Form 3160-3
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
FEB 03 2003
DIV. OF OIL, GAS & MINING

001 APPLICATION FOR PERMIT TO DRILL OR REENTER

Certification: I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route; that I am familiar with the conditions which recently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the proposed operations herein will be performed by Pendragon Energy Partners, Inc., its contractors and subcontractors, Pendragon Energy Partners, Inc. will operate the lease under Flood & Peterson Federal Bond UT1167. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

5. Lease Serial No.
UTU74836

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA Agreement, Name and No.
N/A

8. Lease Name and Well No.
Federal No. 5-20-10-18

9. API Well No.
43-047-33245

10. Field and Pool, or Exploratory
Uteland Butte

11. Sec., T., R., M. or Blk. and Survey or Area
Sec. 20, T10S, 18E, SLB&M
SW NW

1a. Type of Work: [X] DRILL [ ] REENTER

1b. Type of Well: [X] Oil Well [ ] Gas Well [ ] Other [ ] Single Zone [ ] Multiple Zone

2. Name Of Operator
Pendragon Energy Partners, Inc.

3a. Address
621 17th Street, Suite 750, Denver CO 80293

3 b. Phone No. (include area code)
303 296 9402

4. Location of Well (Report location clearly & in accordance w/State requirments*)

At Surface **2147' FNL 720' FWL, Sec 20** 4420415 Y 39.93075
591950 X -109.92392

At proposed prod zone

14. Distance in miles and direction from nearest town or post office *
See Topo Map "A" (Attached)

12. County or Parish
Uintah

13. State
Utah

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

16. No. of Acres in lease
640

17. Spacing Unit dedicated to this well
40

18. Distance from proprosed location to nearest well drilling, completed, applied for in this lease, ft.
-

19. Proposed Depth
4,900'

20. BLM/BIA Bond No. on file
UT1167

21. Elevations (Show whether D, KDB, RT, GL etc,)
5,365' GR

22. Approximate date work will start*
ASAP

23. Estimated Duration
60 days

24. Attachments

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

1. Well plat certified by a registered surveyor. **Uintah Engineering-attached**
2. A Drilling Plan **Exhibit B**
3. A Surface Use Plan (if the location is on National forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see item 20 above). **UT1167**
5. Operator certification. **See Surface Use Plan**
6. Such other site specific information and/or plans as may be required by the authorized officer. **See Exhibits (attached)**

25. Signature — Name (Printed /Typed) **John Luchetta** — Date **12-31-02**

Title **Agent**

Approved by (Signature) — Name (Printed/Typed) **BRADLEY G. HILL** — Date 02-05-03

Title — Office **ENVIRONMENTAL SCIENTIST III**

Federal Approval of this Action is Necessary

Application approval does not warrant or certify 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.

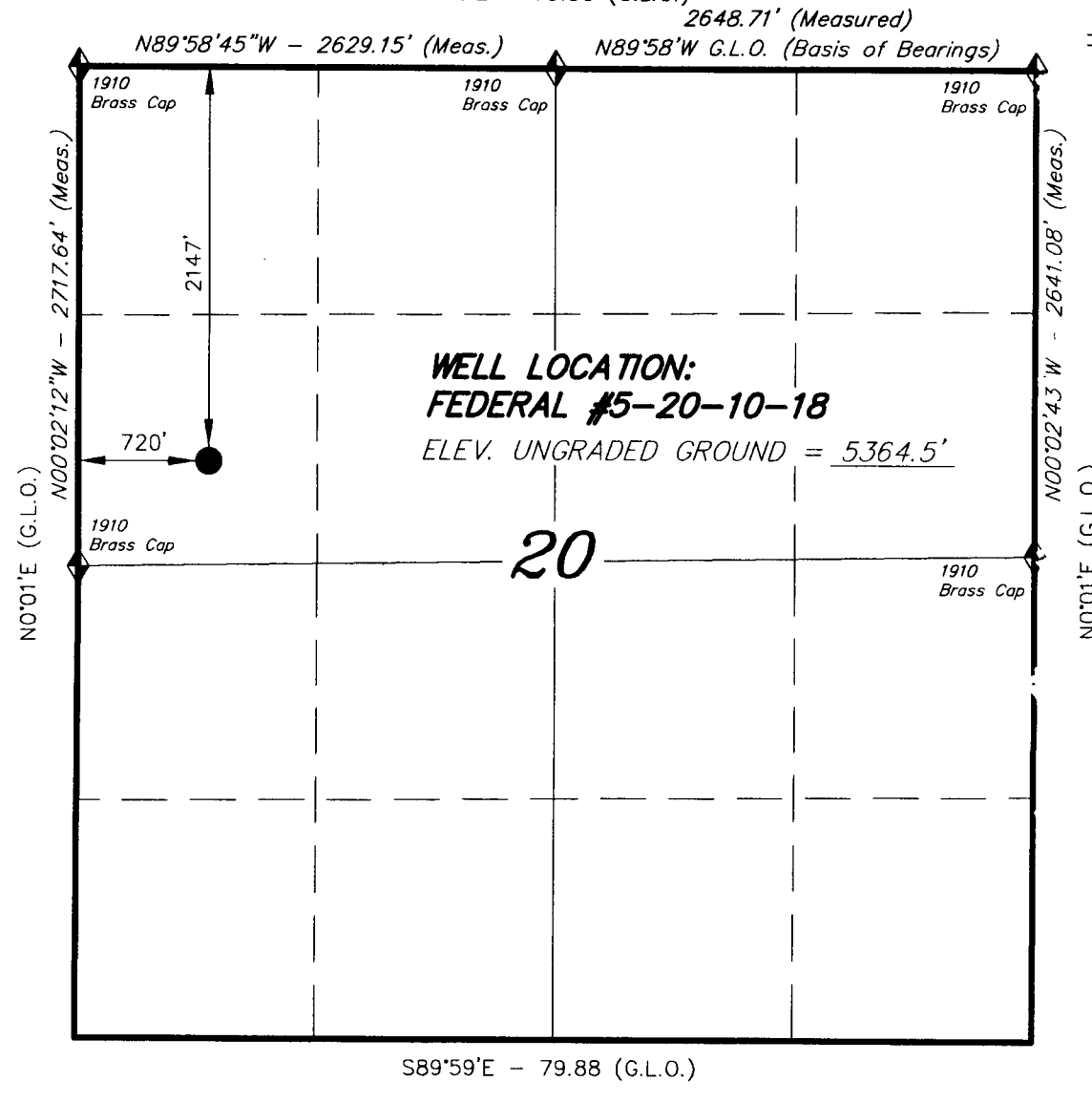
* Instructions on reverse side

Exhibits:

A: Survey Plat	D: 13 Point Surface Use	G: Rig & Layout	K1 Facilities
B: 10-Point Plan	E: Topo Map A	G2:Cut & Fill Diagram	K2 Facilities
C: BOP Diagram	E2:Topo Map B	H: Existing Well Map	
	F: Location Layout	K: Cultural report (To Follow)	

Exhibit A

T10S, R18E, S.L.B.&M.



PENDRAGON ENERGY PARTNERS, INC.

WELL LOCATION, FEDERAL #5-20-10-18, LOCATED AS SHOWN IN THE SW 1/4 NW 1/4 OF SECTION 20, T10S, R18E, S.L.B.&M. UINTAH COUNTY, UTAH.

N

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.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 189377
STATE OF UTAH

REGISTERED LAND SURVEYOR
No. 189377
STACY W. STEWART
STATE OF UTAH

◆ = SECTION CORNERS LOCATED

BASIS OF ELEV; U.S.G.S.
7-1/2 min QUAD (CROW KNOLL)

FEDERAL #5-20-10-18 (NAD 83)
LATITUDE = 39° 55' 50.96"
LONGITUDE = 109° 55' 27.02"

TRI STATE LAND SURVEYING & CONSULTING
38 WEST 100 NORTH – VERNAL, UTAH 84078
(435) 781-2501

SCALE: 1" = 1000'	SURVEYED BY: D.J.S.
DATE: 12-4-02	DRAWN BY: R.V.C.
NOTES:	FILE #

EXHIBIT "B"
PROPOSED DRILLING PROGRAM

002

ONSHORE ORDER NO.1
Pendragon Energy Partners, Inc.
Desert Spring Federal #5-20-10-18
SW-NW Sec 20 -T10S - R18E SLB & M
Uintah County, Utah

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 a manner so that full compliance is made with the applicable laws, regulations (CFR 43, Part 3160) and the approved Application for Permit to Drill. The operator assumes full responsibility for the actions of its contractors and subcontractors. A copy of the approved APD will be on location during construction, drilling and completion operations.

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

1. ESTIMATED FORMATION TOPS : (Elevation – 5365

FORMATION	DRILLED (ft)	SUBSEA	PORE PRESSURE (psi/ft)
Green River	1,485	+3,880	Normal
Wasatch Tongue of Green River	4,785	+ 580	Normal
Total Depth	5,000	+ 230	Normal

* Offset pressure data supports pore pressure gradient @ 0.42 psi/ft.

2. ESTIMATED DEPTH OF OIL, GAS, WATER OR OTHER MINERALS:		
SUBSTANCE	FORMATION	DEPTH (ft)
Water	None anticipated	
Gas	None	
Oil	Green River	4,785 – 4,900

3. PRESSURE CONTROL EQUIPMENT & SPECIFICATIONS:

- **Anticipated maximum surface shut-in pressure gradient:**

  . **Ps = BHP – (0.22 * 4,900) = (0.42 * 4,900) - (0.22 * 4,900) = 980 psi.**

  . **If a pressure anomaly occurs, API pressure control methods will be immediately imposed.**

  . **Drilling fluid density materials will be available on location.**

  . **Poison gas is not known to exist in the area.**

- **<u>BOP EQUIPMENT</u>: (See Exhibit "C")**

  . **Type: Nominal 10" hydraulic double ram, 2,000 psi working pressure.**

  . **Ram type preventers shall be installed after the prescribed WOC time has expired. The casing will be cut off and a weld-on companion flange fastened.**

  . **Pipe & blank rams will be used.**

  . **The BOP will be inspected, operated daily and on trips with the drill string. All tests will be recorded on the daily drilling log.**

- **<u>CHOKE MANIFOLD EQUIPMENT</u>: (See Exhibit "C")**

  . **The hydraulic closing unit will be located @ least 100' upwind from the BOP stack.**

  . **A remote BOP closing unit will be positioned near the driller's operating station.**

. Burst pressure rating – 2,000 psi.

. The choke manifold, BOP extension rods and hand wheels will be located outside the substructure.

. The kill line will be 2" nominal rated @ 2,000 psi.

- BOP TESTING:

. Upon installation.

. If any seal subject to pressure is broken.

. Every 30 days if drilling operations continue beyond anticipated 10 days.

. A test plug will not be used since testing can be accomplished w/o exposing surface casing to excess pressures (70% of internal yield).

4. TEST PRESSURES AND OTHER SPECIFICATIONS ANTICIPATED:

UNIT	PROPOSED TEST PRESSURE (psi)
Pipe rams	2,000
Blind rams	2,000
Manifold	2,000
Surface casing	1,500 (or .70 x rated burst)
Floor valve	2,000
Annular	2,000

. Upper & lower kelly cock will be maintained in the drill string.

. Drill string float will not be used.

. The floor valve will be available in the open position @ all times and will be operated daily.

. BLM agent will be notified at least 24 hours before all BOP tests.

. BOP & pressure control drills will be conducted.

5. PROPOSED CASING & CEMENTING PROGRAM:								
PROPOSED CASING	HOLE SIZE	CASING SIZE	TOP OF SECTION (ft)	SECTION LENGTH (ft)	PHYSICAL DATA	Pressure Rating (psi) Burst	Collapse	Cement Top
Conductor	17 ½"	16"	0	60	Steel			If needed
Surface	12 ¼"	8 5/8"	0	250	24# J55 STC	2,950	2,210	Surface
Production	7 7/8"	5 ½"	0	5,000'	15.5# J55 STC	4,800	4,040	NA

Note: All casing will be new.

- CASING SPECIFICATIONS AND CONDITIONS:

. Stage cementing is not anticipated.

. The production casing will be tested @ 2,000 psi or 70% of minimum yield for a period of 30 minutes with not more than 10% drop.

. Formation Pore Pressure (from offset pressure data) -- 0.420 psi/ft.

. Formation Fracturing Gradient ---------- 0.700 psi/ft.

. Mud Density (Max lbs/gal) ---------- 9 ppg @ 5,000'.

. Collapse ---------- 1.120.

. Burst ---------- 1.000.

. Tension ---------- ---------- 1.800.

. Casing joints will be torqued according to API standards.

. Three centralizers will be placed on collars of the bottom 3 joints (Surface and Intermediate casing).

. A centralizer will be placed on each collar through production zones and every joint 300' above and below production zones (Production casing).

- CEMENTING PROGRAM:

. CONDUCTOR CASING: Cement to surface w/ ready mix.

. SURFACE CASING: Cement to surface w/150 cuft "Lite" tailed w/100 cuft premium.

. PRODUCTION CASING: Will be cemented from TD to 600' above the water sand @ approximately 3,500' (or as indicated by logs). zone. Volume of cement will be determined from caliper log.

6. PROPOSED DRILLING FLUID SPECIFICATIONS:					
DEPTH INTERVAL	TYPE	DENSITY Lbs/gal	VISCOSITY	FLUID LOSS	MAKE UP WATER
0 - 250'	Gel	8.7 – 9.0	26-40	NC	Fresh
250' - TD	Gel	8.4 – 9.0	26-50	NC	KCl Water

- OTHER DRILLING FLUID SPECIFICATIONS AND CONDITIONS:

. LCM will be present on location @ all times during drilling.

. Fluids parameters to be measured daily - density, viscosity, fluid loss, pH, solids, chlorides, bicarbonate and carbonates.

. Concentration of hazardous substances in the reserve pit will not exceed standards set forth in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA).

. Oil & gas related CERCLA hazardous waste substances will be removed from location and will be disposed of according to EPA approved methods.

7. EVALUATION OF OPERATIONS WHILE DRILLING:

- MUD MONITORING SYSTEMS (Swaco):

. Pit level indicator, flow sensor w/alarms, PVT and stroke counter will not be used.

. A trip tank will not be used.

. Gas detection equipment (mud logger) will not be used.

. A mud-gas separator will not be used.

- DRILL STEM TESTS: None anticipated.

  . If it becomes necessary to conduct a drill stem test, initial opening of the test will be restricted to daylight hours.

  . If a test is initiated during daylight hours, it will be allowed to continue assuming OSHA considerations are strictly met.

  . The DST string will not be pulled out of the hole after dark unless recovered fluids have first been reverse circulated to a suitable closed steel tank placed at least 100' down wind from the wellhead.

  . Smoking will not be allowed on the rig floor or within 100' upwind from the rig floor during test operations.

  . Only rig engines will be allowed to run during testing. All others will be moved at least 100' upwind from the rig floor.

- LOGGING PROGRAM:

  . The following open hole logs are anticipated:

  Run #1 @ TD

  (1) GR - DLL ---------- TD to base of Surface casing.

  (2) CNL - Density – Caliper --- TD to 3,500' (Or minimum run).

  . The following cased hole logs are anticipated:

  (1) GR-CCL ---------- PBTD to 500' above the pay zone.

  (2) CBL (Cement Bond Log) ---------- PBTD to cement top.

- SAMPLING PROGRAM:

  . 250 to +/- 4,000' ---------- 30' samples will be collected.
  . 4,000' to TD ----------10' samples may be collected as necessary.

  CORING: Not anticipated.

8. ANTICIPATED PORE PRESSURES & HAZARDOUS MATERIALS:

- PORE PRESSURE:
  - In the surface hole – normal to subnormal pressures are anticipated.
  - In the Green River – normal to subnormal pore pressures are anticipated (0.420 psi per ft.).
- HAZARDOUS MATERIALS: None anticipated.

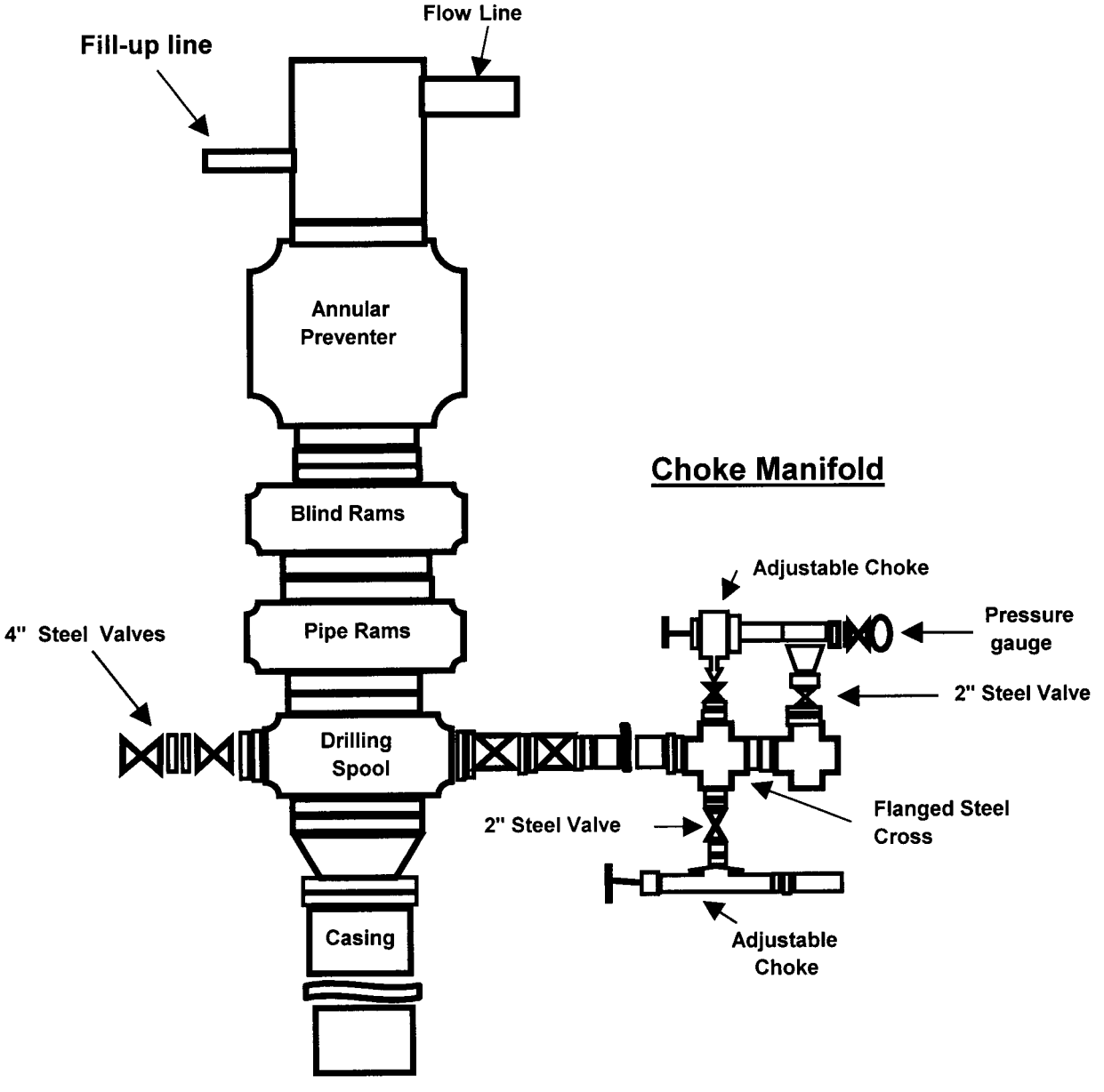
9. OTHER INFORMATION, NOTIFICATION & REPORTING:

OPERATION	DATE OR ANTICIPATED TIME
Proposed start time	Feb 1, 2003
Drill pad & road construction time	2 - 4 days
Drilling operations & formation evaluation	8 – 10 days
Completion & testing time	5 – 10 days
Facilities installation	5 – 10 days
Initial restoration start time	180 days or as weather permits
Final restoration time	5 - 10 days

- INFORMATION & REPORTING PLAN:
  - DRILLERS LOG:
    - BOP, manifold, casing pressure tests - as done.
    - BOP mechanical test – as done.
    - Blowout prevention drills – as done.
    - Casing installation & cementing – as done.
    - WOC time – as done.
    - Incidents of lost circulation or pressure anomalies – as occurs.
  - REGULATORY REPORTING :
    - Notification of location construction - 24 hours prior to start up.
    - Notification of spud – prior to spud and/or within 48 hours after.

- Notification of BOP test – at least 24 hours prior to testing.
- P&A - the Vernal Resource Office will be contacted prior to plugging .
- Form 3160-4 - monthly.
- Form 3160-5 - within 30 days after P&A or completion of the well.
- Facilities diagram – as required by CFR 43 Part 3162.7-2 and 3162.7-4.
- Undesirable events will be reported as specified in NTL-3A. Major events will be reported verbally within 24 hours. Minor events will be reported within 15 days. Other events will be reported in the monthly report of operations.

Exhibit C



BOP and Manifold

Specificatons meet 43 CFR, Parts 3160
Design Series 600, 2000 psi rating

EXHIBIT "D"
PROPOSED SURFACE USE PROGRAM

ONSHORE ORDER NO. 1
PENDRAGON ENERGY PARTNERS, INC.
DESERT SPRING FEDERAL #5-20-10-18,SW NW Sec 20-T10S-R18E
Uintah County, Utah

- SURFACE OWNER (BLM)
- SURFACE LOCATION: (See Exhibit "A"). SW NW Sec 20-T10S-R18E.
- Distance : 26.7 miles from Myton, Utah (See Exhibits "E").
- Directions to location: South from Myton 12.5 miles to Castle Peak then 6.8 miles to Sheep Creek then 4.7 miles to Spring wash then 2.7 miles to lease road, then left on lease road 0.2 mile'.

1. EXISTING ACCESS ROADS: (See maps "A" (Exhibit B) & "B" (Exhibit C)

- All existing access roads will be maintained as is with repairs or maintenance as needed.
- No improvements or changes to existing roads are anticipated.
- Map "A" is the vicinity map showing access routes from Myton, Utah.
- Topo Map "B" shows the proposed access road to the pad.
- Occasional maintenance blading and storm repairs will keep roads in good condition.
- There shall be no mud blading on the access road. Vehicles may be towed through the mud provided they stay on the roadway.
- All road construction and maintenance will conform to standards identified in "Surface Operating Standards for Oil and Gas Exploration and Development" (Gold Book) U.S. Department of the Interior-BLM and U.S. Department of Agriculture-Forest Service; January 1989.

2. ACCESS ROADS TO BE CONSTRUCTED:

- **Road Specifications For Drilling Operations:**

  . Approximately 1,055' of new road construction will be required.

  . Width – maximum 30-feet overall right-of-way with an 18-foot running crown & ditched and/or sloped and dipped.

  . Construction standard – the access road will be constructed to standards normal to the area with anticipated traffic flow and weather requirements considered. Ditching, crowning, capping, sloping, and dipping will be done to provide a safe roadway.

