

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

001

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. N/A	
2. Name of Operator SHENANDOAH ENERGY INC.		8. Lease Name and Well No. OU SG 1W-15-8-22	
Contact: JOHN BUSCH E-Mail: jbusch@shenandoahenergy.com		9. API Well No. 43-047-34720	
3a. Address 11002 E. 17500 S. VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435.781.4341 Fx: 435.781.4323	10. Field and Pool, or Exploratory KENNEDY WASH	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NENE 619FNL 400FEL 4443006 Y 40.12847 At proposed prod. zone 634832 X -109.41753		11. Sec., T., R., M., or Blk. and Survey or Area Sec 15 T8S R22E Mer SLB	
14. Distance in miles and direction from nearest town or post office* 11 +/- MILES FROM 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) 400' +/-	16. No. of Acres in Lease 554.91	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. 1300' +/-	19. Proposed Depth 7675 MD 7675 TVD	20. BLM/BIA Bond No. on file U-0969	
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5037 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 	Name (Printed/Typed) JOHN BUSCH	Date 09/19/2002
Title OPERATIONS	RECEIVED	
Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL	Date 09-23-02
Title	Office RECLAMATION SPECIALIST III	
DIVISION OF OIL, GAS AND MINING		

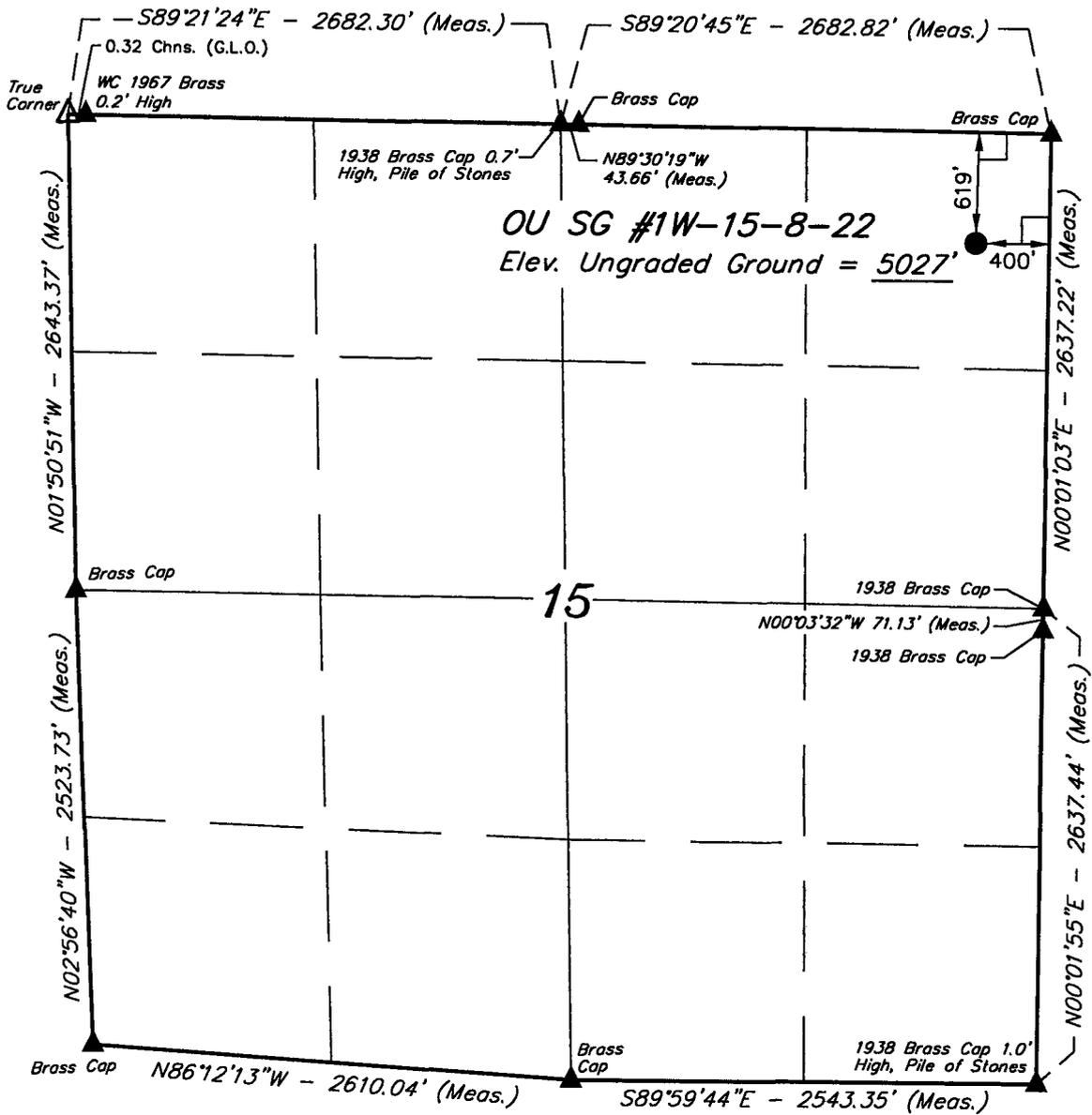
Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in oil, gas and mining which the applicant to conduct operations thereon. Conditions of approval, if any, are attached.

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 #14195 verified by the BLM Well Information System
For SHENANDOAH ENERGY INC., sent to the Vernal

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



LEGEND:

- └─┘ = 90° SYMBOL
 - = PROPOSED WELL HEAD.
 - ▲ = SECTION CORNERS LOCATED.
- (NAD 83)
- LATITUDE = 40°07'42.28" (40.128411)
- LONGITUDE = 109°25'05.38" (109.418161)

SHENANDOAH ENERGY, INC.

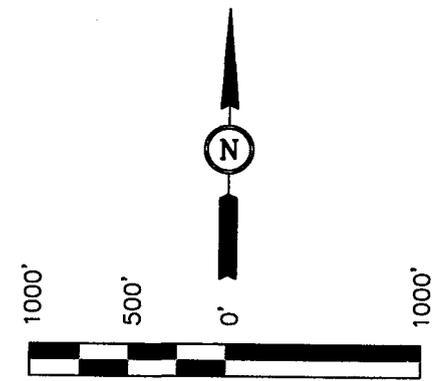
Well location, OU SG #1W-15-8-22, located as shown in the NE 1/4 NE 1/4 of Section 15, T8S, R22E, S.L.B.&M. Uintah County, Utah.

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 SERIES (TOPOGRAPHICAL 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.



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.

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 08-27-02	DATE DRAWN: 08-29-02
PARTY K.S. J.J. D.COX	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE SHENANDOAH ENERGY, INC.	

