



July 6, 2005

Fluid Minerals Group
U.S. Department of the Interior
Bureau of Land Management
Vernal District Office
170 South 500 East
Vernal, UT 84078

Reference: Application for Permit to Drill
Federal 8-29E, Section 29-10S-19E
Uintah County, Utah

Dear Fluid Minerals Group:

Dominion Exploration & Production Inc. respectfully submits the enclosed original and two copies of the Application for Permit to Drill (APD) for the above referenced well.

Please accept this letter as Dominion's written request for confidential treatment of all information contained in and pertaining to this application.

Should you have any additional questions please feel free to contact me at (405) 749-5263. Thank you for your timely consideration of this application.

Sincerely,

Dominion Exploration & Production, Inc.

Carla Christian
Regulatory Specialist

Enclosure

Cc: Diana Whitney, Division of Oil, Gas & Mining
Don Hamilton, Buys & Associates

RECEIVED
JUL 11 2005
DIV. OF OIL, GAS & MINING

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-62232
1b. 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
2. Name of Operator Dominion Exploration & Production, Inc.		7. If Unit or CA Agreement, Name and No.
3a. Address 14000 Quail Spgs Parkway, Okla. City, OK 73134		8. Lease Name and Well No. Federal 8-29E
3b. Phone No. (include area code) 405-749-1300		9. API Number 43-047-36894
4. Location of Well (Report location clearly and in accordance with any state requirements.) At surface 602732X 2288' FNL & 673' FEL, SE/NE At proposed prod. zone 4419257Y 39.919078 -109.797946		10. Field and Pool, or Exploratory Natural Buttes
14. Distance in miles and direction from nearest town or post office* 30.3 miles Southeast of Ouray		11. Sec., T., R., M., or Bk and Survey or Area 29-10S-19E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 673'	16. No. of Acres in lease 640	12. County of Parish Uintah
17. Spacing Unit dedicated to this well 40	18. Distance from proposed location* to nearest well, drilling, completed, aoolied for. on this lease. ft. 1823'	13 State UT
19. Proposed Depth 8,000'	20. BLM/BIA Bond No. on file 76S 63050 0330	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4916' GL	22. Approximate date work will start* 1-Sep-05	23. Estimated duration 45 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. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

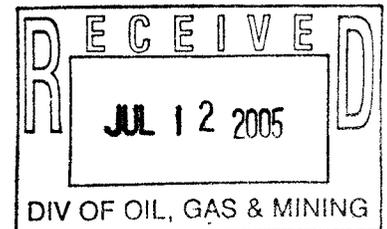
25. Signature <i>Carla Christian</i>	Name (Printed/Typed) Carla Christian	Date 7/06/05
Title Regulatory Specialist		
Approved by (Signature) <i>Bradley G. Hill</i>	Name (Printed/Typed) BRADLEY G. HILL	Date 07-14-05
Title ENVIRONMENTAL SCIENTIST III		

Application approval 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.
Conditions of approval, if any, are attached.

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

*(Instructions on reverse)

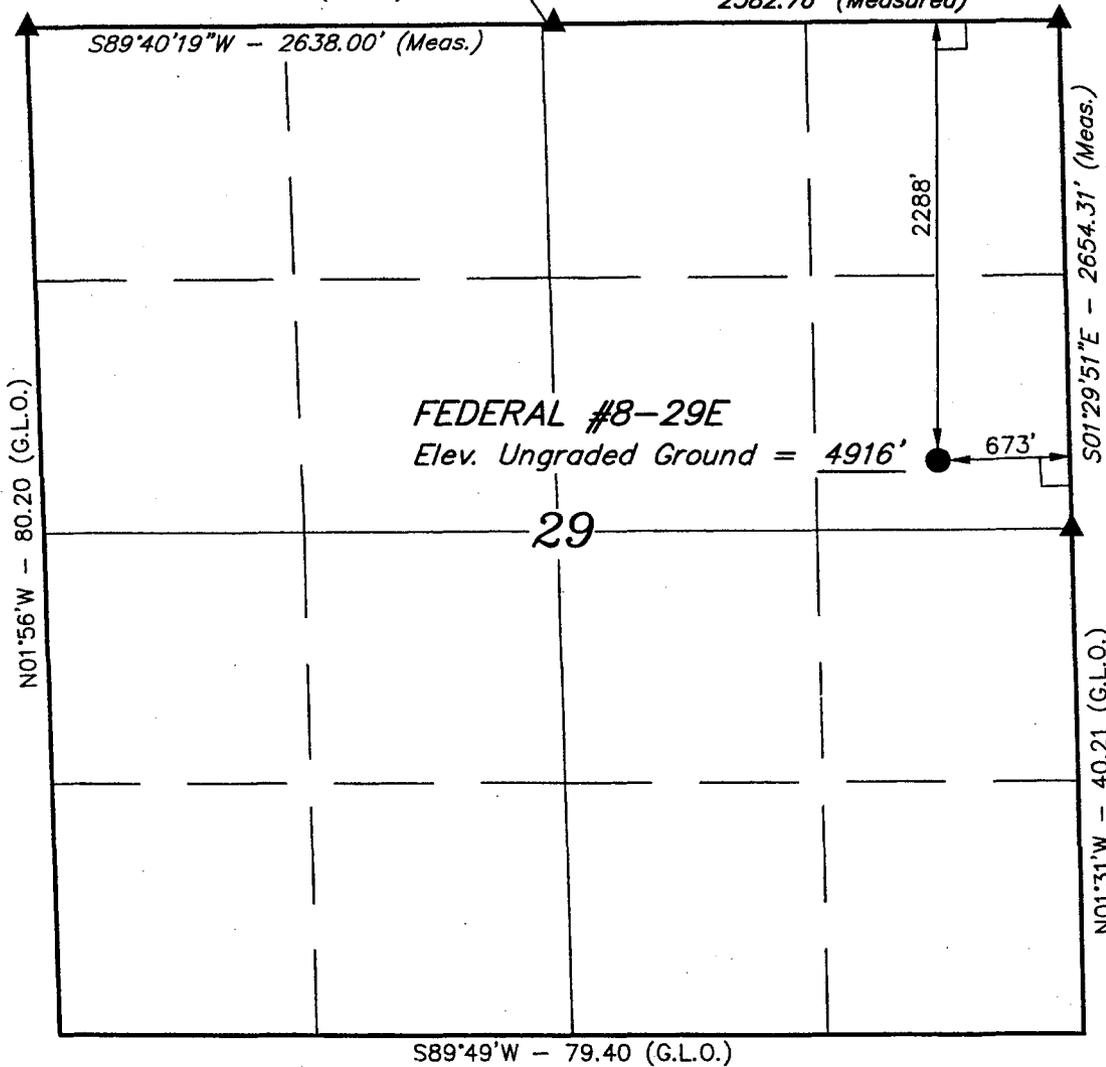
**Federal Approval of this
Action is Necessary**



T10S, R19E, S.L.B.&M.

W.C. N89°42'E-0.88 Chs. (G.L.O.)
58.08' (Meas.)

N89°42'E - G.L.O. (Basis of Bearings)
2582.76' (Measured)

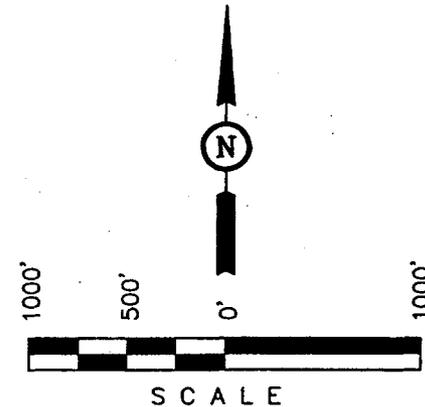


DOMINION EXPLR. & PROD., INC.

Well location, FEDERAL #8-29E, located as shown in the SE 1/4 NE 1/4 of Section 29, T10S R19E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION LOCATED IN THE NE 1/4 OF SECTION 32, T10S, R19E, S.L.B.&M. TAKEN FROM THE MOON BOTTOM QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5321 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

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

REVISED: 11-19-02

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

LEGEND:

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

LATITUDE = 39°55'08"
LONGITUDE = 109°47'53"

SCALE 1" = 1000'	DATE SURVEYED: 4-5-01	DATE DRAWN: 4-24-01
PARTY D.K. G.S. C.G.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE DOMINION EXPLR. & PROD., INC.	



