

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.

U-0805

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

UTE TRIBAL

1a. TYPE OF WORK

DRILL

DEEPEN

7. UNIT AGREEMENT NAME

WONSITS VALLEY

b. TYPE OF WELL

OIL WELL

GAS WELL

OTHER

SINGLE ZONE

MULTIPLE ZONE

8. FARM OR LEASE NAME, WELL NO.

WV #2G-9-8-21

2. NAME OF OPERATOR

Shenandoah Energy Inc.

9. API WELL NO.

3. ADDRESS AND TELEPHONE NO. Phone: 435-781-4341  
Fax: 435-781-4329

11002 East 17500 South  
Vernal, Utah 84078

10. FIELD AND POOL, OR WILDCAT

Undesignated  
WONSITS VALLEY

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

At surface

748' FNL 1982' FEL NENE- N WNE

4444432 N  
622956 E

11. SEC., T., R., M., OR BLK  
AND SURVEY OR AREA

SEC. 9, T8S, R21E, SLB&M

At proposed prod. Zone

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

11 miles West of Redwash Utah

12. COUNTY OR PARISH

Uintah

13. STATE

Utah

15. DISTANCE FROM PROPOSED\*  
LOCATION TO NEAREST

748' ±

16. NO. OF ACRES IN LEASE

640

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

40

PROPERTY OR LEASE LINE, FT.  
(Also to nearest drig. Unit line if any)

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

2200' ±

19. PROPOSED DEPTH

5813'

20. ROTARY OR CABLE TOOLS

Rotary

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

4802.0' 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 5813' 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.

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

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

5/1/01

(This space for Federal or State office use)

PERMIT NO.

43047-34064

ROYAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to the land 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  
RECLAMATION SPECIALIST III

DATE

05-10-01

\*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.