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	2519
Mahogany Ledge	3479
Mesa	5954
TD (Wasatch)	7675

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	7675

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 3070.0 psi.

SHENANDOAH ENERGY INC.
OVER AND UNDER SAGE GROUSE 1W-15-8-22
619' FNL, 400' FEL
NENE, SECTION 15, T8S, R22E
UINTAH COUNTY, UTAH
LEASE # U-73686

ONSHORE ORDER NO. 1

MULTI – POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the OU SG 1W-15-8-22 on September 17, 2002 at 11:45 AM. Weather conditions were partly cloudy with a light breeze at the time of the onsite. In attendance at the inspection were the following individuals:

Dixie Sadlier	Bureau of Land Management
Paul Bueller	Bureau of Land Management
Jan Nelson	Shenandoah Energy Inc.
Raleen Searle	Shenandoah Energy Inc.

1. Existing Roads:

The proposed well site is approximately 11 miles southwest of Red Wash, 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 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 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 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 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 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 to 24 East.

6. Source of Construction Materials:

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 to 24 East.

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

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 to 24 East.

8. **Ancillary Facilities:**

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 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 felt and plastic 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 #3

Black sagebrush	Artemesia arbuscula nova	4lbs/acre
Western Wheatgrass	A gropyron smithii	4lbs/acre
Crested Wheat		5lbs/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.

A rights-of-way will be required for the part of the road that travels off lease in section 14. The part of the road that goes off lease is 3,100' +/- in length with 30' in width with a running surface of 18' it will be crowned(2% - 3%) and ditched.

Please construct an erosion structure with spill way at the west end on the access road. Dirt contractors need to contact Paul Bueller at the BLM prior to construction.

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

18-Sep-02

Date

Additional Operator Remarks:

Shenandoah Energy Inc. proposes to drill a well to 7675' 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 SG #1W-15-8-22

LOCATED IN UINTAH COUNTY, UTAH
SECTION 15, T8S, R22E, S.L.B.&M.

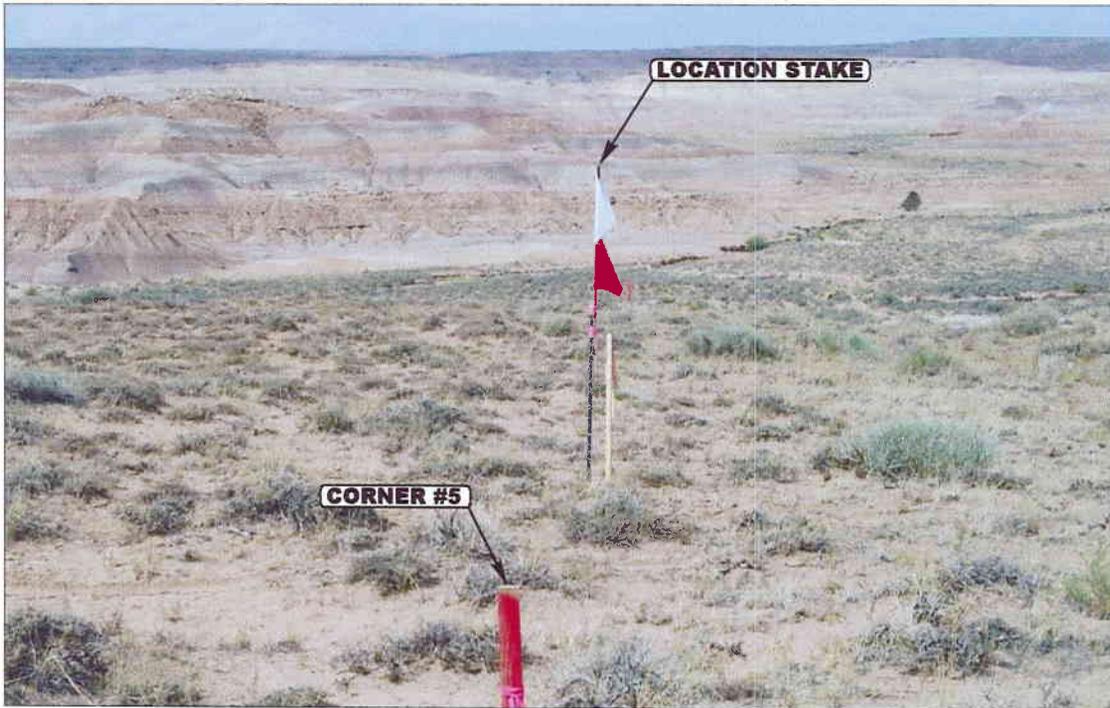


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: EASTERLY



- Since 1964 -

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

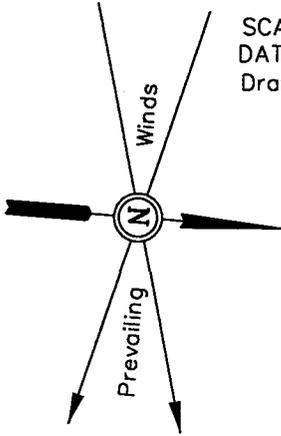
LOCATION PHOTOS	8	29	02	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: K.S.	DRAWN BY: P.M.	REVISED: 00-00-00		

