

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE\*

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

001

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

TYPE OF WORK

DRILL

DEEPEN

TYPE OF WELL

OIL WELL

GAS WELL

OTHER

SINGLE ZONE

MULTIPLE ZONE

2. NAME OF OPERATOR

QEP Uinta Basin, Inc.

Contact: John Busch

E-Mail: john.busch@questar.com

3. ADDRESS

11002 E. 17500 S. Vernal, Ut 84078

Telephone number

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

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

At Surface 2026' FSL, 660' FEL, NESE, SECTION 18, T8S, R21E

At proposed production zone

14. DISTANCE IN MILES FROM NEAREST TOWN OR POSTOFFICE\*

12 +/- miles East of Ouray, Utah

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

660'+/-

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

9475'

20. BLM/BIA Bond No. on file

ESB000024

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

4667' 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.

4441983 Y 40.12148  
620184 X -109.58959

SIGNED John Busch

Name (Printed) JOHN BUSCH

27-Oct-03

TITLE OPERATIONS SUPERVISOR

(This space for Federal or State office use)

PERMIT NO.

43-047-35322

APPROVAL DATE

OCT 29 2003

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

TITLE

BRADLEY G. HILL  
ENVIRONMENTAL SCIENTIST III

\*See Instructions On Reverse Side

DATE

10-30-03

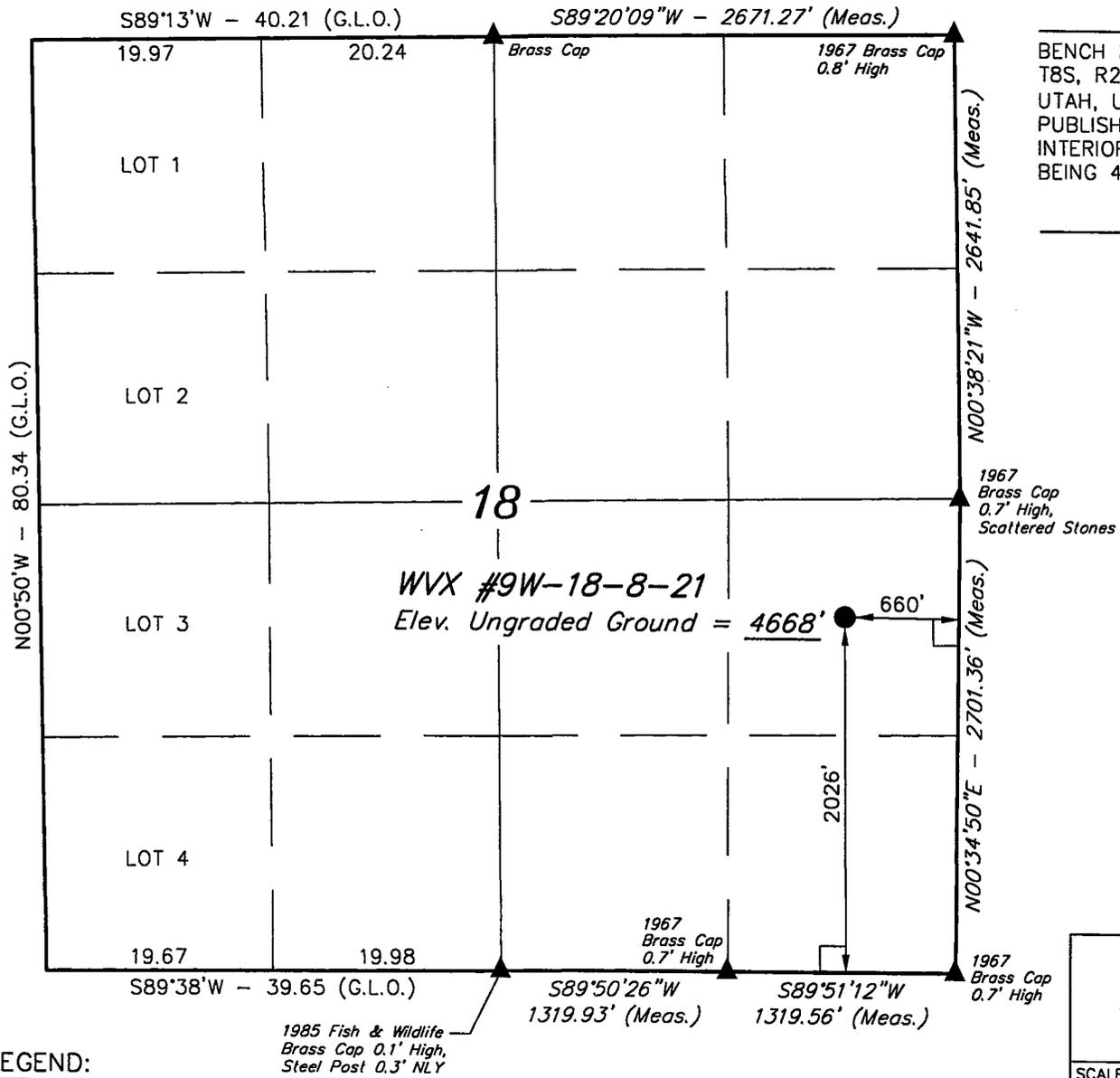
File 18 U.S.C Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction

CONFIDENTIAL

# T8S, R21E, S.L.B.&M.

## QUESTAR EXPLORATION & PRODUCTION

Well location, WVX #9W-18-8-21, located as shown in the NE 1/4 SE 1/4 of Section 18, T8S, R21E, S.L.B.&M. Uintah County, Utah.

