

001

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

FORM 3

APPLICATION FOR PERMIT TO DRILL

1A. TYPE OF WORK: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN		5. MINERAL LEASE NO: <b>ML-22186</b>	6. SURFACE: <b>STATE</b>
B. TYPE OF WELL <input type="checkbox"/> OIL <input checked="" type="checkbox"/> GAS OTHER _____ <input checked="" type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE		7. IF INDIAN, ALLOTTEE OR TRIBE NAME <b>N/A</b>	
2. NAME OF OPERATOR: <b>QEP UINTA BASIN, INC.</b>		8. UNIT OF CA AGREEMENT NAME: <b>N/A</b>	
3. ADDRESS OF OPERATOR: <b>11002 E. 17500 S. CITY VERNAL STATE UT ZIP 84078</b>		9. WELL NAME and NUMBER: <b>SC 3M-16-10-23</b>	
4. LOCATION OF WELL (FOOTAGES) <b>W 4423862Y 39.95482</b> AT SURFACE: <b>489' FNL, 2043' FOL 642357X -109.33345</b> AT PROPOSED PRODUCING ZONE: <b>SAME</b>		10. FIELD AND POOL, OR WILDCAT: <b>NATURAL BUTTES</b>	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: <b>24+/- MILES EAST OF OURAY, UTAH</b>		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NENW 16 10S 23E</b>	12. COUNTY: <b>UINTAH</b>
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE(FEET) <b>489' +/-</b>		13. STATE: <b>UTAH</b>	
16. NUMBER OF ACRES IN LEASE: <b>320</b>		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: <b>40</b>	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) <b>2000' +/-</b>		19. PROPOSED DEPTH <b>9550'</b>	
20. BOND DESCRIPTION: <b>04127294</b>		21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): <b>5164' KB</b>	
22. APPROXIMATE DATE WORK WILL START: <b>ASAP</b>		23. ESTIMATED DURATION: <b>20 DAYS</b>	

24 PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT		SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT	
18"	14"	CONDUCTOR	40'	READY MIX CEMENT	
12 1/4	9 5/8"	J-55	1900'	HI FILL 11#/GAL 3.82FT3 22.92 GAL/SK 290	
8 3/4	4 1/2"	M-80	9550'	50/50 POZ 14.35 #/SK, 1.22FT3, 5.32 GAL/SK	

RECEIVED

25 ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERATION GENERAL RULES:

- WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
- COMPLETE DRILLING PLAN
- EVIDNECE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
- FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASOR

OCT 03 2003

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) John Busch TITLE Construction Supervisor

SIGNATURE John Busch DATE September 29, 2003

(This space for State use only)

API NUMBER ASSIGNED: 43-047-3528282 APPROVAL: \_\_\_\_\_

(11/2001)

(See Instruction on Reverse Side)

Approved by the  
Utah Division of  
Oil, Gas and Mining

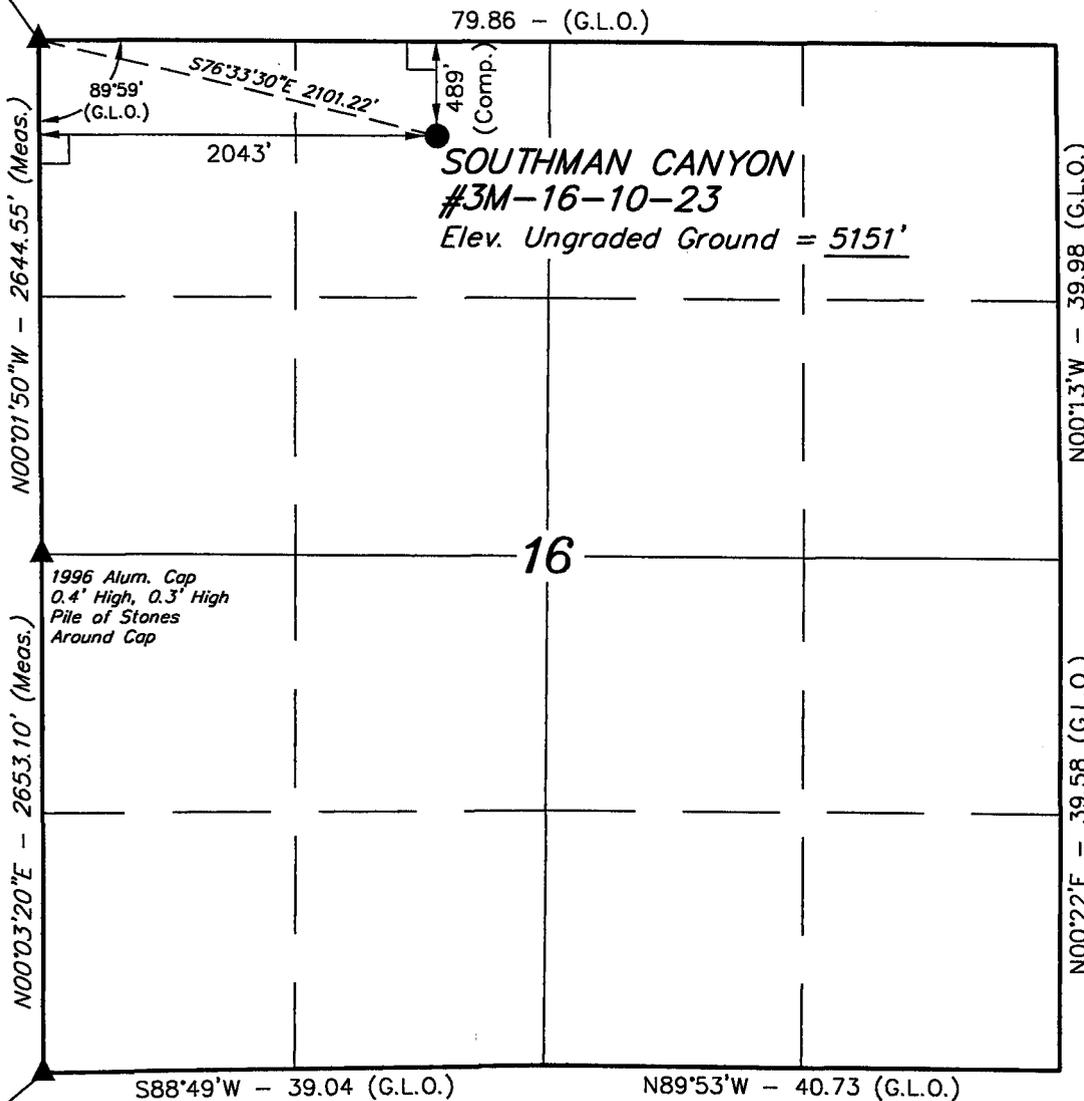
Date: 11-13-03

By: [Signature]

CONFIDENTIAL

1995 Alum. Cap  
0.1' High Above  
1.0' High Pile of  
Stones Around Cap,  
Second Pile ELY

# T10S, R23E, S.L.B.&M.



1996 Alum. Cap  
0.4' High, 0.3' High  
Pile of Stones  
Around Cap

1996 Alum. Cap  
0.6' High, Pile  
of Stones

## CONFIDENTIAL

### LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

(AUTONOMOUS NAD 83)  
LATITUDE = 39°57'17.87" (39.954964)  
LONGITUDE = 109°20'02.58" (109.334050)

## QUESTAR EXPLORATION & PRODUCTION

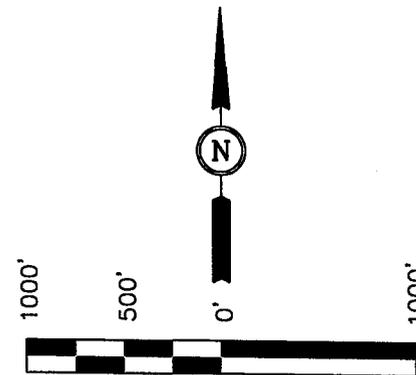
Well location, SOUTHMAN CANYON #3M-16-10-23, located as shown in the NE 1/4 NW 1/4 of Section 16, T10S, R23E, S.L.B.&M. Uintah County, Utah.

### BASIS OF ELEVATION

TRIANGULATION STATION (JEK 7) LOCATED IN THE SW 1/4 NE 1/4 CORNER OF SECTION 2, T10S, R23E, S.L.B.&M. TAKEN FROM THE ASPHALT WASH 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 5587 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.

*Robert J. Hay*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

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

SCALE 1" = 1000'	DATE SURVEYED: 08-22-03	DATE DRAWN: 09-08-03
PARTY D.K. J.S. G.S. D.F. D.COX	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE QUESTAR EXPLORATION & PRODUCTION	

DRILLING PROGRAM

ONSHORE OIL & GAS ORDER NO. 1  
Approval of Operations on Onshore  
Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Depth</u>	<u>Prod. Phase Anticipated</u>
Uinta	Surface	
Wasatch	3785'	
Mesa Verde	5840'	
Buck Tongue	7930'	
Black Hawk	8530'	
Mancos SH	8830'	
Mancos B	9230'	
TD	9550'	

2. Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas. Or other mineral bearing formations are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil/Gas	Mancos	9550'

CONFIDENTIAL

DRILLING PROGRAM

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. Fresh water will be obtained from Wonsits Valley water right #36125 or where possible a fresh water line (poly pipe) will be laid in the access road to each location to supply fresh water for drilling purposes.

3. Operator's Specification for Pressure Control Equipment:

- A. 3,000 psi W.P. Double Gate BOP or Single Gate BOP (schematic attached)
- B. Functional test daily
- C. All casing strings shall be pressure tested (0.2 psi/foot or 1500 psi, whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed 70% of the internal yield pressure of the casing at the shoe.
- D. Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc..., for a 3M system and individual components shall be operable as designed.

4. Casing Program

	<u>Depth</u>	<u>Hole Size</u>	<u>Csg Size</u>	<u>Type</u>	<u>Weight</u>
Surface	40'	18"	14"	CONDUCTOR	
Surface	1900'	12 -1/4"	9-5/8"	J-55	36lb/ft (new) LT&C
Production	9550'	8 -3/4"	4 -1/2"	M-80	11.6lb/ft (new)LT&C

5. Auxiliary Equipment

- A. Kelly Cock – yes
- B. Float at the bit – no

DRILLING PROGRAM

- 
- C. Monitoring equipment on the mud system – visually
  - D. Full opening safety valve on the rig floor – yes
  - E. Rotating Head – yes
- If drilling with air the following will be used:
- F. The blooie line shall be at least 6” in diameter and extend at least 100’ from the well bore into the reserve/blooie pit.
  - G. Blooie line ignition shall be provided by a continuous pilot (ignited when drilling below 500’).
  - H. Compressor shall be tied directly to the blooie line through a manifold.
  - I. A mister with a continuous stream of water shall be installed near the end of the blooie lines for dust suppression.

- 6. Surface hole will be drilled with air, air/mist, foam, or mud depending on hole conditions. Drilling below surface casing will be with water based drilling fluids consisting primarily of fresh water, bentonite, lignite, caustic, lime, soda ash and polymers. No chromates will be used. It is not intended to use oil in the mud, however, in the event it is used, oil concentration will be less than 4% by volume. Maximum anticipated mud weight is 9.5 ppg.

No minimum quantity of weight material will be required to be kept on location.

PVT/Flow Show will be used from base of surface casing to TD.

Gas detector will be used from surface casing depth to TD.

6. Testing, logging and coring program

- A. Cores – none anticipated
- B. DST – none anticipated

Logging – Mud logging – 4500 to TD

**CONFIDENTIAL**

DRILLING PROGRAM

GR-SP-Induction  
Neutron Density  
MRI

- C. Formation and Completion Interval: Mancos interval, final determination of completion will be made by analysis of logs. Stimulation – Stimulation will be designed for the particular area of interest as encountered.

7. Cementing Program

<u>Casing</u>	<u>Volume</u>	<u>Type &amp; Additives</u>
Surface	40sxs	Premium Plus type 5 + 2% CaCl <sub>2</sub> , 15.6 ppg, 1.18ft <sup>3</sup> , 5.2 gal/sk.

Production – Lead – 1860sxs

Tail – 746 sxs Lead/Tail oilfield type cementn circulated in place.  
Lead Slurry: Hi-Fill + extender and additives as required, mixed to 11 ppg, yield = 3.82ft<sup>3</sup>, 22.92 gal/sk. Fill to surface. Tail Plug used. Allowed to set under pressure.

Tail Slurry: 50/50 poz, mixed to 14.35 ppg, yield = 1.22ft<sup>3</sup>, 5.32 gal/sk. Fill to 5080' (+/- 300' above top of Mesa Verde)

\*Final cement volumes to be calculated from caliper log with an attempt to be made to circulate cement to the surface. A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards

No abnormal temperatures or pressures are anticipated. No H<sub>2</sub>S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 3820.0 psi. Maximum anticipated bottom hole temperature is 140° F.

CONFIDENTIAL

**Lessee's or Operator's Representative:**

John Busch  
Red Wash Operations Rep.  
QEP Uinta Basin, 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.

