

002

CONFIDENTIAL

Form 3160-3
(August 1999)

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		5. Lease Serial No. UTU-74493	
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 N/A	
2. Name of Operator SHENANDOAH ENERGY INC.		7. If Unit or CA Agreement, Name and No. N/A	
3a. Address 11002 E. 17500 S. VERNAL, UT 84078		8. Lease Name and Well No. OVER AND UNDER GLEN BENCH 16W	
3b. Phone No. (include area code) Ph: 435.781.4341 Fx: 435.781.4323		9. API Well No. 43-047-34633	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SESE 556FSL 605FEL 4440170 Y 40.10344 At proposed prod. zone 631597 X -109.45606		10. Field and Pool, or Exploratory NATURAL BUTTES	
14. Distance in miles and direction from nearest town or post office* 14 +/- MILES SOUTHWEST OF REDWASH, UTAH		11. Sec., T., R., M., or Blk. and Survey or Area Sec 20 T8S R22E Mer SLB	
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 556' +/-		12. County or Parish UINTAH	
16. No. of Acres in Lease 864.42		13. State UT	
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 2000' +/-		17. Spacing Unit dedicated to this well 40.00	
19. Proposed Depth 7375 MD 7375 TVD		20. BLM/BIA Bond No. on file U-0969	
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4892 KB		23. Estimated duration 10 DAYS	
22. 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:

- 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 <i>John Busch</i>	Name (Printed/Typed) BUSCH	Date 06/25/2002
Title OPERATIONS		
Approved by (Signature) <i>Bradley G. Hill</i>	Name (Printed/Typed) BRADLEY G. HILL	Date 07-16-02
Title 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 #11915 verified by the BLM Well Information System
For SHENANDOAH ENERGY INC., sent to the Vernal

RECEIVED

JUN 27 2002

DIVISION OF
OIL, GAS AND MINING

** ORIGINAL **

T8S, R22E, S.L.B.&M.

SHENANDOAH ENERGY, INC.

Well location, OU GB #16W-20-8-22, located as shown in the SE 1/4 SE 1/4 of Section 20, T8S, R22E, S.L.B.&M. Uintah County, Utah.

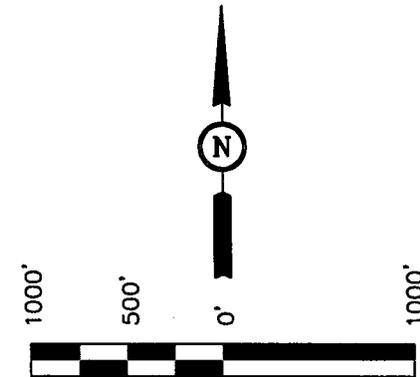
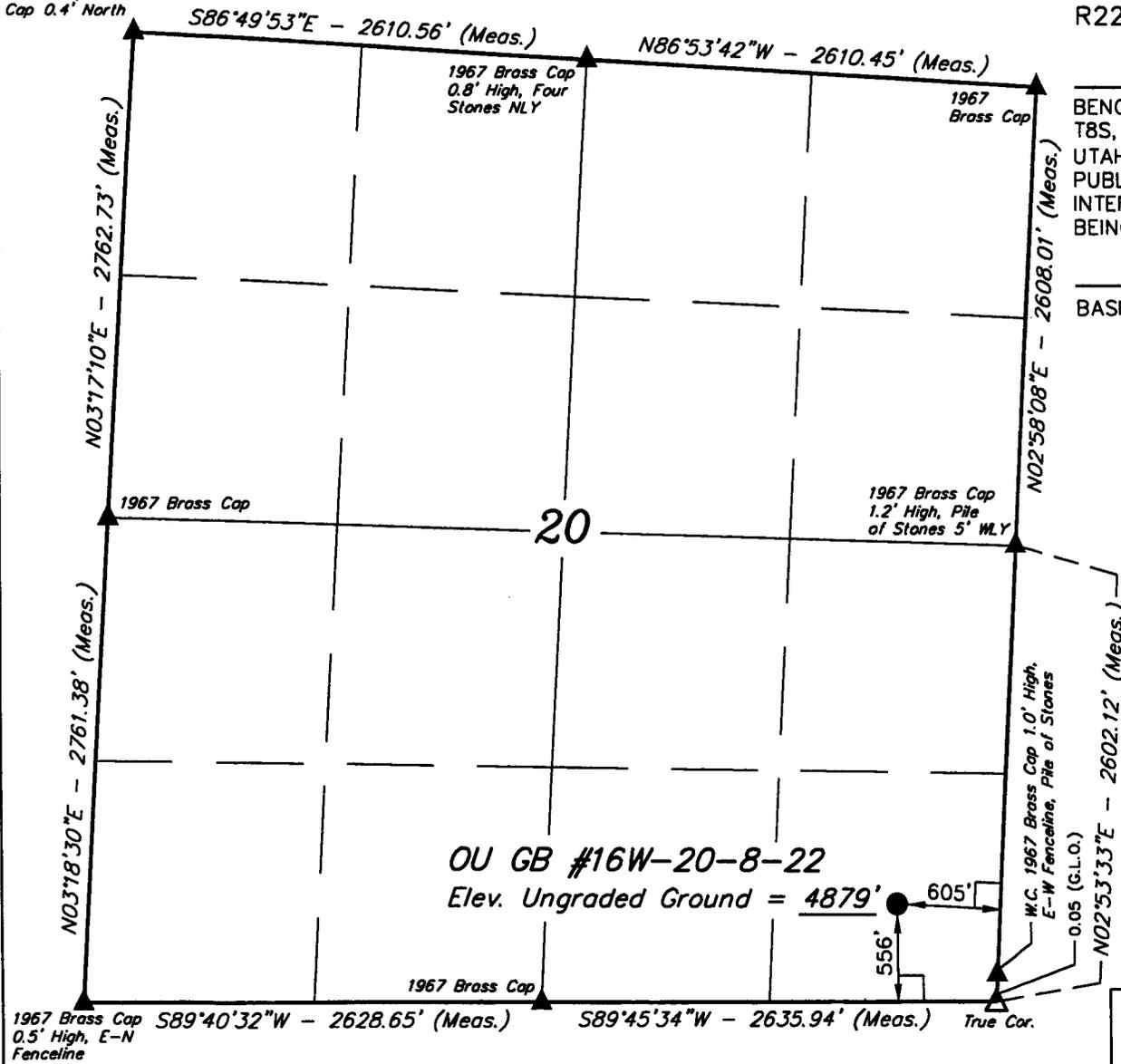
BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

1967 Brass Cap
0.5' High, E-S
Fenceline, Tribal
Cap 0.4' North



SCALE

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 Kay
 No. 161319
 REGISTERED LAND SURVEYOR
 EXPIRES 12/31/16
 STATE OF UTAH
 ROBERT KAY

LEGEND:

- = 90° SYMBOL
 - = PROPOSED WELL HEAD.
 - = SECTION CORNERS LOCATED.
 - = SECTION CORNERS COMPUTED FROM G.L.O. (Not Set on Ground)
- (NAD 83)
 LATITUDE = $40^{\circ}06'12.13''$ (40.103369)
 LONGITUDE = $109^{\circ}27'23.71''$ (109.456586)

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

SCALE 1" = 1000'	DATE SURVEYED: 05-01-02	DATE DRAWN: 05-08-02
PARTY K.S. T.A. D.COX	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE SHENANDOAH ENERGY, INC.	

