

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE\*

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

001

5. LEASE DESIGNATION AND SERIAL NO.  
UTU-73687

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

7. UNIT AGREEMENT NAME  
N/A

8. FARM OR LEASE NAME, WELL NO.  
OU SG 10W-14-8-22

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

9. API WELL NO.  
43-047-35326

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  
KENNEDY WASH

4. LOCATION OF WELL (Report location clearly and in accordance with and State requirements\*)  
At Surface 1972' FSL, 1928' FEL, NWSE, SECTION 14, T8S, R22E  
At proposed production zone

11. SEC., T, R, M, OR BLK & SURVEY OR AREA  
NWSE, SECTION 14, T8S, R22E

14. DISTANCE IN MILES FROM NEAREST TOWN OR POSTOFFICE\*  
30 +/- miles Southwest of Vernal, 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)  
1928'+/-

16. NO. OF ACRES IN LEASE  
1595

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  
7950'

20. BLM/BIA Bond No. on file  
ESB000024

21. ELEVATIONS (Show whether DF, RT, GR, ect.)  
5121' 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).  
4442199 Y 40.12101  
636012 X - 109.40386
- 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.

SIGNED John Busch Name (Printed) JOHN BUSCH

27-Oct-03

TITLE OPERATIONS SUPERVISOR

(This space for Federal or State office use)

PERMIT NO. 43-047-35326

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

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

RECEIVED

OCT 29 2003

DIV. OF OIL, GAS & MINING

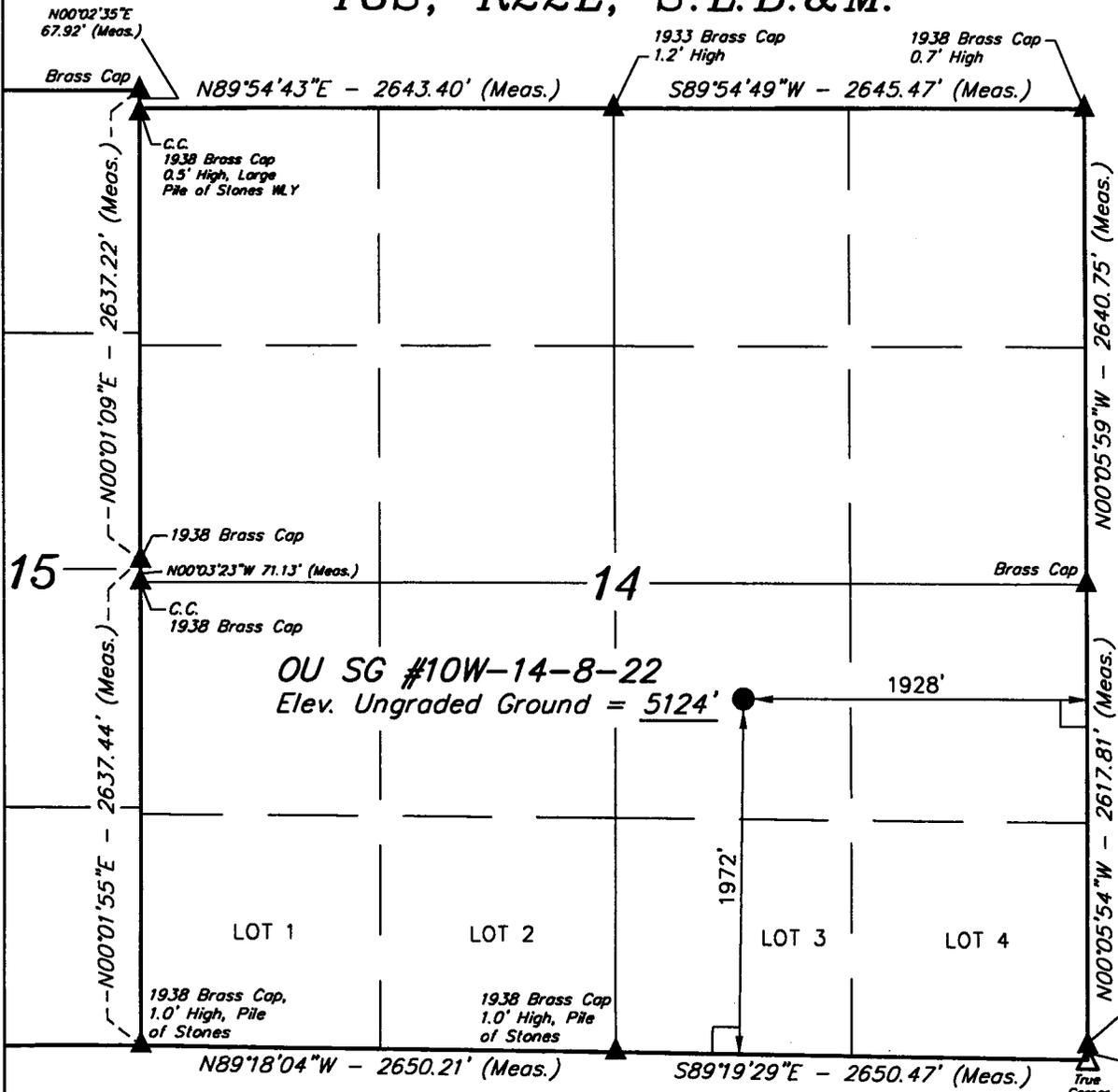
DATE 10-30-03

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

## QUESTAR EXPLORATION & PRODUCTION

Well location, OU SG #10W-14-8-22, located as shown in the NW 1/4 SE 1/4 of Section 14, T8S, R22E, S.L.B.&M. Uintah County, Utah.

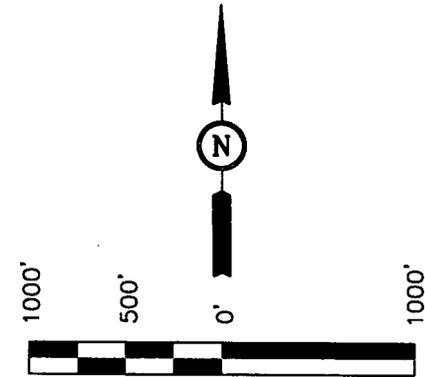


### BASIS OF ELEVATION

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

### BASIS OF BEARINGS

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



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.

*Rabert H. Kay*

REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

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### LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED. (Not Set On Ground)

(NAD 83)  
LATITUDE = 40°07'15.28" (40.120911)  
LONGITUDE = 109°24'16.94" (109.404706)

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

SCALE 1" = 1000'	DATE SURVEYED: 03-19-03	DATE DRAWN: 03-21-03
PARTY D.A. J.A. D.COX	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE QUESTAR EXPLORATION & PRODUCTION	

**Additional Operator Remarks**

QEP, Uinta Basin Inc. proposes to drill a well to 7950" 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.  
OU SG 10W-14-8-22

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

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

1. Formation Tops

The estimated tops of important geologic markers are as follows:

<i>Formation</i>	<i>Depth</i>
Uinta	Surface
Green River	2534
Mahogany Ledge	3484
Wasatch	5934
TD (Wasatch)	7950

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	Wasatch	7950'

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 3180.0 psi.

**QEP UINTA BASIN, INC.  
OU SG 10W-14-8-22  
1972' FSL, 1928' FEL  
NWSE, SECTION 14, T8S, R22E  
UINTAH COUNTY, UTAH  
LEASE # UTU-73687**

**ONSHORE ORDER NO. 1**

**MULTI – POINT SURFACE USE & OPERATIONS PLAN**

An onsite inspection was conducted for the OU SG 10W-14-8-22 on October 21, 2003 at approximately 3:30 PM. Weather conditions were sunny at the time of the onsite. In attendance at the inspection were the following individuals:

Paul Buehler	Bureau of Land Management
Dixie Sadleir	Bureau of Land Management
Jan Nelson	QEP/SEI
Raleen Searle	QEP/SEI

**1. Existing Roads:**

The proposed well site is approximately 30 miles Southwest of Vernal, 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.

A pit liner is required. A felt pit liner will be required if bedrock is encountered.

**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.

Seed mix #1 as follows;

Fourwing Saltbush	4lbs/acre
Indian Rice Grass	4lbs/acre
Needle & Threadgrass	4lbs/acre

**11. Surface Ownership:**

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

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

**12. Other Information**

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

**There is a Burrowing Owl Stipulation from April 1st through August 15th. No construction or drilling will commence during this period unless otherwise determined by a wildlife biologist that the site is inactive.**

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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

CONFIDENTIAL

# QUESTAR EXPLR. & PROD.

OU SG #10W-14-8-22

LOCATED IN UINTAH COUNTY, UTAH

SECTION 14, T8S, R22E, S.L.B.&M.

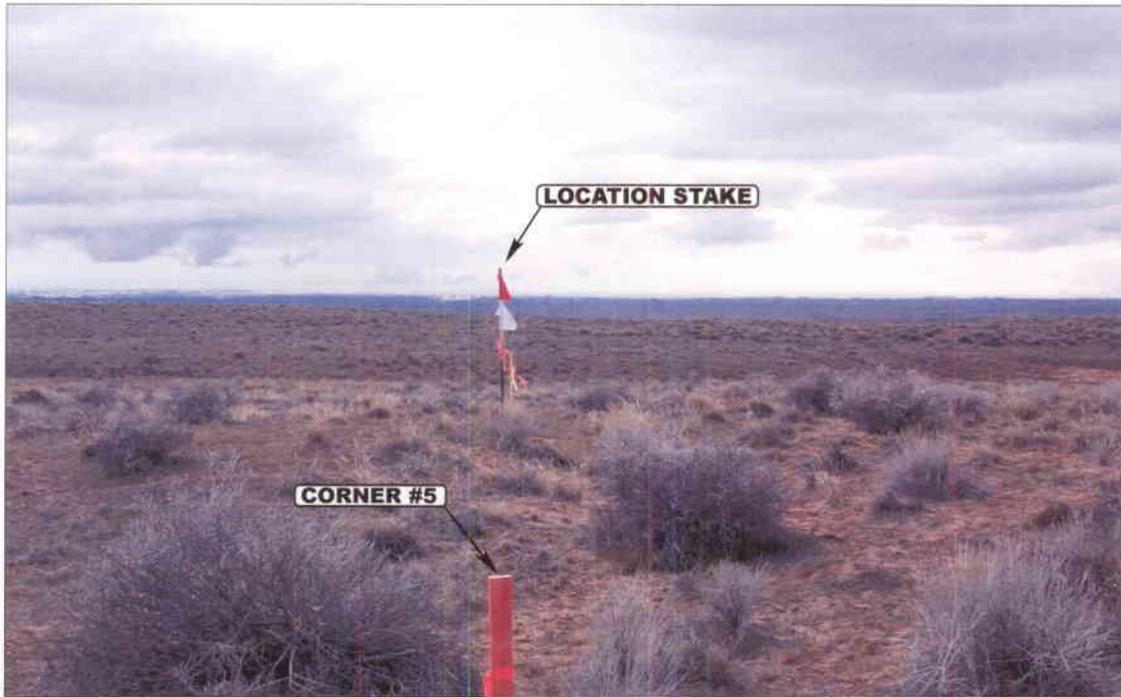


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHERLY

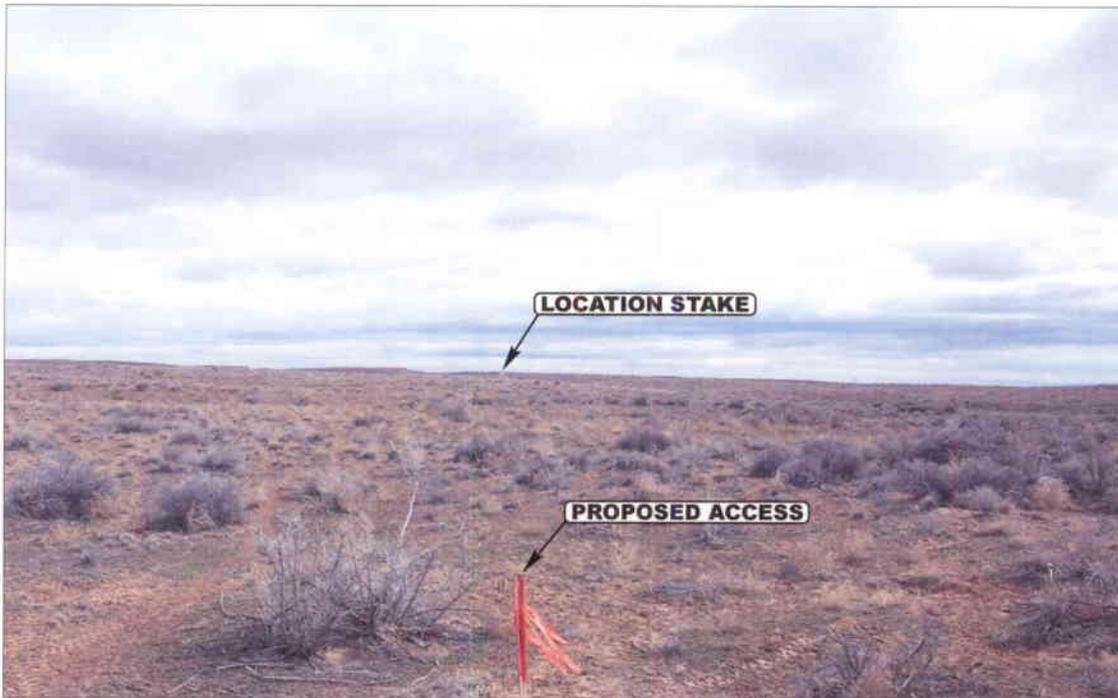


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: EASTERLY



- Since 1964 -

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

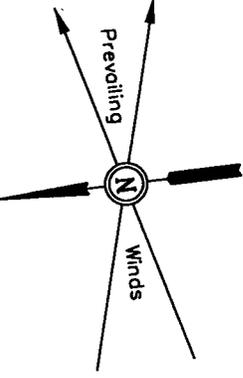
LOCATION PHOTOS			03	25	03	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: D.A.	DRAWN BY: P.M.	REVISED: 00-00-00				

