



14421 County Rd. 10 • Ft. Lupton, Colorado 80621 • (303) 857-9999 • FAX (303) 857-0577 • E-MAIL Permitco 1@aol.com

June 6, 2006

Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, UT 84114-5801

Attn: Diana Whitney

Re: Pioneer Natural Resources USA, Inc.
UTCO Fee #32C-25B-12-25
2269' FNL and 2908' FWL
Lot 4 Section 25, T12S - R25E
Uintah County, Utah

Dear Diana,

Enclosed please find two copies of the Application for Permit to Drill, along with the required drilling program, BOP diagram, wellsite maps and diagrams.

Please note, an exception to spacing letter will be submitted under separate cover.

If you should need additional information, please don't hesitate to contact me. Approved copies of the A.P.D. should be sent to Permitco Inc. at the address shown above.

Sincerely,

PERMITCO INC.

Venessa Langmacher

Venessa Langmacher
Consultant for
Pioneer Natural Resources USA, Inc.

RECEIVED

JUN 08 2006

DIV. OF OIL, GAS & MINING

Enc.

cc: Pioneer Natural Resources USA, Inc. - Denver, CO

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		5. MINERAL LEASE NO.: Fee	6. SURFACE: Fee
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input type="checkbox"/> OTHER <u>CBM</u> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
2. NAME OF OPERATOR: Pioneer Natural Resources USA, Inc.		8. UNIT or CA AGREEMENT NAME: Displacement Point Unit	
3. ADDRESS OF OPERATOR: 1401 17th Street, Suite 1200, Denver, CO 80202		9. WELL NAME and NUMBER: UTCO Fee #32C-25B-12-25	
PHONE NUMBER: 303/298-8100		10. FIELD AND POOL, OR WILDCAT: Displacement Point	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 6665 752 x 2269' FNL and 2908' FWL AT PROPOSED PRODUCING ZONE: Lot 4		11. QTR/QTR, SECTION, TOWNSHIP, RANGE MERIDIAN: Section 25, T12S - R25E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: Approximately 24.8 miles south of Bonanza, UT		12. COUNTY: Uintah	13. STATE: UT
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET): 2269'	16. NUMBER OF ACRES IN LEASE: 1903.24	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40 Acres	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET): Approximately 1307'	19. PROPOSED DEPTH: 2700'	20. BOND DESCRIPTION: Utah Bond No. 104319463	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6133' GL	22. APPROXIMATE DATE WORK WILL START: ASAP	23. ESTIMATED DURATION: 4 Days	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
11"	8-5/8", J-55, 24#	250'	200 sx Class C, 15.6 ppg
7-7/8"	5-1/2", J-55, 17#	2700'	325 sx Class C, 13.5 ppg
CONFIDENTIAL-TIGHT HOLE			

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 checked="" 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 |

AGENT: **PermitCo Inc., 14421 County Road 10, Fort Lupton, CO 80621** AGENT'S PHONE NO.: **303/857-9999**
 NAME (PLEASE PRINT) **Venessa Langmacher** TITLE **Agent for Pioneer Natural Resources USA, Inc.**
 SIGNATURE *Venessa Langmacher* DATE **June 6, 2006**

(This space for State use only)

API NUMBER ASSIGNED: **43-047-38253**

Approved by the
**Utah Division of
Oil, Gas and Mining**

**RECEIVED
JUN 08 2006**

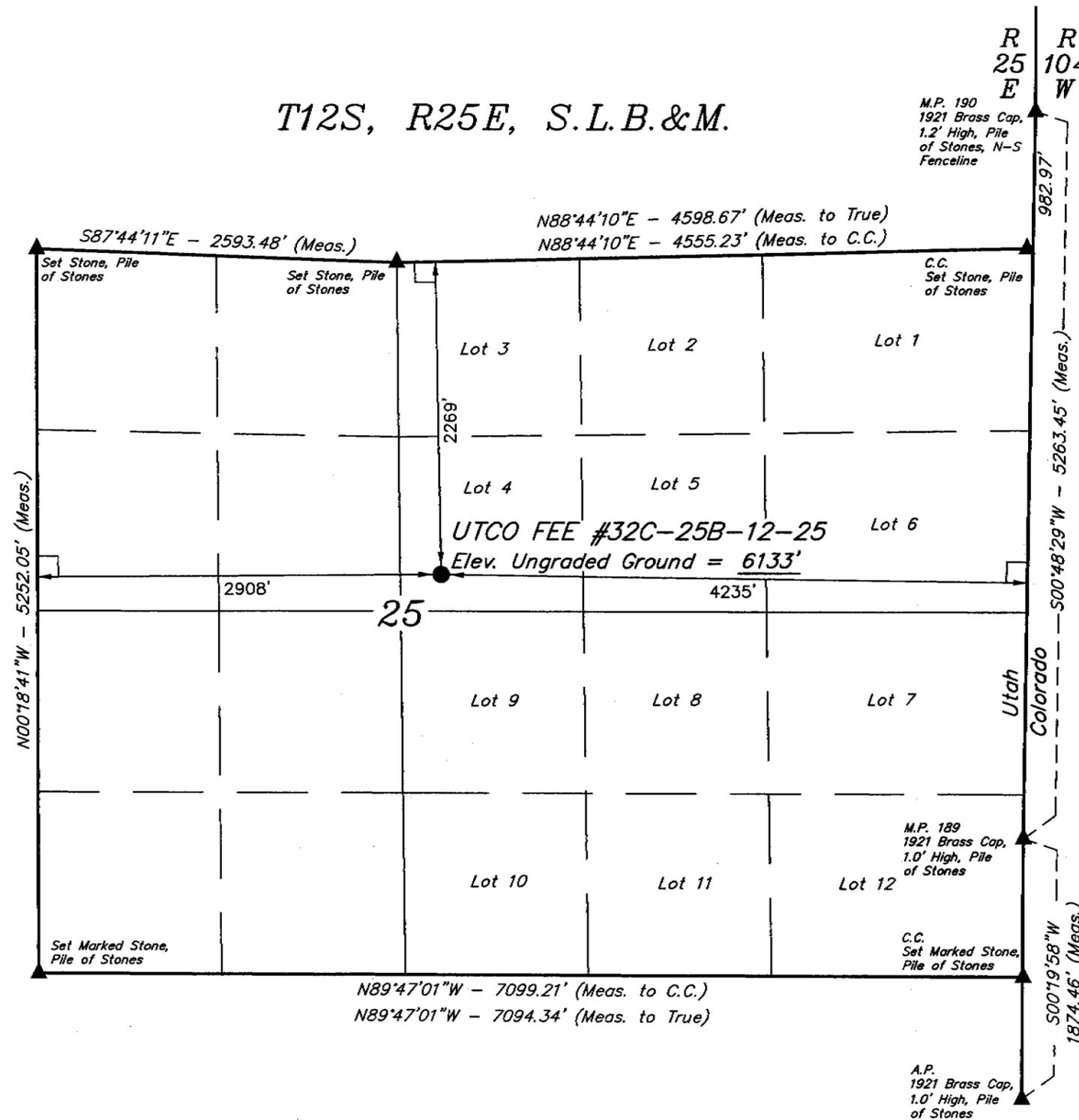
(11/2001)

Date: **10-19-2006**
By: *[Signature]*

DIV. OF OIL, GAS & MINING

Well location, UTCO FEE #32C-25B-12-25, located as shown in LOT 4 of Section 25, T12S, R25E, S.L.B.&M., Uintah County, Utah.

T12S, R25E, S.L.B.&M.

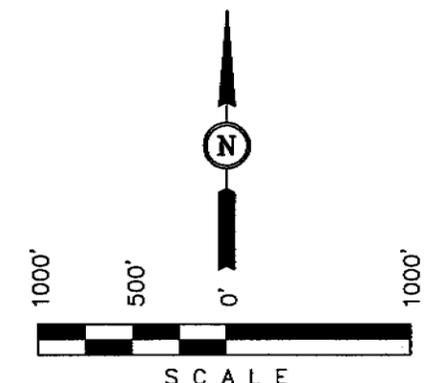


BASIS OF ELEVATION

BENCH MARK (A-37) LOCATED IN THE SE 1/4 OF SECTION 35, T3S, R104W, 6th P.M., TAKEN FROM THE DAVIS CANYON QUADRANGLE, UTAH-COLORADO, RIO BLANCO COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6013 FEET.

BASIS OF BEARINGS

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



CERTIFICATE
 THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.
 ROBERT L. ...
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 16179
 STATE OF UTAH

LEGEND:
 L = 90° SYMBOL
 ● = PROPOSED WELL HEAD.
 ▲ = SECTION CORNERS LOCATED.

(NAD 83)
 LATITUDE = 39°44'48.54" (39.746817)
 LONGITUDE = 109°03'57.69" (109.066025)
 (NAD 27)
 LATITUDE = 39°44'48.64" (39.746844)
 LONGITUDE = 109°03'55.30" (109.065361)

UTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 05-09-06	DATE DRAWN: 05-10-06
PARTY J.F. C.B. P.M.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE PIONEER NATURAL RESOURCES USA, INC.	

AFFIDAVIT

STATE OF COLORADO §
§
COUNTY OF DENVER §

Betty Brownson, being duly sworn upon oath, deposes and says that she is the Attorney-in-Fact of Pioneer Natural Resources USA, Inc., a Delaware corporation, qualified and authorized to do business in the State of Utah, and makes this Affidavit on behalf of said Corporation:

A Surface Use, Damage and Easement Agreement exists by and between Pioneer Natural Resources USA, Inc. and Utah-Colorado Oil Corporation covering the use of land connected with the UTCO Fee 32C-25B-12-25 well located in Lot 4 of Section 25, Township 12 South, Range 25 East, Uintah County, Utah.

Further Affiant sayth not.

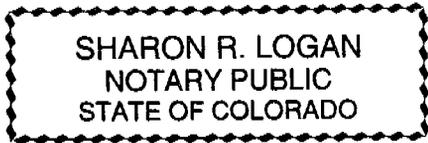

Betty Brownson, Attorney-in-Fact for
Pioneer Natural Resources USA, Inc.

Subscribed and sworn to before me this 20th day of September 2006 by Betty Brownson, Attorney-in-Fact of Pioneer Natural Resources USA, Inc.

