

UNITED STATES  
DEPARTMENT OF THE INTERIOR

SUBMIT IN TRIPLICATE  
(Other instructions on  
reverse side)

FORM APPROVED  
OMB NO. 1004-0136  
Expires: February 28, 1995

006

BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

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

DOMINION EXPLORATION & PRODUCTION, INC.

3. ADDRESS AND TELEPHONE NO.

16945 NORTHCHASE DRIVE, SUITE 1750 HOUSTON, TEXAS 77060

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

At surface

889' FEL & 1696' FNL

At proposed prod. zone

4405437N  
630857E

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

33.6 miles south of Ouray

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST PROPERTY OF LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any)

889'

16. NO. OF ACRES IN LEASE

1320

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.

NA

19. PROPOSED DEPTH

8650'

20. ROTARY OR CABLE TOOLS

ROTARY

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

GR: 6353'

22. APPROX. DATE WORK WILL START\*

June 14, 2001

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"; K-55	54.5#	84'	CONDUCTOR
12-1/4"	8-5/8"; K-55	24/32#	2800'	CEMENT TO SURFACE
7-7/8"	5-1/2"; N-80	17#	8650'	CEMENT TO SURFACE

Please be advised that Dominion Exploration & Production, Inc. is considered to be the Operator of the above referenced well. Dominion is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands. Bond coverage is provided for by BLM Bond #76S 63050 0330.

APD acquired by Lone Mountain expired. Dominion is resubmitting APD and is utilizing the original on-site plan filed with initial APD. Surface location of well has not changed.

DOMINION EXPLORATION & PRODUCTION, INC. respectfully requests that all information concerning this well be held confidential.

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

*[Signature]*

TITLE

REGULATORY SPECIALIST

DATE

05/29/2001

(This space for Federal or State office use)

PERMIT NO.

43-047-34113

APPROVAL DATE

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

CONDITIONS OF APPROVAL, IF ANY:

**Federal Approval of this Action is Necessary**

APPROVED BY

*[Signature]*

TITLE

BRADLEY G. HILL  
RECLAMATION SPECIALIST

DATE

06-26-01

\*See Instructions On Reverse Side

RECEIVED

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.

JUN 01 2001

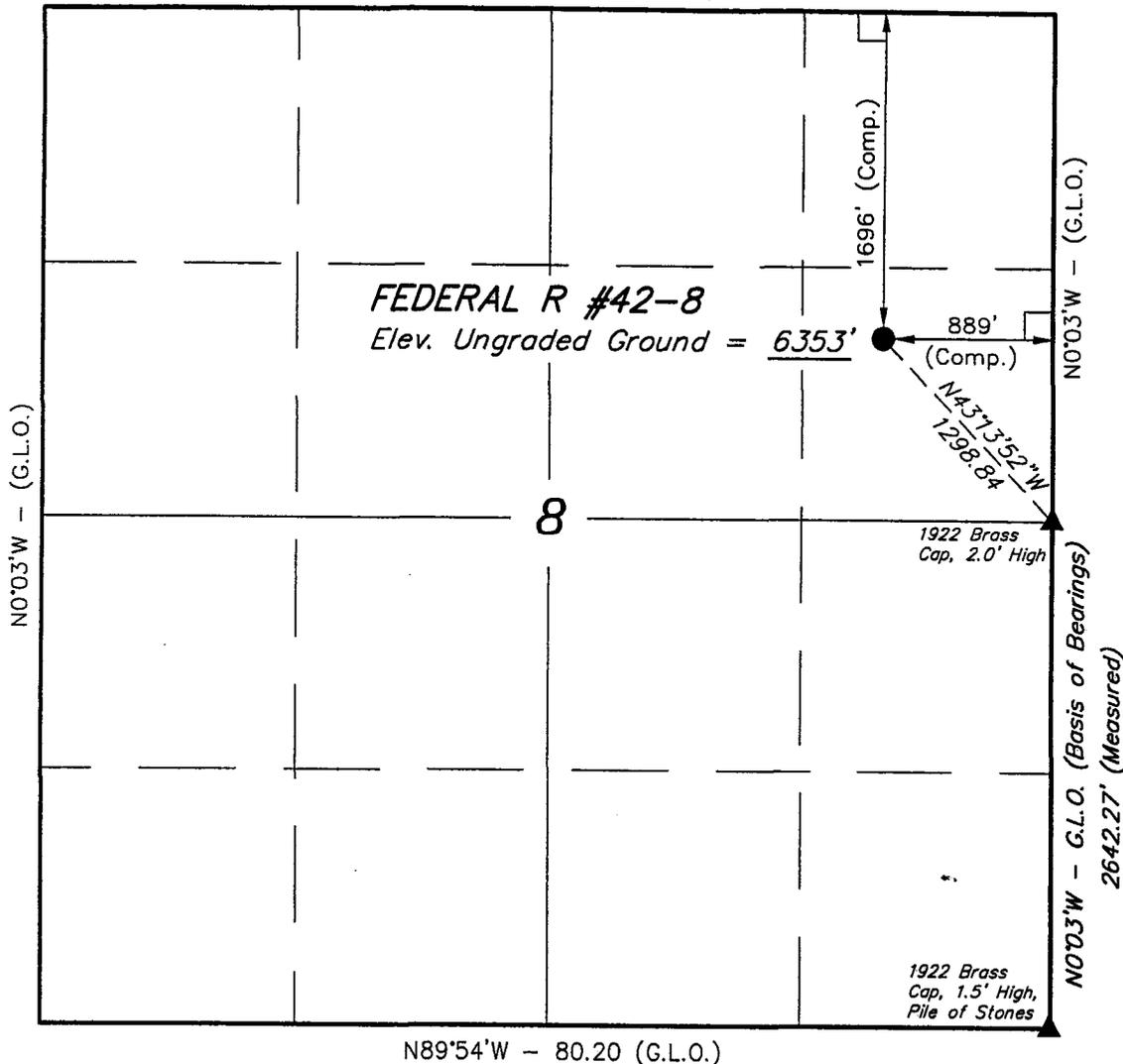
DIVISION OF  
OIL, GAS AND MINING

T12S, R22E, S.L.B.&M.

DOMINION EXPLR. & PROD., INC.

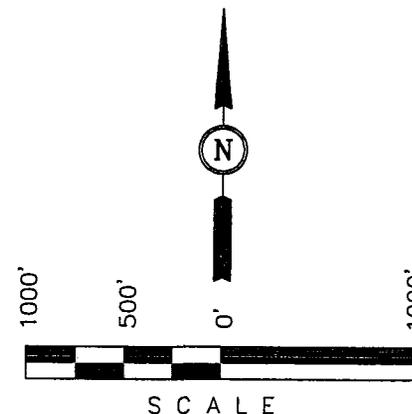
Well location, FEDERAL R #42-8, located as shown in the SE 1/4 NE 1/4 of section 8, T12S, R22E, S.L.B.&M. Uintah County Utah.

N89°51'W - 80.30 (G.L.O.)



BASIS OF ELEVATION

SPOT ELEVATION LOCATED AT THE END OF RUNWAY IN THE NW 1/4 OF SECTION 9, T12S, R22E, S.L.B.&M. TAKEN FROM THE BUCK CAMP CANYON QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6337 FEET.



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CERTIFICATE

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

*Robert J. Kay*

REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

REVISED: 03-29-01 P.M.

LEGEND:

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

LATITUDE = 39°47'27"  
LONGITUDE = 109°28'19"

**UINTAH ENGINEERING & LAND SURVEYING**  
85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 8-3-98	DATE DRAWN: 8-5-98
PARTY K.K. T.A. D.COX	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE DOMINION EXPLR. & PROD., INC.	

## CONFIDENTIAL

## SELF-CERTIFICATION STATEMENT

Under Federal regulation, effective June 15, 1988, designation of operator forms are no longer required when the operator is not the 100% record title holder. An operator is now required to submit a self-certification statement to the appropriate office stating that said operator has the right to operate upon the leasehold premises. Said notification may be in the following format:

Please be advised that **Dominion Exploration & Production, Inc.** is considered to be the operator of **Well No. 42-8**, located in the **SE ¼ NE ¼ of Section 8, T12S, R22E in Uintah County; Lease No. U-73908**; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by *Travelers Casualty and Surety Company of America*, Bond #76S 63050 0330.



Diann Flowers  
Regulatory Specialist

**DRILLING PLAN  
APPROVAL OF OPERATIONS**

30-May-01

**Attachment for Permit to Drill**

**Name of Operator:** Dominion Exploration & Production  
**Address:** Four Greenspoint Plaza  
 16945 Northchase Drive, Suite 1750  
 Houston, Texas 77060-2133

**Well Location:** Fed R 42-8  
 Uintah County, Ut

**1 GEOLOGIC SURFACE FORMATION**  
 Uintah

**2 ESTIMATED DEPTHS OF IMPORTANT GEOLOGIC MARKERS**

<u>Formation</u>	<u>Depth</u>
Wasatch Tongue	2,520'
Green Rvr. Tongue	2,863'
Wasatch	3,013'
Chapita Wells	3,538'
Uteland Buttes	4,363'
Mesaverde	4,763'
Mancos	6,763'

**3 ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS**

<u>Formation</u>	<u>Depth</u>	<u>Type</u>
Wasatch Tongue	2,520'	Oil
Green Rvr. Tongue	2,863'	Oil
Wasatch	3,013'	Gas
Chapita Wells	3,538'	Gas
Uteland Buttes	4,363'	Gas
Mesaverde	4,763'	Gas
Mancos	6,763'	Shale

**4 PROPOSED CASING PROGRAM**

All casing used to drill this well will be new casing.

<u>Type</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>Conn.</u>	<u>Top</u>	<u>Bottom</u>	<u>Hole</u>
Conductor	13 3/8"	54.5 ppf	K-55	STC	0'	84'	17 1/2"
Surface	8 5/8"	24.0 ppf	K-55	STC	0'	1,000'	12 1/4"
		32.0 ppf	K-55	LTC	1,000'	2,800'	12 1/4"
Production	5 1/2"	17.0 ppf	N-80	LTC	0'	8,650'	7 7/8"

**5 OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL**

BOP stack has a 3,000 psi working pressure.

Pipe rams will be operated daily and blind rams as possible.

**6 MUD SYSTEM**

KCL mud system will be used to drill well.

An air mist may be used to drill until first water is seen.

<u>Interval</u>	<u>Density</u>	<u>Drilling M.A.S.P.</u>	<u>Production M.A.S.P.</u>	<u>B.H.P.</u>
0' - 8,650'	9.4 ppf	2,408 psi	2,325 psi	4,003 psi

**7. BLOOIE LINE**

An automatic igniter will not be installed on blooie line.  
 A 90 degree targeted bend will be installed on blooie line about 50' from wellhead.  
 The blooie line discharge will remain 100' from the wellhead.

**8. AUXILIARY EQUIPMENT TO BE USED**

- A. Kelly Cock.
- B. Full opening valve with DRILL PIPE connection will be kept on floor.  
 Valve will be used when Kelly is not in string.

**9. TESTING, LOGGING, AND CORING PROGRAMS TO BE FOLLOWED**

A Drill Stem Test in the Wasatch Tongue is possible.  
 One electric line wire-log will be run from TD to surface.  
 The gamma ray will be left on to record from surface to TD.  
 Other log curves (Resistivities, Porosity, and Caliper) will record from TD to Surface casing.  
 A dipmeter, percussion cores, or rotary cores may be run over selected intervals.

**10. ANTICIPATED ABNORMAL PRESSURES OR TEMPERATURES EXPECTED**

No abnormal pressures or temperatures are anticipated.  
 The formations to be penetrated do not contain known H<sub>2</sub>S gas.  
 The anticipated bottom hole pressure is 4,003 psi.

**11. WATER SUPPLY**

No water pipelines will be laid for this well.  
 No water well will be drilled for this well.  
 Drilling water for this will be hauled on the road(s) shown in Attachment No. 3.  
 Water will be hauled from : Water Permit # 43-10447 Section 9, Township 8 South, Range 20 East

**12. CEMENT SYSTEMS**

**A. Conductor Cement:**

Ready mix cement filled from surface, prior to rig moving on.

**B. Surface Casing Cement:**

- a Drill 12 1/4" hole to +/- 2,800", run and cement 8 5/8" to surface.
- b Pump 20 bbls lightly water spacer followed by 5 bbls fresh water. Displace with any available water.
- c Run 1" tubing in annulus to ± 200' and cement to surface.
- d Note : Repeat Top Out until cement remains at surface.
- e Casing to be run with: a) guide shoe b) insert float c) three (3) centralizers, one on each of first 3 joints d) stop ring for plug two joints off bottom e) bottom three joints thread locked f) pump job with bottom plug only.

<u>Type</u>	<u>Sacks</u>	<u>Interval:</u>	<u>Density</u>	<u>Yield</u>	<u>Hole Volume:</u>	<u>Cement Volume:</u>	<u>Excess</u>
Lead	960 Sx	0' - 2,300'	12.5 ppg	1.99 CFS	953 CF	1,910 CF	100%
Tail	380 Sx	2,300' - 2,800'	15.8 ppg	1.17 CFS	220 CF	445 CF	102%
Top Out	150 Sx	0' - 200'	15.8 ppg	1.17 CFS	87 CF	176 CF	102%

**Lead Mix:**

Prem Lite II Cement, 6% Gel extender, 0.5% Sodium Metasilicate extender, 3 lb/sk  
 Course Gannular LCM: Kol Seal, 1/4 lb/sk Cellophane Flakes LCM, 2% Calcium Chloride  
 accelerator, 10.65 gps water

Pump Time : 4+ hours @ 85 °F.

Compressives @ 120 °F: 24 Hour is 500 psi

**Tail Mix:**

Class "G" Cement, 1/4 lb/sk Cellophane Flakes Lost Return Material, 1-to-2% Calcium Chloride accelerator, & 5.00 gps water

Pump Time : 2 Hours @ 120 °F.  
Compressives @ 120 °F: 24 Hour is 2,000 psi

**Top Out:**

Class "G" Cement, 1/4 lb/sk Cellophane Flakes Lost Return Material, 1-to-2% Calcium Chloride accelerator, & 5.00 gps water

**C. Production Casing Cement:**

- a Drill 7 7/8" hole to +/- 8,650", run and cement 5 1/2" to surface.
- b Lead/Tail cement interface is at 2,800', which is typically 500-1,000' above shallowest pay.
- c Pump 50 bbl Mud clean II unweighted spacer, followed by 10 Bbls 3% KCL spacer.
- d Displace with 3% KCl.

Type	Sacks	Interval:	Density	Yield	Hole Volume:	Cement Volume:	Excess
Lead	310 Sx	0' - 2,800'	11.5 ppg	2.85 CFS	953 CF	1,910 CF	1 CF
Tail	1,191 Sx	2,800' - 8,650'	13.0 ppg	1.51 CFS	1,024 CF	1,798 CF	76%

**Lead Mix:**

Prem Lite II Cement, 10% Gel extender, 0.5% Sodium Metasilicate extender, 1/4 lb/sk Cellophane Flakes LCM, 3 lb/sk Silica Fume high strength ba-90, 3% Potassium Chloride clay inhibitor, 0.05 lb/sk Static Free anti foaming agent, 0.2% retarder, & 16.78 gps water

Pump Time : 5+ hours @ 155 °F.  
Fluid Loss is 240 cc / 30 minutes.  
Compressives @ 200 °F: 24 Hour is 525 psi

**Tail Mix:**

Prem Lite II HIGH STRENGTH Cement, 1/4 lb/sk Cellophane Flakes LCMI, 3% Potassium Chloride clay inhibitor, 0.7% fluid loss additive FL-52, 0.7% retarder r-3, & 16.78 gps water

Pump Time : 4 Hours @ 155 °F.  
Fluid Loss : is 100 cc / 30 minutes.  
Compressives @ 130 °F: 24 Hour is 2,875 psi

**13 ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS**

Starting Date: 14-Jun-01  
Duration: 24 Days

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**DOMINION EXPLORATION & PRODUCTION, INC.  
13 POINT SURFACE USE PLAN**

**FOR WELL**

**FED R 42-8**

**LOCATED IN**

**SE 1/4, NE 1/4**

**SECTION 8, T. 12 S., R. 22 E., U.S.B.&M.**

**UINTAH COUNTY, UTAH**

**LEASE NUMBER: UTU-73908**

**SURFACE OWNERSHIP: FEDERAL**

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## 1. Existing Roads

To reach the Dominion Exploration & Production, well Fed. R 42-8, in Section 8, T 12 S, R 22 E, from Ouray, Utah, proceed south on the paved and gravel road for 10 miles.