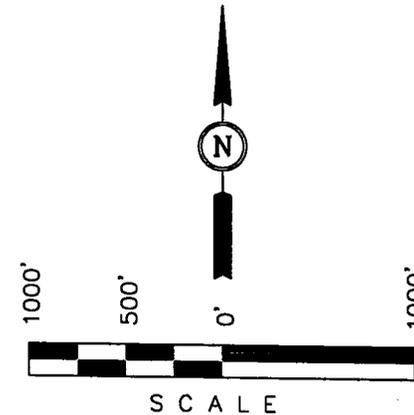


### BASIS OF ELEVATION

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

### BASIS OF BEARINGS

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



### 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 H. Kay*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH

### LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)  
 LATITUDE = 40°07'16.85" (40.121347)  
 LONGITUDE = 109°35'24.76" (109.590211)

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

SCALE 1" = 1000'	DATE SURVEYED: 09-08-03	DATE DRAWN: 09-12-03
PARTY J.F. A.F. D.COX	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE QUESTAR EXPLORATION & PRODUCTION	

002

QEP Uinta Basin, Inc.  
WVX 9VV-18-8-21

**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:

<b>Formation</b>	<b>Depth</b>
Uinta	Surface
Green River	2567
Mahogany Ledge	3432
Wasatch	6072
TD	9475

**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:

<b>Substance</b>	<b>Formation</b>	<b>Depth</b>
Oil/Gas	Wasatch	9475

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 3790.0 psi.

**CONFIDENTIAL**

## Additional Operator Remarks

QEP, Uinta Basin Inc. proposes to drill a well to 9475" 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.

CONFIDENTIAL

**QEP UINTA BASIN, INC.  
WVX 9W-18-8-21  
2026' FSL, 660' FEL  
NESE, SECTION 18, 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.

**CONFIDENTIAL**

**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.

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

27-Oct-03  
Date

**CONFIDENTIAL**

# QUESTAR EXPLR. & PROD.

WVX #9W-18-8-21

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 18, T8S, R21E, S.L.B.&M.



PHOTO: VIEW FROM LOCATION STAKE TO CORNER #1

CAMERA ANGLE: SOUTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: WESTERLY



- Since 1964 -

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

LOCATION PHOTOS	09	12	03	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: J.F.	DRAWN BY: P.M.	REVISED: 00-00-00		

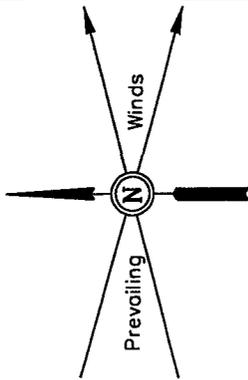
CONFIDENTIAL

# QUESTAR EXPLORATION & PRODUCTION

FIGURE #1

## LOCATION LAYOUT FOR

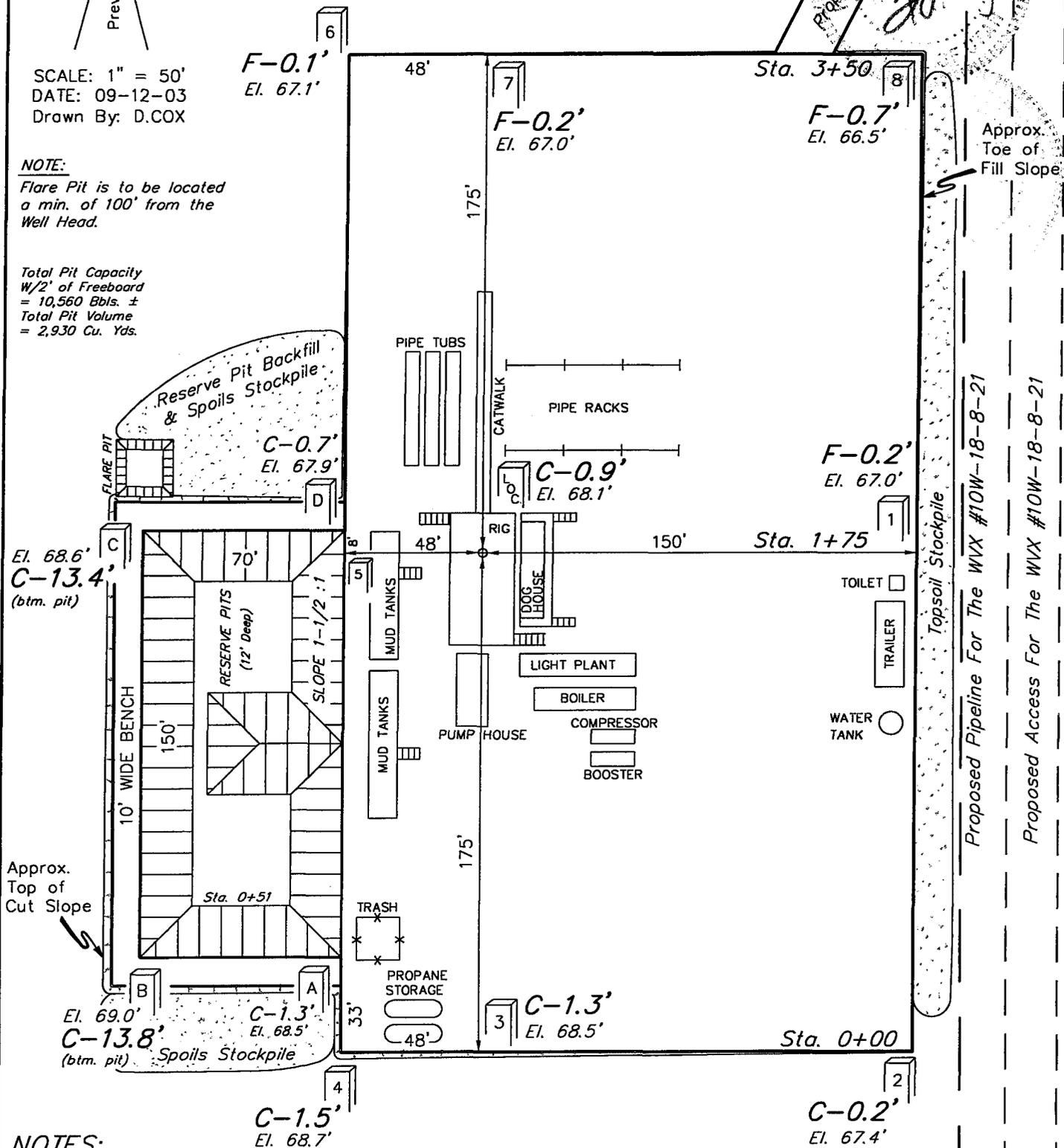
WVX #9W-18-8-21  
SECTION 18, T8S, R21E, S.L.B.&M.  
2026' FSL 660' FEL



SCALE: 1" = 50'  
DATE: 09-12-03  
Drawn By: D.COX

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

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



**NOTES:**

Elev. Ungraded Ground At Loc. Stake = 4668.1'  
FINISHED GRADE ELEV. AT LOC. STAKE = 4667.2'

QUESTAR EXPLORATION & PRODUCTION

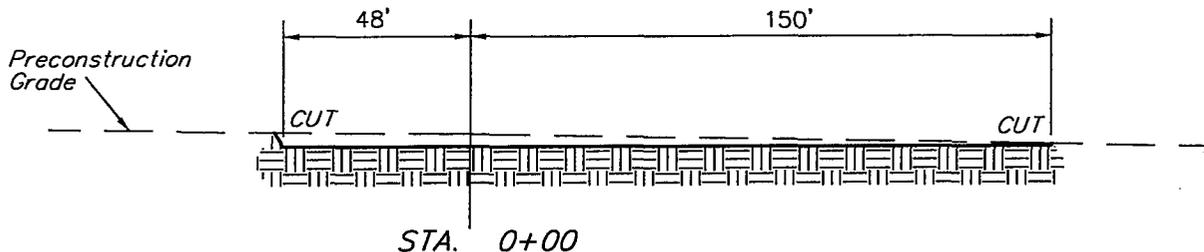
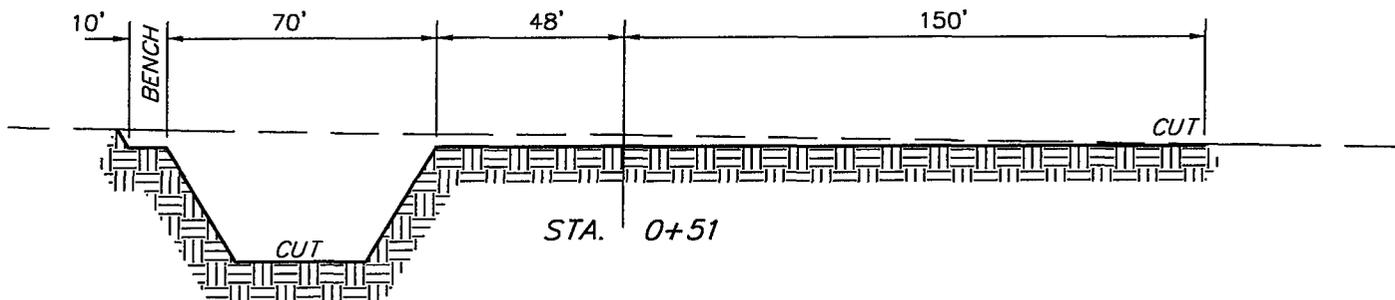
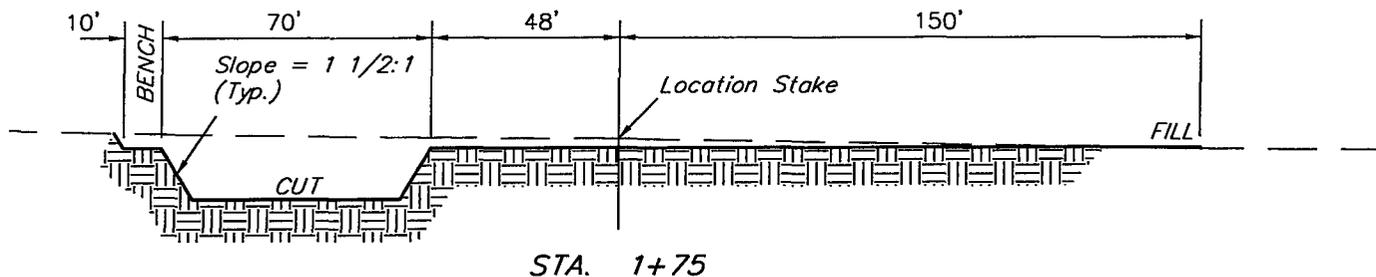
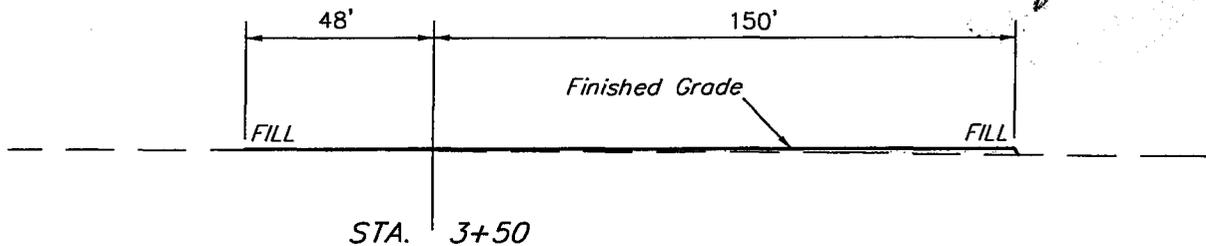
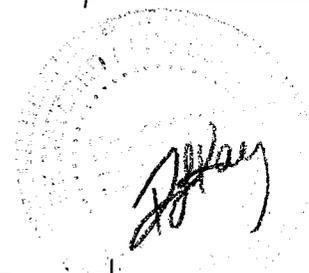
FIGURE #2