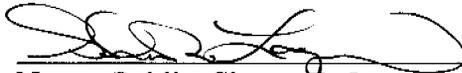
Witness my hand and official seal.

My commission expires:

(seal)



My Commission Expires 02/18/2008


Notary Public: Sharon R. Logan

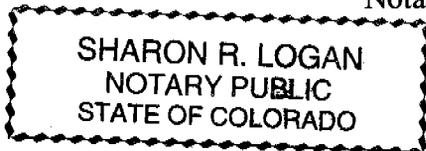
STATE OF COLORADO §
§
COUNTY OF DENVER §

The foregoing instrument was acknowledged before me this 20th day of September 2006, by Betty Brownson, Attorney in Fact of Pioneer Natural Resources USA, Inc.

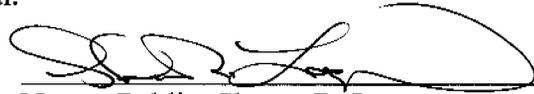
Witness my hand and official seal.

My Commission Expires:

(seal)



My Commission Expires 02/18/2008


Notary Public: Sharon R. Logan

CONFIDENTIAL - TIGHT HOLE

UTCO Fee #32C-25B-12-25
2269' FNL and 2908' FWL
Lot 4 Section 25, T12S - R25E
Uintah County, Utah

Prepared For:

Pioneer Natural Resources USA, Inc.

By:

PERMITCO INC.
14421 County Road 10
Fort Lupton, CO 80621
303/857-9999

CONFIDENTIAL-TIGHT HOLE

Copies Sent To:

- 2 - Utah Division of Oil, Gas & Mining - SLC, UT
- 1 - Utah Division of Oil, Gas & Mining - Roosevelt, UT
- 2 - Pioneer Natural Resources USA, Inc. - Denver, CO



1. Estimated Tops/Geologic Markers

The estimated tops of important geologic markers are as follows:

<i>Formation</i>	<i>Depth</i>	<i>Subsea</i>
Green River/Wasatch	Surface	6,145'
Mesa Verde	675'	5,480'
First Coal	2,214'	3,941'
CS_Coal_Zone	2,297'	3,858'
Thickest Coal	2,365'	3,790'
L_Neslen Coal Zone	2,514'	3,641'
T.D.	2,700'	3,455'

2. Estimated Depths and Names of Anticipated Water, Oil, Gas or Other Minerals Bearing Formations.

<i>Substance</i>	<i>Formation</i>	<i>Depth</i>
Gas	Mesaverde Coals and Sands	2,214' - 2,514'

3. Well Control Equipment & Testing Procedures

Pioneer Natural Resources USA, Inc.'s minimum specifications for pressure control equipment are as follows:

Ram Type: 11" Hydraulic double, 2000 psi w.p.

Pioneer Natural Resources USA, Inc. will comply will all requirements pertaining to well control as listed in the Rule R649-3-7 of the Utah Division of Oil, Gas & Mining.

The size and rating of the BOP stack is shown on the attached diagram.



UTC0 Fee #32C-25B-12-25

2269' FNL and 2908' FWL

Lot 4 Section 25, T12S - R25E

Uintah County, Utah

DRILLING PROGRAM

Page 2

4. Casing Program

The proposed casing program will be as follows:

<i>Purpose</i>	<i>Depth</i>	<i>Hole Size</i>	<i>O.D.</i>	<i>Weight</i>	<i>Grade</i>	<i>Type</i>	<i>New/Used</i>
Surface	0-250'	11"	8-5/8"	24#	J-55	ST&C	New
Production	0-2,700'	7-7/8"	5-1/2"	17#	J-55	LT&C	New

Casing design subject to revision based on geologic conditions encountered.

5. Cement Program

<i>Surface</i>	<i>Type and Amount</i>
0-250'	200 sx Class C, 15.6 ppg
<i>Production</i>	<i>Type and Amount</i>
0-2,700'	325 sx Class C, 13.5 ppg

*Note: Actual cement volume to be based upon caliper log.

6. Drilling Fluids

The proposed circulating mediums to be employed in drilling are as follows:

<i>Interval</i>	<i>Mud Type</i>	<i>Mud Wt.</i>	<i>Visc.</i>	<i>F/L</i>
0'-250'	Air-Mist	N/A	N/A	N/C
250'-2,700'	Air-Mist/Water	8.9	N/A	N/C

7. Testing, Logging and Coring

The anticipated type and amount of testing, logging and coring are as follows:

- a. No drill stem tests are anticipated.



UTCOC Fee #32C-25B-12-25

2269' FNL and 2908' FWL

Lot 4 Section 25, T12S - R25E

Uintah County, Utah

DRILLING PROGRAM

Page 3

- b. The logging program will consist of a Triple Combo Hi Res Density log to be run from TD to surface casing.
- c. No cores are anticipated.

8. Anticipated Pressures and H₂S

- a. Normal pressures and temperatures are expected in the objective formation. A maximum bottom hole pressure of 1080 psi is expected. A maximum bottom hole temperature of 100 degrees Fahrenheit is anticipated. Sour gas (H₂S) is not anticipated.

9. Water Source

- a. Water will be obtained from the State of Utah from Willow Creek at Buck Canyon under A-1 Tank Rental water permit #49-1661. Should water not be available from this source, water will be purchased from A-1 Tank Rental from a water well in Ouray, UT under permit #43-8496.

10. Other Information

- a. Drilling is planned to commence upon approval of this application.
- b. It is anticipated that the drilling of this well will take approximately 4 days.
- c. Lining of the reserve pit will be done if deemed necessary by the Utah Division of Oil, Gas and Minerals.
- d. At the end of drilling operations the location will be reclaimed and re-seeded as requested by the surface owner.



Pioneer Natural Resources

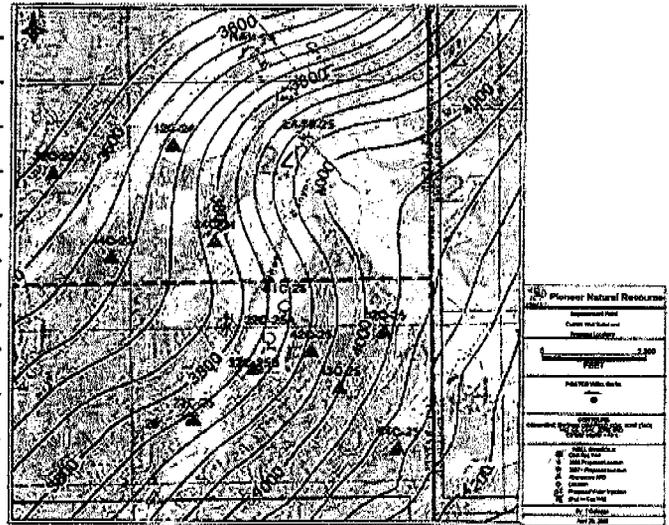
Denver, Colorado 80202

GEOLOGIC PROGNOSIS

Revised

Well Name	UTCO FEE 32C-25B-12-25	API:	Date	4/20/2006
Location	FNL	FEL	Section 25	T 12S R 25E
Field	Displacement Point	County	Uintah	State UT
Deepest Objective	MSVD Coal	TD/FM	2700' MD/U. Seg	
Lidar Ground Elevation	6145'	Est. K.B. Elevation	6155'	

DRILL DEPTH (FT)			
FORMATION	MD	TVDss	Thickness (FT)
Green River/Wasatch	surface	6145	
Mesaverde	~675	5480	
First Coal	2214	3941	3
CS Coal Zone	2297	3858	150' zone 7 coals
Thickest coal	2365	3790	11
L_Neslen coal zone	2514	3641	16' zone 4 coals
TD	2700	3455	



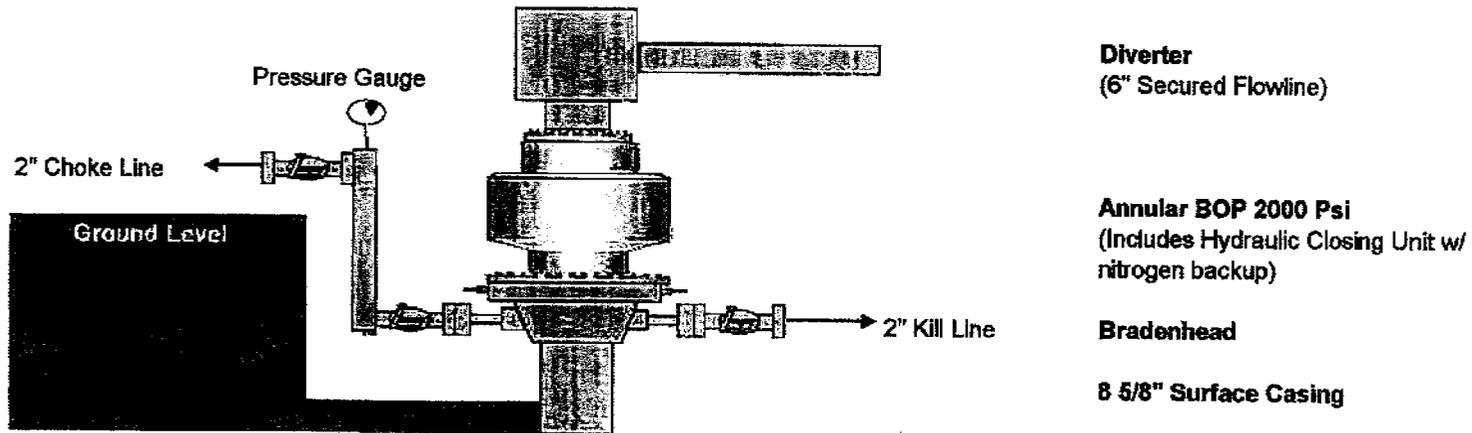
Location Map with Structure and Topo

Logging Program	Triple combo with High res density (request 0.1 ft sample interval for .las) - Phoenix Surveys		
Samples	30 ft interval		
Cores	none		
DST (s)	none		
Wellsite Geologist	none		
Mud Logging	one man - surface to TD		
Distribution	email morning report and las files to Todd Dallegge, CDX representative		
OFFSET WELLS	Atchee Canyon #4, Evacuation Creek #24, CS 4C-2		
Distance to Nearest Well Completed in Same Fm	1307'	Well	Atchee Canyon #4

Remarks Green River Fm interfingering with Wasatch near subsurface

GEOLOGIST	Todd Dallegge	Phone	Office	303-675-2650
			Home	303-284-6759
			Cell	NA
		Email	Office	Todd.Dallegge@pxd.com

Pioneer Natural Resources Well Control System



Note: The locations have 150% of hole volume of fresh water on lease during the drilling operation. Depending on the type of drilling operation there may also be a dedicated fluid pump on lease. When we are drilling with air then the fluid package may not be present. There is a fluid pumper within 1 - 2 hours notice and generally sooner in the immediate area including either production pumps or cement units all owned and operated by Pioneer Natural Resources.

PNR - BOP Drawing A

PIONEER NATURAL RESOURCES USA, INC.

UTCO FEE #32C-25B-12-25

**LOCATED IN UINTAH COUNTY, UTAH
SECTION 25, T12S, R25E, S.L.B.&M.**



PHOTO: VIEW OF LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

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

LOCATION PHOTOS

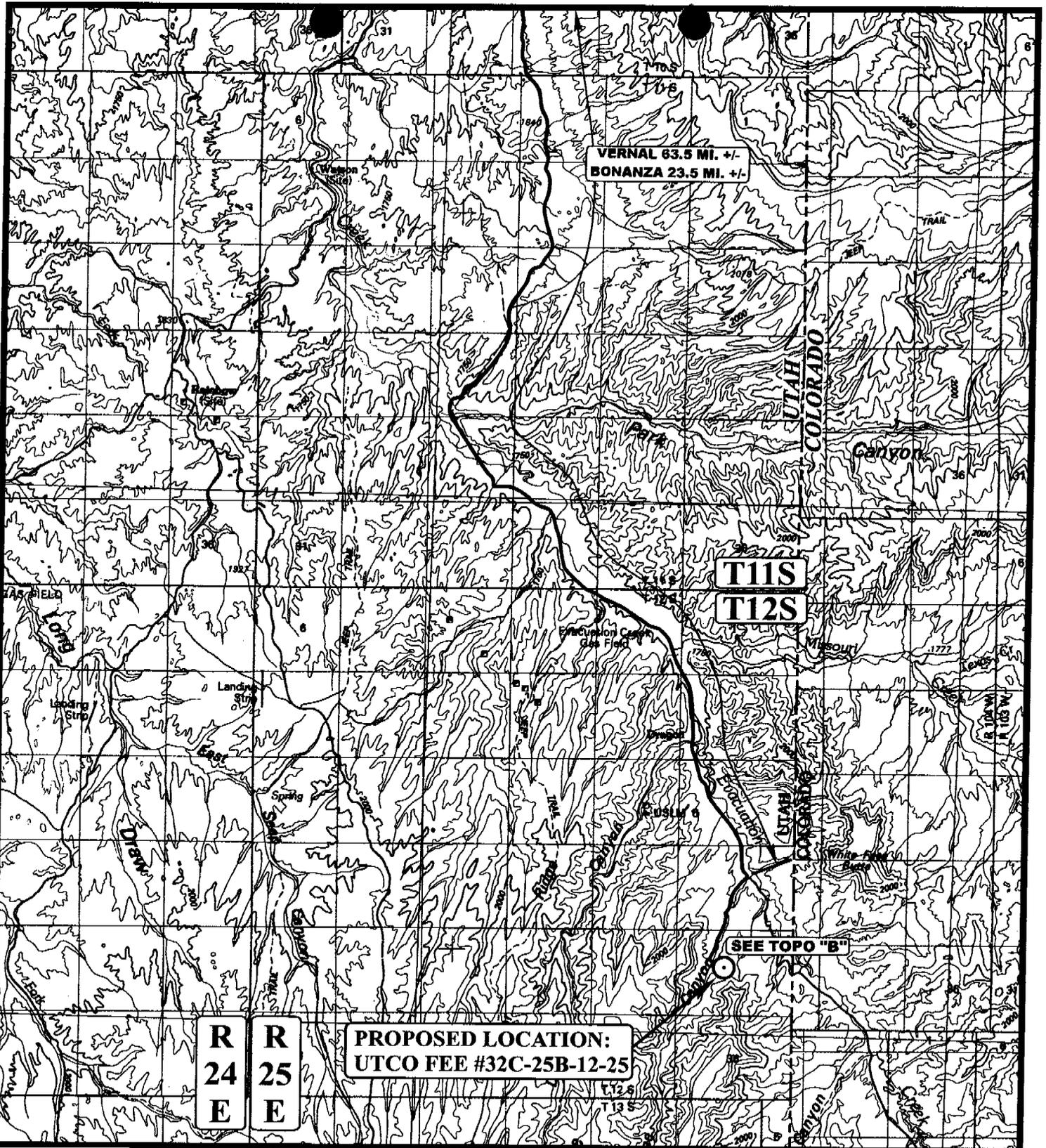
05 09 06
MONTH DAY YEAR

PHOTO

TAKEN BY: J.F.

DRAWN BY: L.K.

REVISED: 00-00-00



LEGEND:

○ PROPOSED LOCATION



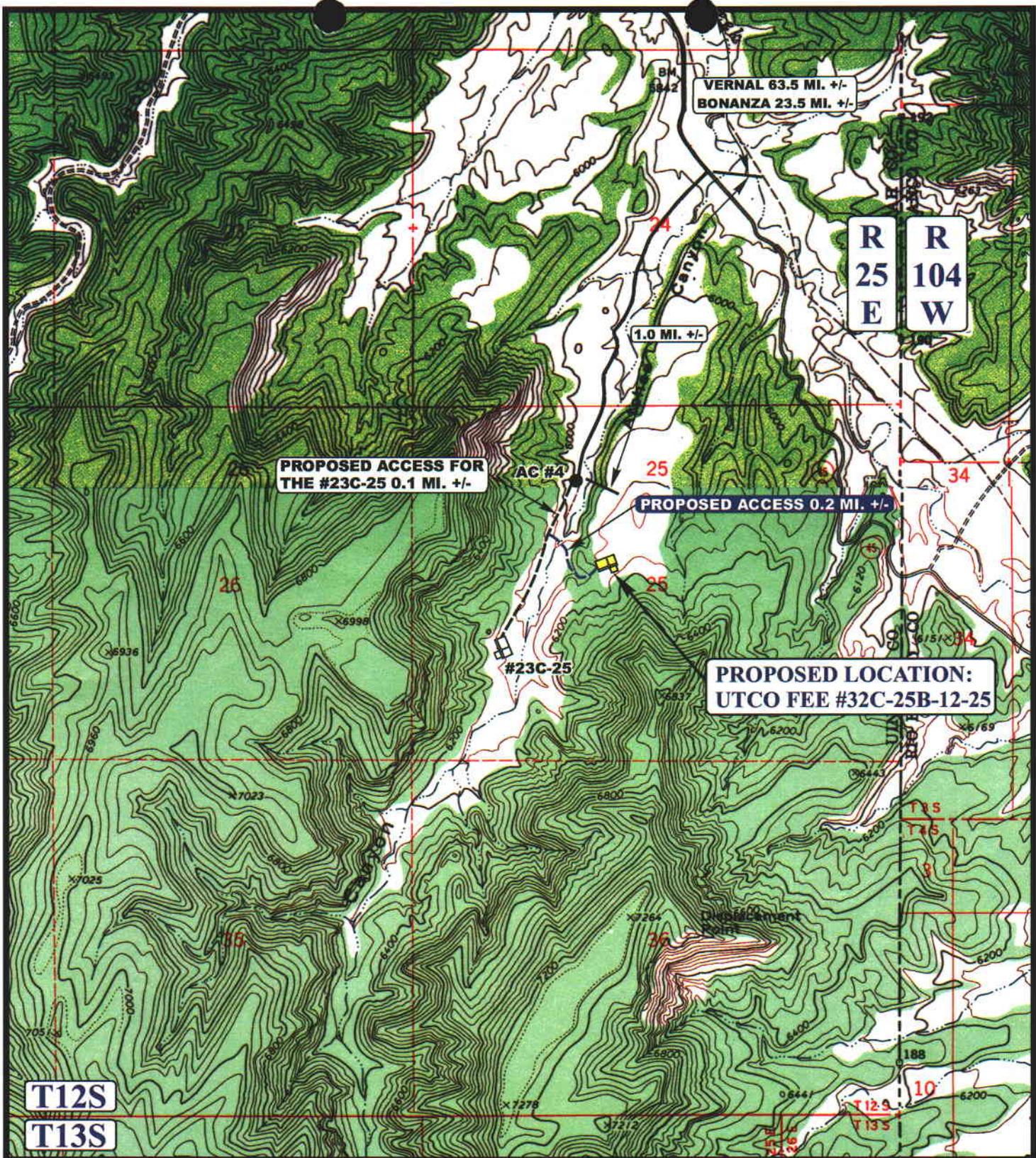
PIONEER NATURAL RESOURCES USA, INC.

