

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

FORM 3
AMENDED REPORT

| | | |
|--|---|---|
| APPLICATION FOR PERMIT TO DRILL | | 1. WELL NAME and NUMBER Lone Tree Federal 9-15-9-17 |
| 2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/> | | 3. FIELD OR WILDCAT MONUMENT BUTTE |
| 4. TYPE OF WELL Oil Well Coalbed Methane Well: NO | | 5. UNIT or COMMUNITIZATION AGREEMENT NAME LONE TREE (GRRV) |
| 6. NAME OF OPERATOR NEWFIELD PRODUCTION COMPANY | | 7. OPERATOR PHONE 435 646-4825 |
| 8. ADDRESS OF OPERATOR Rt 3 Box 3630 , Myton, UT, 84052 | | 9. OPERATOR E-MAIL mcrozier@newfield.com |
| 10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) UTU-74805 | 11. MINERAL OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> | |
| 13. NAME OF SURFACE OWNER (if box 12 = 'fee') Henderson Ranches LLC | | 12. SURFACE OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> |
| 15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') Route 3 Box 3671, , | | 14. SURFACE OWNER PHONE (if box 12 = 'fee') |
| 17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN') | | 16. SURFACE OWNER E-MAIL (if box 12 = 'fee') |
| 18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/> | | 19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/> |

| 20. LOCATION OF WELL | FOOTAGES | QTR-QTR | SECTION | TOWNSHIP | RANGE | MERIDIAN |
|--|------------------|---------|---------|----------|--------|----------|
| LOCATION AT SURFACE | 1984 FSL 660 FEL | NESE | 15 | 9.0 S | 17.0 E | S |
| Top of Uppermost Producing Zone | 1984 FSL 660 FEL | NESE | 15 | 9.0 S | 17.0 E | S |
| At Total Depth | 1984 FSL 660 FEL | NESE | 15 | 9.0 S | 17.0 E | S |

| | | |
|---|--|---|
| 21. COUNTY DUCHESNE | 22. DISTANCE TO NEAREST LEASE LINE (Feet) 656 | 23. NUMBER OF ACRES IN DRILLING UNIT 40 |
| | 25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1324 | 26. PROPOSED DEPTH MD: 5760 TVD: 5760 |
| 27. ELEVATION - GROUND LEVEL 5129 | 28. BOND NUMBER WYB000493 | 29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 43-7478 |

ATTACHMENTS

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

| | |
|---|---|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE) | <input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER |
| <input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED) | <input checked="" type="checkbox"/> TOPOGRAPHICAL MAP |

| | | |
|--|--|------------------------------------|
| NAME Mandie Crozier | TITLE Regulatory Tech | PHONE 435 646-4825 |
| SIGNATURE | DATE 05/18/2009 | EMAIL mcrozier@newfield.com |
| API NUMBER ASSIGNED 43013500210000 | APPROVAL  Permit Manager | |

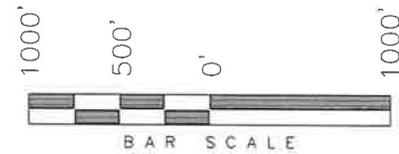
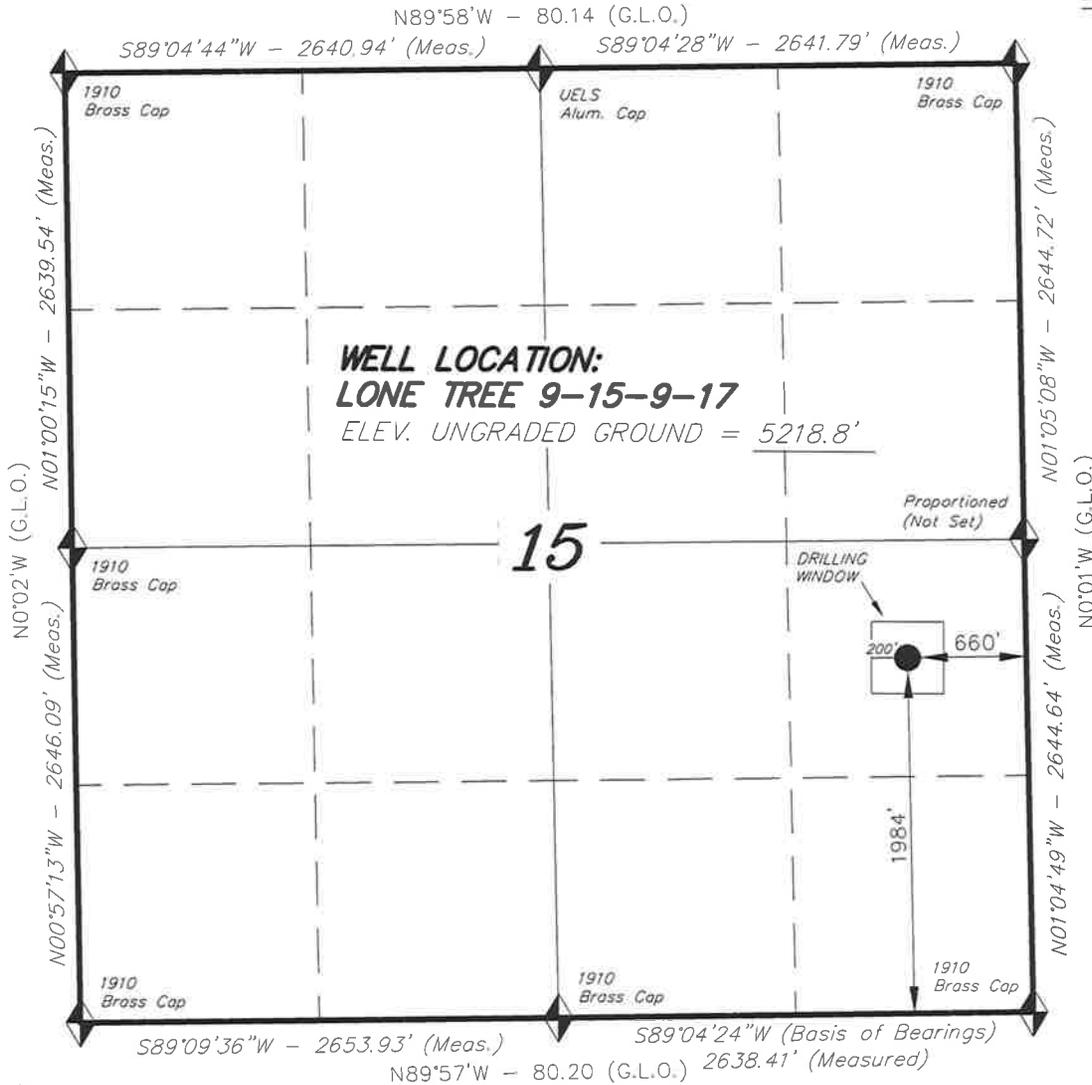
| Proposed Hole, Casing, and Cement | | | | | | |
|--|------------------|--------------------|-----------------|--------------------|--|--|
| String | Hole Size | Casing Size | Top (MD) | Bottom (MD) | | |
| Prod | 7.875 | 5.5 | 0 | 5760 | | |
| Pipe | Grade | Length | Weight | | | |
| | Grade J-55 LT&C | 5760 | 15.5 | | | |
| | | | | | | |

| Proposed Hole, Casing, and Cement | | | | | | |
|--|------------------|--------------------|-----------------|--------------------|--|--|
| String | Hole Size | Casing Size | Top (MD) | Bottom (MD) | | |
| Surf | 12.25 | 8.625 | 0 | 350 | | |
| Pipe | Grade | Length | Weight | | | |
| | Grade J-55 ST&C | 350 | 24.0 | | | |
| | | | | | | |

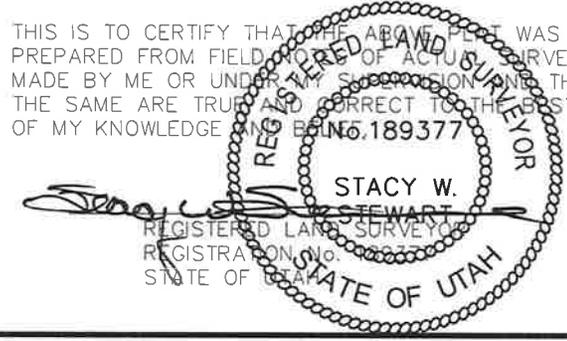
T9S, R17E, S.L.B.&M.

NEWFIELD PRODUCTION COMPANY

WELL LOCATION, LONE TREE 9-15-9-17,
 LOCATED AS SHOWN IN THE NE 1/4 SE
 1/4 OF SECTION 15, 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



◆ = SECTION CORNERS LOCATED

BASIS OF ELEV; Elevations are base on
 LOCATION: an N.G.S. OPUS Correction.
 LAT. 40°04'09.56" LONG. 110°00'43.28"
 (Tristate Aluminum Cap) Elev. 5281.57'

LONE TREE 9-15-9-17
 (Surface Location) NAD 83
 LATITUDE = 40° 01' 44.84"
 LONGITUDE = 109° 59' 08.34"

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

| | |
|----------------------------|-------------------|
| DATE SURVEYED: 04-06-09 | SURVEYED BY: T.H. |
| DATE DRAWN: 04-07-09 | DRAWN BY: F.T.M. |
| REVISED: | SCALE: 1" = 1000' |

**NEWFIELD PRODUCTION COMPANY
LONE TREE FEDERAL 9-15-9-17
NE/SE SECTION 15, 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' – 1190'
Green River 1190'
Wasatch 5760'
Base of Moderately Saline Ground Water @ 4750'

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

Green River Formation 1190' – 5760' - 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 1800 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.

2-M SYSTEM

Blowout Prevention Equipment Systems

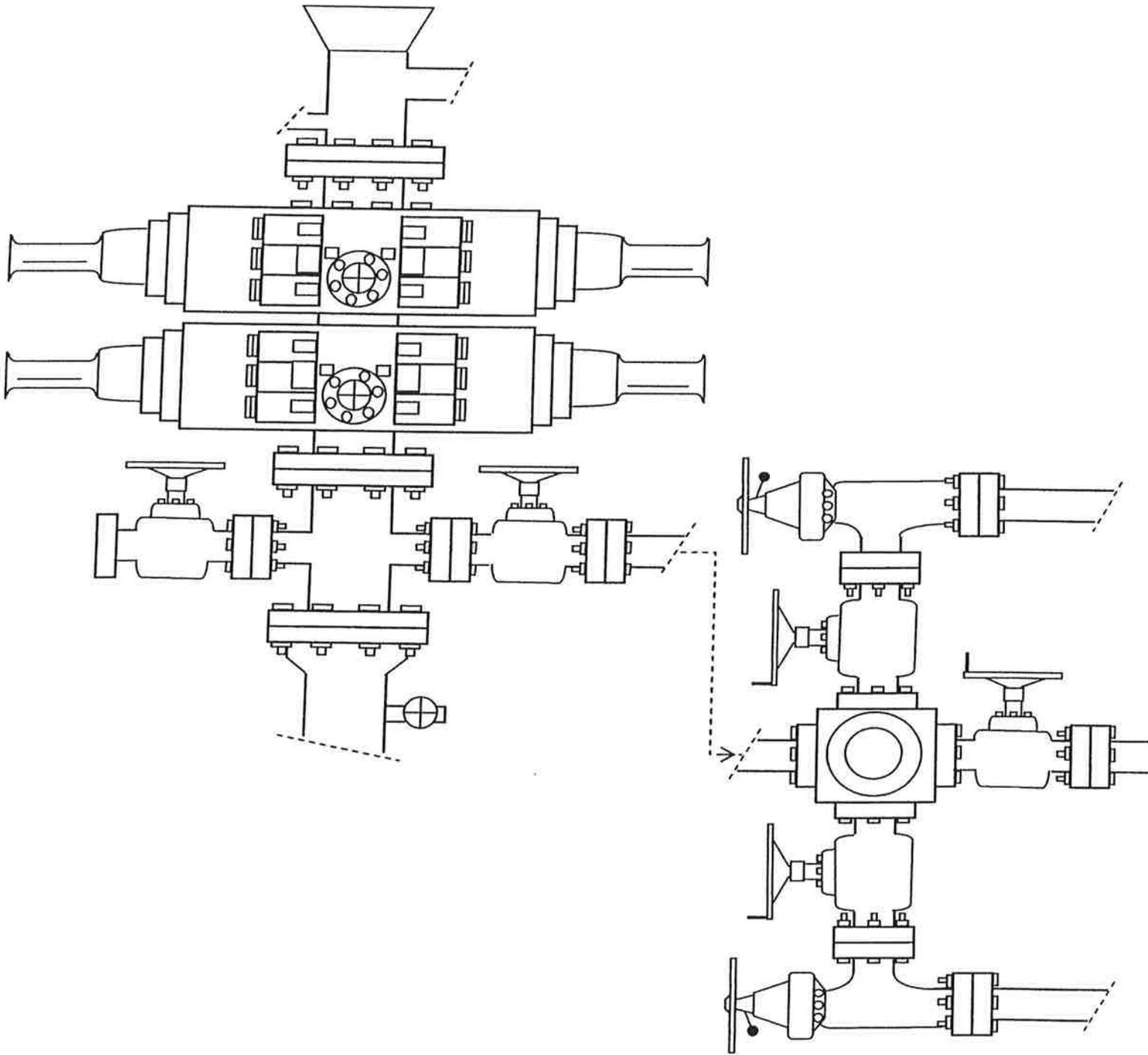
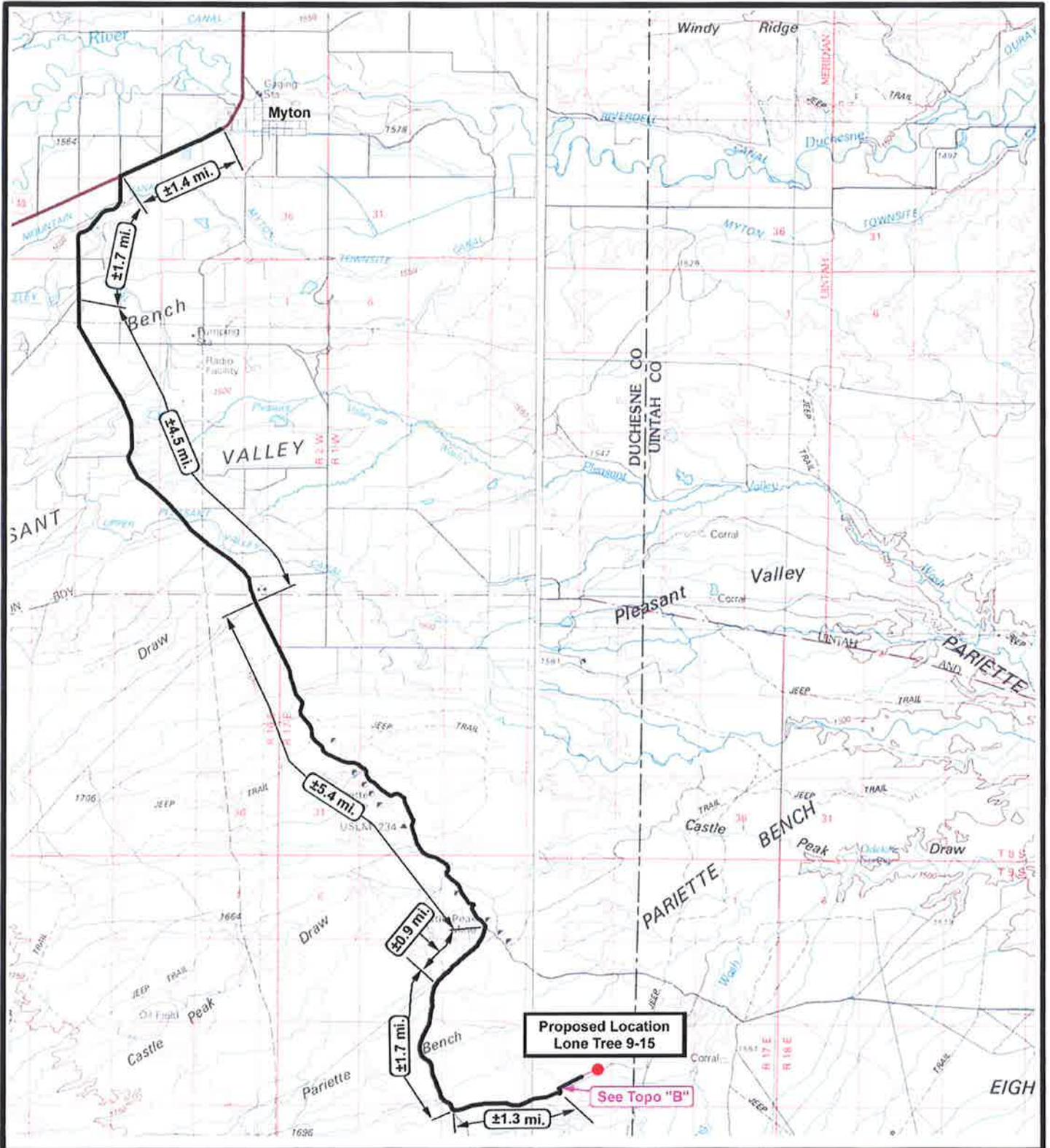


EXHIBIT C



NEWFIELD
Exploration Company

Lone Tree 9-15-9-17
SEC. 15, T9S, R17E, S.L.B.&M.