TYPICAL CROSS SECTIONS FOR

WVX #9W-18-8-21  
SECTION 18, T8S, R21E, S.L.B.&M.  
2026' FSL 660' FEL

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

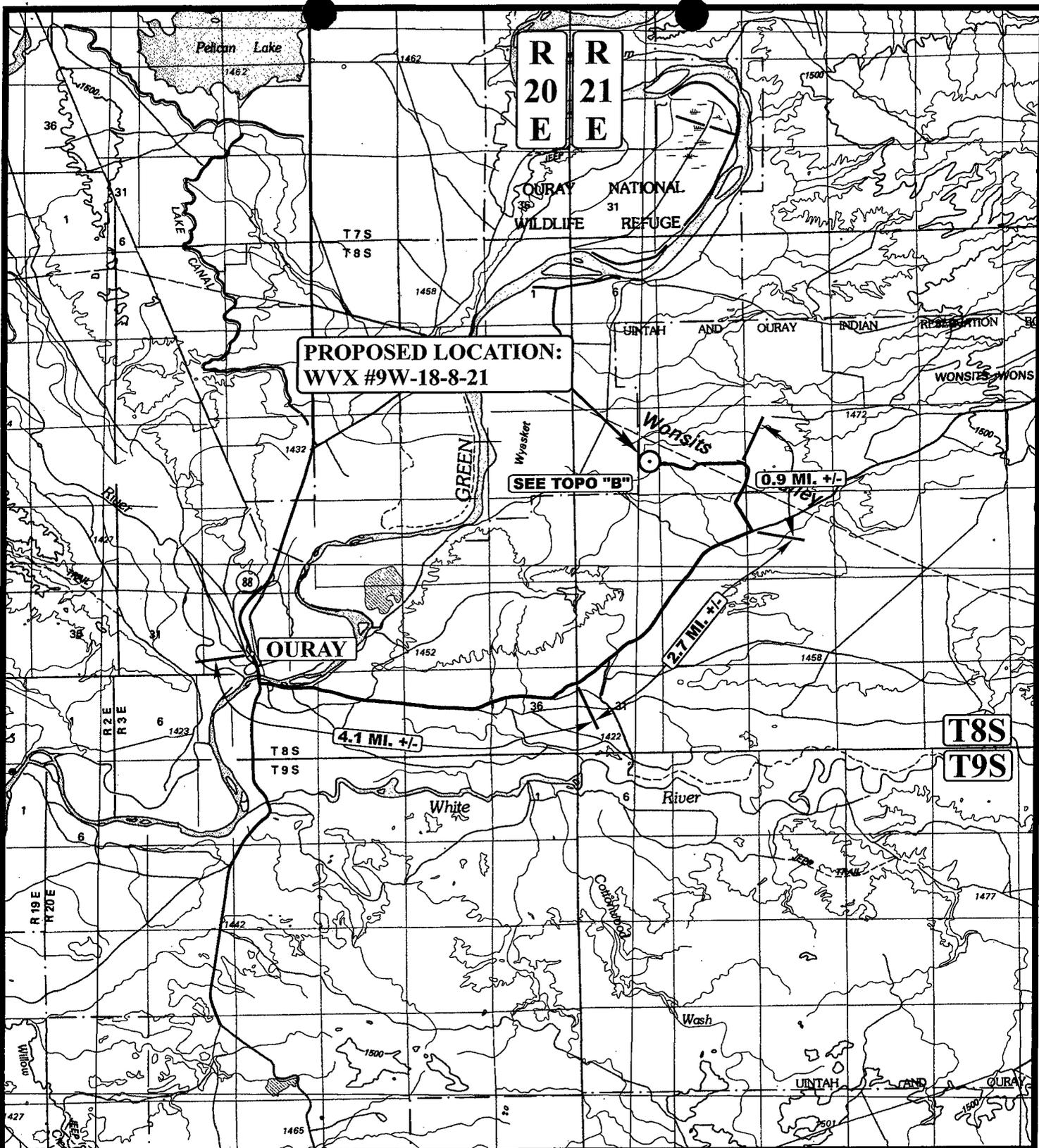
DATE: 09-12-03  
Drawn By: D.COX



APPROXIMATE YARDAGES

CUT	
(12") Topsoil Stripping	= 3,070 Cu. Yds.
Remaining Location	= 3,150 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 6,220 CU.YDS.</b>
<b>FILL</b>	<b>= 1,610 CU.YDS.</b>

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.



**LEGEND:**

○ PROPOSED LOCATION

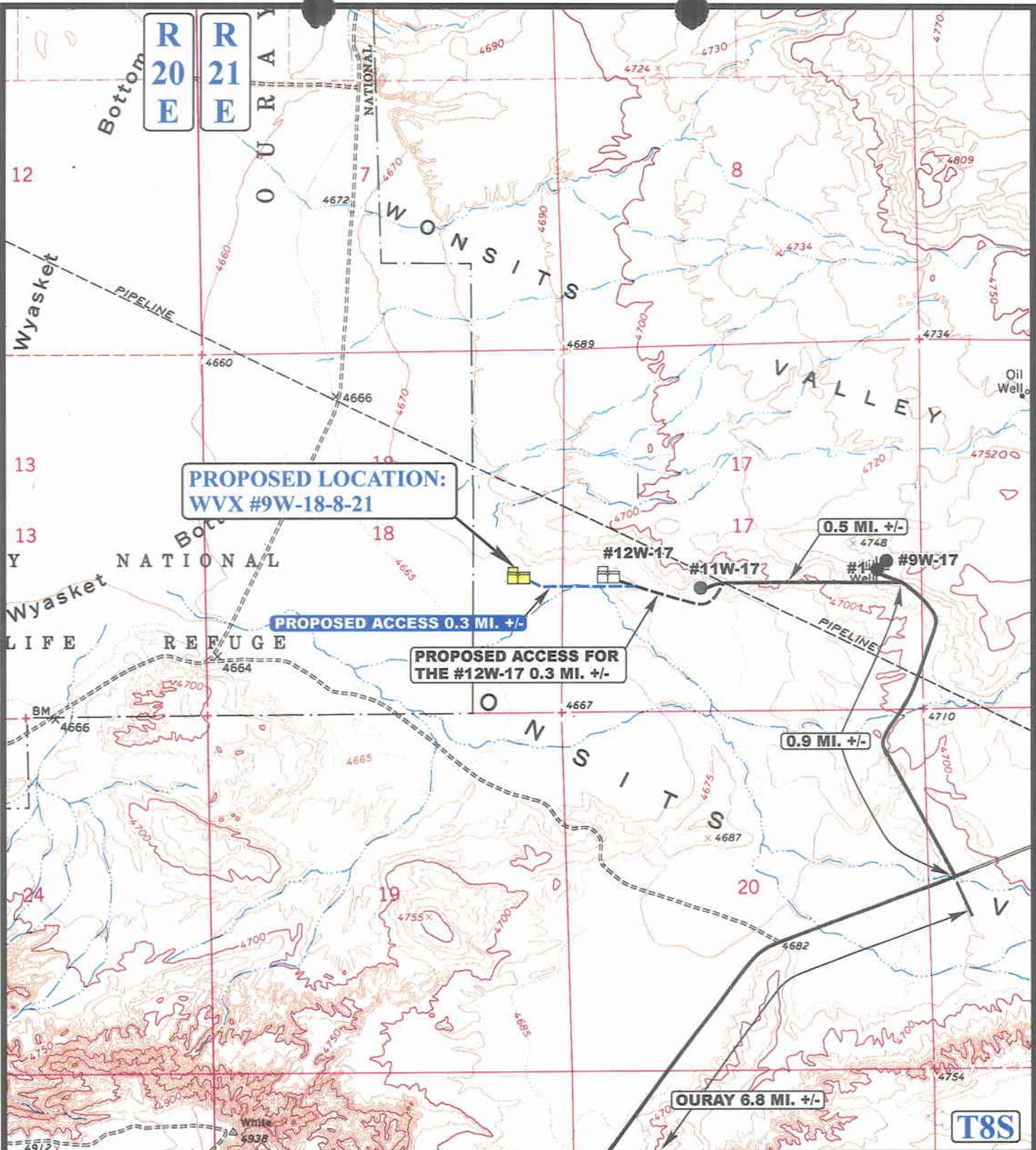


**QUESTAR EXPLR. & PROD.**

WVX #9W-18-8-21  
SECTION 18, T8S, R21E, S.L.B.&M.  
2026' FSL 660' FEL

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

<b>TOPOGRAPHIC</b>	<b>09</b>	<b>12</b>	<b>03</b>	<b>A</b> <b>TOPO</b>
<b>MAP</b>	MONTH	DAY	YEAR	
SCALE: 1:100,000	DRAWN BY: P.M.		REVISED: 00-00-00	



**LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD

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

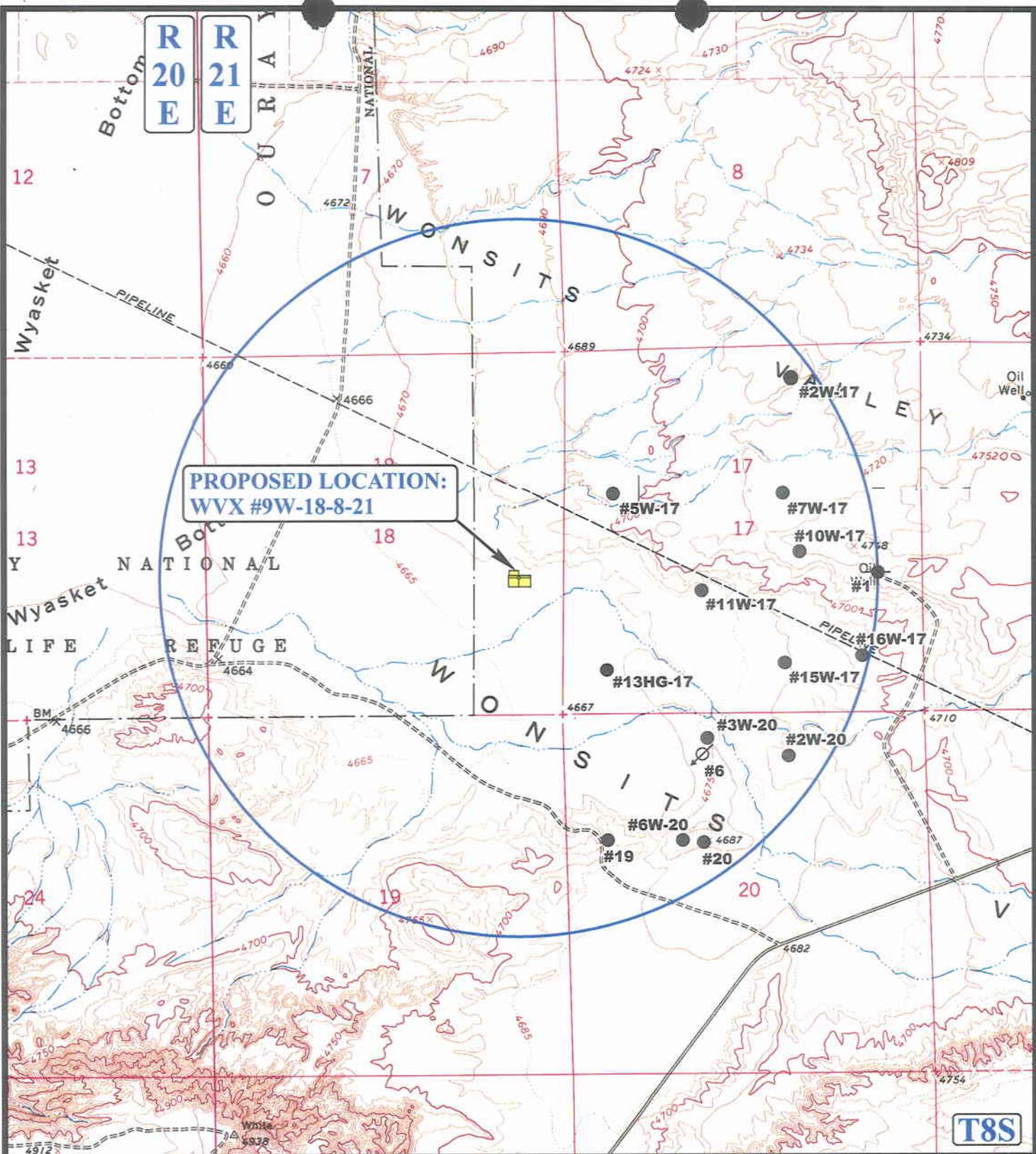


**QUESTAR EXPLR. & PROD.**

**WVX #9W-18-8-21**  
**SECTION 18, T8S, R21E, S.L.B.&M.**  
**2026' FSL 660' FEL**

**TOPOGRAPHIC MAP** 09 12 03  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00

**T8S**  
**TOPO**



**PROPOSED LOCATION:  
WVX #9W-18-8-21**

**LEGEND:**

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

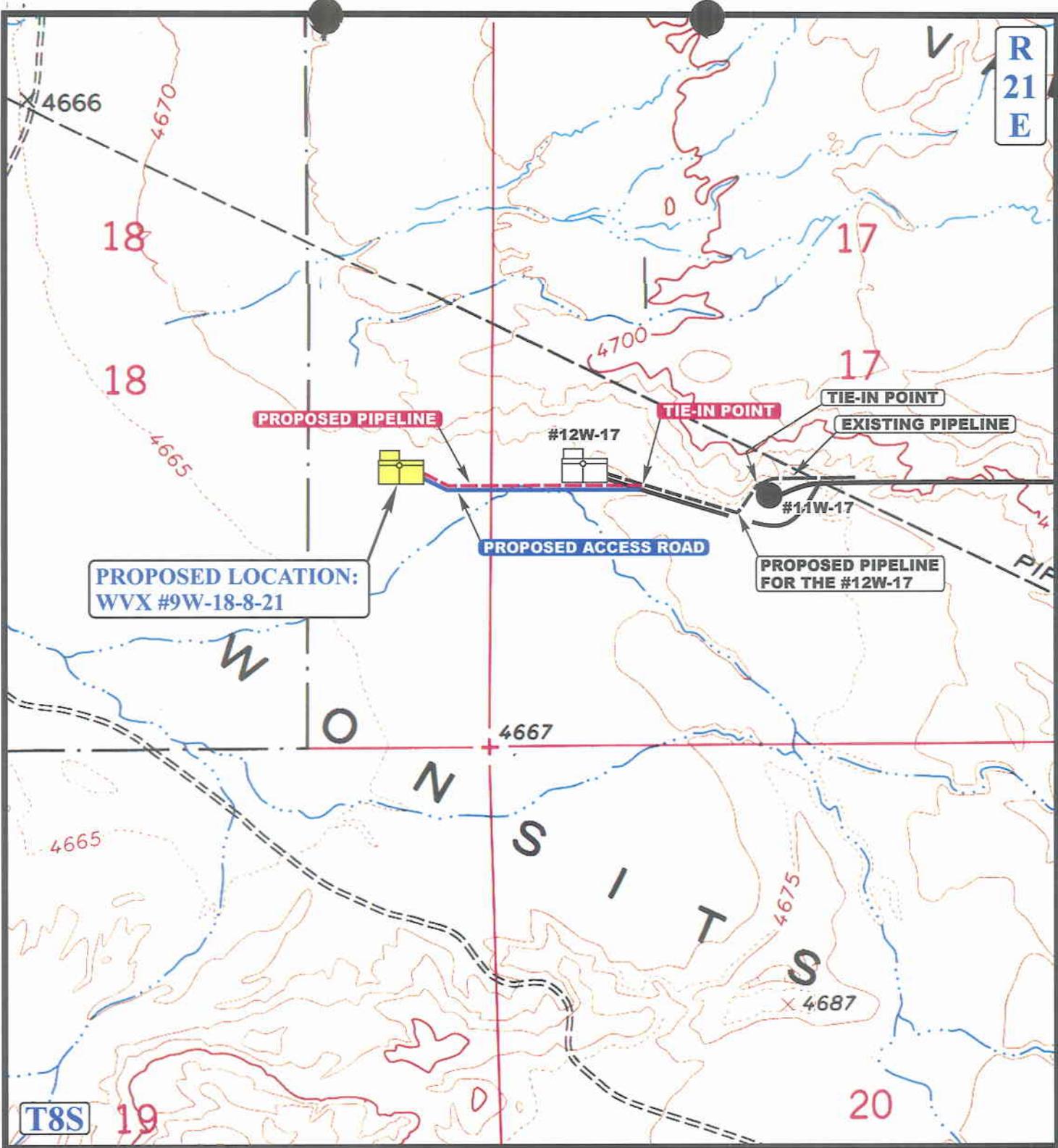
**QUESTAR EXPLR. & PROD.**

**WVX #9W-18-8-21  
SECTION 18, T8S, R21E, S.L.B.&M.  
2026' FSL 660' FEL**

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

**TOPOGRAPHIC MAP** 09 12 03  
MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00

**C**  
TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 1,460' +/-

**LEGEND:**

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

**QUESTAR EXPLR. & PROD.**

WVX #9W-18-8-21  
 SECTION 18, T8S, R21E, S.L.B.&M.  
 2026' FSL 660' FEL

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



**TOPOGRAPHIC MAP** 09 12 03  
MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: P.M. REVISED: 00-00-00



WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/29/2003

API NO. ASSIGNED: 43-047-35322

WELL NAME: WVX 9W-18-8-21

OPERATOR: QEP UINTA BASIN, INC. ( N2460 )

CONTACT: JOHN BUSCH

PHONE NUMBER: 435-781-4341

PROPOSED LOCATION:

NE 1/4 18 080S 210E  
SURFACE: 2026 FSL 0660 FEL  
BOTTOM: 2026 FSL 0660 FEL  
UINTAH  
UNDESIGNATED ( 2 )

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

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-68219

SURFACE OWNER: 2 - Indian

LATITUDE: 40.12148

PROPOSED FORMATION: *Wstc*

LONGITUDE: 109.58959

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)

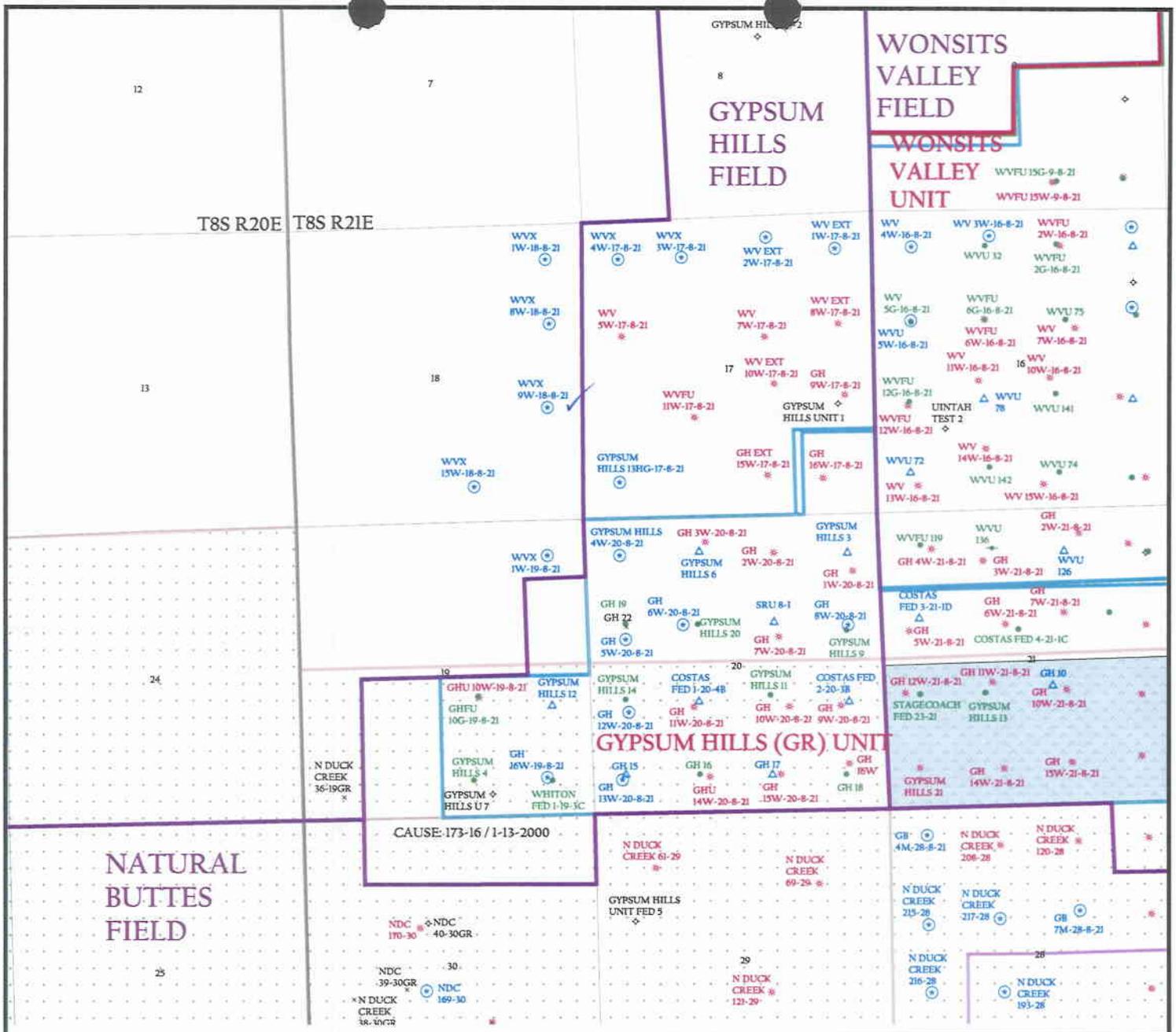
LOCATION AND SITING:

- \_\_\_ 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 SOP*



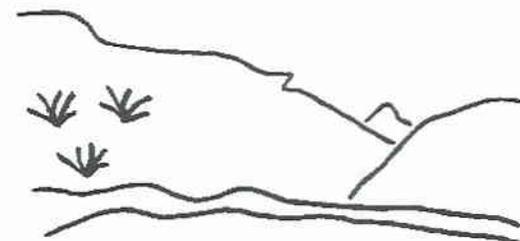
OPERATOR: QEP UINTA BASIN (N2460)

