

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*

FORM APPROVED
OMB NO. 1040-0138
Expires: February 28, 1995

001

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		6. LEASE DESIGNATION AND SERIAL NO. UTU-68219
TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		7. UNIT AGREEMENT NAME N/A
2. NAME OF OPERATOR QEP Uinta Basin, Inc.		8. FARM OR LEASE NAME, WELL NO. WVX 4W-17-8-21
3. ADDRESS 11002 E. 17500 S. Vernal, Ut 84078		9. API WELL NO. 43-047-35319
4. LOCATION OF WELL (Report location clearly and in accordance with and State requirements*) At Surface 660' FNL, 654' FWL, NWNW, SECTION 17, T8S, R21E At proposed production zone		10. FIELD AND POOL, OR WILDCAT UNDESIGNATED Gypsum Hills
14. DISTANCE IN MILES FROM NEAREST TOWN OR POSTOFFICE* 12 +/- miles East of Ouray, Utah		11. SEC., T, R, M, OR BLK & SURVEY OR AREA NWNW, SECTION 17, T8S, R21E
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (also to nearest drig, unit line if any) 654'+/-	16. NO. OF ACRES IN LEASE 880	17. NO. OF ACRES ASSIGNED TO THIS WELL 40
18. DISTANCE FROM PROPOSED location to nearest well, drilling, completed, applied for, on this lease, ft 1500' +/-	19. PROPOSED DEPTH 9550'	20. BLM/BIA Bond No. on file ESB000024
21. ELEVATIONS (Show whether DF, RT, GR, ect.) 4690' KB	22. DATE WORK WILL START ASAP	23. Estimated duration 10 DAYS

24. Attachments

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

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

4442790Y 40.12869
620572-X -109.58489

SIGNED John Busch Name (Printed) JOHN BUSCH 27-Oct-03

TITLE OPERATIONS SUPERVISOR

(This space for Federal or State office use)

PERMIT NO. 43-047-35319 APPROVAL DATE

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

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Bradley G. Hill TITLE BRADLEY G. HILL ENVIRONMENTAL SCIENTIST III

*See Instructions On Reverse Side

RECEIVED

OCT 29 2003

DIV. OF OIL, GAS & MINING
DATE 10-30-03

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

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Additional Operator Remarks

QEP, Uinta Basin Inc. proposes to drill a well to 9550" to test the Wasatch. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements

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

See Onshore Order No. 1 attached

Please be advised that QEP, Uinta Basin Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No.ESB000024. The principal is QEP, Uinta Basin Inc. via surety as consent as provided for the 43 CFR 3104.2.

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QEP Uinta Basin, Inc.
WX 4W-17-8-21

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

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

1. Formation Tops

The estimated tops of important geologic markers are as follows:

<i>Formation</i>	<i>Depth</i>
Uinta	Surface
Green River	2660
Mahogany Ledge	3485
Wasatch	6135
TD (Wasatch)	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:

<i>Substance</i>	<i>Formation</i>	<i>Depth</i>
Oil/Gas	Mesa Verde	9550

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If no flows are detected, samples will be submitted to the BLM along with any water analyses conducted.

3. Anticipated Bottom Hole Pressures

Maximum anticipated bottom hole pressure equals approximately 3820.0 psi.

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QEP UINTA BASIN, INC.
WVX 4W-17-8-21
660' FNL, 654' FWL
NWNW, SECTION 17, T8S, R21E
UINTAH COUNTY, UTAH
LEASE # UTU-68219

ONSHORE ORDER NO. 1

MULTI – POINT SURFACE USE & OPERATIONS PLAN

1. **Existing Roads:**

The proposed well site is approximately 12 miles East of Ouray, Utah.

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

There will be no improvements made to existing access roads.

2. **Planned Access Roads:**

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

Refer to Topo Map B for the location of the proposed access road.

3. **Location of Existing Wells Within a 1 – Mile Radius:**

Please refer to Topo Map C.

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

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

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

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

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

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6. Source of Construction Materials:

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

7. Methods of Handling Waste Materials:

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

8. Ancillary Facilities:

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

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

10. Plans for Reclamation of the Surface:

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

11. Surface Ownership:

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

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

12. Other Information

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

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Lessee's or Operator's Representative:

John Busch
Red Wash Operations Rep.
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

27-Oct-03

Date

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QUESTAR EXPLR. & PROD.

WVX #4W-17-8-21

LOCATED IN UINTAH COUNTY, UTAH
SECTION 17, T8S, R21E, S.L.B.&M.

