

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

FORM 3

AMENDED REPORT
(highlight changes)

001

APPLICATION FOR PERMIT TO DRILL			5. MINERAL LEASE NO: ML-48660	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			8. UNIT or CA AGREEMENT NAME: N/A	
2. NAME OF OPERATOR: Stone Energy Corporation			9. WELL NAME and NUMBER: State 14-2	
3. ADDRESS OF OPERATOR: 1801 Broadway ste 700 CITY Denver STATE CO ZIP 80202		PHONE NUMBER: (303) 685-8000	10. FIELD AND POOL, OR WILDCAT: Wildcat	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1,161' FSL, 1,256' FWL AT PROPOSED PRODUCING ZONE: 1,161' FSL, 1,256' FWL			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 2 14S 12E S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 8 Miles north and east of Wellington, Utah			12. COUNTY: Carbon	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1,161'	16. NUMBER OF ACRES IN LEASE 640	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) None	19. PROPOSED DEPTH: 3,000	20. BOND DESCRIPTION: RLB0002054		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6157' GR	22. APPROXIMATE DATE WORK WILL START: 5/15/2005	23. ESTIMATED DURATION: 14 Days		

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12-3/4"	8-7/8" J-55 ST 24#	300	Class G	230 Sacks 1.16 cu ft/ sk	15.8 ppg
7-7/8"	5-1/2" J-55 ST 17#	3,000	Premium Lite Plus	212 Sacks 2.66 cu ft/ sk	11.5 ppg
			Class G	97 Sacks 1.16 cu ft/ sk	15.8 ppg

ATTACHMENTS

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

- | | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

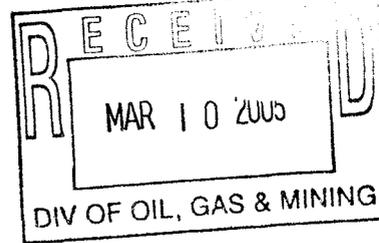
NAME (PLEASE PRINT) Larry W. Johnson TITLE Representative for Stone Energy Corp.
SIGNATURE *Larry W. Johnson* DATE 3/18/05

(This space for State use only)

API NUMBER ASSIGNED: 113-007-31022

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

Date: 04-18-05
By: *[Signature]*
(See Instructions on Reverse Side)



(11/2001)

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Range 12 East

(N89°26'W - 2640.00')

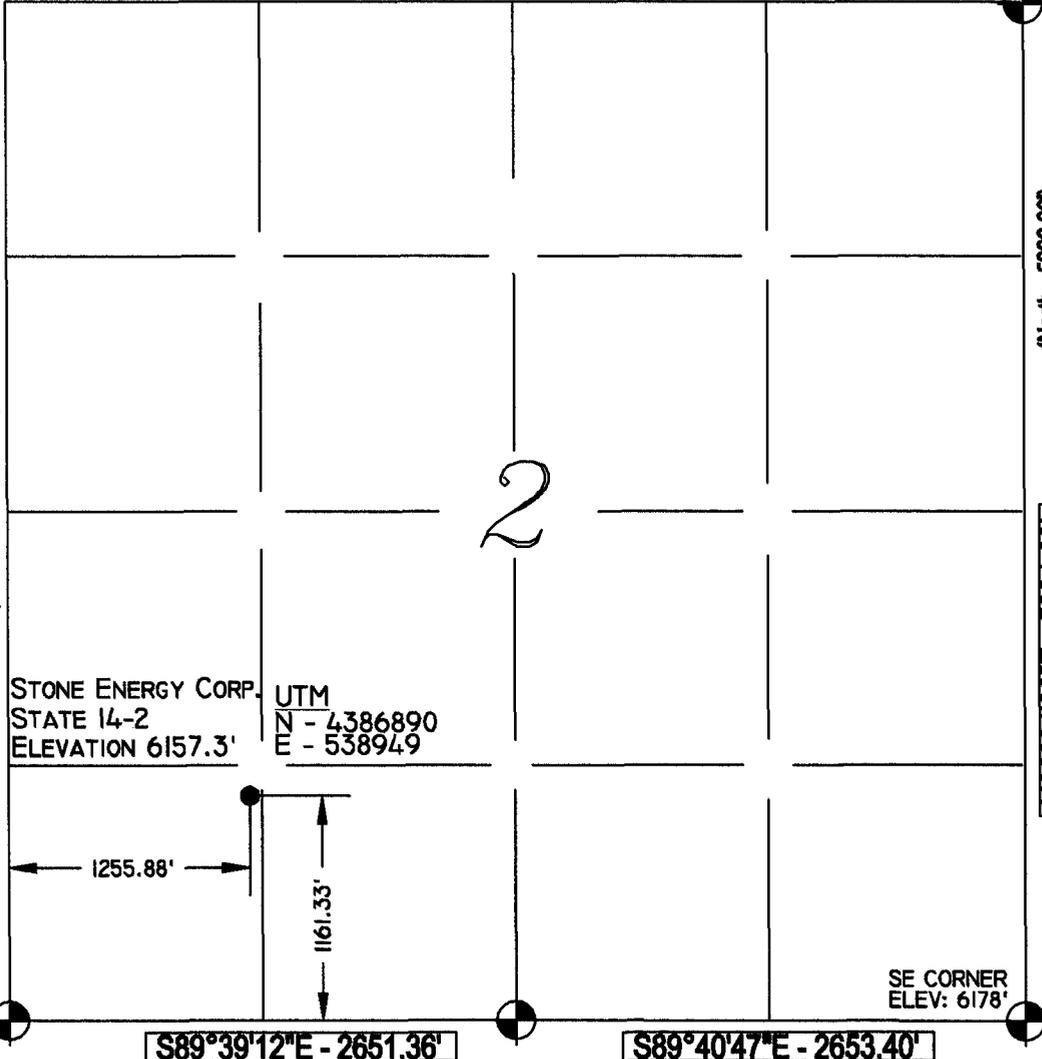
(N89°20'W - 2655.84')

Township 14 South

(N00°01'W - 5360.52')

(North - 5332.80')

(N00°04'22"E - 5334.09')



STONE ENERGY CORP.
STATE 14-2
ELEVATION 6157.3'

UTM
E1N - 4386890
E1E - 538949

1255.88'

1161.33'

SE CORNER
ELEV: 6178'

(S89°39'12"E - 2651.36')

(S89°40'47"E - 2653.40')

(N89°47'W - 5295.84')

Legend

- Drill Hole Location
- ⊙ Brass Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Rock Pile
- () GLO
- GPS Measured

NOTES:

1. UTM AND LATITUDE / LONGITUDE COORDINATES ARE DERIVED USING A GPS PATHFINDER AND ARE SHOWN IN NAD 27 DATUM.

LAT / LONG
39°37'58"N
110°32'46"W

Location:

THE WELL LOCATION WAS DETERMINED USING A TRIMBLE 4700 GPS SURVEY GRADE UNIT.

Basis of Bearing:

THE BASIS OF BEARING IS GPS MEASURED.

GLO Bearing:

THE BEARINGS INDICATED ARE PER THE RECORDED PLAT OBTAINED FROM THE U.S. LAND OFFICE.

Basis of Elevation:

BASIS OF ELEVATION OF 6178.00' BEING AT THE SOUTHEAST SECTION CORNER OF SECTION 2, TOWNSHIP 14 SOUTH, RANGE 12 EAST, SALT LAKE BASE AND MERIDIAN, AS SHOWN ON THE PINE CANYON QUADRANGLE 7.5 MINUTE SERIES MAP.

Description of Location:

PROPOSED DRILL HOLE LOCATED IN THE SW/4 SW/4 OF SECTION 2, T14S, R12E, S.L.B.&M., BEING 1161.33' NORTH AND 1255.88' EAST FROM THE SOUTHWEST CORNER OF SECTION 2, T14S, R12E, SALT LAKE BASE & MERIDIAN.

Surveyor's Certificate:

I, ALBERT J. SPENSKO, A REGISTERED PROFESSIONAL LAND SURVEYOR, HOLDING CERTIFICATE 146652 STATE OF UTAH, DO HEREBY CERTIFY THAT THE INFORMATION ON THIS DRAWING IS A TRUE AND ACCURATE SURVEY BASED ON DATA OF RECORD AND WAS CONDUCTED UNDER MY PERSONAL DIRECTION AND SUPERVISION AS SHOWN HEREON.



GRAPHIC SCALE

0 500' 1000'

(IN FEET)

1 inch = 1000 ft.

Revision: 3/7/05

Revision: 2/24/05



TALON RESOURCES, INC.

195 North 100 West P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail talon@etv.net

ENERGY

State 14-2

Section 2, T14S, R12E, S.L.B.&M.
Carbon County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J./A.J.S.
Drawing No. A-1	Date: 2/14/05
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 1616

TALON RESOURCES INC

April 7, 2004

Mrs. Diana Mason
State of Utah
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Application for Permit to Drill—Stone Energy Corporation
14-2, 1,161' FSL, 1,256' FWL, SW/4 SW/4, Section 2 T14S, R12E, SLB&M, Carbon County, Utah
22-16, 1,417' FNL, 1,403' FWL, SE/4 NW/4, Section 16 T14S, R12E, SLB&M, Carbon County, Utah
Dear Mrs. Mason:

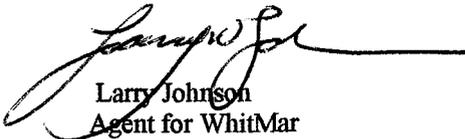
On behalf of Stone Energy Corporation, Talon Resources, Inc. respectfully submits the enclosed original and one copy of the *Application for Permit to Drill (APD)* for the above referenced wells. Included with the APD is the following supplemental information:

- Exhibit "A" - Survey plats and layouts of the proposed well site;
- Exhibit "B" - Proposed location maps with pipe, power, and road corridors;
- Exhibit "C" - Drilling site layout;
- Exhibit "D" - Drilling Program;
- Exhibit "E" - Multi Point Surface Use Plan;
- Exhibit "F" - Typical road cross-section;
- Exhibit "G" - Typical BOP diagram;
- Exhibit "H" - Typical wellhead manifold diagram.

Please accept this letter as Stone Energy's written request for confidential treatment of all information contained in and pertaining to this application.

Thank you very much for your timely consideration of this application. Please feel free to contact myself or Matt Peterson of Stone Energy at 303-685-8000 if you have any questions or need additional information.

Sincerely,



Larry Johnson
Agent for WhitMar

cc: Matt Peterson, Stone Energy Corporation
Mark Jones, DOGM, Price Office
Ed Bonner, SITLA- State Office

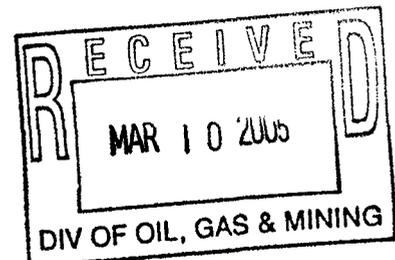


EXHIBIT "D"
Drilling Program

Attached to UDOGM Form 3

Stone Energy Corporation.

State 14-2

SW/4 SW/4, Sec. 2, T14S, R12E, SLB & M

Surface Location: 1,161' FSL, 1,256' FWL

Target Location: 1,161' FSL, 1,256' FWL

Carbon County, Utah

1. The Geologic Surface Formation

Blue Gate Shale Member of the Mancos Shale

2. Estimated Tops of Important Geologic Markers

<u>Marker</u>	<u>MD</u>
Ferron Top	2400'

3. Projected Gas & H2O zones (Ferron Formation)

Coals and sandstones – 2400'

No groundwater is expected to be encountered.

Casing & cementing will be done to protect potentially productive hydrocarbons, groundwater resources, lost circulation zones, abnormal pressure zones, and prospectively valuable mineral deposits. All indications of usable water will be reported.

Surface casing will be tested to 500 psi.

4. The Proposed Casing and Cementing Programs

<u>HOLE SIZE</u>	<u>SETTING DEPTH (INTERVAL)</u>	<u>SIZE (OD)</u>	<u>WEIGHT, GRADE & JOINT</u>	<u>CONDITION</u>
12-1/4"	300'	8-5/8"	24# J-55 ST&C	New
7-7/8"	3,000'	5-1/2"	17# J-55 or N-80 LT&C	New

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Cement Program -Every attempt will be made to bring cement back to surface.

Surface Casing: 230 sacks G + 2 % CaCl₂ + 0.25 pps cellophane flakes;
Weight: 15.8 #/gal
Yield: 1.16 cu.ft/sk

Production Casing: Lead Cement (2500' to Surface)

212 sacks Premium Lite Plus
Weight: 11.5 #/gal.
Yield: 2.66 cu.ft/sk

Tail Cement (2500' to 3000')

97 sacks Class G + 2% CaCl₂ + 0.25 pps cellophane flakes
Weight: 15.8 #/gal,
Yield: 1.16 cu.ft/sk yield.

The following shall be entered in the driller's log:

- 1) Blowout preventer pressure tests, including test pressures and results;
- 2) Blowout preventer tests for proper functioning;
- 3) Blowout prevention drills conducted;
- 4) Casing run, including size, grade, weight, and depth set;
- 5) How the pipe was cemented, including amount of cement, type, whether cement circulated, location of the cementing tools, etc.;
- 6) Waiting on cement time for each casing string;
- 7) Casing pressure tests after cementing, including test pressures and results.

5. The Operator's Minimum Specifications for Pressure Control

Exhibit "G" is a schematic diagram of the blowout preventer equipment. A double gate 2000 psi BOP will be used. This equipment will be tested to 1000 psi. All tests will be recorded in a Driller's Report Book. Physical operation of BOP's will be checked on each trip.

6. The Type and Characteristics of the Proposed Circulating Muds

0-300	12-1/4" hole	Drill with air, will mud-up if necessary.
300-TD	7-7/8" hole	Drill with air. 400 psi @ 1500-1800 Scf.

7. The Testing, Logging and Coring Programs are as followed

340-TD Gamma Ray, Density, Neutron Porosity, Induction, Caliper

Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well. Bottom hole pressure expected is approximately 2000 psi max. No hydrogen sulfide or other hazardous gases or fluids have been found, reported or are known to exist at these depths in the area.

8. Anticipated Starting Date and Duration of the Operations.

The well will be drilled approx.: May 15, 2005.

Verbal and/or written notifications listed below shall be submitted in accordance with instructions from the Division of Oil, Gas & Mining:

- (a) prior to beginning construction;
- (b) prior to spudding;
- (c) prior to running any casing or BOP tests;
- (d) prior to plugging the well, for verbal plugging instructions.

Spills, blowouts, fires, leaks, accidents or other unusual occurrences shall be reported to the Division of Oil, Gas & Mining immediately.

EXHIBIT "E"
Multipoint Surface Use Plan

Attached to UDOGM Form 3
Stone Energy Corporation
State 14-2
SW/4 SW/4, Sec. 2, T14S, R12E, SLB & M
1161' FSL, 1256' FWL
Carbon County, Utah

1. Existing Roads

- a. The proposed access road will be Constructed consistent with the surface owner and Stone energy Corporation.
- b. Existing roads will be maintained in the same or better condition. See Exhibit "B".

2. Planned Access

Approximately 7,200' of new access will be required (See Exhibit "B") Access is determined by acquired Approx. 6,200' of existing dirt road will require upgrade.

- a. Maximum Width: 24'
- b. Maximum grade: 10 %
- c. Turnouts: None
- d. Drainage design: 6 - 18" culverts may be required along the new and two-track portion of the road. Water will be diverted around the road as necessary and practical.
- e. If the well is productive, the road will be surfaced and maintained as necessary to prevent soil erosion and accommodate year-round traffic.
- f. Existing trees will be left in place where practical to provide screening and buffer areas.

3. Location of Existing Wells

There are no Existing wells within a 1 mile radius of the proposed location

4. Location of Existing and/or Proposed Facilities

- a. If the well is a producer, installation of production facilities will be as shown on Exhibit "H".
- b. Rehabilitation of all pad areas not used for production facilities will be made in accordance with landowner stipulations.

5. Location and Type of Water Supply

- a. Water to be used for drilling will be obtained from a local water source. Water permits within the area or Municipal water from Wellington, Utah would be used.
- b. Water will be transported by truck over approved access roads.
- c. No water well is to be drilled for this location.

6. Source of Construction Materials

- a. Any necessary construction materials needed will be obtained locally from a private source and hauled to the location on existing roads.
- b. No construction or surfacing materials will be taken from Federal/Indian land.

7. Methods for handling waste disposal

- a. As the well is expected to be air drilled, a small reserve pit will be constructed with a minimum of one-half the total depth below the original ground surface on the lowest point within the pit. The pit will be lined with a synthetic liner. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operations cease with four strands of barbed wire, or woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.

- b. Following drilling, the liquid waste will be evaporated from the pit and the pit backfilled and returned to natural grade. No liquid hydrocarbons will be discharged to the reserve pit or location.
- c. In the event fluids are produced, any oil will be retained in tanks until sold and any water produced will be retained until its quality can be determined. The quality and quantity of the water will determine the method of disposal.
- d. Trash will be contained in a portable metal container and will be hauled from location periodically and disposed of at an approved disposal site. Chemical toilets will be placed on location and sewage will be disposed of at an appropriate disposal site.

8. Ancillary Facilities

- a. We anticipate no need for ancillary facilities with the exception of trailers to be located on the drill site.

9. Well-site Layout

- a. Available topsoil will be removed from the location and stockpiled. Location of the rig, reserve and blooie pits, and drilling support equipment will be located as shown on Attachment "C".
- b. A blooie pit will be located 100' from the drill hole. A line will be placed on the surface from the center hole to the blooie pit. The blooie pit will not be lined, but will be fenced on four sides to protect livestock/wildlife.
- c. Access to the well pad will be as shown on Exhibit "B".
- d. Natural runoff will be diverted around the well pad.

10. Plans for Restoration of Surface

- a. All surface areas not required for producing operations will be graded to as near original condition as possible and contoured to maintain possible erosion to a minimum.
- b. Available topsoil will be stockpiled and will be evenly distributed over the disturbed areas and the area will be reseeded as prescribed by the landowner.
- c. Pits and any other area that would present a hazard to wildlife or livestock will be fenced off when the rig is released and removed.

- d. Any oil accumulation on the pit will be removed or overhead flagged as dictated by then existed conditions.
- e. Rehabilitation will commence following completion of the well. Rat and mouse holes will be filled immediately upon release of the drilling rig from the location. If the well-site is to be abandoned, all disturbed areas will be recontoured to the natural contour as is possible.

11. Surface Ownership

- a. The well-site and access road will be constructed on lands owned by SITLA. The operator shall contact the landowner and the Division of Oil, Gas and Mining 48 hours prior to beginning construction activities.

12. Other Information:

- a. The primary surface use is wildlife habitat and grazing. The nearest dwelling is approximately 4 miles West. Nearest live water is in Pace Creek, 1,000 feet West.
- b. If there is snow on the ground when construction begins, it will be removed before the soil is disturbed, and piled downhill from the topsoil stockpile location.
- c. The back-slope and fore-slope will be constructed no steeper than 3:1.
- d. All equipment and vehicles will be confined to the access road and well pad.
- e. A complete copy of the approved Application for Permit to Drill (APD) including conditions and stipulations shall be on the well-site during construction and drilling operations.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the Division of Oil, Gas & Mining.