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# QUESTAR EXPLORATION & PRODUCTION

FIGURE #1

LOCATION LAYOUT FOR  
 OU SG #10W-14-8-22  
 SECTION 14, T8S, R22E, S.L.B.&M.  
 1972' FSL 1928' FEL



SCALE: 1" = 50'  
 DATE: 03-24-03  
 Drawn By: D.COX

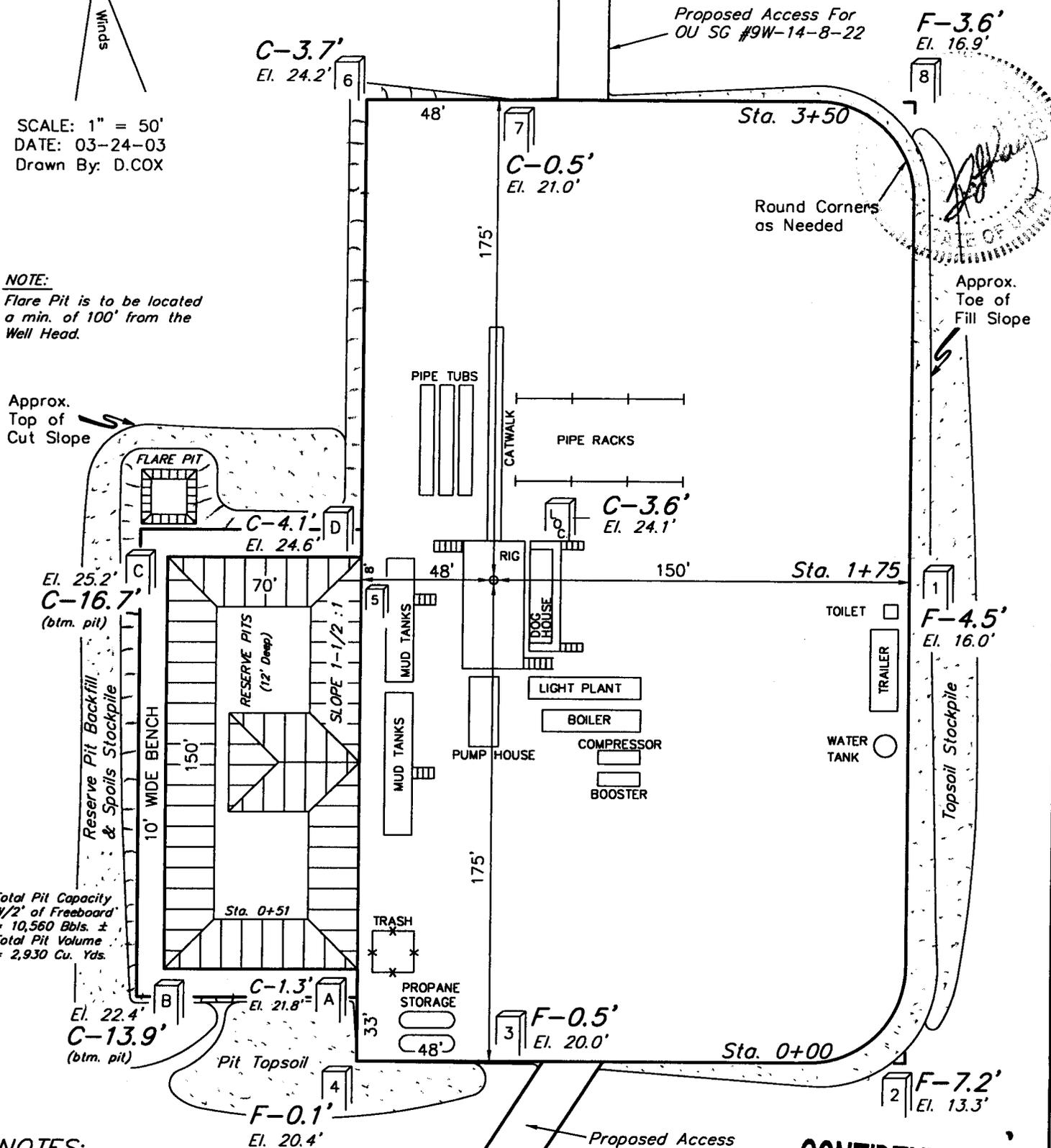
**NOTE:**  
 Flare Pit is to be located  
 a min. of 100' from the  
 Well Head.

Approx.  
 Top of  
 Cut Slope

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

**NOTES:**

Elev. Ungraded Ground At Loc. Stake = 5124.1'  
 FINISHED GRADE ELEV. AT LOC. STAKE = 5120.5'



