

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 <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. UTU-73710
TYPE OF WELL <input type="checkbox"/> OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input checked="" type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
2. NAME OF OPERATOR QEP UINTA BASIN, INC.		7. UNIT AGREEMENT NAME
3. ADDRESS 11002 E. 17500 S. Vernal, Ut 84078		8. FARM OR LEASE NAME, WELL NO. CBC 14G-30-7-25
Contact: Jan Nelson E-Mail: jan.nelson@questar.com		9. API WELL NO. 43-047-35910
Telephone number Phone 435-781-4331 Fax 435-781-4323		10. FIELD AND POOL, OR WILDCAT
4. LOCATION OF WELL (Report location clearly and in accordance with and State requirements*) At Surface 657903X 550' FSL 1933' FWL SESW SEC. 30 40.174754 At proposed production zone 4445899Y - 109.145509		11. SEC., T, R, M, OR BLK & SURVEY OR AREA SEC 30 T7S R25E Mer SLB
14. DISTANCE IN MILES FROM NEAREST TOWN OR POSTOFFICE* 44 +/- FROM VERNAL, UTAH		12. COUNTY OR PARISH Uintah
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (also to nearest drig, unit line if any) 550' +/-		13. STATE UT
16. NO. OF ACRES IN LEASE 760		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 2000' +/-		19. PROPOSED DEPTH 9675'
20. BLM/BIA Bond No. on file ESB000024		21. ELEVATIONS (Show whether DF, RT, GR, ect.) 5742' GR
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.

SIGNED Jan Nelson Name (printed/typed) Jan Nelson DATE November 23, 2004
 TITLE Regulatory Affairs

(This space for Federal or State office use)

PERMIT NO. 43-047-35910 APPROVAL DATE _____

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

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY [Signature] TITLE BRADLEY G. HILL ENVIRONMENTAL SCIENTIST III

*See Instructions On Reverse Side

DATE 12-09-04
RECEIVED

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

DEC 09 2004

Federal Approval of this Action is Necessary

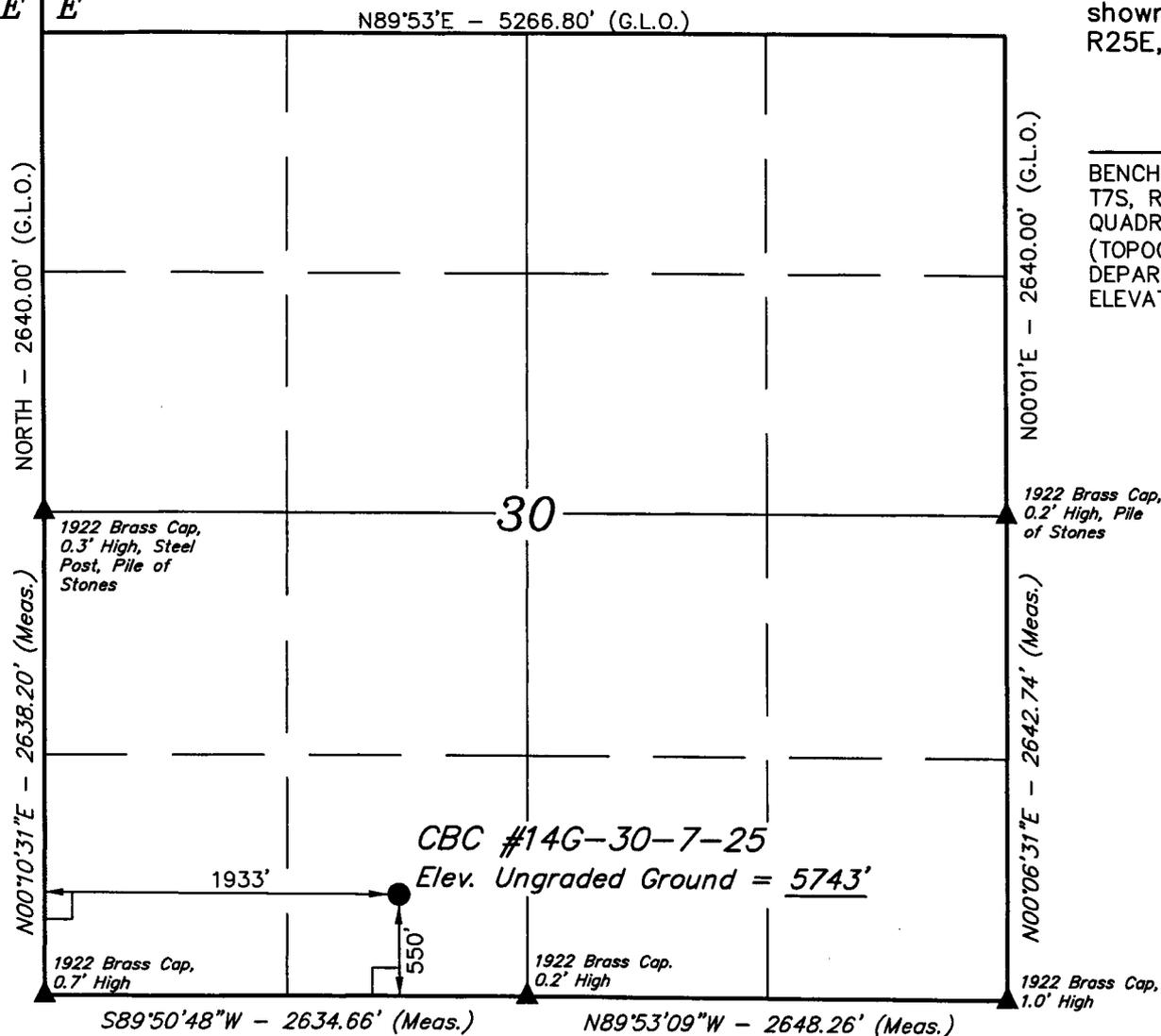
DIV. OF OIL, GAS & MINING
CONFIDENTIAL

R
24
E

T7S, R25E, S.L.B.&M.

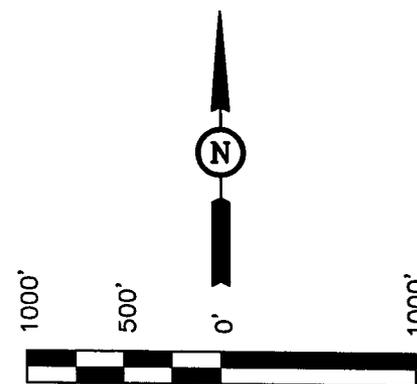
QUESTAR EXPLR. & PROD.

Well location, CBC #14G-30-7-25, located as shown in the SE 1/4 SW 1/4 of Section 30, T7S, R25E, S.L.B.&M. Uintah County, Utah.



BASIS OF ELEVATION

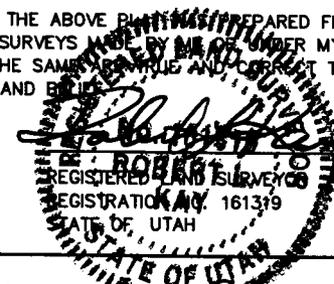
BENCH MARK 38EAM LOCATED IN THE SW 1/4 OF SECTION 32, T7S, R21E, S.L.B.&M. TAKEN FROM THE DINOSAUR NW, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5643 FEET.



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.



BASIS OF BEARINGS

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

(AUTONOMOUS NAD 83)
 LATITUDE = 40°10'29.23" (40.174786)
 LONGITUDE = 109°08'46.57" (109.146269)
 (AUTONOMOUS NAD 27)
 LATITUDE = 40°10'29.35" (40.174819)
 LONGITUDE = 109°08'44.14" (109.145594)

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LEGEND:

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

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

SCALE 1" = 1000'	DATE SURVEYED: 11-22-04	DATE DRAWN: 11-23-04
PARTY D.A. T.C. K.G.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE QUESTAR EXPLR. & PROD.	

Additional Operator Remarks

QEP Uinta Basin, Inc. proposes to drill a well to 9675' test the Mesa Verde. 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

See attached 8-point drilling program.

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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ONSHORE OIL & GAS ORDER NO. 1
 QEP Uinta Basin, Inc.
 CBC 14G-30-7-25

DRILLING PROGRAM

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

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

1. Formation Tops

The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Depth</u>	<u>Prod. Phase Anticipated</u>
Uinta	Surface	
Green River	2430'	Gas
Mahogany	3130'	
Wasatch	4885'	
Mesa Verde	7445'	
Sego	8960'	
Buck Tongue	9510'	
Castle Gate	9575'	
TD	9675'	

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

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil/Gas	Castle Gate	9675'

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.

DRILLING PROGRAM

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If no flows are detected, samples will be submitted to the BLM along with any water analyses conducted. Fresh water will be obtained from Wonsits Valley water right #36125 or Red Wash Water right # 49-2153 to supply fresh water for drilling purposes.

3. Operator's Specification for Pressure Control Equipment:

- A. 5,000 psi W.P. Double Gate BOP or Single Gate BOP (schematic attached)
- B. Functional test daily
- C. All casing strings shall be pressure tested (0.2 psi/foot or 2500 psi, or 70% of burst, whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
- D. Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 50 percent of internal yield pressure of casing whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc..., for a 5M system and individual components shall be operable as designed.

4. Casing Program

	<u>Depth</u>	<u>Hole Size</u>	<u>Csg Size</u>	<u>Type</u>	<u>Weight</u>
Surface	2000'	12-1/4"	9-5/8"	J-55	36lb/ft (new) LT&C
TD	9675'	7-7/8"	4 1/2"	P-110	11.60lb/ft (new)LT&C *High Collapse P-110

5. Auxiliary Equipment

- A. Kelly Cock – yes
- B. Float at the bit – no
- C. Monitoring equipment on the mud system – visually and/or PVT/Flow Sho
- D. Full opening safety valve on the rig floor – yes
- E. Rotating Head – yes
If drilling with air the following will be used:
- F. The blooie line shall be at least 6" in diameter and extend at least 100' from the well bore into the reserve/blooie pit.

DRILLING PROGRAM

-
- G. Blooie line ignition shall be provided by a continuous pilot (ignited when drilling below 500’).
 - H. Compressor shall be tied directly to the blooie line through a manifold.
 - I. A mister with a continuous stream of water shall be installed near the end of the blooie lines for dust suppression.

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

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

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

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

6. Testing, logging and coring program

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

Logging – Mud logging – 4500 to TD
GR-SP-Induction
Neutron Density
MRI

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

DRILLING PROGRAM

7. Cementing Program

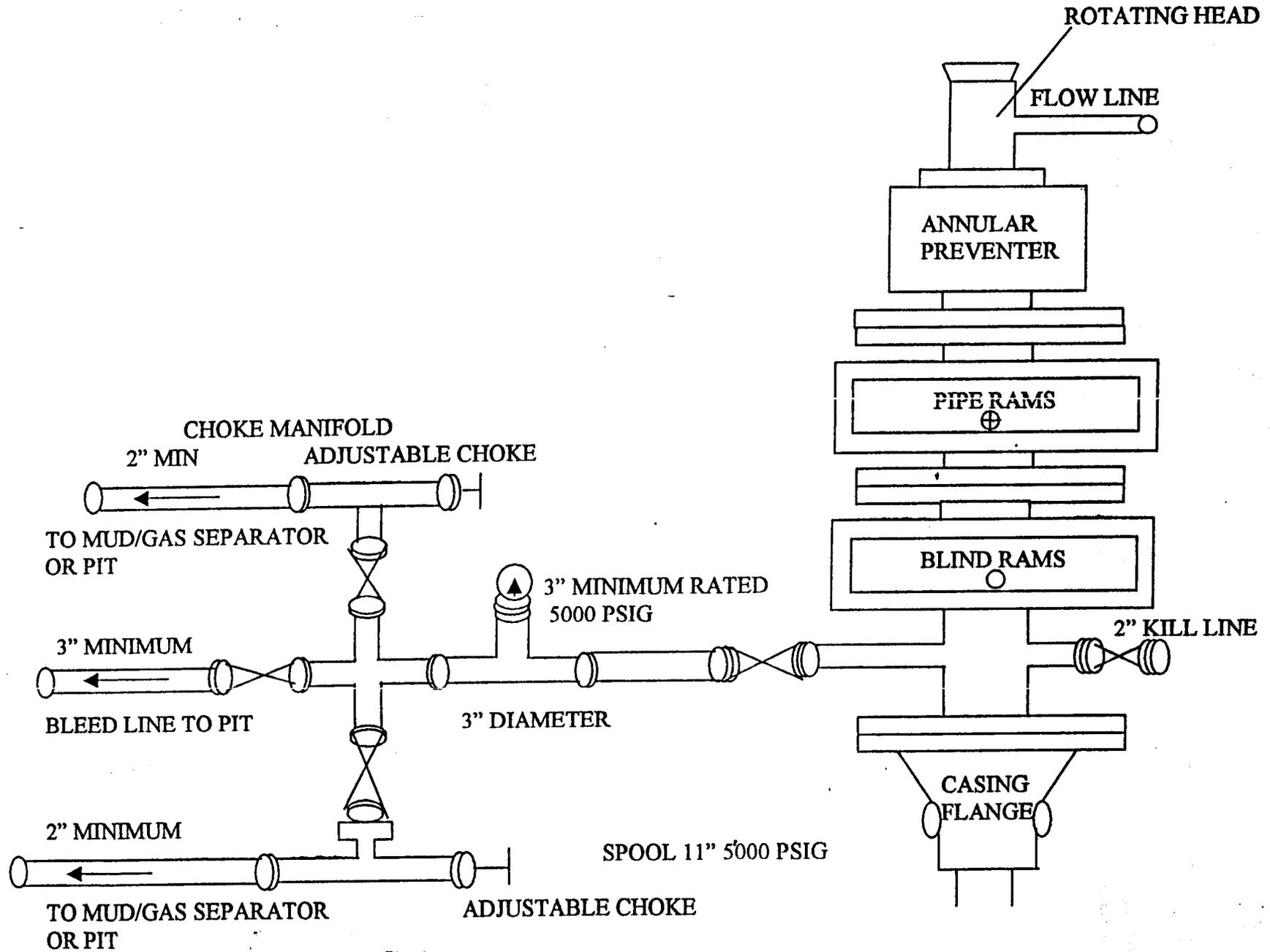
<u>Casing</u>	<u>Volume</u>	<u>Type & Additives</u>
Surface	1141sx	Class "G" single slurry mixed to 15.6 ppg, yield = 1.19 cf/sx. Fill to surface with 160 cf (685 sx) calculated. Tail plug used. Allowed to set under pressure
Production	Lead-907sx* Tail-1137sx*	Lead/Tail oilfield type cement circulated in place . Tail slurry: Class "G" + gilsonite and additives as required, mixed to 14.8 ppg, yield = 1.34 cf/sx. Fill to 4000' ($\pm 500'$ above top of Production Zone). Cement Characteristics: Lead slurry: Class "G" + extender and additives as required, mixed to 11.0 ppg, yield = 3.82 cf/sx. Fill to surface. Tail plug used. Allowed to set under pressure.

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

8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 4196 psi. Maximum anticipated bottom hole temperature is 140° F.

