

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

FORM 3

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL						1. WELL NAME and NUMBER RW 12D4-25B							
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>						3. FIELD OR WILDCAT RED WASH							
4. TYPE OF WELL Gas Well <input type="checkbox"/> Coalbed Methane Well: NO <input type="checkbox"/>						5. UNIT or COMMUNITIZATION AGREEMENT NAME RED WASH							
6. NAME OF OPERATOR QEP ENERGY COMPANY						7. OPERATOR PHONE 303 308-3068							
8. ADDRESS OF OPERATOR 11002 East 17500 South, Vernal, Ut, 84078						9. OPERATOR E-MAIL debbie.stanberry@questar.com							
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) UTU0823			11. MINERAL OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>			12. SURFACE OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>							
13. NAME OF SURFACE OWNER (if box 12 = 'fee')						14. SURFACE OWNER PHONE (if box 12 = 'fee')							
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')						16. SURFACE OWNER E-MAIL (if box 12 = 'fee')							
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')			18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>			19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>							
20. LOCATION OF WELL		FOOTAGES		QTR-QTR		SECTION		TOWNSHIP		RANGE		MERIDIAN	
LOCATION AT SURFACE		1648 FSL 1320 FWL		NESW		25		7.0 S		23.0 E		S	
Top of Uppermost Producing Zone		1648 FSL 1320 FWL		NESW		25		7.0 S		23.0 E		S	
At Total Depth		1648 FSL 1320 FWL		NESW		25		7.0 S		23.0 E		S	
21. COUNTY UINTAH			22. DISTANCE TO NEAREST LEASE LINE (Feet) 1320			23. NUMBER OF ACRES IN DRILLING UNIT 10							
			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 300			26. PROPOSED DEPTH MD: 10464 TVD: 10464							
27. ELEVATION - GROUND LEVEL 5628			28. BOND NUMBER ESB000024			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE A-36125/ 49-2153							
Hole, Casing, and Cement Information													
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement		Sacks	Yield	Weight		
Surf	12.25	9.625	0 - 3514	36.0	N-80 LT&C	0.0	Halliburton Light , Type Unknown		460	3.12	11.0		
							Halliburton Premium , Type Unknown		180	1.47	13.5		
Prod	7.875	4.5	0 - 10464	11.6	HCP-110 LT&C	10.5	Halliburton Light , Type Unknown		540	3.18	11.0		
							Halliburton Premium , Type Unknown		510	1.65	13.5		
ATTACHMENTS													
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES													
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER						<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN							
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)						<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER							
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)						<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP							
NAME Valyn Davis				TITLE Regulatory Affairs Analyst				PHONE 435 781-4369					
SIGNATURE				DATE 08/23/2011				EMAIL Valyn.Davis@qepres.com					
API NUMBER ASSIGNED 43047519050000				APPROVAL  Permit Manager									

QEP Energy Company
RW 12D4-25B
Summarized Drilling Procedure

1. Construct location per plat.
2. MIRU air drilling rig.
3. Pre-set conductor.
4. Nipple up diverter system.
5. Drill 12-1/4" hole to 3,514' with air/mist.
6. RIH with 9-5/8" 36# N-80 casing and cement same per program.
7. RDMO air drilling rig.
8. MIRU conventional drilling rig.
9. NU and test 5M BOPE.
10. Drill out of 9-5/8" shoe and down to approximately 9,600'.
11. At 9,600, trip in with coring assembly and core to 10,400'.
12. Trip in with conventional drilling assembly and drill to TD (10,464') using OBM.
13. Log well. Triple or Quad-Combo (GR, NEU/DEN, IND, RES, SON)
14. RIH with 4-1/2" 11.6# HCP-110 casing and cement same per program.
15. Pressure test casing.
16. ND BOP's and NU remainder of wellhead. Set BPV.
17. RDMO.

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ONSHORE OIL & GAS ORDER NO. 1
 QEP ENERGY COMPANY
 RW 12D4-25B

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 & Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of its subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated top of important geologic markers are as follows:

<u>Formation</u>	<u>Depth</u>
Uinta	Surface
Green River	2,704'
Mahogany	3,464'
Wasatch	5,994'
Mesaverde	8,014'
Sego	10,364'
TD	10,464'

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

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil	Green River	2,704'
Gas	Wasatch	5,994'
Gas	Mesaverde	8,014'
Gas	Sego	10,364'

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

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determined by the Fish and Wildlife Service that any water right number filed before 1989 is not depleting to the Upper Colorado River System, to supply fresh water for drilling purposes. All water resulting from drilling operations will be disposed of at Red Wash Central Battery Disposal site; SWSE, Section 27, T7S, R23E or Wonsits Valley Disposal Site; SWNW, Section 12, T8S, R21E.

3. Operator's Specification for Pressure Control Equipment

- A. An 11" 5000 psi double ram with blind rams and pipe rams, annular preventer and drilling spool or BOP with 2 side outlets.
- B. All BOP connections subject to pressure shall be flanged, welded or clamped.
- C. Kill line (2" min), 2 choke line valves (3" min), choke line (3" min), 2 kill line valves (2" min) and a check valve, 2 chokes with one remotely controlled from rig floor and a pressure gauge on choke manifold.
- D. Upper and Lower Kelly cock valves with handles and safety valve and subs to fit all drill string connections.
- E. IBOP or float sub available.
- F. Fill up line must be installed above the uppermost preventer.
- G. Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 50 percent of internal yield pressure of casing whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc..., for a 5M system and individual components shall be operable as designed.

4. Casing Design:

Hole Size	Csg. Size	Top (MD)	Bottom (MD)	Wt.	Grade	Thread	Cond.	Expected MW(ppg)
17 1/2"	14"	Sfc	60'	Steel	Conductor	None	Used	N/A
12-1/4"	9-5/8"	Sfc	3,514'	36#	N-80	LTC	New	Air
7 7/8"	4-1/2"	Sfc	10,464'	11.6#	HCP-110	LTC	New	10.5

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Casing Strengths:				Collapse	Burst	Tensile (min)
9-5/8"	36#	N-80	LTC	2,370 psi	5,120 psi	820,000 lb.
4 1/2"	11.6#	HCP-110	LTC	8,830 psi	10,710 psi	279,000 lb.

Casing Design Factors

*The casing prescribed above meets or exceeds the below listed design factors.

Burst: 1.2

Collapse: 1.2

Tension: 1.6

Maximum anticipated mud weight: 10.5 ppg

Maximum anticipated surface treating pressure: 7,200 psi

5. Cementing Program

9-5/8" Surface Casing:

Lead Slurry: Surface (TOC) – 3,000'. 460 sks (1409 ft³) Halliburton Extendacem, 1 pps Granulite TR 1/4, 0.125 pps Poly-E-Flake, Slurry Weight 11.0 ppg, 3.12 ft³/sk, 50% XS in open hole only.

Tail Slurry: 3,000' – 3,514. 180 sx (259 ft³) Halliburton Econocem, 0.2% HR-5 Retarder, 1.0 pps Granulite TR 1/4, 0.125 pps Poly-E-Flake, Slurry Weight 13.5 ppg, 1.47 ft³/sk, 50% XS in open hole.

4-1/2" Production Casing*:

Lead Slurry: 3,000' (TOC) – 8,014'. 540 sks (1,704 ft³) Halliburton Extendacem, 1 pps Granulite 1/4, 0.125 pps Poly-E-Flake. Slurry Weight 11.0 lb/gal, 3.18 ft³/sk, 50% excess over gauge in open hole only.

Tail Slurry: 8,014' – 10,464. 510 sks (840 ft³), Halliburton Expandacem, 0.3% Super CBL (Expander), 0.6% HR-800 (Retarder), 1 pps Granulite TR 1/4, 0.125 pps Poly-E-Flake (LCM). Slurry Weight 13.5 lb/gal, 1.65 ft³/sk, 50% excess over gauge hole.

*Final cement volumes to be calculated from caliper log, if run.

6. Auxiliary Equipment

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- A. Kelly Cock – yes
- B. Float at the bit – Yes
- C. Monitoring equipment on the mud system – 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 50' into the Mahogany Bench formation 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. **Blooiie line discharge 100 feet from wellbore and securely anchored** – the blooiie 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 blooiie 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 blooiie line a minimum of 100 feet from the wellbore** – compressors located within 50 feet on the opposite side of the wellbore from the blooiie 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. **Well Kill Fluid** – A suitable amount of water and weighting agents will be available in the reserve pit during air drilling operations to kill the well, if necessary. No overpressured zones are expected in the area.
6. **Deflector on the end of the blooiie line** – QEP will mount a deflector unit at the end of the blooiie 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

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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. Drilling below the 9-5/8" casing will be done with oil based mud. Maximum anticipated mud weight is 10.5 ppg.
- H. No minimum quantity of weight material will be required to be kept on location.
- I. Gas detector will be used from intermediate casing depth to TD.

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

- A. Cores – 800' of full core from through the lower Mesa Verde (approximately from 9,600' to 10,400').
- B. DST – none anticipated
- C. Logging – Mud logging – Intermediate Casing to TD
OH Logs: GR-SP-Induction, Neutron Density.
- D. Formation and Completion Interval:
– Stimulation will be designed for the particular area of interest as encountered.

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

No abnormal temperatures or pressures are anticipated. Maximum anticipated bottom hole pressure equals approximately 5,713 psi. Maximum anticipated bottom hole temperature is 205° F.

H2S has not been encountered in other wells drilled to similar depths in the general area.

9. **Additional Information For Oil Base Mud**

- A. See attached diagram of well pad layout. A reserve pit will be constructed for this location. This pit will be constructed so that a minimum of two vertical feet of freeboard exists above the top of the pit at all times and at least one-

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half of the holding capacity will be below ground level. The pit will be lined with a synthetic reinforced liner, 0.030" (0.75 mm +/-) thick, with sufficient bedding used to cover any rocks prior to putting any fluids into the pit. The pad will be designed so that runoff from adjacent slopes does not flow into the reserve pit. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. This cuttings pit will be used for oil based cuttings generated during drilling of the production hole.

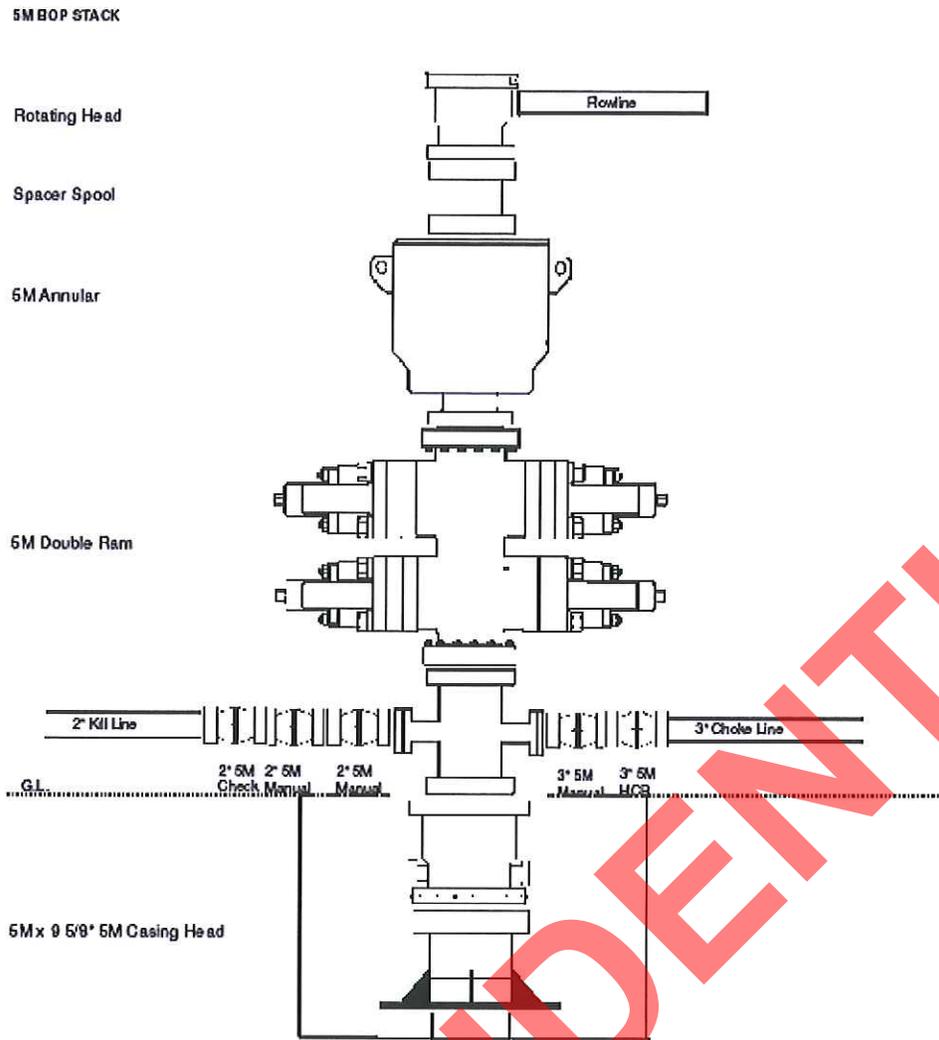
- B. Oil-base mud will be mixed in the closed circulating system and transferred to one or more 400 bbl or 500 bbl tanks (as available) on location for storage prior to and after drilling operations. Drip pans will be installed below the rotary beams on the substructure and can be viewed on site from the cellar area. As the production section of the hole is drilled, the cuttings transported to the surface with the drilling fluid will be mechanically separated from the drilling fluid as waste by two shale-shakers and then cleaned/dried via a mud cleaner and/or centrifuge. These separated cuttings will be transferred to the cuttings pit nearest the shakers and stored in this cuttings pit for solidification after the rig is released and moved off location.
- C. The means to transport the cuttings from the solids control equipment to the OBM cuttings pit will be dictated by the size of the location:
 - a. Option 1: By track-hoe or similar equipment from a cuttings bin to the cuttings pit.
 - b. Option 2: By 10" PVC pipe or equivalent steel piping. Water will be pumped to the solids control equipment and will convey the OBM cuttings from the solids control equipment to the OBM cuttings pit via the PVC pipe. The water will be recycled multiple times from the cuttings pit to continue to transport the cuttings to the cuttings pit. The conveyance system will be enclosed on the solids control end to prevent spills. The conveyance piping system at the cuttings pit end will be placed on top of pit liner to eliminate absorption of fluids into the soil.
- D. Plastic material will underlay the rig, oil base mud/diesel storage tanks and mud pits. All tanks on location will be placed inside of berms. Any oily waste fluids and sediments generated at the work site during drilling operations or when cleaning the fluid containment system after drilling will also be placed into the cuttings pit.
- E. All rig ditches will be lined and directed to a lined sump for fluid recovery. A drip pan will be installed on the BOP stack, a mud bucket will be utilized as needed on connections and a vacuum system will be used on the rig floor for fluid recovery in those areas.