SEC. 18 T.8S, R.21E

FIELD: UNDESIGNATED (002)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

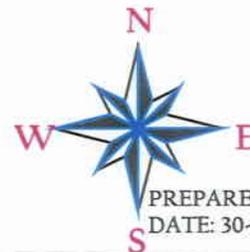


Utah Oil Gas and Mining

- Wells**
- GAS INJECTION
  - GAS STORAGE
  - LOCATION ABANDONED
  - NEW LOCATION
  - PLUGGED & ABANDONED
  - PRODUCING GAS
  - PRODUCING OIL
  - SHUT-IN GAS
  - SHUT-IN OIL
  - TEMP. ABANDONED
  - TEST WELL
  - WATER INJECTION
  - WATER SUPPLY
  - WATER DISPOSAL

- Unit Status**
- EXPLORATORY
  - GAS STORAGE
  - NF PP OIL
  - NF SECONDARY
  - PENDING
  - PI OIL
  - PP GAS
  - PP GEOTHERML
  - PP OIL
  - SECONDARY
  - TERMINATED

- Field Status**
- ABANDONED
  - ACTIVE
  - COMBINED
  - INACTIVE
  - PROPOSED
  - STORAGE
  - TERMINATED



PREPARED BY: DIANA WHITNEY  
DATE: 30-OCTOBER-2003



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 9W-18-8-21 Well, 2026' FSL, 660' FEL, NE SE, Sec. 18, 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 43-047-35322.

Sincerely,

A handwritten signature in black ink, appearing to read "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 9W-18-8-21  
**API Number:** 43-047-35322  
**Lease:** UTU-68219

**Location:** NE SE                      **Sec.** 18                      **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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCT 28 2003

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 9W-18-8-21

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 2026' FSL, 660' FEL, NESE, SECTION 18, T8S, R21E

At proposed production zone

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

NESE, SECTION 18, 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)

660'+/-

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

9475'

20. BLM/BIA Bond No. on file

ESB000024

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

4667' 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:

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

RECEIVED

SIGNED John Busch

Name (Printed) JOHN BUSCH

DEC 22 2003

27-Oct-03

TITLE OPERATIONS SUPERVISOR

DIV. OF OIL, GAS & MINING

(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:

Assistant Field Manager  
Mineral Resources

APPROVED [Signature] TITLE \_\_\_\_\_

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

74951049A

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: QEP Uintah Basin Inc.

Well Name & Number: WVX 9W-18-8-21

API Number: 43-047-35322

Lease Number: U-68219

Location: NESE Sec. 18 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 (4 ½" 11.6 lb/ft J-55 ) will not meet the minimum design criteria for the collapse Safety Factor. A casing grade with a higher collapse rating 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 937 feet long, was granted for the pipeline. A ROW, 30 feet wide and 1455 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

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.

7. UNIT or CA AGREEMENT NAME:

N/A

1. TYPE OF WELL

OIL WELL  GAS WELL  OTHER \_\_\_\_\_

8. WELL NAME and NUMBER:

WVX 9W-18-8-21

2. NAME OF OPERATOR:

QEP UINTA BASIN, INC.

9. API NUMBER:

4304735322

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: 2026' FSL 660' FEL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 18 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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input 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 9W-18-8-21.

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: *[Signature]*

NAME (PLEASE PRINT) John Busch

TITLE Operations

SIGNATURE *John Busch*

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:** 43-047-35322  
**Well Name:** WVX 9W-18-8-21  
**Location:** 2026' FSL 660' FEL NESE SEC 18 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 Busch  
Signature

8/24/2004  
Date

Title: OPERATIONS

Representing: QEP UINTA BASIN, INC.

RECEIVED

AUG 27 2004

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir

Use "APPLICATION FOR PERMIT—" for such proposals

UTU-68219

6. If Indian, Allottee or Tribe Name

UTE TRIBE

7. If Unit or CA, Agreement Designation

8. Well Name and No.

WVX 9W-18-8-21

9. API Well No.

43-047-35322

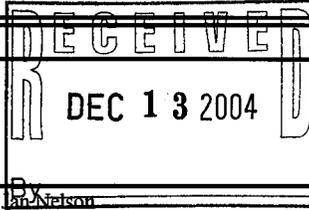
10. Field and Pool, or Exploratory Area

UNDESIGNATED

11. County or Parish, State

UINTAH, UTAH

SUBMIT IN TRIPLICATE



1. Type of Well

Oil  Gas   
Well  Well  Other

2. Name of Operator

QEP UINTA BASIN, INC.

Contact:

Jan Nelson

Email: Jan.Nelson@questar.com

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)

NESE 2026' FSL 660' FEL SECTION 18, T8S, R21E

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 9W-18-8-21.

RECEIVED

JAN 31 2005

DIV. OF OIL, GAS & MINING

CONDITIONS OF APPROVAL ATTACHED

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 Approval)

Michael Lee

Petroleum Engineer

Approved by:

Title

Date

JAN 14 2005

Conditions of approval, if any

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

\*See instruction on Reverse Side

UDOGM

RESET

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

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

API: 43-047-35322  
Well Name: WVX 9W-18-8-21  
Location: NESE 2026' FSL 660' FEL SEC. 18, 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

Jan Nelson  
Signature

12/13/2004  
Date

Title: REGULATORY AFFAIRS ANALYST

Representing: QEP UINTA BASIN, INC.

QEP Uinta Basin Inc.  
APD Extension

Well: WVX 9W - 18-8-21

Location: NESE Sec. 18, 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 9W-18-8-21 Sec. 18, T. 8S, R. 21E  
Uintah County, Utah API No. 43-047-35322

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,

A handwritten signature in cursive script that reads "Diana Whitney".  
Diana Whitney  
Engineering Technician

cc: Well File  
Bureau of Land Management, Vernal