UTCO FEE #32C-25B-12-25
 SECTION 25, T12S, R25E, S.L.B.&M.
 2269' FNL 2908' FWL



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

TOPOGRAPHIC			05	09	06
MAP			MONTH	DAY	YEAR
SCALE: 1:100,000	DRAWN BY: L.K.	REVISED: 00-00-00			



LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD



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



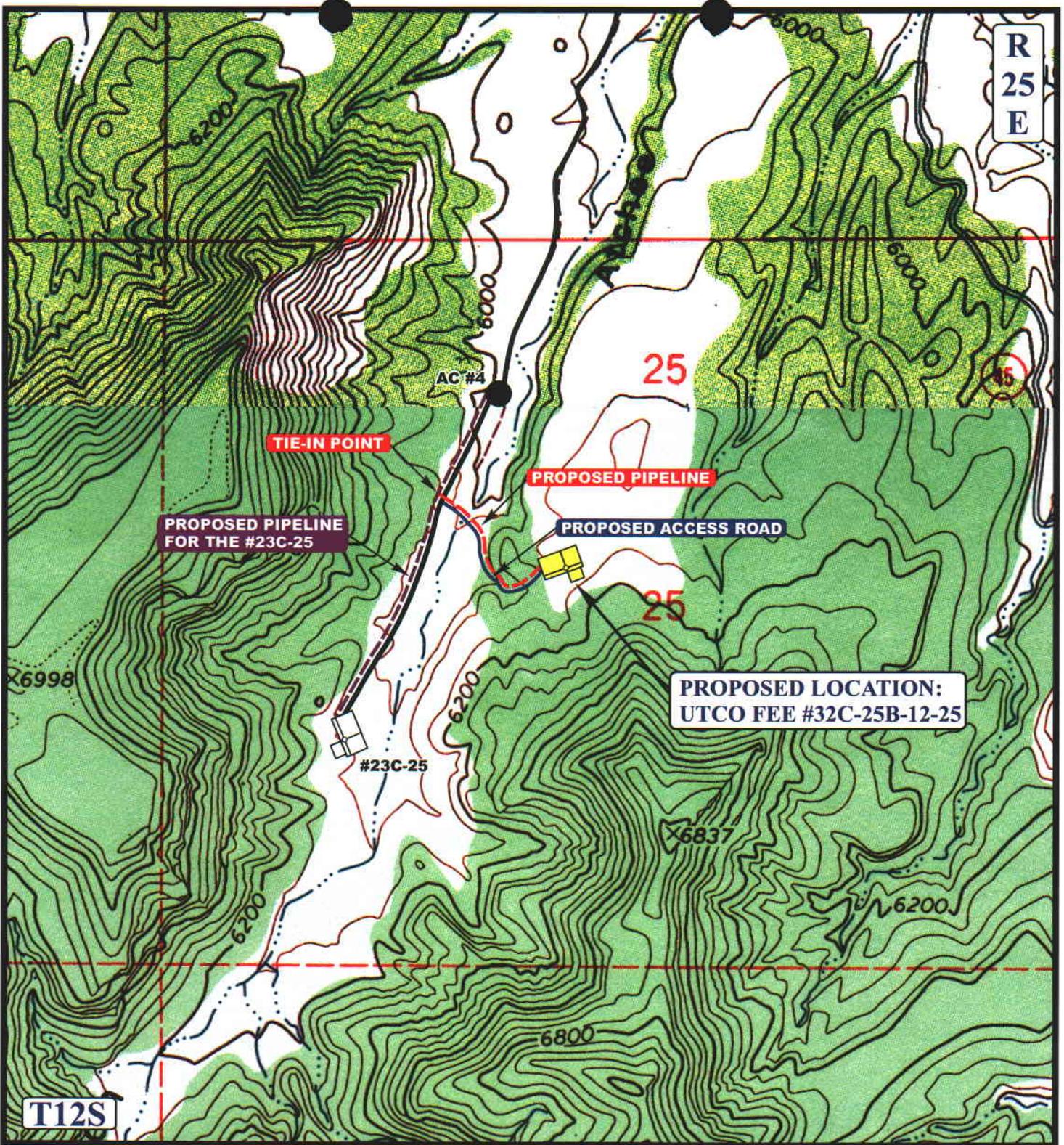
PIONEER NATURAL RESOURCES USA, INC.

UTCO FEE #32C-25B-12-25
SECTION 25, T12S, R25E, S.L.B.&M.
2269' FNL 2908' FWL

TOPOGRAPHIC MAP **05 09 06**
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 1,147' +/-

LEGEND:

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

PIONEER NATURAL RESOURCES USA, INC.

UTC0 FEE #32C-25B-12-25
SECTION 25, T12S, R25E, S.L.B.&M.
2269' FNL 2908' FWL



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



TOPOGRAPHIC **05 09 06**
MAP MONTH DAY YEAR

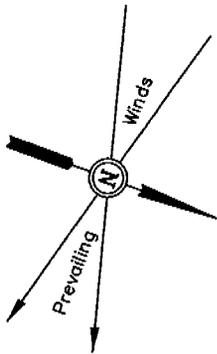
SCALE: 1" = 1000' DRAWN BY: L.K. REVISED: 00-00-00



PIONEER NATURAL RESOURCES USA, INC.

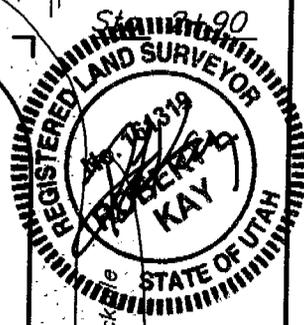
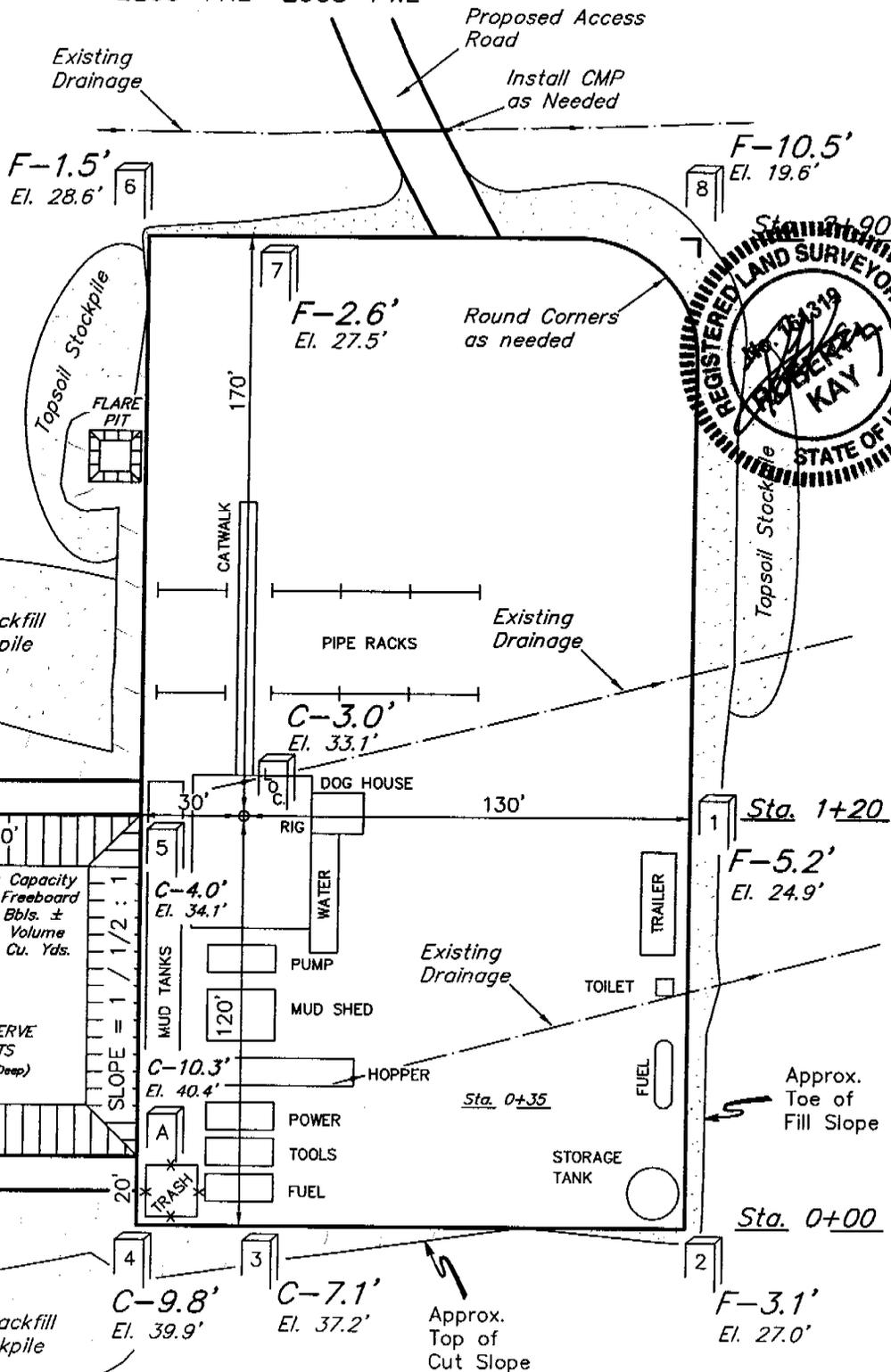
FIGURE #1

LOCATION LAYOUT FOR
 UTCO FEE #32C-25B-12-25
 SECTION 25, T12S, R25E, S.L.B.&M.
 2269' FNL 2908' FWL



SCALE: 1" = 50'
 DATE: 05-10-06
 Drawn By: P.M.

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



NOTES:

Elev. Ungraded Ground At Loc. Stake = 6133.1'

FINISHED GRADE ELEV. AT LOC. STAKE = 6130.1'

