

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

5. LEASE DESIGNATION AND SERIAL NO. <p align="center">U-0806</p>	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME <p align="center">UTE TRIBAL</p>	
7. UNIT AGREEMENT NAME <p align="center">WONSITS VALLEY FEDERAL UNIT</p>	
8. FARM OR LEASE NAME, WELL NO. <p align="center">#2G-10-8-21</p>	
9. API WELL NO.	
10. FIELD AND POOL, OR WILDCAT <p align="center">WONSITS VALLEY</p>	
11. SEC., T., R., M., OR BLK AND SURVEY OR AREA <p align="center">SEC. 10, T8S, R21E SLB&amp;M</p>	
12. COUNTY OR PARISH <p align="center">Uintah</p>	13. STATE <p align="center">Utah</p>

**APPLICATION FOR PERMIT TO DRILL OR DEEPEN**

1a. TYPE OF WORK  
**DRILL**                       **DEEPEN**

b. TYPE OF WELL  
 OIL WELL       GAS WELL       OTHER       SINGLE ZONE       MULTIPLE ZONE

2. NAME OF OPERATOR  
**Shenandoah Energy Inc.**

3. ADDRESS AND TELEPHONE NO. Phone: 435-781-4341      11002 East 17500 South  
 Fax: 435-781-4329    Vernal, Utah 84078

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
 At surface  
**688' FNL, 1940' FEL, NWNE**  
At proposed prod. zone  
 Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
**12 miles West of Redwash Utah**

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. <small>(Also to nearest drig. Unit line if any)</small>	688'±	16. NO. OF ACRES IN LEASE <p align="center">2480</p>	17. NO. OF ACRES ASSIGNED TO THIS WELL <p align="center">40</p>
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.	1200' ±	19. PROPOSED DEPTH <p align="center">5750'</p>	20. ROTARY OR CABLE TOOLS <p align="center">Rotary</p>

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
**4882' GR**

22. APPROX. DATE WORK WILL START\*  
**A.S.A.P**

23. PROPOSED CASING AND CEMENTING PROGRAM  
**REFER TO S.O.P**

4444497 N  
624591 E

Shenandoah Energy Inc. proposes to drill a well to 5750' to test the Green River. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

Operations will be according to the Standard Operating Procedures for the Wonsits Valley Unit.

See Onshore Order No. 1 attached.

Please be advised that Shenandoah Energy Inc. is considered to be the operator of the above mentioned well. Shenandoah Energy Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. 0969. The principal is Shenandoah Energy Inc. via surety as consent as provided for in 43 CFR 3104.2.

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AUG 25 2000  
  
DIVISION OF  
OIL, GAS AND MINING

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

24  
 SIGNED John Busch John Busch      TITLE Red Wash Operations Representative      DATE 8/15/00

(This space for Federal or State office use)  
 PERMIT NO. 43-047-33656      APPROVAL DATE \_\_\_\_\_

Application approval does not warrant or certify that the applicant holds legal or equitable title to these rights in the subject lease which would entitle the applicant to conduct operations thereon.  
 CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Bradley G. Hill      **BRADLEY G. HILL**      DATE 8/31/00  
**RECLAMATION SPECIALIST III**

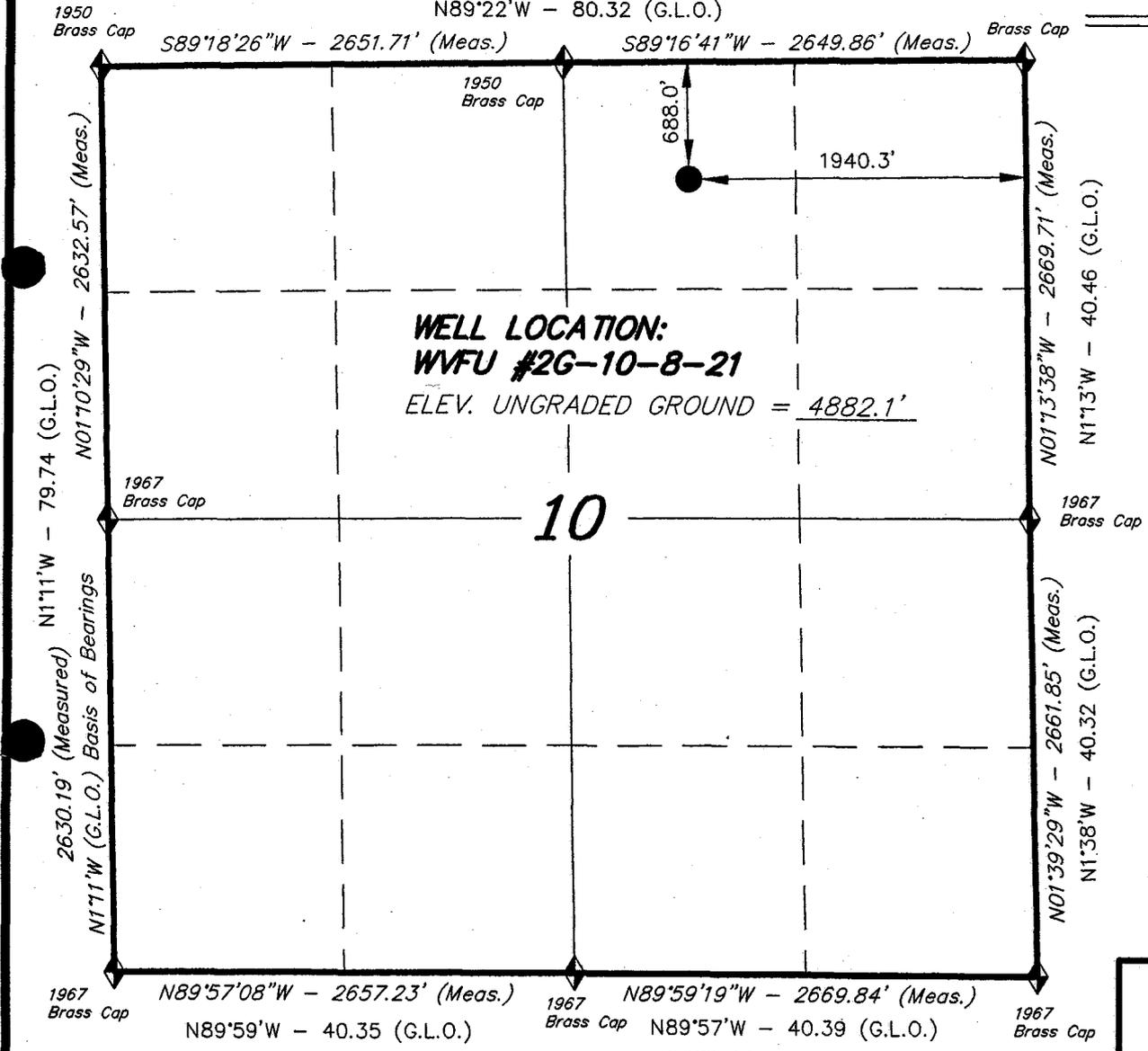
\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes 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.

**Federal Approval of this  
Action is Necessary**

# T8S, R21E, S.L.B.&M.

SHENANDOAH ENERGY, INC.



WELL LOCATION, WONSITS VALLEY FEDERAL UNIT #2G-10-8-21, LOCATED AS SHOWN IN THE NW 1/4 NE 1/4 OF SECTION 10, T8S, R21E, S.L.B.&M. UINTAH COUNTY, UTAH.

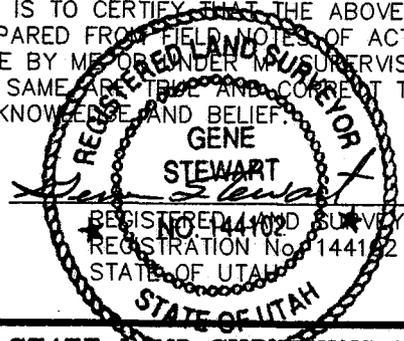


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DIVISION OF OIL, GAS AND MINING

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.



◆ = SECTION CORNERS LOCATED BASIS OF ELEV; U.S.G.S. 7-1/2 min QUAD (BRENNAN BASIN)

WVFU #2G-10-8-21  
LATITUDE = 40° 08' 36.69"  
LONGITUDE = 109° 32' 18.54"

TRI STATE LAND SURVEYING & CONSULTING		
38 WEST 100 NORTH - VERNAL, UTAH 84078 (435) 781-2501		
SCALE:	1" = 1000'	SURVEYED BY: L.D.T.
DATE:	8-11-00	WEATHER: HOT
DRAWN BY:	J.R.S.	FILE #

DRILLING PROGRAM

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

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

1. Formation Tops

The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Depth</u>	<u>Prod. Phase Anticipated</u>
Uinta	Surface	
Green River	2565'	
Mahogany Ledge	3673'	
Mesa	5533'	
TD (Green River)	5750'	Oil

2. Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil/Gas	Green River	5750'

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

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If no flows are detected, samples will be submitted to the BLM along with any water analyses conducted.

3. Anticipated Bottom Hole Pressures

Maximum anticipated bottom hole pressure equals approximately 2300.0 psi.