  . Off-road travel of the 30 foot right-of-way will not be allowed.

  . Road drainage crossings – will be designed so they will not cause siltation or the accumulation of debris. Erosion will be prevented by properly designed cutouts.

  . Upgrading – will not be allowed during muddy conditions. Mud holes will be repaired as they occur.

  . Maximum grade – will be less than 8%.

  . Drainage design – as stated above.

  . Turnouts – none anticipated.

  . Culverts – none anticipated.

  . Surface materials – any materials if required will be purchased from a local supplier having a permitted source.

  . Gates, cattle guards or fence cuts – none required.

  . The proposed access road has been centerline flagged.

- Dust will be controlled on the roads and location by periodic watering.

- A road design plan will be submitted upon completion for production.

3. EXISTING WELLS WITHIN 1 MILE:

- Locations ---------- None
- Water wells ---------- None.
- Disposal wells ---------- None.
- Drilling ---------- None.
- Producing wells ---------- Three (Federal #20-1, #16-19 & #3-29 See Exhibit J).
- Injection ---------- None.
- Dry holes ---------- None.
- Gas Wells ---------- None.

LOCATION OF EXISTING PRODUCTION FACILITIES.

- Existing Facilities: (See Exhibits J, J1, K & L)
  - Tank batteries ---------- Exhibits J, K1 & K2.
  - Production facilities ---------- Exhibits J, K1 & K2.
  - Gathering lines ---------- Exhibits J, K1 & K2.
  - Injection or disposal lines ---------- None.

- **Proposed new facilities to be installed:**

  - **A facilities diagram will be provided in the event oil production is established and will outline the following:**

    a. **Proposed location and attendant lines – will be flagged if off the well pad.**

    b. **Dimensions of the layout.**

    c. **Construction methods and materials.**

    d. **Protective measures and devices to protect livestock and wildlife.**

    e. **Pipelines – will be buried a minimum of 3-feet except at road crossings which will be buried 4-feet.**

    f. **Road and pipeline will be restricted to 50-feet of disturbance. Vehicular travel will be restricted to that necessary to service drips and the need to use valves.**

    g. **Only native materials will be used. If necessary appropriate materials will be purchased from private or commercial sources.**

    h. **A dike to contain the volume of the largest tank + 10% will be constructed around the facility.**

    i. **All above ground facilities will be painted a flat non-reflective, earthtone color (Carlsbad Canyon – 2.5Y 6/2) as determine by the Five State Rocky Mountain Interagency Committee within six months of installation except where OSHA regulations require safety approved colors.**

4. LOCATION OF WATER SUPPLY TYPE & OWNERSHIP:

Owner: Water source: Spring. Nebeker Trucking. Permit #43-1723.

Location: Sec 34 T3S-R2W, USM.

Method of transportation: Trucking operated by Nebeker Trucking, Permit No. 43-1721.

6. SOURCE OF CONSTRUCTION MATERIALS:

- No construction materials are anticipated for drilling operations.
- If commercial production is indicated small amounts of gravel materials will be trucked from local gravel pits over existing roads.
- No materials from Indian or federal lands will be disturbed.

7. METHODS FOR HANDLING WASTE DISPOSAL:

- Drilling fluids – including salts and chemicals will be contained in the reserve pit. Upon termination of drilling and completion operations, liquid contents of the reserve pit will be removed and disposed of in an approved disposal facility within 90 days. In the event adverse weather conditions prevent removal of the fluids from the reserve pit within this time period, an extension may be granted by the Authorized Officer upon receipt of a written request.
- The reserve pit will be constructed to prevent any discharge to the surroundings or underlying formations. If necessary the pit will be lined with a 12 mil plastic liner.
- Produced fluids:

  . Liquid hydrocarbon produced during completion operations will be placed in test tanks on location and transferred to the production facility when it is ready for use. After completion and testing operations are complete production will be routed through buried pipelines to be processed in the newly constructed facility

  . Waste water produced into a test tank or the reserve pit during completion and testing operations will be removed to an approved disposal facility within 90 days. In accordance with Onshore Order #7 an application for a permanent disposal method and site will be submitted for the Authorized Officer's approval.

  . Spills of oil, gas, salt water or other noxious fluids will be immediately removed to an approved disposal site.

. Used motor oil will be stored in closed containers and disposed of at an authorized disposal site.

. Trash pit will be constructed and totally enclosed with fine mesh wire to prevent scatter. No trash will be directed to the reserve pit. The contents of the pit will be disposed of in a WDEQ approved sanitary landfill.

. Test tanks will be moved in if such becomes necessary for an impending drill stem test or during completion testing.

. Steel drilling fluids tanks will be part of rotary drilling equipment (approximately 1,000 bbl capacity).

. Flare pit will be located a minimum of 120' down wind from the well bore if needed.

. Human wastes will be contained in portable chemical toilets. Upon completion of operations, the holding tanks will be removed by the sanitation contractor. Disposal will be in conformance with Utah Department of Environmental Quality (UDEQ).

. Drill cuttings will be transferred over shale shaker equipment to the reserve pit. After drilling and completion operations are completed, excess liquids will be removed to disposal and drill cuttings will be buried in the reserve pit per approved pit restoration procedures.

. Garbage and trash collected in the trash pit during restoration proceedings will be removed to an approved disposal facility.

. Sewage collection units installed prior to drilling start up will be serviced daily.

. Hazardous materials the operator will comply with all applicable Federal laws and regulations existing or hereafter enacted. EPA's consolidated list of chemicals is subject to reporting under Title III of the Superfund amendments and Re-authorization Act (SARA) of 1986, as identified (EPA's list of extremely hazardous substances as defined in 40 CFR 355, as amended). Substances that may be used in the project are as follows:

USE	CHEMICAL	CAT (2)	EHC (3)
Stimulation	Acid	None	None
Mud	AlSi	None	None
Mud	BaSo4	None	None
Mud	CaOH	None	None
Increase vis	HMW add	None	None
Cement	Insol Ca Salt	None	None
Mud	Caustic	None	None
Mud/Cement	None	None	None
Mud/Cement	None	None	None
Mud/Cement	None	None	None
Set casing	Lime	None	None
Thinner	None	None	None
Mud	None	None	None
Fuel	Benzene	RCRA	None
Mud	None	None	None
None	None	None	None
Mud/Cement	None	None	None
Mud	None	None	None
Mud	None	Fiber	None
Mud	Ca	None	None
Mud (LCM)	Fiber	None	None
Lubricant	Zinc	None	None
Fuel	None	None	None
None	None	None	None
Maintenance	Lead	Fine Min	None
Mud	None	None	None
Mud (LCM)	Fiber	None	None

8. ANCILLARY FACILITIES:

- Airstrips: None
- Camp: Two portable units will be on location:

    1. Toolpusher's living quarters.
    2. Company supervisor's living quarters.

9. WELL SITE LAYOUT: (See Exhibit "G")

- Location orientation:

  . Top soil: Approximately 6 inches will be stripped from the surface including areas of cut and fill. Topsoil and subsoil will be stockpiled for future reclamation requirements. The stockpiles will be seeded as required by the BLM.

  . Location Size: 170' x 290'.

  . Reserve pit size: 110' x 50' x 8'.

  . Pit liner – 12 mm plastic if needed.

  . Pit fencing: Three sides will be fenced prior to drilling . The fourth side will be fenced after drilling equipment is removed from the well site. Fencing materials will consist of 39-inch wire with at least one strand of barbed wire on top of the net wire placed no more than 3-inches above the net wire. The net wire will be no more than 3-inches above the ground. Corner posts will be cemented and braced to impose a tight fence. Standard steel, wood or pipe posts will be placed on 16' centers. All wire will be stretched with a stretching devise.

- Rig layout: (See Exhibit "E").

  . Exhibit "E" is a typical layout for 5,000' well drilling in the area.

- Production facilities:

  . A diagram showing proposed production facilities will be submitted to the Authorized Officer via Sundry Notice (Form 3160-5) after completion and testing is finished.

10. PLANS FOR RECLAMATION OF THE SURFACE:

- Due to drilling and completion:

  . The rat hole, and mouse hole will be filled and compacted from bottom to top immediately upon release of the drilling rig.

. Floating hydrocarbons etc will be removed as soon as possible after drilling operations are complete in accordance with 43 CFR 3162.7-1.

. Drill cuttings and mud will remain in the reserve pit until dry. The reserve pit will not be "squeezed", "crowded" or "cut". When the reserve pit is reclaimed, at least three feet of earth will be placed on top of the drilling fluids and cuttings.

. If the reserve pit does not dry within the prescribed time, alternate methods will be investigated.

- Dry hole (Commercial production not established):

. A Notice of Intent to Abandon will be filed . Final recommendations for surface reclamation will be specified by the BLM.

. The drill site will be restored to its original condition.

. The wellbore will be P&A'd according to the approved program.

. An approved marker will be positioned as directed.

. Spoil will be replaced to original conditions.

. Top soil will be replaced and smoothed.

. If necessary, water bars will be constructed according to BLM Conditions of Approval.

. All disturbed surface under the jurisdiction of the BLM will be seeded using the following mixtures:

SPECIES OF SEED	VARIETY	LBS/ACRE PLS
Western wheat grass		4
Green needle grass		4
Stream ban wheat grass		3
Blue bunch wheat grass		3
Oats		1
PLS formula	% germination * % purity	x 100%

- **Seeding Procedure:**

. **The BLM designated Authorizing Officer will be notified prior to seeding operations.**

. **The seed will be applied with a regulator equipped drill.**

. **Planting depth shall not exceed ½ ".**

. **If possible, seeding will be done in the months of September or October, providing all preliminary work is done by that time.**

. **Where drilling is not possible, the seed will be broadcast and the area raked or chained to cover the seed.**

. **Seeding will be repeated until a satisfactory stand, as determined by the BLM Authorized Officer, is established.**

. **Where seed is broadcast, the mixture will be doubled.**

. **There will be no primary or secondary noxious weeds in the mix.**

. **Seed will be tested for purity and germination. Viability testing of seed will be done in accordance to state law 9 months prior to purchase or sooner.**

. **Commercial seed will be certified.**

. **The seed mixture container will be tagged in accordance with Utah state law. Copies of seed test results and certification will be forwarded to the BLM.**

. **Weeds will be controlled on disturbed areas within the exterior limits of the permit.**

- **In the event production is established:**

. **Those areas not required for production will be re-contoured and the cut and fill slopes will be reduced to 4:1, if applicable.**

. **Topsoil will be distributed evenly and seeded as above.**

. **All topsoil stockpiles will be seeded with annual ryegrass.**

. If a plastic or nylon reinforced pit liner is used, it will be torn and perforated before backfilling of the reserve pit.

. Prior to restoration of the reserve pit, it will be completely dry and all cans, barrels, pipe etc. will be removed. Other waste materials will be disposed of immediately upon completion of drilling and completion activities.

. The flare pit and that portion of the access road not needed for production facilities or operations will be reclaimed within ninety days from the date of completion.

. The access road will be upgraded and maintained as needed for production operations.

- Pesticide use:

. The use of pesticides will comply with federal and state laws governing its proper use, storage, and disposal.

. The use of pesticides will occur within limitations imposed by the Secretary of the Interior.

- All procedures listed above for a dry hole will also be applied to a well completed for production as follows:

. A facilities diagram and plan will be submitted for approval.

. Flowline route will be outlined on a suitable map of the area.

. Produced water will be temporarily disposed of in the reserve pit according to Onshore Order No 7 (90 day limit).

. If more time is needed, an extension will be requested.

. Sundry notice form 3160-5 (Application for permanent disposal) will be filed if necessary.

11. SURFACE OWNERSHIP:

. Name: BLM

. Address: Vernal, Utah

12. OTHER INFORMATION:

A. General description: Utah grazing and ranch land.

B. Surface use activities: Cattle grazing and other typical ranch activity.

C. Proximity of water, occupied dwelling, archaeological or paleontological sites:

1. The majority of the numerous washes and draws in the area are of a non-perennial nature, flowing during the early spring run-off and heavy rain storms.

2. The flora of the area includes pinion and juniper trees, sagebrush, greasewood, four-wing saltbush, cheatgrass, gambel scrub oak, willow, tamarack, shadscale, indian ricegrass, wheatgrass, curly grass, crested wheatgrass, foxtail, russian thistle, kochia, and cacti.

3. Fauna includes cattle, horses, elk, deer, coyotes, rabbits, rodents, lizards, bull snakes, rattle snakes, water snakes and horned toads. Birds include ground sparrows, bluejays, bluebirds, magpies, ravens, raptors, morning doves, swallows, nighthawks, hummingbirds and chukar.

4. The nearest live water is the Green River.

5. There are no dwellings in the area.

6. An archaeological survey has been completed and mailed to the BLM under separate cover. No significant archaeological or historical cultural sites were found.

7. There are no reported restrictions or reservations note on the oil and gas lease.

13. OPERATOR'S REPRESENTATIVES AND CERTIFICATION:				
	ADDRESS	PHONE #	FAX #	HOME #
Al Nicol	621 17th Street, Suite 750 Denver, CO 80293	303 296 9402	303 296 9410	303 425 4115
John Luchetta	2020 Foothills Rd. Golden, CO 80401	303 278 3347	303 278 9506	303 278 3347

14. GOVERNMENT CONTACTS:			
	ADDRESS	PHONE #	
Stanely R. Olmstead	170 South 500 East Vernal, Utah	435 781 4400	435 781 4410

- Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the proposed operations herein will be performed by Pendragon Energy Partners, Inc. , its contractors and subcontractors. Pendragon Energy Partners, Inc. will operate the lease under BLM Bond No. UT1167. This statement is subject to the provisions of rule 18 U. S. C. 1001 for the filing of a false statement.

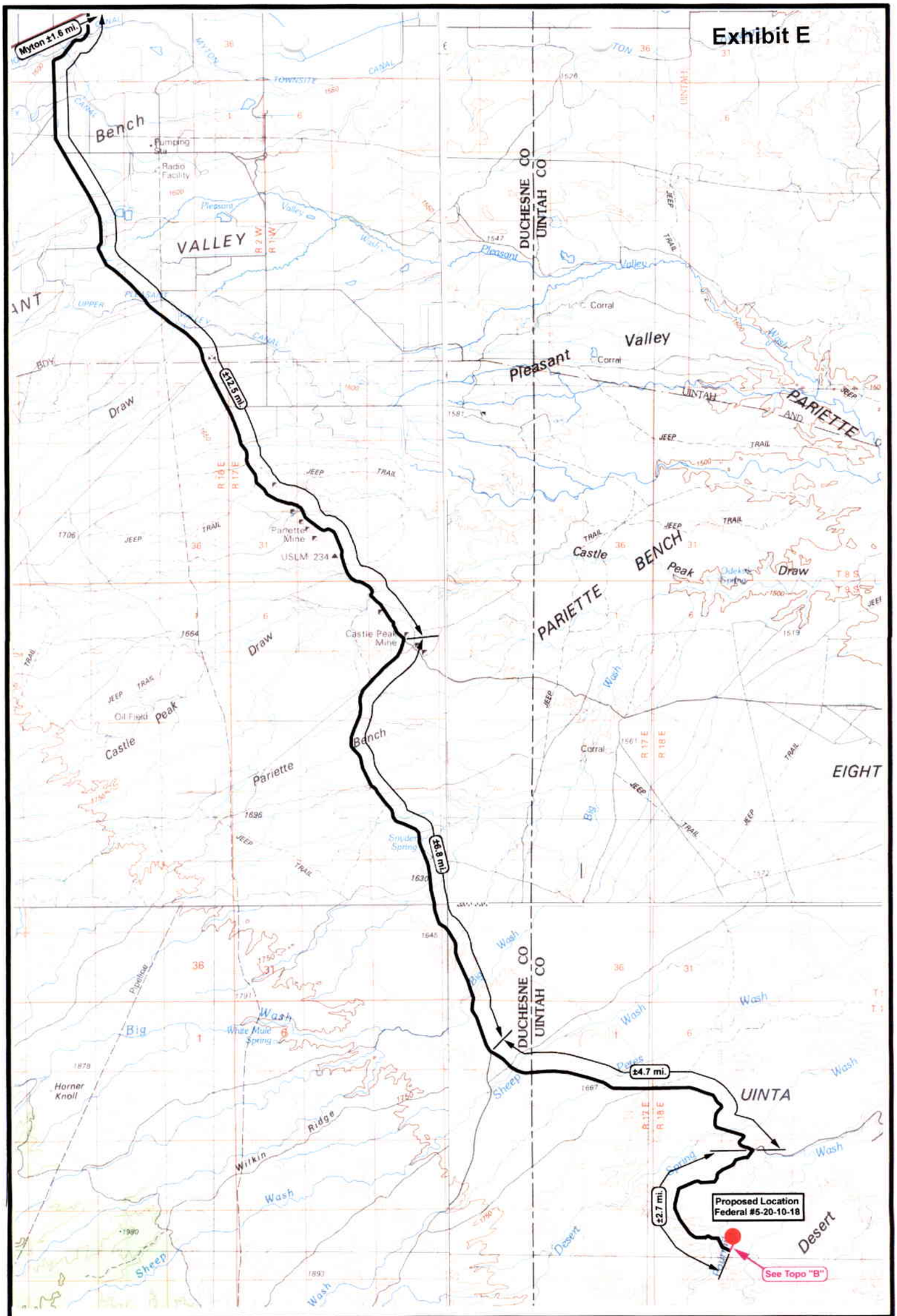
A complete copy of the approved Application for Permit to Drill will be furnished to the operator's field representative to ensure compliance and will be on location during all construction, drilling and completion operations.

Please be advised that Pendragon Energy Partners, Inc. is considered to be the operator of Well No. 5-20-10-18 SW NW Sec 20, T10S, R18E; Lease Uteland Butte ; Uintah County, Utah; and is responsible under the terms and conditions of the lease.

Dec 31, 2002

Date

Pendragon Energy Partners, Inc.
John Luchetta, Agent



PENDRAGON
ENERGY PARTNERS INC.

Federal #5-20-10-18
SEC. 20, T10S, R18E, S.L.B.&M.

N

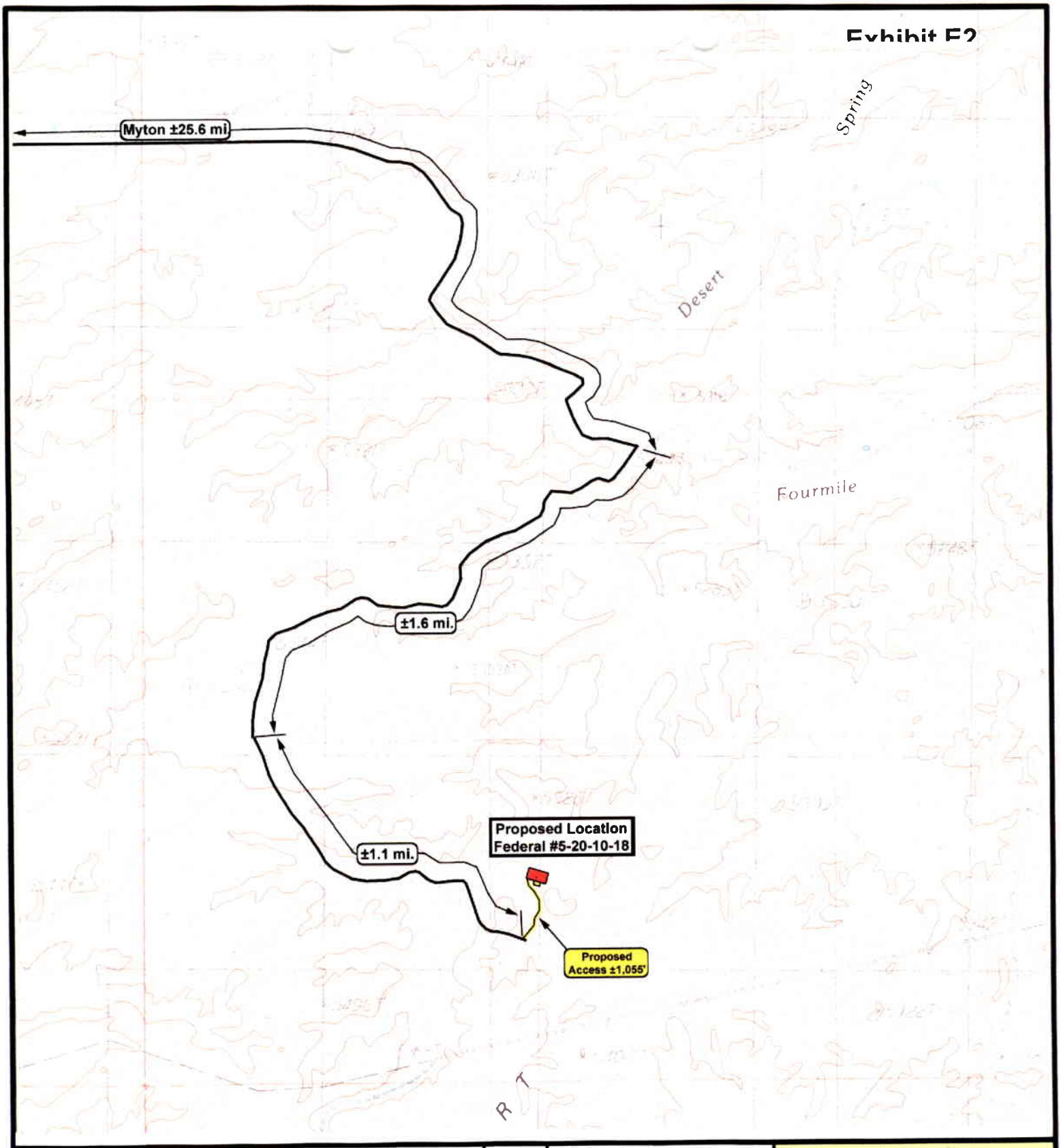
Tri-State Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1 = 100,000
DRAWN BY: R.A.B.
DATE: 12-10-2002

Legend
Existing Road
Proposed Access

TOPOGRAPHIC MAP
"A"

Exhibit E2



PENDRAGON
ENERGY PARTNERS INC.

Federal #5-20-10-18
SEC. 20, T10S, R18E, S.L.B.&M.