July 6, 2005

Attn: Diana Mason
Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Reference: Exception to Location & Sitting of Well
Federal 8-29E, Section 29-10S-19E
2288' FNL & 673' FEL, SE/4 NE/4
Uintah County, Utah

Dear Ms. Mason:

Dominion Exploration & Production, Inc. is requesting an exception to Rule 649-3-2 for the above referenced well, due to topographic considerations. The well is 920' from other wells capable of production and Dominion Exploration & Production, Inc. is the only owner within a 460' radius of the proposed well location.

If you should require additional information please feel free to contact me at (405) 749-5263.

Sincerely,

Dominion Exploration & Production, Inc.

A handwritten signature in black ink that reads "Carla Christian".

Carla Christian
Regulatory Specialist

Enclosure

DRILLING PLAN
APPROVAL OF OPERATIONS

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Attachment for Permit to Drill

Name of Operator: Dominion Exploration & Production
Address: 14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134
Well Location: Federal 8-29E
2288' FNL & 673' FEL
Section 29-10S-19E
Uintah County, UT

1. GEOLOGIC SURFACE FORMATION Uintah

2. ESTIMATED DEPTHS OF IMPORTANT GEOLOGIC MARKERS

<u>Formation</u>	<u>Depth</u>
Green River	682'
Wasatch Tongue	3,592'
Uteland Limestone	3,922'
Wasatch	4,082'
Chapita Wells	4,982'
Uteland Buttes	6,182'
Mesaverde	6,982'

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS

<u>Formation</u>	<u>Depth</u>	<u>Type</u>
Green River	682'	Oil
Wasatch Tongue	3,592'	Oil
Uteland Limestone	3,922'	Oil
Wasatch	4,082'	Gas
Chapita Wells	4,982'	Gas
Uteland Buttes	6,182'	Gas
Mesaverde	6,982'	Gas

4. PROPOSED CASING PROGRAM

All casing used to drill this well will be new casing.

<u>Type</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>Conn.</u>	<u>Top</u>	<u>Bottom</u>	<u>Hole</u>
Surface	8-5/8"	32.0 ppf	J-55	STC	0'	2,000'	12-1/4"
Production	5-1/2"	17.0 ppf	MAV-80	LTC	0'	8,000'	7-7/8"

Note: The drilled depth of the surface hole and the setting depth of the surface casing may vary from 1,700' to 2,000'. Should a lost circulation zone be encountered while drilling, casing will be set approximately 300' below the lost circulation zone. If no lost circulation zone is encountered, casing to be set at 2,000'±.

DRILLING PLAN

APPROVAL OF OPERATIONS

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5. OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL

Surface hole: No BOPE will be utilized. Air foam mist, rotating head and diverter system will be utilized.

Production hole: Prior to drilling out the surface casing shoe, 3,000 psi or greater BOP equipment will be installed. The pipe rams will be operated at least once per day from intermediate casing to total depth. The blind rams will be tested once per day from intermediate casing to total depth if operations permit.

A diagram of the planned BOP equipment for normal drilling operations in this area is attached. As denoted there will be two valves and one check valve on the kill line, two valves on the choke line, and two adjustable chokes on the manifold system. The BOP "stack" will consist of two BOP rams (1 pipe, 1 blind) and one annular type preventer, all rated to a minimum of 3,000 psi working pressure.

The BOP equipment will be pressure tested prior to drilling below the intermediate casing shoe. All test pressures will be maintained for fifteen (15) minutes without any significant pressure decrease. Clear water will be circulated into the BOP stack and lines prior to pressure testing. The following test pressures will be used as a minimum for various equipment items.

1.	Annular BOP	1,500 psi
2.	Ram type BOP	3,000 psi
3.	Kill line valves	3,000 psi
4.	Choke line valves and choke manifold valves	3,000 psi
5.	Chokes	3,000 psi
6.	Casing, casinghead & weld	1,500 psi
7.	Upper kelly cock and safety valve	3,000 psi
8.	Dart valve	3,000 psi

6. MUD SYSTEMS

- An air or an air/mist system may be used to drill to drill the surface hole until water influx becomes too great.
- KCL mud system will be used to drill well.

<u>Depths</u>	<u>Mud Weight (ppg)</u>	<u>Mud System</u>
0' - 2,000'	8.4	Air foam mist, rotating head and diverter
2,000' - 8,000'	8.6	Fresh water/2% KCL/KCL mud system

7. BLOOIE LINE

- An automatic igniter will not be installed on blooie line. The blooie will have a contant ignition source.
- A "target tee" connection will be installed on blooie line for 90° change of directions for abrasion resistance.
- "Target tee" connections will be a minimum of 50' from wellhead.
- The blooie line discharge will be a minimum of 100' from the wellhead.

8. AUXILIARY EQUIPMENT TO BE USED

- a. Kelly cock.
- b. Full opening valve with drill pipe connection will be kept on floor. Valve will be used when the kelly is not in string.

9. TESTING, LOGGING, AND CORING PROGRAMS TO BE FOLLOWED

- A drillstem test in the Wasatch Tongue is possible.
- One electric line wire-log will be run from total depth to surface casing.
- The gamma ray will be left on to record from total depth to surface casing.
- Other log curves (resistivities, porosity, and caliper) will record from total depth to surface casing.
- A dipmeter, percussion cores, or rotary cores may be run over selected intervals.

10. ANTICIPATED ABNORMAL PRESSURES OR TEMPERATURES EXPECTED

- Expected BHP 1,500-2,000 psi (lower than normal pressure gradient).
- No abnormal temperature or pressures are anticipated.
- The formations to be penetrated do not contain known H2S gas.

DRILLING PLAN

APPROVAL OF OPERATIONS

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11. WATER SUPPLY

- No water pipelines will be laid for this well.
- No water well will be drilled for this well.
- Drilling water for this will be hauled on the road(s) shown in Attachment No. 3.
- Water will be hauled from: Water Permit # 43-10447 Section 9, Township 8 South, Range 20 East

12. CEMENT SYSTEMS

a. Surface Cement:

- Drill 12-1/4" hole to 2,000'±, run and cement 8-5/8" to surface (depth to vary based on depth of lost circulation zone).
- Pump 20 bbls lightly weighted water spacer followed by 5 bbls fresh water. Displace with any available water.
- Casing to be run with: a) guide shoe b) insert float c) three (3) centralizers, one on each of first 3 joints d) stop ring for plug two joints off bottom e) bottom three joints thread locked f) pump job with bottom plug only.
- Cement the casing annulus to surface. Top out jobs to be performed if needed. Depending to depth of top of cement in the annulus, a 1" tubing string may or may not be utilized.

<u>Type</u>	<u>Sacks</u>	<u>Interval</u>	<u>Density</u>	<u>Yield</u>	<u>Hole</u>	<u>Cement</u>	<u>Excess</u>
					<u>Volume</u>	<u>Volume</u>	
Lead	252	0'-1,500'	11.0 ppg	3.82 CFS	619 CF	835 CF	35%
Tail	219	1,500'-2,000'	15.6 ppg	1.18 CFS	220 CF	297 CF	35%
Top Out	100	0'-200'	15.6 ppg	1.18 CFS	95 CF	118 CF	24% (if required)

Lead Mix: Premium Plus V blend. Blend includes Class "G" cement, gel, salt, gilsonite.
 Slurry yield: 3.82 cf/sack Slurry weight: 11.00 #/gal.
 Water requirement: 22.95 gal/sack

Tail Mix: Class "G" Cement, 1/4 lb/sk Cellophane Flakes + 2% bwoc Calcium Chloride + 44.3% fresh water.
 Slurry yield: 1.18 cf/sack Slurry weight: 15.60 #/gal.
 Water requirement: 5.2 gal/sack

Top Out: Class "G" Cement, 1/4 lb/sk Cellophane Flakes + 2% bwoc Calcium Chloride + 44.3% fresh water.
 Slurry yield: 1.18 cf/sack Slurry weight: 15.60 #/gal.
 Water requirement: 5.2 gal/sack

c. Production Casing Cement:

- Drill 7-7/8" hole to 8,000'±, run and cement 5 1/2".
- Cement interface is at 4,000', which is typically 500'-1,000' above shallowest pay.
- Pump 20 bbl Mud Clean II unweighted spacer, followed by 20 Bbls fresh H2O spacer.
- Displace with 3% KCL.