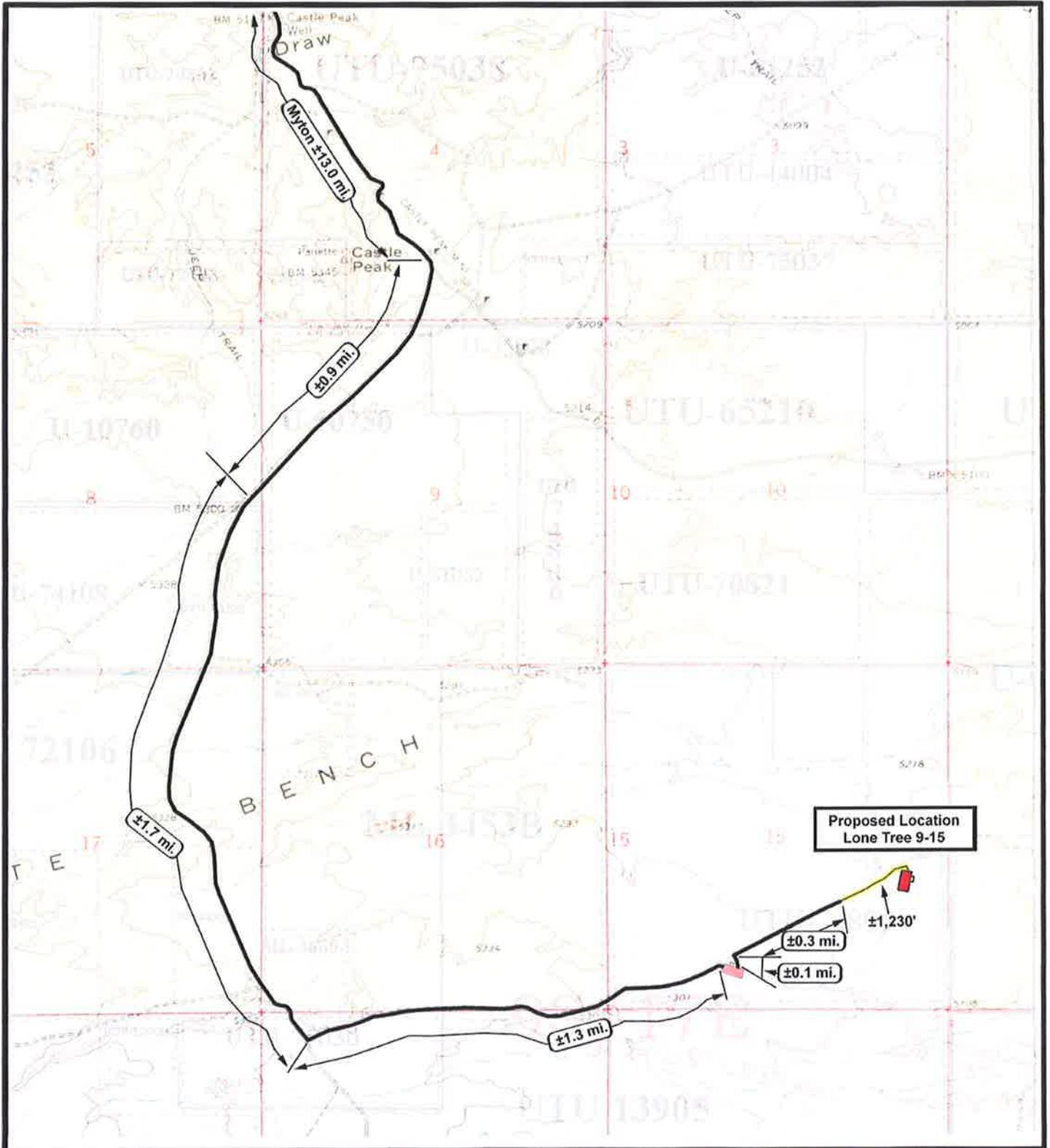
Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1 = 100,000
DRAWN BY: JAS
DATE: 04-08-2009

Legend

Existing Road

TOPOGRAPHIC MAP
"A"



NEWFIELD
Exploration Company

Lone Tree 9-15-9-17
SEC. 15, T9S, R17E, S.L.B.&M.



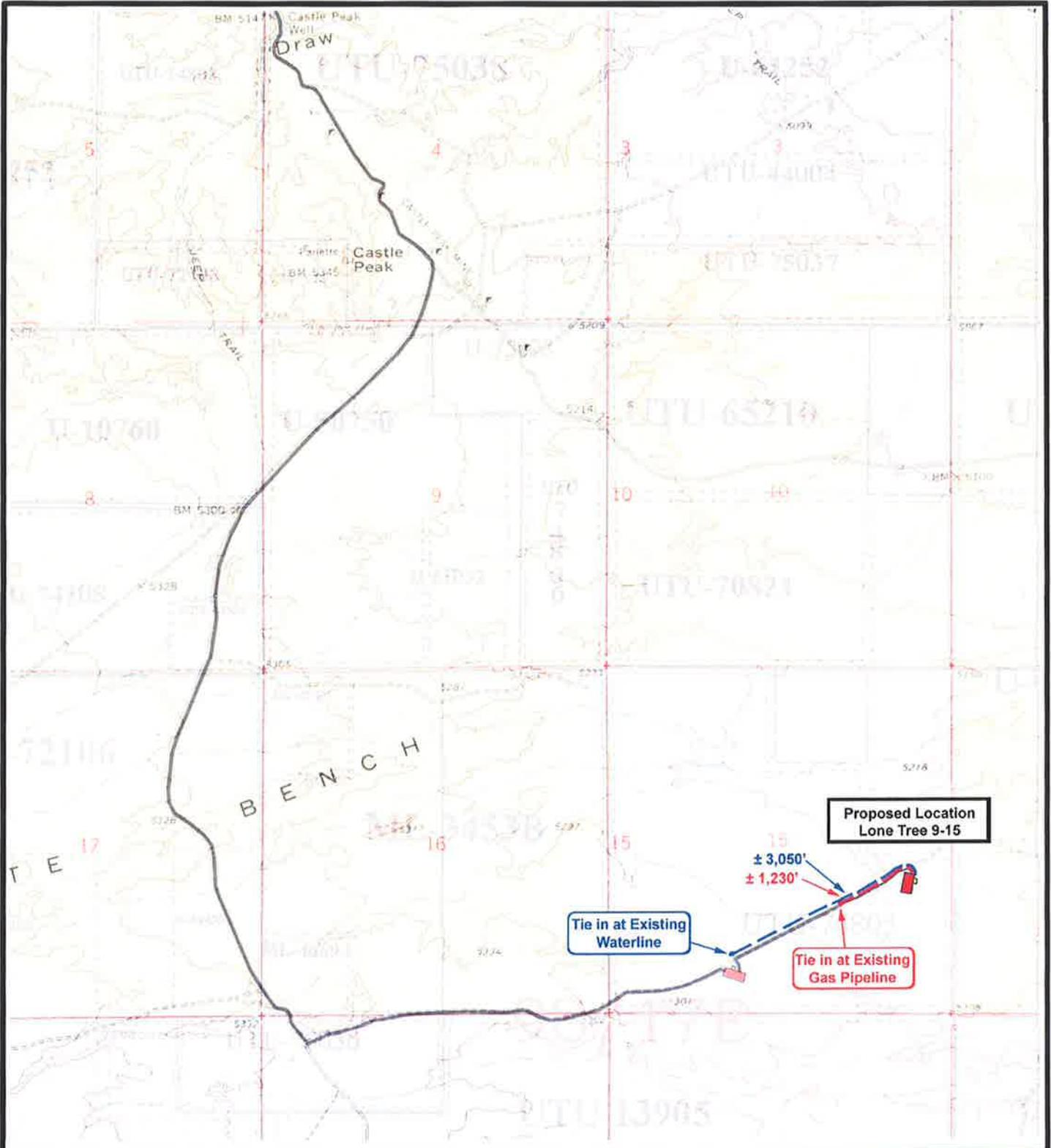
Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
DRAWN BY: JAS
DATE: 04-08-2009

Legend

Existing Road

TOPOGRAPHIC MAP
"B"



NEWFIELD
Exploration Company

Lone Tree 9-15-9-17
SEC. 15, T9S, R17E, S.L.B.&M.