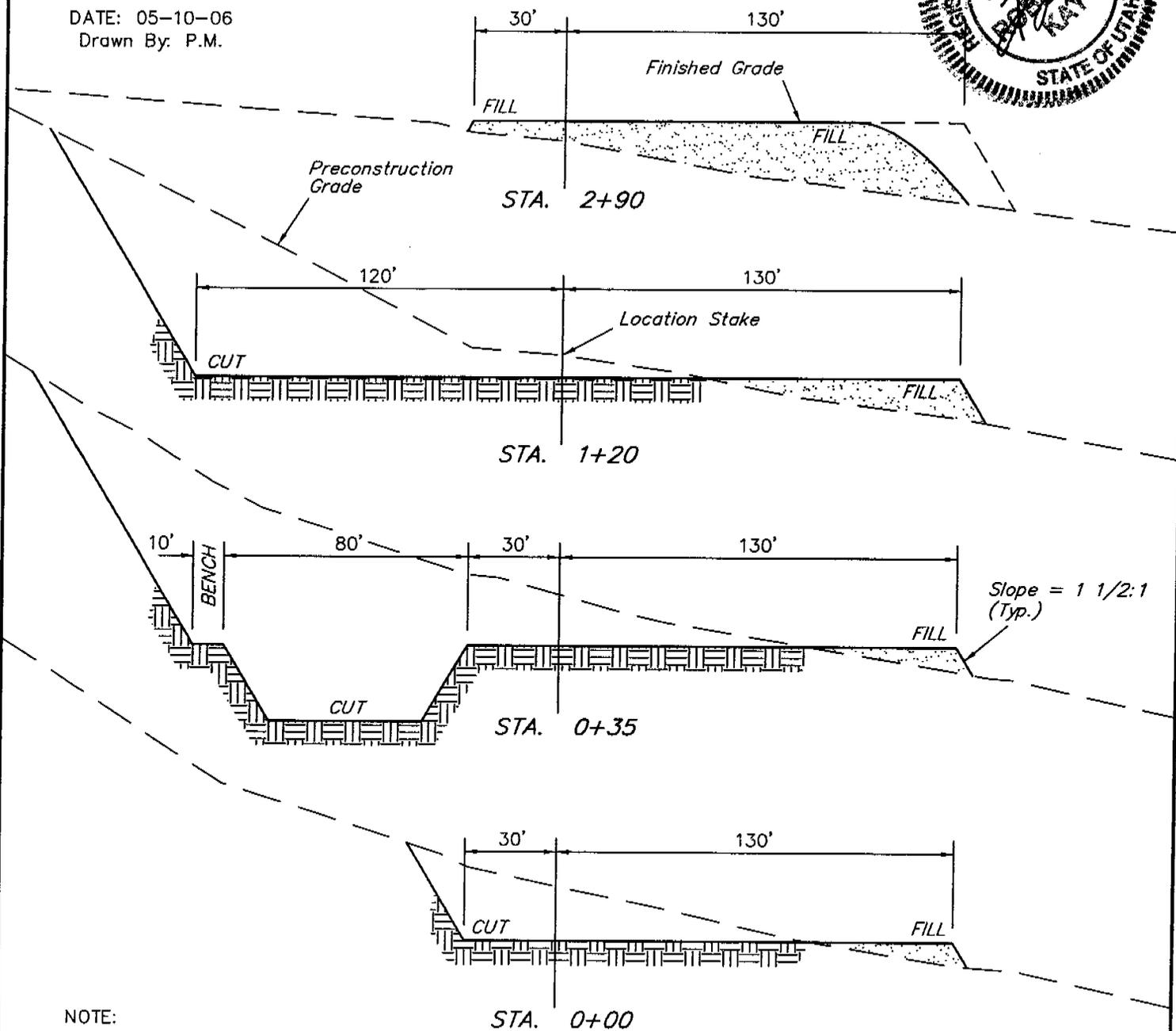
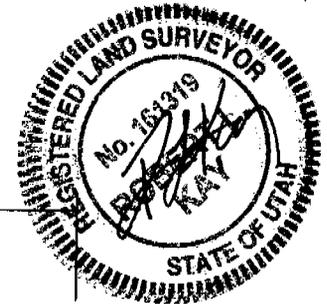
PIONEER NATURAL RESOURCES USA, INC.

FIGURE #2

TYPICAL CROSS SECTIONS FOR
 UTCO FEE #32C-25B-12-25
 SECTION 25, T12S, R25E, S.L.B.&M.
 2269' FNL 2908' FWL

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

DATE: 05-10-06
 Drawn By: P.M.



NOTE:

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

* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,510 Cu. Yds.
Remaining Location	= 14,230 Cu. Yds.
TOTAL CUT	= 15,740 CU.YDS.
FILL	= 5,000 CU.YDS.

EXCESS MATERIAL	= 10,740 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,550 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 8,190 Cu. Yds.

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

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 06/08/2006

API NO. ASSIGNED: 43-047-38253

WELL NAME: UTCO FEE 32C-25B-12-25
 OPERATOR: PIONEER NATL RES USA (N5155)
 CONTACT: VENESSA LANGMACHER

PHONE NUMBER: 303-857-9999

PROPOSED LOCATION:

LOT4 25 120S 250E
 SURFACE: 2269 FNL 2908 FWL
 BOTTOM: 2269 FNL 2908 FWL
 COUNTY: UINTAH
 LATITUDE: 39.74717 LONGITUDE: -109.0654
 UTM SURF EASTINGS: 665752 NORTHINGS: 4401276
 FIELD NAME: WILDCAT (1)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKD	7/20/06
Geology		
Surface		

LEASE TYPE: 4 - Fee
 LEASE NUMBER: FEE
 SURFACE OWNER: 4 - Fee

PROPOSED FORMATION: MVRD
 COALBED METHANE WELL? YES

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. 104319462)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-1661)
- RDCC Review (Y/N)
(Date: 07/01/2006)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (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: Needs Permit (06-29-06)

STIPULATIONS: 1- Spacing SAP
2- STATEMENT OF BASIS
3- Cement Step # 3 - (5 1/2" production, back to surface)

T12S R25E

EVACUATION
CREEK 24-12-25 1

23

24

UTCO FEE
24C-24-12-25

26

25

ATCHEE CYN
25-12-25 #4

UTCO FEE
32C-25B-12-25

UTAH-COLO OIL
CORP 25-12-25

UTCO FEE
23C-25-12-25

ST ATCHEE
CYN 36-12-25 #1

OPERATOR: PIONEER NAT RES (N5155)

SEC: 24,25 T. 12S R. 25E

FIELD: WILDCAT (001)

COUNTY: UINTAH

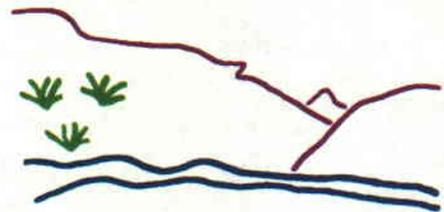
SPACING: R649-3-3 / EXCEPTION LOCATION

- 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: 16-JUNE-2006

**DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS**

OPERATOR: PIONEER NATURAL RESOURCES USA, INC.
WELL NAME & NUMBER: UTCO FEE #32C-25B-12-25
API NUMBER: 43-047-38253
LOCATION: 1/4,1/4 LOT 4 Sec: 25 TWP: 12S RNG:25E 2908' FWL 2269' FNL

Geology/Ground Water:

Pioneer proposes to set 250' of surface casing at this location. The base of the moderately saline water is at approximately 3,600 feet in this area. This is below the anticipated T.D. for the proposed well. This location lies on the Green River Formation. The proposed location is in a recharge area for the aquifers of the upper Green River formation and fresh water can be expected to be found in the upper Green River. A search of Division of Water Rights records indicates no water wells within a 10,000 foot radius of the proposed location. The proposed casing and cement program should adequately protect any useable ground water.

Reviewer: Brad Hill **Date:** 07-06-2006

Surface:

The predrill investigation of the surface was performed on 6/29/06. This site is on fee surface with fee minerals, and appears to be the best site for a location in the immediate area. I notified Mr. Brad Ockerland (representative of Utah Colorado Oil Corporation) by telephone on 6/22/2006 and invited him to this investigation. He told me there was a verbal landowner agreement, and he would not be attending. He was not present. Utah Colorado Oil Corporation also owned mineral rights for this well. Two shallow drainages crossing this site will be re-routed around the west side of location.

Reviewer: David W. Hackford **Date:** 6/30/2006

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: PIONEER NATURAL RESOURCES USA, INC.
WELL NAME & NUMBER: UTCO FEE #32C-25B-12-25
API NUMBER: 43-047-38253
LEASE: FEE **FIELD/UNIT:** DISPLACEMENT POINT UNIT
LOCATION: 1/4,1/4 lot 4 **Sec:** 25 **TWP:** 12S **RNG:** 25E 2908' **FWL** 2269' **FNL**
LEGAL WELL SITING: 460 F **SEC. LINE;** 460 F **1/4,1/4 LINE;** 920 F **ANOTHER WELL.**
GPS COORD (UTM): 4401243N 0665763E **SURFACE OWNER:** UTAH COLORADO OIL CORP.

PARTICIPANTS

DAVID W. HACKFORD (DOGM), STEPHEN SCHRECK, (PIONEER), KEITH RULE (DIRT CONTRACTOR).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

SITE IS ON A PLATEAU ON THE EAST SLOPE OF ATCHEE CANYON, 700' EAST OF THE DRY WATERCOURSE WHICH RUNS DOWN THIS CANYON. DRAINAGE IS TO THE NORTH, NORTHEAST TO EVACUATION CREEK 0.75 MILES AWAY. CANYON BOTTOM IS RELATIVELY FLAT AND LEVEL WHILE THE CANYON WALLS ARE STEEP AND RUGGED WITH NUMEROUS SHEER CLIFFS AND SANDSTONE OUTCROPPINGS. BONANZA, UTAH IS 25 MILES TO THE NORTH.

SURFACE USE PLAN

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING, HUNTING.

PROPOSED SURFACE DISTURBANCE: LOCATION WILL BE 290' BY 240'. ACCESS ROAD WILL BE 0.2 MILES.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: SEE ATTACHED MAP FROM GIS DATABASE.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: ALL PRODUCTION FACILITIES WILL BE ON LOCATION AND ADDED AFTER DRILLING WELL. PIPELINE WILL FOLLOW ACCESS ROAD.

SOURCE OF CONSTRUCTION MATERIAL: ALL CONSTRUCTION MATERIAL WILL BE BORROWED FROM SITE DURING CONSTRUCTION OF LOCATION.

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS? (EXPLAIN): UNLIKELY.

WASTE MANAGEMENT PLAN:

DRILLED CUTTINGS WILL BE SETTLED INTO RESERVE PIT. LIQUIDS FROM PIT WILL BE ALLOWED TO EVAPORATE. FORMATION WATER WILL BE CONFINED TO STORAGE TANKS. SEWAGE FACILITIES, STORAGE AND DISPOSAL WILL BE HANDLED BY COMMERCIAL CONTRACTOR. TRASH WILL BE CONTAINED IN TRASH BASKETS AND

HAULED TO AN APPROVED LAND FILL.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: PINION PINE, JUNIPER, SAGE, GREASEWOOD, PRICKLY PEAR, CHEATGRASS, OTHER NATIVE GRASSES. ELK, DEER, RODENTS, RAPTORS, COYOTE, SONGBIRDS, RABBIT, BOBCAT, BEAR, COUGAR.

SOIL TYPE AND CHARACTERISTICS: LIGHT BROWN SANDY CLAY LOAM.

