



October 7, 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: Applications for Permit to Drill: Blackjack Federal 15-3-9-17 and 16-3-9-17.

Dear Diana:

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
Regulatory Specialist

mc
enclosures

RECEIVED
OCT 08 2003
DIV. OF OIL, GAS & MINING

001

Form 3160-3
(September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

5. Lease Serial No.
UTU-75037

6. If Indian, Allottee or Tribe Name
N/A

1a. Type of Work: DRILL REENTER

1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

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

8. Lease Name and Well No.
BlackJack Federal 15-3-9-17

2. Name of Operator
Inland Production Company

9. API Well No.
43-013-32501

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

3b. Phone No. (include area code)
(435) 646-3721

10. Field and Pool, or Exploratory
Monument Butte

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface SW/SE 762' FSL 1838' FEL 4434126Y 40.85487
At proposed prod. zone 586212X -109.98924

11. Sec., T., R., M., or Blk. and Survey or Area
SW/SE Sec. 3, T9S R17E

14. Distance in miles and direction from nearest town or post office*
Approximatley 15.4 miles southeast of Myton, Utah

12. County or Parish
Duchesne

13. State
UT

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) Approx. 762' f/lse, 558' f/unit

16. No. of Acres in lease
160.00

17. Spacing Unit dedicated to this well
40 Acres

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Approx. 1459'

19. Proposed Depth
6500'

20. BLM/BIA Bond No. on file
#4488944

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
5071' GR

22. Approximate date work will start*
1st Quarter 2004

23. Estimated duration
Approximately seven (7) days from spud to rig release.

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- 5. Operator certification.
- 6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature
Mandie Crozier
Title
Regulatory Specialist

Name (Printed/Typed)
Mandie Crozier

Date
10/7/03

Approved by (Signature)
Bradley G. Hill
Title
Office

Name (Printed/Typed)
BRADLEY G. HILL

Date
10-14-03

Office
ENVIRONMENTAL SCIENTIST III

Federal Approval of this Action is Necessary

Application approval does not warrant or certify the 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, are attached.

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

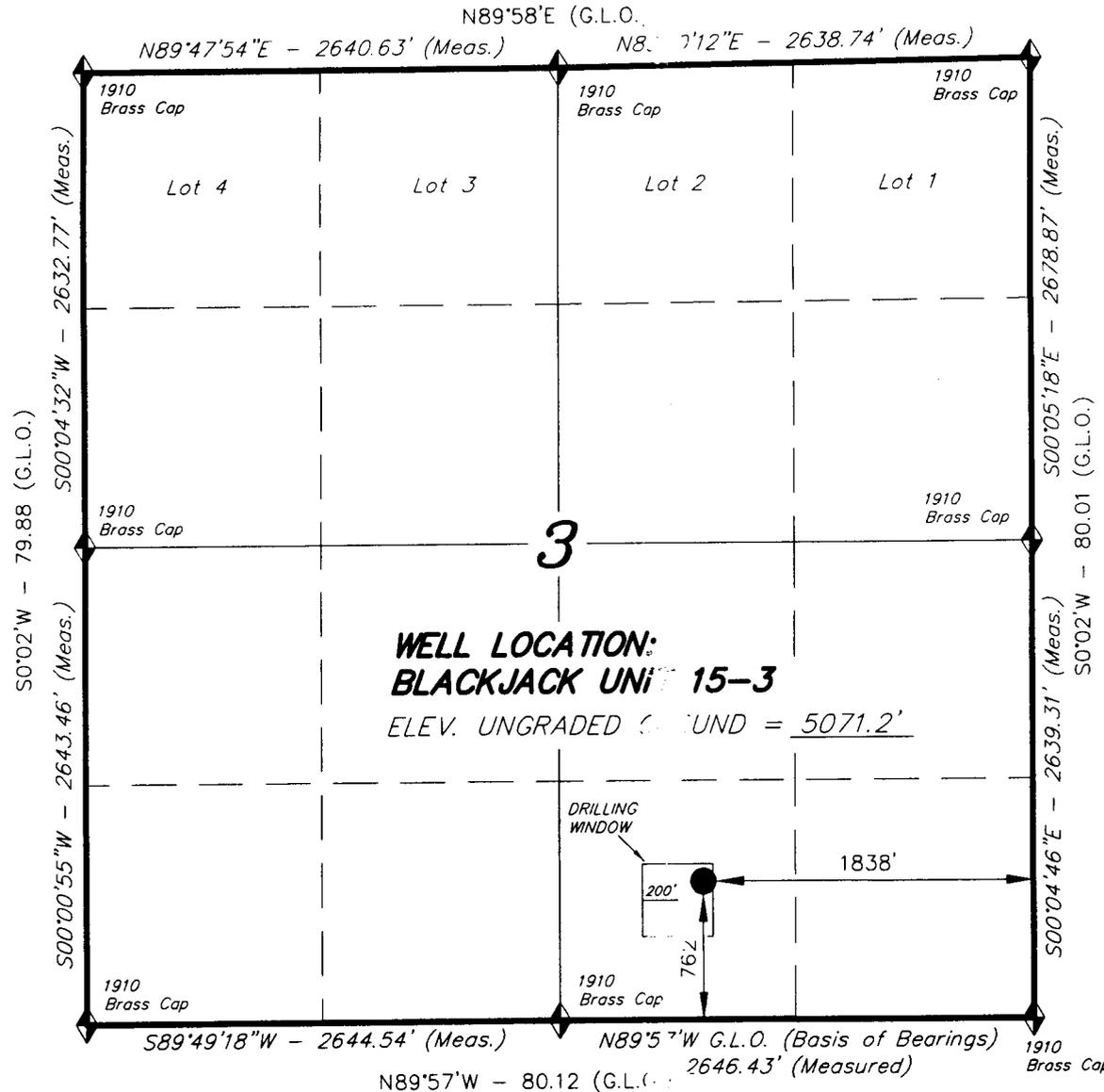
*(Instructions on reverse)

RECEIVED
OCT 08 2003
DIV. OF OIL, GAS & MINING

T9S, R17E, S.L.B.&M.

INLAND PRODUCTION COMPANY

WELL LOCATION, BLACKJACK UNIT 15-3,
 LOCATED AS SHOWN IN THE SW 1/4 SE
 1/4 OF SECTION 3, T9S, 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. No.189377

Stacy W. Stewart
 STACY W. STEWART
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 189377
 STATE OF UTAH

TRI STATE LAND SURVEYING & CONSULTING
 180 NORTH VERNAL AVE. - VERNAL, UTAH 84078
 (435) 781-2501

| | |
|-------------------|----------------------------|
| SCALE: 1" = 1000' | SURVEYED BY: K.G.S. D.J.S. |
| DATE: 8-19-03 | DRAWN BY: J.R.S. |
| NOTES: | FILE # |

◆ = SECTION CORNERS LOCATED
 BASIS OF ELEV; U.S.G.S. 7-1/2 min QUAD (PARIETTE DRAW SW)

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
 Utah State Office
 P.O. Box 45155
 Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
 3160
 (UT-922)

October 14, 2003

Memorandum

To: Assistant District Manager Minerals, Vernal District
 From: Michael Coulthard, Petroleum Engineer
 Subject: 2003 Plan of Development Blackjack Unit,
 Duchesne County, Utah.

Pursuant to email between Diana Mason, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2003 within the Blackjack Unit, Duchesne County, Utah.

| API # | WELL NAME | LOCATION |
|---------------------------|-------------------|---|
| (Proposed PZ Green River) | | |
| 43-013-32500 | Blackjack Federal | 16-03-9-17 Sec 3 T09S R17E 0545 FSL 0596 FEL |
| 43-013-32501 | Blackjack Federal | 15-03-9-17 Sec 3 T09S R17E 0762 FSL 1838 FEL |
| 43-013-32503 | Blackjack Federal | 15-10-9-17 Sec 10 T09S R17E 0575 FSL 2082 FEL |
| 43-013-32504 | Blackjack Federal | 13-10-9-17 Sec 10 T09S R17E 0300 FSL 0692 FWL |
| 43-013-32505 | Blackjack Federal | 12-10-9-17 Sec 10 T09S R17E 1999 FSL 0730 FWL |
| 43-013-32506 | Blackjack Federal | 11-10-9-17 Sec 10 T09S R17E 1813 FSL 2068 FWL |
| 43-013-32507 | Blackjack Federal | 4-10-9-17 Sec 10 T09S R17E 0398 FNL 0520 FWL |
| 43-013-32508 | Blackjack Federal | 2-10-9-17 Sec 10 T09S R17E 0660 FNL 1980 FEL |

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Blackjack Unit
 Division of Oil Gas and Mining
 Agr. Sec. Chron
 Fluid Chron

MCoulthard:mc:10-14-3

INLAND PRODUCTION COMPANY
BLACKJACK FEDERAL #15-3-9-17
SW/SE SECTION 3, T9S, 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 | 5950' |

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
BLACKJACK FEDERAL #15-3-9-17
SW/SE SECTION 3, T9S, R17E
DUCESNE 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 Blackjack Federal #15-3-9-17 located in the SW 1/4 SE 1/4 Section 3, T9S, 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 - 13.3 miles \pm to its junction with an existing road to the northeast; proceed northeasterly 0.5 miles \pm to its junction with the beginning of the proposed access road; proceed northwesterly along the proposed access road 1,875' \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

See attached Location Layout Diagram.

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

The Archaeological Resource Survey and Paleontological Resource Survey for this area are attached. Archaeological Report #1053-01, 6/26/98. Paleontological Resource Survey prepared by, Uintah Paleo, 3/19/98. See attached report cover pages, Exhibit "D".

Inland Production Company requests a 60' ROW for the Blackjack Federal #15-3-9-17 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."** For a ROW plan of development, please refer to the Monument Butte Field SOP.

Inland Production Company also requests a 60' ROW be granted for the Blackjack Federal #15-3-9-17 to allow for construction of a 3" steel water injection line and a 3" poly water return line. **Refer to Topographic Map "C."** For a ROW plan of development, please refer to the Monument Butte Field SOP.

Water Disposal

Please refer to the Monument Butte Field SOP.

Reserve Pit Liner

Please refer to the Monument Butte Field SOP.

Location and Reserve Pit Reclamation

Please refer to the Monument Butte Field SOP.

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

| | | |
|------------------|--------------------------|------------|
| Gardner saltbush | <i>Atriplex gardneri</i> | 4 lbs/acre |
| Galleta grass | <i>Hilaria jamesii</i> | 4 lbs/acre |
| Kichia americana | | 4 lbs/acre |

13. LESSEE'S OR OPERATORS REPRESENTATIVE AND CERTIFICATION

Representative

Name: Brad Mecham

Address: Route #3 Box 3630
Myton, UT 84052

Telephone: (435) 646-3721

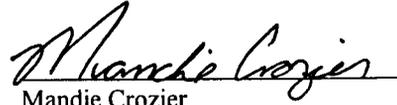
Certification

Please be advised that INLAND PRODUCTION COMPANY is considered to be the operator of well #15-3-9-17 SW/SE Section 3, Township 9S, Range 17E: Lease UTU-75037 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.

10/2/03

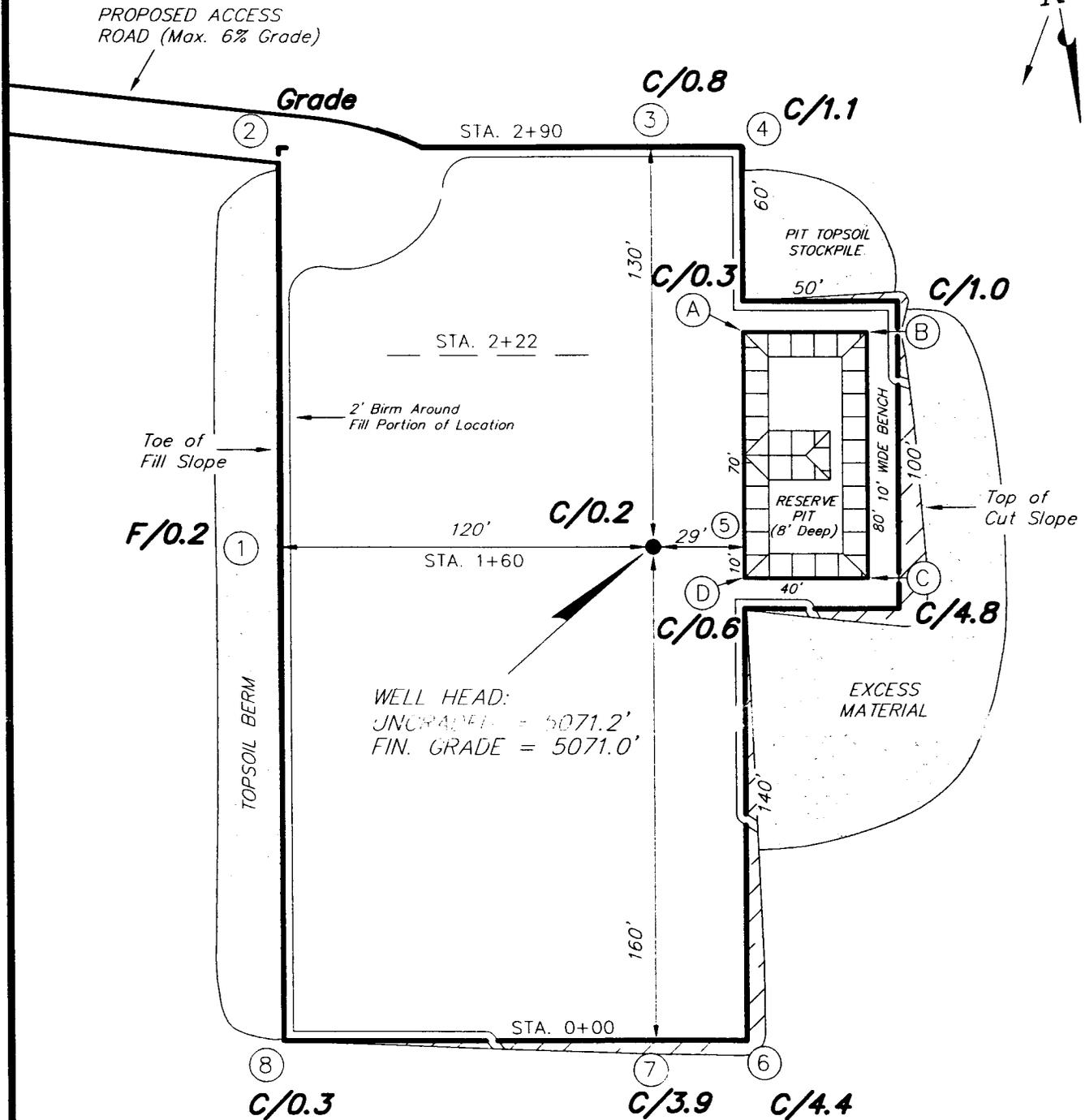
Date



Mandie Crozier
Regulatory Specialist

INLAND PRODUCTION COMPANY

BLACKJACK UNIT 15-3
Section 3, T9S, R17E, S.L.B.&M.

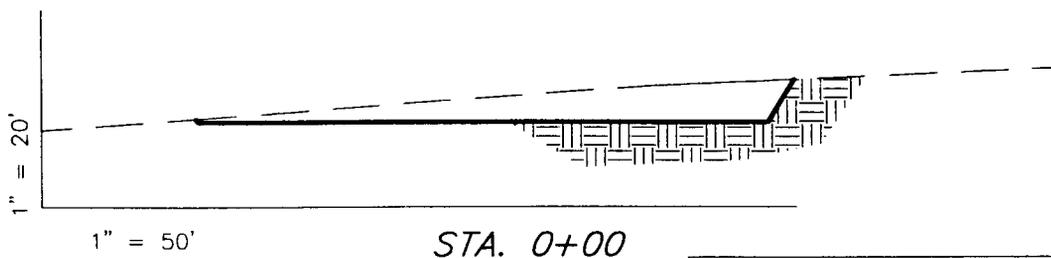
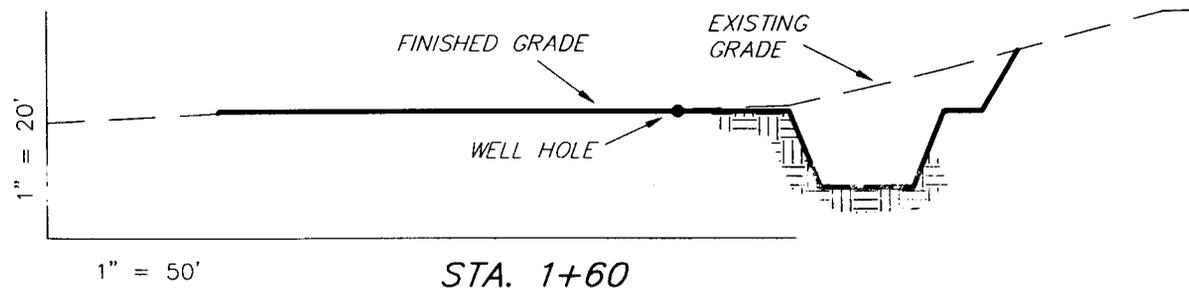
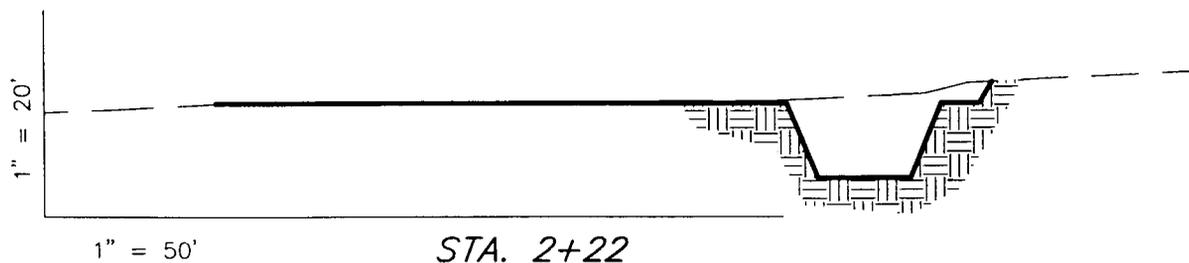


REFERENCE POINTS
210' NORTH = 5075.5'
260' NORTH = 5075.1'
170' EAST = 5069.7'
220' EAST = 5069.2'

| | |
|---------------------|-----------------|
| SURVEYED BY: D.J.S. | SCALE: 1" = 50' |
| DRAWN BY: J.R.S. | DATE: 8-19-03 |

Tri State (435) 781-2501
Land Surveying, Inc.
180 NORTH VERNAL AVE. VERNAL, UTAH 84078

INLAND PRODUCTION COMPANY
CROSS SECTIONS
BLACKJACK UNIT 15-3



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

| ESTIMATED EARTHWORK QUANTITIES | | | | |
|--------------------------------|-------|------|--|--------|
| (Expressed in Cubic Yards) | | | | |
| ITEM | CUT | FILL | 6" TOPSOIL | EXCESS |
| PAD | 1,230 | 320 | Topsoil is not included in Pad Cut | 910 |
| PIT | 640 | 0 | | 640 |
| TOTALS | 1,870 | 320 | 890 | 1,550 |

SURVEYED BY: D.J.S.

SCALE: 1" = 50'

DRAWN BY: J.R.S.

DATE: 8-19-03

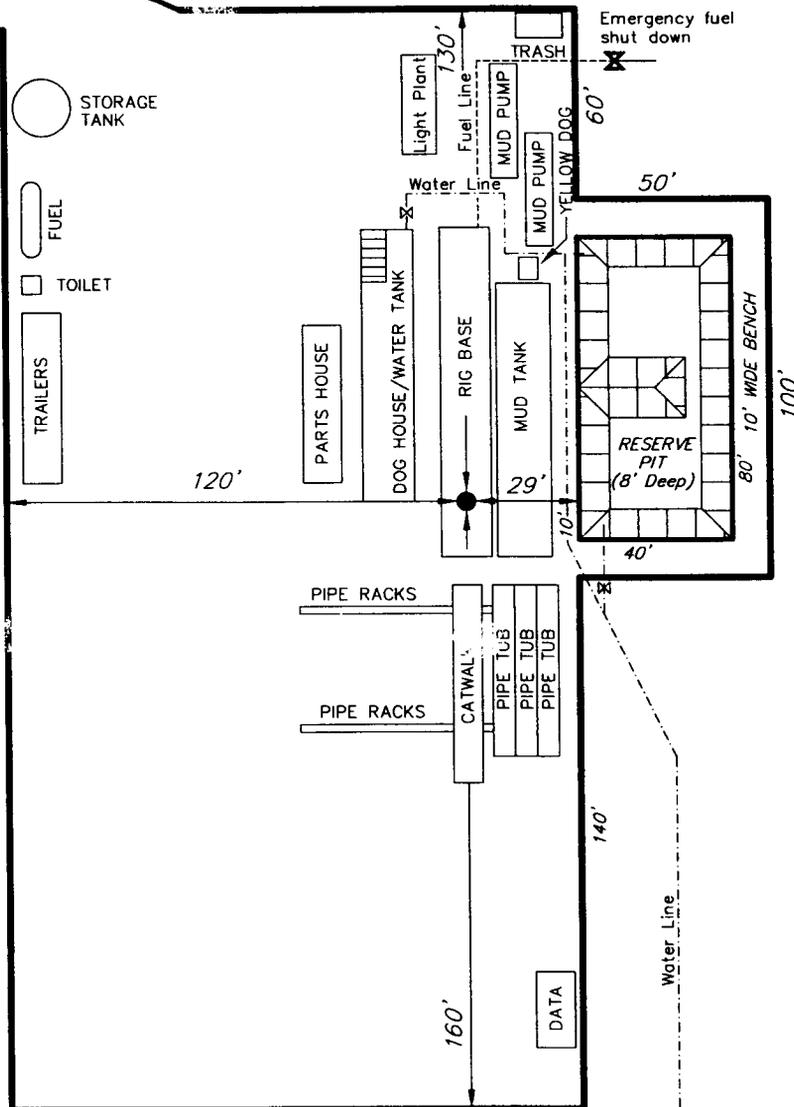
Tri State (435) 781-2501
Land Surveying, Inc.
 180 NORTH VERNAL AVE. VERNAL, UTAH 84078

INLAND PRODUCTION COMPANY

TYPICAL RIG LAYOUT

BLACKJACK UNIT 15-3

PROPOSED ACCESS ROAD (Max. 6% Grade)



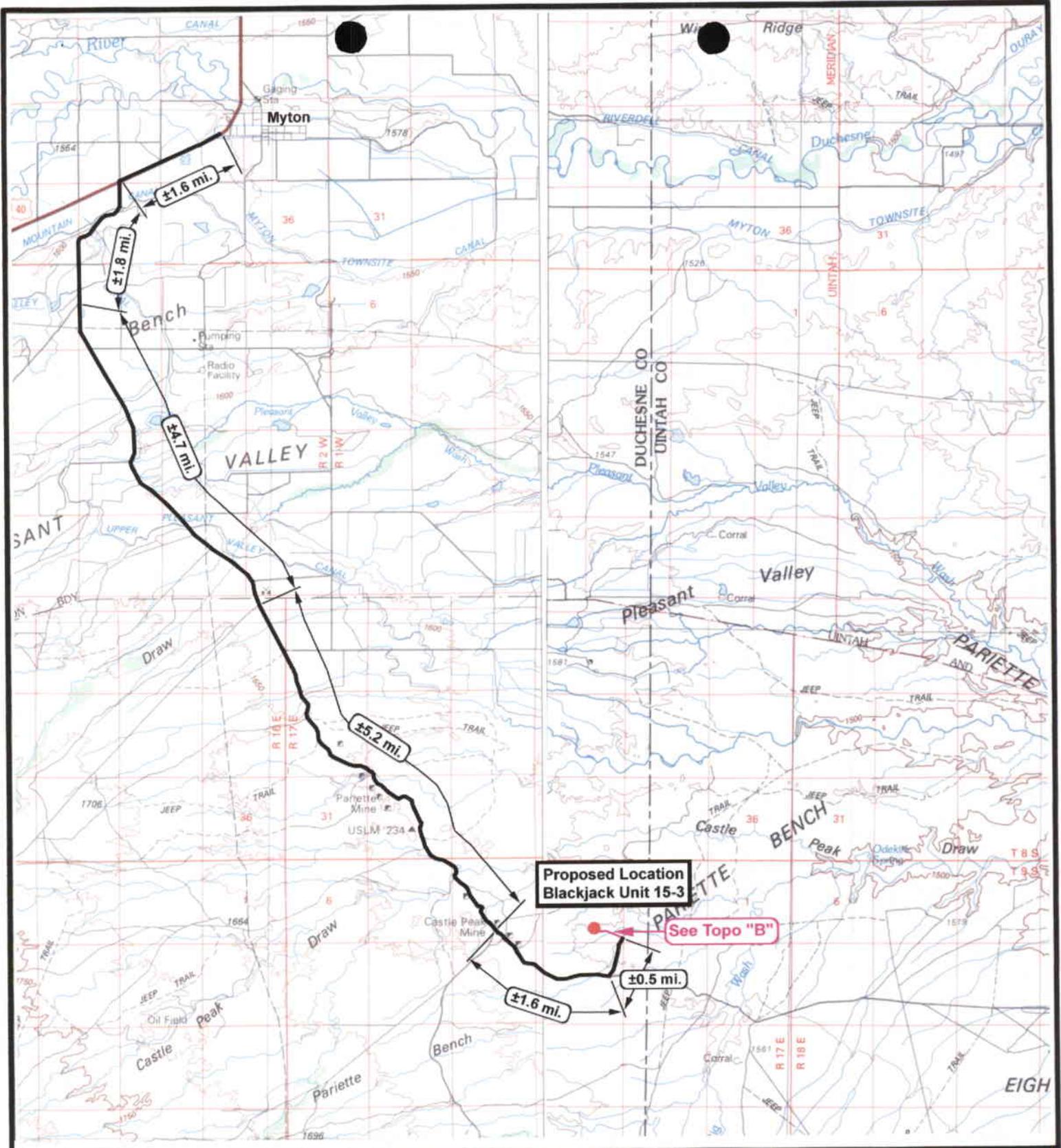
SURVEYED BY: D.J.S.

SCALE: 1" = 50'

DRAWN BY: J.R.S.

DATE: 8-19-03

Tri State (435) 781-2501
Land Surveying, Inc.
 180 NORTH VERNAL AVE. VERNAL, UTAH 84078



**Proposed Location
Blackjack Unit 15-3**

See Topo "B"



RESOURCES INC.

**Blackjack Unit 15-3
SEC. 3, T9S, R17E, S.L.B.&M.**



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

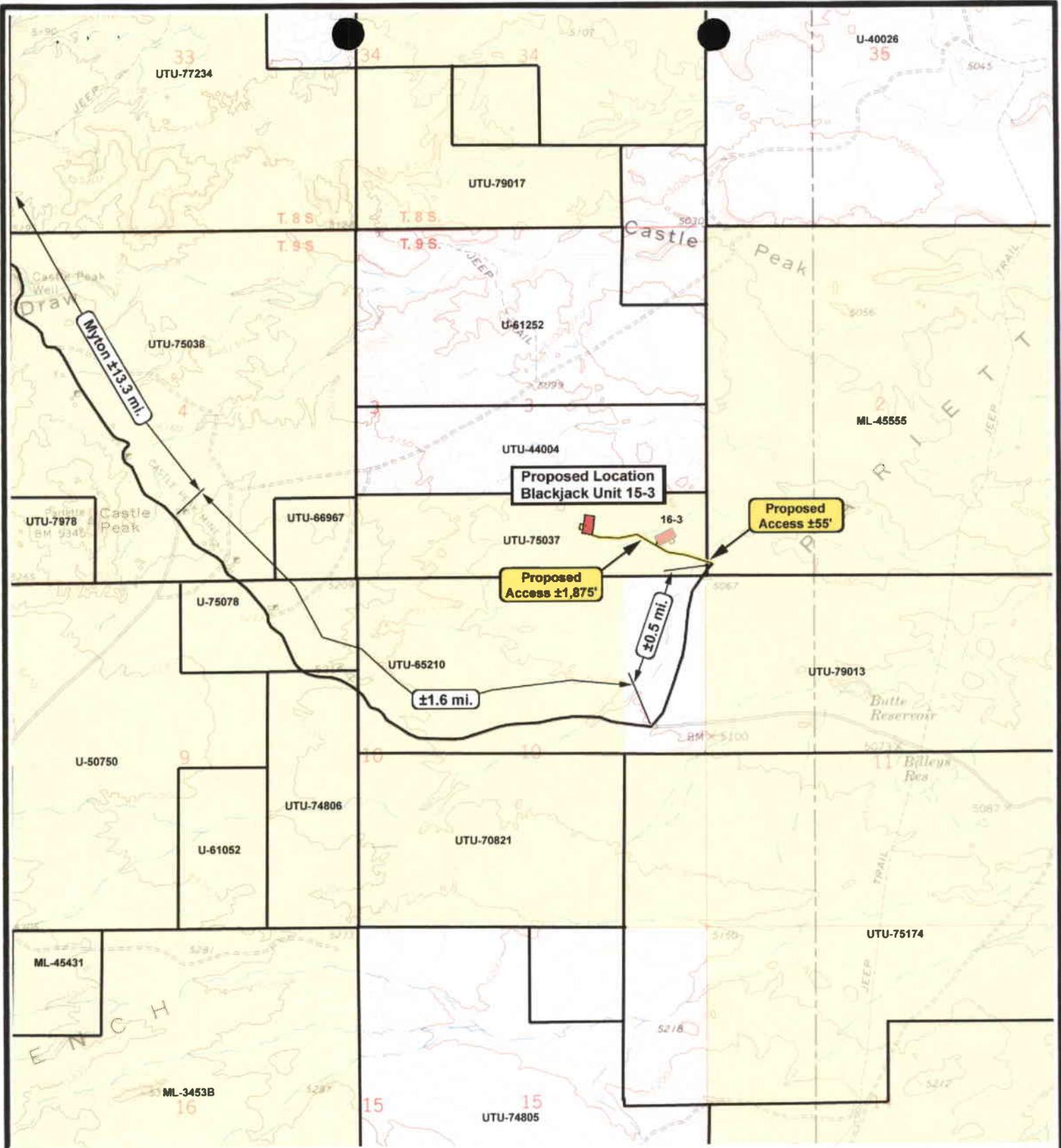
SCALE: 1 = 100,000
DRAWN BY: R.A.B.
DATE: 09-17-2003

Legend

- Existing Road
- Proposed Access

TOPOGRAPHIC MAP

"A"



**Blackjack Unit 15-3
SEC. 3, T9S, 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.

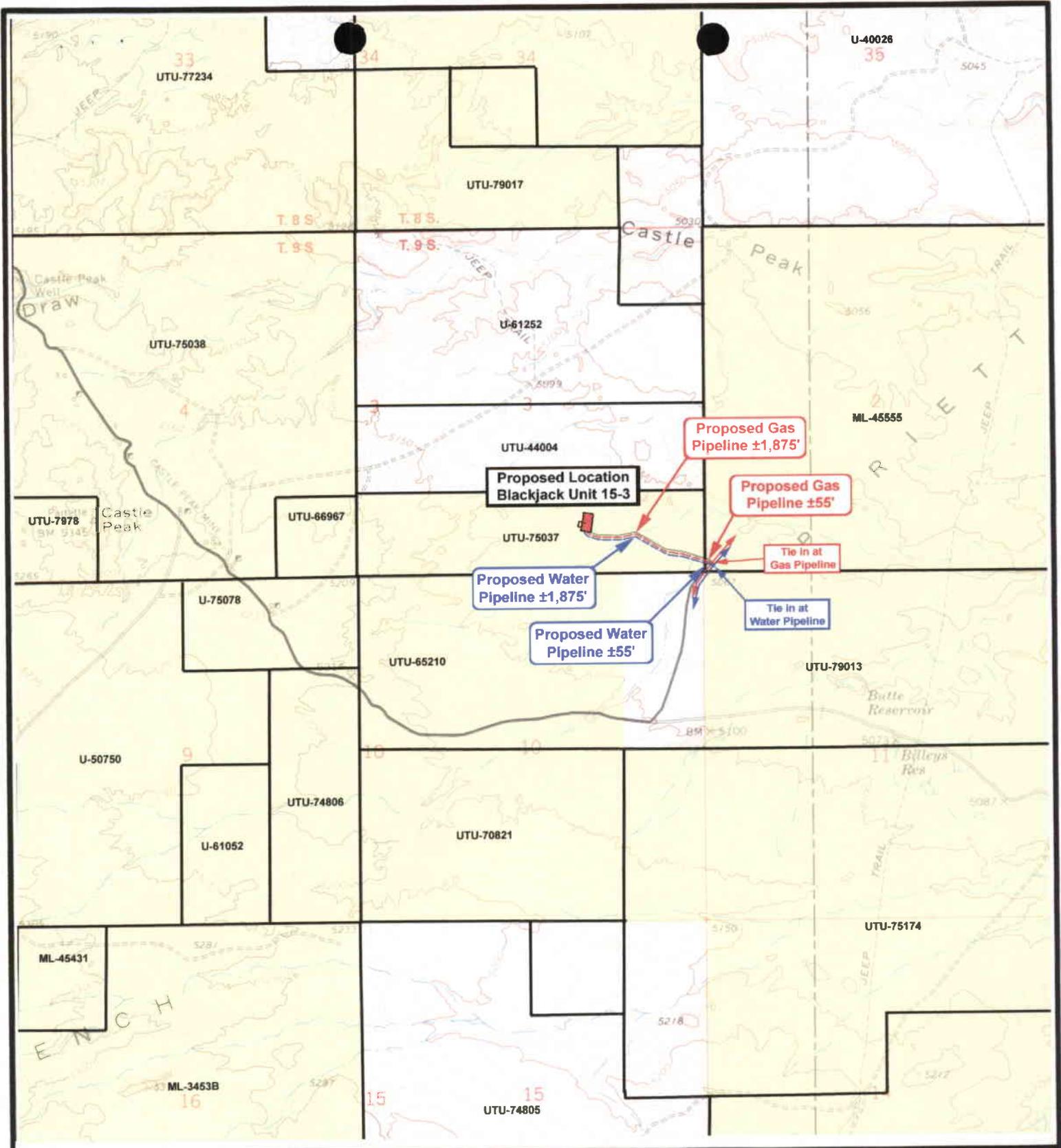
DATE: 09-17-2003

Legend

- Existing Road
- Proposed Access

TOPOGRAPHIC MAP

"B"



**Blackjack Unit 15-3
SEC. 3, T9S, R17E, S.L.B.&M.**

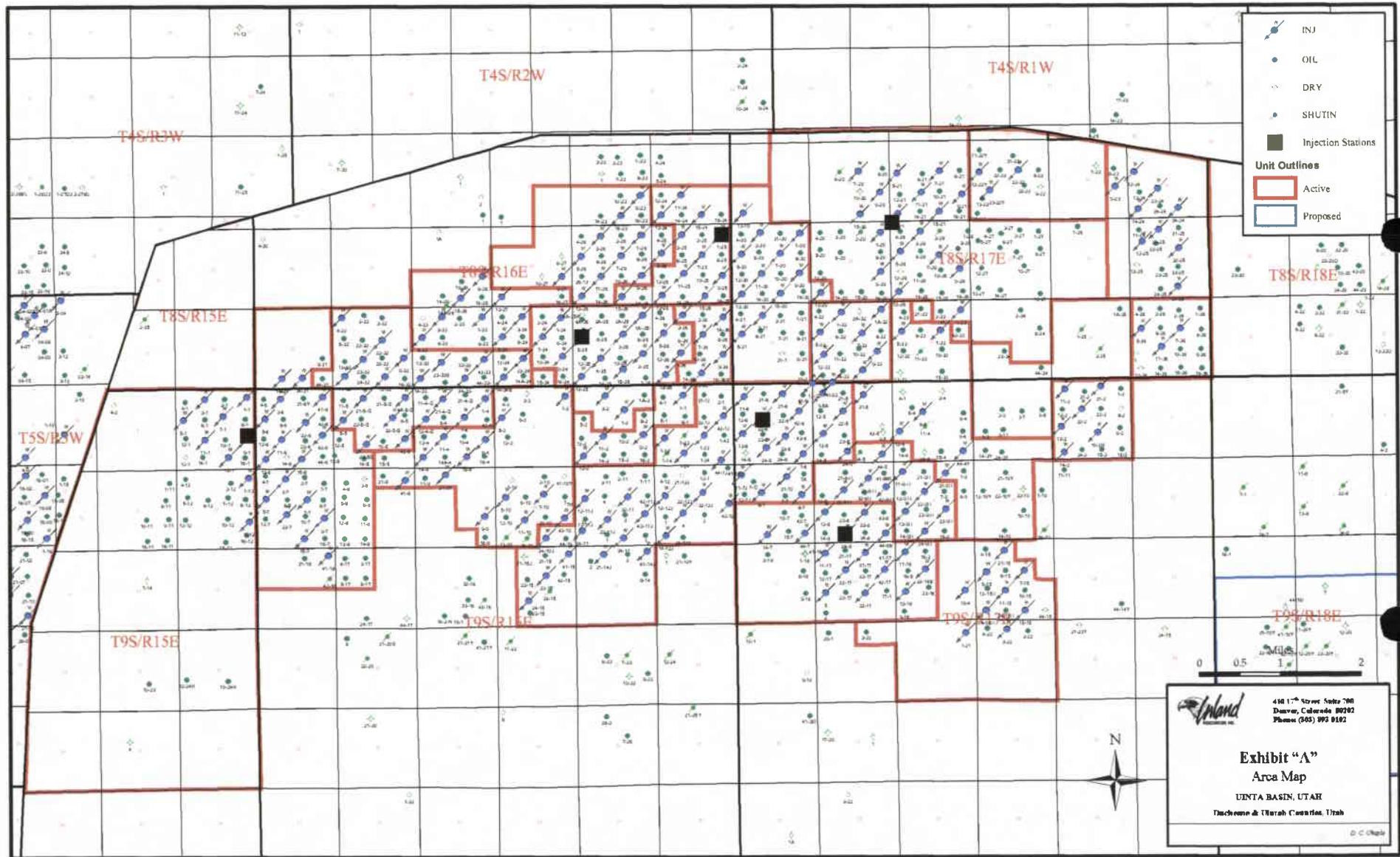


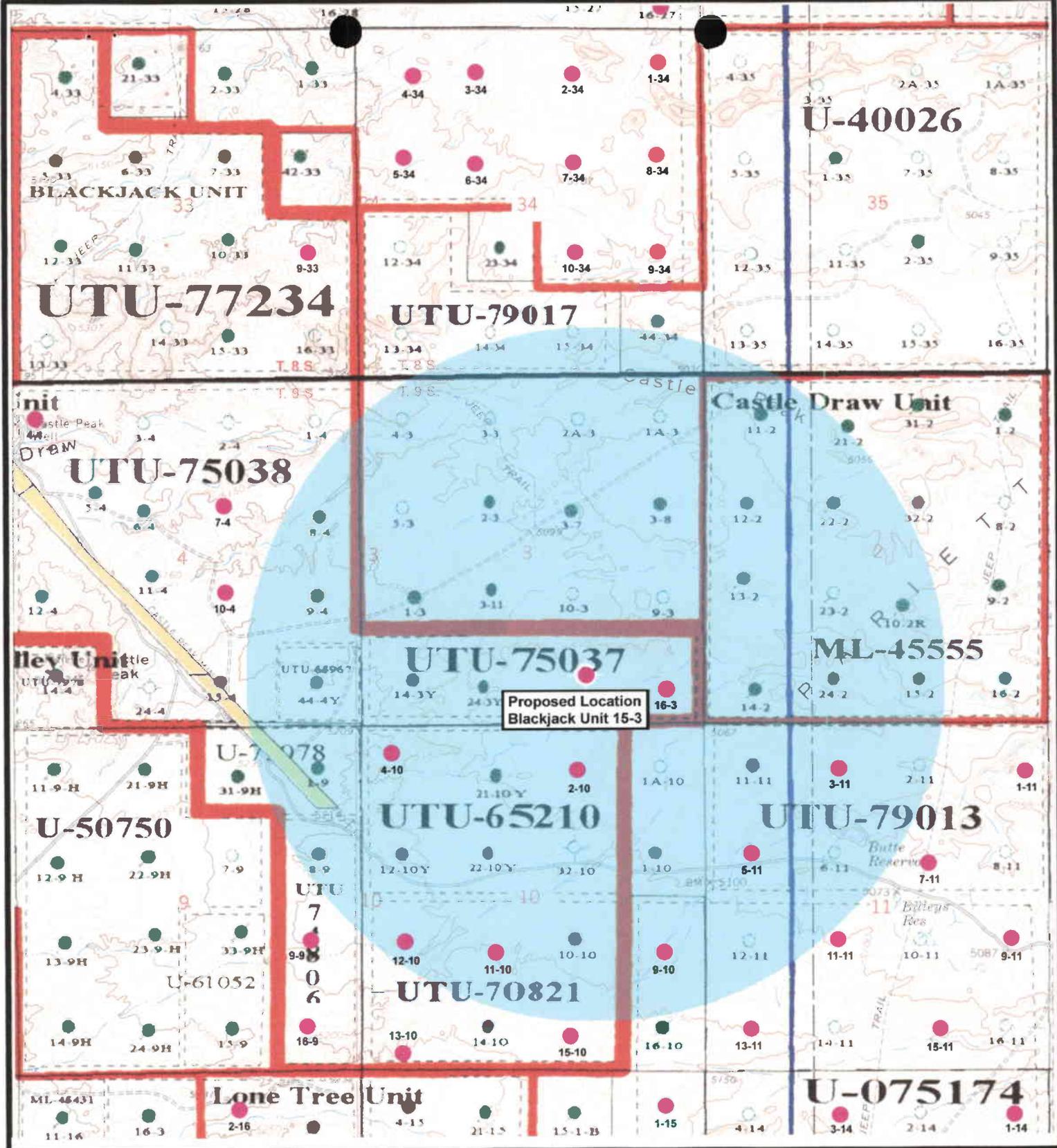
*Tri-State
Land Surveying Inc.*
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
DRAWN BY: R.A.B.
DATE: 09-17-2003

| Legend | |
|--------|---------------------|
| | Roads |
| | Existing Gas Line |
| | Proposed Gas Line |
| | Existing Water Line |
| | Proposed Water Line |

TOPOGRAPHIC MAP
"C"





Proposed Location
Blackjack Unit 15-3



Blackjack Unit 15-3
SEC. 3, T9S, 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: 09-17-2003

Legend

- Well Locations
- One-Mile Radius

Exhibit "B"

2-M SYSTEM

Blowout Prevention Equipment Systems

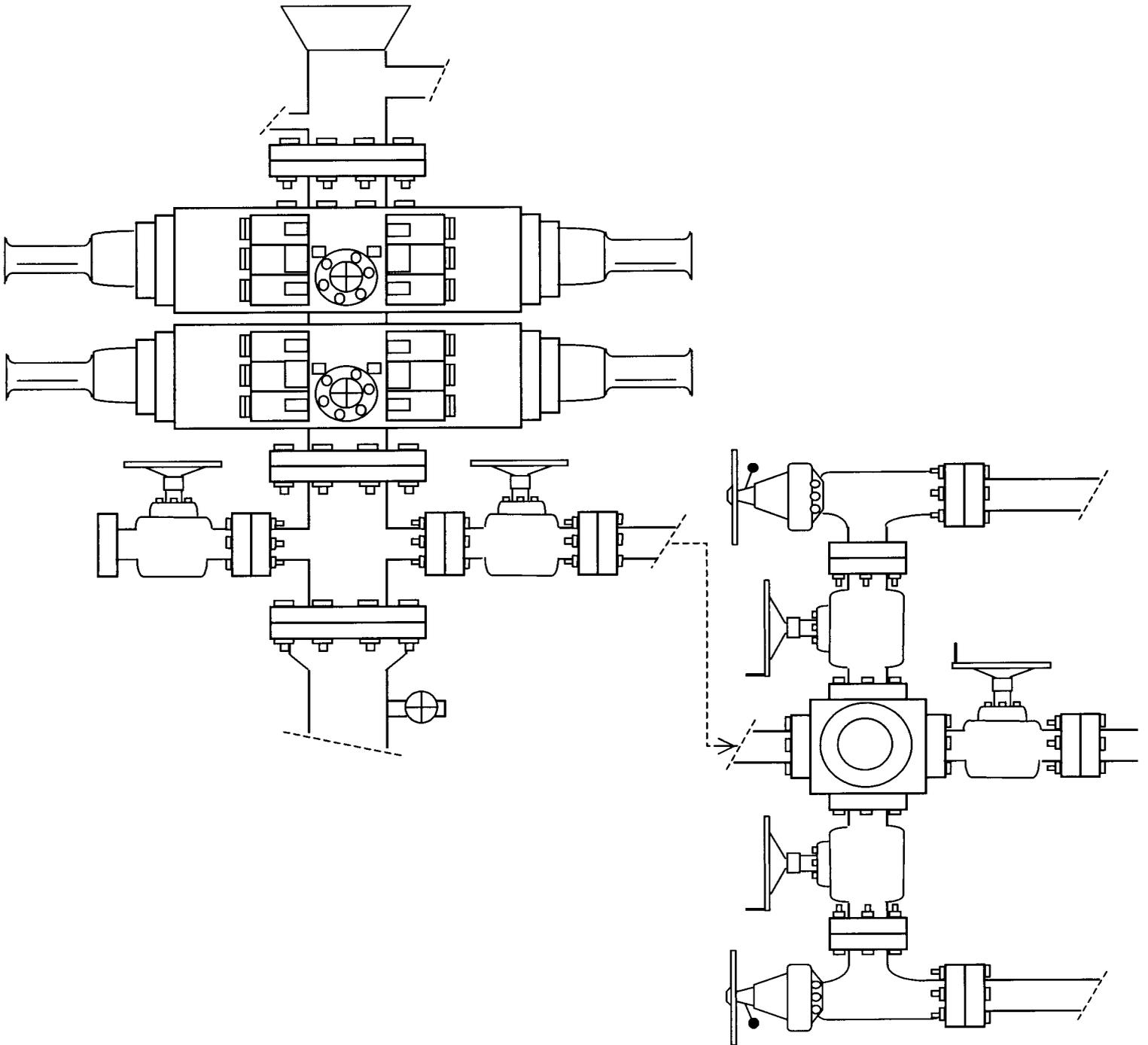


EXHIBIT C

**A CULTURAL RESOURCE INVENTORY
IN THE SECOND PORTION OF THE BLACK JACK UNIT BLOCK AREA,
DUCHESNE COUNTY, UTAH**

by

Ann S. Polk
Senior Archaeologist

and

Danielle J. Diamond
Assistant Archaeologist

Prepared for:

Inland Production Company
P.O. Box 790233
Vernal, Utah 84079-0233

Prepared by:

Sagebrush Consultants, L.L.C.
3670 Quincy Avenue, Suite 203
Ogden, Utah 84403

Under Authority of Cultural Resources Use Permit No. 97-UT-54630

and

Utah State Antiquities Permit No. U-98-SJ-0217b

Archaeological Report No. 1053-01

June 26, 1998

PALEONTOLOGICAL FIELD SURVEY REPORT

INLAND PRODUCTION COMPANY

BLACKJACK UNIT

SECTIONS 3, 4, 5, 9, AND 10

TOWNSHIP 9 SOUTH, RANGE 17 EAST

DUCHESNE COUNTY, UTAH

March 19, 1998

Uinta #98-3

UINTA



PALEO

BY

**SUE ANN BILBEY, Ph.D.
GEOLOGIST AND PALEONTOLOGIST
UINTA PALEONTOLOGICAL ASSOCIATES
446 SOUTH 100 WEST
VERNAL, UTAH 84078
801-789-1033**

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/08/2003

API NO. ASSIGNED: 43-013-32501

WELL NAME: BLACKJACK FED 15-3-9-17
OPERATOR: INLAND PRODUCTION (N5160)
CONTACT: MANDIE CROZIER

PHONE NUMBER: 435-646-3721

PROPOSED LOCATION:
SWSE 03 090S 170E
SURFACE: 0762 FSL 1838 FEL
BOTTOM: 0762 FSL 1838 FEL
DUCHESNE
MONUMENT BUTTE (105)

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

LEASE TYPE: 1 - Federal
LEASE NUMBER: UTU-75037
SURFACE OWNER: 1 - Federal
PROPOSED FORMATION: GRRV

LATITUDE: 40.05487
LONGITUDE: 109.98924

RECEIVED AND/OR REVIEWED:

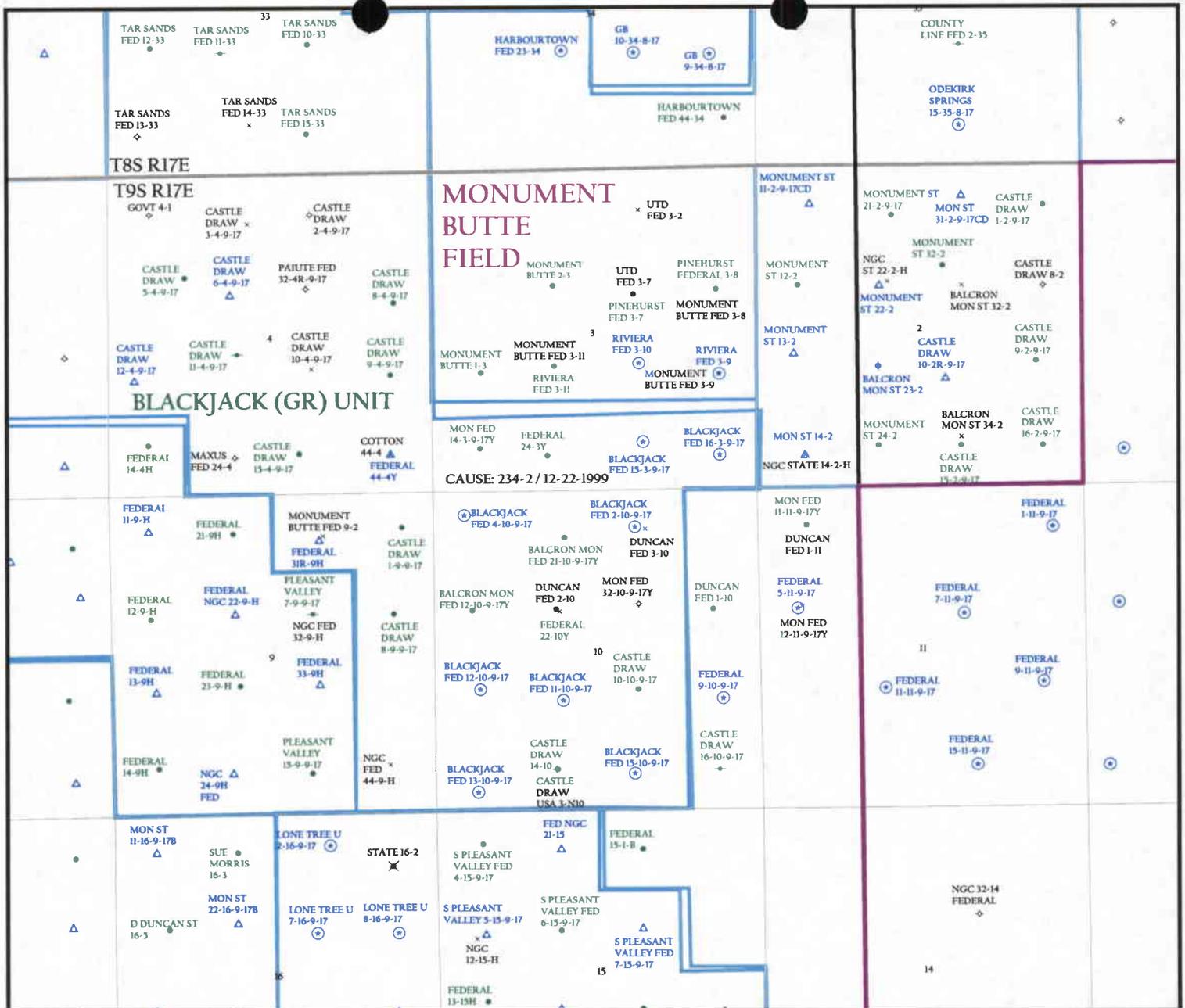
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. 4488944)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. MUNICIPAL)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit BLACKJACK (GR)
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 234-2
Eff Date: 12-22-99
Siting: Suspends General Siting
- R649-3-11. Directional Drill

COMMENTS: Sop, Separate File

STIPULATIONS: 1-Federal Approval



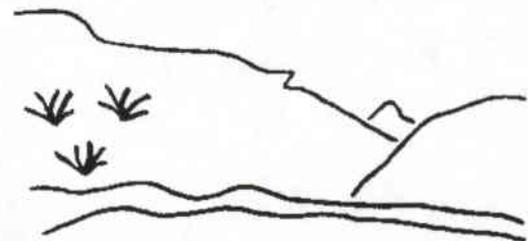
OPERATOR: INLAND PRODUCTION CO (N5160)

SEC. 3 T.9S, R.17E

FIELD: MONUMENT BUTTES (105)

COUNTY: DUCHESNE

CAUSE: 234-2 / 12-22-1999



Utah Oil Gas and Mining

- Wells**
- GAS INJECTION
 - GAS STORAGE
 - LOCATION ABANDONED
 - NEW LOCATION
 - PLUGGED & ABANDONED
 - PRODUCING GAS
 - PRODUCING OIL
 - SHUT-IN GAS
 - SHUT-IN OIL
 - TEMP. ABANDONED
 - TEST WELL
 - WATER INJECTION
 - WATER SUPPLY
 - WATER DISPOSAL

- Unit Status**
- EXPLORATORY
 - GAS STORAGE
 - NF PP OIL
 - NF SECONDARY
 - PENDING
 - PI OIL
 - PP GAS
 - PP GEOTHERML
 - PP OIL
 - SECONDARY
 - TERMINATED

- Field Status**
- ABANDONED
 - ACTIVE
 - COMBINED
 - INACTIVE
 - PROPOSED
 - STORAGE
 - TERMINATED



PREPARED BY: DIANA MASON
DATE: 10-OCTOBER-2003



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

October 14, 2003

Inland Production Company
Rt. #3, Box 3630
Myton, UT 84052

Re: Blackjack Federal 15-3-9-17 Well, 762' FSL, 1838' FEL, SW SE, Sec. 3, T. 9 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 43-013-32501.

Sincerely,

(for) John R. Baza
Associate Director

pab
Enclosures

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

Operator: Inland Production Company

Well Name & Number Blackjack Federal 15-3-9-17

API Number: 43-013-32501

Lease: UTU-75037

Location: SW SE Sec. 3 T. 9 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.

RECEIVED

006

JUL 19 2004

DIV. OF OIL, GAS & MINING

OCT - 8 2003

Form 3160-3
(September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

| | | |
|--|---|---|
| 1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 5. Lease Serial No. UTU-75037 |
| 1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | | 6. If Indian, Allottee or Tribe Name N/A |
| 2. Name of Operator Inland Production Company | | 7. If Unit or CA Agreement, Name and No. BlackJack Unit |
| 3a. Address Route #3 Box 3630, Myton UT 84052 | | 8. Lease Name and Well No. BlackJack Federal 15-3-9-17 |
| 3b. Phone No. (include area code) (435) 646-3721 | | 9. API Well No. 43.0131.32501 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SW/SE 762' FSL 1838' FEL At proposed prod. zone | | 10. Field and Pool, or Exploratory Monument Butte |
| 14. Distance in miles and direction from nearest town or post office* Approximatley 15.4 miles southeast of Myton, Utah | | 11. Sec., T., R., M., or Blk. and Survey or Area SW/SE Sec. 3, T9S R17E |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) Approx. 762' f/lse, 558' f/unit | 16. No. of Acres in lease 160.00 | 17. Spacing Unit dedicated to this well 40 Acres |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Approx. 1459' | 19. Proposed Depth 6500' | 20. BLM/BIA Bond No. on file #4488944 UT0056 |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5071' GR | 22. Approximate date work will start* 1st Quarter 2004 | 23. Estimated duration Approximately seven (7) days from spud to ng release. |

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

| | | |
|---|--|--------------------|
| 25. Signature <i>Mandie Crozier</i> | Name (Printed/Typed) Mandie Crozier | Date 10/7/03 |
| Title Regulatory Specialist | | |
| Approved by (Signature) <i>Howard B. Leavitt</i> | Name (Printed/Typed) | Date 07/13/2004 |
| Title Assistant Field Manager | Office | |

Application approval does not warrant or certify the the applicant holds legal or reasonable title to the property in the above location which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

CONDITIONS OF APPROVAL ATTACHED

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

*(Instructions on reverse)

NOTICE OF APPROVAL

000000

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Inland Production Company.

Well Name & Number: Blackjack Fed. 15-3-9-17

API Number: 43-013-32501

Lease Number: U-75037

Location: SWSE Sec. 3 T. 9S R. 17E

Agreement: Blackjack GR Unit

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.

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.

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

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Ed Forsman (435) 828-7874
Petroleum Engineer

Kirk Fleetwood (435) 828-7875
Petroleum Engineer

BLM FAX Machine (435) 781-4410

**SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

No construction or drilling shall be allowed during the ferruginous hawk nesting season (March 1 to July 15), without first consulting the BLM biologist. If no nesting is occurring, drilling will be allowed.

A certified paleontologist shall monitor all areas of bedrock exposure during the construction of the access roads, the well pad, the reserve pit, and buried pipeline.

To reduce noise levels in the area, a hospital muffler or multi-cylinder engine shall be installed on the pumping unit.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: INLAND PRODUCTION COMPANY

Well Name: BLACKJACK FED 15-3-9-17

Api No: 43-013-32501 Lease Type: FEDERAL

Section 03 Township 09S Range 17E County DUCHESNE

Drilling Contractor EDS RIG # ES#1

SPUDDED:

Date 08/13/04

Time 1:30 PM

How DRY

Drilling will commence: _____

Reported by FLOYD MITCHELL

Telephone # 1-435-823-3610

Date 08/23/2004 Signed CHD

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

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

OPERATOR ACCT. NO. **N5160**

PAGE 02

| ACTION CODE | CURRENT ENTITY NO. | NEW ENTITY NO. | API NUMBER | WELL NAME | WELL LOCATION | | | | | SPUD DATE | EFFECTIVE DATE |
|-------------|--------------------|----------------|--------------|--------------------|---------------|----|----|-----|----------|-----------------|----------------|
| | | | | | QQ | SC | TP | RG | COUNTY | | |
| A | 99999 | 14273 | 43-013-32510 | Federal 13-11-9-17 | SW/SW | 11 | 9S | 17E | Duchesne | August 11, 2004 | 8/30/04 |

WELL 1 COMMENTS: *GRU*

K

| 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 | 14274 | 43-013-32428 | Ashley Federal 4-22-9-15 | NW/NW | 22 | 9S | 15E | Duchesne | August 12, 2004 | 8/30/04 |

WELL 2 COMMENTS: *GRU*

K

| ACTION CODE | CURRENT ENTITY NO. | NEW ENTITY NO. | API NUMBER | WELL NAME | WELL LOCATION | | | | | SPUD DATE | EFFECTIVE DATE |
|-------------|--------------------|----------------|--------------|-----------------------------|---------------|----|----|-----|----------|-----------------|----------------|
| | | | | | QQ | SC | TP | RG | COUNTY | | |
| B | 99999 | 12704 | 43-013-32501 | BlackJack Federal 15-3-9-17 | SW/SE | 3 | 9S | 17E | Duchesne | August 13, 2004 | 8/30/04 |

WELL 3 COMMENTS: *GRU*

K

| ACTION CODE | CURRENT ENTITY NO. | NEW ENTITY NO. | API NUMBER | WELL NAME | WELL LOCATION | | | | | SPUD DATE | EFFECTIVE DATE |
|-------------|--------------------|----------------|--------------|-----------------------------|---------------|----|----|-----|----------|-----------------|----------------|
| | | | | | QQ | SC | TP | RG | COUNTY | | |
| B | 99999 | 12704 | 43-013-32500 | BlackJack Federal 16-3-9-17 | SE/SE | 3 | 9S | 17E | Duchesne | August 18, 2004 | 8/30/04 |

WELL 4 COMMENTS: *GRU*

K

| 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 | 14275 | 43-013-32429 | Ashley Federal 3-22-9-15 | NE/NW | 22 | 9S | 15E | Duchesne | August 18, 2004 | 8/30/04 |

WELL 5 COMMENTS: *GRU*

K

INLAND

4356463031

08/19/2004 07:42

- 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.

Kebbie S. Jones
 Signature
 Kebbie S. Jones
 Production Clerk
 Title
 August 18, 2004
 Date

009

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-75037

6. If Indian, Allottee or Tribe Name

NA

7. If Unit or CA, Agreement Designation

BLACKJACK

8. Well Name and No.

BLACKJACK FEDERAL 15-3-9-17

9. API Well No.

43-013-32501

10. Field and Pool, or Exploratory Area

MONUMENT BUTTE

11. County or Parish, State

DUCHESNE COUNTY, UT

SUBMIT IN TRIPLICATE

1. Type of Well

| | | |
|--|-----------------------------------|--------------------------------|
| <input checked="" type="checkbox"/> Oil Well | <input type="checkbox"/> Gas Well | <input type="checkbox"/> 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)

762 FSL 1838 FEL SW/SE Section 3, T9S 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 Spud Notice |
| | <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 08/13/04 MIRU EDSI ES Rig#1 .Spud well @ 1:30 PM Drill 310' of 12 1/4 hole with air mist, TIH w/7 Jts 8 5/8 J55 24# csgn. Set @ 301.47'/KB. On 08/19/04. Cement with 150 sks of Class "G" w/ 2% CaCL2 + 1/4# sk Cello-Flake Mixed @ 15.8 ppg > 1.17 cf/sk yeild. 5 bbls cement returned to surface. WOC.

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

Signed *Floyd Mitchell* Title **Drilling Foreman** Date **08/20/04**
 Floyd Mitchell

CC: UTAH DOGM

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

CC: Utah DOGM

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.

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AUG 23 2004

DIV. OF OIL, GAS & MINING

8 5/8 CASING SET AT 301.4

LAST CASING 8 5/8" SET AT 301.47'
 DATUM 12' KB
 DATUM TO CUT OFF CASING _____
 DATUM TO BRADENHEAD FLANGE _____
 TD DRILLER 310' LOGGER _____
 HOLE SIZE 12 1/4

OPERATOR Inland Production Company
 WELL Blackjack 15-3-9-17
 FIELD/PROSPECT Monument Butte
 CONTRACTOR & RIG # EDSI ES#1

| LOG OF CASING STRING: | | | | | | | |
|---|--------|---|---------------------|--|--------|-------|---------------|
| PIECES | OD | ITEM - MAKE - DESCRIPTION | WT / FT | GRD | THREAD | CONDT | LENGTH |
| | | 40.59' sh jt' shjt | | | | | |
| | | WHI - 92 csg head | | | 8rd | A | 0.95 |
| 7 | 8 5/8" | Maverick ST&C csg | 24# | J-55 | 8rd | A | 289.62 |
| | | GUIDE shoe | | | 8rd | A | 0.9 |
| CASING INVENTORY BAL. | | FEET | JTS | TOTAL LENGTH OF STRING | | | 291.47 |
| TOTAL LENGTH OF STRING | | 291.47 | 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 | | | 301.47 |
| TOTAL | | 289.62 | 7 | } COMPARE | | | |
| TOTAL CSG. DEL. (W/O THRDS) | | 289.62 | 7 | | | | |
| TIMING | | 1ST STAGE | | | | | |
| BEGIN RUN CSG. | Spud | 8/13/2004 | 1:30 PM | GOOD CIRC THRU JOB <u>Yes</u> | | | |
| CSG. IN HOLE | | 8/16/2004 | 3:00 PM | Bbls CMT CIRC TO SURFACE <u>5 BBLs</u> | | | |
| BEGIN CIRC | | 8/19/2004 | 2:22 PM | RECIPROCATED PIPE FOR _____ THRU _____ FT STROKE | | | |
| BEGIN PUMP CMT | | 8/19/2004 | 2:30 PM | DID BACK PRES. VALVE HOLD ? <u>N/A</u> | | | |
| BEGIN DSPL. CMT | | 8/19/2004 | 2:40 PM | BUMPED PLUG TO _____ 560 PSI _____ PSI | | | |
| PLUG DOWN | | 8/19/2004 | 2:45 PM | | | | |
| CEMENT USED | | CEMENT COMPANY- B. J. | | | | | |
| 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 Floyd mitchell DATE 8/20/2004

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

010

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

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

| | | |
|--|--|---|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. UTU75037 |
| 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 No. (include are code) 435.646.3721 | 7. If Unit or CA/Agreement, Name and/or No. BLACKJACK UNIT |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 762 FSL 1838 FEL SW/SE Section 3 T9S R17E | | 8. Well Name and No. BLACKJACK FEDERAL 15-3-9-17 |
| | | 9. API Well No. 4301332501 |
| | | 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 _____ Weekly Status Report |
| | <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 | |

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.)

Status report for time period 09/08/04 - 09/16/04

Subject well had completion procedures initiated in the Green River formation on 9/8/04 without the use of a service rig over the well. A cement bond log was run and a total of four Green River intervals were perforated and hydraulically fracture treated w/ 20/40 mesh sand. Perf intervals were #1 (5564-5575') (4 JSPF); #2 (5434-5462') (4 JSPF); #3 (5058-5065'), (5018-5026') (ALL 4 JSPF); #4 (4768-4772'), (4758-4754') (ALL 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 9/14/04. Bridge plugs were drilled out. Well was cleaned out to PBD @ 5817'. Zones were swab tested for sand cleanup. A BHA & production tbg string were run in and anchored in well. End of tubing string @ 5654.03'. A new 1 1/2" bore rod pump was run in well on sucker rods. Well was placed on production via rod pump on 9/16/04.

RECEIVED

SEP 22 2004

DIV. OF OIL & GAS MINING

| | |
|--|---------------------------|
| I hereby certify that the foregoing is true and correct Name (Printed/Typed) Marnie Bryson | Title Production Clerk |
| Signature <i>Marnie Bryson</i> | Date 9/21/2004 |

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

(Instructions on reverse)

NEWFIELD



October 18, 2004

State of Utah, Division of Oil, Gas and Mining
Attn: Ms. Carol Daniels
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Attn: Ms. Carol Daniels

Ashley Fed. 4-22-9-15 (43-013-32428)
Duchesne County, Utah

Blackjack Fed. 15-3-9-17 (43-013-32501)
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
Marnie Bryson/Roosevelt

RECEIVED

OCT 21 2004

DIV. OF OIL, GAS & MINING

011

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.
UTU-75037

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME
Blackjack Unit

8. FARM OR LEASE NAME, WELL NO.
BLACKJACK FEDERAL 15-3-9-17

9. WELL NO.
43-013-32501

10. FIELD AND POOL OR WILDCAT
Monument Butte

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
Sec. 3, T9S, R17E

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

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
Newfield Exploration

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 762' FSL & 1838' FEL (SW SE) Sec. 3, Twp 9S, Rng 17E
At top prod. Interval reported below

14. API NO. 43-013-32501 DATE ISSUED 10/14/2003

12. COUNTY OR PARISH Duchesne 13. STATE UT

15. DATE SPUDDED 8/13/2004 16. DATE T.D. REACHED 8/27/2004 17. DATE COMPL. (Ready to prod.) 9/16/2004 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 5071' GL 5083' KB 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 5870' 21. PLUG BACK T.D., MD & TVD 5817' 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY -----> 23. ROTARY TOOLS X 23. CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)*
Green River 4758'-5575'

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# | 301' | 12-1/4" | To surface with 150 sx Class "G" cmt | |
| 5-1/2" - J-55 | 15.5# | 5862' | 7-7/8" | 325 sx Premlite II and 425 sx 50/50 Poz | |

29. LINER RECORD 30. TUBING RECORD

| SIZE | TOP (MD) | BOTTOM (MD) | SACKS CEMENT* | SCREEN (MD) | SIZE | DEPTH SET (MD) | PACKER SET (MD) |
|------|----------|-------------|---------------|-------------|--------|----------------|-----------------|
| | | | | | 2-7/8" | EOT @ 5654' | TA @ 5519' |

31. PERFORATION RECORD (Interval, size and number) 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

| INTERVAL | SIZE | SPF/NUMBER | DEPTH INTERVAL (MD) | AMOUNT AND KIND OF MATERIAL USED |
|-----------------------------|-------|------------|---------------------|--|
| (CP3) 5564'-5575' | .041" | 4/44 | 5564'-5575' | Frac w/ 34,322# 20/40 sand in 370 bbls fluid. |
| (CP1) 5434'-5462' | .041" | 4/112 | 5434'-5462' | Frac w/ 101,072# 20/40 sand in 716 bbls fluid. |
| (A1,3) 5018'-26', 5058'-65' | .041" | 4/60 | 5018'-5065' | Frac w/ 40,825# 20/40 sand in 388 bbls fluid. |
| (C-sd) 4758'-64', 4768'-72' | .041" | 4/40 | 4758'-4772' | Frac w/ 52,604# 20/40 sand in 434 bbls fluid. |

33.* PRODUCTION

DATE FIRST PRODUCTION 9/16/2004 PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump) 2-1/2" x 1-1/2" x 16' RHAC Pump WELL STATUS (Producing or shut-in) PRODUCING

| DATE OF TEST | HOURS TESTED | CHOKE SIZE | PROD'N FOR TEST PERIOD | OIL--BBL. | GAS--MCF. | WATER--BBL. | GAS-OIL RATIO |
|--------------|--------------|------------|------------------------|-----------|-----------|-------------|---------------|
| 10 day ave | | | -----> | 32 | 60 | 35 | 1875 |

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 OCT 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 10/18/2004

Brian Harris

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

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

| FORMATION | TOP | BOTTOM | DESCRIPTION, CONTENTS, ETC. | GEOLOGIC MARKERS | |
|-----------|-----|--------|---|-----------------------|------------------|
| | | | | NAME | TOP |
| | | | | MEAS. DEPTH | TRUE VERT. DEPTH |
| | | | <p style="text-align: center;">Well Name Blackjack Fed. 15-3-9-17</p> | Garden Gulch Mkr | 3611' |
| | | | | Garden Gulch 1 | 3794' |
| | | | | Garden Gulch 2 | 3906' |
| | | | | Point 3 Mkr | 4176' |
| | | | | X Mkr | 4405' |
| | | | | Y-Mkr | 4441' |
| | | | | Douglas Creek Mkr | 4569' |
| | | | | BiCarbonate Mkr | 4806' |
| | | | | B Limestone Mkr | 4936' |
| | | | | Castle Peak | 5396' |
| | | | | Basal Carbonate | 5815' |
| | | | | Total Depth (LOGGERS) | 5870' |



Office of the Secretary of State

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

Newfield Production Company
Filing Number: 41530400

Articles of Amendment

September 02, 2004

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



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

Secretary of State

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

FILED
In the Office of the
Secretary of State of Texas

SEP 02 2004
Corporations Section

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

ARTICLE 1 – Name

The name of the corporation is Inland Production Company.

ARTICLE 2 – Amended Name

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

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

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

ARTICLE 3 – Effective Date of Filing

This document will become effective upon filing.

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

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

INLAND RESOURCES INC.

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

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



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

OPERATOR CHANGE WORKSHEET

ROUTING

| |
|---------|
| 1. GLH |
| 2. CDW |
| 3. FILE |

012

Change of Operator (Well Sold)

Designation of Agent/Operator

X Operator Name Change

Merger

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

CA No. Unit: BLACKJACK (GR)

| WELL(S) | | | | | | | | |
|--------------------------|-----|------|------|------------|-----------|------------|-----------|-------------|
| NAME | SEC | TWN | RNG | API NO | ENTITY NO | LEASE TYPE | WELL TYPE | WELL STATUS |
| BLACKJACK FED 9-33-8-17 | 33 | 080S | 170E | 4301332515 | 12704 | Federal | OW | P |
| BLACKJACK FED 16-3-9-17 | 03 | 090S | 170E | 4301332500 | 12704 | Federal | OW | P |
| BLACKJACK FED 15-3-9-17 | 03 | 090S | 170E | 4301332501 | 12704 | Federal | OW | P |
| CASTLE DRAW 5-4-9-17 | 04 | 090S | 170E | 4301332074 | 12704 | Federal | OW | P |
| CASTLE DRAW 6-4-9-17 | 04 | 090S | 170E | 4301332075 | 12704 | Federal | WI | A |
| CASTLE DRAW 8-4-9-17 | 04 | 090S | 170E | 4301332077 | 12704 | Federal | OW | S |
| CASTLE DRAW 9-4-9-17 | 04 | 090S | 170E | 4301332079 | 12704 | Federal | OW | P |
| CASTLE DRAW 11-4-9-17 | 04 | 090S | 170E | 4301332081 | 12704 | Federal | OW | S |
| CASTLE DRAW 12-4-9-17 | 04 | 090S | 170E | 4301332082 | 12704 | Federal | WI | A |
| CASTLE DRAW 15-4-9-17 | 04 | 090S | 170E | 4301332083 | 12704 | Federal | OW | P |
| BLACKJACK FED 10-4-9-17 | 04 | 090S | 170E | 4301332509 | 12704 | Federal | OW | P |
| CASTLE DRAW 1-9-9-17 | 09 | 090S | 170E | 4301332071 | 12704 | Federal | OW | P |
| CASTLE DRAW 8-9-9-17 | 09 | 090S | 170E | 4301332078 | 12704 | Federal | WI | A |
| BLACKJACK FED 16-9-9-17 | 09 | 090S | 170E | 4301332516 | 12704 | Federal | OW | P |
| BLACKJACK FED 15-10-9-17 | 10 | 090S | 170E | 4301332503 | 12704 | Federal | OW | OPS |
| BLACKJACK FED 13-10-9-17 | 10 | 090S | 170E | 4301332504 | 12704 | Federal | OW | P |
| BLACKJACK FED 12-10-9-17 | 10 | 090S | 170E | 4301332505 | 12704 | Federal | OW | P |
| BLACKJACK FED 11-10-9-17 | 10 | 090S | 170E | 4301332506 | 12704 | Federal | OW | P |
| BLACKJACK FED 4-10-9-17 | 10 | 090S | 170E | 4301332507 | 12704 | Federal | OW | P |
| BLACKJACK FED 2-10-9-17 | 10 | 090S | 170E | 4301332508 | 12704 | Federal | OW | P |
| | | | | | | | | |
| | | | | | | | | |

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 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

OPERATOR CHANGE WORKSHEET

013

Change of Operator (Well Sold)

Designation of Agent/Operator

ROUTING

| |
|---------|
| 1. GLH |
| 2. CDW |
| 3. FILE |

X Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective:

9/1/2004

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

CA No. Unit: BLACKJACK (GR)

WELL(S)

| NAME | SEC | TWN | RNG | API NO | ENTITY NO | LEASE TYPE | WELL TYPE | WELL STATUS | |
|--------------------------|-----|------|------|------------|-----------|------------|-----------|-------------|---|
| BLACKJACK FED 9-33-8-17 | 33 | 080S | 170E | 4301332515 | 12704 | Federal | OW | P | K |
| BLACKJACK FED 16-3-9-17 | 03 | 090S | 170E | 4301332500 | 12704 | Federal | OW | P | K |
| BLACKJACK FED 15-3-9-17 | 03 | 090S | 170E | 4301332501 | 12704 | Federal | OW | P | K |
| CASTLE DRAW 5-4-9-17 | 04 | 090S | 170E | 4301332074 | 12704 | Federal | OW | P | |
| CASTLE DRAW 6-4-9-17 | 04 | 090S | 170E | 4301332075 | 12704 | Federal | WI | A | |
| CASTLE DRAW 8-4-9-17 | 04 | 090S | 170E | 4301332077 | 12704 | Federal | OW | S | |
| CASTLE DRAW 9-4-9-17 | 04 | 090S | 170E | 4301332079 | 12704 | Federal | OW | P | |
| CASTLE DRAW 11-4-9-17 | 04 | 090S | 170E | 4301332081 | 12704 | Federal | OW | S | |
| CASTLE DRAW 12-4-9-17 | 04 | 090S | 170E | 4301332082 | 12704 | Federal | WI | A | |
| CASTLE DRAW 15-4-9-17 | 04 | 090S | 170E | 4301332083 | 12704 | Federal | OW | P | |
| BLACKJACK FED 10-4-9-17 | 04 | 090S | 170E | 4301332509 | 12704 | Federal | OW | P | K |
| CASTLE DRAW 1-9-9-17 | 09 | 090S | 170E | 4301332071 | 12704 | Federal | OW | P | |
| CASTLE DRAW 8-9-9-17 | 09 | 090S | 170E | 4301332078 | 12704 | Federal | WI | A | |
| BLACKJACK FED 16-9-9-17 | 09 | 090S | 170E | 4301332516 | 12704 | Federal | OW | P | K |
| BLACKJACK FED 15-10-9-17 | 10 | 090S | 170E | 4301332503 | 12704 | Federal | OW | OPS | K |
| BLACKJACK FED 13-10-9-17 | 10 | 090S | 170E | 4301332504 | 12704 | Federal | OW | P | K |
| BLACKJACK FED 12-10-9-17 | 10 | 090S | 170E | 4301332505 | 12704 | Federal | OW | P | K |
| BLACKJACK FED 11-10-9-17 | 10 | 090S | 170E | 4301332506 | 12704 | Federal | OW | P | K |
| BLACKJACK FED 4-10-9-17 | 10 | 090S | 170E | 4301332507 | 12704 | Federal | OW | P | K |
| BLACKJACK FED 2-10-9-17 | 10 | 090S | 170E | 4301332508 | 12704 | 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 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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

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-75037 |
| 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 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 762 FSL 1838 FEL SWSE Section 3 T9S R17E | | 8. Well Name and No. BLACKJACK FEDERAL 15-3-9-17 |
| | | 9. API Well No. 4301332501 |
| | | 10. Field and Pool, or Exploratory Area GREATER MB UNIT |
| | | 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 type="checkbox"/> Other _____ |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug & Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <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 recomple 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.)

Newfield Production proposes to convert the above mentioned well from producing oil well to an injection well.

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

RECEIVED
FEB 01 2012
DIV. OF OIL, GAS & MINING

| | |
|--|--------------------------------|
| I hereby certify that the foregoing is true and correct (Printed/ Typed) Jill Loyle | Title Regulatory Technician |
| Signature | Date 01/25/2012 |

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



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8**

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

MAR 16 2012

RECEIVED

MAR 28 2012

DIV. OF OIL, GAS & MINING

Ref: 8P-W-GW

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Mr. Eric Sundberg
Regulatory Analyst
Newfield Production Company
1001 Seventeenth Street – Suite 2000
Denver, Colorado 80202

Accepted by the
Utah Division of
Oil, Gas and Mining

FOR RECORD ONLY

RE: Underground Injection Control (UIC)
Additional Well to Castle Draw Area Permit
EPA UIC Permit UT20776-09478
Well: Blackjack Federal 15-3-9-17
SWSE Sec. 3-T9S-R17E
Duchesne County, Utah
API No.: 43-013-32501

Dear Mr. Sundberg:

The U.S. Environmental Protection Agency Region 8 hereby authorizes Newfield Production Company (Newfield) to convert the oil well Blackjack Federal 15-3-9-17 to an enhanced recovery injection well according to the terms and conditions of the enclosed Authorization for Additional Well. The addition of this injection well, within the exterior boundary of the Uintah & Ouray Indian Reservation, is being made under the authority of 40 CFR §144.33 (c) and terms of the Castle Draw Area Permit No. UT20776-00000 and subsequent modifications.

Please be aware that Newfield does not have authorization to begin well injection until all Prior to Commencing Injection requirements are met and written authorization to inject is given by the Director. Prior to receiving authorization to inject, Newfield must submit for review and approval (1) the results of a Part I (internal) Mechanical Integrity test, (2) a pore pressure calculation of the injection interval and (3) a completed EPA Form No. 7520-12 (Well Rework Record) with a new schematic diagram.

If you have any questions, please call Emmett Schmitz at (303) 312-6174 or (800) 227-8917, extension 312-6174. Please submit the required data to Jason Deardorff at the letterhead address citing mail code 8P-W-GW.

Sincerely,



for
Callie A. Videtich
Acting Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

Enclosures: Authorization for Additional Well
Conversion Wellbore Schematic for Blackjack Federal 15-3-9-17

cc: Letter Only:

Uintah & Ouray Business Committee:

Irene Cuch, Chairman
Ronald Wopsock, Vice-Chairman
Frances Poowegup, Councilwoman
Phillip Chimburas, Councilman
Stewart Pike, Councilman
Richard Jenks, Jr., Councilman

Daniel Picard
BIA - Uintah & Ouray Indian Agency

cc: All Enclosures:

Mike Natchees
Environmental Coordinator
Ute Indian Tribe

Manual Myore
Director of Energy & Minerals Dept.
Ute Indian Tribe

Brad Hill
Acting Associate Director
Utah Division of Oil, Gas, and Mining

Fluid Minerals Engineering Office
BLM - Vernal Office

Reed Durfey
District Manager
Newfield Production Company
Myton, Utah



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8
1595 WYNKOOP STREET
DENVER, CO 80202-1129
Phone 800-227-8917
<http://www.epa.gov/region08>

AUTHORIZATION FOR ADDITIONAL WELL

UIC Area Permit UT20776-00000

The Humpback Final UIC Area Permit UT20776-00000, effective November 29, 1995, authorizes injection for the purpose of enhanced oil recovery in the Monument Butte Field. On January 25, 2012, Newfield Production Company notified the Director concerning the following additional enhanced recovery injection well:

| | |
|-----------------------|--|
| Well Name: | Blackjack Federal 15-3-9-17 |
| EPA Permit ID Number: | UT20776-09478 |
| Location: | 762' FSL & 1838' FEL SWSE Sec. 3-T9S-R17E Duchesne County, Utah API #43-013-32501 |

Pursuant to 40 CFR §144.33, Area UIC Permit UT20776-00000 authorizes the permittee to construct and operate, convert, or plug and abandon additional enhanced recovery injection wells within the area permit. This well was determined to satisfy additional well criteria required by the permit.

This well is subject to all provisions of UIC Area Permit No. UT20776-00000, as modified and as specified in the Injection Well-Specific Requirements detailed below. This Authorization shall expire one year after the Effective Date unless the permittee has converted the well to injection or submits a written request to extend this Authorization prior to the expiration date.

This Authorization is effective upon signature.

Date: 3/15/12

Callie A. Videtich
*Acting Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

** The person holding this title is referred to as the Director throughout the permit and Authorization*

INJECTION WELL-SPECIFIC REQUIREMENTS

Well Name: Blackjack Federal 15-3-9-17
EPA Well ID Number: UT20776-09478

Prior to Commencing Injection Operations, the permittee shall submit the following information:

1. Completed Well Rework Record (EPA Form No. 7520-12) and schematic diagram;
2. Pore pressure calculation of the proposed injection zone;
3. Results from a successful part I (internal) Mechanical Integrity test.

Once these records are received and approved by EPA, the Director will provide written authorization to inject.

Note: All depths given in this authorization reference the Kelly Bushing datum unless otherwise specified.

Approved Injection Interval: The injection interval is the part of the injection zone where fluids are directly emplaced. The approved injection interval for this well is from the top of the Garden Gulch Sand #2 to the top of the Wasatch Formation. Additional injection perforations may be added provided that they remain within the approved injection interval. Injection between the outermost casing protecting USDWs and the well bore is prohibited.

Maximum Allowable Injection Pressure (MAIP): The initial MAIP is 1,515 psig, based on the calculation $MAIP = [FG - (0.433)(SG)] * D$, where "FG" is the fracture gradient, "SG" is the specific gravity of injectate and "D" is the Kelly Bushing depth to the shallowest casing perforation. For this well, FG is 0.758 psi/ft, SG is 1.015 and D is 4,758 ft.

UIC Area Permit No. UT20776-00000 provides the opportunity for the permittee to request a change of the MAIP based upon the submitted results of a step rate test that demonstrates the formation parting pressure.

Well Construction: Casing and Cementing: The well was constructed in compliance with existing regulatory controls for casing and cementing pursuant to 40 CFR § 146.22(c).

Cementing records, including the cement bond log, have satisfactorily demonstrated the presence of adequate cement to prevent the migration of injection fluids behind the casing from the injection zone.

Well Construction: Tubing and Packer: 2-7/8" or similar size injection tubing is approved. The packer shall be set at a depth no more than 100 ft. above the top perforation.

Demonstration of Mechanical Integrity:

- (1) A successful demonstration of part I (internal) mechanical integrity using a Casing-Tubing Annulus Pressure Test is required prior to injection, and no less than every five years after the last successful test.
- (2) EPA reviewed the cementing records and determined the cement will provide an effective barrier to significant upward movement of fluids through vertical channels adjacent to the well bore pursuant to 40 CFR §146.8 (a)(2). Therefore, further demonstration of Part II (external) Mechanical Integrity is not required at this time.

Demonstration of Financial Responsibility: The applicant has demonstrated financial responsibility by a Surety Bond in the amount of \$42,000 and a Standby Trust Agreement that have been approved by EPA. The Director may revise the amount required and may require the permittee to obtain and provide updated estimates of costs for plugging the well according to the approved Plugging and Abandonment plan.

Plugging and Abandonment: The well shall be plugged in a manner that isolates the injection zone and prevents movement of fluids into or between Underground Sources of Drinking Water (USDW). 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. 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. At a minimum, the following plugs are required:

- (1) Isolate the injection zone: Remove down hole apparatus from the well and perform necessary clean out; displace well fluid with plugging gel. Set a cast iron bridge plug (CIBP) within the innermost casing string no more than 50 ft. above the top perforation with a minimum of 20 ft. cement plug on top of the CIBP.
- (2) Isolate the Trona-Bird's Nest water zone and Mahogany Oil Shale: Perforate and squeeze cement up the backside of the outermost casing string across the Mahogany Oil Shale and Trona-Bird's Nest water zone, from at least 55 ft. above the top of the Trona-Bird's Nest to at least 55 ft. below the base of Mahogany Oil Shale, unless there is existing cement across this interval.

(3) Isolate the Uinta Formation from the Green River Formation: Perforate and squeeze a minimum of 110 ft. cement up the backside of the outermost casing string to isolate the contact between the Uinta Formation and the Green River Formation, unless there is existing cement across this interval. Set a minimum 110 ft. cement plug in the innermost casing string, centered on the contact between the Green River Formation and Uinta Formation.

(4) Isolate Surface Fluid Migration Paths:

- a. If the depth of the lowermost USDW is above the base of surface casing, perforate the outermost casing string 50 ft. below the base of surface casing and circulate cement to the surface, unless there is existing cement across this interval; OR
- b. If the depth of the lowermost USDW is below the base of surface casing, perforate the outermost casing string 50 ft. below the base of the lowermost USDW and circulate cement to surface; AND
- c. Set a cement plug inside the innermost casing string from 50 ft. below the base of the surface casing to surface.