SCALE: 1" = 50'
 DATE: 08-29-02
 Drawn By: D.COX

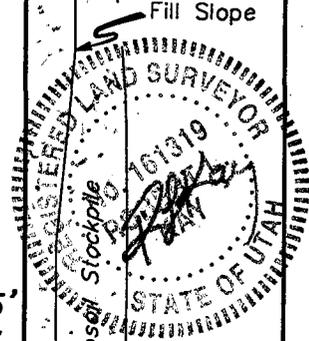
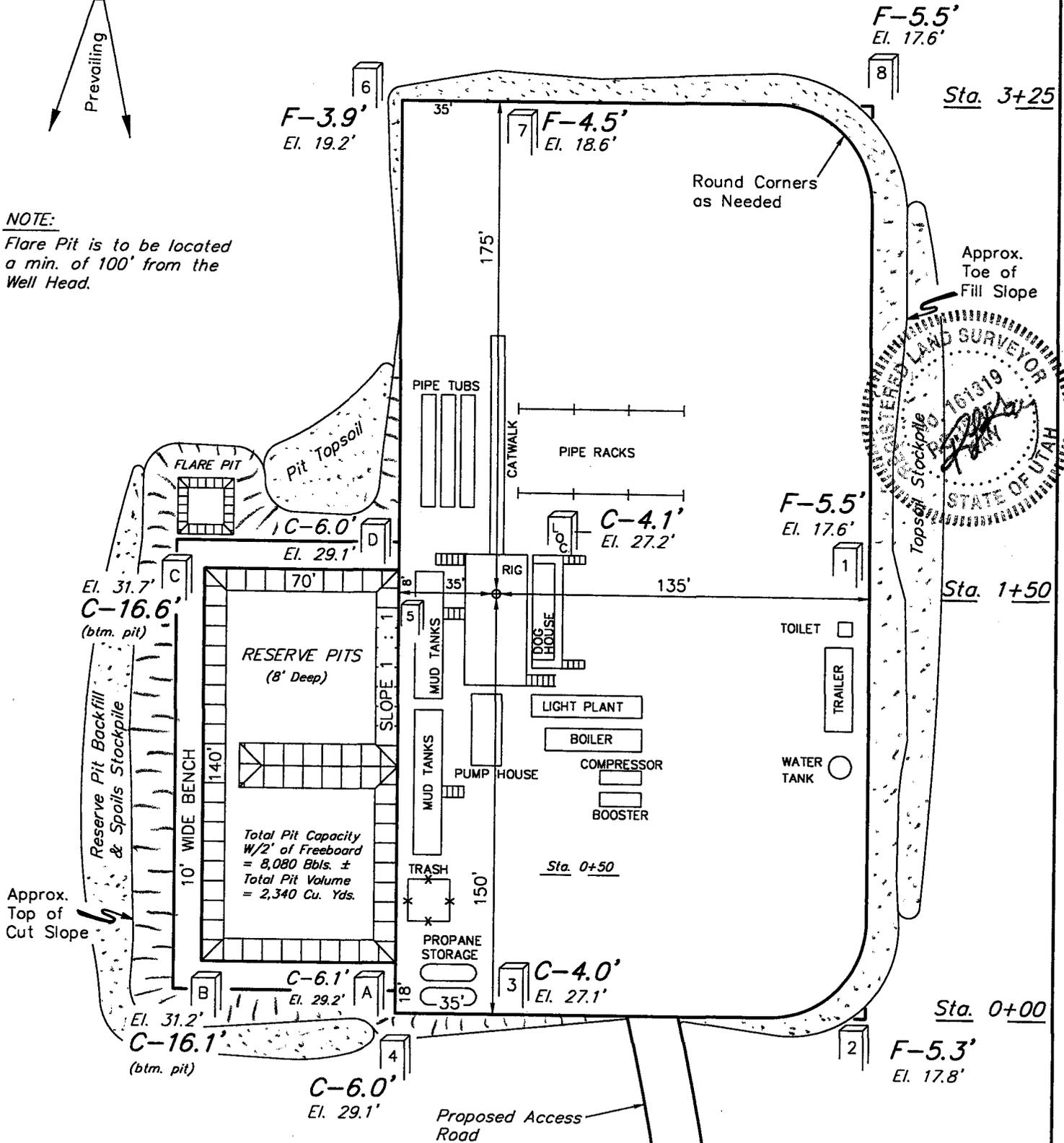
SHENANDOAH ENERGY, INC.

FIGURE #1

LOCATION LAYOUT FOR
 OU SG #1W-15-8-22
 SECTION 15, T8S, R22E, S.L.B.&M.
 619' FNL 400' FEL



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



NOTES:

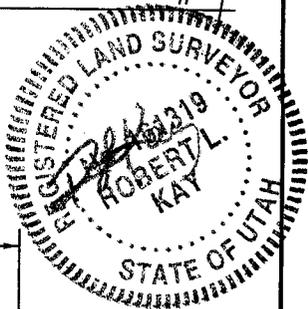
Elev. Ungraded Ground At Loc. Stake = 5027.2'
 FINISHED GRADE ELEV. AT LOC. STAKE = 5023.1'

SHENANDOAH ENERGY, INC.

TYPICAL CROSS SECTIONS FOR

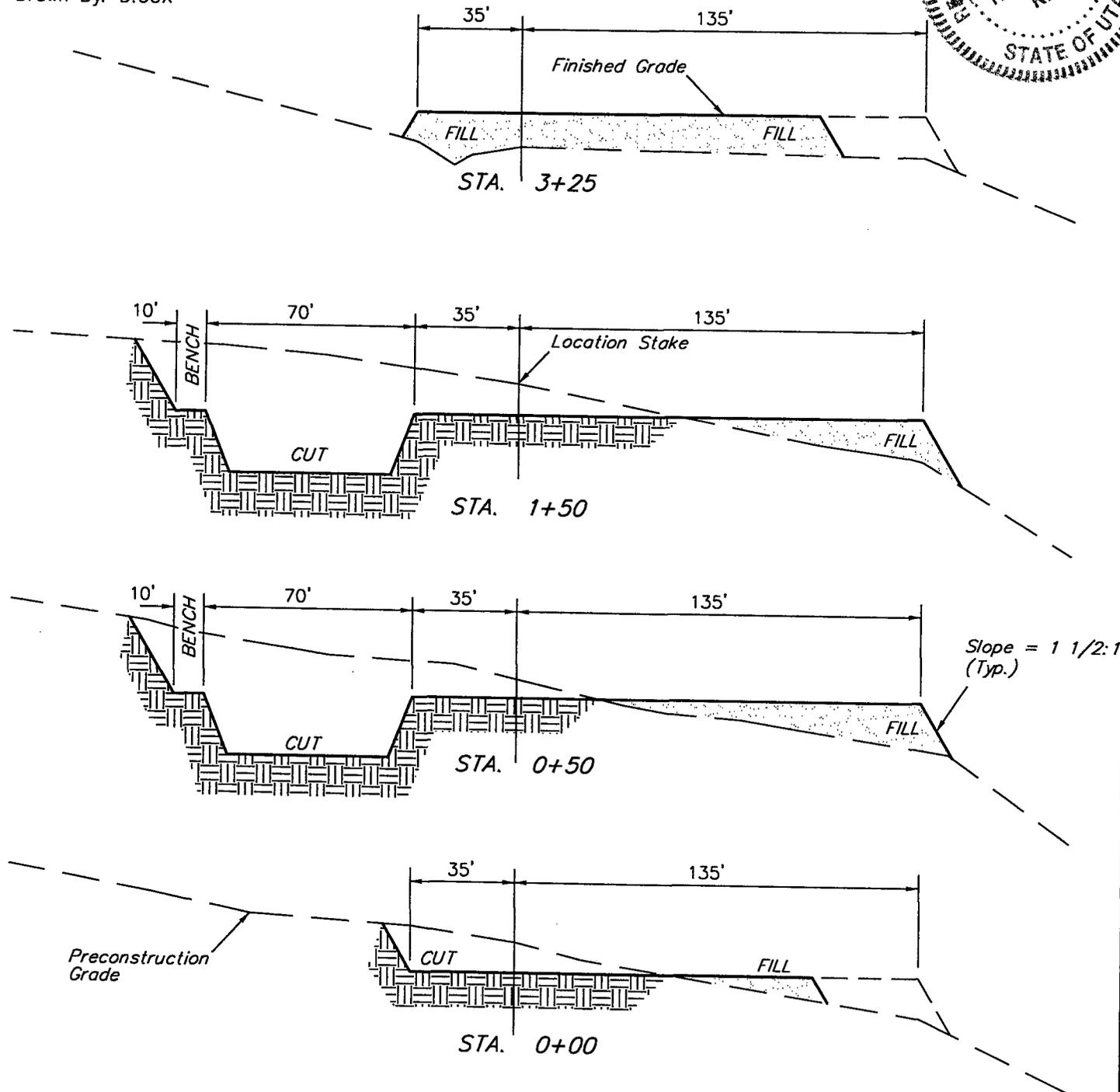
OU SG #1W-15-8-22
SECTION 15, T8S, R22E, S.L.B.&M.
619' FNL 400' FEL

