Form 3160-3
(July 1992)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.	UTU-77301
6. IF INDIAN, ALLOTTEE OR TRIBE NAME	N/A
7. UNIT AGREEMENT NAME	BIG VALLEY UNIT
8. FARM OR LEASE NAME, WELL NO.	NBZ 14D-29-8-24

TYPE OF WORK: DRILL ☑ DEEPEN ☐

TYPE OF WELL: ☐ OIL WELL ☑ GAS WELL ☐ OTHER ☑ SINGLE ZONE ☐ MULTIPLE ZONE

2. NAME OF OPERATOR QUESTAR EXPLORATION & PRODUCTION CO.	Contact: Jan Nelson E-Mail: jan.nelson@questar.com	9.API NUMBER: 43-047-40362
3. ADDRESS 11002 E. 17500 S. Vernal, Utah 84078	Telphone number Phone 435-781-4331 Fax 435-781-4395	10. FIELD AND POOL, OR WILDCAT Big Valley ~~UNDESIGNATED~~
4. LOCATION OF WELL (Report location clearly and in accordance with and State requirements*) At Surface 650132X 469' FSL 2170' FWL, SESW, SECTION 29, T8S, R24E At proposed production zone 4438764 40.087636 -109.239030		11. SEC.,T, R, M, OR BLK & SURVEY OR AREA SEC. 29, T8S, R24E SLB&M
14. DISTANCE IN MILES FROM NEAREST TOWN OR POSTOFFICE* 36 +/- 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) 469' +/-	16.NO.OF ACRES IN LEASE 1505.46	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 13,321'	20. BLM/BIA Bond No. on file ESB000024
21. ELEVATIONS (Show whether DF, RT, GR, ect.) 5170.9' GR	22. DATE WORK WILL START ASAP	23. Estimated duration 35 days

24. Attachments

The following,completed in accordance with the requirments 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 exisiting 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 Jan Nelson Name (printed/typed) Jan Nelson DATE 09/10/2008

TITLE Regulatory Affairs

(This space for Federal or State office use)

PERMIT NO. 43-047-40362 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 Bradley G. Hill TITLE BRADLEY G. HILL ENVIRONMENTAL MANAGER DATE 09-25-08

*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

CONFIDENTIAL

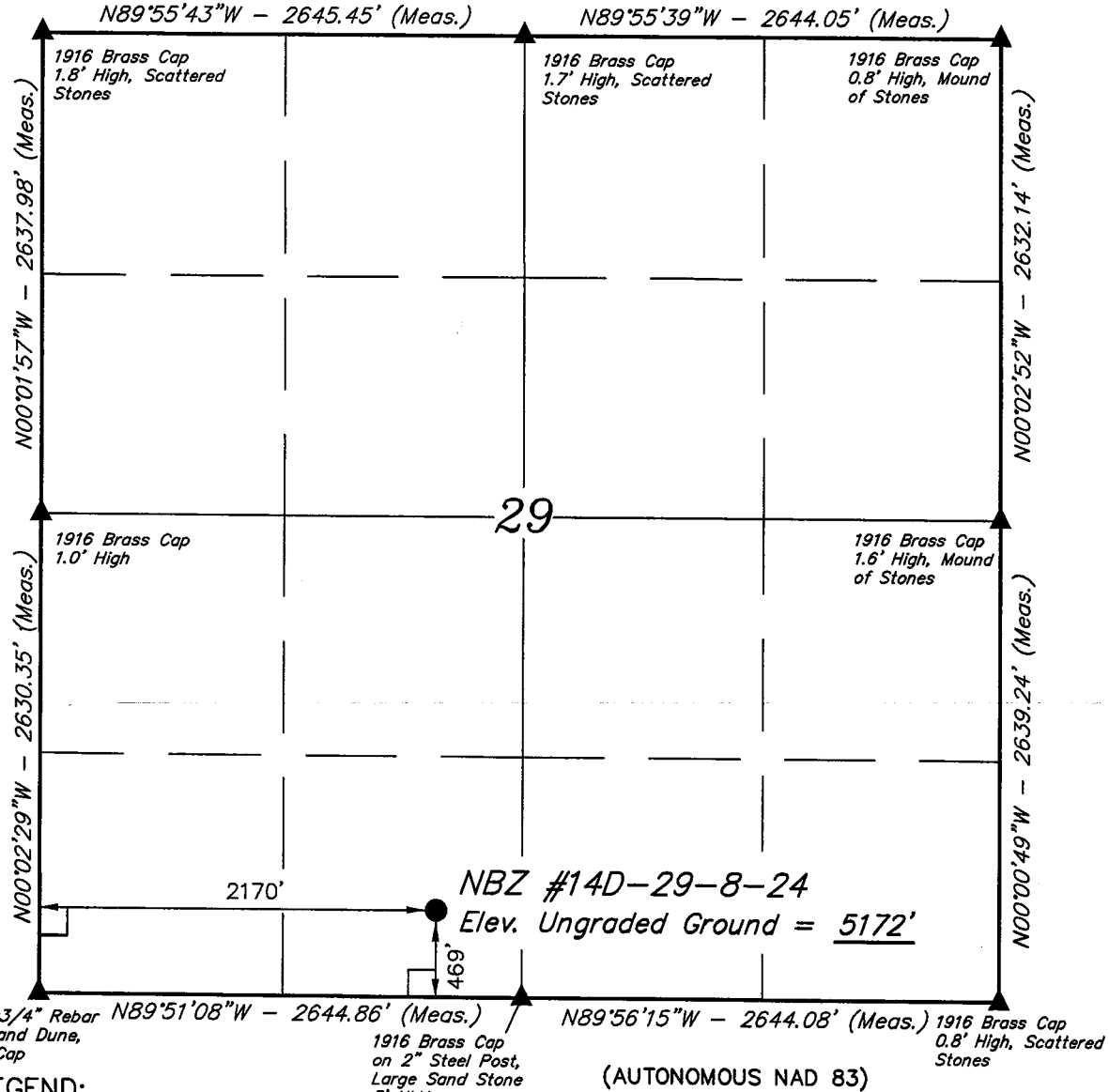
RECEIVED
SEP 15 2008
DIV. OF OIL, GAS & MINING

Federal Approval of this Action is Necessary

QUESTAR EXPLR. & PROD.

Well location, NBZ #14D–29–8–24, located as shown in the SE 1/4 SW 1/4 of Section 29, T8S, R24E, S.L.B.&M., Uintah County, Utah.

T8S, R24E, S.L.B.&M.



(AUTONOMOUS NAD 83)
LATITUDE = 40°05'15.54" (40.087650)
LONGITUDE = 109°14'22.80" (109.239667)
(AUTONOMOUS NAD 27)
LATITUDE = 40°05'15.66" (40.087683)
LONGITUDE = 109°14'20.37" (109.238992)

LEGEND:

└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

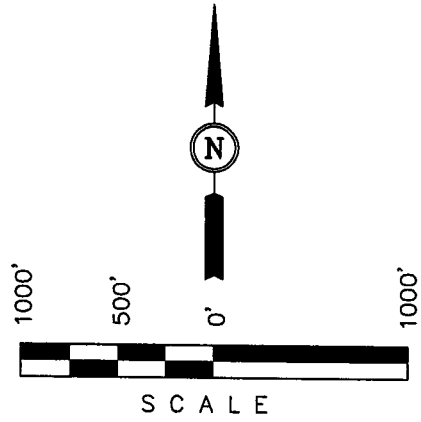
▲ = SECTION CORNERS LOCATED.

BASIS OF ELEVATION

BENCH MARK 45EAM LOCATED IN THE NW 1/4 SW 1/4 OF SECTION 6, T9S, R24E, S.L.B.&M. TAKEN FROM THE BONANZA, 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 5350 FEET.

BASIS OF BEARINGS

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



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE [illegible] PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS [illegible] UNDER MY SUPERVISION AND THAT THE SA[illegible] TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

REGISTERED LAND SURVEYOR
No. 161319
ROBERT L. KAY
STATE OF UTAH

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

SCALE 1" = 1000'	DATE SURVEYED: 06–26–07	DATE DRAWN: 06–29–07
PARTY D.A. T.A. L.K.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE QUESTAR EXPLR. & PROD.	

Additional Operator Remarks

Questar Exploration & Production Company proposes to drill a well to 13,321' 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 & Prodcution 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:

Formation	Depth
Uinta	Surface
Green River	1,681'
Wasatch	4,211'
Mesaverde	5,801'
Sego	7,921'
Castlegate	8,081'
Mancos Shale	8,751'
Dakota	12,771'
TD	13,321'

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:

Substance	Formation	Depth
Gas	Wasatch	4,211'
Gas	Mesaverde	5,801'
Gas	Mancos Shale	8,751'
Gas	Dakota	12,771'

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 before1989 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.

3. Operator's Specification for Pressure Control Equipment:

A. A 10,000 psi double gate, 10,000 psi single gate, 10,000 psi annular BOP (schematic included) from surface casing point to total depth.

B. Functional test daily.

C. All casing strings shall be pressure tested (0.2 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 the 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)	Mud Weight	Wt. lb/ft	Grade	Thread	Cond.
26"	20"	surf	60-80'	N/A	Steel	Cond.	None	Used
12-1/4"	9-5/8"	surf	2,200'	N/A	36.0	J-55	STC	New
8-1/2"	7"	Surface	8,800'	11.5	26.0	HCP-110	LTC	New
6-1/8"	4-1/2"	surf	13,321'	13.5	15.1	P-110	LTC	New

Casing Strengths:				Collapse	Burst	Tensile (minimum)
9-5/8"	36 lb.	J-55	STC	2,020 psi	3,520 psi	394,000 lb.
7"	26 lb.	HCP-110	LTC	7,800 psi	9,950 psi	693,000 lb.
4-1/2"	15.1 lb.	P-110	LTC	14,350 psi	14,420 psi	406,000 lb.

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:	13.5 ppg
Maximum surface treating pressure:	8,500 psi
Over pull margin (minimum):	100,000 lbs
Pressure while bumping plug:	8,000 lbs

5. **Cementing Program**

20" Conductor:
Cement to surface with construction cement.

9-5/8" Surface Casing: surf – 2,200' (MD)
Lead/Tail Slurry: 0' – 2,200'. 765 sks (1375 cu ft) Vericem cement + 0.25 lb/sk Kwik Seal (lost circulation additive) + 0.125 lb/sk Poly-E-Flake (lost circulation additive). Slurry wt: 13.5 ppg, Slurry yield: 1.80 ft^3/sk, Slurry volume: 12-1/4" hole + 100% excess.

7" Intermediate Casing: surf - 8,800' (MD)
Lead Slurry: 0' – 4,000'. 185 sks (710 cu ft) Halliburton Hi-Fill cement. Slurry wt: 11.0 ppg, Slurry yield: 3.84 ft^3/sk, Slurry volume: 12-1/4" hole + 25% excess in open hole.
Tail Slurry: 4,000' – 8,800'. 730 sks (905 cu ft) 50/50 Poz Premium cement + 0.6% Halad-322 (low fluid loss control) + 2.0% Microbond (expander) + 5.0% salt (accelerator) + 0.125 lb/sk Poly-E-Flake (lost circulation additive). Slurry wt: 14.35 ppg, Slurry yield: 1.24 ft^3/sk, Slurry volume: 12-1/4" hole + 25% excess.