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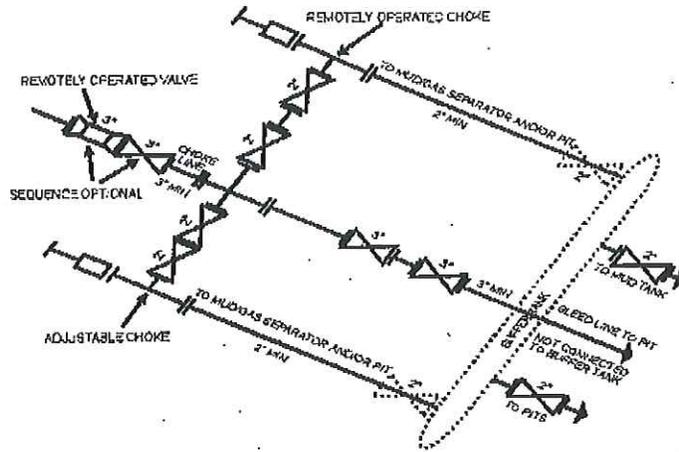
- F. Once all waste has been placed in the cuttings pit and all necessary approvals obtained, the oilfield waste management consultant Soli-Bond or a similar company will mobilize equipment and personnel to the site to perform the cement based solidification/stabilization process in-situ for encapsulation. Soil will be backfilled over the processed material used on the cuttings pit and will be returned to the existing grade bordering the pit.

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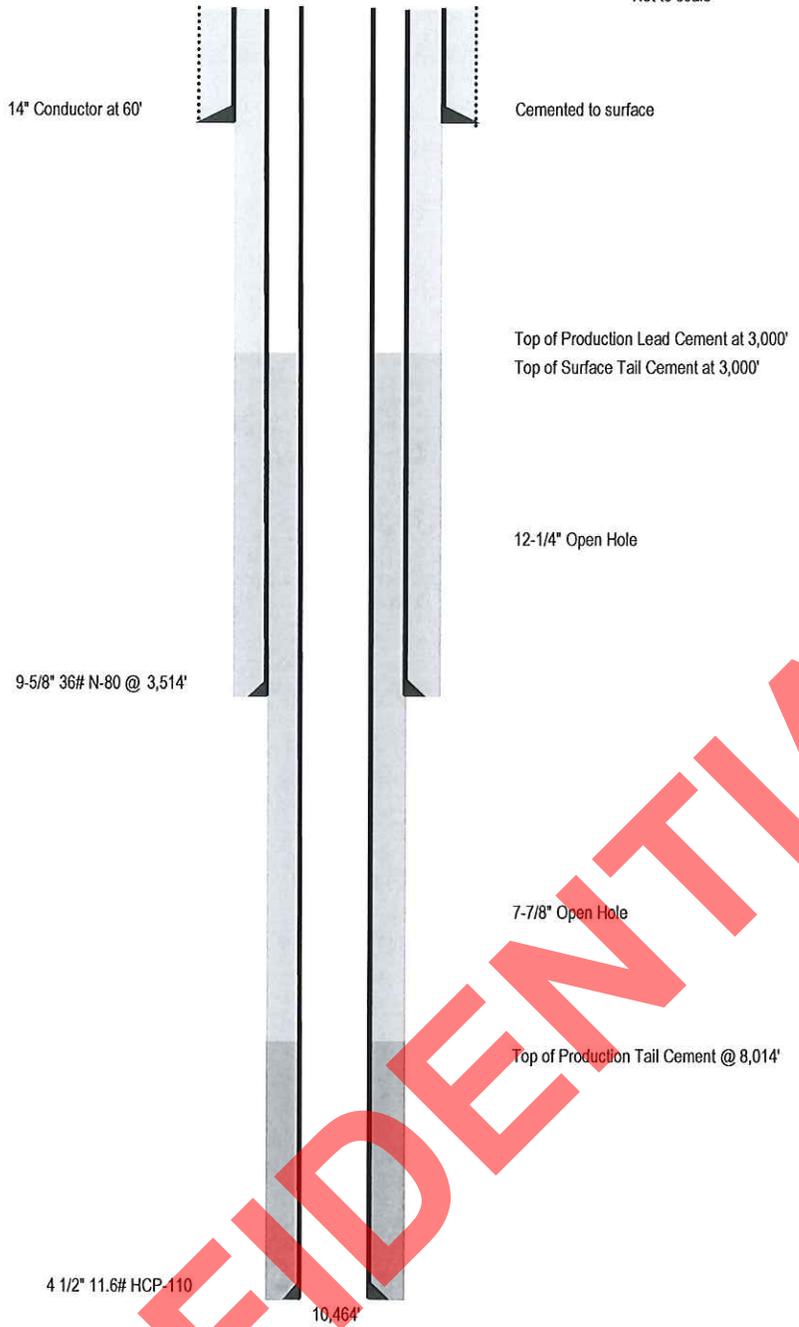
5M CHOKER MANIFOLD EQUIPMENT - CONFIGURATION OF CHOKERS MAY VARY

Although not required for any of the choke manifold systems, buffer tanks are sometimes installed downstream of the choke assemblies for the purpose of manifolding the bleed lines together. When buffer tanks are employed, valves shall be installed upstream to isolate a failure or malfunction without interrupting flow control. Though not shown on 204, 304, 1000, OR, 15M drawings, it would also be applicable to these situations.

[54 FR 39528, Sept. 27, 1989]

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RW 12D4-25B
1,648' FSL & 1,320' FWL Sec 25 T7S R23E S.L.B.&M.
Uintah County, Utah
KB 5,642'
GL 5,628'



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

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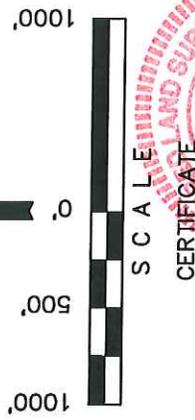
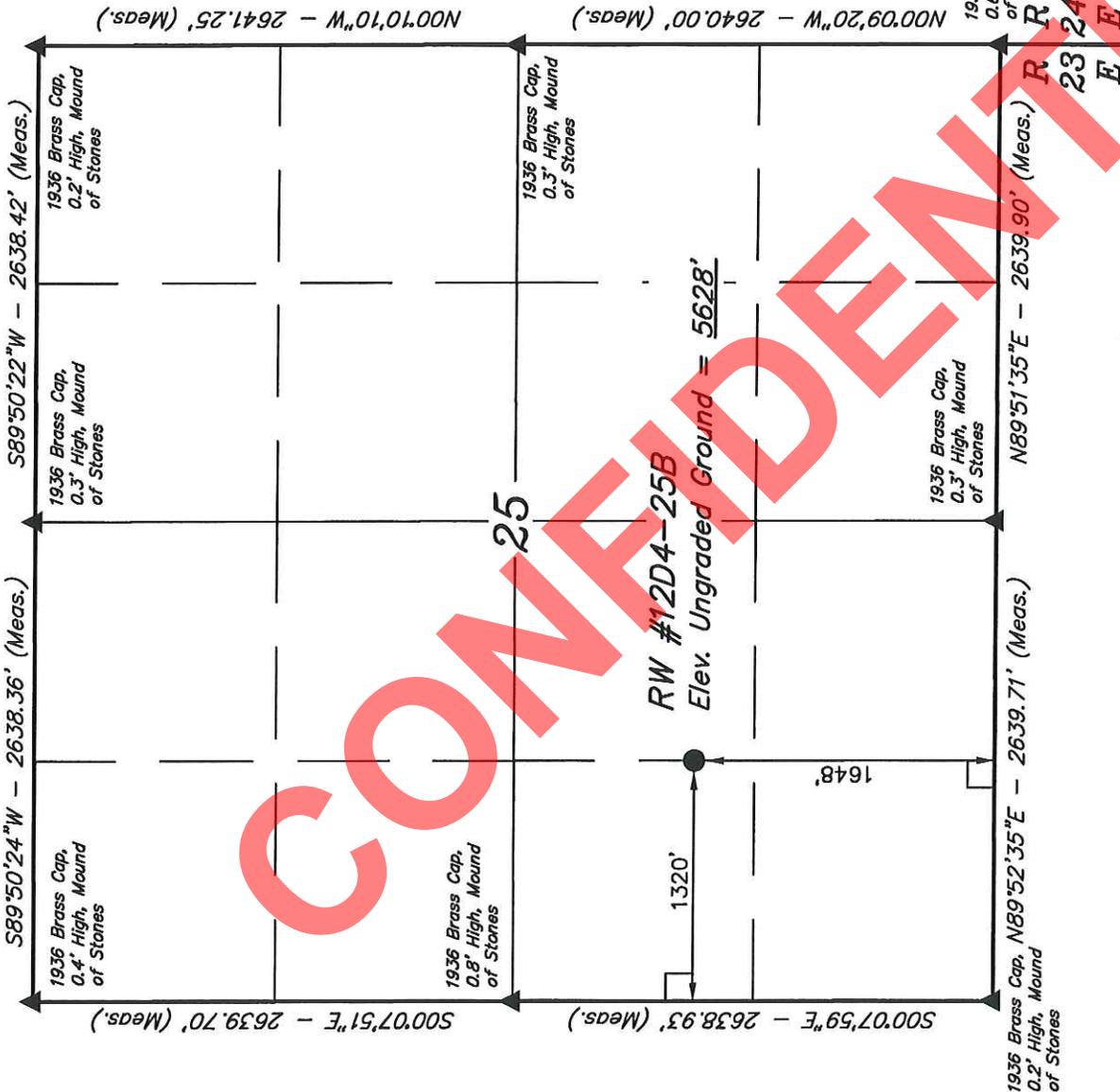
Well location, RW #12D4-25B, located as shown in the NE 1/4 SW 1/4 of Section 25, T7S, R23E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

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



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

[Signature]
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH 07-21-11

UINTAH ENGINEERING & LAND SURVEYING	
85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017	
SCALE 1" = 1000'	DATE SURVEYED: 07-15-11
PARTY A.F. B.A. K.O.	DATE DRAWN: 07-18-11
WEATHER WARM	REFERENCES G.L.O. PLAT
FILE	QEP ENERGY COMPANY

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LEGEND:
 L = 90° SYMBOL
 ● = PROPOSED WELL HEAD.
 ▲ = SECTION CORNERS LOCATED.

COORDINATES:
 LATITUDE = 40°10'40.18" (NAD 83) (40.177828)
 LONGITUDE = 109°16'48.57" (109.280158)
 LATITUDE = 40°10'40.31" (NAD 27) (40.177864)
 LONGITUDE = 109°16'46.12" (109.279478)

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RW #12D4-25B

LOCATED IN UINTAH COUNTY, UTAH
SECTION 25, T7S, R23E, S.L.B.&M.

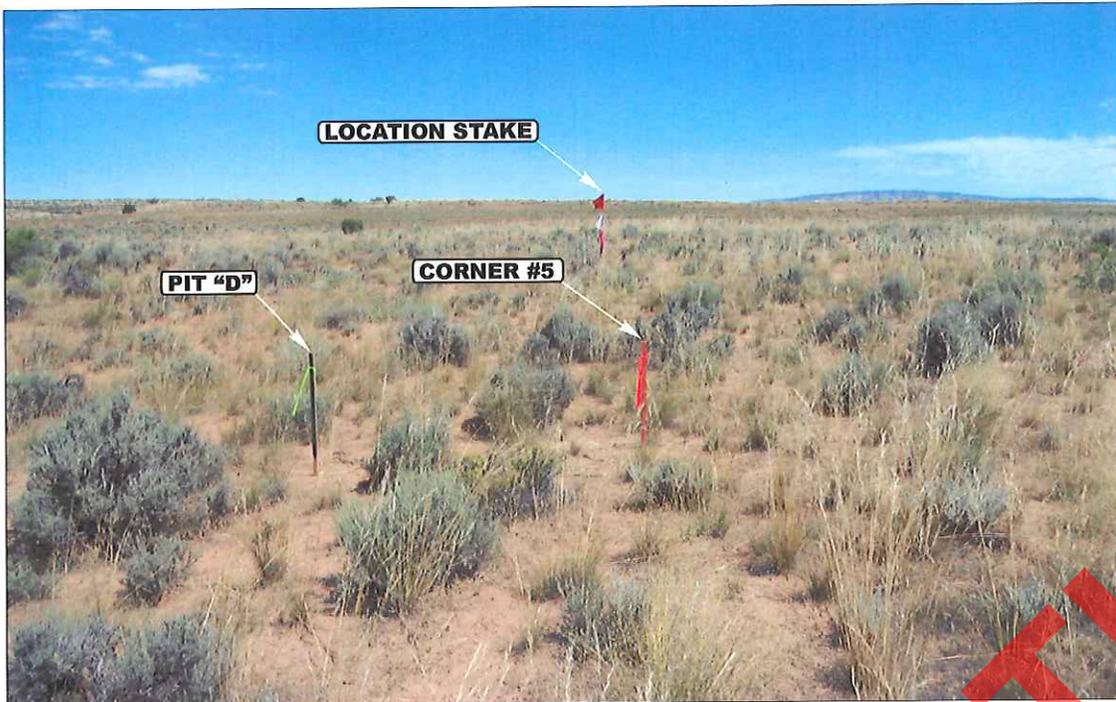


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY

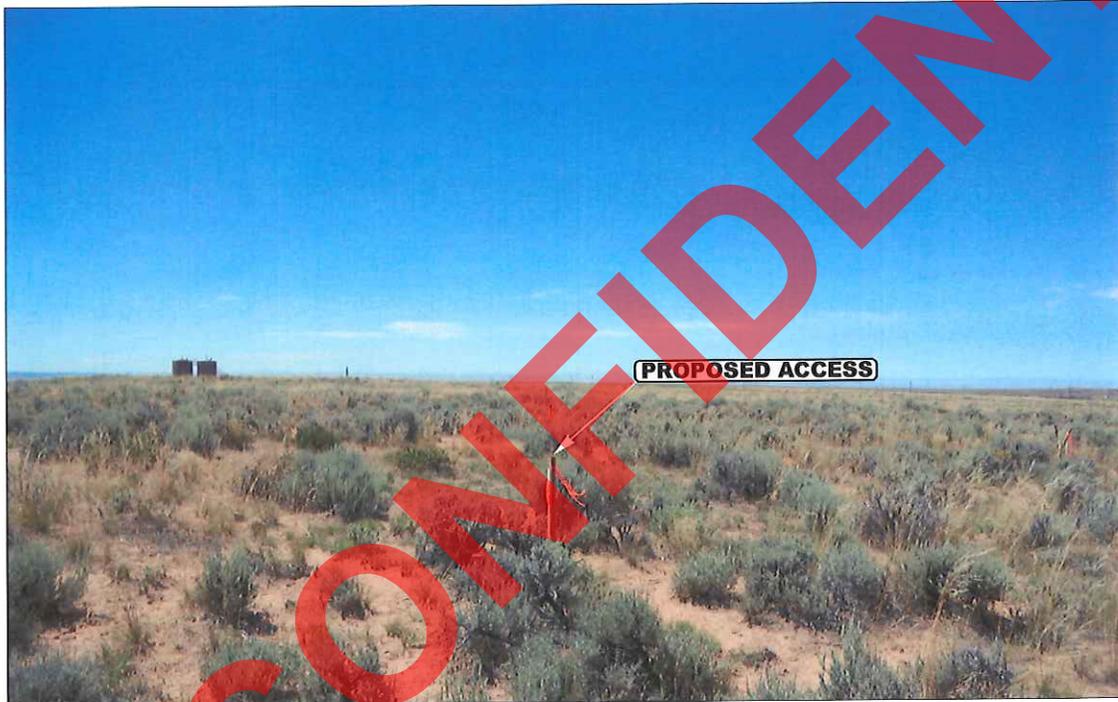


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



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

LOCATION PHOTOS	07	19	11	PHOTO
TAKEN BY: A.F.	MONTH	DAY	YEAR	
DRAWN BY: J.L.G.	REVISED: 00-00-00			

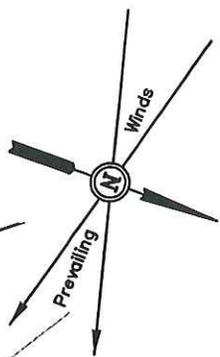
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LOCATION LAYOUT FOR

