

October 31, 2005

Mrs. Diana Whitney
State of Utah
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Application for Permit to Drill—Dominion Exploration & Production, Inc.
HCU 2-32F: 247' FNL & 1,769' FEL, NW/4 NE/4,
Section 32, T10S, R20E, SLB&M, Uintah County, Utah

Dear Mrs. Whitney:

On behalf of Dominion Exploration & Production, Inc. (Dominion), Buys & Associates, Inc. respectfully submits the enclosed original and two copies of the Application for Permit to Drill (APD) for the above referenced tribal well. A request for exception to spacing (Cause No. 197-11) is hereby requested based on topography since the well is located within 460' of the drilling unit boundary. Dominion Exploration & Production, Inc. is the only owner and operator within 460' of the proposed well. Included with the APD is the following supplemental information:

- Exhibit "A" - Survey plats, layouts and photos of the proposed well site;
- Exhibit "B" - Proposed location maps with access and utility corridors;
- Exhibit "C" - Production site layout;
- Exhibit "D" - Drilling Plan;
- Exhibit "E" - Surface Use Plan;
- Exhibit "F" - Typical BOP and Choke Manifold diagram.

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

Thank you very much for your timely consideration of this application. Please feel free to contact myself or Carla Christian of Dominion at 405-749-5263 if you have any questions or need additional information.

Sincerely,

Don Hamilton

Don Hamilton
Agent for Dominion

cc: Fluid Mineral Group, BLM—Vernal Field Office
Bucky Secakuku, BIA—Uintah & Ouray Agency
Carla Christian, Dominion

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DIV. OF OIL, GAS & MINING

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL		5. MINERAL LEASE NO: ML-22313-2	6. SURFACE: Indian
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME: Ute Indian Tribe	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. UNIT or CA AGREEMENT NAME: undesigned	
2. NAME OF OPERATOR: Dominion Exploration & Production, Inc.		9. WELL NAME and NUMBER: HCU 2-32F	
3. ADDRESS OF OPERATOR: 14000 Quail Sp Pkwy CITY Oklahoma City STATE OK ZIP 73134		PHONE NUMBER: (405) 749-5263	10. FIELD AND POOL, OR WILDCAT: Natural Buttes
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 247' FNL & 1,769' FEL, NW/4 NE/4, AT PROPOSED PRODUCING ZONE: 247' FNL & 1,769' FEL, NW/4 NE/4,		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 32 10 20 S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 12.29 miles south of Ouray, Utah		12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 247'	16. NUMBER OF ACRES IN LEASE: 640	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 25'	19. PROPOSED DEPTH: 7,850	20. BOND DESCRIPTION: SITLA Blanket 76S 63050 361	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 4,964'	22. APPROXIMATE DATE WORK WILL START: 2/1/2006	23. ESTIMATED DURATION: 14 days	

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12-1/4"	8-5/8" J-55 ST 32#	2,000	see Drilling Plan 252/219/100
7-7/8"	5-1/2" Mav 80 L 17#	7,850	see Drilling Plan 160/435

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- | | |
|------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) Don Hamilton TITLE Agent for Dominion Exploration & Production, Inc.
SIGNATURE Don Hamilton DATE 10/31/2005

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(This space for State use only)

API NUMBER ASSIGNED: 43-047-37359

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 11-10-05
By: [Signature]

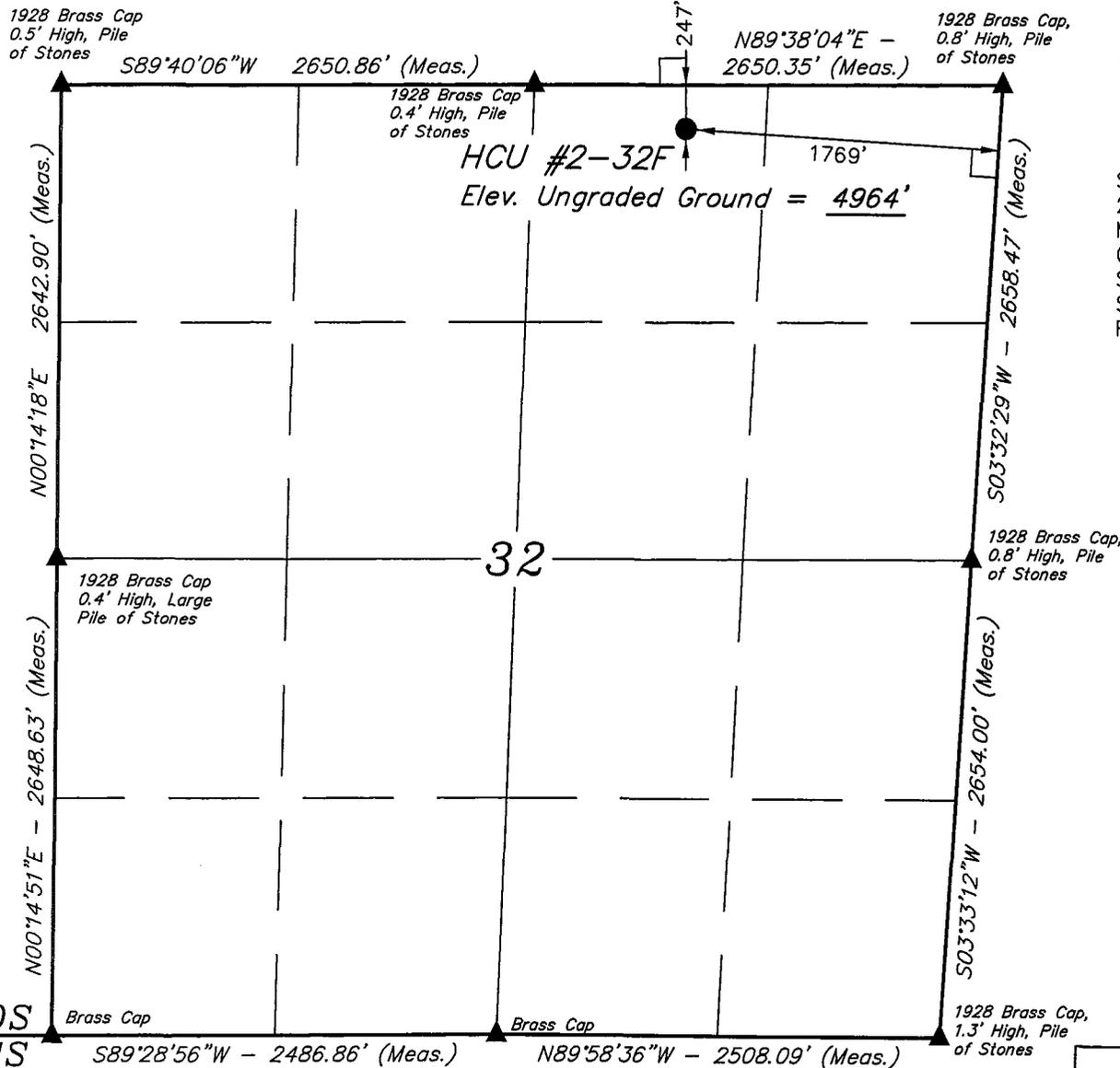
DIV. OF OIL, GAS & MINING

ORIGINAL
CONFIDENTIAL

T10S, R20E, S.L.B.&M.

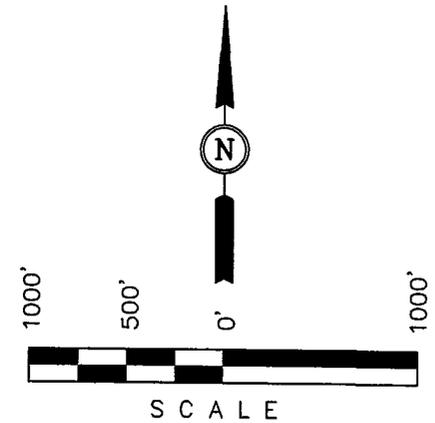
DOMINION EXPLR. & PROD., INC.

Well location, HCU #2-32F, located as shown in the NW 1/4 NE 1/4 of Section 32, T10S, R20E, S.L.B.&M. Uintah County Utah.



BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 20, T10S, R20E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN. 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 5251 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 H. Hay
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

BASIS OF BEARINGS

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

LEGEND:

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

(NAD 83)
 LATITUDE = 39°54'36.86" (39.910239)
 LONGITUDE = 109°41'07.48" (109.685411)
 (NAD 27)
 LATITUDE = 39°54'36.99" (39.910275)
 LONGITUDE = 109°41'04.99" (109.684719)

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

SCALE 1" = 1000'	DATE SURVEYED: 3-28-05	DATE DRAWN: 4-14-05
PARTY M.A. C.R. K.G.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE DOMINION EXPLR. & PROD., INC.	

DRILLING PLAN

APPROVAL OF OPERATIONS

Attachment for Permit to Drill

Name of Operator: Dominion Exploration & Production
Address: 14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134
Well Location: HCU 2-32F
247' FNL & 1769' FEL
Section 32-10S-20E
Uintah County, UT

1. GEOLOGIC SURFACE FORMATION Uintah

2. ESTIMATED DEPTHS OF IMPORTANT GEOLOGIC MARKERS

<u>Formation</u>	<u>Depth</u>
Wasatch Tongue	3,580'
Uteland Limestone	3,930'
Wasatch	4,080'
Chapita Wells	5,030'
Uteland Buttes	6,180'
Mesaverde	6,980'

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

<u>Formation</u>	<u>Depth</u>	<u>Type</u>
Wasatch Tongue	3,580'	Oil
Uteland Limestone	3,930'	Oil
Wasatch	4,080'	Gas
Chapita Wells	5,030'	Gas
Uteland Buttes	6,180'	Gas
Mesaverde	6,980'	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'	7,850'	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'±.

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DRILLING PLAN

APPROVAL OF OPERATIONS

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' – 7,850'	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 constant 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.

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DRILLING PLAN

APPROVAL OF OPERATIONS

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 7,850'±, 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'-7,850'	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: February 1, 2006
Duration: 14 Days

SURFACE USE PLAN
CONDITIONS OF APPROVAL

Attachment for Permit to Drill

Name of Operator: Dominion Exploration & Production
Address: 14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134
Well Location: HCU 2-32F
247' FNL & 1769' FEL
Section 32-10S-20E
Uintah County, UT

The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction.

The state and tribal onsite for the well is pending at this time

1. Existing Roads:

- a. The proposed well site is located approximately 12.29 miles south of Ouray, UT.
- b. Directions to the proposed well site have been attached at the end of Exhibit B.
- c. The use of roads under State and County Road Department maintenance are necessary to access the Hill Creek Unit. However, an encroachment permit is not anticipated since no upgrades to the State or County Road system are proposed at this time.
- d. All existing roads will be maintained and kept in good repair during all phases of operation.
- e. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.
- f. Since no improvements are anticipated to the State, County, Tribal or BLM access roads no topsoil striping will occur.
- g. An off-lease federal right-of-way is not anticipated for the access road or utility corridor since both are located within the existing Hill Creek Unit boundary.
- h. A tribal right-of-way has been submitted for the wellsite, access and pipeline disturbances on Ute Indian Tribe surface.

2. Planned Access Roads:

- a. From the proposed HCU 16-29F wellsite an access is proposed trending southwest approximately 0.2 miles to the proposed well site. The access consists of entirely new disturbance and crosses no significant drainages.
- b. A road design plan is not anticipated at this time.
- c. The proposed access road will consist of a 24' travel surface within a 30' disturbed area across tribal lands.
- d. BLM approval to construct and utilize the proposed access road is requested with this application.
- e. A maximum grade of 10% will be maintained throughout the project with minor cuts and fills required to access the well.
- f. No turnouts are proposed since the access road is only 0.2 miles long and adequate site distance exists in all directions.
- g. No low water crossings or culverts are anticipated. Adequate drainage structures will be incorporated into the road.
- h. No surfacing material will come from federal or Indian lands.
- i. No gates or cattle guards are anticipated at this time.
- j. Surface disturbance and vehicular travel will be limited to the approved location access road.
- k. All access roads and surface disturbing activities will conform to the standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. (1989).
- l. The operator will be responsible for all maintenance of the access road including drainage structures.

3. Location of Existing Wells:

- a. Exhibit B has a map reflecting these wells within a one mile radius of the proposed well.

4. Location of Production Facilities:

- a. All permanent structures will be painted a flat, non-reflective Desert Brown to match the standard environmental colors. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.
- b. Site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 will be adhered to.
- c. A gas meter run will be constructed and located on lease within 500 feet of the wellhead. Meter runs will be housed and/or fenced. All gas production and measurement shall comply with the provisions of 43 CFR 3162. 7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

- d. A tank battery will be constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.
- e. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.
- f. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic. The road will be maintained in a safe useable condition.
- g. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- h. A gas pipeline is associated with this application and is being applied for at this time. The proposed gas pipeline corridor will leave the northeast side of the well site and traverse 1,600' northeast to the proposed 6" pipeline corridor proposed for the HCU 16-29F. The pipeline crosses entirely tribal surface.
- i. The new gas pipeline will be a 6" steel surface line within a 20' wide utility corridor. The use of the proposed well site and access roads will facilitate the staging of the pipeline construction. A new pipeline length of approximately 1,600' is associated with this well.
- j. Dominion intends on installing the pipeline on the surface by welding many joints into long lengths, dragging the long lengths into position and then completing a final welding pass to join the long lengths together. Dominion intends on connecting the pipeline together utilizing conventional welding technology.

5. Location and Type of Water Supply:

- a. The location and type of water supply has been addressed as number 11 within the previous drilling plan information.

6. Source of Construction Material:

- a. The use of materials will conform to 43 CFR 3610.2-3.
- b. No construction materials will be removed from Ute Tribal or BLM lands.
- c. If any gravel is used, it will be obtained from a state approved gravel pit.

7. Methods of Handling Waste Disposal:

- a. All wastes associated with this application will be contained and disposed of utilizing approved facilities.
- b. Drill cuttings will be contained and buried on site.
- c. The reserve pit will be located outboard of the location and along the southeast side of the pad.

- d. The reserve pit will be constructed so as not to leak, break, or allow any discharge.
- e. The reserve pit will be lined with 12 mil minimum thickness plastic nylon reinforced liner material. The liner will overlay a felt liner pad only if rock is encountered during excavation. The pit liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. Pit walls will be sloped no greater than 2:1. A minimum 2-foot freeboard will be maintained in the pit at all times during the drilling and completion operation.
- f. The reserve pit has been located in cut material. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. After the reserve pit has dried, all areas not needed for production will be rehabilitated.
- g. 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 completion of the well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completion of the well.
- h. Trash will be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations. The contents of the trash container will be hauled off periodically to the approved Uintah County Landfill near Vernal, Utah.
- i. Produced fluids from the well other than water will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.
- j. After initial clean-up, a 400 bbl tank will be installed to contain produced waste water. This water will be transported from the tank to an approved Dominion disposal well for disposal.
- k. Produced water from the production well will be disposed of at the RBU 13-11F or RBU 16-19F disposal wells in accordance with Onshore Order #7.**
- l. Any salts and/or chemicals, which are an integral part of the drilling system, will be disposed of in the same manner as the drilling fluid.
- m. Sanitary facilities will be on site at all times during operations. Sewage will be placed in a portable chemical toilet and the toilet replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Vernal Wastewater Treatment Facility in accordance with state and county regulations.

8. Ancillary Facilities:

- a. Garbage Containers and Portable Toilets are the only ancillary facilities proposed in this application.

9. Well Site Layout: (See Exhibit B)

- a. The well will be properly identified in accordance with 43 CFR 3162.6.
- b. Access to the well pad will be from the northeast.

- c. The pad and road designs are consistent with tribal specification
- d. A pre-construction meeting with responsible company representative, contractors, and the Ute Tribe will be conducted at the project site prior to commencement of surface-disturbing activities. The pad and road will be construction-staked prior to this meeting.
- e. The pad has been staked at its maximum size of 355' X 200'; however it will be constructed smaller if possible, depending upon rig availability. Should the layout change, this application will be amended and approved utilizing a sundry notice.
- f. All surface disturbing activities, will be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.
- g. All cut and fill slopes will be such that stability can be maintained for the life of the activity.
- h. Diversion ditches will be constructed as shown around the well site to prevent surface waters from entering the well site area.
- i. The site surface will be graded to drain away from the pit to avoid pit spillage during large storm events.
- j. The stockpiled topsoil (first 6 inches or maximum available) will be stored in a windrow on the uphill side of the location to prevent any possible contamination. All topsoil will be stockpiled for reclamation in such a way as to prevent soil loss and contamination.
- k. Pits will remain fenced until site cleanup.
- l. The blooie line will be located at least 100 feet from the well head.
- m. Water injection may be implemented if necessary to minimize the amount of fugitive dust.

10. Plans for Restoration of the Surface:

- a. Site reclamation for a producing well will be accomplished for portions of the site not required for the continued operation of the well.
- b. The Operator will control noxious weeds along access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the BLM or the appropriate County Extension Office. On Tribal administered land, it is required that a Pesticide Use Proposal be submitted and approved prior to the application of herbicides, pesticides or possibly hazardous chemicals.
- c. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. Once the reserve pit is dry, the plastic nylon reinforced liner 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.
- d. The cut and fill slopes and all other disturbed areas not needed for the production operation will be top soiled and re-vegetated. The stockpiled topsoil will be evenly distributed over the disturbed area.
- e. Prior to reseeding the site, all disturbed areas, including the access road, will be scarified and

left with a rough surface. The site will then be seeded and/or planted as prescribed by the Ute Indian Tribe. The Ute Indian Tribe recommended seed mix will be detailed within their approval documents.

11. Surface and Mineral Ownership:

- a. Surface Ownership – Ute Indian Tribe under the management of the Bureau of Indian Affairs – Uintah and Ouray Agency, P.O. Box 130, 988 South 7500 East, Ft. Duchesne, Utah 84026, 435-722-4300.
- b. Mineral Ownership – State of Utah – under the management of the SITLA -State Office, 675 East 500 South, Suite 500, Salt Lake, City, Utah 84102-2818; 801-538-5100.

12. Other Information:

- a. AIA Archaeological has conducted a Class III archeological survey. A copy of the report has been submitted under separate cover to the appropriate agencies by AIA Archaeological.
- b. Alden Hamblin has conducted a paleontological survey. A copy of the report has been submitted under separate cover to the appropriate agencies by Alden Hamblin.

13. Operator's Representative and Certification

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

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 exists; 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: Don Hamilton Date: 10-31-05

ORIGINAL

DOMINION EXPLR. & PROD., INC.
HCU #2-32F & #15-29F
SECTION 32, T10S, R20E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.1 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 4.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.45 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING TWO-TRACK ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #10-28F TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY, THEN WESTERLY, THEN NORTHERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 3.3 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE HCU #8-28F TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE HCU #7-28F TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE PROPOSED #7-28F AND THE BEGINNING OF THE PROPOSED ACCESS FOR THE HCU #6-28F TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE HCU #12-28F TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE HCU #16-29F TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.45 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

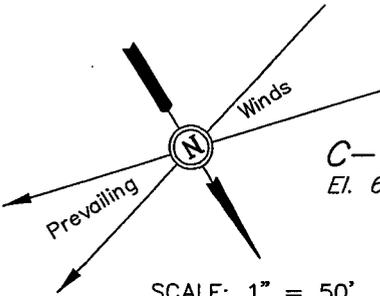
TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 54.15 MILES.

DOMINION EXPLR. & PROD., INC.

LOCATION LAYOUT FOR

HCU #2-32F & #15-29F
SECTION 32, T10S, R20E, S.L.B.&M.
NW 1/4 NE 1/4

C-1.7'
El. 64.7'