RECEIVED

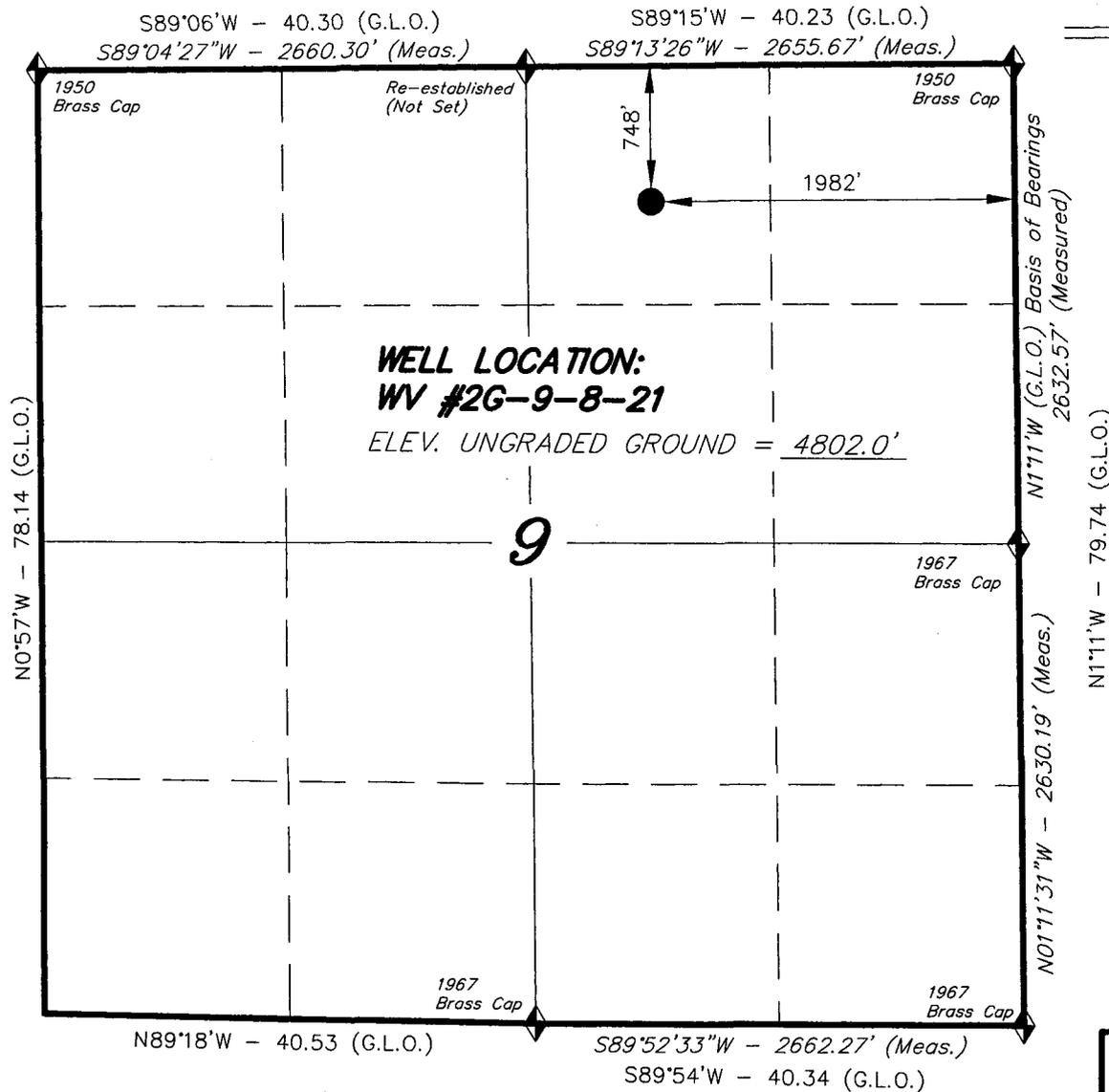
MAY 07 2001

DIVISION OF  
OIL, GAS AND MINING

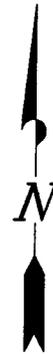
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# T8S, R21E, S.L.B.&M.

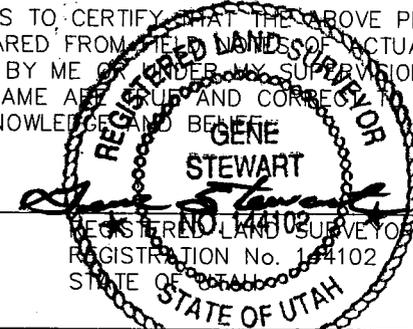
**SHENANDOAH ENERGY, INC.**



WELL LOCATION, WV #2G-9-8-21,  
 LOCATED AS SHOWN IN THE NW 1/4  
 NE 1/4 OF SECTION 9, T8S, R21E,  
 S.L.B.&M. UTAH COUNTY, UTAH.



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS  
 PREPARED FROM THE RECORDS 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.



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

SCALE:	1" = 1000'	SURVEYED BY:	C.D.S.
DATE:	4-30-01	WEATHER:	COLD
DRAWN BY:	J.R.S.	FILE #	

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

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	2976'	
Mahogany Ledge	3751'	
Mesa	5504'	
TD (Wasatch)	5813'	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	5813'

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 2325.2 psi.

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**SHENANDOAH ENERGY INC.  
WONSITS VALLEY #2G-9-8-21  
748' FNL, 1982' FEL, NWNE  
SECTION 9, T8S, R21E, SLB&M  
UINTAH COUNTY, UTAH  
U-0805**

**ONSHORE ORDER NO. 1**

**MULTI – POINT SURFACE USE & OPERATIONS PLAN**

This is a twin location to the WV #2W-9-8-21. An amended rights-of-way is being filed with the BIA along with a sundry stating why an amendment is needed.

**1. Existing Roads:**

The proposed well site is approximately 15.9 miles southwest of Red Wash, Utah. Directions to the location from Red Wash, Utah:

Proceed southwesterly direction from Red Wash, Utah, approximately  $\pm$  1.4 miles to junction of Highway 45; proceed straight across to the Wonsits Valley Federal Unit main road  $\pm$  7.0 miles to the bend in the road; stay to the right  $\pm$  2.0 miles to an intersection; stay to the right  $\pm$  5.5 miles the beginning of proposed access road; follow road flags westerly direction  $\pm$  427' to proposed location.

Refer to Topo Maps A and B for location of access roads within a 2 – mile radius.

There will be no improvements made to existing access roads.

**2. Planned Access Roads:**

*Please see the Wonsits Valley Federal Unit, Gypsum Hills Unit and surrounding areas for Green River wells Standard Operating Procedure (SOP).*

Refer to Topo Map B for the location of the proposed access road.

**3. Location of Existing Wells Within a 1 – Mile Radius:**

Please refer to Topo Map C.

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**4. Location of Existing & Proposed Facilities:**

*Please see the Wonsits Valley Federal Unit, Gypsum Hills Unit and surrounding areas Green River wells Standard Operating Procedures (SOP).*

Refer to Topo Map D for the location of the proposed pipeline.

**5. Location and Type of Water Supply:**

*Please see the Wonsits Valley Federal Unit, Gypsum Hills Unit and surrounding areas Green River wells Standard Operating Procedures (SOP).*

**6. Source of Construction Materials:**

*Please see the Wonsits Valley Federal Unit, Gypsum Hills Unit and surrounding areas Green River wells Standard Operating Procedures (SOP).*

**7. Methods of Handling Waste Materials:**

*Please see the Wonsits Valley Federal Unit, Gypsum Hills Unit and surrounding areas Green River wells Standard Operating Procedures (SOP).*

**8. Ancillary Facilities:**

*Please see the Wonsits Valley Federal Unit, Gypsum Hills Unit and surrounding areas Green River wells Standard Operating Procedures (SOP).*

**9. Well Site Layout: (See Location Layout Diagram)**

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

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**10. Plans for Reclamation of the Surface:**

*Please see the Wonsits Valley Federal Unit, the Gypsum Hills Unit and surrounding areas Green River wells Standard Operating Procedures (SOP).*

The Seed Mix will be consisting of the same mix that was approved for the WV #2W-9-8-21.

**11. Surface Ownership:**

The well pad and access road are located on lands owned by:

Bureau of Land Management  
170 South 500 East  
Vernal, Utah 84078  
(435) 781-4400

**12. Other Information**

A Class III archaeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted directly to the appropriate agencies by Montgomery Archaeology Consultants. Cultural resource clearance was recommended for this location.

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**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

**May 1, 2001**

Date

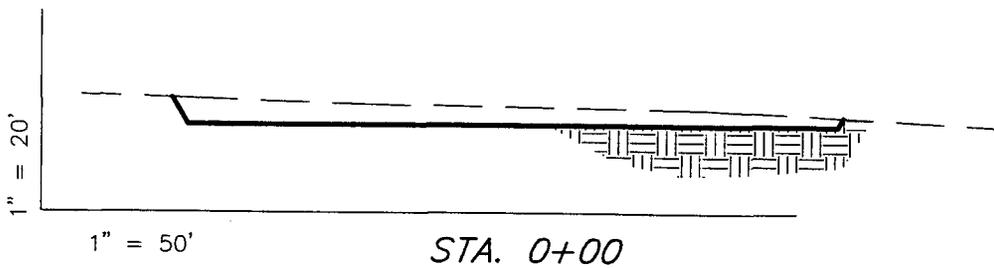
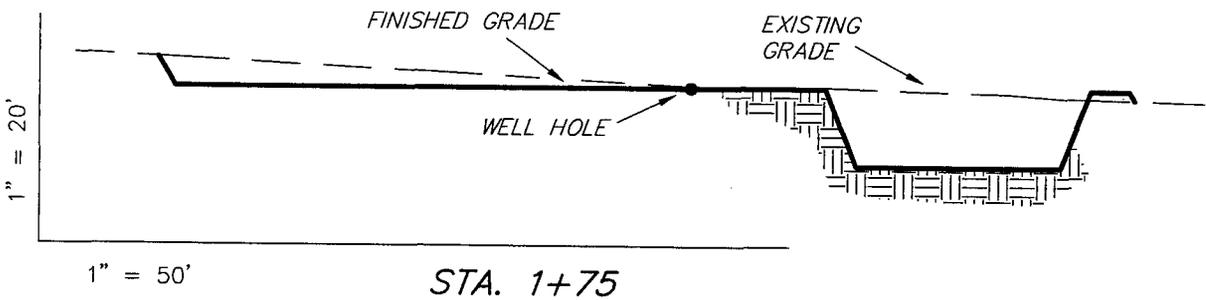
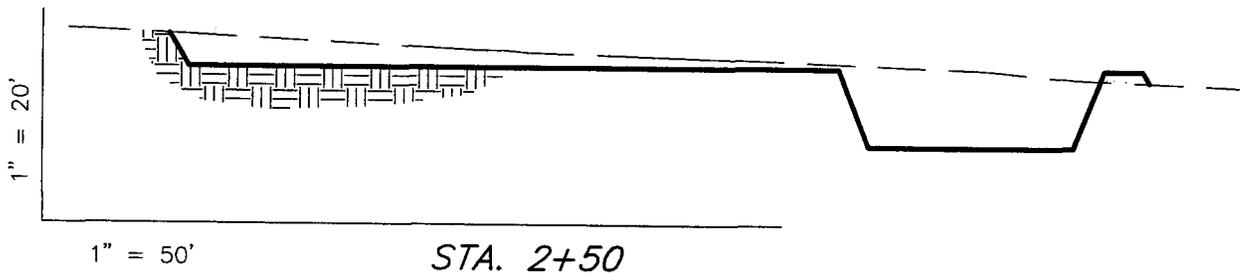
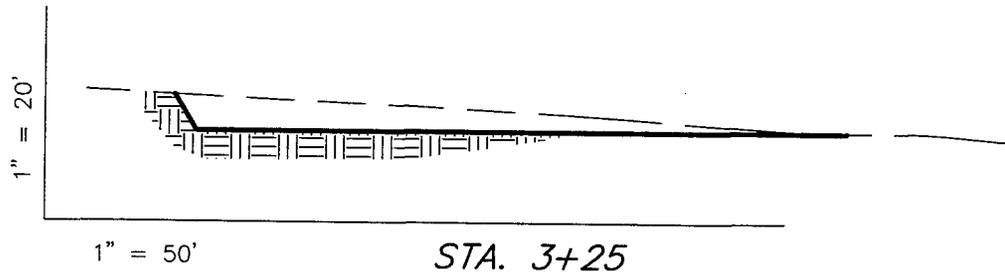
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SHENANDOAH ENERGY, INC.

CROSS SECTIONS

WV #2G-9-8-21



APPROXIMATE YARDAGES

- CUT = 1,000 Cu. Yds.
- FILL = 570 Cu. Yds.
- PIT = 2,370 Cu. Yds.
- 12" TOPSOIL = 2,520 Cu. Yds.

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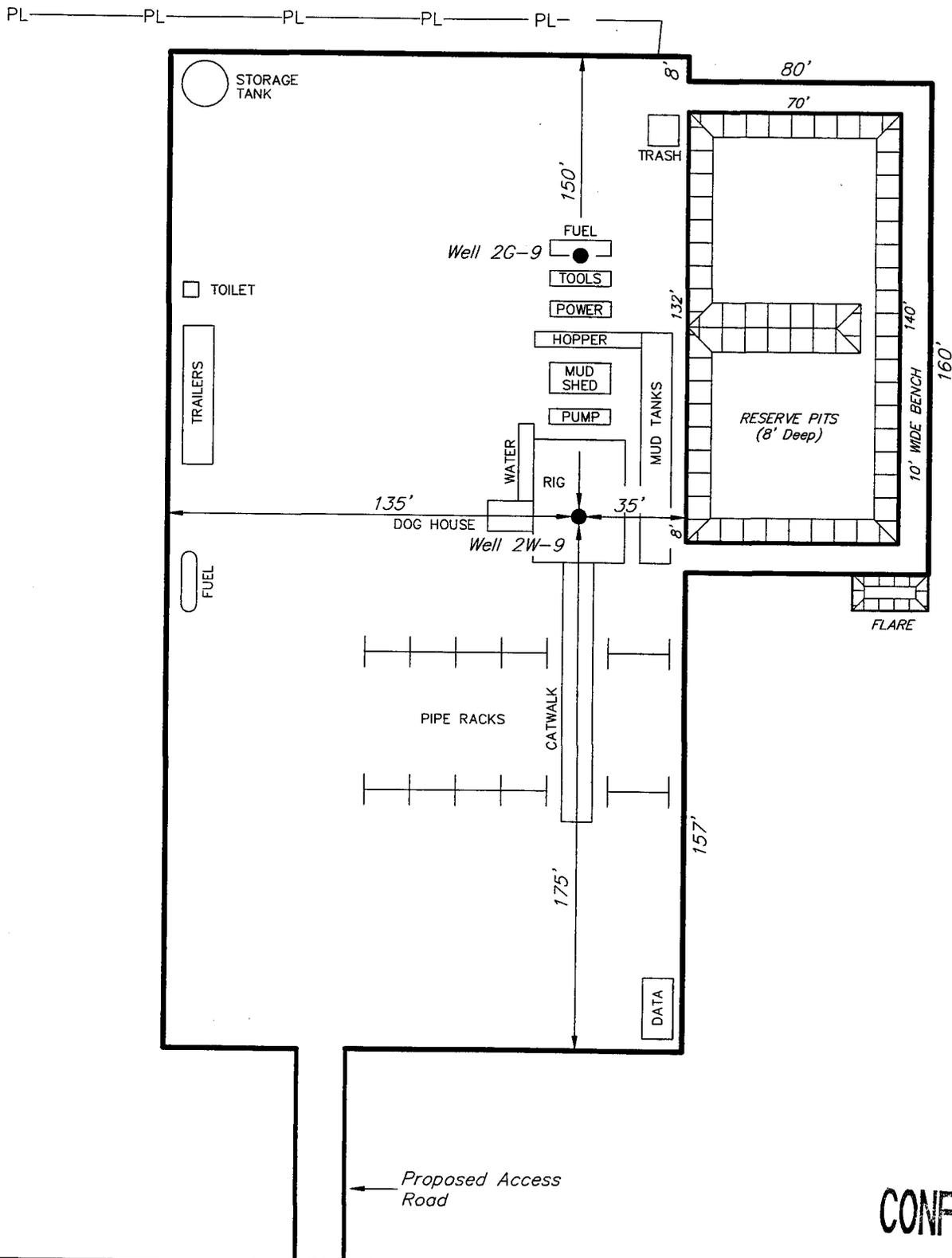
SURVEYED BY: C.D.S.	SCALE: 1" = 50'
DRAWN BY: J.R.S.	DATE: 4-30-01

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

# SHENANDOAH ENERGY, INC.

## TYPICAL RIG LAYOUT

WV #2G-9-8-21



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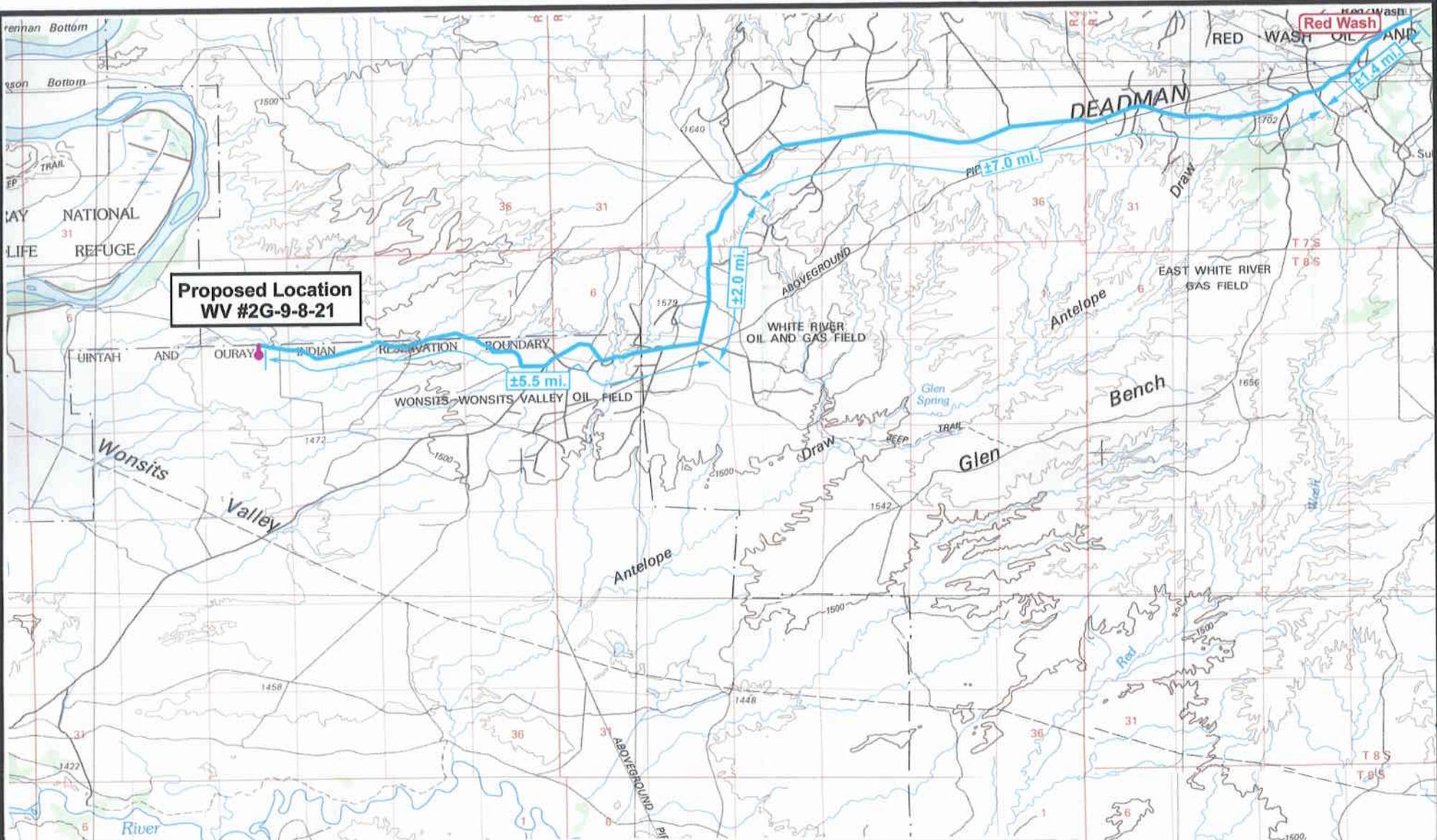
SURVEYED BY: C.D.S.

SCALE: 1" = 50'

DRAWN BY: J.R.S.

DATE: 4-30-01

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



**Proposed Location  
WV #2G-9-8-21**

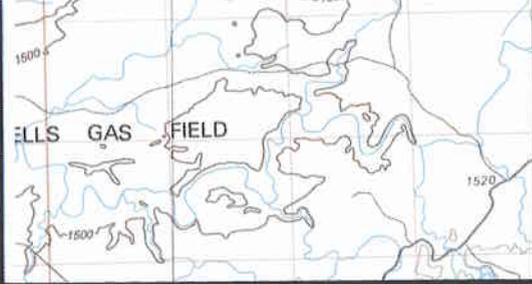
**SHENANDOAH ENERGY INC. CONFIDENTIAL**

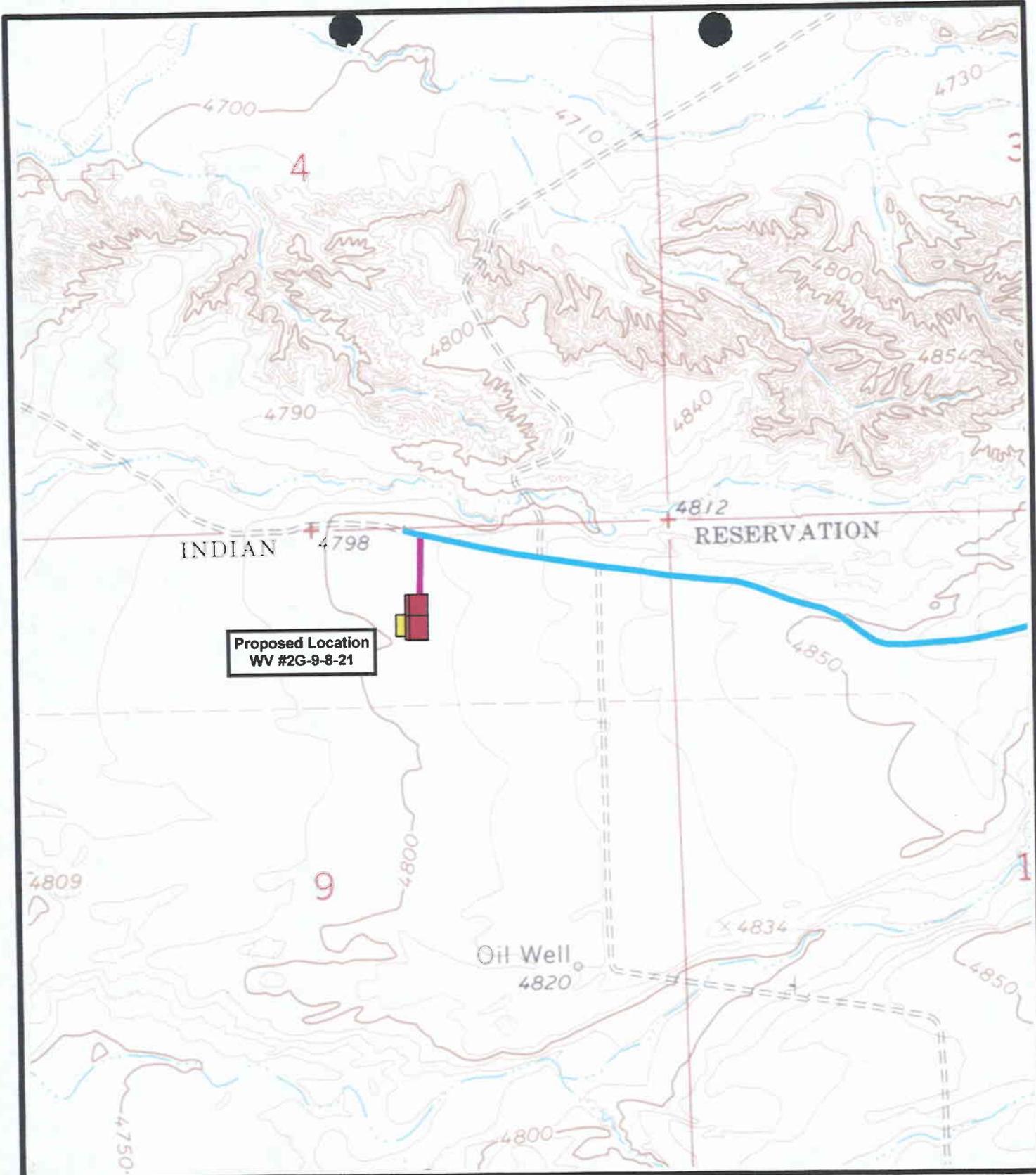
**WONSITS VALLEY #2G-9-8-21  
SEC. 9 ,T8S, R21E, S.L.B.&M.**

**TOPOGRAPHIC MAP "A"**



Drawn By: bgm	Revision:
Scale: 1 : 100,000	File:
Date: 04-30-2001	
<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>	





Proposed Location  
WV #2G-9-8-21

**SHENANDOAH ENERGY INC.**

WONSITS VALLEY #2G-9-8-21  
SEC. 9, T8S, R21E, S.L.B.&M.

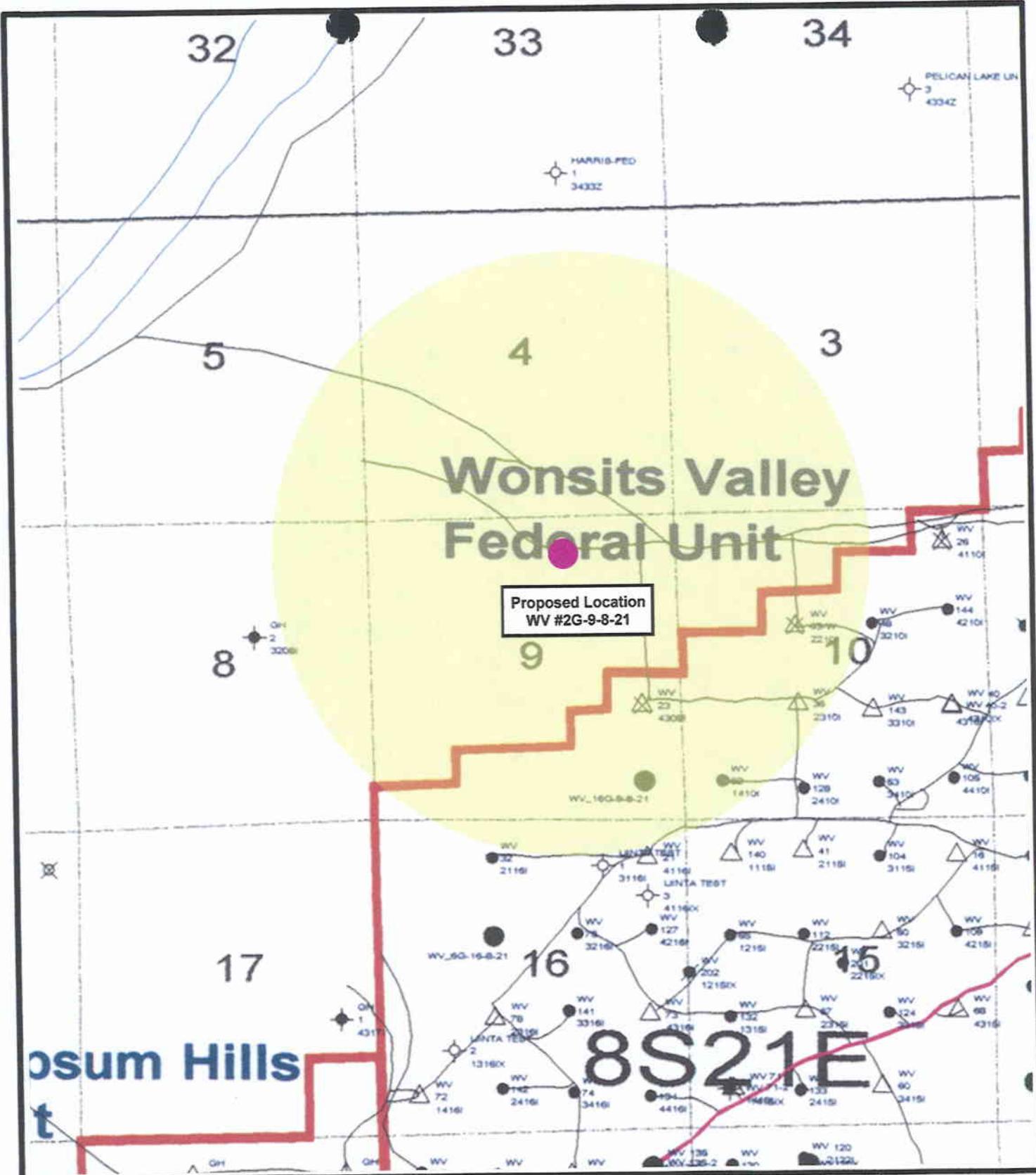
**TOPOGRAPHIC MAP "B"**



Drawn By: bgm	Revision:
Scale: 1" : 1000'	File:
Date: Rev. 05-03-2001	

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

**CONFIDENTIAL**



**SHENANDOAH ENERGY INC.**

WONSITS VALLEY #2G-9-8-21  
 SEC 9. T8S, R21E, S.L.B.&M.

**TOPOGRAPHIC MAP "C"**



Drawn By: bgm	Revision:
Scale:	File:
Date: 04-30-2001	

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

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**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 05/07/2001

API NO. ASSIGNED: 43-047-34064
--------------------------------

WELL NAME: WV 2G-9-8-21  
 OPERATOR: SHENANDOAH ENERGY INC ( N4235 )  
 CONTACT: JOHN BUSCH

PHONE NUMBER: 435-781-4341

PROPOSED LOCATION:  
 NWNE 09 080S 210E  
 SURFACE: 0748 FNL 1982 FEL  
 BOTTOM: 0748 FNL 1982 FEL  
 UINTAH  
 UNDESIGNATED ( 2 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: U-0805  
 SURFACE OWNER: 1 - Federal

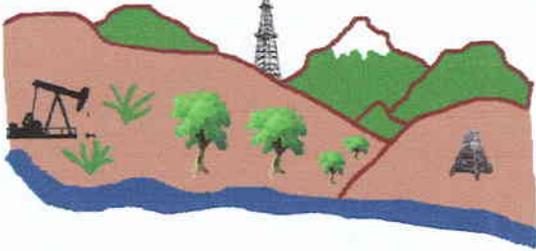
PROPOSED FORMATION: GRRV

RECEIVED AND/OR REVIEWED:  
 Plat  
 Bond: Fed[1] Ind[] Sta[] Fee[]  
 (No. UT-0969 )  
 Potash (Y/N)  
 Oil Shale (Y/N) \*190-5 (B) or 190-3  
 Water Permit  
 (No. 43-8496 )  
 RDCC Review (Y/N)  
 (Date: \_\_\_\_\_ )  
 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: 50p, separate file.

STIPULATIONS: ① FEDERAL APPROVAL



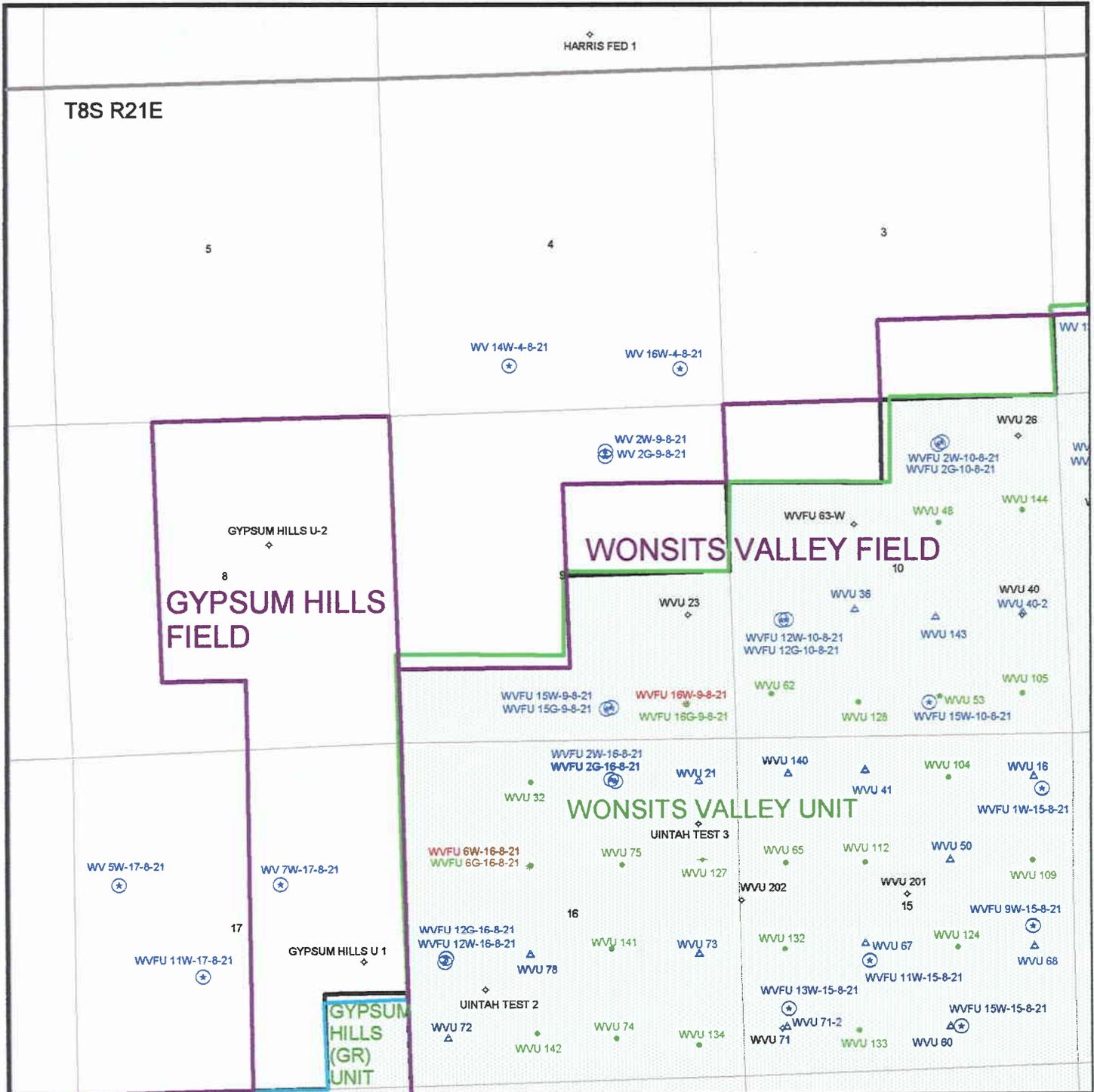
Utah Oil Gas and Mining

OPERATOR: SHENANDOAH ENERGY (N4235)

SEC. 9, T8S, R21E

FIELD: UNDESIGNATED (002)

COUNTY: UINTAH SPACING: R649-3-2/GEN ST





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)

May 10, 2001

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

Re: Wonsits Valley 2G-9-8-21 Well, 748' FNL, 1982' FEL, NW NE, Sec. 9, 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 43-047-34064.

Sincerely,

A handwritten signature in cursive script 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 2G-9-8-21  
**API Number:** 43-047-34064  
**Lease:** U 0805

**Location:** NW NE      **Sec.** 9      **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

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

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

Phone: (801) 781-4400  
Fax: (801) 781-4410

IN REPLY REFER TO:  
3160  
UT08300

March 28, 2002

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APR 02 2002

DIVISION OF  
OIL, GAS AND MINING

Shenandoah Energy, Inc.  
ATTN: Raleen Searle  
11002 East 17500 South  
Vernal, Utah 84078

RE: Application for Permit to Drill  
Well No.: WV 2G-9-8-21  
NENE, Sec. 9, T8S, R21E  
Lease No. U-0805  
43-047-34064

Dear Ms. Searle:

We are returning the above referenced Application for Permit to drill (APD) as per your request.

If you have any questions, please let me know.

Sincerely,

Pat Sutton  
Legal Instruments Examiner

Enclosures

cc: Division of Oil & Gas  
BIA

\*020410 rescind per op. reg. "Eff. 3-28-02".  
Jc