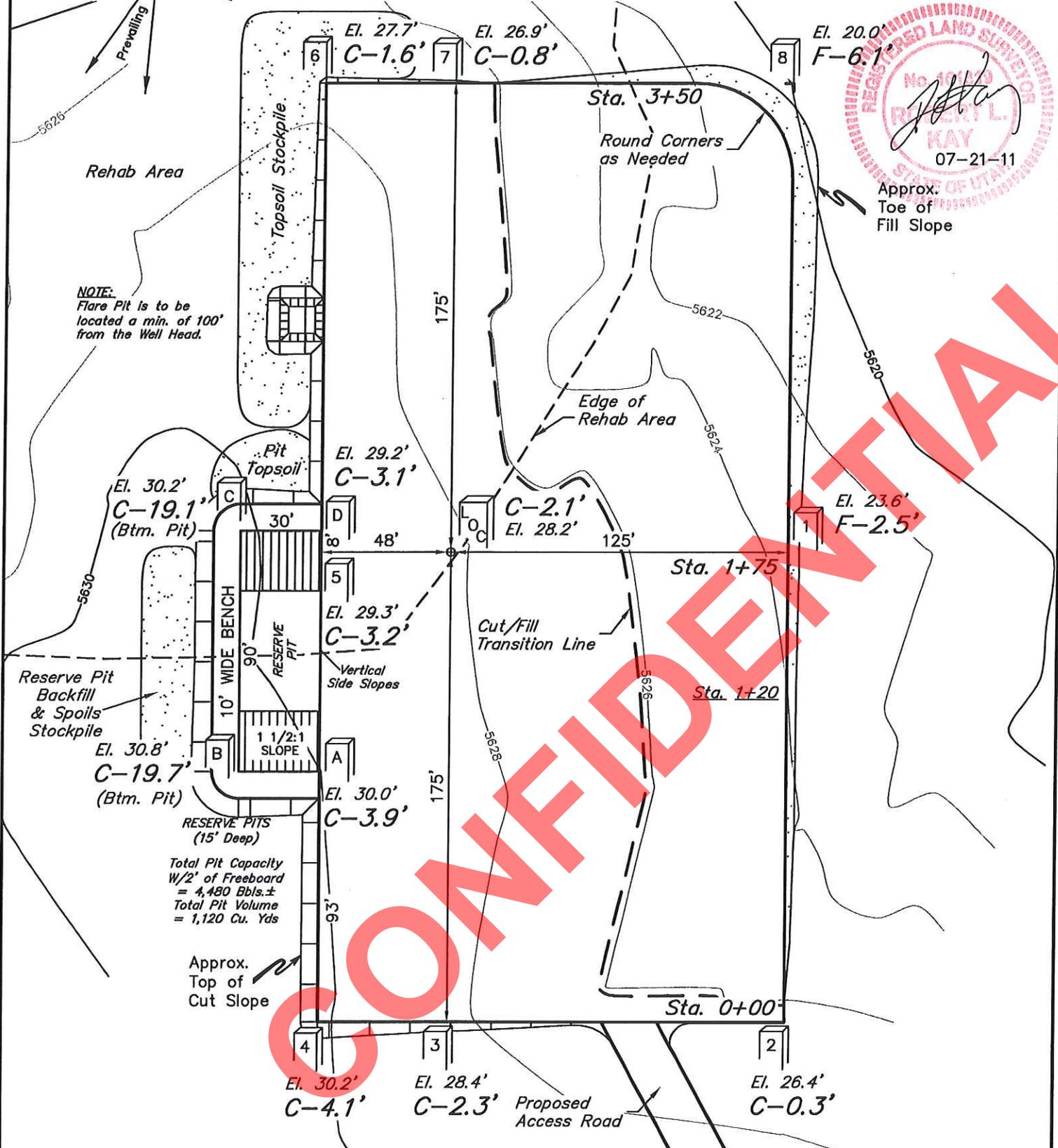
RW #12D4-25B
SECTION 25, T7S, R23E, S.L.B.&M.
1648' FSL 1320' FWL

FIGURE #1

SCALE: 1" = 50'
DATE: 07-18-11
DRAWN BY: K.O.



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



RESERVE PITS (15' Deep)
Total Pit Capacity W/2' of Freeboard = 4,480 Bbls.±
Total Pit Volume = 1,120 Cu. Yds

Elev. Ungraded Ground At Loc. Stake = 5628.2'
FINISHED GRADE ELEV. AT LOC. STAKE = 5626.1'

QEP ENERGY COMPANY

FIGURE #2

TYPICAL CROSS SECTIONS FOR

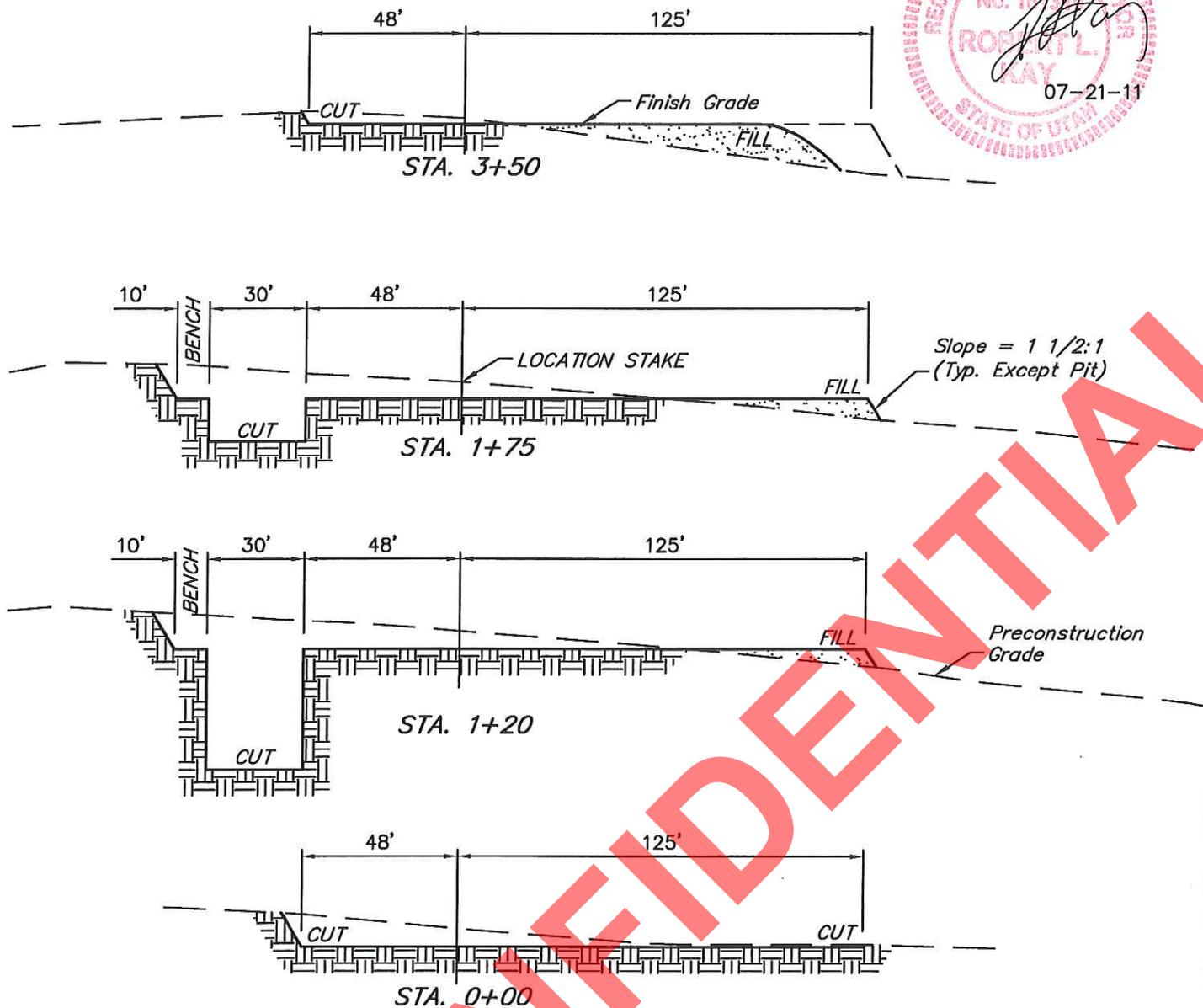
RW #12D4-25B

SECTION 25, T7S, R23E, S.L.B.&M.

1648' FSL 1320' FWL

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

DATE: 07-18-11
DRAWN BY: K.O.



NOTE:

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

APPROXIMATE ACREAGES

WELL SITE DISTURBANCE	= ± 1.756 ACRES
ACCESS ROAD DISTURBANCE	= ± 0.158 ACRES
PIPELINE DISTURBANCE	= ± 0.131 ACRES
TOTAL	= ± 2.045 ACRES

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	= 1,360 Cu. Yds.
Remaining Location	= 3,440 Cu. Yds.
TOTAL CUT	= 4,800 CU.YDS.
FILL	= 2,880 CU.YDS.

EXCESS MATERIAL	= 1,920 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 1,920 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.

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

QEP ENERGY COMPANY

TYPICAL RIG LAYOUT FOR

RW #12D4-25B

SECTION 25, T7S, R23E, S.L.B.&M.

1648' FSL 1320' FWL

FIGURE #3

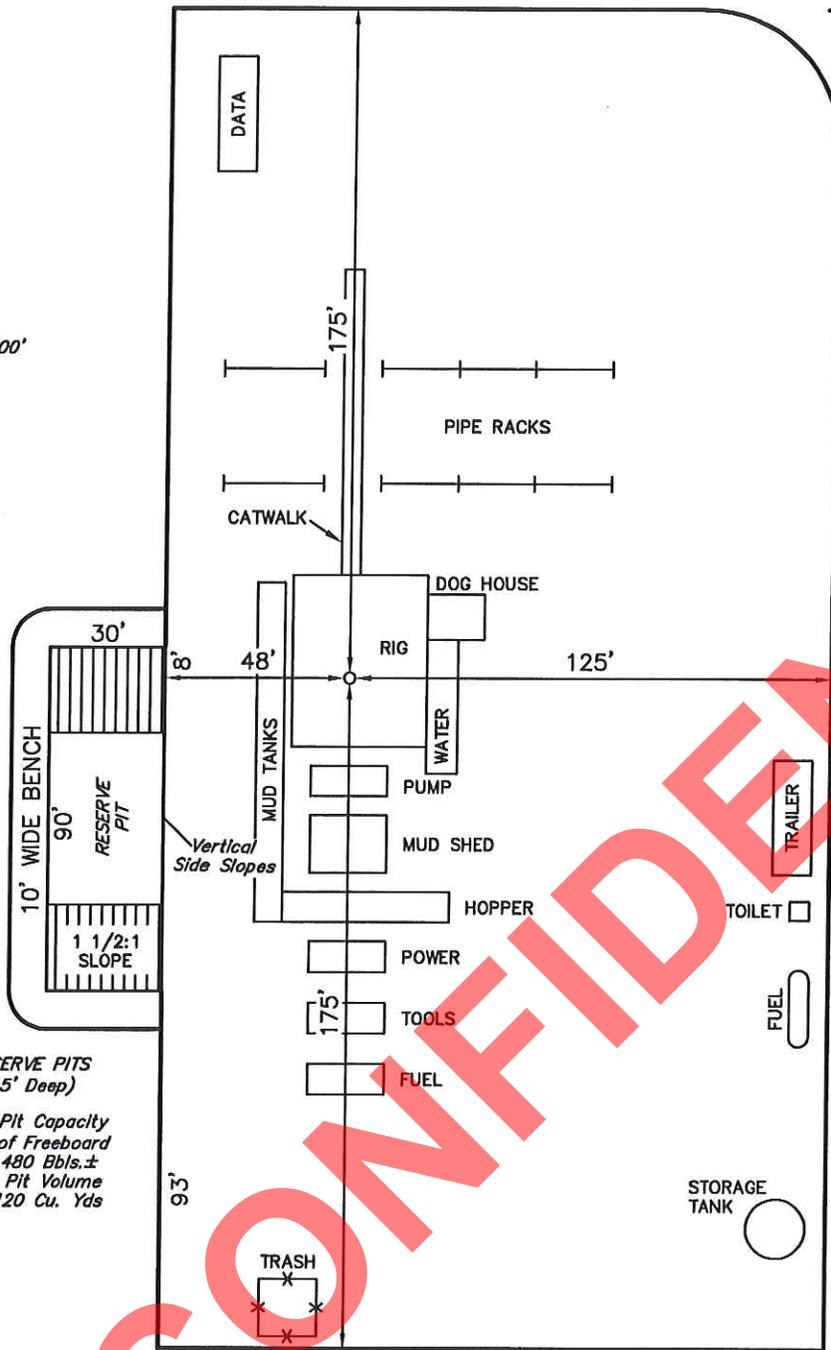
SCALE: 1" = 50'

DATE: 07-18-11

DRAWN BY: K.O.



