



September 1, 2006

Bureau of Land Management  
Vernal Field Office  
170 S. 500 E.  
Vernal, UT 84078

Attn: Minerals Department

Re: All Wells  
Uintah and Duchesne Counties, Utah

Ladies and Gentlemen:

This letter is to inform you that Permitco, Inc. and Shon McKinnon are authorized to act as Agent and to sign or retrieve documents on behalf of Gasco Production Company, a wholly owned subsidiary of Gasco Energy, Inc. when necessary for filing county, state and federal permits including Onshore Order No. 1, Right of Way applications, etc., for the above mentioned wells.

It should be understood that Permitco, Inc. and Shon McKinnon are acting as Agent only in those matter stated above and are not responsible for drilling, completion, production or compliance with regulations.

Gasco Production Company agrees to accept full responsibility for operations conducted in order to drill, complete and produce the above mentioned wells.

Yours very truly,

A handwritten signature in black ink, appearing to read "Mark A. Erickson".

Mark A. Erickson  
President and CEO

Handwritten initials "MKD" enclosed in a hand-drawn circle.

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

FORM 3

AMENDED REPORT   
(highlight changes)

<b>APPLICATION FOR PERMIT TO DRILL</b>		5. MINERAL LEASE NO.: <b>UTU-13820</b>	6. SURFACE: <b>BLM</b>
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>N/A</b>	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		8. UNIT or CA AGREEMENT NAME: <b>N/A</b>	
2. NAME OF OPERATOR: <b>Gasco Production Company</b>		9. WELL NAME and NUMBER: <b>Uteland Federal #42-3-10-18</b>	
3. ADDRESS OF OPERATOR: <b>8 Inverness Drive East, Suite 100, Englewood, CO 80112</b>		PHONE NUMBER: <b>303-483-0044</b>	10. FIELD AND POOL, OR WILDCAT: <b><del>Wildcat</del> Uteland Butte <sup>095</sup></b>
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: <b>596319 X</b> AT PROPOSED PRODUCING ZONE: <b>SE NE</b>		<b>44255074 39.976127</b> <b>1467' FNL and 725' FEL</b> <b>-109.872042</b>	11. QTR/QTR, SECTION, TOWNSHIP, RANGE MERIDIAN: <b>Sec. 3, T10S-R18E</b>
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: <b>Approximately 24.6 miles southeast of Myton, UT</b>		12. COUNTY: <b>Uintah</b>	13. STATE: <b>Utah</b>
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) <b>725'</b>	16. NUMBER OF ACRES IN LEASE: <b>2519.15</b>	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: <b>40 Acres; SE NE</b>	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET): <b>Approx. 3450'</b>	19. PROPOSED DEPTH: <b>12,655'</b>	20. BOND DESCRIPTION: <b>Bond #UT-1233</b>	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): <b>4993' GL</b>	22. APPROXIMATE DATE WORK WILL START: <b>ASAP</b>	23. ESTIMATED DURATION: <b>35 Days</b>	

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
17-1/2"	13-3/8", H40, 48#	200'	200 sx Premium Type 5, 15.6 ppg, 1.18 yield
12-1/4"	8-5/8", J-55, 32#	3,418'	567 sx Hi-Lift, 11 ppg, 3.91 yield & 185 sx 10-2 RFC, 14.2 ppg, 1.63 yield
7-7/8"	4-1/2", P110, 13.5#	12,655'	523 sx Hi-Lift, 11.5 ppg, 3.05 yield & 1248 sx 50-50 Poz, 14.1 ppg, 1.28 yield

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 PROGRAM
<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.** AGENT'S PHONE NO.: **303-857-9999**

NAME (PLEASE PRINT) **Venessa Langmacher** TITLE **Agent for Gasco Production Company**

SIGNATURE *Venessa Langmacher* DATE **July 24, 2007**

(This space for State use only)

API NUMBER ASSIGNED: **43-047-34460**

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

**RECEIVED JUL 26 2007**

(11/2001)

**Federal Approval of this Action is Necessary**

Date: **08-27-07**  
By: *[Signature]*

DIV. OF OIL, GAS & MINING

# T10S, R18E, S.L.B.&M.

## GASCO PRODUCTION COMPANY

Well location, UTELAND FEDERAL #42-3-10-18, located as shown in the SE 1/4 NE 1/4 of Section 3, T10S, R18E, S.L.B.&M. Uintah County, Utah.

T9S

EAST - 2640.00' (G.L.O.)

N89°46'38"W - 2646.62' (Meas.)

Brass Cap

T10S

1910 Brass Cap  
1.3' High, Pile of  
Stones, Steel Post

LOT 4

LOT 3

LOT 2

LOT 1

1467'

N00°12'18"E - 2637.81' (Meas.)

725'

UTELAND FEDERAL #42-3-10-18  
Elev. Ungraded Ground = 4993'

1910 Brass Cap  
1.5' High, Pile  
of Stones

N00°06'37"E - 2644.49' (Meas.)

1910 Brass Cap  
1.0' High, Pile of  
Stones, Steel Post

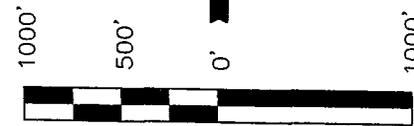
S89°58'E - 2638.68' (G.L.O.)

Set Marked Stone,  
Pile of Stones

S89°46'30"E - 2643.73' (Meas.)

### BASIS OF ELEVATION

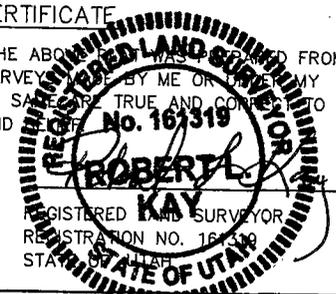
SPOT ELEVATION AT THE NORTHWEST CORNER OF SECTION 6, T10S, R19E, S.L.B.&M. TAKEN FROM THE MOON BOTTOM QUADRANGLE, UTAH, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5011 FEET.



SCALE

### CERTIFICATE

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



REVISED: 10-19-06 C.G.

### BASIS OF BEARINGS

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

(AUTONOMOUS NAD 83)  
LATITUDE = 39°58'34.27" (39.976186)  
LONGITUDE = 109°52'22.20" (109.872833)  
(AUTONOMOUS NAD 27)  
LATITUDE = 39°58'34.40" (39.976222)  
LONGITUDE = 109°52'19.68" (109.872133)

### LEGEND:

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

UINTAH ENGINEERING & LAND SURVEYING  
85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(801) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 01-06-06	DATE DRAWN: 01-18-06
PARTY G.O. T.C. L.K.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE GASCO PRODUCTION COMPANY	

# APPLICATION FOR PERMIT TO DRILL OR REENTER

## 24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.  
**Attached.**
2. A Drilling Plan  
**See Attached**
  
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the Appropriate Forest Service Office.  
**See Surface Use Plan Attached.**
  
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20).  
**Bond coverage for this well is provided by Gasco Production Company under their BLM Bond No. Bond #UT-1233.**
  
5. Operator certification.  
**Please be advised that Gasco Production Company is considered to be the operator of the above mentioned well. Gasco Production Company agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the leased lands.**
  
6. Such other site specific information and/or plans as may be required by the authorized officer.

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

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

1. **ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS**

<i>Formation</i>	<i>Depth</i>	<i>Subsea</i>
Wasatch	5,025'	-10'
Mesaverde	8,955'	-3,940'
Castlegate	11,420'	-6,405'
Blackhawk	11,690'	-6,675'
Spring Canyon	12,355'	-7,340'
TD	12,655'	-7,640'

2. **ESTIMATED DEPTH OF ANTICIPATED WATER, OIL, GAS OR MINERAL FORMATIONS:**

<i>Substance</i>	<i>Formation</i>	<i>Depth</i>
Gas	Wasatch	5,300'-8,955'
Gas	Mesaverde	8,955'-11,420'
Gas	Blackhawk	11,690'-12,555'

All fresh water prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.



**3. PRESSURE CONTROL EQUIPMENT**

Gasco Production Company's minimum specifications for pressure control equipment are as follows:

Ram Type: 11" Hydraulic double with annular, 5000 psi w.p.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 30-day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.



Gasco Production Company

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SE NE Section 3, T10S - R18E

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**DRILLING PROGRAM**

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BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The District Office should be notified, with sufficient lead time, in order to have the BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not been chosen to drill this well, most of the equipment for this depth of hole in the area use a 11", 5000 psi working pressure blowout preventor.
- b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

#### 4. **PROPOSED CASING AND CEMENTING PROGRAM:**

- a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including; presence/absence of hydrocarbons; fracture gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported.



- b. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).
- c. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data)
- d. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.
- e. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.
- f. All casing except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.
- g. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.
- h. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.
- i. Three centralizers will be run on the bottom three joints of surface casing with a minimum of one centralizer per joint starting with the shoe joint.
- j. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.
- k. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.
- l. On all exploratory wells, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.



m. The proposed casing program will be as follows:

<b>Purpose</b>	<b>Depth</b>	<b>Hole Size</b>	<b>O.D.</b>	<b>Weight</b>	<b>Grade</b>	<b>Type</b>	<b>New/Used</b>
Conductor	0-200'	17-1/2"	13-3/8"	48#	H-40	---	New
Surface	0-3,418'	12-1/4"	8-5/8"	32#	J-55	ST&C	New
Production	0-12,655'	7-7/8"	4-1/2"	13.5#	P-110	LT&C	New

n. Casing design subject to revision based on geologic conditions encountered.

o. The cement program will be as follows:

<b>Conductor</b>	<b>Type and Amount</b>
TOC @ Surface	200 sxs Premium Type 5 @ 15.6 ppg, 1.18 cu ft/sk.
<b>Surface</b>	<b>Type and Amount</b>
TOC @ Surface	Lead: 567 Hi-Lift @ 11.0 ppg, 3.91 cu ft/sk. Tail: 185 sx 10-2 RFC @ 14.2 ppg, 1.63 cu ft/sk.
<b>Production</b>	<b>Type and Amount</b>
TOC @ 2,500'	Lead: 523 sx Hi-Lift @ 11.5 ppg, 3.05 cu ft/sk. Tail: 1248x 50/50 POZ @ 14.1 ppg, 1.28 cu ft/sk.

p. Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.

q. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.

r. The following reports shall be filed with the District Manager within 30 days after the work is completed.



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**DRILLING PROGRAM**

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1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:
  - a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
  - b. Temperature or bond logs must be submitted for each well where the casing cement was not circulated to the surface.
- s. Auxiliary equipment to be used is as follows:
  1. Kelly cock
  2. No bit float is deemed necessary.
  3. A sub with a full opening valve.

**5. MUD PROGRAM**

- a. 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>	<i>pH</i>
0' - 200'	Fresh Water	8.33	1	N/C	7
200' - 3,418	Fresh Water	8.33	1	N/C	7-8
3,418' - TD	Fresh Water & DAP	9.0 - 11.5	30 - 40	12 - 20	8

There will be sufficient mud on location to control a blowout should one occur. A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss, and Ph.



- b. Mud monitoring equipment to be used is as follows:
1. Periodic checks will be made each tour of the mud system. The mud level will be checked visually.
- c. No chromate additives will be used in the mud system on Federal and/or Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.
- d. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this 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 of this well.
- e. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

6. **EVALUATION PROGRAM**

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

- a. No drill stem tests are anticipated, however, if DST's are run, the following requirements will be adhered to:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DSTs may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided some means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.



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All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- b. The logging program will consist of a Schlumberger Platform Express or equivalent to be run from TD - base of surface casing.
- c. No cores are anticipated.
- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with form 3160-4. Samples (cutting, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).
- e. The anticipated completion program will be as follows: Perform multistage Fracs and complete all productive Blackhawk, Mesaverde and Wasatch zones present in wellbore. Produce all zones commingled.
- f. Daily drilling and completion progress reports shall be submitted to the BLM in Vernal on a weekly basis.

## 7. **ABNORMAL TEMPERATURES OR PRESSURES**

- a. The expected bottom hole pressure is 7087 psi. The maximum bottom hole temperature anticipated is 215 degrees F.
- b. No hydrogen sulfide gas is anticipated. Abnormal pressures will be controlled with mud weight and 5000# BOP and rotating head.

## 8. **ANTICIPATED STARTING DATES AND NOTIFICATION OF OPERATIONS**

- a. Drilling will commence immediately upon approval of this application.
- b. It is anticipated that the drilling of this well will take approximately 35 days.



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**DRILLING PROGRAM**

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- c. The BLM in Vernal, Utah shall be notified of the anticipated date of location construction commencement and of anticipated spud date.
- d. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.
- e. The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.
- f. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM District Office, 170 South 500 East, Vernal, UT 84078.
- g. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
- h. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
- i. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date on which the well is placed on production.
- j. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.



