

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-80569
1b. 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
2. Name of Operator Forest Oil Corporation		7. If Unit or CA Agreement, Name and No. UTU-85529X North Walker Hollow
3a. Address 707 17th ST. Suite 3600 Denver CO. 80202	3b. Phone No. (include area code) 303-812-1755	8. Lease Name and Well No. North Walker Hollow Unit H-6-7-23
4. Location of Well (Report location clearly and in accordance with any State requirements.)* 40.245823 At surface 1971' FNL & 584' FEL LOT #8 639325X - 44561184 - 109.341978 At proposed prod. zone Same as above		9. API Well No. 43-047-39596
14. Distance in miles and direction from nearest town or post office* Approximately 12.8 miles from Jensen UT.		10. Field and Pool, or Exploratory Walker Hollow 100
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 584'	16. No. of acres in lease 8814.45 in unit	11. Sec., T. R. M. or Blk. and Survey or Area Sec. 6, T7S, R23E. S.L.B.&M.
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1,255'	19. Proposed Depth 14,500'	12. County or Parish Uintah
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4,985' GR	22. Approximate date work will start* 10/01/2007	13. State UT
20. BLM/BIA Bond No. on file WYB000101		
23. Estimated duration 30 days		
24. Attachments		

CONFIDENTIAL

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

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

25. Signature <i>Ginger Stringham</i>	Name (Printed Typed) Ginger Stringham	Date 08/29/2007
Title Agent		
Approved by (Signature) <i>Bradley G. Hill</i>	Name (Printed Typed) BRADLEY G. HILL	Date 09-11-07
Title ENVIRONMENTAL MANAGER		

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

Title 18 U.S.C. Section 1001 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 page 2)

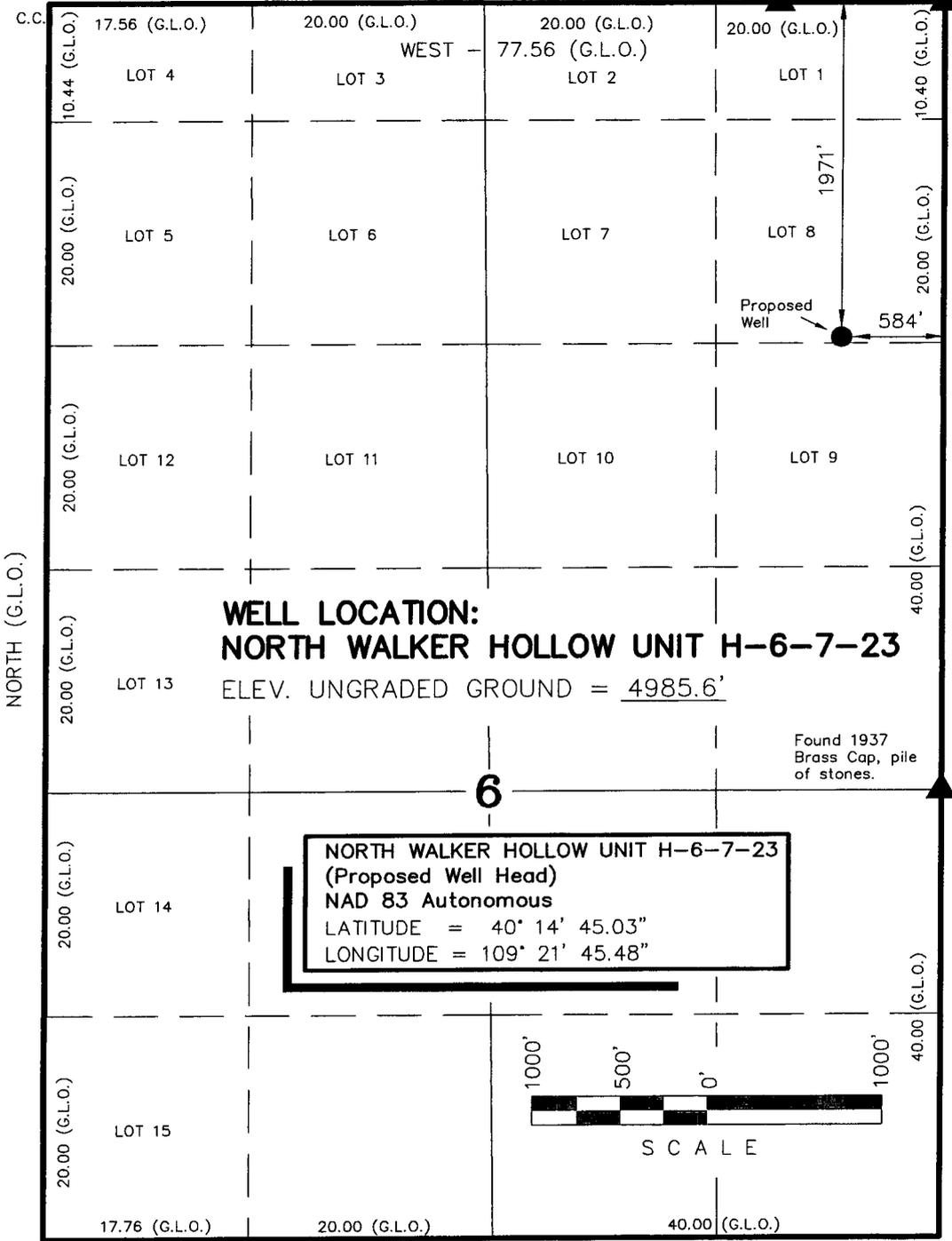
**Federal Approval of this
Action is Necessary**

AUG 30 2007

T7S, R23E, S.L.B.&M.

Found 1937
Brass Cap, pile
of stones.

N89°59'20"W - 2640.49' (Meas.)
WEST 14.34 (G.L.O.)



Found 1937
Brass Cap.
Found 1937
Brass Cap, pile
of stones.

- NOTES:**
- Well footages are measured at right angles to the Section Lines.
 - G.L.O. distances are shown in feet or chains. 1 chain = 66 feet.
 - Bearings are based on Global Positioning Satellite observations.
 - BASIS OF ELEVATION IS THE SOUTHWEST CORNER OF SECTION 32, T6S, R23E, S.L.B.&M. THE ELEVATION OF THIS SECTION CORNER IS SHOWN ON THE RED WASH 7.5 MIN. QUADRANGLE AS BEING 5089'.

N00°03'40"W (Basis of Bearings) 4645.89' (Measured to C.C. Corner)
N00°03'40"W - 4646.14' (Measured to True Corner)
N0°04'W - 110.40 (G.L.O.)



▲ = SECTION CORNERS LOCATED

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

Kolby R. Kay
REGISTERED LAND SURVEYOR
REGISTRATION No. 36225
STATE OF UTAH

FOREST OIL CORPORATION

WELL LOCATION, NORTH WALKER HOLLOW UNIT H-6-7-23, LOCATED AS SHOWN IN LOT 8 OF SECTION 6, T7S, R23E, S.L.B.&M. UTAH COUNTY, UTAH.

TIMBERLINE		(435) 789-1365
ENGINEERING & LAND SURVEYING, INC.		
38 WEST 100 NORTH - VERNAL, UTAH 84078		
DATE SURVEYED: 08-03-07	SURVEYED BY: M.S.B.	SHEET 2 OF 10
DATE DRAWN: 08-06-07	DRAWN BY: M.W.W.	
SCALE: 1" = 1000'	Date Last Revised:	

Ten Point Plan

Forest Oil Corporation

North Walker Hollow Unit H-6-7-23

Surface Location Lot #8

Section 6, T. 7S., R. 23E.

1. **Surface Formation**
Uintah

2. **Estimated Formation Tops and Datum:**

Formation		Depth	Datum
Uintah		Surface	4,985' G.R.
Green River	Oil/Gas	3,074'	-1,911'
Wasatch	Oil/Gas	5,894'	-909'
Mesa Verde	Oil/Gas	7,667'	-2,682'
BT		10,630'	-5,645'
Castlegate		10,800'	-5,815'
Mancos		11,050'	-6,065'
Mancos B		13,000'	-8,015'
TD		14,500'	-9,515'

All fresh water and oil and gas bearing zones shall be protected by casing and cement program.

3. **Producing Formation Depth:**

Formation objective includes the Wasatch, Green River, Mesa Verde, BT, Castlegate, Mancos, Mancos B.

4. **Proposed Casing:**

Hole Size	Casing Size	Weight/FT	Grade	Coupling & Tread	Casing Depth	New/Used
17 1/2	13.375	54.5#	J-55	BT&C	1,000'	NEW
12 1/4	9.625	53.5#	P-110	LT&C	7,500'	NEW
8 7/8	4.5	13.5#	P-110	LT&C	10,500'	NEW

Cement Program:

The Surface Casing will be cemented as follows from 0' - 1,000':

Cement volume = Gauge hole + 50%

Casing Size	Cement Type	Cement Amounts	Cement Yield	Water Mix	Cement Weight
Lead: 13.375	Class G 2% bwoc Calcium Chloride 0.25 lbs/sk Cello Flake 0.005 gps FP-6L	900sks+/-	1.17ft ³ /sk	4.99gps	15.8 ppg
Top Job:	Class "G"	10-200sks	1.15ft ³ /sk	5gps	15.6 ppg

The Intermediate Casing will be cemented as follows from 0' - 7,500':

Cement volume = Gauge hole + 50%

<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Water Mix</u>	<u>Cement Weight</u>
Lead: 9.625	Premium lite II 0.05 lbs/sk Static Free 3% bwow Potassium Chloride 0.25 lbs/sk Cello Flake 5 lbs/sk Kol Seal 0.005 gps FP-6L 10% bwoc Bentonite 0.5% bwoc Sodium Metasilicate	1,540sks.+/-	1.18ft ³ /sk	20.52gps	11.0 ppg

Tail:	50/50 Poz Premium 0.05% bwoc Static Free 10% bwow Sodium Chloride 2% bwoc Bentonite	760 sks. +/-	1.49ft ³ /sk	5.58gps	13.5ppg
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Production casing will be cemented as follows from 4,300' - 10,500':

Note: Lead should be 200' above the Wasatch.

Cement volume = Gauge hole + 25%

<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Water Mix</u>	<u>Cement Weight</u>
Lead: 4.5	Premium Lite II 0.05 lbs/sk Static Free 0.2% bwoc R-3 3% bwow Potassium Chloride 0.25 lbs/sk Cello Flake 5 lbs/sk Kol Seal 0.005 gps FP-6L 10% bwoc Bentonite 0.5% bwoc Sodium Metasilicate	1,200 sks.+/-	3.38ft ³ /sk	20.52gps	11.0ppg

Tail:	50/50 Poz Premium 0.05 lbs/sk Static Free 10% bwow Sodium Chloride 0.2% bwoc R-3 2% bwoc Bentonite	600 sks. +/-	1.31ft ³ /sk	5.91gps	14.3ppg
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5. BOP and Pressure Containment Data:

A 5000-psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 9.625 surface casing. An upper kelly cock to the required pressure rating with a handle available shall be employed.

The BOP system including the casing will be pressure tested to minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

6. Mud Program:

<u>Interval</u>	<u>Mud weight lbs./gal.</u>	<u>Viscosity Sec./OT.</u>	<u>Fluid Loss Ml/30 Mins.</u>	<u>Mud Type</u>
0-1,000'	8.5-9.0		No Control	Water/LCM
1,000-7,500'	8.7-9.8	32-45	8-10	Water/Gel
7,500-T.D.	11-13.0	30-50	8-10	Water/Gel

Note: Mud weights may exceed 13.0 due to solids increasing at or near T.D. Increased weights are not required to control formation pressure. Operator will have on location sufficient mud and weight material to increase mud weight to 13.0 at any time while drilling the subject well. Visual mud monitoring incorporating pit level indicators shall be used.

7. Testing, Coring, Sampling and Logging:

- a) DST: None are anticipated.
- b) Coring: There is the possibility of sidewall coring.
- c) Mud Sampling: Every 10' from 7,500' to T.D.
- d) Logging:

Type	Interval
DLL/SFL W/GR and SP	T.D. to Surf. Csg
FDC/CNL W/GR and CAL	T.D. to Surf. Csg

8. Abnormalities (including sour gas)

Anticipated bottom hole pressure will be less than 5000 psi. No abnormal pressures, temperatures or other hazards are anticipated. Other wells drilled in the area have not encountered over pressured zones or H₂S.

9. Other facets of the proposed operation:

Off set well information

Abandoned Wells:

Walker Hollow 12-32-6-23

Walker Hollow U Brack 5

N. Walker Hollow 6-1

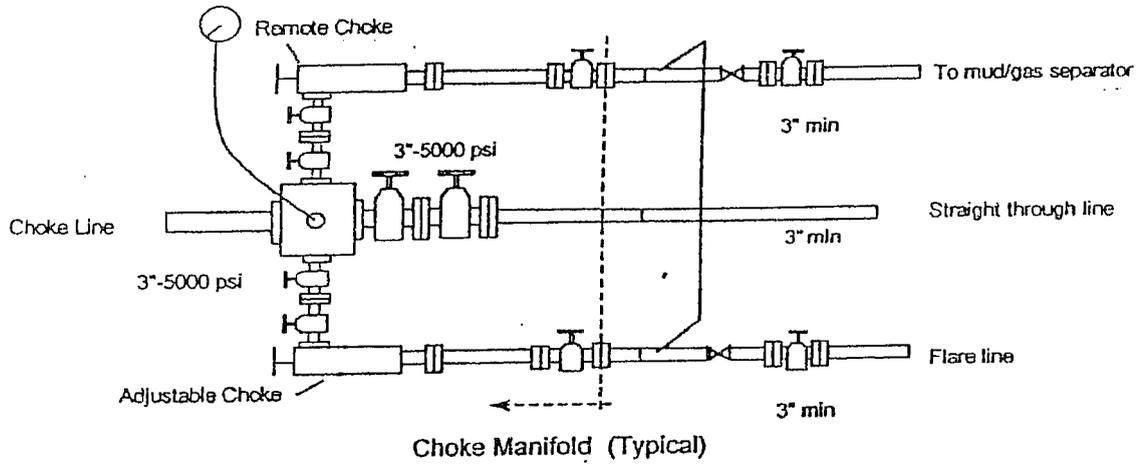
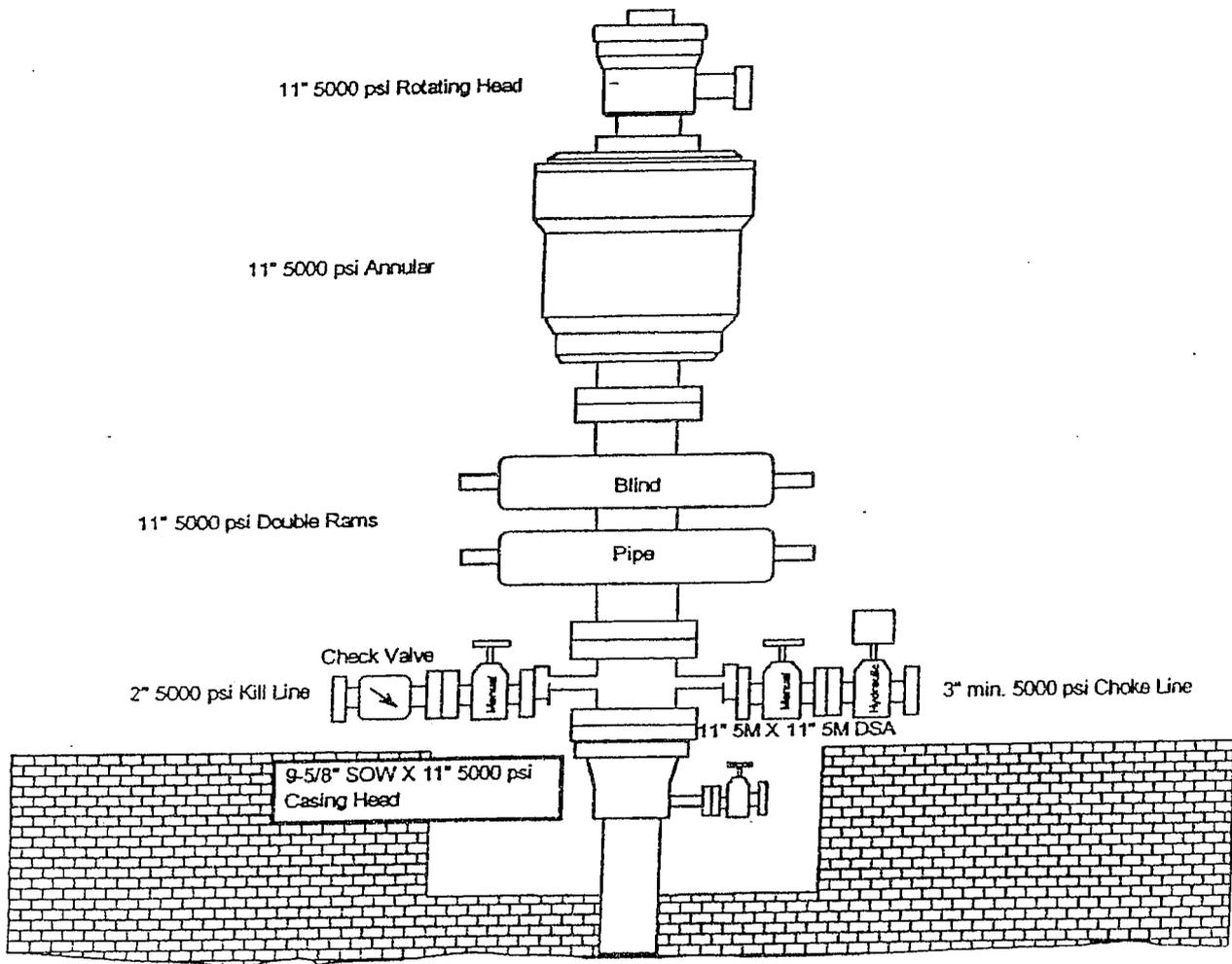
Walker Hollow U Brack 1

Walker Hollow U Brack 4

10. Drilling Schedule:

The anticipated starting date is 10/01/2007. Duration of operations is expected to be 30 days.

BOPE Diagram 5000 psi WP



FOREST OIL CORPORATION

13 POINT SURFACE USE PLAN

FOR WELL

NORTH WALKER HOLLOW UNIT H-6-7-23

LOCATED IN LOT #8

SECTION 6, T.7S, R23E, S.L.B.&M.

UINTAH COUNTY, UTAH

UNIT NUMBER: UTU-85529X

SURFACE OWNERSHIP: FEDERAL

1. Existing Roads:

Forest Oil Corporation

North Walker Hollow Unit H-6-7-23

Section 6, T. 7S, R. 23E

From the intersection of US Highway 40 and State Highway 149 in Jensen, UT; proceed in an easterly direction along US Highway 40 approximately 0.8 miles to the junction of the Red Wash Highway (County B Road 3070). Exit right and proceed in an southerly direction along the Red Wash Highway approximately 8.3 miles to the junction of the Walker Hollow Road; exit left and continue along the Walker Hollow Road in a southeasterly direction approximately 1.9 miles to the intersection of a class D county road to the south. Exit right and proceed in a southerly direction along the class D County road approximately 1.8 miles to the proposed well pad.

Total distance from Jensen, Utah to the proposed well location is approximately 12.8 miles.

All existing roads to the proposed location are State of Utah, BLM maintained or County Class D roads. Please see the attached map for additional details.

2. Planned access road:

The proposed access road will be an upgrade of a county Class D road for approximately 1.8 to the subject location. No new

construction will be performed. The road will be graded once per year minimum and maintained. Culverts will be installed along the access road as needed. Low water crossings will need cobble, matting and small cobble for protection of the road.

- A) Approximate length 1.8 miles
- B) Right of Way width 30 ft
- C) Running surface 18 ft
- D) Surface material Native soil
- E) Maximum grade 8%
- F) Fence crossing None
- G) Culvert as needed
- H) Turnouts None
- I) Major cuts and fills None
- J) Road Flagged Yes
- K) Access road surface ownership Federal & State
- L) All new construction on lease Yes
- M) Pipe line crossing Yes

Please see the attached location plat for additional details.

An off lease right-of-way will be required for approximately 1,500' in Section 29, T6S, R23E. A County title V has been filed for the County road in sec. 29, T 6S, R 23E.

An easement will be filed with the State of Utah for the off lease portion of the road.

All surface disturbances for the road will not be within the lease boundary. All surface disturbance for the location will be within the lease boundry.

3. Location of existing wells

The following wells are located within a one-mile radius of the location site.

- | | |
|------------------------------------------|-------------|
| A) Producing well | None |
| B) Water well | None |
| C) Abandoned well | |
| North Walker Hollow U 3 | |
| North Walker Hollow U Brack 5 | |
| Walker Hollow U Brack 1 | |
| N Walker Hollow 6-1 | |
| Walker Hollow U Brack 4 | |
| D) Temp. abandoned well | None |
| E) Disposal well | None |
| F) Drilling /Permitted well | None |
| G) Shut in wells | None |
| H) Injection well | None |
| I) Monitoring or observation well | None |

Please see the attached map for additional details.

4. Location of tank batteries, production facilities and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted an **Covert Green** color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded. The

required paint color is **Covert Green**.

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

The operator will adhere to all site security guidelines and regulation identified in 43 CFR 3126.7.

All off lease storage, off lease measurement, commingling on lease or off lease, of production, will have prior written approval from the authorized officer.

If the well is capable of economic production a buried gas line will be required.

Approximately 2,515' of 4" steel buried gas gathering line would be constructed on Federal and State lands. The pipeline will tie into the North Walker Hollow 14-32-6-23 well location in Section 32, T6S, R23E. The pipeline will be buried to the north of the location and parallel to the access road. A temporary construction width of 45' will be required for one week and a permanent width of 15' will be required. The pipeline will be buried in the borrow ditch along steep portions of the access road.

An off lease right-of-way will be required for approximately 430'. An easement will be filed with the State of Utah for the off lease portion of the pipeline.

Please see the attached location diagrams for pipeline location.

The gas meter run will be located within 500' of the wellhead. The gas line will be buried or anchored down from the wellhead to the meter. Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tank strapped 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 authorized officer 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 report will be submitted to the BLM's Vernal District office and State of Utah, Division of Oil, Gas, and Mining. All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

5. Location and type of water supply

Water for drilling and cementing will come from the Green River (3 miles south of the Jensen bridge) Permit number 49-2217 (Dalbo/A-1 Tank.)

6. Source of construction materials

All construction material for this location site and access road shall be

barrow material accumulated during construction of the location site and access road. Additional road gravel or pit lining material will be obtained from private resources.

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately **10 ft.** deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details.

The reserve pit will be lined.

The reserve pit will be used to store water for drilling. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary, a storage tank for a period not to exceed 90 days after initial production. During the 90-day period an application for approval for permanent disposal method and location will be submitted to the authorized officer. Onsite evaporation may be used instead of trucking to facilitate closing and reclamation of the reserve pit. A pumping

system would be used for evaporation.

C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized landfill location.

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site clean-up:

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

8. Ancillary facilities

There are no ancillary facilities planned at this time and none are foreseen for the future.

9. Well-site layout

Location dimensions are as follows:

- A) Pad length 380 ft.
- B) Pad width 300 ft.
- C) Pit depth 10 ft.
- D) Pit length 175 ft.
- E) Pit width 80 ft.
- F) Max cut 21.4 ft.
- G) Max fill 11.2 ft.
- H) Total cut yds. 21,650 cu yds
- I) Pit location SW end
- J) Top soil location NE & SE ends
- K) Access road location

NW end
Corner C

L) Flare Pit

Please see the attached location diagram for additional details.

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

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

10. Plans for restoration of the surface

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area. The topsoil removed and

piled will amount to approximately **1,820** cubic yards of material. Topsoil will be stockpiled in one distinct pile. Placement of the topsoil is noted on the attached location plat. The topsoil pile from the location will be seeded as soon as the soil is stock piled with the seed mix listed. When all drilling and completion activities have been completed and the pit back-filled the topsoil from the pit area will be spread on the pit area. The pit area will be seeded when the soil has been spread. The unused portion of the location (the area outside the dead men) will be re-contoured.

A diversion ditch will be constructed around the pit to the north.

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

Changes to the drainage during the construction activities shall be restored to its original line of flow or as near as possible when the pit is back-filled.

All disturbed areas will be re-contoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation

activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rainfall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert the run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified and left with a rough surface.

A) Seeding dates:

Seed will be spread when topsoil is stock piled and when reclamation work is performed.

The seed mix and quantity list will be used whether the seed is broadcast or drilled.

B) Interim Seed Mix

- 4#/acre Scarlet Globe Mallow**
- 8#/acre Crested Wheat Grass**
- 1#/acre Big Wyo Sage**
- 1#/acre Shadscale**

11. Surface ownership:

Access road	Federal & State
Location	Federal
Pipeline	Federal & State

12. Other information:

prior approval.

A) Vegetation

The vegetation coverage is slight. The majority of the existing vegetation consists of non-native species. Rabbit brush, bitter brush, tarmack and Sagebrush are also found on the location.

B) Dwellings:

There are no dwellings or other facilities within a one-mile radius of the location.

C) Archeology:

The location has been surveyed. A copy of that survey will be forwarded to your office.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations, which would affect such sites, will be suspended and the discovery reported promptly to the surface management agency.

D) Water:

**The nearest water is
The Green River, 6 miles
to the Northwest.**

E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without

F) Notification:

- a) Location Construction
At least forty eight (48) hours prior to construction of location and access roads.
- b) Location completion
prior to moving on the drilling rig.
- c) Spud notice
At least twenty-four (24) hours prior to spudding the well.
- d) Casing string and cementing
At least twenty-four (24) hours prior to running casing and cementing all casing strings.
- e) BOP and related equipment tests
At least twenty-four (24) hours prior to initial pressure tests.
- f) First production notice
Within five (5) business days after the new well begins, or production resumes after well has been off production for more than 90 days.

G) Flare pit:

The flare pit will be located in **corner C** of the reserve pit outside the pit fences and 100 feet from the bore hole on the east side of the location. All fluids will be removed from the pit within 48 hours of occurrence.

13. Lessees or Operator's representative and certification

A) Representative

Ginger Stringham
Paradigm Consulting, INC
PO BOX 790203
Vernal, UT 84079

Office 435-789-4162
Fax 435-789-8188
Cellular 435-790-4163

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, and any applicable notices to lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

This drilling permit will be valid for a period of two years from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

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 and belief, true and correct, and that the work associated with the operation proposed herein will be preformed by Forest Oil Corporation and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for filing of a false statement.

Onsite Dates: 8/28/07

Self Certification Statement

The following self-certification statement is provided per Federal requirements dated June 15, 1988.

Please be advised that Forest Oil Corporation is considered to be the operator of the following well:

**North Walker Hollow Unit H-6-7-23
Section 6, T. 7S, R. 23E
Lot 8
Lease UTU-80569
Unit UTU-85529X
Uintah County, Utah**

Forest Oil Corporation is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond WYB-104155044 provides nation-wide bond coverage on all Federal Lands.

Date 8/29/07



Ginger Stringham., Agent
Paradigm Consulting, INC

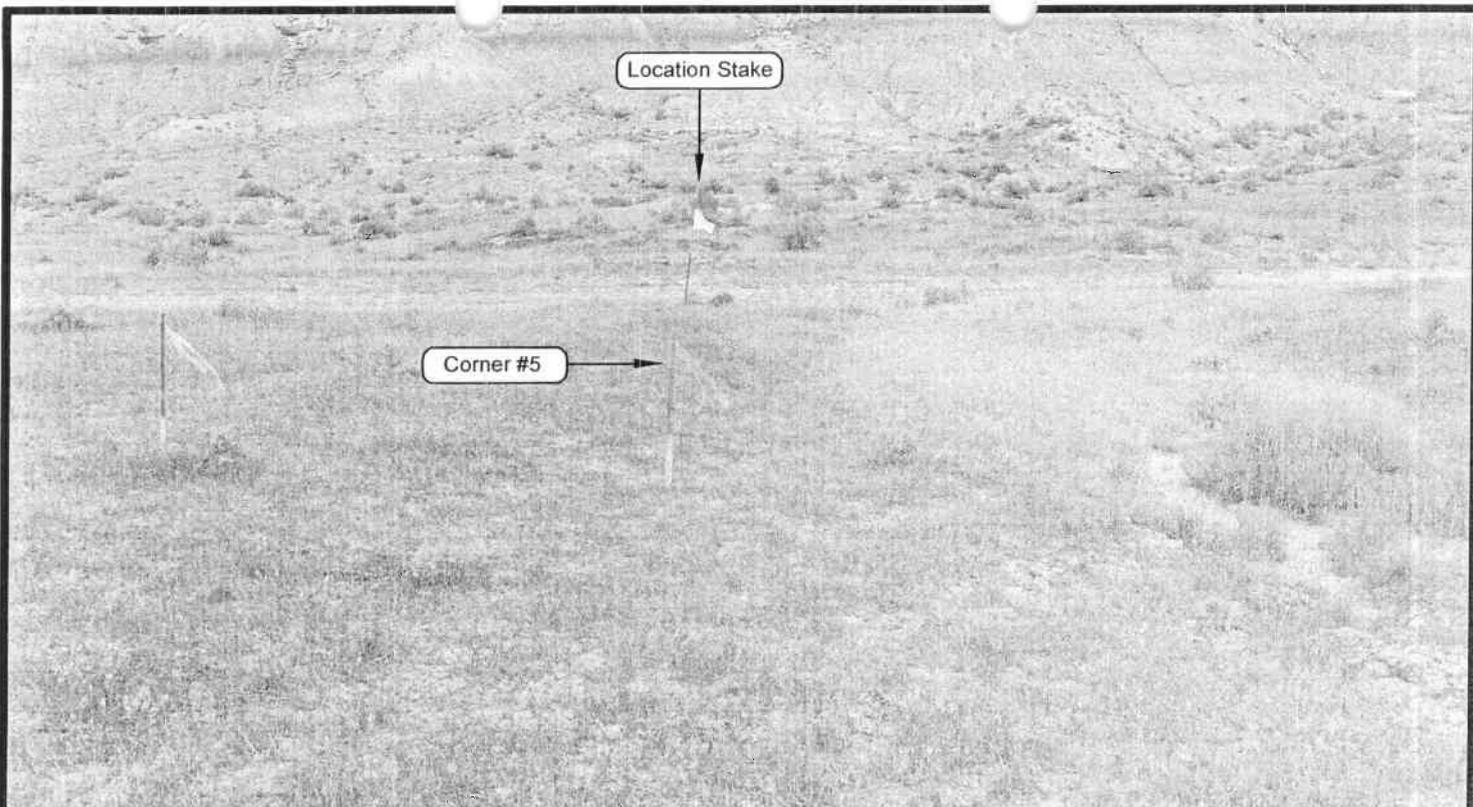
Statement of use of Hazardous Materials

No chemical(s) from the EPA's consolidated list of Chemicals Subject to Reporting under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986 will be used, produced, transported, stored, disposed, or associated with the proposed action. No extremely hazardous substances, as defined in 40 CFR 355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

If you require additional information please contact:

Paradigm Consulting, INC
Ginger Stringham, Agent for
Forest Oil Corporation
PO BOX 790203
Vernal, UT 84079

435-789-4162 Office
435-789-8188 Fax

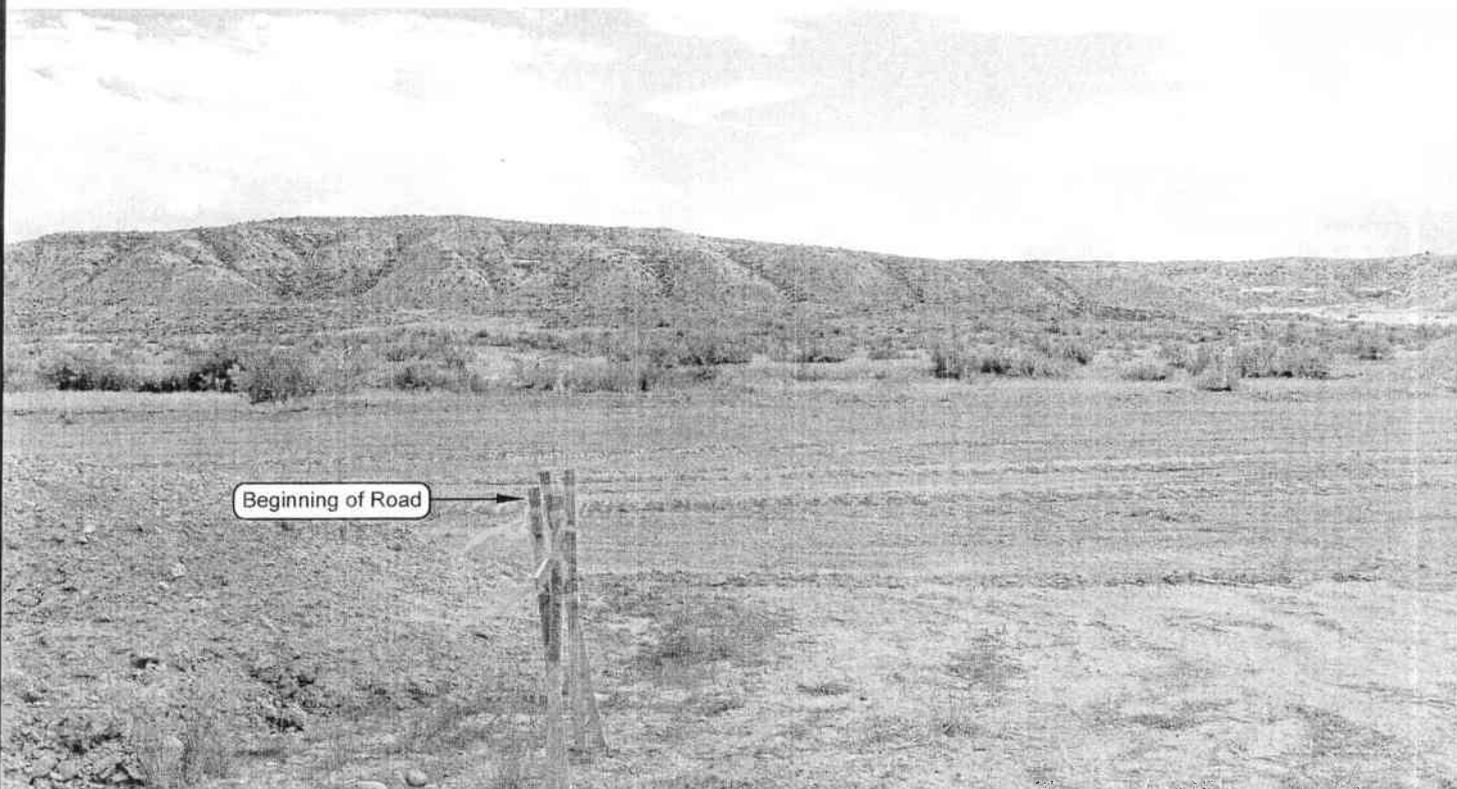


Location Stake

Corner #5

PHOTO VIEW: FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



Beginning of Road

PHOTO VIEW: FROM BEGINNING OF ROAD

CAMERA ANGLE: SOUTHWESTERLY

FOREST OIL CORPORATION

North Walker Hollow Unit H-6-7-23
 SECTION 6, T7S, R23E, S.L.B.&M.
 1971' FNL & 584' FEL

LOCATION PHOTOS

TAKEN BY: M.S.B.

DRAWN BY: M.W.W.

DATE TAKEN: 08-03-07

DATE DRAWN: 08-06-07

REVISED:

Timberline

(435) 789-1365

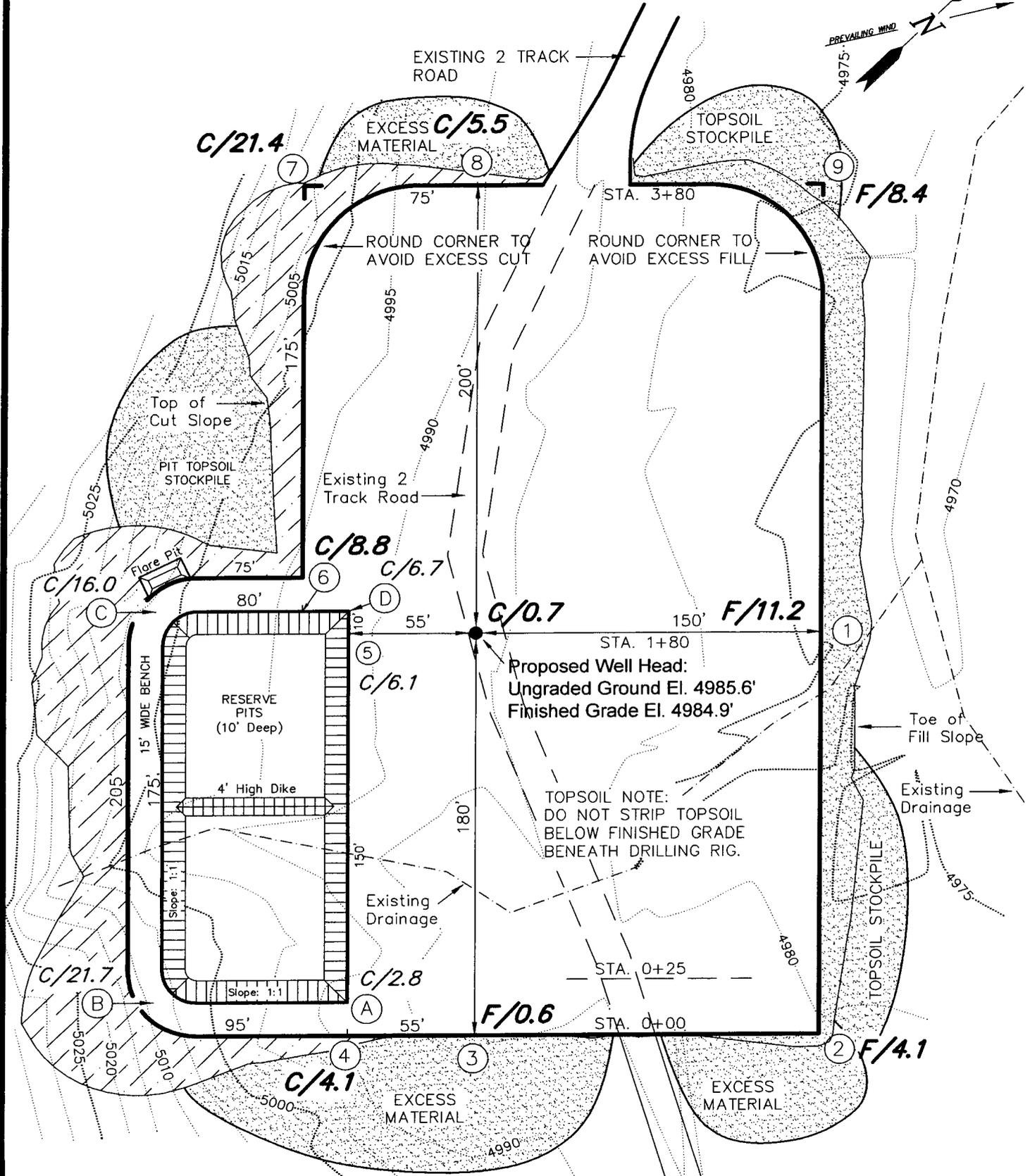
Engineering & Land Surveying, Inc.

38 WEST 100 NORTH VERNAL, UTAH 84078

SHEET
 1
 OF 10

FOREST OIL CORPORATION

CUT SHEET - NORTH WALKER HOLLOW UNIT H-6-7-23

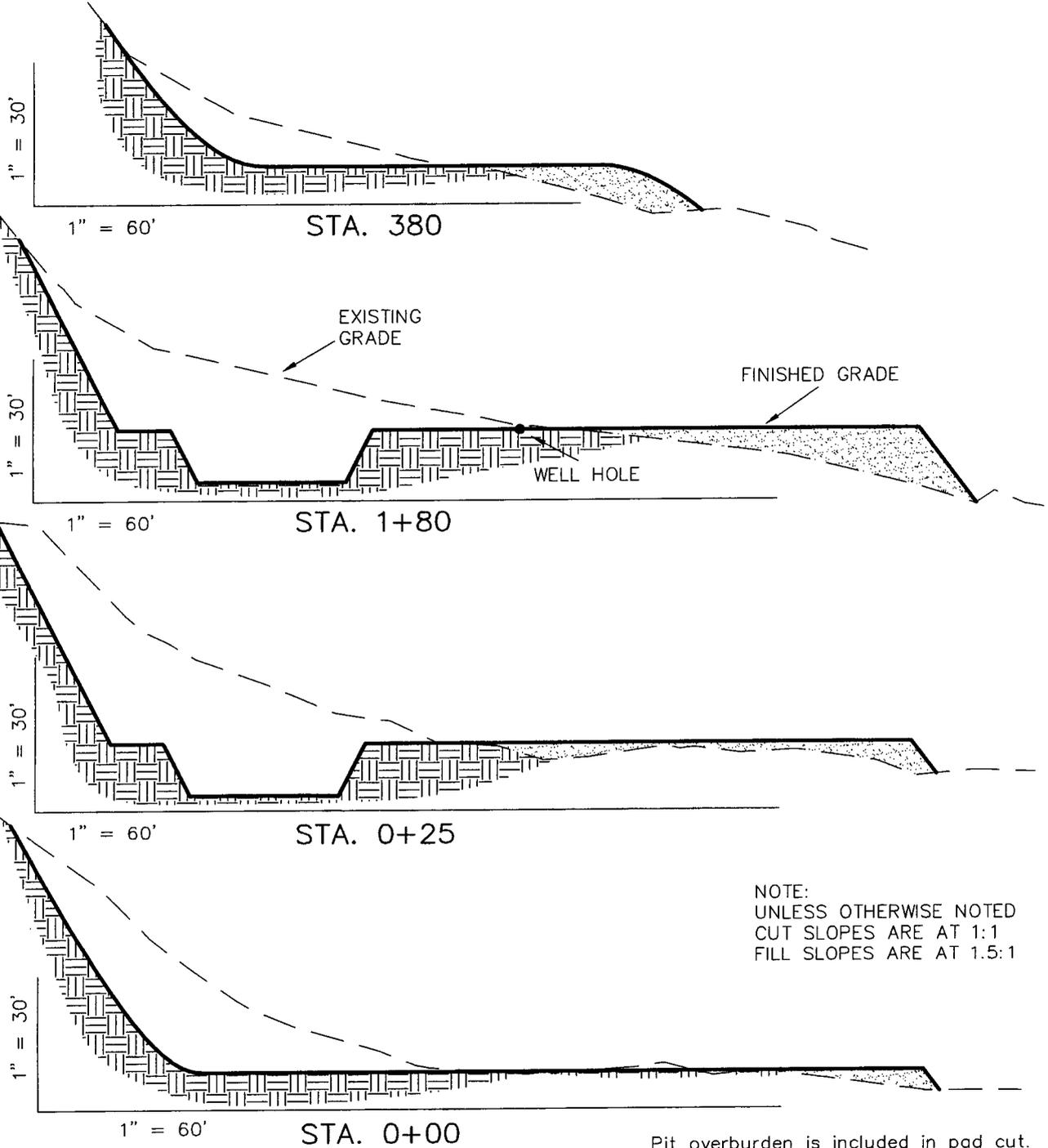


CONTOUR INTERVAL = 5'

Section 6, T7S, R23E, S.L.B.&M.		Qtr/Qtr Location: LOT 8	Footage Location: 1971' FNL & 584' FEL
Date Surveyed: 08-03-07	Date Drawn: 08-06-07	Date Last Revision:	Timberline Engineering & Land Surveying, Inc. 38 WEST 100 NORTH VERNAL, UTAH 84078 (435) 789-1365
Surveyed By: M.S.B.	Drawn By: M.W.W.	Scale: 1" = 60'	
			SHEET 3 OF 10

FOREST OIL CORPORATION

CROSS SECTIONS - NORTH WALKER HOLLOW UNIT H-6-7-23



NOTE:
UNLESS OTHERWISE NOTED
CUT SLOPES ARE AT 1:1
FILL SLOPES ARE AT 1.5:1

Pit overburden is included in pad cut.

REFERENCE POINTS

- 200' NORTHEASTERLY = 4969.3'
- 250' NORTHEASTERLY = 4975.5'
- 230' SOUTHEASTERLY = 4989.2'
- 280' SOUTHEASTERLY = 4997.3'

ESTIMATED EARTHWORK QUANTITIES (No shrink or swell adjustments have been used) (Expressed in Cubic Yards)

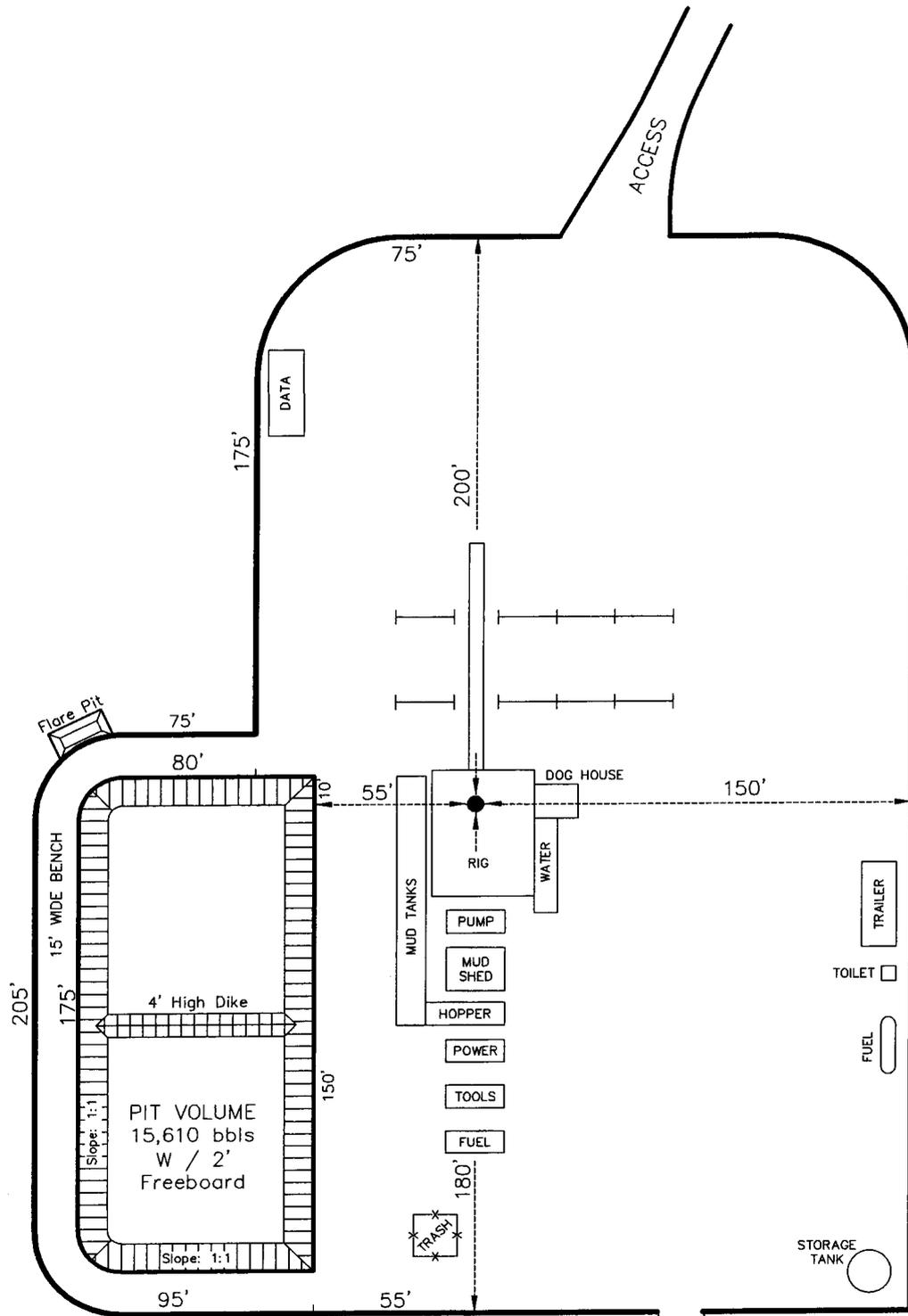
ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	17,410	11,860	Topsoil is not included in Pad Cut	5,550
PIT	4,240	0		4,240
TOTALS	21,650	11,860	1,820	9,790

Excess Material after Pit Rehabilitation = 5,550 Cu. Yds.

Section 6, T7S, R23E, S.L.B.&M.		Qtr/Qtr Location: LOT 8	Footage Location: 1971' FNL & 584' FEL
Date Surveyed: 08-03-07	Date Drawn: 08-06-07	Date Last Revision:	Timberline <i>Engineering & Land Surveying, Inc.</i> 38 WEST 100 NORTH VERNAL, UTAH 84078 (435) 789-1365
Surveyed By: M.S.B.	Drawn By: M.W.W.	Scale: 1" = 60'	

FOREST OIL CORPORATION

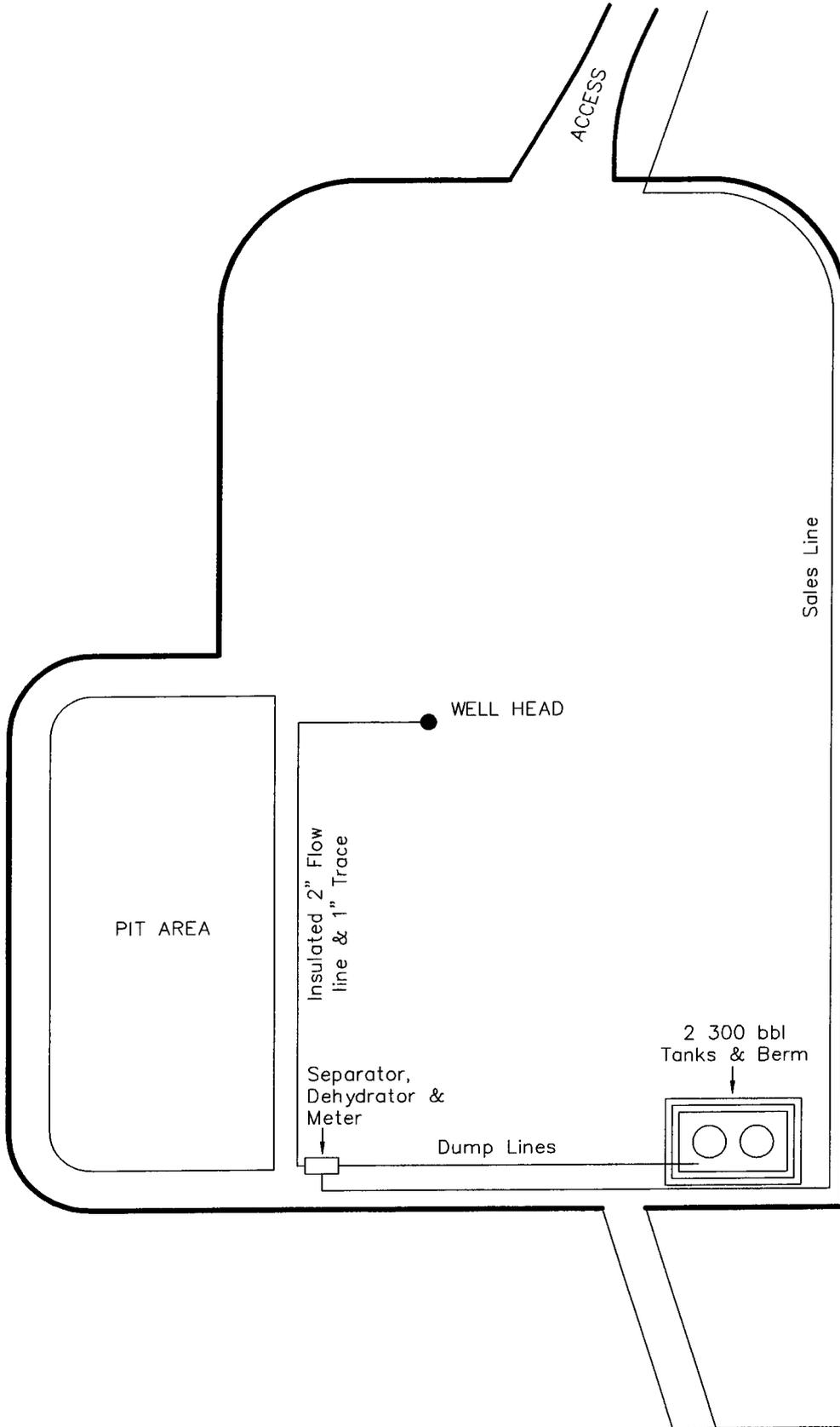
TYPICAL RIG LAYOUT - NORTH WALKER HOLLOW UNIT H-6-7-23



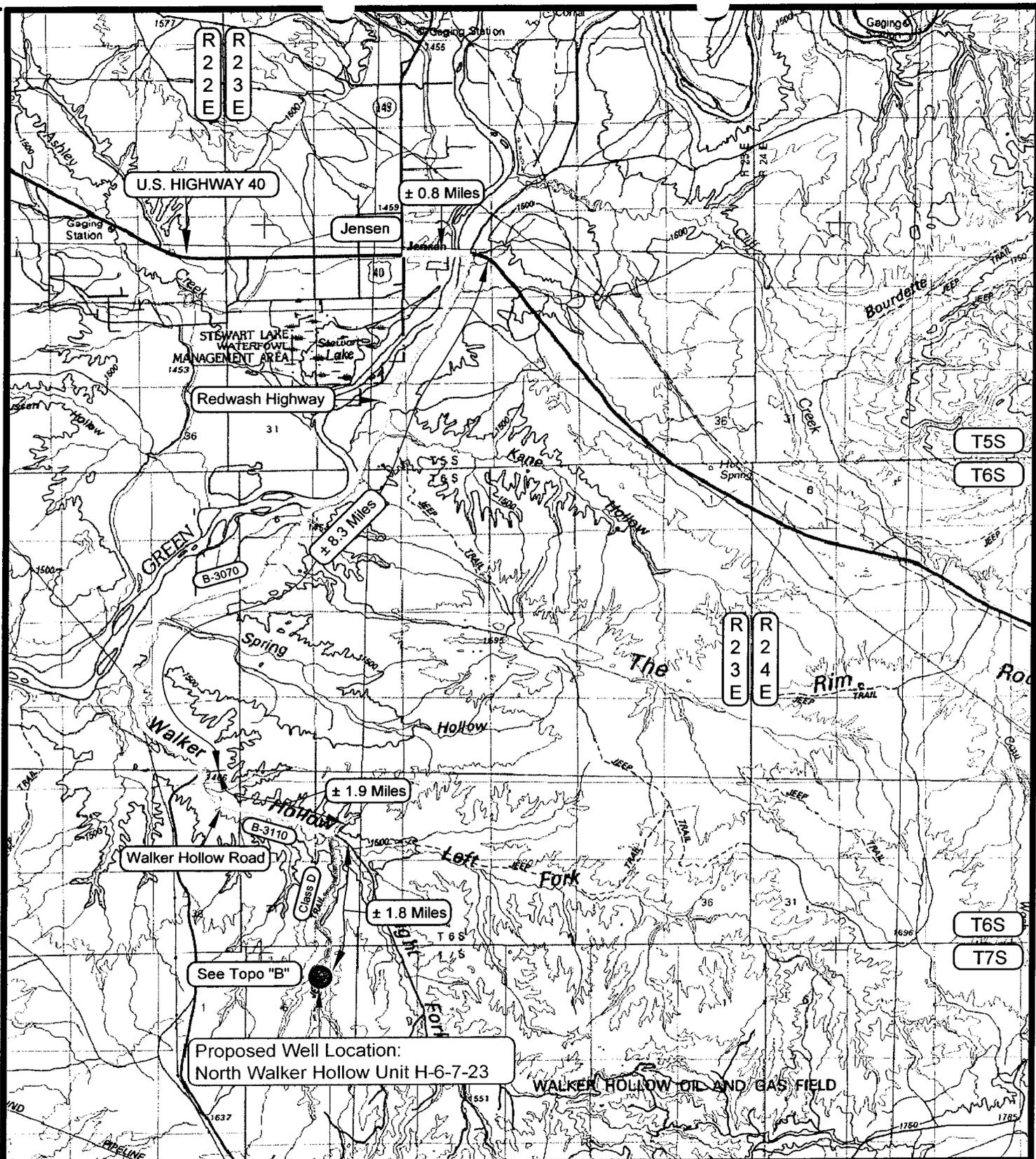
Section 6, T7S, R23E, S.L.B.&M.		Qtr/Qtr Location: LOT 8		Footage Location: 1971' FNL & 584' FEL	
Date Surveyed: 08-03-07	Date Drawn: 08-06-07	Date Last Revision:		Timberline (435) 789-1365	
Surveyed By: M.S.B.	Drawn By: M.W.W.	Scale: 1" = 60'		Engineering & Land Surveying, Inc. 38 WEST 100 NORTH VERNAL, UTAH 84078	
				SHEET 5 OF 10	

FOREST OIL CORPORATION

TYPICAL PRODUCTION LAYOUT – NORTH WALKER HOLLOW UNIT H-6-7-23



Section 6, T7S, R23E, S.L.B.&M.		Qtr/Qtr Location: LOT 8	Footage Location: 1971' FNL & 584' FEL
Date Surveyed: 08-03-07	Date Drawn: 08-06-07	Date Last Revision:	Timberline <i>Engineering & Land Surveying, Inc.</i> 38 WEST 100 NORTH VERNAL, UTAH 84078
Surveyed By: M.S.B.	Drawn By: M.W.W.	Scale: 1" = 60'	(435) 789-1365 SHEET 6 OF 10



LEGEND

- PROPOSED ACCESS ROAD
- = SUBJECT WELL
- = OTHER WELLS
- = EXISTING ROAD
- = EXISTING ROAD (TO BE IMPROVED)
- (B-5460) = COUNTY ROAD CLASS & NUMBER

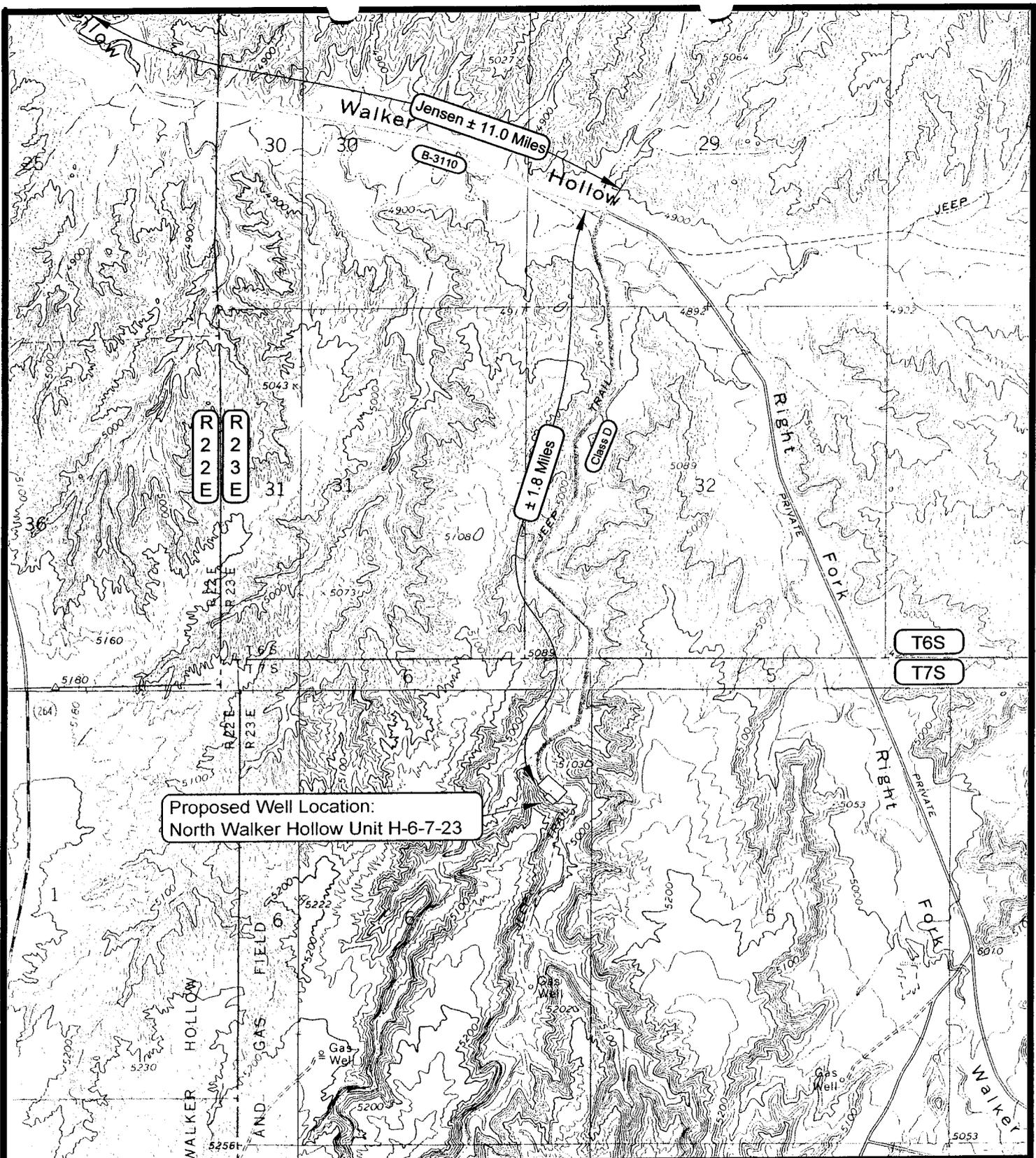
TOPOGRAPHIC MAP "A"	DATE SURVEYED: 08-03-07
	DATE DRAWN: 08-06-07
SCALE: 1:100,000	REVISID:
DRAWN BY: M.W.W.	

FOREST OIL CORPORATION

**North Walker Hollow Unit H-6-7-23
SECTION 6, T7S, R23E, S.L.B.&M.
1971' FNL & 584' FEL**

Timberline (435) 789-1365
Engineering & Land Surveying, Inc.
38 WEST 100 NORTH VERNAL, UTAH 84078

**SHEET
7
OF 10**



Proposed Well Location:
North Walker Hollow Unit H-6-7-23

LEGEND

- PROPOSED ACCESS ROAD
- = SUBJECT WELL
- = OTHER WELLS
- = EXISTING ROAD
- = EXISTING ROAD (TO BE IMPROVED)
- (B-5460) = COUNTY ROAD CLASS & NUMBER
- = LEASE LINE AND / OR PROPERTY LINE

FOREST OIL CORPORATION

North Walker Hollow Unit H-6-7-23
SECTION 6, T7S, R23E, S.L.B.&M.
1971' FNL & 584' FEL

Timberline (435) 789-1365
 Engineering & Land Surveying, Inc.
 38 WEST 100 NORTH VERNAL, UTAH 84078

SHEET
8
OF 10

TOPOGRAPHIC MAP "B"

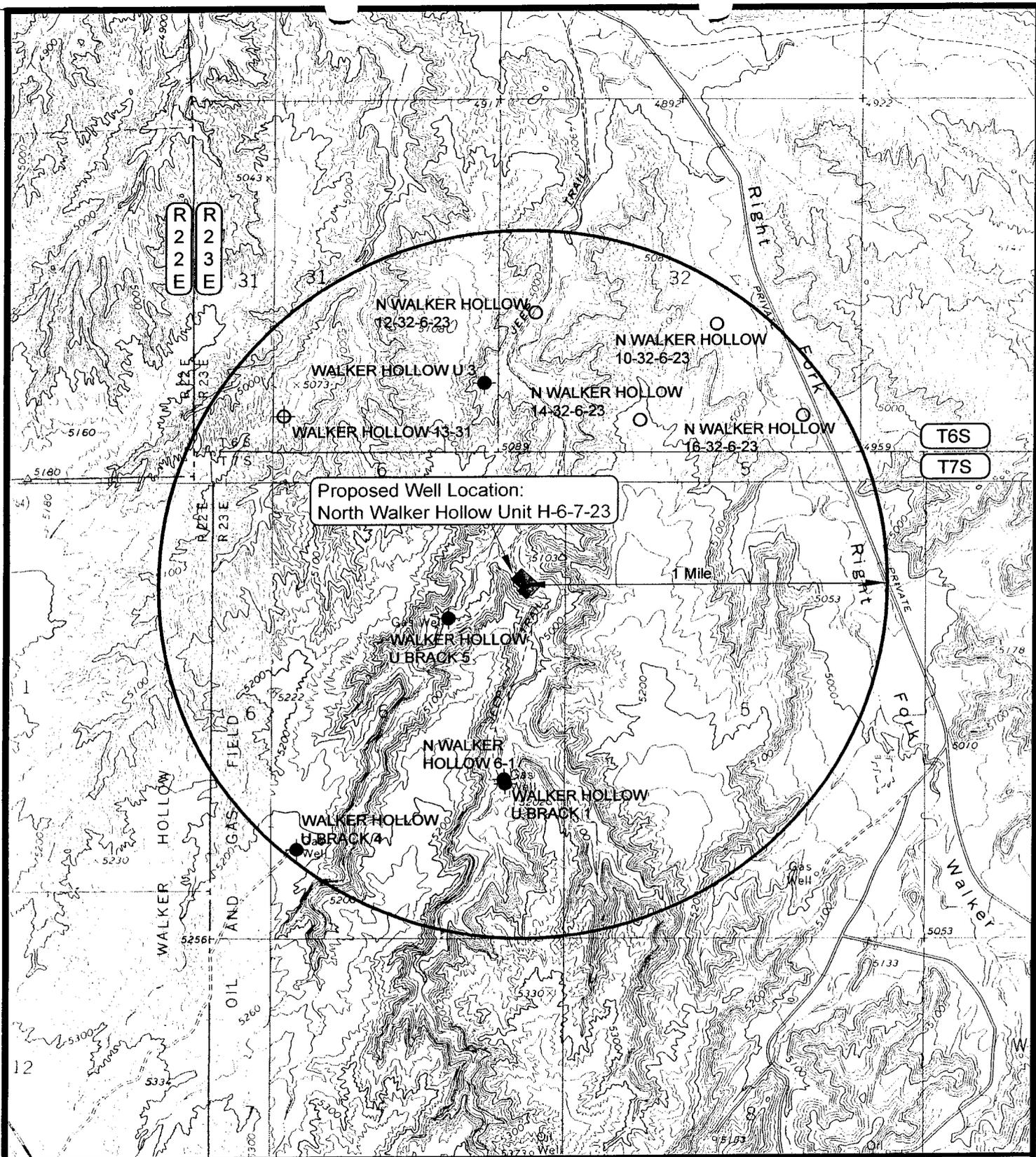
DATE SURVEYED: 08-03-07

DATE DRAWN: 08-06-07

SCALE: 1" = 2000'

DRAWN BY: M.W.W.

REVISED:



LEGEND

- ⊙ = DISPOSAL WELL
- = PRODUCING WELL
- = SHUT IN WELL
- = PROPOSED WELL
- ⊙ = WATER WELL
- = ABANDONED WELL
- = TEMPORARILY ABANDONED WELL
- ⊙ = ABANDONED LOCATION

FOREST OIL CORPORATION

**North Walker Hollow Unit H-6-7-23
SECTION 6, T7S, R23E, S.L.B.&M.
1971' FNL & 584' FEL**

TOPOGRAPHIC MAP "C"

DATE SURVEYED: 08-03-07

DATE DRAWN: 08-06-07

SCALE: 1" = 2000'

DRAWN BY: M.W.W.

REVISED:

Timberline

(435) 789-1365

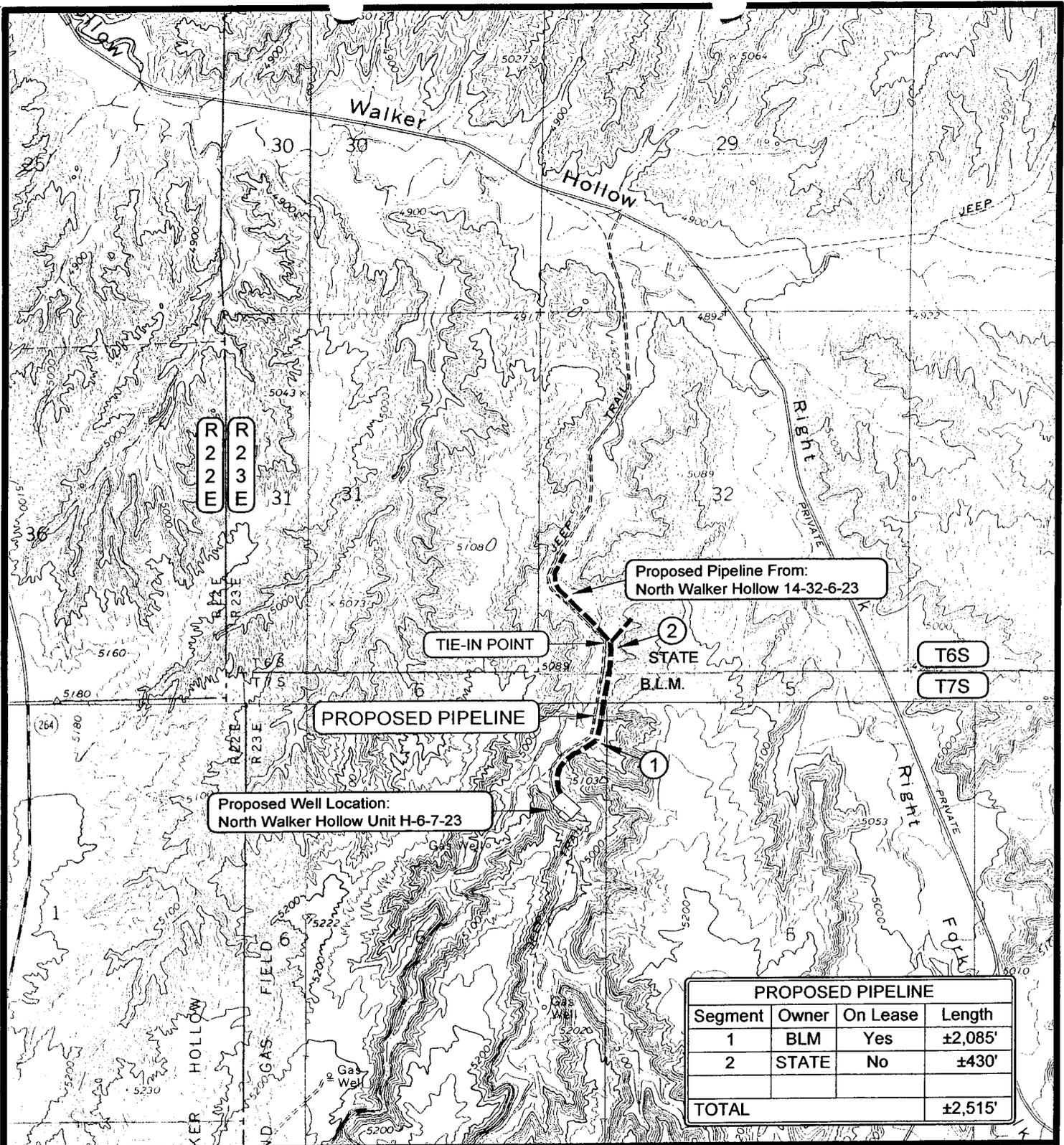
Engineering & Land Surveying, Inc.

38 WEST 100 NORTH VERNAL, UTAH 84078

SHEET

9

OF 10



PROPOSED PIPELINE			
Segment	Owner	On Lease	Length
1	BLM	Yes	±2,085'
2	STATE	No	±430'
TOTAL			±2,515'

APPROXIMATE PIPELINE LENGTH = ±2,515 FEET

LEGEND

- = PROPOSED PIPELINE
- = OTHER PIPELINE
- = PROPOSED ACCESS ROAD
- = SUBJECT WELL
- = OTHER WELLS
- = LEASE LINE AND / OR PROPERTY LINE

TOPOGRAPHIC MAP "D"	DATE SURVEYED: 08-03-07
	DATE DRAWN: 08-06-07
SCALE: 1" = 2000'	DRAWN BY: M.W.W.
	REVISED:

FOREST OIL CORPORATION

**North Walker Hollow Unit H-6-7-23
SECTION 6, T7S, R23E, S.L.B.&M.
1971' FNL & 584' FEL**

Timberline (435) 789-1365
Engineering & Land Surveying, Inc.
38 WEST 100 NORTH VERNAL, UTAH 84078

SHEET
10
OF 10

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 08/30/2007

API NO. ASSIGNED: 43-047-39596

WELL NAME: N WALKER HOLLOW U H-6-7-23
 OPERATOR: FOREST OIL CORPORATION (N6965)
 CONTACT: GINGER STRINGHAM

PHONE NUMBER: 303-812-1755

PROPOSED LOCATION:

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

LOT8 06 070S 230E
 SURFACE: 1971 FNL 0584 FEL
 BOTTOM: 1971 FNL 0584 FEL
 COUNTY: UINTAH
 LATITUDE: 40.24582 LONGITUDE: -109.3620
 UTM SURF EASTINGS: 639325 NORTHINGS: 4456118
 FIELD NAME: WALKER HOLLOW (700)

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-80569
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MNCS
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. WYB000101)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-2217)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit: NORTH WALKER HOLLOW
- 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 Agreement
2- Spacing Strip

WALKER HALLOW 13-31
 WALKER HALLOW 13-31
 WALKER HALLOW 13-31

N WALKER HALLOW 14-32-6-23
 N WALKER HALLOW 14-32-6-23

T6S R23E

T7S R23E

T6S R22E

WALKER HOLLOW FIELD NORTH WALKER HOLLOW UNIT

N WALKER
 HOLLOW U H-6-7-23

WALKER HOLLOW
 U BRACK 5

N WALKER
 HOLLOW 6-1
 WALKER HOLLOW
 U BRACK 1

WALKER HOLLOW
 U BRACK 4

OPERATOR: FOREST OIL CORP (N6965)

SEC: 6 T.7S R. 23E

FIELD: WALKER HOLLOW (700)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING



OIL, GAS & MINING



PREPARED BY: DIANA MASON
 DATE: 7-SEPTEMBER-2007

- 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

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:
3160
(UT-922)

September 7, 2007

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2007 Plan of Development North Walker Hollow
Unit Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following well is planned for calendar year 2007 within the North Walker Hollow Unit, Uintah County, Utah.

API#	WELL NAME	LOCATION
------	-----------	----------

(Proposed PZ Mancos)

43-047-39596 N Walker Hollow H-6-7-23 Sec 6 T07S R23E 1971 FNL 0584 FEL

Please be advised this well may serve as the initial obligation well for the unit. This office has no objection to permitting the well at this time.

/s/ Michael L. Coulthard

bcc: File - North Walker Hollow Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:9-7-07



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

September 11, 2007

Forest Oil Corporation
707 17th St., Ste. 3600
Denver, CO 80202

Re: North Walker Hollow Unit H-6-7-23 Well, 1971' FNL, 584' FEL, Lot 8, Sec. 6,
T. 7 South, R. 23 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39596.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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



Operator: Forest Oil Corporation

Well Name & Number North Walker Hollow Unit H-6-7-23

API Number: 43-047-39596

Lease: UTU-80569

Location: Lot 8 Sec. 6 T. 7 South R. 23 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 office (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.

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-80569
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:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: Forest Oil Corporation		8. WELL NAME and NUMBER: North Walker Hollow U H-6-7-23
3. ADDRESS OF OPERATOR: 707 17th Street, Suite 3600 CITY Denver STATE CO ZIP 80202		9. API NUMBER: 4304739596
PHONE NUMBER: (303) 812-1755		10. FIELD AND POOL, OR WILDCAT: Walker Hollow
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1971' FNL & 584' FEL		COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: L8 6 7S 23E		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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>Extension Request</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.

Forest Oil Corporation respectfully requests an APD approval extension for one year.

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

Date: 10-01-08
By: [Signature]

NAME (PLEASE PRINT) <u>Ginger Bowden</u>	TITLE <u>Agent</u>
SIGNATURE <u>[Signature]</u>	DATE <u>9/28/2008</u>

(This space for State use only)

COPY SENT TO OPERATOR

Date: 10.2.2008

Initials: KS

(See Instructions on Reverse Side)

RECEIVED

OCT 01 2008

DIV. OF OIL, GAS & MINING



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

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

API: 43-047-39596
Well Name: North Walker Hollow Unit H-6-7-23
Location: Sec. 6, T. 7S, R23E 1971' FNL & 584' FEL Lot #8
Company Permit Issued to: Forest Oil Corporation
Date Original Permit Issued: 9/11/2007

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

Eringer Bowden
Signature

9/29/2008
Date

Title: Agent

Representing: Forest Oil Corporation

RECEIVED

OCT 01 2008

DIV. OF OIL, GAS & ...

RECEIVED
VERNAL FIELD OFFICE

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

2007 AUG 29 PM 3:42

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-80569
1b. 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
2. Name of Operator Forest Oil Corporation		7. If Unit or CA Agreement, Name and No. UTU-85529X
3a. Address 707 17th ST, Suite 3600 Denver CO, 80202		8. Lease Name and Well No. North Walker Hollow Unit H-6-7-23
3b. Phone No. (include area code) 303-812-1755		9. API Well No. 43 047 39596
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 1971' FNL & 584' FEL LOT #8 At proposed prod. zone Same as above		10. Field and Pool, or Exploratory Walker Hollow
14. Distance in miles and direction from nearest town or post office* Approximately 12.8 miles from Jensen UT.		11. Sec., T, R, M. or Blk. and Survey or Area Sec. 6, T7S, R23E, S.L.B.&M.
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 584'	16. No. of acres in lease 8814.45 in unit	17. Spacing Unit dedicated to this well 40 acres
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1,255'	19. Proposed Depth 14,500'	20. BLM/BIA Bond No. on file WYB000101
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4,985' GR	22. Approximate date work will start* 10/01/2007	23. Estimated duration 30 days

24. Attachments

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

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

25. Signature <i>Ginger Stringham</i>	Name (Printed Typed) Ginger Stringham	Date 08/29/2007
Title Agent		

Approved by (Signature) <i>Jerry Kewicka</i>	Name (Printed Typed) Jerry Kewicka	Date MAR 19 2009
Title Assistant Field Manager Lands & Mineral Resources		Office VERNAL FIELD OFFICE

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 page 2)

NOTICE OF APPROVAL

UDOGM

RECEIVED

MAR 30 2009

DIV. OF OIL, GAS & MINING

NOS 8/7/07
07 PP 2669 A



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

170 South 500 East

VERNAL, UT 84078

(435) 781-4401



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Forest Oil Corporation
Well No: North Walker Hollow Unit H-6-7-23
API No: 43-047-39596

Location: Lot 8, Sec. 6, T7S, R23E
Lease No: UTU-80569
Agreement: North Walker Hollow Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS	Karl Wright	(435) 781-4484	
NRS/Enviro Scientist	Christine Cimiluca	(435) 781-4475	
NRS/Enviro Scientist	Dan Emmett	(435) 781-3414	(435) 828-4029
NRS/Enviro Scientist	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist	Lori Ford	(435) 781-4406	
NRS/Enviro Scientist	David Gordon	(435) 781-4424	
NRS/Enviro Scientist	James Hereford	(435) 781-3412	(435) 828-3546
NRS/Enviro Scientist	Chuck Macdonald	435) 781-4441	(435) 828-7481
NRS/Enviro Scientist	Nathan Packer	(435) 781-3405	(435) 828-3545
NRS/Enviro Scientist	Paul Percival	(435) 781-4493	(435) 828-7381
NRS/Enviro Scientist	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist	Holly Villa	(435) 781-4404	(435) 828-3544
		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)**

- All new and replacement internal combustion gas field engines of less than or equal to 300 design-rated horsepower must not emit more than 2 gms of NO_x per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO_x per horsepower-hour.
- 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:

DOI-BLM-UT-G010-2009-0272-EA

Surface Conditions of Approval or monitoring are listed in the Surface Use Plan of the APDs.

Where the access is a class D county road and the pipeline parallels the class D county road, the road upgrade and pipeline will need to be coordinated with Uintah County.

The operator will control noxious weeds along corridors for roads, pipelines, well sites, or other applicable facilities, through a Pesticide Use Permit (PUP).

Move the topsoil away from the drainage side of the location, berm and rip-rap the pad along the drainage side of the location.

An Interim Surface Reclamation Plan for surface disturbance on the well pad, access road, and pipeline will be completed. At a minimum, this will include the Best Management Practice of 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, reseeding the area using appropriate reclamation methods.

The interim reclamation seed mix will be:

Hy-crest crested wheatgrass	<i>Agropyron cristatum</i>	3 lbs. /acre
needle and thread grass	<i>Stipa comata</i>	3 lbs. /acre
squirrel tail	<i>Sitanion hystrix</i>	3 lbs. /acre
globemallow	<i>Sphaeralcea coccinea</i>	1 lbs. /acre
shadscale	<i>Atriplex confertifolia</i>	2 lbs. /acre
Wyoming sagebrush	<i>Artemesia tridentata wyomingensis</i>	0.5 lbs. /acre

Water right numbers 49-2158 and 49-2262 will take water from the Green River and will require the following mitigation.

1. The best method to avoid entrainment is to pump from an off-channel location – one that does not connect to the river during high spring flows. An infiltration gallery constructed in a BLM and Service approved location is best.

2. If the pump head is located in the river channel where larval fish are known to occur, the following measures apply:

- a. do not situate the pump in a low-flow or no-flow area as these habitats tend to concentrate larval fish;
- b. limit the amount of pumping, to the greatest extent possible, during that period of the year when larval fish may be present; and
- c. limit the amount of pumping, to the greatest extent possible, during the pre-dawn hours as larval drift studies indicate that this is a period of greatest daily activity.

3. Screen all pump intakes with ¼” mesh material.

4. Report any fish impinged on the intake screen to the Service (801.975.3330) and the Utah Division of Wildlife Resources:

The culverts for crossing the dry wash channels will be designed for a 100 year storm event.

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 reseeding.

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

SITE SPECIFIC DOWNHOLE COAs:

- Surface casing cement shall be brought up and into the surface.
- Intermediate casing 9 5/8" cement shall be brought up and into the surface casing shoe. The minimum cement top is 300 ft above the surface casing shoe. COA specification is consistent with operators performance standard stated in APD.
- Production casing cement shall be brought up and into the intermediate casing shoe. The minimum cement top is 300 ft above the intermediate casing shoe. COA specification is consistent with operators performance standard stated in APD.
- A casing shoe integrity test shall be performed before drilling more than twenty feet below the casing shoe on the surface casing.
- A cement Bond Log (CBL) shall be run from the production casing shoe to the intermediate casing shoe. A field copy of the CBL shall be submitted to the BLM Vernal Field Office.
- Logging: A Gamma Ray well Log shall be run from the well Total Depth to the surface. A copy of the Gamma Ray well Log shall be submitted to the BLM Vernal Field Office.

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.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- 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.



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 20, 2009

Forest Oil Corporation
707 17th Street, Suite 3600
Denver, CO 80202

Re: APD Rescinded – N Walker Hollow U H-6-7-23, Sec.6 T.7S, R.23E
Uintah County, Utah API No. 43-047-39596

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 September 11, 2007. On October 1, 2008 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective October 20, 2009.

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

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

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal