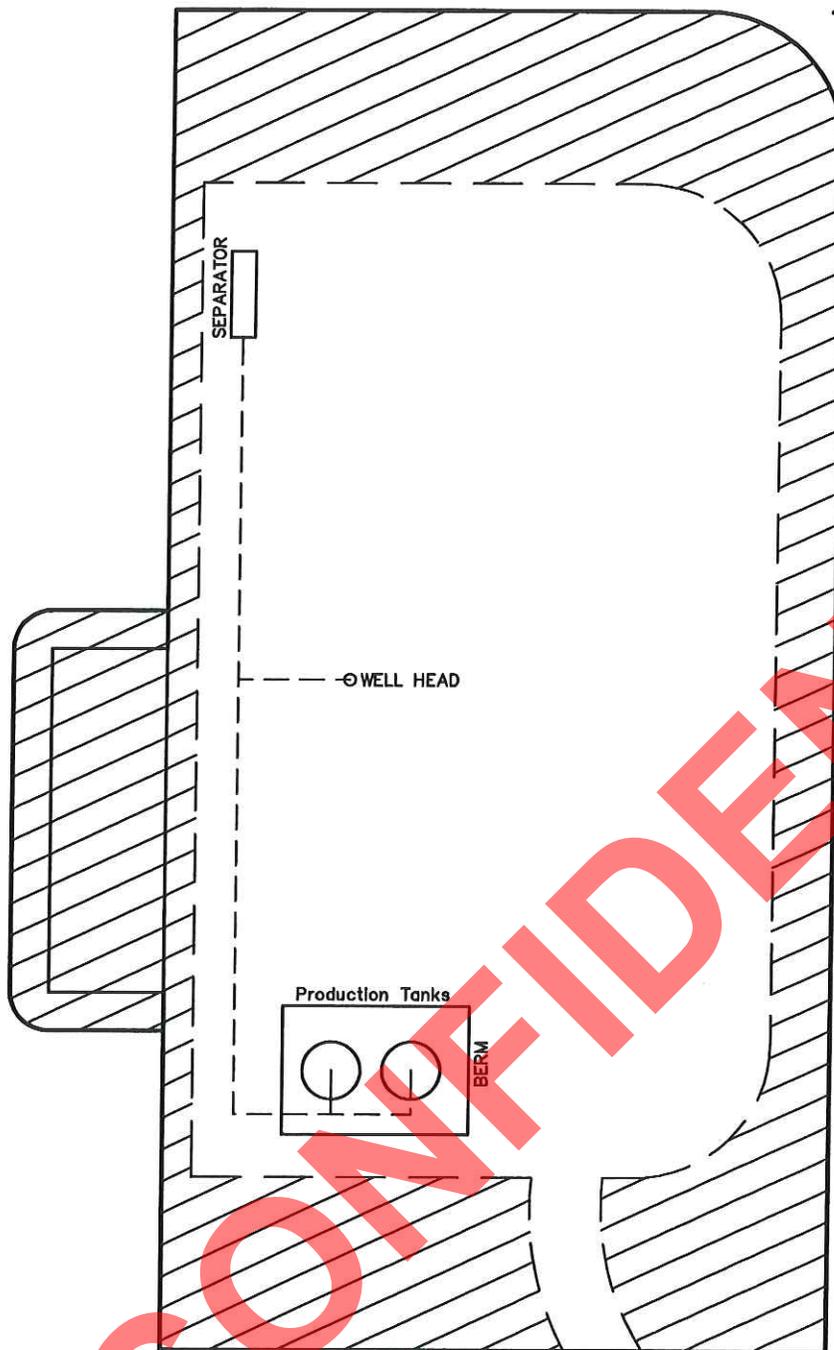
NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.



RESERVE PITS
(15' Deep)
Total Pit Capacity
W/2' of Freeboard
= 4,480 Bbls.±
Total Pit Volume
= 1,120 Cu. Yds

QEP ENERGY COMPANY
PRODUCTION FACILITY LAYOUT FOR
RW #12D4-25B
SECTION 25, T7S, R23E, S.L.B.&M.
1648' FSL 1320' FWL

FIGURE #4
SCALE: 1" = 50'
DATE: 07-18-11
DRAWN BY: K.O.



APPROXIMATE ACREAGES
UN-RECLAIMED = ± 0.581 ACRES

 RECLAIMED AREA

Access Road

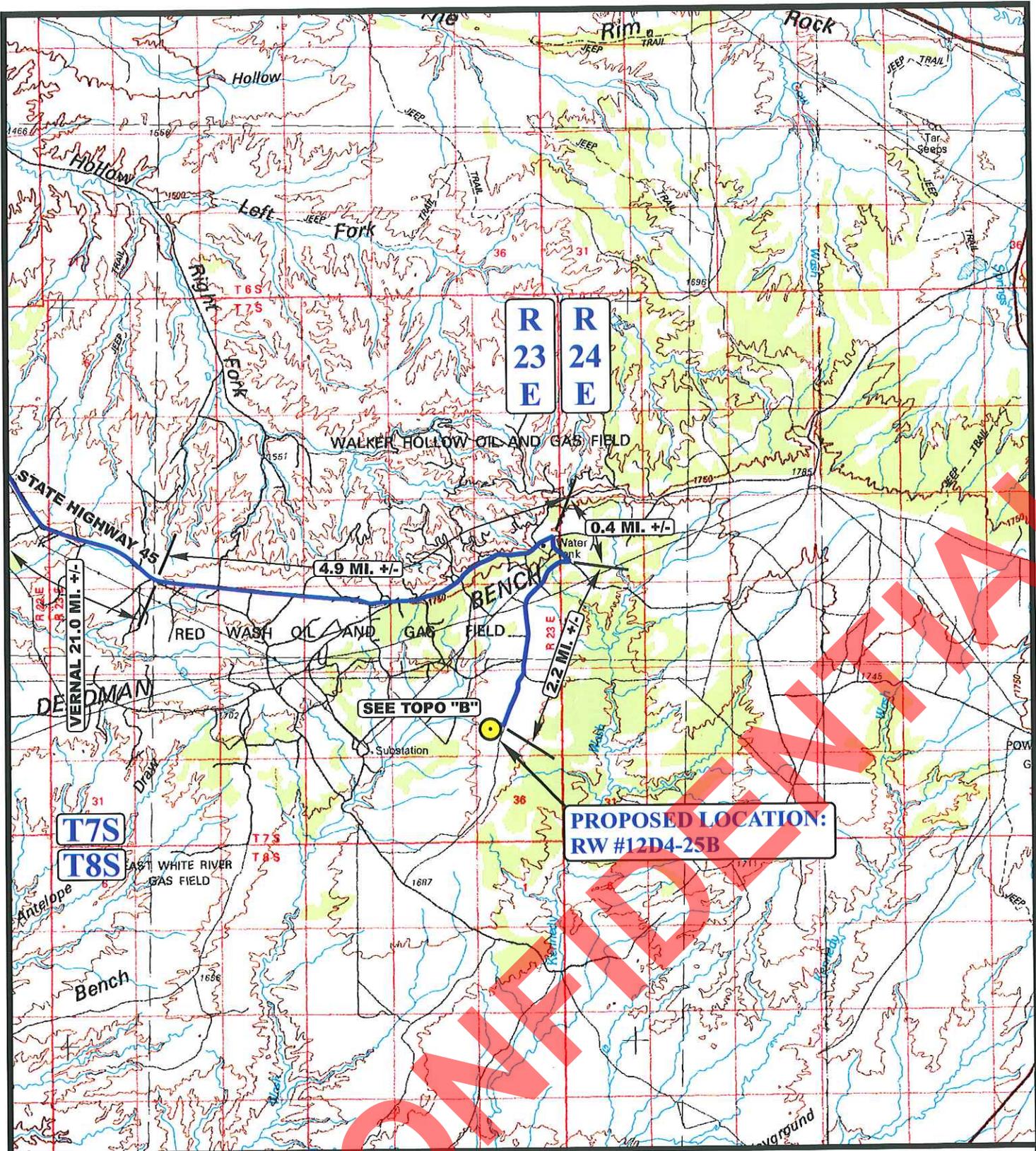
UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

QEP ENERGY COMPANY
RW #12D4-25B
SECTION 25, T7S, R23E, S.L.B.&M.

PROCEED IN AN EASTERLY, THEN SOUTHERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 4.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 2.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD FOR RW #12D1-25 TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 98' TO THE BEGINNING OF THE PROPOSED ACCESS ROAD TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 230' TO THE PROPOSED LOCATION

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 28.6 MILES.

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**PROPOSED LOCATION:
RW #12D4-25B**

LEGEND:
 **PROPOSED LOCATION**

QEP ENERGY COMPANY

**RW #12D4-25B
SECTION 25, T7S, R23E, S.L.B.&M.
1648' FSL 1320' FWL**

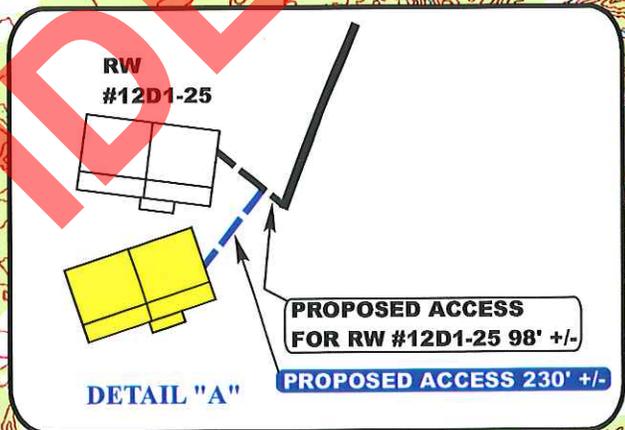
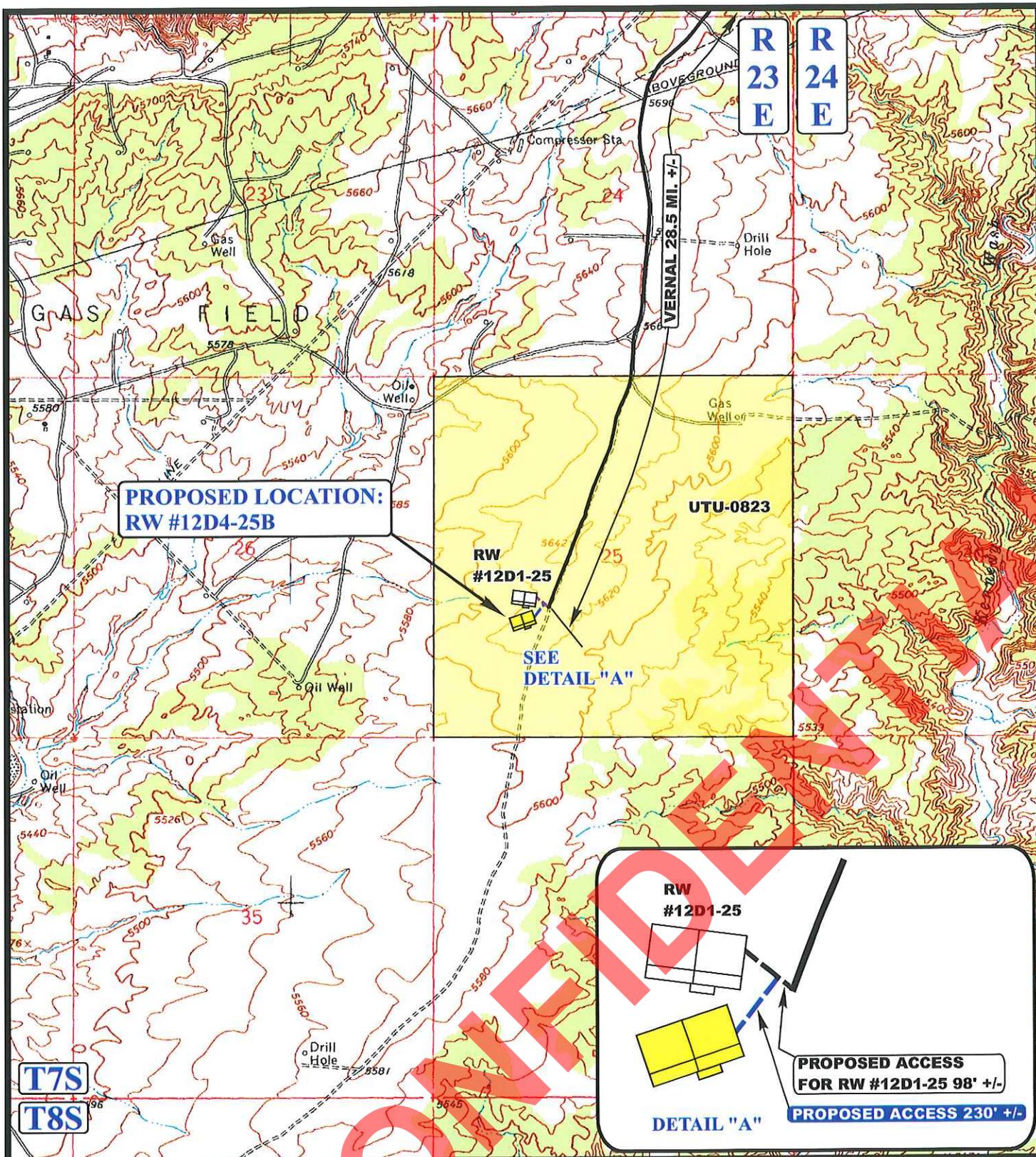
U E L S
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

