

QUINEX ENERGY CORPORATION

465 South 200 West • Suite 300 • Bountiful, Utah 84010 • (801) 292-3800 • FAX (801) 295-5858

November 23, 1992

Utah State Division Oil, Gas & Mining
3 Triad Center Suite 350
Salt Lake City, Utah 84180-1203

Re: Horrocks-Sandy #2-25A1E
NW1/4, NW1/4, Sec 25
T. 1 S., R 1 E.
Uintah County, Utah

Gentlemen:

Please find enclosed Quinex's application for permit to drill the above referenced well.

Sincerely,

QUINEX ENERGY CORPORATION


DeForrest Smouse
Vice President

DFS/sp

RECEIVED

NOV 24 1992

DIVISION OF
OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL & GAS

3. Lease Designation and Serial No.

FEE

6. If Indian, Allottee or Tribe Name

7. Unit Agreement Name

8. Form of Lease Name

FEE

9. Well No.

Horrocks-Sandy #2-25A1E

10. Field and Pool, or Wildcat

BLUEBELL

11. Sec., T., R., M., or Bk. and Survey or Area

NW 1/4, NW 1/4, Sec. 25,

T. 1 S., R. 1 E.

12. County or Parish 13. State

Uintah Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

DRILL

DEEPEN

PLUG BACK

b. Type of Well

Oil Well

Gas Well

Other

Single Zone

Multiple Zone

2. Name of Operator

QUINEX ENERGY CORPORATION

3. Address of Operator

465 South 200 West, Suite #300, Bountiful, Utah 84010

4. Location of Well (Report location clearly and in accordance with any State requirements.)

At surface 760' FNL, 839' FWL, Sec. 25, T. 1 S., R. 1 E., USM

At proposed prod. zone Same

14. Distance in miles and direction from nearest town or post office*

2 1/4 mile East & 2 1/8 mile South of LaPoint, Uintah County

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drlg. line, if any)

760'

16. No. of acres in lease

640

17. No. of acres assigned to this well

640

18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft.

2,600' South of Fly. J Rosemary Lloyd #1-24

19. Proposed depth

13,400'

20. Rotary or cable tools

Rotary

21. Elevations (Show whether DF, RT, GR, etc.)

5360' - GR

22. Approx. date work will start*

23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
14 3/4"	10 3/4"	40.5#	2000'	950 sks
9 7/8"	7 5/8"	26 & 29#	10,400'	600 sks
6 3/4"	5 1/2"	20#	13,400'	1000 sks

The Quinex Energy Corporation Horrocks-Sandy #2-25A1E well is the second Wasatch test to be drilled on the 640 acre tract, so spaced and designed in cause 139-42 dated April 17, 1985.

The permit is to be issued under the drilling bond of John D. Chasal, DRA, Quinex Energy Corporation.

TECHNICAL REVIEW

Engr. ML 12-15-92
Geol. D. [Signature] 12/14/92
Surface [Signature] 12/14/92

RECEIVED

NOV 24 1992

DIVISION OF OIL, GAS & MINING

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

24. Signed: [Signature]

Title: Vice Pres. Quinex Energy Date: Nov. 23, 1992

(This space for Federal or State office use)

Permit No. 43 047-30416

Approval Date: 12-15-92

Approved by: _____
Conditions of approval, if any:

Title: [Signature]
WELL SPACING: 139-42

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL & GAS

1. Lease Description and Serial No. **FEE**

2. If Inclusion Activity or Lease Name

3. Type of Work
a. Type of Work: **DRILL** **DEEPEN** **PLUG BACK**
b. Type of Well: **Oil Well** **Gas Well** **Other** **Single Zone** **Multiple Zone**

4. Name of Operator: **QUINEX ENERGY CORPORATION**

5. Address of Operator: **465 South 200 West, Suite #300, Bountiful, Utah 84010**

6. Location of Well (Report location clearly and in accordance with any State requirement):
At surface: **760' FNL, 889' FWL, Sec 25, T. 1 S., R. 1 E., USM**
At proposed prod zone: **Same**

7. Field and Pool or Wildcat: **Horrocks-Sandy #2-25A1E**

8. Location of Well (Report location clearly and in accordance with any State requirement):
At surface: **760' FNL, 889' FWL, Sec 25, T. 1 S., R. 1 E., USM**
At proposed prod zone: **Same**

9. Well No. **BLUEBELL**

10. Field and Pool or Wildcat: **Horrocks-Sandy #2-25A1E**

11. Sec. T. R. M. or Bk. and Survey of Area: **NW $\frac{1}{4}$, NW $\frac{1}{4}$, Sec. 25, T. 1 S., R. 1 E.**

12. County of Location: **Utah** State: **Utah**

13. Distance in miles and direction from nearest town or post office: **2 1/4 mile West & 2 1/8 mile South of LaPoint, Uintah County**

14. Distance from proposed location to nearest property or lease line ft (Also to nearest drilg line if any): **760'**

15. No. of acres in lease: **640**

16. No. of acres assigned to this well: **640**

17. Distance from proposed location to nearest well drilling, completed or applied for, on this lease, ft: **2,600' South of Fly. J Rosemary Lloyd #1-24**

18. Proposed depth: **13,400'** Rotary or cable tool: **Rotary**

19. Elevations (Show whether DT, RT, GR, etc.): **5360' - GR**

20. Approx. date work will start:

23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
14 3/4"	10 3/4"	40.5#	2000'	950 sks
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6 3/4"	5 1/2"	20#	13,400'	1000 sks

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The permit is to be issued under the drilling bond of John D. Chasel, DBA Quinex Energy Corporation.

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

24. Signed: *[Signature]* Title: **Vice Pres. Quinex Energy** Date: **Nov. 23, 1992**

(This space for Federal or State office use)

Permit No. _____

Approved by: _____ Title: _____

Conditions of approval if any: _____

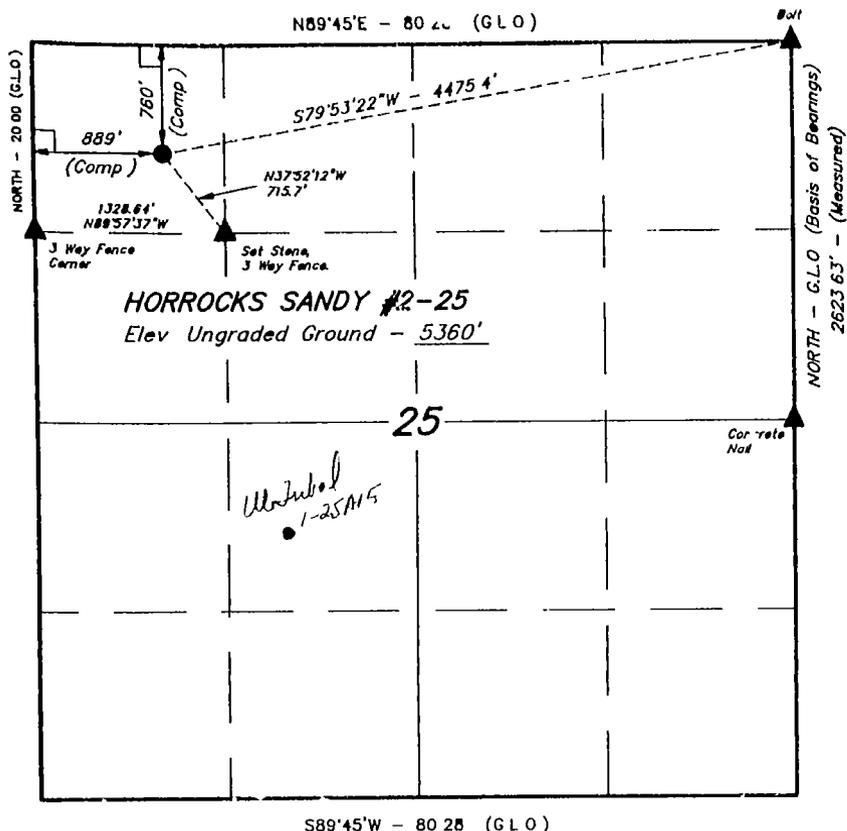
APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING

DATE: _____

BY: _____ DATE: _____

WELL SPACING: _____

T1S, R1E, U.S.B.&M.

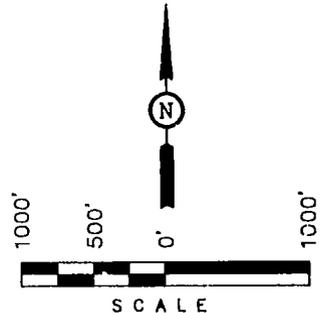


QUINEX ENERGY CORP.

Well location, HORROCKS SANDY #2-25, located as shown in the NW 1/4 NW 1/4 of Section 25, T1S, R1E, U.S.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE NE CORNER OF SECTION 25, T1S, R1E, U.S.B.&M TAKEN FROM THE FORT DUCHESNE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY SAID ELEVATION IS MARKED AS BEING 5359 FEET



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

Robert L. Kelly
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 6709
 STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (801) 789-1017

LEGEND.

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

SCALE	1" = 1000'	DATE SURVEYED	11-12-92	DATE DRAWN	11-16-92
PARTY	R L K RA J L G	REFERENCES	G.L.O. PLAT		
WEATHER	COOL	FILE	QUINEX ENERGY CORP		

DRILLING LOCATION ASSESSMENT

**State of Utah
Division of Oil, Gas and Mining**

OPERATOR: QUINEX ENERGY CORP WELL NAME: HORROCKS-SANDY 2-25AE1
SECTION: 25 TWP: 1S RNG: 1E LOC: 760 FNL 889 FWL
QTR/QTR NW/NW COUNTY: UINTAH FIELD: BLUEBELL
SURFACE OWNER: HORROCKS
SPACING: 660 F SECTION LINE 1320 F ANOTHER WELL
GEOLOGIST: BRAD HILL DATE AND TIME: 12/9/92 10:15

PARTICIPANTS: Dan Jarvis-DOGMA, Paul Wells & Smokey Paine-Quinex

REGIONAL SETTING/TOPOGRAPHY: Central Uintah Basin, Proposed location is on a flat area overlooking a major drainage to the west. One small drainage cuts across the location on the north edge.

LAND USE:

CURRENT SURFACE USE: Domestic grazing.

PROPOSED SURFACE DISTURBANCE: A 200'X 200' pad will be constructed, including a 90'X 40' reserve pit. A .2 mile access road will also be constructed.

AFFECTED FLOODPLAINS AND/OR WETLANDS: None

FLORA/FAUNA: Sage, Shadscale, Rabbitbrush, Prickly Pear, Cottonwood, Russian Olive/Birds, Rabbits, Deer, Coyote

ENVIRONMENTAL PARAMETERS

SURFACE GEOLOGY

SOIL TYPE AND CHARACTERISTICS: Sandy-silt

SURFACE FORMATION & CHARACTERISTICS: Duchesne River Fm.

EROSION/SEDIMENTATION/STABILITY: No active erosion or sedimentation at present. The location should be stable.

PALEONTOLOGICAL POTENTIAL: None observed.

SUBSURFACE GEOLOGY

OBJECTIVES/DEPTHS: Green River-5580', Wasatch-9600'

ABNORMAL PRESSURES-HIGH AND LOW: None anticipated

CULTURAL RESOURCES/ARCHAEOLOGY: NA

CONSTRUCTION MATERIALS: Onsite materials will be used for construction.

SITE RECLAMATION: As per landowner instructions.

RESERVE PIT

CHARACTERISTICS: a rectangular pit will be built with dimensions of 90'X 40'X 10'.

LINING: The pit is to be evaluated after construction for a determination of liner requirements.

MUD PROGRAM: 0-8500'/H₂O-gel; 8500'-10,400'/Low solids; 10,400-13,400'/Low solids with barite for weight control

DRILLING WATER SUPPLY: Ouray Park Irrigation Co.

OTHER OBSERVATIONS

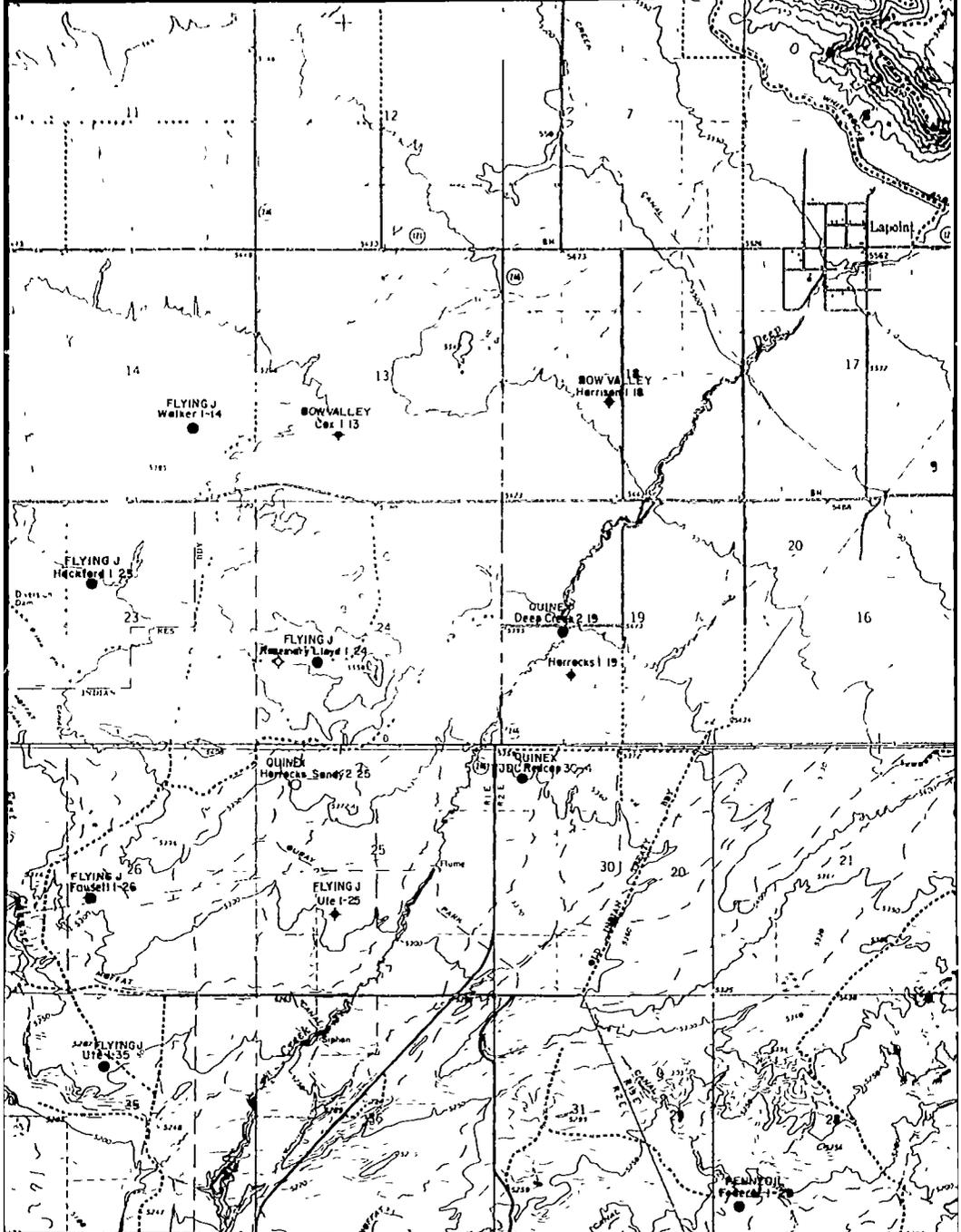
The ground is covered with snow and it is difficult to evaluate the soils properly.

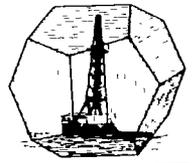
STIPULATIONS FOR APD APPROVAL

Check pit after construction for liner requirements.
Berm location to prevent run off from the pad.
Divert all drainages around the location.

ATTACHMENTS

Photographs will be placed on file.





QUINEX ENERGY CORPORATION

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November 25, 1992

Division Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Re: Horrocks-Sandy #2-25A1E
NW1/4, NW1/4, Sec 25
Uintah County, Utah

Gentlemen:

The water permit for the above referenced well is from the Ouray Park Irrigation Company. A copy of the permit will be supplied prior to spuding of well.

Sincerely,

QUINEX ENERGY CORPORATION


DeForrest Smouse, PhD
Vice President

DFS/sp

DRILLING PROCEEDURE

Field BLUEBELL Well Quinex Energy Corp. Horrocks-Sandy 2-25A1E
 Location 760' FNL & 889' FWL, Section 25, Township 1 South, Range 1 East, USM
 Drill X Deepen _____ Elevation: GR 5360' KB 5381' Total Depth 13,400'
 Non-Oper. Interests _____

1. Casing Program (O = Old N = Now)

	<u>Surface</u>	<u>O/N</u>	<u>Intermediate</u>	<u>O/N</u>	<u>Oil String/Liner</u>	<u>O/N</u>
Hole Size	<u>14 3/4"</u>		<u>9 7/8"</u>		<u>6 3/4"</u>	
Pipe Size	<u>10 3/4"</u>	<u>N</u>	<u>7 5/8"</u>	<u>N</u>	<u>5 1/2"</u>	<u>N</u>
Grade	<u>J55 ST&C</u>		<u>S-95 LT&C</u>		<u>P-110 FL4S</u>	
Weight	<u>40.5#</u>		<u>26.4# & 29.7#</u>		<u>20#</u>	
Depth	<u>2000'</u>		<u>10,400'</u>		<u>13,400'</u>	
Cement	<u>950 sks</u>		<u>800 sks</u>		<u>1,000 sks</u>	
Time WOC	<u>12 hrs.</u>		<u>24 hrs.</u>		<u>24 hrs.</u>	
Casing Test	<u>3000#</u>		<u>5000#</u>		<u>5000#</u>	
BOP #1	<u>1-10 Series</u>	<u>900</u>	<u>Shaffer Doublegate</u>			
Remarks #2	<u>1-10 Series</u>	<u>900</u>	<u>Hydrill</u>			

2. Mud Program

<u>Depth Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Water Loss</u>
<u>Surface to 8,500'</u>	<u>H₂O / Gel</u>	<u>8.5#</u>	<u>30/35</u>	
<u>8,500' to 10,400'</u>	<u>Low Solids</u>	<u>9 5#</u>	<u>32/38</u>	
<u>10,400' to 13,400'</u>	<u>Low Solids</u>	<u>12 5#</u>	<u>35/42</u>	
	<u>w/barite for weight control</u>			

3. Logging Program

Surface/Depth 1 Run Dual Ind. - SFL, 2000-10,400', Full Wave Sonic 5,000 - 10,400'
 Intermediate Depth Dual Ind. - SFL, Full Wave SOnic, Comp. Neut.-Form. Dens, 10,400-13,400'
 Oil Srting Depth _____
 Total Depth _____

4. Mud Logging Unit

DRILLING PROCEDURE

Field BLUEBELL Well Quinex Energy Corp. Horrocks-Sandy 2-25A1E

Location 760' FNL & 889' FWL, Section 25, Township 1 South, Range 1 East, USM

Drill X Deepen _____ Elevation: GR 5360' KB 5381' Total Depth 13,400'

Non-Oper. Interests _____

1. Casing Program (O = Old N = New)

	<u>Surface</u>	<u>O/N</u>	<u>Intermediate</u>	<u>O/N</u>	<u>Oil String/Liner</u>	<u>O/N</u>
Hole Size	<u>14 3/4"</u>		<u>9 7/8"</u>		<u>6 3/4"</u>	
Pipe Size	<u>10 3/4"</u>	<u>N</u>	<u>7 5/8"</u>	<u>N</u>	<u>5 1/2"</u>	<u>N</u>
Grade	<u>J55 ST&C</u>		<u>S-95 LT&C</u>		<u>P-110 FL4S</u>	
Weight	<u>40.5#</u>		<u>26.4# & 29.7#</u>		<u>20#</u>	
Depth	<u>2000'</u>		<u>10,400'</u>		<u>13,400'</u>	
Cement	<u>950 sks</u>		<u>800 sks</u>		<u>1,000 sks</u>	
Time WOC	<u>12 hrs.</u>		<u>24 hrs.</u>		<u>24 hrs.</u>	
Casing Test	<u>3000#</u>		<u>5000#</u>		<u>5000#</u>	
BOP #1	<u>1-10 Series</u>	<u>900</u>	<u>Shaffer Doublegate</u>			
Remarks #2	<u>1-10 Series</u>	<u>900</u>	<u>Hydrill</u>			

2. Mud Program

<u>Depth Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Water Loss</u>
<u>Surface to 8,500'</u>	<u>H₂O / Gel</u>	<u>8.5#</u>	<u>30/35</u>	
<u>8,500' to 10,400'</u>	<u>Low Solids</u>	<u>9.5#</u>	<u>32/38</u>	
<u>10,400' to 13,400'</u>	<u>Low Solids</u> <u>w/barite for weight control.</u>	<u>12.5#</u>	<u>35/42</u>	

3. Logging Program

Surface/Depth 1 Run Dual Ind. - SFL, 2000-10,400', Full Wave Sonic 5,000 - 10,400'

Intermediate Depth Dual Ind. - SFL, Full Wave Sonic, Comp. Neut.-Form. Dens. 10,400-13,400'

Oil String Depth _____

Total Depth _____

4. Mud Logging Unit

Scales: 5" = 100' to 5,000-13,400' . _____ to _____

5. Coring & Testing Program

Core _____ DST _____ Formation _____ Approx. Depth _____ Length _____

Core _____ DST _____ No cores or DST's planned _____

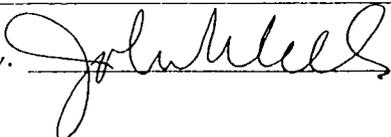
6. Objectives & Significant Tops: Objectives: Tertiary Wasatch, Wasatch Transition and Green River Formations

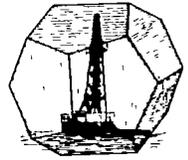
<u>Formation or Zone</u>	<u>Approx. Depth</u>	<u>Formation or Zone</u>	<u>Approx. Depth</u>
<u>Uinta Formation</u>	<u>2380'</u>		
<u>Green River Formation</u>	<u>5580'</u>		
<u>Wasatch Transition</u>	<u>9250'</u>		
<u>Wasatch Formation</u>	<u>9600'</u>		
<u>Wasatch "B" marker</u>	<u>12,630'</u>		

7. Anticipated Bottom Hole Pressure: 5,000 PSI

8. Completion & Remarks: A completion prognosis will be prepared based on an evaluation of the geological and engineering data obtained during the drilling and logging of the Horrocks-Sandy 2-25 A1E well.

Compiled By: DeForrest Smouse

Approved By: 



QUINEX ENERGY CORPORATION

465 South 200 West • Suite 300 • Bountiful, Utah 84010 • (801) 292-3800 • FAX (801) 295-5858

November 25, 1992

Division Oil, Gas & Mining
355 West North Temple
} Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Re: Horrocks-Sandy #2-25A1E
NW1/4, NW1/4, Sec 25
Utah County, Utah

Gentlemen:

Quinex Energy expects to test BOP's, Hydrill and Pipe Rams daily, after installation during drilling of the above referenced well.

