

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 9C1-24B							
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 Coalbed Methane Well: NO						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@qepres.com							
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) UTU082			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		1987 FSL 691 FEL		NESE		24		7.0 S		23.0 E		S	
Top of Uppermost Producing Zone		1987 FSL 691 FEL		NESE		24		7.0 S		23.0 E		S	
At Total Depth		1987 FSL 691 FEL		NESE		24		7.0 S		23.0 E		S	
21. COUNTY UINTAH			22. DISTANCE TO NEAREST LEASE LINE (Feet) 691			23. NUMBER OF ACRES IN DRILLING UNIT 40							
			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1800			26. PROPOSED DEPTH MD: 10550 TVD: 10550							
27. ELEVATION - GROUND LEVEL 5616			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 - 3467	40.0	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 - 10550	11.6	HCP-110 LT&C	10.5	Halliburton Light , Type Unknown		530	3.18	11.0		
							Halliburton Premium , Type Unknown		550	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 12/07/2011				EMAIL Valyn.Davis@qepres.com					
API NUMBER ASSIGNED 43047522370000				APPROVAL  Permit Manager									

QEP Energy Company
RW 9C1-24B
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 3,467' with air/mist.
6. RIH with 9-5/8" 40# 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 7-7/8" hole from 10,550' using conventional mud systems.
11. Log well. Triple or Quad-Combo (GR, NEU/DEN, IND, RES, SON)
12. RIH with 4-1/2" 11.6# HCP-110 casing and cement same per program.
13. Pressure test casing.
14. ND BOP's and NU remainder of wellhead. Set BPV.
15. RDMO.

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 Uintah County, Utah
 Section 24-T7S-R23E

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	2,690'
Mahogany	3,417'
Wasatch	5,840'
Mesaverde	7,948'
Sego	10,450'
TD	10,550'

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	2,690'
Gas	Wasatch	5,840'
Gas	Mesaverde	7,948'
Gas	Sego	10,450'

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)

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or Red Wash water right # 49-2153 (which was filed on March 25, 1960). It was determined by the Fish and Wildlife Service that any water right number filed before 1989 is not depleting to the Upper Colorado River System, to supply fresh water for drilling purposes. All water resulting from drilling operations will be disposed of at Red Wash Central Battery Disposal site; SWSE, Section 27, T7S, R23E or Wonsits Valley Disposal Site; SWNW, Section 12, T8S, R21E.

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	3,467'	40#	N-80	LTC	New	Air
7 7/8"	4-1/2"	Sfc	10,550'	11.6#	HCP-110	LTC	New	10.5

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Casing Strengths:				Collapse	Burst	Tensile (min)
9-5/8"	40#	N-80	LTC	3,090 psi	5,750 psi	916,000 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 (1,409 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' – 3,467'. 180 sx (252 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) – 7,948'. 530 sks (1,682 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: 7,948' – 10,550'. 550 sks (892 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.

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6. Auxiliary Equipment

- 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. **Blooi line discharge 100 feet from wellbore and securely anchored** – the blooi 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 blooi 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 blooi line a minimum of 100 feet from the wellbore** – compressors located within 50 feet on the opposite side of the wellbore from the blooi 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 blooi line** – QEP will mount a deflector unit at the end of the blooi line for the purpose of changing the direction and velocity of the air and cuttings flow into the reserve pit. Changing the

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velocity and direction of the cuttings and air will preserve the pit liner. In the event the deflector washes out due to erosion caused by the sand blasting effect of the cuttings, there will be no problem because the deflector is mounted on the very end of the blooie. A washed out deflector will be easily replaced.

7. **Flare Pit** – there will be no need of a flare pit during the surface hole air drilling operation because the blooie line is routed directly to the reserve pit. When the big rig arrives for the main drilling after setting surface casing, a flare box will be installed and all flare lines will be routed to the flare box.

- G. Drilling below the 9-5/8” casing will be done with water 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**

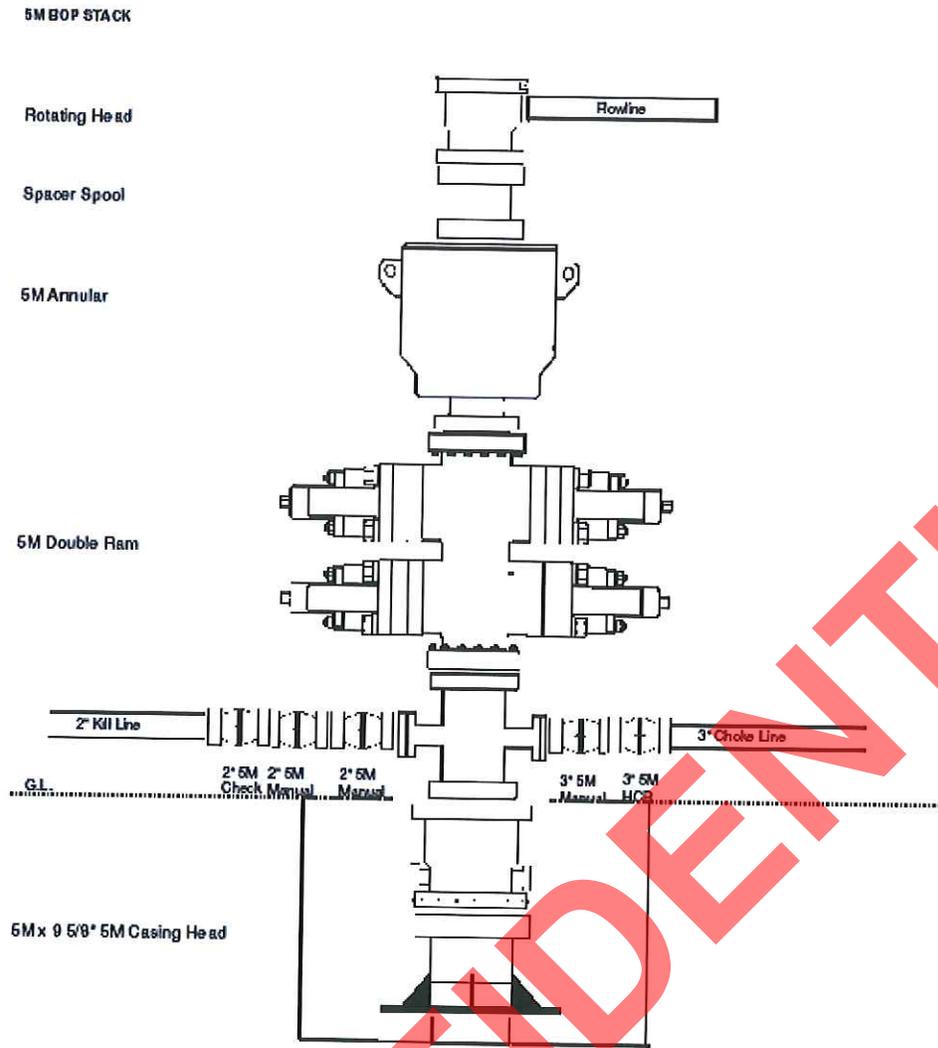
- A. Cores – none.
- B. DST – none anticipated
- C. Logging – Mud logging – Intermediate Casing to TD
OH Logs: GR-SP-Induction, Neutron Density.
- D. Formation and Completion Interval:
– Stimulation will be designed for the particular area of interest as encountered.

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

No abnormal temperatures or pressures are anticipated. Maximum anticipated bottom hole pressure equals approximately 5,760 psi. Maximum anticipated bottom hole temperature is 205° F.

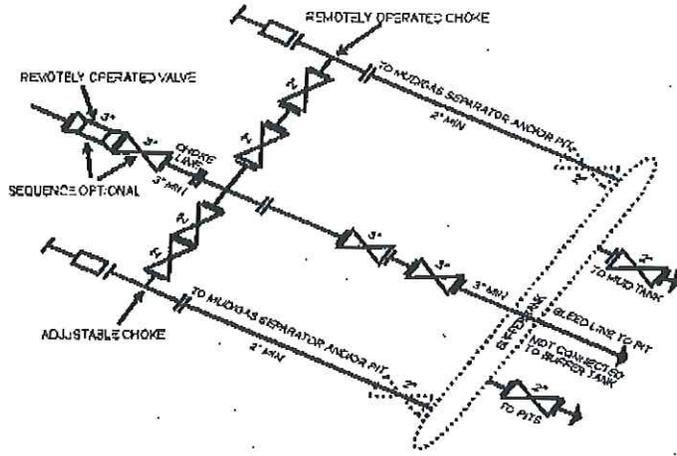
H2S has not been encountered in other wells drilled to similar depths in the general area.

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5M CHOKES MANIFOLD EQUIPMENT - CONFIGURATION OF CHOKES 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 20L, 30L, 100L, 02L, 120L drawings, it would also be applicable to these situations.

[54 FR 39328, Sept. 27, 1989]

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RW 9C1-24B
1,987' FSL & 691' FEL Sec 24 T7S R23E S.L.B.&M.
Uintah County, Utah
KB 5,630'
GL 5,616'



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

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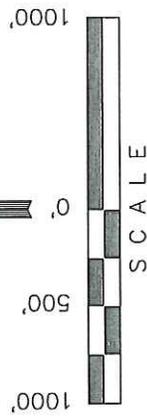
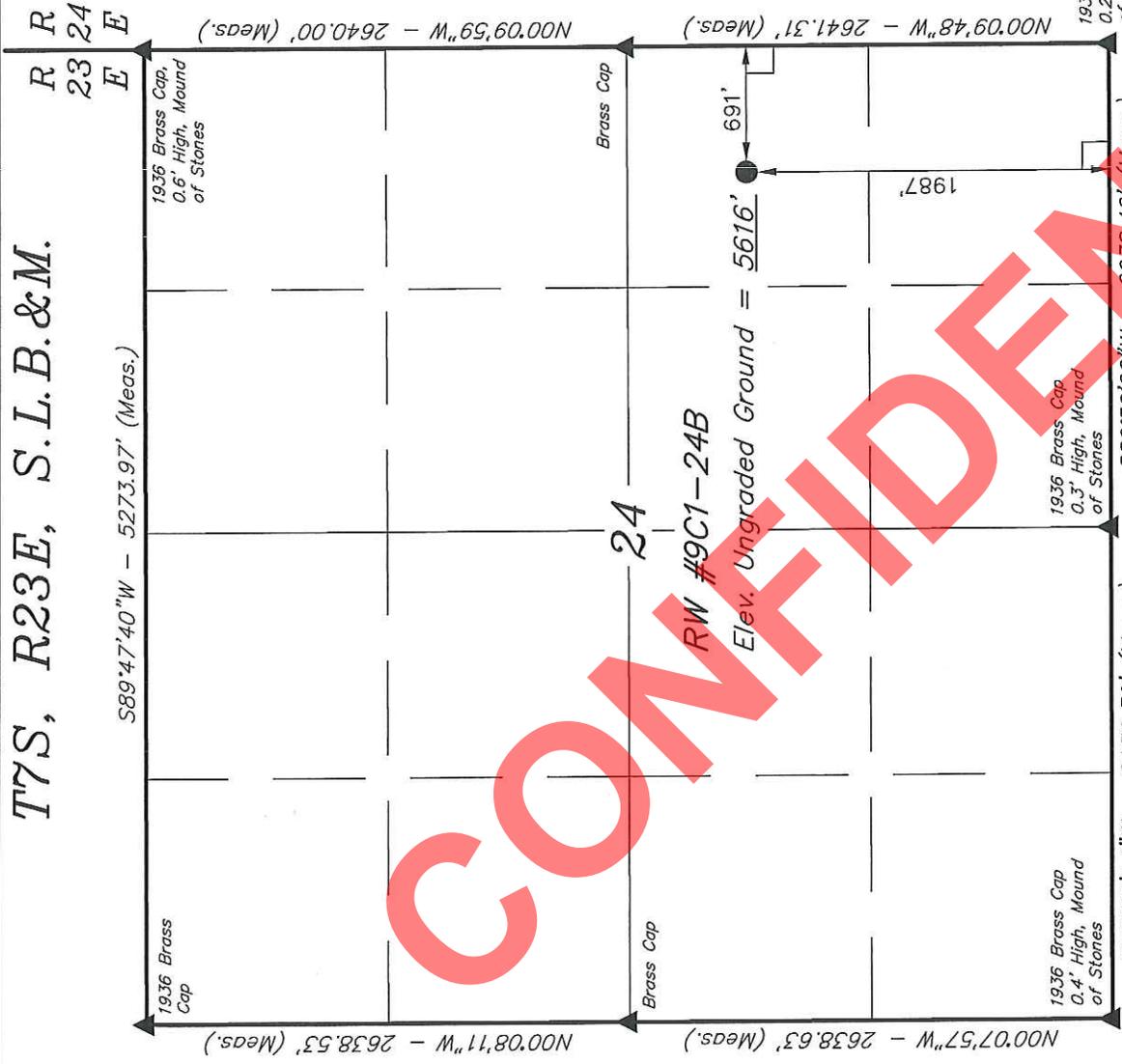
Well location, RW #9C1-24B, located as shown in the NE 1/4 SE 1/4 of Section 24, T7S, R23E, S.L.B.&M., Uintah County, Utah.