SHENANDOAH ENERGY INC.
OU GB 16W-20-8-22

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	2429
Mahogany Ledge	3194
Mesa	5669
TD (Wasatch)	7375

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	7375

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 2950 .0 psi.

**SHENANDOAH ENERGY INC.
OVER AND UNDER GLEN BENCH 16W-20-8-22
556' FSL, 605' FEL
SESE, SECTION 20, T8S, R22E
UINTAH COUNTY, UTAH
LEASE # UTU-74493**

ONSHORE ORDER NO. 1

MULTI – POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the OU GB 16W-20-8-22 on June 13, 2002 at approximately 11:00 AM. Weather conditions were sunny with a light breeze and moderate temperatures at the time of the onsite. In attendance at the inspection were the following individuals:

Byron Tolman	Bureau of Land Management
Paul Buhler	Bureau of Land Management
Dixie Sadlier	Bureau of Land Management
Jan Nelson	Shenandoah Energy Inc.
Raleen Searle	Shenandoah Energy Inc.

1. Existing Roads:

The proposed well site is approximately 14 miles Southwest of Redwash, Utah.

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

There will be no improvements made to existing access roads.

2. Planned Access Roads:

Please see 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.

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.

A 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.

Seed mix #1:

Fourwing and saltbush	A triplex canescens	4lbs/acre
Needle and threadgrass	Stipa comata	2lbs/acre
Indian ricegrass	Oryzopsis hymenoides	4lbs/acre
Cresta wheat		2lbs/acre

11. Surface Ownership:

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

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

12. Other Information

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

There is a Ferrignous Hawk Stipulation from March 1st - July 15th. No construction or drilling will commence during this period unless otherwise determined by a wildlife biologist that the site is inactive.

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

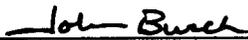
Certification:

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

Red Wash Operations Representative

24-Jun-02

Date

Additional Operator Remarks:

Shenandoah Energy Inc. proposes to drill a well to 7375' 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 Operating 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.

SHENANDOAH ENERGY, INC.

OU GB #16W-20-8-22

LOCATED IN UTAH COUNTY, UTAH
SECTION 20, T8S, R22E, S.L.B.&M.

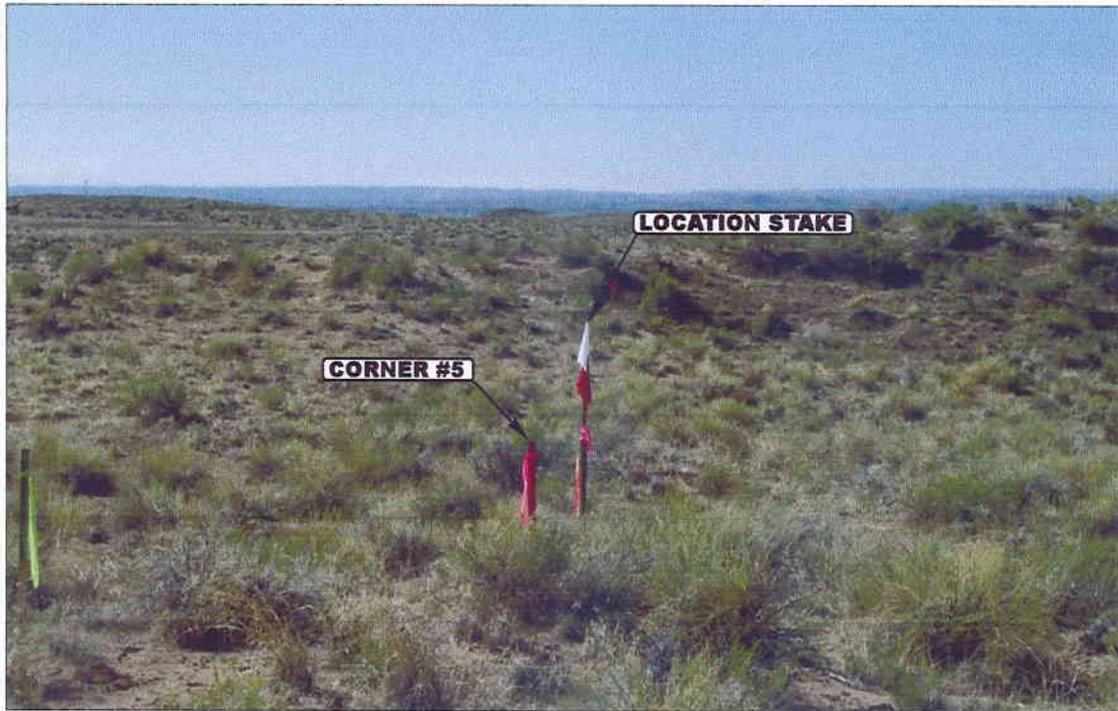


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

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

LOCATION PHOTOS

5 | **10** | **02**
MONTH | DAY | YEAR

PHOTO

TAKEN BY: K.S.

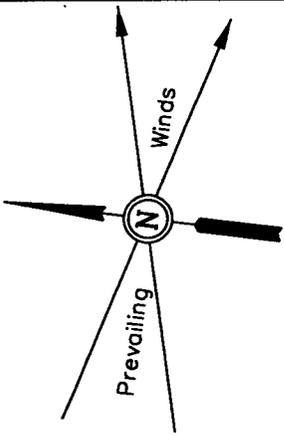
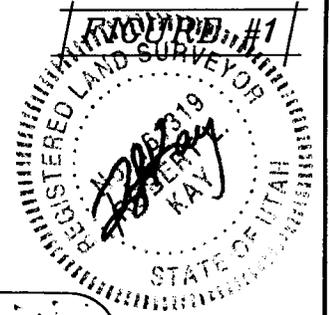
DRAWN BY: P.M.

REVISED: 00-00-00

SHENANDOAH ENERGY, INC.

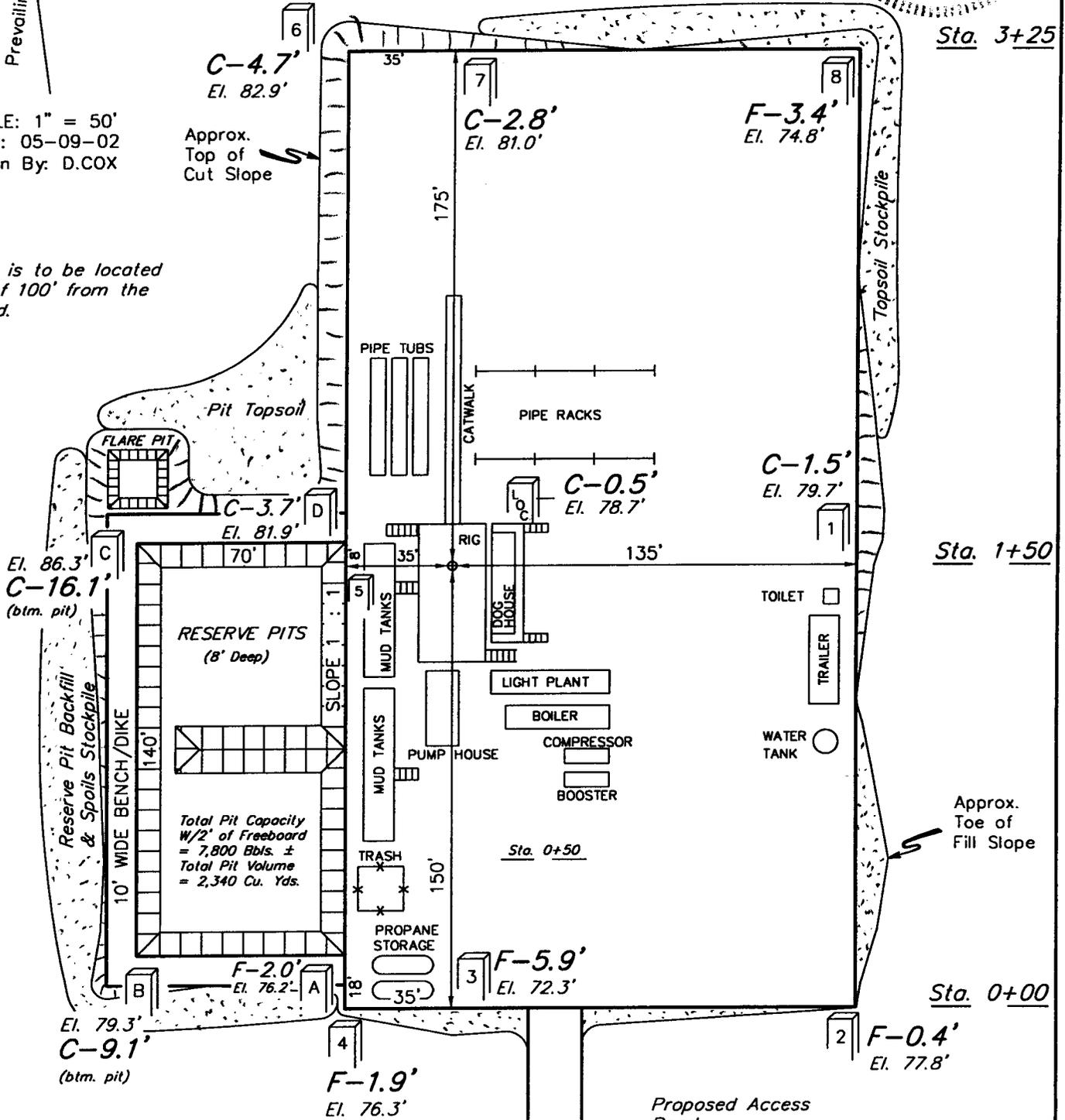
LOCATION LAYOUT FOR

OU GB #16W-20-8-22
SECTION 20, T8S, R22E, S.L.B.&M.
556' FSL 605' FEL



SCALE: 1" = 50'
DATE: 05-09-02
Drawn By: D.COX

NOTE:
Flare Pit is to be located
a min. of 100' from the
Well Head.

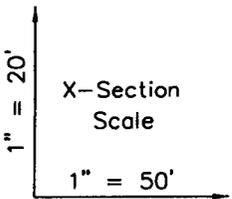
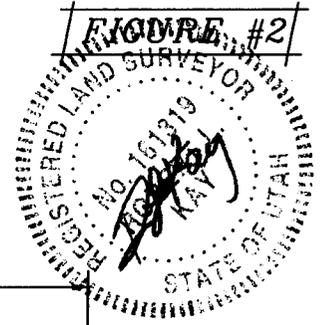


NOTES:
 Elev. Ungraded Ground At Loc. Stake = 4878.7'
 FINISHED GRADE ELEV. AT LOC. STAKE = 4878.2'

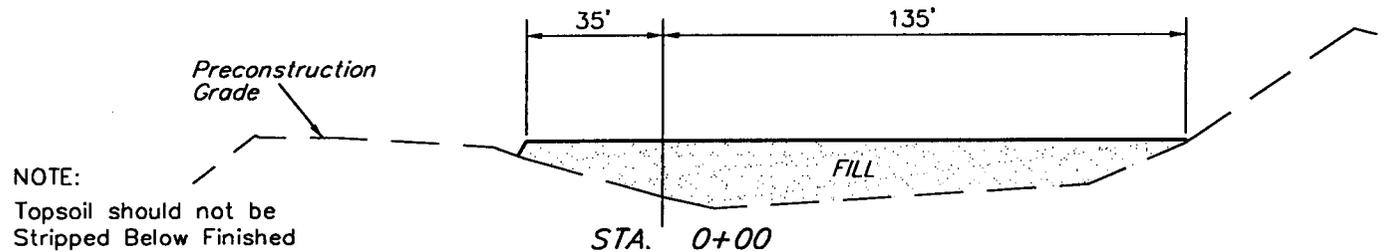
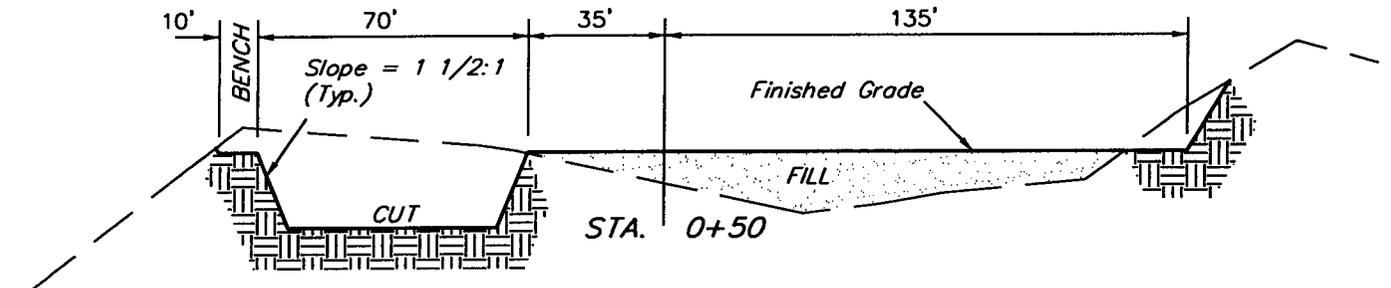
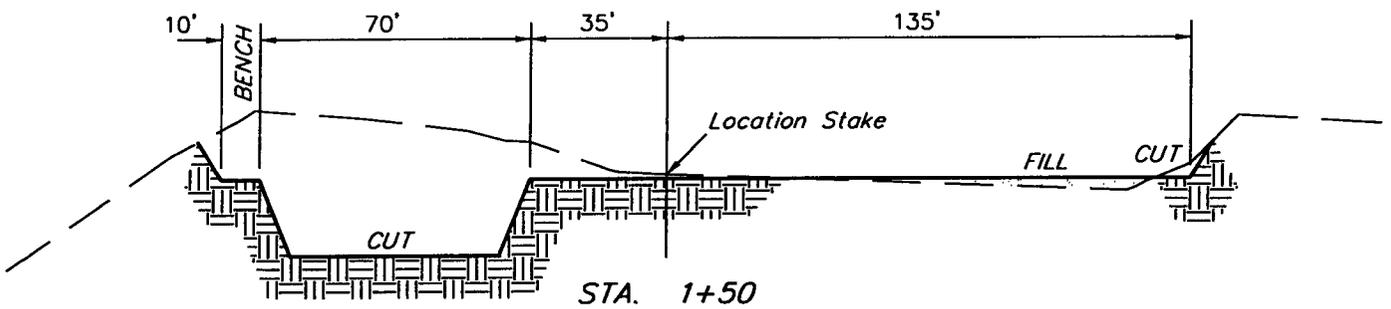
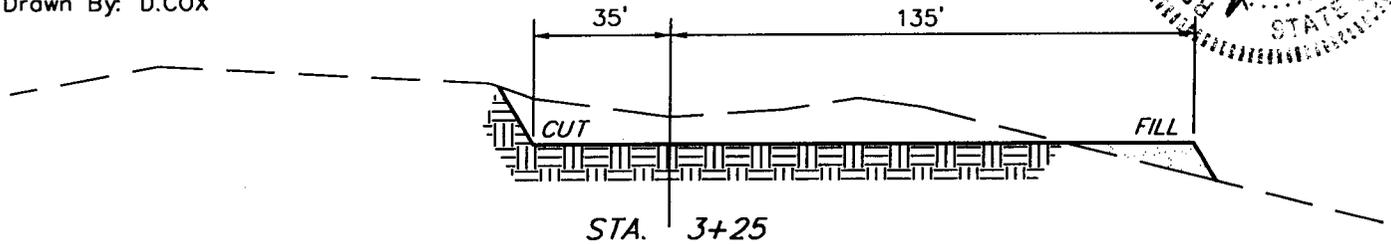
SHENANDOAH ENERGY, INC.