Turn east (left) on the Glen Bench road. Proceed 4 miles.

Stay to the east (right) on the Bitter Creek road. Proceed 6 miles.

Turn south (right) on the East Bench road. Proceed 9.8 miles.

The proposed access road will start at this point. All roads to this point are State or County Class D roads.

Please see the attached map for additional details.

## 2. Planned access road

The proposed location will require approximately 2,100 feet of new access road.

The road will be built to the following standards:

A) Approximate length	2,100 ft
B) Right of Way width	30 ft.
C) Running surface	18 ft.
D) Surfacing material	Native soil
E) Maximum grade	5%
F) Fence crossing	None
G) Culvert	None
H) Turnouts	None
I) Major cuts and fills	None
J) Road flagged	Yes
K) Access road surface ownership	Federal

L) All new construction on lease

M) Pipe line crossing NO None

Please see the attached location plat for additional details.

A BLM right of way will be required.

## 3. Location of existing wells

The following wells are located within a one mile radius of the location site.

A) Producing well	None
B) Water well	None
C) Abandoned well	None
D) Temp. abandoned well	None
E) Disposal well	None
F) Drilling/Permitted well	None
G) Shut in wells	None
H) Injection well	None
I) Monitoring or observation well	None

Please see the attached map for additional details.

## 4. Location of tank batteries, production facilities, and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted a **Juniper**

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**Green** color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded. The required **paint** color is **Juniper Green**.

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

The operator will adhere to all site security guidelines and regulations identified in 43 cfr 3126.7.

All off lease storage, off lease measurement, commingling on lease or off lease, of production, will have prior written approval from the authorized officer.

**If the well is capable of production in paying quantities a surface pipeline will be required. The line will be welded on location and pulled to the tie in point. The line will then be boomed off the road. The approximate length will be 2,100 ft.**

**The gathering pipeline will be a 4" steel surface pipeline.** BLM right of way required.

Please see the attached location diagram for pipeline location. There will be no additional surface disturbances required for the installation of a gathering line.

The gas meter run will be located within 500' of the well head. The gas line will be buried or anchored down from the well head to the meter. Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tank strapped in place prior to any

deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The authorized officer will be provided with a date and time for the initial meter calibration and all future meter proving schedule. A copy of the meter calibration report will be submitted to the **BLM Vernal District Office, Vernal Utah**. All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

## 5. Location and type of water supply

Water for drilling and cementing the subject well will be hauled by truck from Section 9, T8S, R20E. Permit No. 43-10447.

## 6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. Additional road gravels or pit lining material will be obtained from private sources.

## 7. Methods for handling waste disposal

### A) Pit construction and liners:

The reserve pit will be approximately 10 ft. deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details.

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**The reserve pit may be lined at the operators discretion.**

The reserve pit will not be used to store water for drilling. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

## B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary, a storage tank for a period not to exceed 90 days after initial production. During the 90 days an application will be made to the authorized officer for approval of a permanent disposal method and location.

## C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized land fill location.

## D) Sewage:

A portable chemical toilet will be supplied for human waste.

## E) Site clean up:

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

## 8. Ancillary facilities

There are no ancillary facilities planned at this time and none are foreseen for the future.

## 9. Well-site layout

Location dimensions are as follow:

A) Pad length	350 ft.
B) Pad width	155 ft.
C) Pit depth	10 ft.
D) Pit length	180 ft.
E) Pit width	50 ft.
F) Max cut	7.5 ft.
G) Max fill	10.7 ft.
H) Total cut yd's	8,340 cu. yd's
I) Pit location	south side
J) Top soil location	west end
K) Access road location	east end
L) Flare pit	corner B

Please see the attached location diagram for additional details.

All pits will be fenced according to the following minimum standards:

A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.

C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

- D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.
- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

**10. Plans for restoration of the surface**

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area. The topsoil removed and piled will amount to approximately 1,000 cubic yards of material. **Topsoil will be stockpiled in two distinct piles (location topsoil and pit topsoil).** Placement of the topsoil is noted on the attached location plat. **The topsoil pile from the location will be seeded as soon as the soil is stock piled with a seed mix provided by the State of Utah.** The unused portion of the location (the area outside the dead men.) will be recontoured

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

Changes to the drainage during the construction activities shall be restored to its original line of flow or as near as possible when the pit is back-filled

All disturbed areas will be recontoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the

reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rainfall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified and left with a rough surface.

**A) Seeding dates:**

Seed will be spread when the topsoil is stock piled and when reclamation work is performed.

**C) Seed Mix**

Black Sage	3#/acre
Fourwing Saltbush (Atriplex Canescens)	4#/acre
Shad Scale (Antriplex Cenfertifolia)	2#/acre
Thickspike Wheat Grass (Agropyron Dasystachum)	3#/acre

At such time as the well is plugged and abandoned the operator will submit a surface reclamation plan to the surface management agency for prescribed seed mixture and reseeding requirements.

11. Surface ownership:

Access road	<b>Federal</b>
Location	<b>Federal</b>
Pipeline	<b>Federal</b>

No pesticides, herbicides or other possible hazardous chemicals will be used without prior application.

12. Other information

F) Notification:

A) Vegetation:

The vegetation coverage is slight. The majority of the existing vegetation consists of sagebrush. Rabbit brush, bitter brush and Indian rice grass are also found on the location.

a) Location construction

At least forty eight (48) hours prior to construction of location and access roads

b) Location completion

Prior to moving in the drilling rig.

c) Spud notice

At least twenty-four (24) hours prior to spudding the well.

d) Casing string and cementing

At least twenty-four (24) hours prior to running casing and cementing all casing strings.

e) BOP and related equipment tests

At least twenty-four (24) hours prior to initial pressure tests.

f) First production notice

Within five (5) business days after the new well begins, or production resumes after well has been off production for more than ninety 90 days.

B) Dwellings:

There are no dwellings or other facilities within a one mile radius of the location.

H) Flare pit:

The flare pit will be located in corner B of the reserve pit out side the pit fence and 100 feet from the bore hole on the south side of the location. All fluids will be removed from the pit within 48 hours of occurrence.

C) Archeology:

The location has not been surveyed. A copy of that survey will be forwarded to your office.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations which would effect such sites will be suspended and the discovery reported promptly to the surface management agency.

13. Lessees or Operator's representative and certification

D) Water:

The nearest water is Willow Creek Evacuation Creek located 3 miles to the west

A) Representative

E) Chemicals:

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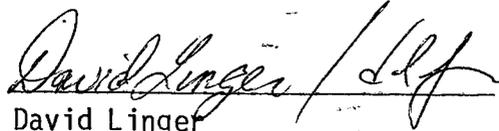
Mitchiel Hall

conditions under which it is approved.