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

QUESTAR EXPLORATION & PRODUCTION

FIGURE #2

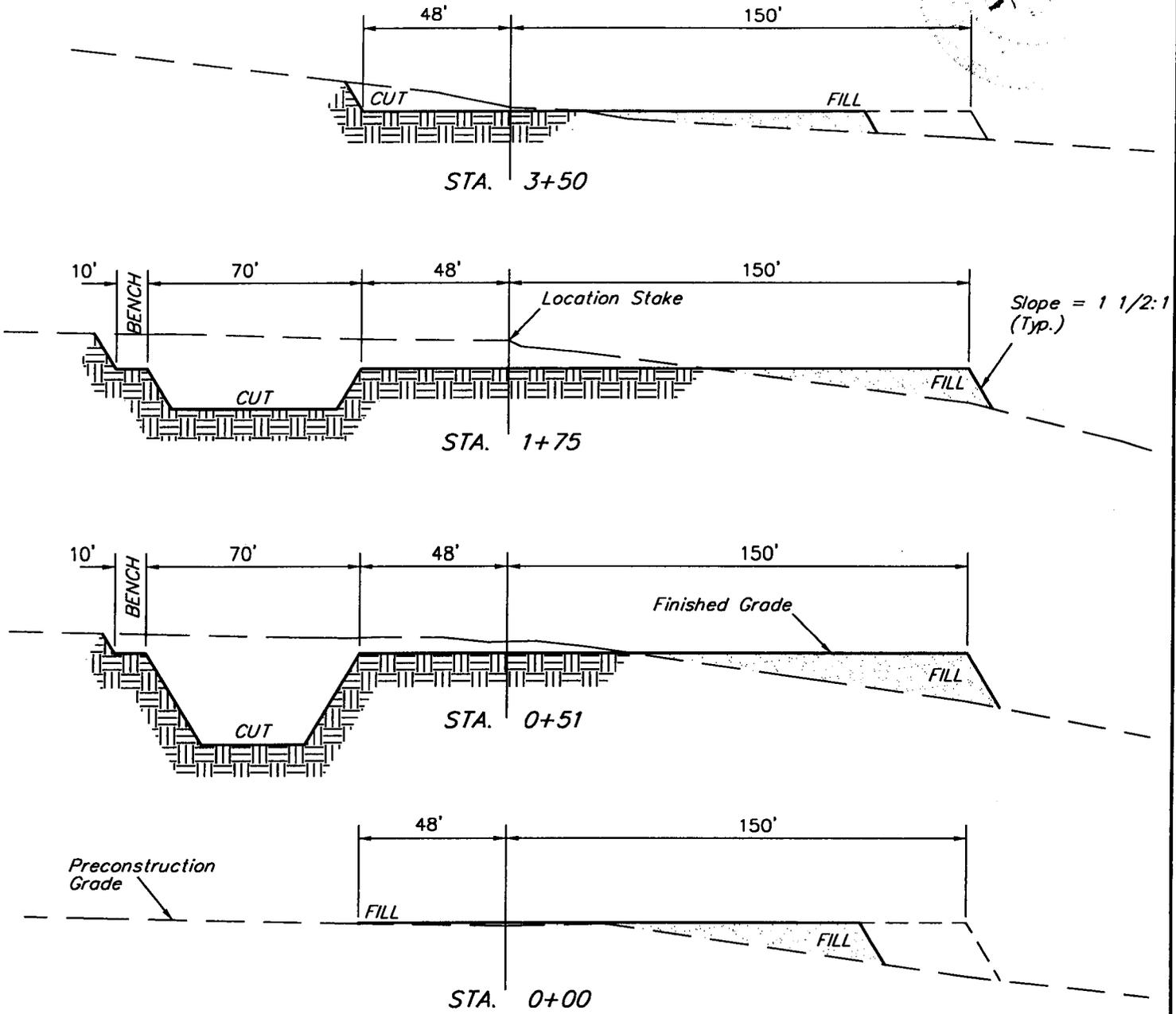
TYPICAL CROSS SECTIONS FOR

OU SG #10W-14-8-22  
SECTION 14, T8S, R22E, S.L.B.&M.  
1972' FSL 1928' FEL

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

DATE: 03-24-03  
Drawn By: D.COX

*D. Cox*

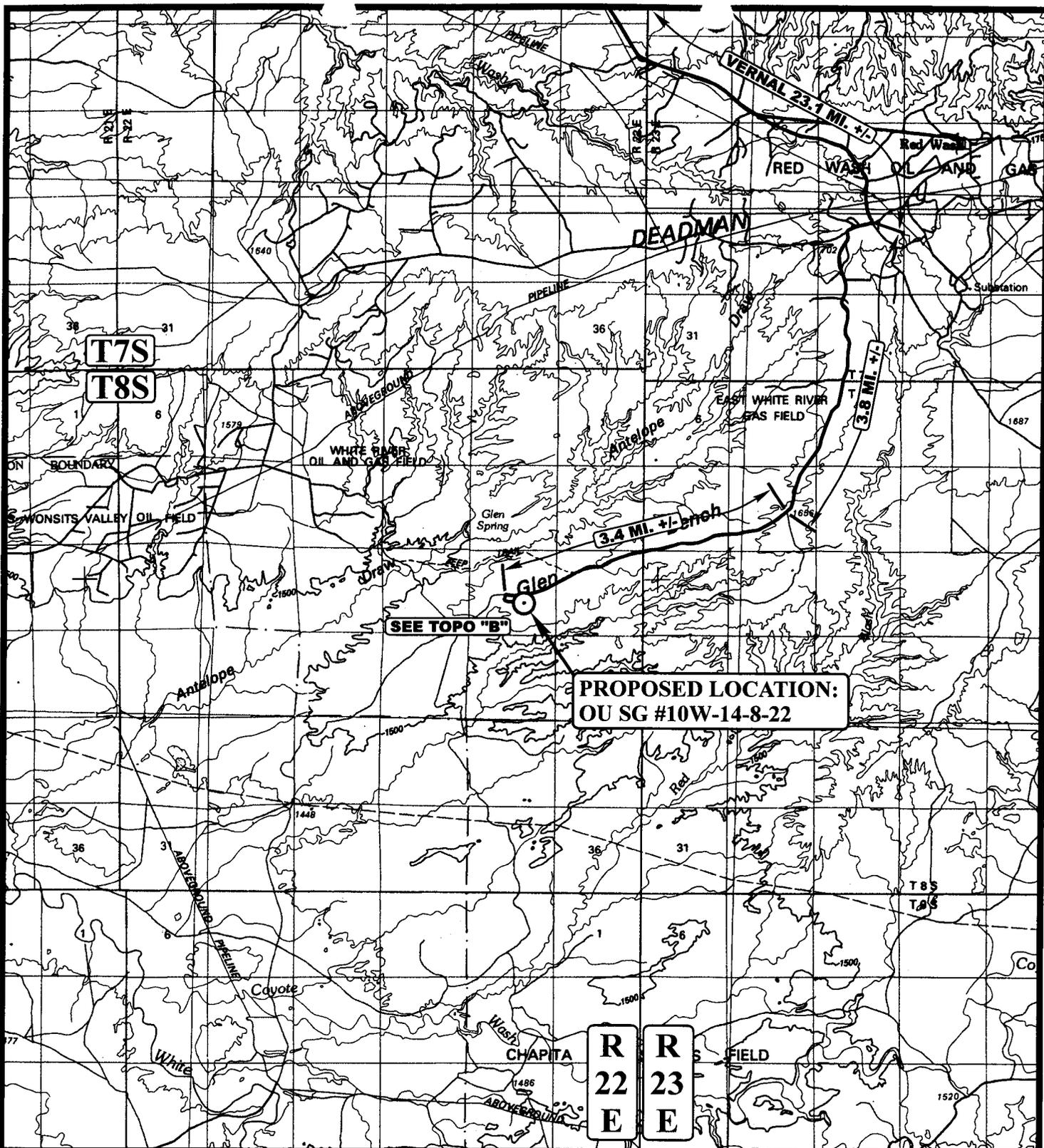


APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,540 Cu. Yds.
Remaining Location	= 6,380 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 7,920 CU.YDS.</b>
<b>FILL</b>	<b>= 4,670 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	= 3,000 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,000 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