4-1/2" Production Casing: surf - 13,321' (MD)
Lead/Tail Slurry: 4,000' - 13,321'. 640 sks (995 cu ft) 50/50 Poz Premium cement + 20% SSA-1 (additive material) + 3 lb/sk silicalite compacted (additive material) + 0.5% Halad-344 (low fluid loss control) + 0.2% Halad-413 (low fluid loss control) + 0.2% HR-12 (retarder) + 0.2% Super CBL (expander) + 0.2% Suspend HT (suspension agent). Slurry wt: 14 ppg, Slurry yield: 1.55 ft^3/sk, Slurry volume: 6-1/8" hole + 15% 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 strings and 4,000' 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

6. Auxiliary Equipment

A. Kelly Cock – yes

B. Float at the bit – yes

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

F. Request for Variance

Drilling surface hole with air:

A variance from 43 CFR 3160 Onshore Oil and Gas Order #2, Section III Requirements, subsection E. Special Drilling Operations is requested for the specific operation of drilling and setting surface casing on the subject well with a truck mounted air rig. The variance from the following requirements of Order #2 is requested because surface casing depth for this well is 2,200 feet and high pressures are not expected.

1. **Properly lubricated and maintained rotating head** – A diverter system in place of a rotating head. The diverter system forces the air and cutting returns to the reserve pit and is used to drill the surface casing.
2. **Blooie line discharge 100 feet from wellbore and securely anchored** – the blooie line discharge for this operation will be located 50 to 70 feet from the wellhead. This reduced length is necessary due to the smaller location size to minimize surface disturbance.
3. **Automatic igniter or continuous pilot light on blooie line** – a diffuser will be used rather than an automatic pilot/igniter. Water is injected into the compressed air and eliminates the need for a pilot light and the need for dust suppression equipment.
4. **Compressors located in the opposite direction from the blooie line a minimum of 100 feet from the wellbore** – compressors located within 50 feet on the opposite side of the wellbore from the blooie line and is equipped with a 1) emergency kill switch on the driller's console, 2) pressure relief valves on the compressors, 3) spark arrestors on the motors.
5. **Kill Fluid to control well** – In lieu of having mud products on location to kill the well for an unanticipated kick, Questar will kill the well with water contained in a 400 bbl tank on site. The 400 bbl water tank will also be storage for surface casing cement water.

6. **Deflector on the end of the blooie line** – Questar will mount a deflector unit at the end of the blooie line for the purpose of changing the direction and velocity of the air and cuttings flow into the reserve pit. Changing the velocity and direction of the cuttings and air will preserve the pit liner. In the event the deflector washes out due to erosion caused by the sand blasting effect of the cuttings, there will be no problem because the deflector is mounted on the very end of the blooie. A washed out deflector will be easily replaced.
7. **Flare Pit** – there will be no need of a flare pit during the surface hole air drilling operation because the blooie line is routed directly to the reserve pit. When the big rig arrives for the main drilling after setting surface casing, a flare box will be installed and all flare lines will be routed to the flare box.

G. All other operations and equipment for air/gas drilling shall meet specifications in Onshore Order #2, Section III Requirements, subsection E. Special Drilling Operations and Onshore Order #1.

Surface hole will be drilled with air, air/mist, foam, or mud depending on hole conditions. Intermediate and production holes will be drilled 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 13.5 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.

7. Testing, logging and coring program

A. Cores – none anticipated

B. DST – none anticipated

C. Logging – Mud logging – 3,000' to TD
GR-SP-Induction, Neutron Density, FMI

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.

DRILLING PROGRAM

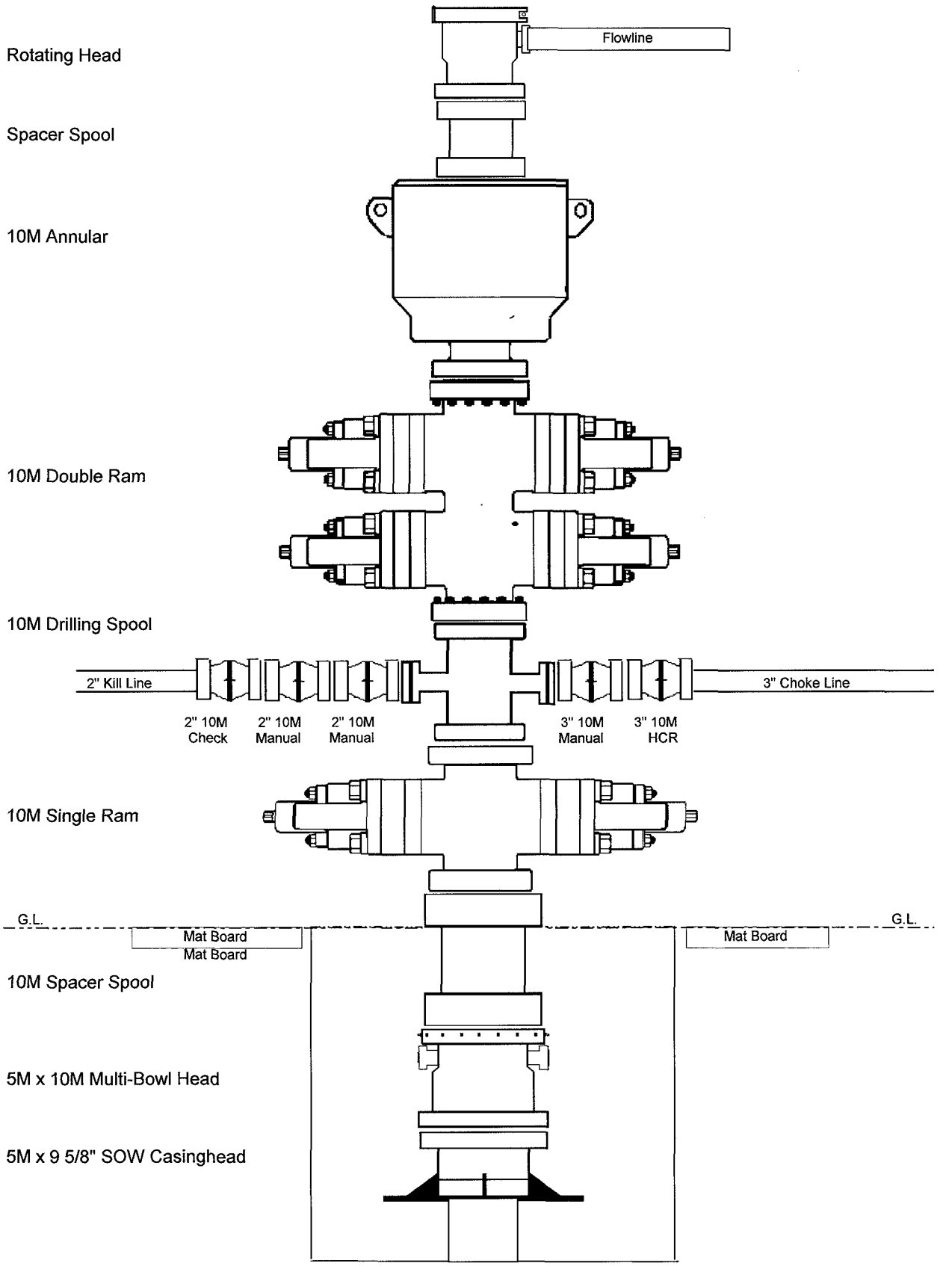
8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards

No abnormal temperatures or pressures are anticipated. No H2S 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 9,350 psi. Maximum anticipated bottom hole temperature is 255° F.

ONSHORE OIL & GAS ORDER NO. 1
QUESTAR EXPLORATION & PRODUCTION, CO.
NBZ 14D-29-8-24

DRILLING PROGRAM

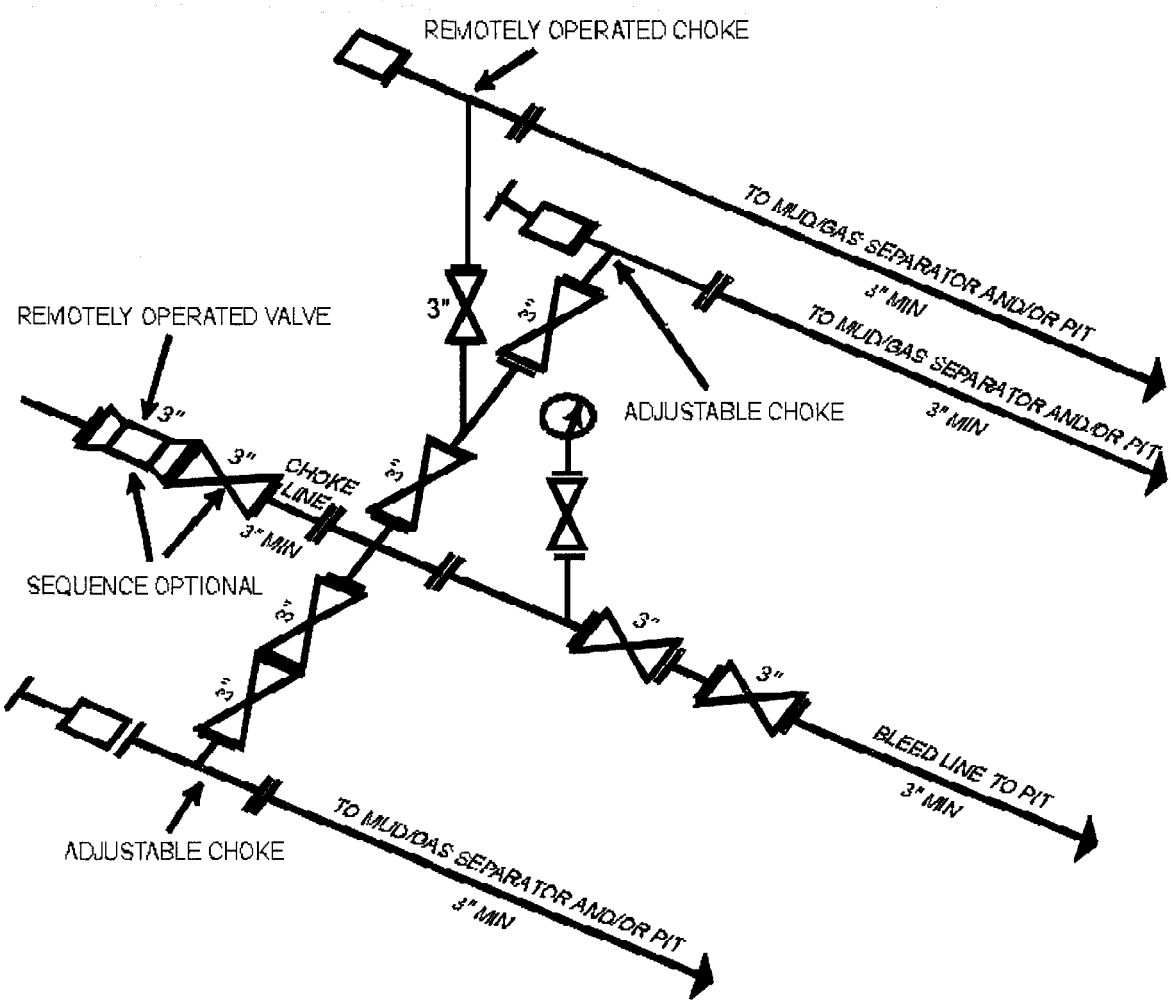
10M BOP x 10M Annular



ONSHORE OIL & GAS ORDER NO. 1
QUESTAR EXPLORATION & PRODUCTION, CO.
NBZ 14D-29-8-24

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.
Request for Exception to Buried Pipeline
For
NBZ 14D-29-8-24

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.

QUESTAR EXPLORATION & PRODUCTION CO.
NBZ 14D-29-8-24
469' FSL 2170' FWL
SESW, SECTION 29, T8S, R24E
UINTAH COUNTY, UTAH
LEASE # UTU-77301

ONSHORE ORDER NO. 1

MULTI – POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the NBZ 14D-29-8-24 on August 7, 2007 . Weather conditions were Hot & Sunny at the time of the onsite. In attendance at the inspection were the following individauls:

Paul Buhler	Bureau of Land Management
Brandon McDonald	Bureau of Land Management
Jan Nelson	Questar Exploration & Production, Co.

1. **Existing Roads:**

The proposed well site is approximately 36 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 road.

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.

It was determined on the onsite by the BLM VFO AO that the facilities will be painted Carlsbad Canyon.

Pipeline will be 6" 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.

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 reclaimation.

Seed Mix:

Interim Reclamation:
6 lbs. Hycrest Crested Wheat
3 lbs. Needle & Treadgrass
3 lbs. Fourwing Saltbush

Final Reclamation:
Seed Mix # 1 3 lbs. Fourwing Saltbush, 3 lbs. Indian Rice Grass, 1 lb. Needle & Threadgrass
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 paleoontologist 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 20.

Rock & Gravel as Needed

Lessee's or Operator's Representative:

Jan Nelson
Red Wash Rep.
Questar Expl. & Prod. Co.
11002 E. 17500 So.
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, it's 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
Jan Nelson
Red Wash Representative

9/10/2008
Date

QUESTAR EXPLR. & PROD.

NBZ #14D-29-8-24

LOCATED IN UINTAH COUNTY, UTAH
SECTION 29, T8S, R24E, S.L.B.&M.

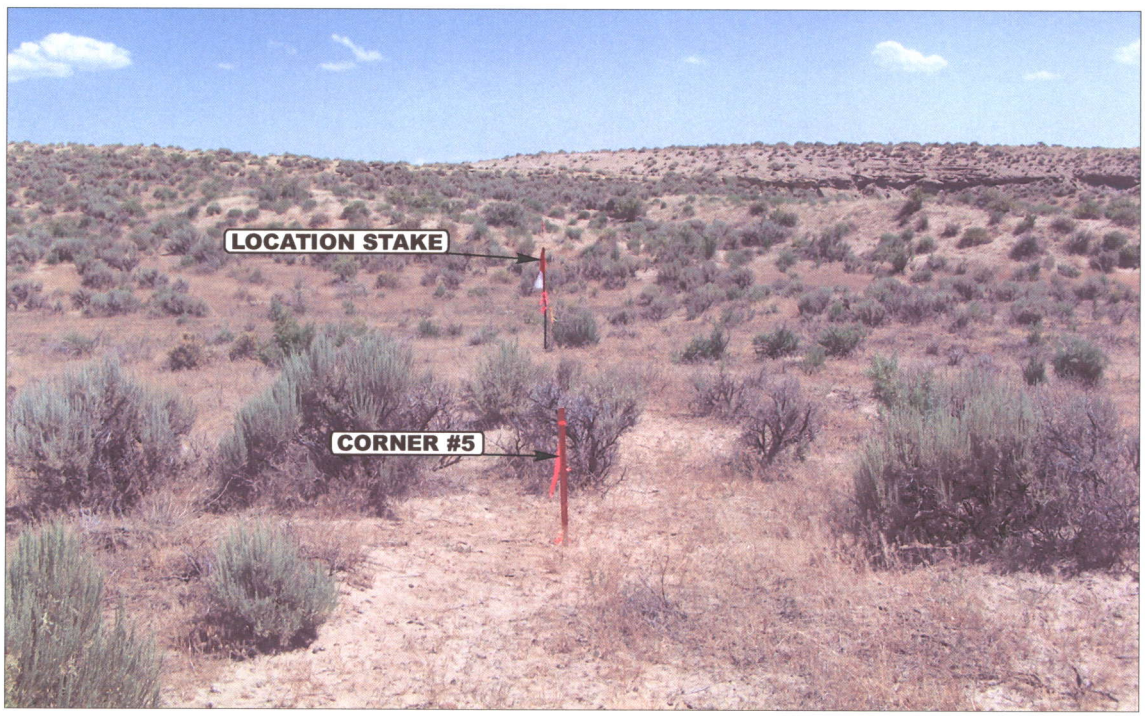


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE **CAMERA ANGLE: SOUTHEASTERLY**

PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS **CAMERA ANGLE: SOUTHERLY**

- Since 1964 -

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

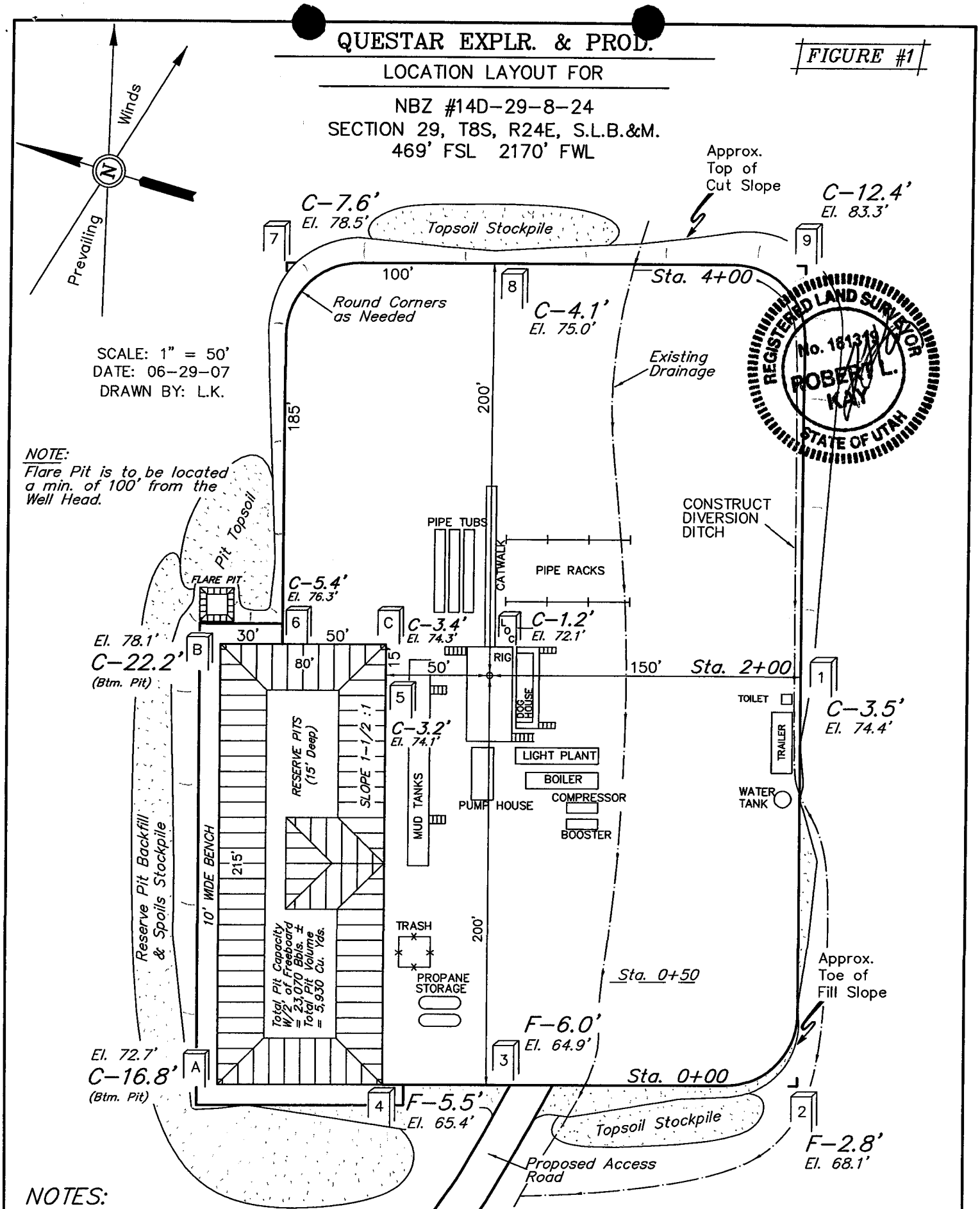
LOCATION PHOTOS	06 MONTH	28 DAY	07 YEAR	PHOTO
TAKEN BY: D.A.	DRAWN BY: C.P.	REVISED: 00-00-00		

QUESTAR EXPLR. & PROD.

LOCATION LAYOUT FOR

NBZ #14D-29-8-24
SECTION 29, T8S, R24E, S.L.B.&M.
469' FSL 2170' FWL

FIGURE #1



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5172.1'

FINISHED GRADE ELEV. AT LOC. STAKE = 5170.9'

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

QUESTAR EXPLR. & PROD.

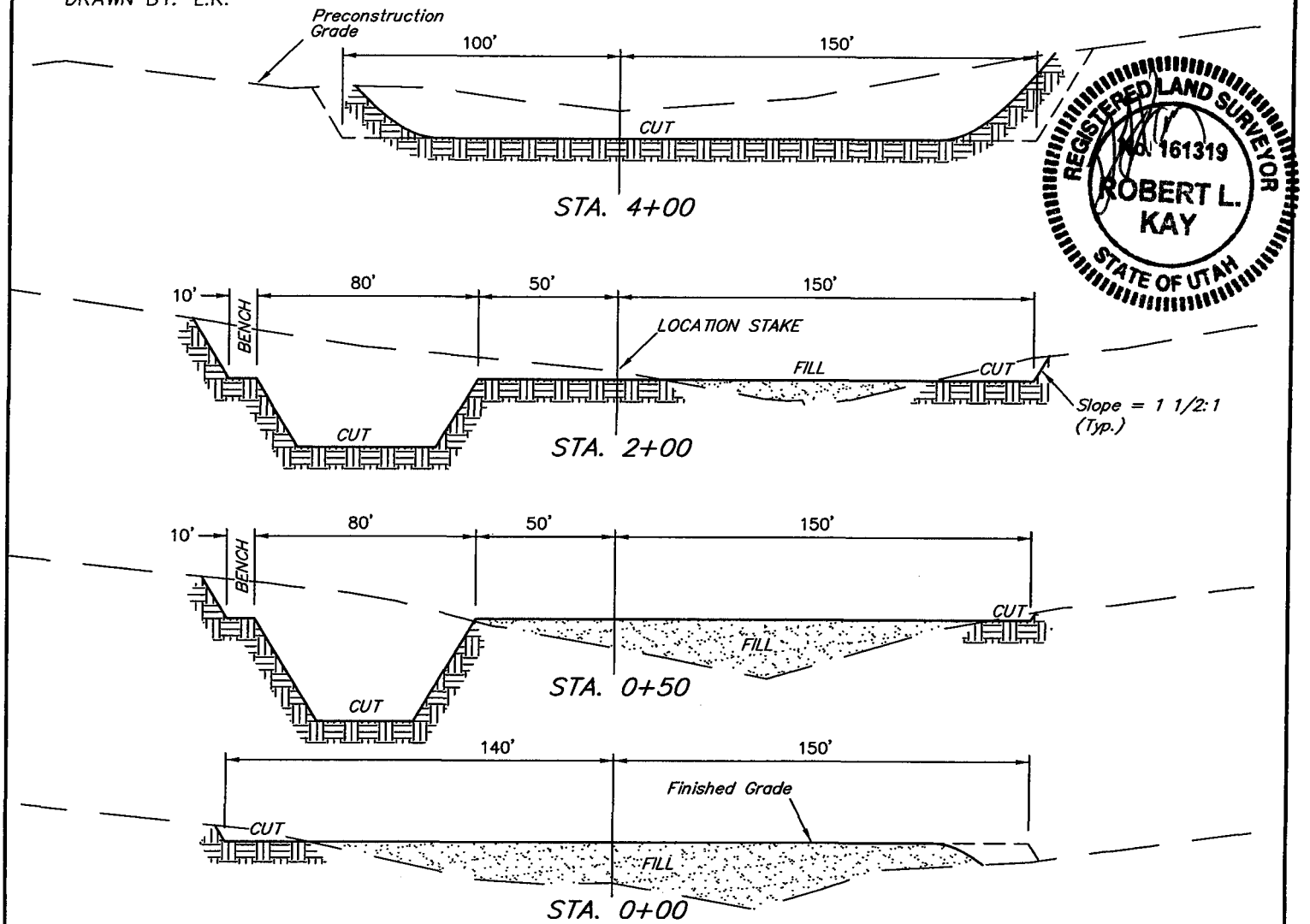
TYPICAL CROSS SECTIONS FOR

NBZ #14D-29-8-24
SECTION 29, T8S, R24E, S.L.B.&M.
469' FSL 2170' FWL

FIGURE #2

1" = 40'
X-Section Scale
1" = 100'

DATE: 06-29-07
DRAWN BY: L.K.



REGISTERED LAND SURVEYOR
No. 161319
ROBERT L. KAY
STATE OF UTAH

APPROXIMATE ACREAGES

WELL SITE DISTURBANCE = ± 3.190 ACRES
ACCESS ROAD DISTURBANCE = ± 0.213 ACRES
PIPELINE DISTURBANCE = ± 0.163 ACRES
TOTAL = ± 3.566 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 = 2,330 Cu. Yds.
Remaining Location = 14,720 Cu. Yds.

TOTAL CUT = 17,050 CU.YDS.
FILL = 6,490 CU.YDS.

EXCESS MATERIAL = 10,560 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.) = 5,300 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation) = 5,260 Cu. Yds.

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

QUESTAR EXPLR. & PROD.

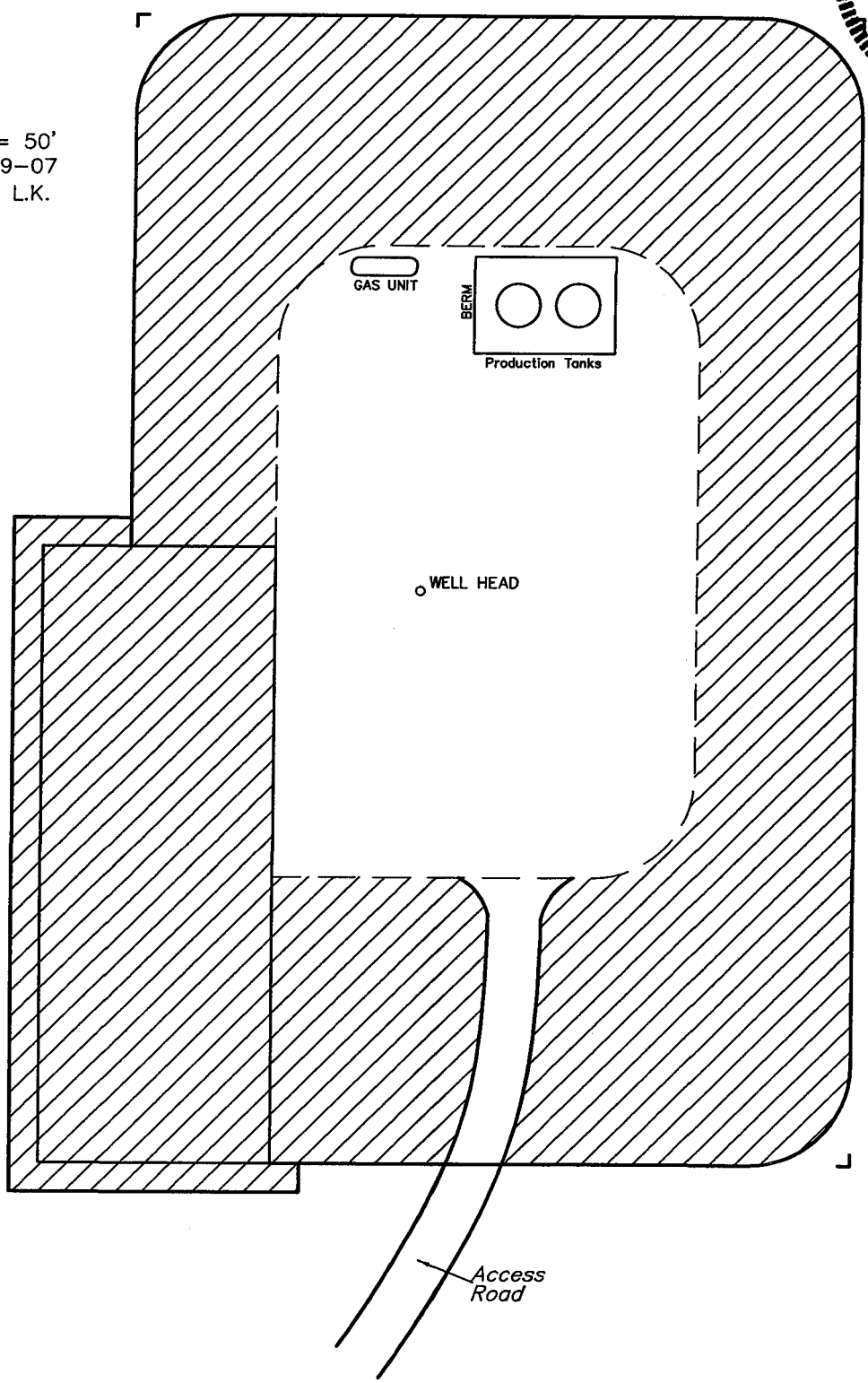
INTERIM RECLAMATION PLAN FOR

NBZ #14D-29-8-24
SECTION 29, T8S, R24E, S.L.B.&M.
469' FSL 2170' FWL

FIGURE #3

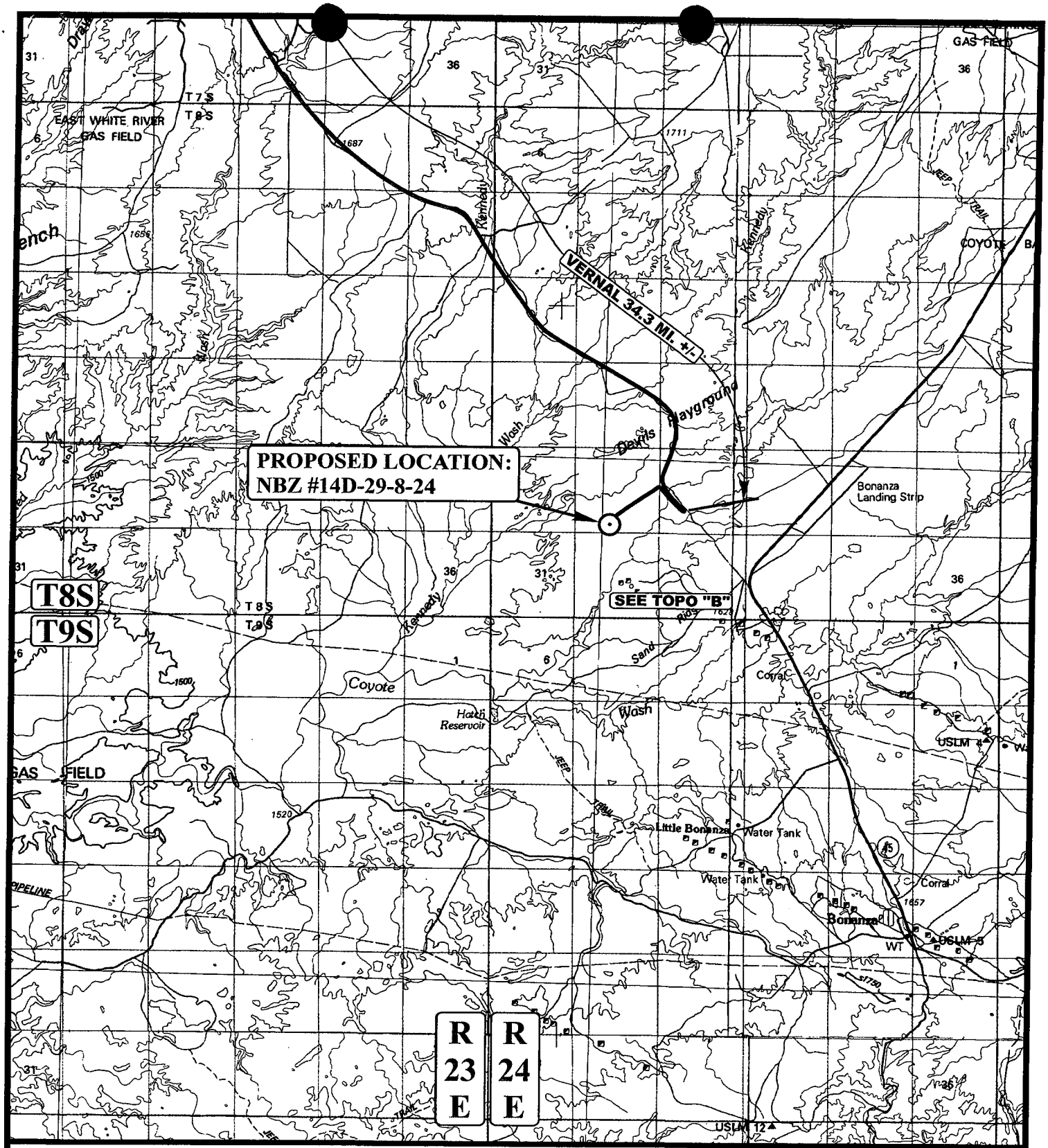
REGISTERED LAND SURVEYOR
No. 161319
ROBERT L. KAY
STATE OF UTAH

SCALE: 1" = 50'
DATE: 06-29-07
DRAWN BY: L.K.



INTERIM RECLAMATION

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



LEGEND:

⊙ PROPOSED LOCATION

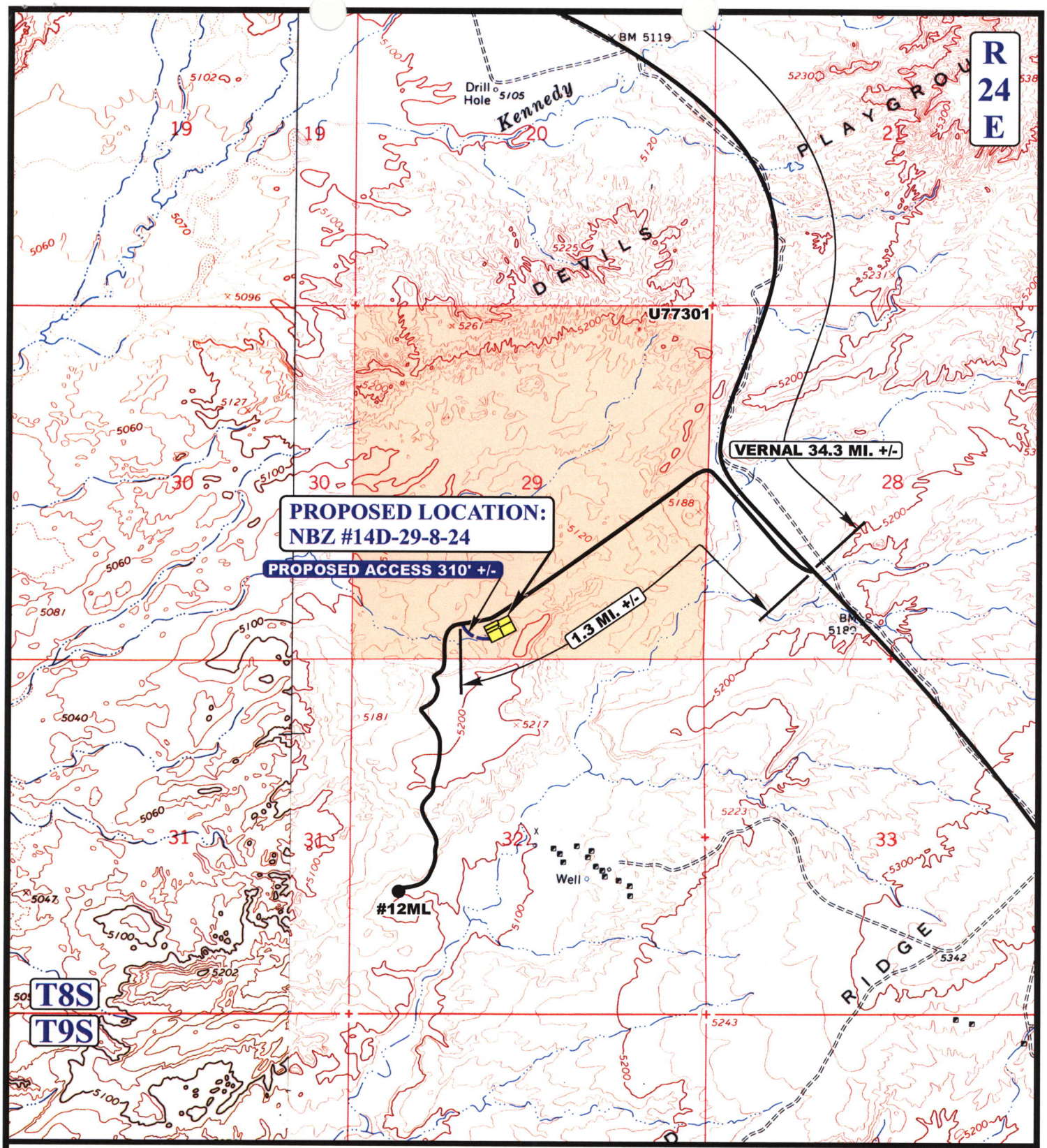
N

QUESTAR EXPLR. & PROD.

NBZ #14D-29-8-24
SECTION 29, T8S, R24E, S.L.B.&M.
469' FSL 2169' FWL

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

TOPOGRAPHIC MAP	06 MONTH	28 DAY	07 YEAR	A TOPO
SCALE: 1:100,000	DRAWN BY: C.P.	REVISED: 00-00-00		



LEGEND:

EXISTING ROAD

PROPOSED ACCESS ROAD

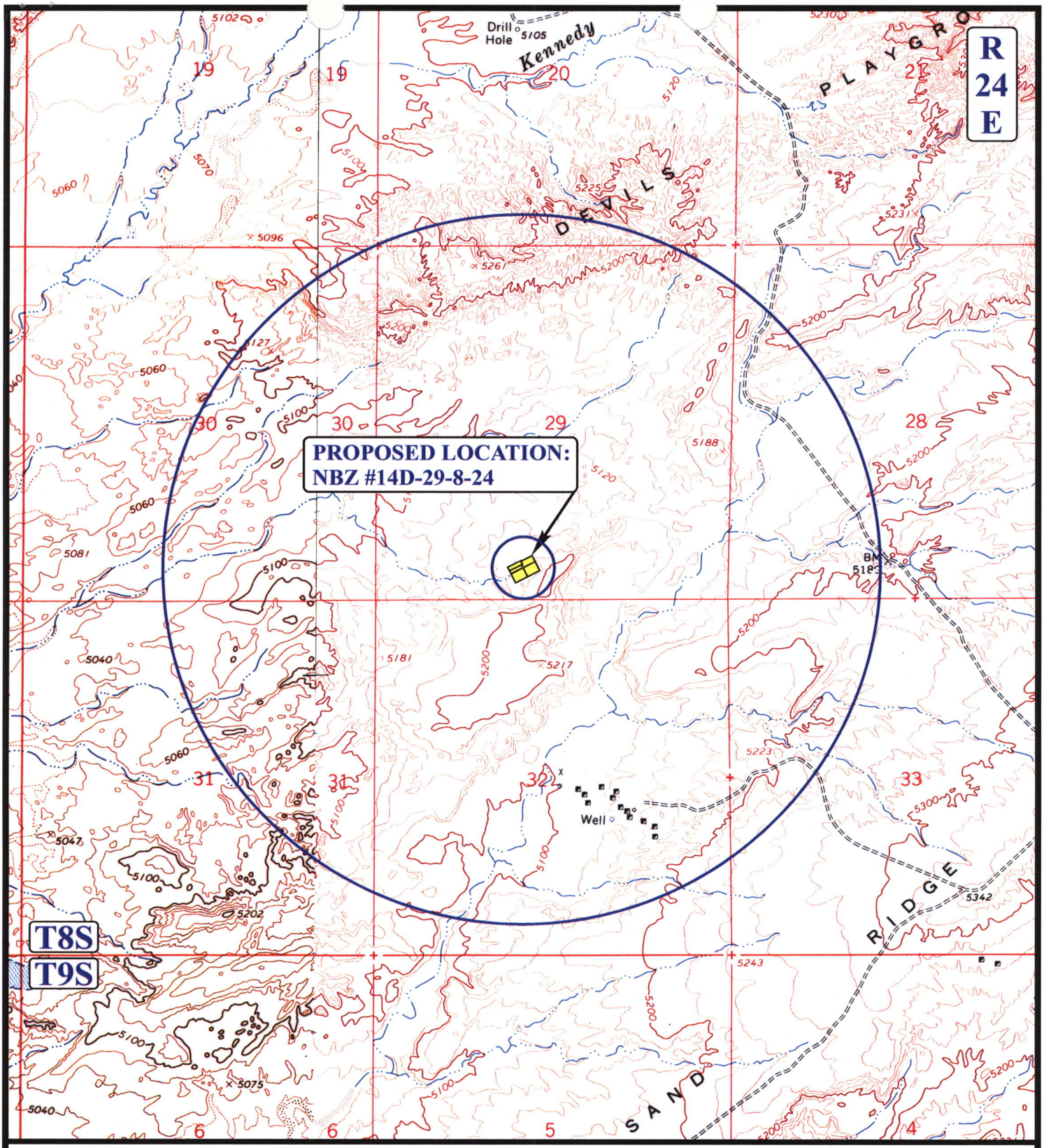
N

QUESTAR EXPLR. & PROD.

NBZ #14D-29-8-24
SECTION 29, T8S, R24E, S.L.B.&M.
469' FSL 2169' FWL

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

TOPOGRAPHIC MAP	06 MONTH	28 DAY	07 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: C.P.	REVISED: 00-00-00		



LEGEND:

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

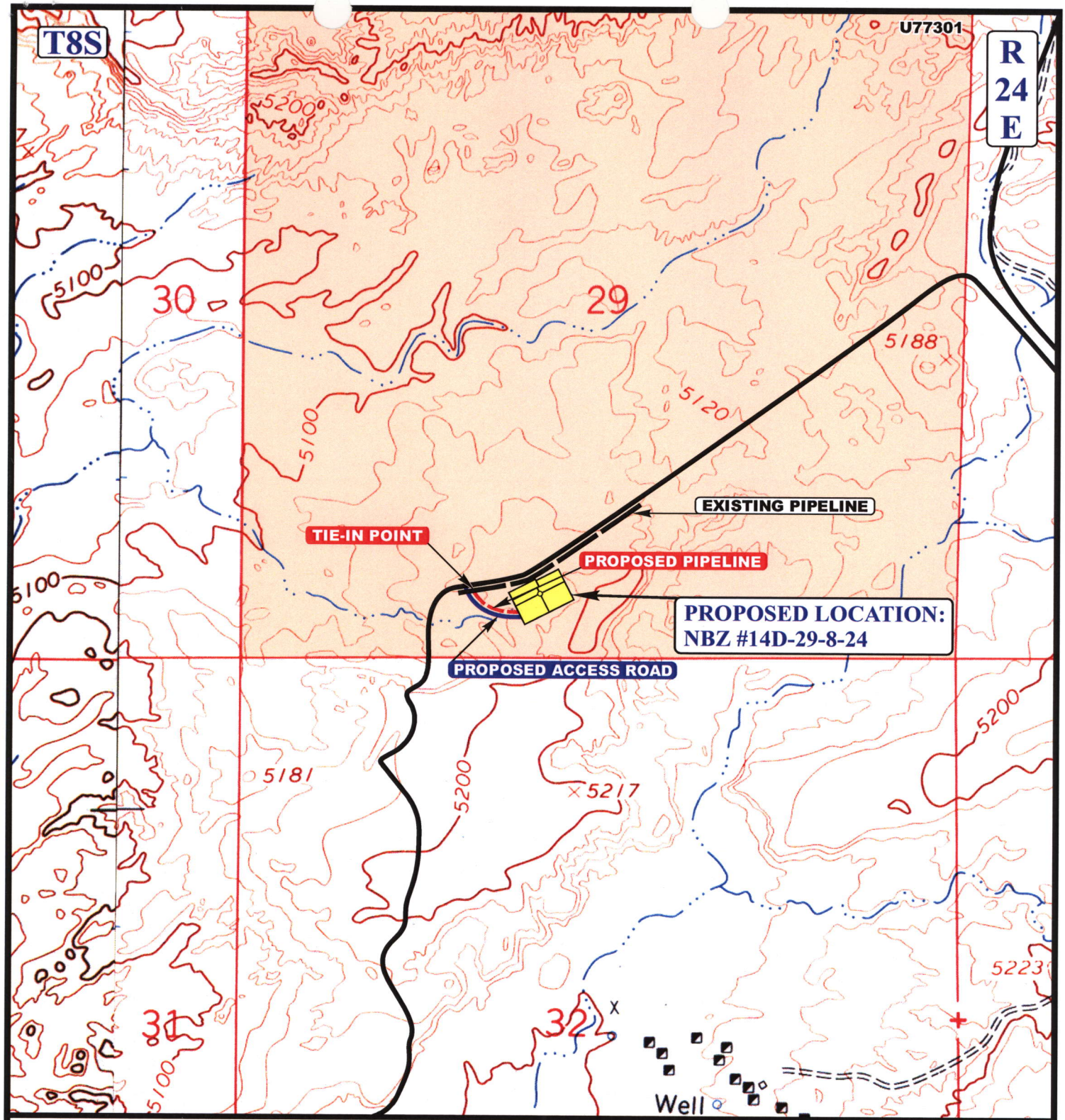
N

QUESTAR EXPLR. & PROD.

NBZ #14D-29-8-24
SECTION 29, T8S, R24E, S.L.B.&M.
469' FSL 2169' FWL

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

TOPOGRAPHIC MAP	06 MONTH	28 DAY	07 YEAR	C TOPO
SCALE: 1" = 2000'	DRAWN BY: C.P.	REVISED: 00-00-00		



APPROXIMATE TOTAL PIPELINE DISTANCE = 236' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE

N

QUESTAR EXPLR. & PROD.

NBZ #14D-29-8-24
SECTION 29, T8S, R24E, S.L.B.&M.
469' FSL 2169' FWL

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

TOPOGRAPHIC MAP	06 MONTH	28 DAY	07 YEAR	D TOPO
SCALE: 1" = 1000'	DRAWN BY: C.P.	REVISED: 00-00-00		

WORKSHEET

APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/15/2008

API NO. ASSIGNED: 43-047-40362

WELL NAME: NBZ 14D-29-8-24

OPERATOR: QUESTAR EXPLORATION & (N5085)

PHONE NUMBER: 435-781-4331

CONTACT: JAN NELSON

PROPOSED LOCATION:

SESW 29 080S 240E

SURFACE: 0469 FSL 2170 FWL

BOTTOM: 0469 FSL 2170 FWL

COUNTY: UINTAH

LATITUDE: 40.08764 LONGITUDE: -109.2390

UTM SURF EASTINGS: 650132 NORTHINGS: 4438760

FIELD NAME: BIG VALLEY (791)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-77301

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: BIG VALLEY

✓ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells

___ R649-3-3. Exception

___ Drilling Unit
Board Cause No:
Eff Date:
Siting:

___ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS: 1- Federal Approval
2- Spacing Stip

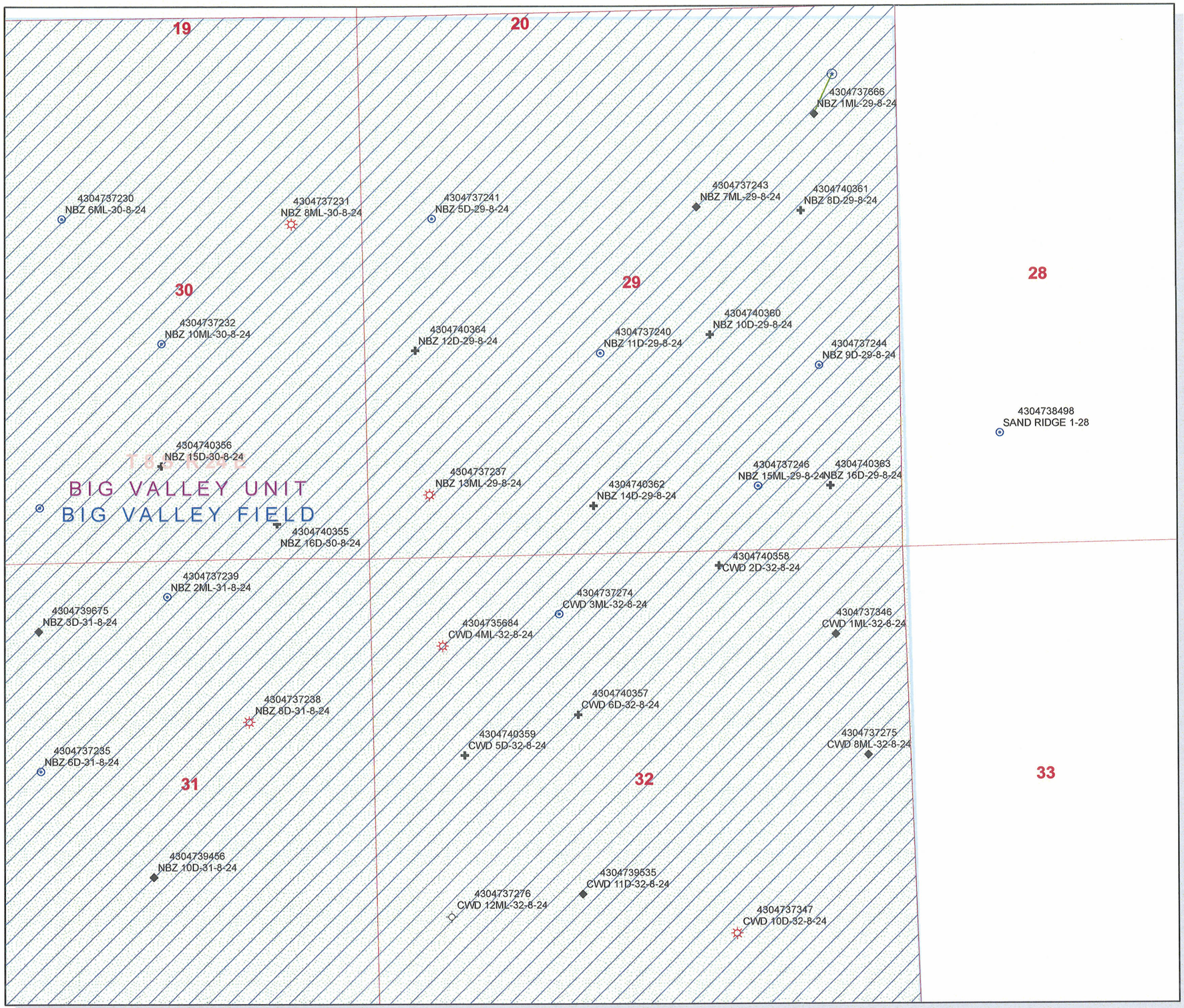
API Number: 4304740362

Well Name: NBZ 14D-29-8-24

Township 08.0 S Range 24.0 E Section 29

Meridian: SLBM

Operator: QUESTAR EXPLORATION & PRODUCTION CO



Map Prepared:
Map Produced by Diana Mason

Units

STATUS
- ACTIVE
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Fields

STATUS
- ACTIVE
- COMBINED
- Sections
- Township

Wells Query Events
- <all other values>

GIS_STAT_TYPE
- <Null>
- APD
- DRL
- GI
- GS
- LA
- NEW
- OPS
- PA
- PGW
- POW
- RET
- SGW
- SOW
- TA
- TW
- WD
- WI
- WS
- Bottom Hole Location

1,300 650 0 1,300 Feet

1:12,000

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

September 23, 2008

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2008 Plan of Development Big Valley 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 Big Valley, Uintah County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ Dakota)		
43-047-40360	NBZ 10D-29-8-24	Sec 29 T08S R24E 2109 FSL 1927 FEL
43-047-40361	NBZ 08D-29-8-24	Sec 29 T08S R24E 1979 FNL 1006 FEL
43-047-40362	NBZ 14D-29-8-24	Sec 29 T08S R24E 0469 FSL 2170 FWL
43-047-40363	NBZ 16D-29-8-24	Sec 29 T08S R24E 0615 FSL 0780 FEL
43-047-40364	NBZ 12D-29-8-24	Sec 29 T08S R24E 2014 FSL 0463 FWL
43-047-40365	NBZ 13D-30-8-24	Sec 30 T08S R24E 0504 FSL 0772 FWL

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

/s/ Michael L. Coulthard

bcc: File – Big Valley Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:9-23-08

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

September 25, 2008

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

Re: NBZ 14D-29-8-24 Well, 469' FSL, 2170' FWL, SE SW, Sec. 29, T. 8 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 43-047-40362.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR OIL, GAS & MINING

Operator: Questar Exploration & Production Company

Well Name & Number NBZ 14D-29-8-24

API Number: 43-047-40362

Lease: UTU-77301

Location: SE SW **Sec.** 29 **T.** 8 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 within 24 hours of spudding the well.

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

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

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

3. Reporting Requirements

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

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

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

API Well No: 43047403620000

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.

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-77301

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: BIG VALLEY

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBZ 14D-29-8-24

2. NAME OF OPERATOR: QUESTAR EXPLORATION & PRODUCTION CO

9. API NUMBER: 43047403620000

3. ADDRESS OF OPERATOR: 11002 East 17500 South , Vernal, UT, 84078

PHONE NUMBER: 435 781-4362 Ext

9. FIELD and POOL or WILDCAT: BIG VALLEY

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0469 FSL 2170 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESW Section: 29 Township: 08.0S Range: 24.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 9/25/2010	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ 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 one year extension for the APD on the above captioned well.

Approved by the Utah Division of Oil, Gas and Mining

Date: September 30, 2009

By: [signature]

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Jan Nelson	435 781-4331	Permit Agent

SIGNATURE	DATE
N/A	9/23/2009

RECEIVED September 23, 2009

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 43047403620000

API: 43047403620000
Well Name: NBZ 14D-29-8-24
Location: 0469 FSL 2170 FWL QTR SESW SEC 29 TWNP 080S RNG 240E MER S
Company Permit Issued to: QUESTAR EXPLORATION & PRODUCTION CO
Date Original Permit Issued: 9/25/2008

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:** 9/23/2009
Title: Permit Agent **Representing:** QUESTAR EXPLORATION & PRODUCTION CO

Date: September 30, 2009

By: [signature]

RECEIVED September 23, 2009

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**

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

CA No. **Unit:** **BIG VALLEY**

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

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.

5. LEASE DESIGNATION AND SERIAL NUMBER: See attached

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: See attached

7. UNIT or CA AGREEMENT NAME: See attached

8. WELL NAME and NUMBER: See attached

9. API NUMBER: Attached

10. FIELD AND POOL, OR WILDCAT: See attached

1 TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ OTHER

2 NAME OF OPERATOR: Questar Exploration and Production Company N5085

3. ADDRESS OF OPERATOR: 1050 17th Street, Suite 500 CITY Denver STATE CO ZIP 80265 PHONE NUMBER: (303) 672-6900

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		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: 6/14/2010	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Operator Name Change
	☐ CONVERT WELL TYPE	☐ 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) Morgan Anderson TITLE Regulatory Affairs Analyst

SIGNATURE Morgan Anderson DATE 6/23/2010

(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)
BIG VALLEY
effective June 14, 2010

well_name	sec	twp	rng	api	entity	mineral lease	type	stat	C
RWS 3ML-9-9-24	09	090S	240E	4304735483	15190	Federal	GW	S	
RWS 10ML-6-9-24	06	090S	240E	4304735653	17644	Federal	GW	P	
CWD 4ML-32-8-24	32	080S	240E	4304735684	17644	Federal	GW	S	
NBZ 4D-30-8-24	30	080S	240E	4304737229	16630	Federal	GW	OPS	C
NBZ 6ML-30-8-24	30	080S	240E	4304737230	16810	Federal	GW	OPS	C
NBZ 8ML-30-8-24	30	080S	240E	4304737231	17644	Federal	GW	P	
NBZ 10ML-30-8-24	30	080S	240E	4304737232	16695	Federal	GW	OPS	C
NBZ 12D-30-8-24	30	080S	240E	4304737233	16631	Federal	GW	OPS	C
NBZ 14ML-30-8-24	30	080S	240E	4304737234	16696	Federal	GW	OPS	C
NBZ 6D-31-8-24	31	080S	240E	4304737235	16611	Federal	GW	OPS	C
NBZ 4D-31-8-24	31	080S	240E	4304737236	16576	Federal	GW	OPS	C
NBZ 13ML-29-8-24	29	080S	240E	4304737237	17644	Federal	GW	P	
NBZ 8D-31-8-24	31	080S	240E	4304737238	17644	Federal	GW	P	
NBZ 2ML-31-8-24	31	080S	240E	4304737239	17098	Federal	GW	OPS	C
NBZ 11D-29-8-24	29	080S	240E	4304737240	16612	Federal	GW	OPS	C
NBZ 5D-29-8-24	29	080S	240E	4304737241	16632	Federal	GW	OPS	C
NBZ 9D-29-8-24	29	080S	240E	4304737244	15677	Federal	GW	OPS	C
NBZ 15ML-29-8-24	29	080S	240E	4304737246	16697	Federal	GW	OPS	C
CWD 3D-32-8-24	32	080S	240E	4304737274	16923	Federal	GW	OPS	C
CWD 14ML-32-8-24	32	080S	240E	4304737277	17644	Federal	GW	P	
CWD 16D-32-8-24	32	080S	240E	4304737278	17644	Federal	GW	P	
RWS 2ML-5-9-24	05	090S	240E	4304737306	17644	Federal	GW	P	
RWS 8D-5-9-24	05	090S	240E	4304737307	16614	Federal	GW	OPS	C
RWS 10ML-5-9-24	05	090S	240E	4304737308	17644	Federal	GW	S	
RWS 12ML-5-9-24	05	090S	240E	4304737309	17644	Federal	GW	P	
RWS 14D-5-9-24	05	090S	240E	4304737310	17644	Federal	GW	P	
RWS 16ML-5-9-24	05	090S	240E	4304737311	16698	Federal	GW	OPS	C
RWS 12ML-6-9-24	06	090S	240E	4304737312	17644	Federal	GW	P	
RWS 16ML-6-9-24	06	090S	240E	4304737335	17644	Federal	GW	P	
CWD 10D-32-8-24	32	080S	240E	4304737347	17644	Federal	GW	P	
RWS 6D-5-9-24	05	090S	240E	4304737350	17644	Federal	GW	P	
RWS 4ML-5-9-24	05	090S	240E	4304737351	17644	Federal	GW	P	
RWS 8D-6-9-24	06	090S	240E	4304737352	17644	Federal	GW	P	
RWS 2D-6-9-24	06	090S	240E	4304737411	17272	Federal	GW	OPS	C
RWS 4ML-6-9-24	06	090S	240E	4304737412	17644	Federal	GW	S	
RWS 6D-6-9-24	06	090S	240E	4304737413	17644	Federal	GW	P	
RWS 14D-6-9-24	06	090S	240E	4304737414	17644	Federal	GW	P	
RWS 5ML-9-9-24	09	090S	240E	4304738645	17273	Federal	GW	OPS	C
RWS 12ML-9-9-24	09	090S	240E	4304738646	17274	Federal	GW	OPS	C
NBZ 16D-31-8-24	31	080S	240E	4304739435		Federal	GW	APD	C
NBZ 10D-31-8-24	31	080S	240E	4304739456		Federal	GW	APD	C
NBZ 12D-31-8-24	31	080S	240E	4304739457		Federal	GW	APD	C
NBZ 14D-31-8-24	31	080S	240E	4304739458		Federal	GW	APD	C
CWD 13D-32-8-24	32	080S	240E	4304739464		Federal	GW	APD	C
RWS 7D-6-9-24	06	090S	240E	4304739494		Federal	GW	APD	C
RWS 13D-6-9-24	06	090S	240E	4304739495		Federal	GW	APD	C
RWS 11D-6-9-24	06	090S	240E	4304739496		Federal	GW	APD	C
RWS 9D-6-9-24	06	090S	240E	4304739497		Federal	GW	APD	C
RWS 3D-6-9-24	06	090S	240E	4304739498		Federal	GW	APD	C
RWS 15D-6-9-24	06	090S	240E	4304739500		Federal	GW	APD	C

Bonds: BLM = ESB000024
BIA = 956010693
State = 965010695

Questar Exploration Production Company (N5085) to QEP Energy Company (N3700)
BIG VALLEY
effective June 14, 2010

well_name	sec	twp	rng	api	entity	mineral lease	type	stat	C
RWS 5D-6-9-24	06	090S	240E	4304739501		Federal	GW	APD	C
RWS 7D-5-9-24	05	090S	240E	4304739502		Federal	GW	APD	C
RWS 11D-5-9-24	05	090S	240E	4304739503		Federal	GW	APD	C
RWS 9D-5-9-24	05	090S	240E	4304739504		Federal	GW	APD	C
RWS 13D-5-9-24	05	090S	240E	4304739505		Federal	GW	APD	C
RWS 15D-5-9-24	05	090S	240E	4304739506		Federal	GW	APD	C
RWS 3D-5-9-24	05	090S	240E	4304739507		Federal	GW	APD	C
RWS 1D-5-9-24	05	090S	240E	4304739508		Federal	GW	APD	C
NBZ 5D-31-8-24	31	080S	240E	4304739511		Federal	GW	APD	C
CWD 11D-32-8-24	32	080S	240E	4304739535		Federal	GW	APD	C
CWD 15D-32-8-24	32	080S	240E	4304739536		Federal	GW	APD	C
RWS 5D-5-9-24	05	090S	240E	4304739673		Federal	GW	APD	C
RWS 1D-6-9-24	06	090S	240E	4304739674		Federal	GW	APD	C
NBZ 3D-31-8-24	31	080S	240E	4304739675		Federal	GW	APD	C
NBZ 16D-30-8-24	30	080S	240E	4304740355		Federal	GW	APD	C
NBZ 15D-30-8-24	30	080S	240E	4304740356		Federal	GW	APD	C
CWD 6D-32-8-24	32	080S	240E	4304740357		Federal	GW	APD	C
CWD 2D-32-8-24	32	080S	240E	4304740358		Federal	GW	APD	C
CWD 5D-32-8-24	32	080S	240E	4304740359		Federal	GW	APD	C
NBZ 10D-29-8-24	29	080S	240E	4304740360		Federal	GW	APD	C
NBZ 8D-29-8-24	29	080S	240E	4304740361		Federal	GW	APD	C
NBZ 14D-29-8-24	29	080S	240E	4304740362		Federal	GW	APD	C
NBZ 16D-29-8-24	29	080S	240E	4304740363		Federal	GW	APD	C
NBZ 12D-29-8-24	29	080S	240E	4304740364		Federal	GW	APD	C
NBZ 13D-30-8-24	30	080S	240E	4304740365		Federal	GW	APD	C
RWS 4D-9-9-24	09	090S	240E	4304740470		Federal	GW	APD	C
NBZ 9D-30-8-24	30	080S	240E	4304740471		Federal	GW	APD	C
NBZ 11D-30-8-24	30	080S	240E	4304740472		Federal	GW	APD	C
NBZ 7D-30-8-24	30	080S	240E	4304740473		Federal	GW	APD	C
NBZ 2D-29-8-24	29	080S	240E	4304740476		Federal	GW	APD	C
CWD 7D-32-8-24	32	080S	240E	4304740477		Federal	GW	APD	C
CWD 9D-32-8-24	32	080S	240E	4304740478		Federal	GW	APD	C
RWS 6D-9-9-24	09	090S	240E	4304740479		Federal	GW	APD	C
RWS 13D-9-9-24	09	090S	240E	4304740480		Federal	GW	APD	C
NBZ 6D-29-8-24	29	080S	240E	4304740483		Federal	GW	APD	C
NBZ 1D-30-8-24	30	080S	240E	4304740484		Federal	GW	APD	C
NBZ 2D-30-8-24	30	080S	240E	4304740485		Federal	GW	APD	C
NBZ 3D-30-8-24	30	080S	240E	4304740486		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

TAKE PRIDE IN AMERICA

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 Roger L Bankert

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 & MINING

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-77301

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.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: BIG VALLEY

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBZ 14D-29-8-24

2. NAME OF OPERATOR: QEP ENERGY COMPANY

9. API NUMBER: 43047403620000

3. ADDRESS OF OPERATOR: 11002 East 17500 South , Vernal, Ut, 84078

PHONE NUMBER: 303 308-3068 Ext

9. FIELD and POOL or WILDCAT: BIG VALLEY

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0469 FSL 2170 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESW Section: 29 Township: 08.0S Range: 24.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 9/25/2011	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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: September 28, 2010

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Jan Nelson	435 781-4331	Permit Agent
SIGNATURE N/A		**DATE** 9/23/2010

RECEIVED September 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 43047403620000

API: 43047403620000
Well Name: NBZ 14D-29-8-24
Location: 0469 FSL 2170 FWL QTR SESW SEC 29 TWNP 080S RNG 240E MER S
Company Permit Issued to: QEP ENERGY COMPANY
Date Original Permit Issued: 9/25/2008

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:** 9/23/2010
Title: Permit Agent **Representing:** QEP ENERGY COMPANY

Date: September 28, 2010
By:

RECEIVED September 23, 2010

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-77301

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.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: BIG VALLEY

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBZ 14D-29-8-24

2. NAME OF OPERATOR: QEP ENERGY COMPANY

9. API NUMBER: 43047403620000

3. ADDRESS OF OPERATOR: 11002 East 17500 South , Vernal, Ut, 84078

PHONE NUMBER: 303 308-3068 Ext

9. FIELD and POOL or WILDCAT: BIG VALLEY

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0469 FSL 2170 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESW Section: 29 Township: 08.0S Range: 24.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 9/25/2012	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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: 09/27/2011

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Valyn Davis	435 781-4369	Regulatory Affairs Analyst

SIGNATURE	DATE
N/A	9/22/2011

RECEIVED Sep. 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 43047403620000

API: 43047403620000
Well Name: NBZ 14D-29-8-24
Location: 0469 FSL 2170 FWL QTR SESW SEC 29 TWNP 080S RNG 240E MER S
Company Permit Issued to: QEP ENERGY COMPANY
Date Original Permit Issued: 9/25/2008

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:** 9/22/2011
Title: Regulatory Affairs Analyst **Representing:** QEP ENERGY COMPANY

RECEIVED Sep. 22, 2011

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
DEC 13 2011
BLM

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
UTU77301

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
UTU81308C

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
NBZ 14D-29-8-24

2. Name of Operator
QEP ENERGY COMPANY
Contact: VALYN DAVIS
E-Mail: Valyn.Davis@qepres.com

9. API Well No.
43-047-40362-00-X1

3a. Address
11002 EAST 17500 SOUTH
VERNAL, UT 84078

3b. Phone No. (include area code)
Ph: 435-781-4369
Fx: 435-781-4395

10. Field and Pool, or Exploratory
UNDESIGNATED

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 29 T8S R24E SESW 469FSL 2170FWL

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			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Change to Original PD
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

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

BLM APPROVAL DATE: 12/15/2009

RECEIVED
FEB 03 2012
DIV. OF OIL, GAS & MINING

VERNAL FIELD OFFICE
ENG. RLH 1/10/11
GEOL.
E.S.
PET.
RECL

CONDITIONS OF APPROVAL ATTACHED

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #125469 verified by the BLM Well Information System
For QEP ENERGY COMPANY, sent to the Vernal
Committed to AFMSS for processing by ROBIN R. HANSEN on 12/21/2011 (12RRH1073SE)

Name *(Printed/Typed)* VALYN DAVIS — Title REGULATORY AFFAIRS ANALYST

Signature (Electronic Submission) — Date 12/13/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By — Title Assistant Field Manager Lands & Mineral Resources — Date JAN 19 2012

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 **VERNAL FIELD 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.

UDOGM

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

CONDITIONS OF APPROVAL

QEP ENERGY COMPANY

Notice of Intent
APD Extension

Lease: UTU-77301
Well: NBZ 14D-29-8-24
Location: SESW Sec 29-T8S-R24E

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

---

1. The extension and APD shall expire on 12/15/2013.

2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Robin L Hansen of this office at (435) 781-2777

FORM 9

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

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-77301

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.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: BIG VALLEY

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBZ 14D-29-8-24

2. NAME OF OPERATOR: QEP ENERGY COMPANY

9. API NUMBER: 43047403620000

3. ADDRESS OF OPERATOR: 11002 East 17500 South , Vernal, Ut, 84078

PHONE NUMBER: 303 308-3068 Ext

9. FIELD and POOL or WILDCAT: BIG VALLEY

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0469 FSL 2170 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESW Section: 29 Township: 08.0S Range: 24.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

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

TYPE OF SUBMISSION

- ✓ NOTICE OF INTENT — Approximate date work will start: 9/25/2013
- ☐ SUBSEQUENT REPORT — Date of Work Completion:
- ☐ SPUD REPORT — Date of Spud:
- ☐ DRILLING REPORT — Report Date:

TYPE OF ACTION

☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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: September 27, 2012

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Valyn Davis	435 781-4369	Regulatory Affairs Analyst

SIGNATURE	DATE
N/A	9/24/2012

RECEIVED: Sep. 24, 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 43047403620000

API: 43047403620000
Well Name: NBZ 14D-29-8-24
Location: 0469 FSL 2170 FWL QTR SESW SEC 29 TWNP 080S RNG 240E MER S
Company Permit Issued to: QEP ENERGY COMPANY
Date Original Permit Issued: 9/25/2008

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:** 9/24/2012
Title: Regulatory Affairs Analyst **Representing:** QEP ENERGY COMPANY

RECEIVED: Sep. 24, 2012

FORM 9

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

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-77301

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.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: BIG VALLEY

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBZ 14D-29-8-24

2. NAME OF OPERATOR: QEP ENERGY COMPANY

9. API NUMBER: 43047403620000

3. ADDRESS OF OPERATOR: 11002 East 17500 South , Vernal, Ut, 84078

PHONE NUMBER: 303 308-3068 Ext

9. FIELD and POOL or WILDCAT: BIG VALLEY

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0469 FSL 2170 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESW Section: 29 Township: 08.0S Range: 24.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 9/25/2014	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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: September 25, 2013

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Valyn Davis	435 781-4369	Regulatory Affairs Analyst
SIGNATURE N/A		**DATE** 9/23/2013

RECEIVED: Sep. 23, 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 43047403620000

API: 43047403620000
Well Name: NBZ 14D-29-8-24
Location: 0469 FSL 2170 FWL QTR SESW SEC 29 TWNP 080S RNG 240E MER S
Company Permit Issued to: QEP ENERGY COMPANY
Date Original Permit Issued: 9/25/2008

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**
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- **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:** 9/23/2013
Title: Regulatory Affairs Analyst **Representing:** QEP ENERGY COMPANY

RECEIVED: Sep. 23, 2013

OIL & GAS INFORMATION

FILE EDIT OIL GAS GAS PLANT REPORTS DB MAINTENANCE OPTIONS HELP DATA CONVERSION GEO LOGS DATABASE QUERY

Well Data

WELL SEARCH | WELL DATA | WELL HISTORY | WELL ACTIVITY

WELL NAME: NBZ 14D-29-8-24
API NUMBER: 4304740362
WELL TYPE: GW
WELL STATUS: LA

OPERATOR: QEP ENERGY COMPANY
ACCOUNT: N3700 #
OPERATOR APPROVED BY BLM / BIA ☑

DESIGNATED OPERATOR:
ACCOUNT:

FIELD NAME: BIG VALLEY
FIELD NUMBER: 791
FIRST PRODUCTION:
LA | PA DATE: 9 18 2014

WELL LOCATION

SURF LOCATION: 0469 FSL 2170 FWL

QQ. S. T. R. M.: SESW 29 08.0 S 24.0 E S

COUNTY: UINTAH

UTM COORDINATES

SURFACE - N: 4438965.00
BHL - N:
SURFACE - E: 650070.00
BHL - E:

LATITUDE: 40.08760

LONGITUDE: -109.23971

CONFIDENTIAL FLAG ☐
CONFIDENTIAL DATE:
DIRECTIONAL | HORIZONTAL:
HORIZONTAL LATERALS:
COMMINGLED PRODUCTION ☐
ORIGINAL FIELD TYPE: D
WILDCAT TAX FLAG ☐
CB-METHANE FLAG ☐
ELEVATION: 5170 GR
BOND NUMBER / TYPE: ESB000024 1

LEASE NUMBER: UTU-77301
MINERAL LEASE TYPE: 1
SURFACE OWNER TYPE: 1
INDIAN TRIBE:
C.A. NUMBER:
UNIT NAME: BIG VALLEY

CUMULATIVE PRODUCTION:

OIL: 0
GAS: 0
WATER: 0

WELL FILES | WELL PHOTOS | PROD. GRAPH

COMMENTS: 090930 1YR APD EXT:OP FR N5085:100928 1YR APD EXT: 110927 1YR APD EXT:120927 1YR APD EXT:130925 1YR APD EXT:140918 LA PER OP

Create New Rec | Save | Cancel Change | To History | To Activity | Print Recd | Export Recd

Writes the current record to the Well database

NUM

Desktop 10:27 AM 9/30/2014

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

September 25, 2014

Valyn Davis
QEP Energy Company
11002 East 17500 South
Vernal, UT 84078

RE: APDs Rescinded for QEP Energy Company, Uintah County, Utah

Dear Ms. Davis:

As requested, attached is a list of the APD's that the Division of Oil, Gas and Mining "the Division" has rescinded. No drilling activity at these locations has been reported to the Division. Therefore, approval to drill these wells is hereby rescinded, effective September 18, 2014.

New APD's must be filed with this office for approval prior to the commencement of any future work on the subject locations.

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

Sincerely,

Lisha Cordova

Lisha Cordova
Environmental Scientist

LC
Attachment: (1)
cc: Well File
Bureau of Land Management, Vernal

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR OIL, GAS & MINING

43-047-15245- RW 32-23A (DEEPENING)
43-047-15279- RW 32-33A (DEEPENING)
43-047-16478- RW 12-27A (DEEPENING)
43-047-40360- NBZ 10D-29-8-24
43-047-40361- NBZ 8D-29-8-24
43-047-40362- NBZ 14D-29-8-24
43-047-40363- NBZ 16D-29-8-24
43-047-40364- NBZ 12D-29-8-24
43-047-40365- NBZ 13D-30-8-24
43-047-38659- WVX 1MU-18-8-21
43-047-38660- WVX 9MU-18-8-21
43-047-38661- GH 8G-18-8-21
43-047-38664- WV 2ML-24-8-21

[redacted]

Diana Mason <dianawhitney@utah.gov>

Rescind APD's

Valyn Davis <Valyn.Davis@qepres.com> Thu, Sep 18, 2014 at 12:54 PM
To: "dianawhitney@utah.gov" <dianawhitney@utah.gov>

Hi Diana-

Hope you are doing well ☺.

Can you please rescind the following APD's:

43-047-15245- RW 32-23A

43-047-15279- RW 32-33A

43-047-16478- RW 12-27A

43-047-40360- NBZ 10D-29-8-24

43-047-40361- NBZ 8D-29-8-24

43-047-40362- NBZ 14D-29-8-24

43-047-40363- NBZ 16D-29-8-24

43-047-40364- NBZ 12D-29-8-24

43-047-40365- NBZ 13D-30-8-24

43-047-38659- WVX 1MU-18-8-21

43-047-38660- WVX 9MU-18-8-21

43-047-38661- GH 8G-18-8-21

43-047-38664- WV 2ML-24-8-21

Thank you-

Valyn

Valyn Davis

QEP Energy Company

Regulatory Affairs Analyst

435-781-4369 Office

435-828-1058 Cell

valyn.davis@qepres.com

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DIV. OF OIL, GAS & MINING

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SEP 1 0 2008

Form 3160-3
(July 1992)

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
DRILL ☑ DEEPEN ☐

TYPE OF WELL
☐ OIL WELL ☑ GAS WELL ☐ OTHER ☑ SINGLE ZONE ☐ MULTIPLE ZONE

5. LEASE DESIGNATION AND SERIAL NO.
UTU-77301

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
N/A

7. UNIT AGREEMENT NAME
BIG VALLEY UNIT

8. FARM OR LEASE NAME, WELL NO.
NBZ 14D-29-8-24

2. NAME OF OPERATOR
QUESTAR EXPLORATION & PRODUCTION CO.

Contact: Jan Nelson
E-Mail: jan.nelson@questar.com

9.API NUMBER: 43 047 40362

3. ADDRESS
11002 E. 17500 S. Vernal, Utah 84078

Telphone number
Phone 435-781-4331 Fax 435-781-4395

10. FIELD AND POOL, OR WILDCAT
UNDESIGNATED

4. LOCATION OF WELL (Report location clearly and in accordance with and State requirements*)
At Surface 469' FSL 2170' FWL, SESW, SECTION 29, T8S, R24E
At proposed production zone

11. SEC.,T, R, M, OR BLK & SURVEY OR AREA
SEC. 29, T8S, R24E SLB&M

14. DISTANCE IN MILES FROM NEAREST TOWN OR POSTOFFICE*
36 + / - 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)
469' + / -

16.NO.OF ACRES IN LEASE
1505.46

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
13,321'

20. BLM/BIA Bond No. on file
ESB000024

21. ELEVATIONS (Show whether DF, RT, GR, ect.)
5170.9' GR

22. DATE WORK WILL START
ASAP

23. Estimated duration
35 days

24. Attachments

The following,completed in accordance with the requirments 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 exisiting 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 Jan Nelson Name (printed/typed) Jan Nelson DATE 09/10/2008

TITLE Regulatory Affairs

(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 Stephanie Howard TITLE Acting Assistant Field Manager Lands & Mineral Resources DATE 12/15/09

NOS 7/16/07

*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

AFMSS# 07PP2451A

CONFIDENTIAL

CONDITIONS OF APPROVAL ATTACHED

UDOGM

NOTICE OF APPROVAL

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE
170 South 500 East VERNAL, UT 84078 (435) 781-440(

CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	**Questar Exploration & Production**	**Location:**	**SESW, Sec. 29, T8S, R24E**
Well No:	**NBZ 14D-29-8-24**	**Lease No:**	**UTU-77301**
API No:	**43-047-40362**	**Agreement:**	**Big Valley Unit**

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DIV. OF OIL, GAS & MINING

OFFICE NUMBER: (435) 781-4400

OFFICE FAX NUMBER: (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 to: ut_vn_opreport@blm.gov.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)

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

- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO_x per horsepower-hour.

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.

- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

SITE SPECIFIC COAs:

- 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.

- As per e-mail received 9/14/09, the operator has committed to not construct or drill from March 1-July 15 to protect black-footed ferrets during the breeding season.

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DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

- Casing shoe integrity tests shall be performed on the surface and intermediate casings.
- The intermediate cement top shall be a minimum of 200' above the surface casing shoe.
- The production cement top shall be at a minimum of 200' above the intermediate casing shoe.
- **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.

  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.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

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DIV. OF OIL, GAS & MINING

- 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_Welllogs@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.

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DEC 2 2 2009
DIV. OF OIL, GAS & MINING

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.

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- 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.