



300 E. Mineral Ave., Suite 10
Littleton, CO 80122-2631
303/781-8211 303/781-1167 Fax

July 12, 2006

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.
Kings Canyon 11-32E – 2,146' FSL & 2,026' FWL, NE/4 SW/4
Section 32, T10S, R19E, 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 State administered vertical 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
Carla Christian, Dominion
Ken Secrest, Dominion

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JUL 17 2006

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-047059	6. SURFACE: State
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 checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			8. UNIT or CA AGREEMENT NAME: undesignated	
2. NAME OF OPERATOR: Dominion Exploration & Production, Inc.			9. WELL NAME and NUMBER: Kings Canyon 11-32E	
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: undesignated Natural Buttes	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2,146' FSL & 2,026' FWL, <i>601926x 39.902128</i> AT PROPOSED PRODUCING ZONE: 2,146' FSL & 2,026' FWL, <i>4417366y -109.806970</i>			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 32 10S 19E S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 14.60 miles southwest of Ouray, Utah			12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 2,026'	16. NUMBER OF ACRES IN LEASE: 560	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1,400'	19. PROPOSED DEPTH: 10,000	20. BOND DESCRIPTION: SITLA Blanket 76S 63050 361		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5,339' GR	22. APPROXIMATE DATE WORK WILL START: 9/15/2006	23. ESTIMATED DURATION: 14 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
12-1/4"	8-5/8"	J-55 ST	32#	2,000	see Drilling Plan
7-7/8"	5-1/2"	Mav 80 L	17#	10,000	see Drilling Plan

ATTACHMENTS

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

- WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
 EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER

- COMPLETE DRILLING PLAN
 FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

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NAME (PLEASE PRINT) Don Hamilton TITLE Agent for Dominion Exploration & Production, Inc.
SIGNATURE Don Hamilton DATE 7/12/2006

(This space for State use only)

API NUMBER ASSIGNED: 43-047-38378

Approved by the
Utah Division of
Oil, Gas and Mining
APPROVAL:

Date: 10-03-06
(See Instructions on Reverse Side)
By: [Signature]

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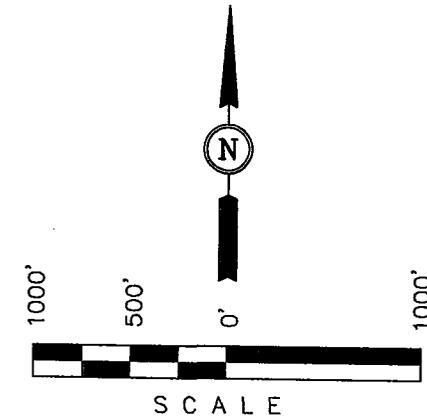
T10S, R19E, S.L.B.&M.

DOMINION EXPLR. & PROD., INC.

Well location, KINGS CANYON #11-32E, located as shown in the NE 1/4 SW 1/4 of Section 32, T10S, R19E, S.L.B.&M. Uintah County Utah.

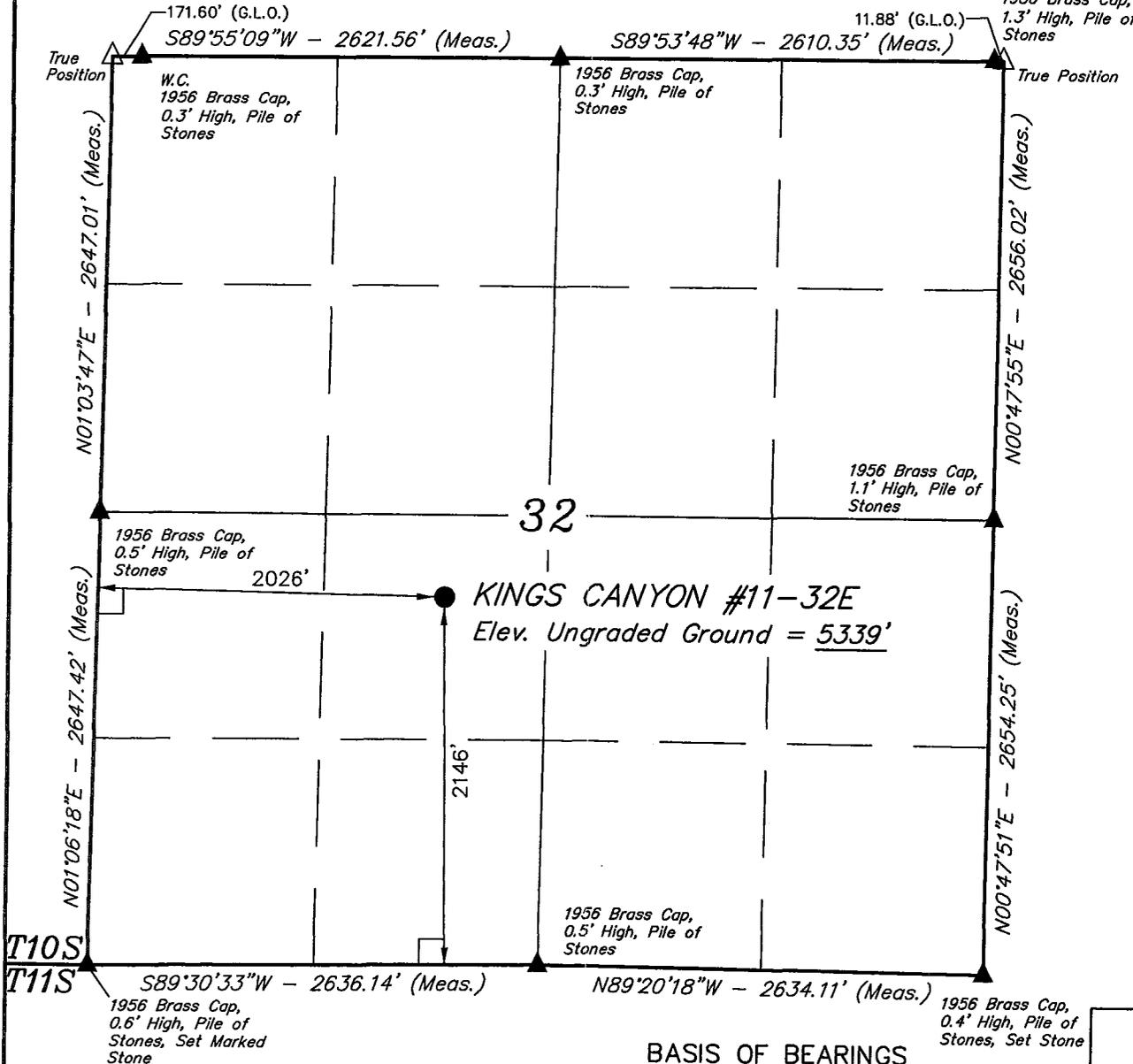
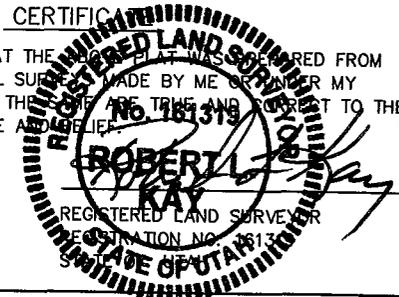
BASIS OF ELEVATION

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.



CERTIFICATION

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.



KINGS CANYON #11-32E
 Elev. Ungraded Ground = 5339'

BASIS OF BEARINGS

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

(NAD 83)
 LATITUDE = $39^{\circ}54'07.85''$ (39.902181)
 LONGITUDE = $109^{\circ}48'27.68''$ (109.807689)
 (NAD 27)
 LATITUDE = $39^{\circ}54'07.98''$ (39.902217)
 LONGITUDE = $109^{\circ}48'25.17''$ (109.806992)

LEGEND:

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

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

SCALE 1" = 1000'	DATE SURVEYED: 05-26-06	DATE DRAWN: 05-30-06
PARTY B.B. A.H. S.L.	REFERENCES G.L.O. PLAT	
WEATHER WARM	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: Kings Canyon 11-32E
2146' FSL & 2026' FWL
Section 32-10S-19E
Uintah County, UT

1. GEOLOGIC SURFACE FORMATION Uintah

2. ESTIMATED DEPTHS OF IMPORTANT GEOLOGIC MARKERS

<u>Formation</u>	<u>Depth</u>
Wasatch Tongue	3,870'
Green River Tongue	4,210'
Wasatch	4,350'
Chapita Wells	5,250'
Uteland Buttes	6,600'
Mesaverde	7,520'

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

<u>Formation</u>	<u>Depth</u>	<u>Type</u>
Wasatch Tongue	3,870'	Oil
Green River Tongue	4,210'	Oil
Wasatch	4,350'	Gas
Chapita Wells	5,250'	Gas
Uteland Buttes	6,600'	Gas
Mesaverde	7,520'	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'	10,000'	7-7/8"

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

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 surface to total depth. The blind rams will be tested once per day from surface to total depth if operations permit.

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DRILLING PLAN

APPROVAL OF OPERATIONS

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 out surface casing shoe and anytime a new casing string is set. 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.
- The mud system will be monitored manually/visually.

<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' – 10,000'	8.6	Fresh water/2% KCL/KCL mud system

7. BLOOIE LINE

- An automatic igniter will not be installed on blooie line. The blooie will have a 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 80' 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.

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

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DRILLING PLAN

APPROVAL OF OPERATIONS

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 one joint off bottom e) bottom three joints thread locked f) pump job with bottom plug only. Casing to be centralized with a total of 8 centralizers.
- 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>Volume</u>	<u>Cement</u> <u>Volume</u>
Lead	219	0'-1,500'	11.0 ppg	3.82 CFS	619 CF	836 CF
Tail	236	1,500'-2,000'	15.6 ppg	1.18 CFS	206 CF	279 CF
Top Out	100	0'-200'	15.6 ppg	1.18 CFS	87 CF	118 CF

Surface design volumes based on 35% excess of gauge hole.

Lead Mix: Halliburton 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 10,000'±, run and cement 5 1/2".
- Pump 20 bbl Mud Clean II unweighted spacer, followed by 20 Bbls fresh H2O spacer.
- Displace with 2% KCL.
- Production casing to be centralized with 30 centralizers.

<u>Type</u>	<u>Sacks</u>	<u>Interval</u>	<u>Density</u>	<u>Yield</u>	<u>Hole</u> <u>Volume</u>	<u>Cement</u> <u>Volume</u>
Lead	90	3,550'-4,350'	11.5 ppg	3.12 CFS	139 CF	277 CF
Tail	1120	4,350'-10,000'	13.0 ppg	1.75 CFS	979 CF	1958 CF

Production design volumes are estimates based on 35% excess of gauge hole. Actual volumes will be calculated from caliper log to bring lead cement to 800' above top of Wasatch + 15% excess, and tail cement to top of Wasatch + 15% excess.