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**LEGEND:**

⊙ PROPOSED LOCATION



**QUESTAR EXPLR. & PROD.**

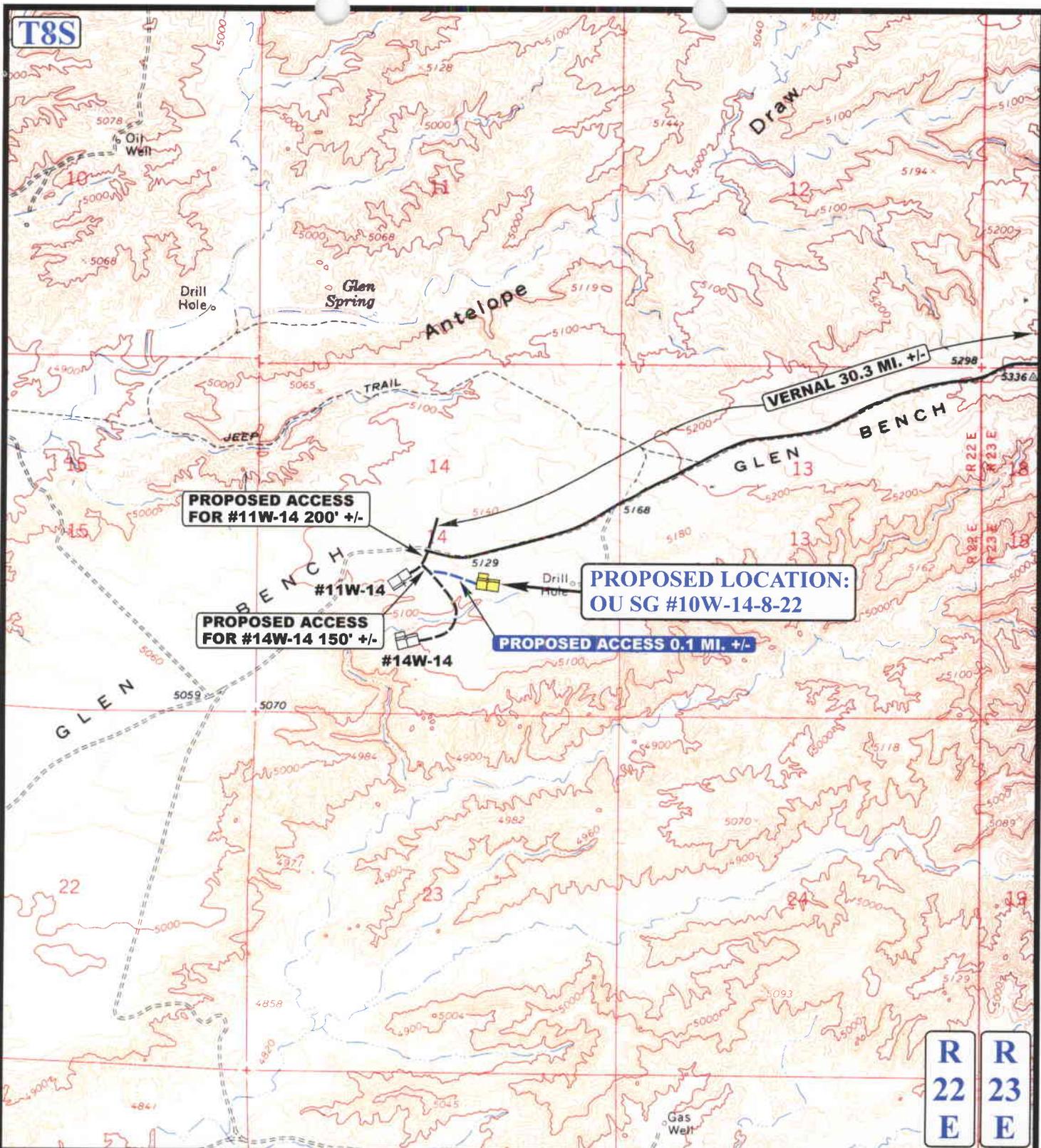
OU SG #10W-14-8-22  
 SECTION 14, T8S, R22E, S.L.B.&M.  
 1972' FSL 1928' FEL

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

**TOPOGRAPHIC MAP**  
 03 25 03  
 MONTH DAY YEAR  
 SCALE: 1:100,000 DRAWN BY: P.M. REVISED: 00-00-00



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**LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD

**QUESTAR EXPLR. & PROD.**

OU SG #10W-14-8-22  
 SECTION 14, T8S, R22E, S.L.B.&M.  
 1972' FSL 1928' FEL

**UEIS** Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
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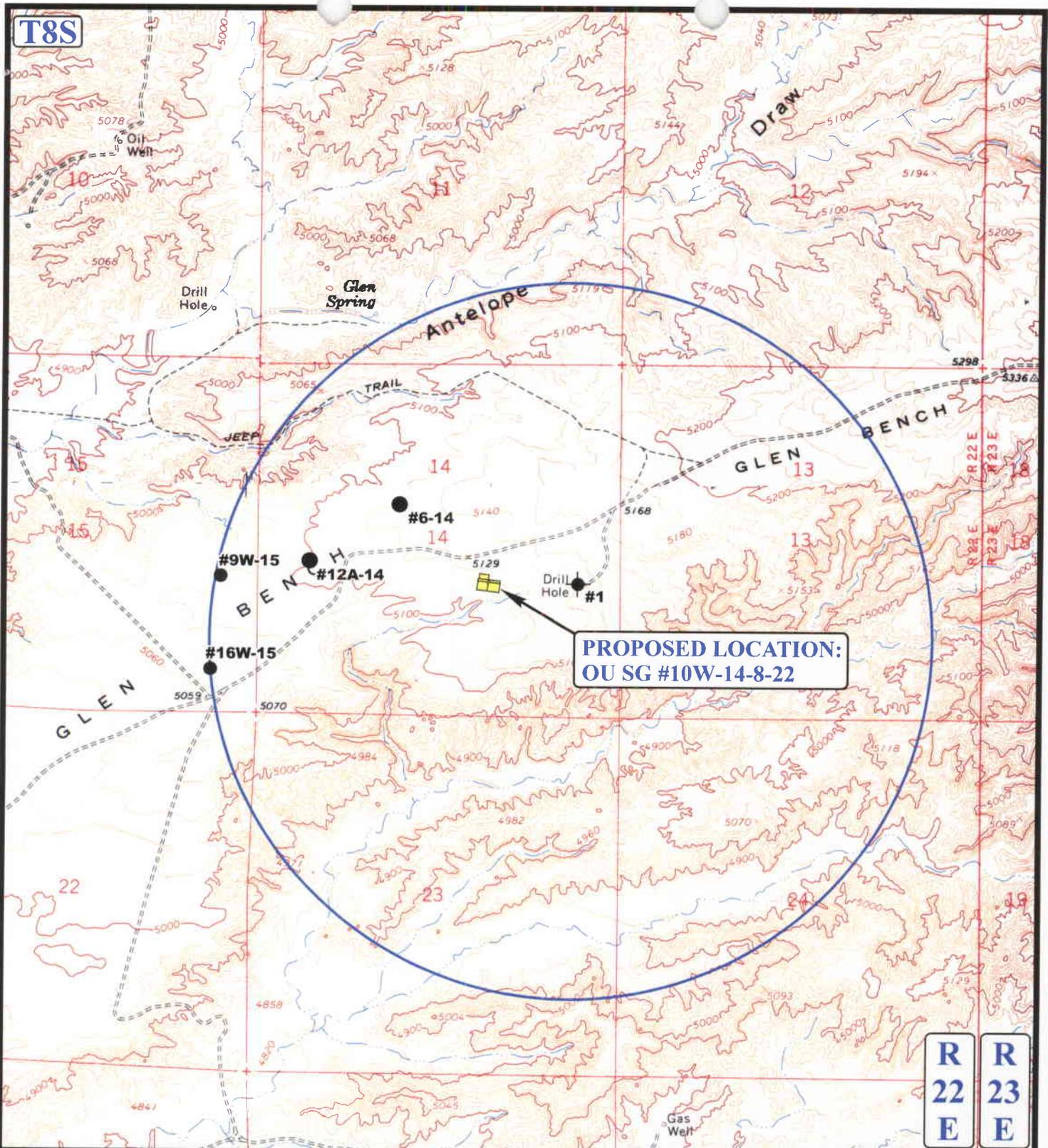