Dominion Expl. & Prod., Inc.  
P. O. Box 1360  
Roosevelt, Utah 84066

Date May 29, 2001

Office 435- 722-4521  
Fax 435- 722-5004  
Cellular 435- 823-2826

  
David Linger  
Manager, Onshore Drilling

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, onshore oil and gas orders, the applicable laws, regulations, and any applicable notices to lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

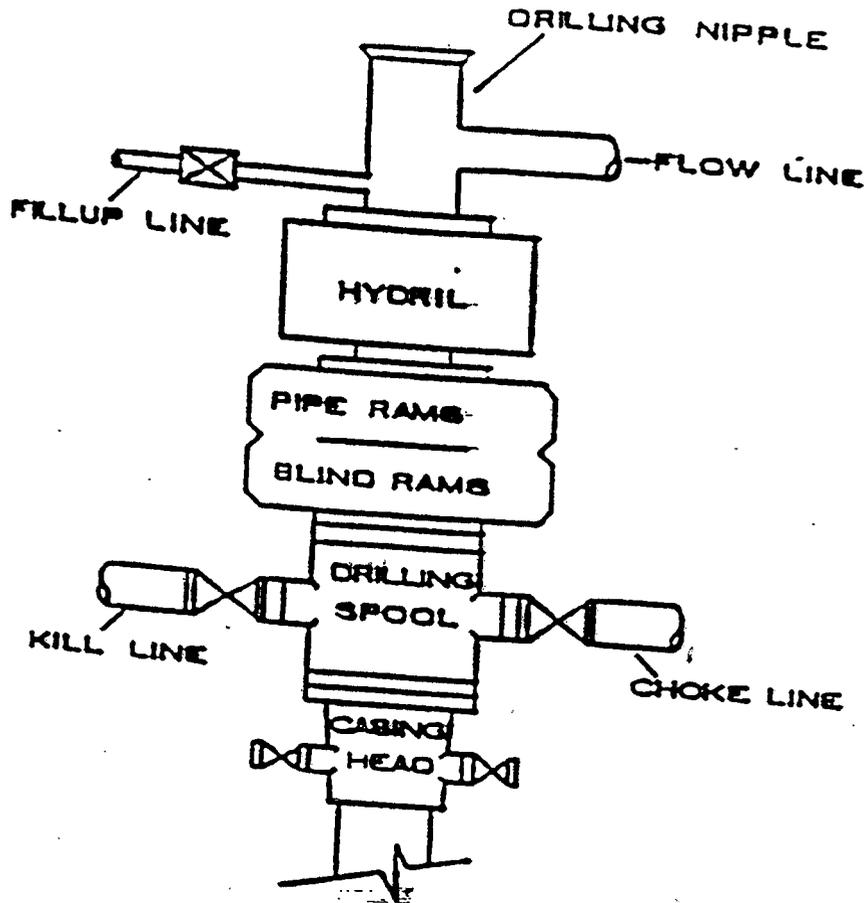
## B) Certification

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 and belief, true and correct, and that the work associated with the operation proposed herein will be performed by

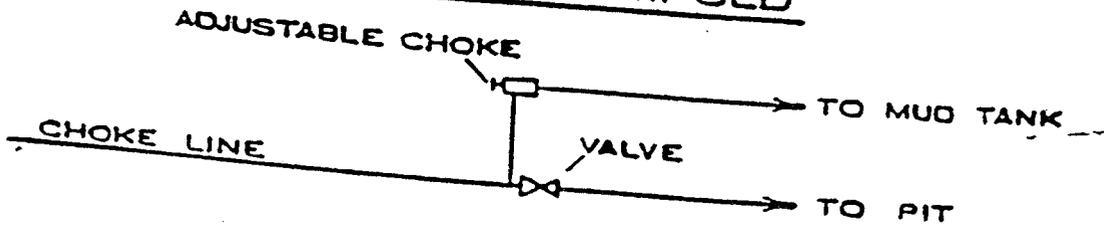
and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and

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BOP STACK

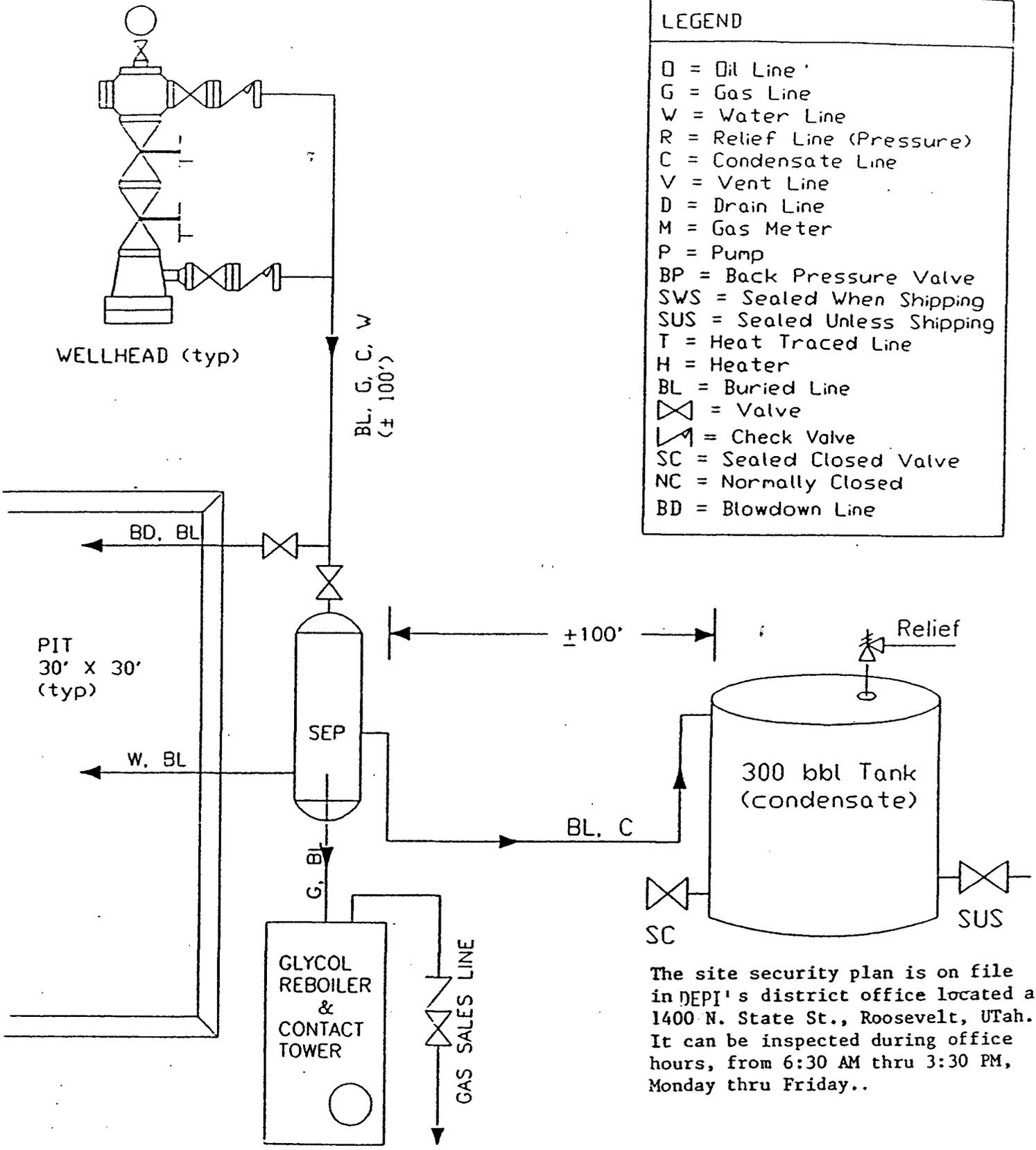


CHOKER MANIFOLD



LEGEND

- O = Oil Line
- G = Gas Line
- W = Water Line
- R = Relief Line (Pressure)
- C = Condensate Line
- V = Vent Line
- D = Drain Line
- M = Gas Meter
- P = Pump
- BP = Back Pressure Valve
- SWS = Sealed When Shipping
- SUS = Sealed Unless Shipping
- T = Heat Traced Line
- H = Heater
- BL = Buried Line
- ⊗ = Valve
- ↗ = Check Valve
- SC = Sealed Closed Valve
- NC = Normally Closed
- BD = Blowdown Line



The site security plan is on file in DEPI's district office located at 1400 N. State St., Roosevelt, Utah. It can be inspected during office hours, from 6:30 AM thru 3:30 PM, Monday thru Friday..

DOMINION EXPLORATION & PRODUCTION, INC.

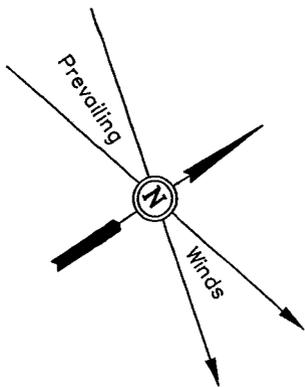
Well:	RIVER BEND FIELD, UINTA COUNTY	not to scale
	TYPICAL FLOW DIAGRAM	date: / /

CONFIDENTIAL

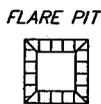
DOMINION EXPLR. & PROD., INC.