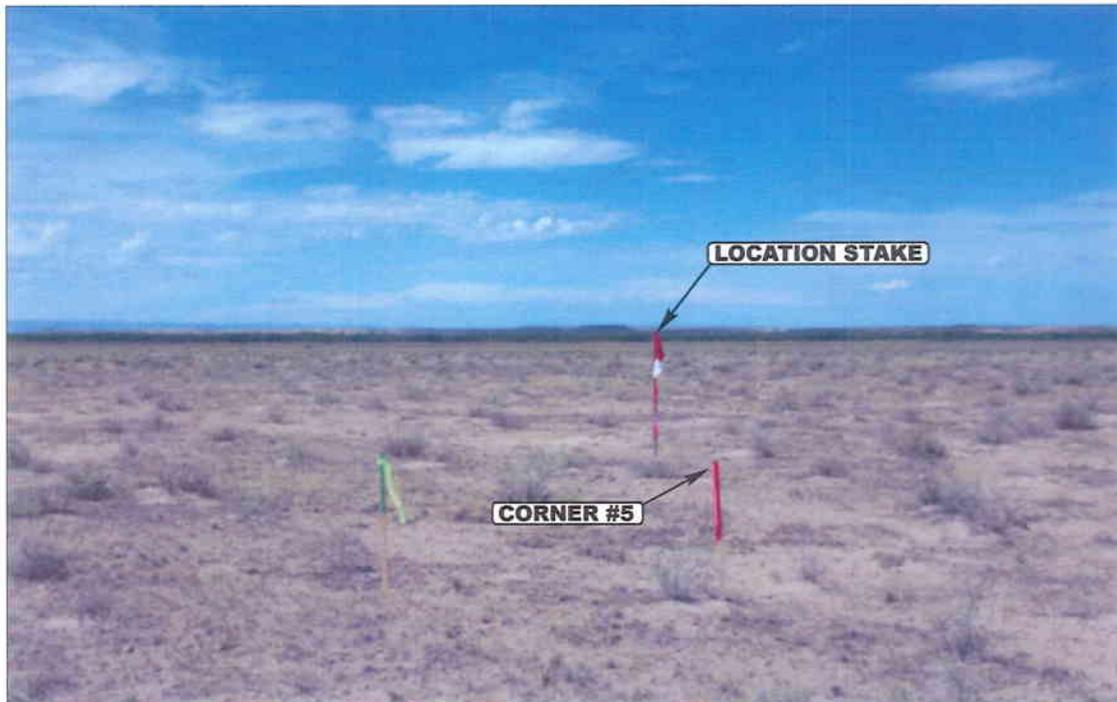


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: WESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS
FOR THE #3W-17-8-21

CAMERA ANGLE: NORTHWESTERLY



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

- Since 1964 -

LOCATION PHOTOS	09	09	03	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: K.K.	DRAWN BY: P.M.		REVISED: 00-00-00	

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QUESTAR EXPLORATION & PRODUCTION

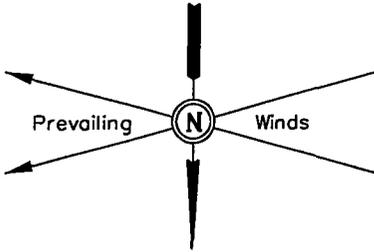
FIGURE #1

LOCATION LAYOUT FOR

WVX #4W-17-8-21

SECTION 17, T8S, R21E, S.L.B.&M.

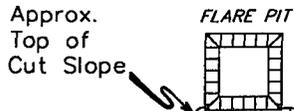
660' FNL 654' FWL



SCALE: 1" = 50'
DATE: 09-04-03
Drawn By: D.COX

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

Approx. Top of Cut Slope



El. 91.8'
C-13.4'
(btm. pit)

Reserve Pit Backfill & Spoils Stockpile
10' WIDE BENCH
150'
RESERVE PITS (12' Deep)
SLOPE 1-1/2 : 1
70'
Sta. 0+51

Total Pit Capacity W/2' of Freeboard = 10,560 Bbls. ±
Total Pit Volume = 2,930 Cu. Yds.

El. 93.2'
C-14.8'
(btm. pit)

F-0.1'
El. 90.3'

F-0.4'
El. 90.0'

F-1.3'
El. 89.1'

C-0.8'
El. 91.2'

C-0.5'
El. 90.9'

F-0.4'
El. 90.0'

C-0.8'
El. 91.2'

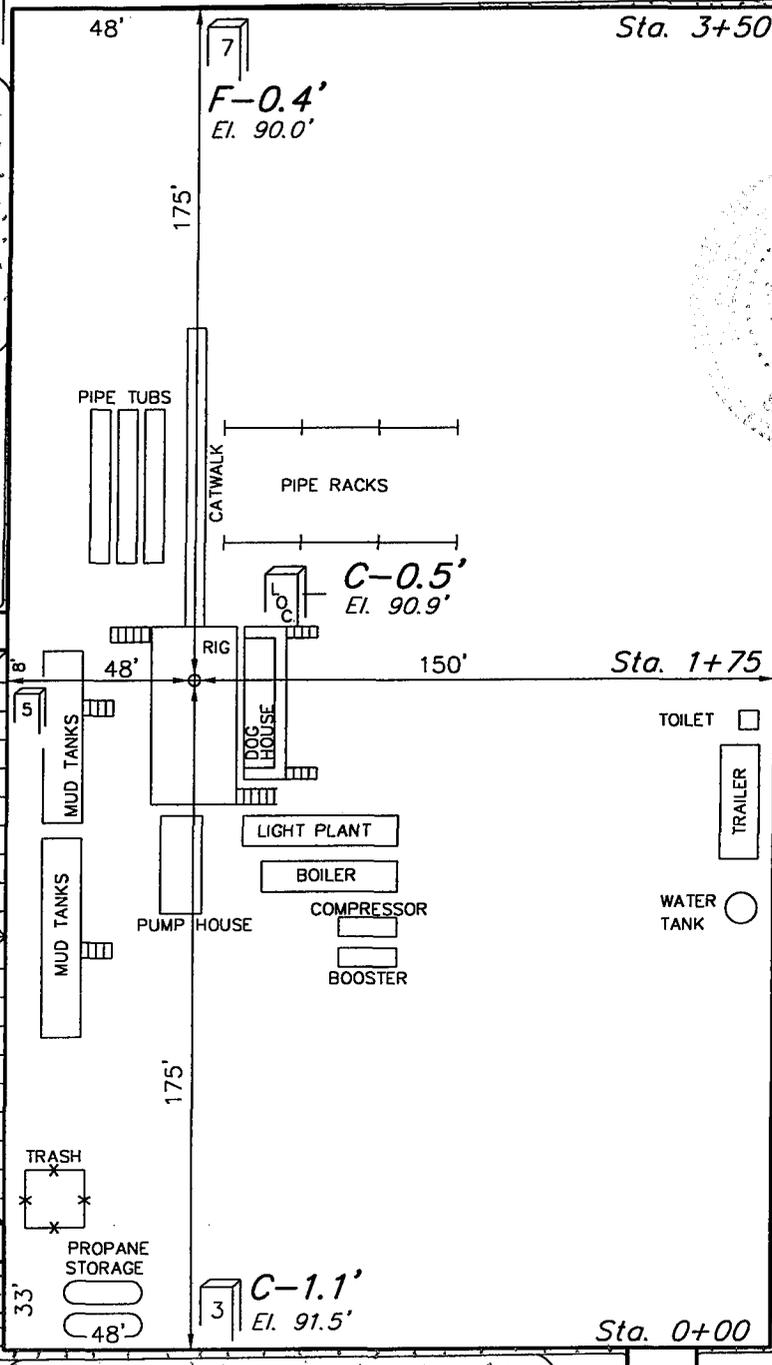
C-1.8'
El. 92.2'