4. Surface Ownership

The well pad and access road are located on lands owned by the Ute Tribe

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DIVISION OF  
OIL, GAS AND MINING

MULTI-POINT SURFACE USE & OPERATIONS PLAN

SHENANDOAH ENERGY INC.  
WONSITS VALLEY FEDERAL UNIT #2G-10-8-21  
NWNE, SEC. 10, T8S, R21E, SLB&M  
UINTAH COUNTY, UTAH

See attached maps

Topo map A- Access routes

Topo map B- Proposed Access road

Topo map C- Location of wells within a one mile radius

Topo map D- Proposed pipeline

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**DIVISION OF  
OIL, GAS AND MINING**

**Lessee's or Operator's Representative:**

John Busch  
Red Wash Operations Rep.  
Shenandoah Energy Inc.  
11002 East 17500 South  
Vernal, Utah 84078  
(435) 781-4341

**Certification:**

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

Shenandoah Energy Inc. will be fully responsible for the actions of their subcontractors.

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

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 currently 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 operations proposed herein will be performed by Shenandoah Energy Inc. its' contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

John Busch

John Busch  
Red Wash Operations Representative

August 15, 2000

Date

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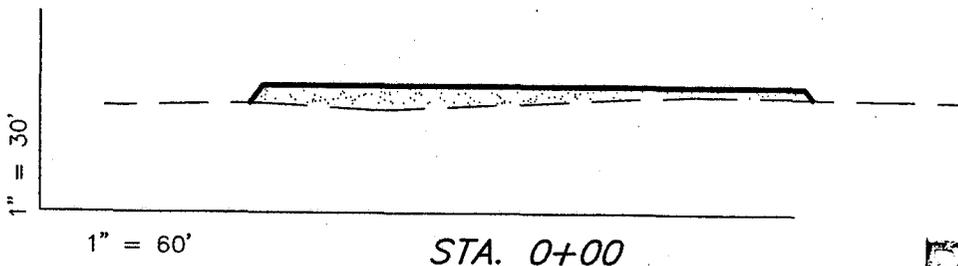
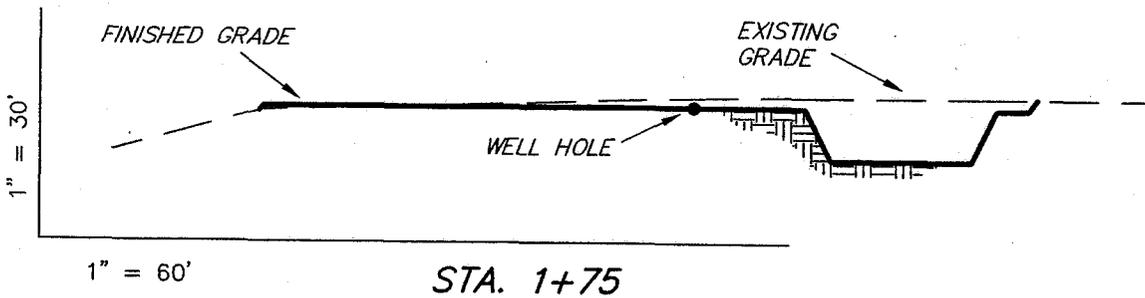
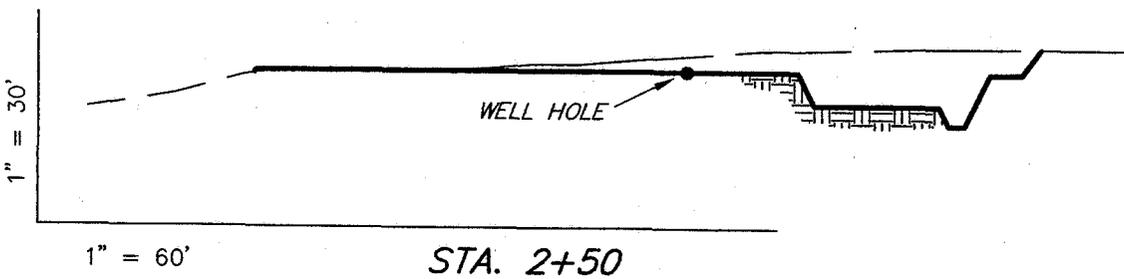
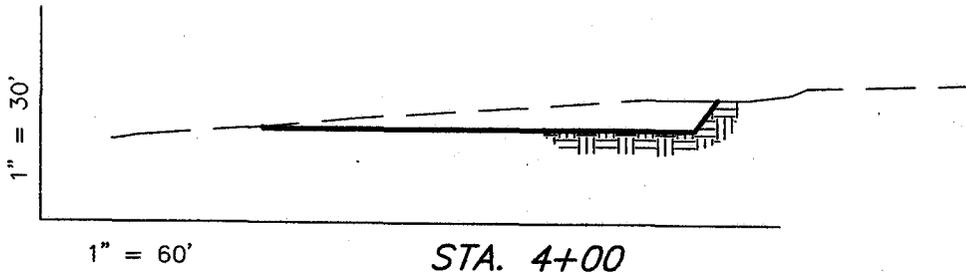
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OIL, GAS AND MINING



SHENANDOAH ENERGY, INC.

CROSS SECTIONS

WVFU #2W & #2G-10-8-21



APPROXIMATE YARDAGES

- CUT = 2,710 Cu. Yds.
- FILL = 2,690 Cu. Yds.
- PIT = 1,780 Cu. Yds.
- 12" TOPSOIL = 2,900 Cu. Yds.

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DIVISION OF  
OIL, GAS AND MINING

SURVEYED BY: L.D.T.

SCALE: 1" = 60'

DRAWN BY: J.R.S.

DATE: 8-11-00

Tri State  
Land Surveying, Inc.

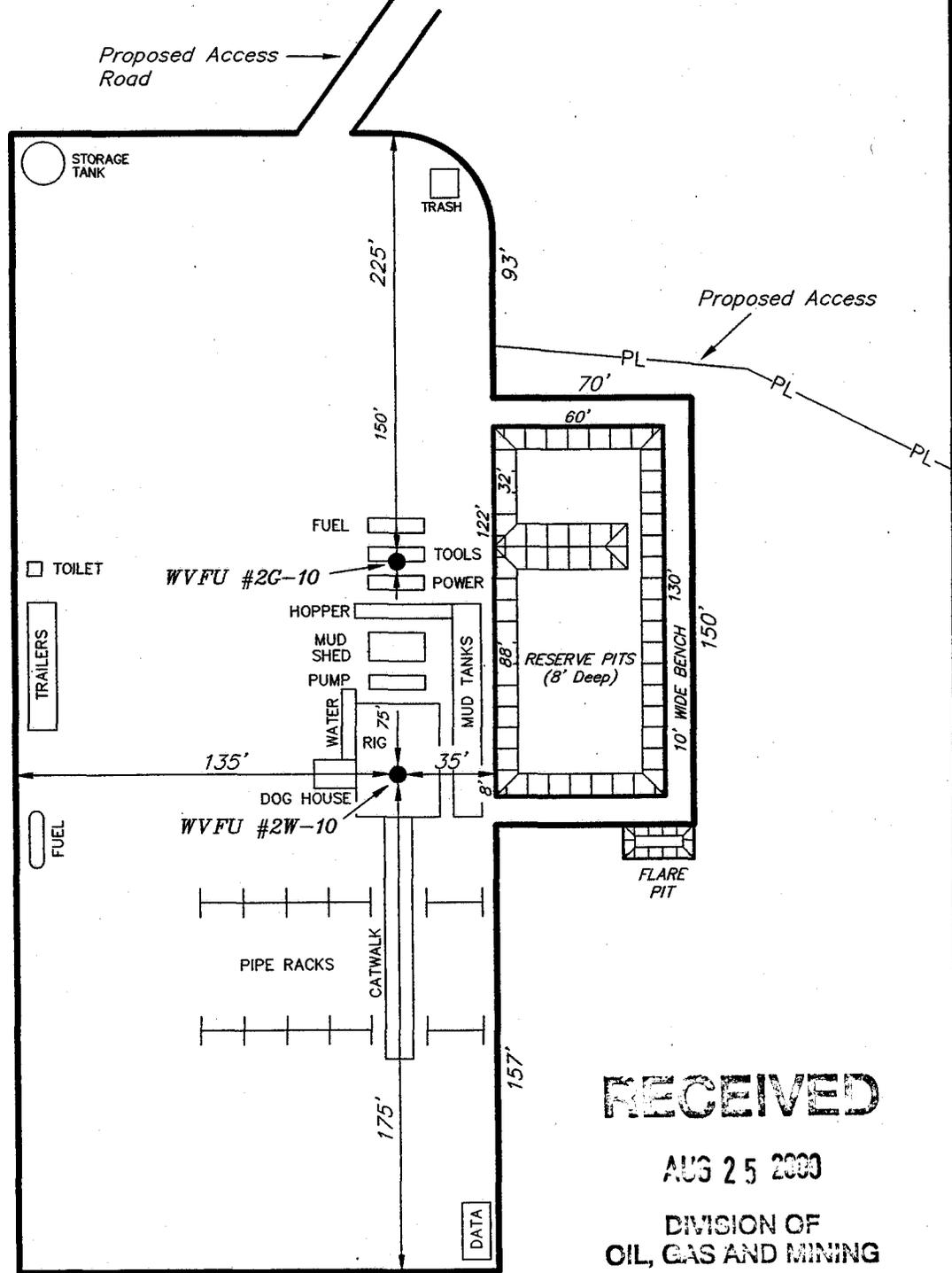
(435) 781-2501

38 WEST 100 NORTH VERNAL, UTAH 84078

SHENANDOAH ENERGY, INC.