FIGURE #2



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

DATE: 08-29-02
Drawn By: D.COX

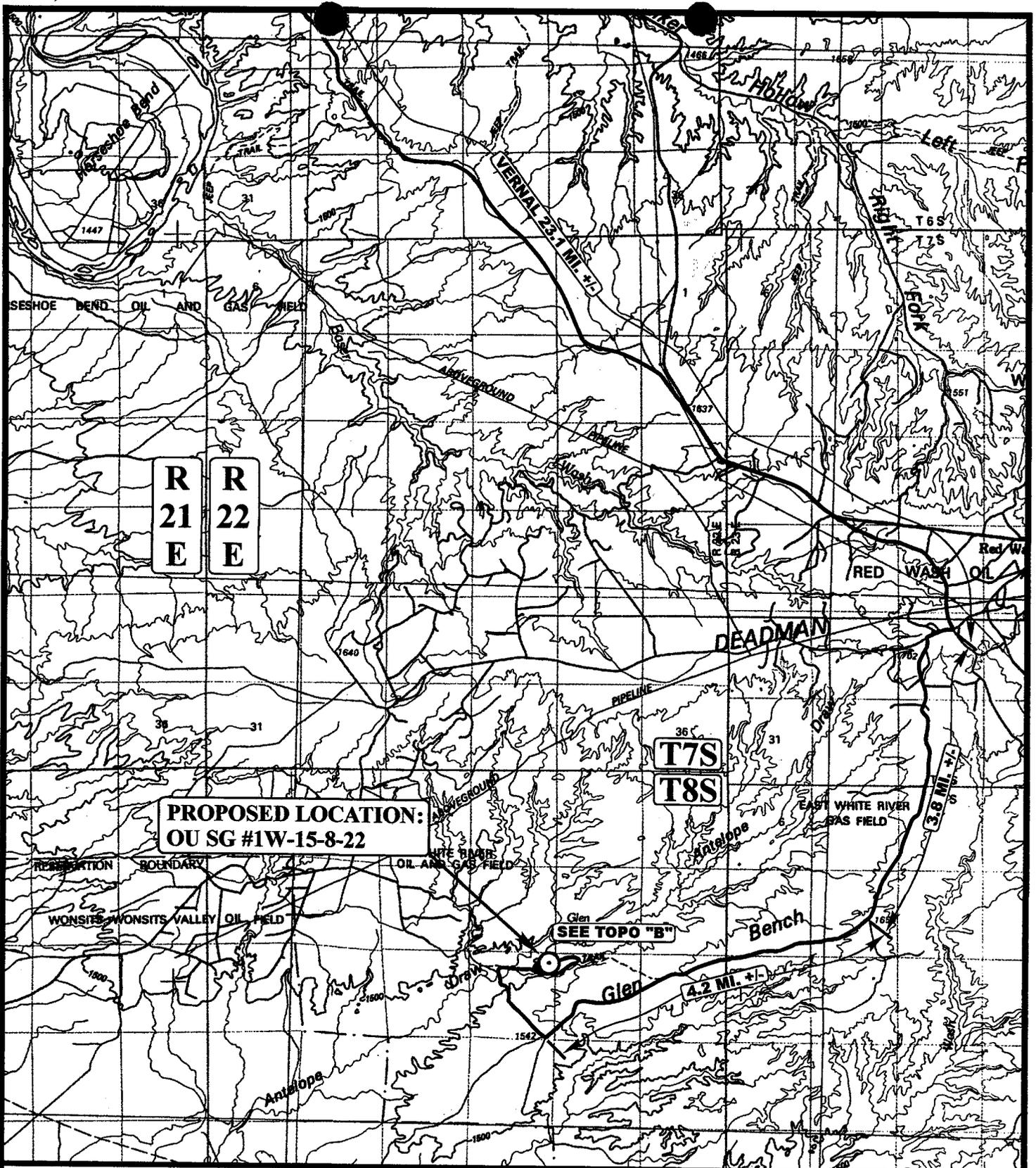


APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,260 Cu. Yds.
Remaining Location	= 7,620 Cu. Yds.
TOTAL CUT	= 8,880 CU.YDS.
FILL	= 6,130 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,430 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,430 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

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



**PROPOSED LOCATION:
OU SG #1W-15-8-22**

LEGEND:

⊙ PROPOSED LOCATION

N

SHENANDOAH ENERGY, INC.

OU SG #1W-15-8-22

SECTION 15, T8S, R22E, S.L.B.&M.