<u>Type</u>	<u>Sacks</u>	<u>Interval</u>	<u>Density</u>	<u>Yield</u>	<u>Hole</u>	<u>Cement</u>	<u>Excess</u>
					<u>Volume</u>	<u>Volume</u>	
Lead	160	3,700'-4,700'	11.5 ppg	3.12 CFS	175 CF	350 CF	100%
Tail	435	4,700'-8,000'	13.0 ppg	1.75 CFS	473 CF	946 CF	100%

Note: A caliper log will be ran to determine cement volume requirements.

Lead Mix: Halliburton Prem Plus V blend. Blend includes Class "C" cement, gel, salt, gilsonite, EX-1 and HR-7.
 Slurry yield: 3.12 cf/sack Slurry weight: 11.60 #/gal.
 Water requirement: 17.71 gal/sack
 Compressives @ 130°F: 157 psi after 24 hours

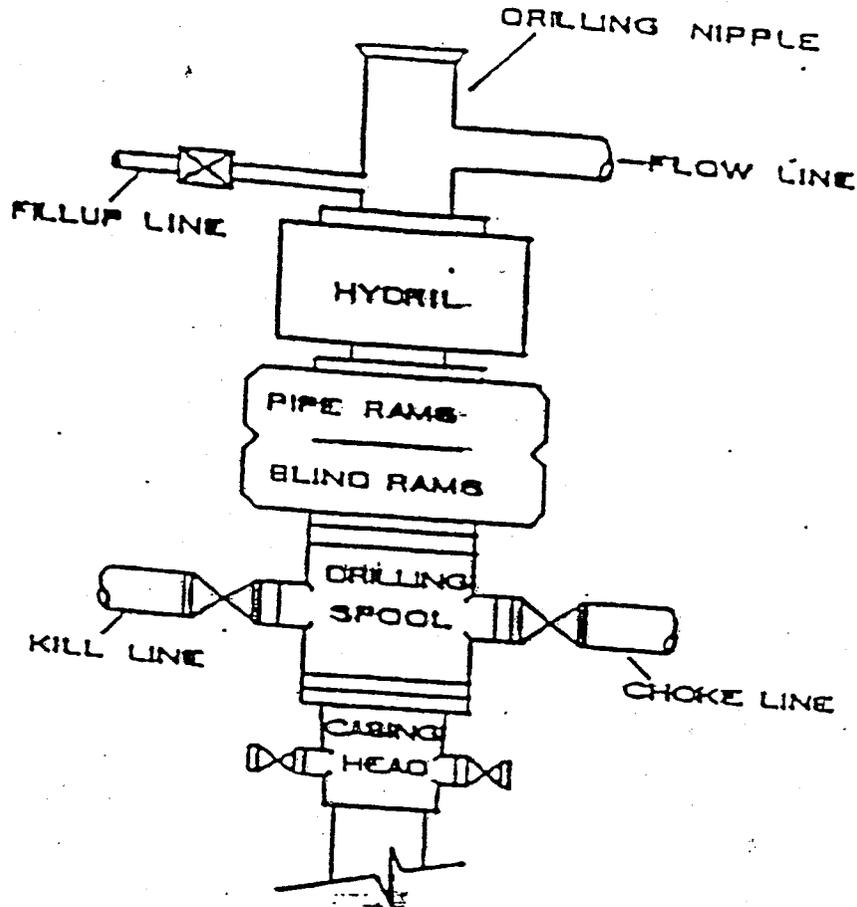
Tail Mix: Halliburton HLC blend (Prem Plus V/JB flyash). Blend includes Class "G" cement, KCl, EX-1, Halad 322, & HR-5.
 Slurry yield: 1.75 cf/sack Slurry weight: 13.00 #/gal.
 Water requirement: 9.09 gal/sack
 Compressives @ 165°F: 905 psi after 24 hours

13. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS

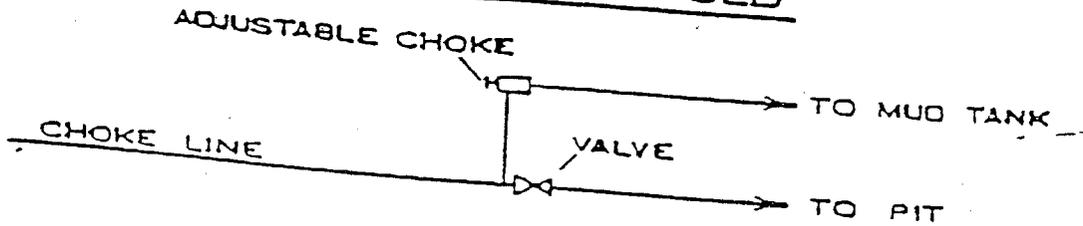
Starting Date: September 1, 2005
 Duration: 14 Days

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BOP STACK



CHOKER MANIFOLD



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

Company/Operator: Dominion Exploration & Production, Inc.

Well Name & Number: Federal 8-29E

Lease Number: U-62232

Location: SE NE Sec. 29 T. 10S R. 19E

Surface Ownership: BLM

NOTIFICATION REQUIREMENTS

- Location Construction - forty-eight (48) hours prior to construction of location and access roads.
- Location Completion - prior to moving on the drilling rig.
- Spud Notice - at least twenty-four (24) hours prior to spudding the well.
- Casing String and Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.
- BOP and Related - twenty-four (24) hours prior to initiating pressure equipment tests.
- First Production Notice - within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

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

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THIRTEEN POINT SURFACE USE PROGRAM:

Multipoint Requirement to Accompany APD

1. **Existing Roads** - describe the following and provide a legible map, labeled and showing:
 - a. Proposed wellsite as staked and access route to location, including distances from point where access route exists establish roads. (Actual staking should include tow directional reference stakes.) The proposed well site is located approximately 30.3 miles southeast of Ouray, Utah.
 - b. Route and distance from nearest town or locatable reference point, such as a highway or county road, to where well access route leaves main road. - See plat for details.
 - c. Access road(s) to location color-coded or labeled. (See Topographic Map A & B for details.)
 - d. Plans for improvement and/or maintenance of existing roads. (Appropriate rights-of-way for off lease roads should be attached.)

2. **Planned Access Roads** - describe the following and provide a map of suitable scale indicating all necessary access roads (permanent and temporary) to be constructed or reconstructed, showing:
 - a. Length - 3.6 miles
 - b. Width - 30 foot right-of-way with 18 foot running surface maximum.
 - c. Maximum grades - None
 - d. Turnouts - None
 - e. Drainage design - Dry Creek
 - f. Location and size of culverts and/or bridges, and brief description of any major cuts and fills - N/A
 - g. Surfacing material (source) - N/A
 - h. Necessary gates, cattleguards, or fence cuts and/or modification to existing facilities - N/A

(New or reconstructed roads are to be centerline-flagged at time of location staking.)

All travel will be confined to existing access road rights-of-way.

Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

Right-of-Way Application needed. No

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The operator/lessee or his/her successor shall be responsible for all maintenance on cattleguards or gates associated with this oil and/or gas operation.

3. Location of Existing Wells - describe the following and provide a map or plat of all wells within a 1 mile radius of the proposed well location showing and identifying existing:

- a. Water wells - None
- b. Abandoned wells - One
- c. Temporarily abandoned wells - None
- d. Disposal wells - None
- e. Drilling wells - None
- f. Producing wells - None
- g. Shut-in wells - None
- h. Injection wells - None

4. Location of Existing and/or Proposed Facilities

a. On well pad: Show the following existing area facilities and dimensions to be utilized if the well is successfully completed for production (detail painting plans and color if applicable):

- (1) Tank batteries
- (2) Production facilities
- (3) Oil gathering lines
- (4) Gas gathering lines
- (5) Injection lines
- (6) Disposal lines
- (7) Surface pits - After the well is hydraulically fraced, the well will be flowed back into the surface pits. After first production, a 400 bbl tank will be installed to contain produced waste water. Plans are to run a 2" line from the separator to the 400 bbl tank.

(Indicate if any of the above lines are buried.)

b. Off well pad: Same as above. Off lease flowlines may require rights-of-way or special use permits, check with the District Office Realty Specialist. (Include a diagram of the proposed attendant lines, i.e., flowlines, powerlines, etc., if off well pad location.)

- (1) Proposed location and attendant lines shall be flagged off of well pad prior to archaeological clearance.
- (2) Dimensions of facilities
- (3) Construction methods and materials
- (4) Protective measures and devices to protect livestock and wildlife

Note: Operator has option of submitting information under 4A and B, after well is completed for production, by applying for approval of subsequent operations.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire content of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

Tank batteries will be placed on the North end of the location
All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone

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color to match on of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Desert Brown.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. Location and Type of Water Supply

- a. Show location and type of water supply, either by 1/4, 1/4 section on a map or by written description Sec 9-T8S-R20E No. 43-10447
- b. State method of transporting water, and show any roads or pipelines needed.
- c. If water well is to be drilled on lease, so state.
*The operator will be responsible for acquiring the necessary permit to obtain water to be used for drilling activities.

6. Source of Construction Materials

- a. Show information either on map or by written description - Surface and subsoil materials in the immediate area will be utilized to build the location
- b. Identify if from Federal or Indian (tribal or allotted) land. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.
- c. Describe where materials such as sand, gravel, stone, and soil material are to be obtained and used. No construction materials will be removed from Federal land.

*If fill materials are needed to construct roads or well sites, proper permits must be obtained from the Surface Management Agency, unless materials are obtained from a private source.

*A mineral materials application (is/is not) required.

7. Methods of Handling Waste Disposal

- a. Describe methods and location of proposed safe containment and disposal of each type of waste material, including:
 - (1) Cuttings - bury in pit
 - (2) Sewage - haul to sewer lagoon
 - (3) Garbage (trash) and other waste material - haul to disposal
 - (4) Salts - not used
 - (5) Chemicals - non-toxic only; evaporate in pit

After first production, produced waste water will be confined to an unlined or lined pit or storage tank for a period not to exceed ninety (90) days. During the 90 day

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period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

- b. Provide a plan for eventual disposal of drilling fluids and any produced oil or water recovered during testing operations. Haul off
All fluids will be hauled off by Ace Disposal & MCMC for disposal.

After initial clean up period, a 400 bbls tank will be installed to contain produced waste water. This water will be transported from the 400 bbl tank to Dominion Exploration & Production, Inc. disposal well located at RBU 16-19F for disposal.

*Burning will not be allowed. All trash must be contained in a trash cage and hauled away to an approved disposal site at the completion of the drilling activities.

- c. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completing of wells with the NBU. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completing of wells within the NBU. Specific APDs shall address any modifications from this policy.

On BLM administered lands:

The reserve pit shall be constructed so as not to leak, break, or allow discharge.

The reserve pit shall be lined with a 12 mil pit liner only under the following conditions:

1. If we have to blast the pit, or
2. If the non-blasted pit will not hold fluid.

If these conditions do not exist, we will not line the pit.

If a plastic nylon reinforced liner is used, it will be a minimum of 12 mil in thickness.

After first production, produced waste water will be confined to a lined pit or storage tank for a period not to exceed ninety (90) days. During the 90 day period, in accordance with NTL-2B, an application for approval of a permanent disposal method and location, along with required water analysis, shall be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

8. Ancillary Facilities

Camp facilities or airstrips will not be allowed unless otherwise approved.

9. Well Site Layout--provide a plat (not less than 1" = 50') showing:

- a. Cross-sections of proposed drill pad with approximate cuts and fills and the relation to topography.

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- b. Location of mud tanks, reserve, and flare pits, pipe racks, living facilities, and soil material stockpiles, etc. (Approval as used in this section means field approval of location.)
- c. Rig orientation, parking areas, and access roads, etc.

The reserve pit will be located on the: West side of the location.

The flare pit will be located downwind of the prevailing wind direction on the West side of location a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled topsoil (first four inches) will be stored on the: East side of the location.

Access to the well pad will be from the: South

Diversion ditch(es) shall be constructed on the (NA) side of the location (above / below) the cut slope, draining to the (NA).

Soil compacted earthen berm(s) shall be placed on the (NA) side(s) of the location between the (NA).

The drainage(s) shall be diverted around the (NA) side(s) of the well pad location.

The reserve pit and/or pad location shall be constructed long and narrow for topographic reasons (NA).

Corners 2, 6 & 8 of the well pad will be rounded off to minimize excavation.

Fencing Requirements

All pits will be fenced according to the following minimum standards:

- a. 39-inch net wire shall be used with at least one stand of barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- b. The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.
- c. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- d. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- e. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and upon completion of construction the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguard (shall/shall not) be permanently mounted on concrete bases. Prior to a new road, crossing any fence located on federal land, or any fence between federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. Plans for Restoration of Surface

a. Producing Location

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 6 months from the date of well completion. Before any dirt work takes place, the reserve pit must be completely dry and all cans, barrels, pipe, etc., will be removed.

Contact appropriate surface management agency for required seed mixture.

b. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and BLM will attach the appropriate surface rehabilitation conditions of approval.

11. Surface Ownership:

Access Road: Bureau of Land Management Location: Bureau of Land Management

"If the access road and/or location involves private or state agency owned surface, a copy of the surface owners agreement is required prior to approval of the APD."

12. Other Additional Information

a. The Operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or

CONFIDENTIAL

archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to :

- whether the materials appear eligible for the National Register of Historic Places;

- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and

-a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible to mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- b. The operator will control noxious weeds along right-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- c. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)
- d. 4" pipeline is proposed to run approximately 200' and run parallel to the access road until it ties into the main gathering system.

Additional Surface Stipulations

(NA) No construction or drilling activities shall be conducted between _____ and _____ because of _____

(NA) No surface occupancy will be allowed within 1,000 feet of any sage grouse strutting ground.

(NA) No construction or exploration activities are permitted within 1.5 mile radius of sage grouse strutting grounds from April 1 to June 30.

(NA) There shall be no surface disturbance within 600 feet of live water (includes stock tanks, springs, and guzzlers).

(NA) No cottonwood trees will be removed or damaged.

CONFIDENTIAL

(NA) A silt catchment dam and basin will be constructed according to BLM specifications, where flagged.

13. Operators Representative and Certification

<u>Title</u>	<u>Name</u>	<u>Office Phone</u>
Company Representative (Roosevelt)	Mitch Hall	1-435-722-4521
Company Representative (Oklahoma)	Carla Christian	1-405-749-5263
Agent for Dominion	Don Hamilton	1-435-637-4075

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 and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A complete copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

The operator or his/her contractor shall contact the BLM Office at (801) 789-1362 forty-eight (48) hours prior to construction activities.

The BLM Office shall be notified upon site completion prior to moving on the drilling rig.

Certification:

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 APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Dominion Exploration & Production, Inc. and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided under Dominion's BLM bond. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Signature: Carla Christian Date: 7-6-05

Participants on Joint Inspection

Stan Olmstad
Ed Trotter
Chuck Wise
Brent Stubbs
Gary Streeter

Bureau of Land Management
Consultant for Dominion
Jackson Construction
Stubbs & Stubbs Construction
UELS

DOMINION EXPLR. & PROD., INC.

FEDERAL #8-29E

LOCATED IN UINTAH COUNTY, UTAH

SECTION 29, T10S, R19E, S.L.B.&M.