ACCESS ROAD
MAP
 SCALE: 1:100,000 DRAWN BY: J.L.G. REVISED: 00-00-00

07 19 11
 MONTH DAY YEAR

A
TOPO





LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD

QEP ENERGY COMPANY

RW #12D4-25B
SECTION 25, T7S, R23E, S.L.B.&M.
1648' FSL 1320' FWL

UEIS
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
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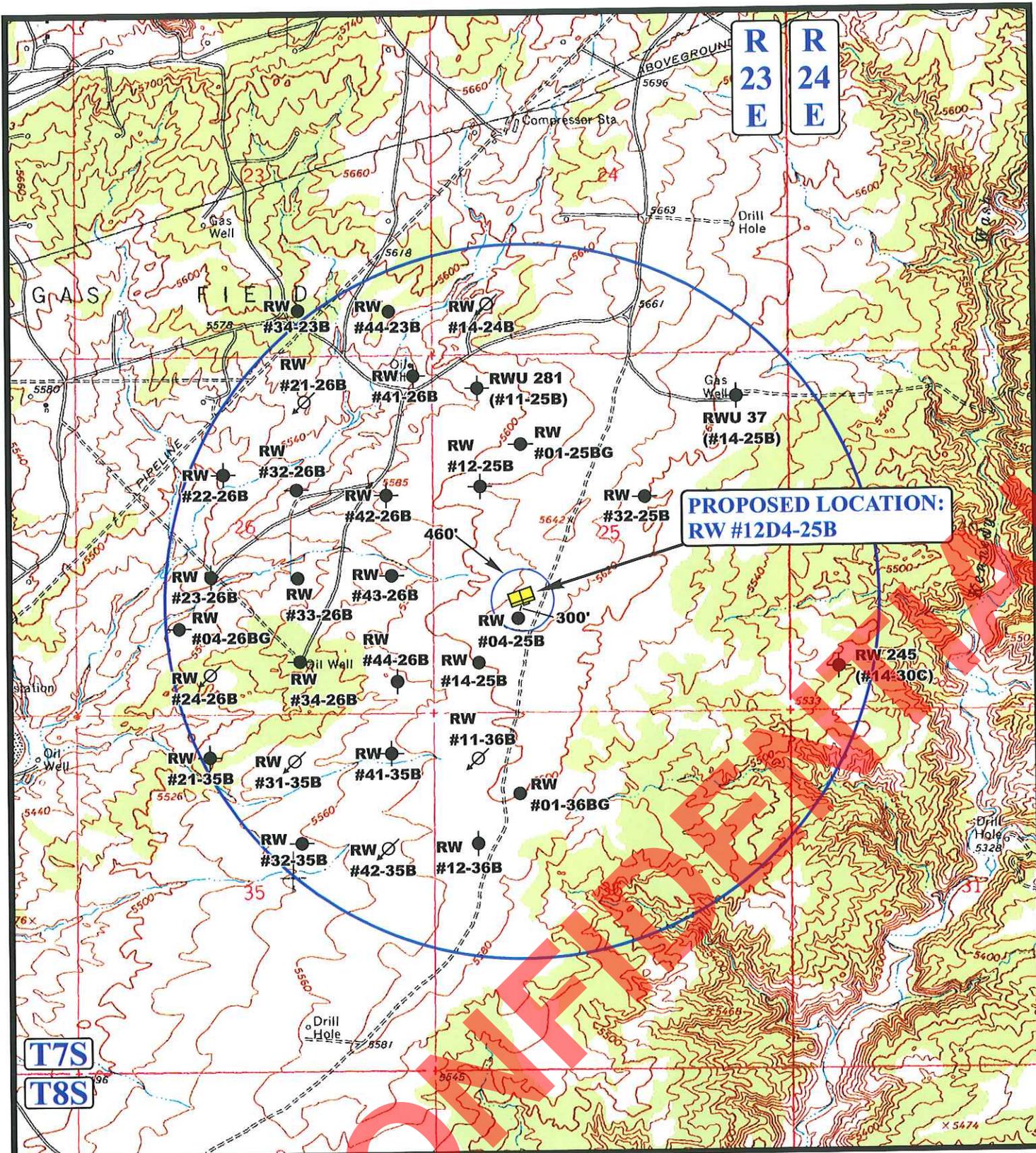
ACCESS ROAD MAP

07	19	11
MONTH	DAY	YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00

B
TOPO





R
23
E

R
24
E

**PROPOSED LOCATION:
RW #12D4-25B**

T7S
T8S

LEGEND:

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

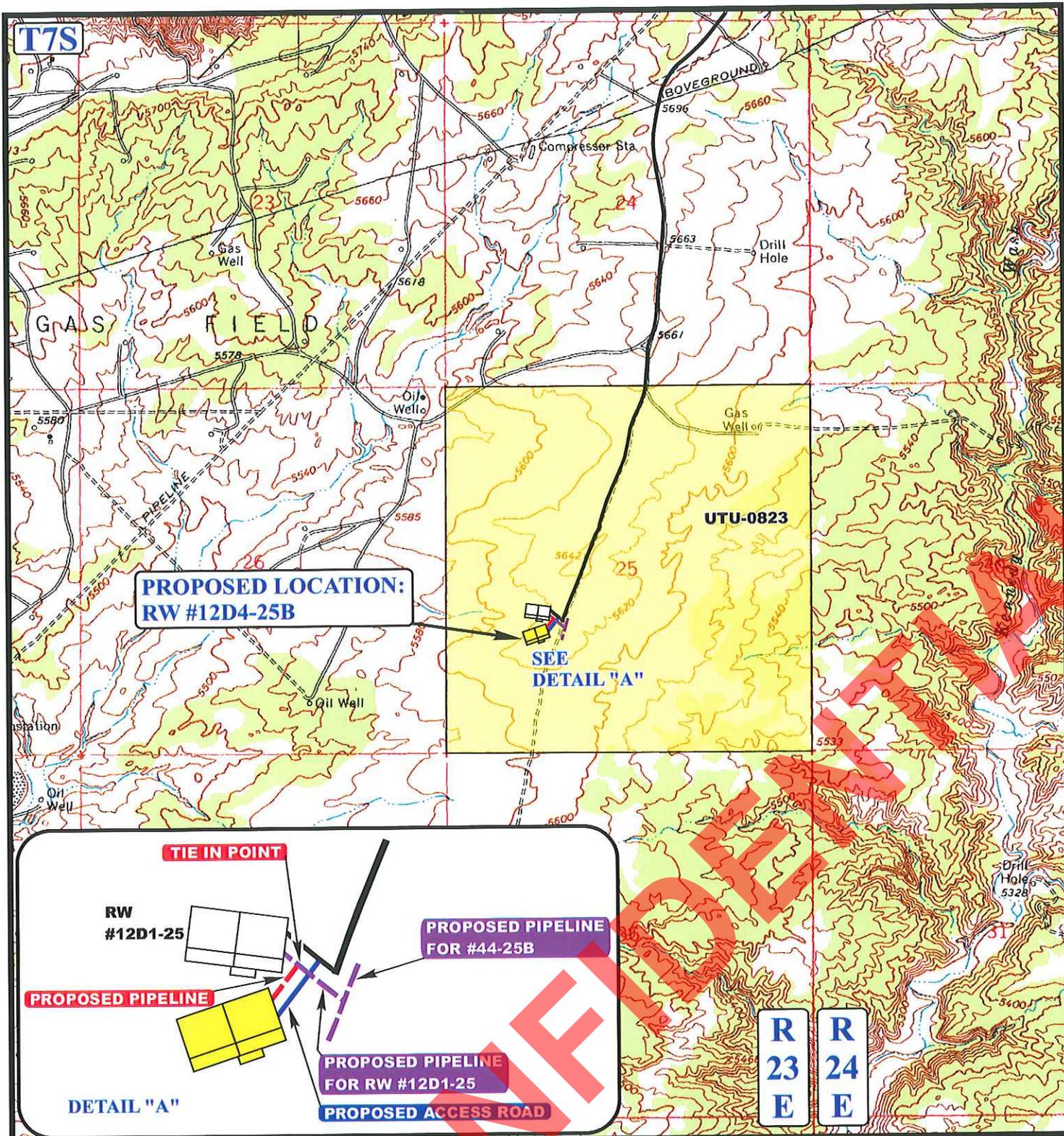
QEP ENERGY COMPANY

RW #12D4-25B
SECTION 25, T7S, R23E, S.L.B.&M.
1648' FSL 1320' FWL

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

TOPOGRAPHIC MAP
 07 19 11
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 190' +/-

LEGEND:

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



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



QEP ENERGY COMPANY

RW #12D4-25B
SECTION 25, T7S, R23E, S.L.B.&M.
1648' FSL 1320' FWL

TOPOGRAPHIC MAP	07	19	11	D TOPO
	MONTH	DAY	YEAR	
SCALE: 1" = 2000'		DRAWN BY: J.L.G.		REVISED: 00-00-00

WEED DATA SHEET

PROJECT NAME: *RW 12 04-25B*
 SURVEYOR: *Stephanie Tomkinson*

DATE:

	Location GPS Coordinates	Site Description	Weed Species	Cover Class or Number	Pattern	Infestation Size (acres)
1						
2						
3						
4						
5						
6						
7						

SITE DRAWING (Optional): Include a sketch of the infestation within the project area. Count the number of individuals if possible.

*St
Ja
Va
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Be
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Ke
Aa*

No noxious weeds on local.

Use Ref site from RW 14-25B

***Cover Class - estimated percent cover, by species, of the infestation**

- 0 = No weeds found
- 1 = Less than 1% (trace)
- 2 = One to five % (low - occasional plants)
- 3 = Six to twenty-five % (moderate - scattered plants)
- 4 = Twenty-five to 100 % (high - fairly dense)

Cheatgrass canopy cover: 3

Russian thistle canopy cover: 4

Halogeton canopy cover: 3

Kochia canopy cover: 3

***Pattern - pattern of the infestation**

- 0 = No weeds found
- 1 = Single plant or small area of many plants
- 2 = Linear
- 3 = Patchy
- 4 = Block

***Infestation Size - number of estimated acres of the infestation**

- 0 = No weeds found
- 1 = Less than one acre
- 2 = One to five acres
- 3 = five or more acres

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Additional Operator Remarks

QEP Energy Company proposes drill a vertical gas well to a depth of 10,464' to test the Mesa Verde Formation. The 10- and 20-acre Mesa Verde wells being proposed are part of a pilot program that is instrumental in QEP's determination of ultimate well density in the Red Wash field.

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 Onshore Order No. 1.

Please be advised that QEP Energy 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 QEP Energy Company via surety as consent as provided for the 43 CFR 3104.2.

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**QEP ENERGY COMPANY
RW 12D4-25B
1648' FSL 1320' FWL
NESW, SECTION 25, T7S, R23E
UINTAH COUNTY, UTAH
LEASE # UTU-0823**

**ONSHORE ORDER NO. 1
MULTI – POINT SURFACE USE & OPERATIONS PLAN**

An onsite inspection was conducted for the RW 12D4-25B on August 4, 2011. Weather conditions were sunny at the time of the onsite. In attendance at the inspection were the following individuals:

Kevin Sadlier	Bureau of Land Management
Aaron Roe	Bureau of Land Management
Jan Nelson	QEP Energy Company
Stephanie Tomkinson	QEP Energy Company
Ryan Angus	QEP Energy Company
Valyn Davis	QEP Energy Company
Andy Floyd	Uintah Engineering & Land Surveying

1. Existing Roads:

The proposed well site is approximately 29 miles South of Vernal, Utah.

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

All existing roads will be maintained and kept in good repair during all phases of operation.

2. Planned Access Roads:

There will be a new access road approximately 230' in length, containing approximately .158 acres. The access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30'. Any additional disturbance required due to intersections or sharp curves will be discussed at the on-site and approved by the BLM/VFO AO. Graveling or capping the roadbed will be performed as necessary to provide a well constructed safe road. Should conditions warrant, rock, gravel or culverts will be installed as needed. Surface disturbance and vehicular traffic will be limited to the approved location and access route or, as proposed by the Operator.

Access roads and surface disturbing activities will conform to standards outlined in the BLM and Forest Service publication: Surface Operating Standards for Oil and gas Exploration and Development, Fourth Edition 2006. The road surface and shoulders will be kept in a safe and usable condition and will be maintained in accordance with the original construction standards. All drainage ditches and culverts will be kept clear and free-flowing and will be maintained according to original construction standards. The access road disturbed area will be kept free of

trash during operations. All traffic will be confined to the approved road running surface. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause excess siltation or accumulation of debris in the drainage nor shall the drainage be blocked by the roadbed. If culverts are needed, the location and size of the culverts will be proposed during the on-site. The operator will clean and maintain approved culverts as needed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Should mud holes develop, the holes shall be filled in and detours around the holes avoided. When snow is removed from the road during the winter months, the snow should be pushed outside of the borrow ditches, and the turnouts kept clear so that snowmelt will be channeled away from the road.

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:

The following guidelines will apply if the well is productive.

A containment dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks). These dikes will be constructed of compacted impervious subsoil; hold 110% of the capacity of the largest tank; and, be independent of the back cut. If a Spill Prevention, Control, and Countermeasure (SPCC) Plan is required by the Environmental Protection Agency, the containment dike may be expanded to meet SPCC requirements with approval by the BLM/VFO AO. The specific APD will address additional capacity if such is needed due to environmental concerns. The use of topsoil for the construction of dikes will not be allowed.

All loading lines will be placed inside the berm surrounding the tank batteries.

All permanent (on site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a color approved by the State.

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

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

The proposed surface pipeline will be constructed utilizing existing disturbed areas to minimize surface disturbance. No construction activities will be allowed outside of the proposed pipeline.

Prior to construction, the Permittee will develop a plan of installation to minimize surface disturbance. Pipe will be strung along the pipeline route with either a flatbed trailer and rubber tired backhoe or a tracked typed side boom. Where

surface conditions do not allow the pipe to be strung using conventional methods, the Permittee will utilize pull sections to run the fabricated pipe through the area from central staging areas along the pipeline route.

Upon completion of stringing activities the Permittee will fabricate the pipeline on wooden skids adjacent to the centerline of the pipeline route using truck mounted welding machines. All fabricated piping will be lowered off of the wooden skids and placed along the centerline. Upon completion of all activities, the wooden skids will be removed from the pipeline route using a flatbed truck or flatbed truck and trailer.

When the surface terrain prohibits the Permittee from safely installing the pipeline along the pipeline route, grading of the route will be required. Prior to installing the pipeline in these areas a plan will be developed to safely install the pipeline while minimizing grading activities and surface disturbances. Additionally, erosion control Best Management Practices will be installed as needed prior to the start of any grading activities. Surface grading will be limited to what is needed to safely install the pipeline. Track type bulldozers and track type backhoes will be utilized for grading activities.

Upon completion of the pipeline installation, the pipeline route will be restored to the pre-disturbance surface contours.

The proposed pipeline will be a surface 10" or smaller, 190' in length, containing .131 acres.

Road Crossings

Fusion Bond or concrete coated pipe will be used for all road crossings to alleviate future corrosion.

All pipe and fittings used for road crossings will be prefabricated within the proposed pipeline route to minimize the duration of open pipe trench across the roadway. Pipe used for road crossings will be isolated on each end with a flange set and insulation kit and cathodically protected with a magnesium type anode. Adequately sized equipment will be used for minor and major road crossings. Depth of cover for minor roads will be >4' and the depth of cover for major roads will be >6'.

