

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 Inland Production Company

3. ADDRESS OF OPERATOR
 P.O. Box 1446 Roosevelt, UT 84066

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface NE/NE
 At proposed prod. zone 639' FEL & 706' FNL
 195 215

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 7.8 miles south of Myton, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	639'	16. NO. OF ACRES IN LEASE	1968.01	17. NO. OF ACRES ASSIGNED TO THIS WELL	40
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18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	1154'	19. PROPOSED DEPTH	6500'	20. ROTARY OR CABLE TOOLS	Rotary
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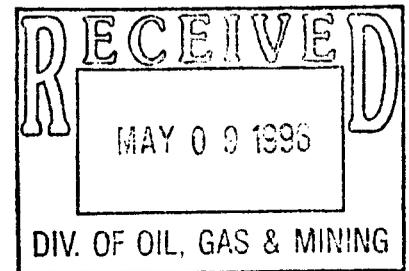
21. ELEVATIONS (Show whether DF, BT, GR, etc.)
 5250.2' GR

22. APPROX. DATE WORK WILL START*
 Third Quarter 1996

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	8 5/8	24#	300'	120 sx Class G+2% CaCl+2% Gel
7 7/8	5 1/2	15.5#	TD	400 sx Hilift followed by 330 sx Class G w/ 10% CaCl

The actual cement volumes will be calculated off of the open hole logs, plus 15% excess.



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

24. SIGNED Brad Mechem TITLE Operations Manager DATE 5/1/96

(This space for Federal or State office use)

PERMIT NO. 43-013-31654 APPROVAL DATE _____
 APPROVED BY [Signature] TITLE Petroleum Engineer DATE 9/24/96
 CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

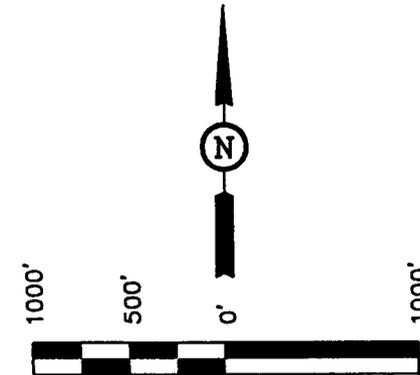
T8S, R17E, S.L.B.&M.

INLAND PRODUCTION CO.

Well location, TAR SANDS FEDERAL #1-31, located as shown in Lot 1 of Section 31, T8S, R17E, S.L.B.&M. Duchesne County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHWEST CORNER OF SECTION 31, T8S, R17E, S.L.B.&M. TAKEN FROM THE MYTON SE QUADRANGLE, UTAH, DUCHESNE COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5301 FEET.



SCALE

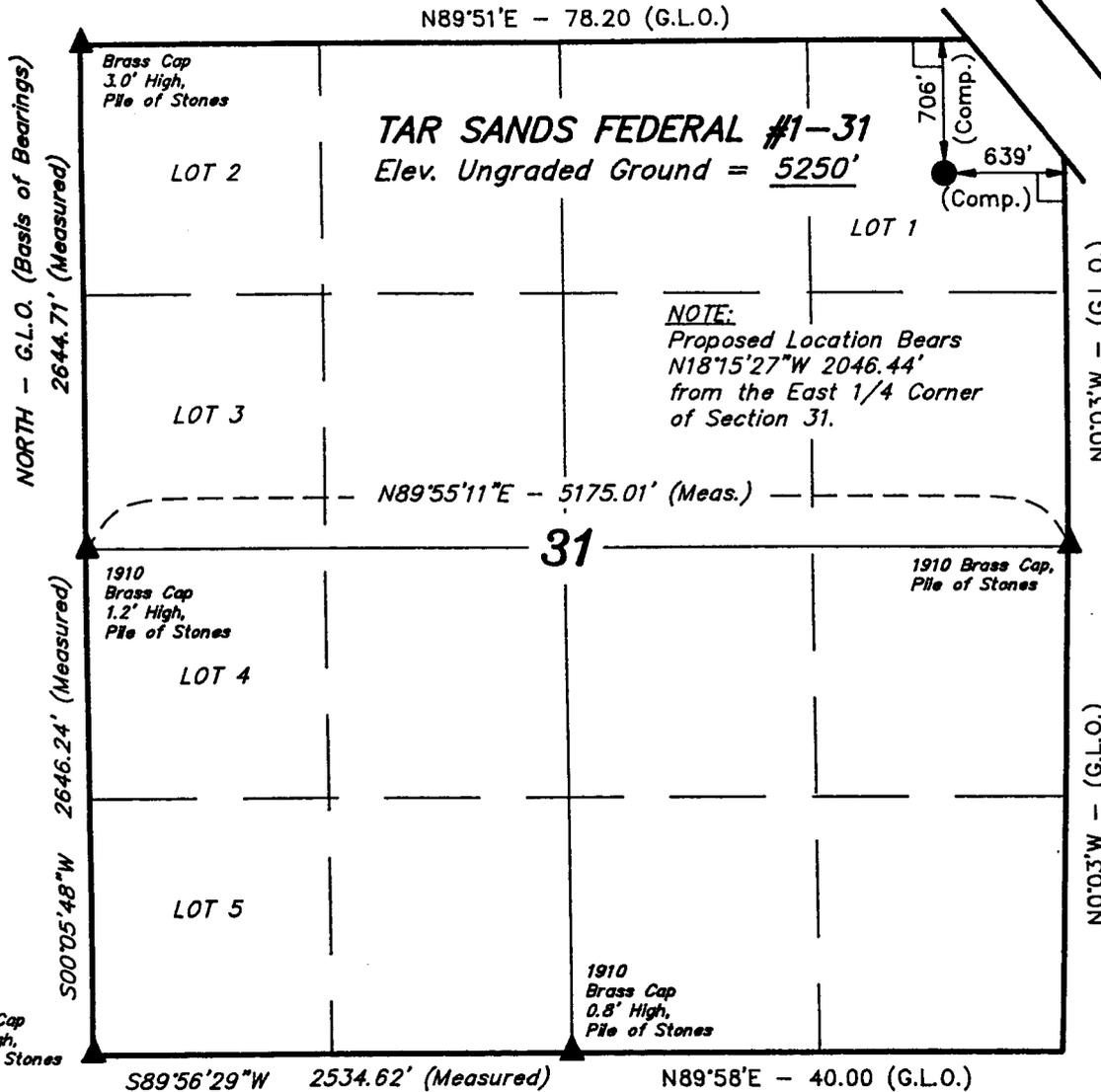
CERTIFICATE

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

Robert L. Gray
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (801) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 2-12-96	DATE DRAWN: 2-15-96
PARTY B.B. C.B.T.	REFERENCES G.L.O. PLAT	
WEATHER	FILE	



LEGEND:

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

**INLAND PRODUCTION COMPANY
TAR SANDS FEDERAL #1-31
NE/NE SECTION 31, T8S, R17E
DUCHESNE COUNTY, UTAH**

TEN POINT WELL PROGRAM

1. GEOLOGIC SURFACE FORMATION:

Uinta formation of Upper Eocene Age

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

Uinta	0' - 3050'
Green River	3050'
Wasatch	6600'

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS:

Green River Formation 3050' - 6600' - & Oil

4. PROPOSED CASING PROGRAM

8 5/8", J-55, 24# w/ ST&C collars; set at 300' KB (New)
5 1/2" J-55, 15.5# w/ LT&C collars/ set at TD (New)

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

The operators minimum specifications for pressure control equipment are as follows:

A 8" Series 900 Annular Bag type BOP and a 8" Double Ram Hydraulic unit with a closing unit will be utilized. Function test of BOPS's will be checked daily.

(See Exhibit F)

6. TYPE AND CHARACTERISTICS OF THE PROPOSED CIRCULATION MUDS:

The well will be drilled with fresh water through the Uinta Formation. From the top of the Green River Formation @ 3050' \pm , to TD, a fresh water/polymer system will be utilized. If necessary to control formation fluids, the system will be weighted with the addition of bentonite gel, and if conditions warrant, barite. Clay inhibition will be achieved with additions or by adding DAP (Di-Ammonium Phosphate, commonly known as fertilizer). Typically, this fresh water/polymer system will contain Total Dissolved Solids (TDS) of less than 3000 PPM. Neither potassium chloride or chromates will be utilized in the fluid system. The anticipated mud weight is 8.4 ppg and weighted as necessary for gas control.

7. **AUXILIARY SAFETY EQUIPMENT TO BE USED:**

Auxiliary safety equipment will be a Kelly Cock, bit float, and a TIW valve with drill pipe threads.

8. **TESTING, LOGGING AND CORING PROGRAMS:**

No drill stem testing has been scheduled for this well. It is anticipated at this time that the logging will consist of a Dual Induction Laterolog, Gamma Ray/Caliber from TD to base of surface casing @ 300' ± , and a Compensated Neutron-Formation Density Log. Logs will run from TD to 3500' ± . The cement bond log will be run from PBTD to cement top. An automated mud logging system will be utilized while drilling to monitor and record penetration rate, and relative gas concentration, in the fluid system.

9. **ANTICIPATED ABNORMAL PRESSURE OR TEMPERATURE:**

The anticipated maximum bottom hole pressure is 2500 psi. It is not anticipated that abnormal temperatures will be encountered; nor that any other abnormal hazards such as H₂S will be encountered in this area.

10. **ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS:**

It is anticipated that the drilling operations will commence in July of 1996, and take approximately seven days to drill.

**INLAND PRODUCTION COMPANY
TAR SANDS FEDERAL #1-31
NE/NE SECTION 31, T8S, R17E
DUCHESNE COUNTY, UTAH**

THIRTEEN POINT WELL PROGRAM

1. EXISTING ROADS

See attached Topographic Map "A"

To reach Inland Production Company well location site Tar Sands Federal #1-31 located in the NE 1/4 NE 1/4 Section 31, T8S, R17E, S.L.B. 7 M. Duchesne County, Utah:

Proceed westerly out of Myton, Utah along Highway 40 - 1.5 miles \pm to the junction of this highway and Utah State Highway 53; proceed southeasterly along Utah State Highway 9.0 miles to the beginning of the proposed access road, to be discussed in item #2.

The highways mentioned in the foregoing paragraph are bituminous surfaced roads to the point where Highway 53 ends, thereafter the roads are constructed with existing materials and gravel. The highways are maintained by Utah State road crews. All other roads are maintained by County Crews.

The aforementioned dirt oilfield service roads and other roads in the vicinity are constructed out of existing native materials that are prevalent to the existing area they are located in and range from clays to a sandy-clay shale material.

The roads required for access during the drilling, completion and production phase will be maintained at the standards required by the BLM or other controlling agencies. This maintenance will consist of some minor grader work for smoothing road surfaces and for snow removal.

2. PLANNED ACCESS ROAD

See Topographic Map "B".

The planned access road leaves the existing location described in Item #1 in the NW1/4 NW 1/4 Section 32, T8S, R17E, S.L.B., and proceeds in a westerly direction approximately 75' \pm to the proposed location site.

The planned access road will be an 18' crown road (9' either side of the centerline) with drainage ditches along either side of the proposed road where is determined necessary in order to handle any run-off from normal meteorological conditions that are prevalent to this area. The maximum grade will be less than 8%.

The existing two track road will be upgraded to the same conditions as the access road.

TAR SANDS FEDERAL #1-31

There will be no culverts required along this access road. There will be no water turnouts constructed along this road.

There are no fences encountered along this proposed road. There will be no new gates or cattle guards required.

All construction material for this access road will be borrowed material accumulated during construction of the access road.

3. LOCATION OF EXISTING WELLS

There are eight (8) producing, four (4) injection, and one (1) P&A Inland Production wells, one (1) producing Wildrose well, and one (1) unknown P&A well, within a one (1) mile radius of this well. See Exhibit "D".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

There are no existing facilities that will be used by this well.

It is anticipated that this well will be a producing oil well.

Upon construction of a tank battery the well pad will be surrounded by a dike of sufficient capacity to contain at minimum the entire contents of the largest tank within the facility battery.

Tank batteries will be built to BLM specifications.

5. LOCATION AND TYPE OF WATER SUPPLY

Inland Production Company has purchased a 3" water connection with Johnson Water District to supply the Monument Butte oilfield. Johnson Water District has given permission to Inland Production Company to use water from our system for the purpose of drilling and completing the Tar Sands Federal #1-31.

Existing water for this well will be trucked from Inland Production Company's water supply line located at the Gilsonite State #7-32 (SW/NE Sec. 32, T8S, R17E), or the Monument Butte Federal #5-35 (SW/NW Sec. 35, T8S, R16E), or the Travis Federal #15-28 (SW/SE Sec. 28, T8S, R16E). See Exhibits "C" and "C-1".

There will be no water well drilled at this site.

6. SOURCE OF CONSTRUCTION MATERIALS

See Location Layout Sheet - Exhibit "E".

All construction material for this location shall be borrowed material accumulated during construction of the location site and access road.

A mineral material application is not required for this location.

7. **METHODS FOR HANDLING WASTE DISPOSAL**

See Location Layout Sheet - Exhibit "E".

A small reserve pit (80 X 30 X 6' deep, or less) will be constructed from native soil and clay materials. A water processing unit will be employed to continuously recycle the drilling fluid as it is used, returning the fluid component to the drilling rig's steel tanks. The reserve pit will primarily receive the processed drill cuttings (wet sand, shale & rock) removed from the wellbore. Any drilling fluids which do accumulate in the pit as a result of shale-shaker carryover, cleaning of the sand trap, etc., will be promptly reclaimed by the water recycling unit and then returned to the steel rig tanks. All drilling fluids will be fresh water based containing DAP (Di-Ammonium Phosphate, commonly known as fertilizer), typically containing Total Dissolved Solids of less than 3000 PPM. No potassium chloride chromates, trash, debris, nor any other substance deemed hazardous will be placed in this pit. Therefore, it is proposed that no synthetic liner be utilized in the reserve pit.

All completion fluids, frac gels, etc., will be contained in steel tanks and hauled away to approved commercial disposal, as necessary.

A portable toilet will be provided for human waste.

A trash basket will be provided for garbage (trash) and hauled away to an approved disposal site at the completion of the drilling activities.

Immediately upon first production, all produced water will be confined in storage tanks. Inland requests temporary approval to transfer the produced water to Inland's nearby waterflood, for reinjection into the waterflood reservoirs via existing approved injection wells. Within 90 days of first production, a water analysis will be submitted to the Authorized Officer, along with an application for approval of this, as a permanent disposal method.

8. **ANCILLARY FACILITIES**

There are no ancillary facilities planned for at the present time and none foreseen in the near future.

9. **WELL SITE LAYOUT**

See attached Location Layout Sheet - Exhibit "E".

The reserve pit will be located on the southeast side between stakes 4 & 5.

No flare pit will be used at this location.

The stockpiled topsoil (first six (6) inches) will be stored on the southeast side, between stakes 4 & 5, and on the southwest corner between stakes 5 & 6.

Access to the well pad will be from the northeast corner, between stakes 2 & 3.

The southwest corner will be rounded to avoid excess drainage.

Fencing Requirements

All pits will be fenced according to the following minimum standards:

- b) The net wire shall be not more than two (2) inches above the ground. The barbed wire shall be three (3) inches above the net wire. Total height of the fence shall be at least forty-two (42) inches.
- c) Corner posts shall be cemented and/or braced in such a manner to keep tight at all times.
- d) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than sixteen (16) feet.
- e) All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

The reserve pit fencing will be on three (3) sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

10. PLANS FOR RESTORATION OF SURFACE

a) *Producing Location*

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, material, trash and junk not required for production.

The reserve pit and that portion of the location not needed for production facilities/operations will be re contoured to the approximated natural contours. The reserve pit will be reclaimed within one hundred twenty (120) days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed.

When the drilling and completion phase ends, reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer. The seed mixture will be per B.L.M. and stated in the conditions of approval.

b) *Dry Hole Abandoned Location*

At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and the B.L.M. will attach the appropriate surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP - Bureau Of Land Management

12. **OTHER ADDITIONAL INFORMATION**

- a) Inland Production Company is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, Inland is to immediately stop work that might further disturb such materials, and contact the Authorized Officer.
- b) Inland Production will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. On B.L.M. administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other possible hazardous chemicals.
- c) Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without B.L.M. authorization. However, if B.L.M. authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities.

The Cultural Resource Survey waiver will be submitted from Mr. Wayne Fields/Kaiser-Francis, when it becomes available.

Additional Surface Stipulations

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws and regulations. Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. Inland Production is fully responsible for the actions of its subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

Hazardous Material Declaration

Inland Production Company guarantees that during the drilling and completion of the Tar Sands Federal #1-31, we will not use, produce, store, transport or dispose 10,000# annually of any of the hazardous chemicals contained in the Environmental Protection Agency's consolidated list of chemicals subject to reporting under Title III Superfund Amendments and Reauthorization Act (SARA) of 1986. Inland also guarantees that during the drilling and completion of the Tar Sands Federal #1-31, we will use, produce, store, transport or dispose less than the threshold planning quantity (T.P.Q.) of any extremely hazardous substances as defined in 40 CFR 355.

A complete copy of the approved APD, if applicable, shall be on location during the construction of the location and drilling activities.

Inland Production Company or a contractor employed by Inland Production shall contact the B.L.M. office at (801) 789-1362, 48 hours prior to construction activities.

The B.L.M. office shall be notified upon site completion prior to moving on the drilling rig.

13. LESSEE'S OR OPERATORS REPRESENTATIVE AND CERTIFICATION

Representative

Name: Brad Mecham
Address: P.O. Box 1446 Roosevelt, Utah 84066
Telephone: (801) 722-5103

Certification

Please be advised that INLAND PRODUCTION COMPANY is considered to be the operator of Tar Sands Federal #1-31 NE/NE Section 31, Township 8S, Range 17E: Lease U-74869, Duchesne County, Utah: and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Hartford Accident #4488944.

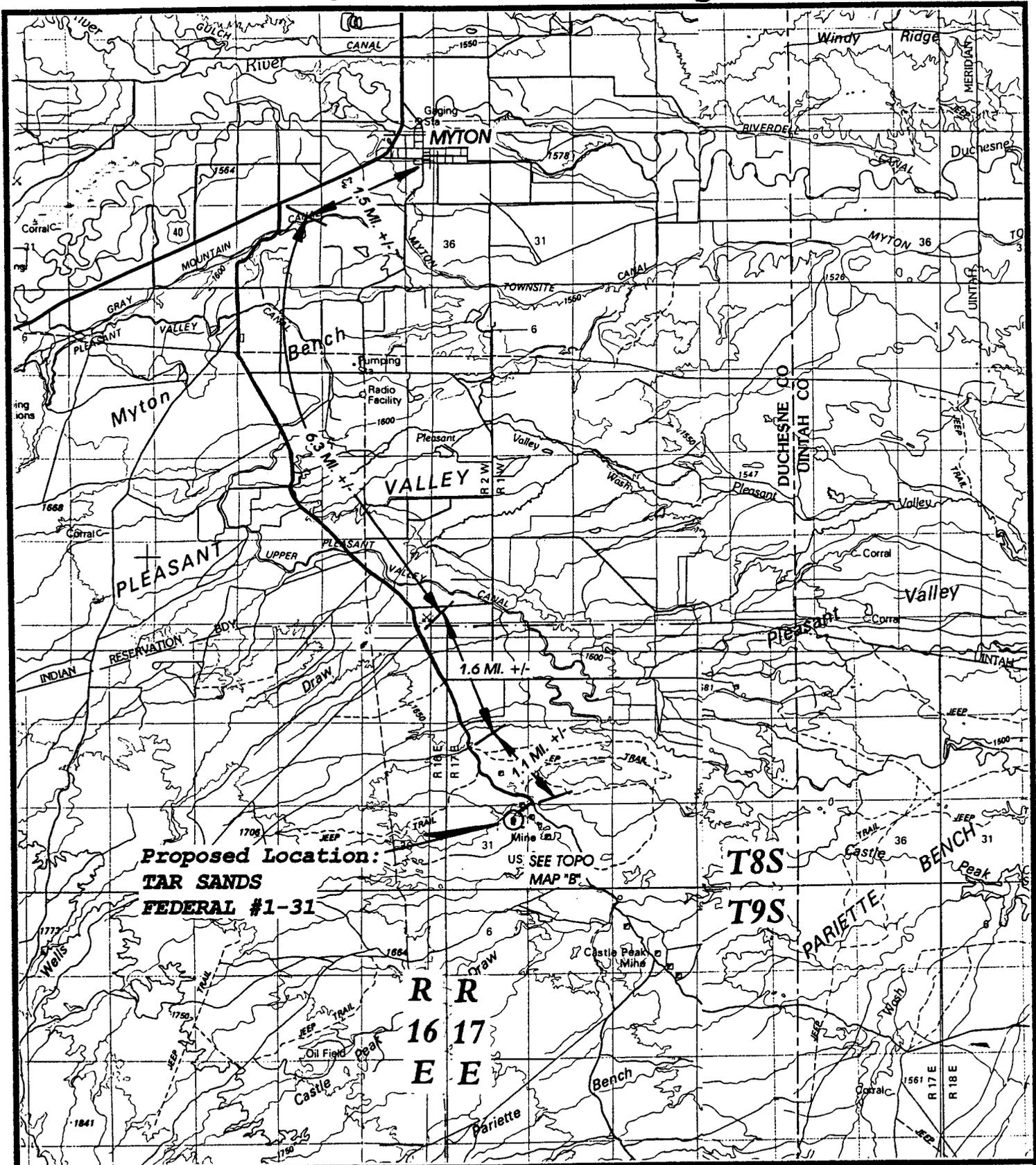
I hereby certify that I, or persons under my direct supervision have inspected the proposed drillsite and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Inland Production Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

5-7-96

Date



Brad Mecham
Operations Manager



Proposed Location:
TAR SANDS
FEDERAL #1-31

US SEE TOPO
 MAP "B"

R R
16 17
E E

T8S
T9S

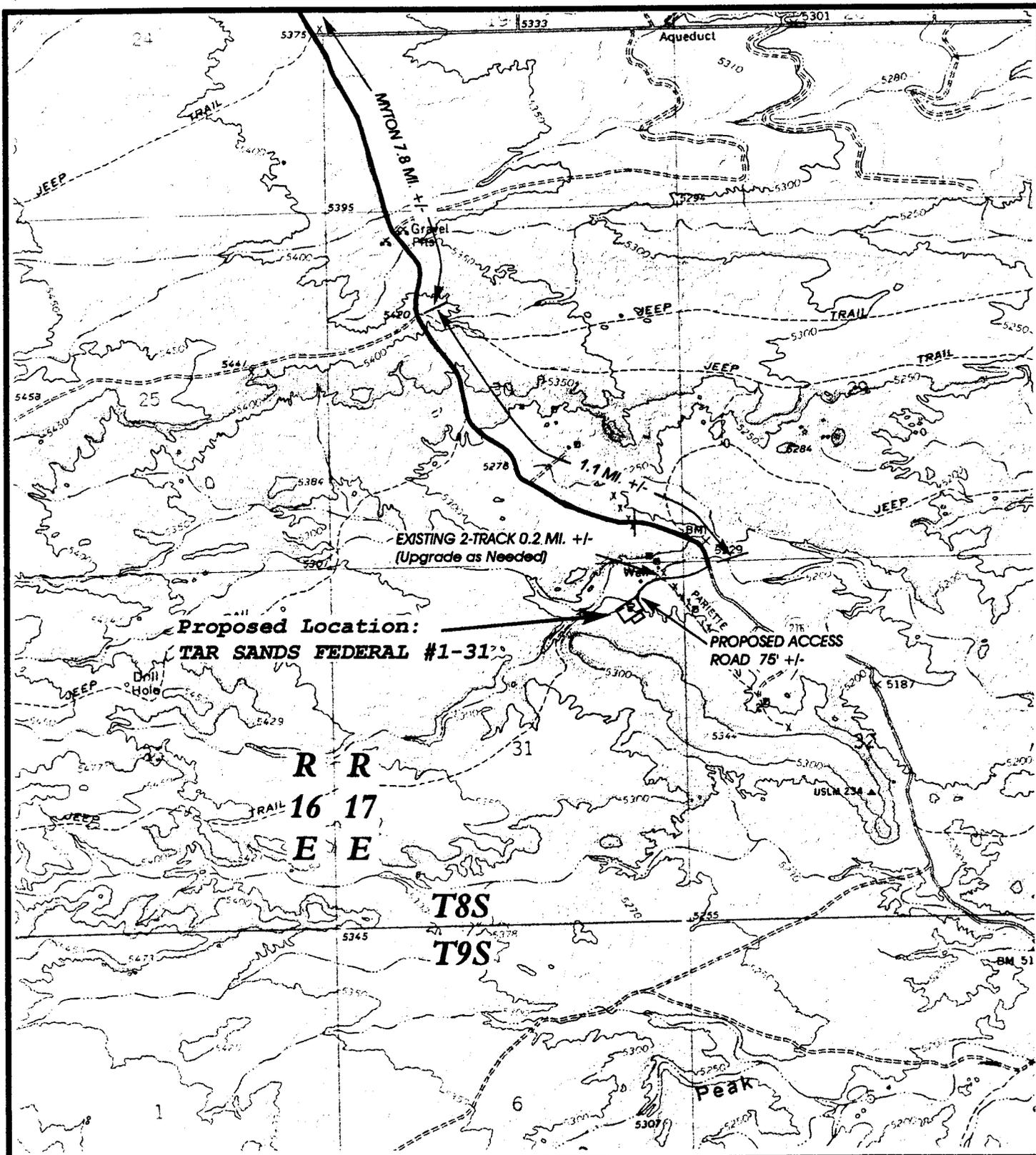
UELS

TOPOGRAPHIC
MAP "A"
 DATE: 2-15-96
 Drawn by: C.B.T.