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, UINTAH COUNTY, 7.5 MINUTE QUAD (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 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.

Robert J. Little
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH, 11-15-11

REV.: 11-02-11 J.I.

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

SCALE	1" = 1000'	DATE SURVEYED:	08-26-10	DATE DRAWN:	09-10-10
PARTY	D.R. A.W. C.C.	REFERENCES	G.L.O. PLAT		
WEATHER	WARM	FILE	QEP ENERGY COMPANY		

LEGEND:

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

(NAD 83)
 LATITUDE = 40°11'35.70" (40.193250)
 LONGITUDE = 109°16'06.50" (109.268472)
 (NAD 27)
 LATITUDE = 40°11'35.83" (40.193286)
 LONGITUDE = 109°16'04.05" (109.267792)

QEP ENERGY COMPANY

RW #9C1-24B

LOCATED IN UINTAH COUNTY, UTAH

SECTION 24, T7S, R23E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: EASTERLY



- Since 1964 -

UELS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

LOCATION PHOTOS

09 08 10
MONTH DAY YEAR

PHOTO

TAKEN BY: A.F.

DRAWN BY: J.J.

REV: B.D.H. 11-8-11

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

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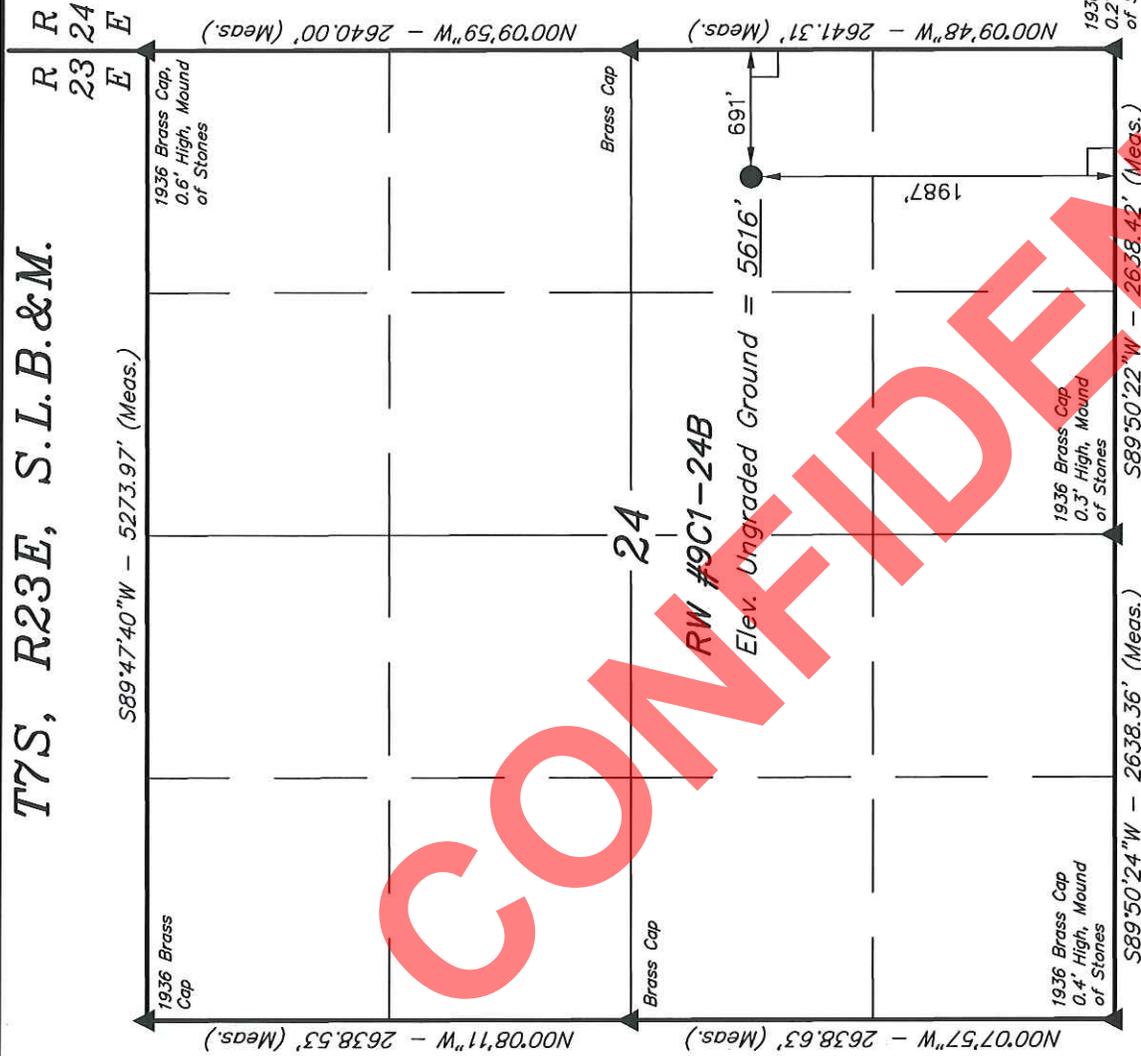
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ROBERT J. WHITE
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

REV.: 11-02-11 J.I.

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

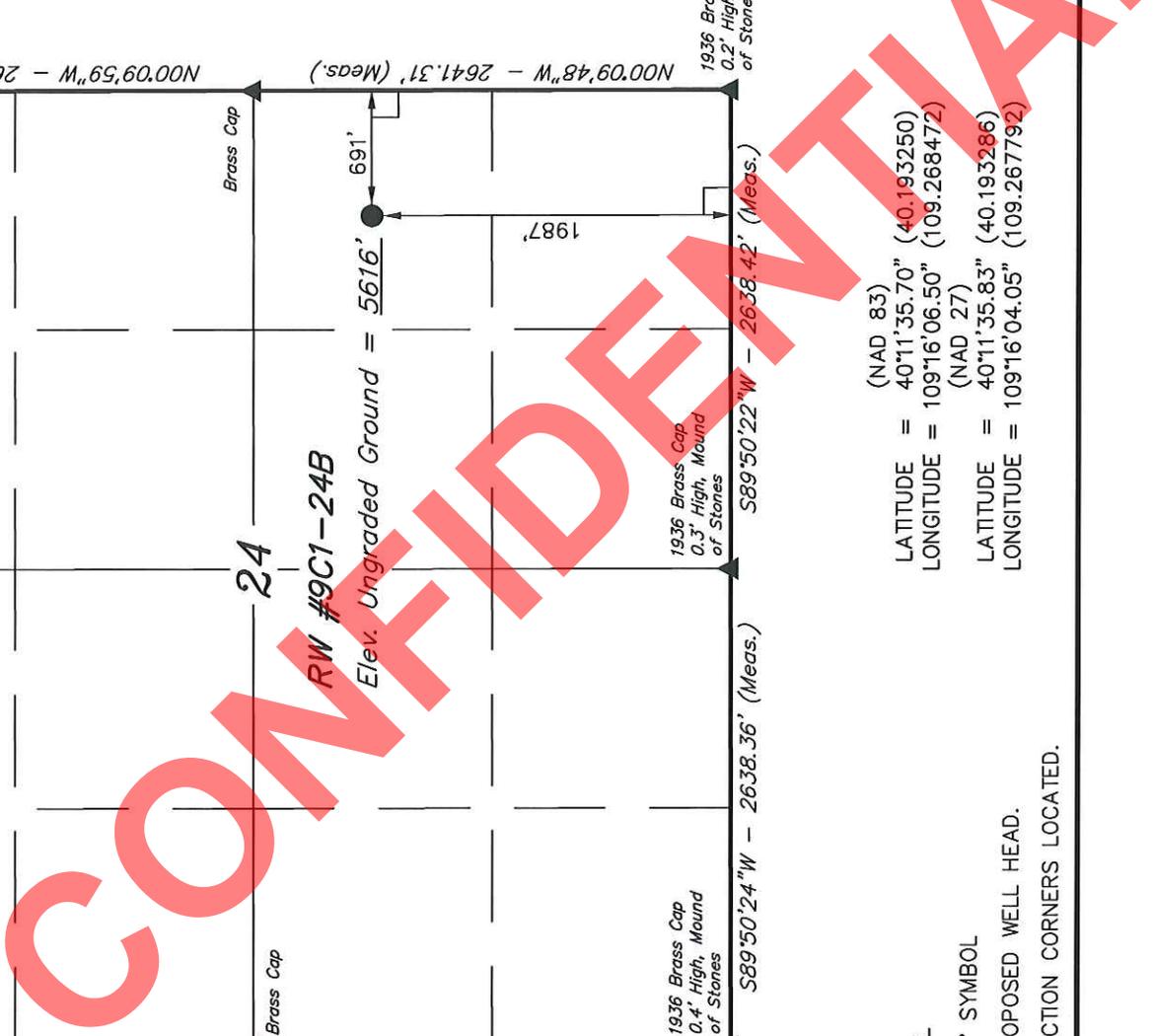
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 08-26-10	DATE DRAWN: 09-10-10
PARTY D.R. A.W. C.C.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE	QEP ENERGY COMPANY

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 (NAD 27)
 LATITUDE = 40°11'35.83" (40.193286)
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LOCATION LAYOUT FOR

RW #9C1-24B

SECTION 24, T7S, R23E, S.L.B.&M.

1987' FSL 691' FEL

FIGURE #1

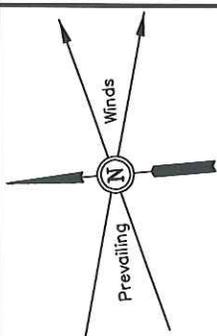
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DATE: 09-10-10

