

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 WR 1G-12-10-17							
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 UNDESIGNATED							
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) UTU77063			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		300 FNL 660 FEL		NENE		12		10.0 S		17.0 E		S	
Top of Uppermost Producing Zone		300 FNL 660 FEL		NENE		12		10.0 S		17.0 E		S	
At Total Depth		300 FNL 660 FEL		NENE		12		10.0 S		17.0 E		S	
21. COUNTY UINTAH			22. DISTANCE TO NEAREST LEASE LINE (Feet) 300			23. NUMBER OF ACRES IN DRILLING UNIT 40							
25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 3830			26. PROPOSED DEPTH MD: 5320 TVD: 5320			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 49-251/49-2153							
27. ELEVATION - GROUND LEVEL 5410			28. BOND NUMBER ESB000024										
<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 - 500	36.0	J-55 ST&C	0.0	Rockies Lite			173	1.81	13.5	
PROD	8.75	7	0 - 5320	26.0	N-80 LT&C	9.0	Halliburton Light , Type Unknown			320	2.94	11.0	
							Halliburton Premium , Type Unknown			151	1.49	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 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 04/30/2013				EMAIL Valyn.Davis@qepres.com					
API NUMBER ASSIGNED 43047537220000				APPROVAL   Permit Manager									

**QEP Energy Company**  
**WR 1G-12-10-17**  
**Summarized New Drill A-Sand Procedure**

1. MIRU drilling rig.
2. Drill 12-3/4" hole to 500'.
3. RIH with 9-5/8" 36# J-55 casing to bottom.
4. Cement casing.
5. NU rig's 3,000 WP rated BOP.
6. Drill vertically to 5,320'.
7. RIH with 7" 26# N-80.
8. Cement casing.
9. ND BOP's.
10. RDMOL.

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ONSHORE OIL & GAS ORDER NO. 1  
 QEP ENERGY COMPANY  
 WR 1G-12-10-17

## DRILLING PROGRAM

### ONSHORE OIL & GAS ORDER NO. 1 Approval of Operations on Onshore Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil & Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of its subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

#### 1. Formation Tops

The estimated top of important geologic markers are as follows:

<u>Formation</u>	<u>Depth, TVD</u>	<u>Depth, MD</u>
Green River	1,000'	1,000'
Uteland Butte C Lime	5,204'	5,204'
TD	5,320'	5,320'

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

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

<u>Substance</u>	<u>Formation</u>	<u>Depth, TVD</u>	<u>Depth, MD</u>
Oil/Gas	Uteland Butte C Lime	5,320'	5,320'

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 49-251 (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 Red Wash Central Battery Disposal site; SWSE, Section 27, T7S, R23E or Wonsits Valley Disposal Site; SWNW, Section 12, T8S, R21E.

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### 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 drilling the plug after cementing; 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.

### 4. Casing Program

Hole Size	Casing Size	Top, MD	Bottom, MD	Weight, lb/ft	Grade	Thread	Condition	MW
17 1/2"	14"	sfc	80'	Steel	Cond.	None	Used	Air
12 1/4"	9 5/8"	sfc	500'	36.0	J-55	STC	New	Air
8 3/4"	7"	sfc	5,320'	26.0	N-80	LTC	New	8-9 ppg

Casing Strengths:				Collapse	Burst	Tensile (minimum)
9 5/8"	36.0 lb.	J-55	STC	2,020 psi	3,520 psi	394,000 lb.
7"	26.0 lb.	N-80	LTC	5,410 psi	7,240 psi	519,000 lb.

Please refer to the attached wellbore diagram for further details.

### 5. Cementing Program

#### 20" Conductor:

Cement to surface with construction cement.

#### 9-5/8" Surface Casing: sfc – 500' (MD)

**Lead/Tail Slurry:** 0' – 500'. 173 sks (313 cu ft) Rockies LT cement + 0.25 lb/sk Kwik Seal + 0.125 lb/sk Poly-E-Flake. 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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**7" Production Casing: sfc – 5,320' (MD)**

**Lead Slurry:** sfc – 4,320'. 320 sks (941 cu ft) Econocem V4 + 3 lbm/sk Kol-Seal (Lost Circulation Additive) + 0.1% HR-800 (Retarder). Slurry wt: 11.0 ppg, Slurry yield: 2.94 ft<sup>3</sup>/sk, Slurry volume: 8-3/4" hole + 50% excess.

**Tail Slurry:** 4,320' – TD. 151 sks (225 cu ft) Expandacem V3 + 0.2% HR-800 (Retarder) + 1 lbm/sk Granulite TR ¼ (Lost Circulation Additive) + 0.125 lb/sk Poly-E-Flake (Lost Circulation Additive). Slurry wt: 13.5 ppg, Slurry yield: 1.49 ft<sup>3</sup>/sk, Slurry volume: 8-3/4" hole + 50% excess.

**6. 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
- e. Rotating Head – Yes

Drilling the surface hole with air:

A variance from 43 CFR 3160 Onshore Oil and Gas Order #2, Section III requirements, subsection E Special Drilling Operations is requested for the specific operation of drilling and setting surface casing on the subject well with a truck mounted air rig. The variance from the following requirements of Order #2 is requested because surface casing depth for this well is less than 500 feet and high pressures are not expected.

- f. **Properly lubricated and maintained rotating head.** A diverter system in place of a rotating head. The diverter system forces the air and cutting returns to the reserve pit and is used to drill the surface casing.
- g. **Blooie line discharge 100' from well bore and securely anchored.** The blooie line discharge for this operation will be located 50 to 70 feet from the wellhead. This reduced length is necessary due to the smaller location size to minimize surface disturbance.
- h. **Automatic ignitor or continuous pilot light on the blooie line.** A diffuser will be used rather than an automatic pilot/ignitor. Water is injected into the compressed air and eliminates the need for the pilot light and the need for dust suppression equipment.

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QEP ENERGY COMPANY  
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- i. **Compressors located in the opposite direction from the blooie line a minimum of 100 feet from the well bore.** Compressors located 50 feet on the opposite side of the well bore from the blooie line and is equipped with a 1) emergency kill switch on the driller's console, 2) pressure relief valve on the compressor, 3) spark arrestors on the motors.
- j. **Kill Fluid to control well** – In lieu of having mud products on location to kill the well for an unanticipated kick, QEP will kill the well with water contained in a 400 bbl tank on site. The 400 bbl water tank will also be storage for surface casing cement water.
- k. **Deflector on the end of the blooie line** – QEP will mount a deflector unit at the end of the blooie line for the purpose of changing the direction and velocity of the air and cuttings flow into the reserve pit. Changing the velocity and direction of the cuttings and air will preserve the pit liner. In the event the deflector washes out due to erosion caused by the sand blasting effect of the cuttings, there will be no problem because the deflector is mounted on the very end of the blooie. A washed out deflector will be easily replaced.
- l. **Flare Pit** – there will be no need of a flare pit during the surface hole air drilling operation because the blooie line is routed directly to the reserve pit. When the big rig arrives for the main drilling after setting surface casing, a flare box will be installed and all flare lines will be routed to the flare box.

All other operations and equipment for air/gas drilling shall meet specifications in Onshore Order #2, Section III Requirements, subsection E. Special Drilling Operations and Onshore Order #1.

Surface hole will be drilled with air, air/mist, foam, or mud depending on hole conditions.

Drilling of the production section will be done with a fresh water based mud systems 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 10.0 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.

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

- a. Cores – None Anticipated
- b. DST – None Anticipated

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QEP ENERGY COMPANY  
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- c. Logging:
  - i. Mud logging from casing exit to TD
  - ii. 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: G1 Lime interval, 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.

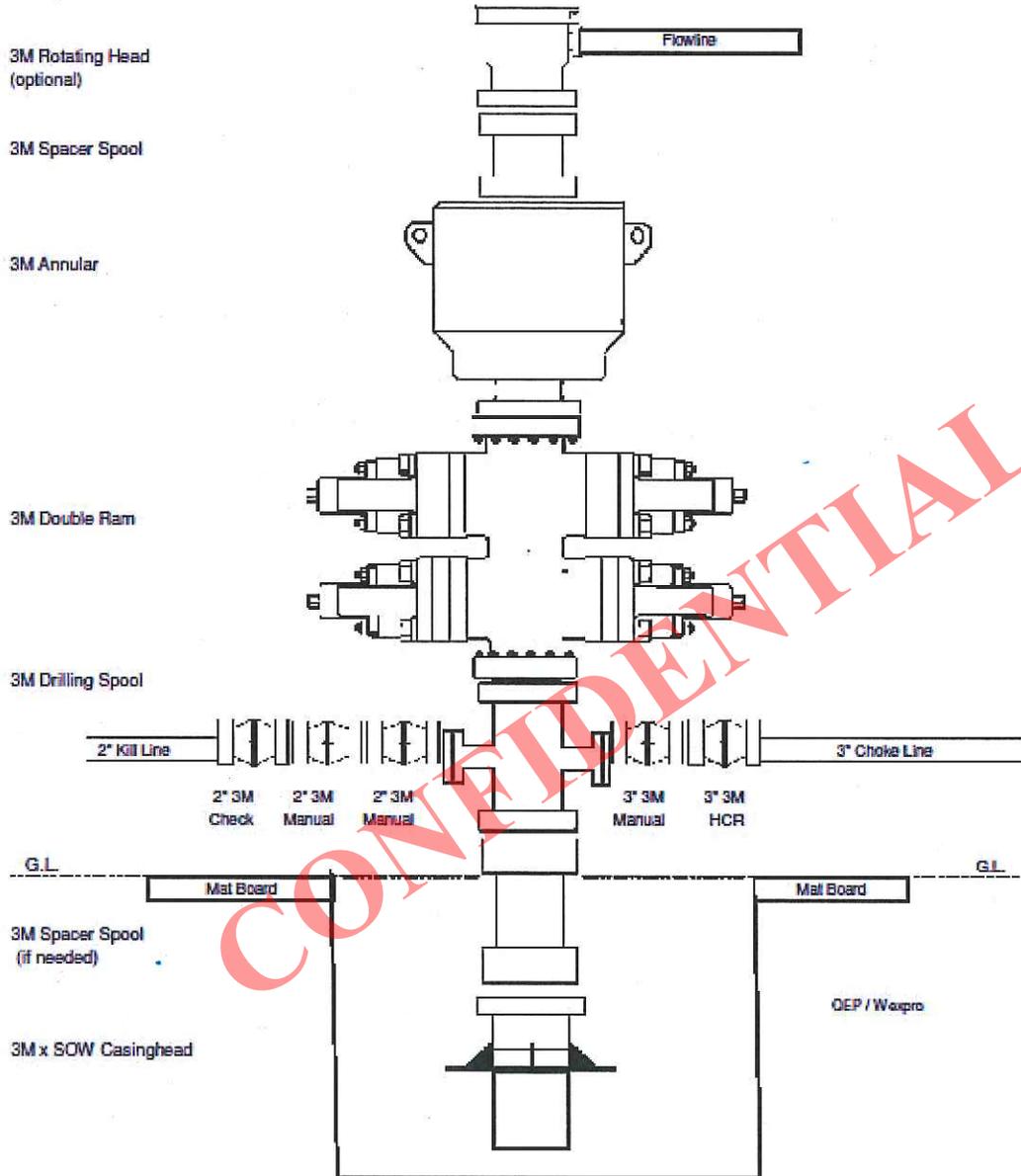
**8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards**