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

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

13. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS

Starting Date: September 15, 2006
Duration: 14 Days

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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: Kings Canyon 11-32E
2146' FSL & 2026' FWL
Section 32-10S-19E
Uintah County, UT

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

An off-lease federal right-of-way is necessary prior to any construction outside of Section 32.

A state onsite inspection has previously been completed on June 27, 2006.

1. Existing Roads:
 - a. The proposed well site is located approximately 14.60 miles southwest 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 Kings Canyon area. 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 is needed for the off-lease portion (Section 33) of the access and pipeline corridor since both are located outside the existing state lease boundary.**

2. Planned Access Roads:

- a. From the existing Kings Canyon 1-32E access road an access is proposed trending west approximately 1.8 miles to the proposed well site. The access consists of entirely new disturbance and crosses no significant drainages. A road design plan is not anticipated at this time.
- b. The proposed access road will consist of a 24' travel surface within a 30' disturbed area.
- c. SITLA approval to construct and utilize the proposed access road is requested with this application. Federal surface use is being requested through a separate federal right-of-way application.
- d. A maximum grade of 10% will be maintained throughout the project with no cuts and fills required to access the well.
- e. No turnouts are proposed since the access road is only 1.8 miles long and adequate site distance exists in all directions.
- f. No culverts and several low water crossings are anticipated. Adequate drainage structures will be incorporated into the road.
- g. No surfacing material will come from SITLA, Federal or Indian lands.
- h. No gates or cattle guards are anticipated at this time.
- i. Surface disturbance and vehicular travel will be limited to the approved location access road.
- j. 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).
- k. 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 Calsbad Canyon / Desert Tan 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 location; 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 southwest side of the well site and traverse 1.8 miles east to the existing KC 1-32E pipeline corridor.
- i. The new gas pipeline will be an 8" or less 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 1.8 miles 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 SITLA, Federal or Tribal 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 northwest 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 16 mil minimum thickness plastic nylon reinforced liner material. The liner will overlay a felt liner pad. 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 south.
- c. The pad and road designs are consistent with SITLA specification
- d. A pre-construction meeting with responsible company representative, contractors and the SITLA 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 SITLA or the appropriate County Extension Office.
- 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 SITLA and the BLM.

11. Surface and Mineral Ownership:

a. Surface Ownership –

- i. Wellsite and west portion of the access and pipeline corridor: 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.
- ii. East portion of the access and pipeline corridor: Federal under the management of the Bureau of Land Management - Vernal Field Office, 170 South 500 East, Vernal, Utah 84078; 435-781-4400.

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 will conduct a Class III archeological survey. A copy of the report will be submitted under separate cover to the appropriate agencies by AIA Archaeological.
- b. Alden Hamblin will conduct a paleontological survey. A copy of the report will be submitted under separate cover to the appropriate agencies by Alden Hamblin.
- c. Additional information:
 - a. No drainage crossings that require additional State or Federal approval are being crossed.
 - b. No raptor habitat is known to exist within 1 mile of the proposed wellsite.
 - c. **An off-lease federal right-of-way is necessary prior to any construction associated with this well.**

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	1-435-719-2018

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 State and 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: 7-12-06

ORIGINAL

DOMINION EXPLR. & PROD., INC.
KINGS CANYON #11-32E
SECTION 32, T10S, R19E, S.L.B.&M.

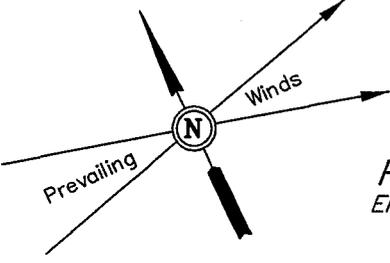
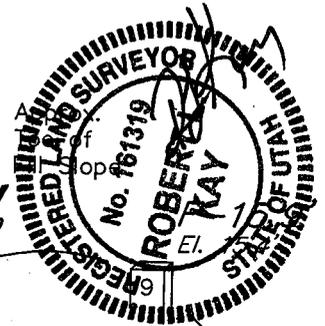
PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.1 MILES ON 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 WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 5.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #16-32E TO THE WEST; FOLLOW ROAD FLAGS IN A WESTERLY DIRECTION APPROXIMATELY 350' TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #14-32 TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY, THEN SOUTHWESTERLY, THEN NORHTERLY, THEN SOUTHWESTERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 1.6 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY, THEN NORTHWESTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 62.7 MILES.

DOMINION EXPLR. & PROD., INC.

LOCATION LAYOUT FOR

KINGS CANYON #11-32E
SECTION 32, T10S, R19E, S.L.B.&M.
2146' FSL 2026' FWL



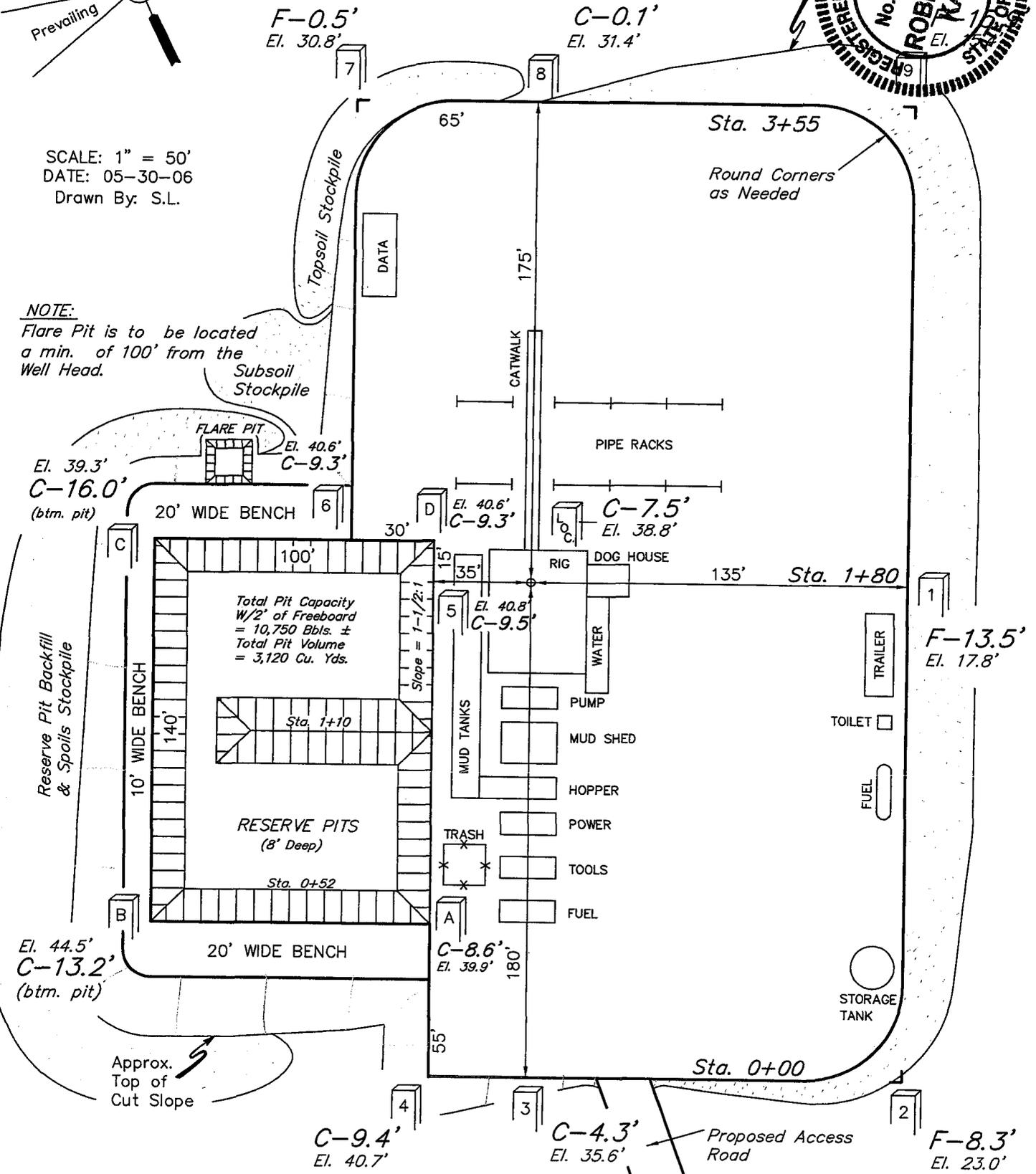
F-0.5'
El. 30.8'

C-0.1'
El. 31.4'

SCALE: 1" = 50'
DATE: 05-30-06
Drawn By: S.L.

NOTE:

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



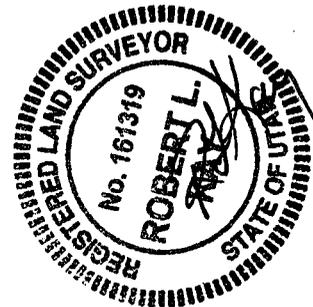
Elev. Ungraded Ground at Location Stake = 5338.8'
Elev. Graded Ground at Location Stake = 5331.3'

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

DOMINION EXPLR. & PROD., INC.