QEP Uinta Basin, 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 QEP Uinta Basin 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

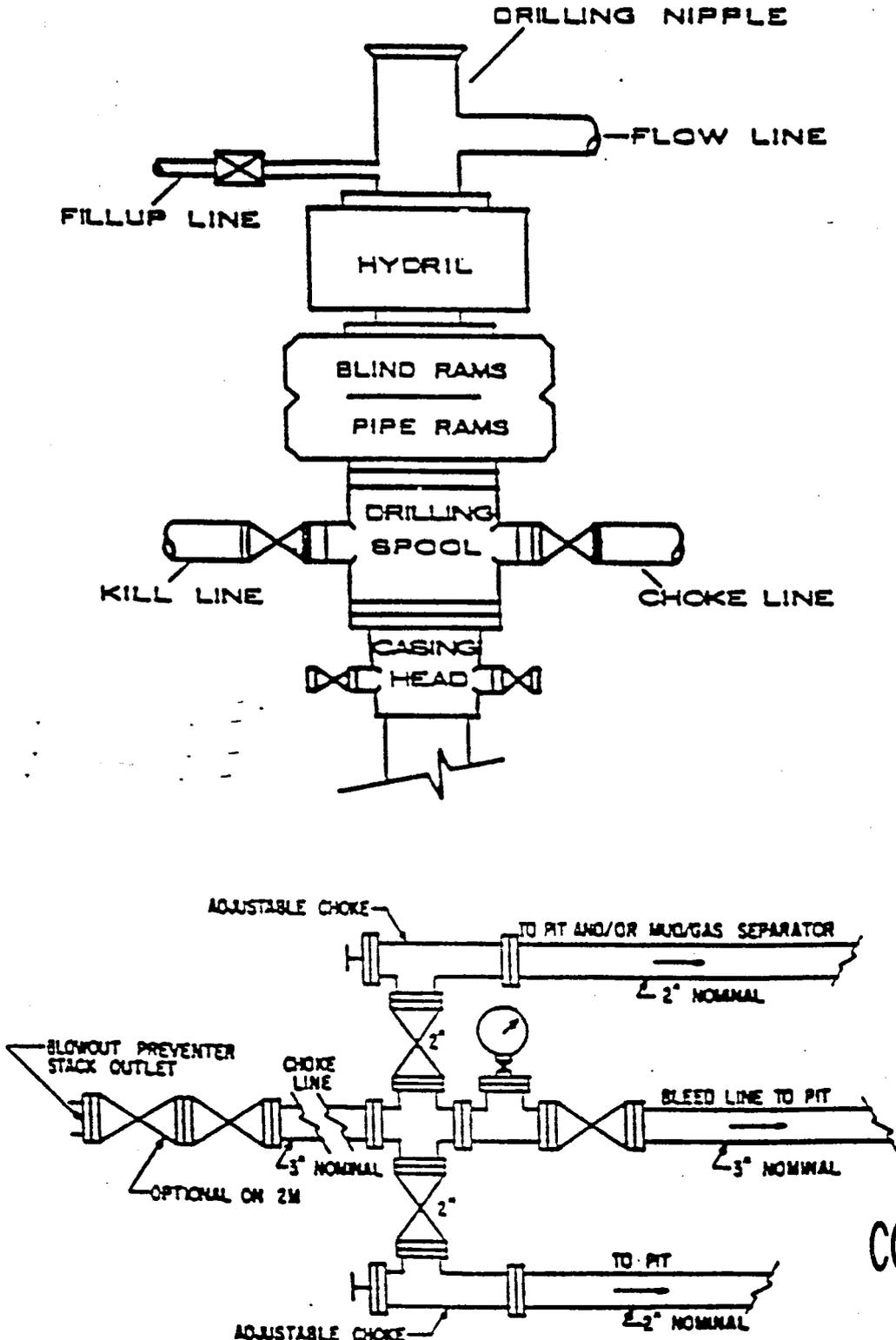
September 29, 2003

Date

**CONFIDENTIAL**

Drilling Program

SCHEMATIC DIAGRAM OF 3,000 PSI BOP STACK

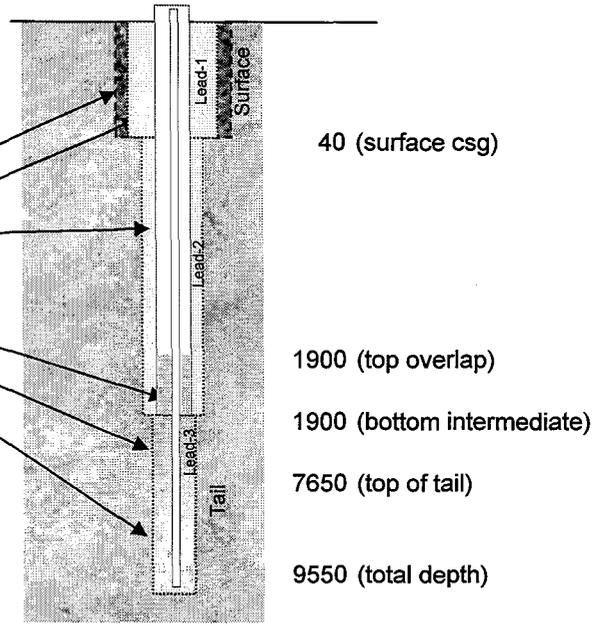


CONFIDENTIAL

**Cement Calculations V2b (w/ intermediate string)**

x-rg (04mar02)

Interval	wo factor	hole dia	csg dia	cf/f	yield	sxs/ft	feet	sxs
Surf Csg	1.2	18	14	1.476	1.18	1.251	40	50
Lead1	1.2	14	9.625	1.034	1.18	0.876	40	35
Lead2	1.2	12.25	9.625	0.673	1.18	0.571	1900	1084
Overlap	1.2	0	0	0.000	3.81	0.000	0	0
Lead3	1.2	8.75	4.5	0.491	3.81	0.129	5750	741
Tail	1.2	8.75	4.5	0.491	1.25	0.393	1900	746



surf csg	50 sxs
total lead	1860 sxs
total tail	746 sxs
<b>total</b>	<b>2656 sxs</b>

*Handwritten signature and date: 3/10/02*

**CONFIDENTIAL**

**QUESTAR EXPLR. & PROD.**  
**SOUTHMAN CANYON #3M-16-10-23**  
 LOCATED IN UTAH COUNTY, UTAH  
 SECTION 16, T10S, R23E, S.L.B.&M.

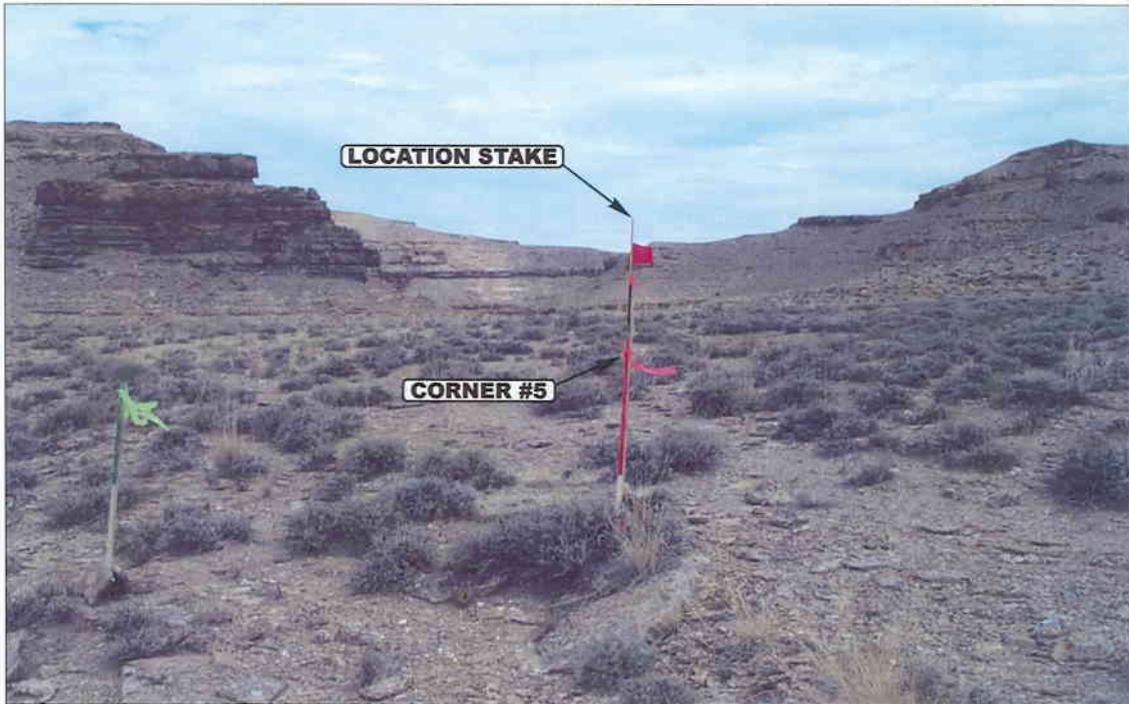


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



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

<b>LOCATION PHOTOS</b>			<b>09</b>	<b>06</b>	<b>03</b>	<b>PHOTO</b>
			MONTH	DAY	YEAR	
TAKEN BY: G.S.	DRAWN BY: P.M.	REVISED: 00-00-00				

**CONFIDENTIAL**



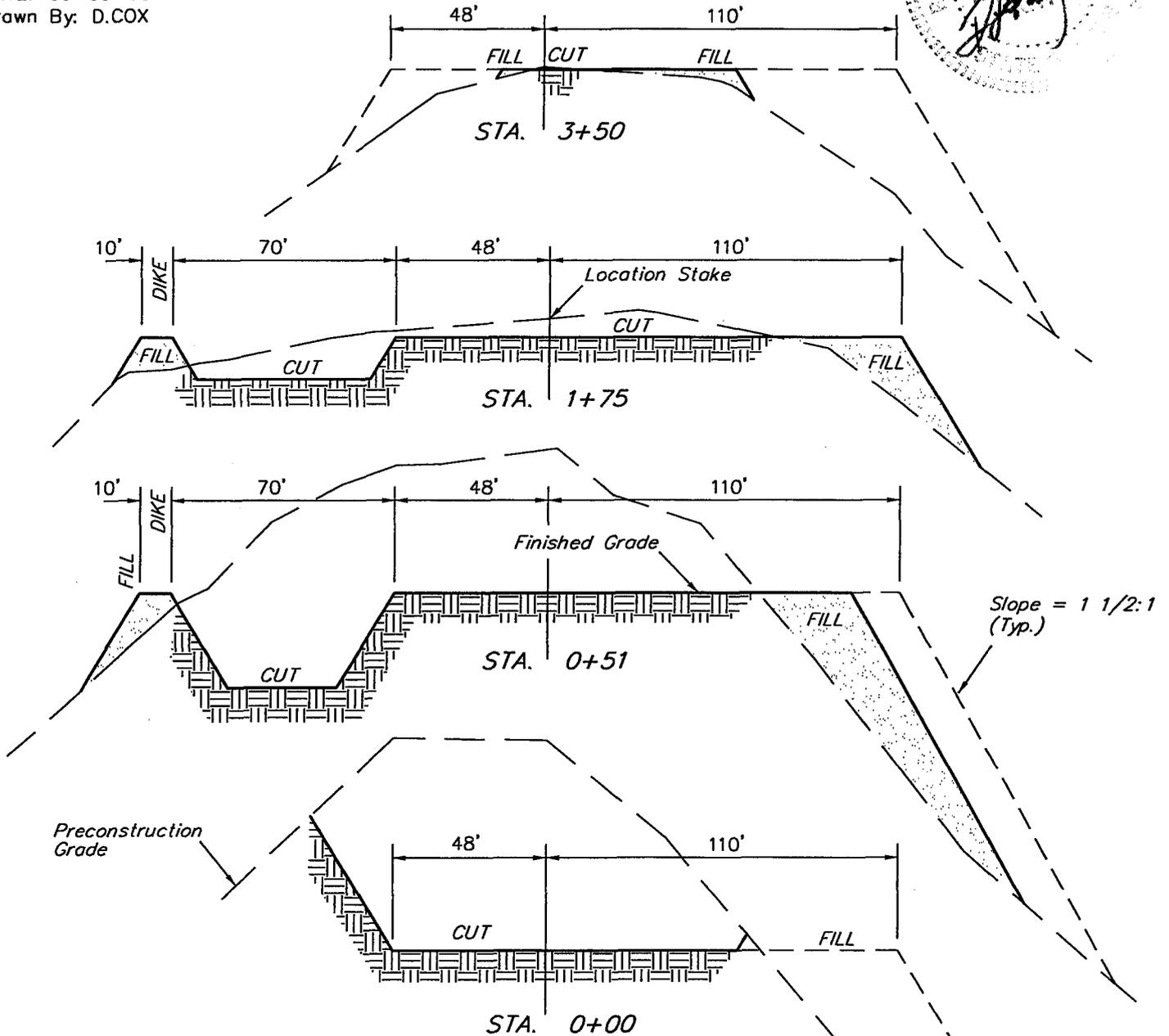
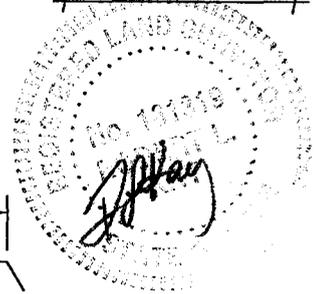
QUESTAR EXPLORATION & PRODUCTION