TYPICAL CROSS SECTIONS FOR

**OU GB #16W-20-8-22
SECTION 20, T8S, R22E, S.L.B.&M.
556' FSL 605' FEL**



DATE: 05-09-02
Drawn By: D.COX



NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

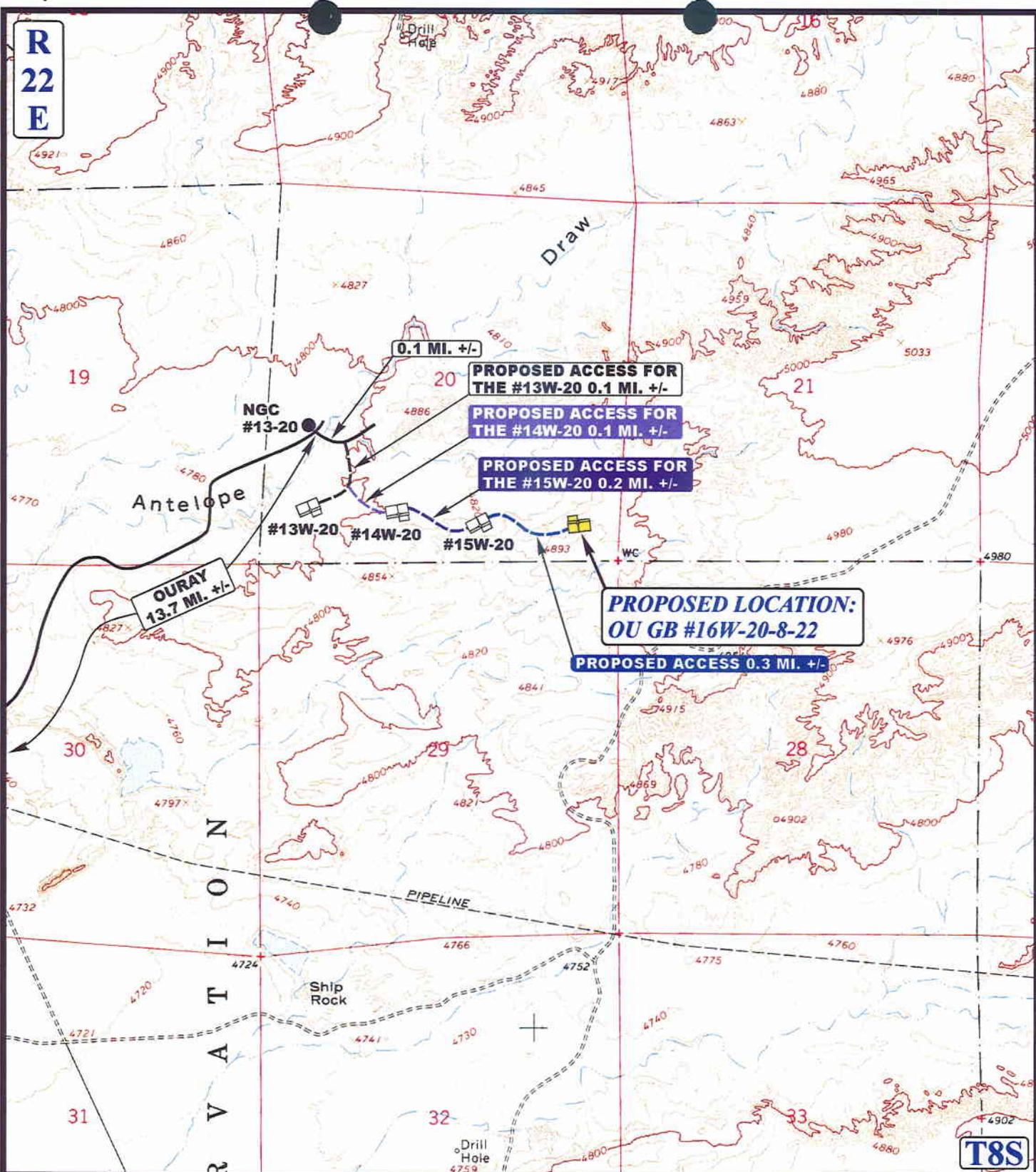
APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,260 Cu. Yds.
Remaining Location	= 5,460 Cu. Yds.
TOTAL CUT	= 6,720 CU.YDS.
FILL	= 3,350 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 3,190 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,430 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 760 Cu. Yds.

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

R
22
E



LEGEND:

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD

SHENANDOAH ENERGY, INC.