5000 PSIG DIAGRAM



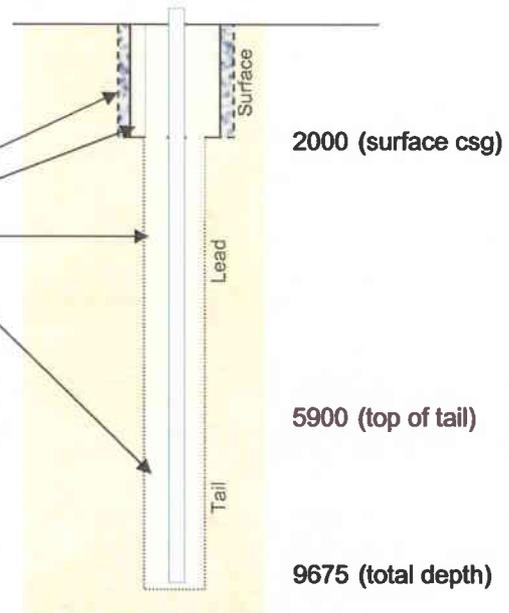
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Cement Calculations V2

x-rq (3jul01)

Interval	wo factor	hole dia	csg dia	cf/f	yield	sxs/ft	feet	sxs
Surf Csg	1.2	12.25	9.625	0.673	1.18	0.571	2000	1141
Lead1	1.2	9.625	4.5	0.617	3.81	0.162	2000	324
Lead2	1.2	7.875	4.5	0.377	3.81	0.099	5900	583
Tail	1.2	7.875	4.5	0.377	1.25	0.301	3775	1137

surf csg	1141	sxs
total lead	907	sxs
total tail	1137	sxs
total	3186	sxs



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**QEP UINTA BASIN, INC.
CBC 14G-30-7-25
550' FSL 1933' FWL
SESW SECTION 30, T7S, R25E
UINTAH COUNTY, UTAH
LEASE # UTU-73710**

ONSHORE ORDER NO. 1

MULTI – POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the CBC 14G-30-7-25 on November 23, 2004. Weather conditions were cloudy and cold at the time of the onsite. In attendance at the inspection were the following individuals:

Paul Buhler	Bureau of Land Management
Amy Torres	Bureau of Land Management
Jan Nelson	QEP Uinta Basin Inc.
Kathy Mergens	QEP Uinta Basin Inc.

1. Existing Roads:

The proposed well site is approximately 44 miles from Vernal, Utah.

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

No improvements will be made to existing access road.

2. Planned Access Roads:

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

New access roads on BLM surface will be 30' in width crowned (2 to 3%), ditched, and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet. Graveling or capping the road bed will be performed as necessary to provide a well constructed, safe road.

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

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

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

A containment dike will be constructed completely around those production facilities which contains fluids (i.e., production tanks, produced water tanks). These dikes will be constructed of compacted impervious subsoil; hold 110% of the capacity of the largest tank; and, be independent of the back cut. If a Spill Prevention, Control, and Countermeasure (SPCC) Plan is required by the Environmental Protection Agency, the containment dike may be expanded to meet SPCC requirements with approval by the BLM/VFO AO. The use of topsoil of the construction of dikes will not be allowed. All loading lines will be placed inside the berm surrounding tank battery. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.

5. Location and Type of Water Supply:

Fresh water drilling fluids will be purposes will be obtained from Wonsits Valley Water Right # 36125, or Red Wash Right # 49-2153.

6. Source of Construction Materials:

Surface and subsurface materials in the immediate area will be utilized. Any gravel will be obtained from a commercial source.

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7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit. Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be used at the next drill site or will be removed and disposed of at an approved waste disposal facility with 120 days after drilling is terminated. Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

After first production, produced wastewater will be confined to the approved pit or storage tank for a period not to exceed 90 days. During the 90 day period, in accordance with Onshore Order #7, all produced water will be contained in tanks on location and then hauled to Wonsits Valley location in SWNW section 12, T8S, R21E; or Red Wash Disposal Well located in NESW, Section 28, T7S, R22E; or, Red Wash Central Battery Disposal located in SWSE, Section 27, T7S, R23E. Pit reclamation for lined pit will be ruptured when emptied to allow the remaining liquid to be adequately mixed and to promote additional drying of the pit area.

8. Ancillary Facilities:

None anticipated.

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).

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

10. Plans for Reclamation of the Surface:

Topsoil will be stripped and salvaged to provide for sufficient quantities to be respread to a depth of at least 4 to 6 inches over the disturbed areas to be reclaimed. Topsoil shall be stock piled separately from subsoil materials. Topsoil salvaged from the reserve pit shall be stockpiled separately near the reserve pit. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production. Alternatively, the pit will be pumped dry, the liner folded into the pit, and the pit backfilled. The reserve pit will be reclaimed within 120 days from the date of well completion, weather permitting.

Seed Mix: # 1

11. Surface Ownership:

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 Antelope Stipulation from May 15th through June 20th. 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:

Jan Nelson
Red Wash Operations Rep.
QEP Uinta Basin Inc.
11002 East 17500 South
Vernal, Utah 84078
(435) 781-4331

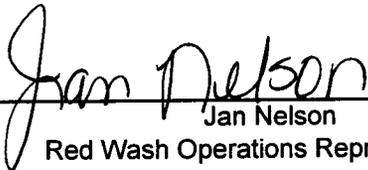
Certification:

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.


Jan Nelson
Red Wash Operations Representative

23-Nov-04
Date

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QUESTAR EXPLR. & PROD.

CBC #14G-30-7-25

LOCATED IN UINTAH COUNTY, UTAH

SECTION 30, T7S, R25E, S.L.B.&M.

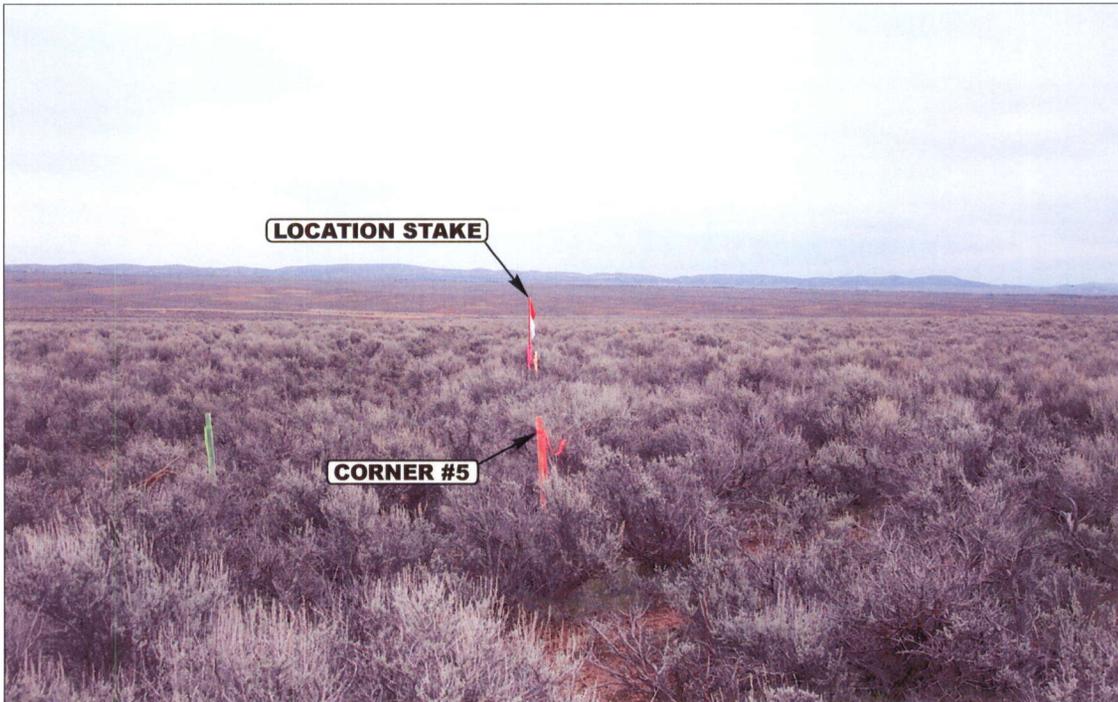


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: EASTERLY

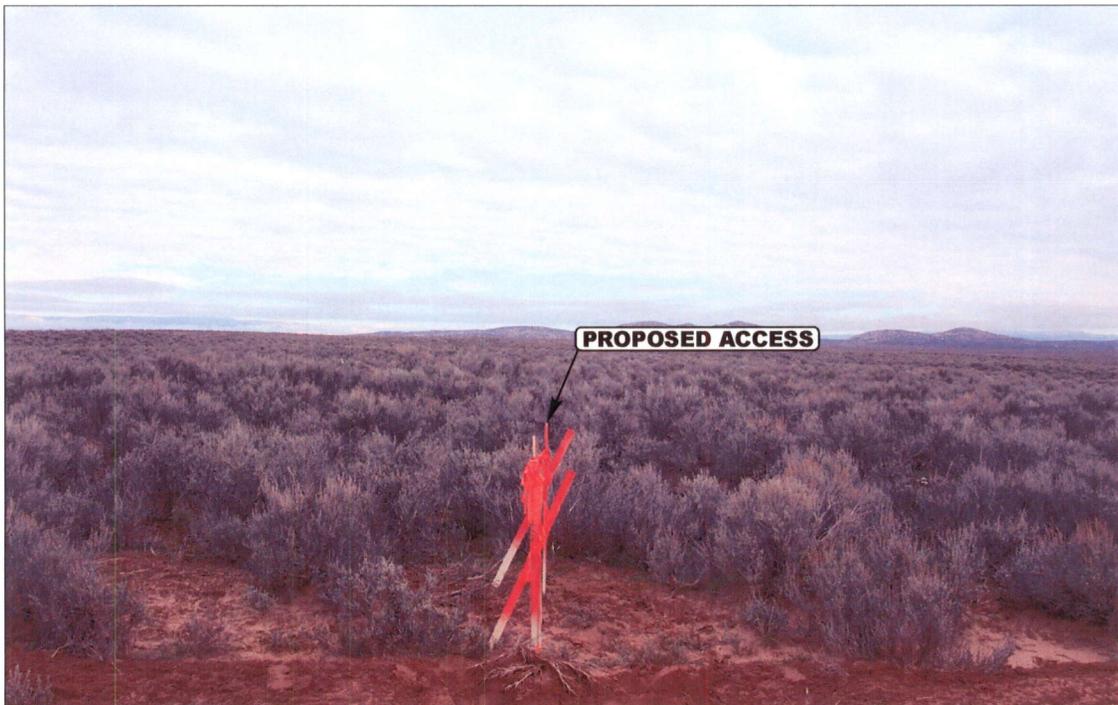


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHERLY



- Since 1964 -

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

LOCATION PHOTOS	11	22	04	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: D.A.	DRAWN BY: P.M.		REVISED: 00-00-00	

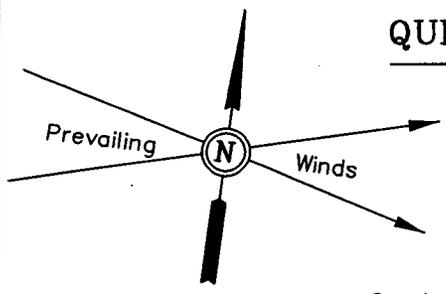
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QUESTAR EXPLORATION & PRODUCTION

FIGURE #1

LOCATION LAYOUT FOR

CBC #14G-30-7-25
SECTION 30, T7S, R25E, S.L.B.&M.
550' FSL 1933' FWL

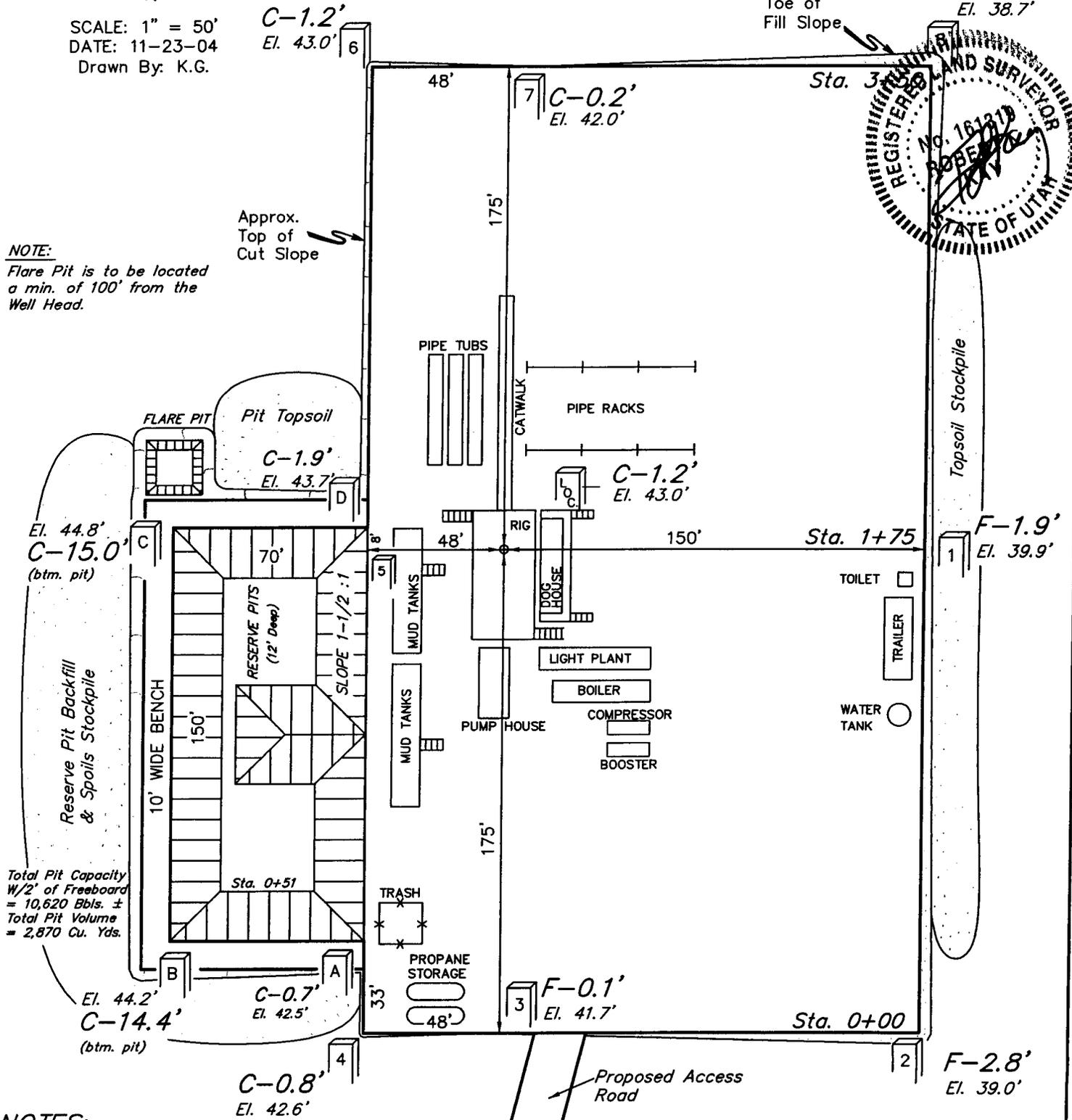
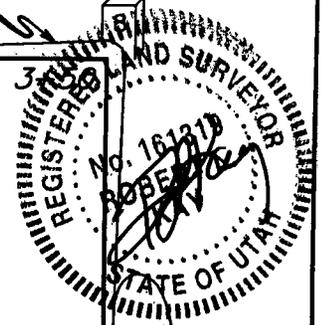


SCALE: 1" = 50'
DATE: 11-23-04
Drawn By: K.G.

Approx. Toe of Fill Slope

F-3.1'
El. 38.7'

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



NOTES:
Elev. Ungraded Ground At Loc. Stake = 5743.0'
FINISHED GRADE ELEV. AT LOC. STAKE = 5741.8'

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

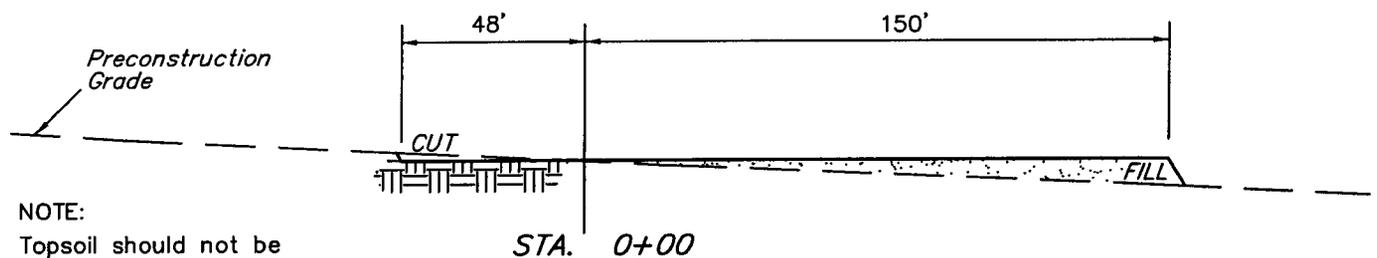
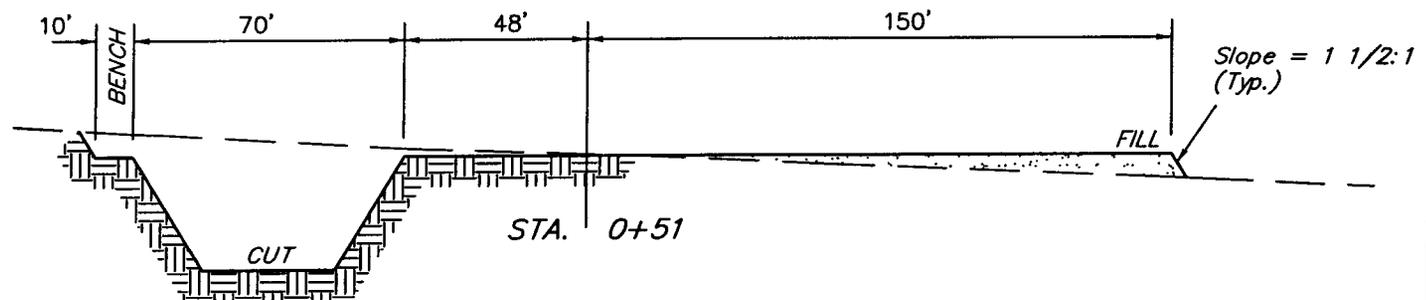
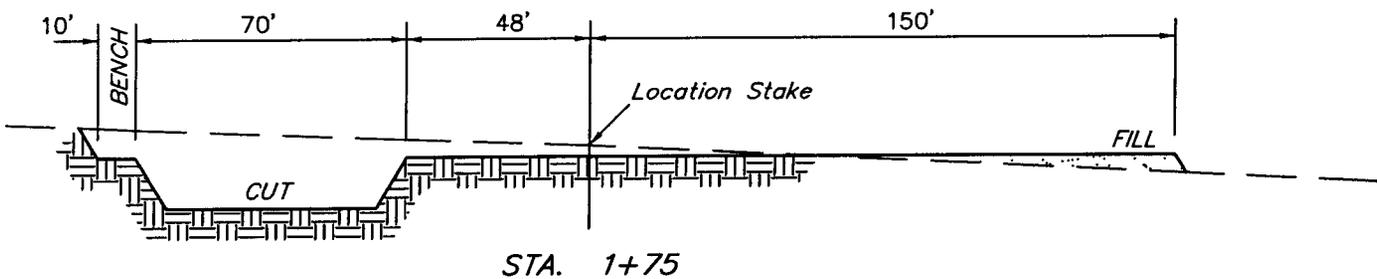
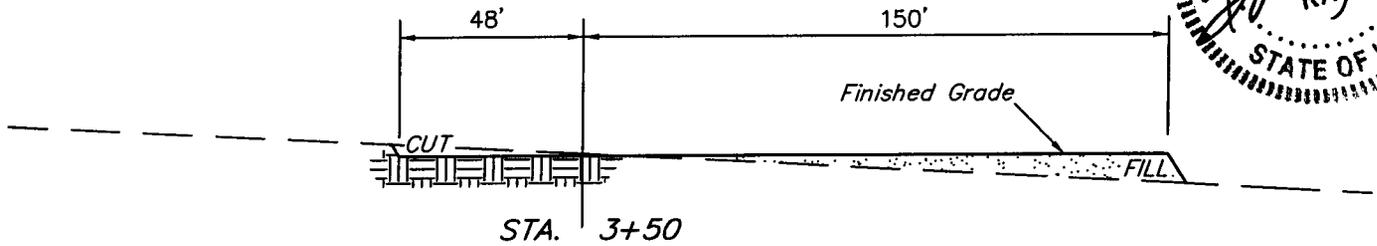
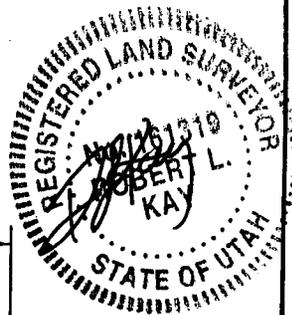
QUESTAR EXPLORATION & PRODUCTION

FIGURE #2

TYPICAL CROSS SECTIONS FOR

CBC #14G-30-7-25
SECTION 30, T7S, R25E, S.L.B.&M.
550' FSL 1933' FWL

1" = 20'
X-Section Scale
1" = 50'
DATE: 11-23-04
Drawn By: K.G.



NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

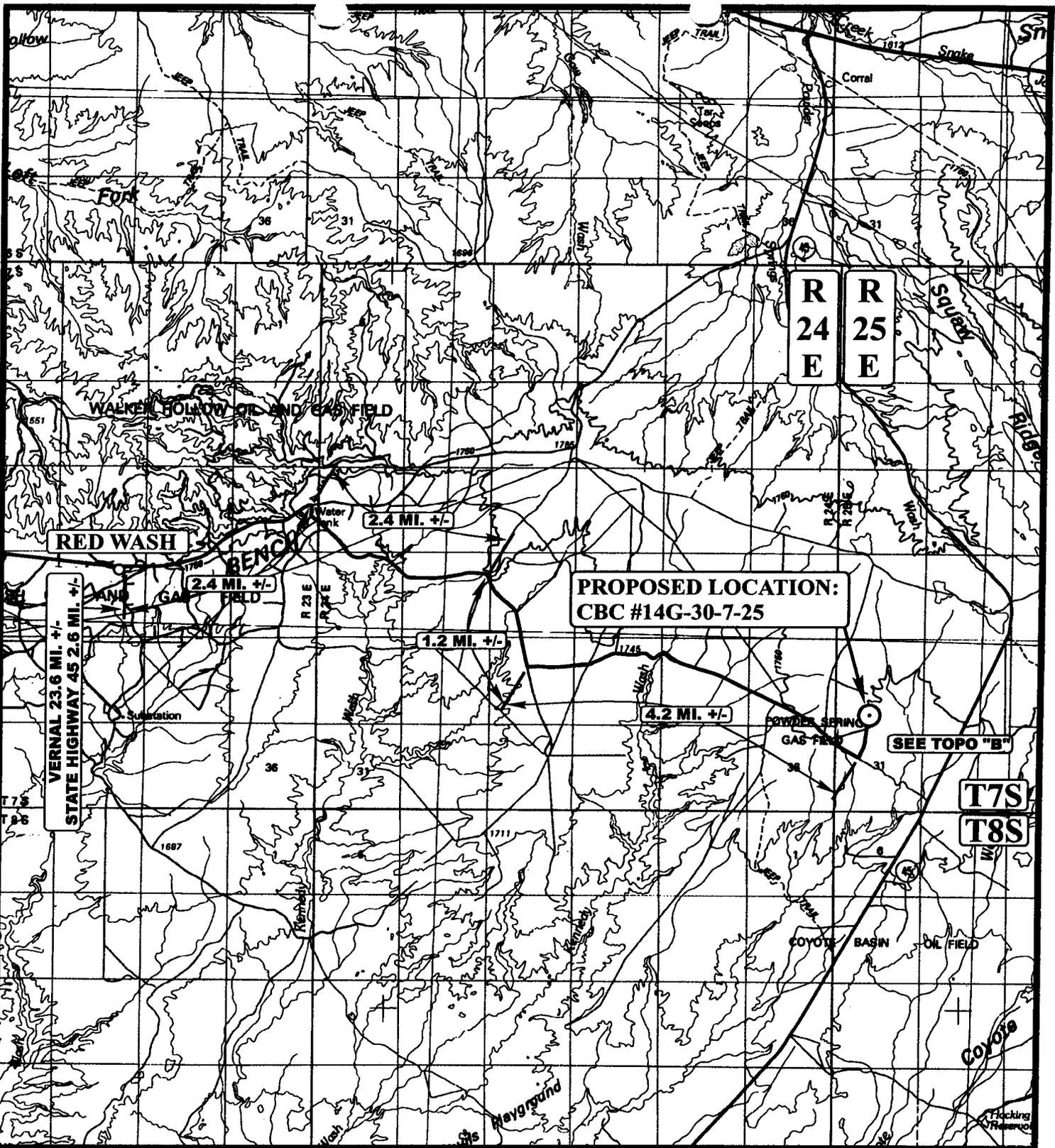
* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION
Excess Material = 3,090 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.) = 3,090 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation) = 0 Cu. Yds.

APPROXIMATE YARDAGES

CUT	
(12") Topsoil Stripping	= 1,650 Cu. Yds.
Remaining Location	= 4,100 Cu. Yds.
TOTAL CUT	= 5,750 CU.YDS.
FILL	= 2,660 CU.YDS.

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

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LEGEND:

○ PROPOSED LOCATION

QUESTAR EXPLR. & PROD.

CBC #14G-30-7-25
 SECTION 30, T7S, R25E, S.L.B.&M.
 550' FSL 1933' FWL

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

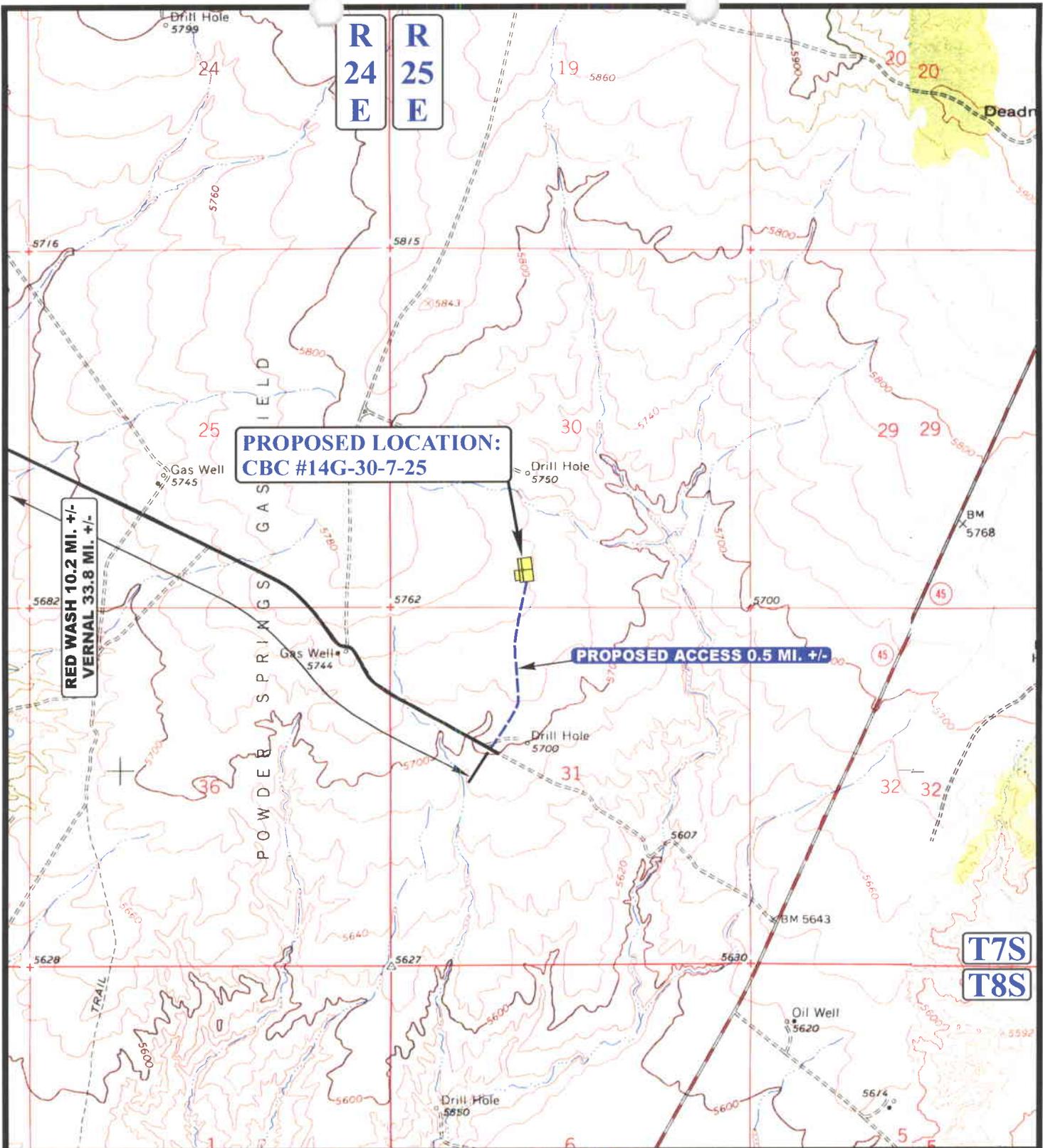


TOPOGRAPHIC MAP
 SCALE: 1:100,000 DRAWN BY: P.M. REVISED: 00-00-00

11	22	04
MONTH	DAY	YEAR

A TOPO

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**PROPOSED LOCATION:
CBC #14G-30-7-25**