**TOPOGRAPHIC MAP** 03 25 03  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00

R	R
22	23
E	E

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T8S



**PROPOSED LOCATION:  
OU SG #10W-14-8-22**

R	R
22	23
E	E

**LEGEND:**

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

**QUESTAR EXPLR. & PROD.**

**OU SG #10W-14-8-22**  
**SECTION 14, T8S, R22E, S.L.B.&M.**  
**1972' FSL 1928' FEL**



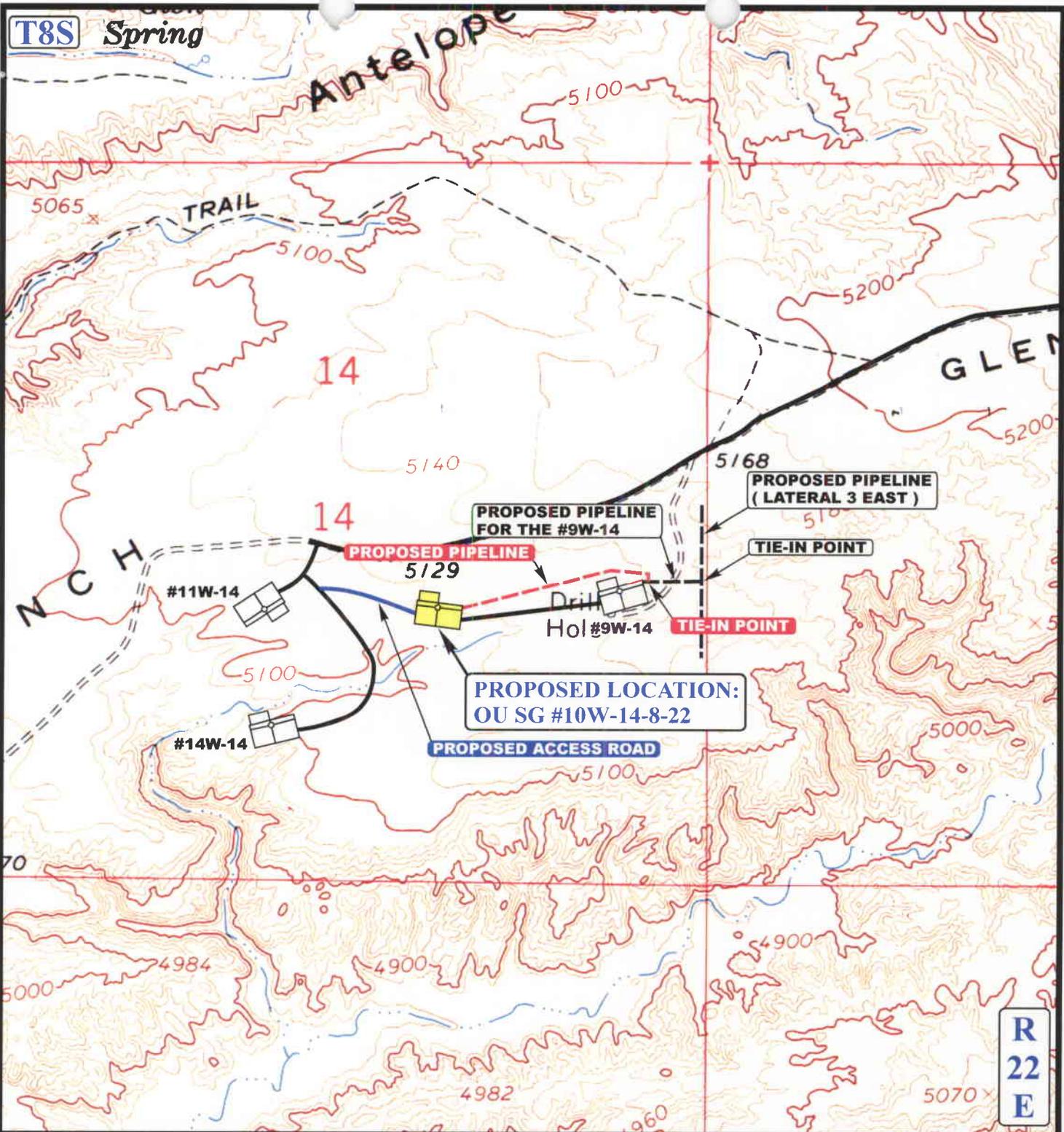
**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



**TOPOGRAPHIC MAP** 03 25 03  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00



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

**LEGEND:**

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

**QUESTAR EXPLR. & PROD.**

OU SG #10W-14-8-22  
 SECTION 14, T8S, R22E, S.L.B.&M.  
 1972' FSL 1928' FEL



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

**TOPOGRAPHIC** 03 25 03  
**MAP** MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: P.M. REVISED: 00-00-00



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WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/29/2003

API NO. ASSIGNED: 43-047-35326

WELL NAME: OU SG 10W-14-8-22

OPERATOR: QEP UINTA BASIN, INC. ( N2460 )

CONTACT: JOHN BUSCH

PHONE NUMBER: 435-781-4341

PROPOSED LOCATION:

NWSE 14 080S 220E  
SURFACE: 1972 FSL 1928 FEL  
BOTTOM: 1972 FSL 1928 FEL  
UINTAH  
KENNEDY WASH ( 618 )

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

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-73687

SURFACE OWNER: 1 - Federal

LATITUDE: 40.12101

PROPOSED FORMATION: WSTC

LONGITUDE: 109.40386

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:

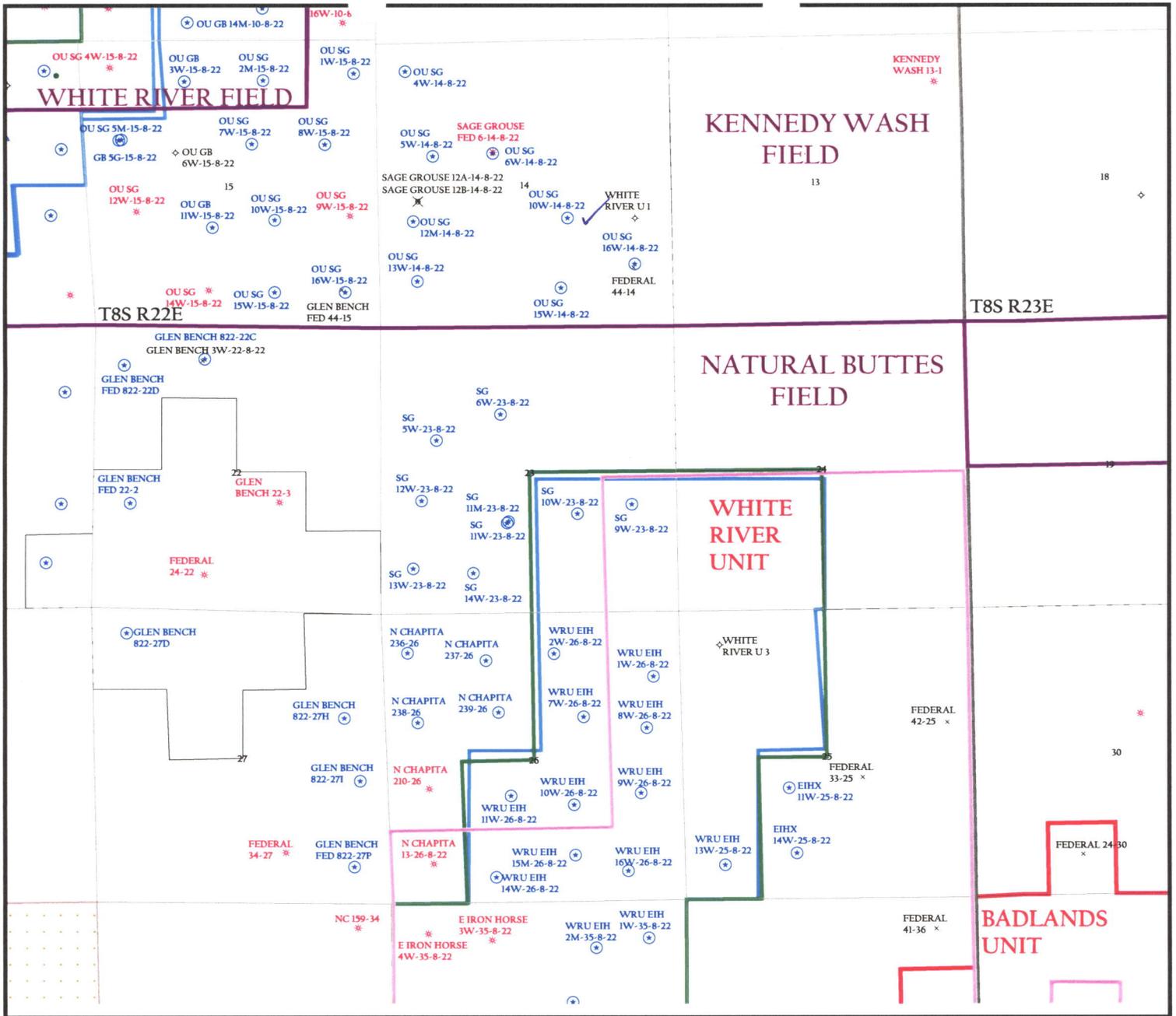
- R649-2-3.
- Unit \_\_\_\_\_
- R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit  
Board Cause No: \_\_\_\_\_  
Eff Date: \_\_\_\_\_  
Siting: \_\_\_\_\_
- R649-3-11. Directional Drill

COMMENTS:

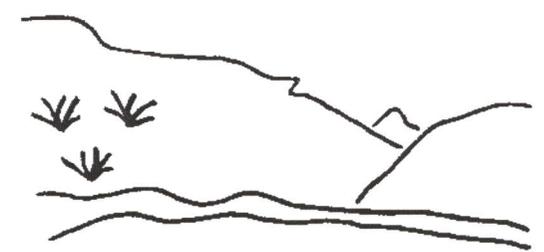
*So2, Separate file*

STIPULATIONS:

- 1- Federal approved*
- 2- Spacing strip*



OPERATOR: QEP UINTA BASIN (N2460)  
 SEC. 14 T.8S, R.22E  
 FIELD: KENNEDY WASH (618)  
 COUNTY: UINTAH  
 SPACING: R649-3-2 / GENERAL SITING



Utah Oil Gas and Mining

- |              |                     |                    |              |
|--------------|---------------------|--------------------|--------------|
| <b>Wells</b> |                     | <b>Unit Status</b> |              |
| •            | GAS INJECTION       | □                  | EXPLORATORY  |
| •            | GAS STORAGE         | □                  | GAS STORAGE  |
| •            | LOCATION ABANDONED  | □                  | NF PP OIL    |
| ⊙            | NEW LOCATION        | □                  | NF SECONDARY |
| •            | PLUGGED & ABANDONED | □                  | PENDING      |
| •            | PRODUCING GAS       | □                  | PI OIL       |
| •            | PRODUCING OIL       | □                  | PP GAS       |
| •            | SHUT-IN GAS         | □                  | PP GEOTHERML |
| •            | SHUT-IN OIL         | □                  | PP OIL       |
| ×            | TEMP. ABANDONED     | □                  | SECONDARY    |
| •            | TEST WELL           | □                  | TERMINATED   |
| ▲            | WATER INJECTION     |                    |              |
| +            | WATER SUPPLY        |                    |              |
| +            | WATER DISPOSAL      |                    |              |
- 
- |                     |            |
|---------------------|------------|
| <b>Field Status</b> |            |
| □                   | 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: Over and Under Sage Grouse 10W-14-8-22 Well, 1972' FSL, 1928' FEL, NW SE,  
Sec. 14, T. 8 South, R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-35326.

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 Over and Under Sage Grouse 10W-14-8-22  
API Number: 43-047-35326  
Lease: UTU-73687

Location: NW SE                      Sec. 14                      T. 8 South                      R. 22 East

### Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

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

005

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE\*

5. LEASE DESIGNATION AND SERIAL NO.  
UTU-73687

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

7. UNIT AGREEMENT NAME  
N/A

8. FARM OR LEASE NAME, WELL NO.  
OU SG 10W-14-8-22

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

TYPE OF WORK  
 DRILL  DEEPEN

TYPE OF WELL  
 OIL WELL  GAS WELL  OTHER  SINGLE ZONE  MULTIPLE ZONE  OCT 28 2003

2. NAME OF OPERATOR  
QEP Uinta Basin, Inc.

Contact: John Busch  
E-Mail: john.busch@questar.com

9. API WELL NO.  
43-047-35326

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  
KENNEDY WASH

4. LOCATION OF WELL (Report location clearly and in accordance with and State requirements\*)  
 At Surface 1972' FSL, 1928' FEL, NWSE, SECTION 14, T8S, R22E  
 At proposed production zone

11. SEC., T, R, M, OR BLK & SURVEY OR AREA  
NWSE, SECTION 14, T8S, R22E

14. DISTANCE IN MILES FROM NEAREST TOWN OR POSTOFFICE\*  
30 +/- miles Southwest of Vernal, 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)  
1928'+/-

16. NO. OF ACRES IN LEASE  
1595

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  
7950'

20. BLM/BIA Bond No. on file  
ESB000024

21. ELEVATIONS (Show whether DF, RT, GR, ect.)  
5121' 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.

SIGNED John Busch

Name (Printed) JOHN BUSCH

27-Oct-03

TITLE OPERATIONS SUPERVISOR

(This space for Federal or State office use)

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 \_\_\_\_\_ TITLE Assistant Field Manager Mineral Resources

\*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

RECEIVED

MAY 03 2004

DIV. OF OIL, GAS & MINING  
DATE \_\_\_\_\_

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

4006M

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: QEP Uintah Basin Inc.  
Well Name & Number: OU SG 10W-14-8-22  
API Number: 43-047-35326  
Lease Number: U-73687  
Location: NWSE Sec. 14 T.8S R. 22E  
Agreement: N/A

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

**CONDITIONS OF APPROVAL**

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

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

Casing Program and Auxiliary Equipment

As a minimum requirement, the cement behind the production casing must extend 200' above the top of the Green River formation which has been identified at  $\pm 2720'$ .

