

001

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					5. LEASE DESIGNATION AND SERIAL NO. <b>UTU-77235</b>
1a. TYPE OF WORK <b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>					6. IF INDIAN, ALLOTTEE OR TRIBE NAME <b>N/A</b>
1b. TYPE OF WELL OIL <input type="checkbox"/> GAS <input type="checkbox"/> SINGLE <input type="checkbox"/> MULTIPLE <input type="checkbox"/> WELL <input checked="" type="checkbox"/> WELL <input type="checkbox"/> OTHER <input type="checkbox"/> ZONE <input checked="" type="checkbox"/> ZONE <input type="checkbox"/>					7. UNIT AGREEMENT NAME <b>N/A</b>
2. NAME OF OPERATOR <b>Inland Production Company</b>					8. FARM OR LEASE NAME WELL NO. <b>Fence Line Federal 5-19-8-17</b>
3. ADDRESS OF OPERATOR <b>Route #3 Box 3630, Myton, UT 84052 Phone: (435) 646-3721</b>					9. API WELL NO. <b>43-013-32372</b>
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At Surface <b>SW/NW 1980' FNL 660' FWL 4439654 Y 40.10523</b> At proposed Prod. Zone <b>580530 X -110.05516</b>					10. FIELD AND POOL OR WILDCAT <b>Monument Butte</b>
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* <b>Approximately 10.7 miles south of Myton, Utah</b>					11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA <b>SW/NW Sec. 19, T8S, R17E</b>
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to <b>Approx. 660' f/lse line &amp; 660' f/unit line</b> )	16. NO. OF ACRES IN LEASE <b>190.94</b>	17. NO. OF ACRES ASSIGNED TO THIS WELL <b>40</b>			12. County <b>Duchesne</b>
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. <b>Approx. 1320'</b>	19. PROPOSED DEPTH <b>6500'</b>	20. ROTARY OR CABLE TOOLS <b>Rotary</b>			13. STATE <b>UT</b>
21. ELEVATIONS (Show whether DF, RT, GR, etc.) <b>5357' GR</b>				22. APPROX. DATE WORK WILL START* <b>1st Quarter 2003</b>	
23. PROPOSED CASING AND CEMENTING PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT	
<b>Refer to Monument Butte Field SOP's Drilling Program/Casing Design</b>					

Inland Production Company proposes to drill this well in accordance with the attached exhibits.

The Conditions of Approval are also attached.

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 *Bradley G. Hill* TITLE Permit Clerk DATE 9/20/02

(This space for Federal or State office use)

PERMIT NO. 43-013-32372 APPROVED BY *Bradley G. Hill* ACTION: **Approval of Permit Action is Necessary**

Application approval does not warrant or certify that the applicant holds legal or equitable interests in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY *Bradley G. Hill* TITLE BRADLEY G. HILL RECLAMATION SPECIALIST

29-26-02  
**RECEIVED**

SEP 23 2002

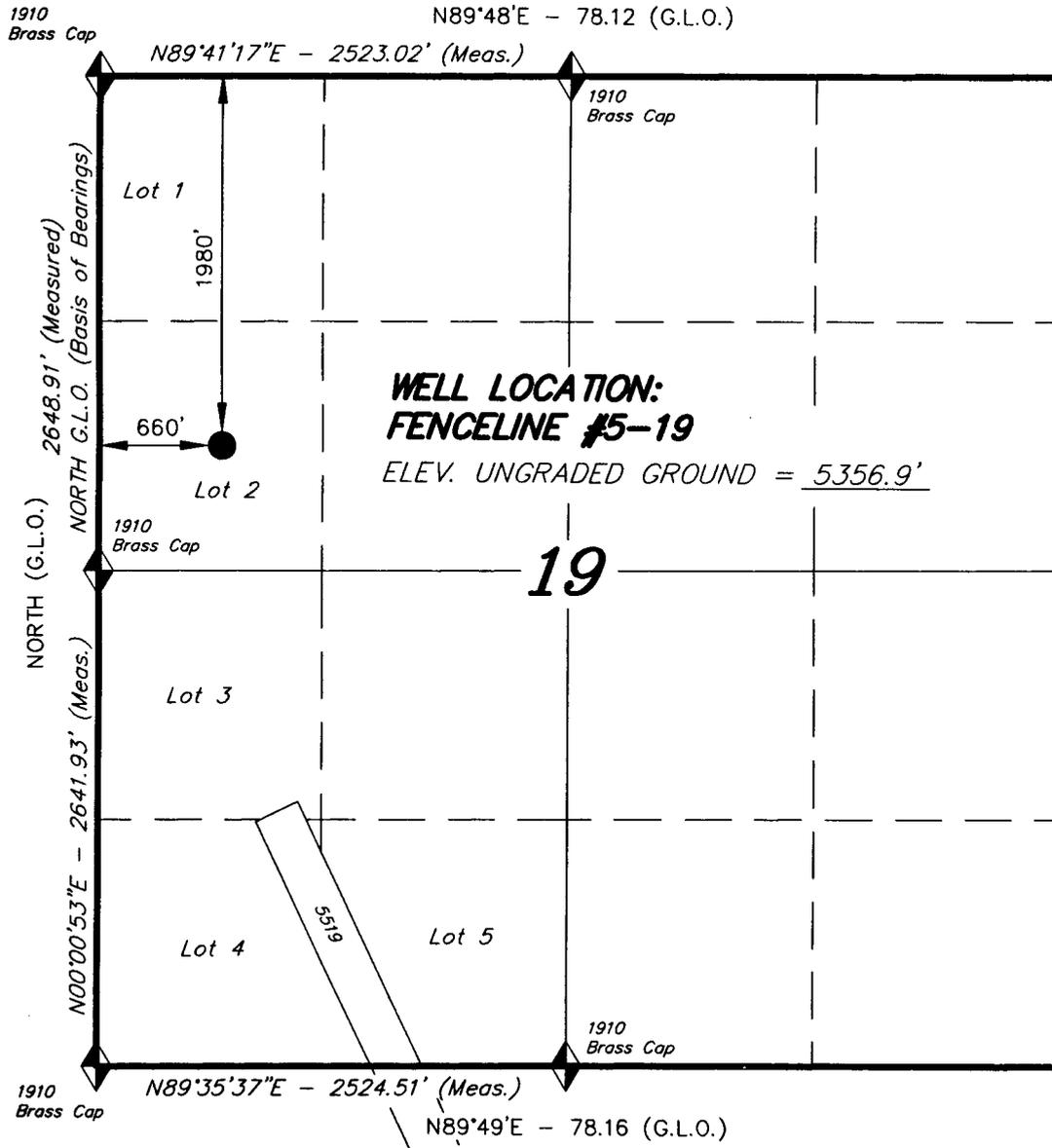
DIVISION OF  
**OIL, GAS AND MINING**

\*See Instructions On Reverse Side

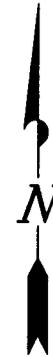
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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

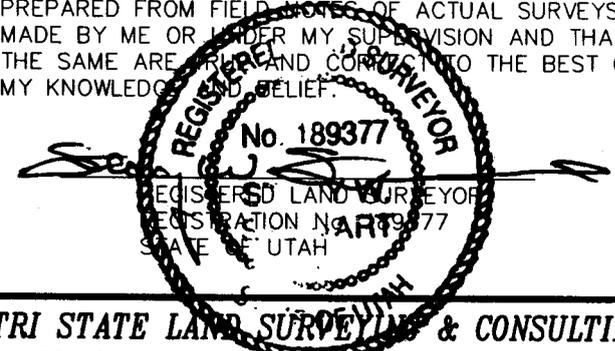
## INLAND PRODUCTION COMPANY



WELL LOCATION, FENCELINE #5-19,  
LOCATED AS SHOWN IN LOT 2 OF  
SECTION 19, T8S, R17E, S.L.B.&M.  
DUCHESNE COUNTY, UTAH.



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.



◆ = SECTION CORNERS LOCATED

BASIS OF ELEV; U.S.G.S. 7-1/2 min QUAD (MYTON SE)

**TRI STATE LAND SURVEYING & CONSULTING**  
38 WEST 100 NORTH - VERNAL, UTAH 84078  
(435) 781-2501

SCALE: 1" = 1000'	SURVEYED BY: K.G.S.
DATE: 8-8-02	DRAWN BY: J.R.S.
NOTES:	FILE #



September 20, 2002

**RECEIVED**

SEP 23 2002

DIVISION OF  
OIL, GAS AND MINING

State of Utah  
Division of Oil, Gas & Mining  
Attn: Brad Hill  
1594 West North Temple - Suite 1210  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801

RE: Applications for Permit to Drill: 3-19-8-17, 4-19-8-17, 5-19-8-17,  
6-19-8-17, 11-19-8-17, 12-19-8-17, and 14-19-8-17.

Dear Brad:

Enclosed find APD's on the above referenced wells. If you have any questions, feel free to give either Brad or myself a call.

Sincerely,

Mandie Crozier  
Permit Clerk

mc  
enclosures

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Inland Production Company

Well Name & Number: Fence Line Federal 5-19-8-17

API Number:

Lease Number: UTU-77235

Location: SW/NW Sec. 19, T8S, R17E

**SURFACE USE PROGRAM**  
**CONDITIONS OF APPROVAL**

**CULTURAL RESOURCES**

See *DIAMOND MOUNTAIN RESOURCE AREA RESOURCE MANAGEMENT PLAN AND RECORD OF DECISION* (Fall 1994).

**PALEONTOLOGICAL RESOURCES**

See *DIAMOND MOUNTAIN RESOURCE AREA RESOURCE MANAGEMENT PLAN AND RECORD OF DECISION* (Fall 1994).

**SOILS, WATERSHEDS, AND FLOODPLAINS**

See *DIAMOND MOUNTAIN RESOURCE AREA RESOURCE MANAGEMENT PLAN AND RECORD OF DECISION* (Fall 1994).

**WILDLIFE AND FISHERIES**

See *DIAMOND MOUNTAIN RESOURCE AREA RESOURCE MANAGEMENT PLAN AND RECORD OF DECISION* (Fall 1994).

**THREATENED, ENDANGERED, AND OTHER SENSITIVE SPECIES**

**BURROWING OWL:** Due to the proximity of the location to active prairie dog towns, there is the potential to encounter nesting burrowing owls between April 1 and July 15. If new construction or surface disturbing activities are scheduled between April 1 and July 15, pre-construction surveys will be conducted to detect the presence of nesting burrowing owls within 0.5 mile of any new construction or surface disturbing activity (see Vernal BLM Field Office Protocol). No new construction or surface disturbing activities will be allowed between April 1 and July 15 within a 0.5 mile radius of any active burrowing owl nest.

**MOUNTAIN PLOVER:** If new construction or surface disturbing activities are scheduled to occur between May 1 and June 15, detailed surveys of the area within 0.5 mile of the proposed location and within 300 feet of proposed access routes must be conducted to detect the presence of mountain plovers. All surveys must be conducted in accordance with the survey protocols outlined in the 2002 USFWS

**Survey Protocol. Surveys must be completed prior to initiating new construction or surface disturbing activities. No new construction or surface disturbing activities will be allowed between March 15 and August 15 within a 0.5 mile radius of any documented mountain plover nest site.**

See also *DIAMOND MOUNTAIN RESOURCE AREA RESOURCE MANAGEMENT PLAN AND RECORD OF DECISION* (Fall 1994).

**LOCATION AND RESERVE PIT RECLAMATION**

During construction of the reserve pit, a small amount of topsoil shall be stockpiled nearby, to be spread over the reserve pit area at the time the reserve pit is reclaimed.

The topsoil stockpile shall be reseeded immediately after site construction by broadcasting the seed, then walking the topsoil stockpile with the dozer to plant the seed.

The following seed mixture will be used on the topsoil stockpile, the recontoured surface of the reserve pit, and for final reclamation: (All poundage's are in pure live seed)

Shadscale	<i>Atriplex confertifolia</i>	4 lbs/acre
Indian ricegrass	<i>Oryzopsis hymenoides</i>	2 lbs/acre
galleta grass	<i>Hilaria jamesii</i>	4 lbs/acre
Gardner salt bush	<i>Atriplex gardneri</i>	2 lbs/acre

The reserve pit shall be reclaimed immediately after drilling operations have ceased. The pit shall be reclaimed by: 1) removing all liquids and any oily debris according to Utah Division of Oil, Gas, & Mining pit closure rules; 2) perforating and folding the liner in place; 3) recontouring the surface; 4) broadcasting the seed over the recontoured surface; and 5) walking the surface of the pit with a dozer to plant the seed.

At the time of final abandonment, the location and access will be recontoured to natural topography and topsoil spread over the area and the surface seeded immediately.

**PIPELINES**

Installation of a surface gas pipeline and/or any subsequent buried gas or water pipelines will follow the conditions of approval outlined above.

Except as specified in the APD, the installation of the surface gas line and any subsequent buried pipelines will follow the edge of the existing roadways without interfering with the normal travel and maintenance of the roadway.

The installation of any buried pipelines will disturb as little surface as possible and will not exceed 60 feet in width. Reclamation of the disturbance area associated with buried pipelines will be completed within 10 days after installation. The surface will be recontoured to natural or near natural contours. Reseeding will be with the same seed mixture specified for reclamation of the reserve pit and well site. The interface of the buried line disturbance area and the edge of any adjacent access roads will be constructed with a borrow ditch and road berm to minimize vehicular travel along the water line route.

OTHER

INLAND PRODUCTION COMPANY  
FENCE LINE FEDERAL #5-19-8-17  
SW/NW SECTION 19, T8S, R17E  
DUCHESNE COUNTY, UTAH

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. GEOLOGIC SURFACE FORMATION:

Uinta formation of Upper Eocene Age

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

Uinta	0' – 1640'
Green River	1640'
Wasatch	6500'

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

Green River Formation 1640' – 6500' - Oil

4. PROPOSED CASING PROGRAM

Please refer to the Monument Butte Field Standard Operation Procedure (SOP).

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

Please refer to the Monument Butte Field SOP. See Exhibit "C".

6. TYPE AND CHARACTERISTICS OF THE PROPOSED CIRCULATION MUDS:

Please refer to the Monument Butte Field SOP.

7. AUXILIARY SAFETY EQUIPMENT TO BE USED:

Please refer to the Monument Butte Field SOP.

8. TESTING, LOGGING AND CORING PROGRAMS:

Please refer to the Monument Butte Field SOP.

9. ANTICIPATED ABNORMAL PRESSURE OR TEMPERATURE:

The anticipated maximum bottom hole pressure is 2000 psi. It is not anticipated that abnormal temperatures will be encountered.

10. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS:

Please refer to the Monument Butte Field SOP.

INLAND PRODUCTION COMPANY  
FENCE LINE FEDERAL #5-19-8-17  
SW/NW SECTION 19, T8S, R17E  
DUCHESNE COUNTY, UTAH

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. EXISTING ROADS

See attached Topographic Map "A"

To reach Inland Production Company well location site Fence Line Federal #5-19-8-17 located in the SW 1/4 NW 1/4 Section 19, T8S, R17E, Duchesne County, Utah:

Proceed southwesterly out of Myton, Utah along Highway 40 - 1.6 miles  $\pm$  to the junction of this highway and UT State Hwy 53; proceed southeasterly along Hwy 53 - 9.0 miles  $\pm$  to it's junction with an existing road to the east; proceed easterly - 0.1 mile  $\pm$  to it's junction with the beginning of the proposed access road; proceed northerly along the proposed access road - 635'  $\pm$  to the proposed well location.

2. PLANNED ACCESS ROAD

See Topographic Map "B" for the location of the proposed access road.

3. LOCATION OF EXISTING WELLS

Refer to Exhibit "B".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

Please refer to the Monument Butte Field Standard Operating Procedure (SOP).

5. LOCATION AND TYPE OF WATER SUPPLY

Please refer to the Monument Butte Field SOP. See Exhibit "A".

6. SOURCE OF CONSTRUCTION MATERIALS

Please refer to the Monument Butte Field SOP.

7. METHODS FOR HANDLING WASTE DISPOSAL

Please refer to the Monument Butte Field SOP.

8. ANCILLARY FACILITIES

Please refer to the Monument Butte Field SOP.

9. WELL SITE LAYOUT

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

10. PLANS FOR RESTORATION OF SURFACE

Please refer to the Monument Butte Field SOP.

11. SURFACE OWNERSHIP - Bureau Of Land Management

12. OTHER ADDITIONAL INFORMATION

Archaeological Resource Survey for this area is attached. The Paleontological Resource Survey will be forthcoming.

Inland Production Company requests a 60' ROW for the Fence Line Federal #5-19-8-17 to allow for construction of a 6" gas gathering line, and a 3" poly fuel gas line. Both lines will tie in to the existing pipeline infrastructure. **Refer to Topographic Map "C."**

Inland Production Company also requests a 60' ROW be granted for the Fence Line Federal #5-19-8-17 to allow for construction of a 3" steel water injection line and a 3" poly water return line. **Refer to Topographic Map "C."**

**Water Disposal**

Formation water is produced to a steel storage tank. If the production water meets quality guidelines, it is transported to the Ashley, Monument Butte, Jonah, and Beluga water injection facilities by company or contract trucks. Subsequently, the produced water is injected into approved Class II wells to enhance Inland's secondary recovery project.

Water not meeting quality criteria, is disposed at Inland's Pariette #4 disposal well (Sec. 7, T9S R19E) or at State of Utah approved surface disposal facilities.

13. LESSEE'S OR OPERATORS REPRESENTATIVE AND CERTIFICATION

Representative

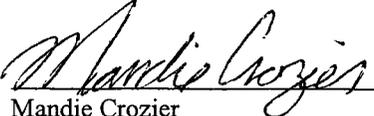
Name: Brad Mecham  
Address: Route #3 Box 3630  
Myton, UT 84052  
Telephone: (435) 646-3721

Certification

Please be advised that INLAND PRODUCTION COMPANY is considered to be the operator of well #5-19-8-17 SW/NW Section 19, Township 8S, Range 17E: Lease UTU-77235 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 the proposed drillsite and access route have been inspected, and 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.

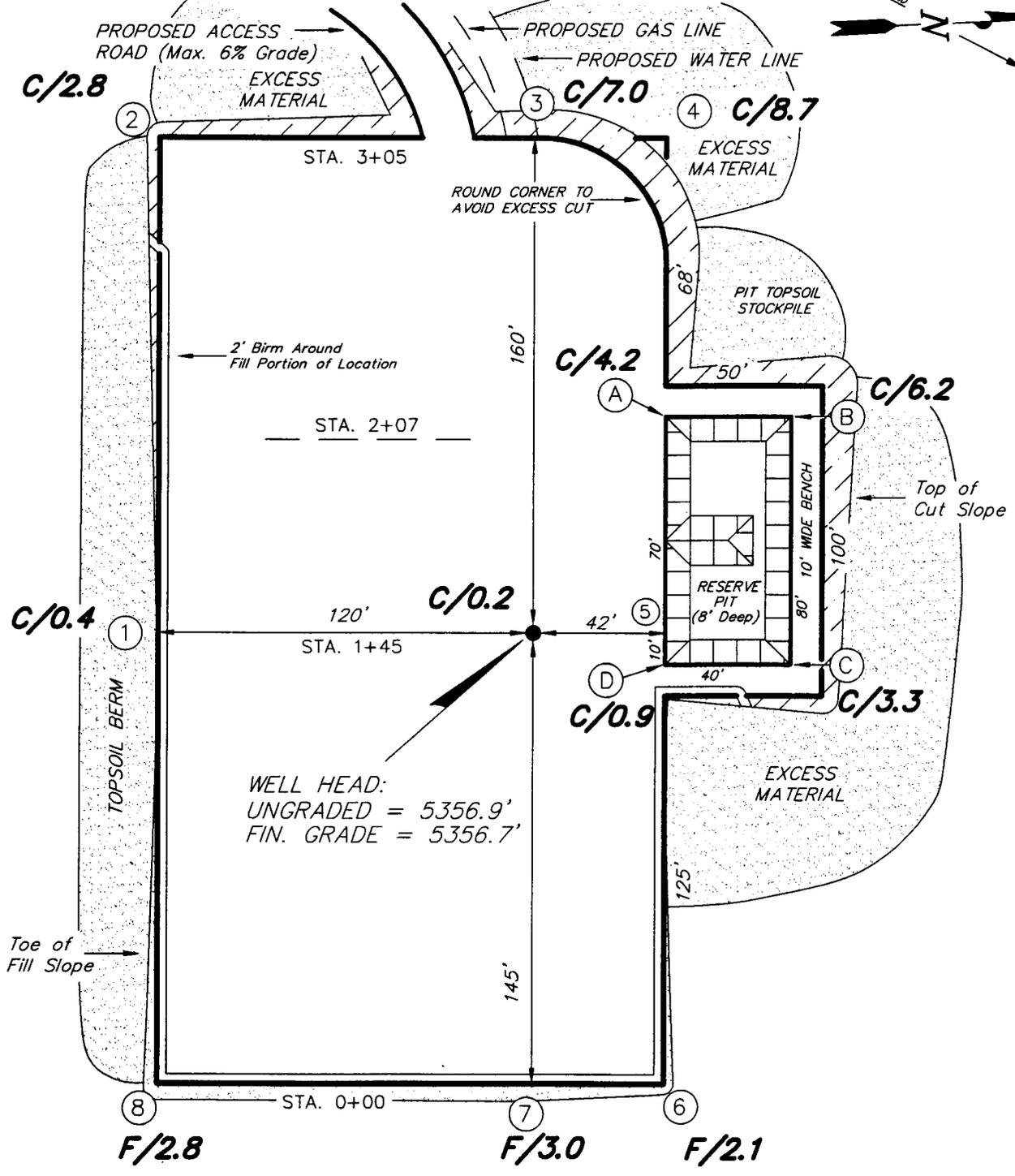
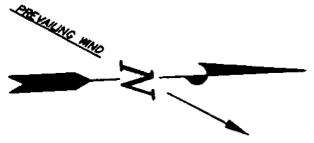
9/20/02  
Date

  
Mandie Crozier  
Permit Clerk

# INLAND PRODUCTION COMPANY

## FENCELINE #5-19

SEC. 19, T8S, R17E, S.L.B.&M.



**REFERENCE POINTS**

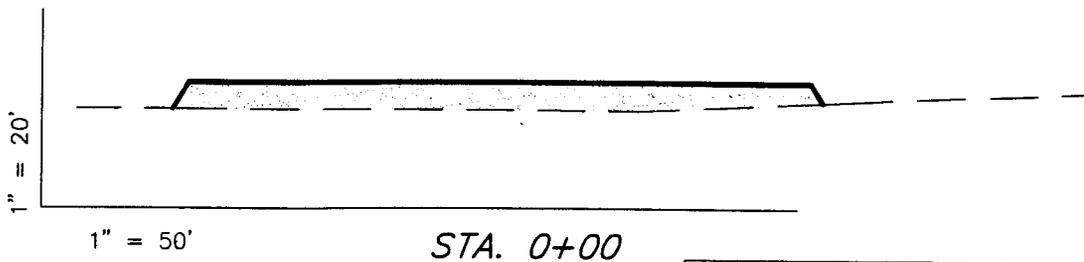
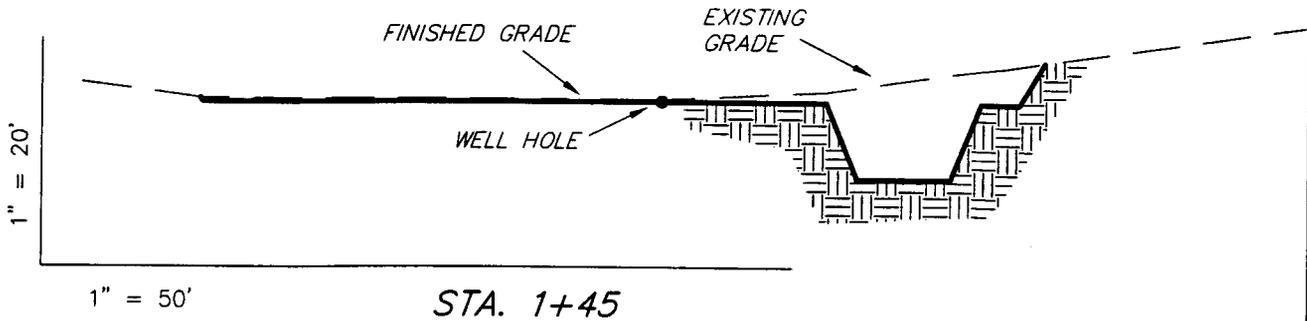
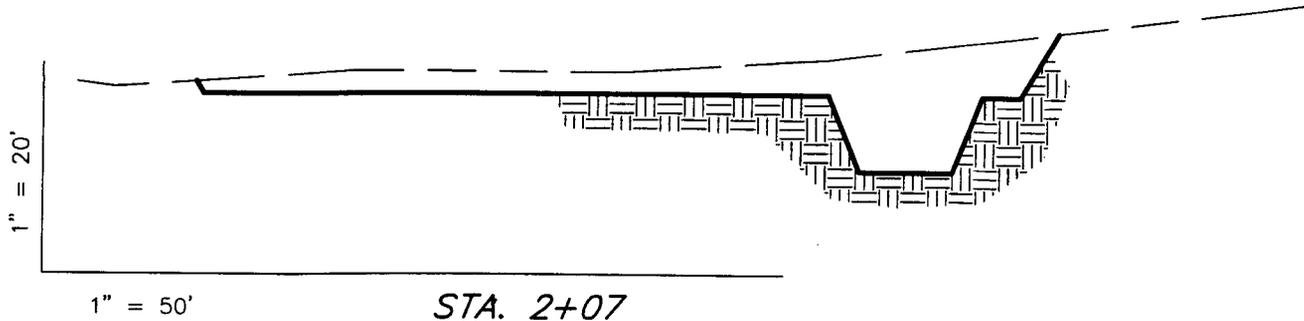
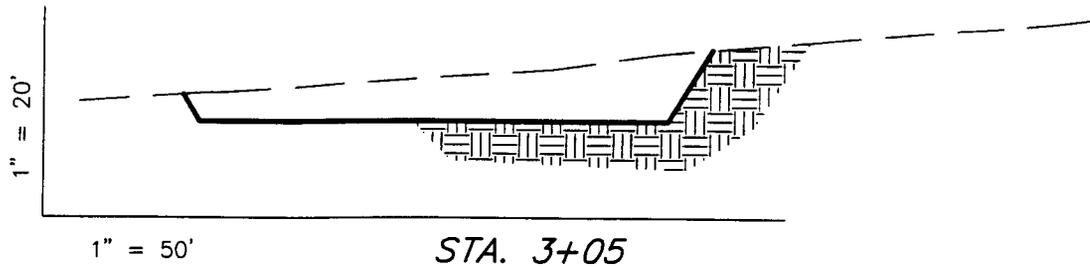
195' EAST	= 5353.6'
245' EAST	= 5352.7'
170' SOUTH	= 5359.6'
220' SOUTH	= 5360.3'

SURVEYED BY: K.G.S.	SCALE: 1" = 50'	<p>Tri State Land Surveying, Inc. 38 WEST 100 NORTH VERNAL, UTAH 84078</p>
DRAWN BY: J.R.S.	DATE: 8-9-02	

# INLAND PRODUCTION COMPANY

## CROSS SECTIONS

### FENCELINE #5-19



ESTIMATED EARTHWORK QUANTITIES				
(Expressed in Cubic Yards)				
ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	3,250	1,580	Topsoil is not included in Pad Cut	1,670
PIT	640	0		640
TOTALS	3,890	1,580	1,010	2,310