TYPICAL RIG LAYOUT

WVFU #2W & #2G-10-8-21

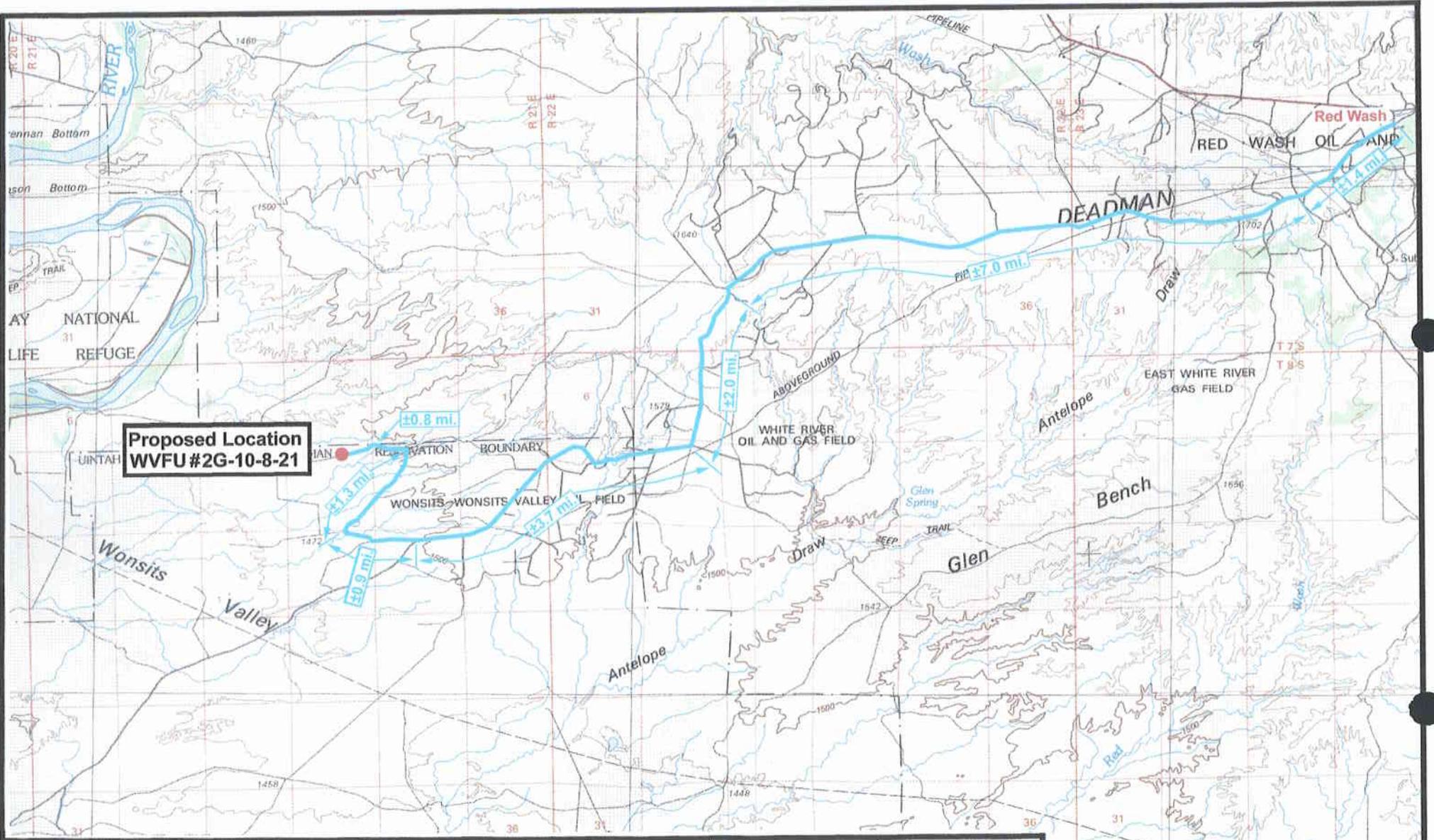


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AUG 25 2000

DIVISION OF  
OIL, GAS AND MINING

**Tri State**  
Land Surveying, Inc.  
(435) 781-2501  
38 WEST 100 NORTH, VERNAL, UTAH 84078



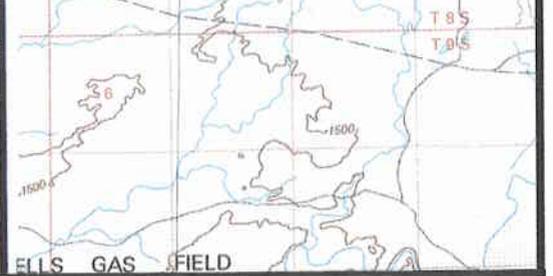
**Proposed Location  
WVFU #2G-10-8-21**

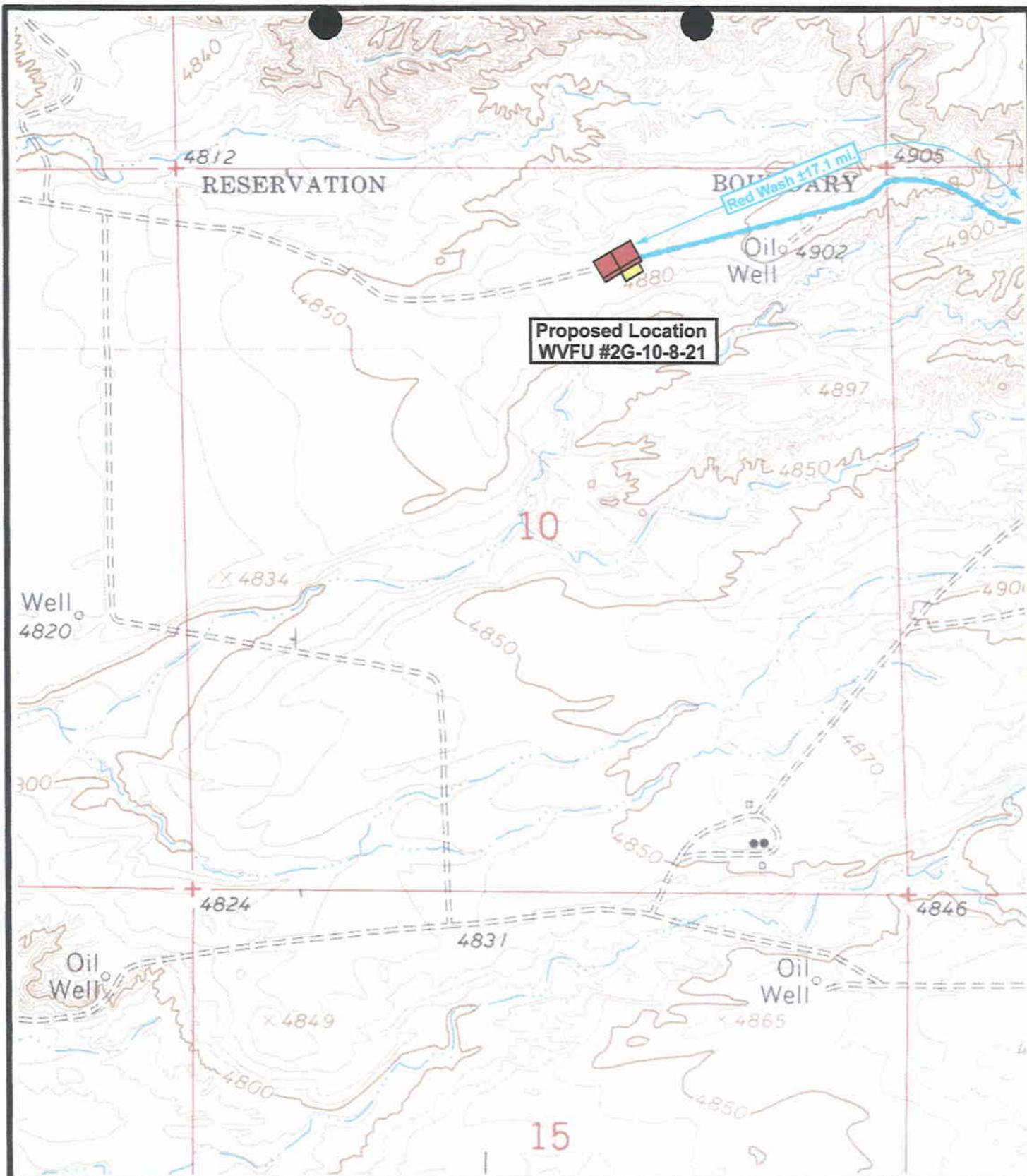
**SHENANDOAH ENERGY INC.**  
**WONSITS VALLEY FED. UNIT #2G-10-8-21**  
**SEC. 10, T8S, R21E, S.L.B.&M.**