OU GB #16W-20-8-22
SECTION 20, T8S, R22E, S.L.B.&M.
556' FSL 605' FEL



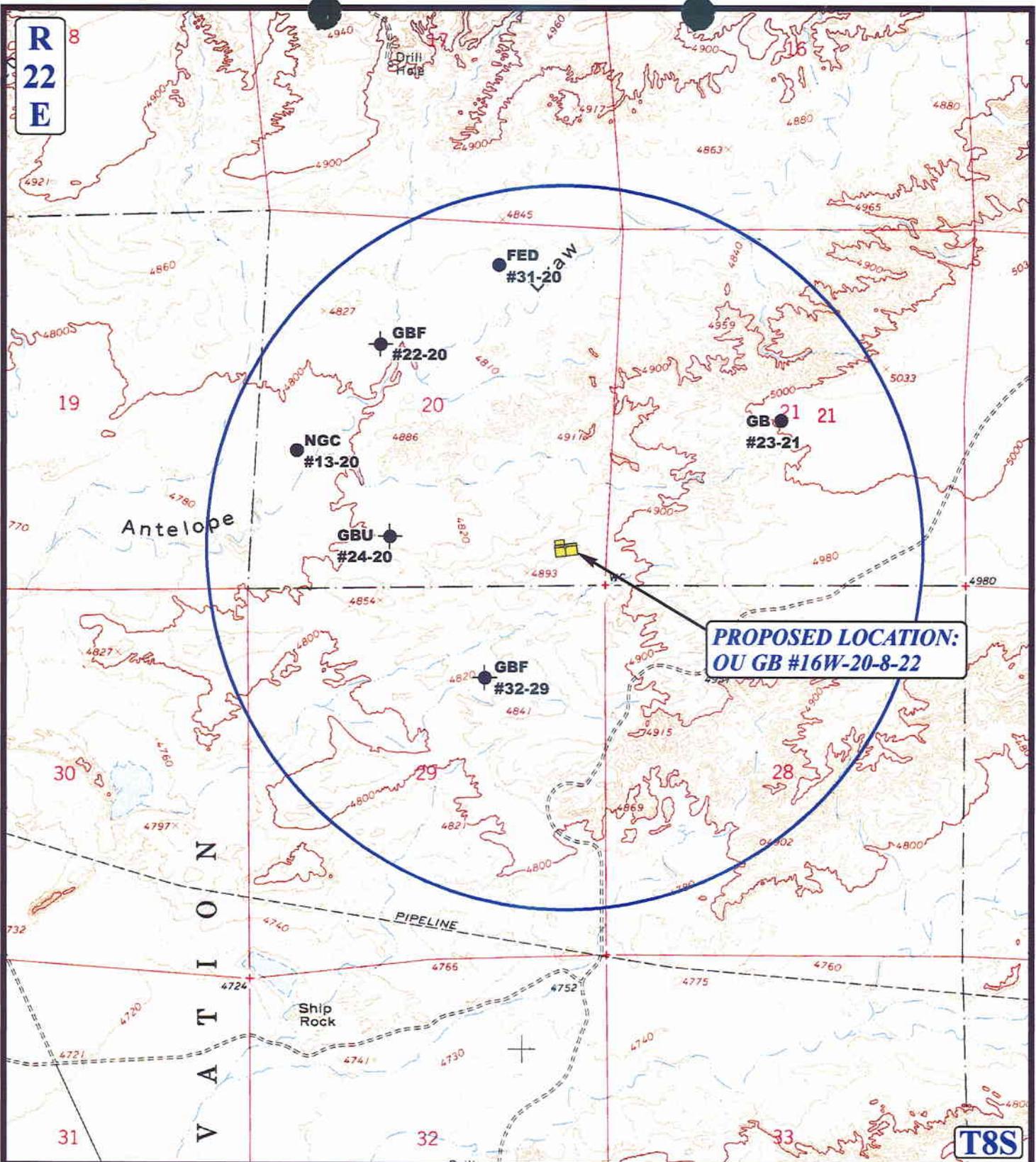
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC 5 10 02
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00



R
22
E



**PROPOSED LOCATION:
OU GB #16W-20-8-22**

LEGEND:

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

SHENANDOAH ENERGY, INC.