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Uintah County, Utah

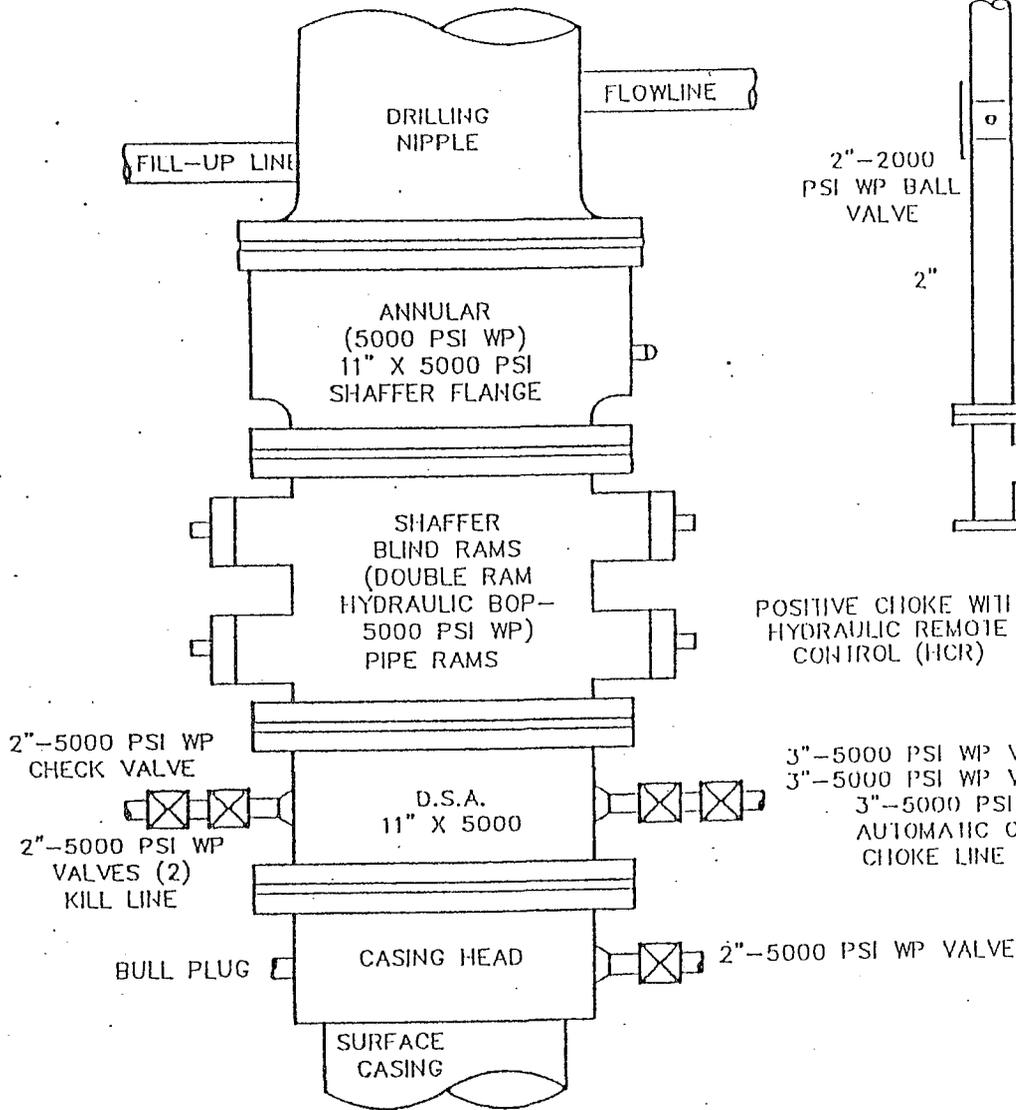
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- k. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.
- l. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9.d.), shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b.4.).
- m. A first production conference will be scheduled within 15 days after receipt of the first production notice.
- n. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the SO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.
- o. Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.

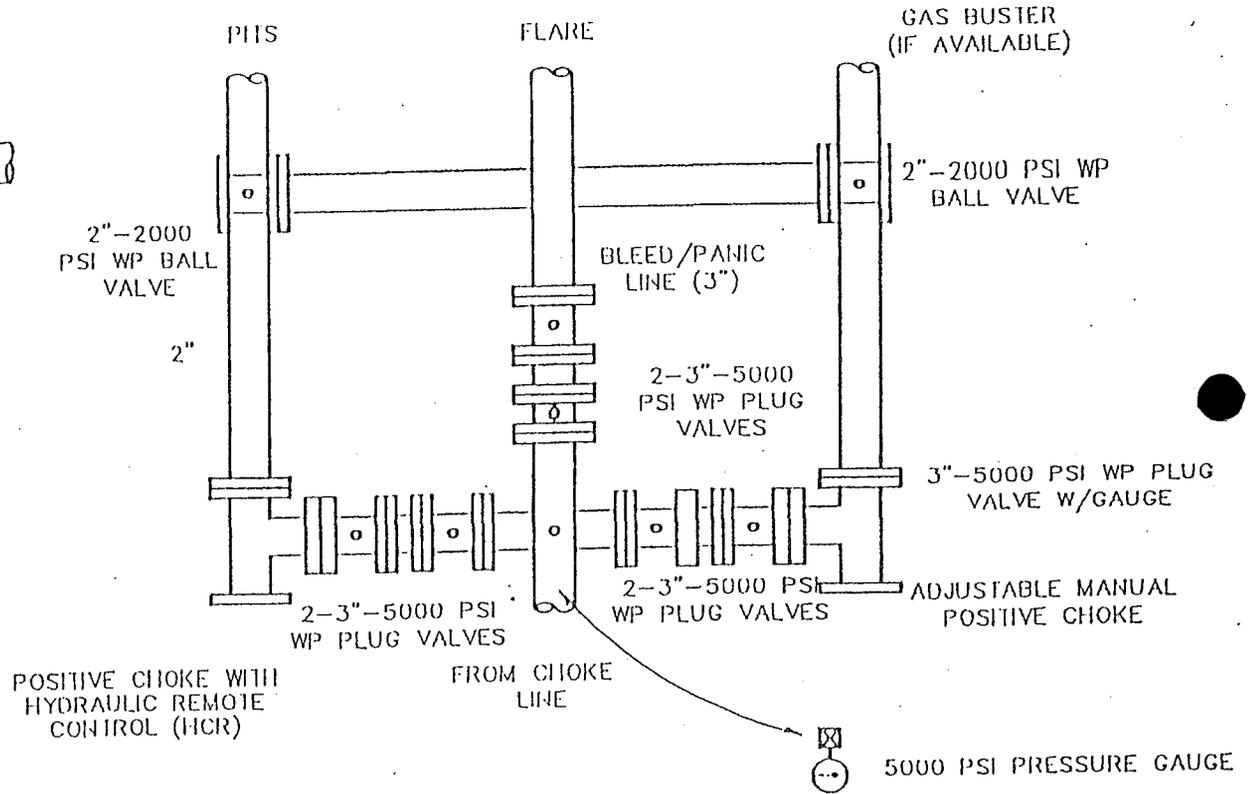
Bureau of Land Management 170 South 500 East Vernal, Utah 84078		
Phone: 435/781-4400		Fax: 435/781-4410
After Hours:		
Matt Baker	Petroleum Engineer	435/828-4470
Michael Lee	Petroleum Engineer	435/828-7875



**BOP SCHEMATIC**  
5000 PSI WORKING PRESSURE



**PLAN VIEW CHOKES MANIFOLD**



THE HYDRAULIC CLOSING UNIT WILL BE LOCATED MORE THAN 30' FROM THE WELLHEAD. CHOKES AND BLEED/PANIC LINES WILL GO TO THE PIT AND FLARE. ALL CONNECTIONS IN CHOKES LINES AND MANIFOLD WILL BE FLANGED OR WELDED. ALL FLANGES SHOULD BE RING JOINT GASKET TYPE. ALL TURNS IN LINES SHALL BE CONSTRUCTED USING TARGETING 90° TEES OR ELLS. ALL LINES SHALL BE ANCHORED.

**ONSHORE OIL & GAS ORDER NO. 1  
NOTIFICATION REQUIREMENTS**

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

The onsite inspection for the subject well site was conducted on Tuesday, February 27, 2007 at approximately 10:25 am. Weather conditions were cool and cloudy. In attendance at the onsite inspection were the following individuals:

Darren Williams	Natural Resource Specialist	Bureau of Land Management
Amy Torres	Wildlife Biologist	Bureau of Land Management
Randy Smith	Permitting Agent	Permitco Inc.
Shon McKinnon	Consultant	Gasco Production Company
Jesse Walton	Surveyor	Uintah Engineering and Land Surveying
Brian O'Hearn	Ecologist	SWCA

**1. EXISTING ROADS**

- a. The proposed well site is located approximately 24.6 miles southeast of Myton, Utah.



- b. Directions to the location from Myton, Utah are as follows:

Proceed southwesterly on Highway 40 for 1.5 miles. Turn left and proceed southeasterly for approximately 11.2 miles to the Castle Peak Mine. Stay left and proceed easterly 5.4 miles. Turn right and proceed southerly 2.5 miles. Continue southeasterly 2.9 miles. Turn right and proceed southeasterly 0.5 miles. Turn right and proceed westerly 0.3 miles. Turn right onto the proposed access and proceed westerly 0.3 miles until reaching the proposed location.

- c. For location of access roads within a 2-Mile radius, see Maps A & B.
- d. Improvement to existing main roads will not be required.
- e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
- f. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.

## 2. **PLANNED ACCESS ROADS**

- a. Approximately 0.3 miles of new construction will be necessary.
- b. The maximum grade of the new construction will be approximately 3%.
- c. No culverts or low water crossings will be necessary.
- d. The last 0.3 miles of new access road was centerline flagged at the time of staking.
- e. The use of surfacing material is not anticipated, however it may be necessary depending on weather conditions.
- f. No cattle guards will be necessary.
- g. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.



Gasco Production Company

**Uteland Federal #42-3-10-18**

1467' FNL and 725' FEL

SE NE Section 3, T10S - R18E

Uintah County, Utah

Lease No. UTU-13820

**SURFACE USE PLAN**

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- h. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).
- i. The road will be constructed/upgraded to meet the standards of the anticipated traffic flow and all weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowing and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.
- j. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this 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 of this well.
- k. No BLM road right of ways will be necessary. All necessary easements for road and pipeline in the W/2 NW Sec. 2, T10S - R18E will be obtained from SITLA.

**3. LOCATION OF EXISTING WELLS WITHIN A 1-MILE RADIUS OF THE PROPOSED LOCATION.**  
(See Map "C")

- a. Water wells - none
- b. Injection wells - none
- c. Producing wells - six
- d. Drilling wells - none
- e. Shut-in wells - four
- f. Temporarily abandoned wells - none



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- g. Disposal wells -none
- h. Abandoned wells - none
- i. Dry Holes - none

**4. LOCATION OF TANK BATTERIES AND PRODUCTION FACILITIES.**

- a. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted Carlsbad Canyon. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.
- b. If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall surrounded by a containment dike of sufficient capacity to contain at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.
- c. If the well is productive, a production facility layout will be submitted via sundry.
- d. All loading lines will be placed inside the berm surrounding the tank battery.
- e. Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flow line will be buried or anchored down from the wellhead to the separator. Meter runs will be housed and/or fenced.
- f. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal Field Office. All meter measurement facilities will conform with Onshore Oil and Gas Order No. 4 for liquid hydrocarbons and Onshore Oil and Gas Order No. 5 for natural gas measurement.



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- g. If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.
- h. Any necessary pits will be properly fenced to prevent any wildlife entry.
- i. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.
- j. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.
- k. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.
- l. The road will be maintained in a safe useable condition.
- m. Produced water will be stored in a 300 bbl heated, insulated tank, then hauled to a commercial disposal site such as Disposal Inc., or Brennan Bottom.
- n. Pipelines will follow the route shown on Map D. See Pipeline detail attached. Pipeline right of way will be requested for the NW/4 of Section 2, T10S - R18E from SITLA.

## 5. **LOCATION AND TYPE OF WATER SUPPLY**

- a. The proposed water source will be the Nebecker Water Service at the Nebecker Water Station in Myton, permit #43-1721.
- b. Water will be hauled by Nebecker Water Service to the location over the access roads shown on Maps A and B.
- c. No water well will be drilled on this lease.



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**6. SOURCE OF CONSTRUCTION MATERIAL**

- a. Surface and subsoil materials in the immediate area will be utilized.
- b. Any gravel used will be obtained from a commercial source.
- c. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.
- d. No construction materials will be removed from Federal land.

**7. METHODS OF HANDLING WASTE DISPOSAL**

- a. The reserve pit will be constructed so as not to leak, break, or allow discharge.
- b. At the request of the BLM, the reserve pit will be lined with a 12 mil liner. If fractured rock is encountered, the pit will be first lined with sufficient bedding (either straw or dirt) to cover any rocks. The 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. More stringent protective requirements may be deemed necessary by the A.O.
- c. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.
- d. After first production, produced waste water will be confined to a unlined pit or storage tank for a period not to exceed ninety (90) days. During the 90-day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.
- e. Drill cuttings are to be contained and buried in the reserve pit.
- f. 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.
- g. A chemical porta-toilet will be furnished with the drilling rig.



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- h. The produced fluids 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.

**8. ANCILLARY FACILITIES**

There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

**9. WELL SITE LAYOUT**

- a. The operator or his/her contractor shall contact the BLM Office at 435/781-4400 forty-eight (48) hours prior to construction activities.
- b. The reserve pit will be located on the north side of the location.
- c. The flare pit will be located on the east side of the reserve pit, a minimum of 100 feet from the well head and 20 feet from the reserve pit fence.
- d. The stockpiled topsoil (first six inches) will be stored on the southwest side of the location, around corner 2 near the wellpad. Topsoil along the access route will be wind rowed on the uphill side.
- e. Access to the well pad will be from the east as shown on the Pit & Pad Layout.
- f. See Location Layout for orientation of rig, cross section of drill pad and cuts and fills.
- g. CORNER 2 AND CORNER 9 OF THE WELL PAD WILL BE ROUNDED OFF.
- h. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles will be shown on the Location Layout.
- i. All pits will be fenced according to the following minimum standards:
1. 39 inch net wire shall be used with at least one strand or barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).