**TOPOGRAPHIC MAP "A"**



Drawn By: SS	Revision:
Scale: 1 : 100,000	File:
Date: 8-10-00	
<b>Tri-State Land Surveying Inc.</b> <b>P.O. Box 533, Vernal, UT 84078</b> <b>435-781-2501 Fax 435-781-2518</b>	





**SHENANDOAH ENERGY INC.**

WVFU #2G-10-8-21  
 SEC. 10, T8S, R21E, SLB&M  
 TOPOGRAPHIC MAP "B"



Drawn By: SS

Revision:

Scale: 1" = 1000'

File:

Date: 8-9-00

Tri-State Land Surveying Inc.  
 P.O. Box 533, Vernal, UT 84078  
 435-781-2501 Fax 435-781-2518

HARRIS-FED  
1

# Wonsits Valley Federal Unit

Proposed Location  
WVFU #2G-10-8-21

Battery 5

## 8.S21F

**SHENANDOAH ENERGY INC.**

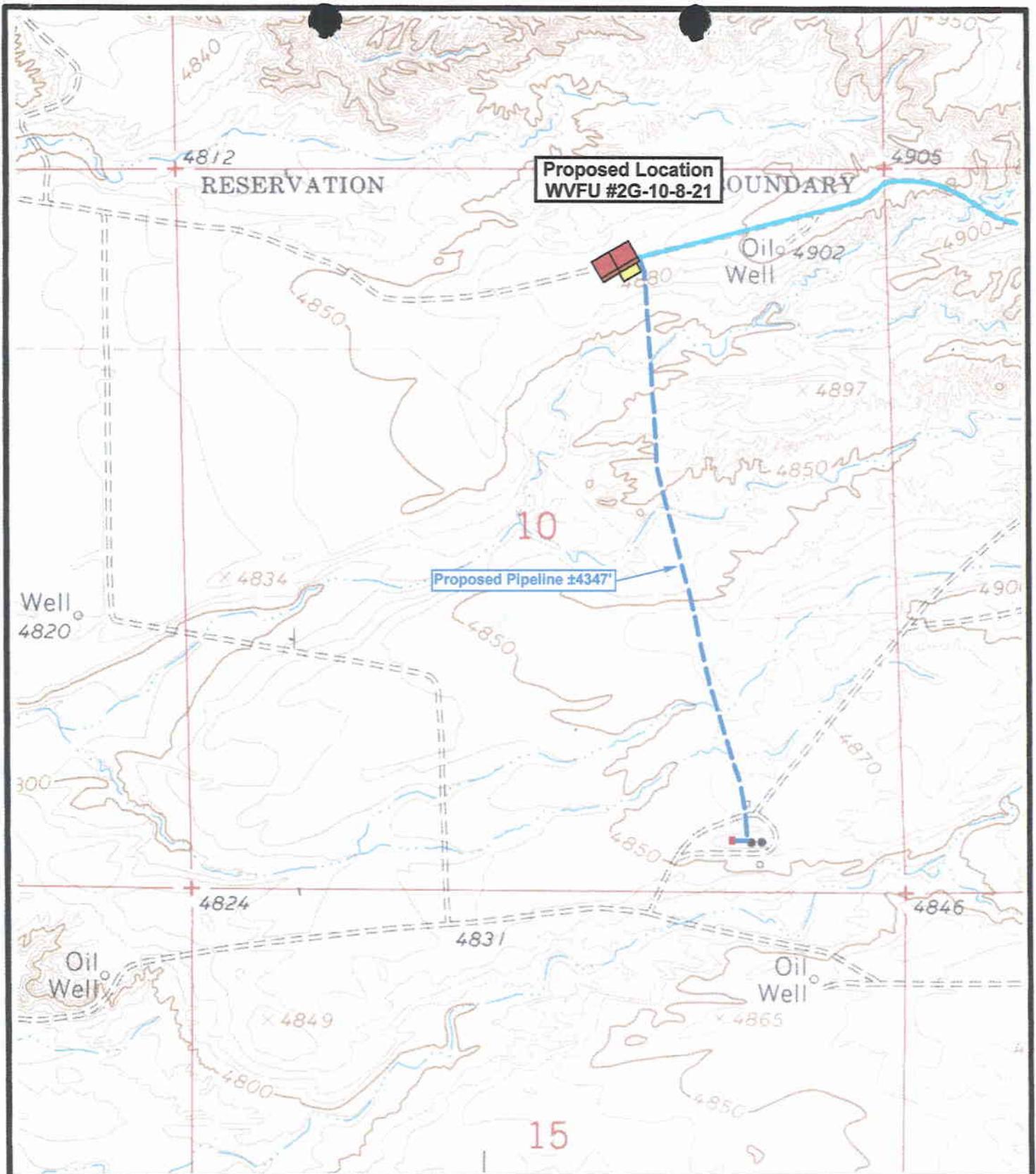
**WVFU #2G-10-8-21**

**SEC. 10, T8S, R21E, S.L.B.&M.**

**TOPOGRAPHIC MAP "C"**



Drawn By: SS	Revision:
Scale: 1" = 2000'	File:
Date: 8-7-00	
<b>Tri-State Land Surveying Inc.</b> <b>P.O. Box 533, Vernal, UT 84078</b> <b>435-781-2501 Fax 435-781-2518</b>	



**SHENANDOAH ENERGY INC.**

WVFU #2G-10-8-21  
 SEC. 10, T8S, R21E, SLB&M  
**TOPOGRAPHIC MAP "D"**



Drawn By: SS

Revision:

Scale: 1" = 1000'

File:

Date: 8-9-00

Tri-State Land Surveying Inc.  
 P.O. Box 533, Vernal, UT 84078  
 435-781-2501 Fax 435-781-2518

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 08/25/2000

API NO. ASSIGNED: 43-047-33656
--------------------------------

WELL NAME: WVFU 2G-10-8-21  
 OPERATOR: SHENANDOAH ENERGY INC ( N4235 )  
 CONTACT: JOHN BUSCH

PHONE NUMBER: 435-781-4341

PROPOSED LOCATION:  
 NWNE 10 080S 210E  
 SURFACE: 0688 FNL 1940 FEL  
 BOTTOM: 0688 FNL 1940 FEL  
 UINTAH  
 WONSITS VALLEY ( 710 )

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

LEASE TYPE: 1-Federal  
 LEASE NUMBER: U-0806  
 SURFACE OWNER: 2-Indian

PROPOSED FORMATION: GRRV

RECEIVED AND/OR REVIEWED:

Plat  
 Bond: Fed[] Ind[ ] Sta[ ] Fee[ ]  
 (No. UT-0969 )

Potash (Y/N)  
 Oil Shale (Y/N) \*190 - 5 (B)  
 Water Permit  
 (No. 43-8496 )

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

Fee Surf Agreement (Y/N)

LOCATION AND SITING:

R649-2-3. Unit Wonsits Valley  
 R649-3-2. General  
 Siting: \_\_\_\_\_

R649-3-3. Exception

Drilling Unit  
 Board Cause No: 116-1 #Enh.Pec.  
 Eff Date: 7-20-65  
 Siting: \*Not Specified / Gen.St.

R649-3-11. Directional Drill

COMMENTS: WVFU SOP, separate file.

STIPULATIONS: ① FEDERAL APPROVAL



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:  
3160  
(UT-922)

August 30, 2000

### Memorandum

To: Assistant District Manager Minerals, Vernal District  
From: Michael Coulthard, Petroleum Engineer  
Subject: 2000 Plan of Development Wonsits Valley Unit,  
Uintah County, Utah.

Pursuant to email between Lisha Cordova, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management. The following wells are planned for calendar year 2000 within the Wonsits Valley Unit, Uintah County, Utah.

Api Number      Well              Location

(Proposed Wasatch Completion's)

43-047-33655	WVFU 2W-10-8-21	Sec. 10, T8S, R21E 0725 FNL 2006 FEL
43-047-33657	WVFU 4W-11-8-21	Sec. 11, T8S, R21E 0672 FNL 0776 FWL
43-047-33659	WVFU 12W-10-8-21	Sec. 10, T8S, R21E 1815 FSL 0812 FWL
43-047-33661	WVFU 15W-9-8-21	Sec. 09, T8S, R21E 0482 FSL 1969 FEL

(Proposed Green River Completion's)

43-047-33656	WVFU 2G-10-8-21	Sec. 10, T8S, R21E 0688 FNL 1940 FEL
43-047-33658	WVFU 4G-11-8-21	Sec. 11, T8S, R21E 0693 FNL 0705 FWL
43-047-33660	WVFU 12G-10-8-21	Sec. 10, T8S, R21E 1820 FSL 0888 FWL
43-047-33662	WVFU 15G-9-8-21	Sec. 09, T8S, R21E 0503 FSL 1897 FEL

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

/s/ Michael L. Coulthard

bcc: File - Wonsits Valley Unit  
Division of Oil Gas and Mining  
Agr. Sec. Chron  
Fluid Chron

MCoulthard:mc:8-30-0



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

Michael O. Leavitt  
Governor

Kathleen Clarke  
Executive Director

Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

August 31, 2000

Shenandoah Energy Inc.  
11002 E 17500 S  
Vernal, UT 84078

Re: Wonsits Valley Federal Unit 2G-10-8-21 Well, 688' FNL, 1940' FEL, NW NE, Sec. 10,  
T. 8 South, R. 21 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 43-047-33656.

