

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE\*

FORM APPROVED  
OMB NO. 1040-0136  
Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO.

UTU-02149

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

N/A

7. UNIT AGREEMENT NAME

RED WASH UNIT

8. FARM OR LEASE NAME, WELL NO.

RW 32-20CD

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

TYPE OF WORK

DRILL

DEEPEN

TYPE OF WELL

SINGLE

MULTIPLE

OIL WELL

GAS WELL

OTHER

ZONE

ZONE

2. NAME OF OPERATOR

QUESTAR EXPLORATION & PRODUCTION CO.

Contact: Jan Nelson

E-Mail: jan.nelson@questar.com

9. API NUMBER:

43-047-39965

3. ADDRESS

11002 East 17500 South Vernal, Ut 84078

Telephone number

Phone 435-781-4331 Fax 435-781-4395

10. FIELD AND POOL, OR WILDCAT

RED WASH

4. LOCATION OF WELL (Report location clearly and in accordance with and State requirements\*)

At Surface 650228X 2015' FNL 1984' FEL, SWNE, SECTION 20, T7S, R24E

At proposed production zone 44508784 40.196747 -109.235076

11. SEC., T, R, M, OR BLK & SURVEY OR AREA

SEC. 20, T7S, R24E SLB&M

14. DISTANCE IN MILES FROM NEAREST TOWN OR POSTOFFICE\*

28 +/- SOUTH OF VERNAL, UTAH

12. COUNTY OR PARISH

Uintah

13. STATE

UT

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (also to nearest drig, unit line if any)

1984' +/-

16. NO. OF ACRES IN LEASE

1262.72

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

18. DISTANCE FROM PROPOSED location to nearest well, drilling, completed, applied for, on this lease, ft

19. PROPOSED DEPTH

16,025

20. BLM/BIA Bond No. on file

ESB000024

21. ELEVATIONS (Show whether DF, RT, GR, ect.)

5686.8' GR

22. DATE WORK WILL START

ASAP

23. Estimated duration

40 days

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

SIGNED

Name (printed/typed) Jan Nelson

DATE 03/11/2008

TITLE

Regulatory Affairs

(This space for Federal or State office use)

PERMIT NO.

43-047-39965

APPROVAL DATE

Application approval does not warrant or certify the applicant holds any 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:

APPROVED BY

TITLE

BRADLEY G. HILL  
ENVIRONMENTAL MANAGER

DATE

03-24-08

\*See Instructions On Reverse Side

Title 18 U.S.C Section 1001, makes 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 mater within its jurisdiction

RECEIVED

MAR 17 2008

CONFIDENTIAL

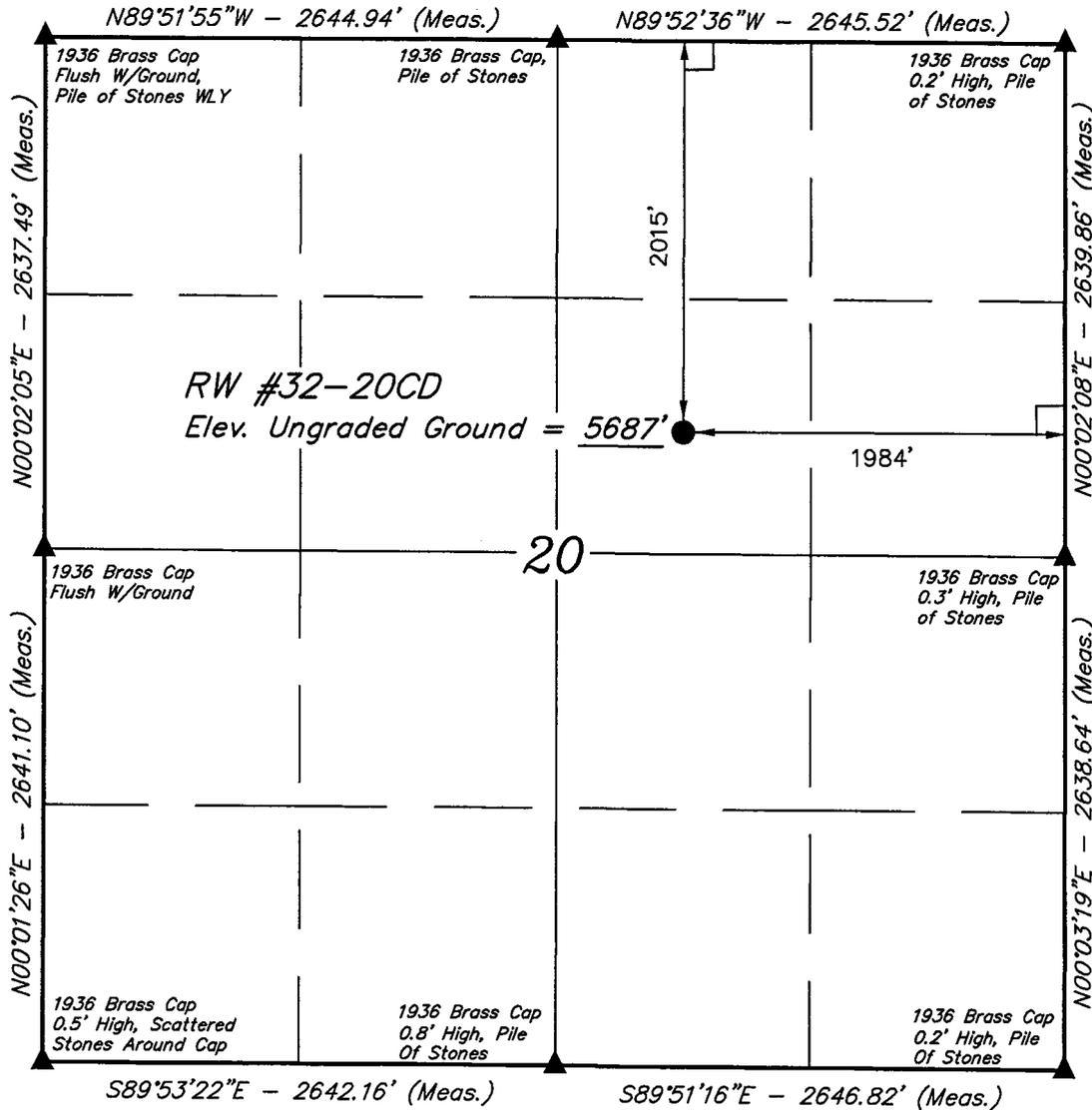
Federal Approval of this  
Action is Necessary

DIV. OF OIL, GAS & MINING

T7S, R24E, S.L.B.&M.

QUESTAR EXPLR & PROD

Well location, RW #32-20CD, located as shown in the SW 1/4 NE 1/4 of Section 20, T7S, R24E, S.L.B.&M. Uintah County, Utah.

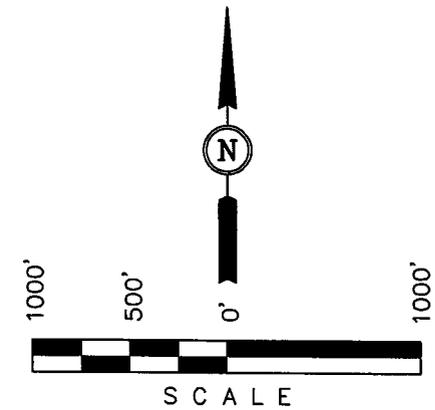


BASIS OF ELEVATION

BENCH MARK (38 EAM) LOCATED IN THE SW 1/4 SW 1/4 OF SECTION 32, T7S, R25E, S.L.B.&M. TAKEN FROM THE DINOSAUR NW QUADRANGLE, UTAH, UINTAH COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5643 FEET.

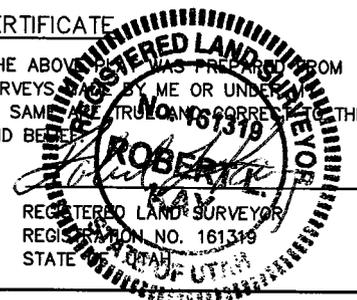
BASIS OF BEARINGS

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



CERTIFICATE

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



LEGEND:

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

(AUTONOMOUS NAD 83)  
LATITUDE = 40°11'48.25" (40.196736)  
LONGITUDE = 109°14'09.03" (109.235842)

(AUTONOMOUS NAD 27)  
LATITUDE = 40°11'48.38" (40.196772)  
LONGITUDE = 109°14'06.59" (109.235164)

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

SCALE 1" = 1000'	DATE SURVEYED: 10-15-07	DATE DRAWN: 10-18-07
PARTY D.A. T.A. L.K.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE QUESTAR EXPLR & PROD	

### **Additional Operator Remarks**

Questar Exploration & Production Company proposes to drill a well to 16,025' to test the Dakota. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements"

Please see Questar Exploration & Production Company Standard Operating Practices dated October 18, 2005, for Mesa Verde Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields on Townships 07, 08 and 09 South, Ranges 21 to 25 East.

Please see Onshore Order No. 1.

Please be advised that Questar Exploration & Production Company agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No.ESB000024. The principal is Questar Exploration & Production company via surety as consent as provided for the 43 CFR 3104.2.

DRILLING PROGRAM

ONSHORE OIL & GAS ORDER NO. 1  
Approval of Operations on Onshore  
Federal 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 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. **Formation Tops**

The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Depth</u>
Uinta	Surface
Green River	2,647'
Wasatch	5,462'
Mesaverde	7,707'
Sego	10,267'
Castlegate	10,387'
Mancos	10,877'
Dakota	15,487'
TD	16,025'

2. **Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones**

The estimated depths at which the top and bottom of the anticipated water, oil, gas. Or other mineral bearing formations are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas	Wasatch	5,462'
Gas	Mesaverde	7,707'
Gas	Mancos	10,877'
Gas	Dakota	15,487'

All fresh water and 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.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If flows are detected, samples will be submitted to the BLM along with any water analyses conducted. Fresh water will be obtained from Wonsits Valley water right # A36125 (which was filed on May 7, 1964,) or Red Wash water right # 49-2153 (which was filed on March 25, 1960). It was determined by the Fish and Wildlife Service that any water right number filed before 1989 is not depleting to the Upper Colorado River System, to supply fresh water for drilling purposes. All water resulting from drilling operations will be disposed of at Red Wash Central Battery Disposal Site; SWSE, Section 27, T7S, R23E or Wonsits Valley Disposal Site; SWNW, Section 12, T8S, R21E.

DRILLING PROGRAM

**3. Operator's Specification for Pressure Control Equipment:**

- A. 10,000 psi double gate, 10,000 psi single gate and 10,000 psi annular BOP, schematic attached. 10,000 psi choke manifold, schematic attached.
- B. Functional test daily
- C. All casing strings shall be pressure tested (0.22 psi/foot or 1500 psi, whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
- D. Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 50 percent of internal yield pressure of casing whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc..., for a 10M system and individual components shall be operable as designed.

**4. Casing Design:**

Hole Size	Csg. Size	Top (MD)	Bottom (MD)	Wt.	Grade	Thread	Cond.
17-1/2"	20"	sfc	80'	Steel	Cond.	None	Used
14-3/4"	10-3/4"	sfc	1,200'	40.5	J-55	STC	New
8-3/4"	7"	sfc	9,000'	26.0	HCP-110	LTC	New
8-3/4"	7"	9,000	10,900'	29.0* SDrift	HCP-110	LTC	New
6-1/8"	4-1/2"	sfc	13,000'	15.1	P-110	LTC	New
6-1/8"	4-1/2"	13,000	16,025'	15.1	Q-125	LTC	New

Casing Strengths:				Collapse	Burst	Tensile (minimum)
10-3/4"	40.5 lb.	J-55	STC	1,580 psi	3,130 psi	450,000 lb.
7"	26.0 lb.	HCP-110	LTC	7,800 psi	9,950 psi	693,000 lb.
7"	29.0 lb.*	HCP-110	LTC	9,200 psi	11,220 psi	797,000 lb.
4-1/2"	15.1 lb.	P-110	LTC	14,350 psi	14,420 psi	406,000 lb.
4-1/2"	15.1 lb.	Q-125	LTC	15,840 psi	16,380 psi	438,000 lb.

\* Special Drift

DRILLING PROGRAM

**MINIMUM DESIGN FACTORS:**

COLLAPSE: 1.125  
BURST: 1.10  
TENSION: 1.80

Area Fracture Gradient: 0.9 psi/foot  
Maximum anticipated mud weight: 15.0 ppg  
Maximum surface treating pressure: 12,000 psi  
Over pull margin (minimum): 100,000 lbs  
Max pressure while bumping plug: 9,000 psi

**5. Auxiliary Equipment**

- A. Kelly Cock – yes
- B. Float at the bit – no
- C. Monitoring equipment on the mud system – visually and/or PVT/Flow Show
- D. Full opening safety valve on the rig floor – yes
- E. Rotating Head – yes

If drilling with air the following will be used:

- F. The blooie line shall be at least 6” in diameter and extend at least 100’ from the well bore into the reserve/blooie pit.
- G. Blooie line ignition shall be provided by a continuous pilot (ignited when drilling below 500’).
- H. Compressor shall be tied directly to the blooie line through a manifold.
- I. A mister with a continuous stream of water shall be installed near the end of the blooie lines for dust suppression.

Surface hole will be drilled with air, air/mist, foam, or mud depending on hole conditions. Drilling below surface casing will be with water based drilling fluids consisting primarily of fresh water, bentonite, lignite, caustic, lime, soda ash and polymers. No chromates will be used. Maximum anticipated mud weight is 15.0 ppg.

No minimum quantity of weight material will be required to be kept on location.

PVT/Flow Show will be used from base of surface casing to TD.

Gas detector will be used from surface casing depth to TD.

DRILLING PROGRAM

6. **Testing, logging and coring program**

- A. Cores – none anticipated
- B. DST – none anticipated
- C. Logging – Mud logging – 5,000' to TD  
GR-SP-Induction, Neutron Density
- D. Formation and Completion Interval: Dakota, Mancos, Mesaverde, Wasatch intervals, final determination of completion will be made by analysis of logs.  
Stimulation – Stimulation will be designed for the particular area of interest as encountered.

7. **Cementing Program**

**20" Conductor:**

Cement to surface with construction cement.

**10-3/4" Surface Casing: sfc – 1,200' (MD)**

**Lead Slurry:** 0' – 950'. 455 sks (1065 cu ft) Varicem cement + 0.125 lb/sk Poly-E-Flake + 0.25 lb/sk Kwik Seal. Slurry wt: 12.3 ppg, Slurry yield: 2.34 ft<sup>3</sup>/sk, Slurry volume: 14-3/4" hole + 100% excess.

**Tail Slurry:** 950' – 1,200'. 155 sks (280 cu ft) Varicem cement + 0.125 lb/sk Poly-E-Flake + 0.25 lb/sk Kwik Seal. Slurry wt: 13.5 ppg, Slurry yield: 1.80 ft<sup>3</sup>/sk, Slurry volume: 14-3/4" hole + 100% excess.

**7" Intermediate Casing: sfc - 10,900' (MD)**

**Lead Slurry:** 0' – 5,200'. 285 sks (1095 cu ft) Halliburton Hi-Fill cement + 0.125 lb/sk Poly-E-Flake. Slurry wt: 11.0 ppg, Slurry yield: 3.84 ft<sup>3</sup>/sk, Slurry volume: 8-3/4" hole + 25% excess in open hole section.

**Tail Slurry:** 5,200' – 10,900'. 865 sks (1075 cu ft) 50/50 Poz Premium + 0.6% Halad (R)-322 fluid loss + 2.0% Microbond expander + 5% salt + 0.125 lb/sk Poly-E-Flake. Slurry wt: 14.35 ppg, Slurry yield: 1.24 ft<sup>3</sup>/sk, Slurry volume: 8-3/4" hole + 25% excess.

**4-1/2" Production Casing: sfc - 16,025' (MD)**

**Lead/Tail Slurry:** 5,200' - 16,025'. 775 sks (1180 cu ft) 50/50 Poz Premium cement + 20% SSA-1 + 3 lb/sk Silicalite Compacted + 0.5% Halad(R)-344 fluid loss control + 0.2% Halad(R)-413 fluid loss control + 0.2% HR-12 retarder + 0.2% Super CBL expander + 0.2% Suspend HT suspension agent. Slurry wt: 15.5 ppg, Slurry yield: 1.52 ft<sup>3</sup>/sk, Slurry volume: 6-1/8" hole + 20% excess in open hole section.

\*Final cement volumes to be calculated from caliper log with an attempt to be made to circulate cement to the surface on the intermediate string and 5,200' on the production string. A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

DRILLING PROGRAM

**8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards**

No abnormal temperatures or pressures are anticipated. No H<sub>2</sub>S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 12,500 psi. Maximum anticipated bottom hole temperature is 305° F.

Minor loss circulation zones (seepage) will be handled by either LCM sweeps containing 15% to 30% LCM material or by adding LCM material to the entire fluid system ranging from 5% to 30%. LCM material will include saw dust, mica (fine, medium and course), cedar fiber, fiber seal, walnut hulls, etc. Major loss circulation zones will be handled by either cement plugs or sodium silicate plugs. No major loss zones are anticipated.

DRILLING PROGRAM

13 5/8" 10M BOP x 10M Annular

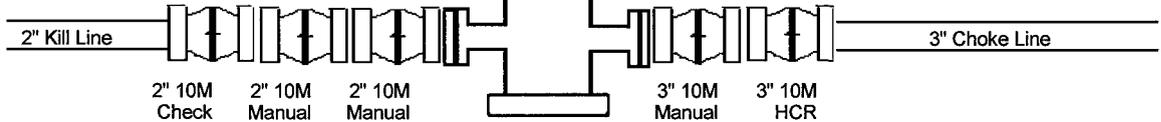
13 5/8" Rotating Head

13 5/8" Spacer Spool

13 5/8" 10M Annular

13 5/8" 10M Double Ram

13 5/8" 10M Drilling Spool



13 5/8" 10M Single Ram

G.L.

Mat Board

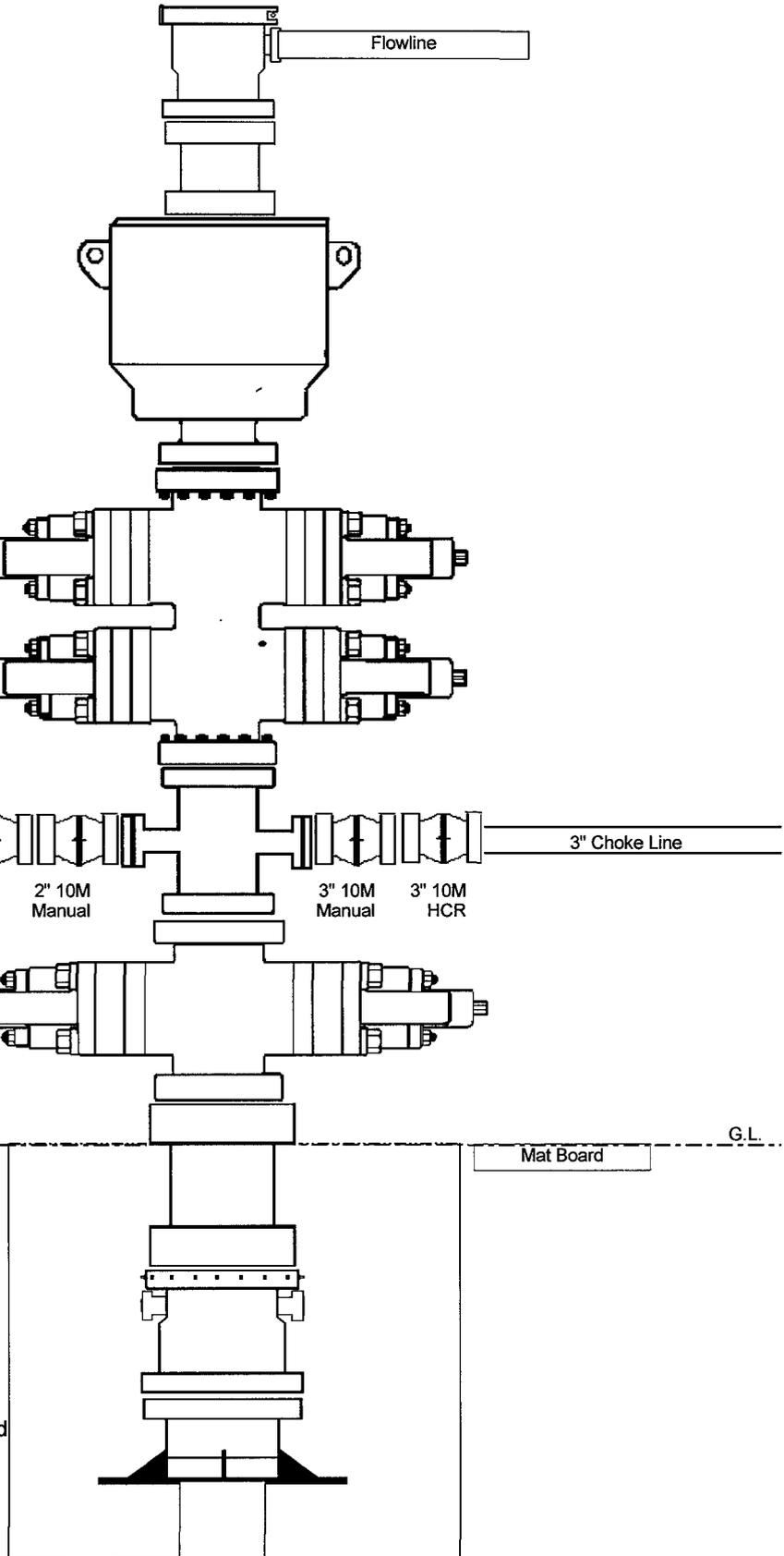
Mat Board

G.L.

13 5/8" 10M Spacer Spool

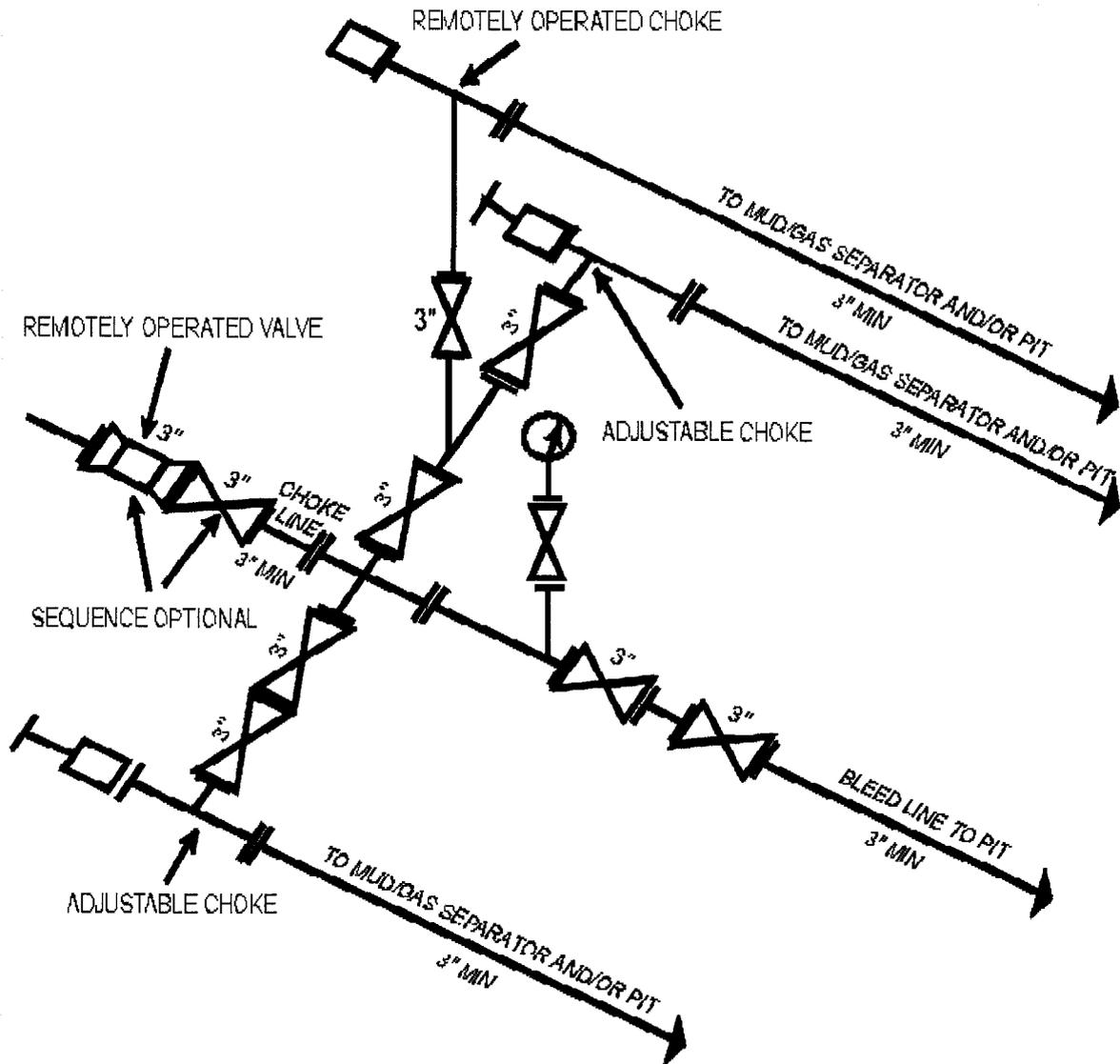
13 5/8" 5M x 10M Multi-Bowl Head

13 5/8" 5M x 10 3/4" SOW Casinghead



DRILLING PROGRAM

Attachment I Diagrams of Choke Manifold Equipment



I-4 10M and 15M Choke Manifold Equipment -- Configuration of chokes may vary

[54 FR 39528, Sept. 27, 1989]

Last Updated March 25, 1997 by John Broderick

**QUESTAR EXPLORATION & PRODUCTION CO.**

**RW 32-20CD**

**2015' FNL 1984' FEL**

**SWNE, SECTION 20, T7S, R24E**

**UINTAH COUNTY, UTAH**

**LEASE # UTU-02149**

**ONSHORE ORDER NO. 1**

**MULTI – POINT SURFACE USE & OPERATIONS PLAN**

An onsite inspection was conducted for the RW 32-20CD on November 6, 2007. Weather conditions were cool and sunny at the time of the onsite. In attendance at the inspection were the following individuals:

Paul Buhler	Bureau of Land Management
Dixie Sadler	Bureau of Land Management
Don Allred	Uintah Engineering & Land Surveying
Raymond Pallesen	Questar Exploration & Production, Co.
Jan Nelson	Questar Exploration & Production, Co.

**1. Existing Roads:**

The proposed well site is approximately 28 miles south of Vernal, Utah.

Refer to Topo Maps A and B for location of access roads within a 2 – mile radius.

There will be no improvements made to existing roads.

**2. Planned Access Roads:**

Please see Questar Exploration & Production company Standard Operating Practices dated October 18, 2005, for Mesa Verde formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 & 09 South, Ranges 21 to 25 East.

Refer to Topo Map B for the location of the proposed access road.

**3. Location of Existing Wells Within a 1 – Mile Radius:**

Please refer to Topo Map C.

**4. Location of Existing & Proposed Facilities:**

Please see Questar Exploration & Production company Standard Operating Practices dated October 18, 2005, for Mesa Verde formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 & 09 South, Ranges 21 to 25 East.

Refer to Topo Map D for the location of the proposed pipeline.

*Pipeline will be 8" or smaller.*

**5. Location and Type of Water Supply:**

Please see Questar Exploration & Production company Standard Operating Practices dated October 18, 2005, for Mesa Verde formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 & 09 South, Ranges 21 to 25 East.

**6. Source of Construction Materials:**

Please see Questar Exploration & Production company Standard Operating Practices dated October 18, 2005, for Mesa Verde formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 & 09 South, Ranges 21 to 25 East.

**7. Methods of Handling Waste Materials:**

Please see Questar Exploration & Production company Standard Operating Practices dated October 18, 2005, for Mesa Verde formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 & 09 South, Ranges 21 to 25 East.

An enhanced evaporation system will be used for evaporating fluids from reserve pit after drilling and completion are completed for this well. The system will be monitored regularly to ensure that operation is being done in a safe and environmentally protective manner. The system will be controlled during daylight hours by our lease operators and the pump will only be operated when wind direction and velocity are favorable to eliminate over - spray on vegetation. The evaporation system is structured on a fifth wheel portable trailer that runs on diesel fuel only.

**8. Ancillary Facilities:**

Please see Questar Exploration & Production company Standard Operating Practices dated October 18, 2005, for Mesa Verde formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 & 09 South, Ranges 21 to 25 East.

*Paint Facilities Olive Black*

**9. Well Site Layout: (See Location Layout Diagram)**

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

A pit liner is required. A felt pit liner will be required if bedrock is encountered.

**10. Plans for Reclamation of the Surface:**

Please see Questar Exploration & Production company Standard Operating Practices dated October 18, 2005, for Mesa Verde formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 & 09 South, Ranges 21 to 25 East.