NOTE:  
UNLESS OTHERWISE NOTED  
ALL CUT/FILL SLOPES ARE  
AT 1.5:1

SURVEYED BY: K.G.S.	SCALE: 1" = 50'
DRAWN BY: J.R.S.	DATE: 8-9-02

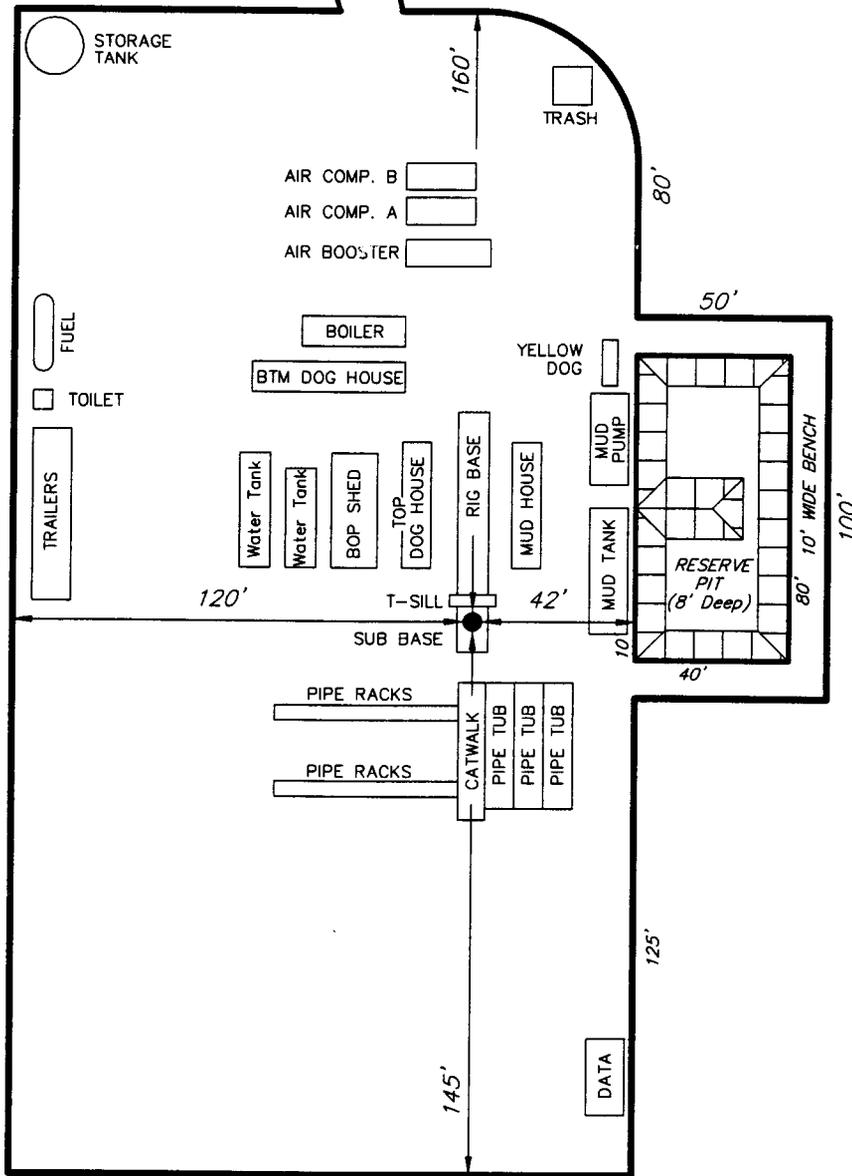
**Tri State**  
 Land Surveying, Inc.  
 38 WEST 100 NORTH VERNAL, UTAH 84078  
 (435) 781-2501

# INLAND PRODUCTION COMPANY

## TYPICAL RIG LAYOUT

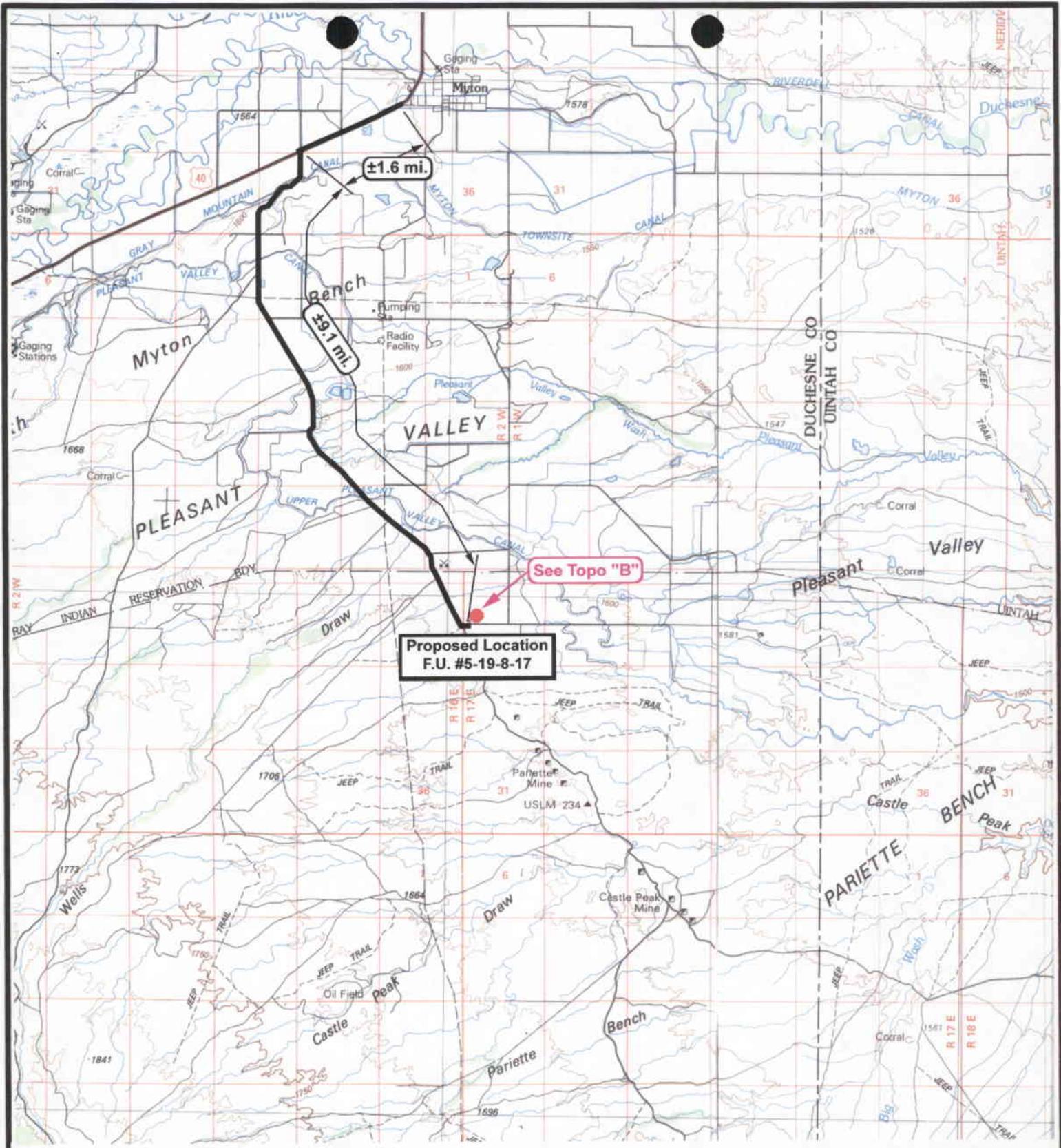
### FENCELINE #5-19

PROPOSED ACCESS ROAD (Max. 6% Grade)



SURVEYED BY: K.G.S.	SCALE: 1" = 50'
DRAWN BY: J.R.S.	DATE: 8-9-02

**Tri State Land Surveying, Inc.** (435) 781-2501  
 38 WEST 100 NORTH VERNAL, UTAH 84078



**Proposed Location  
F.U. #5-19-8-17**

**See Topo "B"**

**±1.6 mi.**

**±9.7 mi.**



**Fenceline Unit #5-19  
SEC. 19, T8S, R17E, S.L.B.&M.**



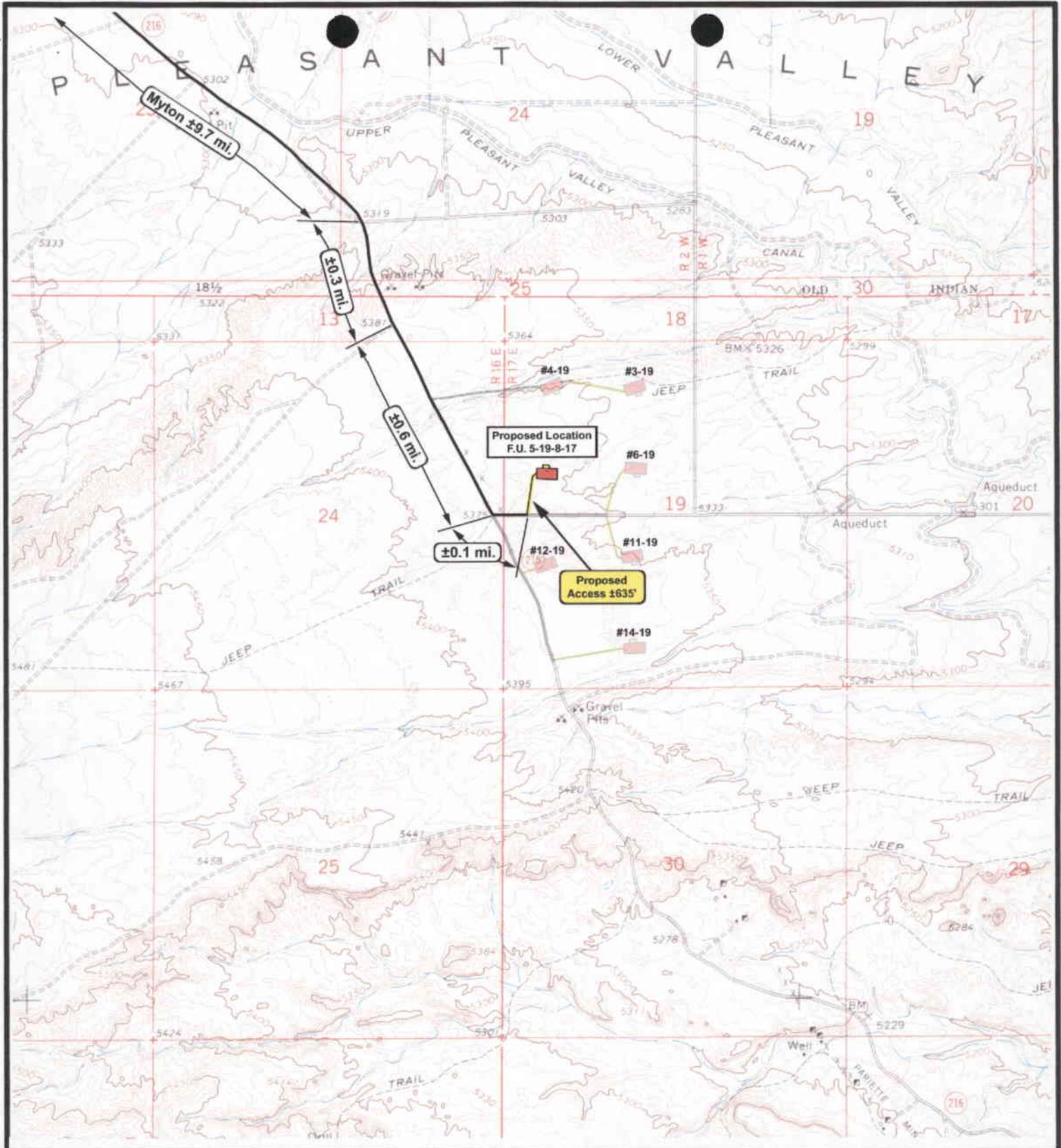
**Tri-State  
Land Surveying Inc.**  
(435) 781-2501  
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1 = 100,000  
DRAWN BY: R.A.B.  
DATE: 08-12-2002

**Legend**

Existing Road  
Proposed Access

TOPOGRAPHIC MAP  
**"A"**



**Fenceline Unit #5-19  
SEC. 19, T8S, R17E, S.L.B.&M.**

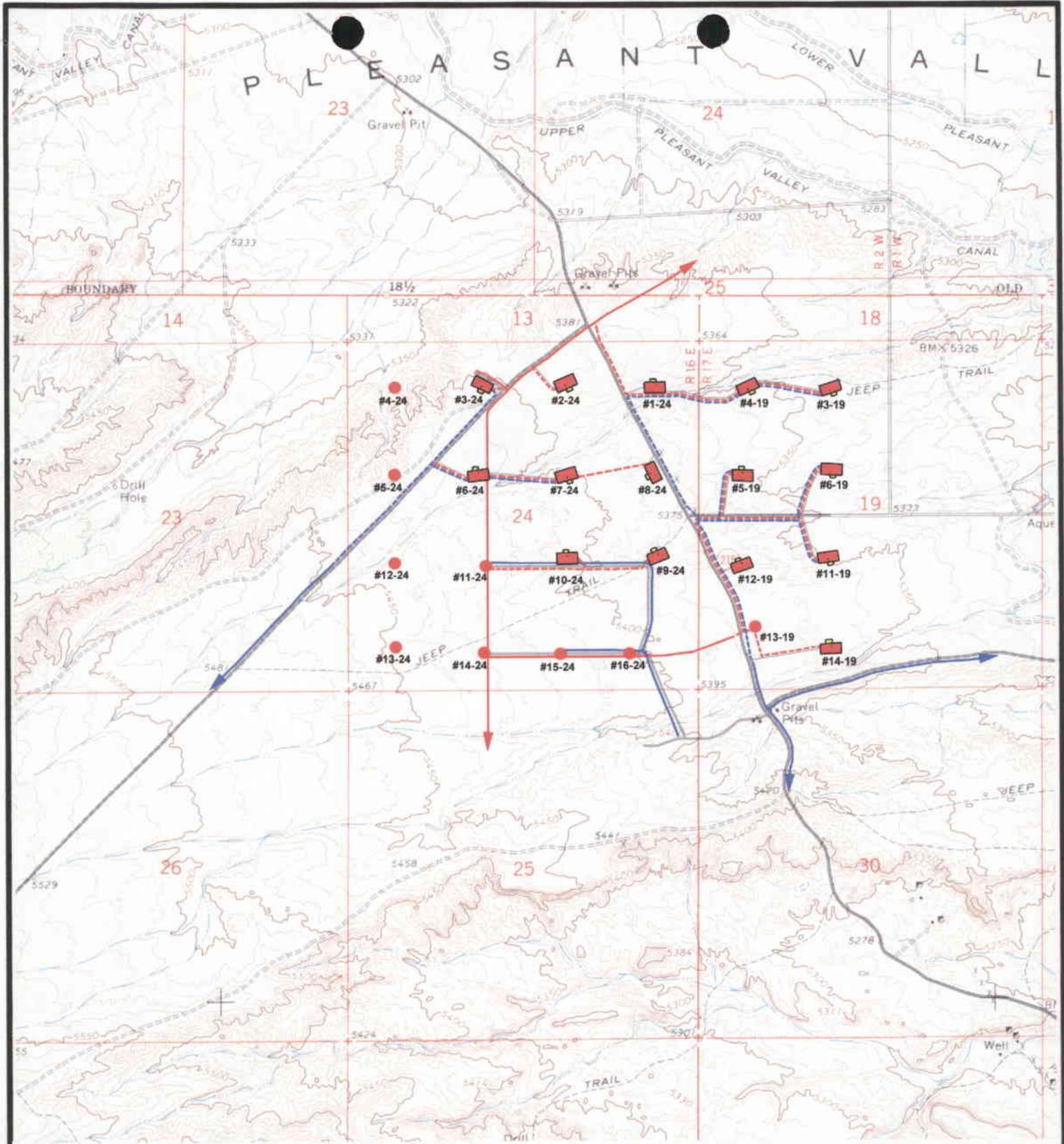


**Tri-State  
Land Surveying Inc.**  
(435) 781-2501  
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'  
DRAWN BY: R.A.B.  
DATE: 08-09-2002

**Legend**  
 Existing Road  
 Proposed Access

TOPOGRAPHIC MAP  
**"B"**



**Gas & Water Pipelines  
SEC. 19, T8S, R17E, &  
SEC. 24, T8S, R16E, S.L.B.&M.**



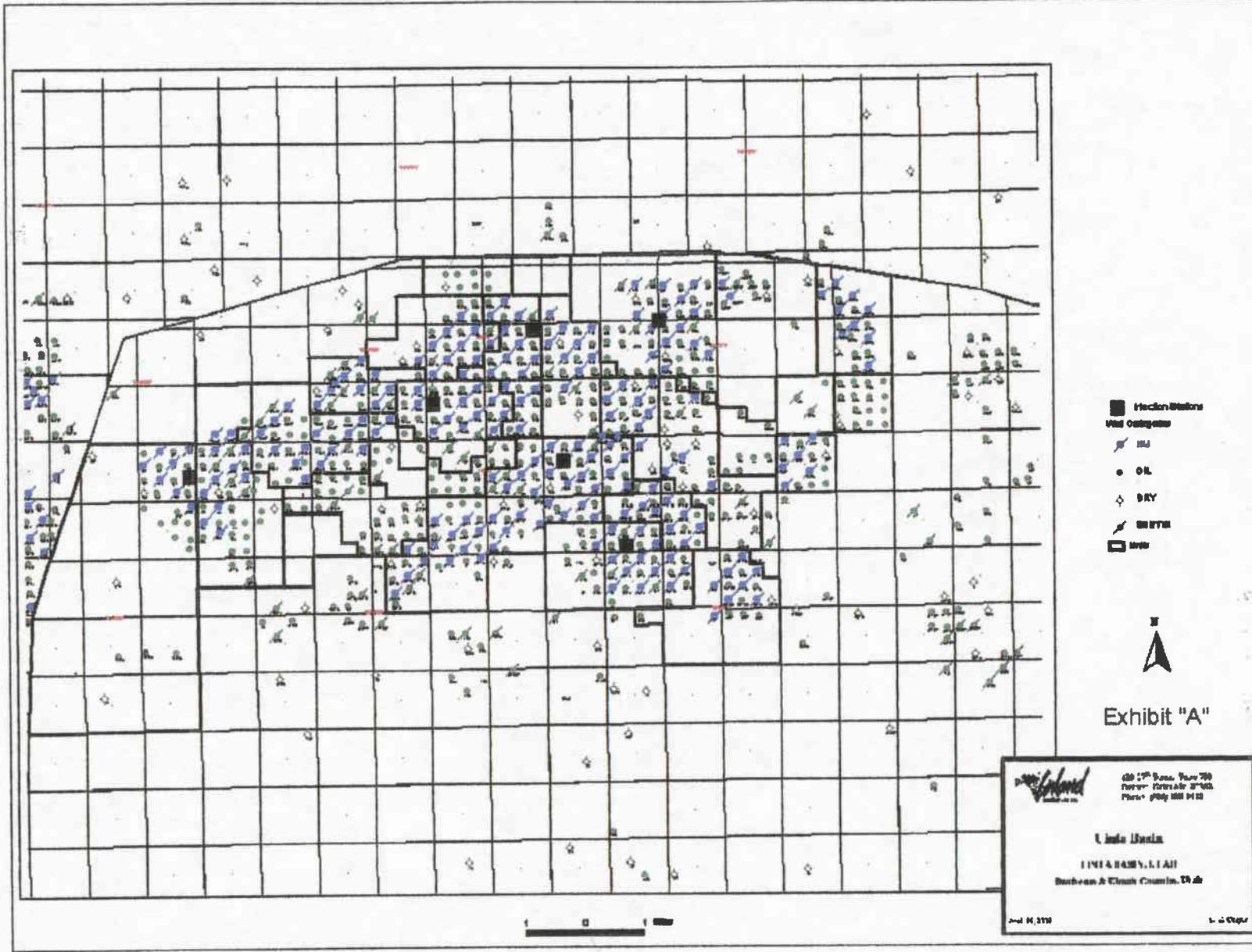
**Tri-State  
Land Surveying Inc.**  
(435) 781-2501  
38 West 100 North Vernal, Utah 84078

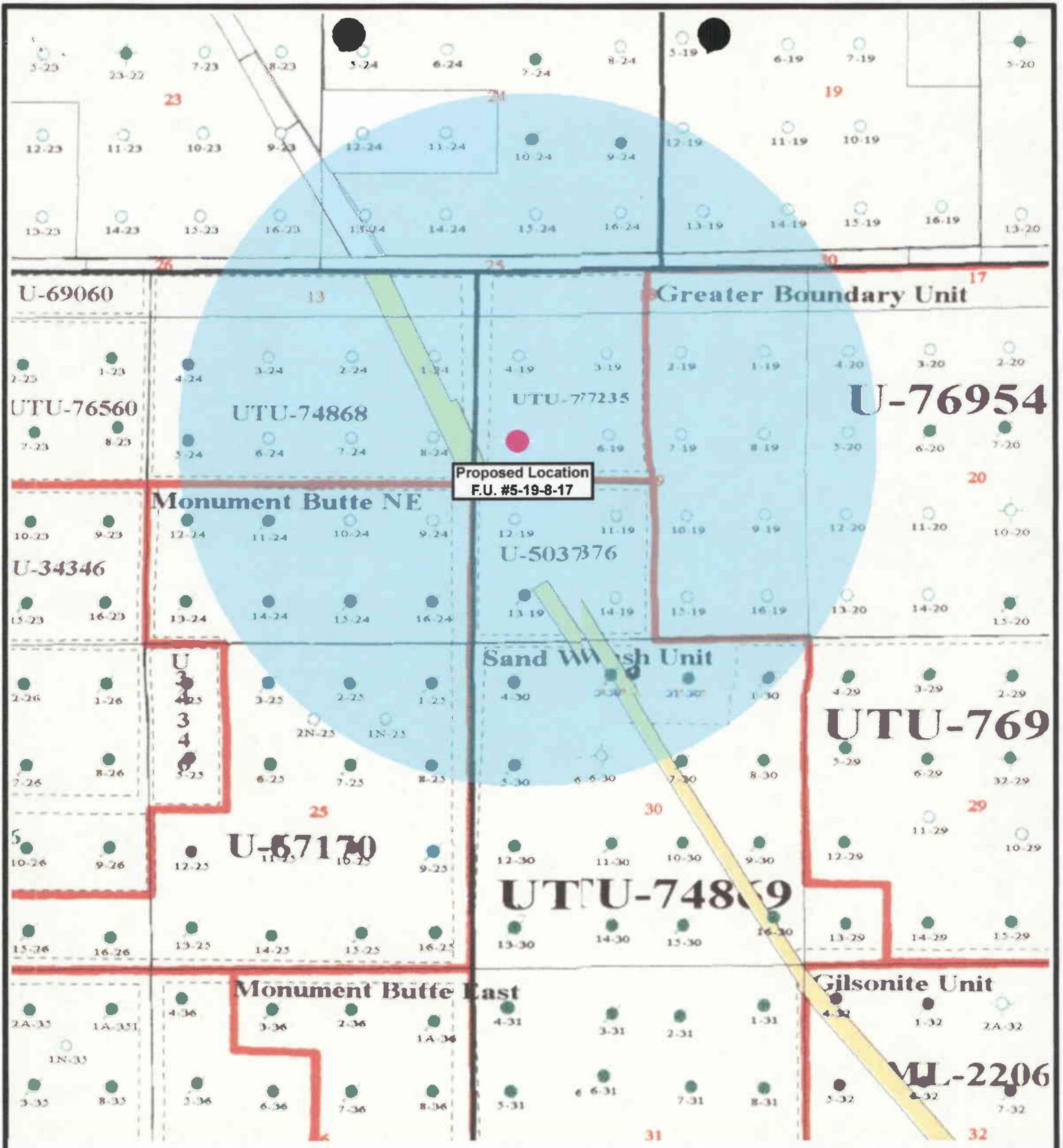
SCALE: 1" = 2,000'  
DRAWN BY: R.A.B.  
DATE: 09-03-2002

Legend	
	Roads
	Existing Gas Line
	Proposed Gas Line
	Existing Injection Line
	Proposed Injection Line

TOPOGRAPHIC MAP

"C"





**Fenceline Unit #5-19  
SEC. 19, T8S, R17E, S.L.B.&M.**



*Tri-State  
Land Surveying Inc.*  
(435) 781-2501  
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'  
DRAWN BY: R.A.B.  
DATE: 08-13-2002

**Legend**

- Proposed Location
- One-Mile Radius

**Exhibit "B"**

# 2-M SYSTEM

Blowout Prevention Equipment Systems

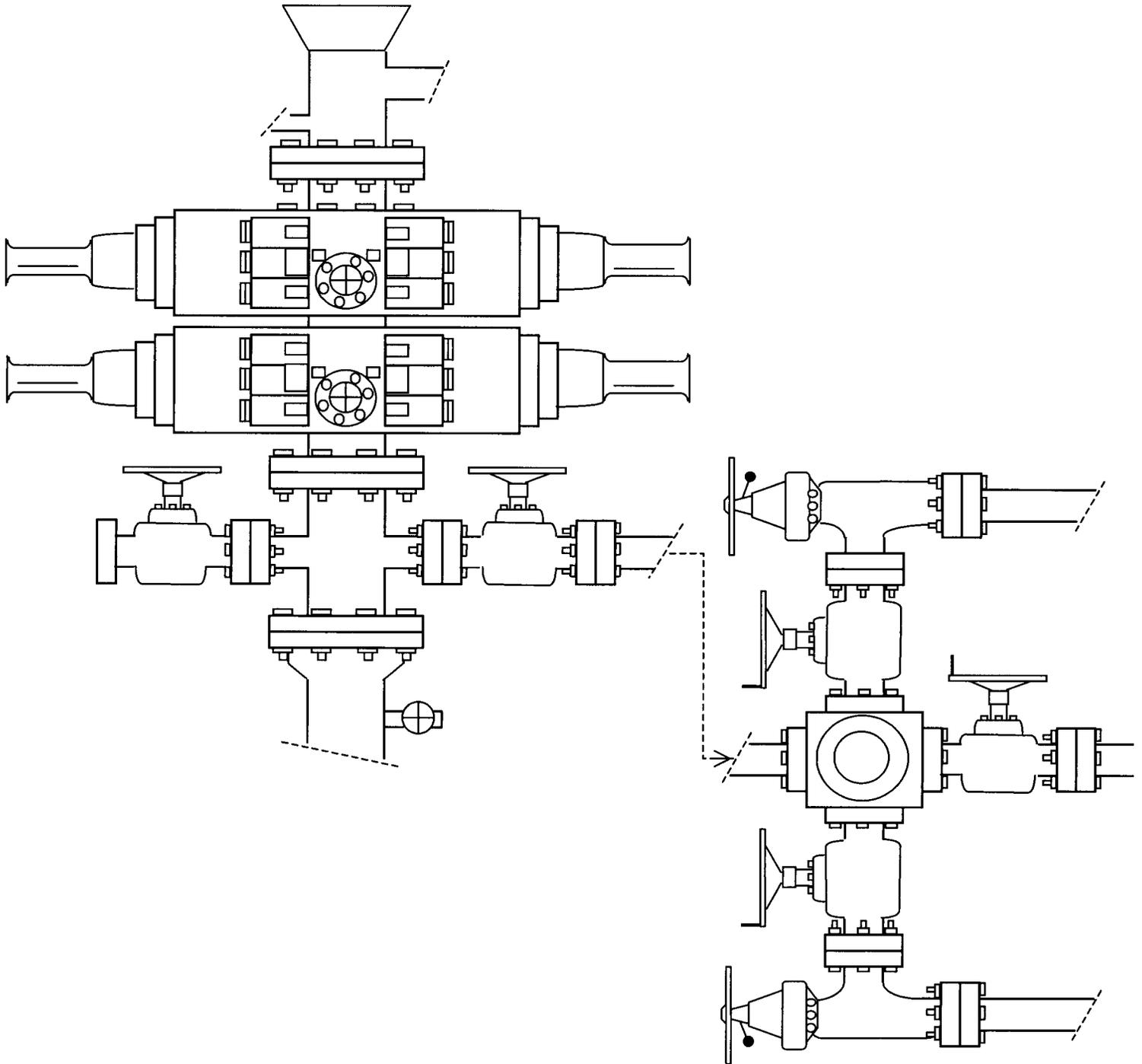


EXHIBIT C

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/23/2002

API NO. ASSIGNED: 43-013-32372

WELL NAME: FENCE LINE FED 5-19-8-17

OPERATOR: INLAND PRODUCTION ( N5160 )

CONTACT: MANDIE CROZIER

PHONE NUMBER: 435-646-3721

PROPOSED LOCATION:

SWNW 19 080S 170E  
SURFACE: 1980 FNL 0660 FWL  
BOTTOM: 1980 FNL 0660 FWL  
DUCHESNE  
MONUMENT BUTTE ( 105 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-77235

SURFACE OWNER: 1 - Federal

LATITUDE: 40.10523

PROPOSED FORMATION: GRRV

LONGITUDE: 110.05516

RECEIVED AND/OR REVIEWED:

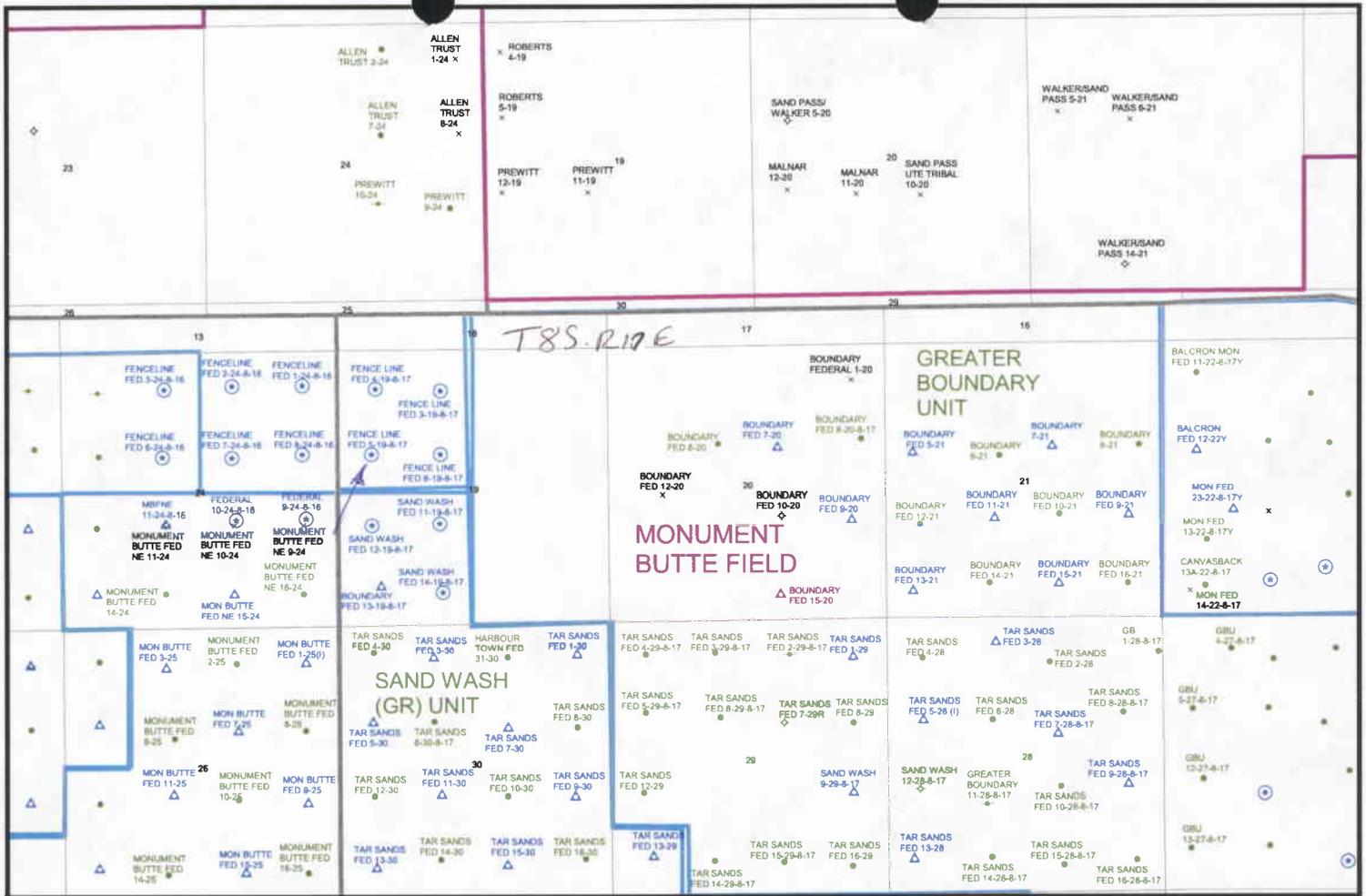
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. 4488944 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. MUNICIPAL )
- RDCC Review (Y/N)  
(Date: )
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

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

COMMENTS: Sup, Separate file

STIPULATIONS: 1- Spacing Strip  
2- federal approval



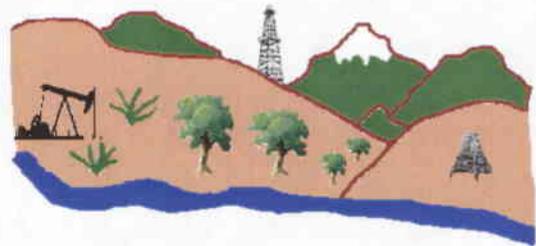
OPERATOR: INLAND PRODUCTION (N5160)

SEC. 19 T8S R 17E

FIELD: MONUMENT BUTTE (105)

COUNTY: DUCHESNE

SPACING: R649-3-2 / GENERAL SITING



Utah Oil Gas and Mining

Well Status		Unit Status		Field Status	
↗	GAS INJECTION		EXPLORATORY		ABANDONED
◊	GAS STORAGE		GAS STORAGE		ACTIVE
×	LOCATION ABANDONED		NF PP OIL		COMBINED
⊕	NEW LOCATION		NF SECONDARY		INACTIVE
◆	PLUGGED & ABANDONED		PENDING		PROPOSED
*	PRODUCING GAS		PI OIL		STORAGE
•	PRODUCING OIL		PP GAS		TERMINATED
◊	SHUT-IN GAS		PP GEOTHERML		Section Lines
•	SHUT-IN OIL		PP OIL		Township Lines
×	TEMP. ABANDONED		SECONDARY		County Boundaries
◊	TEST WELL		TERMINATED		
△	WATER INJECTION				
◆	WATER SUPPLY				
↘	WATER DISPOSAL				



PREPARED BY: DIANA MASON  
DATE: 24-SEPTEMBER-2002



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5340 telephone  
(801) 359-3940 fax  
(801) 538-7223 TTY  
www.nr.utah.gov

Michael O. Leavitt  
Governor  
Robert L. Morgan  
Executive Director  
Lowell P. Braxton  
Division Director

September 26, 2002

Inland Production Company  
Route #3 Box 3630  
Myton, UT 84052

Re: Fence Line Federal 5-19-8-17 Well, 1980' FNL, 660' FWL, SW NW, Sec. 19, T. 8 South, R. 17 East, 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 43-013-32372.

Sincerely,

John R. Baza  
Associate Director

pb

Enclosures

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

Operator: Inland Production Company  
Well Name & Number Fence Line Federal 5-19-8-17  
API Number: 43-013-32372  
Lease: UTU-77235

Location: SW NW      Sec. 19      T. 8 South      R. 17 East

**Conditions of Approval**

1. General  
Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.
  
2. Notification Requirements  
Notify the Division within 24 hours of spudding the well.
  - Contact Carol Daniels at (801) 538-5284.  
Notify the Division prior to commencing operations to plug and abandon the well.
  - Contact Dan Jarvis at (801) 538-5338
  
3. Reporting Requirements  
All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.
  
4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
  
5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

005

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK				5. LEASE DESIGNATION AND SERIAL NO. <b>UTU-77235</b>	
1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>				6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A	
1b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>				7. UNIT AGREEMENT NAME N/A	
2. NAME OF OPERATOR <b>Inland Production Company</b>				8. FARM OR LEASE NAME WELL NO. <b>Fence Line Federal 5-19-8-17</b>	
3. ADDRESS OF OPERATOR <b>Route #3 Box 3630, Myton, UT 84052</b> Phone: <b>(435) 646-3721</b>				9. API WELL NO.	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At Surface <b>SW/NW 1980' FNL 660' FWL</b> At proposed Prod. Zone				10. FIELD AND POOL OR WILDCAT <b>Monument Butte</b>	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* <b>Approximately 10.7 miles south of Myton, Utah</b>				11. SEC., T., R., M., OR BLK AND SURVEY OR AREA <b>SW/NW Sec. 19, T8S, R17E</b>	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to <b>Approx. 660' f/lse line &amp; 660' f/unit line</b>		16. NO. OF ACRES IN LEASE <b>190.94</b>	17. NO. OF ACRES ASSIGNED TO THIS WELL <b>40</b>		
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. <b>Approx. 1320'</b>		19. PROPOSED DEPTH <b>6500'</b>	20. ROTARY OR CABLE TOOLS <b>Rotary</b>		
21. ELEVATIONS (Show whether DF, RT, GR, etc.) <b>5357' GR</b>			22. APPROX. DATE WORK WILL START* <b>1st Quarter 2003</b>		
23. PROPOSED CASING AND CEMENTING PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT	
<b>Refer to Monument Butte Field SOP's Drilling Program/Casing Design</b>					

Inland Production Company proposes to drill this well in accordance with the attached exhibits.

The Conditions of Approval are also attached.

RECEIVED  
JAN 03 2003  
DIV. OF OIL, GAS & MINING  
RECEIVED  
SEP 28 2002

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 *Patricia Greig* TITLE Permit Clerk DATE 9/20/02

(This space for Federal or State office use)

NOTICE OF APPROVAL

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

Application approval 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.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY *Thomas B. Leung* TITLE Assistant Field Manager Mineral Resources DATE 12/24/2002

\*See Instructions On Reverse Side

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 ATTACHED

02450565A

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Inland Production Company

Well Name & Number: FENCE LINE FEDERAL 5-19-8-17

API Number: 43-013-32372

Lease Number: UTU - 77235

Location: LOT 2 (SWNW) Sec. 19 TWN: 08S RNG: 17E

Agreement: N/A

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.

**Submit an electronic copy of all logs run on this well in LAS format. This submission will replace the requirement for submittal of paper logs to the BLM**

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.

A. DRILLING PROGRAM

1. Casing Program and Auxiliary Equipment

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 base of the usable water zone, identified at  $\pm 382$  ft.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

006

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry 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 COMPANY**

3. Address and Telephone No.

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

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

**1980 FNL 660 FWL SW/NW Section 19, T8S R17E**

5. Lease Designation and Serial No.

**UTU-77235**

6. If Indian, Allottee or Tribe Name

**NA**

7. If Unit or CA, Agreement Designation

**NA**

8. Well Name and No.

**FENCE LINE FEDERAL 5-19-8-17**

9. API Well No.

**43-013-32372**

10. Field and Pool, or Exploratory Area

**MONUMENT BUTTE**

11. County or Parish, State

**DUCHESNE COUNTY, UT.**

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 **Permit Extension**

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 directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Inland Production Company requests to extend the Permit to Drill this well for one year.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 09-22-03

By: *[Signature]*

COPY SENT TO OPERATOR  
Date: 09-22-03  
Initials: CHO

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

Signed

*[Signature: Mandie Crozier]*  
Mandie Crozier

Title

Regulatory Specialist

Date

9/12/2003

CC: UTAH DOGM

(This space for Federal or State office use)

Approved by

Title

Conditions of approval, if any:

CC: Utah DOGM

RECEIVED

SEP 15 2003

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 43-013-32372  
**Well Name:** Fenceline Federal 5-19-8-17  
**Location:** SW/NW Section 19, T8S R17E  
**Company Permit Issued to:** Inland Production Company  
**Date Original Permit Issued:** 9/26/2002

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes  No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes  No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes  No

Has the approved source of water for drilling changed? Yes  No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes  No

Is bonding still in place, which covers this proposed well? Yes  No

  
Signature

9/12/2003

Date

Title: Regulatory Specialist

Representing: Inland Production Company



September 12, 2003

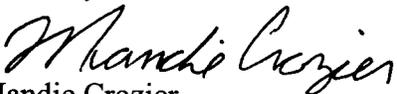
State of Utah  
Division of Oil, Gas & Mining  
Attn: Diana Mason  
1594 West North Temple - Suite 1210  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801

RE: One Year Extensions on Applications for Permit to Drill.

Dear Diana:

Enclosed find one year extensions on Applications for Permit to Drill. We have already received a one year extension on the GBU 13-26-8-17 and would like to extend it for another year, since the approval that we have received from the BLM is not due to expire yet. If you have any questions, feel free to give me a call.

Sincerely,

  
Mandie Crozier  
Regulatory Specialist

enclosures

RECEIVED

SEP 15 2003

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

007

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.  
**UTU-77235**

6. If Indian, Allottee or Tribe Name  
**NA**

7. If Unit or CA, Agreement Designation  
**NA**

8. Well Name and No.  
**FENCE LINE FEDERAL 5-19-8-17**

9. API Well No.  
**43-013-32372**

10. Field and Pool, or Exploratory Area  
**MONUMENT BUTTE**

11. County or Parish, State  
**DUCHESNE COUNTY, UT.**

**SUBMIT IN TRIPLICATE**

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
**INLAND PRODUCTION COMPANY**

3. Address and Telephone No.  
**Rt. 3 Box 3630, Myton Utah, 84052 435-646-3721**

4. Location of Well (Footage, Sec., T., R., m., or Survey Description)  
**1980 FNL 660 FWL SW/NW Section 19, T8S R17E**

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input 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 <b>Permit Extension</b>
	<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.)\*

Inland Production Company requests to extend the Permit to Drill this well for one year. The original approval date was 12/24/02 (expiration 12/24/03).

RECEIVED

JAN 30 2004

RECEIVED  
DEC 11 2003  
By \_\_\_\_\_

**CONDITIONS OF APPROVAL ATTACHED**

14. I hereby certify that the foregoing is true and correct  
Signed Mandie Crozier Title Regulatory Specialist Date 12/10/2003  
Mandie Crozier

CC: UTAH DOGM

(This space for Federal or State office use)  
Approved by Karl Hulwood Title Petroleum Engineer Date 1/28/04

Conditions of approval, if any:

CC: Utah DOGM

UDOGM

Inland Production Company  
APD Extension

Well: Fence Line Fed 5-19-8-17

Location: SWNW Sec. 19, T8S, R17E

Lease: U-77235

**CONDITIONS OF APPROVAL**

An extension for the referenced APD is granted with the following conditions:

---

1. The extension will expire 12/25/04
2. No other extensions beyond that time frame will be granted or allowed.

If you have any other questions concerning this matter, please contact Kirk Fleetwood of this office at (435) 781-4486

**DIVISION OF OIL, GAS AND MINING****SPUDDING INFORMATION**Name of Company: INLAND PRODUCTION COMPANYWell Name: FENCE LINE FED 5-19-8-17Api No: 43-013-32372 Lease Type: FEDERALSection 19 Township 08S Range 17E County DUCHESNEDrilling Contractor ROSS RIG # 21**SPUDDED:**Date 04/14/04Time 10:00 AMHow DRY**Drilling will commence:** \_\_\_\_\_Reported by PAT WISENERTelephone # 1-435-823-7468Date 04/15/2004 Signed CHD

RECEIVED

APR 22 2004

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING  
ENTITY ACTION FORM - FORM 6

DIV. OF OIL, GAS & MINING

OPERATOR: INLAND PRODUCTION COMPANY  
ADDRESS: RT. 3 BOX 3630  
MYTON, UT 84052

OPERATOR ACCT. NO. N5160

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	14125	43-013-32372	Fence line Federal 5-10-6-17	SW/NW	19	8S	17E	Duchesne	April 14, 2004	4/27/04
WELL 1 COMMENTS: GRU											
A	99999	14126	43-047-34934	Federal 7-6-9-18	SW/NE	6	9S	18E	Uintah	April 15, 2004	4/27/04
WELL 2 COMMENTS: GRU											
A	99999	14127	43-047-35184	Federal 11-6-9-18	NE/SW	6	9S	18E	Uintah	April 19, 2004	4/27/04
WELL 3 COMMENTS: GRU											
ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
WELL 4 COMMENTS:											
ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
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.

(3/99)

*Kebbie Jones*  
Signature

Kebbie S. Jones

Production Clerk  
Title

April 22, 2004  
Date

K  
K  
K

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INLAND  
4356453031  
04/22/2004 10:12

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 to deepen or reentry a different reservoir.  
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.  
**UTU-77235**

6. If Indian, Allottee or Tribe Name  
**NA**

7. If Unit or CA, Agreement Designation  
**NA**

8. Well Name and No.  
**FENCE LINE FEDERAL 5-19-8-17**

9. API Well No.  
**43-013-32372**

10. Field and Pool, or Exploratory Area  
**MONUMENT BUTTE**

11. County or Parish, State  
**DUCHESNE COUNTY, UT**

**SUBMIT IN TRIPLICATE**

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
**INLAND PRODUCTION COMPANY**

3. Address and Telephone No.  
**Rt. 3 Box 3630, Myton Utah, 84052 435-646-3721**

4. Location of Well (Footage, Sec., T., R., m., or Survey Description)  
**1980 FNL 660 FWL SW/NW Section 19, 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 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 <b>Weekly Status Report</b>
	<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.)\*

On 04/20/04. MIRU Eagle rig # 1. Set equipment. Pressure test Bop's, Kelly, & TIW to 2,000 psi. Test 85/8" csgn to 1,500 psi. Vernal BLM office was notified of test. PU BHA and tag cement @ 260'. Drill out cement & shoe. Continue to drill a 77/8" hole with fresh water to a depth of 6647'. Lay down drill string, BHA. Open hole log from TD to surface. PU & MU guide shoe, 1 jt 51/2" J-55 15.5 # csgn. Float collar, & 150 Jt's 51/2" J-55 15.5# csgn. Set @ 6610'/ KB. Cement with 644 sks Prem Lite II w/ 3% KCL, 10 % Gel, 3#"s sk CSE, 2#"s sk Kolseal, .5% Sms, 1/2# sks Celloflake. Mixed @ 11.0 ppg, >3.42 yld. Followed by 450 sks 50/50 Poz w/ 3% KCL, 2% Gel, .05% Static free, 1/4# sk Celloflake. Mixed @ 14.4 ppg, > 1.24 yld. Drop plug displace with 157 bbls fresh water, 52 BBLs cement to surface..Nipple down BOP's. set slips @ 94,000. EST. Cement top@ surface.

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

Signed Floyd Mitchell Title Drilling Foreman Date 04/27/04

CC: UTAH DOGM

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any:

CC: Utah DOGM

**RECEIVED**  
**APR 28 2004**  
DIV. OF OIL, GAS & MINING

# INLAND PRODUCTION COMPANY - CASING & CEMENT REPORT

5 1/2" CASING SET AT 6610.43

Flt cllr @ 6584'

LAST CASING 8 5/8" SET AT 315'

OPERATOR Inland Production Company

DATUM 12' KB

WELL Fenceline 5-19-8-17

DATUM TO CUT OFF CASING 12

FIELD/PROSPECT Monument Butte

DATUM TO BRADENHEAD FLANGE \_\_\_\_\_

CONTRACTOR & RIG # Patterson # 155

TD DRILLER 6647 LOGGER 6648'

HOLE SIZE 7 7/8"

LOG OF CASING STRING:								
PIECES	OD	ITEM - MAKE - DESCRIPTION		WT / FT	GRD	THREAD	CONDT	LENGTH
		Landing Jt						
		<b>5' @ 4271'</b>						
<b>150</b>	<b>5 1/2"</b>	IPS LT & C casing		<b>15.5#</b>	<b>J-55</b>	<b>8rd</b>	<b>A</b>	6587.18
		Float collar						0.6
<b>1</b>	<b>5 1/2"</b>	IPS LT&C csg		<b>15.5#</b>	<b>J-55</b>	<b>8rd</b>	<b>A</b>	25
		<b>GUIDE</b> shoe				<b>8rd</b>	<b>A</b>	0.65
CASING INVENTORY BAL.		FEET	JTS	TOTAL LENGTH OF STRING				6613.43
TOTAL LENGTH OF STRING		6613.43	151	LESS CUT OFF PIECE				15
LESS NON CSG. ITEMS		1.25		PLUS DATUM TO T/CUT OFF CSG				12
PLUS FULL JTS. LEFT OUT		44.61	1	CASING SET DEPTH				<b>6610.43</b>
TOTAL		<b>6656.79</b>		} COMPARE				
TOTAL CSG. DEL. (W/O THRDS)		6656.79	152					
TIMING		1ST STAGE	2nd STAGE					
BEGIN RUN CSG.		6:00am		GOOD CIRC THRU JOB				Yes
CSG. IN HOLE		10:30am		Bbls CMT CIRC TO SURFACE				52 bbls
BEGIN CIRC		10:30am	12:15pm	RECIPROCATED PIPE I N/A				THRUSTROKE
BEGIN PUMP CMT		12:34pm	1:39pm	DID BACK PRES. VALVE HOLD ?				Yes
BEGIN DSPL. CMT		2:03pm		BUMPED PLUG TO				2500 PSI
PLUG DOWN			3:00pm					
CEMENT USED		CEMENT COMPANY- <b>B. J.</b>						
STAGE	# SX	CEMENT TYPE & ADDITIVES						
<b>1</b>	<b>644</b>	Premlite II w/ 10% gel + 3% KCL, 3#s /sk CSE + 2# sk/kolseal + 1/2#s/sk Cello Flake						
		mixed @ 11.0 ppg W / 3.43 cf/sk yield						
<b>2</b>	<b>450</b>	50/50 poz W/ 2% Gel + 3% KCL, .5%EC1, 1/4# sk C.F. 2% gel. 3% SM mixed @ 14.4 ppg W/ 1.24 YLD						
CENTRALIZER & SCRATCHER PLACEMENT				SHOW MAKE & SPACING				
Centralizers - Middle first, top second & third. Then every third collar for a total of 20.								

RECEIVED

COMPANY REPRESENTATIVE Pat Wisener

DATE 4/26/2004 8 2004

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

009

**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  
 Oil Well  Gas Well  Other

2. Name of Operator  
Inland Production Company

3a. Address Route 3 Box 3630  
Myton, UT 84052

3b. Phone No. (include area code)  
435.646.3721

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1980 FNL 660 FWL  
SW/NW Section 19 T8S R17E

5. Lease Serial No.

UTU77235

6. If Indian, Allottee or Tribe Name.

7. If Unit or CA/Agreement, Name and/or No.

FENCE LINE AREA

8. Well Name and No.

FENCE LINE FEDERAL 5-19-8-17

9. API Well No.

4301332372

10. Field and Pool, or Exploratory Area  
Monument Butte

11. County or Parish, State

Duchesne, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE 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	Spud Notice _____
	<input 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 recomplete 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 is multiple completion or recompletion 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 requirements including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

On 4-14-04 MIRU Ross # 15. Drill 307' of 12 1/4" hole with air mist. TIH W/ 7 It's 8 5/8" J-55 24 # csgn. Set @ 315'/ KB On 4-15-04 cement with 150 sks of class "G" w/ 3% CaCL2 + 1/4# sk Cello- Flake Mixed @ 15.8 ppg > 1.17 cf/ sk yeild. Returned 2.6 bbls cement to pit. WOC.

I hereby certify that the foregoing is true and correct

Name (Printed/ Typed)  
Ray Herrera

Title

Drilling Foreman

Signature

*Ray Herrera*

Date

4/15/2004

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)

RECEIVED

APR 19 2004

DIV. OF OIL, GAS & MINING

**INLAND PRODUCTION COMPANY - CASING & CEMENT REPORT**

8 5/8 CASING SET AT 315.19

LAST CASING 8 5/8" SET AT 315  
 DATUM 12' KB  
 DATUM TO CUT OFF CASING \_\_\_\_\_  
 DATUM TO BRADENHEAD FLANGE \_\_\_\_\_  
 TD DRILLER 307 LOGGER \_\_\_\_\_  
 HOLE SIZE 12 1/4

OPERATOR Inland Production Company  
 WELL Fence Line 5-19-8-17  
 FIELD/PROSPECT Monument Butte  
 CONTRACTOR & RIG # Ross # 15

**LOG OF CASING STRING:**

PIECES	OD	ITEM - MAKE - DESCRIPTION	WT / FT	GRD	THREAD	CONDT	LENGTH
		43' SH jt					
		WHI - 92 csg head			8rd	A	0.95
7	8 5/8"	Maverick ST&C csg	24#	J-55	8rd	A	303.34
		<b>GUIDE</b> shoe			8rd	A	0.9

CASING INVENTORY BAL.	FEET	JTS	TOTAL LENGTH OF STRING	305.19
TOTAL LENGTH OF STRING	305.19	7	LESS CUT OFF PIECE	2
LESS NON CSG. ITEMS	1.85		PLUS DATUM TO T/CUT OFF CSG	12
PLUS FULL JTS. LEFT OUT	0		CASING SET DEPTH	<b>315.19</b>

TOTAL	303.34	7	} COMPARE
TOTAL CSG. DEL. (W/O THRDS)	303.34	7	

TIMING	1ST STAGE
BEGIN RUN CSG. Spud	4/14/04 10:00am
GOOD CIRC THRU JOB	YES
Bbls CMT CIRC TO SURFACE	2.6 bbls cement to pit
BEGIN CIRC	RECIPROCATED PIPE N/A
BEGIN PUMP CMT	DID BACK PRES. VALVE HOLD ? N/A
BEGIN DSPL. CMT	BUMPED PLUG TO 620 PSI
PLUG DOWN	Cemented 4/15/04

CEMENT USED	CEMENT COMPANY- <b>B. J.</b>
STAGE # SX	CEMENT TYPE & ADDITIVES
1 150	Class "G" w/ 2% CaCL2 + 1/4#/sk Cello-Flake mixed @ 15.8 ppg 1.17 cf/sk yield

CENTRALIZER & SCRATCHER PLACEMENT SHOW MAKE & SPACING

Centralizers - Middle first, top second & third for 3

COMPANY REPRESENTATIVE Ray Herrera DATE 4/16/04

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires January 31, 2004

012

**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.

<b>SUBMIT IN TRIPLICATE - Other Instructions on Reverse side</b>		5. Lease Serial No. UTU77235
1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name.
2. Name of Operator Inland Production Company		7. If Unit or CA/Agreement, Name and/or No. FENCE LINE AREA
3a. Address Route 3 Box 3630 Myton, UT 84052		8. Well Name and No. FENCE LINE FEDERAL 5-19-8-17
3b. Phone No. (include are code) 435.646.3721		9. API Well No. 4301332372
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980 FNL 660 FWL SW/NW Section 19 T8S R17E		10. Field and Pool, or Exploratory Area Monument Butte
		11. County or Parish, State Duchesne, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE 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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug & Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injector	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other Weekly Status Report

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 recomplete 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 is multiple completion or recompletion 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 requirements including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Status report for time period 5/6/04 - 5/14/04

Subject well had completion procedures initiated in the Green River formation on 5/6/04 without the use of a service rig over the well. A cement bond log was run and a total of three Green River intervals were perforated and hydraulically fracture treated w/ 20/40 mesh sand. Perf intervals were #1 (6224-6234')(4 JSPF); #2 (5479-5490')(4 JSPF); #3 (4776-4786')(4 JSPF). Composite flow-through frac plugs were used between stages. Fracs were flowed back through chokes. A service rig was moved on well on 5/12/04. Bridge plugs were drilled out. Well was cleaned out to PBTD @ 6587'. Zones were swab tested for sand cleanup. A BHA & production tbg string were run in and anchored in well. End of tubing string @ 6298'. A new 1 1/2" bore rod pump was run in well on sucker rods. Well was placed on production via rod pump on 5/14/04.

I hereby certify that the foregoing is true and correct		Title
Name (Printed/ Typed) Martha Hall		Office Manager
Signature <i>Martha Hall</i>		Date 5/17/2004

**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)

MAY 18 2004

(See other instructions on reverse side)

OMB NO. 1004-0137  
Expires: February 28, 1995

013

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG\*

5. LEASE DESIGNATION AND SERIAL NO.  
UTU-77235

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
NA

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.  
Fenceline Fed. 5-19-8-17

9. WELL NO.  
43-013-32372

10. FIELD AND POOL OR WILDCAT  
Monument Butte

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA  
Sec. 19, T8S, R17E

1a. TYPE OF WORK

OIL WELL  GAS WELL  DRY  Other \_\_\_\_\_

1b. TYPE OF WELL

NEW WELL  WORK OVER  DEEPEN  PLUG BACK  DIFF RESVR.  Other \_\_\_\_\_

2. NAME OF OPERATOR  
INLAND RESOURCES INC.

3. ADDRESS AND TELEPHONE NO.  
1401 17th St. Suite 1000 Denver, CO 80202

4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.)\*  
At Surface 1980' FNL & 660' FWL (SWNW) Sec. 19, Twp 8S, Rng 17E  
At top prod. Interval reported below

At total depth

14. API NO. 43-013-32372 DATE ISSUED 11/26/2002

12. COUNTY OR PARISH Duchesne 13. STATE UT

15. DATE SPUDDED 4/14/2004 16. DATE T.D. REACHED 4/26/2004 17. DATE COMPL. (Ready to prod.) 5/14/2004 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\* 5357' GL 5369' KB 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 6647' 21. PLUG BACK T.D., MD & TVD 6587 22. IF MULTIPLE COMPL., HOW MANY\* 23. INTERVALS DRILLED BY -----> ROTARY TOOLS X CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)\*  
Green River 4776'-6234'

25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN  
Dual Induction Guard, SP, Compensated Density, Compensated Neutron, GR, Caliper, Cement Bond Log

27. WAS WELL CORED No

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

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
8-5/8" - J-55	24#	315'	12-1/4"	To surface with 150 sx Class "G" cmt	
5-1/2" - J-55	15.5#	6625'	7-7/8"	450 sx Premlite II and 450 sx 50/50 Poz	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	30. TUBING RECORD
					SIZE 2-7/8" DEPTH SET (MD) EOT @ 6297' PACKER SET (MD) TA @ 6200'

31. PERFORATION RECORD (Interval, size and number)

INTERVAL	SIZE	SPF/NUMBER	32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.
(CP2) 6224'-6234'	.41"	4/40	DEPTH INTERVAL (MD) 6224'-6234' AMOUNT AND KIND OF MATERIAL USED Frac w/ 41,024# 20/40 sand in 413 bbls fluid
(C-sd) 5479'-5490'	.41"	4/44	5479'-5490' Frac w/ 61,702# 20/40 sand in 491 bbls fluid
(GB4) 4776'-4786'	.41"	4/40	4776'-4786' Frac w/ 29,728# 20/40 sand in 305 bbls fluid

33.\* PRODUCTION

DATE FIRST PRODUCTION 5/14/2004 PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump) 2-1/2" x 1-1/2" x 15' RHAC Pump WELL STATUS (Producing or shut-in) PRODUCING

DATE OF TEST 10 day ave HOURS TESTED CHOKE SIZE PROD'N. FOR TEST PERIOD OIL--BBL. 28 GAS--MCF. 42 WATER--BBL. 6 GAS-OIL RATIO 1500

FLOW. TUBING PRESS. CASING PRESSURE CALCULATED 24-HOUR RATE OIL-BBL. GAS--MCF. WATER--BBL. OIL GRAVITY-API (CORR.)

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Sold & Used for Fuel TEST WITNESSED BY JUN 21 2004

35. LIST OF ATTACHMENTS

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

SIGNED Brian Harris TITLE Engineering Technician DATE 6/17/2004

DIV. OF OIL, GAS & MINING

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BDH

\*(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
			Well Name Fenceline 5-19-8-17	Garden Gulch Mkr	4234'	
				Garden Gulch 1	4440'	
				Garden Gulch 2	4565'	
				Point 3 Mkr	4858'	
				X Mkr	5098'	
				Y-Mkr	5129'	
				Douglas Creek Mkr	5260'	
				BiCarbonate Mkr	5538'	
				B Limestone Mkr	5690'	
				Castle Peak	6127'	
				Basal Carbonate	6544'	
				Total Depth (LOGGERS)	6647'	

June 17, 2004

State of Utah, Division of Oil, Gas and Mining  
Attn: Ms. Carol Daniels  
P.O. Box 145801  
Salt Lake City, Utah 84144-5801

Attn: Ms. Carol Daniels

Fenceline Federal 5-19-8-17 (43-013-32372)  
Duchesne County, Utah

Dear Ms. Carol Daniels

Enclosed is a Well Completion or Recompletion Report and Log form (Form 3160-4). We are no longer sending Log copies since Pat Grissom of Phoenix Surveys is already doing so.

If you should have any questions, please contact me at (303) 382-4449.

Sincerely,



Brian Harris  
Engineering Tech

Enclosures

cc: Bureau of Land Management  
Vernal District Office, Division of Minerals  
Attn: Edwin I. Forsman  
170 South 500 East  
Vernal, Utah 84078

Well File – Denver  
Well File – Roosevelt  
Patsy Barreau/Denver  
Bob Jewett/Denver  
Matt Richmond/Roosevelt

**RECEIVED**

**JUN 21 2004**

DIV. OF OIL, GAS & MINING



# 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

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		



## 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 1<sup>st</sup> day of September, 2004.

INLAND RESOURCES INC.

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

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. GLH
2. CDW
3. FILE

**014**

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:		<b>9/1/2004</b>
<b>FROM: (Old Operator):</b> N5160-Inland Production Company Route 3 Box 3630 Myton, UT 84052 Phone: 1-(435) 646-3721	<b>TO: ( New Operator):</b> N2695-Newfield Production Company Route 3 Box 3630 Myton, UT 84052 Phone: 1-(435) 646-3721	

**CA No. Unit:**

**WELL(S)**

NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS	
FEDERAL 16-20-8-16	20	080S	160E	4301332474		Federal	OW	APD	K
FEDERAL 9-24-8-16	24	080S	160E	4301332359		Federal	OW	APD	K
FENCELINE FED 8-24-8-16	24	080S	160E	4301332360		Federal	OW	APD	K
FENCELINE FED 7-24-8-16	24	080S	160E	4301332361	14399	Federal	OW	DRL	K
FENCELINE FED 6-24-8-16	24	080S	160E	4301332362		Federal	OW	APD	K
FENCELINE FED 3-24-8-16	24	080S	160E	4301332363		Federal	OW	DRL	K
FENCELINE FED 2-24-8-16	24	080S	160E	4301332364		Federal	OW	APD	K
FENCELINE FED 1-24-8-16	24	080S	160E	4301332365		Federal	OW	APD	K
FEDERAL 10-24-8-16	24	080S	160E	4301332366		Federal	OW	APD	K
FEDERAL 13-29-8-16	29	080S	160E	4301332450		Federal	OW	APD	K
FEDERAL 16-30-8-16	30	080S	160E	4301332451		Federal	OW	APD	K
FENCE LINE FED 3-19-8-17	19	080S	170E	4301332370		Federal	OW	APD	K
FENCE LINE FED 4-19-8-17	19	080S	170E	4301332371		Federal	OW	APD	K
FENCE LINE FED 5-19-8-17	19	080S	170E	4301332372	14125	Federal	OW	P	K
FENCE LINE FED 6-19-8-17	19	080S	170E	4301332373	14529	Federal	OW	DRL	K
ASHLEY ST 1-2-9-15	02	090S	150E	4301332436		State	OW	APD	K
ASHLEY ST 8-2-9-15	02	090S	150E	4301332437		State	OW	APD	K
ASHLEY FED 14-15-9-15	15	090S	150E	4301332440	12419	Federal	OW	P	K
GB FED 10-3-9-17	03	090S	170E	4301332184	12391	Federal	OW	P	
FEDERAL 5-11-9-17	11	090S	170E	4301332486	14285	Federal	OW	P	K

**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  
DIVISION OF OIL, GAS AND MINING  
ENTITY ACTION FORM - FORM 6

OPERATOR: NEWFIELD PRODUCTION COMPANY  
ADDRESS: RT. 3 BOX 3630  
GRYTON, UT 84062

OPERATOR ACCT. NO. N2695

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION				COUNTY	SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG			
D	14643	16149	4301332365	FENCELINE 1-24-8-16	NENE	24	8S	16E	DUCHESNE	3/30/2005	5/31/07
WELL 1 COMMENTS: New well formed <i>unit eff 5/1/07</i>											
D	14586	16149	4301332364	FENCELINE 2-24-8-16	NWNE	24	8S	16E	DUCHESNE	2/24/2005	5/31/07
Comments: New well formed <i>unit eff 5/1/07</i>											
D	14914	16149	4301332370	FENCELINE 3-19-8-17	NEW	19	8S	17E	DUCHESNE	8/31/2005	5/31/07
Comments: New well formed <i>unit eff 5/1/07</i>											
D	14596	16149	4301332363	FENCELINE 3-24-8-16	NEW	24	8S	16E	DUCHESNE	3/2/2005	5/31/07
<i>unit eff 5/1/07</i>											
D	14838	16149	4301332371	FENCELINE 4-19-8-17	NWNW	19	8S	17E	DUCHESNE	7/18/2005	5/31/07
WELL 6 COMMENTS: new well formed <i>unit eff 5/1/07</i>											
D	14125	16149	4301332372	FENCELINE 5-19-8-17	SWNW	19	8S	17E	DUCHESNE	4/14/2005	5/31/07
WELL 5 COMMENTS: new well formed <i>unit eff 5/1/07</i>											

ACTION CODES (See instructions on back of form)

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

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

Jentri Park  
Signature  
Production Clerk  
April 18, 2007  
Date

RECEIVED  
MAY 10 2007

DIVISION OF OIL, GAS AND MINING



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8
1595 WYNKOOP STREET
DENVER, CO 80202-1129
http://www.epa.gov/region8

NOV 20 2008

Ref: 8P-W-GW

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

RECEIVED
DEC 02 2008
DIV. OF OIL, GAS & MINING

Eric Sundberg
Newfield Production Company
1001 Seventeenth Street, Suite 2000
Denver, CO 80202

85 17E 19

Re: Final Permit w/ AOR Corrective Action
EPA UIC Permit UT21127-07630
Fence Line Federal 5-19-8-17
Duchesne County, Utah
API No.: 43-013-32372

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

Dear Mr. Sundberg:

Enclosed is your copy of the FINAL Underground Injection Control (UIC) Permit for the proposed Fence Line Federal 5-19-8-17 injection well. A Statement of Basis that discusses the conditions and requirements of this EPA UIC Permit, is also included.

The Public Comment period for this Permit ended on OCT 24 2008. No comments on the Draft Permit were received during the Public Notice period; therefore the Effective Date for this EPA UIC Permit is the date of issuance. All conditions set forth herein refer to Title 40 Parts 124, 144, 146, and 147 of the Code of Federal Regulations (CFR) and are regulations that are in effect as of the Effective Date of this Permit.

Please note that under the terms and conditions of this Final Permit you are authorized only to construct the proposed injection well. Prior to commencing injection, you first must fulfill all "Prior to Commencing Injection" requirements of the Final Permit, Part II Section C.1, and obtain written Authorization to Inject from the EPA. It is your responsibility to be familiar with and to comply with all provisions of your Final Permit. The EPA forms referenced in the permit are available at http://www.epa.gov/safewater/uic/reportingforms.html. Guidance documents for Cement Bond Logging, Radioactive Tracer testing, Step Rate testing, Mechanical Integrity demonstration, Procedure in the Event of a Mechanical Integrity Loss, and other UIC guidances, are available at http://www.epa.gov/region8/water/uic/deep\_injection.html. Upon request, hard copies of the EPA forms and guidances can be provided.

This EPA UIC Permit is issued for the operating life of the well unless terminated (Part III, Section B). The EPA may review this Permit at least every five (5) years to determine whether any action is warranted pursuant to 40 CFR § 144.36(a).

If you have any questions on the enclosed Final Permit or Statement of Basis, please call Emmett Schmitz of my staff at (303) 312-6174, or toll-free at (800) 227-8917, ext. 312-6174.

Sincerely,



for

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

FOR RECORD ONLY  
Oil and Gas Division  
U.S. Department of the Interior

enclosure: Final UIC Permit  
Statement of Basis

cc: Letter only:

Uintah & Ouray Business Committee, Ute Indian Tribe:  
Curtis Cesspooch, Chairman  
Irene Cuch, Vice-Chairwoman  
Frances Poowegup, Councilwoman  
Ronald Groves, Councilman  
Phillip Chimburas, Councilman  
Steven Cesspooch, Councilman

Daniel Picard, Superintendent  
Uintah & Ouray Indian Agency  
U.S. Bureau of Indian Affairs

cc: all enclosures:

Michael Guinn  
District Manager  
Newfield Production Company  
Myton, Utah

Larry Love  
Director  
Energy & Minerals Dept.  
Ute Indian Tribe

Michelle Sabori  
Acting Director  
Land Use Dept.  
Ute Indian Tribe

Elaine Willie  
Gap Coordinatorr  
Ute Indian Tribe

Gilbert Hunt  
Associate Director  
State of Utah - Natural Resources

Fluid Minerals Engineering Dept.  
U.S. Bureau of Land Management  
Vernal, Utah





**UNDERGROUND INJECTION CONTROL PROGRAM  
PERMIT**

PREPARED: October 2008

**Permit No. UT21127-07630**

Class II Enhanced Oil Recovery Injection Well

**Fence Line Federal 5-19-8-17  
Duchesne County, UT**

Issued To

**Newfield Production Company**  
1001 Seventeenth Street, Suite 2000  
Denver, CO 80202

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## Part I. AUTHORIZATION TO CONSTRUCT AND OPERATE

Under the authority of the Safe Drinking Water Act and Underground Injection Control (UIC) Program regulations of the U. S. Environmental Protection Agency (EPA) codified at Title 40 of the Code of Federal Regulations (40 CFR) Parts 2, 124, 144, 146, and 147, and according to the terms of this Permit,

Newfield Production Company  
1001 Seventeenth Street, Suite 2000  
Denver, CO 80202

is authorized to construct and to operate the following Class II injection well or wells:

Fence Line Federal 5-19-8-17  
1980' FNL & 660' FWL, SWNW S19, T8S, R17E  
Duchesne County, UT

EPA regulates the injection of fluids into injection wells so that injection does not endanger underground sources of drinking water (USDWs). EPA UIC Permit conditions are based on authorities set forth at 40 CFR Parts 144 and 146, and address potential impacts to USDWs.

Under 40 CFR Part 144, Subpart D, certain conditions apply to all UIC Permits and may be incorporated either expressly or by reference. General permit conditions for which the content is mandatory and not subject to site-specific differences are not discussed in this document. Issuance of this Permit does not convey any property rights of any sort or any exclusive privilege, nor does it authorize injury to persons or property or invasion of other private rights, or any infringement of other Federal, State or local laws or regulations. (40 CFR §144.35) An EPA UIC Permit may be issued for the operating life of the injection well or project unless terminated for reasonable cause under 40 CFR §§144.39, 144.40 and 144.41, and may be reviewed at least once every five (5) years to determine if action is required under 40 CFR §144.36(a).

This Permit is issued for the life of the well(s) unless modified, revoked and reissued, or terminated under 40 CFR 144.39 or 144.40. This EPA Permit may be adopted, modified, revoked and reissued, or terminated if primary enforcement authority for a UIC Program is delegated to an Indian Tribe or State. Upon the effective date of delegation, reports, notifications, questions and other correspondence should be directed to the Indian Tribe or State Director.

Issue Date: NOV 20 2008

Effective Date: NOV 20 2008



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

\*NOTE: The person holding this title is referred to as the "Director" throughout this Permit.

## PART II. SPECIFIC PERMIT CONDITIONS

### Section A. WELL CONSTRUCTION REQUIREMENTS

These requirements represent the approved minimum construction standards for well casing and cement, injection tubing, and packer.

Details of the approved well construction plan are incorporated into this Permit as APPENDIX A. Changes to the approved plan that may occur during construction must be approved by the Director prior to being physically incorporated.

#### **1. Casing and Cement.**

The well or wells shall be cased and cemented to prevent the movement of fluids into or between underground sources of drinking water. The well casing and cement shall be designed for the life expectancy of the well and of the grade and size shown in APPENDIX A. Remedial cementing may be required if shown to be inadequate by cement bond log or other attempted demonstration of Part II (External) mechanical integrity.

#### **2. Injection Tubing and Packer.**

Injection tubing is required, and shall be run and set with a packer at or below the depth indicated in APPENDIX A. The packer setting depth may be changed provided it remains below the depth indicated in APPENDIX A and the Permittee provides notice and obtains the Director's approval for the change.

#### **3. Sampling and Monitoring Devices.**

The Permittee shall install and maintain in good operating condition:

- (a) a "tap" at a conveniently accessible location on the injection flow line between the pump house or storage tanks and the injection well, isolated by shut-off valves, for collection of representative samples of the injected fluid; and
- (b) one-half (1/2) inch female iron pipe fitting, isolated by shut-off valves and located at the wellhead at a conveniently accessible location, for the attachment of a pressure gauge capable of monitoring pressures ranging from normal operating pressures up to the Maximum Allowable Injection Pressure specified in APPENDIX C:
  - (i) on the injection tubing; and
  - (ii) on the tubing-casing annulus (TCA); and
- (c) a pressure actuated shut-off device attached to the injection flow line set to shut-off the injection pump when or before the Maximum Allowable Injection Pressure (MAIP) specified in APPENDIX C is reached at the wellhead; and
- (d) a non-resettable cumulative volume recorder attached to the injection line.

#### **4. Well Logging and Testing**

Well logging and testing requirements are found in APPENDIX B. The Permittee shall ensure the log and test requirements are performed within the time frames specified in APPENDIX B. Well logs and tests shall be performed according to current EPA-approved procedures. Well log and test results shall be submitted to the Director within sixty (60) days of completion of the logging or testing activity, and shall include a report describing the methods used during logging or testing and an interpretation of the test or log results.

#### **5. Postponement of Construction or Conversion**

The Permittee shall complete well construction within one year of the Effective Date of the Permit, or in the case of an Area Permit within one year of Authorization of the additional well. Authorization to construct and operate shall expire if the well has not been constructed within one year of the Effective Date of the Permit or Authorization and the Permit may be terminated under 40 CFR 144.40, unless the Permittee has notified the Director and requested an extension prior to expiration. Notification shall be in writing, and shall state the reasons for the delay and provide an estimated completion date. Once Authorization has expired under this part, the complete permit process including opportunity for public comment may be required before Authorization to construct and operate may be reissued.

#### **6. Workovers and Alterations**

Workovers and alterations shall meet all conditions of the Permit. Prior to beginning any addition or physical alteration to an injection well that may significantly affect the tubing, packer or casing, the Permittee shall give advance notice to the Director and obtain the Director's approval. The Permittee shall record all changes to well construction on a Well Rework Record (EPA Form 7520-12), and shall provide this and any other record of well workover, logging, or test data to EPA within sixty (60) days of completion of the activity.

A successful demonstration of Part I MI is required following the completion of any well workover or alteration which affects the casing, tubing, or packer. Injection operations shall not be resumed until the well has successfully demonstrated mechanical integrity and the Director has provided written approval to resume injection.

### **Section B. MECHANICAL INTEGRITY**

The Permittee is required to ensure each injection well maintains mechanical integrity at all times. The Director, by written notice, may require the Permittee to comply with a schedule describing when mechanical integrity demonstrations shall be made.

An injection well has mechanical integrity if:

- (a) There is no significant leak in the casing, tubing, or packer (Part I); and
- (b) There is no significant fluid movement into an underground source of drinking water through vertical channels adjacent to the injection well bore (Part II).

### **1. Demonstration of Mechanical Integrity (MI).**

The operator shall demonstrate MI prior to commencing injection and periodically thereafter. Well-specific conditions dictate the methods and the frequency for demonstrating MI and are discussed in the Statement of Basis. The logs and tests are designed to demonstrate both internal (Part I) and external (Part II) MI as described above. The conditions present at this well site warrant the methods and frequency required in Appendix B of this Permit.

In addition to these regularly scheduled demonstrations of MI, the operator shall demonstrate internal (Part I) MI after any workover which affects the tubing, packer or casing.

The Director may require additional or alternative tests if the results presented by the operator are not satisfactory to the Director to demonstrate there is no movement of fluid into or between USDWs resulting from injection activity. Results of MI tests shall be submitted to the Director as soon as possible but no later than sixty (60) days after the test is complete.

### **2. Mechanical Integrity Test Methods and Criteria**

EPA-approved methods shall be used to demonstrate mechanical integrity. Ground Water Section Guidance No. 34 "Cement Bond Logging Techniques and Interpretation", Ground Water Section Guidance No. 37, "Demonstrating Part II (External) Mechanical Integrity for a Class II injection well permit", and Ground Water Section Guidance No. 39, "Pressure Testing Injection Wells for Part I (Internal) Mechanical Integrity" are available from EPA and will be provided upon request.

The Director may stipulate specific test methods and criteria best suited for a specific well construction and injection operation.

### **3. Notification Prior to Testing.**

The Permittee shall notify the Director at least 30 days prior to any scheduled mechanical integrity test. The Director may allow a shorter notification period if it would be sufficient to enable EPA to witness the mechanical integrity test. Notification may be in the form of a yearly or quarterly schedule of planned mechanical integrity tests, or it may be on an individual basis.

### **4. Loss of Mechanical Integrity.**

If the well fails to demonstrate mechanical integrity during a test, or a loss of mechanical integrity becomes evident during operation (such as presence of pressure in the TCA, water flowing at the surface, etc.), the Permittee shall notify the Director within 24 hours (see Part III Section E Paragraph 11(e) of this Permit) and the well shall be shut-in within 48 hours unless the Director requires immediate shut-in.

Within five days, the Permittee shall submit a follow-up written report that documents test results, repairs undertaken or a proposed remedial action plan.

Injection operations shall not be resumed until after the well has successfully been repaired and demonstrated mechanical integrity, and the Director has provided approval to resume injection.

## **Section C. WELL OPERATION**

**INJECTION BETWEEN THE OUTERMOST CASING PROTECTING UNDERGROUND SOURCES OF DRINKING WATER AND THE WELL BORE IS PROHIBITED.**

Injection is approved under the following conditions:

### **1. Requirements Prior to Commencing Injection.**

Well injection, including for new wells authorized by an Area Permit under 40 CFR 144.33 (c), may commence only after all well construction and pre-injection requirements herein have been met and approved. The Permittee may not commence injection until construction is complete, and

- (a) The Permittee has submitted to the Director a notice of completion of construction and a completed EPA Form 7520-10 or 7520-12; all applicable logging and testing requirements of this Permit (see APPENDIX B) have been fulfilled and the records submitted to the Director; mechanical integrity pursuant to 40 CFR 146.8 and Part II Section B of this Permit has been demonstrated; and
  - (i) The Director has inspected or otherwise reviewed the new injection well and finds it is in compliance with the conditions of the Permit; or
  - (ii) The Permittee has not received notice from the Director of his or her intent to inspect or otherwise review the new injection well within 13 days of the date of the notice in Paragraph 1a, in which case prior inspection or review is waived and the Permittee may commence injection.

### **2. Injection Interval.**

Injection is permitted only within the approved injection interval, listed in APPENDIX C. Additional individual injection perforations may be added provided that they remain within the approved injection interval and the Permittee provides notice to the Director in accordance with Part II, Section A, Paragraph 6.

### **3. Injection Pressure Limitation**

- (a) The permitted Maximum Allowable Injection Pressure (MAIP), measured at the wellhead, is found in APPENDIX C. Injection pressure shall not exceed the amount the Director determines is appropriate to ensure that injection does not initiate new fractures or propagate existing fractures in the confining zone adjacent to USDWs. In no case shall injection pressure cause the movement of injection or formation fluids into a USDW.
- (b) The Permittee may request a change of the MAIP, or the MAIP may be increased or decreased by the Director in order to ensure that the requirements in Paragraph (a) above are fulfilled. The Permittee may be required to conduct a step rate injection test or other suitable test to provide information for determining the fracture pressure of the injection zone. Change of the permitted MAIP by the Director shall be by modification of this Permit and APPENDIX C.

#### **4. Injection Volume Limitation.**

Injection volume is limited to the total volume specified in APPENDIX C.

#### **5. Injection Fluid Limitation.**

Injected fluids are limited to those identified in 40 CFR 144.6(b)(2) as fluids used for enhanced recovery of oil or natural gas, including those which are brought to the surface in connection with conventional oil or natural gas production that may be commingled with waste waters from gas plants which are an integral part of production operations unless those waters are classified as a hazardous waste at the time of injection, pursuant to 40 CFR 144.6(b). Non-exempt wastes, including unused fracturing fluids or acids, gas plant cooling tower cleaning wastes, service wastes and vacuum truck wastes, are NOT approved for injection. This well is NOT approved for commercial brine injection, industrial waste fluid disposal or injection of hazardous waste as defined by CFR 40 Part 261. The Permittee shall provide a listing of the sources of injected fluids in accordance with the reporting requirements in Part II Section D Paragraph 4 and APPENDIX D of this Permit.

#### **6. Tubing-Casing Annulus (TCA)**

The tubing-casing annulus (TCA) shall be filled with water treated with a corrosion inhibitor, or other fluid approved by the Director. The TCA valve shall remain closed during normal operating conditions and the TCA pressure shall be maintained at zero (0) psi.

If TCA pressure cannot be maintained at zero (0) psi, the Permittee shall follow the procedures in Ground Water Section Guidance No. 35 "Procedures to follow when excessive annular pressure is observed on a well."

### **Section D. MONITORING, RECORDKEEPING, AND REPORTING OF RESULTS**

#### **1. Monitoring Parameters, Frequency, Records and Reports.**

Monitoring parameters are specified in APPENDIX D. Pressure monitoring recordings shall be taken at the wellhead. The listed parameters are to be monitored, recorded and reported at the frequency indicated in APPENDIX D even during periods when the well is not operating.

Monitoring records must include:

- (a) the date, time, exact place and the results of the observation, sampling, measurement, or analysis, and;
- (b) the name of the individual(s) who performed the observation, sampling, measurement, or analysis, and;
- (c) the analytical techniques or methods used for analysis.

#### **2. Monitoring Methods.**

- (a) Monitoring observations, measurements, samples, etc. taken for the purpose of complying with these requirements shall be representative of the activity or condition being monitored.

- (b) Methods used to monitor the nature of the injected fluids must comply with analytical methods cited and described in Table 1 of 40 CFR 136.3 or Appendix III of 40 CFR 261, or by other methods that have been approved in writing by the Director.
- (c) Injection pressure, annulus pressure, injection rate, and cumulative injected volumes shall be observed and recorded at the wellhead under normal operating conditions, and all parameters shall be observed simultaneously to provide a clear depiction of well operation.
- (d) Pressures are to be measured in pounds per square inch (psi).
- (e) Fluid volumes are to be measured in standard oil field barrels (bbl).
- (f) Fluid rates are to be measured in barrels per day (bbl/day).

### **3. Records Retention.**

- (a) Records of calibration and maintenance, and all original strip chart recordings for continuous monitoring instrumentation, copies of all reports required by this permit, and records of all data used to complete the application for this permit shall be retained for a period of AT LEAST THREE (3) YEARS from the date of the sample, measurement, report, or application. This period may be extended anytime prior to its expiration by request of the Director.
- (b) Records of the nature and composition of all injected fluids must be retained until three (3) years after the completion of any plugging and abandonment (P&A) procedures specified under 40 CFR 144.52(a)(6) or under Part 146 Subpart G, as appropriate. The Director may require the Permittee to deliver the records to the Director at the conclusion of the retention period. The Permittee shall continue to retain the records after the three (3) year retention period unless the Permittee delivers the records to the Director or obtains written approval from the Director to discard the records.

### **4. Annual Reports.**

Whether the well is operating or not, the Permittee shall submit an Annual Report to the Director that summarizes the results of the monitoring required by Part II Section D and APPENDIX D.

The first Annual Report shall cover the period from the effective date of the Permit through December 31 of that year. Subsequent Annual Reports shall cover the period from January 1 through December 31 of the reporting year. Annual Reports shall be submitted by February 15 of the year following data collection. EPA Form 7520-11 may be copied and shall be used to submit the Annual Report, however, the monitoring requirements specified in this Permit are mandatory even if EPA Form 7520-11 indicates otherwise.

## **Section E. PLUGGING AND ABANDONMENT**

**1. Notification of Well Abandonment, Conversion or Closure.**

The Permittee shall notify the Director in writing at least forty-five (45) days prior to: 1) plugging and abandoning an injection well, 2) converting to a non-injection well, and 3) in the case of an Area Permit, before closure of the project.

**2. Well Plugging Requirements**

Prior to abandonment, the injection well shall be plugged with cement in a manner which isolates the injection zone and prevents the movement of fluids into or between underground sources of drinking water, and in accordance with 40 CFR 146.10 and other applicable Federal, State or local law or regulations. Tubing, packer and other downhole apparatus shall be removed. Cement with additives such as accelerators and retarders that control or enhance cement properties may be used for plugs; however, volume-extending additives and gel cements are not approved for plug use. Plug placement shall be verified by tagging. Plugging gel of at least 9.6 lb/gal shall be placed between all plugs. A minimum 50 ft surface plug shall be set inside and outside of the surface casing to seal pathways for fluid migration into the subsurface. The Plugging Record must be certified as accurate and complete by the person responsible for the plugging operation. Prior to placement of the cement plug(s) the well shall be in a state of static equilibrium with the mud weight equalized top to bottom, either by circulating the mud in the well at least once or by a comparable method prescribed by the Director.

**3. Approved Plugging and Abandonment Plan.**

The approved plugging and abandonment plan is incorporated into this Permit as APPENDIX E. Changes to the approved plugging and abandonment plan must be approved by the Director prior to beginning plugging operations. The Director also may require revision of the approved plugging and abandonment plan at any time prior to plugging the well.

**4. Forty Five (45) Day Notice of Plugging and Abandonment.**

The Permittee shall notify the Director at least forty-five (45) days prior to plugging and abandoning a well and provide notice of any anticipated change to the approved plugging and abandonment plan.

**5. Plugging and Abandonment Report.**

Within sixty (60) days after plugging a well, the Permittee shall submit a report (EPA Form 7520-13) to the Director. The plugging report shall be certified as accurate by the person who performed the plugging operation. Such report shall consist of either:

- (a) A statement that the well was plugged in accordance with the approved plugging and abandonment plan; or
- (b) Where actual plugging differed from the approved plugging and abandonment plan, an updated version of the plan, on the form supplied by the Director, specifying the differences.

**6. Inactive Wells.**

After any period of two years during which there is no injection the Permittee shall plug and abandon the well in accordance with Part II Section E Paragraph 2 of this Permit unless the Permittee:

- (a) Provides written notice to the Director;
- (b) Describes the actions or procedures the Permittee will take to ensure that the well will not endanger USDWs during the period of inactivity. These actions and procedures shall include compliance with mechanical integrity demonstration, Financial Responsibility and all other permit requirements designed to protect USDWs; and
- (c) Receives written notice by the Director temporarily waiving plugging and abandonment requirements.

## **PART III. CONDITIONS APPLICABLE TO ALL PERMITS**

### **Section A. EFFECT OF PERMIT**

The Permittee is allowed to engage in underground injection in accordance with the conditions of this Permit. The Permittee shall not construct, operate, maintain, convert, plug, abandon, or conduct any other activity in a manner that allows the movement of fluid containing any contaminant into underground sources of drinking water, if the presence of that contaminant may cause a violation of any primary drinking water regulation under 40 CFR 142 or may otherwise adversely affect the health of persons. Any underground injection activity not authorized by this Permit or by rule is prohibited. Issuance of this Permit does not convey property rights of any sort or any exclusive privilege; nor does it authorize any injury to persons or property, any invasion of other private rights, or any infringement of any other Federal, State or local law or regulations. Compliance with the terms of this Permit does not constitute a defense to any enforcement action brought under the provisions of Section 1431 of the Safe Drinking Water Act (SDWA) or any other law governing protection of public health or the environment, for any imminent and substantial endangerment to human health or the environment, nor does it serve as a shield to the Permittee's independent obligation to comply with all UIC regulations. Nothing in this Permit relieves the Permittee of any duties under applicable regulations.

### **Section B. CHANGES TO PERMIT CONDITIONS**

#### ***1. Modification, Reissuance, or Termination.***

The Director may, for cause or upon a request from the Permittee, modify, revoke and reissue, or terminate this Permit in accordance with 40 CFR 124.5, 144.12, 144.39, and 144.40. Also, this Permit is subject to minor modification for causes as specified in 40 CFR 144.41. The filing of a request for modification, revocation and reissuance, termination, or the notification of planned changes or anticipated noncompliance on the part of the Permittee does not stay the applicability or enforceability of any condition of this Permit.

#### ***2. Conversions.***

The Director may, for cause or upon a written request from the Permittee, allow conversion of the well from a Class II injection well to a non-Class II well. Conversion may not proceed until the Permittee receives written approval from the Director. Conditions of such conversion may include but are not limited to, approval of the proposed well rework, follow up demonstration of mechanical integrity, well-specific monitoring and reporting following the conversion, and demonstration of practical use of the converted configuration.

#### ***3. Transfer of Permit.***

Under 40 CFR 144.38, this Permit is transferable provided the current Permittee notifies the Director at least thirty (30) days in advance of the proposed transfer date (EPA Form 7520-7) and provides a written agreement between the existing and new Permittees containing a specific date for transfer of Permit responsibility, coverage and liability between them. The notice shall adequately demonstrate that the financial responsibility requirements of 40 CFR 144.52(a)(7) will be met by the new Permittee. The Director may require modification or revocation and reissuance of the Permit to change the name of the Permittee and incorporate such other requirements as may be necessary under the Safe Drinking Water Act; in some cases, modification or revocation and reissuance is mandatory.

#### **4. Permittee Change of Address.**

Upon the Permittee's change of address, or whenever the operator changes the address where monitoring records are kept, the Permittee must provide written notice to the Director within 30 days.

#### **5. Construction Changes, Workovers, Logging and Testing Data**

The Permittee shall give advance notice to the Director, and shall obtain the Director's written approval prior to any physical alterations or additions to the permitted facility. Alterations or workovers shall meet all conditions as set forth in this permit. The Permittee shall record any changes to the well construction on a Well Rework Record (EPA Form 7520-12), and shall provide this and any other record of well workovers, logging, or test data to EPA within sixty (60) days of completion of the activity.

Following the completion of any well workovers or alterations which affect the casing, tubing, or packer, a successful demonstration of mechanical integrity (Part III, Section F of this Permit) shall be made, and written authorization from the Director received, prior to resuming injection activities.

### **Section C. SEVERABILITY**

The Provisions of this Permit are severable, and if any provision of this Permit or the application of any provision of this Permit to any circumstance, is held invalid, the application of such provision to other circumstances, and the remainder of this Permit shall not be affected thereby.

### **Section D. CONFIDENTIALITY**

In accordance with 40 CFR Part 2 and 40 CFR 144.5, information submitted to EPA pursuant to this Permit may be claimed as confidential by the submitter. Any such claim must be asserted at the time of submission by stamping the words "confidential business information" on each page containing such information. If no claim is made at the time of submission, EPA may make the information available to the public without further notice. If a claim is asserted, the validity of the claim will be assessed in accordance with the procedures in 40 CFR Part 2 (Public Information). Claims of confidentiality for the following information will be denied:

- The name and address of the Permittee, and
- information which deals with the existence, absence or level of contaminants in drinking water.

### **Section E. GENERAL PERMIT REQUIREMENTS**

#### **1. Duty to Comply.**

The Permittee must comply with all conditions of this Permit. Any noncompliance constitutes a violation of the Safe Drinking Water Act (SDWA) and is grounds for enforcement action; for Permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application; except that the Permittee need not comply with the provisions of this Permit to the extent and for the duration such noncompliance is authorized in an emergency permit under 40 CFR 144.34. All violations of the SDWA may subject the Permittee to penalties and/or criminal prosecution as specified in Section 1423 of the SDWA.

**2. Duty to Reapply.**

If the Permittee wishes to continue an activity regulated by this Permit after the expiration date of this Permit, under 40 CFR 144.37 the Permittee must apply for a new permit prior to the expiration date.

**3. Need to Halt or Reduce Activity Not a Defense.**

It shall not be a defense for a Permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this Permit.

**4. Duty to Mitigate.**

The Permittee shall take all reasonable steps to minimize or correct any adverse impact on the environment resulting from noncompliance with this Permit.

**5. Proper Operation and Maintenance.**

The Permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the Permittee to achieve compliance with the conditions of this Permit. Proper operation and maintenance includes effective performance, adequate funding, adequate operator staffing and training, and adequate laboratory and process controls, including appropriate quality assurance procedures. This provision requires the operation of back-up or auxiliary facilities or similar systems only when necessary to achieve compliance with the conditions of this Permit.

**6. Permit Actions.**

This Permit may be modified, revoked and reissued or terminated for cause. The filing of a request by the Permittee for a permit modification, revocation and reissuance, or termination, or a notification of planned changes or anticipated noncompliance, does not stay any permit condition.

**7. Property Rights.**

This Permit does not convey any property rights of any sort, or any exclusive privilege.

**8. Duty to Provide Information.**

The Permittee shall furnish to the Director, within a time specified, any information which the Director may request to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The Permittee shall also furnish to the Director, upon request, copies of records required to be kept by this Permit. The Permittee is required to submit any information required by this Permit or by the Director to the mailing address designated in writing by the Director.

**9. Inspection and Entry.**

The Permittee shall allow the Director, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to:

- (a) Enter upon the Permittee's premises where a regulated facility or activity is located or conducted, or where records must be kept under the conditions of this Permit;

- (b) Have access to and copy, at reasonable times, any records that must be kept under the conditions of this Permit;
- (c) Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this Permit; and,
- (d) Sample or monitor at reasonable times, for the purpose of assuring permit compliance or as otherwise authorized by the SDWA, any substances or parameters at any location.

#### **10. Signatory Requirements.**

All applications, reports or other information submitted to the Director shall be signed and certified according to 40 CFR 144.32. This section explains the requirements for persons duly authorized to sign documents, and provides wording for required certification.

#### **11. Reporting Requirements.**

- (a) **Planned changes.** The Permittee shall give notice to the Director as soon as possible of any planned changes, physical alterations or additions to the permitted facility, and prior to commencing such changes.
- (b) **Anticipated noncompliance.** The Permittee 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.
- (c) **Monitoring Reports.** Monitoring results shall be reported at the intervals specified in this Permit.
- (d) **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 30 days following each schedule date.
- (e) **Twenty-four hour reporting.** The Permittee shall report to the Director any noncompliance which may endanger human health or the environment, including:
  - (i) Any monitoring or other information which indicates that any contaminant may cause endangerment to a USDW; or
  - (ii) Any noncompliance with a permit condition or malfunction of the injection system which may cause fluid migration into or between USDWs.

Information shall be provided, either directly or by leaving a message, within twenty-four (24) hours from the time the permittee becomes aware of the circumstances by telephoning (800) 227-8917 and requesting EPA Region VIII UIC Program Compliance and Technical Enforcement Director, or by contacting the EPA Region VIII Emergency Operations Center at (303) 293-1788.

In addition, a follow up written report shall be provided to the Director within five (5) days of the time the Permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause, the period of noncompliance including exact dates and times, and if the noncompliance has not been corrected the anticipated time it is expected to continue; and the steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance.

- (f) Oil Spill and Chemical Release Reporting: The Permittee shall comply with all reporting requirements related to the occurrence of oil spills and chemical releases by contacting the National Response Center (NRC) at (800) 424-8802, (202) 267-2675, or through the NRC website <http://www.nrc.uscg.mil/index.htm>.
- (g) Other Noncompliance. The Permittee shall report all instances of noncompliance not reported under paragraphs Part III, Section E Paragraph 11(b) or Section E, Paragraph 11(e) at the time the monitoring reports are submitted. The reports shall contain the information listed in Paragraph 11(e) of this Section.
- (h) Other information. Where the Permittee becomes aware that it 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 Permittee shall promptly submit such facts or information to the Director.

## Section F. FINANCIAL RESPONSIBILITY

### **1. Method of Providing Financial Responsibility.**

The Permittee shall maintain continuous compliance with the requirement to maintain financial responsibility and resources to close, plug, and abandon the underground injection well(s). No substitution of a demonstration of financial responsibility shall become effective until the Permittee receives written notification from the Director that the alternative demonstration of financial responsibility is acceptable. The Director may, on a periodic basis, require the holder of a permit to revise the estimate of the resources needed to plug and abandon the well to reflect changes in such costs and may require the Permittee to provide a revised demonstration of financial responsibility.

### **2. Insolvency.**

In the event of:

- (a) the bankruptcy of the trustee or issuing institution of the financial mechanism; or
- (b) suspension or revocation of the authority of the trustee institution to act as trustee; or

- (c) the institution issuing the financial mechanism losing its authority to issue such an instrument

the Permittee must notify the Director in writing, within ten (10) business days, and the Permittee must establish other financial assurance or liability coverage acceptable to the Director within sixty (60) days after any event specified in (a), (b), or (c) above.

The Permittee must also notify the Director by certified mail of the commencement of voluntary or involuntary proceedings under Title 11 (Bankruptcy), U.S. Code naming the owner or operator as debtor, within ten (10) business days after the commencement of the proceeding. A guarantor, if named as debtor of a corporate guarantee, must make such a notification as required under the terms of the guarantee.

## APPENDIX A

### WELL CONSTRUCTION REQUIREMENTS

See diagram.

The Fence Line Federal No. 5-19-8-17 was drilled to a total depth of 6647 feet (KB) in the Basal Carbonate Member of the Green River Formation.

Surface casing (8-5/8 inch) was set at a depth of 315 feet in a 12-1/4 inch hole using 150 sacks of Class "G" cement which was circulated to the surface.

Production casing (5-1/2 inch) was set at a depth of 6625 feet (KB) in a 7-7/8 inch hole with 450 sacks of Premium Lite II and 450 sacks of 50/50 poz mix. This well construction is not considered adequate to protect USDWs.

The EPA calculates the top of cement as 1462 feet from the surface. The Cement Bond Log (CBL) identifies top of cement at the surface. CBL analysis does not identify adequate 80% bond index cement bond within the Confining Zone.

The schematic diagram shows enhanced recovery injection perforations in the Garden Gulch and Douglas Creek Members of the Green River Formation. Additional perforations may be added at a later time between the depths of 4234 feet and the top of the Wasatch Formation (Estimated to be 6669 feet) provided the operator first notifies the Director and later submits an updated well completion report (EPA Form 7520-12) and schematic diagram.

The packer will be set no higher than 100 feet above the top perforation.

# UT 21127 - 07630 Fence Line Federal 5-19-8-17

Spud Date: 4/14/04  
Put on Production: 5/14/04  
GL: 5357' KB: 5369'

Initial Production: 28 BOPD,  
42 MCFD, 6 BWPD

### Proposed Injection Wellbore Diagram

**SURFACE CASING**

CSG SIZE: 8-5/8"  
GRADE: J-55  
WEIGHT: 24#  
LENGTH: 7 jts. (305.19')  
DEPTH LANDED: 315.19' KB  
HOLE SIZE: 12-1/4"  
CEMENT DATA: 150 sxs Class "G" cmt, est 2.6 bbls cmt to pit.

*Green River 1922'*

**PRODUCTION CASING**

CSG SIZE: 5-1/2"  
GRADE: J-55  
WEIGHT: 15.5#  
LENGTH: 151 jts. (6627.43')  
DEPTH LANDED: 6625.43' KB  
HOLE SIZE: 7-7/8"  
CEMENT DATA: 450 sxs Prem. Lite II & 450 sxs 50/50 POZ.  
CEMENT TOP AT: surface

**TUBING**

SIZE/GRADE/AWT.: 2-7/8" / J-55 / 6.5#  
NO. OF JOINTS: 196 jts (6187.29')  
TUBING ANCHOR: 6199.79' KB  
NO. OF JOINTS: 1 jt (31.10')  
SEATING NIPPLE: 2-7/8" (1.10')  
SN LANDED AT: 6233.69' KB  
NO. OF JOINTS: 2 jts (62.32')  
TOTAL STRING LENGTH: EOT @ 6297.56' KB

**FRAC JOB**

5/11/04 6224'-6234' Frac CP2 sands as follows:  
41,024# 20/40 sand in 413 bbls Lightning 17  
frac fluid. Treated @ avg press of 1614 psi  
w/avg rate of 25 BPM. ISIP 1940 psi. Calc  
flush: 6222 gal. Actual flush: 6216 gal.

5/11/04 5479'-5490' Frac C sands as follows:  
61,702# 20/40 sand in 491 bbls Lightning 17  
frac fluid. Treated @ avg press of 1950 psi  
w/avg rate of 25 BPM. ISIP 2430 psi. Calc  
flush: 5477 gal. Actual flush: 5460 gal.

5/11/04 4776'-4786' Frac GB4 sands as follows:  
29,728# 20/40 sand in 305 bbls Lightning 17  
frac fluid. Treated @ avg press of 2309 psi  
w/avg rate of 24.3 BPM. ISIP 2193 psi. Calc  
flush: 4774 gal. Actual flush: 4746 gal.

*305'  
L383' Base US DWK  
1412 Top / EPA*

*3371' Trona  
3435'-3556' Mahogany Bench*

*4195'-4234' Confining Zone  
4234' Golden Gulch*

*4588'-4614' 80% Bond*

*5098'-5600' 80% Bond  
5266' Douglas Creek*

Packer @ 4741'  
4776'-4786'

5479'-5490'

6224'-6234'

*6544' Basal Carbonate*

PBTD @ 6587'

SHOE @ 6625'

TD @ 6647'

*Est. Inj. Rate 6669'*

**PERFORATION RECORD**

5/6/04	6224'-6234'	4 JSPF	40 holes
5/11/04	5479'-5490'	4 JSPF	44 holes
5/11/04	4776'-6234'	4 JSPF	40 holes

**NEWFIELD**

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**Fence Line Federal 5-19-8-17**

1980' FNL & 660' FWL  
SWNW Section 19-T8S-R17E  
Duchesne County, Utah  
API #43-013-32372; Lease #UTU-77235

## APPENDIX B

### LOGGING AND TESTING REQUIREMENTS

#### Logs.

Logs will be conducted according to current UIC guidance. It is the responsibility of the Permittee to obtain and use guidance prior to conducting any well logging required as a condition of this permit.

#### NO LOGGING REQUIREMENTS

#### Tests.

Tests will be conducted according to current UIC guidance. It is the responsibility of the Permittee to obtain and use guidance prior to conducting any well test required as a condition of this permit.

WELL NAME: Fence Line Federal 5-19-8-17	
TYPE OF TEST	DATE DUE
Step Rate Test	Within a 180-day period following commencement of injection.
Pore Pressure	Prior to receiving authorization to inject.
Standard Annulus Pressure	Prior to receiving authorization to inject and at least once within a five (5) year period following the last successful test.
Radioactive Tracer Survey (2)	Prior to receiving authorization to inject and at least once within a five (5) year period following the last successful test.

## APPENDIX C

### OPERATING REQUIREMENTS

#### MAXIMUM ALLOWABLE INJECTION PRESSURE:

Maximum Allowable Injection Pressure (MAIP) as measured at the surface shall not exceed the pressure(s) listed below.

WELL NAME	MAXIMUM ALLOWED INJECTION PRESSURE (psi)
	ZONE 1 (Upper)
Fence Line Federal 5-19-8-17	1,410

#### INJECTION INTERVAL(S):

Injection is permitted only within the approved injection interval listed below. Injection perforations may be altered provided they remain within the approved injection interval and the Permittee provides notice to the Director in accordance with Part II, Section A, Paragraph 6. Specific injection perforations can be found in Appendix A.

WELL NAME: Fence Line Federal 5-19-8-17	APPROVED INJECTION INTERVAL (KB, ft)		FRACTURE GRADIENT (psi/ft)
	TOP	BOTTOM	
FORMATION NAME Green River: Garden Gulch-Douglas Creek-Basal Carbonate Members.	4,234.00	6,669.00	0.735

#### ANNULUS PRESSURE:

The annulus pressure shall be maintained at zero (0) psi as measured at the wellhead. If this pressure cannot be maintained, the Permittee shall follow the procedures listed under Part II, Section C. 6. of this permit.

#### MAXIMUM INJECTION VOLUME:

There is no limitation on the number of barrels per day (bbls/day) of water that shall be injected into this well, provided further that in no case shall injection pressure exceed that limit shown in Appendix C.

## APPENDIX D

### MONITORING AND REPORTING PARAMETERS

This is a listing of the parameters required to be observed, recorded, and reported. Refer to the permit Part II, Section D, for detailed requirements for observing, recording, and reporting these parameters.

OBSERVE MONTHLY AND RECORD AT LEAST ONCE EVERY THIRTY DAYS	
<b>OBSERVE AND RECORD</b>	Injection pressure (psig)
	Annulus pressure(s) (psig)
	Injection rate (bbl/day)
	Fluid volume injected since the well began injecting (bbls)

ANNUALLY	
<b>ANALYZE</b>	Injected fluid total dissolved solids (mg/l)
	Injected fluid specific gravity
	Injected fluid specific conductivity
	Injected fluid pH

ANNUALLY	
<b>REPORT</b>	Each month's maximum and averaged injection pressures (psig)
	Each month's maximum and minimum annulus pressure(s) (psig)
	Each month's injected volume (bbl)
	Fluid volume injected since the well began injecting (bbl)
	Written results of annual injected fluid analysis
	Sources of all fluids injected during the year

Records of all monitoring activities must be retained and made available for inspection at the following location:

**Newfield Production Company**  
**1001 Seventeenth Street - Suite 2000**  
**Denver, CO 80202**

## APPENDIX E

### PLUGGING AND ABANDONMENT REQUIREMENTS

See diagram.

The well shall be plugged in a manner that isolates the injection zone and prevents movement of fluid into or between USDWs and in accordance with other applicable Federal, State or local law or regulation. Tubing, packers, and any downhole apparatus shall be removed. Class A, C, G, and H cements, with additives such as accelerators and retarders that control or enhance cement properties, may be used for plugs. However, volume extending additives and gel cements are not approved for plug use. Plug placement shall be verified by tagging. Plugging gel of at least 9.2 lb/gal shall be placed between all plugs. Within sixty (60) days after plugging, the owner or operator shall submit Plugging Record (EPA Form 7520-13) to the Director. The Plugging Record must be certified as accurate and complete by the person responsible for the plugging operation. At a minimum, the following plugs are required:

**PLUG NO. 1: Seal Injection Zone:** Set a cast iron bridge plug (CIBP) no more than fifty (50) feet above the top injection perforation. Place at least twenty (20) feet of cement plug on top of the CIBP.

**PLUG NO. 2: Seal Mahogany Shale and Trona intervals:** Squeeze a cement plug on the backside of the 5-1/2 inch casing across the Trona Zone and the Mahogany Shale approximately 3325 feet to 3500 feet (unless pre-existing backside cement precludes cement-squeezing this interval) followed by a minimum 175-foot balanced cement plug inside the 5-1/2 inch casing across the Trona Zone and the Mahogany Shale, approximately 3325 feet to 3500 feet.

**PLUG NO. 3: Seal USDWs:** Squeeze a cement plug (1875 feet - 1975 feet) on the backside of the 5-1/2 inch casing across the base of the Uinta formation (unless pre-existing backside cement precludes cement-squeezing this interval), followed by a minimum 100-foot balanced cement plug inside the 5-1/2 inch casing across the base of the Uinta Formation, approximately 1875 feet to 1975 feet.

**PLUG NO.4: Seal Surface:** Set a Class "G" cement plug within the 5-1/2 inch casing to 383 feet and up the 5-1/2 inch by 8-5/8 inch casings annulus to the surface.

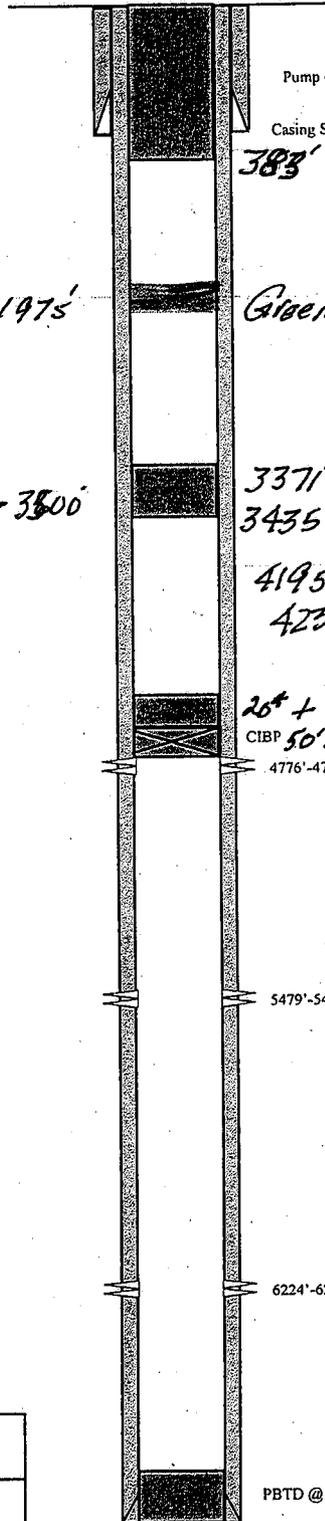
Fence Line Federal 5-19-8-17

Spud Date: 4/14/04  
 Put on Production: 5/14/04  
 GL: 5357' KB: 5369'

Proposed P & A  
 Wellbore Diagram

SURFACE CASING

CSG SIZE: 8-5/8"  
 GRADE: J-55  
 WEIGHT: 24#  
 LENGTH: 7 jts. (305.19')  
 DEPTH LANDED: 315.19' KB  
 HOLE SIZE: 12-1/4"  
 CEMENT DATA: 150 sxs Class "G" cmt, est 2.6 bbis cmt to pit.



Pump 42 sx Class G Cement down 5 - 1/2" casing to 365'

Casing Shoe @ 315'

*383'*

*Cement Plug 1875-1975'*

*Green River 1922'*

PRODUCTION CASING

CSG SIZE: 5-1/2"  
 GRADE: J-55  
 WEIGHT: 15.5#  
 LENGTH: 151 jts. (6627.43')  
 DEPTH LANDED: 6625.43' KB  
 HOLE SIZE: 7-7/8"  
 CEMENT DATA: 450 sxs Prem. Lite II & 450 sxs 50/50 POZ.  
 CEMENT TOP AT: surface

*Cement Plug 3325-3800'*

*3371' Trona*  
*3435'-3456' Mahogany Bench*  
*4195'-4234' Confining Zone*  
*4234' Garden Gulch*

*26' + Class G Cement plug on top of CIBP*  
*CIBP 50' above top perf.*

4776'-4786'

5479'-5490'

6224'-6234'

PBTD @ 6587'

SHOE @ 6625'

TD @ 6647'


<p><b>Fence Line Federal 5-19-8-17</b></p> <p>1980' FNL &amp; 660' FWL</p> <p>SWNW Section 19-T8S-R17E</p> <p>Duchesne County, Utah</p> <p>API #43-013-32372; Lease #UTU-77235</p>

## APPENDIX F

### CORRECTIVE ACTION REQUIREMENTS

The Fence Line Federal No. 12-19-8-17 will be monitored weekly at the surface for evidence of fluid movement out of the injection zone.

In addition, Newfield developed a corrective action monitoring program, effective July 10, 2008, entitled "Procedure related to proposed Class II Enhanced Oil Recovery Injection Wells determined by the EPA to have specific Area of Review (AOR) wells with inadequate cement across the Confining Zone."

If possible fluid movement out of the injection zone is identified, either through the weekly monitoring, through Newfield's July 10, 2008 procedure described above, or through any other means (for example, evidence of fluid flow or increased bradenhead annulus pressure readings, tubing-casing annulus pressure readings, or other evidence of a mechanical integrity failure), the Permittee will shut in the Fence Line Federal No. 5-19-8-17 well immediately and notify the Director. No injection into the Fence Line Federal No. 5-19-8-17 well will be permitted until the Permittee has notified the Director that the situation has been resolved, submitted Rework Records (EPA Form No. 7520-12) and a schematic diagram, and received authorization from the Director to re-commence injection.



**RE: Procedure related to proposed Class II Enhanced Oil Recovery Injection Wells determined by the EPA to have specific Area of Review (AOR) wells with inadequate cement across the confining zone**

Effective July 10, 2008 Newfield Production Company will implement the following procedure to address concerns related to protection of Underground Sources of Drinking Water (USDW) in AOR wells where the interval of cement bond index across the confining zone behind pipe has been determined to be inadequate. The procedure is intended to meet the corrective action requirements found in the UIC Class II permit, as well as provide data that could be used to detect and prevent fluid movement out of the proposed injection zone.

- 1) Establish baseline production casing by surface casing annulus pressures prior to water injection in subject well with a calibrated gauge.
- 2) Record the baseline pressure, report findings to Newfield engineering group and keep on file so it is available upon request
- 3) Place injection well in service. Run packer integrity and radioactive tracer logs to verify wellbore integrity and determine zones taking water.
- 4) Construct a geologic cross section showing zones taking water and their geologic equivalent zones in the AOR wells.
- 5) Submit a report of the packer integrity log, radioactive tracer log, and geologic cross section to the Newfield engineering staff for review and keep on file so it is available upon request
- 6) Weekly observations of the site will be made by Newfield during normal well operating activities. Any surface discharge of fluids will be reported immediately.
- 7) After injection well is placed in service, weekly observations of annulus pressure will be made and compared to baseline pressure and will be recorded once monthly. The recorded pressure information will be kept on file and be available upon request.
- 8) If pressure increases by more than 10% above baseline at any time in an AOR well with insufficient cement bond, Newfield will run a temperature survey log in subject well. This log, in concert with the geologic crosssection, will enable the determination of water movement in the open hole by production casing annulus through a shift in geothermal gradient.
- 9) If water movement is determined in annulus, Newfield will shut in the injection well and repair the production casing by open hole annulus or leave the injection well out of service.

# **STATEMENT OF BASIS**

**NEWFIELD PRODUCTION COMPANY  
FENCE LINE FEDERAL 5-19-8-17  
DUCHESNE COUNTY, UT**

**EPA PERMIT NO. UT21127-07630**

***CONTACT:*** Emmett Schmitz  
U. S. Environmental Protection Agency  
Ground Water Program, 8P-W-GW  
1595 Wynkoop Street  
Denver, Colorado 80202-1129  
Telephone: 1-800-227-8917 ext. 312-6174

This STATEMENT OF BASIS gives the derivation of site-specific UIC Permit conditions and reasons for them. Referenced sections and conditions correspond to sections and conditions in the Permit.

EPA UIC permits regulate the injection of fluids into underground injection wells so that the injection does not endanger underground sources of drinking water. EPA UIC permit conditions are based upon the authorities set forth in regulatory provisions at 40 CFR Parts 144 and 146, and address potential impacts to underground sources of drinking water. Under 40 CFR 144.35 Issuance of this permit does not convey any property rights of any sort or any exclusive privilege, nor authorize injury to persons or property or invasion of other private rights, or any infringement of other Federal, State or local laws or regulations. Under 40 CFR 144 Subpart D, certain conditions apply to all UIC Permits and may be incorporated either expressly or by reference. General Permit conditions for which the content is mandatory and not subject to site-specific differences (40 CFR Parts 144, 146 and 147) are not discussed in this document.

Upon the Effective Date when issued, the Permit authorizes the construction and operation of injection wells so that the injection does not endanger underground sources of drinking water, governed by the conditions specified in the Permit. The Permit is issued for the operating life of the injection well or project unless terminated for reasonable cause under 40 CFR 144.39, 144.40 and 144.41. The Permit is subject to EPA review at least once every five (5) years to determine if action is required under 40 CFR 144.36(a).

## PART I. General Information and Description of Facility

Newfield Production Company  
1001 Seventeenth Street, Suite 2000  
Denver, CO 80202

on

March 5, 2007

submitted an application for an Underground Injection Control (UIC) Program Permit or Permit Modification for the following injection well or wells:

Fence Line Federal 5-19-8-17  
1980' FNL & 660' FWL, SWNW S19, T8S, R17E  
Duchesne County, UT

Regulations specific to Uintah-Ouray Indian Reservation injection wells are found at 40 CFR 147 Subpart TT.

The application, including the required information and data necessary to issue or modify a UIC Permit in accordance with 40 CFR Parts 144, 146 and 147, was reviewed and determined by EPA to be complete.

The Permit will expire upon delegation of primary enforcement responsibility (primacy) for applicable portions of the UIC Program to the Ute Indian Tribe or the State of Utah unless the delegated agency has the authority and chooses to adopt and enforce this Permit as a Tribal or State Permit.

TABLE 1.1 shows the status of the well or wells as "New", "Existing", or "Conversion" and for Existing shows the original date of injection operation. Well authorization "by rule" under 40 CFR Part 144 Subpart C expires automatically on the Effective Date of an issued UIC Permit.

The Fence Line Federal No. 5-19-8-17 is currently an active Green River Formation oil well with open perforations in the Garden Gulch and Douglas Creek Members. It is the initial intent of the applicant to use the current perforations for Class II enhanced recovery injection. The Fence Line Federal No. 5-19-8-17 has total depth in the Basal Carbonate.

**TABLE 1.1**  
**WELL STATUS / DATE OF OPERATION**

**NEW WELLS**

<b>Well Name</b>	<b>Well Status</b>	<b>Date of Operation</b>
Fence Line Federal 5-19-8-17	New	N/A

## PART II. Permit Considerations (40 CFR 146.24)

### Hydrogeologic Setting

Water wells for domestic supply in this area, when present, generally are completed into the shallow alluvium, the Duchesne River Formation, or the underlying Uinta Formation, and the water generally contains approximately 500 to 1,500 mg/l and higher total dissolved solids.

The Uinta-Animas aquifer in the Uinta Basin is present in water-yielding beds of sandstone, conglomerate, and siltstone of the Duchesne River and Uinta Formations, the Renegade Tongue of the Wasatch Formation, and the Douglas Creek Member of the Green River Formation. The Renegade Tongue of the Wasatch Formation and the Douglas Creek Member of the Green River Formation contain an aquifer along the southern and eastern margins of the basin where the rocks primarily consist of fluvial, massive, irregularly bedded sandstone and siltstone. Water-yielding units in the Uinta-Animas aquifer in the Uinta Basin commonly are separated from each other and from the underlying Mesaverde aquifer by units of low permeability composed of claystone, shale, marlstone, or limestone. In the Uinta Basin, for example, the part of the aquifer in the Duchesne River and Uinta Formations ranges in thickness from 0 feet at the southern margin of the aquifer to as much as 9,000 feet in the north-central part of the aquifer. Ground-water recharge to the Uinta-Animas aquifer generally occurs in the areas of higher altitude along the margins of the basin. Ground water is discharged mainly to streams, springs, and by transpiration from vegetation growing along stream valleys. The rate of ground-water withdrawal is small, and natural discharge is approximately equal to recharge. Recharge occurs near the southern margin of the aquifer, and discharge occurs near the White and Green Rivers (from USGS publication HA 730-C). Water samples from Mesaverde sands in the nearby Natural Buttes Unit yielded highly saline water.

#### Geologic Setting (TABLE 2.1)

Water wells for domestic supply in this area, when present, generally are completed into the shallow alluvium, the Duchesne River Formation, or the underlying Uinta Formation, and the water generally contains approximately 500 to 1,500 mg/l and higher total dissolved solids.

The Uinta-Animas aquifer in the Uinta Basin is present in water-yielding beds of sandstone, conglomerate, and siltstone of the Duchesne River and Uinta Formations, the Renegade Tongue of the Wasatch Formation, and the Douglas Creek Member of the Green River Formation. The Renegade Tongue of the Wasatch Formation and the Douglas Creek Member of the Green River Formation contain an aquifer along the southern and eastern margins of the basin where the rocks primarily consist of fluvial, massive, irregularly bedded sandstone and siltstone. Water-yielding units in the Uinta-Animas aquifer in the Uinta Basin commonly are separated from each other and from the underlying Mesaverde aquifer by units of low permeability composed of claystone, shale, marlstone, or limestone. In the Uinta Basin, for example, the part of the aquifer in the Duchesne River and Uinta Formations ranges in thickness from 0 feet at the southern margin of the aquifer to as much as 9,000 feet in the north-central part of the aquifer. Ground-water recharge to the Uinta-Animas aquifer generally occurs in the areas of higher altitude along the margins of the basin. Ground water is discharged mainly to streams, springs, and by transpiration from vegetation growing along stream valleys. The rate of ground-water withdrawal is small, and natural discharge is approximately equal to recharge. Recharge occurs near the southern margin of the aquifer, and discharge occurs near the White and Green Rivers (from USGS publication HA 730-C). Water samples from Mesaverde sands in the nearby Natural Buttes Unit yielded highly saline water.

**TABLE 2.1**  
**GEOLOGIC SETTING**  
**Fence Line Federal 5-19-8-17**

Formation Name	Top (ft)	Base (ft)	TDS (mg/l)	Lithology
Uinta: USDW	0	383	< 10,000	Sand and shale.
Uinta	383	1,922		Interbedded lacustrine sand, shale and carbonate with fluvial sand and shale.
Green River	1,299	4,234		Interbedded lacustrine sand, shale and carbonate with fluvial sand and shale.
Green River: Trona	3,371	3,435		Evaporite
Green River: Mahogany Bench	3,435	3,556		Oil shale
Green River: Garden Gulch Member	4,234	5,266	19,330	Interbedded lacustrine sand, shale and carbonate with fluvial sand and shale.
Green River: Douglas Creek Member	5,266	6,544	19,330	Interbedded lacustrine sand, shale and carbonate with fluvial sand and shale.
Green River: Basal Carbonate Member	6,544	6,669		Carbonate

**Proposed Injection Zone(s) (TABLE 2.2)**

An injection zone is a geological formation, group of formations, or part of a formation that receives fluids through a well. The proposed injection zones are listed in TABLE 2.2.

Injection will occur into an injection zone that is separated from USDWs by a confining zone which is free of known open faults or fractures within the Area of Review.

The EPA approved interval for Class II enhanced recovery injection in the Fence Line Federal No. 5-19-8-17 is located between the top of the Garden Gulch Member (4234 feet) and the top of the Wasatch Formation estimated to be 6669 feet.

**TABLE 2.2  
INJECTION ZONES  
Fence Line Federal 5-19-8-17**

Formation Name	Top (ft)	Base (ft)	TDS (mg/l)	Fracture Gradient (psi/ft)	Porosity	Exempted?*
Green River: Garden Gulch-Douglas Creek-Basal Carbonate Members.	4,234	6,669	19,330	0.735		N/A

\* **C - Currently Exempted**  
**E - Previously Exempted**  
**P - Proposed Exemption**  
**N/A - Not Applicable**

**Confining Zone(s) (TABLE 2.3)**

A confining zone is a geological formation, part of a formation, or a group of formations that limits fluid movement above the injection zone. The confining zone or zones are listed in TABLE 2.3.

The 39-foot (4195 feet - 4234 feet) shale Confining Zone directly overlies the top of the Garden Gulch Member.

**TABLE 2.3  
CONFINING ZONES  
Fence Line Federal 5-19-8-17**

Formation Name	Formation Lithology	Top (ft)	Base (ft)
Green River	Shale	4,195	4,234

**Underground Sources of Drinking Water (USDWs) (TABLE 2.4)**

Aquifers or the portions thereof which contain less than 10,000 mg/l total dissolved solids (TDS) and are being or could in the future be used as a source of drinking water are considered to be USDWs. The USDWs in the area of this facility are identified in TABLE 2.4.

Throughout the Greater Monument Butte Field area undergoing enhanced oil recovery operations, water analyses of the Green River Formation generally exhibit total dissolved solids (TDS) content well in excess of 10,000 mg/l. However, some recent water analyses from the field showed lower TDS values closer to 10,000 mg/l. While rain and surface water recharge into Green River Formation outcrops further south along the Book Cliffs/Roan Cliffs in effect "freshens" the Green River Formation water near those outcrops, in this area of the Monument Butte Field the observed occasional 'freshening' is ascribed to the effective dilution of the originally in-place high TDS water from injection of relatively fresh water for enhanced oil recovery operations. Water samples from deeper Mesaverde Formation sands in the nearby Natural Buttes Unit yield highly saline water.

The State of Utah "Water Wells and Springs" identifies no public water supply wells within the one-

quarter (1/4) mile Area-of-Review (AOR) around the Fence Line Federal No. 5-19-8-17.

Technical Publication No. 92: State of Utah, Department of Natural Resources, cites the base of Underground Sources of Drinking Water (USDW) in the Uinta Formation approximately 383 feet from the surface. However, absent definitive information relative to the water quality of the Uinta Formation, from the depth of 383 feet to the base of the Uinta Formation (1922 feet), the EPA will require, during plugging and abandonment, a cement plug at the base of the Uinta Formation to protect contamination of possible Uinta USDWs.

**TABLE 2.4**  
**UNDERGROUND SOURCES OF DRINKING WATER (USDW)**  
**Fence Line Federal 5-19-8-17**

Formation Name	Formation Lithology	Top (ft)	Base (ft)	TDS (mg/l)
Uinta: Publication 92	Sand and shale.	0	383	< 10,000
Uinta	Interbedded lacustrine sand, shale and carbonate with fluvial sand and shale.	383	1,922	

### PART III. Well Construction (40 CFR 146.22)

The Fence Line Federal No. 5-19-8-17 was drilled to a total depth of 6647 feet (KB) in the Basal Carbonate Member of the Green River Formation.

Surface casing (8-5/8 inch) was set at a depth of 315 feet in a 12-1/4 inch hole using 150 sacks of Class "G" cement which was circulated to the surface.

Production casing (5-1/2 inch) was set at a depth of 6625 feet (KB) in a 7-7/8 inch hole with 450 sacks of Premium Lite II and 450 sacks of 50/50 poz mix. This well construction is not considered adequate to protect USDWs.

The EPA calculates the top of cement as 1462 feet from the surface. The Cement Bond Log (CBL) identifies top of cement at the surface. CBL analysis does not identify adequate 80% bond index cement bond within the Confining Zone.

The schematic diagram shows enhanced recovery injection perforations in the Garden Gulch and Douglas Creek Members of the Green River Formation. Additional perforations may be added at a later time between the depths of 4234 feet and the top of the Wasatch Formation (Estimated to be 6669 feet) provided the operator first notifies the Director and later submits an updated well completion report (EPA Form 7520-12) and schematic diagram.

The packer will be set no higher than 100 feet above the top perforation.

**TABLE 3.1**  
**WELL CONSTRUCTION REQUIREMENTS**  
 Fence Line Federal 5-19-8-17

Casing Type	Hole Size (in)	Casing Size (in)	Cased Interval (ft)	Cemented Interval (ft)
Production	7.88	5.50	0 - 6,625	0 - 6,647
Surface	12.25	8.63	0 - 315	0 - 315

The approved well completion plan will be incorporated into the Permit as APPENDIX A and will be binding on the Permittee. Modification of the approved plan is allowed under 40 CFR 144.52(a)(1) provided written approval is obtained from the Director prior to actual modification.

**Casing and Cementing (TABLE 3.1)**

The well construction plan was evaluated and determined to be in conformance with standard practices and guidelines that ensure well injection does not result in the movement of fluids into USDWs. Well construction details for this "new" injection well is shown in TABLE 3.1.

Remedial cementing may be required if the casing cement is shown to be inadequate by cement bond log or other demonstration of Part II (External) mechanical integrity.

**Tubing and Packer**

Injection tubing is required to be installed from a packer up to the surface inside the well casing. The packer will be set above the uppermost perforation. The tubing and packer are designed to prevent injection fluid from coming into contact with the outermost casing.

**Tubing-Casing Annulus (TCA)**

The TCA allows the casing, tubing and packer to be pressure-tested periodically for mechanical integrity, and will allow for detection of leaks. The TCA will be filled with fresh water treated with a corrosion inhibitor or other fluid approved by the Director.

The tubing/casing annulus must be kept closed at all times so that it can be monitored as required under conditons of the Permit.

**Monitoring Devices**

The permittee will be required to install and maintain wellhead equipment that allows for monitoring pressures and providing access for sampling the injected fluid. Required equipment may include but is not limited to: 1) shut-off valves located at the wellhead on the injection tubing and on the TCA; 2) a flow meter that measures the cumulative volume of injected fluid; 3) fittings or pressure gauges attached to the injection tubing and the TCA for monitoring the injection and TCA pressure; and 4) a tap on the injection line, isolated by shut-off valves, for sampling the injected fluid.

All sampling and measurement taken for monitoring must be representative of the monitored activity.

## PART IV. Area of Review, Corrective Action Plan (40 CFR 144.55)

**TABLE 4.1  
AOR AND CORRECTIVE ACTION**

Well Name	Type	Status (Abandoned Y/N)	Total Depth (ft)	TOC Depth (ft)	CAP Required (Y/N)
Fence Line Federal No. 4-19-8-17	Producer	No	6,660	100	No
Fence Line Federal No. 6-19-8-17	Producer	No	6,630	100	No
Fence Line Federal No. 8-24-8-16	Producer	No	6,635	570	No
Sand Wash Federal No. 12-19-8-17	Producer	No	6,560	360	Yes

TABLE 4.1 lists the wells in the Area of Review ("AOR") and shows the well type, operating status, depth, top of casing cement ("TOC") and whether a Corrective Action Plan ("CAP") is required for the well.

### Area Of Review

Applicants for Class I, II (other than "existing" wells) or III injection well Permits are required to identify the location of all known wells within the injection well's Area of Review (AOR) which penetrate the injection zone, or in the case of Class II wells operating over the fracture pressure of the formation, all known wells within the area of review that penetrate formations which may be affected by increased pressure. Under 40 CFR 146.6 the AOR may be a fixed radius of not less than one quarter (1/4) mile or a calculated zone of endangering influence. For Area Permits, a fixed width of not less than one quarter (1/4) mile for the circumscribing area may be used.

### Corrective Action Plan

For wells in the AOR which are improperly sealed, completed, or abandoned, the applicant shall develop a Corrective Action Plan (CAP) consisting of the steps or modifications that are necessary to prevent movement of fluid into USDWs.

The CAP will be incorporated into the Permit as APPENDIX F and become binding on the permittee.

## PART V. Well Operation Requirements (40 CFR 146.23)

**TABLE 5.1**  
**INJECTION ZONE PRESSURES**  
 Fence Line Federal 5-19-8-17

Formation Name	Depth Used to Calculate MAIP (ft)	Fracture Gradient (psi/ft)	Initial MAIP (psi)
Green River: Garden Gulch-Douglas Creek-Basal Carbonate Members.	4,776	0.735	1,410

### Approved Injection Fluid

The approved injection fluid is limited to Class II injection well fluids pursuant to 40 CFR § 144.6(b). For disposal wells injecting water brought to the surface in connection with natural gas storage operations, or conventional oil or natural gas production, the fluid may be commingled and the well used to inject other Class II wastes such as drilling fluids and spent well completion, treatment and stimulation fluid. Injection of non-exempt wastes, including unused fracturing fluids or acids, gas plant cooling tower cleaning wastes, service wastes, and vacuum truck and drum rinsate from trucks and drums transporting or containing non-exempt waste, is prohibited.

The proposed injectate will be a blend of culinary-quality water from the Johnson Water District reservoir and/or water from the Green River pipeline, and Green River Formation water from wells proximate to the Fence Line Federal No. 5-19-8-17.

### Injection Pressure Limitation

Injection pressure, measured at the wellhead, shall not exceed a maximum calculated to assure that the pressure used during injection does not initiate new fractures or propagate existing fractures in the confining zones adjacent to the USDWs.

The applicant submitted injection fluid density and injection zone data which was used to calculate a formation fracture pressure and to determine the maximum allowable injection pressure (MAIP), as measured at the surface, for this Permit.

TABLE 5.1 lists the fracture gradient for the injection zone and the approved MAIP, determined according to the following formula:

$$FP = [fg - (0.433 * sg)] * d$$

- FP = formation fracture pressure (measured at surface)
- fg = fracture gradient (from submitted data or tests)
- sg = specific gravity (of injected fluid)
- d = depth to top of injection zone (or top perforation)

### Injection Volume Limitation

Cumulative injected fluid volume limits are set to assure that injected fluids remain within the boundary of the exempted area. Cumulative injected fluid volume is limited when injection occurs into an aquifer that has been exempted from protection as a USDW.

There will be no restrictions on the cumulative or daily volume of authorized fluid injected into the approved Green River Formation interval. The permittee will not exceed the maximum allowable injection pressure (MAIP).

### **Mechanical Integrity (40 CFR 146.8)**

An injection well has mechanical integrity if:

1. there is no significant leak in the casing, tubing, or packer (Part I); and
2. there is no significant fluid movement into a USDW through vertical channels adjacent to the injection well bore (Part II).

The Permit prohibits injection into a well which lacks mechanical integrity.

The Permit requires that the well demonstrate mechanical integrity prior to injection and periodically thereafter. A demonstration of mechanical integrity includes both internal (Part I) and external (Part II). The methods and frequency for demonstrating Part I and Part II mechanical integrity are dependent upon well-specific conditions as explained below.

Well construction and site-specific conditions dictate the following requirements for Mechanical Integrity (MI) demonstrations:

**PART I MI:** Internal MI will be demonstrated prior to beginning injection. Since this well is constructed with a standard casing, tubing, and packer configuration, a successful mechanical integrity test (MIT) is required to take place at least once every five (5) years. A demonstration of Part I MI is also required prior to resuming injection following any workover operation that affects the casing, tubing or packer. Part I MI may be demonstrated by a standard tubing-casing annulus pressure test using the maximum permitted injection pressure or 1000 psi, whichever is less, with a ten (10) percent or less pressure loss over thirty (30) minutes.

**PART II MI:** The CBL indicates that cement does not meet minimum requirements needed to demonstrate zone isolation (at least 18 feet of continuous 80% bond, or better) through the Confining Zone. Therefore, further testing for Part II MI will be required prior to injection and at least once every five years thereafter. The demonstration shall be by Temperature Survey or other approved test. Approved tests for demonstrating Part II MI include a Temperature Survey, Noise Log or Oxygen Activation Log, and Region 8 may also accept results of a Radioactive Tracer Survey under certain circumstances.

## **PART VI. Monitoring, Recordkeeping and Reporting Requirements**

### **Injection Well Monitoring Program**

At least once a year the permittee must analyze a sample of the injected fluid for total dissolved solids (TDS), specific conductivity, pH, and specific gravity. This analysis shall be reported to EPA annually as part of the Annual Report to the Director. Any time a new source of injected fluid is added, a fluid analysis shall be made of the new source.

Instantaneous injection pressure, injection flow rate, cumulative fluid volume and TCA pressures must be observed on a weekly basis. A recording, at least once every thirty (30) days, must be made of the injection pressure, annulus pressure, monthly injection flow rate and cumulative fluid volume. This information is required to be reported annually as part of the Annual Report to the

Director.

## **PART VII. Plugging and Abandonment Requirements (40 CFR 146.10)**

### **Plugging and Abandonment Plan**

Prior to abandonment, the well shall be plugged in a manner that isolates the injection zone and prevents movement of fluid into or between USDWs, and in accordance with any applicable Federal, State or local law or regulation. Tubing, packer and other downhole apparatus shall be removed. Cement with additives such as accelerators and retarders that control or enhance cement properties may be used for plugs; however, volume-extending additives and gel cements are not approved for plug use. Plug placement shall be verified by tagging. Plugging gel of at least 9.6 lb/gal shall be placed between all plugs. A minimum 50 ft surface plug shall be set inside and outside of the surface casing to seal pathways for fluid migration into the subsurface. Within sixty (60) days after plugging the owner or operator shall submit Plugging Record (EPA Form 7520 13) to the Director. The Plugging Record must be certified as accurate and complete by the person responsible for the plugging operation. The plugging and abandonment plan is described in Appendix E of the Permit.

The well shall be plugged in a manner that isolates the injection zone and prevents movement of fluid into or between USDWs and in accordance with other applicable Federal, State or local law or regulation. Tubing, packers, and any downhole apparatus shall be removed. Class A, C, G, and H cements, with additives such as accelerators and retarders that control or enhance cement properties, may be used for plugs. However, volume extending additives and gel cements are not approved for plug use. Plug placement shall be verified by tagging. Plugging gel of at least 9.2 lb/gal shall be placed between all plugs. Within sixty (60) days after plugging, the owner or operator shall submit Plugging Record (EPA Form 7520-13) to the Director. The Plugging Record must be certified as accurate and complete by the person responsible for the plugging operation. At a minimum, the following plugs are required:

**PLUG NO. 1: Seal Injection Zone:** Set a cast iron bridge plug (CIBP) no more than fifty (50) feet above the top injection perforation. Place at least twenty (20) feet of cement plug on top of the CIBP.

**PLUG NO. 2: Seal Mahogany Shale and Trona intervals:** Squeeze a cement plug on the backside of the 5-1/2 inch casing across the Trona Zone and the Mahogany Shale approximately 3325 feet to 3500 feet (unless pre-existing backside cement precludes cement-squeezing this interval) followed by a minimum 175-foot balanced cement plug inside the 5-1/2 inch casing across the Trona Zone and the Mahogany Shale, approximately 3325 feet to 3500 feet.

**PLUG NO. 3: Seal USDWs:** Squeeze a cement plug (1875 feet - 1975 feet) on the backside of the 5-1/2 inch casing across the base of the Uinta formation (unless pre-existing backside cement precludes cement-squeezing this interval), followed by a minimum 100-foot balanced cement plug inside the 5-1/2 inch casing across the base of the Uinta Formation, approximately 1875 feet to 1975 feet.

**PLUG NO.4: Seal Surface:** Set a Class "G" cement plug within the 5-1/2 inch casing to 383 feet and up the 5-1/2 inch by 8-5/8 inch casings annulus to the surface.