Prior to lowering the pipe in the trench, the Permittee will "Jeep" the pipe to locate and repair any holidays in the pipe coating. Upon lowering the pipe in the trench, 6" of bedding and a minimum of 6" of shading will be installed to protect the pipe using either native soils <1" in diameter or imported sand. Pipe trenches that extend across gravel roads will be backfilled with native soils to within 8" of the driving surface and capped with 3/4" road base. Pipe trenches that extend across asphalt paved roads will be backfilled to 4" of the driving surface with 3/4" road base and capped asphalt material.

5. Location and Type of Water Supply:

Water for drilling purposes would be obtained from Wonsits Valley Water Right # A 36125 (which was filed on May 7, 1964) or Red Wash Water Right # 49-2153 (which was filed on March 25, 1960). It was determined by the Fish and Wildlife

Service that any water right number filed before 1989 is not depleting to the Upper Colorado River System.

6. Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2-3.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids including salts and chemicals will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be used at the next drill site or will be removed and disposed of at an approved waste disposal facility within 6 months after drilling is terminated. Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

Unless specified in the site specific APD, the reserve pit will be constructed on the location and will not be located within natural drainages, where a flood hazard exists or surface runoff will or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

It will be determined at the on-site inspection if a pit liner is necessary, the reserve pit will be lined with a synthetic reinforced liner, a minimum of 20 millimeters thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place.

No trash or scrap will be disposed of in the pit.

Reserve pit leaks are considered an undesirable event and will be orally reported to the AO.

After first production, produced wastewater will be confined to the approved pit or storage tank for a period not to exceed 90 days.

After the 90 day period, the produced water will be contained in tanks on location and then hauled by truck to one of the following pre-approved disposal sites:

Red Wash Disposal well located in the SESE, Section 28, T7S, R23E,
West End Disposal located in the NESE, Section 28, T7S, R22E.

Produced water, oil, and other byproducts will not be applied to roads or well pads for the control of dust or weeds. The dumping of produced fluids on roads, well sites, or other areas will not be allowed.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site. The spills will be reported to the AO and other authorities as appropriate.

A chemical porta-toilet will be furnished with the drilling rig. The chemical porta-toilet wastes will be hauled to Ashley Valley Sewer and Water System for disposal.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. Trash will not be burned on location. All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig. All trash and waste material will be hauled to the Uintah County Landfill.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completing of wells. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completing of wells within these areas. Specific APD's shall address any modifications from this policy.

8. Ancillary Facilities:

None anticipated.

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 rig orientation, parking areas, and access roads, as well as the location of the following:

The reserve pit.

The stockpiled topsoil will not be used for facility berms. All brush removed from the well pad during construction will be stockpiled with topsoil.

The flare pit or flare box will be located downwind from the prevailing wind direction.

Any drainage that crosses the well location will be diverted around the location by using ditches, water diversion drains or berms. If deemed necessary at the on-site, erosion drains may be installed to contain sediments that could be produced from access roads and well locations.

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

10. Fencing Requirements:

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

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

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet. All wire shall be stretched using a stretching device before it is attached to corner posts.

The reserve pit will be fenced on three (3) sides during drilling operations. The fourth side will be put in place when the rig moves off location. The pit will be fenced and maintained until it is backfilled. If drilling operations does not commence within 3 days, the fourth side of the fence will be installed.

11. Plans for Reclamation of the Surface:

Please refer to QEP Energy Company Uinta Basin Division Reclamation Plan

Site Specific Procedures:

Site Specific Reclamation Summary:

Reclamation will follow Questar Exploration and Production Company, Uinta Basin Division's Reclamation Plan, September 2009 (Questar's Reclamation Plan) and the BLM Green River District Reclamation Guidelines.

All trash and debris will be removed from the disturbed area.

The disturbed area will be backfilled with subsoil.

Topsoil will be spread to an even, appropriate depth and disked if needed.

Water courses and drainages will be restored.

Erosion control devices will be installed where needed.

Seeding will be done in the fall, prior to ground freeze up.

Seed mix will be submitted to a BLM AO for approval prior to seeding.

Monitoring and reporting will be conducted as stated in Questar's Reclamation Plan. A sundry notice (Form 3160.5), for the Reference Site will be filed at a later date. A weed data sheet is included in this application

It was determined and agreed upon that there is 6" inches of top soil.

12. Surface Ownership:

Bureau of Land Management
170 South 500 East
Vernal, Utah 84078
(435) 781-4400

13. Other Information:

A Class III archaeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted on August 3, 2011, **Moac Report No. 11-212** 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 on August 3, 2011 **IPC # 11-124** by Stephen D. Sandau. Due to the number of fossils found during the survey, it is recommended that a permitted paleontologist be present to monitor the beginning of the construction process for the well pad, access road and pipeline and thereafter conduct a spot monitor as paleontological conditions merit. QEP Energy Company will provide Paleo monitor for this project.

Per the onsite on August 4, 2011, the following items were requested/discussed.

There is a Ferruginous Hawk Stipulation from March 1 to August 1. No construction or drilling will commence during this period unless otherwise determined by a wildlife biologist that the site is inactive.

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Lessee's or Operator's Representative & Certification:

Valyn Davis
Regulatory Affairs Analyst
QEP Energy Company
11002 East 17500 South
Vernal, UT 84078
(435) 781-4369

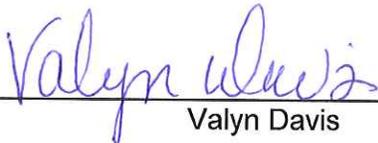
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its 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.

QEP Energy Company is considered to be the operator of the subject well. QEP Energy Company agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104.2 for lease activities is being provided by Bond No. ESB000024

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that I have full knowledge of the State and Federal laws applicable to this operations; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed 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.



Valyn Davis

8/23/2011

Date

CONFIDENTIAL

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)

August 29, 2011

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2011 Plan of Development Red Wash Unit,
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2011 within the Red Wash Unit, Uintah County, Utah.

API#	WELL NAME	LOCATION
(Proposed PZ MESA VERDE)		
43-047-51903	RW 12C3-25B	Sec 25 T07S R23E 1485 FSL 0330 FWL
43-047-51904	RW 12D1-25B	Sec 25 T07S R23E 1978 FSL 1320 FWL
43-047-51905	RW 12D4-25B	Sec 25 T07S R23E 1648 FSL 1320 FWL

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

Michael L. Coulthard

Digitally signed by Michael L. Coulthard
DN: cn=Michael L. Coulthard, o=Bureau of Land Management,
ou=Branch of Minerals, email=Michael_Coulthard@blm.gov, c=US
Date: 2011.08.29 09:47:03 -06'00'

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

MCoulthard:mc:8-29-11

RECEIVED: August 29, 2011

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 8/23/2011

API NO. ASSIGNED: 43047519050000

WELL NAME: RW 12D4-25B

OPERATOR: QEP ENERGY COMPANY (N3700)

PHONE NUMBER: 435 781-4369

CONTACT: Valyn Davis

PROPOSED LOCATION: NESW 25 070S 230E

Permit Tech Review:

SURFACE: 1648 FSL 1320 FWL

Engineering Review:

BOTTOM: 1648 FSL 1320 FWL

Geology Review:

COUNTY: UINTAH

LONGITUDE: -109.27938

LATITUDE: 40.17787

NORTHINGS: 4448708.00

UTM SURF EASTINGS: 646497.00

FIELD NAME: RED WASH

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU0823

PROPOSED PRODUCING FORMATION(S): MESA VERDE

SURFACE OWNER: 1 - Federal

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- PLAT
 - Bond: FEDERAL - ESB000024
 - Potash
 - Oil Shale 190-5
 - Oil Shale 190-3
 - Oil Shale 190-13
 - Water Permit: A-36125/ 49-2153
 - RDCC Review:
 - Fee Surface Agreement
 - Intent to Commingle
- Commingling Approved**

LOCATION AND SITING:

- R649-2-3.
- Unit: RED WASH
- R649-3-2. General
- R649-3-3. Exception
- Drilling Unit
- Board Cause No: Cause 187-07
- Effective Date: 9/18/2001
- Siting: Suspends General Siting
- R649-3-11. Directional Drill

Comments: Presite Completed

Stipulations: 4 - Federal Approval - dmason



GARY R. HERBERT
Governor

GREGORY S. BELL
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

Permit To Drill

Well Name: RW 12D4-25B
API Well Number: 43047519050000
Lease Number: UTU0823
Surface Owner: FEDERAL
Approval Date: 8/29/2011

Issued to:

QEP ENERGY COMPANY, 11002 East 17500 South, Vernal, Ut 84078

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 187-07. The expected producing formation or pool is the MESA VERDE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

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

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.

Conditions of Approval:

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

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well – contact Carol Daniels at 801-538-5284 (please leave a voicemail message if not available)

OR

submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <http://oilgas.ogm.utah.gov>

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5th day of the following calendar month

- Requests to Change Plans (Form 9) – due prior to implementation
- Written Notice of Emergency Changes (Form 9) – due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
- Report of Water Encountered (Form 7) – due within 30 days after completion
- Well Completion Report (Form 8) – due within 30 days after completion or plugging

Approved By:

A handwritten signature in black ink, appearing to read "John Rogers", written in a cursive style.

For John Rogers
Associate Director, Oil & Gas

RECEIVED

AUG 24 2011

FORM APPROVED
OMB No. 1004-0136
Expires July 31, 2010

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: DRILL REENTER

1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

CONFIDENTIAL

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

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

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

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface: NESW 1648FSL 1320FWL 40.177828 N Lat, 109.280158 W Lon
At proposed prod. zone: NESW 1648FSL 1320FWL 40.177828 N Lat, 109.280158 W Lon

14. Distance in miles and direction from nearest town or post office*
29

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
1320

16. No. of Acres in Lease
1586.10

18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.
300

19. Proposed Depth
10464 MD
10464 TVD

21. Elevations (Show whether DF, KB, RT, GL, etc.)
5628 GL

22. Approximate date work will start
01/01/2012

5. Lease Serial No.
UTU0823

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.
892000761X

8. Lease Name and Well No.
RW 12D4-25B

9. API Well No.
43 047 51905

10. Field and Pool, or Exploratory
RED WASH

11. Sec., T., R., M., or Blk. and Survey or Area
Sec 25 T7S R23E Mer SLB

12. County or Parish
UINTAH

13. State
UT

17. Spacing Unit dedicated to this well
20.00

20. BLM/BIA Bond No. on file
ESB000024

23. Estimated duration
30 DAYS

24. Attachments

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

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

25. Signature (Electronic Submission): VALYN DAVIS Ph: 435-781-4369
Date: 08/23/2011

Title: REGULATORY AFFAIRS ANALYST

Approved by (Signature): Jerry Kenczka
Date: DEC 12 2011

Title: Assistant Field Manager
Lands & Mineral Resources
Office: VERNAL FIELD OFFICE

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

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

Electronic Submission #115839 verified by the BLM Well Information System
For QEP ENERGY COMPANY, sent to the Vernal
Committed to AFMSS for processing by LESLIE ROBINSON on 08/29/2011 ()

RECEIVED

DEC 21 2011

DIV. OF OIL, GAS & MINING

NOTICE OF APPROVAL

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

CONDITIONS OF APPROVAL ATTACHED

4006M

CXC1175A AS

NAS 7/25/11



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

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	QEP Energy Company	Location:	NESW, Sec.25,T7S R23E
Well No:	RW 12D4-25B	Lease No:	UTU-0823
API No:	43-047-51905	Agreement:	Red Wash Unit

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.

CONDITIONS OF APPROVAL:

- All vehicles and equipment shall be cleaned either through power-washing, or other approved method, if the vehicles or equipment were brought in from areas outside the Uinta Basin, to prevent weed seed introduction.
- All disturbance areas shall be monitored for noxious weeds annually, for a minimum of three growing seasons following completion of project or until desirable vegetation is established.
- Reclamation will be completed in accordance with the Questar Exploration and Production Company, Uintah Basin Division's Reclamation Plan on file with the Vernal Field Office of the BLM.
- In the event historic or archaeological resources are uncovered during construction, work will stop immediately and the appropriate BLM AO will be notified.
- If paleontologic resources are uncovered during construction activities, the operator shall immediately suspend all operations that will further disturb such resources, and immediately notify the Authorized Officer (AO). The AO will arrange for a determination of significance and, if necessary, recommend a recovery or avoidance plan.
- A Paleontologist acceptable to the BLM will monitor construction activity for surface disturbing activities described in the APD. If paleontologic resources are uncovered during construction activities, the operator shall immediately suspend all operations that will further disturb such resources, and immediately notify the Authorized Officer (AO). The AO will arrange for a determination of significance and, if necessary, recommend a recovery or avoidance plan.

- QEP has agreed not to construct or drill during the following dates, unless otherwise determined by the BLM Authorized Officer.

Well Name	Burrowing Owl March 1 to August 31	Red Tailed Hawk March 1 to August 15	Ferruginous Hawk March 1 to August 1.
RW 12A2-28B	Yes	No	No
RW 12C3-25B	No	No	Yes
RW 12D1-25B	No	No	Yes
RW 12D4-25B	No	No	Yes
RW 13D2-24A	Yes	Yes	No
RW 14D3-24A	Yes	Yes	No
RW 23A-28B	No	No	No

- All internal combustion equipment would be kept in good working order.
- Water or other approved dust suppressants would be used at construction sites and along roads, as determined appropriate by the Authorized Officer.
- Open burning of garbage or refuse would not occur at well sites or other facilities.
- Drill rigs would be equipped with Tier II or better diesel engines.
- Low bleed pneumatics would be installed on separator dump valves and other controllers. The use of low bleed pneumatics would result in a lower emission of VOCs.
- During completion, flaring would be limited as much as possible. Production equipment and gathering lines would be installed as soon as possible.
- Well site telemetry would be utilized as feasible for production operations.
- Following well plugging and abandonment, the location, access roads, pipelines, and other facilities shall be reclaimed. All disturbed surfaces shall be reshaped to approximate the original contour; the top soil respread over the surface; and, the surface revegetated. The surface of approved staging areas where construction activities did not occur may require disking or ripping and reseeding.
- The best method to avoid entrainment is to pump from an off-channel location – one that does not connect to the river during high spring flows. An infiltration gallery constructed in a BLM and Service approved location is best.
- If the pump head is located in the river channel where larval fish are known to occur, the following measures apply:
 - do not situate the pump in a low-flow or no-flow area as these habitats tend to concentrate larval fishes;
 - limit the amount of pumping, to the greatest extent possible, during that period of the year when larval fish may be present (April 1 to August 31); and
 - limit the amount of pumping, to the greatest extent possible, during the pre-dawn hours as larval drift studies indicate that this is a period of greatest daily activity.