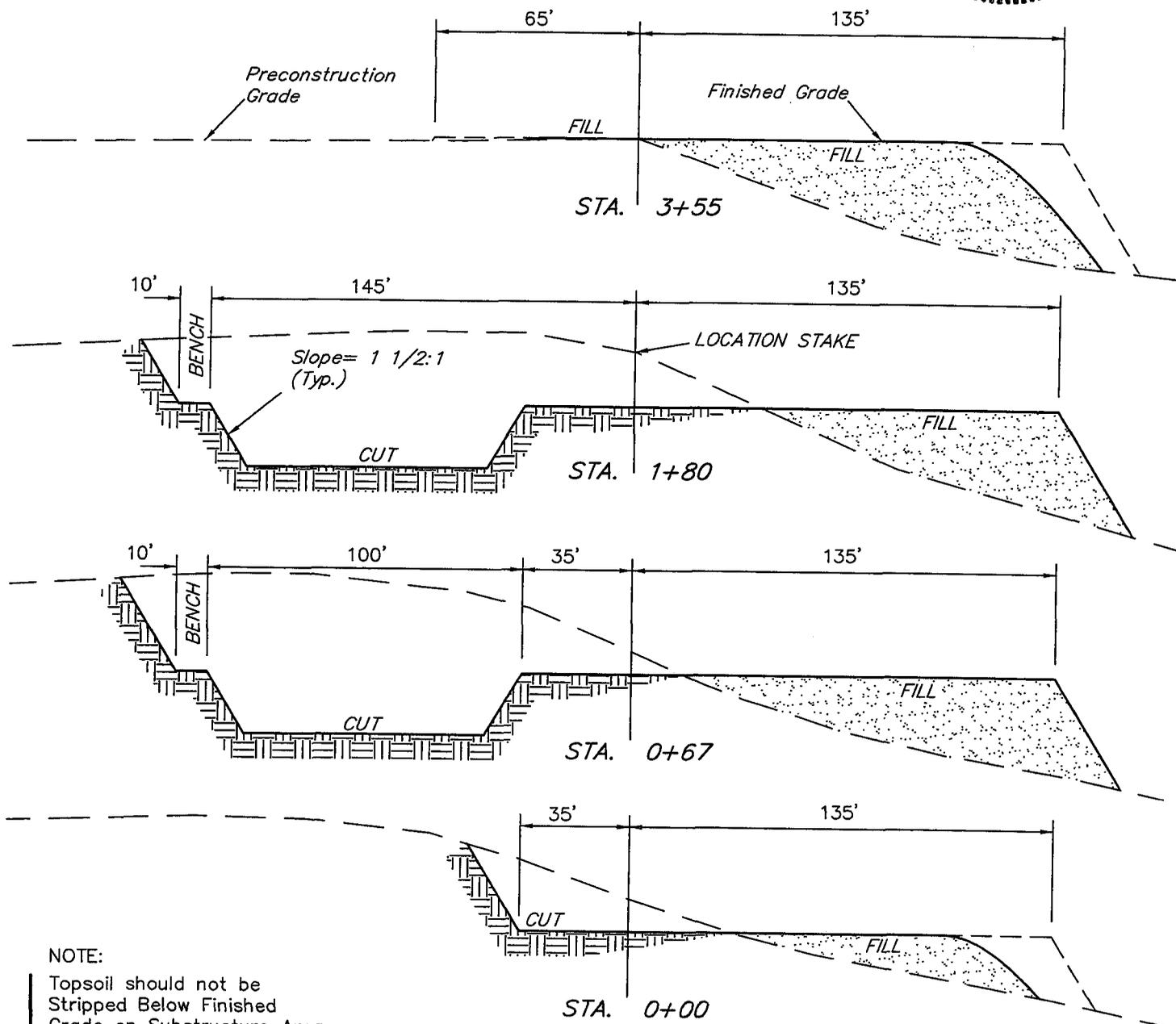
TYPICAL CROSS SECTIONS FOR

KINGS CANYON #11-32E
SECTION 32, T10S, R19E, S.L.B.&M.
2146' FSL 2026' FWL



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

DATE: 05-30-06
Drawn By: S.L.



NOTE:

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

APPROXIMATE YARDAGES

CUT	
(12") Topsoil Stripping	= 1,990 Cu. Yds.
Remaining Location	= 15,740 Cu. Yds.
TOTAL CUT	= 17,730 CU.YDS.
FILL	= 14,180 CU.YDS.

*** NOTE:**

FILL QUANTITY INCLUDES 5% FOR COMPACTION

EXCESS MATERIAL	= 3,550 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,550 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.

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

DOMINION EXPLR. & PROD., INC.
KINGS CANYON #11-32E
 LOCATED IN UINTAH COUNTY, UTAH
 SECTION 32, T10S, R19E, S.L.B.&M.

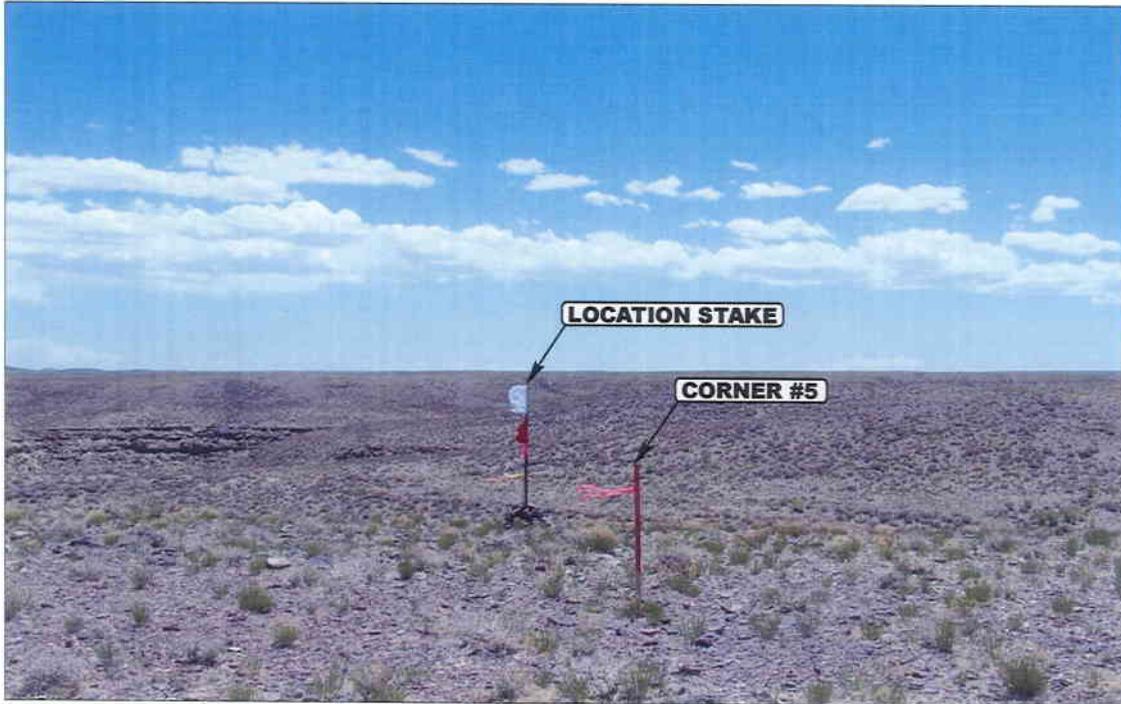


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY

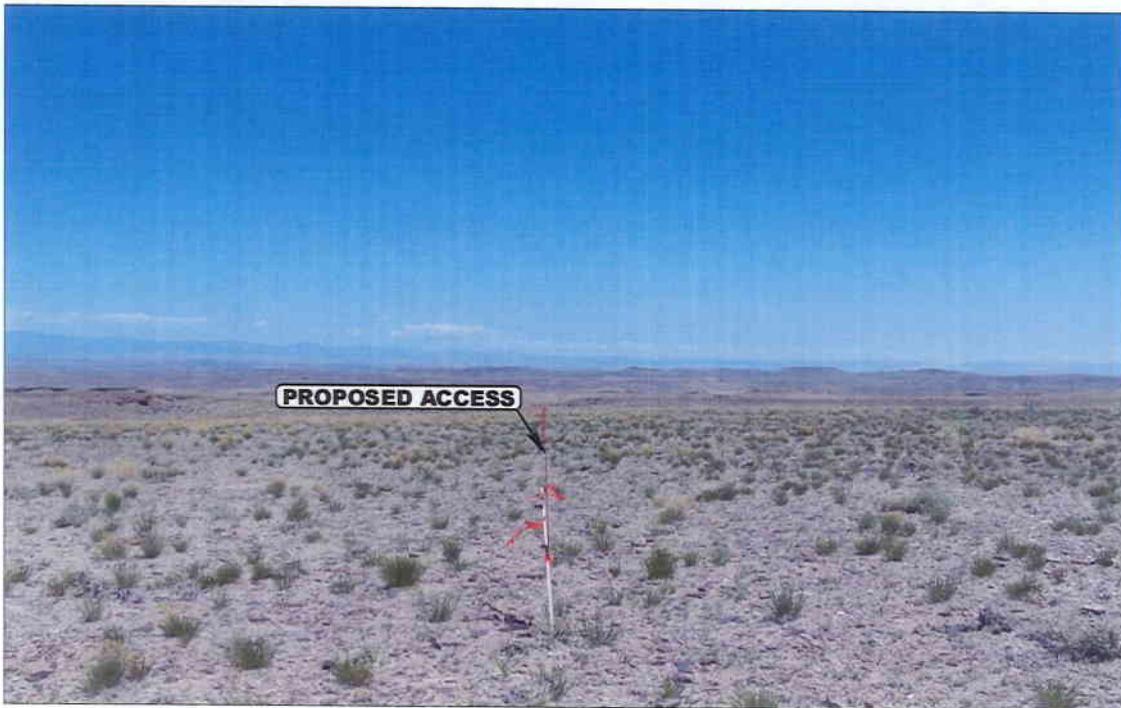


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

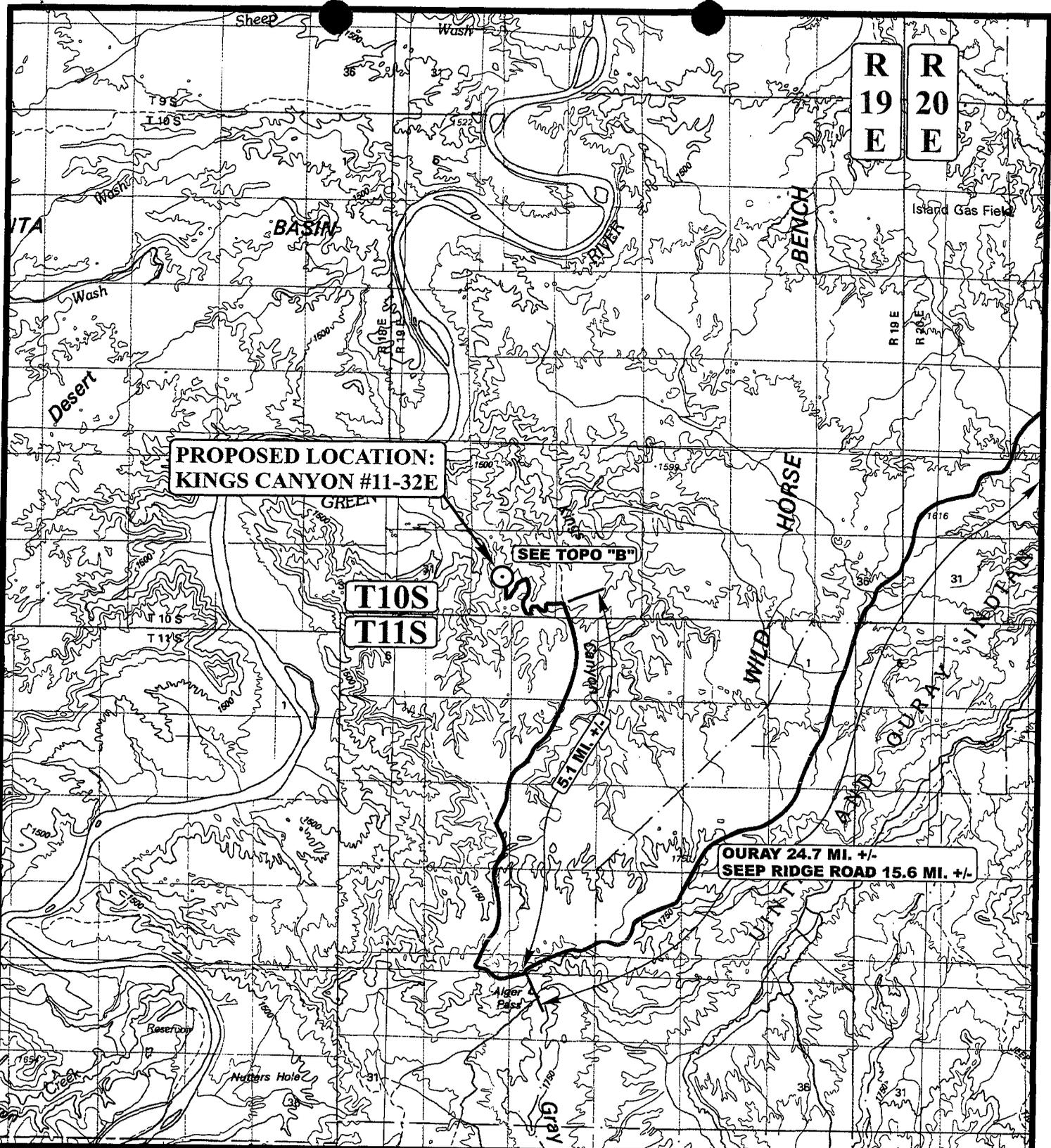
CAMERA ANGLE: NORTHEASTERLY



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

LOCATION PHOTOS	05	31	06	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: B.B.	DRAWN BY: C.H.	REVISED: 00-00-00		

- Since 1964 -



**PROPOSED LOCATION:
KINGS CANYON #11-32E**

SEE TOPO "B"

T10S

T11S

**OURAY 24.7 MI. +/-
SEEP RIDGE ROAD 15.6 MI. +/-**

LEGEND:

○ PROPOSED LOCATION



DOMINION EXPLR. & PROD., INC.

**KINGS CANYON #11-32E
SECTION 32, T10S, R19E, S.L.B.&M.
2146' FSL 2026' FFL**



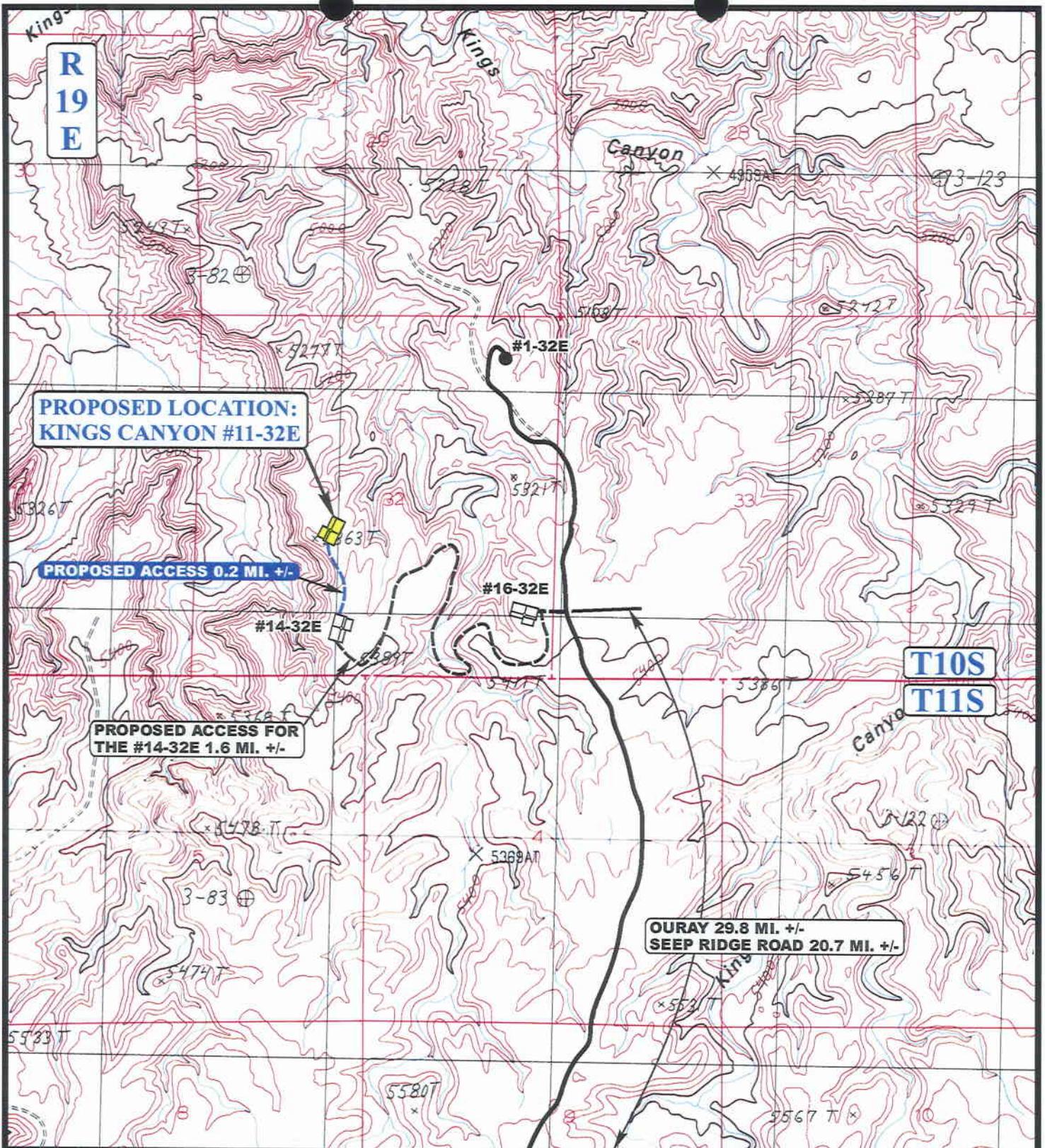
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

05 31 06
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: C.H. REVISED: 00-00-00





LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD



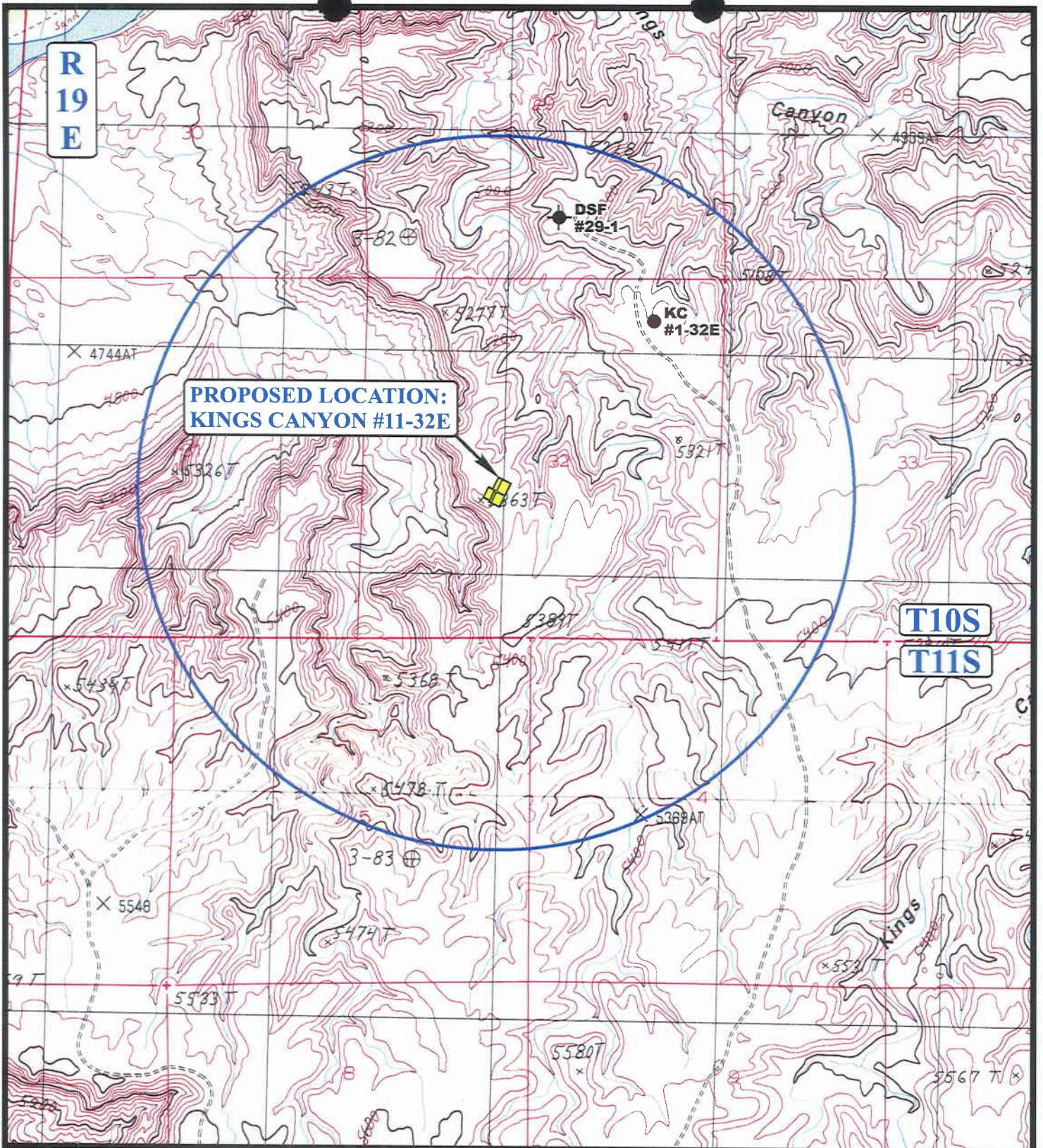
DOMINION EXPLR. & PROD., INC.

KINGS CANYON #11-32E
SECTION 32, T10S, R19E, S.L.B.&M.
 2146' FSL 2026' FEL

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

TOPOGRAPHIC MAP 05 31 06
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.H. REVISED: 00-00-00





LEGEND:

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



DOMINION EXPLR. & PROD., INC.