## **PART VIII. Financial Responsibility (40 CFR 144.52)**

### **Demonstration of Financial Responsibility**

The permittee is required to maintain financial responsibility and resources to close, plug, and abandon the underground injection operation in a manner prescribed by the Director. The permittee shall show evidence of such financial responsibility to the Director by the submission of a surety bond, or other adequate assurance such as financial statements or other materials acceptable to the Director. The Regional Administrator may, on a periodic basis, require the holder of a lifetime permit to submit a revised estimate of the resources needed to plug and abandon the well to reflect inflation of such costs, and a revised demonstration of financial responsibility if necessary. Initially, the operator has chosen to demonstrate financial responsibility with:

Financial Statement that was reviewed and approved by the EPA March 31, 2008.

Financial Statement, received April 22, 2005

Evidence of continuing financial responsibility is required to be submitted to the Director annually.

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

5. LEASE DESIGNATION AND SERIAL NUMBER:  
USA UTU-77235

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:  
FENCELINE UNIT

8. WELL NAME and NUMBER:  
FENCELINE 5-19-8-17

9. API NUMBER:  
430132372

10. FIELD AND POOL, OR WILDCAT:  
MONUMENT BUTTE

**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.

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: 1980 FNL 660 FWL COUNTY: DUCHESNE  
OTR/TR. SECTION. TOWNSHIP. RANGE. MERIDIAN: SWNW, 19, T8S, R17E STATE: UT

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

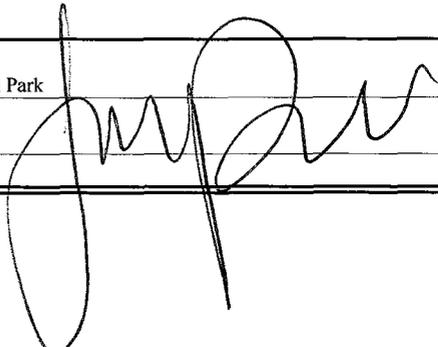
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate)  Approximate date work will _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of Work Completion:  07/01/2009	<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 checked="" 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 has been converted from a producing oil well to an injection well on 06/25/09. One new interval was added, the D2 sds 5366'-5372' 4 JSPF, 20 shots. On 04/01/09 Steven Pratt with the EPA was contacted concerning the initial MIT on the above listed well. Permission was given at that time to perform the test on 04/08/09. On 06/30/09 the casing was pressured up to 1180 psig and charted for 30 minutes with no pressure loss. The well was not injecting during the test. The tubing pressure was 120 psig during the test. There was not an EPA representative available to witness the test. EPA# UT21227-07630 API# 43-013-32372

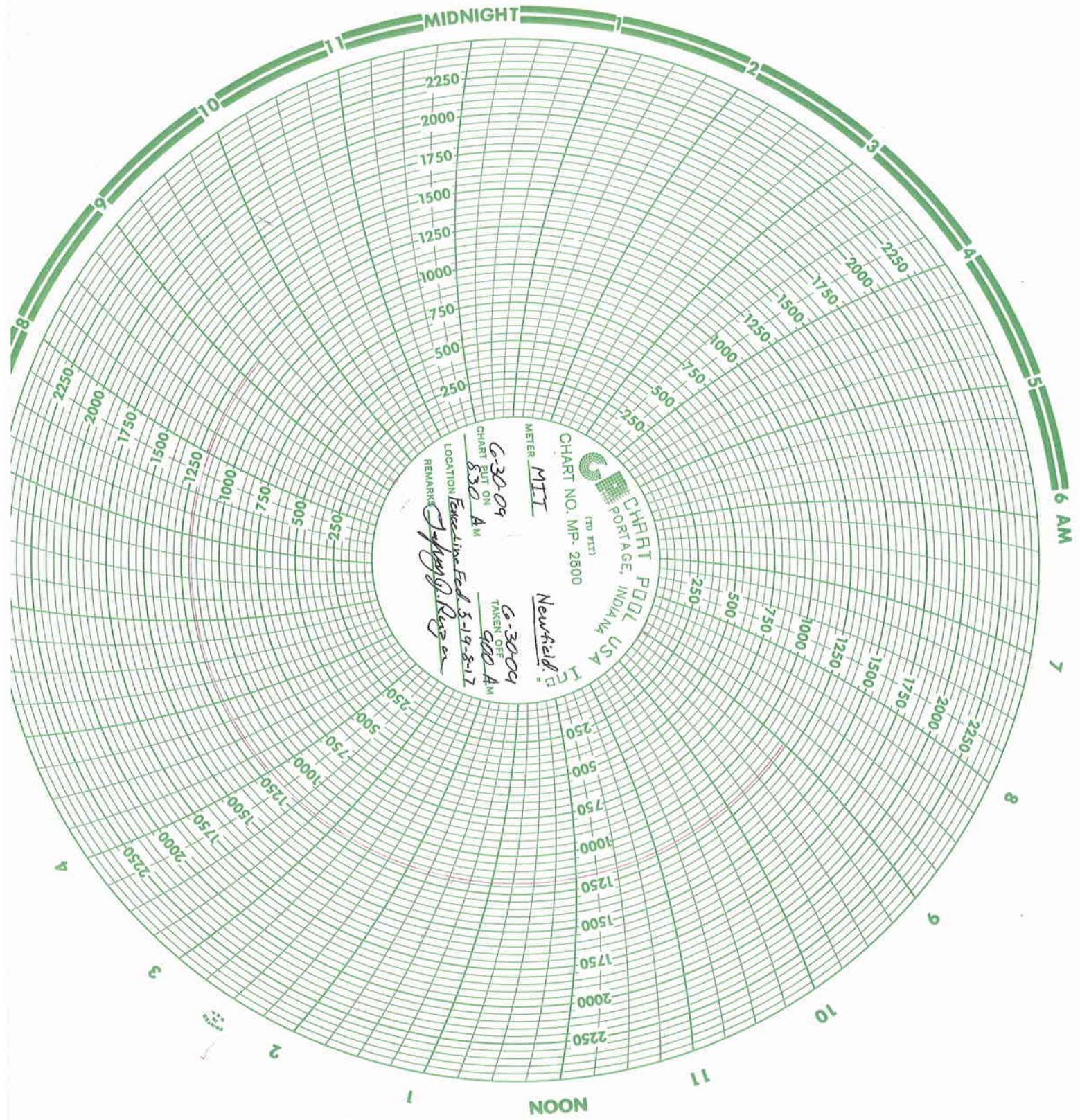
**Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY**

NAME (PLEASE PRINT) Jentri Park TITLE Production Tech

SIGNATURE  DATE 07/01/2009

(This space for State use only)

**RECEIVED  
JUL 06 2009  
DIV. OF OIL, GAS & MINING**



METER MTI  
 CHART NO. MP-2500  
 (70 FT)  
 CHART POOL USA  
 PORTAGE, INDIANA  
 NEWFIELD, IN  
 G-30-09  
 CHART SET ON 8:30 A.M.  
 G-30-09  
 TAKEN OFF 5:00 A.M.  
 LOCATION Interline Fed. 5-19-8-12  
 REMARK Deposited. Ring in

# Mechanical Integrity Test

## Casing or Annulus Pressure Mechanical Integrity Test

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

EPA Witness: \_\_\_\_\_ Date: 6/30/09

Test conducted by: Trefley J. Ruzar

Others present: \_\_\_\_\_

Well Name: <u>Fence Line Fed. 5-19-8-17</u>	Type: ER SWD	Status: AC TA UC
Field: <u>MONUMENT BUTTE</u>		
Location: <u>SU/NW</u> Sec: <u>19 T 8 N (S) R 17 (E) W</u> County: <u>Duchesne</u> State: <u>UT</u>		
Operator: <u>Newfield</u>		
Last MIT: <u>  /  /  </u>		Maximum Allowable Pressure: _____ 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:   2   bpd

Pre-test casing/tubing annulus pressure:   2   psig

MIT DATA TABLE	Test #1	Test #2	Test #3
<b>TUBING PRESSURE</b>			
Initial Pressure	<u>120</u> psig	psig	psig
End of test pressure	<u>120</u> psig	psig	psig
<b>CASING / TUBING ANNULUS PRESSURE</b>			
0 minutes	<u>1180</u> psig	psig	psig
5 minutes	<u>1180</u> psig	psig	psig
10 minutes	<u>1180</u> psig	psig	psig
15 minutes	<u>1180</u> psig	psig	psig
20 minutes	<u>1180</u> psig	psig	psig
25 minutes	<u>1180</u> psig	psig	psig
30 minutes	<u>1180</u> psig	psig	psig
_____ minutes	<u>  —  </u> psig	psig	psig
_____ minutes	<u>  —  </u> psig	psig	psig
<b>RESULT</b>	<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

## 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: \_\_\_\_\_



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8

1595 Wynkoop Street  
DENVER, CO 80202-1129  
Phone 800-227-8917  
<http://www.epa.gov/region08>

JUL 20 2009

Ref: 8P-W-GW

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

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

Mr. Michael Guinn  
District Manager  
Newfield Production Company  
Route 3 - Box 3630  
Myton, UT 84052

RE: Authority to Commence Injection  
EPA UIC Permit UT21227-07630  
Fence Line Federal No. 5-19-8-17  
Duchesne County, Utah  
API #: 43-013-32372

Dear Mr. Guinn:

85 17E 19

Newfield Production Company (Newfield) has satisfactorily completed Environmental Protection Agency (EPA) Prior to Commencing Injection requirements for Final Permit, UT21227-07630, effective November 20, 2008. The Part I (Internal) Mechanical Integrity Test (MIT), Well Rework Record (EPA Form No. 7520-12), schematic diagram, and pore pressure, were reviewed and approved by EPA on July 13, 2009.

As of the date of this letter, Newfield is authorized to commence injection into Fence Line Federal No. 5-19-8-17 at a maximum allowable injection pressure (MAIP) of 1,410 psig. Until such time as the Permittee demonstrates through a Step Rate Test (SRT) that the Fracture Gradient (FG) is other than 0.735 psi/ft, Fence Line Federal No. 5-19-8-17 shall be operated at a MAIP no greater than 1,410 psig.

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JUL 27 2009

DIV. OF OIL, GAS & MINING

As of this approval, responsibility for permit compliance and enforcement is transferred to Region 8 UIC Technical Enforcement Program office. Therefore, please direct all monitoring and compliance correspondence to the following address, referencing your well name and UIC Permit number on all correspondence regarding this well to:

Mr. Nathan Wiser  
Technical Enforcement Program - UIC  
U.S. EPA Region 8: Mail Code 8ENF-UFO  
1595 Wynkoop Street  
Denver, CO 80202-1129

Or, you may reach Mr. Wiser by telephone at 303-312-6211, or 1 800-227-8927, ext. 312-6211.

Please remember that it is your responsibility to be aware of and to comply with all conditions of injection well Permit UT21227-07630.

If you have questions regarding the above action, please call Emmett Schmitz at 303-312-6174 or 1-800-227-8917, ext. 312-6174.

Sincerely,



Steven Pratt, P.E., CAPM (Inactive)  
Director  
Ground Water Program

cc: Uintah & Ouray Business Committee, Ute Indian Tribe  
Curtis Cesspooch, Chairman  
Irene Cuch, Vice-Chairwoman  
Frances Poowegup, Councilwoman  
Ronald Groves, Councilman  
Phillip Chimburas, Councilman  
Steven Cesspooch, Councilman

Daniel Picard, Superintendent  
Uintah & Ouray Indian Agency  
U.S. Bureau of Indian Affairs

Eric Sundberg  
Newfield Production Company  
Denver, CO

Larry Love  
Director  
Energy & Minerals Dept.  
Ute Indian Tribe

Ferron Secakuku  
Director  
Natural Resources  
Ute Indian Tribe

Gilbert Hunt  
Associate Director  
State of Utah – Division of Oil, Gas & Mining

Fluid Minerals Engineering Dept.  
U.S. Bureau of Land Management  
Vernal, Utah

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

**SUBMIT IN TRIPLICATE - Other Instructions on page 2**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
NEWFIELD PRODUCTION COMPANY

3a. Address Route 3 Box 3630  
Myton, UT 84052

3b. Phone (include are code)  
435.646.3721

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1980 FNL 660 FWL  
SWNW Section 19 T8S R17E

5. Lease Serial No.  
USA UTU-77235

6. If Indian, Allottee or Tribe Name.

7. If Unit or CA/Agreement, Name and/or  
FENCELINE UNIT

8. Well Name and No.  
FENCELINE 5-19-8-17

9. API Well No.  
4301332372

10. Field and Pool, or Exploratory Area  
MONUMENT BUTTE

11. County or Parish, State  
DUCHESNE, UT

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment	<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	Change status 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 to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The above reference well was put on injection at 10:30PM on 8-3-09.

*UT 21127-07630*

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

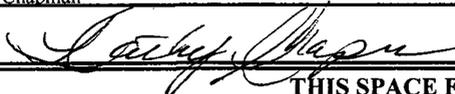
RECEIVED  
AUG 06 2009

DIV. OF OIL, GAS & MINING

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

Kathy Chapman

Signature



Title

Office Manager

Date

08/04/2009

**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 page 2)

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

5. LEASE DESIGNATION AND SERIAL NUMBER:  
USA UTU-77235

**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:  
FENCELINE UNIT

1. TYPE OF WELL: OIL WELL  GAS WELL  OTHER

8. WELL NAME and NUMBER:  
FENCELINE 5-19-8-17

2. NAME OF OPERATOR:  
NEWFIELD PRODUCTION COMPANY

9. API NUMBER:  
4301332372

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: 1980 FNL 660 FWL

COUNTY: DUCHESNE

OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: SWNW, 19, T8S, R17E

STATE: UT

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate)  Approximate date work will <u>08/03/2009</u>	<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"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of Work Completion: _____	<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: - Change status put well on injection
	<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 above reference well was put on injection at 10:30PM on 8-3-09.

UT 21127-07430

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

**RECEIVED  
AUG 06 2009  
DIV. OF OIL, GAS & MINING**

NAME (PLEASE PRINT) Kathy Chapman

TITLE Office Manager

SIGNATURE *Kathy Chapman*

DATE 08/04/2009

(This space for State use only)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**SUNDRY NOTICES AND REPORTS ON WELL**  
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 page 2**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. USA UTU-77235
2. Name of Operator NEWFIELD PRODUCTION COMPANY		6. If Indian, Allottee or Tribe Name.
3a. Address    Route 3 Box 3630 Myton, UT 84052	3b. Phone    (include are code) 435.646.3721	7. If Unit or CA/Agreement, Name and/or GMBU CTB7
4. Location of Well    (Footage, Sec., T., R., M., or Survey Description) 1980 FNL 660 FWL SWNW Section 19 T8S R17E		8. Well Name and No. FENCELINE 5-19-8-17
		9. API Well No. 4301332372
		10. Field and Pool, or Exploratory Area MONUMENT BUTTE
		11. County or Parish, State DUCHESNE, UT

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE 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	<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	Step Rate Test _____
	<input 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 to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

A step rate test was conducted on the subject well on December 4, 2009. Results from the test indicate that the fracture gradient is .749 psi/ft. Therefore, Newfield is requesting that the maximum allowable injection pressure (MAIP) be changed to 1475 psi.

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

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**DEC 14 2009**  
DIV. OF OIL, GAS & MINING

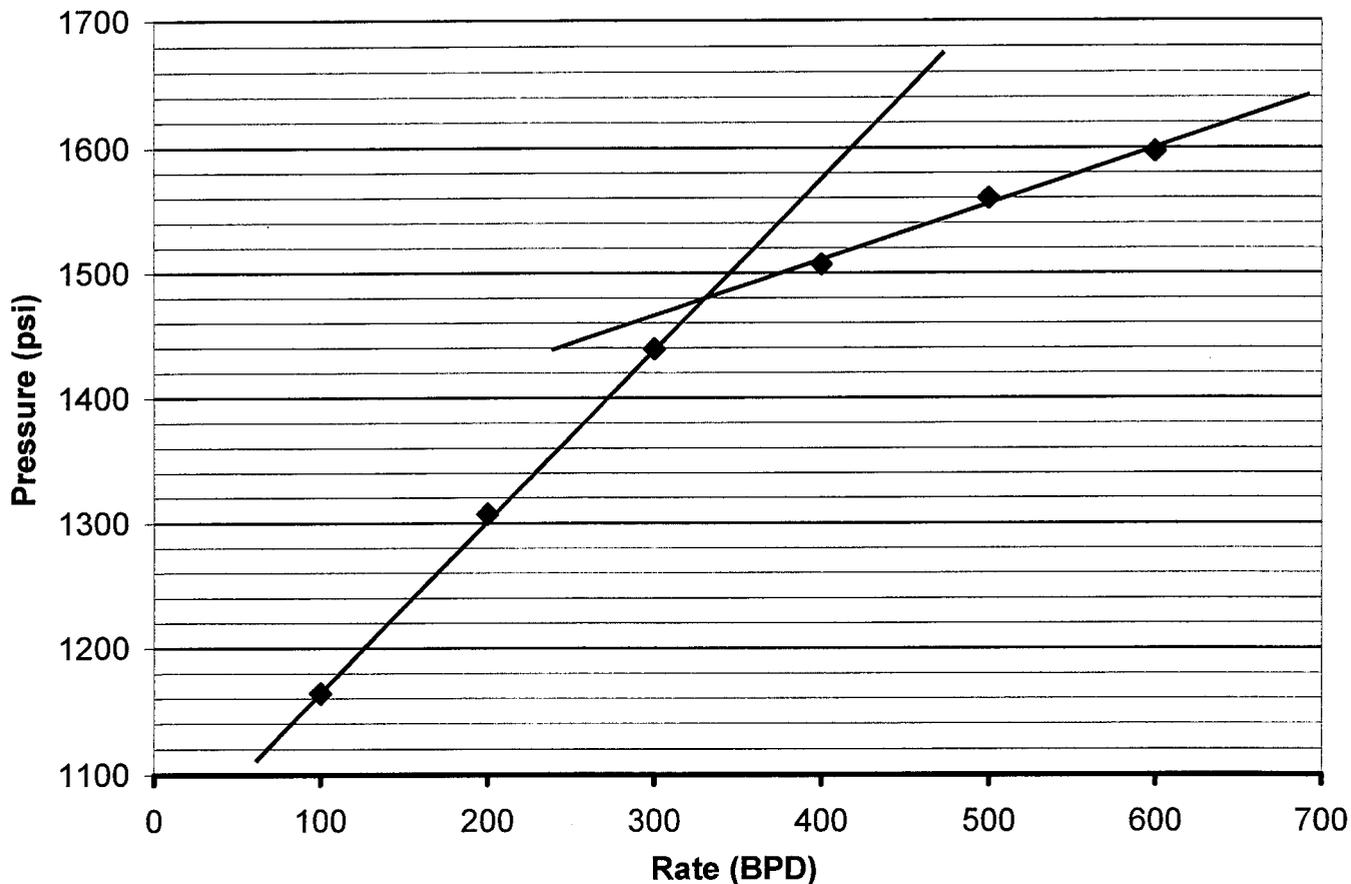
I hereby certify that the foregoing is true and correct <i>Printed/ Typed</i> Chevenne Bateman	Title Well Analyst Foreman
Signature 	Date 12/09/2009

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

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

**Fence Line Federal 5-19-8-17**  
**Fence line Unit**  
**Step Rate Test**  
**December 4, 2009**



**Start Pressure:** 1037 psi  
**Instantaneous Shut In Pressure (ISIP):** 1518 psi  
**Top Perforation:** 4776 feet  
**Fracture pressure (Pfp):** 1480 psi  
**FG:** 0.749 psi/ft

<u>Step</u>	<u>Rate(bpd)</u>	<u>Pressure(psi)</u>
1	100	1164
2	200	1307
3	300	1439
4	400	1507
5	500	1560
6	600	1597

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**DEC 14 2009**  
 DIV. OF OIL, GAS & MINING

PSIA

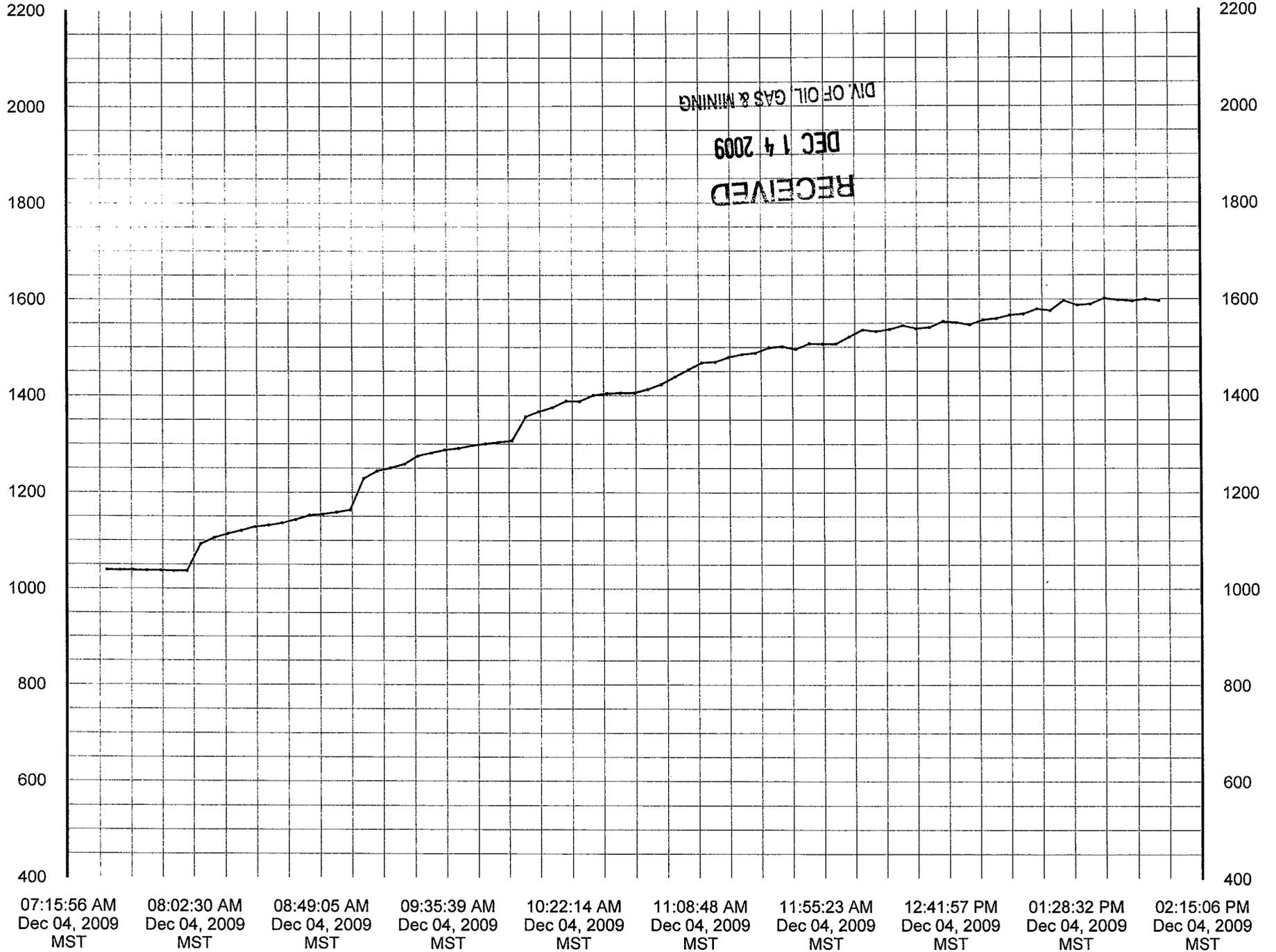
Absolute Pressure



Fenceline Federal 5-19-8-17 SRT  
(12-4-09)

Device - PrTemp1000  
Serial Number - M75866  
Device ID - PrTemp

PSIA



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DEC 14 2009  
DIV. OF OIL, GAS & MINING

Report Name:

PrTemp1000 Data Table

Report Date:

Dec 09, 2009 11:14:04 AM MST

File Name:

S:\Welin\PTC@ Instruments 2.00\Fenceline Federal 5-19-8-17 SRT (12-4-09).csv

Title:

Fenceline Federal 5-19-8-17 SRT (12-4-09)

Device:

PrTemp1000 - Temperature and Pressure Recorder

Hardware Revision:

REV2C (64K)

Serial Number:

M75866

Device ID:

PrTemp

Data Start Date:

Dec 04, 2009 07:30:01 AM MST

Data End Date:

Dec 04, 2009 02:00:00 PM MST

Reading Rate:

2 Seconds

Readings:

1 to 79 of 79

Last Calibration Date:

May 22, 2009

Next Calibration Date:

May 22, 2010

<u>Reading</u>	<u>Date and Time (MST)</u>	<u>Absolute Pressure</u>	<u>Annotation</u>
1	Dec 04, 2009 07:30:01 AM	1039.200	PSIA
2	Dec 04, 2009 07:35:00 AM	1038.600	PSIA
3	Dec 04, 2009 07:40:01 AM	1038.600	PSIA
4	Dec 04, 2009 07:45:00 AM	1037.800	PSIA
5	Dec 04, 2009 07:50:00 AM	1037.800	PSIA
6	Dec 04, 2009 07:55:00 AM	1036.600	PSIA
7	Dec 04, 2009 08:00:01 AM	1036.800	PSIA
8	Dec 04, 2009 08:05:01 AM	1092.800	PSIA
9	Dec 04, 2009 08:10:01 AM	1105.600	PSIA
10	Dec 04, 2009 08:15:00 AM	1114.400	PSIA
11	Dec 04, 2009 08:20:00 AM	1120.600	PSIA
12	Dec 04, 2009 08:25:01 AM	1128.600	PSIA
13	Dec 04, 2009 08:30:00 AM	1131.800	PSIA
14	Dec 04, 2009 08:35:01 AM	1136.400	PSIA
15	Dec 04, 2009 08:40:00 AM	1143.400	PSIA
16	Dec 04, 2009 08:45:01 AM	1152.000	PSIA
17	Dec 04, 2009 08:50:00 AM	1154.600	PSIA
18	Dec 04, 2009 08:55:01 AM	1158.600	PSIA
19	Dec 04, 2009 09:00:00 AM	1163.600	PSIA
20	Dec 04, 2009 09:05:00 AM	1228.800	PSIA
21	Dec 04, 2009 09:10:00 AM	1244.200	PSIA
22	Dec 04, 2009 09:15:00 AM	1250.800	PSIA
23	Dec 04, 2009 09:20:01 AM	1258.400	PSIA
24	Dec 04, 2009 09:25:00 AM	1275.400	PSIA
25	Dec 04, 2009 09:30:01 AM	1281.800	PSIA
26	Dec 04, 2009 09:35:01 AM	1288.000	PSIA
27	Dec 04, 2009 09:40:00 AM	1291.200	PSIA
28	Dec 04, 2009 09:45:00 AM	1297.200	PSIA
29	Dec 04, 2009 09:49:59 AM	1300.400	PSIA
30	Dec 04, 2009 09:55:01 AM	1303.600	PSIA
31	Dec 04, 2009 09:59:59 AM	1306.800	PSIA
32	Dec 04, 2009 10:05:01 AM	1356.400	PSIA
33	Dec 04, 2009 10:10:00 AM	1367.000	PSIA
34	Dec 04, 2009 10:15:00 AM	1375.600	PSIA
35	Dec 04, 2009 10:20:00 AM	1389.000	PSIA
36	Dec 04, 2009 10:25:01 AM	1388.400	PSIA
37	Dec 04, 2009 10:30:00 AM	1400.600	PSIA
38	Dec 04, 2009 10:35:00 AM	1404.200	PSIA
39	Dec 04, 2009 10:40:01 AM	1405.600	PSIA
40	Dec 04, 2009 10:45:00 AM	1405.400	PSIA
41	Dec 04, 2009 10:50:01 AM	1413.000	PSIA
42	Dec 04, 2009 10:55:00 AM	1422.800	PSIA
43	Dec 04, 2009 11:00:00 AM	1438.600	PSIA
44	Dec 04, 2009 11:05:01 AM	1453.200	PSIA
45	Dec 04, 2009 11:10:00 AM	1467.800	PSIA
46	Dec 04, 2009 11:15:01 AM	1469.200	PSIA
47	Dec 04, 2009 11:20:00 AM	1479.400	PSIA
48	Dec 04, 2009 11:25:01 AM	1485.200	PSIA
49	Dec 04, 2009 11:29:59 AM	1488.000	PSIA
50	Dec 04, 2009 11:35:00 AM	1499.200	PSIA
51	Dec 04, 2009 11:39:59 AM	1501.400	PSIA
52	Dec 04, 2009 11:45:00 AM	1496.000	PSIA
53	Dec 04, 2009 11:50:00 AM	1507.600	PSIA
54	Dec 04, 2009 11:55:01 AM	1506.600	PSIA
55	Dec 04, 2009 12:00:01 PM	1507.000	PSIA
56	Dec 04, 2009 12:05:00 PM	1521.800	PSIA
57	Dec 04, 2009 12:10:01 PM	1536.200	PSIA
58	Dec 04, 2009 12:14:59 PM	1532.800	PSIA
59	Dec 04, 2009 12:20:02 PM	1537.400	PSIA

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DIV. OF OIL, GAS & MINING

60	Dec 04, 2009 12:24:59 PM	1545.600	PSIA
61	Dec 04, 2009 12:30:00 PM	1539.000	PSIA
62	Dec 04, 2009 12:35:01 PM	1541.600	PSIA
63	Dec 04, 2009 12:40:01 PM	1554.000	PSIA
64	Dec 04, 2009 12:45:01 PM	1551.400	PSIA
65	Dec 04, 2009 12:50:00 PM	1547.000	PSIA
66	Dec 04, 2009 12:55:01 PM	1557.000	PSIA
67	Dec 04, 2009 12:59:59 PM	1559.600	PSIA
68	Dec 04, 2009 01:05:01 PM	1567.400	PSIA
69	Dec 04, 2009 01:10:00 PM	1569.200	PSIA
70	Dec 04, 2009 01:15:01 PM	1579.600	PSIA
71	Dec 04, 2009 01:20:01 PM	1576.400	PSIA
72	Dec 04, 2009 01:25:00 PM	1597.600	PSIA
73	Dec 04, 2009 01:30:00 PM	1588.000	PSIA
74	Dec 04, 2009 01:34:59 PM	1590.000	PSIA
75	Dec 04, 2009 01:40:00 PM	1601.800	PSIA
76	Dec 04, 2009 01:44:59 PM	1598.400	PSIA
77	Dec 04, 2009 01:50:00 PM	1596.000	PSIA
78	Dec 04, 2009 01:55:00 PM	1600.000	PSIA
79	Dec 04, 2009 02:00:00 PM	1596.600	PSIA

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**DEC 14 2009**  
**DIV. OF OIL, GAS & MINING**

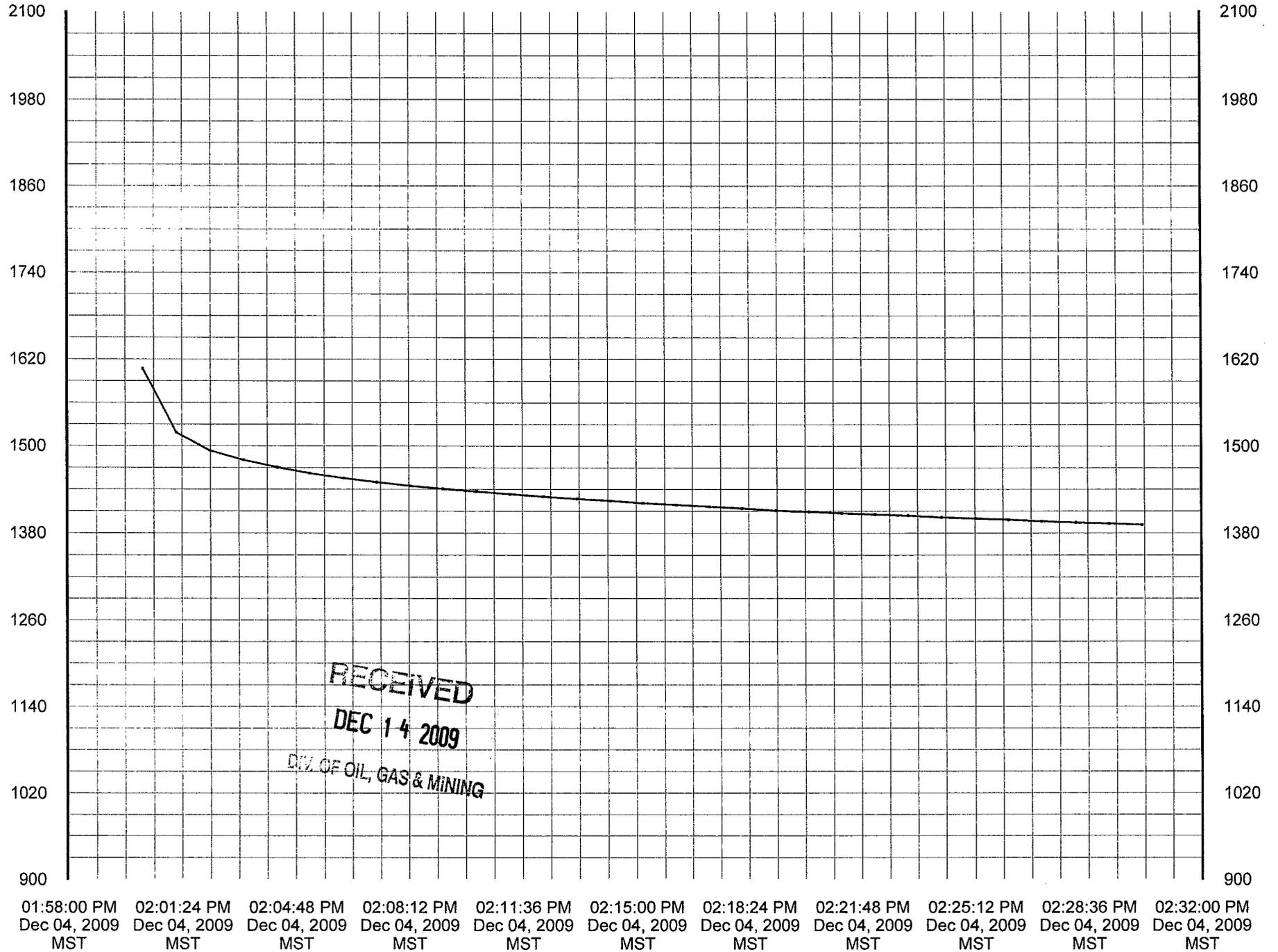
PSIA

Absolute Pressure

Fenceline Federal 5-19-8-17 ISIP  
(12-4-09)

Device - PrTemp1000  
Serial Number - M75866  
Device ID - PrTemp

PSIA



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DEC 14 2009  
DIV. OF OIL, GAS & MINING

Report Name: PrTemp1000 Data Table  
 Report Date: Dec 09, 2009 11:15:31 AM MST  
 File Name: S:\Welinfo\PTC® Instruments 2.00\Fenceline Federal 5-19-8-17 ISIP (12-4-09).csv  
 Title: Fenceline Federal 5-19-8-17 ISIP (12-4-09)  
 Device: PrTemp1000 - Temperature and Pressure Recorder  
 Hardware Revision: REV2C (64K)  
 Serial Number: M75866  
 Device ID: PrTemp  
 Data Start Date: Dec 04, 2009 02:00:14 PM MST  
 Data End Date: Dec 04, 2009 02:30:14 PM MST  
 Reading Rate: 2 Seconds  
 Readings: 1 to 31 of 31  
 Last Calibration Date: May 22, 2009  
 Next Calibration Date: May 22, 2010

<u>Reading</u>	<u>Date and Time (MST)</u>	<u>Absolute Pressure</u>	<u>Annotation</u>
1	Dec 04, 2009 02:00:14 PM	1606.800	PSIA
2	Dec 04, 2009 02:01:14 PM	1518.400	PSIA
3	Dec 04, 2009 02:02:13 PM	1493.800	PSIA
4	Dec 04, 2009 02:03:14 PM	1480.400	PSIA
5	Dec 04, 2009 02:04:14 PM	1470.400	PSIA
6	Dec 04, 2009 02:05:13 PM	1462.200	PSIA
7	Dec 04, 2009 02:06:14 PM	1455.600	PSIA
8	Dec 04, 2009 02:07:14 PM	1449.800	PSIA
9	Dec 04, 2009 02:08:14 PM	1444.600	PSIA
10	Dec 04, 2009 02:09:14 PM	1440.800	PSIA
11	Dec 04, 2009 02:10:14 PM	1437.200	PSIA
12	Dec 04, 2009 02:11:14 PM	1433.400	PSIA
13	Dec 04, 2009 02:12:14 PM	1430.200	PSIA
14	Dec 04, 2009 02:13:14 PM	1427.200	PSIA
15	Dec 04, 2009 02:14:14 PM	1424.200	PSIA
16	Dec 04, 2009 02:15:12 PM	1421.000	PSIA
17	Dec 04, 2009 02:16:13 PM	1418.600	PSIA
18	Dec 04, 2009 02:17:13 PM	1416.200	PSIA
19	Dec 04, 2009 02:18:12 PM	1413.800	PSIA
20	Dec 04, 2009 02:19:13 PM	1410.800	PSIA
21	Dec 04, 2009 02:20:13 PM	1409.200	PSIA
22	Dec 04, 2009 02:21:12 PM	1407.000	PSIA
23	Dec 04, 2009 02:22:13 PM	1405.400	PSIA
24	Dec 04, 2009 02:23:13 PM	1403.800	PSIA
25	Dec 04, 2009 02:24:13 PM	1401.400	PSIA
26	Dec 04, 2009 02:25:13 PM	1399.800	PSIA
27	Dec 04, 2009 02:26:13 PM	1398.200	PSIA
28	Dec 04, 2009 02:27:13 PM	1396.200	PSIA
29	Dec 04, 2009 02:28:14 PM	1394.400	PSIA
30	Dec 04, 2009 02:29:14 PM	1393.000	PSIA
31	Dec 04, 2009 02:30:14 PM	1391.200	PSIA

**RECEIVED**  
**DEC 14 2009**  
 DIV. OF OIL, GAS & MINING

# Fenceline Federal 5-19-8-17 Rate Sheet (12-4-09)

<i>Step # 1</i>	Time:	8:05	8:10	8:15	8:20	8:25	8:30
	Rate:	100.5	100.5	100.5	100.5	100.4	100.4
	Time:	8:35	8:40	8:45	8:50	8:55	9:00
	Rate:	100.4	100.4	100.3	100.3	100.3	100.3
<i>Step # 2</i>	Time:	9:05	9:10	9:15	9:20	9:25	9:30
	Rate:	200.5	200.4	200.4	200.4	200.3	200.3
	Time:	9:35	9:40	9:45	9:50	9:55	10:00
	Rate:	200.3	200.3	200.2	200.2	200.2	200.2
<i>Step # 3</i>	Time:	10:05	10:10	10:15	10:20	10:25	10:30
	Rate:	300.3	300.3	300.3	300.2	300.2	300.2
	Time:	10:35	10:40	10:45	10:50	10:55	11:00
	Rate:	300.2	300.1	300.1	300.1	300.1	300.1
<i>Step # 4</i>	Time:	11:05	11:10	11:15	11:20	11:25	11:30
	Rate:	400.5	400.5	400.4	400.4	400.4	400.3
	Time:	11:35	11:40	11:45	11:50	11:55	12:00
	Rate:	400.2	400.2	400.2	400.1	400	400
<i>Step # 5</i>	Time:	12:05	12:10	12:15	12:20	12:25	12:30
	Rate:	500.4	500.4	500.4	500.4	500.3	500.3
	Time:	12:35	12:40	12:45	12:50	12:55	1:00
	Rate:	500.3	500.2	500.2	500.2	500.1	500.1
<i>Step # 6</i>	Time:	1:05	1:10	1:15	1:20	1:25	1:30
	Rate:	600.5	600.5	600.4	600.4	600.3	600.3
	Time:	1:35	1:40	1:45	1:50	1:55	2:00
	Rate:	600.3	600.3	600.2	600.2	600.2	600.2
	Time:						
	Rate:						
	Time:						
	Rate:						
	Time:						
	Rate:						

**RECEIVED**

**DEC 14 2009**

DIV. OF OIL, GAS & MINING



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 8

1595 Wynkoop Street  
Denver, CO 80202-1129  
Phone 800-227-8917  
<http://www.epa.gov/region08>

**FEB 25 2010**

Ref: 8P-W-GW

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Mr. Michael Guinn  
District Manager  
Newfield Production Company  
Route 3-Box 3630  
Myton, UT 84502

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

RE: Authorization to Continue Injection  
EPA UIC Permit UT21127-07630  
Fenceline Federal No. 5-19-8-17  
Sec. 19 – T8S – R17E  
Duchesne County, Utah  
API No. 43-013-32372

Dear Mr. Guinn:

The Environmental Protection Agency (EPA) received the results of the December 8, 2009 Radioactive Tracer Survey (RTS) for the Fenceline Federal 5-19-8-17. The RTS demonstrated that the authorized injectate will be confined to the permitted Green River Formation interval.

EPA authorizes continuation of injection into Fenceline Federal No. 5-19-8-17 under the terms and conditions of EPA UIC Permit No. 21127-07630 at a maximum authorized surface injection pressure of 1,475 psig

Please be advised that pursuant to Final Permit No. UT21127-07630, Newfield Production Company (Newfield) shall run a successful RTS within five (5) years from December 8, 2009 and every five (5) years thereafter.

You may apply for a higher MAIP at a later date. Your application should be accompanied by the interpreted results of a Step-Rate Test (SRT) that measures the formation parting pressure and determines the fracture gradient. A current copy of EPA Guidelines for running and interpreting SRTs will be sent upon request. Should the SRT result in approval of a higher MAIP, a subsequent RTS is required to show that the injected fluids will remain within the authorized injection interval at the higher injection pressure.

**RECEIVED**

**MAR 03 2010**

**DIV. OF OIL, GAS & MINING**

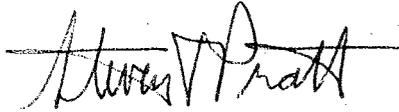
As of this approval, responsibility for Permit Compliance and Enforcement is transferred to EPA Region 8 UIC Technical Enforcement Program Office. Therefore, please direct all future notification, reporting, monitoring and compliance correspondence to the following address, referencing your well name and UIC Permit number on all correspondence regarding this well:

US EPA, Region 8  
Attn: Nathan Wiser  
MC: ENF-UFO  
1595 Wynkoop Street  
Denver, CO 80202

For questions regarding notification, testing, monitoring, reporting or other Permit requirements, Nathan Wiser of the UIC Technical Enforcement Program may be reached by calling 800-227-8917 (ext. 312-6211). Please be reminded that it is your responsibility to be aware of and to comply with all conditions of your Permit.

If you have any questions regarding this approval, please call Emmett Schmitz at 303-312-6174 or 1-800-227-8917 (ext. 312-6174).

Sincerely,



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

cc:

Uintah & Ouray Business Committee:

Curtis Cesspooch, Chairman  
Ronald Groves, Councilman  
Irene Cuch, Vice-Chairwoman  
Steven Cesspooch, Councilman  
Phillip Chimburas, Councilman  
Frances Poowegup, Councilwoman

Daniel Picard  
BIA - Uintah & Ouray Indian Agency

Ferron Secakuku  
Director, Natural Resources  
Ute Indian Tribe

Larry Love  
Director of Energy & Minerals Dept.  
Ute Indian Tribe

Gil Hunt  
Associate Director  
Utah Division of Oil, Gas, and Mining

Fluid Minerals Engineering Office  
BLM - Vernal Office

Eric Sundberg  
Regulatory Analyst  
Newfield Production Company

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-77235
		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>1. TYPE OF WELL</b> Water Injection Well		<b>7. UNIT or CA AGREEMENT NAME:</b> GMBU (GRRV)
<b>2. NAME OF OPERATOR:</b> NEWFIELD PRODUCTION COMPANY		<b>8. WELL NAME and NUMBER:</b> FENCE LINE FED 5-19-8-17
<b>3. ADDRESS OF OPERATOR:</b> Rt 3 Box 3630 , Myton, UT, 84052		<b>9. API NUMBER:</b> 43013323720000
<b>PHONE NUMBER:</b> 435 646-4825 Ext		<b>9. FIELD and POOL or WILDCAT:</b> MONUMENT BUTTE
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1980 FNL 0660 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWNW Section: 19 Township: 08.0S Range: 17.0E Meridian: S		<b>COUNTY:</b> DUCHESNE
		<b>STATE:</b> 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: 5/29/2014	<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 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 05/29/2014 the casing was pressured up to 1523 psig and charted for 30 minutes with no pressure loss. The well was not injecting during the test. The tbq pressure was 1300 psig during the test. There was not an EPA representative available to witness the test. EPA #UT22197-07630

**Accepted by the  
Utah Division of  
Oil, Gas and Mining**  
**FOR RECORD ONLY**  
June 02, 2014

<b>NAME (PLEASE PRINT)</b> Lucy Chavez-Naupoto	<b>PHONE NUMBER</b> 435 646-4874	<b>TITLE</b> Water Services Technician
<b>SIGNATURE</b> N/A	<b>DATE</b> 5/30/2014	

## Mechanical Integrity Test

### Casing or Annulus Pressure Mechanical Integrity Test

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

EPA Witness: \_\_\_\_\_ Date: 5/29/2014  
 Test conducted by: Dustin Bennett  
 Others present: \_\_\_\_\_

Well Name: <u>Fenceline 5-19-8-17</u>	Type: ER SWD	Status: AC TA UC
Field: <u>Monument Butte</u>		
Location: <u>SW/ NW</u> Sec: <u>19</u> T <u>8</u> N <u>10</u> R <u>17</u> W County: <u>Duchesne</u> State: <u>UT</u>		
Operator: <u>Newfield Exploration</u>		
Last MIT: <u>1</u>	Maximum Allowable Pressure: <u>1470</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: 1533 / 1300 psig

MIT DATA TABLE	Test #1	Test #2	Test #3
<b>TUBING PRESSURE</b>			
Initial Pressure	<u>1300</u> psig	psig	psig
End of test pressure	<u>1300</u> psig	psig	psig
<b>CASING / TUBING ANNULUS PRESSURE</b>			
0 minutes	<u>1533</u> psig	psig	psig
5 minutes	<u>1530</u> psig	psig	psig
10 minutes	<u>1528</u> psig	psig	psig
15 minutes	<u>1527</u> psig	psig	psig
20 minutes	<u>1526</u> psig	psig	psig
25 minutes	<u>1524</u> psig	psig	psig
30 minutes	<u>1523</u> psig	psig	psig
_____ minutes	psig	psig	psig
_____ minutes	psig	psig	psig
<b>RESULT</b>	<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

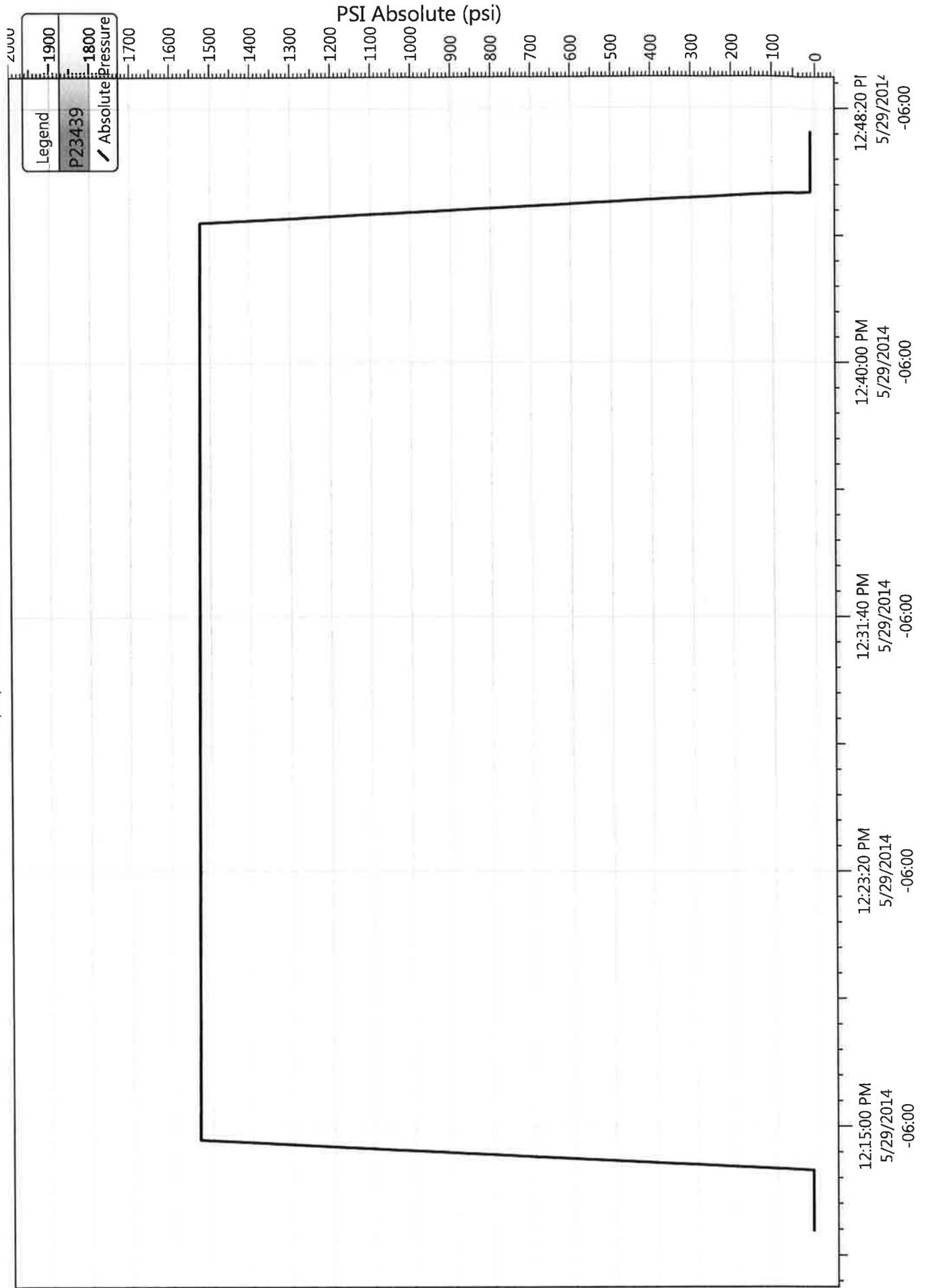
## MECHANICAL INTEGRITY PRESSURE TEST

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: \_\_\_\_\_

Fenceline 5-19-8-17 (5 yr MIT 5-29-2014)

5/29/2014 12:10:36 PM



# Fence Line Federal 5-19-8-17

Spud Date: 4/14/04  
 Put on Production: 5/14/04  
 GL: 5357' KB: 5369'

Initial Production: 28 BOPD,  
 42 MCFD, 6 BWPD

**SURFACE CASING**

CSG SIZE: 8-5/8"  
 GRADE: J-55  
 WEIGHT: 24#  
 LENGTH: 7 jts. (305.19')  
 DEPTH LANDED: 315.19' KB  
 HOLE SIZE: 12-1/4"  
 CEMENT DATA: 150 sxs Class "G" cmt, est 2.6 bbls cmt to pit.

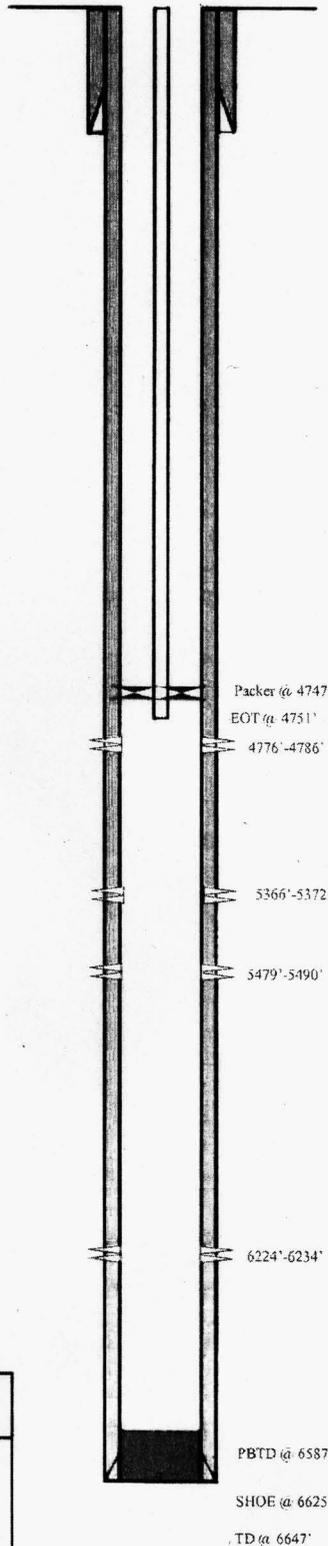
**PRODUCTION CASING**

CSG SIZE: 5-1/2"  
 GRADE: J-55  
 WEIGHT: 15.5#  
 LENGTH: 151 jts. (6627.43')  
 DEPTH LANDED: 6625.43' KB  
 HOLE SIZE: 7-7/8"  
 CEMENT DATA: 450 sxs Prem. Lite II & 450 sxs 50:50 POZ.  
 CEMENT TOP AT: surface

**TUBING**

SIZE/GRADE/WT.: 2-7/8" / J-55 / 6.5#  
 NO. OF JOINTS: 150 jts (4730.11')  
 SEATING NIPPLE: 2-7/8" (1.10')  
 SN LANDED AT: 4742.61' KB  
 CE (3.10') @ 4746.81  
 TOTAL STRING LENGTH: EOT @ 4751.21' KB

Injection Wellbore  
Diagram



**FRAC JOB**

5/11/04 6224'-6234' **Frac CP2 sands as follows:**  
 41,024# 20/40 sand in 413 bbls Lightning 17 frac fluid. Treated @ avg press of 1614 psi w/avg rate of 25 BPM. ISIP 1940 psi. Calc flush: 6222 gal. Actual flush: 6216 gal.

5/11/04 5479'-5490' **Frac C sands as follows:**  
 61,702# 20/40 sand in 491 bbls Lightning 17 frac fluid. Treated @ avg press of 1930 psi w/avg rate of 25 BPM. ISIP 2430 psi. Calc flush: 5477 gal. Actual flush: 5460 gal.

5/11/04 4776'-4786' **Frac GB4 sands as follows:**  
 29,725# 20/40 sand in 305 bbls Lightning 17 frac fluid. Treated @ avg press of 2309 psi w/avg rate of 24.3 BPM. ISIP 2193 psi. Calc flush: 4774 gal. Actual flush: 4746 gal.

06/24/09 5366'-5372' **Perforate & acidize D2 sands as follows:**  
 Fill tbg w/ 17 bbls wtr. Pump 200 gals acid, 31 bbls wtr over displac w/ 5 bbls wtr. Pump @ 2000psi @ 2.5 BPM. ISIP @ 1450psi. 5 min press @ 460 psi. IFL @ 500.

06/25/09 **Converted to Injection well.**  
 06/30/09 **MIT Completed.**

**PERFORATION RECORD**

5/6/04	6224'-6234'	4 JSPF	40 holes
5/11/04	5479'-5490'	4 JSPF	44 holes
5/11/04	4776'-6234'	4 JSPF	40 holes
06/24/09	5366'-5372'	4 JSPF	20 holes

**NEWFIELD**

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**Fence Line Federal 5-19-8-17**

1980' FNL & 660' FWL

SWNW Section 19-T8S-R17E

Duchesne County, Utah

API #43-013-32372; Lease #UTU-77235