INLAND PRODUCTION CO.
TAR SANDS FEDERAL #1-31
SECTION 31, T8S, R17E, S.L.B.&M.
706' FNL 639' FEL

UINTAH ENGINEERING & LAND SURVEYING
 85 So. 200 East * Vernal, Utah 84078 * (801) 789-1017



Proposed Location:
TAR SANDS FEDERAL #1-31

PROPOSED ACCESS ROAD 75' +/-

R R
16 17
E E

T8S
T9S



**TOPOGRAPHIC
MAP "B"**

DATE: 2-15-96
Drawn by: C.B.T.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017

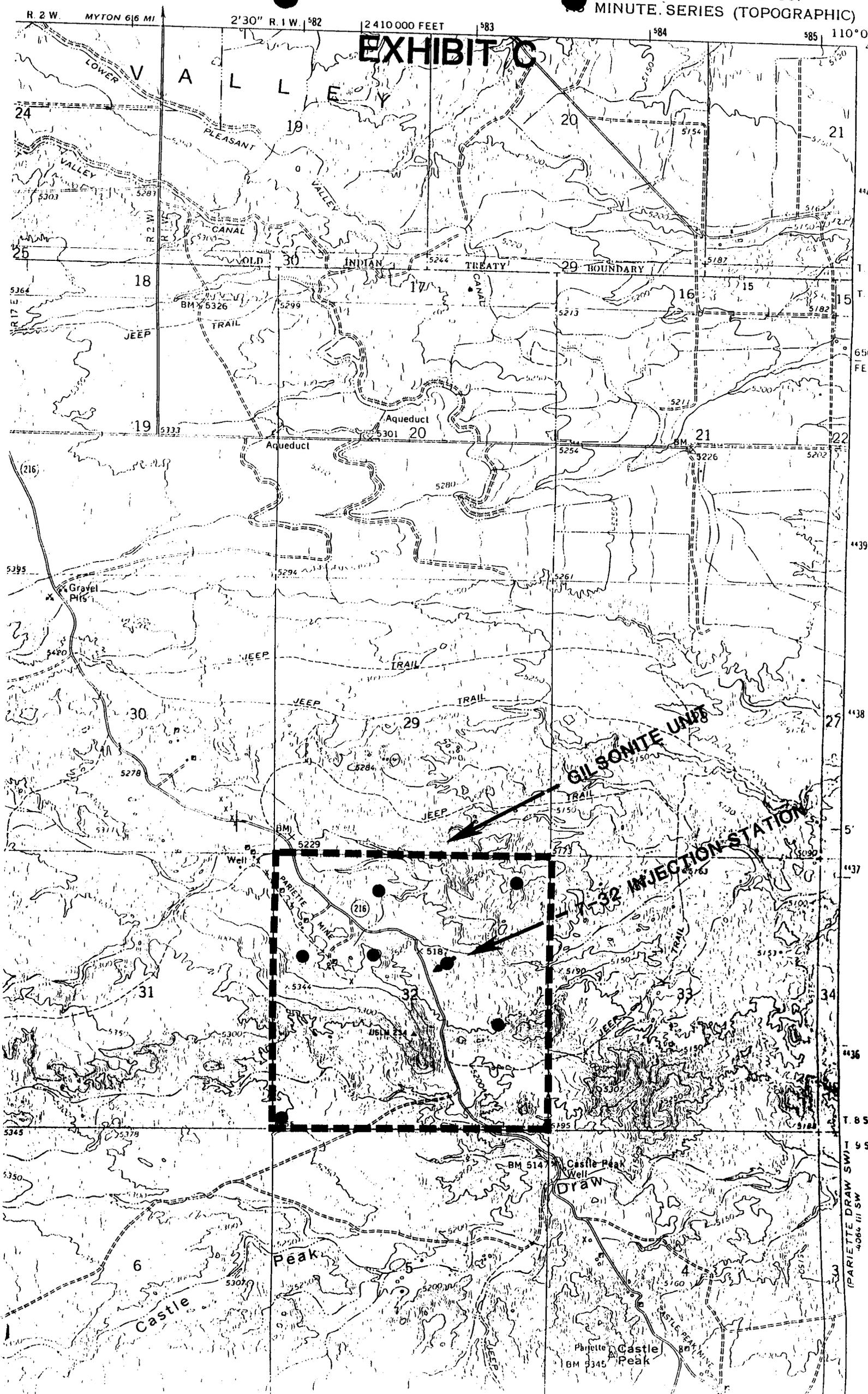


INLAND PRODUCTION CO.

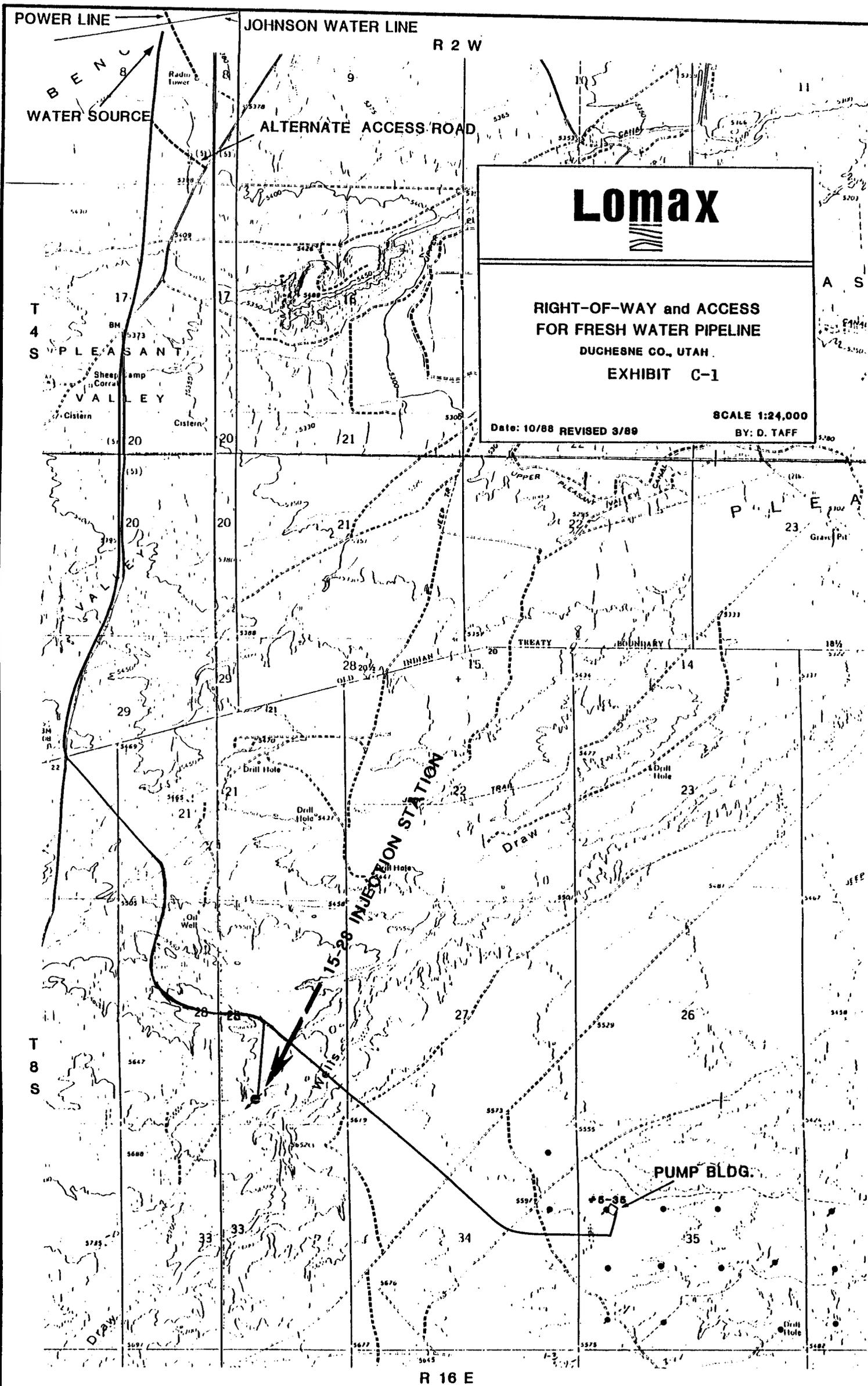
TAR SANDS FEDERAL #1-31
SECTION 31, T8S, R17E, S.L.B.&M.
706' FNL 639' FEL

SCALE: 1" = 2000'

EXHIBIT C



(PARIETTE DRAW SW-1
4064 III SW)



Lomax

RIGHT-OF-WAY and ACCESS FOR FRESH WATER PIPELINE DUCESNE CO., UTAH EXHIBIT C-1

Date: 10/88 REVISED 3/89
SCALE 1:24,000
BY: D. TAFF

15-28 INJECTION STATION

PUMP BLDG.

R 16 E

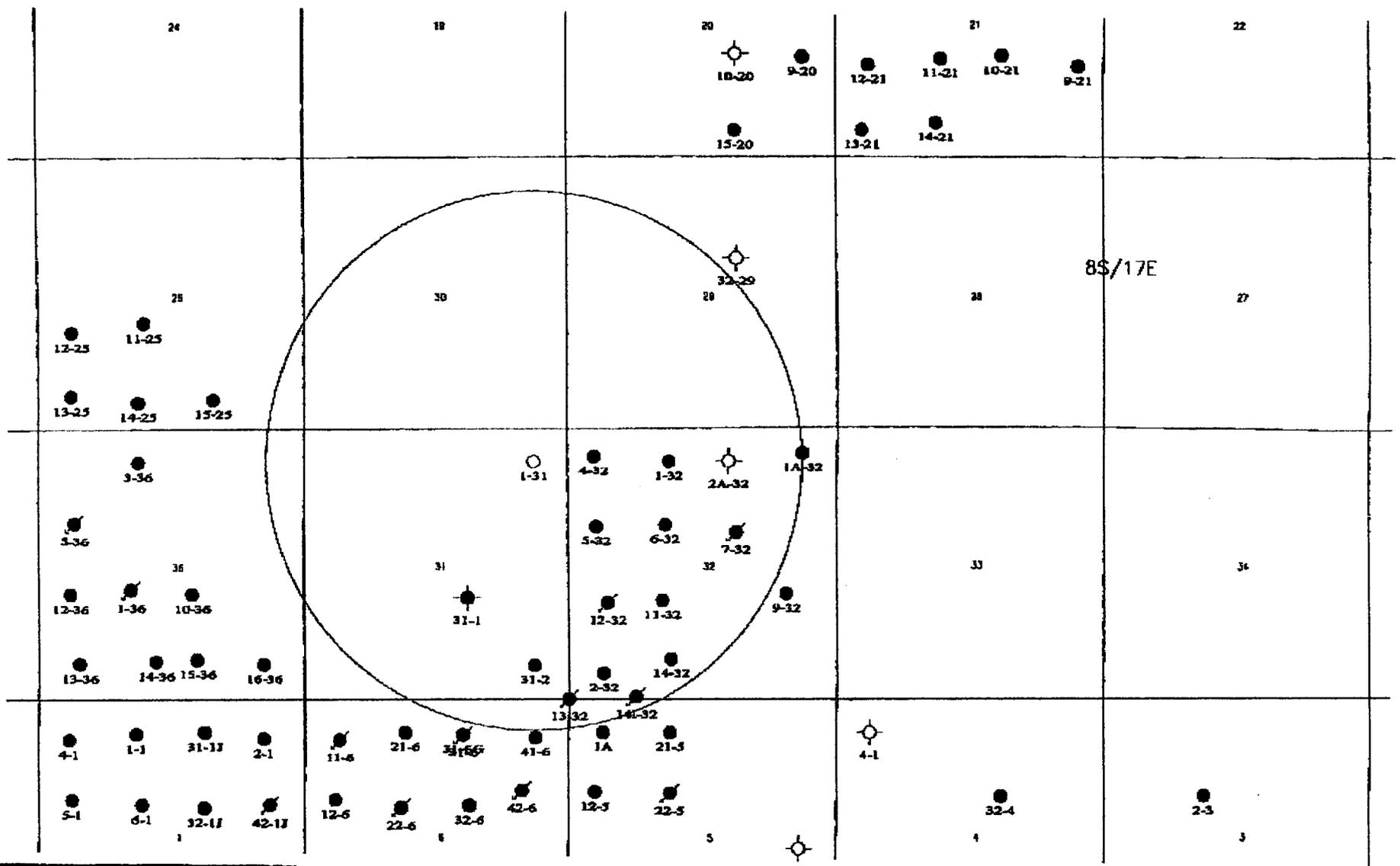


EXHIBIT "D"

Inland Resources Inc.
 475 17th Street Suite 1300
 Denver, Colorado 80202
 Phone: (303) 392-0900

One Mile Radius
 Tax Parcel Federal #1-31
 Duchesne County, Utah

Date: 5/1/96 D.G.



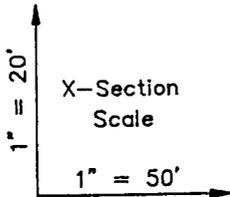
INLAND PRODUCTION CO.

TYPICAL CROSS SECTIONS FOR

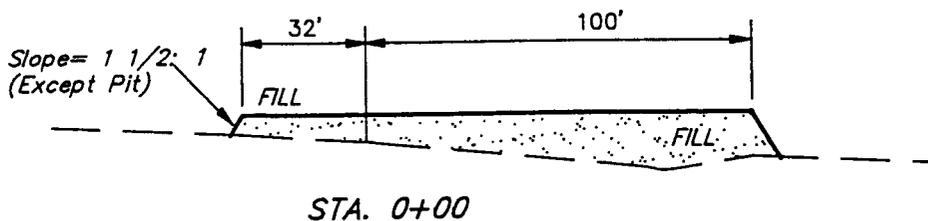
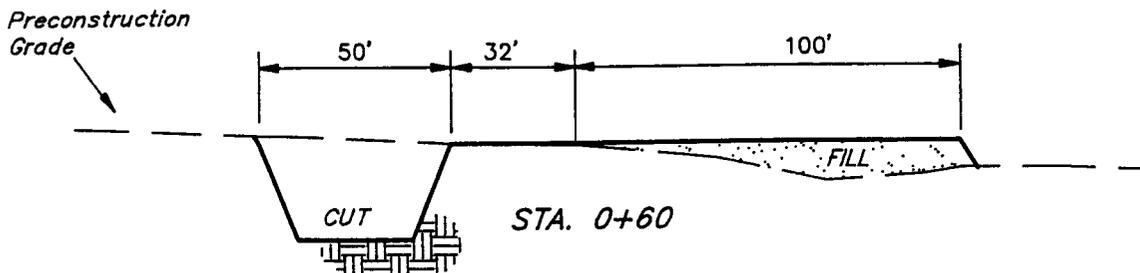
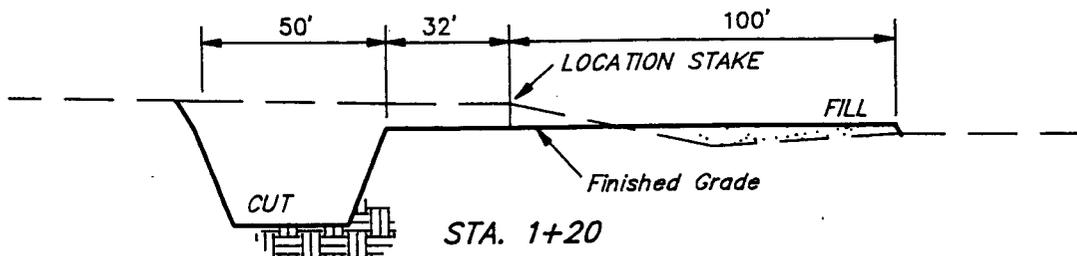
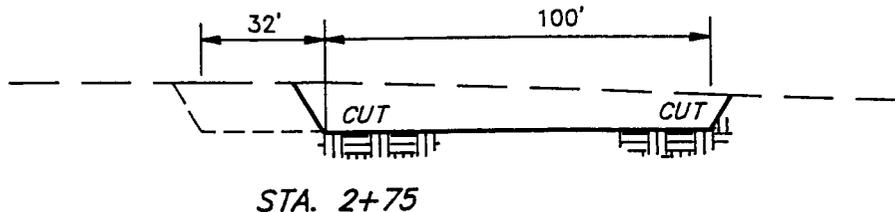
TAR SANDS FEDERAL #1-31
SECTION 31, T8S, R17E, S.L.B.&M.

706' FNL 639' FEL

PKay



DATE: 2-15-96
Drawn By: C.B.T.



NOTE:

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

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 750 Cu. Yds.
Remaining Location	= 2,410 Cu. Yds.
TOTAL CUT	= 3,160 CU.YDS.
FILL	= 1,850 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION = 1,210 Cu. Yds.

Topsoil & Pit Backfill (1/2 Pit Vol.) = 1,210 Cu. Yds.

EXCESS MATERIAL After Reserve Pit is Backfilled & Topsoil is Re-distributed = 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017

RAM TYPE B.O.P.

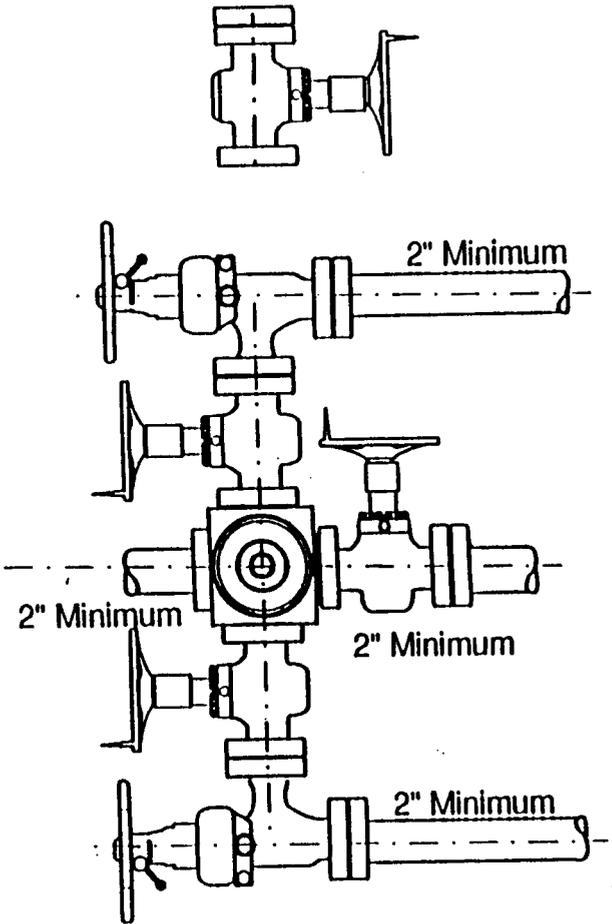
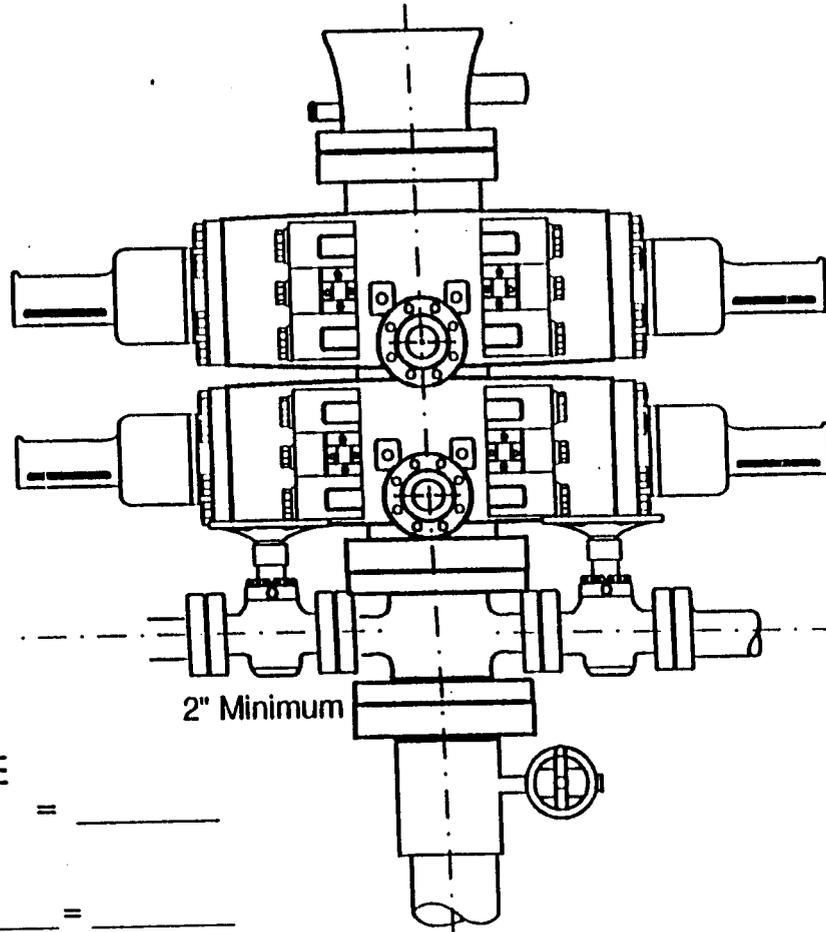
Make:

Size:

Model:

2-M SYSTEM

EXHIBIT F



GAL TO CLOSE

Annular BOP = _____

Ramtype BOP _____

_____ Rams x _____ = _____

= _____ Gal.