Gasco Production Company

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2. The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.
  3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
  4. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
  5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.
- j The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.

## 10. PLANS FOR RESTORATION OF SURFACE

### Producing Location

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
- b. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.
- c. If a plastic nylon reinforced liner is used it shall be torn and perforated before backfilling of the reserve pit.
- d. The reserve pit and that portion of the location not needed for production facilities or operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed and all cans, barrels, pipe, etc., will be removed.



- e. Reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer. A seed mixture will be specified by the Bureau of Land Management in their Conditions of Approval for the subject well.

Seeding will be performed immediately after the location has been reclaimed and the pit has been backfilled, regardless of the time of year. Seed will be broadcast and walked in with a dozer.

- f. The topsoil stockpile will be seeded as soon as the location has been constructed with the same recommended seed mix. The seed will be walked in with a cat.
- g. The seed mixture will be recommended by the BLM.

Dry Hole

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

Interim Surface Reclamation will be as follows:

1. Immediately after final well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production operations.
2. Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in the reserve pit will be removed. Other waste and spoil materials will be disposed of immediately, weather permitting, upon final well completion.
3. If a synthetic, nylon re-enforced, liner is used, the excess liner will be cut off and removed and the remaining liner will be torn and perforated while backfilling the reserve pit. Alternatively, the pit will be pumped dry, the liner folded into the pit, and the pit backfilled. The liner will be buried to a minimum of four (4) feet deep.
4. The reserve pit will be reclaimed within 180 days from the date of final well completion, weather permitting.



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5. The reserve pit and that portion of the location not needed for production and storage facilities, and everyday production operations, will be reshaped to the approximate original contours to the extent possible. This will be completed by backfilling and crowning the pit to prevent water from standing. Topsoil will be re-spread up to the rig anchor points, excluding the area needed for production and storage facilities and everyday production operations. Re-seeding, using appropriate reclamation methods, will occur immediately following the re-spreading of topsoil, weather permitting. The Authorized Officer will provide a seed mixture to re-vegetate the reserve pit and other unused disturbed areas at the time of the onsite.

**11. SURFACE OWNERSHIP**

Access Roads - The majority of the access roads are maintained by the County Road Department or the Bureau of Land Management. A portion of the new construction crosses SITLA lands. All necessary easements will be obtained from SITLA.

Well pad - The well pad is located on lands managed by the BLM.

**12. OTHER INFORMATION**

- a. A Class III archeological survey will be conducted by Grand River Institute. A copy of this report will be submitted to the appropriate agencies directly by Grand River Institute.
- b. A Paleontological Evaluation was done by Alden Hamblin and is attached.
- c. A Special Status Plant and Wildlife Species report was done by SWCA and is attached.
- d. The operator is responsible for informing all persons in the areas who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:

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



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

-a time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- e. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- f. Drilling rigs and/or equipment used during drilling operations on this wellsite will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure.
- g. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.
- h. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.
- i. There will be no deviation from the proposed drilling and/or work over program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended or abandoned will be identified in accordance with 43 CFR 3162.



Gasco Production Company

**Uteland Federal #42-3-10-18**

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1467' FNL and 725' FEL

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**SURFACE USE PLAN**

Uintah County, Utah

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- j. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- k. This permit will be valid for a period of one year from the date of approval. An extension period may be granted, if requested, prior to the expiration of the original approval period. After permit termination, a new application will be filed for approval for any future operations.
- l. The operator or his contractor shall contact the BLM Offices at 435/781-4400 48 hours prior to construction activities.
- m. The BLM Office shall be notified upon site completion prior to moving on the drilling rig.

**13. LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION**

Permit Matters

Drilling & Completion Matters

**PERMITCO INC.**

14421 County Road 10

Ft. Lupton, CO 80621

303/857-9999 (O)

303/857-0577 (F)

Lisa Smith

**Gasco Production Company**

8 Inverness Drive East, Suite 100

Englewood, CO 80112

John Longwell

303/483-0044 (O)

303/ 483-0011(F)

Shawn Elworthy - Field Superintendent

Roosevelt, UT

435-823-4272 (cell)

**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 presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Gasco Production Company and its contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.



ONSHORE ORDER NO. 1

Gasco Production Company

**Uteland Federal #42-3-10-18**

1467' FNL and 725' FEL

SE NE Section 3, T10S - R18E

Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-13820

**SURFACE USE PLAN**

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This statement is subject to the provisions of 18.U.S.C. 1001 for the filing of a false statement.

March 23, 2007

Date:



Venessa Langmacher - PERMITCO INC.

Authorized Agent for:

Gasco Production Company



PIPELINE INFORMATION  
*Uteland Federal #42-3-10-18*

1. The type of pipeline is a single well flow line.
2. The outside diameter (O.D.) of all will be 8 inches maximum.
3. The anticipated production through the line is approximately 2000 MCF per day.
4. The anticipated maximum test pressure is 1000 psi.
5. The anticipated operating pressure is 100-200 psi.
6. The type of pipe is steel.
7. The method of coupling is welded.
8. There are no other pipelines to be associated in same right of way.
9. There will be other objects to be associated in the same right of way. (Risers, Pig Launchers Pig Traps, meters and other appurtenances as required.)
10. The total length of pipeline is approximately 3104 feet (900' located on lease and 2204' located on state lands).
11. The line will be laid on surface, as shown on Map D. Where possible, the pipeline will follow existing or proposed roads.
12. The construction width for total surface disturbing activities is 30 feet.
13. The estimated total acreage involving all surface disturbing activities is 0.62 acres on BLM Lands.
14. Any surface disturbance created as a result of the pipeline construction will be reclaimed utilizing the reclamation procedures and seed mixture specified by the Bureau of Land Management.
15. The line will be tested with gas pressure to 1000 psi.



**FEDERAL STIPULATIONS AND TIMING RESTRICTIONS**

Any timing stipulations will be attached as a condition of approval by the BLM.



## Archeology

A Class III Archeological Survey will be conducted by Grand River Institute.  
A copy of this report will be submitted to the appropriate agencies directly by Grand River Institute.



# PALEONTOLOGY EVALUATION SHEET

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**PROJECT:** GASCO ENERGY Well - Uteland Federal #42-3-10-18

**LOCATION:** Twenty two miles south, southeast of Roosevelt, Utah, 1467' FNL 725' FEL, section 3, T10S, R 18 E, Uinta County, Utah

**OWNERSHIP:** PRIV[ ] STATE[ ] BLM[ X ] USFS[ ] NPS[ ] IND[ ] MIL[ ] OTHER[ ]

**DATE:** November 9, 2006

**GEOLOGY/TOPOGRAPHY:** Rock exposures in the area are the upper? part of the lower member of the Uinta Formation, Upper Eocene age and are seen as layers of brown and gray-green sandstone and mudstone. The area is somewhat rugged with moderate to steep slopes in the canyon of Desert Spring Wash.

**PALEONTOLOGY SURVEY:** YES [ X ] NO Survey [ ] PARTIAL Survey [ ]

**SURVEY RESULTS:** Invertebrate [ ] Plant [ ] Vertebrate [ X ] Trace [ ] No Fossils Found [ ]

Occasional turtle shell fragment found along the road and near the location. Several old and weathered turtle shell fragments found on the north edge of the northeast part of the location at 596352mE and 4425538mN. These were moved about 15 yards north of origin to 596348mE and 4425551mN. Not recorded as a locality.

**PALEONTOLOGY SENSITIVITY:** HIGH [ ] MEDIUM [ x ] LOW [ x ] (PROJECT SPECIFIC)

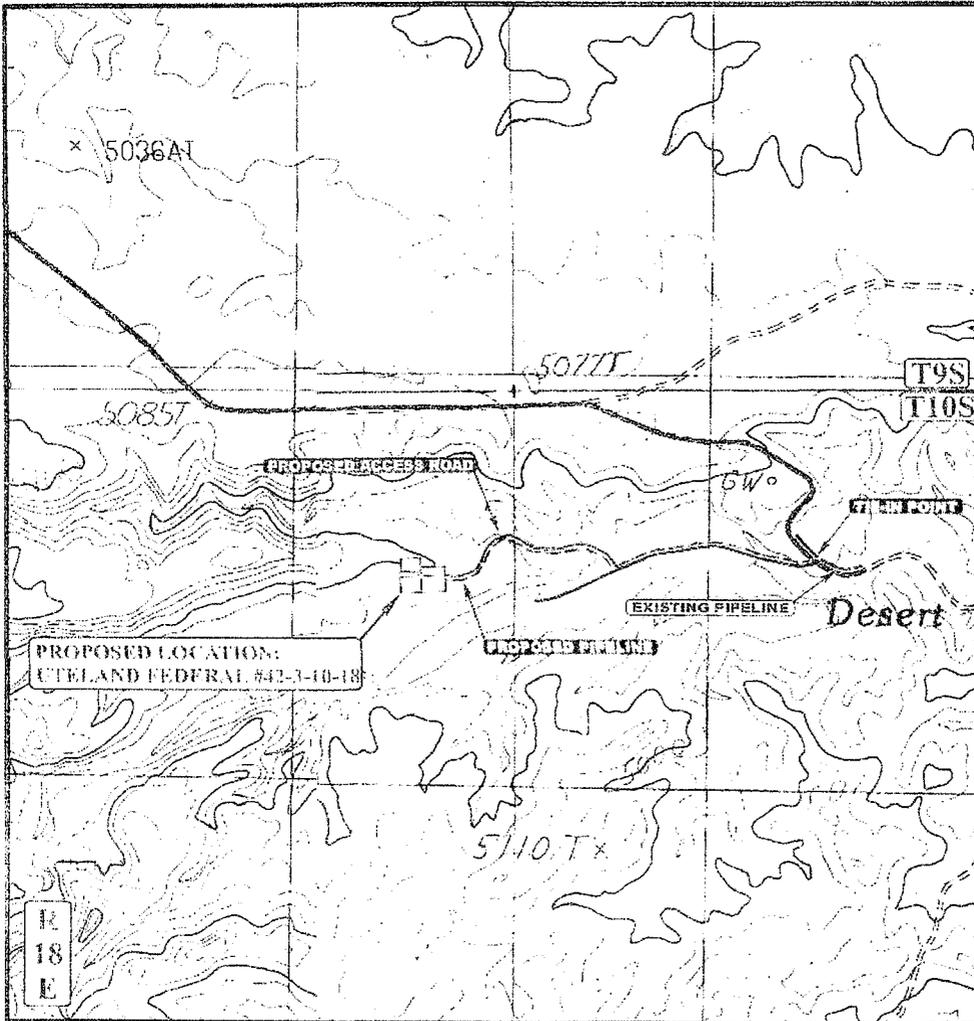
**MITGATION RECOMMENDATIONS:** NONE [ X ] OTHER [ ] (SEE BELOW)

No recommendations are being made.

There is always some potential for discovery of significant paleontological resources in the Uinta Formation. If significant vertebrate fossils (mammals, crocodiles, complete turtle shells, etc.) are encountered during construction, work should stop in that area and a paleontologist contacted to evaluate the material discovered.

**EVALUATION BY PALEONTOLOGIST:** Alden H. Hamblin

*A.H. Hamblin Paleontological Consulting, 3793 N. Minersville Highway, Cedar City, Utah 84720 (435) 867-8355*  
Utah State Paleontological Permit # 04-339, BLM paleontological Resources Permit # UT-S-05-02.  
Utah Professional Geologist License - 5223011-2250.



APPROXIMATE TOTAL PIPELINE DISTANCE 3.101

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE

N

**GASCO PRODUCTION COMPANY**

UTELAND FEDERAL #42-3-10-18  
SECTION 3, T10S, R18E, S1.B.&M.  
1467' FNL, 725' FEEL



Utah Engineering & Land Surveying  
85 South 200 East, Normal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1815

TOPOGRAPHIC MAP  
SCALE: 1" = 1000' DRAWN BY: CH. REV: A.A. 10-10-06



01 2006  
MONTH BY YEAR  
D TOPO

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**SPECIAL STATUS PLANT AND WILDLIFE  
SPECIES REPORT**

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**For**

**GASCO PRODUCTION COMPANY**

**Prepared by:**

**SWCA<sup>®</sup> Environmental Consultants**

**418 East Main**

**Vernal, Utah**

**Phone (435) 789-9388**

**FAX: (435) 789-9385**

**Prepared for:**

**U.S. Department of the Interior**

**Bureau of Land Management**

**Vernal Field Office**

**170 South 500 East**

**Vernal, Utah 84078**

**Phone: (435) 781-4400**

**FAX: (435) 781-4410**

**November 13, 2006**

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**SPECIAL STATUS PLANT AND WILDLIFE  
SPECIES REPORT**

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**Operator:** Gasco Production Company  
**Well(s):** 42-3-10-18  
**Location:** Section 3, Township 10 South, and Range 18 East in Uintah County, Utah  
**Survey**  
**Date(s):** April 4<sup>th</sup>, October 1<sup>st</sup> and 3<sup>rd</sup> 2006.  
**Observer(s):** SWCA Environmental Consultants, Inc.  
**Weather:** 55-70°F, Clear, 0-5 MPH

**PROPOSED PROJECT:**

Gasco proposes to drill proposed well 42-3-10-18 in Section 3, Township 10 South and Range 18 East, in Uintah County, Utah. The proposed well is located approximately 24 miles southwest of Myton, Utah in the Diamond Mountain Planning Unit of the BLM Vernal Field Office. Approximately 0.3 ± miles of new road would be constructed to access the proposed well. If the well goes into production, approximately 3,104 ± feet of gas lines would be laid. If dry, the well would be plugged and abandoned as per BLM and State of Utah requirements.