- Screen all pump intakes with 3/32" mesh material.
- Approach velocities for intake structures will follow the National Marine Fisheries Service's document "Fish Screening Criteria for Anadromous Salmonids". For projects with an in-stream intake that operate in stream reaches where larval fish may be present, the approach velocity will not exceed 0.33 feet per second (ft/s).
- Report any fish impinged on the intake screen to the Service (801.975.3330) and the Utah Division of Wildlife Resources:
 - Northeastern Region
 - 152 East 100 North, Vernal, UT 84078
 - Phone: (435) 781-9453

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

SITE SPECIFIC DOWNHOLE COAs:

Site Specific Drilling Plan COA's:

1. Gamma ray Log shall be run from Total Depth to Surface.
2. CBL will be run from TD to TOC.

Variations Granted:

Air Drilling

- Properly lubricated and maintained rotating head. Variance granted to use a properly maintained and lubricated diverter bowl in place of a rotating head.
- Blooie line discharge 100' from the well bore. Variance granted for blooie line discharge to be 50' to 70' from the well bore.
- Compressors located in the opposite direction from the blooie line a minimum of 100' from the well bore. Variance granted for truck/trailer mounted air compressors located 50' from the well bore.
- In lieu of mud products on location, operator will fill a 400 bbl tank with water for the kill medium.
- Automatic igniter. Variance granted for igniter, a diffuser will be used instead. Operator will mount a deflector at the end of the blooie line to change direction and reduce the velocity of the cuttings flow to the reserve pit.
- Flare pit. Variance granted, there is no need of a flare during the drilling of the surface hole.

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

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's

log.

- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_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.

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 ($\frac{1}{4}$ $\frac{1}{4}$, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4.

Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU0823
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: RED WASH
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: RW 12D4-25B
2. NAME OF OPERATOR: QEP ENERGY COMPANY	9. API NUMBER: 43047519050000
3. ADDRESS OF OPERATOR: 11002 East 17500 South , Vernal, Ut, 84078	PHONE NUMBER: 303 308-3068 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1648 FSL 1320 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 25 Township: 07.0S Range: 23.0E Meridian: S	9. FIELD and POOL or WILDCAT: RED WASH COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 8/29/2013	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input checked="" type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

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

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

Date: August 28, 2012

By: 

NAME (PLEASE PRINT) Valyn Davis	PHONE NUMBER 435 781-4369	TITLE Regulatory Affairs Analyst
SIGNATURE N/A	DATE 8/28/2012	



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 43047519050000

API: 43047519050000

Well Name: RW 12D4-25B

Location: 1648 FSL 1320 FWL QTR NESW SEC 25 TWP 070S RNG 230E MER S

Company Permit Issued to: QEP ENERGY COMPANY

Date Original Permit Issued: 8/29/2011

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: 8/28/2012

Title: Regulatory Affairs Analyst Representing: QEP ENERGY COMPANY

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU0823
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9. FIELD and POOL or WILDCAT: RED WASH	COUNTY: UINTAH
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1648 FSL 1320 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 25 Township: 07.0S Range: 23.0E Meridian: S	STATE: UTAH

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<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input checked="" type="checkbox"/> SPUD REPORT Date of Spud: 9/25/2012	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

ON 09/25/2012, QEP ENERGY COMPANY SET 60' OF 14" CONDUCTOR PIPE AND CEMENTED IT WITH READY MIX.

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

FOR RECORD ONLY

September 26, 2012

NAME (PLEASE PRINT) Valyn Davis	PHONE NUMBER 435 781-4369	TITLE Regulatory Affairs Analyst
SIGNATURE N/A	DATE 9/25/2012	

BLM - Vernal Field Office - Notification Form

Pete Martin Rathol. Dullin
 Operator QEP Rig Name/# _____ Submitted By Floyd Martinez
 Phone Number 435-828-0315
 Well Name/Number Red Wash 12D4-25B
 Qtr/Qtr^{NE}_{SW} Section 25 Township 7S Range 23E
 Lease Serial Number UTU 0823
 API Number 43-047-51905-000

Spud Notice – Spud is the initial spudding of the well, not drilling out below a casing string.

Date/Time 9/25/2012 09:00 AM PM

Casing – Please report time casing run starts, not cementing times.

- Surface Casing
- Intermediate Casing
- Production Casing
- Liner
- Other

Date/Time _____ AM PM

BOPE

- Initial BOPE test at surface casing point
- BOPE test at intermediate casing point
- 30 day BOPE test
- Other

Date/Time _____ AM PM

Remarks Conductor 60'

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU0823
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: RED WASH
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: RW 12D4-25B
2. NAME OF OPERATOR: QEP ENERGY COMPANY	9. API NUMBER: 43047519050000
3. ADDRESS OF OPERATOR: 11002 East 17500 South , Vernal, Ut, 84078	PHONE NUMBER: 303 308-3068 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1648 FSL 1320 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 25 Township: 07.0S Range: 23.0E Meridian: S	9. FIELD and POOL or WILDCAT: RED WASH COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 10/31/2012 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

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

QEP ENERGY COMPANY REQUESTS TO CHANGE THE CASING ON THE ABOVE MENTIONED WELL. QEP ENERGY COMPANY REQUESTS TO ADD AN INTERMEDIATE CASING STRING TO PREVENT THE WIRE LINE FROM BECOMING STUCK DURING LOGGING OPERATIONS. PLEASE SEE ATTACHED.

Accepted by the Utah Division of Oil, Gas and Mining

Date: October 16, 2012

By: *Derek Quist*

NAME (PLEASE PRINT) Valyn Davis	PHONE NUMBER 435 781-4369	TITLE Regulatory Affairs Analyst
SIGNATURE N/A	DATE 10/15/2012	

QEP ENERGY COMPANY
 RW 12D4-25B
 43-047-51905

QEP Energy Company requests to change the casing as follows:

We are going to run 7" 26#, N-80 casing as an intermediate string. This casing string will be run from surface to 6,500' MD.

Pipe Info:

Casing Program

Hole Size	Casing Size	Top, MD	Bottom, MD	Weight, lb/ft	Grade	Thread	Condition	MW
8 3/4"	7"	sfc	6,500'	26.0	N-80	LTC	New	8-9 ppg

Strengths:

Casing Strengths:				Collapse	Burst	Tensile (minimum)
7"	26.0 lb.	N-80	LTC	5,410 psi	7,240 psi	519,000 lb.

BLM - Vernal Field Office - Notification Form

Operator QEP Rig Name/# PETE MARTIN Submitted
By MURRAY BECKER Phone Number 435-828-0394

Well Name/Number RW 12D4-25B
Qtr/Qtr NE/SW Section 25 Township 7 S Range 23 E_
Lease Serial Number UTU 0823
API Number 43-047-51905

Spud Notice – Spud is the initial spudding of the well, not drilling out below a casing string.

Date/Time _____ AM PM

Casing – Please report time casing run starts, not cementing times.

- Surface Casing
- Intermediate Casing
- Production Casing
- Liner
- Other

Date/Time 10/24/2012 10:00HRS. AM
PM

BOPE

- Initial BOPE test at surface casing point
- BOPE test at intermediate casing point
- 30 day BOPE test
- Other

Date/Time _ ____ AM PM

RECEIVED
OCT 24 2012
DIV. OF OIL, GAS & MINING

Remarks SET 90' OF 14" CONDUCTOR

BLM - Vernal Field Office - Notification Form

Operator QEP Rig Name/# SST 54 Submitted By
JIMMY KITTRELL Phone Number 435-828-0315

Well Name/Number RW 12D4-25B
Qtr/Qtr NE/SW Section 25 Township 7 S Range 23 E
Lease Serial Number UTU 0823
API Number 43-047-51905-000

Spud Notice – Spud is the initial spudding of the well, not drilling out below a casing string.

Date/Time 11/1/12 06:00 AM
PM

Casing – Please report time casing run starts, not cementing times.

- Surface Casing
- Intermediate Casing
- Production Casing
- Liner
- Other

Date/Time _____ AM PM

BOPE

- Initial BOPE test at surface casing point
- BOPE test at intermediate casing point
- 30 day BOPE test
- Other

RECEIVED
OCT 31 2012

DIV. OF OIL, GAS & MINING

Date/Time _____ AM PM

Remarks IF NO TROUBLE, THESE TIMES WILL BE CLOSE. DRILL
SUFACE UP RW 12D4-25B API # 43-047-51905-000 11/1/12 @
06:00 AM

BLM - Vernal Field Office - Notification Form

Operator QEP Rig Name/# SST 54 Submitted By JIMMY KITTRELL Phone Number 435-828-0315

Well Name/Number RW 12D4-25B
Qtr/Qtr NE/SW Section 25 Township 7 S Range 23 E
Lease Serial Number UTU 0823
API Number 43-047-51905-000

Spud Notice – Spud is the initial spudding of the well, not drilling out below a casing string.

Date/Time _____ AM PM

Casing – Please report time casing run starts, not cementing times.

- Surface Casing
- Intermediate Casing
- Production Casing
- Liner
- Other

Date/Time 11/3/12 23:00 AM PM

BOPE

- Initial BOPE test at surface casing point
- BOPE test at intermediate casing point
- 30 day BOPE test
- Other

Date/Time _ ____ AM PM

RECEIVED
NOV 06 2012
DIV. OF OIL, GAS & MINING

Remarks IF NO TROUBLE, WITH LOST CIRCULATION THESE
TIMES WILL BE CLOSE. RUN CASING & CEMENT RW 12D4-25B
API # 43-047-51905-000 11/3/12 @ 23:00 AM

CONFIDENTIAL

BLM - Vernal Field Office - Notification Form

Operator QEP Rig Name/# SST 54 Submitted By JIMMY KITTRELL Phone Number 435-828-0315

Well Name/Number RW 12D4-25B
Qtr/Qtr NE/SW Section 25 Township 7 S Range 23 E_
Lease Serial Number UTU 0823
API Number 43-047-51905-000

Spud Notice – Spud is the initial spudding of the well, not drilling out below a casing string.

Date/Time _____ AM PM

Casing – Please report time casing run starts, not cementing times.

- Surface Casing
- Intermediate Casing
- Production Casing
- Liner
- Other

Date/Time _____ AM PM

BOPE

- Initial BOPE test at surface casing point
- BOPE test at intermediate casing point
- 30 day BOPE test
- Other

RECEIVED

NOV 06 2012

DIV. OF OIL, GAS & MINING

Date/Time _ 11/5/12 11:00 AM PM

Remarks IF NO TROUBLE, THESE TIMES WILL BE CLOSE. TEST
BOP's & DRILL OUT SURFACE CASING RW 12D4-25B API # 43-
047-51905-000 11/5/12 @ 11:30 AM

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

FORM 6

C

ENTITY ACTION FORM

Operator: QEP ENERGY COMPANY Operator Account Number: N 3700
 Address: 11002 EAST 17500 SOUTH
city VERNAL
state UT zip 84078 Phone Number: (435) 781-4369

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304751905	RW 12D4-25B		NESW	25	7S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
B	99999	18478	9/25/2012		11/19/2012		
Comments: <u>WMMFD</u>							

CONFIDENTIAL

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43047 <u>34529</u>	OU GB 3W-30-8-22		NENW	30	8S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	13493	<u>13493</u>	5/18/2002		7/19/2012		
Comments: <u>WSTC TO GRRV</u>							

11/9/2012

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304734686	OU GB 3W-21-8-22		NENW	21	8S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	13746	<u>13746</u>	4/9/2003		7/20/2012		
Comments: <u>WSTC TO GRRV</u>							

11/9/2012

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Valyn Davis

Name (Please Print)

Valyn Davis

Signature

Regulatory Affairs Analyst

Title

10/31/2012

Date

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NOV 07 2012

CONFIDENTIAL

BLM - Vernal Field Office - Notification Form

Operator QEP Rig Name/# SST 54 Submitted
By JIMMY KITTRELL Phone Number 435-828-0315

Well Name/Number RW 12D4-25B
Qtr/Qtr NE/SW Section 25 Township 7 S Range 23 E_
Lease Serial Number UTU 0823
API Number 43-047-51905-000

Spud Notice – Spud is the initial spudding of the well, not drilling out below a casing string.

Date/Time _____ AM PM

Casing – Please report time casing run starts, not cementing times.

- Surface Casing
- Intermediate Casing
- Production Casing
- Liner
- Other

Date/Time 11/10/12 19:00 AM PM

BOPE

- Initial BOPE test at surface casing point
- BOPE test at intermediate casing point
- 30 day BOPE test
- Other

Date/Time _ _ AM PM

RECEIVED

NOV 15 2012

DIV. OF OIL, GAS & MINING

Remarks IF NO TROUBLE, WITH LOST CIRCULATION & WIRE
LINE LOGS, LAY DOWN DRILL PIPE THESE TIMES WILL BE
CLOSE. RUN CASING & CEMENT RW 12D4-25B API # 43-047-
51905-000 11/10/12 @ 19:00 PM

BLM - Vernal Field Office - Notification Form

Operator QEP Rig Name/# SST 54 Submitted By
JIMMY KITTRELL Phone Number 435-828-0315

Well Name/Number RW 12D4-25B
Qtr/Qtr NE/SW Section 25 Township 7 S Range 23 E
Lease Serial Number UTU 0823
API Number 43-047-51905-000

Spud Notice – Spud is the initial spudding of the well, not drilling out below a casing string.

Date/Time _____ AM PM

Casing – Please report time casing run starts, not cementing times.

- Surface Casing
- Intermediate Casing
- Production Casing
- Liner
- Other

Date/Time 12/8/12 06:00 AM PM

BOPE

- Initial BOPE test at surface casing point
- BOPE test at intermediate casing point
- 30 day BOPE test
- Other

RECEIVED
DEC 06 2012
DIV. OF OIL, GAS & MINING

Date/Time _ _____ AM PM

Remarks BOP TEST IS DUE 12/6/12 WE TD ON 11/30/12 10,513'
SST 54 NEED TO SEE IF WE CAN GET A WAVER ON THE BOP
TEST TO FINISH LOGS & RUN CASING & CEMENTIF NO
TROUBLE, WITH LOST CIRC THESE TIMES WILL BE CLOSE. TO
RUN 4.5 CASING & CEMENT RW 12D4-25B API # 43-047-51905-
000 12/8/12 @ 06:00 AM I HAVE CALL MICTH WITH BLM AND
LEFT MESSAGE, THEN CONTACT DONNA WITH BLM SHE SAID
TO SEND IN THE FORM FOR APPROVAL.