13. **Company Representative**

Matt Peterson
Stone Energy Corporation
1801 Broadway, Suite 700
Denver, CO. 80202
1-303-685-8000

Permitting Consultant

Larry W. Johnson
Talon Resources, Inc.
195 North 100 West
Huntington, UT. 84528
1-435-687-5310

Excavation Contractor

Nelco Contractors, Inc.
4520 South 100 West
Price, UT 84501
1-435-637-3495

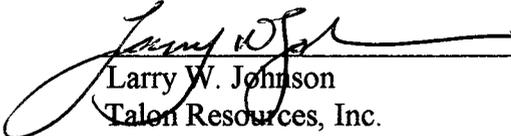
Mail Approved A.P.D. To:

Company Representative

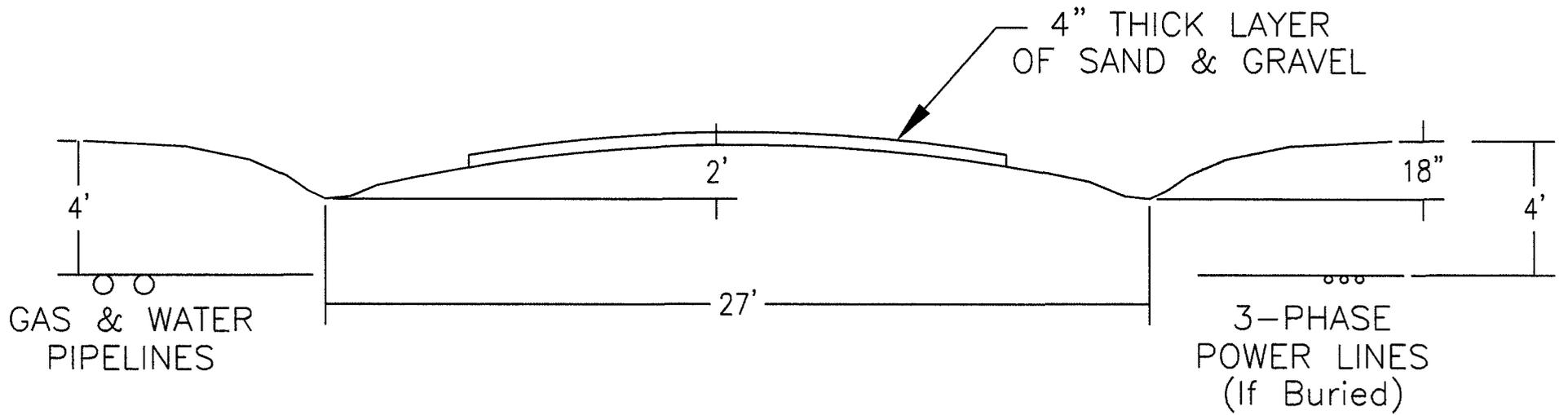
14. **Certification**

I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site 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 Coastal Plains Energy, Inc. and its subcontractors in conformity with this plan and the terms and conditions under which it is approved.

3/8/05
Date


Larry W. Johnson
Talon Resources, Inc.

TYPICAL ROAD CROSS-SECTION



BOP Equipment

2000psi WP

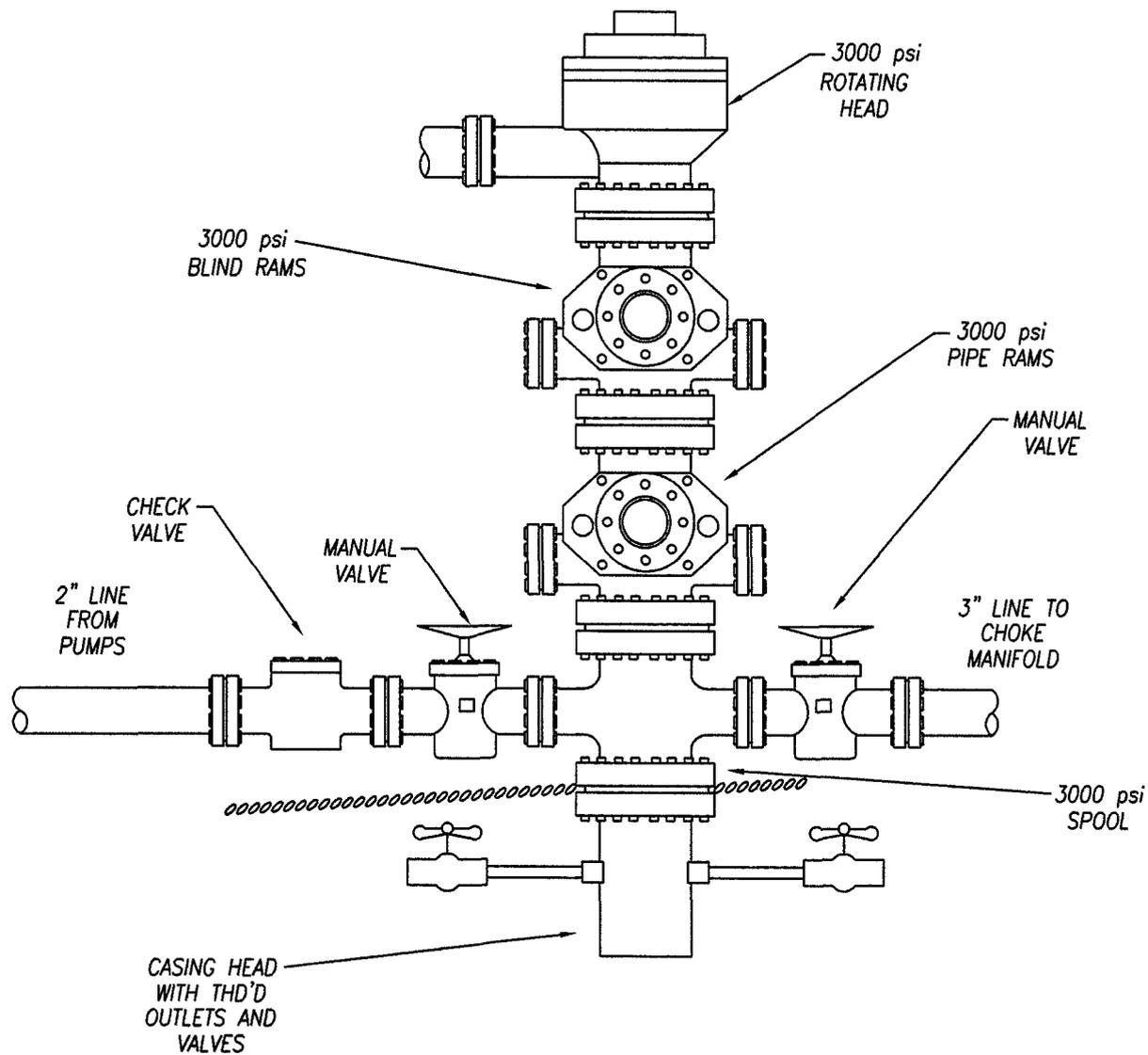
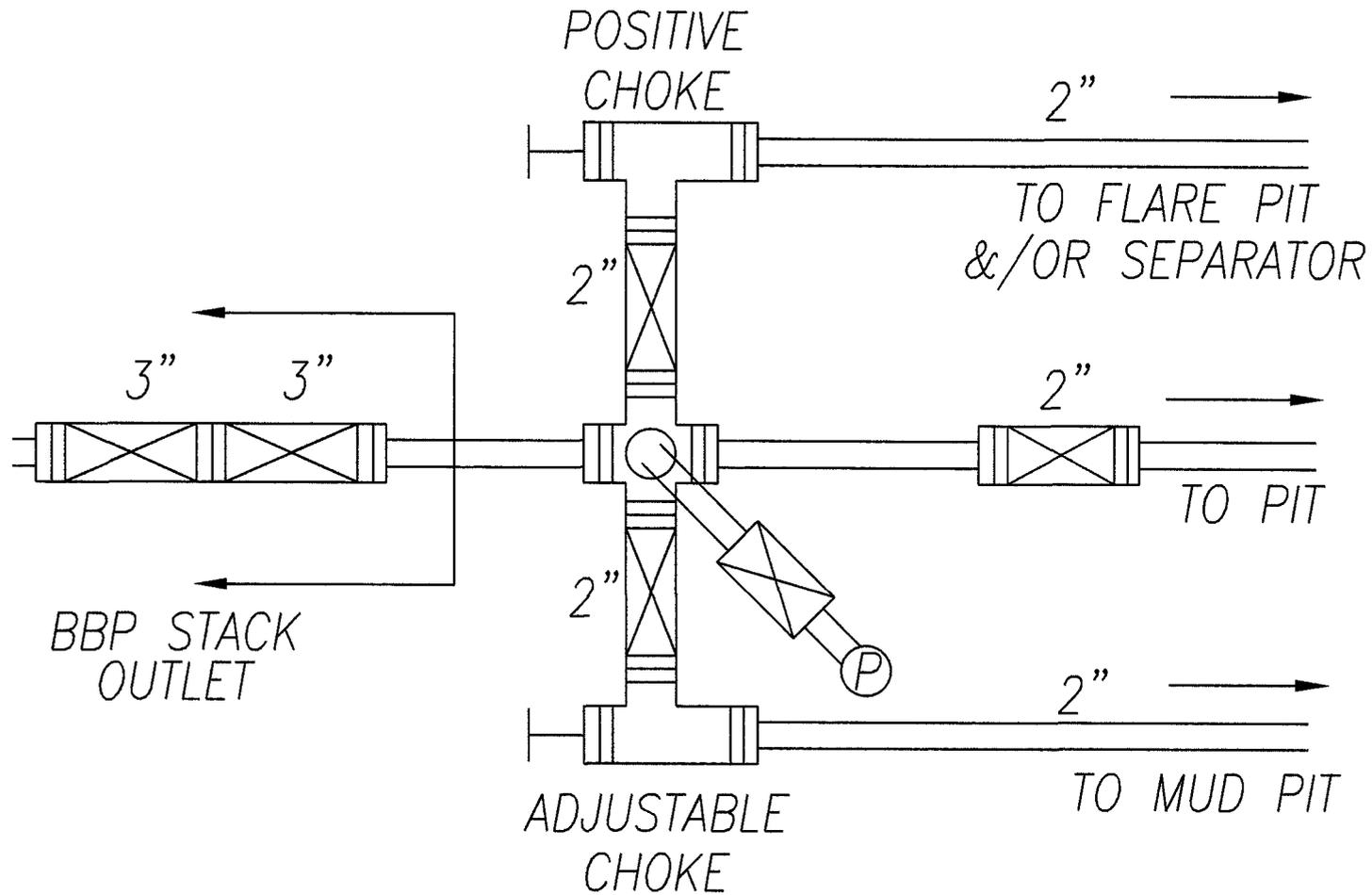
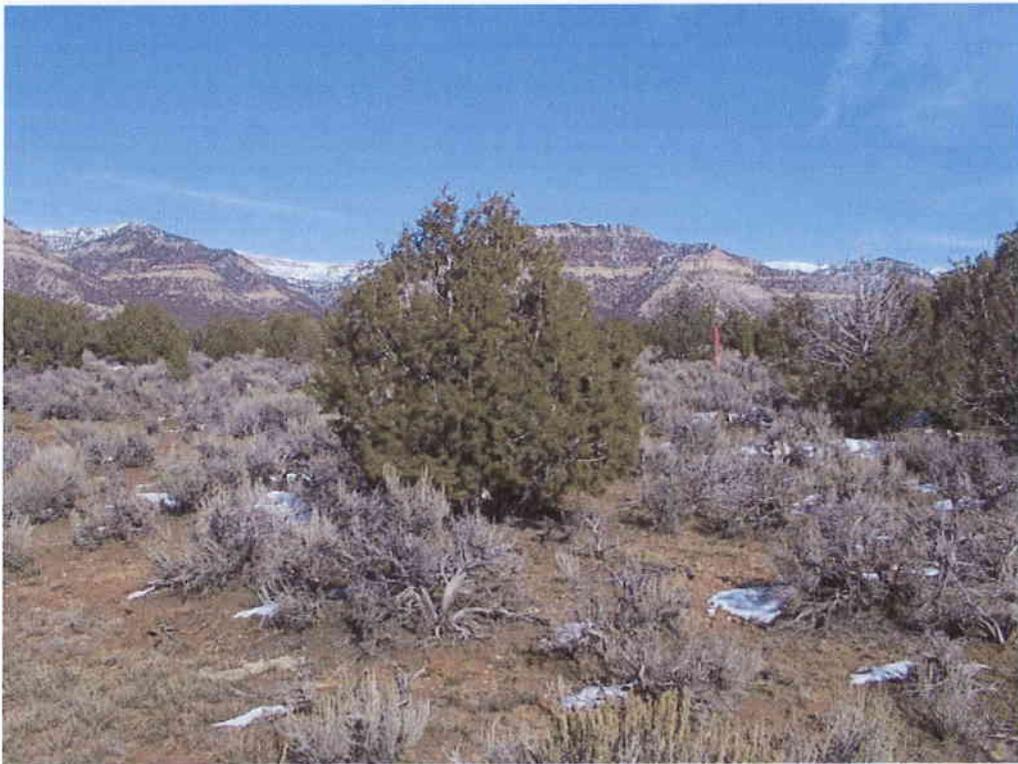


EXHIBIT "G"

STONE

CHOKE MANIFOLD





Well 14-2, Looking North

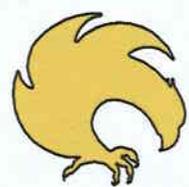
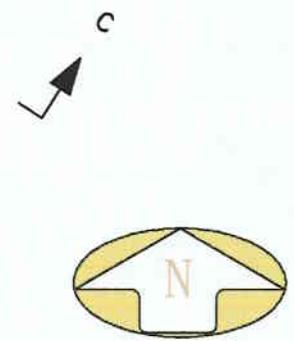
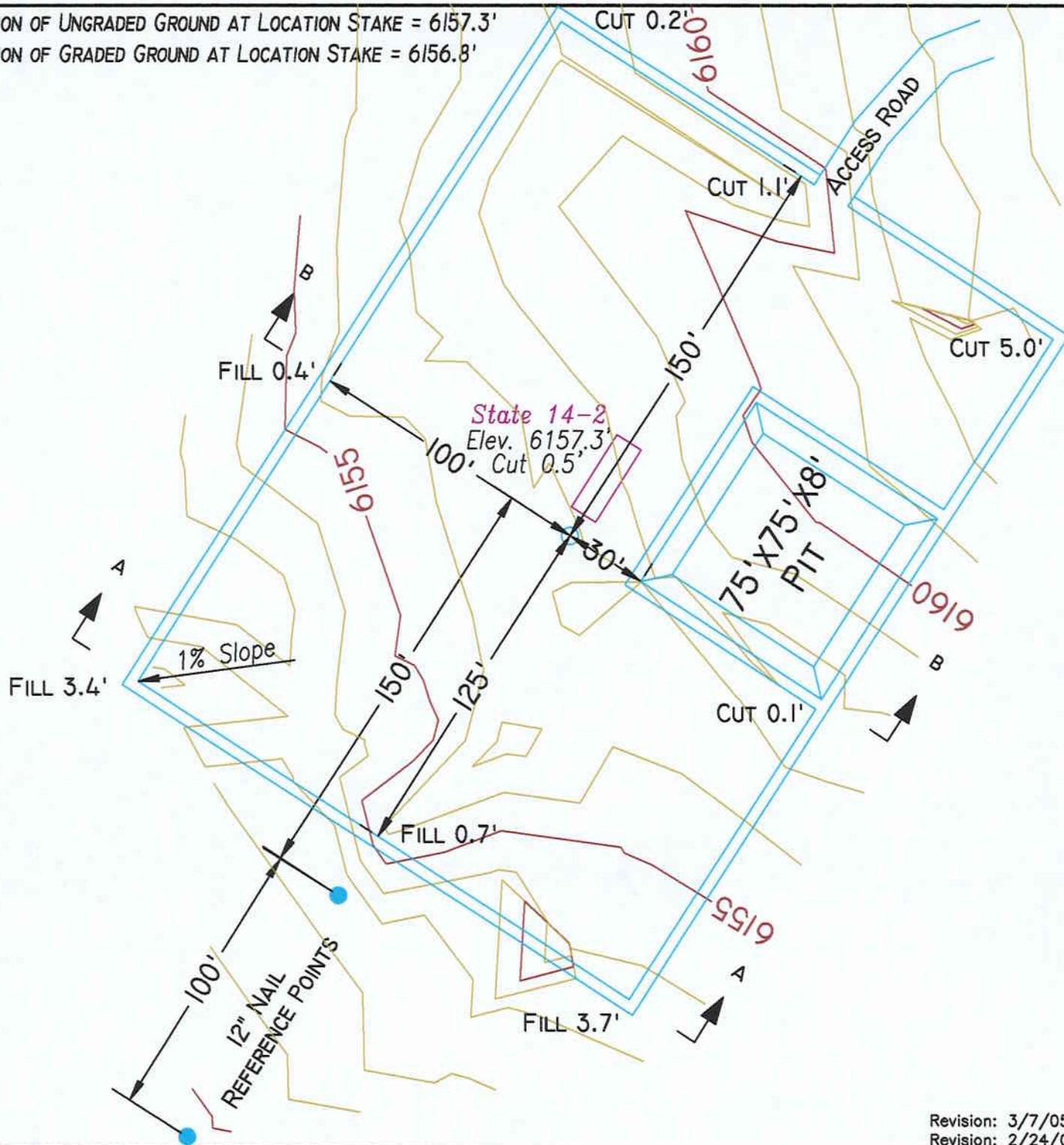


Well 14-2, Looking south



Well 14-2, Looking West

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 6157.3'
 ELEVATION OF GRADED GROUND AT LOCATION STAKE = 6156.8'



