

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 DS 15G-5-10-18					
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 UTELAND BUTTE					
4. TYPE OF WELL Oil Well Coalbed Methane Well: NO						5. UNIT or COMMUNITIZATION AGREEMENT NAME NEMO (GR)					
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) UTU81003			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 type="checkbox"/> HORIZONTAL <input checked="" type="checkbox"/>					
20. LOCATION OF WELL		FOOTAGES		QTR-QTR	SECTION	TOWNSHIP		RANGE	MERIDIAN		
LOCATION AT SURFACE		856 FSL 1637 FEL		SW/SE	5	10.0 S		18.0 E	S		
Top of Uppermost Producing Zone		1500 FNL 660 FEL		SENE	5	10.0 S		18.0 E	S		
At Total Depth		1500 FNL 660 FEL		SENE	5	10.0 S		18.0 E	S		
21. COUNTY UINTAH			22. DISTANCE TO NEAREST LEASE LINE (Feet) 660			23. NUMBER OF ACRES IN DRILLING UNIT 40					
27. ELEVATION - GROUND LEVEL 5245			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 4500			26. PROPOSED DEPTH MD: 4653 TVD: 4653					
28. BOND NUMBER ESB000024			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE A-36125/ 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 - 450	36.0	J-55 ST&C	0.0	Rockies Lite		170	1.81	13.5
Prod	8.75	7	0 - 4573	26.0	N-80 LT&C	9.5	Halliburton Light , Type Unknown		350	2.95	11.0
							50/50 Poz		190	1.24	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 Valyn Davis				TITLE Regulatory Affairs Analyst				PHONE 435 781-4369			
SIGNATURE				DATE 03/06/2012				EMAIL Valyn.Davis@qepres.com			
API NUMBER ASSIGNED 43047524060000				APPROVAL   Permit Manager							

LOCATION OF LATERAL NUMBER 1	FOOTAGES		QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
Location At Kickoff Point Depth: 4653	856 FSL	1637 FEL	SWSE	5	10.0 S	18.0 E	S
Top of Uppermost Producing Zone	856 FSL	1637 FEL	SWSE	5	10.0 S	18.0 E	S
At Total Depth	1500 FNL	660 FEL	SENE	5	10.0 S	18.0 E	S
COUNTY UINTAH	DISTANCE TO NEAREST LEASE LINE (Feet) 660						
DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 4500	PROPOSED DEPTH MD: 8002 TVD: 5227						

## Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
L1	6.125	4.5	0 - 7968	11.6	N-80 LT&C	9.5	No Used	0	0.0	0.0

LOCATION OF LATERAL NUMBER 2	FOOTAGES		QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
Location At Kickoff Point Depth: 4523	856 FSL	1637 FEL	SWSE	5	10.0 S	18.0 E	S
Top of Uppermost Producing Zone	856 FNL	1637 FEL	SWSE	5	10.0 S	18.0 E	S
At Total Depth	1000 FNL	660 FEL	NENE	8	10.0 S	18.0 E	S
COUNTY UINTAH	DISTANCE TO NEAREST LEASE LINE (Feet) 660						
DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 4500	PROPOSED DEPTH MD: 6950 TVD: 5047						

## Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
L2	6.125	4.5	0 - 6920	11.6	N-80 LT&C	9.5	No Used	0	0.0	0.0

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# QEP Energy Company

## DS 15G5-10-18

### Summarized Drilling Procedure

1. MIRU air rig.
2. Drill 12-1/4" hole to 450' on air.
3. Run and cement 9-5/8" 36# J-55 STC.
4. RDMO air rig.
5. MIRU drilling rig.
6. NU and test rig's 3M BOPE
7. Drill 8-3/4" hole with water based mud to 4,573'
8. Log with triple combo.
9. RIH with 7" 26# N-80 LTC casing and cement.
10. Drill out of 7" casing with 6 1/8" bit.
11. Start building curve at 4,653' to land in the C1 Lime
12. Cont drilling lateral to TD at 8,002 MD / 5,227' TVD / 87.9 deg INC / 18.7 deg AZ
13. RIH with 4-1/2" 11.6# N-80 LTC liner with packers and sleeves. TOL at 4,548'.
14. RIH and set RBP at 4,536'. Orient and set whipstock on RBP.
15. Mill window and build 6 1/8" curve to land in the C1 Lime.
16. Cont drilling lateral to TD at 6,950' MD / 5,047' TVD / 91.8 deg INC / 152 deg AZ
17. RIH with 4-1/2" 11.6# N-80 LTC liner with packers and sleeves. TOL at 4,536', 5' outside window.
18. Set RBP at +/- 4,000'.
19. RDMO drilling rig.
20. Release location to completions.

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## QEP ENERGY COMPANY

DS 15G5-10-18

SHL: 856' FSL &amp; 1,637' FEL Section 5 T10S R18E

BHL 1: 1,500' FNL &amp; 660' FEL Section 5 T10S R18E

BHL 2: 1,000' FNL &amp; 660' FEL Section 8 T10S R18E

Uintah County, Utah

## DRILLING PROGRAM

## ONSHORE OIL &amp; 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:

**NNE Lateral #1:**

<b>Formation</b>	<b>Depth, MD (ft)</b>	<b>Depth, TVD (ft)</b>
Uinta	Surface	Surface
Green River	1100	1100
Garden Gulch Mbr	2845	2845
KOP	4653	4653
Uteland Butte Mbr	4966	4944
C Lime Top	5347	5127
TD	8002	5227

**SE Lateral #2:**

<b>Formation</b>	<b>Depth, MD (ft)</b>	<b>Depth, TVD (ft)</b>
Uinta	Surface	Surface
Green River	1100	1100
Garden Gulch Mbr	2845	2845
KOP	4523	4523
Uteland Butte Mbr	4983	4935
C Lime Top	5398	5094
TD	6950	5047

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

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

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BHL 2: 1,000' FNL &amp; 660' FEL Section 8 T10S R18E

Uintah County, Utah

## NNE Lateral #1:

<u>Substance</u>	<u>Formation</u>	<u>Depth, MD</u>	<u>Depth, TVD</u>
Oil/Gas	C Lime	5,347'	5127'

## SE Lateral #2:

<u>Substance</u>	<u>Formation</u>	<u>Depth, MD</u>	<u>Depth, TVD</u>
Oil/Gas	C Lime	5,398'	5,094'

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If flows are detected, samples will be submitted to the BLM along with any water analyses conducted. Fresh water will be obtained from Wonsits Valley water right A36125 (which was filed on May 7, 1964) or Red Wash water right # 49-2153 (which was filed on March 25, 1960). It was determined by the Fish and Wildlife Service that any water right number filed before 1989 is not depleting to the Upper Colorado River System, to supply fresh water for drilling purposes. All water resulting from drilling operations will be disposed of at 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. 3,000 psi double gate, 3,000 psi annular (schematic attached)
- B. Function test daily.
- C. All casing strings shall be pressure tested (0.22 psi/ft or 1,500 psi, whichever is greater) prior to milling the first window; test pressure shall not exceed the internal yield of the casing.
- D. Ram type preventers and associated equipment shall be tested to rated working pressure if isolated by a test plug or to 50% of the internal yield pressure of casing, whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil & Gas Order No. 2 for equipment and testing requirements, procedures, etc..., for a 3M system and individual components shall be operable as designed.

## QEP ENERGY COMPANY

DS 15G5-10-18

SHL: 856' FSL &amp; 1,637' FEL Section 5 T10S R18E

BHL 1: 1,500' FNL &amp; 660' FEL Section 5 T10S R18E

BHL 2: 1,000' FNL &amp; 660' FEL Section 8 T10S R18E

Uintah County, Utah

**4. Casing Program**

Hole Size	Casing Size	Top, MD	Bottom, MD	Weight, lb/ft	Grade	Thread	Condition	MW
20"	16"	sfc	40	Steel			New	N/A
12 1/4"	9 5/8"	sfc	450	36.0	J-55	STC	New	Air
8 3/4"	7"	sfc	4573	26.0	N-80	LTC	New	9.5
6 1/8"	4 1/2"	4548	7968	11.6	N-80	LTC	New	9.5
6 1/8"	4 1/2"	4536	6920	11.6	N-80	LTC	New	9.5

Casing Strengths						
Size (in)	Weight (ppf)	Grade	CXN	Collapse (psi)	Burst (psi)	Tensile (lbs)
9 5/8"	36	J-55	STC	2020	3520	394000
7"	26	N-80	LTC	5410	7240	519000
4 1/2"	11.6	N-80	LTC	6350	7780	212000

\*The lateral(s) will be lined with a swell packer / frack port liner and left uncemented.

Please refer to the attached wellbore diagram and re-entry procedure for further details.

**MINIMUM DESIGN FACTORS\*:**

\*The casing listed meets or exceeds the following design factors.

COLLAPSE: 1.6

BURST: 1.6

TENSION: 1.8

Area Fracture Gradient: 0.7 psi/foot

Maximum anticipated mud weight: 9.5 ppg

Maximum surface treating pressure: 4,000 psi

**5. Auxilliary Equipment**

- A. Kelly Cock – Yes
- B. Float at the bit – No
- C. Monitoring equipment on the mud system – visually and/or PVT or Flow Show
- D. Fully opening safety valve on the rig floor – Yes

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DS 15G5-10-18

SHL: 856' FSL & 1,637' FEL Section 5 T10S R18E

BHL 1: 1,500' FNL & 660' FEL Section 5 T10S R18E

BHL 2: 1,000' FNL & 660' FEL Section 8 T10S R18E

Uintah County, Utah

- E. Rotating Head – Yes

If drilling with air the following will be used:

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

The surface hole will be drilled with air, air/mist, foam, or mud depending on hole conditions. Drilling below surface casing will be with water based drilling fluids consisting primarily of fresh water, bentonite, lignite, caustic, lime, soda ash and polymers. No chromates will be used. It is not intended to use oil in the mud, however, in the event it is used, oil concentration will be less than 4% by volume. Maximum anticipated mud weight is 9.5 ppg.

Laterals will be drilled with an inhibitive water-based mud system consisting primarily of fresh water, bentonite, lignite, caustic, lime, soda ash, and polymers. No chromates will be used. It is not intended to use oil in the mud, however, in the event it is used the concentration will be less than 4% by volume. Maximum anticipated mud weight is 9.5 ppg.

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

PVT/Flow show will be used upon exit of surface casing to TD.

Gas detector will be used upon exit of surface casing to TD.

**6. Cementing Program**

**16" Conductor:**

Cement to surface with construction cement

**9-5/8" Surface Casing: 0' – 450' (MD)**

**Lead/Tail Slurry:** 0' – 450'. 170 sks (282 cu ft) Rockies LT cement. Slurry wt: 13.5 ppg, Slurry yield: 1.81 ft<sup>3</sup>/sk, Slurry volume: 12-1/4" hole + 100% excess.

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DS 15G5-10-18

SHL: 856' FSL & 1,637' FEL Section 5 T10S R18E

BHL 1: 1,500' FNL & 660' FEL Section 5 T10S R18E

BHL 2: 1,000' FNL & 660' FEL Section 8 T10S R18E

Uintah County, Utah

**7" Production Casing: 0' – 4,573' (MD)**

**Lead Slurry:** 0' – 3,573'. 350 sks (1014 cu ft) Halliburton Light Cement. Slurry weight: 11.0 ppg, Slurry yield: 2.95 ft<sup>3</sup>/sk, Slurry volume: 8.75" hole + 100% excess in open hole.

**Tail Slurry:** 3,573' – 4,573'. 190 sks (272 cu ft) 50/50 Poz Premium. Slurry wt: 13.5 ppg, Slurry yield: 1.24 ft<sup>3</sup>/sk, Slurry volume: 8-3/4" hole + 75% excess.

**NNE Lateral #1: 4,548' – 7,968'**

Uncemented liner with packers and sleeves.

**SE Lateral #2: 4,536' – 6,920'**

Uncemented liner with packers and sleeves.

**7. Testing, Logging, and Coring Program**

- A. Cores – None Anticipated
- B. DST – None Anticipated
- C. Logging:
  - i. Mud logging from 1,000' to TD
  - ii. Triple combo from BSC to ICP deg INC
  - iii. MWD-GR will be utilized during drilling operations to aid in landing the curve and maintaining the laterals within the desired zone.
- D. Formation and completion interval: C1 Lime, final determination of completion will be made by analysis of mud logging data. Stimulation: stimulation will be designed for the particular area of interest encountered.

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

No abnormal temperatures or pressures are anticipated. No H<sub>2</sub>S has been encountered or is known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom-hole pressure equals approximately 2,259 psi. Maximum anticipated bottom hole temperature is approximately 140°F.

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DS 15G5-10-18

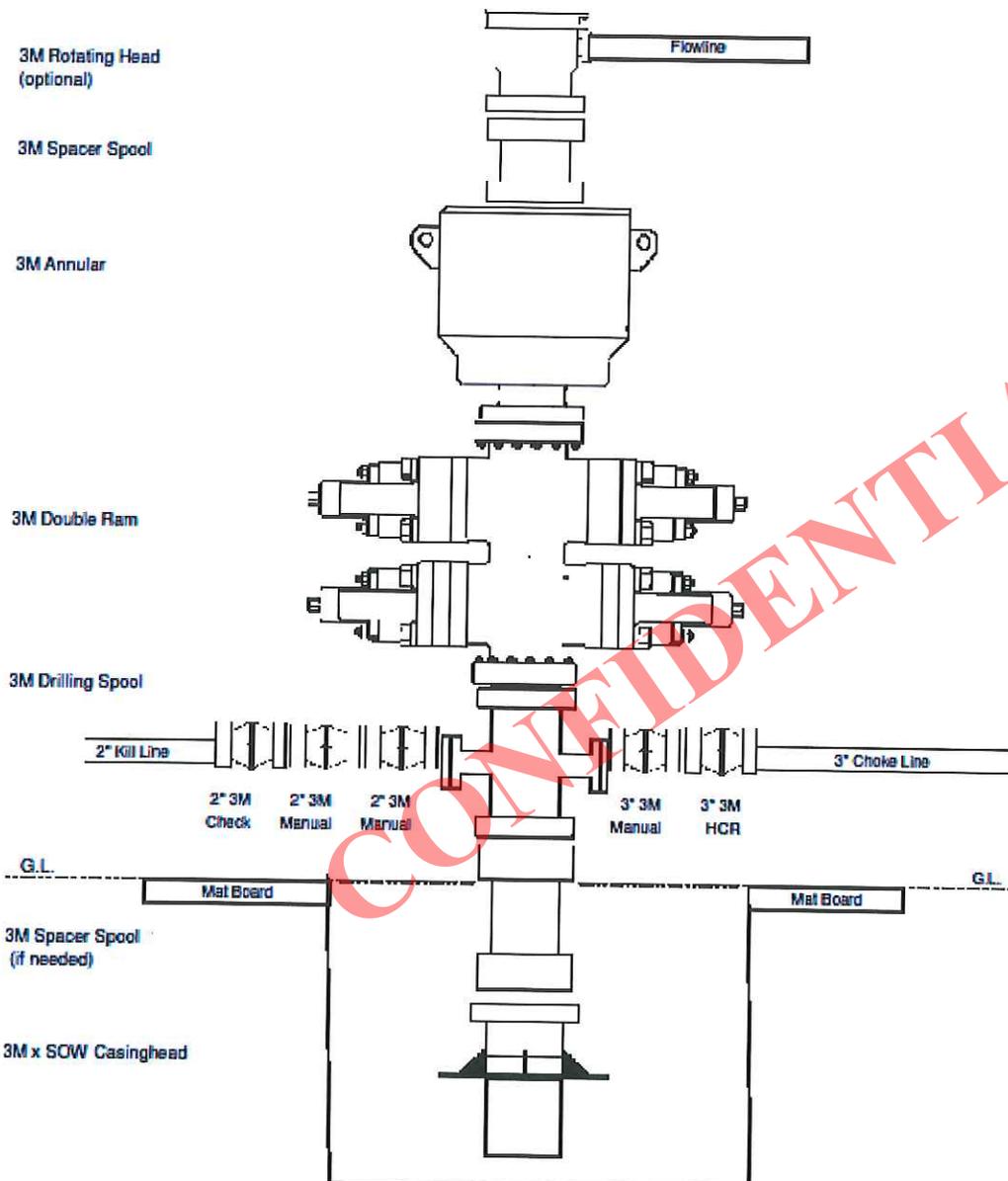
SHL: 856' FSL & 1,637' FEL Section 5 T10S R18E

BHL 1: 1,500' FNL & 660' FEL Section 5 T10S R18E

BHL 2: 1,000' FNL & 660' FEL Section 8 T10S R18E

Uintah County, Utah

**3M BOP x 3M Annular  
Minimum Requirements**



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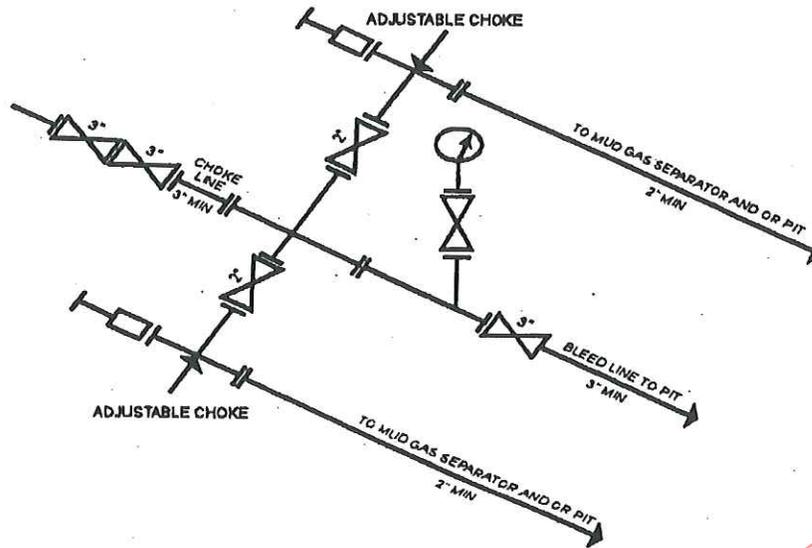
DS 15G5-10-18

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BHL 1: 1,500' FNL & 660' FEL Section 5 T10S R18E

BHL 2: 1,000' FNL & 660' FEL Section 8 T10S R18E

Uintah County, Utah

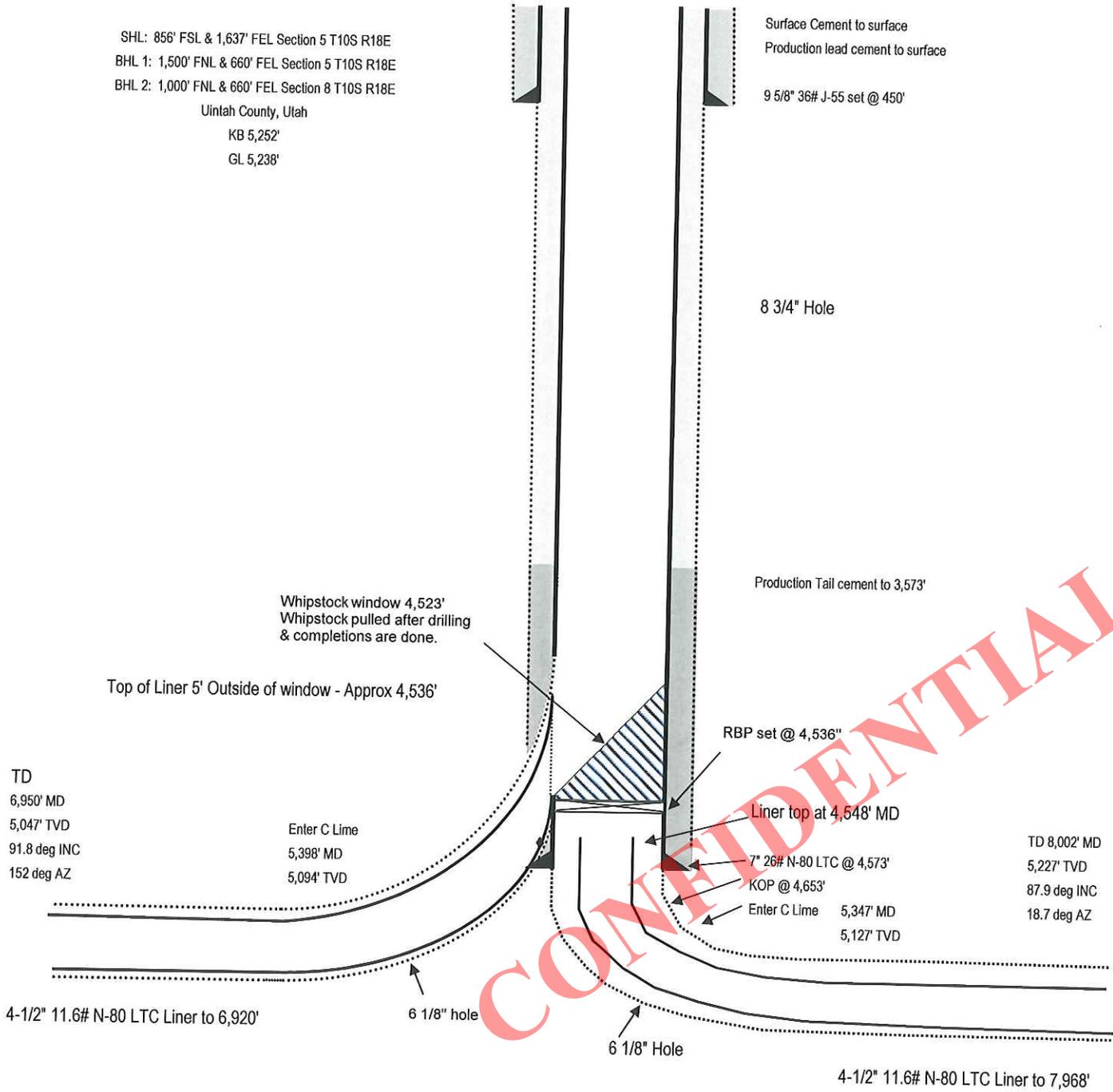


3M CHOKE MANIFOLD EQUIPMENT - CONFIGURATION OF CHOKES MAY VARY  
[54 FR 39528, Sept. 27, 1989]

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**Proposed  
DS 15G5-10-18**

SHL: 856' FSL & 1,637' FEL Section 5 T10S R18E  
 BHL 1: 1,500' FNL & 660' FEL Section 5 T10S R18E  
 BHL 2: 1,000' FNL & 660' FEL Section 8 T10S R18E  
 Uintah County, Utah  
 KB 5,252'  
 GL 5,238'



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## DS #15G5-10-18

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 5, T10S, R18E, S.L.B.&M.

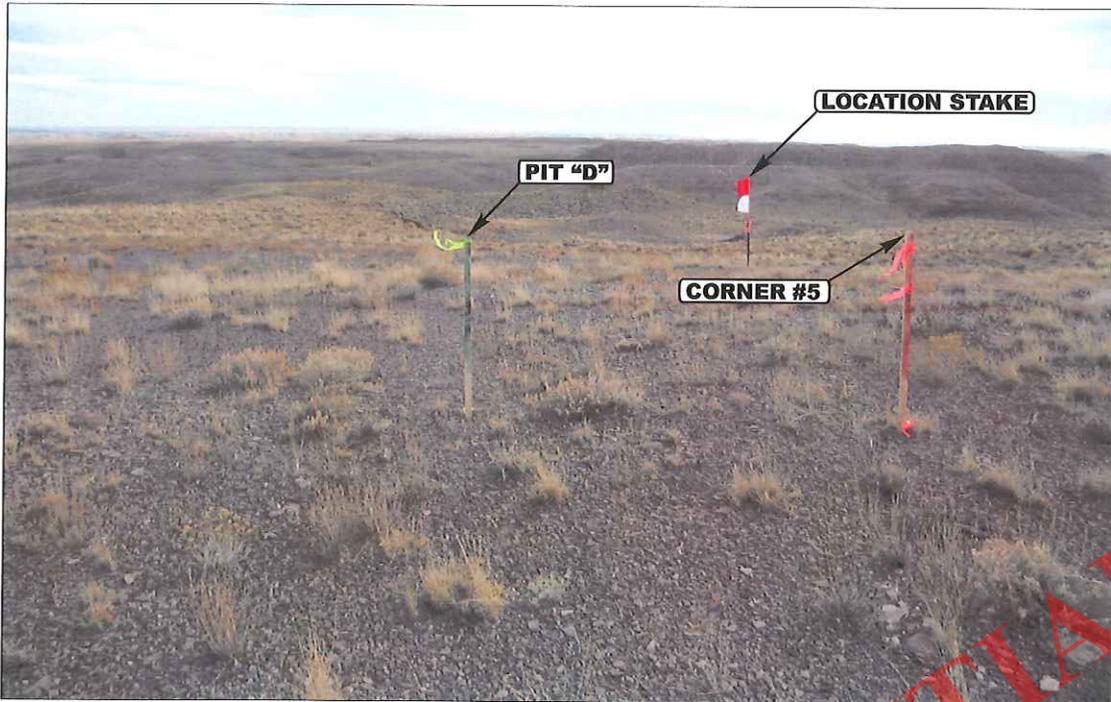


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: EASTERLY



- Since 1964 -

**UELS**

Uintah Engineering & Land Surveying

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

**LOCATION PHOTOS**

**11 29 11**  
MONTH DAY YEAR

**PHOTO**

TAKEN BY: A.F.

DRAWN BY: J.L.G.

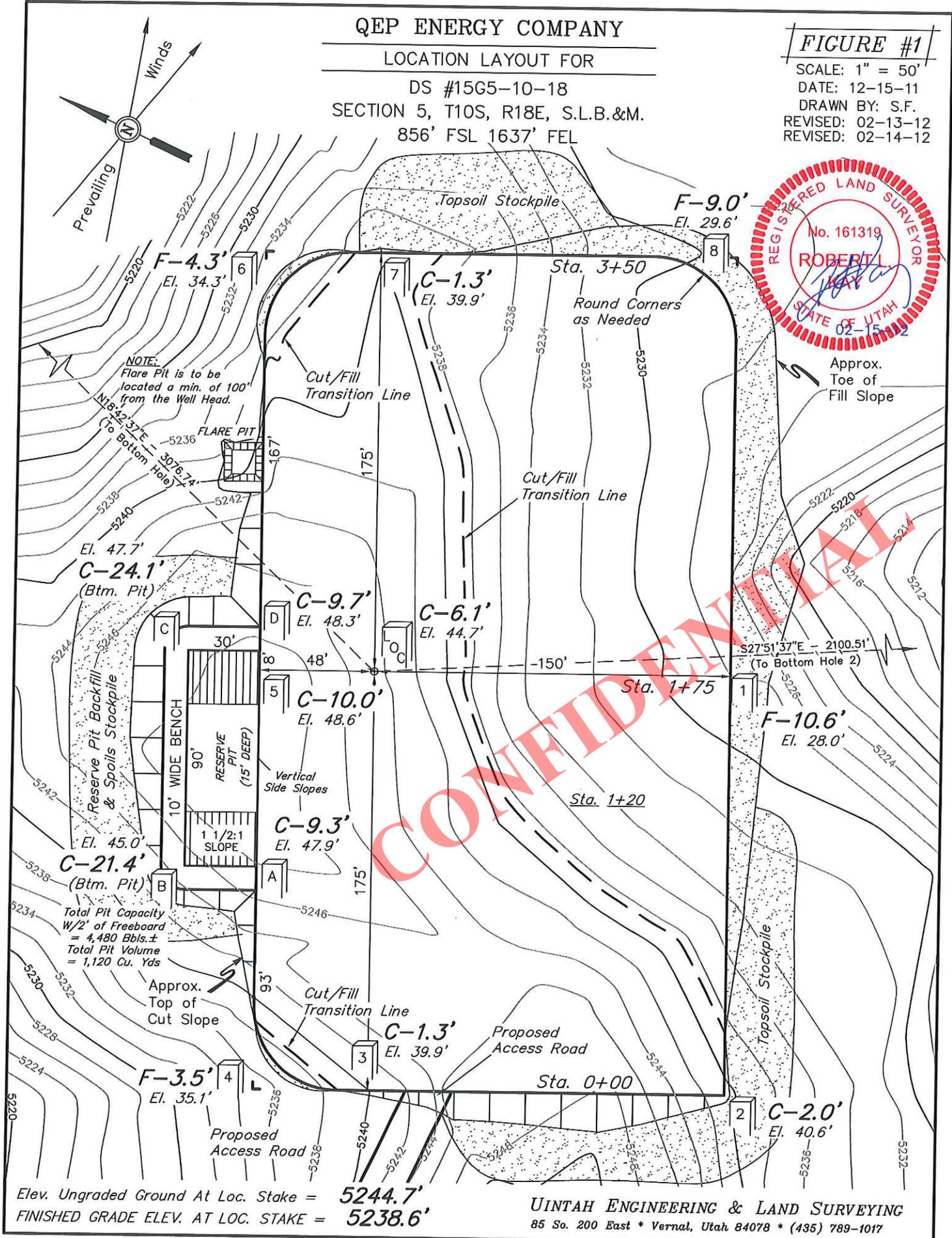
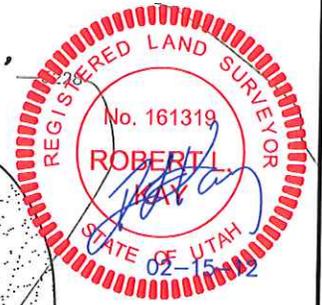
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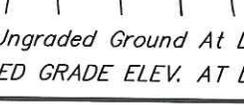
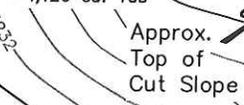
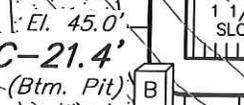
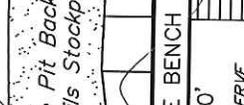
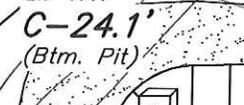
LOCATION LAYOUT FOR  
DS #15G5-10-18  
SECTION 5, T10S, R18E, S.L.B.&M.  
856' FSL 1637' FEL

**FIGURE #1**

SCALE: 1" = 50'  
DATE: 12-15-11  
DRAWN BY: S.F.  
REVISED: 02-13-12  
REVISED: 02-14-12



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



Elev. Ungraded Ground At Loc. Stake = 524

**QEP ENERGY COMPANY**

**TYPICAL CROSS SECTIONS FOR**

DS #15G5-10-18

SECTION 5, T10S, R18E, S.L.B.&M.

856' FSL 1637' FEL

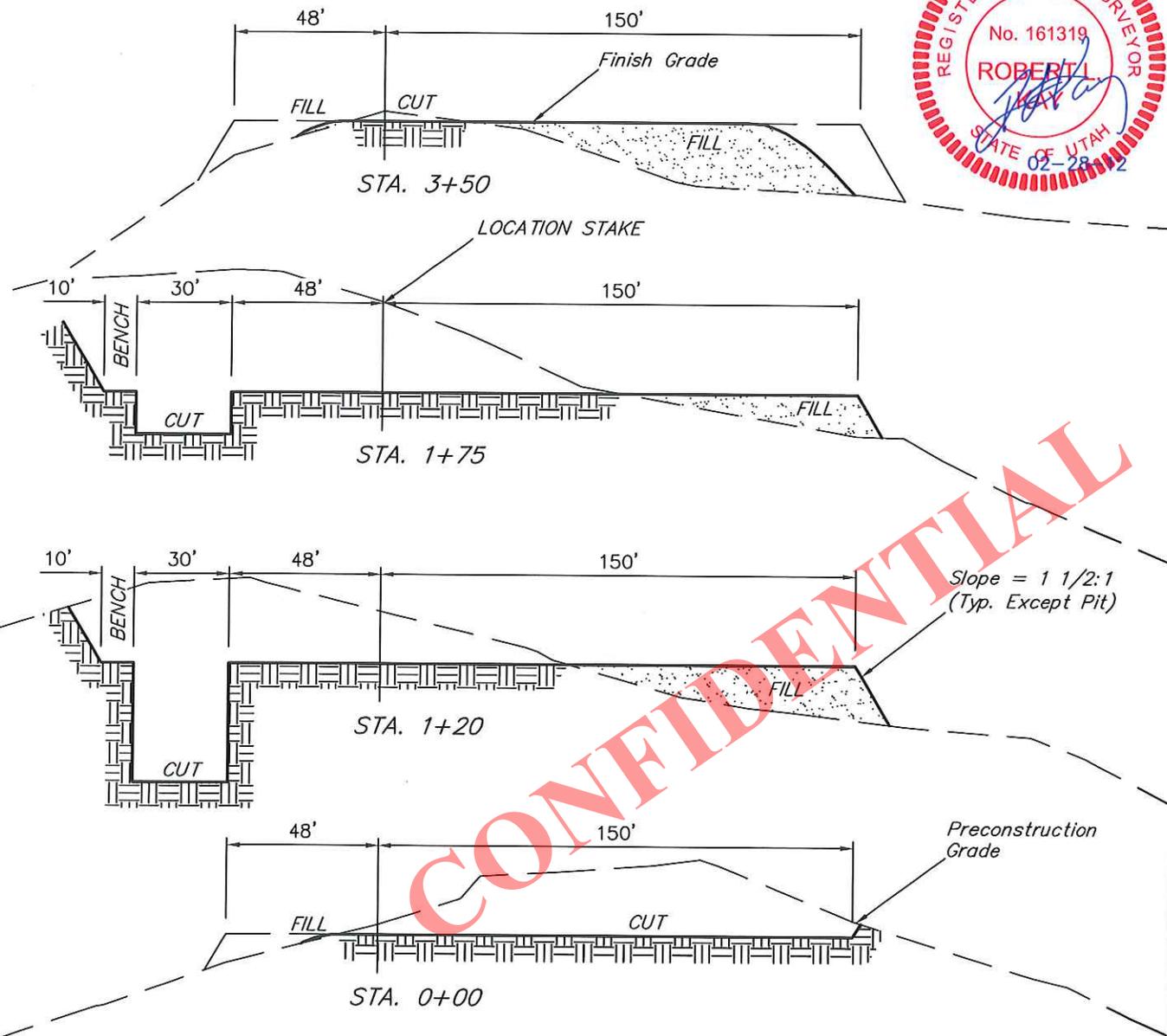
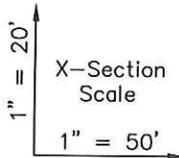
**FIGURE #2**

SCALE: 1" = 50'

DATE: 12-15-11

DRAWN BY: S.F.

REVISED: 02-28-12



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**NOTE:**

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

APPROXIMATE ACREAGES

WELL SITE DISTURBANCE	= ± 2.275 ACRES
ACCESS ROAD DISTURBANCE	= ± 3.083 ACRES
<b>TOTAL</b>	<b>= ± 5.358 ACRES</b>

\* NOTE: FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	= 1,640 Cu. Yds.
Remaining Location	= 9,140 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 10,780 CU.YDS.</b>
<b>FILL</b>	<b>= 8,580 CU.YDS.</b>

EXCESS MATERIAL	= 2,200 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,200 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.

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

# QEP ENERGY COMPANY

## TYPICAL RIG LAYOUT FOR

DS #15G5-10-18

SECTION 5, T10S, R18E, S.L.B.&M.

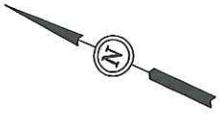
856' FSL 1637' FEL

FIGURE #3

SCALE: 1" = 50'

DATE: 12-15-11

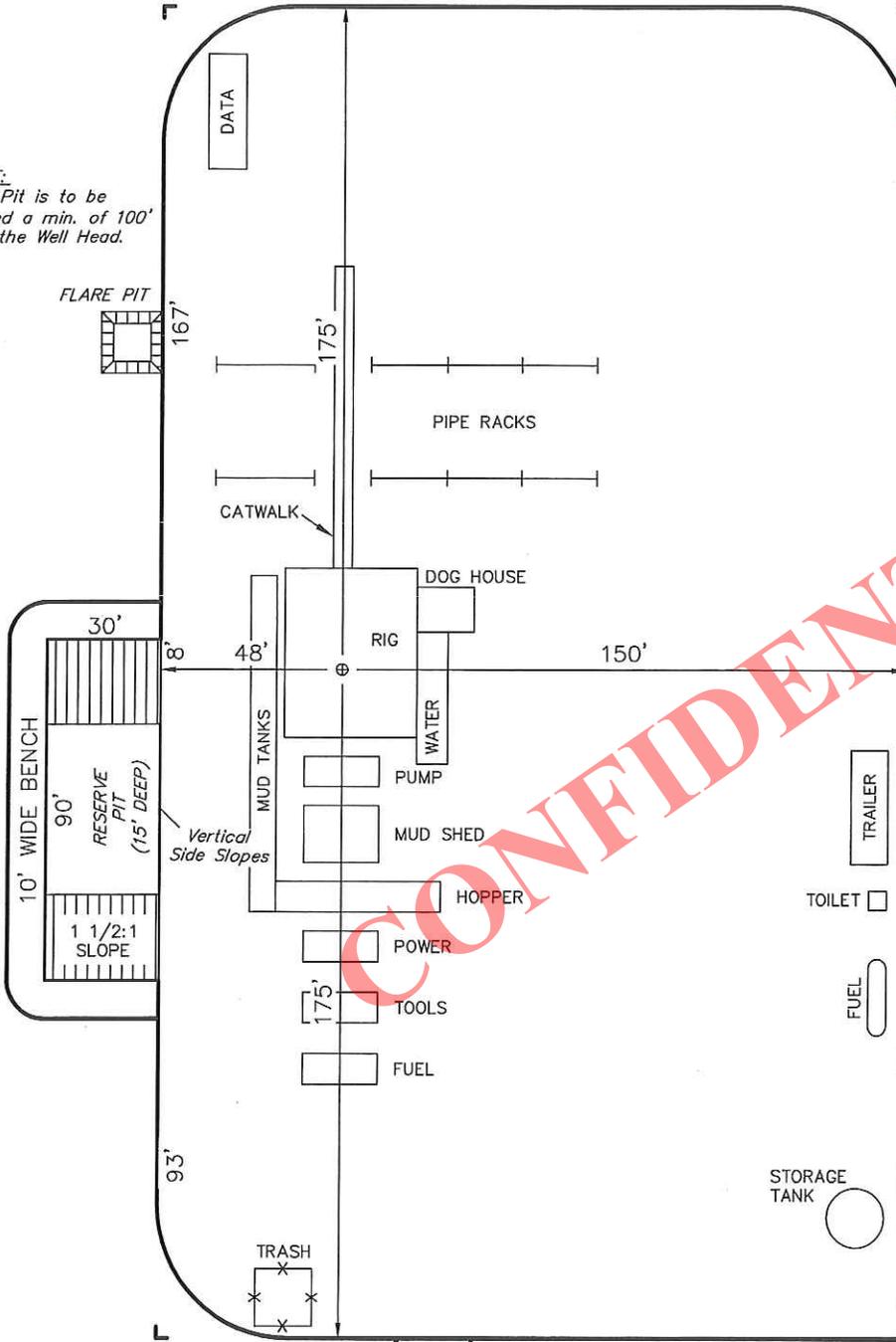
DRAWN BY: S.F.



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



Total Pit Capacity  
W/2' of Freeboard  
= 4,480 Bbls.±  
Total Pit Volume  
= 1,120 Cu. Yds



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Proposed  
Access Road

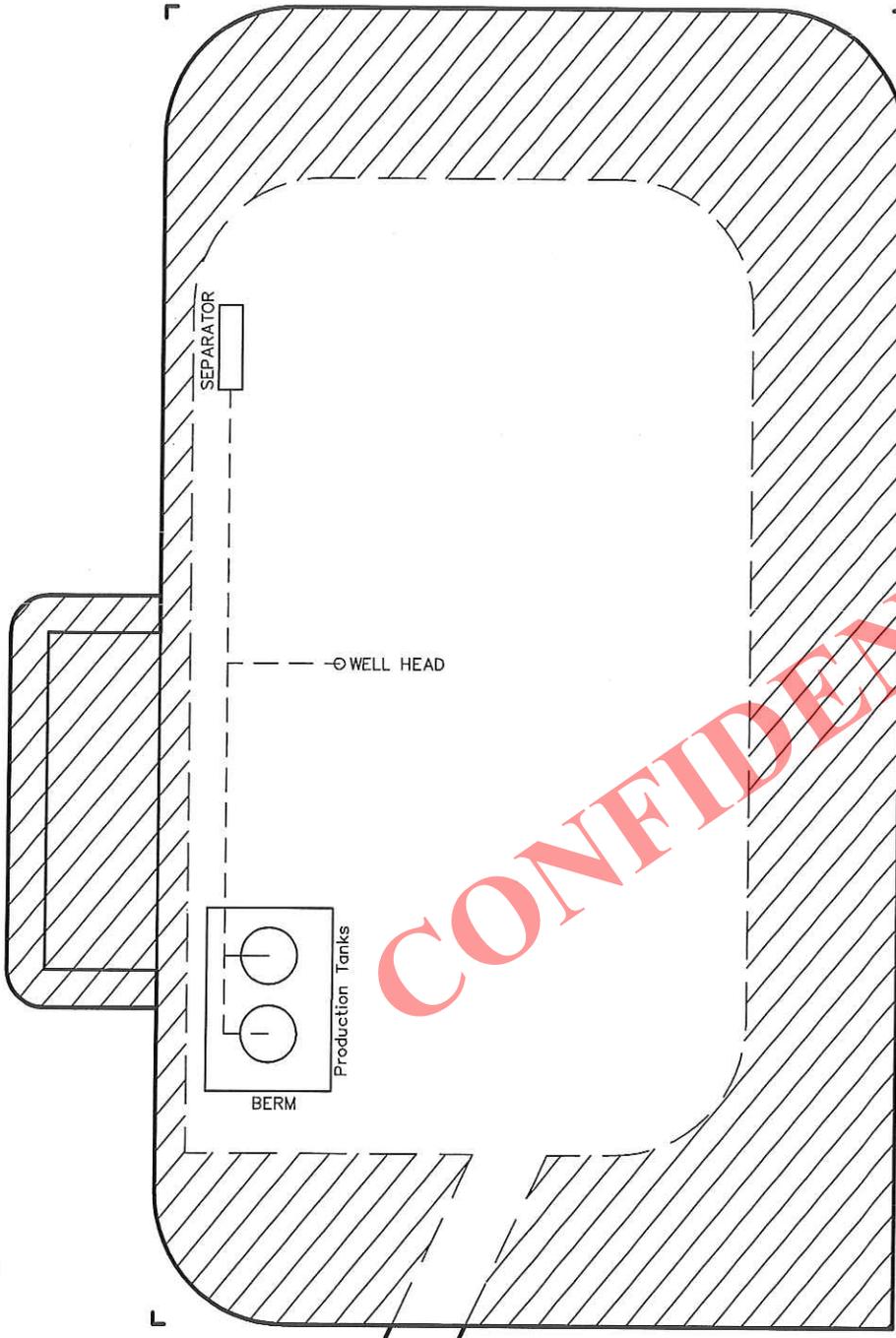
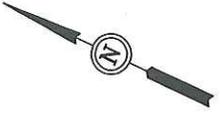
QEP ENERGY COMPANY  
PRODUCTION FACILITY LAYOUT FOR  
DS #15G5-10-18  
SECTION 5, T10S, R18E, S.L.B.&M.  
856' FSL 1637' FEL

FIGURE #4

SCALE: 1" = 50'

DATE: 12-15-11

DRAWN BY: S.F.



CONFIDENTIAL

RECLAIMED AREA

Access Road

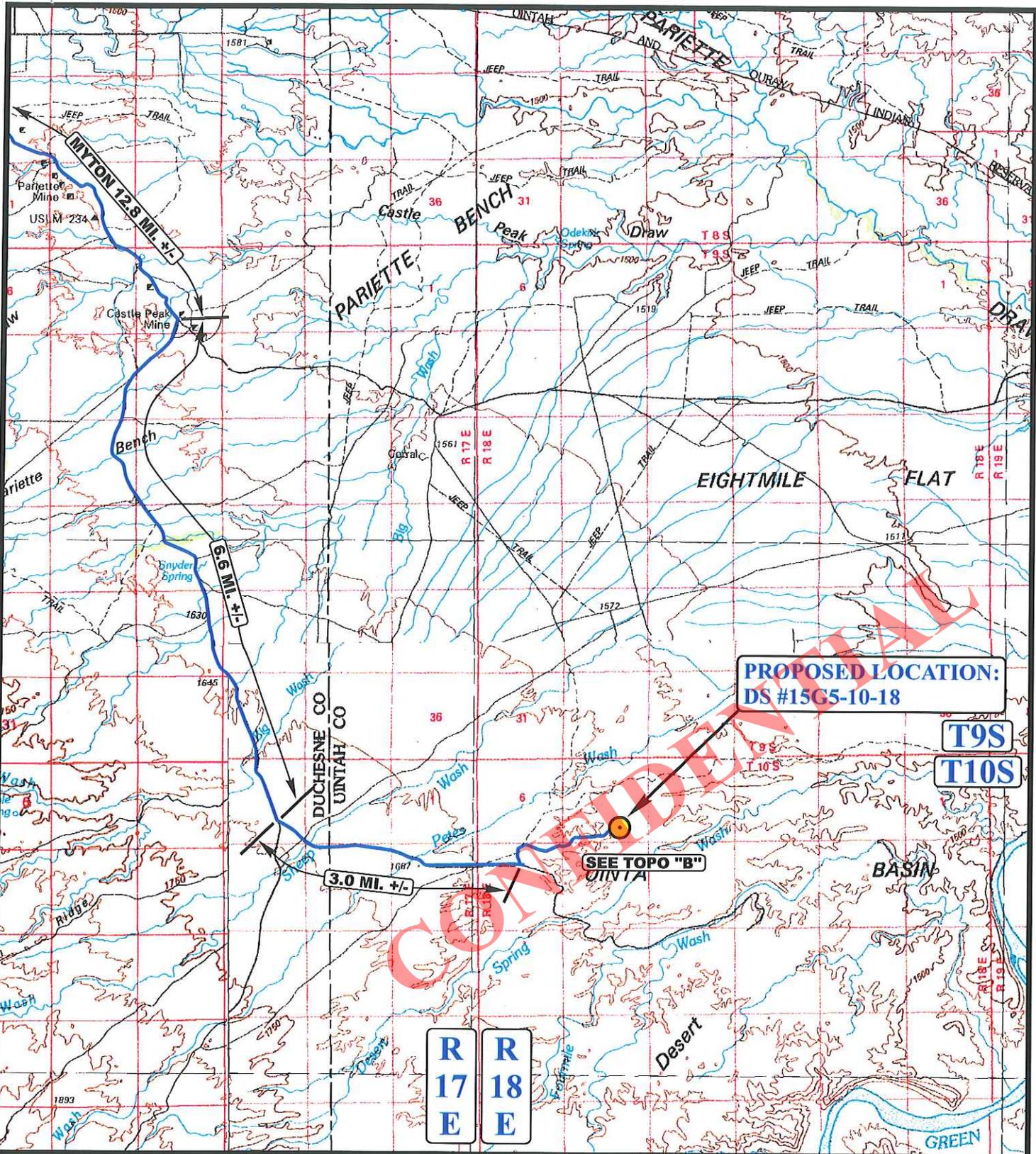
APPROXIMATE ACREAGES  
UN-RECLAIMED = ± 0.898 ACRES

QEP ENERGY COMPANY  
DS #15G5-10-18  
SECTION 5, T10S, R18E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM MYTON, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 1.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 11.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 6.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 3.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN LEFT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 4,476' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM MYTON, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 23.8 MILES.

CONFIDENTIAL



**PROPOSED LOCATION:  
DS #15G5-10-18**

**T9S  
T10S**

**SEE TOPO "B"  
QUINTA**

**R 17 E  
R 18 E**

**LEGEND:**

**PROPOSED LOCATION**



**QEP ENERGY COMPANY**

**DS #15G5-10-18  
SECTION 5, T10S, R18E, S.L.B.&M.  
856' FSL 1637' FEL**

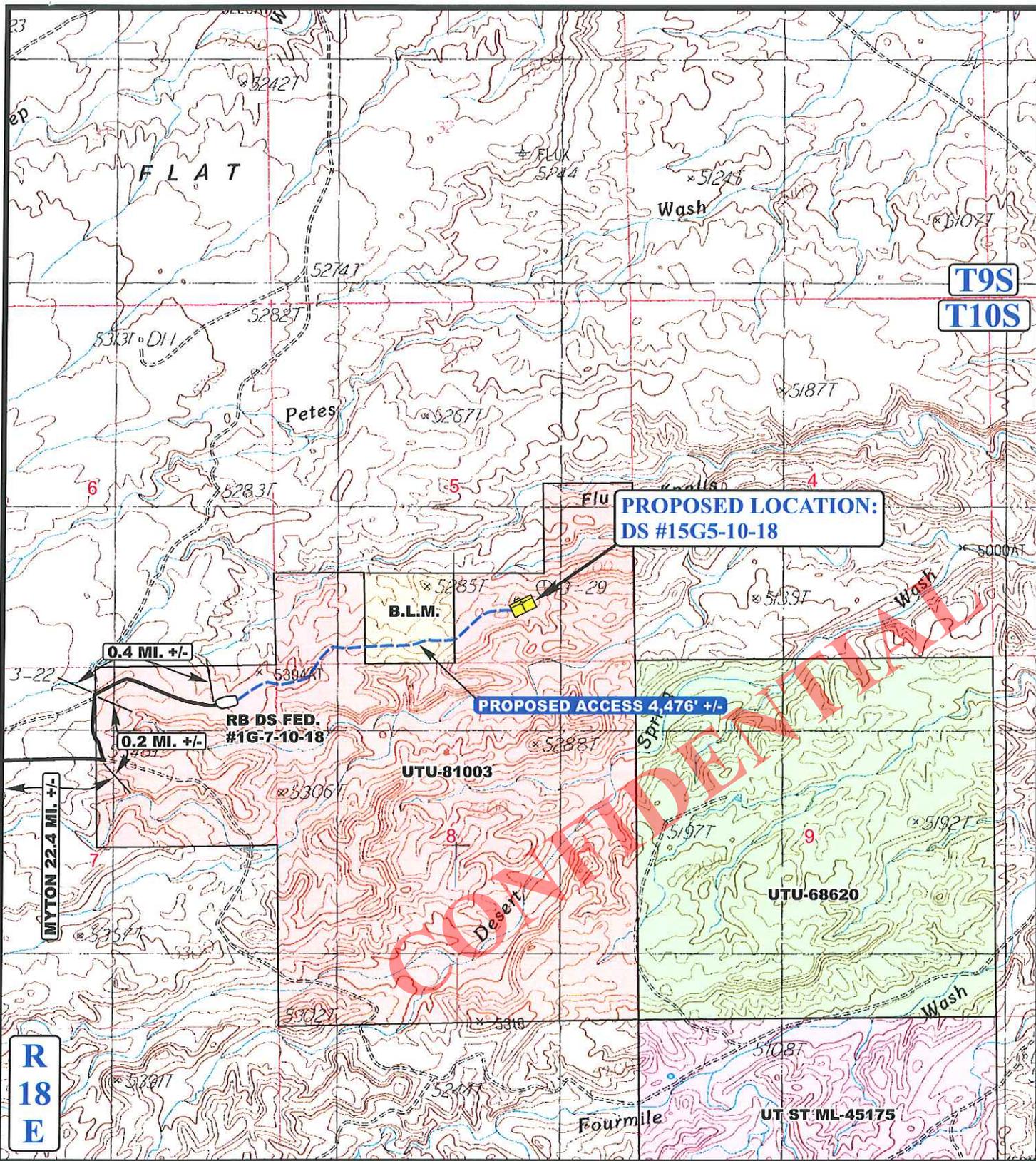
**U&Ls**  
**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**ACCESS ROAD  
MAP**

<b>11</b> MONTH	<b>29</b> DAY	<b>11</b> YEAR
--------------------	------------------	-------------------

**SCALE: 1:100,000** **DRAWN BY: J.L.G.** **REVISED: 00-00-00**

**A  
TOPO**



**PROPOSED LOCATION:  
DS #15G5-10-18**

**PROPOSED ACCESS 4,476' +/-**

**R  
18  
E**

**T9S  
T10S**

**LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD



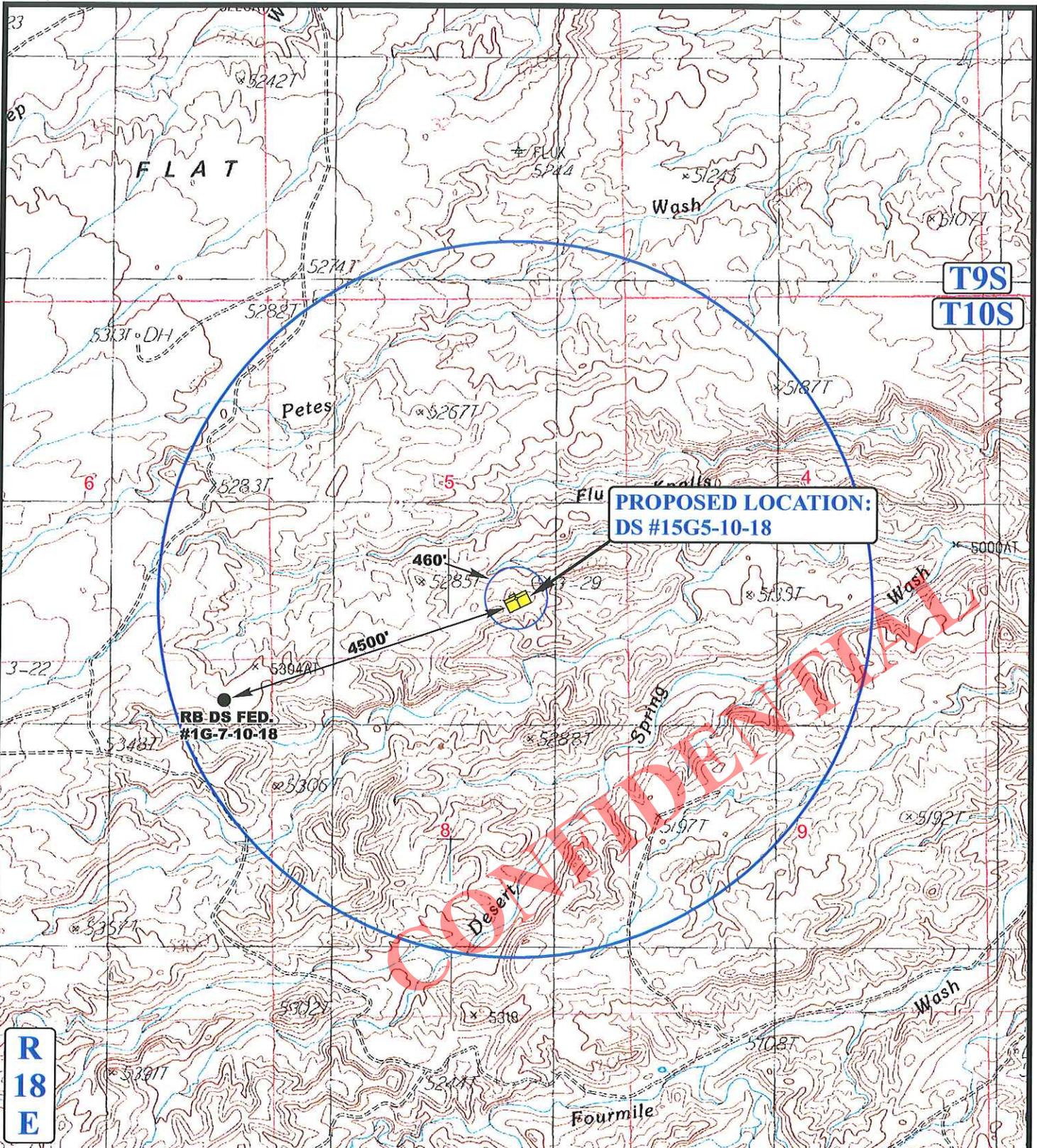
**QEP ENERGY COMPANY**

**DS #15G5-10-18  
SECTION 5, T10S, R18E, S.L.B.&M.  
856' FSL 1637' FEL**



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

<b>ACCESS ROAD MAP</b>	<b>11</b> MONTH	<b>29</b> DAY	<b>11</b> YEAR	<b>B TOPO</b>
SCALE: 1" = 2000'	DRAWN BY: J.L.G.		REVISED: 00-00-00	



**LEGEND:**

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

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

**QEP ENERGY COMPANY**

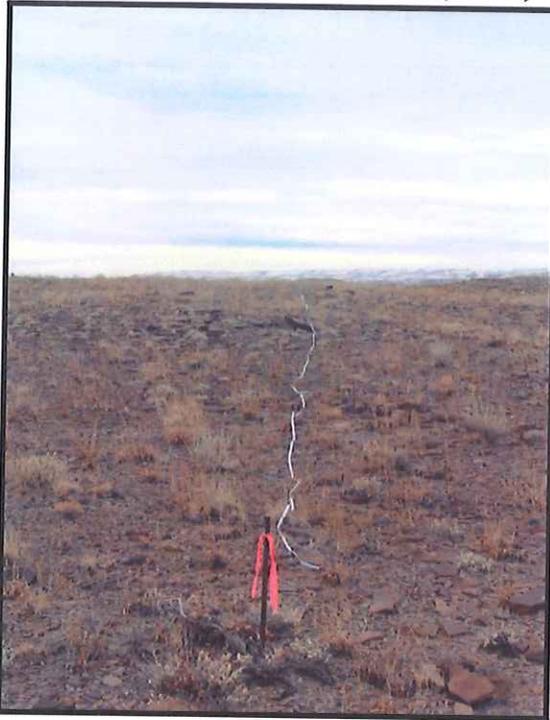
**DS #15G5-10-18**  
**SECTION 5, T10S, R18E, S.L.B.&M.**  
**856' FSL 1637' FEL**

**TOPOGRAPHIC MAP**      **11 29 11**  
MONTH DAY YEAR

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

**TOPO**

**QEP ENERGY COMPANY**  
**REFERENCE MAP: AREA OF VEGETATION**  
**DS #15G5-10-18**  
**LOCATED IN UINTAH COUNTY, UTAH**  
**SECTION 5, T10S, R18E, S.L.B.&M.**

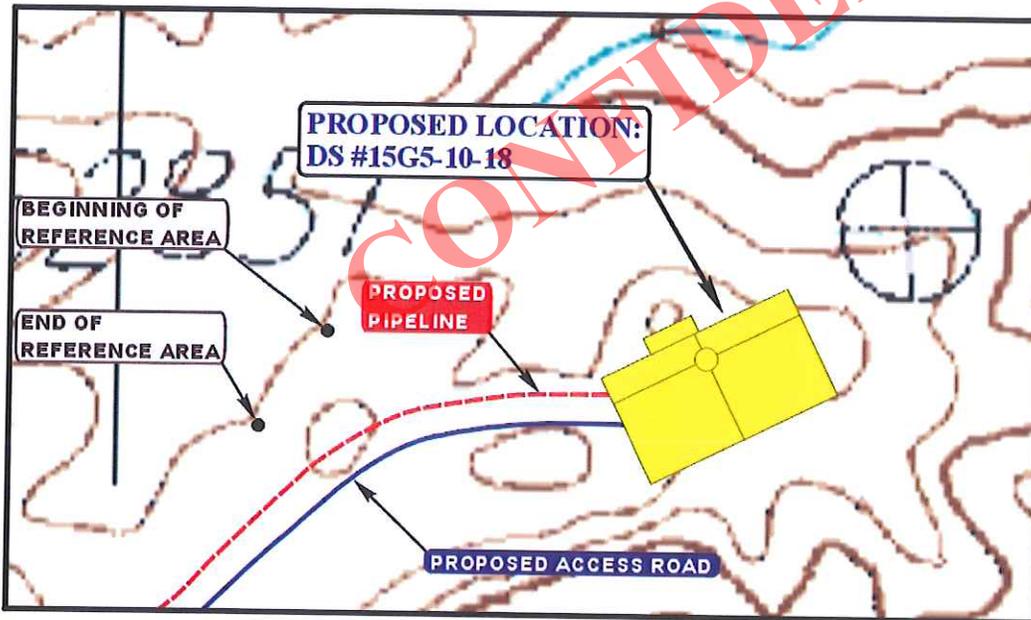


**NOTE:**

**BEGINNING OF REFERENCE AREA**  
NAD 83 Z12 UTM NORTHING: 14516974.084  
NAD 83 Z12 UTM EASTING: 1944118.577  
(NAD 83) LATITUDE: 39.968167  
(NAD 83) LONGITUDE: -109.915361

**END OF REFERENCE AREA**  
NAD 83 Z12 UTM NORTHING: 14516810.821  
NAD 83 Z12 UTM EASTING: 1944003.794  
(NAD 83) LATITUDE: 39.967722  
(NAD 83) LONGITUDE: -109.915778

PHOTO: VIEW FROM BEGINNING OF REFERENCE AREA



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

SCALE: 1" = 300'

02 23 12  
MONTH DAY YEAR

REF.

TAKEN BY: G.S. DRAWN BY: J.L.G. REVISED: 00-00-00



QEP Energy Company

## QEP ENERGY (UT)

Desert Springs

DS 15G5-10-18

DS 15G5-10-18

**Lateral #1**

Plan: Plan ver.0

## Standard Planning Report

22 February, 2012

**CONFIDENTIAL**



QEP Energy Company



**QEP Resources, Inc.**  
Planning Report



<b>Database:</b>	EDMDB_QEP	<b>Local Co-ordinate Reference:</b>	Well DS 15G5-10-18
<b>Company:</b>	QEP ENERGY (UT)	<b>TVD Reference:</b>	RKB @ 5252.60usft (EST. RKB)
<b>Project:</b>	Desert Springs	<b>MD Reference:</b>	RKB @ 5252.60usft (EST. RKB)
<b>Site:</b>	DS 15G5-10-18	<b>North Reference:</b>	True
<b>Well:</b>	DS 15G5-10-18	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Lateral #1		
<b>Design:</b>	Plan ver.0		

<b>Project</b>	Desert Springs, Uinta, UT		
<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>	DS 15G5-10-18				
<b>Site Position:</b>		<b>Northing:</b>	7,161,028.538 usft	<b>Latitude:</b>	39.968053
<b>From:</b>	Lat/Long	<b>Easting:</b>	2,084,941.835 usft	<b>Longitude:</b>	-109.913834
<b>Position Uncertainty:</b>	0.00 usft	<b>Slot Radius:</b>	13-3/16 "	<b>Grid Convergence:</b>	1.02 °

<b>Well</b>	DS 15G5-10-18					
<b>Well Position</b>	<b>+N/-S</b>	0.00 usft	<b>Northing:</b>	7,161,028.534 usft	<b>Latitude:</b>	39.968053
	<b>+E/-W</b>	0.00 usft	<b>Easting:</b>	2,084,941.835 usft	<b>Longitude:</b>	-109.913834
<b>Position Uncertainty</b>		0.00 usft	<b>Wellhead Elevation:</b>	5,238.60 usft	<b>Ground Level:</b>	5,238.60 usft

<b>Wellbore</b>	Lateral #1				
<b>Magnetics</b>	<b>Model Name</b>	<b>Sample Date</b>	<b>Declination (°)</b>	<b>Dip Angle (°)</b>	<b>Field Strength (nT)</b>
	IGRF2010	2/9/2012	11.16	65.74	52,187

<b>Design</b>	Plan ver.0			
<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	18.68

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	
4,653.38	0.00	0.00	4,653.38	0.00	0.00	0.00	0.00	0.00	0.00	
5,385.72	87.88	18.68	5,130.52	435.59	147.25	12.00	12.00	0.00	18.68	
8,002.94	87.88	18.68	5,227.34	2,913.29	984.81	0.00	0.00	0.00	0.00	DS 15G5-10-18 Lat.1

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
4,653.38	0.00	0.00	4,653.38	0.00	0.00	0.00	0.00	0.00	0.00
5,385.72	87.88	18.68	5,130.52	435.59	147.25	459.80	12.00	12.00	0.00
8,002.94	87.88	18.68	5,227.34	2,913.29	984.81	3,075.24	0.00	0.00	0.00



**QEP Resources, Inc.**  
Planning Report



<b>Database:</b>	EDMDB_QEP	<b>Local Co-ordinate Reference:</b>	Well DS 15G5-10-18
<b>Company:</b>	QEP ENERGY (UT)	<b>TVD Reference:</b>	RKB @ 5252.60usft (EST. RKB)
<b>Project:</b>	Desert Springs	<b>MD Reference:</b>	RKB @ 5252.60usft (EST. RKB)
<b>Site:</b>	DS 15G5-10-18	<b>North Reference:</b>	True
<b>Well:</b>	DS 15G5-10-18	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Lateral #1		
<b>Design:</b>	Plan ver.0		

Design Targets									
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
DS 15G5-10-18 Lat.1 - hit/miss target - Shape - Point	0.00	0.00	5,227.34	2,913.29	984.81	7,163,958.538	2,085,874.734	39.976050	-109.910320

Casing Points					
Measured Depth (usft)	Vertical Depth (usft)	Name	Casing Diameter (")	Hole Diameter (")	
450.00	450.00	9 5/8"	9-5/8	12-1/4	
4,573.00	4,573.00	7"	7	8-3/4	

Formations						
Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)	
1,100.00	1,100.00	Green River fm		0.00		
2,845.00	2,845.00	Garden Gulch mbr		0.00		
4,966.67	4,944.67	Uteland Butte Member		2.12	18.68	
5,347.86	5,127.62	C Lime top		2.12	18.68	

CONFIDENTIAL

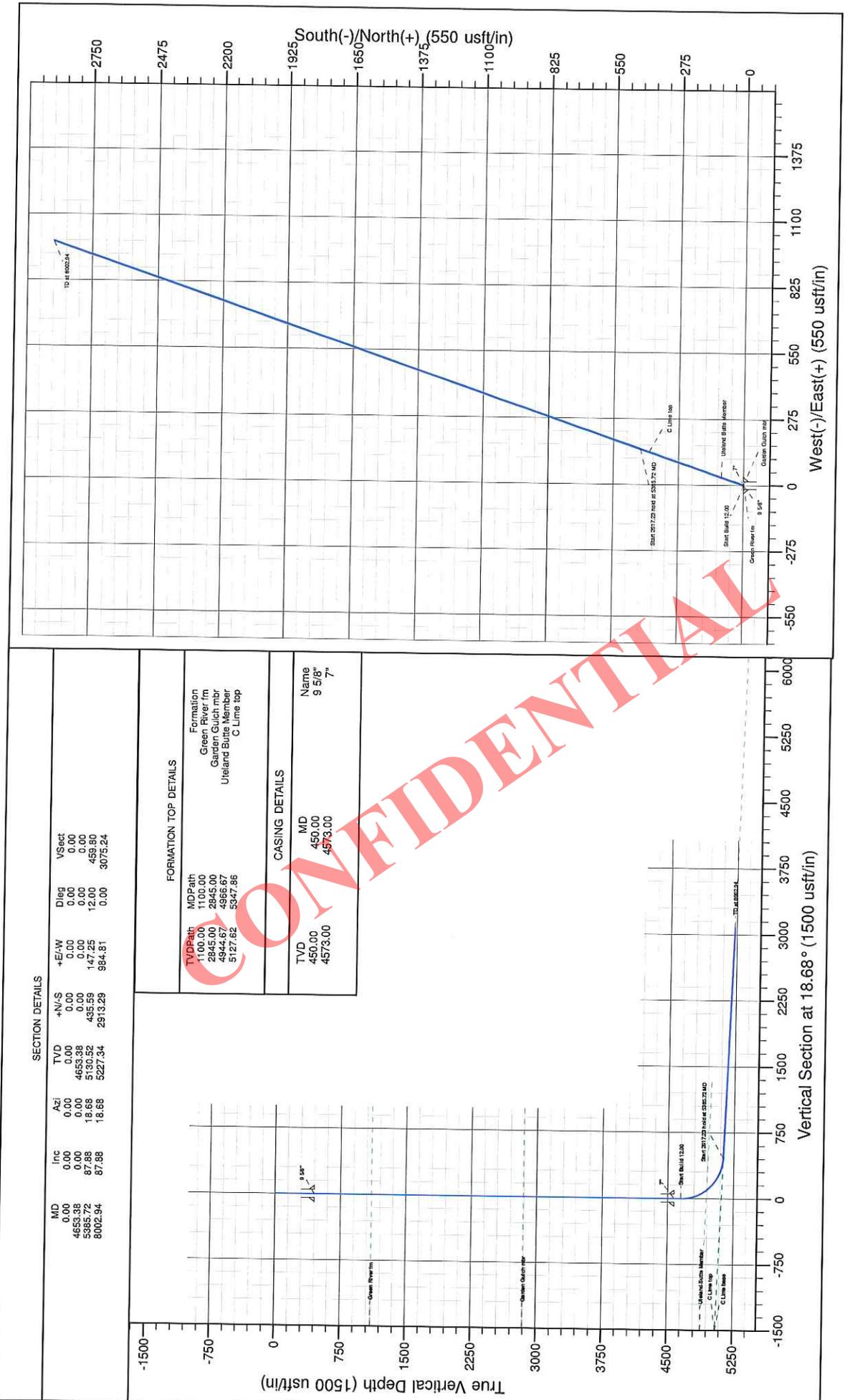


# Company Name: QEP ENERGY (UT)

Minimum True North  
 Magnetic North 11.15°  
 North Arrow  
 Scale: 1" = 100'  
 Date: 05/27/12  
 Model: 05/23/12

Project: Desert Springs  
 Site: DS 15GS-10-18  
 Well: DS 15GS-10-18  
 Wellbore: Lateral #1  
 Design: Plan ver:0

<b>WELL DETAILS: DS 15GS-10-18</b> Lateral #1		<b>REFERENCE INFORMATION</b>		<b>PROJECT DETAILS: Desert Springs</b>	
+N/-S 0.00	+E/W 0.00	Northing 7161028.534	Easting 2084941.835	Ground Level: 5288.60 Elevation 39.988053	Geodetic System: US State Plane 1983 Datum: North American Datum 1983 Ellipsoid: GRS 1980 Zone: Utah Central Zone System Datum: Mean Sea Level
+N/-S 0.00	+E/W 0.00	Longitude -108.913833	Slot	Coordinate (N/E) Reference: Well DS 15GS-10-18, True North Vertical (TVD) Reference: RKB @ 5252.60 ft (EST: RKB) Section (VS) Reference: Slot - (0.00N, 0.00E) Measured Depth Reference: RKB @ 5252.60 ft (EST: RKB) Calculation Method: Minimum Curvature	





QEP Energy Company

## QEP ENERGY (UT)

Desert Springs

DS 15G5-10-18

DS 15G5-10-18

**Lateral #2**

Plan: Plan ver.0

## Standard Planning Report

22 February, 2012

**CONFIDENTIAL**



QEP Energy Company



**QEP Resources, Inc.**  
Planning Report



<b>Database:</b>	EDMDB_QEP	<b>Local Co-ordinate Reference:</b>	Well DS 15G5-10-18
<b>Company:</b>	QEP ENERGY (UT)	<b>TVD Reference:</b>	RKB @ 5252.60usft (EST. RKB)
<b>Project:</b>	Desert Springs	<b>MD Reference:</b>	RKB @ 5252.60usft (EST. RKB)
<b>Site:</b>	DS 15G5-10-18	<b>North Reference:</b>	True
<b>Well:</b>	DS 15G5-10-18	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Lateral #2		
<b>Design:</b>	Plan ver.0		

<b>Project</b>	Desert Springs, Uinta, UT		
<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>	DS 15G5-10-18				
<b>Site Position:</b>		<b>Northing:</b>	7,161,028.538 usft	<b>Latitude:</b>	39.968053
<b>From:</b>	Lat/Long	<b>Easting:</b>	2,084,941.835 usft	<b>Longitude:</b>	-109.913834
<b>Position Uncertainty:</b>	0.00 usft	<b>Slot Radius:</b>	13-3/16 "	<b>Grid Convergence:</b>	1.02 °

<b>Well</b>	DS 15G5-10-18					
<b>Well Position</b>	<b>+N/-S</b>	0.00 usft	<b>Northing:</b>	7,161,028.534 usft	<b>Latitude:</b>	39.968053
	<b>+E/-W</b>	0.00 usft	<b>Easting:</b>	2,084,941.835 usft	<b>Longitude:</b>	-109.913834
<b>Position Uncertainty</b>		0.00 usft	<b>Wellhead Elevation:</b>	5,238.60 usft	<b>Ground Level:</b>	5,238.60 usft

<b>Wellbore</b>	Lateral #2				
<b>Magnetics</b>	<b>Model Name</b>	<b>Sample Date</b>	<b>Declination (°)</b>	<b>Dip Angle (°)</b>	<b>Field Strength (nT)</b>
	IGRF2010	2/9/2012	11.16	65.74	52,187

<b>Design</b>	Plan ver.0			
<b>Audit Notes:</b>				
<b>Version:</b>	<b>Phase:</b>	PLAN	<b>Tie On Depth:</b>	4,523.00
<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	152.13

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
4,523.00	0.00	0.00	4,523.00	0.00	0.00	0.00	0.00	0.00	0.00	
5,439.84	91.80	152.13	5,094.95	-521.75	275.90	10.01	10.01	0.00	152.13	
6,950.82	91.80	152.13	5,047.49	-1,856.81	981.88	0.00	0.00	0.00	0.00	DS 15G5-10-18 Lat.2

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)	
4,523.00	0.00	0.00	4,523.00	0.00	0.00	0.00	0.00	0.00	0.00	
5,439.84	91.80	152.13	5,094.95	-521.75	275.90	590.21	10.01	10.01	0.00	
6,950.82	91.80	152.13	5,047.49	-1,856.81	981.88	2,100.44	0.00	0.00	0.00	



**QEP Resources, Inc.**  
Planning Report



<b>Database:</b>	EDMDB_QEP	<b>Local Co-ordinate Reference:</b>	Well DS 15G5-10-18
<b>Company:</b>	QEP ENERGY (UT)	<b>TVD Reference:</b>	RKB @ 5252.60usft (EST. RKB)
<b>Project:</b>	Desert Springs	<b>MD Reference:</b>	RKB @ 5252.60usft (EST. RKB)
<b>Site:</b>	DS 15G5-10-18	<b>North Reference:</b>	True
<b>Well:</b>	DS 15G5-10-18	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Lateral #2		
<b>Design:</b>	Plan ver.0		

Design Targets									
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
DS 15G5-10-18 Lat.2 - hit/miss target - Shape - plan hits target center - Point	0.00	0.00	5,047.49	-1,856.81	981.88	7,159,189.606	2,085,956.386	39.962956	-109.910331

Formations						
Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)	
1,100.00	1,100.00	Green River fm		0.00		
2,845.00	2,845.00	Garden Gulch mbr		0.00		
4,983.64	4,935.48	Uteland Butte Member		1.80	332.13	
5,398.42	5,094.75	C Lime top		1.80	332.13	

CONFIDENTIAL



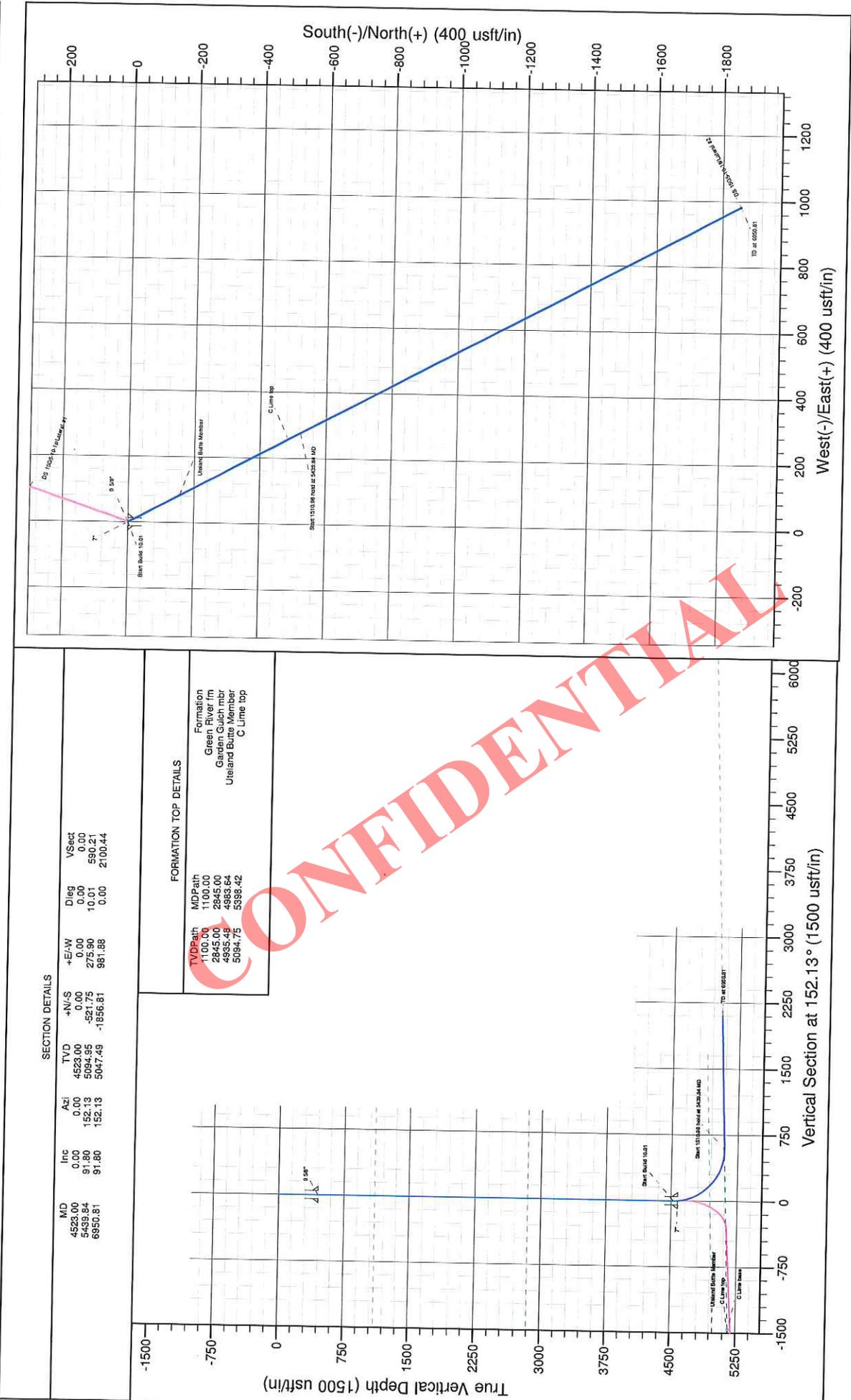
# Company Name: QEP ENERGY (UT)

Project: Desert Springs  
 Site: DS 15G5-10-18  
 Well: DS 15G5-10-18  
 Wellbore: Lateral #2  
 Design: Plan ver.0

North is True North  
 Magnetic North: 11.16°  
 Magnetic Field  
 Strength: 55.74  
 Dip Angle: 85.74°  
 Date: 26/02/2012  
 Model: UTM2003



<p><b>WELL DETAILS:</b> DS 15G5-10-18 Lateral #2</p> <p>Ground Level:                  Easting: 5238.60                  Northing: 7151028.534                  Easting: 2054941.835                  Northing: 39.968053</p> <p>Longitude: -103.913833                  Slot:</p>	<p><b>PROJECT DETAILS:</b> Desert Springs</p> <p>Geodetic System: US State Plane 1983                  Datum: North American Datum 1983                  Ellipsoid: GRS 1980                  Zone: Utah Central Zone                  System Datum: Mean Sea Level</p>
<p><b>REFERENCE INFORMATION</b></p>	
<p>Co-ordinate (NVE) Reference: Well DS 15G5-10-18, True North                  Vertical (TVD) Reference: RKB @ 5252.60usft (C Line Top)                  Section (VS) Reference: Slot - (0.00N 0.00E)                  Measured Depth Reference: RKB @ 5252.60usft (EST. RKB)                  Calculation Method: Minimum Curvature</p>	



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### **Additional Operator Remarks**

QEP Energy Company proposes to drill the DS 15G-5-10-18 and drill a **dual lateral horizontal oil well** to test the Uteland Butte Member of the Green River Formation. If productive, casing will be run and the well completed. If dry, the well be plugged and abandoned as per BLM and State of Utah requirements.

See Onshore Oil & Gas Order No. 1

Please be advised that QEP Energy Company agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No.ESB000024. The principal is QEP Energy Company via surety as consent as provided for the 43 CFR 3104.2.

### **Information for Dual Laterals**

#### **Surface Location**

856' FSL, 1637' FEL, SWSE, Section 5, T10S, R18E, Lease Number UTU-81003

#### **Lateral 1**

1500' FNL, 660' FEL, SENE, Section 5, T10S, R18E, Lease Number UTU-76258  
2913.29 Lateral Leg Length @ 18.68 Azimuth (See Attached Drilling Plans)  
TD: 8,002' MD

#### **Lateral 2**

1000' FNL, 660' FEL, NENE, Section 8, T10S, R18E, Lease Number UTU-81003  
1856.81 Lateral Leg Length @ 152.13 Azimuth (See Attached Drilling Plans)  
TD: 6950' MD

**CONFIDENTIAL**

**QEP ENERGY COMPANY  
DS 15G-5-10-18  
SWSE, SECTION 5, T10S, R18E  
UINTAH COUNTY, UT  
LEASE # UTU-81003**

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

An onsite inspection was conducted for the DS 15G-5-10-18 on February 8, 2012. Weather conditions were chilly at the time of the onsite. In attendance at the inspection were the following individuals:

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

**1. Existing Roads:**

See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.

The proposed well site is located approximately 24 miles southeast of Myton, Utah.

-See attached TOPO Map "A".

Existing roads will be upgraded, maintained and repaired as necessary.

**2. Planned Access Roads:**

**An offlease right-of-way is not required. The entire well pad and access road are located within the Nemo Unit.**

There will be a new access road approximately 4,476' in length, 30' in width, containing approximately 3.08 acres.

New access roads on BLM surface will be crowned (2 to 3%), ditched, and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet. Any additional disturbance required due to intersections or sharp curves will be discussed at the on-site and approved by the State.

Graveling or capping the roadbed will be performed as necessary to provide a well constructed, safe road. Surface disturbance and vehicular traffic will be limited to the approved location and access route or, as proposed by the Operator.

The road surface and shoulders will be kept in a safe and usable condition and will be maintained in accordance with the original construction standards.

If culverts are needed, the location and size of the culverts will be proposed during the on-site. The operator will clean and maintain approved culverts as needed.

All drainage ditches and culverts will be kept clear and free-flowing and will be maintained according to original construction standards.

The access road disturbed area will be kept free of trash during operations. All traffic will be confined to the approved road running surface. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause excess siltation or accumulation of debris in the drainage nor shall the drainage be blocked by the roadbed.

Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Should mud holes develop, the holes shall be filled in and detours around the holes avoided.

When snow is removed from the road during the winter months, the snow should be pushed outside of the borrow ditches, and the turnouts kept clear so that snowmelt will be channeled away from the road.

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

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

A map will be provided with the site-specific APD showing the location of existing wells within a one mile radius.

Please refer to Topo map C.

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

The following guidelines will apply if the well is productive.

A containment dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks). These dikes will be constructed of compacted impervious subsoil; hold 110% of the capacity of the largest tank; and, be independent of the back cut. If a Spill Prevention, Control, and Countermeasure (SPCC) Plan is required by the Environmental Protection Agency, the containment dike may be expanded to meet SPCC requirements with approval by the BLM/WFO 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.

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

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. Fresh water may also be obtained from Neil Moon Pond water right #43-11787, or Myton City Water, Myton, Utah

**6. Source of Construction Materials:**

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

Any gravel will be obtained from a commercial source.

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

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

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

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

It was determined at the on-site inspection that a pit liner is necessary; the reserve pit will be lined with a synthetic reinforced liner, a minimum of 20 millimeters thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap will be disposed of in the pit.

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

**Disposal of Produced Water:**

After first production, produced wastewater will be confined to the approved pit or storage tank for a period not to exceed 90 days. During the 90 day period, in accordance with Onshore Order # 7, all produced water will be contained in tanks on location.

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

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  
Lapoint Recycle & Storage located in Sec. 12, T5S, R19E, Uintah County, UT

Produced water, oil, and other byproducts will not be applied to roads or well pads for 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:**

This will be an independent well location. Product will be contained in two 500 bbl tanks and then transported from location to delivery site.

A suitable muffler will be installed on pumping unit to help reduce noise control.

**9. Well Site Layout:**

A Location Layout Diagram describing drill pad cross-sections, cuts and fills, and locations of mud tanks, reserve pits, flare pit or flare box, pipe racks, trailer parking, spoil dirt stockpile(s), and the surface material stockpile(s) will be included with the site specific APD.

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 the 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.

**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. Reclamation Plan:**

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

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

The disturbed area will be backfilled with subsoil.

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

Water courses and drainages will be restored.  
Erosion control devices will be installed where needed.

Seeding will be done in the fall, prior to ground freeze up.  
Seed mix will be submitted to a BLM AO for approval prior to seeding.

Monitoring and reporting will be conducted as stated in QEP Energy Company's Reclamation Plan. Weed control will be conducted as stated in QEP Energy Company's Reclamation Plan.

A reference site and weed data sheet have been established and are included in this application.

Please see attached Weed Data Sheet.

**Dry Hole/Abandoned Location:**

On lands administered by the BLM abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions may include the reestablishment of irrigation systems; reestablishment of appropriate soil conditions; and, the reestablishment of vegetation as specified.

All disturbed surfaces will be recontoured to approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment.

At final abandonment, the Operator will cap the casing with a metal plate a minimum of 0.25 inch thick. The cap will be welded in place and the well location and identity will be permanently inscribed on the cap. The cap will be constructed with a weep hole. The depth of the permanent cap will be determined at the time of final abandonment. Long-term reclamation will then be applied and will follow the reclamation process described in this plan. When reclamation is deemed successful by the Operator and the BLM, the Operator will request a bond release.

12. **Surface Ownership:**

The well pad and access road are located on lands owned by:  
Bureau of Land Management  
170 South 500 East  
Vernal, UT 84078

13. **Other Information:**

Drilling rigs and/or equipment used during drilling operations will not be stacked or stored on Federal lands or State administered lands after the conclusion of drilling operations or at any other time without authorization by the BLM Authorized Officer. If BLM authorization is obtained, such storage is only a temporary measure.

A Class III archeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted on January 31, 2011, **State of Utah Antiquities Report U-11-MQ-1146b,s** by Montgomery Archaeology Consultants. Cultural resource clearance has been recommended for this project.

A paleontological survey was conducted by Intermountain Paleo Consulting. A copy of this report was submitted on February 1, 2012 **Report No. IPC 11-214** by Stephen D. Sandau,. Due to the number of fossils found during this survey and previous surveys, it is recommended that a permitted paleontologist be present to monitor the construction process of the well pad and access road. QEP Energy Company will provide paleo monitor for this project.

A habitat assessment and inventory was conducted on November 18-23, 2011 by Western Biota, Inc. No Uintah Basin Hookless Cactus (*Sclerocactus wetlandicus*) populations or individuals were located during the surveys within the proposed DS 15G-5-10-18. This proposed action should have no adverse effects towards individuals or populations of *Sclerocactus wetlandicus*.

**Per the onsite meeting on February 8, 2012**, the following items were requested/discussed.

There is 4" topsoil.

During construction, topsoil will be kept away from edge near corner #7 to prevent loss.

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

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

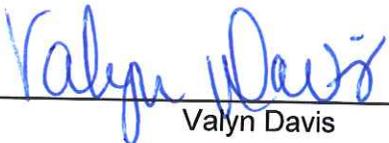
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

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

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

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

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

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

3/5/2012  
\_\_\_\_\_  
Date

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

March 8, 2012

Memorandum

To: Assistant District Manager Minerals, Vernal District  
From: Michael Coulthard, Petroleum Engineer  
Subject: 2012 Plan of Development Nemo Unit, Duchesne  
and Uintah Counties, 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 well is planned as a dual horizontal well. The work is planned for calendar year 2012 within the Nemo Unit, Uintah County, Utah.

API#	WELL NAME	LOCATION
(Proposed PZ Green River)		
43-047-52406	DS 15G-5-10-18 Sec 05	T10S R18E 0856 FSL 1637 FEL
	Lateral 1 Sec 05	T10S R18E 1500 FNL 0660 FEL
	Lateral 2 Sec 08	T10S R18E 1000 FNL 0660 FEL

This office has no objection to permitting the well 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: 2012.03.08 07:36:36 -0700

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

MCoulthard:mc:3-8-12

RECEIVED: March 08, 2012

LOCATION OF LATERAL NUMBER 1	FOOTAGES		QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
Location At Kickoff Point Depth: 4653	856 FSL	1637 FEL	SWSE	5	10.0 S	18.0 E	S
Top of Uppermost Producing Zone	856 FSL	1637 FEL	SWSE	5	10.0 S	18.0 E	S
At Total Depth	1500 FNL	660 FEL	SENE	5	10.0 S	18.0 E	S
COUNTY UINTAH	DISTANCE TO NEAREST LEASE LINE (Feet) 660						
DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 4500	PROPOSED DEPTH MD: 8002 TVD: 5227						

Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
L1	6.125	4.5	0 - 7968	11.6	N-80 LT&C	9.5	#Replace(q_cls.Definition, 'Cement', '')#	#q_cement.Sacks[s]#	#q_cement.Yield[s]#	#q_cement.Weight[s]#

LOCATION OF LATERAL NUMBER 2	FOOTAGES		QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
Location At Kickoff Point Depth: 4523	856 FSL	1637 FEL	SWSE	5	10.0 S	18.0 E	S
Top of Uppermost Producing Zone	856 FNL	1637 FEL	SWSE	5	10.0 S	18.0 E	S
At Total Depth	1000 FNL	660 FEL	NENE	8	10.0 S	18.0 E	S
COUNTY UINTAH	DISTANCE TO NEAREST LEASE LINE (Feet) 660						
DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 4500	PROPOSED DEPTH MD: 6950 TVD: 5047						

Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
L2	6.125	4.5					#Replace(q_cls.Definition, 'Cement', '')#	#q_cement.Sacks[s]#	#q_cement.Yield[s]#	#q_cement.Weight[s]#

CONFIDENTIAL

**WELL LOCATION PLAT**  
**T10S, R18E, S.L.B.&M.**

**QEP ENERGY COMPANY**

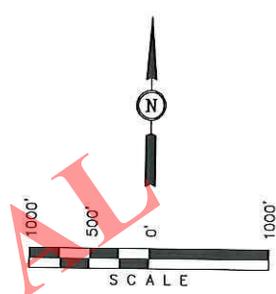
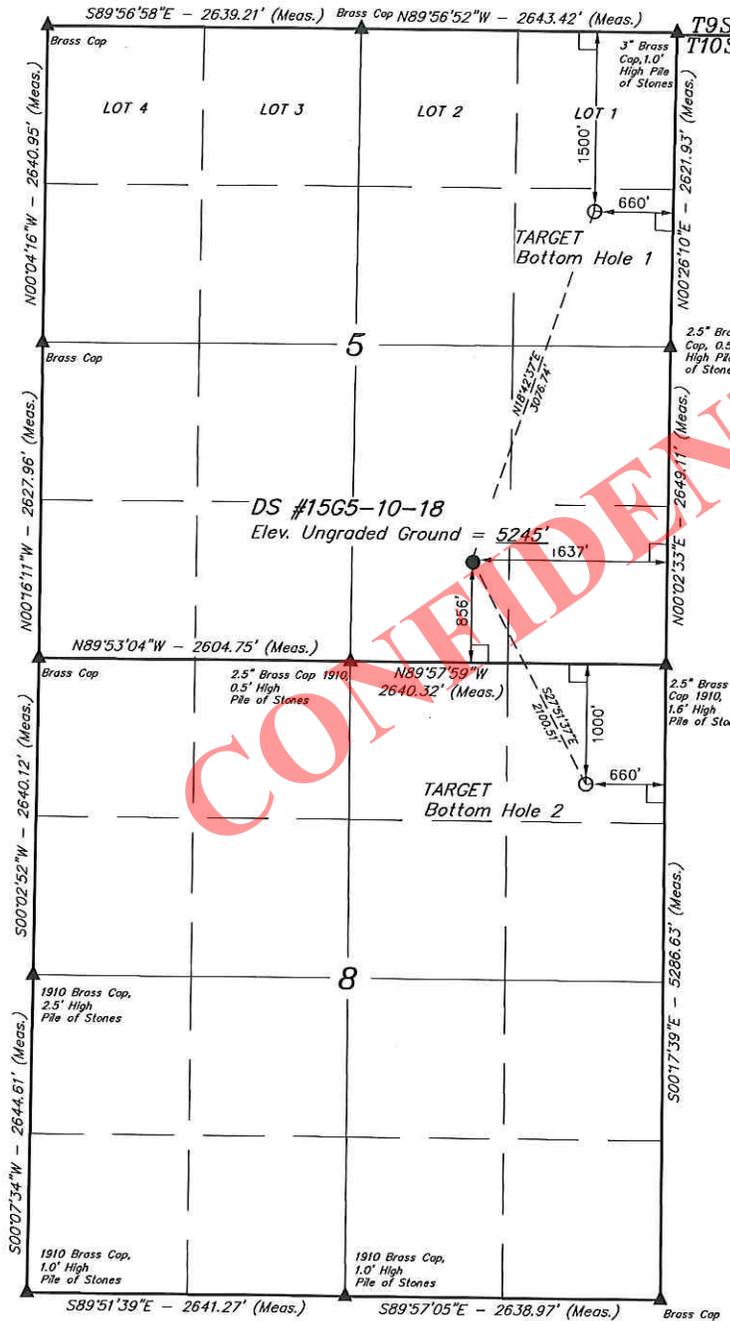
Well location, DS #15G5-10-18, located as shown in the SW 1/4 SE 1/4 of Section 5, T10S, R18E, S.L.B.&M., Uintah County, Utah.

**BASIS OF ELEVATION**

SPOT ELEVATION AT THE NORTHWEST CORNER OF SECTION 14, T10S, R18E, S.L.B.&M., TAKEN FROM THE MOON BOTTOM QUADRANGLE, UTAH, UTAH COUNTY 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5129 FEET.

**BASIS OF BEARINGS**

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



CONFIDENTIAL

**LEGEND:**

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

**CERTIFICATE**

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



REVISED: 02-14-12  
 REVISED: 02-13-12

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

NAD 83 (TARGET BOTTOM HOLE 2)		NAD 83 (TARGET BOTTOM HOLE 1)		NAD 83 (SURFACE LOCATION)	
LATITUDE = 39°57'46.64" (39.962958)	LATITUDE = 39°58'33.78" (39.976050)	LATITUDE = 39°58'33.78" (39.976050)	LATITUDE = 39°58'04.99" (39.968053)	LATITUDE = 39°58'04.99" (39.968053)	LATITUDE = 39°58'05.12" (39.968089)
LONGITUDE = 109°54'37.19" (109.910331)	LONGITUDE = 109°54'37.15" (109.910319)	LONGITUDE = 109°54'37.15" (109.910319)	LONGITUDE = 109°54'49.80" (109.913833)	LONGITUDE = 109°54'49.80" (109.913833)	LONGITUDE = 109°54'47.28" (109.913133)
NAD 27 (TARGET BOTTOM HOLE 2)		NAD 27 (TARGET BOTTOM HOLE 1)		NAD 27 (SURFACE LOCATION)	
LATITUDE = 39°57'46.77" (39.962982)	LATITUDE = 39°58'33.91" (39.976086)	LATITUDE = 39°58'33.91" (39.976086)	LATITUDE = 39°58'05.12" (39.968089)	LATITUDE = 39°58'05.12" (39.968089)	LATITUDE = 39°58'05.12" (39.968089)
LONGITUDE = 109°54'34.66" (109.909828)	LONGITUDE = 109°54'34.62" (109.909817)	LONGITUDE = 109°54'34.62" (109.909817)	LONGITUDE = 109°54'47.28" (109.913133)	LONGITUDE = 109°54'47.28" (109.913133)	LONGITUDE = 109°54'47.28" (109.913133)

SCALE 1" = 1000'	DATE SURVEYED: 11-14-11	DATE DRAWN: 12-15-11
PARTY A.F. J.M. S.F.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE QEP ENERGY COMPANY	



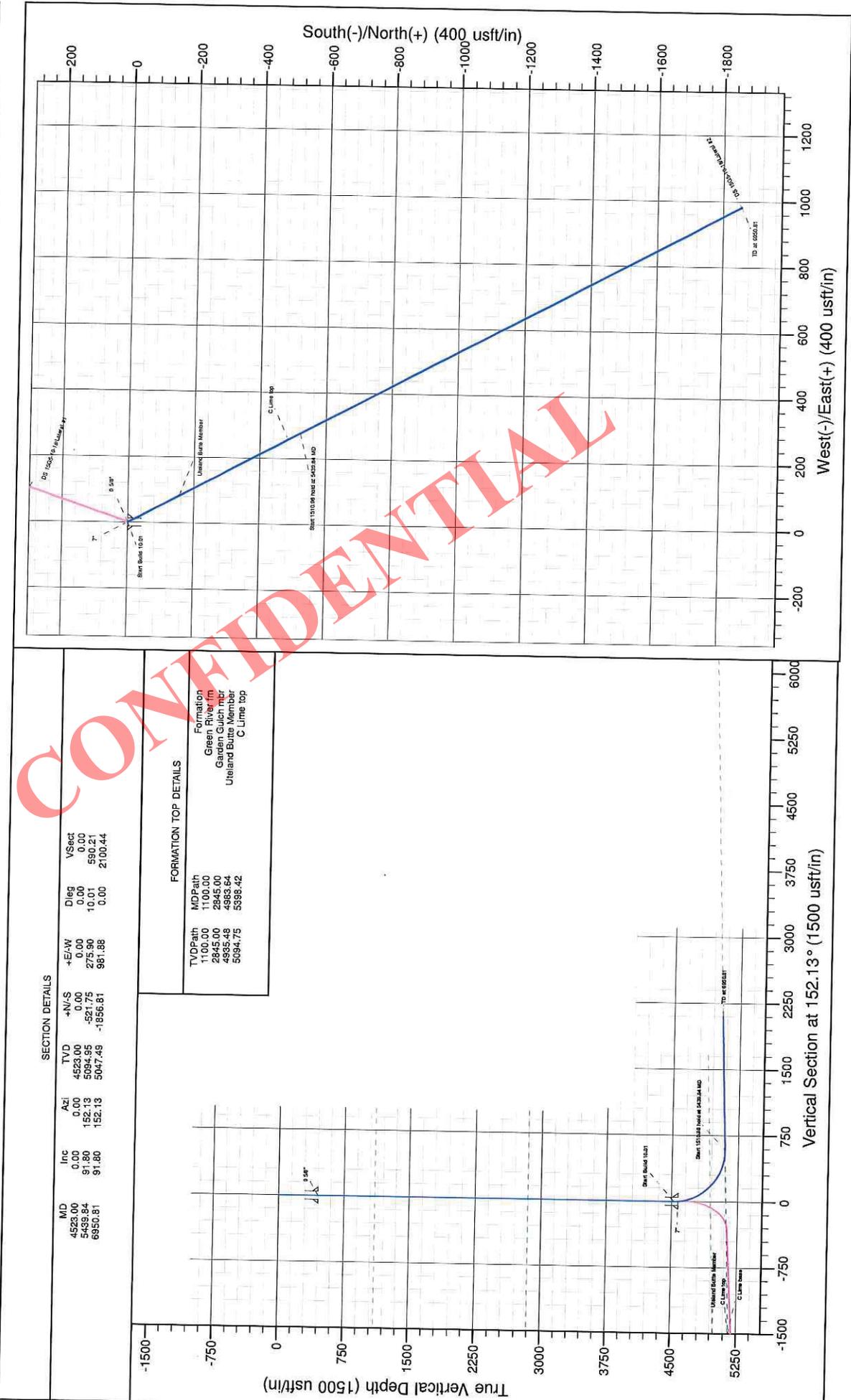
# Company Name: QEP ENERGY (UT)

Project: Desert Springs  
 Site: DS 15G5-10-18  
 Well: DS 15G5-10-18  
 Wellbore: Lateral #2  
 Design: Plan ver.0

Accuracy: True North  
 Magnetic North: 11.14°  
 Magnetic Declination: 11.14°  
 Strength: 0.5 Gauss  
 Dir. Angle: 65.74°  
 Model: IGRF2011



<p><b>WELL DETAILS:</b> DS 15G5-10-18 Lateral #2</p> <p>Ground Level:                  5238.60</p> <p>Easting: 2084941.835                  Latitude: 39.956053</p> <p>Northing: 7151028.534                  Longitude: -109.913803</p> <p>Slot</p>	<p><b>REFERENCE INFORMATION</b></p> <p>Co-ordinate (N/E) Reference: Well DS 15G5-10-18 True North                  Vertical (TVD) Reference: RKB @ 5252.60usft (EST. RKB)                  Section (VS) Reference: Slot - (0.00N, 0.00E)                  Measured Depth Reference: RKB @ 5252.60usft (EST. RKB)                  Calculation Method: Minimum Curvature</p>	<p><b>PROJECT DETAILS:</b> Desert Springs</p> <p>Geodetic System: US State Plane 1983                  Datum: North American Datum 1983                  Ellipsoid: GRS 1980                  Zone: Utah Central Zone</p> <p>System Datum: Mean Sea Level</p>
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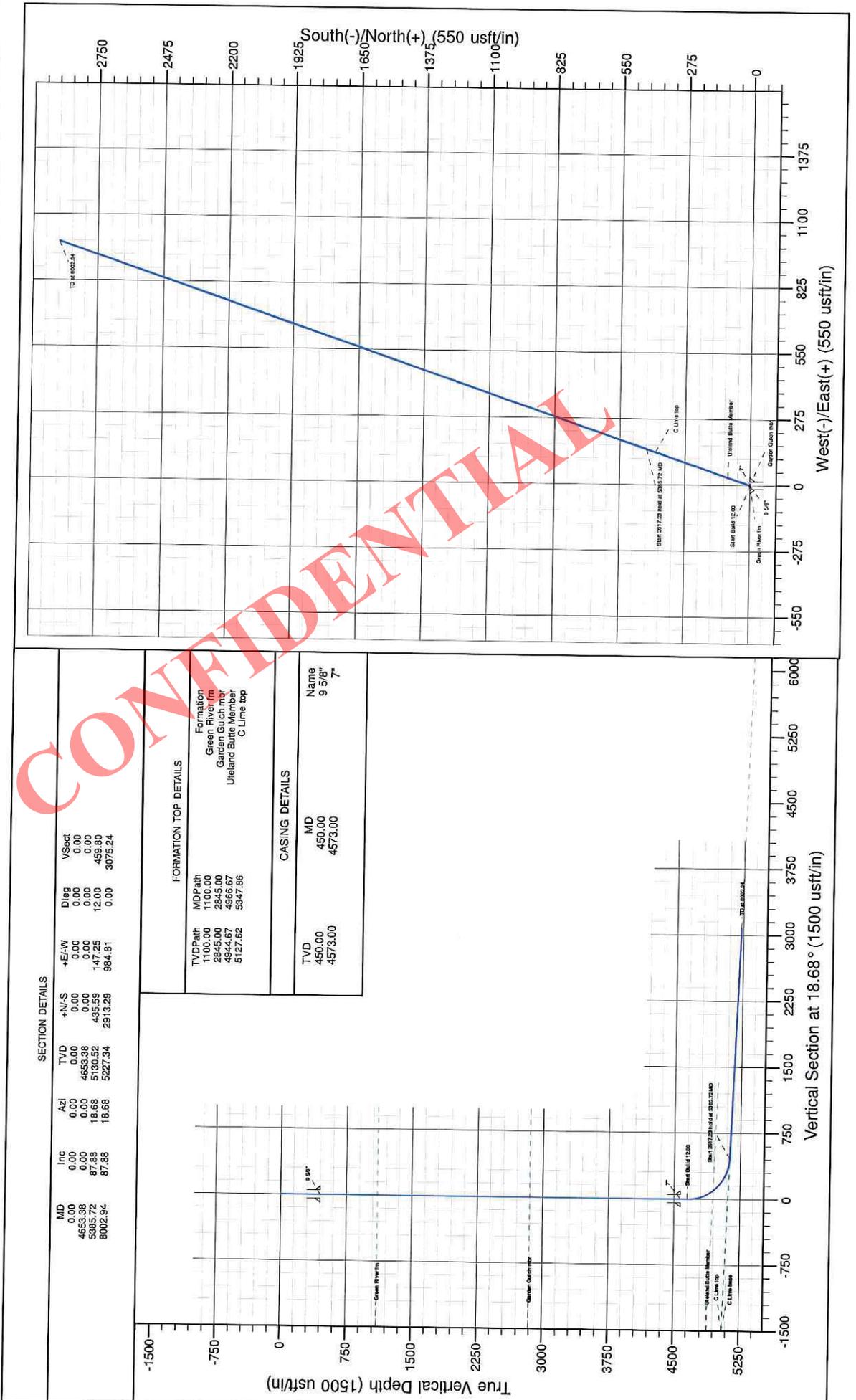
# Company Name: QEP ENERGY (UT)

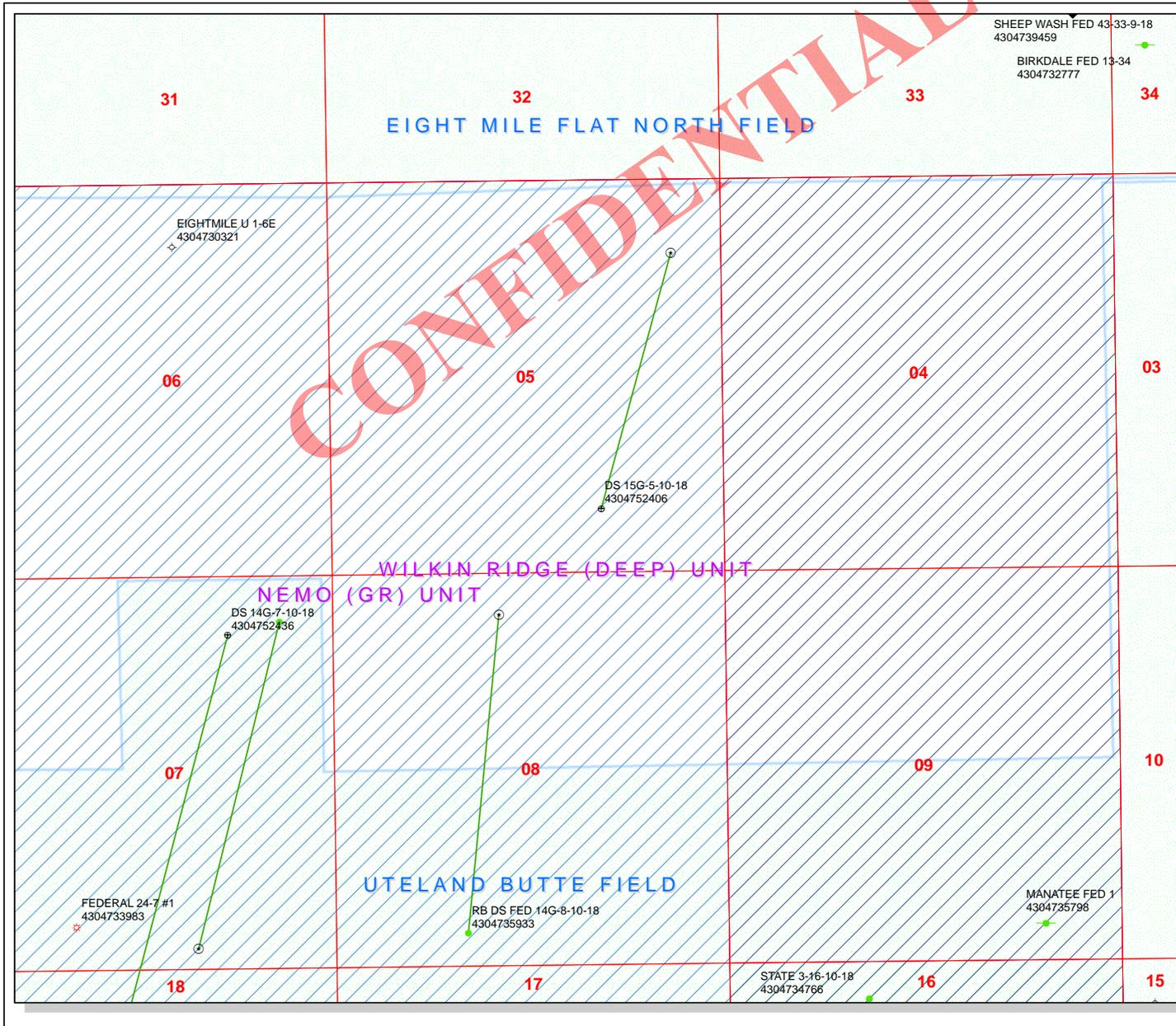
Project: Desert Springs  
 Well: DS 15G5-10-18  
 Wellbore: Lateral #1  
 Design: Plan ver.0

Annular to True West  
 Magnetic North: 11.15°  
 Magnetic Field  
 Strength: 25.66 Gauss  
 Dip Angle: 63.74°  
 Model: GRS2012



<b>WELL DETAILS: DS 15G5-10-18</b> Lateral #1		<b>REFERENCE INFORMATION</b>		<b>PROJECT DETAILS: Desert Springs</b>	
+N/S 0.00	+E/W 0.00	Northing 7161028.534	Easting 2084941.835	Co-ordinate (NVE) Reference: Well DS 15G5-10-18, True North Vertical (TVD) Reference: RKB @ 5252.60usft (EST: RKB) Section (VS) Reference: Slot - (0.00in, 0.00in) Measured Depth Reference: RKB @ 5252.60usft (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
Ground Level: 5208.00	Azimuth 33.968053	Longitude -103.913633	Slot		

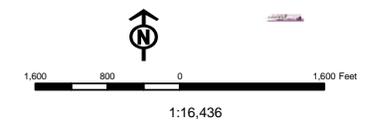




**API Number: 4304752406**  
**Well Name: DS 15G-5-10-18**  
 Township T1.0 . Range R1.8 . Section 05  
**Meridian: SLBM**  
 Operator: QEP ENERGY COMPANY

Map Prepared:  
 Map Produced by Diana Mason

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



## WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 3/6/2012

API NO. ASSIGNED: 43047524060000

WELL NAME: DS 15G-5-10-18

OPERATOR: QEP ENERGY COMPANY (N3700)

PHONE NUMBER: 435 781-4369

CONTACT: Valyn Davis

PROPOSED LOCATION: SWSE 05 100S 180E

Permit Tech Review: 

SURFACE: 0856 FSL 1637 FEL

Engineering Review: 

BOTTOM: 1000 FNL 0660 FEL

Geology Review: 

COUNTY: UINTAH

LATITUDE: 39.96804

LONGITUDE: -109.91372

UTM SURF EASTINGS: 592768.00

NORTHINGS: 4424774.00

FIELD NAME: UTELAND BUTTE

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU81003

PROPOSED PRODUCING FORMATION(S): UTELAND BUTTE

SURFACE OWNER: 1 - Federal

COALBED METHANE: NO

## RECEIVED AND/OR REVIEWED:

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

Commingle Approved

## LOCATION AND SITING:

- R649-2-3.
- Unit: NEMO (GR)
- R649-3-2. General
- R649-3-3. Exception
- Drilling Unit
- Board Cause No: R649-3-2
- Effective Date:
- Siting:
- R649-3-11. Directional Drill

Comments: Presite Completed

Stipulations: 1 - Exception Location - dmason  
4 - Federal Approval - dmason  
23 - Spacing - dmason  
27 - Other - bhll



GARY R. HERBERT  
*Governor*

GREGORY S. BELL  
*Lieutenant Governor*

## State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

Division of Oil, Gas and Mining

JOHN R. BAZA  
*Division Director*

### Permit To Drill

\*\*\*\*\*

**Well Name:** DS 15G-5-10-18  
**API Well Number:** 43047524060000  
**Lease Number:** UTU81003  
**Surface Owner:** FEDERAL  
**Approval Date:** 3/13/2012

**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 R649-3-2. The expected producing formation or pool is the UTELAND BUTTE 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

**Exception Location:**

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

**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.

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

drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

In accordance with Utah Admin. R.649-3-21, 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 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:**



For John Rogers  
Associate Director, Oil & Gas





UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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MAR 07 2012

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

APPLICATION FOR PERMIT TO DRILL OR REENTER



CONFIDENTIAL

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU81003
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator QEP ENERGY COMPANY Contact: VALYN DAVIS E-Mail: davis.contractor@qepres.com		7. If Unit or CA Agreement, Name and No. UTU87719X
3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435-781-4369	8. Lease Name and Well No. DS 15G-5-10-18
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SWSE 856FSL 1637FEL 39.968053 N Lat, 109.913833 W Lon At proposed prod. zone SENE 1500FNL 660FEL 39.976050 N Lat, 109.910319 W Lon		9. API Well No. 43-047-52406
14. Distance in miles and direction from nearest town or post office* +/- 23.8 MILES SOUTH OF MYTON, UT		10. Field and Pool, or Exploratory UTELAND BUTTE
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 856'	16. No. of Acres in Lease 1199.40	11. Sec., T., R., M., or Blk. and Survey or Area Sec 5 T10S R18E Mer SLB
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 4500'	19. Proposed Depth 8002 MD 5227 TVD	12. County or Parish UINTAH
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5245 GL	22. Approximate date work will start 08/01/2012	13. State UT
24. Attachments		17. Spacing Unit dedicated to this well 40.00
		20. BLM/BIA Bond No. on file ESB000024
		23. Estimated duration 30 DAYS

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MAR 26 2013

DIV. OF OIL, GAS & MINING

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

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

25. Signature (Electronic Submission)	Name (Printed/Typed) VALYN DAVIS Ph: 435-781-4369	Date 03/06/2012
Title REGULATORY AFFAIRS ANALYST		
Approved by (Signature) 	Name (Printed/Typed) Jerry Kenczka	Date FEB 07 2013
Title Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

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

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

Electronic Submission #132251 verified by the BLM Well Information System  
For QEP ENERGY COMPANY, sent to the Vernal  
Committed to AFMSS for processing by LESLIE ROBINSON on 03/15/2012 ()

NOTICE OF APPROVAL  
CONDITIONS OF APPROVAL ATTACHED

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

1700111117AG

11/15/12

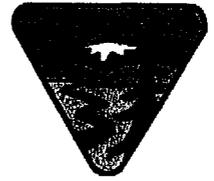


UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

Company:	QEP ENERGY COMPANY	Location:	SWSE, Sec.5, T10S R18E
Well No:	DS 15G-5-10-18	Lease No:	UTU-81003
API No:	43-047-52406	Agreement:	Nemo Unit

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

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

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

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

**NOTIFICATION REQUIREMENTS**

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

**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**

- QEP will comply with all rules and regulations administered by the authorized officer concerning the use, prevention, and suppression of fires on federal lands.
- QEP will, at all times during construction, maintenance, and operations, maintain satisfactory spark arrests on internal combustion engines.
- If equipment creates surface ruts in excess of 4 inches deep, QEP would deem that soil conditions are too wet to adequately support construction equipment and construction would cease until conditions improve or BLM approval is obtained.
- 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.
- 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.
- Interim reclamation, final reclamation, and monitoring of reclaimed areas will be completed in accordance with the Questar Exploration and Production Company, Uinta Basin Division's Reclamation Plan, September 2009 (aka QEPEC, Uinta Basin Division's Reclamation Plan) 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 will educate its contractors and employees about the relevant federal regulations intended to protect 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. In the event historic or archaeological resources are uncovered during construction, work will stop immediately and the appropriate BLM AO will be notified.
- A permitted paleontologist will be present to monitor the construction process for the well pad, access road, and pipeline for all the wells (W. Miller: Aug 17, 2012; June 23, 2012; Nov. 1, 2011; Feb. 1, 2012)
- Due to the proximity of the Uintah Basin Hookless Cactus (*Sclerocactus wetlandicus*) to the DS 14G-7-10-18 access road, dust suppressant such as fresh water will be used during the drilling phase to control fugitive dust from truck traffic
- To maintain compliance with current cactus survey protocols, the following measures will be required.
  - If construction does not occur within 4 years of the original survey date, new 100% clearance surveys will be required.
  - Prior to construction within 4 years of the original survey date, a spot check survey will be required during the year of construction. The project proponent and their respective 3rd party surveyor will refer to the current *Sclerocactus* Spot Check Survey Methods, to determine site specific survey distances and intensity levels.
  - Spot check reports will be reported to the BLM and the US Fish and Wildlife Service.
  - Construction will not commence until written approval is received from the BLM authorized officer.

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

**SITE SPECIFIC DOWNHOLE COAs:**

- A formation integrity test shall be performed at the surface casing shoe.
- Gamma Ray Log shall be run from Total Depth to Surface.

**Variations Granted:**

**Air Drilling**

- Dust suppression equipment. Variance granted for water mist system to substitute for the dust suppression equipment.
- Blooie line discharge 100' from the well bore, variance granted for blooie line discharge to be 75' 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.
- Straight run blooie line. Variance granted for targeted "T's" at bends.
- Automatic igniter. Variance granted for igniter due to water mist.

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

**DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

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

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

## OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- 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.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of

the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

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

the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

BLM - Vernal Field Office - Notification Form

Operator QEP ENERGY Rig Name/# SST 88  
Submitted By Dave Harding Phone Number 435-828-0396  
Well Name/Number DS 15G-5-10-18  
Qtr/Qtr SW/SE Section 5 Township 10S Range 18E  
Lease Serial Number UTU81003  
API Number 43-047-52406

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

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

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

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

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

BOPE

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

RECEIVED  
APR 05 2013  
DIV. OF OIL, GAS & MINING

Date/Time 4/5/2013 10:00 AM  PM

Remarks We will be pressure testing the BOPE on the preset surface casing

<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> UTU81003
<b>1. TYPE OF WELL</b> Oil 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> NEMO (GR)
<b>3. ADDRESS OF OPERATOR:</b> 11002 East 17500 South , Vernal, Ut, 84078		<b>8. WELL NAME and NUMBER:</b> DS 15G-5-10-18
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0856 FSL 1637 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWSE Section: 05 Township: 10.0S Range: 18.0E Meridian: S		<b>9. API NUMBER:</b> 43047524060000
<b>PHONE NUMBER:</b> 303 308-3068 Ext		<b>9. FIELD and POOL or WILDCAT:</b> UTELAND BUTTE
<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 checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 5/17/2013	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> CONVERT WELL TYPE	
	<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"/> 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. THIS WELL COMMENCED PRODUCTION ON MAY 17, 2013 @ 8:00 P.M.		
<b>Accepted by the          Utah Division of          Oil, Gas and Mining          FOR RECORD ONLY          May 28, 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> 5/20/2013	

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

BHL: SE SE Sec 0-10S10E AMENDED REPORT  FORM 8  
(highlight changes)

<b>WELL COMPLETION OR RECOMPLETION REPORT AND LOG</b>						5. LEASE DESIGNATION AND SERIAL NUMBER: <b>UTU81003</b>			
						6. IF INDIAN, ALLOTTEE OR TRIBE NAME			
1a. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER _____						7. UNIT or CA AGREEMENT NAME <b>NEMO (GR)</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 _____						8. WELL NAME and NUMBER: <b>DS 15G-5-10-18</b>			
2. NAME OF OPERATOR: <b>QEP ENERGY COMPANY</b>						9. API NUMBER: <b>4304752406</b>			
3. ADDRESS OF OPERATOR: <b>11002 E. 17500 S. CITY VERNAL STATE UT ZIP 84078</b>			PHONE NUMBER: <b>(435) 781-4320</b>			10. FIELD AND POOL, OR WLD/CAT <b>UTELAND BUTTE</b>			
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: <b>SEC. 5, SWSE, 856' FSL, 1637' FEL</b> AT TOP PRODUCING INTERVAL REPORTED BELOW: <b>SEC. 5, SWSE, 856' FSL, 1637' FEL</b> AT TOTAL DEPTH: <b>SEC. 18, SESE, 953' FSL, 803' FEL</b>						11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SWSE 5 10S 18E</b>			
						12. COUNTY <b>UINTAH</b>		13. STATE <b>UTAH</b>	
14. DATE SPUDDED: <b>3/11/2013</b>		15. DATE T.D. REACHED: <b>4/23/2013</b>		16. DATE COMPLETED: <b>5/17/2013</b>		ABANDONED <input type="checkbox"/> READY TO PRODUCE <input checked="" type="checkbox"/>		17. ELEVATIONS (DF, RKB, RT, GL): <b>5245' GL</b>	
18. TOTAL DEPTH: MD <b>10,230</b> TVD <b>4,945</b>		19. PLUG BACK T.D.: MD TVD		20. IF MULTIPLE COMPLETIONS, HOW MANY? *		21. DEPTH BRIDGE MD PLUG SET: TVD			
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) <b>TRIPLE COMBO</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 J-55	36	0	545		300	52	268	
8.75	7 L-80	26	0	4,754		480	201		
6.125	4.5 N-80	11.6	4,754	10,185		0			
25. TUBING RECORD									
SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	
2.875	4,523								
26. PRODUCING INTERVALS					27. PERFORATION RECORD				
FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS	
(A) GREEN RIVER	4,574	10,185						Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.									
DEPTH INTERVAL		AMOUNT AND TYPE OF MATERIAL							
4,574 - 10,185		1682 BBLS 15% HCL							
29. ENCLOSED ATTACHMENTS:								30. WELL STATUS:	
<input type="checkbox"/> ELECTRICAL/MECHANICAL LOGS		<input type="checkbox"/> GEOLOGIC REPORT		<input type="checkbox"/> DST REPORT		<input checked="" type="checkbox"/> DIRECTIONAL SURVEY		<b>POW</b>	
<input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION		<input type="checkbox"/> CORE ANALYSIS		<input checked="" type="checkbox"/> OTHER: <b>OPS SUMMARY</b>					

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 5/17/2013	TEST DATE: 5/21/2013	HOURS TESTED: 24	TEST PRODUCTION RATES: →	OIL - BBL: 196	GAS - MCF: 48	WATER - BBL: 16	PROD. METHOD: GPU
CHOKE SIZE:	TBG. PRESS. 170	CSG. PRESS. 42	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.)

USED ON LEASE

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)
				UINTA	0
				GREEN RIVER	1,324
				GARDEN GULCH	2,874
				UTELAND BUTTE	4,984
				C LIME	5,493

35. ADDITIONAL REMARKS (Include plugging procedure)

#27: SLOTTED LINER FROM 4,574 - 10,185; OPEN HOLE FROM 4,674 - 10,185.

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 7/1/2013

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 Phone: 801-538-5340  
 1594 West North Temple, Suite 1210  
 Box 145801 Fax: 801-359-3940  
 Salt Lake City, Utah 84114-5801



QEP Energy Company

Daily Activity and Cost Summary

Well Name: DS 15G-5-10-18

API 43-047-52406	Surface Legal Location Sec 5-T10S-R18E	Field Name UTELAND BUTTE	State UTAH	Well Configuration Type Horizontal
Ground Elevation (ft) 5,238.6	Casing Flange Elevation (ft) 5,238.60	Current KB to GL (ft) 30.00	KB to CF (ft) 30.00	Spud Date 3/19/2013 00:00
Final Rig Release 4/27/2013 02:00	Job Category Drilling	Primary Job Type DRILLING	Secondary Job Type DEVELOPMENT	Objective
Start Date 3/19/2013	Job End Date 4/27/2013			

Purpose

Summary

Contractor Pete Martin Drilling	RIG PETE MARTIN 1	Rig Type AUGER RIG
Contractor Pro Petro	RIG AIR 8	Rig Type AIR RIG
Contractor SST Energy	RIG SST 88	Rig Type ROTARY RIG

DOL	Start Date	Summary
1.0	3/4/2013	
2.0	3/19/2013	MIRU, DRILL 20" HOLE TO 40' AND SET 14" CONDUCTOR, CEMENT SAME. DRILL AND SET 80' OF MOUSE HOLE
3.0	3/23/2013	MIRU, DRILL TO 515'. RUN 9 5/8" CASING TO 504. CEMENT CASING AND RDMO
4.0	4/3/2013	MOVE AND RIG UP WITH WESTROC TRUCKING, WAIT ON DAYLIGHT
5.0	4/4/2013	MOVE AND RIG UP WITH WESTROC TRUCKING, WAIT ON DAYLIGHT
6.0	4/5/2013	WAIT ON DAYLIGHT. RAISE DERRICK. RIG UP FLOOR. RAISE TOP DRIVE. GENERAL RIG UP. TROUBLESHOOT & REWIRE ELECTRICAL PLUG ON TOPDRIVE.
7.0	4/6/2013	TEST BOPE. REPAIR HIGH DRUM. INSTALL WEAR BUSHING. P/U & ORIENT DIRECTIONAL TOOLS. P/U DRILL STRING GOING IN HOLE. DRILL SHOE TRACK TO 551. FIT. DIRECTIONAL DRILL F/ 551 T/ 1250. SURVEYS & CONNECTIONS.
8.0	4/7/2013	DIRECTIONAL DRILL F/ 1250 T/ 4527. SERVICE RIG. CONNECTIONS & SURVEYS. START MUD UP @ 3500.
9.0	4/8/2013	DIRECTIONAL DRILL T/ 4736. CIRCULATE. SHORT TRIP. CIRCULATE. TOH. SPOT LCM. TOH L/D DIRECTIONAL TOOLS. PJSM. RIG UP & RUN E-LOGS. TRIP IN HOLE. CIRCULATE. TRY TO REGAIN CIRCULATION.
10.0	4/9/2013	MIX LCM @ 850. PLUGGED MTR. TRIP OUT L/D MTR. FILLED ANNULAS W/LCM MUD. HOLE FULL. TRIP IN. BREAK CIRC @ 1000 & 2600. TIGHT HOLE 4710 T/4720. WASH 40 FT TO BTM. DRILL T/ 4764. CIRCULATE. PJSM. LDDP. PJSM. RIG UP & RUN 7" CASING. CIRCULATE CASING @ 4754.
11.0	4/10/2013	CEMENT CASING. RELEASE HANGER & PACK OFF. SERVICE RIG. STRAP P/U DIRECTIONAL TOOLS. P/U DP. DRILL SHOE TRACK T/ 4769. FIT. DIRECTIONAL DRILL T/ 4959. CONNECTION & SURVEYS.
12.0	4/11/2013	TRIP OUT. CHANGE MTR. TRIP IN. DIRECTIONAL DRILL T/ 5048. TRIP OUT. SERVICE RIG. WAIT ON DIRECTIONAL PLAN & ORDERS. SET CAST IRON BRIDGE PLUG @ 4693. P/U WHIPSTOCK & TRIP IN. RUN IN GYRO & SEAT.
13.0	4/12/2013	MILL WINDOW TO 4688. TRIP OUT. CHANGE OUT UNDERGUAGE MILLS. TRIP IN. WORK THRU WINDOW. TRIP OUT. L/D MILL ASSEMBLY. P/U DIRECTIONAL TOOLS.
14.0	4/13/2013	P/U TOOLS & ORIENT. TRIP IN HOLE. DIRECTIONAL DRILL F/ 4688 T/ 5165. SERVICE RIG. CONNECTIONS & SURVEYS.
15.0	4/14/2013	DIRECTIONAL DRILL T/ 5346. SERVICE RIG. MWD FAILURE. TRIP OUT. CHANGE BIT & MWD. TRIP IN. DIRECTIONAL DRILL T/ 5464.
16.0	4/15/2013	DIRECTIONAL T/ 5683. CIRCULATE SAMPLES. TRIP OUT CHANGE BHA. TRIP IN. WASH 30 FT TO BTM. DIRECTIONAL DRILL T/ 5807.
17.0	4/16/2013	DIRECTIONAL DRILL F/ 5807 T/ 6250. SERVICE RIG. WIPER TRIP TO 5491. WORK DRILL & REAM 5576/5566. REPAIR HYDRAULIC LINE. DIRECTIONAL DRILL F/ 6250 T/ 6630. CONNECTIONS & SURVEYS.
18.0	4/17/2013	DIRECTIONAL DRILL FROM 6630 TO 7186, CONNECTIONS & SURVEYS SHORT TRIP 8 STANDS RIG SERVICE- PUMP PRESSURE PROBLEMS-NO DIFFERENTIAL PRESSURE ON MOTOR
19.0	4/18/2013	TRIP FOR MOTOR, BIT & 2055 FT OF PUSH PIPE PICK UP 9 DRILL COLLARS TRIP IN THE HOLE WASH & REAM FROM 5360 TO 5520 FT TRIP IN THE HOLE & WASH & REAM 100 FT TO BOTTOM 7186 FT DIRECTIONAL DRILL FROM 7186 FT TO 7385 FT
20.0	4/19/2013	DIRECTIONAL DRILL FROM 7385 TO 7859 FT SHORT TRIP FROM 7859 FT TO 7195 SAFETY WASH & REAM 180 FT TO BOTTOM CONNECTIONS & SURVEYS RIG SERVICE CONT TO DIRECTIONAL DRILL FROM 7859 FT TO 8185 FEET =800 FT = 40 FPR
21.0	4/20/2013	DRILL FROM 8185 FEET TO 8713 FEET =528 FEET = 45.9 FPR BIT WT= 12/14 GPM= 250 MOTOR RPM= 157 ROTARY=40 TOTAL= 197 SHORT TRIP FROM 8713 TO 8320 FEET (BACK REAM) STUCK PIPE @ 8320 JARS FAILED SPOT 30 BBLs OF LUB& BEADS WORK PIPE PIPE CAME LOOSE BACK REAM & WORK TIGHT HOLE TO 7900 FEET PULL PIPE SLOW WITH NO JARS TO THE WINDOW
22.0	4/21/2013	WORK BHA, TRIP IN THE HOLE, WASH & REAM 95 FT TO BOTTOM, RIG SERVICE, DIRECTIONAL DRILL FROM 8713 FT TO FEET SURVEYS & CONNECTIONS



QEP Energy Company

Daily Activity and Cost Summary

Well Name: DS 15G-5-10-18

API 43-047-52406	Surface Legal Location Sec 5-T10S-R18E	Field Name UTELAND BUTTE	State UTAH	Well Configuration Type Horizontal
Ground Elevation (ft) 5,238.6	Casing Flange Elevation (ft) 5,238.60	Current KB to GL (ft) 30.00	KB to CF (ft) 30.00	Spud Date 3/19/2013 00:00
				Final Rig Release 4/27/2013 02:00

DOL	Start Date	Summary
23.0	4/22/2013	DIRECTIONAL DRILL FROM 8395 TO 9472 FT SHORT TRIP FROM 9472 TO 9230 FT BACK REAM FROM 9230 TO 8714 FT REAM FROM 8214 FT TO 9472 FEET RIG SERVICE DIRECTIONAL DRILL FROM 9472 FT TO 9665 FEET BIT WT= 12/14K GPM= 250 FOR 157 MOTOR SPEED = 40 RPM ON ROTARY FOR 193 FEET = 17.5 FPR
24.0	4/23/2013	DIRECTIONAL DRILL FROM 9665 FT TO 10230 T.D. BIT WT= 14/16K 250 GPM FOR 157 MOTOR SPEED & 45 ROTARY SPEED RIG SERVICE.
25.0	4/24/2013	TRIP OUT & LAY DOWN DIRECTIONAL TOOLS LAY DOWN TOOLS RIG SERVICE TRIP IN WITH REAMING ASSEMBLY, REAM FROM 4868 FEET To 10185 FEET CIRC & PUMP HIGH VIS SWEEPS
26.0	4/25/2013	CIRC FOR SHORT TRIP SHORT TRIP TO THE WINDOW & TRIP BACK TO BOTTOM CIRC FOR CASING TRIP OUT FOR 4.5" CASING PICK UP 9 MORE 4 3/4 " DRILL COLLARS ON TRIP OUT TRIP OUT FOR LINNER PJSM AND RIG UP CASING CREWS & LAY DOWN MACHINE & RUN 125 JOINTS OF 4.5" 11.6 PPF N-80 CASING LINNER LENGTH= 5598.04. TRIP IN HOLE WITH LINER.LANDED @ 10,185'
27.0	4/26/2013	CIRC KCL WATER TO SURFACE R/D CASING CREWS & RIG UP LAY DOWN TRUCK ,LAY DOWN DRILL PI & D.C'S/ SET WEATHERFORD BRIDGE PLUG @ 4400 FEET NIPPLE DOWN BOP'S & CLEAN MUD PITS RIG DOWN & PREPARE RIG FOR TRUCKS. RIG RELEASED @ 0200 ON 4-27-2013



**NATIVE  
NAVIGATION**

DIRECTIONAL DRILLING SPECIALISTS

## **QEP Energy Services**

**Desert Springs**

**DS 15G5-10-18**

**DS 15G5-10-18**

**DS 15G5-10-18**

**Design: DS 15G5-10-18**

## **Survey Report - Geographic**

**01 May, 2013**





Native Navigation  
Survey Report - Geographic



<b>Company:</b>	QEP Energy Services	<b>Local Co-ordinate Reference:</b>	Well DS 15G5-10-18
<b>Project:</b>	Desert Springs	<b>TVD Reference:</b>	RKB @ 5268.60usft (SST 88)
<b>Site:</b>	DS 15G5-10-18	<b>MD Reference:</b>	RKB @ 5268.60usft (SST 88)
<b>Well:</b>	DS 15G5-10-18	<b>North Reference:</b>	True
<b>Wellbore:</b>	DS 15G5-10-18	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Design:</b>	DS 15G5-10-18	<b>Database:</b>	Compass DB Connection

<b>Project</b>	Desert Springs		
<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>	DS 15G5-10-18				
<b>Site Position:</b>		<b>Northing:</b>	7,161,028.616 usft	<b>Latitude:</b>	39.968053
<b>From:</b>	Map	<b>Easting:</b>	2,084,941.647 usft	<b>Longitude:</b>	-109.913834
<b>Position Uncertainty:</b>	0.00 usft	<b>Slot Radius:</b>	13-3/16 "	<b>Grid Convergence:</b>	1.02 °

<b>Well</b>	DS 15G5-10-18					
<b>Well Position</b>	+N/-S	0.00 usft	<b>Northing:</b>	7,161,028.616 usft	<b>Latitude:</b>	39.968053
	+E/-W	0.00 usft	<b>Easting:</b>	2,084,941.647 usft	<b>Longitude:</b>	-109.913834
<b>Position Uncertainty</b>		0.00 usft	<b>Wellhead Elevation:</b>	5,238.60 usft	<b>Ground Level:</b>	5,238.60 usft

<b>Wellbore</b>	DS 15G5-10-18				
<b>Magnetics</b>	<b>Model Name</b>	<b>Sample Date</b>	<b>Declination (°)</b>	<b>Dip Angle (°)</b>	<b>Field Strength (nT)</b>
	IGRF2010	4/4/2013	11.01	65.72	52,073

<b>Design</b>	DS 15G5-10-18				
<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	288.65	

<b>Survey Program</b>	<b>Date</b>	5/1/2013			
<b>From (usft)</b>	<b>To (usft)</b>	<b>Survey (Wellbore)</b>	<b>Tool Name</b>	<b>Description</b>	
30.00	4,676.00	DS 15G 5-10-18 Surveys (DS 15G5-10-18	MWD	MWD - Standard	
4,730.00	10,231.00	DS 15G5-10-18 ST1 (DS 15G5-10-18)	MWD	MWD - Standard	

<b>Survey</b>										
<b>Measured Depth (usft)</b>	<b>Inclination (°)</b>	<b>Azimuth (°)</b>	<b>Vertical Depth (usft)</b>	<b>+N/-S (usft)</b>	<b>+E/-W (usft)</b>	<b>Map Northing (usft)</b>	<b>Map Easting (usft)</b>	<b>Latitude</b>	<b>Longitude</b>	
0.00	0.00	0.00	0.00	0.00	0.00	7,161,028.616	2,084,941.647	39.968053	-109.913834	
30.00	0.00	0.00	30.00	0.00	0.00	7,161,028.616	2,084,941.647	39.968053	-109.913834	
569.00	0.30	136.51	569.00	-1.02	0.97	7,161,027.610	2,084,942.636	39.968050	-109.913831	
600.00	0.17	11.53	600.00	-1.04	1.04	7,161,027.597	2,084,942.701	39.968050	-109.913831	
691.00	2.19	342.00	690.97	0.75	0.53	7,161,029.374	2,084,942.159	39.968055	-109.913832	
785.00	2.28	346.84	784.90	4.28	-0.45	7,161,032.884	2,084,941.116	39.968065	-109.913836	
876.00	2.19	344.46	875.83	7.72	-1.33	7,161,036.306	2,084,940.178	39.968074	-109.913839	
968.00	1.36	338.31	967.79	10.42	-2.21	7,161,038.997	2,084,939.255	39.968082	-109.913842	
1,063.00	5.05	4.33	1,062.63	15.64	-2.31	7,161,044.213	2,084,939.062	39.968096	-109.913843	
1,158.00	4.43	3.62	1,157.30	23.47	-1.76	7,161,052.052	2,084,939.470	39.968118	-109.913841	
1,253.00	3.64	2.39	1,252.06	30.15	-1.40	7,161,058.731	2,084,939.709	39.968136	-109.913839	



Native Navigation  
Survey Report - Geographic



<b>Company:</b>	QEP Energy Services	<b>Local Co-ordinate Reference:</b>	Well DS 15G5-10-18
<b>Project:</b>	Desert Springs	<b>TVD Reference:</b>	RKB @ 5268.60usft (SST 88)
<b>Site:</b>	DS 15G5-10-18	<b>MD Reference:</b>	RKB @ 5268.60usft (SST 88)
<b>Well:</b>	DS 15G5-10-18	<b>North Reference:</b>	True
<b>Wellbore:</b>	DS 15G5-10-18	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Design:</b>	DS 15G5-10-18	<b>Database:</b>	Compass DB Connection

Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
1,348.00	2.94	356.70	1,346.91	35.59	-1.42	7,161,064.175	2,084,939.598	39.968151	-109.913839
1,443.00	2.20	349.40	1,441.81	39.82	-1.89	7,161,068.390	2,084,939.048	39.968162	-109.913841
1,538.00	1.45	322.30	1,536.76	42.56	-2.96	7,161,071.114	2,084,937.929	39.968170	-109.913845
1,633.00	2.40	323.00	1,631.71	45.10	-4.90	7,161,073.618	2,084,935.952	39.968177	-109.913852
1,729.00	2.00	308.30	1,727.64	47.74	-7.42	7,161,076.217	2,084,933.382	39.968184	-109.913861
1,824.00	2.15	348.30	1,822.58	50.52	-9.08	7,161,078.959	2,084,931.670	39.968192	-109.913867
1,919.00	2.46	346.50	1,917.51	54.24	-9.92	7,161,082.671	2,084,930.767	39.968202	-109.913870
2,014.00	2.33	352.90	2,012.42	58.14	-10.63	7,161,086.556	2,084,929.984	39.968213	-109.913872
2,109.00	3.50	349.40	2,107.30	62.91	-11.41	7,161,091.308	2,084,929.127	39.968226	-109.913875
2,204.00	2.99	334.20	2,202.15	67.99	-13.02	7,161,096.359	2,084,927.426	39.968240	-109.913881
2,299.00	3.43	355.00	2,297.00	73.05	-14.35	7,161,101.396	2,084,926.010	39.968254	-109.913885
2,395.00	3.20	340.80	2,392.84	78.44	-15.48	7,161,106.766	2,084,924.783	39.968268	-109.913889
2,490.00	2.94	3.63	2,487.71	83.38	-16.19	7,161,111.687	2,084,923.978	39.968282	-109.913892
2,585.00	2.80	1.61	2,582.59	88.13	-15.97	7,161,116.441	2,084,924.113	39.968295	-109.913891
2,680.00	2.30	353.10	2,677.50	92.34	-16.14	7,161,120.649	2,084,923.875	39.968307	-109.913892
2,775.00	0.62	1.17	2,772.46	94.75	-16.36	7,161,123.051	2,084,923.614	39.968313	-109.913893
2,870.00	0.43	348.68	2,867.46	95.61	-16.42	7,161,123.913	2,084,923.539	39.968316	-109.913893
2,965.00	0.26	309.31	2,962.46	96.10	-16.65	7,161,124.395	2,084,923.294	39.968317	-109.913894
3,059.00	0.30	271.95	3,056.46	96.24	-17.06	7,161,124.531	2,084,922.880	39.968317	-109.913895
3,155.00	0.35	256.31	3,152.45	96.18	-17.60	7,161,124.461	2,084,922.345	39.968317	-109.913897
3,249.00	0.48	248.13	3,246.45	95.97	-18.24	7,161,124.235	2,084,921.705	39.968317	-109.913899
3,345.00	0.74	248.66	3,342.45	95.59	-19.20	7,161,123.843	2,084,920.761	39.968315	-109.913903
3,440.00	0.87	236.18	3,437.44	94.97	-20.37	7,161,123.197	2,084,919.602	39.968314	-109.913907
3,535.00	1.23	222.73	3,532.42	93.82	-21.66	7,161,122.024	2,084,918.332	39.968311	-109.913912
3,630.00	0.21	209.64	3,627.41	92.92	-22.44	7,161,121.110	2,084,917.570	39.968308	-109.913914
3,725.00	0.48	223.35	3,722.41	92.48	-22.79	7,161,120.664	2,084,917.219	39.968307	-109.913916
3,821.00	0.74	221.15	3,818.40	91.72	-23.48	7,161,119.892	2,084,916.548	39.968305	-109.913918
3,916.00	0.87	213.51	3,913.40	90.65	-24.28	7,161,118.815	2,084,915.765	39.968302	-109.913921
4,010.00	1.01	207.44	4,007.38	89.32	-25.06	7,161,117.471	2,084,915.014	39.968298	-109.913924
4,105.00	1.18	203.84	4,102.37	87.68	-25.84	7,161,115.820	2,084,914.262	39.968294	-109.913926
4,200.00	1.40	202.87	4,197.34	85.72	-26.68	7,161,113.842	2,084,913.450	39.968288	-109.913929
4,295.00	1.49	198.30	4,292.31	83.48	-27.52	7,161,111.585	2,084,912.651	39.968282	-109.913932
4,390.00	1.45	196.54	4,387.28	81.15	-28.25	7,161,109.248	2,084,911.963	39.968276	-109.913935
4,485.00	2.80	177.70	4,482.21	77.68	-28.50	7,161,105.774	2,084,911.775	39.968266	-109.913936
4,581.00	5.93	169.60	4,577.92	70.46	-27.51	7,161,098.571	2,084,912.893	39.968247	-109.913932
4,676.00	11.30	172.50	4,671.82	56.40	-25.41	7,161,084.547	2,084,915.244	39.968208	-109.913925
4,730.00	22.23	172.99	4,723.44	40.97	-23.47	7,161,069.155	2,084,917.460	39.968166	-109.913918
4,762.00	28.38	179.23	4,752.36	27.34	-22.62	7,161,055.545	2,084,918.543	39.968128	-109.913915
4,794.00	30.54	182.13	4,780.23	11.61	-22.82	7,161,039.814	2,084,918.622	39.968085	-109.913916
4,825.00	34.01	184.50	4,806.43	-4.91	-23.80	7,161,023.281	2,084,917.942	39.968040	-109.913919
4,857.00	38.54	187.67	4,832.23	-23.73	-25.83	7,161,004.437	2,084,916.242	39.967988	-109.913926
4,888.00	39.55	189.25	4,856.30	-43.04	-28.71	7,160,985.078	2,084,913.710	39.967935	-109.913937
4,920.00	44.08	187.76	4,880.15	-64.14	-31.85	7,160,963.932	2,084,910.942	39.967877	-109.913948
4,951.00	46.58	186.88	4,901.94	-86.00	-34.65	7,160,942.023	2,084,908.526	39.967817	-109.913958
4,983.00	50.01	186.62	4,923.23	-109.72	-37.46	7,160,918.258	2,084,906.141	39.967752	-109.913968
5,014.00	53.70	185.12	4,942.37	-133.97	-39.95	7,160,893.972	2,084,904.087	39.967685	-109.913977
5,046.00	55.59	181.69	4,960.89	-160.02	-41.49	7,160,867.906	2,084,903.008	39.967614	-109.913982
5,077.00	56.43	178.79	4,978.22	-185.71	-41.59	7,160,842.212	2,084,903.360	39.967543	-109.913983
5,109.00	56.29	176.07	4,995.95	-212.32	-40.40	7,160,815.630	2,084,905.025	39.967470	-109.913978
5,141.00	58.71	174.92	5,013.15	-239.23	-38.27	7,160,788.773	2,084,907.625	39.967396	-109.913971
5,172.00	60.11	172.90	5,028.92	-265.76	-35.44	7,160,762.298	2,084,910.929	39.967324	-109.913961
5,204.00	61.74	175.19	5,044.47	-293.57	-32.54	7,160,734.543	2,084,914.318	39.967247	-109.913950
5,235.00	65.69	174.92	5,058.20	-321.26	-30.15	7,160,706.907	2,084,917.205	39.967171	-109.913942
5,267.00	66.40	175.45	5,071.19	-350.40	-27.69	7,160,677.817	2,084,920.175	39.967091	-109.913933
5,295.00	68.12	176.70	5,082.02	-376.16	-25.93	7,160,652.094	2,084,922.397	39.967020	-109.913927



Native Navigation  
Survey Report - Geographic



<b>Company:</b>	QEP Energy Services	<b>Local Co-ordinate Reference:</b>	Well DS 15G5-10-18
<b>Project:</b>	Desert Springs	<b>TVD Reference:</b>	RKB @ 5268.60usft (SST 88)
<b>Site:</b>	DS 15G5-10-18	<b>MD Reference:</b>	RKB @ 5268.60usft (SST 88)
<b>Well:</b>	DS 15G5-10-18	<b>North Reference:</b>	True
<b>Wellbore:</b>	DS 15G5-10-18	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Design:</b>	DS 15G5-10-18	<b>Database:</b>	Compass DB Connection

Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude	
5,327.00	72.38	178.44	5,092.83	-406.24	-24.66	7,160,622.042	2,084,924.201	39.966938	-109.913922	
5,359.00	75.90	176.81	5,101.57	-436.99	-23.38	7,160,591.323	2,084,926.025	39.966854	-109.913918	
5,390.00	81.30	175.80	5,107.70	-467.30	-21.42	7,160,561.052	2,084,928.522	39.966770	-109.913911	
5,422.00	84.24	173.43	5,111.72	-498.90	-18.44	7,160,529.514	2,084,932.062	39.966684	-109.913900	
5,454.00	87.58	173.69	5,114.01	-530.62	-14.86	7,160,497.872	2,084,936.203	39.966596	-109.913887	
5,485.00	87.36	173.43	5,115.37	-561.39	-11.38	7,160,467.168	2,084,940.222	39.966512	-109.913875	
5,516.00	87.27	173.95	5,116.83	-592.17	-7.98	7,160,436.458	2,084,944.170	39.966428	-109.913863	
5,548.00	87.05	173.87	5,118.41	-623.95	-4.59	7,160,404.746	2,084,948.123	39.966340	-109.913851	
5,580.00	90.37	173.24	5,119.13	-655.73	-1.00	7,160,373.032	2,084,952.276	39.966253	-109.913838	
5,612.00	91.61	174.66	5,118.58	-687.55	2.37	7,160,341.285	2,084,956.212	39.966166	-109.913826	
5,643.00	94.60	175.05	5,116.90	-718.38	5.15	7,160,310.516	2,084,959.533	39.966081	-109.913816	
5,674.00	93.80	175.10	5,114.63	-749.18	7.80	7,160,279.768	2,084,962.733	39.965997	-109.913806	
5,706.00	94.10	175.10	5,112.43	-780.99	10.53	7,160,248.017	2,084,966.023	39.965909	-109.913797	
5,738.00	94.50	174.30	5,110.03	-812.76	13.48	7,160,216.305	2,084,969.533	39.965822	-109.913786	
5,769.00	94.90	174.80	5,107.49	-843.51	16.41	7,160,185.608	2,084,973.012	39.965738	-109.913776	
5,801.00	92.20	173.50	5,105.50	-875.28	19.67	7,160,153.906	2,084,976.830	39.965650	-109.913764	
5,832.00	89.90	173.60	5,104.94	-906.08	23.15	7,160,123.179	2,084,980.857	39.965566	-109.913752	
5,864.00	91.60	174.00	5,104.52	-937.89	26.61	7,160,091.439	2,084,984.876	39.965478	-109.913739	
5,896.00	92.60	174.30	5,103.35	-969.70	29.87	7,160,059.694	2,084,988.698	39.965391	-109.913728	
5,928.00	93.30	175.00	5,101.70	-1,001.52	32.85	7,160,027.937	2,084,992.241	39.965304	-109.913717	
5,959.00	93.50	174.90	5,099.86	-1,032.34	35.57	7,159,997.168	2,084,995.511	39.965219	-109.913707	
5,991.00	92.70	174.00	5,098.13	-1,064.15	38.66	7,159,965.428	2,084,999.165	39.965132	-109.913696	
6,023.00	92.00	174.80	5,096.82	-1,095.97	41.78	7,159,933.671	2,085,002.848	39.965045	-109.913685	
6,054.00	92.00	175.50	5,095.74	-1,126.84	44.40	7,159,902.856	2,085,006.014	39.964960	-109.913676	
6,086.00	92.50	175.90	5,094.48	-1,158.72	46.80	7,159,871.021	2,085,008.976	39.964872	-109.913667	
6,118.00	92.30	177.40	5,093.14	-1,190.64	48.66	7,159,839.146	2,085,011.410	39.964785	-109.913661	
6,149.00	92.20	177.10	5,091.92	-1,221.58	50.15	7,159,808.240	2,085,013.444	39.964700	-109.913655	
6,181.00	92.70	177.30	5,090.55	-1,253.51	51.71	7,159,776.343	2,085,015.572	39.964612	-109.913650	
6,212.00	92.60	176.90	5,089.12	-1,284.44	53.28	7,159,745.452	2,085,017.687	39.964527	-109.913644	
6,244.00	92.00	177.20	5,087.84	-1,316.37	54.92	7,159,713.557	2,085,019.898	39.964440	-109.913638	
6,275.00	91.60	176.90	5,086.86	-1,347.31	56.52	7,159,682.650	2,085,022.041	39.964355	-109.913633	
6,307.00	91.90	177.50	5,085.89	-1,379.26	58.08	7,159,650.739	2,085,024.169	39.964267	-109.913627	
6,339.00	91.60	177.70	5,084.91	-1,411.22	59.42	7,159,618.814	2,085,026.075	39.964179	-109.913622	
6,370.00	91.80	177.50	5,083.99	-1,442.18	60.72	7,159,587.886	2,085,027.921	39.964094	-109.913616	
6,402.00	92.70	178.80	5,082.73	-1,474.13	61.75	7,159,555.955	2,085,029.520	39.964006	-109.913614	
6,433.00	93.10	179.40	5,081.16	-1,505.09	62.24	7,159,525.015	2,085,030.555	39.963921	-109.913612	
6,465.00	92.90	178.80	5,079.49	-1,537.04	62.74	7,159,493.080	2,085,031.623	39.963834	-109.913610	
6,497.00	92.10	178.40	5,078.09	-1,569.00	63.52	7,159,461.143	2,085,032.971	39.963746	-109.913608	
6,528.00	91.90	178.70	5,077.01	-1,599.97	64.30	7,159,430.193	2,085,034.304	39.963661	-109.913605	
6,560.00	92.20	179.60	5,075.87	-1,631.95	64.78	7,159,398.234	2,085,035.345	39.963573	-109.913603	
6,592.00	91.70	179.20	5,074.78	-1,663.93	65.11	7,159,366.269	2,085,036.247	39.963485	-109.913602	
6,623.00	90.50	178.80	5,074.18	-1,694.92	65.65	7,159,335.297	2,085,037.337	39.963400	-109.913600	
6,655.00	91.10	178.90	5,073.74	-1,726.91	66.30	7,159,303.327	2,085,038.546	39.963313	-109.913598	
6,687.00	91.60	179.10	5,072.98	-1,758.89	66.86	7,159,271.359	2,085,039.672	39.963225	-109.913596	
6,719.00	92.30	179.60	5,071.89	-1,790.87	67.22	7,159,239.394	2,085,040.601	39.963137	-109.913594	
6,750.00	94.20	180.30	5,070.14	-1,821.82	67.25	7,159,208.454	2,085,041.177	39.963052	-109.913594	
6,782.00	94.40	179.80	5,067.74	-1,853.73	67.22	7,159,176.552	2,085,041.715	39.962964	-109.913594	
6,813.00	93.50	179.80	5,065.60	-1,884.66	67.33	7,159,145.636	2,085,042.372	39.962879	-109.913594	
6,845.00	92.50	179.60	5,063.93	-1,916.61	67.49	7,159,113.692	2,085,043.105	39.962792	-109.913594	
6,876.00	91.60	180.50	5,062.82	-1,947.59	67.47	7,159,082.720	2,085,043.628	39.962707	-109.913594	
6,908.00	91.60	179.80	5,061.92	-1,979.58	67.38	7,159,050.739	2,085,044.111	39.962619	-109.913594	
6,940.00	91.30	180.00	5,061.11	-2,011.57	67.44	7,159,018.759	2,085,044.734	39.962531	-109.913594	
6,971.00	90.80	179.50	5,060.55	-2,042.56	67.57	7,158,987.775	2,085,045.419	39.962446	-109.913593	
7,002.00	91.00	180.60	5,060.06	-2,073.56	67.55	7,158,956.786	2,085,045.941	39.962361	-109.913593	
7,034.00	90.90	180.30	5,059.53	-2,105.55	67.29	7,158,924.796	2,085,046.258	39.962273	-109.913594	



Native Navigation  
Survey Report - Geographic



<b>Company:</b>	QEP Energy Services	<b>Local Co-ordinate Reference:</b>	Well DS 15G5-10-18
<b>Project:</b>	Desert Springs	<b>TVD Reference:</b>	RKB @ 5268.60usft (SST 88)
<b>Site:</b>	DS 15G5-10-18	<b>MD Reference:</b>	RKB @ 5268.60usft (SST 88)
<b>Well:</b>	DS 15G5-10-18	<b>North Reference:</b>	True
<b>Wellbore:</b>	DS 15G5-10-18	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Design:</b>	DS 15G5-10-18	<b>Database:</b>	Compass DB Connection

Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude	
7,065.00	91.10	181.30	5,058.99	-2,136.54	66.86	7,158,893.804	2,085,046.374	39.962188	-109.913596	
7,097.00	90.50	182.10	5,058.54	-2,168.53	65.91	7,158,861.813	2,085,045.992	39.962100	-109.913599	
7,129.00	92.00	182.00	5,057.84	-2,200.50	64.77	7,158,829.830	2,085,045.415	39.962012	-109.913603	
7,153.00	92.00	180.60	5,057.01	-2,224.48	64.22	7,158,805.848	2,085,045.296	39.961947	-109.913605	
7,185.00	91.40	180.50	5,056.06	-2,256.46	63.92	7,158,773.866	2,085,045.557	39.961859	-109.913606	
7,217.00	90.90	180.20	5,055.41	-2,288.45	63.72	7,158,741.878	2,085,045.928	39.961771	-109.913607	
7,248.00	92.50	178.70	5,054.49	-2,319.44	64.02	7,158,710.908	2,085,046.775	39.961686	-109.913606	
7,279.00	93.50	177.30	5,052.87	-2,350.37	65.10	7,158,679.998	2,085,048.403	39.961601	-109.913602	
7,310.00	93.50	176.90	5,050.98	-2,381.28	66.66	7,158,649.131	2,085,050.516	39.961516	-109.913596	
7,342.00	94.40	176.70	5,048.77	-2,413.15	68.45	7,158,617.297	2,085,052.863	39.961429	-109.913590	
7,374.00	94.90	176.90	5,046.18	-2,444.99	70.23	7,158,585.492	2,085,055.208	39.961341	-109.913584	
7,405.00	92.90	175.70	5,044.07	-2,475.86	72.22	7,158,554.673	2,085,057.751	39.961257	-109.913577	
7,437.00	92.20	175.10	5,042.65	-2,507.72	74.79	7,158,522.862	2,085,060.879	39.961169	-109.913567	
7,469.00	92.10	174.90	5,041.45	-2,539.58	77.57	7,158,491.064	2,085,064.230	39.961082	-109.913558	
7,500.00	92.40	174.60	5,040.23	-2,570.43	80.35	7,158,460.270	2,085,067.557	39.960997	-109.913548	
7,532.00	92.20	174.40	5,038.95	-2,602.26	83.36	7,158,428.499	2,085,071.129	39.960910	-109.913537	
7,563.00	91.40	173.80	5,037.97	-2,633.08	86.55	7,158,397.743	2,085,074.860	39.960825	-109.913526	
7,595.00	91.00	174.00	5,037.30	-2,664.89	89.95	7,158,366.000	2,085,078.823	39.960738	-109.913513	
7,627.00	91.50	174.40	5,036.60	-2,696.72	93.18	7,158,334.237	2,085,082.619	39.960650	-109.913502	
7,658.00	92.50	173.90	5,035.52	-2,727.54	96.34	7,158,303.482	2,085,086.323	39.960566	-109.913491	
7,690.00	93.00	174.40	5,033.99	-2,759.34	99.60	7,158,271.751	2,085,090.144	39.960478	-109.913479	
7,721.00	93.20	174.10	5,032.31	-2,790.14	102.70	7,158,241.015	2,085,093.790	39.960394	-109.913468	
7,753.00	92.70	172.70	5,030.66	-2,821.88	106.37	7,158,210.343	2,085,098.025	39.960307	-109.913455	
7,785.00	91.40	172.40	5,029.52	-2,853.59	110.52	7,158,177.716	2,085,102.733	39.960220	-109.913440	
7,816.00	91.40	172.30	5,028.76	-2,884.30	114.64	7,158,147.082	2,085,107.402	39.960135	-109.913425	
7,848.00	91.70	171.80	5,027.90	-2,915.98	119.07	7,158,115.488	2,085,112.387	39.960048	-109.913410	
7,879.00	92.80	171.80	5,026.68	-2,946.64	123.49	7,158,084.915	2,085,117.347	39.959964	-109.913394	
7,911.00	93.40	171.10	5,024.95	-2,978.24	128.24	7,158,053.410	2,085,122.657	39.959877	-109.913377	
7,943.00	93.40	170.70	5,023.05	-3,009.78	133.29	7,158,021.966	2,085,128.267	39.959791	-109.913359	
7,975.00	92.70	170.10	5,021.35	-3,041.29	138.62	7,157,990.562	2,085,134.153	39.959704	-109.913340	
8,006.00	92.60	169.80	5,019.91	-3,071.78	144.02	7,157,960.174	2,085,140.096	39.959621	-109.913321	
8,038.00	91.60	168.80	5,018.74	-3,103.20	149.96	7,157,928.865	2,085,146.589	39.959534	-109.913299	
8,070.00	90.30	168.30	5,018.21	-3,134.56	156.31	7,157,897.628	2,085,153.495	39.959448	-109.913277	
8,101.00	90.40	168.20	5,018.02	-3,164.91	162.62	7,157,867.398	2,085,160.344	39.959365	-109.913254	
8,133.00	91.10	167.10	5,017.60	-3,196.17	169.47	7,157,836.271	2,085,167.740	39.959279	-109.913230	
8,165.00	92.00	167.20	5,016.74	-3,227.35	176.58	7,157,805.218	2,085,175.405	39.959194	-109.913204	
8,196.00	92.50	166.20	5,015.52	-3,257.50	183.71	7,157,775.208	2,085,183.064	39.959111	-109.913179	
8,228.00	92.60	165.70	5,014.10	-3,288.51	191.47	7,157,744.341	2,085,191.373	39.959026	-109.913151	
8,260.00	92.00	165.40	5,012.81	-3,319.47	199.45	7,157,713.528	2,085,199.898	39.958941	-109.913123	
8,291.00	93.80	166.00	5,011.24	-3,349.47	207.09	7,157,683.672	2,085,208.075	39.958858	-109.913096	
8,323.00	93.40	165.30	5,009.24	-3,380.41	215.01	7,157,652.880	2,085,216.537	39.958773	-109.913067	
8,355.00	93.70	165.30	5,007.25	-3,411.31	223.11	7,157,622.138	2,085,225.188	39.958689	-109.913038	
8,386.00	92.00	164.60	5,005.71	-3,441.20	231.15	7,157,592.390	2,085,233.755	39.958607	-109.913010	
8,418.00	90.60	163.50	5,004.99	-3,471.96	239.94	7,157,561.795	2,085,243.089	39.958522	-109.912978	
8,450.00	91.30	163.30	5,004.46	-3,502.63	249.08	7,157,531.303	2,085,252.771	39.958438	-109.912946	
8,481.00	91.00	162.60	5,003.83	-3,532.26	258.17	7,157,501.840	2,085,262.382	39.958357	-109.912913	
8,513.00	92.00	162.80	5,003.00	-3,562.80	267.68	7,157,471.475	2,085,272.433	39.958273	-109.912879	
8,544.00	92.10	162.60	5,001.89	-3,592.38	276.90	7,157,442.068	2,085,282.168	39.958192	-109.912847	
8,576.00	92.60	162.60	5,000.58	-3,622.89	286.46	7,157,411.735	2,085,292.268	39.958108	-109.912812	
8,607.00	92.30	162.20	4,999.25	-3,652.41	295.82	7,157,382.387	2,085,302.154	39.958027	-109.912779	
8,639.00	92.00	161.60	4,998.05	-3,682.80	305.76	7,157,352.176	2,085,312.625	39.957943	-109.912744	
8,670.00	91.60	161.20	4,997.08	-3,712.17	315.64	7,157,322.992	2,085,323.026	39.957863	-109.912708	
8,702.00	91.20	160.40	4,996.29	-3,742.38	326.16	7,157,292.976	2,085,334.079	39.957780	-109.912671	
8,734.00	91.80	160.30	4,995.46	-3,772.51	336.92	7,157,263.048	2,085,345.368	39.957697	-109.912632	
8,765.00	91.40	160.20	4,994.59	-3,801.67	347.39	7,157,234.077	2,085,356.354	39.957617	-109.912595	



**Native Navigation**  
Survey Report - Geographic



<b>Company:</b>	QEP Energy Services	<b>Local Co-ordinate Reference:</b>	Well DS 15G5-10-18
<b>Project:</b>	Desert Springs	<b>TVD Reference:</b>	RKB @ 5268.60usft (SST 88)
<b>Site:</b>	DS 15G5-10-18	<b>MD Reference:</b>	RKB @ 5268.60usft (SST 88)
<b>Well:</b>	DS 15G5-10-18	<b>North Reference:</b>	True
<b>Wellbore:</b>	DS 15G5-10-18	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Design:</b>	DS 15G5-10-18	<b>Database:</b>	Compass DB Connection

Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude	
8,797.00	91.20	160.10	4,993.86	-3,831.76	358.25	7,157,204.186	2,085,367.748	39.957534	-109.912556	
8,828.00	92.50	159.80	4,992.86	-3,860.87	368.87	7,157,175.276	2,085,378.883	39.957455	-109.912518	
8,860.00	92.70	159.50	4,991.41	-3,890.84	379.99	7,157,145.509	2,085,390.528	39.957372	-109.912479	
8,891.00	92.30	159.40	4,990.06	-3,919.84	390.86	7,157,116.710	2,085,401.911	39.957293	-109.912440	
8,923.00	91.80	159.10	4,988.92	-3,949.74	402.19	7,157,087.013	2,085,413.768	39.957211	-109.912400	
8,954.00	92.60	158.90	4,987.73	-3,978.66	413.29	7,157,058.298	2,085,425.380	39.957131	-109.912360	
8,986.00	92.70	159.70	4,986.25	-4,008.57	424.59	7,157,028.604	2,085,437.206	39.957049	-109.912320	
9,018.00	92.30	158.90	4,984.85	-4,038.47	435.89	7,156,998.907	2,085,449.034	39.956967	-109.912279	
9,049.00	91.80	159.50	4,983.74	-4,067.43	446.89	7,156,970.148	2,085,460.545	39.956888	-109.912240	
9,081.00	92.00	160.20	4,982.68	-4,097.46	457.91	7,156,940.327	2,085,472.092	39.956805	-109.912201	
9,113.00	92.40	160.40	4,981.45	-4,127.56	468.69	7,156,910.421	2,085,483.402	39.956722	-109.912162	
9,144.00	93.30	160.20	4,979.91	-4,156.71	479.13	7,156,881.464	2,085,494.353	39.956642	-109.912125	
9,176.00	93.10	160.20	4,978.12	-4,186.77	489.95	7,156,851.602	2,085,505.706	39.956560	-109.912087	
9,207.00	91.60	159.50	4,976.85	-4,215.85	500.62	7,156,822.722	2,085,516.889	39.956480	-109.912049	
9,239.00	92.70	160.20	4,975.65	-4,245.87	511.63	7,156,792.905	2,085,528.434	39.956398	-109.912009	
9,271.00	90.80	160.10	4,974.68	-4,275.95	522.49	7,156,763.022	2,085,539.825	39.956315	-109.911970	
9,302.00	90.40	160.10	4,974.35	-4,305.10	533.05	7,156,734.070	2,085,550.890	39.956235	-109.911933	
9,334.00	91.50	160.20	4,973.82	-4,335.19	543.91	7,156,704.176	2,085,562.285	39.956152	-109.911894	
9,366.00	91.10	160.50	4,973.09	-4,365.32	554.67	7,156,674.246	2,085,573.574	39.956070	-109.911856	
9,398.00	92.00	160.20	4,972.23	-4,395.45	565.42	7,156,644.319	2,085,584.862	39.955987	-109.911817	
9,429.00	92.00	160.80	4,971.15	-4,424.65	575.77	7,156,615.306	2,085,595.719	39.955907	-109.911780	
9,461.00	93.00	161.10	4,969.75	-4,454.87	586.20	7,156,585.280	2,085,606.687	39.955824	-109.911743	
9,493.00	91.00	160.20	4,968.63	-4,485.04	596.80	7,156,555.304	2,085,617.815	39.955741	-109.911705	
9,524.00	90.50	159.70	4,968.23	-4,514.16	607.42	7,156,526.381	2,085,628.956	39.955661	-109.911668	
9,556.00	91.60	159.90	4,967.64	-4,544.19	618.47	7,156,496.559	2,085,640.533	39.955579	-109.911628	
9,588.00	92.90	161.00	4,966.39	-4,574.32	629.17	7,156,466.625	2,085,651.764	39.955496	-109.911590	
9,620.00	91.70	160.10	4,965.10	-4,604.47	639.82	7,156,436.673	2,085,662.942	39.955413	-109.911552	
9,651.00	91.20	160.20	4,964.32	-4,633.61	650.34	7,156,407.718	2,085,673.979	39.955333	-109.911514	
9,683.00	92.40	160.60	4,963.31	-4,663.74	661.07	7,156,377.786	2,085,685.240	39.955251	-109.911476	
9,714.00	91.00	160.90	4,962.39	-4,693.00	671.28	7,156,348.721	2,085,695.972	39.955170	-109.911440	
9,746.00	91.90	160.30	4,961.58	-4,723.17	681.91	7,156,318.745	2,085,707.129	39.955087	-109.911402	
9,778.00	92.20	160.70	4,960.44	-4,753.32	692.59	7,156,288.796	2,085,718.336	39.955005	-109.911364	
9,809.00	91.90	161.30	4,959.33	-4,782.61	702.67	7,156,259.691	2,085,728.939	39.954924	-109.911328	
9,841.00	91.40	161.00	4,958.41	-4,812.88	713.01	7,156,229.610	2,085,739.608	39.954841	-109.911291	
9,873.00	90.90	161.20	4,957.77	-4,843.15	723.37	7,156,199.533	2,085,750.705	39.954758	-109.911254	
9,905.00	90.40	161.40	4,957.40	-4,873.46	733.63	7,156,169.414	2,085,761.499	39.954675	-109.911217	
9,936.00	91.10	161.70	4,957.00	-4,902.86	743.44	7,156,140.192	2,085,771.827	39.954594	-109.911182	
9,968.00	91.70	162.20	4,956.21	-4,933.28	753.35	7,156,109.960	2,085,782.276	39.954511	-109.911147	
9,999.00	92.10	162.00	4,955.19	-4,962.76	762.87	7,156,080.653	2,085,792.319	39.954430	-109.911113	
10,031.00	91.60	162.00	4,954.15	-4,993.18	772.76	7,156,050.418	2,085,802.740	39.954346	-109.911078	
10,063.00	92.80	161.90	4,952.93	-5,023.58	782.66	7,156,020.199	2,085,813.184	39.954263	-109.911043	
10,094.00	93.00	162.20	4,951.36	-5,053.03	792.21	7,155,990.923	2,085,823.245	39.954182	-109.911009	
10,126.00	93.80	162.60	4,949.46	-5,083.48	801.86	7,155,960.654	2,085,833.441	39.954098	-109.910974	
10,157.00	94.10	162.20	4,947.32	-5,112.96	811.22	7,155,931.349	2,085,843.313	39.954017	-109.910941	
10,189.00	90.80	161.70	4,945.96	-5,143.35	821.12	7,155,901.139	2,085,853.754	39.953934	-109.910905	
10,231.00	90.80	161.70	4,945.37	-5,183.22	834.31	7,155,861.511	2,085,867.644	39.953825	-109.910858	

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

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU81003
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b> NEMO (GR)
<b>1. TYPE OF WELL</b> Oil Well	<b>8. WELL NAME and NUMBER:</b> DS 15G-5-10-18
<b>2. NAME OF OPERATOR:</b> QEP ENERGY COMPANY	<b>9. API NUMBER:</b> 4304752406000
<b>3. ADDRESS OF OPERATOR:</b> 11002 East 17500 South , Vernal, Ut, 84078	<b>PHONE NUMBER:</b> 303 308-3068 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0856 FSL 1637 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWSE Section: 05 Township: 10.0S Range: 18.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> UTELAND BUTTE  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: <b>10/25/2013</b>  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input checked="" type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

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

QEP ENERGY COMPANY REQUESTS AUTHORIZATION FOR UNRESTRICTED FLARING "SEE ATTACHED".

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

**Date:** October 31, 2013

**By:** *Derek Quist*

<b>NAME (PLEASE PRINT)</b> Jan Nelson	<b>PHONE NUMBER</b> 435 781-4331	<b>TITLE</b> Permit Agent
<b>SIGNATURE</b> N/A	<b>DATE</b> 10/25/2013	



**The Utah Division of Oil, Gas, and Mining**

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices**

**Sundry Conditions of Approval Well Number 43047524060000**

**Any measures that can be taken to restrict flaring of gas without adversely impacting the reservoir should be taken. Flaring beyond 30 days should be brought before the Board of Oil, Gas and Mining for further approval.**

Per R649-3-20.3.2 and NTL-4a, QEP Energy Company (QEP) requests authorization for unrestricted flaring up to the 50 MMCF limit. Shutting in this well when it reaches the 1800 monthly MCF limit could adversely affect the reservoir long term. QEP also is concerned that the well could develop mechanical problems cycling on and off. This well will be tied into a pipeline as soon as practicable. QEP has reached an agreement with Monarch Natural Gas, LLC to establish a gas transportation system that will enable QEP to transport gas via Monarch's line. QEP applied for a Right-of-Way with the Vernal BLM office on July 16, 2013 and is currently awaiting approval. Construction of the gas gathering pipeline will begin as soon as practicable upon BLM approval.

Current rate: 165 mcf/d

Assuming Right-of-Way approved and gathering system installed in 30 days: Total additional flared 4.95 MMCF