Sincerely,

A handwritten signature in black ink that reads "John R. Baza".

John R. Baza  
Associate Director

er

Enclosures

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

**Operator:** Shenandoah Energy Inc.  
**Well Name & Number** Wonsits Valley Federal Unit 2G-10-8-21  
**API Number:** 43-047-33656  
**Lease:** U-0806

**Location:** NW NE      **Sec.** 10      **T.** 8 South      **R.** 21 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
- Contact Robert Krueger at (801) 538-5274.

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.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**  
Do not use this form for proposals to drill or to deepen or reentry to a different reservoir  
Use "APPLICATION FOR PERMIT--" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well  
 Oil Gas  
 Well  Well  Other

2. Name of Operator  
**SHENANDOAH ENERGY INC.**

3. Address and Telephone No.  
**11002 E. 17500 S. VERNAL, UT 84078-8526 (801) 781-4300**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

5. Lease Designation and Serial No.

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

7. If Unit or CA, Agreement Designation

8. Well Name and No.

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State  
**UINTAH, UTAH**

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <b>Confidential</b>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

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

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

**Shenandoah Energy Inc. would like to have the attached wells be kept confidential.**

**RECEIVED**

**OCT 11 2000**

**DIVISION OF  
OIL, GAS AND MINING**

14. I hereby certify that the foregoing is true and correct.  
 Signed **JOHN BUSCH** *John Busch* Title **Operations Supervisor** Date **10/9/00**

(This space for Federal or State office use)

Approved by: \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
 Conditions of approval, if any \_\_\_\_\_

Title 18 U.S.C. Section 1001, makes 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.

WELL NAME      WELL LOCATION      1/4 SEC. SECTION      TOWNSHIP      RANGE      API#

Red Wash	2220B**	SE NW	20	7S	23E	43-047-33491
Red Wash	4220B*	SE NE	20	7S	23E	43-047-33490
Red Wash	1320B*	NW SW	20	7S	23E	43-047-33498
Red Wash	3320B++	NW SE	20	7S	23E	43-047-33500
Red Wash	2221B	SE NW	21	7S	23E	43-047-33522
Red Wash	2419B	SE SW	19	7S	23E	43-047-33492
Red Wash	4419B	SE SE	19	7S	23E	43-047-33524
Wonsits Valley	6W-16-8-21	SE NW	16	8S	21E	43-047-33527
Gypsum Hills	10W-19-8-21	NW SE	19	8S	21E	43-047-33528
Wonsits Valley	16W-9-8-21	SE SE	9	8S	21E	43-047-33529
Wonsits Valley	6G-16-8-21	SE NW	16	8S	21E	43-047-33564
Gypsum Hills	10G-19-8-21	NW SE	19	8S	21E	43-047-33566
Wonsits Valley	16G-9-8-21	SE SE	9	8S	21E	43-047-33565
Red Wash	2420B	SE SW	20	7S	23E	43-047-33523
Red Wash	1319B	NW SW	19	7S	23E	43-047-33497
Red Wash	3319B	NW SE	19	7S	23E	43-047-33499
Red Wash	4420B	SE SE	20	7S	23E	43-047-33525
Red Wash	4219B	SE NE	19	7S	23E	43-047-33556
Red Wash	2219B	SE NW	19	7S	23E	43-047-33559
Red Wash	4224A	NE SE	24	7S	22E	43-047-33569
Red Wash	3424A	SW SE	24	7S	22E	43-047-33567
Red Wash	2324A	NE SW	24	7S	22E	43-047-33568
Red Wash	2125A	NE NW	25	7S	22E	43-047-33576
Red Wash	4125A	NE NE	25	7S	22E	43-047-33579
Red Wash	1119B	NW NW	19	7S	23E	43-047-33552
Red Wash	3119B	NW NE	19	7S	23E	43-047-33555
Red Wash	1120B	NW NW	20	7S	23E	43-047-33553
Red Wash	2418B	SE SW	18	7S	23E	43-047-33554
Red Wash	3413A	SW SE	13	7S	22E	43-047-33593
Red Wash	2124A	NE NW	24	7S	22E	43-047-33592
Red Wash	1224A	SW NW	24	7S	22E	43-047-33591
Red Wash	1125A	NW NW	25	7S	22E	43-047-33574
Red Wash	1325A	NW SW	25	7S	22E	43-047-33575
Red Wash	3125A	NW NE	25	7S	22E	43-047-33577
Red Wash	3325A	NW SE	25	7S	22E	43-047-33578
Red Wash	4225A	SE NE	25	7S	22E	43-047-33580
Red Wash	4418B	SE SE	18	7S	23E	43-047-33594
Red Wash	1129B	NW NW	29	7S	23E	43-047-33590
Wonsits Valley	9G-2-8-21	NE SE	2	8S	21E	43-047-33647
Wonsits Valley	9W-2-8-21	NE SE	2	8S	21E	43-047-33648
Wonsits Valley	16G-2-8-21	SE SE	2	8S	21E	43-047-33646
Wonsits Valley	16W-2-8-21	SE SE	2	8S	21E	43-047-33645
Wonsits Valley	15W-9-8-21	SW SE	9	8S	21E	43-047-33661
Wonsits Valley	15G-9-8-21	SW SE	9	8S	21E	43-047-33662
Wonsits Valley	2W-10-8-21	NW NE	10	8S	21E	43-047-33655
Wonsits Valley	2G-10-8-21	NW NE	10	8S	21E	43-047-33656
Wonsits Valley	12W-10-8-21	NW SW	10	8S	21E	43-047-33655

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Wonsits Valley	12G-10-8-21	NW SW	10	8S	21E	43-047-33660
Wonsits Valley	4W-11-8-21	NW NW	11	8S	21E	43-047-33657
Wonsits Valley	4G-11-8-21	NW NW	11	8S	21E	43-047-33658
Wonsits Valley	2W-16-8-21	NW NE	16	8S	21E	43-047-33246
Wonsits Valley	2G-16-8-21	NW NE	16	8S	21E	43-047-33247
Wonsits Valley	12W-16-8-21	NW SW	16	8S	21E	43-047-33649
Wonsit Valley	12G-16-8-21	NW SW	16	8S	21E	43-047-33650
Red Wash	33U-19B	NW SE	19	7S	23E	43-047-33654
Red Wash	14-27A	SWSW	27	7S	22E	43-047-33150
Wonsits Valley	WV 1W-18-8-22	NE NE	18	8S	22E	43-047-33294
Wonsits Valley	WV 11W-8-8-22	NE SW	8	8S	22E	43-047-33295
Wonsits Valley	WV 5W-13-8-21	SW NW	13	8S	21E	43-047-33221
Wonsits Valley	WV 9W-13-8-21	NE SE	13	8S	22E	43-047-33223
Wonsits Valley	WV 7W-13-8-21	SW NE	13	8S	22E	43-047-33270
Wonsits Valley	WV 3W-8-8-22	NE NW	8	8S	22E	43-047-33493
Wonsits Valley	WV 5W-7-8-22	SW NW	7	8S	22E	43-047-33494
Wonsits Valley	WV 1W-14-8-21	NE NE	14	8S	21E	43-047-33220
Wonsits Valley	WV 11W-7-8-22	NE SW	7	8S	22E	43-047-33495
Wonsits Valley	WV 13W-7-8-22	SW SW	7	8S	22E	43-047-33496
Wonsits Valley	WV 7W-7-8-22	SW NE	7	8S	22E	43-047-33503
Wonsits Valley	WV 9W-12-8-21	NE SE	12	8S	21E	43-047-33534
Wonsits Valley	WV 3W-7-8-22	NE NW	7	8S	22E	43-047-33502
Wonsits Valley	WV 1W-13-8-21	NE NE	13	8S	21E	43-047-33532
Wonsits Valley	WV 11W-12-8-21	NE SW	12	8S	21E	43-047-33535
Wonsits Valley	WV 1W-7-8-22	NE NE	7	8S	22E	43-047-33501
Wonsits Valley	WV 1W-12-8-21	NE NE	12	8S	21E	43-047-33531
Wonsits Valley	Fed 9W-8-8-22	NE SE	8	8S	22E	43-047-33515
Wonsits Valley	WV 13W-12-8-21	SW SW	12	8S	21E	43-047-33537
Wonsits Valley	WV 3W-18-8-22	NE NW	18	8S	22E	43-047-33533
Wonsits Valley	WV 11W-13-8-21	NE SW	13	8S	21E	43-047-33536
Wonsits Valley	Fed 15W-8-8-22	SW SE	8	8S	22E	43-047-33517
Gypsum Hills	GH 1W-32-8-21	NE NE	32	8S	21E	43-047-33570
Gypsum Hills	GH 7W-32-8-21	SW NE	32	8S	21E	43-047-33573
Wonsits Valley	WV 3W-24-8-21	NE NW	24	8S	21E	43-047-33605
Gypsum Hills	GH 5W-32-8-21	SW NW	32	8S	21E	43-047-33572
Gypsum Hills	GH 3W-32-8-21	NE NW	32	8S	21E	43-047-33571
Wonsits Valley	WV 13W-18-8-22	SW SW	18	8S	22E	43-047-33538
Wonsits Valley	WV 15W-13-8-21	SW SE	13	8S	21E	43-047-33608
Wonsits Valley	WV 3W-13-8-21	NE NW	13	8S	21E	43-047-33603
Wonsits Valley	WV 13W-13-8-21	SW SW	13	8S	21E	43-047-33606
Wonsits Valley	WV 1W-21-8-21	NE NE	21	8S	21E	43-047-33602
Wonsits Valley	WV 9W-14-8-21	NE SE	14	8S	21E	43-047-33269
Glen Bench	GB 5W-17-8-22	SW NW	17	8S	22E	43-047-33514
Wonsits Valley	WV 1W-24-8-21	NE NE	24	8S	21E	43-047-33613
Wonsits Valley	WV 3W-22-8-21	NE NW	22	8S	21E	43-047-33604
Glen Bench	GB 9W-18-8-22	NE SE	18	8S	22E	43-047-33516
Wonsits Valley	WV 13W-14-8-21	SW SW	14	8S	21E	43-047-33607
Glen Bench	GB 3W-17-8-22	NE NW	17	8S	22E	43-047-33513
Wonsits Valley	WV 11W-18-8-22	NE SW	18	8S	22E	43-047-33626