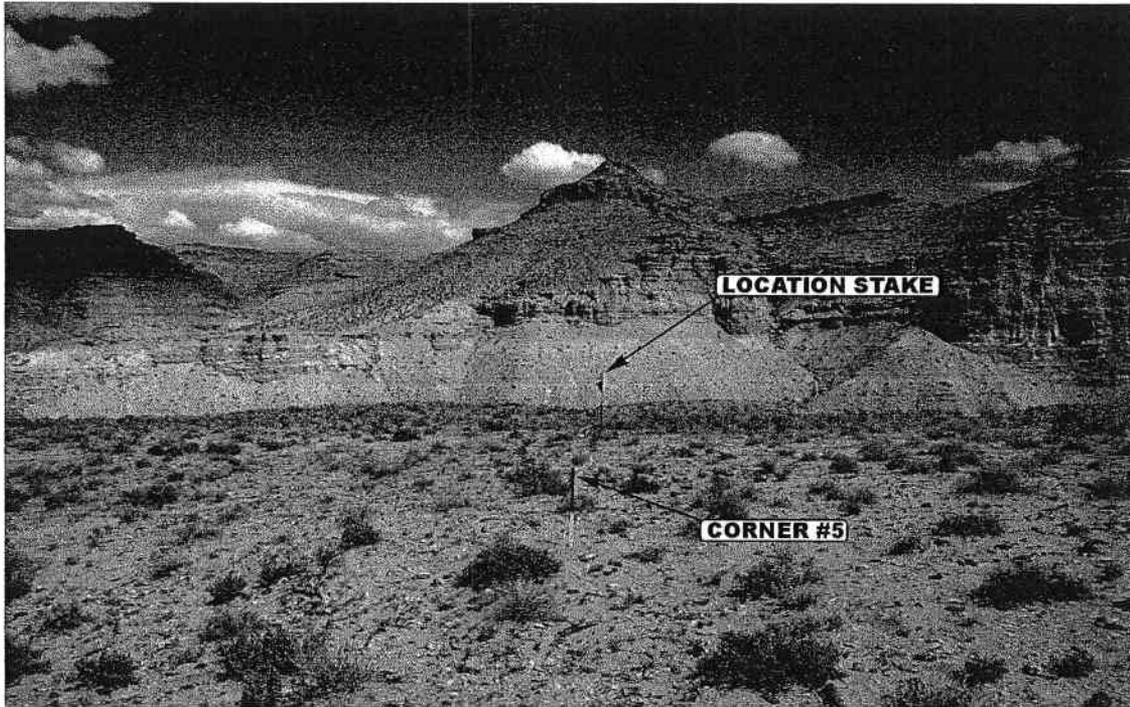


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

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

LOCATION PHOTOS	4	23	01	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: D.K.	DRAWN BY: K.G.	REV: 11-19-02 P.M.		

DOMINION EXPLR. & PROD., INC.

LOCATION LAYOUT FOR

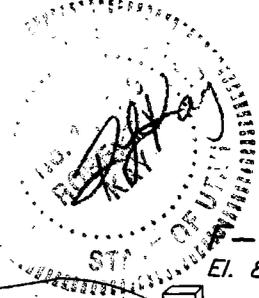
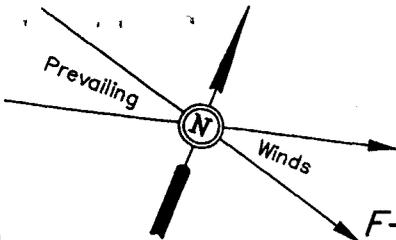
FEDERAL #8-29E
SECTION 29, T10S, R19E, S.L.B.&M.

2288' FNL 673' FEL

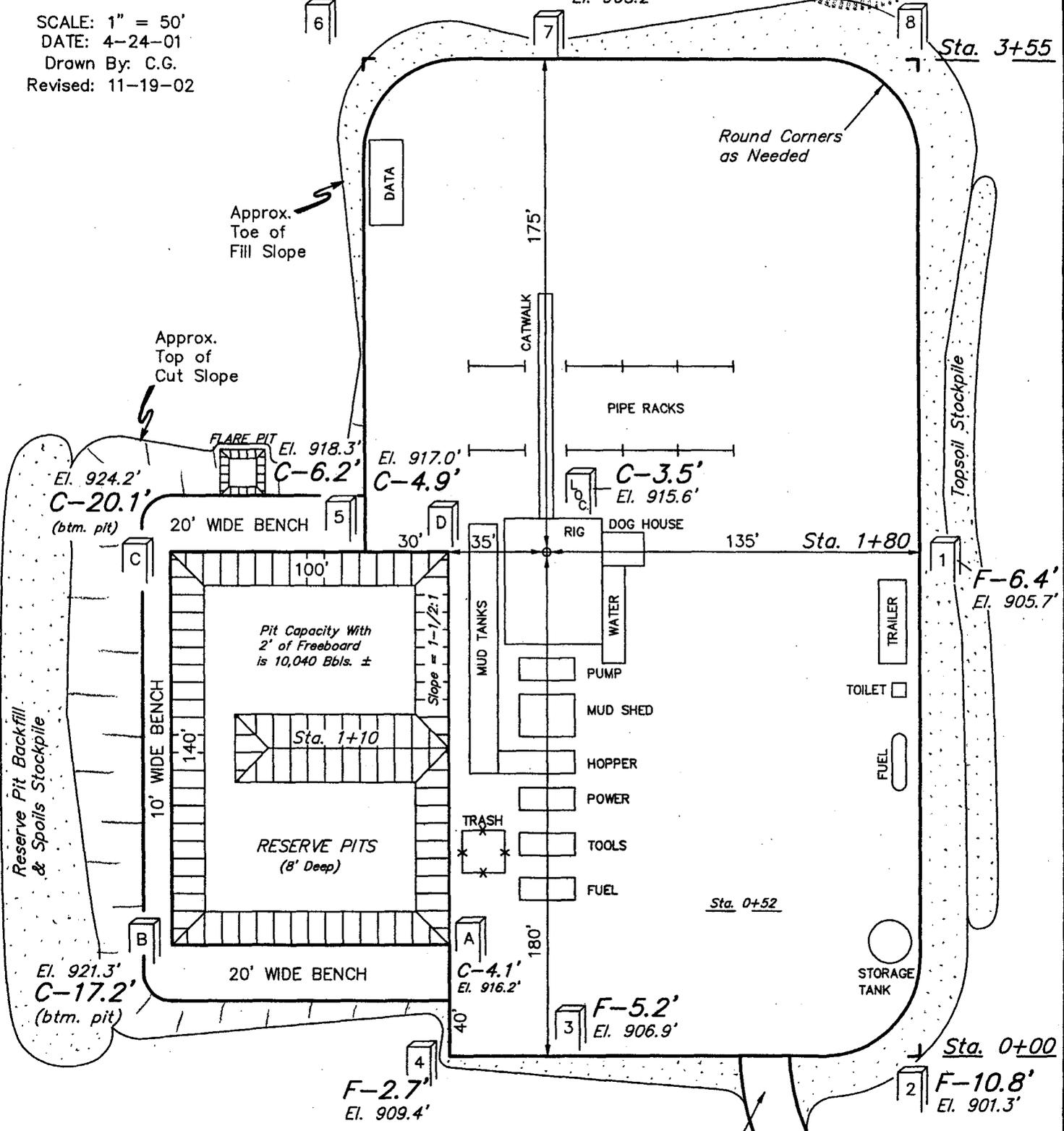
F-3.9'
El. 908.2'

F-14.4'
El. 897.7'

F-8.9'
El. 903.2'



SCALE: 1" = 50'
DATE: 4-24-01
Drawn By: C.G.
Revised: 11-19-02



Elev. Ungraded Ground at Location Stake = 4915.6'
Elev. Graded Ground at Location Stake = 4912.1'

Proposed Access Road

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (436) 789-1017

DOMINION EXPLR. & PROD., INC.