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.**

Other Information

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

Ed Forsman (435) 828-7874  
Petroleum Engineer

Kirk Fleetwood (435) 828-7875  
Petroleum Engineer

BLM FAX Machine (435) 781-4410

**CONDITIONS OF APPROVAL**  
**FOR THE SURFACE USE PROGRAM OF THE**  
**APPLICATION FOR PERMIT TO DRILL**

Company/Operator: QEP, Uinta Basin, Inc  
API Number: 43-047-35326  
Well Name & Number: 10W-14-8-22  
Lease number: U-73687  
Location: NWSE Sec, 14 T.8S. R. 22E.  
Surface Ownership: BLM  
Date NOS Received: 10/903  
Date APD Received: 10/28/03  
Conditions for Approval are in the APD

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

006

<p><b>SUNDRY NOTICES AND REPORTS ON WELLS</b></p> <p>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.</p>		<p>5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-73687</p>
<p>1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____</p>		<p>6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A</p>
<p>2. NAME OF OPERATOR: QEP UINTA BASIN, INC.</p>		<p>7. UNIT or CA AGREEMENT NAME: UTU63021F</p>
<p>3. ADDRESS OF OPERATOR: 11002 E. 17500 S. CITY VERNAL STATE UT ZIP 84078</p>		<p>8. WELL NAME and NUMBER: OUSG 10W-14-8-22</p>
<p>4. LOCATION OF WELL FOOTAGES AT SURFACE: 1972' FSL 1928' FEL COUNTY: UINTAH</p> <p>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 14 8S 22E STATE: UTAH</p>		<p>9. API NUMBER: 4304735326</p>
<p>PHONE NUMBER: (435) 781-4341</p>		<p>10. FIELD AND POOL, OR WILDCAT: KENNEDY WASH</p>

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 OUSG 10W-14-8-22.

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  
DIV. OF OIL, GAS & MINING

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

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

**API:** 43-047-35326  
**Well Name:** OUSG 10W-14-8-22  
**Location:** 1972' FSL 1928' FEL NWSE SEC 14 T8S R22E  
**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

5. Lease Designation and Serial No.  
**UTU-73687**

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

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

8. Well Name and No.  
**OU SG 10W-14-8-22**

9. API Well No.  
**43-047-35326**

10. Field and Pool, or Exploratory Area  
**KENNEDY WASH**

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

**SUBMIT IN TRIPLICATE**  
**CONFIDENTIAL**

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)  
**NWSE 1972' FSL 1928' FEL SEC. 14, T8S, R22E**

**RECEIVED**  
**DEC 14 2004**  
BY \_\_\_\_\_

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

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

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

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)  
**QEP Uinta Basin, Inc. hereby requests a one year extension from approval date on the OU SG 10W-14-8-22.**

**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 12-6-04

(This space for Federal or State office use)  
Approved by: Michael Lee Title Petroleum Engineer 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.





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

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

**API:** 43-047-35326  
**Well Name:** OU SG 10W-14-8-22  
**Location:** NWSE 1972' FSL 1928' FEL SEC. 14, T8S, R22E  
**Company Permit Issued to:** QEP UINTA BASIN INC.  
**Date Original Permit Issued:** 4/27/2004

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: OU SG 10W- 14-8-22

Location: NWSE Sec. 14, T08S, R22E

Lease: UTU-73687

**Conditions of Approval**

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

1. The extension will expire 04/27/06 .
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  
DIVISION OF OIL, GAS AND MINING

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>UTU-73687</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>
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: <b>N/A</b>
2. NAME OF OPERATOR: <b>QEP UINTA BASIN, INC.</b>		8. WELL NAME and NUMBER: <b>OU SG 10W-14-8-22</b>
3. ADDRESS OF OPERATOR: <b>11002 E. 17500 S.</b> CITY <b>VERNAL</b> STATE <b>UT</b> ZIP <b>84078</b>		9. API NUMBER: <b>4304735326</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>1972' FSL 1928' FEL</b>		10. FIELD AND POOL, OR WILDCAT: <b>KENNEDY WASH</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWSE 14 8S 22E</b>		COUNTY: <b>UINTAH, UTAH</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 checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate)  Approximate date work will start: _____  <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: _____	<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 type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>APD EXTENSION</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
**QEP Uinta Basin, Inc. hereby requests a 1 year extension on the APD for the OU SG 10W-14-8-22.**

**Approved by the  
Utah Division of  
Oil, Gas and Mining**  
 Date: 09-20-05  
 By: [Signature]

COPY SENT TO OPERATOR  
 Date: 9-22-05  
 Initials: [Signature]

NAME (PLEASE PRINT) <u>Jan Nelson</u>	TITLE <u>Regulatory Affairs</u>
SIGNATURE <u>[Signature]</u>	DATE <u>9/13/2005</u>

(This space for State use only)

**RECEIVED**  
**SEP 15 2005**  
DIV. OF OIL, GAS & MINING



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

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

**API:** 43-047-35326  
**Well Name:** OU SG 10W-14-8-22  
**Location:** NWSE, 1972' FSL 1928' FEL, SEC. 14, T8S, R24E  
**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

*Jan Nelson*  
Signature

9/13/2005  
Date

Title: REGULATORY AFFAIRS

Representing: QEP UINTA BASIN, INC.

**RECEIVED  
SEP 15 2005**



**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*

October 2, 2006

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

Re: APD Rescinded -OU SG 10W-14-8-22 Sec. 14 T. 8S R. 22E  
Uintah County, Utah API No. 43-047-35326

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 and September 20, 2005, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective October 2, 2006.

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

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

Sincerely,

  
Diana Whitney  
Engineering Technician

cc: Well File  
Bureau of Land Management, Vernal



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.blm.gov/utah/vernal>



IN REPLY REFER TO:

3160

UT08300

43-047-35326

October 17, 2006

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

Re: Notification of Expiration  
Well No. OU SG 10W-14-8-22  
NWSE, Sec. 14, T8S, R22E  
Uintah County, Utah  
Lease No. UTU-73687

Dear Ms. Nelson:

The Application for Permit to Drill the above-referenced well was approved on April 27, 2004. A one (1) year extension of the original APD was requested. The request was reviewed and the extension approved until April 26, 2005. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

/s/Sandra Sather

Sandra Sather  
Land Law Examiner

cc: UDOGM

bcc: Well file U-922  
Reading file U-924  
ES

RECEIVED  
OCT 23 2006

DIV. OF OIL, GAS & MINING