N

Tri-State Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
DRAWN BY: R.A.B.
DATE: 12-10-2002

Legend
Existing Road
Proposed Access

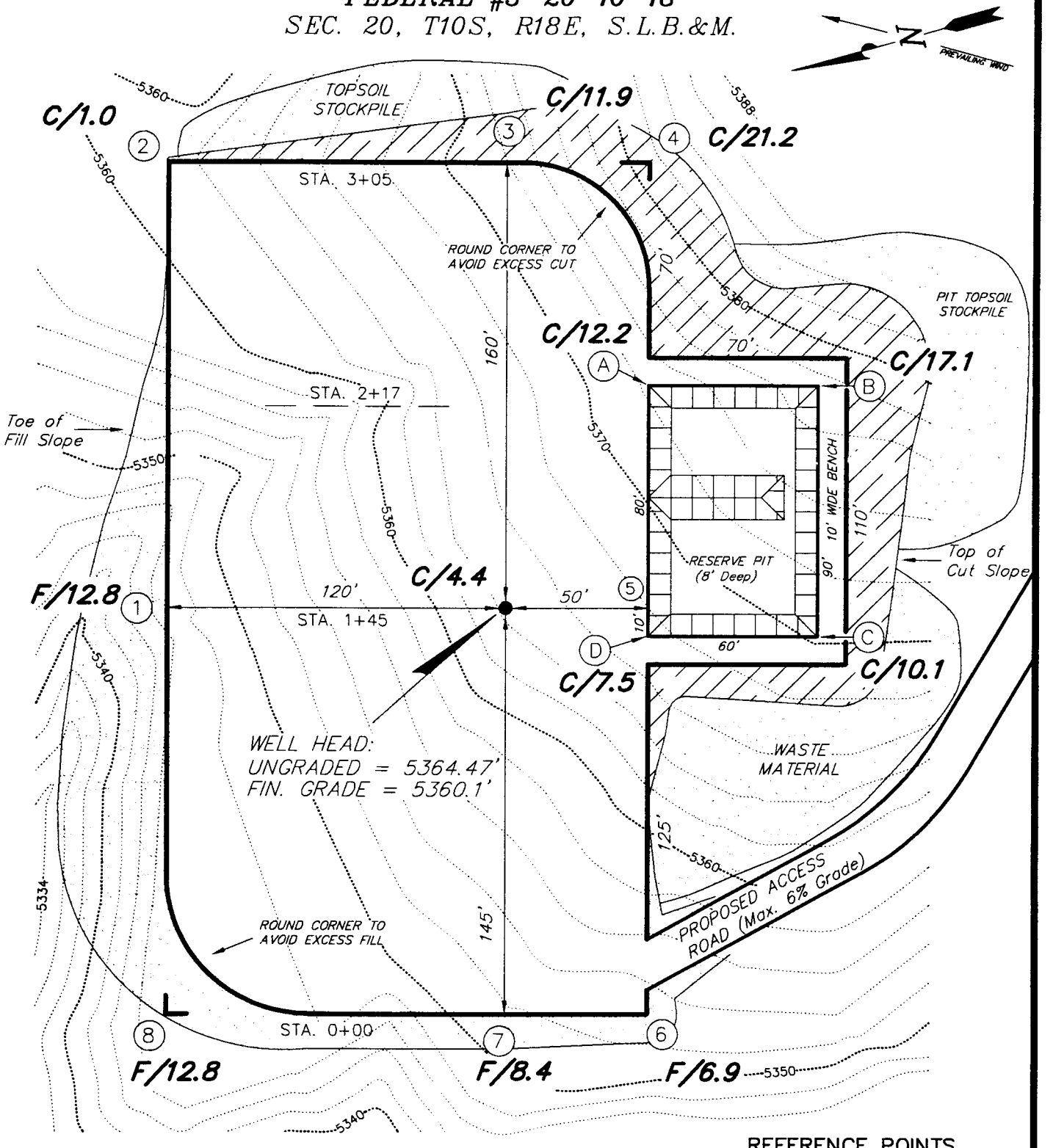
TOPOGRAPHIC MAP
"B"

Exhibit F

PENDRAGON ENERGY PARTNERS, INC.

FEDERAL #5-20-10-18

SEC. 20, T10S, R18E, S.L.B.&M.



REFERENCE POINTS

170 NORTH 5345.1'

220 NORTH 5348.6'

SURVEYED BY:	D.J.S.	SCALE:	1" = 50'
DRAWN BY:	R.V.C.	DATE:	12-4-02

Tri State Land Surveying, Inc. (435) 781-2501

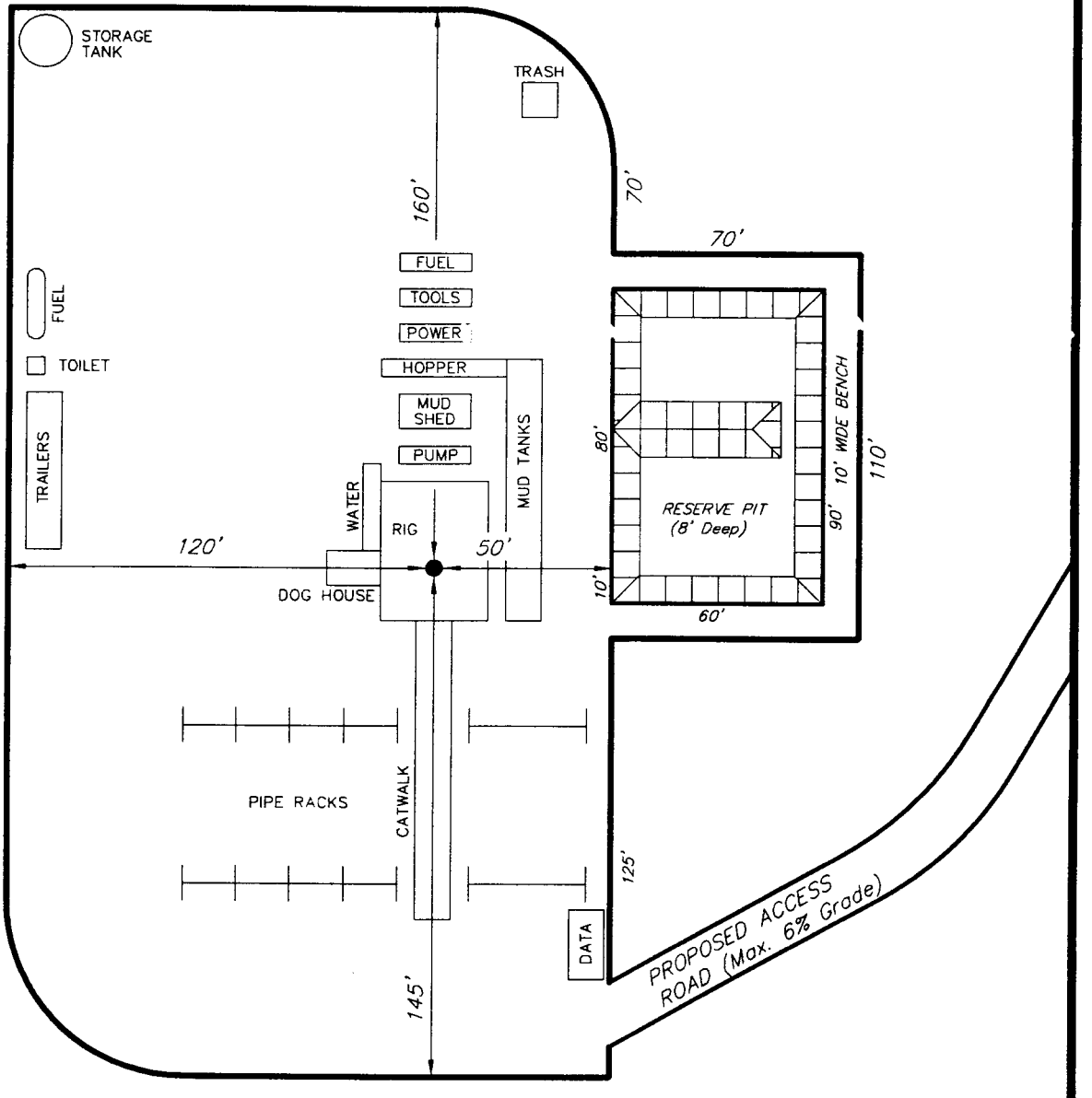
180 NORTH VERNAL AVE. VERNAL, UTAH 84078

Exhibit G

PENDRAGON ENERGY PARTNERS, INC.

TYPICAL RIG LAYOUT

FEDERAL #5-20-10-18



SURVEYED BY: D.J.S.		SCALE:	1" = 50'
DRAWN BY: R.V.C.		DATE:	12-4-02

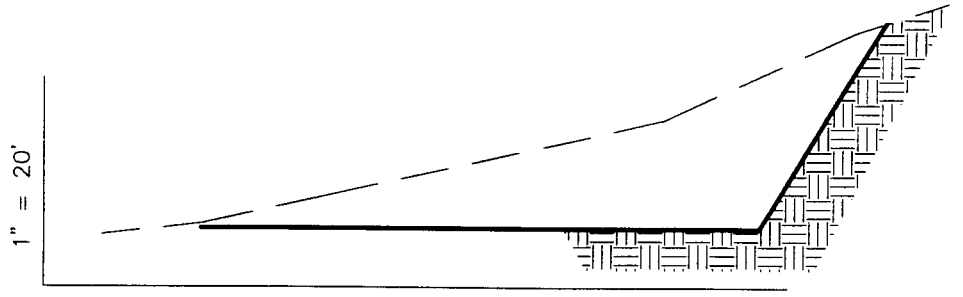
Tri State Land Surveying, Inc. (435) 781-2501
180 NORTH VERNAL AVE. VERNAL, UTAH 84078

Exhibit G2

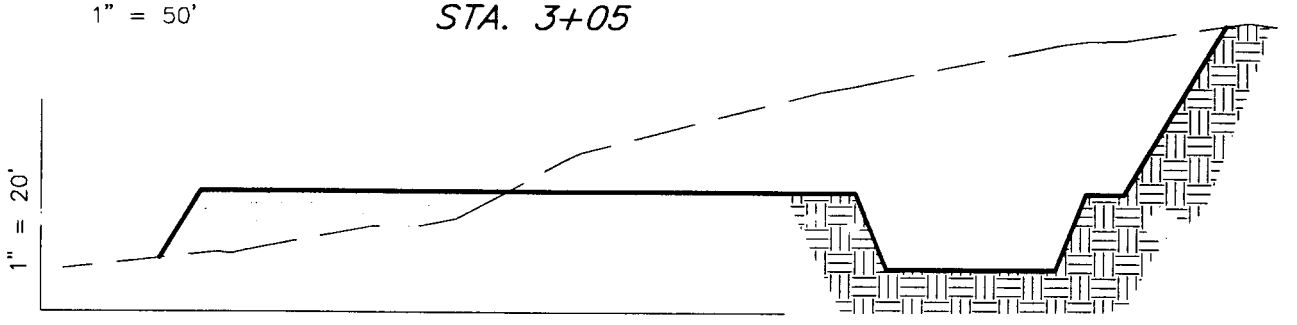
PENDRAGON ENERGY PARTNERS, INC.

CROSS SECTIONS

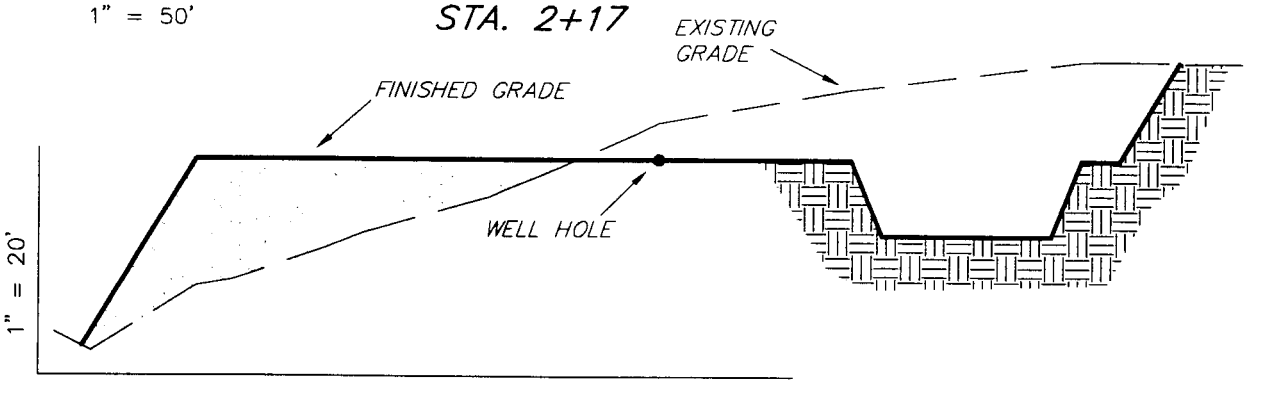
FEDERAL #5-20-10-18



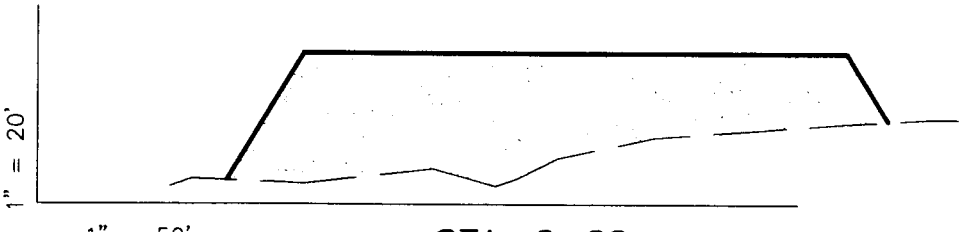
STA. 3+05



STA. 2+17



STA. 1+45



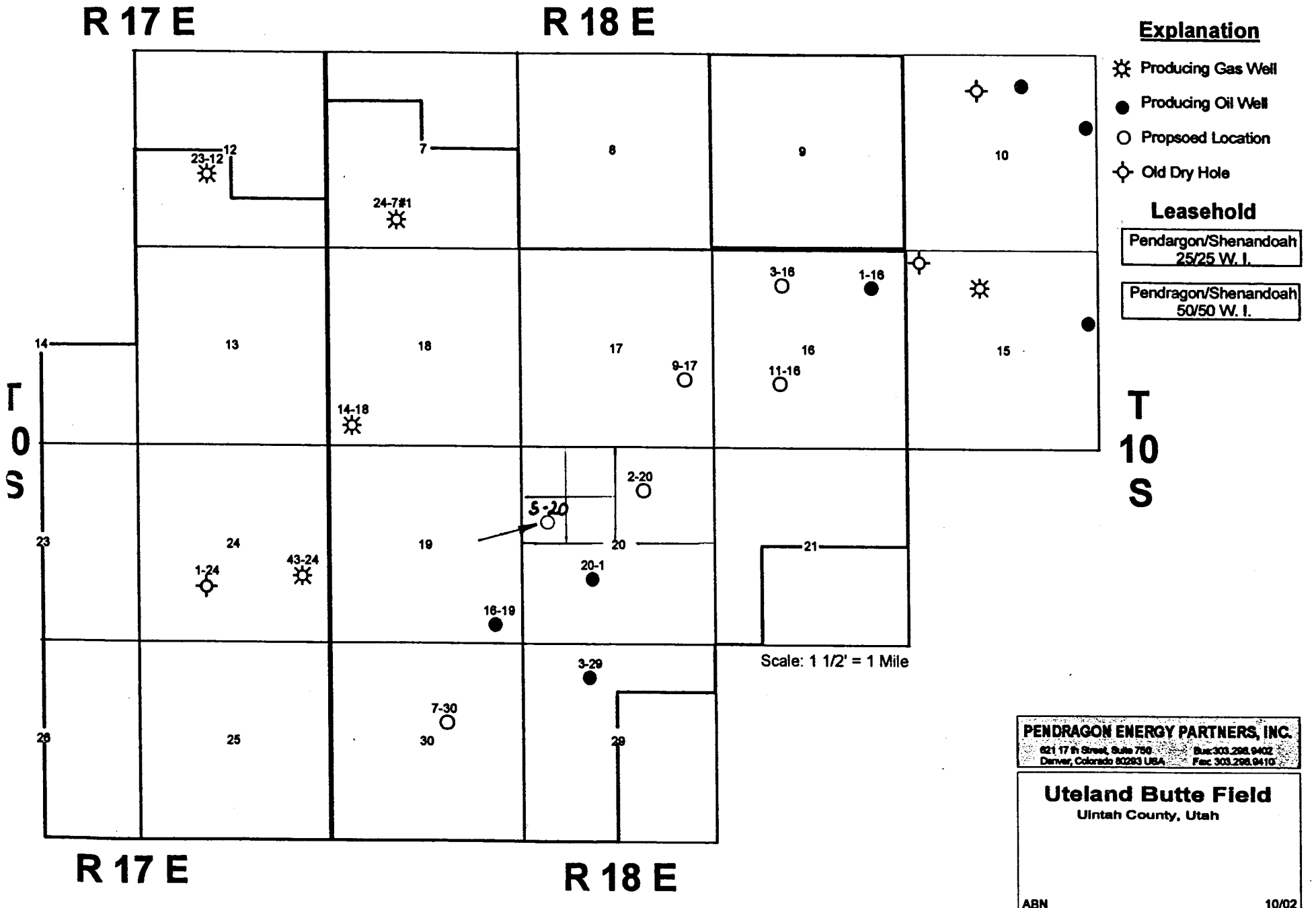
STA. 0+00

NOTE:
UNLESS OTHERWISE NOTED
ALL CUT/FILL SLOPES ARE
AT 1.5:1

ESTIMATED EARTHWORK QUANTITIES
(Expressed in Cubic Yards)

ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	10,450	10,410	Topsoil is not included in Pad Cut	40
PIT	1,220	0		1,220
TOTALS	11,670	10,410	1,100	1,260

SURVEYED BY: D.J.S.	SCALE: 1" = 50'	Tri State Land Surveying, Inc.	(435) 781-2501
DRAWN BY: R.V.C.	DATE: 12-4-02	180 NORTH VERNAL AVE. VERNAL, UTAH 84078	



PENDRAGON ENERGY PARTNERS, INC.
621 17th Street, Suite 750 Bus:303.296.9402
Denver, Colorado 80293 USA Fax:303.296.9410

Uteland Butte Field
Uintah County, Utah

ABN 10/02

Exhibit H

PENDRAGON ENERGY PARTNERS, INC.
Site Security Diagram
Desert Spring 20-1
NESW Sec. 20, T10S, R18E
Lease #UTU74836
Uintah County, Utah

1 - Wellhead
2 - Pumping unit & engine
3 - Flow line bundle*
4 - Propane tank
5 - Line heater
6 - Pit tank
7 - welded steel production tanks
8 - Sales line
*Oil production, gas, glycol trace and water drains are all in the bundle.

V1 - Production valve for oil tank #1
V2 - Production valve for oil tank #2
V3 - Sales valve for oil tank #1
V4 - Sales valve for oil tank #2

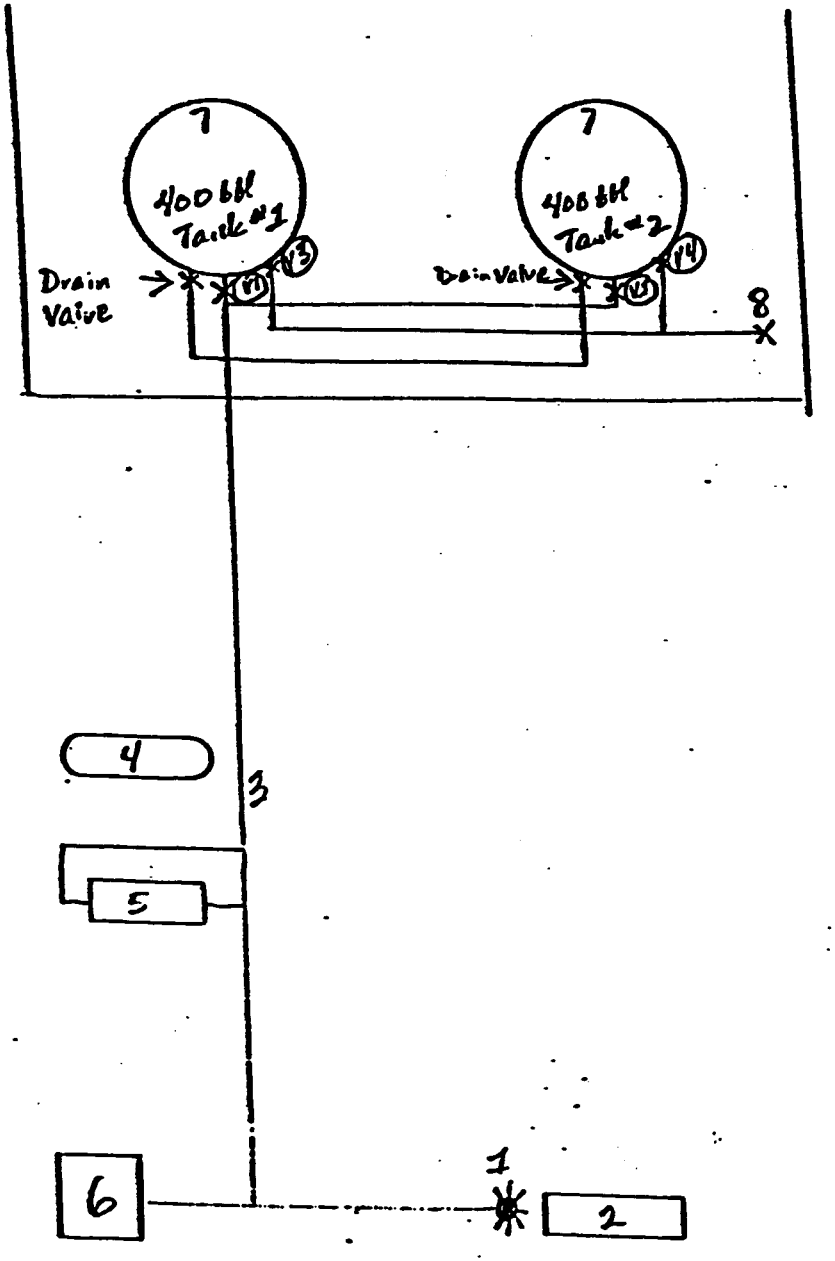
Normal Operations:

Tank #1 - Prod. Phase	OP	CL	CL	O/C
Sales Phase	CL	OP	OP	CL
Tank #2 - Prod. Phase	CL	OP	O/C	CL
Sales Phase	OP	CL	CL	OP

OP-Open Valve CL-Closed Valve
O/C - Can be open or closed

Note: The production system is closed with access through sealed valves. The site security plan is available and on file in Denver, CO.