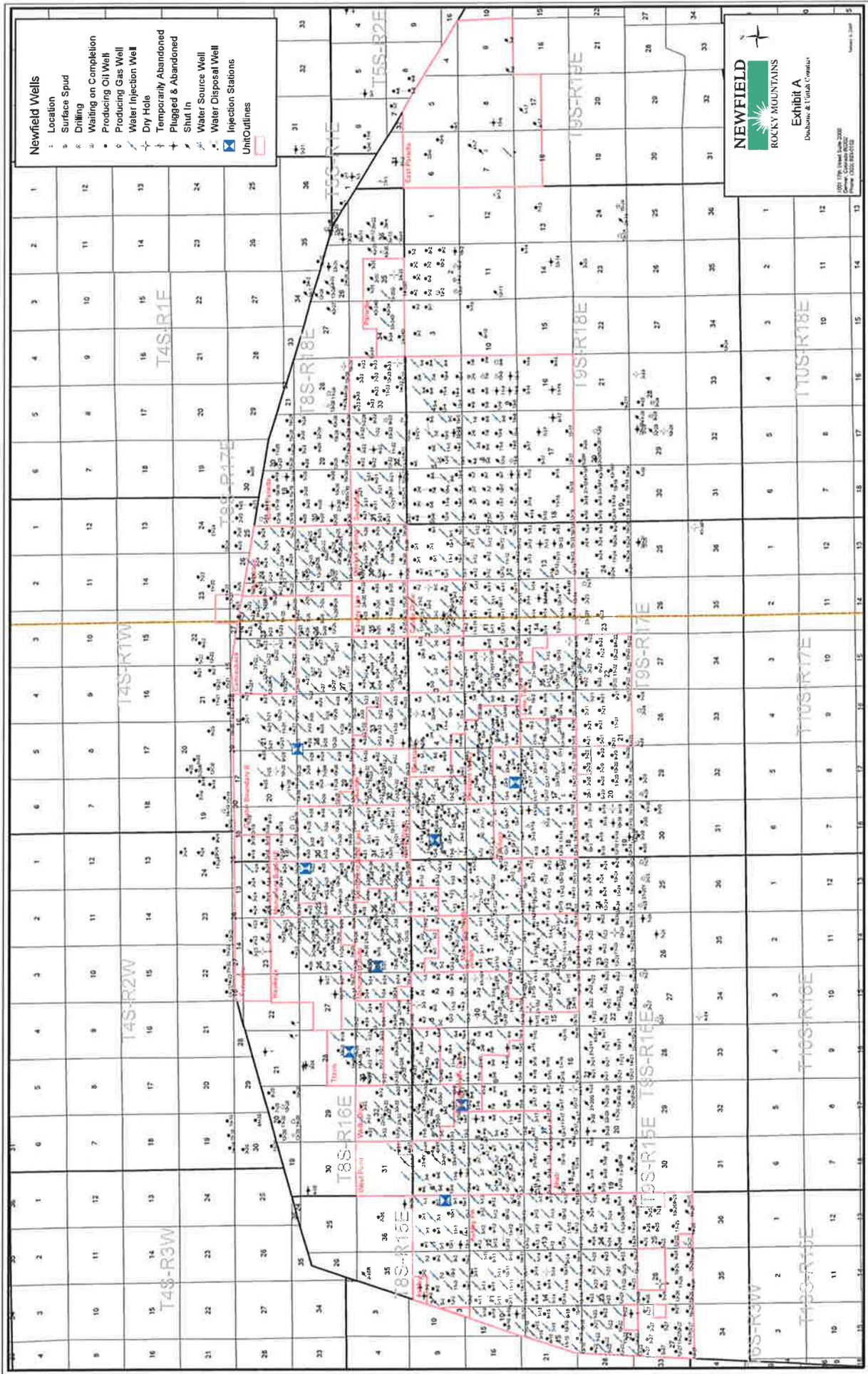
Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
DRAWN BY: JAS
DATE: 04-08-2009

Legend

— Roads

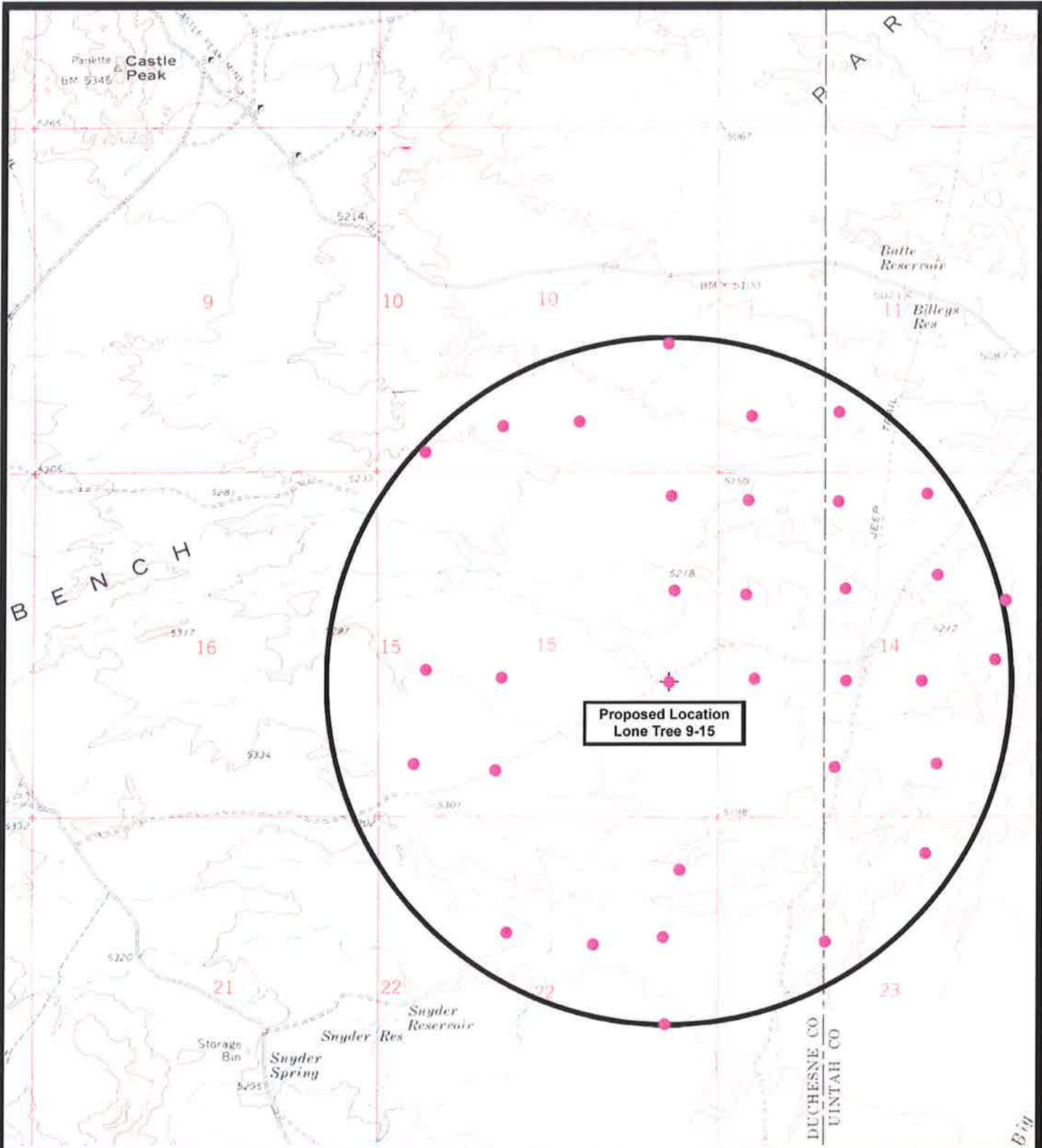
TOPOGRAPHIC MAP
"C"



- Newfield Wells**
- Location
 - Surface Spud
 - △ Drilling
 - ◇ Waiting on Completion
 - ★ Producing Oil Well
 - ✕ Water Injection Well
 - * Dry Hole
 - ⊕ Temporarily Abandoned
 - ⊗ Plugged & Abandoned
 - Water Source Well
 - ⊗ Water Disposal Well
 - ⊗ Injection Stations
- Unit Outlines**
-

NEWFIELD
 ROCKY MOUNTAINS
 Exhibit A
 Dashboards & Utility Center

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 All Rights Reserved
 Phone: 303.685.0100



 **NEWFIELD**
Exploration Company

Lone Tree 9-15-9-17
SEC. 15, 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: JAS
DATE: 04-08-2009

Legend

- Pad Location
- Bottom Hole Location
- One-Mile Radius

Exhibit "B"

**NEWFIELD PRODUCTION COMPANY
LONE TREE FEDERAL 9-15-9-17
NE/SE SECTION 15, T9S, R17E
DUCHESNE COUNTY, UTAH**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. EXISTING ROADS

See attached Topographic Map "A"

To reach Newfield Production Company well location site Lone Tree Federal 9-15-9-17 located in the NE 1/4 SE 1/4 Section 15, T9S, R17E, Duchesne County, Utah:

Proceed southwesterly out of Myton, Utah along Highway 40 - 1.4 miles \pm to the junction of this highway and UT State Hwy 53; proceed southeasterly along Hwy 53 - 11.6 miles \pm to its junction with an existing road to the southwest; proceed southwesterly - 2.6 miles \pm to its junction with an existing road to the east; proceed northeasterly - 1.7 miles \pm to its junction with the beginning of the proposed access road; proceed northeasterly along the proposed access road 1,230' \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

All permanent surface equipment will be painted Carlsbad Canyon.
Please refer to the Monument Butte Field Standard Operating Procedure (SOP).

5. LOCATION AND TYPE OF WATER SUPPLY

Newfield Production will transport water by truck for drilling purposes from the following water sources:

Johnson Water District
Water Right : 43-7478

Neil Moon Pond
Water Right: 43-11787

Maurice Harvey Pond
Water Right: 47-1358

Newfield Collector Well
Water Right: 41-3530 (A30414DV, contracted with the Duchesne County Conservancy District).

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 (Proposed location and access roads leading to).

12. **OTHER ADDITIONAL INFORMATION**

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

Newfield Production Company requests 1230' of disturbed area be granted in Lease UTU-74805 to allow for construction of the planned access road. **Refer to Topographic Map "B"**. A permanent width of 30' and a running surface of 18' is proposed for the planned access road. The construction phase of the planned access road will last approximately (5) days. The planned access road will be an 18' crown road (9' either side of the centerline) with drainage ditches along either side of the proposed road whether it is deemed necessary in order to handle any run-off from normal meteorological conditions that are prevalent to this area. The maximum grade will be less than 8%. There will be no culverts required along this access road. There will be barrow ditches and turnouts as needed along this road. There are no fences encountered along this proposed road. There will be no new gates or cattle guards required. All construction material for this access road will be borrowed material accumulated during construction of the access road.

Newfield Production Company requests 1230' of disturbed area be granted in Lease UTU-74805 to allow for construction of the proposed surface gas lines. It is proposed that the disturbed area will temporarily be 50' wide to allow for construction of a 10" or smaller gas gathering line, and a 3" poly fuel gas line, with a permanent width of 30' upon completion of the proposed gas lines. The construction phase of the proposed gas lines will last approximately (5) days. 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.

Newfield Production Company requests 3050' of disturbed area be granted in Lease UTU-74805 to allow for construction of the proposed water lines. It is proposed that the disturbed area will temporarily be 50' wide to allow for construction of a buried 3" steel water injection line and a buried 3" poly water return line, with a permanent width of 30' upon completion of the proposed water return line. The construction phase of the proposed water lines will last approximately (5) days. **Refer to Topographic Map "C."** For a ROW plan of development, please refer to the Monument Butte Field SOP. In the event that the proposed well is converted to a water injection well, a separate injection permit will be applied for through the proper agencies.

Water Disposal

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

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

Threatened, Endangered, And Other Sensitive Species

None for the proposed Lone Tree Federal 9-15-9-17.

Reserve Pit Liner

A 16 mil liner with felt is required. 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, to the recontoured surface of the reserve pit, and for final reclamation: (All poundages are in pure live seed)

| | | |
|---------------------|-------------------------------|---------------|
| Squirrell Tail | <i>Elymus Elymoides</i> | 6 lbs/acre |
| Siberian Wheatgrass | <i>Agropyron Fragile</i> | 2 lbs/acre |
| Gardner Saltbush | <i>Atriplex Gardneri</i> | 1 lbs/acre |
| Shadscale | <i>Atriplex Confertifolia</i> | 1 lbs/acre |
| Fourwing Saltbush | <i>Atriplex Canescens</i> | 1 lbs/acre |
| Scarlet Globemallow | <i>Sphaeralcea Conccinea</i> | 0.20 lbs/acre |
| Forage Kochia | <i>Kochia Prostrata</i> | 0.20 lbs/acre |

Details of the On-Site Inspection

The proposed Federal 9-15-9-17 was on-sited on 5/6/09. The following were present; Tim Eaton (Newfield Production), Christine Cimiluca (Bureau of Land Management), and James Herford (Bureau of Land Management). Weather conditions were clear and ground cover was 100% open.

LESSEE'S OR OPERATORS REPRESENTATIVE AND CERTIFICATION

Representative

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

Certification

Please be advised that NEWFIELD PRODUCTION COMPANY is considered to be the operator of well #9-15-9-17 NE/SE Section 15, Township 9S, Range 17E: Lease UTU-74805 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, Federal Bond #WYB000493.

I hereby certify that the proposed drill site 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 Newfield Production Company and its contractors and

subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

5/7/09

Date

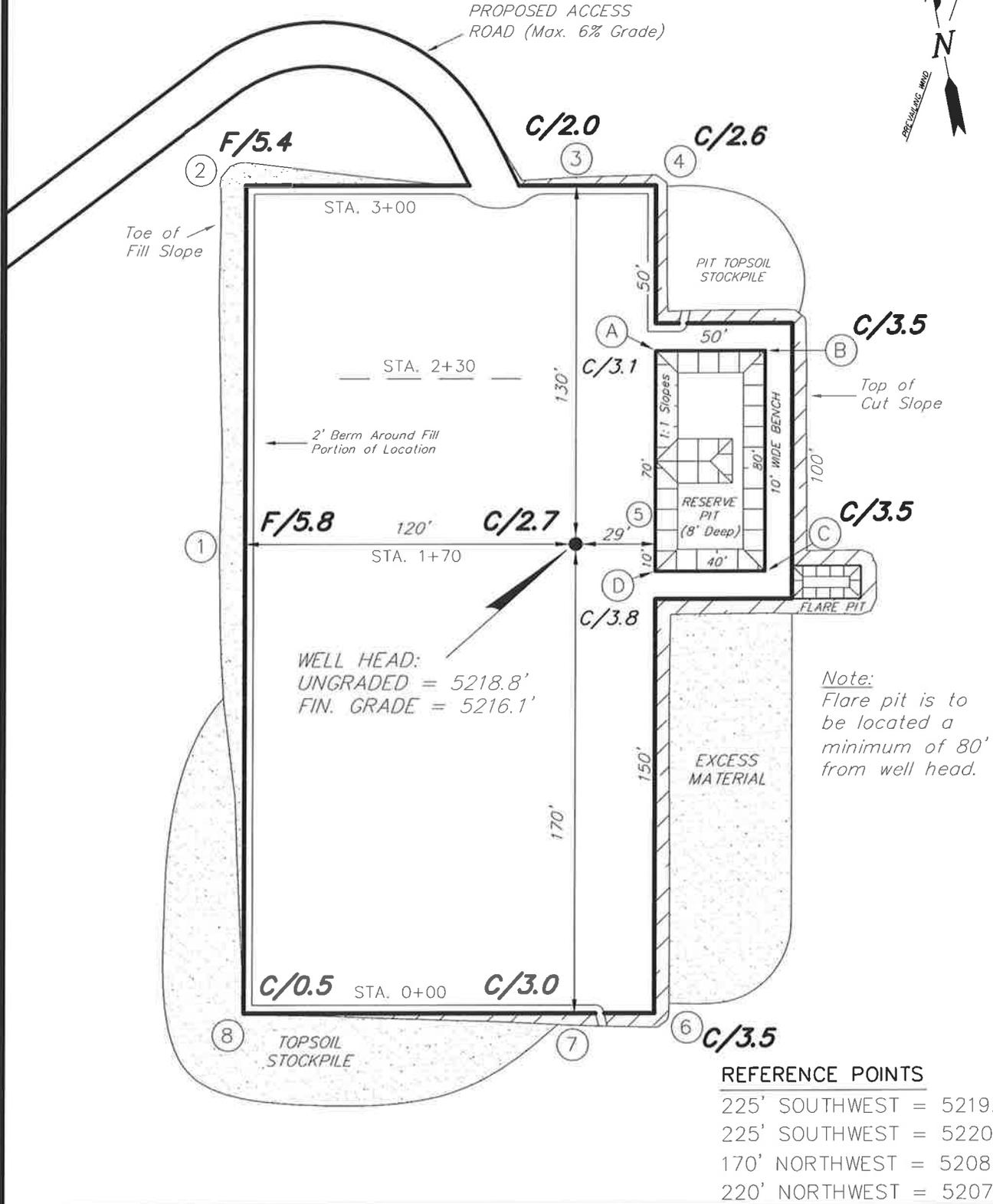


Mandie Crozier
Regulatory Specialist
Newfield Production Company

NEWFIELD PRODUCTION COMPANY

LONE TREE 9-15-9-17

Section 15, T9S, R17E, S.L.B.&M.

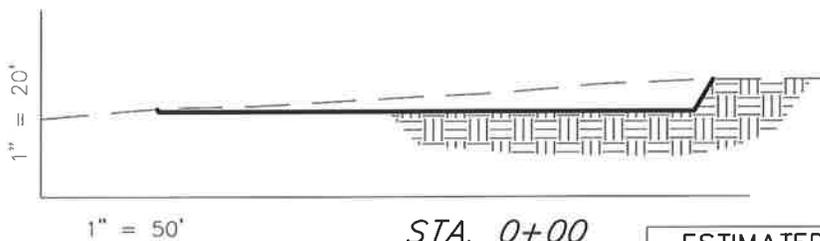
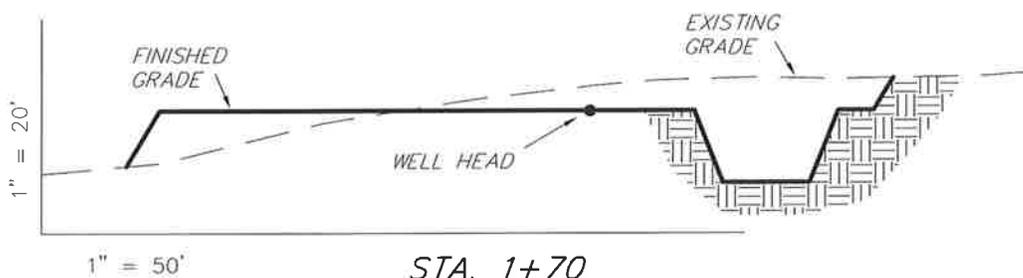
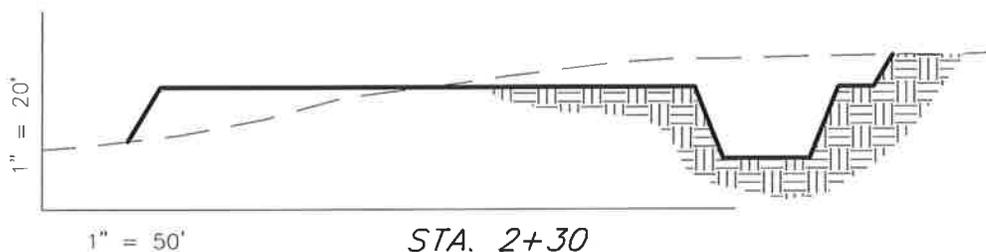
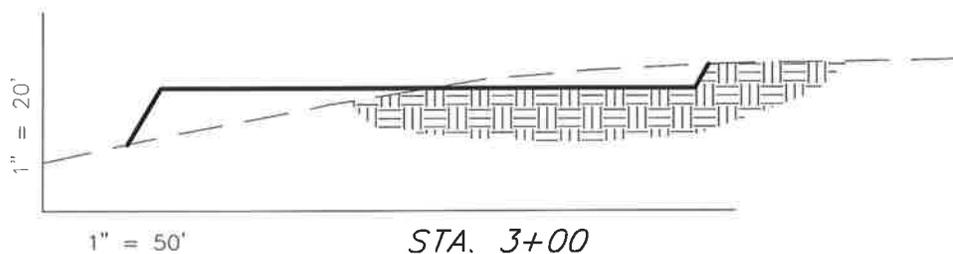


| | |
|-------------------|-------------------------|
| SURVEYED BY: T.H. | DATE SURVEYED: 04-06-09 |
| DRAWN BY: F.T.M. | DATE DRAWN: 04-07-09 |
| SCALE: 1" = 50' | REVISED: |

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

NEWFIELD PRODUCTION COMPANY

CROSS SECTIONS LONE TREE 9-15-9-17



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

ESTIMATED EARTHWORK QUANTITIES (No Shrink or swell adjustments have been used) (Expressed in Cubic Yards)

| ITEM | CUT | FILL | 6" TOPSOIL | EXCESS |
|--------|-------|-------|--|--------|
| PAD | 2,100 | 2,100 | Topsoil is not included in Pad Cut | 0 |
| PIT | 640 | 0 | | 640 |
| TOTALS | 2,740 | 2,100 | 1,020 | 640 |

| | |
|-------------------|-------------------------|
| SURVEYED BY: T.H. | DATE SURVEYED: 04-06-09 |
| DRAWN BY: F.T.M. | DATE DRAWN: 04-07-09 |
| SCALE: 1" = 50' | REVISED: |

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

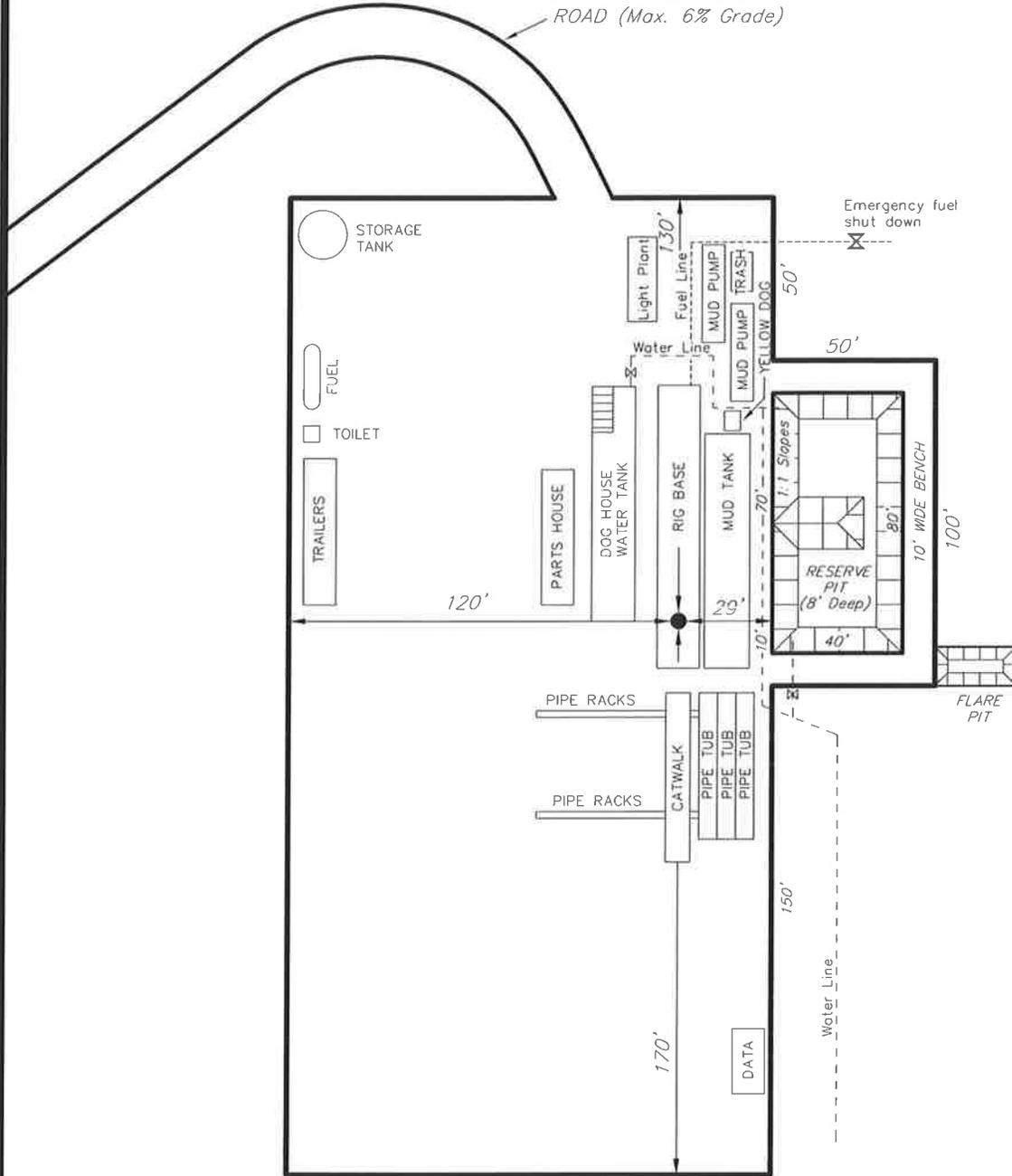
NEWFIELD PRODUCTION COMPANY

TYPICAL RIG LAYOUT

LONE TREE 9-15-9-17



PROPOSED ACCESS ROAD (Max. 6% Grade)



| | |
|-------------------|-------------------------|
| SURVEYED BY: T.H. | DATE SURVEYED: 04-06-09 |
| DRAWN BY: F.T.M. | DATE DRAWN: 04-07-09 |
| SCALE: 1" = 50' | REVISED: |

(435) 781-2501

Tri State
Land Surveying, Inc.