_____ x 2 = _____ Total Gal.

Rounding off to the next higher
increment of 10 gal. would require

_____ Gal. (total fluid & nitro volume)

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/09/96

API NO. ASSIGNED: 43-013-31654

WELL NAME: TAR SANDS FEDERAL 1-31
 OPERATOR: INLAND PRODUCTION COMPANY (N5160)

PROPOSED LOCATION:
 NENE 31 - T08S - R17E
 SURFACE: 0706-FNL-0639-FEL
 BOTTOM: 0706-FNL-0639-FEL
 DUCHESNE COUNTY
 UNDESIGNATED FIELD (002)

INSPECT LOCATION BY: / /		
TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: FED
 LEASE NUMBER: U - 74869

PROPOSED PRODUCING FORMATION: GRRV

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Federal State Fee
 (Number 4488944)
- Potash (Y/N)
- Oil shale (Y/N)
- Water permit
 (Number INJECTION WELL 9-32)
- RDCC Review (Y/N)
 (Date: _____)

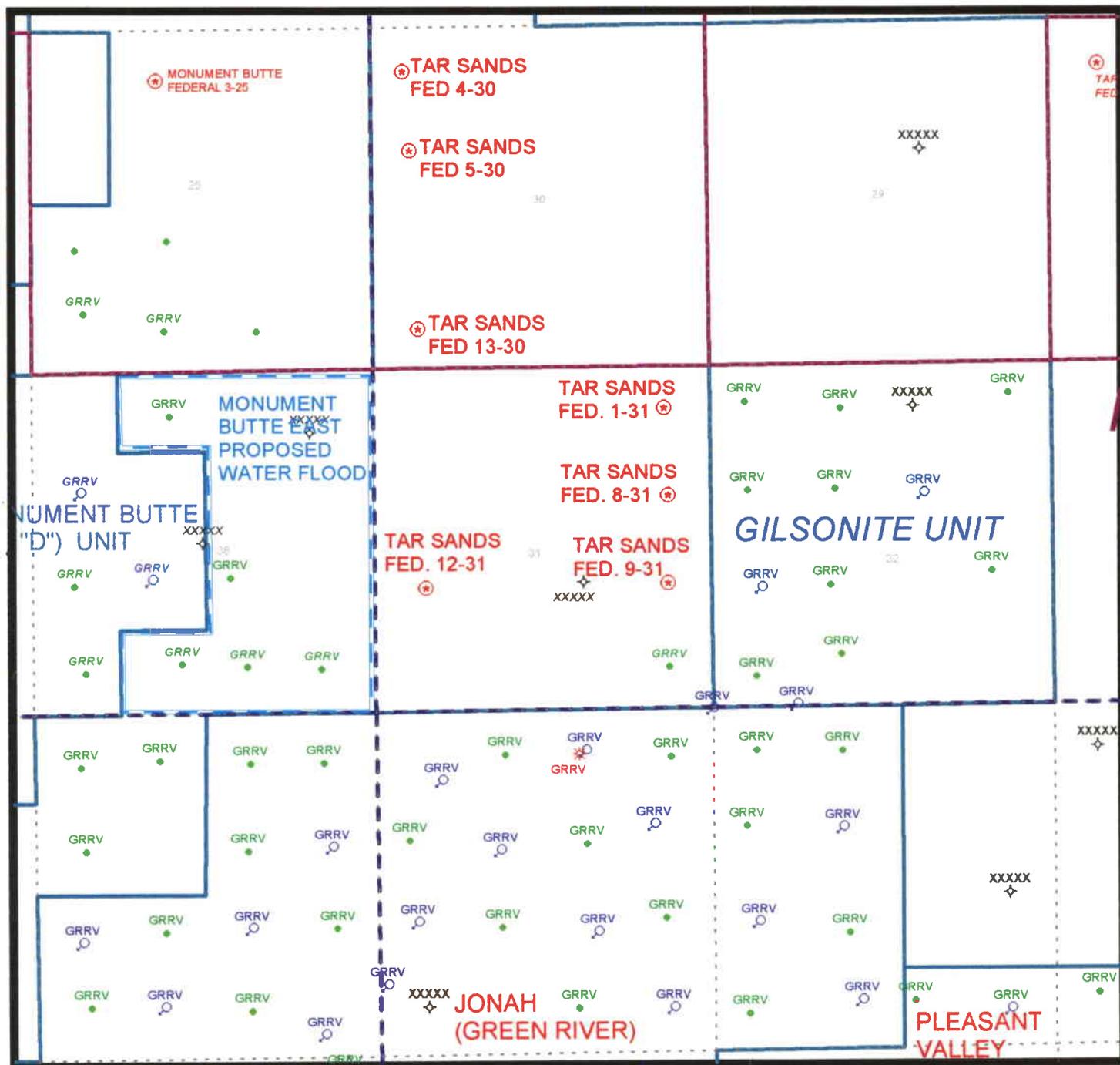
LOCATION AND SITING:

- R649-2-3. Unit: _____
- R649-3-2. General.
- R649-3-3. Exception.
- Drilling Unit.
- Board Cause no: _____
- Date: _____

COMMENTS: _____

STIPULATIONS: _____

INLAND PRODUCTION WATERFLOOD DEVELOPMENT SEC. 31, T8S, R16E, DUCHESNE, COUNTY R649-3-2



**PREPARED:
DATE: 10-MAY-96**

INLAND PRODUCTION COMPANY

TAR SANDS FED #1-31

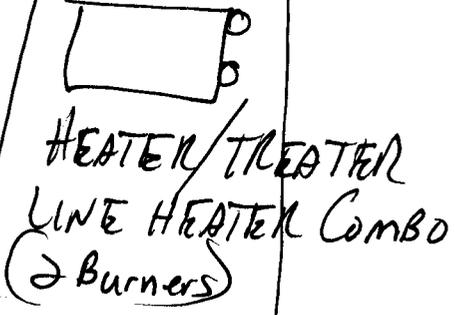
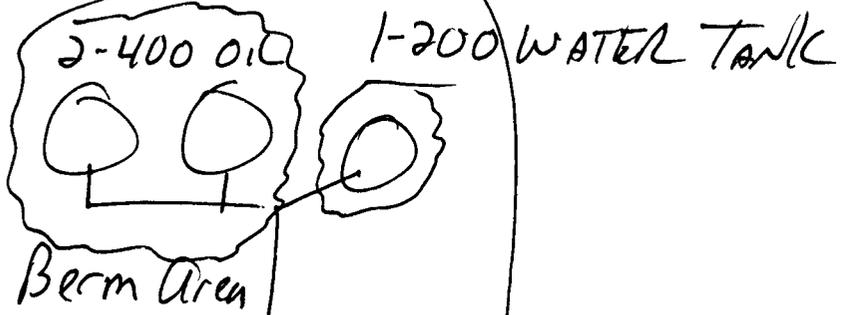
SEC 31; T85; R17E

POW

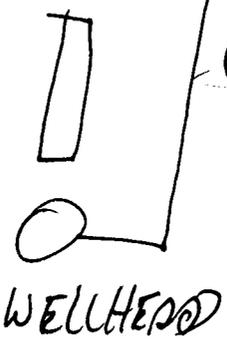
43-013-31654

U-74869

↑ NORTH



Pump
Jack



11/7/96
D H



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

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

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

September 24, 1996

Inland Production Company
P.O. Box 1446
Roosevelt, Utah 84066

Re: Tar Sands Federal 1-31 Well, 706' FNL, 639' FEL, NE NE,
Sec. 31, T. 8 S., R. 17 E., Duchesne 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.

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 43-013-31654.

Sincerely,

R. J. Firth
for R. J. Firth
Associate Director

lwp
Enclosures
cc: Duchesne County Assessor
Bureau of Land Management, Vernal District Office



Operator: Inland Production Company
Well Name & Number: Tar Sands Federal 1-31
API Number: 43-013-31654
Lease: U-74869
Location: NE NE Sec. 31 T. 8 S. R. 17 E.

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

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Frank Matthews at (801)538-5334 or Mike Hebertson at (801)538-5333.

3. Reporting Requirements

All required reports, forms and submittals shall 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.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: INLAND PRODUCTION CO.

Well Name: TAR SAND FEDERAL 1-31

Api No. 43-013-31654

Section 31 Township 8S Range 17E County DUCHESNE

Drilling Contractor _____

Rig #: _____

SPUDDED:

Date: 9/29/96

Time: _____

How: DRY HOLE

Drilling will commence: _____

Reported by: D. INGRAM-DOGM

Telephone #: _____

Date: 10/1/96 Signed: FRM

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
Inland Production Company

3. ADDRESS OF OPERATOR
P.O. Box 1446 Roosevelt, UT 84066

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface NE/NE
 At proposed prod. zone 639' FEL & 706' FNL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
7.8 miles south of Myton, Utah

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 639'

18. NO. OF ACRES IN LEASE
1968.01

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1154'

19. PROPOSED DEPTH
6500'

20. ROTARY OR CABLE TOOLS
Rotary

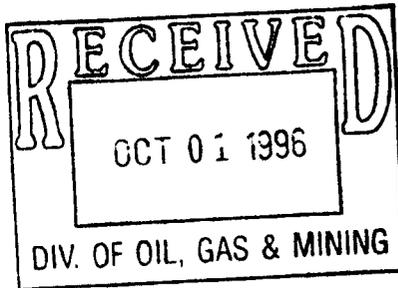
21. ELEVATIONS (Show whether DF, BT, GR, etc.)
5250.2' GR

22. APPROX. DATE WORK WILL START*
Third Quarter 1996

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	8 5/8	24#	300'	120 sx Class G+2% CaCl+2% Gel
7 7/8	5 1/2	15.5#	TD	400 sx Hilift followed by
				330 sx Class G w/ 10% CaCl

The actual cement volumes will be calculated off of the open hole logs, plus 15% excess.



RECEIVED
MAY 09 1996

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

24. SIGNED Brad Mechem *Brad Mechem* TITLE Operations Manager DATE 5/1/96

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
 APPROVED BY [Signature] TITLE ACTING Assistant Field Manager
 CONDITIONS OF APPROVAL, IF ANY: _____ DATE SEP 24 1996
 TITLE Mineral Resources

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED
 *See Instructions On Reverse Side

44080-6M-122

Title 18 U.S.C. Section 1001, makes 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.

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Inland Production Company

Well Name & Number: Tar Sands Fed. 1-31

API Number: 43-013-31654

Lease Number: U-74869

Location: NENE Sec. 31 T. 8S R. 17E

NOTIFICATION REQUIREMENTS

- Location Construction - at least forty-eight (48) hours prior to construction of location and access roads.
- Location Completion - prior to moving on the drilling rig.
- Spud Notice - at least twenty-four (24) hours prior to spudding the well.
- Casing String and Cementing - at least twenty-four (24) hours prior to running casing and cementing all casing strings.
- BOP and Related Equipment Tests - at least twenty-four (24) hours prior to initiating pressure tests.
- First Production Notice - within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

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

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative by the operator to insure compliance.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

If this well is completed with production capable of communitized paying quantities a Communitized Agreement (CA) will need to be formed for the NENE qtrqtr of Section 31, Township 8 South, Range 17 East..

A. DRILLING PROGRAM

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

Report **ALL** water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

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

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 2M system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

If conductor pipe is set it will be cemented to surface. If drive pipe is used it will be pulled prior to cementing surface casing.

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the usable water zone identified at ± 311 ft. or by setting the surface casing at ± 361 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

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

5. Coring, Logging and Testing Program

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

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

The Gamma Ray and Induction Logs need to be pulled from TD to the Surface Shoe.

A cement bond log (CBL) will be run from the production casing shoe to **TOP OF CEMENT** if the surface casing is set at ± 361 ft. or it will be run to **SURFACE** if the surface casing is set at ± 300 ft. and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

The Vernal District Office shall be notified, during regular work hours (7:45 a.m.-4:30 p.m., Monday through Friday except holidays), at least 24 hours **prior** to spudding the well.

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

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

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

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

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

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

A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9. d.), and shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b. 4).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

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

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

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted following initial installation and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

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

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

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

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

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

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

In the event after-hours approval or notification is necessary, please contact one of the following individuals:

Wayne Bankert (801) 789-4170
Petroleum Engineer

Ed Forsman (801) 789-7077
Petroleum Engineer

Jerry Kenczka (801) 789-1190
Petroleum Engineer

BLM FAX Machine (801) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

- Unused fracturing fluids or acids
- Gas plant cooling tower cleaning wastes
- Painting wastes
- Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spend solvents, spilled chemicals, and waste acids
- Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste
- Refinery wastes
- Liquid and solid wastes generated by crude oil and tank bottom reclaimers
- Used equipment lubrication oils
- Waste compressor oil, filters, and blowdown
- Used hydraulic fluids
- Waste solvents
- Waste in transportation pipeline-related pits
- Caustic or acid cleaners
- Boiler cleaning wastes
- Boiler refractory bricks
- Incinerator ash
- Laboratory wastes
- Sanitary wastes
- Pesticide wastes
- Radioactive tracer wastes
- Drums, insulation and miscellaneous solids.

SURFACE USE PROGRAM

-Notification Requirements:

- * Location Construction- Forty-eight (48) hours prior to construction of location and access roads.
- * Location Completion- Prior to moving on the drilling rig.
- * Spud Notice- At least twenty-four (24) hours prior to spudding the well.
- * Casing String and Cementing- Twenty-four (24) hours prior to running casing and cementing all casing strings.
- * BOP and Related Equipment Tests- Twenty- four (24) hours prior to initiating pressure test.
- * First Production Notice- Within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

-Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).

-All vehicle travel will be confined to existing access road rights-of-way.

-The existing road which presently runs through the well location, should be rerouted around the location. Where the rerouted road meets the old road near the bottom of the dugway, a water bar should be constructed routing runoff water in a ditch around the location to the south.

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas well Other

2. Name of Operator
Inland Production

3. Address and Telephone No.
P.O. Box 1446 Roosevelt, UT 84066 (801) 722-5103

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**NE/NE
 Sec. 31, T8S, R17E**

5. Lease Designation and Serial No.
U-74869

6. If Indian, Allottee or Tribe Name

7. If unit or CA, Agreement Designation

8. Well Name and No.
Tar Sands Federal #1-31

9. API Well No.
43-013-31654

10. Field and Pool, or Exploratory Area

11. County or Parish, State
Duchesne, UT

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

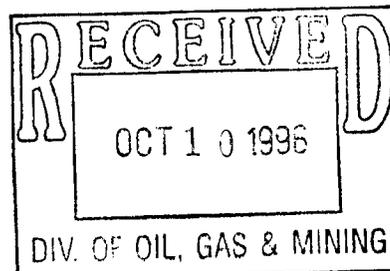
TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Spud Notification</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

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

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

Drilled 12 1/4" hole w/ Leon Ross Rathole rig to 305'. Set 284.08' of 8 5/8" 24# J-55 csg. Cmt w / 120 sx Type V w/ 2% CC + 2% gel w/ 1/4#/sk flocele.

SPUD 9/29/96



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

Signed *Cheryl Cameron*
Cheryl Cameron

Title Regulatory Compliance Specialist

Date 10/1/06

(This space of Federal or State office use.)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly to make to any department of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

OPERATOR Inland Production Co.

OPERATOR ACCT. NO. H 5160

ADDRESS P.O. Box 1446

Roosevelt, Utah 84066

TOTAL P.02

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	12012	43-013-31654	Tar Sands Federal #1-31	NENE	31	8S	17E	Duchesne	9/29/96	9/29/96
WELL 1 COMMENTS: Entity added 10-9-96. <i>Juc</i>											
A	99999	12013	43-013-31565	Monument Butte State #10-2	NWSE	2	9S	16E	Duchesne	10/6/96	10/6/96
WELL 2 COMMENTS: Entity added 10-9-96. <i>Juc</i>											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

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

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

(3/89)

Charles Cameron
Signature

Title

Date

10/3/96

Phone No. (801) 789-1866

18013593940 P.02 TO FROM INLAND RESOURCES OCT-09-1996 10:53



October 8, 1996

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

ATTENTION: Lisha Cordova

RE: Tar Sands Federal #1-31
Monument Butte State #10-2

Dear Lisha,

I am faxing Entity Action Form - 6, for the new Entity No., on the above referenced location.

Please call me at your convenience, with the new numbers at (801) 789-1866.

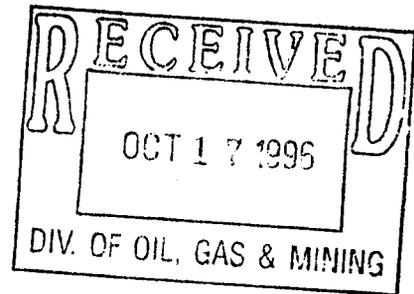
Sincerely,

Cheryl Cameron
Regulatory Compliance Specialist

/cc
Enclosures



October 14, 1996



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

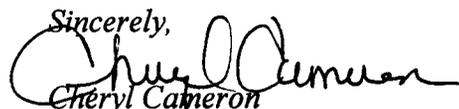
ATTENTION: Ed Forsman

RE: Tar Sands Federal #1-31
NE/NE Sec 31, T8S, R17E
Duchesne County, Utah

Dear Ed,

Enclosed is the original and two copies of the Sundry Notice and Reports on Wells, for the above referenced location. Copies will also be submitted to the State of Utah.

Please contact me in the Vernal Branch office (801) 789-1866 (P.O. Box 790233, Vernal, UT, 84079, if you have any questions, or need additional information.

Sincerely,

Cheryl Cameron
Regulatory Compliance Specialist

cc: Frank Matthews
State of Utah
Division of Oil Gas & Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No. U-74869
6. If Indian, Allottee or Tribe Name
7. If unit or CA, Agreement Designation
8. Well Name and No. Tar Sands Federal #1-31
9. API Well No. 43-013-31654
10. Field and Pool, or Exploratory Area
11. County or Parish, State Duchesne, UT

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas well Other

2. Name of Operator
Inland Production Co.

3. Address and Telephone No.
P.O. Box 790233 Vernal, UT 84079 (801) 789-1866

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**NE/NE
Sec. 31, T8S, R17E**

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

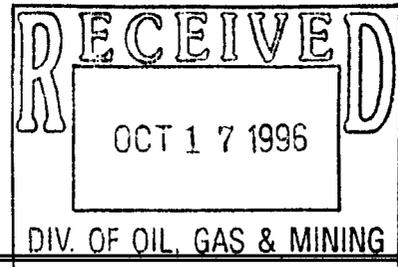
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing repair	<input type="checkbox"/> Water Shut-off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Weekly Status</u>	<input type="checkbox"/> Dispose Water

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

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

WEEKLY STATUS REPORT FOR WEEK OF 10/2/96 - 10/7/96:

**Drilled 7 7/8" hole w/ Caza, Rig #59 from 305' - 6100'. Set 6033.34' of 5 1/2" 15.5# J-55 csg.
Cmt w/ 390 sx Hybond & 350 sx thixo w/ 10% Calseal.**



14. I hereby certify that the foregoing is true and correct
Signed *Cheryl Cameron* Title Regulatory Compliance Specialist Date 10/10/96
Cheryl Cameron

(This space of Federal or State office use.)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly to make to any department of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

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SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas well Other

2. Name of Operator
Inland Production Co.

3. Address and Telephone No.
P.O. Box 790233 Vernal, UT 84079 (801) 789-1866

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**NE/NE
Sec. 31, T8S, R17E**

5. Lease Designation and Serial No.
U-74869

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Tar Sands Federal #1-31

9. API Well No.
43-013-31654

10. Field and Pool, or Exploratory Area

11. County or Parish, State
Duchesne, UT

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

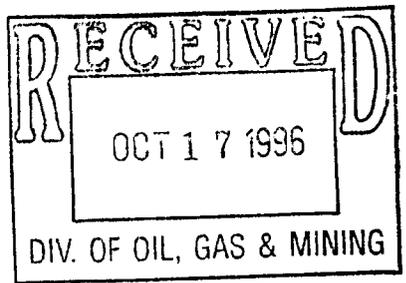
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing repair	<input type="checkbox"/> Water Shut-off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Weekly Status</u>	<input type="checkbox"/> Dispose Water

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

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

WEEKLY STATUS REPORT FOR WEEK OF 10/2/96 - 10/7/96:

*Drilled 7 7/8" hole w/ Caza, Rig #59 from 305' - 6100'. Set 6033.34' of 5 1/2" 15.5# J-55 csg.
Cmt w/ 390 sx Hybond & 350 sx thixo w/ 10% Calseal.*



14. I hereby certify that the foregoing is true and correct
 Signed *Cheryl Cameron* Title Regulatory Compliance Specialist Date 10/10/96
Cheryl Cameron

(This space of Federal or State office use.)

Approved by _____ Title _____ Date _____
 Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly to make to any department of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.
U-74869

6. If Indian, Allottee or Tribe Name

7. If unit or CA, Agreement Designation

8. Well Name and No.
Tar Sands Federal #1-31

9. API Well No.
43-013-31654

10. Field and Pool, or Exploratory Area

11. County or Parish, State
Duchesne, UT

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas well Other

2. Name of Operator
Inland Production Co.

3. Address and Telephone No.
P.O. Box 790233 Vernal, UT 84079 (801) 789-1866

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**NE/NE
Sec. 31, T8S, R17E**

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

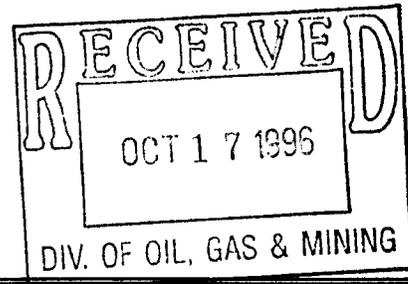
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing repair	<input type="checkbox"/> Water Shut-off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Weekly Status</u>	<input type="checkbox"/> Dispose Water

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

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Cmt w/ 390 sx Hybond & 350 sx thixo w/ 10% Calseal.**



14. I hereby certify that the foregoing is true and correct
 Signed Cheryl Cameron Title Regulatory Compliance Specialist Date 10/10/96
 Cheryl Cameron

(This space of Federal or State office use.)

