

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

FORM 3

AMENDED REPORT

<b>APPLICATION FOR PERMIT TO DRILL</b>						1. WELL NAME and NUMBER RW 2B1-26B						
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) UTU0566			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 type="checkbox"/> DIRECTIONAL <input checked="" type="checkbox"/> HORIZONTAL <input type="checkbox"/>						
20. LOCATION OF WELL		FOOTAGES		QTR-QTR		SECTION		TOWNSHIP		RANGE		MERIDIAN
LOCATION AT SURFACE		1717 FSL 2554 FWL		NESW		23		7.0 S		23.0 E		S
Top of Uppermost Producing Zone		186 FNL 2292 FEL		NWNE		26		7.0 S		23.0 E		S
At Total Depth		186 FNL 2292 FEL		NWNE		26		7.0 S		23.0 E		S
21. COUNTY UINTAH			22. DISTANCE TO NEAREST LEASE LINE (Feet) 186			23. NUMBER OF ACRES IN DRILLING UNIT 1920						
27. ELEVATION - GROUND LEVEL 5625			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 9930			26. PROPOSED DEPTH MD: 11173 TVD: 10851						
28. BOND NUMBER ESB000024			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE A36125 / 49-2153									
<b>Hole, Casing, and Cement Information</b>												
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement			Sacks	Yield	Weight
Surf	12.25	9.625	0 - 3750	40.0	N-80 LT&C	0.0	Halliburton Light , Type Unknown			460	3.12	11.0
							Halliburton Premium , Type Unknown			240	1.47	13.5
I1	8.5	4.5	0 - 6384	11.6	HCP-110 LT&C	9.5	No Used			0	0.0	0.0
Prod	7.875	4.5	0 - 11173	11.6	HCP-110 LT&C	10.5	Halliburton Light , Type Unknown			670	3.18	11.0
							Halliburton Premium , Type Unknown			550	1.65	13.5
<b>ATTACHMENTS</b>												
<b>VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES</b>												
<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 checked="" type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)						<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP						
NAME Jan Nelson				TITLE Permit Agent				PHONE 435 781-4331				
SIGNATURE				DATE 01/30/2012				EMAIL jan.nelson@qepres.com				
API NUMBER ASSIGNED 43047523240000				APPROVAL				 Permit Manager				

QEP Energy Company  
 RW 2B1-26B  
 Uintah County, Utah  
 SHL: 1717 FSL & 2554 FWL, Section 23, T7S, R23E  
 BHL: 186 FNL & 2292 FEL, Section 26, 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 Name</u>	<u>TVD (ft, RKB)</u>	<u>MD (ft, RKB)</u>
Duchesne River/Uintah	0	0
Green River	2786	2891
Mahogany	3676	3676
Estimated Btm of Mod Saline Water	5516	5799
Wasatch	6072	6384
Mesaverde	8250	8572
Sego	10551	10873
TD	10851	11173

#### 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>Formation Name (Substance)</u>	<u>Depth (ft, TVD)</u>	<u>Depth (ft, MD)</u>
Green River (Oil)	2786	2891
Wasatch (Gas)	6072	6384
Mesaverde (Gas)	8250	8572
Sego (Gas)	10551	10873

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.

QEP Energy Company  
RW 2B1-26B  
Uintah County, Utah  
SHL: 1717 FSL & 2554 FWL, Section 23, T7S, R23E  
BHL: 186 FNL & 2292 FEL, Section 26, T7S, R23E

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If flows are detected, samples will be submitted to the BLM along with any water analyses conducted. Fresh water will be obtained from Wonsits Valley water right A36125 (which was filed on May 7, 1964) or Red Wash water right # 49-2153 (which was filed on March 25, 1960). It was determined by the Fish and Wildlife Service that any water right number filed before 1989 is not depleting to the Upper Colorado River System, to supply fresh water for drilling purposes. All water resulting from drilling operations will be disposed of at LaPoint Recycling and Storage in Section 12, T5S R19E of Uintah County, UT or Red Wash Disposal site; SESE, Section 28, T7S, R23E or West End Disposal Site; NESE, Section 28, T7S, R22E.

**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.

QEP Energy Company  
 RW 2B1-26B  
 Uintah County, Utah  
 SHL: 1717 FSL & 2554 FWL, Section 23, T7S, R23E  
 BHL: 186 FNL & 2292 FEL, Section 26, T7S, R23E

#### 4. Casing Design:

Hole Size (in)	Csg. Size	Top (MD)	Bottom (MD)	Wt. (ppf)	Grade	Thread	Cond.	Expected MW(ppg)
22	16	Sfc	40	Steel	Conductor	None	Used	N/A
12.25	9.625	Sfc	3750	40	N-80	LTC	New	Air
8.5	4.5	Sfc	6384	11.6	HCP-110	LTC	New	9.5
7.875	4.5	Sfc	11173	11.6	HCP-110	LTC	New	10.5

Casing Strengths						
OD (in)	Wt (ppf)	Grade	Thread	Collapse (psi)	Burst (psi)	Tensile (kips, min)
9.625	40	N-80	LTC	3090	5750	727
4.5	11.6	HCP-110	LTC	8830	10710	279

#### 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:

	<u>Lead</u>	<u>Tail</u>
Top of Slurry (ft, MD):	0	3000
Bottom of Slurry (ft, MD):	3000	3000
Weight (ppg):	11.0	13.5
Yeild (ft <sup>3</sup> /sk):	3.12	1.47
% Excess (Open Hole Only):	50%	50%
Volume (ft <sup>3</sup> ):	1410	352
Volume (Sacks):	460	240

QEP Energy Company  
 RW 2B1-26B  
 Uintah County, Utah  
 SHL: 1717 FSL & 2554 FWL, Section 23, T7S, R23E  
 BHL: 186 FNL & 2292 FEL, Section 26, T7S, R23E

**4-1/2" Production Casing\*:**

	<b><u>Lead</u></b>	<b><u>Tail</u></b>
Top of Slurry (ft, MD):	3000	8572
Bottom of Slurry (ft, MD):	8572	11173
Weight (ppg):	11.0	13.5
Yeild (ft <sup>3</sup> /sk):	3.18	1.65
% Excess (Open Hole Only):	50%	50%
Volume (ft <sup>3</sup> ):	2105	892
Volume (Sacks):	670	550

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

**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' or deeper 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. **Bloolie line discharge 100 feet from wellbore and securely anchored** – the bloolie 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.

QEP Energy Company

RW 2B1-26B

Uintah County, Utah

SHL: 1717 FSL & 2554 FWL, Section 23, T7S, R23E

BHL: 186 FNL & 2292 FEL, Section 26, T7S, R23E

3. **Automatic igniter or continuous pilot light on blooie line** – a diffuser will be used rather than an automatic pilot/igniter. Water is injected into the compressed air and eliminates the need for a pilot light and the need for dust suppression equipment.
4. **Compressors located in the opposite direction from the blooie line a minimum of 100 feet from the wellbore** – compressors located within 50 feet on the opposite side of the wellbore from the blooie line and is equipped with a 1) emergency kill switch on the driller's console, 2) pressure relief valves on the compressors, 3) spark arrestors on the motors.
5. **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 blooie line** – QEP will mount a deflector unit at the end of the blooie line for the purpose of changing the direction and velocity of the air and cuttings flow into the reserve pit. Changing the velocity and direction of the cuttings and air will preserve the pit liner. In the event the deflector washes out due to erosion caused by the sand blasting effect of the cuttings, there will be no problem because the deflector is mounted on the very end of the blooie. A washed out deflector will be easily replaced.
7. **Flare Pit** – there will be no need of a flare pit during the surface hole air drilling operation because the blooie line is routed directly to the reserve pit. When the big rig arrives for the main drilling after setting surface casing, a flare box will be installed and all flare lines will be routed to the flare box.

G. 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:

QEP Energy Company

RW 2B1-26B

Uintah County, Utah

SHL: 1717 FSL & 2554 FWL, Section 23, T7S, R23E

BHL: 186 FNL & 2292 FEL, Section 26, T7S, R23E

– 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.

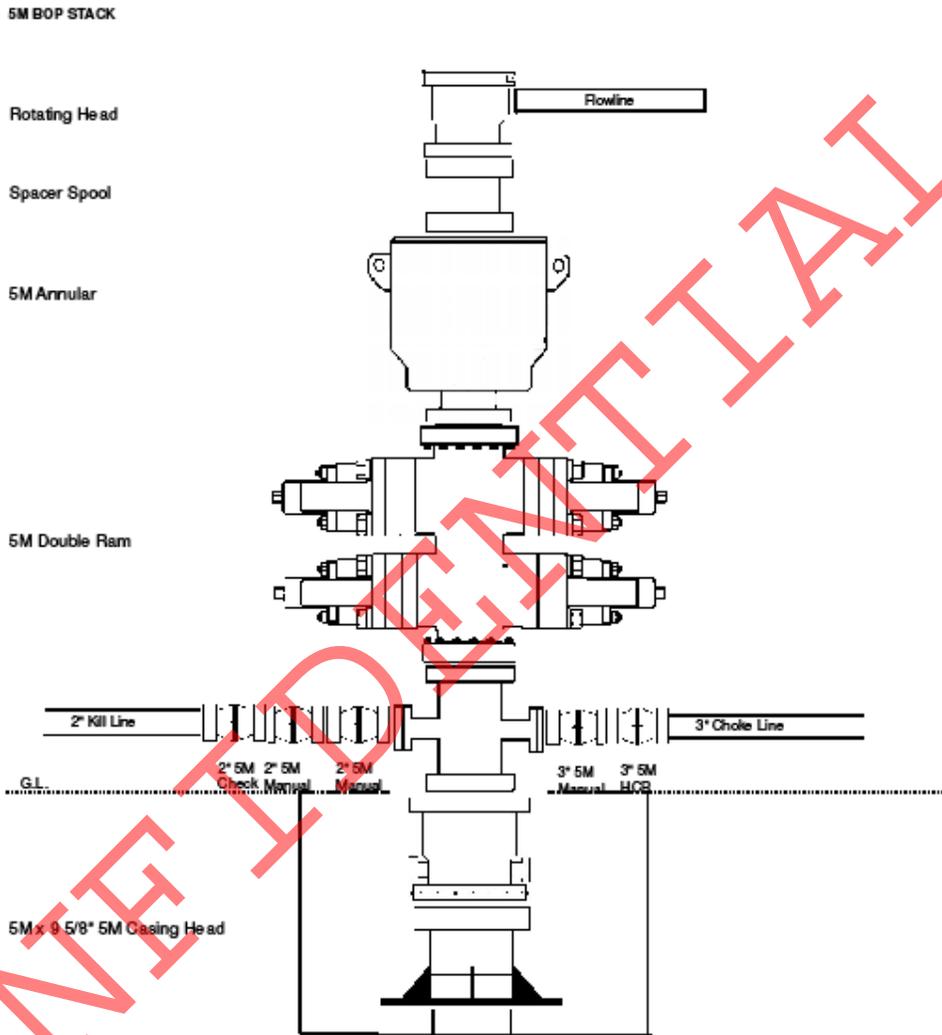
Maximum anticipated bottom hole pressure (approx, psi): 5925

Maximum anticipated bottom hole temperature (approx, deg F): 210

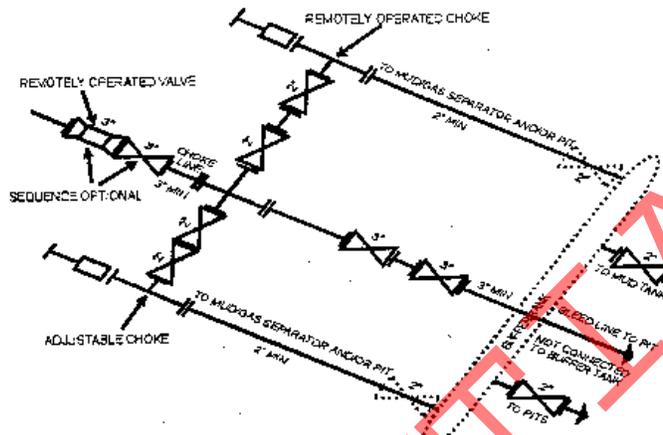
H2S has not been encountered in other wells drilled to similar depths in the general area.

CONFIDENTIAL

QEP Energy Company  
RW 2B1-26B  
Uintah County, Utah  
SHL: 1717 FSL & 2554 FWL, Section 23, T7S, R23E  
BHL: 186 FNL & 2292 FEL, Section 26, T7S, R23E



QEP Energy Company  
RW 2B1-26B  
Uintah County, Utah  
SHL: 1717 FSL & 2554 FWL, Section 23, T7S, R23E  
BHL: 186 FNL & 2292 FEL, Section 26, T7S, R23E



5M CHOKE 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 2B1-26B, 10M, OR 15M drawings, it would also be applicable to those situations.  
[54 FR 39528, Sept. 27, 1989]

QEP Energy Company  
 RW 2B1-26B  
 Uintah County, Utah  
 SHL: 1717 FSL & 2554 FWL, Section 23, T7S, R23E  
 BHL: 186 FNL & 2292 FEL, Section 26, T7S, R23E

WELLBORE DIAGRAM

General Information	
Pad	23-23B
Pod	2
Elevation, GL	5625
Elevation, RKB	5641

Conductor Information	
Conductor set @	40
Cemented to Surface	

Geologic Prognosis		
Formation	TVD	MD
Duchesne River/Uintah	0	0
Green River	2786	2891
Mahogany	3542	3676
Est Btm of Mod Saline Water	5516	5799
Wasatch	6072	6384
Mesaverde	8250	8572
Sego	10551	10873
TD	10851	11173

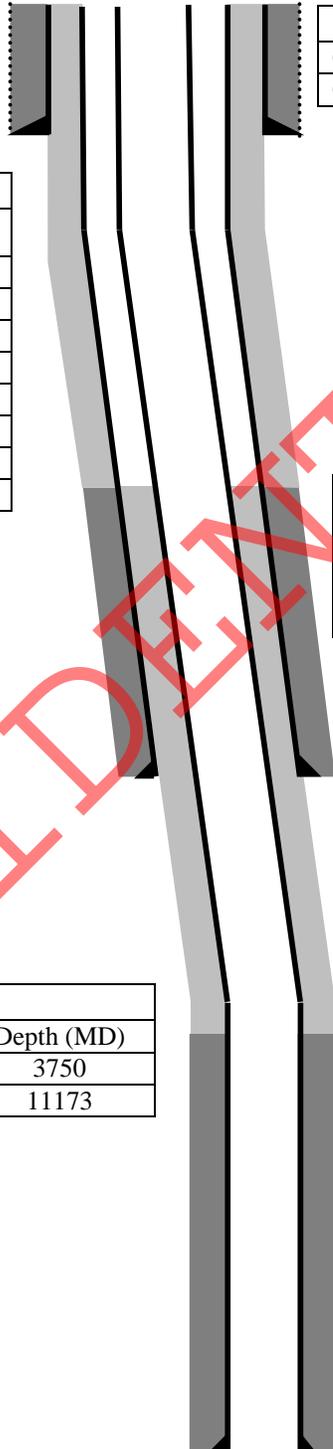
Hole Size	From (MD)	To (MD)
12.25	0	3750
8.5	3750	6384
7.875	6384	11173

Surface Cement			
	Top (MD)	Wt (ppg)	Volume (Sacks)
Lead	0	11	460
Tail	3000	13.5	240

Directional Information		
KOP:	500	ft
Departure:	1950	ft
Azimuth:	167.23	deg

Casing Information				
Size	Wt	Grade	Connection	Depth (MD)
9.625	40	N-80	LTC	3750
4.5	11.6	HCP-110	LTC	11173

Production Cement			
	Top (MD)	Wt (ppg)	Volume (Sacks)
Lead	3000	11	670
Tail	8572	13.5	550



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

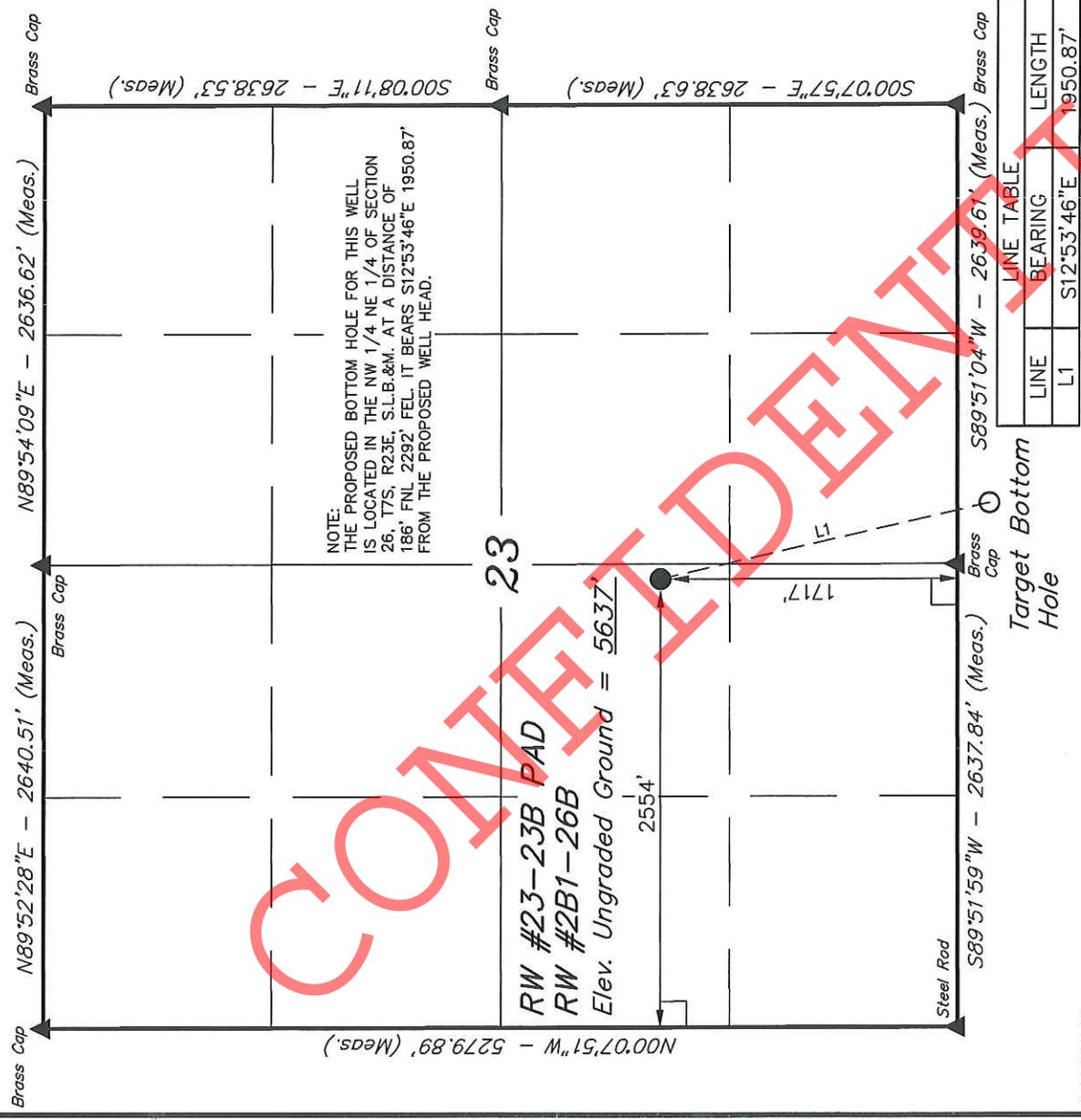
**QEP ENERGY COMPANY**

Well location, RW #23-23B PAD, Well Name RW #2B1-26B (SURFACE LOCATION), located as shown in the NE 1/4 SW 1/4 of Section 23, T7S, R23E, S.L.B.&M., Uintah County, Utah.  
**BASIS OF ELEVATION**

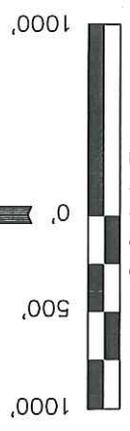
BENCH MARK (20EAM) LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

**BASIS OF BEARINGS**

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



NOTE:  
 THE PROPOSED BOTTOM HOLE FOR THIS WELL IS LOCATED IN THE NW 1/4 NE 1/4 OF SECTION 26, T7S, R23E, S.L.B.&M. AT A DISTANCE OF 186' FNL 2292' FEL. IT BEARS S12°53'46"E 1950.87' FROM THE PROPOSED WELL HEAD.



**CERTIFICATE**

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

*[Signature]*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH  
 12-21-11

REVISED: 12-21-11

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

SCALE	1" = 1000'	DATE SURVEYED:	10-03-11	DATE DRAWN:	11-15-11
PARTY	A.F. C.A.G.	REFERENCES	G.L.O. PLAT		
WEATHER	WARM	FILE	QEP ENERGY COMPANY		

LINE	BEARING	LENGTH
L1	S12°53'46"E	1950.87'

NAD 83 (SURFACE LOCATION)	
LATITUDE = 40°11'33.01"	(40.192503)
LONGITUDE = 109°17'40.65"	(109.294625)
NAD 27 (SURFACE LOCATION)	
LATITUDE = 40°11'33.14"	(40.192539)
LONGITUDE = 109°17'38.20"	(109.293944)
STATE PLANE NAD 83 UTAH CENTRAL	
N: 7246439.323	E: 2256429.663

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

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

**QEP ENERGY COMPANY**

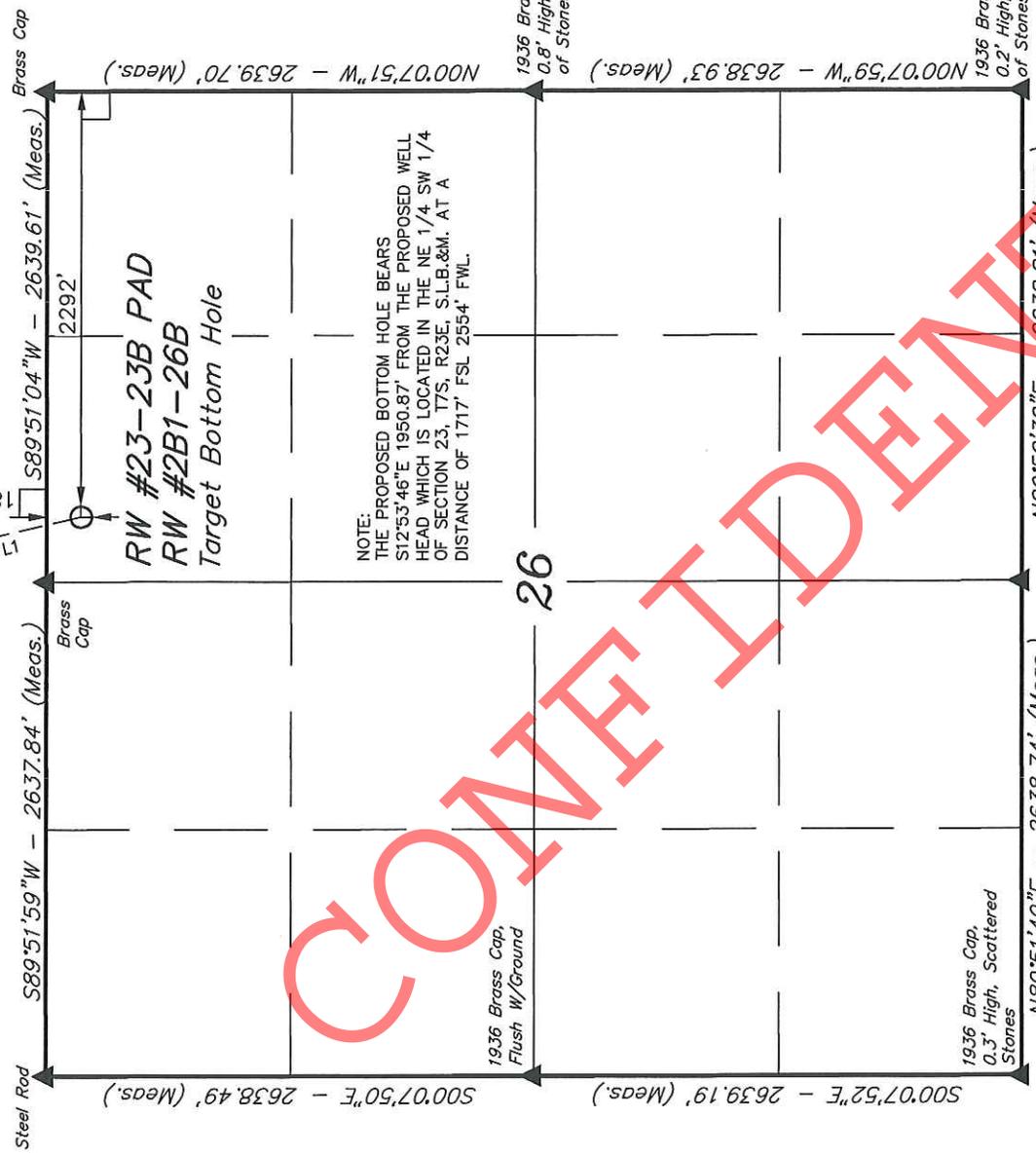
Well location, RW #23-23B PAD, Well Name RW #2B1-26B (TARGET BOTTOM HOLE), located as shown in the NW 1/4 NE 1/4 of Section 26, T7S, R23E, S.L.B.&M., Uintah County, Utah.

**BASIS OF ELEVATION**

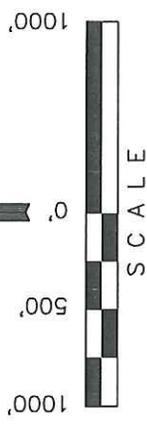
BENCH MARK (20EAM) LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

**BASIS OF BEARINGS**

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



NOTE:  
THE PROPOSED BOTTOM HOLE BEARS S12°53'46\"/>



**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 H. ...*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH  
12-21-11

REVISED: 12-21-11

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

LINE	BEARING	LENGTH
L1	S12°53'46\"/>	

NAD 83 (TARGET BOTTOM HOLE)	
LATITUDE = 40°11'14.21\"/>	
LONGITUDE = 109°17'35.10\"/>	
NAD 27 (TARGET BOTTOM HOLE)	
LATITUDE = 40°11'14.34\"/>	
LONGITUDE = 109°17'32.65\"/>	
STATE PLANE NAD 83 UTAH CENTRAL	
N: 7244548.510	E: 2256907.460

**LEGEND:**

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

SCALE	1" = 1000'	DATE SURVEYED:	10-03-11	DATE DRAWN:	11-15-11
PARTY	A.F. C.A.G.	REFERENCES	G.I.O. PLAT		
WEATHER	WARM	FILE	QEP ENERGY COMPANY		

# QEP ENERGY COMPANY

## RW #23-23B PAD

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 23, T7S, R23E, S.L.B.&M.

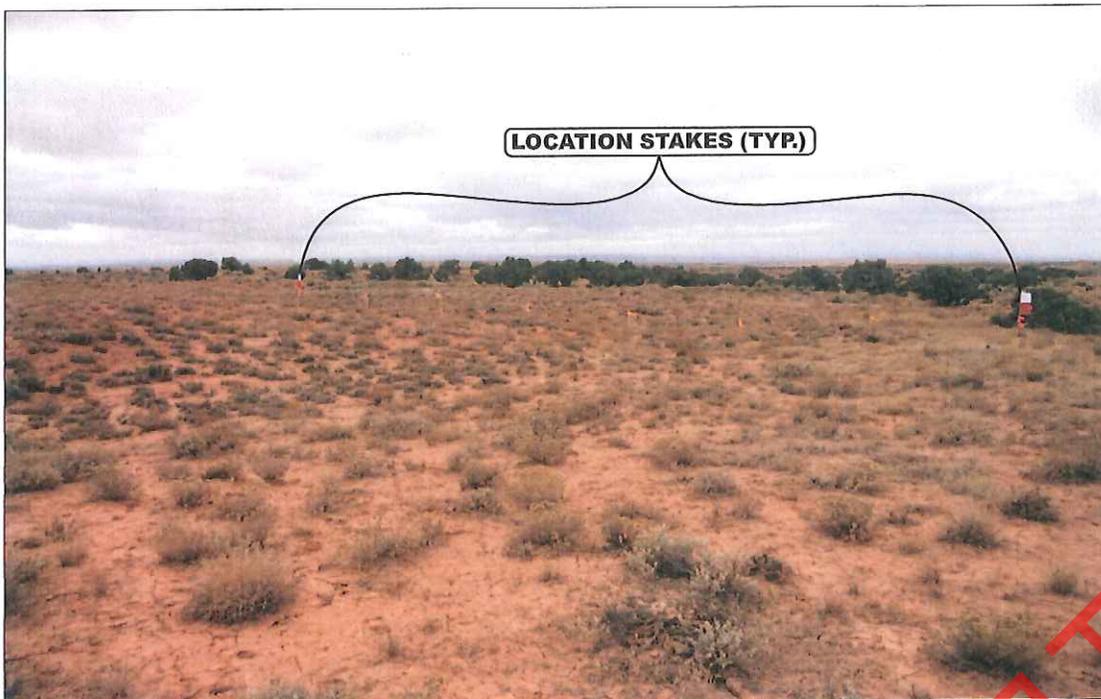


PHOTO: VIEW OF LOCATION STAKES

CAMERA ANGLE: SOUTHERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: SOUTHERLY



- Since 1964 -

**UELS**

Uintah Engineering & Land Surveying

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

LOCATION PHOTOS

10 05 11  
MONTH DAY YEAR

PHOTO

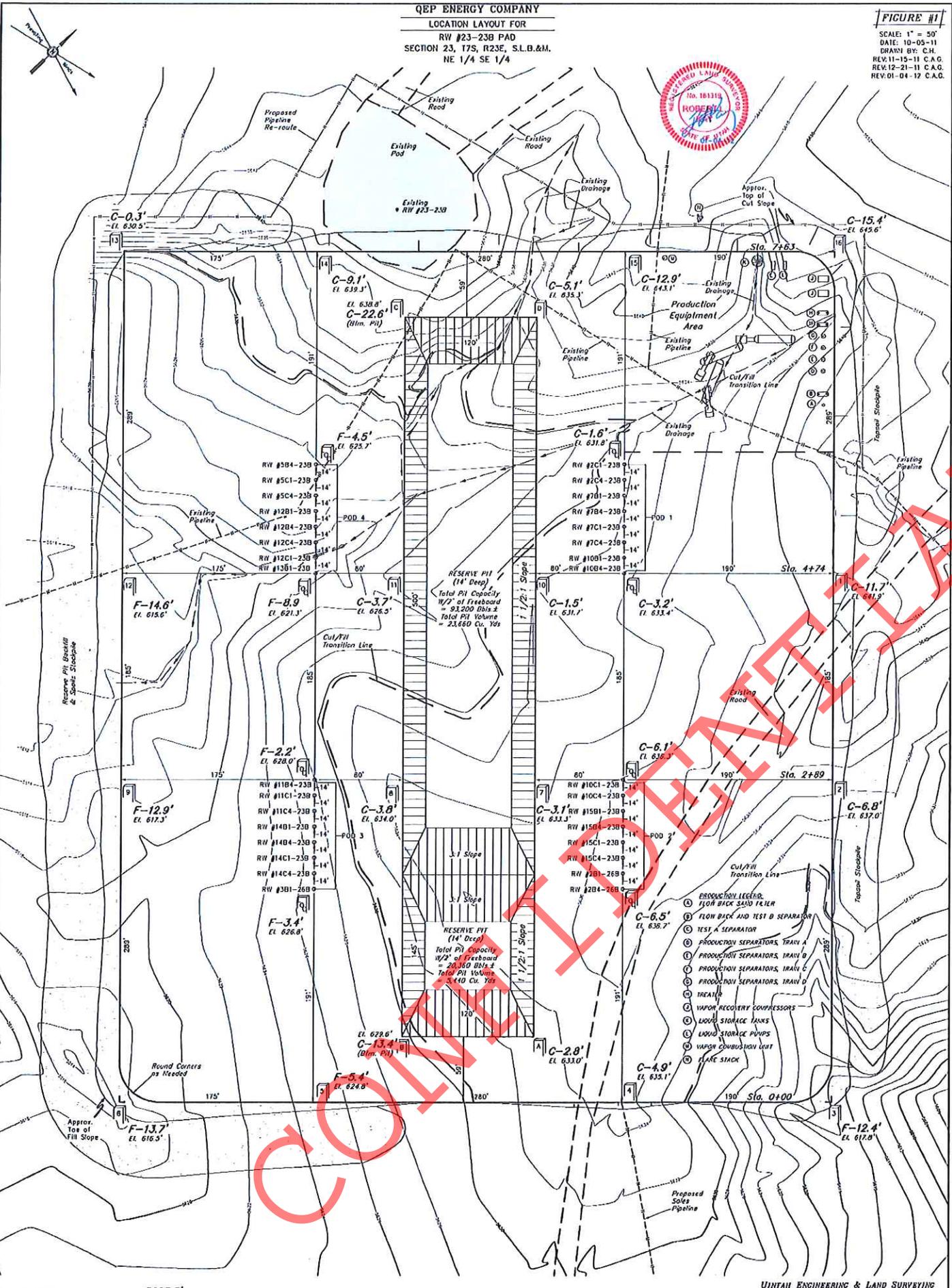
TAKEN BY: A.F.

DRAWN BY: A.W.

REVISED: 00-00-00

QEP ENERGY COMPANY  
 LOCATION LAYOUT FOR  
 RW #23-23B PAD  
 SECTION 23, 17S, R23E, S.L.B.&M.  
 NE 1/4 SE 1/4

FIGURE #1  
 SCALE: 1" = 50'  
 DATE: 10-05-11  
 DRAWN BY: C.H.  
 REV. 11-15-11 C.A.G.  
 REV. 12-21-11 C.A.G.  
 REV. 01-04-12 C.A.G.



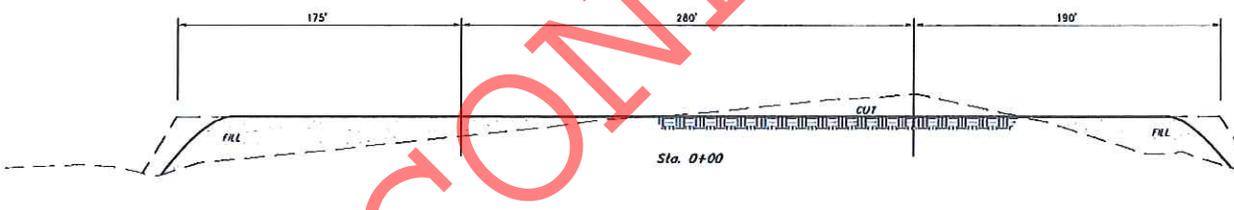
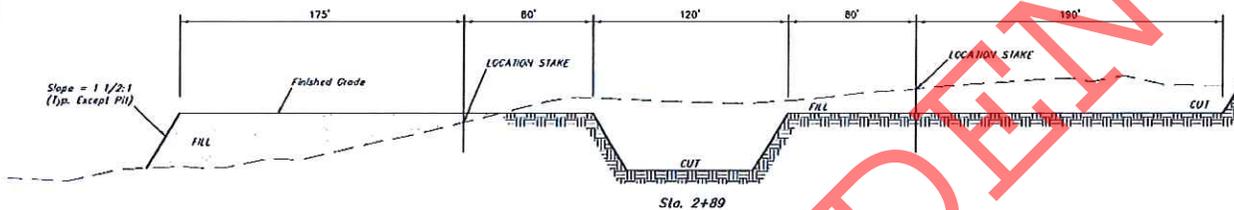
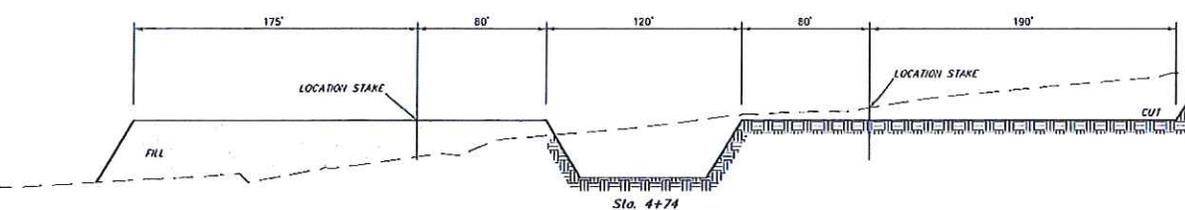
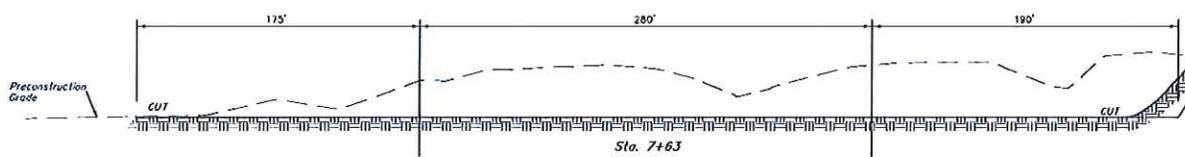
FINISHED GRADE ELEV. AT LOC. STAKE #5625.3'

UTAH ENGINEERING & LAND SURVEYING  
 85 So. 400 East • P.O. Box 10724 • Salt Lake City, UT 84143-0724

**QEP ENERGY COMPANY**  
**TYPICAL CROSS SECTIONS FOR**  
 RW #23-23B PAD  
 SECTION 23, T7S, R23E, S.L.B.&M.  
 NE 1/4 SE 1/4

FIGURE #2

X-Section  
 Scale  
 1" = 50'  
 DATE: 10-05-11  
 DRAWN BY: C.H.



COMPLETED

\* NOTE:  
 FILL QUANTITY INCLUDES  
 5% FOR COMPACTION

**APPROXIMATE YARDAGES**

(6") Topsoil Stripping	= 10,080 Cu. Yds.
Remaining Location	= 76,330 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 86,410 CU.YDS.</b>
<b>FILL</b>	<b>= 58,000 CU.YDS.</b>

EXCESS MATERIAL	= 29,510 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol)	= 24,630 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 4,880 Cu. Yds.

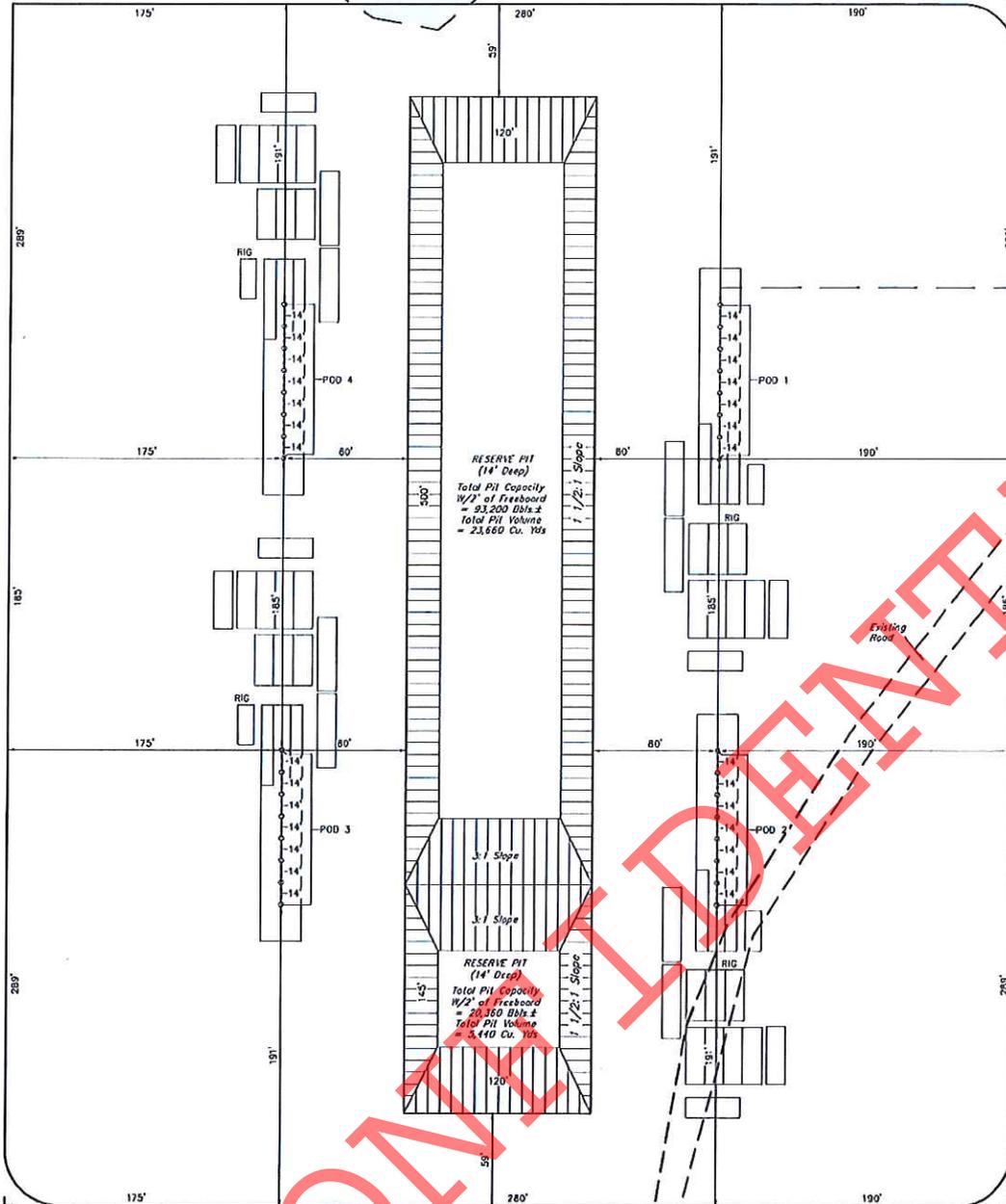
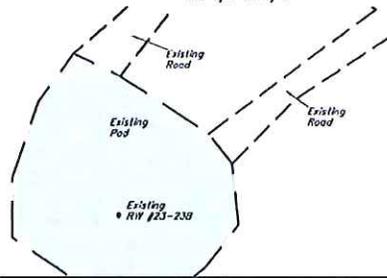
**APPROXIMATE ACRES**  
 WELL SITE DISTURBANCE = 374.188 ACRES  
 TOTAL = 314.188 ACRES

**UINTAH ENGINEERING & LAND SURVEYING**  
 85 So. 200 East • P.O. Box 84078 • (435) 733-1017

QEP ENERGY COMPANY  
TYPICAL RIG LAYOUT FOR  
RW #23-23B PAD  
SECTION 23, T7S, R23E, S.L.B.&M.  
NE 1/4 SE 1/4

FIGURE #3

SCALE: 1" = 50'  
DATE: 01-04-12  
DRAWN BY: C.A.G.



RESERVE PIT  
(14' Deep)  
Total Pit Capacity  
W/2' of Freeboard  
= 23,200 Cu. Yds.  
Total Pit Volume  
= 23,660 Cu. Yds.

RESERVE PIT  
(14' Deep)  
Total Pit Capacity  
W/2' of Freeboard  
= 20,800 Cu. Yds.  
Total Pit Volume  
= 21,140 Cu. Yds.

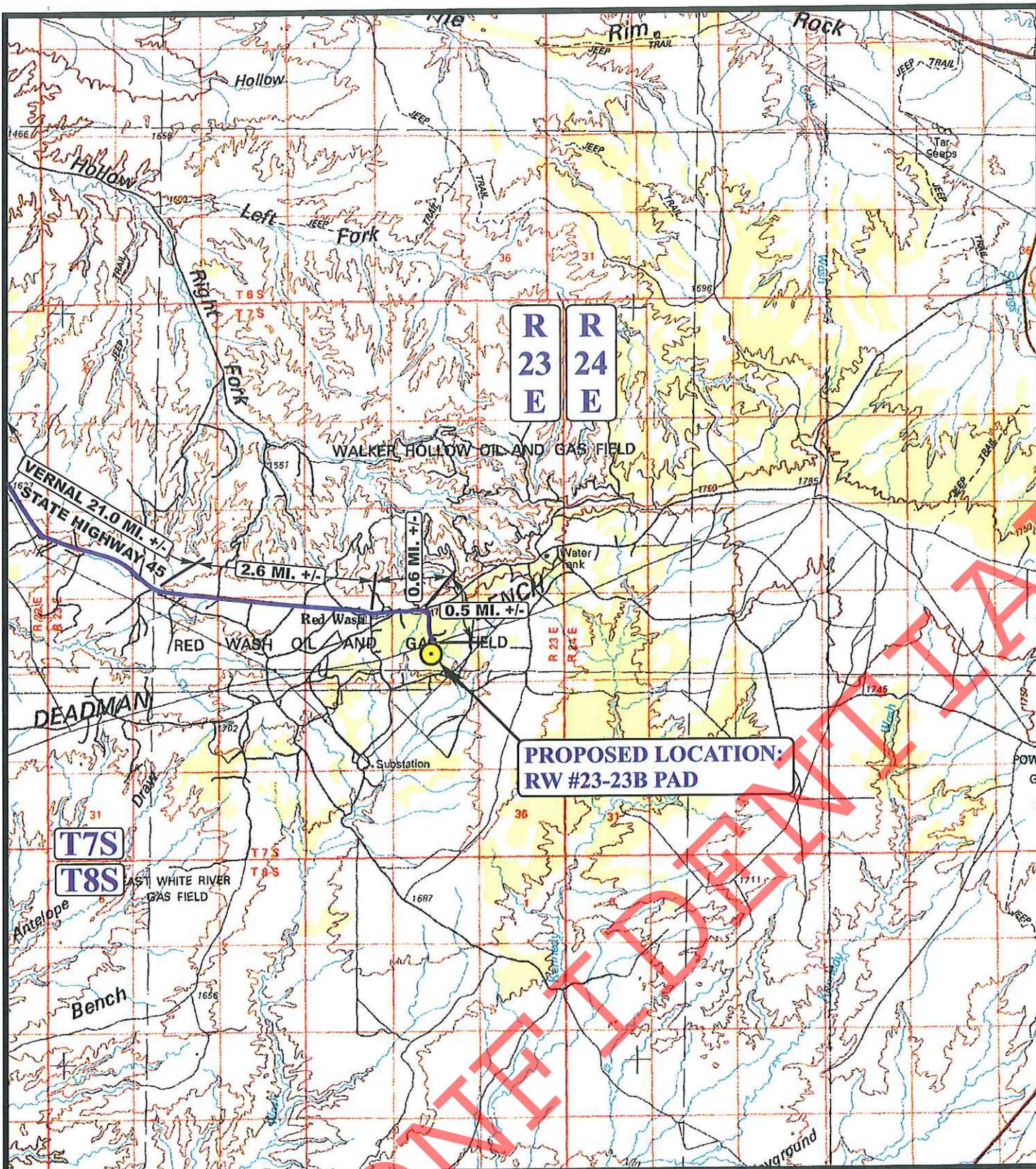
COMPLETED

QEP ENERGY COMPANY  
RW #23-23B PAD  
SECTION 23, 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 THIS ROAD AND STATE HIGHWAY 45 TO THE SOUTH; TURN 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 THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED LOCATION IS APPROXIMATELY 24.7 MILES.

CONFIDENTIAL



**LEGEND:**

 PROPOSED LOCATION

**QEP ENERGY COMPANY**

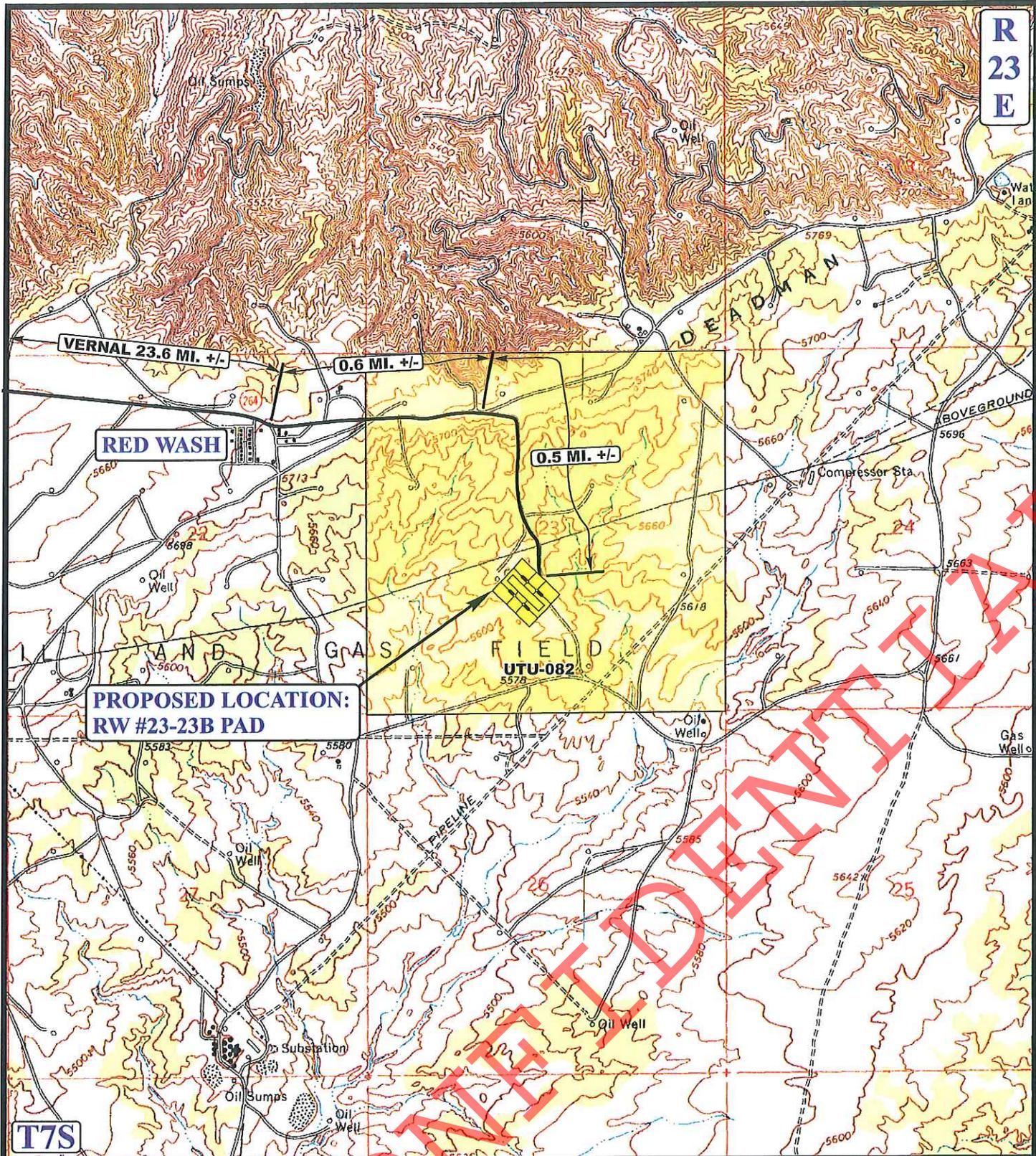
**RW #23-23B PAD**  
**SECTION 23, T7S, R23E, S.L.B.&M.**  
**NE 1/4 SW 1/4**

**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**      **10 05 11**  
 MONTH    DAY    YEAR

SCALE: 1:100,000    DRAWN BY: A.W.    REVISED: 00-00-00

**A**  
**TOPO**



R  
23  
E

T7S

**LEGEND:**

————— EXISTING ROAD



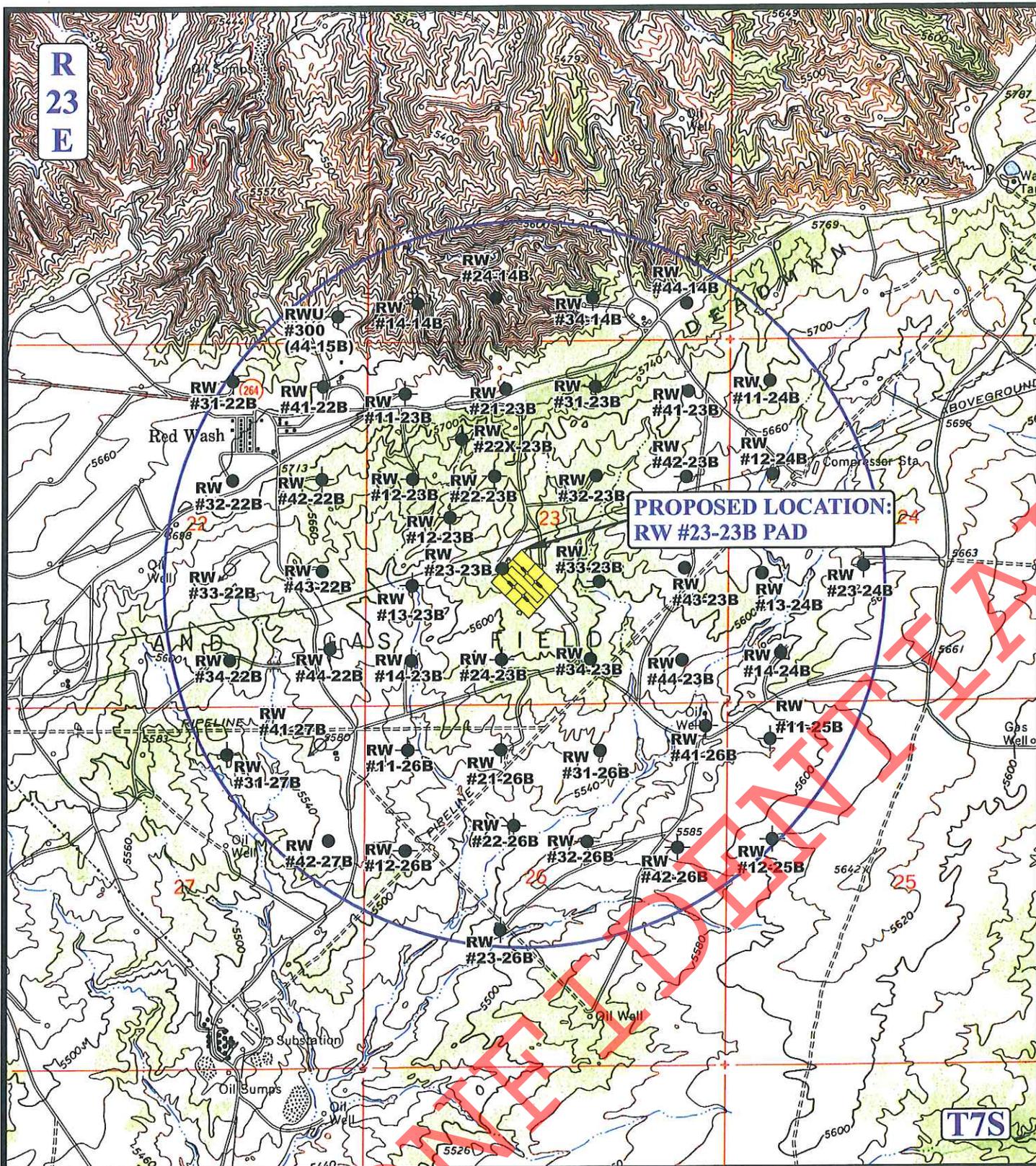
**QEP ENERGY COMPANY**

**RW #23-23B PAD**  
**SECTION 23, T7S, R23E, S.L.B.&M.**  
**NE 1/4 SW 1/4**



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

<b>ACCESS ROAD MAP</b>	<b>10</b>	<b>05</b>	<b>11</b>	<b>B TOPO</b>
	MONTH	DAY	YEAR	
SCALE: 1" = 2000'		DRAWN BY: A.W.		REVISED: 00-00-00



**LEGEND:**

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



**QEP ENERGY COMPANY**

**RW #23-23B PAD**  
**SECTION 23, T7S, R23E, S.L.B.&M.**  
**NE 1/4 SW 1/4**



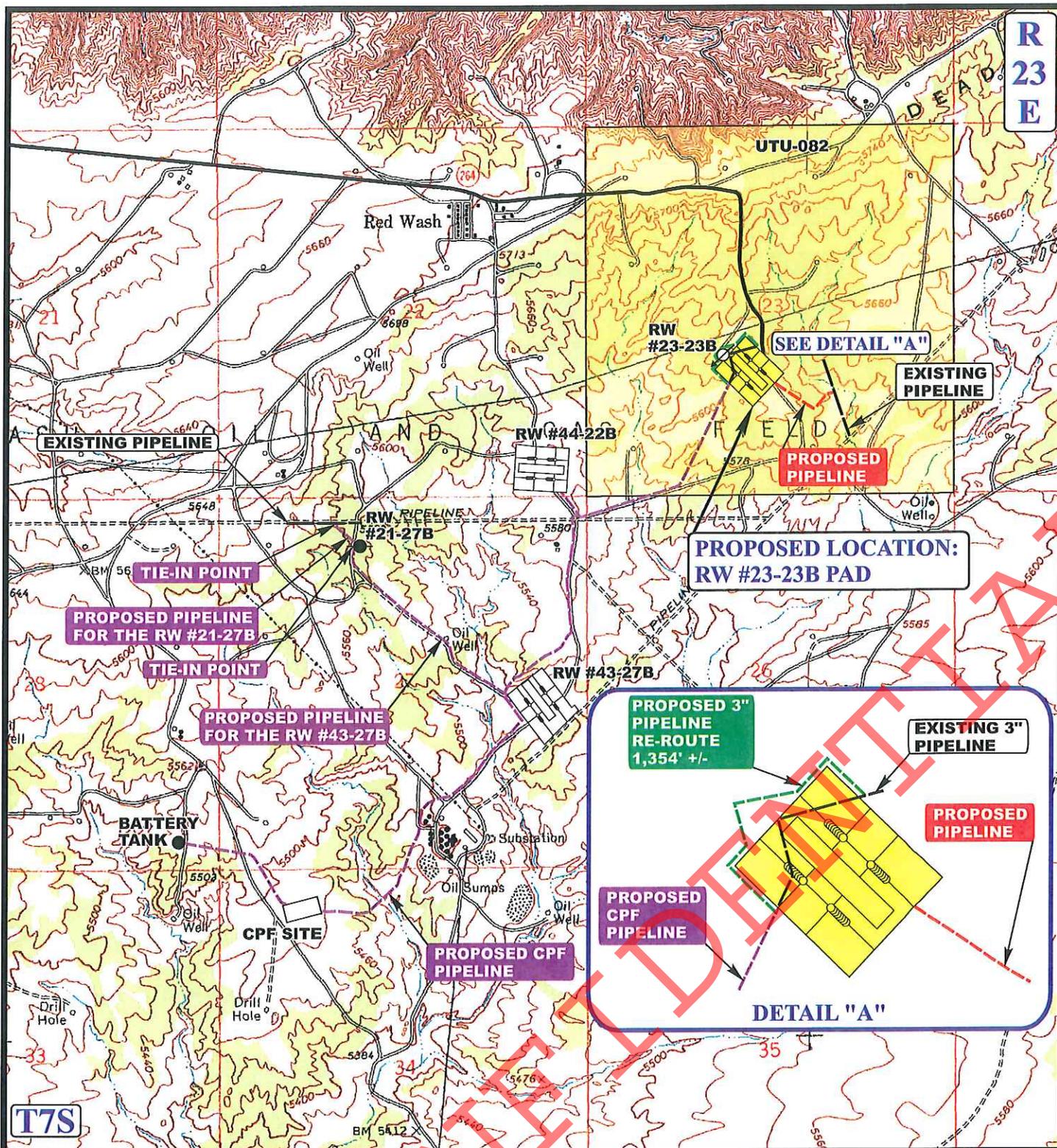
**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC MAP**

<b>10</b>	<b>05</b>	<b>11</b>
MONTH	DAY	YEAR

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





**APPROXIMATE TOTAL PIPELINE DISTANCE = 1059' +/-**

**LEGEND:**

- EXISTING ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE RE-ROUTE
- PROPOSED PIPELINE (SERVICING OTHER WELLS)
- PROPOSED PIPELINE

**QEP ENERGY COMPANY**

**RW #23-23B PAD**  
**SECTION 23, T7S, R23E, S.L.B.&M.**  
**NE 1/4 SW 1/4**



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



**TOPOGRAPHIC**  
**MAP**

**10 05 11**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: A.W. REVISED: 10-12-11





QEP Energy Company

## QEP ENERGY (UT)

Red Wash  
23-23B PAD  
RW 2B1-26B

Original Hole

Plan: Plan ver.1 - Permit

## Standard Planning Report

10 January, 2012

CONFIDENTIAL



QEP Energy Company



**QEP Resources, Inc.**  
Planning Report



<b>Database:</b>	EDMDB_QEP	<b>Local Co-ordinate Reference:</b>	Well RW 2B1-26B
<b>Company:</b>	QEP ENERGY (UT)	<b>TVD Reference:</b>	RKB @ 5641.30usft (EST. RKB)
<b>Project:</b>	Red Wash	<b>MD Reference:</b>	RKB @ 5641.30usft (EST. RKB)
<b>Site:</b>	23-23B PAD	<b>North Reference:</b>	True
<b>Well:</b>	RW 2B1-26B	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Original Hole		
<b>Design:</b>	Plan ver.1 - Permit		

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

<b>Site</b>	23-23B PAD				
<b>Site Position:</b>		<b>Northing:</b>	7,246,686.310 usft	<b>Latitude:</b>	40.193199
<b>From:</b>	Map	<b>Easting:</b>	2,256,158.369 usft	<b>Longitude:</b>	-109.295575
<b>Position Uncertainty:</b>	0.00 usft	<b>Slot Radius:</b>	13-3/16 "	<b>Grid Convergence:</b>	1.41 °

<b>Well</b>	RW 2B1-26B					
<b>Well Position</b>	<b>+N/-S</b>	-253.62 usft	<b>Northing:</b>	7,246,439.323 usft	<b>Latitude:</b>	40.192503
	<b>+E/-W</b>	265.15 usft	<b>Easting:</b>	2,256,429.663 usft	<b>Longitude:</b>	-109.294626
<b>Position Uncertainty</b>		0.00 usft	<b>Wellhead Elevation:</b>	5,625.30 usft	<b>Ground Level:</b>	5,625.30 usft

<b>Wellbore</b>	Original Hole				
<b>Magnetics</b>	<b>Model Name</b>	<b>Sample Date</b>	<b>Declination (°)</b>	<b>Dip Angle (°)</b>	<b>Field Strength (nT)</b>
	IGRF2010	12/7/2011	10.95	66.05	52,409

<b>Design</b>	Plan ver.1 - Permit			
<b>Audit Notes:</b>				
<b>Version:</b>	<b>Phase:</b>	PLAN	<b>Tie On Depth:</b>	0.00
<b>Vertical Section:</b>	<b>Depth From (TVD) (usft)</b>	<b>+N/-S (usft)</b>	<b>+E/-W (usft)</b>	<b>Direction (°)</b>
	0.00	0.00	0.00	167.23

<b>Plan Sections</b>										
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	
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,508.17	20.16	167.23	1,487.49	-171.23	38.80	2.00	2.00	0.00	167.23	
5,977.97	20.16	167.23	5,683.35	-1,673.86	379.33	0.00	0.00	0.00	0.00	
7,322.20	0.00	0.00	7,000.00	-1,902.17	431.07	1.50	-1.50	0.00	180.00	
11,173.20	0.00	0.00	10,851.00	-1,902.17	431.07	0.00	0.00	0.00	0.00	



<b>Database:</b>	EDMDB_QEP	<b>Local Co-ordinate Reference:</b>	Well RW 2B1-26B
<b>Company:</b>	QEP ENERGY (UT)	<b>TVD Reference:</b>	RKB @ 5641.30usft (EST. RKB)
<b>Project:</b>	Red Wash	<b>MD Reference:</b>	RKB @ 5641.30usft (EST. RKB)
<b>Site:</b>	23-23B PAD	<b>North Reference:</b>	True
<b>Well:</b>	RW 2B1-26B	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Original Hole		
<b>Design:</b>	Plan ver.1 - Permit		

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
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
1,508.17	20.16	167.23	1,487.49	-171.23	38.80	175.57	2.00	2.00	0.00
5,977.97	20.16	167.23	5,683.35	-1,673.86	379.33	1,716.31	0.00	0.00	0.00
7,322.20	0.00	0.00	7,000.00	-1,902.17	431.07	1,950.41	1.50	-1.50	0.00
11,173.20	0.00	0.00	10,851.00	-1,902.17	431.07	1,950.41	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 2B1-26B Target	0.00	0.00	8,250.00	-1,902.17	431.07	7,244,548.510	2,256,907.460	40.187281	-109.293083
- hit/miss target									
- Shape									
- plan misses target center by 1250.00usft at 7322.20usft MD (7000.00 TVD, -1902.17 N, 431.07 E)									
- Circle (radius 150.00)									

Casing Points				
Measured Depth (usft)	Vertical Depth (usft)	Name	Casing Diameter (")	Hole Diameter (")
3,750.08	3,592.00	8 5/8"	8-5/8	12-1/4

Formations					
Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
2,891.46	2,786.00	Green River		0.00	
3,696.82	3,542.00	Mahogany		0.00	
5,799.70	5,516.00	Est. Moderately Saline Water Base		0.00	
6,384.82	6,072.00	Wasatch		0.00	
8,572.20	8,250.00	Mesaverde		0.00	
10,873.20	10,551.00	Sego		0.00	



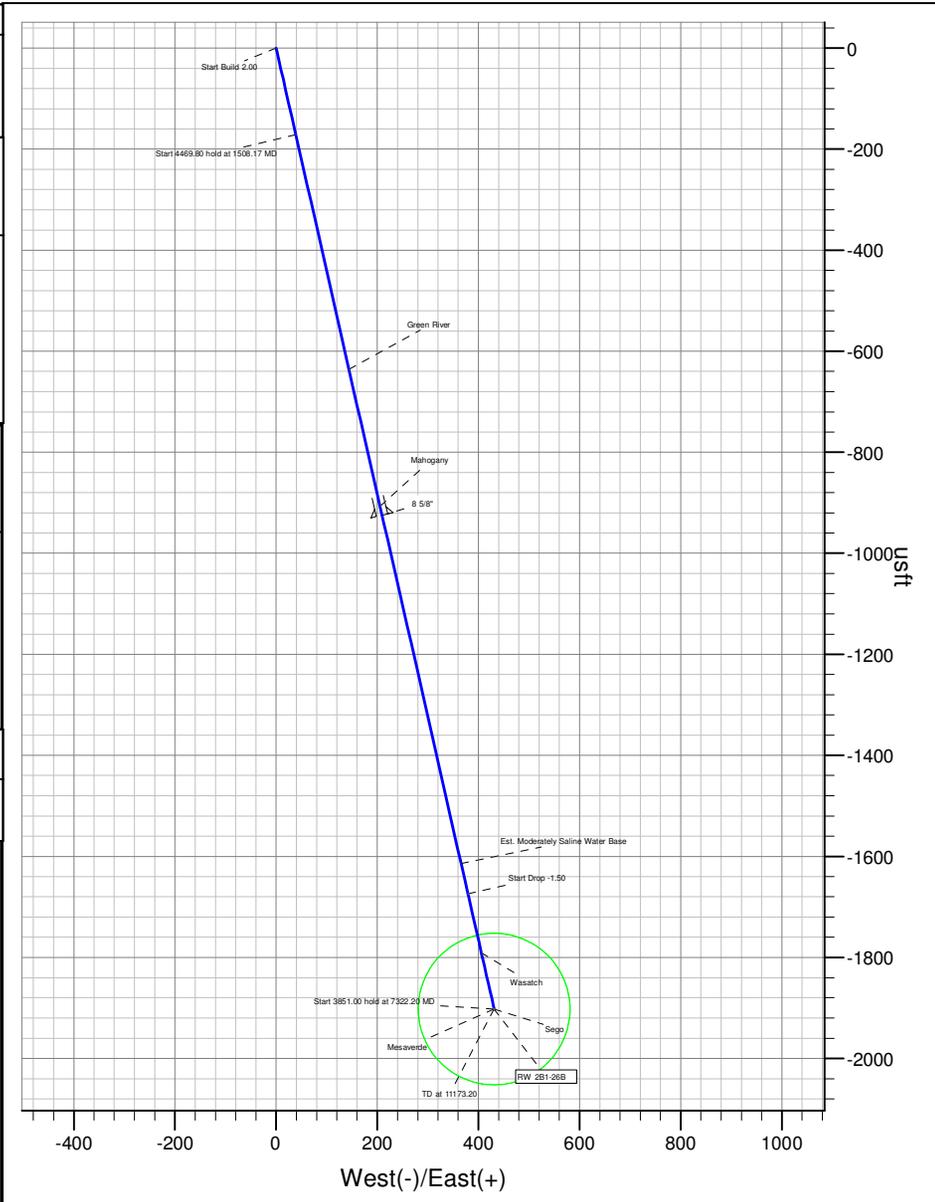
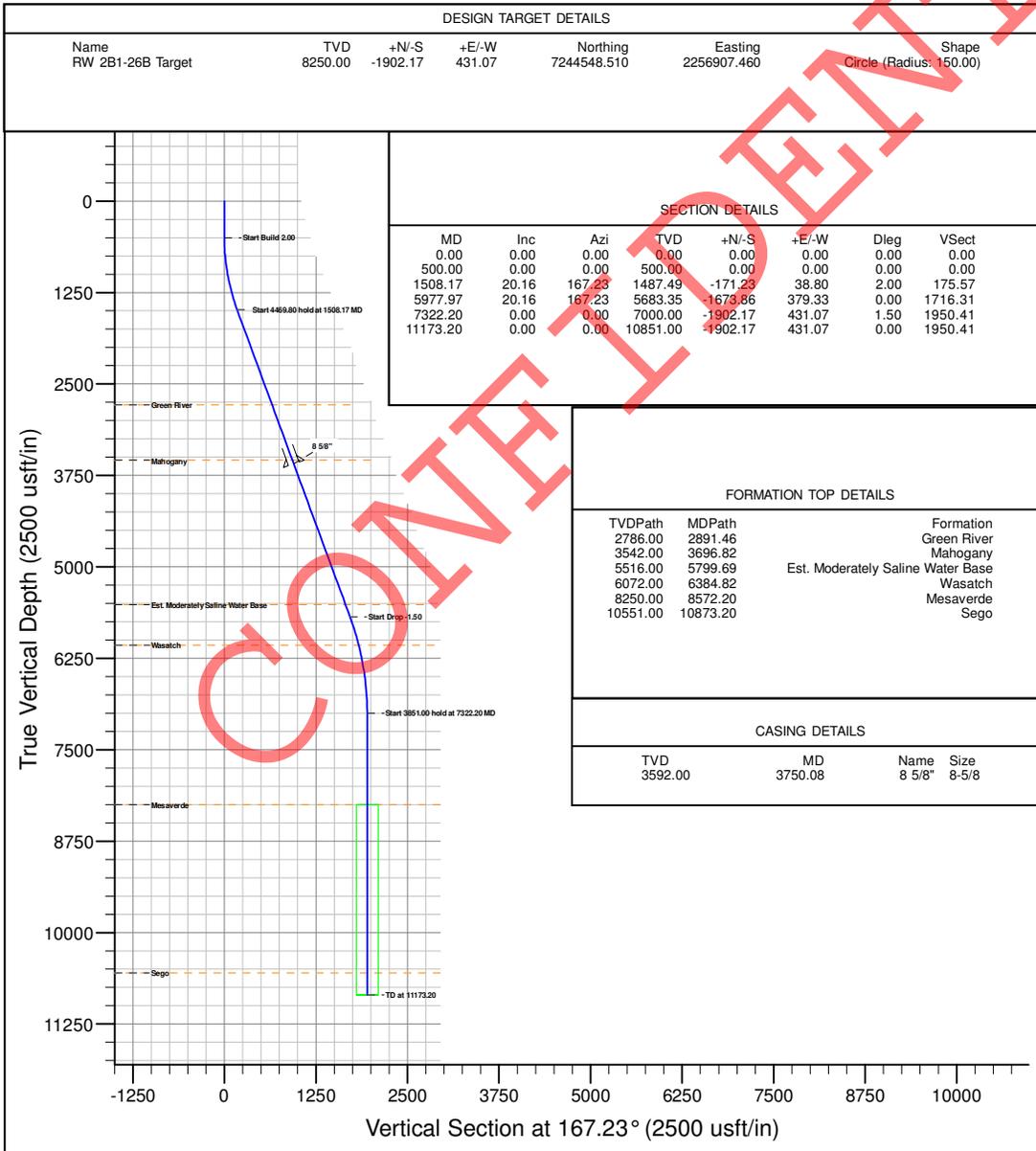
# Company Name: QEP ENERGY (UT)



Azimuths to True North  
Magnetic North: 10.95°  
Magnetic Field  
Strength: 50408.65nT  
Dip Angle: 66.05°  
Date: 12/7/2011  
Model: IGRF2010

Project: Red Wash  
Site: 23-23B PAD  
Well: RW 2B1-26B  
Wellbore: Original Hole  
Design: Plan ver.1 - Permit

WELL DETAILS: RW 2B1-26B							REFERENCE INFORMATION		PROJECT DETAILS: Red Wash	
+N/-S 0.00	+E/-W 0.00	Northing 7246439.323	Easting 2256429.663	Ground Level: 5625.30 Latitude 40.192503	Longitude -109.294626	Slot	Co-ordinate (N/E) Reference: Well RW 2B1-26B, True North Vertical (TVD) Reference: RKB @ 5641.30usft (EST. RKB) Section (VS) Reference: Slot - (0.00N, 0.00E) Measured Depth Reference: RKB @ 5641.30usft (EST. RKB) Calculation Method: Minimum Curvature	Geodetic System: US State Plane 1983 Datum: North American Datum 1983 Ellipsoid: GRS 1980 Zone: Utah Central Zone System Datum: Mean Sea Level		



**QEP ENERGY COMPANY  
RED WASH 23-23B PAD EXPANSION**

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

**RW 7C1-23B**

Surface:	1932' FSL, 2330' FWL	SEC.23	NESW, T7S, R23E
BHL:	2167' FNL, 2294' FEL	SEC.23	SWNE, T7S, R23E

**RW 2C1-23B**

Surface:	1971' FSL, 2289' FWL	SEC.23	NESW, T7S, R23E
BHL:	850' FNL, 2290' FEL	SEC.23	NWNE, T7S, R23E

**RW 2C4-23B**

Surface:	1961' FSL, 2299' FWL	SEC.23	NESW, T7S, R23E
BHL:	1176' FNL, 2290' FEL	SEC.23	NWNE, T7S, R23E

**RW 7B1-23B**

Surface:	1951' FSL, 2309' FWL	SEC.23	NESW, T7S, R23E
BHL:	1506' FNL, 2291' FEL	SEC.23	SWNE, T7S, R23E

**RW 7B4-23B**

Surface:	1942' FSL, 2319' FWL	SEC.23	NESW, T7S, R23E
BHL:	1836' FNL, 2292' FEL	SEC.23	SWNE, T7S, R23E

**RW 7C4-23B**

Surface:	1922' FSL, 2340' FWL	SEC.23	NESW, T7S, R23E
BHL:	2495' FNL, 2293' FEL	SEC.23	SENE, T7S, R23E

**RW 10B1-23B**

Surface:	1913' FSL, 2350' FWL	SEC.23	NESW, T7S, R23E
BHL:	2454' FSL, 2292' FEL	SEC.23	NWSE, T7S, R23E

**RW 10B4-23B**

Surface:	1903' FSL, 2360' FWL	SEC.23	NESW, T7S, R23E
BHL:	2123' FSL, 2291' FEL	SEC.23	NWSE, T7S, R23E

**RW 10C1-23B**

Surface:	1775' FSL, 2494' FWL	SEC.23	NESW, T7S, R23E
BHL:	1793' FSL, 2293' FEL	SEC.23	NWSE, T7S, R23E

**RW 10C4-23B**

Surface:	1765' FSL, 2504' FWL	SEC.23	NESW, T7S, R23E
BHL:	1461' FSL, 2292' FEL	SEC.23	NWSE, T7S, R23E

**RW 15B1-23B**

Surface:	1756' FSL, 2514' FWL	SEC.23	NESW, T7S, R23E
BHL:	1133' FSL, 2290' FEL	SEC.23	SWSE, T7S, R23E

**RW 15B4-23B**

Surface:	1746' FSL, 2524' FWL	SEC.23	NESW, T7S, R23E
BHL:	804' FSL, 2295' FEL	SEC.23	SWSE, T7S, R23E

**RW 15C1-23B**

Surface:	1736' FSL, 2534' FWL	SEC.23	NESW, T7S, R23E
BHL:	476' FSL, 2295' FEL	SEC.23	SWSE, T7S, R23E

**RW 15C4-23B**

Surface:	1727' FSL, 2544' FWL	SEC. 23	NESW, T7S, R23E
BHL:	144' FSL, 2292' FEL	SEC.23	SWSE, T7S, R23E

**RW 2B1-26B**

Surface:	1717' FSL, 2554' FWL	SEC.23	NESW, T7S, R23E
BHL:	186' FNL, 2292' FEL	SEC.26	NWNE, T7S, R23E

**RW 2B4-26B**

Surface:	1707' FSL, 2564' FWL	SEC.23	NESW, T7S, R23E
BHL:	516' FNL, 2292' FEL	SEC.26	NWNE, T7S, R23E

**RW 5B4-23B**

Surface:	1768' FSL, 2096' FWL	SEC.23	NESW, T7S, R23E
BHL:	1829' FNL, 342' FWL	SEC.23	SWNW, T7S, R23E

**RW 5C1-23B**

Surface:	1759' FSL, 2106' FWL	SEC.23	NESW, T7S, R23E
BHL:	2153' FNL, 343' FWL	SEC.23	SWNW, T7S, R23E

**RW 5C4-23B**

Surface:	1749' FSL, 2116' FWL	SEC.23	NESW, T7S, R23E
BHL:	2483' FNL, 341' FWL	SEC.23	SWNW, T7S, R23E

**RW 12B1-23B**

Surface:	1739' FSL, 2126' FWL	SEC.23	NESW, T7S, R23E
BHL:	2469' FSL, 342' FWL	SEC.23	NWSW, T7S, R23E

**RW 12B4-23B**

Surface:	1730' FSL, 2136' FWL	SEC.23	NESW, T7S, R23E
BHL:	2132' FSL, 340' FWL	SEC.23	NWSW, T7S, R23E

**RW 12C4-23B**

Surface:	1720' FSL, 2146' FWL	SEC.23	NESW, T7S, R23E
BHL:	1472' FSL, 342' FWL	SEC.23	NWSW, T7S, R23E

**RW 12C1-23B**

Surface:	1710' FSL, 2156' FWL	SEC.23	NESW, T7S, R23E
BHL:	1800' FSL, 343' FWL	SEC.23	NWSW, T7S, R23E

**RW 13B1-23B**

Surface:	1701' FSL, 2166' FWL	SEC.23	NESW, T7S, R23E
BHL:	1150' FSL, 342' FWL	SEC.23	SWSW, T7S, R23E

**RW 11B4-23B**

Surface:	1573' FSL, 2300' FWL	SEC.23	NESW, T7S, R23E
BHL:	2127' FSL, 1664' FWL	SEC.23	NESW, T7S, R23E

**RW 11C1-23B**

Surface:	1563' FSL, 2310' FWL	SEC.23	NESW, T7S, R23E
BHL:	1796' FSL, 1663' FWL	SEC.23	NESW, T7S, R23E

**RW 11C4-23B**

Surface:	1553' FSL, 2320' FWL	SEC.23	NESW, T7S, R23E
BHL:	1464' FSL, 1663' FWL	SEC.23	NESW, T7S, R23E

**RW 14B1-23B**

Surface:	1544' FSL, 2330' FWL	SEC.23	NESW, T7S, R23E
BHL:	1142' FSL, 1662' FWL	SEC.23	SESW, T7S, R23E

**RW 14B4-23B**

Surface:	1534' FSL, 2341' FWL	SEC.23	NESW, T7S, R23E
BHL:	806' FSL, 1660' FWL	SEC.23	SESW, T7S, R23E

**RW 14C1-23B**

Surface:	1524' FSL, 2351' FWL	SEC.23	NESW, T7S, R23E
BHL:	480' FSL, 1661' FWL	SEC.23	SESW, T7S, R23E

**RW 14C4-23B**

Surface:	1515' FSL, 2361' FWL	SEC.23	NESW, T7S, R23E
BHL:	149' FSL, 1662' FWL	SEC.23	SESW, T7S, R23E

**RW 3B1-26B**

Surface:	1505' FSL, 2371' FWL	SEC.23	NESW, T7S, R23E
BHL:	182' FNL, 1661' FWL	SEC.26	NENW, T7S, R23E

This surface use and operations plan provides site specific information for the above referenced wells.

An onsite inspection was conducted for the RW 23-23B Pad Expansion on October 11, 2011. Weather conditions were sunny at the time of the onsite. In attendance at the inspection were the following individuals:

Kevin Sadlier	Bureau of Land Management
Holly Villa	Bureau of Land Management
Jan Nelson	QEP Energy Company
Stephanie Tomkinson	QEP Energy Company
Ryan Angus	QEP Energy Company
Valyn Davis	QEP Energy Company
Bob Haygood	QEP Energy Company
Andy Floyd	Uintah Engineering & Land Surveying

The proposed project consists of a 32 well pad with 14.198 acres of total disturbance. This equates to approximately 0.43 acres of disturbance per well.

**1. Existing Roads:**

The proposed well site is approximately 25 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 existing road that parallels pod #2. The road will be re-routed on the north east side of the pad and will remain on the pad. 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.

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

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

Please refer to Topo Map C.

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

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

**Please refer to Figure 1 for production facility layout and location.**

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 BLM.

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

The existing 3" pipeline that crosses the proposed location will be re-routed to the north east side of the pad for safety. The proposed pipeline re-route is 1,354' in length, containing approximately .932 acres. Please refer to Topo Map D for the location of the existing pipeline and the re-route.

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

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 proposed pipeline.

Prior to construction, the Permittee will develop a plan of installation to minimize surface disturbance. Pipe will be strung along the pipeline route with either a flatbed trailer and rubber tired backhoe or a tracked typed side boom. Where surface conditions do not allow the pipe to be strung using conventional methods, the Permittee will utilize pull sections to run the fabricated pipe through the area from central staging areas along the pipeline route.

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

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

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

The proposed pipeline will be a surface 10" or smaller, 1,059' in length, containing .729 acres.

### **Road Crossings**

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

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

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

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

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 30 mil liner with sufficient bedding 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,  
NBE 12 SWD-10-9-23 located in the NWSW, Section 10, 9S, 23E.

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

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

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

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

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

**8. Ancillary Facilities:**

None anticipated.

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

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

Please see the attached diagram rig orientation, parking areas, and access roads, as well as the location of the following:

The reserve pit.

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

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

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

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

**10. Fencing Requirements:**

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

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

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

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

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

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched using a stretching device before it is attached to corner posts.

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

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

Please refer to QEP Energy Company Uinta Basin Division Reclamation Plan

**Site Specific Procedures:**

**Site Specific Reclamation Summary:**

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

After the pad is built, the topsoil piles will be seeded, signed, and erosion control devices and techniques will be implemented.

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

After the wells are on production, the pad will be downsized to a smaller production pad.

The cuttings pit is located in the center of the production pad; it will be backfilled and capped with road base and gravel.

Interim reclamation will be conducted on the portion of the pad that is downsized.

The interim reclamation area will be recontoured to blend with the surrounding landscape. All topsoil will be evenly distributed.

Water courses and drainages will be established.

Erosion control devices and techniques will be installed where needed.

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

The seed mix will be determined prior to seeding.

Monitoring and reporting will be conducted as stated in QEP's Reclamation Plan. A reference site and weed data sheet have been established and are included in this application.

Weed control will be conducted as stated in QEP's Reclamation Plan.

It was determined and agreed upon that there is 5" inches of top soil.

**12. Surface Ownership:**

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

**13. Other Information:**

A Class III archaeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted on October 19, 2011, **State of Utah Antiquities Project U-11-MQ-0913b** 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 October 14, 2011 **IPC # 11-176** by Stephen D. Sandau. The inspection resulted in the location of no fossil resources. However, if vertebrate fossil(s) are found during construction a paleontologist should be immediately notified. QEP Energy Company will provide Paleo monitor if needed.

CONFIDENTIAL



**QEP Energy Company**

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

January 26, 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 2B1-26B**  
T7S-R23E  
1717' FSL, 2554' FWL, NESW, SECTION 23, (Surface)  
186' FNL, 2292' FEL, NWNE, SECTION 26, (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 is permitting this well at this location for geological reasons. Locating the well at the surface location and directionally drilling from this location, QEP Energy Company will be able to minimize surface disturbance.

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 'Jan Nelson'.

Jan Nelson  
Permit Agent

CONFIDENTIAL

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

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

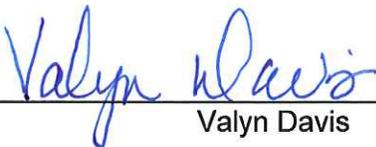
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

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

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

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist, that I have full knowledge of the State and Federal laws applicable to this operations; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

  
\_\_\_\_\_  
Valyn Davis

1/27/2012  
\_\_\_\_\_  
Date

CONFIDENTIAL



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:  
3160  
(UT-922)

February 7, 2012

Memorandum

To: Assistant District Manager Minerals, Vernal District  
From: Michael Coulthard, Petroleum Engineer  
Subject: 2012 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 2012 within the Red Wash Unit, Uintah County, Utah.

API#	WELL NAME	LOCATION
(Proposed PZ MESA VERDE)		
43-047-52303	RW 2C1-23B	Sec 23 T07S R23E 1971 FSL 2289 FWL
	BHL	Sec 23 T07S R23E 0850 FNL 2290 FEL
43-047-52304	RW 2C4-23B	Sec 23 T07S R23E 1961 FSL 2299 FWL
	BHL	Sec 23 T07S R23E 1176 FNL 2290 FEL
43-047-52305	RW 7B1-23B	Sec 23 T07S R23E 1951 FSL 2309 FWL
	BHL	Sec 23 T07S R23E 1506 FNL 2291 FEL
43-047-52306	RW 7B4-23B	Sec 23 T07S R23E 1942 FSL 2319 FWL
	BHL	Sec 23 T07S R23E 1836 FNL 2292 FEL
43-047-52307	RW 7C1-23B	Sec 23 T07S R23E 1932 FSL 2330 FWL
	BHL	Sec 23 T07S R23E 2167 FNL 2294 FEL
43-047-52308	RW 14C1-23B	Sec 23 T07S R23E 1524 FSL 2351 FWL
	BHL	Sec 23 T07S R23E 0480 FSL 1661 FWL
43-047-52309	RW 10B1-23B	Sec 23 T07S R23E 1913 FSL 2350 FWL
	BHL	Sec 23 T07S R23E 2454 FSL 2292 FEL
43-047-52310	RW 14B4-23B	Sec 23 T07S R23E 1534 FSL 2341 FWL
	BHL	Sec 23 T07S R23E 0806 FSL 1660 FWL
43-047-52311	RW 5B4-23B	Sec 23 T07S R23E 1768 FSL 2096 FWL
	BHL	Sec 23 T07S R23E 1829 FNL 0342 FWL

RECEIVED: February 14, 2012

API#	WELL NAME			LOCATION					
(Proposed PZ MESA VERDE)									
43-047-52312	RW 5C1-23B	Sec 23	T07S R23E	1759 FSL	2106 FWL				
	BHL	Sec 23	T07S R23E	2153 FNL	0343 FWL				
43-047-52313	RW 2B4-26B	Sec 23	T07S R23E	1707 FSL	2564 FWL				
	BHL	Sec 26	T07S R23E	0516 FNL	2292 FEL				
43-047-52314	RW 15C4-23B	Sec 23	T07S R23E	1727 FSL	2544 FWL				
	BHL	Sec 23	T07S R23E	0144 FSL	2292 FEL				
43-047-52315	RW 15B1-23B	Sec 23	T07S R23E	1756 FSL	2514 FWL				
	BHL	Sec 23	T07S R23E	1133 FSL	2290 FEL				
43-047-52316	RW 15C1-23B	Sec 23	T07S R23E	1736 FSL	2534 FWL				
	BHL	Sec 23	T07S R23E	0476 FSL	2295 FEL				
43-047-52317	RW 10C4-23B	Sec 23	T07S R23E	1765 FSL	2504 FWL				
	BHL	Sec 23	T07S R23E	1461 FSL	2292 FEL				
43-047-52318	RW 14B1-23B	Sec 23	T07S R23E	1544 FSL	2330 FWL				
	BHL	Sec 23	T07S R23E	1142 FSL	1662 FWL				
43-047-52319	RW 15B4-23B	Sec 23	T07S R23E	1746 FSL	2524 FWL				
	BHL	Sec 23	T07S R23E	0804 FSL	2295 FEL				
43-047-52320	RW 10C1-23B	Sec 23	T07S R23E	1775 FSL	2494 FWL				
	BHL	Sec 23	T07S R23E	1793 FSL	2293 FEL				
43-047-52321	RW 11C4-23B	Sec 23	T07S R23E	1553 FSL	2320 FWL				
	BHL	Sec 23	T07S R23E	1464 FSL	1663 FWL				
43-047-52322	RW 10B4-23B	Sec 23	T07S R23E	1903 FSL	2360 FWL				
	BHL	Sec 23	T07S R23E	2123 FSL	2291 FEL				
43-047-52323	RW 7C4-23B	Sec 23	T07S R23E	1922 FSL	2340 FWL				
	BHL	Sec 23	T07S R23E	2495 FNL	2293 FEL				
43-047-52324	RW 2B1-26B	Sec 23	T07S R23E	1717 FSL	2554 FWL				
	BHL	Sec 26	T07S R23E	0186 FNL	2292 FEL				
43-047-52325	RW 3B1-26B	Sec 23	T07S R23E	1505 FSL	2371 FWL				
	BHL	Sec 26	T07S R23E	0182 FNL	1661 FWL				
43-047-52326	RW 11C1-23B	Sec 23	T07S R23E	1563 FSL	2310 FWL				
	BHL	Sec 23	T07S R23E	1796 FSL	1663 FWL				
43-047-52327	RW 5C4-23B	Sec 23	T07S R23E	1749 FSL	2116 FWL				
	BHL	Sec 23	T07S R23E	2483 FNL	0341 FWL				
43-047-52328	RW 12B1-23B	Sec 23	T07S R23E	1739 FSL	2126 FWL				
	BHL	Sec 23	T07S R23E	2469 FSL	0342 FWL				
43-047-52329	RW 12C4-23B	Sec 23	T07S R23E	1720 FSL	2146 FWL				
	BHL	Sec 23	T07S R23E	1472 FSL	0342 FWL				

API#	WELL NAME	LOCATION
(Proposed PZ MESA VERDE)		
43-047-52330	RW 12C1-23B	Sec 23 T07S R23E 1710 FSL 2156 FWL
	BHL	Sec 23 T07S R23E 1800 FSL 0343 FWL
43-047-52331	RW 14C4-23B	Sec 23 T07S R23E 1515 FSL 2361 FWL
	BHL	Sec 23 T07S R23E 0149 FSL 1662 FWL
43-047-52332	RW 12B4-23B	Sec 23 T07S R23E 1730 FSL 2136 FWL
	BHL	Sec 23 T07S R23E 2132 FSL 0340 FWL
43-047-52333	RW 13B1-23B	Sec 23 T07S R23E 1701 FSL 2166 FWL
	BHL	Sec 23 T07S R23E 1150 FSL 0342 FWL
43-047-52334	RW 11B4-23B	Sec 23 T07S R23E 1573 FSL 2300 FWL
	BHL	Sec 23 T07S R23E 2127 FSL 1664 FWL

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

Michael L. Coulthard

Digitally signed by Michael L. Coulthard  
DN: cn=Michael L. Coulthard, o=Bureau of Land Management,  
ou=Branch of Minerals, email=Michael\_Coulthard@blm.gov, c=US  
Date: 2012.02.07 07:25:50 -0700

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

MCoulthard:mc:2-7-12

## WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 1/30/2012

API NO. ASSIGNED: 43047523240000

WELL NAME: RW 2B1-26B

OPERATOR: QEP ENERGY COMPANY (N3700)

PHONE NUMBER: 435 781-4331

CONTACT: Jan Nelson

PROPOSED LOCATION: NESW 23 070S 230E

Permit Tech Review: 

SURFACE: 1717 FSL 2554 FWL

Engineering Review: 

BOTTOM: 0186 FNL 2292 FEL

Geology Review: 

COUNTY: UINTAH

LATITUDE: 40.19249

LONGITUDE: -109.29454

UTM SURF EASTINGS: 645172.00

NORTHINGS: 4450517.00

FIELD NAME: RED WASH

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU0566

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: A36125 / 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  
15 - Directional - dmason

RECEIVED: February 14, 2012



## 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 2B1-26B  
**API Well Number:** 43047523240000  
**Lease Number:** UTU0566  
**Surface Owner:** FEDERAL  
**Approval Date:** 2/14/2012

**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.

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

**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

API Well No: 43047523240000

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 over a horizontal line.

For John Rogers  
Associate Director, Oil & Gas

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9  5. LEASE DESIGNATION AND SERIAL NUMBER: UTU0566
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	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 2B1-26B
2. NAME OF OPERATOR: QEP ENERGY COMPANY	9. API NUMBER: 43047523240000
3. ADDRESS OF OPERATOR: 11002 East 17500 South , Vernal, Ut, 84078	PHONE NUMBER: 303 308-3068 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1717 FSL 2554 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 23 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 type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input checked="" type="checkbox"/> SPUD REPORT Date of Spud: 9/1/2012	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

ON 9/1/2012 - SET 40' OF 16" CONDUCTOR PIPE. CEMENTED WITH READY MIX. BHL: 186' FNL, 2292' FEL, SECTION 26, T7S, R23E

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

**FOR RECORD ONLY**

September 05, 2012

<b>NAME (PLEASE PRINT)</b> Valyn Davis	<b>PHONE NUMBER</b> 435 781-4369	<b>TITLE</b> Regulatory Affairs Analyst
<b>SIGNATURE</b> N/A	<b>DATE</b> 9/4/2012	

RECEIVED

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

JAN 26 2012

APPLICATION FOR PERMIT TO DRILL FOR OIL AND GAS  
VERNAL, UTAH

5. Lease Serial No.  
UTU082/UTU0566

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.  
RW 2B1-26B

9. API Well No.  
43047-02324

10. Field and Pool, or Exploratory  
RED WASH

11. Sec., T. R. M. or Blk. and Survey or Area  
SEC. 23, T7S, R23E, MER SLB-SURF  
SEC. 26, T7S, R23E, MER SLB- BHL

1a. Type of work:  DRILL  REENTER

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

2. Name of Operator QEP ENERGY COMPANY

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

3b. Phone No. (include area code)  
(435) 781-4369

4. Location of Well (Report location clearly and in accordance with any State requirements. \*)  
At surface NESW, 1717' FSL, 2554' FWL, 40.192503 N LAT., 109.294625 W LON.  
At proposed prod. zone NWNE, 186' FNL, 2292' FEL, 40.192539 N LAT., 109.293944 W LON.

14. Distance in miles and direction from nearest town or post office\*  
25 MILES +/- SOUTH EAST OF VERNAL, UTAH

12. County or Parish  
UINTAH

13. State  
UT

15. Distance from proposed\* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 186'

16. No. of acres in lease  
1280

17. Spacing Unit dedicated to this well  
10

18. Distance from proposed location\* to nearest well, drilling, completed, applied for, on this lease, ft. 9930' FROM UNIT BOUNDARY LINE

19. Proposed Depth  
11,173' MD  
10,851' TVD

20. BLM/BIA Bond No. on file  
ESB000024

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
5625 GL

22. Approximate date work will start\*  
06/01/2012

23. Estimated duration  
30 DAYS

24. Attachments

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

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

25. Signature *Valyn Davis* Name (Printed/Typed) VALYN DAVIS Date 01/26/2012

Title REGULATORY AFFAIRS ANALYST

Approved by (Signature) *Jerry Kenczka* Name (Printed/Typed) Jerry Kenczka Date AUG 01 2012

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

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

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.

(Continued on page 2)

\*(Instructions on page 2)

RECEIVED

AUG 24 2012

DIV. OF OIL, GAS & MINING

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

UDOGM

CONFIDENTIAL



**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**

<b>Company:</b>	<b>QEP ENERGY COMPANY</b>	<b>Location:</b>	<b>NESW, Sec.23,T7S R23E</b>
<b>Well No:</b>	<b>RW 2B1-26B</b>	<b>Lease No:</b>	<b>UTU-082/UTU-0566</b>
<b>API No:</b>	<b>43-047-52324</b>	<b>Agreement:</b>	<b>Red Wash</b>

**OFFICE NUMBER: (435) 781-4400**

**RECEIVED**

**AUG 24 2012**

**OFFICE FAX NUMBER: (435) 781-3420**

**DIV. OF OIL, GAS & MINING**

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings to: <a href="mailto:blm_ut_vn_opreport@blm.gov">blm_ut_vn_opreport@blm.gov</a>
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.

**RECEIVED**

**AUG 24 2012**

Page 2 of 9  
Well: RW 2B1-26B  
7/27/2012

**DIV. OF OIL, GAS & MINING**

**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<sub>x</sub> 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<sub>x</sub> per horsepower-hour.
- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

**Site Specific COA's**

- When feasible, two or more rigs (including drilling and completion rigs) will not be run simultaneously within 200 meters of each other. If two or more rigs must be run simultaneously within 200 meters of each other, then effective public health buffer zones out to 200 meters (m) from the nearest emission source will be implemented. Examples of an effective public health protection buffer zone include the demarcation of a public access exclusion zone by signage at intervals of every 250 feet that is visible from a distance of 125 feet during daylight hours, and a physical buffer such as active surveillance to ensure the property is not accessible by the public during drilling operations. Alternatively, the proponent may demonstrate compliance with the 1-hour NO<sub>2</sub> National Ambient Air Quality Standards (NAAQS) with appropriate and accepted near-field modeling. As part of this demonstration, the proponent may propose alternative mitigation that could include but is not limited to natural gas-fired drill rigs, installation of NO<sub>x</sub> controls, time/use restrictions, and/or drill rig spacing.
- All new and replacement internal combustion gas field engines of less than or equal to 300 design-rated horse power must not emit more than 2 grams of NO<sub>x</sub> per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower-hour.
- All new and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 grams of NO<sub>x</sub> per horsepower-hour.
- Green completions would be used for all well completion activities where technically feasible.
- Employ enhanced VOC emission controls with 95% control efficiency on production equipment having a potential to emit greater than 5 tons per year.
- The reserve pit will be fenced on three sides prior to drilling activity and closed off on the fourth side after drilling is finished. The reserve pits for the wells will be lined with a 16 ml liner with felt.
- A dike will be constructed around those production facilities that contain fluids. The dikes will be constructed of compacted subsoil. They will be impervious, hold 10 percent more than the capacity of the largest tank, and be independent of the back cut.

**RECEIVED**

**AUG 24 2012**

Page 3 of 9  
Well: RW 2B1-26B  
7/27/2012

**DIV. OF OIL, GAS & MINING**

- All permanent (meaning on site for six months or longer) structures will be painted Covert Green to match the surrounding landscape color unless otherwise authorized. This will include all facilities except those required to comply with Occupational Safety and Health Act (OSHA) regulations.
- If dry, the wells will be plugged and abandoned as per BLM and State of Utah requirements.
- Prior to construction, an invasive plants/noxious weeds inventory will be completed for all areas where surface disturbance will occur. A completed Weed Inventory form documenting any occurrences of invasive plants or noxious weeds will be submitted to the BLM Authorized Officer before surface disturbance will occur.
- All vehicles and equipment would be cleaned either through power-washing, or other approved method, if the vehicles or equipment are brought in from areas outside the Uinta Basin, to prevent weed seed introduction.
- The operator will control noxious/invasive weeds along their roads, pipelines, well sites, or other applicable facilities by the application of herbicides or by mechanical removal until reclamation is considered to be successful by the authorized officer (AO) and the bond for the well is released. A list of noxious weeds will be obtained from the BLM or the appropriate county extension office. On BLM-administered land, the operator will submit a Pesticide Use Proposal and obtain approval prior to the application of herbicides, other pesticides, or possible hazardous chemicals.
- Immediately upon well completion, the location and surrounding area shall be cleared of all unused tubing, equipment, debris, materials, and trash. Any hydrocarbons in the pit will be removed in accordance with 43 CFR 3162.7-1.
- The reserve pit and the portion of the well not needed for production facilities/operations shall be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion, or as soon as environmental conditions allow. The stockpiled pit topsoil will then be spread over the pit area and broadcast-seeded/drill seeded (preferred method) with a seed mix submitted to the BLM Authorized Officer (AO) for approval prior to seeding. Seeding will be done in the fall prior to winter freezing of the soil. The seed mixture shall be worked into the topsoil with a drill seeder, bulldozer or other heavy equipment. If initial seeding is not successful, reseeding may be required.
- Once the well is plugged and facilities are removed and abandoned, the topsoil shall be stripped and stockpiled off of the location, and the well site, pipelines, and access roads will be returned to natural contours. The topsoil shall be respread, and the location seeded with the mixture submitted to the BLM AO. The seed mixture shall be worked into the topsoil with a drill seeder, bulldozer or other heavy equipment.
- Interim reclamation, final reclamation, and monitoring of reclaimed areas will be completed in accordance with the QEP Energy Company, Uinta Basin Division's Reclamation Plan, September 2009 on file with the Vernal Field Office of the BLM.
- Prior to any surface disturbance, vegetative monitoring locations and reference sites will be identified by QEP and approved by the BLM AO. Vegetation monitoring protocol will be developed by QEP and approved by the BLM AO prior to implementation of revegetation techniques and will be designed to monitor % basal vegetative cover.
- Revegetated areas will be inspected annually and monitored to document location and extent of areas with successful revegetation, and areas needing further reclamation (for a period of 5 years after construction completion). A reclamation report will be submitted to the AO by March 31 of each year.

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

**Table 2-2 Raptor nesting timing restriction**

<b>Well Name</b>	<b>Burrowing Owl: March 1 to August 31</b>
CPF	Yes
RW 23-23B Pad	No
RW 44-22B Pad	No
RW 43-27B Pad	No

**RECEIVED**  
**AUG 24 2012**  
**DIV. OF OIL, GAS & MINING**

Yes indicates QEP would not drill or construct during this time period.

- QEP will educate its contractors and employees about the relevant federal regulations intended to protect paleontological and cultural resources. All vehicular traffic, personnel movement, construction, and restoration activities shall be confined to areas cleared by the site inventory and to existing roads. If any potential paleontological or cultural resources are uncovered during construction, work will stop immediately in the area and the appropriate BLM AO will be notified.

**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.

**RECEIVED  
AUG 24 2012  
DIV. OF OIL, GAS & MINING**

**Variations Granted:**

**Air Drilling**

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

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

**DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order

**RECEIVED**

**AUG 24 2012**

Page 6 of 9  
Well: RW 2B1-26B  
7/27/2012

**DIV. OF OIL, GAS & MINING**

No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.

- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to [UT\\_VN\\_Welllogs@BLM.gov](mailto: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](http://www.ONRR.gov).
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:

- Operator name, address, and telephone number.
- Well name and number.
- Well location (¼¼, Sec., Twn, Rng, and P.M.).
- Date well was placed in a producing status (date of first production for which royalty will be paid):
- The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
- The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
- Unit agreement and/or participating area name and number, if applicable.
- Communitization agreement number, if applicable.

**RECEIVED**

**AUG 24 2012**

**DIV. OF OIL, GAS & MINING**

- 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

RECEIVED

July 24 2012

Page 8 of 9  
Well: RW 2B1-26B  
7/27/2012

DIV. OF OIL, GAS & MINING

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.

**RECEIVED**

**AUG 24 2012**

**DIV. OF OIL, GAS & MINING**

BLM - Vernal Field Office - Notification Form

Operator QEP Rig Name/# Pete Martin Submitted By Floyd Martinez  
 Phone Number 405-308-1620  
 Well Name/Number RW 2B1-26B  
 Qtr/Qtr <sup>NE</sup>/<sub>SW</sub> Section 23 Township 7S Range 23E  
 Lease Serial Number UTU082  
 API Number 430475 23240000

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

Date/Time September 1 2012 AM  PM

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

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

Date/Time \_\_\_\_\_ AM  PM

BOPE

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

RECEIVED

AUG 31 2012

DIV. OF OIL, GAS & MINING

Date/Time \_ \_ \_ AM  PM

Remarks Spud Conductor.

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

FORM 6

**ENTITY ACTION FORM**

Operator: QEP ENERGY COMPANY  
Address: 11002 EAST 17500 SOUTH  
city VERNAL  
state UT zip 84078

Operator Account Number: N 3700  
Phone Number: (435) 781-4369

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304752313	RW 2B4-26B		NESW	23	7S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
B	99999	18478	8/30/2012		9/21/2012		
Comments: WMMFD BHL: S26 hwnr							

**CONFIDENTIAL**

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304752324	RW 2B1-26B		NESW	23	7S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
B	99999	18478	9/1/2012		9/21/2012		
Comments: WMMFD BHL: S26 hwnr							

**CONFIDENTIAL**

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304752317	RW 10C4-23B		NESW	23	7S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
B	99999	18478	8/31/2012		9/21/2012		
Comments: WMMFD BHL: nuse							

**CONFIDENTIAL**

**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)

Signature

Regulatory Affairs Analyst

Title

9/10/2012

Date

**RECEIVED**

SEP 10 2012

Div. of Oil, Gas & Mining

BLM - Vernal Field Office - Notification Form

Operator QEP Rig Name/# HWD 8 Submitted By  
JIMMY KITTRELL Phone Number 435-828-0394

Well Name/Number RW 2B1-26B  
Qtr/Qtr NE/SW Section 23 Township 7 S Range 23 E  
Lease Serial Number UTU 082  
API Number 43-047-52324

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

Date/Time \_\_\_\_\_ AM  PM

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

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

Date/Time 10/9/2012 19:00HRS. AM   
PM

BOPE

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

RECEIVED  
OCT 10 2012  
DIV. OF OIL, GAS & MINING

Date/Time \_\_\_\_\_ AM  PM

Remarks IF NO TROUBLE WITH LOST CIRC, THESE TIMES WILL  
BE CLOSE. RUNNING SURFACE CASING & CEMENT TO RW 2B1-  
26B API # 43-047-52313 10/9/2012 @ 19:00 HRS.

---

BLM - Vernal Field Office - Notification Form

Operator QEP ENERGY Rig Name/# HWD #8

Submitted By JIMMY KITTRELL Phone

Number 435-828-0394 / 970-812-0016

Well Name/Number RW 2B1-26B

Qtr/Qtr NE/SW Section 23 Township 7S Range 23E

Lease Serial Number UTU 082

API Number 43-047-523240000

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

Date/Time 10/6/2012 18:00 AM  
 PM

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

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

RECEIVED  
OCT 10 2012  
DIV. OF OIL, GAS & MINING

Date/Time \_\_\_\_\_ AM  PM

BOPE

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

Date/Time \_ \_\_\_\_\_ AM  PM

Remarks SKID RIG OVER RW 2B1-26B & WE WILL BE DRILLING  
SURFACE HOLE 10/6/2012  
WILL CALL IF ANY DELAYED

BLM - Vernal Field Office - Notification Form

Operator QEP Rig Name/# HWD 8 Submitted By  
RAY CHANDLER Phone Number 435-828-0394

Well Name/Number RW 2B1-26B  
Qtr/Qtr NE/SW Section 23 Township 7 S Range 23 E\_  
Lease Serial Number UTU 082  
API Number 43-047-52324

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

RECEIVED  
DEC 04 2012

DIV. OF OIL, GAS & MINING

Date/Time \_\_\_\_ AM  PM

BOPE

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

Date/Time 12/5/2012 0800 AM  PM

Remarks \_\_\_\_\_

BLM - Vernal Field Office - Notification Form

Operator QEP Rig Name/# HWD 8 Submitted By  
WAYNE SANFORD Phone Number 435-828-0394

Well Name/Number RW 2B1-26B  
Qtr/Qtr NE/SW Section 23 Township 7 S Range 23 E  
Lease Serial Number UTU 082  
API Number 43-047-52324

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

Date/Time \_\_\_\_\_ AM  PM

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

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

Date/Time 11/19/2012 12:00HRS. AM   
PM

BOPE

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

Date/Time \_\_\_\_\_ AM  PM

RECEIVED  
DEC 18 2012

DIV. OF OIL, GAS & MINING

Remarks RUN CASING 12:00 HRS 12/19/2012. CEMENT 05:00  
HRS 12/20/2012

\_\_\_\_\_

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU0566
		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well		<b>7. UNIT or CA AGREEMENT NAME:</b> RED WASH
<b>2. NAME OF OPERATOR:</b> QEP ENERGY COMPANY		<b>8. WELL NAME and NUMBER:</b> RW 2B1-26B
<b>3. ADDRESS OF OPERATOR:</b> 11002 East 17500 South , Vernal, Ut, 84078		<b>9. API NUMBER:</b> 43047523240000
<b>PHONE NUMBER:</b> 303 308-3068 Ext		<b>9. FIELD and POOL or WILDCAT:</b> RED WASH
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1717 FSL 2554 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NESW Section: 23 Township: 07.0S Range: 23.0E Meridian: S		<b>COUNTY:</b> UINTAH
		<b>STATE:</b> UTAH

11.

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> <b>DRILLING REPORT</b> Report Date: 2/28/2013	<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.

NO ACTIVITY ON THIS WELL DURING THE MONTH OF FEBRUARY 2013.

**Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY  
March 25, 2013**

<b>NAME (PLEASE PRINT)</b> Valyn Davis	<b>PHONE NUMBER</b> 435 781-4369	<b>TITLE</b> Regulatory Affairs Analyst
<b>SIGNATURE</b> N/A	<b>DATE</b> 3/25/2013	

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU0566
		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well		<b>7. UNIT or CA AGREEMENT NAME:</b> RED WASH
<b>2. NAME OF OPERATOR:</b> QEP ENERGY COMPANY		<b>8. WELL NAME and NUMBER:</b> RW 2B1-26B
<b>3. ADDRESS OF OPERATOR:</b> 11002 East 17500 South , Vernal, Ut, 84078		<b>9. API NUMBER:</b> 43047523240000
<b>PHONE NUMBER:</b> 303 308-3068 Ext		<b>9. FIELD and POOL or WILDCAT:</b> RED WASH
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1717 FSL 2554 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NESW Section: 23 Township: 07.0S Range: 23.0E Meridian: S		<b>COUNTY:</b> UINTAH
		<b>STATE:</b> UTAH

11.

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input 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 type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 3/31/2013	<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.

NO ACTIVITY ON THIS WELL DURING THE MONTH OF MARCH 2013.

**Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY  
April 02, 2013**

<b>NAME (PLEASE PRINT)</b> Valyn Davis	<b>PHONE NUMBER</b> 435 781-4369	<b>TITLE</b> Regulatory Affairs Analyst
<b>SIGNATURE</b> N/A	<b>DATE</b> 4/1/2013	

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU0566
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> QEP ENERGY COMPANY		<b>7. UNIT or CA AGREEMENT NAME:</b> RED WASH
<b>3. ADDRESS OF OPERATOR:</b> 11002 East 17500 South , Vernal, Ut, 84078		<b>8. WELL NAME and NUMBER:</b> RW 2B1-26B
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1717 FSL 2554 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NESW Section: 23 Township: 07.0S Range: 23.0E Meridian: S		<b>9. API NUMBER:</b> 43047523240000
<b>PHONE NUMBER:</b> 303 308-3068 Ext		<b>9. FIELD and POOL or WILDCAT:</b> RED WASH
<b>COUNTY:</b> UINTAH		<b>STATE:</b> UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<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 type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 4/30/2013	<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"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> CONVERT WELL TYPE	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> NEW CONSTRUCTION	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> PLUG BACK	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TEMPORARY ABANDON	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> APD 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. <b>NO ACTIVITY ON THIS WELL DURING THE MONTH OF APRIL 2013.</b>		
<b>Accepted by the          Utah Division of          Oil, Gas and Mining          FOR RECORD ONLY          May 08, 2013</b>		
<b>NAME (PLEASE PRINT)</b> Valyn Davis	<b>PHONE NUMBER</b> 435 781-4369	<b>TITLE</b> Regulatory Affairs Analyst
<b>SIGNATURE</b> N/A	<b>DATE</b> 5/2/2013	

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU0566
		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well		<b>7. UNIT or CA AGREEMENT NAME:</b> RED WASH
<b>2. NAME OF OPERATOR:</b> QEP ENERGY COMPANY		<b>8. WELL NAME and NUMBER:</b> RW 2B1-26B
<b>3. ADDRESS OF OPERATOR:</b> 11002 East 17500 South , Vernal, Ut, 84078		<b>9. API NUMBER:</b> 43047523240000
<b>PHONE NUMBER:</b> 303 308-3068 Ext		<b>9. FIELD and POOL or WILDCAT:</b> RED WASH
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1717 FSL 2554 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NESW Section: 23 Township: 07.0S Range: 23.0E Meridian: S		<b>COUNTY:</b> UINTAH
		<b>STATE:</b> UTAH

11.

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input 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: 5/9/2013	<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 type="text"/>

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

THIS WELL COMMENCED PRODUCTION ON MAY 9, 2013 @ 10:00 P.M.

**Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY  
May 24, 2013**

<b>NAME (PLEASE PRINT)</b> Valyn Davis	<b>PHONE NUMBER</b> 435 781-4369	<b>TITLE</b> Regulatory Affairs Analyst
<b>SIGNATURE</b> N/A	<b>DATE</b> 5/13/2013	

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU0566
		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well		<b>7. UNIT or CA AGREEMENT NAME:</b> RED WASH
<b>2. NAME OF OPERATOR:</b> QEP ENERGY COMPANY		<b>8. WELL NAME and NUMBER:</b> RW 2B1-26B
<b>3. ADDRESS OF OPERATOR:</b> 11002 East 17500 South , Vernal, Ut, 84078		<b>9. API NUMBER:</b> 43047523240000
<b>PHONE NUMBER:</b> 303 308-3068 Ext		<b>9. FIELD and POOL or WILDCAT:</b> RED WASH
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1717 FSL 2554 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NESW Section: 23 Township: 07.0S Range: 23.0E Meridian: S		<b>COUNTY:</b> UINTAH
		<b>STATE:</b> UTAH

11.

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input 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 type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 5/31/2013	<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 type="text"/>

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

NO ACTIVITY ON THIS WELL DURING THE MONTH OF MAY 2013.

**Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY  
June 12, 2013**

<b>NAME (PLEASE PRINT)</b> Valyn Davis	<b>PHONE NUMBER</b> 435 781-4369	<b>TITLE</b> Regulatory Affairs Analyst
<b>SIGNATURE</b> N/A	<b>DATE</b> 6/10/2013	

**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 <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>UTU0566</b>	
b. TYPE OF WORK: NEW WELL <input checked="" type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER _____		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR: <b>QEP ENERGY COMPANY</b>		7. UNIT or CA AGREEMENT NAME <b>RED WASH</b>	
3. ADDRESS OF OPERATOR: <b>11002 E. 17500 S. CITY VERNAL STATE UT ZIP 84078</b>		8. WELL NAME and NUMBER: <b>RW 2B1-26B</b>	
PHONE NUMBER: <b>(435) 781-4320</b>		9. API NUMBER: <b>4304752324</b>	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: <b>SEC. 23, NESW, 1717' FSL, 2554' FWL</b>		10 FIELD AND POOL, OR WILDCAT <b>RED WASH</b>	
AT TOP PRODUCING INTERVAL REPORTED BELOW: <b>SEC. 26, NWNE, 150' FNL, 2317' FEL</b>		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NESW 23 7S 23E</b>	
AT TOTAL DEPTH: <b>SEC. 26, NWNE, 188' FNL, 2290' FEL</b>		12. COUNTY <b>UINTAH</b>	13. STATE <b>UTAH</b>
14. DATE SPUDDED: <b>9/1/2012</b>	15. DATE T.D. REACHED: <b>12/15/2012</b>	16. DATE COMPLETED: <b>5/5/2013</b>	17. ELEVATIONS (DF, RKB, RT, GL): <b>5637' GL</b>
18. TOTAL DEPTH: MD <b>11,032</b> TVD <b>10,776</b>		19. PLUG BACK T.D.: MD _____ TVD _____	20. IF MULTIPLE COMPLETIONS, HOW MANY? * ABANDONED <input type="checkbox"/> READY TO PRODUCE <input checked="" type="checkbox"/>
21. DEPTH BRIDGE PLUG SET: MD _____ TVD _____		22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) <b>CBL</b>	
23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis)		WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report)	
DIRECTIONAL SURVEY? NO <input type="checkbox"/> YES <input checked="" type="checkbox"/> (Submit copy)			

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12.25	9.625 N-80	40.0	0	3,768		1017	632	200	
7.875	4.5 P-1 1/2	11.6	0	11,029		1715	723		

**25. TUBING RECORD**

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2.375	10,692							

**26. PRODUCING INTERVALS**

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) MESA VERDE	9,952	10,832		
(B)				
(C)				
(D)				

**27. PERFORATION RECORD**

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
9,952 10,832	.42	209	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
9,952 - 10,832	13,761 BBLS SLICKWATER; 313,290 LBS 30/50 SAND

**29. ENCLOSED ATTACHMENTS:**

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

**30. WELL STATUS:**

**PGW**

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 5/9/2013	TEST DATE: 5/12/2013	HOURS TESTED: 24	TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 1,880	WATER - BBL: 0	PROD. METHOD: FLOWS
CHOKE SIZE: 24/64	TBG. PRESS. 1,096	CSG. PRESS. 2,246	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	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: →	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: →	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: →	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	2,886
				BIRDS NEST	3,119
				MAHOGANY	3,673
				WASATCH	6,325
				MESA VERDE	8,485
				SEGO	10,924

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) BENNA MUTH

TITLE REGULATORY ASSISTANT - CONTRACT

SIGNATURE *Benna Muth*

DATE 6/18/2013

This report must be submitted within 30 days of

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

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

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

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

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



QEP Energy Company

Daily Activity and Cost Summary

Well Name: RW 2B1-26B

API 43-047-52324	Surface Legal Location 023007S023E27	Field Name RED WASH	State UTAH	Well Configuration Type S-Well
Ground Elevation (ft) 5,625.3	Casing Flange Elevation (ft) 5,625.30	Current KB to GL (ft) 15.50	KB to CF (ft) 15.50	Spud Date 10/7/2012 00:30
Final Rig Release 12/21/2012 06:00	Job Category Drilling	Primary Job Type DRILLING	Secondary Job Type DEVELOPMENT	Objective In Progress
Start Date 10/6/2012	Job End Date 12/21/2012			

Purpose

Summary

Contractor Horizontal Well Drillers	RIG HWD 8	Rig Type TOP DRIVE
--	--------------	-----------------------

DOL	Start Date	Summary
1.0	10/6/2012	SKID,RIG UP, PICK UP BHA,DRILL DIRECTIONAL RAT HOLE, DIRECTIONAL DRILL
2.0	10/7/2012	DIRECTIONAL DRILL, RIG SERVICE
3.0	10/8/2012	WIPER TRIP,DRILL,RIG SERVICE
4.0	10/9/2012	DRILL, CIRC,TRIP
5.0	10/10/2012	CIRC,TRIP,RUN CASING
6.0	10/11/2012	RUN CASING,CEMENT,WAIT ON CEMENT
7.0	10/12/2012	SEE REPORT SKID TO RW 15C4-23B
8.0	12/4/2012	SKID RIG TO RW 2B1-26B, NIPPLE UP, RIG UP
9.0	12/5/2012	RIG UP TOP DRIVE WITH TIW VALVES AND PICK UP TEST JOINT AND PLUG. TEST BOP'S
10.0	12/6/2012	DRILL SHOE AND 10' OF NEW HOLE CIRC BU, FIT TEST TO 10.4, DRILL AHEAD, REPAIR TOP DRIVE
11.0	12/7/2012	WAIT ON TOP DRIVE PARTS FROM OAKLAHOMA, TRIP IN, DRILL, TRIP OUT
12.0	12/8/2012	POH, C/O MUD MOTOR, RIH TO SHOE, SLIP AND CUT LINE, REAM FROM SHOE TO BOTTOM, DIRECTIONAL DRILL, CIRCULATE WT UP FOR H2S
13.0	12/9/2012	DIRECTIONAL DRILL, F / 5374' - 6885', CIRC FOR LOSES, RIG SERVICE
14.0	12/10/2012	DIRECTIONAL DRILL F/ 6885 - 8443, RIG SERVICE
15.0	12/11/2012	DIRECTIONAL DRILL F / 8443' - 9742'
16.0	12/12/2012	DIRECTIONAL DRILL F / 9742' - 10307'
17.0	12/13/2012	DIRECTIONAL DRILL F / 10307' - 10380' BIT QUIT DRILLING CIRC BTMMS UP & TRIP OUT FOR BIT, WASH/REAM ANY TIGHT SPOTS
18.0	12/14/2012	TRIP IN HOLE: WASH/REAM OUT SEVERAL TIGHT SPOTS
19.0	12/15/2012	DIRECTIONAL DRILL FROM F / 10526' TO 11032'
20.0	12/16/2012	SAFETY WASH / REAM BACK TO BOTTOM AFTER WIPER TRIP. PUMP HI VISC SWEEP. SPOT WALNUT HULL SWEEP IN ANNULUS. POH TO LOG. PJSM R/UP LOGGERS TIH W/ TRIPLE COMBO TAGGED BRIDGE AT 10168' LOGGED UP TO 3768' AND RIG DN LOGGERS
21.0	12/17/2012	RD HALLIBURTON LOGGERS. RIG MAINTENANCE WHILE W/O THRUBIT TOOLS. M/UP "THRUBIT" BHA & TRIP IN HOLE
22.0	12/18/2012	CIRC AND CONDITION MUD. POH TO 10032'. RIG UP THRUBIT. LOG. R/DN LOGGING EQUIP. RIG REPAIR....TRIP IN TO 11032. C/C TO RUN CASING. TRIP OUT TO RUN PROD. CASING
23.0	12/19/2012	POH TO RUN PROD CASING, RIG UP CASERS, M/UP FLOATS & RUN 4.5" CASING
24.0	12/20/2012	RAN 4.5" CASING TO 11029--CIRC W/ RIG PUMP--CEMENT CASING--FLUSH LINES--R/DN CEMENTERS--SET SUPPORT BUSHING--RIG DN TO SKID



## **QEP Energy Services**

**Red Wash  
RW 23-23 Pad  
RW 2B1-26B**

**Original Hole**

**Survey: 2B1-26B EOW Surveys**

## **Standard Survey Report**

**28 May, 2013**





Native Navigation  
Survey Report



<b>Company:</b>	QEP Energy Services	<b>Local Co-ordinate Reference:</b>	Well RW 2B1-26B
<b>Project:</b>	Red Wash	<b>TVD Reference:</b>	RKB @ 5640.30usft (HWD 8)
<b>Site:</b>	RW 23-23 Pad	<b>MD Reference:</b>	RKB @ 5640.30usft (HWD 8)
<b>Well:</b>	RW 2B1-26B	<b>North Reference:</b>	True
<b>Wellbore:</b>	Original Hole	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Design:</b>	Original Hole	<b>Database:</b>	Compass DB Connection

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

<b>Site</b>	RW 23-23 Pad				
<b>Site Position:</b>		<b>Northing:</b>	7,246,686.301 usft	<b>Latitude:</b>	40.193199
<b>From:</b>	Map	<b>Easting:</b>	2,256,158.369 usft	<b>Longitude:</b>	-109.295575
<b>Position Uncertainty:</b>	0.00 usft	<b>Slot Radius:</b>	13-3/16 "	<b>Grid Convergence:</b>	1.41 °

<b>Well</b>	RW 2B1-26B					
<b>Well Position</b>	<b>+N-S</b>	0.00 usft	<b>Northing:</b>	7,246,439.323 usft	<b>Latitude:</b>	40.192503
	<b>+E-W</b>	0.00 usft	<b>Easting:</b>	2,256,429.663 usft	<b>Longitude:</b>	-109.294626
<b>Position Uncertainty</b>		0.00 usft	<b>Wellhead Elevation:</b>	5,625.30 usft	<b>Ground Level:</b>	5,625.30 usft

<b>Wellbore</b>	Original Hole				
<b>Magnetics</b>	<b>Model Name</b>	<b>Sample Date</b>	<b>Declination (°)</b>	<b>Dip Angle (°)</b>	<b>Field Strength (nT)</b>
	IGRF200510	1/25/2013	10.78	66.03	52,338

<b>Design</b>	Original Hole				
<b>Audit Notes:</b>					
<b>Version:</b>	1.0	<b>Phase:</b>	ACTUAL	<b>Tie On Depth:</b>	0.00
<b>Vertical Section:</b>	<b>Depth From (TVD) (usft)</b>	<b>+N-S (usft)</b>	<b>+E-W (usft)</b>	<b>Direction (°)</b>	
	0.00	0.00	0.00	167.07	

<b>Survey Program</b>	<b>Date</b>	5/28/2013			
<b>From (usft)</b>	<b>To (usft)</b>	<b>Survey (Wellbore)</b>	<b>Tool Name</b>	<b>Description</b>	
15.00	11,032.00	2B1-26B EOW Surveys (Original Hole)	MWD	MWD - Standard	

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
15.00	0.00	0.00	15.00	0.00	0.00	0.00	0.00	0.00	0.00
82.00	0.13	121.24	82.00	-0.04	0.06	0.05	0.19	0.19	0.00
177.00	0.22	129.06	177.00	-0.21	0.30	0.27	0.10	0.09	8.23
268.00	0.26	79.05	268.00	-0.28	0.64	0.42	0.23	0.04	-54.96
359.00	0.30	115.53	359.00	-0.34	1.05	0.57	0.20	0.04	40.09
451.00	0.31	116.76	451.00	-0.56	1.49	0.88	0.01	0.01	1.34
541.00	0.09	27.55	541.00	-0.61	1.74	0.98	0.36	-0.24	-99.12
634.00	1.27	144.80	633.99	-1.38	2.37	1.88	1.41	1.27	126.08
724.00	3.08	165.80	723.92	-4.54	3.54	5.22	2.16	2.01	23.33



Native Navigation  
Survey Report



<b>Company:</b>	QEP Energy Services	<b>Local Co-ordinate Reference:</b>	Well RW 2B1-26B
<b>Project:</b>	Red Wash	<b>TVD Reference:</b>	RKB @ 5640.30usft (HWD 8)
<b>Site:</b>	RW 23-23 Pad	<b>MD Reference:</b>	RKB @ 5640.30usft (HWD 8)
<b>Well:</b>	RW 2B1-26B	<b>North Reference:</b>	True
<b>Wellbore:</b>	Original Hole	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Design:</b>	Original Hole	<b>Database:</b>	Compass DB Connection

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)
814.00	5.30	171.08	813.68	-11.00	4.78	11.79	2.50	2.47	5.87
905.00	6.86	170.46	904.16	-20.51	6.33	21.40	1.72	1.71	-0.68
991.00	8.64	174.59	989.37	-32.00	7.79	32.94	2.17	2.07	4.80
1,078.00	10.20	171.16	1,075.20	-46.12	9.59	47.10	1.90	1.79	-3.94
1,165.00	12.26	167.82	1,160.53	-62.77	12.72	64.02	2.48	2.37	-3.84
1,249.00	14.37	167.21	1,242.27	-81.65	16.91	83.37	2.52	2.51	-0.73
1,333.00	16.57	169.40	1,323.22	-103.59	21.43	105.76	2.71	2.62	2.61
1,420.00	19.07	169.76	1,406.04	-129.78	26.23	132.36	2.88	2.87	0.41
1,508.00	18.85	169.49	1,489.26	-157.90	31.38	160.92	0.27	-0.25	-0.31
1,594.00	18.72	169.49	1,570.68	-185.13	36.44	188.59	0.15	-0.15	0.00
1,681.00	18.54	168.35	1,653.12	-212.40	41.77	216.37	0.47	-0.21	-1.31
1,771.00	17.89	168.35	1,738.61	-239.96	47.46	244.49	0.72	-0.72	0.00
1,855.00	17.71	167.38	1,818.59	-265.06	52.85	270.17	0.41	-0.21	-1.15
1,945.00	16.79	166.33	1,904.54	-291.05	58.92	296.85	1.08	-1.02	-1.17
2,031.00	16.26	165.54	1,986.99	-314.78	64.86	321.31	0.67	-0.62	-0.92
2,117.00	17.18	169.14	2,069.36	-338.91	70.26	346.04	1.61	1.07	4.19
2,202.00	17.05	169.49	2,150.59	-363.49	74.90	371.03	0.20	-0.15	0.41
2,286.00	18.46	171.95	2,230.59	-388.77	79.00	396.59	1.90	1.68	2.93
2,370.00	18.15	171.16	2,310.34	-414.87	82.88	422.89	0.47	-0.37	-0.94
2,454.00	17.62	171.16	2,390.28	-440.36	86.84	448.62	0.63	-0.63	0.00
2,539.00	16.57	170.37	2,471.52	-465.02	90.85	473.56	1.27	-1.24	-0.93
2,623.00	17.45	169.58	2,551.85	-489.21	95.13	498.10	1.08	1.05	-0.94
2,710.00	17.14	169.14	2,634.91	-514.63	99.90	523.94	0.39	-0.36	-0.51
2,794.00	18.02	167.65	2,714.99	-539.48	105.01	549.30	1.18	1.05	-1.77
2,881.00	17.40	165.01	2,797.87	-565.19	111.26	575.76	1.17	-0.71	-3.03
2,968.00	18.19	164.66	2,880.71	-590.86	118.21	602.33	0.92	0.91	-0.40
3,057.00	19.25	166.94	2,965.00	-618.55	125.20	630.88	1.45	1.19	2.56
3,144.00	18.58	165.97	3,047.30	-645.96	131.81	659.08	0.85	-0.77	-1.11
3,231.00	18.81	168.44	3,129.71	-673.15	137.98	686.96	0.95	0.26	2.84
3,318.00	18.06	167.65	3,212.25	-700.07	143.67	714.46	0.91	-0.86	-0.91
3,407.00	16.92	169.23	3,297.13	-726.27	149.04	741.20	1.39	-1.28	1.78
3,496.00	17.67	172.83	3,382.11	-752.39	153.15	767.58	1.47	0.84	4.04
3,580.00	17.80	171.69	3,462.12	-777.75	156.60	793.07	0.44	0.15	-1.36
3,664.00	16.88	171.25	3,542.30	-802.50	160.31	818.03	1.11	-1.10	-0.52
3,720.00	16.08	169.14	3,596.00	-818.16	163.00	833.89	1.78	-1.43	-3.77
3,778.00	14.94	167.47	3,651.88	-833.34	166.14	849.39	2.11	-1.97	-2.88
3,862.00	13.40	165.27	3,733.33	-853.33	170.96	869.95	1.94	-1.83	-2.62
3,951.00	16.00	166.07	3,819.41	-875.21	176.54	892.52	2.93	2.92	0.90
4,036.00	15.38	164.57	3,901.24	-897.45	182.36	915.50	0.87	-0.73	-1.76
4,120.00	15.03	162.37	3,982.30	-918.57	188.62	937.48	0.80	-0.42	-2.62
4,208.00	14.90	159.47	4,067.32	-940.04	196.05	960.07	0.86	-0.15	-3.30
4,335.00	15.42	164.75	4,189.90	-971.62	206.21	993.13	1.16	0.41	4.16
4,379.00	15.33	162.64	4,232.33	-982.81	209.49	1,004.77	1.29	-0.20	-4.80
4,465.00	15.60	165.20	4,315.21	-1,004.84	215.83	1,027.66	0.85	0.31	2.98



Native Navigation  
Survey Report



<b>Company:</b>	QEP Energy Services	<b>Local Co-ordinate Reference:</b>	Well RW 2B1-26B
<b>Project:</b>	Red Wash	<b>TVD Reference:</b>	RKB @ 5640.30usft (HWD 8)
<b>Site:</b>	RW 23-23 Pad	<b>MD Reference:</b>	RKB @ 5640.30usft (HWD 8)
<b>Well:</b>	RW 2B1-26B	<b>North Reference:</b>	True
<b>Wellbore:</b>	Original Hole	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Design:</b>	Original Hole	<b>Database:</b>	Compass DB Connection

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)
4,555.00	15.73	166.86	4,401.87	-1,028.42	221.70	1,051.96	0.52	0.14	1.84
4,644.00	12.96	164.30	4,488.09	-1,049.79	227.14	1,073.99	3.19	-3.11	-2.88
4,729.00	12.88	165.98	4,570.94	-1,068.15	232.02	1,092.99	0.45	-0.09	1.98
4,814.00	12.13	164.13	4,653.92	-1,085.93	236.75	1,111.38	1.00	-0.88	-2.18
4,901.00	13.01	167.38	4,738.84	-1,104.28	241.39	1,130.30	1.30	1.01	3.74
4,990.00	13.50	170.60	4,825.47	-1,124.31	245.28	1,150.69	1.00	0.55	3.62
5,075.00	14.60	173.90	4,907.92	-1,144.75	248.04	1,171.23	1.60	1.29	3.88
5,159.00	16.40	171.30	4,988.87	-1,167.00	250.96	1,193.57	2.30	2.14	-3.10
5,244.00	15.50	171.20	5,070.59	-1,190.09	254.51	1,216.86	1.06	-1.06	-0.12
5,329.00	15.03	169.76	5,152.59	-1,212.16	258.21	1,239.20	0.71	-0.55	-1.69
5,416.00	15.38	168.79	5,236.55	-1,234.57	262.45	1,262.00	0.50	0.40	-1.11
5,503.00	16.35	168.09	5,320.23	-1,257.87	267.22	1,285.77	1.14	1.11	-0.80
5,589.00	17.71	173.00	5,402.46	-1,282.70	271.32	1,310.89	2.30	1.58	5.71
5,674.00	17.84	172.31	5,483.41	-1,308.44	274.64	1,336.72	0.29	0.15	-0.81
5,758.00	17.01	170.11	5,563.55	-1,333.30	278.47	1,361.80	1.26	-0.99	-2.62
5,845.00	18.01	170.99	5,646.52	-1,359.12	282.76	1,387.93	1.19	1.15	1.01
5,932.00	18.07	170.72	5,729.24	-1,385.72	287.04	1,414.81	0.12	0.07	-0.31
6,016.00	17.75	171.25	5,809.17	-1,411.23	291.09	1,440.58	0.43	-0.38	0.63
6,101.00	16.92	172.39	5,890.31	-1,436.29	294.70	1,465.82	1.06	-0.98	1.34
6,185.00	17.09	171.16	5,970.64	-1,460.61	298.21	1,490.30	0.47	0.20	-1.46
6,272.00	16.78	170.98	6,053.87	-1,485.64	302.15	1,515.58	0.36	-0.36	-0.21
6,360.00	16.91	170.28	6,138.09	-1,510.80	306.30	1,541.03	0.27	0.15	-0.80
6,447.00	16.90	169.60	6,221.33	-1,535.71	310.72	1,566.30	0.23	-0.01	-0.78
6,532.00	16.34	169.22	6,302.78	-1,559.61	315.19	1,590.59	0.67	-0.66	-0.45
6,621.00	15.07	172.65	6,388.46	-1,583.38	319.01	1,614.62	1.77	-1.43	3.85
6,708.00	13.66	170.81	6,472.74	-1,604.74	322.10	1,636.13	1.70	-1.62	-2.11
6,796.00	12.78	168.87	6,558.40	-1,624.55	325.63	1,656.22	1.12	-1.00	-2.20
6,885.00	12.79	166.33	6,645.20	-1,643.78	329.86	1,675.91	0.63	0.01	-2.85
6,974.00	11.29	168.35	6,732.24	-1,661.89	333.95	1,694.48	1.75	-1.69	2.27
7,063.00	11.12	170.55	6,819.54	-1,678.89	337.12	1,711.75	0.52	-0.19	2.47
7,150.00	10.24	167.12	6,905.03	-1,694.70	340.22	1,727.86	1.25	-1.01	-3.94
7,234.00	9.58	168.96	6,987.78	-1,708.84	343.22	1,742.31	0.87	-0.79	2.19
7,321.00	9.71	167.38	7,073.55	-1,723.11	346.21	1,756.88	0.34	0.15	-1.82
7,407.00	8.17	167.12	7,158.50	-1,736.14	349.16	1,770.25	1.79	-1.79	-0.30
7,494.00	8.00	168.96	7,244.64	-1,748.11	351.70	1,782.48	0.36	-0.20	2.11
7,582.00	7.34	166.59	7,331.85	-1,759.59	354.17	1,794.22	0.83	-0.75	-2.69
7,666.00	6.46	167.03	7,415.24	-1,769.41	356.48	1,804.31	1.05	-1.05	0.52
7,751.00	4.95	165.88	7,499.82	-1,777.63	358.45	1,812.76	1.78	-1.78	-1.35
7,839.00	4.57	163.78	7,587.52	-1,784.68	360.35	1,820.06	0.47	-0.43	-2.39
7,923.00	4.87	159.38	7,671.23	-1,791.23	362.54	1,826.93	0.56	0.36	-5.24
8,011.00	3.95	154.02	7,758.97	-1,797.45	365.19	1,833.59	1.14	-1.05	-6.09
8,096.00	4.22	152.79	7,843.75	-1,802.86	367.90	1,839.47	0.33	0.32	-1.45
8,180.00	4.26	149.89	7,927.52	-1,808.31	370.88	1,845.45	0.26	0.05	-3.45



**Native Navigation**  
Survey Report



<b>Company:</b>	QEP Energy Services	<b>Local Co-ordinate Reference:</b>	Well RW 2B1-26B
<b>Project:</b>	Red Wash	<b>TVD Reference:</b>	RKB @ 5640.30usft (HWD 8)
<b>Site:</b>	RW 23-23 Pad	<b>MD Reference:</b>	RKB @ 5640.30usft (HWD 8)
<b>Well:</b>	RW 2B1-26B	<b>North Reference:</b>	True
<b>Wellbore:</b>	Original Hole	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Design:</b>	Original Hole	<b>Database:</b>	Compass DB Connection

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)
8,264.00	3.95	147.43	8,011.31	-1,813.45	374.00	1,851.15	0.42	-0.37	-2.93
8,353.00	3.82	152.44	8,100.10	-1,818.66	377.02	1,856.91	0.41	-0.15	5.63
8,530.00	3.91	154.11	8,276.70	-1,829.31	382.38	1,868.49	0.08	0.05	0.94
8,620.00	4.44	161.76	8,366.46	-1,835.38	384.81	1,874.95	0.85	0.59	8.50
8,707.00	3.69	155.96	8,453.24	-1,841.14	387.01	1,881.05	0.98	-0.86	-6.67
8,794.00	3.38	151.12	8,540.08	-1,845.94	389.39	1,886.27	0.49	-0.36	-5.56
8,879.00	3.25	139.17	8,624.94	-1,849.96	392.17	1,890.80	0.83	-0.15	-14.06
8,968.00	1.71	129.94	8,713.85	-1,852.72	394.84	1,894.09	1.78	-1.73	-10.37
9,055.00	1.71	110.78	8,800.81	-1,854.01	397.05	1,895.85	0.65	0.00	-22.02
9,140.00	0.57	115.44	8,885.80	-1,854.64	398.62	1,896.81	1.34	-1.34	5.48
9,223.00	0.53	109.11	8,968.79	-1,854.95	399.35	1,897.27	0.09	-0.05	-7.63
9,308.00	0.83	137.14	9,053.79	-1,855.53	400.14	1,898.02	0.52	0.35	32.98
9,394.00	0.96	133.98	9,139.78	-1,856.48	401.09	1,899.16	0.16	0.15	-3.67
9,479.00	1.14	110.08	9,224.76	-1,857.27	402.39	1,900.22	0.55	0.21	-28.12
9,565.00	1.45	157.80	9,310.74	-1,858.57	403.61	1,901.76	1.26	0.36	55.49
9,652.00	1.76	159.82	9,397.71	-1,860.84	404.48	1,904.17	0.36	0.36	2.32
9,914.00	1.85	130.82	9,659.58	-1,867.38	409.07	1,911.57	0.35	0.03	-11.07
10,001.00	2.11	126.25	9,746.53	-1,869.25	411.43	1,913.91	0.35	0.30	-5.25
10,088.00	2.50	126.25	9,833.46	-1,871.32	414.25	1,916.56	0.45	0.45	0.00
10,172.00	2.59	139.17	9,917.38	-1,873.84	416.97	1,919.63	0.69	0.11	15.38
10,262.00	3.21	148.75	10,007.26	-1,877.53	419.60	1,923.82	0.87	0.69	10.64
10,349.00	2.89	147.69	10,094.14	-1,881.47	422.04	1,928.20	0.37	-0.37	-1.22
10,436.00	3.03	158.77	10,181.02	-1,885.46	424.04	1,932.54	0.68	0.16	12.74
10,525.00	3.52	151.83	10,269.88	-1,890.07	426.19	1,937.50	0.71	0.55	-7.80
10,609.00	3.21	143.57	10,353.73	-1,894.23	428.80	1,942.15	0.68	-0.37	-9.83
10,697.00	2.64	151.12	10,441.62	-1,897.99	431.24	1,946.36	0.78	-0.65	8.58
10,781.00	3.21	146.03	10,525.51	-1,901.63	433.49	1,950.41	0.75	0.68	-6.06
10,866.00	2.51	154.73	10,610.40	-1,905.29	435.61	1,954.45	0.97	-0.82	10.24
10,957.00	2.94	150.33	10,701.30	-1,909.12	437.62	1,958.63	0.53	0.47	-4.84
10,990.00	3.25	145.59	10,734.25	-1,910.63	438.57	1,960.31	1.22	0.94	-14.36
11,032.00	3.25	145.59	10,776.19	-1,912.59	439.91	1,962.53	0.00	0.00	0.00

Checked By: \_\_\_\_\_ Approved By: \_\_\_\_\_ Date: \_\_\_\_\_