE and related equipment will meet the requirements of the 5M and 10M system.

OPERATORS MINIMUM SPECIFICATIONS FOR BOPE:

The surface casing will be equipped with a flanged casing head of 5M psi working pressure. An 11" 5M x 11" 10M spool, 11" x 10M psi BOP and 5M psi Annular will be nipped up on the surface casing and tested to 250 psi low test / 3,000 psi high test for 10 minutes each prior to drilling out. The surface casing will be tested to 1,000 psi. for 30 mins. Intermediate casing will be tested to the greater of 1500 psi or 0.22 psi/ft. The choke manifold equipment, upper Kelly cock, floor safety valves will be tested to 5M psi. The annular preventer will be tested to 250 psi low test and 4,000 psi high test. The 10M BOP will be installed

with 3 ½" pipe rams, blind rams, mud cross and rotating head from intermediate shoe to TD. The BOPE will be hydraulically operated.

In addition, the BOP equipment will be tested after running intermediate casing, after any repairs to the equipment and at least once every 30 days. Pipe and blind rams will be activated on each trip, annular preventer will be activated weekly and weekly BOP drills will be held with each crew.

Statement on Accumulator System and Location of Hydraulic Controls:

Precision Rig # 406 is expected to be used to drill the proposed well. Operations will commence after approval of this application. Manual and/or hydraulic controls will be in compliance with 5M and 10M psi systems.

Auxiliary Equipment:

- A) Pason monitoring systems with gas monitor 1,000' – TD.
- B) Mud logger with gas monitor – 5,900' to TD
- C) Choke manifold with one manual and one hydraulic operated choke
- D) Full opening floor valve with drill pipe thread
- E) Upper and lower Kelly cock
- F) Shaker, de-sander and de-silter, and centrifuge.

4. Proposed Casing & Cementing Program:

Please refer to the attached Wellbore Diagram.

All casing will meet or exceed the following design safety factors:

- Burst = 1.00
- Collapse = 1.125
- Tension = 1.2 (including 100k# overpull)

Cement design calculations will be based on: 25% excess over gauge hole in the liner section, 10% excess over gauge hole in the intermediate section, and 75% excess on the lead and 50% excess on the tail over gauge hole volume for the surface hole. Actual volumes pumped will be a minimum of the volumes stated above, however, actual hole size will be based on caliper logs in the liner and intermediate sections. Gauge hole will be used for the surface section.

5. Drilling Fluids Program:

Proposed Mud Program:

Interval	Type	Mud Weight
Surface	WBM	8.8 – 9.5
Intermediate	WBM	9.5 – 11.0
Production	WBM	11.0 – 13.5

Anticipated mud weights are based on actual offset well bottom-hole pressure data. Mud weights utilized may be somewhat higher to allow for trip margin and to provide hole stability for running logs and casing.

Visual mud monitoring equipment will be utilized.

6. **Evaluation Program:**

Logs:

Mud Log: 5,900' - TD.

Open Hole Logs: Gamma Ray, Neutron-Density, Resistivity, Sonic, from base of surface casing to TD.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 13,500' TD equals approximately 9,477 psi. This is calculated based on a 0.702 psi/foot gradient (13.5 ppg mud density at TD).

Maximum anticipated surface pressure equals approximately 6,507 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/ft).

Maximum anticipated surface pressure based on frac gradient at 7" casing shoe is 0.8 psi/ft at 10,900' = 8,600 psi

BOPE and casing design will be based on the lesser of the two MASPs which is 6,507 psi.

8. **OPERATOR REQUESTS THAT THE PROPOSED WELL BE PLACED ON CONFIDENTIAL STATUS.**

DRILLING PROGRAM

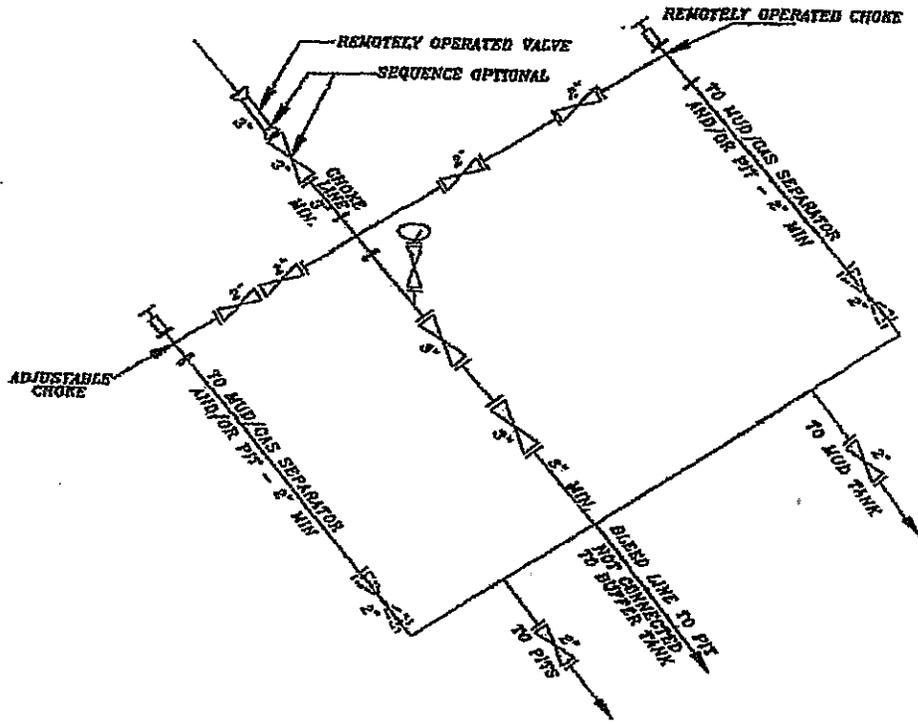
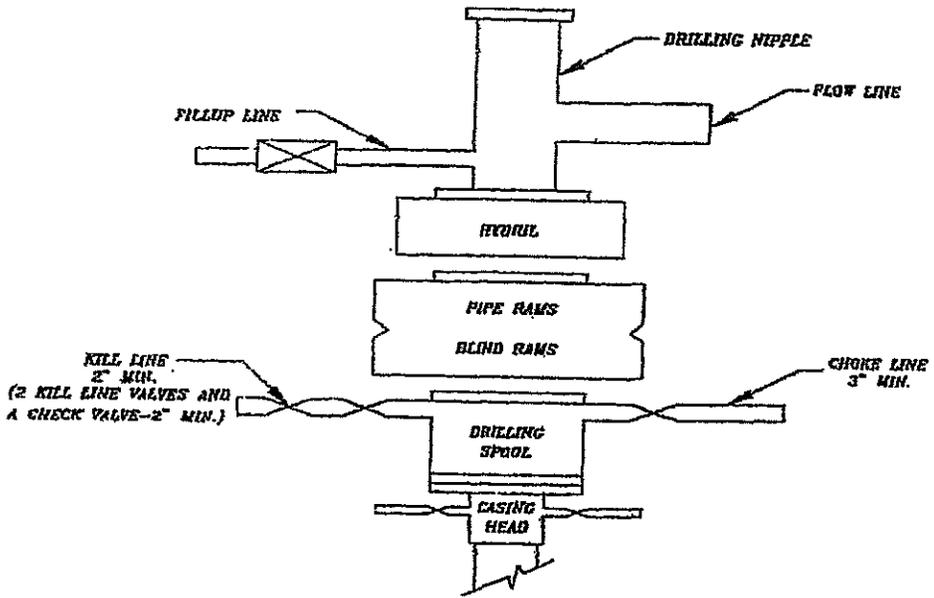
CASING PROGRAM	SIZE	INTERVAL		WT.	GR.	CPLG.	BURST	COLLAPSE	TENSION
CONDUCTOR	13 3/8"	0	1000	54.5	J-55	LTC	2,730	1,140	1,399
SURFACE	9-5/8"	0	5900	40.00	N-80	LTC	3,090	5,750	820
INTERMEDIATE	7"	0	10750	29.00	P-110	LTC	11,220	8,530	797
PRODUCTION LINER	4 1/2"	10550	13500	13.50	P-110	LTC	12,410	10,680	338

CEMENT PROGRAM		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
CONDUCTOR		1000	Class G + 3% CACL2	1241	100%	15.8 ppg	1.15
SURFACE	Lead	5,400	Boral Craig POZ 35%, Mountain G 65%, Bentonite Wyoming 8%, Silicate 5 lbm/sk, Pol-E Flake 0.125 lbm/sk, Kwik Seal 0.25 lb/sk	878	75%	11.0 ppg	3.16
	Tail	500	Halco-light premium+3 lb/sk Silicate+0.3% Econolite+1% Salt+0.25 lbm/sk Kol-Seal+0.24 lb/sk Kwik Seal+ HR-5	191	50%	14.2 ppg	1.33
INTERMEDIATE	Lead	4,350	Halco-Light-Premium+4% Bentonite+0.4% Econolite+0.2% Halad322+3 lb/sk Silicalite Compacted+0.8% HR-5+ 0.125 lb/sk Poly-E-Flake	310	10%	12.0 ppg	2.31
	Tail	1,000	Halco-Light-Premium+0.2% Econolite+0.3% Versaset+0.2% Halad322+0.8% HR-5+ 0.3% SuperCBL+ 0.125 lb/sk Poly-E-Flake	91	10%	12.5 ppg	1.91
PRODUCTION LINER		2,950	Halco- 50/50 Poz Premium Cement+20% SSA-1+0.3% Super CBL+ 0.3% Halad-344+0.3% Halad-413+ 0.2% SCR-100+ 0.125 lb/sk Poly-E-Flake + 3 lb/sk Silicat	242	25%	14.20	1.45

