

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

FORM 3

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL		1. WELL NAME and NUMBER Federal 32-20X-9-19
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 PARIETTE BENCH
4. TYPE OF WELL Water Disposal Well Coalbed Methane Well: NO		5. UNIT or COMMUNITIZATION AGREEMENT NAME
6. NAME OF OPERATOR GASCO PRODUCTION COMPANY		7. OPERATOR PHONE
8. ADDRESS OF OPERATOR 8 Inverness Dr. East, Suite 100, Englewood, CO, 80112		9. OPERATOR E-MAIL
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) utu75090	11. MINERAL OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>	12. SURFACE OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>
13. NAME OF SURFACE OWNER (if box 12 = 'fee')		14. SURFACE OWNER PHONE (if box 12 = 'fee')
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')		16. SURFACE OWNER E-MAIL (if box 12 = 'fee')
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')	18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>	19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>

20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	1672 FNL 2451 FEL	SWNE	20	9.0 S	19.0 E	S
Top of Uppermost Producing Zone	1672 FNL 2451 FEL	SWNE	20	9.0 S	19.0 E	S
At Total Depth	1672 FNL 2451 FEL	SWNE	20	9.0 S	19.0 E	S

21. COUNTY UINTAH	22. DISTANCE TO NEAREST LEASE LINE (Feet) 1672	23. NUMBER OF ACRES IN DRILLING UNIT 680
25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 4000	26. PROPOSED DEPTH MD: 4583 TVD: 4583	
27. ELEVATION - GROUND LEVEL 4789	28. BOND NUMBER ut1233	29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 41-3530

Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
COND	20	13.375	0 - 60	48.0	H-40 ST&C	8.3	Class G	55	1.18	15.6
SURF	11	8.625	0 - 500	24.0	K-55 ST&C	9.0	Class G	200	1.18	15.6
PROD	7.75	5.5	0 - 4585	17.0	K-55 ST&C	9.5	Premium Lite High Strength	480	1.85	12.8
							50/50 Poz	310	1.31	14.3

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP

NAME Roger Knight	TITLE EHS Supervisor	PHONE 303 996-1803
SIGNATURE	DATE 08/13/2012	EMAIL rknight@gascoenergy.com
API NUMBER ASSIGNED 43047530200000	APPROVAL  Permit Manager	

Gasco Production Company
Federal 32-20X-9-19
SWNE, Section 20, Township 9 South, Range 19 East
Uintah County, Utah
Lease No. UTU- 75090

ONSHORE OIL & GAS ORDER NO. 1

Drilling Program

1. Estimated Tops of Important Geological Markers

Formation	Depth
Uintah	surface
Garden Gulch 2 Marker	3539
GB-4 Sand	3680'
Point 3 Marker	3781'
PB-10 Sand	3949'
X Marker	3999'
Y Marker	4036'
Douglas Creek Marker	4162'
D-2 Sand	4223'
D-3 Sand	4290'
C Sand	4383'
TD	4585'

2. Estimated Depth of Anticipated Water, Oil, Gas or Mineral Formations

Substance	Formation	Depth
Water	PB-10 Sand	3949' – 3998'
Water	D-2 Sand	4223' - 4289'
Water	D-3 Sand	4290' – 4382'

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.

3. Pressure Control Equipment

All well control equipment will be in accordance to Onshore Order No. 2 for 5M Systems and are as follows:

- 5,000# BOP with 4 ½" Pipe Rams
- 5,000# BOP with Blind Rams
- 5,000# Annular

Ram type preventers and associated equipment shall be tested to the approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline on pressure of more than

10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Pressure Control Equipment Continued

Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 30 day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BPOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

BOP systems shall be consistent with API RP 53 Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling cement plugs.

The District Office will be notified, with sufficient lead time, in order to have a BLM representative on location during testing.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not yet been chosen to drill this well, most of the equipment for this depth will utilize 5M working BOP.
- b. A choke line and kill line are to be properly installed. The kill line is not to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.

d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

Special Drilling Operations to be followed by Gasco Production Company during operations air/gas drilling of Surface Hole

The following equipment will be operational and implemented during any air/gas drilling operations for the surface hole as per Onshore Order 2 III. E. 1.:

Properly lubricated and maintained rotating head
Spark Arresters on engines or water cooled exhaust
Blooie line discharge 100 feet from well bore and securely anchored
Straight run on blooie line unless other wised approved
Deduster equipment
All cuttings and circulating medium shall be directed into a reserve or blooie pit
Float valve above bit
Automatic igniter or continuous pilot light on the blooie line
Compressors located in opposite direction from the blooie line a minimum of 100 feet from the well bore

Variiances Requested:

Variance for Requirement BOPE

Properly lubricated and maintained rotating head and air bowl diverter system.

Variance for Requirement Mud Material

Mud circulating equipment, water and mud materials sufficient to maintain the capacity of the hole and circulating tanks or pits. Skid pump shall be available to pump water from an auxiliary water source such as reserve pit or water storage tank for well control purposes.

Variance for Requirement Blooie Line Length

Requirement for blooie line discharge of 100 feet from well. Blooie line discharge distance between well and reserve pit is 40 feet.

4. Proposed Casing and Cementing Program

a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones abnormally pressured zones and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors including: presence/absence of hydrocarbons, fracture gradients, usable water zones, formation pressures, lost circulation zones, other minerals, or other unusual characteristics. All indications of usable water shall be reported.

b. Casing Program

	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Grade</u>	<u>Type</u>
Conductor	60'	17.5"	13.375"	H-40 48#	STC
Surface	500'	12.25"	9.625"	J-55 36#	STC
Production	4585'	8.75"	5.5"	J-55 17#	STC

c. Casing design subject to revision based on geologic conditions encountered.

d. Cement Program

	<u>Est. Top of Cement</u>	<u>Sacks/Cement Type</u>	<u>Yield</u>	<u>Supply Wt.</u>
Conductor	surface	55/Type G	1.18	15.6
Surface	surface	200/Type G	1.18	15.6
Production	surface	480/Premium Lite II	1.85	12.8
		310/50/50POZ	1.31	14.3

e. Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.

f. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.

g. The following reports shall be filed with the District Manager within 30 days after the work is completed.

1. Progress reports, form 3160-5 "Sundry Notices and Reports on Wells", must include complete information concerning:

a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.

b. Temperature or bond log must be submitted for each well where the casing cement was not circulated to the surface.

h. Auxiliary equipment to be used is as follows:

1. Kelly cock
2. A bit float
3. A sub with full opening valve.

5. Drilling Fluids Program:

<u>Interval</u>	<u>Type</u>	<u>Wt. (ppg)</u>	<u>Viscosity</u>	<u>pH</u>	<u>Water Loss</u>
0-60'	Air Mist	8.33	NA	NA	NA
60'-500'	Air Mist	9.0	35	NA	NA
500'-TD	Water Based Mud	8.3- 9.5		10-10.5	NA

- a. Sufficient quantities of mud material will be maintained on site or be readily available for the purpose of assuring well control. SPR will be recorded on a daily drilling report after mudding up. Visual mud monitoring will be conducted during operations.
- b. No chromate additives will be used in the mud system on Federal lands without prior BLM approval to ensure adequate protection of fresh water aquifers.
- c. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well.
- d. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.
- e. Water will come from: Water Right No. 41-3530.
- f. Water will be hauled by commercial transport over the access roads shown on Attached Maps "A" and "B".
- g. No water well will be drilled on this lease

6. Evaluation Program

The anticipated type and amount of testing, logging and coring are as follows:

- a. No drill stem tests are anticipated, if DST's are run, the following requirements will be adhered to:

Initial opening of the drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer (AO). However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the AO. Closed chamber DST's may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- b. The logging program will consist of Schlumberger Platform Express (or equivalent) to be run from base of surface casing to TD.

c. No cores are anticipated.

d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted no later than 30 days after the completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well tested data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4.