Approved by _____ Title _____ Date _____

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas well Other

2. Name of Operator
Inland Production Co.

3. Address and Telephone No.
P.O. Box 790233 Vernal, UT 84079 (801) 789-1866

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**NE/NE
Sec. 31, T8S, R17E**

5. Lease Designation and Serial No.

U-74869

6. If Indian, Allottee or Tribe Name

7. If unit or CA, Agreement Designation

8. Well Name and No.

Tar Sands Federal #1-31

9. API Well No.

43-013-31654

10. Field and Pool, or Exploratory Area

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Duchesne, UT

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TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
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(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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

WEEKLY STATUS REPORT FOR WEEK OF 10/17/96 - 10/28/96:

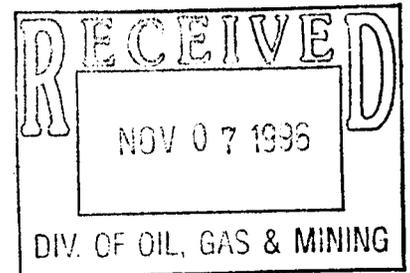
**Perf LDC sd @ 5465'-5470', 5472'-5474', 5492'-5516', 5532'-5535', 5538'-5540', 5546'-5550',
5576'-5579', 5584'-5586', 5616'-5621'**

Perf A sd @ 5276'-5278', 5281'-5283', 5336'-5353', 5364'-5384'

Perf C sd @ 5033'-5039', 5041'-5045', 5050'-5054'

RIH w/ Production String

ON PRODUCTION 10/28/96



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

Signed *Cheryl Cameron*
Cheryl Cameron

Title **Regulatory Compliance Specialist**

Date **10/28/96**

(This space of Federal or State office use.)

Approved by _____

Title _____

Date _____

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly to make to any department of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

(See instructions on reverse)

Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

U-74869

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL [X] GAS WELL [] DRY [] Other []

b. TYPE OF COMPLETION: NEW WELL [X] WORK OVER [] DEEP EN [] PLUG BACK [] DIFF. RESVR [] OTHER []

2. NAME OF OPERATOR: Inland Production Company

3. ADDRESS OF OPERATOR: P.O. Box 790233 Vernal, UT 84079

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements): At surface NE/NE

At top prod. interval reported below 706' FNL & 639' FEL

At total depth

43-013-31054 14. PERMIT NO. DATE ISSUED UT0806M123 9/24/96

FARM OR LEASE NAME: Tar Sands Federal

9. WELL NO.: #1-31

10. FIELD AND POOL, OR WILDCAT: Monument Butte

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: Sec. 31, T8S, R17E

12. COUNTY OR PARISH: Duchesne

13. STATE: UT

15. DATE SPUNDED: 9/29/96

16. DATE T.D. REACHED: 10/7/96

17. DATE COMPL. (Ready to prod.): 10/28/96

18. ELEVATIONS (DF, RKB, RT, GR, ETC.): 5250.2' GR

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD: 6100'

21. PLUG, BACK T.D., MD & TVD: 6022'

22. IF MULTIPLE COMPL. HOW MANY? []

23. INTERVALS DRILLED BY: []

ROTARY TOOLS: [] CABLE TOOLS: []

24. PRODUCING INTERVAL(S) OF THIS COMPLETION TOP, BOTTOM, NAME (MD AND TVD): 5465'-5470', 5472'-5474', 5492'-5516', 5532'-5535', 5538'-5540', 5546', 5550', 5576'-5579', 5584'-5586', 5616'-5621', 5276'-5278', 5281'-5283', 5336'-5353', 5364'-5384', 5033'-5039', 5041'-5045', 5050'-5054'

25. WAS DIRECTIONAL SURVEY MADE: No

26. TYPE ELECTRIC AND OTHER LOGS RUN: CBL, DLL, CNL 11-27-96

27. WAS WELL CORED: No

28. CASING RECORD (Report all strings set in well)

Table with 5 columns: CASING SIZE, WEIGHT, LB./FT., DEPTH SET (MD), HOLE SIZE, CEMENTING RECORD, AMOUNT PULLED. Rows include 8 5/8 and 5 1/2 casing sizes.

29. LINER RECORD

Table with 8 columns: SIZE, TOP (MD), BOTTOM (MD), SACKS CEMENT, SCREEN (MD), SIZE, DEPTH SET (MD), PACKER SET (MD).

30. TUBING RECORD

Table with 2 columns: 31. PERFORATION RECORD (Interval, size and number) and 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC. (DEPTH INTERVAL (MD), AMOUNT AND KIND OF MATERIAL USED).

33. PRODUCTION

Table with 8 columns: DATE FIRST PRODUCTION, PRODUCTION METHOD, WELL STATUS, DATE OF TEST, HOURS TESTED, CHOKER SIZE, PROD'N. FOR TEST PERIOD, OIL-BBL., GAS-MCF., WATER-BBL., GAS-OIL RATIO.

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.): Sold & Used for Fuel

35. LIST OF ATTACHMENTS: Logs in Item #26

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

SIGNED: Cheryl Cameron TITLE: Regulatory Compliance Specialist DATE: 11/22/96

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

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

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Garden Gulch Mkr	4199'					
Point 3 Mkr	4467'					
X Mkr	4699'					
Y Mkr	4735'					
Douglas Ck Mkr	4858'					
Bicarbonate Mkr	5086'					
B Limestone Mkr	5200'					
Castle Peak	5733'					
Marl Carbonate	NDE					
			#32.			
			Perf LDC 5465'-5470', 5472'-5474', 5492'-5516', 5532'-5535', 5538'-5540', 5546'-5550', 5576'-5579', 5584'-5586', 5616'-5621'			
			Frac w/ 119,800# 20/40 sd in 642 bbsl frac			
			fluid			
			Perf A 5276'-5278', 5281'-5283', 5336'-5353', 5364'-5384'			
			Frac w/ 103,700# 20/40 sd in 525 bbls frac			
			fluid			
			Perf C 5033'-5039', 5041'-5045', 5050'-5054'			
			Frac w/ 92,800# 20/40 sd in 480 bbls frac			
			fluid			

OPERATOR INLAND PRODUCTION COMPANY

OPERATOR ACCT. NO. H 5160

ADDRESS _____

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
D		12308									
WELL 1 COMMENTS: *SAND WASH (GREEN RIVER) UNIT EFF 12-01-97; ALL WELLS LISTED SHOULD BE GROUPED TOGETHER UNDER A COMMON ENTITY NUMBER AS PER OPERATOR REQUEST EFF 12-1-97. (SEE ATTACHED)											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

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

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

(3/89)

L. CORDOVA (DOGM)

Signature

ADMIN. ANALYST

3-11-98

Title

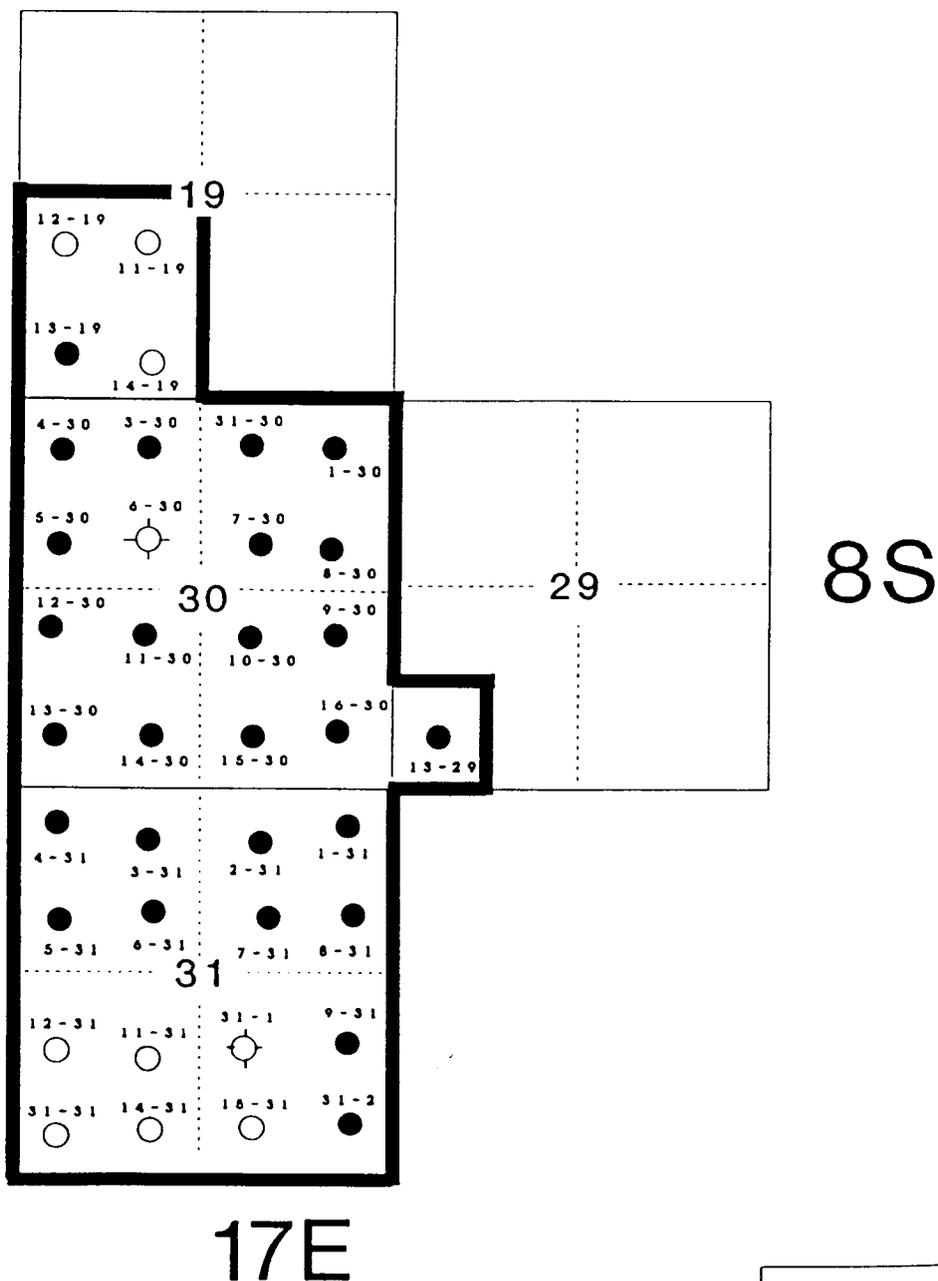
Date

Phone No. ()

SAND WASH (GREEN RIVER) UNIT

Duchesne County, Utah

EFFECTIVE: DECEMBER 1, 1997



— UNIT OUTLINE (UTU76788X)
1,444.06 ACRES

SECONDARY ALLOCATION
FEDERAL 96.94%
FEE 3.06%

SANDWASH UNIT	WELL NAME & # W/ RANGE & TOWNSHIP	API NUMBER	
	TAR SANDS #13-29-8-17	43-013-31925	12218
	TAR SANDS #1-30-8-17	43-013-31898	12251
Wildrose Resources	HARBOUR TOWN #31-30-8-17 (2-30)	43-013-31758	12097
	TAR SANDS #3-30-8-17	43-013-31755	12045
	TAR SANDS #4-30-8-17	43-013-31621	11916
	TAR SANDS #5-30-8-17	43-013-31620	11958
	TAR SANDS #7-30-8-17	43-013-31807	12131
	TAR SANDS #8-30-8-17	43-013-31870	12141
	TAR SANDS #9-30-8-17	43-013-31873	12177
	TAR SANDS #10-30-8-17	43-013-31808	12126
	TAR SANDS #11-30-8-17	43-013-31732	12041
	TAR SANDS #12-30-8-17	43-013-31543	11945
	TAR SANDS #13-30-8-17	43-013-31637	11940
	TAR SANDS #15-30-8-17	43-013-31874	12164
	TAR SANDS #16-30-8-17	43-013-31708	12070
	TAR SANDS #1-31-8-17	43-013-31654	12012
	TAR SANDS #2-31-8-17	43-013-31866	12142
	TAR SANDS #3-31-8-17	43-013-31733	12162
	TAR SANDS #4-31-8-17	43-013-31606	11953
	TAR SANDS #5-31-8-17	43-013-31607	12140
	TAR SANDS #6-31-8-17	43-013-31686	12163
	TAR SANDS #7-31-8-17	43-013-31684	12149
	TAR SANDS #8-31-8-17	43-013-31615	11913
	TAR SANDS #9-31-8-17	43-013-31616	12220
Wildrose Resources	GOVT #31-2-8-17 (16-31)	43-013-20082	06300

W: Liska
From: Debbie



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

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

1594 West North Temple, Suite 1210
 Box 145801
 Salt Lake City, Utah 84114-5801
 801-538-5340
 801-359-3940 (Fax)
 801-538-7223 (TDD)

FACSIMILE COVER SHEET

DATE: 01-09-98

NUMBER OF PAGES INCLUDING THIS COVER SHEET: 4

TO: KEBBIE JONES
INLAND PRODUCTION COMPANY

FAX NUMBER: (801)722-9149

FROM: LISHA CORDOVA
DIVISION OF OIL GAS AND MINING

PHONE: (801) 538-5340
 FAX: (801) 359-3940

SUBJECT: PLEASE REVIEW ENTITY ASSIGNMENTS FOR THE UNITS LISTED BELOW:
ASHLEY, BOUNDARY, SAND WASH (GREEN RIVER) *PLATS ATTACHED

REMARKS: IF YOU WOULD LIKE A "COMMON" ENTITY NUMBER ASSIGNED FOR
REPORTING PURPOSES, PLEASE LET ME KNOW ASAP! ANY QUESTIONS, PLEASE
CALL ME AT 538-5296. THANK YOU!

Should you encounter any problems with this copy, or do not receive all the pages, please call

Important: This message is intended for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return this original message to us at the above address via regular postal service. Thank you.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.

U-74869

6. If Indian, Allottee or Tribe Name

NA

7. If Unit or CA, Agreement Designation

SAND WASH (GR RVR)

8. Well Name and No.

TAR SANDS FEDERAL 1-31

9. API Well No.

43-013-31654

10. Field and Pool, or Exploratory Area

UNDESIGNATED

11. County or Parish, State

DUCHESNE COUNTY, UTAH

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

INLAND PRODUCTION COMPANY

3. Address and Telephone No.

475 17TH STREET, SUITE 1500, DENVER, COLORADO 80202 (303) 292-0900

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

0706 FNL 0639 FEL NE/NE Section 31, T08S R17E

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

TYPE OF SUBMISSION

Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

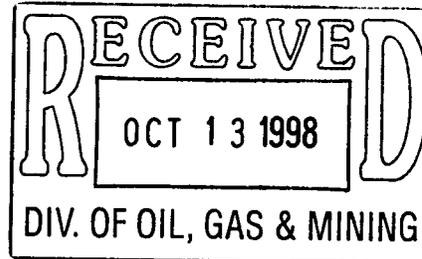
Abandonment
 Recompletion
 Plugging Back
 Casing Repair
 Altering Casing
 Other **Site Security**

Change of Plans
 New Construction
 Non-Routine Fracturing
 Water Shut-Off
 Conversion to Injection
 Dispose Water

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

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

Attached please find the site security diagram for the above referenced well.



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

Signed

Lillian E. Knight

Title

Manager, Regulatory Compliance

Date

10/8/98

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

CC: UTAH DOGM

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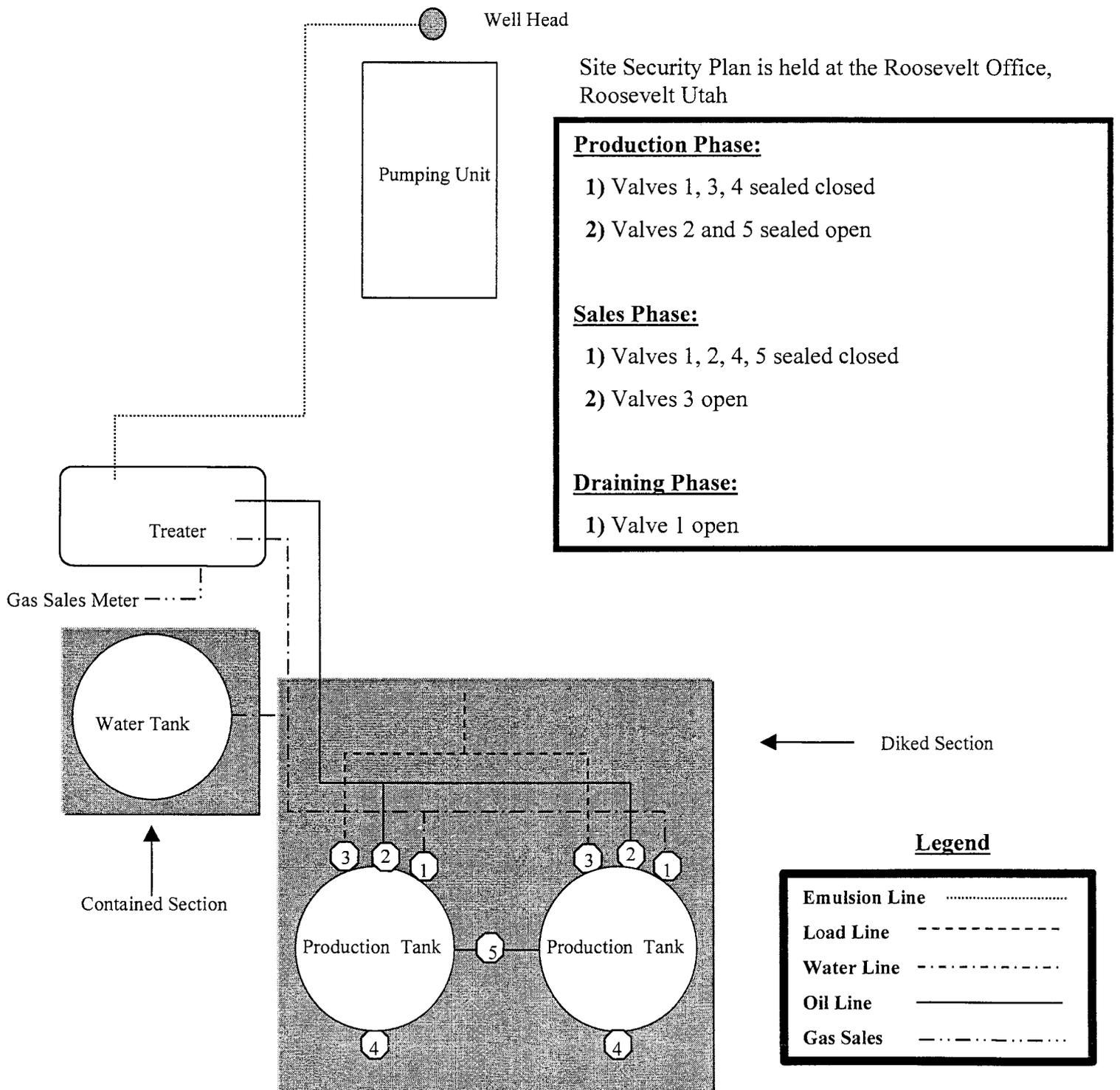
Inland Production Company Site Facility Diagram

Tar Sands 1-31

NE/NE Sec. 31, T8S, 17E

Duchesne County

May 12, 1998





UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8

999 18TH STREET - SUITE 300

DENVER, CO 80202-2466

<http://www.epa.gov/region08>

OCT 21 2003

Ref: 8P-W-GW

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

Mr. Mike Guinn
Vice President - Operations
Inland Production Company
Route 3 - Box 3630
Myton, UT 84502

RE: ADDITIONAL WELL TO BOUNDARY AREA PERMIT
Tar Sands Federal No. 1-31-8-17
Well ID No. UT20847-06227
Sand Wash Area Permit UT20847-00000
Duchesne County, Utah

Dear Mr. Guinn:

The Inland Production Co. (Inland) request to convert a former Douglas Creek Member of the Green River Formation oil well, the Tar Sands Federal No. 1-31-8-17, to a Green River Formation Garden Gulch/Douglas Creek/Basal Carbonate Members enhanced recovery injection well, in the Sand Wash Area Permit, is hereby authorized. The proposed Tar Sands Federal No. 1-31-8-17 Class II enhanced recovery injection well is within the exterior boundary of Area Permit UT20847-00000; is within the exterior boundary of the Uintah & Ouray Indian Reservation; and the addition is being made under the authority of 40 CFR § 144.33 (c), and the terms of the Sand Wash Area Permit. Unless specifically mentioned in the enclosed Authorization For An Additional Well, all terms and conditions of the original Area Permit will apply to the conversion, operation, monitoring, and plugging of the Tar Sands Federal No. 1-31-8-17.

Prior to beginning injection, the Environmental Protection Agency (EPA) requires that Inland submit for review and approval (1) the results of a Part I (Internal) Mechanical Integrity Test (MIT), (2) a pore pressure calculation of the injection interval, and (3) an EPA Form No. 7520-12 (Well Rework Record, enclosed).

RECEIVED

OCT 24 2003

DIV OF OIL, GAS AND MINING



Printed on Recycled Paper

Pursuant to Part II. Section C. Condition No. 5, (Injection Pressure Limitation), Sand Wash Area Permit UT20847-00000, the initial surface injection pressure shall not exceed 1750 psig, **but the initial maximum surface injection pressure of the Tar Sands Federal No. 1-31-8-17 shall not exceed 1080 psig.** The Sand Wash Area Permit, Part II. C. 5., provides an opportunity for the permittee to request an increase, or decrease, in the initial maximum surface injection pressure.

Please be aware that Inland does not have authorization to begin injection into the Tar Sands Federal No. 1-31-8-17 until the Prior to Commencing Injection requirements, listed above, have been submitted and evaluated by the EPA, and Inland has received written authorization to begin injection from the Assistant Regional Administrator, or the Assistant Regional Administrator's authorized representative.

If Inland Production Company has any questions, please call Dan Jackson at (303) 312-6155 if in the Denver area, or 1.800.227.8917 (Ext. 6155) if calling from outside the Denver area. Please submit the required pre-authorization to inject data to the **ATTENTION: Dan Jackson**, at the letterhead address, citing **MAIL CODE: 8P-W-GW** very prominently.