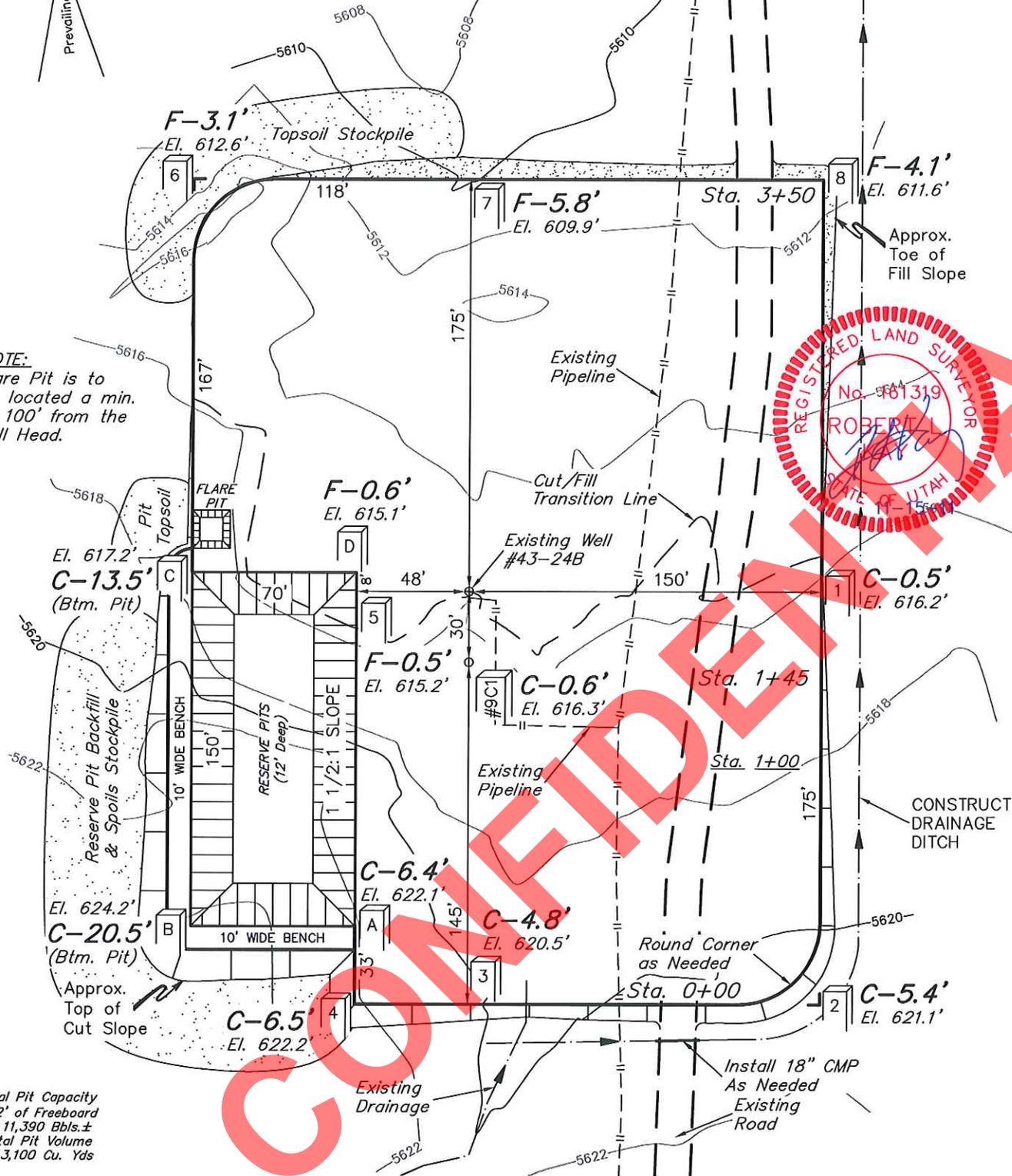
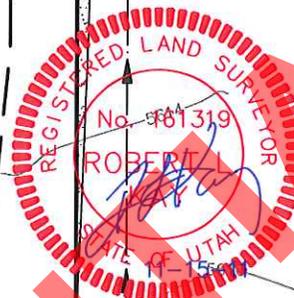
DRAWN BY: C.C.

REV: 10-27-10 Z.L.

REV: 11-02-11 J.I.



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



Total Pit Capacity
W/2' of Freeboard
= 11,390 Bbls.±
Total Pit Volume
= 3,100 Cu. Yds

Elev. Ungraded Ground At #9C1-24B Loc. Stake = 5616.3'
FINISHED GRADE ELEV. AT #9C1-24B LOC. STAKE = 5615.7'

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85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

QEP ENERGY COMPANY

FIGURE #2

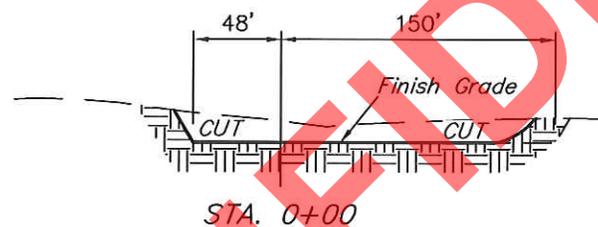
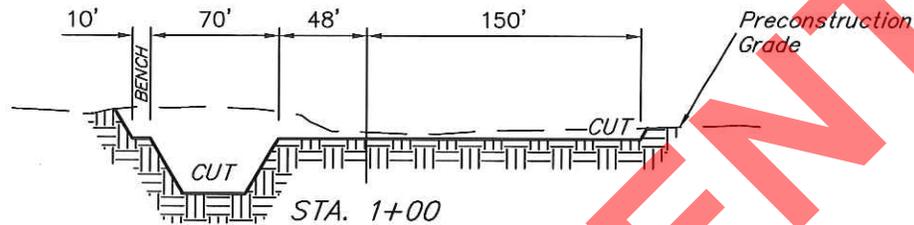
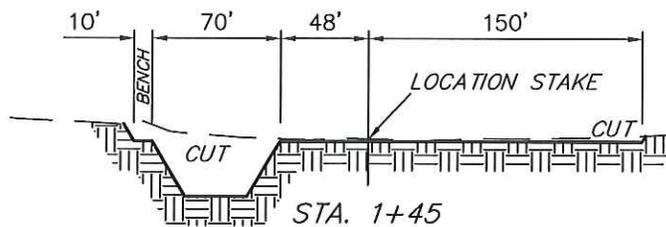
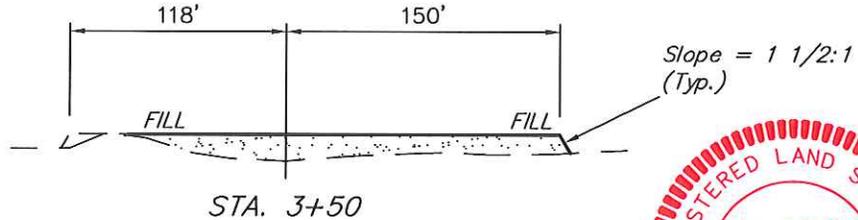
TYPICAL CROSS SECTION FOR

RW #9C1-24B

SECTION 24, T7S, R23E, S.L.B.&M.

1987' FSL 691' FEL

X-Section Scale
1" = 40'
1" = 100'
DATE: 09-10-10
DRAWN BY: C.C.
REV.: 11-02-11 J.I.
REV.: 11-21-11 J.I.



APPROXIMATE ACREAGES

EXISTING DISTURBANCE	
WITHIN PROPOSED WELL SITE	= ± 0.666 ACRES
REMAINING PROPOSED WELL SITE DISTURBANCE	= ± 2.041 ACRES
TOTAL	= ± 2.707 ACRES

NOTE:

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

* NOTE: FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	= 1,910 Cu. Yds.
Remaining Location	= 7,920 Cu. Yds.
TOTAL CUT	= 9,830 CU.YDS.
FILL	= 4,450 CU.YDS.

EXCESS MATERIAL	= 5,380 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,460 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 1,920 Cu. Yds.

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

QEP ENERGY COMPANY

TYPICAL RIG LAYOUT FOR

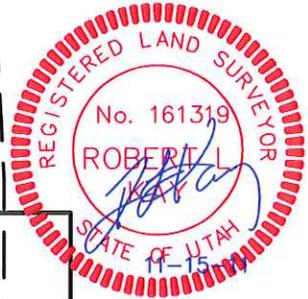
RW #9C1-24B

SECTION 24, T7S, R23E, S.L.B.&M.

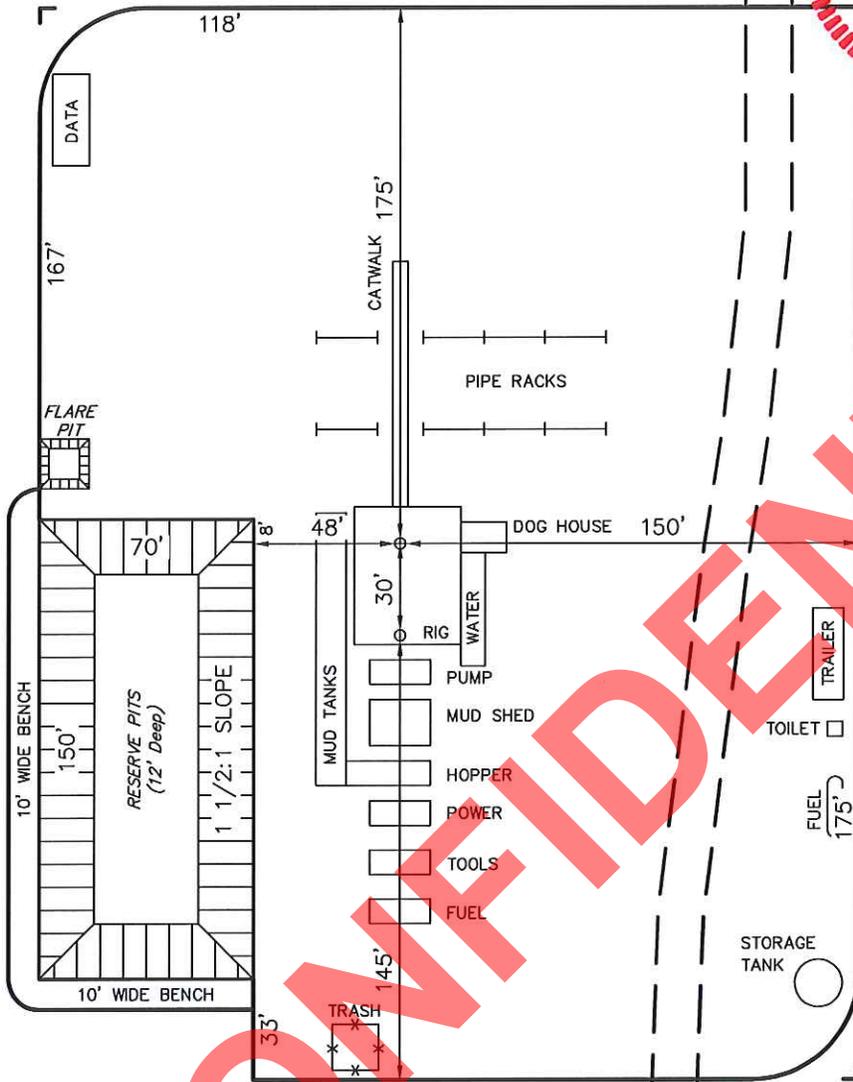
1987' FSL 691' FEL

FIGURE #3

SCALE: 1" = 60'
 DATE: 09-10-10
 DRAWN BY: C.C.
 REV.: 11-02-11 J.I.



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

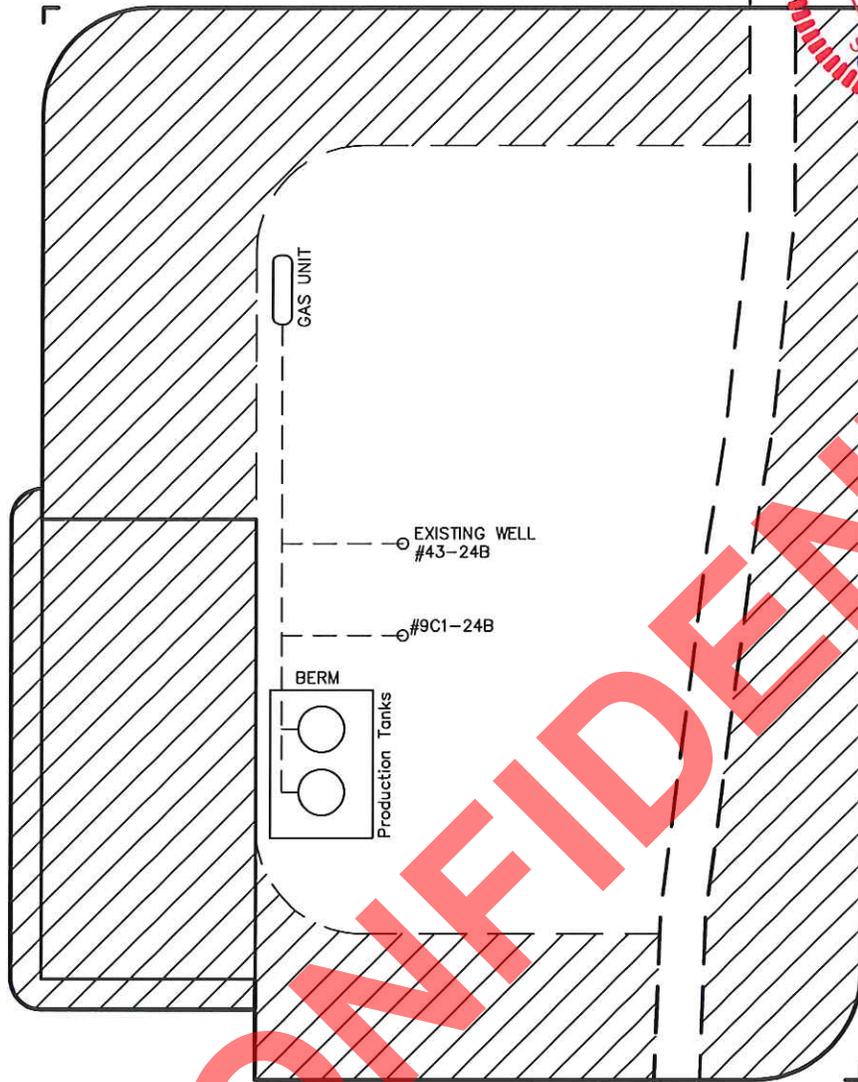
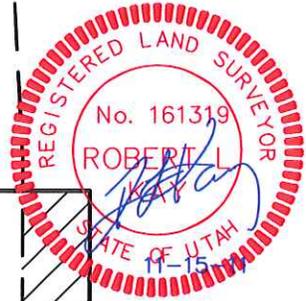


Total Pit Capacity
 W/2' of Freeboard
 = 11,390 Bbls.±
 Total Pit Volume
 = 3,100 Cu. Yds

QEP ENERGY COMPANY
PRODUCTION FACILITY LAYOUT FOR
RW #9C1-24B
SECTION 24, T7S, R23E, S.L.B.&M.
1987' FSL 691' FEL

FIGURE #4

SCALE: 1" = 60'
DATE: 09-10-10
DRAWN BY: C.C.
REVISED: 09-15-10
REV.: 11-02-11 J.I.