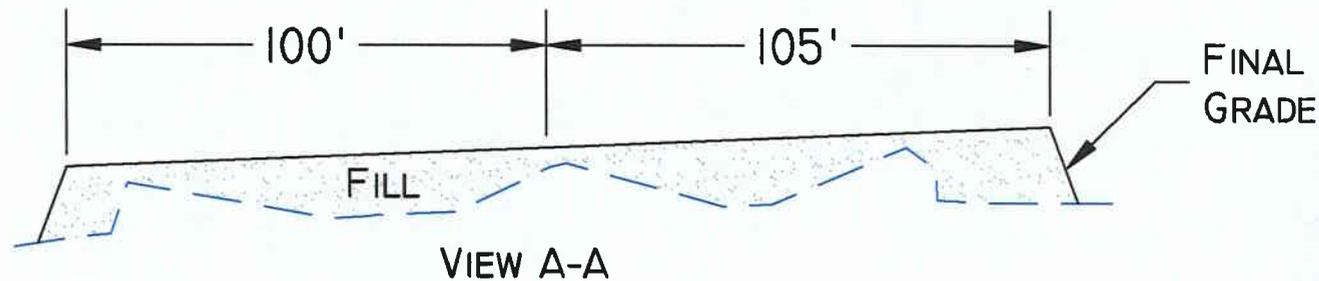
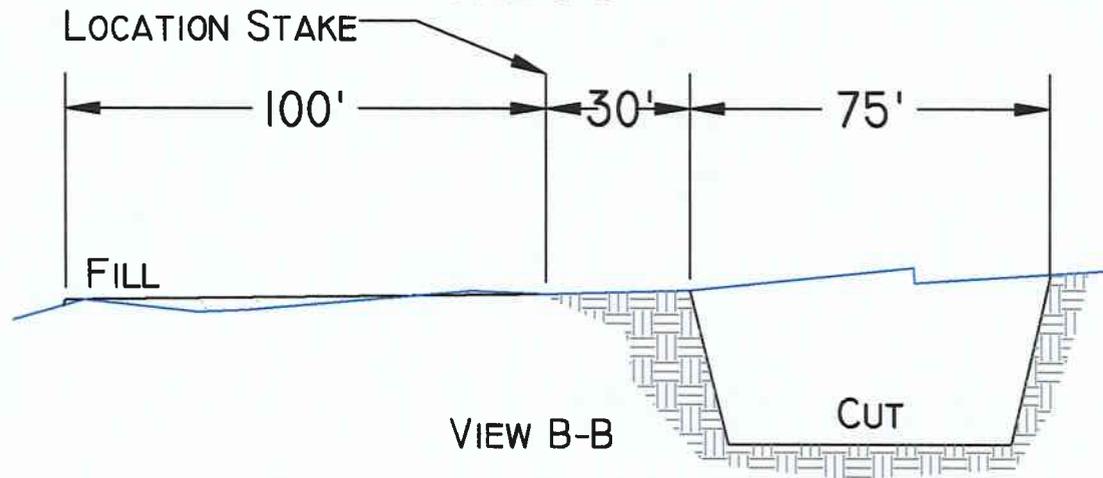
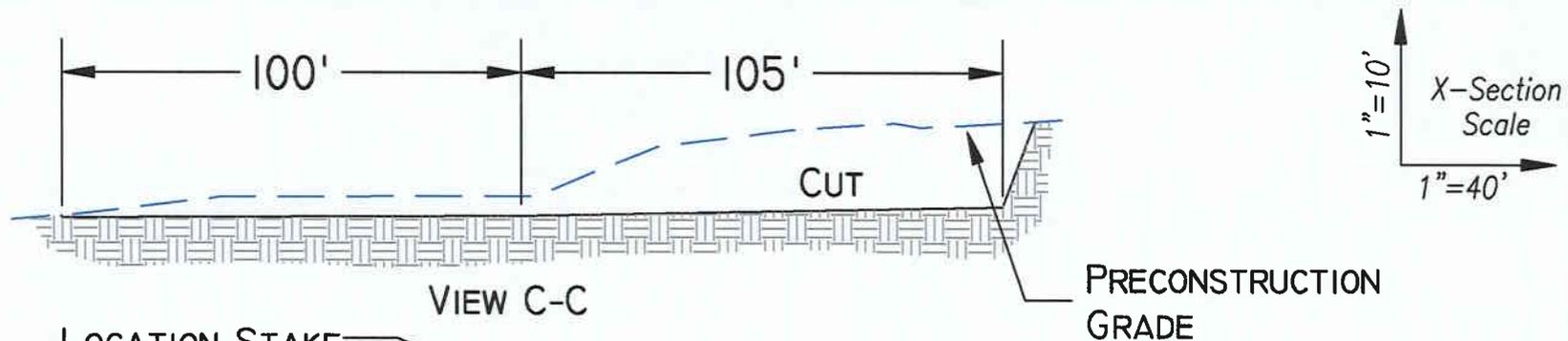
Talon Resources, Inc.
 195 North 100 West P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talon@trv.net



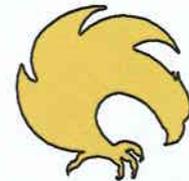
LOCATION LAYOUT
 Section 2, T14S, R12E, S.L.B.&M.
 State 14-2

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. A-2	Date: 2/11/05
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 1616

Revision: 3/7/05
 Revision: 2/24/05



SLOPE = 1 1/2 : 1
(EXCEPT PIT)
PIT SLOPE = 1 ; 1



Talon Resources, Inc.
195 North 100 West P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail talonretv.net

STONE
ENERGY

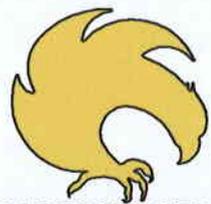
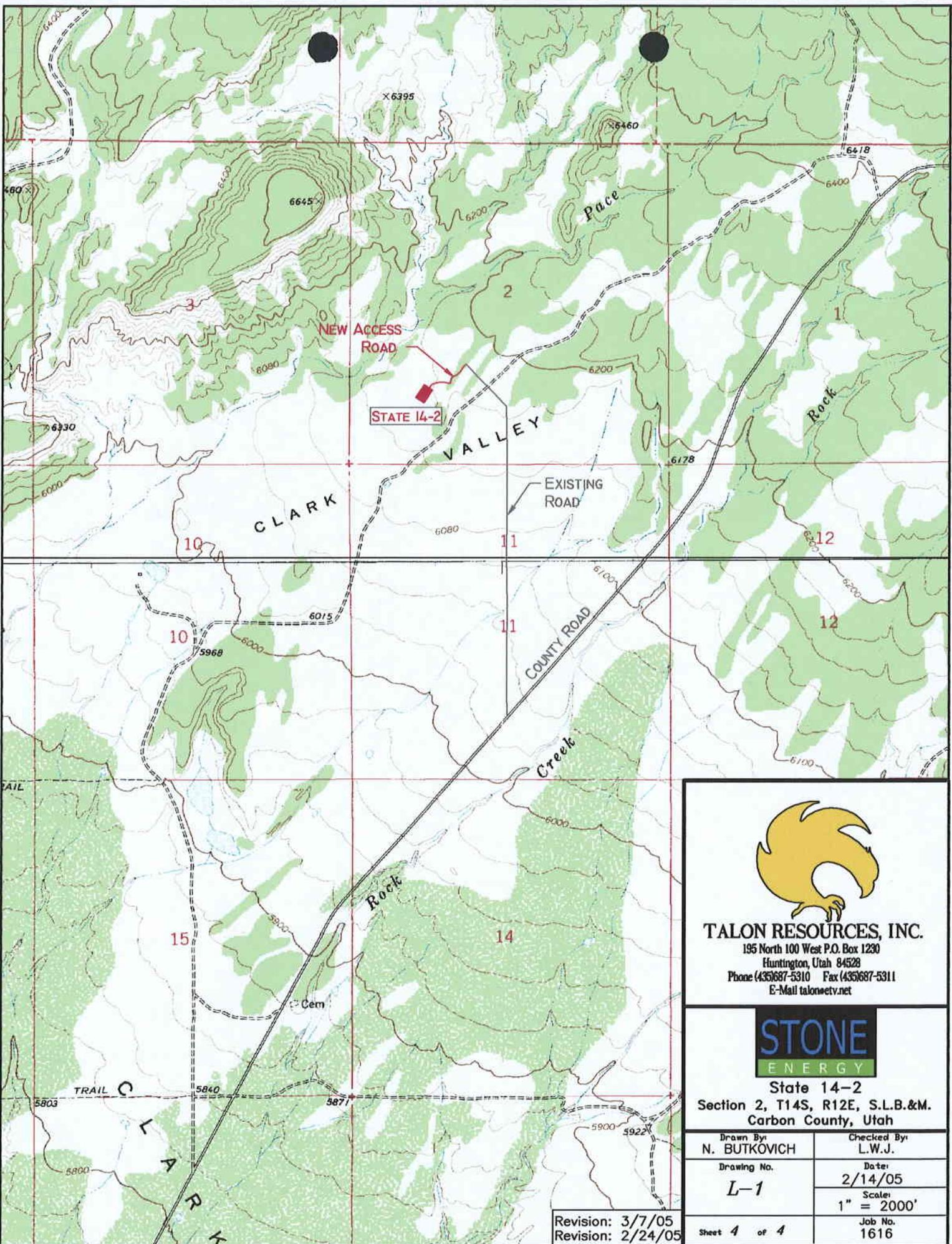
TYPICAL CROSS SECTION
Section 2, T14S, R12E, S.L.B.&M.
State 14-2

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. C-1	Date: 2/11/05
	Scale: 1" = 40'
Sheet 3 of 4	Job No. 1616

APPROXIMATE YARDAGES

CUT
(6") TOPSOIL STRIPPING = 1,045 Cu. Yds.
REMAINING LOCATION = 1,635 Cu. Yds.
TOTAL CUT (INCLUDING PIT) = 3,155 Cu. Yds.
TOTAL FILL = 1,395 Cu. Yds.

Revision: 3/7/05
Revision: 2/24/05



TALON RESOURCES, INC.
 195 North 100 West P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talonetv.net



State 14-2
Section 2, T14S, R12E, S.L.B.&M.
Carbon County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. L-1	Date: 2/14/05
	Scale: 1" = 2000'
	Job No. 1616

Revision: 3/7/05
 Revision: 2/24/05

Sheet 4 of 4

110°38'00" W

110°36'00" W

110°34'00" W

110°32'00" W

110°30'00" W

NAD27 110°27'00" W

39°44'00" N
39°42'00" N
39°40'00" N
39°38'00" N
39°36'00" N
39°34'00" N
39°32'00" N

39°44'00" N
39°42'00" N
39°40'00" N
39°38'00" N
39°36'00" N
39°34'00" N
39°32'00" N

STONE ENERGY CORP.

State 14-2

Talon Resources, Inc
195 North 100 West
Huntington, Utah 84528
(435)687-5310

110°38'00" W

110°36'00" W

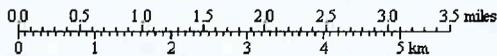
110°34'00" W

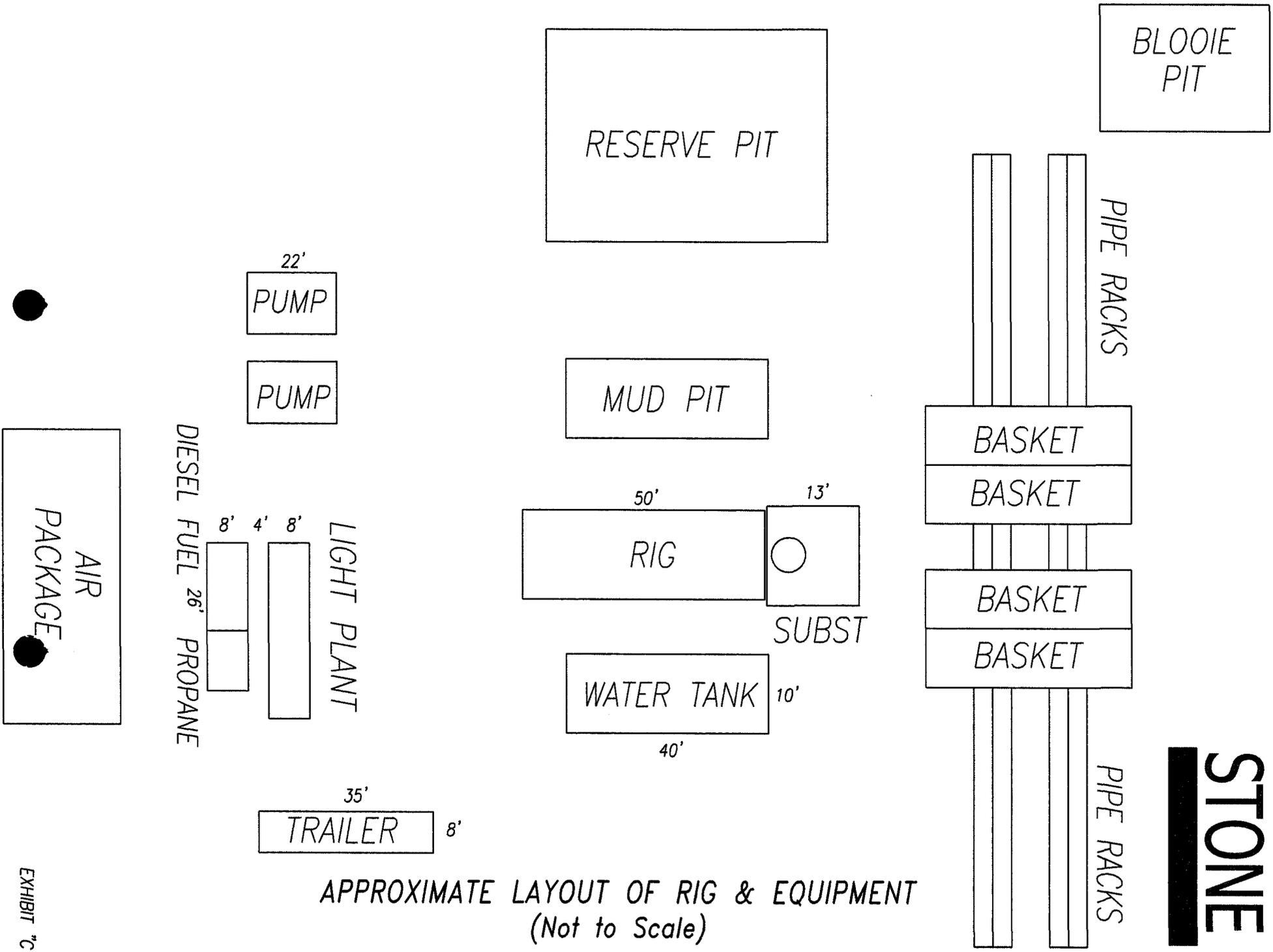
110°32'00" W

110°30'00" W

NAD27 110°27'00" W

TN MN
12 1/2°





APPROXIMATE LAYOUT OF RIG & EQUIPMENT
(Not to Scale)



TALON RESOURCES INC

March 18, 2005

Mrs. Diana Whitney
State of Utah
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Request for Exception to State Spacing Rule:

State 22-16, 1417 FNL, 1403 FWL, SENW Sect. 16, T14S, R12E, SLB&M

State 14-2, 1161 FSL, 1256 FWL, SWSW Sect. 2, T14S, R12E, SLB&M

Dear Mrs. Mason:

On behalf of Stone Energy Corporation., Talon Resources, Inc. respectfully submits the following information to supplement the previously submitted *APD* for the above referenced wells.

Request for exception to spacing (state spacing rules) based on topography.

The wells are located within 460' of the drilling unit boundaries.

Stone Energy Corporation is the only owner and operator within 460' of the proposed well location.

Thank you for your timely consideration of this request. Please feel free to contact me or Mr. Matt Peterson of Stone energy at 1-303-685-8000 if you have any questions or need additional information.

Sincerely,



Larry W. Johnson
Talon Resources, Inc.
Agent for Prima

cc. Mr. Matt Peterson
Stone Energy Well File

Stone Energy Corporation

RECEIVED

MAR 18 2005

DIV. OF OIL, GAS & MINING

P.O. # 1230
(435) 687-5310

195 N. 100 West
(435) 687-5311

Huntington, Utah 84528
talon@clv.net

From: Ed Bonner
To: Whitney, Diana
Date: 4/8/2005 10:55:32 AM
Subject: Well Clearance

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

Stone Energy Corporation
State 14-2
State 22-16

EOG Resources, Inc
State 1-16

If you have any questions regarding this matter please give me a call.

CC: Garrison, LaVonne; Hill, Brad; Hunt, Gil

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/10/2005

API NO. ASSIGNED: 43-007-31022

WELL NAME: STATE 14-2
OPERATOR: STONE ENERGY (N2745)
CONTACT: LARRY JOHNSON

PHONE NUMBER: 435-687-5310

PROPOSED LOCATION:

SWSW 02 140S 120E
SURFACE: 1161 FSL 1256 FWL
BOTTOM: 1161 FSL 1256 FWL
CARBON
WILDCAT (1)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKEO	4/15/05
Geology		
Surface		

LEASE TYPE: 3 - State
LEASE NUMBER: ML-48660
SURFACE OWNER: 3 - State
PROPOSED FORMATION: FRSD
COALBED METHANE WELL? YES

LATITUDE: 39.63268
LONGITUDE: -110.5462

RECEIVED AND/OR REVIEWED:

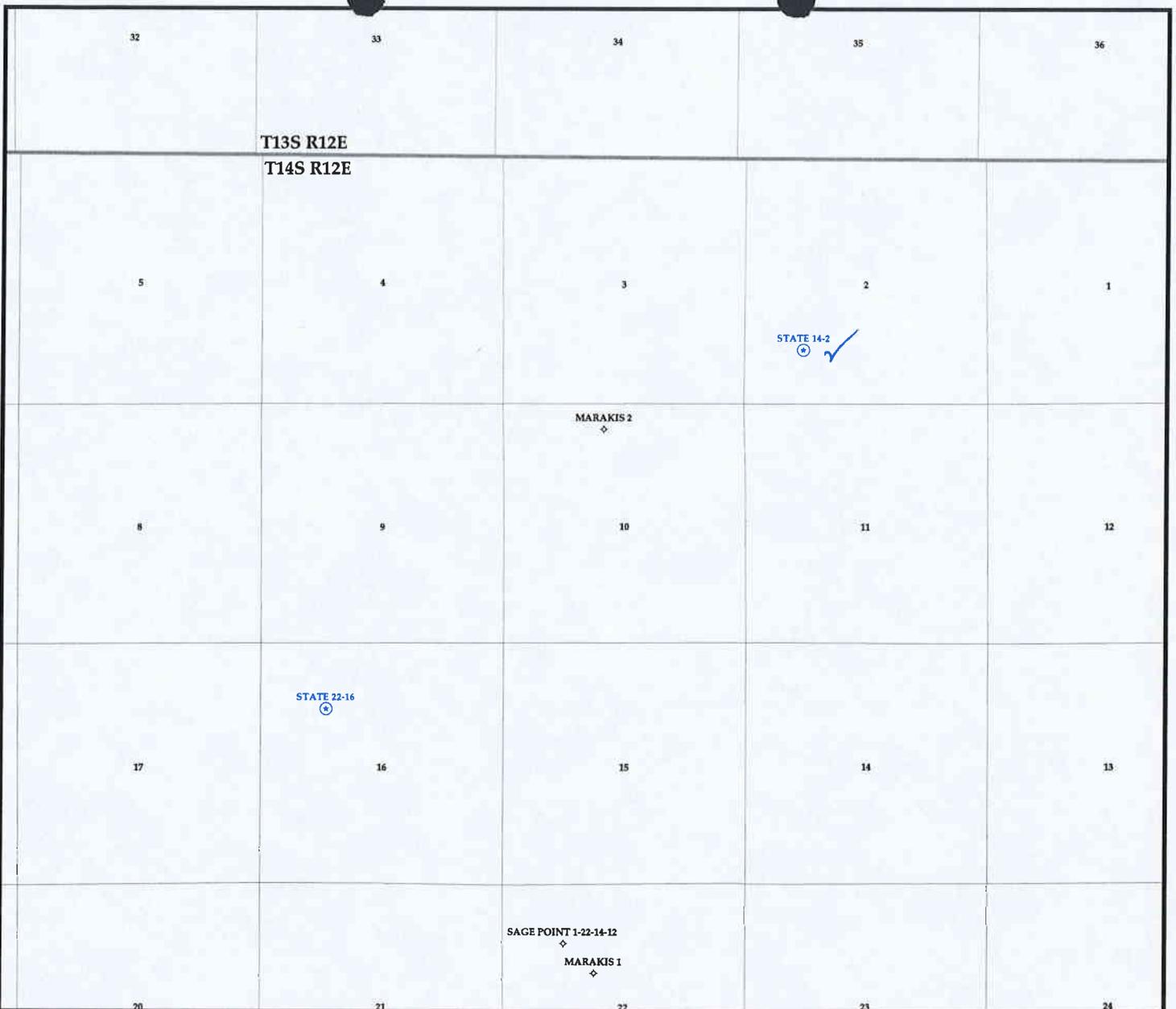
- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. RUB0008065)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. MUNICIPAL)
- RDCC Review (Y/N)
(Date: 04/01/2005)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
- R649-3-11. Directional Drill

COMMENTS: Needs Permit (03-21-05)

STIPULATIONS: 1- Spacing Gap
2- STATEMENT OF BASIS



OPERATOR- STONE ENERGY CORP (N2745)
 SEC. 2 & 16 T.14S R.12E
 FIELD: WILDCAT (001)
 COUNTY: CARBON
 SPACING: R649-3-3 / EXCEPTION LOCATION



Wells	Units.shp	Fields.shp
↗ GAS INJECTION	□ EXPLORATORY	▣ ABANDONED
✳ GAS STORAGE	□ GAS STORAGE	▣ ACTIVE
✕ LOCATION ABANDONED	□ NF PP OIL	▣ COMBINED
⊕ NEW LOCATION	□ NF SECONDARY	▣ INACTIVE
◇ PLUGGED & ABANDONED	□ PENDING	▣ PROPOSED
✳ PRODUCING GAS	□ PI OIL	▣ STORAGE
● PRODUCING OIL	□ PP GAS	▣ TERMINATED
✳ SHUT-IN GAS	□ PP GEOTHERML	
◆ SHUT-IN OIL	□ PP OIL	
✕ TEMP. ABANDONED	□ SECONDARY	
○ TEST WELL	□ TERMINATED	
▲ WATER INJECTION		
◆ WATER SUPPLY		
↘ WATER DISPOSAL		



PREPARED BY: DIANA WHITNEY
 DATE: 17-MARCH-2005

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

FORM 3

AMENDED REPORT
(highlight changes)

001

APPLICATION FOR PERMIT TO DRILL

1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		5. MINERAL LEASE NO: ML-48599	6. SURFACE: State
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
2. NAME OF OPERATOR: Stone Energy Corporation		8. UNIT or CA AGREEMENT NAME: N/A	
3. ADDRESS OF OPERATOR: 1801 Broadway ste 700 CITY Denver STATE CO ZIP 80202		9. WELL NAME and NUMBER: State 22-16	10. FIELD AND POOL, OR WILDCAT: Wilcat
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1,417' FNL, 1,403' FWL 535785X 39.611149 AT PROPOSED PRODUCING ZONE: 1,417' FNL, 1,403' FWL 4384474Y - 110.583144		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 16 14S 12E S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 8 miles North and east of Wellington, Utah		12. COUNTY: Carbon	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1403'	16. NUMBER OF ACRES IN LEASE: 640	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) None	19. PROPOSED DEPTH: 2,000	20. BOND DESCRIPTION: RLB0002054	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5870' GR	22. APPROXIMATE DATE WORK WILL START: 5/15/2005	23. ESTIMATED DURATION: 14 Days	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12-1/4"	8-5/8" J-55 ST 24#	200	Class G 155 Sacks 1.16 cu ft/ sk 15.8 ppg
7-7/8"	5-1/2" J-55 ST 17#	2,000	Premium Lite Plus 127 Sacks 2.66 cu ft/ sk 11.5 ppg
			Class G 97 Sacks 1.16 cu ft/ sk 15.8 ppg

ATTACHMENTS

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

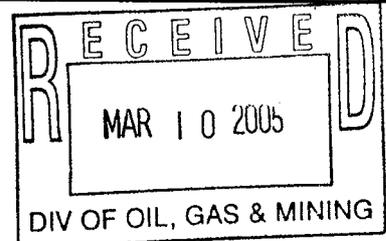
- | | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) Larry W. Johnson TITLE Representative for Stone Energy Corp.
SIGNATURE [Signature] DATE 3/8/05

(This space for State use only)

API NUMBER ASSIGNED: 43-007-31023

APPROVAL:



Range 12 East

(N89°51'W - 5306.40')

N89°45'12"W - 2655.12'

N89°47'47"W - 2649.16'

1417.14'

STONE ENERGY CORP.
STATE 22-16
ELEVATION 5870.8'

1403.50'

UTM
N - 4384486
E - 535780

16

SW CORNER
ELEV: 5773'

S89°47'56"E - 2655.56'

(N89°54'W - 5306.40')

Legend

- Drill Hole Location
- ⊕ Brass Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Rock Pile
- () GLO
- GPS Measured

NOTES:

1. UTM AND LATITUDE / LONGITUDE COORDINATES ARE DERIVED USING A GPS PATHFINDER AND ARE SHOWN IN NAD 27 DATUM.

LAT / LONG
39°36'40.5"N
110°34'59.5"W

Location:

THE WELL LOCATION WAS DETERMINED USING A TRIMBLE 4700 GPS SURVEY GRADE UNIT.

Basis of Bearing:

THE BASIS OF BEARING IS GPS MEASURED.

GLO Bearing:

THE BEARINGS INDICATED ARE PER THE RECORDED PLAT OBTAINED FROM THE U.S. LAND OFFICE.

Basis of Elevation:

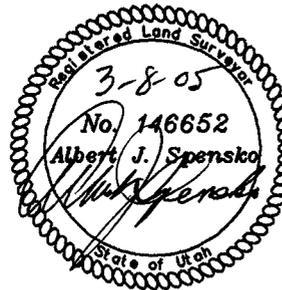
BASIS OF ELEVATION OF 5773.00' BEING AT THE SOUTHWEST SECTION CORNER OF SECTION 16, TOWNSHIP 14 SOUTH, RANGE 12 EAST, SALT LAKE BASE AND MERIDIAN, AS SHOWN ON THE SUNNYSIDE JUNCTION QUADRANGLE 7.5 MINUTE SERIES MAP.

Description of Location:

PROPOSED DRILL HOLE LOCATED IN THE SE/4 NW/4 OF SECTION 16, T14S, R12E, S.L.B.&M., BEING 1417.14' SOUTH AND 1403.50' EAST FROM THE NORTHWEST CORNER OF SECTION 16, T14S, R12E, SALT LAKE BASE & MERIDIAN.

Surveyor's Certificate:

I, ALBERT J. SPENSKO, A REGISTERED PROFESSIONAL LAND SURVEYOR, HOLDING CERTIFICATE 146652 STATE OF UTAH, DO HEREBY CERTIFY THAT THE INFORMATION ON THIS DRAWING IS A TRUE AND ACCURATE SURVEY BASED ON DATA OF RECORD AND WAS CONDUCTED UNDER MY PERSONAL DIRECTION AND SUPERVISION AS SHOWN HEREON.



GRAPHIC SCALE

0 500' 1000'

(IN FEET)

1 inch = 1000 ft.

Revision: 3/7/05

Revision: 2/24/05



TALON RESOURCES, INC.

195 North 100 West P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail talon@etv.net

ENERGY

State 22-16

Section 16, T14S, R12E, S.L.B.&M.
Carbon County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J./A.J.S.
Drawing No. A-1	Date: 2/14/05
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 1617

110°40'00" W

110°38'00" W

110°36'00" W

110°34'00" W

110°32'00" W

NAD27 110°29'00" W

STONE ENERGY CORP.

39°41'00" N

39°39'00" N

39°37'00" N

39°35'00" N

39°33'00" N

39°31'00" N

39°41'00" N

39°39'00" N

39°37'00" N

39°35'00" N

39°33'00" N

39°31'00" N

110°40'00" W

110°38'00" W

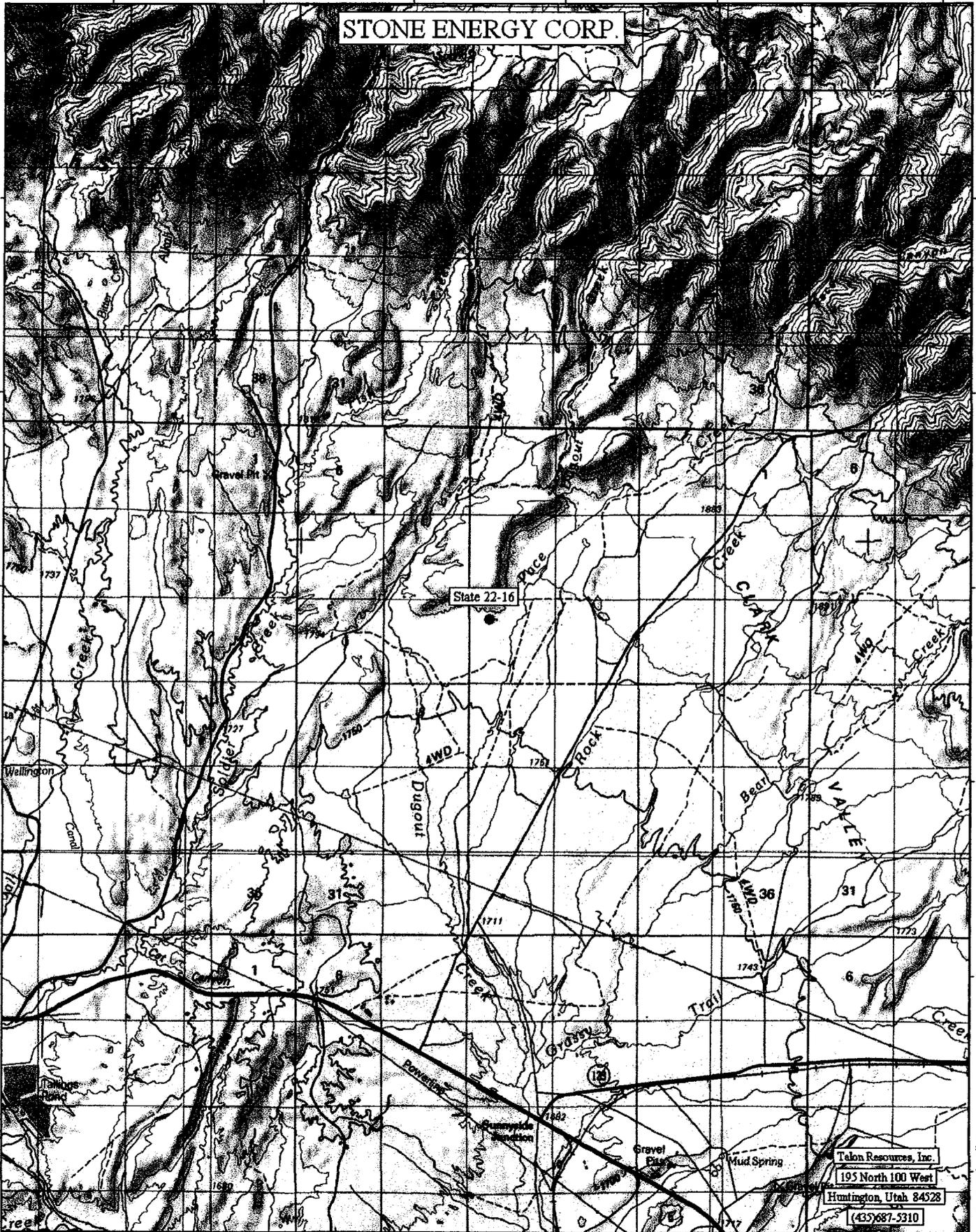
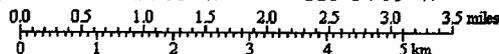
110°36'00" W

110°34'00" W

110°32'00" W

NAD27 110°29'00" W

TN 12 1/2°



Telon Resources, Inc.
195 North 100 West
Huntington, Utah 84528
(435) 687-3310

STATE ACTIONS
Resource Development Coordinating Committee
Governor's Office of Planning and Budget
5110 State Office Building
SLC, UT 84114
Phone No. 537-9230

1. State Agency Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801	2. Approximate date project will start: <p style="text-align: center;">Upon Approval or March 31, 2005</p>
3. Title of proposed action: Application for Permit to Drill	
4. Description of Project: <p style="text-align: center;">Stone Energy Corporation proposes to drill the State 22-16 well (wildcat) on State lease ML-48599, Carbon County, Utah. This action is being presented to the RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.</p>	
5. Location and detailed map of land affected (site location map required, electronic GIS map preferred) (include UTM coordinates where possible) (indicate county) <p style="text-align: center;">1417' FNL 1403' FWL, SE/4 NW/4, Section 16, Township 14 South, Range 12 East, Carbon County, Utah</p>	
6. Possible significant impacts likely to occur: <p style="text-align: center;">Surface impacts include up to five acres of surface disturbance during the drilling and completion phase (estimated for five weeks duration). If oil and gas in commercial quantities is discovered, the location will be reclaimed back to a net disturbance of between one and two acres – not including road, pipeline, or utility infrastructure. If no oil or gas is discovered, the location will be completely reclaimed.</p>	
7. Identify local government affected a. Has the government been contacted? No. b. When? c. What was the response? d. If no response, how is the local government(s) likely to be impacted?	
8. For acquisitions of land or interests in land by DWR or State Parks please identify state representative and state senator for the project area. Name and phone number of state representative, state senator near project site, if applicable: a. Has the representative and senator been contacted? N/A	
9. Areawide clearinghouse(s) receiving state action: (to be sent out by agency in block 1) <p style="text-align: center;">Southeastern Utah Association of Governments</p>	
10. For further information, contact: <p style="text-align: center;">Diana Whitney Phone: (801) 538-5312</p>	11. Signature and title of authorized officer <p style="text-align: center;"> for John R. Baza, Associate Director Date: March 17, 2005</p>

**DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS**

OPERATOR: Stone Energy Corporation
WELL NAME & NUMBER: State 14-2
API NUMBER: 43-007-31022
LOCATION: 1/4,1/4 SWSW Sec:2 TWP: 14 S RNG: 12 E 1161 FSL 1256 FWL

Geology/Ground Water:

Significant volumes of high quality ground water are unlikely to be encountered at this location. A poorly to moderately permeable soil is likely to be developed on the fringe of Quaternary Slope Wash that may cover the Blue Gate Member of the Mancos Shale. The proposed casing and cementing program should adequately isolate any zones of fresh water that may be penetrated. There are six surface and no underground water rights that have been filed within a mile of the proposed well site.

Reviewer: Christopher J. Kierst

Date: 4/7/2005

Surface:

Proposed location is ~8 miles northeast of Wellington, Carbon County, Utah. The immediate area surrounding the proposed well is grazing and wildlife habitat. Location is staked on property owned by SITLA. Access to this well will be along existing County maintained roads and upgraded two-track roads on BLM and State surfaces. Approximately 7,200' feet of new road and upgraded two-track road will be needed for this location. The direct area drains to the south into dry wash drainages, eventually making its way into the Price River, a year-round live water source, ~3.5 miles southwest. The closest live water source is Pace Creek located ~1000' West of the proposed well site. Dry washes are common throughout the area. Other issues talked about were; location layout, evaluation of lining the reserve pit, access and right-of-ways. M. Jones (DOGM) and Allen Childs (TALON) were in attendance for this on-site. Carbon County and SITLA were invited but chose not to attend.

Reviewer: Mark L. Jones

Date: March 21, 2005

Conditions of Approval/Application for Permit to Drill:

1. Liner (optional) (12 mil. minimum) in the reserve pit.

From: Robert Clark
To: Whitney, Diana
Date: 3/21/2005 9:12:21 AM
Subject: DAQ Comments on seven Application to Drill proposals (RDCC #'s 5011-5016 and 5031)

The following comments are submitted in response to seven Application to Drill proposals; RDCC #'s 5011 - 5016 and 5031.

Due to the short turn around time involved, these comments are submitted directly to DOG&M rather than to Carolyn Wright at RDCC. The comments submitted are applicable to all seven applications.

Comments begin: The proposed well drilling project may require a permit, known as an Approval Order, from the Utah Division of Air Quality if any compressor stations are constructed at the site. A permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, SLC, UT, 84116 for review according to the Utah Air Conservation Rule R307-400, Permits, Notice of Intent and Approval Order.

The proposed well drilling project is also subject to Utah Air Conservation Rule R307-205-3, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Division of Air Quality, but steps need to be taken to minimize fugitive dust, such as, watering and/or chemical stabilization, providing vegetative or synthetic cover and windbreaks. A copy of the rules are found at www.rules.utah.gov/publicat/code/r307/r307.htm . **Comments end.**

Robert Clark
Utah Division of Air Quality
536-4435

CC: Dave Mcneill; Wright, Carolyn

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: Stone Energy Corporation
WELL NAME & NUMBER: State 14-2
API NUMBER: 43-007-31022
LEASE: SITLA FIELD/UNIT: _____
LOCATION: 1/4,1/4 SWSW Sec: 2 TWP: 14S RNG: 12E 1161 FSL 1256 FWL
LEGAL WELL SITING: _____ F SEC. LINE; _____ F 1/4,1/4 LINE; _____ F ANOTHER WELL.
GPS COORD (UTM): X= 538947 E; Y= 4386893 N SURFACE OWNER: SITLA.

PARTICIPANTS

M. Jones (DOGM), Allen Childs (TALON).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Proposed location is ~8 miles northeast of Wellington, Carbon County, Utah. The immediate area surrounding the proposed well is grazing and wildlife habitat. Location is staked on property owned by SITLA. Access to this well will be along existing County maintained roads and upgraded two-track roads on BLM and State surfaces. Approximately 7,200' feet of new road and upgraded two-track road will be needed for this location. The direct area drains to the south into dry wash drainages, eventually making its way into the Price River, a year-round live water source, ~3.5 miles southwest. The closest live water source is Pace Creek located ~1000' West of the proposed well site. Dry washes are common throughout the area.

SURFACE USE PLAN

CURRENT SURFACE USE: Grazing and wildlife habitat.

PROPOSED SURFACE DISTURBANCE: 205' x 275' w/ 75' x 75' x 8' included pit.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: None.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: On location and along roadway.

SOURCE OF CONSTRUCTION MATERIAL: Obtained locally and trucked to site.

ANCILLARY FACILITIES: None anticipated.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS?
(EXPLAIN): No.

WASTE MANAGEMENT PLAN:

As the well is expected to be air drilled, a small reserve pit will be constructed with a minimum of one-half the total depth below the original ground surface on the lowest point within the pit. The pit will be lined with a synthetic liner. Three sides of the reserve pit

will be fenced within 24 hours after completion of construction and the fourth side fenced within 24 hours after drilling operations cease with four strands of barbed wire, or woven wire topped with barbed wire to a height no less than four feet. The fence will be kept in good repair while the pit is drying.

Following drilling, the liquid waste will be evaporated from the pit and the pit backfilled and returned to natural grade. No liquid hydrocarbons will be discharged to the reserve pit or location.

In the event fluids are produced, and oil will be retained in tanks until sold and any water produced will be retained until its quality can be determined. The quality and quantity of the water will determine the method of disposal.

Trash will be contained in a portable metal container and will be hauled from location periodically and disposed of at an approved disposal site. Chemical toilets will be placed on location and sewage will be disposed of at an appropriate disposal site.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None observed.

FLORA/FAUNA: Sagebrush, pinion, deer, rodents, fowl.

SOIL TYPE AND CHARACTERISTICS: Clay loam.

SURFACE FORMATION & CHARACTERISTICS:

EROSION/SEDIMENTATION/STABILITY: Erosive upon disturbance.

PALEONTOLOGICAL POTENTIAL: None observed.

RESERVE PIT

CHARACTERISTICS: Dugout earthen, 75'x75'x8', included w/in location.

LINER REQUIREMENTS (Site Ranking Form attached): Liner optional.

SURFACE RESTORATION/RECLAMATION PLAN

As per SITLA.

SURFACE AGREEMENT: With SITLA mineral lease.

CULTURAL RESOURCES/ARCHAEOLOGY: Completed 3/15/05 by Montgomery, copy being sent to SITLA.

OTHER OBSERVATIONS/COMMENTS

ATTACHMENTS

Photos of this location were taken and placed on file.

Mark L. Jones
DOGM REPRESENTATIVE

March 21, 2005 / 9:30 am
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>0</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>5</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

Final Score 15 (Level II Sensitivity)

Sensitivity Level I = 20 or more; total containment is required, consider criteria for excluding pit use.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.



State Online Services

Agency List

Business.utah.gov

Search Utah.gov

GO

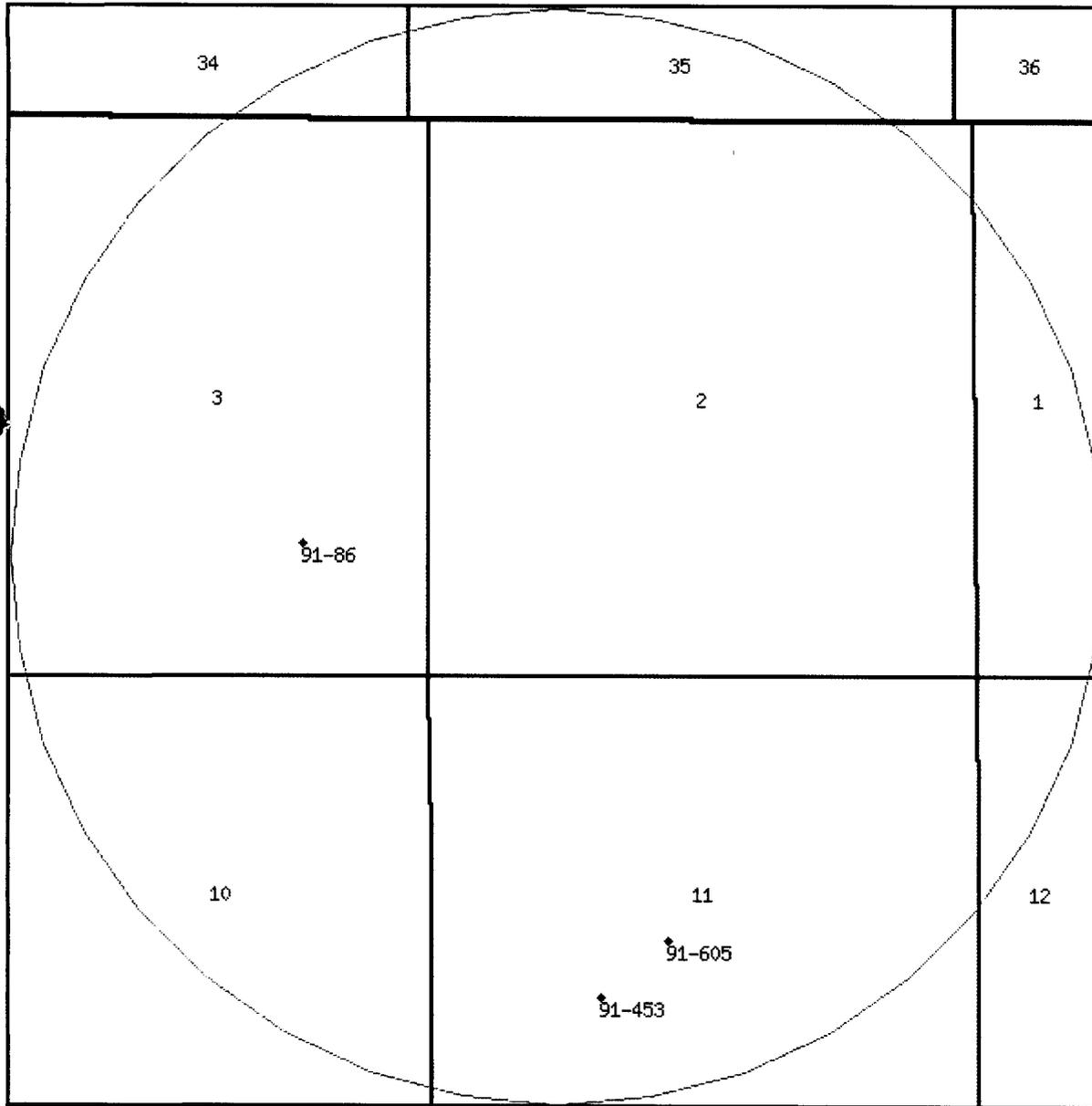
UTAH DIVISION OF WATER RIGHTS

WRPLAT Program Output Listing

Version: 2004.12.30.00

Rundate: 04/07/2005 03:42 PM

Radius search of 5280 feet from a point N1161 E1256 from the SW corner, section 02, Township 14S, Range 12E, SL
b&m Criteria:wrtypes=W,C,E podtypes=S,U,D,Sp,P status=U,A,P usetypes=all



0 700 1400 2100 2800 ft

Water Rights

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS	ACFT	Owner Name
<u>91-409</u>	Surface N1280 W1200 SE 03 14S 12E SL		P	19300327	IS	6.200	0.000	CANYON FUEL COMPANY LLC ATTN: PROPERTY ADMINISTRATION
<u>91-410</u>	Surface S450 E1650 W4 11 14S 12E SL		P	19020000		0.000	0.000	CANYON FUEL COMPANY LLC ATTN: PROPERTY ADMINISTRATION
<u>91-453</u>	Surface S450 E1650 W4 11 14S 12E SL		P	19020000		0.000	0.000	CANYON FUEL COMPANY LLC ATTN: PROPERTY ADMINISTRATION
<u>91-493</u>	Surface N100 E2300 W4 11 14S 12E SL		P	18800000	IS	5.000	0.000	CANYON FUEL COMPANY LLC ATTN: PROPERTY ADMINISTRATION
<u>91-605</u>	Surface N100 E2300 W4 11 14S 12E SL		P	18800000	IS	5.000	0.000	CANYON FUEL COMPANY LLC ATTN: PROPERTY ADMINISTRATION
<u>91-86</u>	Surface N1280 W1200 SE 03 14S 12E SL		P	19300327	IS	6.200	0.000	CANYON FUEL COMPANY LLC ATTN: PROPERTY ADMINISTRATION

[Natural Resources](#) | [Contact](#) | [Disclaimer](#) | [Privacy Policy](#) | [Accessibility Policy](#)

Well name:	04-05 Stone State 14-2	
Operator:	Stone Energy Corp	Project ID:
String type:	Surface	43-007-31022
Location:	Carbon County	

Design parameters:

Collapse
Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 264 psi
Internal gradient: 0.120 psi/ft
Calculated BHP: 300 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor: 1.125

Burst:
Design factor: 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 262 ft

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 69 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 250 ft

Cement top: Surface

Non-directional string.

Re subsequent strings:

Next setting depth: 3,000 ft
Next mud weight: 8.600 ppg
Next setting BHP: 1,340 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 300 ft
Injection pressure: 300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	300	8.625	24.00	J-55	ST&C	300	300	7.972	14.4
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	131	1370	10.472	300	2950	9.83	6	244	38.80 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & Mining

Phone: 801-538-5280
FAX: 810-359-3940

Date: April 8, 2005
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 300 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	04-05 Stone State 14-2		Project ID:
Operator:	Stone Energy Corp		43-007-31022
String type:	Production		
Location:	Carbon County		

Design parameters:

Collapse

Mud weight: 8.600 ppg
 Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: -314 psi
 Internal gradient: 0.551 psi/ft
 Calculated BHP: 1,340 psi

 No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

8 Round STC: 1.80 (J)
 8 Round LTC: 1.80 (J)
 Buttress: 1.60 (J)
 Premium: 1.50 (J)
 Body yield: 1.50 (B)

Tension is based on buoyed weight.
 Neutral point: 2,609 ft

Environment:

H2S considered? No
 Surface temperature: 65 °F
 Bottom hole temperature: 107 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,500 ft

Cement top: 604 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	3000	5.5	17.00	J-55	LT&C	3000	3000	4.767	103.4

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1340	4910	3.664	1340	5320	3.97	44	247	5.57 J

Prepared by: Clinton Dworshak
 Utah Div. of Oil & Mining

Phone: 801-538-5280
 FAX: 810-359-3940

Date: April 8, 2005
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 3000 ft, a mud weight of 8.6 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

04-05 Stone State 14-2

Casing Schematic

Mancos Shale

Surface

8-5/8"
MW 8.4
Frac 19.3

TOC @
0.

Surface
300. MD

w/18% Washcoat

Propose Cement to
Surface

BHP

$$(.052)(3,000)(8.6) = 1342$$

Anticipate down map

Gas

$$(.12)(3,000) = 360$$

Masp - 1640 (max)

BOP - 2000 ✓

Seal Csg - 2950
70% = 2065

Max pressure @ shoe = ~~700~~ 748

Test to ~~700~~ # ✓
Propose test to 500 psi

✓ Adequate DWD 4/15/05

5-1/2"
MW 8.6

Production
3000. MD

2400 Fernon
2601 TOC Tail

w/15% Washcoat
Surface w/ 8% Washcoat



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Wildlife Resources**

MILES MORETTI
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

11 April 2005

Division of Oil, Gas & Mining
1594 W. North Temple #1210
PO Box 145801
Salt Lake City, UT 84114-5801

RE: RDCC #5030 & 5031 – Stone Energy 14-2 and 22-16 wildcat wells

To Whom It May Concern:

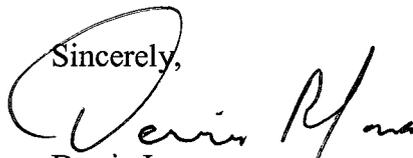
We have reviewed the proposed wildcat well locations and have the following comments:

In order to minimize disturbance to nesting raptors, we request that Stone Energy conduct a raptor survey this May of all areas within 1 mile of these proposed well sites. Further, we suggest that they survey any areas they will be proposing development within the next two years. This will help us work proactively with Stone Energy to minimize disturbances to nesting raptors during their development and production.

Further, both of the wells are located within high value big game winter range. As there are currently only two wildcat wells in the area, we feel that construction may proceed at any time without significant impacts to wintering big game. However, if there are additional wells permitted and developed in the area during the winter, there will be a cumulative disturbance effect. If this becomes the case, we will request that construction not occur between December 1st and April 15th.

Thank you for considering our comments. If you have any questions about these concerns, please contact Chris Colt (Habitat Program Manager) at 435-636-0279.

Sincerely,



Derris Jones
Regional Supervisor

RECEIVED

APR 21 2005

DIV. OF OIL, GAS & MINING

**State of Utah****Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

April 18, 2005

Stone Energy Corporation
1801 Boradway, Suite 700
Denver, Colorado 80202

Re: State 14-2 Well, 1161' FSL, 1256' FWL, SW SW, Sec. 2, T. 14 South,
R. 12 East, Carbon County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-007-31022.

Sincerely,

A handwritten signature in black ink that reads "John R. Baza".
John R. Baza
Associate Director

jc
Enclosures

cc: Carbon County Assessor
SITLA

Operator: _____ Stone Energy Corporation _____

Well Name & Number _____ State 14-2 _____

API Number: _____ 43-007-31022 _____

Lease: _____ ML-48660 _____

Location: SW SW **Sec.** 2 **T.** 14 South **R.** 12 East

Conditions of Approval

1. **General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. **Notification Requirements**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

6. Operator shall comply with applicable recommendations resulting from Resource Development Coordinating Committee review. Statements attached.

Page 2

API # 43-007-31022

April 18, 2005

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

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

FORM 9

005

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 <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-48660
2. NAME OF OPERATOR: Stone Energy Corporation		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 950 17th St, Ste 2600 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1,161' FSL & 1,256' FWL COUNTY: Carbon QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 2 14S 12E S STATE: UTAH		8. WELL NAME and NUMBER: State 14-2
PHONE NUMBER: (303) 685-8000		9. API NUMBER: 4300731022
		10. FIELD AND POOL, OR WILDCAT: Wildcat

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) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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 checked="" 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
	<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.
Please note change to address above.
Stone Energy Corporation requests to change the name of the above referenced well to: Dugout Creek State 14-2.

RECEIVED
MAY 06 2005
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Tracy Opp	TITLE Regulatory Specialist
SIGNATURE	DATE 5/3/2005

(This space for State use only)

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: STONE ENERGY CORP

Well Name: DUGOUT ST 14-2

Api No: 43-007-31022 Lease Type: STATE

Section 02 Township 14S Range 12E County CARBON

Drilling Contractor BOB BEAMAN DRLG RIG # 122

SPUDDED:

Date 06/20/05

Time 11:30 AM

How DRY

Drilling will Commence: _____

Reported by BOZE STINSON

Telephone # 1-435-630-6344

Date 06/20/2005 Signed CHD

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

FORM 8

ENTITY ACTION FORM

Operator: Stone Energy Corporation Operator Account Number: N 2745
 Address: 950 17th St., Ste. 2600
city Denver
state CO zip 80202 Phone Number: (303) 685-8000

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4300731022	Dugout Creek State 14-2		SWSW	2	14S	12E	Carbon
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	14793	6/6/2005		6/29/2005 K		
Comments: Well Spud @ 11:30 am. FRSD							CONFIDENTIAL

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

ACTION CODES:

- 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)

Tracy Opp
 Name (Please Print)

 Signature
 Regulatory Specialist
 Title

6/22/2005

RECEIVED

JUN 23 2005

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 <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-48599
2. NAME OF OPERATOR: Stone Energy Corporation		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 950 17th St, Ste 2600 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1,161' FSL & 1,256' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 2 14S 12E S		8. WELL NAME and NUMBER: Dugout Creek State 14-2
PHONE NUMBER: (303) 685-8000		9. API NUMBER: 4300731023
COUNTY: Carbon		10. FIELD AND POOL, OR WILDCAT: Wildcat
STATE: UTAH		

CONFIDENTIAL

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 (Submit in Duplicate) Approximate date work will start: _____	<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
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Spud Notice</u>
	<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.

Notice of well spud: June 20th, 2005 @ 11:30 am.

RECEIVED

JUN 24 2005

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Tracy Opp

TITLE Regulatory Specialist

SIGNATURE 

DATE 6/22/2005

(This space for State use only)

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-48599

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
N/A

7. UNIT or CA AGREEMENT NAME
N/A

8. WELL NAME and NUMBER:
Dugout Creek State 14-2

9. API NUMBER:
4300731028

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
SWSW 2 14S 12E S

12. COUNTY
Carbon

13. STATE
UTAH

14. DATE SPUDDED: **6/20/2005**

15. DATE T.D. REACHED: **7/13/2005**

16. DATE COMPLETED: **7/14/2005**

ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
6156GL, 6166 KB

18. TOTAL DEPTH: MD **3,131** TVD

19. PLUG BACK T.D.: MD **2,645** TVD

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE MD **2,700** PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
(CBL, HDIL-ZDL-CN-GR-CAL)

23. WAS WELL CORED? NO YES (Submit analysis)
WAS DST RUN? NO YES (Submit report)
DIRECTIONAL SURVEY? NO YES (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12 1/4"	8 5/8 J-55	24#		319		204		Surface	
7 7/8"	5 1/2 N-80	17#		2,933		190	64	1330'	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8"	2,491							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Ferron	2,434	2,648	2,434	2,648				Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(B)					2,670 2,674	.43	4	Open <input type="checkbox"/> Squeezed <input checked="" type="checkbox"/>
(C)					2,578 2,588		60	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(D)					2,536 2,540		24	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
2536'-2588	Frac'd w/500 gal 15% HCL acid, 18,396 gal of 70Q Nitrogen 20# x-linked gel, 55,639# 20/40 sand, 475 mscf N2.

29. ENCLOSED ATTACHMENTS:

ELECTRICAL/MECHANICAL LOGS GEOLOGIC REPORT DST REPORT DIRECTIONAL SURVEY

SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION CORE ANALYSIS OTHER: _____

30. WELL STATUS:
Shut in

RECEIVED

JUN 12 2006

DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE: 11/17/2005		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 58	WATER - BBL: 24	PROD. METHOD: Flowing
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Ferron	2,434	2,648		Mancos	0
Dakota	2,876	2,922		Ferron	2,434
				Tununk	2,648
				Dakota	2,876
				Moenkopi	2,922

35. ADDITIONAL REMARKS (Include plugging procedure)

Well shut in, no pipeline. Waiting on results of future drilling.

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

NAME (PLEASE PRINT) Debra Gile TITLE Production Tech
 SIGNATURE Debra Gile DATE 6-8-2006

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
 1594 West North Temple, Suite 1210
 Box 145801
 Salt Lake City, Utah 84114-5801

Phone: 801-538-5340
 Fax: 801-359-3940

STONE ENERGY CORP
T145 R12E S-02
43-007-31022

RECEIVED

JUL 31 2006

DIV. OF OIL, GAS & MINING

Dugout Creek State 14-2

Monday June 20, 2005

Rig up & spud @ 11:30 am 6-20-05
Drilled 20' of 16" Borehole
Run 12 3/4" conductor pipe, mixed 7 1/2 sks of Quick Crete cement & welded on devertor flange
Drilling 12 1/4" bore hole for surface pipe 120'
Pull up hole 1 collar & set deverter head & blew line. SDFN

Tuesday June 21, 2005

Start Equipment & wash to bottom @ 120'
Drilled from 120' to 320'
cleaned hole & mixed mud to condition hole
TOOH
Set up to run 8 5/8 casing
TIH with casing landed @ 313.90' centralizers 1-3-4-6-8, basket @ 15' on last JT guide shoe
@ 312.10-313.90 float collar @ 281.30', RIH tagged fill @ 295' - 19' fill

Wednesday 6-22-05

washed down pipe - 20' fill
wait on cement truck
Pumped 204 sks of Portland Redi mix cement Displaced with 17.8 bbls of fresh water tagged plug
press up to 300 pst 10 bbls of good cement to surface release rig

Sunday July 10, 2005

Rigging up
BOP Test
set up to drill & mud logging equip
pick up drill collars & bit, TIH
misting pump being repaired
tagged cement @ 298 ft & drilled to 450'

Monday July 11, 2005

Drilled to 544' run survey @ 3/4 degrees
drilled to 1044' run survey @ 3 degrees
drilled to 1480' run survey @ 3 3/4 degrees
drilled to 1830', 22000#'s on bit because of deviation problems

Tuesday July 12, 2005

drilled to 2007'
survey @ 2000' 3 degrees
drilled to 2275'
drilled to 2351'
started injecting potassum chloride & foam or misting water
drilled to 2537', (string float in therefore no survey)

serviced compressors & rig
drilled to 2643'

Wednesday July 13, 2005

drilled to 3131', TD samples look like Dakota formation
circulate hole clean, TOOH with 26 jts to pipe check valve
mixed mud and filled hole
TIH. Tagged bridge at 2966'. Washed and reamed down to 3011'.
TOOH to log

Thursday July 15, 2005

laid down collars
Log well. Loggers TD 2976'.
running casing, 73 jts of 5-1/2 N80 pipe, stacked out at 2976'. Layed down 1 joint, POOH 14'
attempt to circulate, pumped 300 bbls, no returns
laid down 1 jt to put on cement head (pipe would not go down)
Howco pumped gel sweeps with LCM, 20 bbls sweeps, 4 sks of gel & 40 lbs of LCM/5 bbls
150bbls of gel total & 557 bbls displacement water, 4 1/2 bbls / min @ 23 to -10 pressures
tried to work pipe, pipe stuck pulled 160,000 with no movement
wait on loggers to free point
rigged up loggers to free point

Friday July 15, 2005

RIH with free point tool & tested tool , not working POOH
RIH with new free point tool, checked from 500' to 1670' free @ 1627' @ 40%
RIH with CIBP set @ 2700'
Pressure tested CIBP to 500#'s pumped 26.6 bbls. Fluid level @ 850' held 500 psi for 5 min
RIH and perforated from 2670-74, 4 spf @ .43 hole size
POOH with gun fluid level dropped to 1150', rigged up Halliburton to pump cement
pumped multiple gel sweeps with LCM, 20 bbls sweeps, 4 sks of gel & 40 lbs of LCM/5 bbls
waiting on orders for cement job
pumped 10 bbl wtr spacer, 20 sx lead cement Type III w/ 0.25 pps Flocele & 10 pps Gilsonite,
10.5 ppg, 4.14 yld, 170 sx tail cement Premium Plus w/ 10% Cal-Seal 60, 1% CaCl, & 0.25 pps
Flocele, 14.2 ppg, 1.61 yld, displaced with 59.9 bbls water leaving 86' of cmt in casing above
perfs, on displacement while pumping last 46 bbls pressure climbed from 35 psi to 423 psi,
no returns throughout job.
RDMO Halliburton.
SDFN

Saturday July 16, 2005

No activity
Moving Rig pumps & drill pipe to 22-16
Laid down cement head & rig up loggers to bond log lower section
CBL lower section, bond up to 1316', TOC @ 1330'
Waiting on Cameron to set slips
Set slips, landing casing @ 2933' & cut off 5 1/2 casing, Release rig
No activity, will move rig on Tuesday (7-19-05) to Dugout Creek State 22-16 location

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING
1. DJJ
2. CDW

X Change of Operator (Well Sold)
 Operator Name Change

Designation of Agent/Operator
 Merger

The operator of the well(s) listed below has changed, effective: 7/1/2007

FROM: (Old Operator): N2745-Stone Energy Corporation 1999 Broadway, Suite 3700 Denver, CO 80202-3025 Phone: 1-(303) 296-3600	TO: (New Operator): N2695-Newfield Production Company 1401 17th St, Suite 1000 Denver, CO 80202 Phone: 1-(303) 893-0102
---	---

CA No. Unit:

WELL NAME(S)	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
DUGOUT CREEK ST 14-2	02	140S	120E	4300731022	14793	State	GW	S
DUGOUT ST 22-16	16	140S	120E	4300731023	14773	State	GW	S

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 7/25/2007
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 7/25/2007
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 7/31/2007
- Is the new operator registered in the State of Utah: Business Number: 755627-0143
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a
- 5c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA n/a
- Federal and Indian Units:**
 The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**
 The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 7/31/2007
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 7/31/2007
- Bond information entered in RBDMS on: 7/31/2007
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

WELL(S) BOND VERIFICATION:

- Federal well(s) covered by Bond Number: n/a
- Indian well(s) covered by Bond Number: n/a
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 61BSBDH2919
- The **FORMER** operator has requested a release of liability from their bond on: n/a
 The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ST of UT ML 48660
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 INDIAN, ALLOTTEE OR TRIBE NAME: NO
		7. UNIT or CA AGREEMENT NAME: NONE
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: DUGOUT CREEK 14-2	
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY N2695		9. API NUMBER: 4300731022
3. ADDRESS OF OPERATOR: 1401 17th St., Suite 1000 CITY Denver STATE CO ZIP 80202	PHONE NUMBER: (303) 893-0102	10. FIELD AND POOL, OR WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1,161' FSL - 1,256' FWL		COUNTY: Carbon
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 2 14S 12E SLB		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) Approximate date work will start: _____	<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
	<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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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
	<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.

Effective 7/1/07 Newfield Production Company will take over operations of the referenced well.
The previous owner was:

Stone Energy Corporation **N2745**
950 17th Street, Suite 2600
Denver, CO 80202

Effective 7/1/07 Newfield Production Company is responsible under the terms and conditions of the leases for operations conducted on the leased lands or a portion thereof under BLM Bond No. RLB 0010473.

Seller Signature:	Title: Matthew Peterson Operations Engineer 6/29/07
NAME (PLEASE PRINT) <u>Kelly L. Donohoue</u>	TITLE <u>Division Landman</u>
SIGNATURE	DATE <u>6/29/07</u>

(This space for State use only)

APPROVED 7/13/07

Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

RECEIVED
JUL 25 2007
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 2, 2008

CERTIFIED MAIL NO.: 7004 2510 0004 1824 6121

Mr. Mike Guinn
Newfield Production Company
Route 3 Box 3630
Myton, UT 84052

43 007 31022
Dugout Creek St 14-2
1AS 12E 2

Re: Extended Shut-in and Temporarily Abandoned Well Requirements for Wells on Fee or State Leases

Dear Mr. Guinn:

As of July 2008, Newfield Production Company (Newfield) has two (2) Fee Lease Wells and twenty (20) State Mineral Lease Wells (see attachment A) in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months require the filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining ("Division") approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (R649-3-36-1.3.3).

Several wells on the attached list have been denied for extended SI/TA. There has been only one response since these denials were issued. In a sundry notice signed and dated February 17, 2005, Newfield stated they "intend to Plug and Abandon the well (State 16-2 API# 43-013-30552) upon signature approval, the procedure will begin." Based on this report, the Division granted SI/TA extension for this well until September 1, 2005. More than sufficient time has passed to accomplish the P&A on this well. To date, the Division has not received a sundry to P&A this well. Please address this matter promptly by including required documents for this and all wells listed on Attachment A.

For extended SI/TA consideration the operator shall provide the Division with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and



Page 2
September 2, 2008
Mr. Guinn

3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions will be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

JP/js
Enclosure

cc: Jim Davis, SITLA
Wells File
Compliance File

ATTACHMENT A

	Well Name	API	Lease Type	Years Inactive
1	State 16-2	43-013-30552	State	27 Years 4 Months
2	Wells Draw ST 7-36	43-013-30934	ML-21835	3 Years 4 Months
3	Ashley ST	43-013-32574	ML-43538	1 Year 4 Months
4	Dugout Creek ST <i>A-2</i>	43-007-31022	ML-48660	3 Years 0 Months
5	Dugout Creek 22-16	43-007-31023	ML-48599	2 Years 8 Months
6	NGC ST 33-32	43-047-31116	ML-22058	1 Year 2 Months
7	Gulf State 36-13	43-047-31345	ML-22057	2 Years 0 Months
8	Gulf State 36-12	43-047-31864	ML-22057	1 Year 0 Months
9	Gulf State 36-22	43-047-31892	ML-22057	1 Year 5 Months
10	State 31-32	43-047-32500	State	1 Year 7 Months
11	UTD State 36-M	43-047-32581	State	3 Years 11 Months
12	Sundance ST 3-32	43-047-32741	ML-22058	1 Year 2 Months
13	Castle Draw 1-2-9-17	43-047-32843	State	4 Years 0 Months
14	Castle Draw 9-2-9-17	43-047-33238	State	1 Year 0 Months
15	Sundance 9-32-8-18	43-047-34460	State	4 Years 7 Months
16	Sundance 16-32-8-18	43-047-34466	State	4 Years 6 Months
17	State 15-2-9-18	43-047-35780	ML-48377	1 Year 11 Months
18	State 14-2-9-18	43-047-35781	ML-48377	2 Years 0 Months
19	State 13-2-9-18	43-047-35782	ML-48377	1 Year 11 Months
20	State 12-2-9-18	43-047-35783	ML-48377	2 Years 0 Months
21	Rex Lamb 34-2	43-047-31692	Fee	1 Year 11 Months
22	Anna Belle 31-2-J	43-047-31698	Fee	1 Year 4 Months



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

February 24, 2009

CERTIFIED MAIL NO.: 7005 0390 0000 7507 4221

Mr. Mike Guinn
Newfield Production Company
Route 3, Box 3630
Myton, UT 84052

43 007 31022
Dugout Creek ST 14-2
14S 12E 2

Subject: **SECOND NOTICE: Extended Shut-in and Temporarily Abandoned Well Requirements for Wells on Fee or State Leases**

Dear Mr. Guinn:

As of January 2009, Newfield Production Company ("Newfield") has thirteen (13) State Mineral Lease Wells (see attachment A) in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months require the filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining ("Division") approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (R649-3-36-1.3.3).

Several wells on the attached list have been denied for extended SI/TA. Previously in a sundry notice signed and dated February 17, 2005, Newfield stated they "intend to Plug and Abandon the well (State 16-2 API# 43-013-30552)... upon signature approval, the procedure will begin." Based on this report, the Division granted SI/TA extension for this well until September 1, 2005. Ample time has passed to plug this well. To date, the Division has not received a sundry to perform proposed work on this well. Also, in September 2008 the Division sent a notice via certified mail addressing the non-compliance issues on the above listed wells. Specific information was requested per R-649-3-36. No such correspondence has been received from Newfield. Please address this matter promptly by including required documents for all wells listed on Attachment A.



Page 2
Newfield Production Company
February 24, 2009

For extended SI/TA consideration the operator shall provide the Division with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, a notice of violation will be issued. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

DKD/JP/JS
Enclosure
cc: Jim Davis, SITLA
Wells File
Compliance File
N:\O&G Reviewed Docs\ChronFile\PetroleumEngineer\SITLA

ATTACHMENT A

	Well Name	API	Lease Type	Years Inactive
1	State 16-2	43-013-30552	Sate	36 Years 9 Months
2	Dugout Creek ST	43-007-31022	ML-48660	3 Years 6 Months
3	Dugout Creek 22-16	43-007-31023	ML-48599	3 Years 2 Months
4	Gulf State 36-22	43-047-31892	ML-22057	1 Year 11 Months
5	State 31-32	43-047-32500	State	2 Years 1 Month
6	UTD State 36-M	43-047-32581	State	4 Years 5 Months
7	Castle Draw 1-2-9-17	43-047-32843	State	4 Years 6 Months
8	Sundance 9-32-8-18	43-047-34460	State	5 Years 1 Month
9	Sundance 16-32-8-18	43-047-34466	State	5 Years
10	State 15-2-9-18	43-047-35780	ML-48377	2 Years 5 Months
11	State 14-2-9-18	43-047-35781	ML-48377	2 Years 6 Months
12	State 13-2-9-18	43-047-35782	ML-48377	2 Years 5 Months
13	State 12-2-9-18	43-047-35783	ML-48377	2 Years 6 Months



March 12, 2009

43 007 31022
Dugout Creek St A-2
14S 12E 2

Mr. Dustin Doucet
Department of Natural Resources
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84116

Re: Shut-In & Temporarily Abandoned Well Requirements Request dated February 24, 2009.

Dear Mr. Doucet:

In response to your letters dated February 24, 2009, I have attached a spreadsheet with the plan for sundry action towards the wells listed in your letters. (I have also included your original documents in the attachments).

The completed sundries will be processed and submitted to your office by March 24th, 2009, as requested in your letters. Please note several of the wells have already been put back on production.

If you have any questions concerning this matter, please contact Tom Walker at 303-383-4114 or Susan Linder at 303-382-4443.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Walker", is written over a horizontal line.

Tom Walker
Operations Engineer

RECEIVED

MAR 23 2009

DIV. OF OIL, GAS & MINING

1st Letter				
API number	Well name/number	Lease/CA #	Status	Comments
43-013-31094	State 16-2N-9-16	ML-16532	P	Workover complete - back on Production Feb 20, 2009
43-013-32574	Ashley St 10-2-9-15	ML-43538	SI	Schedule cement job and put back on production.
43-047-31345	Gulf State 36-13-8-18	ML-22057	SI	Schedule re-completion and put back on production
43-047-31350	Gulf State 36-11-8-18	ML-22057	P	Currently producing - sundry sent in on 10/22/08 - recomplete put back on prod.
43-047-31482	HSB State 36-1-6-21	ML-33225	PGW	Currently in producing status
43-047-31698	Anna Belle 31-2-J-6-21	Fee	P	Currently in producing Status Workover for Tubing Leak Dec 10, 2008. Well went back on production Feb 2009. Review for production enhancement/possible acid stimulation workover.
43-047-31864	Gulf State 36-12-8-18	ML-22057	SI	Well has been put on schedule for re-completion work
43-047-32741	Sundance State 3-32	ML-22058	P	Currently producing. Well was placed back on production 9-24-08
43-047-33238	Castle Draw 9-2-9-17	ML-45555	SI	Sundry sent in 2/27/09 by Eric Sundberg from producer to Injection well
2nd notice				
API number	Well name/number	Lease/CA #	Status	Comments
43-013-30552	State 16-2-9-17	State	TA	Prepare sundry with P&A date and procedures. P&A to be completed by July 2009
43-007-31022	Dugout Creek State 14-2	ML-48660	SI-Gas	Prepare Sundry to change status from SI to TA Do not want to P&A wells. Currently uneconomical to produce
43-007-31023	Dugout Creek State 22-16	ML-48599	SI-Gas	Prepare Sundry to change status from SI to TA Do not want to P&A wells. Currently uneconomical to produce
43-047-31892	Gulf State 36-22	ML-22057	SI	Schedule re-completion and put back on production
43-047-32500	State 31-32-8-18	State	SI	Schedule re-completion and put back on production
43-047-32581	UTD State 36-M	State	SI	Prepare Sundry for TA-well is important to water flood program
43-047-32843	Castle Draw 1-2-9-17	State	SI	Prepare Sundry for workover-Acid job planned for well.
43-047-34460	Sundance 9-32-8-18	State	WOC	Well is currently at day 15 completion stage
43-047-34466	Sundance 16-32-8-18	State	WOC	Prepare Sundry to TA well (Drilled, cased, never perf'd)
43-047-35783	State 12-2-9-18	ML-48377	SO	Suspended operations-prepare sundry to TA well. (Drilled 320'- surface casing only)
43-047-35782	State 13-2-9-18	ML-48377	SO	Suspended operations-prepare sundry to TA well. (Drilled 320'- surface casing only)
43-047-35781	State 14-2-9-18	ML-48377	SO	Suspended operations-prepare sundry to TA well. (Drilled 320'- surface casing only)
43-047-35780	State 15-2-9-18	ML-48377	SO	Suspended operations-prepare sundry to TA well. (Drilled 320'- surface casing only)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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.

5. Lease Serial No.
State of Utah ML 48660

6. If Indian, Allottee or Tribe Name
no

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit of C/A/Agreement, Name and/or No. none
2. Name of Operator Newfield Production Company		8. Well Name and No. Dugout Creek State 14-2
3a. Address 1001 17th Street, Suite 2000	3b. Phone No. (include area code) 303-893-0102	9. API Well No. 4300731022
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1,161' FSL - 1,256' FWL SWSW Sec 2-T14S-R12E		10. Field and Pool or Exploratory Area Wildcat
		11. Country or Parish, State Carbon, Utah

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"/> Fracture Treat	<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 type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" 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.)

Newfield Production Company request to change the status of the subject well from Shut-In to Temporary Abandoned for a 12 month period. This well is critical to the Monument Butte drilling program, but is currently uneconomical to produce.

Newfield will cap the well, Set CIBP within 100' of top perf (50' normally). No cement needed. We have enough tubing in each well to get to this depth range. Fill well with corrosion inhibited fluid. Pressure test 1000psi for 30 minutes. Barton Chart it and send data with subsequent sundry to the State.

Please see attached Wellbore Diagram for additional well details.

Please contact Tom Walker at 303-382-4114 or Susan Linder at 303-382-4443, if you need additional information

COPY SENT TO OPERATOR

Date: 7.8.2009

Initials: KS

RECEIVED

JUL 07 2009

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Title Operations Tech

Signature Susan Linder Date July 7 2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by [Signature] Title Pet Eng. Date 7/8/09

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 DOGm

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) * Extension approval contingent on successful MIT.

Dugout Creek State 14-2-14-12

Spud Date: 6/20/2005
 Put on Production: 11/12/2005
 GL: 6156' KB: 6166'

Wellbore Diagram

SURFACE CASING

CSG SIZE: 8-5/8"
 GRADE: J-55
 WEIGHT: 24#
 DEPTH LANDED: 319'
 HOLE SIZE: 12-3/4"
 CEMENT DATA: cemented w/ 204 sx

PRODUCTION CASING

CSG SIZE: 5-1/2"
 GRADE: N-80
 WEIGHT: 17#
 LENGTH: 76 jts (2491')
 DEPTH LANDED: 2933.17'
 CEMENT DATA: cemented w/ 20 sx type III w/additives and 170 sx prem plus w/additives
 CEMENT TOP AT: 1330'

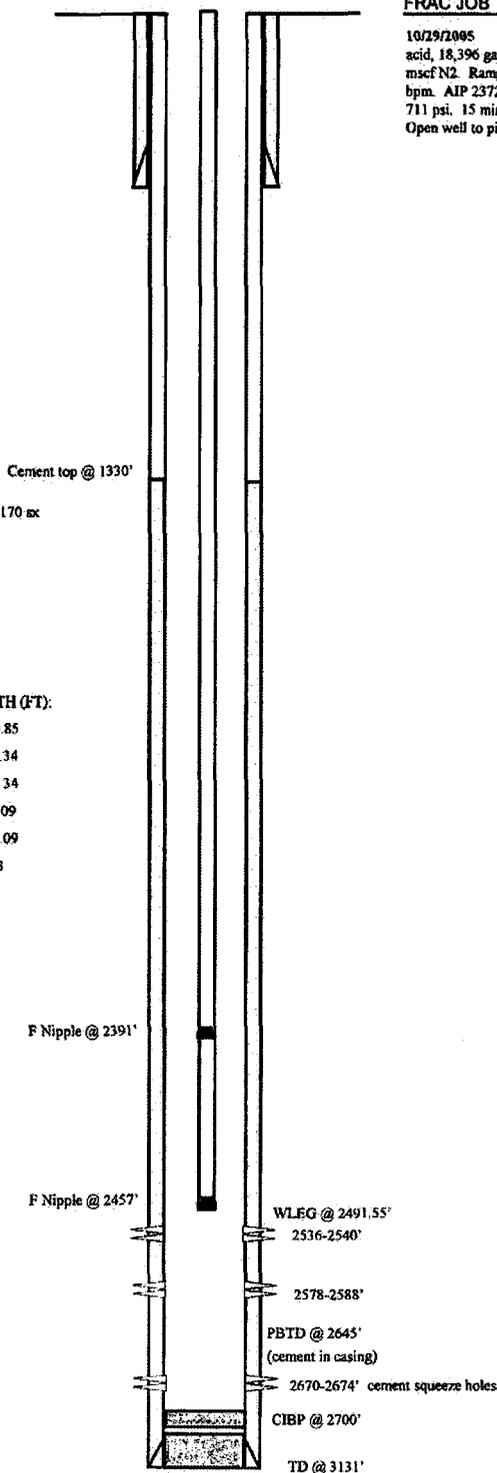
TUBING

SIZE/GRADE/WT.: 2-7/8" / J-55

	LENGTH (FT):	DEPTH (FT):
WIRELINE ENTRY GUIDE:	0.7	2490.85
1 JT 2 7/8" TBG:	32.51	2458.34
F NIPPLE (2.31 ID):	1	2457.34
2 JTS 2 7/8" TBG:	65.25	2392.09
F NIPPLE (2.31 ID):	1	2391.09
73 JTS 2 7/8" TBG:	2371.06	20.03
BLAST JT	20.03	0.00

FRAC JOB

10/29/2005 2536-2540' and 2578-2588' Frac'd w/ 500 gal 15% HCl acid, 18,396 gal of 70Q Nitrogen 20# x-linked gel, 55,639# 20/40 sand, 475 mscf N2. Ramped sand from 1 to 4 ppg. Formation broke at 2460 psi at 4.5 bpm. AIP 2372. AIR 28.2. Pmax 2553. ISIP 903. 5 min 745 psi. 10 min 711 psi. 15 min 693 psi. Frac Gradient 0.78 psi/ft. Total BLWTR 418 bbls. Open well to pit on 20/64" choke flowing up tubing.



PERFORATION RECORD

Date	Interval	Type	Holes
10/29/05	2536-2540'	6 JSPF	24 holes
10/29/05	2578-2588'	6 JSPF	60 holes
7/15/05	2670-2674'	6 JSPF	4 holes

NEWFIELD

Dugout Creek State 14-2-14-12

1161' FSL & 1256' FWL
 SW/SW Section 2-T14S-R12E
 Carbon Co, Utah
 API # 43-007-31022 ; Lease # ML-48660

NEWFIELD



August 13, 2009

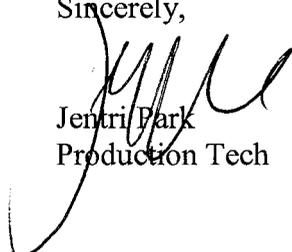
Mr. Brad Hill
State of Utah, DOGM
1594 West North Temple-Suite 1310
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Workover/Temporary Abandon
Dugout Creek St 14-2
Sec. 2, T14, R12
API #43-007-31022

Dear Mr. Brad Hill:

The subject well was temporarily abandoned. An MIT was performed. Please find enclosed the sundry, a copy of the tabular, and chart.

Sincerely,


Jentri Park
Production Tech

RECEIVED

AUG 17 2009

DIV. OF OIL, GAS & MINING

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-48660

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.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
FERRON

1. TYPE OF WELL: OIL WELL GAS WELL OTHER

8. WELL NAME and NUMBER:
DUGOUT CREEK ST 14 2

2. NAME OF OPERATOR:
NEWFIELD PRODUCTION COMPANY

9. API NUMBER:
4300731022

3. ADDRESS OF OPERATOR: Route 3 Box 3630 CITY Myton STATE UT ZIP 84052 PHONE NUMBER 435.646.3721

10. FIELD AND POOL, OR WILDCAT:
DUGOUT CREEK

4. LOCATION OF WELL:
FOOTAGES AT SURFACE:

COUNTY: DUCHESNE

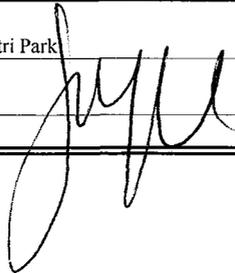
OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: , 2, T14S, R12E STATE: UT

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 (Submit in Duplicate) Approximate date work will _____	<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
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of Work Completion: 08/13/2009	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input checked="" type="checkbox"/> TEMPORARITLY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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 FLAIR
	<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/STOP)	<input type="checkbox"/> WATER SHUT-OFF
	<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.

On 07-29-09 a MIT was performed on the well, after a workover to temporary abandon the well was completed. The casing was pressured up to 1200 PSI and charted for 30 minutes with no pressure loss.

NAME (PLEASE PRINT) Jentri Park TITLE Production Tech
SIGNATURE  DATE 08/13/2009

(This space for State use only)

RECEIVED
AUG 17 2009
DIV. OF OIL, GAS & MINING

Mechanical Integrity Test Casing or Annulus Pressure Test

Newfield Production Company

Rt. 3 Box 3630

Myton, UT 84052

435-646-3721

Witness: _____ Date 7/29/09 Time 1230 am pm

Test Conducted by: Trefley J. Ruzar

Others Present: _____

Well: <u>Dug out Creek State 14-2-14-12</u>	Field: <u>Dug out Creek</u> <u>Carbon County Utah</u>
Well Location: <u>SW/5W Sec. 2, T14S, R12E</u>	API No: <u>43-007-31022</u>

<u>Time</u>	<u>Casing Pressure</u>	
0 min	<u>1200</u>	psig
5	<u>1200</u>	psig
10	<u>1200</u>	psig
15	<u>1200</u>	psig
20	<u>1200</u>	psig
25	<u>1200</u>	psig
30 min	<u>1200</u>	psig
35	<u>—</u>	psig
40	<u>—</u>	psig
45	<u>—</u>	psig
50	<u>—</u>	psig
55	<u>—</u>	psig
60 min	<u>—</u>	psig

Tubing pressure: 0 psig

Result: Pass Fail

Signature of Witness: _____

Signature of Person Conducting Test: Trefley J. Ruzar

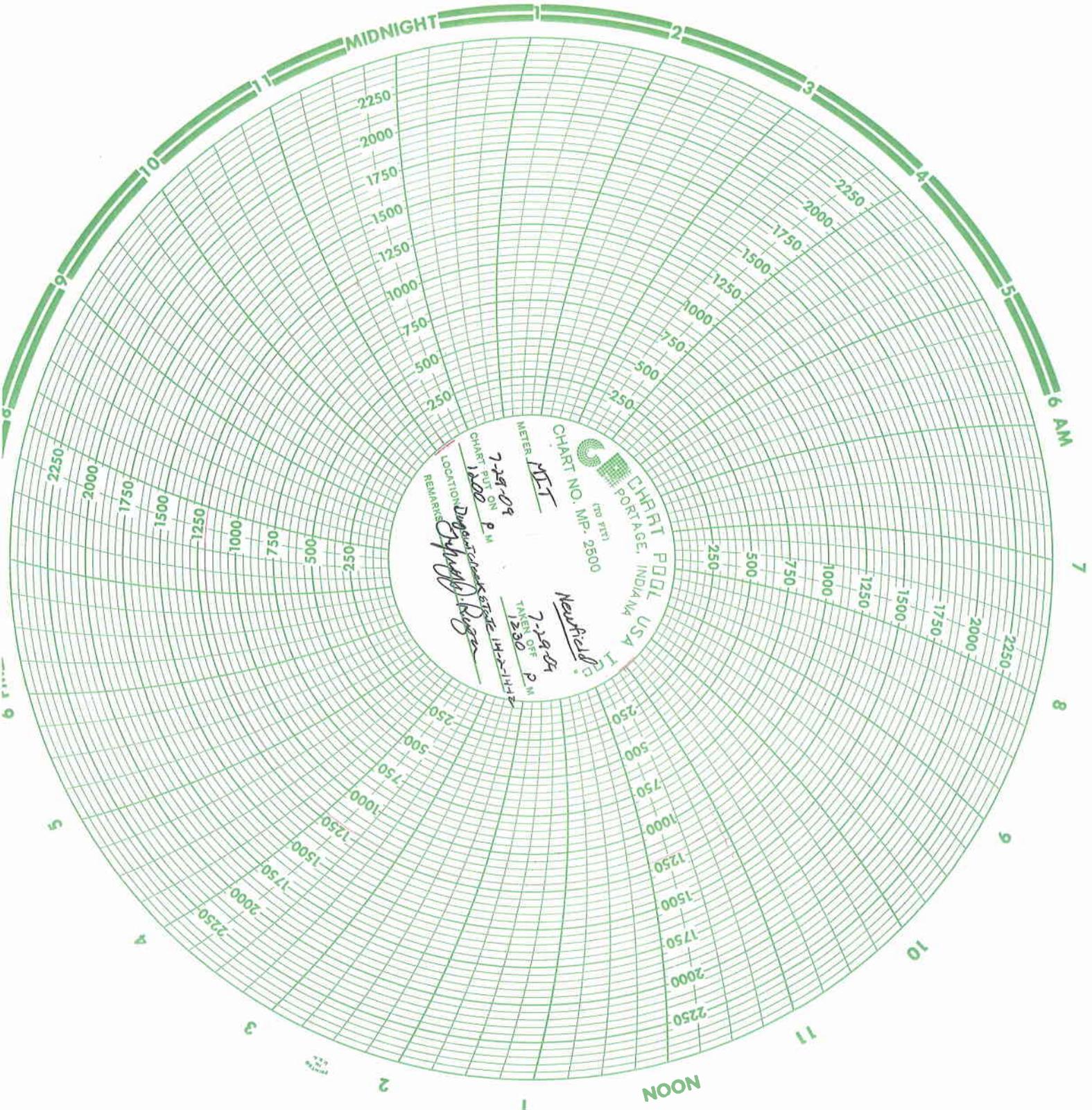


CHART PORTAGE, INDIA, USA I.R.O.
CHART NO. MP-2800
METERS *111*
CHART PUT ON *7-29-04* P.M.
TAKEN OFF *7-29-04* P.M.
12:30
LOCATION *Dungeness Spit, WA-51147*
REMARKS *Original Chart - 111*

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
ST OF UT ML 48660

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.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
FERRON

1. TYPE OF WELL: OIL WELL GAS WELL OTHER

8. WELL NAME and NUMBER:
DUGOUT CREEK ST 14-2

2. NAME OF OPERATOR:
NEWFIELD PRODUCTION COMPANY

9. API NUMBER:
4300731022

3. ADDRESS OF OPERATOR: Route 3 Box 3630 CITY Myton STATE UT ZIP 84052 PHONE NUMBER 435.646.3721

10. FIELD AND POOL, OR WILDCAT:
DUGOUT CREEK

4. LOCATION OF WELL:
FOOTAGES AT SURFACE: 1161 FSL 1256 FWL

COUNTY: ~~DUCHESNE~~ Carbon

OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: , 2, T14S, R12E STATE: UT

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 (Submit in Duplicate) Approximate date work will _____	<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
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of Work Completion: 06/24/2010	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARITLY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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 FLAIR
	<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/STOP)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: - 1-yr MIT
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

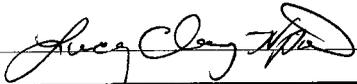
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

On 06/24/2010 Mark Jones with the State of Utah DOGM was contacted concerning the MIT on the above listed well. Permission was given at that time to perform the test on 06/24/2010. On 06/28/2010 the csg was pressured up to 1140 psig and charted for 30 minute with no pressure loss. There was a State representative available to witness the test - Mark Jones.

API# 43-007-31022

NAME (PLEASE PRINT) Lucy Chavez-Naupoto

TITLE Administrative Assistant

SIGNATURE 

DATE 06/30/2010

(This space for State use only)

RECEIVED
JUL 01 2010
DIV. OF OIL, GAS & MINING

Mechanical Integrity Test Casing or Annulus Pressure Test

Newfield Production Company

Rt. 3 Box 3630
Myton, UT 84052
435-646-3721

Witness: Mark Jones Date 6/28/10 Time 1:30 am pm

Test Conducted by: Trey Rizer

Others Present: _____

Well: <u>Dugout Creek 14-2-14-12</u>	Field: _____
Well Location: <u>SW/SW Sec 2 T14S R12E</u>	API No: <u>43-007-31022</u>

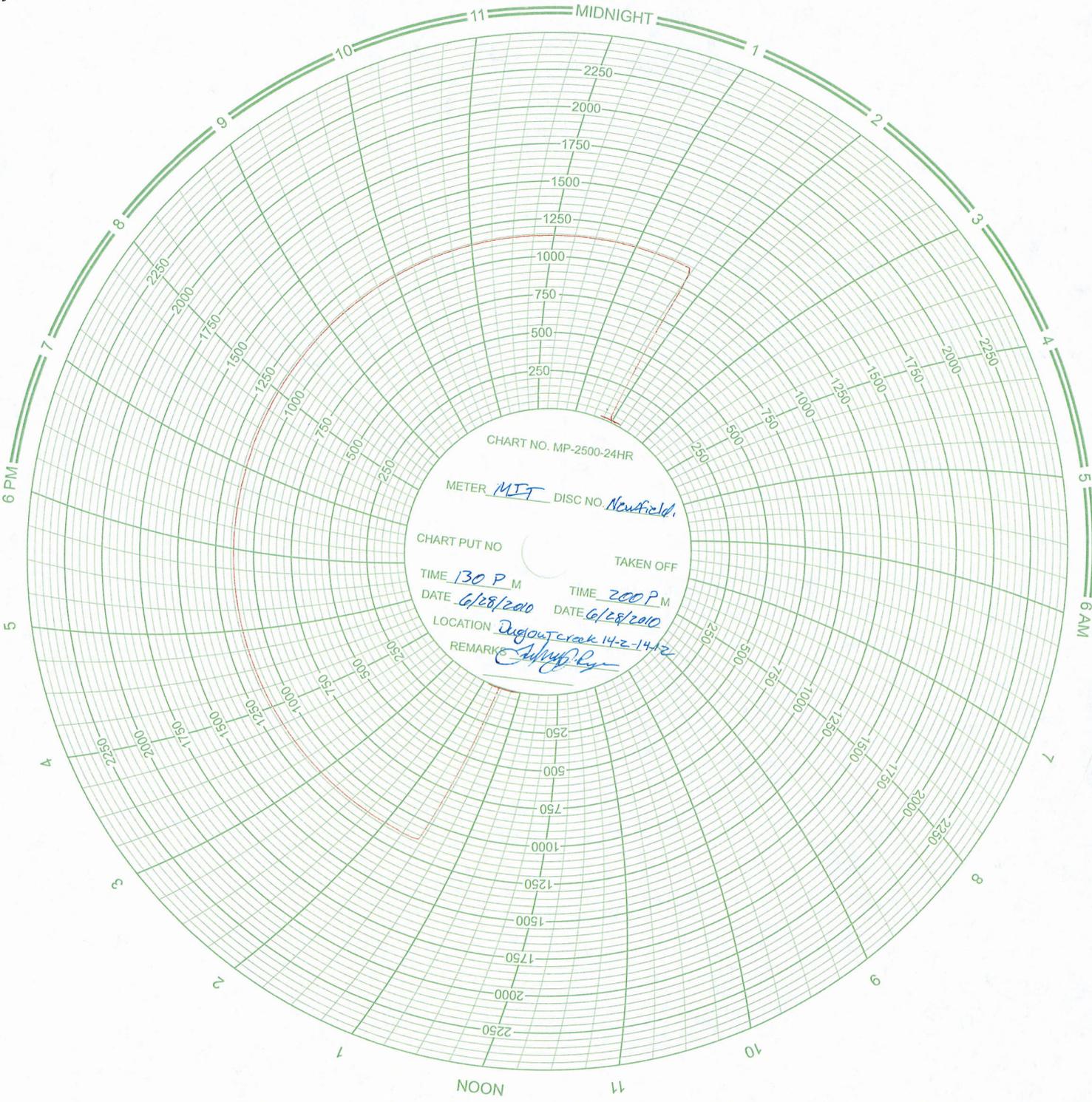
<u>Time</u>	<u>Casing Pressure</u>	
0 min	<u>1140</u>	psig
5	<u>1140</u>	psig
10	<u>1140</u>	psig
15	<u>1140</u>	psig
20	<u>1140</u>	psig
25	<u>1140</u>	psig
30 min	<u>1140</u>	psig
35	_____	psig
40	_____	psig
45	_____	psig
50	_____	psig
55	_____	psig
60 min	_____	psig

Tubing pressure: N/A psig

Result: Pass Fail

Signature of Witness: ~~Trey Rizer~~ Mark Jones DOGM

Signature of Person Conducting Test: Trey Rizer



STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: ML-48660
	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: DUGOUT CREEK ST 14-2
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY	9. API NUMBER: 43007310220000
3. ADDRESS OF OPERATOR: 1001 17th Street, Suite 2000 , Denver, CO, 80202	PHONE NUMBER: 303 382-4443 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1161 FSL 1256 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 02 Township: 14.0S Range: 12.0E Meridian: S	9. FIELD and POOL or WILDCAT: WILDCAT COUNTY: CARBON STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 8/1/2010	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER:

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

Newfield Production Company requests the approval to Plug and Abandon subject well. Please see attached Well Bore Diagrams and detailed procedure. Please contact Wayne Baud at 303-383-4139 with any questions.

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

Date: July 21, 2010
By: 

NAME (PLEASE PRINT) Sam Styles	PHONE NUMBER 303 893-0102	TITLE Engineering Tech
SIGNATURE N/A	DATE 7/13/2010	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources
Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43007310220000

- 1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338.**
- 2. All balanced plugs shall be tagged to ensure that they are at the depth specified.**
- 3. All annuli shall be cemented from a minimum depth of 100' to the surface.**
- 4. Surface reclamation shall be done in accordance with R649-3-34 – Well Site Restoration.**
- 5. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply.**
- 6. If there are any changes to the procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 (ofc) or 801-733-0983 (home) prior to continuing with the procedure.**
- 7. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.**

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

Date: July 21, 2010
By: Dustin Doucet

Wellbore Diagram

API Well No: 43-007-31022-00-00 **Permit No:** **Well Name/No:** DUGOUT CREEK ST 14-2
Company Name: NEWFIELD PRODUCTION COMPANY
Location: Sec: 2 T: 14S R: 12E Spot: SWSW
Coordinates: X: 538948 Y: 4386879
Field Name: WILDCAT
County Name: CARBON

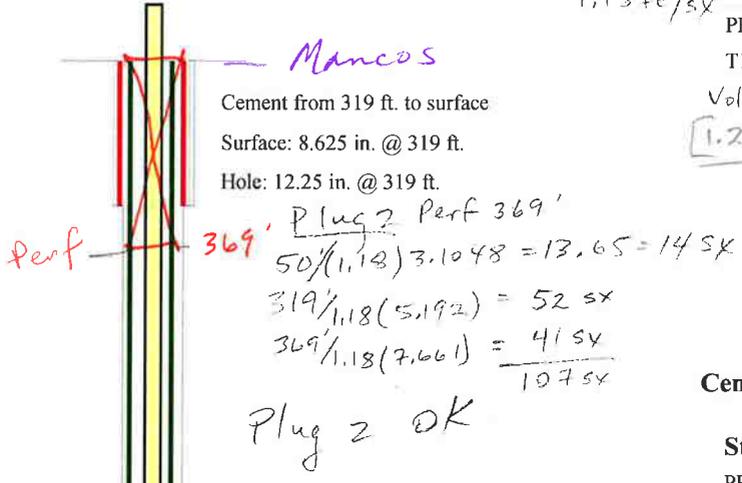
String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)	Capacity (ft ³ /ft ³)
HOL1	319	12.25			
SURF	319	8.625	24	319	3.250
HOL2	2933	7.875			0.3382
PROD	2933	5.5	17	2933	7.661
T1	2491	2.875			

cem yield 1.15 ft³/sx

Vol 7 7/8 hole w/20% w/o ⇒ annulus

$$\frac{1.2(7.875)^2 - 5.5^2}{183.35} = \frac{89.50 - 30.25}{183.35} = 3.1048 \text{ ft}^3/\text{ft}$$



Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
PROD	2933	1330	T3	20
PROD	2933	1330	PP	170
SURF	319	0	A	204

1330' top cement.

Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Squeeze
2536	2674			

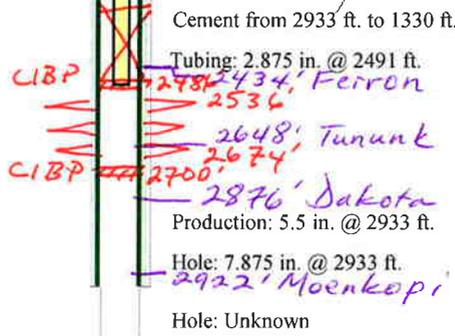
Approved by the Utah Division of Oil, Gas and Mining

Date: July 21, 2010
By: *[Signature]*

Plug 1 2486-2386'
 $100 / (1.18) * (7.661) = 1154$
 Plug 1 OK

Formation Information

Formation	Depth
FRSD	2434
TNUNK	2648
DKTA	2876
MNKP	2922



TD: 3131 **TVD:** 3131 **PBTD:** 2645

(AS - IS)
Dugout Creek State 14-2-14-12

Spud Date: 6/20/2005
 Put on Production: 11/12/2005
 GL: 6156' KB: 6166'

SURFACE CASING

CSG SIZE: 8-5/8"
 GRADE: J-55
 WEIGHT: 24#
 DEPTH LANDED: 319'
 HOLE SIZE: 12-3/4"
 CEMENT DATA: cemented w/ 204 sx

PRODUCTION CASING

CSG SIZE: 5-1/2"
 GRADE: N-80
 WEIGHT: 17#
 LENGTH: 76 jts (2491')
 DEPTH LANDED: 2933.17'
 CEMENT DATA: cemented w/ 20 sx type III w/additives and 170 sx prem plus w/additives
 CEMENT TOP AT: 1330'

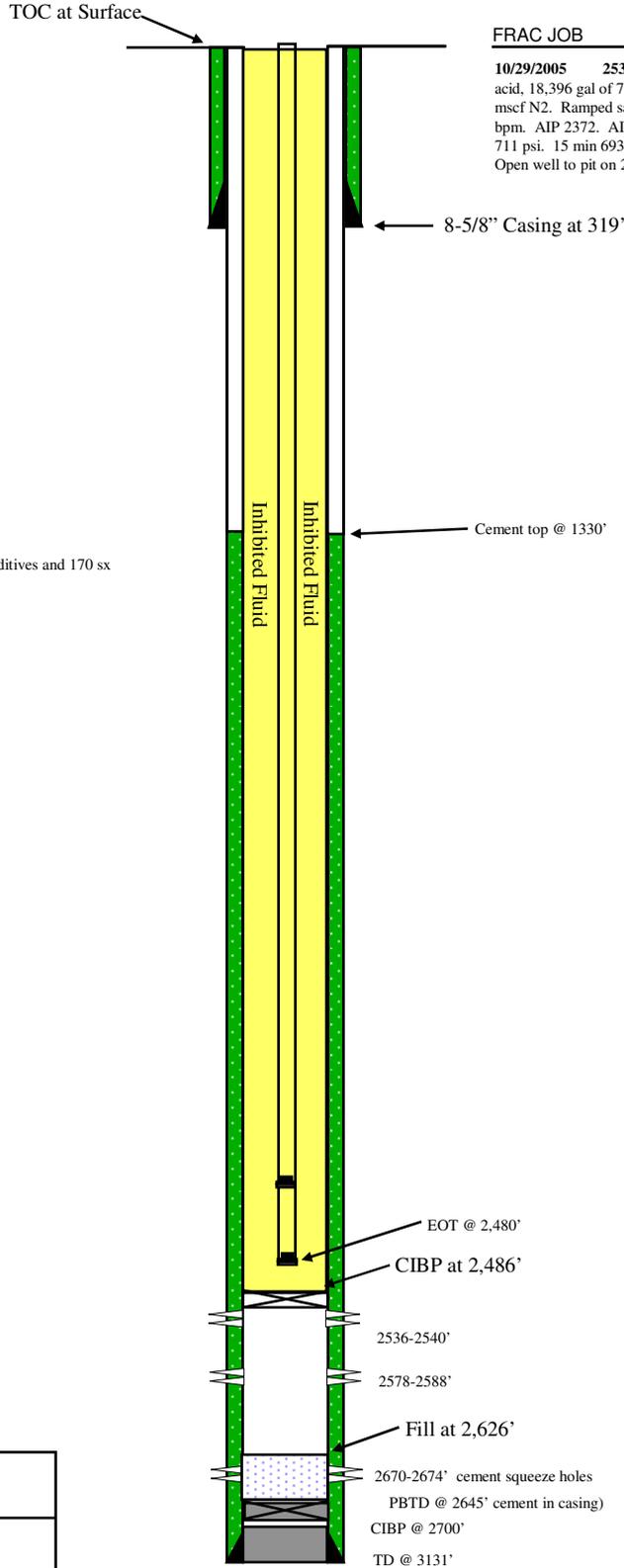
TUBING

(SIZE/GRADE/WT.: 2-7/8" / J-55)

WIRELINE ENTRY GUIDE at 2,486'

- 1 JT 2 7/8": TBG:
- F NIPPLE (2.31 ID):
- 3 JTS 2 7/8" TBG:
- F NIPPLE (2.31 ID):
- 72 JTS 2 7/8" TBG:

Wellbore Diagram



FRAC JOB

10/29/2005 2536-2540' and 2578-2588' Frac'd w/ 500 gal 15% HCL acid, 18,396 gal of 70Q Nitrogen 20# x-linked gel, 55,639# 20/40 sand, 475 msf N2. Ramped sand from 1 to 4 ppg. Formation broke at 2460 psi at 4.5 bpm. AIP 2372. AIR 28.2. Pmax 2553. ISIP 903. 5 min 745 psi. 10 min 711 psi. 15 min 693 psi. Frac Gradient 0.78 psi/ft. Total BLWTR 418 bbls. Open well to pit on 20/64" choke flowing up tubing.

PERFORATION RECORD

Date	Interval	Tool	Holes
10/29/05	2536-2540'	6 JSPF	24 holes
10/29/05	2578-2588'	6 JSPF	60 holes
7/15/05	2670-2674'	6 JSPF	4 holes

NEWFIELD

Dugout Creek State 14-2-14-12

1161' FSL & 1256' FWL
 SW/SW Section 2-T14S-R12E
 Carbon Co, Utah
 API # 43-007-31022 ; Lease # ML-48660

(PROPOSED)
 Dugout Creek State 14-2-14-12

Spud Date: 6/20/2005
 Put on Production: 11/12/2005
 GL: 6156' KB: 6166'

Wellbore Diagram

SURFACE CASING

CSG SIZE: 8-5/8"
 GRADE: J-55
 WEIGHT: 24#
 DEPTH LANDED: 319'
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 CEMENT DATA: cemented w/ 204 sx

FRAC JOB

10/29/2005 2536-2540' and 2578-2588' Frac'd w/ 500 gal 15% HCL acid, 18,396 gal of 70Q Nitrogen 20# x-linked gel, 55,639# 20/40 sand, 475 msf N2. Ramped sand from 1 to 4 ppg. Formation broke at 2460 psi at 4.5 bpm. AIP 2372. AIR 28.2. Pmax 2553. ISIP 903. 5 min 745 psi. 10 min 711 psi. 15 min 693 psi. Frac Gradient 0.78 psi/ft. Total BLWTR 418 bbls. Open well to pit on 20/64" choke flowing up tubing.

PRODUCTION CASING

CSG SIZE: 5-1/2"
 GRADE: N-80
 WEIGHT: 17#
 LENGTH: 76 jts (2491')
 DEPTH LANDED: 2933.17'
 CEMENT DATA: cemented w/ 20 sx type III w/additives and 170 sx prem plus w/additives
 CEMENT TOP AT: 1330'

TUBING

(SIZE/GRADE/WT.: 2-7/8" / J-55)

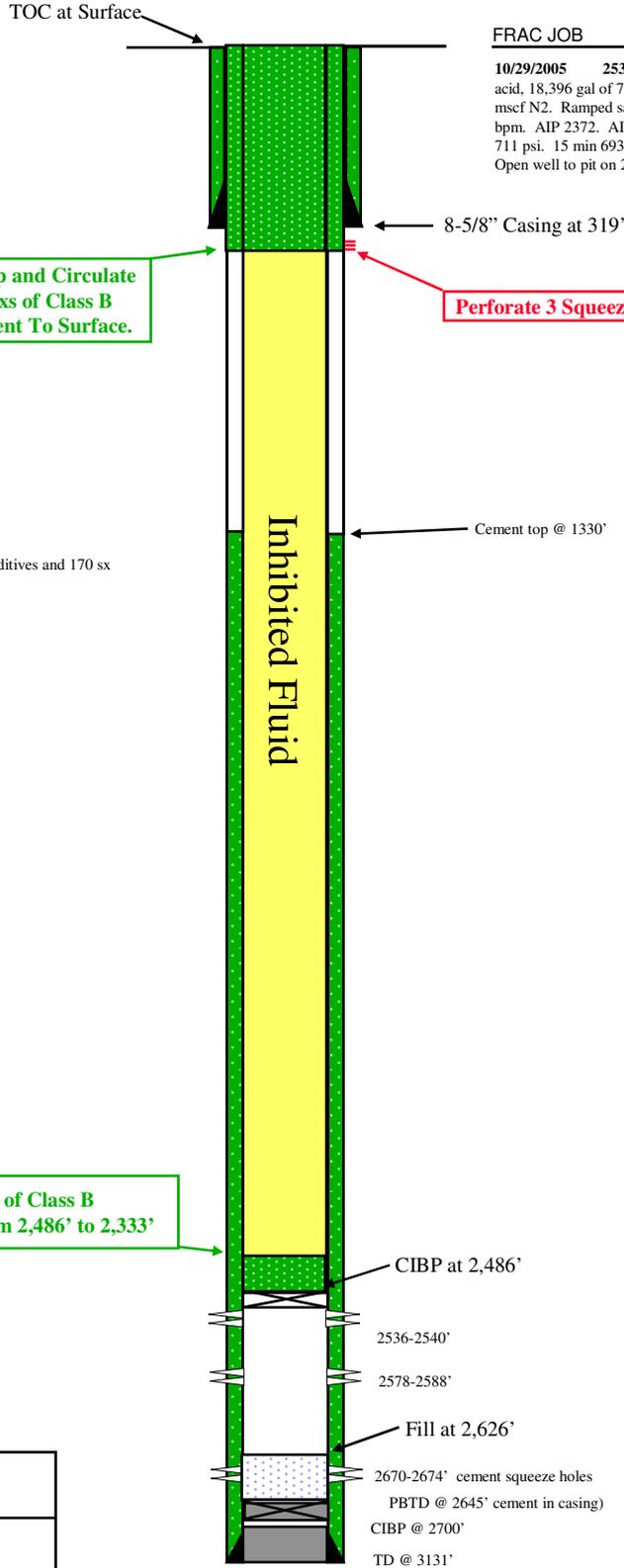
WIRELINE ENTRY GUIDE at 2,486'

- 1 JT 2 7/8": TBG:
- F NIPPLE (2.31 ID):
- 3 JTS 2 7/8" TBG:
- F NIPPLE (2.31 ID):
- 72 JTS 2 7/8" TBG:

Pump and Circulate
 140 sxs of Class B
 Cement To Surface.

Perforate 3 Squeeze Holes.

Spot 17 sxs of Class B
 cement from 2,486' to 2,333'



PERFORATION RECORD

Date	Interval	JSPF	Holes
10/29/05	2536-2540'	6 JSPF	24 holes
10/29/05	2578-2588'	6 JSPF	60 holes
7/15/05	2670-2674'	6 JSPF	4 holes

NEWFIELD

Dugout Creek State 14-2-14-12

1161' FSL & 1256' FWL
 SW/SW Section 2-T14S-R12E
 Carbon Co, Utah
 API # 43-007-31022 ; Lease # ML-48660

Web (7/12/2010)

Newfield Energy

July 10, 2010

Dugout Creek State 14-02-14-12

1161' FSL , 1256' FWL, Section 02, T-14-S, R-12-E

Carbon County, UT / API 43-007-31022

Lat: N _____ / Long: W _____

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B or ASTM Type II, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. Install and test location rig anchors. Comply with all UDOG&M, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water if necessary. ND wellhead and NU BOP. Function test BOP.
2. Tag the existing CIBP at 2486'. Establish circulation to surface. Do not circulate out the inhibited fluid currently in the wellbore.
3. **Plug #1 (Coal perforations, 2486' to 2333')**: Pressure test casing to 500 PSI. *If casing does not test, then spot or tag subsequent plugs as appropriate.* Mix 17 sxs Class B cement and spot a balanced plug inside the casing from 2486' to 2333' to isolate the perforated interval. TOH with the tubing.
4. **Plug #2 (8.625" Surface casing shoe, 369' to Surface)**: Perforate 3 HSC squeeze holes at 369'. Establish circulation to surface out the bradenhead valve, circulate the BH annulus clean. Mix approximately 140 sxs Class B cement and pump down the 5.5" casing from 369' to surface, circulate good cement our the bradenhead valve. Shut in the well and WOC.
5. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

RECEIVED July 13, 2010

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
ST OF UT ML 48660

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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.

7. UNIT or CA AGREEMENT NAME:
FERRON

1. TYPE OF WELL: OIL WELL GAS WELL OTHER

8. WELL NAME and NUMBER:
DUGOUT CREEK ST 14 2

2. NAME OF OPERATOR:
NEWFIELD PRODUCTION COMPANY

9. API NUMBER:
4300731022

3. ADDRESS OF OPERATOR:
Route 3 Box 3630 CITY Myton STATE UT ZIP 84052

PHONE NUMBER
435.646.3721

10. FIELD AND POOL, OR WILDCAT:
DUGOUT CREEK

4. LOCATION OF WELL:
FOOTAGES AT SURFACE:

COUNTY: CARBON

5. OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: , 2, T14S, R12E

STATE: UT

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will 	<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
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of Work Completion: 07/28/2010	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARITLY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLAIR
	<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/STOP)	<input type="checkbox"/> WATER SHUT-OFF
	<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.

On 7/28/2010: MIRU A-Plus rig #5. ND wellhead & NU BOP. Remove tbg hanger. Pressure test casing & BOP to 500 psi. PU 1 jt tbg & tag CIBP @ 2486'. LD jt of tbg. SIFN

7/29/2010: PU tbg sub to place EOT @ 2485'. Mix & pump 17 sks Type B cmt (15.6 ppg, 1.18 cf/sk yld) to place TOC @ 2333'. LD tbg & BHA. RU WLT & RIH W/ perf gun. Perf 3 holes @ 369'. Fill 5 1/2 casing & establish circulation out 8 5/8 casing valve W/ injection rate of 2 BPM @ 300 psi. Mix & pump 125 sks Type B cmt (15.6 ppg, 1 1/8 cf/sk yld). Returning good cement out sfc casing. SIFN.

7/30/2010: ND BOP. Cut off wellhead 3' below ground level. Cement inside both casing strings at surface. Weld on dry hole marker. RDSU. Dig out & cut off deadman anchors. Clean location & load out equipment. Move equipment off location.

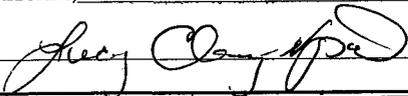
Neilson Contractors will reclaim location & road.

Mark Jones W/ UDOGM was contacted concerning intent. Mark witnessed all activities.

NAME (PLEASE PRINT) Lucy Chavez-Naupoto

TITLE Administrative Assistant

SIGNATURE



DATE 08/17/2010

(This space for State use only)

RECEIVED
AUG 19 2010
DIV. OF OIL, GAS & MINING

INJECTION WELL - PRESSURE TEST

Well Name: Dugout Creek St. 14-2 API Number: 4300731022
 Qtr/Qtr: SWSW Section: 2 Township: 14E Range: 12E
 Company Name: Newfield Production Co.
 Lease: State X Fee _____ Federal _____ Indian _____
 Inspector: Mark Jones Date: 6-28-10

Initial Conditions:

Tubing - Rate: N/A Pressure: 0 psi
 Casing/Tubing Annulus - Pressure: 0 psi

Conditions During Test:

Time (Minutes)		Annulus Pressure	Tubing Pressure
0	1:30	1140	N/A
5			
10			
15			
20			
25			
30	2:00	1140	N/A

Results: Pass/Fail

Conditions After Test:

Tubing Pressure: N/A psi
 Casing/Tubing Annulus Pressure: 0 psi

COMMENTS: tested w/ Nitrogen bottle.

Trefley Raza (Newfield)
 Operator Representative

RECEIVED
 DEC 30 2010
 DIV. OF OIL, GAS & MINING

19514