INJECTION WELL-SPECIFIC CONSIDERATIONS

Well Name: Blackjack Federal 15-3-9-17
EPA Well ID Number: UT20776-09478

Underground Sources of Drinking Water (USDWs): USDWs in the Castle Draw Area Permit generally occur within the Uinta Formation. According to "*Base of Moderately Saline Ground Water in the Uinta Basin, Utah, State of Utah Technical Publication No. 92,*" the base of moderately saline ground water may be found at approximately 285 ft. below ground surface in the Blackjack Federal 15-3-9-17 well. Water samples from the Green River Formation taken in conjunction with oil production show that USDWs do occur at deeper depths within the Humpback unit and as deep as 6,026 ft. in the Balcron Monument Federal 33-25-8-17 well. Freshening of the injection zone due to the injection of relatively fresh water for the purpose of enhanced oil recovery has been demonstrated to be occurring in parts of the Monument Butte Field, including this permit area.

http:NRWRT1.NR.STATE.UT.US: According to the state of Utah, any water wells present within the permit area are shallow and do not intersect the injection zone.

Composition of Source, Formation, and Injectate Water: A water sample analysis was not required as part of the application to add this well to the area permit because EPA considers the water quality of the injection zone to be well documented. Area UIC Permit UT20776-00000 and Statement of Basis describe originally in place formation fluid within the injection zone to be greater than 10,000 mg/l Total Dissolved Solids (TDS) content. However, due to injection of relatively fresh water for the purpose of enhanced oil recovery within the permit area, produced

*Authorization for Additional Well: UIC Area Permit UT20776-00000
Well: Blackjack Federal 15-3-9-17 EPA Well ID: UT20776-09478*

water samples showing TDS values less than 10,000 mg/l have occurred and this occurrence has been observed to increase in frequency with time. Newfield has demonstrated and EPA has confirmed that freshening of the injection zone is occurring and that more recent water samples showing TDS values less than 10,000 mg/l are not likely representative of the original formation fluid at or near this well. EPA considers the presence of waters less than 10,000 mg/l within the injection zone to be a temporary, artificial condition and therefore does not require an aquifer exemption to allow injection to occur.

The injectate is water from a Monument Butte Field Injection Facility and consists of culinary water from the Johnson Water District and/or water from the Green River, blended with produced Green River Formation water and resulting in TDS content less than 10,000 mg/l.

Confining Zone: A *Confining Zone* is a geological formation, group of formations, or part of a formation that is capable of limiting fluid movement above an injection zone. The designated Confining Zone for this well consists of three interbedded, thick impervious shales, confining marlstones and siltstones. The Confining Zone extends from approximately 200 feet above the Garden Gulch Marker to the top of the Garden Gulch Number 2 Sand within the Garden Gulch Member of the Green River Formation. This interval is found between the depths of 3,970 feet to 4,466 feet in the Federal 1-26-8-17 Type Gamma Log for the Monument Butte Field.

Injection Zone: An *injection zone* is a geological formation, group of formations, or part of a formation that receives fluids through a well. The Injection Zone for this well consists of the lower part of the Garden Gulch member starting at the top of the Garden Gulch #2 Sand and includes the Douglas Creek and Basal Carbonate members of the Green River Formation to the top of the Wasatch Formation.

Well Construction: This well was constructed according to BLM requirements and controls for production wells at the time of well completion. EPA has reviewed and approved the construction and determined that it is adequate to protect USDWs.

Surface Casing: 8-5/8" casing is set at 301 ft. in a 12-1/4" hole, using 150 sacks Class "G" cement, cemented to the surface.

Longstring Casing: 5-1/2" casing is set at 5,401 ft. in a 7-7/8" hole secured with 750 sacks of cement. Total driller depth is 5,862 ft. Plugged back total depth is 5,365 ft. EPA calculates top of cement at 980 ft. Estimated CBL top of cement is 250 ft.

Perforations: Top perforation: 4,758 ft.

Bottom perforation: 5,575 ft.

AREA OF REVIEW (AOR) WELL REQUIREMENTS

The following two wells that penetrate the confining zone within or proximate to a ¼-mile radius around the Blackjack Federal 15-3-9-17 well were evaluated to determine if any corrective action is necessary to prevent fluid movement into USDWs:

G.B. Federal 10-3-9-17 API: 43-013-32184 NWSE Sec. 3-T9S-R17E
UIC Permit UT20776-06745.

Blackjack Federal 16-3-9-17 API: 43-013-32500 SESE Sec. 3-T9S-R17E
UIC Permit UT20776-06754

No Corrective Action Required on AOR wells: EPA reviewed all wells penetrating the Confining Zone within a ¼-mile radius of the proposed injection well and determined that cement in these wells is adequate to prevent the movement of fluid into USDWs. Top of cement is above the base of the Confining Zone in all AOR wells.

Reporting of Noncompliance:

- 1) **Anticipated Noncompliance.** The operator shall give advance notice to the Director of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.
- 2) **Compliance Schedules.** Reports of compliance or noncompliance with, or any progress 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.
- 3) **(Written Notice of any noncompliance which may endanger health or the environment shall be reported to the Director within five days of the time the operator becomes aware of the noncompliance.** The written notice shall contain a description of the noncompliance and its cause, the period of noncompliance including dates and times, if the noncompliance has not been corrected the anticipated time it is expected to continue, and steps taken or planned to prevent or reduce recurrence of the noncompliance.

Twenty-Four Hour Noncompliance Reporting: The operator shall report to the Director any noncompliance which may endanger health or environment. Information shall be provided, either orally or by leaving a message, within twenty-four (24) hours from the time the operator becomes aware of the circumstances by telephoning 1-(800)-227-8917 and asking for the EPA Region 8 UIC Program Compliance and Enforcement Director, or by contacting the Region 8 Emergency Operations Center at (303)-293-1788, if calling from outside EPA Region 8. The following information shall be included in the verbal report:

- 1) Any monitoring or other information which indicates that any contaminant may cause an endangerment to an underground source of drinking water.

- 2) Any noncompliance with a Permit condition or malfunction of the injection system which may cause fluid migration into or between underground sources of drinking water.

Oil Spill and Chemical Release Reporting: The operator shall comply with all other reporting requirements related to oil spills and chemical releases or other potential impacts to human health or the environment by contacting the **National Response Center (NRC) 1-(800)-424-8802 or 1-(202)-267-2675**, or through the NRC website at **<http://www.nrc.uscg.mil/index.htm>**

Other Noncompliance: The operator shall report all other instances of noncompliance not otherwise reported at the time monitoring reports are submitted.

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

Blackjack Federal 15-3-9-17

Spud Date: 8/13/2004
 Put on Production: 9/16/2004
 GL: 5071' KB: 5083'

Initial Production: BOPD,
 MCFD, BWPD

Proposed Injection Wellbore Diagram

SURFACE CASING

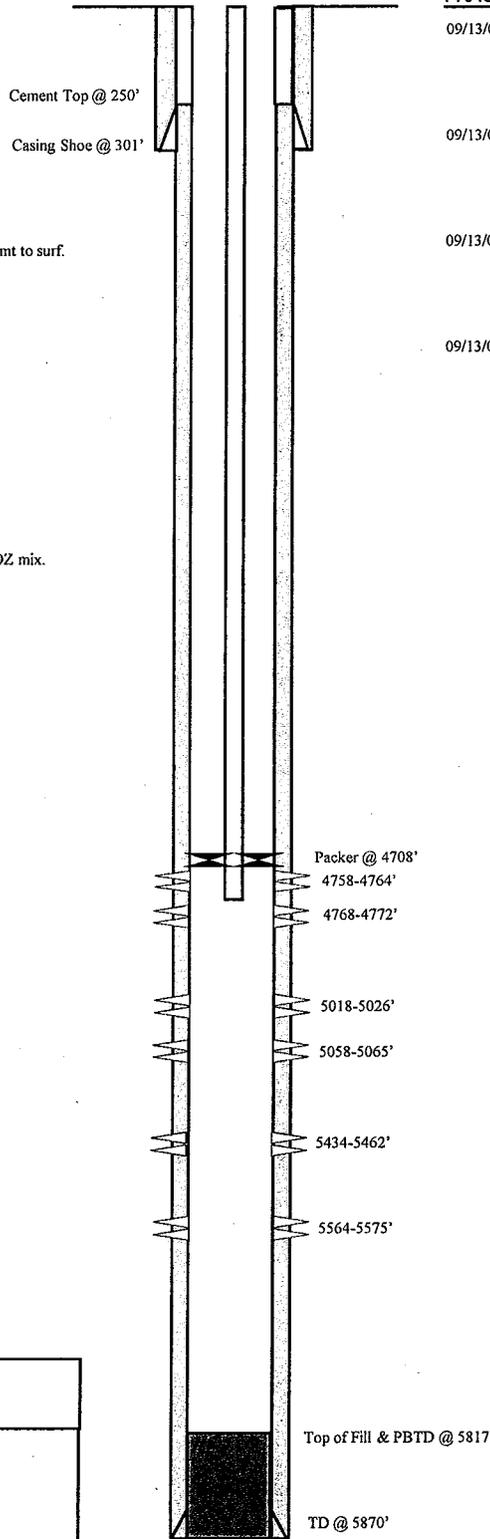
CSG SIZE: 8 5/8"
 GRADE: J-55
 WEIGHT: 24#
 LENGTH: 7 jts. (291.47')
 DEPTH LANDED: 301.47' KB
 HOLE SIZE: 12 1/4"
 CEMENT DATA: 150 sxs Class "G" mixed cmt, est 5 bbls cmt to surf.

PRODUCTION CASING

CSG SIZE: 5 1/2"
 GRADE: J-55
 WEIGHT: 15.5#
 LENGTH: 138 jts. (5864.26')
 DEPTH LANDED: 5862.26' KB
 HOLE SIZE: 7 7/8"
 CEMENT DATA: 325 sxs Prem. Lite II & 425 sxs 50/50 POZ mix.
 CEMENT TOP AT: 250'

TUBING

SIZE/GRADE/WT.: 2 7/8" / J-55 / 6.5#
 NO. OF JOINTS: 169 jts (5507.23')
 TUBING ANCHOR: 5519.23' KB
 NO. OF JOINTS: 2 jts (65.26')
 SEATING NIPPLE: 2 7/8" (1.10')
 SN LANDED AT: 5587.29' KB
 NO. OF JOINTS: 2 jts (65.19')
 TOTAL STRING LENGTH: EOT @ 5654.03' w/ 12' KB



FRAC JOB

09/13/04 5564-5575' **Frac CP3 sands as follows:**
 34,322# 20/40 sand in 370 bbls lightning Frac 17 fluid. Treated @ avg press of 1065 psi w/avg rate of 25.3 BPM. ISIP 1320 psi. Calc flush: 5562 gal. Actual flush: 5586 gal.

09/13/04 5434-5462' **Frac CPI sands as follows:**
 101,072# 20/40 sand in 370 bbls lightning Frac 17 fluid. Treated @ avg press of 1331 psi w/avg rate of 25.3 BPM. ISIP 1630 psi. Calc flush: 5432 gal. Actual flush: 5418 gal.

09/13/04 5018-5065' **Frac A3 and A1 sands as follows:**
 40,825# 20/40 sand in 388 bbls lightning Frac 17 fluid. Treated @ avg press of 1914 psi w/avg rate of 25.3 BPM. ISIP 2180 psi. Calc flush: 5016 gal. Actual flush: 4998 gal.

09/13/04 4758-4772' **Frac C sands as follows:**
 52,604# 20/40 sand in 434 bbls lightning Frac 17 fluid. Treated @ avg press of 2093 psi w/avg rate of 25.3 BPM. ISIP 2600 psi. Calc flush: 4756 gal. Actual flush: 4662 gal.

PERFORATION RECORD

| Date | Interval | Number of Joints | Number of Holes |
|---------|------------|------------------|-----------------|
| 9/08/04 | 5564-5575' | 4 JSPF | 44 holes |
| 9/13/04 | 5434-5462' | 4 JSPF | 112 holes |
| 9/13/04 | 5058-5065' | 4 JSPF | 28 holes |
| 9/13/04 | 5018-5026' | 4 JSPF | 32 holes |
| 9/13/04 | 4768-4772' | 4 JSPF | 16 holes |
| 9/13/04 | 4758-4764' | 4 JSPF | 24 holes |

NEWFIELD

Blackjack Federal 15-3-9-17
 762' FSL 1838' FEL
 SWSE Section 3-T9S-R17E
 Duchesne Co., Utah
 API# 43-013-32501; Lease # UTU-75037



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8**

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

MAR 16 2012

RECEIVED

MAR 28 2012

DIV. OF OIL, GAS & MINING

Ref: 8P-W-GW

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Mr. Eric Sundberg
Regulatory Analyst
Newfield Production Company
1001 Seventeenth Street – Suite 2000
Denver, Colorado 80202

Accepted by the
Utah Division of
Oil, Gas and Mining

FOR RECORD ONLY

RE: Underground Injection Control (UIC)
Additional Well to Castle Draw Area Permit
EPA UIC Permit UT20776-09478
Well: Blackjack Federal 15-3-9-17
SWSE Sec. 3-T9S-R17E
Duchesne County, Utah
API No.: 43-013-32501

Dear Mr. Sundberg:

The U.S. Environmental Protection Agency Region 8 hereby authorizes Newfield Production Company (Newfield) to convert the oil well Blackjack Federal 15-3-9-17 to an enhanced recovery injection well according to the terms and conditions of the enclosed Authorization for Additional Well. The addition of this injection well, within the exterior boundary of the Uintah & Ouray Indian Reservation, is being made under the authority of 40 CFR §144.33 (c) and terms of the Castle Draw Area Permit No. UT20776-00000 and subsequent modifications.

Please be aware that Newfield does not have authorization to begin well injection until all Prior to Commencing Injection requirements are met and written authorization to inject is given by the Director. Prior to receiving authorization to inject, Newfield must submit for review and approval (1) the results of a Part I (internal) Mechanical Integrity test, (2) a pore pressure calculation of the injection interval and (3) a completed EPA Form No. 7520-12 (Well Rework Record) with a new schematic diagram.

If you have any questions, please call Emmett Schmitz at (303) 312-6174 or (800) 227-8917, extension 312-6174. Please submit the required data to Jason Deardorff at the letterhead address citing mail code 8P-W-GW.

Sincerely,



for
Callie A. Videtich
Acting Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

Enclosures: Authorization for Additional Well
Conversion Wellbore Schematic for Blackjack Federal 15-3-9-17

cc: Letter Only:

Uintah & Ouray Business Committee:

Irene Cuch, Chairman
Ronald Wopsock, Vice-Chairman
Frances Poowegup, Councilwoman
Phillip Chimburas, Councilman
Stewart Pike, Councilman
Richard Jenks, Jr., Councilman

Daniel Picard
BIA - Uintah & Ouray Indian Agency

cc: All Enclosures:

Mike Natchees
Environmental Coordinator
Ute Indian Tribe

Manual Myore
Director of Energy & Minerals Dept.
Ute Indian Tribe

Brad Hill
Acting Associate Director
Utah Division of Oil, Gas, and Mining

Fluid Minerals Engineering Office
BLM - Vernal Office

Reed Durfey
District Manager
Newfield Production Company
Myton, Utah



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8
1595 WYNKOOP STREET
DENVER, CO 80202-1129
Phone 800-227-8917
<http://www.epa.gov/region08>

AUTHORIZATION FOR ADDITIONAL WELL

UIC Area Permit UT20776-00000

The Humpback Final UIC Area Permit UT20776-00000, effective November 29, 1995, authorizes injection for the purpose of enhanced oil recovery in the Monument Butte Field. On January 25, 2012, Newfield Production Company notified the Director concerning the following additional enhanced recovery injection well:

| | |
|-----------------------|--|
| Well Name: | Blackjack Federal 15-3-9-17 |
| EPA Permit ID Number: | UT20776-09478 |
| Location: | 762' FSL & 1838' FEL SWSE Sec. 3-T9S-R17E Duchesne County, Utah API #43-013-32501 |

Pursuant to 40 CFR §144.33, Area UIC Permit UT20776-00000 authorizes the permittee to construct and operate, convert, or plug and abandon additional enhanced recovery injection wells within the area permit. This well was determined to satisfy additional well criteria required by the permit.

This well is subject to all provisions of UIC Area Permit No. UT20776-00000, as modified and as specified in the Injection Well-Specific Requirements detailed below. This Authorization shall expire one year after the Effective Date unless the permittee has converted the well to injection or submits a written request to extend this Authorization prior to the expiration date.

This Authorization is effective upon signature.

Date: 3/15/12

Callie A. Videtich
*Acting Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

** The person holding this title is referred to as the Director throughout the permit and Authorization*

INJECTION WELL-SPECIFIC REQUIREMENTS

Well Name: Blackjack Federal 15-3-9-17
EPA Well ID Number: UT20776-09478

Prior to Commencing Injection Operations, the permittee shall submit the following information:

1. Completed Well Rework Record (EPA Form No. 7520-12) and schematic diagram;
2. Pore pressure calculation of the proposed injection zone;
3. Results from a successful part I (internal) Mechanical Integrity test.

Once these records are received and approved by EPA, the Director will provide written authorization to inject.

Note: All depths given in this authorization reference the Kelly Bushing datum unless otherwise specified.

Approved Injection Interval: The injection interval is the part of the injection zone where fluids are directly emplaced. The approved injection interval for this well is from the top of the Garden Gulch Sand #2 to the top of the Wasatch Formation. Additional injection perforations may be added provided that they remain within the approved injection interval. Injection between the outermost casing protecting USDWs and the well bore is prohibited.

Maximum Allowable Injection Pressure (MAIP): The initial MAIP is 1,515 psig, based on the calculation $MAIP = [FG - (0.433)(SG)] * D$, where "FG" is the fracture gradient, "SG" is the specific gravity of injectate and "D" is the Kelly Bushing depth to the shallowest casing perforation. For this well, FG is 0.758 psi/ft, SG is 1.015 and D is 4,758 ft.

UIC Area Permit No. UT20776-00000 provides the opportunity for the permittee to request a change of the MAIP based upon the submitted results of a step rate test that demonstrates the formation parting pressure.

Well Construction: Casing and Cementing: The well was constructed in compliance with existing regulatory controls for casing and cementing pursuant to 40 CFR § 146.22(c).

Cementing records, including the cement bond log, have satisfactorily demonstrated the presence of adequate cement to prevent the migration of injection fluids behind the casing from the injection zone.

Well Construction: Tubing and Packer: 2-7/8" or similar size injection tubing is approved. The packer shall be set at a depth no more than 100 ft. above the top perforation.

Demonstration of Mechanical Integrity:

- (1) A successful demonstration of part I (internal) mechanical integrity using a Casing-Tubing Annulus Pressure Test is required prior to injection, and no less than every five years after the last successful test.
- (2) EPA reviewed the cementing records and determined the cement will provide an effective barrier to significant upward movement of fluids through vertical channels adjacent to the well bore pursuant to 40 CFR §146.8 (a)(2). Therefore, further demonstration of Part II (external) Mechanical Integrity is not required at this time.

Demonstration of Financial Responsibility: The applicant has demonstrated financial responsibility by a Surety Bond in the amount of \$42,000 and a Standby Trust Agreement that have been approved by EPA. The Director may revise the amount required and may require the permittee to obtain and provide updated estimates of costs for plugging the well according to the approved Plugging and Abandonment plan.

Plugging and Abandonment: The well shall be plugged in a manner that isolates the injection zone and prevents movement of fluids into or between Underground Sources of Drinking Water (USDW). 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. 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. At a minimum, the following plugs are required:

- (1) Isolate the injection zone: Remove down hole apparatus from the well and perform necessary clean out; displace well fluid with plugging gel. Set a cast iron bridge plug (CIBP) within the innermost casing string no more than 50 ft. above the top perforation with a minimum of 20 ft. cement plug on top of the CIBP.
- (2) Isolate the Trona-Bird's Nest water zone and Mahogany Oil Shale: Perforate and squeeze cement up the backside of the outermost casing string across the Mahogany Oil Shale and Trona-Bird's Nest water zone, from at least 55 ft. above the top of the Trona-Bird's Nest to at least 55 ft. below the base of Mahogany Oil Shale, unless there is existing cement across this interval.

(3) Isolate the Uinta Formation from the Green River Formation: Perforate and squeeze a minimum of 110 ft. cement up the backside of the outermost casing string to isolate the contact between the Uinta Formation and the Green River Formation, unless there is existing cement across this interval. Set a minimum 110 ft. cement plug in the innermost casing string, centered on the contact between the Green River Formation and Uinta Formation.

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- a. If the depth of the lowermost USDW is above the base of surface casing, perforate the outermost casing string 50 ft. below the base of surface casing and circulate cement to the surface, unless there is existing cement across this interval; OR
- b. If the depth of the lowermost USDW is below the base of surface casing, perforate the outermost casing string 50 ft. below the base of the lowermost USDW and circulate cement to surface; AND
- c. Set a cement plug inside the innermost casing string from 50 ft. below the base of the surface casing to surface.

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Well Name: Blackjack Federal 15-3-9-17
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http:NRWRT1.NR.STATE.UT.US: According to the state of Utah, any water wells present within the permit area are shallow and do not intersect the injection zone.

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*Authorization for Additional Well: UIC Area Permit UT20776-00000
Well: Blackjack Federal 15-3-9-17 EPA Well ID: UT20776-09478*

water samples showing TDS values less than 10,000 mg/l have occurred and this occurrence has been observed to increase in frequency with time. Newfield has demonstrated and EPA has confirmed that freshening of the injection zone is occurring and that more recent water samples showing TDS values less than 10,000 mg/l are not likely representative of the original formation fluid at or near this well. EPA considers the presence of waters less than 10,000 mg/l within the injection zone to be a temporary, artificial condition and therefore does not require an aquifer exemption to allow injection to occur.

The injectate is water from a Monument Butte Field Injection Facility and consists of culinary water from the Johnson Water District and/or water from the Green River, blended with produced Green River Formation water and resulting in TDS content less than 10,000 mg/l.

Confining Zone: A *Confining Zone* is a geological formation, group of formations, or part of a formation that is capable of limiting fluid movement above an injection zone. The designated Confining Zone for this well consists of three interbedded, thick impervious shales, confining marlstones and siltstones. The Confining Zone extends from approximately 200 feet above the Garden Gulch Marker to the top of the Garden Gulch Number 2 Sand within the Garden Gulch Member of the Green River Formation. This interval is found between the depths of 3,970 feet to 4,466 feet in the Federal 1-26-8-17 Type Gamma Log for the Monument Butte Field.

Injection Zone: An *injection zone* is a geological formation, group of formations, or part of a formation that receives fluids through a well. The Injection Zone for this well consists of the lower part of the Garden Gulch member starting at the top of the Garden Gulch #2 Sand and includes the Douglas Creek and Basal Carbonate members of the Green River Formation to the top of the Wasatch Formation.

Well Construction: This well was constructed according to BLM requirements and controls for production wells at the time of well completion. EPA has reviewed and approved the construction and determined that it is adequate to protect USDWs.

Surface Casing: 8-5/8" casing is set at 301 ft. in a 12-1/4" hole, using 150 sacks Class "G" cement, cemented to the surface.

Longstring Casing: 5-1/2" casing is set at 5,401 ft. in a 7-7/8" hole secured with 750 sacks of cement. Total driller depth is 5,862 ft. Plugged back total depth is 5,365 ft. EPA calculates top of cement at 980 ft. Estimated CBL top of cement is 250 ft.

Perforations: Top perforation: 4,758 ft.

Bottom perforation: 5,575 ft.

AREA OF REVIEW (AOR) WELL REQUIREMENTS

The following two wells that penetrate the confining zone within or proximate to a ¼-mile radius around the Blackjack Federal 15-3-9-17 well were evaluated to determine if any corrective action is necessary to prevent fluid movement into USDWs:

G.B. Federal 10-3-9-17 API: 43-013-32184 NWSE Sec. 3-T9S-R17E
UIC Permit UT20776-06745.

Blackjack Federal 16-3-9-17 API: 43-013-32500 SESE Sec. 3-T9S-R17E
UIC Permit UT20776-06754

No Corrective Action Required on AOR wells: EPA reviewed all wells penetrating the Confining Zone within a ¼-mile radius of the proposed injection well and determined that cement in these wells is adequate to prevent the movement of fluid into USDWs. Top of cement is above the base of the Confining Zone in all AOR wells.

Reporting of Noncompliance:

- 1) **Anticipated Noncompliance.** The operator shall give advance notice to the Director of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.
- 2) **Compliance Schedules.** Reports of compliance or noncompliance with, or any progress 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.
- 3) **(Written Notice of any noncompliance which may endanger health or the environment shall be reported to the Director within five days of the time the operator becomes aware of the noncompliance.** The written notice shall contain a description of the noncompliance and its cause, the period of noncompliance including dates and times, if the noncompliance has not been corrected the anticipated time it is expected to continue, and steps taken or planned to prevent or reduce recurrence of the noncompliance.

Twenty-Four Hour Noncompliance Reporting: The operator shall report to the Director any noncompliance which may endanger health or environment. Information shall be provided, either orally or by leaving a message, within twenty-four (24) hours from the time the operator becomes aware of the circumstances by telephoning 1-(800)-227-8917 and asking for the EPA Region 8 UIC Program Compliance and Enforcement Director, or by contacting the Region 8 Emergency Operations Center at (303)-293-1788, if calling from outside EPA Region 8. The following information shall be included in the verbal report:

- 1) Any monitoring or other information which indicates that any contaminant may cause an endangerment to an underground source of drinking water.

- 2) Any noncompliance with a Permit condition or malfunction of the injection system which may cause fluid migration into or between underground sources of drinking water.

Oil Spill and Chemical Release Reporting: The operator shall comply with all other reporting requirements related to oil spills and chemical releases or other potential impacts to human health or the environment by contacting the **National Response Center (NRC) 1-(800)-424-8802 or 1-(202)-267-2675**, or through the NRC website at <http://www.nrc.uscg.mil/index.htm>

Other Noncompliance: The operator shall report all other instances of noncompliance not otherwise reported at the time monitoring reports are submitted.

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

Blackjack Federal 15-3-9-17

Spud Date: 8/13/2004
 Put on Production: 9/16/2004
 GL: 5071' KB: 5083'

Initial Production: BOPD,
 MCFD, BWPD

Proposed Injection Wellbore Diagram

SURFACE CASING

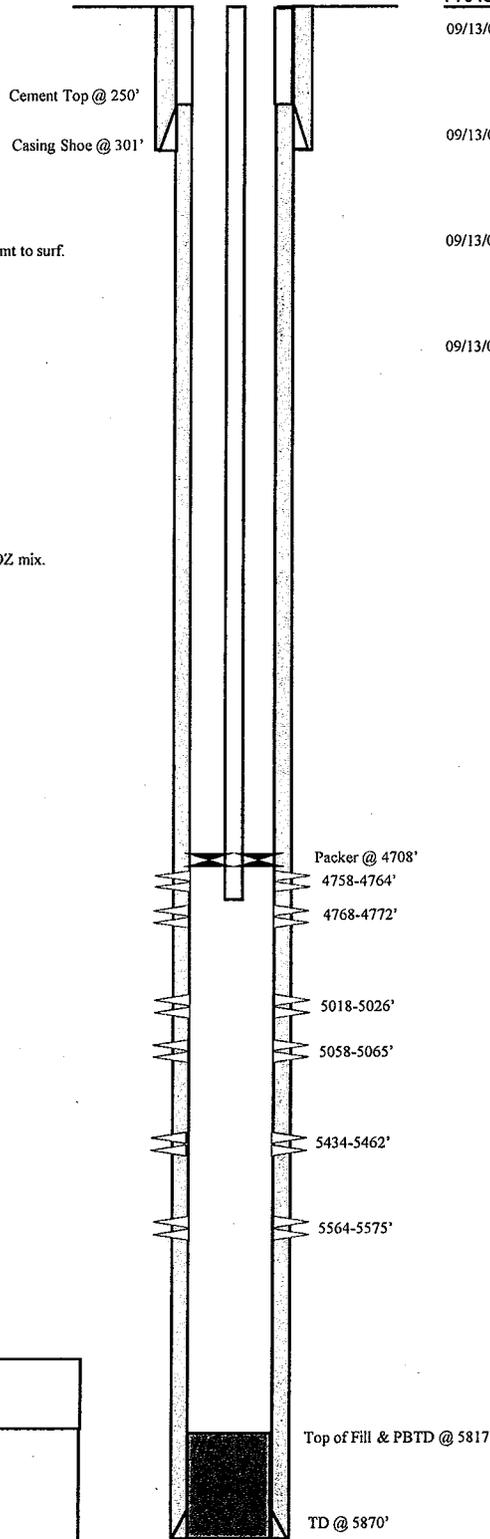
CSG SIZE: 8 5/8"
 GRADE: J-55
 WEIGHT: 24#
 LENGTH: 7 jts. (291.47')
 DEPTH LANDED: 301.47' KB
 HOLE SIZE: 12 1/4"
 CEMENT DATA: 150 sxs Class "G" mixed cmt, est 5 bbls cmt to surf.

PRODUCTION CASING

CSG SIZE: 5 1/2"
 GRADE: J-55
 WEIGHT: 15.5#
 LENGTH: 138 jts. (5864.26')
 DEPTH LANDED: 5862.26' KB
 HOLE SIZE: 7 7/8"
 CEMENT DATA: 325 sxs Prem. Lite II & 425 sxs 50/50 POZ mix.
 CEMENT TOP AT: 250'

TUBING

SIZE/GRADE/WT.: 2 7/8" / J-55 / 6.5#
 NO. OF JOINTS: 169 jts (5507.23')
 TUBING ANCHOR: 5519.23' KB
 NO. OF JOINTS: 2 jts (65.26')
 SEATING NIPPLE: 2 7/8" (1.10')
 SN LANDED AT: 5587.29' KB
 NO. OF JOINTS: 2 jts (65.19')
 TOTAL STRING LENGTH: EOT @ 5654.03' w/ 12' KB



FRAC JOB

09/13/04 5564-5575' **Frac CP3 sands as follows:**
 34,322# 20/40 sand in 370 bbls lightning Frac 17 fluid. Treated @ avg press of 1065 psi w/avg rate of 25.3 BPM. ISIP 1320 psi. Calc flush: 5562 gal. Actual flush: 5586 gal.

09/13/04 5434-5462' **Frac CPI sands as follows:**
 101,072# 20/40 sand in 370 bbls lightning Frac 17 fluid. Treated @ avg press of 1331 psi w/avg rate of 25.3 BPM. ISIP 1630 psi. Calc flush: 5432 gal. Actual flush: 5418 gal.

09/13/04 5018-5065' **Frac A3 and A1 sands as follows:**
 40,825# 20/40 sand in 388 bbls lightning Frac 17 fluid. Treated @ avg press of 1914 psi w/avg rate of 25.3 BPM. ISIP 2180 psi. Calc flush: 5016 gal. Actual flush: 4998 gal.

09/13/04 4758-4772' **Frac C sands as follows:**
 52,604# 20/40 sand in 434 bbls lightning Frac 17 fluid. Treated @ avg press of 2093 psi w/avg rate of 25.3 BPM. ISIP 2600 psi. Calc flush: 4756 gal. Actual flush: 4662 gal.

PERFORATION RECORD

| Date | Interval | Number of Joints | Number of Holes |
|---------|------------|------------------|-----------------|
| 9/08/04 | 5564-5575' | 4 JSPF | 44 holes |
| 9/13/04 | 5434-5462' | 4 JSPF | 112 holes |
| 9/13/04 | 5058-5065' | 4 JSPF | 28 holes |
| 9/13/04 | 5018-5026' | 4 JSPF | 32 holes |
| 9/13/04 | 4768-4772' | 4 JSPF | 16 holes |
| 9/13/04 | 4758-4764' | 4 JSPF | 24 holes |

NEWFIELD

Blackjack Federal 15-3-9-17
 762' FSL 1838' FEL
 SWSE Section 3-T9S-R17E
 Duchesne Co., Utah
 API# 43-013-32501; Lease # UTU-75037

| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | | FORM 9 |
|---|---|--|
| SUNDRY NOTICES AND REPORTS ON WELLS | | 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-75037 |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| | | 7. UNIT or CA AGREEMENT NAME: GMBU (GRRV) |
| 1. TYPE OF WELL Oil Well | 8. WELL NAME and NUMBER: BLACKJACK FED 15-3-9-17 | |
| 2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY | 9. API NUMBER: 43013325010000 | |
| 3. ADDRESS OF OPERATOR: Rt 3 Box 3630 , Myton, UT, 84052 | PHONE NUMBER: 435 646-4825 Ext | 9. FIELD and POOL or WILDCAT: MONUMENT BUTTE |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 0762 FSL 1838 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 03 Township: 09.0S Range: 17.0E Meridian: S | COUNTY: DUCHESNE | |
| | STATE: UTAH | |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | |
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 4/24/2012 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date: | <input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input checked="" type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input checked="" type="checkbox"/> CONVERT WELL TYPE <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 type="checkbox"/> OTHER | |
| 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 04/16/2012. On 04/17/2012 Jason Deardorff with the EPA was contacted concerning the initial MIT on the above listed well. On 04/24/2012 the casing was pressured up to 1325 psig and charted for 30 minutes with no pressure loss. The well was not injecting during the test. The tubing pressure was 85 psig during the test. There was not an EPA representative available to witness the test. EPA# | | Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY May 17, 2012 |
| UT20776-09478 | | |
| NAME (PLEASE PRINT) Lucy Chavez-Naupoto | PHONE NUMBER 435 646-4874 | TITLE Water Services Technician |
| SIGNATURE N/A | DATE 4/26/2012 | |

Mechanical Integrity Test

Casing or Annulus Pressure Mechanical Integrity Test

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

EPA Witness: _____ Date: 4 / 24 / 2012

Test conducted by: Shannon Hazenby

Others present: Troy Hazenby Don Trane

Ut 20776-09478

| | | |
|--|--------------|--|
| Well Name: <u>Black Jack Federal 15-3-9-17</u> | Type: ER SWD | Status: AC TA UC |
| Field: <u>Monument Butte</u> | | |
| Location: <u>Black Jack 15-3-9-17</u> Sec: <u>3</u> T <u>95</u> N/S R <u>17</u> E/W County: <u>Duchesne</u> State: <u>ut</u> | | |
| Operator: <u>Shannon Hazenby</u> | | |
| Last MIT: _____ / _____ / _____ | | 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: _____ bpd

Pre-test casing/tubing annulus pressure: 1325 / 85 _____ psig

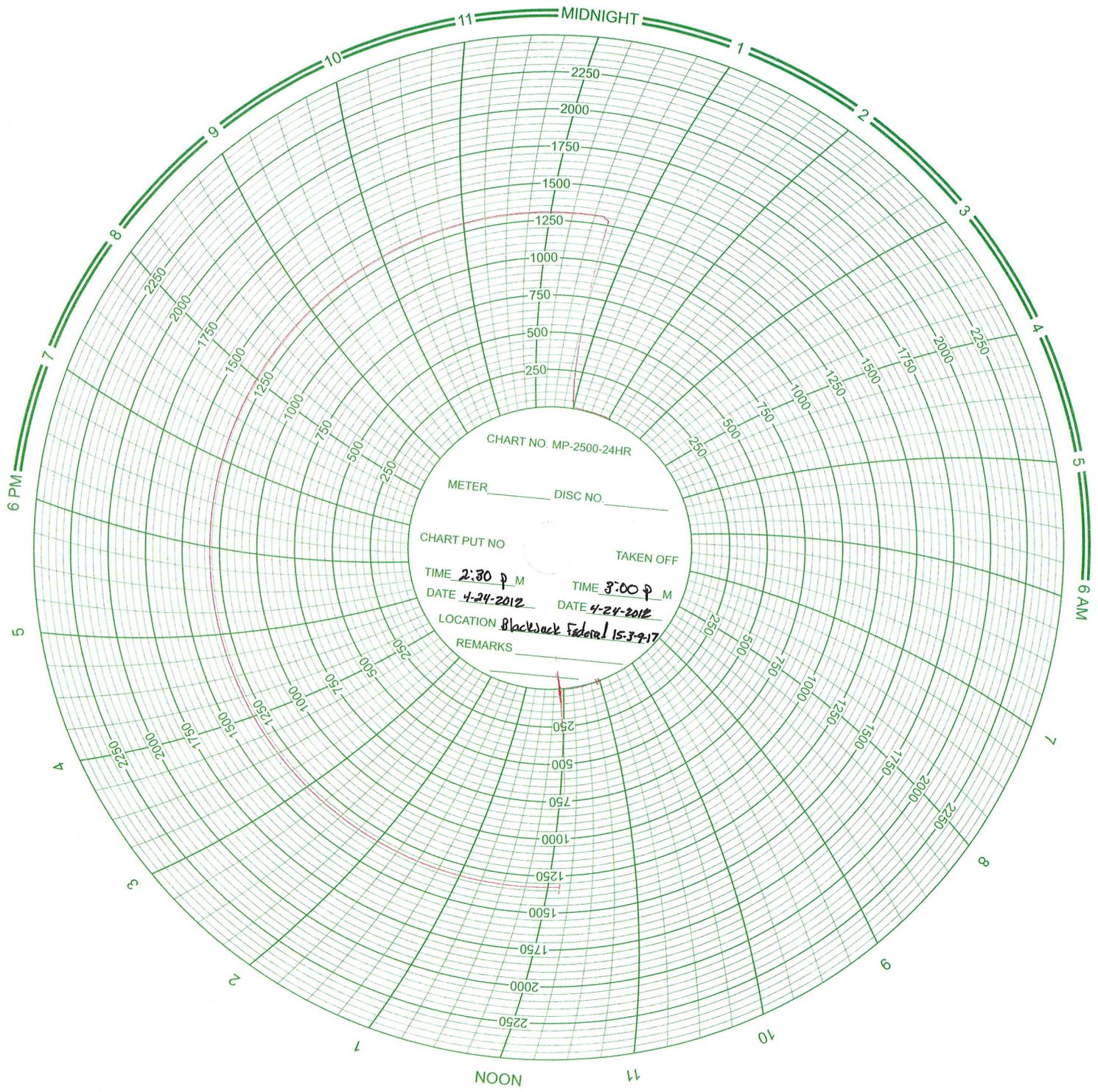
| MIT DATA TABLE | Test #1 | Test #2 | Test #3 |
|---|---|---|---|
| TUBING PRESSURE | | | |
| Initial Pressure | <u>85</u> psig | psig | psig |
| End of test pressure | <u>85</u> psig | psig | psig |
| CASING / TUBING ANNULUS PRESSURE | | | |
| 0 minutes | <u>1325</u> psig | psig | psig |
| 5 minutes | <u>1325</u> psig | psig | psig |
| 10 minutes | <u>1325</u> psig | psig | psig |
| 15 minutes | <u>1325</u> psig | psig | psig |
| 20 minutes | <u>1320</u> psig | psig | psig |
| 25 minutes | <u>1320</u> psig | psig | psig |
| 30 minutes | <u>1320</u> psig | psig | psig |
| _____ minutes | <u>/</u> psig | psig | psig |
| _____ minutes | psig | psig | psig |
| RESULT | <input type="checkbox"/> Pass <input type="checkbox"/> Fail | <input type="checkbox"/> Pass <input type="checkbox"/> Fail | <input type="checkbox"/> Pass <input type="checkbox"/> Fail |

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

MECHANICAL INTEGRITY PRESSURE TEST

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

Signature of Witness: _____



Daily Activity Report

Format For Sundry

BLACKJACK 15-3-9-17

2/1/2012 To 6/30/2012

4/13/2012 Day: 1

Conversion

WWS #1 on 4/13/2012 - MIRU POOH w/ Rods Tag fill. - Safety Meeting . JSA. Rig Down Move from 13-18-9-16 to 15-3-9-17 MIRU RU Hot Oiler Pump 60 bbls down csg unseat pump flush Rods w/ 40 bbls Seat pump try to press test Tbg (no luck) Tbg leak POOH w/ rods. ND WH Release TAC NU BOPs RIH w/ sandline tag fill @ 5800' 17' off fill POOH RD Sand line SWIFN

Daily Cost: \$0

Cumulative Cost: \$70,669

4/17/2012 Day: 2

Conversion

WWS #1 on 4/17/2012 - Trip Tbg Press test - Safety Meeting. JSA. Ck press from week end 900psi. Pressw up to 3000spi Watch for 30 min lost 100 psi. Mess with press test for 11/2 hrs. No Test POOH testing for leak Found slow leak in collar on jt #8 Replace jt TIH press test to 3000psi 30 min (Good Test) RIH w/ sandline retrieve SV ND BOPs Mix & pump PKR fuild 50bbls Set PKR @ 4670 w/ 15000# tension NU Inj Head fill Csg w/ 5bbls press test to 1400ps 30 min lost 100psi press back up to 1400psi 1 hr (Good Test) - Safety Meeting. JSA. Ck press from week end 900psi. Pressw up to 3000spi Watch for 30 min lost 100 psi. Mess with press test for 11/2 hrs. No Test POOH testing for leak Found slow leak in collar on jt #8 Replace jt TIH press test to 3000psi 30 min (Good Test) RIH w/ sandline retrieve SV ND BOPs Mix & pump PKR fuild 50bbls Set PKR @ 4670 w/ 15000# tension NU Inj Head fill Csg w/ 5bbls press test to 1400ps 30 min lost 100psi press back up to 1400psi 1 hr (Good Test) - Safety meeting. JSA. Start POOH w/ Tbg Breaking & Doping Collars 35 Jts Stop & flush Tbg w/ 30 bbls, Cont TOOH doping Collars w/ 112jts LD 25 jts. (Found hole in jt 158) TAC, 2 jts, PSN, 2jts, NC. PU & TIH w/ 5-1/2" Arrow Set 1, PSN (new), 144 jst 2-7/8 tbg. Pump 10 bbls, Pump down SV work with test for 2hrs. Water to Hot to get good test Press well to 3000psi CWI Check Press Monday. EOT @ 4705' - Safety meeting. JSA. Start POOH w/ Tbg Breaking & Doping Collars 35 Jts Stop & flush Tbg w/ 30 bbls, Cont TOOH doping Collars w/ 112jts LD 25 jts. (Found hole in jt 158) TAC, 2 jts, PSN, 2jts, NC. PU & TIH w/ 5-1/2" Arrow Set 1, PSN (new), 144 jst 2-7/8 tbg. Pump 10 bbls, Pump down SV work with test for 2hrs. Water to Hot to get good test Press well to 3000psi CWI Check Press Monday. EOT @ 4705'

Daily Cost: \$0

Cumulative Cost: \$77,244

4/25/2012 Day: 4

Conversion

Rigless on 4/25/2012 - Conduct initial MIT - On 04/17/2012 Jason Deardorff with the EPA was contacted concerning the initial MIT on the above listed well. On 04/24/2012 the casing was pressured up to 1325 psig and charted for 30 minutes with no pressure loss. The well was not injecting during the test. The tubing pressure was 85 psig during the test. There was not an EPA representative available to witness the test. EPA# UT20776-09478 **Finalized**

Daily Cost: \$0

Cumulative Cost: \$115,696

Pertinent Files: [Go to File List](#)

| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | | FORM 9 | |
|---|---|--|---|
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-75037 | |
| | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: | |
| 1. TYPE OF WELL Water Injection Well | | 7. UNIT or CA AGREEMENT NAME: GMBU (GRRV) | |
| 2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY | | 8. WELL NAME and NUMBER: BLACKJACK FED 15-3-9-17 | |
| 3. ADDRESS OF OPERATOR: Rt 3 Box 3630 , Myton, UT, 84052 | | 9. API NUMBER: 43013325010000 | |
| PHONE NUMBER: 435 646-4825 Ext | | 9. FIELD and POOL or WILDCAT: MONUMENT BUTTE | |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 0762 FSL 1838 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 03 Township: 09.0S Range: 17.0E Meridian: S | | COUNTY: DUCHESNE | |
| | | STATE: UTAH | |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | | |
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 5/25/2012 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date: | <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER | <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input checked="" type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input type="text" value="Put on Injection"/> |
| 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 12:50 PM on 05/25/2012. EPA # UT20776-09478 | | | |
| Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY May 29, 2012 | | | |
| NAME (PLEASE PRINT) Lucy Chavez-Naupoto | PHONE NUMBER 435 646-4874 | TITLE Water Services Technician | |
| SIGNATURE N/A | | DATE 5/29/2012 | |



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

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

MAY 14 2012

Ref: 8P-W-UIC

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Reed Durfey
District Manager
Newfield Production Company
Route 3 – Box 3630
Myton, Utah

RE: Underground Injection Control
Authorization to Commence Injection
EPA UIC Permit UT20776-09478
Well: Blackjack Federal 15-3-9-17
SWSE Sec. 3-T9S-R17E
Duchesne County, Utah
API No.: 43-013-32501

Accepted by the
Utah Division of
Oil, Gas and Mining

FOR RECORD ONLY

Dear Mr. Durfey:

The U.S. Environmental Protection Agency Region 8 has received Newfield Production Company's (Newfield) April 19, 2012, letter with enclosures. The enclosed Part I (internal) Mechanical Integrity test, Well Rework Record (EPA Form 7520-12), schematic diagram and calculated pore pressure were reviewed and approved by the EPA, satisfactorily completing all Prior to Commencing Injection Requirements for UIC Permit UT20776-09478.

As of the date of this letter, Newfield is authorized to commence injection into the Blackjack Federal 15-3-9-17 well at a Maximum Allowable Injection Pressure (MAIP) of 1,515 psig. 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 that measures the fracture parting pressure and calculates the fracture gradient at this depth and location. Newfield must receive prior authorization from the Director to inject at pressures greater than the permitted MAIP during any test.

As of this approval, responsibility for permit compliance and enforcement is transferred to the EPA's UIC Technical Enforcement Program. Therefore, please direct all monitoring and compliance correspondence to Sarah Roberts at the following address, referencing the well name and UIC Permit number on all correspondence:

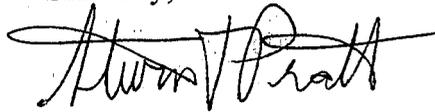
Ms. Sarah Roberts
U.S. EPA Region 8: 8ENF-UFO
1595 Wynkoop Street
Denver, Colorado 80202-1129

You may reach Ms. Roberts by telephone at (303) 312-6211 or (800) 227-8927, extension 312-6211.

Please remember that it is your responsibility to be aware of, and to comply with, all conditions of injection well Permit UT20776-09478.

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

Sincerely,



CA Callie A. Videtich
Acting Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

cc: Uintah & Ouray Business Committee:

Irene Cuch, Chairman
Richard Jenks, Jr., Councilman
Frances Poowegup, Councilwoman
Ronald Wopsock, Vice-Chairman
Phillip Chimburas, Councilman
Stewart Pike, Councilman

Daniel Picard
BIA - Uintah & Ouray Indian Agency

Mike Natchees
Environmental Coordinator
Ute Indian Tribe

Manual Myore
Director of Energy & Minerals Dept.
Ute Indian Tribe

Brad Hill
Acting Associate Director
Utah Division of Oil, Gas, and Mining

Fluid Minerals Engineering Office
BLM - Vernal Office

Eric Sundberg, Regulatory Analyst
Newfield Production Company

4/2/11

Page 1 of 1

4/2/11

Page 1 of 1

4/2/11

Page 1 of 1



Printed on Recycled Paper

Blackjack Federal 15-3-9-17

Spud Date: 8/13/2004
 Put on Production: 9/16/2004
 GL: 5071' KB: 5083'

Injection Wellbore Diagram

SURFACE CASING

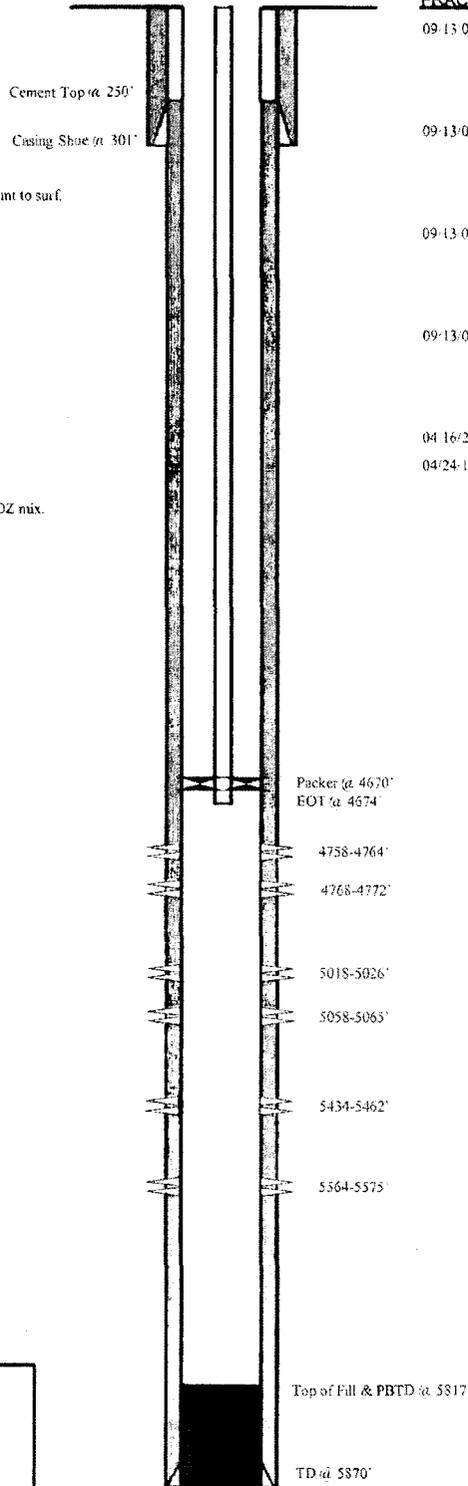
CSG SIZE: 5 5/8"
 GRADE: J-55
 WEIGHT: 24#
 LENGTH: 7 jts. (291.47')
 DEPTH LANDED: 301.47' KB
 HOLE SIZE: 12 1/4"
 CEMENT DATA: 150 sxs Class "G" mixed cnt, est 5 bbls cnt to surf.

PRODUCTION CASING

CSG SIZE: 5 1/2"
 GRADE: J-55
 WEIGHT: 15.5#
 LENGTH: 138 jts (5864.26')
 DEPTH LANDED: 5862.26' KB
 HOLE SIZE: 7 7/8"
 CEMENT DATA: 325 sxs Prem. Lite II & 425 sxs 50-50 POZ mix.
 CEMENT TOP AT: 250'

TUBING

SIZE/GRADE/WT.: 2 7/8" / J-55 6.5#
 NO. OF JOINS: 143 jts (4653.7')
 SEATING NIPPLE: 2 7/8" (1.10')
 SN LANDED AT: 4665.7' KB
 CE @ 4670'
 TOTAL STRING LENGTH: EOT @ 4674' w 12" KB



FRAC JOB

09/13/04 5564-5575' **Frac CP3 sands as follows:**
 34,322# 20/40 sand in 370 bbls lightning Frac 17 fluid. Treated @ avg press of 1065 psi w avg rate of 25.3 BPM. ISIP 1320 psi. Calc flush: 5562 gal. Actual flush: 5586 gal.

09/13/04 5434-5462' **Frac CP1 sands as follows:**
 101,072# 20/40 sand in 370 bbls lightning Frac 17 fluid. Treated @ avg press of 1331 psi w avg rate of 25.3 BPM. ISIP 1630 psi. Calc flush: 5432 gal. Actual flush: 5418 gal.

09/13/04 5018-5065' **Frac A3 and A1 sands as follows:**
 40,825# 20/40 sand in 388 bbls lightning Frac 17 fluid. Treated @ avg press of 1914 psi w avg rate of 25.3 BPM. ISIP 2180 psi. Calc flush: 5016 gal. Actual flush: 4998 gal.

09/13/04 4758-4772' **Frac C sands as follows:**
 52,604# 20/40 sand in 434 bbls lightning Frac 17 fluid. Treated @ avg press of 2093 psi w avg rate of 25.3 BPM. ISIP 2600 psi. Calc flush: 4756 gal. Actual flush: 4662 gal.

04/16/2012 **Convert to Injection Well**
 04/24/12 **Conversion MIT Finalized - updated tbg detail**

PERFORATION RECORD

| Date | Interval | ISPF | Holes |
|---------|------------|--------|-----------|
| 9-08-04 | 5564-5575' | 4 ISPF | 44 holes |
| 9-13-04 | 5434-5462' | 4 ISPF | 112 holes |
| 9-13-04 | 5058-5065' | 4 ISPF | 28 holes |
| 9-13-04 | 5018-5026' | 4 ISPF | 32 holes |
| 9-13-04 | 4768-4772' | 4 ISPF | 16 holes |
| 9-13-04 | 4758-4764' | 4 ISPF | 24 holes |

NEWFIELD

Blackjack Federal 15-3-9-17

762' FSL 1838' FEL

SWSE Section 3-T9S-R17E

Duchesne Co., Utah

API# 43-013-32501; Lease # UTU-75037