Sincerely,

Carl S. Campbell for

Stephen S. Tuber
Assistant Regional Administrator
Office of Partnerships and
Regulatory Assistance

enclosures: Authorization For An Additional Well
Form No. 7520-12 (Well Rework Record)

cc w/enclosures: Ms. Maxine Natchees
Chairwoman
Uintah & Ouray Business Committee
Ute Indian Tribe
P.O. Box 190
Fort Duchesne, UT 84026

Ms. Elaine Willie
Environmental Director
Ute Indian Tribe
P.O. Box 460
Fort Duchesne, UT 84026

Mr. Chester Mills
Superintendent
Bureau of Indian Affairs
Uintah & Ouray Indian Agency
P.O. Box 130
Fort Duchesne, UT 84026

Mr. David Gerbig
Operations Engineer
Inland Production Company
410 Seventeenth Street - Suite 700
Denver, CO 80202

Mr. Gil Hunt
Technical Services Manager
State of Utah - Natural Resources
Division of Oil, Gas, and Mining
1594 West North Temple - Suite 1220
Salt Lake City, UT 84114-5801

Mr. Jerry Kenczka
Petroleum Engineer
Bureau of Land Management
170 South 500 East
Vernal, UT 84078



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8
999 18TH STREET - SUITE 500
DENVER, CO 80202-2466

AUTHORIZATION FOR AN ADDITIONAL WELL
TO THE
SAND WASH AREA PERMIT: UT20847-00000

The Environmental Protection Agency (EPA) authorizes the inclusion of an additional enhanced recovery injection well to the Sand Wash Area Permit No. UT20847-00000, as authorized by 40 CFR § 144.33 (c). The additional well is described as:

WELL NAME: TAR SANDS FEDERAL NO. 1-31-8-17 (TSF NO. 1-31)

WELL PERMIT NUMBER: UT20847-06227

SURFACE LOCATION: 706' FNL & 639' FEL (NE NE)
Sec. 31 - T8S - R17E
Duchesne County, Utah.

This well is subject to all provisions of the original Area Permit (UT20847-00000), and subsequent Modifications, unless specifically detailed below.

POSTPONEMENT OF CONVERSION: If the Tar Sands Federal No.1-31-8-17 is not converted/completed for enhanced recovery within one (1) year from the effective date of this AUTHORIZATION FOR AN ADDITIONAL WELL TO THE SAND WASH AREA PERMIT, this Authorization to convert will automatically expire **unless the permittee requests an extension**. The written request shall be made to the Director, and shall state the reasons for the delay in conversion/construction, and the permittee will confirm that all underground sources of drinking water (USDW) will be protected. **The extension under POSTPONEMENT OF CONVERSION may not exceed one (1) year.**

UNDERGROUND SOURCE OF DRINKING WATER (USDW): The base of the Uinta Formation USDW in the TSF No. 1-31 occurs less than **100 feet** from the surface. The source for the location of the base of the Uinta Formation USDW is the STATE OF UTAH: PUBLICATION NO. 2. BASE OF MODERATELY SALINE GROUND WATER IN THE UINTA BASIN, UTAH. Surface casing was set at **285 feet** and cemented to the surface.

Documentation submitted with the application for a Sand Wash Area Permit, and this application for an Additional Well to the Area Permit, identify the total dissolved solids (TDS) of the Johnson Water District source as **554 mg/l**. The blended injectate (**981 mg/l**) is source water from the Johnson Water District Reservoir and minimal produced water.



UNDERGROUND SOURCES OF DRINKING WATER (USDW) EXEMPTION:

There is a USDWs within the TSF No. 1-31 area-of-review (AOR) below the base of the surface casing, i.e., 285 feet. An October 6, 2003 analysis of produced Green River Formation (Douglas Creek Member) water cites total dissolved solids for this Member as 6908 mg/l. The injectate will be a blend of source water from the Johnson Water District Reservoir (554 mg/l) and the produced water (6908 mg/l). As the blended injectate will be less than 10,000 mg/l, and less than indigenous Douglas Creek Member water no Aquifer Exemption is required.

WATER WELLS AND/OR SPRINGS: ([HTTP://NRWRT1.NR.STATE.UT.US/](http://nrwrt1.nr.state.ut.us/))

RE: Water Rights. Queries. POD.

According to the referenced Utah records there are no domestic or agricultural water wells within the AOR of the TSF No. 1-31. There are no springs within this AOR.

A topographic map submitted with the application for a Permit for the TSF 1-31 shows a "well" in the extreme NE NE NE corner of Section 31 - T8S - R17E. Cutting across this corner is the trace of the Pariette Gilsonite mine.

The Bureau of Land Management (BLM), Vernal, Utah, has no record of the aforementioned "well". The BLM does report that the depth of mining shafts in the abandoned Pariette Gilsonite mine ranged from 600 feet to 1500 feet.

The Bureau of Mines confirms the depth of mine shafts and that all shaft and collapsed drifts-stopes have been backfilled with surrounding "soil".

Even though there is no record of the "water well" in the extreme northeast corner of Sec. 31-T8S-R17E, CBL analysis does show 80% bond index cement bond across the confining shale in the TSF No. 1-31. This annulus cement should preclude injectate contamination of the "water well" fluid source. If contamination of the "water well" reservoir is observed the Tar Sands Federal No. 1-31-8-17 will be immediately shut-in and the operator will conduct corrective action on the Tar Sands Federal No. 1-31-8-17.

If injectate fluid is observed along the trace of the abandoned Pariette Gilsonite mine, the Tar Sands Federal No. 1-31-8-17 will be immediately shut-in and the operator will conduct corrective action on the Tar Sands federal No. 1-31-8-17.

CONFINING ZONE REVIEW: TSF No. 1-31

The EPA identifies the confining zone directly overlying the top of the **Garden Gulch Member** as a 106-foot shale zone, i.e., 3778 feet to 3884 feet .

An EPA analysis of the **TSF No. 1-31** CBL/GR identifies a continuous 80% bond index cement bond from 3726 feet to 4344 feet, pursuant to standards of Region 8 GROUND WATER SECTION GUIDANCE NO. 34(Cement Bond Logging Techniques and Interpretation). The confining zone occurs from 3778 feet to 4344 feet. Therefore, it **has been determined** that the cement in this well should provide an effective barrier to significant upward movement of fluids through vertical channels adjacent to the wellbore (Part II Mechanical Integrity [MI]), pursuant to 40 CFR § 146.8 (a) (2). **The permittee will not be required to demonstrate Part II External MI** (Ground Water Section Guidance No. 37).

INJECTION ZONE REVIEW: TAR SANDS FEDERAL NO. 1-31-8-17

The injection interval shall consist of the Garden Gulch, Douglas Creek and Basal Carbonate Members of the Green River Formation. The approved injection interval of each injection well shall be determined by correlation to the Greater Monument Butte Area (GMBA) Type Log, designated as the Dual Laterolog and Compensated Density-Neutron-Gamma Ray log from the Federal No. 1-26-8-17 injection well (UT20702-04671) located in the NE NW Section 26 - T8S - R17E, Duchesne County, Utah. The GMBA Type Log shows that the injection interval in the Federal No. 1-26-8-17 injection well extends from a measured depth of 4164 feet to 6515 feet and the confining zone overlying the top of the injection zone (top of the Garden Gulch Member) is the shale interval from 4117 feet to 4164 feet.

In the proposed **Tar Sands Federal No. 1-31-8-17** enhanced recovery injection facility, correlative Green River Formation Member tops are:

- Confining Zone at top of Garden Gulch Member.....3778 feet to 3884 feet
- Garden Gulch Member: 3884 feet
- Douglas Creek Member 4896 feet
- Driller Total Depth 6100 feet
- Basal Carbonate Member Estimated 6146 feet
- Estimated authorized total depth to top of Wasatch Fm. 6271 feet.

WELL CONSTRUCTION REVIEW: TAR SANDS FEDERAL NO. 1-31-8-17

SURFACE CASING: 8-5/8 inch casing is set at 284.68 feet ground level (GL) in a 12-1/4 inch hole using 120 sacks of Type "V" cement circulated to the surface. The Uinta Formation underground sources of drinking water (USDWs) are less than 100 feet from the surface. Annulus cement and depth of surface casing are considered adequate to protect USDWs in this well.

LONGSTRING CASING: 5-1/2 inch casing is set at 6100 feet KB with 390 sacks of Hibond mixed with 350 sacks of Thixotropic. The operator identifies top of cement at 638 feet. The EPA analysis of the CBL/GR shows the **critical interval of 80% cement bond index annulus cement as 3726 feet to 4344 feet (618 feet).**

PART II. A. CONSTRUCTION REQUIREMENTS FOR ADDITIONAL WELLS

Tubing and Packer Specifications: (Condition 3)

For injection purposes, the **TSF No. 1-31** will be equipped with 2-7/8 tubing with a packer to be set at a depth no higher than 100 feet above the top perforation.

Formation Testing and Logging (Condition 6)

- (a) Upon conversion of the **TSF No. 1-31**, the permittee is required to determine the injection zone **fluid pore pressure** (static bottom hole pressure) prior to commencement of enhanced recovery injection operation. The results of this test shall be submitted to the EPA.
- (b) A **step-rate test (SRT)** shall be performed on the **TSF No. 1-31** within three (3) to six (6) months after injection operations were initiated. The results shall be submitted to the EPA. The permittee will contact the EPA prior to conducting the SRT to acquire the most current Guidance for conducting the SRT.

PART II. B. CORRECTIVE ACTION

As of October 2003, there are two (2) Green River Formation Garden Gulch-Douglas Creek Members oil wells, and two (2) Green River Formation Douglas Creek Member oil wells within the one-quarter (1/4) mile area-of-review (AOR). There are no staked/undrilled, plugged and abandoned (P&A), or drilled and abandoned (D&A) locations within the AOR.

DOUGLAS CREEK MEMBER OIL WELL:

Tar Sands Federal No. 2-31-8-17 (NW NE Sec. 31-T8S-R17E)

The EPA compared the confining interval, overlying the top of the Garden Gulch Member, to the top of the 80% bond index cement bond, and the EPA has concluded that there is no 80% bond index cement bond across the Garden Gulch confining interval. Therefore, pursuant to Part II. B., Sand Wash Area Permit, the permittee is required to monitor the **TSF No. 2-31** at least **once weekly** for indications of fluid at the surface behind longstring casing, or other indications of leakage. If any such leakage is discovered at the **TSF No. 2-31** injection into the

TSF No. 1-31 shall be halted immediately, and the Director notified pursuant to Part III, Sec. E. 10. of the Sand Wash Area Permit Area Permit.

Gilsonite State No. 4-32

(NW NW Sec. 32-T8S-R17E)

The EPA compared the confining interval, overlying the top of the Garden Gulch Member, to the top of the 80% bond index cement bond, and the EPA has concluded that there is no 80% bond index cement bond across the Garden Gulch confining interval. Therefore, pursuant to Part II. B., Sand Wash Area Permit, the permittee is required to monitor the **Gilsonite State No. 4-32** at least **once weekly** for indications of fluid at the surface behind longstring casing, or other indications of leakage. If any such leakage is discovered at the **Gilsonite State No. 4-32** injection into the **TSF No. 1-31** shall be halted immediately, and the Director notified pursuant to Part III, Sec. E. 10. of the Sand Wash Area Permit Area Permit.

GARDEN GULCH-DOUGLAS CREEK MEMBER OIL WELL

Tar Sands Federal No. 16-30-8-17

(SE SE Sec. 30-T8S-R17E)

The EPA compared the confining interval, overlying the top of the Garden Gulch Member, to the top of the 80% bond index cement bond, and the EPA has concluded that there is no EPA-acceptable annulus cement across the Garden Gulch confining interval. Therefore, pursuant to Part II. B., Boundary Area Permit, the permittee is required to monitor the **TSF No. 16-30** at least **once weekly** for indications of fluid at the surface behind longstring casing, or other indications of leakage. If any such leakage is discovered at the **TSF No. 16-30** injection into the **TSF No. 1-30** shall be halted immediately, and the Director notified pursuant to Part III. Sec. E. 10. of the Sand Wash Area Permit.

Tar Sands Federal No. 8-31

(SE NE Sec. 31-T8S-R17E)

The EPA compared the confining interval, overlying the top of the Garden Gulch Member, to the top of the 80% bond index cement bond, and the EPA has concluded that there is no EPA-acceptable annulus cement across the Garden Gulch confining interval. Therefore, pursuant to Part II. B., Boundary Area Permit, the permittee is required to monitor the **TSF No. 8-31** at least **once weekly** for indications of fluid at the surface behind longstring casing, or other indications of leakage. If any such leakage is discovered at the **TSF No. 8-31** injection into the **TSF No. 1-30** shall be halted immediately, and the Director notified pursuant to Part III. Sec. E. 10. of the Sand Wash Area Permit.

Abandoned Pariette Gilsonite Mine

If fluid that is identified as injectate from the TSF No. 1-31 is observed along the surface trace of this abandoned mine within the one-quarter (1/4) mile AOR, the operator shall immediately shut-in the TSF No. 1-31. The Director shall be immediately notified pursuant to Part III. Sec. E. 10. of the Sand Wash Area Permit.

“Water” Well**(Extreme NE Corner Sec. 31 - T8S - R17E)**

If fluid that is identified as injectate from the TSF No. 1-31 is observed at the surface of this “well”, the operator shall immediately shut-in the TSF No. 1-31. The Director shall be immediately notified pursuant to Part III. Sec. E. 10. of the Sand Wash Area Permit.

PART II. C. WELL OPERATION**Prior to Commencing Injection (Additional Wells)****(Condition 2)**

Tar Sands federal No. 1-31-8-17: This document is being issued without authority to inject. Prior to beginning injection, the operator is required to submit the following information for EPA review and written approval:

- (1) A successful **mechanical integrity test (MIT) Part I (Internal)**, as described in **GROUND WATER SECTION GUIDANCE NO. 39;**
- (2) a **pore pressure calculation** of the proposed injection zone; and
- (3) an EPA Form No. 7520-12 (**Well Rework Record**, enclosed).

Please be advised that all tests will be conducted following current EPA Guidelines. Current Guidelines may be obtained from the EPA upon request. Deviations from those Guidelines without written approval of the Director may result in denial of the survey/test.

Injection Interval**(Condition 3)**

Injection shall be limited to the **gross Garden Gulch/Douglas Creek/Basal Carbonate Members of the Green River Formation** 3884 feet (KB) to the estimated top of the Wasatch Formation at 6271 feet.

Injection Pressure Limitation

(Condition 4)

Pursuant to Final Area Permit UT20847-00000, Part II. Section C. 5. (b). the maximum surface injection pressure (MIP) shall not exceed 1750 psig. Until such time that a step-rate injectivity test (SRT) has been performed, reviewed, and approved by the EPA, the initial maximum surface injection pressure (MIP) for the Tar Sands Federal No. 1-31-8-17 shall not exceed **1080 psig**.

$$\begin{aligned} \text{FG} &= 0.650 \text{ (An FG in agreement with Step-Rate Test Fracture Gradients proximate to TSF No. 1-31)} \\ \text{D} &= 5033 \text{ feet (Depth to top perforation)} \\ \text{SG} &= 1.005 \\ 0.433 &= \text{Density fresh water} \\ \text{MIP} &= [0.650 - (0.433)(1.005)] 5033 = 1081 \text{ psig, } \underline{\text{reduced to 1080PSIG.}} \end{aligned}$$

Final Area Permit (UT20702-00000), has a provision whereby the operator may request an increase, or decrease, in the maximum surface injection pressure.

PART II. F. FINANCIAL RESPONSIBILITYDemonstration of Financial Responsibility (FRD)

(Condition 1)

The applicant has chosen to demonstrate financial responsibility for the Tar Sands Federal No. 1-31-8-17 within an Escrow Trust Account of \$60,000, which covers four (4) Inland proposed conversions to enhanced recovery injection. This financial instrument was reviewed and approved by the EPA.

PART III. E.Reporting of Noncompliance:

(Condition 10)

- (a) **Anticipated Noncompliance:** The operator shall give advance notice to the Director of any planned changes in the permitted facility or activity which may result in noncompliance with Permit requirements.
- (b) **Compliance Schedules:** Reports of compliance or noncompliance with or any progress reports on, interim and final requirements contained in any compliance schedule of this Permit shall be submitted **no later than thirty (30) days following each schedule date.**
- (c) **Written Notice** of any noncompliance which may endanger health or the environment **shall be provided to the Director within five (5) days** of the time the operator becomes aware of the noncompliance. The written notice shall contain a description of the noncompliance and its cause; the period of noncompliance including dates and times; if the noncompliance has not been

corrected the anticipated time it is expected to continue; and steps taken or planned to prevent or reduce recurrence of the noncompliance.

Twenty-Four Hour Noncompliance Reporting:

(Condition 11)

The operator shall report to the Director any noncompliance which may endanger health or environment. Information shall be provided, either orally or by leaving a message, within twenty-four (24) hours from the time the operator becomes aware of the circumstances by telephoning 1.800.227.8917 and asking for the **EPA Region VIII UIC Program Compliance and Enforcement Director**, or by contacting the **Region VIII Emergency Operations Center at 303.293.1788** if calling from outside the EPA Region VIII. The following information shall be included in the verbal report:

- (a) Any monitoring or other information which indicates that any contaminant may cause an endangerment to a USDW.
- (b) Any noncompliance with a Permit condition or malfunction of the injection system which may cause fluid migration into or between underground sources of drinking water.

Oil Spill and Chemical Release Reporting:

(Condition 12)

The operator shall comply with all other reporting requirements related to oil spills and chemical releases or other potential impacts to human health or the environment by contacting the **National Response Center (NRC) at 1.800.424.8802 or 202.267.2675**, or through the **NRC website at <http://www.nrc.uscg.mil/index.htm>**.

Other Noncompliance:

(Condition 13)

The operator shall report all other instances of noncompliance not otherwise reported at the time monitoring reports are submitted. The reports shall contain the information listed in Part III. E.c.ii. of this Permit.

Other information:

(Condition 14)

Where the operator becomes aware that he failed to submit any relevant facts in the Permit application or submitted incorrect information in a Permit application, or in any report to the Director, the operator shall submit such correct facts or information within two weeks of the time such information became known to him.

APPENDIX C

PLUGGING AND ABANDONMENT: The Plugging and Abandonment (P&A) Plan (Application Attachment Q-2) submitted by the applicant has been reviewed and approved by the EPA, except for the addition of Plug No. 4. The P&A Plan, as modified, is consistent with EPA requirements to protect all USDWs. The permittee will place 9.2 ppg plugging gel or bentonite mud between all cement plugs.

PLUG NO. 1: Set a cast iron bridge plug (CIBP) at 4933 feet. A 100-foot Class "G" cement plug will be set on top of the CIBP.

PLUG NO. 2: Set a Class "G" cement plug inside of the 5-1/2 inch casing from 2000 feet to 2200 feet.

PLUG NO. 3: Set a cement plug inside of the 5-1/2 inch casing from the surface to a depth of 335 feet.

PLUG NO. 4: Set a cement plug on the backside of the of the 5-1/2 inch casing from the surface to a depth of 335 feet.

This authorization for well conversion only of the Tar Sands Federal No. 1-31-8-17 to an enhanced recovery injection well becomes effective upon signature.

Date: OCT 21 2003

Carl S. Campbell for

(*) Stephen S. Tuber
Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

(*) The person holding this title is referred to as the "Director" throughout this Authorization for an Additional Well to the Sand Wash Area Permit.



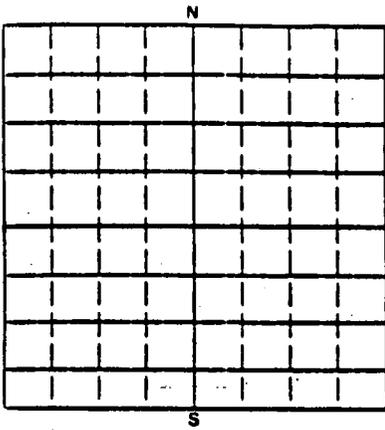
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, DC 20460

WELL REWORK RECORD

NAME AND ADDRESS OF PERMITTEE

NAME AND ADDRESS OF CONTRACTOR

LOCATE WELL AND OUTLINE UNIT ON SECTION PLAT — 640 ACRES



STATE

COUNTY

PERMIT NUMBER

SURFACE LOCATION DESCRIPTION

1/4 of 1/4 of 1/4 of Section Township Range

LOCATE WELL IN TWO DIRECTIONS FROM NEAREST LINES OF QUARTER SECTION AND DRILLING UNIT

Surface Location ____ ft. from (N/S) ____ Line of quarter section
and ____ ft. from (E/W) ____ Line of quarter section

WELL ACTIVITY

- Brine Disposal
- Enhanced Recovery
- Hydrocarbon Storage

Lease Name

Total Depth Before Rework

Total Depth After Rework

Date Rework Commenced

Date Rework Completed

TYPE OF PERMIT

- Individual
 - Area
- Number of Wells ____

Well Number

WELL CASING RECORD — BEFORE REWORK

Casing		Cement		Perforations		Acid or Fracture Treatment Record
Size	Depth	Sacks	Type	From	To	

WELL CASING RECORD — AFTER REWORK (Indicate Additions and Changes Only)

Casing		Cement		Perforations		Acid or Fracture Treatment Record
Size	Depth	Sacks	Type	From	To	

DESCRIBE REWORK OPERATIONS IN DETAIL
USE ADDITIONAL SHEETS IF NECESSARY

WIRE LINE LOGS. LIST EACH TYPE

Log Types

Logged Intervals

CERTIFICATION

I certify under the penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. (Ref. 40 CFR 144.32).

NAME AND OFFICIAL TITLE (Please type or print)

SIGNATURE

DATE SIGNED

Paperwork Reduction Act Notice

Public reporting burden for this collection of information is estimated at an average of 4 hours per well, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Chief, Information Policy Branch, PH-223, U.S. Environmental Protection Agency, 401 M Street, SW, Washington, DC 20460, and the Office of Management and Budget, Paperwork Reduction Project, Washington, DC 20503.

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU76788X

SUNDRY NOTICES AND REPORTS ON WELLS

not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, c
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:
SAND WASH UNIT

1. TYPE OF WELL: OIL WELL GAS WELL OTHER

8. WELL NAME and NUMBER:
TAR SANDS FED 1-31

2. NAME OF OPERATOR:
Inland Production Company

9. API NUMBER:
4301331654

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:
Monument Butte

4. LOCATION OF WELL:
FOOTAGES AT SURFACE: 0706 FNL 0639 FEL

COUNTY: Duchesne

OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: NE/NE, 31, T8S, R17E

STATE: Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION		
	TYPE OF ACTION	TYPE OF ACTION	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 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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of Work Completion: 04/07/2004	<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 checked="" 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.
The subject well was recompleted in the Green River formation. Five new intervals were perforated, D2 sds 4938-4943 w/4JSPF, CP1 sds 5784-5790 w/4JSPF, CP2 sds 5840-5848 w/4JSPF, CP3 sds 5905-5913 w/4JSPF and the CP4 sds 5948-5956 w/4JSPF for a total of 140 shots.
The well was also converted from a producing to an injection well on 3/26/04. The rods and tubing anchor were removed and a packer was inserted in bottom hole assembly at 5818. On 3/31/04 Mr. Dan Jackson w/EPA was notified of the intent to conduct a MIT on the casing. On 4/2/04 the casing was pressured to 1395 psi w/ no pressure loss charted in the 1/2 hour test. No governmental agencies were able to witness the test.