FIGURE #2

TYPICAL CROSS SECTIONS FOR  
SOUTHMAN CANYON #3M-16-10-23  
SECTION 16, T10S, R23E, S.L.B.&M.  
489' FNL 2043' FWL

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

DATE: 09-09-03  
Drawn By: D.COX

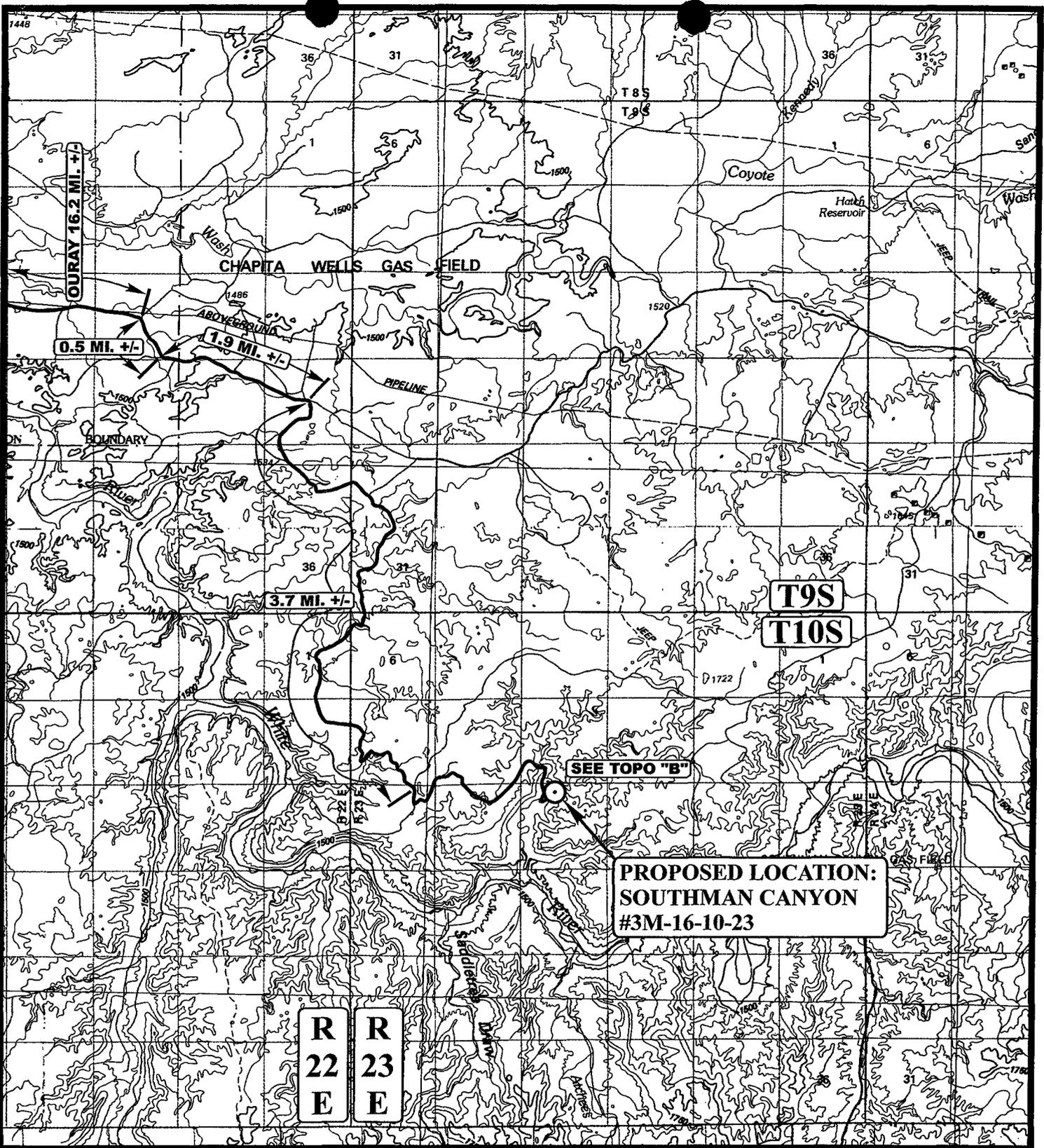


**CONFIDENTIAL**

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,280 Cu. Yds.
Remaining Location	= 14,190 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 15,470 CU.YDS.</b>
<b>FILL</b>	<b>= 12,090 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,740 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,740 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.



**PROPOSED LOCATION:  
SOUTHMAN CANYON  
#3M-16-10-23**

**SEE TOPO "B"**

**LEGEND:**

⊙ PROPOSED LOCATION

**QUESTAR EXPLR. & PROD.**

**SOUTHMAN CANYON #3M-16-10-23  
SECTION 16, T10S, R23E, S.L.B.&M.  
489' FNL 2043' FWL**



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



**TOPOGRAPHIC  
MAP**

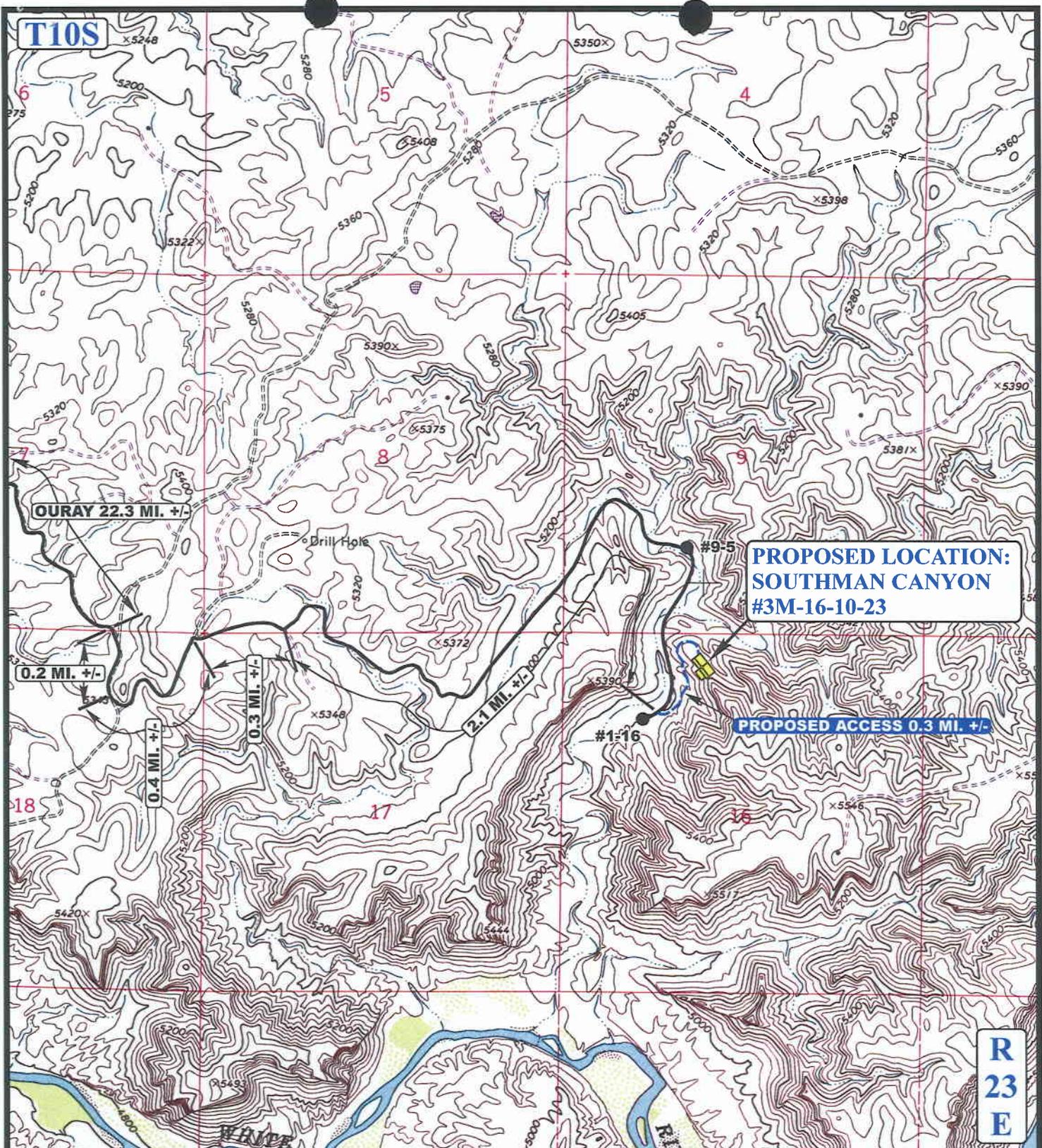
**09 06 03**  
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: P.M.

REVISED: 00-00-00



**CONFIDENTIAL**



**LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD



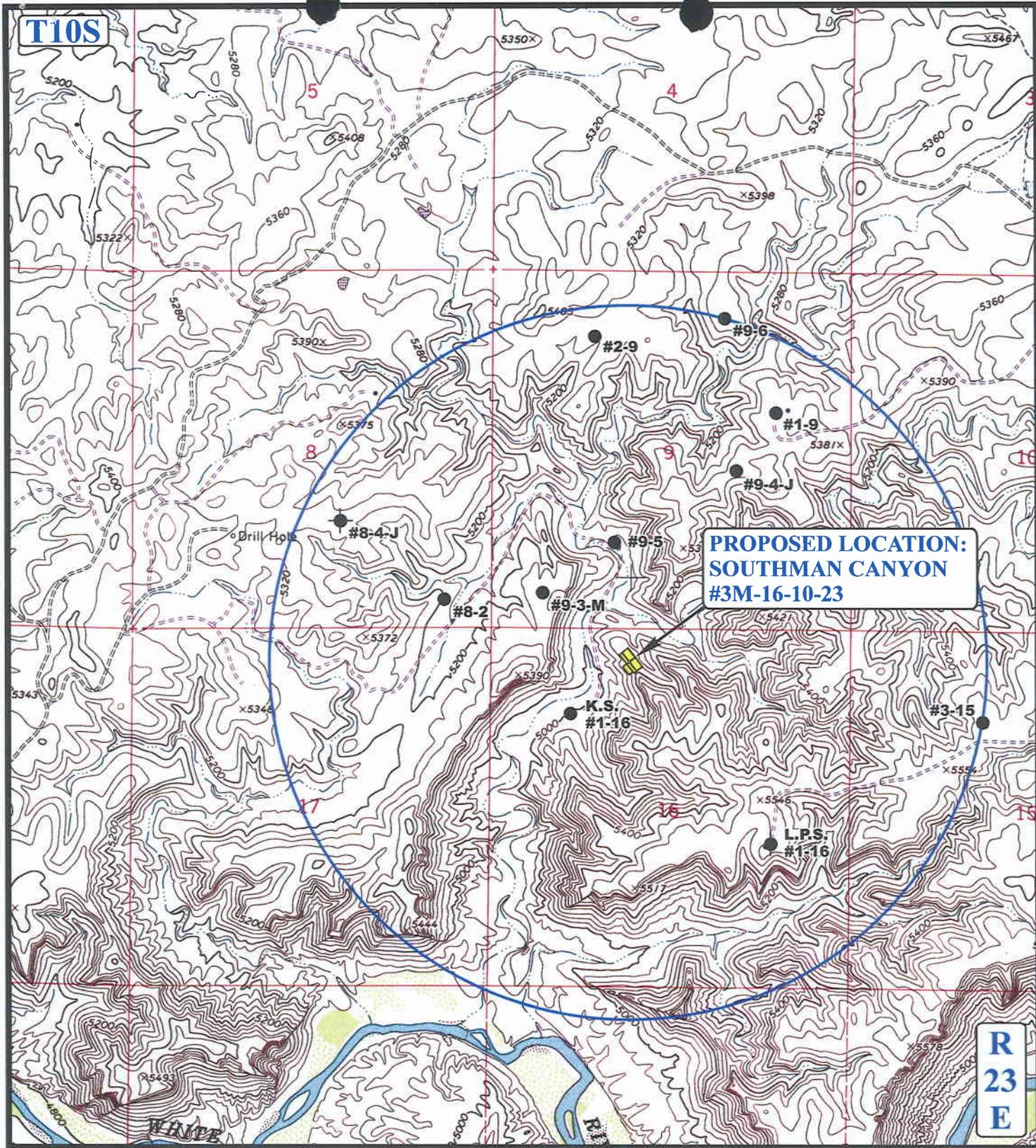
**QUESTAR EXPLR. & PROD.**

**SOUTHMAN CANYON #3M-16-10-23**  
**SECTION 16, T10S, R23E, S.L.B.&M.**  
**489' FNL 2043' FWL**

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

**TOPOGRAPHIC** 09 06 03  
**MAP** MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00 **B**  
 TOPO

**CONFIDENTIAL**



**PROPOSED LOCATION:  
SOUTHMAN CANYON  
#3M-16-10-23**

**LEGEND:**

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



**QUESTAR EXPLR. & PROD.**

**SOUTHMAN CANYON #3M-16-10-23  
SECTION 16, T10S, R23E, S.L.B.&M.  
489' FNL 2043' FWL**

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

**TOPOGRAPHIC MAP** 09 06 03  
MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00



**CONFIDENTIAL**

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/03/2003

API NO. ASSIGNED: 43-047-35282

WELL NAME: SC 3M-16-10-23

OPERATOR: QEP UINTA BASIN, INC. ( N2460 )

CONTACT: JOHN BUSCH

PHONE NUMBER: 435-781-4341

PROPOSED LOCATION:

NENW 16 100S 230E  
SURFACE: 0489 FNL 2043 FWL  
BOTTOM: 0489 FNL 2043 FWL  
UINTAH  
NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKD	11/12/03
Geology		
Surface		

LEASE TYPE: 3 - State  
LEASE NUMBER: ML-22186 *OK*  
SURFACE OWNER: 3 - State

LATITUDE: 39.95482  
LONGITUDE: 109.33345

PROPOSED FORMATION: MNCS

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[], Sta[3] Fee[]  
(No. ~~04127294~~ *OK 965-083, 832*)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 36125 )
- 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: Needs Permit (10-29-03)

STIPULATIONS: 1- Spacing Slip  
2- STATEMENT OF BASIS



**ON-SITE PREDRILL EVALUATION**  
**Division of Oil, Gas and Mining**

**OPERATOR:** Q.E.P. UINTA BASIN, INC.  
**WELL NAME & NUMBER:** SOUTHMAN CANYON 3M-16-10-23  
**API NUMBER:** 43-047-35282  
**LEASE:** ML-22186 **FIELD/UNIT:** NATURAL BUTTES  
**LOCATION:** 1/4, 1/4 NE/NW sec: 16 TWP: 10S RNG: 23E 2043' FWL 489' FNL  
**LEGAL WELL SITING:** 460 F SEC. LINE; 460 F 1/4, 1/4 LINE; 920 F ANOTHER WELL.  
**GPS COORD (UTM):** 4423887N 642365E **SURFACE OWNER:** STATE OF UTAH

**PARTICIPANTS**

DAVID W. HACKFORD (DOGM), JAN NELSON, RAYLENE SEARLE (O.E.P.), FLOYD BARTLETT (DWR).

**REGIONAL/LOCAL SETTING & TOPOGRAPHY**

SITE IS ON THE POINT OF A RIDGE RUNNING EAST TO WEST. THERE ARE VERY SHARP CANYONS NORTH, WEST AND SOUTH OF THE SITE. THERE IS A SHEER ROCK FACE AND NUMEROUS OUTCROPPINGS TO THE EAST. THE WHITE RIVER IS ONE MILE TO THE SOUTH. OURAY, UTAH IS 24 MILES TO THE WEST.  
DRAINAGE IS TO THE WEST.

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING, HUNTING.

PROPOSED SURFACE DISTURBANCE: LOCATION WILL BE 350' BY 228'. ACCESS ROAD WILL BE 0.3 MILES.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: SEE ATTACHED MAP FROM GIS DATABASE.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: ALL PRODUCTION FACILITIES WILL BE ON LOCATION AND ADDED AFTER DRILLING WELL. THE PIPELINE TO THIS WELL WILL FOLLOW THE ACCESS ROAD.

SOURCE OF CONSTRUCTION MATERIAL: ALL MATERIAL WILL BE BORROWED FROM SITE DURING CONSTRUCTION.

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

**WASTE MANAGEMENT PLAN:**

DRILLED CUTTINGS WILL BE SETTLED INTO RESERVE PIT OR AN ENCLOSED MUD SYSTEM. LIQUIDS FROM PIT WILL BE ALLOWED TO EVAPORATE OR TRUCKED FROM LOCATION. FORMATION WATER WILL BE CONFINED TO STORAGE TANKS. SEWAGE FACILITIES, STORAGE AND DISPOSAL WILL BE HANDLED BY COMMERCIAL CONTRACTOR. TRASH WILL BE CONTAINED IN TRASH BASKETS AND HAULED TO AN APPROVED LAND FILL.

**ENVIRONMENTAL PARAMETERS**

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: INDIAN RICEGRASS, SAGE, SHADSCALE, GREASEWOOD, PRICKLY PEAR: PRONGHORN, COYOTES, SONGBIRDS, RAPTORS, RODENTS, RABBITS, DEER.

SOIL TYPE AND CHARACTERISTICS: LIGHT BROWN SANDY CLAY.

EROSION/SEDIMENTATION/STABILITY: VERY LITTLE NATURAL EROSION.  
SEDIMENTATION AND STABILITY ARE NOT A PROBLEM AND LOCATION CONSTRUCTION  
SHOULDN'T CAUSE AN INCREASE IN STABILITY OR EROSION PROBLEMS.

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED.

**RESERVE PIT**

CHARACTERISTICS: RESERVE PIT WILL BE 150' BY 70' AND 12' DEEP.

LINER REQUIREMENTS (Site Ranking Form attached): IF A RESERVE PIT IS  
CONSTRUCTED, IT WILL REQUIRE A 20 MIL PLASTIC LINER AND FELT SUB-LINER.

**SURFACE RESTORATION/RECLAMATION PLAN**

**AS PER SITLA.**

SURFACE AGREEMENT: AS PER SITLA.

CULTURAL RESOURCES/ARCHAEOLOGY: SITE WAS INSPECTED BY MOAC ARCHAEOLOGY. A  
REPORT OF THIS INVESTIGATION WILL BE PLACED ON FILE.

**OTHER OBSERVATIONS/COMMENTS**

THIS PREDRILL INVESTIGATION WAS CONDUCTED ON A WARM WINDY DAY WITH NO  
SNOW COVER.

**ATTACHMENTS**

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

DAVID W. HACKFORD  
DOGM REPRESENTATIVE

10/29/03. 11:45 AM  
DATE/TIME

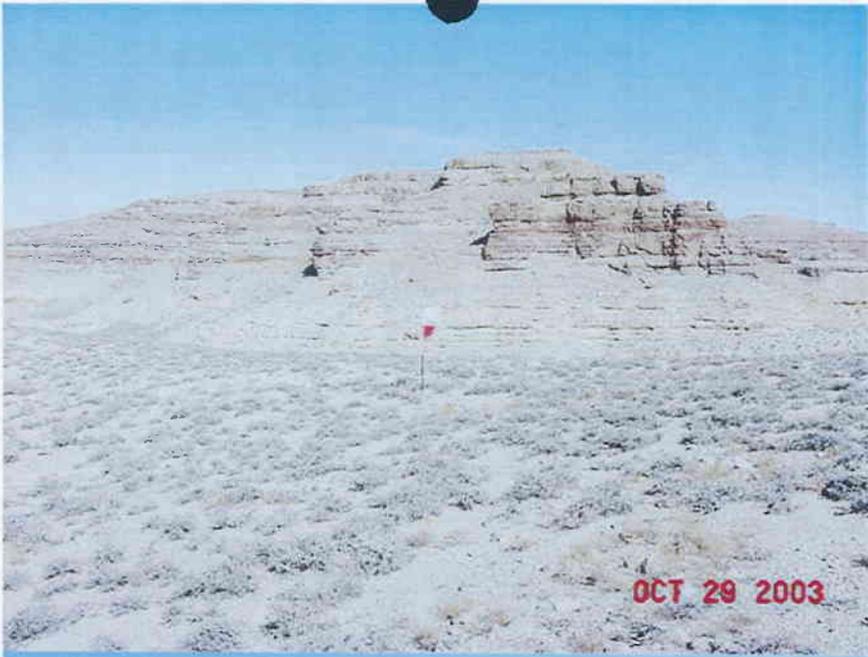
**Evaluation Ranking Criteria and Ranking Score  
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>5</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>20</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>10</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

**Final Score**      35      (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.  
Sensitivity Level II = 15-19; lining is discretionary.  
Sensitivity Level III = below 15; no specific lining is required.







OCT 29 2003

**DIVISION OF OIL, GAS AND MINING  
APPLICATION FOR PERMIT TO DRILL  
STATEMENT OF BASIS**

**OPERATOR:** Q.E.P. UINTA BASIN, INC.  
**WELL NAME & NUMBER:** SOUTHMAN CANYON 3M-16-10-23  
**API NUMBER:** 43-047-35282  
**LOCATION:** 1/4,1/4 NE/NW Sec: 16 TWP:10S RNG: 23E 2043' FWL 489' FNL

**Geology/Ground Water:**

QEP proposes to set 1900' of surface casing at this location, cemented to surface. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 4,000'. The base of the moderately saline water should be found in the upper Wasatch Formation, well down into the production string. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed well. The surface formation at this site is the Green River Formation. The Green River Formation is made up of interbedded limestones, sandstones and shales. The Green River Formation is deeply dissected in the area of the proposed well and is probably not a significant source of ground water. The proposed casing and cement should adequately protect any useable ground water in this area.

**Reviewer:** Brad Hill **Date:** 11/03/2003

**Surface:**

The predrill investigation of the surface was performed on 10/29/03. Floyd Bartlett with DWR and Ed Bonner with SITLA were invited to this investigation on 10/23/03. Mr. Bartlett was present. He had no concerns regarding the construction of this location or the drilling of this well. This site is in a very rugged area with numerous sandstone outcroppings and cliffs. The White River is one mile to the south. Sharp, deep draws to the west, north and south lead directly to the White River. While this is not a good site for a location, it is the best site in this quarter/quarter.

**Reviewer:** David W. Hackford **Date:** 10/30/03

**Conditions of Approval/Application for Permit to Drill:**

1. A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.

Well name:	<b>11-03 QEP SC 3M-16-10-23</b>	
Operator:	<b>QEP Uinta Basin In.</b>	Project ID:
String type:	Production	43-047-35282
Location:	Uintah County	

**Design parameters:**

**Collapse**  
Mud weight: 9.500 ppg  
Design is based on evacuated pipe.

**Minimum design factors:**

**Collapse:**  
Design factor 1.125

**Environment:**

H2S considered? No  
Surface temperature: 75 °F  
Bottom hole temperature: 209 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 1,500 ft

**Burst**

Max anticipated surface pressure: 3,567 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP 4,713 psi

**Burst:**  
Design factor 1.00

Cement top: 1,083 ft

**Tension:**  
8 Round STC: 1.80 (J)  
8 Round LTC: 1.80 (J)  
Buttress: 1.60 (J)  
Premium: 1.50 (J)  
Body yield: 1.50 (B)

Non-directional string.

No backup mud specified.

Tension is based on buoyed weight.  
Neutral point: 8,194 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	9550	4.5	11.60	M-80	LT&C	9550	9550	3.875	221.4
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	4713	6350	1.347	4713	7780	1.65	95	267	2.81 B

Prepared by: Clinton Dworshak  
Utah Div. of Oil & Mining

Phone: 810-538-5280  
FAX: 801-359-3940

Date: November 4, 2003  
Salt Lake City, Utah

Remarks:  
Collapse is based on a vertical depth of 9550 ft, a mud weight of 9.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	<b>11-03 QEP SC 3M-16-10-23</b>	
Operator:	<b>QEP Uinta Basin In.</b>	Project ID:
String type:	Surface	43-047-35282
Location:	Uintah County	

**Design parameters:**

**Collapse**  
Mud weight: 8.400 ppg  
Design is based on evacuated pipe.

**Minimum design factors:**

**Collapse:**  
Design factor 1.125

**Environment:**

H2S considered? No  
Surface temperature: 75 °F  
Bottom hole temperature: 102 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 1,500 ft

**Burst:**  
Design factor 1.00

Cement top: Surface

**Burst**

Max anticipated surface pressure: 1,672 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP 1,900 psi

**Tension:**  
8 Round STC: 1.80 (J)  
8 Round LTC: 1.80 (J)  
Buttress: 1.60 (J)  
Premium: 1.50 (J)  
Body yield: 1.50 (B)

Non-directional string.

No backup mud specified.

Tension is based on buoyed weight.  
Neutral point: 1,664 ft

**Re subsequent strings:**

Next setting depth: 9,550 ft  
Next mud weight: 9.500 ppg  
Next setting BHP: 4,713 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 1,900 ft  
Injection pressure 1,900 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	1900	9.625	36.00	J-55	LT&C	1900	1900	8.796	135.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	829	2020	2.437	1900	3520	1.85	60	453	7.56 J

Prepared by: Clinton Dworshak  
Utah Div. of Oil & Mining

Phone: 810-538-5280  
FAX: 801-359-3940

Date: November 4, 2003  
Salt Lake City, Utah

Remarks:  
Collapse is based on a vertical depth of 1900 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Casing Schematic

Green River

Surface

TOC @ 0.

w/18% Washcoat

TOC @ 1083.

Surface 1900. MD

9-5/8" MW 8.4 Frac 19.3

3785 Wastach

466 Moderately Saline

5846 Mesa Verde

w/15% Washcoat

TOC Tail 7490

9230 MANCOS B

4-1/2" MW 9.5

Production 9550. MD

BHP

$(.052)(9.5)(9550) = 4717$

Anticipate 3820

G<sub>0</sub>  
 $(.12)(9550) = 1146$   
MASP = 2674 psi

$(.22)(9550) = 2101$   
MASP = 2616 psi

BOPE = 3,000 proposed

Adequate Dec 11/12/03



QEP Uinta Basin, Inc.

11002 East 17500 South

Vernal, UT 84078

Tel 435 781 4300 • Fax 435 781 4329

October 20, 2003

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 QEP Uinta Basin, Inc. SC 3M-16-10-23 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

OCT 22 2003

DIVISION OF OIL, GAS & MINING

**From:** Ed Bonner  
**To:** Whitney, Diana  
**Date:** 10/24/03 7:22AM  
**Subject:** Well Clearances

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

QEP Uinta Basin Inc  
RW 32-16C  
SC 13M-16-10-23  
SC 3M-16-10-23

If you have any questions regarding this matter please give me a call.

**CC:** Garrison, LaVonne; Hill, Brad; Hunt, Gil



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

November 13, 2003

QEP Uinta Basin, Inc.  
11002 E. 17500 S.  
Vernal, UT 84078

Re: Southman Canyon #3M-16-10-23 Well, 489' FNL, 2043' FWL, NE NW, Sec. 16,  
T. 10 South, R. 23 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 43-047-35282.

Sincerely,

John R. Baza  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
SITLA

Operator: QEP Uinta Basin, Inc.  
Well Name & Number Southman Canyon #3M-16-10-23  
API Number: 43-047-35282  
Lease: ML-22186

Location: NE NW                      Sec. 16                      T. 10 South                      R. 23 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**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

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. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

005

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
ML-22186

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
SC 3M 16 10 23

9. API Well No.  
43-047-35282

10. Field and Pool, or Exploratory  
NATURAL BUTTES

11. County or Parish, and State  
UINTAH COUNTY, UT

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

**CONFIDENTIAL**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
QEP UINTA BASIN, INC. Contact: DAHN CALDWELL  
E-Mail: dahn.caldwell@questar.com

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

3b. Phone No. (include area code)  
Ph: 435.781.4342  
Fx: 435.781.4357

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 16 T10S R23E NENW 489FNL 2043FWL

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Alter Casing
	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input checked="" type="checkbox"/> Other Well Spud
	<input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

This well was spud on 1/15/04. Drilled 12-1/4" hole to 1760'. Ran 41 jts 9-5/8" 36# casing to 1738'KB.

