

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 Gate Canyon Federal 434-18-11-15					
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 GATE CANYON					
4. TYPE OF WELL Gas Well Coalbed Methane Well: NO						5. UNIT or COMMUNITIZATION AGREEMENT NAME GATE CANYON					
6. NAME OF OPERATOR GASCO PRODUCTION COMPANY						7. OPERATOR PHONE 303 996-1805					
8. ADDRESS OF OPERATOR 8 Inverness Dr. East, Suite 100, Englewood, CO, 80112						9. OPERATOR E-MAIL jberg@gascoenergy.com					
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) UTU62159			11. MINERAL OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>			12. SURFACE OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>					
13. NAME OF SURFACE OWNER (if box 12 = 'fee')						14. SURFACE OWNER PHONE (if box 12 = 'fee')					
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')						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 checked="" type="checkbox"/> (Submit Commingling Application) NO <input 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		1256 FSL 681 FEL		SESE	18	11.0 S	15.0 E	S			
Top of Uppermost Producing Zone		1256 FSL 681 FEL		SESE	18	11.0 S	15.0 E	S			
At Total Depth		1256 FSL 681 FEL		SESE	18	11.0 S	15.0 E	S			
21. COUNTY DUCHECNE			22. DISTANCE TO NEAREST LEASE LINE (Feet) 681			23. NUMBER OF ACRES IN DRILLING UNIT 627					
27. ELEVATION - GROUND LEVEL 6744			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completion) 2007			26. PROPOSED DEPTH MD: 16010 TVD: 16010					
28. BOND NUMBER UT-1233			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 41-3530								
Hole, Casing, and Cement Information											
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight	
COND	17.5	13.375	0 - 10	48.0	H-40 ST&C	8.3	50/50 Poz	110	1.31	14.3	
SURF	12.25	8.625	0 - 35.0	32.0	N-80 LT&C	8.3	Premium Lite High Strength	415	3.21	11.0	
							Class G	145	1.17	15.8	
PROD	7.875	4.5	0 - 16010	15.1	HCP-110 LT&C	12.0	Premium Lite High Strength	580	1.85	12.8	
							50/50 Poz	1370	1.31	14.3	
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 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 Jessica Berg			TITLE Regulatory Analyst			PHONE 303 996-1805					
SIGNATURE			DATE 10/09/2013			EMAIL jberg@gascoenergy.com					
API NUMBER ASSIGNED 43013525420000					APPROVAL						

Received: June 19, 2014

Gasco Production Company
Gate Canyon Federal 434-18-11-15
SE/SE, Section 18, township 11 South, Range 15 East
Duchesne County, Utah
Lease No. UTU- 62159

ONSHORE OIL & GAS ORDER NO. 1

Drilling Program

1. Estimated Tops of Important Geological Markers

Formation	Depth	Subsea
Wasatch	3375'	+3420'
Mesaverde	7495'	-700'
Castlegate	10075'	-3280'
Blackhawk	10335'	-3540'
Kenilworth	10935'	- 4140'
Spring Canyon	11305'	- 4510'
Mancos	11622'	- 4827'
Dakota Silt	15870'	- 9075'
Dakota	16005'	- 9210'
TD	16010'	

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

Substance	Formation	Depth
Gas	Wasatch	3375' – 7495'
Gas	Mesaverde	7495' – 10075'
Gas	Blackhawk	10335' - 10935'
Gas	Mancos	11622' - 15870'

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment

All well control equipment will be in accordance to Onshore Order No. 2 for 10M Systems and are as follows:

- 10,000# BOP with 4 ½" Pipe Rams
- 10,000# BOP with Blind Rams
- 5,000# Annular

Ram type preventers and associated equipment shall be tested to the approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline on pressure of more than

10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Pressure Control Equipment Continued

Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 30 day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BPOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

BOP systems shall be consistent with API RP 53 Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling cement plugs.

The District Office will be notified, with sufficient lead time, in order to have a BLM representative on location during testing.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not yet been chosen to drill this well, most of the equipment for this depth will utilize 10M working BOP.
- b. A choke line and kill line are to be properly installed. The kill line is not to be used as a fill-up line.

- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

Special Drilling Operations to be followed by Gasco Production Company during operations air/gas drilling of Surface Hole

The following equipment will be operational and implemented during any air/gas drilling operations for the surface hole as per Onshore Order 2 III. E. 1.:

Properly lubricated and maintained rotating head
Spark Arresters on engines or water cooled exhaust
Blooie line discharge 100 feet from well bore and securely anchored
Straight run on blooie line unless other wise approved
Deduster equipment
All cuttings and circulating medium shall be directed into a reserve or blooie pit
Float valve above bit
Automatic igniter or continuous pilot light on the blooie line
Compressors located in opposite direction from the blooie line a minimum of 100 feet from the well bore

Variations Requested:

Variance for Requirement BQFE

Properly lubricated and maintained rotating head and air bowl diverter system.

Variance for Requirement Mud Material

Mud circulating equipment, water and mud materials sufficient to maintain the capacity of the hole and circulating tanks or pits. Skid pump shall be available to pump water from an auxiliary water source such as reserve pit or water storage tank for well control purposes.

Variance for Requirement Blooie Line Length

Requirement for blooie line discharge of 100 feet from well. Blooie line discharge distance between well and reserve pit is 60 feet.

4. Proposed Casing and Cementing Program

a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones abnormally pressured zones and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors including: presence/absence of hydrocarbons, fracture gradients, usable water zones, formation

pressures, lost circulation zones, other minerals, or other unusual characteristics. All indications of usable water shall be reported.

b. Casing Program

	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Grade</u>	<u>Type</u>
Conductor	90'	17.5"	13.375"	H-40 #48	STC
Surface	3500'	12.25"	8.625"	N-80 #32	LTC
Production	16010'	7.875"	4.5"	HCP-110#15.1	LTC

c. Casing design subject to revision based on geologic conditions encountered.

d. Cement Program

	<u>Est. Top of Cement</u>	<u>Sacks/Cement Type</u>	<u>Yield</u>	<u>Supply Wt.</u>	
Conductor	To surface	110/ POZ /Ready Mix	3.1	14.3	
Surface	To surface	415/ Premium Lite II	3.21	11.0	Lead
		145/ Class G	1.17	15.8	Tail
Production	To surface	580/ Premium Lite II	1.85	12.8	Lead
		1370/ 50/50 POZ	1.31	14.3	Tail

e. Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.

f. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.

g. The following reports shall be filed with the District Manager within 30 days after the work is completed.

1. Progress reports, form 3160-5 "Sundry Notices and Reports on Wells", must include complete information concerning:

a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.

b. Temperature or bond log must be submitted for each well where the casing cement was not circulated to the surface.

h. Auxiliary equipment to be used is as follows:

1. Kelly cock
2. A bit float
3. A sub with full opening valve.

5. Drilling Fluids Program:

<u>Interval</u>	<u>Type</u>	<u>Wt. (ppg)</u>	<u>Viscosity</u>	<u>pH</u>	<u>Water Loss</u>
0-90'	Air Mist	8.33	NA	NA	NA
90'-3500'	Air Mist	8.33	NA	NA	NA
3500'-TD	Water Based Mud	9.0 – 12.0	NA	10-10.5	NA

a. Sufficient quantities of mud material will be maintained on site or be readily available for the purpose of assuring well control. SPR will be recorded on a daily drilling report after mudding up. Visual mud monitoring will be conducted during operations.

b. No chromate additives will be used in the mud system on Federal lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

c. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well.

d. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

e. Water will come from: Water Right No. 41-3530.

f. Water will be hauled by commercial transport over the access roads shown on Attached Maps "A" and "B".

g. No water well will be drilled on this lease

6. Evaluation Program

The anticipated type and amount of testing, logging and coring are as follows:

a. No drill stem tests are anticipated, if DST's are run, the following requirements will be adhered to:

Initial opening of the drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer (AO). However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the AO. Closed chamber DST's may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to “run” during the test shall have spark arresters or water cooled exhausts.

b. The logging program will consist of Schlumberger Platform Express (or equivalent) to be run from base of surface casing to TD.

c. No cores are anticipated.

d. Whether the well is completed as a dry hole or as a producer, “Well Completion and Recompletion Report and Log” (Form 3160-4) will be submitted no later than 30 days after the completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well tested data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4.