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

NAME (PLEASE) Krishna Russell

TITLE Production Clerk

SIGNATURE

Krishna Russell

DATE April 07, 2004

Mechanical Integrity Test

Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
Underground Injection Control Program, UIC Direct Implementation Program 8P-W-GW
999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____ Date: 4/2/04
 Test conducted by: BRET HENZIE
 Others present: _____

Well Name: <u>TAR SANDS FED 1-31-8-17</u>	Type: ER SWD	Status: AC TA UC
Field: <u>SAND WASH UNIT</u>		
Location: <u>NE 1/4</u> Sec: <u>31</u> T <u>8</u> N/S R <u>17</u> E/W County: <u>Duchesne</u> State: <u>UT</u>		
Operator: <u>INLAND</u>		
Last MIT: <u>- / NA / -</u>	Maximum Allowable Pressure: <u>NA</u>	PSIG

- Is this a regularly scheduled test? Yes No
 Initial test for permit? Yes No
 Test after well rework? Yes No
 Well injecting during test? Yes No If Yes, rate: _____ bpd

Pre-test casing/tubing annulus pressure: 0 psig

MIT DATA TABLE	Test #1	Test #2	Test #3
TUBING PRESSURE			
Initial Pressure	420 psig	psig	psig
End of test pressure	420 psig	psig	psig
CASING / TUBING ANNULUS PRESSURE			
0 minutes	1395 psig	psig	psig
5 minutes	1395 psig	psig	psig
10 minutes	1395 psig	psig	psig
15 minutes	1395 psig	psig	psig
20 minutes	1395 psig	psig	psig
25 minutes	1395 psig	psig	psig
30 minutes	1395 psig	psig	psig
minutes	psig	psig	psig
minutes	psig	psig	psig
RESULT	<input checked="" type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail

Does the annulus pressure build back up after the test? Yes No



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8
999 18TH STREET - SUITE 300
DENVER, CO 80202-2466
<http://www.epa.gov/region08>

RECEIVED

APR 29 2004

APR 27 2004

DIV. OF OIL, GAS & MINING

Ref: 8P-W-GW

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. David Gerbig
Operations Engineer
Inland Production Company
1401 Seventeenth Street - Suite 1000
Denver, CO 80202

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

RE: UNDERGROUND INJECTION CONTROL (UIC)
Authority to Commence Injection
Well Permit No. UT20847-06227
Tar Sands Federal No. 1-31-8-17
Duchesne County, Utah

Dear Mr. Gerbig:

Inland Production Company (Inland) has satisfactorily fulfilled all the Environmental Protection Agency's (EPA) **Prior to Commencing Injection** requirements in the Sand Wash Area Permit, UT20847-00000 (Effective May 26, 1998), and the **Additional Well to the Sand Wash Area Permit** (UT20847-06227: Effective October 21, 2003). The Part I (Internal) Mechanical Integrity Test (MIT), dated April 2, 2004, was received by the EPA on April 9, 2004. The MIT was reviewed and approved by the EPA on April 20, 2004.

The Well Rework Record (EPA Form No. 7520-12) was submitted to the EPA on April 9, 2004. The Well Rework Record was reviewed and approved April 20, 2004.

The pore pressure was submitted to the EPA on April 9, 2004. The pore pressure was reviewed and approved by the EPA on April 20, 2004.

Inland, as of the date of this letter, is authorized to commence injection into the Tar Sands Federal No. 1-31-8-17. There will be no limitation on the number of barrels of water that will be injected into the Green River Formation interval 3884 feet to the top of the Wasatch Formation, estimated to be 6271 feet. Until such time that the permittee demonstrates through a Step-Rate Injectivity Test that the fracture gradient is other than 0.650 psi/ft, the Tar Sands Federal No. 1-31-8-17 shall be operated at a **maximum surface injection pressure no greater than 1080 psig.**



As of this approval, responsibility for Permit compliance and enforcement is transferred to the Region VIII UIC Technical Enforcement Program office. Therefore, please direct all future notification, reporting, monitoring and compliance correspondence to the following address, referencing your well name and UIC Permit number on all correspondence regarding this well:

Mr. Nathan Wiser
Technical Enforcement Program - UIC
U.S. EPA Region VIII: Mail Code 8ENF-UFO
999-18th Street - Suite 300
Denver, CO 80202-2466
Phone: 1.800.227.8917 (Ext. 6211)

Please be reminded that it is your responsibility to be aware of and to comply with all conditions of Area Permit UT20847-00000, and the Authorization to Add an Additional Well to the Sand Wash Area Permit (UT20847-06227). If you have any questions in regard to the above action, please contact Dan Jackson at 1.800.227.8917 (Ext. 6155).

Sincerely,


for Sandra A. Stavnes
Director
Ground Water Program

cc: Maxine Natchees
Chairwoman
Uintah & Ouray Business Council
Ute Indian Tribe
P.O. Box 190
Fort Duchesne, UT 84026

Elaine Willie
Environmental Coordinator
Ute Indian Tribe
P.O. Box 460
Fort Duchesne, UT 84026

Mr. Chester Mills
Superintendent
Bureau of Indian Affairs
Uintah & Ouray Indian Agency
P.O. Box 130
Fort Duchesne, UT 84026

Mr. Mike Guinn
Inland Production Company
Vice President - Operations
Route 3 - Box 3630
Myton, UT 84502

Mr. Gil Hunt
Technical Services Manager
State of Utah Natural Resources
Division of Oil, Gas, and Mining
1549 West North Temple
Salt Lake City, UT 84114-5801

Mr. Jerry Kenczka
Petroleum Engineer
Bureau of Land Management
Vernal District Office
170 South 500 East
Vernal, UT 84078

Mr. Nathan Wiser, 8ENF-UFO

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other Injection well		5. Lease Serial No. UTU76788X
2. Name of Operator Inland Production Company		6. If Indian, Allottee or Tribe Name.
3a. Address Route 3 Box 3630 Myton, UT 84052	3b. Phone No. (include are code) 435.646.3721	7. If Unit or CA/Agreement, Name and/or No. SAND WASH UNIT
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 0706 FNL 0639 FEL NE/NE Section 31 T8S R17E		8. Well Name and No. TAR SANDS FED 1-31
		9. API Well No. 4301331654
		10. Field and Pool, or Exploratory Area Monument Butte
		11. County or Parish, State Duchesne.UT

12. CHECK APPROPRIATE BOX(ES) TO INIDICATE NATURE OF NOTICE. OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 checked="" type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug & Abandon	<input type="checkbox"/> Temporarily Abandon	Put Well on Injection _____
	<input checked="" type="checkbox"/> Convert to Injector	<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 deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation re multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirement including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The above referenced well was put on injection at 8:30 a.m. on 5/6/04.

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

**RECEIVED
MAY 10 2004**

DIV. OF OIL, GAS & MINING

I hereby certify that the foregoing is true and correct Name (Printed/ Typed) Mandie Crozier	Title Regulatory Specialist
Signature <i>Mandie Crozier</i>	Date 5/7/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by 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.	Title	Date
	Office	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious and fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on reverse)

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU74869

SUNDRY NOTICES AND REPORTS ON WELLS

not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or 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:
SAND WASH UNIT

1. TYPE OF WELL: OIL WELL GAS WELL OTHER Injection well

8. WELL NAME and NUMBER:
TAR SANDS FED 1-31

2. NAME OF OPERATOR:
Newfield Production Company

9. API NUMBER:
4301331654

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:
Monument Butte

4. LOCATION OF WELL:
FOOTAGES AT SURFACE: 0706 FNL 0639 FEL

COUNTY: Duchesne

OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: NE/NE, 31, T8S, R17E

STATE: Utah

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

TYPE OF ACTION

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: <u>10/22/2004</u>	<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: - Step Rate Test
	<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.

A step rate test was conducted on the subject well on October 22, 2004. The parting pressure was not reached during the test. Therefore, Newfield is requesting that the maximum allowable injection pressure (MAIP) be changed to the instantaneous shut in pressure (ISIP) or 1105 psi.

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

NAME (PLEASE) Mike Guinn

TITLE Vice President of Op

SIGNATURE



DATE October 28, 2004

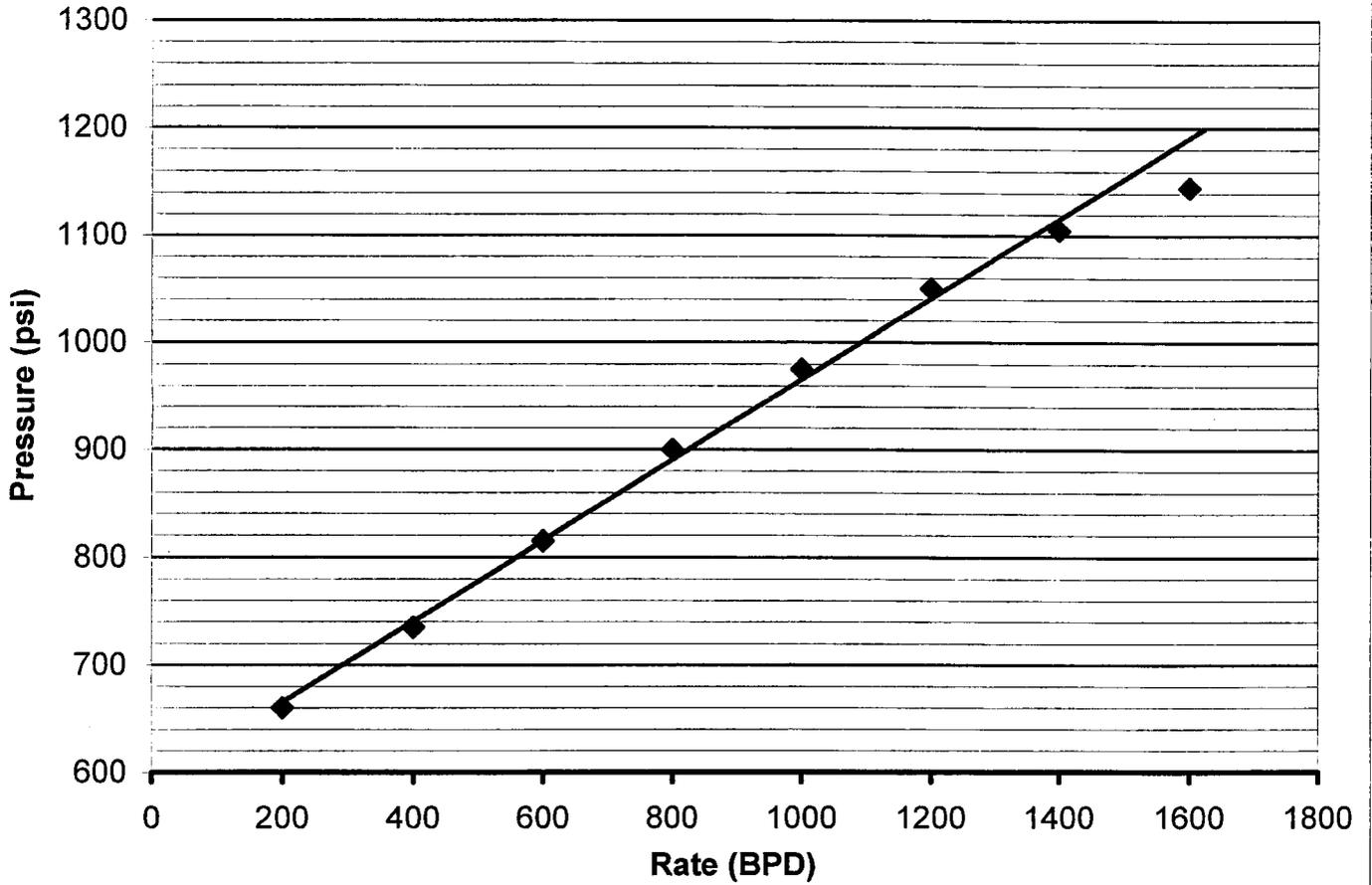
(This space for State use only)

RECEIVED

OCT 29 2004

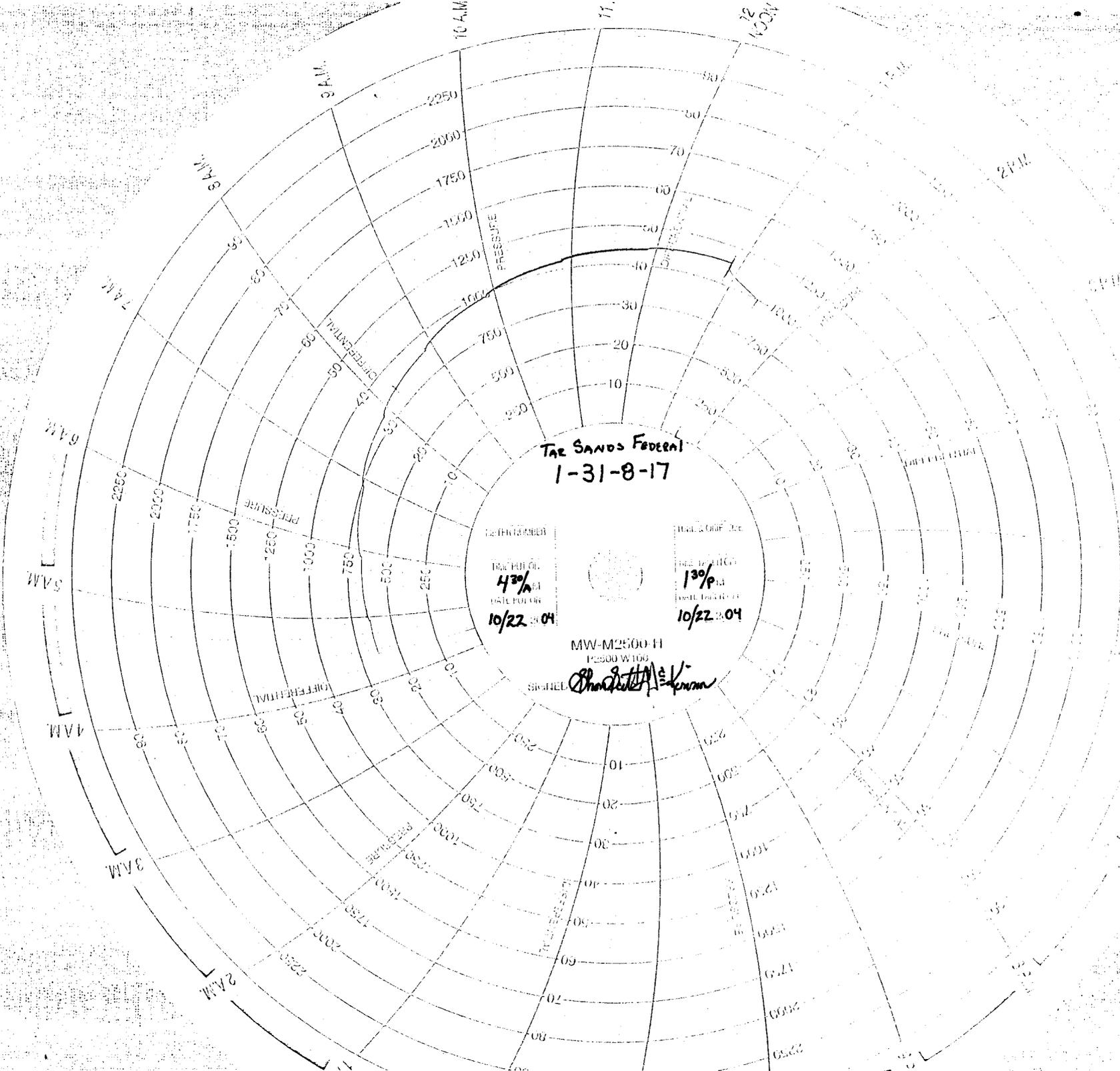
DIV. OF OIL, GAS & MINING

Tar Sands Federal 1-31-8-17
Sandwash Unit
Step Rate Test
October 22, 2004



Start Pressure: 640 psi
Instantaneous Shut In Pressure (ISIP): 1105 psi
Top Perforation: 4938 feet
Fracture pressure (Pfp): N/A psi
FG: N/A psi/ft

Step	Rate(bpd)	Pressure(psi)
1	200	660
2	400	735
3	600	815
4	800	900
5	1000	975
6	1200	1050
7	1400	1105
8	1600	1145



DEPTH NUMBER

TIME PER OIL
4:30 PM
 DATE FOR OIL
10/22/04

TIME PER OIL

DATE FOR OIL
1:30 PM
 DATE FOR OIL
10/22/04

MW-M2500-H
 1-2500 W100

SIGNED: *Shon...*



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, UT 84145-0155

<http://www.blm.gov>

IN REPLY REFER TO:

3106

(UT-924)

September 16, 2004

Memorandum

To: Vernal Field Office

From: Acting Chief, Branch of Fluid Minerals

Subject: Merger Approval

Attached is an approved copy of the name change recognized by the Utah State Office. We have updated our records to reflect the merger from Inland Production Company into Newfield Production Company on September 2, 2004.

Michael Coulthard
Acting Chief, Branch of
Fluid Minerals

Enclosure

1. State of Texas Certificate of Registration

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114
Teresa Thompson
Joe Incardine
Connie Seare



Office of the Secretary of State

The undersigned, as Secretary of State of Texas, does hereby certify that the attached is a true and correct copy of each document on file in this office as described below:

Newfield Production Company
Filing Number: 41530400

Articles of Amendment

September 02, 2004

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on September 10, 2004.



A handwritten signature in black ink, appearing to read "G. Connor".

Secretary of State

ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION
OF
INLAND PRODUCTION COMPANY

FILED
In the Office of the
Secretary of State of Texas
SEP 02 2004
Corporations Section

Pursuant to the provisions of Article 4.04 of the Texas Business Corporation Act (the "TBCA"), the undersigned corporation adopts the following articles of amendment to the articles of incorporation:

ARTICLE 1 – Name

The name of the corporation is Inland Production Company.

ARTICLE 2 – Amended Name

The following amendment to the Articles of Incorporation was approved by the Board of Directors and adopted by the shareholders of the corporation on August 27, 2004.

The amendment alters or changes Article One of the Articles of Incorporation to change the name of the corporation so that, as amended, Article One shall read in its entirety as follows:

“ARTICLE ONE – The name of the corporation is Newfield Production Company.”

ARTICLE 3 – Effective Date of Filing

This document will become effective upon filing.

The holder of all of the shares outstanding and entitled to vote on said amendment has signed a consent in writing pursuant to Article 9.10 of the TBCA, adopting said amendment, and any written notice required has been given.

IN WITNESS WHEREOF, the undersigned corporation has executed these Articles of Amendment as of the 1st day of September, 2004.

INLAND RESOURCES INC.

By: Susan G. Riggs
Susan G. Riggs, Treasurer

UTSL-	15855	61052	73088	76561	
071572A	16535	62848	73089	76787	
065914	16539	63073B	73520A	76808	
	16544	63073D	74108	76813	
	17036	63073E	74805	76954	63073X
	17424	63073O	74806	76956	63098A
	18048	64917	74807	77233	68528A
UTU-	18399	64379	74808	77234	72086A
	19267	64380	74389	77235	72613A
02458	26026A	64381	74390	77337	73520X
03563	30096	64805	74391	77338	74477X
03563A	30103	64806	74392	77339	75023X
04493	31260	64917	74393	77357	76189X
05843	33992	65207	74398	77359	76331X
07978	34173	65210	74399	77365	76788X
09803	34346	65635	74400	77369	77098X
017439B	36442	65967	74404	77370	77107X
017985	36846	65969	74405	77546	77236X
017991	38411	65970	74406	77553	77376X
017992	38428	66184	74411	77554	78560X
018073	38429	66185	74805	78022	79485X
019222	38431	66191	74806	79013	79641X
020252	39713	67168	74826	79014	80207X
020252A	39714	67170	74827	79015	81307X
020254	40026	67208	74835	79016	
020255	40652	67549	74868	79017	
020309D	40894	67586	74869	79831	
022684A	41377	67845	74870	79832	
027345	44210	68105	74872	79833	
034217A	44426	68548	74970	79831	
035521	44430	68618	75036	79834	
035521A	45431	69060	75037	80450	
038797	47171	69061	75038	80915	
058149	49092	69744	75039	81000	
063597A	49430	70821	75075		
075174	49950	72103	75078		
096547	50376	72104	75089		
096550	50385	72105	75090		
	50376	72106	75234		
	50750	72107	75238		
10760	51081	72108	76239		
11385	52013	73086	76240		
13905	52018	73087	76241		
15392	58546	73807	76560		

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

UIC FORM 5

TRANSFER OF AUTHORITY TO INJECT

Well Name and Number <u>See Attached List</u>		API Number
Location of Well		Field or Unit Name <u>See Attached List</u>
Footage :	County :	Lease Designation and Number
QQ, Section, Township, Range:	State : UTAH	

EFFECTIVE DATE OF TRANSFER: 9/1/2004

CURRENT OPERATOR

Company: <u>Inland Production Company</u>	Name: <u>Brian Harris</u>
Address: <u>1401 17th Street Suite 1000</u>	Signature: <u><i>Brian Harris</i></u>
city <u>Denver</u> state <u>Co</u> zip <u>80202</u>	Title: <u>Engineering Tech.</u>
Phone: <u>(303) 893-0102</u>	Date: <u>9/15/2004</u>
Comments:	

NEW OPERATOR

Company: <u>Newfield Production Company</u>	Name: <u>Brian Harris</u>
Address: <u>1401 17th Street Suite 1000</u>	Signature: <u><i>Brian Harris</i></u>
city <u>Denver</u> state <u>Co</u> zip <u>80202</u>	Title: <u>Engineering Tech.</u>
Phone: _____	Date: <u>9/15/2004</u>
Comments:	

(This space for State use only)

Transfer approved by: *A. Stewart* Approval Date: 9-20-04
 Title: *Tech. Services Manager*

Comments: Note: Indian Country wells will require EPA approval.

