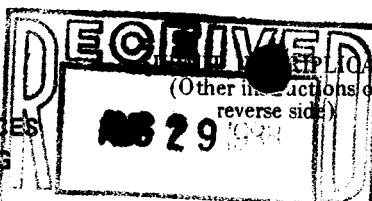


STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS, AND MINING

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, PLUG BACK &amp; MINING



1a. Type of Work

DRILL DEEPEN PLUG BACK 

b. Type of Well

Oil Well Gas Well 

Other

Single Zone Multiple Zone 

2. Name of Operator

QUINEX ENERGY CORPORATION

3. Address of Operator

4527 So. 2300 East #106 Salt Lake City, Utah 84117

4. Location of Well (Report location clearly and in accordance with any State requirements.\*)  
At surface

661' FWL 815' FNL Sec. 7 T 2 S, R 2 W, USM

NW<sub>1/4</sub> NW<sub>1/4</sub>

At proposed prod. zone

NW<sub>1/4</sub> NW<sub>1/4</sub> Sec. 7 T 2 S, R 2 W, USM  
11. Sec., T., R., M., or Blk.  
and Survey or Area

14. Distance in miles and direction from nearest town or post office\*

10.1 Mi. West of Roosevelt, Utah

12. County or Parish 13. State

Duchesne

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

661'

16. No. of acres in lease

313 acres

17. No. of acres assigned  
to this well

313 acres

18. Distance from proposed location\*  
to nearest well, drilling, completed,  
or applied for, on this lease, ft.

1850'

19. Proposed depth

13,500' *green later*

20. Rotary or cable tools

Rotary

21. Elevations (Show whether DF, RT, GR, etc.)

GR 5937'

22. Approx. date work will start\*

## 23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
14 1/2"	10 3/4"	50.5#	2000'	1100 sks
9 7/8"	7 5/8"	26.4# 29.7#	0-7000' 7000-11000'	1000 sks
6 3/4"	5 1/2"	20#		500 sks

See attached drilling prognosis sheet.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

Signed..... *Al Furtwanger*

Title..... Vice President-Quinex Energy Date..... August 26, 1988

(This space for Federal or State office use)

Permit No..... 43-013-31216

Approval Date .....

APPROVED BY THE STATE

OF UTAH DIVISION OF

OIL, GAS, AND MINING

Approved by.....  
Conditions of approval, if any:

Title.....

DATE: 9-6-88

BY: *John R. Boga*WELL SPACING: *Sec. No. 139-42*

\*See Instructions On Reverse Side

## PROJECT

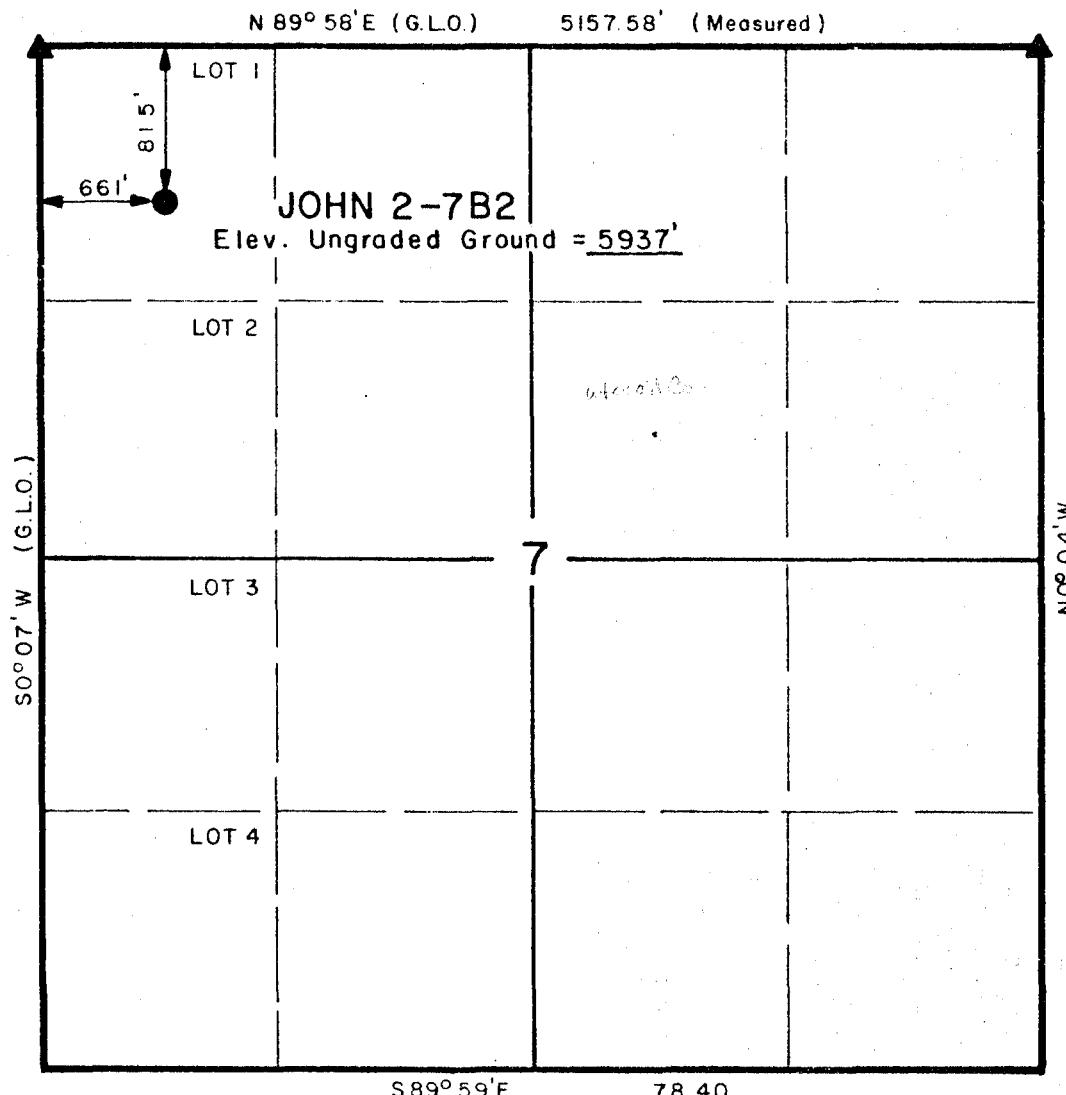
## QUINEX ENERGY CORP.

T2S, R2W, U.S.B&amp;M.

Well Location, JOHN 2-7B2, Located as Shown  
in the NW1/4 NW1/4, (Lot 1) Section 7, T2S, R2W,  
U S B&M, Duchesne County, Utah.

## BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHEAST CORNER SECTION 7,  
T2S, R2W, U.S.B&M. TAKEN FROM THE BLUEBELL  
QUADRANGLE, UTAH-DUCHESNE COUNTY 7.5 MINUTE  
QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED  
STATES DEPARTMENT OF INTERIOR, GEOLOGICAL SURVEY.  
SAID ELEVATION IS MARKED AS BEING 5871 FEET.



▲ = SECTION CORNERS LOCATED (Galv. Caps)

## CERTIFICATE

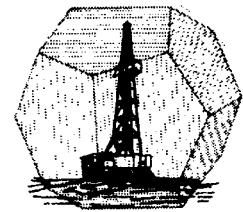
THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM  
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY  
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE  
BEST OF MY KNOWLEDGE AND BELIEF.

*Nelson J. Marshall*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO 2454  
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING  
P. O. BOX Q - 85 SOUTH - 200 EAST  
VERNAL, UTAH - 84078

SCALE 1" = 1000'	DATE 8-22-88
PARTY GS DS JAK	REFERENCES GLO.
WEATHER	FILE QUINEX ENERGY CORP.

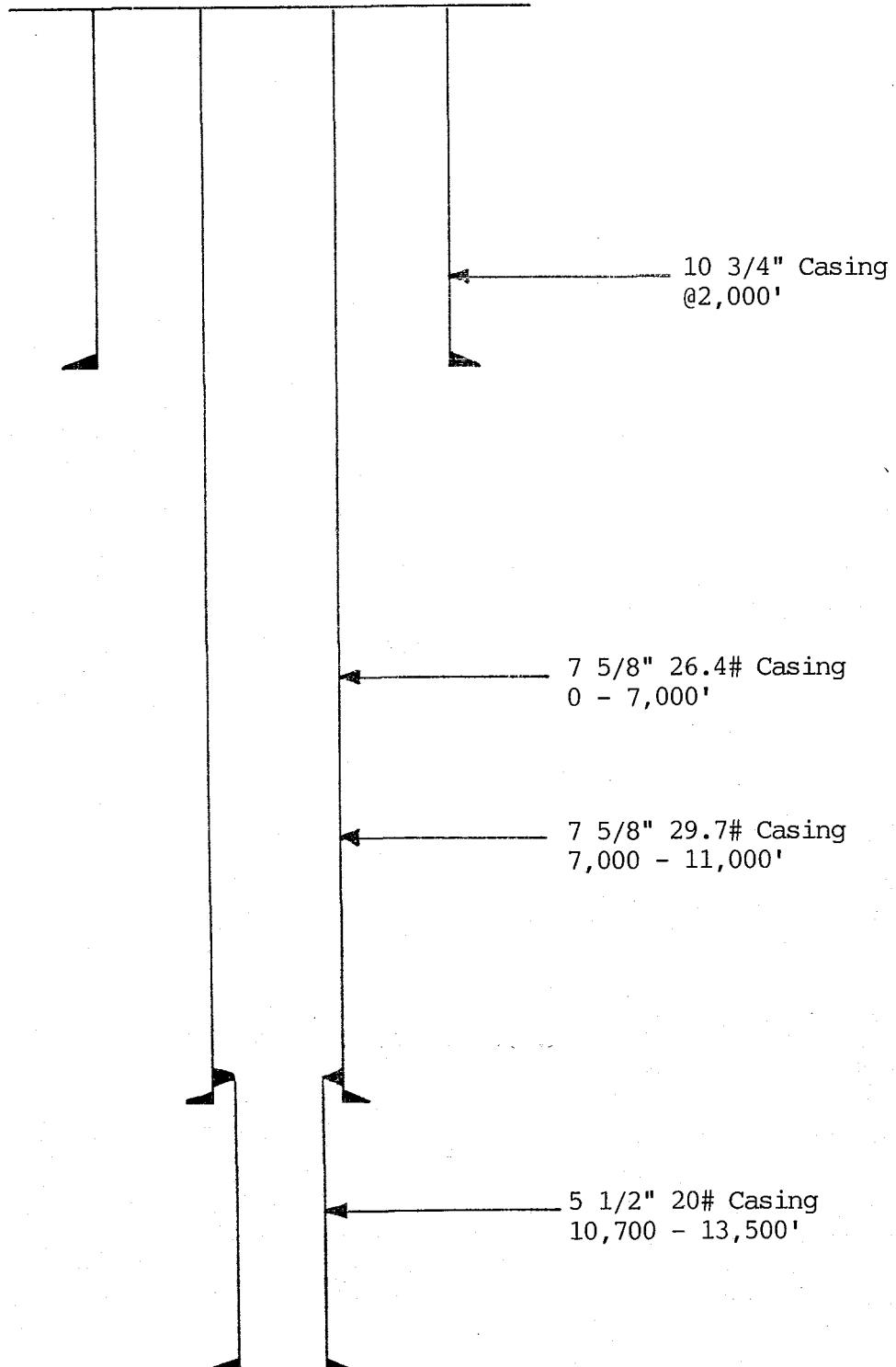
# Quinex Energy Corporation



Charrington Square 4527 South 2300 East, Suite 106 Salt Lake City, Utah 84117 (801) 278-8100 Telecopier (801) 272-9094

## Casing Program

~~Memory R.U. 278~~



DPD PPD  
AUG 31 1988

GENERAL Requirements for working on Ute Tribal Lands

OIL, GAS & MINING

1. All operators, subcontractors, vendors, and their employees or agents will be confined to established roads and wellsite.
2. All operators, subcontractors, vendors and their employees or agents shall not carry firearms or other weapons.
3. No alcoholic beverages or drugs shall be permitted while working on the reservation.
4. A cultural resource clearance has to be granted by Archeological-Environmental Research Corporation.
5. A wood permit will be obtained from the Forestry Department of the BIA before any firewood is removed.

1. Existing Roads - See Location Map

- A. Wellsite: 661', FWL, 815, FNL (NW NW Sec. 7) T2S R2W
- B. Travel 2.1 miles west of Roosevelt, Utah to Hancock Cove thence north 2 miles to Bluebell Road, turn west on Blue bell Road travel 5.9 miles to top of Bluebell Ridge and follow access road into location on NW corner of Section Seven. Total distance of 10 miles.
- C. Roads: Existing State/County road marked with heavy line. New access marked w/dashed line.
- D. Other existing roads as marked on Topo map.
- E. Existing roads will be maintained by the county. The new access road will be built to BLM specifications and maintained as required, for all weather use, by the operator. (See engineer survey plat)

2. Construction - See engineer survey plat

A. General:

- (1) The BIA and the Vernal District BLM will be notified 48 hours prior to commencing work on Ute Tribal Lands.

CONFIDENTIAL

- (2) A benchmark (brass cap set in concrete) is present 661' W & 815' N from wellsite at NW corner of Sec. Seven.
- (3) The dirt contractor will be furnished a copy of this Surface Use Plan, along with any additional BLM or BIA stipulations, prior to the work.
- (4) Trees: There are no trees on the access route or location.
- (5) All artifacts found on the Tribal lands shall be left in place and the BIA promptly notified.
- (6) The top 9-10 inches of topsoil will be removed and stockpiled on the SW corner of the location. See location plat.
- (7) The reserve pit will be lined with native clay materials and water proofed.

B. Planned Access Roads:

1600 feet of new access road will be required. The subject road will be built to BLM specifications (from figure 6, p 26, "Surface Operating Standards for Oil & Gas Exploration and Development"), as follows:

- (1) Width: 16' at crown:  
Total disturbed Width 30'
- (2) Maximum Grades: 3% Maximum
- (3) Turnouts: None required
- (4) Drainage: Borrow pit on east side.
- (5) Culverts:  
a. 18" at exit from existing road or as needed.
- (6) Surfacing material: The road surface will be covered with 6 inches of 4" roadbase and 2" of 1 1/2" gravel topping as required for traction and erosion control.
- (7) Gates/Cattleguards:  
1 gate and 18' cattleguard at entrance to fenced location.

3. Location of Existing Wells - See Topo Map

Wells within one mile radius:

- (1) Water wells: None
- (2) Abandoned Oil Wells: None
- (3) Temporarily Abandoned Wells: None
- (4) Disposal Wells: None
- (5) Drilling Wells: None
- (6) Producing Wells:  
Utex 1-6B2 Ute  
Utex 2-12B3 Jenkins
- (7) Shut in Wells:  
Utex 1-7B2 Tribal
- (8) Injection Wells: None
- (9) Monitoring Wells: None

4. Location of Existing and/or Proposed Facilities - See  
Wellsite Plat.

A. Within 1-mile radius of location, existing facilities  
owned or controlled by lessee/operator:

- (1) Tank Batteries: Same as 6 & 7 above.
- (2) Production Facilities: Same as above.
- (3) Oil Gathering Lines: None
- (4) Gas Gathering Lines: Coastal Oil & Gas
- (5) Injection Lines: None
- (6) Disposal Lines: None

B. New Facilities Contemplated:

- (1) Off Well Pad: A gas line tie-in to Coastal Oil & Gas gathering system and electrical tie-ins to Moon Lake Electric are anticipated.  
Agreements with Coastal and Moon Lake Electric will be executed prior to completion of the well.

- (2) Well Pad Dimensions: Refer Rig Layout Plat
- (3) Construction Methods: Tanks are to be welded. Battery grade will be less than 3' above well pad grade. All equipment will be painted medium sand brown.
- (4) Protective Measures: There will be no open vessels or permanent storage of fluids in open pits. Storage tanks will be diked to provide emergency containment of a potential tank failure.

C. Plan for Rehabilitation: Upon completion of the well, the reserve pit and all unused areas will be reclaimed. Upon plugging of the well, all production facilities and tanks will be removed and the entire location will be returned, as far as practical, to original grade, and reseeded as per BIA specifications.

## 5. Location and Type of Water Supply

### A. Water Source:

Approximately ten acre-feet of water will be required to drill and complete the well. Water is to be pumped or trucked from Dry Gulch Creek. Proper water right will be obtained from the State Engineer prior to spudding.

### B. Transportation: Water will be trucked.

### C. Water Well: None proposed.

## 6. Source of Construction Materials:

- A. Source: Materials from cuts will be used in fills. No additional requirements are anticipated.
- B. Ownership: The access road and location are on Ute Tribal Lands.
- C. Outside Materials: Roadbase will be obtained from commercial gravel pits in the Bluebell, Utah area.
- D. Access: No additional access roads will be required.

## 7. Methods for Handling Waste Disposal

Disposal will be handled as follows:

- (1) Cuttings: Drill cuttings are to be buried in the reserve pit.
- (2) Drilling Fluids: Drilling fluids are to be removed to a commercial disposal pit within 90 days of completion.
- (3) Produced Fluids: Produced oil will be sold to an authorized oil buyer. Produced water will be hauled to an authorized disposal.
- (4) Sewage: Chemical Toilets will be provided for the drilling crew.
- (5) Trash and Garbage: Trash will be accumulated in a wire mesh receptacle and hauled to a sanitary land fill.
- (6) Post Drilling Cleanup: After drilling operations cease, the access road and location will be cleaned up and graded. The reserve pit will be covered and reseeded to Ute specifications within 90 days.

## 8. Ancillary Facilities

No camp facilities are planned or required.

## 9. Well Site Layout - See Attached Wellsite Plat.

- (1) Cross Sections: Provided with plat.
- (2) Equipment Layout: Provided on plat.
- (3) Rig Orientation: Provided on plat.
- (4) Pits: All pits are to be sealed.  
Location will be fenced on four sides - see plat.

## 10. Plans for Restoration of Surface

Upon completion of drilling operations, the location is to be restored as follows:

- (1) Initial Cleanup: Location and surrounding area are to be cleaned of all debris resulting from the drilling operation. All trash is to be hauled to a local sanitary landfill.

- (2) BIA and Vernal BLM will be notified 48 hours prior to any surface restoration requiring earth moving equipment, and upon completion of work.
- (3) Topography: Within ninety days of completing (weather permitting) the well, the reserve pit is to be dried, filled and recontoured to original shape. All spoil material is to be buried a minimum of five feet deep. All trash will be removed prior to burial. All disturbed areas, not required for continued operation, are to be recontoured to original shape.
- (4) Stockpiled topsoil will be evenly distributed back over reclaimed areas.
- (5) Revegetation: Reclaimed areas will be scarified and seeded by broadcasting or drilling, per BIA recommendations.
- (6) Unused areas will be blocked from vehicular access.
- (7) Pits: Pits will be fenced until cleanup, using wire mesh fence with 2 strands of barbed wire.
- (8) Oil on pits: Any oil on the pits will be removed to a commercial disposal when rig is released.
- (9) Timetable: Reserve pit is to be reclaimed within 90 days of completion date. Other areas will be reclaimed within six months of discontinued use.

## 11. Other Information

### A. Ownership and Right-of-ways:

Both the surface and the minerals are owned by the Ute Tribe. Right-of-ways for road, location, gas gathering lines, and power lines will be requested from the BIA.

### B. General Description of Area:

- (1) Topography: Semi-arid with sage brush and small junipers. No irrigation.
- (2) Surface Use Activity: The surface is presently used for cattle grazing.
- (3) Water, Dwellings, Archeology: Water is available in Dry Gulch Creek, approximately 3/4 mile west of the location. There are no dwellings within 1/4 mile.

## 12. Production Operations

- A. **Notification:** A first production report will be sent to the BLM within 5 days of first production to establish site security and APD compliance.
- B. **Site Security:** Site security plan will be submitted within thirty days of completion.
- C. **Water Production:** NTL-2B will be submitted within 60 days of completion. It is anticipated that the water produced will be hauled to the pit located in Lapoint, Utah, Section 8, T 1 S, R 1 E.
- D. **Weed control:** The road and location will be professionally sprayed annually, using EPA approved chemicals, to control noxious weeds.

E. The tank battery is to be built along the North side of the location. All permanent structures will be painted an approved earthtone color within six months of installation, OSHA required markings excepted.

13. Lessee's or Operator's Representative

DeForrest Smouse  
4527 South 2300 East, Suite #106  
Salt Lake City, Utah 84117  
Phone: (801-278-8100 or 272-9093)

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Quinex Energy Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Date: August 29, 1988

  
DeForrest Smouse  
QUINEX ENERGY CORPORATION

LEASE No. 14-20-H62-4399

CONTRACT No. ....

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF INDIAN AFFAIRS

## ASSIGNMENT OF MINING LEASE

WHEREAS, the Secretary of the Interior or his authorized representative has heretofore approved

an Oil, Gas and mining lease, dated August 17, 1987  
 Ute Indian Tribe, Uintah and Ouray Reservation, Utah and the  
 entered into by and between Ute Distribution Corporation, a Utah corporation, lessor,  
 Anchor Resources, Inc., a Utah corporation of  
 and 8571 S. Taos Circle, Sandy, Utah 84092, lessee,  
 covering the following-described lands in the Uintah and Ouray Reservation, Utah  
 (Insert name of Reservation, Pueblo, Nation, etc., as needed)  
 in the State of Utah, to-wit:

TOWNSHIP 2 SOUTH, RANGE 2 WEST, USM

Section 7: Lots 1, 2, NE $\frac{1}{4}$ , E $\frac{1}{2}$ NW $\frac{1}{4}$ ; and,

comprising 313.21 acres, more or less.

Now, THEREFORE, for and in consideration of TEN AND MORE, cash in hand paid

..... dollars (\$10.00), the receipt of which is hereby acknowledged, the said Anchor Resources, Inc., a Utah corporation

the owner of the above-described lease, hereby bargains, sells, transfers, assigns, and conveys subject to a decreasing production overriding royalty interest as set forth under Schedule A attached hereto and made a part hereof ALL OF ITS right, title, and interest in and to said lease,

subject to the approval of the Secretary of the Interior or his authorized representative to John  
 2285 Lucky John Drive  
 D. Chasel, of Park City, Utah 84060

..... Said assignment to be effective from date of approval hereby by the Secretary of the Interior or his authorized representative.

IN WITNESS WHEREOF, the said assignor has hereunto set Its hand and seal, this 18th  
 day of September, 1987

Anchor Resources, Inc., a Utah corporation

ATTEST:

John L. Blawie  
Secretary

BY: David S. Hays

David S. Hays, President

## DESIGNATION OF OPERATOR

The undersigned is, on the records of the Bureau of Land Management, holder of lease

DISTRICT LAND OFFICE: Vernal  
SERIAL NO.: 14-20-H62-4399

and hereby designates

NAME: QUINEX ENERGY CORPORATION  
ADDRESS: 4527 So. 2300 East #106, Salt Lake City, Utah 84117

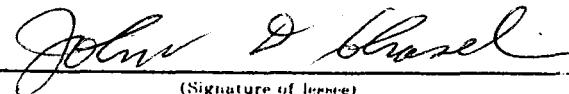
as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to (describe acreage to which this designation is applicable):

John 2-7B2  
Section 7, T2S, R2W, U.S.B. & M.

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the supervisor of any change in the designated operator.

  
(Signature of lessee)

John D. Chasel

August 26, 1988

(Date)

2285 Lucky John Drive, Park City, Utah 84060

(Address)

DRILLING PROCEDUREField Bluebell Well Quinex Energy John 2-7B2Location 661' FWL 815' FNL Sec. 7, T 25, R2W USMDrill x Deepen \_\_\_\_\_ Elevation: GR 5937' KB 5958' Total Depth 13,500+Non-Op Interests Unknown1. Casing Program (O = Old N = New)

	<u>Surface</u>	<u>O/N</u>	<u>Intermediate</u>	<u>O/N</u>	<u>Oil String/Liner</u>	<u>O/N</u>
Hole Size	<u>14 1/4"</u>		<u>9 7/8"</u>		<u>6 3/4"</u>	
Pipe Size	<u>10 3/4"</u>		<u>7 5/8"</u>		<u>5 1/2"</u>	
Grade	<u>J 55</u>	<u>N</u>	<u>N 80 &amp; S95</u>	<u>N</u>	<u>P 110</u>	<u>N</u>
Weight	<u>50.4#</u>		<u>26.4# &amp; 29.7#</u>		<u>20#</u>	
Depth	<u>2000'</u>		<u>11,000'</u>		<u>13,500+</u>	
Cement	<u>1100 sks</u>		<u>1000 sks</u>		<u>500 sks</u>	
Time WOC	<u>12 hrs</u>		<u>24 hrs</u>		<u>24 hrs</u>	
Casing Test	<u>3000 PSI</u>		<u>5000 PSI</u>		<u>5000 PSI</u>	
BOP #1	<u>1-10 Series</u>	<u>900</u>	<u>Shaffer Doublegate</u>			
Remarks #2	<u>1-10 Series</u>	<u>900</u>	<u>Hydrill</u>			

2. Mud Program

<u>Depth Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Water Loss</u>
<u>Surface to 8000'</u>	<u>Watergel</u>	<u>8.5#</u>	<u>30-35</u>	<u>-----</u>
<u>8000 to 11000</u>	<u>Low Solids</u>	<u>9.5#</u>	<u>32-36</u>	<u>10-15</u>
<u>1100 to 13,500</u>	<u>Low Solids</u>	<u>13.8 # Maximum</u>	<u>35-40</u>	<u>10-12</u>

3. Logging Program

<u>Surface Depth</u>	<u>None</u>
<u>Intermediate Depth</u>	<u>2000' - TD, D1L-SFL Log; 6000' - TD, Comp. Neut.</u>
<u>Oil String Depth</u>	<u>Form Density &amp; Mud Log</u>
<u>Total Depth</u>	<u>Full Wave Sonic 11,000 - 13,500'</u>

4. Mud Logging Unit Frontier Mud LoggingScales: 5" = 100' to 6000' to 13,500' to \_\_\_\_\_5. Coring & Testing Program

	<u>Formations</u>	<u>Approximate Depth</u>	<u>Approximate Length of Core</u>
Core	<u>None</u>	<u>DST</u>	<u>None</u>
Core	<u>None</u>	<u>DST</u>	<u>None</u>

6. Objectives & Significant Tops: Objectives: Primary: Tertiary Wasatch & Wasatch Trans.

	<u>Formations</u>	<u>Approximate Depth</u>	<u>Formations</u>	<u>Approximate Depth</u>
Duchesne River Fm.		<u>Surface</u>	<u>Wasatch Trans.</u>	<u>10,090'</u>
Uinta Fm.		<u>3910'</u>	<u>Wasatch Fm</u>	<u>10,700'</u>
Green River Fm.		<u>7150'</u>	<u>Wasatch "B"</u>	<u>11,860'</u>
Green River "H"		<u>9290'</u>		
Green River blk. sh.		<u>9735'</u>		

7. Anticipated Bottom Hole Pressure: 6200#8. Completion & Remarks: Completion prognosis will be prepared following evaluation of drilling & logging of the John 2-7B2 Test.Compiled By: DeForrest Smouse

DeForrest Smouse

Approved By: C. P. Webster

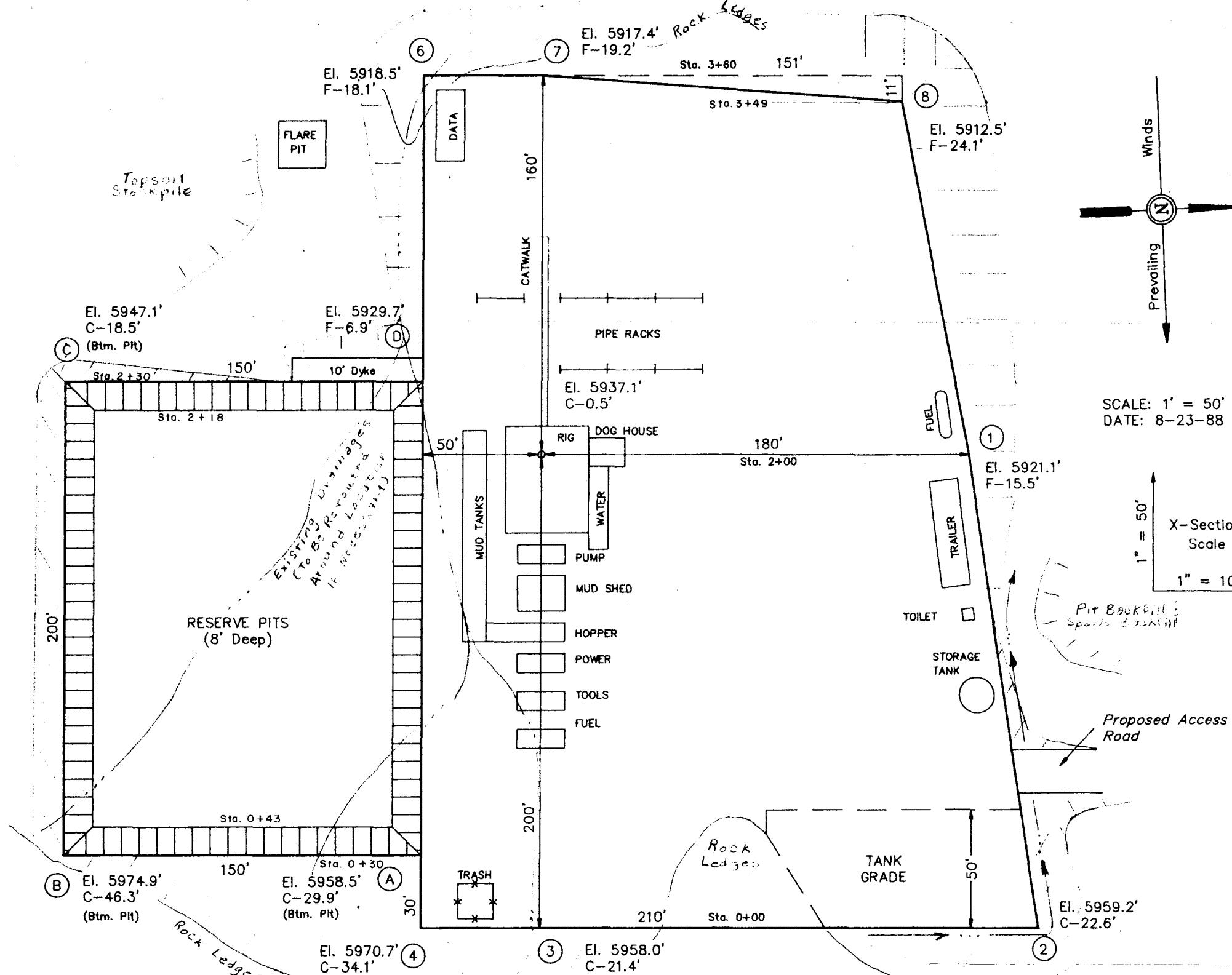
Carl P. Webster

QUINEX ENERGY CORP.

LOCATION LAYOUT FOR

JOHN 2-7B2

SECTION 7, T2S, R2W, U.S.B.&M.



APPROXIMATE YARDAGES

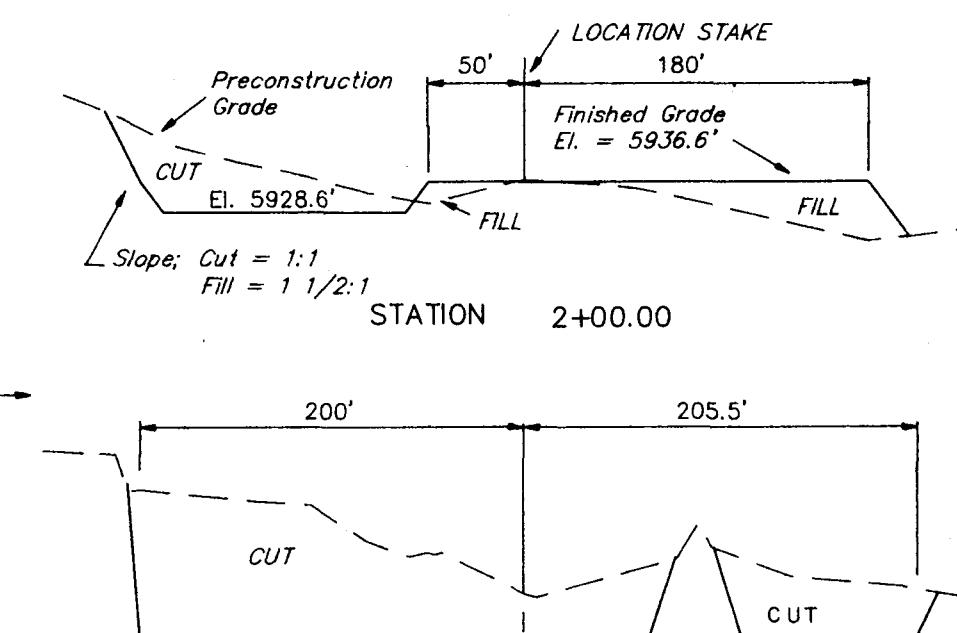
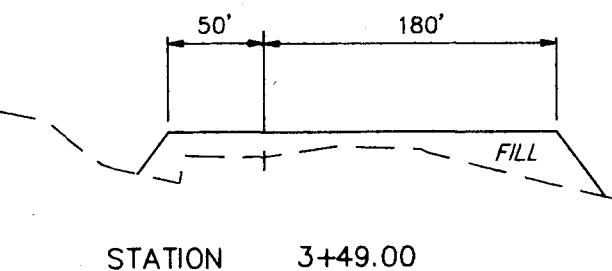
CUT  
(6") Topsoil Stripping = 2,086 Cu. Yds.  
Pit Volume (Below Grade) = 7,687 Cu. Yds.  
Remaining Location = 33,175 Cu. Yds.

**TOTAL CUT** = 42,948 CU.YDS.  
**FILL** = 19,768 CU.YDS.

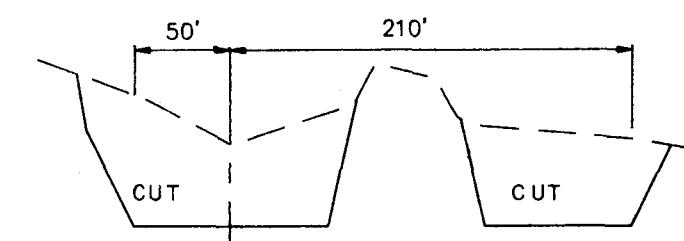
EXCESS MATERIAL AFTER  
20% COMPACTION = 18,238 Cu. Yds.  
Topsoil & Pit Backfill (1/2 Pit Vol.) = 5,929 Cu. Yds.  
EXCESS UNBALANCE (After Rehabilitation) = 12,309 Cu. Yds.

SCALE: 1' = 50'  
DATE: 8-23-88

X-Section Scale  
1" = 50'  
1" = 100'

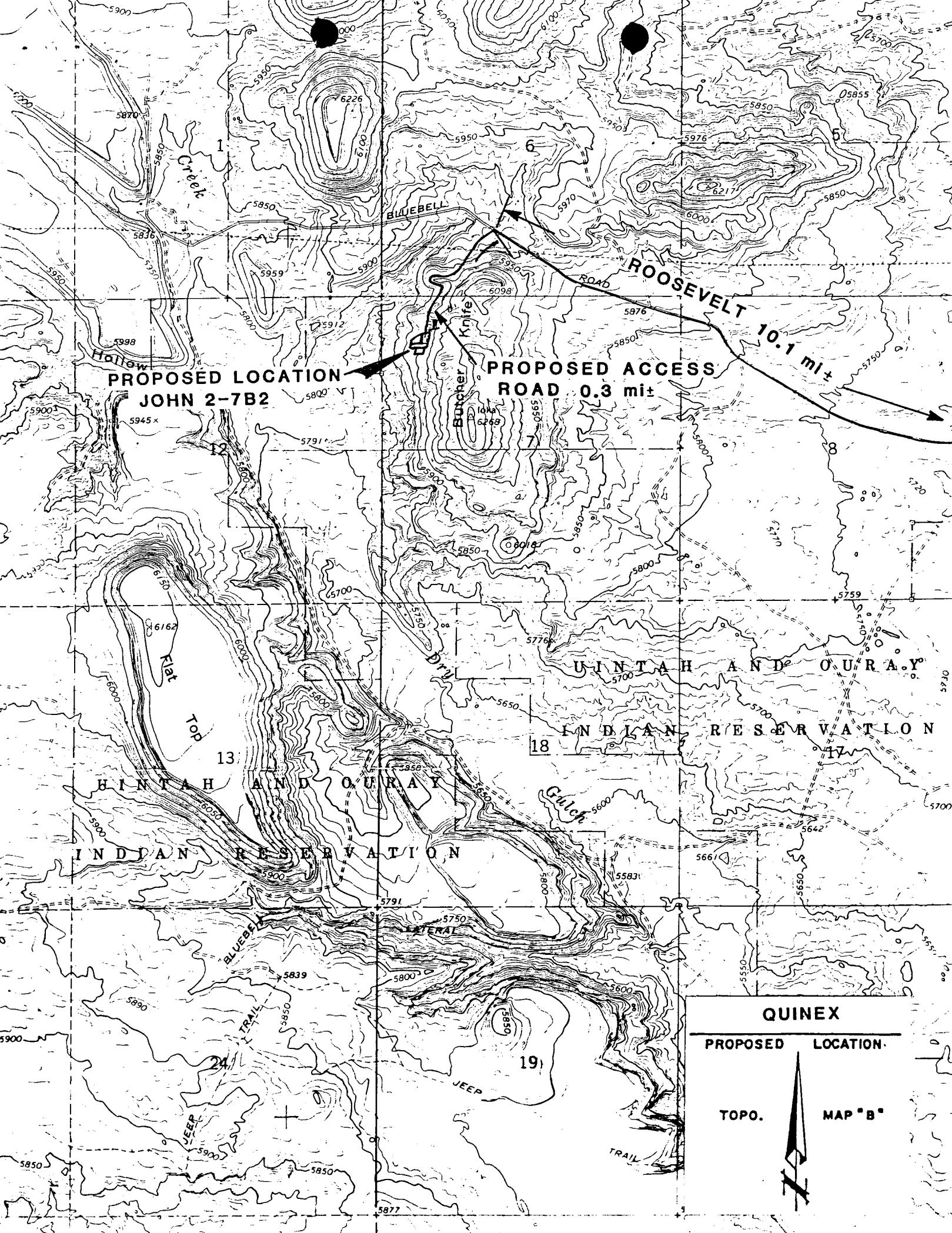


STATION 0+30.00



STATION 0+00.00

UINTAH ENGINEERING & LAND SURVEYING  
P.O. Box 1768 Vernal, Utah



PROPOSED LOCATION  
JOHN 2-7B2

5.9 mi±

Hanc 4.2 mi±

ROOSEVELT

BIG SAND LAKE  
STATE BEACH

Upalco

1737

36

31

6

North

1667

1

Myton

36

6 Bench

1

Cobble

Hollow

1550

1541

1549

1547

1545

1543

1541

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# CONFIDENTIAL

OPERATOR Quinx Energy Corporation DATE 8-29-88

WELL NAME John 2-7B2

SEC NwNW T 2S R 2W COUNTY Duchesne

43-013-31216

API NUMBER

Indian

TYPE OF LEASE

## CHECK OFF:

PLAT

BOND

NEAREST WELL

LEASE

FIELD

POTASH OR OIL SHALE

## PROCESSING COMMENTS:

Nearest well ok under Cause No. 139-42

Need water permit

Request 13-Point plan. Received 9-1-88.

## APPROVAL LETTER:

SPACING:

R615-2-3

UNIT

R615-3-2

139-42 4-12-85

CAUSE NO. & DATE

R615-3-3

## STIPULATIONS:

1-Water Permit

CONFIDENTIAL  
PERIOD

EXPIRED  
ON 11-11-90



**State of Utah**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter  
Governor  
Dee C. Hansen  
Executive Director  
Dianne R. Nielson, Ph.D.  
Division Director

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340

**September 6, 1988**

**Quinex Energy Corporation**  
4527 South 2300 East #106  
Salt Lake City, Utah 84117

**Gentlemen:**

**Re: John 2-7B2 - NW NW Sec. 7, T. 2S, R. 2W - Duchesne County, Utah**  
**815' FNL, 661' FWL**

Approval to drill the referenced well is hereby granted in accordance with the Order of Cause No. 139-42 dated April 12, 1985 subject to the following stipulations:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water as required by Chapter 3, Title 73, Utah Code Annotated.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification within 24 hours after drilling operations commence.
2. Submittal of an Entity Action Form within five working days following spudding and whenever a change in operations or interests necessitates an entity status change.
3. Submittal of the Report of Water Encountered During Drilling, Form OGC-8-X.
4. Prompt notification if it is necessary to plug and abandon the well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or Jim Thompson, Lead Inspector, (Home) 298-9318.
5. Compliance with the requirements of Rule R615-3-22, Gas Flaring or Venting, Oil and Gas Conservation General Rules.

Page 2  
Quinex Energy Corporation  
John 2-7B2  
September 6, 1988

6. Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site shall be submitted to the local health department. These drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 538-6121.
7. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-013-31216.

Sincerely,



R. J. Firth  
Associate Director, Oil & Gas

lr  
Enclosures  
cc: Branch of Fluid Minerals  
D. R. Nielson  
8159T

**RECEIVED**  
NOV 07 1988

Form 9-331  
Dec. 1973

Form Approved.  
Budget Bureau No. 42-R1424

UNITED STATES  
DEPARTMENT OF THE INTERIOR DIVISION OF  
GEOLOGICAL SURVEY OIL, GAS & MINING

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil  gas  well  other

2. NAME OF OPERATOR

QUINEX ENERGY CORPORATION

3. ADDRESS OF OPERATOR Utah 84117

4527 South 2300 East, Suite 106, Salt Lake City

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.) 671' FWL, 484' FNL, Sec. 7, T2S, R2W

AT SURFACE:

AT TOP PROD. INTERVAL: same

AT TOTAL DEPTH: same

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO: SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	<input checked="" type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>	<input checked="" type="checkbox"/>
MULTIPLE COMPLETE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CHANGE ZONES	<input type="checkbox"/>	<input checked="" type="checkbox"/>
ABANDON*	<input type="checkbox"/>	<input checked="" type="checkbox"/>

(other) Location change due to archeology

5. LEASE

14-20-H62-4399

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
Ute Tribe

7. UNIT AGREEMENT NAME  
Ute Tribal

8. FARM OR LEASE NAME  
John 2-7B2

9. WELL NO.  
John 2-7B2 43-013-31216

10. FIELD OR WILDCAT NAME  
Bluebell

11. SEC., T., R., M., OR BLK. AND SURVEY OR  
AREA NW $\frac{1}{4}$ , NW $\frac{1}{4}$ , Sec. 7, T2S, R2W

12. COUNTY OR PARISH: 13. STATE  
Duchesne Utah

14. API NO.

43-013-31216

15. ELEVATIONS (SHOW DF, KDB, AND WD)  
GR. 5922'

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Completion as per first request. Only the surface location changed due to archeological problems on original site. New location approved by on-site inspection of both B.L.M. representative and archeologist.

Subsurface Safety Valve: Manu. and Type \_\_\_\_\_ Set @ \_\_\_\_\_ Ft.

18. I hereby certify that the foregoing is true and correct

SIGNED DeForest Swain TITLE V. Pres. Geophysical DATE 11/7/88

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

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

SUBMIT IN TRIPPLICATE  
(Other instructions on  
reverse side)

**SUNDY NOTICES AND REPORTS ON WELLS**  
(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL  GAS  WELL  OTHER

2. NAME OF OPERATOR

QUINEX ENERGY CORPORATION

3. ADDRESS OF OPERATOR

4527 South 2300 East, Salt Lake City, Utah 84115 DIVISION OF SUITE 106

4. LOCATION OF WELL (Report location clearly and in accordance with OIL, GAS & MINING.  
See also space 17 below.)  
At surface

671' FWL, 484' FNL, Section 7, T. 2 S., R. 2 W., USM

14. PERMIT NO.

43-013-31216

15. ELEVATIONS (Show whether DEP. ET. GR. etc.)

GR. 5922'

**RECEIVED**

NOV 07 1988

5. LEASE DESIGNATION AND SERIAL NO.	
14-20-H62-4399	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
Ute Tribe	
7. UNIT AGREEMENT NAME	
Ute Tribal	
8. FARM OR LEASE NAME	
John 2-7B2	
9. WELL NO.	
John 2-27B2	
10. FIELD AND POOL, OR WILDCAT	
Bluebell	
11. SEC., T., R. L. M., OR BLK. AND SURVEY OF AREA	
NW $\frac{1}{4}$ , NW $\frac{1}{4}$ , Sec. 7, T2S, R2W	
12. COUNTY OR PARISH	13. STATE
Duchesne	Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF


PULL OR ALTER CASING


FRACTURE TREAT


SHOOT OR ACIDIZE


REPAIR WELL


18. Operation Change

MULTIPLE COMPLETE


ABANDON\*


CHANGE PLANS


SUBSEQUENT REPORT OF:

WATER SHUT-OFF


FRACTURE TREATMENT


SHOOTING OR ACIDIZING

--

(Other)

(Note: Report results of multiple completion on Well  
(Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The surface location was changed due the finding of archeological material on the proposed location. The new location has been approved verbally by the on-site inspection team consisting of the B.I.A., B.L.M. and archeologist.

18. I hereby certify that the foregoing is true and correct

SIGNED

*Donald S. Brune*

TITLE V. Pres. Quinex Energy Corp. DATE 11/7/1988

(This space for Federal or State office use)

APPROVED BY

CONTRACTS OF APPROVAL, IF ANY:

TITLE

OF UTAH DIVISION OF

ON, GAS, AND MINING

DATE: 11-15-88

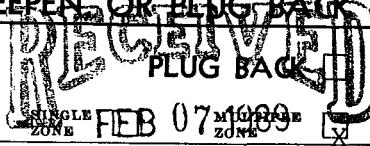
BY: *John R. Day*

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

SUBMIT IN TRIPPLICATE  
(Other instructions on  
reverse side)Form approved.  
Budget Bureau No. 42-R1425.

## 1a. TYPE OF WORK

DRILL DEEPEN b. TYPE OF WELL  
OIL WELL  GAS WELL  OTHER

## 2. NAME OF OPERATOR

QUINEX ENERGY CORPORATION DIVISION OF  
OIL, GAS & MINING4527 South 2300 East, Salt Lake City, Utah 84117  
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
At surface

661' FWL, 815 FNL, Sec. 7, T.2S., R.2W. USM

At proposed prod. zone

SAME

## 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

10.1 mi. West of Roosevelt, Utah.

15. DISTANCE FROM PROPOSED\*  
LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drig. unit line, if any)

661 feet

16. NO. OF ACRES IN LEASE  
313 acres17. NO. OF ACRES ASSIGNED  
TO THIS WELL

313 acres

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

1850 feet

19. PROPOSED DEPTH  
13,500'

20. ROTARY OR CABLE TOOLS

Rotary

## 21. ELEVATIONS (Show whether DF, RT, GR, etc.)

GR 5937'

## 22. APPROX. DATE WORK WILL START\*

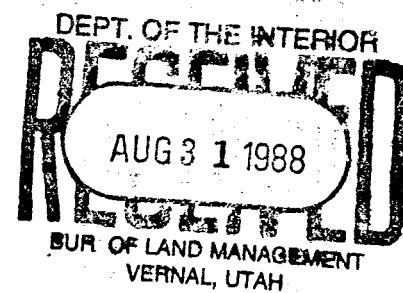
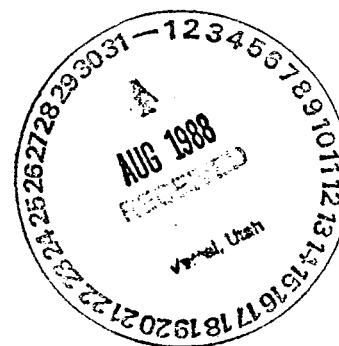
October 1, 1988

23.

## PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14 1/2 "	10 3/4 "	50.5#	2000'	1100 sacks
9 7/8 "	7 5/8 "	26.4 & 29.7#	11,000'	1000 sacks
6 3/4 "	5 1/2 "	20#	13,500'	500 sacks

SEE ATTACHED DRILLING PROGNOSIS SHEET



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED Donald S. Snover

TITLE Vice. President, Quinex Energy DATE August 26, 1988

(This space for Federal or State office use)

PERMIT NO. 43-013-31216

APPROVAL DATE

APPROVED BY Donald E. KenneyTITLE Asst. Manager MineralsDATE 2/3/89

## NOTICE OF APPROVAL

\*See Instructions On Reverse Side

CONDITIONS OF APPROVAL ATTACHED  
TO OPERATOR'S COPYUT080-8M55  
Dw 06 x M

## memorandum

DATE: JAN. 31 1989

REPLY TO  
ATTN OF: Superintendent, Uintah and Ouray AgencySUBJECT: Quinex Energy Corporation - John 2-7B2 Well located in  
Sec. 7, T2S-R2W, NW/4NW/4; Lease No. 14-20-H62-4399TO: Bureau of Land Management, Vernal District Office  
Attention: Mr. David E. Little, District Manager

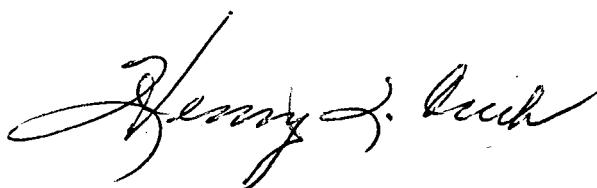
We concur with approval of the Application for Permit to Drill subject well.

Based on available information received on January 31, 1989, we have  
cleared the proposed location in the following areas of environmental impact.

YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	Listed threatened or endangered species.
YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	Critical wildlife habitat.
YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	Archaeological or cultural resources.
YES <input type="checkbox"/>	NO <input type="checkbox"/>	Air quality aspects (to be used only if Project is in or adjacent to a Class I area of attainment)
YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	Other (if necessary)

REMARKS: Stipulations

1. Dimension of location will be decreased in size to allow for a smaller drilling operation, and
2. A 10' dike will be built on ~~west~~ side of the reserve pit to secure the water flow situation, and
3. The reserve pit will need a 20 mil poly reinforced liner with bedding of soils and bentonite mixture.
4. All washes originally streamed through location will be diverted to the south side of location to prevent erosion.




CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

WITHIN THE UNTAH OURAY RESERVATION

Company Quinex Energy Well No. John 2-7B2

Location NWNW Sec. 7 T.2S. R.2W. Lease No. 14-20-H62-4399

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3160), Onshore Oil and Gas Orders and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

If this well is determined to be capable of production in paying quantities, Quinex Energy will need to file an application for a communitization agreement in accordance with Spacing Orders No. 139-42 and 131-14.

**A. DRILLING PROGRAM**

**1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered**

Report ALL water shows and water-bearing sands to Wayne Svejnoha of this office. Copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All fresh water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

**2. Pressure Control Equipment**

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc. and individual components shall be operable as designed.

The Vernal District Office shall be notified, with sufficient lead time, in order to have a BLM representative present while pressure testing.

**3. Casing Program and Auxiliary Equipment**

The District Office shall be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.

Usable water may be encountered from surface to + 3910 ft. in the Duchesne River formation, from + 6500 - 7100 ft. in the Uintah formation and from + 7350 - 7650 ft. in the Green River formation. If encountered, the resources will be isolated and protected via the cementing program for the intermediate casing.

**4. Mud Program and Circulating Medium**

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

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

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

A cement bond log (CBL), or some other means acceptable to the Authorized Officer, shall be utilized to determine the top of cement (TOC) for the intermediate and production casing.

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 not later than 30 days after 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-test 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 (cuttings, fluids, and/or gases) will be submitted when requested by the Authorized Officer (AO).

**6. Notifications of Operations**

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 approval of the AO will be obtained and notification given before resumption of operations.

The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than 5 days following the date on which the well is placed on production.

Pursuant to NTL-2B, with the approval of a District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 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.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the authorized officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the appropriate District Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

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

No well abandonment operations will be commenced 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 with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

Pursuant to Onshore Oil and Gas Orders, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.

7. Other Information

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

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried or anchored down from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter 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 meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or work-over program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An additional one (1) year approval period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hour approvals are necessary, please contact one of the following individuals:

Gerald E. Kenczka (801) 781-1190  
Petroleum Engineer

Ed Forsman (801) 789-7077  
Petroleum Engineer

B. THIRTEEN POINT SURFACE USE PROGRAM:

Multipoint Requirements to Accompany APD

1. Access Roads

All travel will be confined to existing access road rights-of-way. The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road.

Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages 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. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

2. Location of Existing and/or Proposed Facilities if the Well Enters Production:

Any off-location facilities (gas line, water line, power line, etc.) will have to be approved at a later date via a sundry notice.

If a tank battery is constructed on this lease, the battery or the well pad will be surrounded by a dike of sufficient capacity to contain 1½ times the storage capacity of the battery. The integrity of the dike must be maintained.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Desert Brown (10 yr. 6/3).

3. Location and Type of Water Supply

The operator will be responsible for acquiring the necessary permit to obtain water to be used for drilling activities.

#### 4. Construction Materials

If fill materials are needed to construct roads or well sites, proper permits must be obtained from the Surface Management Agency, unless materials are obtained from a private source.

#### 5. Methods for Handling Waste Disposal

The reserve pit shall be lined with 20 mil. nylon reinforced plastic liner with a minimum of 4" of soil for bedding underneath the liner. Four pounds commercial bentonite will be mixed in with the soil bedding. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it from sloughing. The pit shall be constructed so as not to leak, break, or allow discharge.

Produced waste water will be confined to a lined pit or, if deemed necessary, a storage tank for a period not to exceed 90 days after first production. During the 90-day period an application for approval of a permanent disposal method and location, along with required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

#### 6. Well Site Layout

1. Tank batteries - NE corner between points No. 2 and 3.
2. Reserve pit - SE side.
3. Topsoil stockpile - north side of location on west of access road.
4. Flare pit - 8' x 8' minimum, 30' west of the reserve pit corner B and a minimum of 100' from rig substructure.
5. Access road - north side of location.

All pits will be fenced with a wire mesh fence and topped with at least one strand of barbed wire. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location.

Diversion ditch(es) shall be constructed on the east side of the location below the cut slope, draining to the south.

A 10-foot wide soil compacted earthen dike shall be placed on the west side of the reserve pit between points D and B and extending  $\approx$  75' towards point A.

The No. 2 corner of the well pad will be rounded off to reduce the cut. The east side of the reserve pit shall be moved west 25 ft.

7. Plans for Restoration of Surface

At such time as the well is plugged and abandoned, the operator will submit a surface reclamation plan to the Surface Management Agency for prescribed seed mixtures and reseeding requirements.

If the seeding is unsuccessful, the lessee/operator may be required to make subsequent seedings.

On BIA administered lands:

The operator will submit a plan of controlling noxious weeds along rights-of-way for roads, pipelines, well sites or other applicable facilities. A list of noxious weeds can be obtained from the appropriate county extension office.

8. Other Information

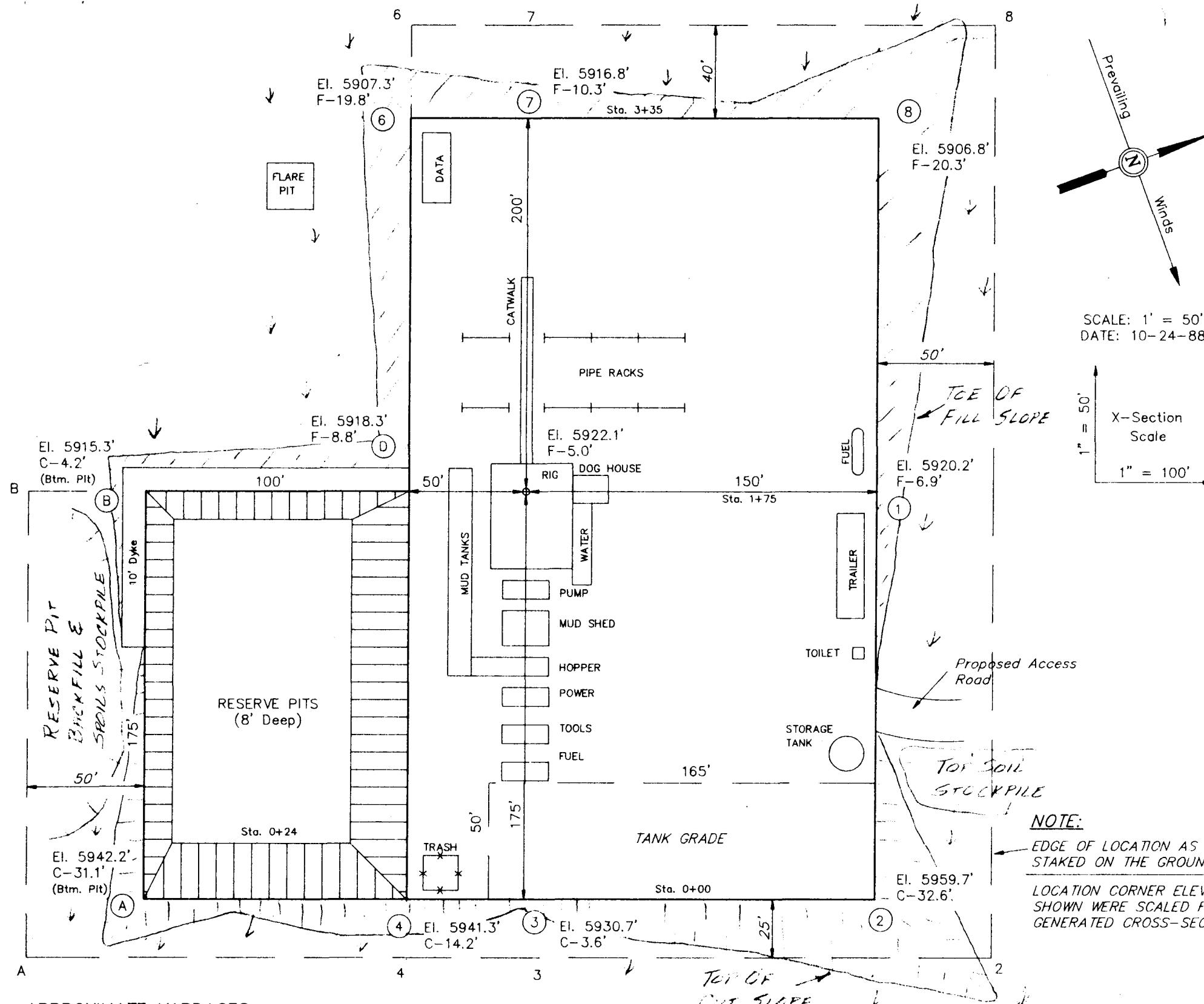
All roads constructed by operators on the Uintah and Ouray Indian Reservation will have appropriate signs. Signs will be neat and of sound construction. They will state: (a) that the land is owned by the Ute Indian Tribe, (b) the name of the operator, (c) that firearms are prohibited to all non-Ute Tribal members, (d) that permits must be obtained from the BIA before cutting firewood or other timber products and (e) only authorized personnel permitted.

All well site locations on the Uintah and Ouray Indian Reservation will have an appropriate sign indicating the name of the operator, the lease serial number, the well name and number, the survey description of the well (either footages or the quarter-quarter section, the section, township, and range).

9. Lessee's or Operators Representative and 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 is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.



### APPROXIMATE YARDAGES

CUT  
(6") Topsoil Stripping = 2,065 Cu. Yds.  
Pit Volume (Below Grade) = 3,868 Cu. Yds.  
Remaining Excavation = 13,934 Cu. Yds.

TOTAL CUT = 19.867 CU. YDS.

FILL = 12,381 CU. YDS.

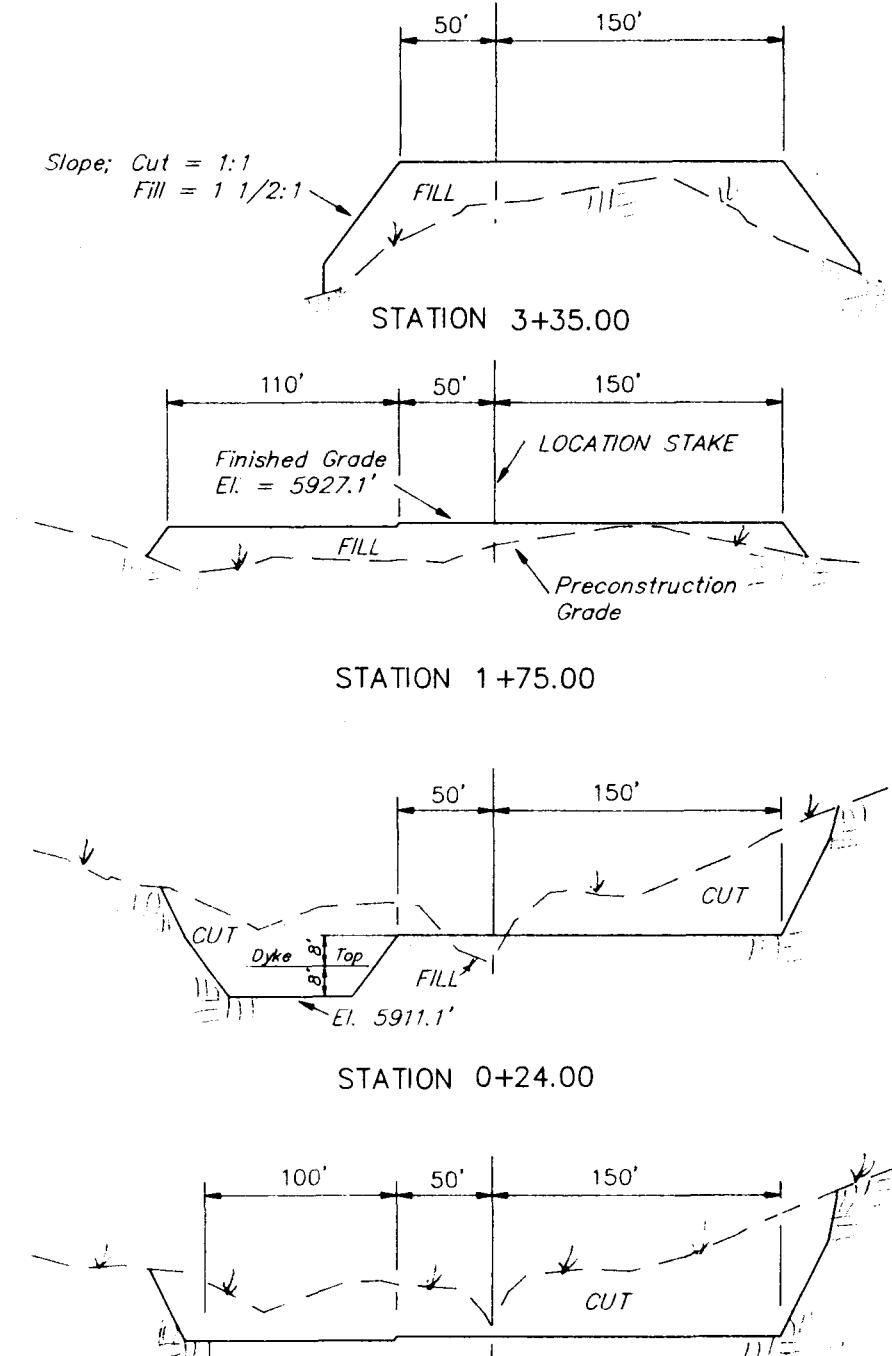
EXCESS MATERIAL AFTER 20% COMPACTION	=	4,391 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	3,999 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	392 Cu. Yds.

## QUINEX ENERGY CORP.

---

## LOCATION LAYOUT FOR

JOHN 2-7B2  
SECTION 7, T2S, R2W, U.S.B.&M.



STATION 0+00.00



# Brigham Young University

Office of Public Archaeology

20 October 1988

DeForest Smouse  
Quinex Energy Corporation  
Sherrington Square  
4527 South 2300 East  
Salt Lake City, Utah 84117

Mr. Smouse:

Enclosed please find your copy of "An Archaeological Inventory of a Proposed Well Pad and Access Road on the Butcher Knife, Duchesne County, Utah." Briefly, OPA recorded one site (42Dc 579), a prehistoric lithic quarry which is not significant. Also noted were two isolated artifacts. Neither is significant.

If you have any questions or concerns regarding this report, please feel free to contact us.

Sincerely,

Lane Richens  
Staff Archaeologist - OPA/BYU

cc:  Diana Christensen - USHPO  
Kessley Larose - Ute Indian Tribe  
John Clasell - Quinex Energy Corp.

Summary Report of  
Inspection for Cultural Resources

Report Acceptable Yes  No

Mitigation Acceptable Yes  No   
Comments: \_\_\_\_\_

Report Title Quinex Blue Bell Well Pad & Road

40

2. Development Company Quinex Energy Corporation

3. Report Date 10/19/88 4. Antiquities Permit No. 88-UT-54624

41 42 MONTH 43 YEAR 46

5. Responsible Institution Quinex Energy Corporation County Duchesne

47

61

6. Fieldwork Location: Twp 2 S 65 Range 2 W 66 69 Section(s) 0 16 0 71  
62 66 69 70 71 72 73 74 75 76 77  
Twp 78 81 Range 82 85 Section(s) 86 87 88 89 90 91 92 93

7. Resource Area 110 111 Twp 94 97 Range 95 101 Section(s) 102 103 104 105 106 107 108 109

PO= PONY EXPRESS, BR= BEAR RIVER, PR= PRICE RIVER, WS= WARM SPRINGS  
BC= BOOK CLIFFS, HR= HOUSE RANGE, SE= SEVIER RIVER  
HM= HENRY MOUNTAINS, BE= BEAVER RIVER, DX= DIXIE  
KA= KANAB, ES= ESCALANTE, SJ= SAN JUAN, GR= GRAND  
SR= SAN RAFAEL, DM= DIAMOND MOUNTAIN,

FH in spaces 65, 69, 81, 85, 87, 101 Only if  
V= Vernal Meridian  
H= Half Township

3. Description of Examination Procedures:

Access road has a width of 30 feet. It was inventoried by completing a zig-zag transect on either side of center-line. The well pad location covers an area 300 x 400 feet. It was inventoried by completing several zig-zag transects over the proposed disturbance area.

9. Linear Miles Surveyed 112 117

10. Inventory Type I  
150

R= Reconnaissance  
I= Intensive  
S= Statistical Sample

Definable Acres Surveyed 6.5 123

\* Legally Undefinable Acres Surveyed 124 128

(\*A parcel hard to accurately locate i.e., center of section)

11. Description of Findings (attach appendices, if appropriate) 12. Number Sites Found: 1 1 1  
No sites = 0 131

One lithic scatter and two isolated artifacts were encountered  
during the survey.

13. Collection: N Y=Yes, N=N  
136

14. Actual/Potential National Register Properties Affected:

None

15. Literature Search, Location/Date:

6 Oct 88 - USHPO

16. Conclusion/Recommendations:

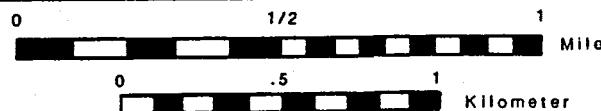
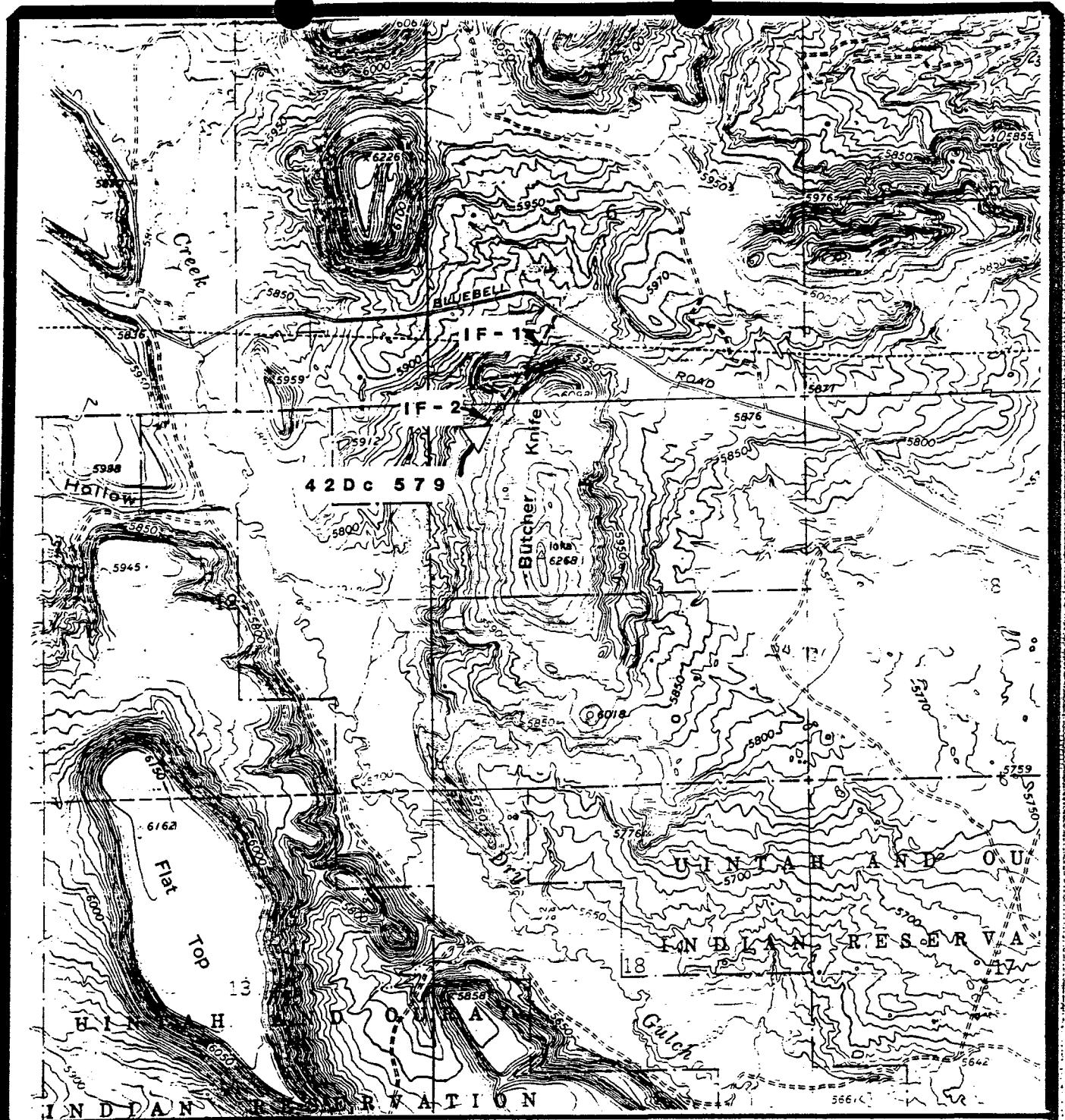
No historic properties will be affected by the project.

17. Signature of Administrator & Field Supervisor: Administrator Chaff

Field Supervisor Lee Dihm

8100-3

\*For extra locations use additional 8100-3 forms.



LEGEND

- Access road
- Well pad
- Archaeological site

OFFICE of PUBLIC ARCHAEOLOGY

MUSEUM OF PEOPLES AND CULTURES

BRIGHAM YOUNG UNIVERSITY

PROJECT: Quinex Energy Well Pad and Road

COUNTY: Duchesne

QUAD: Bluebell

7.5-minute

T2S R2-3W

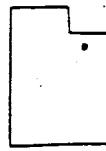
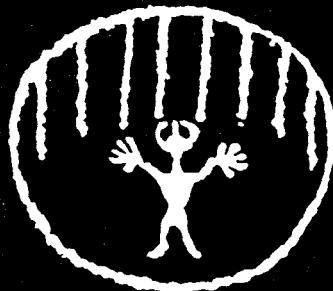


FIGURE 2

BRIGHAM YOUNG UNIVERSITY  
MUSEUM OF PEOPLES AND CULTURES  
TECHNICAL SERIES NO. 88-26



AN ARCHAEOLOGICAL INVENTORY OF  
A PROPOSED WELL PAD AND ACCESS ROAD  
ON THE BUTCHER KNIFE, DUCHESNE COUNTY, UTAH

by

Lane D. Richens

Office of Public Archaeology  
James D. Wilde, Principal Investigator  
Museum of Peoples and Cultures  
Brigham Young University  
Provo, Utah 84602

prepared for

Quinex Energy Corporation  
Salt Lake City, Utah

20 October 1988

Federal Antiquities Permit Number 88Ut54624  
Utah State Project Authorization Number U-88-BC-522i

## ABSTRACT

OPA/BYU has completed an archaeological inventory of a proposed well pad and access road in Duchesne County, Utah. The access road and well location proposed by the Quinex Energy Corporation are on the Uintah and Ouray Indian Reservation. OPA recorded one archaeological site (42Dc 579) and two isolated artifacts. The site is a prehistoric lithic quarry which is considered non-significant, and therefore ineligible for nomination to the National Register.

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## INTRODUCTION

On 13 October 1988, the Office of Public Archaeology (OPA), Brigham Young University (BYU), conducted an intensive archaeological inventory of a proposed well pad location and access road on Ute Tribal lands in Duchesne County, Utah. The inventory was requested by Mr. DeForest Smouse of Quinex Energy Corporation of Salt Lake City, and was carried out by Lane D. Richens, Staff Archaeologist at OPA. He was accompanied in the field by Kessley Larose of the Ute Indian Tribe. The inventory was carried out under authorization of Federal Antiquities Permit Number 88UT 54624 and Utah State Project Authorization Number U-88-BC-522i. Field conditions and ground visibility were excellent.

## LOCATION

The proposed well pad and access road are located approximately eight miles west of Roosevelt, Utah (Figure 1). The well pad location (Figure 2) is in the NE1/4 NW1/4 NW1/4 of Section 7, T2S R2W, Uinta Base Meridian (Bluebell Quadrangle, Utah, 7.5-minute series), and covers a 300-400 foot square area. The access road exits the north side of the well pad and runs in a northeasterly direction for 0.35 mile, connecting with the Bluebell road in the NW1/4 SE1/4 SW1/4 of Section 6, T2S R2W. The entire project is within the boundaries of the Uintah and Ouray Indian Reservation.

## ENVIRONMENT

### Geology

The project area is within the Uinta Basin Section of the Colorado Plateau (Stokes 1977). It is 1/2-mile west of the confluence of Gundy Hollow and Dry Gulch Creek, on the east side of an unnamed intermittent tributary to Dry Gulch Creek. The area is characterized by eroded hills and benches composed of Quaternary deposits.

### Flora/Fauna

The project area is within the Upper Sonoran Life Zone. Vegetation observed includes juniper, sagebrush, serviceberry, Ephedra, Opuntia and various grasses. No fauna were observed.

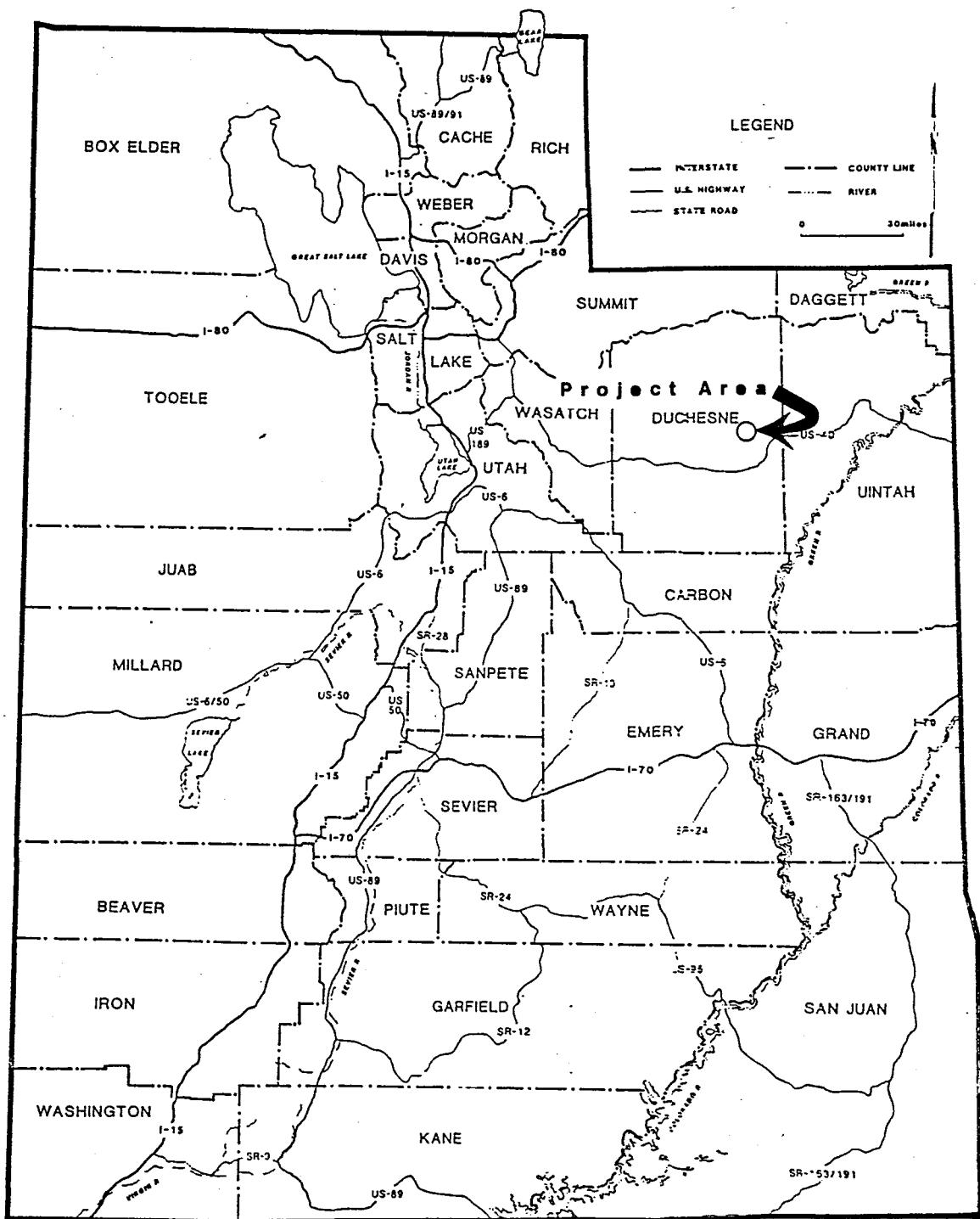
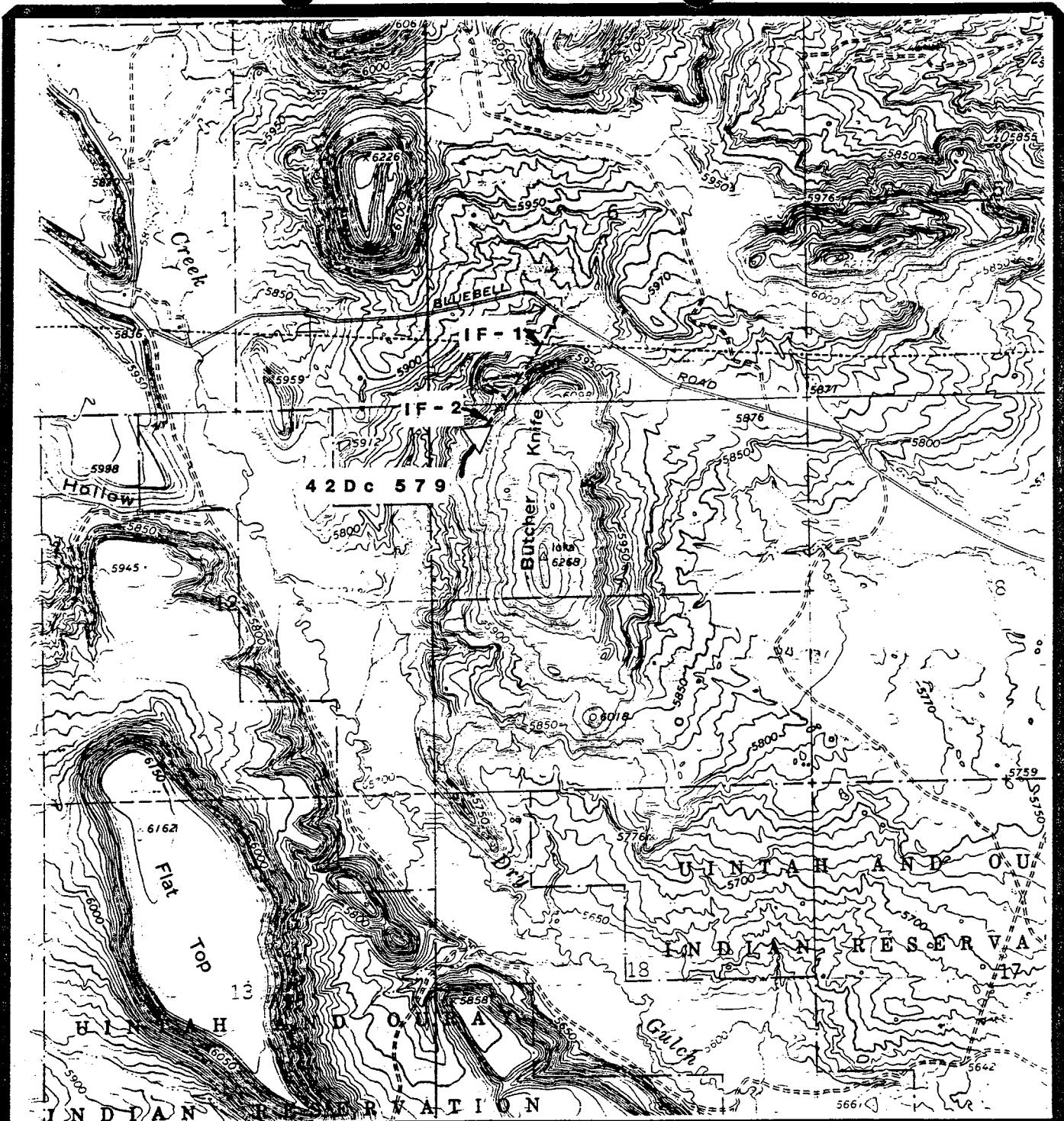


Figure 1  
General Project Area



0 1/2 1 Mile

0 .5 1 Kilometer

LEGEND

- Access road
- Well pad
- Archaeological site

OFFICE OF PUBLIC ARCHAEOLOGY

MUSEUM OF PEOPLES AND CULTURES

BRIGHAM YOUNG UNIVERSITY

PROJECT: Quinex Energy Well Pad and Road

COUNTY: Duchesne

QUAD: Bluebell

7.5-minute

T2S R2-3W

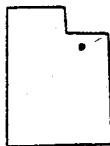


FIGURE 2

## PREVIOUS RESEARCH

Prior to conducting the field inventory, a site files search was conducted on 12 October 1988 by personnel at the Utah State Historic Preservation Office (USHPO) in Salt Lake City. The state files show that no previous projects have been conducted on or near the survey area. In addition, no sites are listed on or considered eligible for nomination to the National Register of Historic Places within the project area.

The history and prehistory of the region have been summarized elsewhere (Jones and Mackay 1980) and need not be repeated here.

## INVENTORY METHODS

OPA completed the inventory of the access road by walking two zig-zag transects on either side of the center-line, covering a corridor 40-50 feet wide. The well pad location was examined by walking several zig-zag transects over the proposed area of disturbance. Isolated artifacts were plotted on a USGS topographic map, and one newly-discovered site was photographed and recorded on IMACS Site Forms.

## INVENTORY RESULTS

OPA recorded one new site and noted two isolated artifacts during the survey. No artifacts were collected. The site is described below and the isolated artifacts are summarized in Table 1.

### Site Description

Site 42Dc 579 is a lithic quarry site consisting of a natural outcrop of quartzite nodules, some of which have been modified by both man and nature. The site is situated on the west edge of a series of sand and boulder-covered terraces which jut out above a larger, intermittent drainage channel. The site is in the SW1/4 NW1/4 NW1/4 of Section 7, T2S R2W (Figure 2). Artifacts include primary and secondary flakes, cores, core shatter and some possible hammerstones. Lithic material consists solely of light-colored quartzite, except for one small chert scraper found on the site. Several large quarry blanks were found, but no other tools, diagnostic artifacts or evidence of features were noted. The site is contained within a 150 by 20 m area. There is no indication of depth to the site, and it is

considered to be non-significant.

Table 1. Summary of isolated artifacts.

IF No.	Description
IF-1	One white chert secondary flake
IF-2	One white chert secondary flake

#### NATURE OF PROPOSED IMPACTS

Quniex Energy Corporation proposes construction of a well pad and an access road to the facility. The access road will require cutting of sloping areas and grading. Construction impact will extend approximately 15 feet on either side of a center-line. The well pad location will be graded and filled in order to accomodate placement of a well derrick and associated facilities.

#### NATIVE AMERICAN RELIGIOUS SIGNIFICANCE

No significant archaeological sites were noted within the survey area. Kessley Larose, Cultural Resource Specialist for the Ute Indian Tribe, who was present during the survey, did not indicate that the Tribe affixed any specific religious value to the well-pad area.

#### PROFESSIONAL RECOMMENDATIONS

One archaeological site was found near the well-pad location and may be slightly disturbed by derrick placement. Since the site is considered non-significant, there will be no adverse effect. OPA recommends that:

1. Project activity be restricted to those areas cleared for the project.
2. Personnel associated with the project should refrain from collecting or otherwise disturbing cultural materials which may be encountered during development.

3. Should unrecorded cultural materials be encountered during development, activities in the affected area should cease, and the Ute Indian Tribe and USHPO should be notified before development is resumed.
4. Should human remains be discovered, all activities in the project area must cease until permission to continue is granted by the Ute Indian Tribe and the USHPO for resumption of such activities.

#### BIBLIOGRAPHY

Jones, Kevin T., and Kathryn L. MacKay  
1980 Cultural Resources Existing Data Inventory, Vernal  
District, Utah. University of Utah Archeological Center  
Reports of Investigations 80-18. Salt Lake City.

Stokes, William Lee  
1977 Subdivisions of the Major Physiographic Provinces in  
Utah. Utah Geology 4(1). Utah Geological and Mineral  
Survey, Salt Lake City.

# IMACS SITE FORM

## Part A - Administrative Data

### INTERMOUNTAIN ANTIQUITIES COMPUTER SYSTEM

Form approved for use by

BLM - Utah, Idaho, Nevada, Wyoming

Division of State History - Utah, Wyoming

USFS - Intermountain Region

NPS - Utah, Wyoming

4. State: Utah

\*1. State No.: 42 DC 579

5. Project: Quinex Bluebell

\*2. Agency No.: -

\*6. Report No.: U 88BC588i

3. Temp No.: LR-1

County: Duchesne

7. Site Name:

8. Class:  Prehistoric  Historic  Paleontologic  Ethnographic

9. Site Type: Lithic quarry

\*10. Elevation: 5950 ft.

\*11. UTM Grid: Zone 12 571420 m E 4464300 m N

\*12. of SW of NW of NW of Section 7 T. 2.0S

R. 2.0W

\*13. Meridian: Uintah (Utah)

\*14. Map Reference: Bluebell 7.5-min

15. Aerial Photo:

16. Location and Access:

Take the Bluebell road west out of Roosevelt 8.3 miles. Site is located 700 m SW from the road on the west edge of the "Butcher Knife" hill.

\*17. Land Owner: Indian Reservation

\*18. Federal Admin. Units:

\*19. Management Unit (USFS only):

20. Site Description:

This is a lithic quarry consisting of a fairly extensive scatter of broken quartzite which extends 150 m on the edge of a series of relatively flat terraces which jut out along the west side of the "Butcher Knife" hill. The quartzite has been shattered by man-made as well as weathering processes. Except for one chert scraper, the only tools found on site were large broken quarry blanks. Primary and secondary flakes, cores, core shatter and possible hammerstones are present at the site. No diagnostic artifacts, features or discolored soil were noted.

\*21. Site Condition: Good

\*22. Impact Agent(s): (1) Erosion (2)   
(3)

\*23. Nat. Register Status: Non-Significant (not eligible)

Justify:

No features, no depth, no diagnostic artifacts

24. Photos: 88-LR-3-2 thru 6

25. Recorded by: Lane Richens

\*26. Survey Organization: Brigham Young University \*28. Survey Date: 10/13/88

27. Assisting Crew Members:

BLM 8100-1 / FS R-4 2300-2 / 5/83

\*Encoded data items

Part A - Environmental Data Site No. 42 DC 579

\*29. Slope= 2 (Degrees) Aspect= 280 (Degrees)

\*30. Direction/Distance to Permanent Water= 10.00 x 100 Meters

\*Type of Water Source: Stream/river

Name of Water Source: Dry Gulch Creek

\*31. Geographic Unit: Uinta Basin

\*32. Topographic Location:

PRIMARY

LANDFORM

hill

SECONDARY

LANDFORM

terrace/bench

Describe:

Site is on edge of a series of flat terraces that jut out from the west side of a large hill called the Butcher Knife.

\*33. On-site Depositional Context

Type: marsh

Description of soil:

Green/red silt, sandstone and quartzite boulders

34. Vegetation

\*a. Life Zone: Upper Sonoran

\*b. Community:  Primary OnSite  Secondary OnSite  Surrounding Site

Describe:

Juniper, sage, grass, serviceberry, Ephedra

\*35. Miscellaneous Text: MP&C Tech Ser 88-26

36. Comments/Continuations/Location of Curated Materials and Records:

12. NW NW NW Sec 7

List of Attachments:  Part B  Topo Map  Photos  Other  
 Part C  Site Sketch  Artifact/Feature Sketch

Part B - Prehistoric Sites

Site No.: 42 DD 579

1. Site Type: Lithic quarry

\*2. Culture: AFFILIATION Unknown DATING

3. Site Dimensions: 150 m X 20 m \*Area= 3356 sq m

\*4. Surface Collection/Method: None Sampling Method:

\*5. Estimated Depth of Fill: Surface How Estimated: exposed bedrock (If tested, show location on site map.)

\*6. Excavation Status: Unexcavated Testing Method:

\*7. Summary of Artifacts and Debris:

<input checked="" type="checkbox"/> Lithic Scatter (LS)	<input type="checkbox"/> Isolated Artifact (IA)	<input type="checkbox"/> Burned Stone (BS)
<input type="checkbox"/> Ceramic Scatter (CS)	<input type="checkbox"/> Organic Remains (VR)	<input type="checkbox"/> Ground Stone (GS)
<input type="checkbox"/> Basketry/Textiles (BT)	<input type="checkbox"/> Shell (SL)	<input checked="" type="checkbox"/> Lithic Source(s)

Describe: Site is composed of an extensive outcrop of quartzite material on the west edge of a series of flat terraces. Much of the quartzite is shattered and broken by a combination of weathering and man-made percussion. Secondary and primary flakes with pronounced bulbs of percussion are numerous, as well as several large, broken quarry blanks. On chert scraper was found.

\*8. Lithic Tools:

#	TYPE	#	TYPE
1	Scraper	5	Other

Describe: One small chert scraper, four large, broken quartzite quarry blanks, one complete blank 8 x 16 cm in size

\*9. Lithic Debitage - Estimated Total Quantity: 100-500 Material Type: quartzite, chert Flaking Stages (0)Not Present (1)Rare (2)Common (3)Dominant (9)Unknown Decortication 3 Secondary 2 Tertiary 0 Shatter 2 Core 2

10. Maximum Density - #/sq m (all lithics): 10

Part B - Prehistoric Sites

Site No.: 48 DC 579

\*11. Ceramic Artifacts:

#	TYPE	#	TYPE
None			

Describe:

---

12. Maximum Density - #/sq m (ceramics): 0

\*13. Non-Architectural Features (locate on site map):

Hearth/Firepit  Rubble Mound  Earthen Mound  Water Control  
 Midden  Stone Circle  Burial  Petroglyph  
 Depression  Rock Alignment  Talus Pit  Pictograph

Describe:

---

\*14. Architectural Features (locate on site map):

#	MATERIAL	TYPE	#	MATERIAL	TYPE
None					

Describe:

---

15. Comments/Continuations:

---

1988

IMACS ENCODING FORM

Encoder's Name

To be completed for each site form.

For instructions and codes, see IMACS Users Guide.

1[42]-[DC]-[ 579 ] [ 20 - ] 6[03][88BC58813] 10[ 59500 ] 11[123] 15714201 144643001

EMN321 EMN322 EMN323 EMN324 EMN325 EMN326 EMN327 EMN328 EMN329 EMN330 EMN331 EMN332 EMN333 EMN334 EMN335 EMN336 EMN337 EMN338

For more information, contact the Office of the Vice President for Research and the Office of the Vice President for Student Affairs.

Digitized by srujanika@gmail.com

13[23] 14[Bluebell 7.5-min] 17[IRE]

18 [ 15 ] 3 [ 19 ] 1 [ 21 ] [ B ] 22 [ E ] [ B ] 3 [ E ] 3 [ E ] 3 [ E ] 3 [ E ] 23 [ D ] 24 [ B ] 25 [ 10 ] [ 13 ] [ 88 ] 26 [ 10 ] [ 13 ] [ 88 ] 27 [ 21 ] [ 280 ]

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8

8[11H][5IY] 9[6J] [3][2][0][2][2] 11[A] 3[ ] 3[ ] 3[ ] 13[0] 3[ ] 3[ ] 3[ ] 14[0] 3[ ] 3[ ] 3[ ] 3[ ]

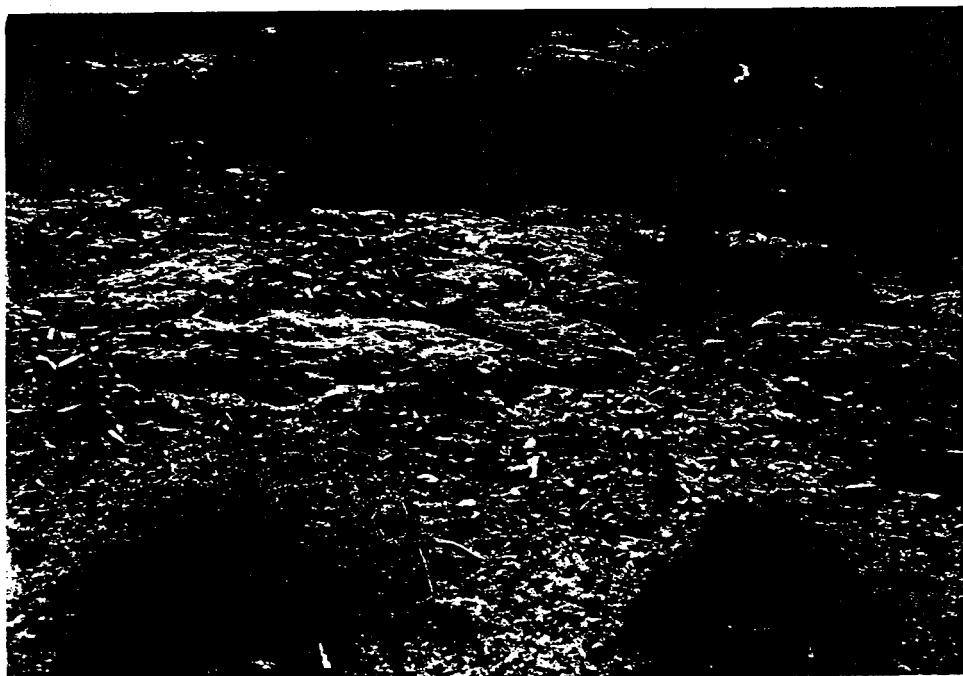
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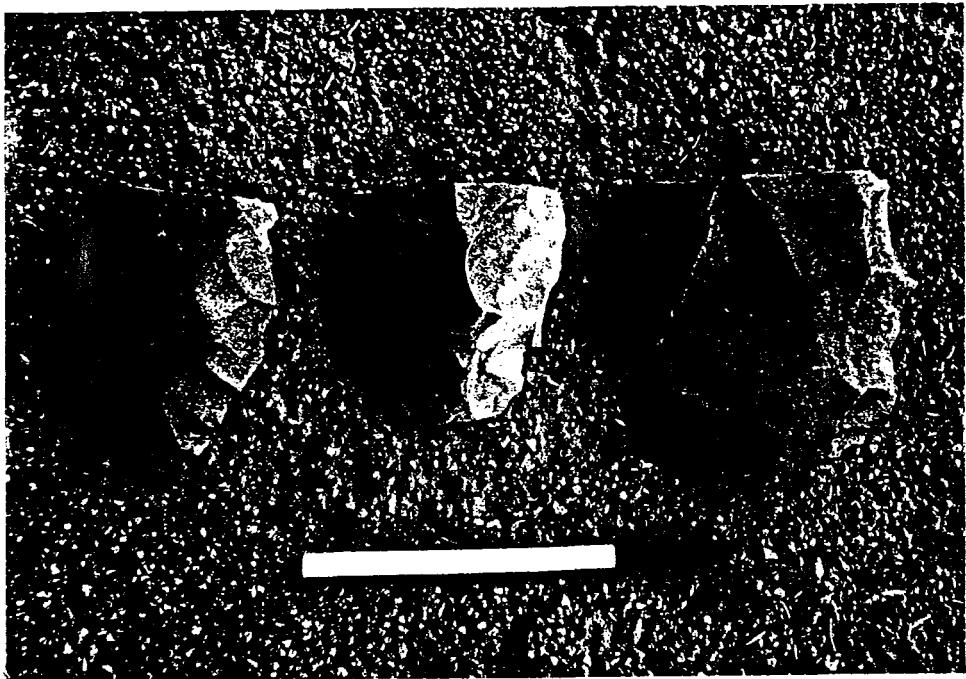
14 [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ]



Site 42Dc 579 - View to the northwest across site



Site 42Dc 579 - Close-up of shattered quartzite on west edge of bench



Site 42Dc 579 - Quarry blanks found on site

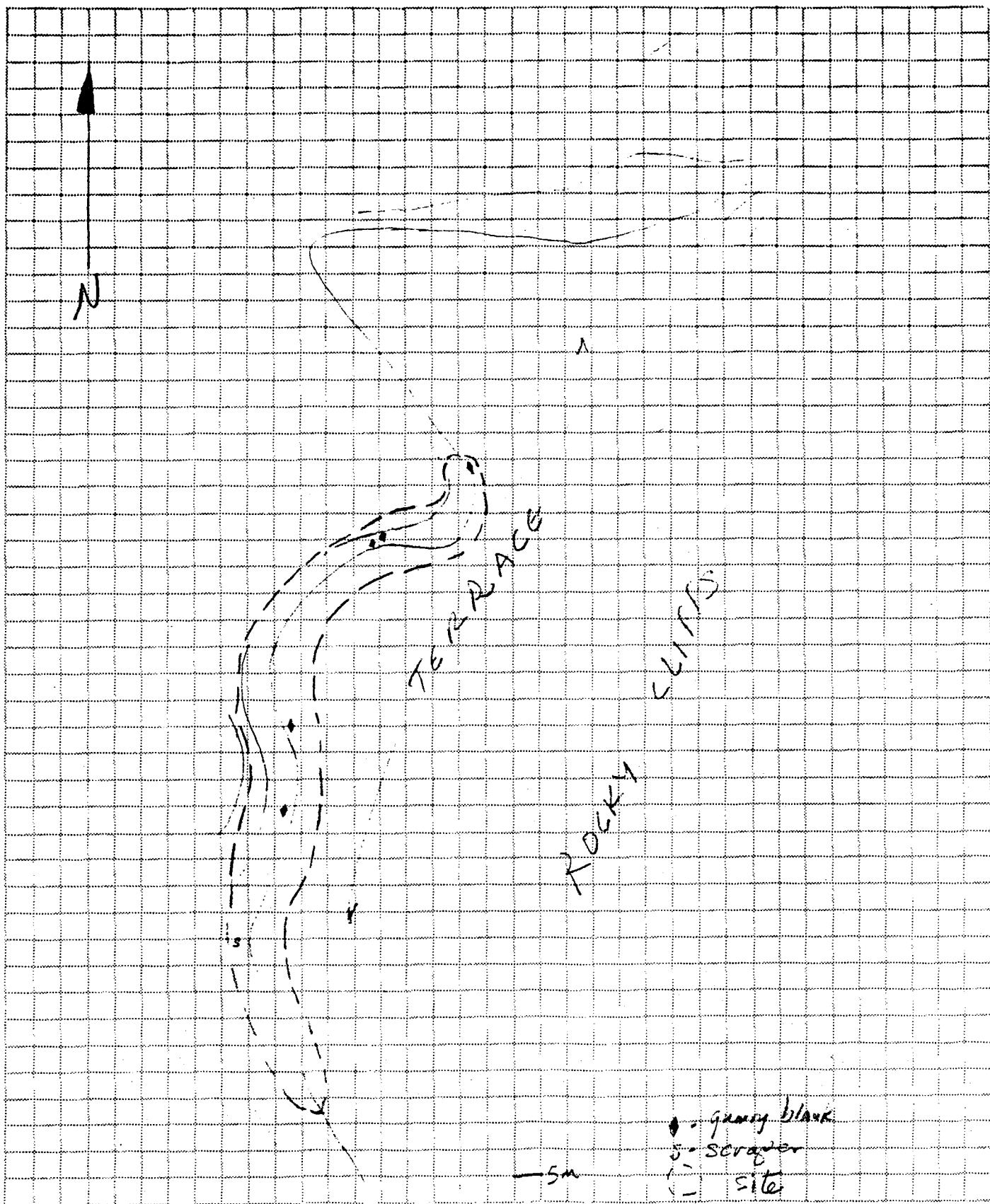
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## CONTINUATION SHEET

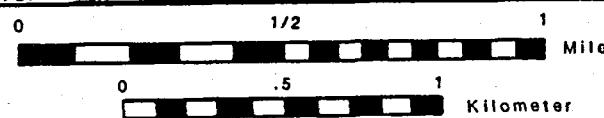
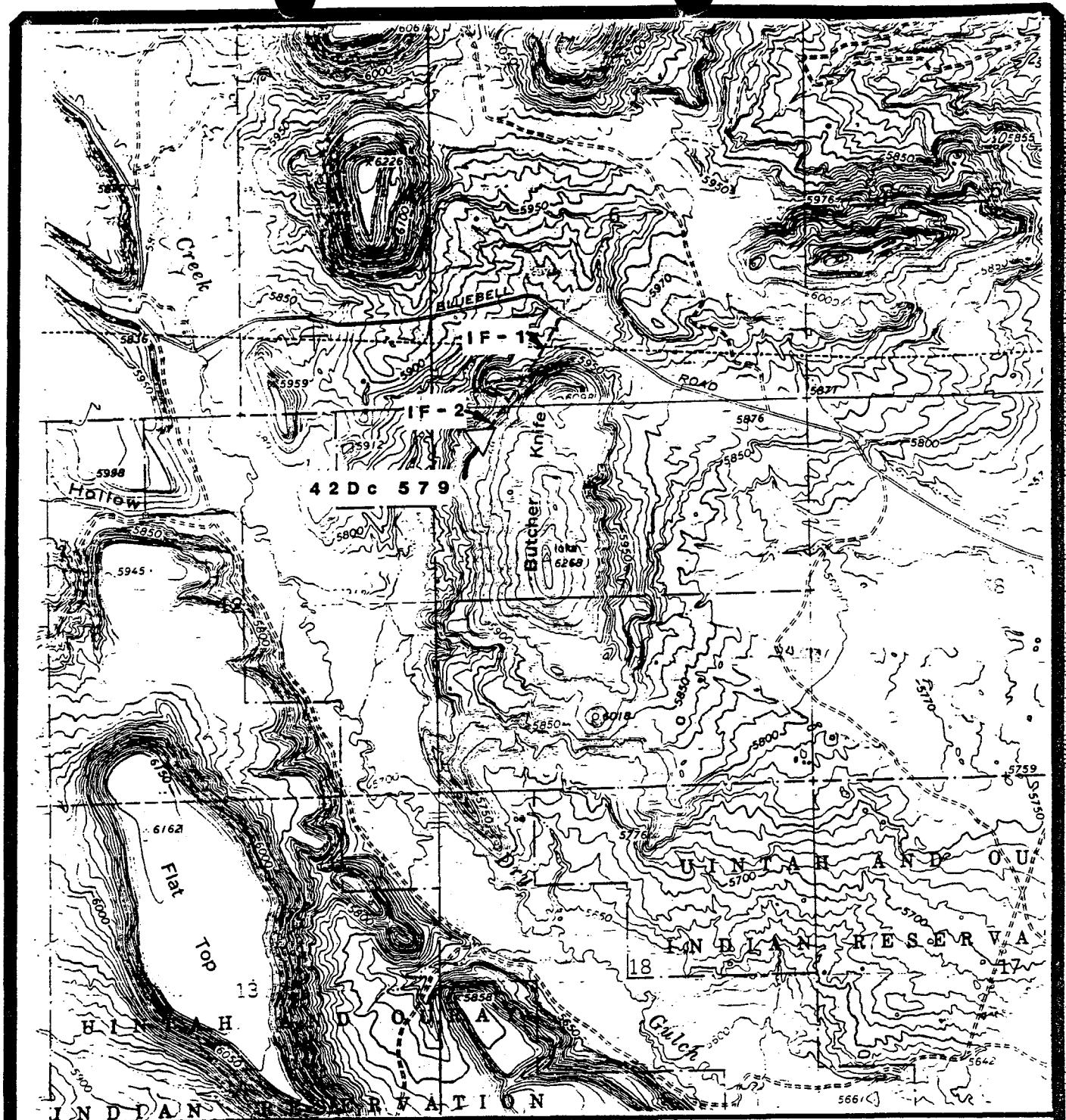
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DEPARTMENT OF ANTHROPOLOGY  
BRIGHAM YOUNG UNIVERSITYSITE NO. W21 (421c579)DATE 10-13-88

FEATURE NO. \_\_\_\_\_

5m

1 - grassy blank  
2 - scrazer  
3 - site



LEGEND

- Access road
- Well pad
- Archaeological site

OFFICE of PUBLIC ARCHAEOLOGY

MUSEUM OF PEOPLES AND CULTURES

BRIGHAM YOUNG UNIVERSITY

PROJECT: Quinex Energy Well Pad and Road

COUNTY: Duchesne

QUAD: Bluebell

7.5-minute

T2S R2-3W

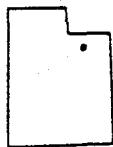


FIGURE 2

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

**RECEIVED**

**FEB 07 1989**

1. oil well	<input checked="" type="checkbox"/>	gas well	<input type="checkbox"/>	other	DIVISION OF OIL, GAS & MINING
2. NAME OF OPERATOR QUINEX ENERGY CORPORATION				Utah 84117	
3. ADDRESS OF OPERATOR 4527 South 2300 East, Suite 106, Salt Lake City				471' FWL, 484' FNL, Sec. 7, T2S, R2W	
4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)				AT SURFACE: AT TOP PROD. INTERVAL: AT TOTAL DEPTH:	
				same same	

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE,  
REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:	SUBSEQUENT REPORT OF:
TEST WATER SHUT-OFF	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>
MULTIPLE COMPLETE	<input type="checkbox"/>
CHANGE ZONES	<input type="checkbox"/>
ABANDON*	<input type="checkbox"/>

(other) Location change due to archeology

5. LEASE 14-20-H62-4399
6. IF INDIAN, ALLOTTEE OR TRIBE NAME Ute Tribe
7. UNIT AGREEMENT NAME Ute Tribal
8. FARM OR LEASE NAME John 2-7B2
9. WELL NO. John 2-7B2
10. FIELD OR WILDCAT NAME Bluebell
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA NW $\frac{1}{4}$ , NW $\frac{1}{4}$ , Sec. 7, T2S, R2W
12. COUNTY OR PARISH Duchesne
13. STATE Utah
14. API NO. 43-013-31216
15. ELEVATIONS (SHOW DF, KDB, AND WD) GR. 5922'

(NOTE: Report results of multiple completion or zone  
change on Form 9-330.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Completion as per first request. Only the surface location changed  
due to archeological problems on original site. New location approved  
by on-site inspection of both B.L.M. representative and archeologist.



Subsurface Safety Valve: Manu. and Type \_\_\_\_\_ Set @ \_\_\_\_\_ Ft.

18. I hereby certify that the foregoing is true and correct

SIGNED Dee G. Sturman TITLE Vice Pres DATE 11/7/88

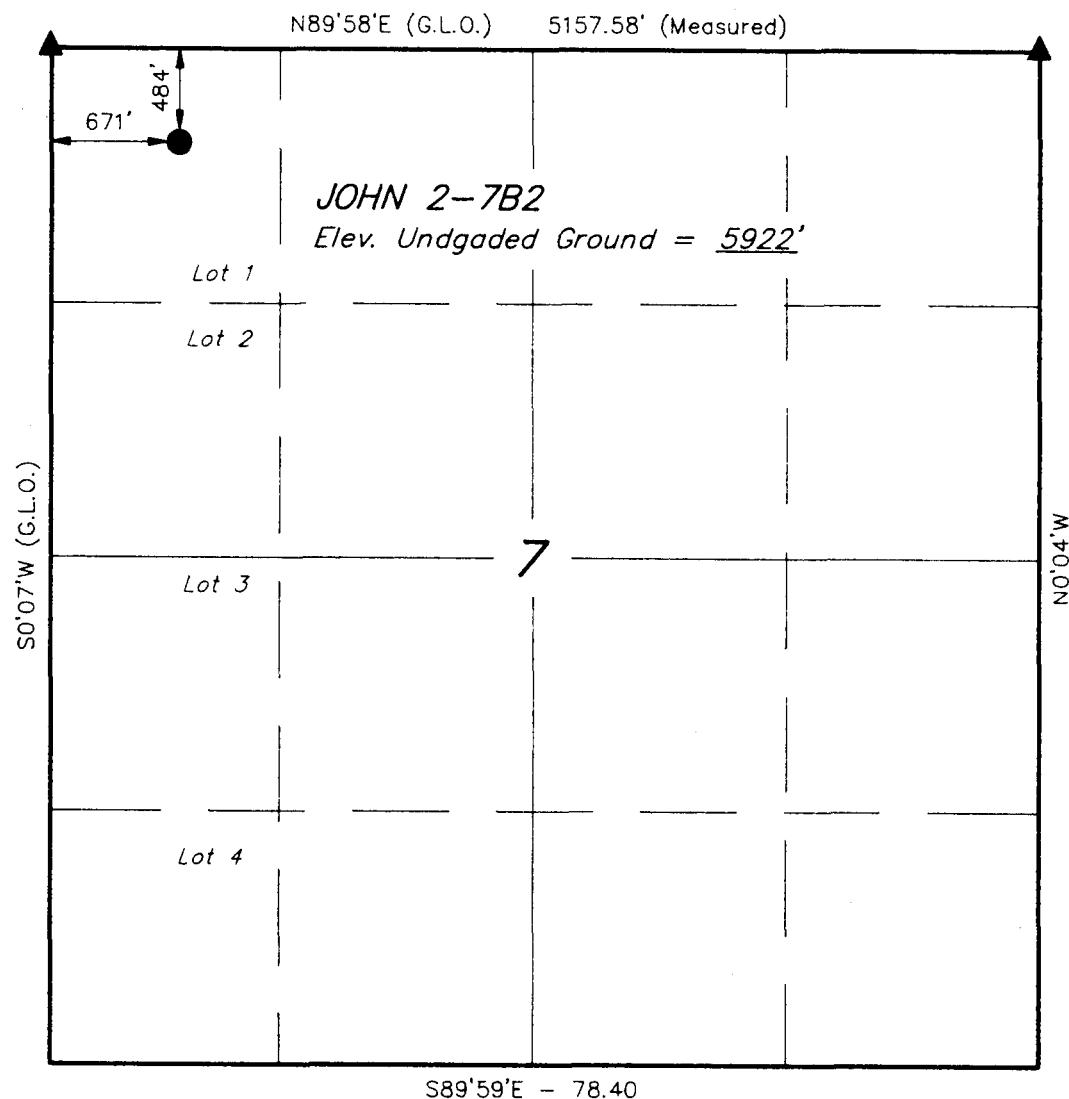
(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

**QUINEX ENERGY CORP.**

**T2S, R2W, U.S.B.&M.**

Well location, JOHN 2-7B2, located as shown in Lot 1 (NW 1/4 NW 1/4) of Section 7, T2S, R2W, U.S.B.&M. Duchesne County, Utah.



▲ = SECTION CORNERS LOCATED. (Galvanized Caps)

**BASIS OF ELEVATION**

SPOT ELEVATION AT THE NORTHEAST CORNER SECTION 7, T2S, R2W, U.S.B.&M. TAKEN FROM THE BLUEBELL QUADRANGLE, UTAH, DUCHESNE COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5871 FEET.



**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.

*Nelson J. Marshall*

REGISTERED LAND SURVEYOR  
REGISTRATION NO. 2454  
STATE OF UTAH

**UINTAH ENGINEERING & LAND SURVEYING**  
**P. O. BOX 1758 - 85 SOUTH - 200 EAST**  
**VERNAL, UTAH - 84078**

SCALE 1" = 1000'	DATE 10-18-88
PARTY L.D.T. G.S. J.R.S.	REFERENCES G.L.O. PLAT
WEATHER COOL	FILE QUINEX ENERGY CORP.

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

SUBMITTED IN TRIPPLICATE  
(Other instructions on  
reverse side)

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR

QUINEX ENERGY CORPORATION

3. ADDRESS OF OPERATOR

4527 South 2300 East, Salt Lake City, Utah 84111 DIVISION OF OIL, GAS & MINING

4. LOCATION OF WELL (Report location clearly and in accordance with any  
See also space 17 below.)  
At surface

671' FWL, 484' FNL, Section 7, T. 2 S., R. 2 W., USM

RECEIVED

FEB 23 1989

14. PERMIT NO.  
43-013-31216

15. ELEVATIONS (Show whether DP, ET, OR. etc.)  
GR. 5922'

5. LEASE DESIGNATION AND SERIAL NO.	
14-20-H62-4399	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
Ute Tribe	
7. UNIT AGREEMENT NAME	
Ute Tribal	
8. FARM OR LEASE NAME	
John 2-7B2	
9. WELL NO.	
John 2-27B2	
10. FIELD AND POOL, OR WILDCAT	
Bluebell	
11. SEC., T., R. M., OR BLK. AND SURVEY OR AREA	
NW $\frac{1}{4}$ , NW $\frac{1}{4}$ , Sec. 7, T2S, R2W	
12. COUNTY OR PARISH	13. STATE
Duchesne	Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF  
FRACTURE TREAT  
SHOOT OR ACIDIZE  
REPAIR WELL

PULL OR ALTER CASING  
MULTIPLE COMPLETE  
ABANDON  
CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF  
FRACTURE TREATMENT  
SHOOTING OR ACIDIZING  
(Other)

REPAIRING WELL  
ALTERING CASING  
ABANDONMENT

(Note: Report results of multiple completion on Well  
Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The surface location was changed due the finding of archeological material on the proposed location. The new location has been approved verbally by the on-site inspection team consisting of the B.I.A., B.L.M. and archeologist.



18. I hereby certify that the foregoing is true and correct

SIGNED

*Norman S. Bourne*

TITLE V. Pres. Quinex Energy Corp. DATE 11/7/1988

(This space for Federal or State office use)

APPROVED BY

*Herald E. Keough*

TITLE

ASSISTANT DISTRICT  
MANAGER MINERALS

DATE

*2/3/89*

Dep

	TOTAL DRY HOLE EXPENSE	1,372,790.00	0.00
2-01	CONDUCTOR/SURFACE	32,000.00	0.00
2-02	INTERMED CASING	185,000.00	0.00
2-03	CASING HANGER	7,100.00	0.00
	TOTALS	224,100.00	0.00
	CONTINGENCIES @ 10%	22,410.00	
	TOTAL COMPLETION TANGIBLES	246,510.00	0.00

## \*\*\*\*\*COMPLETION\*\*\*\*\*

3-01	WELLSITE/IMPROVEMENTS	4,200.00	0.00	0.00
3-02	COMPLETION RIG	27,600.00	0.00	0.00
3-03	CGG CREW/INSTALL LINER	4,200.00	0.00	0.00
3-04	CEMENTING PRODUCTION LINER	14,500.00	0.00	0.00
3-05	DRILL PIPE LAY DOWN CREW	2,300.00	0.00	0.00
3-06	SURFACE RENTAL COMPLETION	3,500.00	0.00	0.00
3-07	DOWNHOLE RENTAL COMPLETION	8,900.00	0.00	0.00
3-08	BOND LOGS/WIRELINE SERV	5,500.00	0.00	0.00
3-09	PERFORATING	12,500.00	0.00	0.00
3-10	STIMULATION, ONE ZONE	22,200.00	0.00	0.00
3-11	STIMULATION FLUIDS	3,800.00	0.00	0.00
3-12	FRAC TANKS/EQUIPMENT RENTAL	2,500.00	0.00	0.00
3-13	TRUCKING/WATER HAULING	2,800.00	0.00	0.00
3-14	LABOR/ROUSTABOUT SERVICE	5,800.00	0.00	0.00
3-15	COMPLETION SUPERVISION/ENGR/GEOLOGIST	14,250.00	0.00	0.00
3-16	OPERATOR ADMINISTRATION	5,800.00	0.00	0.00
3-17	PACKER/BRIDGE PLUG	6,300.00	0.00	0.00
3-18	WELLHEAD INSTALLATION	1,850.00	0.00	0.00
3-19	ELECTRIC SERVICE INST.	17,600.00	0.00	0.00
3-20	LABOR/CONNECT TANK BATTERY	29,500.00	0.00	0.00
	TOTALS	201,800.00	0.00	
	CONTINGENCIES @ 10%	20,180.00		
	TOTAL COMPLETION INTANGIBLES	221,980.00	0.00	

4-01	PRODUCTION LINER	59,500.00	0.00	0.00
4-02	TUBING	55,800.00	0.00	0.00
4-03	WELLHEAD/CHRISTMAS TREE	22,500.00	0.00	0.00
4-04	CEMENT PAD INSTALL	3,800.00	0.00	0.00
4-05	PRODUCTION GAUGES/METER	1,800.00	0.00	0.00
4-06	DOWNHOLE HEAT STRING	15,800.00	0.00	0.00
4-07	BOILER/TREATER/HEATSYSTEM	33,000.00	0.00	0.00
4-08	SURFACE LINES/VALVES/FITTINGS	23,000.00	0.00	0.00
4-09	FLOW LINES	5,400.00	0.00	0.00
4-10	BOILER/TREATER HOUSE	2,200.00	0.00	0.00
4-11	STORAGE TANKS	23,500.00	0.00	0.00
4-12	ELECTRIC MOTORS/ENGINES	3,500.00	0.00	0.00
4-13	INSULATE/PAINT TANK BATTERY	19,500.00	0.00	0.00

PAGE 3

TOTALS	265,100.00	0.00
CONTINGENCIES @ 10%	26,910.00	
 TOTAL COMPLETION TANGIBLES	256,010.00	0.00

	INTANGIBLE	TANGIBLE	TOTAL
DRILLING	1,068,700.00	246,510.00	1,335,210.00
COMPLETION	221,980.00	298,010.00	512,990.00
TOTALS	1,310,760.00	542,520.00	1,853,280.00

DAY HOLE COST 1,372,790.00

APPROVED BY Shella  
QUINEX ENERGY EXPLORATION DEPT.

APPROVED BY \_\_\_\_\_  
QUINEX ENERGY CORPORATION

DATE APPROVED \_\_\_\_\_

	WORKING INTEREST %	\$	0.00
DRILLING	0.00000 %	\$	0.00
COMPLETION	0.00000 %	\$	0.00
TOTALS		\$	0.00

DATE APPROVED \_\_\_\_\_

APPROVED BY \_\_\_\_\_ COMPANY \_\_\_\_\_  
WORKING INTEREST OWNER



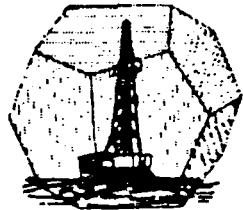
*CBW*

*Burton  
Williams  
WF*

**QUINEX ENERGY CORPORATION**

**RECEIVED**

**FEB 27 1989**



~~WESTERN DIVISION~~

Charrington Square • 4527 South 2300 East • Suite 106 • Salt Lake City, Utah 84117 • (801) 278-8100 • Telecopier (801) 272-9094

*Place  
on Agenda  
JSA*

**RECEIVED**

**Feb. 20, 1989**

**MAR 21**

**LAND DEPARTMENT**

To. All Working Interest Owners.

RE: John 2-7B2  
NW $\frac{1}{4}$ NW $\frac{1}{4}$ , Sec. 7, T2S, R2W  
Duchesne County, Utah

Quinex Energy Corporation is proposing to drill a Wasatch Test Development Oil Well in the Altamont--Bluebell Oil Field in Duchesne County, Utah located in the NW/4 of the NW/4 -(671 feet From West Line, 484 feet from North Line) Section 7, Township 2 South, Range 2 West; U.S.M. to the approximate depth of 13,500' to adequately test the Wasatch formation.

Application to drill has been approved by the State of Utah-Division of Oil, Gas and Mining, The Bureau Of Land Management, and the Ute Indian Tribe.

Proposed Spud date shall be April 1, 1989.

Enclosed for your approval is two copies of the Authorization For Expenditure (A.F.E.), a copy of the approved Application For Permit to Drill, Along with an invoice for your share of the costs of drilling and completing the well. Please sign a copy of the A.F.E. and return in the enclosed envelope along with your check for your proportionate share to drill and complete the well.

If you have any questions concerning this proposal please contact John D. Chasel at 801-649-2482.

Sincerely

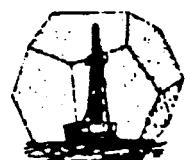
QUINEX ENERGY CORPORATION

*John D. Chasel*  
John D. Chasel, Vice President

Quinex Energy Corporation  
RE: John 2-7B2  
NW $\frac{1}{4}$ NW $\frac{1}{4}$ , Sec. 7, T2S, R2W  
Duchesne County, Utah

Partner List:

Quinex Energy Corporation, John D. Chasel, Etal	
WI %	53.100467
ANR Production Co.	13.875067
Amerada Hess Corp.	11.720020
Pennzoil Expl. & Prod. Co.	8.764679
Total Minatome Corp.	6.775359
Convest Energy Corp.	1.974149
Forcenergy, Inc.	1.151587
G.I.D. Energy Inc.	1.151587
Lehndorff/LGB Minerals, Inc.	0.987075
L.B. Petroleum, Inc.	0.407168
LinMar Petroleum Co.	0.046421
Altex Oil Corp.	<u>0.046421</u> 100.000000%





**ANR Production Company**  
A Division of The Coastal Corporation

Well file  
XC Burton

GN-6

RECEIVED  
MAR 13 1989  
MARKETING

Quinex Energy Corporation  
Charrington Square  
4527 South, 2300 East  
Suite #106  
Salt Lake City, UT 84117

Attention: John D. Chasel

RECEIVED  
MAR 17 1989  
LAND DEPARTMENT

RECEIVED  
MAR 14 1989  
WESTERN DIVISION

Re: John #2-7B2 Proposed Test  
NW/4NW/4 Section 7, T2S-R2W  
Duchesne County, Utah

Gentlemen:

We have received your letter dated February 20, 1989, with Authorization for Expenditures (AFE) for the proposed John #2-7B2 well, an increased-density Wasatch Formation test located in Section 7, T2S-R2W. Please provide each working interest party a Drilling Title Opinion, Communitization and Pooling Agreements, and an acceptable 1982 Model Form Operating Agreement prior to commencing the proposed test.

We wish to know the parties participating in the test, that the leases in the Spacing Unit for such test are properly communitized, and that there is a mutually acceptable Operating Agreement governing the operations for all parties of interest within the 626.68-acre Spacing Unit. Receipt of the foregoing will allow us to process this well for management consideration.

Should you have any questions regarding this request, please call the undersigned at (303) 573-4466.

Very truly yours,

*David M. Laramie*

David M. Laramie  
Senior Landman

DML/gab

cc: Working Interest Owners  
(see attached address list)

WORKING INTEREST OWNERS LIST  
JOHN #2-7B2

Convest Energy Corporation  
2401 Fountain View Drive, Suite 700  
Houston, TX 77057  
Attn: Mr. Vern Elmore

Amerada Hess Corporation  
P. O. Box 2040  
Tulsa, OK 74102  
Attn: D. A. Horn, Area Supvr.  
Jt. Venture Production

Total Minatome Corporation  
410 17th Street, Suite 300  
Denver, CO 80202  
Attn: Mr. Gene Anderson

Pennzoil Exploration and  
Production Company  
P. O. Box 2967  
Houston, TX 77252-2967

Forcenergy, Inc.  
2730 SW 3rd Avenue  
Miami, FL 33129  
Attn: Mr. Stig Wennerstrom

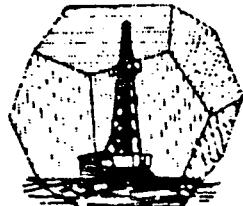
Proven Properties, Inc.  
P. O. Box 2967  
Houston, TX 77252-2967

LB Petroleum Inc.  
370 17th Street, Suite 3200  
Denver, CO 80202  
Attn: Mr. Mike Scribner

GID Energy, Inc.  
2401 Fountain View Dr., Ste. 700  
Houston, TX 77057  
Attn: Mr. Donald Paape

Lehndorff/LGB Minerals Inc.  
2501 Cedar Springs, Suite 340  
Dallas, TX 75201  
Attn: Ms. Debbie Randall

ERGY CORPORATION



are • 4527 South 2300 East • Suite 106 • Salt Lake City, Utah 84117 • (801) 278-8100 • Telecopier (801) 272-9094

Pennzoil Exploration Co.

February 20, 1989

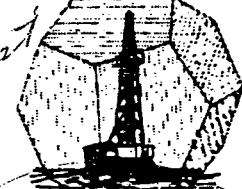
INVOICE CASH CALL

To Drill and Complete Quinex Energy Corporation- John 2-7B2  
Well, NW $\frac{1}{4}$ NW $\frac{1}{4}$ , Section 7, T2S, R2W, Duchesne County, Utah.

Your Share 8.764679% \$162,103.00

# QUINEX ENERGY CORPORATION

1/26  
Review & adjust  
records - notify parties  
etc.



Charrington Square • 4527 South 2300 East • Suite 106 • Salt Lake City, Utah 84117 • (801) 278-8100 • Telecopier (801) 272-9094

March 21, 1989

RECEIVED

MAR 23 1989

LAND DEPARTMENT

To: All Working Interest Owners

Re: John #2-7B2 well NW $\frac{1}{4}$ NW $\frac{1}{4}$ , Sec 7, T2S, R2W

Gentlemen:

Pursuant to Quinex's letter of February 20, 1989, relative Permit Approval, AFE and contemplated development plans for the subject well, please find the following:

1. Working Interest Owners and Unit Percentages.
2. Drilling/Division Order Title Opinion dated March 17, 1989.
3. JOA, as contemplated for governing operations.

Further, you will note moderate changes relating to your respective working interest and resulting share of costs - please note such adjusted interest on your copy of AFE and before executing and returning same with your share of costs accordingly.

Should you have any questions regarding these materials, please call the undersigned at (801) 649-2482.

QUINEX ENERGY CORPORATION



John D. Chasel,  
Vice-President

JDC;djw  
Enclosure

P.S. You are further advised that both the underlying communitization agreement and pooling declaration documents are currently being prepared and will be forwarded when completed. They should be available within 10 days.



# PENNZOIL EXPLORATION AND PRODUCTION COMPANY

PENNZOIL PLACE • P. O. BOX 2967 • HOUSTON, TEXAS 77252-2967 • (713) 546-4000

March 8, 1989

Quinex Energy Corporation  
2285 Lucky John Drive  
Park City, Utah 84060

Attn: Mr. John D. Chasel  
Vice-President

RE: Quinex's Proposed John 2-7B2  
T2S-R2W, Dec. 7: NW4NW4  
Bluebell Field  
Duchesne County, Utah  
Pennzoil #77125-00

Dear Mr. Chasel:

Per our telephone conversation today, Pennzoil has received and is reviewing Quinex's A.F.E. for the drilling of the subject well.

As we discussed, Pennzoil recognizes that certain leases were terminated due to cessation of production of the Ute 1-7B2 Well, causing a reduction of our interest in Section 7. Our records do not appear up to date as to which leases were lost and who acquired them; therefore, please furnish our office with a copy of the Drilling Title Opinion for this well at the earliest possible time. Although we are presently reviewing your A.F.E., we cannot execute same until we are able to verify our interest.

We also look forward to receiving your new proposed Operating Agreement covering Section 7 for our review. In the meantime, we will try to advise you of our plans regarding your proposal as soon as possible.

Yours very truly,

PENNZOIL EXPLORATION AND  
PRODUCTION COMPANY

  
Garland K. Gallaspy  
Landman

GKG/drB

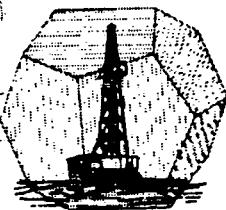
QUINEX ENERGY CORPORATION

Charrington Square • 4527 South 2300 East • Suite 106 • Salt Lake City, Utah 84117 • (801) 278-8100 • Telecopier (801) 272-9094

RECEIVED

APR 3

1 AND DEPARTME



March 31, 1989

TO: Working Interest Owners

RE: John 2-7B2 Well  
Sec 7, T2S, R2W, USM  
CA/Pooling Agreements  
Duchesne County, Utah

Gentlemen:

Pursuant to prior AFE and Title Opinion submittals in connection with the above contemplated Wasatch Test, find enclosed corresponding Communization Agreement and Pooling Declaration accordingly.. After reviewing and if acceptable, please handle as follows:

1. Execute, have notarized and return Five (5) counter-part signature pages of Communization Agreement.
2. Execute, have notarized and return Two (2) counter-part signature pages of Pooling Declaration.

Thank you for your expeditious review and follow-through in this request. Should you have any questions, please do not hesitate to call.

Very truly yours,  
Quinex Energy Corporation

Phone 801-649-2482

  
John D. Chasel  
Vice-President

JDC/dsh

ENCL



**ANR Production Company**  
A SUBSIDIARY OF THE COASTAL CORPORATION

Original file K8  
cc R Ruth  
Mining  
Well file

*The Energy People*

April 12, 1989

**RECEIVED**  
APR 17 1989

DIVISION OF  
OIL, GAS & MINING

Bureau of Oil, Gas & Mining  
3 Triad Center  
Suite 350  
Salt Lake City, UT 84180-1203

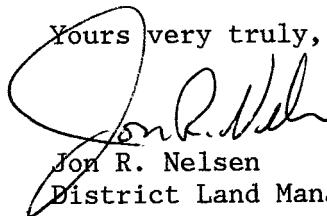
Attention: Ms. Diane R. Nielson  
Director

Re: Exception Location  
John #2-7B2 Well  
Section 7, T2S-R2W  
Duchesne County, Utah

Gentlemen:

We have been advised that Quinex has received a Drilling Permit with an exception location for the subject well. We are concerned that inadequate notice was provided to offset owners. The infill spacing order has been successful and very few disputes have arisen. We believe that this is due to the distance limitations from lease lines which operators have been respecting. This area has not been plagued by offset demands for drilling due to drainage. We believe that the facts on this well should be heard in a public hearing with all offset owners receiving notice.

We would appreciate your considering holding a public hearing on this matter.

Yours very truly,  
  
Jon R. Nelsen  
District Land Manager

JRN/gab  
cc: Quinex Energy Corporation  
Charington Square  
4527 South 2300 East  
Suite 106  
Salt Lake City, UT 84117  
Attention: Mr. John D. Chasel  
Vice President

File 77125-00  
Correspondence

**PENNZOIL EXPLORATION AND PRODUCTION COMPANY**

PENNZOIL PLACE • P.O. BOX 2967 • HOUSTON, TEXAS 77252-2967 • (713) 546-4000

April 12, 1989

Quinex Energy Corporation  
Charrington Square  
4527 South, 2300 East  
Salt Lake City, UT 84117  
ATTN: Mr. John D. Chasel

ANR Production Company  
600-17th Street, Suite 800-S  
P.O. Box 0749  
Denver, CO 80201-0749  
ATTN: Mr. David M. Laramie

RE: John 2-7B2 Well  
Sec. 7, T2S-R2W, USM  
Bluebell/Altamont Field  
Duchesne County, Utah  
Pennzoil #77125-00

Gentlemen:

Upon further review of our records and the Pruitt, Gushee & Fletcher Supplemental Drilling and Division Order Title Opinion dated March 17, 1989, Pennzoil, upon receipt of final senior management approval, will elect to support, and participate in the drilling, completing and operating of Quinex's John 2-7B2 well.

Prior to making any formal decision to participate in the subject well, there are numerous questions which need to be addressed by both ANR Production Company and Quinex Energy Company and others with existing leasehold interests in this section before any well can be spud hereunder.

Pennzoil Exploration and Production Company feels that certain Operating Agreement dated March 15, 1973 (copy attached) could be construed to be still in effect between the remaining interest owners in this unit area by virtue of paragraph 10 therein. Therefore, Pennzoil requests that Quinex either ratify this existing Joint Operating Agreement or submit a new Operating Agreement, which all remaining parties to the unit area agree will supercede the previous agreement. You will note that under paragraph 2 of the March 15, 1973 agreement there are provisions which cover "joint loss" between the parties thereto. Although it could be construed that the joint loss provision covering the subject unit area is still presently in effect, Pennzoil has reviewed the producing and abandonment history of the 1-7B2 and firmly believes otherwise. In reviewing the history of the 1-7B2 well, it seems apparent and evidence in the files support that all previous working interest owners made a conscious election to allow the 1-7B2 to cease production, which all parties knew would cause certain leases to expire due to non-development.

PENNZOIL EXPLORATION AND PRODUCTION COMPANY

Page 2  
April 12, 1989

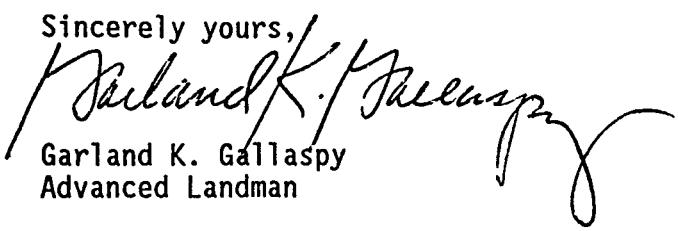
There is also evidence that no parties to this unit attempted to timely commence rework operations on the well or renewal operations affecting the expired fee acreage in the S2 of Section 7. Based on this information, we feel that all previous parties to this March 15, 1973 Operating Agreement, consciously and willingly elected to waive their joint loss rights by allowing the abandonment of this well to take place.

Based on this fact, Pennzoil concludes that the joint loss provision of this agreement has been waived and that its interest in this well will be 8.023433% and Proven Properties Inc.'s interest 8.023433%, as outlined in the subject title opinion referenced above. Again, please note that Pennzoil's conclusions are based upon our review of our internal records, the Pruitt, Gushee & Fletcher Title Opinion and conversations with our legal counsel in the field. In the event that ANR or any of the other working interest owners can provide evidence to the contrary of any of the points discussed in this letter, Pennzoil will certainly be open to further evaluation and consideration.

Since ANR is the designated operator under the March 15, 1973 agreement, it is Pennzoil's contention that ANR and Quinex get together and work out who, at this time, can drill and complete the well in the most timely economic and prudent manner.

Pennzoil certainly understands Quinex is under pressure due to lease obligations to commence and have production established on or before August 17, 1989. Pennzoil is willing to do anything possible to see that the subject well is drilled and completed within the applicable time frames required under their lease.

Sincerely yours,

  
Garland K. Gallaspy

Advanced Landman

/tsm

cc: D. Caussey  
B. Hollingshead  
G. SanFilippo

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

SUBMISSION TRIPPLICATE  
(Other instructions on  
reverse side)

**SUNDY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT".)

**RECEIVED**

APR 20 1989

1. OIL WELL <input checked="" type="checkbox"/>	GAS WELL <input type="checkbox"/>	OTHER	2. NAME OF OPERATOR QUINEX ENERGY CORPORATION	3. ADDRESS OF OPERATOR 4527 SOUTH 2300 EAST #106, SALT LAKE CITY, UTAH 84117	4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 671 ft. F.W. line and 484 ft. F.N. line Sec 7 T2S, R2W, UB & MS	5. LEASE DESIGNATION AND SERIAL NO. 14-20-H62-4399
6. IF INDIAN, ALLOTMENT OR TRIBE NAME UTE TRIBE			7. UNIT AGREEMENT NAME UTE TRIBE	8. FARM OR LEASE NAME JOHN 2-7B2	9. WELL NO. JOHN 2-7B2	10. FIELD AND POOL, OR WILDCAT BLUEBELL
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA NW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec 7, T2S, R2W			12. COUNTY OR PARISH DUCHESNE	13. STATE UTAH		
14. PERMIT NO. 43-013-31216	15. ELEVATIONS (Show whether DP, RT, GR, etc.) 5922' GR					

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF  
FRACTURE TREAT  
SHOOT OR ACIDIZE  
REPAIR WELL  
(Other)


FULL OR ALTER CASING  
MULTIPLE COMPLETE  
ABANDON  
CHANGE PLANS

X

SUBSEQUENT REPORT OF:

WATER SHUT-OFF  
FRACTURE TREATMENT  
SHOOTING OR ACIDIZING  
(Other)


REPAIRING WELL  
ALTERING CASING  
ABANDONMENT


(NOTE: Report results of multiple completion on Well  
Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The location site was changed after a surface on site inspection with the BLM, Ute Tribe, ~~Utah Division Oil, Gas & Mining~~, and archeologist on 11-7-88 and approved February 3, 1989. All parties contributing acreage to the John 2-7B2 test in Section 7 were given written notice of the approved location change.

The operator will drill a deviated hole under the direction of Eastman Christensen with directional drilling starting out from under surface casing at 2000'. This will put the drill bit on target at 660 south of the north line and 670 feet from west line with a 1 $\frac{1}{2}$ ° drilling angle at approximately 7500' without excessive vertical departures before setting 10,500' of 7 5/8" intermediate casing. The reduced hole diameter 6 3/4" for the balance of the test will be cut with diamond bits supervised by Christensen Diamond Co. to total depth 13,500 ft.

18. I hereby certify that the foregoing is true and correct

SIGNED

*Shelle*

TITLE Chairman, O.E.C.

DATE April 19, 1989

(This space for Federal or State office use)

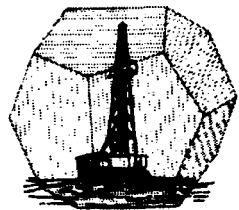
APPROVED BY \_\_\_\_\_  
COUNCILMAN'S OF APPROVAL, IF ANY:

See attached letter.

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING

DATE: *4-21-89*

# QUINEX ENERGY CORPORATION



Charrington Square • 4527 South 2300 East • Suite 106 • Salt Lake City, Utah 84117 • (801) 278-8100 • Telecopier (801) 272-9094

April 20, 1989

Hand Delivered

Utah Natural Resource  
Oil, Gas & Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

**RECEIVED**  
APR 20 1989

DIVISION OF  
OIL, GAS & MINING

Attention: Ron J. Firth  
Associate Director

Dear Mr. Firth:

Delivered here with is Sundry Notice dated April 19, 1989, offering a proposed outline for drilling a directional hole to reach a point 660 feet from the north line and 670 feet from the west line of Section 7, T2S, R2W, before setting the intermediate casing at 10,500 feet.

It is Quinex's understanding that this drilling procedure will be acceptable to the Oil, Gas & Mining Division and that the suspended status of this proposed test well will be lifted and the operator can proceed with the construction of the road and location on the John 2-7B2 well.

Thank you for your cooperation in this matter.

Sincerely,

QUINEX ENERGY CORPORATION

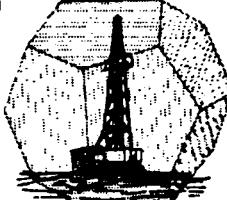
Lewis F. Wells

LFW/sp

cc: Henry Cuch  
Uintah Ouray Agency  
Gerald E. Kencska  
Bureau of Land Management  
Dianne R. Nielson  
Division Oil, Gas & Mining

RUSH

RECEIVED  
APR 21 1989  
LAND DEPARTMENT



QUINEX ENERGY CORPORATION

Charrington Square • 4527 South 2300 East • Suite 106 • Salt Lake City, Utah 84117 • (801) 278-8100 • Telecopier (801) 272-9094

April 19, 1989

TO: Working Interest Owners

RE: John 2-7B2 Well  
Sec 7, T2S, R2W, USM  
Duchesne County, Utah

*COPY CPS  
lets review*

Gentlemen:

This is final notice that if your share of the costs to drill and complete the above referred well is not paid in full to Quinex Energy Corporation by Friday, April 28, 1989 and received by Quinex Energy Corporation by Friday, April 28 1989, along with the signed AFE "Automatic Funding Expenditure", the signed "Joint Operating Agreement", and the signed 5 Copies of the "Communitization Agreement", you will be considered to be "Non-Consent"By the laws of the "State of Utah", in drilling and completing the "John # 2-7B2 Well".

Your percentage of interest is being based on the drilling title opinion from the law office of "Pruitt, Gushee & Fletcher" dated March 17, 1989.

Enclosed is a revised Copy of the Front page of the "Joint Operating Agreement" and a Copy of the "Exhibit "A" showing the percentage of interests based on the title opinion of "Pruitt, Gushee & Fletcher" and a "Revised Cash Call" for your percentage of interest.

Quinex Energy Corporation has begun drilling operations and plan to spud the well by May 1, 1989.

Although the surface location will be 671' FWL, 484' FNL, Section 7, T. 2S., R. 2W., USM., the well will be drilled to be at least 660' FWL, 660' FNL at the depth of 13,000 feet to meet all the State and Federal regulations. The surface location of 671' FWL, 484' FNL, Section 7, is the only feasible location in the NW/4 of Section 7, because of the Mountain Terrain and Indian Artifacts located on the NW/4.

Under letter dated February 20, 1989 from Quinex Energy Corporation each of you mailed by Certified Mail Two Copies of the "A.F.E." and approved copies of the "Application to drill".

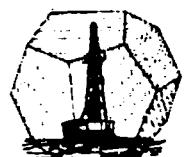
In March 1989 each of you were supplied a copy of the "Drilling Title Opinion" of "Pruitt, Gushee & Fletcher", A copy of the "Joint Operating Agreement" along with Signature pages, along with the "Pooling Declaration" and Signature pages, and a Copy of the "Communitization Agreement" along with Signature pages.

Should you have any questions, please call the undersigned at (801) 649-2482.

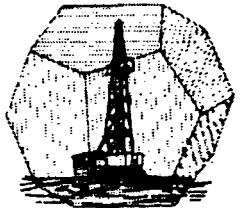
QUINEX ENERGY CORPORATION



John D. Chase,  
Vice-President



# QUINEX ENERGY CORPORATION



Charrington Square • 4527 South 2300 East • Suite 106 • Salt Lake City, Utah 84117 • (801) 278-8100 • Telecopier (801) 272-9094

April 19, 1989

Proven Properties, Inc.

## INVOICE CASH CALL

To Drill and complete Quinex Energy Corporation- John 2-7B2  
Well, NW $\frac{1}{4}$ NW $\frac{1}{4}$ , Section 7, T2S, R2W, Duchesne County, Utah.

Your Share	8.023433%	\$148,696.60
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State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter  
Governor  
Dee C. Hansen  
Executive Director  
Dianne R. Nielson, Ph.D.  
Division Director

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340

April 18, 1989

CERTIFIED RETURN RECEIPT REQUESTED  
P 755 091 052

Quinex Energy Corporation  
4527 South 2300 East, Suite 106  
Salt Lake City, Utah 84117

Gentlemen:

Re: John #2-7B2 Well, Section 7, Township 2 South, Range 2 West, Duchesne County, Utah

The approval to drill issued on September 6, 1988 and the approval for an exception location dated November 11, 1988, for the referenced well, are hereby suspended by the Division. The Division has received a letter from ANR Production Company dated April 12, 1989, indicating their concern regarding the approval of the exception location issued to Quinex for drilling the referenced well at a location 484 feet from the north line and 671 feet from the west line of Section 7. A copy of the ANR Production Company letter is enclosed for your information.

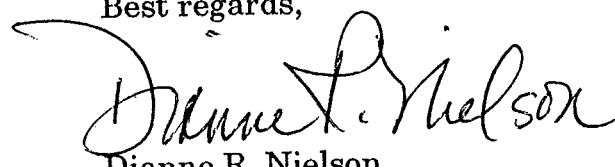
The Division has determined that the approval issued for the exception location is not consistent with rule R615-3-3-1.3, Exception to Location and Siting of Wells, and that such action may affect the correlative rights of owners of offsetting drilling units. The Division requests that Quinex not perform any surface disturbance or well site operations at the proposed location until the correlative rights issue can be resolved.

The Division will make recommendations to and review the matter with the Board of Oil, Gas and Mining for its determination whether a hearing is necessary to consider this matter. If a hearing is required, you will receive adequate notice to allow for your participation.

Page 2  
Quinex Energy Corp.  
April 18, 1989

If you have any additional questions concerning this action, please contact J. R. Baza or R. J. Firth of this office.

Best regards,



Dianne R. Nielson

Director

Enclosure

cc: Jon R. Nelsen, ANR Prod. Co.

R. J. Firth

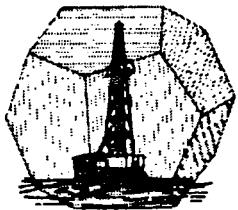
J. R. Baza

Well file

OI2/177

# QUINEX ENERGY CORPORATION

Charrington Square • 4527 South 2300 East • Suite 106 • Salt Lake City, Utah 84117 • (801) 278-8100 • Telecopier (801) 272-9094



April 24, 1989

RECEIVED

APR 27 1989

1 AND DEPARTMENT

Mr. Garland K. Gallaspy  
Pennzoil Exploration & Production Co.  
Pennzoil Place  
P.O. Box 2967  
Houston, Texas 77252-2967

Re: John 2-7B2 Well  
Sec. 7, T2S-R2W, USM  
Bluebell/Altamont Field  
Duchesne County, Utah  
Pennzoil #77125-00

Dear Mr. Gallaspy:

In response to your letter dated April 12, 1989, we are submitting copies of the correspondence with the Oil & Gas Commission relative to the location for the above referenced well.

We feel you will be interested in our correspondence on this matter. ANR has received this information also.

The timely drilling is vitally important to us and we have constructed the location road and are now completing location site.

We thank you for your interest in this test well.

Sincerely,

QUINEX ENERGY CORPORATION

  
Lewis F. Wells

LFW/sp

encl



Norman H. Bangerter  
Governor  
Dee C. Hansen  
Executive Director  
Dianne R. Nielson, Ph.D.  
Division Director

# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

File

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340

April 21, 1989

Mr. Lewis F. Wells  
Quinex Energy Corporation  
4527 South 2300 East, Suite 106  
Salt Lake City, Utah 84117

Dear Mr. Wells:

Re: John #2-7B2 Well, Section 7, Township 2 South, Range 2 West,  
Duchesne County, Utah

Based on your letter and sundry notice filed with the Division of Oil, Gas and Mining on April 20, 1989, the Division hereby reinstates the approval to drill the referenced well. The Division finds that the plan to directionally drill the proposed well is acceptable in order to allow the downhole location of the well to be in compliance with the spacing order issued by the Board of Oil, Gas and Mining in Cause No. 139-42. The approval to drill the referenced well which was originally issued by the Division on September 6, 1988, is amended to include the following conditions of approval:

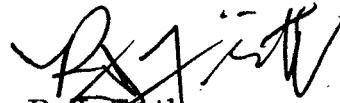
1. The wellbore shall be directionally controlled and drilled in such a manner that all points of the wellbore within the Lower Green River - Wasatch Formation shall be located at least 660 feet from the north line and 660 feet from the west line of Section 7, Township 2 South, Range 2 West, U.S.M.
2. Upon completion of drilling operations, the operator shall submit directional drilling data to properly ascertain the location of the wellbore within the producing formation.

All other stipulations and conditions of the original approval to drill remain in full force and effect. An approved copy of your submitted sundry notice is enclosed with this letter.

Page 2  
Mr. Lewis Wells  
April 21, 1989

The Division staff appreciates Quinex's prompt attention in regards to this matter. Please let us know if you have any further concerns relating to this reinstatement of the approval to drill.

Sincerely,



R. J. Pirth  
Associate Director, Oil and Gas

JRB/tc  
Enclosure  
cc: BLM/Branch of Fluid Minerals  
      Jon R. Nelsen, ANR Production Company  
      Dianne R. Nielson, Director  
OI2/179-180



# PENNZOIL EXPLORATION AND PRODUCTION COMPANY

PENNZOIL PLACE • P.O. BOX 2967 • HOUSTON, TEXAS 77252-2967 • (713) 546-4000

May 2, 1989

Attn: Darrie Nelson  
orig file 28  
cc DRA  
Bw Roberts

Quinex Energy Corporation  
Charrington Square  
4527 South 2300 East, Suite 106  
Salt Lake City, Utah 84107

ATTN: John D. Chasel

RE: John 2-7B2 Well  
Section 7, T2S-R2W  
Bluebell/Altamont Field  
Duchesne County, Utah

**RECEIVED**  
MAY 03 1989

DIVISION OF  
OIL, GAS & MINING

Gentlemen:

Pursuant to our recent conversations with your office, we have been advised of your recent decision to try and downspace the subject 13,500' Wasatch formation test well to a 320 acre unit. This decision seems to be based upon your wrongful assumption that Pennzoil Company/Proven Properties, Inc. are intentionally hindering your abilities to drill this well. This certainly is not the case.

In numerous conversations and letters sent to your office, Pennzoil outlined numerous title problems that it felt existed within this section and your office failed to even address or propose any solutions to same. Pennzoil/PPI still feel that curative problems associated with drilling exist within this section and that Quinex should address same prior to commencing any operations therein.

Your recent decision to try and downspace this well also goes against all previous correspondence and agreements reached between Pennzoil/PPI and Quinex to date. Examples are as follows:

1. Quinex's February 20, 1989 letter encloses an Authorization For Expenditure based on ownership in the 626.68 acre section.
2. Quinex's March 21, 1989 letter encloses an Operating Agreement, Title Opinion and Working Interest Owners and Unit Percentages Exhibit, all based on ownership in the 626.68 acre unit.
3. Quinex's March 31, 1989 letter encloses a Communitization Agreement and Pooling Agreement all based on ownership in the 626.68 acre unit.

PENNZOIL EXPLORATION AND PRODUCTION COMPANY

Quinex Energy Corporation  
Page 2  
May 2, 1989

4. In Paragraph 1 of your April 19, 1989 letter, you state emphatically that if Pennzoil does not execute the subject AFE, Joint Operating Agreement, Communitization Agreement, and submit its proportionate share of the monies to drill the subject well, then it will be considered to be non-consent by the laws of the State of Utah in the drilling and completing of the John 2-7B2 Well.

In addition, in Paragraph 3 you state that all the percentages of interest will be based on the title opinion rendered by Pruitt, Gushee and Fletcher, which is based on ownership in the 626.68 acre unit. In Paragraph 5, you also state that the surface location will be different than the bottom well location, but same will meet all State and Federal regulations. A 320.00 acre unit in this field for Wasatch production would certainly not meet these regulations.

Certainly, by the nature of this letter, Quinex proposed that all the parties be bound by the terms outlined therein if they elected to participate or go non-consent according to State of Utah statutes.

5. Even the State of Utah's letter dated April 21, 1989 states as follows in conjunction with their approval of the drilling of the referenced well.

"The Division finds the plan to directionally drill the proposed well is acceptable in order to allow the downhole location of the well to be in compliance with the spacing order issued by the Board of Oil, Gas and Mining, Cause No. 139-42"

Each of the letters referenced above state emphatically that Quinex planned to follow and be bound by existing State and Federal regulations presently governing this section.

Pennzoil understands the time constraints which Quinex has placed upon itself due to the fact that it has failed to commence drilling operations until late in the term of its Tribal lease. However, this was Quinex's decision alone, and the additional parties to this well had no control over same.

At this time, Pennzoil/PPI will oppose any plans to downspace the Lower Green River/Wasatch formation to a 320 acre drillsite unit.

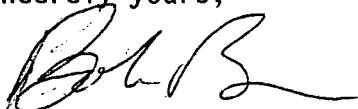
PENNZOIL EXPLORATION AND PRODUCTION COMPANY

Quinex Energy Corporation  
Page 3  
May 2, 1989

Your office certainly understands this would cause unnecessary hardship on all working and royalty interest owners in the subject section. It certainly would cause waste if Pennzoil, et al were obligated to drill an additional well in the S2 of Section 7 to protect itself and its royalty owners from drainage. We certainly hope that Quinex will reconsider its decision on this matter.

As previously conveyed to you in our letter dated April 27, 1989, Pennzoil/PPI elect to be bound by the terms of your letter dated April 19, 1989.

Sincerely yours,



Robert E. Burton  
District Landman

/tsm

cc: ANR Production Company  
Proven Properties, Inc.  
Total Minatome Corporation  
Forcenergy, Inc.  
G.I.D. Energy Development Company L.P.  
L.B. Industries, Inc.  
Lehndorff/LGB Minerals, Inc.  
Linmar Petroleum Company  
Altex Oil Corporation  
State of Utah, Dept. of Natural Resources, ATTN: Dianne R. Nelson  
State of Utah, Dept. of Natural Resources, ATTN: R. J. Firth  
Bureau of Land Management, Branch of Fluids  
Uintah and Ouray Agency, ATTN: Perry Baker  
Uintah and Ouray Agency, ATTN: Ken Young  
State of Utah, Attorney General's Office, ATTN: Barbara Robertson

*File Copy*

**PENNZOIL EXPLORATION AND PRODUCTION COMPANY**

PENNZOIL PLACE • P. O. BOX 2967 • HOUSTON, TEXAS 77252-2967 • (713) 546-4000

April 27, 1989

Quinex Energy Corporation  
Charrington Square  
4527 South 2300 East, Suite 106  
Salt Lake City, Utah 84117

Attn: Mr. John D. Chasel

Re: Quinex John 2-7B2 Well  
Sec. 7, T2S- R2W, USM  
Bluebell/Altamont Field  
Duchesne County, Utah

Dear Mr. Chasel:

Pursuant to your letter dated April 19, 1989 Pennzoil Exploration and Production Company and Proven Properties, Inc., hereby elect to go non-consent for our combined 16.046866% working interest in the drilling, operating and completing of Quinex's proposed John 2-7B2 well. Said interest is derived from the Unit Participation by the Working Interest Owners exhibit attached to that certain Supplemental Drilling and Division Order Title Opinion dated March 17, 1989, which was provided to us by your office.

As stated in your letter, this election is made pursuant to State of Utah Board and Division of Oil, Gas and Mining statute No. 40.6.6 and State of Utah Drilling and Spacing Order 139-42. As such time as same is necessary Pennzoil/PPI shall, at their sole expense, enter into whatever Force Pooling Agreement is necessary to comply with this agreement.

We realize and understand that our election may present hardships to Quinex due to the fact that production must be established on its leasehold by August of 1989. However, we felt that with the numerous unanswered questions as to the validity of that certain Operating Agreement dated March 15, 1973, and the various unresolved disputes between certain working interest owners in Section 7, it is in the best interest of our companies to decline participation at this time. We also realize your need for a quick decision so that you can commence drilling operations immediately, and therefore have made our election accordingly.

PENNZOIL EXPLORATION AND PRODUCTION COMPANY

Page 2

Please indicate your receipt, concurrence and acceptance of this letter agreement by signing in the space provided below and return one executed copy to the undersigned at the earliest possible time. Feel free to contact me at (713) 546-6194 if you wish to discuss this matter in further detail.

Best of luck with your well.

Very truly yours,

PENNZOIL EXPLORATION AND  
PRODUCTION COMPANY

*Garland K. Gallaspay*  
Garland K. Gallaspay  
Advanced Landman

GKG/bjm

cc: G. P. SanFilippo  
Rick Carter, PPI

AGREED TO AND ACCEPTED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 1989.

PENNZOIL EXPLORATION AND  
PRODUCTION COMPANY

BY:

George P. SanFilippo  
Attorney-in-Fact

APPROVED	
EXPL.	
EXPL.	
PROD.	
LAND	

*[Signature]*

AGREED TO AND ACCEPTED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 1989.

QUINEX ENERGY COMPANY

BY: \_\_\_\_\_

WATER PERMIT OK

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

API NO. 43-013-31216

NAME OF COMPANY: QUINEX ENERGY CORPORATION

WELL NAME: JOHN 2-7B2

SECTION NWNW 7 TOWNSHIP 2S RANGE 2W COUNTY DUCHESNE

DRILLING CONTRACTOR GRACE DRILLING COMPANY

RIG # 193

SPUDDED: DATE 5/6/89

TIME 12:15 p.m.

How ROTARY (14 3/4)

DRILLING WILL COMMENCE \_\_\_\_\_

REPORTED BY LEWIS WELLS

TELEPHONE # 278-8100

DATE 5/8/89

SIGNED TAS

## STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS, AND MININGSUBMITTED IN TRIPPLICATE  
(Other instructions on  
reverse side)

## SUNDY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different point of entry.  
Use "APPLICATION FOR PERMIT" for such proposals.)1. OIL WELL  GAS WELL  OTHER

28 MAY 9 1989

## 2. NAME OF OPERATOR

QUINEX ENERGY CORPORATION

DIVISION OF  
OIL, GAS & MINING

## 3. ADDRESS OF OPERATOR

4523 South 2300 East, Suite 106, Salt Lake City, Utah 84117

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.  
See also space 17 below.)  
At surface671 Feet from West Line & 484 feet from North Line, of  
Section 7, T. 2 S., R. 2 W., USM

## 14. PERMIT NO.

## 15. ELEVATIONS (Show whether DP, RT, GR, etc.)

43-013-31216

5922' - GR, 5943' - KB

## 5. LEASE DESIGNATION AND SERIAL NO.

14- 20- H62- 4399

## 6. IF INDIAN, ALLOTTED OR TRIBE NAME

UTE TRIBAL

## 7. UNIT AGREEMENT NAME

UTE TRIBAL

## 8. FARM OR LEASE NAME

John 2-7B2

## 9. WELL NO.

John 2-7B2

## 10. FIELD AND POOL, OR WILDCAT

BLUEBELL

11. SEC., T., R., M., OR BLK. AND  
SURVEY OR AREANW $\frac{1}{4}$ , NW $\frac{1}{4}$ , Sec. 7, T.2S.R.2W.

## 12. COUNTY OR PARISH 13. STATE

DUCHESNE

UTAH

## 16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

## NOTICE OF INTENTION TO :

## SUBSEQUENT REPORT OF :

TEST WATER SHUT-OFF  
FRACTURE TREAT  
SHOOT OR ACIDIZE  
REPAIR WELL  
(Other)


PULL OR ALTER CASING  
MULTIPLE COMPLETE  
ABANDON\*  
CHANGE PLANS


WATER SHUT-OFF  
FRACTURE TREATMENT  
SHOOTING OR ACIDIZING  
(Other)


REPAIRING WELL  
ALTERING CASING  
ABANDONMENT\*

X

(Note: Report results of multiple completion on Well  
Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) \*

4-24-89 Commenced drilling conductor hole with Benco Drilling Dry Hole Spudder. 4-28-89  
Finished drilling and reaming conductor hole and set 90' of 18" Conductor Pipe with  $\frac{1}{4}$ "  
wall thickness, and cemented same with 365 sacks of Dowell cement with good returns to  
surface.

5-6-89 Spud well using Grace Drilling Rotary Drilling Rig No. 193, at 12:15 PM on Saturday  
May 6, drilling out from conductor pipe with 14 3/4" drilling bit. Will drill  
14 3/4" hole to 2,000 feet and set surface casing.

NOTE - Called John Baza at 10:15 AM, 5-8-1989 and reported spud of well.

18. I hereby certify that the foregoing is true and correct

SIGNED Reuben B. Baze

TITLE Vice President

DATE 5-8-89

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

TITLE \_\_\_\_\_

DATE \_\_\_\_\_

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE  
(Other instructions on reverse side)

Form approved.  
Budget Bureau No. 1004-0135  
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

14-20-H62-4399

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

UTE TRIBAL

7. UNIT AGREEMENT NAME

UTE TRIBAL

8. FARM OR LEASE NAME

JOHN #2-7B2

9. WELL NO.

JOHN #2-7B2

10. FIELD AND POOL, OR WILDCAT

BLUEBELL

11. SEC., T., R., M., OR BLK. AND  
SURVEY OR AREA

NW $\frac{1}{4}$ , NW $\frac{1}{4}$ , Sec. 7 T2S, R2W

12. COUNTY OR PARISH 13. STATE

DUCHESNE

UTAH

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR

QUINEX ENERGY CORPORATION

3. ADDRESS OF OPERATOR

4527 SOUTH 2300 EAST #106, Salt Lake City, Utah 84117

4. LOCATION OF WELL (Report location clearly and in accordance with all State requirements.  
See also space 17 below.)  
At surface

671 feet from west line & 484 feet from north line of  
Section 7, T2S, R2W, USM

RECEIVED  
MAY 11 1989

14. PERMIT NO.

43-013-31216

15. ELEVATIONS (Show whether DF, RT, GR, etc.)

5922' - GR, 5943' - DIVISION OF  
OIL, GAS & MINING

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF  
FRACTURE TREAT  
SHOOT OR ACIDIZE  
REPAIR WELL  
(Other)

PULL OR ALTER CASING  
MULTIPLE COMPLETE  
ABANDON\*  
CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF  
FRACTURE TREATMENT  
SHOOTING OR ACIDIZING  
(Other) Setting 10 3/4" casing

REPAIRING WELL  
ALTERING CASING  
ABANDONMENT\*

(Note: Report results of multiple completion on Well  
Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS: (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The operator, Quinex, set 49 joints, 2032.5 feet of J-55, 40.5# 10 3/4" casing landed at 9 A.M. Monday, May 8th, 1989. After circulated bottoms up and then cemented 10 3/4" string with Dowell Services at 10:30 using 1200 sacks of class "G" cement with 2% Kcl and D-29 celo flakes.

Did not have returns to surface. After 4 hours W.O.C. tagged cement @90 feet from surface. The operator followed up with another 100 sacks of class "G" cement, with returns to surface. W.O.C. for 12 hours, on May 9th tested BOP's to 5000 PSI and Casing to 2100 PSI, then resumed drilling out from under 10 3/4" casing with a 9 7/8" hole.

18. I hereby certify that the foregoing is true and correct

SIGNED

*B. Steele*

TITLE

*C/B*

DATE May 9, 1989

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions on Reverse Side

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING  
DRILLING AND WELL PLUGGING INSPECTION FORM

COMPANY: Quinck COMPANY MAN: Smokey Payne  
WELL NAME: John 2-7BZ API #: 43-013- 31216  
QTR/QTR: \_\_\_\_\_ SECTION: 7 TWP: 25 RANGE: 2W  
CONTRACTOR: Grace #193 PUSHER/DRLR: Bo Sherman  
INSPECTOR: Gary Garner DATE: 5/17/89 OPERATIONS: Tripping for bit.  
SPUD DATE: \_\_\_\_\_ TOTAL DEPTH: 7388

DRILLING AND COMPLETIONS

APD  WELL SIGN  BOPE  RESERVE PIT  
 FLARE PIT  BURN PIT  H2S  BLOOIE LINE  
 SANITATION  HOUSEKEEPING  VENTED/FLARED

PLUGGING AND ABANDONMENT PRODUCING FM(S): \_\_\_\_\_

PLUGS:	TYPE/SIZE	INTERVAL
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

PERFORATIONS: \_\_\_\_\_

CASING SIZE: \_\_\_\_\_ PULLED: YES / NO CUT AT: \_\_\_\_\_

PLUGS TESTED: \_\_\_\_\_ HOW: \_\_\_\_\_ WOC: \_\_\_\_\_

MARKER: SURFACE: \_\_\_\_\_ PLATE: \_\_\_\_\_

RECLAMATION:

CONTOURED: \_\_\_\_\_ RIPPED: \_\_\_\_\_ REHAB'D: \_\_\_\_\_

LEGEND: (Y)-YES (P)-PROBLEM (U)-UNKNOWN (BLANK)-NOT APPLICABLE

REMARKS: Tripping for bit @ 7388'



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter  
Governor  
Dee C. Hansen  
Executive Director  
Dianne R. Nielson, Ph.D.  
Division Director

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340

June 8, 1989

Mr. Lewis F. Wells  
Quinex Energy Corporation  
4527 South 2300 East #106  
Salt Lake City, Utah 84117

Dear Mr. Wells:

Re: Request for Completed Entity Action Form

This is written to remind you that all well operators are responsible for sending an Entity Action Form to the Division of Oil, Gas and Mining within five working days of spudding a new well. This office was notified that your company spudded the John 2-7B2, API Number 43-013-31216, on May 6, 1989. At this time, we have not received an Entity Action Form for this well.

Please review the instructions on the back of the enclosed form. Make sure you choose the proper Action Code to show whether the well will be a single well with its own sales facilities (Code A), a well being added to an existing group of wells having the same tank battery and common division of royalty interest (Code B - show existing Entity Number to which well should be added), or a well being drilled in the participating area of a properly designated unit (Code B). Complete the form and return it to us by June 15, 1989.

Your attention to this matter is appreciated. If we can be of assistance to you, please feel free to call Lisha Romero at the above number.

Sincerely,

*Don Staley*

Don Staley  
Administrative Supervisor

lr  
Enclosure  
cc: D. R. Nielson  
R. J. Firth  
WE68/1

RECEIVED  
JUN 13 1989

OPERATOR QUINEX ENERGY CORPORATION

ADDRESS 465 South 200 West

Bountiful, Utah 84010

OPERATOR ACCT. NO. N 9995

CONFIDENTIAL

## DIVISION OF

## OIL, GAS &amp; MINING

## WELL NAME

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	10987	43-013-31216	John #2-7B2	NW $\frac{1}{4}$ NW $\frac{1}{4}$	7	2 S	2 W	Duchesne	5/6/89	5/6/89

## WELL 1 COMMENTS:

Spudded well on May 6, 1989 @ 12:15 P.M.

Field - Bluebell  
Not in a Unit  
Indian Lease  
Proposed Zone QRRV  
(Entity added 6-14-89. LCR)

## WELL 2 COMMENTS:

## WELL 3 COMMENTS:

## WELL 4 COMMENTS:

## WELL 5 COMMENTS:

## ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

*C. P. Webster*  
SignaturePresident 6/12/89  
Title DatePhone No. (801) 292-3800

**PHONE CONVERSATION DOCUMENTATION FORM**

Route original/copy to:

 **Well File** JOHN 2-7B2  
43-013-31216  
(Location) Sec 7 Twp 2S Rng 2W  
(API No.) **Suspense**  
(Return Date) \_\_\_\_\_  
(To - Initials) \_\_\_\_\_ **Other**  
\_\_\_\_\_  
\_\_\_\_\_

8-8-89 LAST CALL

1. Date of Phone Call: 5-8-89/5-22-89/6-20-89/ Time: A.M.

2. DOGM Employee (name) LISHA ROMERO (Initiated Call )  
Talked to:Name BILLIE (Initiated Call  ) - Phone No. (801) 781-0770 EXT.327  
of (Company/Organization) WATER RIGHTS/DUCHESNE3. Topic of Conversation: WATER PERMIT FOR QUINEX ENERGY CORPORATION TO DRILL THE  
JOHN 2-7B2 WELL. APPARENTLY QUINEX PAID RAEBELLE JENKINS TO USE WATER FROM HER  
WELL, WATER RIGHTS CALLED MRS. JENKINS TO GET HER TO FILE FOR A PERMIT ON 5/29/89.4. Highlights of Conversation: MRS. JENKINS DID NOT WANT TO BE BOTHERED WITH FILING  
FOR A PERMIT AND TOLD WATER RIGHTS THAT SHE WOULD NOT SELL ANY MORE WATER FROM  
HER WELL FOR DRILLING PURPOSES. QUINEX THEN TOLD WATER RIGHTS THAT THEY WOULD  
FILE FOR A TEMPORARY PERMIT APPROXIMATELY 6-20-89. BILLIE SAID THAT SHE WOULD KEEP  
ME INFORMED OF SITUATION. ON 8-8-89 I CALLED BILLIE FOR PERMIT STATUS, SHE INFORMED  
ME THAT QUINEX WAS IN THE PROCESS OF COMPLETING THE WELL, SAYS IT COMPLETED 7-13-89,  
WE HAVE NOT RECEIVED THE COMPLETION REPORT AS OF YET. WATER RIGHTS IS GOING TO  
OVERLOOK THIS INCIDENCE AND THEREFORE THE DIVISION IS ALSO. QUINEX ASSURED WATER  
RIGHTS THAT THEY WOULD GO THROUGH THE PROPER CHANNELS IN THE FUTURE.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATES

(See other instructions on reverse side)

Form approved.  
Budget Bureau No. 1004-0137  
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

14-20-H62-4399

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
Uintah Ouray - Ute Indian

UNIT AGREEMENT NAME

Ute Indian

FARM OR LEASE NAME

Ute Indian

9. WELL NO.

John 2 - 7B2

10. FIELD AND POOL, OR WILDCAT

Bluebell

11. SEC., T., R., M., OR BLOCK AND SURVEY  
OR AREA

NW $\frac{1}{4}$ , NW $\frac{1}{4}$ , Sec. 7, T2S, R2W  
UBSM

12. COUNTY OR  
PARISH | 13. STATE  
Duchesne | Utah

WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

1a. TYPE OF WELL: OIL  WELL  GAS WELL  DRY  OTHER

b. TYPE OF COMPLETION:

NEW WELL  WORK OVER  DEEPEN  PLUG BACK  DIFF. RESVR.  OTHER

2. NAME OF OPERATOR

QUINEX ENERGY CORPORATION

3. ADDRESS OF OPERATOR

465 South 200 West, #300, Bountiful, Utah 84010 DIVISION OF  
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)

At surface 671' FWL, 484' FNL, Sec. 7, T 2 S, R 2 W, UB & MS

At top prod. interval reported below  
580' FWL, 736' FNL, Sec. 7, T 2 S, R 2 W, UB & MS

At total depth

690' FWL, 882' FNL

14. PERMIT NO. | DATE ISSUED  
43-013-31216 | 9-6-88

15. DATE SPUNDED | 16. DATE T.D. REACHED | 17. DATE COMPL. (Ready to prod.) | 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\* | 19. ELEV. CASINGHEAD  
5 May 1989 | 6 July 1989 | 11 Aug 1989 | GR-5922' KB-5943' | 5922'

20. TOTAL DEPTH, MD & TVD | 21. PLUG, BACK T.D., MD & TVD | 22. IF MULTIPLE COMPL.,  
14030' | 13994' | HOW MANY\* | 55 zones | 23. INTERVALS DRILLED BY | ROTARY TOOLS | CABLE TOOLS  
→ | 0-14030' | none

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\*

25. WAS DIRECTIONAL SURVEY MADE  
yes - see attached

10,505' to 13,944' See attached sheet "Selected Perforations."

26. TYPE ELECTRIC AND OTHER LOGS RUN  
DIL-SFL, CN-FD, Digital Sonic Log, NGT Log, Cyberlook, CBL | 27. WAS WELL CORED  
no

28. Casing Record (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
10 3/4"	40.5#	2032.5'	14 3/4"	1200 sks Class "G"	none
7 5/8"	29.7 & 26.4#	10500'	9 7/8"	700 sks 65/35poz, 300 "G"	none
5 1/2"	20 #	14030'	6 3/4"	500 sks Class "G"	none

29. LINER RECORD | 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
5 1/2"	10,314'	14,030'	500 sks		2 7/8"	10314'	10314'

31. PERFORATION RECORD (Interval, size and number  
**CONFIDENTIAL**  
see attached sheet)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
10512-13944'	20,000 gal 15% HCl

33. \* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)		
9 Aug. 1989	Flowing				producing		
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
11-12 Aug 89	24	26/64"	→	662.5	250	0	0.377
FLOW, TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
250#	0#	→	662.5	250	0	42	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)  
SOLD | TEST WITNESSED BY  
Paul Wells, Kelly Farnsworth

35. LIST OF ATTACHMENTS

Schlumberger Logs, OWP Log, Deviation Record, Perforations

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

SIGNED *John Ernest Grunewald* TITLE V. Pres. Quinex Energy DATE 22 Aug 1989

\*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Duchesne River	Surface	3304'	Fresh Water
Uinta Fm.	3304'	7447'	Fresh & brackish water
Green River Fm.	7447'	10076'	Oil & Gas
Wasatch Trans.	10076'	10451'	Oil & Gas
Wasatch Fm.	10451'	14030'	Oil & Gas

38. GEOLOGIC MARKERS

NAME	TOP MEAS. DEPTH	TOP TRUE VERT. DEPTH
Duchesne River Fm.	surface	5922'
Uinta Fm.	3340'	2603'
Green River Fm.	7447'	-1504'
"H" marker	9267'	-3324'
Black Sh. Mkr.	9770'	-3827'
Wasatch Trans.	10076'	-4133'
Wasatch Fm.	10451'	-4508'
Wasatch "B"	11930'	-5987'

QUINEX ENERGY CORPORATION

JOHN 2-7B2

PERFORATING SCHEDULE

The following perforations have been selected for the Quinex Energy Corporation John 2-7B2 well. All perforations were selected and should be correlated to the GammaRay log on the Compensated Neutron-Formation Density Log. Perforations will be 3 holes per foot, except for the zones marked with a \* where 2 shots per foot will be programmed. We will be using a 23 gram shot with a diameter of .39 inches on all shot runs.

The guns will be designed so that each 3 shot per foot gun will have a 120 degree orientation between shots and the 2 shot per foot be oriented 90 degrees between shots.

<u>ZONE NO.</u>	<u>DEPTH</u>	<u>NO. SHOTS</u>
1	13940, 41, 42, 43, 44	15
2	13924, 25, 26	9
3	13874, 75, 78, 79	12
*4	13650, 52, 54, 56, 60, 62	12
5	13552, 53, 54	9
6	13539, 40, 41	9
7	13440, 41, 46, 47	12
8	13354, 56	6
9	13284, 85, 86	9
10	13100, 101, 102, 103	12
11	13012, 14, 15, 16	12
12	12975, 76, 78, 79	12
13	12967, 68, 69	9
14	12962, 63, 64	9
15	12952, 54, 56	9
16	12938, 40, 42	9
*17	12832, 34, 38, 40, 42	10

**CONFIDENTIAL**

<u>ZONE NO.</u>	<u>DEPTH</u>	<u>NO. SHOTS</u>
18	12795, 97, 99	9
19	12788, 90	6
20	12588, 90, 94, 96	12
21	12508, 10, 12, 14	12
22	12444, 46, 48	9
23	12401, 03	6
*24	12308, 10, 12, 14, 16, 18, 20, 22	16
25	12251, 52, 53	9
26	12229, 30, 31	9
27	12114, 15 16	9
28	12089, 90	6
29	12082, 83, 84	9
30	11989, 90, 91	9
31	11984, 85, 86	9
32	11960, 61, 62	9
33	11917, 18, 19	9
34	11891, 92, 93, 94	12
35	11826, 27, 28	9
36	11758, 59, 60, 61	12
37	11721, 23, 25, 27, 29	15
38	11686, 87, 88	9
39	11668, 69, 70, 71, 72, 73	18
40	11662, 63	6
41	11550, 51, 52, 53, 54	15
42	11511, 12, 13	9

**CONFIDENTIAL**

<u>ZONE NO.</u>	<u>DEPTH</u>	<u>NO. SHOTS</u>
43	11505, 06, 07	9
44	11482, 84, 85	9
45	11474, 76, 78, 79	12
*46	11402, 04, 06	6
47	11214, 15, 19, 20	12
48	11200, 201, 202, 203	12
49	11186, 87, 88, 89	12
50	11179, 80, 81	9
51	11120, 21, 22, 23, 24	15
52	10669, 70, 71	9
53	10542, 43, 44	9
54	10522, 23, 24, 25, 26, 27	18
55	10512, 13, 15, 17, 18, 19	18

---

TOTAL NUMBER OF SHOTS 578

---

**CONFIDENTIAL**

EASTMAN CHRISTENSEN

RECORD OF SURVEY

FOR

\*  
\* OPERATOR : QUINEX ENERGY CORPORATION  
\* WELL NAME : JOHN 2-7B2  
\* LOCATION : S7 T25 R2W / DUCHESENE COUNTY, UT  
\* JOB NUMBER :  
\* RIG : GRACE #193  
\* DECLINATION : 0.00 E

ED DISTRICT : ROCKY MOUNTAIN DIST.

**CONFIDENTIAL**

MEASURED DEPTH	DRIFT ANGLE D M	DRIFT DIRECTION D M	COURSE LENGTH	TRUE VERTICAL DEPTH	RECTANGULAR COORDINATES	DOGLEG SEVERITY
3031.00	0 30	S 53 0 W	0.00	3031.00	0.00 S 10.60 W	0.00
3821.00	1 0	S 38 0 W	790.00	3820.93	15.31 S 17.60 W	0.07
4870.00	1 30	S 2 0 W	1049.0	4869.69	36.44 S 23.71 W	0.09
2370.00	1 15	S 4 0 W	900.00	5369.55	48.42 S 24.32 W	0.05
6284.00	2 0	S 12 0 W	914.00	6283.18	75.97 S 28.33 W	0.09
6780.00	2 15	S 24 0 W	496.00	6778.84	91.33 S 34.09 W	0.10
7731.00	2 30	S 24 0 W	951.00	7729.02	127.33 S 50.12 W	0.03
8295.00	3 0	S 25 0 W	564.00	8292.37	151.94 S 61.36 W	0.09
8990.00	3 0	S 14 0 W	695.00	8986.42	186.07 S 73.45 W	0.08
9228.00	2 45	S 17 0 W	268.00	9224.08	199.03 S 77.02 W	0.11
9762.00	2 30	S 13 0 W	504.00	9757.55	221.30 S 83.03 W	0.06
10070.00	2 30	S 14 0 W	308.00	10065.26	234.36 S 86.17 W	0.01
10460.00	2 0	S 16 0 W	390.00	10454.96	249.16 S 90.10 W	0.15
10571.00	1 36	S 13 0 W	111.00	10565.91	252.53 S 90.98 W	0.37
10633.00	2 0	S 2 0 E	62.00	10627.88	254.49 S 91.14 W	0.99
10696.00	2 12	S 19 0 E	63.00	10690.83	256.70 S 90.71 W	1.03
10757.00	2 36	S 43 0 E	61.00	10751.78	258.82 S 89.38 W	1.76
10819.00	2 36	S 59 0 E	62.00	10813.72	260.57 S 87.22 W	1.17
10913.00	3 36	N 89 0 E	94.00	10907.59	261.61 S 82.44 W	2.09
10975.00	4 30	S 84 0 E	62.00	10969.43	261.84 S 78.08 W	1.65
11000.00	5 12	S 83 0 E	25.00	10994.34	262.08 S 75.98 W	2.82
11110.00	5 0	S 75 0 E	110.00	11103.91	253.92 S 66.40 W	0.67
11535.00	4 30	S 61 0 E	225.00	11328.14	270.74 S 49.21 W	0.26
11579.00	4 15	S 43 0 E	244.00	11571.44	281.99 S 34.67 W	0.57
12257.00	3 30	S 25 0 E	688.00	12257.89	319.67 S 8.40 W	0.21
12905.00	2 45	S 23 0 E	638.00	12894.94	351.41 S 5.81 E	0.12
13594.00	2 30	S 11 0 E	689.00	13583.22	381.38 S 15.13 E	0.09
13980.00	2 30	S 14 0 E	386.00	13968.85	397.81 S 18.77 E	0.03
14030.00	2 30	S 14 0 E	50.00	14018.80	399.93 S 19.30 E	0.00

CLOSURE - DISTANCE : 400.39  
DIRECTION : S 2 46 E

REPORT UNITS : Feet  
SURVEY CALCULATION METHOD : Minimum curvature

P.4/4

SURVEY RUN INFORMATION

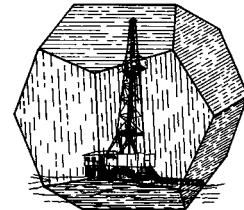
=====

SURVEY STATION 14030' IS A PROJECTION BASED ON THE  
PREVIOUS STATION AT 13980'.



# QUINEX ENERGY CORPORATION

465 South 200 West • Suite 300 • Bountiful, Utah 84010 • (801) 292-3800 • FAX (801) 295-5858



August 22, 1989

Utah Division of Oil, Gas & Mining  
355 West North Temple  
Salt Lake City, Utah 84108

Attention: Ron Firth

Gentlemen:

Enclosed is 2 completion reports on the John #2-7B2 Well located in Sec 7, T2S, R2W, USB&M Duchesne County, Utah.

Sincerely,

QUINEX ENERGY CORPORATION

  
DeForrest Smouse PhD  
Vice President

DFS/sp

cc: BLM, Vernal

Encl

**RECEIVED**  
AUG 22 1989

**DIVISION OF  
OIL, GAS & MINING**

OIL AND GAS	
DRN	RJF
JRB	✓ GLH
DTS	SLS
Q-TAS	
MICROFILM	
FILE	

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE.  
(Other instructions on reverse side)

Form approved.  
Budget Bureau No. 1004-0135  
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

14-20-H62-4399

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

Ute Tribal

7. UNIT AGREEMENT NAME

Ute Tribal

8. FARM OR LEASE NAME

Ute Tribal

9. WELL NO.

John 2 - 7B2

10. FIELD AND POOL, OR WILDCAT

Bluebell

11. SEC., T., R., M., OR BLK. AND  
SURVEY OR AREA

NW $\frac{1}{4}$ , NW $\frac{1}{4}$ , Sec. 7, T2S, R2W.

OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR

QUINEX ENERGY CORPORATION

AUG 22 1989

3. ADDRESS OF OPERATOR

465 South 200 West, Bountiful, Utah 84010

Suite 300

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)

At surface 671' FWL, 484' FNL, Sec. 7, T 2 S, R 2 W, USM

14. PERMIT NO.

43-013-31216

15. ELEVATIONS (Show whether DF, RT, GR, etc.)

GR-5922' KB- 5943'

12. COUNTY OR PARISH

Duchesne

13. STATE

Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO :

TEST WATER SHUT-OFF


PULL OR ALTER CASING


FRACTURE TREAT

MULTIPLE COMPLETE

SHOOT OR ACIDIZE

ABANDON\*

REPAIR WELL

CHANGE PLANS

(Other) Water Disposal App.

WATER SHUT-OFF


FRACTURE TREATMENT

REPAIRING WELL

SHOOTING OR ACIDIZING

ALTERING CASING

(Other)

ABANDONMENT\*

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Water will be stored in #1 Power Water Tank with a 500 Bbbl. Storage.

Water disposal will be by truck to Murray Disposal Site.

Water production as of 8-21-89 averaged 4.8 bbls. per day

OIL AND GAS	
DRN	RJF
JRB	1- GLH
DTS	SLS
Q-TAS	
MICROFILM	
FILE	

Accepted by State  
of Utah Division of  
Oil, Gas and Mining

Date: 8-25-89

By: SLP

18. I hereby certify that the foregoing is true and correct

SIGNED Robert S. Sorenson TITLE V.Pres. Quinex Energy Corp. DATE 22 Aug 1989

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

Federal Approval of this  
Action is Necessary

\*See Instructions on Reverse Side

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE.  
(Other instructions on reverse side)

Form approved.  
Budget Bureau No. 1004-0135  
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

14-20- H62-4399

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

Ute Tribal

7. UNIT AGREEMENT NAME

Ute Tribal

8. FARM OR LEASE NAME

Ute Tribal

9. WELL NO.

John 2-7B2

10. FIELD AND POOL, OR WILDCAT

Bluebell

11. SEC. T. R. M. OR BLK. AND  
SURVEY OR AREA

NW $\frac{1}{4}$ , NW $\frac{1}{4}$ , Sec. 7, T2S, T2W.

12. COUNTY OR PARISH 13. STATE

Duchesne

Utah

SUNDRY NOTICES AND REPORTS

(Do not use this form for proposals to drill or to deepen or plug wells or to repair reservoirs.)  
Use "APPLICATION FOR PERMIT" for such proposals.

OIL WELL  GAS WELL  OTHER

AUG 22 1989

2. NAME OF OPERATOR  
QUINEX ENERGY CORPORATION

3. ADDRESS OF OPERATOR

465 South 200 West, Suite 300, Bountiful, Utah 84010

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.  
See also space 17 below.)  
At surface

671' FWL, 484 FNL, Section 7, T 2 S, R 2 W, USBM

14. PERMIT NO.

430013-31216

15. ELEVATIONS (Show whether DF, RT, GR, etc.)

GR- 5922', KB - 5943'

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

FRACTURE TREAT

MULTIPLE COMPLETE

SHOOT OR ACIDIZE

ABANDON\*

REPAIR WELL

CHANGE PLANS

(Other) Emergency Pit Approval

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

REPAIRING WELL

ALTERING CASING

ABANDONMENT\*

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) \*

Request for emergency pit for production. To be located on south east corner of location.

The emergency pit is required in the event hydrocarbon discharge should occur. The storage facilities are considered to be safe as now constructed, but if some natural disaster should occur, the emergency pit is designed to provide an emergency controlled storage facility for oil and a place to flare excess natural gas.

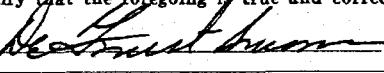
OIL AND GAS	
DRN	RJF
JRB	- GLH
DTS	SLS
Q-TAS	
MICROFILM	

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

Date: 8-25-89

By: 

18. I hereby certify that the foregoing is true and correct

SIGNED  TITLE

V. Pres. Quinex Energy Corp. DATE 22 Aug 1989

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

TITLE \_\_\_\_\_

DATE \_\_\_\_\_

Federal Approval of this  
Action is Necessary

\*See Instructions on Reverse Side

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLE COPY  
(Other instructions are  
on reverse side)

Form approved.  
Budget Bureau No. 1004-0135  
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

14-20-H62-4399

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

Uintah Ouray-Ute Indian

UNIT AGREEMENT NAME

Ute Indian

8. FARM OR LEASE NAME

Ute Indian

9. WELL NO.

John #2-7B2

10. FIELD AND POOL, OR WILDCAT

Bluebell

11. SEC., T., E., M., OR BLK. AND  
SURVEY OR AREA

NW $\frac{1}{4}$ , NW $\frac{1}{4}$ , Sec. 7, T2S, R2W  
USB & M

12. COUNTY OR PARISH 13. STATE

Duchesne

Utah

1. OIL WELL  GAS WELL  OTHER

AUG 02 1990

2. NAME OF OPERATOR

QUINEX ENERGY CORPORATION

DIVISION OF

OIL, GAS & MINING

3. ADDRESS OF OPERATOR

465 SOUTH 200 WEST, SUITE #300, BOUNTIFUL, UTAH 84010

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*  
See also space 17 below.)  
At surface

671' FWL, 484' FNL, Section 7, T2S, R2W, UB & MS

14. PERMIT NO.

43-013-31216

15. ELEVATIONS (Show whether DF, RT, GR, etc.)

GR 5922' / KB 5943'

13. STATE

Duchesne

Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREAT

MULTIPLE COMPLETE

FRACTURE TREATMENT

ALTERING CASING

SHOOT OR ACIDIZE

ABANDON\*

SHOOTING OR ACIDIZING

ABANDONMENT\*

REPAIR WELL

(Other)

CHANGE PLANS

(Other) / Notice of Gas Venting

(Note: Report results of multiple completion on Well  
Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) \*

On or about 7/21/90 Gary Williams Energy had an explosion at their Wasatch Gas Plant. Due to the explosion of the plant we are unable to make gas deliveries and found it necessary to vent our gas.

The Gas Plant should be back on line within a month and normal deliveries of gas will resume.

18. I hereby certify that the foregoing is true and correct

SIGNED

*DeForest Smouse*

TITLE Vice-President

OIL AND GAS

DFN R/JF

1 JPB ✓ GLH

DTS SLS

2- DMG ✓

3- MICROFILM ✓

4- FILE

DATE August 1, 1990

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

TITLE \_\_\_\_\_

Federal approval of this action  
is required before commencing  
operations.

ACCEPTED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING

DATE: 8-16-90  
BY: *John R. Bay*

\*See Instructions on Reverse Side

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

**SUNDY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT" for such proposals.)

**RECEIVED**

LEASE DESIGNATION AND SERIAL NO.

14-20-H62-4399

6. IF INDIAN, ALLOTMENT OR TRIBE NAME

UTE INDIAN

7. UNIT AGREEMENT NAME

UTE INDIAN

8. FARM OR LEASE NAME

JOHN

9. WELL NO.

#2-7B2

10. FIELD AND POOL, OR WILDCAT

BLUEBELL

11. SEC., T., R., M., OR BLK. AND

SURVEY OR AREA

NW $\frac{1}{4}$ , NW $\frac{1}{4}$ , Sec 7

T2S, R2W, USB&M

1. OIL  GAS  WELL OTHER

2. NAME OF OPERATOR

QUINEX ENERGY CORPORATION

3. ADDRESS OF OPERATOR

465 SOUTH 200 WEST, SUITE 300, BOUNTIFUL, UTAH 84010

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.  
See also space 17 below.)

At surface

671' FWL 484' FNL, SEC 7, T2S, R2W, USB &M

14. API NUMBER

43-013-31216

15. ELEVATIONS (Show whether DF, RT, GR, etc.)

GR 5922' KB 5943'

12. COUNTY OR PARISH

DUCHESNE

13. STATE

UTAH

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF  
FRACTURE TREAT  
SHOOT OR ACIDIZE  
REPAIR WELL  
(Other)

FULL OR ALTER CASING  
MULTIPLE COMPLETE  
ABANDON  
CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF  
FRACTURE TREATMENT  
SHOOTING OR ACIDIZING  
(Other)

REPAIRING WELL  
ALTERING CASING  
ABANDONMENT\*

(NOTE: Report results of multiple completion on Well  
(Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Reacidized well on September 28, 1990 with 10,000 gallons 15% HCL. 50 gallons A 200.2 corrosion inhibitor, 650 lb KCL, 50 lb L58 iron stabilizer. 13 gallons of scaleban, plus 175 7/8" 1.3 spec. grav. frac balls. Maximum pressure-6500 psi average 5500 psi, ISIP 2500 psi. Average injection rate 10.1 bbls/min.

Pump Test Oct. 3, 1990 190.08 bbls oil  
24 hrs. 25.33 bbls water  
55.00 mcf gas

Green River Formation

18. I hereby certify that the foregoing is true and correct

SIGNED Donald J. Inman

TITLE Vice President

DATE Nov. 21, 1990

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

TITLE \_\_\_\_\_

DATE \_\_\_\_\_

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

**SUNDY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT" for such proposals.)

1. <input checked="" type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER	NOV 26 1990	
2. NAME OF OPERATOR	QUINEX ENERGY CORPORATION	
3. ADDRESS OF OPERATOR	465 SOUTH 200 WEST, SUITE 300, BOUNTIFUL, UTAH 84010	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface	671' FWL 484' FNL, SEC 7, T2S, R2W, USB & M	
14. API NUMBER	15. ELEVATIONS (Show whether DF, RT, GR, etc.)	
43-013-31216	GR 5922' KB 5943'	
16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data		
NOTICE OF INTENTION TO:		
TEST WATER SHUT-OFF	<input type="checkbox"/>	
FRACTURE TREAT	<input type="checkbox"/>	
SHOOT OR ACIDIZE	<input type="checkbox"/>	
REPAIR WELL	<input type="checkbox"/>	
(Other)	<input type="checkbox"/>	
17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) *		
Reacidized well on September 28, 1990 with 10,000 gallons 15% HCL. 50 gallons A 200.2 corrosion inhibitor, 650 lb KCL, 50 lb L58 iron stabilizer. 13 gallons of scaleban, plus 175 7/8" 1.3 spec. grav. frac balls. Maximum pressure-6500 psi average 5500 psi, ISIP 2500 psi. Average injection rate 10.1 bbls/min.		
Pump Test	Oct. 3, 1990	190.08 bbls oil
	24 hrs.	25.33 bbls water
		55.00 mcf gas
Green River Formation		
18. I hereby certify that the foregoing is true and correct		
SIGNED	<i>Deinent Incorne</i>	TITLE Vice President
(This space for Federal or State office use)		
APPROVED BY	TITLE	DATE
CONDITIONS OF APPROVAL, IF ANY:		

5. LEASE DESIGNATION AND SERIAL NO.	14-20-H62-4399
6. IF INDIAN, ALLOTTEE OR TRIBE NAME	UTE INDIAN
7. UNIT AGREEMENT NAME	UTE INDIAN
8. FARM OR LEASE NAME	JOHN
9. WELL NO.	#2-7B2
10. FIELD AND POOL, OR WILDCAT	BLUEBELL
11. SEC., T., R. M., OR BLK. AND SURVEY OR AREA	NW $\frac{1}{4}$ , NW $\frac{1}{4}$ , Sec 7 T2S, R2W, USB&M
12. COUNTY OR PARISH	DUCHESNE
13. STATE	UTAH

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF	<input type="checkbox"/>	WATER SHUT-OFF	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	FRACTURE TREATMENT	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	SHOOTING OR ACIDIZING	<input checked="" type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	REPAIRING WELL	<input type="checkbox"/>
(Other)	<input type="checkbox"/>	ALTERING CASING	<input type="checkbox"/>
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)			

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) \*

Reacidized well on September 28, 1990 with 10,000 gallons 15% HCL. 50 gallons A 200.2 corrosion inhibitor, 650 lb KCL, 50 lb L58 iron stabilizer. 13 gallons of scaleban, plus 175 7/8" 1.3 spec. grav. frac balls. Maximum pressure-6500 psi average 5500 psi, ISIP 2500 psi. Average injection rate 10.1 bbls/min.

Pump Test      Oct. 3, 1990      190.08 bbls oil  
                  24 hrs.                25.33 bbls water  
    55.00 mcf gas

Green River Formation

18. I hereby certify that the foregoing is true and correct			
SIGNED	<i>Deinent Incorne</i>	TITLE Vice President	DATE Nov. 21, 1990
(This space for Federal or State office use)			
APPROVED BY	TITLE	DATE	
CONDITIONS OF APPROVAL, IF ANY:			

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

~~RECEIVED~~  
SUNDY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT" for such proposals.)

NOV 26 1990

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER	2. NAME OF OPERATOR QUINEX ENERGY CORPORATION	3. ADDRESS OF OPERATOR 465 SOUTH 200 WEST, SUITE 300, BOUNTIFUL, UTAH 84010	4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 671' FWL 484' FNL, SEC 7, T2S, R2W, USB & M	5. LEASE DESIGNATION AND SERIAL NO. 14-20-H62-4399	6. INDIAN, ALLOTTEE OR TRIBE NAME UTE INDIAN	
7. UNIT AGREEMENT NAME UTE INDIAN	8. FARM OR LEASE NAME JOHN	9. WELL NO. #2-7B2	10. FIELD AND POOL, OR WILDCAT BLUEBELL	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA NW $\frac{1}{4}$ , NW $\frac{1}{4}$ , Sec 7 T2S, R2W, USB&M	12. COUNTY OR PARISH DUCESNE	13. STATE UTAH
14. API NUMBER 43-013-31216	15. ELEVATIONS (Show whether SF, RT, GR, etc.) GR 5922' KB 5943'					

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF  
FRACTURE TREAT  
SHOOT OR ACIDIZE  
REPAIR WELL  
(Other)


PULL OR ALTER CASING  
MULTIPLE COMPLETE  
ABANDON  
CHANGE PLANS


SUBSEQUENT REPORT OF:

WATER SHUT-OFF  
FRACTURE TREATMENT  
SHOOTING OR ACIDIZING  
(Other)


REPAIRING WELL  
ALTERING CASING  
ABANDONMENT\*


(NOTE: Report results of multiple completion on Well  
Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

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Pump Test Oct. 3, 1990 190.08 bbls oil  
24 hrs. 25.33 bbls water  
55.00 mcf gas

Green River Formation

18. I hereby certify that the foregoing is true and correct

SIGNED Donald J. Inman TITLE Vice President DATE Nov. 21, 1990

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY: \_\_\_\_\_

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE.  
(Other instructions on reverse side)

Form approved.  
Budget Bureau No. 1004-0135  
Expires August 31, 1985

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR

QUINEX ENERGY CORPORATION

RECEIVED

SEP 10 1992

3. ADDRESS OF OPERATOR

465 SOUTH 200 WEST, BOUNTIFUL, UTAH 84010

DIVISION OF  
OIL GAS & MINING

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.  
See also space 17 below.)  
At surface

671' FWC, 484' FNL SEC 7, T 1 S R 2 W

14. PERMIT NO.

43-013-31216

15. ELEVATIONS (Show whether DF, RT, GR, etc.)

GR - 5922' KB - 5943'

12. COUNTY OR PARISH 13. STATE

DUCESNE UTAH

16.

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF  
FRACTURE TREAT  
SHOOT OR ACIDIZE  
REPAIR WELL  
(Other)

X

PULL OR ALTER CASING  
MULTIPLE COMPLETE  
ABANDON\*  
CHANGE PLANS


SUBSEQUENT REPORT OF:

WATER SHUT-OFF  
FRACTURE TREATMENT  
SHOOTING OR ACIDIZING  
(Other)


REPAIRING WELL  
ALTERING CASING  
ABANDONMENT\*


(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) \*

6/09/92 Perforated 9468-79' with 165 shots, see attached sheet.

6/15/92 Acidized with 10,000 gallons 15% HCl, with 20 gallons A-260, 5 gallons L-55, 20 gallons W-54, 25 gallons L-47, 100 pounds L-59, 20 gallons F-78, 16 gallons J-221, 1,000 pounds HCl and 315 1.1 56 7/8" ball sealers. Average pressure 1800 pounds, maximum pressure 3250 pounds, average rate 9 barrels per minute.

18. I hereby certify that the foregoing is true and correct

SIGNED

*Robert J. Quinex*

TITLE Vice President-Quinex

DATE 9/8/92

(This space for Federal or State office use)

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

\*See Instructions on Reverse Side

QUINEX ENERGY CORPORATION  
JOHN 2-7B2 WELL  
THIRD STAGE PERFORATIONS

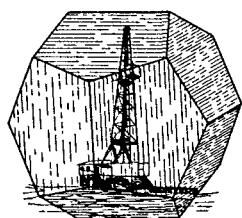
The following additional perforations have been selected for the Quinex Energy Corporation, John 2-7B2 well. All perforations were selected and should be correlated to the GammaRay log on the Compensated Neutron- Formation Density Log.

Perforations will be 3 holes per foot, with a 120 degree orientation between shots. We will be using a 23 gram jet perforation with a diameter of .39 inches on all runs.

<u>ZONE NO.</u>	<u>DEPTH</u>	<u>NO. SHOTS</u>
1B	9,786, 87, 88, 89, 90	15
2B	9,765, 66, 67	9
3B	9,708, 09, 10	9
4B	9,702, 03, 04, 05, 06	15
5B	9,644, 45, 46, 47, 47, 49, 50, 51, 52	27
6B	9,586, 87	6
7B	9,572, 73, 74, 75, 76	15
8B	9,542	3
9B	9,514, 15, 19, 20	12
10B	9,488, 89, 90, 91, 94, 95, 96, 97, 98, 99, 9500	33
11B	9,468, 70, 72, 74, 76, 78, 79	21
<hr/>		
TOTAL NUMBER OF SHOTS		165

**RECEIVED**  
SEP 10 1992

DIVISION OF  
OIL GAS & MINING



# QUINEX ENERGY CORPORATION

465 South 200 West • Suite 300 • Bountiful, Utah 84010 • (801) 292-3800 • FAX (801) 295-5858

September 9, 1992

Utah Division of Oil, Gas & Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

Re: Merlene #2-36A3

Well Repair  
7/15/92 to 7/31/92

John #2-7B2

Perforations  
6/09/92

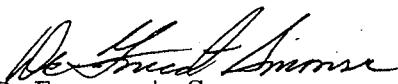
Acidized  
6/15/92

To Whom It May Concern:

Enclosed you will find copies of reports on the above referenced wells and work done.

Sincerely,

QUINEX ENERGY CORPORATION

  
DeForrest Smouse  
Vice President

DFS/sp

Enclosures

RECEIVED  
SEP 10 1992

DIVISION OF  
OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLEX  
(Other instructions  
verse side)

Form approved.  
Budget Bureau No. 1004-0135  
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

14-20-H62-4399

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

UTE TRIBAL

7. UNIT AGREEMENT NAME

UTE TRIBAL

8. FARM OR LEASE NAME

UTE TRIBAL

9. WELL NO.

JOHN #2-7B2

10. FIELD AND POOL, OR WILDCAT

BLUEBELL

11. SEC., T., R., M., OR BLK. AND  
SURVEY OR AREA

NW $\frac{1}{4}$ , NW $\frac{1}{4}$

Sec 7, T2S, R2W

12. COUNTY OR PARISH

13. STATE

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR

QUINEX ENERGY CORPORATION

3. ADDRESS OF OPERATOR

465 SOUTH 200 WEST, SUITE 300, BOUNTIFUL, UTAH 84010

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*  
See also space 17 below.)  
At surface

671' FWL, 484' FNL, Sec 7, T2S, R2W

14. PERMIT NO.

43-013-31216

15. ELEVATIONS (Show whether DF, RT, GR, etc.)

GR - 5922 KB 5943'

16.

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO :

TEST WATER SHUT-OFF  
FRACTURE TREAT  
SHOOT OR ACIDIZE  
REPAIR WELL  
(Other)

PULL OR ALTER CASING  
MULTIPLE COMPLETE  
ABANDON\*  
CHANGE PLANS

SUBSEQUENT REPORT OF :

WATER SHUT-OFF  
FRACTURE TREATMENT  
SHOOTING OR ACIDIZING  
(Other) Pull Packer

REPAIRING WELL  
ALTERING CASING  
ABANDONMENT\*

(Note: Report results of multiple completion on Well  
Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) \*

June 29-July 9, 1992 Pulled tubing, stuck, jared loose, retrieved Packer. Pulled lower Packer. Replaced upper Packer in 7 5/8" casing. Comingle Wasatch and Green River production.

RECEIVED

OCT 26 1992

DIVISION OF  
OIL GAS & MINING

18. I hereby certify that the foregoing is true and correct

SIGNED Dee Scott Brown

TITLE Vice Pres/Quinex

DATE 10/26/92

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

TITLE \_\_\_\_\_

DATE \_\_\_\_\_

\*See Instructions on Reverse Side

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLE COPY  
(Other instructions reverse side)

Form approved.  
Budget Bureau No. 1004-0135  
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

14-20-H62-4399

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

Ute Tribal

7. UNIT AGREEMENT NAME

Ute Tribe

8. FARM OR LEASE NAME

John #2-7B2

9. WELL NO.

John #2-7B2

10. FIELD AND POOL, OR WILDCAT

Bluebell

11. SEC., T., R., M., OR BLK. AND  
SURVEY OR AREA

NW $\frac{1}{4}$ , NW $\frac{1}{4}$   
Section 7, T2S, R2W, USM

12. COUNTY OR PARISH

13. STATE

Duchesne

Utah

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR

Quinex Energy Corporation

3. ADDRESS OF OPERATOR

465 South 200 West, #300, Bountiful, Utah 84010

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*  
See also space 17 below.)  
At surface

671' FWL, 484' FNJ, Section 7, T2S, R2W, USM

14. PERMIT NO.

43-013-31216

15. ELEVATIONS (Show whether DF, RT, GR, etc.)

GR - 5922'

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO :

TEST WATER SHUT-OFF


PULL OR ALTER CASING


FRACTURE TREAT

MULTIPLE COMPLETE

SHOOT OR ACIDIZE

ABANDON\*

REPAIR WELL

CHANGE PLANS

(Other)

SUBSEQUENT REPORT OF :

WATER SHUT-OFF


REPAIRING WELL

FRACTURE TREATMENT

ALTERING CASING

SHOOTING OR ACIDIZING

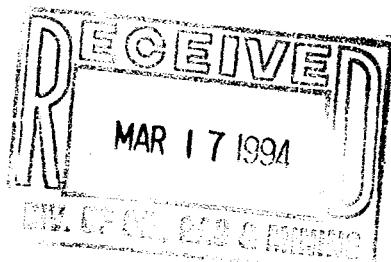
ABANDONMENT\*

(Other)

(NOTE: Report results of multiple completion on Well  
Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) \*

11/2-5/93 Swabbed well down to 8950'. Injected 111 barrels Xyso with 300 1.3 X 7/8" ball sealers. Displaced Xysol with 88 barrels/water.



18. I hereby certify that the foregoing is true and correct

SIGNED John Shattuck

TITLE President

DATE 3/9/94 ✓

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

TITLE \_\_\_\_\_

DATE \_\_\_\_\_

\*See Instructions on Reverse Side

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.  
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:	5. Lease Designation and Serial Number: 14-20-H62-4399
2. Name of Operator: QUINEX ENERGY CORPORATION	6. If Indian, Allottee or Tribe Name: UTE TRIBAL
3. Address and Telephone Number: 465 South 200 West, Bountiful, Utah 84010 #300 (801) 292-3800	7. Unit Agreement Name: 8. Well Name and Number: JOHN #2-7B2
4. Location of Well Footages: 671' FWL 484' FNL QQ, Sec., T., R., M.: NW $\frac{1}{4}$ , NW $\frac{1}{4}$ , Section 7, T2S, R2W	9. API Well Number: 43-013-31216 10. Field and Pool, or Wildcat: BLUEBELL County: DUCESNE State: UTAH

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

<b>NOTICE OF INTENT</b> <small>(Submit in Duplicate)</small>	<b>SUBSEQUENT REPORT</b> <small>(Submit Original Form Only)</small>
<input type="checkbox"/> Abandonment <input type="checkbox"/> Casing Repair <input type="checkbox"/> Change of Plans <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recompletion <input type="checkbox"/> Shoot or Acidize <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off <input checked="" type="checkbox"/> Other <u>NOTICE OF GAS VENTING</u>
Approximate date work will start _____  Date of work completion _____	
<small>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.</small>	
<small>* Must be accompanied by a cement verification report.</small>	

## 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

On or about 10/15/94 Gary Williams Energy Corporation had an explosion at their Montwell Gas Plant. Due to the explosion we were unable to make gas deliveries or purchase dry gas for well operations. Quinex Energy Corporation was forced to burn wet gas and to vent excess gas.

The gas plant status has not been released and the date of re-opening purchase lines should occur within the month.

OCT 20

13.

Name & Signature: DeForrest Smouse Title: President

Date: 10/18/94

(This space for State use only)



**State of Utah**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor  
Ted Stewart  
Executive Director  
James W. Carter  
Division Director

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340  
801-359-3940 (Fax)  
801-538-5319 (TDD)

March 23, 1995

DeForrest Smouse  
Quinex Energy Corporation  
465 South 200 West, Suite 300  
Bountiful, Utah 84010

Re: Unlined Pits in the Bluebell Field

Dear Mr. Smouse:

On February 15, 1995, a field inspection was conducted on your properties in the Bluebell field. It was noted at this inspection that the following nine well locations still have unlined emergency pits.

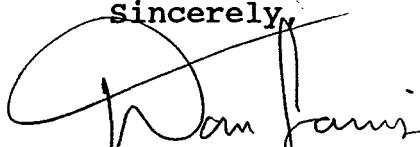
Sam Houston 24-41A  
State 1-4B1E  
Leslie Taylor 24-5  
Bowen Bastian 1-14  
CMS 1-13A1  
Chasel Sprouse 1-18  
Allred 2-32A1E  
Malner Pike 1-17A1E  
\*John 2-7B2 *511.7 25 200 / 4/3-03-31216*

Enclosed is a copy of a letter submitted by your company which stated that tank installation on these locations would be completed by January 1, 1994.

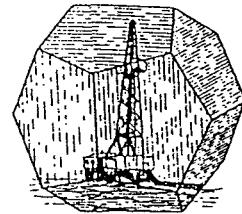
The Division requests that Quinex Energy Corporation submit a time frame for completion of the tank installation within 10 days of receipt of this letter.

If you have any questions please call me at (801)538-5340.

sincerely,

  
Dan Jarvis  
UIC Geologist

Enclosure



## QUINEX ENERGY CORPORATION

465 South 200 West • Suite 300 • Bountiful, Utah 84010 • (801) 292-3800 • FAX (801) 295-5858

November 16, 1992

State of Utah  
Division of Oil, Gas & Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

Ref: Quinex Energy Corporation  
✓Malnar Pike 1-17, API No. 43-047-31714  
✓Sam Houston 24-4, API No. 43-047-31653  
✓Leslie Taylor 24-5, API No. 43-047-31828  
✓CMS 1-13A1, API No. 43-047-31711  
Einerson 1-4B1E, API No. 43-047-31940  
✓Allred 2-32A1E, API No. 43-047-31889  
JDC Redcap 30-4, API No. 43-047-31591  
✓Chasel Sprouse 1-18, API No. 43-047-31695  
Merlene 2-36A3, API No. 43-013-31247  
✓Bowen-Bastian 1-14A1, API No. 43-047-31713  
Uinta-Sam 28-2R, API No. 43-047-30127

**RECEIVED**

NOV 16 1992

DIVISION OF  
OIL GAS & MINING

Gentlemen:

Quinex Energy Corporation plans to install into the present site of the overflow pit a 400 barrel tank, cut in half longitudinally. The tank will be laid on rock or, if necessary on small concrete walls allowing a check for leakage. The proposed layout of the overflow tank is indicated on the enclosed drawing.

Quinex Energy Corporation expects to have the installation of the overflow tank accomplished by 1 January 1994.

Sincerely,

DeForrest Smouse,  
Vice President, Quinex Energy

**RECEIVED**

NOV 18 1992

DIVISION OF  
OIL GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

**SUBMIT IN TRIPPLICATE**

1. Type of Well  
 Oil Well    Gas Well    Other

2. Name of Operator

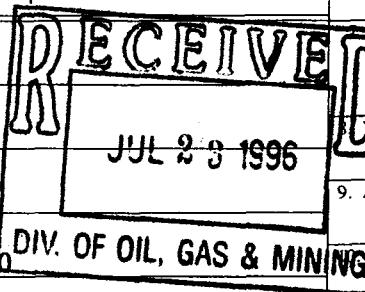
**QUINEX ENERGY CORPORATION**

3. Address and Telephone No.

**465 S. 200 W., Bountiful, Utah 84010**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**631' FWL, 484' FNL, Sct. 7, T2S, R2W**



FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

5. Lease Designation and Serial No.

**14-20-H62-4399**

6. If Indian, Allottee or Tribe Name

**UTE TRIBAL**

7. Unit or CA, Agreement Designation

**UTE TRIBAL**

8. Well Name and No.

**John 2-7B2**

9. API Well No.

**43-013-31216**

10. Field and Pool, or Exploratory Area

**BLUEBELL**

11. County or Parish, State

**DUCHESE**

**12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back <input type="checkbox"/> Casing Repair <input type="checkbox"/> Altering Casing <input type="checkbox"/> Other <b>Repair Tubing</b>

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

**18-20 June 1996. Pumped 1000 gal acid down tubing to clean up scale.**

After acid treatment, tubing indicated leaks. Released packer,  
Trip tubing and packer out of hole. Laid down 3 joints of  
tubing with holes, and 2 crooked joints. Replaced tubing and  
set Modle R 7 5/8" Double grip packer @ 9009'. Placed well  
back on pump.

*WD tax credit denied 9/97.*

14. I hereby certify that the foregoing is true and correct

Signed *John H. Snouse*

Title **President**

Date **18 July 1996**

(This space for Federal or State office use)

Approved by \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Conditions of approval, if any: \_\_\_\_\_

**STATE OF UTAH**  
**DIVISION OF OIL, GAS AND MINING**

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, deepen existing wells or to reenter plugged and abandoned wells.  
 Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN for such Proposals.

1. Type of Well: <input checked="" type="checkbox"/> OIL <input type="checkbox"/> GAS <input type="checkbox"/> OTHER:	5. Lease Designation and Serial Number: <b>14-20-H62-4399</b>
2. Name of Operator: <b>QUINEX ENERGY CORPORATION</b>	6. If Indian, Allottee or Tribe Name <b>UTE INDIAN</b>
3. Address and Telephone Number: <b>465 South 200 West, Suite 300, Bountiful, Utah 84010</b>	7. Unit Agreement Name, <b>UTE INDIAN</b>
4. Location of Well: Footages: <b>736' FNL, 580' FWL, Section 7, T. 2 S., R. 2 W. USBM</b> QQ, Sec., T., R., M.: <b>NW1/4,NW1/4, Section 7, T. 2 S., R. 2. W., USBM</b>	8. Well Name and Number: <b>John 2-7B 2</b> 9. AP Well Number: <b>43-013-31216</b>
10. Field and Pool, or Wildcat: <b>BLUEBELL</b>	County: <b>DUCHESNE</b> State: <b>UTAH</b>

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

<p><b>NOTICE OF INTENT</b> (Submit in Duplicate)</p> <p><input type="checkbox"/> Abandon  <input type="checkbox"/> Repair Casing  <input type="checkbox"/> Change of Plans  <input type="checkbox"/> Convert to Injection  <input type="checkbox"/> Fracture Treat or Acidize  <input type="checkbox"/> Multiple Completion  <input type="checkbox"/> Other _____</p>	<p><b>SUBSEQUENT REPORT</b> (Submit Original Form Only)</p> <p><input type="checkbox"/> Abandon *  <input type="checkbox"/> Repair Casing  <input type="checkbox"/> Change of Plans  <input type="checkbox"/> Convert to Injection  <input type="checkbox"/> Fracture Treat or Acidize  <input type="checkbox"/> Other <u>Run Schlumberger TDT Log.</u></p>
<p>Approximate date work will start _____</p> <p>Date of work completion <u>9/20/2000</u></p> <p>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.</p> <p>* Must be accompanied by a cement verification report.</p>	

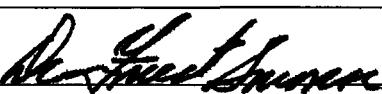
**12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)**

Hot oil well & pull packer. Drill out CIBP. Scrape casing & clean hole to 14,010' Ran Schlumberger TDT Log.

Perforate well 13,879-10766' with OWP Power Pack. See attached perforation schedule.

Hot oil well & Set Production Packer @ 8,979' w/ 20,000# compression.

13.

Name & Signature: DeForrest Smouse  Title: President Date: 9/24/2000

(This space for State use only)

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells or to reenter plugged and abandoned wells.  
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN for such Proposals.

1. Type of Well: <input checked="" type="checkbox"/> OIL <input type="checkbox"/> GAS <input type="checkbox"/> OTHER:	5. Lease Designation and Serial Number: <b>14-12-H62-4399</b>
2. Name of Operator: <b>QUINEX ENERGY CORPORATION</b>	6. If Indian, Allottee or Tribe Name: <b>UTE TRIBAL</b>
3. Address and Telephone Number: <b>465 South 200 West, Suite 300, Bountiful, Utah 84010</b>	7. Unit Agreement Name: <b>UTE TRIBAL</b>
4. Location of Well NW, NW, NW, Section 7, T2S, R2W Footage: 671' FWL, 484' FNL, Section 7, T2S, R2W	8. Well Name and Number: <b>JOHN 2-7B2</b>
9. AP Well Number: <b>43-013-31216</b>	10. Field and Pool, or Wildcat: <b>BLUEBELL</b>
QQ, Sec., T., R., M.:	County: <b>DUCHESNE</b> State: <b>Utah</b>

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

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off <input checked="" type="checkbox"/> Other <u>PULLED TUBING, INSTALLED PUMP JACK</u>
Approximate date work will start _____	Date of work completion <b>MARCH 7, 2006</b>
Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.	

## 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

MOVED IN NEW HORSEHEAD PUMP JACK. MOVED IN & RIGGED UP. RIGGED DOWN & THEN MOVED RIG. HAULED IN ROAD BASE & RELEVELLED RIG. PULLED ON TUBING OUT TO 3540' THEN STRAIN WENT TO TO 120K. PUMPED 80 BBL HOT WATER DOWN CASING. STRAIN UP TO 120K. PUMPED HOT WATER DOWN TUBING & TUBING WOULD NOT MOVE @ 120K. TRIED TO RUN WIRE LINE TO CUT OFF TUBING BUT RAN INTO A PARAFINE PLUG. OWP CALLED OUT TO PERFORATE TUBING, SPUDDING DOWN TO 4915' & SHOT TUBING & CASING WENT ON VACUUM. WORKED TUBING W/HOT WATER FOR 3 DAYS. HOT OILED CASING W/300 BBL HOT WATER. PUMPED 100 BBL DRIP DOWN DOWN CASING. PULLED PACKER & TUBING WITH STRAIN TO 100K.. LAID DOWN PACKER. PICKED UP GAS ANCHOR, TUBING ANCHOR LAID DOWN 6 PERFORATED & BAD JOINTS. PUMPED 60 BBL HOT WATER DOWN TUBING & CLEARED PARAFINE PLUG FROM TUBING. SET TUBING ANCHOR @ 12,077'. RAN 396 JOINTS 2 7/8" TUBING. LAID DOWN TUBING NIPPLE & BOPs. PICKED UP & RAN 223 3/4", 130 7/8" & 129 1" RODS. PICKED UP 3 PONY SUB & POLISH RODS. FILLED TUBING W HOT WATER & STROKED PUMP; PRESSURE 500#. MOVED HORSHEAD PUMP TO NEEDED POSITION THEN STARTED UP PUMP.

13.

Name & Signature: *DeForrest Smouse* DeForrest Smouse, PhD

Title: President, Quinex Energy

Date: *3/14/06*

(This space for State use only)

RECEIVED

MAR 15 2006

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells or to reenter plugged and abandoned wells.  
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN for such Proposals.

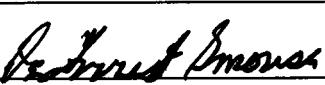
1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:	5. Lease Designation and Serial Number: <b>14-12-H62-4399</b>
2. Name of Operator: <b>QUINEX ENERGY CORPORATION</b>	6. If Indian, Allottee or Tribe Name <b>UTE TRIBAL</b>
3. Address and Telephone Number: <b>465 South 200 West, Suite 300, Bountiful, Utah 84010</b>	7. Unit Agreement Name, <b>UTE TRIBAL</b>
4. Location of Well: NW, NW, NW, Section 7, T2S, R2W Footages: 671' FWL, 484' FNL, Section 7, T2S, R2W	8. Well Name and Number: <b>JOHN 2-7B2</b>
QQ, Sec., T., R., M.:	9. AP Well Number: <b>43-013-31216</b>
	10. Field and Pool, or Wildcat: <b>BLUEBELL</b>

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA	
<p>NOTICE OF INTENT (Submit in Duplicate)</p> <p><input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____</p>	<p>SUBSEQUENT REPORT (Submit Original Form Only)</p> <p><input type="checkbox"/> Abandon * <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input checked="" type="checkbox"/> Other <u>fished for parted rods, replaced pump 7 RODS</u></p>
<p>Approximate date work will start <u>1/27/2006</u></p> <p>Date of work completion <u>January 2, 2007</u></p> <p>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.</p> <p>* Must be accompanied by a cement verification report.</p>	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

12/27-1/2/07 Hot oil well, moved in workover rig, Pulled on rods. Rods parted at base of 7/8". Fished for rods, pulled same, Replaced pump and rods and put well back on production.

13.

Name & Signature: DeForrest Smouse, PhD  Title: President, Quinex Energy Date, 7/09/2007

(This space for State use only)

(494)

(See Instructions on Reverse Side)

RECEIVED

JUL 18 2007

DIVISION OF OIL, GAS AND MINING

**From:** "Mike Hebertson" <mike@quinexenergy.com>  
**To:** <CAROLDANIELS@UTAH.GOV>  
**Date:** 8/20/2008 4:03 PM  
**Subject:** Well Information Changes  
**Attachments:** Wells Stat Sheet.xls

The attached spreadsheet contains corrections to Quinex wells that will help update your files

43 013 31216  
John 2-7B2  
2S 2W 7

RECEIVED

AUG 20 2008

DIV. OF OIL, GAS & MINING

QUINNEY ENERGY CORP

API Well Number	Well Name	County	Qtr/Qtr	Sec	T-R	Ft. NS	NS	Ft. EW	EW	Well Status	Well Type
43-047-31889	ALLRED 2-32A1E	Uintah	SESW	32	1S-1E	660	S	1521	W	POW	Oil Well
43-047-31713	BOWEN-BASTIAN 1-14A1	Uintah	SESW	14	1S-1W	398	S	2030	W	POW	Oil Well
43-013-32162	BRITTANY 4-12A3	Duchesne	C-NE	12	1S-3W	1320	N	1320	E	POW	Oil Well
43-047-31695	CHASEL-SPROUSE 1-18A1E	Uintah	SWNW	18	1S-1E	1516	N	804	W	POW	Oil Well
43-047-31711	CMS 1-13A1	Uintah	NENW	13	1S-1W	1300	N	1530	W	POW	Oil Well
43-047-39983	D.C. FED 1-11	Uintah	NENE	11	11S-20E	839	N	650	E	Permit	Gas Well
43-047-39982	D.C. FED 2-11	Uintah	NENE	11	11S-20E	829	N	621	E	Permit	Gas Well
43-013-32149	DAVID 3-7B2	Duchesne	NWSE	7	2S-2W	1547	S	1749	E	POW	Oil Well
43-047-31874	DEEP CREEK 2-19A2E	Uintah	NWSW	19	1S-2E	2421	S	980	W	POW	Oil Well
43-013-32787	DS FED 3-23	Duchesne	NWSW	23	9S-17E	1986	N	612	W	SI	Oil Well
43-047-39196	HELEN FED 1-26	Uintah	SWNW	26	9S-17E	1367	N	721	W	New Permit	Oil Well
43-047-39195	JANS FED 1-25	Uintah	NWNW	25	9S-17E	660	N	660	W	Permit	Oil Well
43-013-32789	JDC FED 4-23	Duchesne	SWSW	23	9S-17E	600	S	661	W	SI	Oil Well
43-013-31248	JODIE 3-36A3	Duchesne	NWNE	36	1S-3W	752	N	1662	E	POW	Oil Well
43-013-32786	JODIE FED 1-23	Duchesne	NWNW	23	9S-17E	563	N	832	W	POW	Oil Well
43-047-39198	JOELYN FED 1-27	Uintah	CNNW	27	9S-17E	660	N	1320	W	New Permit	Oil Well
43-013-31216	JOHN 2-7B2	Duchesne	NWNW	7	2S-2W	484	N	671	W	POW	Oil Well
43-013-31882	JOHN CHASEL 3-6A2	Duchesne	SWSE	6	1S-2W	660	S	1400	E	SI	Oil Well
43-013-33617	JSW FED 2-26	Duchesne	NWNW	26	9S-17E	660	N	660	W	POW	Oil Well
43-013-33618	JW FED 2-27	Duchesne	NENE	27	9S-17E	656	N	705	E	Permit	Oil Well
43-047-31828	LESLIE TAYLOR 24-5	Uintah	SWNW	24	1S-1W	2450	N	1260	W	POW	Oil Well
43-013-32788	LFW FED 2-23	Duchesne	SWNW	23	9S-17E	1980	N	661	W	POW	Oil Well
43-047-31714	MALNAR-PIKE 1-17A1E	Uintah	SWSW	17	1S-1E	660	S	660	W	POW	Oil Well
43-013-31247	MERLENE 2-36A3	Duchesne	SESE	36	1S-3W	1040	S	1100	E	SI	Oil Well
43-047-31390	MICHELLE UTE 7-1	Uintah	NESW	7	1S-1E	1539	S	2439	W	POW	Oil Well
43-013-30381	UTE TRBL 11-6A2	Duchesne	SENW	6	1S-2W	2227	N	1561	W	POW	Oil Well
43-047-31591	REDCAP J D C 30-4-1A	Uintah	NWNW	30	1S-2E	876	N	669	W	SI	Oil Well
43-047-31653	SAM HOUSTON 24-4	Uintah	NWSE	24	1S-1W	1350	S	1400	E	POW	Oil Well
43-013-32129	SASHA 4-6A2	Duchesne	SWSW	6	1S-2W	660	S	660	W	SI	Oil Well
43-047-31940	EINERSON 1-4B1E	Uintah	SWSW	4	2S-1E	1056	S	795	W	POW	Oil Well
43-013-32131	TRISTAN 5-6A2	Duchesne	NWNW	6	1S-2W	660	N	660	W	POW	Oil Well
43-047-30127	UNTAH-SAM 28-2R	Uintah	NESW	28	1N-1E	2111	S	1847	W	POW	Oil Well
43-013-30042	UTE TRIBAL U 2-12A3	Duchesne	SWSW	12	1S-3W	1322	S	1325	W	SI	Oil Well
43-047-33179	WADE COOK 2-14A1	Uintah	NWNW	14	1S-1W	705	N	662	W	POW	Oil Well
43-047-31845	MARY R. U. 278	Uintah	NWSE	13	1S-1W	1971	S	2072	E	POW	Oil Well

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DIV. OF OIL, GAS & MINING

Field Name	Surface	Mineral	UTM E	UTM N	Elev. GR	Elev. KB	TD	PBTD	
BLUEBELL	Fee	Fee	592565	4466702	5362	5383	12750	12743	
BLUEBELL	Fee	Fee	587831	4471387	5610	5634	14055	13982	
BLUEBELL	Indian	Indian	570808	4473805	6532	6553	15790	15782	
BLUEBELL	Fee	Fee	590665	4472468	5571	5595	14300	14300	
BLUEBELL	Fee	Fee	589279	4472503	5608	5622	14200	14161	
HILL CREEK	Federal	Federal	616404	4415106	5095				
HILL CREEK	Federal	Federal	616412	4415109	5087				
BLUEBELL	Fee	Fee	572323	4463431	5848	5869	13527	13523	
BLUEBELL	Fee	Fee	600377	4470560	5392	5418	13900	13859	
MONUMENT BUTTE	Federal	Federal	587015	4429669	5224	5238	5800	5280	
UNDESIGNATED	Federal	Federal	587054	4428648	5290				
8 MILE FLAT NORTH	Federal	Federal	588644	4428882	5290				
MONUMENT BUTTE	Federal	Federal	587029	4429265	5260	5272	5700	5700	
BLUEBELL	Indian	Indian	570762	4467531	6302	6324	14145	14019	
MONUMENT BUTTE	Federal	Federal	587065	4430504	5192	5204	6001	5967	
UNDESIGNATED	Federal	Federal	585635	4428865	5312				
BLUEBELL	Indian	Indian	571502	4464416	5922	5943	14030	13994	
BLUEBELL	Indian	Indian	572320	4474433	6455	5477	15878	15877	
UNDESIGNATED	Federal	Federal	587033	4428863	5280	5298	5607	5606	
UNDESIGNATED	Federal	Federal	586617	4428863	5282				
BLUEBELL	Fee	Fee	589220	4470543	5497	5518	14022	13990	
MONUMENT BUTTE	Federal	Federal	587019	4430071	5226	5242	5655	5419	
BLUEBELL	Fee	Fee	592230	4471526	5502	5523	14403	13470	
BLUEBELL	Indian	Indian	570933	4466471	6259	6280	13860	13860	
BLUEBELL	Indian	Indian	591145	4473399	5617	5643	14711	14638	
BLUEBELL	Indian	Indian	571672	4475277	6639	6663	16800	13780	
BLUEBELL	Indian	Indian	600302	4469555	5344	5369	13550	13510	
BLUEBELL	Fee	Fee	590012	4470087	5460	5483	13865	13826	
BLUEBELL	Indian	Indian	571441	4474432	6533	6554	15830	15828	
BLUEBELL	Fee	Fee	593962	4465212	5274	5293	12833	12804	
BLUEBELL	Indian	Indian	571397	4475754	6646	6657	16782	16747	
ROBIDOUX	Indian	Indian	594136	4478438	5892	5917	16000	15345	
BLUEBELL	Indian	Indian	570014	4473004	6467	6483	15700	15693	
BLUEBELL	Fee	Fee	587414	4472656	5699	5720	14212	14150	
BLUEBELL	Indian	Indian	589788	4471891	5555	5576	16998	13914	

RECEIVED

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DIV. OF OIL, GAS & MINING

**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.

**1. TYPE OF WELL**

Oil Well

**2. NAME OF OPERATOR:**

QUINEX ENERGY CORP

**3. ADDRESS OF OPERATOR:**

465 South 200 West , Bountiful, UT, 84010

**PHONE NUMBER:**

801 292-3800 Ext

**4. LOCATION OF WELL****FOOTAGES AT SURFACE:**

0484 FNL 0671 FWL

**QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:**

Qtr/Qtr: NWNW Section: 07 Township: 02.0S Range: 02.0W Meridian: U

**5. LEASE DESIGNATION AND SERIAL NUMBER:**  
INDIAN**6. IF INDIAN, ALLOTTEE OR TRIBE NAME:****7. UNIT or CA AGREEMENT NAME:****8. WELL NAME and NUMBER:**

JOHN 2-7B2

**9. API NUMBER:**  
43013312160000**9. FIELD and POOL or WILDCAT:**  
BLUEBELL**COUNTY:**  
DUCHESNE**STATE:**  
UTAH**11.**

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

<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 4/30/2011	<input checked="" 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 checked="" type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input type="text"/>

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

See the attached proposal.

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

**Date:** 02/24/2011

**By:** Dick Dunt

**NAME (PLEASE PRINT)**  
K. Michael Hebertson

**PHONE NUMBER**  
801 292-3800

**TITLE**  
Geologist

**SIGNATURE**  
N/A

**DATE**  
2/24/2011

**Quinex Energy Corporation**  
**Recompletion Procedure**  
**John 2-7B2**  
**Section 7, T2S, R2W**  
**Duchesne County, Utah**

**PROCEDURE**

1. MIRUSU completion rig. ND wellhead, NU 6" 5000 lb BOP w/ 2 7/8" rams.
2. Release pkr, flush with hot water as needed, and POOH with tbg and bottom-hole-assembly.
3. RIH with 5 1/2" casing scraper on tubing w/ 4 1/2" tooth bit on btm. Clean out to 13,500' and POOH.
4. RIH with 7 5/8 in casing scraper and clean out casing to the top of the liner at 10,314'. POOH
5. RIH with Wireline set plug and set at 9,620'. RIH with tubing and spot cement across 9,620' to 9,420', set packer at 9,400' and squeeze interval. WOC. Release packer and POOH. Pick up bit and scraper and drill out cement and plug. Clean hole to top of liner at 10,314'. POOH.
6. RU wireline company and perforate the following intervals using 3 3/8" expendable csg guns, premium charges, 4 SPF. Correlate depths to Cement Bond Log run on 27 July 1989 and 29 May 1990 byOPW.

Wasatch Zone 1 Perfs: Treat with 5,000 gallons 15% HCl at max 7,500 psi at 10 BBLS/Min. Set Plug at 13,320', and Packer at 13,200'

13,282 – 13,298	16 Feet	64 Shots
13,246 – 13,248	2 Feet	8 Shots
13,214 – 13,216	2 Feet	8 Shots
<b>Totals</b>	<b>20 Feet</b>	<b>80 Shots</b>

Wasatch Zone 2 Perfs: Treat with 6,500 gallons 15% HCl at max 7,500 psi at 10 BBLS/Min. Set Plug at 13,050', and Packer at 12,760'

12,950 – 12,968	18 Feet	72 Shots
12,940 – 12,942	2 Feet	8 Shots
12,834 – 12,846	12 Feet	48 Shots
<b>Totals</b>	<b>32 Feet</b>	<b>128 Shots</b>

Wasatch Zone 3 Perfs: Treat with 4,000 gallons 15% HCl at max 7,500 psi at 10 BBLS/Min. Set Plug at 12,380', and Packer at 12,200'

12,362 – 12,378	16 Feet	64 Shots
<b>Totals</b>	<b>16 Feet</b>	<b>64 Shots</b>

Wasatch Transition Zone 4 Perfs: Treat with 5,000 gallons 15% HCl at max 7,500 psi at 10 BBLS/Min. Set Plug at 11,250', and Packer at 11,150'

11,214 – 11,230	6 Feet	24 Shots
11,188 – 11,198	10 Feet	40 Shots
11,178 – 11,180	2 Feet	8 Shots
<b>Totals</b>	<b>18 Feet</b>	<b>72 Shots</b>

Wasatch Transition Zone 5 Perfs: Treat with 7,500 gallons 15% HCl at max 7,500 psi at 10 BBLS/Min. Set Plug at 10,570', and Packer at 10,480'

10,510 – 10,548	38 Feet	152 Shots
<b>Totals</b>	<b>38 Feet</b>	<b>152 Shots</b>
<b>Grand Totals</b>	<b>124 Feet</b>	<b>496 Shots</b>
		<b>28,000 gal HCl</b>

7. RIH with 5½" Packer 3,000 feet of 27/8" tubing and 10,300' of 3½" tubing. Set plug at the bottom of zone one and treat as outlined above.
8. RU acid company. Test pump lines to 7,500 lbs. Set max treating pressure to 7,500 lbs and adjust pump rate as needed to stay below max pressure.
9. Retrieve plug and flow well until pressure has bled off.
10. RU swab equipment. Flow and swab to clean up and test. Record and report recovery time, run #, fluid level, bbls fluid per hour, cum bbls fluid, oil cut, water cut, bbls oil, cum bbls oil, bbls water, and cum bbls water. RD swab equipment.
11. Run production tubing, rods, bottom-hole-assembly and put well on production.
12. RDMOSU.

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9	
<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>1. TYPE OF WELL</b> Oil Well		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> INDIAN	
<b>2. NAME OF OPERATOR:</b> Quinex Energy Corp		<b>6. IF TRIBAL, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>  <b>8. WELL NAME and NUMBER:</b> John 2-7B2	
<b>3. ADDRESS OF OPERATOR:</b> 465 S 200 W, Suite 300 , Bountiful, UT, 84010		<b>PHONE NUMBER:</b> 801-292-3800	
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 484 FNL 671 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWNW Section: 7 Township: 2S Range: 2W Meridian: U		<b>9. FIELD and POOL or WILDCAT:</b> BLUEBELL  <b>COUNTY:</b> DUCHESNE  <b>STATE:</b> UTAH	
<b>11.</b> CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 7/14/2025	<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 checked="" 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 type="checkbox"/> APD EXTENSION
<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:			
<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS.</b> Clearly show all pertinent details including dates, depths, volumes, etc. This is an updated proposal to the procedure submitted yesterday. EPermit system will not allow me to amend yesterdays sundry. Quinex is submitting this NOI for SM Energy. SM Energy has acquired this well and has assumed responsibility for it so that they can complete laterals drilled in this section. All work will be performed by SM Energy. Procedure and details are attached.			
<b>Approved by the</b> <b>Utah Division of</b> <b>Oil, Gas and Mining</b>			
<b>Date:</b> <u>July 11, 2025</u>			
<b>By:</b> <u>Andrew Hoyer</u> <b>Conditions Attached</b>			
<b>NAME (PLEASE PRINT)</b> Brad Wells		<b>PHONE NUMBER</b> 435 823-5323	<b>TITLE</b> Field Engineer
<b>SIGNATURE</b> N/A		<b>DATE</b> 7/9/2025	



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

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

### Sundry Conditions For Well Number 43013312160000

- Three plugs are required below the casing part at ~6740 to isolate: 1) Wasatch top perforation 2) Top of Wasatch formation 3) Green River top perforation. I have discussed this with BLM Ryan Angus and will defer to his judgement on what steps will be required to satisfy those requirements. The Division will accept the results of BLMs guidance without further consultation.
- Pending the outcome of the work performed at the casing part: A CBL shall be run to confirm TOC or an existing CBL shall be provided to the Division prior to continuing plugging operations. Any plugs where no cement exists behind pipe will need to be perforated, CICR set and cement equivalent in height to proposed plug pumped behind pipe and left inside of casing. In the event that cement is circulated to surface during the work on the casing part, BLM may advise on whether or not a CBL is required.
- A minimum 100' Class G cement plug shall be added from 5050-4950 to isolate the top of the Green River formation.
- The plug from 2850-2750 shall be adjusted to be from 3050-2950 to isolate the base of moderately saline groundwater at ~3000'.

Well Name:	John 2-7B2
API:	43-013-31216
Location:	2S2W 7

7.625" 29.7# Casing	
Capacity	0.0459 bbl/ft
	0.2578 ft^3/ft
Class G Cement:	1.14 ft^3/sack

Casing	ft^3/ft	bbl/ft	TOC	Bottom	Length	Capacity Ft^3	Total sacks w/10% excess	Total Cement Required(BBLS) Estimate
<b>9.875" x 7.625" Annulus Squeeze</b>								
6600' to Surface w/10% excess	0.2148	0.0382	0	6610	6610	1419.828	3500	683.00
<b>BMSGW Plug</b>								
100' Plug - 7.625"	0.2578	0.0459	2740	2850	110	28.358	25	5.10
<b>Surface Shoe Plug</b>								
100' Plug - 7.625"	0.2578	0.0459	1972	2082	110	28.358	25	5.10
<b>Surface Plug</b>								
100' Plug - 7.625"	0.2578	0.0459	0	110	110	28.358	25	5.10

<b>Job Total</b>		3575	698.3
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# John 2-7B2

API: 43-013-31216

2S2W 7

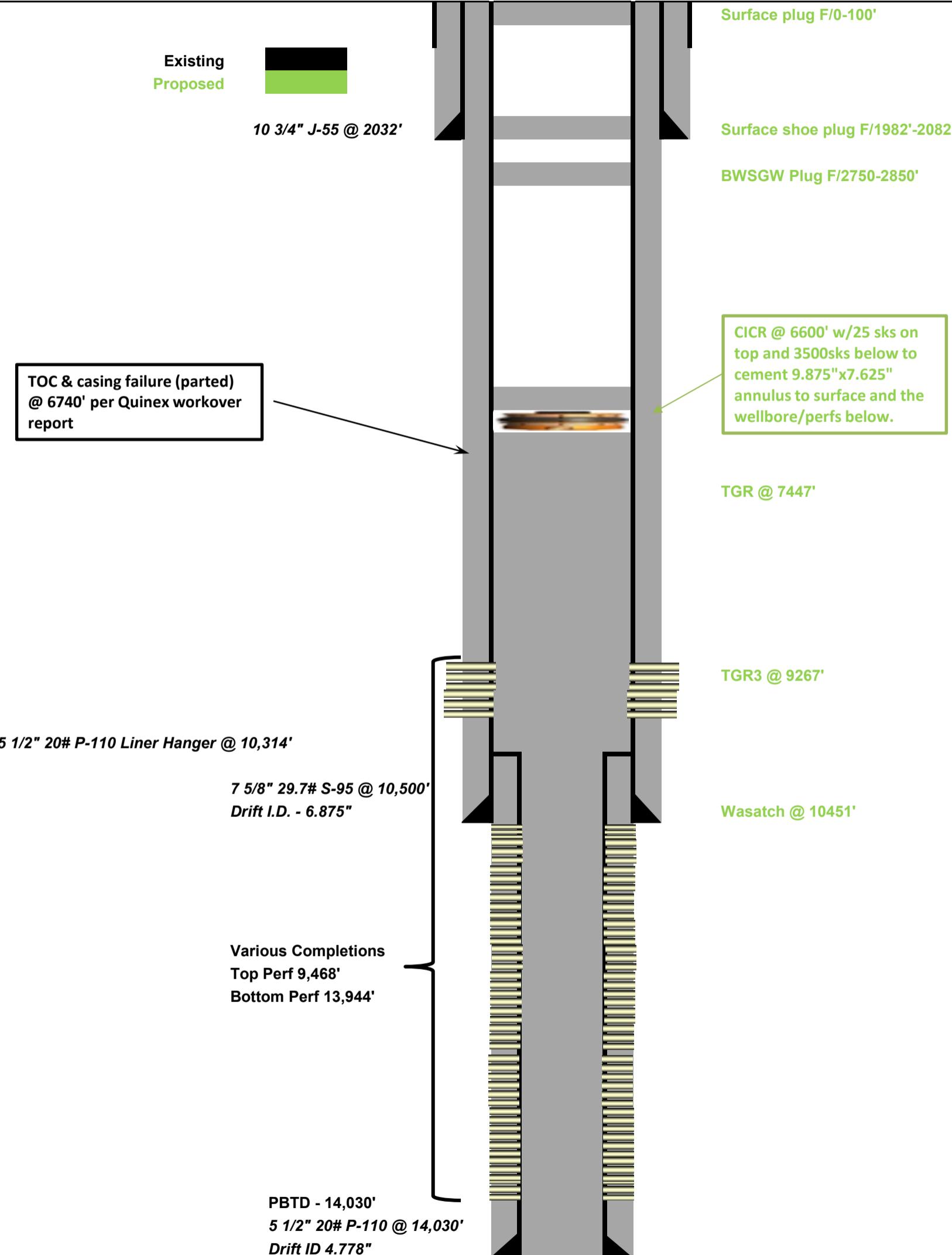
## P&A Procedure

1. Notify UDOGM 48 hours before commencing ops. (Verify sundry approval)
2. MIRU Workover Rig and equipment
3. Kill or blow down well to pit/tank if necessary
4. ND tree to tbg.
5. NU BOP
6. PT and function test BOPs and accumulator
7. Pull production string
8. Trip in with bit/scrapper (7.625" 29.7#) to 6600'
9. Set CICR @ 6600'
10. Pressure up the 10.75" x 7.625" annulus to attempt to force cement down the well
11. Sting into retainer and start pumping cement (3500sks total job)
12. Half-way through the job, bleed-down surface pressure on the annulus and attempt to circulate cement to surface
13. Sting out and spot 25sks cement on top of retainer
14. Circulate wellbore with P&A fluid (~300bbls)
15. If unable to bring cement to surface, perforate and attempt to squeeze from 3000' ( just below BMSGW top) to surface (would require another ~700sks through the retainer and 25sks on top of the retainer). Continue with Step 18 after squeezing at the BMSGW top if required to do so.
16. Another option if cement can't be brought to surface would be to run a CBL to identify the cement top after the initial job and squeeze from there.
17. POOH to BMSGW and spot 25sks F/2750-2850'
18. POOH Surface Shoe and spot 25sks F/1982-2082'
19. POOH and spot 25sks cement for Surface Plug F/110-0'
20. RDMO WOR
21. Cut off WH (verify production tanks on location have been emptied)
22. Verify cement @ surface, if not, top off.
23. Install P&A marker (reverify lat/long w/GPS)
24. Notify production and regulatory teams that P&A is complete

Current Pumping Schematic

Company Name: **SM Energy Company**  
 Well Name: **John 2-7B2**  
 API: **43-013-31216**  
 Field, County, State: **Bluebell, Duchesne, Utah**  
 Surface Location: **2S2W 7 40.329069 -110.159025**

Last Updated: **July, 2025**  
 By: **BB**  
 TD: **14,030'**  
 PBD: **Recom Plug Back:**



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.

1. TYPE OF WELL      OIL WELL       GAS WELL       OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
SM Energy Company

3. ADDRESS OF OPERATOR:  
1700 Lincoln Street      CITY Denver      STATE CO      ZIP 80203      PHONE NUMBER: (435) 823-2874

4. LOCATION OF WELL

FOOTAGES AT SURFACE: \_\_\_\_\_

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

COUNTY: \_\_\_\_\_

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: \_\_\_\_\_

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 (Submit in Duplicate)	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
Approximate date work will start: 7/1/2025	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON	
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF	
Date of work completion: _____	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____	
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION		

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

Change of operator from Quinex Energy Corporation to SM Energy Company effective July 1, 2025.

Previous Operator:  
Quinex Energy Corporation  
465 South 200 West  
Bountiful, UT 84010

Quinex Energy Corporation

By: Brendan A. Harris  
Print: Brendan A. Harris  
Title: President

New Operator:  
SM Energy Company  
1700 Lincoln Street, Suite 3200  
Denver, CO 80203

Please see the attachment for wells that will be operated by SM Energy as of July 1, 2025.

NAME (PLEASE PRINT) Richard A. Harris TITLE Regional Land Manager - UTAH  
SIGNATURE Richard A. Harris DATE 9/15/2025

(This space for State use only)

Well Name	API	TRS
John 2-7B2	43-013-31216	T2S-R2W, USM - Section 7
David 3-7B2	43-013-32149	T2S-R2W, USM - Section 7
Doug Chasel 4-7B2	43-013-51366	T2S-R2W, USM - Section 7

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

FORM APPROVED  
OMB No. 1004-0220  
Expires: October 31, 2027

<b>SUBMIT IN TRIPPLICATE - Other Instructions on page 2</b>		
1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		
2. Name of Operator   SM Energy Company		
3a. Address   1700 Lincoln Street Suite 3200 Denver, CO 80203	3b. Phone No. (include area code) (435) 823-2874	4. Location of Well (Footage, Sec., T.R.M., or Survey Description) Multiple
5. Lease Serial No.		
6. If Indian, Allottee or Tribe Name		
7. If Unit of CA/Agreement, Name and/or No.		
8. Well Name and No.		
9. API Well No.		
10. Field and Pool or Exploratory Area		
11. Country or Parish, State		

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION					
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off		
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity		
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other		
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon			
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal			

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Change of Operator from Quinex Energy Corporation to SM Energy Company effective July 1, 2025.

Previous Operator:  
Quinex Energy Company  
485 South 200 West  
Bountiful, UT 84010

Quinex Energy Corporation

By: *Brandy G. Hart*  
Print: *Brandy Hart*  
Title: *President*

New Operator:  
SM Energy Company  
1700 Lincoln Street, Suite 3200  
Denver, CO 80203

Please see the attachment for wells that will be operated by SM Energy Company.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

*Richard A. Harris*  
Signature *MA 12*

Title *Regional Land Manager - Utah*  
Date *9/15/2025*

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		
Office		

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

(Instructions on page 2)

## GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

## SPECIFIC INSTRUCTIONS

*Item 4* - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

*Item 13*: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

## NOTICES

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

**AUTHORITY:** 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

**PRINCIPAL PURPOSE:** The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

**ROUTINE USES:** Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

**EFFECT OF NOT PROVIDING THE INFORMATION:** Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

**BURDEN HOURS STATEMENT:** Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Well Name	API	TRS
John 2-7B2	43-013-31216	T2S-R2W, USM - Section 7
David 3-7B2	43-013-32149	T2S-R2W, USM - Section 7
Doug Chasel 4-7B2	43-013-51366	T2S-R2W, USM - Section 7

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9	
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: INDIAN	
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF TRIBAL, ALLOTTEE OR TRIBE NAME:	
1. TYPE OF WELL Oil Well		7. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: SM Energy Company		8. WELL NAME and NUMBER: John 2-7B2	
3. ADDRESS OF OPERATOR: 1700 Lincoln St., Suite 3200 , Denver, CO, 80203		9. API NUMBER: 43013312160000	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 484 FNL 671 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNW Section: 7 Township: 2S Range: 2W Meridian: U		9. FIELD and POOL or WILDCAT: BLUEBELL COUNTY: DUCHESNE STATE: UTAH	
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> 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 checked="" 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 type="checkbox"/> APP EXTENSION  OTHER: <input type="text"/>
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 7/20/2025			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The subject well was plugged and abandoned on July 19, 2025. Please see the attached summary for details. If you have any questions, please get in touch with the undersigned. Thank you.			
<b>Accepted by the</b> <b>Utah Division of</b> <b>Oil, Gas and Mining</b> <b>FOR RECORD ONLY</b> <b>(This is not an approval)</b> October 15, 2025			
NAME (PLEASE PRINT) Teisha Black		PHONE NUMBER 435-724-3085	TITLE Field Regulatory Manager
SIGNATURE N/A		DATE 10/14/2025	



## Activity - Time Log Chronology

## Well Name: JOHN 2-7B2

API 43013312160000	Well EKey 14208371-000	Budget Node RSVLTVRTNO	State UT	County DUCHESNE		
Permit Number	Original Spud Date 5/6/1989 00:00	Original KB Elevation (ft)	Ground Elevation (ft) 5,922.00	Total Depth (All) (ftKB)		
<b>Jobs</b>						
Job Type Wellwork	Work Type Plug and Abandon	Secondary Job Type P&A Well	Start Date 7/14/2025	End Date		
AFE Number 3204848	Total AFE Amount (Cost)	Drig/Cmpl/Prod AFE Amount	Total Field Estimate (Cost) 167,698	AFE - Field Est (Cost) -167,698		
<b>Time Log</b>						
Start Date	Code 1	Code 2	Code 3	Code 4	Dur (hr)	Com
7/14/2025 06:00	PTST	Pressure Test	Csg		1.00	JENKINS 2-12 B3 TBG & CSG DEAD. RU HO TO CSG, PRESSURE TEST 7" GIANT WRBP & 7" CSG @ 1000 PSI. HELD SOLID FOR 15 MIN. BLEED OFF & SWI
7/14/2025 07:00	RDMO	Rig Down Move Out			0.50	RDMO WOR, PULL FORWARD READY TO MOVE
7/14/2025 07:30	GOP	Standby			1.50	WAIT ON ORDERS WHERE TO MOVE RIG
7/14/2025 09:00	RMOV	Rig Move			1.00	GET CALL TO GO TO THE JOHN 2-7B2. ROAD RIG & EQUIPMENT. GET TANKS, & ALL NECESSARY TOOLS & EQUIPMENT LINED UP
7/14/2025 10:00	MIRU	Move In Rig Up			0.50	SPOT T SEAL, MIRU WOR
7/14/2025 10:30	BOPI	Install BOP's			1.50	BLEED CSG OFF TO FB TANK. HAD 65 PSI. RETURNS OF THICK BLACK OIL W/ WATER. ND WH, NU BOP. RU RIG FLOOR & TOOLS
7/14/2025 12:00	SEQUIP	Spot Equipment			2.00	ALL PAPERWORK & INFORMATION SAID THERE WAS NO TBG IN WELL. SPOT CATWALK & PIPE RACKS. GET 2-7/8" WORK STRING DELIVERED FROM RUNNERS. LOAD & TALLY TBG. HAVE STACKD HAND BRING & PREP TO RUN 7-5/8 PKR
7/14/2025 14:00	OTHER	Other Activity			2.50	MU PKR ON TBG ATTEMPT TO RIH. KEPT STACKING OUT IN BOP, USE RH TRQE TRY TO WORK THRU, SCREWED INTO A HNDR. PU TO 40K. REMOVE PKR & LD. PU JT & SCREW INTO HNDR, PU START TO MOVE @ 60K. BRING UP EXISTING TBG STRING. LD HNDR & 1 JT. TBG FILLED WITH THICK BLACK OIL. WAIT ON HO. FLUSH W/ 45 BBLs HOT CT, CSG CIRC TO FB TANK NASTY THICK OIL. UNABLE TO POOH WITHOUT MAKING A BIG MESS. DECIDE TO CIRC OIL OUT IN THE MORNING BEFORE 7AM
7/14/2025 16:30	SDFN	Shut Down for Night			0.50	SWI & SECURE CLEAN UP LOCATION. SDFN
7/15/2025 06:00	PULT	Pull Tubing			3.50	BOTH TBG & CSG WERE DEAD HO FLUSH TBG W/ 60 BBLs BY 7 AM. BLEED CSG & TBG OFF TO FB TANK, TOOK ABOUT 40 MIN. POOH LD ALL 201 JTS 2-7/8" TBG. TBG & CSG BOTH DSP INTO SMALL CELLAR. HAD WATER TRUCK PULLING CELLAR
7/15/2025 09:30	GOP	General Operations			1.00	STEAM & CLEAN RIG FLOOR & TOOLS DUE TO FRYER OIL DSP. STACK 201 JTS 2-7/8" & HNDR FROM WELL ON SIDE OF LOCATION. PREP TO PU RIH W/ PKR
7/15/2025 10:30	RUTB	Run Tubing			4.00	PU & RIH WITH STACKD 7-5/8" PKR ON 2-7/8" WORK STRING. FIGHT FRYER OIL. WITH '14 JTS IN (460') HO PUMP 30 BBLs HOT DWN TBG. CONT RIH, HO TRICKLE DWN CSG. TBG DSP FRYER OIL, MADE A MESS. RIH WITH 208 JTS 2-7/8 SET PKR @ 6658' CE BEING BELOW PERF HOLES @ 6610'
7/15/2025 14:30	PTST	Pressure Test	Csg		0.50	HO TEST CSG AGAINST PKR @ 500 PSI, HELD SOLID FOR 10 MIN. BLEED CSG OFF
7/15/2025 15:00	PRE-FRAC	Injection Test	Pumping		0.50	USE RIG PUMP ATTEMPT IR DWN TBG, WENT UP TO 3000 PSI, HELD UNABLE TO TAKE FLUID. DECIDE TO RLSE PKR TOH.
7/15/2025 15:30	PULT	Pull Tubing			1.50	TOH WITH 136 JTS 2-7/8 STOOD BACK KEEP 37 JTS IN HOLE EOT @ 1193'. SWI & SECURE. HAVE HO CIRC FRYER OIL OUT BY 7AM & PERFORM CALIPER LOG WHEN OUT OF HOLE. SDFN



## Activity - Time Log Chronology

## Well Name: JOHN 2-7B2

API 43013312160000	Well EKey 14208371-000	Budget Node RSVLTVRTNO	State UT	County DUCHESNE
Permit Number	Original Spud Date 5/6/1989 00:00	Original KB Elevation (ft)	Ground Elevation (ft) 5,922.00	Total Depth (All) (ftKB)

## Time Log

Start Date	Code 1	Code 2	Code 3	Code 4	Dur (hr)	Com
7/16/2025 06:00	HOIL	Hot Oil Well			1.00	TBG & CSG DEAD. HO CIRC 60 BBLS HOT CLAY TREAT DWN TBG CIRC FRYER OIL OUT UP CSG TO FB TANK. BLEED TBG OFF TO FB TANK UNTIL DEAD
7/16/2025 07:00	PULT	Pull Tubing			0.50	TOH STAND BACK 72 JTS 2-7/8" TBG & LD 7-5/8" PKR PREP TO STEAM CLEAN PKR W/ HO
7/16/2025 07:30	WLWK	Wireline	Logging		3.00	MIRU PLS WL, MU CALIPER LOG & RIH GOT VERY STICKY @ 6660' ABLE TO WORK DWN & STACK OUT @ 6750' LOG FROM 6750' UP TO 5190'. CSG LOOK GOOD & ALREADY HAD A GOOD PRESSURE TEST TO SURF. SAW POSSIBLE FRYER OIL OR SOME KIND OF ANOMOLY AROUND 6100'. POOH RDMO PLS WL.
7/16/2025 10:30	GOP	General Operations			1.00	LOAD & TALLY 118 JTS 2-3/8" TBG. CLEAN & STEAM RIG FLOOR & WH PREP TO PU RIH
7/16/2025 11:30	RUTB	Run Tubing			2.50	PU RIH WITH 118 JTS 2-3/8" WORK STRING WITH WLRE ON BTM & S/N 1 JT ABOVE. XO 2-7/8 TIH WITH 100 JTS 2-7/8" TAG @ 6920' ATTEMPT TO ROTATE IN WITH TBG TONGS BUT ONLY TRQE UP. COULD SEE TBG COLLARS HITTING ON POSSIBLE CSG PART EVERY 32' + - POOH WITH A STAND & HAVE EOT @ 6880'.
7/16/2025 14:00	CIRC	Circulate Well			1.50	GET STEPS FROM ENGINEER, CIRC 45 BBLS HOT CT DWN TBG UP CSG TO MAKE SURE TBG ISNT PLUGGED. CIRC IMMEDIATELY. DIG OUT CELLAR FIND SURF CSG VALVE, SEIZED, CHANGE OUT VALVE. CIRC 25 BBLS CT DWN 10-1/4 UP 7-5/8. CIRC @ 4 BBLS DWN @ 100 PSI. WAIT ON ORDERS.
7/16/2025 15:30	PULT	Pull Tubing			1.00	GET ORDERS TO PUMP CEMENT PLUG FROM 6920' UP TO 6820' (100') - SET UP FOR MORNING. POOH ABOVE BAD CSG EOT @ 6680'
7/16/2025 16:30	SDFN	Shut Down for Night			0.50	SWI & SECURE. CLEAN UP LOCATION SDFN
7/17/2025 06:00	RUTB	Run Tubing			0.50	TBG HAD SLIGHT FLOW, CSG DEAD. RIH TO 6920' PREP TO CIRC
7/17/2025 06:30	CIRC	Circulate Well			3.50	RU BIG 4 CEMENT PUMPS, CIRC DWN CSG UP TBG TO GET ALL OIL OUT. PUMP 70 BBLS START TO GET DRILL MUD IN RETURNS. CIRC UNTIL CLEAN, TOOK 450 BBLS @ 2-3.5 BPM @ 600-900 PSI.
7/17/2025 10:00	CEMT	Spot Cement Plug			1.50	RU BIG 4 TO TBG & TEST LINES TO 1000 PSI. PUMP 100' 15.8# CLASS G CEMENT PLUG FROM 6920' UP TO 6820" DSP WITH 32.5 BBLS PKR FL. POOH W/ 6 JTS 2-7/8 STOOD BACK EOT @ 6716' REV CIRC GET 3/4 BBL CMT BACK.
7/17/2025 11:30	PULT	Pull Tubing			2.00	TOH STAND BACK 2-7/8 TBG THEN LD ALL 118 JTS 2-3/8 TBG & WLRE. THE WLRE HAS SEVERAL CRIMP TYPE MARKINGS SHOWING TO BE OUTSIDE THE CSG.
7/17/2025 13:30	CTUW	W/L Operation			1.50	MIRU PLS WL. MU 7-5/8" CICR. RIH & SET CICR @ 6650 TOOK 43 SEC TO SET. POOH RDMO PLS WL
7/17/2025 15:00	RUTB	Run Tubing			3.00	MU STINGER ON 2-7/8 TBG, TIH WITH 208 JTS 2-7/8 STING IN CICR @ 6650' NO SUBS NEEDED. ATTEMPT TO CIRC DWN TBG UP SURF CSG. UNABLE TO CIRC. PRESSURE UP. STING OUT & PUMP THRU TBG. CONT TO WORK STING IN & OUT ATTEMPTING TO CIRC WITH NO LUCK. PUT 1800 PSI ON TBG WHILE STUNG IN & SDFN
7/18/2025 06:00	PRE-FRAC	Injection Test	Pumping		2.00	HAD LEFT 1800 PSI ON TBG OVERNIGHT, TBG @ 1400 PSI, BLEED OFF TO FB TANK, RU BIG 4 PUMPS TO TBG & ESTABLISH IR DWN TBG @ 1 BPM @ 3700 PSI. GET APPROVAL & WITNESSED FROM BLM REP TRAVIS MARSHAL & ENGINEER RYAN.



## Activity - Time Log Chronology

## Well Name: JOHN 2-7B2

API 43013312160000	Well EKey 14208371-000	Budget Node RSVLTVRTNO	State UT	County DUCESNE
Permit Number	Original Spud Date 5/6/1989 00:00	Original KB Elevation (ft)	Ground Elevation (ft) 5,922.00	Total Depth (All) (ftKB)

## Time Log

Start Date	Code 1	Code 2	Code 3	Code 4	Dur (hr)	Com
7/18/2025 08:00	CEMT	Spot Cement Plug			1.50	STING OUT CICR SPOT 114 SXS (590' PLUG) CLASS G 15.8# CMT DWN TBG STING IN DSP 36 BLS STING OUT SPOT 410' PLUG 92 SXS 15.8# CEMENT ON TOP OF CICR DSP 14.7 BBLS. POOH LD 14 JTS 2-7/8 EOT @ 6208' REV CIRC GET 1.5 BBL CMT BACK SPOT 130 BBL PKR FL
7/18/2025 09:30	PULT	Pull Tubing			1.50	POOH LD 119 TOT JTS & STAND BACK 89 JTS 2-7/8 LD STINGER RU WL
7/18/2025 11:00	CTUW	W/L Operation			1.00	RU PLS WL, RIH PERF @ 2950' POOH ESTABLISH CIRC, RIH SET 7-5/8" CICR @ 2850' TOOK 53 SEC TO SET RD WL
7/18/2025 12:00	RUTB	Run Tubing			1.00	MU STINGER ON 2-7/8 TBG TIH W/ 89 JTS STING IN TO CICR NO SUBS NEEDED
7/18/2025 13:00	CEMT	Spot Cement Plug			1.00	RU BIG 4 PUMPS, ESTABLISH IR 3 BPM @ 260 PSI SPOT 59.8 SXS 15.8# CMT STING IN & SPOT 100' PLUG BELOW DSP 15.9 BBLS STING OUT @ 11.78 BBLS DSP & SPOT 22.4 SXS 4.6 BBLS CMT ON TOP TOC @ 2750' LD 5 JTS @ REV CIRC SPOT 25 BBLS PKR FL
7/18/2025 14:00	PULT	Pull Tubing			1.00	POOH LD 25 TOT JTS 2-7/8 & STAND BACK 64 JTS LD STINGER
7/18/2025 15:00	CTUW	W/L Operation			1.00	RU PLS WL RIH PERF @ 2132' POOH. ESTABLISH CIRC, RIH SET 7-5/8" CICR @ 2032' TOOK 14 SEC TO SET. POOH RD WL
7/18/2025 16:00	RUTB	Run Tubing			1.00	MU STINGER ON TBG TIH WITH 64 JTS 2-7/8" STING IN HAVE TO SPACE OUT, LD JT 64 & USE 14' TBG SUBS (10' & 4') BELOW JT 63 STING IN & RU BIG 4
7/18/2025 17:00	CEMT	Spot Cement Plug			0.50	PUMP DWN TBG GET IR OF 2 BPM @ 400 PSI. STING OUT SPOT 15.98 BBLS 60 SXS 15.8 # CEMENT STING IN SPOT 100' BEHIND 7-5/8 & INSIDE BELOW CICR DSP 11.12 BBLS STING OUT SPOT 22.4 SXS 4.6 BBLS CMT DSP 4.6 BBLS. LD 5 JTS 2-7/8 @ 1780' REV CIRC SPOT 70 BBLS PKR FL. CLEAN EQUIPMENT
7/18/2025 17:30	PULT	Pull Tubing			0.50	POOH LD ANOTHER 5 JTS STAY ABOVE TOC @ 1932' KEEP EOT @ 1620' SDFN
7/19/2025 06:00	PULT	Pull Tubing			1.00	POOH LD ALL 2-7/8 WORK STRING TBG LOAD ON RUNNERS TRAILER READY TO GO BACK
7/19/2025 07:00	WLWK	Wireline	Perforate		0.50	RU PLS WL, RIH PERF @ 110'. POOH ESTABLISH CIRC DWN 7-5/8 UP 10-1/4 SURF. RDMO PLS WL
7/19/2025 07:30	BOPR	Remove BOP's			0.50	RD RIG FLOOR & TOOLS. ND BOP, NU 5K WH
7/19/2025 08:00	CEMT	Spot Cement Plug			1.00	RU BIG 4, GET INJECTION RATE DWN 7-5/8 UP 10-1/4 SURF OF 2.5 BPM @ 250 PSI. PUMP BLUE DYE AHEAD OF 68 SXS 14 BBLS CLASS G CMT W/ 2% CAL DWN 7-5/8 UP 10-1/4 SURF AFTER BLUE DYE SEE CMT @ SURF @ 9 BBLS CMT DWN 7-5/8. GET GREAT CEMENT RETURNS COVER ENTIRE SURF CLEAN & WASH UP BIG 4
7/19/2025 09:00	CLLS	Clean & Secure Lease			0.50	RACK OUT PUMP & EQUIPMENT CLEAN UP LOCATION
7/19/2025 09:30	RDMO	Rig Down Move Out			0.50	RDMO WOR. MOVE T SEAL, PUMP & TANK
7/19/2025 10:00	RMOV	Rig Move			0.50	ROAD RIG TO THE DAVID 3-7B2.
7/19/2025 10:30	MIRU	Move In Rig Up			1.00	WELL PUMPING, SHUT UNIT DWN FOR SAFETY. SPOT T SEAL, MIRU WOR. LEAVE UNIT DWN. SDFWE