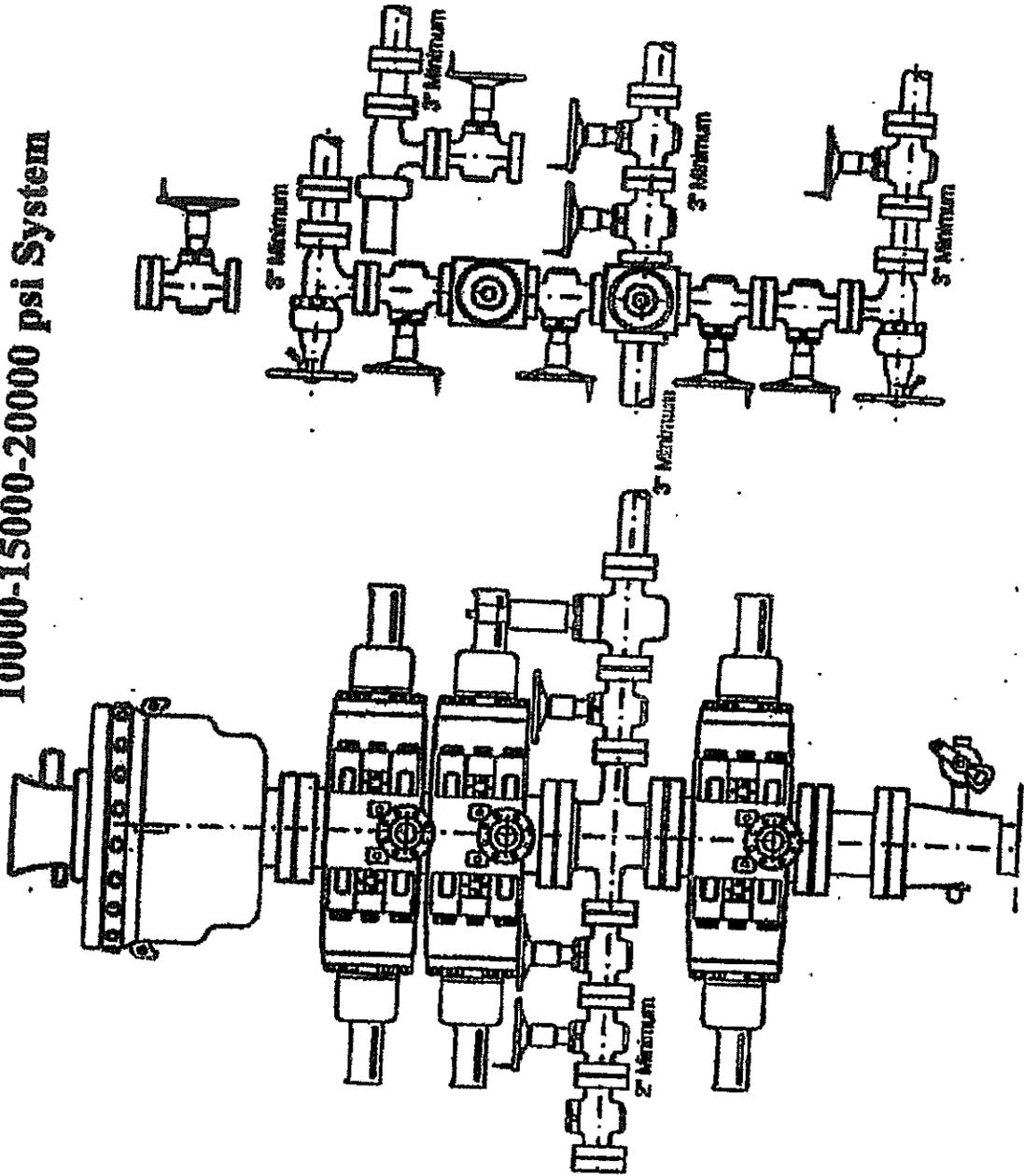
FLOAT EQUIPMENT & CENTRALIZERS	
CONDUCTOR	PDC drillable guide shoe, 1 joint, PDC drillable float collar. Thread lock all float equipment. Install bow spring centralizers on the bottom 3 joints of casing.
SURFACE	PDC drillable guide shoe, 1 joint casing, PDC drillable float collar & Stage collar. Thread lock all float equipment. Install bow spring centralizers on the bottom 3 joints of casing & every 3rd joint thereafter.
INTERMEDIATE	PDC drillable 10M,P-110 float shoe, 1 joint, PDC drillable 10M, P-110 float collar. Thread lock all float equipment. Maker joint at 8,000'.
LINER	Float shoe, 1 joint, float collar. Thread lock all FE. Maker joints every 1000'.

PROJECT ENGINEER(S): Joe Cawthorn 713-997-5929MANAGER: Tommy Gaydos

5M BOP STACK and CHOKE MANIFOLD SYSTEM



10000-15000-20000 psi System



EL PASO E&P COMPANY, L.P.
LAKE FORK RANCH 5-23B4
SECTION 23, T2S, R4W, U.S.B.&M.

PROCEED NORTH ON PAVED STATE HIGHWAY 87 FROM THE INTERSECTION OF HIGHWAY 87 WITH U.S. HIGHWAY 40 IN DUCHESNE, UTAH APPROXIMATELY 8.62 MILES TO AN INTERSECTION;

TURN RIGHT AND TRAVEL EASTERLY THEN NORTHEASTERLY ON A GRAVEL ROAD 4.54 MILES TO AN EXISTING WELL PAD;

TURN LEFT AND TRAVEL NORTHWESTERLY 0.05 MILES THROUGH THE WELL PAD TO THE BEGINNING OF THE ACCESS ROAD;

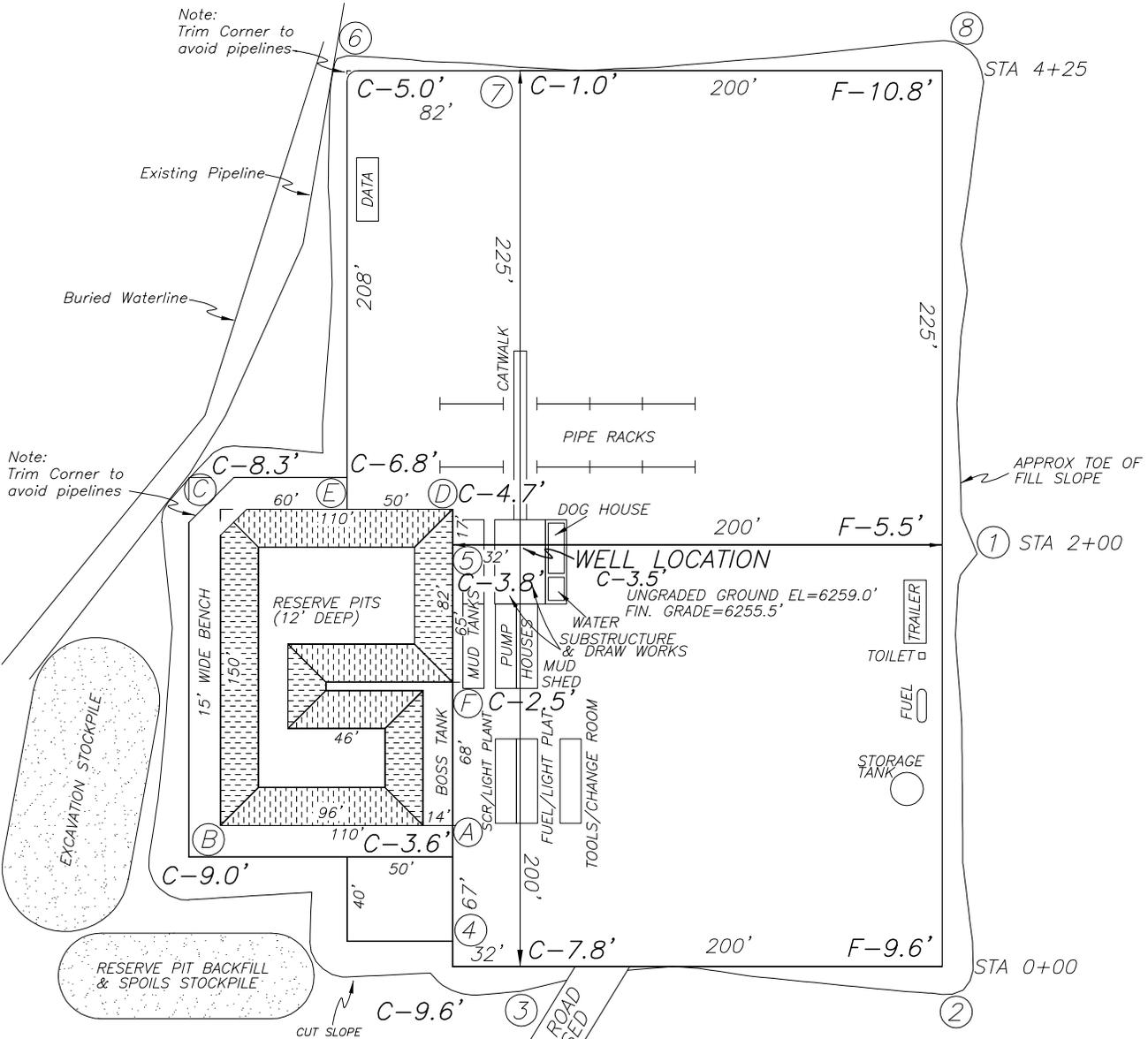
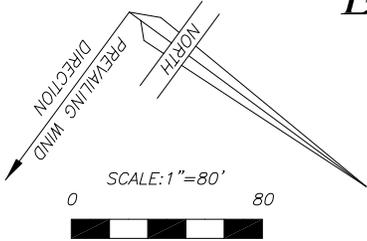
FOLLOW ROAD FLAGS SOUTHWESTERLY 0.32 MILES TO THE PROPOSED LOCATION;

TOTAL DISTANCE FROM DUCHESNE, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 13.53 MILES.

EL PASO E & P COMPANY, L.P.