4-28-99
Field work: JAS
Drawing: JEP
No Scale



RECEIVED
APR 30 1999

Exhibit K1

Pendragon Energy Partners, Inc.
Site Facility Diagram
Desert Spring 16-19-10-18 Well
UTU74408
Uintah County, Utah

1= Wellhead
2= Pumping Unit 7 Engine
3= Flow Line Bundle*
4= Propane Tank
5= Line Heater
6= Pit Tank
7= Welded Steel Production Tanks
8= Sales Line

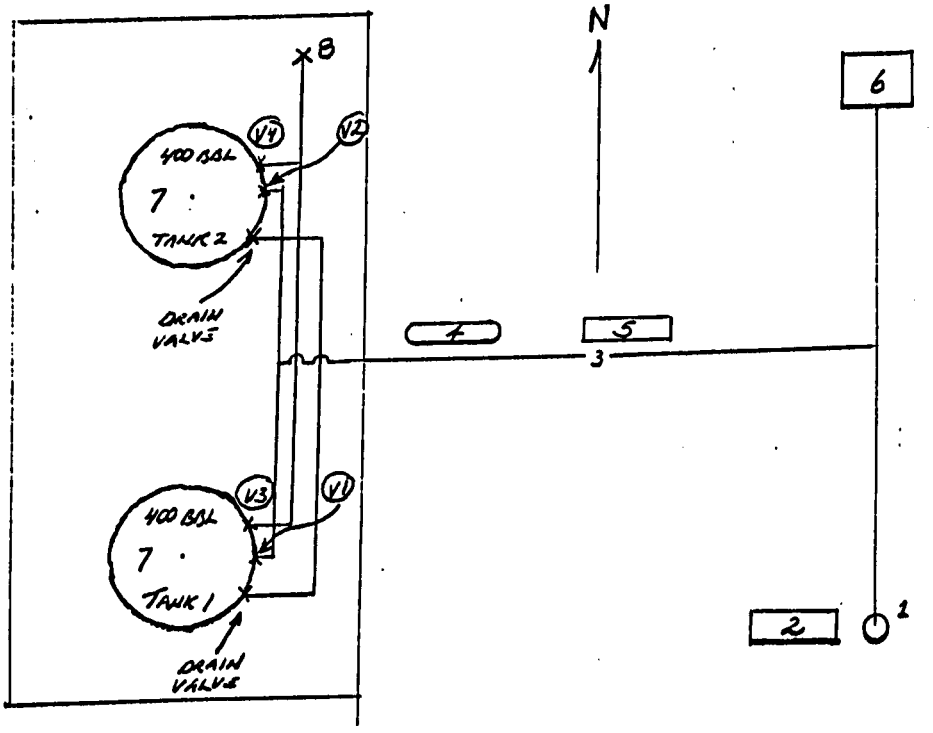
- Bundle includes oil &gas production, glycol trace, water drains.

V1=Production Valve, Tank #1
V2=Production Valve, Tank #2
V3= Sales Valve, Tank #1
V4=Sales valve, Tank #2

Normal Operations:	V1	V2	V3	V4
Tank #1 PROD	OP	CL	CL	O/C
Tank #1 SALES	CL	OP	OP	CL
Tank #2 PROD	CL	OP	O/C	CL
Tank #2 SALES	OP	CL	CL	OP

The production system is closed with access Through sealed valves.

Abn 7/24/02



003

WORKSHEET

APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/03/2003

API NO. ASSIGNED: 43-047-33245

WELL NAME: FEDERAL 5-20-10-18

OPERATOR: PENDRAGON ENERGY PTNRS (N2965)

CONTACT: JOHN LUCHETTA

PHONE NUMBER: 303-296-9402

PROPOSED LOCATION:

SWNW 20 100S 180E

SURFACE: 2147 FNL 0720 FWL

BOTTOM: 2147 FNL 0720 FWL

UINTAH

UTELAND BUTTE (695)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU74836

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: GRRV

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 39.93075

LONGITUDE: 109.92392

RECEIVED AND/OR REVIEWED:

✓ Plat

✓ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. UT1167)

N Potash (Y/N)

N Oil Shale 190-5 (B) or 190-3 or 190-13

✓ Water Permit
(No. 43-1723)

N RDCC Review (Y/N)
(Date:)

NA Fee Surf Agreement (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit

✓ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells

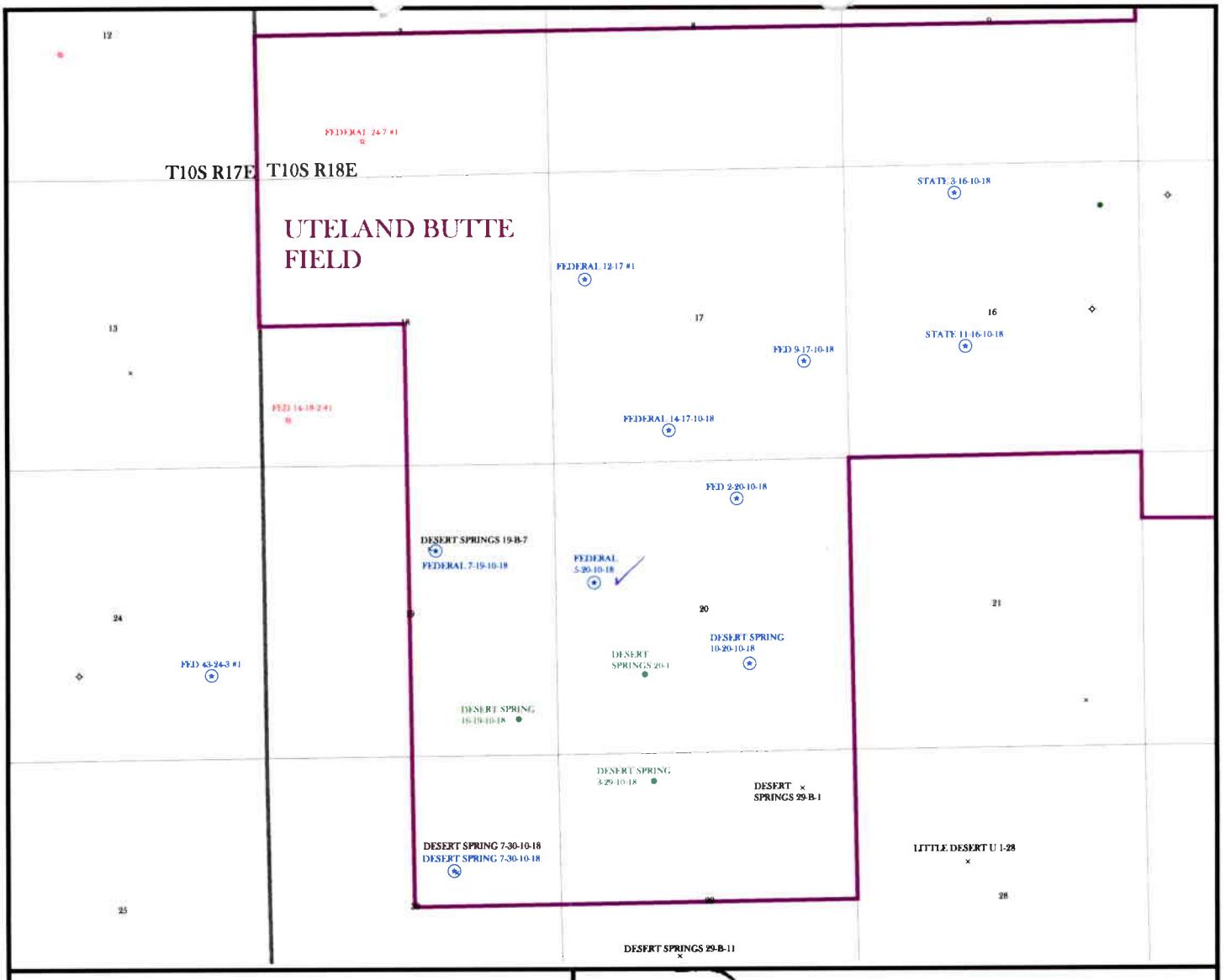
___ R649-3-3. Exception

___ Drilling Unit
Board Cause No:
Eff Date:
Siting:

___ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS: 1- Federal Approval
2- Spacing Stip



OPERATOR: PENDRAGON ENERGY (N2965)

SEC. 20 T10S, R18E

FIELD: UTELAND BUTTE (695)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

Utah Oil Gas and Mining

WELLS
- 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

UNIT STATUS
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

FIELD STATUS
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED
- COUNTY BOUNDARY
- SECTION LINES
- TOWNSHIP LINES

N
W E
S

PREPARED BY: DIANA MASON
DATE: 04-FEBRUARY-2003

004

State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

Michael O. Leavitt
Governor
Robert L. Morgan
Executive Director
Lowell P. Braxton
Division Director

February 5, 2003

Pendragon Energy Partners, Inc
621 17th Street, Suite 750
Denver, CO 80293

Re: Federal 5-20-10-18 Well, 2147' FNL, 720' FWL, SW NW, Sec. 20, T. 10 South, R. 18 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33245.

Sincerely,

John R. Baza
Associate Director

pb
Enclosures
cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Utah!
Where ideas connect

Operator: Pendragon Energy Partners, Inc

Well Name & Number Federal 5-20-10-18

API Number: 43-047-33245

Lease: UTU74836

Location: SW NW **Sec.** 20 **T.** 10 South **R.** 18 East

Conditions of Approval

1. General

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

2. Notification Requirements

   Notify the Division within 24 hours of spudding the well.

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

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

   - Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

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

005

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: **PENDRAGON ENERGY PTNRS INC**

Well Name: **FEDERAL 5-20-10-18**

Api No: **43-047-33245** Lease Type: **FEDERAL**

Section **20** Township **10S** Range **18E** County **UINTAH**

Drilling Contractor **RATHOLE SERVICES** RIG # **RATHOLE**

SPUDDED:

Date **08/27/03**

Time **MIDNITE**

How **DRY**

Drilling will commence:

Reported by **JOHN LUCHETTA**

Telephone # **1-303-278-3347**

Date **08/28/2003** Signed: **CHD**

006

FORM 6

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

ENTITY ACTION FORM

Operator: PENDRAGON ENERGY PARTNERS, INC.
Address: 621 - 17th STREET, SUITE #750
DENVER, CO 80293

Operator Account Number: N - 2965

Phone Number: 303-296-9402

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-33245	FEDERAL #5-20-10-18	SW/NW	20	10S	18E	UINTAH

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date
A	99999	13863 ✓	8/27/03	9/10/2003

Comments: GRRV

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date

Comments:

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date

Comments:

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

ALAN B. NICOL
Name (Please Print)

Signature ALAN B. NICOL

PRESIDENT
Title

8-27-03
Date

RECEIVED
AUG 27 2003
DIV OF OIL, GAS & MINING

(6/2000)

08/27/03 WED 16:49 FAX 303 296 9410 PENDRAGON ENERGY 001

Form 3160-3
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
FEB 03 REC'D

007 APPLICATION FOR PERMIT TO DRILL OR REENTER

Certification: I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route; that I am familiar with the conditions which recently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the proposed operations herein will be performed by Pendragon Energy Partners, Inc., its contractors and subcontractors, Pendragon Energy Partners, Inc. will operate the lease under Flood & Peterson Federal Bond UT1167. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

1a. Type of Work: [X] DRILL [ ] REENTER

1b. Type of Well: [X] Oil Well [ ] Gas Well [ ] Other [ ] Single Zone [ ] Multiple Zone

2. Name Of Operator: **Pendragon Energy Partners, Inc.**

3a. Address: **621 17th Street, Suite 750, Denver CO 80293**

3 b. Phone No. (include area code): **303 296 9402**

4. Location of Well (Report location clearly & in accordance w/State requirments*)
At Surface: **2147' FNL 720' FWL, Sec 20**
At proposed prod zone

5. Lease Serial No.: **UTU74836**

6. If Indian, Allottee or Tribe Name: **N/A**

7. If Unit or CA Agreement, Name and No.: **N/A**

8. Lease Name and Well No.: **Federal No. 5-20-10-18**

9. API Well No.:

10. Field and Pool, or Exploratory: **Uteland Butte**

11. Sec., T., R., M. or Blk. and Survey or Area: **Sec. 20, T10S, 18E, SLB&M**
SW NW

12. County or Parish: **Uintah**

13. State: **Utah**

14. Distance in miles and direction from nearest town or post office *: **See Topo Map "A" (Attached)**

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. unit line, if any): **720' FWL**

16. No. of Acres in lease: **640**

17. Spacing Unit dedicated to this well: **40**

18. Distance from proprosed location to nearest well drilling, completed, applied for in this lease, ft.: **-**

19. Proposed Depth: **4,900'**

20. BLM/BIA Bond No. on file: **UT1167**

21. Elevations (Show whether D, KDB, RT, GL etc,): **5,365' GR**

22. Approximate date work will start*: **ASAP**

23. Estimated Duration: **60 days**

RECEIVED
AUG 26 2003

24. Attachments

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

1. Well plat certified by a registered surveyor. **Uintah Engineering-attached**
2. A Drilling Plan **Exhibit B**
3. A Surface Use Plan (if the location is on National forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see item 20 above). **UT1167**
5. Operator certification. **See Surface Use Plan**
6. Such other site specific information and/or plans (as may be required by the authorized officer. **See Exhibits (attached)**

25. Signature	Name (Printed /Typed)	Date
John Luchetta	John Luchetta	12-31-02
Title: Agent		
Approved by (Signature)	Name (Printed/Typed)	Date
Title: Assistant Field Manager Mineral Resources	Office: NOTICE OF APPROVAL	08/18/2003

CONDITIONS OF APPROVAL ATTACHED

Application approval does not warrant or certify 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 side

Exhibits: 03PS0293A

A: Survey Plat	D: 13 Point Surface Use	G: Rig & Layout	K1 Facilities
B: 10-Point Plan	E: Topo Map A	G2:Cut & Fill Diagram	K2 Facilities
C: BOP Diagram	E2:Topo Map B	H: Existing Well Map	
	F: Location Layout	K: Cultural report (To Follow)	

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Pendragon Energy Partners, Inc.

Well Name & Number: Federal 5-20-10-18

API Number: 43-047-33245

Lease Number: U-74836

Location: SWNW Sec. 20 T. 10S R. 18E

Agreement: N/A

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL

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.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to John Mayers of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

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., for a **2M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

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.

3. Casing Program and Auxiliary Equipment

As a minimum requirement the cement behind the production casing must extend a minimum of 200' above the top of the Mahogany Oil Shale, which has been identified at +1504' ft. The surface casing must be cemented from TD to surface with cement that will achieve a compressive strength of at least 500 psi prior to drilling out the casing shoe.

4. Mud Program and Circulating Medium

None

5. Coring, Logging and Testing Program

A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Please submit an electronic copy of all logs run on this well in LAS format. This submission will supercede the requirement for submittal of paper logs to the BLM.

6. Notifications of Operations

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

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.

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 that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery. All off-lease storage, off-lease measurement, or commingling onlease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries and tested for meter accuracy at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal Field Office. All meter measurement facilities will conform to Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

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

There will be no deviation from the proposed drilling and/or workover 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.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

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).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Ed Forsman (435) 828-7874
Petroleum Engineer

Kirk Fleetwood (435) 828-7875
Petroleum Engineer

BLM FAX Machine (435) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spend solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids

SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)

The dirt contractor shall contact Byron Tolman with the Vernal Field Office of Bureau of Land Management (435-781-4482) prior to starting construction to arrange a pre-construction meeting.

No construction or drilling shall take place during the ferruginous hawk nesting season of March 1 to July 15.

The reserve pit shall be lined first with a felt liner, then lined with a nylon reinforced plastic liner at least 12 mils in thickness.

The reserve pit topsoil shall be piled separate from the location topsoil.

The location topsoil pile will be seeded immediately after the soil is piled by broadcasting the seed, then walking the topsoil pile with the dozer to plant the seed. The following seed mix shall be used to seed the topsoil, reserve pit and for final reclamation instead of the mix show in the APD:

Gardner saltbush	Atriplex gardneri	4 lbs/acre
Shadscale	Atriplex confertifolia	4 lbs/acre
Galleta grass	Hilaria jamesii	4 lbs/acre

All poundages are in Pure Live Seed.

Topsoil will not be used for the construction of tank dikes or any other location needs. It shall be left in place for use in the final reclamation process.

Once the reserve pit is dry, it shall be filled, recontoured, topsoil spread, and seeded in the same manner discussed above.

The operator will control noxious weeds along the access road and on the well location. A list of noxious weeds may be obtained form the BLM , or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.

Drilling rigs and / or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities.

Pendragon shall install three ferruginous hawk artificial nesting structures. These structures shall be installed on Pendragon's leases in areas that will be protected from future drilling. In

other words, no drilling will be allowed within ½ mile of these artificial nests once they have been constructed. Pendragon shall contact Dixie Sadlier, Vernal Field Office Biologist, at 435-781-4458 to make arrangements to install the nesting structures. The structures shall be installed prior to the 2004 nesting season which begins March 1.

If the well becomes a producing well, a hospital type muffler shall be installed on the pumping unit to reduce the noise levels in the area.

Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB. No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORT ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

008

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
[X] Oil Well [ ] Gas Well [ ] Other

2. Name of Operator
Pendragon Energy Partners, Inc.

3. Address of Operator
621 17th Street, Suite 750, Denver, CO 80293

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2147' FNL/720' FWL SW NW Sec 20 T10S - R18E - SLB&M

5. Lease Serial No. UTU 74836

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA/Agreement, Name and/or No.
N/A

8. Well Name and No.
Federal No. 5-20-10-18

9. API Well No.
43-047-33245

10. Field and Pool, or Exploratory Area
Uteland Butte

11. County or Parish, State
Uintah Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
[ ] Notice of Intent	[ ] Acidize	[ ] Deepen	[ ] Production (Start/Resume)	[ ] Water Shut-Off
[X] Subsequent Report	[ ] Alter Casing	[ ] Fracture Treat	[ ] Reclamation	[ ] Well Integrity
[ ] Final Abandonment Notice	[ ] Casing Repair	[ ] New Construction	[ ] Recomplete	[X] Other History
	[ ] Change Plans	[ ] Plug and Abandon	[ ] Temporarily Abandon	
	[ ] Convert to Injection	[ ] Plug Back	[ ] Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection).

Aug 28, 2003: Spud 12 1/4" hole. Set 8 5/8" casing @ 305' and cement to surface w/210 sxs type v.

Aug 29, 2003: Move in Rig and commence drilling 7 7/8" hole.

Sep 04, 2003: Finish drilling 7 7/8" hole to TD 4908'.

Sep 05, 2003: Run logs.

Sep 06, 2003: Run 5 1/2" casing to 4908'. Cement casing w/135 Type V + 265 sxs of 50-50 Pozmix.

Sep 24, 2003: PBTD @ 4845'. Perforated "C" Shoal section 4718-4723' and sand frac w/ 18K# 16-30 sand.

Sep 24, 2003: Set composite bridge plug @ 4655', perforate "A" zone 4589-4596 and pump 18K lbs frac.

Sep 26, 2003: Swab test.

Sep 27, 2003: Set 2 7/8" production string @ 4822'. Install production equipment.

Oct 25, 2003: Production test @ 65 bopd w/ both zones commingled in the casing.

RECEIVED
NOV 10 2003
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) **John Luchetta** Title **Agent**

Signature *Jluchetta* Date **Nov 5, 2003**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the qpplicant holds legal or equitable title to those rights in the subject lease which would entitle the qpplicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. 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.

Form 3160-4
(August 1999)

UNIT STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: November 30, 2000

009 **WELL COMPLETION OR RECOMPLETION REPORT & LOG**

5. Lease Serial No. **UTU74836**

1a. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other

6. If Indian, Allottee or Tribe Name **N/A**

b. Type of completion: ☐ New Well ☒ Work Over ☐ Deepen ☐ Plug Back ☐ Diff Resvr.,
Other

7. Unit or CA Agreement Name and No. **N/A**

2. Name of Operator **Pendragon Energy Partners, Inc.**

8. Lease Name and Well No. **Federal No. 5-20-10-18**

3. Address **621 17th Street, Suite 750, Denver CO 80293**

3a. Phone No. (include area code) **303 296 9402**

9. API Well No. **43-047-33245**

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

At surface **2147' FNL/720' FWL SW NW Sec 20 T10S R18E**

At top prod. interval reported below **Same**

At total depth **Same**

10. Field and Pool, or Exploratory **Uteland Butte**

11. Sec., T., R., M., on Block and Survey or Area **SW NW S20 10S 18E**

12. County or Parish **Uintah** 13. State **Utah**

14. Date Spudded	15. Date T. D. Reached	16. Date Completed	17. Elevations (DF, RKB, RT, GL)
8-28-03	**Sep 5, 2003**	**Oct 25, 2003** ☐ D & A ☐ Ready to Prod. ☒	**5365 GL**

18. Total Depth: MD **4908** TVD — PBTD MD **4875** TVD — 20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
HIR, SDDSN, CBL-GR Rec 11-31-03
Rec 9-9-03

22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit report)
Directional Survey? ☒ No ☐ Yes (Submit Copy)

23. Casing and Liner Record (Report all strings set lin well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12 1/4"	**8 5/8 J**	**24**	**0**	**315'**		**210 V**	**42**	**0**	
7 7/8"	**5 1/2 J**	**17**	**0**	**4908'**		**135 V**			
						265 Poz	**120**	**+/- 500'**	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 7/8"	**4791'**	**4509 Anch**	**5 1/2**					

25. Producing Intervals / 26. Perforation Record

	Formation	Top	Bottom	Perforated	Size	No. Holes	Perf.
A)	**"A" Sand**	**4589'**	**4596'**	**4589-4596**	**0.4"**	**28**	**4589-4596**
B)	**"C" Shoal**	**4718'**	**4723'**	**4718-4723'**	**0.4"**	**21**	**4718-4723**
C)							

27. Acid, Fracture Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
"A" Sand	**18000 lbs 16-30 sand in 372 bbls treated water**
"C" Shoal	**25200 lbs 16-30 sand in 314 bbls treated water.**

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Oct 25 03		**24**	**65**	**65**					**Pumping - Commingled in casing.**

Choke Size	Tbg Press Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method

Choke Size	Tbg. Press. Flwg SI.	Csg. Press	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status

RECEIVED
NOV 10 2003
DIV. OF OIL, GAS & MINING

(See instructions and spaces for additional data on reverse side)

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method

Choke Size	Tby. Press Flwg SI	Csg. Press.	24Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status

29. Disposition of Gas (Sold, used for fuel. vented, etc.)

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Descriptions, Contents, etc.	Name	Name	Measured Depth
"A" Sand	**4589'**	**Sandstone**			
"C" Shoal	**4718'**	**Dolomite**			

32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd)
2. Geological Report
3. DST Report
4. Directional Survey
5. Sundry Notice for plugging and cement verification
6. Core Analysis
7. Other:

34. I hereby certify that the foregoing and attached informaiton is complet and correct as determined from all available records (see attached instructions)*

Name (Please Print **John Luchetta** Title **Agent**

Signature _____ Date **Nov 5, 2003**

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 of agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

010

B&A Buys & Associates, Inc.
Environmental Consultants

300 E. Mineral Ave., Suite 10
Littleton, Colorado 80122-2631
303/781-8211 303/781-1167 Fax

December 15, 2003

Mr. Dan Jackson
Groundwater Program
Groundwater Program, Mail Code 8P-W-GW
U.S. Environmental Protection Agency
999 18th Street, Suite 500
Denver, Colorado 80202-2466

RE: Pendragon Energy Partners
Federal 5-20-10-18, UIC Permit Application
2147' FNL & 720' FWL, Sec. 20, T10S, R18E
Uintah County, Utah

Dear Mr. Jackson:

Attached is the permit application and supporting documents to convert the existing oil well to an injection well for enhanced recovery. This well is located in the Uteland Butte Field which falls within the Uncompahgre portion of the Uintah and Ouray Indian Reservation.

Geologically this area is very similar to the Greater Monument Butte Unit in which the EPA has permitted hundreds of injection wells. Please contract me with any questions you may have.

Sincerely,
BUYS & ASSOCIATES, INC.

Martin W. Buys
Agent for Pendragon Energy Partners

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

RECEIVED
APR 19 2004
DIV. OF OIL, GAS & MINING

Form Approved MB No. 2040-0042. Expires 6-30-98

United States Environmental Protection Agency

Underground Injection Control Permit Application

(Collected under the authority of the Safe Drinking Water Act. Sections 1421, 1422, 40 CFR 144)

I. EPA ID Number			
		T/A	C
U			

Read Attached Instructions Before Starting

For Official Use Only

Application approved mo day year	Date received mo day year	Permit Number	Well ID	FINDS Number

II. Owner Name and Address

Owner Name			
Pendragon Energy Partners			
Street Address	Phone Number	City	State / ZIP CODE
621 17th Street	303-296-9402	Denver	Co. 80202

III. Operator Name and Address

Operator Name			
SAME			
Street Address	Phone Number	City	State / ZIP CODE

IV. Commercial Facility

- [ ] Yes
- [X] No

V. Ownership

- [X] Private
- [ ] Federal
- [ ] Other

VI. Legal Contact

- [X] Owner
- [ ] Operator

VII. SIC Codes

VIII. Well Status *(Mark "x")*

A. Operating	Date Started mo day year	B. Modification/Conversion	C. Proposed
[ ]		[X]	[ ]

IX. Type of Permit Requested *(Mark "x" and specify if required)*

A. Individual	B. Area	Number of Existing Wells	Number of Proposed Wells	Name(s) of field(s) or project(s)
[X]	[ ]			Uteland Butte

X. Class and Type of Well *(see reverse)*

A. Classes(es) (enter codes(s)	B. Type(s) (enter codes(s)	C. If class is "other" or type is code 'x,' explain	D. Number of wells per type (if area permit)
II	R	N/A	N/A

XI. Location of Well(s) or Approximate Center of Field or Project

Latitude Deg	Min	Sec	Longitude Deg	Min	Sec	Township and Range Sec	Twp	Range	1/4 Sec	Feet From	Line	Feet From	Line
						20	10 S	18 E	NW	2147	N	720	W

XII. Indian Lands (Mark 'x')

- [X] Yes Uncompahgre
- [ ] No Ouray

XIII. Attachments

(Complete the following questions on a separate sheet(s) and number accordingly; see instructions)

For Classes I, II, III, (and other classes) complete and submit on a separate sheet(s) Attachments A--U (pp 2-6) as appropriate. Attach maps where required. List attachments by letter which are applicable and are included with your application.

XIV. Certification

I certify under the penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. (Ref. 40 CFR 144.32)

A. Name and Title *(Type or Print)*	B. Phone No. *(Area Code and No.)*
Alan Nicol, President	303-296-9402
C. Signature	**D. Date Signed**
Alan A Nicol	Dec. 6, 2003

EPA Form 7520-6 (Rev. 8-91)

UNDERGROUND INJECTION CONTROL

PERMIT APPLICATION

Federal 5-20-10-18 WELL
2147' FNL & 720' FWL
SEC. 20, T10, R18E
Uintah County, Utah
API # 43-047-34767

December 15, 2003

Prepared for:

Mr. Dan Jackson
Groundwater Program, Mail Code 8P-W-GW
U.S. Environmental Protection Agency
999 18th Street, Suite 500
Denver, Colorado 80202-2466

Prepared by:

BUYS & ASSOCIATES, INC.
300 E. Mineral Ave., Suite 10
Littleton, Colorado 80122
(303) 781-8211
FAX (303) 781-1167

Federal 5-20

LIST OF ATTACHMENTS

SUMMARY DOCUMENT
UIC WELL APPLICATION
Federal 5-20-10-18
API # 43-047-34767

The following document contains information provided in support of the application for the conversion of the Federal 5-20-10-18 Well to a water injection well in the Green River Formation in the Uteland Butte Field, Uintah County, Utah.

The Uteland Butte field falls within the Uncompahgre portion of the Uintah and Ouray Indian reservation and is within Indian Country. Therefore, for facilities located in the Uncompahgre portion of the reservation, only EPA-issued UIC permits are necessary for compliance with SDWA UIC regulations.

(1) Pendragon Energy Partners (Pendragon) is the operator and major working interest owner of wells located in the Uteland Butte Field, Uintah County, Utah. Pengragon's business address is provided below:

Pendragon Energy Partners
621 17th Street
Denver, CO 80293
303.296.9402

(2) Enclosed as Attachment No. 1 (Area Map), is a plat of the southern portion of the Uteland Butte Field, identifying all wells located in this area. The legal location for the Federal 5-20-10-18 Well is 2147' FNL & 720' FWL, SEC.20, T10, R18E.

(3) Attachment No. 2 is a plat of the well. Shown on the plat is a circle of one-quarter mile radius centered on the Federal 5-20 Well. The 1/4 mile radius encompasses the area of the review, within which Pendragon is required to investigate all wells for mechanical integrity. The 1/4 mile radius also identifies those lands, the owners there of, who must be provided notice of this application. There are no other wells in this 1/4 mile radius.

(4) Pendragon proposes to utilize the Federal 5-20 as an injection well for enhanced recovery in the Uteland Butte Field.

(5) Structure - The Uteland Butte field is near the center of the broad, gently northward-dipping south flank of the Uintah Basin. The beds dip about 200 ft./mile. There are no folds or faults in the beds at the surface.

Stratigraphy - Lower part of the Uintah Formation (Eocene)

The lower 600-800 feet of the Uintah Formation forms the surface in the Uteland Butte field.

It consists of brown, lenticular fluvial sandstones, 5 to 20 feet thick, interbedded with varicolored shales, some of which are limey. The alluvial deposits of the Uintah are intertongued with the upper beds of the Green River Formation.

Green River Formation (Eocene)

The Green River Formation is approximately 3700 feet thick in the Uteland Butte field. It consists of lacustrine shales and marginal lacustrine sandstones and limestones. These beds were deposited on the broad, level floor of Lake Uintah as the lake expanded and contracted many times across the nearly level, broad margins of the lake basin.

Some of the marker beds in the Green River Formation in the Uteland Butte field are:

Horse Bench sandstone, occurs at a depth of about 1200 feet.
Mahogany Oil Shale Bed, occurs at a depth of about 1650 feet.
H Marker, occurs at a depth of about 2650 feet.
X Marker, occurs at a depth of about 3200 feet.
Top of the Douglas Creek member and the Black Shale member occurs at a depth of about 3900 feet. It contains numerous beds of limestone, shale and some sandstone.
Top of the Uteland Butte limestone occurs at a depth of about 4500 feet and it is about 180 feet thick.
The "A Sand," into which it is proposed to inject water, occurs 40-50 feet below the top of the Uteland Butte limestone as shown on Cross Sections A-B and C-D.
However, the "A sand" is replaced bu shale in well #7-19 (log on Cross Section A-B) and water will not be injected into it in that well.
The "C shoal" limestone, into which it is proposed to inject water, occurs at the base of the Uteland Butte limestone in the Uteland Butte field as shown on Cross Sections A-B.

Pendragon cut the core through the "C shoal" limestone in well #14-17 (SE/SW Sec. 17, T.10 S., R. 18 E.) as shown on Cross Section C-D. The core is 30 feet long and started at 4675ft. The description by Roger Hively is summarizes as follows:

1.4 ft. black Shale
2.1 ft. limestone, ostracodal
0.5 ft. coal, alginate
4.9 ft. sandstone, tight with calcareous
4.3 ft. shale, black
4.7 ft. standstone, tight
1.2 ft. shale, black
1.6 ft. limestone, ostracodal
0.4 ft. shale, brown with ostracodes
"C shoal" 4.1 ft. limestone, ostracodal
0.8 ft. sandstone, tight
0.5 ft. silstone

The contact between Green River Formation and the Wasatch Formation is an intertonguing of red shales and lacustrine shales and limestones. The "C shoal" limestone is the basal unit of the Green River formation in the Uteland Butte field.

Wasatch Formation (Eocene and Paleocene)
The Wasatch Formation is approximately 2400 feet thick in Uteland Butte and consists of red alluvial shales and siltstones with scattered lenticular fluvial sandstones usually 10-50 feet thick.

The Wasatch is underlain in gradational contact by the North Horn Formation which overlies the Mesaverde Group, about 3000 feet thick, and the Mancos Shale, about 5000 feet thick.

(6) Confining Zones - Cross Sections A-B and C-D show the logs of the proposed water injection wells and the oil wells southwest and northeast of them. The water will be injected into the A sand and the C shoal. These beds are in the lower part of the Green River Formation which is about 3700 feet thick in the field and consists of shales, sandstones and limestones that were deposited in lake Uintah and on its shores. These beds cover the entire modern Uintah Basin as the lake repeatedly expanded and contracted across the board, nearly flat southern flank of the basin.

The marginal lacustrine sandstones were deposited as streams meandered across the margins and flowed into the deeper part of the basin, north of Uteland Butte. Theses sands are lenticular as exemplified by the A sand. On the Cross Sections the interval can be correlated, but the sand is absent in wells #7-19 and #2-20 on Cross Section A-B. The sands are enclosed by shales which confine the oil within them. The beds beginning about 20 feet above A sand are predominantly black shale with thin interbedded tight sandstones. These impervious beds are continuous across the entire field and fall beyond. They provide confining zones for water that will be injected into the A sand.

The 110-120 foot interval between the A sand and the C shoal contains 2 to 3 porous sandstones enclosed by black shale. These sandstones do not contact the A sand or the C shoal, they are confined within the shales which also form confining zones for the A sand and the C shoal. The A sand and the C shoal stay in their respective stratigraphic positions and do not cut across bedding to contact other possibly permeable beds. Similar sedimentary environment existed in the Greater Monument Butte field north of Uteland Butte in T 8-9 S. There numerous water injection projects have shown that the injected water stays in the sandstones and does not escape because of the confining lacustrine shales.

Below the C shoal the beds are predominantly shales and siltstones of the Wasatch Formation. These impervious beds provide an excellent confining zone below the C shoal.

The shales and limestones are made up of very fine particles of clay and precipitates that formed continuous beds over very large areas on the nearly flat lake bottom and provide excellent permeability barriers, in aggregate confining zones.

(7) The injection intervals in the Federal 5-20 will be from 4588-4591' (A sand) and from 4743-4747' (C shoal). These two areas are the oil and gas productive zones in this well bore. The perforations are at a rate of 4 shots per foot.

Attachment No. 4 is a summary sheet for the casing and cement jobs for this well.

(8) USDW - There are no sources of underground drinking water near the Federal 5-20 Well. The Green River is about 5 miles southeast of the Federal 5-20.

Enclosed as Attachment No. 5 are standard analyses of produced water from currently producing wells in this field. The analysis of the Green River formation water from the state 1-16 is 29,530 mg/L of total dissolved solids and from the Federal 3-29 is 37,511 mg/L of the total dissolved solids. This is above the 10,000 ppm value utilized as the upper threshold for "fresh water."

Gwynn2 reports analyses of waters from five drill stem tests in the Green River Formation from well in NW/NW Sec. 14, T. 10 S., R 18 E., two miles ENE of the wells on Cross Section C-D (see index Map on Cross Section). In this well the top of Green River Formation is at 470 feet and the Mahogany Bed is at 1900 feet. The top of Wasatch is at 4865 feet.

The DSTs were at depths of 3676-3681 ft., 3681-3746 ft., 3877-3915 ft, 4045-4080 ft., and 4275-4287 ft. The Total Dissolved Solids in the waters from those tests ranged from 62,784 to 76,590 ppm. The waters contained about 50% chloride, 30% sodium and 5% sulfate. These waters are typical of waters from Green River Formation throughout the Uintah Basin, and these test intervals are about the same depth in the Uteland Butte field.

(9) A summary of completion data from the Federal 5-20 Well is included in Attachment No. 11.

(10) The Cement bond log is included in Attachment No. 9. The CBL log shows 80%-90% or better bond from 3600' to 4784'.

(11) The open hole log for the Federal 5-16 is included in Attachment No. 10

(12) The summary for the completion of the Federal 5-20 are included in Attachment No. 11.

(13) Initially, the source of water for injection will come from a water well to be drilled within

1 Howells, L, M.S. Longson and G.L. Hunt, 1987, U.S. Geological Survey Open File Report 87-394 and State of Utah Department of Natural Resources Plication No. 92, 59 p., 2 pls.
2Gwynn, J.W., 1995, Resistivities and Chemical Analyses of Selected Oil and Gas Field, water well and spring waters, Utah; Utah Geological Survey Circular 87, 142p.

the field. The well will be drilled to about 4000' into the Green River Formation. This part of the formation yields water that is about 10,000-80,000 ppm TDS.

Once the water flood is underway, the volume of produced water will increase in the producing wells. This increased produced water will also be used in the flood injection operations.

Once the water source well is drilled and completed, compatibility testing will be conducted between the formation water and source water.

(14) A list of wells that may use the Federal 5-20 Well for disposal is included in Attachment No.6.

(15) Enclosed as Attachment No. 7 is a list of all the owners, operators, and surface interest owners located within 1/4 mile radius of the Federal 5-20.

Also included is a signed affidavit certifying that Pendragon has notified all of the operators, and surface interest owners located within 1/4 mile radius of the Federal 5-20 Well.

(16) A fracture gradient review is contained in Attachment No. 8. Pendragon proposes to inject water, to enhance oil production, into subsurface beds in the Federal 5-20 Well. The water will be injected into the "A sand " (where present) and the "C shoal" limestone. The table in the discussion summarizes the depths of these beds and the "fracture gradient" as determined by Halliburton from hydraulic fracturing conducted to improve the permeability of the beds.

The average fracture gradient is 0.89 to 0.90 psi/ft. Pendragon is requesting an injection pressure of 1300 psi and an injection rate of 400 BWPD per zone.

(17) An injection wellbore diagram is contained in Attachment No. 12.

(18) The P&A procedure for this well is contained in Attachment No. 13.

(19) Once the draft permit is issued, Pendragon will conduct an MIT test and a static bottom-hole pressure test. The conversion work will be completed and submitted on EPA Form 7520-12. A wellbore schematic will be included with this form.

(20) Pendragon will post a surety bond to demonstrate financial responsibility. The amount of the bond will be provided by the EPA once the permit is approved.

(21) Pendragon will install various gauges on the well so that the injection pressure and the tubing casing annulus pressures can be measured The well will be equipped with a flow meter with a cumulative volume recorder.

ATTACHMENT NO. 1

AREA MAP

Uteland Butte Field

Sec. 16, 17, 19, 20, 29, 30 T10S R18E

Uintah County, Utah

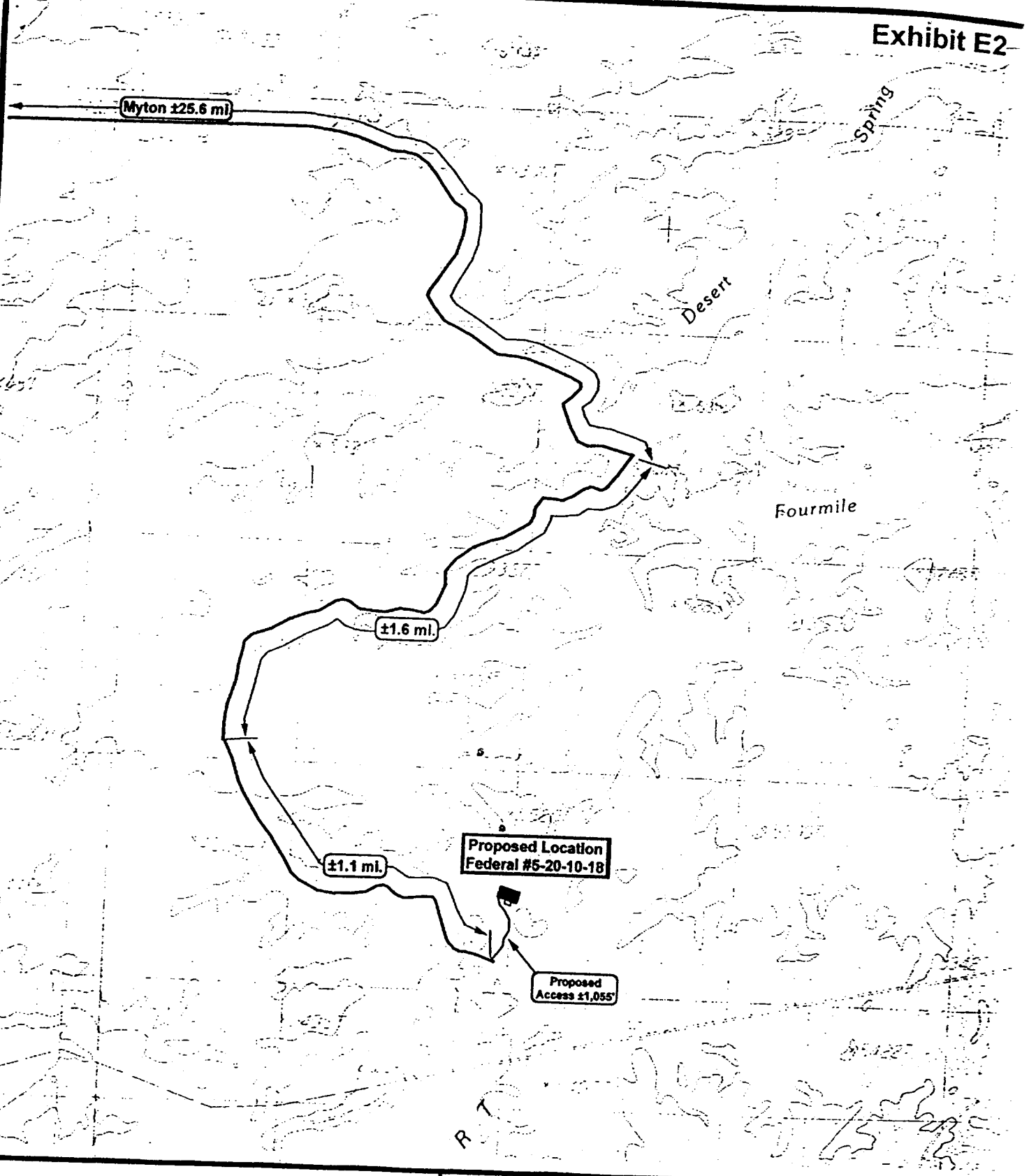
N
W
E
S

ATTACHMENT NO. 2

SITE DIAGRAM

RADIUS MAP OF ADJACENT WELLS

Exhibit E2



PENDRAGON
ENERGY PARTNERS INC.

Federal #5-20-10-18
SEC. 20, T10S, R18E, S.L.B.&M.

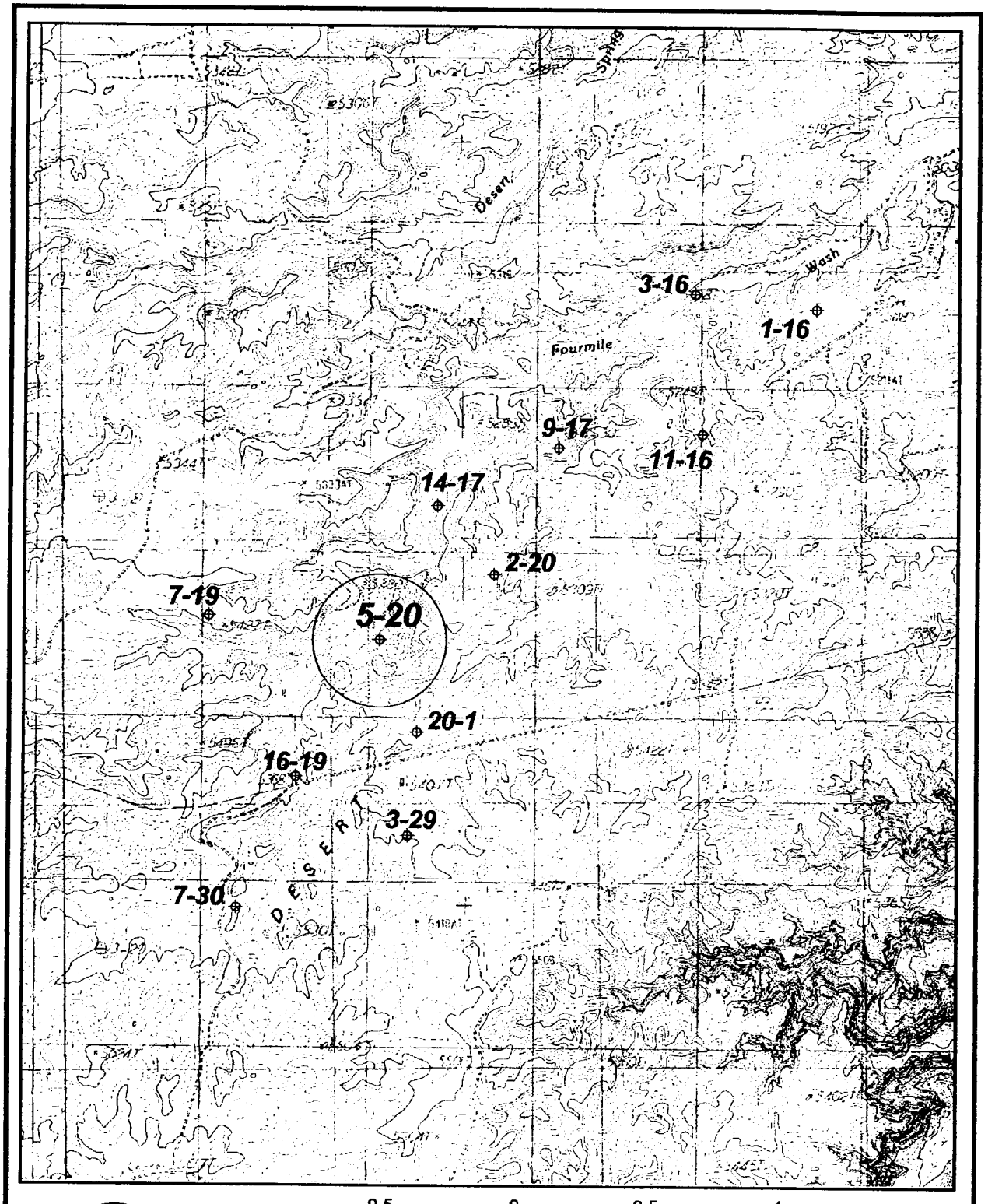
N

Tri-State Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
DRAWN BY: R.A.B.
DATE: 12-10-2002

Legend
Existing Road
Proposed Access

TOPOGRAPHIC MAP "B"



Well, with 1/4 Mile Radius Buffer

0.5 0 0.5 1

Scale (Miles)

N W E S

Federal 5-20-10-18 SW/NW Sec. 20 T10S R18E

ATTACHMENT NO. 3

CROSS-SECTION, STRUCTURE MAP

ATTACHMENT NO. 4

SUMMARY SHEET OF CASING AND CEMENT JOBS

	SURFACE CASING				PRODUCTION CASING			
WELL	SIZE	DEPTH	CEMENT AMOUNT	CEMENT TOP	SIZE	DEPTH	CEMENT AMOUNT	ESTIMATED CEMENT TOP
FEDERAL 5-20	8 5/8, 24#	0-315'	150 CF Lite 100CF premium	SURFACE	51/2, 15.5#	0-4784'	135 sx Type V, 263 sx Pozmix 400 sx total	1153'

WELL	A SAND PERFORATIONS	C SHOAL PERFORATIONS	CBL	LOGGED INTERVAL	CEMENT BOND
FEDERAL 5-20	4589-4597	4718-4724'	YES	200-4784'	90%-3666-3974, 80%-3974-4000, 90%-4069-4382, 90%-4388-4587, 90%-4595-4754.

ATTACHMENT NO. 5

WATER ANALYSIS

Analytical Laboratory Report for:

Pendragon

BJ Unichem Chemical Services

UNICHEM Representative: S.L. Hoopes

Production Water Analysis

Listed below please find water analysis report from: ~~91-1~~ 1-16, WH

This is the 1-16 well. It was read upside down when it was done originally.

Lab Test No:	**2003402623**	**Sample Date:**	**09/21/2003**
Specific Gravity:	**1.020**		
TDS:	**29530**		
pH:	**7.80**		

Cations:	mg/L	as:
Calcium	320	(Ca^{++})
Magnesium	97.00	(Mg^{++})
Sodium	12443	(Na^{+})
Iron	3.60	(Fe^{++})
Manganese	0.40	(Mn^{++})
Anions:	**mg/L**	**as:**
Bicarbonate	366	(HCO_3^{-})
Sulfate	0	($SO_4^{=}$)
Chloride	16300	(Cl^{-})
Gases:		
Carbon Dioxide		(CO_2)
Hydrogen Sulfide	0	(H_2S)

Pendragon

Lab Test No: 2003402622

BJ Unichem Chemical Services

DownHole SAT™ Scale Prediction @ 160 deg. F

Mineral Scale	Saturation Index	Momentary Excess (lbs/1000 bbls)
Calcite (CaCO3)	.19	-.124
Aragonite (CaCO3)	.155	-.158
Witherite (BaCO3)	0	-18.26
Strontianite (SrCO3)	0	-8.9
Magnesite (MgCO3)	.0986	-.223
Anhydrite (CaSO4)	.0285	-538.83
Gypsum (CaSO4*2H2O)	.0179	-811.03
Barite (BaSO4)	0	-2.8
Celestite (SrSO4)	0	-208.25
Silica (SiO2)	0	-107.73
Brucite (Mg(OH)2)	< 0.001	-1.2
Magnesium silicate	0	-158.87
Siderite (FeCO3)	1.44	.0101
Halite (NaCl)	.0034	-203609
Thenardite (Na2SO4)	< 0.001	-66816
Iron sulfide (FeS)	0	-.398

Interpretation of DHSat Results:

The Saturation Index is calculated for each mineral species independently and is a measure of the degree of supersaturation (driving force for precipitation) under the conditions modeled. This value ranges from 0 to Infinity with 1.0 representing a condition of equilibrium where scale will neither dissolve nor precipitate. Values less than 1.0 are undersaturated and values greater than 1.0 are supersaturated. The scale is logarithmic, i.e. a Saturation Index of 3 is 10 times more saturated than a value of 2.

The Momentary excess is a measure of how much scale would have to precipitate to bring the system back to a non-scaling condition. This value ranges from negative (dissolving) infinity to positive (precipitating) infinity. The Momentary Excess represents the amount of scale possible while the Saturation Level represents the probability that scale will form.

Analytical Laboratory Report for:

Pendragon

BJ Unichem Chemical Services

UNICHEM Representative: S.L. Hoopes

Production Water Analysis

Listed below please find water analysis report from: 3-29, WH

Lab Test No:	2003402822	Sample Date:	09/21/2003
Specific Gravity:	1.025		
TDS:	37511		
pH:	6.30		

Cations:	mg/L	as:
Calcium	480	(Ca^{++})
Magnesium	146	(Mg^{++})
Sodium	13961	(Na^{+})
Iron	1.40	(Fe^{--})
Manganese	0.20	(Mn^{--})
Anions:	**mg/L**	**as:**
Bicarbonate	122	(HCO_3^{-})
Sulfate	100	($SO_4^{=}$)
Chloride	22700	(Cl^{-})
Gases:		
Carbon Dioxide		(CO_2)
Hydrogen Sulfide	0	(H_2S)

Pendragon

Lab Test No: 2003402622

BJ Unichem Chemical Services

DownHole SAT™ Scale Prediction @ 160 deg. F

Mineral Scale	Saturation Index	Momentary Excess (lbs/1000 bbls)
Calcite (CaCO3)	.19	-.124
Aragonite (CaCO3)	.155	-.158
Witherite (BaCO3)	0	-18.26
Strontianite (SrCO3)	0	-8.9
Magnesite (MgCO3)	.0986	-.223
Anhydrite (CaSO4)	.0285	-538.83
Gypsum (CaSO4*2H2O)	.0179	-811.03
Barite (BaSO4)	0	-2.8
Celestite (SrSO4)	0	-208.25
Silica (SiO2)	0	-107.73
Brucite (Mg(OH)2)	< 0.001	-1.2
Magnesium silicate	0	-158.87
Siderite (FeCO3)	1.44	.0101
Halite (NaCl)	.0034	-203609
Thenardite (Na2SO4)	< 0.001	-66816
Iron sulfide (FeS)	0	-.398

Interpretation of DHSat Results:

The Saturation Index is calculated for each mineral species independently and is a measure of the degree of supersaturation (driving force for precipitation) under the conditions modeled. This value ranges from 0 to infinity with 1.0 representing a condition of equilibrium where scale will neither dissolve nor precipitate. Values less than 1.0 are undersaturated and values greater than 1.0 are supersaturated. The scale is logarithmic, i.e. a Saturation Index of 3 is 10 times more saturated than a value of 2.

The Momentary excess is a measure of how much scale would have to precipitate to bring the system back to a non-scaling condition. This value ranges from negative (dissolving) infinity to positive (precipitating) infinity. The Momentary Excess represents the amount of scale possible while the Saturation Level represents the probability that scale will form.

ATTACHMENT NO. 6

LIST OF PRODUCING WELLS

PROPOSED DESERT SPRING UNIT
List of Existing Wells (All are oil wells with associated gas)
All in Uintah County, Utah

Well Name	Qtr/Qtr	Section	T&R
Pendragon State 1-16-10-18	NE/NE	16	10S-18E
Pendragon State 3-16-10-18	NE/NW	16	10S-18E
Pendragon State 11-16-10-18	NE/SW	16	10S-18E
Pendragon Federal 9-17-10-18	NE/SE	17	10S-18E
Pendragon Federal 14-17-10-18	SE/SW	17	10S-18E
Pendragon Federal 7-19-10-18	SW/NE	19	10S-18E
Pendragon Federal 16-19-10-18	SE/SE	19	10S-18E
Pendragon Federal 2-20-10-18	NW/NE	20	10S-18E
Pendragon Federal 5-20-10-18	SW/NW	20	10S-18E
Pendragon Federal 20-1	NE/SW	20	10S-18E
Pendragon Federal 3-29-10-18	NE/NW	29	10S-18E
Pendragon Federal 7-30-10-18	SW/NE	30	10S-18E

ATTACHMENT NO. 7

OWNERSHIP MAP &
LIST OF OWNERS,
AFFIDAVIT NOTIFICATION

AFFIDAVIT OF MAILING

I, Martin W. Buys, President, Buys & Associates, Inc., being first duly sworn, depose and state as follows; On December 15, 2003, I caused to be mailed by certified mail, postage prepaid, return receipt requested, a copy of the Application to convert the Federal 5-20-10-18 well to water injection for enhanced recovery. It was sent to all parties who have an interest within 1/4 mile from this well. The attached list contains the names of all parties who were notified.

Dated this 15th day of December, 2003

Martin W. Buys
President
Buys & Associates, Inc.

The forgoing affidavit was subscribed and sworn to before me by Martin W. Buys.
This 15 day of December, 2003

_____, Notary Public

My Commission expires: 30 day of October, 2006

CAROLYN S. VICKLES NOTARY PUBLIC STATE OF COLORADO

December 6, 2003

CERTIFIED MAIL NO.

Mineral, Surface and Working Interest Owners

RE: Notification of Water Injection
Federal 5-20-10-18
2147'FNL, 720' FWL, Section 20, T10S, R18E
Uintah County, Utah

To Whom it May Concern;

On December 6, 2003, Pendragon Energy Partners submitted to the Environmental Protection Agency an application requesting approval to convert the above mentioned well to a water injection well in an enhanced recovery program.

Anyone who would be directly and adversely affected by the authorization of the underground disposal into the Green River (4589'-4724') may file a written request for a public hearing before the EPA. Logs and additional information on the subject well are on file with the EPA, Groundwater Program, Mail Code 8P-W-GW, 999 18th Street, Suite 500, Denver, Colorado 80202-2466.

Please contact Marty Buys at 303.781.8211 if you have any questions.

Sincerely,

Martin W. Buys
Agent for Pendragon Energy Partners

Enclosure

DIVISION OF INTERESTS
Pendragon 5-20-10-18 Well
Section 20-T10S-R18E
Uintah County, Utah
REVISED
As of 10/1/03
SHOWING QUESTAR JOINDER

OWNER	W.I.BPO	N.R.I.BPO	W.I. APO	N.R.I. APO	TYPE
Pendragon Energy Partners, Inc. 621 17th Street, Suite 750 Denver, Co. 80293 84-1419088	.05000	.04250	0.05000	0.04250	W.I.
Questar Exploration & Production Company 1050 17th Street #500 Denver, Co. 80265 84-1310390 (Billing address)	0.21875	0.1815625	0.21875	0.1815625	W.I.
III Exploration Company P.O. Box 7608 Boise, Idaho 83707	0.28125	0.2334375	0.28125	0.2334375	W.I.
Patriot Exploration Co., Inc. 45 Rockefeller Plaza, Suite 2090 New York, New York 10111	0.36750	0 .312375	0.36750	0.312375	W.I.
Robert Bomar 2821 W. Shandon Midland, Texas 79705 457-78-8837	0.0125	0.010625	0.01250	0.010625	W.I.
Joseph Deitch 12 Claridge Drive Weston Mass. 02493 027-38-6672	0.028125	0.02390625	0.028125	0.02390625	W.I.
O. Alan & Molly W. Jared 58009 Morton Marathon, Florida 33050 417-54-2570	0.006875	0.00584375	0.006875	0.00584375	W.I.
Steven Rooney & Gail Queeney 930 Emerald Row Gulfstream, Florida 33483 173-46-5715	0.02125	0.0180625	0.02125	0.0180625	W.I.
Peter T. Wheeler 111 Rolling Lane Weston, Mass. 02193 – 2474 014-36-3557	0.01375	0.0116875	0.01375	0.0116875	W.I.
Minerals Management Service		0.125		0.125	ROY

Royalty Management Program P.O. Box 5810 T.A. Denver, Colorado 80217			
Patina Oil & Gas Corporation 1625 Broadway, Suite 2000 Denver, Co. 80202 75-2629477	0.025	0.025	ORRI
Roger Hively 6745 W. 3rd Place Lakewood, Co. 80226 275-52-5969	0.005	0.005	ORRI
Patricia McDonald Chandler P.O. Box 5005 Rancho Mirage, Calif. 92270 519-34-4711	0.005	0.005	ORRI

ATTACHMENT NO. 8

FRACTURE GRADIENT REVIEW

FRACTURE GRADIENT

Pendragon proposes to inject water, to enhance oil production, into subsurface beds in the following four wells in the Uteland Butte field, T10S, R18E:

1. #5-20
2. #11-16
3. #9-17
4. #7-19

The water will be injected into the "A sand" (where present) and the "C shoal" limestone. The following table summarizes the depths of these beds and the "fracture gradient" as determined by Halliburton from hydraulic fracturing conducted to improve the permeability of the beds.

Well	**"A sand"** Depth Perforated	Fracture Gradient psi/ft	**"C shoal"** Depth Perforated	Fracture Gradient psi/ft
1. #5-20	4588-4596	0.90	4718-4724	0.90
2. #11-16	4617-4623	0.89	4743-4747	0.89
3. #9-17	4670-4677	0.64	4800-4803	sanded out
4. #7-19	not present		4788-4792	sanded out

The "A sand" and the "C shoal" were hydraulically fractured in four wells, in the Uteland Butte field, into which water will not be injected. The fracture gradient as determined by Halliburton from those procedures are given in the table below.

5. #7-30	not present		4623-4628	0.91
6. #2-20	not present		4779-4782	0.88
7. #3-16	not present		4800-4808	sanded out
8. #14-17	4564-4575	0.91	4694-4698	0.84

Assuming a frac gradient of 0.90 psi/ft and depths of 4588 ft. to 4803 ft. for the points of injection, pressures of 4129 psi to 4323 psi would fracture the A sand and the C shoal in the four injection wells. Water columns to those depths will place pressures of 1973 psi to 2065 psi on the injection formations. Injection pressures up to 1956 psi into the A sand and 2058 psi into the C shoal will place pressures on the injected beds of 200 psi less than the pressure that would fracture the beds.

ATTACHMENT NO. 9

CEMENT BOND LOG

ATTACHMENT NO. 10

OPEN HOLE LOG

ATTACHMENT NO. 11

COMPLETION DATA

Pendragon Energy Partners Daily Completion/Workover Report

Well: FEDERAL #5-20				Date: 9-23-03	
Section: 20	Township: 10S		Range: 18E	County: Uintah	State: UT
TD:	KB:	GL:	Casing Size:	Wt Range - #/Ft.	
TOC:	Perfs/Open Hole:			PBTD: 4858'	

Present Operation:

Details: MI & RU COMPLETION UNIT, MUD PUMP & WORK TANK. CASING STUB DID NOT HAVE BALLED NIPPLE. HAD TO GET BALLED NIPPLE & WELDER. NU 5000 PSI BOPs & TBGHD. TSTD CSG, TBGHD & BOPs TO 4700 PSI FOR 5 MIN. PU 4-3/4" BIT & CSG SCRAPER & TIH W / 2-7/8" TBG. FOUND PBTD @ 4858'. CIRC HOLE 2% KCL WTR. PULLED UP & SET BTM OF TBG STRING @ 4725.5'. PREP TO SPOT ACID IN AM. SION

Operations Supervisor: IB LUECK

Pendragon Energy Partners Daily Completion/Workover Report

Well: FEDERAL #5-20 (CONTINUED) **Date: 9-24-03**

Section: 20	Township: 10S	Range: 18E	County: Uintah	State: UT

TD:		KB:	GL:	Casing Size:	Wt Range - #/Ft.

TOC:	Perfs: "C" SHOAL 4718-23', "A" SAND 4589-96'	PBTD: 4858'

Present Operation:

Details: GAL (12 BBLS) 7-1/2% HCL. PMPD 4 BBLS ACID @ 1 BPM, BROKE @ 2500 PSI TO 990 PSI, THEN INCR TO 1020 PSI. PMPD 4 BBLS ACID @ 2 BPM @ 1020 - 1170 PSI. PMPD 4 BBLS ACID @ 4 BPM @ 1170-1280 PSI. SI 5 MIN, ISIP 1130, 5 MIN 770 PSI. FRAC'D; ESTABLISHED RATE OF 20 BPM @ 2350 PSI. PMPD PRE PAD (CSG VOLUME OF 2% KCL WTR), PAD, 1-4# / GAL, 4-6# / GAL, 6# / GAL SAND & FLUSH @ 20 BPM @ AVERAGE PRESS OF 2200 PSI. ISIP 2180, 5 MIN 2010 PSI, 10 MIN 1910, 15 MIN 1835 PSI. PMPD TOTAL OF 314 BBLS FLUID & 25,200# OF 16-30 MESH SAND. TOTAL LOAD CSG VOLUME 107 BBLS + "C" SHOAL 372 BBLS + "A" SAND 314 BBLS = 793 BBLS. STARTED FLOW BACK.

TIME	PRESSURE	BBLS	CUM BBLS	REMARKS
3:00 PM	1050	-	-	
4:00	0	34.0	34.0	PRESSURE TOO LOW TO READ GAUGE
4:30	0	10.0	44.0	
5:00	0	2.5	46.5	WELL DEAD

TOTAL LOAD NOW = 746.5 BBLS. SION

Operations Supervisor: IB LUECK

Pendragon Energy Partners Daily Completion/Workover Report

Well: FEDERAL #5-20					**Date: 9/24/03**
Section: 20	Township: 10S		Range: 18E	County: Uintah	State: UT
TD:	KB:	GL:	Casing Size:	Wt Range - #/Ft.	
TOC:	Perfs: "C" SHOAL 4718-23', "A" SAND 4589-96'			PBTD: 4858'	

Present Operation:

Details: RU HOWCO STIMULATION SERVICES. SPOT 500 GAL 7-1/2% HCL OVER "C" SHOAL. RU HOWCO WIRELINE. PERF "C" SHOAL 4718-23' W / 4 JSPF (21 HOLES) W / 4" CSG GUN. ACIDIZED "C" SHOAL W / 500 GAL (12 BBLS) 7-1/2% HCL. AFTER PERF, TOOK 14 BBLS TO LOAD HOLE. PMPD 4 BBLS ACID @ 1 BPM, BROKE @ 1900 PSI TO 1300 PSI, THEN INCR TO 1500 PSI. PMPD 4 BBLS ACID @ 2 BPM @ 1500 PSI TO 1700 PSI. PMPD 4 BBLS ACID @ 4 BPM @ 1700 PSI TO 1780 PSI. SI FOR 12 MIN (PRE GEL UNIT DOWN). ISIP 1665 PSI, 5 MIN 320 PSI, 10 MIN 50 PSI, 12 MIN 30 PSI. FRAC'D; ESTABLISHED RATE OF 20 BPM @ 2350 PSI. PMPD PRE PAD (CSG VOLUME OF 2% KCL WTR), PAD, 1-4#/GAL SAND, 4#/GAL SAND & FLUSH @ 20 BPM @ AVERAGE PRESS OF 2400 PSI. ISIP 2180 PSI, 5 MIN 2010 PSI, 10 MIN 1910 PSI, 15 MIN 1230 PSI. PMPD TOTAL OF 372 BBLS FLUID & 18,000# OF 16-30 MESH SAND. SET COMPOSITE FRAC PLUG @ 9655'. TSTD PLUG TO 2200' PSI, HELD OK. PERF'D "A" SAND FR 4589-96' W / 4 JSPF (29 HOLES) W / 4" CSG GUN. ACIDIZED "A" SAND W / 500 (CONTINUED)

Operations Supervisor: IB LUECK

Pendragon Energy Partners Daily Completion/Workover Report

Well: FEDERAL #5-20					**Date: 9/25/03**
Section: 20	Township: 10S		Range: 18E	County: Uintah	State: UT
TD:	KB:	GL:	Casing Size:	Wt Range - #/Ft.	
TOC:	Perfs: "C" SHOAL 4718-23', "A" SAND 4589-96'			PBTD: 4858'	

Present Operation:

Details: CP 0 PSI, FLUID TO SFC. PU 4-3/4" BIT & TIH W / TBG. TAGGED SAND @ 4564'. HAVE 51' OF FILL +-1180#) ON TOP OF PLUG (@ 4665'). CIRC OUT SAND & DRLD OUT PLUG. WENT TO PBTD @ 4858'. DID NOT FIND ANY SAND ON BTM. PUT 60 BBLS IN FM(S) WHILE CLEANING OUT HOLE. TOTAL LOAD NOW 801 BBLS. TOOH W / TBG & BIT. PU NOTCHED COLLAR, 1 JT TBG, SN, 9 JTS TBG, TBG ANCHOR & STARTED IN HOLE W / TBG. SET BTM OF STRING @ 4534' (ABOVE TOP PEFRS 4589-96'). NU SWB @ 4:00 PM.

OPERATIONS SUPERVISOR: IB LUECK

Pendragon Ener_ Partners Daily Completion/\..orkover Report

Well: FEDERAL #5-20 **Date: 9/26/03**

Section: 20	Township: 10S	Range: 18E	County: Uintah	State: UT

TD:		KB:	GL:	Casing Size:	Wt Range - #/Ft.

TOC:	Perfs: "C" SHOAL 4718-23', "A" SAND 4589-96'	PBTD: 4858'

Present Operation: BOTTOM TBG 4534'

Details: TBG & CSG BOTH ON SLI VAC. RAN SWB, FL @ 1300'. SWBD AS FOLLOWS:

TIME	FLUID LEVEL	BBLS FR FM	BBLS FR FM	CUM BBLS TODAY	LOAD TO RECOVER	REMARKS
8:00AM	1300	-	-	-	807.0	
9:00	2600	36.7	9.4		770.3	TRACE OIL
10:00	2800	26.6	22.4	59.1	743.7	TRACE OIL, CK'D CUPS, NO SAND
11:00	2900	8.1	6.0	67.2	735.6	SWBG INTERRUPTED, HAD TO BREAK SWB LINE TO LET ROD TRUCK IN & OUT 10:30-11:15, 35% GAS @ 12:00, CK'D CUPS, NO SAND
12:00	3200	20.8	18.7	88.0	714.8	35% GAS @ 12:00, CK'D CUPS, NO SAND
1:00PM	3000	21.0	18.9	109.0	693.8	65% OIL, CK'D CUPS, NO SAND
2:00	3600	16.7	4.1	125.7	677.1	45% OIL, GAS INCR, CK'D CUPS, NO SAND
3:00	3100	16.8	27.0	142.5	660.3	30% OIL
4:00	3300	16.7	12.5	159.2	643.6	60% OIL, CK'D CUPS, NO SAND
5:00	3200	20.9	23.0	180.1	622.7	EXTRA PULL, SION

Operations Supervisor: IB LUECK

Pendragon Energy Partners Daily Completion/Workover Report

Well: FEDERAL #5-20 **Date: 9/27/03**

Section: 20	Township: 10S	Range: 18E	County: Uintah	State: UT

TD:		KB:	GL:	Casing Size:	Wt Range - #/Ft.

TOC:	Perfs: "C" SHOAL 4718-23', "A" SAND 4589-96'	PBTD: 4858'

Present Operation:

AT PBTD 4858'. NO SAND FILL. RESUMED SWBG @ 3:45 PM.

3:45 PM	3000	-	-	-	-	RESUMED SWBG
4:45	3200	17.0	16.0	116.13	506.4	80% OIL, 3 PULLS
5:45	3600	16.3		132.6	490.1	3 PULLS

SET TBG PROD STRING AS FOLLOWS:

KB	10.00	10.00
STRETCH	1.40	1.40
139 JTS 2-7/8" 6.5# 8 RD J-55 EUE TBG	4495.91	4507.31
TBG ANCHOR	2.35	4509.66
9 JTS TBG	280.99	4790.65
SN	1.10	4791.75
1 JT TBG	30.16	4821.91
NOTCHED COLLAR	.40	4822.31
RAT HOLE	+ - 36'	

Operations Supervisor: IB LUECK PBTD 4858' SION

Pendragon Energy Partners Daily Completion/Workover Report

Well: FEDERAL #5-20 **Date: 9/27/03**

Section: 20	Township: 10S	Range: 18E	County: Uintah	State: UT

TD:		KB:	GL:	Casing Size:	Wt Range - #/Ft.

TOC:	Perfs: "C" SHOAL 4718-23', "A" SAND 4589-96'	PBTD: 4858'

Present Operation:

Details: TP NO PSI, CP 120 PSI. RAN SWB, FL 2600'.

	FLUID		BBLS	CUM BBLS	LOAD TO	
TIME	LEVEL	BBLS FR FM		TODAY	RECOVER	REMARKS
7:30 AM	2600	-	-	-	622.7	1ST PULL HAD 1200' OIL
8:00	2700	14.2	12.1	14.2	608.5	60% OIL, 2 PULLS
9:00	3400	41.9	27.2	56.1	566.6	70% OIL
10:00	3400	17.3	17.3	73.4	549.3	9-10:00 4 PULLS, 75% OIL,
						CK'D CUPS, NO SAND,
						RAN COLOR CUT ON SWB
						TANK @ 10:00, SHOWS 154
						BO. OIL STACKING UP.
						SOME OPTOMISTIC?
11:00	3700	19.7	13.4	93.1	529.6	10-11:00 5 PULLS
11:30	3300	6.2	2.0	99.3	523.4	75% OIL, 11-11:30 2 PULLS,
						FAIR GAS

11:30 AM PULLED SWB INTO LUBRICATOR & PARTED SAND LINE, SWB FELL TO BTM. HAVE TO PULL TBG TO RETRIEVE SWB. TOOH W / TBG STRING. REMOVED SWB MANDREL. TIH W / TBG PROD STRING AS FOLLOWS (SEE NEXT PAGE). TAGGED BTM

Pendragon Energy Partners Daily Completion/Workover Report

Well: FEDERAL #5-20				Date: 9/29/03	
Section: 20	Township: 10S		Range: 18E	County: Uintah	State: UT
TD:	KB:	GL:	Casing Size:	Wt Range - #/Ft.	
TOC:	Perfs: "C" SHOAL 4718-23', "A" SAND 4589-96'			PBTD: 4858'	

Present Operation:

Details: TP 60 PSI, CP 120 PSI. RAN SWB. FL 2700'. HAD 2000' OF OIL ON TOP OF PULL. RAN SWB ONE MORE PULL. FL 2700' - MOSTLY WTR. RECOVERED 20 BBLS ON 2 PULLS. ND BOPS & 5000 PSI TBGHD. NU PROD TBGHD & SET TBG ANCHOR W / 16,000# TENSION. PU BTM HOLE PMP & RIH AS FOLLOWS (TOP TO BTM):

1-1/2" X 22' POLISH ROD

1 3/4" X 8' PONY ROD

191 3/4" X 25' SUCKER RODS

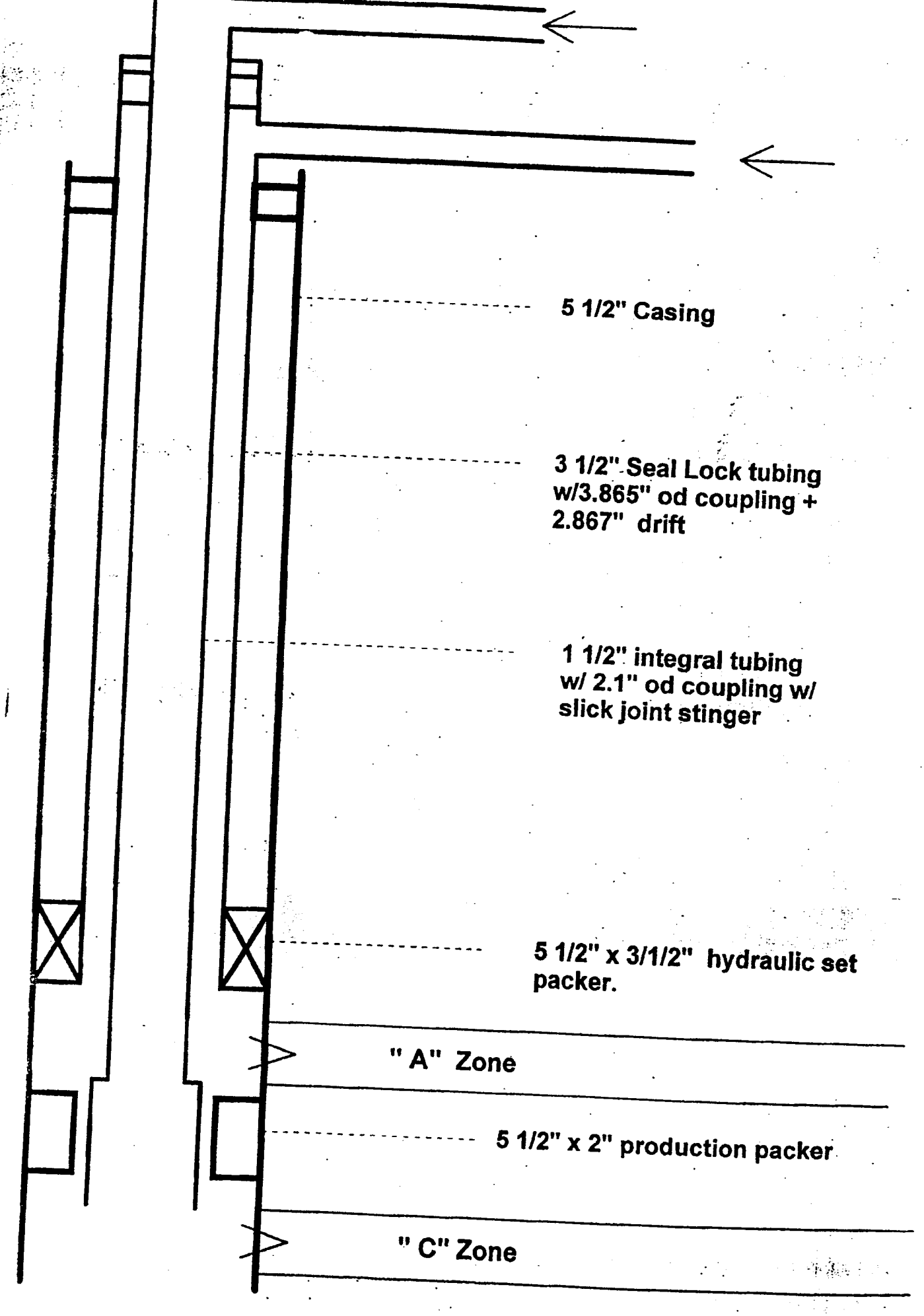
2-1/2" X 1-1/2" X 16' RHAC TOP HOLD DOWN PUMP

NU PMPG TEE & STUFFING BOX. TSTD BH PUMP TO 900 PSI. SPACED OUT PMP & CLAMPED OFF POLISH ROD. WTR TRUCK DRAINED OFF RENTAL SWB TANK & TOOK WTR TO #9-17 LOCATION. GAUGED TANK, HAVE +- 200 BO. RD & LOADED RIG TO #9-17 WELL. SION

OPERATIONS SUPERVISOR: IB LUECK

ATTACHMENT NO. 12

INJECTION WELLBORE DIAGRAM


5 1/2" Casing
3 1/2" Seal Lock tubing w/3.865" od coupling + 2.867" drift
1 1/2" integral tubing w/ 2.1" od coupling w/ slick joint stinger
5 1/2" x 3/1/2" hydraulic set packer.
" A" Zone
5 1/2" x 2" production packer
" C" Zone

ATTACHMENT # 13

P&A PROCEDURE

P & A PROCEDURE

PENDRAGON ENERGY PARTNERS
FEDERAL 5-20-10-18
2147' FNL & 720' FWL
SECTION 20, T10S - R18E
UINTAH COUNTY, UTAH
TD - 4,784'

Surface Casing:	8 5/8", 24#, 0-315'
Casing :	51/2", 15.5# 0' - 250'
Perforations:	4589-4597' A Sand 4718-4727' C Shoal

PLUG AND ABANDONMENT PROCEDURE

1. Obtain authorization from regulatory agencies for P&A procedures.

2. Rig up pulling unit. Install BOP. Release packers. Trip out of hole with both strings of tubing.

3. Trip in hole with 2-7/8" tubing and set at 4500'. Establish pump rate, pump and squeeze with 30 sxs Class G cement at 15.8#/gal. This will come to 100' above the top perforations.

4. Raise the tubing to 2000' and pump 12 sx of Class G cement.

5. Set a retainer 20' below surface casing shoe and perforate 10 feet below that shoe. Squeeze 12 sx of Class G cement into the perforations and bring cement back to the surface.

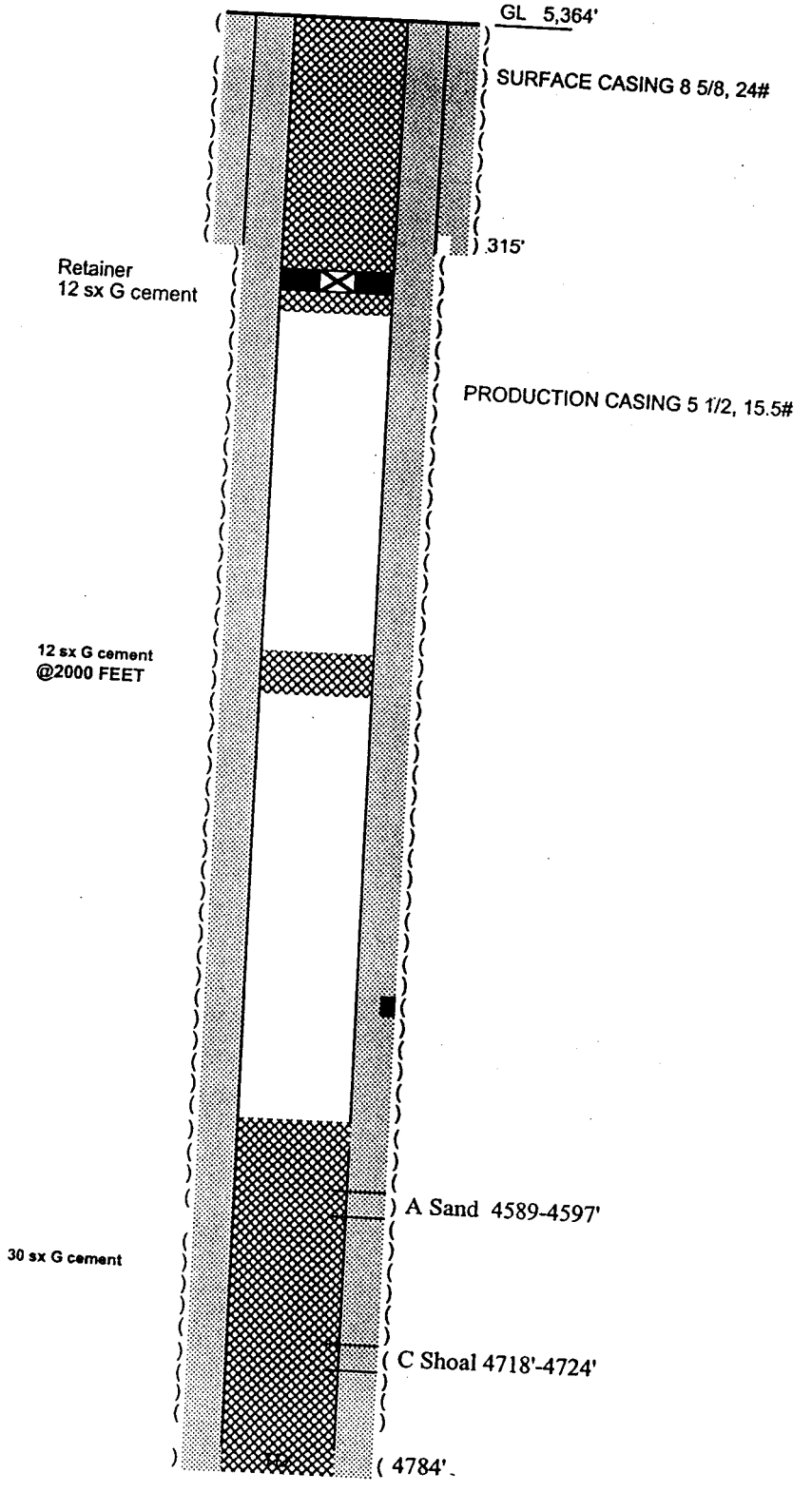
6. Cut off wellhead and install plate and identification P&A post marker. Weld to casing.

7. File reports with the agencies and reclaim surface location.

WELLBORE DIAGRAM

Company: PENDRAGON
Well name: Federal 5-20-10-18
Lease Number: UTU 74836
Location: SWNW, Sec 20, T10S, R18E
County: Uintah
Date: 10/27/2003

P&A DIAGRAM



ATTACHMENT # 14

MIT PROCEDURE

MECHANICAL INTEGRITY TEST PROCEDURE

The proposed concentric tubing arrangement for water injection is, for the purpose of mechanical integrity testing, identical to a single-zone injector. The Baker Model R packer (or equivalent) set just above the A-Sand provides the isolation of the tubing-casing annulus. Below that packer, there is no isolation required, just as there would not be if the two sets of perforations were being injected into with no separation between them. Integrity of the 3-1/2 inch tubing and casing integrity above the upper packer are the two parameters of importance, and the integrity of the 1-1/2 inch tubing, while of importance to the operator, has no bearing on these parameters.

Integrity testing can be accomplished by pressuring up the annulus between the casing and the 3-1/2 inch tubing. The pressure and duration of test will be as required by the EPA.

Should repair of the 3-1/2 inch tubing be necessary, it can readily be pulled simply be first pulling the 1-1/2 inch tubing and then stinging out of the upper packer with the 3-1/2 inch tubing and coming out just as if it were the only tubing string in the hole.

Should a casing repair be necessary, once the 3-1/2 inch tubing is out of the hole, repairs such as cement squeezing can be accomplished normally after setting a plug in the upper packer and protecting it with 2-3 sacks of sand. The casing can then be re-tested prior to circulating the hole clean and re-running the tubing and/or after it is run, as directed by the EPA.

Test Procedure Details:

1) MIRU Service Unit.

2) Bleed off pressure, if any, on 1-1/2 inch tubing and 3-1/2 inch tubing.

3) ND wellhead & NU BOP.

4) Pressure up casing – 3-1/2 inch tubing annulus to 1500 psi for 15 minutes (or per EPA instructions).

5) If pressure holds, ND BOP & NU wellhead. Resume injection.

6) If pressure does not hold, bleed off pressure & sting out and POOH with 1-1/2 inch tubing.

7) Set standing valve in bottom of 3-1/2 inch tubing.

8) Pressure up 3-1/2 inch tubing to 1500 psi for 15 minutes (or per EPA instructions).

9) If tubing pressure does not hold, retrieve plug and round trip 3-1/2 inch tubing hydrotesting to 4000 psi on each stand.

10) Re-run 1-1/2 inch tubing and return well to injection.

FORM 6

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

011

ENTITY ACTION FORM

Operator: PENDRAGON ENERGY PARTNERS, INC.
Operator Account Number: N 2965
Address: 621 17TH STREET, STE. 750
city DENVER
state CO zip 80293
Phone Number: (303) 296-9402

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
047-33712	FEDERAL #14-17-10-18	SESW	17	10S	18E	UINTAH

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date
E	13860	14366		11/4/04

Comments: EFFECTIVE 9/1/04 PART OF UTELAND BUTTE WATERFLOOD
GRRV eff 9/1/04

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
047-34134	FEDERAL #2-20-10-18	NWNE	20	10S	18E	UINTAH

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date
E	13735	14366		11/4/04

Comments: EFFECTIVE 9/1/04 PART OF UTELAND BUTTE WATERFLOOD
GRRV eff 9/1/04

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
047-33245	FEDERAL #5-20-10-18	SWNW	20	10S	18E	UINTAH

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date
E	13863	14366		11/4/04

Comments: EFFECTIVE 9/1/04 PART OF UTELAND BUTTE WATERFLOOD
GRRV eff 9/1/04

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

JANEEN FRITTS
Name (Please Print)
Janeen Fritts
Signature
ADMIN SECY
Title
11/04/04
Date

(5/2000)

RECEIVED
NOV 04 2004
DIV. OF OIL, GAS & MINING

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

UIC FORM 2 (Part 1)

MONTHLY REPORT OF ENHANCED RECOVERY PROJECT

Operator: PENDRAGON ENERGY PARTNERS, INC.
Address: 621 17TH STREET, STE. #750
city DENVER
state CO zip 80293

Page 1 of 2
Report Period: Apr-2005
Phone Number: (303) 296-9402
Amended Report ☐ (highlight changes)

Field or Unit Name	Formation
UTELAND BUTTE (LOWER GREEN RIVER) UNIT	GREEN RIVER
Type of Project	County / Counties
SECONDARY RECOVERY	UINTAH
Number of Active Injection Wells at the End of Report Period	2

INJECTED VOLUMES	Current Month	Cumulative
Water (barrels)	11,822	11,822
Gas (MCF)	0	0
Other _____	0	0

PRODUCED VOLUMES	Current Month	Cumulative
Oil (barrels)		
Gas (MCF		
Water (barrels)		
Other _____		

IMPORTANT: Report monthly monitoring of individual wells on Part 2 of this form or on equivalent form in accordance with current Utah Oil and Gas Conservation General Rules. Attach additional pages as necessary.

I hereby certify that this report is true and complete to the best of my knowledge.

Name (Please Print) ALAN B. NICOL Title PRESIDENT

Signature [signature] Date 05/10/2005

Comments:

RECEIVED
MAY 12 2005
DIV. OF OIL, GAS & MINING

(5/2000)

012

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

UIC FORM

MONTHLY REPORT OF ENHANCED RECOVERY PROJECT

Operator: PENDRAGON ENERGY PARTNERS, INC.
Address: 621 17TH STREET, STE. #750
city DENVER
state CO zip 80293

Page 2 of 2
Report Period: Apr-2005
Phone Number: (303) 296-9402
Amended Report ☐ (highlight changes)

IMPORTANT: Submit this report as an attachment to UIC Form 2 - Part 1.

MONTHLY MONITORING OF INJECTION WELLS

Well Name	Injection Pressure	Injection Rate	Annulus Pressure	Monthly Injection Volume
FED. 9-17-10-18 'A' SAND	1,400	221	0	1,451
1 FED 9-17-10-18 'C' SHOAL	1,910	410	0	4,621
FED 5-20-10-18 'A' SAND	1,700	187	0	1,225
2 FED 5-20-10-18 'C' SHOAL	1,880	409	0	4,525
1 = 43047 33245 = OW				
2 = 43047 34135 = WI				

RECEIVED
MAY 12 2005
DIV. OF OIL, GAS & MINING

(5/2000)

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

ROUTING
1. DJJ
2. CDW

X - Change of Operator (Well Sold) Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective: **12/15/2009**

FROM: (Old Operator):	**TO:** (New Operator):
N2965-Pendragon Energy Partners, Inc.	N5085-Questar E&P Company
468 South Reed St.	1050 17th St, Suite 500
Lakewood, CO 80226	Denver, CO 80265
Phone: 1 (303) 296-9402	Phone: 1 (303) 672-6900

CA No. **Unit:** **UTELAND BUTTE (GRRV)**

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 12/24/2009
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 12/24/2009
3. The new company was checked on the **Department of Commerce, Division of Corporations Database on:** 1/20/2010
4a. Is the new operator registered in the State of Utah: Business Number: 764611-0143
5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
5b. Inspections of LA PA state/fee well sites complete on: 1/12/2010 ok per DJJ
5c. Reports current for Production/Disposition & Sundries on: ok
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA
7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: not yet
8. **Federal and Indian Communization Agreements ("CA"):** The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 1/12/2010

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 1/20/2010
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 1/20/2010
3. Bond information entered in RBDMS on: 1/20/2010
4. Fee/State wells attached to bond in RBDMS on: 1/20/2010
5. Injection Projects to new operator in RBDMS on: 1/20/2010
6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: ESB000024
2. Indian well(s) covered by Bond Number: n/a
3a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 965003033
3b. The **FORMER** operator has requested a release of liability from their bond on: not yet

LEASE INTEREST OWNER NOTIFICATION:

4. (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

Pendragon (N2965) to Questar Exploration Production (N5085)

DESERT SPRINGS 20-1	20	100S	180E	4304732052	14366	FEDERAL	OW	S	UTU-74836
DESERT SPRING 3-29-10-18	29	100S	180E	4304733162	14366	FEDERAL	OW	P	U-74836
DESERT SPRING 16-19-10-18	19	100S	180E	4304733164	14366	FEDERAL	OW	P	U-74408
FEDERAL 7-19-10-18	19	100S	180E	4304733244	14366	FEDERAL	WS	A	UTU74408
FEDERAL 5-20-10-18	20	100S	180E	4304733245	14366	FEDERAL	WI	A	UTU74836
FEDERAL 14-17-10-18	17	100S	180E	4304733712	14366	FEDERAL	OW	S	UTU74407
FED 2-20-10-18	20	100S	180E	4304734134	14366	FEDERAL	OW	P	UTU-0182660-A
FED 9-17-10-18	17	100S	180E	4304734135	14366	FEDERAL	WI	A	UTU-77407
DESERT SPRING 7-30-10-18	30	100S	180E	4304734760	14366	FEDERAL	OW	S	U74408
STATE 1-16-10-18	16	100S	180E	4304733807	14366	STATE	OW	P	ML-45175
STATE 3-16-10-18	16	100S	180E	4304734766	14366	STATE	OW	P	ML 45175
STATE 11-16-10-18	16	100S	180E	4304734767	14366	STATE	OW	P	ML 45175

1/20/2010

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER: U-74836

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ OTHER Water Injection Well

8. WELL NAME and NUMBER: Federal 5-20-10-18

2. NAME OF OPERATOR: Questar Exploration & Production Company N5085

9. API NUMBER: 4304733245

3. ADDRESS OF OPERATOR: 1050 17th Street Suite 500 CITY Denver STATE CO ZIP 80265

PHONE NUMBER: (303) 672-6900

10. FIELD AND POOL, OR WILDCAT: Uteland Butte

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2147' FNL, 720' FWL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 20 10S 18E S

STATE: UTAH

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

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

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

Effective 12/15/09 Questar Exploration & Production Company was appointed operator of this well and agrees to be responsible under the terms and conditions of the lease for all oil and gas operations conducted on this lease. Bond coverage is provided by our bond # 965-003-769.

Alan B. Nicol 12/15/09
Alan B. Nicol — Date
President
Pendragon Energy Partners, Inc. N2965
468 South Reed Street
Lakewood, CO 80226
(303) 296-9402

Jay Neese 12-15-2009
Jay Neese — Date
Executive Vice President
Questar Exploration and Production Company
1050 17th Street, Suite 500
Denver, CO 80265

NAME (PLEASE PRINT) Chad Matney TITLE Landman

SIGNATURE [signature] DATE 12-15-2009

(This space for State use only)

APPROVED 01/20/2010
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(5/2000) (See Instructions on Reverse Side)

RECEIVED
DEC 24 2009
DIV. OF OIL, GAS & MINING

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

UIC FORM 5

TRANSFER OF AUTHORITY TO INJECT

Well Name and Number	API Number
Federal 5-20-10-18	4304733245
Location of Well	**Field or Unit Name**
Footage : 2147' FNL, 720' FWL — County : Uintah	Uteland Butte (LGR) Unit
QQ, Section, Township, Range: SWNW 20 10S 18E — State : UTAH	**Lease Designation and Number** U-74836

EFFECTIVE DATE OF TRANSFER: 12/15/2009

CURRENT OPERATOR

Company: Pendragon Energy Partners, Inc.
Address: 468 South Reed Street
city Lakewood state Co zip 80226
Phone: (303) 296-9402
Comments:

Name: Alan B. Nicol
Signature:
Title: President
Date: 12/29/2009

NEW OPERATOR

Company: Questar Exploration & Production Company
Address: 1050 17th Street # 500
city Denver state Co zip 80265
Phone: (303) 308-3048
Comments:

Name: J. B. Neese
Signature:
Title: J B Neese, Executive Vice President
Date: 1-6-2010

(This space for State use only)

Transfer approved by: _____ Approval Date: _____

Title: _____

Comments:

EPA approved well for Injection.
D. Jarvis 1-12-10

(5/2000)

FOR RECORD ONLY
Accepted by the Utah Division of Oil, Gas and Mining

RECEIVED
JAN 11 2010
DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING
CDW

Change of Operator (Well Sold) **X - Operator Name Change**

The operator of the well(s) listed below has changed, effective: **6/14/2010**

FROM: (Old Operator):	**TO:** (New Operator):
N5085-Questar Exploration and Production Company 1050 17th St, Suite 500 Denver, CO 80265 Phone: 1 (303) 308-3048	N3700-QEP Energy Company 1050 17th St, Suite 500 Denver, CO 80265 Phone: 1 (303) 308-3048

CA No. **Unit:** **UTELAND BUTTE (GRRV)**

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS	
FEDERAL 7-19-10-18	19	100S	180E	4304733244	14366	Federal	WS	A	
FEDERAL 5-20-10-18	20	100S	180E	4304733245	14366	Federal	WI	A	
FED 9-17-10-18	17	100S	180E	4304734135	14366	Federal	WI	A	

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 6/28/2010
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 6/28/2010
3. The new company was checked on the **Department of Commerce, Division of Corporations Database on:** 6/24/2010
4a. Is the new operator registered in the State of Utah: Business Number: 764611-0143
5a. (R649-9-2)Waste Management Plan has been received on: Requested
5b. Inspections of LA PA state/fee well sites complete on: n/a
5c. Reports current for Production/Disposition & Sundries on: ok
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 8/16/2010 BIA not yet
7. **Federal and Indian Units:**
   The BLM or BIA has approved the successor of unit operator for wells listed on: 8/16/2010
8. **Federal and Indian Communization Agreements ("CA"):**
   The BLM or BIA has approved the operator for all wells listed within a CA on: N/A
9. **Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 6/29/2010

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 6/30/2010
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 6/30/2010
3. Bond information entered in RBDMS on: 6/30/2010
4. Fee/State wells attached to bond in RBDMS on: 6/30/2010
5. Injection Projects to new operator in RBDMS on: 6/30/2010
6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: ESB000024
2. Indian well(s) covered by Bond Number: 965010693
3a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 965010695
3b. The **FORMER** operator has requested a release of liability from their bond on: n/a

LEASE INTEREST OWNER NOTIFICATION:

4. (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER: See attached	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: See attached	
7. UNIT or CA AGREEMENT NAME: See attached	
1 TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ OTHER	8. WELL NAME and NUMBER: See attached
2 NAME OF OPERATOR: Questar Exploration and Production Company N5085	9. API NUMBER: Attached
3. ADDRESS OF OPERATOR: 1050 17th Street, Suite 500 CITY Denver STATE CO ZIP 80265 / PHONE NUMBER: (303) 672-6900	10. FIELD AND POOL, OR WILDCAT: See attached
4. LOCATION OF WELL FOOTAGES AT SURFACE: See attached QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:	COUNTY: Attached STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 6/14/2010	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Operator Name Change
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

Effective June 14, 2010 Questar Exploration and Production Company changed its name to QEP Energy Company. This name change involves only an internal corporate name change and no third party change of operator is involved. The same employees will continue to be responsible for operations of the properties described on the attached list. All operations will continue to be covered by bond numbers:
Federal Bond Number: 965002976 (BLM Reference No. ESB000024) N3700
Utah State Bond Number: ~~965003033~~ 965010695
Fee Land Bond Number: ~~965003033~~ 965010695
BIA Bond Number: ~~799446~~ 965010693

The attached document is an all inclusive list of the wells operated by Questar Exploration and Production Company. As of June 14, 2010 QEP Energy Company assumes all rights, duties and obligations as operator of the properties as described on the list

NAME (PLEASE PRINT) Morgan Anderson TITLE Regulatory Affairs Analyst

SIGNATURE Morgan Anderson DATE 6/23/2010

(This space for State use only)

RECEIVED
JUN 28 2010
DIV. OF OIL, GAS & MINING

APPROVED 6/30/2009
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(5/2000) (See Instructions on Reverse Side)

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
http://www.blm.gov/ut/st/en.html

IN REPLY REFER TO:
3100
(UT-922)

JUL 28 2010

Memorandum

To: Vernal Field Office, Price Field Office, Moab Field Office

From: Chief, Branch of Minerals Roger L Bankert

Subject: Name Change Recognized

Attached is a copy of the Certificate of Name Change issued by the Texas Secretary of State and a decision letter recognizing the name change from the Eastern States Office. We have updated our records to reflect the name change in the attached list of leases.

The name change from **Questar Exploration and Production Company** into **QEP Energy Company** is effective June 8, 2010.

cc: MMS
UDOGM

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

UIC FORM 5

TRANSFER OF AUTHORITY TO INJECT

Well Name and Number	API Number
See Attached List	Attached
Location of Well	Field or Unit Name
Footage : Attached	Attached
County :	Lease Designation and Number
QQ, Section, Township, Range:	State : UTAH — Attached

EFFECTIVE DATE OF TRANSFER: 6/14/2010

CURRENT OPERATOR

Company: Questar Exploration and Production Company
Address: 1050 17th Street, Suite 500
city Denver state CO zip 80265
Phone: (303) 672-6900
Comments:

Name: Ann Petrik
Signature:
Title: Engineering Analyst
Date: 6/28/2010

NEW OPERATOR

Company: QEP Energy Company
Address: 1050 17th Street, Suite 500
city Denver state CO zip 80265
Phone: (303) 672-6900
Comments:

Name: Ann Petrik
Signature:
Title: Engineering Analyst
Date: 6/28/2010

(This space for State use only)

Transfer approved by:
Title:
Comments:

Approval Date:

Accepted by the
Utah Division of
Oil, Gas and Mining
Date: 6/29/10
By: D. James

EPA approved well

(5/2000)

RECEIVED
JUN 2 8 2010
DIV. OF OIL, GAS & MINING

QEP Energy Company

Independence Plaza
1050 17th Street, Suite 500
Denver, CO 80265
Tel: 303.672.6900
Fax: 303.294.9632

November 11, 2014

U.S. Environmental Protection Agency, Region 8
1595 Wynkoop Street
Denver, CO 80202-1129

Attn: Don Breffle

RE: Mechanical Integrity Test (MIT)
Federal 5-20-10-18
UIC# UT20962-06344
API# 43-047-33245
Location: Sec. 20, T10S, R18E, Uintah County, UT

Dear Mr. Breffle:

Please be advised that the above captioned well passed a successful Mechanical Integrity Test (MIT) on November 6, 2014. Enclosed please find a Pressure Test Chart and a Casing or Annulus Pressure Test form recorded from the test. The MIT for this well was a regularly scheduled test.

If you have any additional questions or concerns, please don't hesitate to contact me at (303) 260-6745 or via email at laura.abrams@qepres.com.

Sincerely,

Laura Abrams
Sr. Regulatory Affairs Analyst

Enclosures: MIT Casing or Annulus Pressure Test Form
MIT Results Spreadsheet with Pressure Test Chart

cc: Utah Division of Oil Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

Bureau of Land Management
Vernal Field Office
170 South 500 East
Vernal, UT 84078

QEP ENERGY COMPANY FEDERAL 5-20-10-18 NOVEMBER 6, 2014

3000 PSIG

Date	Time	Casing Pressure	Tubing Pressure	Temp
11/6/2014	9:37:06	0	1872	50
11/6/2014	9:37:22	0		50
11/6/2014	9:37:38	0		50
11/6/2014	9:37:54	0		50
11/6/2014	9:38:10	0		50
11/6/2014	9:38:26	0		50
11/6/2014	9:38:42	0		51
11/6/2014	9:38:58	0		51
11/6/2014	9:39:14	0		51
11/6/2014	9:39:30	0		51
11/6/2014	9:39:46	0		51
11/6/2014	9:40:02	0		51
11/6/2014	9:40:18	128.96		51
11/6/2014	9:40:34	415.88		51
11/6/2014	9:40:50	561.6		51
11/6/2014	9:41:06	554.6		51
11/6/2014	9:41:22	554.8		51
11/6/2014	9:41:38	555		51
11/6/2014	9:41:54	772.9		51
11/6/2014	9:42:10	1018.1		51
11/6/2014	9:42:26	1062.2		51
11/6/2014	9:42:42	1056.2		51
11/6/2014	9:42:58	1054.9		51
11/6/2014	9:43:14	1054.2		51
11/6/2014	9:43:30	1053.6	1872.9	51
11/6/2014	9:43:46	1053.3		51
11/6/2014	9:44:02	1052.8		51
11/6/2014	9:44:18	1052.3		51
11/6/2014	9:44:34	1052		51
11/6/2014	9:44:50	1051.7		51
11/6/2014	9:45:06	1051.4		51
11/6/2014	9:45:22	1051.1		51
11/6/2014	9:45:38	1050.8		51
11/6/2014	9:45:54	1050.6		51
11/6/2014	9:46:10	1050.5		51
11/6/2014	9:46:26	1050.2		51
11/6/2014	9:46:42	1050		51
11/6/2014	9:46:58	1049.8		51
11/6/2014	9:47:14	1049.7		51
11/6/2014	9:47:30	1049.5		50
11/6/2014	9:47:46	1049.3		50

QEP ENERGY COMPANY FEDERAL 5-20-10-18 NOVEMBER 6, 2014

Date	Time	Casing Pressure	Tubing Pressure	Temp
11/6/2014	9:48:02	1049.1		50
11/6/2014	9:48:18	1049		50
11/6/2014	9:48:34	1048.9	1872	50
11/6/2014	9:48:50	1048.7		50
11/6/2014	9:49:06	1048.5		50
11/6/2014	9:49:22	1048.5		50
11/6/2014	9:49:38	1048.3		50
11/6/2014	9:49:54	1048.1		50
11/6/2014	9:50:10	1048		50
11/6/2014	9:50:26	1048		50
11/6/2014	9:50:42	1047.9		50
11/6/2014	9:50:58	1047.7		50
11/6/2014	9:51:14	1047.6		50
11/6/2014	9:51:30	1047.5		50
11/6/2014	9:51:46	1047.4		50
11/6/2014	9:52:02	1047.4		50
11/6/2014	9:52:18	1047.3		50
11/6/2014	9:52:34	1047.2		50
11/6/2014	9:52:50	1047.2		50
11/6/2014	9:53:06	1047		50
11/6/2014	9:53:22	1046.9		50
11/6/2014	9:53:38	1046.8	1871.9	50
11/6/2014	9:53:54	1046.8		50
11/6/2014	9:54:10	1046.7		50
11/6/2014	9:54:26	1046.6		50
11/6/2014	9:54:42	1046.5		50
11/6/2014	9:54:58	1046.6		50
11/6/2014	9:55:14	1046.5		50
11/6/2014	9:55:30	1046.4		50
11/6/2014	9:55:46	1046.3		50
11/6/2014	9:56:02	1046.3		50
11/6/2014	9:56:18	1046.2		50
11/6/2014	9:56:34	1046.1		50
11/6/2014	9:56:50	1046		50
11/6/2014	9:57:06	1046		50
11/6/2014	9:57:22	1046		50
11/6/2014	9:57:38	1046		50
11/6/2014	9:57:54	1045.8		50
11/6/2014	9:58:10	1045.8		50
11/6/2014	9:58:26	1045.8	1871.8	50
11/6/2014	9:58:42	1045.7		50
11/6/2014	9:58:58	1045.6		50
11/6/2014	9:59:14	1045.5		50
11/6/2014	9:59:30	1045.6		50

QEP ENERGY COMPANY FEDERAL 5-20-10-18 NOVEMBER 6, 2014

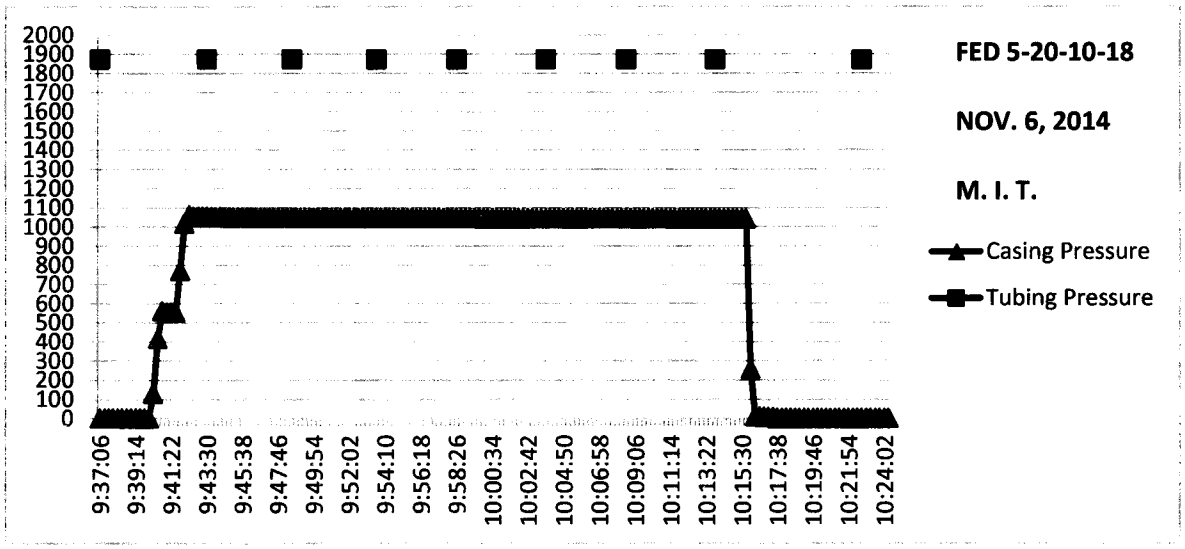
Date	Time	Casing Pressure	Tubing Pressure	Temp
11/6/2014	9:59:46	1045.5		50
11/6/2014	10:00:02	1045.4		50
11/6/2014	10:00:18	1045.3		50
11/6/2014	10:00:34	1045.4		50
11/6/2014	10:00:50	1045.4		50
11/6/2014	10:01:06	1045.2		50
11/6/2014	10:01:22	1045.2		50
11/6/2014	10:01:38	1045.1		50
11/6/2014	10:01:54	1045.2		50
11/6/2014	10:02:10	1045.1		50
11/6/2014	10:02:26	1045		50
11/6/2014	10:02:42	1045		50
11/6/2014	10:02:58	1045		50
11/6/2014	10:03:14	1044.9		50
11/6/2014	10:03:30	1044.8		50
11/6/2014	10:03:46	1044.8	1871.7	50
11/6/2014	10:04:02	1044.8		50
11/6/2014	10:04:18	1044.8		50
11/6/2014	10:04:34	1044.7		50
11/6/2014	10:04:50	1044.6		50
11/6/2014	10:05:06	1044.7		50
11/6/2014	10:05:22	1044.6		50
11/6/2014	10:05:38	1044.6		50
11/6/2014	10:05:54	1044.5		50
11/6/2014	10:06:10	1044.5		50
11/6/2014	10:06:26	1044.6		50
11/6/2014	10:06:42	1044.5		50
11/6/2014	10:06:58	1044.3		50
11/6/2014	10:07:14	1044.3		50
11/6/2014	10:07:30	1044.4		50
11/6/2014	10:07:46	1044.3		50
11/6/2014	10:08:02	1044.2		50
11/6/2014	10:08:18	1044.2		50
11/6/2014	10:08:34	1044.2	1871	50
11/6/2014	10:08:50	1044.2		50
11/6/2014	10:09:06	1044.1		50
11/6/2014	10:09:22	1044.1		50
11/6/2014	10:09:38	1044.1		50
11/6/2014	10:09:54	1044.1		50
11/6/2014	10:10:10	1044		50
11/6/2014	10:10:26	1043.9		50
11/6/2014	10:10:42	1044		50
11/6/2014	10:10:58	1044		50
11/6/2014	10:11:14	1043.9		50

QEP ENERGY COMPANY FEDERAL 5-20-10-18 NOVEMBER 6, 2014

Date	Time	Casing Pressure	Tubing Pressure	Temp
11/6/2014	10:11:30	1043.8		50
11/6/2014	10:11:46	1043.9		50
11/6/2014	10:12:02	1043.9		50
11/6/2014	10:12:18	1043.9		50
11/6/2014	10:12:34	1043.7		50
11/6/2014	10:12:50	1043.8		50
11/6/2014	10:13:06	1043.8		50
11/6/2014	10:13:22	1043.7		50
11/6/2014	10:13:38	1043.7		48
11/6/2014	10:13:54	1043.7	1871	48
11/6/2014	10:14:10	1043.7		48
11/6/2014	10:14:26	1043.8		48
11/6/2014	10:14:42	1043.6		48
11/6/2014	10:14:58	1043.6		48
11/6/2014	10:15:14	1043.6		48
11/6/2014	10:15:30	1043.6		48
11/6/2014	10:15:46	1042.6		48
11/6/2014	10:16:02	257.16		48
11/6/2014	10:16:18	10.197		48
11/6/2014	10:16:34	8.849		48
11/6/2014	10:16:50	6.79		48
11/6/2014	10:17:06	6.486		48
11/6/2014	10:17:22	6.055		48
11/6/2014	10:17:38	0		48
11/6/2014	10:17:54	0		48
11/6/2014	10:18:10	0		48
11/6/2014	10:18:26	0		48
11/6/2014	10:18:42	0		48
11/6/2014	10:18:58	0		48
11/6/2014	10:19:14	0		48
11/6/2014	10:19:30	0		50
11/6/2014	10:19:46	0		50
11/6/2014	10:20:02	0		50
11/6/2014	10:20:18	0		50
11/6/2014	10:20:34	0		50
11/6/2014	10:20:50	0		50
11/6/2014	10:21:06	0		50
11/6/2014	10:21:22	0		50
11/6/2014	10:21:38	0		50
11/6/2014	10:21:54	0		50
11/6/2014	10:22:10	0		50
11/6/2014	10:22:26	0		50
11/6/2014	10:22:42	0	1869.4	50
11/6/2014	10:22:58	0		50

QEP ENERGY COMPANY **FEDERAL 5-20-10-18** **NOVEMBER 6, 2014**

Date	Time	Casing Pressure	Tubing Pressure	Temp
11/6/2014	10:23:14	0		50
11/6/2014	10:23:30	0		50
11/6/2014	10:23:46	0		50
11/6/2014	10:24:02	0		50
11/6/2014	10:24:18	0		50



MECHANICAL INTEGRITY TEST
CASING OR ANNULUS PRESSURE TEST

U.S. ENVIRONMENTAL PROTECTION AGENCY
UNDERGROUND INJECTION CONTROL PROGRAM, UIC IMPLEMENTATION SECTION (8P-W-GW)
999 18TH STREET, SUITE 300, DENVER,CO. 80202-2466

EPA WITNESS: NONE **DATE:** 11/6/2014 **TIME:** 9:00 ☑ AM ☐ PM

TEST CONDUCTED BY: TONY JENNE QEP ENERGY COMPANY

OTHERS PRESENT: SCOTT EBELING K&E HOT OIL

API NUMBER- 43-047-33245 **EPA ID NUMBER-** UT 20962-06344

WELL NAME: FEDERAL 5-20-10-18 **TYPE:** ☑ ER ☐ SWD **STATUS:** ☑ AC ☐ TA ☐ UC

LEASE: UTU 74836

FIELD: PENDRAGON **UNIT:** UTU 81306X

WELL LOCATION: SW/4, NW/4, SEC 20, T10 ☐ N ☑ S **R18** ☑ E ☐ W **COUNTY: UINTAH STATE: UTAH**

OPERATOR: QEP ENERGY COMPANY

LAST MIT: 11/28/2009 **MAXIMUM ALLOWABLE PRESSURE:** 2090 **PSIG**

IS THIS A REGULAR SCHEDULED TEST? ☑ YES ☐ NO

INITIAL TEST FOR PERMIT? ☐ YES ☑ NO

TEST AFTER WELL WORK? ☐ YES ☑ NO

WELL INJECTING DURING TEST? ☑ YES ☐ NO IF YES, RATE: 89 BPD

PRE-TEST CASING/TUBING ANNULUS PRESSURE: 24 :PSIG

MIT DATA TABLE	TEST #1	TEST #2	TEST #3
TUBING PRESSURE			
INITIAL PRESSURE	1872 PSIG	PSIG	PSIG
END OF TEST PRESSURE	1869.4 PSIG	PSIG	PSIG

CASING/TUBING	ANNULUS	TUBING	
0 MINUTES	1053.6 PSIG	1872.9 PSIG	PSIG
5 MINUTES	1048.9 PSIG	1872 PSIG	PSIG
10 MINUTES	1046.8 PSIG	1871.9 PSIG	PSIG
15 MINUTES	1045.8 PSIG	1871.8 PSIG	PSIG
20 MINUTES	1044.8 PSIG	1871.7 PSIG	PSIG
25 MINUTES	1044.2 PSIG	1871 PSIG	PSIG
30 MINUTES	1043.7 PSIG	1871 PSIG	PSIG
MINUTES	PSIG	PSIG	PSIG
MINUTES	PSIG	PSIG	PSIG
RESULT	☑ PASS ☐ FAIL	☐ PASS ☐ FAIL	☐ PASS ☐ FAIL

DOES THE ANNULUS PRESSURE BUILD BACK UP AFTER THE TEST? ☐ YES ☑ NO