Mineral extraction activities, transportation corridors, agricultural and ranching activities, livestock grazing, and erosion have historically impacted the project area. If dry, the well would be plugged and abandoned as per BLM and State of Utah requirements.

**PROJECT AREA DISCRPTION:**

The proposed project area is underlain by sedimentary deposits of the Uinta Formation of Late Middle Eocene age at an elevation of approximately 5,000'. Soil in the project area is clay with overlaying surface rock. The project area consists of generally flat terrain with gently rolling hills cut by a series of washes within the Desert Springs Wash. Slopes within the project area boundaries range from 0-10%. Surface bedrock outcropping is present.

The vegetation in the project area is a desert shrub community consisting of shadscale saltbush, winterfat, Mormon tea, Gardner's saltbush, mat saltbush, four-winged saltbush, rabbitbrush, and greasewood. The understory is sparse and includes Indian ricegrass, galleta, scarlet globemallow, bud sagebrush, spring parsley, and textile onion. Halogeton and cheatgrass can be found in small amounts within the native vegetation. For a complete list of common plants associated with the desert shrub community in the project area see Appendix A.

## **SURVEY METHODOLOGY:**

On the 30<sup>th</sup> of September 2006 the Utah Department of Wildlife Resources website (<http://dwrcdc.nr.utah.gov/ucdc/>) was reviewed for Uintah County. This site contains the U.S. Fish and Wildlife Service list of threatened, endangered and candidate species as well as the BLM/ Utah state sensitive species list. In addition, past survey reports and environmental documents were reviewed to determine which federally listed threatened, endangered and candidate species, and which Utah/BLM sensitive species (collectively referred to as special status species) have the potential to occur in the project area. For a complete list of special status plant species within the county of the project area see Appendix B.

Data on existing soils, geology, elevations, and vegetation types within the proposed pipeline corridor were used to determine which of these species have potential to occur within the project area. In-house Geographic Information System (GIS) layers were examined for known locations of and suitable habitat for special status plant species within the project area. On the 1<sup>st</sup> and 3<sup>rd</sup> of October 2006, a qualified biologist conducted a survey for the presence/absence of special status species at the proposed well location, access road, and pipeline. The proposed well location, access road and pipeline were walked at 5-foot intervals to detect the presence/absence of this species. Seventy-five foot transects were walked on either side of the centerline of access roads and pipelines. In addition, the proposed well site and a 120-foot perimeter were surveyed.

## **SURVEY RESULTS:**

Approximately, 45 percent of the project area contains suitable habitat for the *Sclerocactus wetlandicus*. Habitat typical for that of the *Sclerocactus wetlandicus* of sandy loam soils with surface rocks on river terraces. No populations or individuals of *Sclerocactus wetlandicus* were found within the project area. However, one individual is present in the well pad buffer area.

## **CONCLUSIONS AND RECOMMENDATIONS:**

An individual of the *Sclerocactus wetlandicus* wet plant is located approximately 75' down slope from the southwest corner of the edge of the proposed well pad. Construction of the proposed well, associated access road and pipeline may affect but is not likely adversely affect the *Sclerocactus wetlandicus*.

---

**Brian C. O'Hearn**  
**Environmental Scientist/Ecologist**

**11/13/06**  
**Date**

# Appendix A

---

Common Plant Species

**Appendix A - Common Plants in the Desert Shrub Community in the Project Area.**

Scientific Name	Common Name
<i>Shrubs</i>	
<i>Atriplex canescens</i>	Four-winged saltbush
<i>Atriplex confertifolia</i>	Shadscale
<i>Atriplex corrugata</i>	Mat saltbush
<i>Atriplex gardneri</i>	Gardner's saltbush
<i>Artemisia spinescens</i>	Bud sage
<i>Ceratoides lanata</i>	Winterfat
<i>Chrysothamnus</i> spp.	Rabbitbrush species
<i>Ephedra nevadensis</i>	Mormon tea
<i>Sarcobatus vermiculatus</i>	Greasewood
<i>Tetradymia spinosa</i>	Horsebrush
<i>Grasses and Forbs</i>	
<i>Agropyron dasystachyum</i> var. <i>dasystachyum</i>	Thickspike wheatgrass
<i>Allium textile</i>	Textile onion
<i>Arenaria</i> spp.	Sandwort
<i>Cleome lutea</i>	Yellow beeplant
<i>Cymopterus</i> spp.	Spring parsley
<i>Eriogonum inflatum</i>	Desert trumpet
<i>Descurainia pinnata</i>	Tansy mustard
<i>Hilaria jamesii</i>	Galleta
<i>Phacelia crenulata</i>	Scorpionweed
<i>Phlox</i> spp.	Phlox
<i>Sitanion hystrix</i>	Squirreltail
<i>Sphaeralcea</i> spp.	Globemallow
<i>Sporobolus airoides</i>	Alkali sacaton
<i>Stipa hymenoides</i>	Indian ricegrass

Plant names are using Utah Flora 2003.

# Appendix B

---

Special Status Plant Species

## Appendix B – Special Status Plant Species

Common Name Species Name	Status	Habitat Association	Potential for Occurrence Within the Project Area
<i>Federally-listed threatened, Endangered and Candidate Plant Species</i>			
<i>Astragalus equisolensis</i> <b>Horseshoe milkvetch</b>	Candidate	Duchesne River Formation soils in sagebrush, shadscale, horse brush and mixed desert shrub communities. 4790-5185ft	None. No suitable habitat. Formations and associated soils do not occur in the project area.
<i>Penstemon grahamii</i> <b>Graham beardtongue</b>	Threatened	East Duchesne and Uintah Counties. Evacuation Creek and Lower Parachute Member of the Green River Formation. Shale knolls in sparsely vegetated desert shrub and pinyon-juniper communities. 4600-6700 ft	None. No suitable habitat.
<i>Penstemon scariosus var. albifluvis</i> <b>White River penstemon</b>	Candidate	Evacuation Creek and Lower Parachute Creek Member of the Green River Formation on sparsely vegetated shale slopes in mixed desert shrub and pinyon-juniper communities. 5000-6000ft	None. No suitable habitat.
<i>Schoenocrambe argillacea</i> <b>Clay thelopody</b>	Threatened	Bookcliffs On the contact zone between the upper Uintah and lower Green River shale formations in mixed desert shrub of Indian ricegrass and pygmy sagebrush. 5000-5650 ft.	None. No suitable habitat.
<i>Schoenocrambe suffrutescens</i> <b>Shrubby reed-mustard</b>	Endangered	Evacuation Creek and lower Parachute Creek Members of the Green River Formation on calcareous shale in pygmy sagebrush, mountain mahogany, juniper and mixed desert shrub communities. 5400-6000ft	None. No suitable habitat.
<i>Sclerocactus glaucus (Sclerocactus brevispinus)</i> <b>Uinta Basin hookless cactus</b>	Threatened	Gravelly hills and terraces on Quaternary and tertiary alluvium soils in cold desert shrub communities. 4700-6000ft.	Yes. Suitable habitat (45%) is present. Yes individuals occur within the project area. Approximately, 75' away from the pad/pit
<i>Spiranthes diluvialis</i> <b>Ute ladies'-tresses</b>	Threatened	Streams, bogs and open seepages in cottonwood, salt cedar, willow and pinyon-juniper communities on the south and east slope of the Uintah Range and it's tributaries, and the Green River from Browns Park to Split mountain. Potentially in the Upper reaches of streams in the	None. No suitable habitat.

## Appendix B – Special Status Plant Species

Common Name Species Name	Status	Habitat Association	Potential for Occurrence Within the Project Area
		Book Cliffs. 4400-6810ft.	
<b>BLM/Utah Sensitive Plant Species</b>			
<i>Arabis vivariensis</i> <b>Park rock cress</b>	Sensitive	Webber Formation sandstone and limestone outcrops in mixed desert shrub and pinyon-juniper communities. 5000-6000ft.	None. No suitable habitat. Formations and associated soils do not occur in the project area.
<i>Astragalus hamiltonii</i> <b>Hamilton milkvetch</b>	Sensitive	Duchesne, Mowery shale, Dakota and Wasatch Formation soils in pinyon-juniper and desert shrub communities. 5240-5800ft	None. No suitable habitat. Formations and associated soils do not occur in the project area.
<i>Cirsium ownbeyi</i> <b>Ownbey thistle</b>	Sensitive	East flank Uintah Mountains. Sagebrush, juniper and riparian communities. 5500-6200ft.	None. No suitable habitat. Formations and associated soils do not occur in the project area. Out of range.
<i>Cleomella palmeriana</i> <b>Goodrich cleomella</b>	Sensitive	Associated with charming woody aster ( <i>Machaeranthera venusta</i> ), intermountain phacelia, yellow milkvetch, and mat saltbush on eroded slopes of heavy clay in the Morrison Formation at 5400 feet.	None. No suitable habitat. Formations and associated soils do not occur in the project area. Out of range.
<i>Erigeron untermannii</i> <b>Untermann daisy</b>	Sensitive	Pinyon-juniper communities on calcareous shales and sandstones of the Uinta and Green River formations. Duchesne and Uintah counties; endemic. 7000-7800 ft.	None. No suitable habitat.
<i>Habenaria zothecina</i> <b>Alcove bog-orchid</b>	Sensitive	Moist streambanks, seeps, hanging gardens in mixed-desert shrub, piñon juniper, and oakbrush (4,360-8,690 feet).	None. No suitable habitat.
<i>Hymenoxys lapidicola</i> <b>Rock hymenoxis</b>	Sensitive	Rock crevices in piñon-juniper. Uintah County endemic (6,000-8,000 feet)	None. No suitable habitat
<i>Lepidium huberi</i> <b>Huber's pepperplant</b>	Sensitive	Rock crevices, eroding parent material and alluvial soils of the Moenkopi, Navajo, Chinle and Formations in the Uintah and Green River Formation in the Bookcliffs. 5600- 8000 ft.	None. No suitable habitat.
<i>Penstemon acaulis</i> <b>Stemless penstemon</b>	Sensitive	Daggett County. Semi-barren substrates in pinyon-juniper and sagebrush-grass communities. 5840-7285 ft.	None. No suitable habitat.
<i>Penstemon</i>	Sensitive	Clay badlands from Myton to	None. No suitable habitat.

**Appendix B – Special Status Plant Species**

Common Name Species Name	Status	Habitat Association	Potential for Occurrence Within the Project Area
<i>flowersii</i> <b>Flowers penstemon</b>		Roosevelt and Randlett, in shadscale and desert communities. 5000-5400ft.	
<i>Penstemon gibbensii</i> <b>Gibbens penstemon</b>	Sensitive	Brown's Park in Daggett County. Sandy and shale (Green River Shale) bluffs and slopes with juniper, thistle, Eriogonum, Elymus, serviceberry, rabbit brush & Thermopsis 5500-6400 ft.	None. No suitable habitat. Project area is not in Daggett County.
<i>Penstemon goodrichii</i> <b>Goodrich penstemon</b>	Sensitive	Lapoint-Tridell-Whiterocks area. Duchesne River Formation on blue gray to reddish bands of clay badlands. Elevations 5590 to 6215 ft.	None. No suitable habitat.

# GASCO PRODUCTION COMPANY

## UTELAND FEDERAL #42-3-10-18

LOCATED IN Uintah COUNTY, UTAH  
SECTION 3, T10S, R18E, S.L.B.&M.