RECEIVED
SEP 20 2004
DIV. OF OIL, GAS & MINING

OPERATOR CHANGE WORKSHEET

ROUTING
1. GLH
2. CDW
3. FILE

Change of Operator (Well Sold)

Designation of Agent/Operator

X Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective: 9/1/2004	
FROM: (Old Operator): N5160-Inland Production Company Route 3 Box 3630 Myton, UT 84052 Phone: 1-(435) 646-3721	TO: (New Operator): N2695-Newfield Production Company Route 3 Box 3630 Myton, UT 84052 Phone: 1-(435) 646-3721

CA No. Unit: SAND WASH (GREEN RIVER)

WELL(S)								
NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
BOUNDARY FED 13-19-8-17	19	080S	170E	4301331625	12308	Federal	WI	A
TAR SANDS FED 12-30	30	080S	170E	4301331543	12308	Federal	OW	P
TAR SANDS FED 5-30	30	080S	170E	4301331620	12308	Federal	WI	A
TAR SANDS FED 4-30	30	080S	170E	4301331621	12308	Federal	OW	P
TAR SANDS FED 13-30	30	080S	170E	4301331637	12308	Federal	WI	A
TAR SANDS FED 16-30	30	080S	170E	4301331708	12308	Federal	OW	P
TAR SANDS FED 14-30	30	080S	170E	4301331711	12308	Federal	OW	P
TAR SANDS 6-30-8-17	30	080S	170E	4301331712	12308	Federal	OW	P
TAR SANDS FED 11-30	30	080S	170E	4301331732	12308	Federal	WI	A
TAR SANDS FED 3-30	30	080S	170E	4301331755	12308	Federal	WI	A
HARBOUR TOWN FED 31-30	30	080S	170E	4301331758	12308	Federal	OW	P
TAR SANDS FED 7-30	30	080S	170E	4301331807	12308	Federal	WI	A
TAR SANDS FED 10-30	30	080S	170E	4301331808	12308	Federal	OW	P
GOVERNMENT 31-2	31	080S	170E	4301320082	12308	Federal	OW	P
TAR SANDS FED 4-31	31	080S	170E	4301331606	12308	Federal	OW	P
TAR SANDS FED 5-31	31	080S	170E	4301331607	12308	Federal	WI	A
TAR SANDS FED 8-31	31	080S	170E	4301331615	12308	Federal	OW	P
TAR SANDS FED 9-31	31	080S	170E	4301331616	12308	Federal	OW	P
TAR SANDS FED 1-31	31	080S	170E	4301331654	12308	Federal	WI	A
TAR SANDS FED 7-31	31	080S	170E	4301331684	12308	Federal	WI	A
TAR SANDS FED 6-31	31	080S	170E	4301331686	12308	Federal	OW	P
TAR SANDS FED 3-31	31	080S	170E	4301331733	12308	Federal	WI	A

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: 9/15/2004
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 9/15/2004
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 2/23/2005
- Is the new operator registered in the State of Utah: YES Business Number: 755627-0143
- If **NO**, the operator was contacted contacted on:

6a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
6b. Inspections of LA PA state/fee well sites complete on: waived

7. **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 BIA

8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a

9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: na/

10. **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: 2/23/2005

DATA ENTRY:

- 1. Changes entered in the Oil and Gas Database on: 2/28/2005
- 2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 2/28/2005
- 3. Bond information entered in RBDMS on: 2/28/2005
- 4. Fee/State wells attached to bond in RBDMS on: 2/28/2005
- 5. Injection Projects to new operator in RBDMS on: 2/28/2005
- 6. Receipt of Acceptance of Drilling Procedures for APD/New on: waived

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UT 0056

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: 61BSBDH2912

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The NEW operator of any fee well(s) listed covered by Bond Number 61BSBDH2919

2. The FORMER operator has requested a release of liability from their bond on: n/a*
The Division sent response by letter on: n/a

LEASE INTEREST OWNER NOTIFICATION:

3. (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:

*Bond rider changed operator name from Inland Production Company to Newfield Production Company - received 2/23/05

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

5. LEASE DESIGNATION AND SERIAL NUMBER:

USA UTU-74869

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, recenter 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:

SAND WASH UNIT

8. WELL NAME and NUMBER:

TAR SANDS FED 1-31

9. API NUMBER:

4301331654

10. FIELD AND POOL, OR WILDCAT:

MONUMENT BUTTE

1. TYPE OF WELL:

OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR:

NEWFIELD PRODUCTION COMPANY

3. ADDRESS OF OPERATOR:

Route 3 Box 3630 CITY Myton STATE UT ZIP 84052

PHONE NUMBER

435.646.3721

4. LOCATION OF WELL:

FOOTAGES AT SURFACE: 706 FNL 639 FEL

COUNTY: DUCHESNE

OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: NENE, 31, T8S, R17E

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 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 FLAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of Work Completion: 02/02/2009	<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: - 5 Year 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 1/22/09 Nathan Wiser with the EPA was contacted concerning the 5 year MIT on the above listed well. Permission was given at that time to perform the test on 2/2/09. On 2/2/09 the csg was pressured up to 1460 psig and charted for 30 minutes with no pressure loss. The well was injecting during the test. The tbg pressure was 1050 psig during the test. There was not an EPA representative available to witness the test.

EPA# UT20847-06227 API# 43-013-31654

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

**RECEIVED
FEB 09 2009
DIV. OF OIL, GAS & MINING**

NAME (PLEASE PRINT) Callie Duncan

TITLE Production Clerk

SIGNATURE *Callie Ross*

DATE 02/04/2009

(This space for State use only)

Mechanical Integrity Test

Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
Underground Injection Control Program
999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____ Date: 2 12 2009
 Test conducted by: DAVE CLOWARD
 Others present: _____

Well Name: <u>TAR SANDS FEDERAL 1-31-8-17</u>	Type: ER SWD	Status: AC TA UC
Field: <u>TAR SANDS FEDERAL SAND WASH UNIT</u>		
Location: <u>NE/NE</u> Sec: <u>31</u> T <u>8</u> N <u>10</u> R <u>16</u> E/W County: <u>DUCHESNE</u> State: <u>UT</u>		
Operator: <u>NEWFIELD PRODUCTION CO.</u>		
Last MIT: <u>4 1 4 1 04</u>		Maximum Allowable Pressure: <u>1105</u> PSIG

Is this a regularly scheduled test? Yes [] No
 Initial test for permit? [] Yes [] No
 Test after well rework? [] Yes [] No
 Well injecting during test? Yes [] No If Yes, rate: 105 bpd

Pre-test casing/tubing annulus pressure: 0 psig

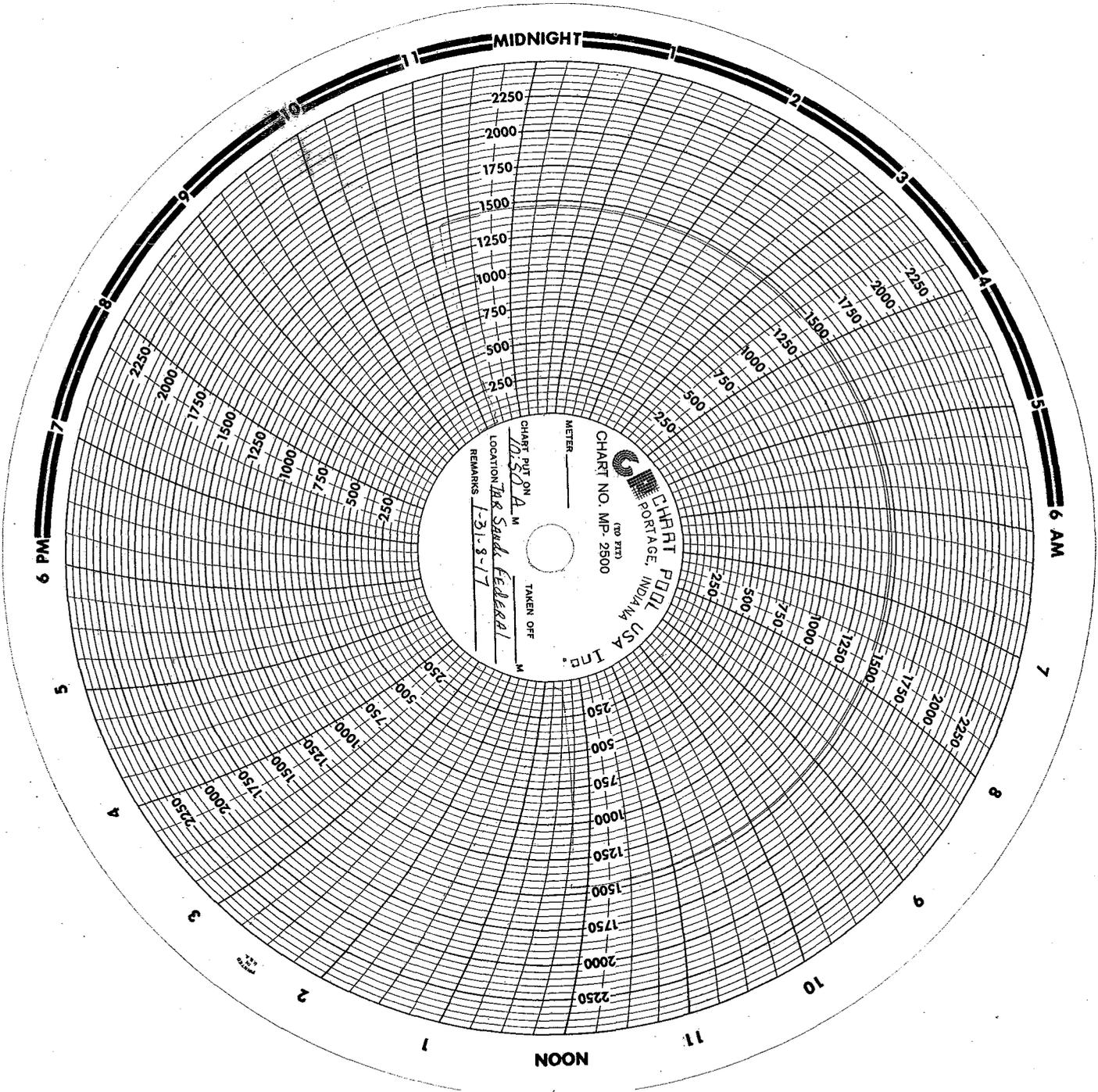
MIT DATA TABLE	Test #1	Test #2	Test #3
TUBING PRESSURE			
Initial Pressure	<u>1050</u> psig	psig	psig
End of test pressure	<u>1049</u> psig	psig	psig
CASING/TUBING ANNULUS PRESSURE			
0 minutes	<u>1460</u> psig	psig	psig
5 minutes	<u>1460</u> psig	psig	psig
10 minutes	<u>1460</u> psig	psig	psig
15 minutes	<u>1460</u> psig	psig	psig
20 minutes	<u>1460</u> psig	psig	psig
25 minutes	<u>1460</u> psig	psig	psig
30 minutes	<u>1460</u> psig	psig	psig
_____ minutes	psig	psig	psig
_____ minutes	psig	psig	psig
RESULT	<input checked="" type="checkbox"/> Pass [] Fail	[] Pass [] Fail	[] Pass [] Fail

Does the annulus pressure build back up after the test? [] Yes No

MECHANICAL INTEGRITY PRESSURE TEST

Additional comments for mechanical integrity pressure test, such as volume of fluid added to annulus and bled back at end of test, reason for failing test (casing head leak, tubing leak, other), etc.:

Signature of Witness: _____



MIDNIGHT

2250
2000
1750
1500
1250
1000
750
500
250

6 AM

9 PM

CHART PUT ON
A M
TAKEN OFF
M
CHART NO. MP-2500
C. CHART PPOOL USA Inc.
PORTAGE, INDIANA
LOCATION THE SAND FEDERAL
REMARKS 1-31-8-17
METER _____

NOON

5

4

3

2

1

11

10

9

8

7

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9	
		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-74869	
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: GMBU (GRRV)	
1. TYPE OF WELL Water Injection Well		8. WELL NAME and NUMBER: TAR SANDS FED 1-31	
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY		9. API NUMBER: 43013316540000	
3. ADDRESS OF OPERATOR: Rt 3 Box 3630 , Myton, UT, 84052		9. FIELD and POOL or WILDCAT: MONUMENT BUTTE	
		PHONE NUMBER: 435 646-4825 Ext	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0706 FNL 0639 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 31 Township: 08.0S Range: 17.0E Meridian: S		COUNTY: DUCHESNE	
		STATE: UTAH	
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 1/12/2012 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input type="text" value="Step Rate Test"/>
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.			
<p>A step rate test was conducted on the subject well on January 12, 2012. Results from the test indicate that the fracture gradient is 0.711 psi/ft. Therefore, Newfield is requesting that the maximum allowable injection pressure (MAIP) be changed from 1105 psi to 1585 psi. EPA: UT20847-06227</p>			
<p>Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY January 23, 2012</p>			
NAME (PLEASE PRINT) Lucy Chavez-Naupoto	PHONE NUMBER 435 646-4874	TITLE Water Services Technician	
SIGNATURE N/A		DATE 1/17/2012	

Step Rate Test (SRT) Analysis

Date: 01/13/2012

Operator: Newfield Production Company
 Well: Tar Sands Federal 1-31-8-17
 Permit #: UT20847-06227

Enter the following data :

Specific Gravity (sg) of injectate = 1.015 g/cc
 Depth to top perforation (D) = 5840 feet 5840
 Top of permitted injection zone depth (blank=use top perforation to calculate fg) = _____ feet
 Estimated Formation Parting Pressure (Pfp) from SRT chart = 1590 psi 1590
 Instantaneous Shut In Pressure (ISIP) from SRT = 1584 psi 1590
 Bottom Hole Parting Pressure (Pbhp) from downhole pressure recorder = _____ psi no downhole

Part One - Calculation of Fracture Gradient (fg)

Calculated Fracture Gradient = 0.711 psi/ft.

where: fg = Pbhp / D (Note: this formula uses the downhole recorded bottom hole parting pressure if available) = 1584

D = depth used = 5840

Pbhp used = 4151

Calculated Bottom Hole Parting Pressure (Pbhp) = 4151 psi 4150.651

to calculate Bottom Hole Parting Pressure (Pbhp) = Formation Fracture Pressure (ISIP or Pfp) + (0.433 * SG * D)

(Uses lesser of ISIP or Pfp) Value used = 1584

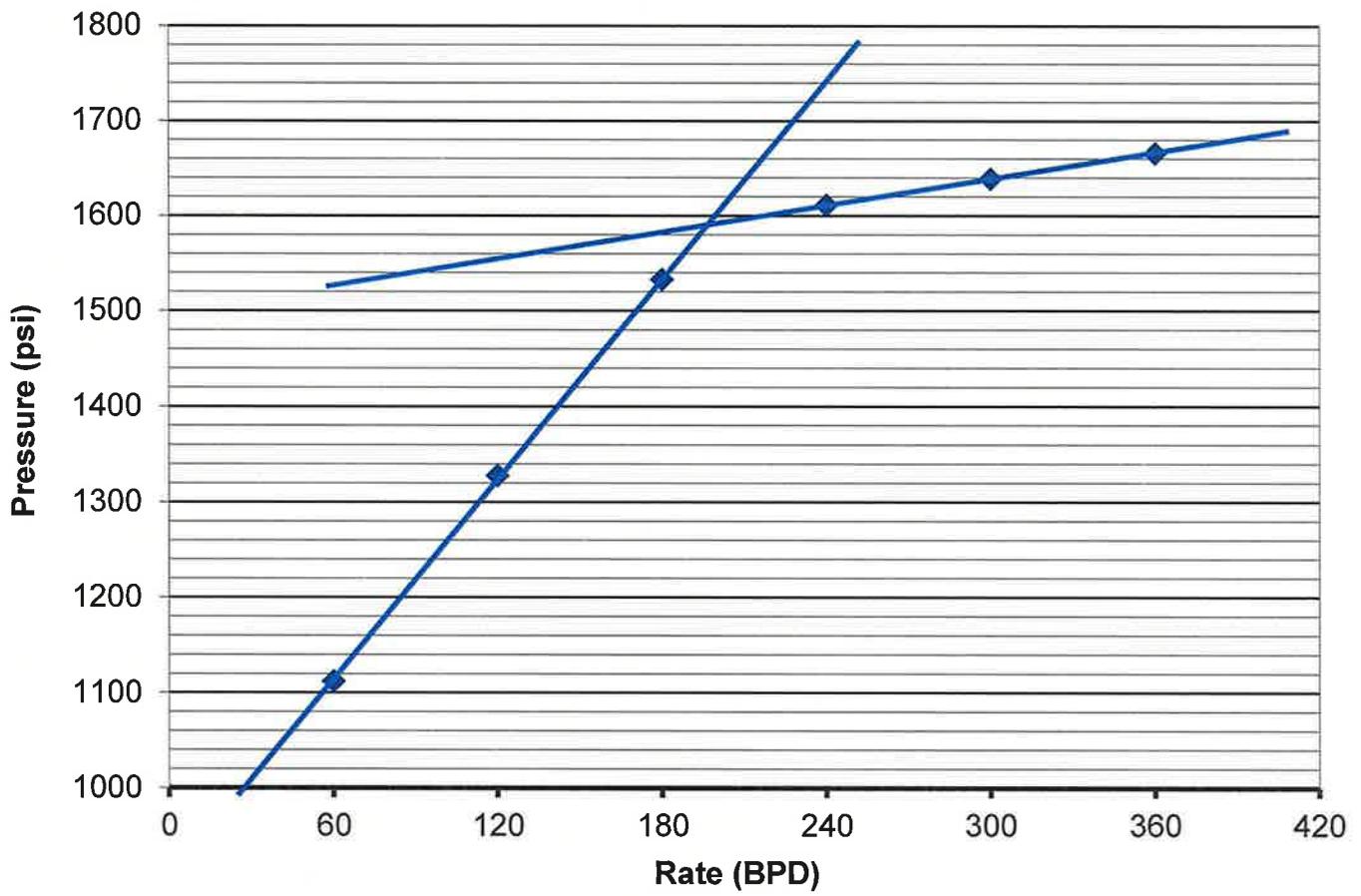
Part Two - Calculation of Maximum Allowable Injection Pressure (MAIP)

Maximum Allowable Injection Pressure (MAIP) = 1585 psig
(rounded down to nearest 5 psig)

D = depth used = 5840

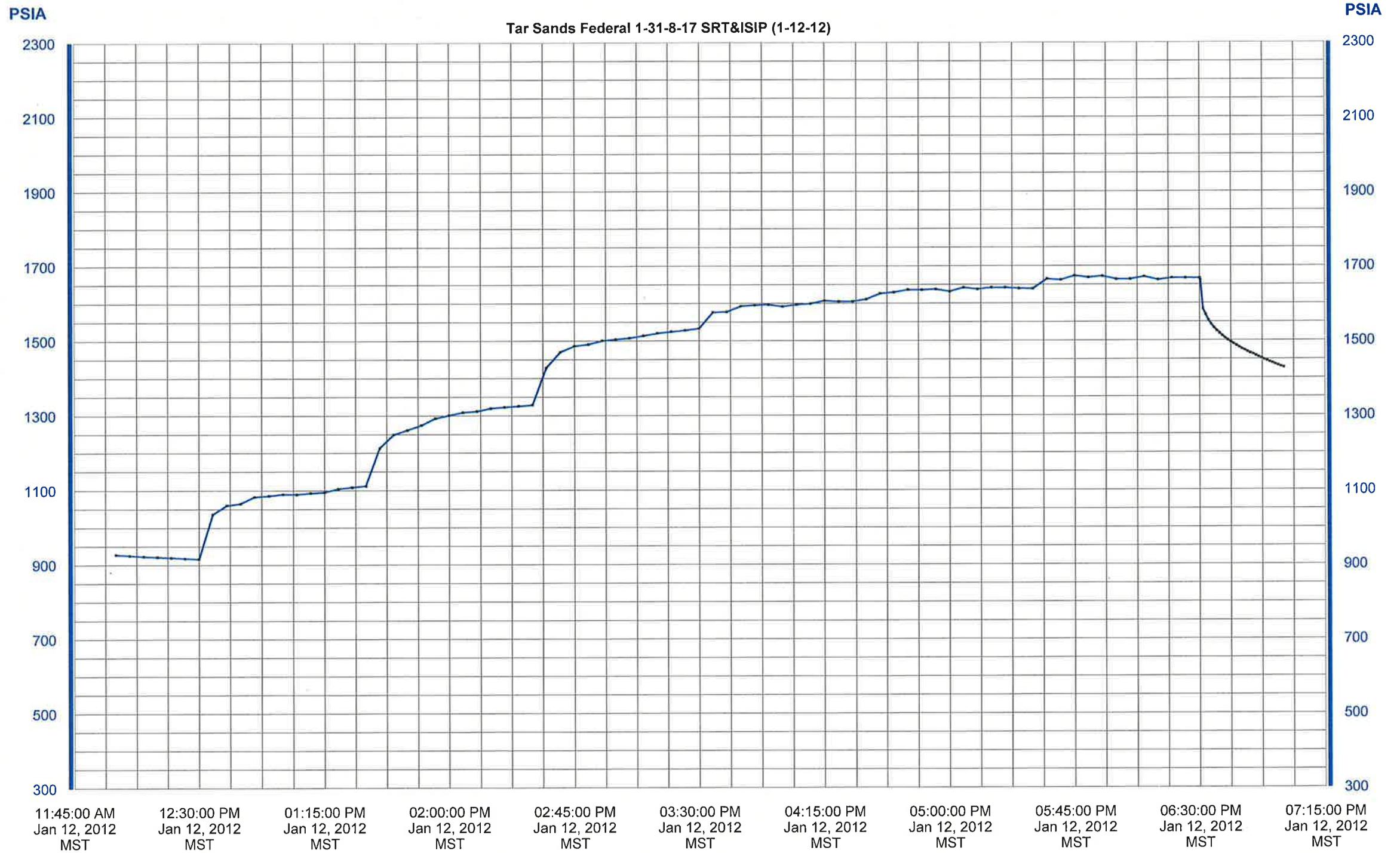
MAIP = [(g - (0.433 * SG)) * D = 1585.589

**Tar Sands Federal 1-31-8-17
Greater Monument Butte Unit
Step Rate Test
January 12, 2012**



Start Pressure: 917 psi
Instantaneous Shut In Pressure (ISIP): 1584 psi
Top Perforation: 5840 feet
Fracture pressure (Pfp): 1590 psi
FG: 0.712 psi/ft

Step	Rate(bpd)	Pressure(psi)
1	250	1112
2	500	1328
3	750	1533
4	1000	1611
5	1250	1639
6	1500	1666



Data Table Report

Report Name: PrTemp1000 Data Table
Report Date: 01/13/2012 08:44:41
File Name: C:\Program Files\PTC® Instruments 2.03.12\Tar Sands Federal 1-31-8-17 SRT (1-12-12).csv
Device: PrTemp1000 - Temperature and Pressure Recorder
Hardware Revision: REV2C (64K)
Serial Number: M75866
Device ID: PrTemp
Data Start Date: Jan 12, 2012 11:59:59 AM MST
Data End Date: Jan 12, 2012 06:30:00 PM MST
Reading: 1 to 79 of 79
Reading Rate: 2 Seconds
Last Calibration Date: Apr 12, 2011
Next Calibration Date: Apr 12, 2012
Next Calibration Date: Apr 12, 2012

Tar Sands Federal 1-31-8-17 SRT (1-12-12)

Unit Type	(All Units)	
Reading	DateTime (MST)	Channel 2 PSIA
1	Jan 12, 2012 11:59:59 AM	928
2	Jan 12, 2012 12:04:59 PM	925.6
3	Jan 12, 2012 12:09:59 PM	923.4
4	Jan 12, 2012 12:14:59 PM	921.8
5	Jan 12, 2012 12:19:59 PM	920
6	Jan 12, 2012 12:24:59 PM	917.8
7	Jan 12, 2012 12:29:59 PM	916.6
8	Jan 12, 2012 12:34:59 PM	1036.4
9	Jan 12, 2012 12:40:00 PM	1060.2
10	Jan 12, 2012 12:44:59 PM	1064.8
11	Jan 12, 2012 12:49:58 PM	1082.8
12	Jan 12, 2012 12:54:59 PM	1085.6
13	Jan 12, 2012 12:59:58 PM	1090
14	Jan 12, 2012 01:04:58 PM	1089.6
15	Jan 12, 2012 01:09:59 PM	1092.6
16	Jan 12, 2012 01:15:00 PM	1095
17	Jan 12, 2012 01:19:59 PM	1104.2
18	Jan 12, 2012 01:25:00 PM	1108.2
19	Jan 12, 2012 01:29:59 PM	1111.8
20	Jan 12, 2012 01:34:59 PM	1212.8
21	Jan 12, 2012 01:39:59 PM	1249
22	Jan 12, 2012 01:44:59 PM	1261.4
23	Jan 12, 2012 01:49:59 PM	1274.4
24	Jan 12, 2012 01:54:59 PM	1292.8
25	Jan 12, 2012 02:00:00 PM	1301
26	Jan 12, 2012 02:04:59 PM	1309
27	Jan 12, 2012 02:10:00 PM	1311.6
28	Jan 12, 2012 02:14:59 PM	1319.6
29	Jan 12, 2012 02:19:58 PM	1322.6
30	Jan 12, 2012 02:24:59 PM	1325.6
31	Jan 12, 2012 02:29:59 PM	1328.4
32	Jan 12, 2012 02:34:58 PM	1428.2
33	Jan 12, 2012 02:39:59 PM	1470.2
34	Jan 12, 2012 02:44:59 PM	1486.2
35	Jan 12, 2012 02:49:59 PM	1490.8
36	Jan 12, 2012 02:55:00 PM	1500.6
37	Jan 12, 2012 02:59:59 PM	1504
38	Jan 12, 2012 03:04:58 PM	1507.6