**OU GB #16W-20-8-22
SECTION 20, T8S, R22E, S.L.B.&M.
556' FSL 605' FEL**

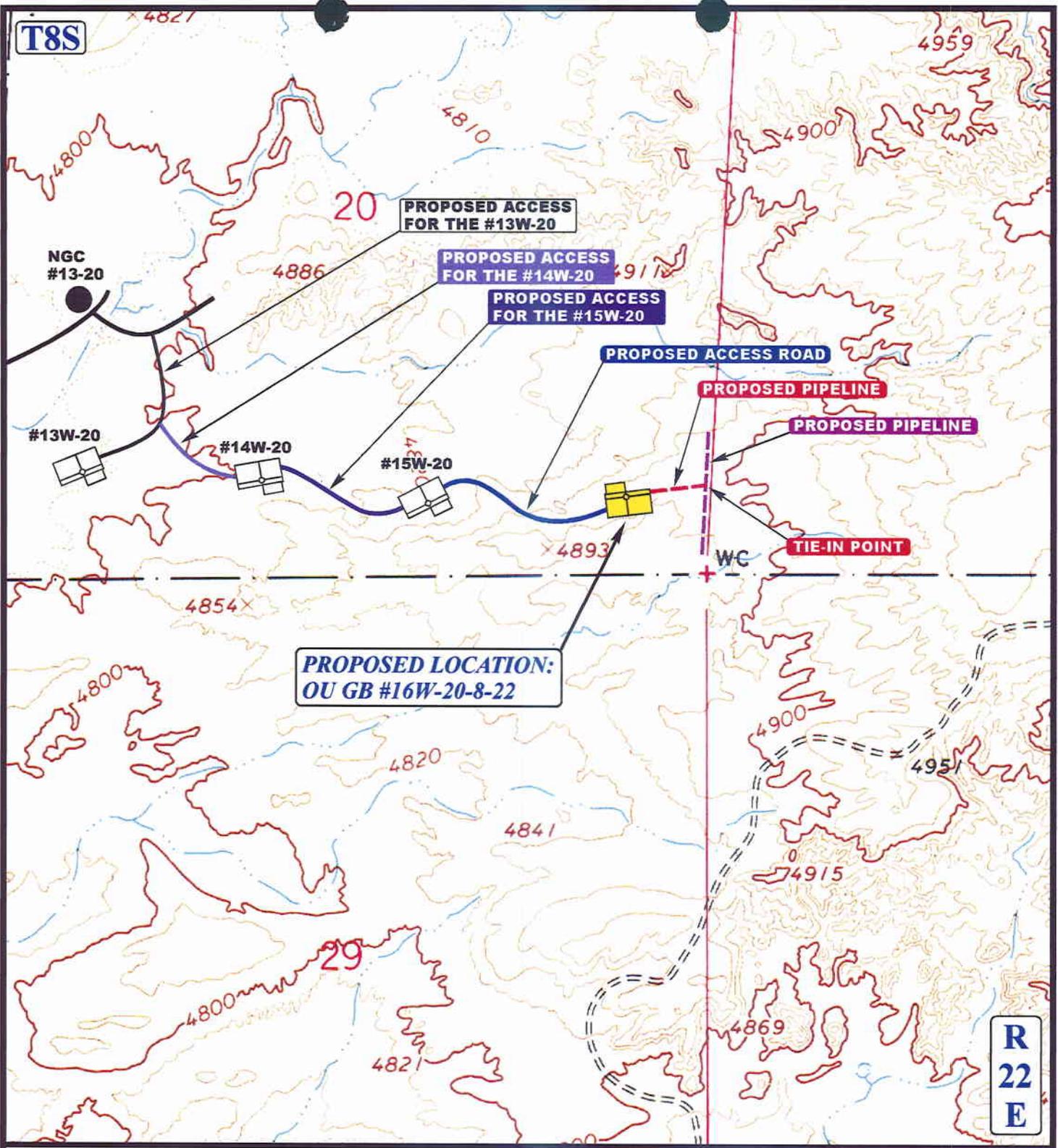


Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC MAP
5 10 02
MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 400' +/-

LEGEND:

	EXISTING ROAD
	PROPOSED ACCESS ROAD
	EXISTING PIPELINE
	PROPOSED PIPELINE

SHENANDOAH ENERGY, INC.

OU GB #16W-20-8-22

SECTION 20, T8S, R22E, S.L.B.&M.

556' FSL 605' FEL

U&L S

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



TOPOGRAPHIC MAP

5 10 02
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: P.M. REVISED: 00-00-00

D
TOPO

003

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/27/2002

API NO. ASSIGNED: 43-047-34633

WELL NAME: OU GB 16W-20-8-22
OPERATOR: SHENANDOAH ENERGY INC (N4235)
CONTACT: JOHN BUSCH

PHONE NUMBER: 435-781-4341

PROPOSED LOCATION:
SESE 20 080S 220E
SURFACE: 0556 FSL 0605 FEL
BOTTOM: 0556 FSL 0605 FEL
UINTAH
NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
LEASE NUMBER: UTU-74493
SURFACE OWNER: 1 - Federal
PROPOSED FORMATION: WSTC

LATITUDE: 40.10344
LONGITUDE: 109.45606

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:

___ R649-2-3.
Unit _____

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

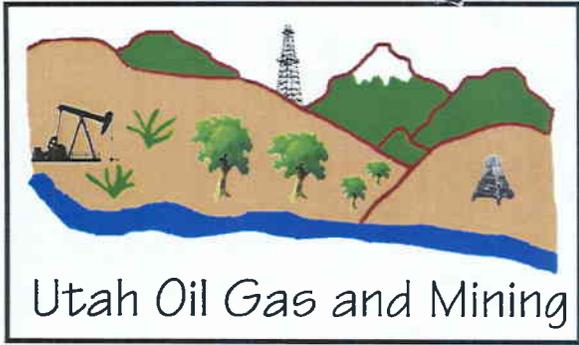
___ R649-3-3. Exception

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

___ R649-3-11. Directional Drill

COMMENTS: SOP, Separate file

STIPULATIONS: 1- Federal Approval
2- Spacing Stip

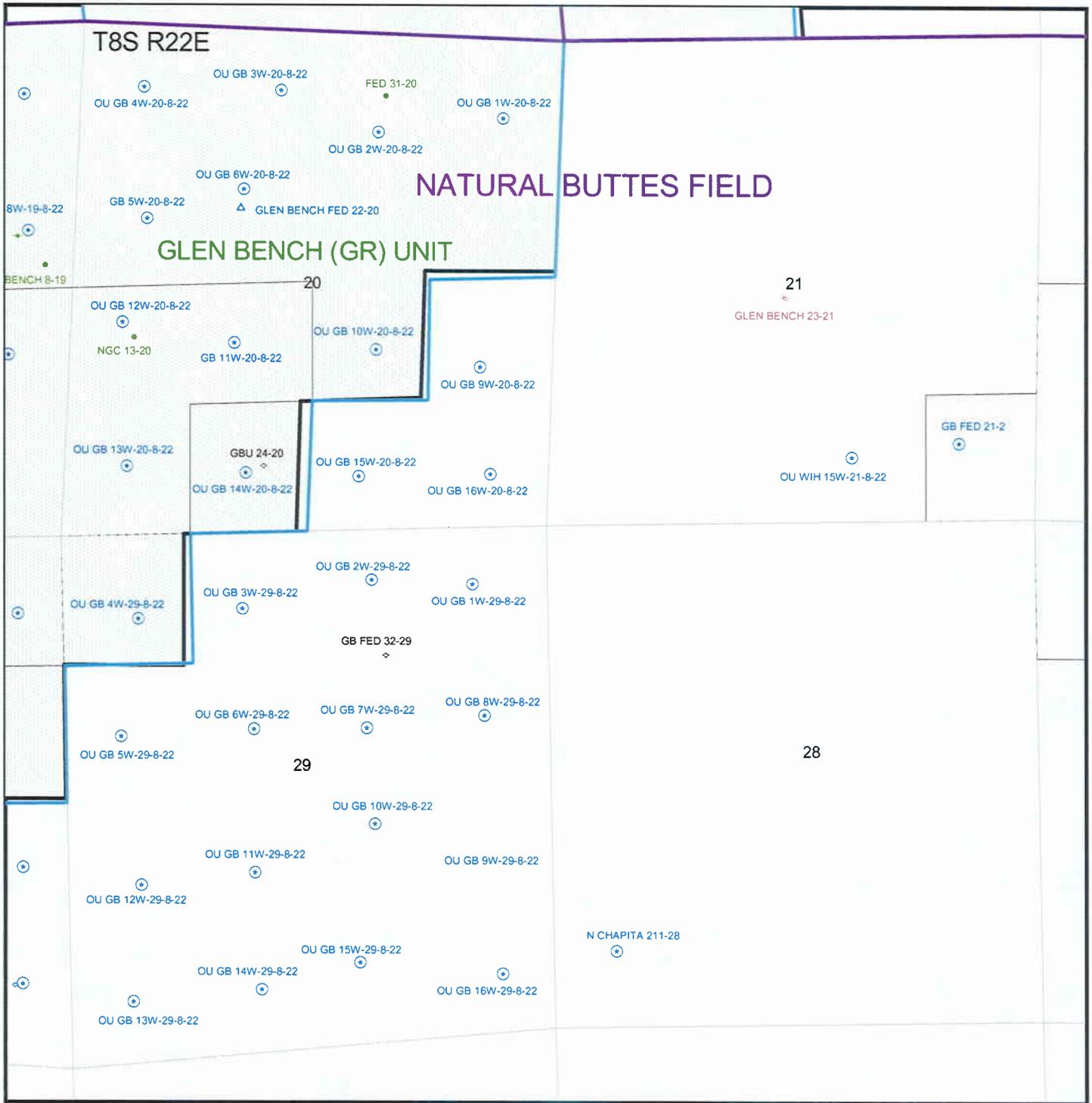


OPERATOR: SHENANDOAH ENERGY (N4235)

SEC. 20 & 21, T8S, R22E

FIELD: NATURAL BUTTES (630)

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



004



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)

July 10, 2002

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

Re: Over and Under Glen Bench 16W-20-8-22 Well, 556' FSL, 605' FEL, SE SE, Sec. 20,
T. 8 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.

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 43-047-34633.

Sincerely,

A handwritten signature in black ink, appearing to read 'John R. Baza'.

Handwritten initials 'JRB' in black ink, underlined.

John R. Baza
Associate Director

pb
Enclosures

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

Operator: Shenandoah Energy Inc.
Well Name & Number Over and Under Glen Bench 16W-20-8-22
API Number: 43-047-34633
Lease: UTU-74493

Location: SE SE **Sec.** 20 **T.** 8 South **R.** 22 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

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

005

Form 3160-3
(August 1999)

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

5. Lease Serial No.
UTU-74493

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

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

8. Lease Name and Well No.
OVER AND UNDER GLEN BENCH 16W-20-8-22

9. API Well No.

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. Sec., T., R., M., or Blk. and Survey or Area
Sec 20 T8S R22E Mer SLB

12. County or Parish
UINTAH

13. State
UT

17. Spacing Unit dedicated to this well
40.00

20. BLM/BIA Bond No. on file
U-0969

23. Estimated duration
10 DAYS

1a. Type of Work: DRILL REENTER

CONFIDENTIAL

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

2. Name of Operator
SHENANDOAH ENERGY INC. Contact: JOHN BUSCH
E-Mail: jbusch@shenandoahenergy.com

3a. Address
11002 E. 17500 S.
VERNAL, UT 84078

3b. Phone No. (include area code)
Ph: 435.781.4341
Fx: 435.781.4323

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

At surface SESE 556FSL 605FEL

At proposed prod. zone

14. Distance in miles and direction from nearest town or post office*
14 +/- MILES SOUTHWEST OF REDWASH, UTAH

15. Distance from proposed location to nearest property or
lease line, ft. (Also to nearest drig. unit line, if any)
556' +/-

16. No. of Acres in Lease
864.42

18. Distance from proposed location to nearest well, drilling,
completed, applied for, on this lease, ft.
2000' +/-

19. Proposed Depth
7375 MD
7375 TVD

21. Elevations (Show whether DF, KB, RT, GL, etc.)
4892 KB

22. 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:

- 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).
- 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)

Name (Printed/Typed)
JOHN BUSCH

Date
06/25/2002

Title
OPERATIONS

Approved by (Signature)

Name (Printed/Typed)

Date
09/11/2002

Title
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.

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 #11915 verified by the BLM Well Information System
For SHENANDOAH ENERGY INC., sent to the Vernal

DIVISION OF
OIL, GAS AND MINING

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

** ORIGINAL **

SEP 18 2002

RECEIVED

DOOMA

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Shenandoah Energy Inc.

Well Name & Number: OU GB #16W-20-8-22

API Number: 43-047-34633

Lease Number: U-74493

Location: SESE Sec. 20 T.8S 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 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.

Casing Program and Auxiliary Equipment

As a minimum requirement, the cement behind the production casing must extend 200' above the top of the fresh water identified at $\pm 2095'$.

Coring, Logging and Testing Program

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

Other Information

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

The proposed completion interval is not in the Glen Bench Unit. If production is established in the Wasatch, it must be accounted for on a lease basis.

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

Ed Forsman (435) 828-7874
Petroleum Engineer

Kirk Fleetwood (435) 828-7875
Petroleum Engineer

BLM FAX Machine (435) 781-4410

CONDITIONS OF APPROVAL FOR THE SURFACE USE PROGRAM

- Ferruginous Hawk Stipulation-No drilling from March 1st –July 15
- Construct erosion dam on access road
- Line pit

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

006

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir
Use "APPLICATION FOR PERMIT--" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
Oil Gas
 Well Well Other

2. Name of Operator
SHENANDOAH ENERGY INC. (QEP UINTA BASIN, INC.)

3. Address and Telephone No.
11002 E. 17500 S. VERNAL, UT 84078-8526 (435) 781-4341

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
556' FSL, 605' FEL, SESE, SECTION 20, T8S, R22E

CONFIDENTIAL

5. Lease Designation and Serial No.
UTU-74493

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

7. If Unit or CA, Agreement Designation
N/A

8. Well Name and No.
OU GB 16W-20-8-22

9. API Well No.
43-047-34633

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, State
UINTAH, UTAH

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

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

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

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)
Shenandoah Energy Inc. hereby requests a one year extension from approval date on the OU GB 16W-20-8-22.

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 07-30-03
By: [Signature]

COPY SENT TO OPERATOR
Date: 8-4-03
Initials: CHR

14. I hereby certify that the foregoing is true and correct.
Signed RALEEN SEARLE Title REGULATORY AFFAIRS ANALYST Date 7/24/03

(This space for Federal or State office use)
Approved by: _____ Title _____ Date _____
Conditions of approval, if any _____

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

*See instruction on Reverse Side

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JUL 28 2003
DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-34633
Well Name: OU GB 16W-20-8-22
Location: SESE, 556 FSL, 605 FEL, SEC. 20, T8S, R22E
Company Permit Issued to: SHENANDOAH ENERGY INC.
Date Original Permit Issued: 7/10/2002

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

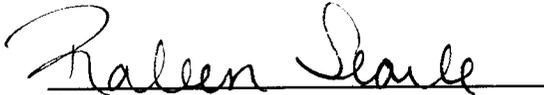
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No


Signature

7/24/2003
Date

Title: REGULATORY AFFAIRS ANALYST

Representing: QEP UINTA BASIN, INC. (SEI)



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)

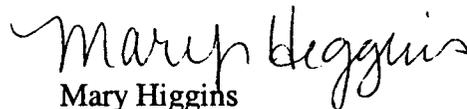
July 21, 2003

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
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)

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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-0116	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	

OPERATOR CHANGE WORKSHEET

007

ROUTING

1. GLH
2. CDW
3. FILE

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	SECT	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS	Confid
SU 4W-26-7-21	26	070S	210E	4304734408		Federal	GW	APD	C
WV 10W-35-7-21	35	070S	210E	4304734397		Federal	GW	APD	C
WV EXT 10W-17-8-21	17	080S	210E	4304734561	13744	Federal	GW	P	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
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
WV 16G-6-8-22	06	080S	220E	4304734404		Federal	OW	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 9G-6-8-22	06	080S	220E	4304734611		Federal	OW	APD	C
OU GB 11W-15-8-22	15	080S	220E	4304734648	13822	Federal	GW	DRL	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-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 8W-17-8-22	17	080S	220E	4304734647		Federal	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

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

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

008

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir
Use "APPLICATION FOR PERMIT--" for such proposals

5. Lease Designation and Serial No.
UTU-74493

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

7. If Unit or CA, Agreement Designation
N/A

8. Well Name and No.
OU GB 16W-20-8-22

9. API Well No.
43-047-34633

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, State
UINTAH, UTAH

SUBMIT IN TRIPLICATE

1. Type of Well
Oil Gas
 Well Well Other

2. Name of Operator
SHENANDOAH ENERGY INC. (QEP UINTA BASIN, INC.)

3. Address and Telephone No.
11002 E. 17500 S. VERNAL, UT 84078-8526 (435) 781-4341

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
556' FSL, 605' FEL, SESE, SECTION 20, T8S, R22E

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

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

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

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)
Shenandoah Energy Inc. hereby requests a one year extension from approval date on the OU GB 16W-20-8-22.