LOCATION LAYOUT FOR

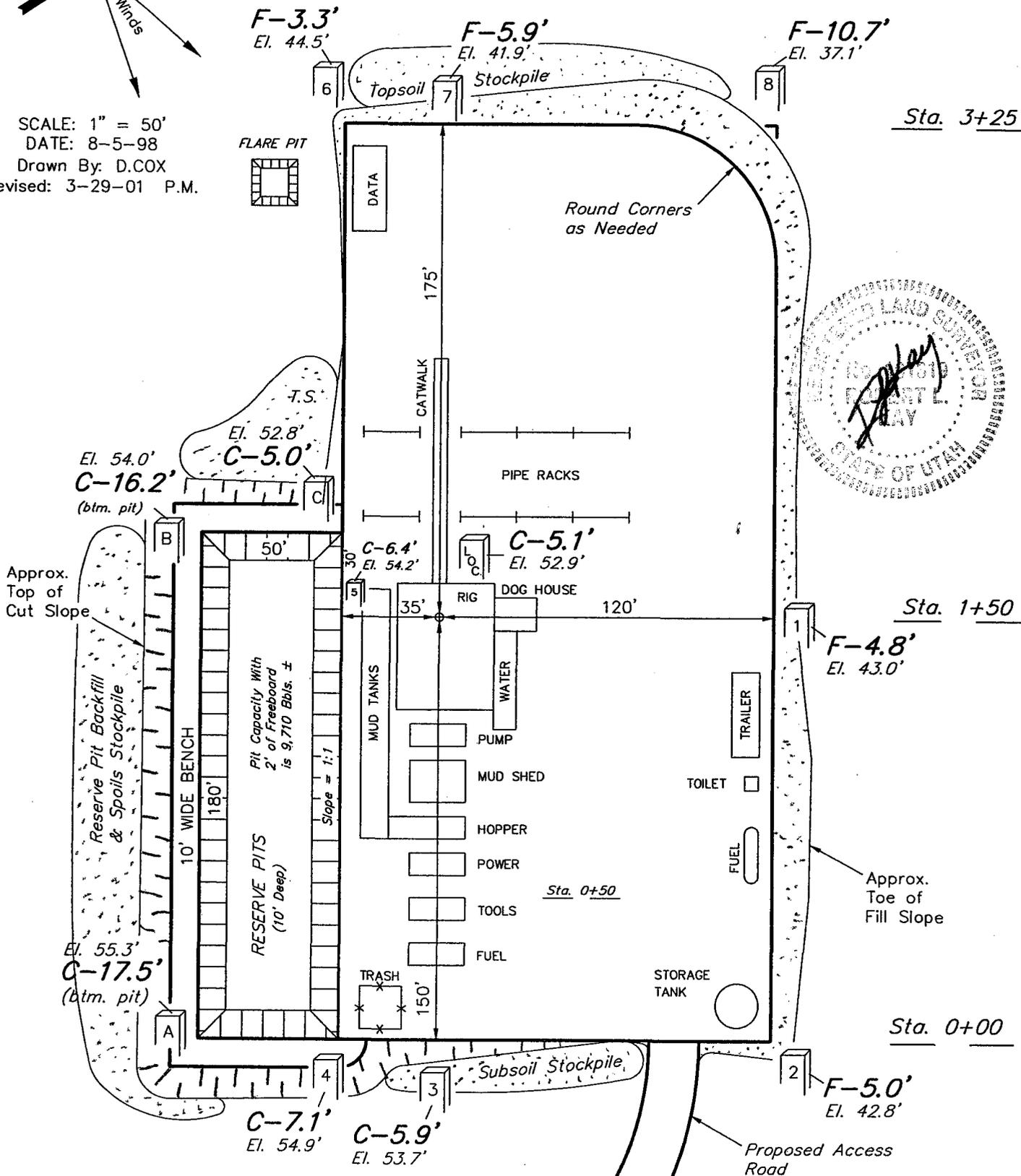
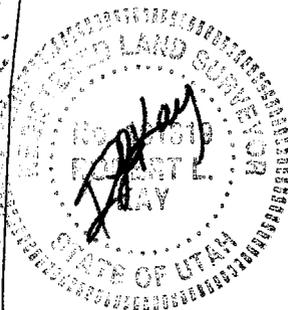
FEDERAL R #42-8  
SECTION 8, T12S, R22E, S.L.B.&M.  
1696' FNL 889' FEL



SCALE: 1" = 50'  
DATE: 8-5-98  
Drawn By: D.COX  
Revised: 3-29-01 P.M.



Sta. 3+25



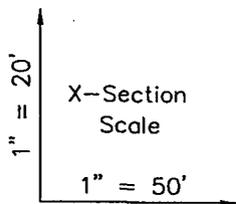
Elev. Ungraded Ground at Location Stake = 6352.9'  
Elev. Graded Ground at Location Stake = 6347.8

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

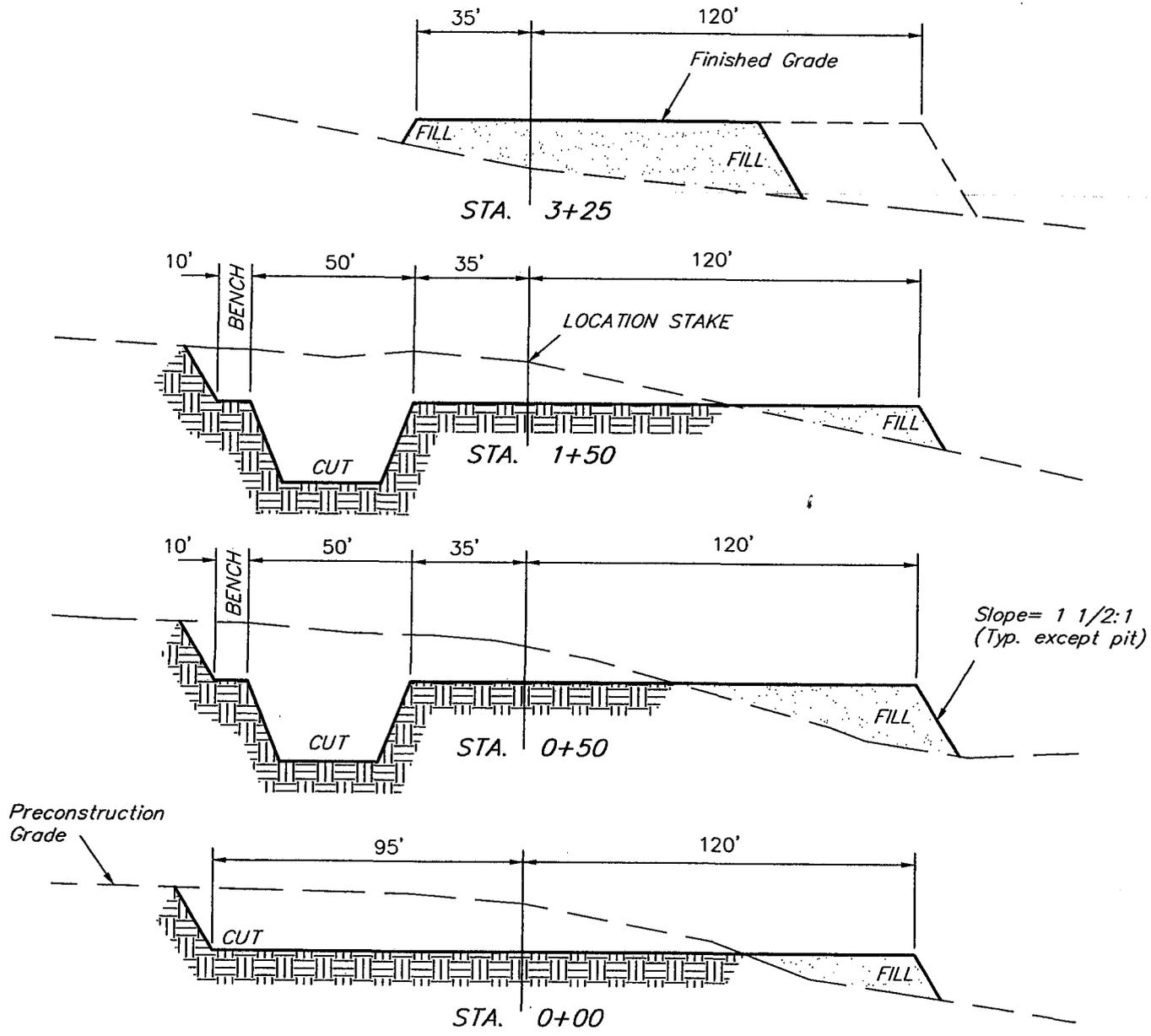
DOMINION EXPLR. & PROD., INC.

TYPICAL CROSS SECTIONS FOR

FEDERAL R #42-8  
SECTION 8, T12S, R22E, S.L.B.&M.  
1696' FNL 889' FEL



DATE: 8-5-98  
Drawn By: D.COX  
Revised: 3-29-01 P.M.



APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,100 Cu. Yds.
Remaining Location	= 7,240 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 8,340 CU.YDS.</b>
<b>FILL</b>	<b>= 5,670 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,360 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,360 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 10 Cu. Yds.

OURAY 22.3 MI. +/-

BENON

9.8 MI. +/-

PROPOSED LOCATION:  
FEDERAL R #42-8

T11S

T12S

SEE TOPO "B"

R  
21  
E

R  
22  
E

LEGEND:

○ PROPOSED LOCATION

DOMINION EXPLR. & PROD., INC.

FEDERAL R #42-8  
SECTION 8, T12S, R22E, S.L.B.&M.  
1696' FNL 889' FEL



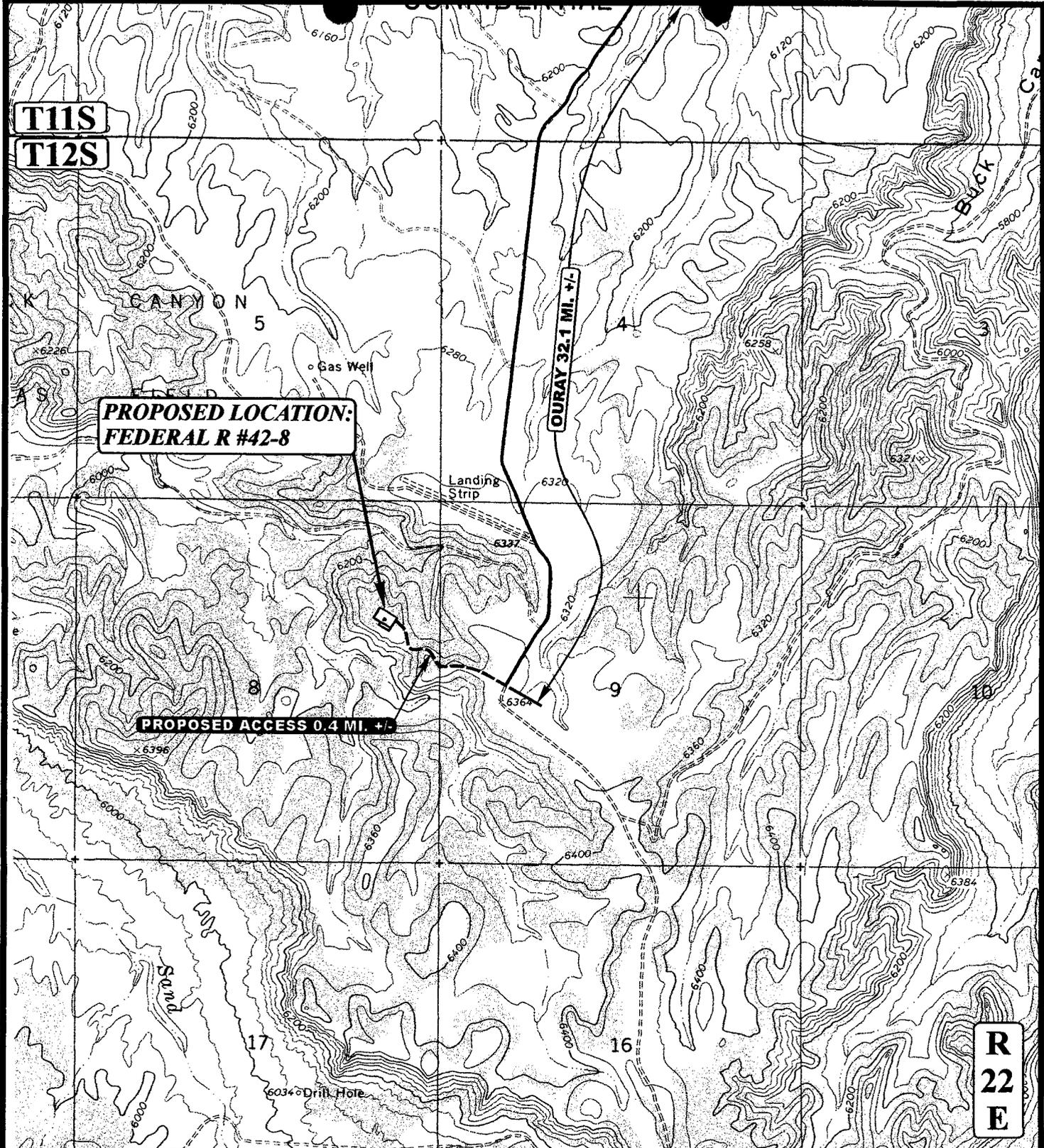
Utah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

TOPOGRAPHIC  
MAP

8 4 98  
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: D.COX REV: 3-29-01 P.M.





T11S  
T12S

**PROPOSED LOCATION:  
FEDERAL R #42-8**

OURAY 32.1 MI. +/-

PROPOSED ACCESS 0.4 MI. +/-

R  
22  
E

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING ROAD

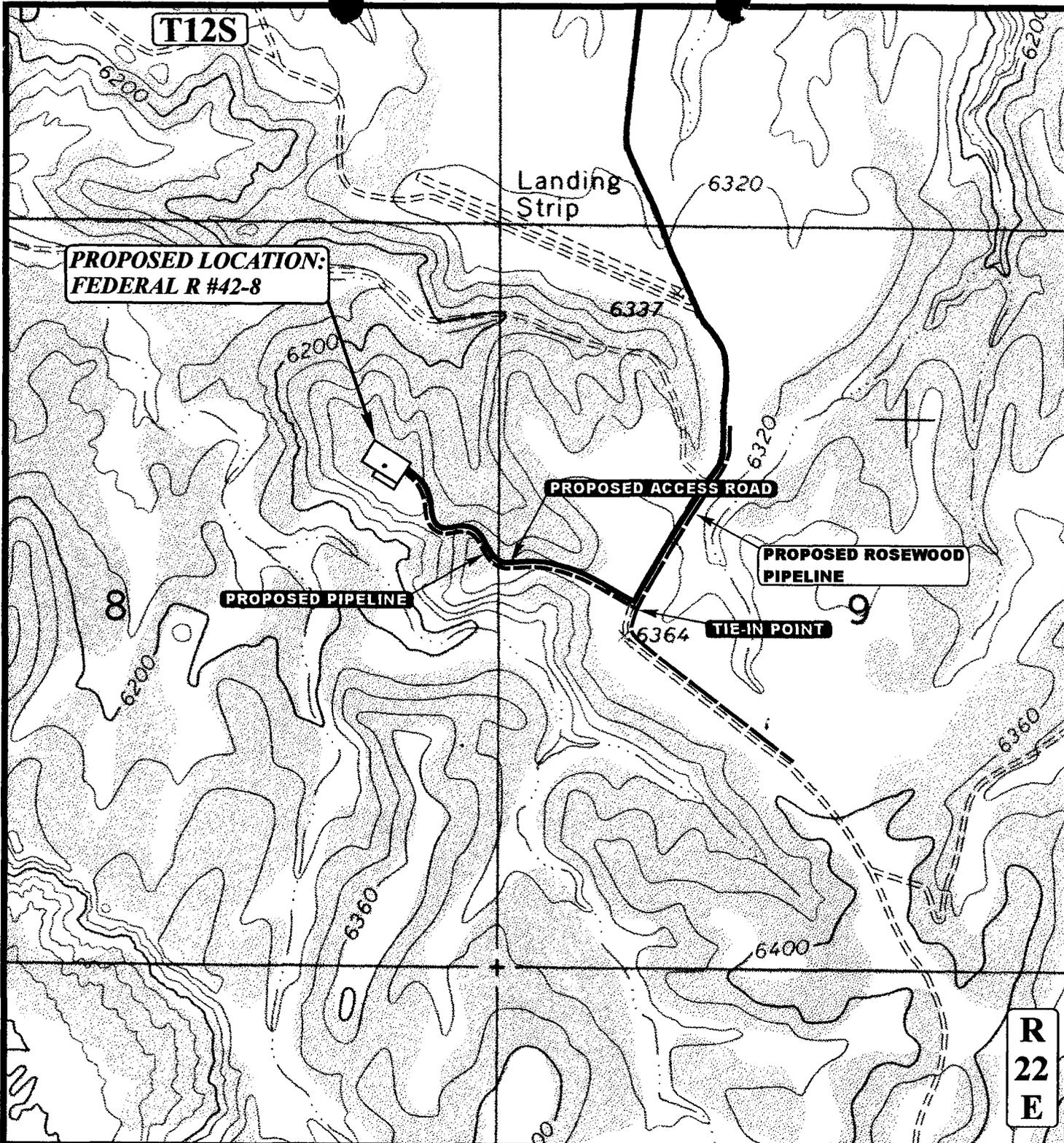
**DOMINION EXPLR. & PROD., INC.**

**FEDERAL R #42-8  
SECTION 8, T12S, R22E, S.L.B.&M.  
1696' FNL 889' FEL**



**U E I S**  
**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC** **8** **4** **98**  
 MAP MONTH DAY YEAR **B**  
 SCALE: 1" = 2000' DRAWN BY: D.COX REV: 3-29-01 P.M. TOPO



**APPROXIMATE TOTAL PIPELINE DISTANCE = 2,100' +/-**

**LEGEND:**

- — — — — EXISTING PIPELINE
- - - - - PROPOSED PIPELINE
- PROPOSED ACCESS

**DOMINION EXPLR. & PROD., INC.**

**FEDERAL R #42-8**  
**SECTION 8, T12S, R22E, S.L.B.&M.**  
**1696' FNL 889' FEL**



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC**  
**MAP**

<b>8</b>	<b>4</b>	<b>98</b>
MONTH	DAY	YEAR

SCALE: 1" = 1000' | DRAWN BY: D.COX | REV: 3-29-01 P.M.



WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/01/2001

API NO. ASSIGNED: 43-047-34113

WELL NAME: FEDERAL R 42-8  
OPERATOR: DOMINION EXPL & PROD ( N1095 )  
CONTACT: DIANN FLOWERS

PHONE NUMBER: 281-873-3692

PROPOSED LOCATION:

SENE 08 120S 220E  
SURFACE: 1696 FNL 0889 FEL  
BOTTOM: 1696 FNL 0889 FEL  
UINTAH  
UNDESIGNATED ( 2 )

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

LEASE TYPE: 1 - Federal  
LEASE NUMBER: U-73908  
SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. 76S630500330 )
- Potash (Y/N)
- Oil Shale (Y/N) \*190-5 (B) or 190-3
- Water Permit  
(No. 43-10447 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

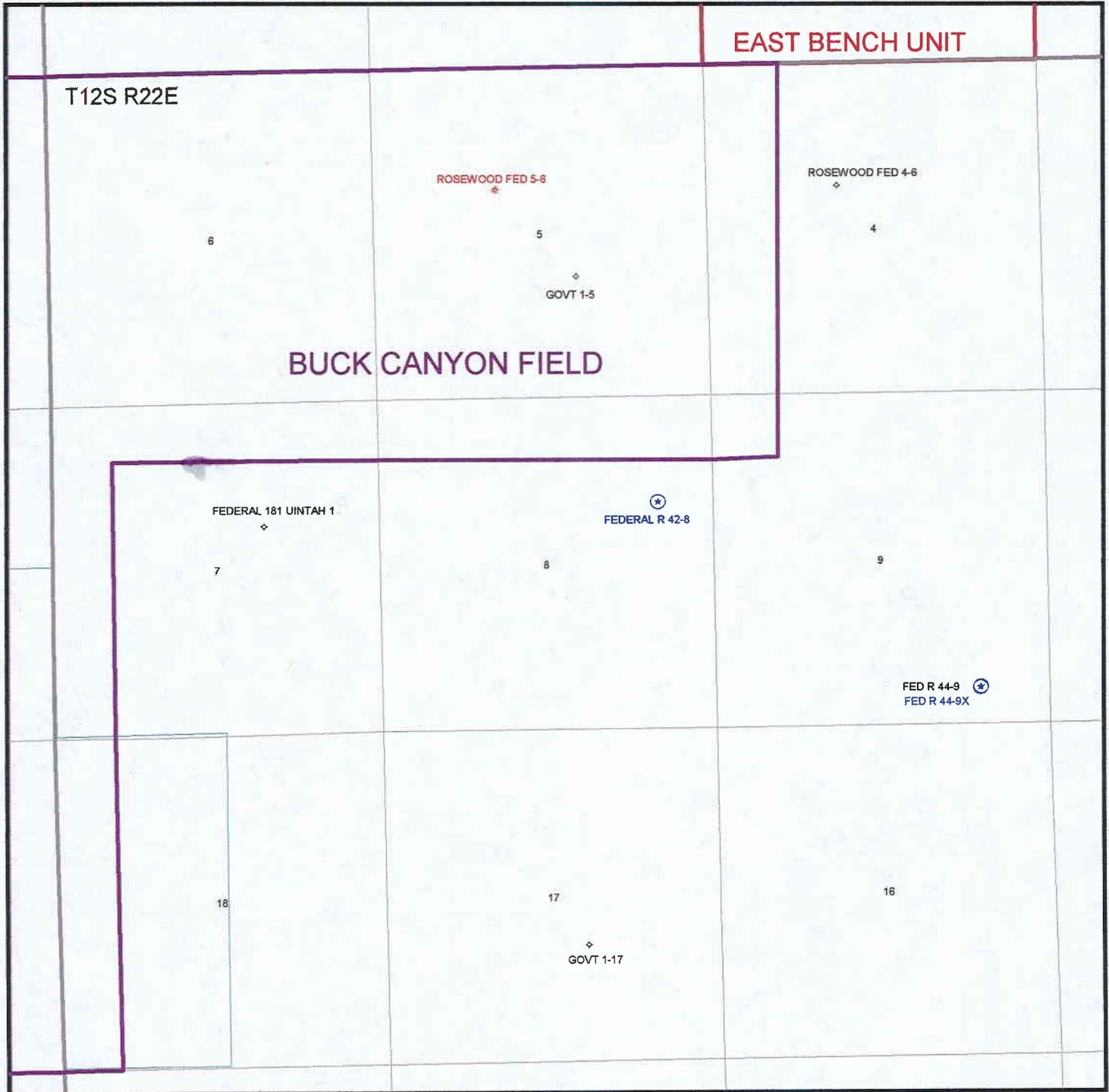
- R649-2-3. Unit \_\_\_\_\_
- R649-3-2. General
- Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
- Board Cause No: \_\_\_\_\_
- Eff Date: \_\_\_\_\_
- Siting: \_\_\_\_\_
- R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS: ① FEDERAL APPROVAL



OPERATOR: DOMINION E&P INC (N1095)  
 SEC. 8, T12S, R22E  
 FIELD: UNDESIGNATED (002)  
 COUNTY: UINTAH SPACING: R649-3-3/EX LOC



**Dominion Exploration & Production, Inc.**  
Four Greenspoint Plaza  
16945 Northchase Drive, Suite 1750, Houston, TX 77060-2133



June 6, 2001

Utah Board of Oil, Gas & Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84114-5801

Attention: Lisha Cordova

RE: Rule 649-3-2  
Exception to Location & Siting of Well  
Federal R 42-8; SE NE, Sec. 8, T12S, R22E

Dominion Exploration & Production, Inc. is requesting an exception to Rule 649-3-2 for the well referenced above due to topographic considerations, major drainage and access conditions.