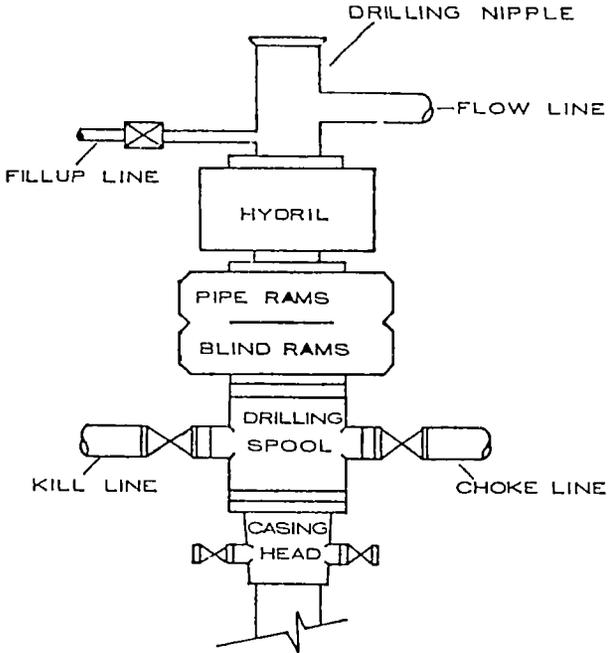
Sincerely,

QUINEX ENERGY CORPORATION

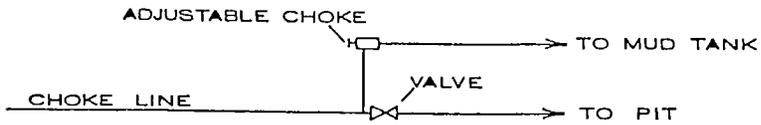

DeForrest Smouse, PhD
Vice President

DFS/sp

BOP STACK



CHOKE MANIFOLD



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

DATE RECEIVED: 11/24/92

OPERATOR: QUINEX ENERGY CORPORATION
WELL NAME: HORROCKS-SANDY 2-25A1E

OPERATOR ACCT NO: N- 9195

API NO. ASSIGNED: 43-247-30411

LEASE TYPE: FEE LEASE NO: 411
LOCATION: NWN 25 - T01S - R01E UINTAH COUNTY
FIELD: BLUEBELL FIELD CODE: 2115

RECEIVED AND/OR REVIEWED:	LOCATION AND SITING:
<input checked="" type="checkbox"/> Plat	<input type="checkbox"/> R649-2-3. Unit: _____
<input checked="" type="checkbox"/> Bond (Number <u>81,000 3F51817377</u>)	<input type="checkbox"/> R649-3-2. General.
<input checked="" type="checkbox"/> Potash (Y/N)	<input type="checkbox"/> R649-3-3. Exception.
<input checked="" type="checkbox"/> Oil shale (Y/N)	<input checked="" type="checkbox"/> Drilling Unit.
<input checked="" type="checkbox"/> Water permit (Number <u>17 permit #</u>)	Board Cause no: <u>139 40</u>
<input checked="" type="checkbox"/> RDCC Review (Y/N)	Date: <u>4 17 85</u>
(Date: _____)	

COMMENTS: _____

inside 11-25-92 / history number 10 14 92

STIPULATIONS: _____

1. water permit
2. Au stip
3. Surface Owner Agreement
- cc: Uintah county assessor
4. Pit to be examined for liner prior to the introduction of fluid.
5. Burn location to prevent runoff from the ^{location} ~~pit~~.
6. Divert all drainage around the location.
7. Use ^{a sufficient volume of} cement to ^{ensure that the} ~~fill~~ ^{pressure} TOC behind 75' ^{at least} ~~at~~ ^{at least} \$5360!



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangert
Governor
Dex C. Hansell
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center Suite 350
Salt Lake City, Utah 84103 1203
801 538 5340

December 15, 1992

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

Gentlemen,

Re: Horrocks-Sandy #2-25A1E Well, 760 feet from the north line, 889 feet from the west line, NW 1/4 NW 1/4, Section 25, Township 1 South, Range 1 East, Uintah County, Utah

Pursuant to Utah Code Ann. § 40-6-6, (1953, as amended) and the order issued by the Board of Oil, Gas and Mining in Cause No. 139-42 dated April 12, 1985, approval to drill the referenced well is hereby granted.

In addition, the following specific actions are necessary to fully comply with this approval:

1. Submittal to the division of evidence providing assurance of an adequate and approved supply of water as required by Utah Code Ann. § 73-3, Appropriations, prior to commencing drilling operations.
2. Quinex Energy Corporation, as designated operator, is the bonded principal in reference to this Application for Permit to Drill. Should this designation change or a transfer of ownership occur, liability will remain with the designated operator until the division is notified by letter of a new bonded principal.
3. Pursuant to Utah Admin. R. 649-3-34 Well Site Restoration, an operator shall make a reasonable effort to establish surface use agreements with the owners of the land included in the wellsite prior to the commencement of drilling a new well, reentering an abandoned well or assuming operatorship of an existing well on fee or private surface. Accordingly, Quinex Energy Corporation shall submit to the division a copy of its surface use agreement.

or in the alternative, an affidavit stating whether appropriate surface use agreements have been established with and approved by the surface landowners of the well site