## **Interim Reclamation**

Please see attached Interim Reclamation plan.

Once the well is put onto production, Questar Exploration & Production Company will reclaim as much of the well pad as possible that will allow for operations to continue in a safe and reasonable manner. Reseeding will be done in the spring and fall of each year to allow winter precipitation to aid in the success of reclamation.

### **Seed Mix:**

#### *Interim Reclamation:*

*6 lbs. Hycrest Crested Wheat*

*6 lbs. Needle & Threadgrass*

#### *Final Reclamation:*

# 6                    3 lbs. Wyoming Big Sage Brush, 3 lbs. Shadscale, 3 lbs. Indian Rice Grass

4 lbs. Hycrest Crested Wheat

## **11. Surface Ownership:**

The well pad and access road are located on lands owned by:

Bureau of Land Management  
170 South 500 East  
Vernal, Utah 84078

## **12. Other Information**

A Class III archaeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted directly to the appropriate agencies by Montgomery Archaeology Consultants. Cultural resource clearance was recommended for this location.

A Class III paleontological survey was conducted by Intermountain Paleo Consulting. A copy of this report was submitted directly to the appropriate agencies by Stephen D. Sandau. The inspection resulted in the location of no fossil resources. However, if vertebrate fossil(s) are found during construction a paleontologist should be immediately notified. Questar Exploration & Production Company will provide paleo monitor if needed.

No Drilling or construction will take place during the Pronghorn season May 15 thru June 15.

Install 18" culvert at approach of proposed access road

Construct a highwater crossing in main wash, use 18" culvert for spillway.

**QUESTAR EXPLORATION & PRODUCTION, CO.**  
**Request for Exception to Buried Pipeline**  
**For**  
**RW 32-20CD**

QEP respectfully requests an exception to burying this pipeline. We understand the standard Condition of Approval (COA) that may be included in the approved Application for Permit to Drill (APD) is: *“As a Best Management Practice (BMP), the pipeline would be buried within the identified construction width of an access corridor that contains the access road and pipelines. The construction width for the access corridor would increase from 30 feet, by an additional 20 feet, to a total of 50 feet. Exceptions to this BMP may be granted where laterally extensive, hard indurated bedrock, such as sandstone, is at or within 2 feet of the surface; and, soil types with a poor history of successful rehabilitation.”* QEP will install the pipeline within the access corridor and will avoid cross-country installation when possible. Our reason for requesting a surface line is based on the following justification:

**Class IV VRM**

- ◆ This area’s designated Visual Resource Management is classified as Class IV. The Class IV objective is to provide for management activities that require major modification to the existing character of the landscape. The level of change to the landscape can be high. The management activities may dominate the view and may be the major focus of the viewer attention. However, every attempt should be made to minimize the impact of these activities through careful location, minimal disturbance, and repetition of the basic visual elements of form, line, color, and texture.
- ◆ QEP feels that surface pipe will comply with this classification more so than buried pipe due to the amount of surface disturbance that will be required to bury it. We believe surface installation within the access corridor will minimize the disturbance so that the pipeline does not dominate the view.

**Environmental and Safety Concerns**

- ◆ Buried pipe will greatly increase surface disturbance and habitat fragmentation. The soil in this area has a poor history of successful rehabilitation. Buried pipe will have an increased corrosion rate and would need to be dug up for repairs or replacement; the constant surface disturbance will not allow time for successful reclamation.
- ◆ Increasing surface disturbance will greatly increase noxious and invasive weed infestation.

- ◆ With the increased corrosion rate, buried pipe may have undetectable leaks that could go unnoticed for months. Small leaks may turn into large plumes of underground hazards because they are not easily monitored and not seen right away. An undetected leak also increases the potential for explosive incidents. Once detected, the surface will need to be disturbed, once again, to dig up the line and replace or repair it.
- ◆ Accidents associated with pipe breaks during construction activities could increase substantially as the number of buried lines increases.
- ◆ The additional surface disturbance will increase the risk of disturbing paleontological sites.

### **Operational and Mechanical Concerns for Gas Lines**

- ◆ Cathodic protection will be required for buried pipe. Cathodic protection requires anode beds that must be maintained. This will add substantial costs in labor and material. Additional power lines will need to be installed to the anode beds. The additional costs for equipment and labor will be approximately \$50,000.00 per section.
- ◆ Pipeline markers need to be used with buried pipe. This will add costs in labor and material.
- ◆ Every tie in requires a valve. The average distance between valves is approximately ¼ mile. Valves will have to be placed in “freeze boxes” or “valve boxes”. Valve boxes will be considered confined space which increases the manpower needed to repair or replace valves. Every valve box will also require bright yellow guard rails.
- ◆ Additional equipment required for buried pipe can include blades/dozers, trenchers (cutting or blasting in hard rock), side booms, etc. which increases installation costs.
- ◆ Buried pipe must have fusion bonded epoxy (FBE) coating. FBE pipe will cost an additional \$2.00 per foot compared to bare pipe.
- ◆ This pipeline has the potential for being upgraded/upsized to a larger pipe diameter depending on production volumes. If upsizing is required, the pipe will need to be dug up which will cause additional surface disturbance and will not allow adequate time for successful reclamation.
- ◆ Surface lines are sometimes relocated to accommodate new locations; this is done in an effort to minimize the amount of pipe needed and the amount of surface disturbed. If this pipe is buried, this will no longer be an option.

**Lessee's or Operator's Representative:**

Jan Nelson  
Red Wash Rep.  
Questar Expl. & Prod. Co.  
11002 East 17500 South  
Vernal, Utah 84078  
(435) 781-4331

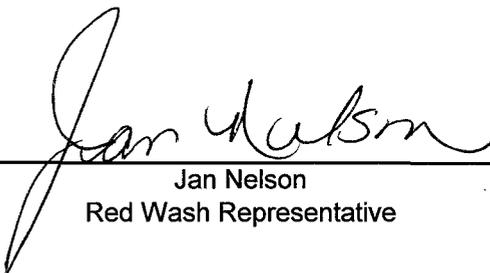
**Certification:**

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 & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

Questar Exploration & Production Company will be fully responsible for the actions of their subcontractors.

A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently 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 Questar Exploration & Production Company, its contractors and subcontractors in conformity 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 the filing of a false statement.

  
\_\_\_\_\_  
Jan Nelson  
Red Wash Representative

3/11/2008  
\_\_\_\_\_  
Date

# QUESTAR EXPLR. & PROD.

## RW #32-20CD

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 20, T7S, R24E, S.L.B.&M.

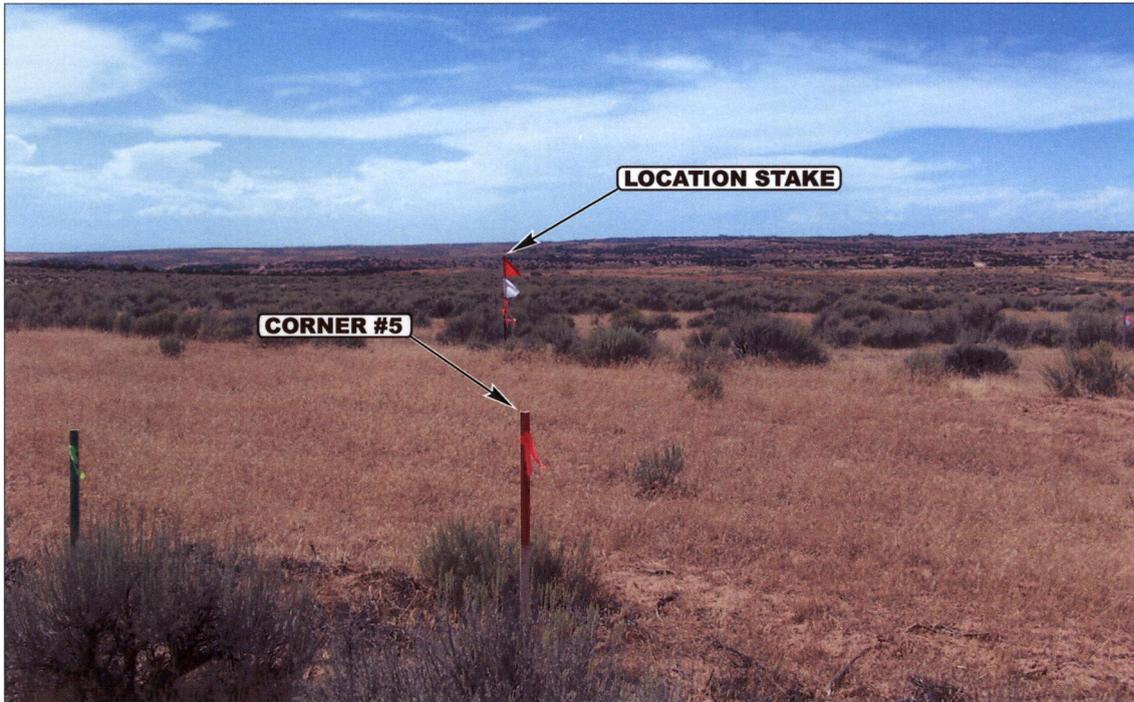


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: WESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHERLY



- Since 1964 -

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

LOCATION PHOTOS

10 17 07  
MONTH DAY YEAR

PHOTO

TAKEN BY: D.A.

DRAWN BY: C.C.

REVISED: 00-00-00

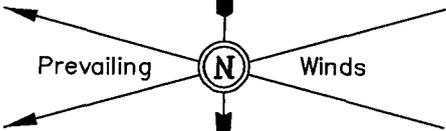
QUESTAR EXPLR. & PROD.

LOCATION LAYOUT FOR

RW #32-20CD  
SECTION 20, T7S, R24E, S.L.B.&M.  
2015' FNL 1984' FEL

FIGURE #1

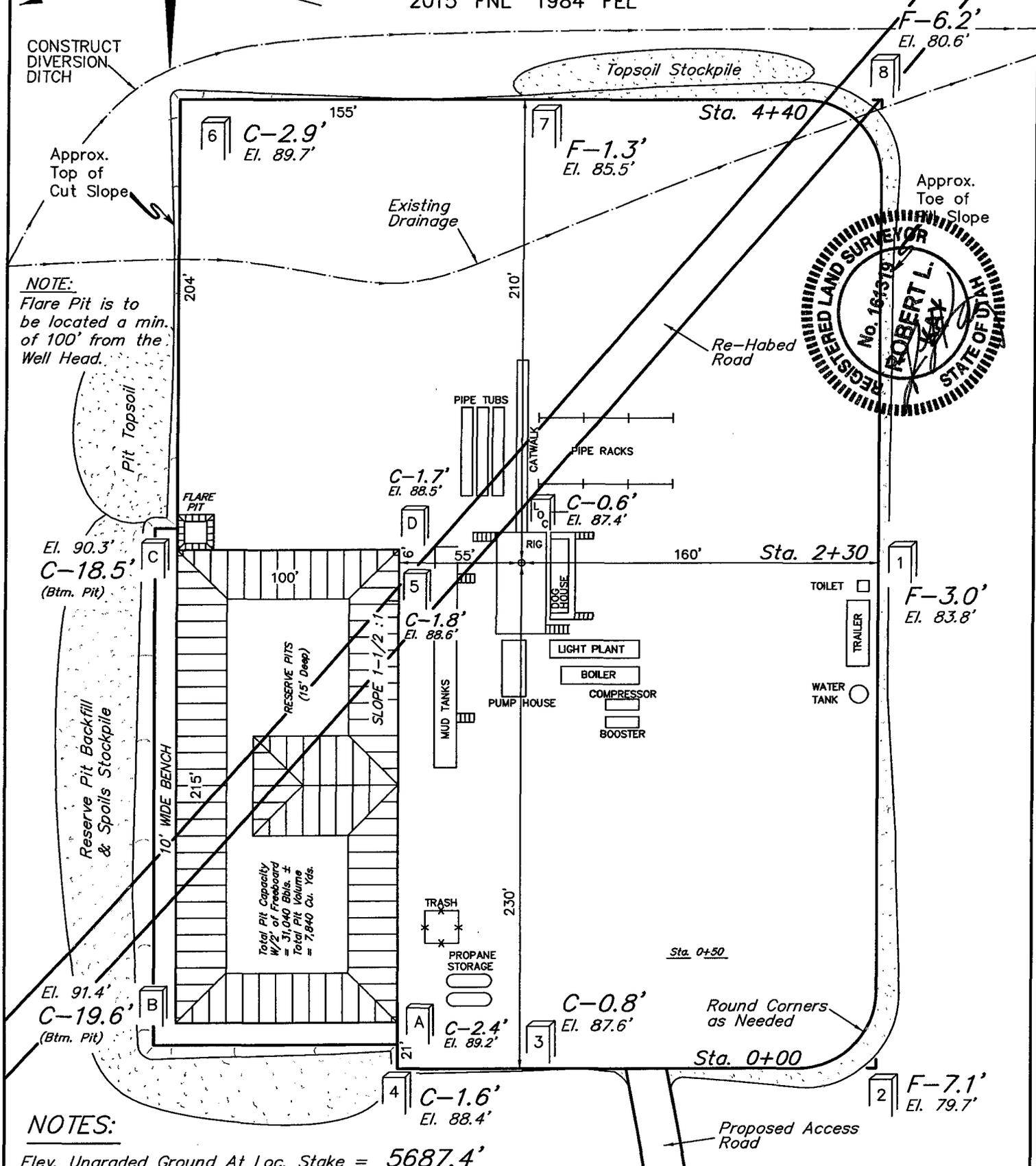
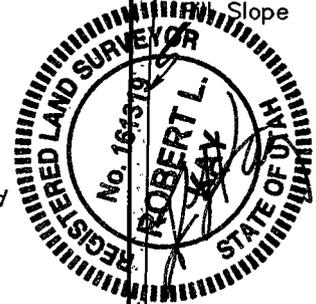
SCALE: 1" = 50'  
DATE: 10-18-07  
DRAWN BY: L.K.