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: UTU0823
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL Gas Well		7. UNIT or CA AGREEMENT NAME: RED WASH
2. NAME OF OPERATOR: QEP ENERGY COMPANY		8. WELL NAME and NUMBER: RW 12D4-25B
3. ADDRESS OF OPERATOR: 11002 East 17500 South , Vernal, Ut, 84078		9. API NUMBER: 43047519050000
PHONE NUMBER: 303 308-3068 Ext		9. FIELD and POOL or WILDCAT: RED WASH
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1648 FSL 1320 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 25 Township: 07.0S Range: 23.0E 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		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 12/31/2012	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input checked="" type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

THIS WELL COMMENCED PRODUCTION ON DECEMBER 31, 2012 @ 4:00 P.M.

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
January 14, 2013**

NAME (PLEASE PRINT) Valyn Davis	PHONE NUMBER 435 781-4369	TITLE Regulatory Affairs Analyst
SIGNATURE N/A	DATE 1/2/2013	

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

AMENDED REPORT FORM 8
(highlight changes)

CONFIDENTIAL

LEAD DESIGNATION AND SERIAL NUMBER:

UT00823

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

#1 INDIAN ALLOTTEE OR TRIBE NAME

1a. TYPE OF WELL: OIL WELL GAS WELL DRY OTHER _____

b. TYPE OF WORK: NEW WELL HORIZ. LATS. DEEP-EN RE-ENTRY DIFF. RESVR. OTHER _____

2. NAME OF OPERATOR: QEP ENERGY COMPANY

3. ADDRESS OF OPERATOR: 11002 E. 17500 S. CITY VERNAL STATE UT ZIP 84078 PHONE NUMBER: (435) 781-4420

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: NESW, 1648' FSL, 1320' FWL
AT TOP PRODUCING INTERVAL REPORTED BELOW: NESW, 1648' FSL, 1320' FWL
AT TOTAL DEPTH: NESW, 1648' FSL, 1320' FWL

7. UNIT or CA AGREEMENT NAME: RED WASH

8. WELL NAME and NUMBER: RW 12D4-25B

9. API NUMBER: 4304751905

10. FIELD AND POOL, OR WILDCAT: RED WASH

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 25 7S 23E

12. COUNTY: Uintah 13. STATE: UTAH

14. DATE SPUNDED: 9/25/2012 15. DATE T.D. REACHED: 11/29/2012 16. DATE COMPLETED: 12/28/2012 ABANDONED READY TO PRODUCE 17. ELEVATIONS (DF, RKB, RT, GL): 5628' GL

18. TOTAL DEPTH: MD 10,513 TVD 10,511 19. PLUG BACK T.D.: MD TVD 20. IF MULTIPLE COMPLETIONS, HOW MANY? * 21. DEPTH BRIDGE MD PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each): TRIPLE COMBO, NMR IMAGE, DFP, CBL

23. WAS WELL CORED? NO YES (Submit analysis)
WAS DST RUN? NO YES (Submit report)
DIRECTIONAL SURVEY? NO YES (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12.25	9.625 N80	40	0	3,516		989	425		
8.75	7 N80	26	0	6,503		540	237		
6.125	4.5 P114	11.6	0	10,503		575	219		

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2.375	9,712							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) MESA VERDE	9,804	10,282		
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
9,804 10,282	.42	154	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
9,804 - 10,282	4193 BBLs SLICKWATER; 99,150 LBS 30/50 SAND

RECEIVED
FEB 06 2013

DIV. OF OIL, GAS & MINING

29. ENCLOSED ATTACHMENTS:

- ELECTRICAL/MECHANICAL LOGS GEOLOGIC REPORT DST REPORT DIRECTIONAL SURVEY
 SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION CORE ANALYSIS OTHER: OPS SUMMARY

30. WELL STATUS:

PGW

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 12/31/2012		TEST DATE: 1/3/2013		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL – BBL: 10	GAS – MCF: 1,032	WATER – BBL: 365	PROD. METHOD: FLOWS
CHOKE SIZE: 24/64	TBG. PRESS. 492	CSG. PRESS. 1,174	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL: 10	GAS – MCF: 1,032	WATER – BBL: 365	INTERVAL STATUS:

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				GREEN RIVER	2,722
				MAHOGANY	3,507
				WASATCH	6,016
				MESA VERDE	7,994
				SEGO	10,383

35. ADDITIONAL REMARKS (include plugging procedure)

#22: CORE ANALYSIS PENDING

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) BENNA MUTH

TITLE REGULATORY ASSISTANT - CONTRACT

SIGNATURE *Benna Muth*

DATE 1/28/2013

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340
Fax: 801-359-3940



QEP Energy Company

Daily Activity and Cost Summary

Well Name: RW 12D4-25B

API 43-047-51905		Surface Legal Location 025007S023E27		Field Name RED WASH		State UTAH		Well Configuration Type Vertical	
Ground Elevation (ft) 5,626.1		Casing Flange Elevation (ft) 5,626.10		Current KB to GL (ft) 17.00		Current KB to CF (ft) 17.00		Spud Date 11/1/2012 01:00	
Job Category Drilling		Primary Job Type DRILLING		Secondary Job Type DEVELOPMENT		Objective			
Start Date 11/1/2012				Job End Date 12/13/2012					

Purpose

Summary

Contractor SST Energy		RIG SST 54		Rig Type TOP DRIVE	
--------------------------	--	---------------	--	-----------------------	--

DOL	Start Date	Summary
1.0	8/8/2012	PRE-SPUD COSTS
2.0	10/24/2012	SET 90' CONDUCTOR
3.0	10/25/2012	SET 80' MOUSE HOLE & CELL RING
4.0	10/26/2012	DRESS LOCATION, GRADE DOWN DIRT PILE, LAY GRAVEL, LAY DOWN LOCATION LINER FOR OIL BASE MUD
5.0	10/27/2012	RIG MOVE, START TO MOVE RIG TO LOCATION FROM GRAND JT. CO.
6.0	10/28/2012	MOVE RIG IN AND RIG UP
7.0	10/29/2012	RIG UP RIG WITH TRUCKS,
8.0	10/30/2012	RIG UP BY HAND
9.0	10/31/2012	RIG UP FLOOR, MUD TANKS, SHALE SHAKER SLIDES, FLARE LINE, DRILL SURFACE
10.0	11/1/2012	DRILLING, WIRE LINE SURVEY, RIG SERVICE
11.0	11/2/2012	DRILLING, WIRE LINE SURVEY, RIG SERVICE
12.0	11/3/2012	DRILLING, BACK REAM OUT TO 2734', T.I.H, WIPER TRIP, P.O.O.H TO RUN CASING
13.0	11/4/2012	RUN CASING, CEMENT, WOC, TOP JOB
14.0	11/5/2012	WELD ON WELL HEAD, N/U B.O.P., CHOKE MANIFOLD, ROT HEAD, CHANGE OUT ACTUATOR ON TOP DRIVE, PJSM TEST B.O.P., TEST CASING TO 1500 PSI FOR 30 MIN,
15.0	11/6/2012	TEST B.O.P., ACCUMULATOR FUNCTION TEST, INSTALL WEAR BUSHING, PICK UP BHA AND TIH TO TOP OF FC, WELD CHOKE LINES F/ CHOKE MANIFOLD TO GAS BUSTER, DRILL SHOE TRACK + 10' NEW FORM, FIT TEST, DIRECT DRILL
16.0	11/7/2012	FIT TEST TO 9.5 PPG EMW, DRILL, RIG SERVICE,
17.0	11/8/2012	DRILL, RIG SERVICE TRIP FOR BIT
18.0	11/9/2012	DRILL, WIPER TRIP, CUT DRILL LINE, P.O.O.H, RUN WIRE LINE LOG
19.0	11/10/2012	WIRE LINE LOGS, T.I.H, CIRC TO RUN CASING, L/D DRILL PIPE, PJSM R/U RUN 7" CSING, CUT MUD WT. BACK TO 9.7 PPG
20.0	11/11/2012	RUN CASING, CEMENT, CHANGE RAMS, CLEAN PITS
21.0	11/12/2012	CLEAN PITS, CHANGE OUT RAMS, R/U AUGER DRYER SHAKER, MOVE 4.5" DRILL PIPE, BROUGHT 3.5" DRILL PIPE, TEST BOP's, TRANSFER OBM TO MUD PITS
22.0	11/13/2012	R/U AUGER, P/U BHA, P/U SRILL PIPE T.I.H, WASH & REAM, DRILL SHOE TRACK, CIRCULATE, F.I.T. ,DRILL AHEAD
23.0	11/14/2012	DRILL, TROUBLE SHOOT MWD TOOL, TRIP FOR MOTOR, DIRECTIONAL WORK, RUN GYRO, TRIP IN , SAFETY WASH 90 FEET TO BOTTOM, DIRECTIONAL DRILL
24.0	11/15/2012	DIRECTIONAL DRILL, RIG SERVICE, DIRECTIONAL DRILL
25.0	11/16/2012	DIR. DRILL, REGAMMA, DRILL, RIG SERVICE, CIRC., TRIP OUT, PJSM, P/U CORING ASSEMBLY, TRIP IN , CUT DRILLING LINE
26.0	11/17/2012	TRIP, CIRC, CORE, TRIP, L/D CORE SAMBLE, P/U NEW INNER BARREL, TRIP IN W/ CORE ASSEMBLY # 2, WASH TO BOTTOM, CIRC. BOTTOM UP, CORING
27.0	11/18/2012	CORE #2, TRIP OUT W/ CORE #2, L/D CORE #2, TIH W/ CORE #3, RIG SERVICE, WASH & REAM, CIRC., CORE # 3, TOOH W/ CORE # 3
28.0	11/19/2012	LAY DOWN CORE #3 & PICK UP BARREL #4, TIH CORE #4 TOOH W/ CORE #4 RIG SER., TOOH W/ CORE, LAY DOWN CORE #4, TEST MOTOR MAKE UP BIT ORIENT DIR. TOOLS TIH TO SHOE , CUT DRILLING LINE , TIH TO 8600,
29.0	11/20/2012	LOG GAMMA, TROUBLE SHOOT MWD, LOG GAMMA, DIRCTIONAL DRILL, RIG SERVICE, DIRCTIONAL DRILL
30.0	11/21/2012	DIRCTIONAL DRILL, CIRULATE AND PUMP LCM SWEEPS LOST RETURNS, RIG SERVICE, DIRCTIONAL DRILL
31.0	11/22/2012	CIRCULATE FOR SAMPLE, DRILL TO CORE POINT, CIRCULATE & CONDITION MUD, TRIP OUT FOR CORE BARREL, LAY DOWN DIRCTIONAL TOOLS, RIG SERVICE, P/U CORE BARREL TIH REAM F/ 9069 T 9977, CUT CORE
32.0	11/23/2012	CIRC. AND DROP BALL, CORE # 5 CORE, TOOH W/ CORE #5, RIG SERVICE, TOOH, L/D CORE #5, & REDRESS CORE BBL, TIH W/ CORE BBL # 6, DROP BALL & CIRC BALL DOWN CORE #6 CORE



QEP Energy Company

Daily Activity and Cost Summary

Well Name: RW 12D4-25B

API 43-047-51905	Surface Legal Location 025007S023E27	Field Name RED WASH	State UTAH	Well Configuration Type Vertical
Ground Elevation (ft) 5,626.1	Casing Flange Elevation (ft) 5,626.10	Current KB to GL (ft) 17.00	Current KB to CF (ft) 17.00	Spud Date 11/1/2012 01:00

DOL	Start Date	Summary
33.0	11/24/2012	CORING ON #6 CORE,PUMP SLUG TOO,H,LAY DOWN CORE# 6 ,P/U INNER BBL,RIG SERVICE,TIH W/CORE#7 , DROP BALL & CIRC,CORING # 7 CORE, CIRCULATE AND DROP WT T 10 .4
34.0	11/25/2012	TRIP OUT, LAY DOWN CORE#7 ,CUT DRILLING LINE,RIG SERVICE,CHANGE BIT AND TRIP IN W/ CORE BBL# 8,CIRC. LOWER MUD WT., CHANGE ROTATEING RUBBUR,TRIP IN, DORP BALL TRIP IN CORE# 8 , TRIP OUT WITH CORE# 8 BBL JAMMED CORE 42 FT
35.0	11/26/2012	TRIP OUT,LAY DOWN CORE # 8& PICK UP BARREL # 9,RIG SERVICE,TRIP INHOLE, WASH AND REAM,CORE # 9, CIRCULATE BOTTOMS UP , TRIP OUT OF HOLE WITH CORE# 9
36.0	11/27/2012	TOOH W/ CORE#9 , L/D CORE # 9 P/U CORE BBL # 10 & BIT,RIG SER.,TIH, W/R 200' PUMP LCM SWEEP CIRC& DROP BALL,CORE# 10 CORE ,TOOH, W/ CORE # 10,L/D CORE & 10 ,TIH W/ CORE#11 TO SHOE , CUT DRILL LINE,TIH W/CORE #11
37.0	11/28/2012	CORE TO 10441', TRIP OUT W/ CORE & PICK UP BHA.
38.0	11/29/2012	DRILL TO T.D. @ 10513', CIRCULATE TO CONDITION FOR LOGS.
39.0	11/30/2012	TRIP OUT FOR LOGS.
40.0	12/1/2012	TRIP & RUN OPEN HOLE LOGS.
41.0	12/2/2012	C
42.0	12/3/2012	RUNNING IMAGE LOG @ 8900'.
43.0	12/4/2012	FINISH NMR IMAGE LOGS & RUN PDF (PRESSURE LOGS). PDF TOOLS FAILED.
44.0	12/5/2012	TRIP IN TO CONDITION FOR PRESSURE LOGS. LOST RETURNS @ 8340'.
45.0	12/6/2012	TRIP & CIRCULATE TO CUT MUD WEIGHT & VIS.
46.0	12/7/2012	TRIP IN CIRCULATING OUT ECD & GAS.
47.0	12/8/2012	CONDITION MUD & TRIP FOR PRESSURE LOGS.
48.0	12/9/2012	TRIP IN CONDITION FOR CASING
49.0	12/10/2012	CONDITION MUD, TRIP OUT FOR CSG & RIG UP CASING EQUIPMENT.
50.0	12/11/2012	T.I.H SLOWLY WITH 4.5" CASING F/10,004' TO 10,503', CIRC B/U, MIX & PUMP CEMENT
51.0	12/12/2012	RUN CASING, CIRC BU, PJSM RU HALLIBURTON AND CEMENT PRO CASING,LD LANDING JT,ND B.O.P., CLEAN MUD TANKS
52.0	12/13/2012	CLEAN MUD TANKS AND RIG OF OIL BASE. SET OUT TOP DRIVE, MOVE CAMPS TO NEXT LOCATION SO WE CAN LAY OVER DERRICK.