The subject well is greater than 920' from an existing producing well. Dominion Exploration & Production, Inc. is the only affected operator within a 460' radius.

If you require additional information please contact me at (281) 873-3692. Thank you for your attention to this matter.

Respectfully,

**Dominion Exploration & Production, Inc.**

A handwritten signature in cursive script that reads "Diann Flowers".

Diann Flowers  
Regulatory Specialist

Cc: Bill Bullard  
Mitch Hall  
Well File

**RECEIVED**

JUN 14 2001

DIVISION OF  
OIL, GAS AND MINING

Dominion Exploration & Production, Inc.  
Four Greenspoint Plaza  
16945 Northchase Drive, Suite 1750, Houston, TX 77060-2133



June 19, 2001

Utah Board of Oil, Gas & Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84114-5801

Attention: Lisha Cordova

RE: Rule 649-3-2  
Exception to Location & Siting of Well  
Federal R 42-8; SE NE, Sec. 8, T12S, R22E

Dominion Exploration & Production, Inc. is requesting an exception to Rule 649-3-2 for the well referenced above due to topographic considerations, major drainage and access conditions.

The subject well is greater than 920' from other wells capable of production. Dominion Exploration & Production, Inc. is the only owner within a 460' radius.

If you require additional information please contact me at (281) 873-3692. Thank you for your attention to this matter.

Respectfully,

Dominion Exploration & Production, Inc.

A handwritten signature in black ink that reads "Diann Flowers". The signature is written in a cursive, flowing style.

Diann Flowers  
Regulatory Specialist

Cc: Bill Bullard  
Mitch Hall  
Well File

**RECEIVED**

JUN 25 2001

DIVISION OF  
OIL, GAS AND MINING



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)

June 26, 2001

Dominion Exploration & Production, Inc.  
16945 Northchase Dr, Suit 1750  
Houston, TX 77060

Re: Federal R 42-8 Well, 1696' FNL, 889' FEL, SE NE, Sec. 8, T. 12 South, R. 22 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.

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-34113.

Sincerely,

A handwritten signature in black ink, appearing to read 'John R. Baza', written over a horizontal line.

John R. Baza  
Associate Director

er

Enclosures

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



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

007

**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.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: U-73908
2. NAME OF OPERATOR: Dominion Exploration & Production, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 14000 Quail Springs CITY Oklahoma City STATE OK ZIP 73134		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1696' FNL & 889' FEL		8. WELL NAME and NUMBER: Federal R 42-8
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 8 12S 22E		9. API NUMBER: 43-047-34113
		10. FIELD AND POOL, OR WILDCAT:
		COUNTY: Uintah
		STATE: UTAH

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

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

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

Dominion hereby requests a one year extension to the APD for the above referenced well, from both the BLM and the State.

**COPY SENT TO OPERATOR**  
Date: 7-29-02  
Initials: CHS

Approved by the  
Utah Division of  
Oil, Gas and Mining  
Date: 07-29-02  
By: [Signature]

**RECEIVED**  
JUL 25 2002  
DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Carla Christian</u>	TITLE <u>Regulatory Specialist</u>
SIGNATURE <u>Carla Christian</u>	DATE <u>7/23/2002</u>

(This space for State use only)

UNITED STATES  
DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE  
(Other instructions on  
reverse side)

FORM APPROVED  
OMB NO. 1004-0136  
Expires: February 28, 1995

008

CONFIDENTIAL

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  
**DOMINION EXPLORATION & PRODUCTION, INC.**

3. ADDRESS AND TELEPHONE NO.  
**16945 NORTHCHASE DRIVE, SUITE 1750 HOUSTON, TEXAS 77060**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 At surface  
**889' FEL & 1696' FNL**  
 At proposed prod. zone

RECEIVED  
JUN - 4 2001

5. LEASE DESIGNATION AND SERIAL NO.  
**U-73908**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.  
**FEDERAL R 42-8**

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
**SE NE Sec. 8, T12S, R22E**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
**33.6 miles south of Ouray**

12. COUNTY OR PARISH  
**UINTAH**

13. STATE  
**UTAH**

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OF LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
**889'**

16. NO. OF ACRES IN LEASE  
**1320**

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.  
**NA**

19. PROPOSED DEPTH  
**8650'**

20. ROTARY OR CABLE TOOLS  
**ROTARY**

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
**GR: 6353'**

22. APPROX. DATE WORK WILL START\*  
**June 14, 2001**

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"; K-55	54.5#	84'	CONDUCTOR
12-1/4"	8-5/8"; K-55	24/32#	2800'	CEMENT TO SURFACE
7-7/8"	5-1/2"; N-80	17#	8650'	CEMENT TO SURFACE

Please be advised that Dominion Exploration & Production, Inc. is considered to be the Operator of the above referenced well. Dominion is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands. Bond coverage is provided for by BLM Bond #76S 63050 0330.

APD acquired by Lone Mountain expired. Dominion is resubmitting APD and is utilizing the original on-site plan filed with initial APD. Surface location of well has not changed.

DOMINION EXPLORATION & PRODUCTION, INC. respectfully requests that all information concerning this well be held confidential.

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 *Diana Gordon* TITLE REGULATORY SPECIALIST DATE 05/29/2001

(This space for Federal or State office use)

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

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 *Howard B. Clauges* TITLE Assistant Field Manager Mineral Resources DATE 01/23/2003

See Instructions On Reverse Side

RECEIVED

FEB 03 2003

DIV. OF OIL, GAS & MINING

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.

UDOGM

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator:     Dominion Exploration & Production, Inc.    

Well Name & Number:     FEDERAL R 42-8    

API Number:             43-047-34113    

Lease Number:             U - 73908    

Location:   SENE   Sec.   8   T.   12S   R.   22E  

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 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 that will entitle the applicant to conduct operations thereon.

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 Orders, 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.

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.

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 **3M** 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.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

In addition, to the cementing proposal for the surface casing a minimum of 200 ft. of Class G neat cement shall be placed from 200 ft. to surface in the 8 5/8" X 13 3/8"-12 1/4" annulus.

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 surface casing shoe at 2,800 ft. If Gilsonite is encountered while drilling it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

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

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vapor proof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

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

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. One copy of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

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

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

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 the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or 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.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

#### 7. Other Information

All loading lines will be placed inside the berms 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. Tests for meter accuracy will be conducted on initial meter installations and 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, please 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, spent 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 access road shall be insloped on the sections of road that cross 30 to 40% slopes. Drainage dips shall be installed at 50-foot intervals on these portions of the road to funnel runoff water across the road. To prevent erosion, these drainage dips shall be armored at the point where runoff water exits the drainage dip. Drainage dips shall be constructed to the standards outlined in the Bureau of Land Management and Forest Service Publication: Surface Operating Standards for Oil and Gas Exploration and Development (1989).

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

The location topsoil shall be windrowed as shown on the APD cut sheet, then seeded immediately there after by broadcasting the seed, then walking the topsoil pile with the dozer to plant the seed. The seed mix outlined in the APD shall be used.

**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.**

Due to the rocky nature of the reserve pit, the pit shall be lined first with a felt liner, and then lined with at least a 12-mil nylon re-enforced plastic liner.

Once the reserve pit is dry, it shall be filled, re-contoured, topsoil spread, and seeded in the same manner as the topsoil. The seed mix outlined in the APD shall be used.

The operator will control noxious weeds along the access road, pipeline, and on the well location. A list of noxious weeds may be obtained from the BLM, or the 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 wellsite 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.



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

August 1, 2003

Carla Christian  
 Dominion Expl & Prod. Inc.  
 14000 Quail Springs  
 Oklahoma City, OK 73134

Re: APD Rescinded – Federal R 42-8 Sec. 8, T.12S, R. 22E Uintah County, Utah  
API No. 43-047-34113

Dear Ms. Christian:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on June 26, 2001. On July 29, 2002 the Division granted a one-year APD extension. On August 1, 2003, 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 August 1, 2003

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