Samples (cuttings, fluids, and/or gases will be submitted when requested by the AO

e. The anticipated completion program is as follows: Perform multi-stage fracs and complete all productive zones present in the wellbore. Produce all zones commingled.

f. Daily drilling and completion progress reports shall be submitted to the BLM in Vernal on a weekly basis.

7. Abnormal Temperatures and Pressures

a. The expected bottom hole pressure is 9147psig

The maximum bottom hole temperature anticipated is 275 degrees Fahrenheit.

b. No hydrogen sulfide gas is anticipated. Abnormal pressures will be controlled with mud weight and 10000# BOP and rotating head.

8. Anticipated Starting Dates and Notifications of Operations

a. Drilling is anticipated to commence immediately upon approval

b. It is anticipated that the drilling of this well will take approximately 25 days.

c. The Vernal BLM and UDOGM shall be notified of the anticipated date of location construction and anticipated spud date.

d. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior to approval from the AO

will be obtained and notification given before resuming operations.

e. The spud date will be reported orally to the AO within 48 hours of spudding. If the spudding occurs on a weekend or holiday, the report will be submitted via voice mail and/or e-mail to the AO.

f. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM and UDOGM.

g. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual or undesirable events shall be reported promptly to the AO in accordance with the requirements of NTL-3A or its revision.

h. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, or prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

i. Should the well be successfully completed for production, the AO will be notified when the well is placed on producing status. Written notification, e-mail or otherwise, will be sent no later than 5 days following the date on which the well is placed on production.

j. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.

k. Pursuant to NTL-4A lessees or operators are authorized to vent/flare gas during initial well evaluation test, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day authorized test period.

l. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9.d.), shall be submitted to the BLM, Vernal Field Office and UDOGM within 60 days of installation or first production whichever occurs first. All site security regulations as specified in Onshore Order No.3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b.4.).

m. A first production conference will be scheduled within 15 days after receipt of the first production notice.

n. No well abandonment operations will commence without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed within 30 days following the completion of the well for abandonment. The report will indicate where plugs were placed and the current status of the surface restoration. Final abandonment will not be approved until the surface reclamation work has been completed to the satisfaction of the AO.

o. Pursuant to Onshore Oil and Gas Order No.1, lessees and operators have the responsibility of operating in a manner which conforms with the applicable Federal laws and regulations and with the State and local laws and regulations to the extent that such laws are applicable to operations on Federal lands.

Bureau of Land Management
170 South 500 East
Vernal, Utah 84078

Phone: (435)781-4400
Fax: (435)781-4410

After Hours:

Michael Lee Petroleum Engineer (435)828-4470

Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84116

Phone 801-538-5340
Fax 801-539-3940

CONFIDENTIAL
Returned Unapproved

Received: October 05, 2013

T11S, R15E, S.L.B.&M.

GASCO PRODUCTION COMPANY

R
14
E

R
15
E

EAST 5167.80' (G.L.O.)

NORTH 5280.00' (G.L.O.)

LOT 1

LOT 2

LOT 3

LOT 4

18

GATE CANYON FEDERAL
#434-18-11-15
Elev. Ungraded Ground = 6744'

S89°11'03"E - 5179.09' (Meas.)

N00°03'W - 2640.00' (G.L.O.)

N00°49'06"E - 2673.67' (Meas.)

Set Stone

Section Corner
Re-Established
Using Bearing
Tree Information.

Marked Stone,
Pile of Stones

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

NAD 83 (SURFACE LOCATION)	
LATITUDE	= 39°51'11.99" (39.853331)
LONGITUDE	= 110°16'13.38" (110.270383)
NAD 27 (SURFACE LOCATION)	
LATITUDE	= 39°51'12.12" (39.853367)
LONGITUDE	= 110°16'10.82" (110.269672)

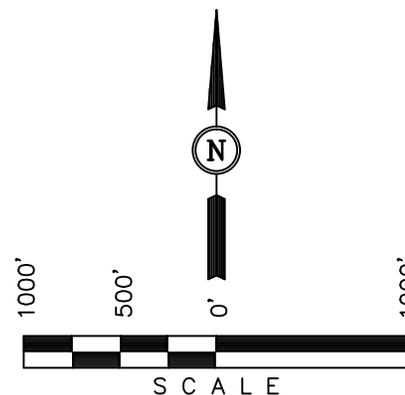
Well location, GATE CANYON FEDERAL
#434-18-11-15, located as shown in the SE 1/4
SE 1/4 of Section 18, T11S, R15E, S.L.B.&M.,
Duchense County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHWEST CORNER OF SECTION 14,
T10S, R18E, S.L.B.&M., TAKEN FROM THE MOON BOTTOM
QUADRANGLE, UTAH, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP)
PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE
INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS
BEING 5129 FEET.

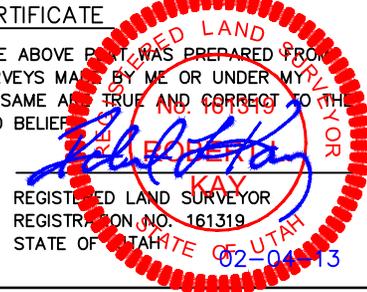
BASIS OF BEARINGS

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



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.