EROSION/SEDIMENTATION/STABILITY: VERY LITTLE NATURAL EROSION. SEDIMENTATION AND STABILITY ARE NOT A PROBLEM AND LOCATION CONSTRUCTION SHOULDN'T CAUSE AN INCREASE IN STABILITY OR EROSION PROBLEMS.

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED.

RESERVE PIT

CHARACTERISTICS: 100' BY 80' AND TEN FEET DEEP.

LINER REQUIREMENTS (Site Ranking Form attached): A 12 MIL LINER WILL BE REQUIRED FOR RESERVE PIT.

SURFACE RESTORATION/RECLAMATION PLAN

AS PER LANDOWNER AGREEMENT

SURFACE AGREEMENT: NO. A VERBAL AGREEMENT HAS BEEN REACHED.

CULTURAL RESOURCES/ARCHAEOLOGY: SITE IS ON FEE SURFACE.

OTHER OBSERVATIONS/COMMENTS

THIS PREDRILL INVESTIGATION WAS CONDUCTED ON A HOT, SUNNY DAY.

ATTACHMENTS

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

DAVID W. HACKFORD
DOGM REPRESENTATIVE

6/29/06 10:45 AM
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

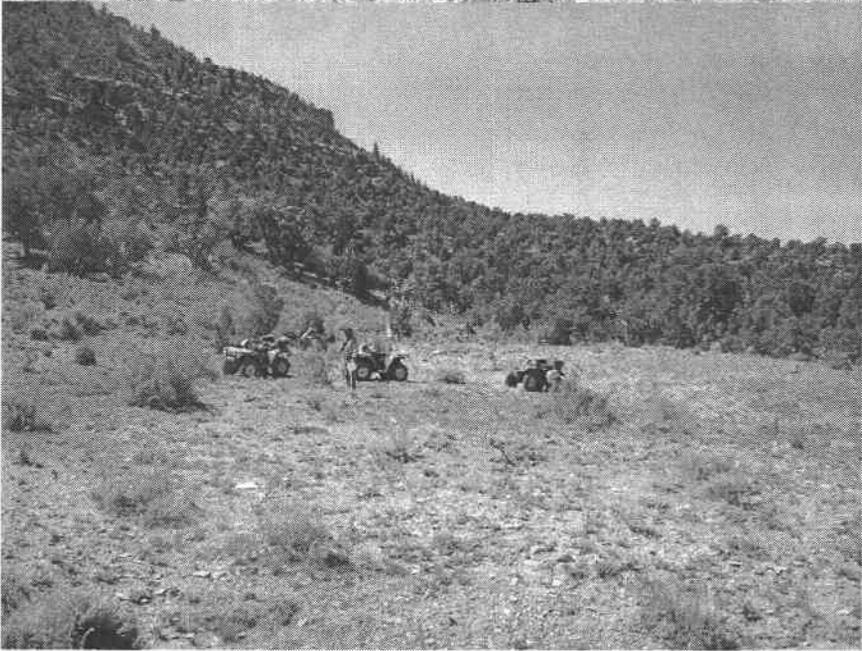
<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>5</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

Final Score 20 (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.





STATE ACTIONS
Resource Development Coordinating Committee
Governor's Office of Planning and Budget
5110 State Office Building
SLC, UT 84114
Phone No. 537-9230

1. State Agency Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801	2. Approximate date project will start: <p style="text-align: center;">Upon Approval or June 30, 2006</p>
3. Title of proposed action: Application for Permit to Drill	
4. Description of Project: Pioneer Natural Resources USA Inc. proposes to drill the UTCO Fee 32C-25B-12-25 well (wildcat) on a Fee lease, Uintah County, Utah. This action is being presented to the RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.	
5. Location and detailed map of land affected (site location map required, electronic GIS map preferred) (include UTM coordinates where possible) (indicate county) <p style="text-align: center;">2269' FNL 2908' FWL, SW/4 NE/4, Section 25, Township 12 South, Range 25 East, Uintah County, Utah</p>	
6. Possible significant impacts likely to occur: Surface impacts include up to five acres of surface disturbance during the drilling and completion phase (estimated for five weeks duration). If oil and gas in commercial quantities is discovered, the location will be reclaimed back to a net disturbance of between one and two acres – not including road, pipeline, or utility infrastructure. If no oil or gas is discovered, the location will be completely reclaimed.	
7. Identify local government affected a. Has the government been contacted? No. b. When? c. What was the response? d. If no response, how is the local government(s) likely to be impacted?	
8. For acquisitions of land or interests in land by DWR or State Parks please identify state representative and state senator for the project area. Name and phone number of state representative, state senator near project site, if applicable: a. Has the representative and senator been contacted? N/A	
9. Areawide clearinghouse(s) receiving state action: (to be sent out by agency in block 1) <p style="text-align: center;">Uintah Basin Association of Governments</p>	
10. For further information, contact: <p style="text-align: center;">Diana Whitney Phone: (801) 538-5312</p>	11. Signature and title of authorized officer <p style="text-align: center;"><i>K. Michael Whitson</i></p> <p style="text-align: center;">Gil Hunt, Associate Director Date: June 16, 2006</p>

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.:		6. SURFACE:	
Fee		Fee	
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			
7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A			
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input type="checkbox"/> OTHER <u>CBM</u> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			
8. UNIT or CA AGREEMENT NAME: Displacement Point Unit			
2. NAME OF OPERATOR: Pioneer Natural Resources USA, Inc.			
9. WELL NAME and NUMBER: UTC0 Fee #32C-25B-12-25			
3. ADDRESS OF OPERATOR: 1401 17th Street, Suite 1200, Denver, CO 80202		PHONE NUMBER: 303/298-8100	
10. FIELD AND POOL, OR WILDCAT: Displacement Point			
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2269' FNL and 2908' FWL AT PROPOSED PRODUCING ZONE: Lot 4		11. QTR/QTR, SECTION, TOWNSHIP, RANGE MERIDIAN: Section 25, T12S - R25E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: Approximately 24.8 miles south of Bonanza, UT		12. COUNTY: Uintah	
		13. STATE: UT	
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET): 2269'		16. NUMBER OF ACRES IN LEASE: 1903.24	
		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40 Acres	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET): Approximately 1307'		19. PROPOSED DEPTH: 2700'	
		20. BOND DESCRIPTION: Utah Bond No. 104319463	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6133' GL		22. APPROXIMATE DATE WORK WILL START: ASAP	
		23. ESTIMATED DURATION: 4 Days	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
11"	8-5/8", J-55, 24#	250'	200 sx Class C, 15.6 ppg
7-7/8"	5-1/2", J-55, 17#	2700'	325 sx Class C, 13.5 ppg
CONFIDENTIAL-TIGHT HOLE			

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 checked="" 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 |

AGENT: PermitCo Inc., 14421 County Road 10, Fort Lupton, CO 80621

AGENT'S PHONE NO.: 303/857-9999

NAME (PLEASE PRINT) Venessa Langmacher

TITLE Agent for Pioneer Natural Resources USA, Inc.

SIGNATURE Venessa Langmacher

DATE June 6, 2006

(This space for State use only)

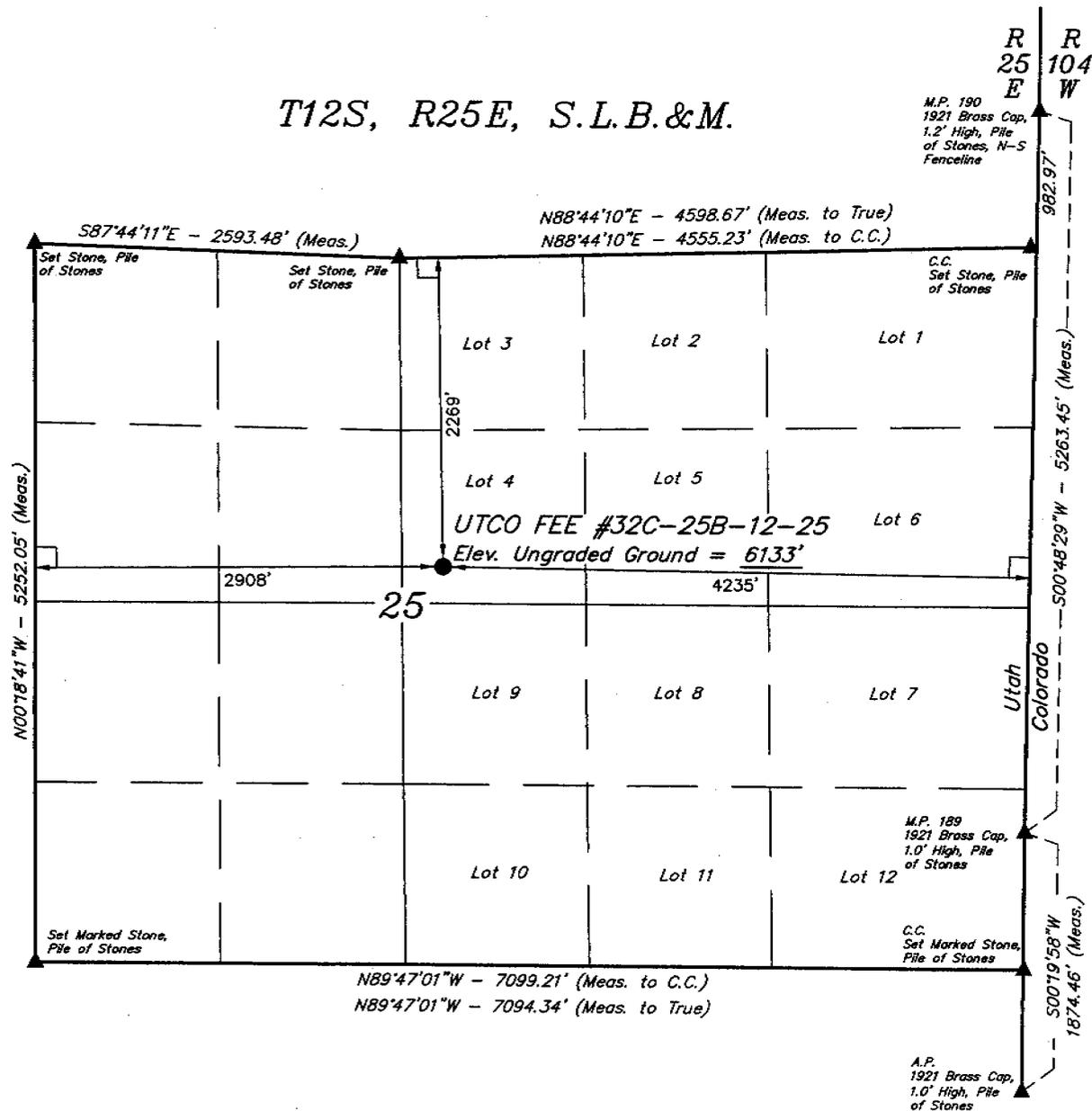
API NUMBER ASSIGNED: 43-047-38253

APPROVAL:

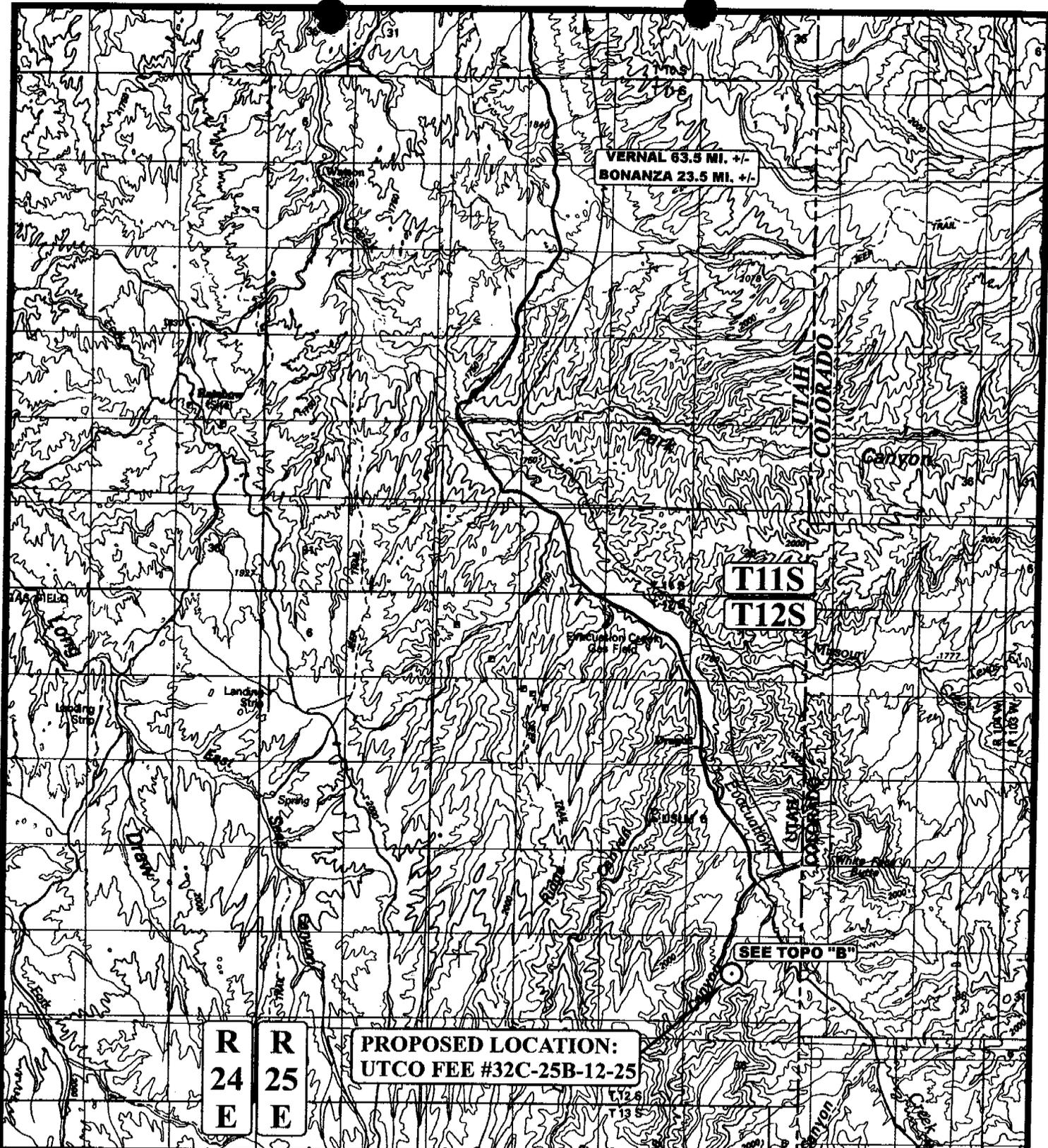
RECEIVED

JUN 08 2006

T12S, R25E, S.L.B.&M.



(NAD 83)
 LATITUDE = 39°44'48.54" (39.746817)
 LONGITUDE = 109°03'57.69" (109.066025)
 (NAD 27)
 LATITUDE = 39°44'48.64" (39.746844)
 LONGITUDE = 109°03'55.30" (109.065361)



LEGEND:

○ PROPOSED LOCATION



PIONEER NATURAL RESOURCES USA, INC.

UTC0 FEE #32C-25B-12-25
 SECTION 25, T12S, R25E, S.L.B.&M.
 2269' FNL 2908' FWL

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

TOPOGRAPHIC MAP	05	09	06	A TOPO
	MONTH	DAY	YEAR	
SCALE: 1:100,000	DRAWN BY: L.K.		REVISED: 00-00-00	

From: Robert Clark
 To: Whitney, Diana
 Date: 7/25/2006 9:42:56 AM
 Subject: RDCC short turn around responses

*Pioneer Nat Res.
 43047-38253*

The following comments are provided in response to RDCC #6842 - RDCC #6848.

RDCC #6842, Comments begin: The proposal of Petro-Canada Resources (USA) Inc. to drill the **State 32-21** wildcat well, in Carbon County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available on-line at

<http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>. The proposed project is also subject to Utah Air Quality Rule R307-205-5, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm. **Comments end.**

RDCC #6843, Comments begin: The proposal of Parallel Petroleum Corporation to drill the **Trail Creek Anticline 1-2-6-25** wildcat well, in Uintah County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available on-line at

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RDCC #6844, Comments begin: The proposal of Parallel Petroleum Corporation to drill the **Buckskin Hills 13-32-3-22** wildcat well, in Uintah County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available on-line at

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RDCC #6845, Comments begin: The proposal of Pioneer Natural Resources (USA) Inc. to drill the **UTCO Fee 32C-25B-12-25** wildcat well, in Uintah County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available on-line at

<http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>. The proposed project is also subject to Utah Air Quality Rule R307-205-5, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm. **Comments end. RDCC #6846, Comments begin:** The proposal of Pioneer Natural Resources (USA) Inc. to drill the **UTCO Fee 24C-24-12-25** wildcat well, in Uintah County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order.

The guidelines for preparing an NOI are available on-line at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>. The proposed project is also subject to Utah Air Quality Rule R307-205-5, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm. **Comments end. RDCC #6847, Comments begin:** The proposal of Pioneer Natural Resources (USA) Inc. to drill the **UTCO Fee 23C-25-12-25** wildcat well, in Uintah County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order.

The guidelines for preparing an NOI are available on-line at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>. The proposed project is also subject to Utah Air Quality Rule R307-205-5, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm. **Comments end. RDCC #6848, Comments begin:** The proposal of Thurston Energy Operating Company to drill the **Thurston 12-29-9-24** wildcat well, in Uintah County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available on-line at

<http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>. The proposed project is also subject to Utah Air Quality Rule R307-205-5, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm. **Comments end. Robert Clark Division of Air Quality 536-4435**

CC: Mcneill, Dave; Wright, Carolyn

7-06 Pioneer UTCO Fee 32C-25B-12-25
Casing Schematic

Surface

8-5/8"
MW 8.4
Frac 19.3

TOC @ 0.
TOC @ 0.
Surface
250. MD

✓ w/18% Washcoat
yield = 1.18

BHP
(.052)(8.4)(2700) = 1249
Anticipate 1080

675 Mesacore

Gas
(.12)(2700) = 324
MHP = 925

✓ STip: TOC Surface
w/2% Washcoat
yield = 1.6

BoPE - 2000 ✓

Surf Csg - 2950
70% = 2065

2214 Curb

Max pressure @ Surf Csg shoe = 710
TEST TO 710# ✓

✓ Adequate DWD 7/28/06

5-1/2"
MW 8.9

Production
2700. MD

BMSW - 3600

Well name:

07-06 Pioneer UTCO Fee 32C-25B-12-25

Operator: **Pioneer Natural Resources USA**

String type: **Surface**

Project ID:

43-047-38253

Location: **Uintah County**

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: 75 °F
Bottom hole temperature: 78 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 250 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 220 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 250 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 buoyed weight.
Neutral point: 218 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 2,700 ft
Next mud weight: 8.900 ppg
Next setting BHP: 1,248 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 250 ft
Injection pressure 250 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	250	8.625	24.00	J-55	ST&C	250	250	7.972	12
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	109	1370	12.558	250	2950	11.80	5	244	46.53 J

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

Phone: 801-538-5280
FAX: 801-359-3940

Date: July 11,2006
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 250 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. 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:

07-06 Pioneer UTCO Fee 32C-25B-12-25Operator: **Pioneer Natural Resources USA**String type: **Production**

Project ID:

43-047-38253

Location: **Uintah County****Design parameters:****Collapse**Mud weight: 8.900 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Environment:H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 113 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft**Burst**Max anticipated surface
pressure: 313 psi
Internal gradient: 0.346 psi/ft
Calculated BHP 1,248 psi**Burst:**

Design factor 1.00

Cement top: Surface

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)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 2,335 ft

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 (ft ³)
1	2700	5.5	17.00	J-55	LT&C	2700	2700	4.767	93
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	1248	4910	3.934	1248	5320	4.26	40	247	6.22 J

Prepared Clinton Dworshak
by: Utah Div. of Oil & MiningPhone: 801-538-5280
FAX: 801-359-3940Date: July 11, 2006
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 2700 ft, a mud weight of 8.9 ppg. The casing is considered to be evacuated for collapse purposes. 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.