Samples (cutting, fluids, and/or gases will be submitted when requested by the AO.

e. The anticipated completion program is as follows: Perform multistage fracs and complete all productive zones present in the wellbore. Produce all zones commingled.

f. Daily drilling and completion progress reports shall be submitted to the BLM in Vernal on a weekly basis.

7. Abnormal Temperatures and Pressures

a. The expected bottom hole pressure is 3035psig

The maximum bottom hole temperature anticipated is 95 degrees Fahrenheit.

b. No hydrogen sulfide gas is anticipated. Abnormal pressures will be controlled with mud weight and 5000# BOP and rotating head.

8. Anticipated Starting Dates and Notifications of Operations

- a. Drilling is anticipated to commence immediately upon approval
- b. It is anticipated that the drilling of this well will take approximately 5 days.
- c. The Vernal BLM and UDOGM shall be notified of the anticipated date of location construction and anticipated spud date.
- d. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior to approval from the AO will be obtained and notification given before resuming operations.
- e. The spud date will be reported orally to the AO within 48 hours of spudding. If the spudding occurs on a weekend or holiday, the report will be submitted via voice mail and/or e-mail to the AO.
- f. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM and UDOGM.
- g. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual or undesirable events shall be reported promptly to the AO in accordance with the requirements of NTL-3A or its revision.
- h. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, or prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
- i. Should the well be successfully completed for production, the AO will be notified when the well is placed on producing status. Written notification, e-mail or otherwise, will be sent no latter than 5 days following the date on which the well is placed on production.
- j. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
- k. Pursuant to NTL-4A lessees or operators are authorized to vent/flare gas during initial well evaluation test, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day authorized test period.
- l. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9.d.), shall be submitted to the BLM, Vernal Field Office and UDOGM within 60 days of installation or first production whichever occurs first. All site security regulations as specified in Onshore Order No.3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b.4.).

m. A first production conference will be scheduled within 15 days after receipt of the first production notice.

n. No well abandonment operations will commence without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed within 30 days following the completion of the well for abandonment. The report will indicate where plugs were placed and the current status of the surface restoration. Final abandonment will not be approved until the surface reclamation work has been completed to the satisfaction of the AO.

o. Pursuant to Onshore Oil and Gas Order No.1, lessees and operators have the responsibility of operating in a manner which conforms with the applicable Federal laws and regulations and with the State and local laws and regulations to the extent that such laws are applicable to operations on Federal lands.

Bureau of Land Management
170 South 500 East
Vernal, Utah 84078

Phone: (435)781-4400
Fax: (435)781-4410

After Hours:

Michael Lee Petroleum Engineer (435)828-4470

Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84116

Phone 801-538-5340
Fax 801-539-3940

T9S, R19E, S.L.B.&M.

GASCO PRODUCTION COMPANY

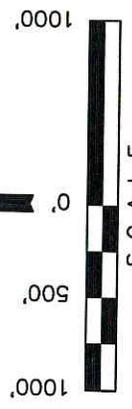
Well location, FEDERAL #32-20X-9-19, located as shown in the SW 1/4 NE 1/4 of Section 20, T9S, R19E, S.L.B.&M., Uintah County, Utah.

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, 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.