CONSTRUCT DIVERSION DITCH

Approx. Top of Cut Slope

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



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5687.4'  
FINISHED GRADE ELEV. AT LOC. STAKE = 5686.8'

**QUESTAR EXPLR. & PROD.**

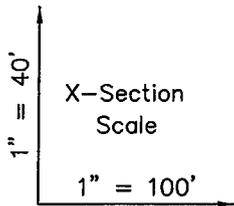
**TYPICAL CROSS SECTIONS FOR**

**RW #32-20CD**

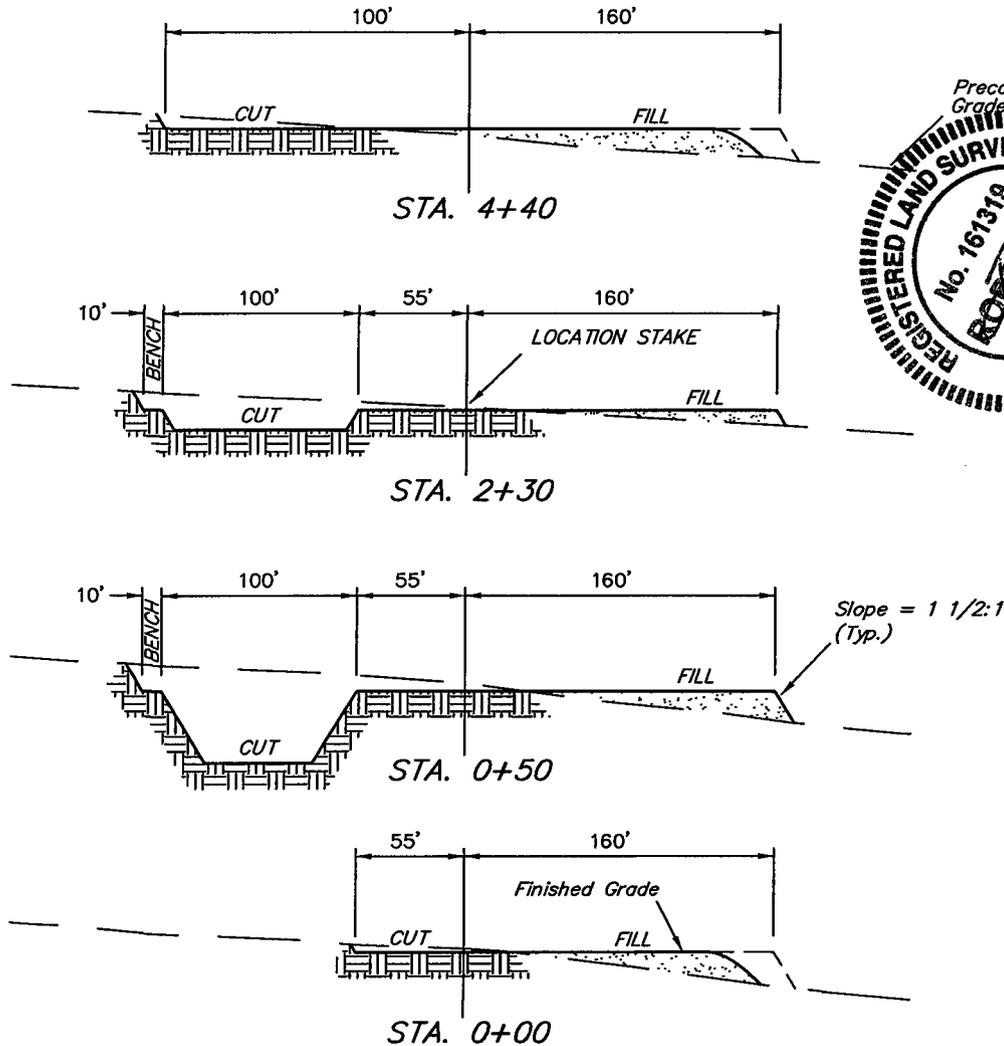
**SECTION 20, T7S, R24E, S.L.B.&M.**

**2015' FNL 1984' FEL**

**FIGURE #2**



DATE: 10-18-07  
DRAWN BY: L.K.



APPROXIMATE ACREAGES

WELL SITE DISTURBANCE = ± 3.384 ACRES  
 ACCESS ROAD DISTURBANCE = ± 0.225 ACRES  
 PIPELINE DISTURBANCE = ± 1.989 ACRES  
**TOTAL = ± 5.598 ACRES**

\* NOTE:  
 FILL QUANTITY INCLUDES  
 5% FOR COMPACTION

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

APPROXIMATE YARDAGES

**CUT**  
 (6") Topsoil Stripping = 2,810 Cu. Yds.  
 Remaining Location = 12,590 Cu. Yds.  
**TOTAL CUT = 15,400 CU.YDS.**  
**FILL = 8,670 CU.YDS.**

EXCESS MATERIAL = 6,730 Cu. Yds.  
 Topsoil & Pit Backfill = 6,730 Cu. Yds.  
 (1/2 Pit Vol.)  
 EXCESS UNBALANCE = 0 Cu. Yds.  
 (After Interim Rehabilitation)

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

QUESTAR EXPLR. & PROD.

INTERIM RECLAMATION PLAN FOR

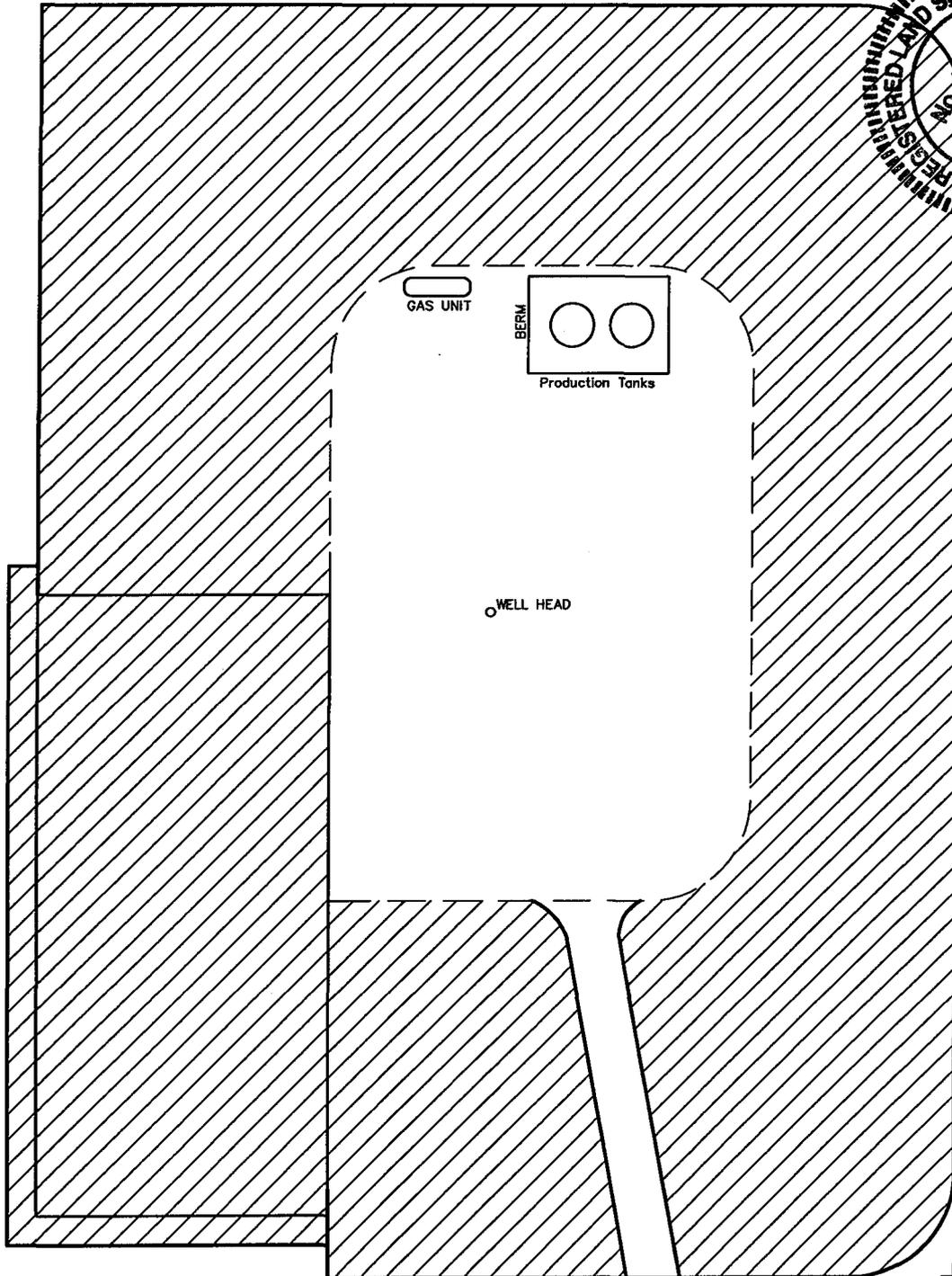
RW #32-20CD  
SECTION 20, T7S, R24E, S.L.B.&M.  
2015' FNL 1984' FEL

FIGURE #3

SCALE: 1" = 50'

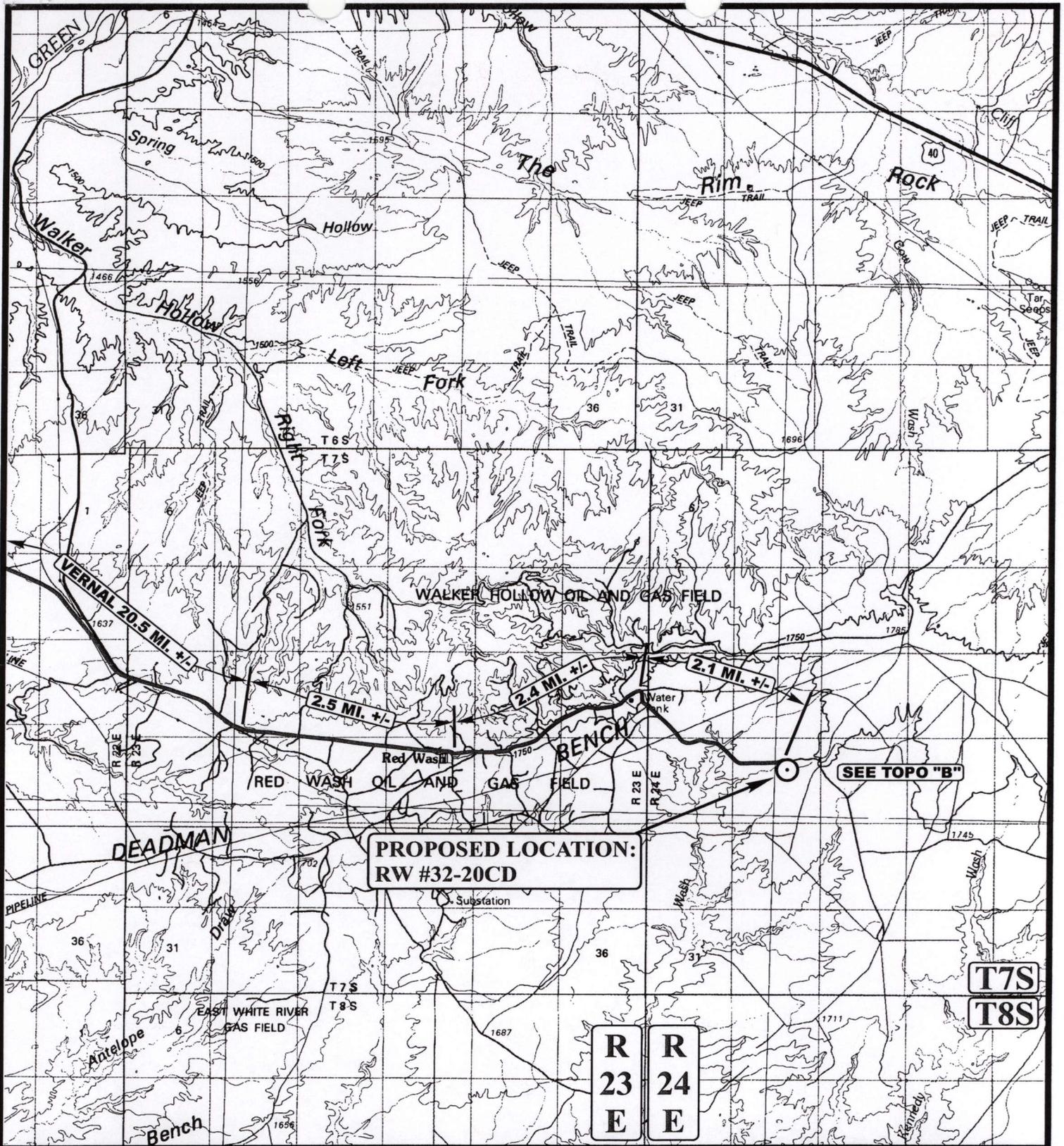
DATE: 10-18-07

DRAWN BY: L.K.



 INTERIM RECLAMATION

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



**LEGEND:**

⊙ PROPOSED LOCATION



**QUESTAR EXPLR. & PROD.**

**RW #32-20CD**  
**SECTION 20, T7S, R24E, S.L.B.&M.**  
**2015' FNL 1984' FEL**



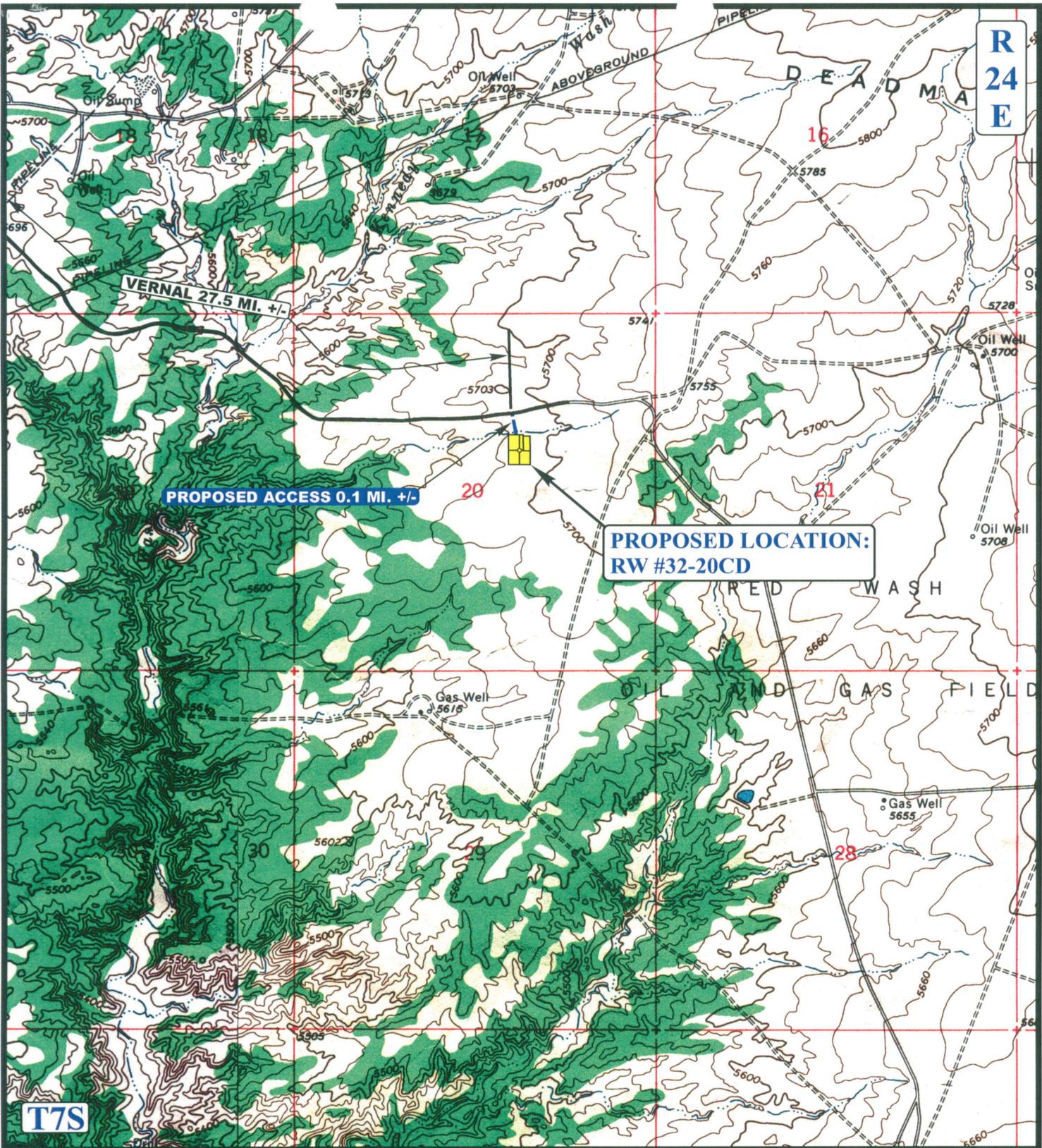
**Utah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC**  
**MAP**

**10 17 07**  
 MONTH DAY YEAR

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





R  
24  
E

PROPOSED ACCESS 0.1 MI. +/-

PROPOSED LOCATION:  
RW #32-20CD

VERNAL 27.5 MI. +/-

T  
7  
S

**LEGEND:**

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD

**QUESTAR EXPLR. & PROD.**

RW #32-20CD  
SECTION 20, T7S, R24E, S.L.B.&M.  
2015' FNL 1984' FEL



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



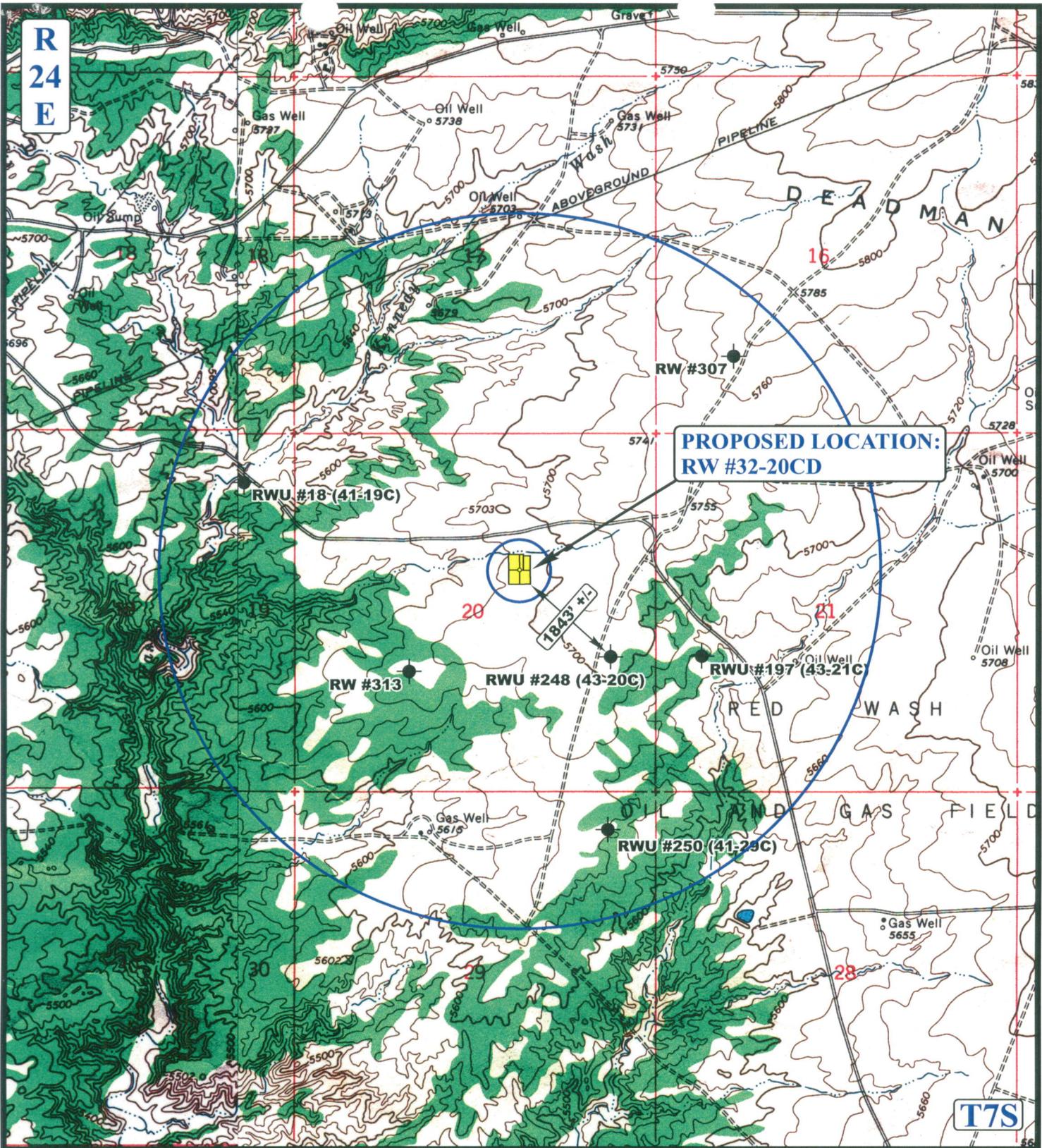
**TOPOGRAPHIC  
MAP**

**10 17 07**  
MONTH DAY YEAR

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



R  
24  
E



**PROPOSED LOCATION:  
RW #32-20CD**

**RWU #18 (41-19C)**

**RW #307**

**RWU #248 (43-20C)**

**RWU #197 (43-21C)**

**RW #313**

**RWU #250 (41-20C)**

**LEGEND:**

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

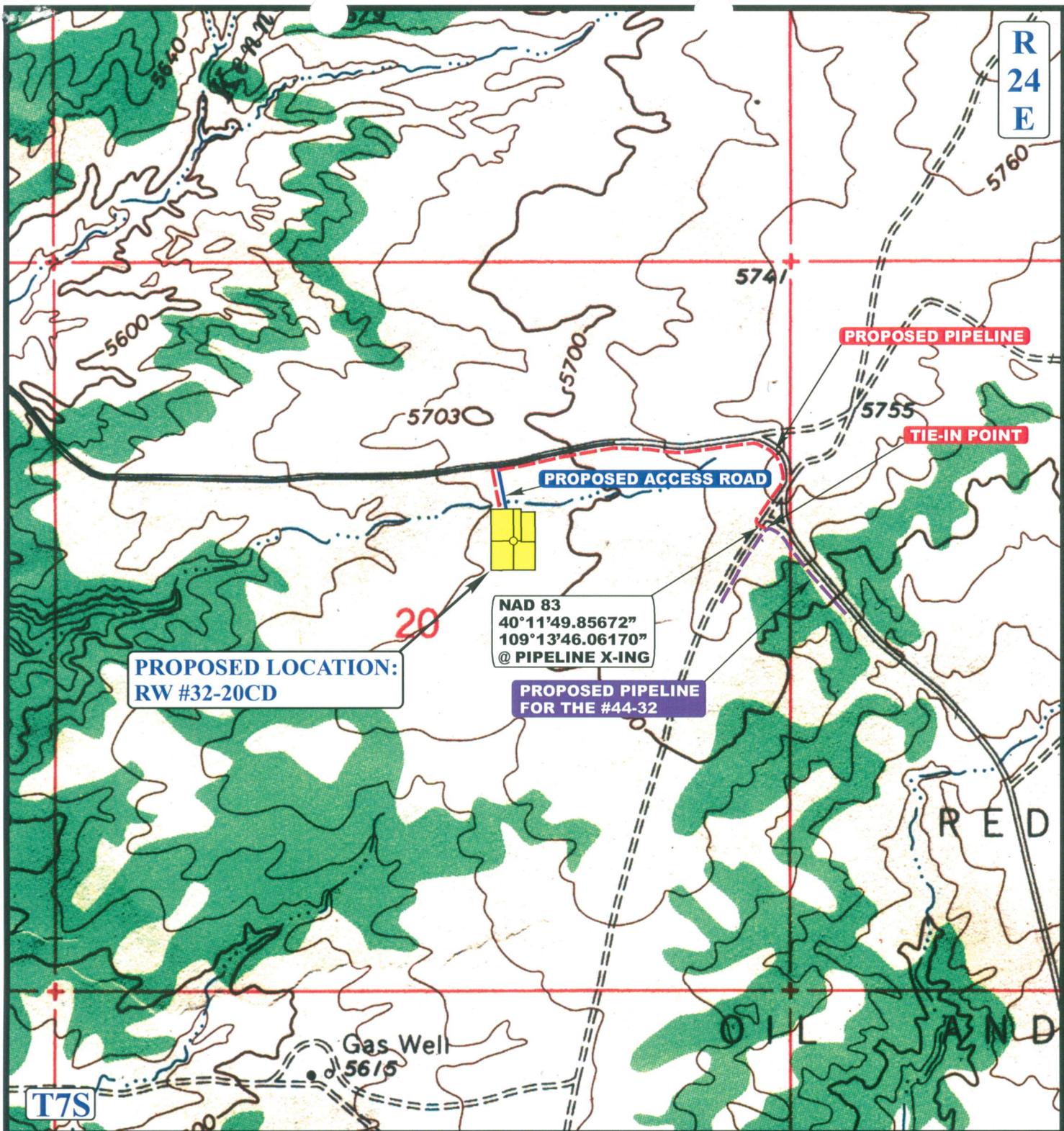
**QUESTAR EXPLR. & PROD.**

**RW #32-20CD  
SECTION 20, T7S, R24E, S.L.B.&M.  
2015' FNL 1984' FEL**

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

**TOPOGRAPHIC MAP**  
 10 17 07  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: C.C. REVISED: 00-00-00

**C**  
**TOPO**



**APPROXIMATE TOTAL PIPELINE DISTANCE = 3,000' +/-**

**LEGEND:**

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

**QUESTAR EXPLR. & PROD.**

**RW #32-20CD**  
**SECTION 20, T7S, R24E, S.L.B.&M.**  
**2015' FNL 1984' FEL**



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

<b>TOPOGRAPHIC MAP</b>	<b>10</b>	<b>17</b>	<b>07</b>
	<small>MONTH</small>	<small>DAY</small>	<small>YEAR</small>
SCALE: 1" = 1000'	DRAWN BY: C.C.		REVISED: 00-00-00



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 03/17/2008

API NO. ASSIGNED: 43-047-39965

WELL NAME: RW 32-20CD

OPERATOR: QUESTAR EXPLORATION & ( N5085 )

PHONE NUMBER: 435-781-4331

CONTACT: JAN NELSON

PROPOSED LOCATION:

SWNE 20 070S 240E  
 SURFACE: 2015 FNL 1984 FEL  
 BOTTOM: 2015 FNL 1984 FEL  
 COUNTY: UINTAH  
 LATITUDE: 40.19675 LONGITUDE: -109.2351  
 UTM SURF EASTINGS: 650228 NORTHINGS: 4450878  
 FIELD NAME: RED WASH ( 665 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: UTU-02149  
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: DKTA  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. ESB000024 )
- N Potash (Y/N)
- N Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 49-2153 )
- N RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- NA Fee Surf Agreement (Y/N)
- NA Intent to Commingle (Y/N)

LOCATION AND SITING:

- \_\_\_\_\_ R649-2-3.
- Unit: RED WASH
- \_\_\_\_\_ R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- \_\_\_\_\_ R649-3-3. Exception
- Drilling Unit  
Board Cause No: 187-07  
Eff Date: 9-18-2001  
Siting: Suspends General Siting
- \_\_\_\_\_ R649-3-11. Directional Drill

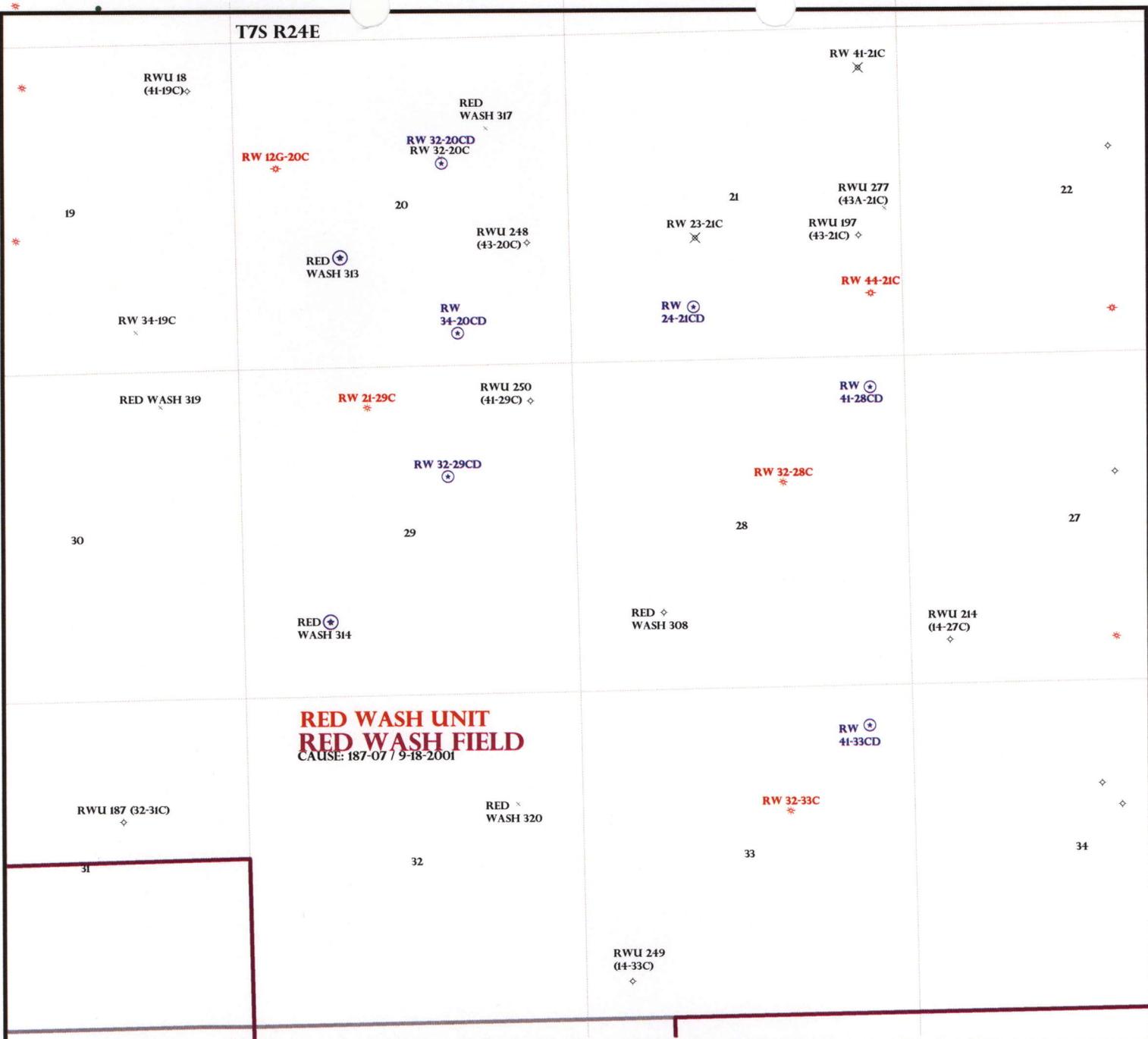
COMMENTS:

Sup, Separate file

STIPULATIONS:

1. See also [Signature]

T7S R24E



**RED WASH UNIT  
RED WASH FIELD**  
CAUSE: 187-07 / 9-18-2001

OPERATOR: QUESTAR EXPL & PROD (N5085)

SEC: 20,21,28,33 T.7S R. 24E

FIELD: RED WASH (665)

COUNTY: UINTAH

CAUSE: 187-07 / 9-18-2001

- 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



OIL, GAS & MINING



PREPARED BY: DIANA MASON  
DATE: 18-MARCH-2008

# 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)

March 21, 2008

Memorandum

To: Assistant District Manager Minerals, Vernal District  
From: Michael Coulthard, Petroleum Engineer  
Subject: 2008 Plan of Development Red Wash Unit,  
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2008 within the Red Wash Unit, Uintah County, Utah.

API#	WELL NAME	LOCATION
(Proposed PZ Dakota)		
43-047-39964	RW 34-20CD Sec 20	T07S R24E 0523 FSL 1788 FEL
43-047-39965	RW 32-20CD Sec 20	T07S R24E 2015 FNL 1984 FEL
43-047-39966	RW 24-21CD Sec 21	T07S R24E 0859 FSL 1974 FWL
43-047-39967	RW 41-28CD Sec 28	T07S R24E 0493 FNL 0530 FEL
43-047-39968	RW 41-33CD Sec 33	T07S R24E 0660 FNL 0660 FEL
43-047-39963	RW 24-10FD Sec 10	T08S R24E 0301 FSL 2295 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Red Wash Unit  
Division of Oil Gas and Mining  
Central Files  
Agr. Sec. Chron  
Fluid Chron

MCoulthard:mc:3-21-08



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

March 24, 2008

Questar Exploration & Production Company  
11002 E 17500 S  
Vernal, UT 84078

Re: RW 32-20CD Well, 2015' FNL, 1984' FEL, SW NE, Sec. 20, T. 7 South, R. 24 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 43-047-39965.

Sincerely,

A handwritten signature in black ink, appearing to read "Gil Hunt".

Gil Hunt  
Associate Director

pab  
Enclosures

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

**Operator:** Questar Exploration & Production Company

**Well Name & Number** RW 32-20CD

**API Number:** 43-047-39965

**Lease:** UTU-02149

**Location:** SW NE                      **Sec.** 20                      **T.** 7 South                      **R.** 24 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 with 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.

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-02149
2. NAME OF OPERATOR: QUESTAR EXPLORATION & PRODUCTION CO.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 11002 E. 17500 S. CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: RED WASH UNIT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2015' FNL 1984' FEL		8. WELL NAME and NUMBER: RW 32-20CD
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 20 7S 24E		9. API NUMBER: 4304739965
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: RED WASH
STATE: UTAH		

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

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

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

Questar Exploration & Production Co. hereby requests a 1 year extension on the RW 32-20CD.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 03-24-09  
By: [Signature]

COPY SENT TO OPERATOR

Date: 3.26.2009  
Initials: KS

NAME (PLEASE PRINT) <u>Laura Bills</u>	TITLE <u>Associate Regulatory Affairs Analyst</u>
SIGNATURE <u>[Signature]</u>	DATE <u>3/18/2009</u>

(This space for State use only)

**RECEIVED**  
**MAR 23 2009** **CONFIDENTIAL**

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

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

**API:** 43-047-39965  
**Well Name:** RW 32-20CD  
**Location:** 2015' FNL 1984' FEL, SWNE, SEC. 20, T7S, R24E  
**Company Permit Issued to:** Questar Exploration & Production Co.  
**Date Original Permit Issued:** 3/24/2008

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

3/18/2009  
Date

Title: Associate Regulatory Affairs Analyst

Representing: Questar Exploration & Production Co.

**RECEIVED**

**MAR 23 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>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-02149
<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> RED WASH
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> RW 32-20CD
<b>2. NAME OF OPERATOR:</b> QUESTAR EXPLORATION & PRODUCTION CO	<b>9. API NUMBER:</b> 43047399650000
<b>3. ADDRESS OF OPERATOR:</b> 11002 East 17500 South , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-4362 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2015 FNL 1984 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWNE Section: 20 Township: 07.0S Range: 24.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> RED WASH  <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: 3/23/2011	<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:

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

Questar Exploration and Production Company hereby requests a one year extension for the APD on the above captioned well.

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

Date: March 25, 2010

By: 

<b>NAME (PLEASE PRINT)</b> Jan Nelson	<b>PHONE NUMBER</b> 435 781-4331	<b>TITLE</b> Permit Agent
<b>SIGNATURE</b> N/A	<b>DATE</b> 3/23/2010	



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 43047399650000

API: 43047399650000

Well Name: RW 32-20CD

Location: 2015 FNL 1984 FEL QTR SWNE SEC 20 TWP 070S RNG 240E MER S

Company Permit Issued to: QUESTAR EXPLORATION & PRODUCTION CO

Date Original Permit Issued: 3/24/2008

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: Jan Nelson

Date: 3/23/2010

Title: Permit Agent Representing: QUESTAR EXPLORATION & PRODUCTION CO

Date: March 25, 2010

By:

[Handwritten signature]

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**RECEIVED**

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

APR 07 2010

**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.*

**BLM**

**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. UTU02149
2. Name of Operator QUESTAR EXPL & PROD COMPANYE-Mail: jan.nelson@questar.com		6. If Indian, Allottee or Tribe Name
3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435-781-4331 Fx: 435-781-4395	7. If Unit or CA/Agreement, Name and/or No. UTU63010X
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 20 T7S R24E SWNE 2015FNL 1984FEL		8. Well Name and No. RW 32-20CD
		9. API Well No. 43-047-39965-00-X1
		10. Field and Pool, or Exploratory RED WASH
		11. County or Parish, and State UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) 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"/> Alter 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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original PD
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (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 recompleate 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 recompleation 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.)

Questar Exploration and Production Company hereby requests a two year extension for the APD on the above captioned well.

BLM approval date: 05/29/2008

**RECEIVED**

MAY 06 2010

DIV. OF OIL, GAS & MINING

CONDITIONS OF APPROVAL ATTACHED

VERNAL FIELD OFFICE
ENG. _____
GEOL. _____
E.S. _____
PET. _____
RECL. _____

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

Electronic Submission #84365 verified by the BLM Well Information System  
For QUESTAR EXPL & PROD COMPANY, sent to the Vernal  
Committed to AFMSS for processing by GAIL JENKINS on 04/08/2010 (10GXJ2664SE)

Name (Printed/Typed) JAN NELSON	Title REGULATORY AFFAIRS
Signature (Electronic Submission)	Date 04/07/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By	Title <b>Petroleum Engineer</b> APR 13 2010
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.	Office

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.



**Revisions to Operator-Submitted EC Data for Sundry Notice #84365**

	<b>Operator Submitted</b>	<b>BLM Revised (AFMSS)</b>
Sundry Type:	OTHER NOI	APDCH NOI
Lease:	UTU02149	UTU02149
Agreement:	RED WASH	UTU63010X
Operator:	QUESTAR E & P COMPANY 11002 EAST 17500 SOUTH VERNAL, UT 84078 Ph: 435-781-4331	QUESTAR EXPL & PROD COMPANY 11002 EAST 17500 SOUTH VERNAL, UT 84078 Ph: 435.781.4032 Fx: 435.781.4045
Admin Contact:	JAN NELSON PERMIT AGENT E-Mail: jan.nelson@questar.com Cell: 435-828-8719 Ph: 435-781-4331 Fx: 435-781-4395	JAN NELSON REGULATORY AFFAIRS E-Mail: jan.nelson@questar.com Cell: 435-828-8719 Ph: 435-781-4331 Fx: 435-781-4395
Tech Contact:	JAN NELSON PERMIT AGENT E-Mail: jan.nelson@questar.com Cell: 435-828-8719 Ph: 435-781-4331 Fx: 435-781-4395	JAN NELSON REGULATORY AFFAIRS E-Mail: jan.nelson@questar.com Cell: 435-828-8719 Ph: 435-781-4331 Fx: 435-781-4395
Location:		
State:	UT	UT
County:	UINTAH	UINTAH
Field/Pool:	RED WASH	RED WASH
Well/Facility:	RW 32-20CD Sec 20 T7S R24E SWNE 2015FNL 1984FEL	RW 32-20CD Sec 20 T7S R24E SWNE 2015FNL 1984FEL

# CONDITIONS OF APPROVAL

## QEP Uintah Basin, Inc.

### Notice of Intent APD Extension

**Lease:** UTU-02149  
**Well:** RW 32-20CD  
**Location:** SWNE Sec 20-T7S-R24E

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

---

1. The extension and APD shall expire on 5/29/2012.
2. No other extension shall be granted.

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

<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-02149
<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> RED WASH
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> RW 32-20CD
<b>2. NAME OF OPERATOR:</b> QUESTAR EXPLORATION & PRODUCTION CO	<b>9. API NUMBER:</b> 43047399650000
<b>3. ADDRESS OF OPERATOR:</b> 11002 East 17500 South , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-4362 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2015 FNL 1984 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWNE Section: 20 Township: 07.0S Range: 24.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> RED WASH  <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: 3/23/2011	<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:

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

Questar Exploration and Production Company hereby requests a one year extension for the APD on the above captioned well.

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

Date: March 25, 2010

By: 

<b>NAME (PLEASE PRINT)</b> Jan Nelson	<b>PHONE NUMBER</b> 435 781-4331	<b>TITLE</b> Permit Agent
<b>SIGNATURE</b> N/A	<b>DATE</b> 3/23/2010	



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 43047399650000

API: 43047399650000

Well Name: RW 32-20CD

Location: 2015 FNL 1984 FEL QTR SWNE SEC 20 TWP 070S RNG 240E MER S

Company Permit Issued to: QUESTAR EXPLORATION & PRODUCTION CO

Date Original Permit Issued: 3/24/2008

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: Jan Nelson

Date: 3/23/2010

Title: Permit Agent Representing: QUESTAR EXPLORATION & PRODUCTION CO

Date: March 25, 2010

By:

[Handwritten signature]

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET** (for state use only)

**ROUTING**  
 CDW

Change of Operator (Well Sold)

**X - Operator Name Change**

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

**6/14/2010**

<b>FROM: (Old Operator):</b> N5085-Questar Exploration and Production Company 1050 17th St, Suite 500 Denver, CO 80265  Phone: 1 (303) 308-3048	<b>TO: ( New Operator):</b> N3700-QEP Energy Company 1050 17th St, Suite 500 Denver, CO 80265  Phone: 1 (303) 308-3048
--	---

**CA No. Unit: RED WASH**

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

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 6/28/2010
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 6/28/2010
3. The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 6/24/2010
- 4a. Is the new operator registered in the State of Utah: Business Number: 764611-0143
- 5a. (R649-9-2)Waste Management Plan has been received on: Requested
- 5b. Inspections of LA PA state/fee well sites complete on: n/a
- 5c. Reports current for Production/Disposition & Sundries on: ok
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 8/16/2010 BIA not yet
7. **Federal and Indian Units:**  
 The BLM or BIA has approved the successor of unit operator for wells listed on: 8/16/2010
8. **Federal and Indian Communization Agreements ("CA"):**  
 The BLM or BIA has approved the operator for all wells listed within a CA on: N/A
9. **Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 6/29/2010

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 6/30/2010
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 6/30/2010
3. Bond information entered in RBDMS on: 6/30/2010
4. Fee/State wells attached to bond in RBDMS on: 6/30/2010
5. Injection Projects to new operator in RBDMS on: 6/30/2010
6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

**BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: ESB000024
2. Indian well(s) covered by Bond Number: 965010693
- 3a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 965010695
- 3b. The **FORMER** operator has requested a release of liability from their bond on: n/a

**LEASE INTEREST OWNER NOTIFICATION:**

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

**COMMENTS:**

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER See attached
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: See attached
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: See attached
2. NAME OF OPERATOR: Questar Exploration and Production Company <i>N5085</i>		8. WELL NAME and NUMBER: See attached
3. ADDRESS OF OPERATOR: 1050 17th Street, Suite 500 <small>CITY</small> Denver <small>STATE</small> CO <small>ZIP</small> 80265		9. API NUMBER: Attached
PHONE NUMBER: (303) 672-6900		10. FIELD AND POOL, OR WILDCAT: See attached
4. LOCATION OF WELL FOOTAGES AT SURFACE: See attached		COUNTY: Attached
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		STATE: UTAH

11 CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate)  Approximate date work will start: <u>6/14/2010</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion:	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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>Operator Name Change</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.

Effective June 14, 2010 Questar Exploration and Production Company changed its name to QEP Energy Company. This name change involves only an internal corporate name change and no third party change of operator is involved. The same employees will continue to be responsible for operations of the properties described on the attached list. All operations will continue to be covered by bond numbers:  
 Federal Bond Number: 965002976 (BLM Reference No. ESB000024) *N3700*  
 Utah State Bond Number: ~~965003033~~ } *965010695*  
 Fee Land Bond Number: ~~965003033~~  
 BIA Bond Number: ~~799446~~ *965010693*

The attached document is an all inclusive list of the wells operated by Questar Exploration and Production Company. As of June 14, 2010 QEP Energy Company assumes all rights, duties and obligations as operator of the properties as described on the list

NAME (PLEASE PRINT) <u>Morgan Anderson</u>	TITLE <u>Regulatory Affairs Analyst</u>
SIGNATURE <i>Morgan Anderson</i>	DATE <u>6/23/2010</u>

(This space for State use only)

**RECEIVED**  
**JUN 28 2010**  
DIV. OF OIL, GAS & MINING

**APPROVED** *6/30/2009*  
*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

(5/2000) (See Instructions on Reverse Side)

Questar Exploration Production Company (N5085) to QEP Energy Company (N3700)  
**RED WASH**  
effective June 14, 2010

well_name	sec	twp	rng	api	entity	mineral lease	type	stat	C
RW 34-23B	23	070S	230E	4304715136	5670	Federal	OW	P	
RW 41-23B	23	070S	230E	4304715138	5670	Federal	OW	P	
RW 32-22B	22	070S	230E	4304715139	5670	Federal	OW	P	
RW 43-23B	23	070S	230E	4304715140	5670	Federal	OW	P	
RW 32-17C	17	070S	240E	4304715145	5670	Federal	OW	P	
RW 34-26B	26	070S	230E	4304715148	5670	Federal	GW	TA	
RW 32-14B	14	070S	230E	4304715150	5670	Federal	OW	P	
RW 34-14B	14	070S	230E	4304715152	5670	Federal	OW	S	
RW 23-22B	22	070S	230E	4304715153	5670	Federal	OW	TA	
RW 43-22B	22	070S	230E	4304715155	5670	Federal	OW	P	
RW 32-23B	23	070S	230E	4304715156	5670	Federal	OW	P	
RW 23-13B	13	070S	230E	4304715157	5670	Federal	GW	TA	
RW 34-22B	22	070S	230E	4304715158	5670	Federal	OW	P	
RW 32-13B	13	070S	230E	4304715163	5670	Federal	GW	P	
RW 14-23B	23	070S	230E	4304715165	5670	Federal	OW	S	
RW 14-24A	24	070S	220E	4304715166	17554	Federal	OW	DRL	
RW 21-24B	24	070S	230E	4304715167	5670	Federal	OW	TA	
RW 34-13B	13	070S	230E	4304715168	5670	Federal	OW	P	
RW 21-29C	29	070S	240E	4304715169	5670	Federal	GW	P	
RW 12-17B	17	070S	230E	4304715170	5670	Federal	OW	P	
RW 32-33C	33	070S	240E	4304715171	5670	Federal	GW	P	
RW 14-23A	23	070S	220E	4304715176	5670	Federal	OW	P	
RW 12-18C	18	070S	240E	4304715183	5670	Federal	OW	P	
RW 21-22B	22	070S	230E	4304715186	5670	Federal	GW	TA	
RW 34-18B	18	070S	230E	4304715189	5670	Federal	OW	P	
RW 21-27B	27	070S	230E	4304715191	5670	Federal	OW	TA	
RW 23-22A	22	070S	220E	4304715192	5670	Federal	OW	P	
RW 21-18C	18	070S	240E	4304715193	5670	Federal	OW	P	
RW 12-13B	13	070S	230E	4304715196	5670	Federal	GW	S	
RW 32-18C	18	070S	240E	4304715198	5670	Federal	GW	P	
RWU 77 (21-13B)	13	070S	230E	4304715199	5670	Federal	OW	P	
RW 32-28B	28	070S	230E	4304715200	5670	Federal	OW	P	
RW 12-27B	27	070S	230E	4304715201	5670	Federal	OW	TA	
RW 14-27B	27	070S	230E	4304715202	5670	Federal	OW	P	
RW 41-31B	31	070S	230E	4304715203	5670	Federal	OW	P	
RW 41-27A	27	070S	220E	4304715205	5670	Federal	OW	S	
RW 44-14B	14	070S	230E	4304715206	5670	Federal	GW	P	
RW 43-21B	21	070S	230E	4304715211	5670	Federal	OW	P	
RW 12-22A	22	070S	220E	4304715213	5670	Federal	OW	P	
RW 12-22B	22	070S	230E	4304715218	5670	Federal	OW	P	
RW 34-21B	21	070S	230E	4304715220	5670	Federal	OW	P	
RW 34-15B	15	070S	230E	4304715222	5670	Federal	OW	P	
RW 32-21B	21	070S	230E	4304715226	5670	Federal	OW	P	
RW 21-28B	28	070S	230E	4304715227	5670	Federal	OW	P	

Bonds: BLM = ESB000024  
BIA = 956010693  
State = 965010695

Questar Exploration Production Company (N5085) to QEP Energy Company (N3700)  
**RED WASH**  
effective June 14, 2010

well_name	sec	twp	rng	api	entity	mineral lease	type	stat	C
RW 23-23A	23	070S	220E	4304715228	5670	Federal	OW	P	
RW 32-24A	24	070S	220E	4304715229	5670	Federal	OW	P	
RW 32-28A	28	070S	220E	4304715230	5670	Federal	OW	S	
RW 21-19B	19	070S	230E	4304715233	5670	Federal	OW	P	
RW 43-29A	29	070S	220E	4304715236	5670	Federal	OW	S	C
RW 23-28B	28	070S	230E	4304715237	17525	Federal	OW	P	C
RW 13-13B	13	070S	230E	4304715238	5670	Federal	GW	P	
RW 24-14B	14	070S	230E	4304715239	5670	Federal	OW	P	
RW 41-29A	29	070S	220E	4304715243	5670	Federal	OW	P	
RW 14-15B	15	070S	230E	4304715246	5670	Federal	OW	P	
RW 41-34B	34	070S	230E	4304715250	5670	Federal	OW	P	
RW 41-30B	30	070S	230E	4304715254	5670	Federal	OW	P	
RW 24-22B	22	070S	230E	4304715255	5670	Federal	OW	P	
RW 33-14B	14	070S	230E	4304715257	5670	Federal	OW	P	
RW 21-18B	18	070S	230E	4304715258	5670	Federal	OW	TA	
RW 22-22B	22	070S	230E	4304715260	5670	Federal	OW	TA	C
RW 42-14B	14	070S	230E	4304715264	5670	Federal	OW	P	
RW 14-29B	29	070S	230E	4304715265	5670	Federal	OW	P	
RW 32-30B	30	070S	230E	4304715268	5670	Federal	OW	P	
RW 32-15B	15	070S	230E	4304715270	5670	Federal	OW	P	
RW 12-20B	20	070S	230E	4304715272	5670	Federal	OW	S	
RW 12-28B	28	070S	230E	4304715274	5670	Federal	OW	P	
RW 32-26B	26	070S	230E	4304715275	5670	Federal	GW	TA	
RW 31-28B	28	070S	230E	4304715283	5670	Federal	OW	TA	
RW 34-30B	30	070S	230E	4304715288	5670	Federal	OW	P	
RW 23-26B	26	070S	230E	4304715290	5670	Federal	GW	S	
RW 41-33A	33	070S	220E	4304715294	5670	Federal	OW	P	
RW 43-24B	24	070S	230E	4304715295	5670	Federal	GW	TA	
RW 12-14B	14	070S	230E	4304715296	5670	Federal	OW	S	
RW 32-28C	28	070S	240E	4304715302	5670	Federal	GW	P	
RW 23-25A	25	070S	220E	4304715305	5670	Federal	OW	P	
RW 41-8F	08	080S	240E	4304720014	5670	Federal	GW	P	
RW 44-21C	21	070S	240E	4304730149	5670	Federal	GW	S	
RW 13-27B	27	070S	230E	4304730199	5670	Federal	OW	TA	
RW 21-34B	34	070S	230E	4304730258	5670	Federal	OW	P	
RW 43-26B	26	070S	230E	4304730259	5670	Federal	OW	TA	
RW 14-18C	18	070S	240E	4304730309	5670	Federal	OW	P	
RW 12-26B	26	070S	230E	4304730311	5670	Federal	OW	TA	
RW 32-24B	24	070S	230E	4304730313	5670	Federal	OW	P	
RW 34-18C	18	070S	240E	4304730314	5670	Federal	OW	P	
RW 21-19C	19	070S	240E	4304730340	5670	Federal	GW	P	
RW 14-25B	25	070S	230E	4304730341	5670	Federal	OW	P	
RW 32-35B	35	070S	230E	4304730342	5670	Federal	OW	TA	
RW 12-36B	36	070S	230E	4304730344	5670	Federal	OW	S	

Bonds: BLM = ESB000024  
BIA = 956010693  
State = 965010695

Questar Exploration Production Company (N5085) to QEP Energy Company (N3700)  
**RED WASH**  
effective June 14, 2010

well_name	sec	tpw	rng	api	entity	mineral lease	type	stat	C
RW 22-14B	14	070S	230E	4304730345	5670	Federal	OW	P	
RW 42-13B	13	070S	230E	4304730346	5670	Federal	OW	P	
RW 23-19C	19	070S	240E	4304730348	5670	Federal	GW	P	
RW 22-18C	18	070S	240E	4304730387	5670	Federal	OW	P	
RW 22-17C	17	070S	240E	4304730388	5670	Federal	GW	P	
RW 44-26B	26	070S	230E	4304730520	5670	Federal	GW	P	
RW 42-27B	27	070S	230E	4304731051	5670	Federal	OW	TA	
RW 44-27B	27	070S	230E	4304731053	5670	Federal	OW	TA	
RW 44-23B	23	070S	230E	4304731054	5670	Federal	GW	P	
RW 11-35B	35	070S	230E	4304731079	5670	Federal	OW	P	
RW 22-35B	35	070S	230E	4304731082	5670	Federal	OW	P	
RW 33-23B	23	070S	230E	4304731476	5670	Federal	GW	TA	
RW 11-24B	24	070S	230E	4304731477	5670	Federal	OW	P	
RW 42-21B	21	070S	230E	4304731478	5670	Federal	OW	P	
RW 13-24B	24	070S	230E	4304731517	5670	Federal	OW	P	
RW 42-23B	23	070S	230E	4304731576	5670	Federal	GW	TA	
RW 12-35B	35	070S	230E	4304731578	5670	Federal	OW	S	
RW 24-15B	15	070S	230E	4304731579	5670	Federal	OW	P	
RW 24-18C	18	070S	240E	4304731582	5670	Federal	GW	P	
RW 43-15B	15	070S	230E	4304731682	17643	Federal	GW	DRL	C
RW 34-17B	17	070S	230E	4304731819	5670	Federal	OW	P	
RW 41-4F	04	080S	240E	4304732538	5670	Federal	GW	TA	
RW 23-23C	23	070S	240E	4304732629	5670	Federal	GW	P	
RW 14-17B	17	070S	230E	4304732738	5670	Federal	OW	P	
RW 32-17B	17	070S	230E	4304732981	5670	Federal	OW	P	
RW 32-18B	18	070S	230E	4304733018	5670	Federal	OW	P	
RW 42-20B	20	070S	230E	4304733490	5670	Federal	OW	P	
RW 22-20B	20	070S	230E	4304733491	5670	Federal	OW	P	
RW 24-19B	19	070S	230E	4304733492	5670	Federal	OW	P	
RW 22-21B	21	070S	230E	4304733522	5670	Federal	OW	S	
RW 24-20B	20	070S	230E	4304733523	5670	Federal	OW	P	
RW 44-19B	19	070S	230E	4304733524	5670	Federal	OW	P	
RW 44-20B	20	070S	230E	4304733525	5670	Federal	OW	P	
RW 24-18B	18	070S	230E	4304733554	5670	Federal	OW	P	
RW 42-19B	19	070S	230E	4304733556	5670	Federal	OW	P	
RW 22-19B	19	070S	230E	4304733559	5670	Federal	OW	P	
RW 23-24A	24	070S	220E	4304733567	5670	Federal	OW	P	
RW 42-24A	24	070S	220E	4304733569	5670	Federal	OW	P	
RW 21-25A	25	070S	220E	4304733576	5670	Federal	OW	P	
RW 41-25A	25	070S	220E	4304733579	5670	Federal	OW	P	
RW 21-24A	24	070S	220E	4304733592	5670	Federal	OW	P	
RW 44-18B	18	070S	230E	4304733594	5670	Federal	OW	P	
RW 41-24A	24	070S	220E	4304733769	5670	Federal	OW	P	
RW 42-30B	30	070S	230E	4304733771	5670	Federal	OW	S	

Bonds: BLM = ESB000024  
BIA = 956010693  
State = 965010695

Questar Exploration Production Company (N5085) to QEP Energy Company (N3700)  
**RED WASH**  
effective June 14, 2010

well_name	sec	twp	rng	api	entity	mineral lease	type	stat	C
RWU 44-30B	30	070S	230E	4304733772	5670	Federal	OW	P	
RW 22-25A	25	070S	220E	4304733786	5670	Federal	OW	P	
RW 34-27C	27	070S	240E	4304735045	5670	Federal	GW	P	
RW 34-22C	22	070S	240E	4304735098	5670	Federal	GW	P	
RW 34-23AG	23	070S	220E	4304735668	5670	Federal	OW	P	
RWU 32-27AG	27	070S	220E	4304735670	5670	Federal	OW	P	
RW 14-34AMU	34	070S	220E	4304735671	14277	Federal	GW	P	
RW 44-08FG	08	080S	240E	4304736349	15261	Federal	GW	P	
RW 34-34 AD	34	070S	220E	4304736351	16177	Federal	GW	P	
RW 33-31 BD	31	070S	230E	4304736357		Federal	GW	APD	C
RW 13-31 BD	31	070S	230E	4304736358		Federal	GW	APD	C
RW 21-26AD	26	070S	220E	4304736768	5670	Federal	OW	OPS	C
RW 43-26AG	26	070S	220E	4304736769	16575	Federal	OW	OPS	C
RW 43-23AG	23	070S	220E	4304736770	5670	Federal	OW	OPS	C
RW 41-26AG	26	070S	220E	4304736818	5670	Federal	OW	OPS	C
RW 04-25B	25	070S	230E	4304736982	17224	Federal	OW	P	
RW 34-27ADR	27	070S	220E	4304739445	16330	Federal	GW	P	
RW 32-29CD	29	070S	240E	4304739854		Federal	GW	APD	C
RW 24-10FD	10	080S	240E	4304739963		Federal	GW	APD	C
RW 34-20CD	20	070S	240E	4304739964		Federal	GW	APD	C
RW 32-20CD	20	070S	240E	4304739965		Federal	GW	APD	
RW 24-21CD	21	070S	240E	4304739966		Federal	GW	APD	C
RW 41-28CD	28	070S	240E	4304739967		Federal	GW	APD	C
RW 41-33CD	33	070S	240E	4304739968		Federal	GW	APD	C
RW 14-35 AMU	35	070S	220E	4304740051		Federal	GW	APD	C
RW 44-35 AMU	35	070S	220E	4304740052		Federal	GW	APD	
RW 12-17FG	17	080S	240E	4304740602		Federal	GW	APD	C

Bonds: BLM = ESB000024  
BIA = 956010693  
State = 965010695



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155  
<http://www.blm.gov/ut/st/en.html>



IN REPLY REFER TO:  
3100  
(UT-922)

JUL 28 2010

### Memorandum

To: Vernal Field Office, Price Field Office, Moab Field Office

From: Chief, Branch of Minerals

*Robert L. Bankart*

Subject: Name Change Recognized

Attached is a copy of the Certificate of Name Change issued by the Texas Secretary of State and a decision letter recognizing the name change from the Eastern States Office. We have updated our records to reflect the name change in the attached list of leases.

The name change from **Questar Exploration and Production Company** into **QEP Energy Company** is effective June 8, 2010.

cc: MMS  
UDOGM

RECEIVED

AUG 16 2010

DIV. OF OIL, GAS & MINERAL

<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-02149
<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> RED WASH
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> RW 32-20CD
<b>2. NAME OF OPERATOR:</b> QEP ENERGY COMPANY	<b>9. API NUMBER:</b> 43047399650000
<b>3. ADDRESS OF OPERATOR:</b> 11002 East 17500 South , Vernal, Ut, 84078	<b>PHONE NUMBER:</b> 303 308-3068 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2015 FNL 1984 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWNE Section: 20 Township: 07.0S Range: 24.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> RED WASH  <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: 3/24/2012	<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"/> <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.

QEP Energy Company hereby requests a one year extension for the APD on the above captioned well.

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

**Date:** 03/23/2011

**By:**

<b>NAME (PLEASE PRINT)</b> Jan Nelson	<b>PHONE NUMBER</b> 435 781-4331	<b>TITLE</b> Permit Agent
<b>SIGNATURE</b> N/A		<b>DATE</b> 3/22/2011



**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 43047399650000**

**API:** 43047399650000

**Well Name:** RW 32-20CD

**Location:** 2015 FNL 1984 FEL QTR SWNE SEC 20 TWP 070S RNG 240E MER S

**Company Permit Issued to:** QEP ENERGY COMPANY

**Date Original Permit Issued:** 3/24/2008

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:** Jan Nelson

**Date:** 3/22/2011

**Title:** Permit Agent **Representing:** QEP ENERGY COMPANY

<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-02149
<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> RED WASH
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> RW 32-20CD
<b>2. NAME OF OPERATOR:</b> QEP ENERGY COMPANY	<b>9. API NUMBER:</b> 43047399650000
<b>3. ADDRESS OF OPERATOR:</b> 11002 East 17500 South , Vernal, Ut, 84078	<b>PHONE NUMBER:</b> 303 308-3068 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2015 FNL 1984 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWNE Section: 20 Township: 07.0S Range: 24.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> RED WASH  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

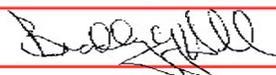
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 3/24/2013	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date 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.

QEP ENERGY COMPANY HEREBY REQUESTS A ONE YEAR EXTENSION FOR THE APD ON THE ABOVE CAPTIONED WELL.

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

**Date:** March 26, 2012

**By:** 

<b>NAME (PLEASE PRINT)</b> Valyn Davis	<b>PHONE NUMBER</b> 435 781-4369	<b>TITLE</b> Regulatory Affairs Analyst
<b>SIGNATURE</b> N/A	<b>DATE</b> 3/21/2012	



**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 43047399650000**

API: 43047399650000

Well Name: RW 32-20CD

Location: 2015 FNL 1984 FEL QTR SWNE SEC 20 TWP 070S RNG 240E MER S

Company Permit Issued to: QEP ENERGY COMPANY

Date Original Permit Issued: 3/24/2008

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.

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- 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: Valyn Davis

Date: 3/21/2012

Title: Regulatory Affairs Analyst Representing: QEP ENERGY COMPANY

<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-02149	
<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> RED WASH	
<b>8. WELL NAME and NUMBER:</b> RW 32-20CD	
<b>9. API NUMBER:</b> 43047399650000	
<b>9. FIELD and POOL or WILDCAT:</b> RED WASH	
<b>9. COUNTY:</b> UINTAH	
<b>9. STATE:</b> UTAH	
<b>1. TYPE OF WELL</b> Gas Well	
<b>2. NAME OF OPERATOR:</b> QEP ENERGY COMPANY	
<b>3. ADDRESS OF OPERATOR:</b> 11002 East 17500 South , Vernal, Ut, 84078	
<b>PHONE NUMBER:</b> 303 308-3068 Ext	
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2015 FNL 1984 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWNE Section: 20 Township: 07.0S Range: 24.0E Meridian: S	

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: 3/24/2014	<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.

QEP ENERGY COMPANY HEREBY REQUESTS A ONE YEAR EXTENSION FOR THE APD ON THE ABOVE CAPTIONED WELL.

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

**Date:** March 21, 2013

**By:** 

<b>NAME (PLEASE PRINT)</b> Valyn Davis	<b>PHONE NUMBER</b> 435 781-4369	<b>TITLE</b> Regulatory Affairs Analyst
<b>SIGNATURE</b> N/A	<b>DATE</b> 3/21/2013	



**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 43047399650000**

API: 43047399650000

Well Name: RW 32-20CD

Location: 2015 FNL 1984 FEL QTR SWNE SEC 20 TWP 070S RNG 240E MER S

Company Permit Issued to: QEP ENERGY COMPANY

Date Original Permit Issued: 3/24/2008

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: Valyn Davis

Date: 3/21/2013

Title: Regulatory Affairs Analyst Representing: QEP ENERGY COMPANY

<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>1. TYPE OF WELL</b> Gas Well	<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-02149
<b>2. NAME OF OPERATOR:</b> QEP ENERGY COMPANY	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>3. ADDRESS OF OPERATOR:</b> 11002 East 17500 South , Vernal, Ut, 84078	<b>7. UNIT or CA AGREEMENT NAME:</b> RED WASH
<b>PHONE NUMBER:</b> 303 308-3068 Ext	<b>8. WELL NAME and NUMBER:</b> RW 32-20CD
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2015 FNL 1984 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWNE Section: 20 Township: 07.0S Range: 24.0E Meridian: S	<b>9. API NUMBER:</b> 43047399650000
	<b>9. FIELD and POOL or WILDCAT:</b> RED WASH
	<b>COUNTY:</b> UINTAH
	<b>STATE:</b> UTAH

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

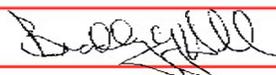
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: <b>3/24/2015</b>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</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"/> 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.

QEP ENERGY COMPANY HEREBY REQUESTS A ONE YEAR EXTENSION FOR THE APD ON THE ABOVE CAPTIONED WELL.

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

**Date:** March 25, 2014

**By:** 

<b>NAME (PLEASE PRINT)</b> Valyn Davis	<b>PHONE NUMBER</b> 435 781-4369	<b>TITLE</b> Regulatory Affairs Analyst
<b>SIGNATURE</b> N/A	<b>DATE</b> 3/24/2014	



**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 43047399650000**

API: 43047399650000

Well Name: RW 32-20CD

Location: 2015 FNL 1984 FEL QTR SWNE SEC 20 TWP 070S RNG 240E MER S

Company Permit Issued to: QEP ENERGY COMPANY

Date Original Permit Issued: 3/24/2008

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- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?  Yes  No
  
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- 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: Valyn Davis

Date: 3/24/2014

Title: Regulatory Affairs Analyst Representing: QEP ENERGY COMPANY



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

March 12, 2015

Valyn Davis  
QEP Energy Company  
11002 E 17500 S  
Vernal, UT 84087

43 047 39965  
RW 32-20CD  
20 7S 24E

Re: APDs Rescinded QEP Energy Company, Uintah County

Dear Ms. Davis:

Enclosed find the list of APDs that you asked to be rescinded. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded as of March 10, 2015.

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



43-047-36357- RW 33-31 BD  
43-047-36358- RW 13-31 BD  
43-047-39963- RW 24-10FD  
43-047-39964- RW 34-20CD  
→ 43-047-39965- RW 32-20CD  
43-047-39966- RW 24-21CD  
43-047-39967- RW 41-28CD  
43-047-39968- RW 41-33CD  
43-047-39155- WV 2CML-7-8-22  
43-047-39176- HB 2M-9-7-22  
43-047-39177- SUMA 4M-20-7-22  
43-047-39178- SU 16M-31-7-22  
43-047-39179- SU PURDY 3M-25-7-21

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

SUBMIT IN TRIPLICATE\*

FORM APPROVED  
OMB NO. 1040-0136  
Expires: February 28, 1995

**APPLICATION FOR PERMIT TO DRILL OR DEEPEN**

TYPE OF WORK <b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. <b>UTU-02149</b>
TYPE OF WELL <input type="checkbox"/> OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER		6. IF INDIAN, ALLOTTEE OR TRIBE NAME <b>N/A</b>
SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		7. UNIT AGREEMENT NAME <b>RED WASH UNIT</b>
8. FARM OR LEASE NAME, WELL NO. <b>RW 32-20CD</b>		9. API NUMBER: <b>43 0A7 39965</b>
2. NAME OF OPERATOR <b>QUESTAR EXPLORATION &amp; PRODUCTION CO.</b>	Contact: Jan Nelson E-Mail: jan.nelson@questar.com	10. FIELD AND POOL, OR WILDCAT <b>RED WASH</b>
3. ADDRESS <b>11002 East 17500 South      Vernal, Ut 84078</b>	Telephone number <b>Phone 435-781-4331      Fax 435-781-4395</b>	11. SEC., T, R, M, OR BLK & SURVEY OR AREA <b>SEC. 20, T7S, R24E SLB&amp;M</b>
4. LOCATION OF WELL (Report location clearly and in accordance with and State requirements*) At Surface <b>2015' FNL 1984' FEL, SWNE, SECTION 20, T7S, R24E</b> At proposed production zone		12. COUNTY OR PARISH <b>Uintah</b>
14. DISTANCE IN MILES FROM NEAREST TOWN OR POSTOFFICE* <b>28 +/- SOUTH OF VERNAL, UTAH</b>		13. STATE <b>UT</b>
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (also to nearest drig, unit line if any) <b>1984' +/-</b>	16. NO. OF ACRES IN LEASE <b>1262.72</b>	17. NO. OF ACRES ASSIGNED TO THIS WELL <b>40</b>
18. DISTANCE FROM PROPOSED location to nearest well, drilling, completed, applied for, on this lease, ft	19. PROPOSED DEPTH <b>16,025</b>	20. BLM/BIA Bond No. on file <b>ESB000024</b>
21. ELEVATIONS (Show whether DF, RT, GR, ect.) <b>5686.8' GR</b>	22. DATE WORK WILL START <b>ASAP</b>	23. Estimated duration <b>40 days</b>
24. Attachments		

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

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>1. Well plat certified by a registered surveyor.</li> <li>2. A Drilling Plan</li> <li>3. A surface Use Plan ( if location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).</li> </ul> | <ul style="list-style-type: none"> <li>4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).</li> <li>5. Operator certification.</li> <li>6. Such other site specific information and/or plans as may be required by the authorized officer.</li> </ul> |
|--|---|

**RECEIVED  
JUN 04 2008**

SIGNED *Jan Nelson* Name (printed/typed) **Jan Nelson**      DATE **03/11/2008**

TITLE **Regulatory Affairs**

DIV. OF OIL, GAS & MINING

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

Application approval does not warrant or certify the applicant holds any 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:

APPROVED BY *Greg Fougere* TITLE **Assistant Field Manager  
Lands & Mineral Resources** DATE **5-29-2008**

\*See Instructions On Reverse Side

Title 18 U.S.C Section 1001, makes 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

**CONDITIONS OF APPROVAL ATTACHED**      **CONFIDENTIAL**

**NOTICE OF APPROVAL**

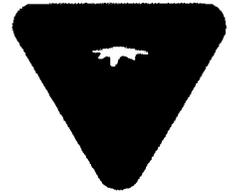
**UDOGM**

O8PP0185A  
NOS 10/31/07



**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**

**Company:** Questar Expl. & Prod., Co.      **Location:** SWNE, Sec 20, T7S, R24E  
**Well No:** RW 32-20CD      **Lease No:** UT-02149  
**API No:** 43-047-39965      **Agreement:** Red Wash 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:	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
Supervisory NRS:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	
NRS/Enviro Scientist:	Chuck MacDonald	(435) 781-4441	(435) 828-7481
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)***

***Surface 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:***

- During operations, if any vertebrate paleontological resources are discovered, all operations affecting such sites shall be immediately suspended, and all discoveries shall be left intact until authorized to proceed by the Authorized Officer. The appropriate Authorized Officer of the Vernal BLM office shall be notified within 48 hrs of the discovery, and a decision as to the preferred alternative/course of action will be rendered.
- The lessee/operator is given notice that lands in the lease have been identified as containing crucial pronghorn (antelope) habitat. It is requested that the lessee/operator not initiate surface disturbing activities or drilling from May 15 through June 20. A survey may be conducted by a qualified biologist or a BLM representative during this timing period to determine if pronghorn are in the area.
- As in the APD, an 18" culvert will be installed at the approach of the road, and a high water crossing in the main wash.

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

***Site Specific Downhole COAs:***

- The conductor pipe shall be set and cemented in a competent formation.
- Surface and intermediate casing shoe integrity tests shall be performed.
- Variances are granted for Onshore Order #2-Drilling Operations III. E. Diverter Bowl, Blooie line can be 50-70 feet. Deduster and ignitor; drilling with mist system, OK Rig mounted compressors less the 100' away OK. All other requirements in O.O. #2 III. E. Special Drilling Operations are applicable.
- Intermediate casing cement shall be at a minimum 200 feet inside the surface casing. Production casing cement shall be 200' above the intermediate shoe. A CBL shall be run from TD to top of cement and a field copy shall be sent to this field office.
- The Gamma ray log shall be run from TD to surface.

**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.