14421 County Rd. 10 • Ft. Lupton, Colorado 80621 • (303) 857-9999 • FAX (303) 857-0577 • E-MAIL Permitco 1@aol.com

June 9, 2006

Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, UT 84114-5801

Attn: Diana Whitney

Re: **Pioneer Natural Resources USA, Inc.**
UTCO Fee NAV #34-13-12-25
UTCO Fee #23C-25-12-25, #32C-25B-12-25 & #24C-24-12-25
Sections 13, 24 & 25, T12S - R25E
Uintah County, Utah

Dear Diana,

Per your request, please find below the surface owner's information for the above subject locations.

Utah-Colorado Oil Corporation
3872 Village Rim Road
Park City, UT 84098
Contact - Brad Oklerlund at Cramer Oil 303/573-5582

If you should need additional information, please don't hesitate to contact me.

Sincerely,

PERMITCO INC.

Venessa Langmacher
Venessa Langmacher

Consultant for
Pioneer Natural Resources USA, Inc.

Enc.

cc: Pioneer Natural Resources USA, Inc. - Denver, CO

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JUN 12 2006
DIV. OF OIL, GAS & MINING



June 8, 2006

CDX Gas LLC
CDX Rockies, LLC
5485 Beltline Road, Suite 190
Dallas, Texas 75240-7656

PIONEER
NATURAL RESOURCES USA, INC

RE: Exception to Location - UTCO Fee 32C-25B-12-25
Township 12 South, Range 25 East
Section 25: Lot 4
Uintah County, Utah

Ladies and Gentlemen:

Pioneer Natural Resources USA, Inc. is proposing to drill a well in Lot 4 of Section 25, T12S, R25E, Uintah County Utah. You are a joint working interest owner with Pioneer Natural Resources USA, Inc. in the Utah-Colorado Oil Corporation Oil and Gas Lease covering the following lands:

Township 12 South, Range 25 East

Section 12: Lots 11, 14 and 15

Section 13: Lots 1-7, 10, 16, Lot 8: N/2, Lot 9: NE/4, Lot 12: SE/4

NW/4SW/4, SE/4SW/4, W/2NE/4SW/4, SE/4NE/4SW/4

Section 23: E/2

Section 24: W/2, Lots 14 and 15

Section 25: Lots 3, 4, 8-11, W/2

Uintah County, Utah

Utah Division of Oil, Gas and Mining rule R649-3-2 stipulates that in the absence of special orders, "each oil and gas well will be in the center of a 40 acre quarter-quarter section, or a substantially equivalent lot or tract or combination of lots or tracts as shown on the most recent governmental survey, with a tolerance of 200' in any direction from the center location, a "window" 400 square feet." In this case the well site is outside of the drilling window.

In accordance with R649-3-3, in order that Pioneer may continue its drilling program in the area, please acknowledge your consent to the exception location by signing, dating and returning **two** copies of this Exception to Location letter to our office in the enclosed envelope at your earliest convenience.

Thank you for your consideration in this regard. If you have any questions please feel free to contact the undersigned at 303-675-2691.

Sincerely,

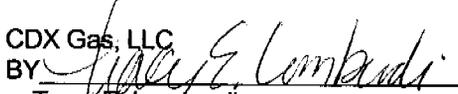
Pioneer Natural Resources USA, Inc.


Sharon Logan, Staff Landman

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JUN 14 2006

EXCEPTION TO THE LOCATION FOR THE UTCO FEE 32C-25B-12-25 IS GRANTED AND APPROVED THIS 8 DAY OF June, 2006.

DIV. OF OIL, GAS & MINING

CDX Gas, LLC
BY: 
Tracy E. Lombardi
Land/Engineering Technician

CDX Rockies, LLC
By: 
Tracy E. Lombardi
Land/Engineering Technician

BRAD J. OKERLUND

410 17TH STREET, SUITE 1340

DENVER, COLORADO 80202

PHONE 303/573-5582

FAX 303/623-9409

June 12, 2006

Utah Department of Natural Resources
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84111

RE: Applications for Permits to Drill
1. UTCO Fee #23C-25-12-25
2. UTCO Fee #32C-25B-12-25
3. UTCO Fee #43C-25-12-25
4. UTCO Fee #24C-24-12-25
Uintah County, Utah

Ladies and Gentlemen:

Pioneer Natural Resources USA, Inc. (Pioneer) has submitted Applications for Permits to Drill on the above reference wells. Utah-Colorado Oil Corporation (Utah-Colorado) is the surface and mineral owner of the subject lands and hereby approves the locations for said wells and the processing of the APDs. Utah-Colorado and Pioneer are in the process of finalizing the surface use agreement for the subject wells and Utah-Colorado does not want the permits to be held up pending finalization of the agreement.

Thank you for your consideration in this regard. If you have any question, please contact the undersigned at 303-573-5582.

Very truly yours,

Utah-Colorado Oil Corporation



Bradley J. Okerlund
Agent for Utah-Colorado Oil Corporation

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JUN 14 2006
DIV. OF OIL, GAS & MINING



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

October 19, 2006

Pioneer Natural Resource USA, Inc.
1401 17th St., Ste. 1200
Denver, CO 80202

Re: UTCO Fee 32C-25B-12-25 Well, 2269' FNL, 2908' FWL, Lot 4, Sec. 25,
T. 12 South, R. 25 East, Uintah County, Utah

Gentlemen:

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

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 43-047-38253.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor

Operator: Pioneer Natural Resource USA, Inc.
Well Name & Number UTCO Fee 32C-25B-12-25
API Number: 43-047-38253
Lease: Fee

Location: Lot 4 Sec. 25 T. 12 South R. 25 East

Conditions of Approval

1. **General**

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

2. **Notification Requirements**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**

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

4. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

5. Operator shall comply with applicable recommendations resulting from Resource Development Coordinating Committee review. Statements attached.

6. Cement volume for the 5 1/2" production string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to the surface.

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

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

CONFIDENTIAL

<p align="center">SUNDRY NOTICES AND REPORTS ON WELLS</p> <p align="center">Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT -- for such proposals</p>		6. Lease Designation and Serial Number Fee
		7. Indian Allottee or Tribe Name N/A
1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other (specify) CBM		8. Unit or Communitization Agreement Displacement Point
2. Name of Operator Pioneer Natural Resources USA, Inc.		9. Well Name and Number UTCO Fee #32C-25B-12-25
3. Address of Operator 1401 - 17th Street, Suite 1200, Denver, CO 80202	4. Telephone Number 303/298-8100	10. API Well Number 43-047-38253
5. Location of Well Footage : 2269' FNL and 2908' FWL County : Uintah QQ, Sec, T., R., M. : Lot 4 Section 25, T12S - R25E State : Utah		11. Field and Pool, or Wildcat Displacement Point/Mesaverde Coa

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

<p align="center">NOTICE OF INTENT (Submit in Duplicate)</p> <table border="0"> <tr><td><input type="checkbox"/> Abandonment</td><td><input type="checkbox"/> New Construction</td></tr> <tr><td><input type="checkbox"/> Casing Repair</td><td><input type="checkbox"/> Pull or Alter Casing</td></tr> <tr><td><input type="checkbox"/> Change of Plans</td><td><input type="checkbox"/> Recompletion</td></tr> <tr><td><input type="checkbox"/> Conversion to Injection</td><td><input type="checkbox"/> Shoot or Acidize</td></tr> <tr><td><input type="checkbox"/> Fracture Treat</td><td><input type="checkbox"/> Vent or Flare</td></tr> <tr><td><input type="checkbox"/> Multiple Completion</td><td><input type="checkbox"/> Water Shut-Off</td></tr> <tr><td><input checked="" type="checkbox"/> Other <u>Request 1 year extension of APD</u></td><td></td></tr> </table> <p>Approximate Date Work Will Start _____</p>	<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion	<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Shoot or Acidize	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off	<input checked="" type="checkbox"/> Other <u>Request 1 year extension of APD</u>		<p align="center">SUBSEQUENT REPORT (Submit Original Form Only)</p> <table border="0"> <tr><td><input type="checkbox"/> Abandonment *</td><td><input type="checkbox"/> New Construction</td></tr> <tr><td><input type="checkbox"/> Casing Repair</td><td><input type="checkbox"/> Pull or Alter Casing</td></tr> <tr><td><input type="checkbox"/> Change of Plans</td><td><input type="checkbox"/> Shoot or Acidize</td></tr> <tr><td><input type="checkbox"/> Conversion to Injection</td><td><input type="checkbox"/> Vent or Flare</td></tr> <tr><td><input type="checkbox"/> Fracture Treat</td><td><input type="checkbox"/> Water Shut-Off</td></tr> <tr><td><input type="checkbox"/> Other _____</td><td></td></tr> </table> <p>Date of Work Completion _____</p> <p><small>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form. * Must be accompanied by a cement verification report.</small></p>	<input type="checkbox"/> Abandonment *	<input type="checkbox"/> New Construction	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Shoot or Acidize	<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> Other _____	
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<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off																										
<input type="checkbox"/> Other _____																											

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Pioneer Natural Resources USA, Inc. requests a 1 year extension of the subject APD.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 09-11-07
By: [Signature]

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

Name & Signature Venessa Sangreder Title Consultant for Pioneer Natural Resources USA, Inc. Date 09/04/07

(State Use Only)

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SEP 07 2007

9-12-07
Rm

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

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

API: 43-047-38253

Well Name: UTCO Fee #32C-25B-12-25

Location: Lot 4 Section 25, T12S - R25E

Company Permit Issued to: Pioneer Natural Resources USA, Inc.

Date Original Permit Issued: 10/19/2006

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 location 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 would 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

Venessa Langmacher
Venessa Langmacher - Permitco Inc.

September 4, 2007
Date

Title: Consultant for Pioneer Natural Resources USA, Inc.

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SEP 07 2007

DIV. OF OIL, GAS & MINING



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

November 24, 2008

Pioneer Natural Resources USA, Inc.
1407 17TH Street, Ste. 1200
Denver, CO 80202

Re: APD Rescinded – UTCO Fee 32C-25B-12-25, Sec.25, T. 12S, R. 25E,
Uintah County, Utah API No. 43-047-38253

Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on September 19, 2006. On September 11, 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 November 24, 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
Brad Hill, Technical Service Manager