RECEIVED

JAN 27 2004

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #27151 verified by the BLM Well Information System For QEP UINTA BASIN, INC., sent to the Vernal**

Name (Printed/Typed) DAHN CALDWELL Title AUTHORIZED REPRESENTATIVE

Signature *Dahn Caldwell* (Electronic Submission) Date 01/23/2004

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

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

Office \_\_\_\_\_

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

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

**CONFIDENTIAL**

006

RECEIVED

State of Utah  
Division of Oil, Gas and Mining

ENTITY ACTION FORM - FORM 6

DIV. OF OIL, GAS & MINING

JAN 27 2004

OPERATOR: QEP Uinta Basin, Inc.  
ADDRESS: 11002 East 17500 South  
Vernal, Utah 84078-8526

OPERATOR ACCT. No. N-2460

(435)781-4300

Action Code	Current Entity No.	New Entity No.	API Number	Well Name	QQ	SC	TP	RG	County	Spud Date	Effective Date
A	99999	14014	43-047-35282	SC 3M 16 10 23	NENW	16	10S	23E	Uintah	1/15/04	1/29/04

WELL 1 COMMENTS: MNCS

WELL 2 COMMENTS:

WELL 3 COMMENTS:

WELL 4 COMMENTS:

WELL 5 COMMENTS:

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected

(3/89)

Signature

Clerk Specialist 1/23/04  
Title Date

Phone No. (435)781-4342

CONFIDENTIAL

WEEKLY OPERATIONS REPORT – January 13, 2005UINTA BASIN

T105 R23E S-16  
43-047-35282

“Drilling Activity – Operated” 1-13-05

- Patterson #51 – WV 14MU-10-8-21 – Drilling at 8,866 feet. PTD 10,050'. Next well SG 11MU-14-8-22.
- Patterson #52 – EHX 15MU-25-8-22 – Ran casing, cemented, rigged down, moving today. PTD 8,200'. Next well EHX 14MU-25-8-22, PTD 8,200'.
- True #26 – OU SG 14MU-14-8-22 – Logging through drill pipe. PBT 9,290'. Next well RWS 8ML-14-9-24, cementing surface casing today at 2700'.

“Completions & New Wells to Sales” 1-14-05:

**FR 9P-36-14-19:** (100% WI) Entrada flowing post frac @ 900 psi FTP on a 48/64", we will test if gas is burnable today, plan to flow test all weekend to clean-up CO2.

**RWU 34-23AG:** (100% WI) Mu6, Ly2, Lu6, Gt7 & Gu6 were left open; tbg., rods & pump run; started pumping unit 12/21; currently making 86 BOPD, 254 BWPD and 6 mcfpd.

**RWU 32-27AG:** (100% WI) Lx3 swab tested @ 1.5 BFPH w/ 100% oil, the Lw4 was wet (good inflow but trace oil), and the Lu6 was wet also; CIBP set over Mt7 and squeezing off Lw4 & Lu6, but Lx3 will be left open; more zones uphole to chase next week.

**NBE 6ML-26-9-23:** (43.75% WI) 3 LMV, 1 UMV and 1 Wasatch frac (395,000# proppant). All five fracs completed. Using Champion chemicals for SI treatment on this well. Flowback ON on a 24/64" choke. BLR = 410 bbls, LLTR = 5990 bbls. As of 6 am Thursday, FCP = 375# and 30 BWPH. SI and run kill plug and DO plugs.

**WRU EIH 9MU-23-8-22:** (43.75% WI) 3 LMV, 1 UMV and 1 Wasatch fracs (316,000# proppant). To sales 1-12-05. 712 mcf in 18 hours @ 1597 psi FTP & 1800 psi CP; 60 BWPD & 23 BOPD; **Run P/L Friday morning;** lower tubing after production log. 4094 BLLTR.

**3M-16-10-23:** (100% WI) Drill up rubber plug and float collar @ 9377'. Clean out an additional 20' to 9397'. POOH and RIH with bit and scraper; run CBL and prep for perf & DFIT.

WEEKLY OPERATIONS REPORT – January 20, 2005UINTA BASIN

T109 RABE S-16  
43-041-35282

“Drilling Activity – Operated” 1-20-05

- Patterson #51 – WV 14MU-10-8-21 – TD at 10,366 feet, logging. Next well SG 11MU-14-8-22. PTD 9,100’.
- Patterson #52 – EIHX 10MU-25-8-22 – Finish moving and rigging up, spud today. PTD 8,700’. Next well GH 5W-20-8-21, PTD 8,050’. Will skip the EIHX 16MU-25-8-22 and leave it for Caza 57 later. Location too muddy to build.
- True #26 – RWS 8ML-14-9-24 – TD 7,125 feet, tripping out to log. Next well BSW 11ML-12-9-24 if logs on RWS 8ML-14-9-24 look good otherwise will move to the GB 3MU-3-8-22.

“Completions & New Wells to Sales” 1-14-05:

**FR 9P-36-14-19:** (100% WI) Entrada flowing post frac @ 900 psi FTP on a 48/64”, we will test if gas is burnable today, plan to flow test all weekend to clean-up CO2.

**RWU 34-23AG:** (100% WI) Mu6, Ly2, Lu6, Gt7 & Gu6 were left open; tbg., rods & pump run; started pumping unit 12/21; currently making 86 BOPD, 254 BWPD and 6 mcfpd.

**RWU 32-27AG:** (100% WI) Lx3 swab tested @ 1.5 BFPH w/ 100% oil, the Lw4 was wet (good inflow but trace oil), and the Lu6 was wet also; CIBP set over Mt7 and squeezing off Lw4 & Lu6, but Lx3 will be left open; more zones uphole to chase next week.

~~FR 6ML-26-9-23:~~ (43.75% WI) 3 LMV, 1 UMV and 1 Wasatch frac (395,000# proppant). All five fracs completed. Using Champion chemicals for SI treatment on this well. Flowback ON on a 24/64” choke. BLR = 410 bbls, LLTR = 5990 bbls. As of 6 am Thursday, FCP = 375# and 30 BWPH. SI and run kill plug and DO plugs.

**WRU EIHX 9MU-23-8-22:** (43.75% WI) 3 LMV, 1 UMV and 1 Wasatch fracs (316,000# proppant). To sales 1-12-05. 712 mcf in 18 hours @ 1597 psi FTP & 1800 psi CP; 60 BWPD & 23 BOPD; Run P/L Friday morning; lower tubing after production log. 4094 BLLTR.

**OC 3M-16-10-23:** (100% WI) Drill up rubber plug and float collar @ 9377’. Clean out an additional 20’ to 9397’. POOH and RIH with bit and scraper; run CBL and prep for perf & DFIT.

WEEKLY OPERATIONS REPORT – January 27, 2005UINTA BASIN

T109 R23E S-16  
43-040-35282

“Drilling Activity – Operated” 1-27-05

- Patterson #51 – SG 11MU-14-8-22 drilling at 4,255 feet. PTD 9,100'. Next well EIH 9MU-25-8-22. PTD 10,000'.
- Patterson #52 – GH 5W-20-8-21 – Moving and rigging up today. PTD 8,050'. Next well GHU 19 RHZ, horizontal re-entry with one lateral. Completion rig moved on well 1-25-05 to prepare it for re-entry
- True #26 – Rig farmed out to Mak J Energy for one well. Should spud by 1-30-05. When rig returns will either go to GB 3MU-3-8-22, BSW 11ML-12-9-24 (depends on completion results of the RWS 8ML-14-9-24) or COY 12ML-24-8-24 depending on timing and lease expirations.

“Completions & New Wells to Sales” 1-28-05:

**FR 9P-36-14-19:** (100% WI) Morrison; Cedar Mtn. & Dakota all frac'd. this past week; as of this morning, well was flowing @ 1190 psi FCP on a 26/64" (primarily CO2 w/ mist); making 5 BWPH; 1910 BLLTR; will flow test to clean up all weekend and pull gas sample Monday prior to drilling plugs.

**RWU 32-27AG:** (100% WI) Lx3 swab tested @ 1.5 BFPH w/ 100% oil (only keeper so far); squeezing Gt7 Fri.; one more zone to test.

**NBE 15ML-17-9-23:** (43.75% WI) 5 fracs. pumped successfully; could not go to sales Thurs. due to downstream high LP problems; taking to sales today; should be good well; was testing @ 1800 psi FCP on a 28/64" last weekend post-frac.

**SC 3M-16-10-23:** (100% WI) 4 fracs set for today, Jan. 28<sup>th</sup>.

**WRU EIH 3MU-25-8-22:** (43.75% WI) Fracs set for Mon./Tues. next week.

WEEKLY OPERATIONS REPORT – February 3, 2005

QEP

T103 R23E S-16  
43-049-35282UINTA BASIN“Drilling Activity – Operated” 2-3-05

- Patterson #51 – SG 11MU-14-8-22 drilling at 8,920 feet. PTD 9,100'. Next well EIHX 9MU-25-8-22. PTD 8,250'.
- Patterson #52 – GHU 19 RHZ – Rigging up today. PTD 7,440', 2000' horizontal lateral. Next well WV 3G-10-8-21, if unit is approved and sundries, otherwise RW 12-36B dual lateral horizontal.
- True #26 – Rig farmed out to Mak J Energy for one well. Drilling at 6,200'. Rig should be returning on February 11th. When rig returns will go to GB 3MU-3-8-22, completions group has not started work on the RWS 8ML-14-9-24. The GB 3MU-3-8-22 is a 16 day well. Timing will be tight to get back to the BSW 11ML-12-9-24 before the lease expires, if the completion on RWS 8ML-14-9-24 shows positive results.

“Completions & New Wells to Sales” 2-4-05:

**FR 9P-36-14-19:** (100% WI) Flow well (Dakota, Cedar Mtn., Morrison & Entrada) up backside to clean up CO2 content; currently @ 1100 psi FCP on a 32/64” choke (6.9 Mmcfpd - not derated); gas samples will be pulled today @ 4 p.m. and Monday morning to make decision on drilling solid comp. plug over Wingates.

**RWU 32-27AG:** (100% WI) Lx3 swab tested @ 1.5 BFPH w/ 100% oil (only keeper so far); perfring last zone (Frt7) today.

**SC 3M-16-10-23:** (100% WI) 4 fracs pumped Jan. 28<sup>th</sup>; well to sales @ 8 p.m last night Feb. 3<sup>rd</sup>; currently flowing 1.32 Mmcfpd @ 1807 psi FTP & 2322 psi CP w/ 8 BOPD & 175 BWPD on a 11/64”; will open up to 2 Mmcfpd rate today.

**SC 13M-16-10-23:** (100% WI) Fracs set for Weds./Thurs. next week.

**WRU EIH 3MU-25-8-22:** (43.75% WI) Fracs set for Mon./Tues. next week (were postponed due to extremely muddy location – unable to get equipment on or off).

**SCT 8G-12-7-22:** (25% WI) Moving up to 3<sup>rd</sup> interval (Lv5/Lv5b); perfring today; both lower formations tested wet.

## WEEKLY OPERATIONS REPORT – February 10, 2005

QEP

T105 R93E S-16  
43-040-35282UINTA BASIN“Drilling Activity – Operated” 2-10-05

- Patterson #51 – EHX 9MU-25-8-22 drilling at 817 feet. Spud well at 1:00 AM this morning. PTD 8,700'. Next well GB 3MU3-8-22. PTD 9,900'
- Patterson #52 – GHU 19 RHZ – Drilling and building angle at 5,358', 73.7° inclination, 290.7 azimuth. Changed out 3.25 degree bend motor to 1.84 degree bend motor in order to rotate more and land in zone smooth. PTD 7,440', 2000' horizontal lateral. Next well WV 3G-10-8-21, sundries approved, waiting on unit approval, otherwise will drill RW 12-36B dual lateral horizontal. Prep work on the WV 3G-10 is complete and ready for whipstock.
- True #26 – Rig is returning from Mak J farmout. Rigging up on GB 4MU-36-8-21 and should spud tomorrow. PTD 8,900'. Completions group will be moving rig today or tomorrow on the RWS 8ML-14-9-24. The GB 4MU-36-8-21 is a 12 day well. Timing may be tight to get back to the BSW 11ML-12-9-24 before the lease expires, if the completion on RWS 8ML-14-9-24 shows positive results.

“Completions & New Wells to Sales” 2-11-05:

**FR 9P-36-14-19:** (100% WI) Flow well (Dakota, Cedar Mtn., Morrison & Entrada) up backside to clean up CO2 content; currently @ 800 psi FCP on a 36/64" choke (6.5 Mmcfpd - not derated); gas sample will be pulled again Sat. a.m.; currently configuring manifold to open up on an additional choke (or larger if avail. out there). Last gas analysis was 0.6155% nitrogen & 3.0097% CO2; Comet will take up to 3.3%. All facilities are ready for sales.

**RWU 32-27AG:** (100% WI) Lx3 swab tested @ 1.5 BFPH w/ 100% oil; Frt7 zone had trace oil and 1 BFPH post-acid; RIH w/ tbg., rods, & pump.

**SC 3M-16-10-23:** (100% WI) 4 fracs pumped Jan. 28<sup>th</sup>; well to sales @ 8 p.m Feb. 3<sup>rd</sup>; currently flowing 1.94 Mmcfpd @ 1371 psi FTP & 1344 psi CP w/ 21 BOPD & 176 BWPD on a 15/64" choke.

**SC 13M-16-10-23:** (100% WI) Frac'd 3 MV, 1 MV breakdown, 1 Wasatch frac on Mon./Tues this week; well flowing very strong up annulus while drilling plugs (1200 psi on a 32/64"); float leaking; need to round trip new bit assembly today; 2 plugs drilled; 3 more to drill; this looks like a really good well.

**WRU EHX 3MU-25-8-22:** (43.75% WI) Fracs cancelled due to extremely muddy location – we were able to get rig off location and it went to the RWS 8ML14 completion.

**SCT 8G-12-7-22:** (25% WI) Gt7 & Ev5 zones frac'd. Weds.; well died overnight; TIH Thurs; drilling 1 frac plug today and will swab well in up tbg.

## WEEKLY OPERATIONS REPORT – February 17, 2005

QEP

UINTA BASINT105 R 23E S-16  
43-049-35282“Drilling Activity – Operated” 2-17-05

- Patterson #51 – EHX 9MU-25-8-22 rigging down, ran casing, cemented, rig release 16:00 2/16/05. Next well GB 3MU-3-8-22. PTD 9,900’
- Patterson #52 – GHU 19 RHZ – Drilling horizontally at 6,803’. PTD 8,040’, 2600’ horizontal lateral, added 600’ to lateral. Next well WV 3G-10-8-21, unit approved 2/16/05, ready for rig.
- True #26 – GB 4MU-36-8-21 drilling at 7,392’, having some gas flow problems from shallow Uinta zone. PTD 8,900’. Received an additional 60 days to spud the BSW 11ML-12-9-24 from the BLM. Completions group fracing the RWS 8ML-14-9-24 tomorrow. Next well will now be the GB 7MU-36-8-21. PTD 8,850’. Then the COY 12ML-24-8-24 and then the BSW 11ML-12-9-24 depending on the RWS 8ML-14 results.