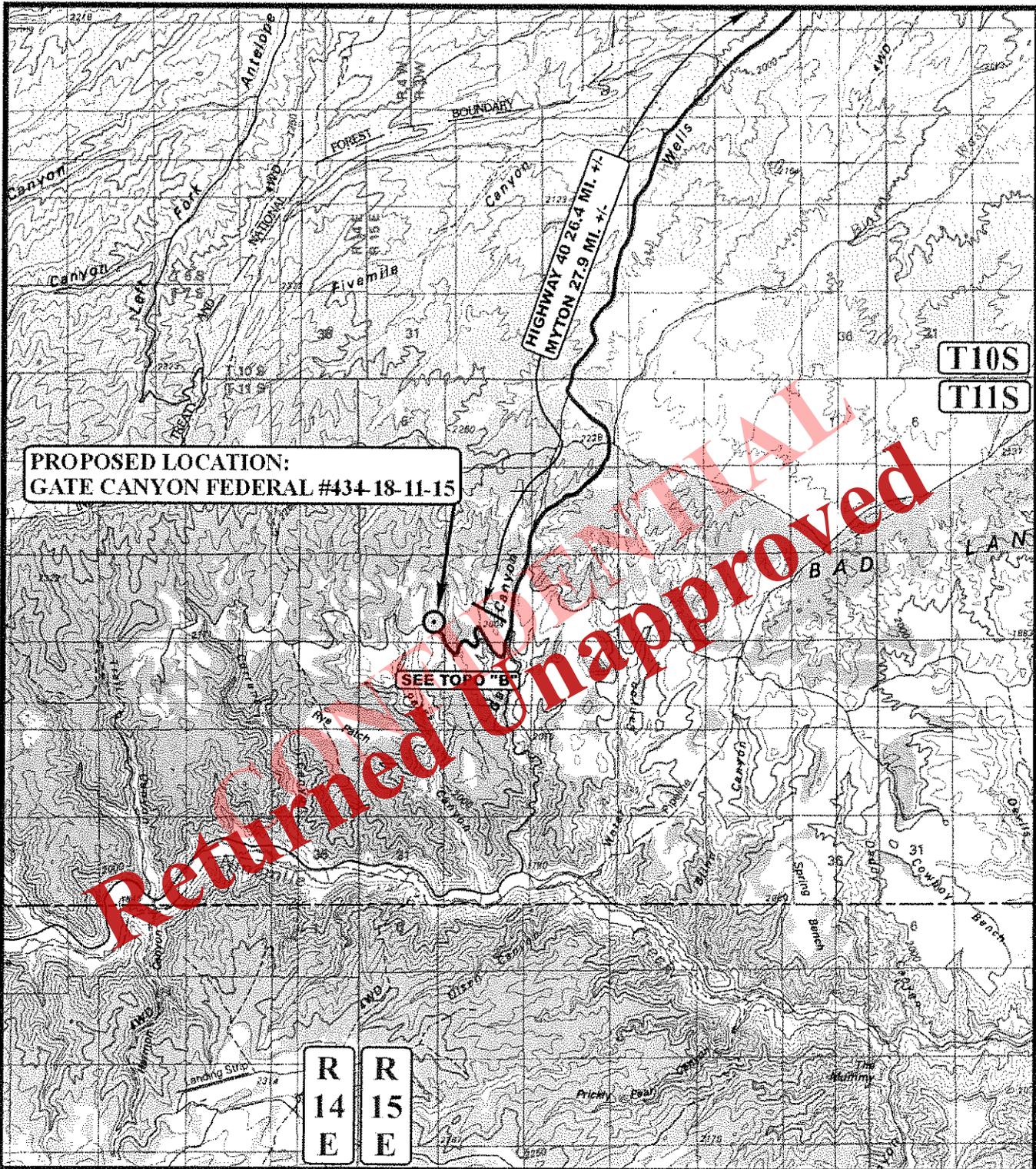


REV: 02-04-13 S.F.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 09-18-12	DATE DRAWN: 9-20-12
PARTY T.A. T.E. B.D.H.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE GASCO PRODUCTION COMPANY	

Received: October 05, 2013



LEGEND:

⊙ PROPOSED LOCATION

N

GASCO PRODUCTION COMPANY
GATE CANYON FEDERAL #434-18-11-15
SECTION 18, T11S, R15E, S.L.B.&M.
1256' FSL 681' FEL



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

ACCESS ROAD
 M A P
 SCALE: 1:100,000 DRAWN BY: C.L. REVISED: 00-00-00

09 20 12
 MONTH DAY YEAR



R
14
E

R
15
E

PROPOSED LOCATION:
GATE CANYON FEDERAL #434-18-11-15

SEE DETAIL "A"

2.0 MI. +/-

HIGHWAY 40 26.4 MI. +/-
MYTON 27.9 MI. +/-

PROPOSED
ACCESS 128' +/-

DETAIL "A"

Returned Unapproved

T11S

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD
- 18" CMP REQUIRED



GASCO PRODUCTION COMPANY
GATE CANYON FEDERAL #434-18-11-15
SECTION 18, T11S, R15E, S.L.B.&M.
1256' FSL 681' FEL

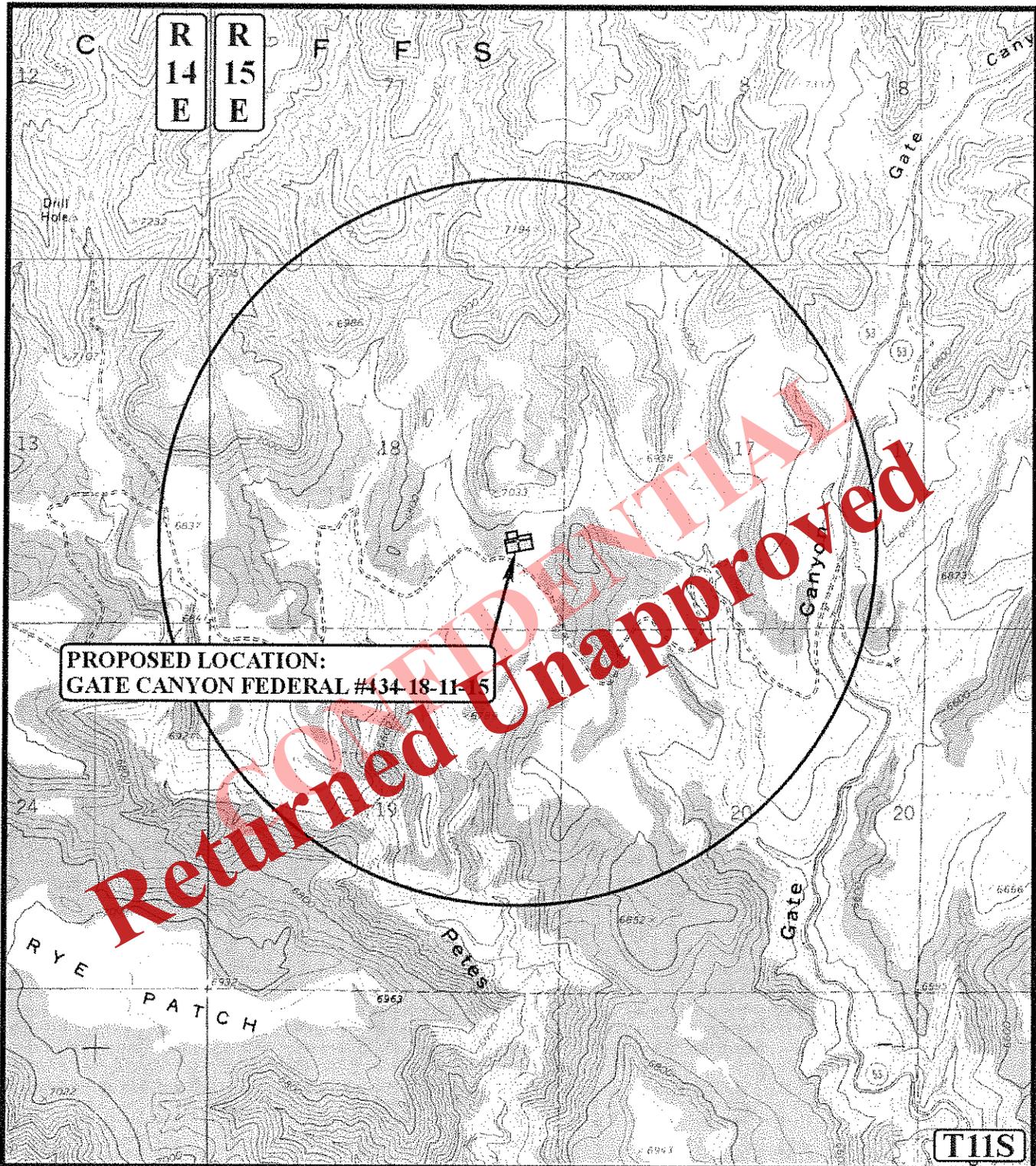


Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

ACCESS ROAD
MAP
SCALE: 1" = 2000' DRAWN BY: C.L. REVISED: 00-00-00

09	20	12
MONTH	DAY	YEAR

B
TOPO



PROPOSED LOCATION:
GATE CANYON FEDERAL #434-18-11-5

Returned Unapproved

T11S

LEGEND:

- | | |
|-------------------|-------------------------|
| ○ DISPOSAL WELLS | ○ WATER WELLS |
| ● PRODUCING WELLS | ● ABANDONED WELLS |
| ⦿ SHUT IN WELLS | ⦿ TEMPORARILY ABANDONED |