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Glen Bench	GB 3W-22-8-22	NE NW	22	8S	22E	43-047-33652
Glen Bench	GB 12W-30-8-22	NW SW	30	8S	22E	43-047-33670
White River	WR 13W-3-8-22	SW SW	3	8S	22E	43-047-33651

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NOS 8/16/00

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BLM VERNAL

Form 3160-3  
(July 1992)

SUBMIT IN TRIPPLICATE\*  
(Other instructions on reverse side)  
FORM APPROVED  
BLM NO. 1004-0138  
Expires: February 28, 1995

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK <b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. <b>U-0806</b>	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME <b>UTE TRIBAL</b>	
2. NAME OF OPERATOR <b>Shenandoah Energy Inc.</b>		7. UNIT AGREEMENT NAME <b>WONSITS VALLEY FEDERAL UNIT</b>	
3. ADDRESS AND TELEPHONE NO. Phone: 435-781-4341 11002 East 17500 South Fax: 435-781-4329 Vernal, Utah 84078		8. FARM OR LEASE NAME, WELL NO. <b>#2G-10-8-21</b>	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface <b>688' FNL, 1940' FEL, NWNE</b> At proposed prod. Zone <b>Same</b>		9. API WELL NO.	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* <b>12 miles West of Redwash Utah</b>		10. FIELD AND POOL, OR WILDCAT <b>WONSITS VALLEY</b>	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. Unit line if any) <b>688'±</b>	16. NO. OF ACRES IN LEASE <b>2480</b>	11. SEC., T., R., M., OR BLK AND SURVEY OR AREA <b>SEC. 10, T8S, R21E SLB&amp;M</b>	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. <b>1200' ±</b>	19. PROPOSED DEPTH <b>5750'</b>	12. COUNTY OR PARISH <b>Uintah</b>	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) <b>4882' GR</b>		13. STATE <b>Utah</b>	
23. PROPOSED CASING AND CEMENTING PROGRAM <b>REFER TO S.O.P</b>		17. NO. OF ACRES ASSIGNED TO THIS WELL <b>40</b>	
22. APPROX. DATE WORK WILL START* <b>A.S.A.P</b>		20. ROTARY OR CABLE TOOLS <b>Rotary</b>	

Shenandoah Energy Inc. proposes to drill a well to 5750' to test the Green River. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

Operations will be according to the Standard Operating Procedures for the Wonsits Valley Unit.  
See Onshore Order No. 1 attached.

Please be advised that Shenandoah Energy Inc. is considered to be the operator of the above mentioned well. Shenandoah Energy Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. 0969. The principal is Shenandoah Energy Inc. via surety as consent as provided for in 43 CFR 3104.2.

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

SIGNED John Busch John Busch TITLE Red Wash Operations Representative DATE 8/15/00

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY [Signature] Assistant Field Manager TITLE Mineral Resources DATE 12/7/00

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes 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.

CONDITIONS OF APPROVAL ATTACHED

00P56679A

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Shenandoah Energy Inc.

Well Name & Number: WWFU 2G-10-8-21

API Number: 43-047-33656

Lease Number: U - 0806

Location: NWNE Sec. 10 T. 8S R. 21E

Agreement: Wonsits Valley Federal Unit

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DIVISION OF  
OIL, GAS AND MINING

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

**CONDITIONS OF APPROVAL FOR NOTICE TO DRILL**

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. Casing Program and Auxiliary Equipment

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the base of the usable water, identified at  $\pm 1,016$  ft.

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OIL, GAS AND MINING

## SURFACE CONDITIONS OF APPROVAL

Thirty foot corridor rights-of-way shall be granted. When each pipeline has been constructed and completed as built descriptions will be filed with the Ute Tribal Energy and Minerals Department.

Thirty foot rights-of-ways shall be granted for the access road. The constructed travel width shall be limited to 18 feet except in cases of sharp curves, deep cuts or where road intersections occur.

Where pipelines do not follow roads the pipeline right of way will not be used as a roadway.

A Tribal Technician will be notified upon construction of reserve pits and when the reserve pit is to be backfilled. Cuttings will be removed and disposed of at approved sites.

The Ute Tribe Energy and Mineral Department is to be notified in writing 48 hours in advance of any construction activity. The Ute Tribal office days are Monday through Thursday. A Tribal Technician is to routinely monitor construction. For all monitoring that is to exceed Tribal Technician regular working hours, Shenandoah Energy shall make arrangements with the Ute Energy and Minerals Department.

Shenandoah will assure the Ute Tribe that any/all contractors and subcontractors have acquired a 2000 Tribal Business License and have "Year 2000 Access Permits" prior to construction. Contractors and subcontractors will have these permits in vehicles at all times.

All Shenandoah Employees and/or authorized personnel (subcontractors) in the field will have approved applicable APDs and/or ROW permits/authorizations on their person(s) during all phases of construction.

For any deviations of submitted APD's and ROW applications, Shenandoah will notify the Ute Tribe and Bureau of Indian Affairs in writing and will receive written authorization of such changes. Without authorization, Shenandoah understands they will be subject to fines and penalties.

Shenandoah will implement the "Safety and Emergency Plan". Shenandoah will ensure its compliance.

All vehicular traffic, personnel movement, construction, and restoration activities shall be confined to the areas examined and approved, and to the existing roadways and/or evaluated access routes.

All personnel shall refrain from collecting artifacts, any paleontological fossils, and from disturbing any significant cultural resources in the area.

The personnel from the Ute Tribe Energy & Mineral Department shall be consulted if cultural remains (including paleontology fossils) from subsurface deposits are exposed or identified during construction. All construction will cease. Prior to commencing constructing in the area where cultural resources are exposed the operator must obtain authorization from the BIA and the Ute Tribal Department of Cultural Rights and Protection.

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DIVISION OF  
OIL, GAS AND MINING

Upon completion of construction of the rights-of-way, Shenandoah will notify the Ute Tribe Energy & Minerals Resources Department. This will be done so that a Tribal Technician can verify Affidavit of Completions.

Before the site is abandoned, the company will be required to restore the well site and ROWs to near their original state. The disturbed areas will be reseeded with desirable perennial vegetation.

Noxious weeds will be controlled on the well site and rights-of-way. If noxious weeds spread from the project area onto adjoining land, the company will also be responsible for their control.

Soil erosion will be mitigated by reseeded all disturbed areas.

Reserve pits will be lined with impervious synthetic liners. Prior to backfilling the reserve pit all fluids will be pumped from the pit into trucks and hauled to approved disposal sites. When the pits are backfilled, the surplus oil and mud etc. will be buried a minimum depth of 3.0 feet below the surface of the soil.

A closed production system will be used. Production fluids will be contained in leak proof tanks. All production fluids will be disposed of at approved disposal sites. Production water, oil, and other by-products will not be applied to roads or well pads for the control of dust or weeds. The indiscriminate dumping of production fluids and other oil field by-products on roads, well sites or other areas will not be allowed.

A 30 foot wide corridor right-of-way will be used for the access roads. The constructed travel width shall be limited to 18 feet, except it may be wider where sharp curves, deep cuts and fills occur, or intersections with other roads are required.