CONDITIONS OF APPROVAL ATTACHED

DEC 31 2003

DIV. OF OIL, GAS & MINERAL

14. I hereby certify that the foregoing is true and correct
Signed RALEEN SEARLE *Raleen Searle* Title REGULATORY AFFAIRS ANALYST Date 9/9/03

(This space for Federal or State office use)
Approved by: Kirk Johnson Title Petroleum Engineer Date 12/15/03

Conditions of approval, if any

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



*See instruction on Reverse Side

QEP- Uintah Basin Inc.
APD Extension

Well: OUGB 16W-20-8-22

Location: SESE Sec. 20, T8S, R22E

Lease: U-74493

CONDITIONS OF APPROVAL

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

1. The extension will expire 09/11/04
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

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

009

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 GAS WELL OTHER _____

2. NAME OF OPERATOR: QEP Uinta Basin, Inc.

3. ADDRESS OF OPERATOR: 11002 E 17500 S CITY: Vernal STATE: UT ZIP: 84078 PHONE NUMBER: (435) 781-4341

5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-74493

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A

7. UNIT or CA AGREEMENT NAME: N/A

8. WELL NAME and NUMBER: OUGB 16W-20-8-22

9. API NUMBER: 4304734633

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 556' FSL 605' FEL COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 20 T8S 22E STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" 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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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"/> 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>APD Extension</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.
QEP Uinta Basin, Inc. hereby requests a 1 year extension on the APD for the OUGB 16W-20-8-22.

**Approved by the
Utah Division of
Oil, Gas and Mining**
Date: 6-14-04
By: [Signature]

COPY SENT TO OPERATOR
Date: 6-14-04
Initials: LHO

NAME (PLEASE PRINT) John Busch TITLE Operations
SIGNATURE [Signature] DATE 6/7/2004

(This space for State use only)

RECEIVED
JUN 08 2004
DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-34633
Well Name: OUGB 16W-20-8-22
Location: 556' FSL 605' FEL SESE SEC 20 T8S R22E
Company Permit Issued to: QEP UINTA BASIN, INC.
Date Original Permit Issued: 7/10/2002

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No

John Bush
Signature

6/7/2004
Date

Title: OPERATIONS

Representing: QEP UINTA BASIN, INC.

RECEIVED
JUN 08 2004
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

012

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.	
2. Name of Operator SHENANDOAH ENERGY INC		8. Lease Name and Well No. OU GB 16W-20-8-22	
Contact: JOHN BUSCH E-Mail: john.busch@questar.com		9. API Well No. 43-047-34633-00-X1	
3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078-8526	3b. Phone No. (include area code) Ph: 435.781.4341 Fx: 435.781.4323	10. Field and Pool, or Exploratory NATURAL BUTTES	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SESE 556FSL 605FEL At proposed prod. zone		11. Sec., T., R., M., or Blk. and Survey or Area Sec 20 T8S R22E Mer SLB SME: BLM	
14. Distance in miles and direction from nearest town or post office* 14 +/- MILES SOUTHWEST OF REDWASH, UTAH		12. County or Parish UINTAH	13. State UT
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 556' +/-	16. No. of Acres in Lease 864.42	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. 2000' +/-	19. Proposed Depth 7375 MD 7375 TVD	20. BLM/BIA Bond No. on file ESB000024	
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4892 KB	22. Approximate date work will start	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:

- | | |
|--|--|
| <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)	Name (Printed/Typed) JOHN BUSCH	Date 06/25/2002
Title OPERATIONS REPRESENTATIVE		
Approved by (Signature) EXPIRED	Name (Printed/Typed) EXPIRED	Date 09/11/2004
Title EXPIRED	Office Vernal	

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 #11915 verified by the BLM Well Information System
For SHENANDOAH ENERGY INC, sent to the Vernal
Committed to AFMSS for processing by MARCIA KULESZA on 06/26/2002 (02MK0113AE)**

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional Operator Remarks:

Shenandoah Energy Inc. proposes to drill a well to 7375' 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 Operating 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.

Revisions to Operator-Submitted EC Data for APD #11915

	Operator Submitted	BLM Revised (AFMSS)
Lease:	UTU-74493	UTU74493
Agreement:	N/A	
Operator:	SHENANDOAH ENERGY INC. 11002 E. 17500 S. VERNAL, UT 84078 Ph: 435.781.4341 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:	JOHN BUSCH OPERATIONS 11002 E. 17500 S. VERNAL, UT 84078 Ph: 435.781.4341 Fx: 435.781.4323 E-Mail: jbusch@shenandoahenergy.com	JOHN BUSCH OPERATIONS REPRESENTATIVE 11002 EAST 17500 SOUTH VERNAL, UT 84078-8526 Ph: 435.781.4341 Fx: 435.781.4323 Cell: 435.828.8736 E-Mail: john.busch@questar.com
Tech Contact:		
Well Name: Number:	OVER AND UNDER GLEN BENCH 16W-20-8-22	OU GB 16W-20-8-22
Location: State: County: S/T/R: Surf Loc:	UT UINTAH Sec 20 T8S R22E Mer SLB SESE 556FSL 605FEL	UT UINTAH Sec 20 T8S R22E Mer SLB SESE 556FSL 605FEL
Field/Pool:	NATURAL BUTTES	NATURAL BUTTES
Bond:	U-0969	ESB000024



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

December 22, 2004

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

Re: Notification of Expiration
Well No. OU GB 16W-20-8-22
SESE, Sec. 20, T8S, R22E
Uintah County, Utah
Lease No. UTU-74493

Dear Ms. Nelson:

The Application for Permit to Drill the above-referenced well was approved on September 11, 2002. A one (1) year extension of the original APD was requested. The request was reviewed and the extension approved until September 11, 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

RECEIVED

DEC 2 / 2004

DIV. OF OIL, GAS & MINING



State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

MARY ANN WRIGHT
Acting Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

January 4, 2005

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

Re: APD Rescinded – OU GB 16W-20-8-22, Sec. 20, T. 8S, R. 22E
Uintah County, Utah API No. 43-047-34633

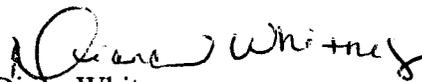
Dear Ms. Nelson:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on July 10, 2002. On July 30, 2003 and June 14, 2004 the Division granted a one-year APD extension. On December 28, 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 December 28, 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