**RED WASH 10.2 MI. +/-
VERNAL 33.8 MI. +/-**

PROPOSED ACCESS 0.5 MI. +/-

LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD



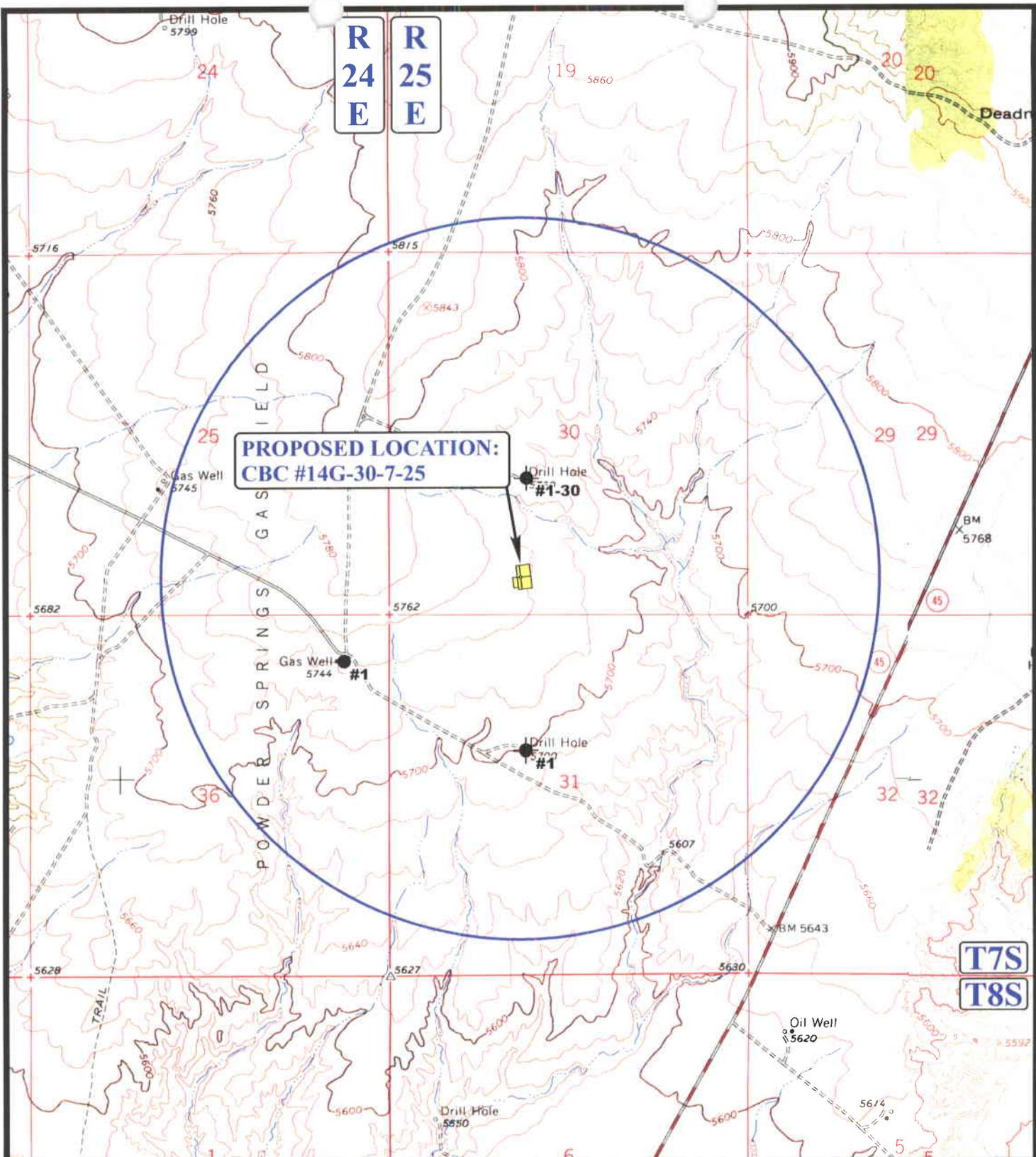
QUESTAR EXPLR. & PROD.

**CBC #14G-30-7-25
SECTION 30, T7S, R25E, S.L.B.&M.
550' FSL 1933' FWL**

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

TOPOGRAPHIC **11** **22** **04**
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00 **B**
 TOPO

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**PROPOSED LOCATION:
CBC #14G-30-7-25**

LEGEND:

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



QUESTAR EXPLR. & PROD.

**CBC #14G-30-7-25
SECTION 30, T7S, R25E, S.L.B.&M.
550' FSL 1933' FWL**

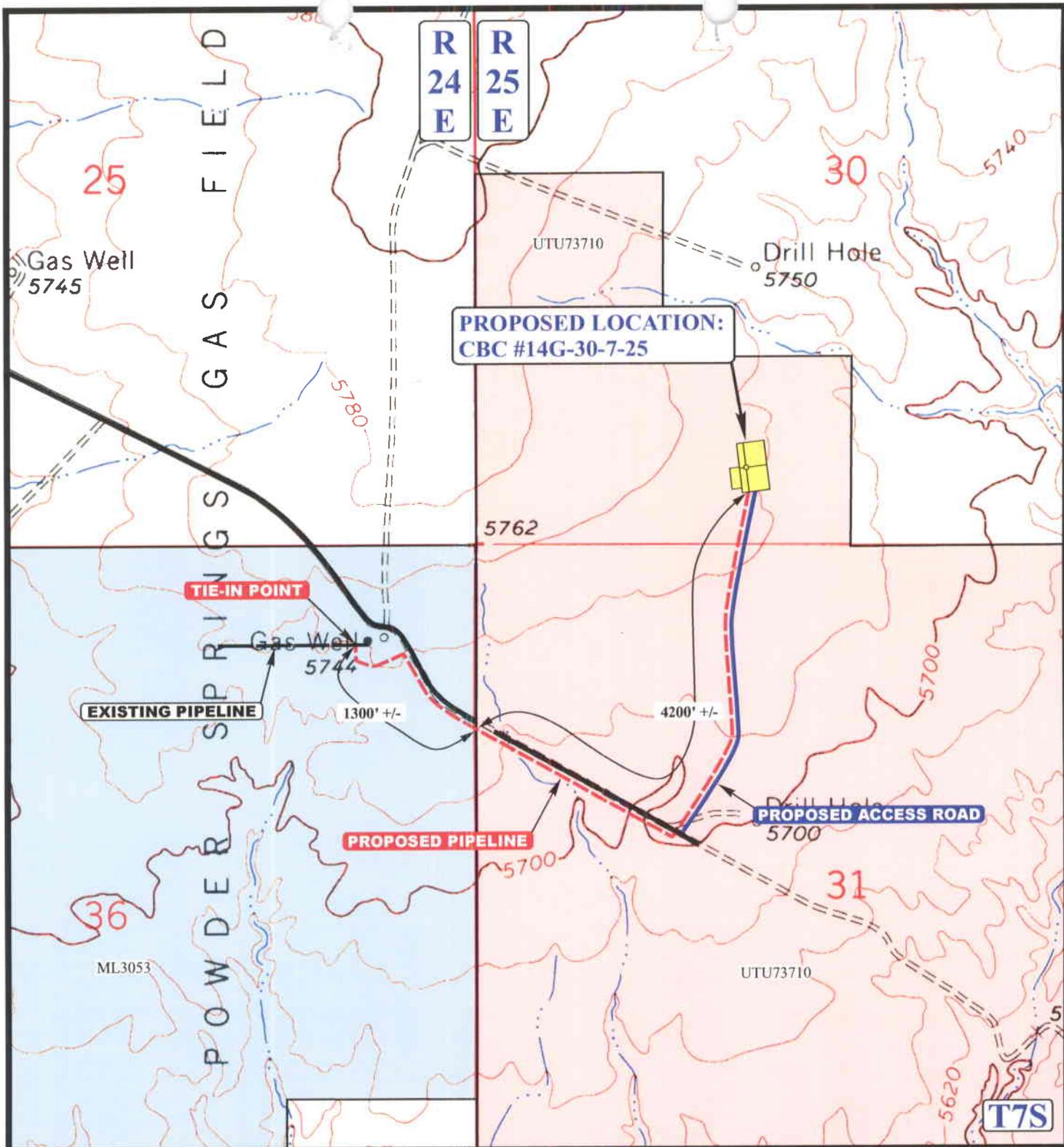


Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC	11	22	04
MAP	MONTH	DAY	YEAR
SCALE: 1" = 2000'	DRAWN BY: P.M.		REVISED: 00-00-00



CONFIDENTIAL



APPROXIMATE TOTAL PIPELINE DISTANCE = 5,500' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE



QUESTAR EXPLR. & PROD.

CBC #14G-30-7-25
SECTION 30, T7S, R25E, S.L.B.&M.
550' FSL 1933' FWL

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

TOPOGRAPHIC MAP 11 22 04
 MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: P.M. REVISED: 00-00-00 **D TOPO**

CONFIDENTIAL

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 11/30/2004

API NO. ASSIGNED: 43-047-35910

WELL NAME: CBC 14G-30-7-25
OPERATOR: QEP UINTA BASIN, INC. (N2460)
CONTACT: JAN NELSON

PHONE NUMBER: 435-781-4331

PROPOSED LOCATION:

SESW 30 070S 250E
SURFACE: 0550 FSL 1933 FWL
BOTTOM: 0550 FSL 1933 FWL
UINTAH
UNDESIGNATED (2)

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

LEASE TYPE: 1 - Federal
LEASE NUMBER: UTU-73710
SURFACE OWNER: 1 - Federal
PROPOSED FORMATION: CSLGT
COALBED METHANE WELL? NO

LATITUDE: 40.17475
LONGITUDE: -109.1455

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. 49-2153)
- RDCC Review (Y/N)
(Date:)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

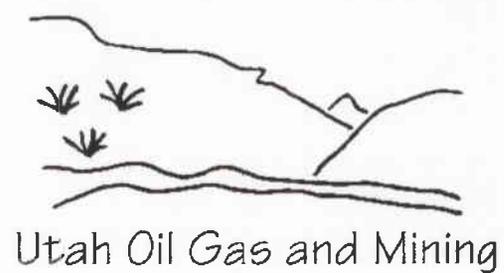
- R649-2-3.
- Unit _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1-Redwood approved



OPERATOR: QEP UINTA BASIN (N2460)
 SEC. 30 T.7S R.25E
 FIELD: UNDESIGNATED (002)
 COUNTY: UINTAH
 Spacing: R649 3/2 General Spacing



Wells	Units.shp	Fields.shp
♣ GAS INJECTION	□ EXPLORATORY	□ ABANDONED
○ GAS STORAGE	□ GAS STORAGE	□ ACTIVE
× LOCATION ABANDONED	□ NF PP OIL	□ COMBINED
⊕ NEW LOCATION	□ NF SECONDARY	□ INACTIVE
◇ PLUGGED & ABANDONED	□ PENDING	□ PROPOSED
⊛ PRODUCING GAS	□ PI OIL	□ STORAGE
● PRODUCING OIL	□ PP GAS	□ TERMINATED
⊖ SHUT-IN GAS	□ PP GEOTHERML	
⊖ SHUT-IN OIL	□ PP OIL	
× TEMP. ABANDONED	□ SECONDARY	
○ TEST WELL	□ TERMINATED	
▲ WATER INJECTION		
◆ WATER SUPPLY		
♠ WATER DISPOSAL		



PREPARED BY: DIANA WHITNEY
 DATE: 1-DECEMBER-2004



State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

MARY ANN WRIGHT
Acting Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

December 9, 2004

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

Re: CBC 14G-30-7-2.5 Well, 550' FSL, 1933' FWL, SE SW, Sec. 30, T. 7 South,
R. 25 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 43-047-35910.

Sincerely,

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 CBC 14G-30-7-25
API Number: 43-047-35910
Lease: UTU-73710

Location: SE SW **Sec.** 30 **T.** 7 South **R.** 25 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.

RECEIVED

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

Form 3160-3
(July 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NOV 26 2004
SUBMIT IN TRIPLICATE

BLM VERNAL, UTAH

006

5. LEASE DESIGNATION AND SERIAL NO.
UTU-73710

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

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.
CBC 14G-30-7-25

9. API WELL NO.
43.047135910

10. FIELD AND POOL, OR WILDCAT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

TYPE OF WORK
DRILL DEEPEN

TYPE OF WELL
 SINGLE ZONE MULTIPLE ZONE
OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
QEP UINTA BASIN, INC.
Contact: Jan Nelson
E-Mail: jan.nelson@questar.com

3. ADDRESS
11002 E. 17500 S. Vernal, Ut 84078
Telephone number
Phone 435-781-4331 Fax 435-781-4323

4. LOCATION OF WELL (Report location clearly and in accordance with and State requirements*)
At Surface 550' FSL 1933' FWL SESW SEC. 30
At proposed production zone
11. SEC., T, R, M, OR BLK & SURVEY OR AREA
SEC 30 T7S R25E Mer SLB

14. DISTANCE IN MILES FROM NEAREST TOWN OR POSTOFFICE*
44 +/- FROM 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)
550' +/-
16. NO. OF ACRES IN LEASE
760
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
2000' +/-
19. PROPOSED DEPTH
5800'
20. BLM/BIA Bond No. on file
ESB000024

21. ELEVATIONS (Show whether DF, RT, GR, ect.)
5742' GR
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 Jan Nelson Name (printed/typed) Jan Nelson DATE November 23, 2004
TITLE Regulatory Affairs

(This space for Federal or State office use)

RECEIVED

APR 05 2005

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 Thomas R. Cleary TITLE _____

*See Instructions On Reverse Side

DIV. OF OIL, GAS & MINING

DATE 04/01/2005

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

United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

CONFIDENTIAL

05/11/2005 4006M

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: QEP Uintah Basin Inc.
Well Name & Number: CBC 14G-30-7-25
API Number: 43-047-35910
Lease Number: U-73710
Location: SESW Sec. 30 T.7S R. 25E
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.

Report ALL water shows and water-bearing sands to John Mayers of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable 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.

Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **3M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to.

Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint. Surface casing setting depths are based on ground level elevations only.

As a minimum requirement, the operator must bring the top of cement behind the production casing 200' above the top of the Green River formation which has been identified at $\pm 2270'$

Coring, Logging and Testing Program

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

A cement bond log (CBL) will be run from the production casing shoe to top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Please submit an electronic copy of all logs run on this well in LAS format. This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF or other).

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Written notification of such must be submitted to this office not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergencies, oral approval will be obtained

from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

Other Information

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

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

Kirk Fleetwood (435) 828-7874
Petroleum Engineer

Michael Lee (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: OEP, Uinta Basin, Inc

API Number: 43-047-35910

Well Name & Number: 14G-30-7-25

Lease number: U-73710

Location: SESW Sec, 30, T7S, R. 25E.

Surface Ownership: BLM

Date NOS Received: 11/22/04

Date APD Received: 10126/04

Conditions for Approval are in the APD



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

January 31, 2006

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

Re: APD Rescinded –CBC 14G-30-7-25 Sec. 30, T. 7S R. 25E
Uintah County, Utah API No. 43-047-35910

Dear Ms. Nelson:

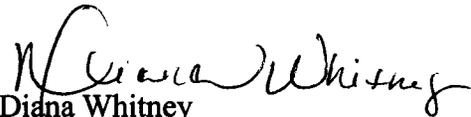
The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on December 9, 2004. On January 30, 2006 you requested that the division rescind the state approved APD.

No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective January 30, 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

April 11, 2006

43-047-35910

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

Re: Notification of Expiration
Well No. CBC 14G-30-7-25
SESW, Sec. 30, T7S, R25E
Uintah County, Utah
Lease No. UTU-73710

Dear Ms. Nelson:

The Application for Permit to Drill the above-referenced well was approved on April 1, 2005. Since that date no known activity has transpired at the approved location. Applications for Permit to Drill are effective for a period of one year. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

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

Sincerely,

Leslie Wilcken
Land Law Examiner

cc: UDOGM

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**

RECEIVED

APR 21 2006

DIV. OF OIL, GAS & MINING