

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		CONFIDENTIAL	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		7. If Unit or CA Agreement, Name and No. GYPSUM HILLS / Non P.A.	
2. Name of Operator SHENANDOAH ENERGY INC.		8. Lease Name and Well No. GYPSUM HILLS 8W-20-8-21	
3a. Address 11002 E 17500 S VERNAL, UT 84078		9. API Well No. 43-047-34393	
3b. Phone No. (include area code) Ph: 435.781.4352		10. Field and Pool, or Exploratory GYPSUM HILLS	
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SENE NWSE 2014FNL 530FEL At proposed prod. zone		11. Sec., T., R., M., or Blk. and Survey or Area Sec 20 T8S R21E Mer SLB	
14. Distance in miles and direction from nearest town or post office* 7 +/- MILES FROM REDWASH, UTAH		12. County or Parish UINTAH	
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 530' +/-		13. State UT	
16. No. of Acres in Lease 800.00		17. Spacing Unit dedicated to this well 40.00	
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 250' +/-		20. BLM/BIA Bond No. on file U-0969	
19. Proposed Depth 7680 MD 7680 TVD		21. Estimated duration 10 DAYS	
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4697 KB		22. Approximate date work will start	
23. Approximate date work will start		24. Attachments	

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

- | | |
|--|--|
| <ul style="list-style-type: none"> 1. Well plat certified by a registered surveyor. 2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | <ul style="list-style-type: none"> 4. Bond to cover the operations unless covered by an existing bond on file (see item 20 above). 5. Operator certification 6. Such other site specific information and/or plans as may be required by the authorized officer. |
|--|--|

25. Signature (Electronic Submission) <u>John Busch</u>	Name (Printed/Typed) JENNY MOORE	Date 11/16/2001
Federal Approval of this Action is Necessary		
Title PREPARER	Name (Printed/Typed) BRADLEY G. HILL	Date 12-18-01
Approved by (Signature) 	Office RECLAMATION SPECIALIST III	

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

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #8755 verified by the BLM Well Information System
For SHENANDOAH ENERGY INC., sent to the Vernal

RECEIVED

NOV 30 2001

DIVISION OF
OIL, GAS AND MINING

** ORIGINAL **

CONFIDENTIAL

Additional Operator Remarks:

Shenandoah Energy Inc. proposes to drill a well to 7680' 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.

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 and 24 East.

See Onshore Order No. 1 attached

Please be advised that 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. U-0969. The principal is Shenandoah Energy Inc. via surety as consent as provided for the 43 CFR 3104.2.

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SHENANDOAH ENERGY, INC.

GH #8W-20-8-21

LOCATED IN UINTAH COUNTY, UTAH
SECTION 20, T8S, R21E, S.L.B.&M.

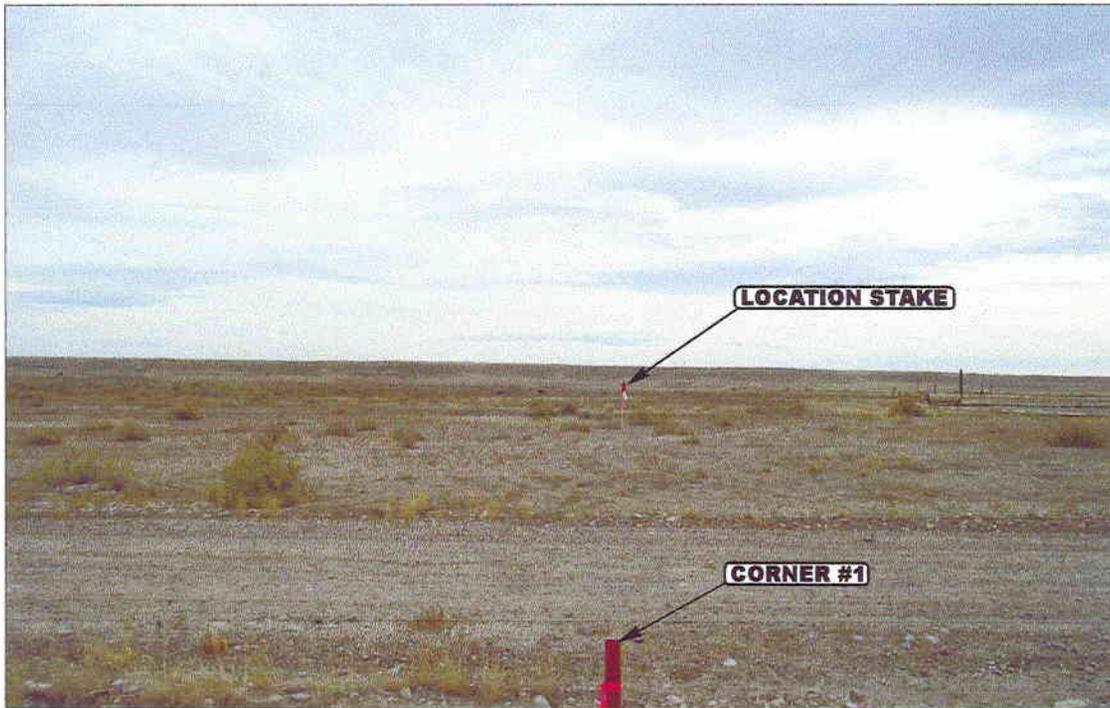


PHOTO: VIEW FROM CORNER #1 TO LOCATION STAKE

CAMERA ANGLE: SOUTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: WESTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	11	1	01	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: D.A.	DRAWN BY: K.G.		REVISED: 00-00-00	

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SHENANDOAH ENERGY INC.
GH 8W-20-8-21

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:

Formation	Depth	
Uinta	Surface	
Green River	2637	
Mahogany Ledge	3397	
Mesa	5972	
TD (Wasatch)	7680	Gas

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:

Substance	Formation	Depth
Oil/Gas	Wasatch	7680

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 3072.0 psi.

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SHENANDOAH ENERGY INC.
GYPSUM HILLS 8W-20-8-21
2014' FNL, 530' FEL
SWNW, SECTION 20, T8S, R21E
UINTAH COUNTY, UTAH
LEASE # UTU-0140740

ONSHORE ORDER NO. 1

MULTI – POINT SURFACE USE & OPERATIONS PLAN

1. **Existing Roads:**

The proposed well site is approximately 14 miles southwest of Red Wash, Utah.

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

Improvements will be made to existing access roads as needed.

2. **Planned Access Roads:**

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

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.

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

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

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

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

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

6. **Source of Construction Materials:**

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

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7. Methods of Handling Waste Materials:

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

8. Ancillary Facilities:

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

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.

No pit liner is required.

10. Plans for Reclamation of the Surface:

Please see Shenandoah energy Inc. Standard Operating Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Township 07 and 08 South, Ranges 21 to 24 East.

11. Surface Ownership:

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

Ute Tribe
PO Box 190
Ft. Duchesne, Utah 84026
(435) 722-5141

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

Nov 19-01
Date

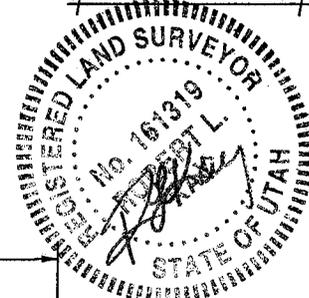
CONFIDENTIAL

SHENANDOAH ENERGY, INC.