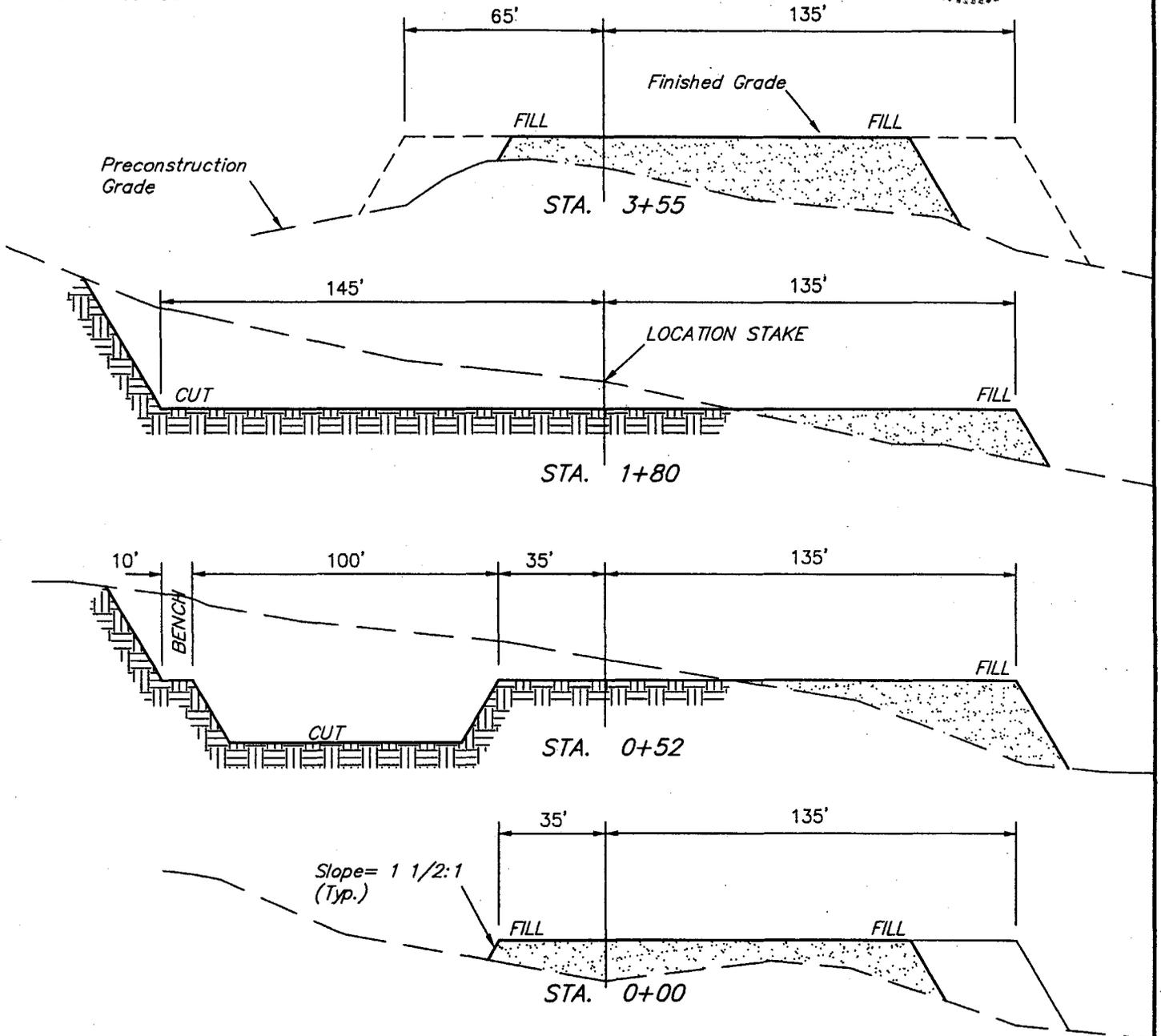
TYPICAL CROSS SECTIONS FOR

**FEDERAL #8-29E
SECTION 29, T10S, R19E, S.L.B.&M.
2288' FNL 673' FEL**



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

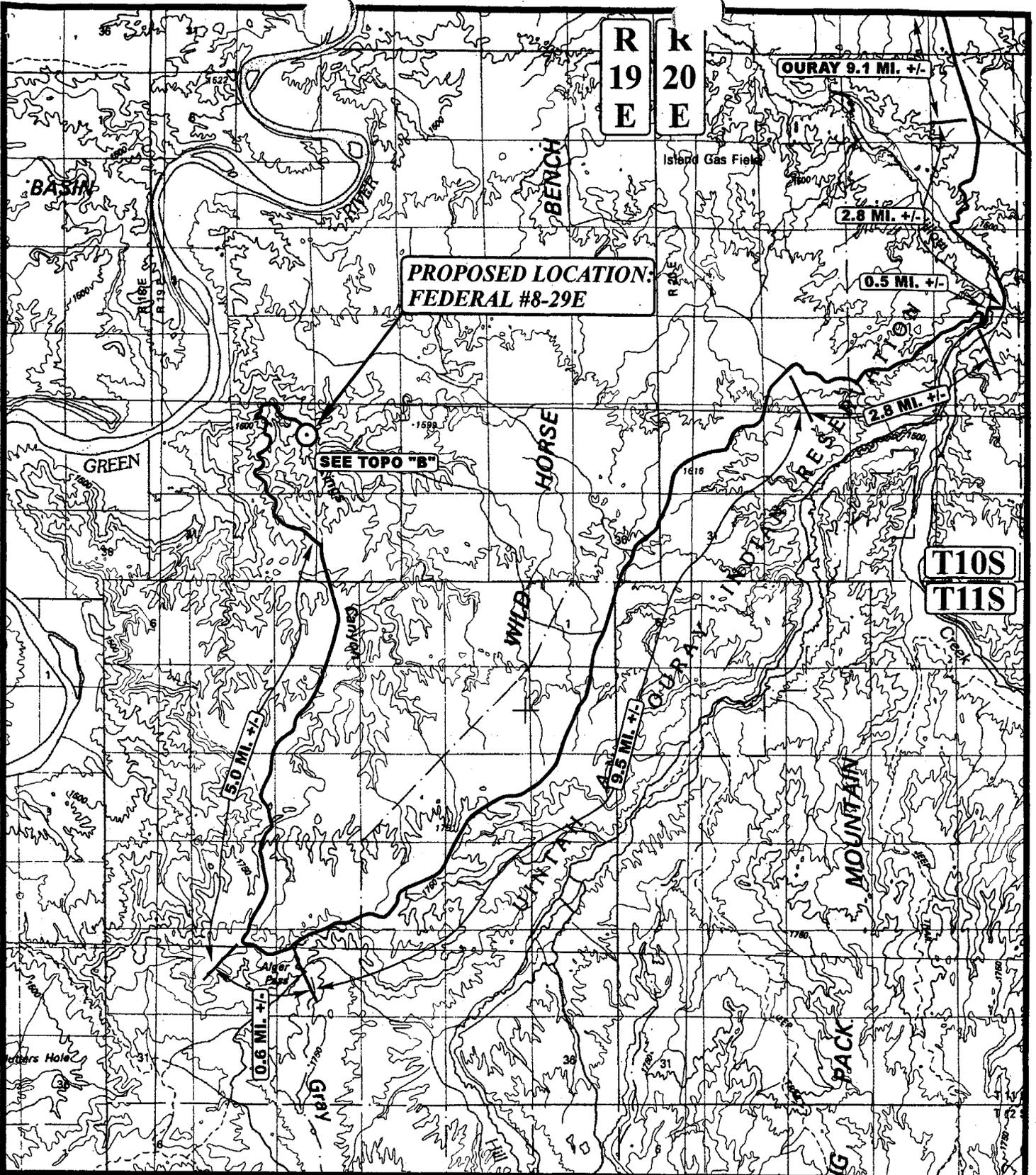
DATE: 4-24-01
Drawn By: C.G.
Revised: 11-19-02



APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,570 Cu. Yds.
Remaining Location	= 11,300 Cu. Yds.
TOTAL CUT	= 12,870 CU.YDS.
FILL	= 9,280 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 3,100 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,100 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.



**PROPOSED LOCATION:
FEDERAL #8-29E**

SEE TOPO "B"

**T10S
T11S**

LEGEND:

⊙ PROPOSED LOCATION



DOMINION EXPLR. & PROD., INC.

FEDERAL #8-29E

SECTION 29, T10S, R19E, 6th P.M.

2288' FNL 673' FEL

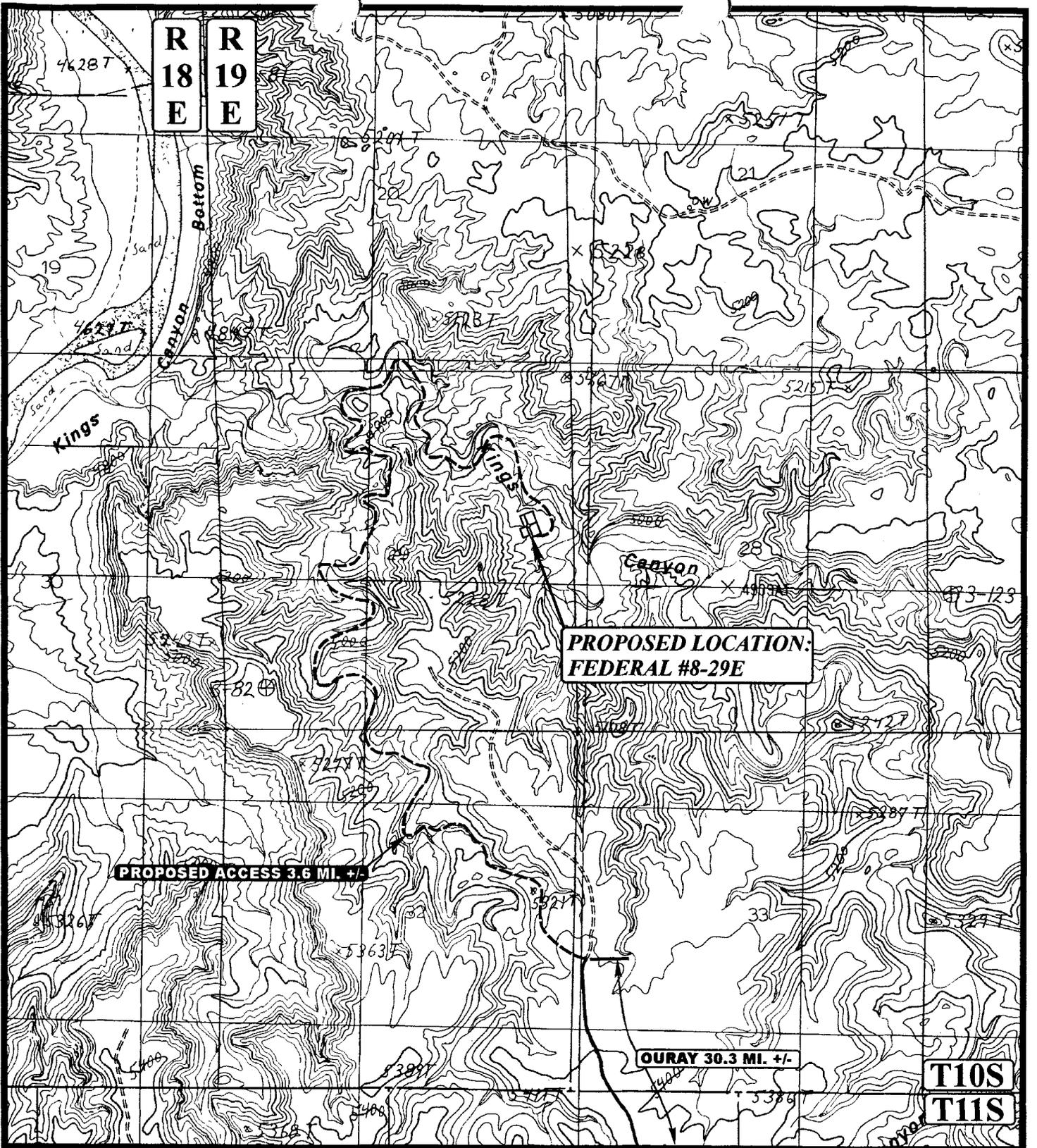


Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC 4 23 01
MAP MONTH DAY YEAR

SCALE: 1:100,000 | DRAWN BY: K.G. | REV: 11-19-02 P.M.





LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD



DOMINION EXPLR. & PROD., INC.

FEDERAL #8-29E
SECTION 29, T10S, R19E, 6th P.M.
2288' FNL 673' FEL



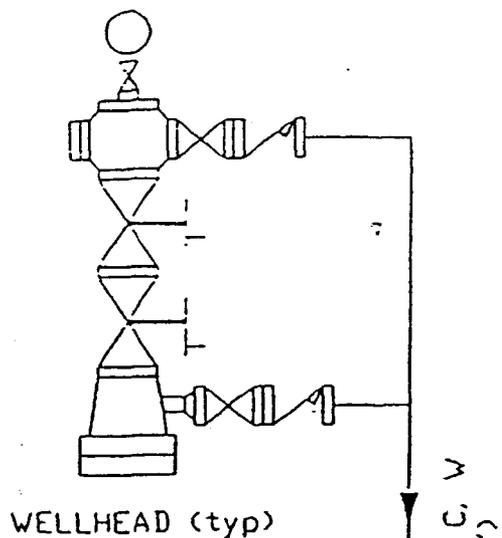
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
M A P

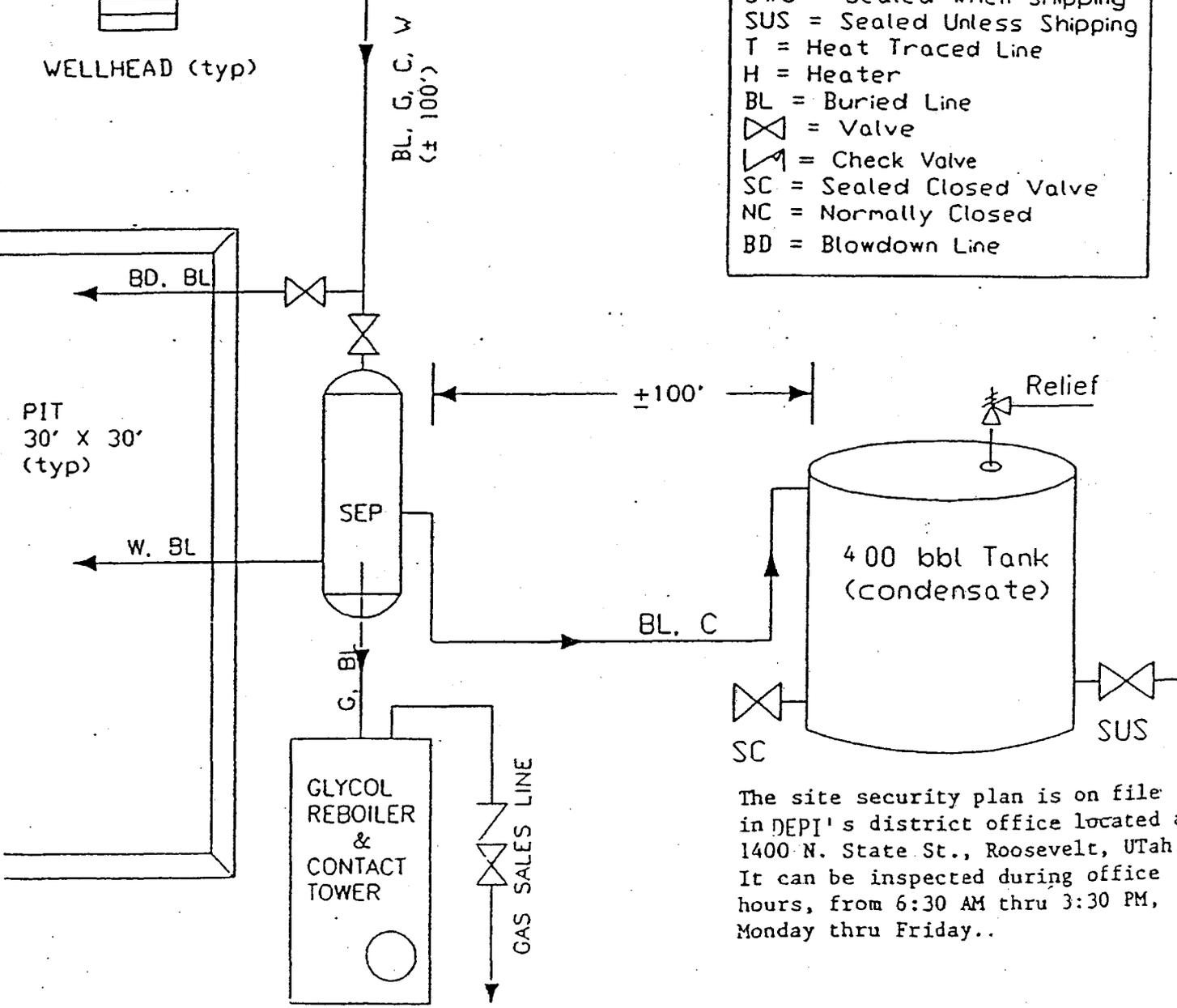
4	23	01
MONTH	DAY	YEAR



SCALE: 1" = 2000' DRAWN BY: K.G. REV: 11-19-02 P.M.