Tar Sands Federal 1-31-8-17 SRT (1-12-12)

Unit Type Reading	(All Units) DateTime (MST)	Channel 2 PSIA
39	Jan 12, 2012 03:09:59 PM	1513.6
40	Jan 12, 2012 03:14:59 PM	1520.2
41	Jan 12, 2012 03:19:59 PM	1524.6
42	Jan 12, 2012 03:24:59 PM	1528.2
43	Jan 12, 2012 03:30:00 PM	1533
44	Jan 12, 2012 03:34:59 PM	1576
45	Jan 12, 2012 03:40:00 PM	1577.2
46	Jan 12, 2012 03:44:59 PM	1592.2
47	Jan 12, 2012 03:49:59 PM	1595.2
48	Jan 12, 2012 03:54:58 PM	1596.6
49	Jan 12, 2012 03:59:58 PM	1591.4
50	Jan 12, 2012 04:04:59 PM	1596.6
51	Jan 12, 2012 04:09:59 PM	1599
52	Jan 12, 2012 04:15:00 PM	1606.8
53	Jan 12, 2012 04:19:59 PM	1604.8
54	Jan 12, 2012 04:25:00 PM	1605
55	Jan 12, 2012 04:29:59 PM	1610.6
56	Jan 12, 2012 04:34:59 PM	1626
57	Jan 12, 2012 04:39:59 PM	1629.4
58	Jan 12, 2012 04:44:58 PM	1636.2
59	Jan 12, 2012 04:49:59 PM	1635.8
60	Jan 12, 2012 04:54:58 PM	1637.4
61	Jan 12, 2012 04:59:59 PM	1631.2
62	Jan 12, 2012 05:04:58 PM	1641.4
63	Jan 12, 2012 05:10:00 PM	1637.4
64	Jan 12, 2012 05:14:59 PM	1642
65	Jan 12, 2012 05:19:59 PM	1642
66	Jan 12, 2012 05:24:59 PM	1639.6
67	Jan 12, 2012 05:29:59 PM	1638.8
68	Jan 12, 2012 05:34:58 PM	1664.8
69	Jan 12, 2012 05:39:59 PM	1662.4
70	Jan 12, 2012 05:45:00 PM	1673.2
71	Jan 12, 2012 05:49:59 PM	1668.6
72	Jan 12, 2012 05:55:00 PM	1672
73	Jan 12, 2012 05:59:59 PM	1664
74	Jan 12, 2012 06:04:59 PM	1664
75	Jan 12, 2012 06:09:59 PM	1670.8
76	Jan 12, 2012 06:14:59 PM	1662.4
77	Jan 12, 2012 06:19:59 PM	1667.2
78	Jan 12, 2012 06:24:58 PM	1667
79	Jan 12, 2012 06:30:00 PM	1666.4

End of Report

Sundry Number : 22267 API Well Number : 43013316540000

Data Table Report

Report Name: PrTemp1000 Data Table
Report Date: 01/13/2012 08:44:54
File Name: C:\Program Files\PTC® Instruments 2.03.12\Tar Sands Federal 1-31-8-17 ISIP (1-12-12).csv
Device: PrTemp1000 - Temperature and Pressure Recorder
Hardware Revision: REV2C (64K)
Serial Number: M75866
Device ID: PrTemp
Data Start Date: Jan 12, 2012 06:30:14 PM MST
Data End Date: Jan 12, 2012 07:00:14 PM MST
Reading: 1 to 31 of 31
Reading Rate: 2 Seconds
Last Calibration Date: Apr 12, 2011
Next Calibration Date: Apr 12, 2012
Next Calibration Date: Apr 12, 2012

Tar Sands Federal 1-31-8-17 ISIP (1-12-12)

Unit Type	(All Units)	
Reading	DateTime (MST)	Channel 2 PSIA
1	Jan 12, 2012 06:30:14 PM	1662.2
2	Jan 12, 2012 06:31:14 PM	1584
3	Jan 12, 2012 06:32:13 PM	1569.2
4	Jan 12, 2012 06:33:14 PM	1553.6
5	Jan 12, 2012 06:34:14 PM	1542.6
6	Jan 12, 2012 06:35:13 PM	1533.4
7	Jan 12, 2012 06:36:14 PM	1525.2
8	Jan 12, 2012 06:37:14 PM	1518.6
9	Jan 12, 2012 06:38:14 PM	1511.8
10	Jan 12, 2012 06:39:14 PM	1505.8
11	Jan 12, 2012 06:40:14 PM	1500.4
12	Jan 12, 2012 06:41:14 PM	1495.2
13	Jan 12, 2012 06:42:14 PM	1490.4
14	Jan 12, 2012 06:43:14 PM	1485.8
15	Jan 12, 2012 06:44:14 PM	1481.4
16	Jan 12, 2012 06:45:13 PM	1477
17	Jan 12, 2012 06:46:14 PM	1473.2
18	Jan 12, 2012 06:47:14 PM	1469.2
19	Jan 12, 2012 06:48:13 PM	1465.4
20	Jan 12, 2012 06:49:14 PM	1462.8
21	Jan 12, 2012 06:50:14 PM	1458.6
22	Jan 12, 2012 06:51:13 PM	1455.2
23	Jan 12, 2012 06:52:14 PM	1452
24	Jan 12, 2012 06:53:13 PM	1448.2
25	Jan 12, 2012 06:54:14 PM	1445.6
26	Jan 12, 2012 06:55:14 PM	1441.8
27	Jan 12, 2012 06:56:14 PM	1439.2
28	Jan 12, 2012 06:57:14 PM	1435.6
29	Jan 12, 2012 06:58:14 PM	1433.2
30	Jan 12, 2012 06:59:14 PM	1430
31	Jan 12, 2012 07:00:14 PM	1427.6

End of Report

Tar Sands Federal 1-31-8-17 Rate Sheet (1-12-12)

Sundry Number : 22267 API Well Number : 43013316540000

<i>Step # 1</i>	Time:	12:35	12:40	12:45	12:50	12:55	1:00
	Rate:	60.8	60.8	60.6	60.6	60.6	60.5
	Time:	1:05	1:10	1:15	1:20	1:25	1:30
	Rate:	60.5	60.5	60.5	60.5	60.4	60.4
<i>Step # 2</i>	Time:	1:35	1:40	1:45	1:50	1:55	2:00
	Rate:	120.5	120.5	120.5	120.4	120.4	120.3
	Time:	2:05	2:10	2:15	2:20	2:25	2:30
	Rate:	120.3	120.3	120.3	120.2	120.2	120.2
<i>Step # 3</i>	Time:	2:35	2:40	2:45	2:50	2:55	3:00
	Rate:	180.7	180.7	180.7	180.7	180.7	180.6
	Time:	3:05	3:10	3:15	3:20	3:25	3:30
	Rate:	180.6	180.5	180.5	180.5	180.4	180.4
<i>Step # 4</i>	Time:	3:35	3:40	3:45	3:50	3:55	4:00
	Rate:	240.5	240.5	240.5	240.5	240.4	240.4
	Time:	4:05	4:10	4:15	4:20	4:25	4:30
	Rate:	240.4	240.3	240.3	240.3	240.3	240.3
<i>Step # 5</i>	Time:	4:35	4:40	4:45	4:50	4:55	5:00
	Rate:	300.4	300.4	300.4	300.3	300.3	300.3
	Time:	5:05	5:10	5:15	5:20	5:25	5:30
	Rate:	300.3	300.2	300.2	300.2	300.1	300.1
<i>Step # 6</i>	Time:	5:35	5:40	5:45	5:50	5:55	6:00
	Rate:	360.9	360.9	360.7	360.7	360.6	360.6
	Time:	6:05	6:10	6:15	6:20	6:25	6:30
	Rate:	360.5	360.5	360.4	360.4	360.4	360.3
	Time:						
	Rate:						
	Time:						
	Rate:						
	Time:						
	Rate:						
	Time:						
	Rate:						

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-74869
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: GMBU (GRRV)
1. TYPE OF WELL Water Injection Well	8. WELL NAME and NUMBER: TAR SANDS FED 1-31
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY	9. API NUMBER: 43013316540000
3. ADDRESS OF OPERATOR: Rt 3 Box 3630 , Myton, UT, 84052	PHONE NUMBER: 435 646-4825 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0706 FNL 0639 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 31 Township: 08.0S Range: 17.0E Meridian: S	9. FIELD and POOL or WILDCAT: MONUMENT BUTTE COUNTY: DUCHESNE STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 1/14/2014	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <input style="width: 50px;" type="text" value="5 YR MIT"/>

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

5 YR MIT performed on the above listed well. On 01/14/2014 the casing was pressured up to 1435 psig and charted for 30 minutes with no pressure loss. The well was injecting during the test. The tbq pressure was 865 psig during the test. There was not an EPA representative available to witness the test. EPA #UT22197-06227

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 January 16, 2014

NAME (PLEASE PRINT) Lucy Chavez-Naupoto	PHONE NUMBER 435 646-4874	TITLE Water Services Technician
SIGNATURE N/A	DATE 1/16/2014	

Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
 Underground Injection Control Program
 999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____ Date: 1/14/2014
 Test conducted by: Rustin Bennett
 Others present: Mike Jensen

Well Name: Tar Sands Federal 2-31-8-17 Type: ER SWD Status: AC TA UC
 Field: Monument Butte
 Location: NE 1/4 Sec 31 T 8 N 17 R 17 W County: Puchasne State: UT
 Operator: Newfield Exploration
 Last MIT: 1 Maximum Allowable Pressure: 1060 PSIG

Is this a regularly scheduled test? Yes No
 Initial test for permit? Yes No
 Test after well rework? Yes No
 Well injecting during test? Yes No If Yes, rate: 45 bpd

Pre-test casing/tubing annulus pressure: 1435 / 865 psig

MIT DATA TABLE	Test #1	Test #2	Test #3
TUBING PRESSURE			
Initial Pressure	<u>865</u> psig	psig	psig
End of test pressure	<u>865</u> psig	psig	psig
CASING / TUBING ANNULUS PRESSURE			
0 minutes	<u>1435</u> psig	psig	psig
5 minutes	<u>1436</u> psig	psig	psig
10 minutes	<u>1435</u> psig	psig	psig
15 minutes	<u>1435</u> psig	psig	psig
20 minutes	<u>1435</u> psig	psig	psig
25 minutes	<u>1435</u> psig	psig	psig
30 minutes	<u>1435</u> psig	psig	psig
_____ minutes	psig	psig	psig
_____ minutes	psig	psig	psig
RESULT	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail

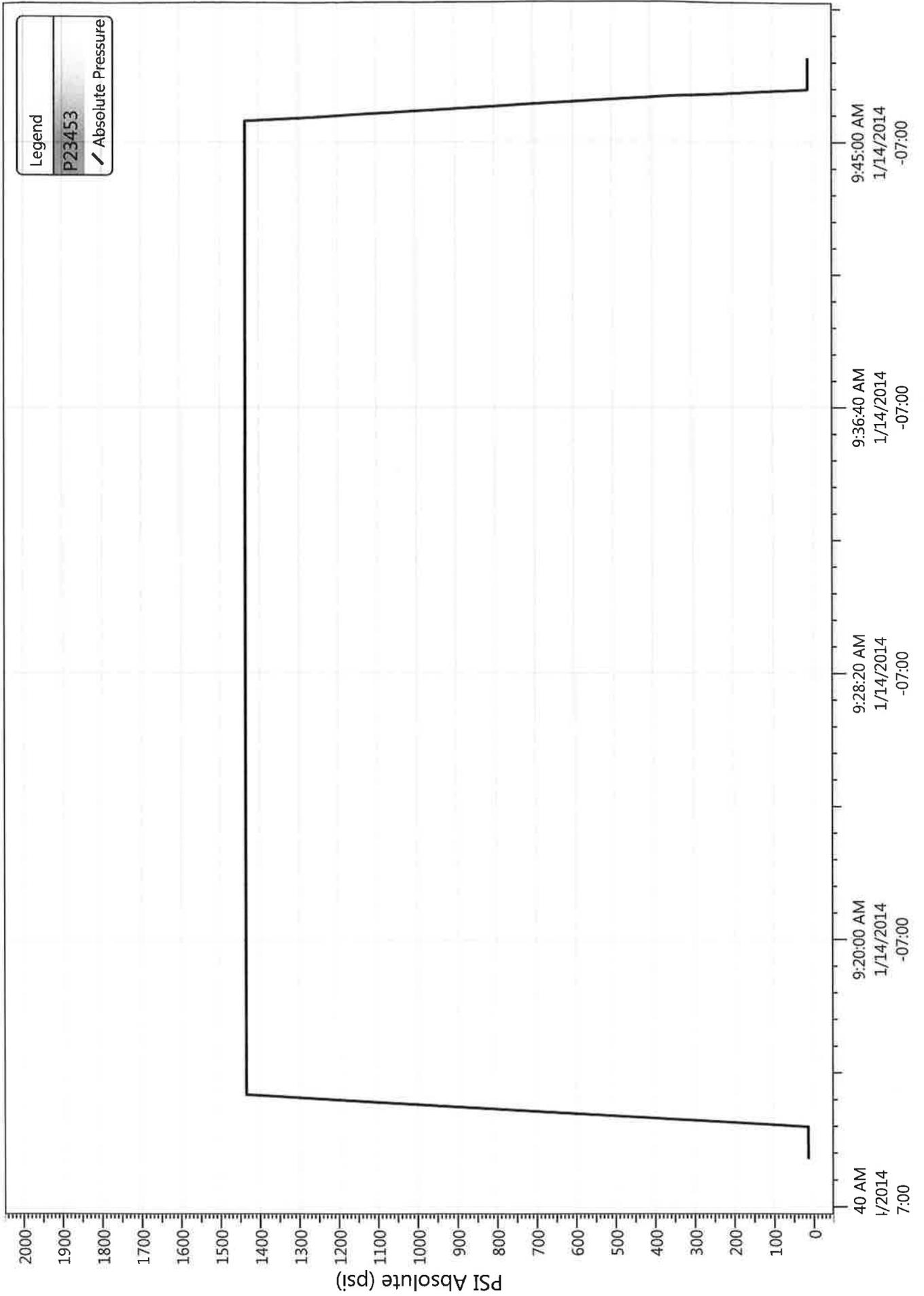
Does the annulus pressure build back up after the test? Yes No

MECHANICAL INTEGRITY PRESSURE TEST

Additional comments for mechanical integrity pressure test, such as volume of fluid added to annulus and bled back at end of test, reason for failing test (casing head leak, tubing leak, other), etc.:

Signature of Witness: _____

Tar Sands Federal 1-31-8-17
1/14/2014 9:12:55 AM



Tar Sands Federal 1-31-8-17

Spud Date: 10/4/96
 Put on Production: 10/28/96
 GL: 5250' KB: 5263'

Initial Production: 147 BOPD,
 170 MCFPD, 5 BWPD

Injection Diagram

SURFACE CASING

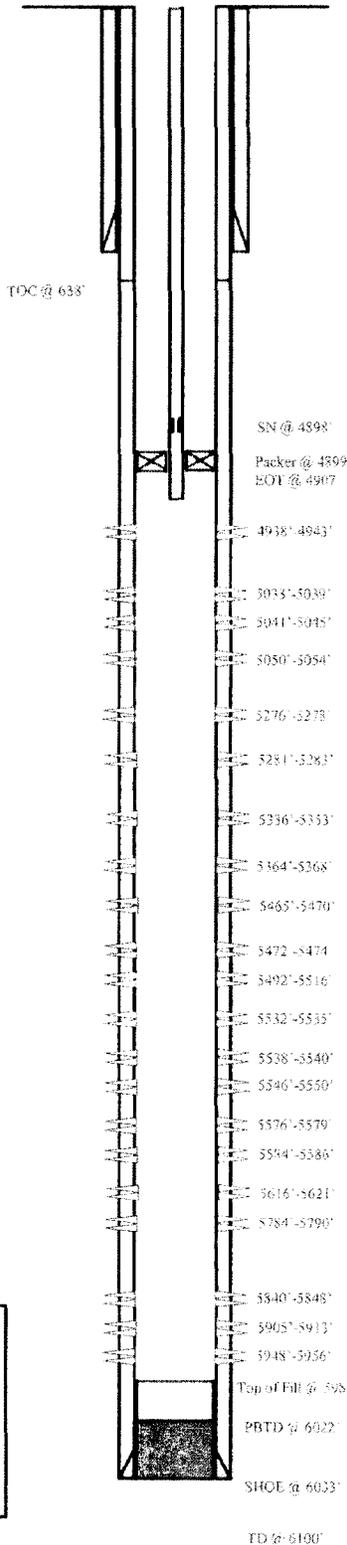
CSG SIZE: 8-5/8"
 GRADE: J-55
 WEIGHT: 24#
 LENGTH: 7 jts. (234.88')
 DEPTH LANDED: 284.68' GL
 HOLE SIZE: 12-1/4"
 CEMENT DATA: 120 sxs Type V cement 0' hls to surf

PRODUCTION CASING

CSG SIZE: 5-1/2"
 GRADE: J-55
 WEIGHT: 15.5#
 LENGTH: 100 jts. (6017.84')
 DEPTH LANDED: 6053.34' KB
 HOLE SIZE: 7-7/8"
 CEMENT DATA: 390 sk Hibond mixed & 350 sxs thixotropic
 CEMENT TOP AT: 638' per CBL

TUBING

SIZE-GRADE/AWT: 2-7/8" / M-80 / 6.3#
 NO. OF JOINTS: 157 jts. (4885.50')
 SEATING NIPPLE: 2-7/8" (1.10')
 SN LANDED AT: 4898.50'
 PACKER AT: 4899'
 TOTAL STRING LENGTH: (EOI @ 4907')



FRAC JOB

10/18/96 5465'-5621' Frac LDC sand as follows:
 119,800# of 20/40 sand in 642 bbls of Delta Frac Fluid. Breakdown @ 2830 psi. Treated @ avg rate of 40 bpm w/avg press of 1700 psi. ISIP: 1661 psi, 5-min 1507 psi. Flowback on 12/64" ck for 1-1/2 hours and died.

10/21/96 5276'-5384' Frac A-1 & A-3 sands as follows:
 103,700# of 20/40 sand in 525 bbls of Delta Frac fluid. Breakdown @ 2200 psi. Treated @ avg rate of 30.7 bpm w/avg press of 1660 psi. ISIP: 1941 psi, 5-min 1573 psi. Flowback on 12/64" ck for 1-1/2 hours and died.

10/23/96 5033'-5054' Frac C sand as follows:
 92,800# of 20/40 sand in 480 bbls of Delta Frac fluid. Breakdown @ 1510 psi. Treated @ avg rate of 21 bpm w/avg press of 1670 psi. ISIP: 3915 psi, 5-min 2623 psi. Flowback on 12/64" ck for 2 hours and died.

3/27/03 Parted Rods. Update tubing and rod details.
 5/20/03 Pump Change. Update rod detail.
 1/30/04 Injection Conversion
 2/2/09 5 Year MIT completed and submitted.

PERFORATION RECORD

Date	Interval	ISPF	Holes
10/18/96	5465'-5470'	2 ISPF	10 holes
10/18/96	5472'-5474'	2 ISPF	4 holes
10/18/96	5492'-5516'	2 ISPF	48 holes
10/18/96	5532'-5535'	2 ISPF	8 holes
10/18/96	5538'-5540'	2 ISPF	8 holes
10/18/96	5546'-5550'	2 ISPF	8 holes
10/18/96	5576'-5579'	2 ISPF	6 holes
10/18/96	5584'-5586'	2 ISPF	4 holes
10/18/96	5616'-5621'	2 ISPF	10 holes
10/19/96	5276'-5278'	4 ISPF	8 holes
10/19/96	5281'-5283'	4 ISPF	8 holes
10/19/96	5336'-5353'	2 ISPF	34 holes
10/19/96	5364'-5384'	2 ISPF	40 holes
10/22/96	5033'-5039'	4 ISPF	24 holes
10/22/96	5041'-5045'	4 ISPF	16 holes
10/22/96	5050'-5054'	4 ISPF	16 holes
03/25/04	4938'-4943'	4 ISPF	20 holes
03/25/04	5784'-5790'	4 ISPF	24 holes
03/25/04	5840'-5848'	4 ISPF	32 holes
03/25/04	5905'-5913'	4 ISPF	32 holes
03/25/04	5948'-5956'	4 ISPF	32 holes

NEWFIELD



Tar Sands Federal 1-31-8-17
 706 FNL & 639 FEL
 NE/NE Section 31-TSS-R17E
 Duchesne Co, Utah
 API #43-013-31654; Lease #U-74869

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 Water Injection Well	5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-74869
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: Rt 3 Box 3630 , Myton, UT, 84052	7. UNIT or CA AGREEMENT NAME: GMBU (GRRV)
PHONE NUMBER: 435 646-4825 Ext	8. WELL NAME and NUMBER: TAR SANDS FED 1-31
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0706 FNL 0639 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 31 Township: 08.0S Range: 17.0E Meridian: S	9. API NUMBER: 43013316540000
	9. FIELD and POOL or WILDCAT: MONUMENT BUTTE
	COUNTY: DUCHESNE
	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: 11/10/2016	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text" value="Proposed Flowline"/>
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			

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

Newfield request permission to install 3091' of surface Flowline within a 30' wide right-of-way. It is proposed the flowline will consist of up to a 14" bundled pipe consisting of 2-2" poly glycol lines and 1-3" production line. The proposed flowline will be installed along existing road from existing 1-31-8-17 well pad to existing valve can tie in point, see attached map.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 November 30, 2016

NAME (PLEASE PRINT) Mandie Crozier	PHONE NUMBER 435 646-4825	TITLE Regulatory Tech
SIGNATURE N/A	DATE 11/10/2016	

Tar Sands Fed 1-31-8-17

Section 31, T8S R17E

3,091' Proposed Flowline

Legend

- Proposed flowline
- Exist Well Site
- Tie in to valve can