Surface pipelines will be constructed to lay on the soil surface, and the ROW for the pipeline will not be bladed or cleared of vegetation without site specific authorization from BIA.

Where surface pipelines do not parallel roads but cross country between stations. The line shall either be welded in place at a welding station located at the well site or on roads near the flowline right of way and then dragged into place with a suitable piece of equipment so it will not destroy the natural vegetation. If the flowline doesn't follow existing and APD proposed new access roads then traffic shall be restricted along pipeline ROWs so that they will not be used as an access road.

Buried flowlines shall be a minimum of three feet below the surface. After the construction of the pipeline is completed the disturbed area of the ROW shall be contoured to blend into the natural landscape, and it shall be reseeded with desirable vegetation. Between September 15 and November 1 of the year following pipeline construction of the buried line all disturbed areas shall be reseeded with perennial vegetation according to BIA, or to Ute Tribe specifications.

Shenandoah Energy employees, representatives, and subcontractors shall not carry firearms on their person or in their vehicles while working on the Uintah and Ouray Indian Reservation.

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DIVISION OF  
OIL, GAS AND MINING

**UNITED STATES**  
**DEPARTMENT OF THE INTERIOR**  
**BUREAU OF LAND MANAGEMENT**

**APPLICATION FOR PERMIT TO DRILL OR DEEPEN**

1a. TYPE OF WORK

**DRILL**  **DEEPEN**

b. TYPE OF WELL

OIL WELL  GAS WELL  OTHER  SINGLE ZONE  MULTIPLE ZONE

2. NAME OF OPERATOR  
**Shenandoah Energy Inc.**

3. ADDRESS AND TELEPHONE NO. Phone: 435-781-4341 11002 East 17500 South  
Fax: 435-781-4329 Vernal, Utah 84078

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface  
**508' FSL 2157' FEL SWSE**  
At proposed prod. Zone  
**Same**

**CONFIDENTIAL**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

**11 miles West of Redwash Utah**

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT. **508' ±**

16. NO. OF ACRES IN LEASE

**2480**

17. NO. OF ACRES ASSIGNED TO THIS WELL

**40**

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.

**500' ±**

19. PROPOSED DEPTH

**8129'**

20. ROTARY OR CABLE TOOLS

**Rotary**

24. ELEVATIONS (Show whether DF, RT, GR, etc.)

**4847.6' GR**

22. APPROX. DATE WORK WILL START\*

**A.S.A.P**

23. PROPOSED CASING AND CEMENTING PROGRAM

**REFER TO S.O.P.**

Shenandoah Energy Inc. proposes to drill a well to 8129' to test the Wasatch. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

Operation will be according to the Standard Operating Procedures for the Wonsits Valley Federal Unit, the Gypsum Hills and the Wasatch areas.

See Onshore Order No. 1 attached.

Please be advised that Shenandoah Energy Inc. is considered to be the operator of the above mentioned well. Shenandoah Energy Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. 0969. The principal is Shenandoah Energy Inc. via surety as consent as provided for in 43 CFR 3104.2.

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

24

SIGNED John Busch John Busch TITLE Red Wash Operations Representative DATE 1/12/01

(This space for Federal or State office use)

**NOTICE OF APPROVAL**

**CONDITIONS OF APPROVAL ATTACHED**

Application approval does not warrant or certify that the applicant holds legal or equitable title to these rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY David B. Cleary Assistant Field Manager  
Mineral Resources

DATE 03/23/2001

**CONFIDENTIAL**

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes 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.

*DOG*

**RECEIVED**  
MAR 28 2001  
DIVISION OF OIL GAS AND MINING  
**RECEIVED**  
JAN 16 2001

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Shenandoah Energy, Inc.

Well Name & Number: WVFU #15W-10-8-21

API Number: 43-047-33916

Lease Number: U - 0806

Location: SWSE Sec. 10 T. 8S R. 21E

Agreement: Wonsits Valley Unit

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

**CONDITIONS OF APPROVAL FOR NOTICE TO DRILL**

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.

DRILLING PROGRAM

As a minimum, the usable water resources shall be isolated and/or protected by having a cement top behind the production casing at least 200' above the base of the usable water zone identified at  $\pm 2240'$ .

Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

Other Information

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

Ed Forsman                   (435) 789-7077 (HOME)           (435) 646-1685 (PAGER)  
Petroleum Engineer

Kirk Fleetwood           (435) 789-6858 (HOME)           (435) 646-1678 (PAGER)  
Petroleum Engineer

Jerry Kenczka                   (435) 781-1190 (HOME)           (435) 646-1676 (PAGER)  
Petroleum Engineer

BLM FAX Machine   (435) 781-4410

**SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)**

Shenandoah Energy, Inc. (Shenandoah) will assure the Ute Tribe that any/all contractors and subcontractors have acquired a current Tribal Business License and have updated "Access Permits" prior to construction. All Shenandoah personnel, contractors and subcontractors will have these permits in their vehicles at all times. Companies that have not complied with this COA will be in violation of the Ute Tribal Business License Ordinance, and will be subject to fines and penalties.

Shenandoah employees, representatives, and/or authorized personnel (subcontractors) shall not carry firearms on their person or in their vehicles while working on the Uintah and Ouray Indian Reservation.

Shenandoah employees and/or authorized personnel (subcontractors) in the field will have approved applicable APDs and/or ROW permits/authorizations on their person(s) during all phases of construction.

Shenandoah will notify the Ute Tribe and Bureau of Indian Affairs (BIA) in writing of any requested modification of APDs or Rights-Of Way (ROW). Shenandoah shall receive written notification of authorization or denial of the requested modification. Without authorization, Shenandoah will be subject to fines and penalties.

The Ute Tribe Energy & Minerals Department shall be notified in writing 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday. A Tribal Technician is to routinely monitor construction. Shenandoah shall make arrangements with the Ute Energy & Minerals Department for all monitoring that will exceed regular working hours for Tribal Technicians. A qualified Archaeologist accompanied by a Tribal Technician will monitor any trenching required for the construction of the pipeline. Shenandoah is to inform contractors to maintain construction of the pipelines within approved 30 foot ROW.

Shenandoah shall maintain cattleguards and fence integrity as originally constructed for any access roads or pipeline routes which cross the Ute Indian Reservation Boundary Fence.

A ROW, 30 feet wide, shall be granted for the pipeline. The existing roads to existing location Wonsits Valley Unit 53 oil well will be used for the access road.

Upon completion of the pertinent APD and ROWs, Shenandoah will notify the Ute Tribe Energy & Minerals Department for a Tribal Technician to verify the Affidavit of Completion. When each pipeline has been constructed and completed as built descriptions will be filed with the Ute Tribal Energy & Minerals Department.

Production waters, oil, and other byproducts shall not be placed on access roads or the well pad.

All vehicular traffic, personnel movement, construction and restoration operations will be

confined to the areas examined and approved and to the existing roadways and/or evaluated access routes.

Shenandoah will implement "Safety and Emergency Plan" and ensure plan compliance.

Shenandoah shall stop construction activities and notify personnel from the Ute Tribe Energy & Minerals Department and BIA if cultural remains including paleontologic resources (vertebrate fossils) are exposed or identified during construction. The Ute Tribe Department of Cultural Rights and Protection and the BIA will provide mitigation measures prior to allowing construction.

Shenandoah employees and/or authorized personnel (subcontractors) will not be allowed to collect artifacts and paleontologic fossils. No significant cultural resources shall be disturbed.

Shenandoah will control noxious weeds on the well site and ROWs. Shenandoah will be responsible for noxious weed control if weeds spread from the project area onto adjoining land.

Reserve pits will be lined with an impervious synthetic liner. About 17 rods of fence will be constructed around the reserve pit until it is backfilled. Prior to backfilling the reserve pit, all fluids will be pumped from the pit into trucks and hauled to approved disposal sites. When the reserve pits are backfilled, the surplus oil and mud, etc., will be buried a minimum of 3 feet below the surface of the soil.

A closed system will be used during production. This means that production fluids will be contained in leak-proof tanks. All production fluids will be disposed of at approved disposal sites.

Surface pipelines will be constructed to lay on the soil surface. The ROW will not be bladed or cleared of vegetation without authorization of the BIA. Where surface pipelines do not parallel roads but cross country between stations, they shall be welded in place at well sites or on access roads. They shall be pulled between stations with suitable equipment. Vehicles shall not use pipeline ROWs as access roads unless specifically authorized.

Before the site is abandoned, Shenandoah will be required to restore the well site and ROWs to near their original state. The disturbed areas will be reseeded with desirable perennial vegetation.

Soil erosion will be mitigated by reseeded all disturbed areas.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS 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.*

5. Lease Serial No.  
U-0806

6. If Indian, Allottee or Tribe Name  
UTE TRIBE

7. If Unit or CA/Agreement, Name and/or No.  
WONSITS VALLEY

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

8. Well Name and No.  
Multiple--See Attached

9. API Well No.  
Multiple--See Attached

10. Field and Pool, or Exploratory  
WONSITS VALLEY

11. County or Parish, and State  
JUNTAH COUNTY, UT

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
SHENANDOAH ENERGY INC. Contact: RALEEN SEARLE  
E-Mail: rsearle@shenandoahenergy.com

3a. Address  
11002 EAST 17500 SOUTH  
VERNAL, UT 84078  
3b. Phone No. (include area code)  
Ph: 435.781.4309  
Fx: 435.781.4329

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Multiple--See Attached

**CONFIDENTIAL**

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recomplate 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.)