LEGEND	
O	= Oil Line
G	= Gas Line
W	= Water Line
R	= Relief Line (Pressure)
C	= Condensate Line
V	= Vent Line
D	= Drain Line
M	= Gas Meter
P	= Pump
BP	= Back Pressure Valve
SWS	= Sealed When Shipping
SUS	= Sealed Unless Shipping
T	= Heat Traced Line
H	= Heater
BL	= Buried Line
	= Valve
	= Check Valve
SC	= Sealed Closed Valve
NC	= Normally Closed
BD	= Blowdown Line



The site security plan is on file in DEPI's district office located at 1400 N. State St., Roosevelt, UTah. It can be inspected during office hours, from 6:30 AM thru 3:30 PM, Monday thru Friday..

DOMINION EXPLORATION & PRODUCTION, INC.

all:	RIVER BEND FIELD, UINTA COUNTY	not to scale
100A.FLOW1SEP	TYPICAL FLOW DIAGRAM	date: / /

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 07/12/2005

API NO. ASSIGNED: 43-047-36894

WELL NAME: FEDERAL 8-29E
 OPERATOR: DOMINION EXPL & PROD (N1095)
 CONTACT: DON HAMILTON

PHONE NUMBER: 435-650-1886

PROPOSED LOCATION:

SENE 29 100S 190E
 SURFACE: 2288 FNL 0673 FEL
 BOTTOM: 2288 FNL 0673 FEL
 UINTAH
 NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: U-62232
 SURFACE OWNER: 1 - Federal
 PROPOSED FORMATION: MVRD
 COALBED METHANE WELL? NO

LATITUDE: 39.91908
 LONGITUDE: -109.7980

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. 76S630500330)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-10447)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)

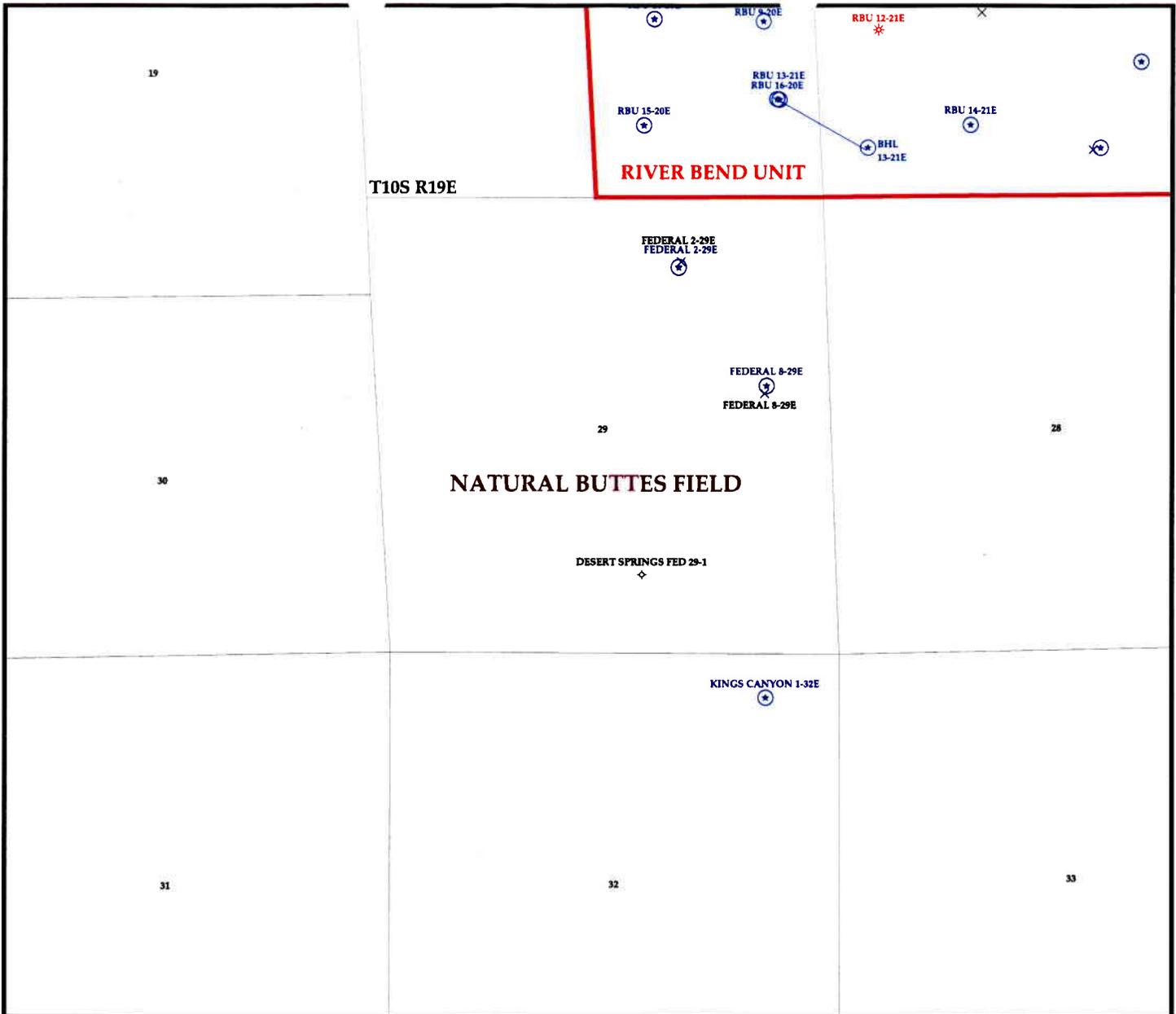
LOCATION AND SITING:

- ___ 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

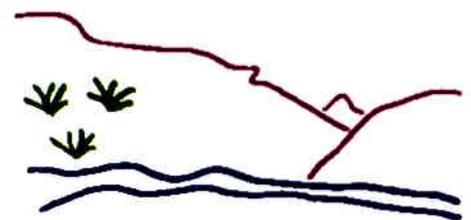
COMMENTS: _____

STIPULATIONS: 1-Federal Approval

2-Spacing Slip



OPERATOR: DOMINION EXPL & PROD (N1095)
SEC: 29 T. 10S R. 19E
FIELD: NATURAL BUTTES (630)
COUNTY: UINTAH
SPACING: R649-3-3 / EXCEPTION LOCATION



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 13-JULY-2005

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		



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

July 14, 2005

Dominion Exploration & Production, Inc.
14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134

Re: Federal 8-29E Well, 2288' FNL, 673' FEL, SE NE, Sec. 29, T. 10 South,
R. 19 East, Uintah County, Utah

Gentlemen:

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

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36894.

Sincerely,

Gil Hunt
Acting Associate Director

pab
Enclosures

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT--" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas

2. Name of Operator

Dominion Exploration & Production, Inc.

3. Address and Telephone No.

14000 Quail Springs Parkway, Suite 600, Oklahoma City, OK 73134, 405-749-6690

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2,288' FNL, 673' FEL SE/4 NE/4, Section 29, T10S, R19E, SLB&M

5. Lease Designation and Serial No.
U-62232

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

7. If Unit or CA, Agreement Designation
undesignated

8. Well Name and No.
Federal 8-29E

9. API Well No.
43-047-36894

10. Field and Pool, or Exploratory Area
Natural Buttes

11. County or Parish, State
Uintah, Utah

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

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

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.)*

Dominion Exploration and Production, Inc. requests that the Federal 8-29E pending federal application and associated State of Utah drilling permit be rescinded.

RECEIVED

NOV 07 2005

DIV. OF OIL, GAS & MINING

FILE COPY

14. I hereby certify that the foregoing is true and correct

Signed Don Hamilton Don Hamilton Title Agent for Dominion Date November 2, 2005

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:



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

November 10, 2005

Don Hamilton
Dominion Expl & Prod Inc.
14000 Quail Springs Parkway
Oklahoma City, OK 73134

Re: APD Rescinded –Federal 8-29E Sec. 29, T. 10, R. 19E
Uintah County, Utah API No. 43-047-36894

Dear Mr. Hamilton:

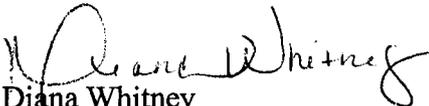
The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on July 14, 2005. On November 10, 2005 you requested the Division rescind the State approved APD.

No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective November 10, 2005.

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

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

Sincerely,


Diana Whitney
Engineering Technician

cc: Well File
Bureau of Land Management, Vernal