LOCATION LAYOUT FOR
 LAKE FORK RANCH 5-23B4
 SECTION 23, T2S, R4W, U.S.B.&M.
 1265' FNL, 1114' FWL

FIGURE #1



Note:
Trim Corner to avoid pipelines

Note:
Trim Corner to avoid pipelines

PROFESSIONAL LAND SURVEYOR
 No. 148957
 JERRY D. ALLRED
 31 MAR 11
 STATE OF UTAH

28 MAR 2011 01-128-223

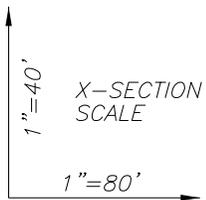
JERRY D. ALLRED & ASSOCIATES
 SURVEYING CONSULTANTS
 1235 NORTH 700 EAST--P.O. BOX 975
 DUCHESNE, UTAH 84021
 (435) 738-5352

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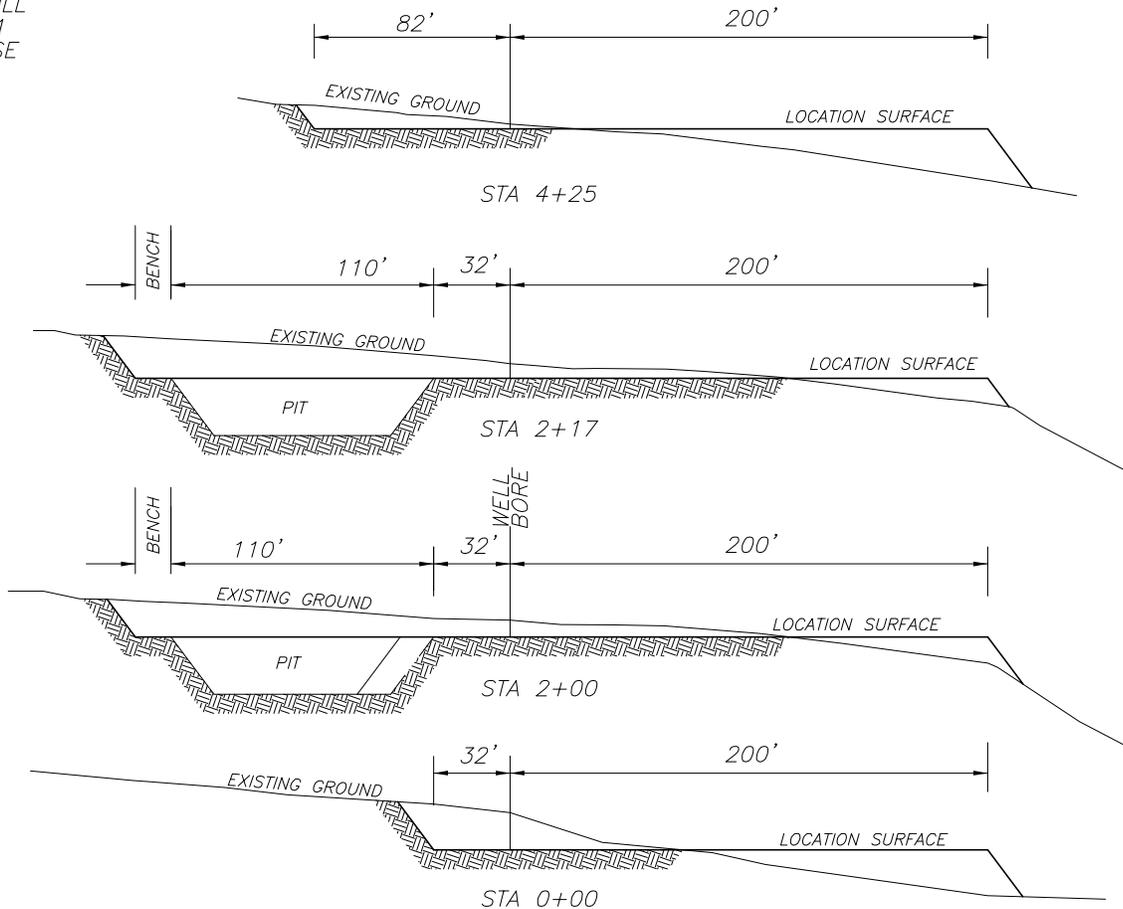
EL PASO E & P COMPANY, L.P.

FIGURE #2

LOCATION LAYOUT FOR
 LAKE FORK RANCH 5-23B4
 SECTION 23, T2S, R4W, U.S.B.&M.
 1265' FNL, 1114' FWL



NOTE: ALL CUT/FILL
 SLOPES ARE 1½:1
 UNLESS OTHERWISE
 NOTED



APPROXIMATE YARDAGES

TOTAL CUT (INCLUDING PIT) = 16,360 CU. YDS.

PIT CUT = 4570 CU. YDS.
 TOPSOIL STRIPPING: (6") = 2750 CU. YDS.
 REMAINING LOCATION CUT = 9040 CU. YDS

TOTAL FILL = 9,040 CU. YDS.

LOCATION SURFACE GRAVEL=1374 CU. YDS. (4" DEEP)
 ACCESS ROAD GRAVEL=454 CU. YDS.

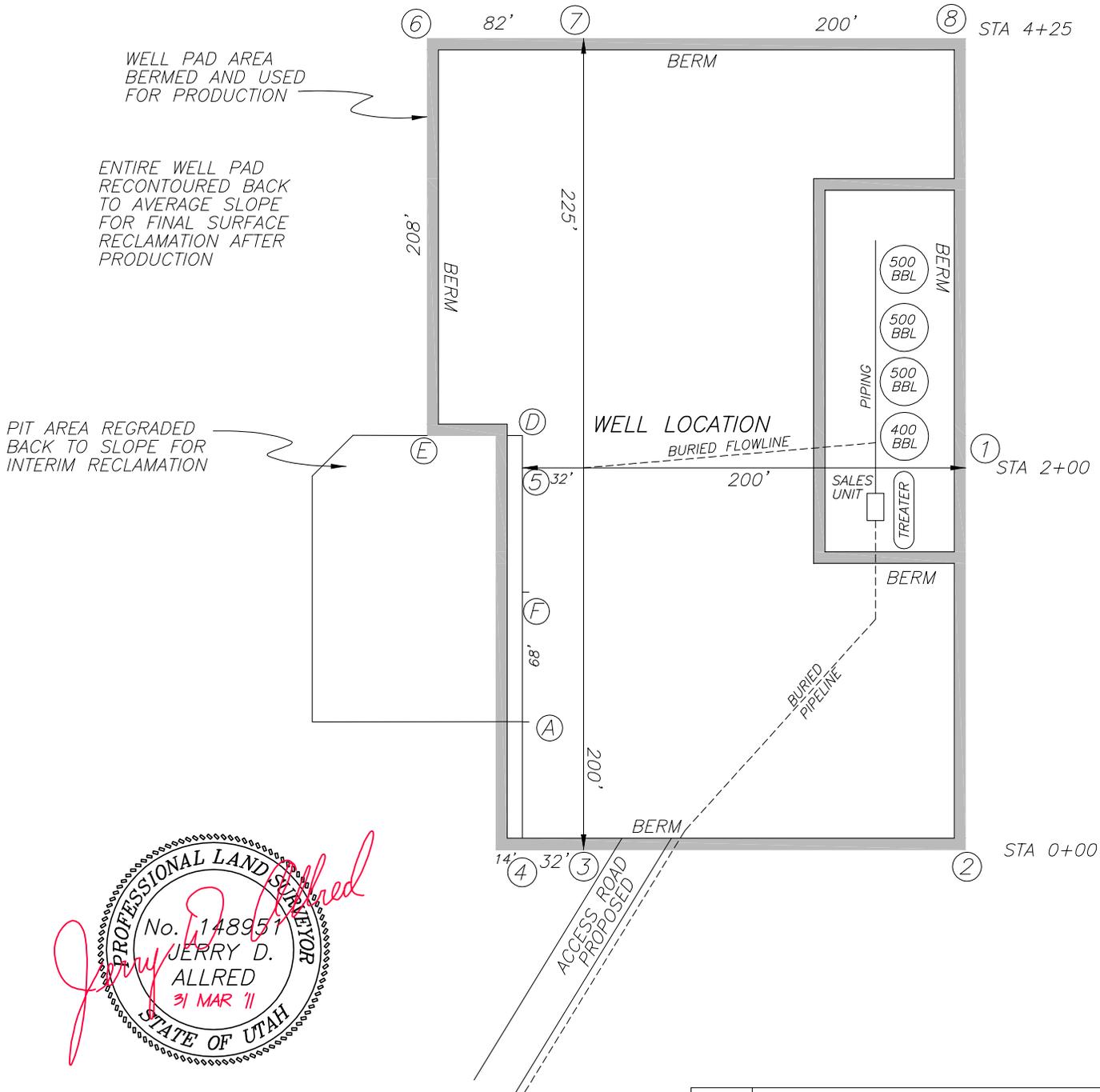
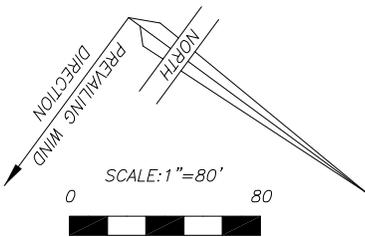


	JERRY D. ALLRED & ASSOCIATES SURVEYING CONSULTANTS
	1235 NORTH 700 EAST--P.O. BOX 975 DUCHESNE, UTAH 84021 (435) 738-5352

EL PASO E & P COMPANY, L.P.

FIGURE #3

LOCATION LAYOUT FOR
LAKE FORK RANCH 5-23B4
SECTION 23, T2S, R4W, U.S.B.&M.
1265' FNL, 1114' FWL



Jerry D. Allred
 PROFESSIONAL LAND SURVEYOR
 No. 148957
 JERRY D. ALLRED
 31 MAR '11
 STATE OF UTAH

	JERRY D. ALLRED & ASSOCIATES SURVEYING CONSULTANTS 1235 NORTH 700 EAST--P.O. BOX 975 DUCHESNE, UTAH 84021 (435) 738-5352
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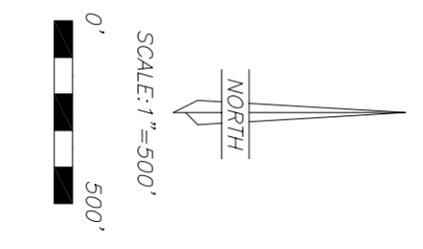
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SEC 15
SEC 22

SEC 14
SEC 23

N 89°30'22" W 2648.49'

N 00°12'47" W 5272.70'
TO SECTION CORNER



LINE	BEARING	DISTANCE
L1	N 53°37'44" E	475.00'
L2	S 36°22'16" E	475.00'
L3	S 53°37'44" W	475.00'
L4	N 36°22'16" W	475.00'
L5	N 85°05'33" E	232.92'
L6	N 68°47'14" E	1156.45'
L7	N 77°00'07" E	255.48'

Lake Fork Ranch Inc.
SW¼NW¼

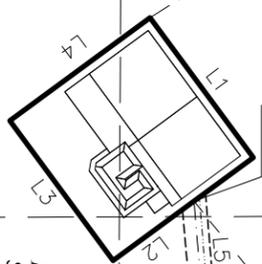
Lake Fork Ranch Inc.
SE¼NW¼

Lake Fork Ranch Inc.
NW¼NW¼

Lake Fork Ranch Inc.
NE¼NW¼

Lake Fork Ranch Inc.
NW¼NE¼

EL PASO E & P COMPANY, L.P.
SURFACE USE AREA
LAKE FORK RANCH 5-23B4
5.18 ACRES



PROPOSED 66' WIDE
ACCESS ROAD, POWER
LINE, AND PIPELINE
CORRIDOR RIGHT-OF-WAY

EXISTING ROAD

LOCATION USE AREA AND ACCESS ROAD, POWER LINE, AND PIPELINE
CORRIDOR RIGHT-OF-WAY SURVEY FOR
EL PASO E & P COMPANY, L.P.
LAKE FORK RANCH 5-23B4
SECTION 23, T2S, R4W, U.S.B.&M.
DUCHESSNE COUNTY, UTAH

USE AREA BOUNDARY DESCRIPTION

Commencing at the Northwest Corner of Section 23, Township 2 South, Range 4 West of the Uintah Special Base and Meridian;
Thence South 32°15'44" East 1468.28 feet to the TRUE POINT OF BEGINNING;
Thence North 53°37'44" East 475.00 feet;
Thence South 36°22'16" East 475.00 feet;
Thence South 53°37'44" West 475.00 feet;
Thence North 36°22'16" West 475.00 feet to the TRUE POINT OF BEGINNING, containing 5.18 acres.

ACCESS ROAD, POWER LINE, AND PIPELINE CORRIDOR RIGHT-OF-WAY DESCRIPTION

A 66 feet wide access road, power line, and pipeline corridor right-of-way over portions of Section 23 Township 2 South, Range 4 West of the Uintah Special Base and Meridian, the centerline of said right-of-way being further described as follows:
Commencing at the North Quarter Corner of Section 23, Township 2 South, Range 4 West of the Uintah Special Base and Meridian;
Thence South 51°06'33" West 1750.83 feet to the TRUE POINT OF BEGINNING;
Thence North 85°05'33" East 232.92 feet;
Thence North 68°47'14" East 1156.45 feet;
Thence North 77°00'07" East 255.48 feet to the West edge of an existing well pad. Said right-of-way being 1644.85 feet in length with the side lines being shortened or elongated to intersect said use area boundary and existing well pad.

SURVEYOR'S CERTIFICATE

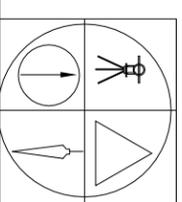
This is to certify that this plat was prepared from the field notes and electronic data collector files of an actual survey made by me, or under my personal supervision, of the use area and access road, power line, and pipeline corridor right-of-way shown hereon, and that the monuments indicated were found or set during said survey, and that this plat accurately represents said survey to the best of my knowledge.

JERRY D. ALLRED, PROFESSIONAL LAND SURVEYOR,
CERTIFICATE NO. 148951 (UTAH)



THIS SURVEY WAS PERFORMED USING GLOBAL POSITIONING SYSTEM PROCEDURES AND EQUIPMENT
THE BASIS OF BEARINGS IS GEODETIC NORTH DERIVED FROM G.P.S. OBSERVATIONS AT A CONTROL POINT LOCATED AT LAT. 40°21'33.56926"N AND LONG. 110°16'31.53164"W USING THE UTAH STATE G.P.S. VIRTUAL REFERENCE STATION CONTROL NETWORK MAINTAINED AND OPERATED BY THE AUTOMATED GEOGRAPHIC REFERENCE CENTER

29 MAR 2011 01-128-223



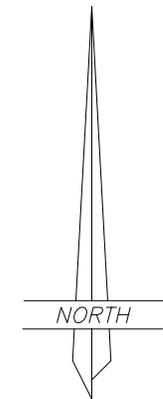
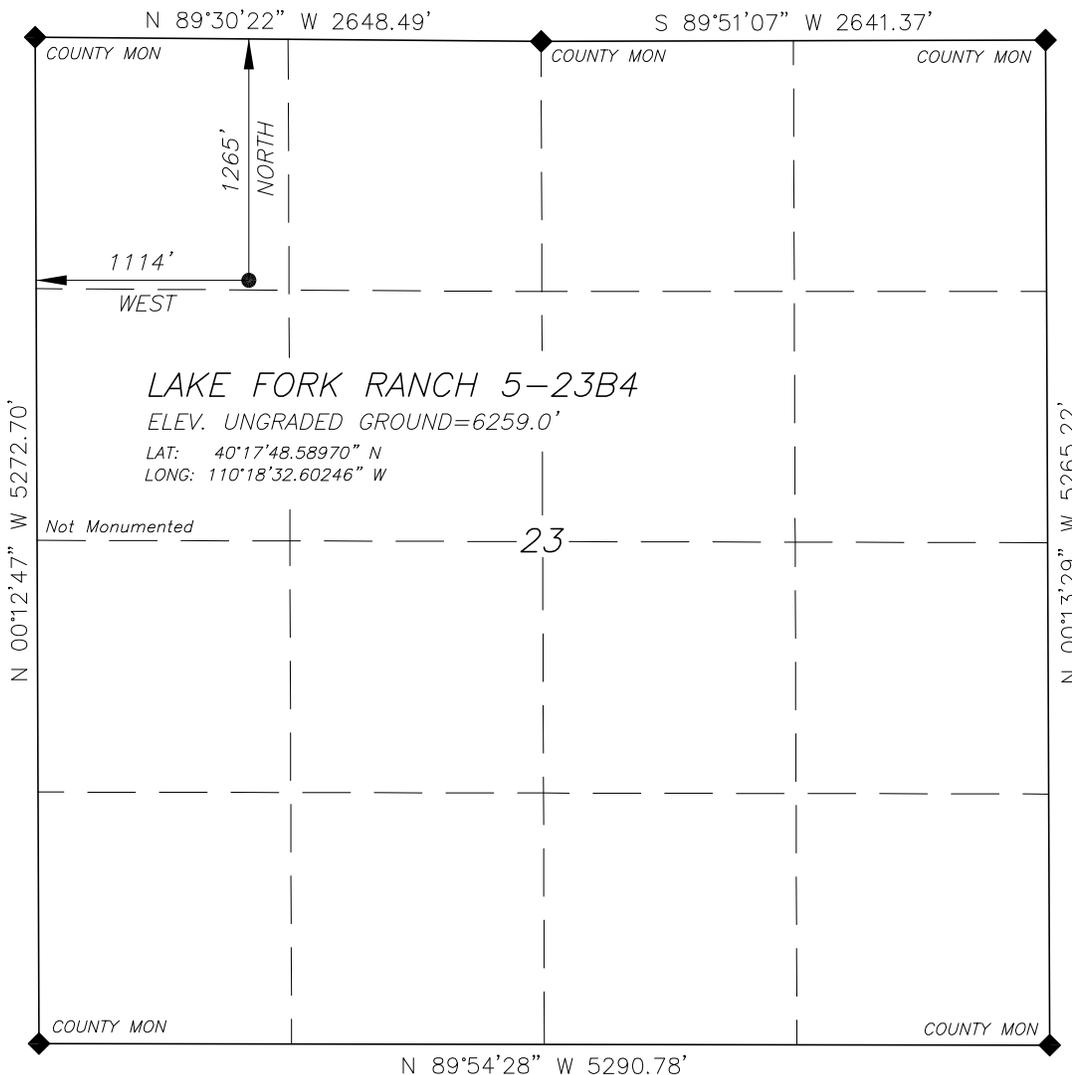
JERRY D. ALLRED AND ASSOCIATES
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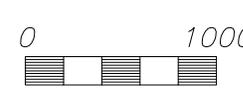
WELL LOCATION

LAKE FORK RANCH 5-23B4

LOCATED IN THE NW¼ OF THE NW¼ OF SECTION 23, T2S, R4W, U.S.B.&M. DUCHESNE COUNTY, UTAH



SCALE: 1" = 1000'



LEGEND AND NOTES

◆ CORNER MONUMENTS FOUND AND USED BY THIS SURVEY

THE GENERAL LAND OFFICE (G.L.O.) PLAT WAS USED FOR REFERENCE AND CALCULATIONS AS WAS THE U.S.G.S. MAP

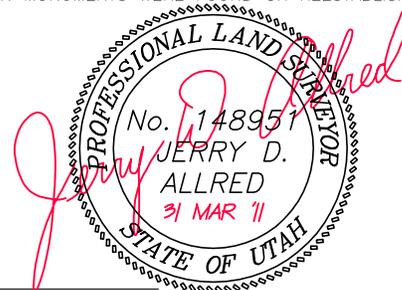
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BASIS OF ELEVATIONS: NAVD 88 DATUM USING THE UTAH REFERENCE NETWORK CONTROL SYSTEM

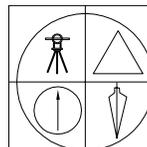
SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM THE FIELD NOTES AND ELECTRONIC DATA COLLECTOR FILES OF AN ACTUAL SURVEY PERFORMED BY ME, OR UNDER MY PERSONAL SUPERVISION, DURING WHICH THE SHOWN MONUMENTS WERE FOUND OR REESTABLISHED.



JERRY D. ALLRED, PROFESSIONAL LAND SURVEYOR, CERTIFICATE NO. 148951 (UTAH)

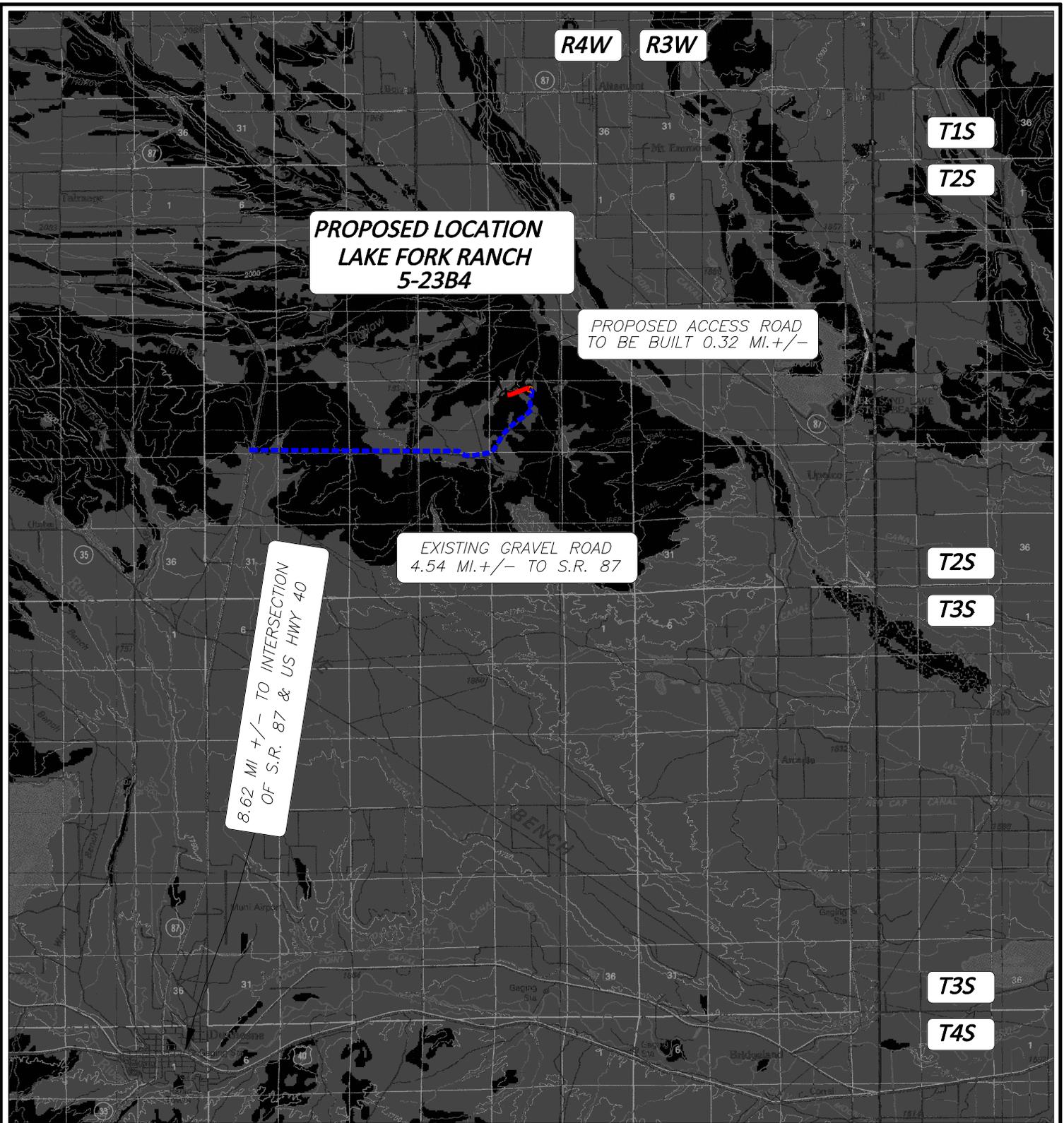
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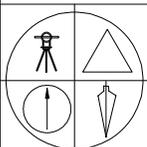
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LEGEND:

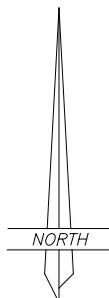
 PROPOSED WELL LOCATION

01-128-223



JERRY D. ALLRED & ASSOCIATES
SURVEYING CONSULTANTS

1235 NORTH 700 EAST--P.O. BOX 975
DUCHEсне, UTAH 84021
(435) 738-5352

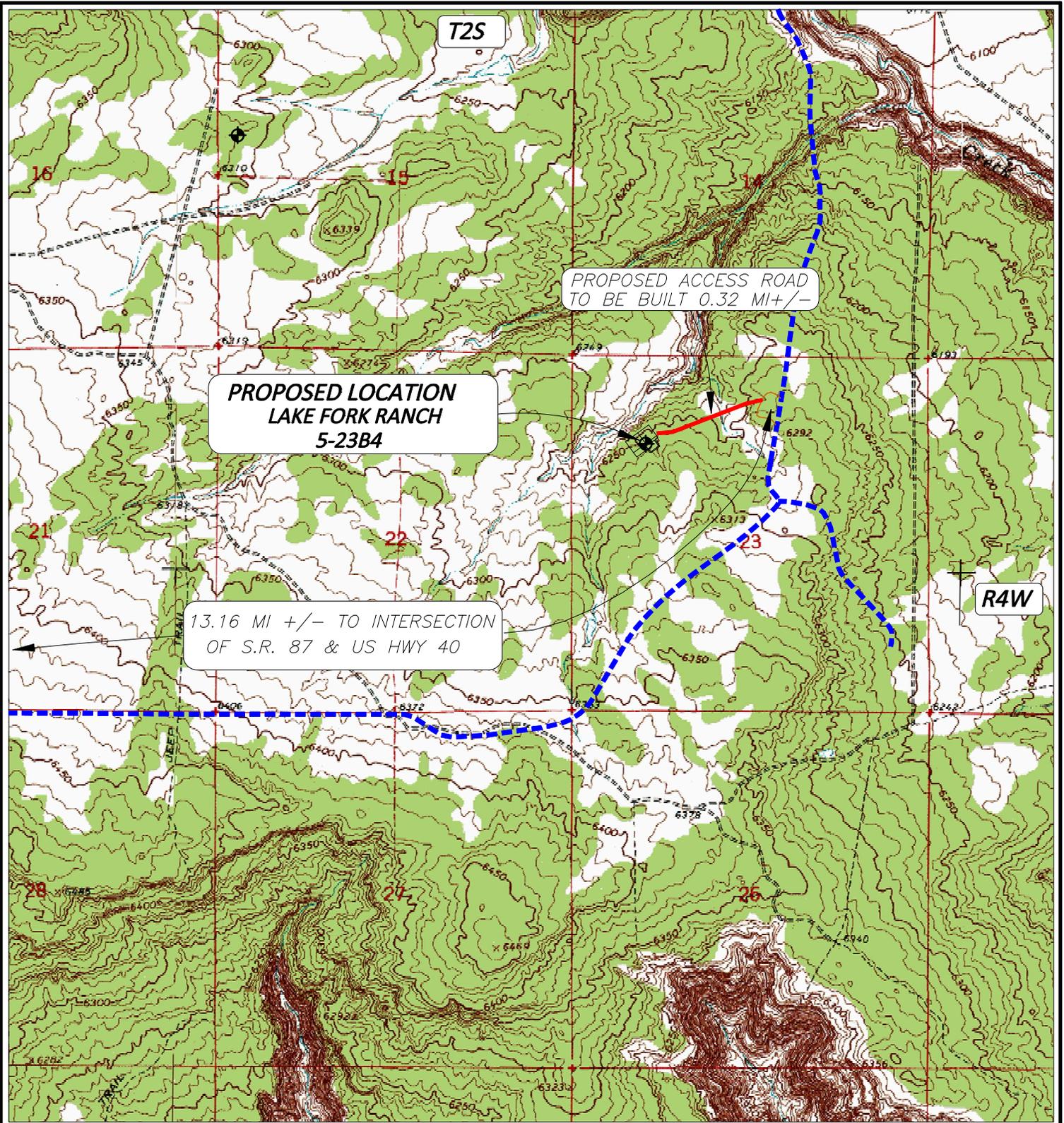


EL PASO E & P COMPANY, L.P.

LAKE FORK RANCH 5-23B4
SECTION 23, T2S, R4W, U.S.B.&M.
1265' FNL 1114' FWL

TOPOGRAPHIC MAP "A"

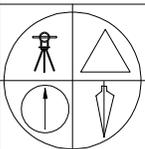
SCALE; 1"=10,000'
REV 18 MAR 2011



LEGEND:

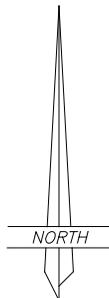
-  PROPOSED WELL LOCATION
-  PROPOSED ACCESS ROAD
-  EXISTING GRAVEL ROAD

01-128-223



JERRY D. ALLRED & ASSOCIATES
SURVEYING CONSULTANTS

1235 NORTH 700 EAST--P.O. BOX 975
DUCHESTER, UTAH 84021
(435) 738-5352



EL PASO E & P COMPANY, L.P.

LAKE FORK RANCH 5-23B4
SECTION 23, T2S, R4W, U.S.B.&M.

1265' FNL 1114' FWL

TOPOGRAPHIC MAP "B"

SCALE: 1"=2000'
REV 18 APR 2011

AFFIDAVIT OF SURFACE DAMAGE AND RIGHT-OF-WAY AGREEMENTS

Catherine L. Hammock personally appeared before me, and, being duly sworn, deposes and says:

1. My name is Catherine L. Hammock. I am a Sr. Staff Landman for El Paso E&P Company, L.P., whose address is 1099 18th Street, Denver, Colorado 80202 (“El Paso”).
2. El Paso is the operator of the proposed Lake Fork Ranch 5-23B4 well (the “Well”) to be located in the NW/4 of Section 23, Township 2 South, Range 4 West, USM, Duchesne County, Utah (the “Drillsite Location”). The surface owner of the Drillsite Location is Lake Fork Ranch, Inc., whose address is HC 65, Box 510048, Mountain Home, UT 84051-9801 (the “Surface Owner”).
3. El Paso and the Surface Owner have entered into a Damage Settlement and Release Agreement dated April 19, 2011 to cover any and all injuries or damages of every character and description sustained by the Surface Owner or Surface Owner’s property as a result of operations associated with the drilling of the Well.
4. El Paso and the Surface Owner have also entered into a Right-of-Way Agreement dated April 19, 2011 for an access road, powerline and pipeline corridor across the N/2 of the NW/4 and the NW/4 of the NE/4 of Section 23, Township 2 South, Range 4 West, USM, Duchesne County, Utah.

FURTHER AFFIANT SAYETH NOT.


 Catherine L. Hammock

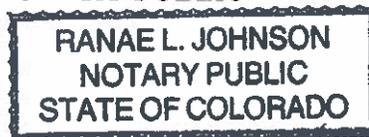
ACKNOWLEDGMENT

STATE OF COLORADO §
 §
 CITY AND COUNTY OF DENVER §

Before me, a Notary Public, in and for this state, on this 19th day of April, 2011, personally appeared Catherine L. Hammock, to me known to be the identical person who executed the within and foregoing instrument, and acknowledged to me that she executed the same as her own free and voluntary act and deed for the uses and purposes therein set forth.


 NOTARY PUBLIC

My Commission Expires:



My Commission Expires 09/26/2014

EL PASO E&P COMPANY, L.P.

Related Surface Information

1. **Current Surface Use:**
 - Livestock Grazing and Oil and Gas Production.

2. **Proposed Surface Disturbance:**
 - The road will be crown and ditch. Water wings will be constructed on the access road as needed.
 - The topsoil will be windrowed and re-spread in the borrow area.
 - New road to be constructed will be approximately .31 miles in length and 66 feet wide.
 - All equipment and vehicles will be confined to the access road, pad and area specified in the APD.

3. **Location Of Existing Wells:**
 - Existing oil, gas wells within one (1) mile radius of proposed well are provided in EXHIBIT C.

4. **Location And Type Of Drilling Water Supply:**
 - Drilling water: 43-8362 and Upper Country Water

5. **Existing/Proposed Facilities For Productive Well:**
 - There are no existing facilities that will be utilized for this well.
 - A pipeline corridor .31 miles will parallel the proposed access road. The corridor will contain one 4 inch gas line and one 2 inch gas line and one 2 inch Salt Water disposal line. Rehabilitation of unneeded, previously disturbed areas will consist of backfilling and contouring the reserve pit area; backsloping and contouring all cut and fill slopes. These areas will be reseeded. Refer to plans for reclamation of surface for details.
 - Upgrade and maintain access roads and drainage control structures (e.g., culverts, drainage dips, ditching, etc.) as necessary to prevent soil erosion and accommodate safe, year-round traffic.

6. **Construction Materials:**
 - Native soil from road and location will be used for construction materials along with gravel and/or scoria road base material. In the event that conditions should necessitate graveling of all or part of the access road and location, surfacing materials will be purchased from commercial suppliers in the marketing area.

7. **Methods For Handling Waste Disposal:**
 - The reserve pit will be designed to prevent the collection of surface runoff and will be constructed with a minimum of ½ the total depth below the original ground surface on the lowest point with the pit. The pit will be lined with a 20-mil polyethylene to prevent leakage of fluids. The liner will be rolled into place and secured at the ends, i.e. buried on top of the pit berms. Prior to use, the reserve pit will be fenced on three sides; the fourth side will be fenced at the time the rig is removed. Drilling fluids, cuttings and produced water will be contained in the reserve pit (trash will be placed in the trash cage). Fluids in the reserve pit will be allowed to evaporate prior to pit burial.
 - Garbage and other trash will be contained in the portable trash cage and hauled off the location to an authorized disposal site. Any trash on the pad will be cleaned up prior to the rig moving off location and hauled to an authorized disposal site.
 - Sewage will be handled in Portable Toilets.
 - Produced water will be placed in the reserve pit for a period not to exceed ninety days after initial production. Any hydrocarbons produced during completion work will be contained in test tanks and removed from the location at a later date.
 - Water from the reserve pit may be used for drilling of additional wells. The water will be trucked along access roads as approved in pertinent APD's

8. **Ancillary Facilities:**
 - There will be no ancillary facilities associated with this project.

9. Surface Reclamation Plans:

Backfilling of the pits will be done when dry. In the event of a dry hole, the location will be re-contoured, the topsoil will be distributed evenly over the entire location, and the seedbed prepared.

- Seed will be planted after September 15th, and prior to ground frost, or seed will be planted after the frost has left and before May 15th. Slopes to steep for machinery will be hand broadcast and raked with twice the specified amount of seed.
 1. The construction program and design are on the attached cut, fill and cross sectional diagrams.
 2. Prior to construction, all topsoil will be removed from the entire site and stockpiled. Topsoil for this site is the first 6 inches of soil materials.
 3. After the location has been reshaped and after redistributing the topsoil, the operator will rip and scarify the drilling platform and access road on the contour, to a depth of at least 12 inches.
- Rehabilitation will begin upon the completion of the drilling. Complete rehabilitation will depend on weather conditions and the amount of time required to dry the reserve pit.
 1. All rehabilitation work including seeding will be completed as soon as weather and the reserve pit conditions are appropriate.
 2. Landowner will be contacted for rehabilitation requirements.

10. Surface Ownership:

Lake Fork Ranch, Inc.
HC 65, Box 510048
Mountain Home, Utah 84051-9801
Phone: 435-454-3546 home
435-823-7810 cell

Other Information:

- The surface soil consists of clay, and silt.
- Flora – vegetation consists of the following: Sagebrush, Juniper and prairie grasses.
- Fauna – antelope, deer, coyotes, raptors, small mammals, and domestic grazing animals.
- Current surface uses – Livestock grazing and mineral exploration and production.

• **Operator and Contact Persons:**

Construction and Reclamation:

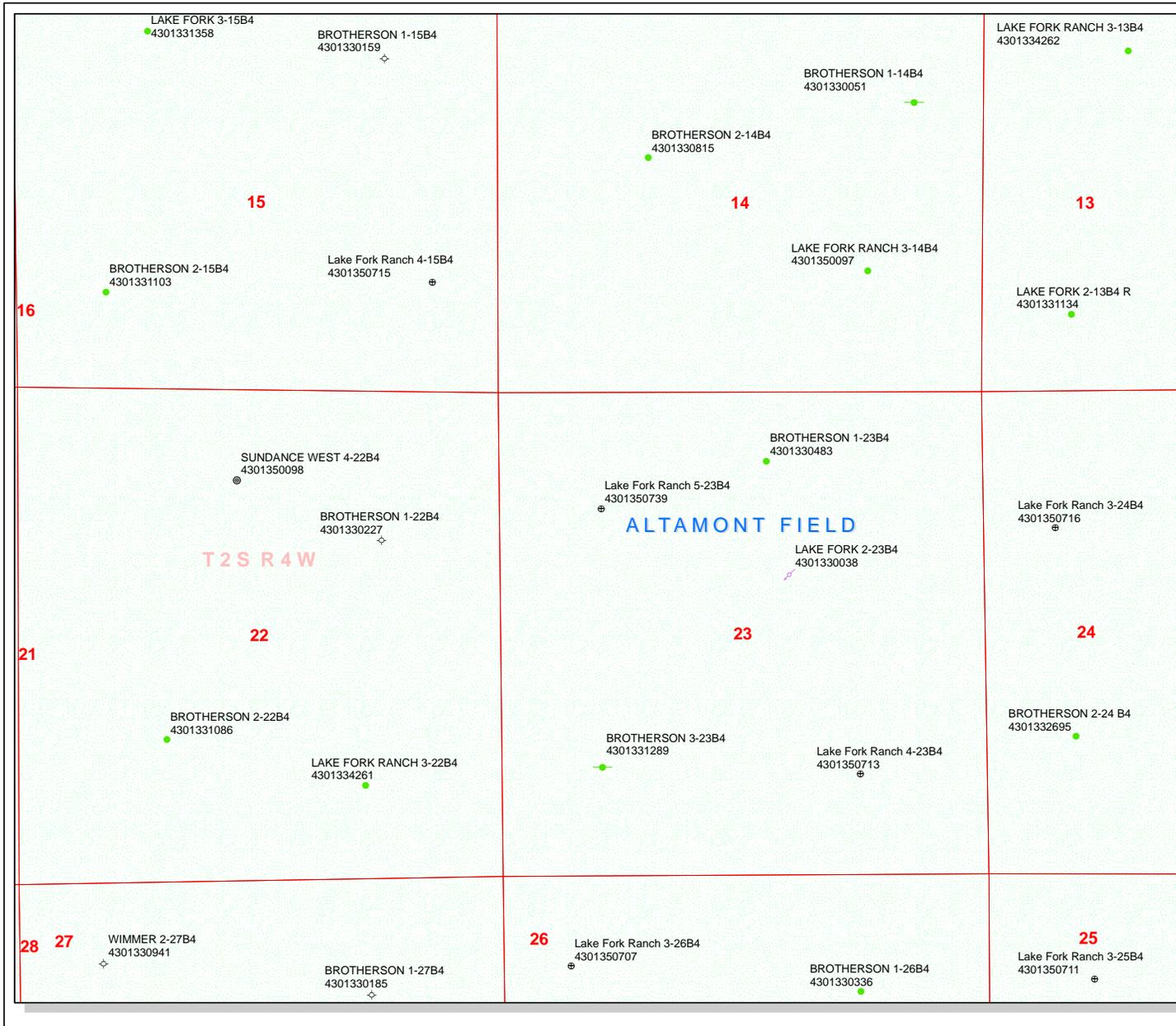
El Paso E & P Company, L.P.
Wayne Garner
PO Box 410
Altamont, Utah 84001
435-454-3394 – Office
435-823-1490 – Cell

Regarding This APD

El Paso E & P Company, L.P.
Maria Gomez
1001 Louisiana
Houston, Texas 77002
713.420.5038 – Office
832-683-0361 – Cell

Drilling

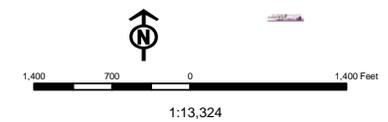
El Paso E & P Company, L.P.
Joe Cawthorn – Drilling Engineer
1001 Louisiana
Houston, Texas 77002
713.420.5929 – Office
832.465.2882 - Cell



API Number: 4301350739
Well Name: Lake Fork Ranch 5-23B4
Township T0.2 . Range R0.4 . Section 23
Meridian: UBM
 Operator: EL PASO E&P COMPANY, LP

Map Prepared:
 Map Produced by Diana Mason

- | | |
|---------------|------------------------------------|
| Units | Wells Query |
| STATUS | Status |
| ACTIVE | APD - Approved Permit |
| EXPLORATORY | DRL - Spudded (Drilling Commenced) |
| GAS STORAGE | GIW - Gas Injection |
| NF PP OIL | GS - Gas Storage |
| NF SECONDARY | LA - Location Abandoned |
| PI OIL | LOC - New Location |
| PP GAS | OPS - Operation Suspended |
| PP GEOTHERML | PA - Plugged Abandoned |
| PP OIL | PGW - Producing Gas Well |
| SECONDARY | POW - Producing Oil Well |
| TERMINATED | RET - Returned APD |
| Fields | SGW - Shut-in Gas Well |
| STATUS | SOW - Shut-in Oil Well |
| Unknown | TA - Temp. Abandoned |
| ABANDONED | TW - Test Well |
| ACTIVE | WDW - Water Disposal |
| COMBINED | WIW - Water Injection Well |
| INACTIVE | WSW - Water Supply Well |
| STORAGE | |
| TERMINATED | |
| Sections | |
| Township | |



Well Name	EP ENERGY E&P COMPANY, L.P. Lake Fork Ranch 5-23B4 430135073			
String	COND	SURF	I1	L1
Casing Size(")	13.375	9.625	7.000	4.500
Setting Depth (TVD)	1000	5900	10750	13500
Previous Shoe Setting Depth (TVD)	0	1000	5900	10750
Max Mud Weight (ppg)	8.8	9.5	11.0	13.5
BOPE Proposed (psi)	1000	1000	5000	10000
Casing Internal Yield (psi)	2730	5750	11220	12410
Operators Max Anticipated Pressure (psi)	9126			13.0

Calculations	COND String	13.375	"
Max BHP (psi)	.052*Setting Depth*MW=	458	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	338	YES <input type="checkbox"/> rotating head
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	238	YES <input type="checkbox"/> OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	238	NO <input type="checkbox"/> OK
Required Casing/BOPE Test Pressure=		1000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi *Assumes 1psi/ft frac gradient