GASCO PRODUCTION COMPANY
GATE CANYON FEDERAL #434-18-11-15
SECTION 18, T11S, R15E, S.L.B.&M.
1256' FSL 681' FEL

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

TOPOGRAPHIC 09 20 12
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.I. REVISED: 00-00-00

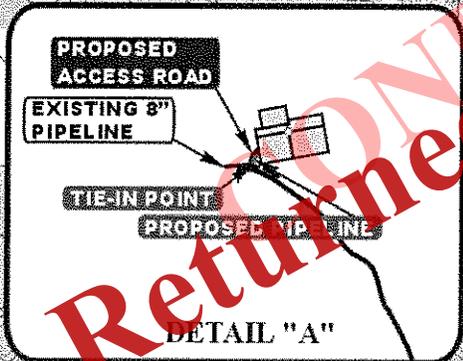
C
TOPO

R
14
E

R
15
E

PROPOSED LOCATION:
GATE CANYON FEDERAL #434-18-11-15

SEE DETAIL "A"



Returned Unapproved

T11S

APPROXIMATE TOTAL PIPELINE DISTANCE = 72' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD
- PROPOSED PIPELINE
- EXISTING PIPELINE



GASCO PRODUCTION COMPANY
GATE CANYON FEDERAL #434-18-11-15
SECTION 18, T11S, R15E, S.L.B.&M.
1256' FSL 681' FEL

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

TOPOGRAPHIC
MAP
09 20 12
MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: C.I. REVISED: 00-00-00

D
TOPO

**Gasco Production Company
Gate Canyon Federal 434-18-11-15
SE / SE, Section 18, Township 11 South, Range 15 East
Duchesne County, Utah
Lease No. UTU- 62159**

ONSHORE OIL & GAS ORDER NO. 1

Notification Requirements

Location Construction-	48 hours prior to construction of location and access roads
Location completion-	prior to moving on with drilling rig.
Spud Notice-	at least 24 hours prior to spudding the well.
Casing String and Cementing-	24 hours notice prior to running casing and cementing.
BOP and Related Equipment-	24 hours prior to initiating pressure tests
First Production Notice-	Within 5 business days after new well begins or production resumes after well has been off production for more than 90 days.

The onsite inspection for the subject well site will be conducted with at least one of the land management agency specialists and Gasco which may include the following individuals:

Bill Civish	Bureau of Land Management
Aaron Rees	Bureau of Land Management
Jesse Duncan	Gasco Production Company
Surveyor	Uintah Engineering and Land Surveying

1. Existing Roads

See Attached Topographic Map "A".

Proceed in a southwesterly direction from Myton, Utah along US Highway 40 approximately 1.5 miles to the junction of this road and an existing road to the south; turn left and proceed in a southerly; then southwesterly, then southerly direction approximately 1.7 miles to the junction of this road and an existing road to the southwest; turn left and proceed in a southwesterly, then southerly direction approximately 2.7 miles to the junction of this road and an existing road to the southwest; turn right and proceed in a southwesterly, then northwesterly, then southwesterly, then northwesterly direction approximately 2.0 miles to the beginning of the proposed access to

the northeast; follow road flags in a northeasterly direction approximately 128' to the proposed location.

Total distance from Myton, Utah to the proposed well location is approximately 29.9 miles.

2. Planned Access Road

See Attached Topographic Map "B" for location of the proposed access road.

3. Location of Existing Wells

See Attached Topographic Map "C"

4. Location of Tank Batteries and Production Facilities

- a. All permanent surface equipment will be painted to BLM and UDOGM specifications.
- b. Storage tanks batteries will be surrounded by containment dike of sufficient capacity to contain at a minimum, the entire contents of the largest tank within the contained area, unless more stringent requirements are necessary as notified by the AO.
- c. A production layout will be submitted via sundry upon proven productivity of the well.
- d. All loading lines will be placed inside the berm/dike surrounding the tank battery.
- e. A Gas Meter Run will be placed within 500 ft. of the wellhead. Meter runs will be housed. The oil and gas measurement equipment will be installed on the well location. Measurement equipment will be calibrated in place prior to any deliveries. Tests for accuracy will be conducted monthly for the first three months on new installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the calibration reports will be submitted to the Vernal Field Office upon request.
- f. Any necessary pits will be properly fenced to prevent any wildlife entry.
- g. The access road will be maintained in a safe, usable condition conducive to the climate and seasonal conditions in order to accommodate daily operation of the well and prevent erosion.
- h. Pipelines, up to 8" steel, will follow the proposed access for approximately 72', as detailed in attached Map "D". The pipeline will be laid on the surface except road crossings where they will be buried to a depth of 3'-5'. The method of coupling will be welded. Associated pipeline components, such as risers, pig launchers/catchers, meters, valves, etc. will be contained within the 30' needed for construction of the pipeline.

5. Location and Type of Water

- a. Water will come from: Water Right No. 41-3530.

b. Water will be hauled by commercial transport over the access roads shown on Attached Maps "A" and "B".

c. No water well will be drilled on this lease.

6. Source of Construction Material

a. Any gravel used will be obtained from a commercial source.

b. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2.3.

c. No construction materials will be used from Federal lands.

7. Methods of Handling Waste Disposal

a. There will be a reserve pit located onsite. A closed loop system will be utilized if possible. If a closed loop system is used a small cuttings pit will be located onsite. Either pit will be built according to BLM and UDOGM regulations unless otherwise specified by BLM or UDOGM.

b. All trash will be contained in an enclosed trash container through the drilling, completion, and facility construction phases and its contents removed and hauled to an approved disposal sight as needed.

c. A chemical porta-toilet will be furnished through the drilling, and completion phases.

d. After first production, produced waste water will be confined to an unlined pit or storage tank for a period not to exceed 90 days. During the 90 day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval.

e. Drill cuttings are to be contained and buried in the reserve pit.

f. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.

8. Ancillary Facilities

There are no airstrips, camps or other facilities planned during the drilling of this well except for those facilities needed for drilling rig personnel, service providers and company representatives.

9. Well Site Layout

See attached Location Layout Diagram

10. Plans for Restoration of Surface

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, materials, trash and debris not required for production.
- b. Upon completion, any hydrocarbon within the reserve pit will be removed in accordance with 43 CFR 3162.7-1.
- c. The reserve pit will be backfilled and reclaimed within 120 days from the well completion. The reserve pit liner will be perforated and excess liner removed before backfilling. Alternatively, the pit will be pumped dry, the liner folded into the pit and buried to a minimum of 4' deep.
- d. That portion of the location not needed for production facilities or operations, or any disturbed areas upon final plug and abandonment, will be re-contoured to approximate natural contours and seeded with a seed mixture and procedure specified by the AO. Additionally, the topsoil pile will be seeded with the same mixture and procedure as specified.

11. Surface Ownership

The proposed access road and well pad is on lands managed by the Bureau of Land Management.

12. Other Information

- a. An archeological survey will be conducted by an authorized Archeological Consultant prior to any disturbance based on BLM and UDOGM guidance.
- b. If historic or archeological materials are uncovered during construction, the operator will immediately stop work and contact the AO.
- c. COA's from onsite will be implemented/followed.
- d. The operator will control noxious weeds along associated well pad, roads, pipelines, and surface equipment. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted and approved prior to the application of pesticides or herbicides.
- e. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal lands after the conclusion of drilling operations or at any other time without BLM authorization.
- f. All lease and unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notices to Lessees. The operator is fully responsible for the actions of his subcontractors.
- g. A complete copy of the APD shall be on location during construction and drilling of this site.

Water Disposal

Immediately upon first production all produced water will be confined to a steel storage tank. Water will be disposed of via truck transport to a State of Utah approved disposal site.

Wildlife Timing Stipulations

Any required actions or planning based on state or federal agencies will be implemented.

13. Lessee's or Operators Representative

Gasco Production Company
Jessica Berg – Regulatory Analyst
7979 E Tufts Ave, Suite 1150
Denver, CO 80237
(303)483-0044

Jesse Duncan
Utah Field Manager
PO Box 189
Myton, UT 84052
(435)828-1221

Certification

Please be advised that *Gasco Production Company* is considered to be the operator of the *Well Gate Canyon Federal 434-18-11-15, located in SE/SE of Section 18, T14S, R15E, Lease No. UTU-62159, Duchesne County, Utah:* and is responsible under the term and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Bond #1233.

I hereby certify that the proposed drill site and access road have been inspected and I am familiar with the conditions that currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Gasco Production Company its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. The statement is subject to the provisions of 18 U.S.C. 1000 for the filing of a false statement.



Jessica Berg
Gasco Production Company

9/16/13

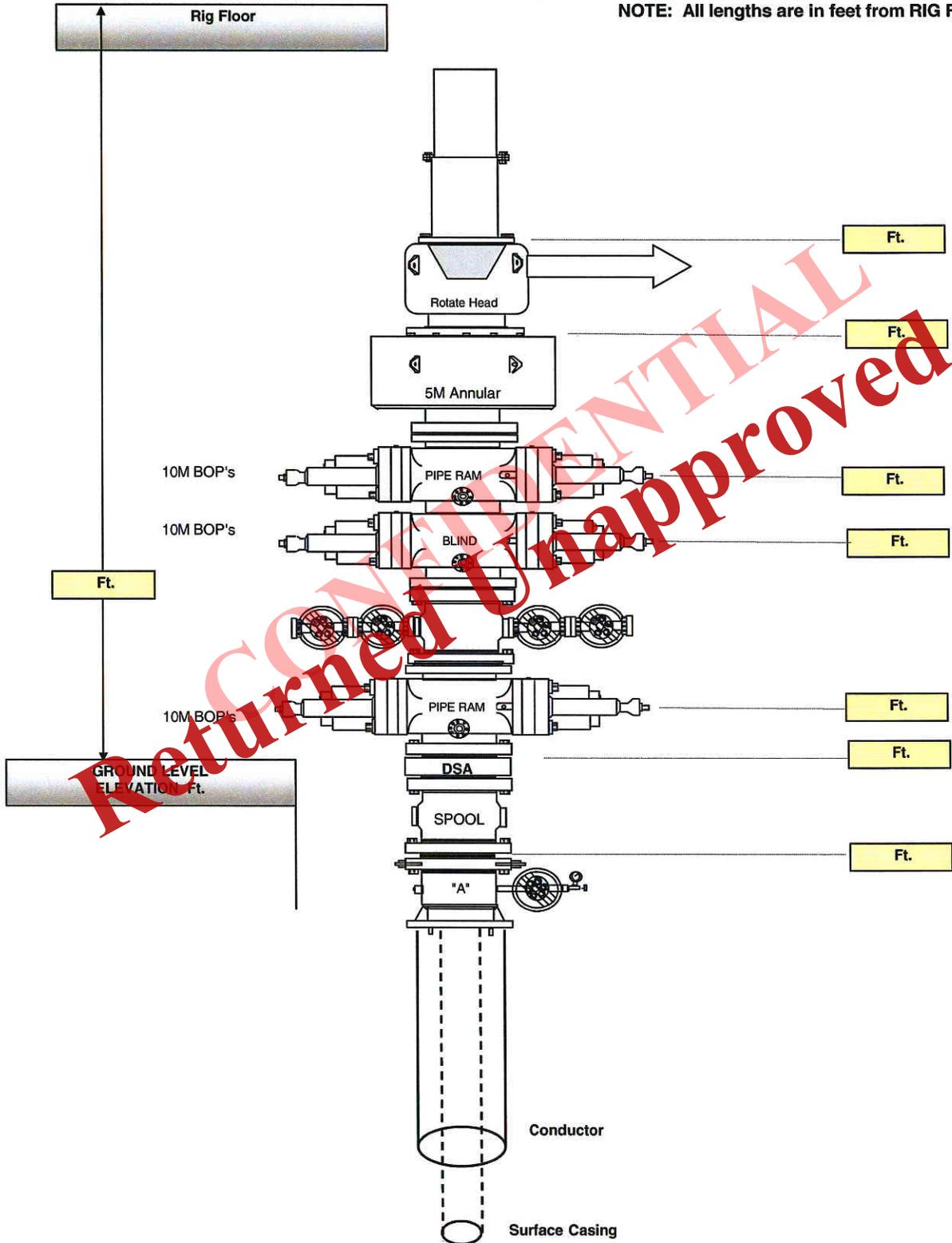
Date

Gasco
Energy
Utah Region

DRILLING PHASE BOP Stack Diagram

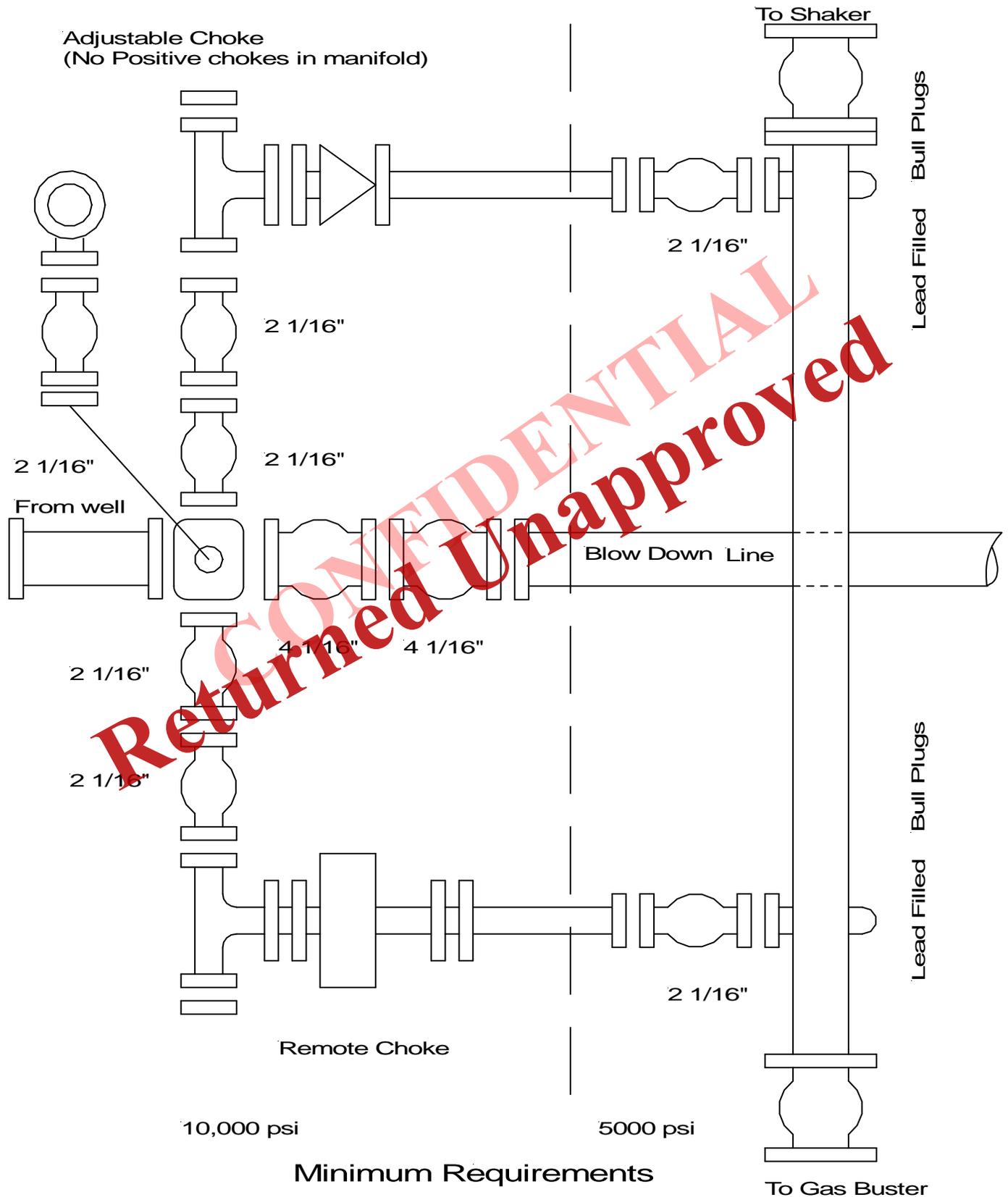
River Bend Area Utah
DATE:
Rig:

NOTE: All lengths are in feet from RIG FLOOR.



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10,000 psi Manifold





GASCO Energy, Inc.
7979 E Tufts Ave
Suite 1150
Denver, CO 80237
(303) 483-0044
www.gascoenergy.com

September 13, 2013

Ms. Diana Mason
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Exception Location per R649-3-3 for Gate Canyon Federal 434-18-11-15 Duchesne County, Utah.

Ms. Mason:

Gasco Production Company is submitting this Exception Location request for the Gate Canyon Federal 434-18-11-15.

Gasco's GCF 434-18-11-15 is an exception to Rule R649-3-3 Exception to Location and Siting of Wells due to topography. Additionally Gasco is the owner/operator of all oil and gas leases within 460' of the proposed location.

Please call or email me with any questions or comments.
Thank you

Jessica Berg
303-996-1805
jberg@gascoenergy.com

Received: October 05, 2013

GASCO PRODUCTION COMPANY

LOCATION LAYOUT FOR

GATE CANYON FEDERAL #434-18-11-15

SECTION 18, T11S, R15E, S.L.B.&M.

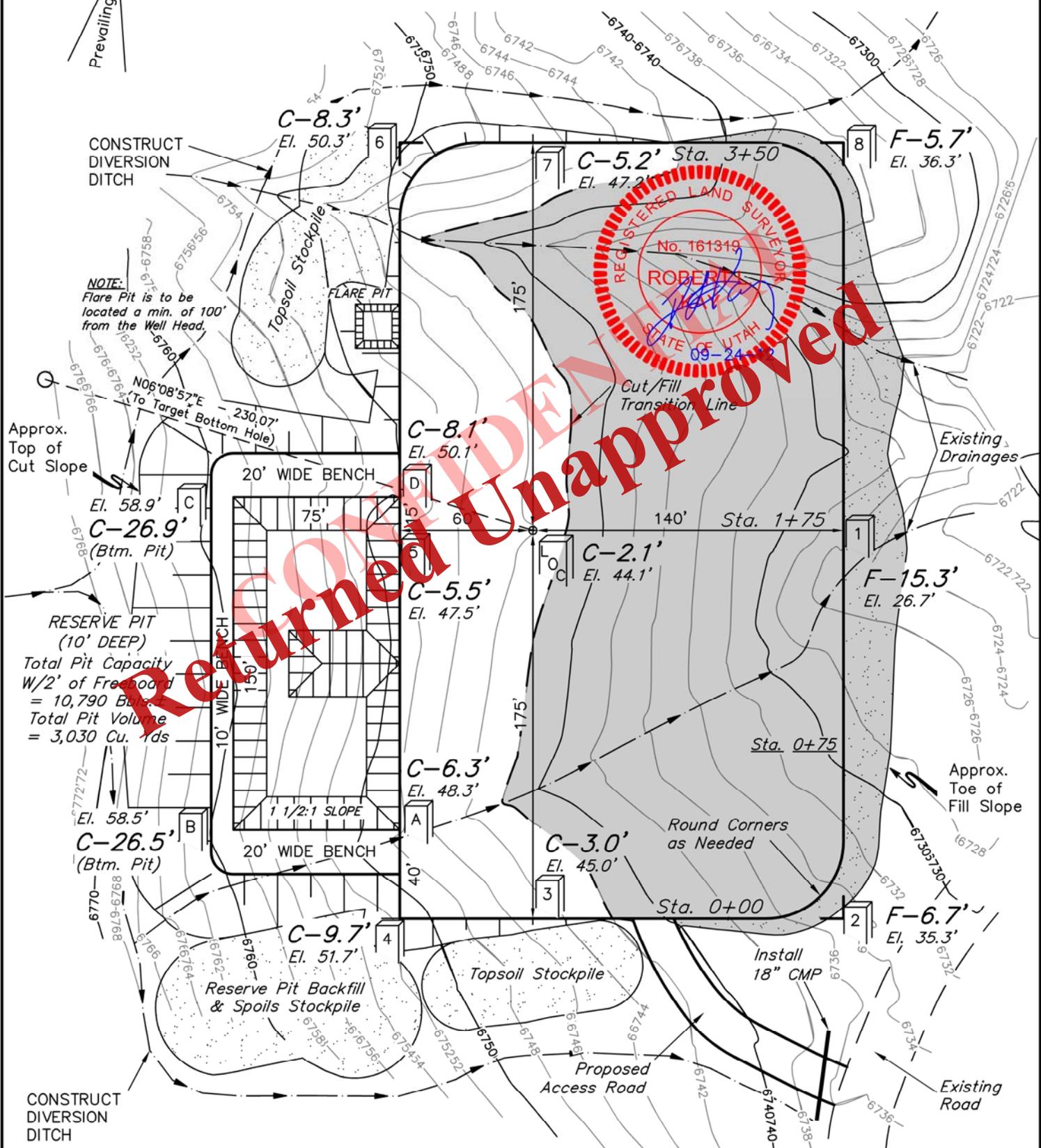
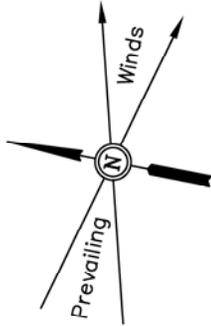
1256' FSL 681' FEL

FIGURE #1

SCALE: 1" = 60'

DATE: 09-21-12

DRAWN BY: B.D.H.



Elev. Ungraded Ground At Loc. Stake = 6744.1'
FINISHED GRADE ELEV. AT LOC. STAKE = 6742.0'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

Received: October 05, 2013

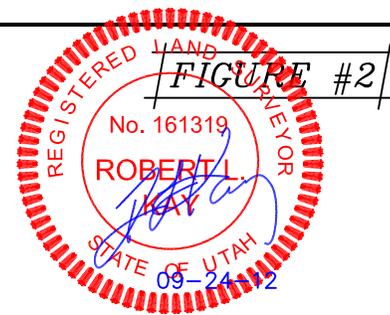
GASCO PRODUCTION COMPANY

TYPICAL CROSS SECTIONS FOR

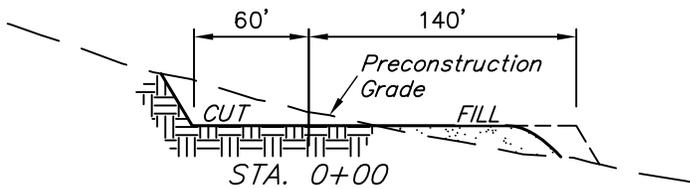
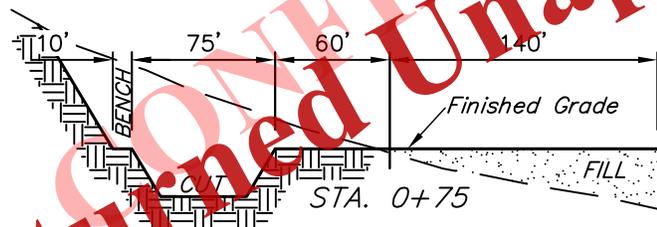
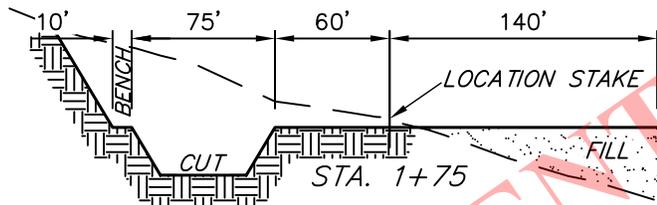
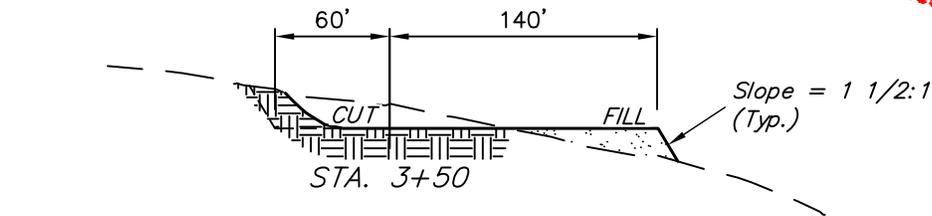
GATE CANYON FEDERAL #434-18-11-15

SECTION 18, T11S, R15E, S.L.B.&M.

1256' FSL 681' FEL



1" = 40'
X-Section Scale
1" = 100'
DATE: 09-21-12
DRAWN BY: B.D.H.



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NOTE:

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

APPROXIMATE ACREAGES
WELL SITE DISTURBANCE = ± 2.840 ACRES
ACCESS ROAD DISTURBANCE = ± 0.088 ACRES
PIPELINE DISTURBANCE = ± 0.041 ACRES
TOTAL = ± 2.969 ACRES

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	2,040 Cu. Yds.
Remaining Location	=	16,040 Cu. Yds.
TOTAL CUT	=	18,080 CU. YDS.
FILL	=	14,460 CU. YDS.

EXCESS MATERIAL	=	3,620 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	3,560 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	=	60 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

GASCO PRODUCTION COMPANY

TYPICAL RIG LAYOUT FOR

GATE CANYON FEDERAL #434-18-11-15

SECTION 18, T11S, R15E, S.L.B.&M.

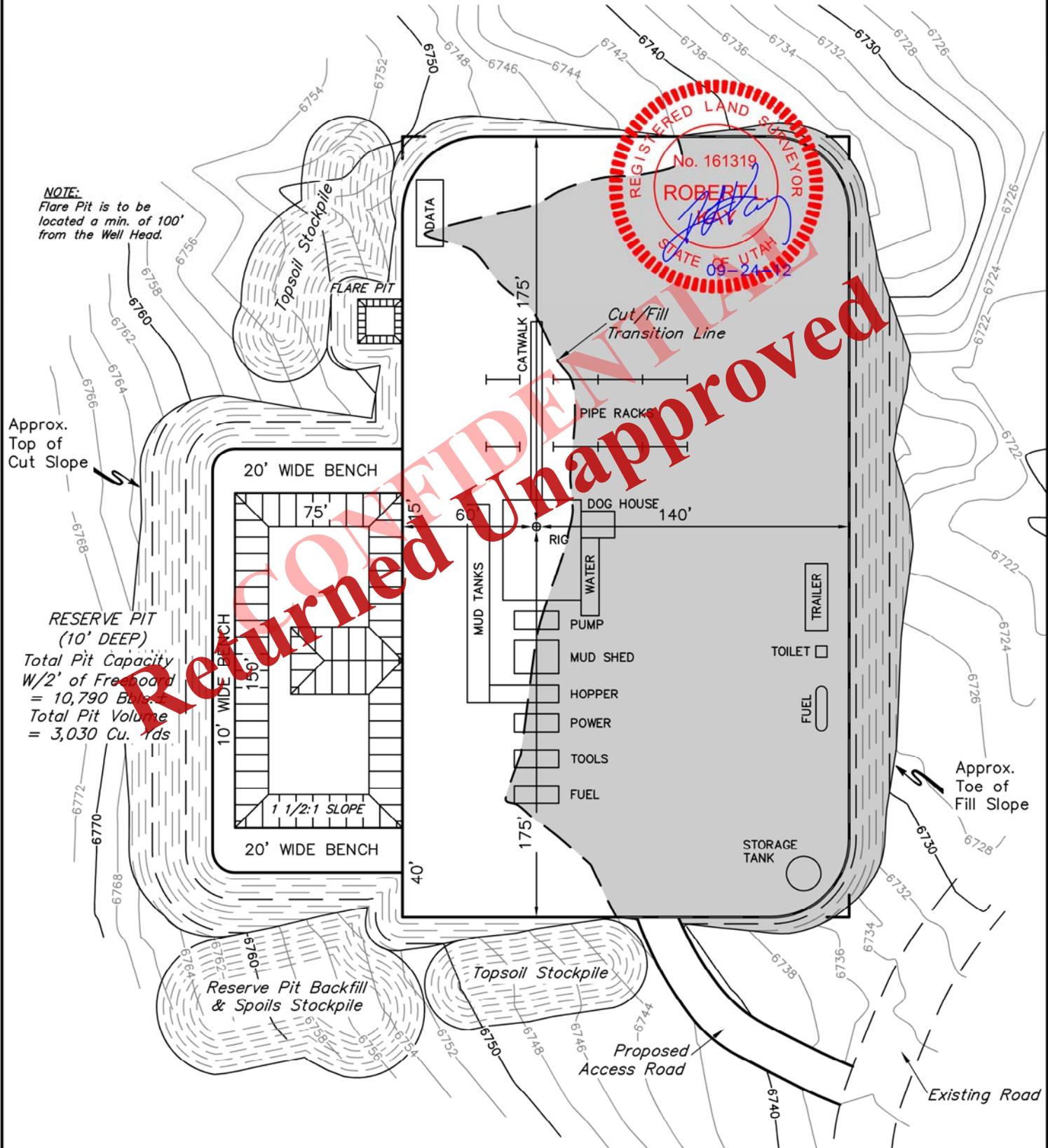
1256' FSL 681' FEL

FIGURE #3

SCALE: 1" = 60'

DATE: 09-21-12

DRAWN BY: B.D.H.



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

Approx. Top of Cut Slope

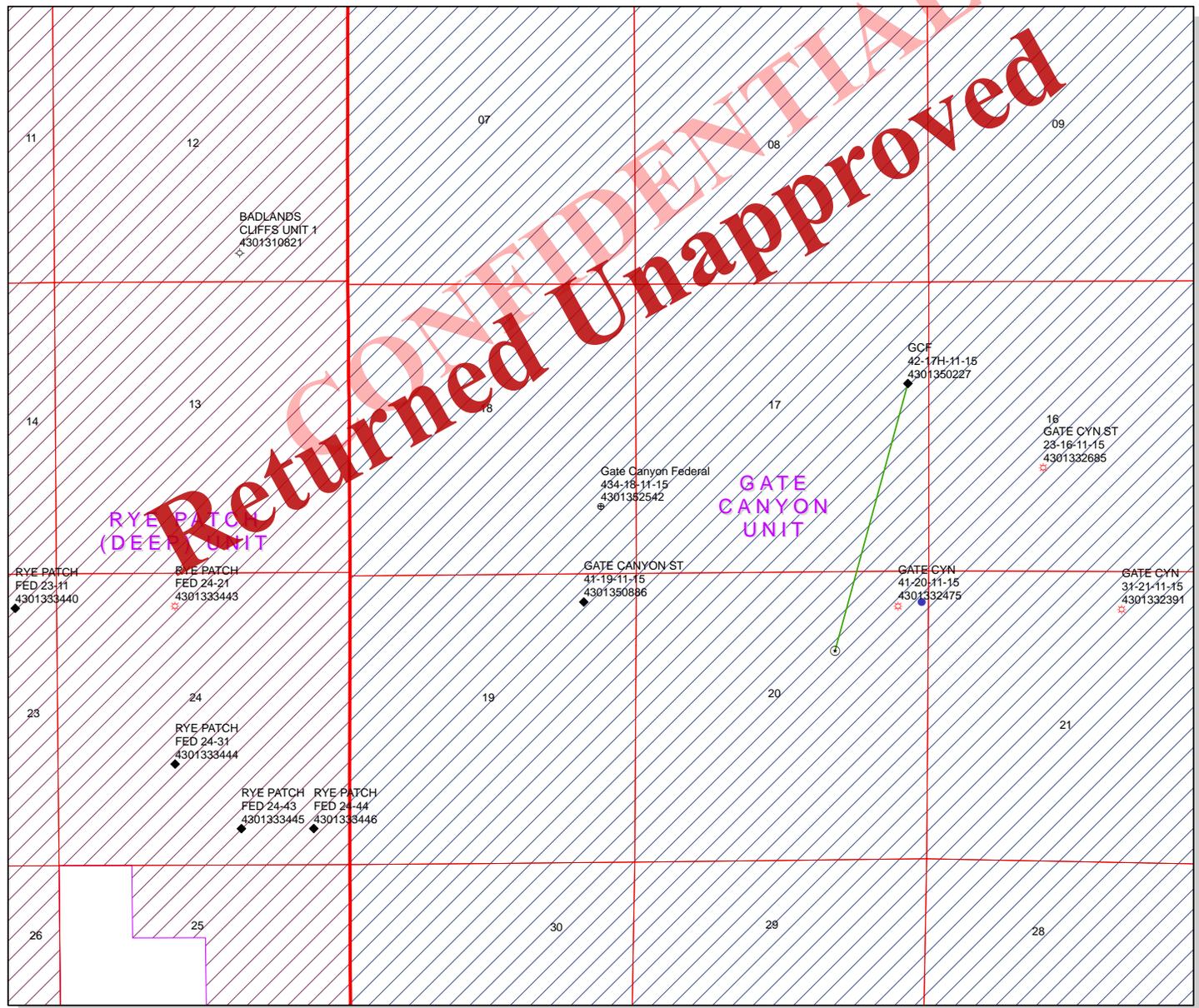
RESERVE PIT (10' DEEP)
Total Pit Capacity W/2' of Freeboard = 10,790 Bbls
Total Pit Volume = 3,030 Cu. Yds

Approx. Toe of Fill Slope

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

Received: October 05, 2013

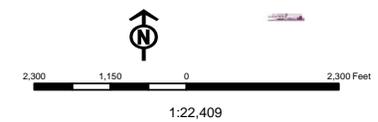
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API Number: 4301352542
Well Name: Gate Canyon Federal 434-18-11-15
 Township: T11.0S Range: R15.0E Section: 18 Meridian: S
 Operator: GASCO PRODUCTION COMPANY

Map Prepared: 10/10/2013
 Map Produced by Diana Mason

- | Wells Query | Units |
|--------------------------------------|----------------|
| ◆ APD - Approved Permit | □ ACTIVE |
| ⊙ DRL - Spudded (Drilling Commenced) | □ EXPLORATORY |
| ⊙ GW - Gas Injection | □ GAS STORAGE |
| ⊙ GS - Gas Storage | □ NF PP OIL |
| ⊙ LOC - New Location | □ NF SECONDARY |
| ⊙ OPS - Operation Suspended | □ PI OIL |
| ⊙ PA - Plugged Abandoned | □ PP GAS |
| ⊙ PGW - Producing Gas Well | □ PP GEOTHERML |
| ⊙ POW - Producing Oil Well | □ PP OIL |
| ⊙ SGW - Shut-in Gas Well | □ SECONDARY |
| ⊙ SOW - Shut-in Oil Well | □ TERMINATED |
| ⊙ TA - Temp. Abandoned | |
| ○ TW - Test Well | |
| ⊙ WDW - Water Disposal | |
| ⊙ WW - Water Injection Well | |
| ● WSW - Water Supply Well | |



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
440 West 200 South, Suite 500
Salt Lake City, UT 84101

IN REPLY REFER TO:

3160
(UT-922)

October 22, 2013

Memorandum

To: Assistant Field Office Manager Minerals,
Vernal Field Office

From: Michael Coulthard, Petroleum Engineer

Subject: 2013 Plan of Development Gate Canyon Unit,
Duchesne County, Utah.

Pursuant to email between Diana Mason, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following well is planned for calendar year 2013 within the Gate Canyon Unit, Duchesne County, Utah.

API #	WELL NAME	LOCATION
Proposed PZ (MANCOS)		
43-013-52542	Gate Canyon 434-18-11-15	Sec 18 T11S R15E 1256 FSL 0681 FEL

This office has no objection to permitting the well at this time.

Michael Coulthard

Digitally signed by Michael Coulthard
DN: cn=Michael Coulthard, o=Bureau of Land Management,
ou=Division of Minerals, email=mcoultha@blm.gov, c=US
Date: 2013.10.22 13:46:23 -06'00'

bcc: File - Gate Canyon Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:10-22-13

Received: October 22, 2013



March 13, 2014

Gasco Production Company
Attn: Brandon Casey
7979 East Tufts Avenue, Suite #1150
Denver, Colorado 80237

RE: Sundry Notice
Gate Canyon Federal 434-18-11-15 – APD
Duchesne County, Utah

Dear Mr. Casey,

Pursuant to your letter dated March 12, 2014, and the enclosed APD packet for the above reference well, Wapiti Oil & Gas II, L.L.C., is in agreement with Gasco Production Company that the production from the Wastach, Mesaverde, and Mancos formations be commingled in the above referenced well.

If you need any additional paper work or have any additional requests please feel free to contact me at (303) 389-2164.

Sincerely,

Keith McGlone
Land Manager – Rocky Mountain Region

AFFIDAVIT OF NOTICE

Brandon Casey, of lawful age, after having first duly sworn upon his oath, disposes and states:

That he is employed by Gasco Production Company ("Gasco") as a Landman. Gasco has submitted the Application for Permit to Drill to commingle production from the Wasatch, Mesaverde, and Mancos formations in the following well:

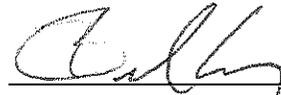
Gate Canyon Federal 434-18-11-15 SESE Section 18 T11S-R15E S.L.B. & M.

That in compliance with Utah OGM regulation R649-3-22, I have provided a copy of the Sundry Notice, via certified mail, to the owners (see listed below) of all contiguous oil and gas leases or drilling units overlying the pool.

Wapiti Oil & Gas II, L.L.C.
800 Gessner, Suite #700
Houston, Texas 77024
Attn: Keith McGlone

Date: March 12, 2014

Affiant



Brandon Casey
Landman

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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

June 11, 2015

GASCO PRODUCTION COMPANY
7979 East Tufts Avenue, Suite
1150
Denver, CO 80237

Re: Application for Permit to Drill - DUCHESNE County, Utah

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the Gate Canyon Federal 434-18-11-15 well, API 43013525420000 that was submitted October 09, 2013 is being returned unapproved. If you plan on drilling this well in the future, you must first submit a new application.

Should you have any questions regarding this matter, please call me at (801) 538-5312.

Sincerely,

Diana Mason
Environmental Scientist

Enclosure

cc: Bureau of Land Management, Vernal, Utah