APPROXIMATE ACREAGES
UN-RECLAIMED = ± 0.982 ACRES

Existing Road

 RE-HABBED AREA

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

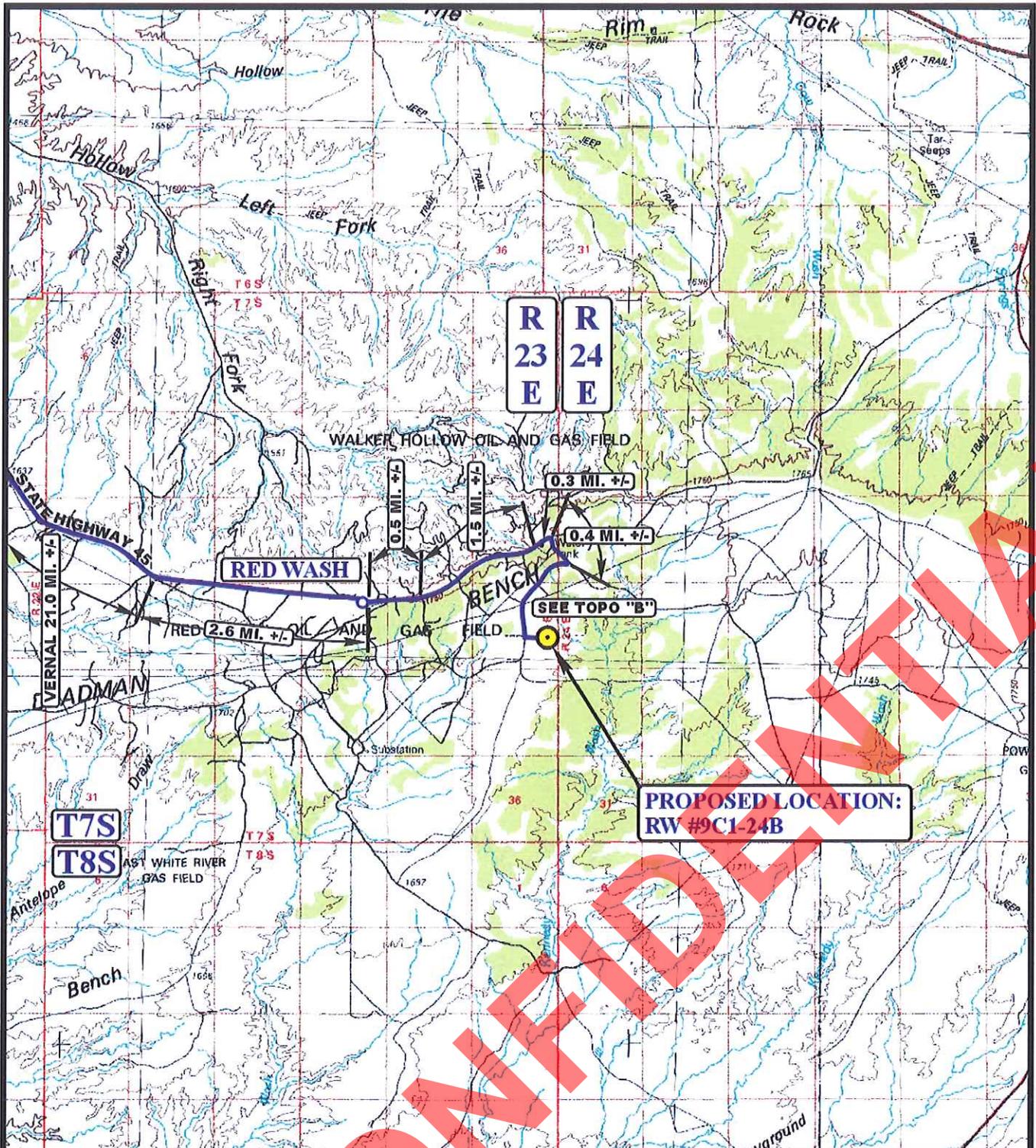
CONFIDENTIAL

QEP ENERGY COMPANY
RW #9C1-24B
SECTION 24, 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 2.6 MILES TO RED WASH, UTAH; PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRCTION APPROXIMATELY 1.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 27.7 MILES.

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LEGEND:

PROPOSED LOCATION

QEP ENERGY COMPANY

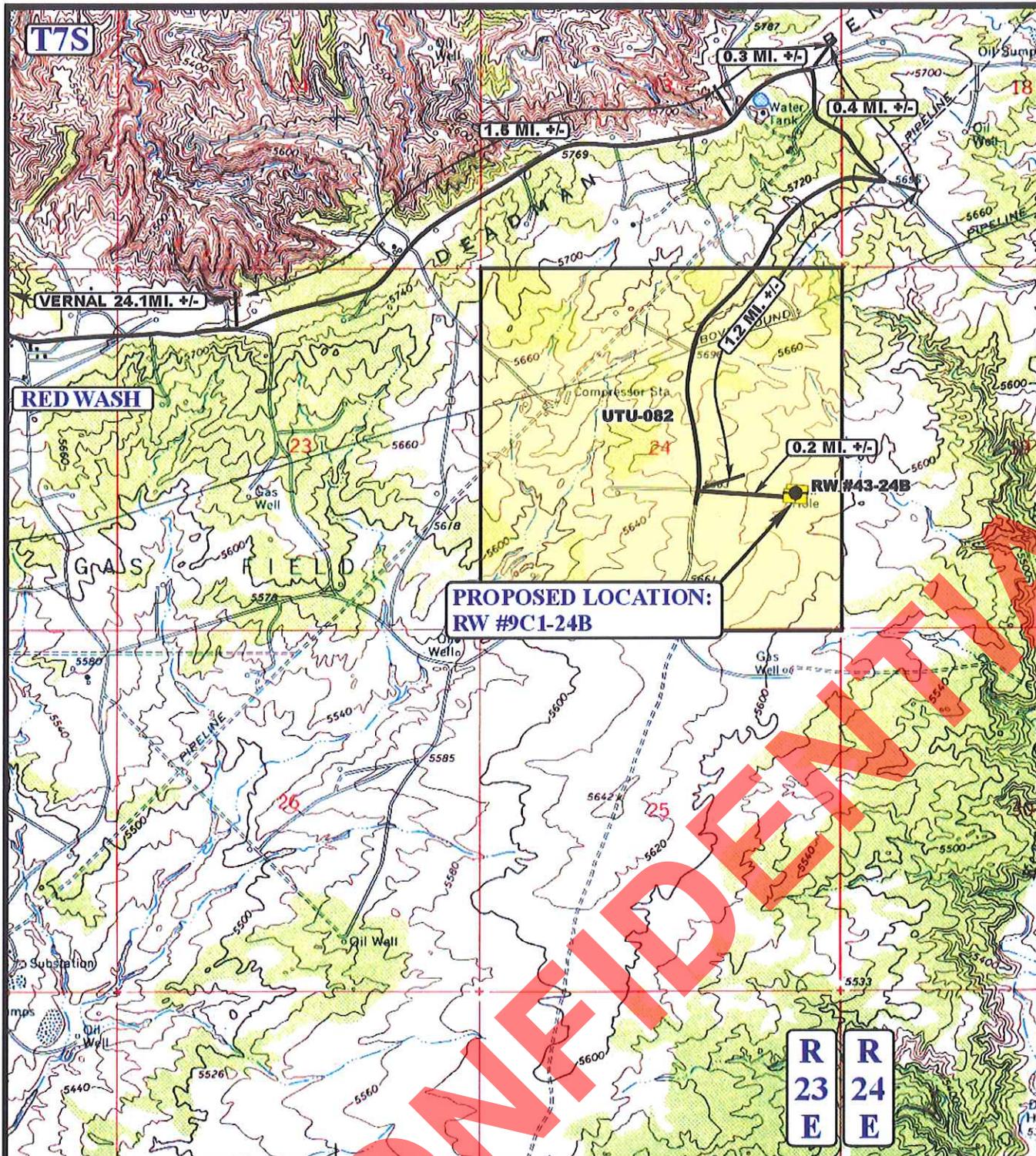
RW #9C1-24B
SECTION 24, T7S, R23E, S.L.B.&M.
1987' FSL 691' FEL

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.J. REV: B.D.H. 11-8-11

09 MONTH	08 DAY	10 YEAR
--------------------	------------------	-------------------

A
TOPO



**PROPOSED LOCATION:
RW #9C1-24B**

**R
23
E**

**R
24
E**

LEGEND:

————— EXISTING ROAD



QEP ENERGY COMPANY

**RW #9C1-24B
SECTION 24, T7S, R23E, S.L.B.&M.
1987' FSL 691' FEL**

**U
E
I
S**

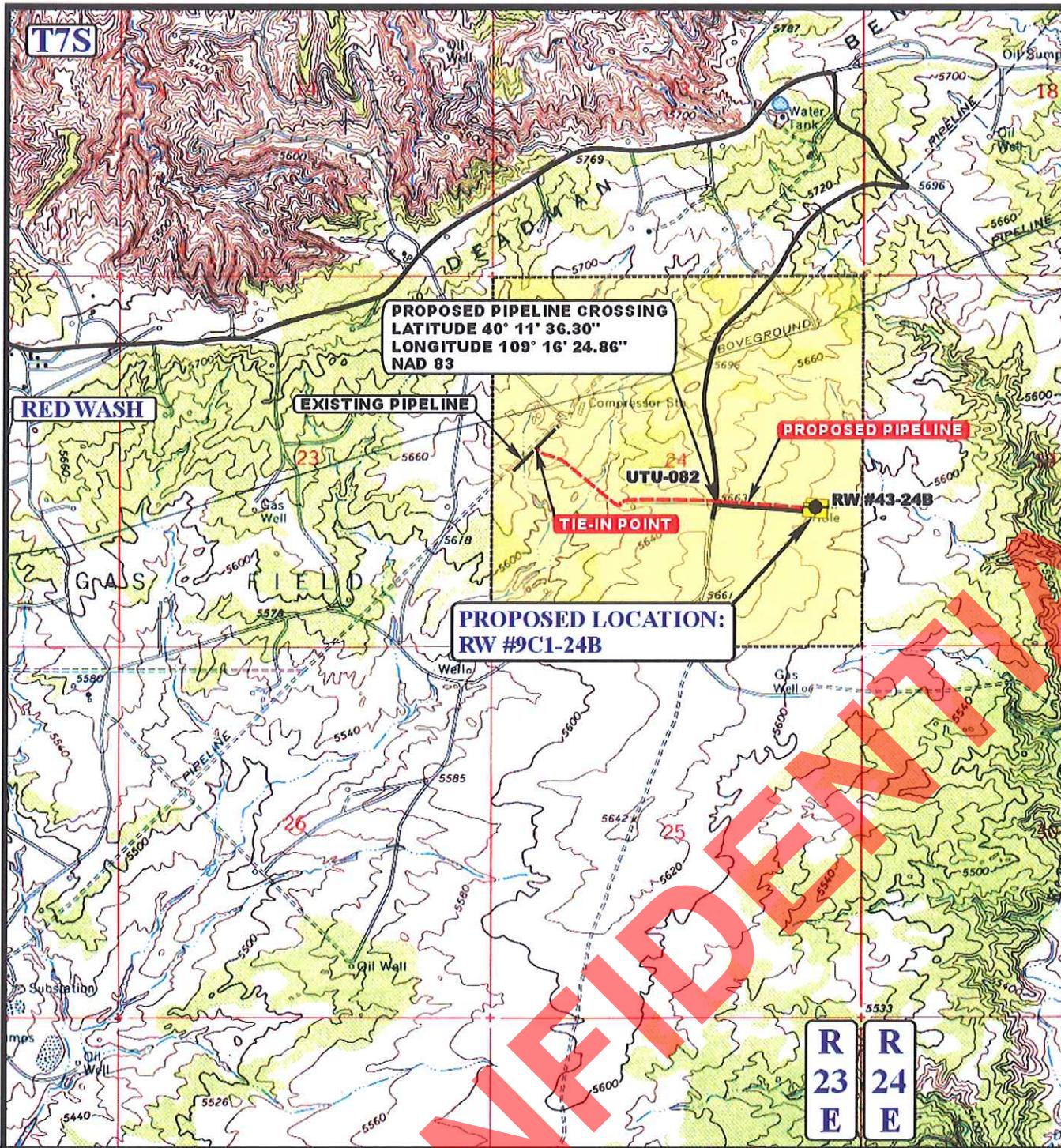
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**ACCESS ROAD
MAP**

09 MONTH	08 DAY	10 YEAR
--------------------	------------------	-------------------

SCALE: 1" = 2000' **DRAWN BY: J.J.** **REV: B.D.H. 11-8-11**

**B
TOPO**



**PROPOSED PIPELINE CROSSING
LATITUDE 40° 11' 36.30"
LONGITUDE 109° 16' 24.86"
NAD 83**

**PROPOSED LOCATION:
RW #9C1-24B**

APPROXIMATE TOTAL PIPELINE DISTANCE = 4,172' +/-

LEGEND:

- EXISTING PIPELINE
- PROPOSED PIPELINE



QEP ENERGY COMPANY

**RW #9C1-24B
SECTION 24, T7S, R23E, S.L.B.&M.
1987' FSL 691' FEL**

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

TOPOGRAPHIC MAP
 SCALE: 1" = 2000' DRAWN BY: J.J. REV: B.D.H. 11-8-11

D
TOPO

R 23 E
R 24 E

QEP ENERGY COMPANY
REFERENCE MAP: AREA OF VEGETATION
RW #9C1-24B
LOCATED IN UINTAH COUNTY, UTAH
SECTION 24, T7S, R23E, S.L.B.&M.



NOTE:

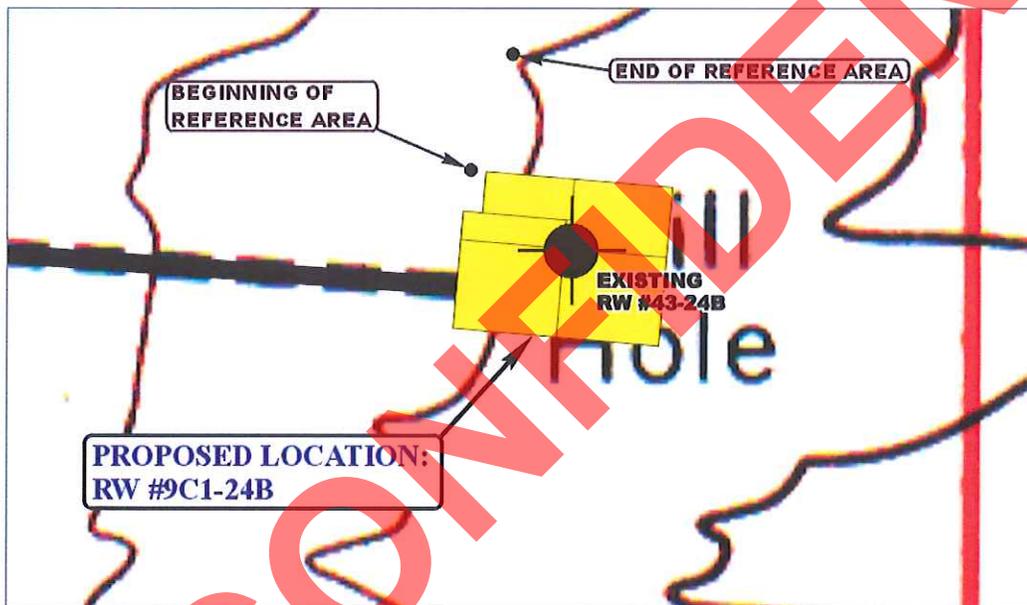
BEGINNING OF REFERENCE AREA

UTM NORTHING: 14601966.871
UTM EASTING: 2123820.410
LATITUDE: 40.193659
LONGITUDE: -109.269017

END OF REFERENCE AREA

UTM NORTHING: 14602156.393
UTM EASTING: 2123886.560
LATITUDE: 40.194174
LONGITUDE: -109.268768

PHOTO: VIEW FROM BEGINNING OF REFERENCE AREA



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

SCALE: 1" = 300'

10 **26** **10**
MONTH DAY YEAR

REF.

TAKEN BY: A.E. DRAWN BY: Z.L. REV: B.D.H. 11-8-11

Additional Operator Remarks

QEP Energy Company proposes to drill a vertical gas well to a depth of 10,550' to test the Mesa Verde Formation. This well is being twinned on well location RW 43-24B. 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 refer to QEP Energy Company Greater Deadman Bench
EIS UT-080-2003-0369V Record of Decision dated March 31, 2008.

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 9C1-24B
1987' FSL 691' FEL
NESE, SECTION 24, T7S, R23E
UINTAH COUNTY, UTAH
LEASE # UTU-082**

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

THIS WELL IS BEING TWINNED ON WELL LOCATION RW 43-24B.

An onsite inspection was conducted for the RW 9C1-24B on October 13, 2010. Weather conditions were sunny at the time of the onsite. In attendance at the inspection were the following individuals:

Aaron Roe	Bureau of Land Management
Kevin Sadlier	Bureau of Land Management
Jan Nelson	QEP Energy Company
Stephanie Tomkinson	QEP Energy Company
Guy Betts	QEP Energy Company
Bob Haygood	QEP Energy Company
Valyn Davis	QEP Energy Company
Wade Hafey	QEP Field Service
Andy Floyd	Uintah Engineering & Land Surveying

1. Existing Roads:

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

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

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

2. Planned Access Roads:

Please refer to QEP Energy Company Greater Deadman Bench EIS UTU-080-200-0369V Record of Decision dated March 31, 2008.

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

No new access road is proposed. The access to be used is the access to the existing RW 43-24B location. 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.

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

Please refer to Topo Map C.

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

Please refer to QEP Energy Company Greater Deadman Bench EIS UTU-080-200-0369V Record of Decision dated March 31, 2008.

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.

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

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

All existing equipment will be moved off location before any construction begins.

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

Prior to construction, the Permittee will develop a plan of installation to minimize surface disturbance. Pipe will be strung along the ROW 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 along the ROW using conventional methods, the Permittee will utilize pull sections to run the fabricated pipe through the area from central staging areas along the ROW.

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

be removed from the ROW using a flatbed truck or flatbed truck and trailer.

When the surface terrain prohibits the Permittee from safely installing the pipeline along the permitted ROW, grading of the permitted ROW 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 permitted ROW will be restored to the pre-disturbance surface contours.

The proposed pipeline will be a surface 10" or smaller, 4,172' in length, containing 2.873 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 ROW 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:

Please refer to QEP Energy Company Greater Deadman Bench EIS UTU-080-200-0369V Record of Decision dated March 31, 2008.

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:

Please refer to QEP Energy Company Greater Deadman Bench EIS UTU-080-200-0369V Record of Decision dated March 31, 2008.

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:

Please refer to QEP Energy Company Greater Deadman Bench EIS UTU-080-200-0369V Record of Decision dated March 31, 2008.

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 by products 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 (first six inches), 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 reference site and weed data sheet have been established and are 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:

This well is being twinned on well location RW 43-24B.

A Class III archaeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted on September 20, 2010, **State of Utah Antiquities Project U-10-MQ-0656b** 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 September 30, 2010, **IPC # 10-172** by Stephen D. Sandau. The inspection resulted in some signs of vertebrate fossils. The recommendation is that a permitted paleontologist be present to monitor the construction process of the proposed pipeline as it passes through the western half of Section 24. QEP will provide paleo monitor for this project.

Per the onsite on October 13, 2010, the following items were requested/ discussed.

The topsoil pile will be pushed around corner #6 to keep out of the drainage as much as possible.

There is a Burrowing Owl Stipulation from March 1st to August 31st. No construction or drilling will commence during this period unless otherwise determined by a wildlife biologist that the site is inactive.

Lessee's or Operator's Representative & Certification:

Valyn Davis
Regulatory Affairs Analyst
QEP Energy Company
11002 East 17500 South
Vernal, UT 84078
(435) 781-4331

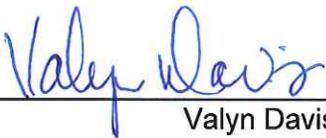
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

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.

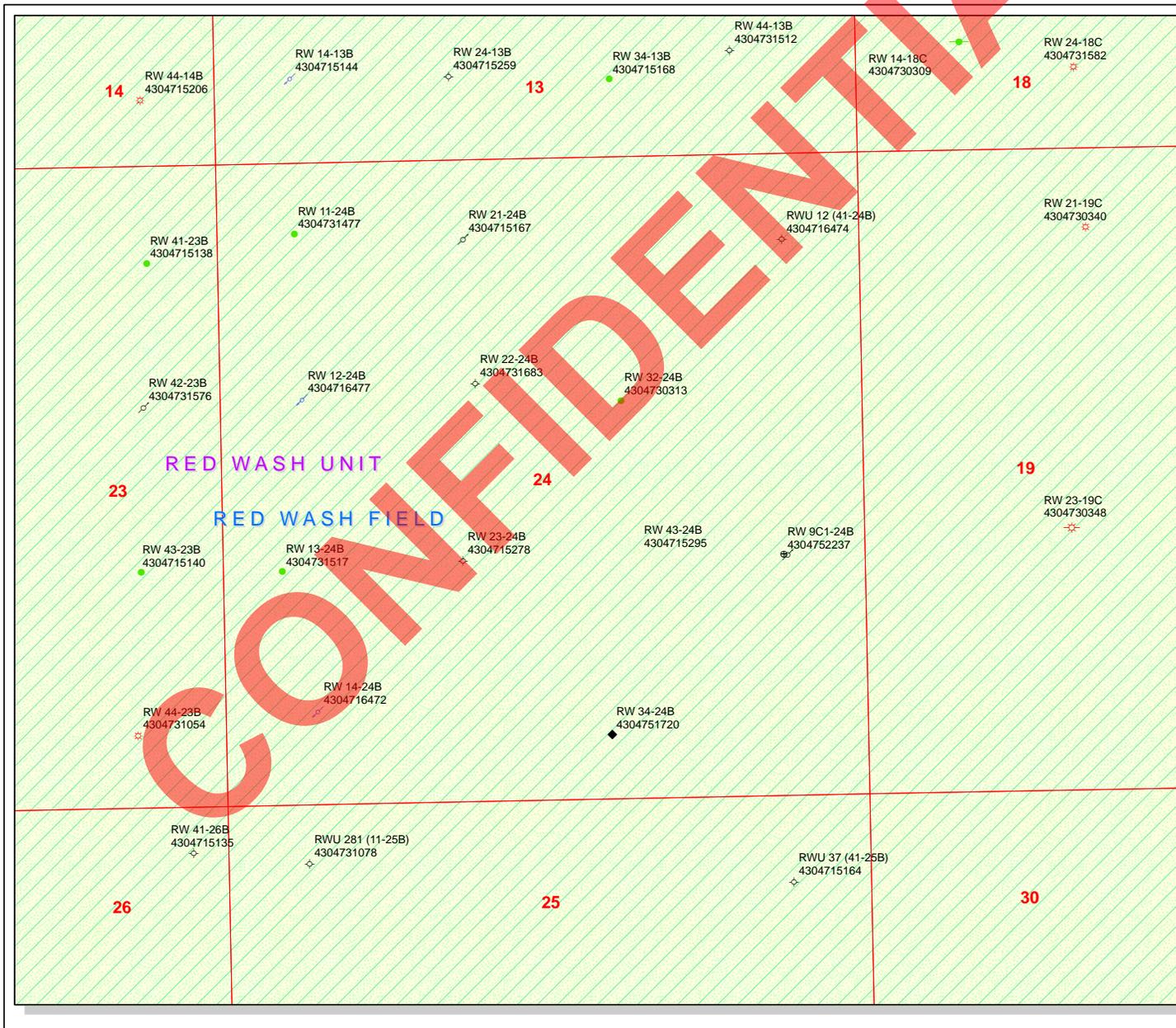
Bond coverage pursuant to 43 CFR 3104.2 for lease activities is being provided by Bond No. ESB000024

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

12/7/2011
Date

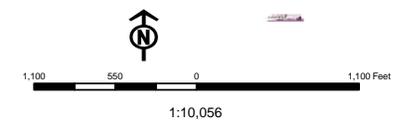
CONFIDENTIAL



API Number: 4304752237
Well Name: RW 9C1-24B
Township T0.7 . Range R2.3 . Section 24
Meridian: SLBM
Operator: QEP ENERGY COMPANY

Map Prepared:
 Map Produced by Diana Mason

Units STATUS	Wells Query Status
ACTIVE	APD - Approved Permit
EXPLORATORY	DRL - Spudded (Drilling Commenced)
GAS STORAGE	GIW - Gas Injection
NF PP OIL	GS - Gas Storage
NF SECONDARY	LA - Location Abandoned
PI OIL	LOC - New Location
PP GAS	OPS - Operation Suspended
PP GEOTHERM.	PA - Plugged Abandoned
PP OIL	PGW - Producing Gas Well
SECONDARY	POW - Producing Oil Well
TERMINATED	RET - Returned APD
Unknown	SGW - Shut-in Gas Well
ABANDONED	SOW - Shut-in Oil Well
ACTIVE	TA - Temp. Abandoned
COMBINED	TW - Test Well
INACTIVE	WDW - Water Disposal
STORAGE	WIW - Water Injection Well
TERMINATED	WSW - Water Supply Well



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)

December 9, 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)		
43-047-52231	RW 3B4-18B	Sec 18 T07S R23E 0687 FNL 1829 FWL
43-047-52232	RW 6C1-19B	Sec 19 T07S R23E 1867 FNL 1621 FWL
43-047-52233	RW 11B4-25A	Sec 25 T07S R22E 1856 FSL 2023 FWL
43-047-52234	RW 12B4-27B	Sec 27 T07S R23E 1953 FSL 0766 FWL
43-047-52235	RW 16B4-30B	Sec 30 T07S R23E 0604 FSL 0518 FEL
43-047-52236	RW 8C1-19B	Sec 19 T07S R23E 1987 FNL 0330 FEL
43-047-52237	RW 9C1-24B	Sec 24 T07S R23E 1987 FSL 0691 FEL
43-047-52238	RW 9C1-26B	Sec 26 T07S R23E 2008 FSL 0652 FEL

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: 2011.12.09 11:14:08 -0700

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

MCoulthard:mc:12-9-11

RECEIVED: December 09, 2011

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 12/7/2011

API NO. ASSIGNED: 43047522370000

WELL NAME: RW 9C1-24B

OPERATOR: QEP ENERGY COMPANY (N3700)

PHONE NUMBER: 435 781-4369

CONTACT: Valyn Davis

PROPOSED LOCATION: NESE 24 070S 230E

Permit Tech Review:

SURFACE: 1987 FSL 0691 FEL

Engineering Review:

BOTTOM: 1987 FSL 0691 FEL

Geology Review:

COUNTY: UINTAH

LATITUDE: 40.19324

LONGITUDE: -109.26837

UTM SURF EASTINGS: 647398.00

NORTHINGS: 4450643.00

FIELD NAME: RED WASH

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU082

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 9C1-24B
API Well Number: 43047522370000
Lease Number: UTU082
Surface Owner: FEDERAL
Approval Date: 12/12/2011

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

DEC 08 2011

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

BLM

5. Lease Serial No. UTU082	
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA Agreement, Name and No. 892000761X	
8. Lease Name and Well No. RW 9C1-24B	
9. API Well No. 43-047-52237	
10. Field and Pool, or Exploratory RED WASH	
11. Sec., T., R., M., or Blk. and Survey or Area Sec 24 T7S R23E Mer SLB	
12. County or Parish UINTAH	13. State UT
17. Spacing Unit dedicated to this well 40.00	
20. BLM/BIA Bond No. on file ESB000024	
23. Estimated duration 30 DAYS	

CONFIDENTIAL

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone	
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 NESE 1987FSL 691FEL 40.193250 N Lat, 109.268472 W Lon At proposed prod. zone NESE 1987FSL 691FEL 40.193250 N Lat, 109.268472 W Lon	
14. Distance in miles and direction from nearest town or post office* 28 MILES +/- SOUTHEAST OF VERNAL, UTAH	
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 691'	16. No. of Acres in Lease 1280.00
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. +/- 1800'	19. Proposed Depth 10550 MD 10550 TVD
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5616 GL	22. Approximate date work will start 04/01/2012

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)	Name (Printed/Typed) VALYN DAVIS Ph: 435-781-4369	Date 12/07/2011
Title REGULATORY AFFAIRS ANALYST		
Approved by (Signature) 	Name (Printed/Typed) Jerry Kenczka	Date FEB 17 2012
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.

CONDITIONS OF APPROVAL ATTACHED

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

Electronic Submission #125086 verified by the BLM Well Information System
For QEP ENERGY COMPANY, sent to the Vernal

RECEIVED

FEB 27 2012

DIR. OF OIL, GAS & MINING

UDOGM

NOTICE OF APPROVAL

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

17122011MAS

ADN DATED 12/12/2011



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
Well No: RW 9C1-24B
API No: 43-047-52237

Location: NESE, Sec. 24, T7S, R23E
Lease No: UTU-082
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 was processed using a 390 CX tied to NEPA approved 03/31/2008. Therefore, this permit is approved for a two (2) year period OR until lease expiration OR the well must be spud by 03/31/2013 (5 years from the NEPA approval date), 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: blm 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.
- This project will be implemented on or after the sundry approval date. If the well has not been spudded by March 31, 2013 this sundry will expire and the operator is to cease all operations related to preparing to drill the well.
- During operations, if any vertebrate paleontological resources are discovered, all operations affecting such sites shall be immediately suspended, and all discoveries shall be left intact until authorized to proceed by the Authorized Officer. The appropriate Authorized Officer of the Vernal BLM office shall be notified within 48 hrs of the discovery, and a decision as to the preferred alternative course of action will be rendered.
- Prior to construction, an invasive plants/noxious weeds inventory will be completed for all areas where surface disturbance will occur and a completed Weed Inventory Form will be submitted to the BLM Authorized Officer.
- 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.
- The operator shall submit a Sundry Notice (Form 3160-5) to the BLM Authorized Officer (AO) 3 growing seasons after reclamation efforts have occurred evaluating the status of the reclaimed areas in order to determine whether the BLM standards set forth in the Green River District Reclamation Guidelines have been met (30% or greater basal cover).

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

SITE SPECIFIC DOWNHOLE COAs:

- Gamma ray log shall be run from Total Depth to Surface.
- 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 productions 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 BLM_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.
- For information regarding production reporting, contact the Office of Natural Resources Revenue (ONRR) at www.ONRR.gov.
- 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
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: UTU082
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: QEP ENERGY COMPANY		7. UNIT or CA AGREEMENT NAME: RED WASH
3. ADDRESS OF OPERATOR: 11002 East 17500 South , Vernal, Ut, 84078		8. WELL NAME and NUMBER: RW 9C1-24B
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1987 FSL 0691 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 24 Township: 07.0S Range: 23.0E Meridian: S		9. API NUMBER: 43047522370000
PHONE NUMBER: 303 308-3068 Ext		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 type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> ALTER CASING	
<input checked="" type="checkbox"/> SPUD REPORT Date of Spud: 6/14/2012	<input type="checkbox"/> CASING REPAIR	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> CHANGE WELL NAME	
	<input type="checkbox"/> CONVERT WELL TYPE	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> NEW CONSTRUCTION	
	<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"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. ON 06/14/2012- DRILLED 90' OF 14" CONDUCTOR PIPE. CEMENTED WITH READY MIX.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY June 14, 2012		
NAME (PLEASE PRINT) Valyn Davis	PHONE NUMBER 435 781-4369	TITLE Regulatory Affairs Analyst
SIGNATURE N/A	DATE 6/14/2012	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU082
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 9C1-24B
2. NAME OF OPERATOR: QEP ENERGY COMPANY	9. API NUMBER: 43047522370000
3. ADDRESS OF OPERATOR: 11002 East 17500 South , Vernal, Ut, 84078	PHONE NUMBER: 303 308-3068 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1987 FSL 0691 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 24 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: 6/18/2012	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input checked="" 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 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 WOULD LIKE TO OPTIMIZE THE BOTTOM HOLE SPACING OF THE MESA VERDE DEVELOPMENT, THEREFORE, QEP ENERGY COMPANY WOULD LIKE TO DRILL THIS WELL DIRECTIONALLY.

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

Date: June 21, 2012

By:

NAME (PLEASE PRINT) Valyn Davis	PHONE NUMBER 435 781-4369	TITLE Regulatory Affairs Analyst
SIGNATURE N/A	DATE 6/18/2012	



QEP Energy Company

11002 East 17500 South
Vernal, UT 84078
Telephone 435-781-4331
Fax 435-781-4395

June 18, 2012

Ms. Diana Mason
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-6100

RE: Directional Drilling R649-3-11
Red Wash Unit
RW 9C1-24B
1987' FSL 691' FEL, NESE, Section 24, T7S, R23E (Surface)
1738' FSL 922' FEL, NESE, Section 24, T7S, R23E (Bottom Hole)
Uintah County, Utah

Dear Ms. Mason:

Pursuant to the filing of QEP Energy Company Application for Permit to Drill regarding the above referenced well, we are hereby submitting this letter in accordance with Oil & Gas Conservation Rule R649 -3-11 pertaining to the location and drilling of a directional well.

QEP Energy Company would like to optimize the bottom hole spacing of the Mesa Verde development; therefore, QEP Energy Company would like to drill this well directionally.

Furthermore, QEP Energy Company certifies that it is the sole working interest owner within 460 feet of the entire directional well bore.

Therefore, based on the above stated information QEP Energy Company requests the permit be granted pursuant to Rule R649-3-11.

Sincerely,

QEP Energy Company

A handwritten signature in blue ink that reads 'Valyn Davis'.

Valyn Davis
Regulatory Affairs Analyst

T7S, R23E, S.1.B.&M.

589'47'40"W - 5273.97' (Meas.)