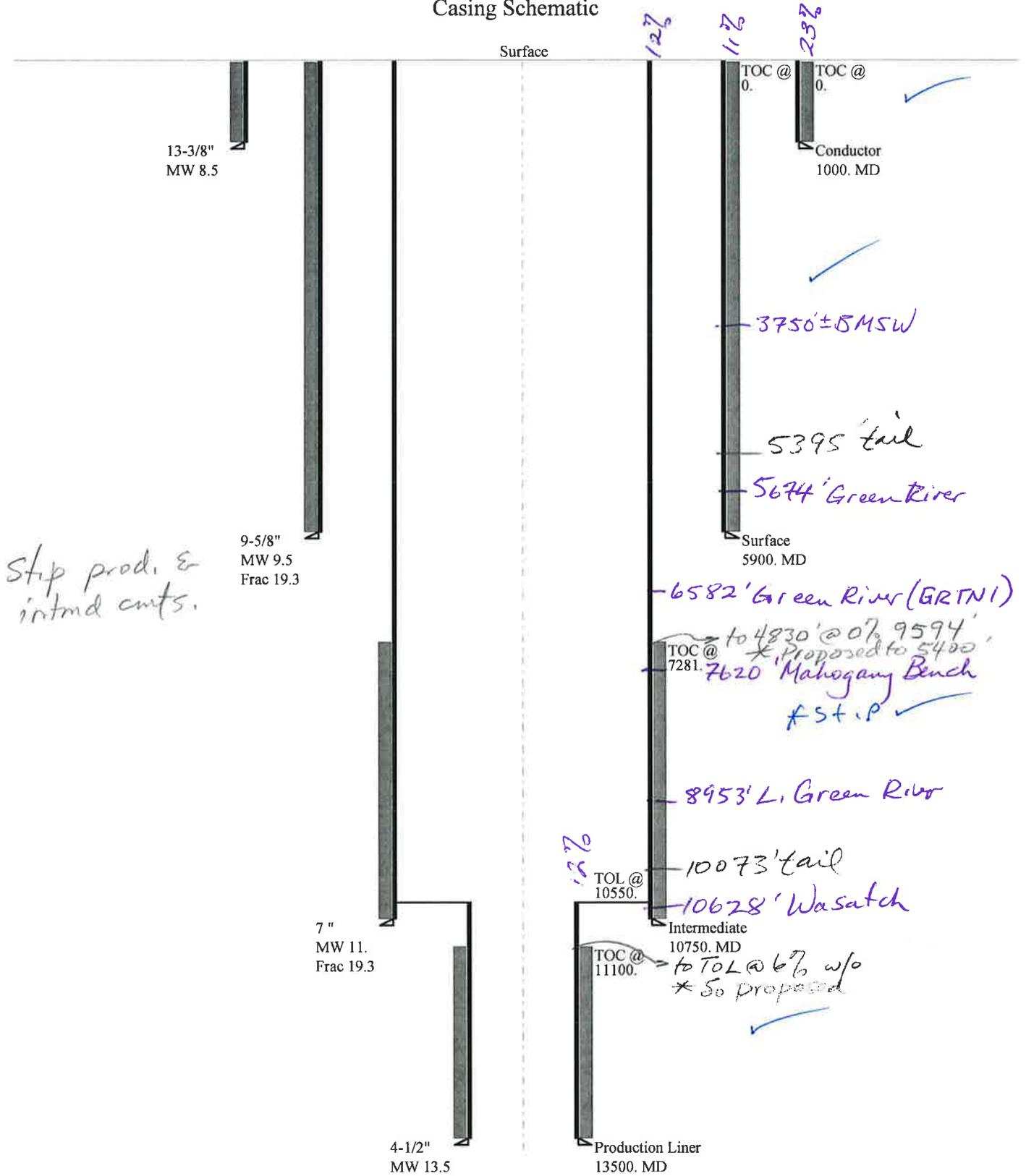
Calculations	SURF String	9.625	"
Max BHP (psi)	.052*Setting Depth*MW=	2915	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	2207	NO <input type="checkbox"/> Smith rotating head
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	1617	NO <input type="checkbox"/> OK for area, no expected pressures
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	1837	NO <input type="checkbox"/> OK
Required Casing/BOPE Test Pressure=		4025	psi
*Max Pressure Allowed @ Previous Casing Shoe=		1000	psi *Assumes 1psi/ft frac gradient

Calculations	I1 String	7.000	"
Max BHP (psi)	.052*Setting Depth*MW=	6149	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	4859	YES <input type="checkbox"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	3784	YES <input type="checkbox"/> OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	5082	YES <input type="checkbox"/> OK
Required Casing/BOPE Test Pressure=		7854	psi
*Max Pressure Allowed @ Previous Casing Shoe=		5750	psi *Assumes 1psi/ft frac gradient

Calculations	L1 String	4.500	"
Max BHP (psi)	.052*Setting Depth*MW=	9477	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	7857	YES <input type="checkbox"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	6507	YES <input type="checkbox"/> OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	8872	YES <input type="checkbox"/>
Required Casing/BOPE Test Pressure=		8687	psi
*Max Pressure Allowed @ Previous Casing Shoe=		10750	psi *Assumes 1psi/ft frac gradient

43013507390000 Lake Fork Ranch 5-23B4

Casing Schematic



Well name:	43013507390000 Lake Fork Ranch 5-23B4		
Operator:	EP ENERGY E&P COMPANY, LP		
String type:	Conductor	Project ID:	43-013-50739
Location:	DUCHESNE COUNTY		

Design parameters:**Collapse**

Mud weight: 8.500 ppg
Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 88 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 322 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 442 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.70 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 874 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	1000	13.375	54.50	J-55	ST&C	1000	1000	12.49	12408
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	442	1130	2.559	442	2730	6.18	54.5	514	9.43 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 801-538-5357
FAX: 801-359-3940

Date: August 6, 2012
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 1000 ft, a mud weight of 8.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	43013507390000 Lake Fork Ranch 5-23B4		
Operator:	EP ENERGY E&P COMPANY, LP		
String type:	Surface	Project ID:	43-013-50739
Location:	DUCHESNE COUNTY		

Design parameters:

Collapse

Mud weight: 9.500 ppg
 Internal fluid density: 1.000 ppg

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
 Surface temperature: 74 °F
 Bottom hole temperature: 157 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 100 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 3,778 psi
 Internal gradient: 0.220 psi/ft
 Calculated BHP 5,076 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
 8 Round LTC: 1.80 (J)
 Buttress: 1.60 (J)
 Premium: 1.50 (J)
 Body yield: 1.60 (B)

Tension is based on air weight.
 Neutral point: 5,066 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 10,750 ft
 Next mud weight: 11.000 ppg
 Next setting BHP: 6,143 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 5,900 ft
 Injection pressure: 5,900 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	5900	9.625	40.00	N-80	LT&C	5900	5900	8.75	75076
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	2605	3090	1.186	5076	5750	1.13	236	737	3.12 J

Prepared by: Helen Sadik-Macdonald
 Div of Oil, Gas & Mining

Phone: 801 538-5357
 FAX: 801-359-3940

Date: August 6, 2012
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 5900 ft, a mud weight of 9.5 ppg. An internal gradient of .052 psi/ft was used for collapse from TD to Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	43013507390000 Lake Fork Ranch 5-23B4		
Operator:	EP ENERGY E&P COMPANY, LP		
String type:	Intermediate	Project ID:	43-013-50739
Location:	DUCHESNE COUNTY		

Design parameters:

Collapse

Mud weight: 11.000 ppg
 Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
 Surface temperature: 74 °F
 Bottom hole temperature: 224 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,000 ft

Cement top: 7,281 ft

Burst

Max anticipated surface pressure: 6,498 psi
 Internal gradient: 0.220 psi/ft
 Calculated BHP 8,863 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
 8 Round LTC: 1.80 (J)
 Buttress: 1.60 (J)
 Premium: 1.50 (J)
 Body yield: 1.60 (B)

Tension is based on air weight.
 Neutral point: 8,960 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 13,500 ft
 Next mud weight: 13.500 ppg
 Next setting BHP: 9,468 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 10,750 ft
 Injection pressure: 10,750 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	10750	7	29.00	P-110	LT&C	10750	10750	6.059	121395
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	6143	8530	1.389	8863	11220	1.27	311.8	797	2.56 J

Prepared by: Helen Sadik-Macdonald
 Div of Oil, Gas & Mining

Phone: 801 538-5357
 FAX: 801-359-3940

Date: August 6, 2012
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 10750 ft, a mud weight of 11 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	43013507390000 Lake Fork Ranch 5-23B4		
Operator:	EP ENERGY E&P COMPANY, LP		
String type:	Production Liner	Project ID:	43-013-50739
Location:	DUCHESNE COUNTY		

Design parameters:**Collapse**

Mud weight: 13,500 ppg
Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 6,497 psi
Internal gradient: 0.220 psi/ft
Calculated BHP: 9,467 psi

No backup mud specified.

Minimum design factors:**Collapse:**

Design factor: 1.125

Burst:

Design factor: 1.00

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Tension is based on air weight.
Neutral point: 12,922 ft

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 263 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,000 ft

Cement top: 11,100 ft

Liner top: 10,550 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	2900	4.5	13.50	P-110	LT&C	13500	13500	3.795	16249
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	9467	10680	1.128	9467	12410	1.31	39.1	338	8.63 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 801-538-5357
FAX: 801-359-3940

Date: August 6, 2012
Salt Lake City, Utah

Remarks:

For this liner string, the top is rounded to the nearest 100 ft. Collapse is based on a vertical depth of 13500 ft, a mud weight of 13.5 ppg. The Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator EP ENERGY E&P COMPANY, L.P.
Well Name Lake Fork Ranch 5-23B4
API Number 43013507390000 **APD No** 3723 **Field/Unit** ALTAMONT
Location: 1/4,1/4 NWNW **Sec** 23 **Tw** 2.0S **Rng** 4.0W 1265 FNL 1114 FWL
GPS Coord (UTM) 558786 4460728 **Surface Owner** Lake Fork Ranch, Inc.

Participants

Dave Allred (El Paso); Ryan Allred (Allred & Associates Surveying Consultants); Dennis Ingram (DOGM)

Regional/Local Setting & Topography

Wellsite is located northeast of Duchesne Utah along the northeastern portion of Blue Bench in pinion/juniper habitat that slopes north and east, and accessed by driving north out of Duchesne along Highway 87 for 8.62 miles, then east along Caravan Lane for another 4.54 miles, then west 0.32 miles into new location. The location surface stakes up on bench type habitat that slopes north just south of a fingered canyon which drains northeast into Pigeon Water Creek, located approximately 1.25 miles to the northeast. The elevation rises to the east for a quarter mile then begins to drop off gradually towards the Lake Fork River Drainage System. To the south more bench country for another 1.5 miles where a large canyon heads and drains south. Immediately west of this site the first shallow canyon heads up and drains northeasterly drainage, then more bench country beyond that drainage.