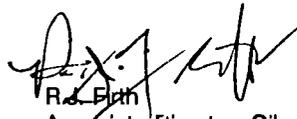
- 4 Pit to be examined for liner prior to the introduction of fluid
- 5 Berm location as necessary to prevent runoff from the location.
6. Divert all drainages around the location.
7. Use a sufficient volume of cement to assure that the TOC behind 7 5/8" casing is at least at 5360'.
8. Compliance with the requirements of Utah Admin. R 649-1 et seq., Oil and Gas Conservation General Rules.
9. Notification within 24 hours after drilling operations commence.
10. Submittal of Entity Action Form, Form 6, within five working days following commencement of drilling operations and whenever a change in operations or interests necessitates an entity status change.
11. Submittal of the Report of Water Encountered During Drilling, Form 7
12. Prompt notification prior to commencing operations, if necessary, to plug and abandon the well. Notify Frank R Matthews, Petroleum Engineer, (Office) (801)538-5340, (Home) (801)476-8613, or R J. Firth, Associate Director, (Home) (801)571-6068
- 13 Compliance with the requirements of Utah Admin R 649-3-20, Gas Flaring or Venting, if the well is completed for production

Trash and sanitary waste should be properly contained and transported to approved disposal locations, not retained in or disposed of in pits on location or downhole. Prior to the commencement of drilling operations, the operator should consult the local/county sanitarian and/or the Department of Environmental Quality, Division of Drinking Water/Sanitation, regarding appropriate disposal of sanitary waste

Page 3
Quinex Energy Corporation
Horrocks-Sandy #2-25A1E Well
December 15, 1992

This approval shall expire one year after date of issuance unless substantial and continuous operation is underway or a request for an extension is made prior to the approval expiration date. The API number assigned to this well is 43-047-32416.

Sincerely,

A handwritten signature in black ink, appearing to read "R. J. Elth". The signature is stylized and somewhat cursive.

R. J. Elth
Associate Director, Oil and Gas

ldc
Enclosures
cc: Bureau of Land Management
 Uintah County Assessor
 J.L. Thompson
WO11

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

<p>SUNDRY NOTICES AND REPORTS ON WELLS (Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT" for such proposals.)</p>		<p>5. LEASE DESIGNATION AND SERIAL NO. FEE</p> <p>6. IF INDIAN, ALLOTTEE OR TRIBE NAME</p> <p>7. UNIT AGREEMENT NAME</p> <p>8. FARM OR LEASE NAME FEE</p> <p>9. WELL NO. HORROCKS-SANDY 2-25A1E</p> <p>10. FIELD AND POOL, OR WILDCAT BLUEBELL</p> <p>11. SEC. T. R. M. OR BLK. AND SURVEY OR AREA NW 1/4, NW 1/4, Sec. 25, T. 1 S., R. 1 E.</p> <p>12. COUNTY OR PARISH 13. STATE Utah Utah</p>
<p>1. <input type="checkbox"/> OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER</p>		
<p>2. NAME OF OPERATOR QUINEX ENERGY CORPORATION</p>		
<p>3. ADDRESS OF OPERATOR 465 South 200 West, #300, Bountiful, Utah 84010</p>		
<p>4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 760' FNL, 889' FWL, Sec. 25, T. 1 S, R. 1 E, USM</p>		
<p>14. API NUMBER 43-047-32416</p>	<p>15. ELEVATIONS (Show whether of, at, or, etc.) GR-5360'</p>	

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SMOOTHING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	
(Other) <input type="checkbox"/>			

(Note: Report results of multiple completion or Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Quinex Energy Corporation requests a 1 year extension on the APD (Application for Drilling) on the above well.

APPROVED BY THE STATE
OF UTAH
11/12/93
[Signature]

RECEIVED
NOV 09 1993
DIVISION OF
OIL, GAS & MINING

18. I hereby certify that the foregoing is true and correct

SIGNED <u><i>[Signature]</i></u>	TITLE <u>President</u>	DATE <u>8 November 1993</u>
(This space for Federal or State office use)		
APPROVED BY _____	TITLE _____	DATE _____
CONDITIONS OF APPROVAL, IF ANY:		