180 NORTH VERNAL AVE. VERNAL, UTAH 84078

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)

May 15, 2009

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2009 Plan of Development Lone Tree Unit,
Duchesne County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following well is planned for calendar year 2009 within the Lone Tree Unit, Duchesne County, Utah.

| API# | WELL NAME | LOCATION |
|--------------|-------------------|--|
| 43-013-50021 | Lone Tree Federal | 9-15-9-17 15 T09S R17E 1984 FSL 0660 FEL |

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

/s/ Michael L. Coulthard

bcc: File - Lone Tree Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:5-15-09

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 5/7/2009

API NO. ASSIGNED: 43013500210000

WELL NAME: Lone Tree Federal 9-15-9-17

OPERATOR: NEWFIELD PRODUCTION COMPANY (N2695)

PHONE NUMBER: 435 646-4825

CONTACT: Mandie Crozier

PROPOSED LOCATION: NESE 15 090S 170E

Permit Tech Review:

SURFACE: 1984 FSL 0660 FEL

Engineering Review:

BOTTOM: 1984 FSL 0660 FEL

Geology Review:

COUNTY: DUCHESNE

LATITUDE: 40.02916

LONGITUDE: -109.98504

UTM SURF EASTINGS: 586603.00

NORTHINGS: 4431277.00

FIELD NAME: MONUMENT BUTTE

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-74805

PROPOSED PRODUCING FORMATION(S): GREEN RIVER

SURFACE OWNER: 1 - Federal

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- PLAT**
- Bond:** FEDERAL - WYB000493
- Potash**
- Oil Shale 190-5**
- Oil Shale 190-3**
- Oil Shale 190-13**
- Water Permit:** 43-7478
- RDCC Review:**
- Fee Surface Agreement**
- Intent to Commingle**

Commingle Approved

LOCATION AND SITING:

- R649-2-3.**
Unit: LONE TREE (GRRV)
- R649-3-2. General**
- R649-3-3. Exception**
- Drilling Unit**
Board Cause No: Cause 228-5
- Effective Date:** 8/26/1998
- Siting:** Suspends General Siting
- R649-3-11. Directional Drill**

Comments: Presite Completed

Stipulations: 4 - Federal Approval - dmason



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: Lone Tree Federal 9-15-9-17
API Well Number: 43013500210000
Lease Number: UTU-74805
Surface Owner: FEDERAL
Approval Date: 5/18/2009

Issued to:

NEWFIELD PRODUCTION COMPANY , Rt 3 Box 3630 , Myton, UT 84052

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 228-5 . The expected producing formation or pool is the GREEN RIVER Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

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

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.

Conditions of Approval:

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

Notification Requirements:

Notify the Division with 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 Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

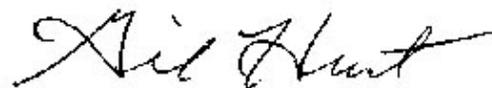
Reporting Requirements:

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),

API Well No: 43013500210000

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.

Approved By:

A handwritten signature in black ink, appearing to read "Gil Hunt". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

Gil Hunt
Associate Director, Oil & Gas

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUBMIT IN TRIPLICATE - Other Instructions on page 2

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 NEWFIELD PRODUCTION COMPANY

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

3b. Phone (include are code)
 435.646.3721

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 NESE Section 15 T9S R17E

5. Lease Serial No.
 USA UTU-74805

6. If Indian, Allottee or Tribe Name.

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

8. Well Name and No.
 LONE TREE FEDERAL 9-15-9-17

9. API Well No.
 4301350021

10. Field and Pool, or Exploratory Area
 MONUMENT BUTTE

11. County or Parish, State
 DUCHESNE, UT

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|--|---|--|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other _____ |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug & Abandon | <input type="checkbox"/> Temporarily Abandon | Spud Notice _____ |
| | <input type="checkbox"/> Convert to Injector | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | _____ |

13. Describe Proposed or Completed Operation: (Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is 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.)

On 9/7/09 MIRU Ross # 29. Spud well @ 9:00am. Drill 315' of 12 1/4" hole with air mist. TIH W/ 7 Jt's 8 5/8" J-55 24 # csgn. Set @ 319.71' On 9/8/09 cement with 160 sks of class "G" w/ 2% CaCL2 + 1/4# sk Cello- Flake Mixed @ 15.8 ppg > 1.17 cf/ sk yeild. Returned 4 bbls cement to pit. WOC.

| | |
|---|---------------------------|
| I hereby certify that the foregoing is true and correct (Printed/ Typed) Don Bastian | Title Drilling Foreman |
| Signature <i>Don Bastian</i> | Date 09/08/2009 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

(Instructions on page 2)

RECEIVED

SEP 14 2009

NEWFIELD PRODUCTION COMPANY - CASING & CEMENT REPORT

8 5/8" CASING SET AT 319.71

LAST CASING 8 5/8" SET AT 319.71
 DATUM 12
 DATUM TO CUT OFF CASING 12
 DATUM TO BRADENHEAD FLANGE 12
 TD DRILLER 315 LOGGER _____
 HOLE SIZE 12 1/4"

OPERATOR Newfield Exploration Company
 WELL LONE TREE 9-15-9-17
 FIELD/PROSPECT Monument Butte
 CONTRACTOR & RIG # Ross Rig #29

| LOG OF CASING STRING: | | | | | | | |
|-----------------------------|--------|---------------------------------------|----------|-----------------------------|--------|-------|---------------|
| PIECES | OD | ITEM - MAKE - DESCRIPTION | WT / FT | GRD | THREAD | CONDT | LENGTH |
| 1 | | WHI-92 Csg Head | | | | A | 0.95 |
| 7 | 8 5/8" | Maverick ST&C Csg (Shoe Jt. 44.00') | 24# | J-55 | 8RD | A | 307.86 |
| 1 | 8 5/8" | Guide Shoe | | | 8rd | A | 0.9 |
| | | | | | | | |
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| | | | | | | | |
| CASING INVENTORY BAL. | | FEET | JTS | TOTAL LENGTH OF STRING | | | 309.71 |
| TOTAL LENGTH OF STRING | | 309.71 | 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 | | | 319.71 |
| TOTAL | | 307.86 | 7 | } COMPARE | | | |
| TOTAL CSG. DEL. (W/O THRDS) | | 307.86 | 7 | | | | |
| TIMING | | | | | | | |
| BEGIN RUN CSG. | Spud | 9:00 AM | 9/7/2009 | GOOD CIRC THRU JOB | | | Yes |
| CSG. IN HOLE | | 8:30 AM | 9/8/2009 | Bbls CMT CIRC TO SURFACE | | | 4 |
| BEGIN CIRC | | 10:51 AM | 9/8/2009 | RECIPROCATED PIP | | | No |
| BEGIN PUMP CMT | | 11:00 AM | 9/8/2009 | BUMPED PLUG TO | | | 407 |
| BEGIN DSPL. CMT | | 11:10 AM | 9/8/2009 | | | | |
| PLUG DOWN | | 11:15 AM | 9/8/2009 | | | | |

| 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 | 12418 ✓ | 4301333881 | WEST POINT FEDERAL P-8-9-16 | NWSW | 8 | 9S | 16E | DUCHESNE | 9/1/2009 | 9/21/09 |
| WELL 1 COMMENTS: <i>GRRU</i> <i>BHL - Sec 7 SESE</i> | | | | | | | | | | | |
| A | 99999 | 17367 | 4301334260 | WILCKEN 16-24-4-2 | SESE | 24 | 4S | 2W | DUCHESNE | 9/4/2009 | 9/21/09 |
| <i>GRRU</i> | | | | | | | | | | | |
| B | 99999 | 12418 ✓ | 4301333882 | WEST POINT FEDERAL Q-8-9-16 | SESW | 8 | 9S | 16E | DUCHESNE | 9/1/2009 | 9/21/09 |
| <i>GRRU</i> <i>BHL = NWSW</i> | | | | | | | | | | | |
| B | 99999 | 14844 ✓ | 4301332792 | SUNDANCE <i>Fed</i> 8-15-9-17 | SENE | 15 | 9S | 17E | DUCHESNE | 9/7/2009 | 9/21/09 |
| <i>GRRU</i> | | | | | | | | | | | |
| B | 99999 | 13269 ✓ | 4301334152 | S WELLS DRAW <i>Fed</i> Q-3-9-16 | SESW | 3 | 9S | 16E | DUCHESNE | 9/8/2009 | 9/21/09 |
| WELL 5 COMMENTS: <i>GRRU</i> <i>BHL = NESW</i> | | | | | | | | | | | |
| B | 99999 | 12417 ✓ | 4301350021 | LONE TREE 9-15-9-17 | NESE | 15 | 9S | 17E | DUCHESNE | 9/7/2009 | 9/21/09 |
| WELL 5 COMMENTS: <i>GRRU</i> | | | | | | | | | | | |