Surface Use Plan

Current Surface Use
Grazing

New Road Miles	Well Pad	Src Const Material	Surface Formation
0.31	Width 282 Length 425	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

Pinion/Juniper habitat, cedar trees present, sagebrush, grass and Prickly Pear cactus, area has been railed in places and burned to promote rangeland for cattle grazing; elk and mule deer winter range, potential mountain lion, coyote, bobcat, rabbit and other smaller mammals and bird life native to region.

Soil Type and Characteristics

Reddish, tan sandy loam with clays and underlying sandstone or cobble rocks.

Erosion Issues Y

Sedimentation Issues Y**Site Stability Issues N****Drainage Diversion Required?****Berm Required? Y****Erosion Sedimentation Control Required? Y****Paleo Survey Run? N Paleo Potential Observed? N Cultural Survey Run? N Cultural Resources? N****Reserve Pit****Site-Specific Factors****Site Ranking**

Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	300 to 1000	2
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	>1320	0
Native Soil Type	Mod permeability	10
Fluid Type	TDS>5000 and	10
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)		0
Affected Populations		
Presence Nearby Utility Conduits	Not Present	0
Final Score		22 1 Sensitivity Level

Characteristics / Requirements

Reserve pit is proposed on the east side of location in 9.0 feet of cut, measuring 110' wide by 150' long by 12' deep, having prevailing winds from the west which will take any gas away from the wellbore.

Closed Loop Mud Required? Liner Required? N Liner Thickness 20 Pit Underlayment Required?**Other Observations / Comments**

Existing pipeline road past location that already has disturbance, better than plowing more ground, El Paso plans to speak with Brotherson about changing plans on access road, surface slopes north, adjacent finger canyon to north that drains northeast into Pigeon Water Creek, large sandstone outcroppings on northern side of location.

Dennis Ingram
Evaluator

5/19/2011
Date / Time

**Application for Permit to Drill
Statement of Basis
Utah Division of Oil, Gas and Mining**

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
3723	43013507390000	LOCKED	OW	P	No
Operator	EP ENERGY E&P COMPANY, L.P.		Surface Owner-APD	Lake Fork Ranch, Inc.	
Well Name	Lake Fork Ranch 5-23B4		Unit		
Field	ALTAMONT		Type of Work	DRILL	
Location	NWNW 23 2S 4W U 1265 FNL (UTM) 558725E 4460946N		1114 FWL	GPS Coord	

Geologic Statement of Basis

El Paso proposes to set 1,000 feet of conductor and 5,900 feet of surface casing both of which will be cemented to surface. The surface and intermediate holes will be drilled utilizing fresh water mud. The estimated depth to the base of moderately saline ground water is 3,750 feet. A search of Division of Water Rights records indicates that there are 12 water wells within a 10,000 foot radius of the center of Section 23. All wells are located approximately 1/2 mile or more from the proposed location. The wells range between 295 and 1,000 feet in depth and are used for irrigation, stock watering, domestic and oilfield purposes. The proposed casing and cement program should adequately protect ground water in this area.

Brad Hill
APD Evaluator

6/7/2011
Date / Time

Surface Statement of Basis

Brent Brotherson, who owns the Lake Fork Ranch, has been given as the landowner of record on this property. Mr. Brotherson was therefore spoken to on the telephone twice regarding the scheduling on these presites, and explained that he had visited each of the these sites and given input regarding their surface use to El Paso and has entered into a landowner agreement with said operator. El Paso shall therefore comply with that landowner agreement along with the construction cut and fill sheets provided to the Division with the Application to Drill unless given a variance by authorized personnel.

The surface slopes north and transitions from a nine foot cut on the southeast side to ten feet of fill along the northern corners. An existing pipeline runs east/west just south of the well pad and will most likely provide a better access into the location with less construction costs and/or disturbed lands. El Paso and Allred were going to speak with Brent Brotherson about changing the access road. There wasn't any drainage issues noted during the presite. Large sandstone outcroppings along the northern boundary of site indicate blasting may need done to construct the reserve pit. The operator shall install a 20 mil synthetic liner to prevent seepage of drilling fluids and a felt liner if necessary. Erosion controls may need addressed along the northern side of location if the slope indicates sediment issues into the wash or canyon below.

Dennis Ingram
Onsite Evaluator

5/19/2011
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 20 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	The well site shall be bermed to prevent fluids from leaving the pad.

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 5/4/2011

API NO. ASSIGNED: 43013507390000

WELL NAME: Lake Fork Ranch 5-23B4

OPERATOR: EP ENERGY E&P COMPANY, L.P. (N3850)

PHONE NUMBER: 713 997-5038

CONTACT: Maria S. Gomez

PROPOSED LOCATION: NWNW 23 020S 040W

Permit Tech Review:

SURFACE: 1265 FNL 1114 FWL

Engineering Review:

BOTTOM: 1265 FNL 1114 FWL

Geology Review:

COUNTY: DUCHESNE

LATITUDE: 40.29695

LONGITUDE: -110.30903

UTM SURF EASTINGS: 558725.00

NORTHINGS: 4460946.00

FIELD NAME: ALTAMONT

LEASE TYPE: 4 - Fee

LEASE NUMBER: Fee

PROPOSED PRODUCING FORMATION(S): GREEN RIVER-WASATCH

SURFACE OWNER: 4 - Fee

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- PLAT
- Bond: STATE - 400JU0708
- Potash
- Oil Shale 190-5
- Oil Shale 190-3
- Oil Shale 190-13
- Water Permit: 43-8362
- RDCC Review:
- Fee Surface Agreement
- Intent to Commingle

Commingle Approved

LOCATION AND SITING:

- R649-2-3.
- Unit:
- R649-3-2. General
- R649-3-3. Exception
- Drilling Unit
- Board Cause No: Cause 139-84
- Effective Date: 12/31/2008
- Siting: 660' Fr Drl U Bdry & 1320' Fr Other Wells
- R649-3-11. Directional Drill

Comments: Presite Completed

Stipulations: 5 - Statement of Basis - bhill
12 - Cement Volume (3) - ddoucet
25 - Surface Casing - ddoucet



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: Lake Fork Ranch 5-23B4
API Well Number: 43013507390000
Lease Number: Fee
Surface Owner: FEE (PRIVATE)
Approval Date: 8/8/2012

Issued to:

EP ENERGY E&P COMPANY, L.P., 1001 Louisiana, Houston, TX 77002

Authority:

Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 139-84. The expected producing formation or pool is the GREEN RIVER-WASATCH Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

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

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.

Conditions of Approval:

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Cement volume for the 7" intermediate string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to 5400' MD as indicated in the submitted drilling plan.

Surface casing shall be cemented to the surface.

Additional Approvals:

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan - contact Dustin Doucet
- Significant plug back of the well - contact Dustin Doucet

- Plug and abandonment of the well - contact Dustin Doucet

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well - contact Carol Daniels
OR
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website
at <http://oilgas.ogm.utah.gov>
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
- 24 hours prior to cementing or testing casing - contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program
 - contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well - contact Dan Jarvis

Contact Information:

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office
801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office
801-231-8956 - after office hours

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) - due within 5 days of spudding the well
- Monthly Status Report (Form 9) - due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) - due prior to implementation
- Written Notice of Emergency Changes (Form 9) - due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) - due prior to implementation
- Report of Water Encountered (Form 7) - due within 30 days after completion
- Well Completion Report (Form 8) - due within 30 days after completion or plugging

Approved By:



For John Rogers
Associate Director, Oil & Gas

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
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.	5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
1. TYPE OF WELL Oil Well	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: EP ENERGY E&P COMPANY, L.P.	7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: 1001 Louisiana, Houston, TX, 77002	8. WELL NAME and NUMBER: LAKE FORK RANCH 5-23B4
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1265 FNL 1114 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNW Section: 23 Township: 02.0S Range: 04.0W Meridian: U	9. API NUMBER: 43013507390000
5. PHONE NUMBER: 713 997-5038 Ext	9. FIELD and POOL or WILDCAT: ALTAMONT
	COUNTY: DUCHESNE
	STATE: UTAH

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

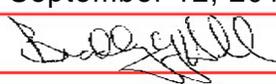
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 8/29/2013	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<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 checked="" type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

EP requests an one year extension until August 8, 2014.

Approved by the Utah Division of Oil, Gas and Mining

Date: September 12, 2013

By: 

NAME (PLEASE PRINT) Maria S. Gomez	PHONE NUMBER 713 997-5038	TITLE Principal Regulatory Analyst
SIGNATURE N/A	DATE 8/29/2013	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43013507390000

API: 43013507390000

Well Name: LAKE FORK RANCH 5-23B4

Location: 1265 FNL 1114 FWL QTR NWNW SEC 23 TWNP 020S RNG 040W MER U

Company Permit Issued to: EP ENERGY E&P COMPANY, L.P.

Date Original Permit Issued: 8/8/2012

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 rightof- 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: Maria S. Gomez

Date: 8/29/2013

Title: Principal Regulatory Analyst Representing: EP ENERGY E&P COMPANY, L.P.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
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.	5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
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TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 8/8/2014	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
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	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

EP plans to drill this well in the future.

Approved by the
 November 25, 2014
 Oil, Gas and Mining

Date: _____

By: 

NAME (PLEASE PRINT) Maria S. Gomez	PHONE NUMBER 713 997-5038	TITLE Principal Regulatory Analyst
SIGNATURE N/A	DATE 11/17/2014	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43013507390000

API: 43013507390000

Well Name: LAKE FORK RANCH 5-23B4

Location: 1265 FNL 1114 FWL QTR NWNW SEC 23 TWNP 020S RNG 040W MER U

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- Has the approved source of water for drilling changed? Yes No
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- Is bonding still in place, which covers this proposed well? Yes No

Signature: Maria S. Gomez

Date: 11/17/2014

Title: Principal Regulatory Analyst Representing: EP ENERGY E&P COMPANY, L.P.



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 20, 2015

EP Energy E&P Company, L.P.
1001 Louisiana
Houston, TX 77002

Re: APD Rescinded – Lake Fork Ranch 5-23B4, Sec. 23, T. 2S, R. 4W,
Duchesne County, Utah API No. 43-013-50739

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on August 8, 2012. On September 12, 2013 and November 25, 2014, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective August 20, 2015.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Brad Hill, Technical Service Manager