TYPICAL CROSS SECTIONS FOR

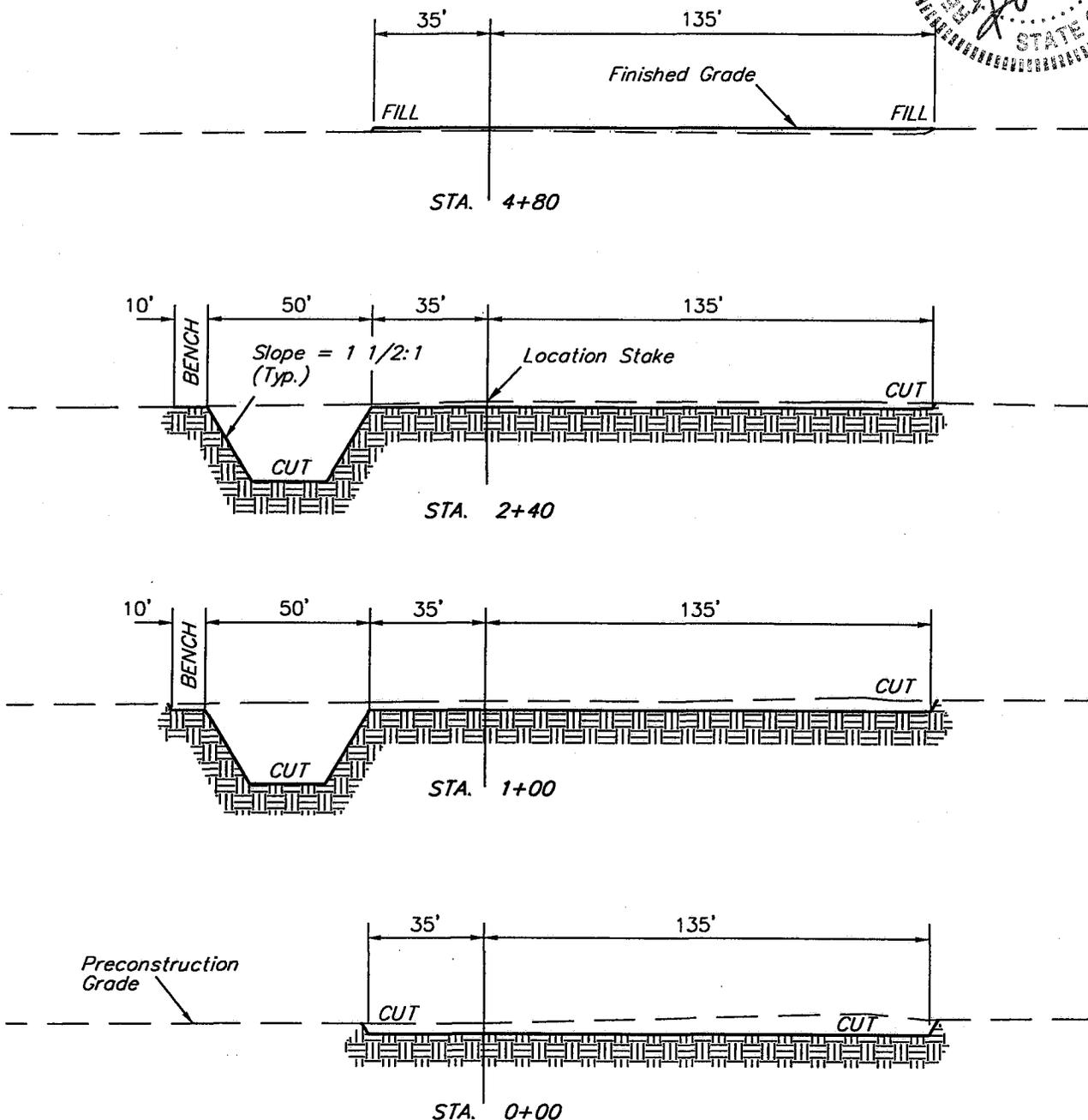
GH #8W-20-8-21
SECTION 20, T8S, R21E, S.L.B.&M.
2014' FNL 530' FEL

FIGURE #2



1" = 20'
X-Section Scale
1" = 50'

DATE: 11-01-01
Drawn By: D.COX

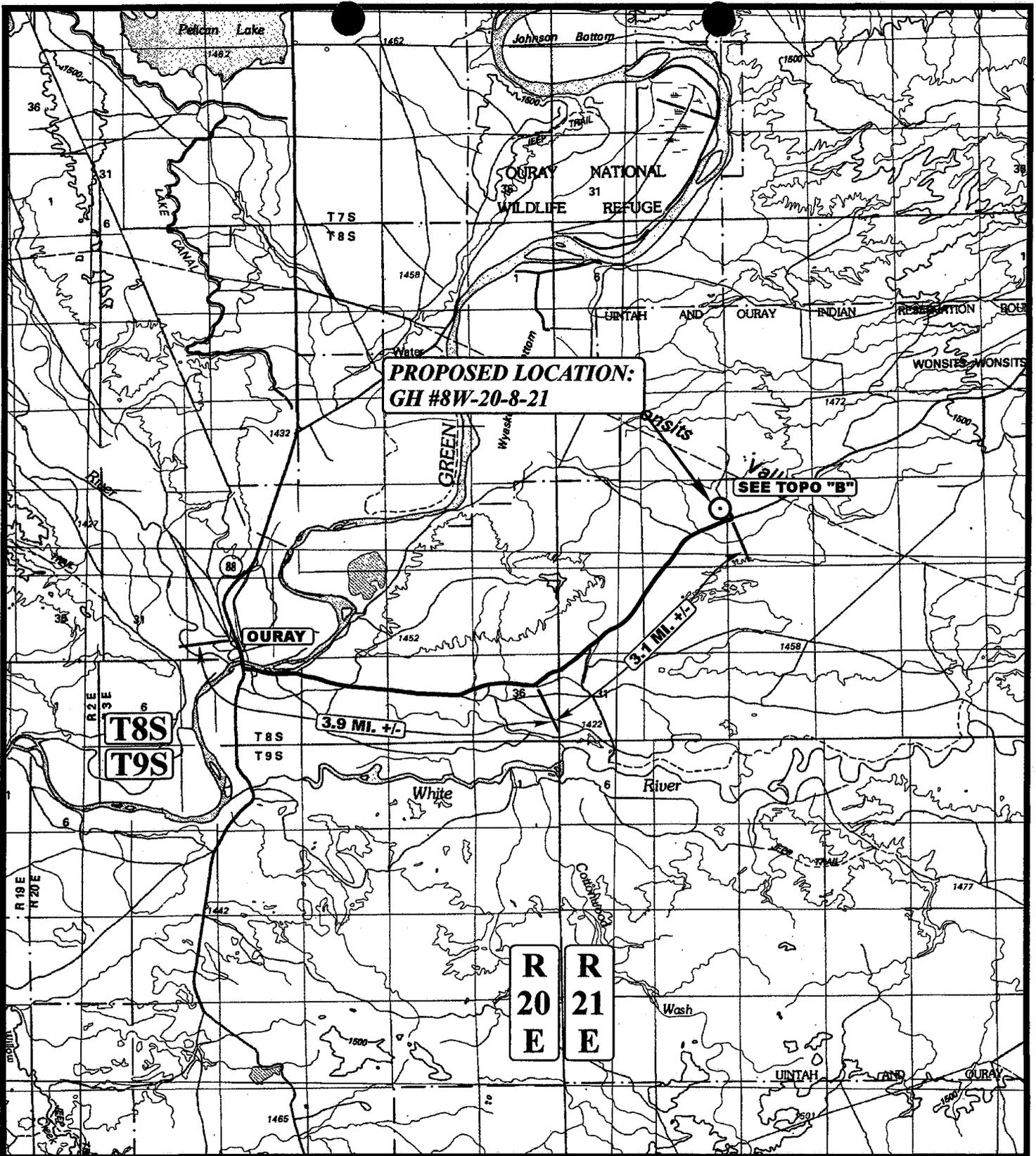


APPROXIMATE YARDAGES

CUT	
(12") Topsoil Stripping	= 1,390 Cu. Yds.
Remaining Location	= 3,390 Cu. Yds.
TOTAL CUT	= 4,780 CU.YDS.
FILL	= 1,700 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,990 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,990 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

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LEGEND:

○ PROPOSED LOCATION

SHENANDOAH ENERGY, INC.

GH #8W-20-8-21
SECTION 20, T8S, R21E, S.L.B.&M.
2014' FNL 530' FEL



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



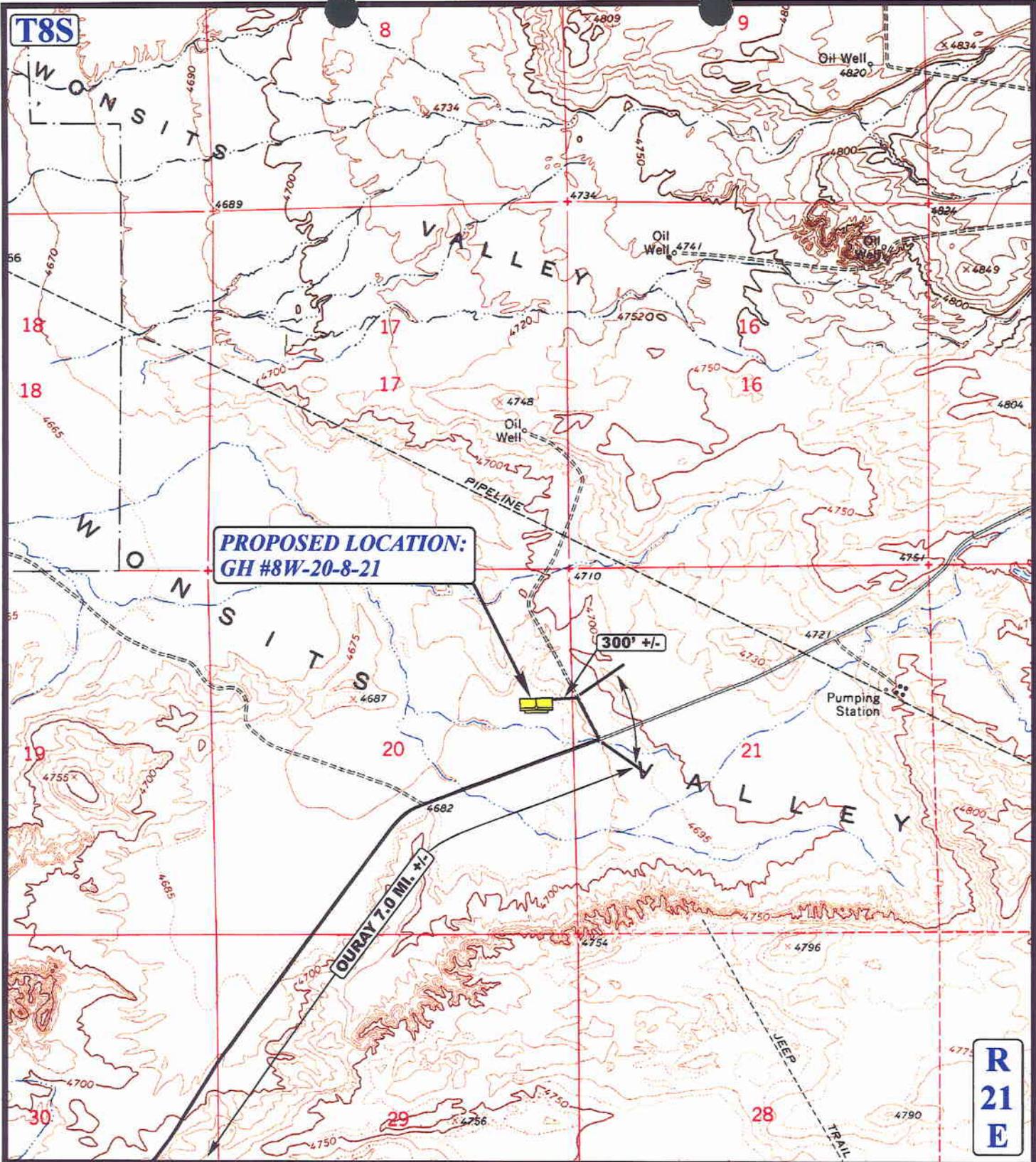
TOPOGRAPHIC
MAP

11 1 01
 MONTH DAY YEAR

SCALE: 1:100,000 **DRAWN BY: K.G.** **REVISED: 00-00-00**



CONFIDENTIAL



**PROPOSED LOCATION:
GH #8W-20-8-21**

SHENANDOAH ENERGY, INC.

**GH #8W-20-8-21
SECTION 20, T8S, R21E, S.L.B.&M.
2014' FNL 530' FEL**

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD

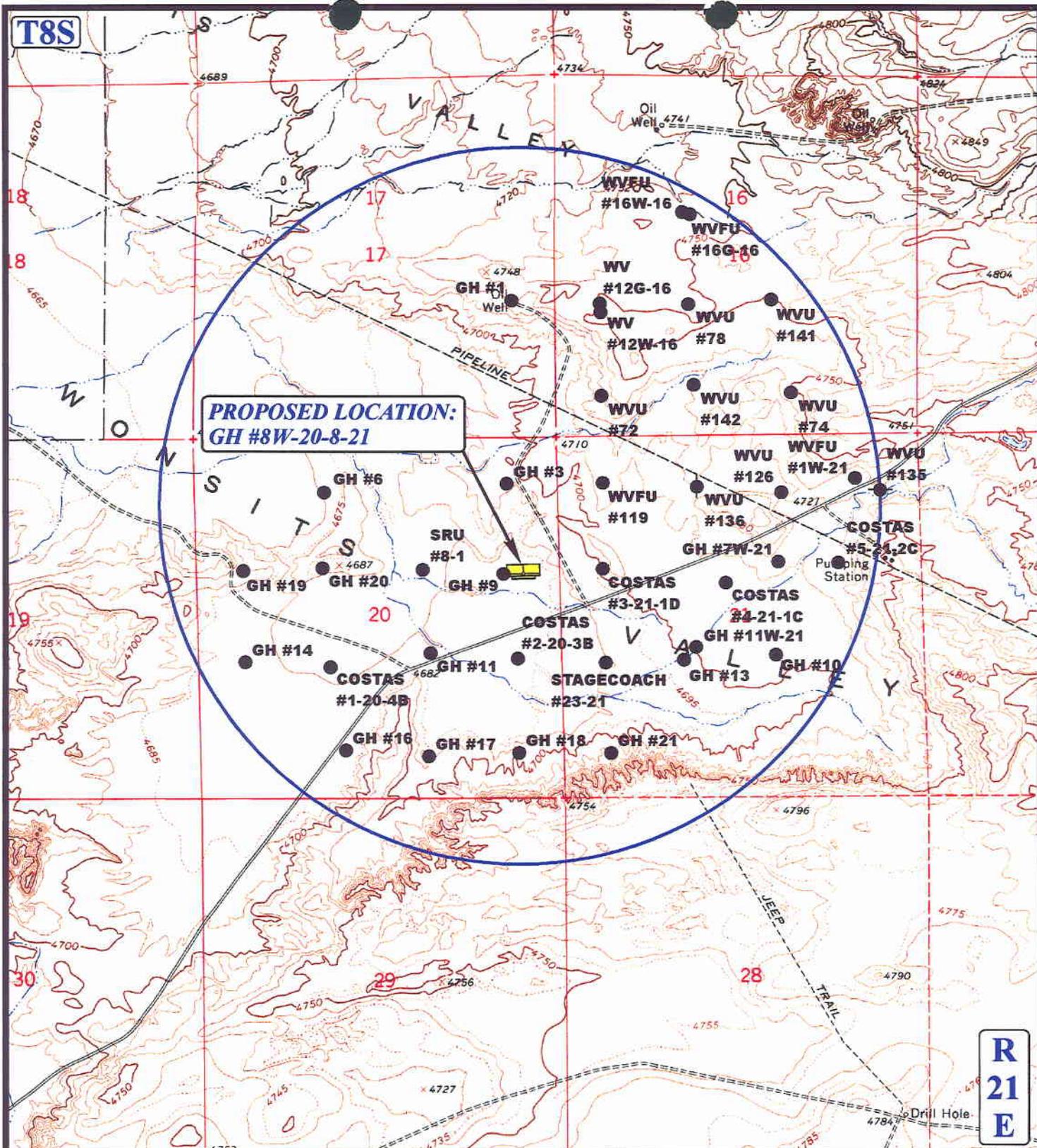


Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP **11 1 01**
MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: K.G. REVISED: 00-00-00



CONFIDENTIAL



**PROPOSED LOCATION:
GH #8W-20-8-21**

LEGEND:

- ⊗ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ⊗ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



SHENANDOAH ENERGY, INC.

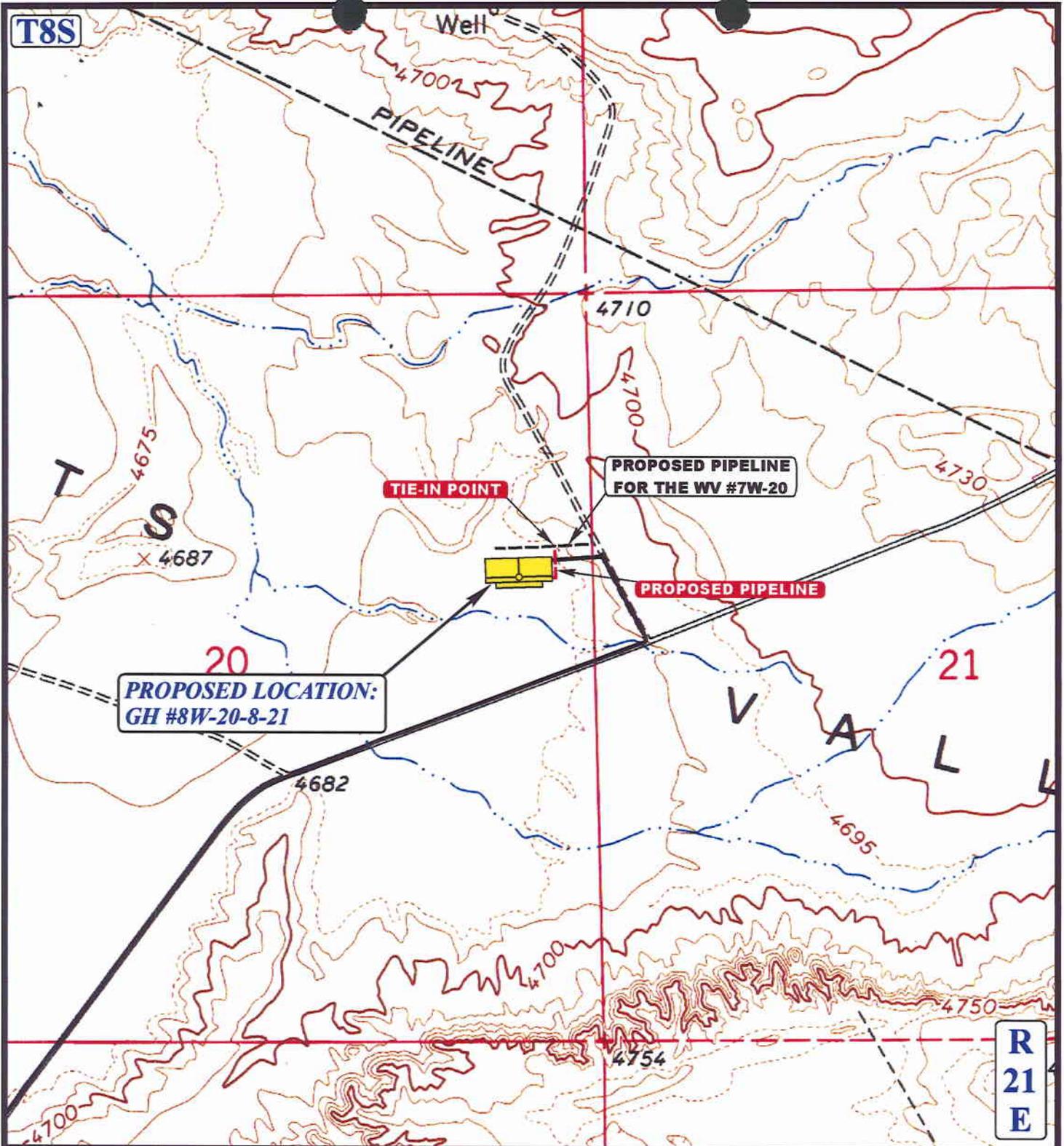
**GH #8W-20-8-21
SECTION 20, T8S, R21E, S.L.B.&M.
2014' FNL 530' FEL**



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

TOPOGRAPHIC	11	1	01	C TOPO
MAP	MONTH	DAY	YEAR	
SCALE: 1" = 2000'	DRAWN BY: K.G.		REVISED: 00-00-00	

CONFIDENTIAL



APPROXIMATE TOTAL PIPELINE DISTANCE = 300' +/-

LEGEND:

-  EXISTING PIPELINE
-  PROPOSED PIPELINE
-  PROPOSED ACCESS



SHENANDOAH ENERGY, INC.

GH #8W-20-8-21

SECTION 20, T8S, R21E, S.L.B.&M.

2014' FNL 530' FEL



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

TOPOGRAPHIC
MAP

11 1 01
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: K.G. REVISED: 00-00-00



CONFIDENTIAL

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 11/30/2001

API NO. ASSIGNED: 43-047-34393

WELL NAME: GH 8W-20-8-21

OPERATOR: SHENANDOAH ENERGY INC (N4235)

CONTACT: JOHN BUSCH

PHONE NUMBER: 435-781-4341

PROPOSED LOCATION:

SENE 20 080S 210E
 SURFACE: 2014 FNL 0530 FEL
 BOTTOM: 2014 FNL 0530 FEL
 UINTAH
 GYPSUM HILLS (610)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-0140740

SURFACE OWNER: 2 - Indian

PROPOSED FORMATION: WSTC

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

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. U-0969)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-8496)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING: *X Gypsum Hills (GP) Non P.A.*

- ___ 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: Need "Ex Loc" info. (Rec'd 12-17-01)

STIPULATIONS: 1-Fed. Approval
2-Spacing Stip.

SHENANDOAH ENERGY INC.

11002 East 17500 South
Vernal, UT 84078
Phone: (435) 781-4300
Fax (435) 781-4329

December 13, 2001

Division of Oil, Gas & Mining
1594 W. N. Temple STE 1210
Salt Lake City, UT 84114-5801

To Whom It May Concern:

Shenandoah Energy Inc. Wonsits Valley 8W-20-8-21 Lease # UTU-0140740, is an exception location because it is located within 920' of the Gypsum Hills 9.

There are no additional lease owners within 460' of this proposed well. If you have any question please contact Raleen Searle @ (435) 781-4309.

Thank you,



Raleen Searle
Administrative Assistant

RECEIVED

DEC 17 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)

December 18, 2001

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

Re: Gypsum Hills 8W-20-8-21 Well, 2014' FNL, 530' FEL, SE NE, Sec. 20, T. 8 South,
R. 21 East, Uintah County, Utah

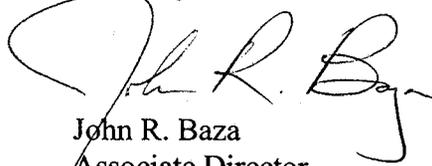
Gentlemen:

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.

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 43-047-34393.

Sincerely,



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 Gypsum Hills 8W-20-8-21
API Number: 43-047-34393
Lease: UTU-0140740

Location: SE NE **Sec.** 20 **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.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		CONFIDENTIAL	5. Lease Serial No. UTU0140740
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone			6. If Indian, Allottee or Tribe Name
2. Name of Operator SHENANDOAH ENERGY INC		Contact: JENNY MOORE E-Mail: jmoore@shenandoahenergy.com	7. If Unit or CA Agreement, Name and No.
3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078-8526	3b. Phone No. (include area code) Ph: 435.781.4352		8. Lease Name and Well No. GYPSUM HILLS 8W-20-8-21
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SENE NWSE 2014FNL 530FEL		RECEIVED NOV 19 2001	9. API Well No.
At proposed prod. zone			10. Field and Pool, or Exploratory GYPSUM HILLS
14. Distance in miles and direction from nearest town or post office* 7 +/- MILES FROM REDWASH, UTAH		11. Sec., T., R., M., or Blk. and Survey or Area Sec 20 T8S R21E Mer SLB	13. State UT
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 530' +/-	16. No. of Acres in Lease		12. County or Parish UINTAH
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 250' +/-	19. Proposed Depth 7680 MD 7680 TVD		17. Spacing Unit dedicated to this well 40.00
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4697 KB	22. Approximate date work will start		20. BLM/BIA Bond No. on file UT0969
			23. Estimated duration 10 DAYS

24. Attachments

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

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) JENNY MOORE	Date 11/16/2001
Title PREPARER		
Approved by (Signature) <i>Edwin J. Forsman</i>	Name (Printed/Typed) EDWIN J. FORSMAN	Date 2/14/02
Title <i>acting</i> Assistant Field Manager Mineral Resources	Office	

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

NOTICE OF APPROVAL

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 Operator Remarks (see next page)

Electronic Submission #8755 verified by the BLM Well Information System
For SHENANDOAH ENERGY INC, sent to the Vernal
Committed to AFMSS for processing by LESLIE WALKER on 11/28/2001 (02LW0428AE)
DIVISION OF OIL, GAS AND MINING

CONDITIONS OF APPROVAL ATTACHED

** REVISED **

02LW0428AF

NO NOS

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Shenandoah Energy Inc.

Well Name & Number: GH #8W-20-8-21

API Number: 43-047-34393

Lease Number: U - 0140740

Location: SENE Sec. 20 T. 8S R. 21E

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 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 base of the usable water zone, identified at $\pm 1,234$ ft.

**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 construction of the pipeline. Shenandoah is to inform contractors to maintain construction of the pipelines within the approved right of ways.

About 300 feet of existing road will be shared with the Gypsum Hills Unit #9 well for the access road to the location. About 300 feet of pipeline would be layed within the pad ROW area to reach the tie in point with existing lines.

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 and 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 not be lined unless a liner is necessary to prevent leakage and conserve drilling fluids. If a liner is needed the pits will be lined with an impervious synthetic liner. A 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 pipeline ROW will not be bladed or cleared of vegetation without authorization of the BIA. Surface pipelines shall be welded in place at well sites or on access roads and on other existing roads then pulled into place with suitable equipment.

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.
UTU0140740

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
GYPSUM HILLS 8W-20-8-21

2. Name of Operator
SHENANDOAH ENERGY INC

Contact: RALEEN SEARLE
E-Mail: raleen.searle@questar.com

9. API Well No.
43-047-34393-00-X1

3a. Address
11002 EAST 17500 SOUTH
VERNAL, UT 84078-8526

3b. Phone No. (include area code)
Ph: 435.781.4309
Fx: 435.781.4329

10. Field and Pool, or Exploratory
GYPSUM HILLS

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 20 T8S R21E SENE 2014FNL 530FEL

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	Change to Original PD
	<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 Inc. has need to file an 1 year extension on the APD for the GH 8W-20-8-21.

RECEIVED
JAN 28 2003
email
DIVISION OF
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct.
**Electronic Submission #17960 verified by the BLM Well Information System
For SHENANDOAH ENERGY INC, sent to the Vernal
Committed to AFMSS for processing by LESLIE WALKER on 01/24/2003 (03LW0797SE)**

Name (Printed/Typed) RALEEN SEARLE	Title REGULATORY AFFAIRS ANALYST
Signature (Electronic Submission)	Date 01/23/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>KIRK FLEETWOOD</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>01/28/2003</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 #17960

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	OTHER NOI	APDCH NOI
Lease:	UTU-0140740	UTU0140740
Agreement:		
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: raleen.searle@questar.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:	GYPSUM HILLS	GYPSUM HILLS
Well/Facility:	GYPSUM HILLS 8W-20-8-21 Sec 20 T8S R21E SENE 2014FNL 530FEL	GYPSUM HILLS 8W-20-8-21 Sec 20 T8S R21E SENE 2014FNL 530FEL

Shenandoah Energy Inc.
APD Extension

Well: Wonsits Valley 8W-20-8-21

Location: SENE Sec. 20, T8S, R21E

Lease: UTU 0140740

CONDITIONS OF APPROVAL

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

1. The extension will expire 2/14/04
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

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.
UTU-0140740

6. If Indian, Allottee or Tribe Name
UTE TRIBE

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

8. Well Name and No.
GYPSUM HILLS 8W-20-8-21

9. API Well No.
43-047-34393

1. Type of Well
 Oil Well Gas Well Other

CONFIDENTIAL

2. Name of Operator
SHENANDOAH ENERGY INC. Contact: RALEEN SEARLE
E-Mail: raleen.searle@questar.com

3a. Address
11002 EAST 17500 SOUTH
VERNAL, UT 84078

3b. Phone No. (include area code)
Ph: 435.781.4309
Fx: 435.781.4329

10. Field and Pool, or Exploratory
GYPSUM HILLS

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 20 T8S R21E SENE 2014FNL 530FEL

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 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 recomplate 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. has need to file an 1 year extension on the APD for the GH 8W-20-8-21.

COPY SENT TO OPERATOR
Date: 03-13-03
Initials: CHD

**Approved by the
Utah Division of
Oil, Gas and Mining**

Date: 03-12-03
By: [Signature]

RECEIVED
MAR 11 2003
DIV. OF OIL, GAS & MINING

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

**Electronic Submission #17960 verified by the BLM Well Information System
For SHENANDOAH ENERGY INC., sent to the Vernal
Committed to AFMSS for processing by LESLIE WALKER on 01/24/2003 ()**

Name (Printed/Typed) RALEEN SEARLE Title REGULATORY AFFAIRS ANALYST

Signature Raleen Searle Date 01/23/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the 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.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

In Reply Refer To:
3106
(UT-924)

July 21, 2003

Memorandum

To: Vernal Field Office
From: **ACTING** Chief, Branch of Minerals Adjudication
Subject: Name Change Approval

Attached is an approved copy of the name change from BLM-Eastern States, which is recognized by the Utah State Office. We have updated our records to reflect:

The name change from Shenandoah Energy Incorporated into QEP Uinta Basin, Incorporated is effective July 23, 1999. The BLM Bond Number is ESB000024.

Mary Higgins
Mary Higgins
Acting Chief, Branch of
Minerals Adjudication

Enclosure

1. Eastern States Letter
2. List of leases

cc: MMS, James Sykes, PO Box 25165, M/S 357 B1, Denver CO 80225
State of Utah, DOGM, Earlene Russell (Ste. 1210), Box 145801, SLC UT 84114
Teresa Thompson (UT-922)
Joe Incardine (UT-921)

RECEIVED

JUL 29 2003

DIV. OF OIL, GAS & MINING

Exhibit of Leases

UTSL-065342	UTU-0825	UTU-65472	UTU-74971
UTSL-065429	UTU-0826	UTU-65632	UTU-74972
UTSL-066409-A	UTU-0827	UTU-67844	UTU-75079
UTSL-066446	UTU-0828	UTU-68217	UTU-75080
UTSL-066446-A	UTU-0829	UTU-68218	UTU-75081
UTSL-066446-B	UTU-0830	UTU-68219	UTU-75082
UTSL-066791	UTU-0933	UTU-68220	UTU-75083
UTSL-069330	UTU-0971	UTU-68387	UTU-75084
UTSL-070932-A	UTU-0971-A	UTU-68620	UTU-75085
UTSL-071745	UTU-01089	UTU-69001	UTU-75086
UTSL-071963	UTU-02025	UTU-70853	UTU-75087
UTSL-071964	UTU-02030	UTU-70854	UTU-75088
UTSL-071965	UTU-02060	UTU-70855	UTU-75102
	UTU-02148	UTU-70856	UTU-75103
UTU-046	UTU-02149	UTU-71416	UTU-75116
UTU-055	UTU-02510-A	UTU-72066	UTU-75243
UTU-057	UTU-09613	UTU-72109	UTU-75503
UTU-058	UTU-09617	UTU-72118	UTU-75678
UTU-059	UTU-09809	UTU-72598	UTU-75684
UTU-080	UTU-011225-B	UTU-72634	UTU-76278
UTU-081	UTU-011226	UTU-72649	UTU-75760
UTU-082	UTU-011226-B	UTU-73182	UTU-75939
UTU-093	UTU-012457	UTU-73443	UTU-76039
UTU-01116	UTU-012457-A	UTU-73456	UTU-76482
UTU-0558	UTU-018260-A	UTU-73680	UTU-76507
UTU-0559	UTU-022158	UTU-73681	UTU-76508
UTU-0560	UTU-025960	UTU-73684	UTU-76721
UTU-0561	UTU-025962	UTU-73686	UTU-76835
UTU-0562	UTU-025963	UTU-73687	UTU-77063
UTU-0566	UTU-029649	UTU-73698	UTU-77301
UTU-0567	UTU-65471	UTU-73699	UTU-77308
UTU-0568	UTU-65472	UTU-73700	UTU-78021
UTU-0569	UTU-103144	UTU-73710	UTU-78028
UTU-0570	UTU-140740	UTU-73914	UTU-78029
UTU-0571	UTU-14219	UTU-73917	UTU-78214
UTU-0572	UTU-14639	UTU-74401	UTU-78215
UTU-0629	UTU-16551	UTU-74402	UTU-78216
UTU-0802	UTU-28652	UTU-74407	UTU-80636
UTU-0803	UTU-42050	UTU-74408	UTU-80637
UTU0804	UTU-43915	UTU-74419	UTU-80638
UTU0805	UTU-43916	UTU-74493	UTU-80639
UTU0806	UTU-43917	UTU-74494	UTU-80640
UTU0807	UTU-43918	UTU-74495	
UTU0809	UTU-56947	UTU-74496	
UTU0810	UTU-65276	UTU-74836	
UTU-0823	UTU-65404	UTU-74842	
UTU-0824	UTU-65471	UTU-74968	

1. GLH
2. CDW
3. FILE

OPERATOR CHANGE WORKSHEET

Change of Operator (Well Sold)

Designation of Agent/Operator

X Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective:		2/1/2003
FROM: (Old Operator):	TO: (New Operator):	
N4235-Shenandoah Energy Inc 11002 E 17500 S Vernal, UT 84078-8526 Phone: (435) 781-4341	N2460-QEP Uinta Basin Inc 11002 E 17500 S Vernal, UT 84078-8526 Phone: (435) 781-4341	

CA No. Unit:

WELL(S)									
NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS	Confid
WV 9W-16-7-21	16	070S	210E	4304734324		State	GW	APD	
WV 10W-25-7-21	25	070S	210E	4304734382		Federal	GW	APD	C
WV 10W-26-7-21	26	070S	210E	4304734383		Federal	GW	APD	C
WV 15W-27-7-21	27	070S	210E	4304734385		Federal	GW	APD	C
WV 5W-36-7-21	36	070S	210E	4304734099	13807	State	GW	DRL	C
RED WASH 16W-19-7-22	19	070S	220E	4304734258		Federal	GW	APD	C
WV 9W-30-7-22	30	070S	220E	4304734381		Federal	GW	APD	C
WV 14W-30-7-22	30	070S	220E	4304734384	13750	Federal	GW	DRL	C
SU PURDY 3W-30-7-22	30	070S	220E	4304734394		Federal	GW	APD	C
WV 16W-31-7-22	31	070S	220E	4304734257		Federal	GW	APD	C
WV 7W-31-7-22	31	070S	220E	4304734379		Federal	GW	APD	C
WV 14W-4-8-21	04	080S	210E	4304734040		Federal	GW	APD	C
WV 16W-4-8-21	04	080S	210E	4304734041		Federal	GW	APD	C
GH 6W-20-8-21	20	080S	210E	4304734331		Federal	GW	APD	C
GH 8W-20-8-21	20	080S	210E	4304734393		Federal	GW	APD	C
WV 10W-23-8-21	23	080S	210E	4304734341	13766	Federal	GW	PA	C
WV 11W-23-8-21	23	080S	210E	4304734342		Federal	GW	APD	C
WV 13W-23-8-21	23	080S	210E	4304734344		Federal	GW	APD	C
WV 14W-23-8-21	23	080S	210E	4304734345		Federal	GW	APD	C
WV 15W-23-8-21	23	080S	210E	4304734346		Federal	GW	APD	C
STIRRUP UNIT 10G-5-8-22	05	080S	220E	4304734396		Federal	OW	APD	C

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 6/2/2003
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 6/2/2003
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 6/19/2003
- Is the new operator registered in the State of Utah: YES Business Number: 5292864-0151
- If **NO**, the operator was contacted on: _____

6. (R649-9-2)Waste Management Plan has been received on:

IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: 7/21/2003

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 7/21/2003

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

10. **Underground Injection Control ("UIC")** . The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 9/11/2003

2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 9/11/2003

3. Bond information entered in RBDMS on: n/a

4. Fee wells attached to bond in RBDMS on: n/a

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: 965-003-032

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: ESB000024

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: 799446

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 965-003-033

2. The **FORMER** operator has requested a release of liability from their bond on: n/a
The Division sent response by letter on: n/a

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:

SEI (N4235) to QEP (N2460)

well name	Sec	T	R	api DOGM	Entity	type	stat	
WV 14W-4-8-21	04	080S	210E	4304734040		Federal	GW	APD C
WV 16W-4-8-21	04	080S	210E	4304734041		Federal	GW	APD C
WV 5W-36-7-21	36	070S	210E	4304734099	13807	State	GW	DRL C
WV 16W-31-7-22	31	070S	220E	4304734257		Federal	GW	APD C
RED WASH 16W-19-7-22	19	070S	220E	4304734258		Federal	GW	APD C
WV 9W-16-7-21	16	070S	210E	4304734324		State	GW	APD
GH 6W-20-8-21	20	080S	210E	4304734331		Federal	GW	APD C
WV 10W-23-8-21	23	080S	210E	4304734341	13766	Federal	GW	PA C
WV 11W-23-8-21	23	080S	210E	4304734342		Federal	GW	APD C
WV 13W-23-8-21	23	080S	210E	4304734344		Federal	GW	APD C
WV 14W-23-8-21	23	080S	210E	4304734345		Federal	GW	APD C
WV 15W-23-8-21	23	080S	210E	4304734346		Federal	GW	APD C
WV 7W-31-7-22	31	070S	220E	4304734379		Federal	GW	APD C
WV 9W-30-7-22	30	070S	220E	4304734381		Federal	GW	APD C
WV 10W-25-7-21	25	070S	210E	4304734382		Federal	GW	APD C
WV 10W-26-7-21	26	070S	210E	4304734383		Federal	GW	APD C
WV 14W-30-7-22	30	070S	220E	4304734384	13750	Federal	GW	DRL C
WV 15W-27-7-21	27	070S	210E	4304734385		Federal	GW	APD C
GH 8W-20-8-21	20	080S	210E	4304734393		Federal	GW	APD C
SU PURDY 3W-30-7-22	30	070S	220E	4304734394		Federal	GW	APD C
STIRRUP UNIT 10G-5-8-22	05	080S	220E	4304734396		Federal	OW	APD C
WV 10W-35-7-21	35	070S	210E	4304734397		Federal	GW	APD C
WV 16G-6-8-22	06	080S	220E	4304734404		Federal	OW	APD C
SU 4W-26-7-21	26	070S	210E	4304734408		Federal	GW	APD C
STIRRUP U 12W-6-8-22	06	080S	220E	4304734449		Federal	GW	APD C
STIRRUP U 10W-6-8-22	06	080S	220E	4304734451		Federal	GW	APD C
STIRRUP U 8W-5-8-22	05	080S	220E	4304734453		Federal	GW	APD C
STIRRUP U 6W-5-8-22	05	080S	220E	4304734454		Federal	GW	APD C
WV EXT 10W-17-8-21	17	080S	210E	4304734561	13744	Federal	GW	P C
STIRRUP U 7G-5-8-22	05	080S	220E	4304734609		Federal	OW	APD C
STIRRUP U 9G-5-8-22	05	080S	220E	4304734610		Federal	OW	APD C
STIRRUP U 9G-6-8-22	06	080S	220E	4304734611		Federal	OW	APD C
OU GB 10W-16-8-22	16	080S	220E	4304734616		State	GW	APD C
OU GB 14W-16-8-22	16	080S	220E	4304734619		State	GW	APD C
OU GB 16W-20-8-22	20	080S	220E	4304734633		Federal	GW	APD C
OU WIH 15W-21-8-22	21	080S	220E	4304734634		Federal	GW	APD C
OU GB 8W-17-8-22	17	080S	220E	4304734647		Federal	GW	APD C
OU GB 11W-15-8-22	15	080S	220E	4304734648	13822	Federal	GW	DRL C
OU GB 16W-16-8-22	16	080S	220E	4304734655	13815	State	GW	DRL C
OU GB 1W-16-8-22	16	080S	220E	4304734656		State	GW	APD C
OU GB 8W-16-8-22	16	080S	220E	4304734660	13769	State	GW	DRL C
OU GB 3W-15-8-22	15	080S	220E	4304734677		Federal	GW	APD C
OU GB 4W-21-8-22	21	080S	220E	4304734685	13772	Federal	GW	P C
OU WIH 2W-21-8-22	21	080S	220E	4304734687	13837	Federal	GW	PA C
OU GB 9W-16-8-22	16	080S	220E	4304734692		State	GW	APD C
OU WIH 1W-21-8-22	21	080S	220E	4304734693		Federal	GW	APD C
OU GB 7G-19-8-22	19	080S	220E	4304734694		Federal	OW	APD C
OU GB 5G-19-8-22	19	080S	220E	4304734695	13786	Federal	OW	P C
OU GB 8W-20-8-22	20	080S	220E	4304734706		Federal	GW	APD C
OU SG 14W-15-8-22	15	080S	220E	4304734710	13821	Federal	GW	DRL C
OU SG 15W-15-8-22	15	080S	220E	4304734711	13790	Federal	GW	DRL C
OU SG 16W-15-8-22	15	080S	220E	4304734712	13820	Federal	GW	DRL C
OU SG 4W-15-8-22	15	080S	220E	4304734713	13775	Federal	GW	DRL C
OU SG 12W-15-8-22	15	080S	220E	4304734714	13828	Federal	GW	DRL C
OU SG 5W-15-8-22	15	080S	220E	4304734715		Federal	GW	APD C
OU SG 6W-15-8-22	15	080S	220E	4304734716	13865	Federal	GW	PA C
OU SG 8W-15-8-22	15	080S	220E	4304734717	13819	Federal	GW	DRL C

SEI (N4235) to QEP (N2460)

well name	Sec	T	R	api DOGM	Entity		type	stat	
OU SG 9W-15-8-22	15	080S	220E	4304734718	13773	Federal	GW	P	C
OU SG 1W-15-8-22	15	080S	220E	4304734720		Federal	GW	APD	C
OU SG 2W-15-8-22	15	080S	220E	4304734721		Federal	GW	APD	C
OU SG 7W-15-8-22	15	080S	220E	4304734722		Federal	GW	APD	C
GYP SUM HILLS 13HG-17-8-22	17	080S	210E	4304734723	13765	Federal	GW	DRL	C
OU GB 14SG-29-8-22	29	080S	220E	4304734743		Federal	GW	APD	C
OU GB 16SG-29-8-22	29	080S	220E	4304734744	13771	Federal	GW	DRL	C
OU GB 13W-10-8-22	10	080S	220E	4304734754	13774	Federal	GW	P	C
OU GB 6W-21-8-22	21	080S	220E	4304734755	13751	Federal	GW	P	C
OU SG 10W-10-8-22	10	080S	220E	4304734764		Federal	GW	DRL	C
OU SG 15W-10-8-22	10	080S	220E	4304734765	13849	Federal	GW	DRL	C
OU GB 14W-10-8-22	10	080S	220E	4304734768	13781	Federal	GW	P	C
OU SG 16W-10-8-22	10	080S	220E	4304734784	13777	Federal	GW	P	C
OU GB 15G-16-8-22	16	080S	220E	4304734829		State	OW	DRL	
BASER WASH 6W-7-7-22	07	070S	220E	4304734837		Federal	GW	APD	C
GB 5G-15-8-22	15	080S	220E	4304734876		Federal	OW	APD	C
GB 4G-21-8-22	21	080S	220E	4304734882		Federal	OW	APD	C
W IRON HORSE 2W-28-8-22	28	080S	220E	4304734883		Federal	GW	APD	C
OU GB 8WX-29-8-22	29	080S	220E	4304734884		Federal	GW	APD	C
GB 7W-36-8-21	36	080S	210E	4304734893		State	GW	APD	
GB 3W-36-8-21	36	080S	210E	4304734894	13791	State	GW	DRL	
NC 8M-32-8-22	32	080S	220E	4304734897		State	GW	APD	
NC 3M-32-8-22	32	080S	220E	4304734899		State	GW	APD	
N DUCK CREEK 3M-27-8-22	27	080S	210E	4304734900		Federal	GW	APD	C
N DUCK CREEK 9M-22-8-22	22	080S	210E	4304734901		Federal	GW	APD	C
N DUCK CREEK 11M-22-8-22	22	080S	210E	4304734902		Federal	GW	APD	C
NDC 10W-25-8-21	25	080S	210E	4304734923		Federal	GW	APD	C
GB 5W-36-8-21	36	080S	210E	4304734925	13808	State	GW	DRL	
GB 4W-36-8-21	36	080S	210E	4304734926		State	GW	APD	
WV EXT 1W-17-8-21	17	080S	210E	4304734927		Federal	GW	APD	C
WV EXT 8W-17-8-21	17	080S	210E	4304734929	13792	Federal	GW	DRL	C
NDC 11M-27-8-21	27	080S	210E	4304734952	13809	Federal	GW	DRL	C
NDC 9M-27-8-21	27	080S	210E	4304734956		Federal	GW	APD	C
NDC 1M-27-8-21	27	080S	210E	4304734957		Federal	GW	APD	C
NDC 15M-28-8-21	28	080S	210E	4304734958		Federal	GW	APD	C
NC 11M-32-8-22	32	080S	220E	4304735040		State	GW	NEW	
RED WASH U 34-27C	27	070S	240E	4304735045		Federal	GW	APD	C
WRU EIH 10W-35-8-22	35	080S	220E	4304735046	13544	Federal	GW	DRL	C
WRU EIH 9W-26-8-22	26	080S	220E	4304735047		Federal	GW	APD	C
WRU EIH 15W-26-8-22	26	080S	220E	4304735048		Federal	GW	APD	C
WRU EIH 1W-35-8-22	35	080S	220E	4304735049		Federal	GW	APD	C
WRU EIH 9W-35-8-22	35	080S	220E	4304735050		Federal	GW	APD	C
WRU EIH 7W-35-8-22	35	080S	220E	4304735051		Federal	GW	APD	C
WRU EIH 2W-35-8-22	35	080S	220E	4304735052		Federal	GW	APD	C



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, UT 84078

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

<http://www.blm.gov/utah/vernal>



IN REPLY REFER TO:

3160

UT08300

March 4, 2004

Jan Nelson
QEP-Uinta Basin, Inc.
11002 East 17500 South
Vernal, UT 84078

Re: Notification of Expiration
Well No. GH 8W-20-8-21
SENE, Sec. 20, T8S, R21E
Uintah County, Utah
Lease No. UTU-0140740

Dear Ms. Nelson:

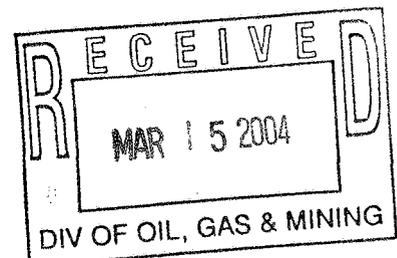
The Application for Permit to Drill the above-referenced well was approved on February 14, 2002. A one (1) year extension of the original APD was requested. The request was reviewed and the extension approved until February 14, 2004. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Leslie Walker
Legal Instruments Examiner

cc: UDOGM – Diana





State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

March 26, 2004

Jan Nelson
QEP Uinta Basin Inc.
11002 East 17500 South
Vernal, Utah 84078

Re: APD Rescinded – GH 8W-20-8-21, Sec. 20, T. 8S, R. 21E
Uintah County, Utah API No. 43-047-34393

Dear Ms. Nelson:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on December 18, 2001. On March 12, 2003 the Division granted a one-year APD extension. On March 25, 2004, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective March 25, 2004.

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 Whitney
Engineering Technician

cc: Well File
Bureau of Land Management, Vernal