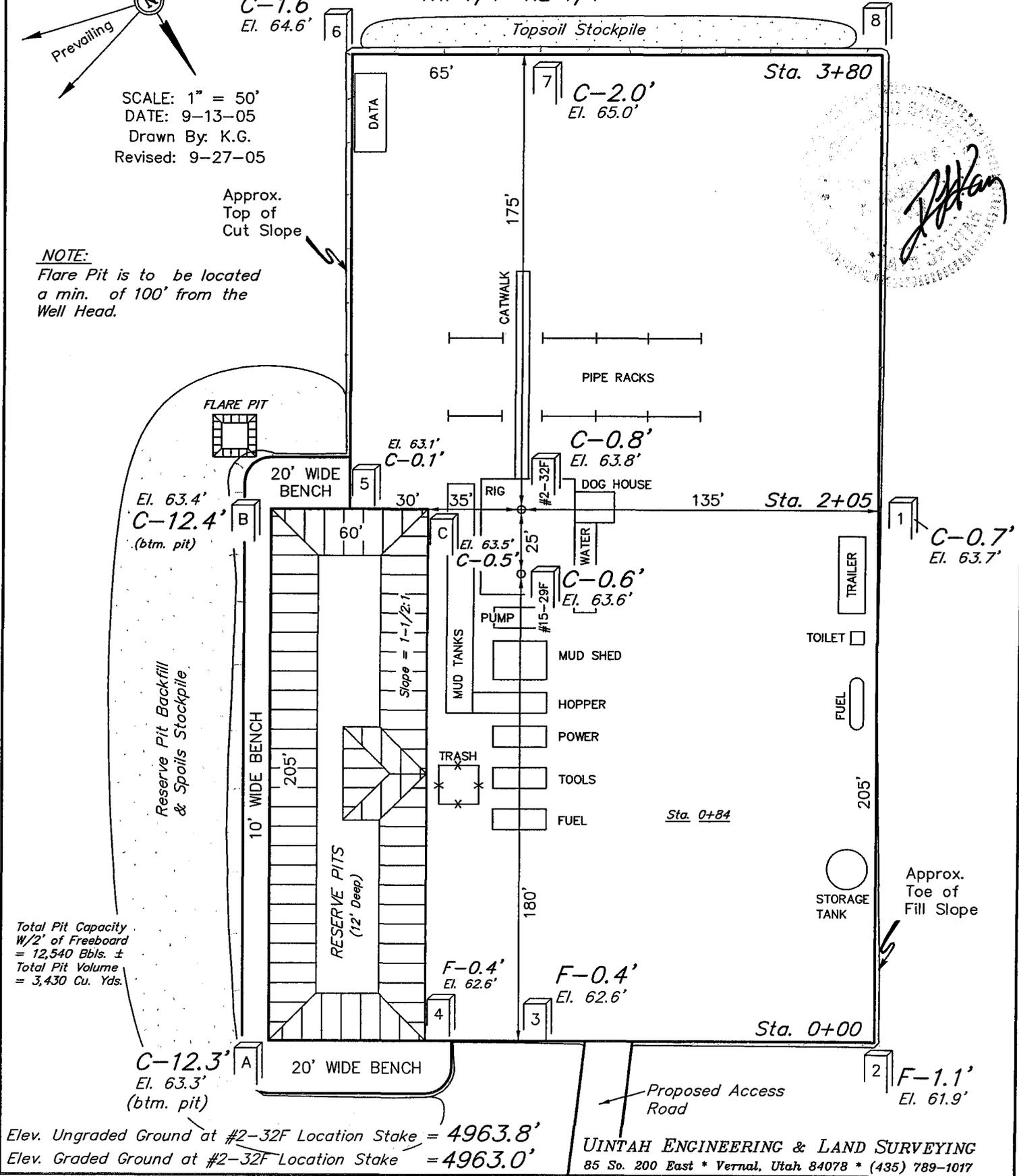


SCALE: 1" = 50'
DATE: 9-13-05
Drawn By: K.G.
Revised: 9-27-05

Approx.
Top of
Cut Slope

NOTE:

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



Total Pit Capacity
W/2' of Freeboard
= 12,540 Ebls. ±
Total Pit Volume
= 3,430 Cu. Yds.

Elev. Ungraded Ground at #2-32F Location Stake = 4963.8'
Elev. Graded Ground at #2-32F Location Stake = 4963.0'

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

DOMINION EXPLR. & PROD., INC.

TYPICAL CROSS SECTIONS FOR

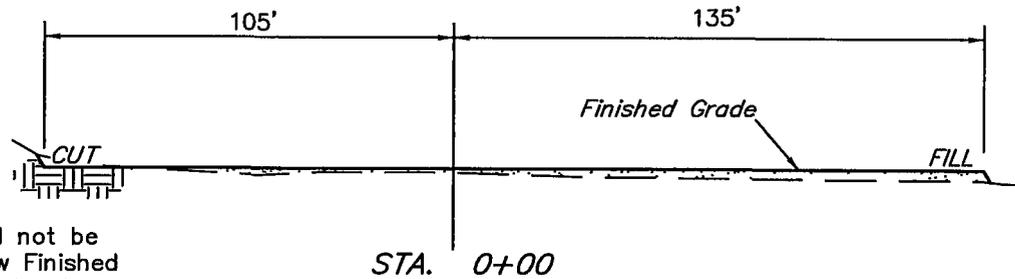
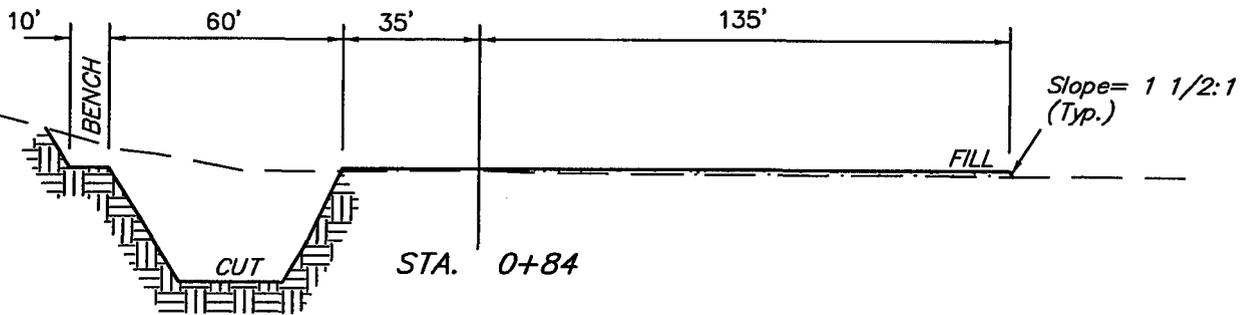
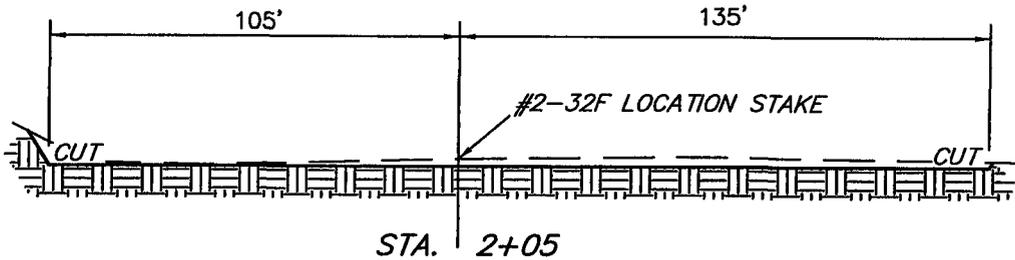
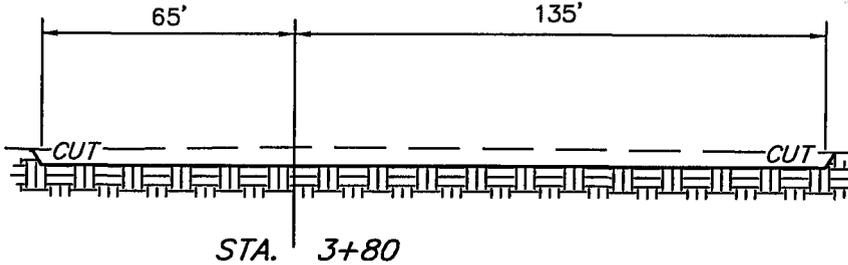
HCU #2-32F & #15-29F
SECTION 32, T10S, R20E, S.L.B.&M.
NW 1/4 NE 1/4



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

DATE: 9-13-05
Drawn By: K.G.
Revised: 9-27-05

Preconstruction Grade



NOTE:

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

*** NOTE:**

FILL QUANTITY INCLUDES 5% FOR COMPACTION

EXCESS MATERIAL = 5,090 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.) = 5,090 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation) = 0 Cu. Yds.

APPROXIMATE YARDAGES

CUT
(12") Topsoil Stripping = 3,370 Cu. Yds.
Remaining Location = 3,540 Cu. Yds.
TOTAL CUT = 6,910 CU.YDS.
FILL = 1,820 CU.YDS.

DOMINION EXPLR. & PROD., INC.

HCU #2-32F & #15-29F

LOCATED IN UINTAH COUNTY, UTAH

SECTION 32, T10S, R20E, S.L.B.&M.

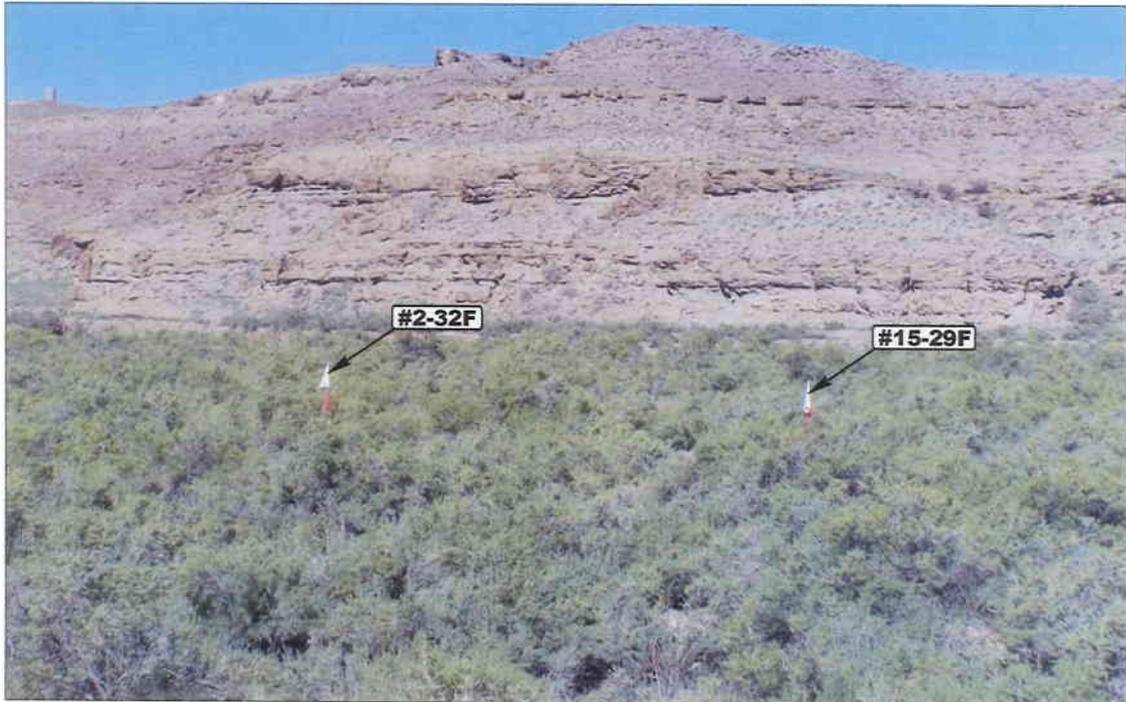


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

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

LOCATION PHOTOS

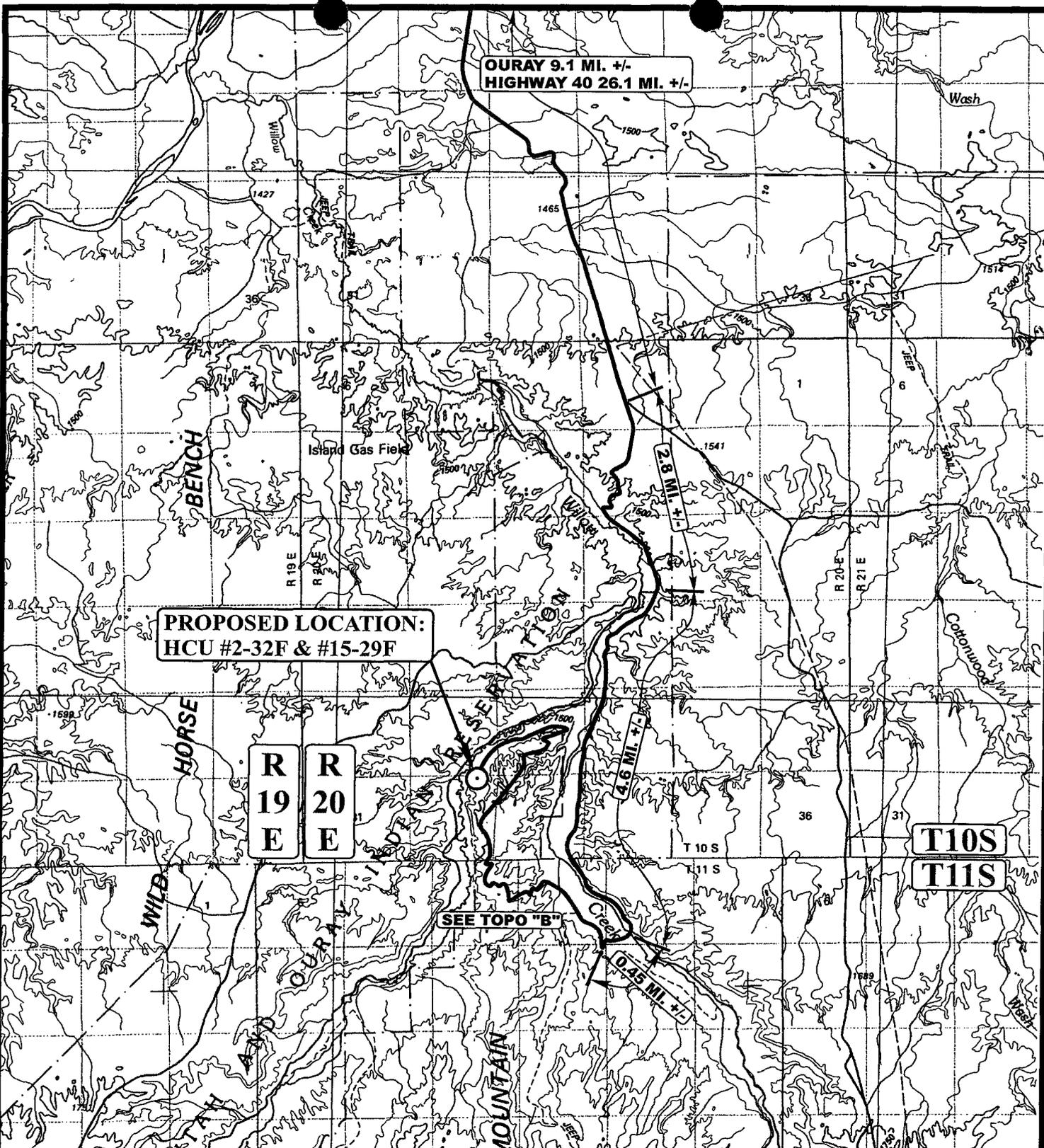
09 02 05
MONTH DAY YEAR

PHOTO

TAKEN BY: M.A.

DRAWN BY: C.P.

REVISED: 09-27-05



LEGEND:

○ PROPOSED LOCATION



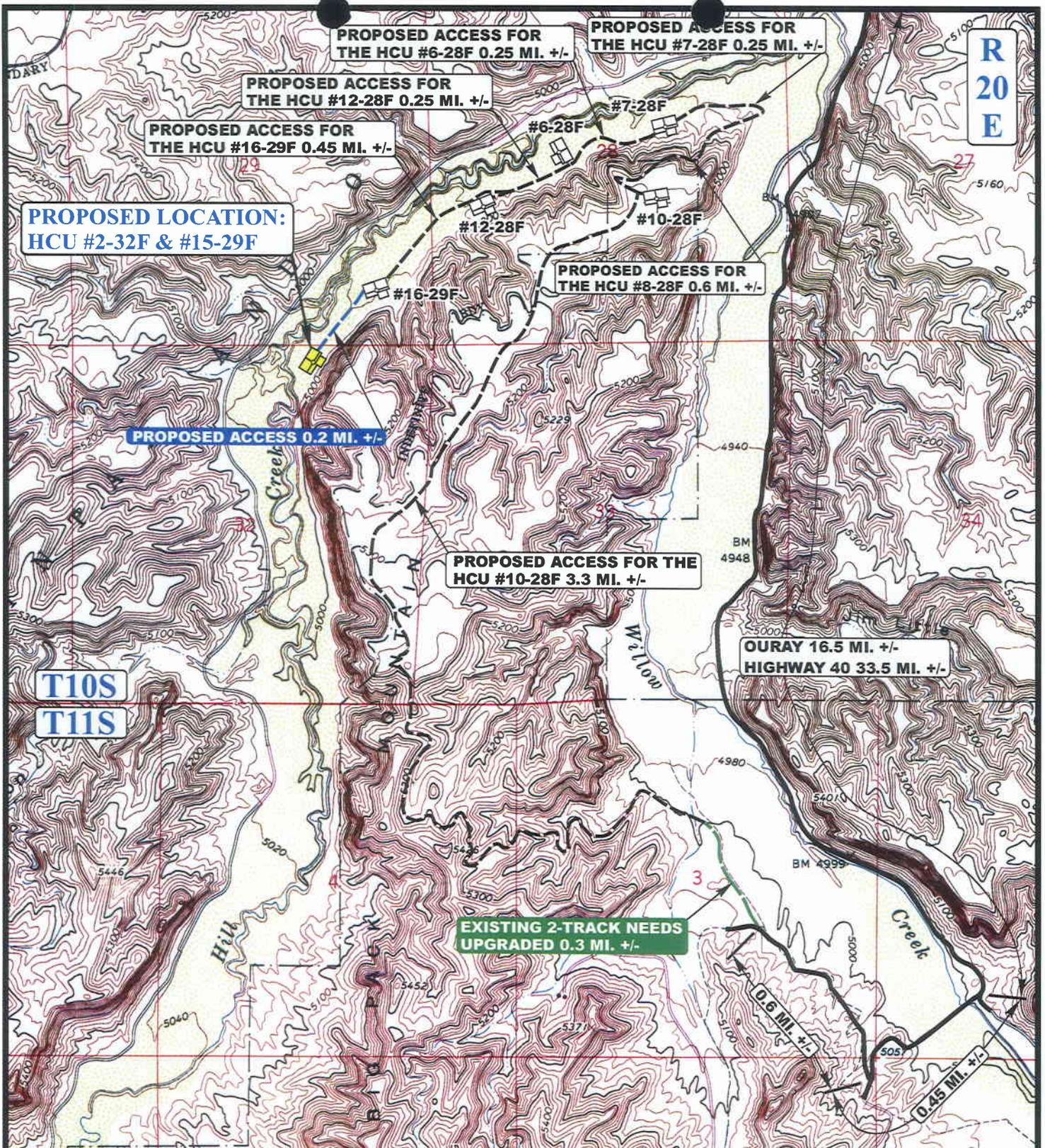
DOMINION EXPLR. & PROD., INC.

HCU #2-32F & #15-29F
 SECTION 32, T10S, R20E, S.L.B.&M.
 NW 1/4 NE 1/4

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

TOPOGRAPHIC MAP 09 02 05
 MONTH DAY YEAR
 SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 09-27-05





**PROPOSED LOCATION:
HCU #2-32F & #15-29F**

**PROPOSED ACCESS FOR
THE HCU #16-29F 0.45 MI. +/-**

**PROPOSED ACCESS FOR
THE HCU #12-28F 0.25 MI. +/-**

**PROPOSED ACCESS FOR
THE HCU #6-28F 0.25 MI. +/-**

**PROPOSED ACCESS FOR
THE HCU #7-28F 0.25 MI. +/-**

**PROPOSED ACCESS FOR
THE HCU #8-28F 0.6 MI. +/-**

**PROPOSED ACCESS FOR THE
HCU #10-28F 3.3 MI. +/-**

PROPOSED ACCESS 0.2 MI. +/-

**EXISTING 2-TRACK NEEDS
UPGRADED 0.3 MI. +/-**

**OURAY 16.5 MI. +/-
HIGHWAY 40 33.5 MI. +/-**

LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD
- EXISTING 2-TRACK NEEDS UPGRADED

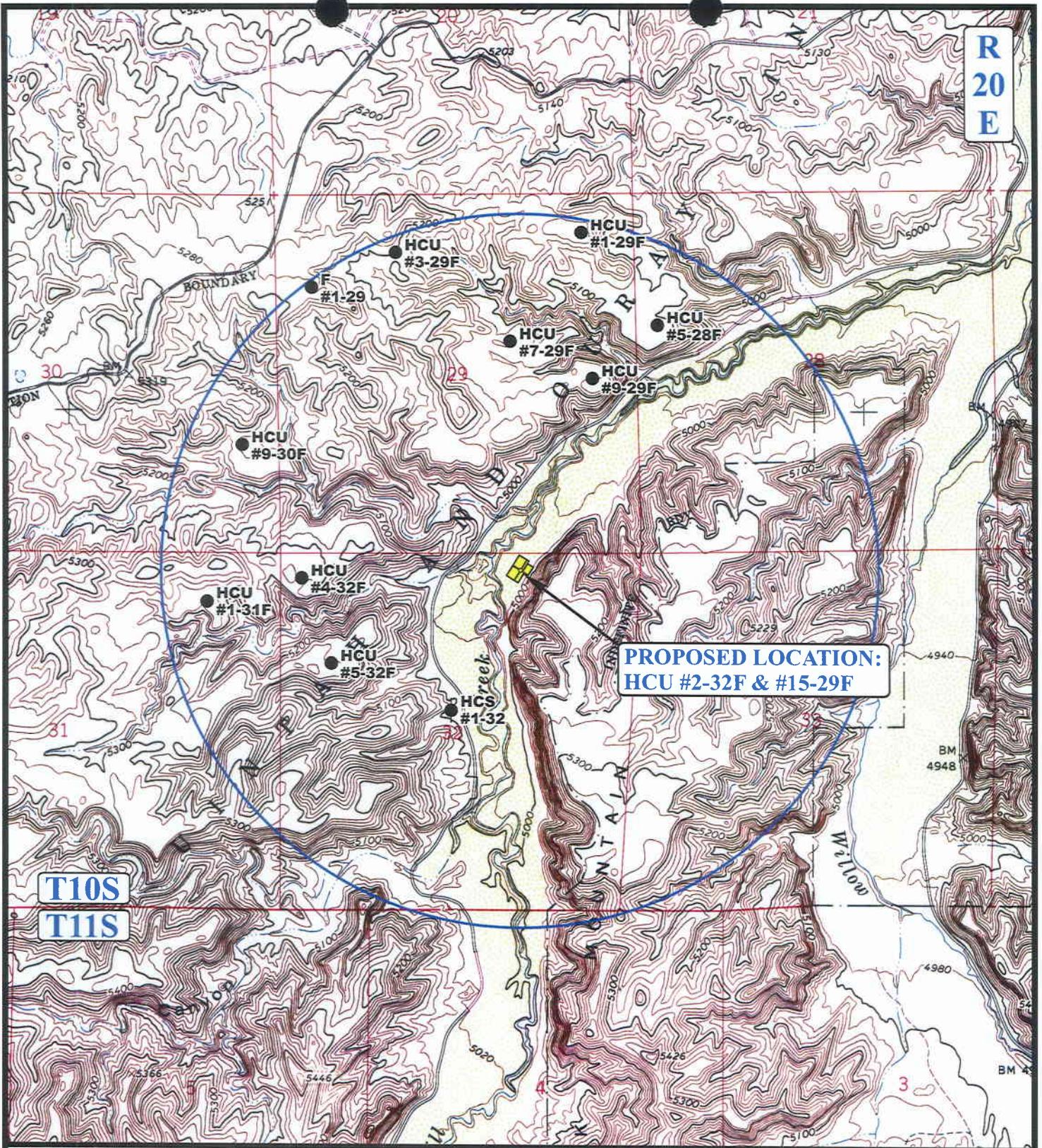
DOMINION EXPLR. & PROD., INC.

**HCU #2-32F & #15-29F
SECTION 32, T10S, R20E, S.L.B.&M.
NW 1/4 NE 1/4**

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



TOPOGRAPHIC **09 02 05**
MAP MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 09-27-05 **B**
TOPO



R
20
E

T10S
T11S

**PROPOSED LOCATION:
HCU #2-32F & #15-29F**

LEGEND:

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

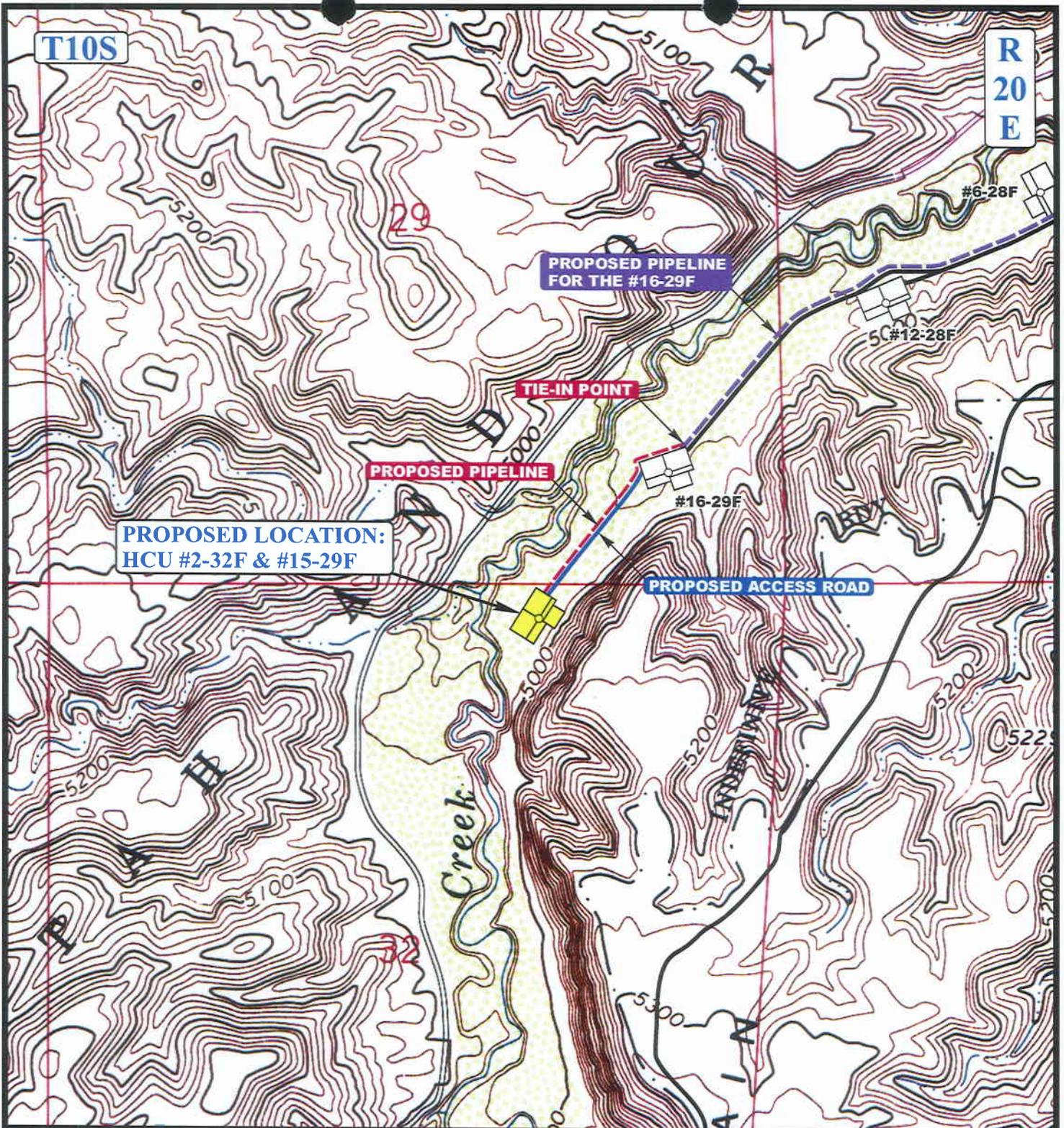
DOMINION EXPLR. & PROD., INC.

HCU #2-32F & #15-29F
SECTION 32, T10S, R20E, S.L.B.&M.
NW 1/4 NE 1/4

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



TOPOGRAPHIC MAP 09 02 05
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 09-27-05 **C TOPO**



APPROXIMATE TOTAL PIPELINE DISTANCE = 1,600' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- - - - - PROPOSED PIPELINE
- - - - - PROPOSED PIPELINE (SERVICING OTHER WELLS)

DOMINION EXPLR. & PROD., INC.

HCU #2-32F & #15-29F
 SECTION 32, T10S, R20E, S.L.B.&M.
 NW 1/4 NE 1/4

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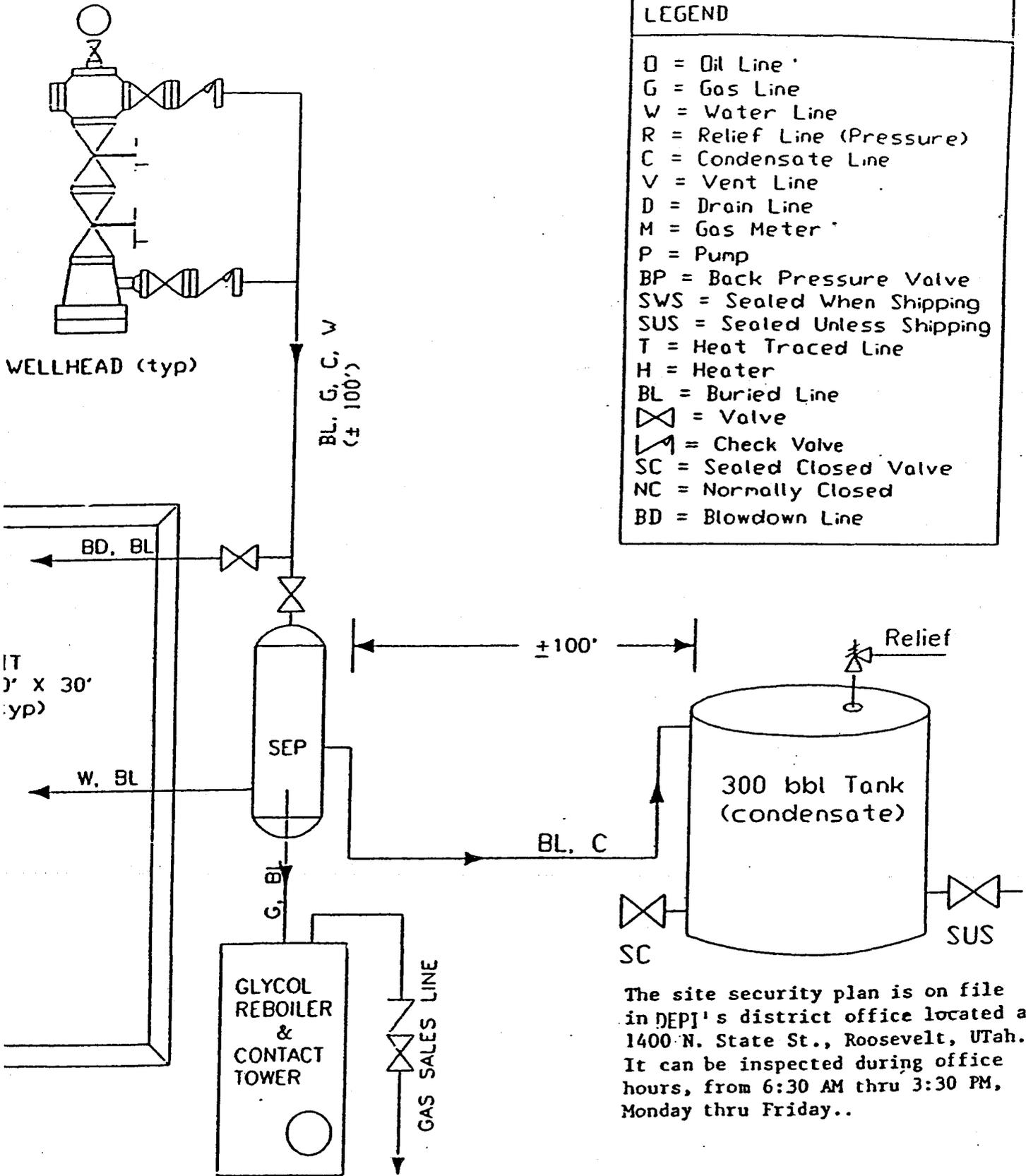


TOPOGRAPHIC MAP 09 02 05
 MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 09-27-05 **D TOPO**

CONFIDENTIAL

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



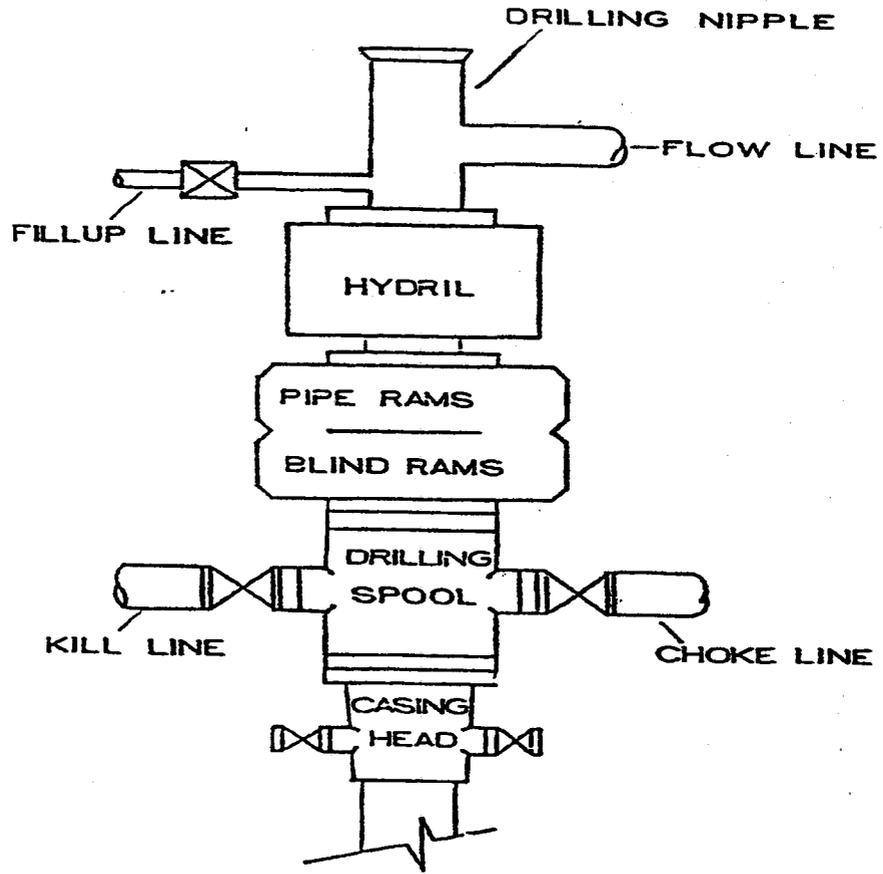
The site security plan is on file in DEPJ's district office located at 1400 N. State St., Roosevelt, Utah. It can be inspected during office hours, from 6:30 AM thru 3:30 PM, Monday thru Friday..

DOMINION EXPLORATION & PRODUCTION, INC.

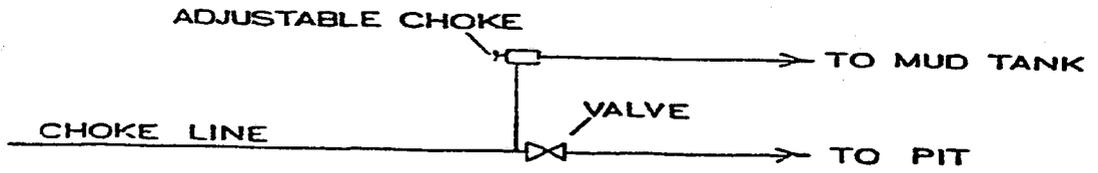
TYPICAL FLOW DIAGRAM

not to scale
date: / /

BOP STACK - 3000#



CHOKE MANIFOLD - 3000#



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 11/04/2005

API NO. ASSIGNED: 43-047-37359

WELL NAME: HCU 2-32F
 OPERATOR: DOMINION EXPL & PROD (N1095)
 CONTACT: DON HAMILTON

PHONE NUMBER: 435-650-1886

PROPOSED LOCATION:

NWNE 32 100S 200E
 SURFACE: 0247 FNL 1769 FEL
 BOTTOM: 0247 FNL 1769 FEL
 UINTAH
 NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DRO	11/10/05
Geology		
Surface		

LEASE TYPE: 3 - State
 LEASE NUMBER: ML-22313-2
 SURFACE OWNER: 2 - Indian
 PROPOSED FORMATION: MVRD
 COALBED METHANE WELL? NO

LATITUDE: 39.91023
 LONGITUDE: -109.6847

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. 76563050600)
- 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)
- Intent to Commingle (Y/N)

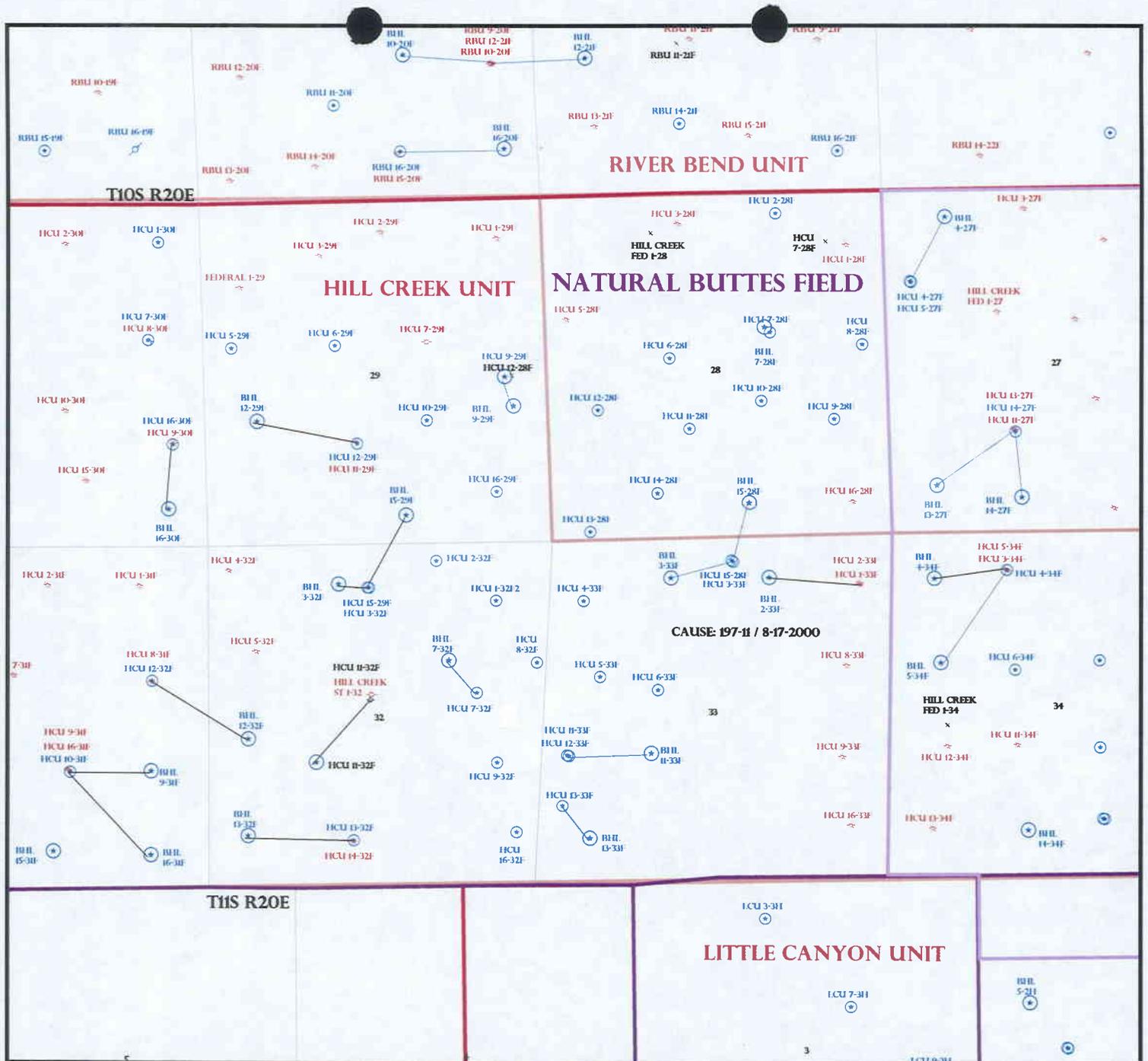
LOCATION AND SITING:

- ___ R649-2-3.
- Unit HILL CREEK
- ___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- ___ R649-3-3. Exception
- Drilling Unit
Board Cause No: 197-11
Eff Date: 8-17-00
Siting: Swamp & General Siting
- ___ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

- 1- Oil Shale
- 2- Surface Csg Cont Stop
- 3- STATEMENT OF BASIS



OPERATOR: DOMINION EXPL & PROD (N1095)

SEC: 28,32,33 T. 10S R. 20E

FIELD: NATURAL BUTTES (630)

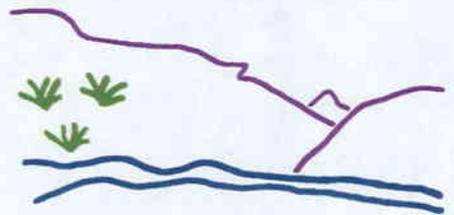
COUNTY: UINTAH

CAUSE: 197-11 / 8-17-2000

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

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

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



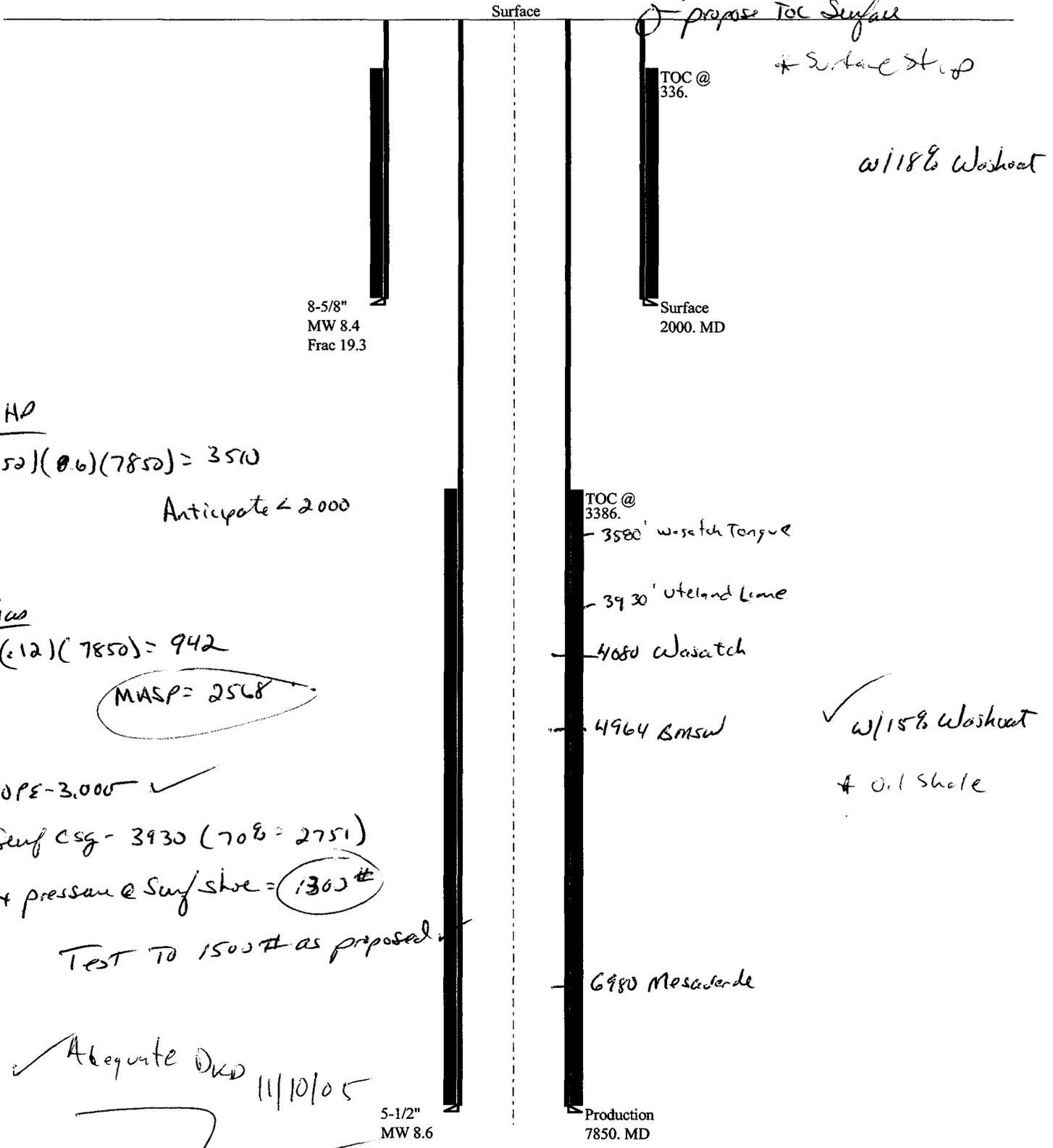
Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 7-NOVEMBER-2005

11-05 Dominion HCU 2-52F

Casing Schematic



BHP

$$(0.52)(0.6)(7850) = 3570$$

Anticipate < 2000

G_{wo}

$$(0.12)(7850) = 942$$

MASP = 2568

BOPE - 3,000 ✓

Surf CSG - 3930 (70% = 2751)

Max pressure @ Surf/shoe = 1300#

Test to 1500# as proposed

✓ Adequate DWD 11/10/05

Well name:	11-05 Dominion HCU 2-32F	
Operator:	Dominion Exploration & Production, Inc.	
String type:	Surface	Project ID: 43-047-37359
Location:	Uintah County, Utah	

Design parameters:

Collapse

Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 93 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 299 ft

Cement top: 336 ft

Burst

Max anticipated surface pressure: 82 psi
Internal gradient: 0.436 psi/ft
Calculated BHP 954 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 1,750 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 7,850 ft
Next mud weight: 8,600 ppg
Next setting BHP: 3,507 psi
Fracture mud wt: 19,250 ppg
Fracture depth: 2,000 ft
Injection pressure 2,000 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2000	8.625	32.00	J-55	ST&C	2000	2000	7.875	127.1
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	873	2530	2.899	954	3930	4.12	64	372	5.81 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & Mining

Phone: (801) 538-5281
FAX: (801)359-3940

Date: November 7, 2005
Salt Lake City, Utah

ENGINEERING STIPULATIONS -

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	11-05 Dominion HCU 2-32F	
Operator:	Dominion Exploration & Production, Inc.	
String type:	Production	Project ID: 43-047-37359
Location:	Uintah County, Utah	

Design parameters:

Collapse

Mud weight: 8.600 ppg
Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 82 psi
Internal gradient: 0.436 psi/ft
Calculated BHP: 3,507 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 6,826 ft

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 175 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 3,386 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	7850	5.5	17.00	J-55	LT&C	7850	7850	4.767	270.5
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3507	4910	1.400	3507	5320	1.52	133	247	1.85 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & Mining

Phone: (801) 538-5281
FAX: (801)359-3940

Date: November 7, 2005
Salt Lake City, Utah

ENGINEERING STIPULATIONS -

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

November 7, 2005

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2005 Plan of Development Hill Creek Unit Uintah County,
Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2005 within the Hill Creek Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ MesaVerde)		
43-047-37359	HCU 2-32F Sec 32	T10S R20E 0247 FNL 1769 FEL
43-047-37361	HCU 2-28F Sec 28	T10S R20E 0290 FNL 1652 FEL
43-047-37360	HCU 11-33F Sec 33	T10S R20E 1996 FSL 0393 FWL
	BHL Sec 33	T10S R20E 1995 FSL 1680 FWL

Our records indicate the 2-28 is closer than 460 feet from the Hill Creek Unit boundary.

We have no objections to permitting the wells so long as the unit operator receives an exception to the locating and siting requirements of the State of Utah (R649-3-2).

/s/ Michael L. Coulthard

bcc: File – Hill Creek Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron



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

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

Re: Hill Creek Unit 2-32F Well, 247' FNL, 1769' FEL, NW NE, Sec. 32,
T. 10 South, R. 20 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 43-047-37359.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

Page 2

43-047-37359

November 10, 2005

7. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

8. Surface Casing shall be cemented to the surface.

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

CONFIDENTIAL

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22313-2
2. NAME OF OPERATOR: Dominion Exploration & Production, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Ute Indian Tribe
3. ADDRESS OF OPERATOR: 14000 Quail Springs CITY Oklahoma City STATE OK ZIP 73134		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 247 FNL & 1769 FEL		8. WELL NAME and NUMBER: HCU 2-32F
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 32 10S 20E		9. API NUMBER: 43-047-37359
COUNTY: Uintah		10. FIELD AND POOL, OR WMLDCAT: Natural Buttes
STATE: UTAH		

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

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

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

The state APD expires November 10, 2006. Dominion is hereby requesting a one year extension.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 10-31-06
By: [Signature]

COPY SENT TO OPERATOR
Date: 10-31-06
Initials: RM

NAME (PLEASE PRINT) <u>Carla Christian</u>	TITLE <u>Sr. Regulatory Specialist</u>
SIGNATURE <u>[Signature]</u>	DATE <u>10/26/2006</u>

(This space for State use only)

RECEIVED
OCT 30 2006
DIV. OF OIL, GAS & MINING

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

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

API: 43-047-37359
Well Name: HCU 2-32F
Location: Section 32-10S-20E, 247' FNL & 1769' FEL
Company Permit Issued to: Dominion Exploration & Production, Inc.
Date Original Permit Issued: 11/10/2005

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

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

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

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

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

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

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

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

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

Carla Christian
Signature

10/26/2006
Date

Title: Sr. Regulatory Specialist

Representing: Dominion Exploration & Production, Inc.

RECEIVED

OCT 30 2006

DIV. OF OIL, GAS & MINING



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

Utah and Ouray Agency

P. O. Box 130

988 South 7500 East

Fort Duchesne, Utah 84026-0130

Ph (435) 722 4300 Fax (435) 722-2323

IN REPLY REFER TO:
Real Estate Services
MS 420 - ROW

March 28, 2007

Mr. Ken Secrest
Dominion Exploration & Production, Inc.
P.O. Box 1360
Roosevelt, Utah 84066

43-047-37359

Dear Mr. Secrest:

This is your authority to proceed with construction of the following Administrative Modifications to provide additional well bores on the existing well pads:

ROW No.	New Well Name	Type of Modification
H62-1982-017	RBU 16-16F & RBU 13-15F	Adding the RBU 13-15F Well Bore
H62-2001-330	HCU 8-30F & HCU 7-30F	Adding the HCU 7-30F Well Bore
H62-2004-445	HCU 13-34F & LCU 1-3H	Adding the LCU 1-3H Well Bore
H62-2005-013	HCU 15-29F & HCU 2-23F	Adding the HCU 2-23F Well Bore
H62-2005-014	HCU 11-32F & HCU 10-32F	Adding the HCU 10-32F Well Bore
H62-2005-015	HCU 13-32F/14-32F/15-32F	Adding the HCU 15-32F Well Bore

-2-32F

Unless otherwise authorized, the Bureau of Indian Affairs and the Ute Indian Tribe do not authorize any additional or excess surface damage than that of the existing well pads.

Enclosed are the Administrative Modifications for each additional well bore. Upon completion, please submit an Affidavit of Completion so that we may record the Administrative Modification with our title plant.

Please contact the Ute Indian Tribe's Energy and Mineral Department prior to construction to obtain an access permit and retain this letter as your permit to construct upon tribal lands. **Also, remind your field personnel of the firearm restrictions on the Uintah and Ouray Reservation.**

If you have any questions please contact Bucky Secakuku, Realty Specialist, at (435) 722-4331.

Sincerely,

Dick Pelt
Acting Superintendent

RECEIVED

APR 06 2007

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

ADMINISTRATIVE
MODIFICATION

ALLOTMENT NO.: _____
ROW NO.: H62-2005-013

CONTRACT NO. _____
T.B. _____
PAGE _____

It is hereby agreed by and between the Superintendent for the Bureau of Indian Affairs, lessor(s), and Dominion Exploration & Production, Inc., lessee, that GRANT OF RIGHT OF WAY BASEMENT NO. H62-2005-013 be modified to provide the following:

1. Construct the HCU 2-32F well bore on the existing HCU 15-29F well pad, occupying 3.812 acres of previously disturbed surface.
2. Change well name to read:

HCU 15-29F & HCU 2-32F

RECORDED NO: 687-546-04

This modification does not change any of the terms, conditions, or stipulations except as specifically set forth herein.

(An Administrative Modification does not require the signature or approval of the Lessee)

N/A
(Additional Lessee's of Record, if applicable)

N/A
(Lessee)

N/A
(Lessor)

N/A
(Lessor)

UNITED STATES INDIAN SERVICE

The within the modification is hereby approved and declared to be made in accordance with the law and the rules and regulations prescribed by the Secretary of the Interior thereunder, and now in force.

Pursuant to authority delegated to the Assistant Secretary -- Indian Affairs by 209 DM 8, 230 DM 1, and to the Western Regional Director by 3 IAM 4 (Release No. 99-03), and to the Superintendent/Field Representatives by 10 BIAM 11, as amended by Western Regional Release No. 97-1 an any further delegation needed to effectuate the reorganization embodied in DM Releases dated April, 2003.

DATE APPROVED: March 28, 2007

D. M. Feltier
Acting Superintendent
Uintah and Ouray Agency
Fort Duchesne, Utah

ACKNOWLEDGEMENT OF SUPERINTENDENT

STATE OF UTAH)
) ss
COUNTY OF UINTAH)

The foregoing instrument was acknowledged before me this 28th day of March, 2008, by Dinah M. Feltier, Acting Superintendent for the Bureau of Indian Affairs, Uintah & Ouray Agency.

Witness my hand and official seal.
SARAH A. JACK
980 S. 7500 E., P.O. Box 130
Fort Duchesne, UT 84026
My Commission Expires
June 16, 2010
State of Utah

Sarah A. Jack
Sarah A. Jack, Notary Public

My Commission Expires: June 16, 2010

DW

Did not include field Onsite EA

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ
2. CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

7/1/2007

FROM: (Old Operator): N1095-Dominion Exploration & Production, Inc 14000 Quail Springs Parkway, Suite 600 Oklahoma City, OK 73134 Phone: 1 (405) 749-1300	TO: (New Operator): N2615-XTO Energy Inc 810 Houston St Fort Worth, TX 76102 Phone: 1 (817) 870-2800
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------

CA No.

Unit:

HILL CREEK

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 8/6/2007
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 8/6/2007
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 8/6/2007
- 4a. Is the new operator registered in the State of Utah: Business Number: 5655506-0143
- 4b. If **NO**, the operator was contacted on: _____
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a
- 5c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA
- Federal and Indian Units:**
 The BLM or BIA has approved the successor of unit operator for wells listed on: _____
- Federal and Indian Communization Agreements ("CA"):**
 The BLM or BIA has approved the operator for all wells listed within a CA on: _____
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: _____

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 9/27/2007
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 9/27/2007
- Bond information entered in RBDMS on: 9/27/2007
- Fee/State wells attached to bond in RBDMS on: 9/27/2007
- Injection Projects to new operator in RBDMS on: 9/27/2007
- Receipt of Acceptance of Drilling Procedures for APD/New on: 9/27/2007

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: UTB000138
- Indian well(s) covered by Bond Number: n/a
- 3a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 104312762
- 3b. The **FORMER** operator has requested a release of liability from their bond on: 1/23/2008
 The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: _____

COMMENTS:

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

		5. LEASE DESIGNATION AND SERIAL NUMBER:
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: SEE ATTACHED
2. NAME OF OPERATOR: XTO Energy Inc. <i>N2615</i>		9. API NUMBER: SEE ATTACHED
3. ADDRESS OF OPERATOR: 810 Houston Street CITY Fort Worth STATE TX ZIP 76102		10. FIELD AND POOL, OR WILDCAT: Natural Buttes
4. LOCATION OF WELL FOOTAGES AT SURFACE: SEE ATTACHED		COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		STATE: UTAH

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

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

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

Effective July 1, 2007, XTO Energy Inc. has purchased the wells listed on the attachment from:

Dominion Exploration & Production, Inc. *N1095*
14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134

James D. Abercrombie *(405) 749-1300*
James D. Abercrombie
Sr. Vice President, General Manager - Western Business Unit

Please be advised that XTO Energy Inc. is considered to be the operator on the attached list and is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands. Bond coverage is provided by Nationwide BLM Bond #104312750 and Department of Natural Resources Bond #104312762.

NAME (PLEASE PRINT) Edwin S. Ryan, Jr. TITLE Sr. Vice President - Land Administration
SIGNATURE *Edwin S. Ryan, Jr.* DATE 7/31/2007

(This space for State use only)

APPROVED 9127107
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(5/2000)

(See Instructions on Reverse Side)

RECEIVED
AUG 06 2007
DIV. OF OIL, GAS & MINING

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

Request to Transfer Application or Permit to Drill

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

Well name:	SEE ATTACHED LIST
API number:	
Location:	Qtr-Qtr: Section: Township: Range
Company that filed original application:	DOMINION E&P
Date original permit was issued:	
Company that permit was issued to:	DOMINION E&P

Check one	Desired Action:
<input type="checkbox"/>	Transfer pending (unapproved) Application for Permit to Drill to new operator
	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
<input checked="" type="checkbox"/>	Transfer approved Application for Permit to Drill to new operator
	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.	Yes	No
If located on private land, has the ownership changed?		✓
If so, has the surface agreement been updated?		
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?		✓
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?		✓
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?		✓
Has the approved source of water for drilling changed?		✓
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?		✓
Is bonding still in place, which covers this proposed well? Bond No. <u>104312762</u>	✓	

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) HOLLY C. PERKINS Title REGULATORY COMPLIANCE TECH
 Signature *Holly C. Perkins* Date 08/27/2007
 Representing (company name) XTO ENERGY INC.

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

AUG 30 2007

N1095 DOMINION E and P, INC. to N2615 XTO ENERGY, INC.

api	well name	qtr	qtr	sec	tpw	rng	lease_num	entity	Lease	well	stat
4304735938	HCU 15-29F	NENW		32	100S	200E	U-28203		Federal	GW	APD
4304736047	HCU 15-31F	SWSE		31	100S	200E	U-30693		Federal	GW	APD
4304737361	HCU 2-28F	NWNE		28	100S	200E	U-28203		Federal	OW	APD
4304737444	HCU 15-33F	SWSE		33	100S	200E	14-20-H62-4782		Indian	OW	APD
4304738450	HCU 16-31F	NESE		31	100S	200E	U-30693		Federal	GW	APD
4304739611	HCU 12-29F	NWSW		29	100S	200E	U-28203		Federal	OW	NEW
4304737359	HCU 2-32F	NWNE		32	100S	200E	ML-22313-2		State	GW	APD
4304737422	HCU 15-32F	SESW		32	100S	200E	ML-22313-2		State	GW	APD
4304739063	HCU 10-32F	SESW		32	100S	200E	ML-22313-2		State	GW	APD



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155



IN REPLY REFER TO
3180
UT-922

Dominion Exploration & Production, Inc.
Attn: James D. Abercrombie
14000 Quail Springs Parkway, #600
Oklahoma City, OK 73134-2600

August 10, 2007

Re: Hill Creek Unit
Uintah County, Utah

Gentlemen:

On August 8, 2007, we received an indenture dated June 30, 2007, whereby Dominion Exploration & Production, Inc. resigned as Unit Operator and XTO Energy Inc. was designated as Successor Unit Operator for the Hill Creek Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective August 15, 2007. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Hill Creek Unit Agreement.

Your statewide oil and gas Bond No. UTB000138 will be used to cover all operations within the River Bend Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Greg J. Noble

Greg J. Noble
Acting Chief, Branch of Fluid Minerals

Enclosure

RECEIVED

AUG 16 2007

DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22313-2
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN ALLOTTEE OR TRIBE NAME: N/A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CO AGREEMENT NAME: Hill Creek Unit
2. NAME OF OPERATOR: XTO Energy		8. WELL NAME and NUMBER: HCU 2-32F
3. ADDRESS OF OPERATOR: P.O. Box 1360 CITY Roosevelt STATE CO ZIP 84066		9. API NUMBER: 4304737359
4. LOCATION OF WELL FOOTAGES AT SURFACE 247' FNL & 1,769' FEL		10. FIELD AND POOL, OR WILDCAT Natural Buttes
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 32 10S 20E S		COUNTY: Uintah
		STATE: UTAH

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

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

XTO Energy hereby requests a one year extension of the state permit for the referenced well.

This is the second extension that has been requested.

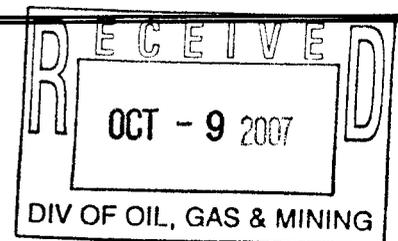
Approved by the
Utah Division of
Oil, Gas and Mining

Date: 10-10-07
By: [Signature]

NAME (PLEASE PRINT) <u>Marnie Griffin</u>	TITLE <u>Agent for XTO Energy</u>
SIGNATURE <u>[Signature]</u>	DATE <u>10/3/2007</u>

(This space for State use only)

COPY SENT TO OPERATOR
Date: 10-11-07
Initials: Rm



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

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

API: 4304737359
Well Name: HCU 2-32F
Location: 32 10S 20E 247' FNL & 1,769' FEL
Company Permit Issued to: XTO Energy
Date Original Permit Issued: 11/10/2005

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

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

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

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

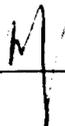
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

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

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

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

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



Signature

10 3 2007

Date

Title: Agent

Representing: XTO Energy



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 23, 2008

XTO Energy Inc.
2700 Farmington Ave.
Bldg K Ste 1
Farmington NM 87401

Re: APD Rescinded – Hill Creek Unit 2-32F, Sec. 32 T. 10S, R. 20E
Uintah County, Utah API No. 43-047-37359

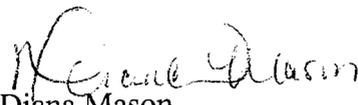
Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on November 10, 2005. On October 31, 2006 and on October 10, 2007, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective October 23, 2008.

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 Mason
Environmental Scientist

cc: Well File
SITLA, Ed Bonner





United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Green River District-Vernal Field Office

170 South 500 East

Vernal, UT 84078

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

<http://www.blm.gov/ut/st/en/fo/vernal.html>



November 15, 2011

IN REPLY REFER TO:
3160 (UTG011)

Krista Wilson
XTO Energy, Inc.
San Juan Division
382 CR 3100
Aztec, NM 87410

43 047 37359

Re: Notice of State Lease APD Rescinded
Well No. HCU 2-32F
NWNE, Sec. 32, T10S, R20E
Uintah County, Utah
Lease No. ML-22313-2
Hill Creek Unit

Dear Ms. Wilson:

The Bureau of Land Management (BLM) Vernal Field Office accepted the State of Utah Application for Permit to Drill (APD) for the above referenced well for unit purposes on November 22, 2005. This office received a copy of the APD Rescinded letter from the Utah Division of Oil Gas and Mining rescinding their approval to drill the referenced well effective October 23, 2008. In view of the foregoing, this office is rescinding its acceptance of the referenced APD.

If you have any questions regarding this matter, please contact Cindy Severson at (435) 781-4455.

Sincerely,

Jerry Kenczka
Assistant Field Manager
Lands & Mineral Resources

cc: UDOGM,
API No.43-047-37359
Ken Secret