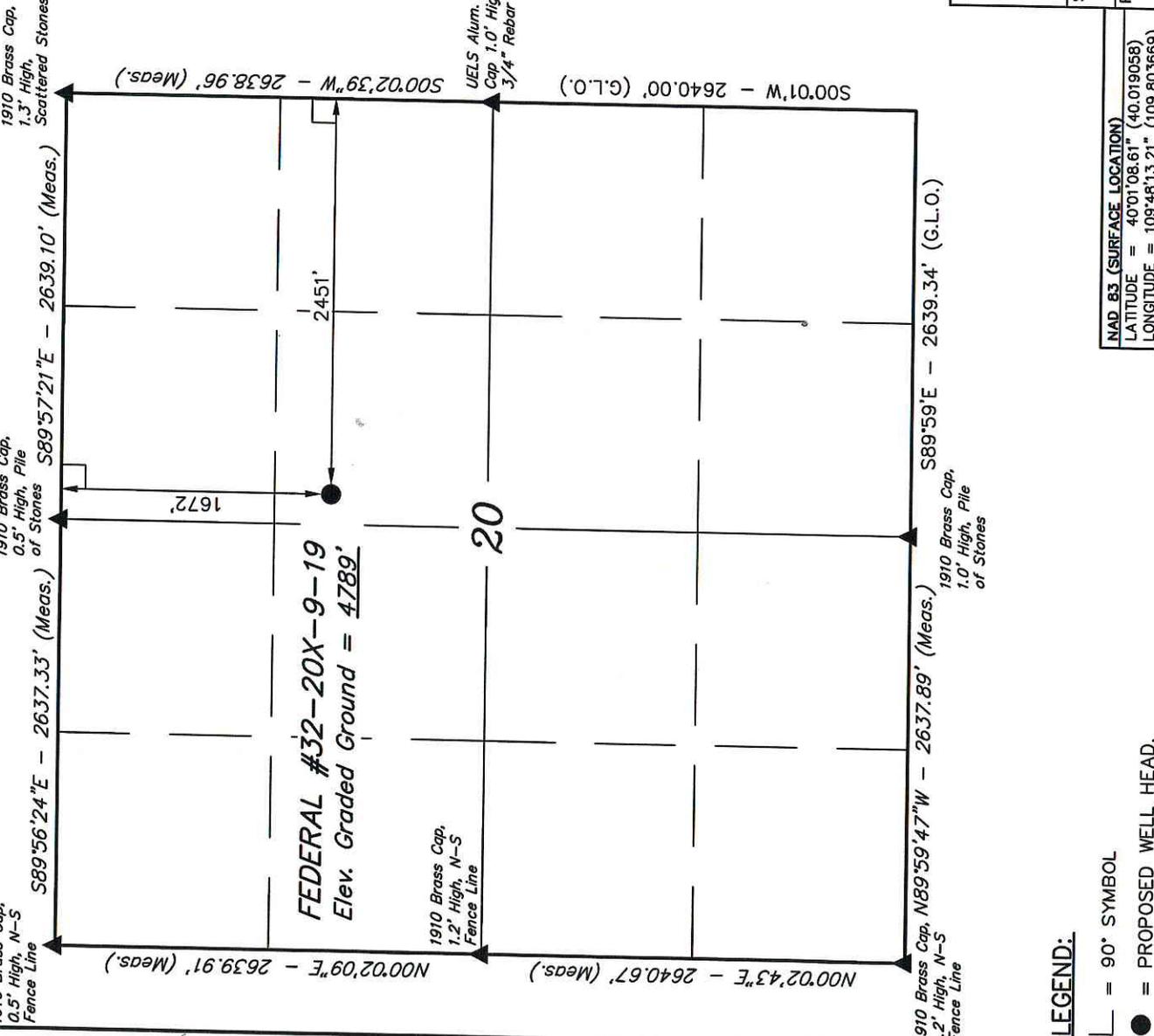
BASIS OF BEARINGS

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



CERTIFICATE

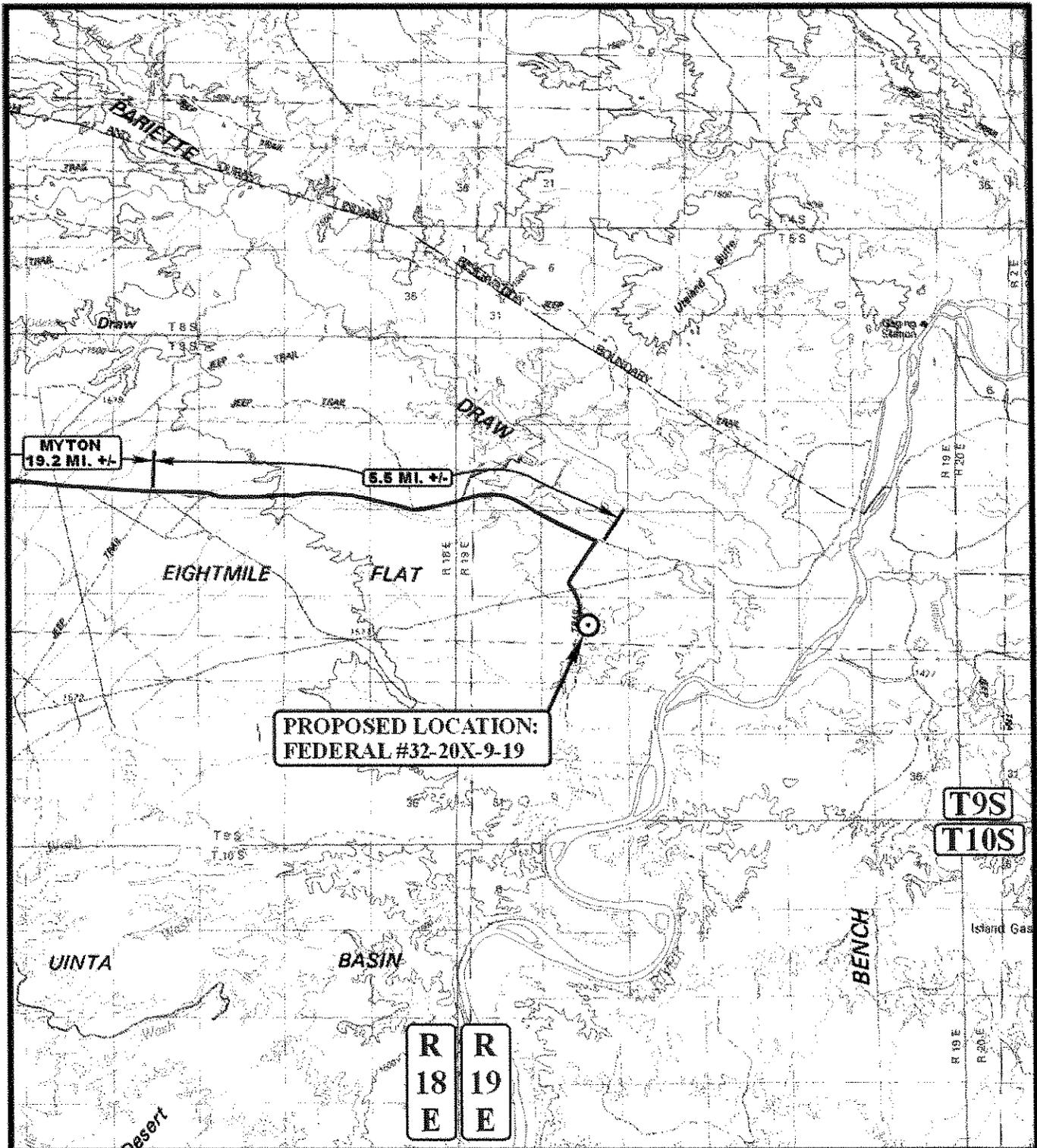
THIS IS TO CERTIFY THAT THE ABOVE PLAN WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



UINTAH ENGINEERING & LAND SURVEYING	
85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017	
SCALE 1" = 1000'	DATE SURVEYED: 05-08-12
PARTY J.F. B.S. J.J.	DATE DRAWN: 05-14-12
WEATHER WARM	REFERENCES G.L.O. PLAT
	FILE GASCO PRODUCTION COMPANY

LEGEND:

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



LEGEND:

⊙ PROPOSED LOCATION

N

GASCO PRODUCTION COMPANY

FEDERAL #32-20X-9-19
SECTION 20, T9S, R19E, S.L.B.&M.
1672' FNL 2451' FEL



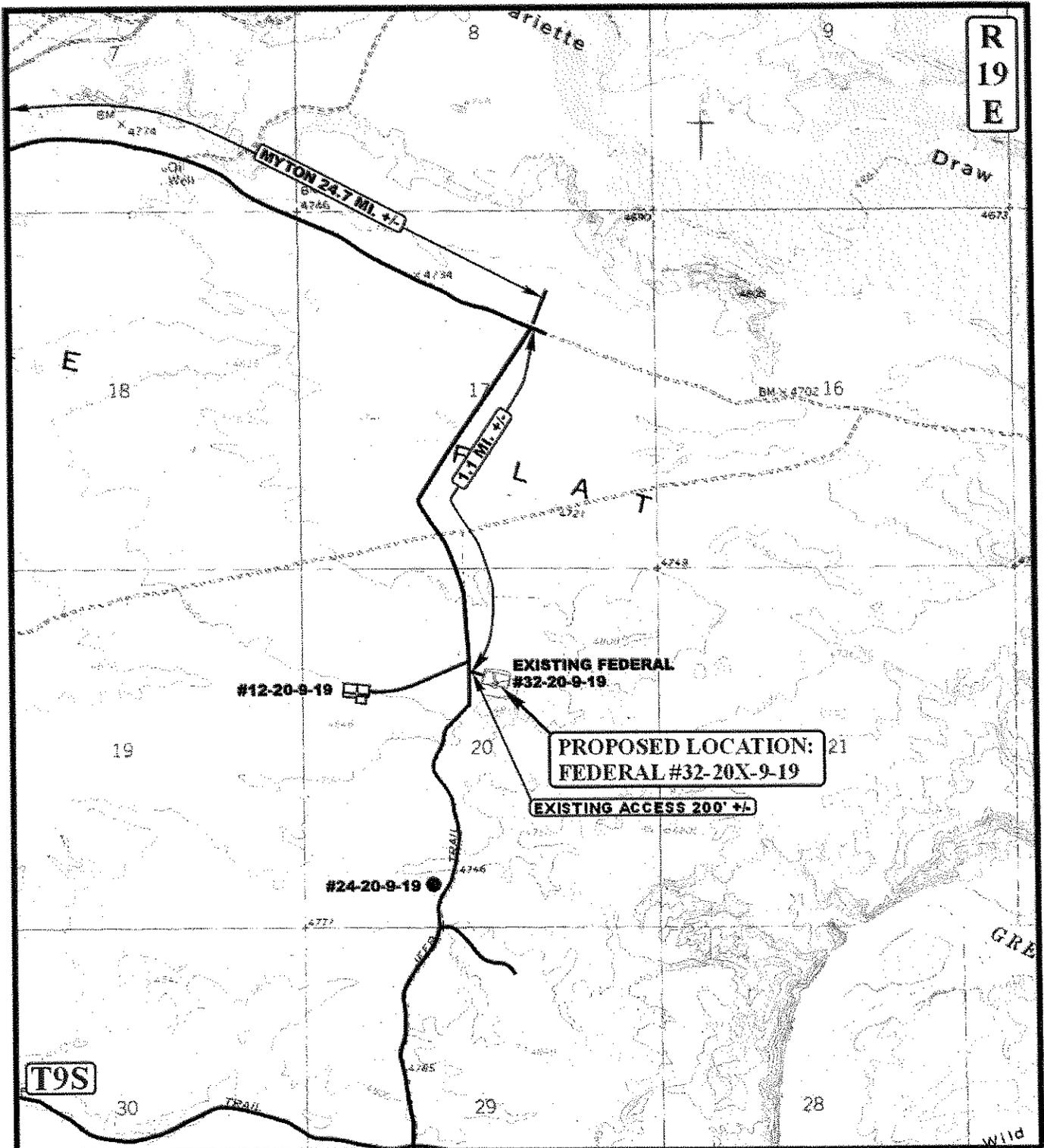
Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