619' FNL 400' FEL



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

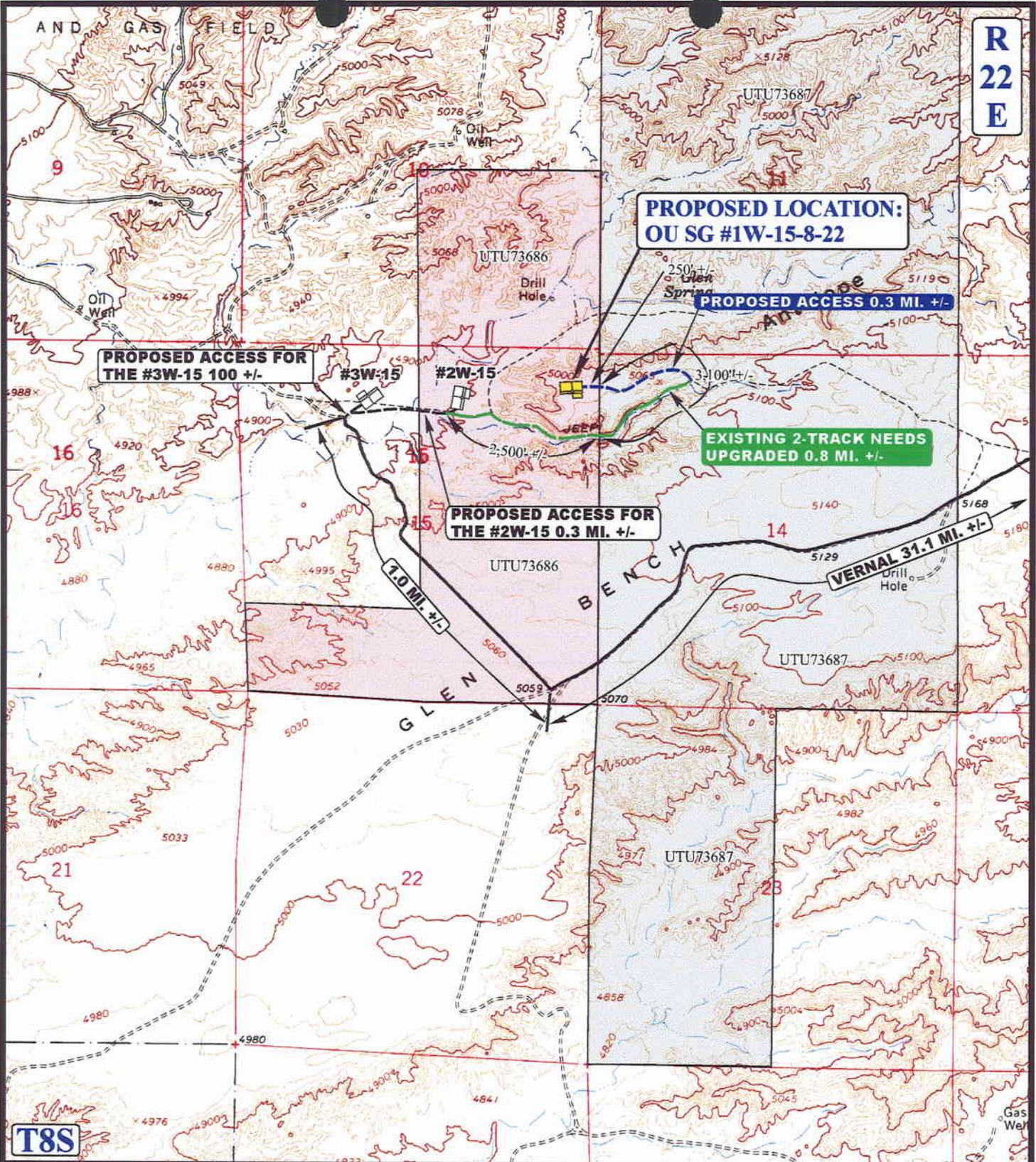
**TOPOGRAPHIC
MAP**

8	29	02
MONTH	DAY	YEAR

SCALE: 1:100,000 DRAWN BY: P.M. REVISED: 00-00-00



R
22
E



T8S

LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD
- EXISTING 2-TRACK NEEDS UPGRADED



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



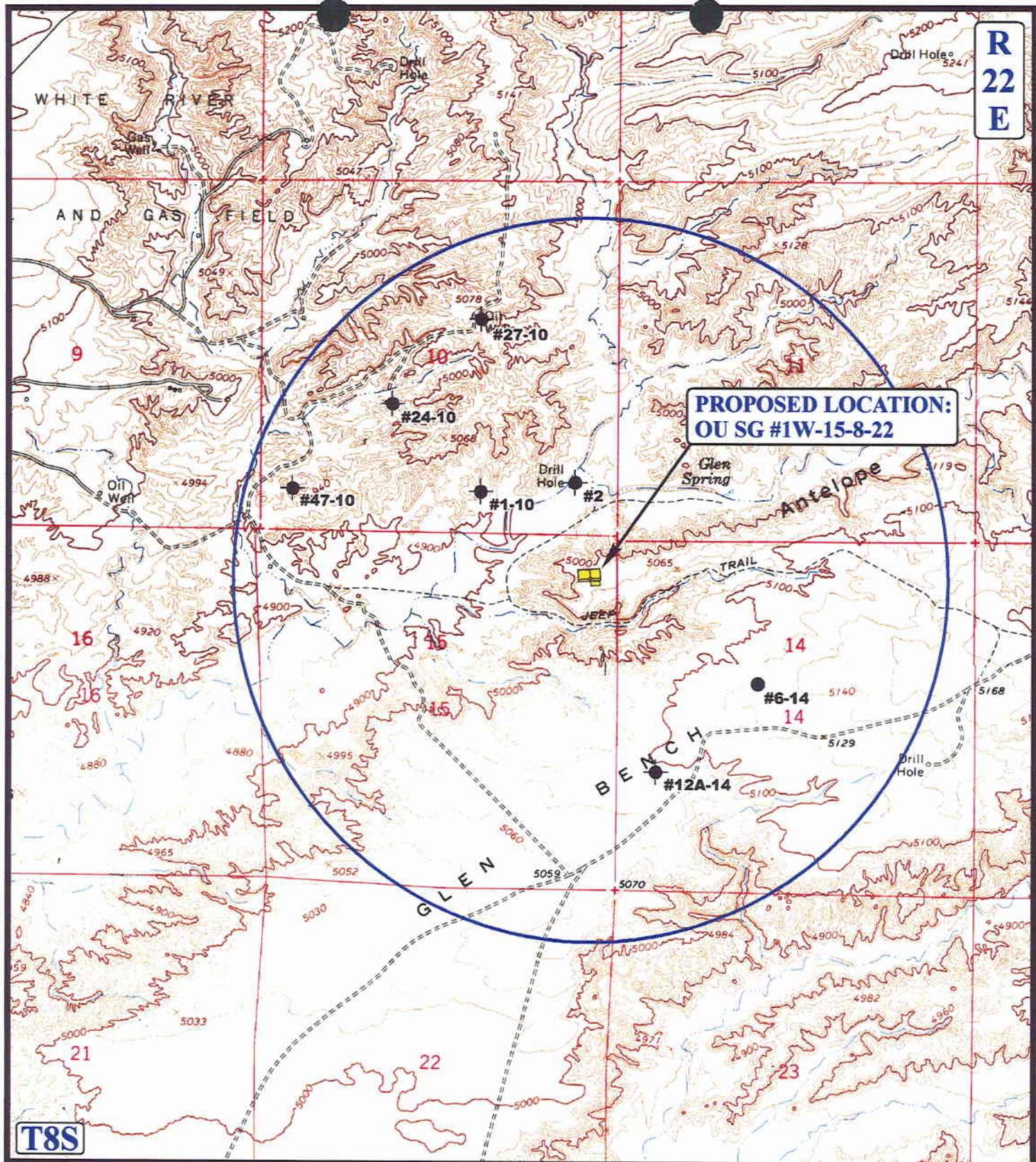
SHENANDOAH ENERGY, INC.