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 2,720 psi. Maximum anticipated bottom hole temperature is approximately 150°F.

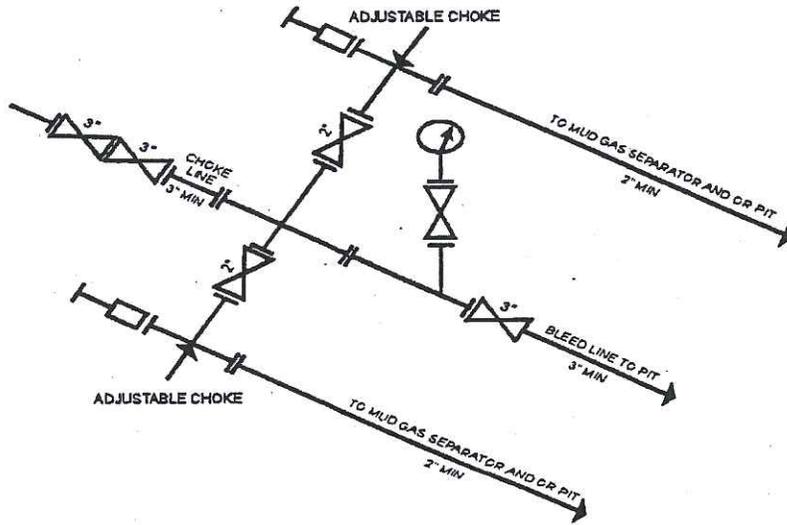
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ONSHORE OIL & GAS ORDER NO. 1  
QEP ENERGY COMPANY  
WR 1G-12-10-17

**QUESTAR / WEXPRO**  
**3M BOP x 3M Annular**  
**Minimum Requirements**



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QEP ENERGY COMPANY  
WR 1G-12-10-17



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

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WR 1G-12-10-17

Updated 04-16-2013 CRA

Proposed WBD

Uinta Basin

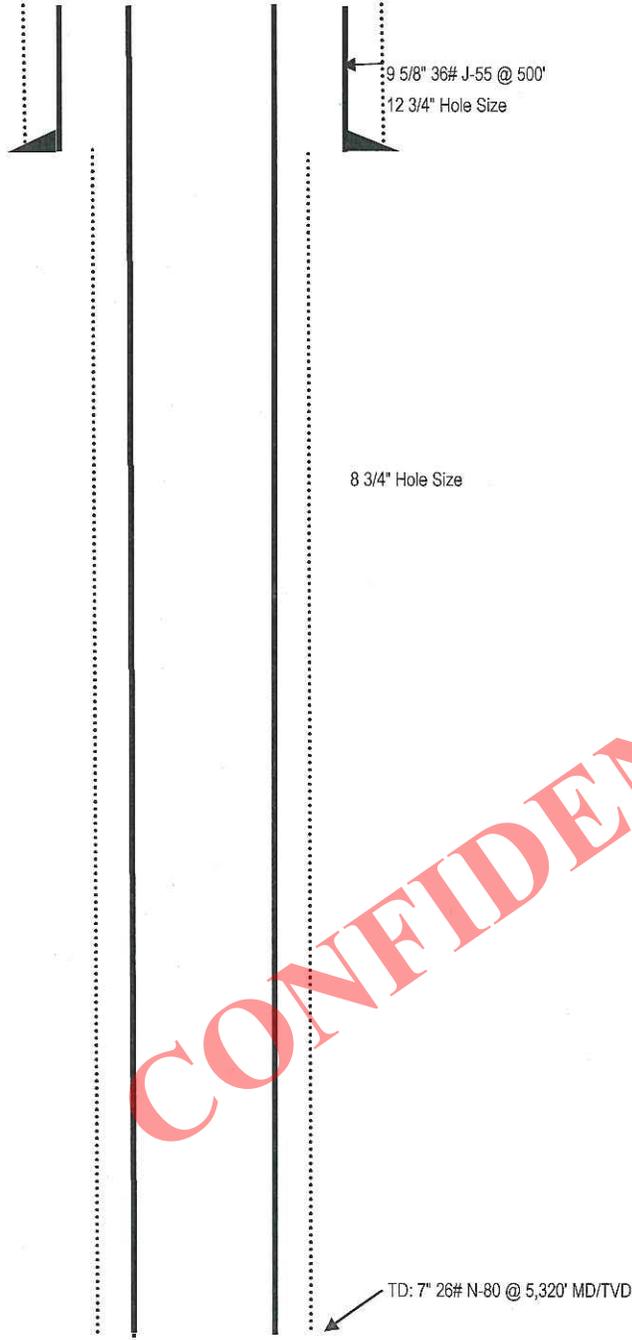
SHL: Sec 12-T10S-R17E, Uintah County, UT

BHL: Sec 12-T10S-R17E, Uintah County, UT

KB 5,424'

GL 5,408'

NOTE: NOT TO SCALE



7

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**QEP ENERGY COMPANY**

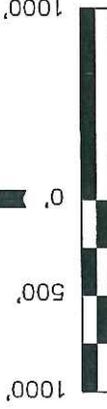
Well location, WR #1G-12-10-17, located as shown in the NE 1/4 NE 1/4 of Section 12, T10S, R17E, S.L.B.&M., Uintah County, Utah.

**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.



SCALE

**CERTIFICATE**

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

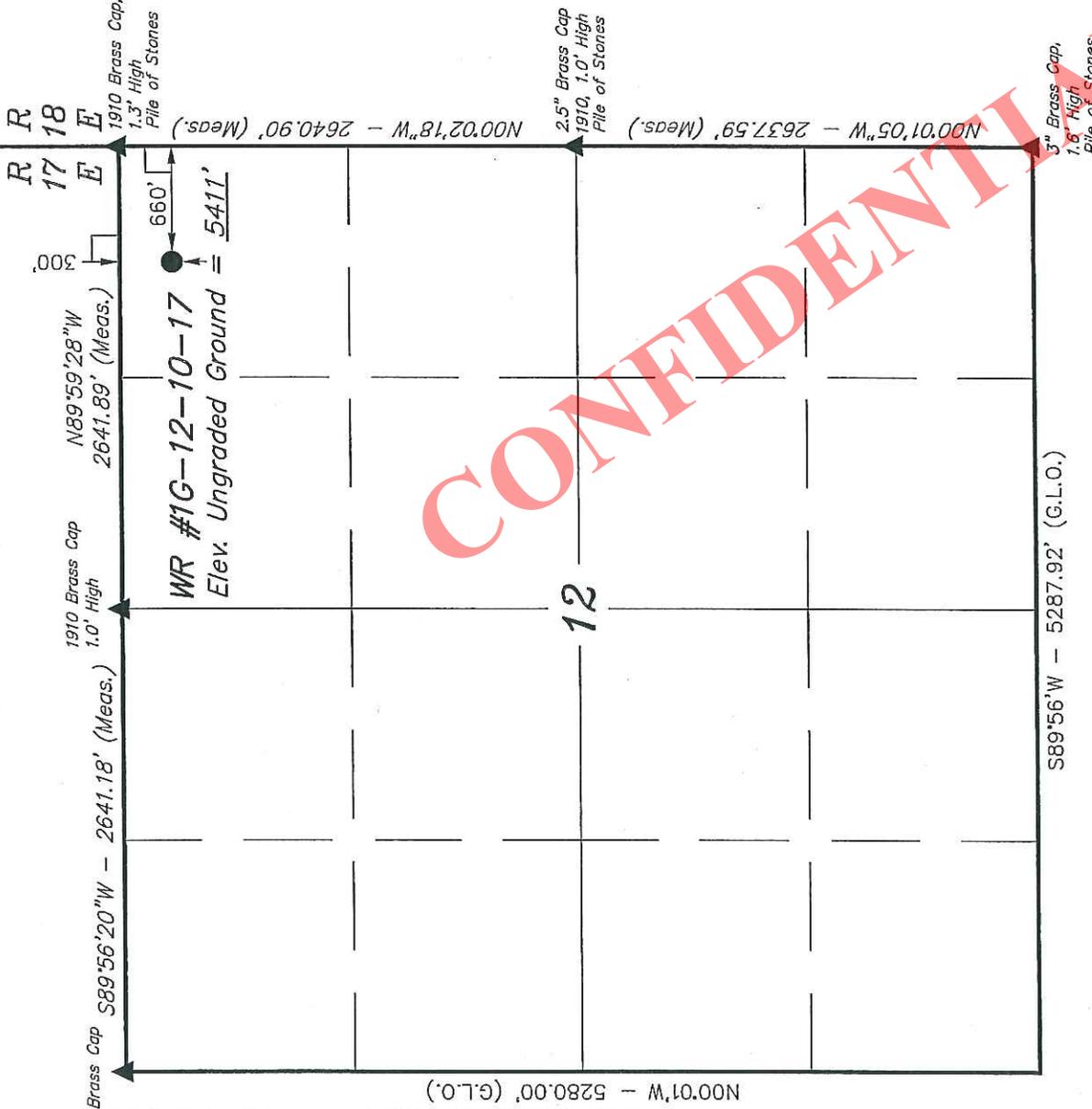
*[Signature]*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH 05-03-12

**UINTAH ENGINEERING & LAND SURVEYING**

85 SOUTH 200 EAST - VERNAL, UTAH 84078  
 (435) 789-1017

SCALE	1" = 1000'	DATE SURVEYED:	04-18-12	DATE DRAWN:	04-20-12
PARTY	B.H. A.S. W.M.	REFERENCES	G.L.O. PLAT		
WEATHER	WARM	FILE	QEP ENERGY COMPANY		

**WELL LOCATION PLAT**  
**T10S, R17E, S.L.B.&M.**



**LEGEND:**

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

# QEP ENERGY COMPANY

## WR #1G-12-10-17

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 12 T10S, R17E, S.L.B. & M.

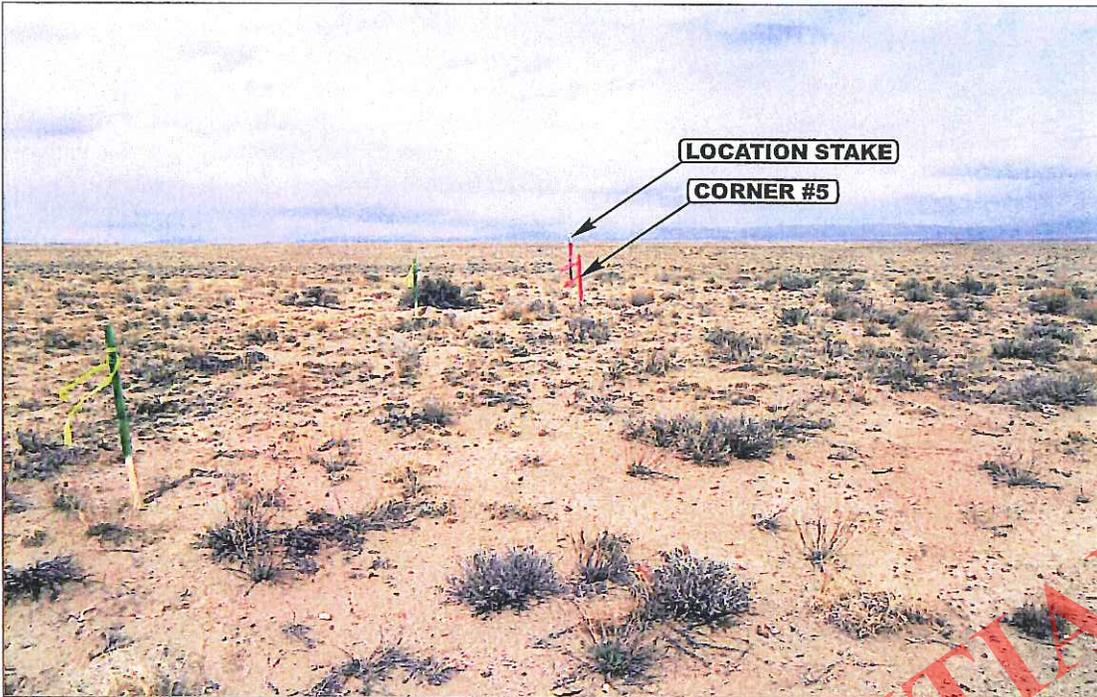


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW OF PROPOSED ACCESS

CAMERA ANGLE: NORTHERLY



- Since 1964 -

# UELS

Uintah Engineering & Land Surveying

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

LOCATION PHOTOS

04 27 12  
MONTH DAY YEAR

PHOTO

TAKEN BY: B.H.

DRAWN BY: B.D.H.

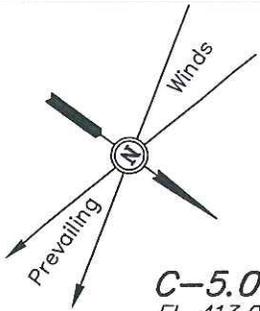
REVISED: 00-00-00

# QEP ENERGY COMPANY

LOCATION LAYOUT FOR  
WR #1G-12-10-17  
SECTION 12, T10S, R17E, S.L.B.&M.  
300' FNL 660' FEL

FIGURE #1

SCALE: 1" = 50'  
DATE: 04-24-12  
DRAWN BY: W.M.



C-5.0'  
El. 413.0'

F-1.4'  
El. 406.6'

C-6.1'  
El. 414.1'

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

Cut/Fill  
Transition Line

Approx.  
Top of  
Cut Slope

FLARE PIT

El. 411.5'  
C-15.5'  
(Btm. Pit)

C-4.0'  
El. 412.0'

C-2.8'  
El. 410.8'

F-7.6'  
El. 400.4'

Total Pit Capacity  
W/2' of Freeboard  
= 3,150 Bbbs.±  
Total Pit Volume  
= 830 Cu. Yds

Reserve Pit Backfill  
& Spoils Stockpile

C-4.1'  
El. 412.1'

Vertical  
Side Slopes

Sta. 1+20

El. 411.5'  
C-15.5'  
(Btm. Pit)

C-2.9'  
El. 410.9'

F-0.7'  
El. 407.3'

Round Corners  
as Needed

Sta. 0+00

C-1.8'  
El. 409.8'

Approx.  
Toe of  
Fill Slope  
F-9.2'  
El. 398.8'

Topsoil Stockpile

Elev. Ungraded Ground At Loc. Stake = 5410.8'  
FINISHED GRADE ELEV. AT LOC. STAKE = 5408.0'

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

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**QEP ENERGY COMPANY**

**TYPICAL CROSS SECTIONS FOR**

WR #1G-12-10-17

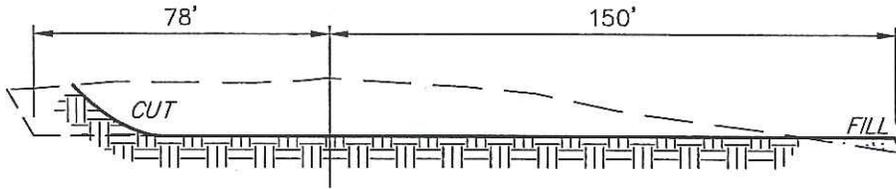
SECTION 12, T10S, R17E, S.L.B.&M.

300' FNL 660' FEL

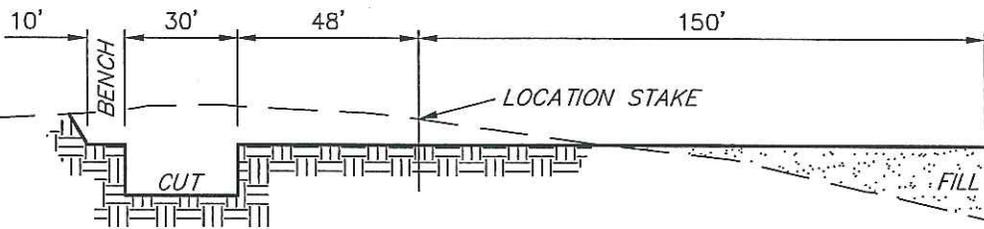
**FIGURE #2**

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

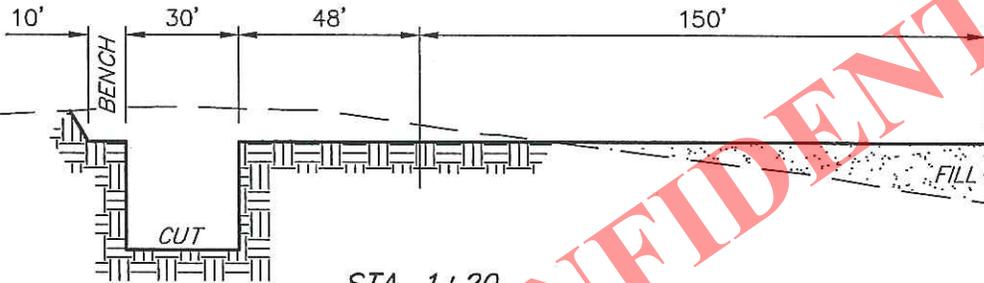
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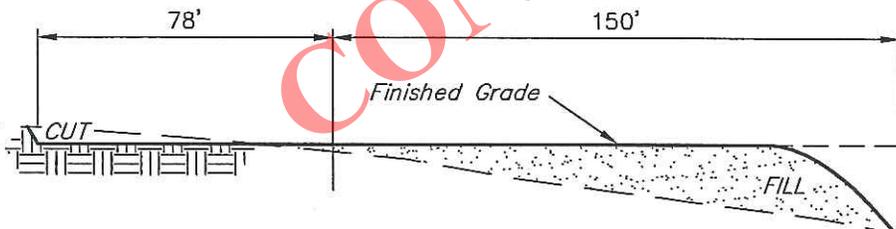
STA. 3+50



STA. 1+75



STA. 1+20



STA. 0+00

**NOTE:**

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

APPROXIMATE ACREAGES

WELL SITE DISTURBANCE = ± 2.249 ACRES  
ACCESS ROAD DISTURBANCE = ± 0.708 ACRES  
PIPELINE DISTURBANCE = ± 0.683 ACRES  
TOTAL = ± 3.640 ACRES

\* NOTE:  
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping = 1,640 Cu. Yds.  
Remaining Location = 5,610 Cu. Yds.  
TOTAL CUT = 7,250 CU. YDS.  
FILL = 5,190 CU. YDS.

EXCESS MATERIAL = 2,060 Cu. Yds.  
Topsoil & Pit Backfill = 2,060 Cu. Yds.  
(1/2 Pit Vol.)  
EXCESS UNBALANCE = 0 Cu. Yds.  
(After Interim Rehabilitation)

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

# QEP ENERGY COMPANY

## TYPICAL RIG LAYOUT FOR

WR #1G-12-10-17

SECTION 12, T10S, R17E, S.L.B.&M.

300' FNL 660' FEL

FIGURE #3

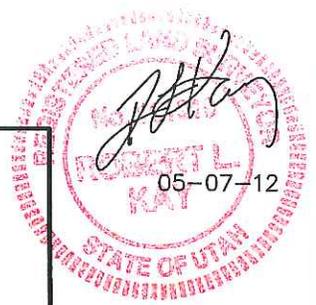
SCALE: 1" = 50'

DATE: 04-24-12

DRAWN BY: W.M.



Proposed Access Road

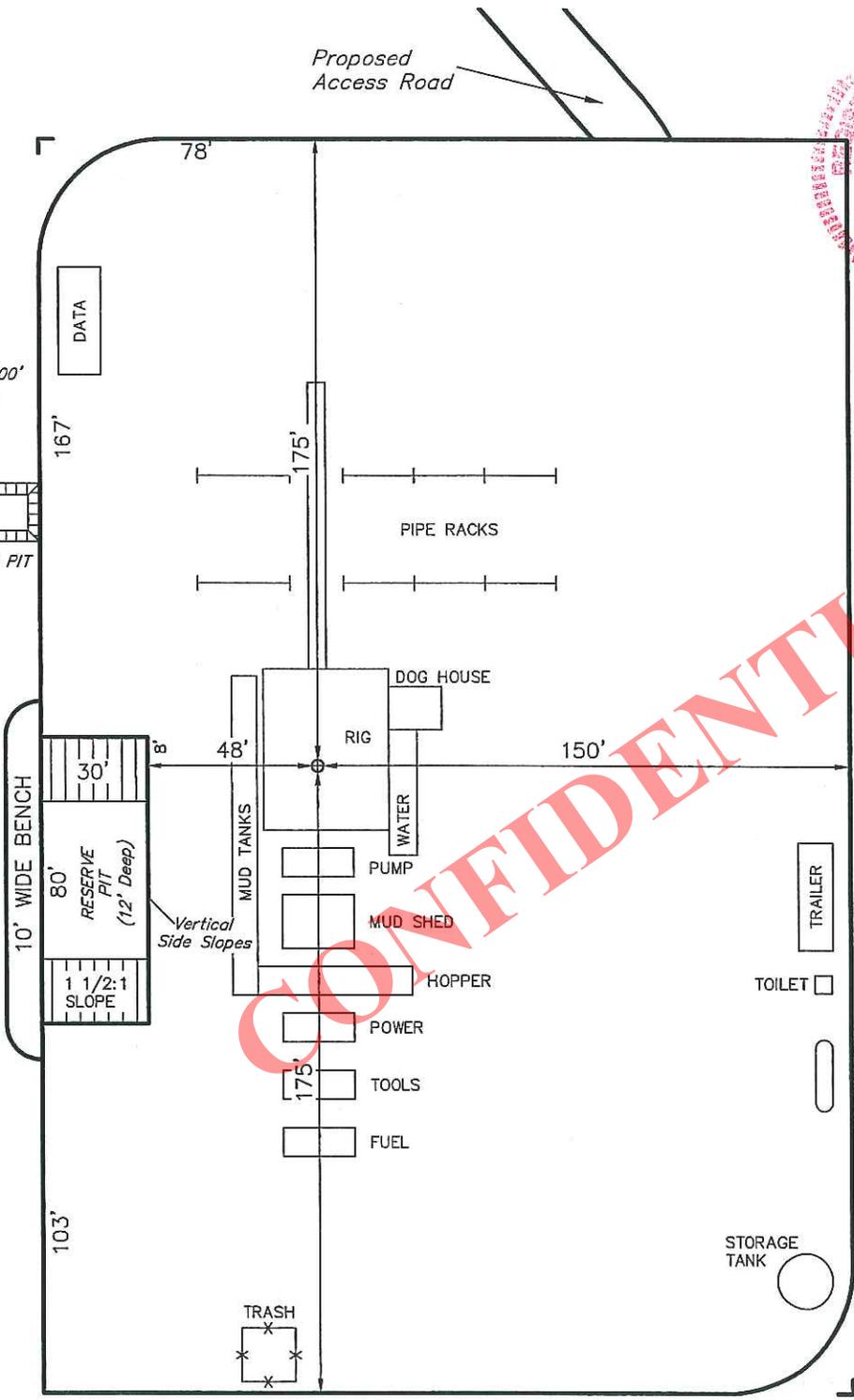


**NOTE:**

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



Total Pit Capacity  
W/2' of Freeboard  
= 3,150 Bbls.±  
Total Pit Volume  
= 830 Cu. Yds



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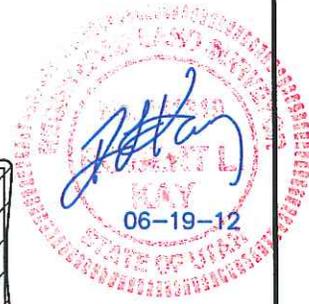
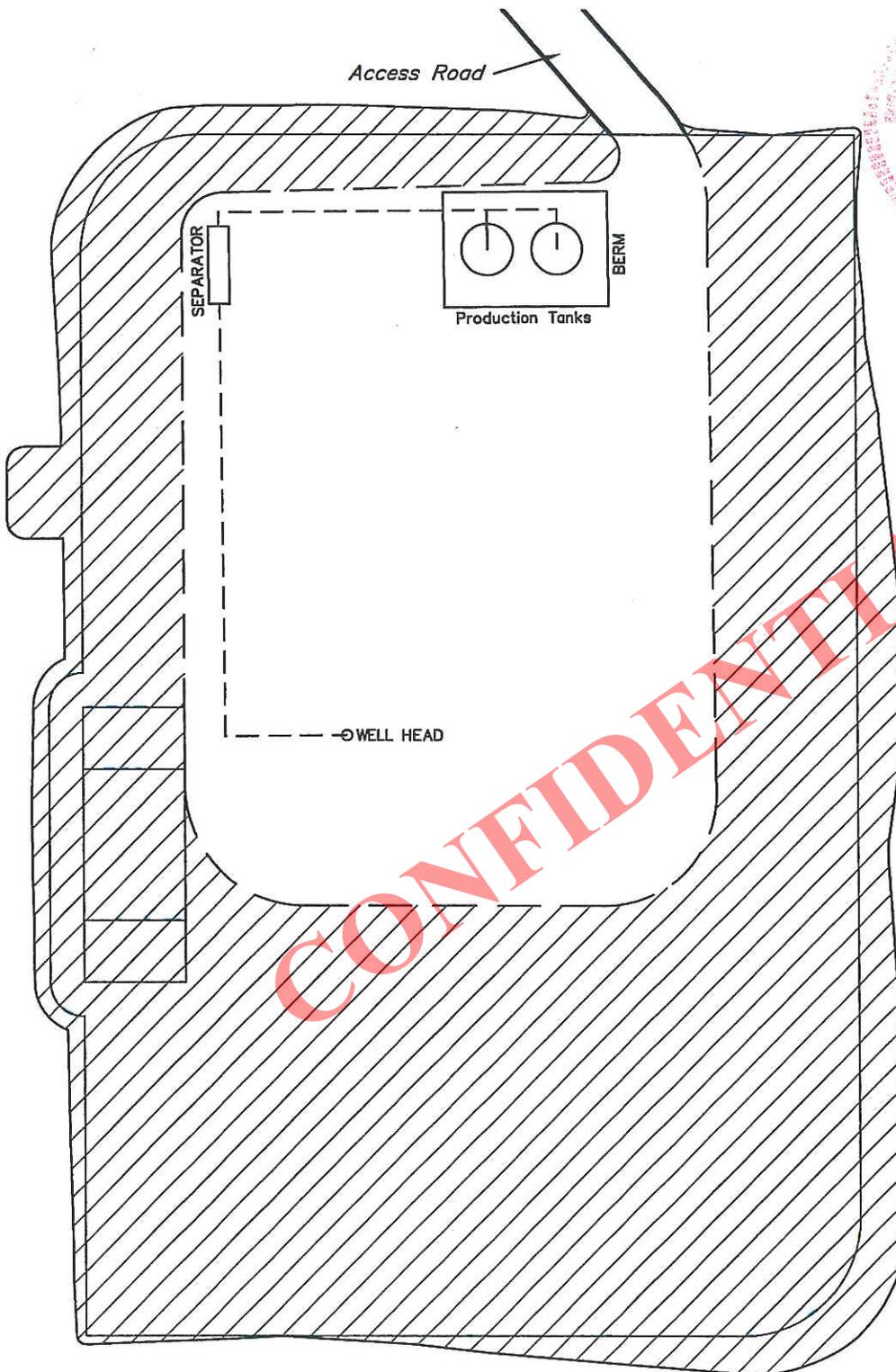
QEP ENERGY COMPANY

INTERIM RECLAMATION PLAN

WR #1G-12-10-17  
SECTION 12, T10S, R17E, S.L.B.&M.  
300' FNL 660' FEL

FIGURE #4

SCALE: 1" = 50'  
DATE: 04-24-12  
DRAWN BY: W.M.  
REV. 06-13-12 B.D.H.



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APPROXIMATE ACREAGES  
UN-RECLAIMED = ± 0.744 ACRES

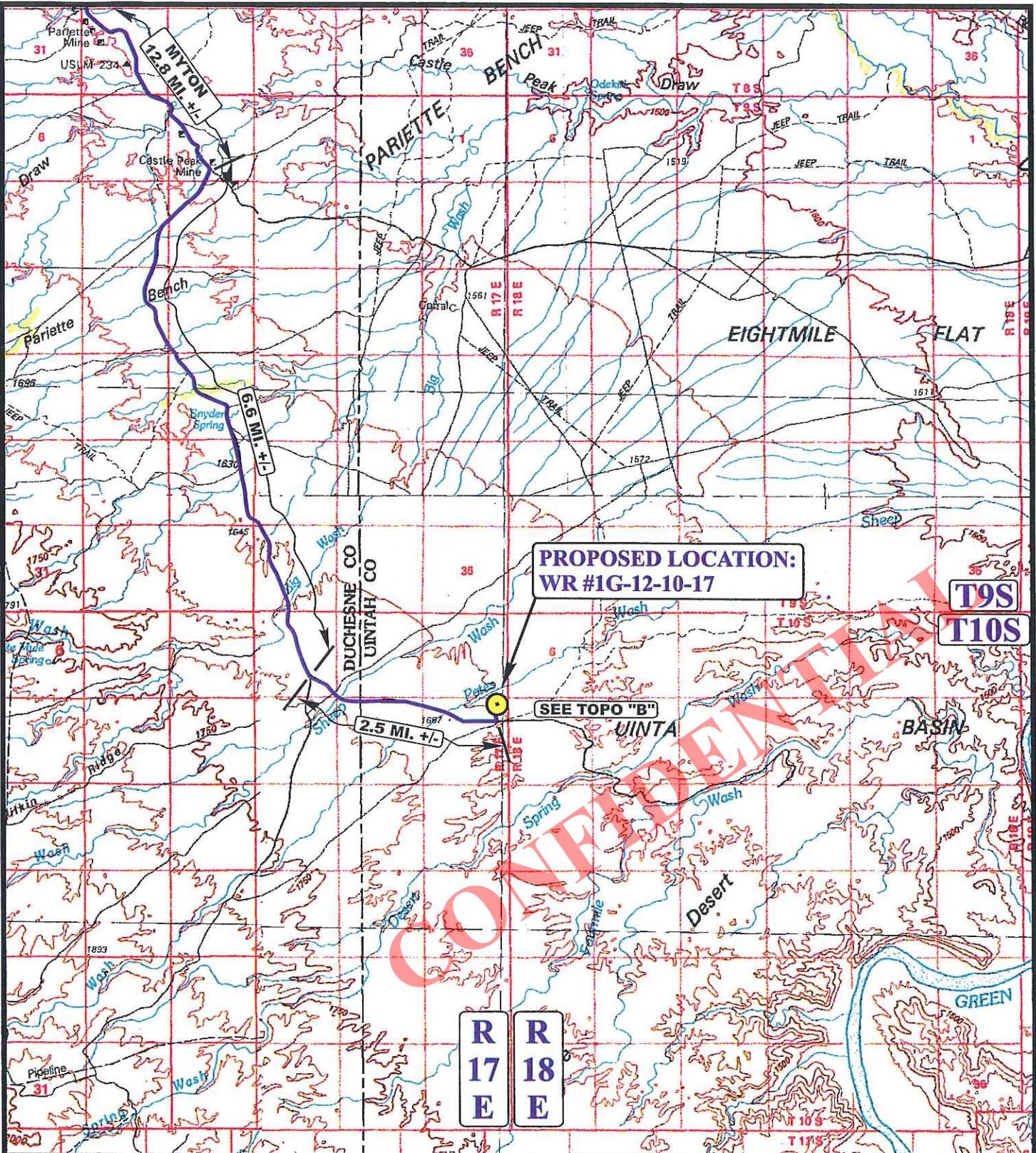
 RECLAIMED AREA

QEP ENERGY COMPANY  
WR #1G-12-10-17  
SECTION 12, T10S, R17E, 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 2.5 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTH; FOLLOW ROAD FLAGS IN A NORTHERLY, THEN NORTHWESTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 1,028' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM MYTON, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 22.1 MILES.

CONFIDENTIAL



**PROPOSED LOCATION:  
WR #1G-12-10-17**

**SEE TOPO "B"**

**T9S  
T10S**

**R  
17  
E**      **R  
18  
E**

**LEGEND:**

**PROPOSED LOCATION**

**QEP ENERGY COMPANY**

**WR #1G-12-10-17  
SECTION 12, T10S, R17E, S.L.B.&M.  
300' FNL 660' FEL**



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

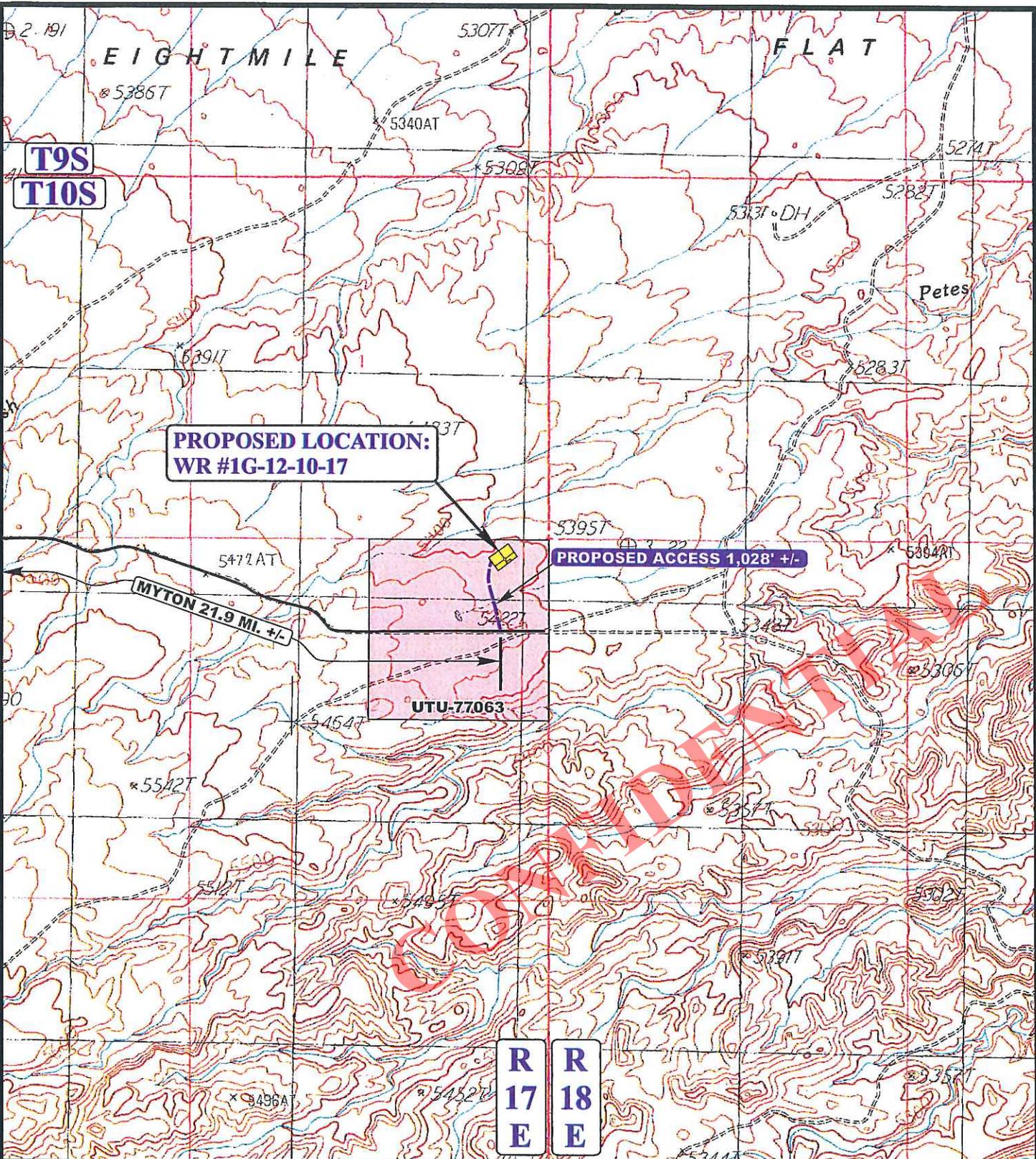


**ACCESS ROAD  
MAP**

**04 27 12**  
MONTH DAY YEAR



SCALE: 1:100,000 | DRAWN BY: B.D.H. | REVISED: 00-00-00



**PROPOSED LOCATION:  
WR #1G-12-10-17**

**PROPOSED ACCESS 1,028' +/-**

**MYTON 21.9 MI. +/-**

**UTU-77063**

**R 17 E  
R 18 E**

**LEGEND:**

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD
-  EXISTING 2-TRACK NEEDS UPGRADED



**QEP ENERGY COMPANY**

**WR #1G-12-10-17  
SECTION 12, T10S, R17E, S.L.B.&M.  
300' FNL 660' FEL**



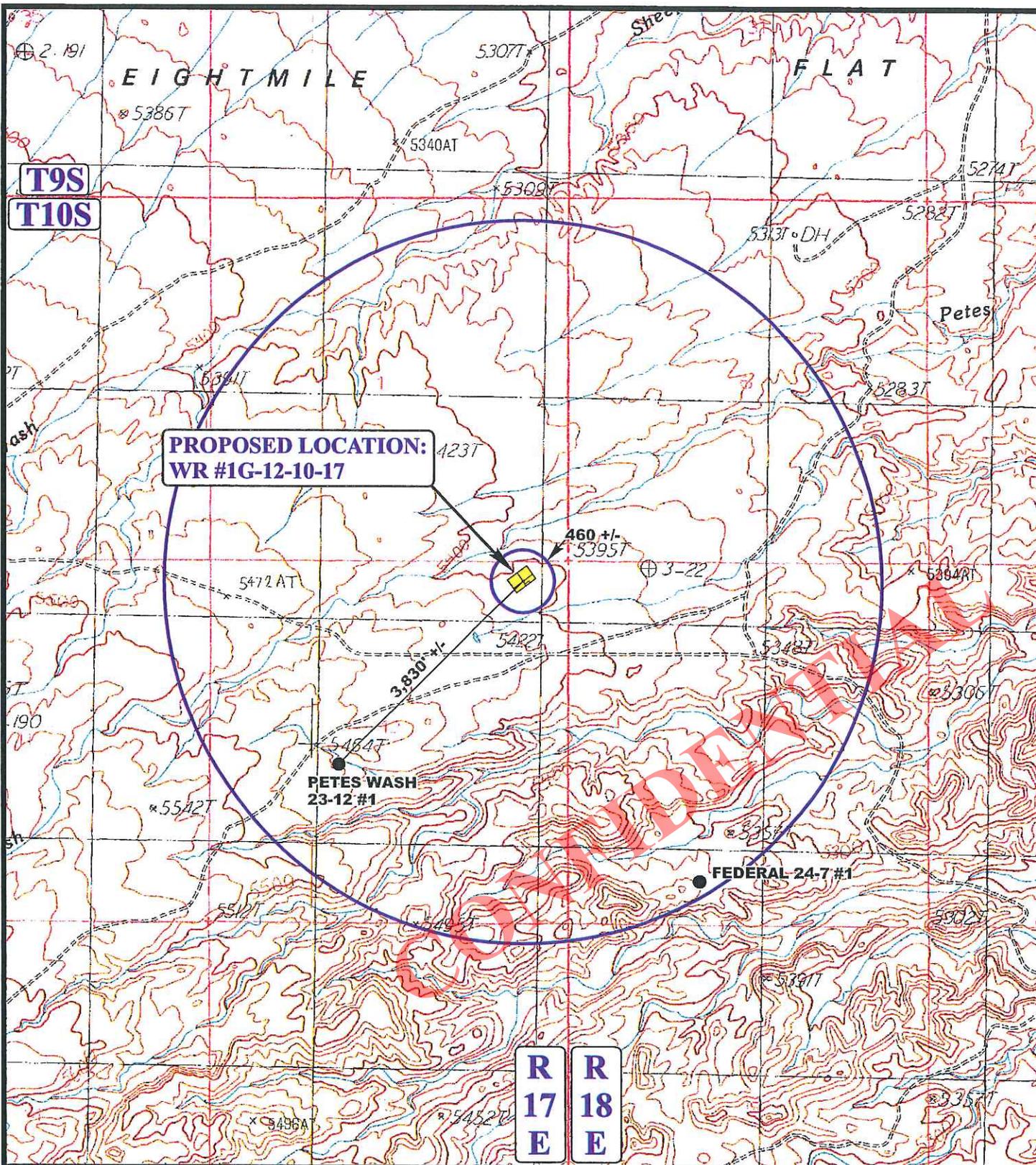
**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**ACCESS ROAD  
MAP**

**04 27 12**  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: B.D.H. REVISED: 00-00-00





**PROPOSED LOCATION:  
WR #1G-12-10-17**

**R 17  
E**    **R 18  
E**

**LEGEND:**

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

**QEP ENERGY COMPANY**

**WR #1G-12-10-17  
SECTION 12, T10S, R17E, S.L.B.&M.  
300' FNL 660' FEL**

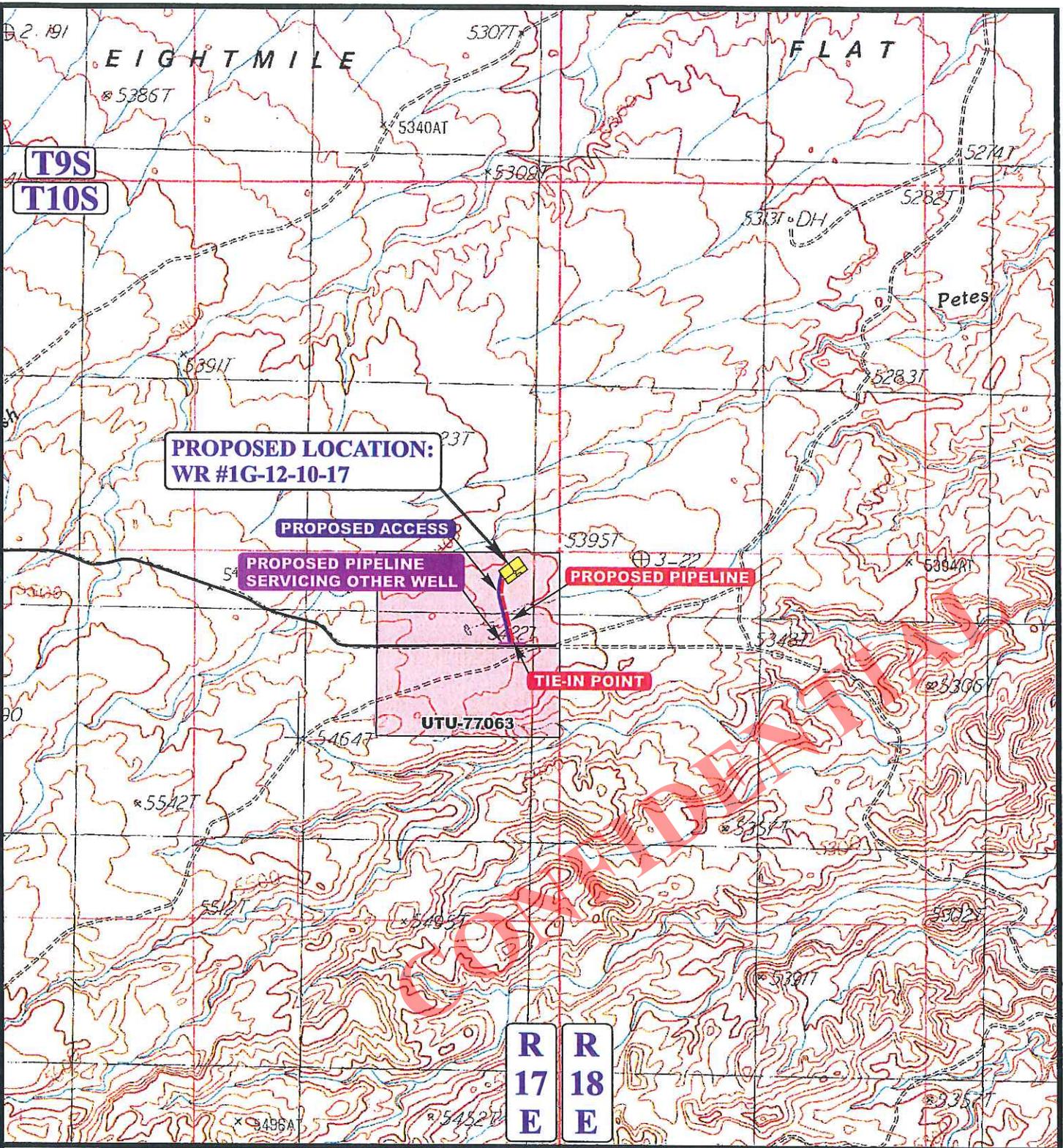


**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



**TOPOGRAPHIC MAP**    **04 27 12**  
MONTH    DAY    YEAR  
SCALE: 1" = 2000'    DRAWN BY: B.D.H.    REVISED: 00-00-00





**APPROXIMATE TOTAL PIPELINE DISTANCE = 992' +/-**

**LEGEND:**

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

**QEP ENERGY COMPANY**

**WR #1G-12-10-17  
SECTION 12, T10S, R17E, S.L.B.&M.  
300' FNL 660' FEL**



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



**TOPOGRAPHIC MAP** 04 27 12  
MONTH DAY YEAR  
SCALE: 1" = 1000' DRAWN BY: B.D.H. REVISED: 00-00-00



**QEP ENERGY COMPANY**  
**REFERENCE MAP: AREA OF VEGETATION**  
**WR #1G-12-10-17**  
 LOCATED IN UINTAH COUNTY, UTAH  
 SECTION 12, T10S, R17E, S.L.B.&M.

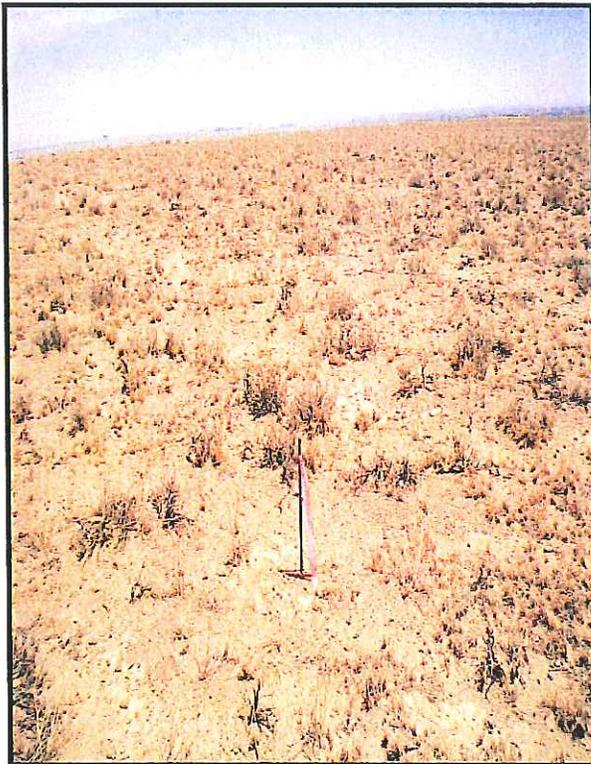
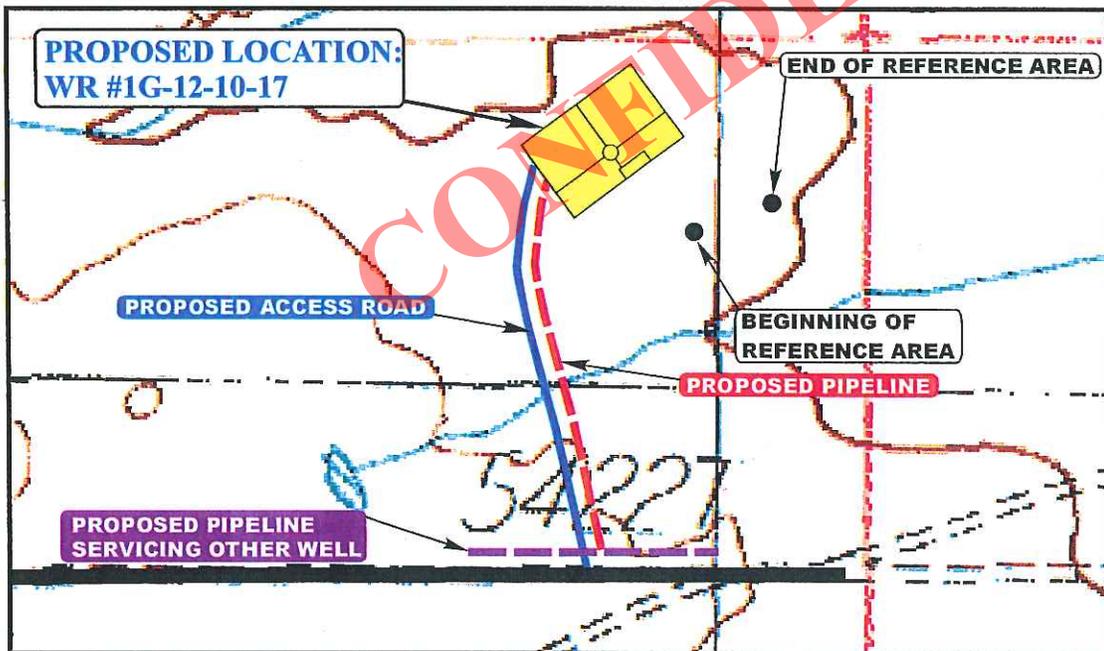


PHOTO: VIEW FROM BEGINNING OF REFERENCE AREA

**NOTE:**

**BEGINNING OF REFERENCE AREA**  
 NAD 83 Z12 UTM NORTHING: 14515499.107  
 NAD 83 Z12 UTM EASTING: 1935428.345  
 (NAD 83) LATITUDE: 39.964367  
 (NAD 83) LONGITUDE: -109.947136

**END OF REFERENCE AREA**  
 NAD 83 Z12 UTM NORTHING: 14515579.339  
 NAD 83 Z12 UTM EASTING: 1935625.903  
 (NAD 83) LATITUDE: 39.964581  
 (NAD 83) LONGITUDE: -109.946428



- Since 1964 -

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

SCALE: 1" = 500'	06	11	12	REF.
	MONTH	DAY	YEAR	
TAKEN BY: C.R.	DRAWN BY: C.I.		REVISED: 00-00-00	

**QEP ENERGY COMPANY  
WR 1G-12-10-17  
NENE, SECTION 12, T10S, R17E  
UINTAH COUNTY, UT  
LEASE # UTU-77063**

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

An onsite inspection was conducted for the WR 1G-12-10-17 on June 6, 2012. Weather conditions were sunny at the time of the onsite. In attendance at the inspection were the following individuals:

Kevin Sadlier	Bureau of Land Management
Aaron Roe	Bureau of Land Management
Daniel Emmett	Bureau of Land Management
Stephanie Tomkinson	QEP Energy Company
Valyn Davis	QEP Energy Company
Amanda Taylor	QEP Energy Company
Eric Wickersham	QEP Energy Company
Ryan Angus	QEP Energy Company
Cody Rich	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 22 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 1,028' in length, 30' in width, containing approximately .708 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/VFO AO. The specific APD will address additional capacity if such is needed due to environmental concerns. The use of topsoil for the construction of dikes will not be allowed.

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

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

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

**Surface gas pipelines will be constructed in accordance with the following guidance:**

**GAS SALES LINE:** The pipeline will be unpainted steel, 4" inside diameter, welded, schedule # 20 or greater surface line. The pipeline will be 922' in total length, 30' in width containing approximately .634 acres. The pipeline will be strung along the proposed pipeline route and welded into place.

**FUEL GAS LINE:** The pipeline will be a 2" inside diameter, poly pipe with a rating of 160 psi or greater. The line will be laid adjacent to the gas sales line following the line to location.

**Surface Pipelines**

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

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

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

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

needed to safely install the pipeline. Track type bulldozers and track type backhoes will be utilized for grading activities.

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

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

Fresh water will be obtained from Wonsits Valley water right # 49-251 (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 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 or  
Western Water Solutions- Sand Pass, located in Sec. 9 &10, T4S, R1W.

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 June 29, 2012, **State of Utah Antiquities Report U-12-MQ-0514b,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 June 21, 2012, **Report No. IPC 12-85** by Stephen D. Sandau. Due to the number of fossils found during this survey, it is recommended that a permitted paleontologist be present to monitor the construction process of the well pad, access road and pipeline. QEP Energy Company will provide paleo monitor for this project.

A habitat assessment and inventory was conducted in May 2012 by Bowen Collins & Associates. No Uintah Basin Hookless Cactus (*Sclerocactus wetlandicus*) populations or individuals were located during the surveys within the proposed WR 1G-12-10-17, 300' buffer zone or adjacent habitat. This proposed action would not have impact towards individuals or populations of *Sclerocactus wetlandicus*.

**Per the onsite meeting on June 6, 2012,** the following items were requested/discussed.

There is 4" topsoil.

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

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

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

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

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

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

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

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

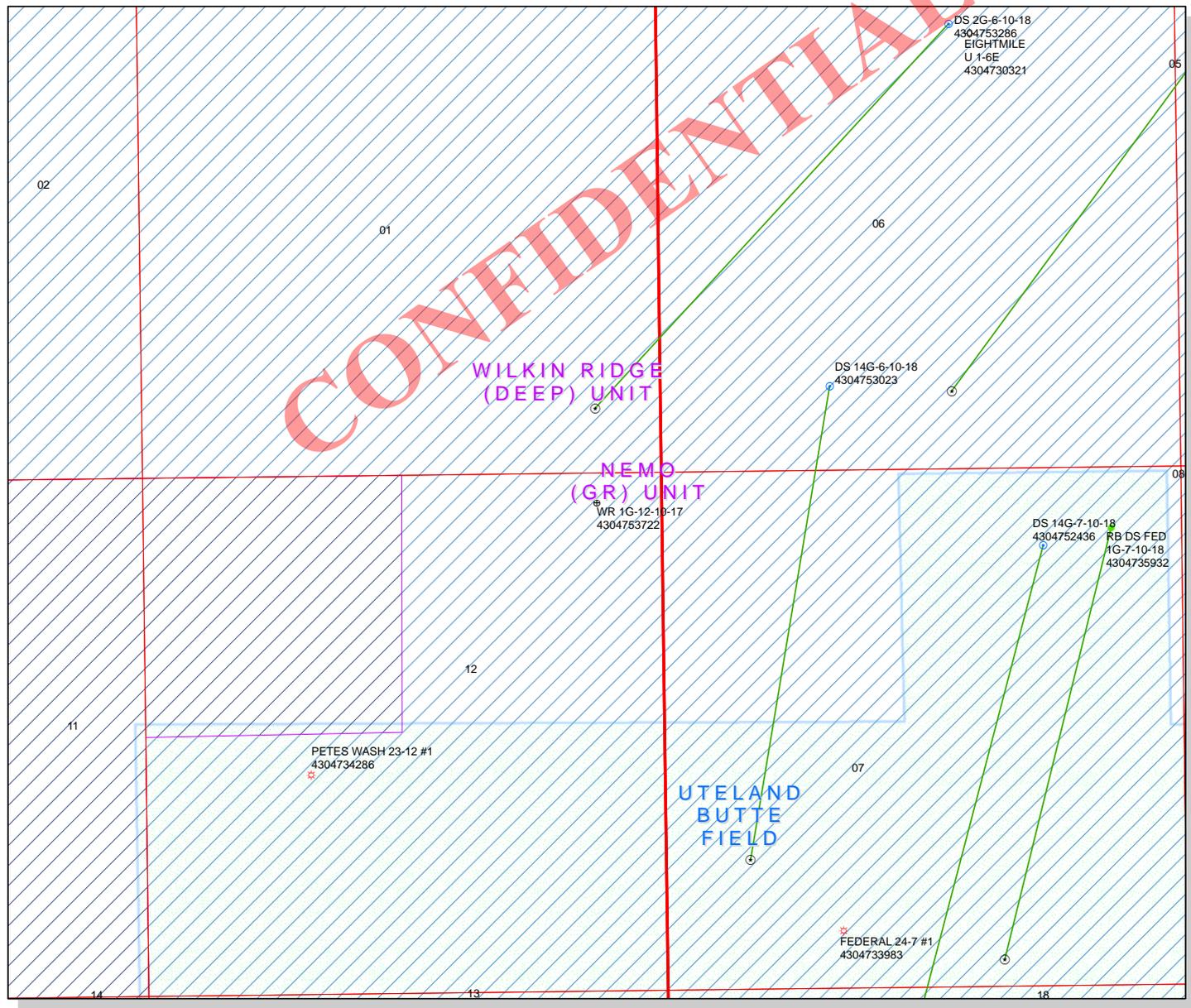
4/30/2013  
\_\_\_\_\_  
Date

CONFIDENTIAL

WILKIN RIDGE  
(DEEP) UNIT

NEMO  
(GR) UNIT  
WR 1G-12-10-17  
4304753722

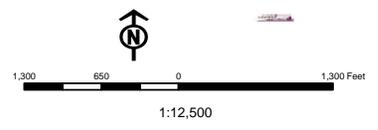
UTELAND  
BUTTE  
FIELD

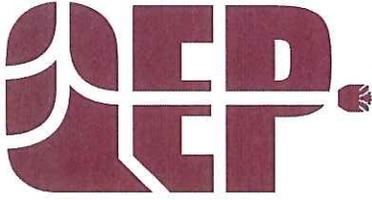


**API Number: 4304753722**  
**Well Name: WR 1G-12-10-17**  
 Township T10.0S Range R17.0E Section 12  
**Meridian: SLBM**  
 Operator: QEP ENERGY COMPANY

Map Prepared:  
Map Produced by Diana Mason

- Units**
- ACTIVE
  - EXPLORATORY
  - GAS STORAGE
  - NF PP OIL
  - NF SECONDARY
  - PI OIL
  - PP GAS
  - PP GEOTHERMAL
  - PP OIL
  - SECONDARY
  - TERMINATED
- Fields**
- Unknown
  - ABANDONED
  - ACTIVE
  - COMBINED
  - INACTIVE
  - STORAGE
  - TERMINATED





**QEP Energy Company**

11002 East 17500 South  
Vernal, UT 84078  
Telephone 435-781-4369  
Fax 435-781-4395

May 2, 2013

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

RE: Exception Location R649-3-3  
**WR 1G-12-10-17**  
300' FNL 660' FEL, NENE, Section 12, T10S, R17E  
Uintah County, Utah

Dear Ms. Mason:

Pursuant to the filing of QEP Energy Company Application for Permit to Drill regarding the above referenced well, we are hereby submitting this letter in accordance with Oil & Gas Conservation Rule R649 -3-3. In reference to the above mentioned rule, the WR 1G-12-10-17 is an exception to this rule due to topography.

Furthermore, QEP Energy Company certifies that it is the sole working interest owner within 460 feet of the proposed location.

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

If you have any questions please contact Valyn Davis at 435-781-4369.

Sincerely,

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

Valyn Davis  
QEP Energy Company  
Regulatory Affairs Analyst

**CONFIDENTIAL**

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:  
3160  
(UT-922)

May 7, 2013

Memorandum

To: Assistant Field Office Manager Minerals,  
Vernal Field Office

From: Michael Coulthard, Petroleum Engineer

Subject: 2013 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 for calendar year 2013 within the Nemo Unit, Uintah County, Utah

API #	WELL NAME	LOCATION
(Proposed PZ Green River)		
43-047-53722	WR 1G-12-10-17	Sec 12 T10S R17E 0300 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: 2013.05.07 10:30:18 -0600

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

MCoulthard:mc:5-7-13

RECEIVED: May 07, 2013

## WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 4/30/2013

API NO. ASSIGNED: 43047537220000

WELL NAME: WR 1G-12-10-17

OPERATOR: QEP ENERGY COMPANY (N3700)

PHONE NUMBER: 435 781-4369

CONTACT: Valyn Davis

PROPOSED LOCATION: NENE 12 100S 170E

Permit Tech Review: 

SURFACE: 0300 FNL 0660 FEL

Engineering Review: 

BOTTOM: 0300 FNL 0660 FEL

Geology Review: 

COUNTY: UINTAH

LATITUDE: 39.96485

LONGITUDE: -109.94789

UTM SURF EASTINGS: 589855.00

NORTHINGS: 4424386.00

FIELD NAME: UNDESIGNATED

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU77063

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: 49-251/49-2153
- RDCC Review:
- Fee Surface Agreement
- Intent to Commingle

Commingling Approved

## LOCATION AND SITING:

- R649-2-3.
- Unit: NEMO (GR)
- R649-3-2. General
- R649-3-3. Exception
- Drilling Unit
- Board Cause No: R649-3-3
- 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:** WR 1G-12-10-17  
**API Well Number:** 43047537220000  
**Lease Number:** UTU77063  
**Surface Owner:** FEDERAL  
**Approval Date:** 5/7/2013

### 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 R649-3-3. 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.

**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

<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> UTU77063	
<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>	
<b>7. UNIT or CA AGREEMENT NAME:</b> NEMO (GR)	
<b>8. WELL NAME and NUMBER:</b> WR 1G-12-10-17	
<b>9. API NUMBER:</b> 43047537220000	
<b>9. FIELD and POOL or WILDCAT:</b> UNDESIGNATED	
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0300 FNL 0660 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NENE Section: 12 Township: 10.0S Range: 17.0E Meridian: S	
<b>COUNTY:</b> UINTAH	
<b>STATE:</b> UTAH	

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 5/7/2015	<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 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 checked="" type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>
<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:			

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

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

**Approved by the  
 Utah Division of  
 Oil, Gas and Mining  
 May 12, 2014**

**Date:** \_\_\_\_\_  
**By:** 

<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> 5/7/2014	



**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 43047537220000**

API: 43047537220000

Well Name: WR 1G-12-10-17

Location: 0300 FNL 0660 FEL QTR NENE SEC 12 TWNP 100S RNG 170E MER S

Company Permit Issued to: QEP ENERGY COMPANY

Date Original Permit Issued: 5/7/2013

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

- If located on private land, has the ownership changed, if so, has the surface agreement been updated?  Yes  No
  
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?  Yes  No
  
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?  Yes  No
  
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?  Yes  No
  
- Has the approved source of water for drilling changed?  Yes  No
  
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?  Yes  No
  
- Is bonding still in place, which covers this proposed well?  Yes  No

Signature: Valyn Davis

Date: 5/7/2014

Title: Regulatory Affairs Analyst Representing: QEP ENERGY COMPANY



## United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Green River District  
Vernal Field Office  
170 South 500 East  
Vernal, UT 84078  
<http://www.blm.gov/ut/st/en/fo/vernal.html>



MAY 14 2014

IN REPLY REFER TO:  
3160 (UTG011)

Jan Nelson  
QEP Energy Company  
11002 East 17500 South  
Vernal, UT 84078

Re: Request to Return APD  
Well No. WR 1G-12-10-17  
NENE, Sec. 12, T10S, R17E  
Uintah County, Utah  
Lease No. UTU-77063  
Nemo Unit

43 047 53 722

Dear Jan:

The Application for Permit to Drill (APD) for the above referenced well received in this office on May 7, 2013, is being returned unapproved per your request to this office in an email message to Land Law Examiner Robin R. Hansen received on April 23, 2014. If you intend to drill at this location at a future date, a new APD must be submitted.

If you have any questions regarding APD processing, please contact Robin R. Hansen at (435) 781-3428.

Sincerely,

/s/ Jerry Kenczka

Jerry Kenczka  
Assistant Field Manager  
Lands & Resource Minerals

Enclosures

cc: UDOGM

bcc: Well File

RECEIVED

MAY 21 2014

DIV. OF OIL, GAS & MINING

<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> UTU77063	
<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> WR 1G-12-10-17	
<b>2. NAME OF OPERATOR:</b> QEP ENERGY COMPANY	
<b>9. API NUMBER:</b> 43047537220000	
<b>3. ADDRESS OF OPERATOR:</b> 11002 East 17500 South , Vernal, Ut, 84078	
<b>PHONE NUMBER:</b> 303 595-5919 Ext	
<b>9. FIELD and POOL or WILDCAT:</b> UTELAND BUTTE	
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0300 FNL 0660 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NENE Section: 12 Township: 10.0S Range: 17.0E Meridian: S	
<b>COUNTY:</b> UINTAH	
<b>STATE:</b> UTAH	

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 5/7/2016	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input checked="" type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

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

**Approved by the**  
**May 07, 2015**  
**Oil, Gas and Mining**

**Date:** \_\_\_\_\_  
**By:** 

<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> 5/6/2015	



**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 43047537220000**

API: 43047537220000

Well Name: WR 1G-12-10-17

Location: 0300 FNL 0660 FEL QTR NENE SEC 12 TWNP 100S RNG 170E MER S

Company Permit Issued to: QEP ENERGY COMPANY

Date Original Permit Issued: 5/7/2013

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- Has the approved source of water for drilling changed?  Yes  No
  
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?  Yes  No
  
- Is bonding still in place, which covers this proposed well?  Yes  No

Signature: Valyn Davis

Date: 5/6/2015

Title: Regulatory Affairs Analyst Representing: QEP ENERGY COMPANY



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

JOHN R. BAZA  
*Division Director*

May 17, 2016

QEP Energy Company  
11002 East 17500 South  
Vernal, UT 84078

Re: APDs Rescinded for QEP Energy Company, Uintah and Duchesne County

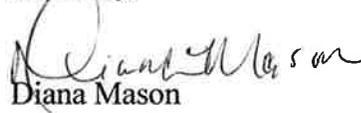
Ladies and Gentlemen:

Enclosed find the list of APDs that is being rescinded. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded as of May 17, 2016.

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

WR 5G-10-10-17	43-013-52144
WR 12G-5-10-17	43-013-52160
WR 1G-12-10-17	43-047-53722
RW 14-35 AMU	43-047-40051
RW 44-35 AMU	43-047-40052



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

JOHN R. BAZA  
Division Director

May 17, 2016

QEP Energy Company  
11002 East 17500 South  
Vernal, UT 84078

Re: APDs Rescinded for QEP Energy Company, Uintah and Duchesne County

Ladies and Gentlemen:

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Sincerely,

Diana Mason  
Environmental Scientist

cc: Well File  
Bureau of Land Management, Vernal



WR 5G-10-10-17	43-013-52144
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