C-1.1'
El. 91.5'

Sta. 1+75

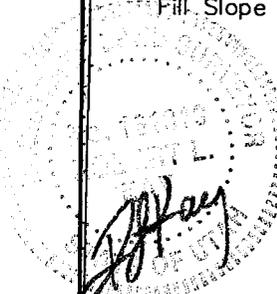
Sta. 0+00

Sta. 3+50



- TOILET
- TRAILER
- WATER TANK

Approx. Toe of Fill Slope



Topsail Stockpile

Proposed Access Road

NOTES:

Elev. Ungraded Ground At Loc. Stake = 4690.9'

FINISHED GRADE ELEV. AT LOC. STAKE = 4690.4'

Proposed Access For WVX #1W-18-8-21

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

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QUESTAR EXPLORATION & PRODUCTION

FIGURE #2

TYPICAL CROSS SECTIONS FOR

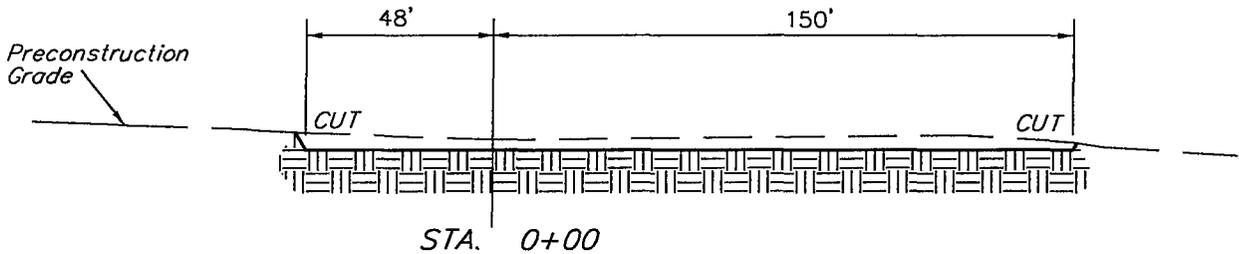
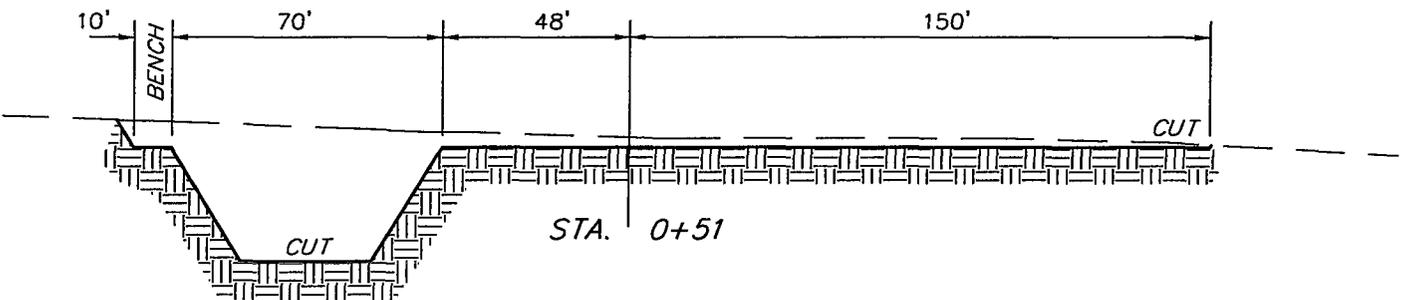
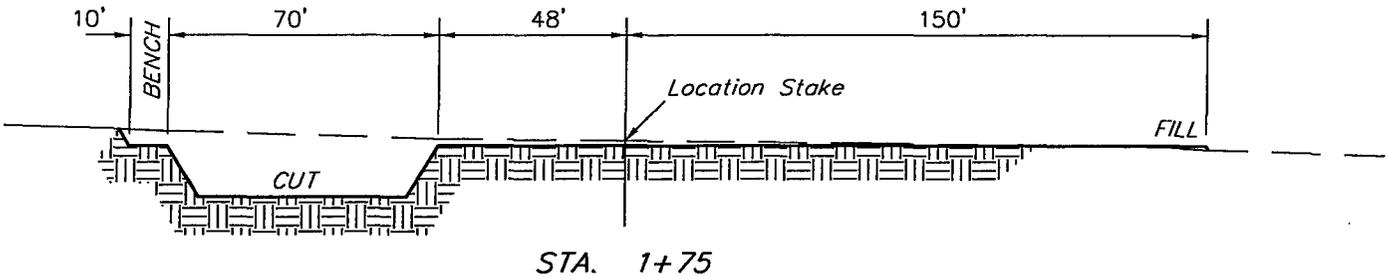
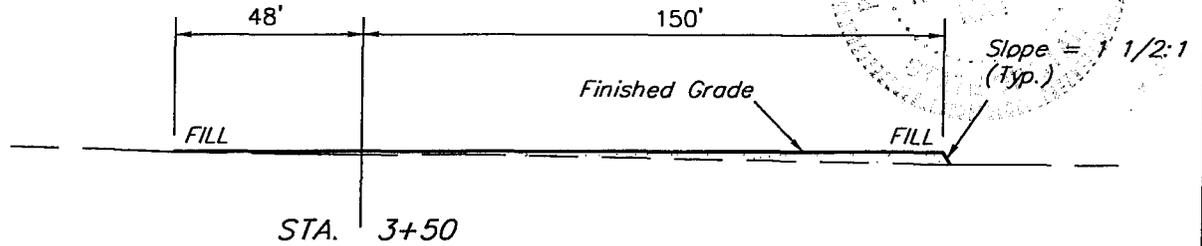
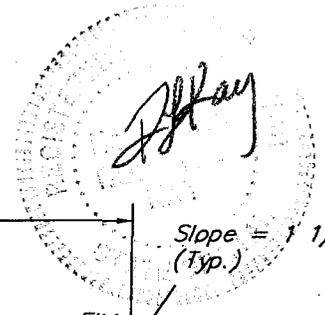
WVX #4W-17-8-21

SECTION 17, T8S, R21E, S.L.B.&M.

660' FNL 654' FWL

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

DATE: 09-04-03
Drawn By: D.COX

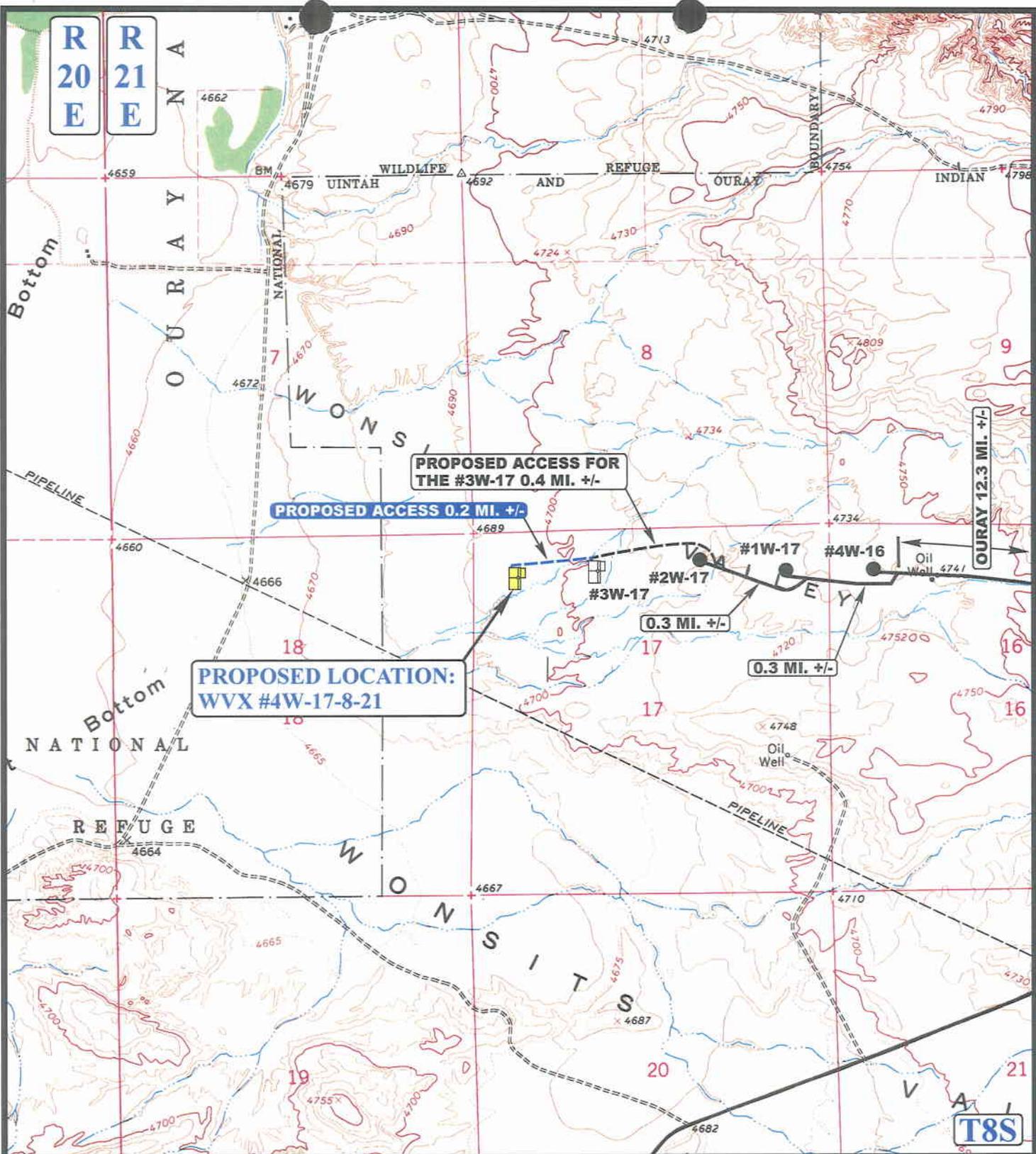


APPROXIMATE YARDAGES

CUT	
(12") Topsoil Stripping	= 3,070 Cu. Yds.
Remaining Location	= 3,370 Cu. Yds.
TOTAL CUT	= 6,440 CU.YDS.
FILL	= 1,810 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 4,530 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 4,530 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

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**PROPOSED LOCATION:
WVX #4W-17-8-21**

PROPOSED ACCESS FOR THE #3W-17 0.4 MI. +/-

PROPOSED ACCESS 0.2 MI. +/-

0.3 MI. +/-

0.3 MI. +/-

OURAY 12.3 MI. +/-

LEGEND:

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD



QUESTAR EXPLR. & PROD.

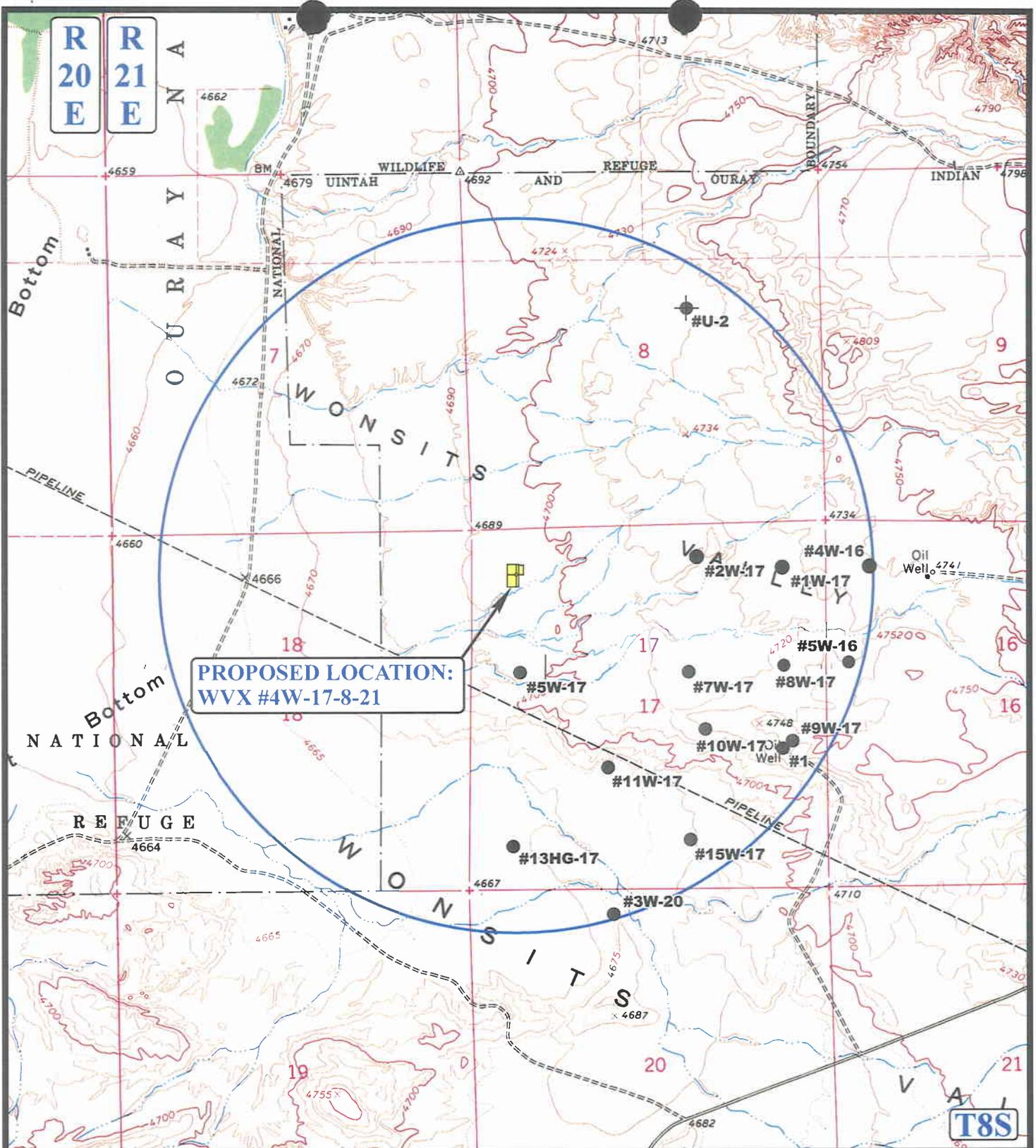
**WVX #4W-17-8-21
SECTION 17, T8S, R21E, S.L.B.&M.
660' FNL 654' FWL**

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

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

B
TOPO

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**PROPOSED LOCATION:
WVX #4W-17-8-21**

LEGEND:

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

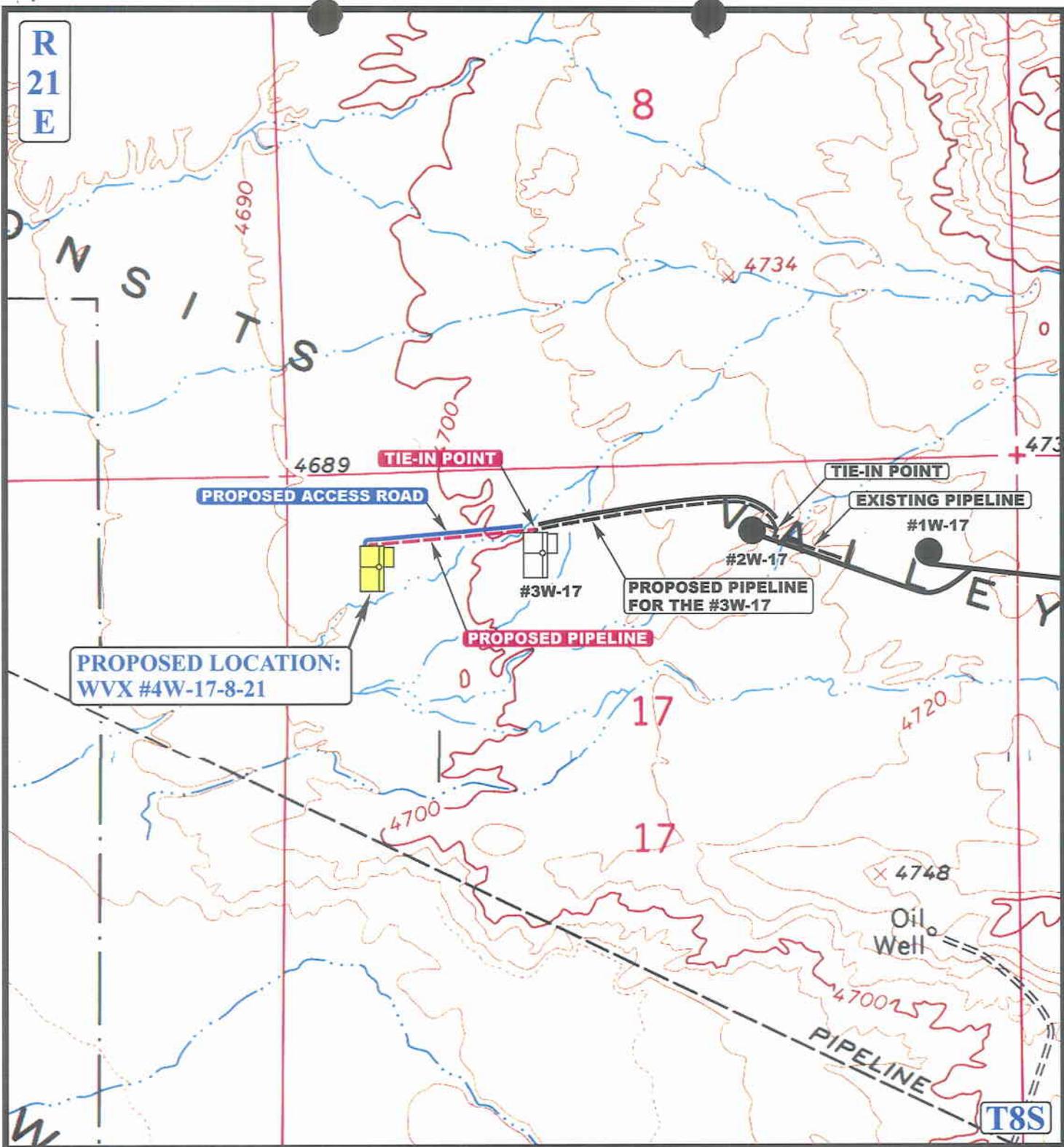
QUESTAR EXPLR. & PROD.

**WVX #4W-17-8-21
SECTION 17, T8S, R21E, S.L.B.&M.
660' FNL 654' FWL**

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

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

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APPROXIMATE TOTAL PIPELINE DISTANCE = 1,280' +/-

LEGEND:
 — PROPOSED ACCESS ROAD
 - - - EXISTING PIPELINE
 - - - PROPOSED PIPELINE

QUESTAR EXPLR. & PROD.
 WVX #4W-17-8-21
 SECTION 17, T8S, R21E, S.L.B.&M.
 660' FNL 654' FWL

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



TOPOGRAPHIC MAP 09 09 03
 MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: P.M. REVISED: 00-00-00 **D TOPO**

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WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/29/2003

API NO. ASSIGNED: 43-047-35319

WELL NAME: WVX 4W-17-8-21
OPERATOR: QEP UINTA BASIN, INC. (N2460)
CONTACT: JOHN BUSCH

PHONE NUMBER: 435-781-4341

PROPOSED LOCATION:
NWNW 17 080S 210E
SURFACE: 0660 FNL 0654 FWL
BOTTOM: 0660 FNL 0654 FWL
UINTAH
GYPSUM HILLS (610)

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

LEASE TYPE: 1 - Federal
LEASE NUMBER: UTU-68219
SURFACE OWNER: 2 - Indian

LATITUDE: 40.12869

PROPOSED FORMATION: MVRD

LONGITUDE: 109.58489

RECEIVED AND/OR REVIEWED:

Plat

Bond: Fed[1] Ind[] Sta[] Fee[]
(No. ESB000024)

Potash (Y/N)

Oil Shale 190-5 (B) or 190-3 or 190-13

Water Permit
(No. 43-8496)

RDCC Review (Y/N)
(Date: _____)

Fee Surf Agreement (Y/N)

LOCATION AND SITING:

___ R649-2-3.
Unit _____

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

___ R649-3-3. Exception

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

___ R649-3-11. Directional Drill

COMMENTS: Sop, Separate file

STIPULATIONS: 1- Federal approval
2- Spacing Stip



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

October 30, 2003

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

Re: WVX 4W-17-8-21 Well, 660' FNL, 654' FWL, NW NW, Sec. 17, T. 8 South, R. 21 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

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 43-047-35319.

Sincerely,

A handwritten signature in black ink that reads "John R. Baza".

John R. Baza
Associate Director

pab
Enclosures

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

Operator: QEP Uinta Basin, Inc.
Well Name & Number WVX 4W-17-8-21
API Number: 43-047-35319
Lease: UTU-68219

Location: NW NW Sec. 17 T. 8 South R. 21 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

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

RECEIVED

OCT 28 2003

FORM APPROVED
OMB NO. 1040-0136
Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

BLM VERNAL, UTAH

005

5. LEASE DESIGNATION AND SERIAL NO.

UTU-68219

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

UTE TRIBAL

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

TYPE OF WORK

DRILL

DEEPEN

TYPE OF WELL

OIL WELL

GAS WELL

OTHER

SINGLE ZONE

MULTIPLE ZONE

7. UNIT AGREEMENT NAME

N/A

8. FARM OR LEASE NAME, WELL NO.

WVX 4W-17-8-21

2. NAME OF OPERATOR

QEP Uinta Basin, Inc.

Contact: John Busch

E-Mail: john.busch@questar.com

9. API WELL NO.

3. ADDRESS

11002 E. 17500 S. Vernal, Ut 84078

Telephone number

Phone 435-781-4341 Fax 435-781-4323

10. FIELD AND POOL, OR WILDCAT

UNDESIGNATED

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

At Surface 660' FNL, 654' FWL, NWNW, SECTION 17, T8S, R21E

At proposed production zone

11. SEC., T, R, M, OR BLK & SURVEY OR AREA

NWNW, SECTION 17, T8S, R21E

14. DISTANCE IN MILES FROM NEAREST TOWN OR POSTOFFICE*

12 +/- miles East of Ouray, Utah

12. COUNTY OR PARISH

UINTAH

13. STATE

UT

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (also to nearest drig,unit line if any)

654'+/-

16. NO. OF ACRES IN LEASE

880

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

18. DISTANCE FROM PROPOSED location to nearest well, drilling, completed, applied for, on this lease, ft

1500' +/-

19. PROPOSED DEPTH

9550'

20. BLM/BIA Bond No. on file

ESB000024

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

4690' KB

22. DATE WORK WILL START

ASAP

23. Estimated duration

10 DAYS

24. Attachments

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RECEIVED

DEC 22 2003

27-Oct-03

SIGNED John Busch

Name (Printed) JOHN BUSCH

DIV. OF OIL, GAS & MINING

TITLE OPERATIONS SUPERVISOR

(This space for Federal or State office use)

NOTICE OF APPROVAL

PERMIT NO. _____

APPROVAL DATE _____

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

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY [Signature]

TITLE

Assistant Field Manager
Mineral Resources

DATE

12/16/2003

*See Instructions 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 any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

CONDITIONS OF APPROVAL ATTACHED

CONFIDENTIAL

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: QEP Uintah Basin Inc.

Well Name & Number: WVX 4W-17-8-21

API Number: 43-047-35319

Lease Number: U-68219

Location: NWNW Sec. 17 T.8S R. 21E

Agreement: N/A

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

Casing Program and Auxiliary Equipment

The production casing proposed in Wasatch SOP will not meet the minimum design criteria for the collapse Safety Factor. A different casing grade will be required for the lower portion of the hole.

Coring, Logging and Testing Program

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

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

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

Ed Forsman (435) 828-7874
Petroleum Engineer

Kirk Fleetwood (435) 828-7875
Petroleum Engineer

BLM FAX Machine (435) 781-4410

**SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

QEP UINTA BASIN, INC. (QEP) will assure the Ute Tribe that any/all contractors and subcontractors have acquired a current Tribal Business License and have updated "Access Permits" prior to construction. All QEP personnel, contractors and subcontractors will have these permits in their vehicles at all times. Companies that have not complied with this COA will be in violation of the Ute Tribal Business License Ordinance, and will be subject to fines and penalties.

QEP employees, representatives, and/or authorized personnel (subcontractors) shall not carry firearms on their person or in their vehicles while working on the Uintah and Ouray Indian Reservation.

QEP employees and/or authorized personnel (subcontractors) in the field will have applicable approved APDs and/or ROW permits/authorizations on their person(s) during all phases of construction.

QEP will notify the Ute Tribe and Bureau of Indian Affairs (BIA) in writing of any requested modification of APDs or Rights-Of Way (ROW). QEP shall receive written notification of authorization or denial of the requested modification. Without authorization, QEP will be subject to fines and penalties.

The Ute Tribe Energy & Minerals Department shall be notified in writing 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday. A Tribal Technician is to routinely monitor construction. QEP shall make arrangements with the Ute Energy & Minerals Department for all monitoring that will exceed regular working hours for Tribal Technicians. A qualified Archaeologist accompanied by a Tribal Technician will monitor any trenching construction of the pipeline. QEP is to inform contractors to maintain construction of the pipelines within the approved right of ways.

A corridor ROW, 30 feet wide and 1085 feet long, was granted for the pipeline. A ROW, 30 feet wide and 1219 feet long, was granted for the new access road. The constructed travel width of the access road will be limited to 18 feet. Upon authorization by the Ute Tribe Energy & Minerals Department, the ROW may be wider where sharp curves; deep cuts and fills occur; or, where intersections with other roads are required.

Upon completion of the pertinent APD and ROWs, QEP will notify the Ute Tribe Energy & Minerals Department for a Tribal Technician to verify the Affidavit of Completion. When each pipeline has been constructed and completed as built descriptions will be filed with the Ute Tribal Energy and Minerals Department.

Production waters, oil, and other byproducts shall not be placed on access roads or the well pad.

All vehicular traffic, personnel movement, construction and restoration operations will be confined to the areas examined and approved and to the existing roadways and/or evaluated access routes.

QEP will implement "Safety and Emergency Plan" and ensure plan compliance.

QEP shall stop construction activities and notify personnel from the Ute Tribe Energy & Minerals Department and BIA if cultural remains including paleontology resources (vertebrate fossils) are exposed or identified during construction. The Ute Tribe Department of Cultural Rights and Protection and the BIA will provide mitigation measures prior to allowing construction.

QEP employees and/or authorized personnel (subcontractors) will not be allowed to collect artifacts and paleontology fossils. No significant cultural resources shall be disturbed.

QEP will control noxious weeds on the well site and ROWs. QEP will be responsible for noxious weed control if weeds spread from the project area onto adjoining land.

Reserve pits will be lined with an impervious synthetic liner to conserve fluids. A fence will be constructed around the reserve pit until it is backfilled. Prior to backfilling the reserve pit, all fluids will be pumped from the pit into trucks and hauled then to approved, disposal sites. When the reserve pits are backfilled, the surplus oil and mud, etc., will be buried a minimum of 3 feet below the surface of the soil.

A closed system will be used during production. This means that production fluids will be contained in leak-proof tanks. All production fluids will be disposed of at approved disposal sites. If any of the produced water is diverted to drilling activities then: Any reserve pits where this produced water is hauled must have a pit liner installed. This produced water may not be injected down the annulus of a well after the drilling has been completed.

Surface pipelines will be constructed to lay on the soil surface. The pipeline ROW will not be bladed or cleared of vegetation without authorization of the BIA. Surface pipelines shall be welded in place at well sites or on access roads and on other existing roads then pulled into place with suitable equipment. Vehicles shall not use pipeline ROWs as access roads unless specifically authorized.

Before the site is abandoned, QEP will be required to restore the well site and ROWs to near their original state. The disturbed areas will be reseeded with desirable perennial vegetation.

Soil erosion will be mitigated, by reseeded all disturbed areas.

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

006

5. LEASE DESIGNATION AND SERIAL NUMBER:

UTU-68219

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

UTE TRIBE

7. UNIT or CA AGREEMENT NAME:

N/A

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

1. TYPE OF WELL

OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:

WVX 4W-17-8-21

2. NAME OF OPERATOR:

QEP UINTA BASIN, INC.

9. API NUMBER:

4304735319

3. ADDRESS OF OPERATOR:

11002 E. 17500 S. CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:

(435) 781-4341

10. FIELD AND POOL, OR WILDCAT:

UNDESIGNATED

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 660' FNL 654' FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 17 8S 21E

STATE: UTAH

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

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

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

QEP Uinta Basin, Inc. hereby requests a 1 year extension on the APD for the WVX 4W-17-8-21.

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 08-30-04
By: [Signature]

COPY SENT TO OPERATOR
Date: 9-1-04
Initials: CHD

NAME (PLEASE PRINT) John Busch TITLE Operations
SIGNATURE [Signature] DATE 8/24/2004

(This space for State use only)

RECEIVED
AUG 27 2004

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

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

API: 43-047-35319
Well Name: WVX 4W-17-8-21
Location: 660' FNL 654' FWL NWNW SEC 17 T8S R21E
Company Permit Issued to: QEP UINTA BASIN, INC.
Date Original Permit Issued: 10/30/2003

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

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

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

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

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

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

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

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

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

John Burch
Signature

8/24/2004
Date

Title: OPERATIONS

Representing: QEP UINTA BASIN, INC.

**RECEIVED
AUG 27 2004**

007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

RECEIVED
DEC 13 2004

1. Type of Well
Oil Gas
Well Well Other

2. Name of Operator
QEP UINTA BASIN, INC.

3. Address and Telephone No
11002 E. 17500 S. VERNAL, UT 84078-8526 (435) 781-4331

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NWNW 660'FNL 654'FWL SECTION 17, T8S, R21E

6. If Indian, Allottee or Tribe Name
UTE TRIBE

7. If Unit or CA, Agreement Designation
UTU-68219

8. Well Name and No.
WVX 4W-17-8-21

9. API Well No.
43-047-35319

10. Field and Pool, or Exploratory Area
UNDESIGNATED

11. County or Parish, State
UINTAH, UTAH

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

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

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

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

QEP Uinta Basin, Inc. hereby requests a 1 year extension on the APD for the WVX 4W-17-8-21.

RECEIVED
JAN 31 2005
DIV. OF OIL, GAS & MINING

CONDITIONS OF APPROVAL ATTACHEL

14. I hereby certify that the foregoing is true and correct.
Signed Jan Nelson Title Regulatory Affairs Analyst Date 12-10-04

(This space for Federal or State office use)
Approved by: Michael Lee Title Petroleum Engineer Date Jan 4 2005

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

*See instruction on Reverse Side



RESET

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

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

API: 43-047-35319
Well Name: WVX 4W-17-8-21
Location: NWNW 660' FNL 654' FWL SEC. 17, T8S, R21E
Company Permit Issued to: QEP UINTA BASIN, INC.
Date Original Permit Issued: 12/16/2003

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

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

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

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

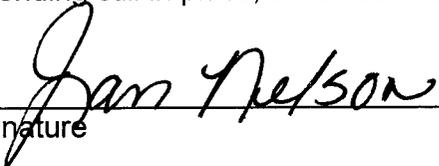
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

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

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

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

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


Signature

12/13/2004
Date

Title: REGULATORY AFFAIRS ANALYST

Representing: QEP UINTA BASIN, INC.

QEP Uinta Basin Inc.
APD Extension

Well: WVX 4W - 17-8-21

Location: NWNW Sec. 17, T08S, R21E

Lease: UTU-68219

Conditions of Approval

An extension for the referenced APD is granted with the following condition(s):

1. The extension will expire 12/15/05
2. No other extensions beyond that period will be granted or allowed.

If you have any other questions concerning this matter, please contact Michael Lee at (435) 781-4432.



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

September 15, 2005

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

Re: APD Rescinded - WVX 4W-17-8-21 Sec. 17, T. 8S, R. 21E
Uintah County, Utah API No. 43-047-35319

Dear Ms. Nelson:

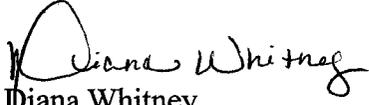
The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on October 30, 2003. On August 30, 2004 the Division granted a one-year APD extension. On September 15, 2005, you requested that the division rescind the state approved APD.

No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective September 15, 2005.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Whitney
Engineering Technician

cc: Well File
Bureau of Land Management, Vernal