OU SG #1W-15-8-22
SECTION 15, T8S, R22E, S.L.B.&M.
619' FNL 400' FEL

TOPOGRAPHIC	8	29	02
	MONTH	DAY	YEAR
SCALE: 1" = 2000'		DRAWN BY: P.M. REVISED: 00-00-00	



R
22
E



**PROPOSED LOCATION:
OU SG #1W-15-8-22**

T8S

LEGEND:

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



SHENANDOAH ENERGY, INC.

OU SG #1W-15-8-22
SECTION 15, T8S, R22E, S.L.B.&M.
619' FNL 400' FEL



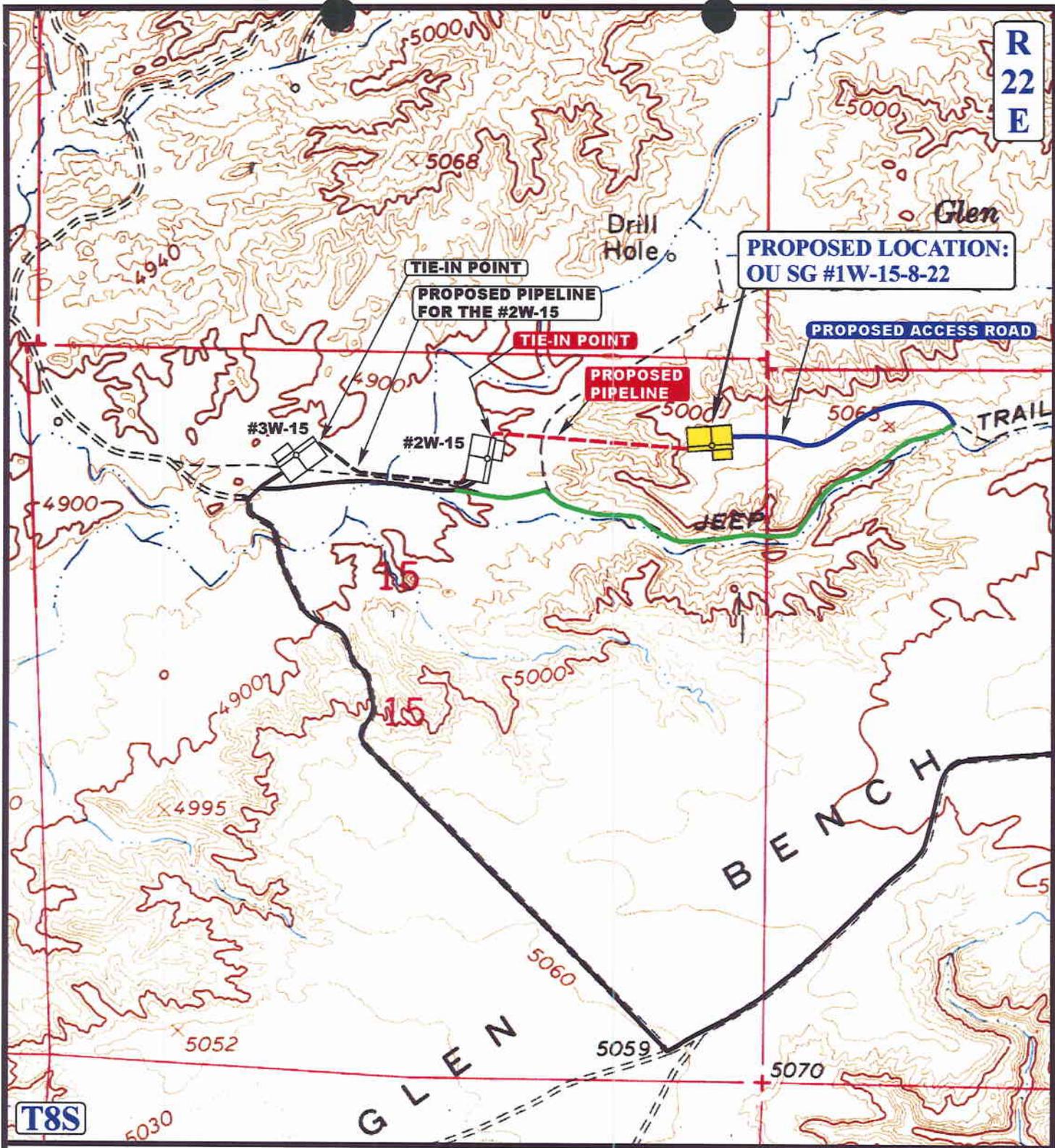
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

8 29 02
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 1,400' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- - - - - EXISTING PIPELINE
- - - - - PROPOSED PIPELINE

SHENANDOAH ENERGY, INC.

OU SG #1W-15-8-22
SECTION 15, T8S, R22E, S.L.B.&M.
619' FNL 400' FEL



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

TOPOGRAPHIC MAP **8 29 02**
MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: P.M. REVISED: 00-00-00



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/23/2002

API NO. ASSIGNED: 43-047-34720

WELL NAME: OU SG 1W-15-8-22

OPERATOR: SHENANDOAH ENERGY INC (N4235)

CONTACT: JOHN BUSCH

PHONE NUMBER: 435-781-4341

PROPOSED LOCATION:

NENE 15 080S 220E
SURFACE: 0619 FNL 0400 FEL
BOTTOM: 0619 FNL 0400 FEL
UINTAH
KENNEDY WASH (618)

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

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-73686

SURFACE OWNER: 1 - Federal

LATITUDE: 40.12847

PROPOSED FORMATION: WSTC

LONGITUDE: 109.41753

RECEIVED AND/OR REVIEWED:

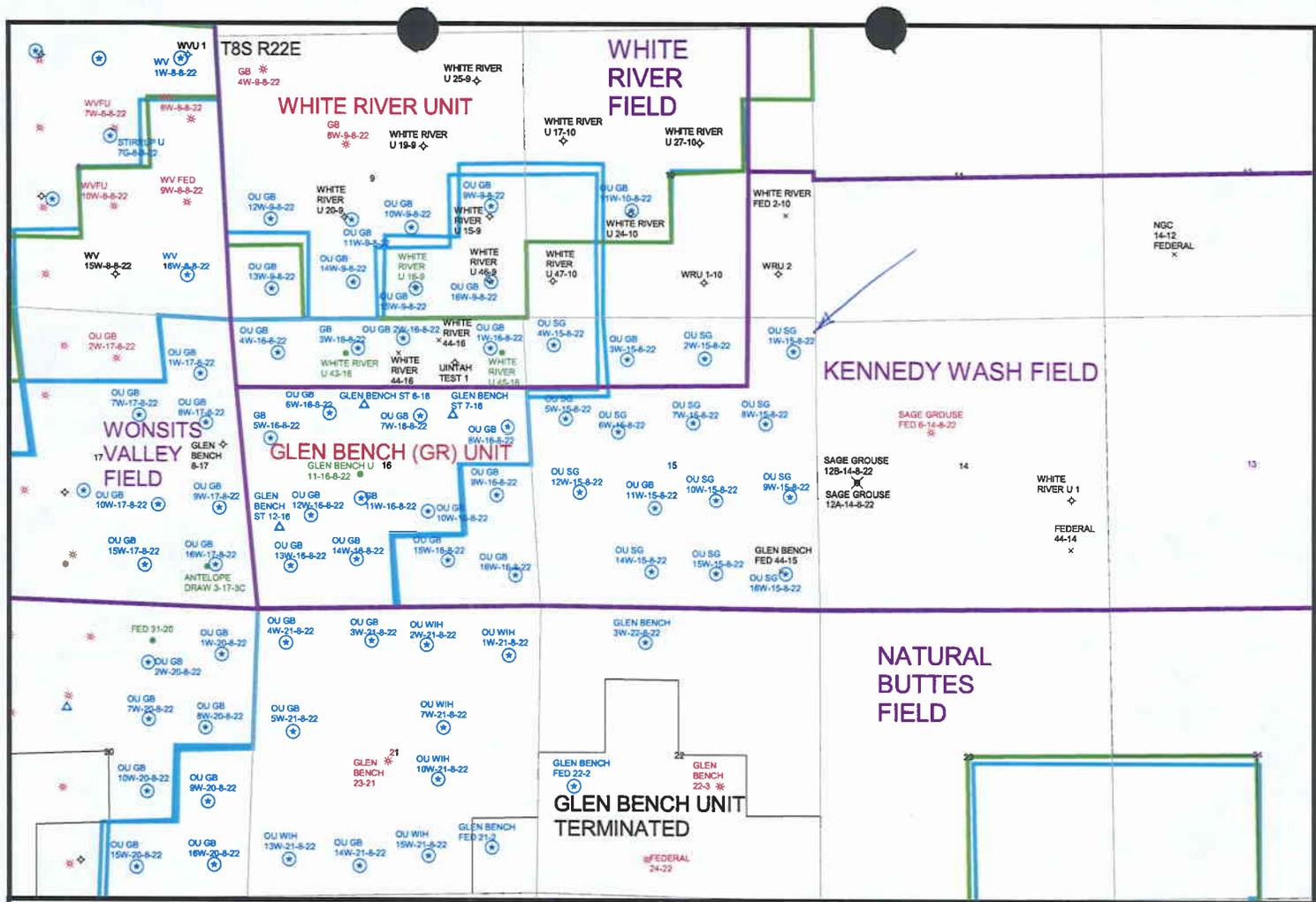
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. U-0969)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-8496)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)

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: Sep, Separate file

STIPULATIONS: 1- Federal Approval
2- Spacing Strip



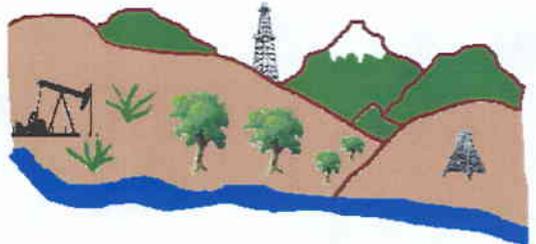
OPERATOR: SHENANDOAH ENERGY (N4235)

SEC. 15 T8S R 22E

FIELD: KENNEDY WASH (618)

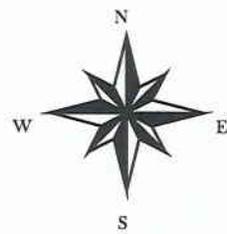
COUNTY: UINTAH

SPACING: R649-3-3 / EX LOCATION



Utah Oil Gas and Mining

Well Status	Unit Status	Field Status
GAS INJECTION	EXPLORATORY	ABANDONED
GAS STORAGE	GAS STORAGE	ACTIVE
LOCATION ABANDONED	NF PP OIL	COMBINED
NEW LOCATION	NF SECONDARY	INACTIVE
PLUGGED & ABANDONED	PENDING	PROPOSED
PRODUCING GAS	PI OIL	STORAGE
PRODUCING OIL	PP GAS	TERMINATED
SHUT-IN GAS	PP GEOTHERML	Section Lines
SHUT-IN OIL	PP OIL	Township Lines
TEMP. ABANDONED	SECONDARY	County Boundaries
TEST WELL	TERMINATED	
WATER INJECTION		
WATER SUPPLY		
WATER DISPOSAL		



PREPARED BY: DIANA MASON
DATE: 24-SEPTEMBER-2002

SHENANDOAH ENERGY INC.

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

September 26, 2002

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

To Whom It May Concern:

In reference to the State Oil and Gas Conservation rule R649-3-3 Shenandoah Energy Inc. OUG^S
1W-15-8-22 is an exception to this rule due to topography.

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

Thank you,


Raleen Searle
Regulatory Affairs Analyst

RECEIVED

SEP 27 2002

DIVISION OF
OIL, GAS AND MINING



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

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

Michael O. Leavitt
Governor

Robert L. Morgan
Executive Director

Lowell P. Braxton
Division Director

September 30, 2002

Shenandoah Energy Inc.
11002 E 17500
Vernal, UT 84078

Re: Over and Under Sage Grouse 1W-15-8-22 Well, 619' FNL, 400' FEL, NE NE, Sec. 15,
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.

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 43-047-34720.

Sincerely,

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

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 Sage Grouse 1W-15-8-22
API Number: 43-047-34720
Lease: UTU-73686

Location: NE NE Sec. 15 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.



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-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

ROUTING

1. GLH
2. CDW
3. FILE

005

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): N4235-Shenandoah Energy Inc 11002 E 17500 S Vernal, UT 84078-8526 Phone: (435) 781-4341	TO: (New Operator): 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
BASER WASH 6W-7-7-22	07	070S	220E	4304734837		Federal	GW	APD	C
GYPSUM HILLS 13HG-17-8-21	17	080S	210E	4304734723	13765	Federal	GW	DRL	C
OU GB 13W-10-8-22	10	080S	220E	4304734754	13774	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 SG 8W-15-8-22	15	080S	220E	4304734717	13819	Federal	GW	DRL	C
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
GB 5G-15-8-22	15	080S	220E	4304734876		Federal	OW	APD	C
OU GB 15G-16-8-22	16	080S	220E	4304734829		State	OW	DRL	
OU GB 6W-21-8-22	21	080S	220E	4304734755	13751	Federal	GW	P	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 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 8WX-29-8-22	29	080S	220E	4304734884		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	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-28-8-2	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-27-8-2	27	080S	210E	4304734900		Federal	GW	APD	C
N DUCK CREEK 9M-22-8-2	22	080S	210E	4304734901		Federal	GW	APD	C
N DUCK CREEK 11M-22-8	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

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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 Well Gas Well Other

2. Name of Operator
QEP UINTA BASIN, INC.

3. Address and Telephone No.
11002 E. 17500 S. VERNAL, UT 84078-8526 (438) 781-4341

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
619' FNL, 400' FEL, NENE, SECTION 15, T8S, R22E

CONFIDENTIAL

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

5. Lease Designation and Serial No.
UTU-73686

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

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

8. Well Name and No.
OU SG 1W-15-8-22

9. API Well No.
43-047-34720

10. Field and Pool, or Exploratory Area
KENNEDY WASH

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)

QEP Uinta Basin, Inc. hereby requests a one year extension from approval date on the OU SG 1W-15-8-22

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 11-03-03
By: [Signature]

COPY SENT TO OPERATOR
Date: 11-3-03
Initials: CHD

14. I hereby certify that the foregoing is true and correct.
Signed RALEEN SEARLE Raleen Searle Title REGULATORY AFFAIRS ANALYST Date 10/29/03

(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.

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

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

API: 43-047-34720
Well Name: OU SG 1W-15-8-22
Location: NENE, SECTION 15, T8S, R22E
Company Permit Issued to: QEP UINTA BASIN, INC.
Date Original Permit Issued: 11/18/2002

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

Rabeen Seale
Signature

10-29-03
Date

Title: REGULATORY AFFAIRS ANALYST

Representing: QEP UINTA BASIN, INC.

RECEIVED

OCT 30 2003

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

007

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		5. Lease Designation and Serial No.
Oil	Gas	UTU-73686
<input type="checkbox"/> Well	<input checked="" type="checkbox"/> Well	<input type="checkbox"/> Other
2. Name of Operator		6. If Indian, Allottee or Tribe Name
QEP UINTA BASIN, INC.		N/A
3. Address and Telephone No.		7. If Unit or CA, Agreement Designation
11002 E. 17500 S. VERNAL, UT 84078-8526		N/A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		8. Well Name and No.
619' FNL, 400' FEL,NENE, SECTION 15, T8S, R22E		OU SG 1W-15-8-22
		9. API Well No.
		43-047-34720
		10. Field and Pool, or Exploratory Area
		KENNEDY WASH
		11. County or Parish, State
		UINTAH, UTAH

RECEIVED
OCT 29 2003

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 SG 1W-15-8-22

CONDITIONS OF APPROVAL ATTACHED

RECEIVED

DEC 31 2003

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.
Signed RALEEN SEARLE *Raleen Searle* Title REGULATORY AFFAIRS ANALYST Date 10/29/03

(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



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

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

API: 43-047-34720
Well Name: OU SG 1W-15-8-22
Location: NENE, SECTION 15, T8S, R22E
Company Permit Issued to: QEP UINTA BASIN, INC.
Date Original Permit Issued: 11/18/2002

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.

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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

Raleen Senle
Signature

10-29-03
Date

Title: REGULATORY AFFAIRS ANALYST

Representing: QEP UINTA BASIN, INC.

QEP- Uintah Basin Inc.
APD Extension

Well: OUSG 1W-15-8-22

Location: NENE Sec. 15, T8S, R22E

Lease: U-73686

CONDITIONS OF APPROVAL

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

1. The extension will expire 11/19/04
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. 1004-0136
Expires November 30, 2000

009

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
UTU73686

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.
EXPIRED-OU SG 1W-15-8-22

9. API Well No.
43-047-34720-00-X1

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: john.busch@questar.com

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
KENNEDY WASH

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

At surface NENE 619FNL 400FEL
At proposed prod. zone

11. Sec., T., R., M., or Blk. and Survey or Area
Sec 15 T8S R22E Mer SLB
SME: BLM

14. Distance in miles and direction from nearest town or post office*
11 +/- MILES FROM 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)
400' +/-

16. No. of Acres in Lease
554.91

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.
1300' +/-

19. Proposed Depth
7675 MD
7675 TVD

20. BLM/BIA Bond No. on file
ESB000024

21. Elevations (Show whether DF, KB, RT, GL, etc.)
5037 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 09/19/2002
--	------------------------------------	--------------------

Title
OPERATIONS REPRESENTATIVE

Approved by (Signature) EXPIRED	Name (Printed/Typed) EXPIRED	Date 11/19/2004
---	---------------------------------	--------------------

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 #14195 verified by the BLM Well Information System
For SHENANDOAH ENERGY INC, sent to the Vernal
Committed to AFMSS for processing by LESLIE WALKER on 09/23/2002 (02LW1762AE)**

** BLM REVISED **

Additional Operator Remarks:

Shenandoah Energy Inc. proposes to drill a well to 7675' 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 #14195

Operator Submitted

Lease: UTU-73686
Agreement: N/A
Operator: SHENANDOAH ENERGY INC.
11002 E. 17500 S.
VERNAL, UT 84078
Ph: 435.781.4341
Fx: 435.781.4323

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

Tech Contact:

Well Name: OU SG
Number: 1W-15-8-22
Location:
State: UT
County: UINTAH
S/T/R: Sec 15 T8S R22E Mer SLB
Surf Loc: NENE 619FNL 400FEL

Field/Pool: KENNEDY WASH

Bond: U-0969

BLM Revised (AFMSS)

UTU73686

SHENANDOAH ENERGY INC
11002 EAST 17500 SOUTH
VERNAL, UT 84078-8526
Ph: 435.781.4300
Fx: 435.781.4329

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

EXPIRED-OU SG
1W-15-8-22

UT
UINTAH
Sec 15 T8S R22E Mer SLB
NENE 619FNL 400FEL

KENNEDY WASH

ESB000024



State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

December 10, 2004

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

Re: APD Rescinded – OU SG 1W-15-8-22, Sec. 15, T. 8S, R. 22E
Uintah County, Utah API No. 43-047-34720

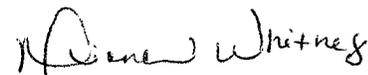
Dear Ms. Nelson:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on September 30, 2002. On November 3, 2003 the Division granted a one-year APD extension. On December 6, 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 6, 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



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 SG 1W-15-8-22
NENE, Sec. 15, T8S, R22E
Uintah County, Utah
Lease No. UTU-73686

Dear Ms. Nelson:

The Application for Permit to Drill the above-referenced well was approved on November 18, 2002. A one (1) year extension of the original APD was requested. The request was reviewed and the extension approved until November 19, 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

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DEC 27 2004

DIV. OF OIL, GAS & MINING