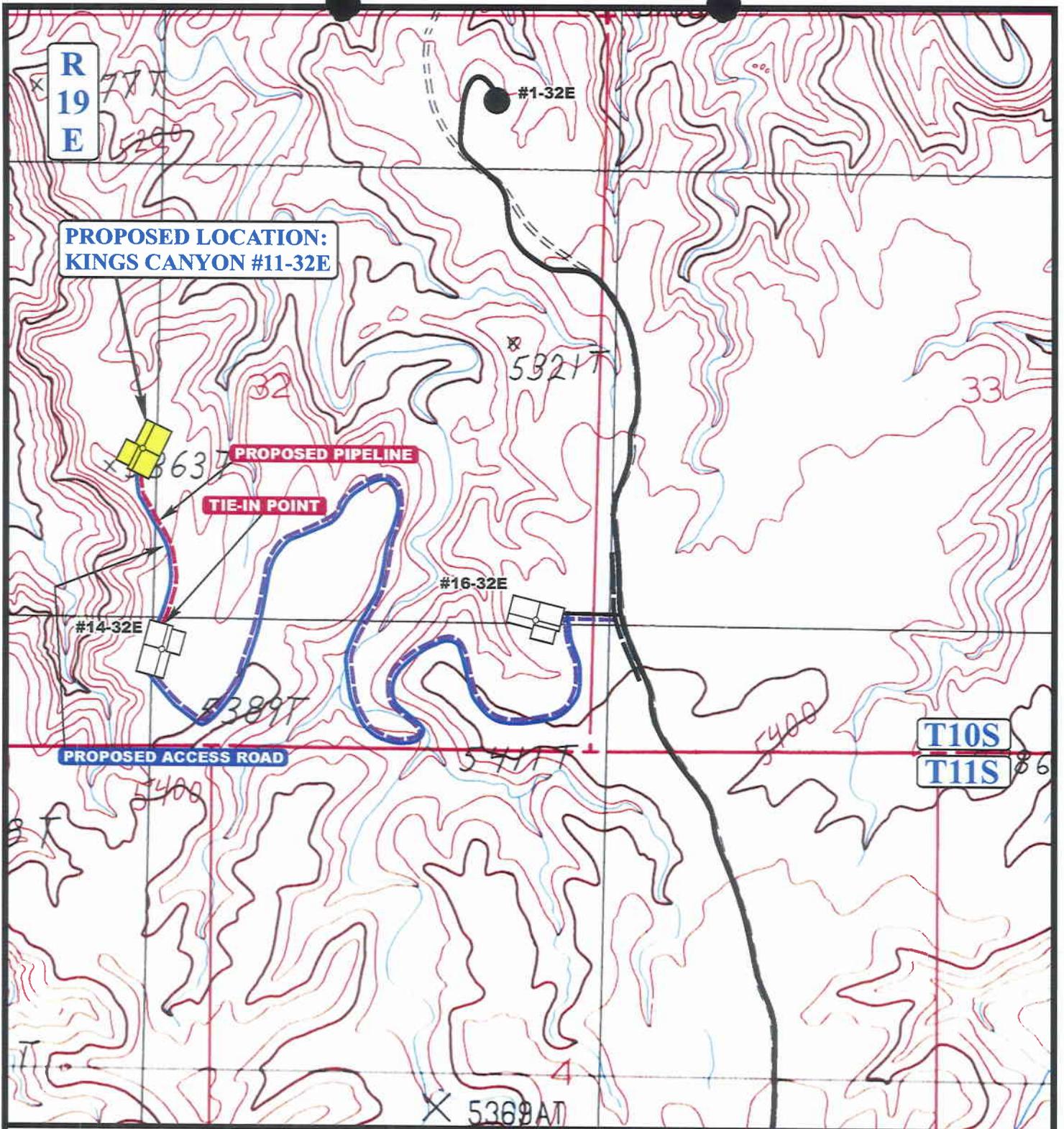
KINGS CANYON #11-32
SECTION 32, T10S, R19E, S.L.B.&M.
2146' FSL 2026' FEL



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

TOPOGRAPHIC 05 31 06
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.H. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 1140' +/-

LEGEND:

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



DOMINION EXPLR. & PROD., INC.

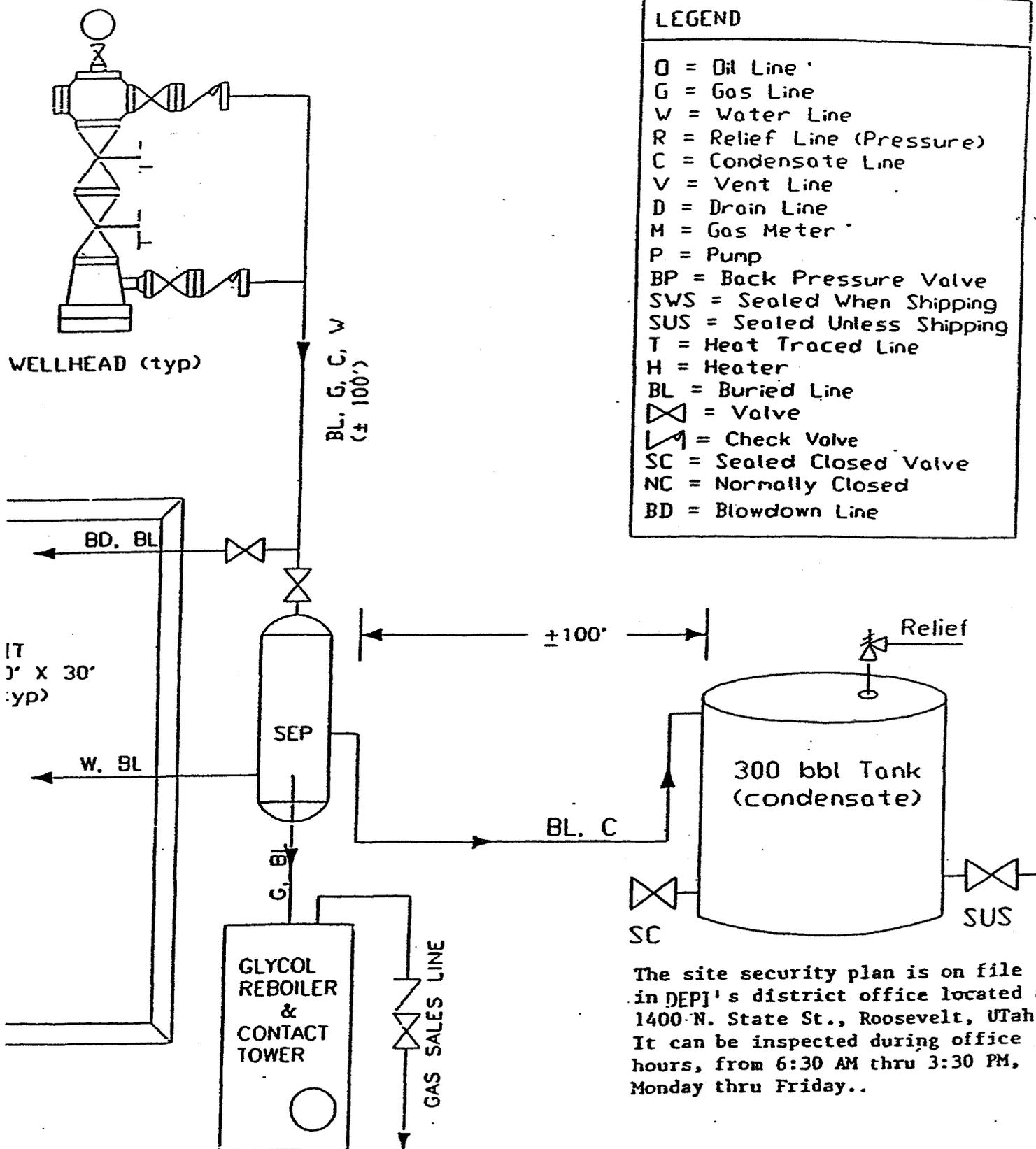
**KINGS CANYON #11-32E
SECTION 32, T10S, R19E, S.L.B.&M.
2146' FSL 2026' F&L**



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

TOPOGRAPHIC MAP
05 31 06
MONTH DAY YEAR
SCALE: 1" = 1000' DRAWN BY: C.H. REVISED: 00-00-00





LEGEND

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

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

BOP Equipment

3000psi WP

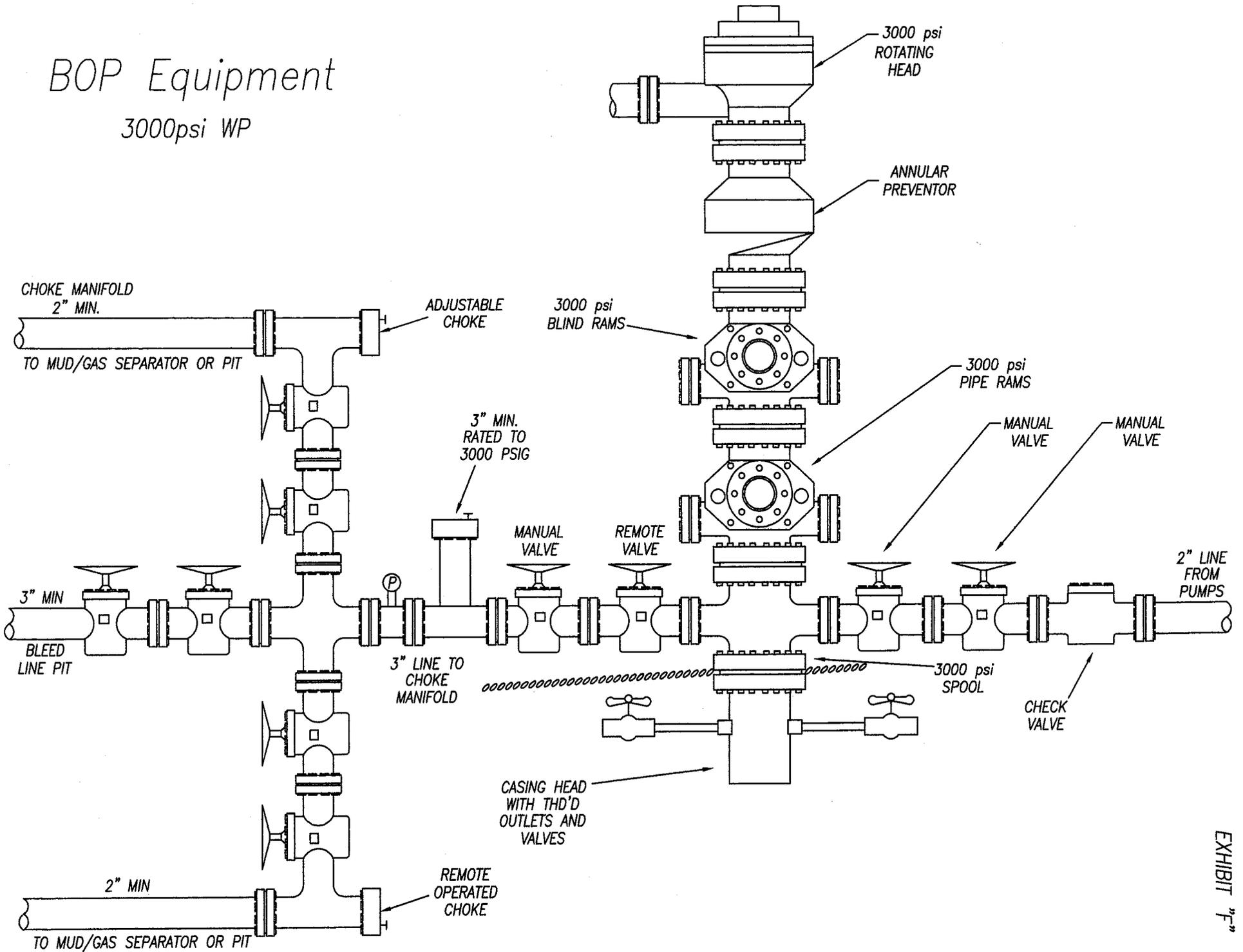


EXHIBIT "F"

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 07/17/2006

API NO. ASSIGNED: 43-047-38378

WELL NAME: KINGS CYN 11-32E
 OPERATOR: DOMINION EXPL & PROD (N1095)
 CONTACT: DON HAMILTON

PHONE NUMBER: 435-650-1886

PROPOSED LOCATION:

NESW 32 100S 190E
 SURFACE: 2146 FSL 2026 FWL
 BOTTOM: 2146 FSL 2026 FWL
 COUNTY: UINTAH
 LATITUDE: 39.90213 LONGITUDE: -109.8070
 UTM SURF EASTINGS: 601986 NORTHINGS: 4417366
 FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DCS	8/21/06
Geology		
Surface		

LEASE TYPE: 3 - State
 LEASE NUMBER: ML-047059
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: MVRD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. 76S63050600)
- N Potash (Y/N)
- N Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-10447)
- N RDCC Review (Y/N)
(Date: _____)
- N/A Fee Surf Agreement (Y/N)
- N/A 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:

Need Permit (06-27-06)

STIPULATIONS:

- 1- Spacing/SHIP
- 2- STATEMENT OF BASIS
- 3- Surface Csg Cont Stip

T10S R19E

NATURAL BUTTES FIELD

BHL 2-32E
KINGS CYN 2-32E

KINGS CANYON 1-32E

KC 8-32E

32

KINGS CYN 11-32E

KINGS CYN 9-32E

T11S R19E

OPERATOR: DOMINION EXPL & PROD (N1095)

SEC: 32 T.10S R.19E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

Field Status

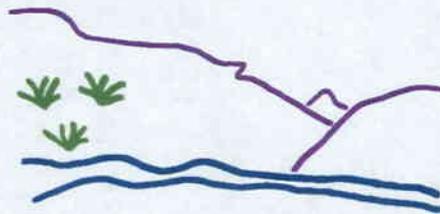
ABANDONED
ACTIVE
COMBINED
INACTIVE
PROPOSED
STORAGE
TERMINATED

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: 26-JULY-2006

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

OPERATOR: _____ DOMINION EXPLORATION & PRODUCTION, INC.
WELL NAME & NUMBER: _____ KC 11-32E
API NUMBER: _____ 43-047-38378
LOCATION: 1/4,1/4 NE/SW Sec:32 TWP:10S RNG: 19E 2026' FWL 2146' FSL

Geology/Ground Water:

Dominion proposes to set 2,000 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 4,800 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this location is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The proposed surface casing should adequately protect any near surface aquifers.

Reviewer: _____ Brad Hill _____ **Date:** _____ 07-31-2006 _____

Surface:

The pre-drill investigation of the surface was performed on 06/27/2006. This site is on State surface with State minerals. Ed Bonner and Jim Davis of SITLA and Ben Williams, Utah Division of Wildlife Resources, were invited to the presite. Mr. Davis and Mr. Williams attended. The location is located approximately 15 miles southwest of Ouray, Utah and in an area known as Wild Horse Bench. Drainages are into Kings Canyon, which drains into the Green River. All drainages in the area are dry or ephemeral. The only known water is in the Green River. The area consists of several large open flats with somewhat frequent and steep side-draws. The Uintah and Ouray Indian Reservation is to the east. This location is on a secondary ridge, which runs to the northeast from a main flat ridge toward the Green River. Approximately 1-½ miles of new road will be constructed to reach the location. About 200 feet of this road will require a ROW from the BLM, while the remainder is on SITLA lands. This road will require two switchbacks cut through breaks in the bedrock cliffs and dug-waying across a major draw. The location breaks off moderately steep on the north and east sides and is flatter on the southwest side. The east side will be constructed with fill. The ridge has a poor native desert shrub-grass vegetation cover with open spaces protected by a brown rock pavement. Surface run-off is light. Mr. Williams, of the UDWR stated the area is classified as yearlong critical habitat for antelope but water not forage is the factor limiting the growth of the herd. It is also classified as limited value yearlong habitat for deer and elk. He did not recommend any restrictions for any of these species. He also gave Don Hamilton (Consultant for Dominion) a recommended seed mix for re-vegetating the site. The pre-drill investigation did not reveal any significant issues or situations, which should prohibit access to or drilling of this well.

Reviewer: _____ Floyd Bartlett _____ **Date:** _____ 06/28/2006 _____

Conditions of Approval/Application for Permit to Drill: None

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

OPERATOR: DOMINION EXPLORATION & PRODUCTION, INC.

WELL NAME & NUMBER: KC 11-32E

API NUMBER: 43-047-37

LEASE: State ML-047059 **FIELD/UNIT:** Undesignated

LOCATION: 1/4,1/4 NE/SW Sec:32 TWP:10S RNG: 19E 2026' FWL 2146' FSL

GPS COORD (UTM): 601987 X; 4417319 Y **SURFACE OWNER:** S.I.T.L.A.

LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4,1/4 LINE; 920 F ANOTHER WELL.

PARTICIPANTS

Floyd Bartlett (DOGM), (Don Hamilton, Buys and Associates-Consultant), Ken Secrist and Karla Christian (Dominion), Jim Davis (SITLA), Ben Williams (UDWR), Brandon Bowthorpe (U.E.L.S.), Bill McClure and Randy Jackson, (Dirt Contractors).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

The general area is located approximately 15 miles southwest of Ouray, Utah and is known as Wild Horse Bench. Drainages are into Kings Canyon, which drains into the Green River. All drainages in the area are dry or ephemeral. The only known water is in the Green River. The area consists of several large open flats with somewhat frequent and steep side-draws. The Uintah and Ouray Indian Reservation is to the east.

This location is on a secondary ridge, which runs to the northeast from a main flat ridge toward the Green River. Approximately 1-½ miles of new road will be constructed to reach the location. About 200 feet of this road will require a ROW from the BLM, while the remainder is on SITLA lands. This road will require two switchbacks cut through breaks in the bedrock cliffs and dug-waying across a major draw. The location breaks off moderately steep on the north and east sides and is flatter on the southwest side. The east side will be constructed with fill. The ridge has a poor native desert shrub-grass vegetation cover with open spaces protected by a brown rock pavement. Surface run-off is light.

SURFACE USE PLAN

CURRENT SURFACE USE: Wildlife and Livestock Grazing, Hunting.

PROPOSED SURFACE DISTURBANCE: Approximately 1 ½ miles of access road and a location 355' by 200' with the reserve pit and stockpiles of spoils outside this area.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: Kings Canyon 1-32E which is approximately ¾ mile to the northeast. Also an abandoned well DSF #29-1 is about 1 mile to the north. Other wells are planned within this 1 mile radius.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All production facilities will be on location and added after drilling well. Pipeline

1,140 feet long will follow the access road and tie into a pipeline planned for the KC 14-32E.

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. Area is isolated. Most activity in general area is oilfield related.

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: Poorly vegetated with shadscale, broom snake-weed and curly mesquite. Pronghorn, coyotes, songbirds, raptors, rodents, rabbits, deer, elk, wild horses.

SOIL TYPE AND CHARACTERISTICS: Moderately deep, light brown sandy loam with brown fractured rock pavement.

EROSION/SEDIMENTATION/STABILITY: Very little natural erosion. No stability problems are anticipated with the location.

PALEONTOLOGICAL POTENTIAL: Survey has been completed and will be submitted.

RESERVE PIT

CHARACTERISTICS: 140' by 100' and eight feet deep. Reserve pit is located within a cut on the south west side of the location.

LINER REQUIREMENTS (Site Ranking Form attached): Although not required by the pit characteristics, a 16 mil liner with a felt sub-liner is proposed by the operator for the reserve pit. Sensitivity level II.

SURFACE RESTORATION/RECLAMATION PLAN

As per surface use agreement.

SURFACE AGREEMENT: SITLA lease.

CULTURAL RESOURCES/ARCHAEOLOGY: An archeologist has inspected the site. A copy of this report will be submitted to the State of Utah.

OTHER OBSERVATIONS/COMMENTS

Ben Williams representing the UDWR stated the area is classified as yearlong critical habitat for antelope but water not forage is the factor limiting the growth of the herd. It is also classified as limited value yearlong habitat for deer and elk. He did not recommend any restrictions for any of these species. He furnished Jim Davis of SITLA and Don Hamilton, Dominion Permit Agent copies of his evaluation and a recommended deed mix to be used when the site is re-vegetated.

ATV's were used to reach the location.

The investigation was conducted on a sunny, hot day.

ATTACHMENTS

Photos of this site were taken and placed on file.

Floyd Bartlett
DOGM REPRESENTATIVE

06/27/2006 11:00 AM
DATE/TIME

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

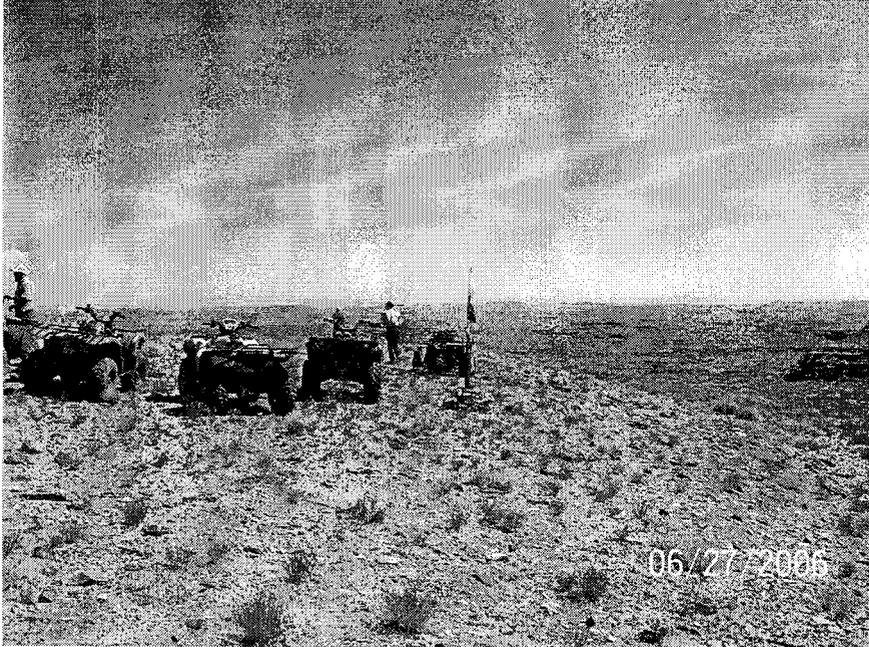
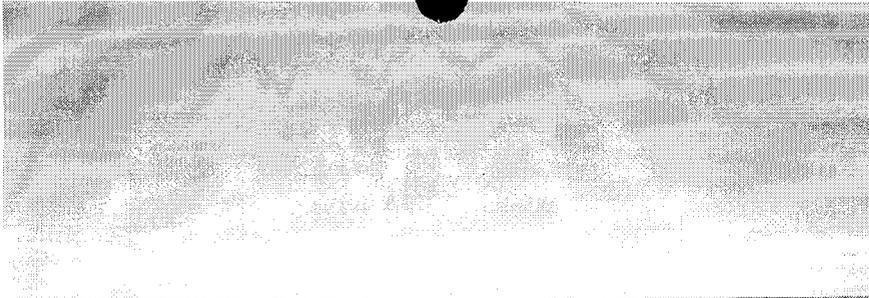
<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal 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>

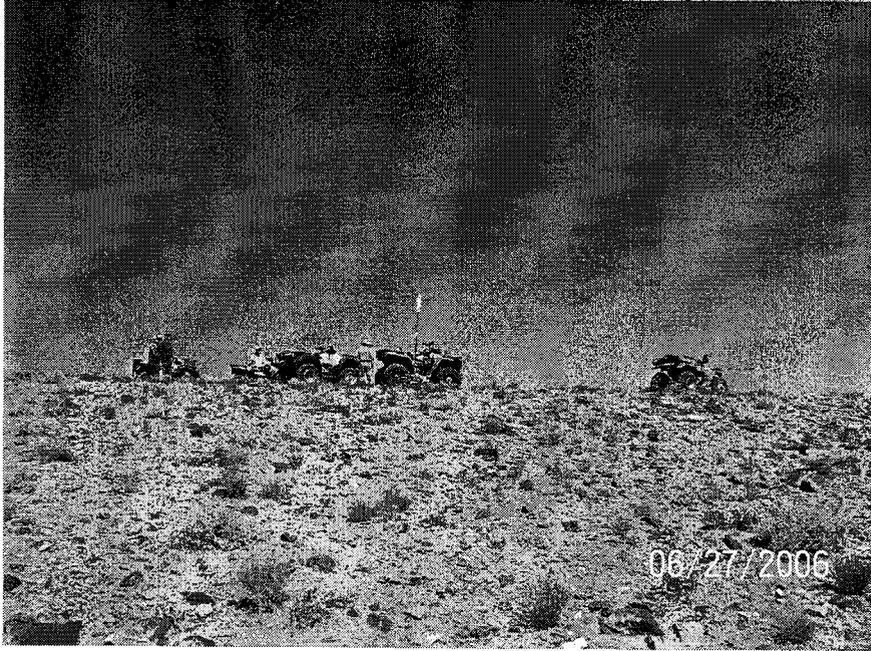
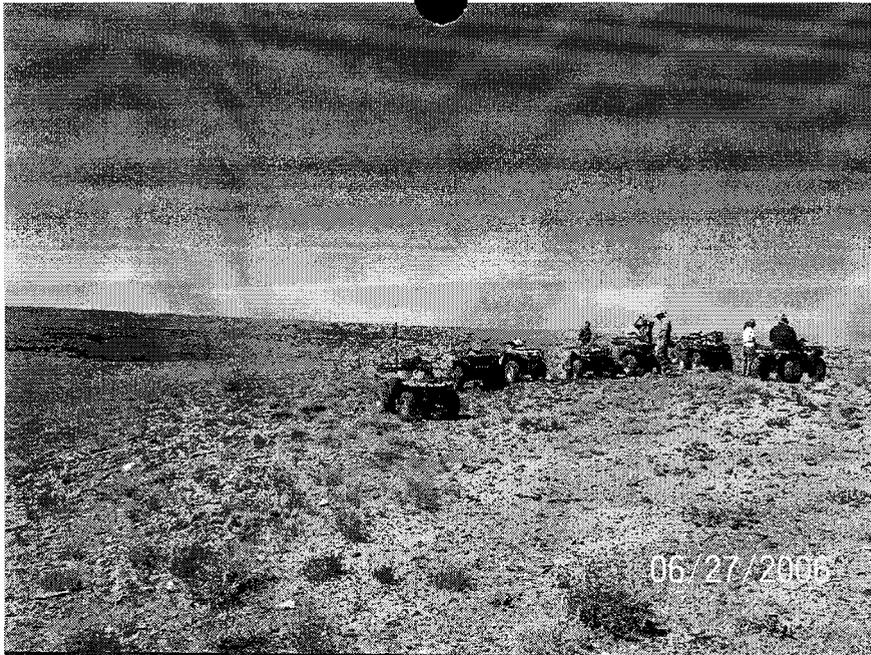
Final Score 15 (Level II)

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

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

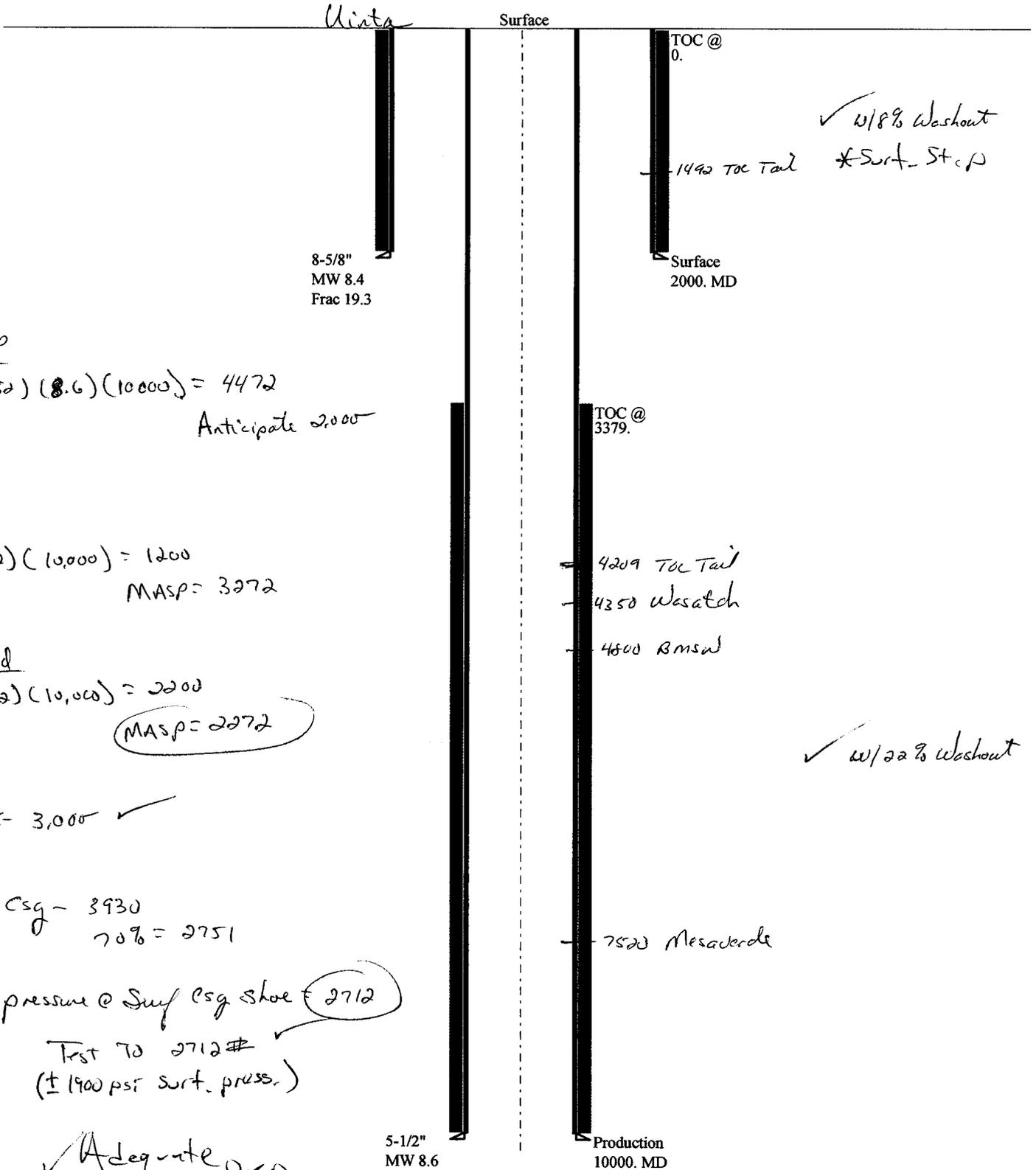
Sensitivity Level III = below 15; no specific lining is required.





08-06 Dominion Kings Cyn 11-32E

Casing Schematic



BHP

$$(0.052)(8.6)(10000) = 4472$$

Anticipate 2000

Gas

$$(0.12)(10,000) = 1200$$

MASP = 3272

Fluid

$$(0.22)(10,000) = 2200$$

MASP = 2272

BoRE = 3,000 ✓

Surf csg - 3930
70% = 2751

Max pressure @ Surf csg shoe = 2712

Test to 2712#
(± 1900 psi surf. press.)

✓ Adequate DUD 8/21/08

✓ w/8% Washout
*Surf. St. c.p

✓ w/22% Washout

Well name:	08-06 Dominion Kings Cyn 11-32E	
Operator:	Dominion Exploration and Production	
String type:	Surface	Project ID: 43-047-38378
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

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 103 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 250 ft

Burst

Max anticipated surface pressure: 1,686 psi
Internal gradient: 0.120 psi/ft
Calculated BHP: 1,926 psi

No backup mud specified.

Burst:

Design factor 1.00

Cement top: Surface

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: 1,750 ft

Re subsequent strings:

Next setting depth: 10,000 ft
Next mud weight: 8.600 ppg
Next setting BHP: 4,468 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 1,915 ft
Injection pressure: 1,915 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	1926	3930	2.04	56	372	6.64 J

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

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

Date: August 8, 2006
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 2000 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.

Well name:	08-06 Dominion Kings Cyn 11-32E		
Operator:	Dominion Exploration and Production		
String type:	Production	Project ID:	43-047-38378
Location:	Uintah County		

Design parameters:

Collapse

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

Burst

Max anticipated surface pressure: 1,004 psi
 Internal gradient: 0.346 psi/ft
 Calculated BHP: 4,467 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 buoyed weight.
 Neutral point: 8,696 ft

Environment:

H2S considered? No
 Surface temperature: 75 °F
 Bottom hole temperature: 215 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,500 ft
 Cement top: 3,379 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	10000	5.5	17.00	Mav-80	LT&C	10000	10000	4.767	344.6
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	4467	6290	1.408	4467	7740	1.73	148	273	1.85 B

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

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

Date: August 8, 2006
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 10000 ft, a mud weight of 8.6 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.

From: Ed Bonner
To: Whitney, Diana
Date: 10/3/2006 1:43:10 PM
Subject: Well Clearance

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

Dominion E&P, Inc

Kings Canyon 2-32E (API 43 047 38261)
Kings Canyon 9-32E (API 43 047 38262)
Kings Canyon 11-32E (API 43 047 38378)
LCU 3-36F (API 43 047 37986)
LCU 6-36F (API 43 047 37999)
LCU 8-36F (API 43 047 37988)
LCU 10-36F (API 43 047 37987)
LCU 13-36F (API 43 047 37989)
LCU 15-36F (API 43 047 38260) 1 significant site which must be avoided
LCU 11-36F (API 43 047 38026)

Fellows Energy, LLC

Gordon Creek State 4-7-14-8 (API 43 007 31230)
Gordon Creek State 1-7-14-8 (API 43 007 31231)
Gordon Creek State 3-7-14-8 (API 43 007 31232)
Gordon Creek State 3-20-14-8 (API 43 007 31233)
Gordon Creek State 2-29-14-8 (API 43 007 31234) 1 significant site in access/pipeline corridor which must be avoided
Gordon Creek State 1-30-14-8 (API 43 007 31235) 1 significant site in access/pipeline corridor which must be avoided

Gasco Production Company

State 4-32A (API 43 047 38533)

Kerr McGee Oil & Gas Onshore LP

NBU 922-32L-4T (API 43 047 38568)
NBU 922-31A-4T (API 43 047 38561)
NBU 922-31J-1T (API 43 047 38566)
NBU 922-31K-2T (API 43 047 38565)
NBU 922-31P-3T (API 43 047 38564)
NBU 922-31P-1 (API 43 047 38560)
NBU 1022-7B-3T (API 43 047 38571)
NBU 1022-10C-1 (API 43 047 38562)

If you have any questions regarding this matter please give me a call.

CC: Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil



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 3, 2006

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

Re: Kings Canyon 11-32E Well, 2146' FSL, 2026' FWL, NE SW, Sec. 32,
T. 10 South, R. 19 East, Uintah County, Utah

Gentlemen:

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

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 43-047-38378.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA

Page 2

43-047-38378

October 3, 2006

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

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

TO: (New Operator):
 N2615-XTO Energy Inc
 810 Houston St
 Fort Worth, TX 76102

Phone: 1 (405) 749-1300

Phone: 1 (817) 870-2800

CA No.

Unit:

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.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: XTO Energy Inc. <i>N2615</i>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 810 Houston Street CITY Fort Worth STATE TX ZIP 76102		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: SEE ATTACHED QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		8. WELL NAME and NUMBER: SEE ATTACHED
PHONE NUMBER: (817) 870-2800		9. API NUMBER: SEE ATTACHED
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: 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"/> 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 91271107
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

7

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
<input type="checkbox"/>	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
<input type="checkbox"/>	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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If so, has the surface agreement been updated?	<input type="checkbox"/>	<input type="checkbox"/>
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Has the approved source of water for drilling changed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is bonding still in place, which covers this proposed well? Bond No. <u>104312762</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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	twp	rng	lease_num	entity	Lease	well	stat
4303930028	SKYLINE U 14-28	SESW	28	140S	060E	UTU-77262			Federal	GW	APD
4303930029	SKYLINE U 8-7	SENE	07	150S	060E	UTU-78415			Federal	GW	APD
4304737195	KC 6-33E	SENW	33	100S	190E	UTU-49522			Federal	OW	APD
4304737196	KC 9-33E	NESE	33	100S	190E	UTU-49522			Federal	OW	APD
4304737197	KC 11-33E	NESW	33	100S	190E	UTU-49522			Federal	OW	APD
4304738075	LCU 7-9H	NWSE	09	110S	200E	UTU-76265			Federal	GW	APD
4304738689	RBU 15-8E	NENE	17	100S	190E	U-013766			Federal	GW	APD
4304738783	KC 14-33E	SESW	33	100S	190E	UTU-49522			Federal	GW	APD
4304738868	LOVE 12-20G	NWSW	20	110S	210E	UTU-076040			Federal	GW	APD
4304738889	KC 9-31E	NESE	31	100S	190E	UTU-81719			Federal	GW	APD
4304738890	KC 13-31E	SWSW	31	100S	190E	UTU-81719			Federal	GW	APD
4304738891	KC 12-33E	NWSW	33	100S	190E	UTU-49522			Federal	GW	APD
4304738948	KC 14-31E	SESW	31	100S	190E	UTU-081719			Federal	GW	APD
4304738949	KC 3-33E	NENW	33	100S	190E	UTU-49522			Federal	GW	APD
4304739051	KC 15-31E	SWSE	31	100S	190E	UTU-81719			Federal	GW	APD
4304739068	KC 7-33E	SWNE	33	100S	190E	UTU-49522			Federal	GW	APD
4304739069	KC 13-33E	SWSW	33	100S	190E	UTU-49522			Federal	GW	APD
4304739070	KC 15-33E	SWSE	33	100S	190E	UTU-49522			Federal	GW	APD
4304739415	WHB 4-5H	NWNW	05	110S	200E	UTU-39223			Federal	GW	APD
4304739416	WHB 12-5H	NWSW	05	110S	200E	UTU-39223			Federal	GW	APD
4304739417	WHB 13-5H	SWSW	05	110S	200E	UTU-39223			Federal	GW	APD
4304739440	WHB 4-8H	NWNW	08	110S	200E	UTU-39223			Federal	GW	APD
4304739441	WHB 5-5H	NWNW	05	110S	200E	UTU-39223			Federal	GW	APD
4304738262	KINGS CYN 9-32E	NESE	32	100S	190E	ML-047059			State	GW	APD
4304738342	LCU 12-12H	NWSW	12	110S	200E	FEE			Fee	GW	APD
4304738378	KINGS CYN 11-32E	NESW	32	100S	190E	ML-047059			State	GW	APD
4304738690	KINGS CYN 11-36D	NESW	36	100S	180E	ML-47058			State	GW	NEW
4304738779	KC 5-36D	SWNW	36	100S	180E	ML-47058			State	GW	APD
4304738781	KC 6-32E	SENW	32	100S	190E	ML-47059			State	GW	APD
4304738782	KC 15-32E	NWSE	32	100S	190E	ML-047059			State	GW	APD
4304738786	AP 11-2J	NESW	02	110S	190E	ML-36213			State	GW	APD
4304738787	AP 13-2J	SWSW	02	110S	190E	ML-36213			State	GW	APD
4304738950	KC 13-32E	SESW	32	100S	190E	ML-047059			State	GW	APD
4304739218	KC 14-32E	SESW	32	100S	190E	ML-047059			State	GW	APD
4304739219	KC 16-32E	SESE	32	100S	190E	ML-047059			State	GW	APD
4304739222	LCU 14-12H	SESW	12	110S	200E	FEE			Fee	GW	APD
4304739315	AP 12-2J	NWSW	02	110S	190E	ML-36213			State	GW	NEW

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-47059
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
			7. UNIT or CA AGREEMENT NAME: Undesignated
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: Kings Canyon 11-32E		9. API NUMBER: 4304738378
2. NAME OF OPERATOR: XTO Energy	3. ADDRESS OF OPERATOR: P.O. Box 1360 Roosevelt CO ZIP 84066		10. FIELD AND POOL, OR WILDCAT: Undesignated
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2,146' FSL & 2,026 FWL		COUNTY: Uintah	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 32 10S 19E S		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 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 checked="" 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 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 first extension that has been requested.

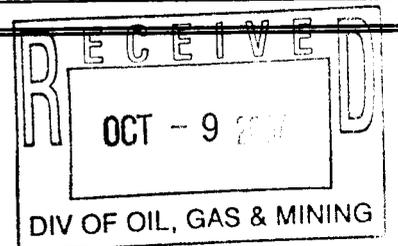
Approved by the
Utah Division of
Oil, Gas and Mining

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)

10-11-07
RM



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

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

API: 4304738378
Well Name: Kings Canyon 11-32E
Location: 32 10S 19E 2,146' FSL & 2,026' FWL
Company Permit Issued to: XTO Energy
Date Original Permit Issued: 10/3/2006

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 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

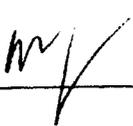
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

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

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-47059
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 CA AGREEMENT NAME: Kings Canyon
2. NAME OF OPERATOR: XTO Energy, Inc.		8. WELL NAME and NUMBER: KINGS CYN 11-32E
3. ADDRESS OF OPERATOR: P.O. Box 1360 CITY Roosevelt STATE UT ZIP 84066		9. API NUMBER: 4304738378
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2,146' FSL & 2,026' FWL		10. FIELD AND POOL, OR WILDCAT: Undesignated
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 32 10S 19E 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"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <u>Permit Extension</u>

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

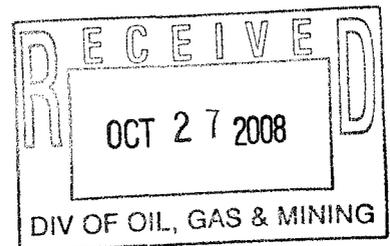
XTO Energy, Inc. hereby requests a one year extension of the state permit for the referenced well.
This is the second extension that has been requested.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 10/30/08
By: D. Johnson

NAME (PLEASE PRINT) <u>Kendell Johnson</u>	TITLE <u>Agent for XTO Energy, Inc.</u>
SIGNATURE <u>Kendell Johnson</u>	DATE <u>9/22/2008</u>

(This space for State use only)



(5/2000) COPY SENT TO OPERATOR (See Instructions on Reverse Side)
Date: 10/30/2008
Initials: KJ



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

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

API: 4304738378
Well Name: KINGS CYN 11-32E
Location: 2,146' FSL & 2,026' FWL Sec. 32, 10S-19E
Company Permit Issued to: XTO Energy, Inc.
Date Original Permit Issued: 10/3/2006

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 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

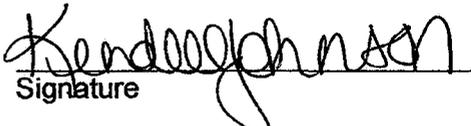
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

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

9/22/2008
Date

Title: Kendell Johnson

Representing: XTO Energy, Inc.



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 5, 2009

XTO Energy Inc.
382 Road 3100
Aztec, NM 87410

Re: APD Rescinded – Kings Canyon 11-32E, Sec. 32 T. 10S, R. 19E
Uintah County, Utah API No. 43-047-38378

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on October 3, 2006. On October 10, 2007 and October 30, 2008 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 5, 2009. 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