1936 Brass Cap, 0.6' High, Mound of Stones

R 23 E
R 24 E

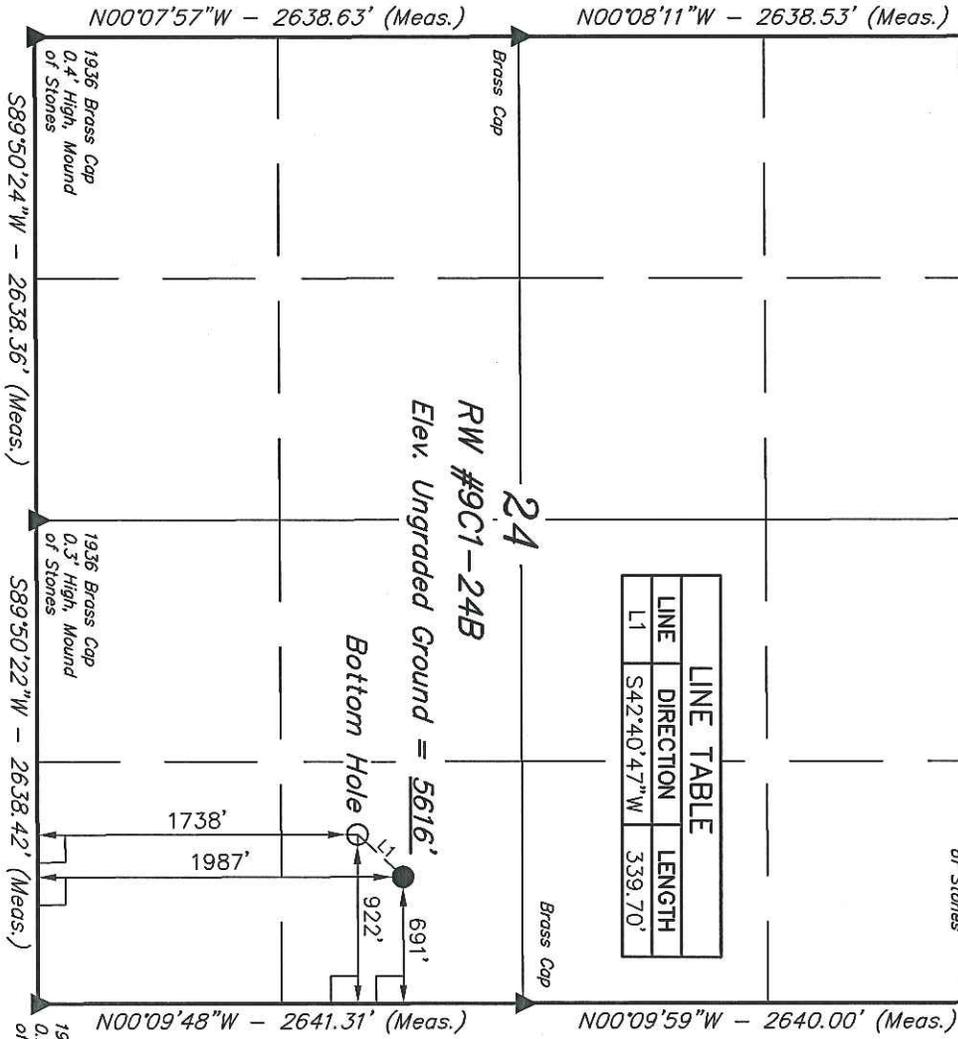
LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S42°40'47"W	339.70'

24

RW #9C1-24B

Elev. Ungraded Ground = 5616'

Bottom Hole



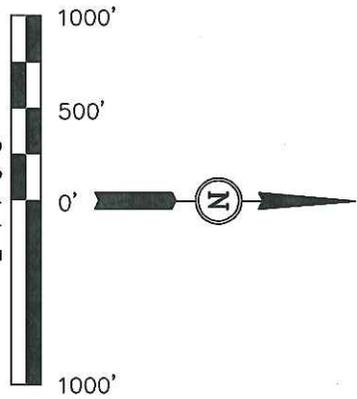
BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.1.B.&M. TAKEN FROM THE OURAY SE QUADRANGLE, UTAH, UTAH 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.

QEP ENERGY COMPANY

Well location, RW #9C1-24B, located as shown in the NE 1/4 SE 1/4 of Section 24, T7S, R23E, S.1.B.&M., Uintah County, Utah.



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.

REV.: 05-22-12 C.A.G.
REV.: 11-02-11 J.I.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 61319
STATE OF UTAH



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

LEGEND:

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

NAD 83 (TARGET BOTTOM HOLE)		NAD 83 (SURFACE LOCATION)	
LATITUDE = 40°11'33.24" (40.192567)	LONGITUDE = 109°16'09.48" (109.269300)	LATITUDE = 40°11'35.70" (40.193250)	LONGITUDE = 109°16'06.50" (109.268472)
NAD 27 (TARGET BOTTOM HOLE)		NAD 27 (SURFACE LOCATION)	
LATITUDE = 40°11'33.37" (40.192603)	LONGITUDE = 109°16'07.03" (109.268619)	LATITUDE = 40°11'35.83" (40.193286)	LONGITUDE = 109°16'04.05" (109.267792)

SCALE 1" = 1000'	DATE SURVEYED: 08-26-10	DATE DRAWN: 09-10-10
PARTY D.R. A.W. C.C.	REFERENCES G.L.O. PLAT	FILE QEP ENERGY COMPANY
WEATHER WARM		



QEP Energy Company

QEP ENERGY (UT)

Red Wash

RW 43-24B (RW 9C1-24B) Pad

RW 9C1-24B

Original Hole

Plan: Plan ver.0

Standard Planning Report

14 May, 2012



QEP Energy Company



QEP Resources, Inc.
Planning Report



Database:	EDMDB_QEP	Local Co-ordinate Reference:	Well RW9C1-24B
Company:	QEP ENERGY (UT)	TVD Reference:	RKB @ 5631.70usft (FRONTIER 2)
Project:	Red Wash	MD Reference:	RKB @ 5631.70usft (FRONTIER 2)
Site:	RW 43-24B (RW 9C1-24B) Pad	North Reference:	True
Well:	RW 9C1-24B	Survey Calculation Method:	Minimum Curvature
Wellbore:	Original Hole		
Design:	Plan ver.0		

Project	Red Wash		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	Utah Central Zone		Using geodetic scale factor

Site	RW 43-24B (RW 9C1-24B) Pad				
Site Position:		Northing:	7,246,891.354 usft	Latitude:	40.193245
From:	Lat/Long	Easting:	2,263,756.167 usft	Longitude:	-109.268367
Position Uncertainty:	0.00 usft	Slot Radius:	13-3/16 "	Grid Convergence:	1.43 °

Well	RW 9C1-24B					
Well Position	+N/-S	2.01 usft	Northing:	7,246,892.629 usft	Latitude:	40.193250
	+E/-W	-29.49 usft	Easting:	2,263,726.639 usft	Longitude:	-109.268472
Position Uncertainty		0.00 usft	Wellhead Elevation:	5,615.70 usft	Ground Level:	5,615.70 usft

Wellbore	Original Hole				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	5/10/2012	10.89	66.05	52,370

Design	Plan ver.0				
Audit Notes:					
Version:	Phase:	PLAN	Tie On Depth:	0.00	
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)	
	0.00	0.00	0.00	222.68	

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,730.63	14.61	246.50	2,722.73	-36.95	-84.98	2.00	2.00	0.00	246.50	
3,364.76	14.61	246.50	3,336.36	-100.74	-231.69	0.00	0.00	0.00	0.00	
4,338.93	0.00	0.00	4,300.00	-150.00	-345.00	1.50	-1.50	0.00	180.00	
7,993.93	0.00	0.00	7,955.00	-150.00	-345.00	0.00	0.00	0.00	0.00	
8,227.27	3.50	131.00	8,188.19	-154.67	-339.62	1.50	1.50	0.00	131.00	
10,600.50	3.50	131.00	10,557.00	-249.73	-230.28	0.00	0.00	0.00	0.00	



QEP Resources, Inc.
Planning Report



Database:	EDMDB_QEP	Local Co-ordinate Reference:	Well RW 9C1-24B
Company:	QEP ENERGY (UT)	TVD Reference:	RKB @ 5631.70usft (FRONTIER 2)
Project:	Red Wash	MD Reference:	RKB @ 5631.70usft (FRONTIER 2)
Site:	RW 43-24B (RW 9C1-24B) Pad	North Reference:	True
Well:	RW 9C1-24B	Survey Calculation Method:	Minimum Curvature
Wellbore:	Original Hole		
Design:	Plan ver.0		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
2,730.63	14.61	246.50	2,722.73	-36.95	-84.98	84.77	2.00	2.00	0.00
3,364.76	14.61	246.50	3,336.36	-100.74	-231.69	231.12	0.00	0.00	0.00
4,338.93	0.00	0.00	4,300.00	-150.00	-345.00	344.15	1.50	-1.50	0.00
7,993.93	0.00	0.00	7,955.00	-150.00	-345.00	344.15	0.00	0.00	0.00
8,227.27	3.50	131.00	8,188.19	-154.67	-339.62	343.94	1.50	1.50	0.00
10,600.50	3.50	131.00	10,557.00	-249.73	-230.28	339.69	0.00	0.00	0.00

Design Targets									
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
RW 9C1-24B	0.00	0.00	7,955.00	-199.95	-288.88	7,246,685.550	2,263,442.860	40,192701	-109,269507
- hit/miss target									
- Shape									
- plan misses target center by 75.17usft at 7996.23usft MD (7957.29 TVD, -150.00 N, -345.00 E)									
- Circle (radius 100.00)									

Casing Points					
Measured Depth (usft)	Vertical Depth (usft)	Name	Casing Diameter (")	Hole Diameter (")	
3,500.00	3,467.80	9 5/8"	9-5/8	12-1/4	

Formations						
Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)	
2,704.07	2,697.00	Green River		0.00		
3,455.07	3,424.00	Mahog. Bench		0.00		
4,670.93	4,632.00	Est. base of moderately saline water		0.00		
5,885.93	5,847.00	Wasatch		0.00		
7,993.93	7,955.00	Mesaverde		0.00		
10,500.32	10,457.00	Sego		0.00		

Company Name: QEP ENERGY (UT)

Project: Red Wash
 Site: RW 43-24B (RW 9C1-24B) Pad
 Well: RW 9C1-24B
 Wellbore: Original Hole
 Design: Plan ver.0

As drawn to True North
 Magnetic North: 1038°
 Magnetic Decl: 1038°
 Strength: 52070.507
 Dip Angle: 68.05°
 Model: 8/29/2012

WELL DETAILS: RW 9C1-24B

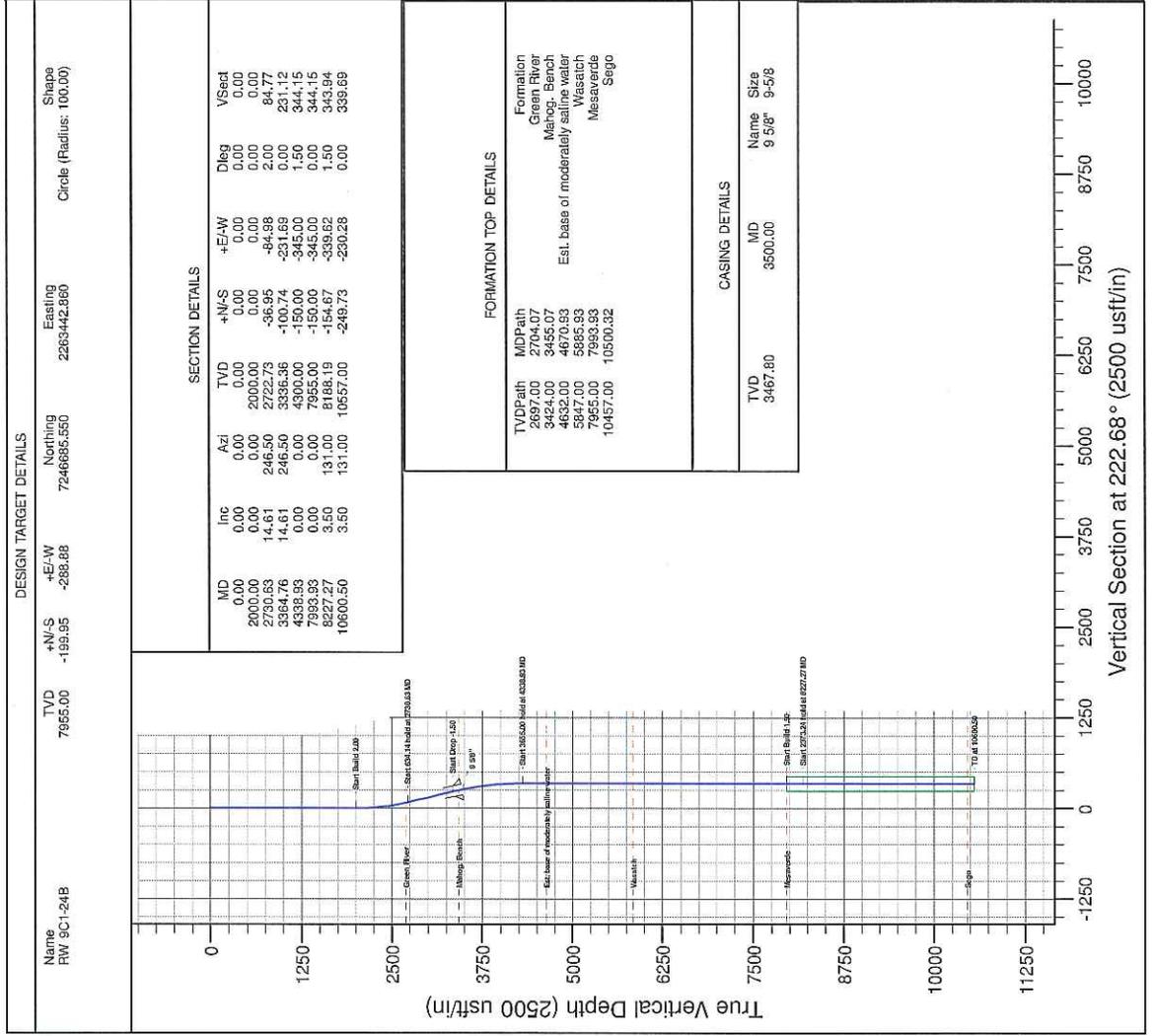
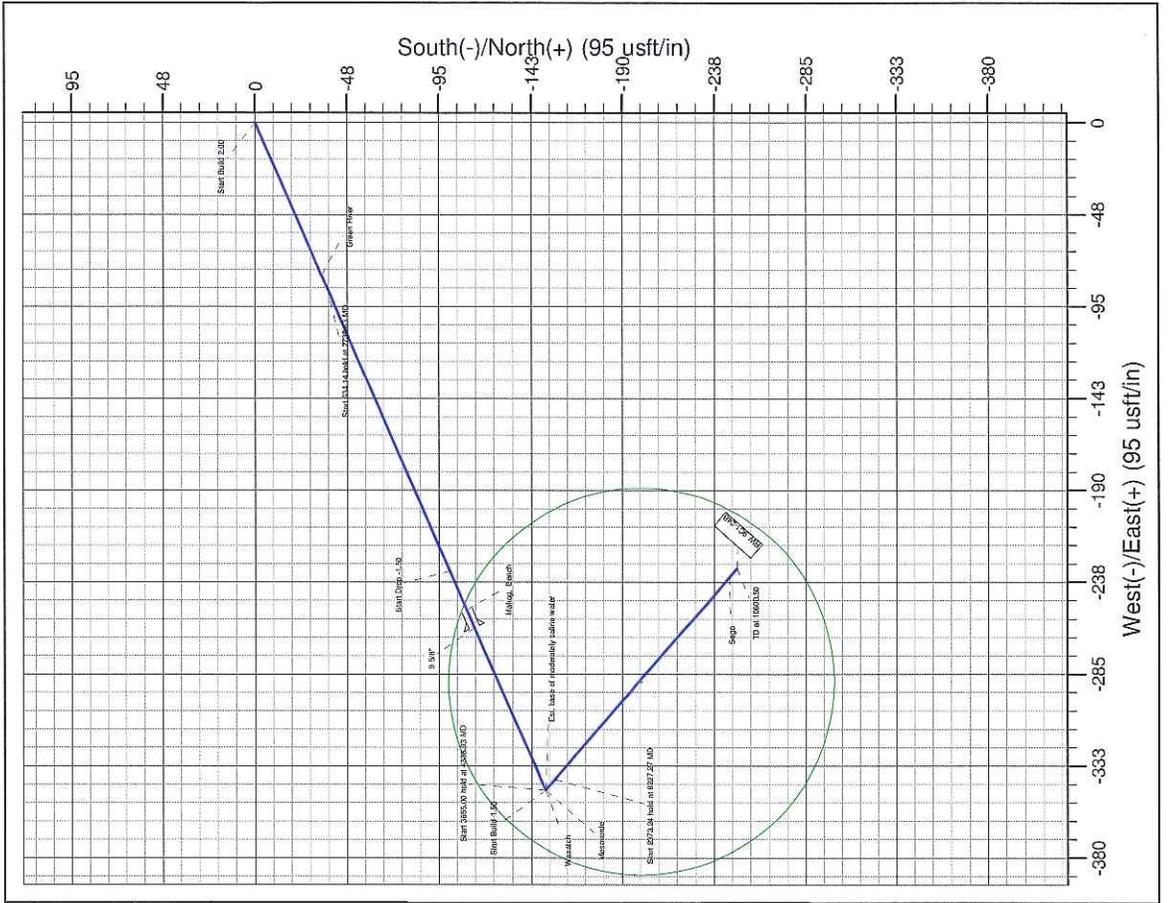
MD	0.00	+E/W	-288.88	Easting	2263726.638
MD	2000.00	+N/S	-193.95	Northing	7246892.629
MD	2704.07	TVD	7965.00	True Vertical Depth (2500 usft/in)	
MD	2704.07	MD	3467.80	MD	3500.00
MD	2704.07	MD	3467.80	MD	3500.00
MD	2704.07	MD	3467.80	MD	3500.00

PROJECT DETAILS: Red Wash

Geodetic System: US State Plane 1983
 Datum: North American Datum 1983
 Ellipsoid: GRS 1980
 Zone: Utah Central Zone
 System Datum: Mean Sea Level

REFERENCE INFORMATION

Co-ordinate (N/E) Reference: Well RW 9C1-24B, True North
 Vertical (TVD) Reference: RKB @ 5631.70usft (FRONTIER 2)
 Section (VS) Reference: Slot - (0.00N, 0.00E)
 Measured Depth Reference: RKB @ 5631.70usft (FRONTIER 2)
 Calculation Method: Minimum Curvature



DESIGN TARGET DETAILS

Name	TV	N/S	E/W	Easting	Shape
RW 9C1-24B	7965.00	-193.95	-288.88	2263726.638	Circle (Radius: 100.00)

SECTION DETAILS

MD	Inc	Azi	TV	+N/S	+E/W	Dleg	VSet
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2000.00	4.00	246.50	2005.00	0.00	0.00	0.00	0.00
2704.07	14.61	246.50	2704.07	-95.72	-81.50	2.00	84.77
3386.58	0.00	0.00	3386.58	-100.74	-231.89	0.00	231.12
4300.00	0.00	0.00	4300.00	-150.00	-344.15	1.50	344.15
7965.00	0.00	0.00	7965.00	-150.00	-345.00	0.00	344.15
8227.27	3.50	131.00	8188.19	-154.67	-339.82	1.50	343.94
10600.50	3.50	131.00	10557.00	-249.73	-230.28	0.00	339.69

FORMATION TOP DETAILS

MD	MP	Formation
2704.07	2704.07	Green River
3467.80	3467.80	Milking Branch
4670.93	4670.93	Mesquite
5947.00	5947.00	Est. base of moderately saline water
7965.00	7965.00	Mesaverde
10457.00	10457.00	Segro

CASING DETAILS

MD	Name	Size
3500.00	9 5/8"	9-5/8

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

FORM 6

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
4304752237	RW 9C1-24B		NESE	24	7S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
B	99999	18478	6/14/2012		1/1/2012		
Comments: <u>WMMFD</u>							

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6/14/2012

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

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

6/14/2012

Title

Date

RECEIVED

JUN 14 2012

CONFIDENTIAL

BLM - Vernal Field Office - Notification Form

Operator QEP Rig Name/# FRONTIER #2 Submitted By
MURRAY BECKER Phone Number 435-828-0315

Well Name/Number RW 9C1-24B
Qtr/Qtr NE/SE Section 24 Township 7S Range 23E
Lease Serial Number UTU082
API Number 43-047-52237-00-X1

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 0900 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
JUL 10 2012
DIV. OF OIL, GAS & MINING

Remarks WILL RUN 4 1/2 CASING AND CEMENT SAME. SHOULD
BE CEMENTING AT 0300 ON

7/11/2012

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU082
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 9C1-24B
2. NAME OF OPERATOR: QEP ENERGY COMPANY	9. API NUMBER: 43047522370000
3. ADDRESS OF OPERATOR: 11002 East 17500 South , Vernal, Ut, 84078	PHONE NUMBER: 303 308-3068 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1987 FSL 0691 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 24 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 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: 7/28/2012	<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 JULY 28, 2012 @ 12:10 a.m.

**Accepted by the
 Utah Division of
 Oil, Gas and Mining
 FOR RECORD ONLY
 August 02, 2012**

NAME (PLEASE PRINT) Valyn Davis	PHONE NUMBER 435 781-4369	TITLE Regulatory Affairs Analyst
SIGNATURE N/A	DATE 7/30/2012	

CONFIDENTIAL

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

AMENDED REPORT [] FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL [] GAS WELL [x] DRY [] OTHER []
b. TYPE OF WORK: NEW WELL [x] 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) 781-4369

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 1987' FSL, 691' FEL
AT TOP PRODUCING INTERVAL REPORTED BELOW: 1770' FSL, 1008' FEL
AT TOTAL DEPTH: 1765' FSL, 1004' FEL

5. LEASE DESIGNATION AND SERIAL NUMBER: UTU082

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME: RED WASH

8. WELL NAME and NUMBER: RW 9C1-24B

9. API NUMBER: 4304752237

10. FIELD AND POOL, OR WILDCAT: RED WASH

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 24 7S 23E S

12. COUNTY: UINTAH 13. STATE: UTAH

14. DATE SPUDDED: 6/14/2012 15. DATE T.D. REACHED: 7/18/2012 16. DATE COMPLETED: 7/19/2012
ABANDONED [] READY TO PRODUCE [x] 17. ELEVATIONS (DF, RKB, RT, GL): 5631 KB

18. TOTAL DEPTH: MD 10,558 TVD 10,526 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)
Sample Log. Proximity sensor
QUAD COMBO
23. WAS WELL CORED? NO [x] YES [] (Submit analysis)
WAS DST RUN? NO [x] YES [] (Submit report)
DIRECTIONAL SURVEY? NO [] YES [x] (Submit copy)

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

Table with 10 columns: 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. Includes rows for 12.25 and 7.875 hole sizes.

25. TUBING RECORD

Table with 9 columns: SIZE, DEPTH SET (MD), PACKER SET (MD), SIZE, DEPTH SET (MD), PACKER SET (MD), SIZE, DEPTH SET (MD), PACKER SET (MD). Includes row for size 2.375.

26. PRODUCING INTERVALS

Table with 10 columns: FORMATION NAME, TOP (MD), BOTTOM (MD), TOP (TVD), BOTTOM (TVD), INTERVAL (Top/Bot - MD), SIZE, NO. HOLES, PERFORATION STATUS. Includes row for MESA VERDE.

27. PERFORATION RECORD

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

Table with 2 columns: DEPTH INTERVAL, AMOUNT AND TYPE OF MATERIAL. Includes row for 10238 - 10254 interval.

29. ENCLOSED ATTACHMENTS:

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

30. WELL STATUS:

PGW

RECEIVED

INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 7/28/2012		TEST DATE: 7/30/2012		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL - BBL: 25	GAS - MCF: 1,528	WATER - BBL: 492	PROD. METHOD: FLOWS
CHOKE SIZE: 20/64	TBG. PRESS. 1,650	CSG. PRESS. 2,479	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 25	GAS - MCF: 1,528	WATER - BBL: 492	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	2,687
				MAHOGANY	3,417
				WASATCH	5,890
				MESA VERDE	8,006
				SEGO	10,478

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) VALYN DAVIS TITLE REGULATORY AFFAIRS ANALYST
 SIGNATURE *Valyn Davis* DATE 9/4/2012

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
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