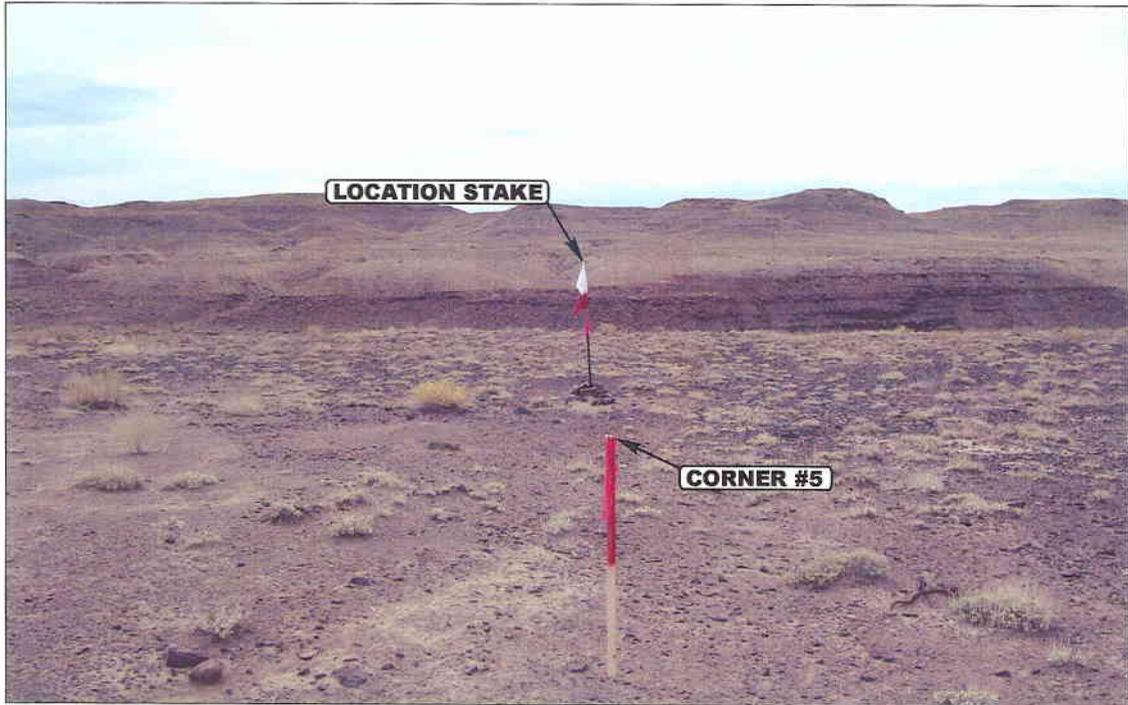


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHERLY

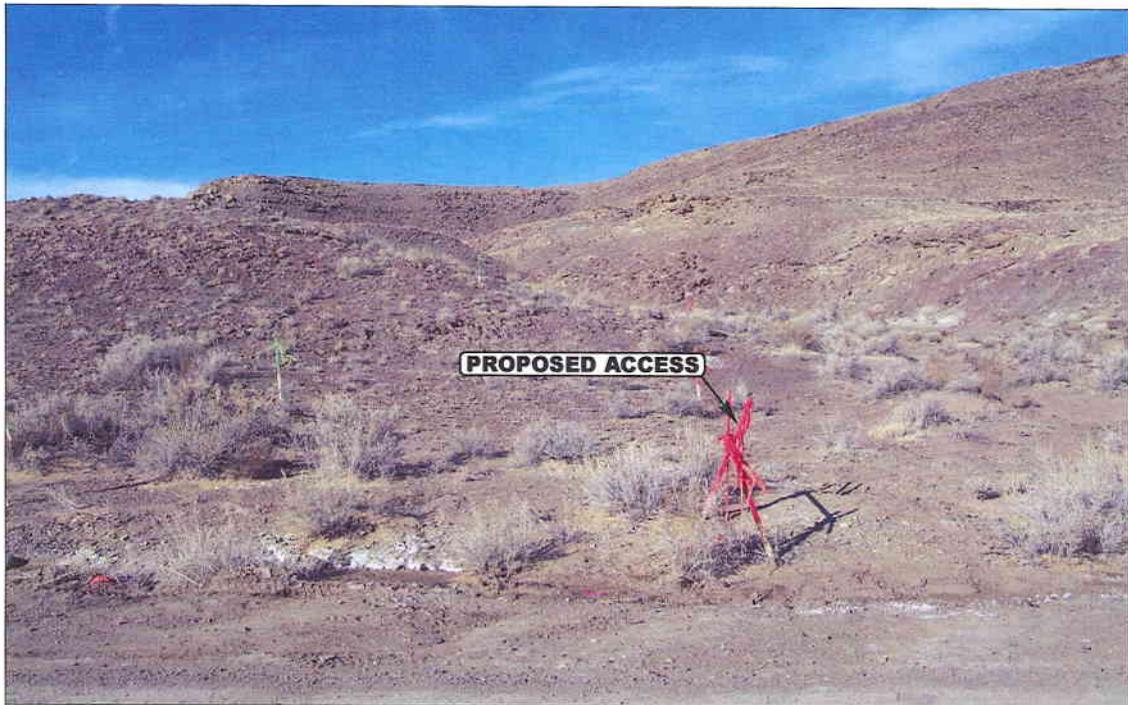


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

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

LOCATION PHOTOS

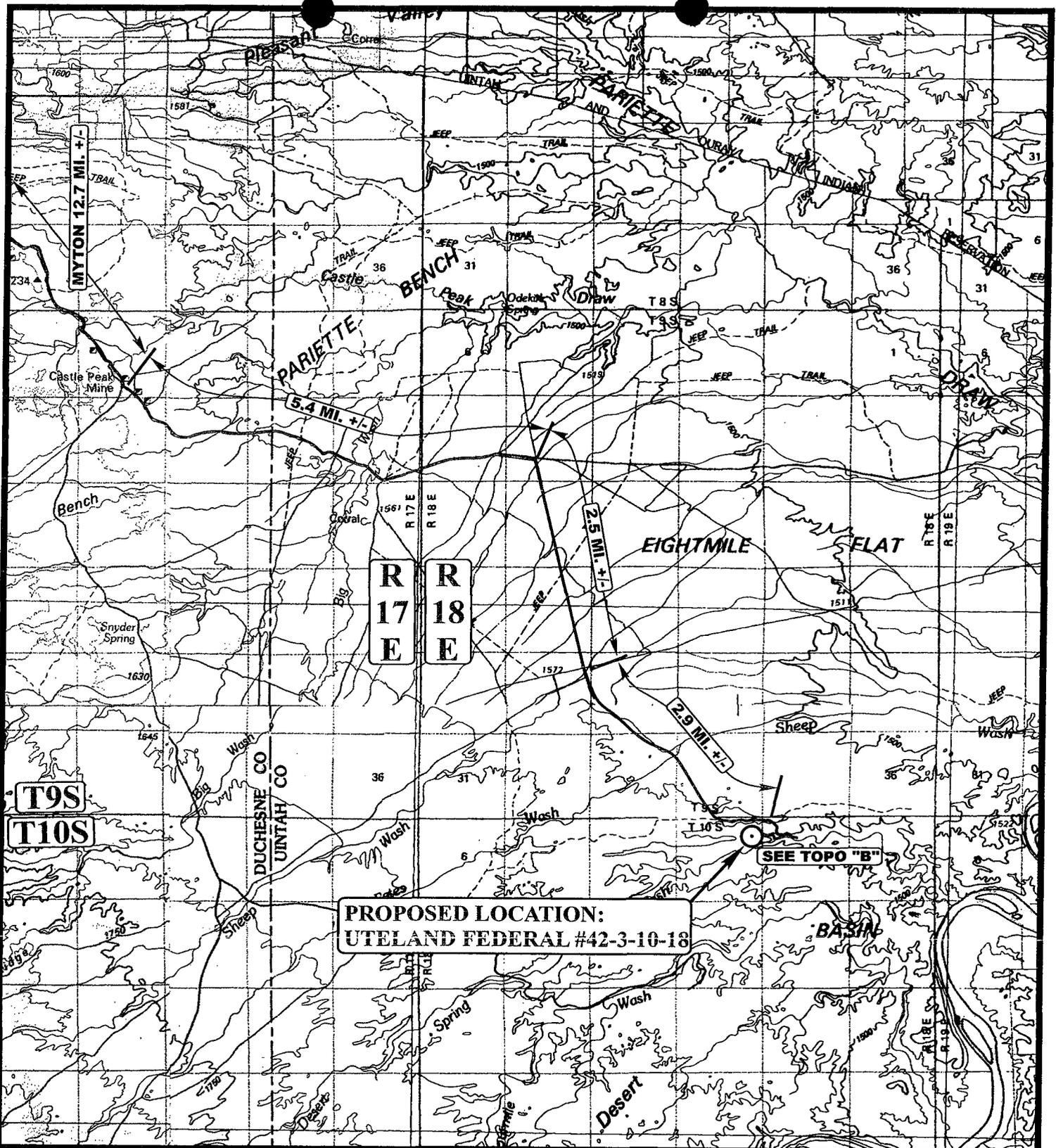
01 20 06  
MONTH DAY YEAR

PHOTO

TAKEN BY: J.W.

DRAWN BY: C.H.

REV: A.A. 10-10-06



**PROPOSED LOCATION:  
UTELAND FEDERAL #42-3-10-18**

**SEE TOPO "B"**

**LEGEND:**

○ PROPOSED LOCATION

**GASCO PRODUCTION COMPANY**

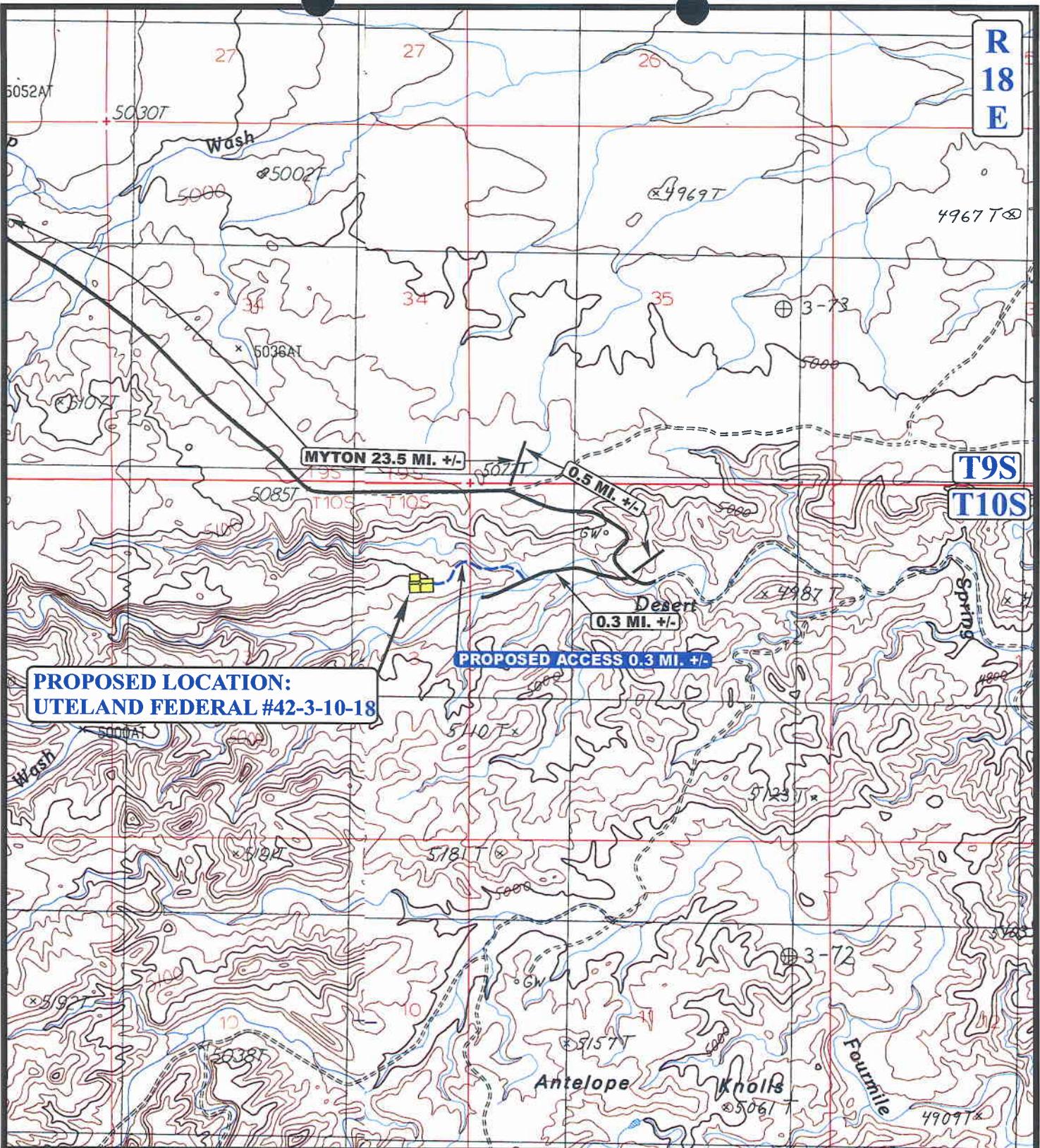
UTELAND FEDERAL #42-3-10-18  
SECTION 3, T10S, R18E, S.L.B.&M.  
1467' FNL 725' FEL

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



**TOPOGRAPHIC** 01 20 06  
MAP MONTH DAY YEAR  
SCALE: 1:100,000 DRAWN BY: C.H. REV: A.A.10-10-06





**PROPOSED LOCATION:  
UTELAND FEDERAL #42-3-10-18**

**LEGEND:**

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD



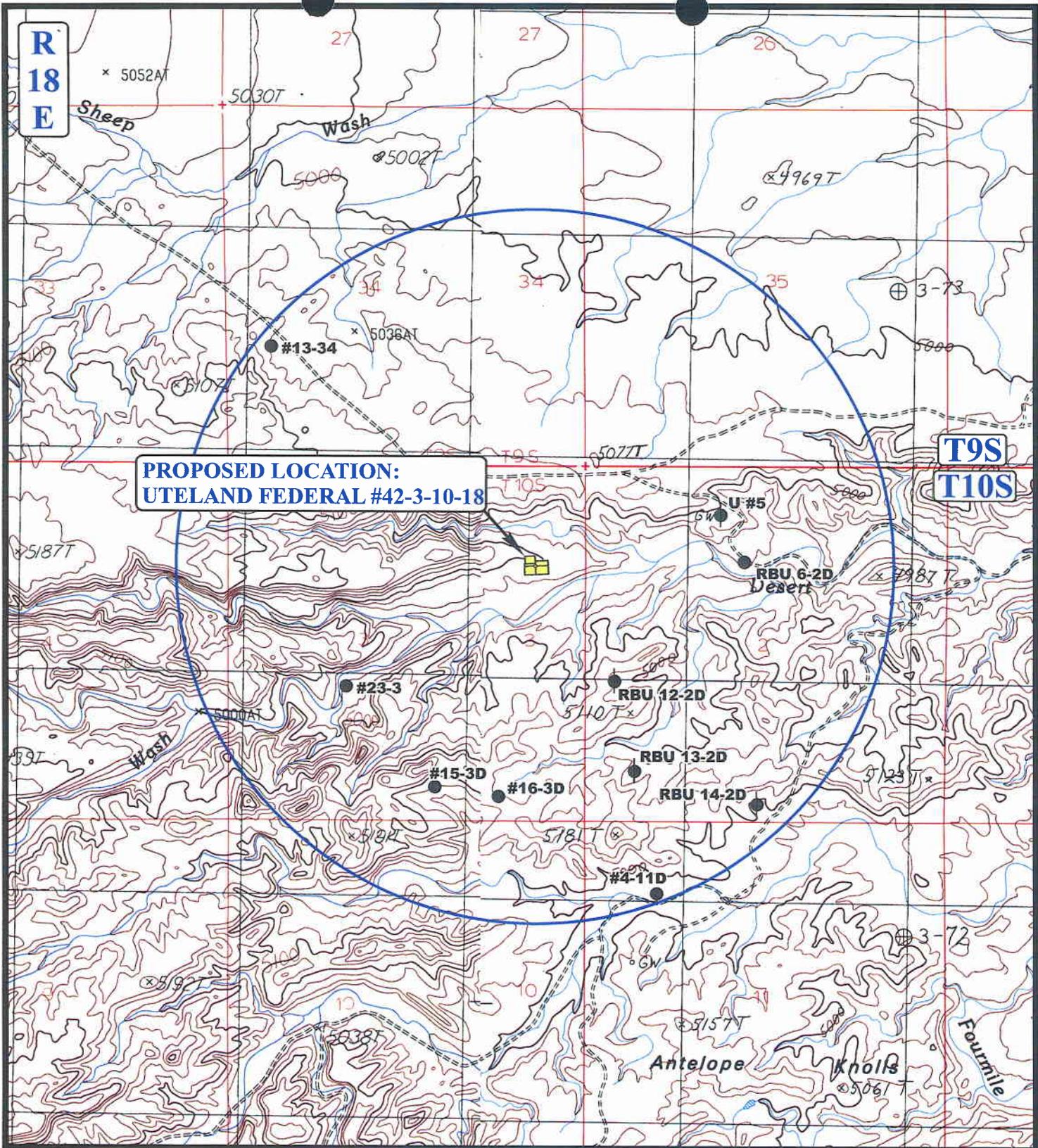
**GASCO PRODUCTION COMPANY**

**UTELAND FEDERAL #42-3-10-18  
SECTION 3, T10S, R18E, S.L.B.&M.  
1467' FNL 725' FEL**

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

**TOPOGRAPHIC** 01 20 06  
**MAP** MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: C.H. REV: A.A. 10-10-06

**B**  
 TOPO



**PROPOSED LOCATION:  
UTELAND FEDERAL #42-3-10-18**

**LEGEND:**

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



**GASCO PRODUCTION COMPANY**

**UTELAND FEDERAL #42-3-10-18  
SECTION 3, T10S, R18E, S.L.B.&M.  
1467' FNL 725' FEL**



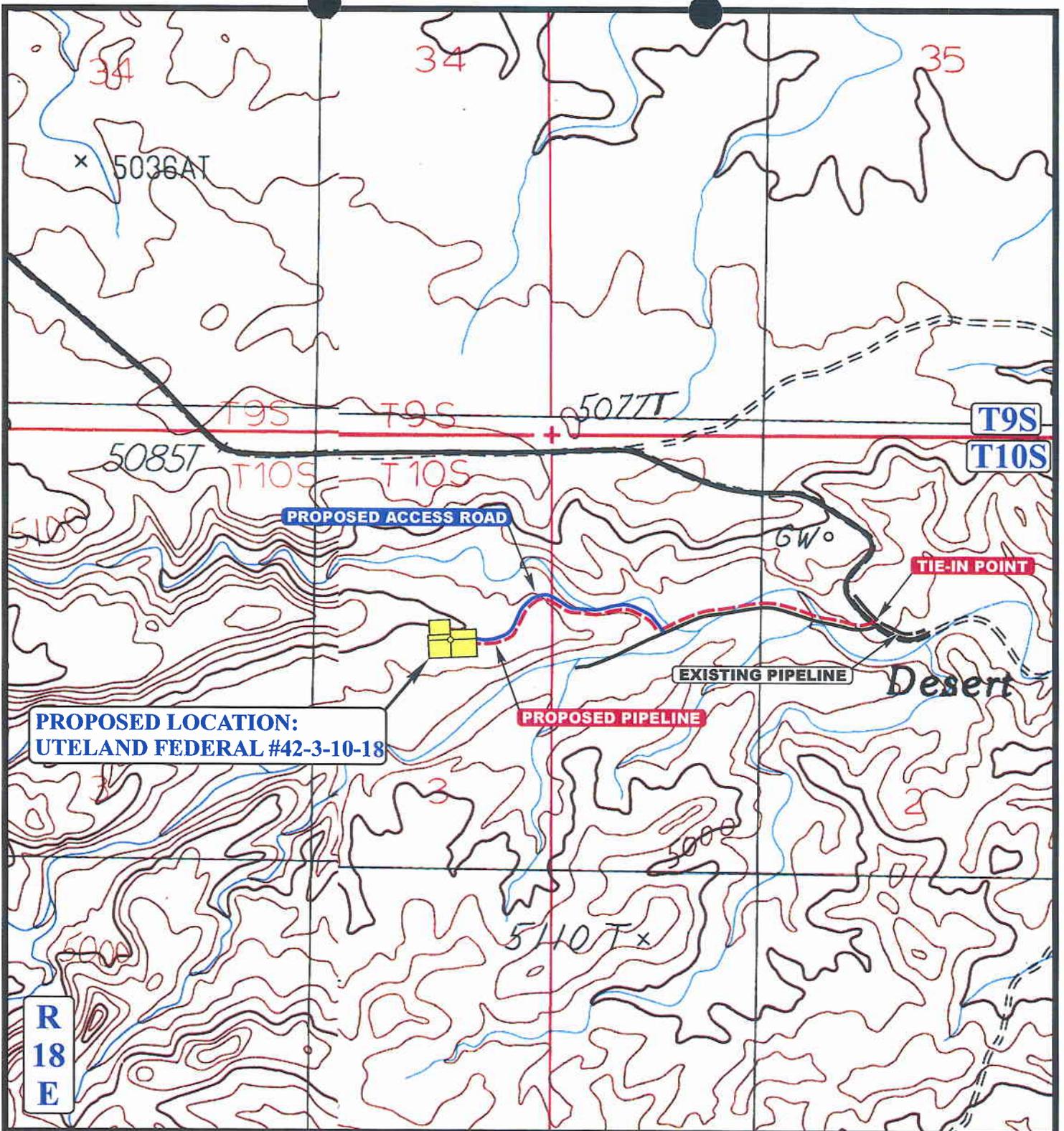
**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC MAP**

**01 20 06**  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.H. REV: A.A. 10-10-06





**APPROXIMATE TOTAL PIPELINE DISTANCE = 3,104' +/-**

**LEGEND:**

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



**GASCO PRODUCTION COMPANY**

**UTELAND FEDERAL #42-3-10-18  
SECTION 3, T10S, R18E, S.L.B.&M.  
1467' FNL 725' FEL**



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

**TOPOGRAPHIC MAP** 01 2006  
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.H. REV: A.A.10-10-06



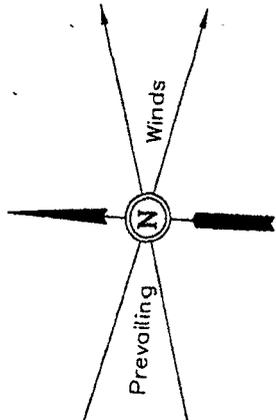
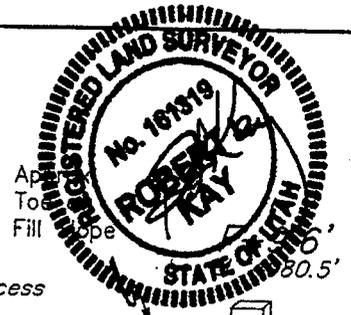
# GASCO PRODUCTION COMPANY

## LOCATION LAYOUT FOR

UTELAND FEDERAL #42-3-10-18

SECTION 3, T10S, R18E, S.L.B.&M.

1467' FNL 725' FEL



C-0.1'  
El. 4990.2'

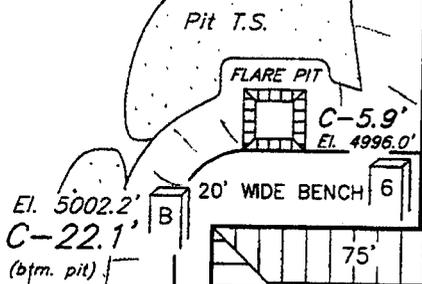
Proposed Access Road

SCALE: 1" = 50'  
DATE: 10-19-06  
Drawn By: C.G.  
Revised: 03-22-07

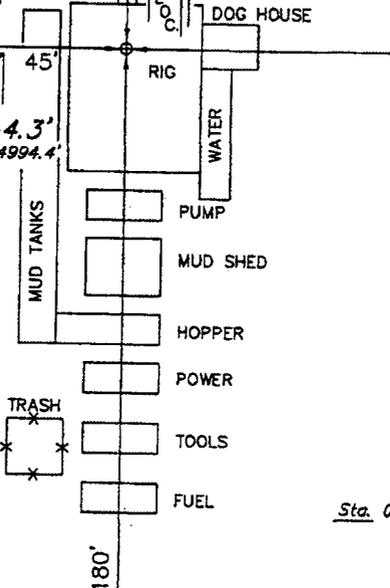
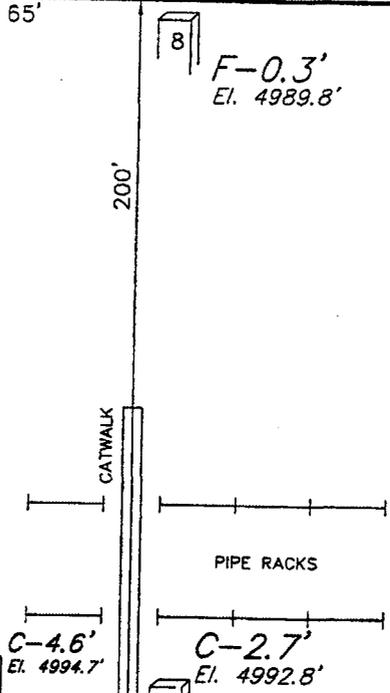
Approx. Top of Cut Slope

Sta. 3+80

Round Corners as Needed



El. 5002.2'  
C-22.1'  
(btm. pit)



Reserve Pit Backfill & Spoils Stockpile

10' WIDE BENCH

RESERVE PITS (10' Deep)

Sta. 1+80

Sta. 0+55

F-6.9'  
El. 4983.2'

El. 4995.6'  
C-15.5'  
(btm. pit)

20' WIDE BENCH

F-4.2'  
El. 4985.9'

Sta. 0+00

Topsoil Stockpile

F-0.8'  
El. 4989.3'

Elev. Ungraded Ground at Location Stake = 4992.8'  
Elev. Graded Ground at Location Stake = 4990.1'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (801) 789-1017

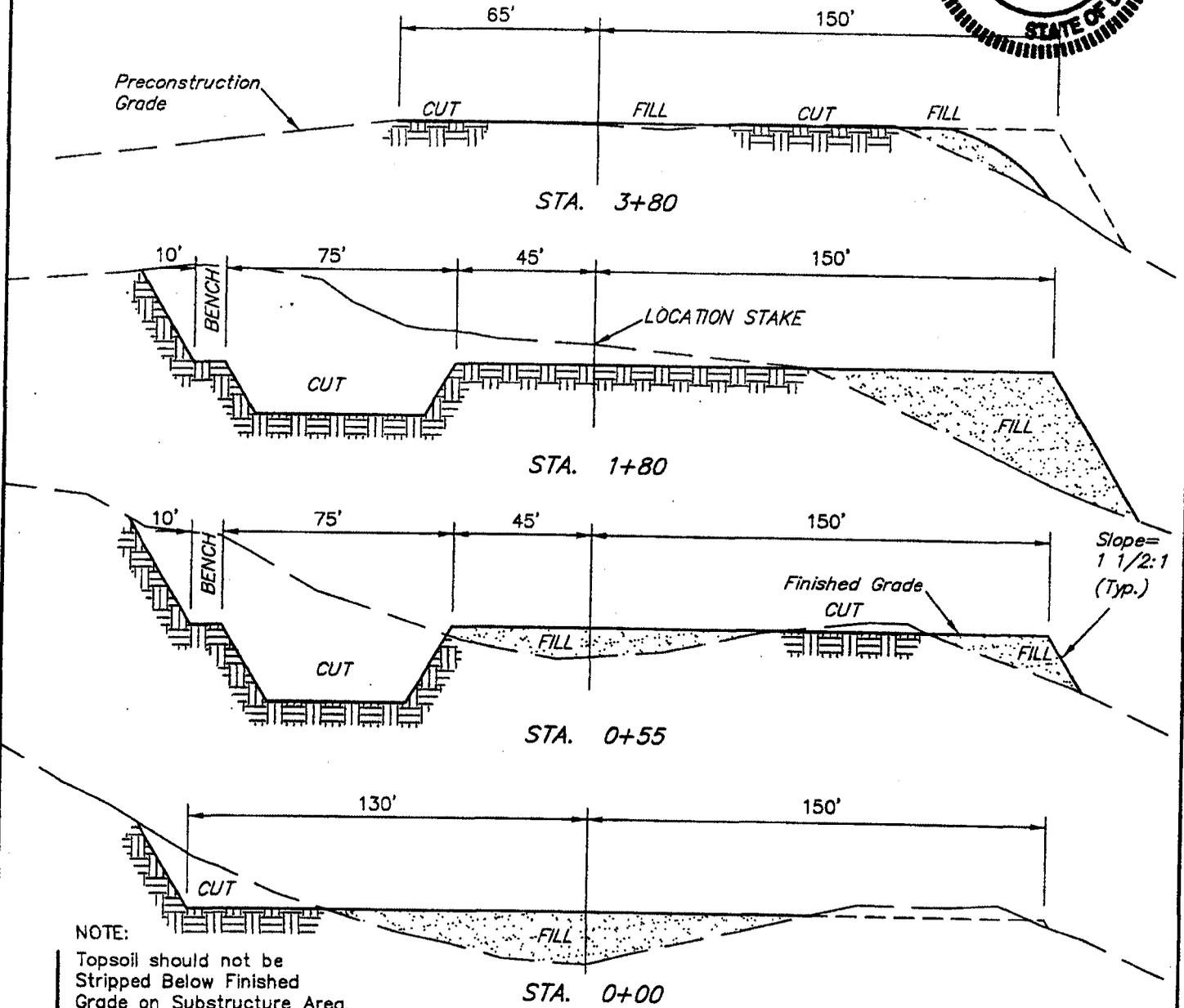
# GASCO PRODUCTION COMPANY

## TYPICAL CROSS SECTIONS FOR

UTELAND FEDERAL #42-3-10-18  
SECTION 3, T10S, R18E, S.L.B.&M.  
1467' FNL 725' FEL

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

DATE: 10-19-06  
Drawn By: C.G.  
Revised: 03-22-07



**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 = 2,220 Cu. Yds.

Remaining Location = 10,950 Cu. Yds.

**TOTAL CUT = 13,170 CU.YDS.**

**FILL = 9,090 CU.YDS.**

EXCESS MATERIAL = 4,080 Cu. Yds.

Topsoil & Pit Backfill (1/2 Pit Vol.) = 4,080 Cu. Yds.

EXCESS UNBALANCE (After Interim Rehabilitation) = 0 Cu. Yds.

**UINTAH ENGINEERING & LAND SURVEYING**  
85 So. 200 East \* Vernal, Utah 84078 \* (801) 788-1017

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 07/26/2007

API NO. ASSIGNED: 43-047-39460

WELL NAME: UTELAND FED 42-3-10-18  
 OPERATOR: GASCO PRODUCTION ( N2575 )  
 CONTACT: VENESSA LANGMACHER

PHONE NUMBER: 303-857-9999

PROPOSED LOCATION:

SENE 03 100S 180E  
 SURFACE: 1467 FNL 0725 FEL  
 BOTTOM: 1467 FNL 0725 FEL  
 COUNTY: UINTAH  
 LATITUDE: 39.97613 LONGITUDE: -109.8720  
 UTM SURF EASTINGS: 596319 NORTHINGS: 4425507  
 FIELD NAME: UTELAND BUTTE ( 695 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: UTU-13820  
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: BLKHK  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. UT-1233 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 43-1721 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- 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: \_\_\_\_\_

STIPULATIONS: \_\_\_\_\_

*1- Federal Approval*  
*2- Spacing Strip*

T9S R18E

FEDERAL  
3-33-9-18

33

SHEEP WASH  
FED 43-33-9-18

34

BIRKDALE  
FED 13-34

### EIGHT MILE FLAT NORTH FIELD

T10S R18E

UTELAND  
FED 41-3-10-18

RBUS 6-3D

UTELAND  
FED 42-3-10-18

UTELAND ST  
12-2-10-18

### UTELAND BUTTE FIELD

FLU KNOLLS  
FED 23-3

### RIVER BEND UNIT

RBUS 12-2D

RBUS 15-3D

RBUS 16-3D

UTELAND  
FED 44-3-10-18

RBUS 13-2D

RBUS 3-10D

RBUS 2-10D

UTELAND FED  
31-10-10-18

RBUS 1-10D

RBUS 1-10D

RBUS 8-10D

RBUS 5-11D

OPERATOR: GASCO PROD CO (N2575)

SEC: 3 T.10S R. 18E

FIELD: UTELAND BUTTE (695)

COUNTY: Uintah

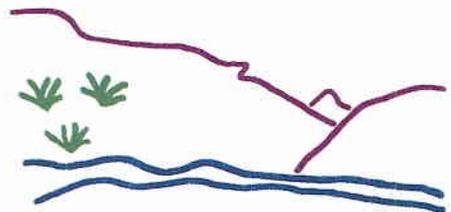
SPACING: R649-3-3 / EXCEPTION LOCATION

- 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 MASON  
DATE: 30-JULY-2007



August 6, 2007

Mr. Rick Jeffs  
Brek Petroleum, Inc.  
c/o Anne McFadden  
Da Costa Management Corporation  
Suite 600 - 1100 Melville Street  
Vancouver, B.C. V6E 4A6  
CANADA

Via Telefax: 604.664.0672

RE: Exception Location Request  
Uteland Federal 42-3-10-18

~~Township 9 South, Range 19 East, SLM~~ Township 10 South, Range 18 East, SLM  
Section 3: SE $\frac{1}{4}$ NE $\frac{1}{4}$  Uintah County, Utah

Dear Anne:

Pursuant to Rule 649-3-2 of UDOGM Rules and Regulations, Gasco Production Company ("Gasco") hereby requests that you provide written consent to an exception location for the captioned well, as your ownership falls within a 460 foot radius of the proposed well location. Please indicate your acceptance by signing a below and returning a copy to me.

Attached is a copy of the survey plat for the well.

Your prompt response is greatly appreciated.

A handwritten signature in black ink, appearing to read "D. R. Smith".

David R. Smith  
Land Manager

AGREED TO AND ACCEPTED THIS 13<sup>TH</sup> DAY OF AUGUST, 2007

Brek Petroleum, Inc.

BY: \_\_\_\_\_

GASCO Production Company  
6 Inverness Drive East, Suite 100  
Englewood, CO 80112-6626

Tel: (303) 483-0044  
Fax (303) 483-0011  
Email: dsmith@gascoenergy.com

RECEIVED

AUG 23 2007

DIV. OF OIL, GAS & MINING



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

August 15, 2007

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

Attn: Diana Whitney

Re: **Gasco Production Company**  
**Uteland Federal #42-3-10-18**  
**1467' FNL and 725' FEL**  
**SE NE Section 3, T10S - R18E**  
**Uintah County, Utah**

Diana,

Please note that this location was staked at non-standard spacing in accordance with the rules and regulations of the Utah Division of Oil Gas and Mining. This was done for geologic considerations. Please also note that Gasco Production Company and Brek Petroleum are the only working interest owners within a 460 foot radius. Attached please find a waiver letter from Brek. Therefore, we request your administrative approval of this exception to spacing.

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

Sincerely,

PERMITCO INC.

Venessa Langmacher  
Consultant for  
Gasco Production Company

Enc.

cc: Gasco Production Company - Englewood, CO  
Shawn Elworthy - Roosevelt, UT  
Shon McKinnon - Altamont, UT

RECEIVED

AUG 23 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

August 27, 2007

Gasco Production Company  
8 Inverness Drive East, Suite 100  
Englewood, CO 80112

Re: Uteland Federal 42-3-10-18 Well, 1467' FNL, 725' FEL, SE NE, Sec. 3, T. 10 South, R. 18 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 43-047-39460.

Sincerely,

for

Gil Hunt  
Associate Director

pab  
Enclosures

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

**Operator:** Gasco Production Company  
**Well Name & Number** Uteland Federal 42-3-10-18  
**API Number:** 43-047-39460  
**Lease:** UTU-13820

**Location:** SE NE      **Sec.** 3      **T.** 10 South      **R.** 18 East

### Conditions of Approval

1. General

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

2. Notification Requirements

Notify the division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281    (801) 733-0983 home

3. Reporting Requirements

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

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

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.

**RECEIVED**

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

MAR 26 2007

APPLICATION FOR PERMIT TO DRILL OR REENTER **BLM**

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>UTU-13820</b>
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name <b>N/A</b>
2. Name of Operator <b>Gasco Production Company</b> 303-483-0044 8 Inverness Drive East, Suite 100 Englewood, CO 80112		7. If Unit or CA Agreement, Name and No. <b>N/A</b>
3. Name of Agent <b>Permitco Inc. - Agent</b> 303-857-9999 14421 County Road 10 Fort Lupton, CO 80621		8. Lease Name and Well No. <b>Uteland Federal #42-3-10-18</b>
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface <b>1467' FNL and 725' FEL</b> At proposed prod. zone <b>SE NE</b>		9. API Well No. <b>43-OAT-39A160</b>
14. Distance in miles and direction from nearest town or post office* <b>Approximately 24.6 miles southeast of Myton, UT</b>		10. Field and Pool, or Exploratory <b>Riverbend</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>725'</b>	16. No. of Acres in lease <b>2519.15</b>	11. Sec., T., R., M., or Blk, and Survey or Area <b>Section 3, T10S-R18E</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>Approx. 3450'</b>	19. Proposed Depth <b>12,655'</b>	12. County or Parish <b>Uintah</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4993' GL</b>	20. BLM/BIA Bond No. on file <b>Bond #UT-1233</b>	13. State <b>UT</b>
22. Approximate date work will start* <b>ASAP</b>		23. Estimated duration <b>35 Days</b>

24. Attachments **CONFIDENTIAL-TIGHT HOLE**

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |   |
|---|---|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).   |
| 2. A Drilling Plan.   | 5. Operator certification.  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, a SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized office. |

25. Signature 	Name (Printed/Typed) <b>Venessa Langmacher</b>	Date <b>3/23/2007</b>
Title <b>Authorized Agent for Gasco Production Company</b>		
Approved by (Signature) 	Name (Printed/Typed) <b>Terry Kevorka</b>	Date <b>11-5-2007</b>
Title <b>Assistant Field Manager Lands &amp; Mineral Resources</b>		
Office <b>VERNAL FIELD OFFICE</b>		

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

Conditions of approval, if any, are attached.

**CONDITIONS OF APPROVAL ATTACHED**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on reverse)

**NOTICE OF APPROVAL**



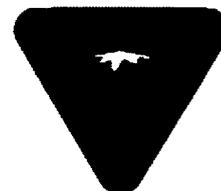
**RECEIVED**  
**NOV 09 2007**  
DIV. OF OIL, GAS & MINING

07PP0870A  
NOS 11/06/06



**UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE**

170 South 500 East      VERNAL, UT 84078      (435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

<b>Company:</b> Gasco Production Co.	<b>Location:</b> SENE, Sec 3, T10S, R18E
<b>Well No:</b> Uteland Federal 42-3-10-18	<b>Lease No:</b> UTU-013820
<b>API No:</b> 43-047-39460	<b>Agreement:</b> N/A

<b>Title</b>	<b>Name</b>	<b>Office Phone Number</b>	<b>Cell Phone Number</b>
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
NRS/Enviro Scientist:	Paul Buhler	(435) 781-4475	(435) 828-4029
NRS/Enviro Scientist:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	
NRS/Enviro Scientist:		(435) 781-4476	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Jannice Cutler	(435) 781-3400	(435) 828-3544
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545

**Fax: (435) 781-3420**

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

***SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)***

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

***Site Specific COAs***

Due to the presence of individual Uintah Basin hookless cactus within the well pad buffer area, the operator shall construct and install adequate fencing adjacent to the location of known individual cacti in order to prevent direct impacts and to minimize impacts to individuals from dust generated during construction of the well pad. The protective fence shall be six feet in height, utilize silt containment material such as burlap or other similar material, and be placed an appropriate distance from the cactus as to not impede sunlight.

In addition, occupied Uinta Basin hookless cactus habitats within 100' of the edge of the surface pipelines' right-of-ways, 100' of the edge of the roads' right-of-ways, and 100' from the edge of the well pad shall be monitored for a period of three years after ground disturbing activities. Monitoring will include annual plant surveys to determine plant and habitat impacts relative to project facilities. Annual reports shall be provided to the BLM and the Service. To ensure desired results are being achieved, minimization measures will be evaluated and may be changed after a thorough review of the monitoring results and annual reports during annual meetings between the BLM and the Service.

A qualified paleontological consultant shall monitor all surface disturbing activities related to this proposed action. If vertebrate fossils are encountered during construction, the BLM must be contacted immediately. Work cannot resume at the locality until the find is assessed by a qualified paleontological consultant and findings are reported to the BLM, Vernal Field Office.

The operator shall ensure the access road and pipeline route is constructed upslope out of the existing wash, well pad corner 2 and 9 is rounded, and the fill slope on well pad corner 1 is held back as much as possible.

The operator shall install a double layer of felt under the standard 12mm reserve pit liner in order to mitigate any potential impact to T&E Fish.

Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the re-

spreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.

The following seed mix shall be used:

Type		lbs./acre
Western Wheatgrass	<i>Agropyron smithii</i>	4
Needle and Threadgrass	<i>Stipa comata</i>	4
Hy-crest Crested wheatgrass	<i>Agropyron cristatum</i>	4
** Seed shall be drilled; but if broadcasted double the pounds per acre used and work the solids mechanically to cover the seed.		

Following well plugging and abandonment, the location, access roads, pipelines, and other facilities shall be reclaimed. All disturbed surfaces shall be reshaped to approximate the original contour; the top soil re-spread over the surface; and, the surface re-vegetated. The surface of approved staging areas where construction activities did not occur may require disking or ripping and reseeded. The appropriate seed mixture will be provided by the BLM.

## ***DOWNHOLE PROGRAM CONDITIONS OF APPROVAL (COAs)***

### **SITE SPECIFIC DOWNHOLE COAs:**

- The 5M BOPE shall be equipped with a third ram which shall be a pipe ram. In addition, a remote kill line, which shall run to the outer edge of the substructure and be unobstructed, shall be required. If any seal or seals subject to pressure are broken to modify the BOPE, the entire BOPE shall be retested to 5M BOPE Onshore Order #2 requirements.
- Production casing cement shall be brought up and into the surface casing. The minimum cement top is 2500 ft, which is above the surface casing shoe.
- COA specification is consistent with operators performance standard stated in APD.

**All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to.** The following items are emphasized:

### **DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**

- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Wellogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

**OPERATING REQUIREMENT REMINDERS:**

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

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

FORM 9

**CONFIDENTIAL**

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>UTU-13820</b>
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: <b>NA</b>
		7. UNIT or CA AGREEMENT NAME: <b>NA</b>
1. TYPE OF WELL <b>OIL WELL</b> <input type="checkbox"/> <b>GAS WELL</b> <input checked="" type="checkbox"/> <b>OTHER</b> _____	8. WELL NAME and NUMBER: <b>Uteland Federal 42-3-10-18</b>	
2. NAME OF OPERATOR: <b>Gasco Production Company</b>		9. API NUMBER: <b>4304739460</b>
3. ADDRESS OF OPERATOR: <b>8 Inverness Dr E, Ste 100</b> CITY <b>Englewood</b> STATE <b>Co</b> ZIP <b>80112</b>	PHONE NUMBER: <b>(303) 483-0044</b>	10. FIELD AND POOL, OR WILDCAT: <b>Uteland Butte</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>1467' FNL &amp; 725' FEL</b>		COUNTY: <b>Uintah</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SENE 3 10 18</b>		STATE: <b>UTAH</b>

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> (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"/> <b>SUBSEQUENT REPORT</b> (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><b>Extend Permit</b></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.  
**Gasco Production Company would like to request a one year extension on this APD from the date it is due to expire (8/27/2008.)**

Approved by the  
 Utah Division of  
 Oil, Gas and Mining

Date: 08-26-08  
 By: [Signature]

NAME (PLEASE PRINT) <u>Beverly Walker</u>	TITLE <u>Engineering Technician</u>
SIGNATURE <u>[Signature]</u>	DATE <u>8/21/2008</u>

(This space for State use only)

**COPY SENT TO OPERATOR**

Date: 8-27-2008

Initials: KS



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

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

**API:** 4304739460  
**Well Name:** Uteland Federal 42-3-10-18  
**Location:** SE NE of Sec 3-T10S-R18E Uintah Cnty, UT  
**Company Permit Issued to:** Gasco Production Company  
**Date Original Permit Issued:** 8/27/2007

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

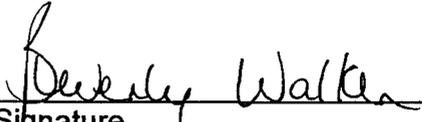
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

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

8/21/2008  
 Date

Title: Engineering Technician

Representing: Gasco Production Company

**CONFIDENTIAL**

**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: UTU-13820
2. NAME OF OPERATOR: Gasco Production Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
3. ADDRESS OF OPERATOR: 8 Inverness Dr E, Ste 100 CITY Englewood STATE Co ZIP 80112		7. UNIT or CA AGREEMENT NAME: NA
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1467' FNL & 725' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 3 10 18		8. WELL NAME and NUMBER: Uteland Federal 42-3-10-18
		9. API NUMBER: 4304739460
		10. FIELD AND POOL, OR WILDCAT: Uteland Butte
		COUNTY: Uintah
		STATE: UTAH

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

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

Gasco Production Company would like to request a one year extension on this APD from the date it is due to expire (8/26/2009.)

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 08-24-09  
By: [Signature]

COPY SENT TO OPERATOR

Date: 8-25-2009  
Initials: KS

NAME (PLEASE PRINT) <u>Jessica Berg</u>	TITLE <u>Production Clerk</u>
SIGNATURE <u>[Signature]</u>	DATE <u>8/17/2009</u>

(This space for State use only)

RECEIVED

AUG 20 2009

DIV. OF OIL, GAS & MINING

11 51

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

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

**API:** 4304739460  
**Well Name:** Uteland Federal 42-3-10-18  
**Location:** SE NE of Sec 3-T10S-R18E Uintah Cnty, UT  
**Company Permit Issued to:** Gasco Production Company  
**Date Original Permit Issued:** 8/27/2007

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

Jessica Berg  
Signature

8/17/2009  
Date

Title: Production Clerk

Representing: Gasco Production Company

RECEIVED  
AUG 20 2009  
DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other Instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. <u>0</u> UTU-13820
2. Name of Operator Gasco Production Company		6. If Indian, Allottee, or Tribe Name NA
3a. Address 8 Inverness Drive East Ste 100 Englewood, Co 80112	3b. Phone No. (include area code) 303-483-0044	7. If Unit or CA. Agreement Name and/or No. NA
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1467' FNL & 725' FEL SENE of Sec 3-T10S-R18E		8. Well Name and No. Uteland Federal 42-3-10-18
		9. API Well No. 4304739460
		10. Field and Pool, or Exploratory Area Uteland Butte
		11. County or Parish, State Uintah, UT

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/ Resume)	<input type="checkbox"/> Water Shut-off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Permit Extension
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

*Gasco Production company would like to request a two year extension on this APD from the date it is due to expire 11/5/2009.*

RECEIVED  
DEC 22 2009

DIV. OF OIL, GAS & MINING  
CONDITIONS OF APPROVAL ATTACHED

RECEIVED  
VERNAL FIELD OFFICE  
2009 OCT 29 PM 2 54  
DEPT OF THE INTERIOR  
BUREAU OF LAND MGMT

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

Name (Printed/ Typed) Jessica Berg	Title Production Clerk
Signature 	Date October 27, 2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by 	Title Petroleum Engineer	Date NOV 24 2009
-----------------	-----------------------------	---------------------

Conditions of approval, if any are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)



# CONDITIONS OF APPROVAL

## Gasco Production Company

### Notice of Intent APD Extension

**Lease:** UTU-013820  
**Well:** Federal 42-3-10-18  
**Location:** SENE Sec 3-T10S-R18E

An extension for the referenced APD is granted with the following conditions:

---

1. The extension and APD shall expire on 10/11/2011.
2. Since the APD was approved under a Categorical Exclusion and the referenced NEPA will expire 10/11/2011, if the well has not been spud by that date this APD will expire and the operator is to cease all operations related to the preparation to drill the well.

If you have any questions concerning this matter, please contact Ryan Angus of this office at (435) 781-4430

**RECEIVED**  
**DEC 22 2009**  
**DIV. OF OIL, GAS & MINING**

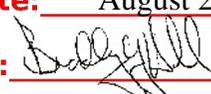
<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-13820
	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
	<b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> UTELAND FED 42-3-10-18
<b>2. NAME OF OPERATOR:</b> GASCO PRODUCTION COMPANY	<b>9. API NUMBER:</b> 43047394600000
<b>3. ADDRESS OF OPERATOR:</b> 8 Inverness Dr. East, Suite 100 , Englewood, CO, 80112	<b>PHONE NUMBER:</b> 303 483-0044 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1467 FNL 0725 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SENE Section: 03 Township: 10.0S Range: 18.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> UTELAND BUTTE
	<b>COUNTY:</b> UINTAH
	<b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 8/8/2011	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<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 OR 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"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input checked="" type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width:100px;" type="text"/>

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

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

Date: August 23, 2010  
By: 

<b>NAME (PLEASE PRINT)</b> Roger Knight	<b>PHONE NUMBER</b> 303 996-1803	<b>TITLE</b> EHS Supervisor
<b>SIGNATURE</b> N/A	<b>DATE</b> 8/23/2010	



**The Utah Division of Oil, Gas, and Mining**

- State of Utah  
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

**Request for Permit Extension Validation Well Number 43047394600000**

**API:** 43047394600000

**Well Name:** UTELAND FED 42-3-10-18

**Location:** 1467 FNL 0725 FEL QTR SENE SEC 03 TWP 100S RNG 180E MER S

**Company Permit Issued to:** GASCO PRODUCTION COMPANY

**Date Original Permit Issued:** 8/27/2007

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 rightof- 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

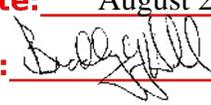
**Approved by the  
Utah Division of  
Oil, Gas and Mining**

**Signature:** Roger Knight

**Date:** 8/23/2010

**Title:** EHS Supervisor **Representing:** GASCO PRODUCTION COMPANY

**Date:** August 23, 2010

**By:** 

**RECEIVED** August 23, 2010

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-13820
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  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.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> UTELAND FED 42-3-10-18
<b>2. NAME OF OPERATOR:</b> GASCO PRODUCTION COMPANY	<b>9. API NUMBER:</b> 43047394600000
<b>3. ADDRESS OF OPERATOR:</b> 8 Inverness Dr. East, Suite 100 , Englewood, CO, 80112	<b>PHONE NUMBER:</b> 303 483-0044 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1467 FNL 0725 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SENE Section: 03 Township: 10.0S Range: 18.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> UTELAND BUTTE  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 8/27/2012	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<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 OR 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"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input checked="" type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

**Approved by the  
 Utah Division of  
 Oil, Gas and Mining**  
  
**Date:** 08/31/2011  
**By:** 

<b>NAME (PLEASE PRINT)</b> Roger Knight	<b>PHONE NUMBER</b> 303 996-1803	<b>TITLE</b> EHS Supervisor
<b>SIGNATURE</b> N/A	<b>DATE</b> 8/30/2011	



**The Utah Division of Oil, Gas, and Mining**

- State of Utah  
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

**Request for Permit Extension Validation Well Number 43047394600000**

**API:** 43047394600000

**Well Name:** UTELAND FED 42-3-10-18

**Location:** 1467 FNL 0725 FEL QTR SENE SEC 03 TWP 100S RNG 180E MER S

**Company Permit Issued to:** GASCO PRODUCTION COMPANY

**Date Original Permit Issued:** 8/27/2007

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 rightof- 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:** Roger Knight

**Date:** 8/30/2011

**Title:** EHS Supervisor **Representing:** GASCO PRODUCTION COMPANY

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9  <b>5.LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-13820
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  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.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7.UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> UTELAND FED 42-3-10-18
<b>2. NAME OF OPERATOR:</b>	<b>9. API NUMBER:</b> 43047394600000
<b>3. ADDRESS OF OPERATOR:</b> _____ <b>PHONE NUMBER:</b> _____ Ext	<b>9. FIELD and POOL or WILDCAT:</b> UTELAND BUTTE
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1467 FNL 0725 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SENE Section: 03 Township: 10.0S Range: 18.0E Meridian: S	<b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: <b>8/27/2013</b>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<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 OR 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"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input checked="" type="checkbox"/> <b>APD EXTENSION</b>
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width:100px;" type="text"/>

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

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

**Date:** September 13, 2012

**By:**

<b>NAME (PLEASE PRINT)</b> Roger Knight	<b>PHONE NUMBER</b> 303 996-1803	<b>TITLE</b> EHS Supervisor
<b>SIGNATURE</b> N/A	<b>DATE</b> 9/2/2012	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

**Request for Permit Extension Validation Well Number 43047394600000**

API: 43047394600000

Well Name: UTELAND FED 42-3-10-18

Location: 1467 FNL 0725 FEL QTR SENE SEC 03 TWNP 100S RNG 180E MER S

Company Permit Issued to: GASCO PRODUCTION COMPANY

Date Original Permit Issued: 8/27/2007

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 rightof- 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: Roger Knight

Date: 9/2/2012

Title: EHS Supervisor Representing: GASCO PRODUCTION COMPANY



# United States Department of the Interior



## BUREAU OF LAND MANAGEMENT

Green River District

Vernal Field Office

170 South 500 East

Vernal, UT 84078

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

November 18, 2013

IN REPLY REFER TO:  
3160 (UTG011)

Tom Rogers  
Gasco Production Company  
7979 Tufts Ave., Suite 1150  
Denver, CO 80237

43 047 39460

Re: Notice of Expiration  
Well No. Uteland Federal 42-3-10-18  
SENE, Sec. 3, T10S, R18E  
Uintah County, Utah  
Lease No. UTU-013820

Dear Mr. Rogers:

The Application for Permit to Drill (APD) for the above-referenced well was approved on November 5, 2007. A two (2) year extension of the original APD was requested. The request was reviewed and the extension approved until October 11, 2011. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location in the future, a new Application for Permit to Drill must be submitted.

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

If you have any questions regarding this matter, please contact Robin R. Hansen at (435) 781-3428.

Sincerely,

/s/ Jerry Kenczka

Jerry Kenczka  
Assistant Field Manager  
Lands & Mineral Resources

cc: UDOGM

bcc: Well File  
I&E Asst.

RECEIVED

NOV 29 2013

DIV. OF OIL, GAS & MINING



GARY R. HERBERT  
*Governor*

SPENCER J. COX  
*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 29, 2013

Gasco Production Company  
8 Inverness Dr. East, Suite 100  
Englewood, CO 80112

Re: APD Rescinded – Uteland Fed 42-3-10-18, Sec. 3, T. 10S, R. 18E  
Uintah County, Utah API No. 43-047-39460

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 August 27, 2007. On August 26, 2008, August 24, 2009, August 23, 2010, August 31, 2011 and September 13, 2012 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 29, 2013.

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  
Bureau of Land Management, Vernal