ACCESS ROAD
MAP

05	14	12
MONTH	DAY	YEAR



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



R
19
E

T9S

LEGEND:
 ————— EXISTING ROAD
 - - - - - EXISTING ACCESS ROAD

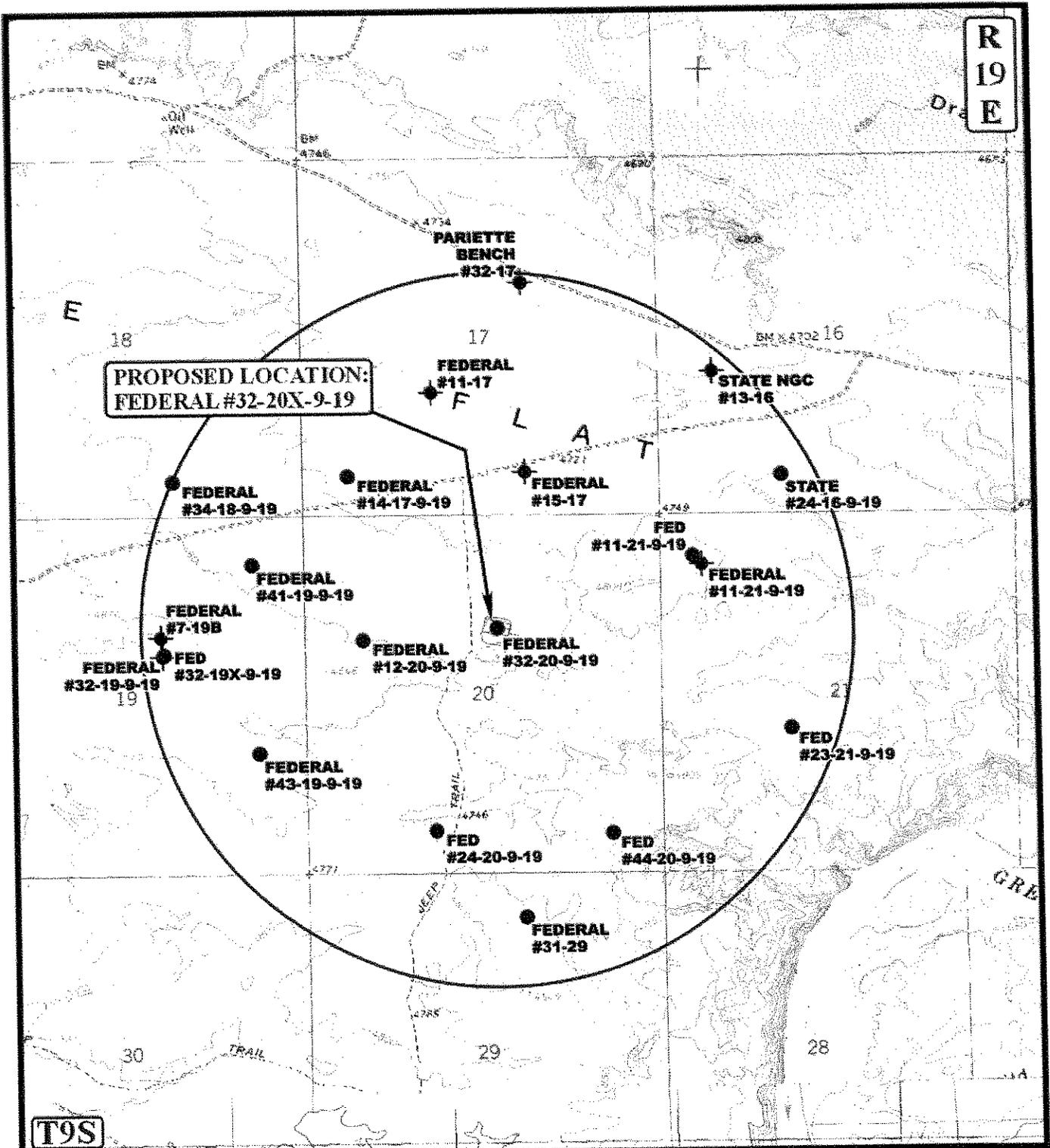
GASCO PRODUCTION COMPANY
 FEDERAL #32-20X-9-19
 SECTION 20, T9S, R19E, S.L.B.&M.
 1672' FNL 2451' FEL

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



ACCESS ROAD MAP
 05 | 14 | 12
 MONTH | DAY | YEAR
 SCALE: 1" = 2000' DRAWN BY: A.T. REVISED: 00-00-00

B
 TOPO



T9S

R19E

LEGEND:

- ∅ DISPOSAL WELLS
- PRODUCING WELLS
- ◆ SHUT IN WELLS
- ◆ ABANDONED WELLS
- TEMPORARILY ABANDONED



GASCO PRODUCTION COMPANY

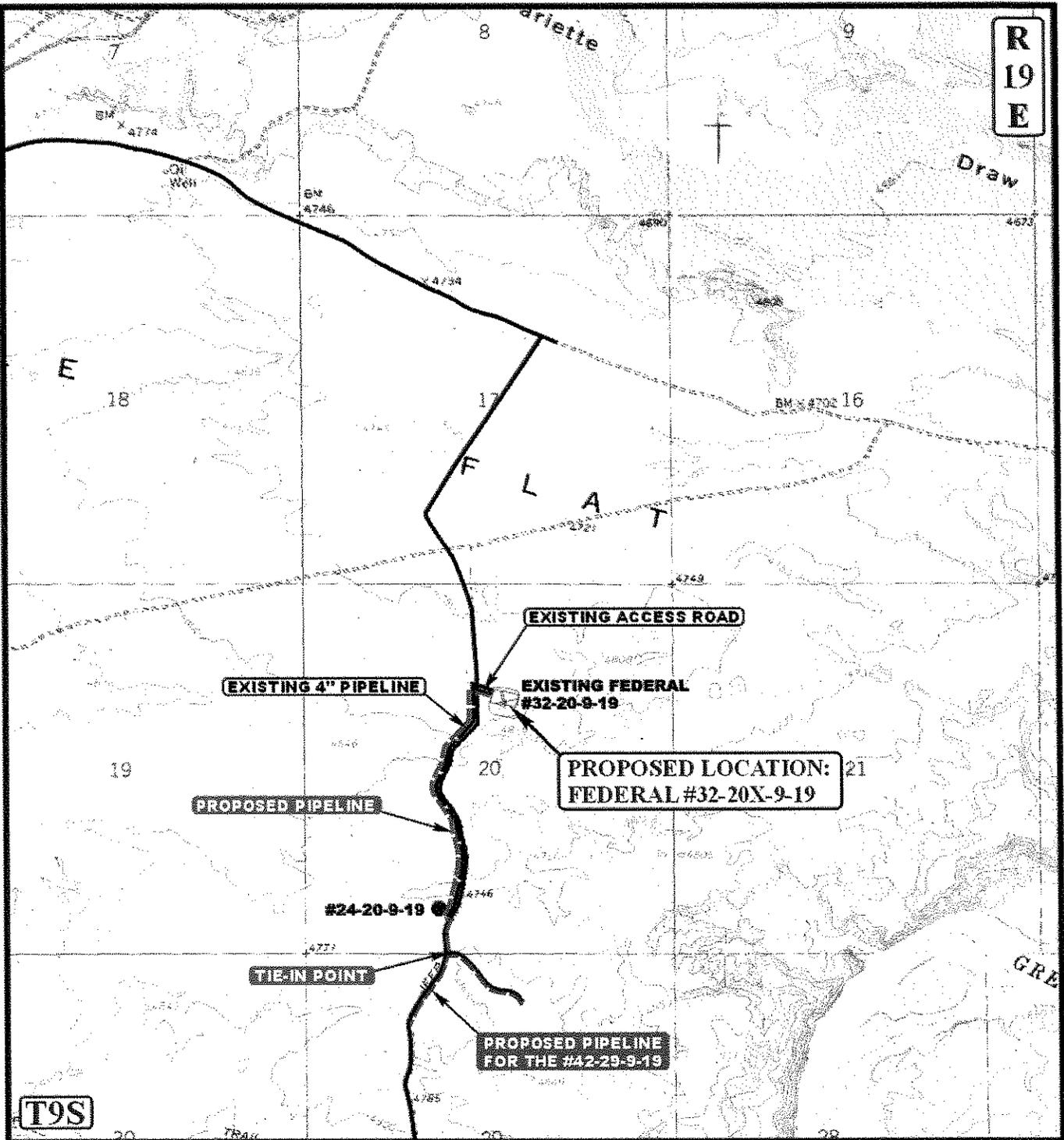
FEDERAL #32-20X-9-19
SECTION 20, T9S, R19E, S.L.B.&M.
1672' FNL 2451' FEL



Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
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TOPOGRAPHIC MAP
05 14 12
MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: A.T. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 4,433' +/-

LEGEND:

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

N



GASCO PRODUCTION COMPANY

FEDERAL #32-20X-9-19
 SECTION 20, T9S, R19E, S.L.B.&M.
 1672' FNL 2451' FEL



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

TOPOGRAPHIC
 MAP

05	14	12
MONTH	DAY	YEAR



SCALE: 1" = 2000' DRAWN BY: A.T. REVISED: 00-00-00

Gasco Production Company
Federal 32-20X-9-19
SW/NE, Section 20, Township 9 South, Range 19 East
Uintah County, Utah
Lease No. UTU- 75090

ONSHORE OIL & GAS ORDER NO. 1

Surface Use Plan

Notification Requirements

Location Construction-	48 hours prior to construction of location and access roads
Location completion-	Prior to moving on with drilling rig.
Spud Notice-	At least 24 hours prior to spudding the well.
Casing String and Cementing-	24 hours notice prior to running casing and cementing.
BOP and Related Equipment-	24 hours prior to initiating pressure tests.
First Production Notice-	Within 5 business days after new well begins or production resumes after well has been off production for more than 90 days.

The onsite inspection for the subject well site will be conducted with at least one of the land management agency specialists, a Gasco representative and additional contractors which may include the following individuals:

Natural Resource Specialist	Bill Civish BLM Representative
Wildlife Biologist	BLM Representative
Jesse Duncan	Gasco Production Company
Scott Duncan	Gasco Production Company
Surveyor	Uintah Engineering

1. Existing Roads

See Drilling Program: Topographic Map "A".

Description of travel from plats.

2. Planned Access Road

See Drilling Program: Topographic Map "B" for location of the proposed access road.

3. Location of Existing Wells

See Drilling Program: Topographic Map "C"

4. Location of Tank Batteries and Production Facilities

a. All permanent surface equipment will be painted a Covert Green which is approved by the land management agency.

b. Storage tanks batteries will be surrounded by containment dike of sufficient capacity to contain at a minimum, the entire contents of the largest tank within the contained area, unless more stringent requirements are necessary as notified by the AO.

c. A production layout will be submitted via sundry upon proven productivity of the well.

d. All loading lines will be placed inside the berm/dike surrounding the tank battery.

e. A Gas Meter Run will be placed within 500 ft. of the wellhead. Meter runs will be housed. The oil and gas measurement equipment will be installed on the well location. Measurement equipment will be calibrated in place prior to any deliveries. Tests for accuracy will be conducted monthly for the first three months on new installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the calibration reports will be submitted to the Vernal Field Office.

f. Any necessary pits will be properly fenced to prevent any wildlife entry.

g. The access road will be maintained in a safe, usable condition conducive to the climate and seasonal conditions in order to accommodate daily operation of the well and prevent erosion.

h. Two water pipelines, up to 10" Poly, will follow the proposed access for approximately 4433', as detailed in attached Map "D". The water pipelines will be laid on the surface except road crossings where they will be buried to a depth of 3'-5'. The method of coupling will be welded. If any associated pipeline components, such as risers, pig launchers/catchers, meters, valves, etc. will be contained within the 30' needed for construction of the pipeline.

5. Location and Type of Water

a. Water will come from: Water Right No. 41-3530.

b. Water will be hauled by commercial transport over the access roads shown on Attached Maps "A" and "B".

c. No water well will be drilled on this lease.

6. Source of Construction Material

- a. Any gravel used will be obtained from a commercial source.
- b. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2.3.
- c. No construction materials will be used from Federal lands.

7. Methods of Handling Waste Disposal

- a. The reserve pit will be double lined with at least 16 mil liner.
- b. All trash will be contained in an enclosed trash container through the drilling, completion, and facility construction phases and its contents removed and hauled to an approved disposal sight as needed.
- c. A chemical porta-toilet will be furnished through the drilling, and completion phases.
- d. After first production, produced waste water will be confined to a pit or storage tank for a period not to exceed 90 days. During the 90 day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval.
- e. Drill cuttings are to be contained and buried in the reserve pit.
- f. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.

8. Ancillary Facilities

There are no airstrips, camps or other facilities planned during the drilling of this well except for those facilities needed for drilling rig personal, service providers and company representatives.

9. Well Site Layout

See Drilling Program: Location Layout Diagram

10. Plans for Restoration of Surface

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, materials, trash and debris not required for production.
- b. Upon completion, any hydrocarbon within the reserve pit will be removed in accordance with 43 CFR 3162.7-1.

- c. The reserve pit will be backfilled and reclaimed within 120 days from the well completion. The reserve pit liner will be perforated and excess liner removed before backfilling. Alternatively, the pit will be pumped dry, the liner folded into the pit and buried to a minimum of 4' deep.
- d. That portion of the location not needed for production facilities or operations, or any disturbed areas upon final plug and abandonment, will be re-contoured to approximate natural contours and seeded with a seed mixture and procedure specified by the AO. Additionally, the topsoil will be seeded with the same mixture and procedure as specified.

11. Surface Ownership

The proposed access road and well pad is on lands managed by the BLM.

12. Other Information

- a. A Class III Cultural Resources Inventory Report was conducted in December 2005 by the Grand River Institute, GRI Project No. 25110 when the Federal 32-20-9-19 was approved.
- b. If historic or archeological materials are uncovered during construction, the operator will immediately stop work and contact the AO.
- c. COA's from onsite will be implemented/followed.
- d. The operator will control noxious weeds along associated well pad, roads, pipelines, and surface equipment. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted and approved prior to the application of pesticides or herbicides.
- e. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal lands after the conclusion of drilling operations or at any other time without BLM authorization.
- f. All lease and 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 Notices to Lessees. The operator is fully responsible for the actions of his subcontractors.
- g. A complete copy of the APD shall be on location during construction and drilling of this site.

Water Disposal

Immediately upon first production all produced water will be confined to a steel storage tank. Produced Water will be disposed of via truck transport to a State of Utah approved disposal Facility.

Wildlife Timing Stipulations COA's from onsite will be implemented/followed.

13. Lessee's or Operators Representative

Gasco Production Company
Roger Knight – EHS Supervisor
7979 East Tufts Avenue, Suite 1150
Denver, CO 80237
(303)996-1803 Direct Office

Jesse Duncan
Utah Area Manager
10569 South Parriette Road
PO Box 351
Myton, Utah 84052
(435)-646-3336 office

Certification

Please be advised that *Gasco Production Company* is considered to be the operator of the *Well Federal 32-20X-9-19, SWNE Section 20, T9S, R19E, Lease No. UTU-75090, Uintah County, Utah;* and is responsible under the term and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Bond #1233.

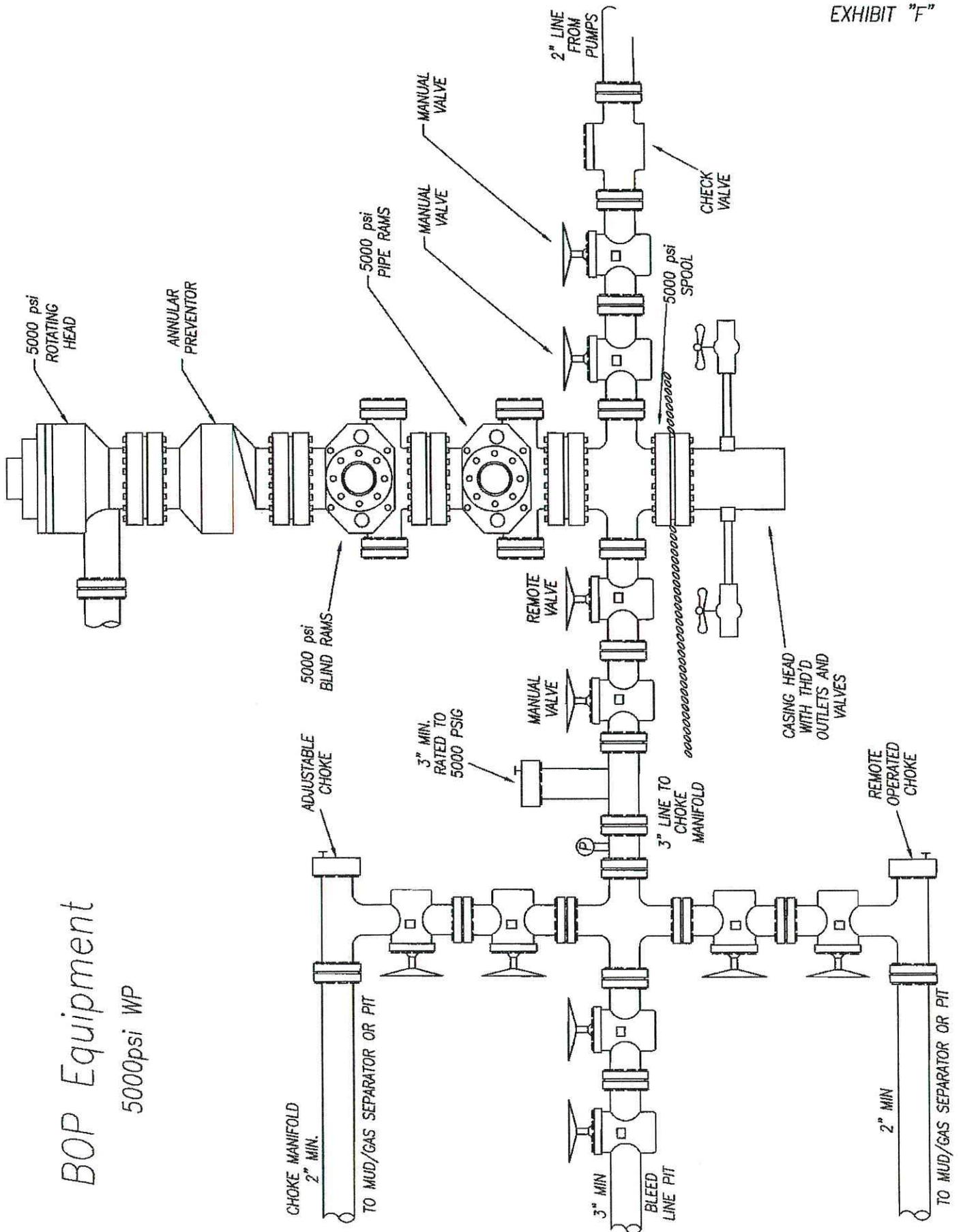
I hereby certify that the proposed drill site and access road have been inspected and I am familiar with the conditions that currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Gasco Production Company its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. The statement is subject to the provisions of 18 U.S.C. 1000 for the filing of a false statement.



Roger Knight
Gasco Production Company



Date



BOP Equipment
5000psi WP

August 7, 2012

Gasco Production Company
Federal 32-20X-9-19
1672' FNL & 2451' FEL
SW NE of Section 20-T9S-R19E
Uintah County, UT

CERTIFICATION

I hereby certify that I, or someone under my direct supervision, have inspected the well site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of State and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.



Signature

Executive Vice President & COO

Title

7979 East Tufts Avenue, Suite 1150 Denver, CO 80237

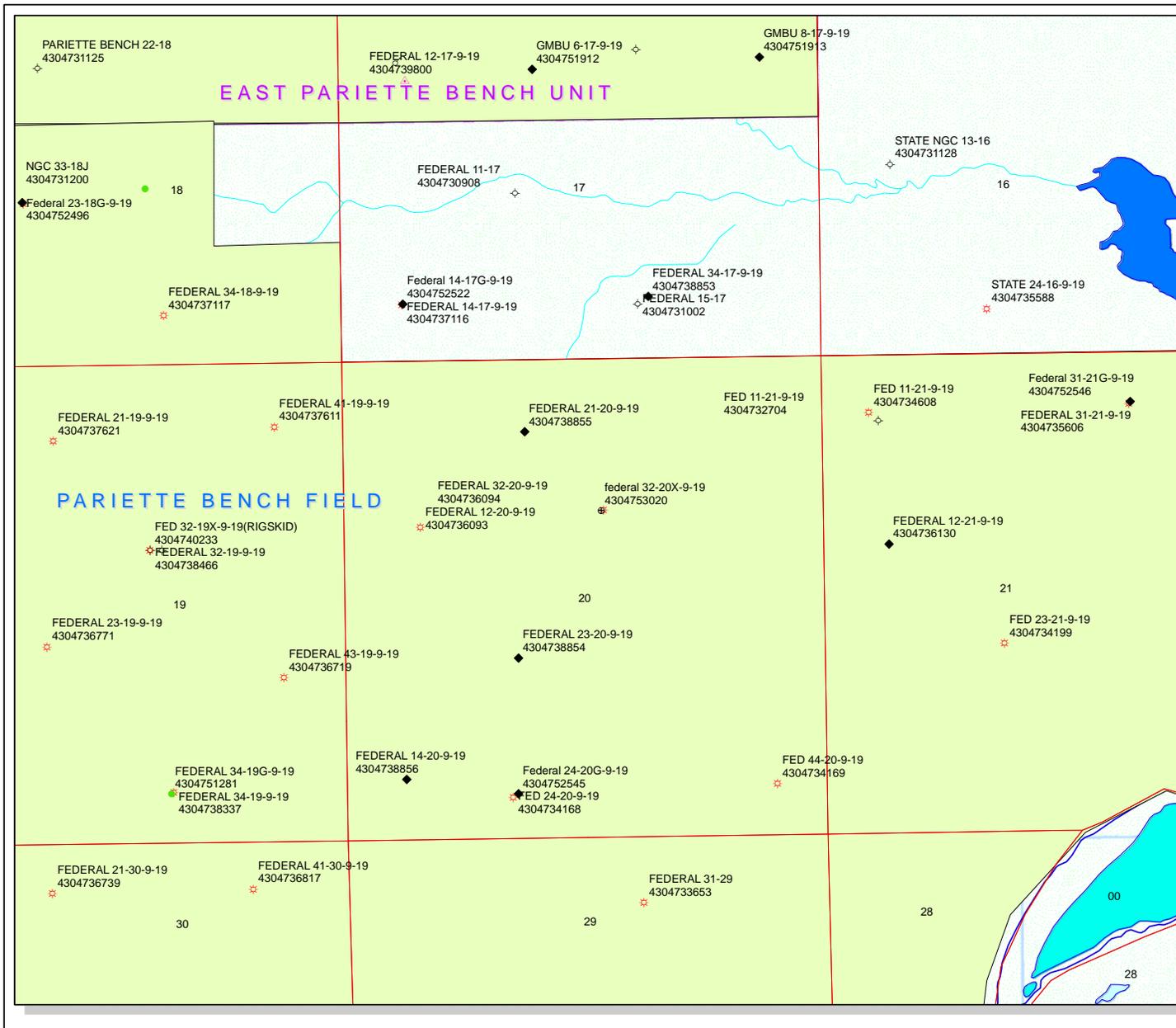
Address

303-483-0044

Phone

mdecker@gascoenergy.com

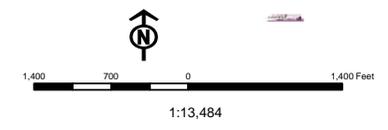
E-mail



API Number: 4304753020
Well Name: federal 32-20X-9-19
Township T09.0S Range R19.0E Section 20
Meridian: SLBM
Operator: GASCO PRODUCTION COMPANY

Map Prepared:
 Map Produced by Diana Mason

- | | |
|---------------|------------------------------------|
| Units | Wells Query |
| STATUS | STATUS |
| ACTIVE | APD - Approved Permit |
| EXPLORATORY | DRL - Spudded (Drilling Commenced) |
| GAS STORAGE | GIW - Gas Injection |
| NF PP OIL | GS - Gas Storage |
| NF SECONDARY | LOC - New Location |
| P1 OIL | OPS - Operation Suspended |
| PP GAS | PA - Plugged Abandoned |
| PP GEOTHERMAL | PGW - Producing Gas Well |
| PP OIL | POW - Producing Oil Well |
| SECONDARY | SGW - Shut-in Gas Well |
| TERMINATED | SOW - Shut-in Oil Well |
| Fields | TA - Temp. Abandoned |
| ABANDONED | TW - Test Well |
| ACTIVE | WDW - Water Disposal |
| COMBINED | WW - Water Injection Well |
| INACTIVE | WSW - Water Supply Well |
| STORAGE | Bottom Hole Location - OIG&Dls |
| TERMINATED | |





August 15, 2012

Mr. Hollis Barrington
Wapiti Energy
7979 East Tufts Avenue
Suite 1150
Denver CO. 80237

Via Email: HBarrington@WapitiEnergy.com

**RE: Exception Location Request
Federal 32-20X-9-19 – Salt Water Disposal Well
SW¼NE¼ Section 20, Township 9 South, Range 19 East, SLM
Uintah County, Utah**

Dear Mr. Barrington:

Pursuant to Rule 649-3-2 of UDOGM Rules and Regulations, Gasco Production Company ("Gasco") hereby requests that you provide written consent to an exception location for the captioned well, as your ownership falls within a 460 foot radius of the proposed well location. Gasco owns all other working/leasehold rights on these 100% Federal owned minerals.

Gasco will drill and Wapiti has agreed to participate in this well.

Attached is a map indicating the well location.

Please indicate your acceptance by signing a copy of this letter and returning it to me. A scanned copy will be sufficient.

Your prompt response is greatly appreciated.

Yours very truly,

Diane Westerberg

AGREED TO AND ACCEPTED THIS 27th DAY OF August, 2012

Oil & Gas II, LLC
WAPITI ENERGY, LLC

BY: *D. J. [Signature]*

GASCO Production Company
7979 East Tufts Avenue, Suite 1150
Denver, CO 80237

Tel: (303) 483-0044
Fax (303) 483-0011
Email: dwesterberg@gascoenergy.com



August 14, 2012

Newfield Production Company
1001 17th Street
Suite 2000
Denver, CO 80202

Attn: Travis Lindsey

Via Email: tlindsey@newfield.com

**RE: Exception Location Request
Federal 32-20X-9-19 – Salt Water Disposal Well
SW1/4NE1/4 Section 20, Township 9 South, Range 19 East, SLM
Uintah County, Utah**

Dear:

Pursuant to Rule 649-3-2 of UDOGM Rules and Regulations, Gasco Production Company ("Gasco") hereby requests that you provide written consent to an exception location for the captioned well, as your ownership falls within a 460 foot radius of the proposed well location. Gasco owns all other working/leasehold rights on these 100% Federal owned minerals.

Gasco will drill and Newfield has agreed to participate in this well.

Attached is a map indicating the well location.

Please indicate your acceptance by signing a copy of this letter and returning it to me. A scanned copy will be sufficient.

Your prompt response is greatly appreciated.

Yours very truly,

A handwritten signature in blue ink, appearing to read "Diane Westerberg", written over the "Yours very truly," text.

Diane Westerberg

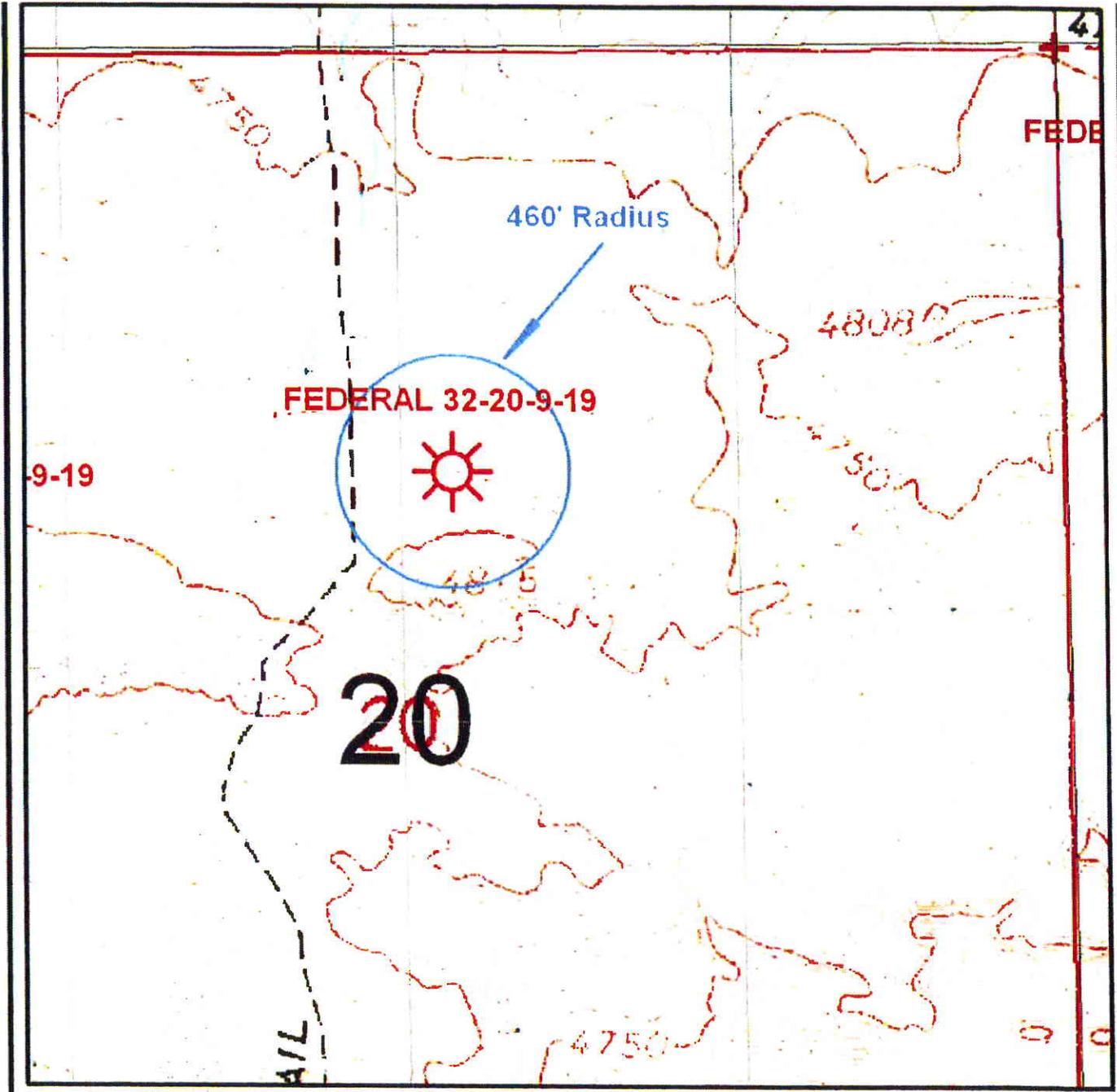
AGREED TO AND ACCEPTED THIS 6th DAY OF September ~~August~~, 2012

NEWFIELD PRODUCITON COMPANY

BY: Asset Manager

GASCO Production Company
8 Inverness Drive East, Suite 1150
Denver, CO 80237

Tel: (303) 483 0044
Fax: (303) 483 0011
Email: dwesterberg@gascoenergy.com



Gasco Federal
32-20X-9-19
SWNE Sec 20-T9S-R19E,
Uintah County, Utah



WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 8/13/2012

API NO. ASSIGNED: 43047530200000

WELL NAME: Federal 32-20X-9-19

OPERATOR: GASCO PRODUCTION COMPANY (N2575)

PHONE NUMBER: 303 996-1803

CONTACT: Roger Knight

PROPOSED LOCATION: SWNE 20 090S 190E

Permit Tech Review:

SURFACE: 1672 FNL 2451 FEL

Engineering Review:

BOTTOM: 1672 FNL 2451 FEL

Geology Review:

COUNTY: UINTAH

LATITUDE: 40.01905

LONGITUDE: -109.80360

UTM SURF EASTINGS: 602097.00

NORTHINGS: 4430557.00

FIELD NAME: PARIETTE BENCH

LEASE TYPE: 1 - Federal

LEASE NUMBER: utu75090

PROPOSED PRODUCING FORMATION(S): GREEN RIVER

SURFACE OWNER: 1 - Federal

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- PLAT
- Bond: FEDERAL - ut1233
- Potash
- Oil Shale 190-5
- Oil Shale 190-3
- Oil Shale 190-13
- Water Permit: 41-3530
- RDCC Review:
- Fee Surface Agreement
- Intent to Commingle

Commingling Approved

LOCATION AND SITING:

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

Comments: Presite Completed

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



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: Federal 32-20X-9-19

API Well Number: 43047530200000

Lease Number: utu75090

Surface Owner: FEDERAL

Approval Date: 11/5/2012

Issued to:

GASCO PRODUCTION COMPANY, 8 Inverness Dr. East, Suite 100, Englewood, CO 80112

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 R649-3-3. The expected producing formation or pool is the GREEN RIVER 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.

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

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: utu75090
1. TYPE OF WELL Water Disposal Well	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: GASCO PRODUCTION COMPANY	8. WELL NAME and NUMBER: Federal 32-20X-9-19
3. ADDRESS OF OPERATOR: 8 Inverness Dr. East, Suite 100 , Englewood, CO, 80112	PHONE NUMBER: 303 996-1805 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1672 FNL 2451 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 20 Township: 09.0S Range: 19.0E Meridian: S	9. API NUMBER: 43047530200000
	9. FIELD and POOL or WILDCAT: PARIETTE BENCH
	COUNTY: UINTAH
	STATE: UTAH

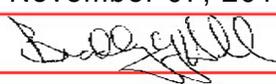
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 1/1/2014	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input checked="" type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

Approved by the
Utah Division of
Oil, Gas and Mining

Date: November 07, 2013

By: 

NAME (PLEASE PRINT) Jessica Berg	PHONE NUMBER 303 996-1805	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 11/6/2013	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047530200000

API: 43047530200000

Well Name: Federal 32-20X-9-19

Location: 1672 FNL 2451 FEL QTR SWNE SEC 20 TWP 090S RNG 190E MER S

Company Permit Issued to: GASCO PRODUCTION COMPANY

Date Original Permit Issued: 11/5/2012

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No

- Has the approved source of water for drilling changed? Yes No

- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

- Is bonding still in place, which covers this proposed well? Yes No

Signature: Jessica Berg

Date: 11/6/2013

Title: Regulatory Analyst Representing: GASCO PRODUCTION COMPANY



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8
1595 Wynkoop Street
DENVER, CO 80202-1129
Phone 800-227-8917
<http://www.epa.gov/region08>

Ref: 8P-W-UIC

MAR 31 2014

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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

FOR RECORD ONLY

W. Hollis Bairrington
Gasco Energy, Inc.
7979 E. Tufts Avenue
Suite 1150
Denver, Colorado 80237

RE: Permit Extension
UIC Permit: UT22244-09698
Well: **Federal 32-20X-9-19**
API No.: **43-047-53020**
Location: SWNE Sec. 20 T9S-R19E
Uintah and Ouray Indian Reservation
Uintah County, Utah

Dear Mr. Bairrington:

The U.S. Environmental Protection Agency Region 8 has reviewed the request from Mr. Brad Woodard on behalf of Gasco Energy, Inc. dated March 21, 2014, for a one-year extension of the referenced Underground Injection Control (UIC) Class II salt water disposal injection well permit. The EPA will extend UIC Permit UT22244-09698 for an additional year from its present effective date, to May 9, 2015, to complete the well.

Please remember that it is your responsibility to be aware of, and to comply with, all conditions of the permit. If you have any questions regarding this approval, please call Tom Aalto at (800) 227-8917, extension 312-6949 or (303) 312-6949.

Sincerely,

Douglas K. Minter, Acting Chief
Underground Injection Control Unit
Office of Partnerships and Regulatory Assistance

cc: Uintah and Ouray Tribal Business Council
Brad Hill, Utah DOGM
Robin Hansen, BLM



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining January 8, 2015

JOHN R. BAZA
Division Director

Gasco Production Company
7979 Tufts Ave., Suite 1150
Denver, CO 80237

Re: APD Rescinded – Federal 32-20X-9-19, Sec. 20, T.9S, R.19E,
Uintah County, Utah API No. 43-047-53020

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on November 5, 2012. On November 7, 2013 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective January 8, 2015.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

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

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal