



Energy Company

October 20, 2010

Independence Plaza
1050 17th Street, Suite 500
Denver, CO 80265
Tel: 303.672.6900
Fax: 303.294.9632

Mr. Shane DeForest, Field Manager
Bureau of Land Management
Pinedale Field Office
P. O. Box 768
Pinedale, Wyoming 82941-0768

RE: QEP 2011 Annual Development Plan
Stewart Point 7-28 Delineation Pad

Dear Mr. DeForest:

This letter is being submitted to document QEP's plan to drill two previously proposed delineation wells from the Stewart Point 7-28 pad in the spring/summer of 2011, pending proper approvals. QEP has diligently worked a number of years with the Pinedale BLM field office staff in order to have these wells approved. This pad was first proposed in QEP's 2009 annual development plan for summer 2009, and then was deferred to summer 2010 in QEP's 2010 annual development plan.

This well pad is currently the subject of an on-going MOA process. APDs were submitted in 2007 after the surface location was mutually agreed upon, followed by multiple subsequent visual simulation packages to the BLM office. The final visual resource protection plan was approved in June 2009 and the Section 106 submitted by the BLM to SHPO. QEP was then notified in July 2009 of the need of a memorandum of understanding for this pad and the first meeting was scheduled February 10, 2010. There have been four subsequent meetings – March 17, 2010, May 13, 2010, August 4, 2010 and October 14, 2010.

In response to a letter submitted to BLM from Diana Hoff of QEP dated June 28, 2010, QEP received a letter from Brian Davis, Acting Field Manager, dated July 1, 2010, acknowledging the on-going MOA process and its impact on QEP's ability to complete its delineation program prior to the SEIS ROD deadline. Mr. Davis' letter specifies that "Regardless of when the MOU and APD are completed, Questar will be allowed to delineation drill from Stewart Point 7-28 after September 12, 2010 with respect to applicable stipulations from the ROD." To comport with the SEIS ROD, QEP is attaching a copy of these two letters as justification to accompany its annual 2011-2012 development plan specific to the drilling of the Stewart Point 7-28 delineation wells.

Sincerely,

Debra K. Stanberry
Regional Manager, Regulatory Affairs

Attachments



In Reply Refer To:
3160 (WYD01)

July 1, 2010

CERTIFIED MAIL – 7009 2820 0001 2579 5522 - RETURN RECEIPT REQUESTED

Diana Hoff
Questar Exploration & Production
P.O. Box 2125
Pinedale, WY 82941

Re: Stewart Point 7-28

Dear Ms. Hoff:

With consideration to the Pinedale Anticline Project Area Supplemental Environmental Impact Statement Record of Decision (ROD), this letter is intended to clarify allowed delineation activities for the above referenced well pad.

Delineation drilling will be allowed after the Stewart Point cultural memorandum of understanding (MOU) is completed and an approved Application for Permit to Drill (APD) is issued. Regardless of when the MOU and APD are completed, Questar will be allowed to delineation drill from Stewart Point 7-28 after September 12, 2010 with respect to applicable stipulations from the ROD.

Under provisions provided for in 43 CFR 3165.3, you may request a State Director review of this decision. This request must be filed within 20 working days of receipt of this letter with the State Director, Bureau of Land Management, P.O. Box 1828, Cheyenne, WY 82001-1828. You may appeal the State Director review (43 CFR 3165.4) to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203.

If you have any questions or concerns, please contact me at 307-367-5302.

Sincerely,

/s/**brian davis**

Brian Davis
Field Manager

SGregory:ms7/1/10_questar_stewartpoint_7_28_clarification



QEP Energy Company

Independence Plaza
1050 17th Street, Suite 500
Denver, CO 80265
Tel 303 672 6900 - Fax 303 294
9632

June 28, 2010

Mr. Brian Davis
Bureau of Land Management
Pinedale Field Office
P. O. Box 768
Pinedale, Wyoming 82941-0761

RE: Delineation Operations
Stewart Point 7-28 pad; Lease WYW 08592
APDs for SP 6D3-28 and SP 10B4-28

Dear Brian,

QEP Energy Company (formerly Questar Exploration & Production) appreciates BLM's diligence in continuing to work to resolve issues regarding the Memorandum of Agreement for the proposed Stewart Point 7-28 well pad. As this protracted process appears likely to run into late August or September 2010, QEP would like to clarify for the record its ability to build this pad and drill and complete the wells once the cultural issues have been satisfactorily resolved and APDs have been issued.

Specifically, due to regulatory delays, QEP requests approval from BLM to finish the proposed two-well delineation program off the Stewart Point 7-28 pad beyond the delineation period specified in the September 12, 2008 SEIS ROD and later clarified by BLM in a letter to QEP dated May 5, 2009. Delineation off the Stewart Point 7-28 pad was proposed at the first Annual Planning Meeting in February 2009 and again at the second planning meeting in February 2010, but cultural issues have taken an inordinate amount of time to resolve due to the large number of parties ultimately involved.

QEP would like assurance that BLM will allow delineation off this well pad, honoring seasonal wildlife stipulations, once cultural and other regulatory issues have been resolved since this process has been beyond our control and we have been pursuing regulatory approval of these operations for several years.

Sincerely,

A handwritten signature in black ink that reads "Diana O. Hoff". The signature is written in a cursive, flowing style.

Diana O. Hoff
General Manager – Pinedale Division
QEP Energy Company