

<b>APPLICATION FOR PERMIT TO DRILL</b>			5. MINERAL LEASE NO.: <b>UTU-82474</b>	6. SURFACE: <b>BLM</b>
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>N/A</b>	
B. TYPE OF WELL: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			8. UNIT or CA AGREEMENT NAME: <b>N/A</b>	
2. NAME OF OPERATOR: <b>Pioneer Natural Resources USA, Inc.</b>			9. WELL NAME and NUMBER: <b>Redmond Canyon FED #3-1</b>	
3. ADDRESS OF OPERATOR: <b>1401-17th Street, Suite 1200, Denver, CO 80202</b>		PHONE NUMBER: <b>303-298-8100</b>	10. FIELD AND POOL, OR WILDCAT: <b>Wildcat</b>	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: <b>422178X 4327539Y 39.095385 1722' FSL and 2385' FWL</b> AT PROPOSED PRODUCING ZONE: <b>Lot 21 -111.799905</b>			11. QTR/QTR, SECTION, TOWNSHIP, RANGE MERIDIAN: <b>Section 3, T20S - R1W</b>	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: <b>Approximately 6.59 miles southwest of Centerfield, UT</b>			12. COUNTY: <b>Sanpete</b>	13. STATE: <b>UT</b>
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) <b>1722'</b>	16. NUMBER OF ACRES IN LEASE: <b>1276.17</b>	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: <b>40 Acres</b>		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET): <b>None</b>	19. PROPOSED DEPTH: <b>11,500'</b>	20. BOND DESCRIPTION: <b>Nationwide Bond No. MTB-000041</b>		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): <b>5430' GL</b>	22. APPROXIMATE DATE WORK WILL START: <b>July 1, 2009</b>	23. ESTIMATED DURATION: <b>110 Days</b>		

**PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
17-1/2"	13-3/8", 54.5#, K-55	2000'	1200 sx 65%G 35% Poz 6% Gel, 1.78 cuft/sx, 12.8 ppg + 600 sx 15.8 ppg G, 1.15 cuft/sx
12-1/4"	9-5/8", 40.0#, HCN-80	8,000'	450 sx 65% G 35% Poz 6% Gel, 1.78 cuft/sx, 12.8 ppg + 350 sx 15.8 ppg G, 1.15 cuft/sx
8-3/4"	7-5/8", 26.4#, N-80	10,000'	250 sx 15.8 ppg G, 1.15 cuft/sx
6-3/4"	5-1/2", 17.0#, N-80	11,500'	250 sx 15.8 ppg G, 1.15 cuft/sx

25. **ATTACHMENTS** **CONFIDENTIAL-TIGHT HOLE**

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"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

AGENT: **Permitco Inc., P.O. Box 99, Eastlake, CO 80614** AGENT'S PHONE NO.: **303/857-9999**  
 NAME (PLEASE PRINT) Venessa Langmacher TITLE Agent for Pioneer Natural Resources USA, Inc.  
 SIGNATURE *Venessa Langmacher* DATE August 21, 2008

(This space for State use only)

API NUMBER ASSIGNED: 43039-30039

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

**RECEIVED  
AUG 25 2008  
DIV. OF OIL, GAS & MINING**

(11/2001)

**Federal Approval of this  
Action is Necessary**

Date: 09-29-08  
By: *[Signature]*

# Section 3, T.20 S., R.1 W., S.L.B. & M.

## PROJECT Pioneer Natural Resources U.S.A.

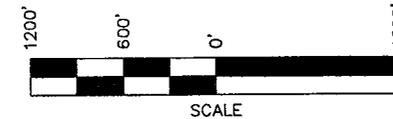
WELL LOCATION, LOCATED AS SHOWN IN LOT 21  
OF SECTION 3, T.20 S., R.1 W., S.L.B. & M.  
SANPETE COUNTY, UTAH

### LEGEND

- = SECTION CORNERS (LOCATED)
- = QUARTER SECTION CORNERS (LOCATED)
- = PROPOSED WELL HEAD

NOTE: THE PURPOSE OF THIS SURVEY WAS TO PLAT  
THE REDMOND CANYON FEDERAL 3-1 LOCATION,  
LOCATED IN LOT 21 OF SECTION 3, T.20 S.,  
R.1 W., S.L.B. & M., SANPETE COUNTY, UTAH.

**BASIS OF ELEVATION**  
ELEVATION BASED ON N.A.V.D. 88



### CERTIFICATE

THIS IS TO CERTIFY THAT THIS 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.

TREVOR R. GADD P.L.S. # 343639



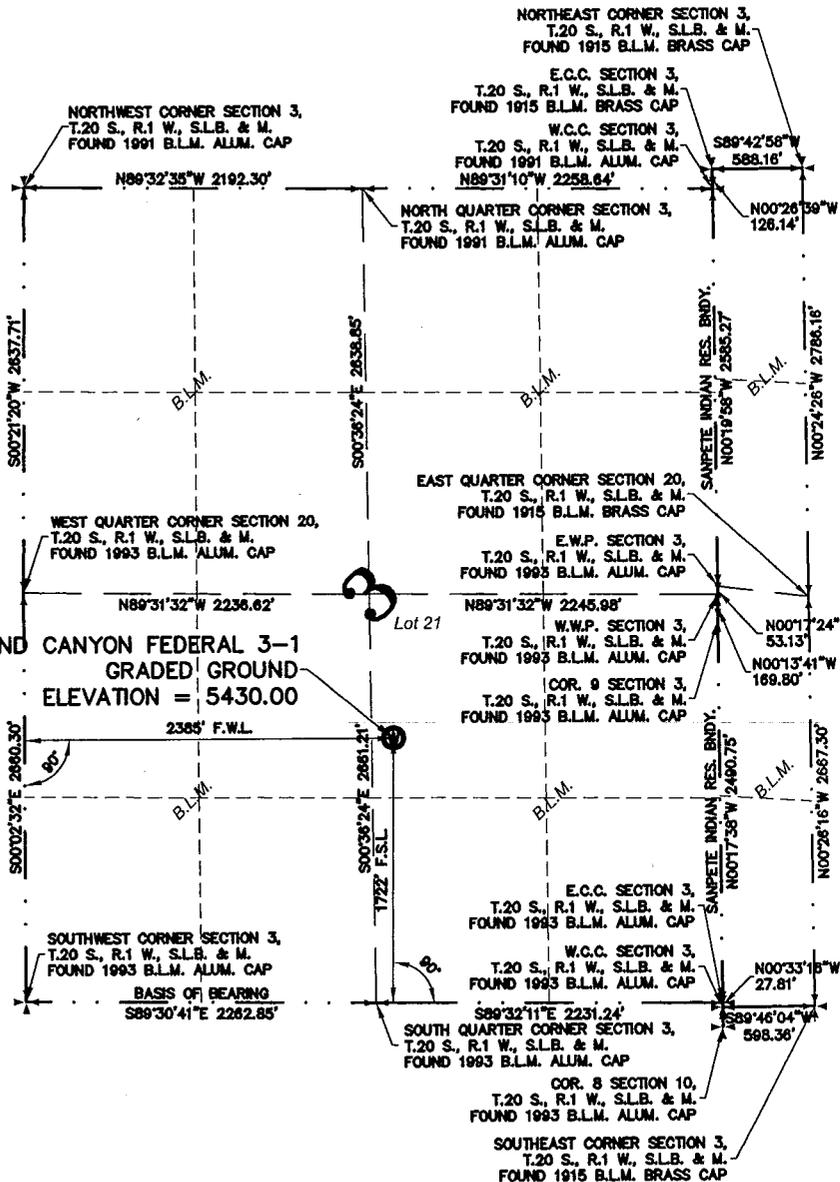
**Jones & DeMille Engineering**

1535 South 100 West -- Richfield, Utah 84701  
Phone (435) 896-8266  
Fax (435) 896-8268  
www.jonesanddemille.com

Well Location Plat for

**Pioneer Natural Resources, U.S.A.**

DESIGNED	SURVEYED	CHECKED	DRAWN	PROJECT NO.	SHEET NO.
-	K.D.B.	T.R.G.	T.R.G.	0705-154	1
DATE		DWG. NAME	SCALE		
07/11/07		WELL_LOC	1"=1200'		



### BASIS OF BEARINGS

BASIS OF BEARING USED WAS S89°30'41"E BETWEEN THE SOUTHWEST CORNER  
AND THE SOUTH QUARTER CORNER OF SECTION 3, T.20 S., R.1 W., S.L.B. & M.  
WELL COORDINATES: LATITUDE: 39°05'43.4289" (39.095396917) NAD 83  
LONGITUDE: -111°54'02.7744" (-111.900770667) NAD 83



**PIONEER**  
NATURAL RESOURCES USA, INC.

August 31, 2007

Bureau of Land Management  
Richfield Field Office  
150 E. 900 N.  
Richfield, UT 84701  
Attn: Minerals

Re: Redmond Canyon FED #3-1  
Sanpete County, Utah

To Whom It May Concern:

This letter is to inform you that Permitco Inc. is authorized to act as Agent and to sign documents on behalf of Pioneer Natural Resources USA, inc. when necessary for filing county, state and federal permits including Onshore Order No. 1, Right of Way applications, etc., for the above mentioned well.

It should be understood that Permitco is acting as Agent only in those matters stated above and is not responsible for drilling, completion, production or compliance with regulations.

Pioneer Natural Resources USA, Inc. agrees to accept full responsibility for operations conducted in order to drill, complete and produce the above-mentioned well.

Sincerely,

David N. Holland  
Regulatory Manager – Western Division

ONSHORE ORDER NO. 1  
Pioneer Natural Resources USA, Inc.  
**Redmond Canyon FED #3-1**  
1722' FSL and 2385' FWL  
Lot 21 Section 3, T20S - R1W  
Sanpete County, UT

CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-82474

DRILLING PROGRAM

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ONSHORE OIL & GAS ORDER NO. 1  
Approval of Operations on Onshore  
Federal and Indian Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

**A. FORMATION TOPS**

The estimated tops of important geologic markers, groups, formations, members or zones are as follows:

<i>Formation Name</i>	<i>Depth</i>	<i>Subsea</i>
Neogene	200'	+5,220'
North Horn	1,828'	+3,592'
Arapien	3,312'	+2,108'
Twin Creek	7,169'	-1,749'
Arapien	8,169'	-2,749'
Twin Creek	9,039'	-3,619'
Navajo	9,411'	-3,991'
Chinle	10,035'	-4,615'
TD	11,500'	-6,080'



**B. ESTIMATED DEPTHS & THICKNESSS OF OIL, GAS, WATER AND OTHER MINERAL BEARING ZONES**

The estimated depths at which the top and bottom of the anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

<i>Substance</i>	<i>Formation</i>	<i>Depth</i>	<i>Thickness</i>
Oil	Navajo	9,411	624'

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 evaluated to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Salt Lake City, Utah. Copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, samples will be submitted to the BLM along with any water analyses conducted.

**C. BOP EQUIPMENT/REQUIREMENTS**

Pioneer Natural Resources USA, Inc. proposes to utilize the following BOP equipment:

Ram Type: 13-5/8" Hydraulic double, 10,000# psi w.p. and manifold drawing to be installed on a 5000 psi wellhead and used as a 5000 psi application. Pressure tests will be in accordance with a 5000 psi system. The MASP is calculated at 4,232 psi, based on gas to surface.

Ram type preventers and associated equipment shall be tested to 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 in 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.

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.



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Sanpete County, UT

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**DRILLING PROGRAM**

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As a minimum, the above test shall be performed:

1. when initially installed;
2. whenever any seal subject to test pressure is broken
3. following related repairs; and
4. 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 (if used) 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 BOPE pit level drill shall be conducted weekly for each drilling crew.

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

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. Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

Pressure tests shall apply to all related well control equipment.

BOP systems shall be consistent with API RP53. 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 casing cement plugs.



The Salt Lake Field Office shall be notified, at least 24 hours prior to initiating the pressure test, in order to have a BLM representative on location during pressure testing.

1. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
2. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
3. 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.

**D. PROPOSED CASING PROGRAM**

1. The Salt Lake Field Office shall be notified at least 24 hours prior to the running and cementing of all casing strings, in order to have a BLM representative on location while running and cementing all casing strings.
2. 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.
3. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).
4. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data)
5. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.



6. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.
7. All casing except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.
8. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.
9. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.
10. Three centralizers will be run on the bottom three joints of surface casing with a minimum of one centralizer per joint starting with the shoe joint.
11. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.
12. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.
13. On all exploratory wells, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.



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**DRILLING PROGRAM**

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14. The proposed casing program will be as follows:

<i>Purpose</i>	<i>Depth</i>	<i>Hole Size</i>	<i>O.D.</i>	<i>Weight</i>	<i>Grade</i>	<i>Type</i>	<i>New/Used</i>
Surface	0-2000'	17-1/2"	13-3/8"	54.5#	K-55	BT&C	New
Intermediate	0-8000'	12-1/4"	9-5/8"	40.0#	HCN-80	BT&C	New
Intermediate	7,800'-10,000'	8-3/4"	7-5/8"	26.4#	N-80	ST&L	New
Production	0-11,500'	6-3/4"	5-1/2"	17.0#	N-80	LT&C/ ST&L	New

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

**E. ESTIMATED TYPES OF CEMENT**

<i>Surface 13-3/8"</i>	<i>Type and Amount</i>
TOC @ Surface	<b>Lead:</b> 1200 sx 65% G, 35% Poz, 6% Gel @ 12.8 ppg, 1.78 cuft/sx w/ 2% CaCl <sub>2</sub> , 1/4 pps# Celloflake. <b>Tail:</b> 600 sx 15.8 ppg G, 1.15 cuft/sx, w/ 2% CaCl <sub>2</sub> , 1/4 pps Cello-flake. (100% excess)
<i>9-5/8" Intermediate</i>	<i>Type and Amount</i>
TOC @ 5,000'	<b>Lead:</b> 450 sx 65% G 35% Poz 6% Gel @ 12.8 ppg, 1.78 cuft/sx, 0.1% retarder (25% excess).
TOC @ 7,000'	<b>Tail:</b> 350 sx 15.8 ppg G, 1.15 cuft/sx, 0.1% dispersant, 0.2% fluid loss control (25% excess).
<i>7-5/8" Intermediate</i>	<i>Type and Amount</i>
TOC @ 7,800'	250 sx 15.8 ppg G, 1.15 cuft/sx, 0.1% dispersant, 0.2% retarder, 0.2% fluid loss control (25% excess)
<i>Production</i>	<i>Type and Amount</i>
TOC @ 9,000'	250 sx 15.8 ppg G, 1.15 cuft/sx, 0.1% dispersant, 0.3% retarder, 0.2% fluid loss control (25% excess).



1. The Salt Lake Field Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.
2. 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.
3. The following reports shall be filed with the District Manager within 30 days after the work is completed.
  - a. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:
    1. 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.
4. Auxiliary equipment to be used is as follows:
  - a. Kelly cock
  - b. No bit float is deemed necessary.
  - c. A sub with a full opening valve.

**F. PROPOSED CIRCULATING MEDIUMS**

1. The proposed circulating mediums to be employed in drilling are as follows:

<i>Interval</i>	<i>Mud Type</i>	<i>Mud Wt.</i>	<i>Visc.</i>	<i>F/L</i>	<i>pH</i>
0 -2000'	Fresh Water Native	8.6-9.0	56	NC	9.0
2000'-8000'	Polymer	8.8-10.0	54	30-10cc	10.0
8000'-10,000'	Polymer	8.8-10.0	45	10cc	10.0
10,000' - 11,500'	Polymer	8.8-10.0	45	10cc	10.0

There will be sufficient mud on location to ensure proper well control.



A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss, and Ph.

2. Mud monitoring equipment to be used is as follows:
  - a. Periodic checks will be made each tour of the mud system. The mud level will be checked visually.
3. Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing or completion operations.

**G. TESTING, LOGGING AND CORING**

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

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

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. 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 authorized officer. Closed chamber DSTs 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 or displaced into the formation prior to pulling the test tool. This would involve providing some 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.



2. The logging program will consist of the following:

<i>Logs</i>	<i>Depth</i>
GR, SP, Resistivity, Neutron-Density, Dipole Sonic	8,000'
GR, SP, Resistivity, Neutron-Density, Dipole Sonic, Borehole Image, ECS (Elemental Capture Spectroscopy), CMR (Nuclear Magnetic Resonance), VSP, MDT, Rotary Sidewall Cores.	10,000'
GR, SP, Resistivity, Neutron-Density, Dipole Sonic, Borehole Image, ECS (Elemental Capture Spectroscopy), CMR (Nuclear Magnetic Resonance), VSP, MDT, Rotary Sidewall Cores.	11,500'

3. Rotary sidewall cores may be acquired between 9,000' - 10,000'.
4. 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 not later than 30 days after 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-test 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 authorized officer (AO).
5. The anticipated completion program is as follows:
- Perforate the Navajo Sandstone and run 2-7/8" tubing. An electrical submersible pump (ESP) may be required.

**H. ANTICIPATED PRESSURES AND H<sub>2</sub>S GAS**

1. The expected bottom hole pressure is 5025 psi. The expected bottom hole temperature is 210 degrees F. No abnormal pressures are expected.
2. No hydrogen sulfide gas is anticipated.



**I. OTHER INFORMATION AND NOTIFICATION REQUIREMENTS**

1. Production data shall be reported to the MMS pursuant to 30 CFR 216.5 using form MMS/3160.
2. The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or the date on which gas is first measured through permanent metering facilities, whichever first occurs.
3. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, 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 or authorized test period.
4. Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.
5. A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3 and 3162.7-4 shall be submitted to the appropriate District Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 and 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 3162.7-4.
6. Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the

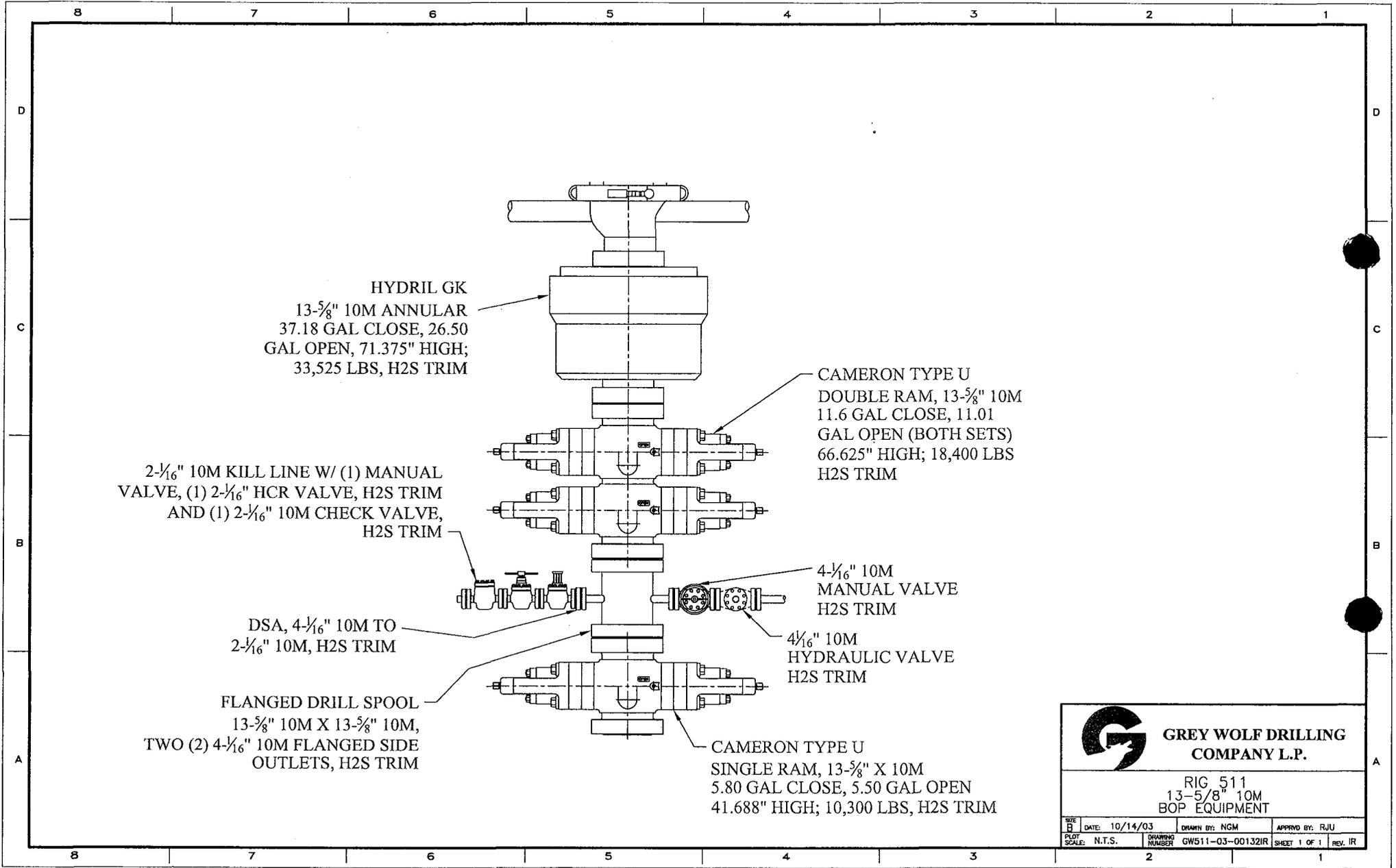


operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

7. Drilling will commence on approximately December 1, 2007.
8. It is anticipated that the drilling of this well will take approximately 110 days.
9. 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 approval of the AO will be obtained and notification given before resumption of operations.
10. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
11. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
12. 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 up to 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.
13. No well abandonment operations will be commenced 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 SO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.





HYDRIL GK  
 13-5/8" 10M ANNULAR  
 37.18 GAL CLOSE, 26.50  
 GAL OPEN, 71.375" HIGH;  
 33,525 LBS, H2S TRIM

CAMERON TYPE U  
 DOUBLE RAM, 13-5/8" 10M  
 11.6 GAL CLOSE, 11.01  
 GAL OPEN (BOTH SETS)  
 66.625" HIGH; 18,400 LBS  
 H2S TRIM

2-1/16" 10M KILL LINE W/ (1) MANUAL  
 VALVE, (1) 2-1/16" HCR VALVE, H2S TRIM  
 AND (1) 2-1/16" 10M CHECK VALVE,  
 H2S TRIM

DSA, 4-1/16" 10M TO  
 2-1/16" 10M, H2S TRIM

4-1/16" 10M  
 MANUAL VALVE  
 H2S TRIM

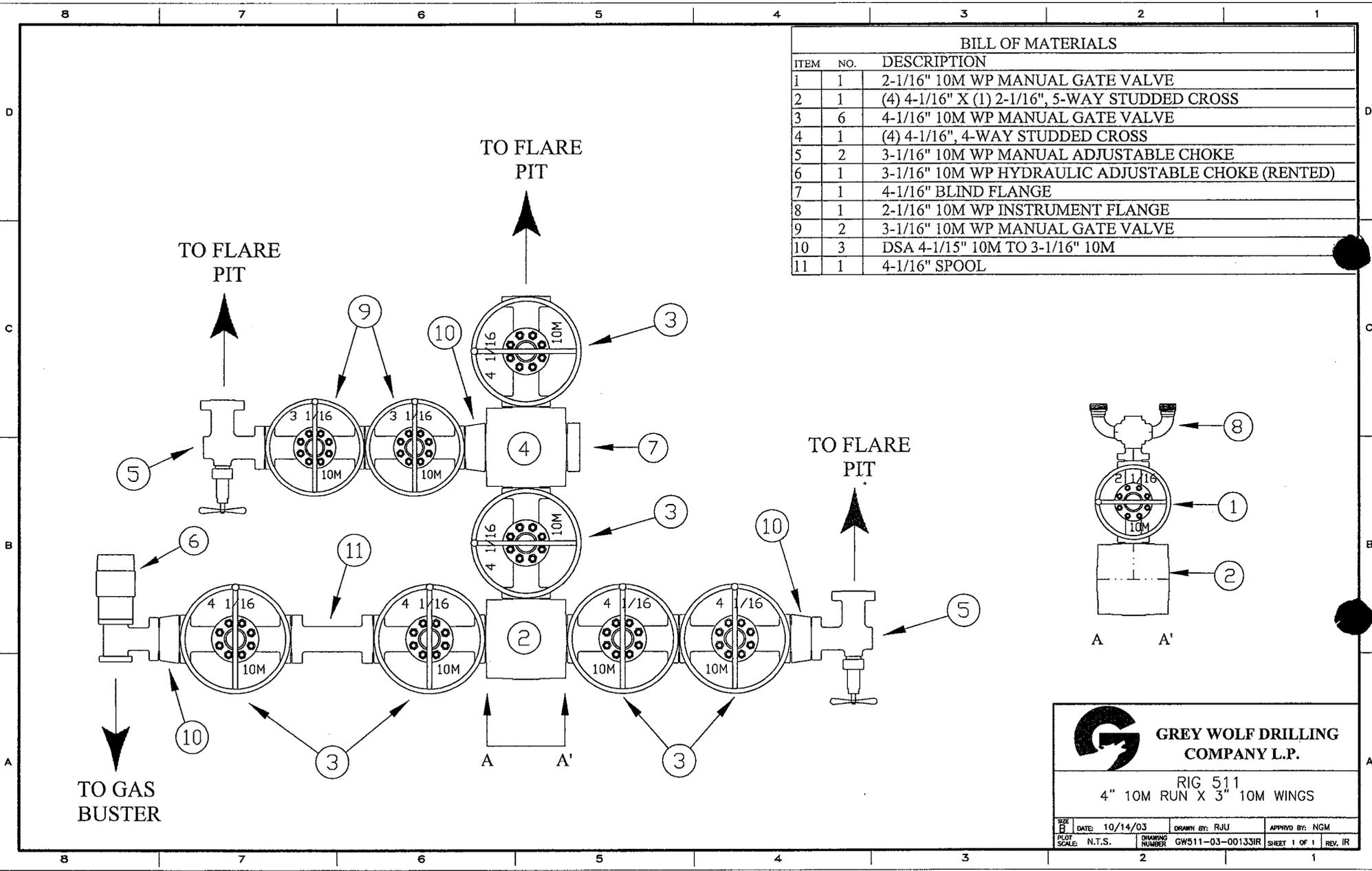
4-1/16" 10M  
 HYDRAULIC VALVE  
 H2S TRIM

FLANGED DRILL SPOOL  
 13-5/8" 10M X 13-5/8" 10M,  
 TWO (2) 4-1/16" 10M FLANGED SIDE  
 OUTLETS, H2S TRIM

CAMERON TYPE U  
 SINGLE RAM, 13-5/8" X 10M  
 5.80 GAL CLOSE, 5.50 GAL OPEN  
 41.688" HIGH; 10,300 LBS, H2S TRIM

		<b>GREY WOLF DRILLING          COMPANY L.P.</b>	
		RIG 511 13-5/8" 10M BOP EQUIPMENT	
SIZE B	DATE: 10/14/03	DRAWN BY: NGM	APPROVD BY: RJU
PLOT SCALE: N.T.S.	DRAWING NUMBER GW511-03-00132IR	SHEET 1 OF 1	REV. IR

BILL OF MATERIALS		
ITEM	NO.	DESCRIPTION
1	1	2-1/16" 10M WP MANUAL GATE VALVE
2	1	(4) 4-1/16" X (1) 2-1/16", 5-WAY STUDDED CROSS
3	6	4-1/16" 10M WP MANUAL GATE VALVE
4	1	(4) 4-1/16", 4-WAY STUDDED CROSS
5	2	3-1/16" 10M WP MANUAL ADJUSTABLE CHOKE
6	1	3-1/16" 10M WP HYDRAULIC ADJUSTABLE CHOKE (RENTED)
7	1	4-1/16" BLIND FLANGE
8	1	2-1/16" 10M WP INSTRUMENT FLANGE
9	2	3-1/16" 10M WP MANUAL GATE VALVE
10	3	DSA 4-1/15" 10M TO 3-1/16" 10M
11	1	4-1/16" SPOOL



**GREY WOLF DRILLING  
COMPANY L.P.**

RIG 511  
4" 10M RUN X 3" 10M WINGS

DATE: 10/14/03	DRAWN BY: RJU	APPROV BY: NGM
SCALE: N.T.S.	DRAWING NUMBER: GWS11-03-001331R	SHEET 1 OF 1 REV. IR

**ONSHORE OIL & GAS ORDER NO. 1**  
**Thirteen Point Surface Use Plan**

An onsite inspection of the subject well was conducted on Thursday, August 9, 2007 at approximately 10:00 a.m. Weather conditions were clear, sunny and warm. In attendance at the onsite inspection were the following individuals:

Rod Lee	NEPA Coordinator	Bureau of Land Management
Chris Horting-Jones	Archeologist	Bureau of Land Management
Burke Williams	Resource Specialist	Bureau of Land Management
Tim Finger	Outdoor Rec Planner	Bureau of Land Management
George Cruise	Hydrologist	Bureau of Land Management
Chris Colton	NR Branch Chief	Bureau of Land Management
Larry Greenwood	Wildlife Biologist	Bureau of Land Management
Bert Hart	Assistant Planner	Bureau of Land Management
Darin Robinson	Surveyor	Jones & Demille Engineering
Lisa Smith	Permitting Agent	Permitco Inc.
Dave Holland	Environmental Manager	Pioneer Natural Resources
Leslie Bauer	Petroleum Engineer	Pioneer Natural Resources
Tony Earnest	Drilling Supervisor	Pioneer Natural Resources
Richard Bell	Consultant	Petros

**A. EXISTING ROADS**

1. The proposed well site is located approximately 6.59 miles southwest of Centerfield, Utah.
2. Directions to the location from Centerfield, Utah are as follows:

Proceed west on Road 400 South approximately 3.65 miles. Turn left on the Clarion Road and proceed south 0.87 miles. Turn left and proceed east 0.24 miles. Turn right and proceed south 0.37 miles. Turn right and proceed westerly 0.64 miles to the irrigation canal. Continue southwesterly along the 2-track for 0.47 miles. Turn left and proceed south for 0.25 miles to the location.

3. For location of access roads within a 2-Mile radius, see Map A.
4. Improvement to the existing access will not be necessary.



5. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
6. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.

**B. NEW OR RECONSTRUCTED ACCESS ROADS**

1. There will be approximately 1.36 miles of existing 2-track road to be upgraded in accordance with the Gold Book Standards.
2. The access to be constructed with a running surface of 12-14 feet. Because of good site distance, no turnouts are anticipated. If the road is crowned and ditched, the maximum disturbed width will be approximately 25 feet.
3. The maximum grade of the new access will be approximately 2%.
4. Wing ditches are not anticipated, but may be installed along the western most part of the roadway. The need for installation will be determined by the dirt contractor.
5. One large culvert will be installed in the irrigation canal. The size and type of culvert will be determined by the Piute Canal Company.
6. The portion of the road to be upgraded will be flagged prior to beginning construction.
7. Due to anticipated winter operations, surfacing of the pad and proposed access road will be done prior to rig move-in with approximately 6-8 inches of gravel.
8. One cattle guard will be installed along the existing 2-track road as shown on Map A.
9. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved by the Field Manager in advance.
10. If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligations determined by the authorized officer.



11. A road right of way is not needed since all access is located within the lease boundaries, or located on private surface owned by Mr. Clair Nielson, 1060 E 650 N, Orem, UT 84097, 801/224-0073.

**C. LOCATION OF EXISTING WELLS WITHIN A 1-MILE RADIUS OF THE PROPOSED LOCATION.**  
**SEE MAP "B"**

1. Water wells - two
2. Injection wells - none
3. Producing wells - none
4. Drilling wells - none
5. Shut In wells - none
6. Abandoned wells - none

**D. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES**

1. Production facilities will be located on the well pad. If production is established a production facility layout will be submitted via Sundry Notice.
2. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. Shale Green has been selected by the BLM. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will match the adjacent vegetation.
3. All site security guidelines identified in 43 CFR 3162.7-5 and Onshore Oil and Gas Order No. 3 shall be followed:



4. If a gas meter run is constructed, it will be located within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provision of 43 CFR 3162.7-3, Onshore Order No. 5 and American Gas Association (AGA) Report No. 3.
5. The tank battery will be surrounded by a berm of sufficient capacity to contain 1-1/2 times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All oil production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4.
6. Production facilities on location may include a lined or unlined produced water pit as specified in Onshore Order No. 7. If water is produced from the well, an Onshore Order No. 7 application must be submitted.
7. Any necessary pits will be properly fenced to prevent any wildlife entry.
8. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the Authorized Officer.
9. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.
10. The road will be maintained in a safe useable condition.

**E. LOCATION AND TYPE OF WATER SUPPLY**

1. All water needed for drilling purposes will be obtained from Russell Otten (Barex Dairy) 585 S Clarion Road, Centerfield, UT 84622, 435/528-5500.
2. Water will be pumped to location along the roads marked on Map A. Water will be pumped through a 3" poly line to be laid on the surface adjacent to the proposed access (to be upgraded). The line will span the irrigation canal and will be drained as weather conditions dictate.
3. No water well is to be drilled on this lease.
4. All appropriate permits will be filed with the Division of Water Rights.



**F. CONSTRUCTION MATERIALS**

1. Pad construction material will be native (that found in the well pad).
2. Native material found in the pad may also be used for road upgrading.
3. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2-3.
4. No construction materials will be removed from Federal land.

**G. METHODS FOR HANDLING WASTE**

1. All fluids contained within the reserve pit will be allowed to evaporate and the pit will be backfilled.
2. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight. Trash will be hauled as necessary, but not later than at the completion of drilling operations.
3. 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.
4. Sewage will be placed in a portable chemical toilet or holding tank and disposed of in accordance with state and county regulations.
5. The produced fluids (other than water) will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas salt water or other produced fluids will be cleaned up and removed.

**H. ANCILLARY FACILITIES**

If needed, a man-camp will be located on the wellpad to accommodate the housing of the drilling crews. All sanitation facilities will be in accordance with Sanpete County regulations. There are no airstrips or other facilities planned during the drilling of the proposed well.



**I. WELLSITE LAYOUT**

1. See Location Layout (Sheet No SP-01) and Typical Cross Sections (Sheet CS-01) for orientation of rig, with cuts and fills and cross sections of the drill pad,
2. Six inches of topsoil (or the maximum available) will be salvaged during construction and reserved for use in reclamation.
3. Topsoil will be stockpiled as shown on the Location Layout.
4. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.6. At the request of the BLM; a sign will be placed at the entrance to the location identifying the Operator, Well Name, Legal location and Emergency Contact Numbers.
5. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles will be shown on the Typical Rig Layout.
6. A flare pit will be located a minimum of 30 feet from the edge of the reserve pit and a minimum of 130 feet from the well head.
7. Any pits containing fluid will be fenced to prevent wildlife entry.
8. The reserve pit will be lined with a minimum of 12 mil plastic liner as specified by the State of Utah. The reserve pit will be fenced on 3 sides during drilling and the 4<sup>th</sup> side when the rig leaves the location. The fencing will be constructed with "H" braces and sheep fencing. The fencing will extend to ground level as specified by the BLM.

**J. PLANS FOR SURFACE RECLAMATION**

1. Immediately upon completion of drilling, all equipment that is not necessary for production shall be removed.
2. The cuttings pit will be allowed to dry and will then be backfilled.



3. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
4. Seeding will be done in the fall as required by the BLM. A seed mix will be provided to the operator at the time of reclamation.
5. The abandonment marker will be at least four feet above ground level and will be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).
6. At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment.

**K. SURFACE OWNERSHIP**

**Access Roads** - All roads are County maintained or are located on lands managed by the BLM or private surface owned by Claire Nielson (1060 E 650 N, Orem, UT 84097, 801/224-0073) in the S/2 NW of Sec. 2, T20S - R1E.

**Well pad** - The well pad is located on lands managed by the BLM.

**L. OTHER INFORMATION**

1. A Class III archeological survey was previously conducted by SWCA. A copy of this report is attached.
2. The operator is responsible for informing all persons in the areas who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:

-whether the materials appear eligible for the National Register of Historic Places;

-the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and



-a time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

3. All lease and/or 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 Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.
4. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.
5. There will be no deviation from the proposed drilling and/or work over program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.h.
6. "Sundry Notice and Report on Wells" (From 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
7. This permit will be valid for a period of two years from the date of approval. An extension period of up to two years may be granted, if requested, prior to the expiration of the original approval period.
8. The operator or his contractor shall contact the BLM Offices at 435/896-1500 48 hours prior to construction activities.



ONSHORE ORDER NO. 1  
Pioneer Natural Resources USA, Inc.  
**Redmond Canyon Federal #3-1**  
1722' FSL and 2385' FWL  
Lot 21 Section 3, T20S - R1W  
Sanpete County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-82474

**SURFACE USE PLAN**

Page 9

**AGENT AND OPERATOR'S REPRESENTATIVE**

Permit Matters

**PERMITCO INC.**

Lisa L. Smith  
14421 County Road 10  
Ft. Lupton, CO 80621  
303/857-9999 (Office)  
303/857-0577 (Fax)

Drilling & Completion Matters

**PIONEER NATURAL RESOURCES USA, INC.**

1401 - 17<sup>th</sup> Street, Suite 1200  
Denver, CO 80202  
Dave Holland - Regulatory Manager  
303-675-2624

Ted Cottrell - Drilling Manager

972/969-4429 (Work)  
214/577-6296 (Cell)



Pioneer Natural resources USA, Inc.  
**Redmond Canyon FED #3-1**  
1722' FSL and 2385' FWL  
Lot 21 Section 3, T20S - R1W  
Sanpete County, UT

CERTIFICATION

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge, of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements. Executed this 7<sup>th</sup> day of September, 2007.

Venessa Langmacher  
Venessa Langmacher

Agent for Pioneer Natural Resources USA, Inc.  
Title

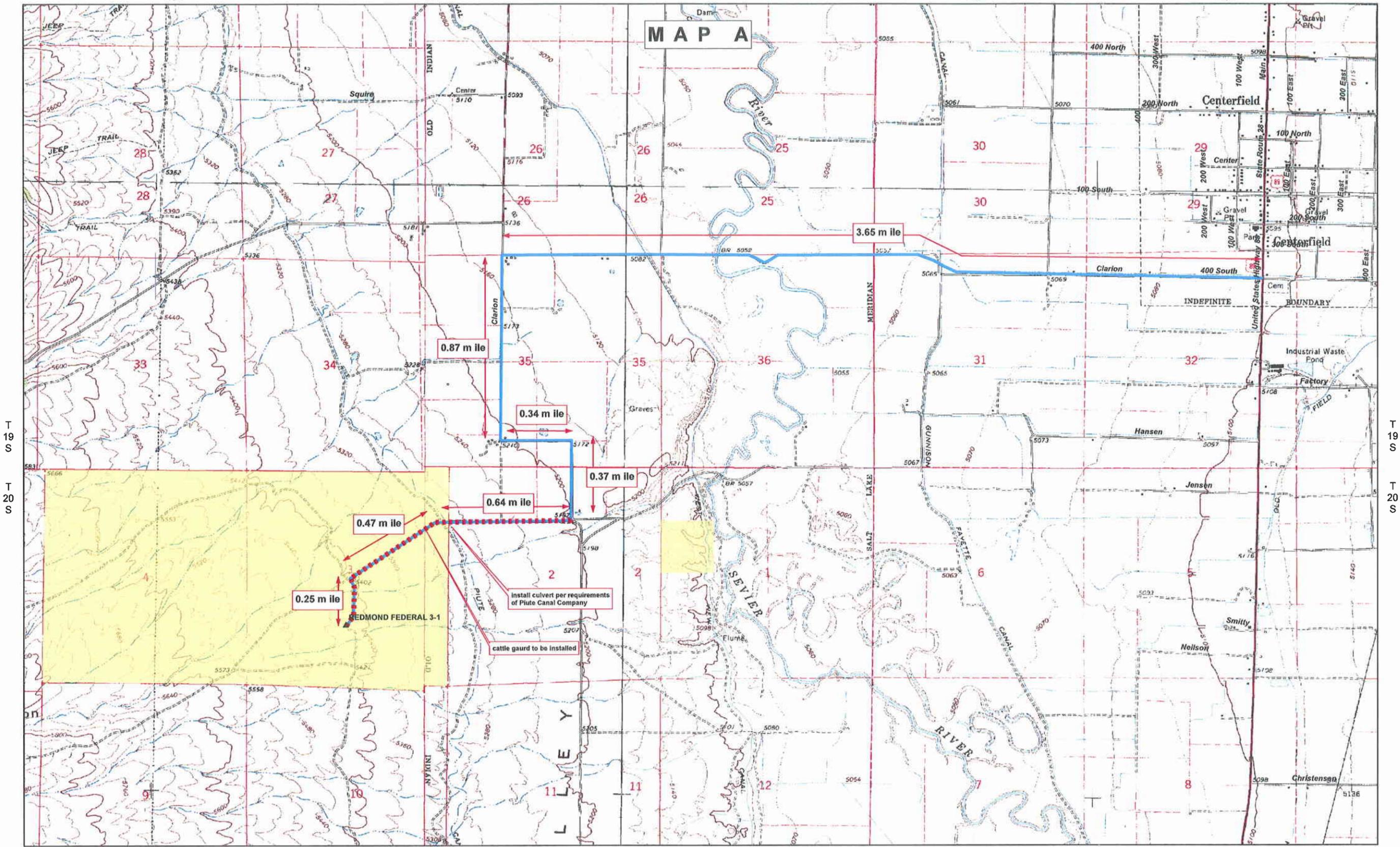
14421 County Road 10, Fort Lupton, CO 80621  
Address

303/857-9999  
Telephone

VLLPermitco@aol.com  
E-mail



# MAP A



T 19 S  
T 20 S

T 19 S  
T 20 S

### Legend

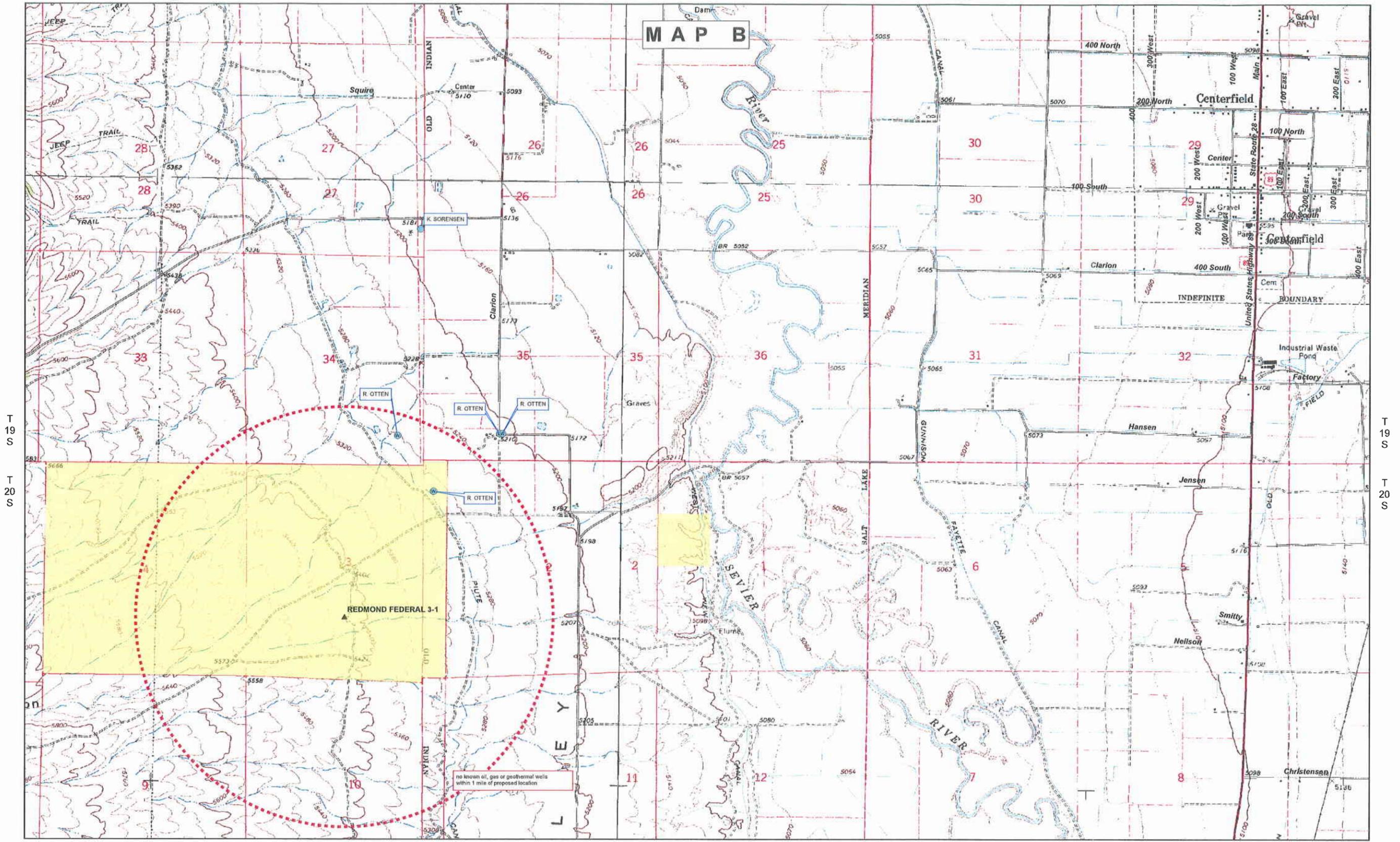
- ▲ Well Location
- Route to location
  - ▬ Existing two-track to be upgraded
  - ▬ County Road
- Operator Lease (UTU 082474)

**Pioneer Natural Resources, USA Inc.** Proprietary

Redmond Canyon Vicinity Map  
MAP A

Coordinate System: NAD 83, Zone 12N  
 Projection: UTM  
 Units: Meter  
 Datum: NAD 83  
 Contour Interval: 100  
 Scale: 1:50,000  
 Date: 11/10/10

# MAP B



T 19 S  
T 20 S

T 19 S  
T 20 S

### Legend

#### Well Surface Locations

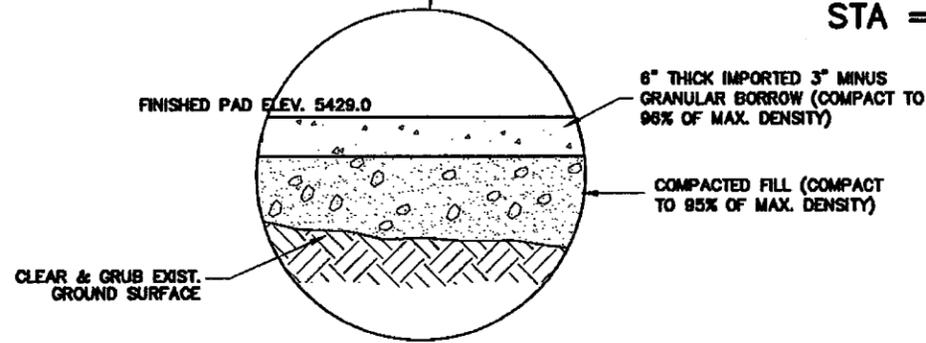
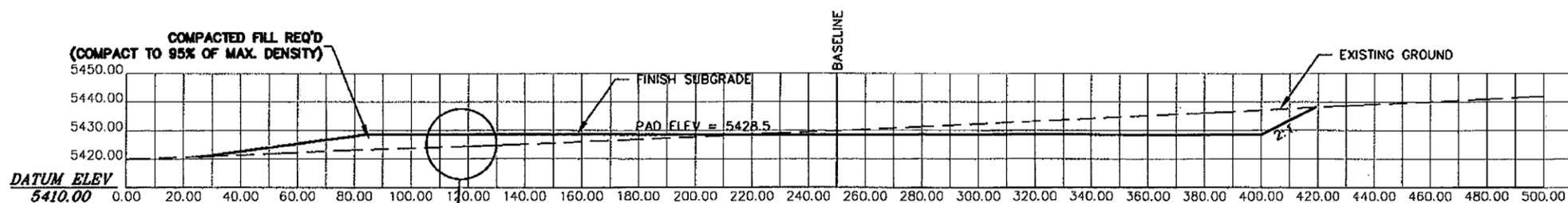
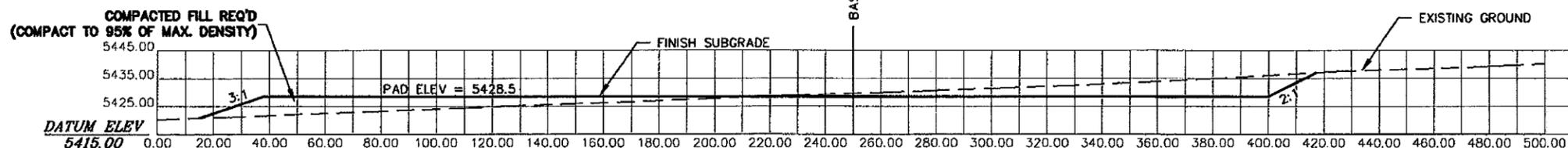
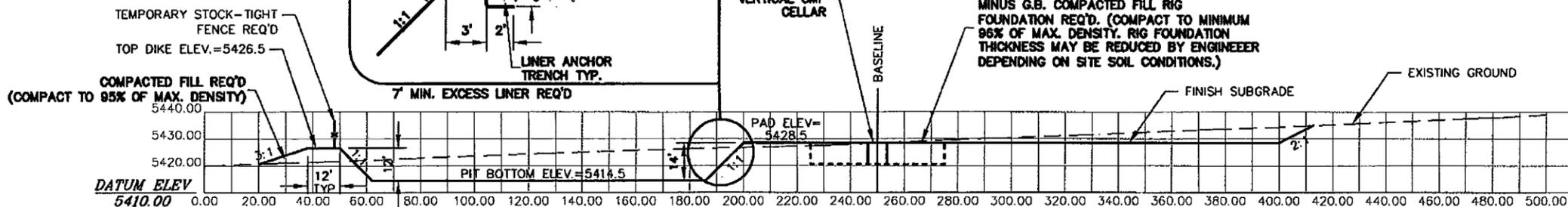
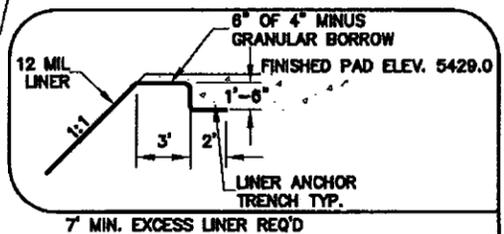
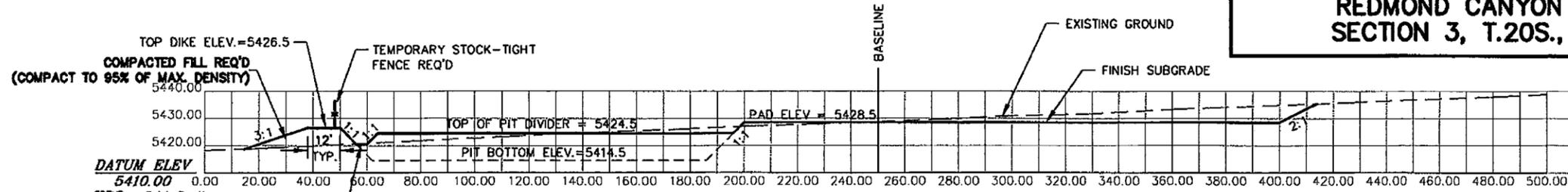
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|---------------------|---|-------------------------------------|---|-----------------------------------|---|--------------------|---|-----------------------|---|-----------------------------|---|----------------------|
| well_symb1.FNL_STAT | + | <all other values>                  | ⊕ | Dry & Abandoned - Oil Shows       | ⊕ | Water Disposal     | ⊕ | Suspended             | ▲ | Proposed Well Location      | ⊕ | 1 mile radius buffer |
| ⊕                   | ⊕ | Dry & Abandoned; Junked & Abandoned | ⊕ | Dry & Abandoned - Oil & Gas Shows | ⊕ | Location           | ⊕ | Temporarily Abandoned | ▲ | Operator Lease (UTU 082474) | ⊕ | water well           |
| ⊕                   | ⊕ | Dry & Abandoned - Gas Shows         | ⊕ | Oil Producer                      | ⊕ | Abandoned Location | ⊕ | Drilling              | ⊕ |                             |   |                      |
| ⊕                   | ⊕ |                                     | ⊕ | Gas Producer                      | ⊕ |                    | ⊕ |                       |   |                             |   |                      |

**Pioneer Natural Resources, USA Inc.**  
 Redmond Canyon Vicinity Map  
 MAP B

Coordinate System:  
 GCS\_NAD\_83  
 Projected: UTM  
 Zone Number: 12N  
 False Easting: 500000  
 False Northing: 0  
 Units: Meter  
 Scale Factor: 0.999601251  
 Datum: NAD83  
 Spheroid: GRS80  
 Prime Meridian: Greenwich  
 Datum Shift: 0  
 Scale: 1:125000  
 Date: 01/12/2010 10:42:40  
 Author: jgallagher



**PIONEER NATURAL RESOURCES, U.S.A.**  
**WELL PAD SECTIONS FOR**  
**REDMOND CANYON FEDERAL # 3-1**  
**SECTION 3, T.20S., R.1W., S.L.B.&M.**



**Jones & DeMille Engineering**  
 1638 South 100 West • Richfield, Utah 84701  
 Phone (435) 884-8289 Fax (435) 884-8288  
 www.jonesandmille.com



Pioneer Natural Resources, U.S.A.  
 Redmond Canyon Federal # 3-1  
 Well Cross Sections Alt-2  
 PROJECT NUMBER: 0705-154

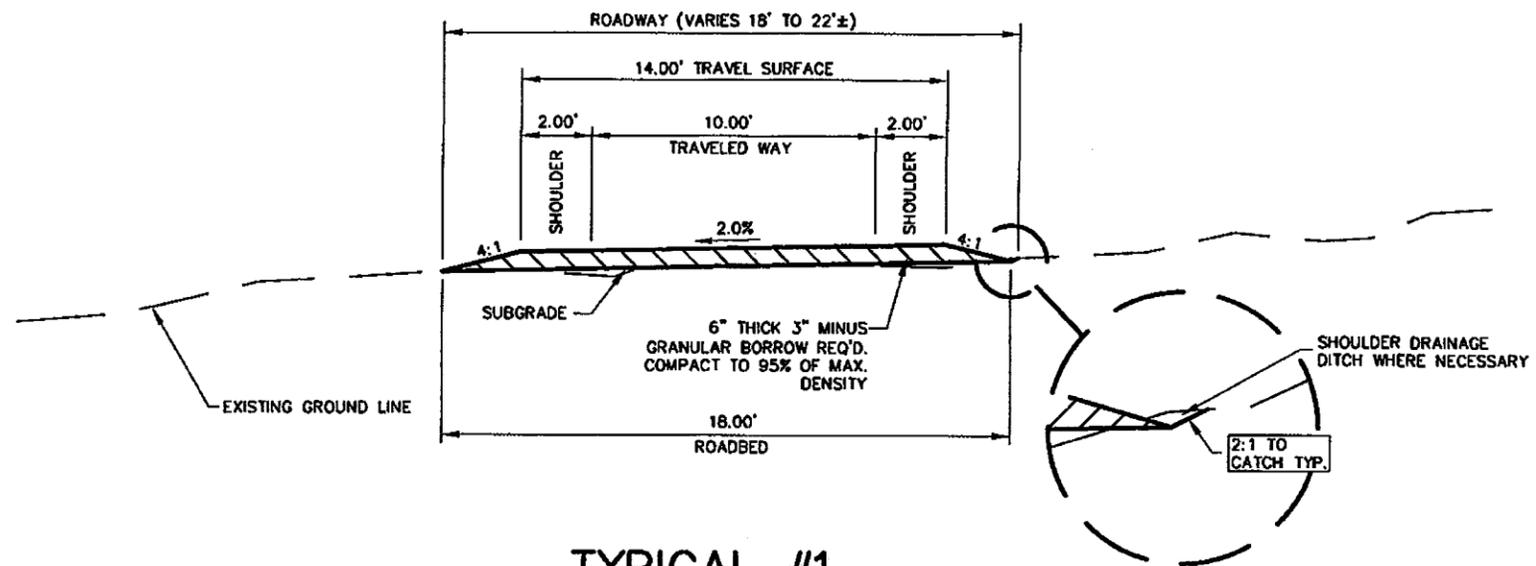
SANPETE COUNTY  
 SHEET NO. CS-01

NO.	DATE	REVISIONS

DESIGN	B.L.	07-07	CHECK	D.R.	07-07
DRAWN	B.L.	07-07	CHECK	D.R.	07-07
QUANT.	B.L.	07-07	CHECK	D.R.	07-07

APPROVAL	DATE	PROJECT DESIGN ENGINEER
APPROVED	DATE	

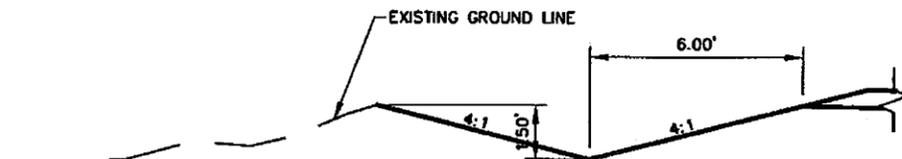
DWG NAME: ALT  
 SHT SET: 1:50  
 SCALE: 1:50  
 ORIGINAL SUBMISSION FOR AUTHORIZATION  
 DATE: 07/12/2007  
 PENTBL: 1606042800.ctb  
 DWG CREATED: 07/12/2007  
 LAST UPDATE: 8/24/2007



### TYPICAL #1

**NOTES:**

1. TRAVEL SURFACE CROSS SLOPE DIRECTION VARIES. CONTRACTOR TO SLOPE IN DIRECTION OF NATURAL GROUND.
2. SEE SHEETS AR-01 & SP-01 FOR ROAD IMPROVEMENT AREA.
3. TYPICAL #1 MOSTLY FOLLOWS ROAD. WHERE EXISTING ROAD IS NOT FOLLOWED, OBLITERATE EXISTING ROAD.



### TYPICAL SURFACE DITCH

TYPICAL SURFACE DITCH APPLIES TO AREAS SHOWN ON PLANS AND LOCATION SITE PLAN.

<b>Pioneer Natural Resources, U.S.A.</b> Redmond Canyon Federal # 3-1 Typical Section Sheet PROJECT NUMBER: 0705-154		<b>Jones &amp; DeMille Engineering</b> 1633 South 100 West - Redmond, Utah 84701 Phone (435) 896-0290 Fax (435) 896-8268 www.jonesandmille.com		DESIGN: B. L. 08-07 DRAWN: B. L. QUANT:		CHECK: . . . . . CHECK: . . . . . CHECK: . . . . .		REVIEW: . . . . . DATE: . . . . . BY: . . . . .	
APPROVAL RECORD: _____ APPROVED: _____ DATE: _____		PROJECT DESIGN ENGINEER: _____ DATE: _____		ORIGINAL SUBMISSION FOR AUTHORIZATION: _____ REV. BY: _____ DATE: _____		MAPS PARCEL REQUEST: _____ REV. BY: _____ DATE: _____		REMARKS: _____	
SANPETE COUNTY		SHEET NO. TS-01		SCALE: NONE		DWG NAME: TS-01 SHT SET: none		DWG CREATED: 08/17/2007 PEN TBL: sub94-2810.dwg	
LAST UPDATE: 8/17/2007		REVISIONS:							

**FEDERAL STIPULATIONS**

Any timing restrictions imposed by the Bureau of Land Management for this drill site will be stipulated as a Condition of Approval.



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
UTAH STATE OFFICE

U.S. Dept. of the Interior  
Bureau of Land Management  
Utah State Office



**Summary Report of Cultural  
Resources Inspection**

**State Proj. No: U-07-ST-0604b,s**

- 
1. Report Title: An Intensive Cultural Resources Inventory of the Pioneer Redmond Canyon 3-1 Well in Sanpete County.
  2. Report Date: June 12, 2007
  3. Date(s) of Survey: May 31, 2007
  4. Development Company: Pioneer Resources USA
  5. Responsible Institution: SWCA Inc.
  6. Responsible Individuals
    - Principal Investigator: Elisabeth Robinson
    - Field Supervisor: Elisabeth Robinson
    - Report Author(s): Elisabeth Robinson
  7. BLM Field Office: Richfield
  8. County(ies): Sanpete
  9. Fieldwork Location:
    - USGS Map: Redmond Canyon, Utah
    - Salt Lake Meridan, T. 19S R. 1W sec. 35
    - T. 20S R. 1W sec. 2 & 3

- 
10. Record Search:
    - Location of Records Searched: SHPO, Salt Lake City, UT
    - Date of Record Search: May 22, 2007

---

11. Description of Proposed Project: Cultural resource inventory of one proposed well pad and associated access roads in Sanpete County.

12. Description of Examination Procedures: SWCA conducted a cultural resources inventory for the Redmond Canyon 3-1 well pad and associated access corridors. The survey was conducted utilizing parallel transects 15 meters (49 feet) in width across the proposed well pad APE. A 30 meter (98 feet) wide survey corridor centered on the unmaintained access road was also surveyed. The well-established but unmaintained access road was inventoried on a reconnaissance level since it is anticipated that traffic associated with this project will be confined to the established route (see Figure 1 & 2). One isolated occurrence was observed, two historical metal drums. However, modern debris was scattered along both access roads.

13. Area Surveyed:

		BLM	OTHER FED	STATE	PRIVATE
Linear Miles	Intensive:	6.6	0	0	0
	Recon/Intuitive:	4.1	0	16.2	0
Acreage	Intensive:	21.4	0	0	0
	Recon/Intuitive:	0	0	0	0

14. Sites Recorded:

		BLM		OTHER FED		STATE		PRIVATE	
		#	Smithsonian Site Numbers	#	Smithsonian Site Numbers	#	Smithsonian Site Numbers	#	Smithsonian Site Numbers
Revisits (no IMACS form)	NR Eligible	0		0		0		0	
	Not Eligible	0		0		0		0	
Revisits (updated IMACS)	NR Eligible	0		0		0		0	
	Not Eligible	0		0		0		0	
New Recordings (IMACS)	NR Eligible	0		0		0		0	
	Not Eligible	0		0		0		0	

Total Number of Archeological Sites: 0

Historic Structures (USHS Form): 0

Total National Register Eligible Sites: 0

15. Description of Findings: One isolated occurrence was observed during the reconnaissance-level inventory. No new cultural resource sites were identified during this survey.

16. Collection Yes  No

(If Yes) Curation Facility:

Accession Number(s):

17. Recommendations: This inventory resulted in a finding of No Historic Properties Present and cultural resource clearance is recommended. If any cultural material is discovered during the project, work will stop and a cultural resource specialist will be notified immediately.

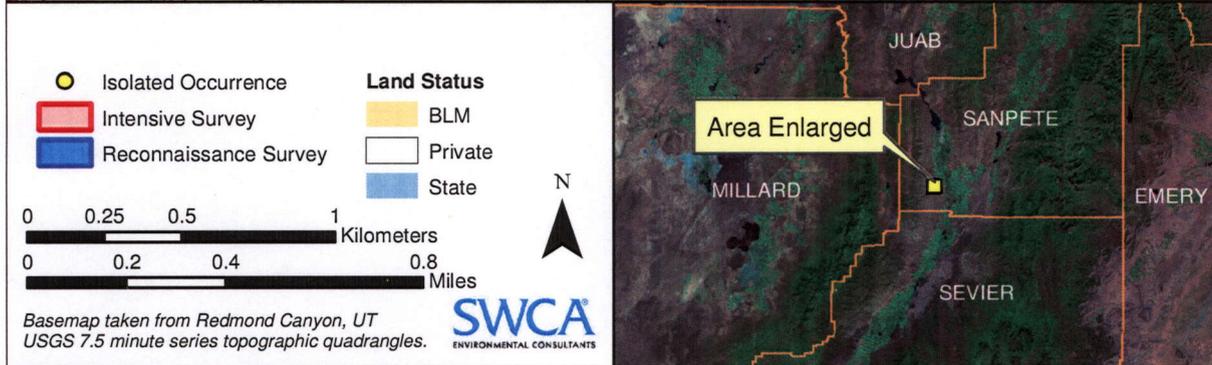
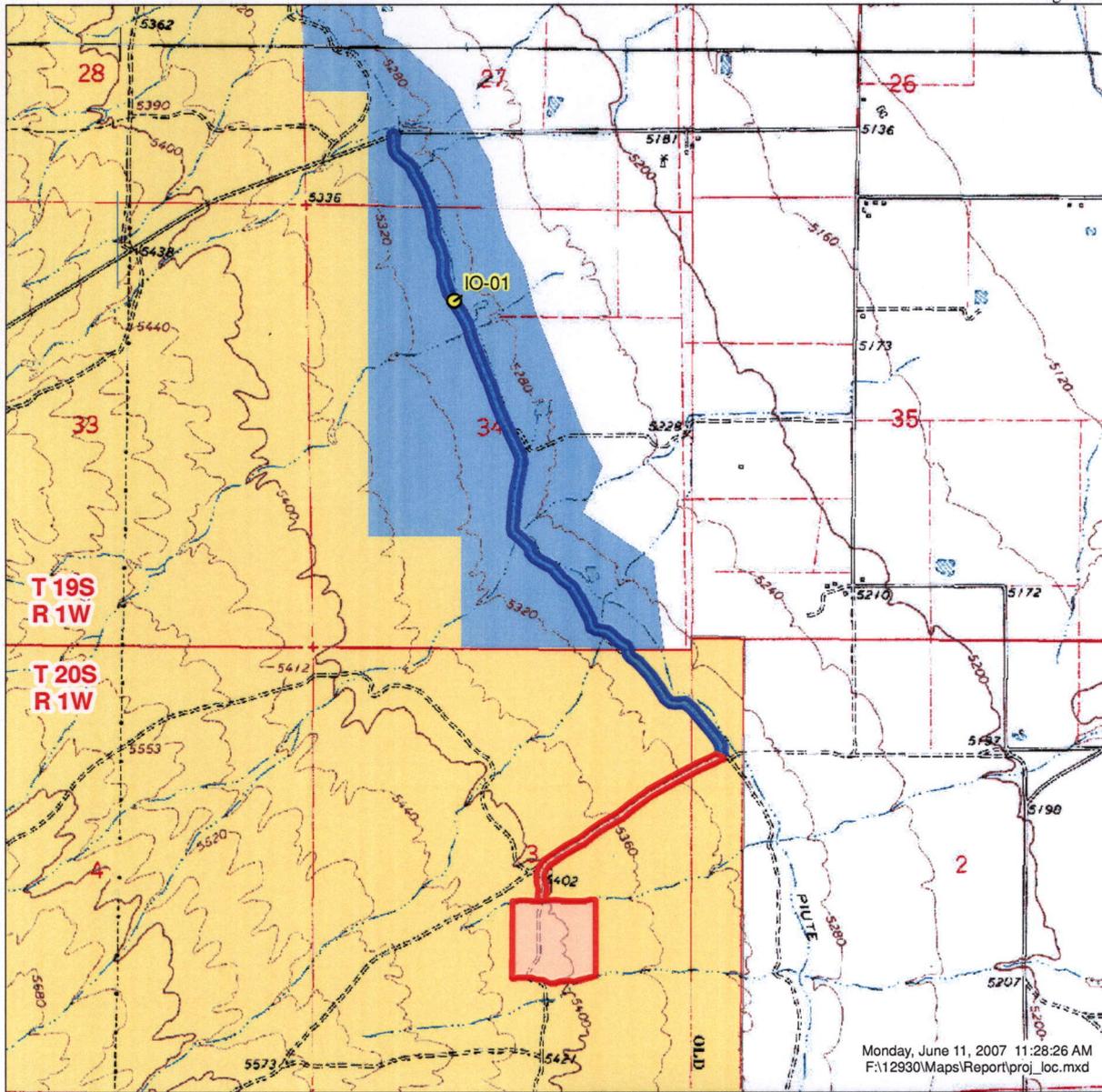


Figure 1. Location of project area and isolate.



**Figure 2. Overview of the project area and unmaintained access road looking south.**

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 08/25/2008

API NO. ASSIGNED: 43-039-30039

WELL NAME: REDMOND CYN FED 3-1  
 OPERATOR: PIONEER NATURAL ( N5155 )  
 CONTACT: VENESSA LANGMACHER

PHONE NUMBER: 303-298-8100

PROPOSED LOCATION:

LT21 03 200S 010W  
 SURFACE: 1722 FSL 2385 FWL  
 BOTTOM: 1722 FSL 2385 FWL  
 COUNTY: SANPETE  
 LATITUDE: 39.09539 LONGITUDE: -111.8999  
 UTM SURF EASTINGS: 422178 NORTHINGS: 4327539  
 FIELD NAME: WILDCAT ( 1 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: UTU-82474  
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: CHIN  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. MTB-000041 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 63-4771 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

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

COMMENTS: \_\_\_\_\_

STIPULATIONS: \_\_\_\_\_

*1- Sealed Approval  
2- Spacing Strip*

33

34

35

T19S R1W  
T20S R1W

4

3

2

REDMOND CYN  
FED 3-1 ⊕

9

10

11

OPERATOR: PIONEER NAT RES (N5155)

SEC: 3 T.20S R. 1W

FIELD: WILDCAT (001)

COUNTY: SANPETE

SPACING: R649-3-3 / EXCEPTION LOCATION

- Field Status**
- ABANDONED
  - ACTIVE
  - COMBINED
  - INACTIVE
  - PROPOSED
  - STORAGE
  - TERMINATED

- Unit Status**
- EXPLORATORY
  - GAS STORAGE
  - NF PP OIL
  - NF SECONDARY
  - PENDING
  - PI OIL
  - PP GAS
  - PP GEOTHERML
  - PP OIL
  - SECONDARY
  - TERMINATED

- Wells Status**
- GAS INJECTION
  - GAS STORAGE
  - LOCATION ABANDONED
  - NEW LOCATION
  - PLUGGED & ABANDONED
  - PRODUCING GAS
  - PRODUCING OIL
  - SHUT-IN GAS
  - SHUT-IN OIL
  - TEMP. ABANDONED
  - TEST WELL
  - WATER INJECTION
  - WATER SUPPLY
  - WATER DISPOSAL
  - DRILLING



PREPARED BY: DIANA MASON  
DATE: 02-SEPTEMBER-2008

**From:** <VLLPermitco@aol.com>  
**To:** <dianawhitney@utah.gov>  
**Date:** 9/25/2008 10:03 AM  
**Subject:** Fwd: FW: Redmond Cyn Fed 3-1

Diana,

Please see Pioneer's comment below regarding the exception location and needing the working interest owner waiver letters. Is this ok.... or even though you are partners, you still require waiver letters?

Thanks!

Venessa Langmacher

Permitco Inc.  
P.O. Box 99  
Eastlake, CO 80614  
303/857-9999 ext. 11  
303/450-9200 fax

---

From: Chris.Hollmann@pxd.com  
To: VLLPermitco@aol.com  
Sent: 9/25/2008 9:58:09 A.M. Mountain Daylight Time  
Subj: RE: FW: Redmond Cyn Fed 3-1

Venessa,  
As mentioned in my previous email, unless you tell me otherwise, the working interest owners should not have to sign an exception letter for this location. They are our partners under this location and we already have agreements executed with these working interest owners (partners) and will be drilling this well under the terms of those agreements.  
Thanks,  
Chris

---

From: VLLPermitco@aol.com [mailto:VLLPermitco@aol.com]  
Sent: Thursday, September 25, 2008 9:54 AM  
To: Hollmann, Chris  
Subject: Re: FW: Redmond Cyn Fed 3-1

Did you get the waiver letter issue figured out?



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
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

September 29, 2008

Pioneer Natural Resources USA, Inc.  
1401-17th St., Ste. 1200  
Denver, CO 80202

Re: Redmond Canyon FED 3-1 Well, 1722' FSL, 2385' FWL, NW SE, Sec. 3, T. 20 South, R. 1 West, Sanpete County, Utah

Gentlemen:

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

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-039-30039.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Sanpete County Assessor  
Bureau of Land Management, Utah State Office

**Operator:** Pioneer Natural Resources USA, Inc.  
**Well Name & Number** Redmond Canyon FED 3-1  
**API Number:** 43-039-30039  
**Lease:** UTU-82474

**Location:** NW SE                      **Sec.** 3                      **T.** 20 South                      **R.** 1 West

### Conditions of Approval

1. General

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

2. Notification Requirements

Notify the division within 24 hours of spudding the well.

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

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

- Contact Dustin Doucet at (801) 538-5281    (801) 733-0983 home

3. Reporting Requirements

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

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

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



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT

RICHFIELD FIELD OFFICE

150 East 900 North  
Richfield, Utah 84701



In Reply Refer To:  
3160  
(UTC020)

February 18, 2009

CERTIFIED MAIL NO. 7008 2810 0000 7327 3275  
RETURN RECEIPT REQUESTED

Ms. Venessa Langmacher  
PermitCo Company  
14421 County Road 10  
Fort Lupton, Colorado 80621

43 039 30039  
205 1W 3

RE: Application for Permit to Drill, Pioneer Natural Resources USA, Inc, Redmond Canyon Fed #3-1 and Conditions of Approval

Dear Ms. Langmacher:

Your Application for Permit to Drill (APD) the Redmond Canyon Fed #3-1, Lot 21, Section 3, T. 20 S., R.1 W., SLB&M, Sanpete County, Utah, is approved with the attached Conditions of Approval.

The APD was filed in this office on October 18, 2007 with a Surface Use Plan of Operations and a Drilling Program. Technical review of the APD has been completed as part of the approval process and the completion of an environmental assessment. The environmental assessment has been based on the APD as submitted. The approval is for the APD package.

Copies of the approved APD and Conditions of Approval are enclosed for your records.

If you have any questions, please contact Stan Andersen at (435) 896-1532.

Sincerely,

*Rodney P. Lee*

*acting for*

Wayne A. Wetzel  
Associate Field Office Manager

Enclosure:

APD with Surface Use Plan of Operations and Drilling Program  
Conditions of Approval

cc: Pioneer Natural Resources USA, Inc., 1401 17<sup>th</sup> Street, Suite 1200, Denver, Colorado 80202  
State of Utah, Division of Oil, Gas and Mining, PO Box 145801, Salt Lake City, UT 84114-5801  
Al McKee (U-922), Bureau of Land Management, Utah State Office

RECEIVED

FEB 23 2009

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>UTU-82474</b>
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name <b>N/A</b>
2. Name of Operator <b>Pioneer Natural Resources USA, Inc.</b>		7. If Unit or CA Agreement, Name and No. <b>N/A</b>
3. Name of Agent <b>PermitCo Inc. - Agent</b>		8. Lease Name and Well No. <b>Redmond Canyon FED #3-1</b>
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface: <b>1722' FSL and 2385' FWL</b> At proposed prod. zone: <b>Lot 21</b>		9. API Well No.
14. Distance in miles and direction from nearest town or post office* <b>Approximately 6.59 miles southwest of Centerfield, UT</b>		10. Field and Pool, or Exploratory <b>Wildcat</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>1722'</b>		11. Sec., T., R., M., or Blk, and Survey or Area <b>Section 3, T20S - R1W</b>
16. No. of Acres in lease <b>1276.17</b>		12. County or Parish <b>Sanpete</b>
17. Spacing Unit dedicated to this well <b>40 Acres</b>		13. State <b>UT</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>None</b>		20. BLM/BIA Bond No. on file <b>Nationwide Bond No. MTB-000041</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>5430' GL</b>		22. Approximate date work will start* <b>December 1, 2007</b>
		23. Estimated duration <b>110 Days</b>

24. Attachments **CONFIDENTIAL-TIGHT HOLE**

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>1. Well plat certified by a registered surveyor.</li> <li>2. A Drilling Plan.</li> <li>3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).</li> </ul> | <ul style="list-style-type: none"> <li>4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).</li> <li>5. Operator certification.</li> <li>6. Such other site specific information and/or plans as may be required by the BLM.</li> </ul> |
|---|--|

25. Signature <i>Venessa Langmacher</i>	Name (Printed/Typed) <b>Venessa Langmacher</b>	Date <b>9/7/2007</b>
Title <b>Authorized Agent for Pioneer Natural Resources USA, Inc.</b>		
Approved by (Signature) <i>Wayne A. Wetzel</i>	Name (Printed/Typed) <b>Wayne A. Wetzel</b>	Date <b>17 Feb 2009</b>
Title <b>Assoc. Field Manager</b>	Office <b>Richfield Field Office</b>	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on reverse)

## CONDITIONS OF APPROVAL

**Company:** Pioneer Natural USA, Inc.  
**Well No:** Redmond Canyon Federal 3-1  
**Location:** Lot 21, Sec 3, T. 20 S., R. 1 W., SLB&M  
Sanpete County, Utah  
**Lease No:** UTU-82474

---

### I. Please Note:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR parts 3100, 3160 and 3180), lease/agreement terms, Onshore Oil and Gas Orders, Notice to Lessee's, and this approved plan of operation.

A copy of the approved application and these conditions shall be maintained on location during all construction and drilling operations. Deviation from the approved plan without prior approval is not allowed.

The operator is fully responsible for the actions of his subcontractors.

Operators have the responsibility to assure that activities authorized by this permit are conducted in a manner that complies with other applicable Federal, State, and local laws and regulations.

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

This Application for Permit to Drill (APD) shall be valid for two years from the date of approval, provided the lease does not expire. If activities have not commenced by the end of the two-year period, the APD shall be returned to the operator without prejudice. Should the operator still desire to drill the well, a new APD must be submitted to this office. Upon written request by the operator, a one-time **two year** extension to this time period may be granted by the Authorized Officer (AO).

Failure to comply with the provisions of this permit, including applicable regulations, stipulations, and/or approval conditions, will be considered a violation subject to the enforcement provisions of 43 CFR Subpart 3163.

If fill materials are needed to maintain roads or well sites, proper permits must be obtained from the appropriate surface owner. On BLM administered lands, the use of materials shall conform to 43 CFR §3610.2-3.

## II. Required Notifications:

The operator and contractor shall contact the BLM, Richfield Field Office - (435) 896-1520, at least 48 hours prior to commencement of access and site construction or reclamation activities. (Contact: **Bert Hart**).

The operator shall contact the BLM, Utah State Office, Branch of Fluid Minerals, (801) 539-4045, FAX (801) 539-4200, at least 24 hours prior to the following operations (Contact: **Al McKee**):

- spudding (including dry hole digger or rig hole rigs);
- running and cementing all casing strings;
- pressure testing of BOPE or any casing string.
- pressure integrity test (mud weight equivalency test) of each casing shoe.

In the case of newly drilled dry holes, and in any emergency situation, after hour authorization may be obtained by contacting the following individuals, in the order listed:

Utah State Office, BLM, Branch of Fluid Minerals

Al McKee	(801) 572-6911 (Home)
Petroleum Engineer	(801) 828-7498 (Cell)
Larry Denny	(801) 865-2337 (Cell)
I&E Coordinator	(801) 928-9570 (Cell)
	(801) 539-4048 (Office)
	<a href="mailto:larry_denny@blm.gov">larry_denny@blm.gov</a>

If unable to reach any of the above individuals, please call the following:

<b>Bert Hart</b>	<b>(435) 979-7134</b>
Natural Resource Specialist	

## III. Conditions of Approval:

**A. Drilling Plan** - The drilling plan of the Application for Permit to Drill will be supplemented as follows:

1. Onshore Order No. 2, *Drilling Operations*, requires that all formations containing usable quality water (less than 10,000 ppm TDS) be protected via cement. If encountered while drilling, usable quality water would require protection by bring the cement at least  $\pm 100'$  above and below the usable quality water zone.

2. No variances were requested nor approved from the minimum standards of Order Nos. 2 and 6.
3. After running and cementing the 9-5/8" intermediate casing, a cement bond log, cement evaluation tool, or equivalent shall be run to determine cement top and quality. Results will be reported to BLM, attn: Al McKee. Any necessary remedial operations will be conducted prior to drilling out of the shoe.
4. Daily drilling and completion progress reports shall be submitted to the Utah State Office on a weekly basis, and shall include daily mud reports.
5. The authorized officer shall be notified when operations are 500 feet above or 3 days before (whichever is earlier) drilling the first formation expected to contain Hydrogen Sulfide (H<sub>2</sub>S).
6. A copy of the Drilling Operations Plan (DOP) shall be available during operations at the well site beginning 500 feet above or 3 days before (whichever is earlier) drilling the first formation expected to contain H<sub>2</sub>S.
7. As an alternative road is not practical, a clearly marked footpath flagged to a safe area is acceptable (OO#6.III.C.2.a).
8. H<sub>2</sub>S DOP and Public Protection Plan (PPP), if necessary, shall be reviewed by the operator on an annual basis and copy of any necessary revisions shall be submitted to the authorized officer upon request. The DOP and/or PPP will also be reviewed during any operator changes. The BLM will be notified when this review has been completed.
9. Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Authorized Officer (AO). All conditions of this approval shall be applicable during any operations conducted with a replacement/completion rig.
10. Two copies of all logs, and a single copy of core descriptions, core analyses, drill stem tests, well-test data, geologic summaries, sample descriptions, and all other surveys or data obtained and compiled during the drilling and/or completion operations shall be submitted to the BLM, Utah State Office, Branch of Fluid Minerals, at P.O. Box 45155, Salt Lake City, Utah, 84145-0155.
11. Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever comes first, without the prior written approval of the authorized officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and

the operator shall be required to compensate the lessor for the portion of the gas vented or flared without approval which is determined to have been avoidably lost.

12. Section 102 (b) (3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1 (c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

The date on which production is begun or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever occurs first; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever occurs first.

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(c) and 3163.2(e)(2).

**B. Surface Use Plan of Operations** - The surface use plan of operations for the Application for Permit to Drill will be supplemented as follows:

1. Any cultural resources be unearthed, surface-disturbing activities will be re-routed to avoid or halted until the cultural sites/artifacts can be evaluated for significance, and a mitigation/salvage plan be formulated. These actions will successfully mitigate possible impacts to cultural resources such that a detailed analysis will not be not required.
2. All materials brought in from off site for road or pad construction will come from a pit free of invasive, non-native species.
3. All Federal and State laws will be followed regarding use, storage and disposal of hazardous materials and solid wastes. The areas will be kept clean and free of litter and utilizing appropriate human waste facilities will be used during the operation. Waste and these facilities will be removed from the site and properly disposed of upon completion of the project. Any petroleum spills will be cleaned-

up in accordance with State and Federal laws and regulations. Trash will be contained in a portable, self-contained trash cage and hauled to a sanitary landfill.

4. The Applicant has committed to monitoring and treating any noxious weeds along the right-of-way, and the well site. All equipment will be power washed to reduce the potential of introducing new weed species into the area. All berms, drill pad slopes, and spoils pile will be reseeded the first fall after the disturbance is made to keep weeds from invading the disturbed sites.
5. Topsoil will be collected and piled and used in the final rehabilitation process. All of the seed should be mixed together (except for the Forage Kochia) and drill seeded at the rate of 8 pounds per acre. The Forage Kochia is to be broadcasted and left on bare soil. The area not accessible for the drill will be hydro-mulched at 16 pounds live seed per acre.

Species	Pounds Live Seed/Acre
Hycrest Crested Wheatgrass	1.0
Luna Pubescent Wheatgrass	1.5
Bozoisky Russian Wildrye	1.0
Magnar Great Basin Wildrye	1.0
Covar Sheep Fescue	1.0
Sandberg Bluegrass	1.0
Wyoming Big Sagebrush	1.0
Yellow Sweetclover	1.0
Ranger Alfalfa	1.5
Appar Lewis Flax	1.5
Common Sunflower	1.0
Delar Small Burnet	1.5
Eski Sainfoin	1.0
Forage Kochia	1.0
<b>TOTAL</b>	<b>16.0</b>

All of the seeding will be done in middle to late fall (October/November) to prevent premature sprouting and subsequent winter killing of the forb species, due to late summer/early fall precipitation combined with warm soil temperatures

6. If any vertebrate fossils are observed during construction all work will cease until consultation with the BLM has been completed.
7. The reserve pit will be fenced on three sides during drilling and on the fourth side when the drill rig is removed from the site.
8. All junk, debris, or other foreign material must be removed before initiating any dirt work to restore the location. The fence around the reserve pit will be

maintained in good repair during the drilling operations and will be completed by constructing the fourth side while the pit is drying. It will remain in place until the pit is completely dry and the site restoration begins.

9. Site reclamation will include:

- Removing any road base material that may have been added to the access road or pad;
- Re-contouring the access road and well pad to approximate natural contours and conditions, to the extent practicable; evenly redistributing stockpiled topsoil over the re-contoured areas, the cut and fill slopes, and all other disturbed areas;
- Scarifying of all disturbed areas (including the access road) and re-contoured areas prior to seeding, by use of a disk or harrow, to provide for a slightly roughened surface condition capable of collecting precipitation and holding surface water to promote seed germination.
- Cut and fill slopes will be stabilized, stockpiles, and other disturbances will be seeded for re-growth of vegetation to stabilize slopes and to reduce erosion
- If the fluids in the reserve pit have not evaporated within 90 days, the fluids will be pumped from the pit and disposed of in accordance with applicable BLM regulations. The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed. All stockpiled topsoil, in proportion the area being reclaimed, will be used in reclaiming areas without an on-going operation.
- If the reserve pit has adequate capacity, any mineral materials that may have been used will be buried in the reserve pit, provided that the mineral materials are not contaminated by oil or other waste materials. Culverts will be removed from the site. If they are salvageable they will be used in other construction projects. If not, they will be disposed in a landfill. The cellar (six foot diameter concrete structure or culvert) from the base of the drill rig will be removed from the site and disposed in a landfill, or with the approval of the Authorized Officer may be broken down into small pieces and buried during the re-contouring on the site.
- During the life of the project, until the site is released from liability for reclamation, the project will be inspected at least annually for noxious weeds. If invasive noxious weeds are found, the weeds will be treated to eliminate further reproduction (spread), and treatment will continue until the weeds have been eradicated. If noxious weeds are found, the BLM will be notified of their occurrence.
- Any soils contaminated from oil spills will be disposed of in an approved landfill.
- Any accumulation of hydrocarbons in the reserve pit will be removed and recovered for sale unless it is determined by the Authorized Officer to be waste oil. All waste oil will be disposed of properly at approved facilities.
- For reclamation, the polyurethane liner in the reserve pit, which is exposed above the cuttings, will be cut, removed from the site, and disposed in an

approved landfill. The reserve pit will be backfilled to slightly above grade to allow for settling of the unconsolidated fill material.

- All equipment and vehicles will be confined to the access roads and well pad.
  - All permanent structures, including pumping units, constructed or installed will be painted a flat, non-reflective color, as described on page 40 of the Gold Book (Surface Operating Standards and Guidelines for Oil and Gas Exploration and Development, 4<sup>th</sup> Edition 2007). Prior to painting permanent structures, the operator will submit a Sundry Notice for approval of a color proposed by the applicant. Permanent structures are defined as being on location for six months or longer. Facilities that must conform to a color standard required Occupational Safety and Health Act (OSHA) may not conform to the Gold Book standards.
10. Fire suppression equipment will be available to suppress any wildfires caused by construction or related activities. In the event of a wildfire, the Richfield Interagency Fire Center will be notified at (435-896-8404).
  11. Any facilities in an existing right-of-way that are damaged as a result of the oil and gas construction, operation, maintenance, or termination shall be repaired or replaced to the same condition as existed prior to the damage. Any costs for such damage or repair shall be the total responsibility of the Applicant.
  12. All borehole fluids must be contained in the reserve pit. All appropriate measures must be taken to prevent leakage into the substratum or onto the surface. All appropriate measures must be taken to prevent overflow, and a minimum of 2 feet of freeboard must be maintained in the reserve pit.
  13. If the flare pit is constructed by fill embankment, a keyway or core trench 10 to 12 feet wide shall be excavated to a minimum depth of 2 to 3 feet below the original ground level. The core of the embankment must be constructed with water-impervious material.
  14. Erosion control and re-vegetation measures shall be implemented to insure that the lands disturbed by construction and maintenance activities will be restored to a stable, productive, and aesthetically acceptable condition.
  15. Pioneer will commit to obtaining a change of use permit from the State Engineer's Office for the use of Russell Otten's livestock water well prior to using the water for the Redmond Canyon Federal 3-1 operations.

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-82474
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  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.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Oil Well	<b>8. WELL NAME and NUMBER:</b> REDMOND CYN FED 3-1
<b>2. NAME OF OPERATOR:</b> PIONEER NATURAL RESOURCES USA, INC	<b>9. API NUMBER:</b> 43039300390000
<b>3. ADDRESS OF OPERATOR:</b> 1401 17th Street, Suite 1200 , Denver, CO, 80202	<b>PHONE NUMBER:</b> 303 298-8100 Ext
<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 1722 FSL 2385 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: LT21 Section: 03 Township: 20.0S Range: 01.0W Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> WILDCAT  <b>COUNTY:</b> SANPETE  <b>STATE:</b> UTAH

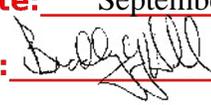
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 7/1/2010	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> 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"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> 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: _____

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

Due to market conditions, Pioneer Natural Resources USA, Inc. hereby requests an extension to the Application For Permit to Drill the Redmond Cyn Fed 3-1. The original APD was approved September 29, 2008.

Approved by the  
 Utah Division of  
 Oil, Gas and Mining

Date: September 03, 2009  
 By: 

<b>NAME (PLEASE PRINT)</b> Joy A. Ziegler	<b>PHONE NUMBER</b> 303 675-2663	<b>TITLE</b> Senior Engineering Tech
<b>SIGNATURE</b> N/A	<b>DATE</b> 9/3/2009	



**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 43039300390000**

**API:** 43039300390000

**Well Name:** REDMOND CYN FED 3-1

**Location:** 1722 FSL 2385 FWL QTR LT21 SEC 03 TWP 200S RNG 010W MER S

**Company Permit Issued to:** PIONEER NATURAL RESOURCES USA, INC

**Date Original Permit Issued:** 9/29/2008

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.

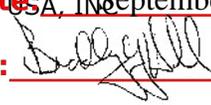
- If located on private land, has the ownership changed, if so, has the surface agreement been updated?  Yes  No
  
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?  Yes  No
  
- Has there been any unit or other 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

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

**Signature:** Joy A. Ziegler

**Date:** 9/3/2009

**Title:** Senior Engineering Tech **Representing:** PIONEER NATURAL RESOURCES USA, INC **Date:** September 03, 2009

**By:** 

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-82474
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<b>1. TYPE OF WELL</b> Oil Well	<b>8. WELL NAME and NUMBER:</b> REDMOND CYN FED 3-1
<b>2. NAME OF OPERATOR:</b> PIONEER NATURAL RESOURCES USA, INC	<b>9. API NUMBER:</b> 43039300390000
<b>3. ADDRESS OF OPERATOR:</b> 1401 17th Street, Suite 1200 , Denver, CO, 80202	<b>PHONE NUMBER:</b> 303 298-8100 Ext
<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 1722 FSL 2385 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: LT21 Section: 03 Township: 20.0S Range: 01.0W Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> WILDCAT  <b>COUNTY:</b> SANPETE  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 7/1/2010	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
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<input type="checkbox"/> <b>DRILLING REPORT</b> 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
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	<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: _____

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

Due to market conditions, Pioneer Natural Resources USA, Inc. hereby requests an extension to the Application For Permit to Drill the Redmond Cyn Fed 3-1. The original APD was approved September 29, 2008.

<b>NAME (PLEASE PRINT)</b> Joy A. Ziegler	<b>PHONE NUMBER</b> 303 675-2663	<b>TITLE</b> Senior Engineering Tech
<b>SIGNATURE</b> N/A	<b>DATE</b> 9/3/2009	



**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 43039300390000**

**API:** 43039300390000

**Well Name:** REDMOND CYN FED 3-1

**Location:** 1722 FSL 2385 FWL QTR LT21 SEC 03 TWP 200S RNG 010W MER S

**Company Permit Issued to:** PIONEER NATURAL RESOURCES USA, INC

**Date Original Permit Issued:** 9/29/2008

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:** Joy A. Ziegler

**Date:** 9/3/2009

**Title:** Senior Engineering Tech **Representing:** PIONEER NATURAL RESOURCES USA, INC

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-82474
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  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.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Oil Well	<b>8. WELL NAME and NUMBER:</b> REDMOND CYN FED 3-1
<b>2. NAME OF OPERATOR:</b> PIONEER NATURAL RESOURCES USA, INC	<b>9. API NUMBER:</b> 43039300390000
<b>3. ADDRESS OF OPERATOR:</b> 1401 17th Street, Suite 1200 , Denver, CO, 80202	<b>PHONE NUMBER:</b> 303 298-8100 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1722 FSL 2385 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: LT21 Section: 03 Township: 20.0S Range: 01.0W Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> WILDCAT  <b>COUNTY:</b> SANPETE  <b>STATE:</b> UTAH

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

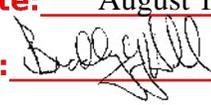
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 7/1/2010  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

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

Due to market conditions, Pioneer Natural Resources USA, Inc. hereby requests an extension to the application For Permit To Drill the Redmond Cyn Fed 3-1. The first APD extension was approved 9/3/09.

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

**Date:** August 11, 2010

**By:** 

<b>NAME (PLEASE PRINT)</b> Joy A. Ziegler	<b>PHONE NUMBER</b> 303 675-2663	<b>TITLE</b> Senior Engineering Tech
<b>SIGNATURE</b> N/A		<b>DATE</b> 8/10/2010



**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 43039300390000**

**API:** 43039300390000

**Well Name:** REDMOND CYN FED 3-1

**Location:** 1722 FSL 2385 FWL QTR LT21 SEC 03 TWP 200S RNG 010W MER S

**Company Permit Issued to:** PIONEER NATURAL RESOURCES USA, INC

**Date Original Permit Issued:** 9/29/2008

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

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

**Signature:** Joy A. Ziegler

**Date:** 8/10/2010

**Title:** Senior Engineering Tech **Representing:** PIONEER NATURAL RESOURCES USA, INC

**Date:** August 11, 2010

**By:** 

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9	
		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-82474	
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>	
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.		<b>7. UNIT or CA AGREEMENT NAME:</b>	
<b>1. TYPE OF WELL</b> Oil Well		<b>8. WELL NAME and NUMBER:</b> REDMOND CYN FED 3-1	
<b>2. NAME OF OPERATOR:</b> PIONEER NATURAL RESOURCES USA, INC		<b>9. API NUMBER:</b> 43039300390000	
<b>3. ADDRESS OF OPERATOR:</b> 1401 17th Street, Suite 1200 , Denver, CO, 80202	<b>PHONE NUMBER:</b> 303 298-8100 Ext	<b>9. FIELD and POOL or WILDCAT:</b> WILDCAT	
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1722 FSL 2385 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: LT21 Section: 03 Township: 20.0S Range: 01.0W Meridian: S		<b>COUNTY:</b> SANPETE	
		<b>STATE:</b> UTAH	
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 9/29/2011  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> ACIDIZE  <input type="checkbox"/> CHANGE TO PREVIOUS PLANS  <input type="checkbox"/> CHANGE WELL STATUS  <input type="checkbox"/> DEEPEN  <input type="checkbox"/> OPERATOR CHANGE  <input type="checkbox"/> PRODUCTION START OR RESUME  <input type="checkbox"/> REPERFORATE CURRENT FORMATION  <input type="checkbox"/> TUBING REPAIR  <input type="checkbox"/> WATER SHUTOFF  <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING  <input type="checkbox"/> CHANGE TUBING  <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS  <input type="checkbox"/> FRACTURE TREAT  <input type="checkbox"/> PLUG AND ABANDON  <input type="checkbox"/> RECLAMATION OF WELL SITE  <input type="checkbox"/> SIDETRACK TO REPAIR WELL  <input type="checkbox"/> VENT OR FLARE  <input type="checkbox"/> SI TA STATUS EXTENSION  <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR  <input type="checkbox"/> CHANGE WELL NAME  <input type="checkbox"/> CONVERT WELL TYPE  <input type="checkbox"/> NEW CONSTRUCTION  <input type="checkbox"/> PLUG BACK  <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION  <input type="checkbox"/> TEMPORARY ABANDON  <input type="checkbox"/> WATER DISPOSAL  <input checked="" type="checkbox"/> APD EXTENSION  OTHER: <input type="text"/>
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.			
<p style="text-align: center;">Due to market conditions, Pioneer Natural Resources USA, Inc. hereby requests an extension to the application For Permit To Drill the Redmond Cyn Fed 3-1. The original permit extension expires 9/29/11.</p>			
			<p><b>Approved by the Utah Division of Oil, Gas and Mining</b></p> <p><b>Date:</b> <u>08/29/2011</u></p> <p><b>By:</b> </p>
<b>NAME (PLEASE PRINT)</b> Joy A. Ziegler	<b>PHONE NUMBER</b> 303 675-2663	<b>TITLE</b> Senior Engineering Tech	
<b>SIGNATURE</b> N/A		<b>DATE</b> 8/26/2011	



**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 43039300390000**

**API:** 43039300390000

**Well Name:** REDMOND CYN FED 3-1

**Location:** 1722 FSL 2385 FWL QTR LT21 SEC 03 TWP 200S RNG 010W MER S

**Company Permit Issued to:** PIONEER NATURAL RESOURCES USA, INC

**Date Original Permit Issued:** 9/29/2008

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.

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- 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:** Joy A. Ziegler

**Date:** 8/26/2011

**Title:** Senior Engineering Tech **Representing:** PIONEER NATURAL RESOURCES USA, INC



GARY R. HERBERT  
Governor

GREG 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

December 7, 2012

Pioneer Natural Resources USA, Inc.  
1401 17<sup>TH</sup> Street, Suite 1200  
Denver, CO 80202

Re: APD Rescinded – Redmond Cyn Fed 3-1, Sec. 3 T.20S, R.1W  
Sanpete County, Utah API No. 43-039-30039

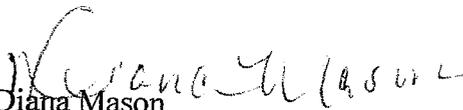
Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on September 29, 2008. On September 3, 2009, August 11, 2010 and August 29, 2011 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 December 7, 2012.

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  
Bureau of Land Management, Richfield





# United States Department of the Interior

BUREAU OF LAND MANAGEMENT

RICHFIELD FIELD OFFICE

150 East 900 North  
Richfield, Utah 84701



**RECEIVED**

**FEB 28 2013**

**DIV. OF OIL, GAS & MINING**

IN REPLY REFER TO:  
3160  
UT-050

February 26, 2013

Pioneer Natural Resources USA, Inc  
1401 17<sup>th</sup> Street, Suite 1200  
Denver, CO 80202

*4/3-034-30039*

Re: Redmond Canyon FED 3-1 Well  
Sec.3, T20S R1W SLB&M  
Sanpete County, Utah  
Lease UTU-82474

The Application for Permit to Drill for the subject well was approved on February 17, 2009 and a two year extension was granted on January 13, 2011 until February 17, 2013. No drilling activity at this location has been reported to our office to date. Therefore, approval to drill the well is hereby rescinded effective February 17, 2013.

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

If you have any questions about this letter please contact Stan Andersen at 435-896-1532.

Sincerely,

Wayne A. Wetzel  
Field Office Manager

Cc: Leslie Peterson, Price Field Office  
UDOGM