Shenandoah Energy here by request an one year extension on the WV 4G-11-8-21 and WV 2G-10-8-21.

**COPY SENT TO OPERATOR**  
Date: 9-18-01  
Initials: CBO

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 09-17-01  
By: [Signature]

**RECEIVED**  
SEP 14 2001  
DIVISION OF  
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct.  
Electronic Submission #7170 verified by the BLM Well Information System  
For SHENANDOAH ENERGY INC., sent to the Vernal

Name (Printed/Typed) RALEEN SEARLE

Title PREPARER

Signature [Signature]

Date 09/12/2001

**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 applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office \_\_\_\_\_

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.

**Additional data for EC transaction #7170 that would not fit on the form**

**Wells/Facilities, continued**

<b>Agreement</b>	<b>Lease</b>	<b>Well/Fac Name, Number</b>	<b>API Number</b>	<b>Location</b>
WONSITS VALLEY	U-0806	WONSITS VALLEY 4G-11-8-21	43-047-33658	Sec 11 T8S R21E Mer NWNW 693FNL 705FWL
WONSITS VALLEY	U-0806	WONSITS VALLEY 2G-10-8-21	43-047-33656	Sec 10 T8S R21E Mer NWNE 688FNL 1940FEL

**CONFIDENTIAL**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS 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.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. U-0806	
2. Name of Operator SHENANDOAH ENERGY INC.		6. If Indian, Allottee or Tribe Name UTE TRIBE	
3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078		7. If Unit or CA/Agreement, Name and/or No. WONSITS VALLEY	
3b. Phone No. (include area code) Ph: 435.781.4309 Ex: 435.781.4329		8. Well Name and No. Multiple--See Attached	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached 89; 21E; S-10 - 43-047-37656		9. API Well No. Multiple--See Attached	
RECEIVED SEP 21 2001		10. Field and Pool, or Exploratory WONSITS VALLEY	
		11. County or Parish, and State UINTAH COUNTY, UT	

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recompleat 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 recompleat 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.)

Shenandoah Energy here by request an one year extension on the WV 4G-11-8-21 and WV 2G-10-8-21

RECEIVED

OCT 17 2001

DIVISION OF  
OIL, GAS AND MINING

CONDITIONS OF APPROVAL ATTACHED

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #7170 verified by the BLM Well Information System For SHENANDOAH ENERGY INC., sent to the Vernal Committed to AFMSS for processing by LESLIE CRINKLAW on 09/21/2001 ()</b>	
Name (Printed/Typed) RALEEN SEARLE	Title PREPARER
Signature	Date 09/12/2001

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>Kirk Johnson</i>	Title Petroleum Engineer	Date 10/4/01
Conditions of approval, if any, are attached. Approval of this notice 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.		Office

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.

\*\* ORIGINAL \*\*

AGM

**Additional data for EC transaction #7170 that would not fit on the form**

**Wells/Facilities, continued**

<b>Agreement</b>	<b>Lease</b>	<b>Well/Fac Name, Number</b>	<b>API Number</b>	<b>Location</b>
WONSITS VALLEY	U-0806	WONSITS VALLEY 4G-11-8-21	43-047-33658	Sec 11 T8S R21E Mer NWNW 693FNL 705FWL
WONSITS VALLEY	U-0806	WONSITS VALLEY 2G-10-8-21	43-047-33656	Sec 10 T8S R21E Mer NWNE 688FNL 1940FEL

Standard Energy  
APD Extension

Well: Wonsits Valley 4G-11-8-21

Location: NWNW Sec. 11, T8S, R21E

Lease: UTU 0806

**CONDITIONS OF APPROVAL**

An extension for the referenced APD is granted with the following conditions:

---

1. The extension will expire 12/12/02
2. No other extensions beyond that time frame will be granted or allowed.

If you have any other questions concerning this matter, please contact Kirk Fleetwood of this office at (435) 781-4486

Severed Copy  
APD Extension

Well: Wonsits Valley 2G-10-8-21

Location: NWNE Sec. 10, T8S, R21E

Lease: UTU 0806

**CONDITIONS OF APPROVAL**

An extension for the referenced APD is granted with the following conditions:

---

1. The extension will expire 12/07/02
2. No other extensions beyond that time frame will be granted or allowed.

If you have any other questions concerning this matter, please contact Kirk Fleetwood of this office at (435) 781-4486



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

October 8, 2002

Raleen Searle  
Shenandoah Energy Inc.  
11002 East 17500 South  
Vernal, UT 84078

Re: APD Rescinded – WVFU 2G-10-8-21, Sec.10 T.8S, R.21E – Uintah County,  
Utah, API No. 43-047-33656

Dear Ms. Searle:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining on August 31, 2000. On September 17, 2001, the Division granted a one-year APD extension. On October 8, 2002, you requested that the division rescind the approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective October 8, 2002.

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

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

Sincerely,

  
Diana Mason  
Engineering Technician

cc: Well File  
Bureau of Land Management, Vernal

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS 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.*

5. Lease Serial No.  
UTU0806

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
UTU630430

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. WVFU 2G-10-8-21
2. Name of Operator SHENANDOAH ENERGY INC		9. API Well No. 43-047-33656-00-X1
3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078-8526		10. Field and Pool, or Exploratory WONSITS VALLEY
3b. Phone No. (include area code) Ph: 435.781.4309 Fx: 435.781.4329		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 10 T8S R21E NWNE 688FNL 1940FEL		11. County or Parish, and State UINTAH COUNTY, UT

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recomplete 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.)

Shenandoah Energy Inc. hereby requests to rescind the APD for the WVFU 2G-10-8-21.

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #15483 verified by the BLM Well Information System For SHENANDOAH ENERGY INC, sent to the Vernal Committed to AFMSS for processing by LESLIE WALKER on 11/01/2002 (03LW0221SE)</b>	
Name (Printed/Typed) RALEEN SEARLE	Title REGULATORY AFFAIRS ANALYST
Signature (Electronic Submission)	Date 10/24/2002

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By <u>KIRK FLEETWOOD</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>12/09/2002</u>
Conditions of approval, if any, are attached. Approval of this notice 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.		Office <u>Vernal</u>

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.

Revisions to Operator-Submitted EC Data for Sundry Notice #15483

	<b>Operator Submitted</b>	<b>BLM Revised (AFMSS)</b>
Sundry Type:	OTHER NOI	OTHER NOI
Lease:	UTU-0806	UTU0806
Agreement:	WONSITS VALLEY	UTU630430
Operator:	SHENANDOAH ENERGY INC. 11002 EAST 17500 SOUTH VERNAL, UT 84078 Ph: 435.781.4309 Fx: 435.781.4323	SHENANDOAH ENERGY INC 11002 EAST 17500 SOUTH VERNAL, UT 84078-8526 Ph: 435.781.4300 Fx: 435.781.4329
Admin Contact:	RALEEN SEARLE REGULATORY AFFAIRS ANALYST E-Mail: rsearle@shenandoahenergy.com  Ph: 435.781.4309 Fx: 435.781.4329	RALEEN SEARLE REGULATORY AFFAIRS ANALYST E-Mail: raleen.searle@questar.com  Ph: 435.781.4309 Fx: 435.781.4329
Tech Contact:		
Location:		
State:	UT	UT
County:	UINTAH	UINTAH
Field/Pool:	WONSITS VALLEY	WONSITS VALLEY
Well/Facility:	WONSITS VALLEY 2G-10-8-21 Sec 10 T8S R21E NENW 688FNL 1940FEL	WVFU 2G-10-8-21 Sec 10 T8S R21E NWNE 688FNL 1940FEL



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Vernal Field Office  
170 South 500 East  
Vernal, Utah 84078-2799

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

IN REPLY REFER TO:  
3160  
UT08300

December 9, 2002

Raleen Searle  
Shenandoah Energy Inc.  
11002 East 175000 South  
Vernal, Utah 84078

Re: Well No. Wonsits Valley 2G-10-8-21  
NENW, Sec. 10, T8S, R21E  
Uintah County, Utah  
Lease No. U-0806  
Wonsits Valley Unit

Dear Raleen:

The Application for Permit to Drill (APD) the above referenced well has been cancelled as per your sundry of October 24, 2002. If you intend to drill at this location at a future date, a new APD must be submitted.

No drilling activity at this location has been reported to this office. Therefore, approval to drill the well is hereby rescinded, effective October 24, 2002.

If you have any questions concerning APD processing, please contact me at (435) 781-4497.

Sincerely,

Leslie Walker  
Legal Instruments Examiner

cc: UDOGM – Diana Mason

RECEIVED

DEC 23 2002

DIV. OF OIL, GAS & MINING