“Completions & New Wells to Sales” 2-17-05:

**FR 9P-36-14-19:** (100% WI) Flow well (Dakota, Cedar Mtn., Morrison & Entrada) up backside to sales; DOFP was Sat. Feb. 12<sup>th</sup>; flow tested @ 3.8 Mmcfpd @ 1427 psi FCP on 2 - 11/64” (2 sep.) against 870 psi LP; currently curtailed through existing compressor @ 963 Mcfpd @ 2127 psi FCP on a 11/64” choke w/ 2 BO in 5 days & no water; on Mar. 1<sup>st</sup> Comet will be shutting down (and moving) downstream compressor, which will allow us to flow unrestricted against the higher LP (or flow through compressor @ 250 psi suction – 7.5 Mmcfpd capacity).

**RWU 32-27AG:** (100% WI) Lx3 swab tested @ 1.5 BFPH w/ 100% oil; Frt7 zone had trace oil and 1 BFPH post-acid; RIH w/ tbg., rods, & pump; will move pumping unit pending mud.

**SC 3M-16-10-23:** (100% WI) 4 fracs pumped Jan. 28<sup>th</sup>; well to sales @ 8 p.m Feb. 3<sup>rd</sup>; currently flowing 1.91 Mmcfpd @ 1008 psi FTP & 1311 psi CP w/ 10 BOPD & 106 BWPD on a 17/64” choke.

**SC 13M-16-10-23:** (100% WI) Frac’d 3 MV, 1 MV breakdown, 1 Wasatch frac on Mon./Tues last week; well to sales Sat. Feb. 12<sup>th</sup>; currently flowing 1.6 Mmcfpd @ 1308 psi FTP & 1770 psi CP w/ 14 BOPD & 334 BWPD on a 18/64” choke.

**SC 11M-16-10-23:** (100% WI) Frac’d. 3 MV and 1 Wasatch Tues., Feb. 15th; well was flowing @ 1500 psi FCP the next morning on a 18/64” choke; 40 BWPH; 450 bbls. rec.; drilling plugs currently; looks like a strong well.

**SCT 8G-12-7-22:** (25% WI) Gt7 & Ev5 zones frac’d. last Weds.; zones swabbed wet; moving uphole to Deadman zones; perfing today.

**RWS 8ML-14-89-24:** (25% WI) 3 MV fracs set for Friday.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

013

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  
**QEP, UINTA BASIN, INC.**

3. Address and Telephone No. **Contact ann.petrik@questar.com**  
**11002 E. 17500 S. VERNAL, UT 84078-8526** **435-781-4306 Fax 435-781-4323**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**NENW - Sec 16-T10S-R23E - 489' FNL, 2043' FWL**

CONFIDENTIAL

5. Lease Designation and Serial No.  
**ML 22186**

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

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

8. Well Name and No.  
**SC 3M 16 10 23**

9. API Well No.  
**43-047-35282**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" 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>DOFP</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)

**THIS WELL COMMENCED PRODUCTION ON 2/3/05.**  
**PRODUCING ZONES - WASATCH/MESA VERDE**

RECEIVED 7  
MAR 11 2005  
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.  
Signed Ann M. Petrik Title Office Administrator II Date 3/9/05

(This space for Federal or State office use)

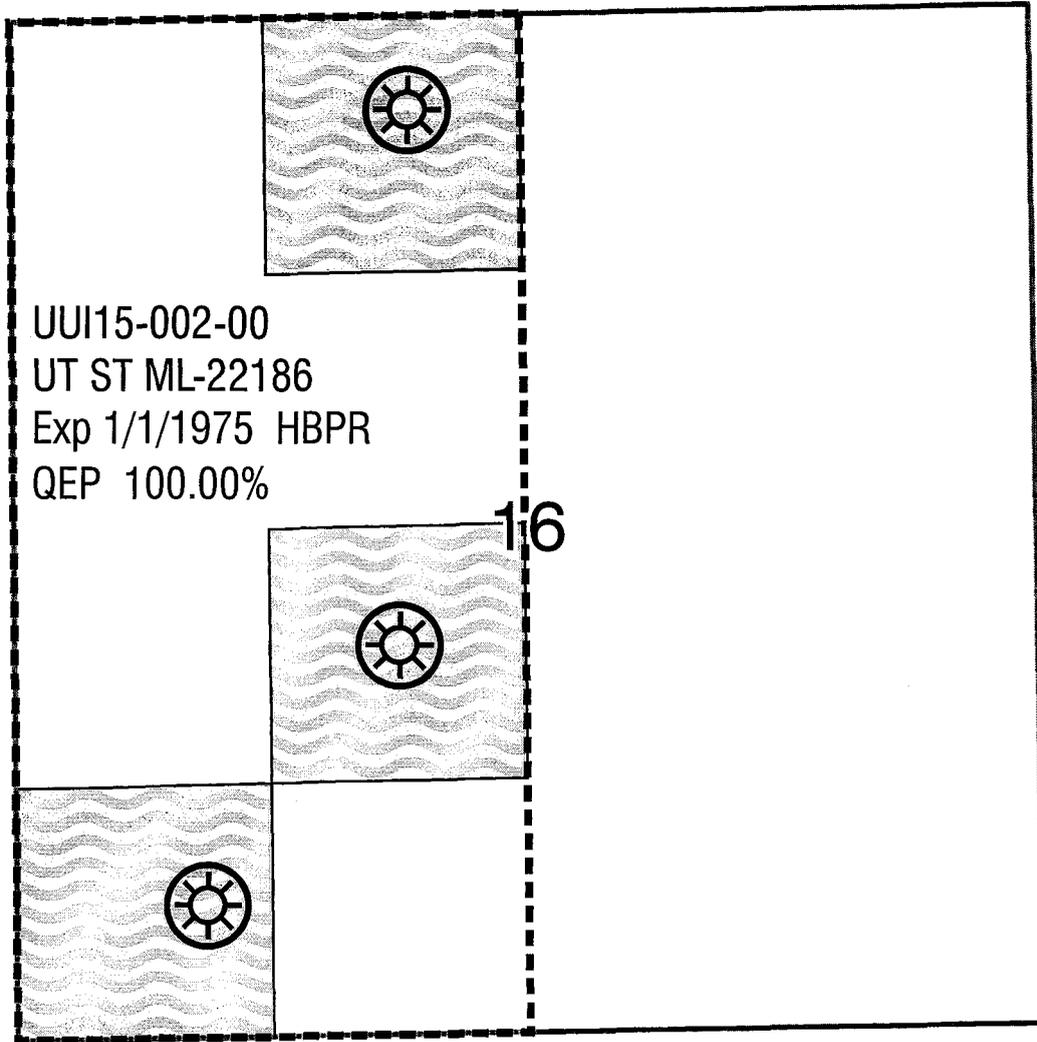
Approved by: \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

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.



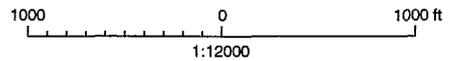
CONFIDENTIAL



UUI15-002-00  
UT ST ML-22186  
Exp 1/1/1975 HBPR  
QEP 100.00%

16

**Sec 16, T10S-R23E**



40-acre pool



Commingled well

----- Lease line

**Tw/Kmv  
COMMINGLED PRODUCTION**

Uinta Basin—Uintah County, Utah

**Wells: SC 3M-16-10-23  
SC 11ML-16-10-23  
SC 13ML-16 10-23  
Lease: ML-22186**

**QUESTAR**  
Exploration and  
Production

1050 17th St., # 500 Denver, CO 80265

Geologist: JD Herman

Engineer:

Date: May 6, 2005

Landman: Angela Page

Technician:

05722\Maps\Utah map\Comm 2005\161023.cdr

CONFIDENTIAL

AFFIDAVIT OF NOTICE

STATE OF COLORADO )  
COUNTY OF DENVER ) ss:

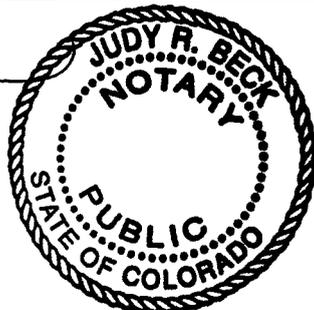
Angela Page, being duly sworn, deposes and says:

1. That I am employed by Questar Market Resources in the capacity as a Landman. My business address is Independence Plaza  
1050 17<sup>th</sup> Street, Suite 500  
Denver, CO 80265
2. In my capacity as a Landman, pursuant to the provisions of Utah Administrative Rule 615-3-22 I have provided a copy of Questar Market Resource's application for completion of the SC 3M-16-10-23 well into two or more pools, in the form of Utah Division of Oil, Gas and Mining's Form 9 Sundry Notice, to owners of all contiguous oil and gas leases or drilling units overlying the pools which are the subject of that application.
3. In my capacity as a Landman I am authorized to provide such notice of Questar Market Resource's application to contiguous owners and to make this affidavit on this 9<sup>th</sup> day of March, 2005.

*Angela Page*  
Printed Name: Angela Page

The foregoing instrument was sworn to and subscribed before me this 9<sup>th</sup> day of May, 2005, by ANGELA PAGE

*Judy R. Beck*  
Notary Public  
My Commission Expires 04/28/2008



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE  
(See other instructions on reverse side).

Form approved.  
Budget Bureau No. 1004-0137  
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

1a. TYPE OF WELL  
 OIL WELL  GAS WELL  DRY  Other CONFIDENTIAL PERIOD EXPIRED ON 03-02-06

b. TYPE OF COMPLETION  
 NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF. RESVR  Other ON 03-02-06

2. NAME OF OPERATOR  
**QEP UINTA BASIN, INC.**

9. WELL NO.  
**SC 3M 16 10 23**

3. ADDRESS OF OPERATOR  
**11002 E. 17500 S. VERNAL, UT 84078-8526 435-781-4342**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
 At surface **S16-T10S-R23E - NENW - 489' FNL, 2043' FWL**  
 At top rod. interval reported below **S16-T10S-R23E - NENW - 489' FNL, 2043' FWL**  
 At total depth **S16-T10S-R23E - NENW - 489' FNL, 2043' FWL**

10. FIELD AND POOL, OR WILDCAT  
**NATURAL BUTTES SOUTHEAST CANYON**

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA  
**S16-T10S-R23E**

14. PERMIT NO. **43-047-35282** DATE ISSUED \_\_\_\_\_

12. COUNTY OR PARISH **UINTAH** 13. STATE **UT**

15. DATE SPUDDED **7/15/2004** 16. DATE TD REACHED **2/5/2004** 17. DATE COMPL. (Ready to prod.) **2/02/2005** 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\* **KB** 19. ELEV. CASINGHEAD \_\_\_\_\_

20. TOTAL DEPTH, MD & TVD **9420'** 21. PLUG BACK TD., MD & TVD **9340'** 22. IF MULTIPLE COMPL., HOW MANY\* \_\_\_\_\_ 23. INTERVALS DRILLED BY \_\_\_\_\_ ROTARY TOOLS \_\_\_\_\_ CABLE TOOLS \_\_\_\_\_

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\*  
**SEE ATTACHMENT PG 1**

25. WAS DIRECTIONAL SURVEY MADE  
**NO**

26. TYPE ELECTRIC AND OTHER LOGS RUN  
**GR/CBL, COMP NEUTRON TRIPLE LITHO DENSITY & AI W/LC/GB, CEMENT LOG**

27. WAS WELL CORED  
**NO**

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9-5/8"	36#	1738'	12-1/4"	610 SXS	
4-1/2"	11.6#	9420'	7-7/8"	1815 SXS	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	30. TUBING RECORD
					SIZE: 2-3/8" DEPTH SET (MD): 7012' PACKER SET (MD):

31. PERFORATION RECORD (Interval, size and number)

5129' - 5145'  
6428' - 6438'  
6608' - 6618'  
6934' - 7126'  
9364' - 9372'

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
SEE ATTACHMENT PG 1	SEE ATTACHMENT PAGE 1

33.\* PRODUCTION

DATE FIRST PRODUCTION **2/03/2005** PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) **FLOWING** WELL STATUS (Producing or shut-in) **PRODUCING**

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
2/07/05	24	14	→	12	2014	174	

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF	WATER—BBL	OIL GRAVITY-API (CORR.)
1578	1564	→				

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) **SOLD** TEST WITNESSED BY \_\_\_\_\_

35. LIST OF ATTACHMENTS  
**PERFORATION DETAIL - ATTACHMENT PAGE 1**

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED **JIM SIMONTON** *Jim Simonton* TITLE **COMPLETION SUPERVISOR** DATE **6/9/05**

(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States a false statement.

JUN 13 2005

CONFIDENTIAL

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof, cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

38. GEOLOGIC MARKERS  
SC 3M 16 10 23

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
UINTA	SURFACE		CONFIDENTIAL	UINTA	SURFACE	
WASATCH	3785			WASATCH	3785	
MESA VERDE	5840			MESA VERDE	5840	
BUCK TONGUE	7930			BUCK TONGUE	7930	
BLACK HAWK SS EQV	8530			BLACK HAWK SS EQV	8530	
MANCOS SH	8830			MANCOS SH	8830	
MANCOS B	9230			MANCOS B	9230	
TD	9420			TD	9420	

CONFIDENTIAL

**SC 3M 16-10-23 – Attachment Page 1  
PERFORATION DETAIL:**

Open Perfs	Stimulation					Perf Status
5129' – 5145'	Frac w/	48,460	Lbs in	23,282	Gals	Open – Wasatch
6428' – 6438'	Frac w/	65,000	Lbs in	33,441	Gals	Open – Upper MV
6608' – 6618'	Frac w/	75,000	Lbs in	34,703	Gals	Open – Upper MV
6934' – 6937'	}	216,000	Lbs in	97,390	Gals	Open – Mesa Verde
7021' – 7026'						
7056' – 7058'						
7106' – 7109'						
7124' – 7126'						
<b>CIBP @ 9340'</b>						<b>Set CIBP @ 9340'</b>
9364' – 9372'						Closed–Mancos Chert



**Division of Oil, Gas and Mining**  
**OPERATOR CHANGE WORKSHEET**

<b>ROUTING</b>
1. DJJ
2. CDW

Change of Operator (Well Sold)

**X - Operator Name Change/Merger**

The operator of the well(s) listed below has changed, effective:

1/1/2007

<b>FROM:</b> (Old Operator): N2460-QEP Uinta Basin, Inc. 1050 17th St, Suite 500 Denver, CO 80265  Phone: 1 (303) 672-6900	<b>TO:</b> ( New Operator): N5085-Questar E&P Company 1050 17th St, Suite 500 Denver, CO 80265  Phone: 1 (303) 672-6900
---	--

CA No.

Unit:

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LISTS				*				

**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: 4/19/2007
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 4/16/2007
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 1/31/2005
- a. Is the new operator registered in the State of Utah: Business Number: 764611-0143
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a
- 5c. Reports current for Production/Disposition & Sundries on: n/a
- 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: BLM 4/23/2007 BIA
- Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: 4/23/2007
- Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: \_\_\_\_\_
- 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: \_\_\_\_\_

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 4/30/2007 and 5/15/2007
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 4/30/2007 and 5/15/2007
- Bond information entered in RBDMS on: 4/30/2007 and 5/15/2007
- Fee/State wells attached to bond in RBDMS on: 4/30/2007 and 5/15/2007
- Injection Projects to new operator in RBDMS on: 4/30/2007 and 5/15/2007
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: ESB000024
- Indian well(s) covered by Bond Number: 799446
- a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 965003033
- b. The **FORMER** operator has requested a release of liability from their bond on: n/a

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **NEW** 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: THIS IS A COMPANY NAME CHANGE.**

**SOME WELL NAMES HAVE BEEN CHANGED AS REQUESTED**

Original Well Name	Well Name & No.	Q/Q	SEC	TWP	RNG	API	Entity	Lease	Well Type	Status
GB 6W-25-8-21	GB 6W-25-8-21	SENW	25	080S	210E	4304734121	13440	fee	GW	P
GB 7W-25-8-21	GB 7W-25-8-21	SWNE	25	080S	210E	4304734122	13436	fee	GW	P
GB 11W-30-8-22	<b>OU GB 11W 30 8 22</b>	NESW	30	080S	220E	4304734392	13433	fee	GW	P
UTAH STATE 1	<b>STATE 1</b>	NENE	36	070S	240E	4304715128	5878	State	GW	P
KAYE STATE 1-16	KAYE STATE 1-16	NWNW	16	100S	230E	4304730609	5395	State	GW	P
TOLL STATION ST 8-36-8-21	TOLL STATION ST 8-36-8-21	SENE	36	080S	210E	4304732724	12361	State	GW	S
GLEN BENCH ST 8A-36-8-21	<b>GB 8A 36 8 21</b>	SENE	36	080S	210E	4304733037	12377	State	GW	P
GLEN BENCH ST 6-36-8-21	<b>GB 6 36 8 21</b>	SENW	36	080S	210E	4304733038	12378	State	GW	P
GLEN BENCH ST 2-36-8-21	<b>GB 2 36 8 21</b>	NWNE	36	080S	210E	4304733252	12527	State	GW	P
GH 1W-32-8-21	GH 1W-32-8-21	NENE	32	080S	210E	4304733570	12797	State	GW	P
GH 3W-32-8-21	GH 3W-32-8-21	NENW	32	080S	210E	4304733571	12796	State	GW	P
GH 5W-32-8-21	GH 5W-32-8-21	SWNW	32	080S	210E	4304733572	12828	State	GW	P
GH 7W-32-8-21	GH 7W-32-8-21	SWNE	32	080S	210E	4304733573	12872	State	GW	P
GH 2W-32-8-21	GH 2W-32-8-21	NWNE	32	080S	210E	4304733744	13029	State	GW	P
GH 4W-32-8-21	GH 4W-32-8-21	NWNW	32	080S	210E	4304733745	13035	State	GW	P
GH 8W-32-8-21	GH 8W-32-8-21	SENE	32	080S	210E	4304733746	13030	State	GW	P
GB 3W-16-8-22	<b>OU GB 3W 16 8 22</b>	NENW	16	080S	220E	4304733751	13577	State	GW	P
GB 5W-16-8-22	<b>OU GB 5W 16 8 22</b>	SWNW	16	080S	220E	4304733752	13570	State	GW	P
GH 6W-32-8-21	GH 6W-32-8-21	SENW	32	080S	210E	4304733753	13036	State	GW	P
GB 11W-16-8-22	<b>OU GB 11W 16 8 22</b>	NESW	16	080S	220E	4304733754	13582	State	GW	P
GH 5G-32-8-21	GH 5G-32-8-21	SWNW	32	080S	210E	4304733866	13037	State	OW	P
GB 1W-36-8-21	GB 1W-36-8-21	NENE	36	080S	210E	4304733944	13439	State	GW	P
WV 7W-36-7-21	WV 7W-36-7-21	SWNE	36	070S	210E	4304734065	13334	State	GW	TA
WV 9W-36-7-21	WV 9W-36-7-21	NESE	36	070S	210E	4304734066	13331	State	GW	TA
WV 9W-16-7-21	WV 9W-16-7-21	NESE	16	070S	210E	4304734324		State	GW	LA
OU GB 4W-16-8-22	OU GB 4W-16-8-22	NWNW	16	080S	220E	4304734598	13579	State	GW	P
OU GB 10W-16-8-22	OU GB 10W-16-8-22	NWSE	16	080S	220E	4304734616		State	GW	LA
OU GB 12W-16-8-22	OU GB 12W-16-8-22	NWSW	16	080S	220E	4304734617	13697	State	GW	P
OU GB 13W-16-8-22	OU GB 13W-16-8-22	SWSW	16	080S	220E	4304734618	13611	State	GW	P
GB 14MU-16-8-22	GB 14MU-16-8-22	SESW	16	080S	220E	4304734619	14196	State	GW	P
OU GB 15W-16-8-22	OU GB 15W-16-8-22	SWSE	16	080S	220E	4304734622	13595	State	GW	P
OU GB 16W-16-8-22	OU GB 16W-16-8-22	SESE	16	080S	220E	4304734655	13815	State	GW	P
OU GB 2W-16-8-22	OU GB 2W-16-8-22	NWNE	16	080S	220E	4304734657	13721	State	GW	P
OU GB 6W-16-8-22	OU GB 6W-16-8-22	SENW	16	080S	220E	4304734658	13592	State	GW	P
OU GB 8W-16-8-22	OU GB 8W-16-8-22	SENE	16	080S	220E	4304734660	13769	State	GW	TA
OU GB 9W-16-8-22	OU GB 9W-16-8-22	NESE	16	080S	220E	4304734692		State	GW	LA
OU GB 15G-16-8-22	OU GB 15G-16-8-22	SWSE	16	080S	220E	4304734829	13777	State	OW	S
GB 7MU-36-8-21	GB 7MU-36-8-21	SWNE	36	080S	210E	4304734893	14591	State	GW	P
GB 3W-36-8-21	GB 3W-36-8-21	NENW	36	080S	210E	4304734894	13791	State	GW	P
NC 8M-32-8-22	NC 8M-32-8-22	SENE	32	080S	220E	4304734897		State	GW	LA
NC 3M-32-8-22	NC 3M-32-8-22	NENW	32	080S	220E	4304734899		State	GW	LA

Original Well Name	Well Name & No.	Q/Q	SEC	TWP	RNG	API	Entity	Lease	Well Type	Status
GB 5W-36-8-21	GB 5W-36-8-21	SWNW	36	080S	210E	4304734925	13808	State	GW	P
GB 4MU-36-8-21	GB 4MU-36-8-21	NWNW	36	080S	210E	4304734926	14589	State	GW	P
NC 11M-32-8-22	NC 11M-32-8-22	NESW	32	080S	220E	4304735040		State	GW	LA
GB 5SG-36-8-21	GB 5SG-36-8-21	SWNW	36	080S	210E	4304735155	14015	State	GW	P
SC 13ML-16-10-23	SC 13ML-16-10-23	SWSW	16	100S	230E	4304735281	14036	State	GW	P
SC 3M-16-10-23	<b>SC 3ML 16 10 23</b>	NENW	16	100S	230E	4304735282	14014	State	GW	P
SC 11ML-16-10-23	SC 11ML-16-10-23	NESW	16	100S	230E	4304735311	14035	State	GW	P
BB E 15G-16-7-21	<b>BBE 15G 16 7 21</b>	SWSE	16	070S	210E	4304735408	14070	State	OW	P
WH 13G-2-7-24	WH 13G-2-7-24	SWSW	02	070S	240E	4304735484	14176	State	GW	TA
FR 9P-36-14-19	FR 9P-36-14-19	NWSW	31	140S	200E	4304735880	14310	State	GW	S
CB 13G-36-6-20	CB 13G-36-6-20	SWSW	36	060S	200E	4304735969		State	OW	LA
WH 2G-2-7-24	WH 2G-2-7-24	NWNE	02	070S	240E	4304736259		State	GW	APD
WH 4G-2-7-24	WH 4G-2-7-24	NWNW	02	070S	240E	4304736261		State	GW	APD
FR 1P-36-14-19	FR 1P-36-14-19	NWNW	31	140S	200E	4304736300	14859	State	GW	S
WK 3ML-2-9-24	WK 3ML-2-9-24	NENW	02	090S	240E	4304736723		State	GW	APD
WK 7ML-2-9-24	WK 7ML-2-9-24	SWNE	02	090S	240E	4304736724		State	GW	APD
SC 5ML-16-10-23	SC 5ML-16-10-23	SWNW	16	100S	230E	4304736877	15125	State	GW	P
SC 12ML-16-10-23	SC 12ML-16-10-23	NWSW	16	100S	230E	4304736878	15053	State	GW	P
SC 14ML-16-10-23	SC 14ML-16-10-23	SESW	16	100S	230E	4304736908	15070	State	GW	P
SC 4ML-16-10-23	SC 4ML-16-10-23	NWNW	16	100S	230E	4304736912	15208	State	GW	P
FR 3P-36-14-19	FR 3P-36-14-19	NWNW	36	140S	190E	4304737376	15736	State	GW	DRL
BBE 9W-16-7-21	BBE 9W-16-7-21	NESE	16	070S	210E	4304737745		State	GW	APD
GB 10ML-16-8-22	GB 10ML-16-8-22	NWSE	16	080S	220E	4304737943		State	GW	APD
GB 9ML-16-8-22	GB 9ML-16-8-22	NESE	16	080S	220E	4304737944	15851	State	GW	DRL
FR 11P-36-14-19	FR 11P-36-14-19	NWSW	36	140S	190E	4304738349		State	GW	DRL
GB 4SG-36-8-21	GB 4SG-36-8-21	NWNW	36	080S	210E	4304738764		State	GW	APD
GB 7SG-36-8-21	GB 7SG-36-8-21	SWNE	36	080S	210E	4304738765		State	GW	APD

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____	5. LEASE DESIGNATION AND SERIAL NUMBER: see attached
2. NAME OF OPERATOR: <b>QUESTAR EXPLORATION AND PRODUCTION COMPANY</b>	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: see attached
3. ADDRESS OF OPERATOR: 1050 17th Street Suite 500    CITY Denver    STATE CO    ZIP 80265	7. UNIT or CA AGREEMENT NAME: see attached
4. LOCATION OF WELL FOOTAGES AT SURFACE: attached	8. WELL NAME and NUMBER: see attached
3. ADDRESS OF OPERATOR: (continued) PHONE NUMBER: (303) 308-3068	9. API NUMBER: attached
4. LOCATION OF WELL (continued) QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:	10. FIELD AND POOL, OR WILDCAT:

COUNTY: Uintah

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate)  Approximate date work will start: <u>1/1/2007</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: _____	<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>Operator Name Change</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.

Effective January 1, 2007 operator of record, QEP Uinta Basin, Inc., will hereafter be known as QUESTAR EXPLORATION AND PRODUCTION COMPANY. This name change involves only an internal corporate name change and no third party change of operator is involved. The same employees will continue to be responsible for operations of the properties described on the attached list. All operations will continue to be covered by bond numbers:

Federal Bond Number: 965002976 (BLM Reference No. ESB000024)

Utah State Bond Number: 965003033

Fee Land Bond Number: 965003033

Current operator of record, QEP UINTA BASIN, INC., hereby resigns as operator of the properties as described on the attached list.

\_\_\_\_\_  
Jay B. Neese, Executive Vice President, QEP Uinta Basin, Inc.

Successor operator of record, QUESTAR EXPLORATION AND PRODUCTION COMPANY, hereby assumes all rights, duties and obligations as operator of the properties as described on the attached list

\_\_\_\_\_  
Jay B. Neese, Executive Vice President  
Questar Exploration and Production Company

NAME (PLEASE PRINT) <u>Debra K. Stanberry</u>	TITLE <u>Supervisor, Regulatory Affairs</u>
SIGNATURE	DATE <u>3/16/2007</u>

(This space for State use only)

RECEIVED  
APR 19 2007

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

FORM 9

**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.

<b>1. TYPE OF WELL</b> OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> see attached
<b>2. NAME OF OPERATOR:</b> QUESTAR EXPLORATION AND PRODUCTION COMPANY		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b> see attached
<b>3. ADDRESS OF OPERATOR:</b> 1050 17th Street Suite 500 Denver STATE CO ZIP 80265		<b>7. UNIT or CA AGREEMENT NAME:</b> see attached
<b>4. LOCATION OF WELL</b> FOOTAGES AT SURFACE: attached		<b>8. WELL NAME and NUMBER:</b> see attached
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		<b>9. API NUMBER:</b> attached
COUNTY: Uintah		<b>10. FIELD AND POOL, OR WILDCAT:</b>
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"/> <b>NOTICE OF INTENT</b> (Submit in Duplicate) Approximate date work will start: <u>1/1/2007</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> (Submit Original Form Only) Date of work completion: _____	<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>Well Name Changes</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.

PER THE ATTACHED LIST OF WELLS, QUESTAR EXPLORATION AND PRODUCTION COMPANY REQUESTS THAT THE INDIVIDUAL WELL NAMES BE UPDATED IN YOUR RECORDS.

NAME (PLEASE PRINT) <u>Debra K. Stanberry</u>	TITLE <u>Supervisor, Regulatory Affairs</u>
SIGNATURE	DATE <u>4/17/2007</u>

(This space for State use only)

**RECEIVED**

**APR 19 2007**

DIV. OF OIL, GAS & MINING

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>ML-22188</b>
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.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>N/A</b>
		7. UNIT or CA AGREEMENT NAME: <b>N/A</b>
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: <b>SC 3ML-16-10-23</b>	
2. NAME OF OPERATOR: <b>QUESTAR EXPLORATION AND PRODUCTION</b>		9. API NUMBER: <b>4304735282</b>
3. ADDRESS OF OPERATOR: 11002 E 17500 S CITY <b>Vernal</b> STATE <b>Ut</b> ZIP <b>84078</b>	PHONE NUMBER: <b>(435) 781-4362</b>	10. FIELD AND POOL, OR WILDCAT: <b>Natural Buttes</b>
4. LOCATION OF WELL		
FOOTAGES AT SURFACE: <b>489' FNL 2043' FWL</b>		COUNTY: <b>Uintah</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NENW 16 10S 23E S</b>		STATE: <b>UTAH</b>

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate)  Approximate date work will start: _____  <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: <b>2/3/2005</b>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> 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 checked="" type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<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.

One zone in the Wasatch formation was perforated from 5129' to 5145' and nine zones in the Mesaverde from 6428' to 7126' were perforated and the well was produced for 90 days to stabilize. A gas sample was taken and analyzed to serve as baseline information. The production allocation between the Mesaverde and Wasatch is based upon net pay and is:

Wasatch      18%  
Mesaverde    82%

NAME (PLEASE PRINT) <u>Rick Canterbury</u>	TITLE <u>Regulatory Affairs</u>
SIGNATURE <u><i>Rick Canterbury</i></u>	DATE <u>6/27/2008</u>

(This space for State use only)

RECEIVED

**CONFIDENTIAL**

JUL 02 2008

(See Instructions on Reverse Side)

DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET** (for state use only)

ROUTING  
 CDW

Change of Operator (Well Sold)

**X - Operator Name Change**

The operator of the well(s) listed below has changed, effective:

**6/14/2010**

<b>FROM:</b> (Old Operator): N5085-Questar Exploration and Production Company 1050 17th St, Suite 500 Denver, CO 80265  Phone: 1 (303) 308-3048	<b>TO:</b> ( New Operator): N3700-QEP Energy Company 1050 17th St, Suite 500 Denver, CO 80265  Phone: 1 (303) 308-3048
--	---

CA No.

Unit:

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED								

**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: 6/28/2010
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 6/28/2010
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 6/24/2010
- Is the new operator registered in the State of Utah: Business Number: 764611-0143
- (R649-9-2) Waste Management Plan has been received on: Requested
- Inspections of LA PA state/fee well sites complete on: n/a
- Reports current for Production/Disposition & Sundries on: ok
- 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: BLM 8/16/2010 BIA not yet
- Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: 8/16/2010
- Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: N/A
- Underground Injection Control ("UIC")** 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: 6/29/2010

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 6/30/2010
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 6/30/2010
- Bond information entered in RBDMS on: 6/30/2010
- Fee/State wells attached to bond in RBDMS on: 6/30/2010
- Injection Projects to new operator in RBDMS on: 6/30/2010
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: ESB000024
- Indian well(s) covered by Bond Number: 965010693
- (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 965010695
- The **FORMER** operator has requested a release of liability from their bond on: n/a

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **NEW** 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:**

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: See attached
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.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: See attached
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: See attached
2. NAME OF OPERATOR: Questar Exploration and Production Company <i>N5085</i>		8. WELL NAME and NUMBER: See attached
3. ADDRESS OF OPERATOR: 1050 17th Street, Suite 500 <small>CITY</small> Denver <small>STATE</small> CO <small>ZIP</small> 80265		9. API NUMBER: Attached
4. LOCATION OF WELL FOOTAGES AT SURFACE: See attached		10. FIELD AND POOL, OR WILDCAT: See attached
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		COUNTY: Attached
		STATE: <b>UTAH</b>

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: <u>6/14/2010</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: _____	<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>Operator Name Change</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.

Effective June 14, 2010 Questar Exploration and Production Company changed its name to QEP Energy Company. This name change involves only an internal corporate name change and no third party change of operator is involved. The same employees will continue to be responsible for operations of the properties described on the attached list. All operations will continue to be covered by bond numbers:  
 Federal Bond Number: 965002976 (BLM Reference No. ESB000024) *N3700*  
 Utah State Bond Number: ~~965003033~~ } *965010695*  
 Fee Land Bond Number: ~~965003033~~ } *965010695*  
 BIA Bond Number: ~~799446~~ } *965010693*

The attached document is an all inclusive list of the wells operated by Questar Exploration and Production Company. As of June 14, 2010 QEP Energy Company assumes all rights, duties and obligations as operator of the properties as described on the list

NAME (PLEASE PRINT) <u>Morgan Anderson</u>	TITLE <u>Regulatory Affairs Analyst</u>
SIGNATURE <i>Morgan Anderson</i>	DATE <u>6/23/2010</u>

(This space for State use only)

**RECEIVED**  
**JUN 28 2010**

DIV. OF OIL, GAS & MINING

**APPROVED** 6/30/2009  
*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

Questar Exploration Production Company (N5085) to QEP Energy Company (N3700)  
effective June 14, 2010

well_name	sec	tpw	rng	api	entity	mineral lease	type	stat	C
Wr 16G-32-10-17	32	100S	170E	4301350370		State	OW	NEW	C
STATE 1	36	070S	240E	4304715128	5878	State	GW	P	
KAYE STATE 1-16	16	100S	230E	4304730609	5395	State	GW	P	
TOLL STATION ST 8-36-8-21	36	080S	210E	4304732724	12361	State	GW	S	
GB 8A-36-8-21	36	080S	210E	4304733037	12377	State	GW	P	
GB 6-36-8-21	36	080S	210E	4304733038	12378	State	GW	P	
GB 2-36-8-21	36	080S	210E	4304733252	12527	State	GW	P	
GH 1W-32-8-21	32	080S	210E	4304733570	12797	State	GW	P	
GH 3W-32-8-21	32	080S	210E	4304733571	12796	State	GW	P	
GH 5W-32-8-21	32	080S	210E	4304733572	12828	State	GW	P	
GH 7W-32-8-21	32	080S	210E	4304733573	12872	State	GW	P	
GH 2W-32-8-21	32	080S	210E	4304733744	13029	State	GW	P	
GH 4W-32-8-21	32	080S	210E	4304733745	13035	State	GW	P	
GH 8W-32-8-21	32	080S	210E	4304733746	13030	State	GW	P	
OU GB 3W-16-8-22	16	080S	220E	4304733751	13577	State	GW	P	
OU GB 5W-16-8-22	16	080S	220E	4304733752	13570	State	GW	P	
GH 6W-32-8-21	32	080S	210E	4304733753	13036	State	GW	P	
OU GB 11W-16-8-22	16	080S	220E	4304733754	13582	State	GW	P	
GH 5G-32-8-21	32	080S	210E	4304733866	13037	State	OW	P	
GB 1W-36-8-21	36	080S	210E	4304733944	13439	State	GW	P	
WV 2W-2-8-21	02	080S	210E	4304734034	13678	State	GW	P	
GB 6W-25-8-21	25	080S	210E	4304734121	13440	Fee	GW	P	
GB 7W-25-8-21	25	080S	210E	4304734122	13436	Fee	GW	P	
WV 9W-16-7-21	16	070S	210E	4304734324		State	GW	LA	
OU GB 11W-30-8-22	30	080S	220E	4304734392	13433	Fee	GW	P	
OU GB 4W-16-8-22	16	080S	220E	4304734598	13579	State	GW	P	
OU GB 10W-16-8-22	16	080S	220E	4304734616		State	GW	LA	
OU GB 12W-16-8-22	16	080S	220E	4304734617	13697	State	GW	P	
OU GB 13W-16-8-22	16	080S	220E	4304734618	13611	State	GW	P	
GB 14MU-16-8-22	16	080S	220E	4304734619	14196	State	GW	P	
OU GB 15W-16-8-22	16	080S	220E	4304734622	13595	State	GW	P	
OU GB 16W-16-8-22	16	080S	220E	4304734655	13815	State	GW	P	
OU GB 2W-16-8-22	16	080S	220E	4304734657	13721	State	GW	P	
OU GB 6W-16-8-22	16	080S	220E	4304734658	13592	State	GW	P	
OU GB 8W-16-8-22	16	080S	220E	4304734660	13769	State	GW	TA	
OU GB 9W-16-8-22	16	080S	220E	4304734692		State	GW	LA	
OU GB 15G-16-8-22	16	080S	220E	4304734829	13777	State	OW	S	
GB 7MU-36-8-21	36	080S	210E	4304734893	14591	State	GW	P	
GB 3W-36-8-21	36	080S	210E	4304734894	13791	State	GW	P	
NC 8M-32-8-22	32	080S	220E	4304734897		State	GW	LA	
NC 3M-32-8-22	32	080S	220E	4304734899		State	GW	LA	
GB 5W-36-8-21	36	080S	210E	4304734925	13808	State	GW	P	
GB 4MU-36-8-21	36	080S	210E	4304734926	14589	State	GW	P	
NC 11M-32-8-22	32	080S	220E	4304735040		State	GW	LA	
GB 5SG-36-8-21	36	080S	210E	4304735155	14015	State	GW	P	
SC 13ML-16-10-23	16	100S	230E	4304735281	14036	State	GW	P	
SC 3ML-16-10-23	16	100S	230E	4304735282	14014	State	GW	P	
SC 11ML-16-10-23	16	100S	230E	4304735311	14035	State	GW	P	
WH 13G-2-7-24	02	070S	240E	4304735484	14176	State	D	PA	
FR 9P-36-14-19	31	140S	200E	4304735880	14310	State	GW	P	
CB 13G-36-6-20	36	060S	200E	4304735969		State	OW	LA	

Bonds: BLM = ESB000024

BIA = 956010693

State = 965010695

Questar Exploration Production Company (N5085) to QEP Energy Company (N3700)  
effective June 14, 2010

well_name	sec	twp	rng	api	entity	mineral lease	type	stat	C
WH 2G-2-7-24	02	070S	240E	4304736259		State	GW	LA	
WH 4G-2-7-24	02	070S	240E	4304736261		State	GW	LA	
FR 1P-36-14-19	31	140S	200E	4304736300	14859	State	GW	P	
WK 3ML-2-9-24	02	090S	240E	4304736723		State	GW	LA	
WK 7ML-2-9-24	02	090S	240E	4304736724		State	GW	LA	
SC 5ML-16-10-23	16	100S	230E	4304736877	15125	State	GW	P	
SC 12ML-16-10-23	16	100S	230E	4304736878	15053	State	GW	P	
SC 14ML-16-10-23	16	100S	230E	4304736908	15070	State	GW	P	
SC 4ML-16-10-23	16	100S	230E	4304736912	15208	State	GW	P	
FR 3P-36-14-19	36	140S	190E	4304737376	15736	State	GW	P	
BZ 12ML-16-8-24	16	080S	240E	4304737670		State	GW	LA	
BZ 10D-16-8-24	16	080S	240E	4304737671	15979	State	GW	S	
BZ 14ML-16-8-24	16	080S	240E	4304737672		State	GW	LA	
BBE 9W-16-7-21	16	070S	210E	4304737745		State	GW	LA	
GB 10ML-16-8-22	16	080S	220E	4304737943		State	GW	LA	
GB 9ML-16-8-22	16	080S	220E	4304737944	15851	State	GW	P	
HR 2MU-2-12-23	02	120S	230E	4304738052		State	GW	LA	
HR 3MU-2-12-23	02	120S	230E	4304738053		State	GW	LA	
HR 6MU-2-12-23	02	120S	230E	4304738054		State	GW	LA	
HR 10MU-2-12-23	02	120S	230E	4304738055	15737	State	GW	S	
HR 12MU-2-12-23	02	120S	230E	4304738056		State	GW	LA	
HR 14MU-2-12-23	02	120S	230E	4304738057		State	GW	LA	
HR 16MU-2-12-23	02	120S	230E	4304738058		State	GW	LA	
FR 11P-36-14-19	36	140S	190E	4304738349	15899	State	GW	P	
GB 4SG-36-8-21	36	080S	210E	4304738764	16142	State	GW	P	
GB 7SG-36-8-21	36	080S	210E	4304738765	16144	State	GW	P	
WF 3D-32-15-19	32	150S	190E	4304738877		State	GW	APD	C
SCS 5C-32-14-19	32	140S	190E	4304738963	16759	State	GW	P	
FR 7P-36-14-19	31	140S	200E	4304738992	15955	State	GW	P	
SCS 10C-16-15-19	16	150S	190E	4304739683	16633	State	GW	P	
FR 6P-16-14-19	16	140S	190E	4304740350		State	GW	APD	C

Bonds: BLM = ESB000024

BIA = 956010693

State = 965010695