ACTION CODES (See instructions on back of form)

- A - 1 new entity for new well (single well only)
- B - well to existing entity (group or unit well)
- C - from one existing entity to another existing entity
- D - well from one existing entity to a new entity
- E - other (explain in comments section)

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

RECEIVED

SEP 15 2009

DIV. OF OIL, GAS & MINING

[Signature]
 Signature

Jentri Park

Production Clerk

08/20/09

Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

| | | |
|--|--|--|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 5. Lease Serial No. UTU-74805 |
| 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 NA |
| 2. Name of Operator Newfield Production Company | | 7. If Unit or CA Agreement, Name and No. Lone Tree |
| 3a. Address Route #3 Box 3630, Myton UT 84052 | | 8. Lease Name and Well No. Lone Tree Federal 9-15-9-17 |
| 3b. Phone No. (include area code) (435) 646-3721 | | 9. API Well No. 43 013 50021 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface NE/SE 1984' FSL 660' 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* Approximately 17.5 miles southeast of Myton, UT | | 11. Sec., T. R. M. or Blk. and Survey or Area Sec. 15, T9S R17E |
| 15. Distance from proposed* location to nearest property or lease line, ft. Approx. 656' f/lse, 656' f/unit (Also to nearest drig. unit line, if any) | 16. No. of acres in lease 520.00 | 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. 1324' | 19. Proposed Depth 5,760' | 20. BLM/BIA Bond No. on file WYB000493 |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5219' GL | 22. Approximate date work will start* 2nd Qtr. 2009 | 23. Estimated duration (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, must be attached to this form:

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

| | | |
|--|--|-----------------|
| 25. Signature <i>Mandie Crozier</i> | Name (Printed/Typed) Mandie Crozier | Date 5/7/09 |
| Title Regulatory Specialist | | |
| Approved by (Signature) <i>Stephanie J Howard</i> | Name (Printed/Typed) Stephanie J Howard | Date 8-31-09 |
| Title acting Assistant Field Manager Lands & Mineral Resources | Office VERNAL FIELD OFFICE | |

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, 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.

(Continued on page 2)

*(Instruction on page 2)

NOTICE OF APPROVAL

RECEIVED

RECEIVED

SEP 15 2009

NOS 050509

MAY - 8 2009

AFMSS# 09SXS0735A

DIV. OF OIL, GAS & MINING

BLM VERNAL, UTAH

UDOGM



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4401



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Newfield Production Company
Well No: Lone Tree Federal 9-15-9-17
API No: 43-047-50021

013

Location: NESE, Sec. 15, T9S, R17E
Lease No: UTU-74805
Agreement: Lone Tree (GR) Unit

OFFICE NUMBER: (435) 781-4400

OFFICE FAX NUMBER: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit was processed using a 390 CX tied to NEPA approved 8/24/2005. Therefore, this permit is approved for a two (2) year period OR until lease expiration OR the well must be spud by 8/24/2010 (5 years from the NEPA approval date), whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

| | |
|---|--|
| Location Construction (Notify Environmental Scientist) | - Forty-Eight (48) hours prior to construction of location and access roads. |
| Location Completion (Notify Environmental Scientist) | - Prior to moving on the drilling rig. |
| Spud Notice (Notify Petroleum Engineer) | - Twenty-Four (24) hours prior to spudding the well. |
| Casing String & Cementing (Notify Supv. Petroleum Tech.) | - Twenty-Four (24) hours prior to running casing and cementing all casing strings to: ut_vn_opreport@blm.gov . |
| BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.) | - Twenty-Four (24) hours prior to initiating pressure tests. |
| First Production Notice (Notify Petroleum Engineer) | - Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

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

- All new and replacement internal combustion gas field engines of less than or equal to 300 design-rated horsepower must not emit more than 2 gms of NO_x per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO_x per horsepower-hour.
- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.
- Construction and drilling is not allowed from May 1 – June 15 to minimize impacts during Mountain plover nesting.
- Construction and drilling is not allowed from March 1 – August 31 to minimize impacts during Burrowing owl nesting.
- All facilities must be painted Covert Green to match the surrounding environment.
- Noxious and/or invasive weeds will be controlled along access roads, pipelines, well sites, and all other applicable facilities. Any noxious and/or invasive weeds outbreak, directly attributed to the activities of the Operator, will be the responsibility of the Operator to control. On BLM administered land, a Pesticide Use Proposal (PUP) must be submitted and approved prior to the application of herbicides, pesticides, or other possibly hazardous chemicals.

Interim Reclamation

- Interim reclamation of the surface environment should take place after drilling and completion when the well is put into production. At a minimum, this will include the stabilization of the soil surface during construction, recontouring of the unused pad area, and the reserve pit to the original contour to the extent possible, and the re-spreading of the top soil after recontouring takes place, up to the rig anchor points and any area not needed for production. The area will be reseeded using appropriate seeding methods, which includes, but is not limited to, the drill seeding method (see below). Any adjustments, due to site specific production concerns, to the reclamation COAs in this document can be submitted on Sundry form 3160-5.
- Topsoil storage areas will be identified with appropriate signage, so it is easily identifiable where the topsoil is at on location.
- Topsoil will be segregated from the subsoil (without mixing them), stockpiled separately from other soil materials, and maintained for future use in rehabilitating the locations.

- After pipeline installation is complete, salvaged topsoil will be re-distributed evenly over disturbed surfaces.
- Topsoil piles stored beyond one growing season will be stabilized and seeded to prevent erosion.

Topsoil and Final Surface Preparations:

- Following pipeline installation activities, all disturbed areas will be re-contoured back to the original contour or a contour that corresponds with the surrounding landform.
- Salvaged topsoil will be re-distributed evenly, and to pre-disturbance depths, over the surfaces to be revegetated.
- The soil surface will be prepared to provide a seedbed for re-establishment of desirable vegetation. Site preparation may include gouging, scarifying, dozer track-walking, mulching, or soil additives. The seedbed preparations will be determined by the appropriate surface managing agency (SMA) at the time of final reclamation.
- Soil compaction will be reduced to the anticipated root depth of the desired plant species (usually 18 to 24 inches in a cross hatch manner where practicable). Disking may be necessary to eliminate large soil clumps or clods.
- Methods such as hydro-mulching, straw mat application on steeper slopes, soil analysis to determine the need for fertilizer, seed-bed preparation, contour furrowing, watering, terracing, water barring, and the replacement of topsoil will be implemented as directed by the SMA.

Final Revegetation:

- After pipeline installation is complete, all disturbed areas will be reseeded. The seed mixtures to be used will be similar to the vegetation of the surrounding areas and may consist of grasses, forbs, or shrubs. A recommended seed mixture is provided in the table below.
- The seeding contractor will provide all seed tags to the appropriate SMA prior to seeding efforts.
- Seeding will occur after August 15 and prior to winter freezing of the soil.
- Drill seeding will be used except in areas where topography or substrate composition (rock) precludes the use of the drill. If drill seeding is not possible, broadcast seeding will be implemented. If the broadcast method is used (such as on slopes of 40 percent or greater), the seed rates established for drill seeding will be doubled and seed will be immediately covered to prevent seed desiccation or predation by birds or rodents. The seeds could be covered in several ways including spreading and crimping straw over the seeded area, raking the area by hand, or dragging a chain or chain-linked fence over the seeded area.
- Starting prior to reclamation actions, the selected contractor will annually inspect the Project Area to identify, treat, and control noxious weed infestations. Any herbicide application on Bureau of Land Management (BLM) lands will be applied in accordance with the BLM-approved Pesticide Use Proposal (PUP). A list of noxious weeds will be obtained from the BLM or the appropriate county Extension Office.

Monitoring

Revegetation Success

- Prior to any surface disturbance, vegetative monitoring locations and reference sites will be identified by Newfield and approved by the BLM Authorized Officer.
- Vegetation monitoring protocol will be developed by Newfield and approved by the BLM Authorized Officer prior to implementation of revegetation techniques and will be designed to monitor % basal vegetative cover.
- Revegetated areas will be inspected annually and monitored to document location and extent of areas with successful revegetation, and areas needing further reclamation. A reclamation report will be submitted to the Authorized Officer by March 31 of each year.
- On Federal lands, the reclamation objective will be a vegetation community that within 5 years is comprised of desired and/or seeded species, and where the basal vegetative cover is 75 percent of a similar undisturbed adjacent native vegetation community. If after 3 years basal cover is less than 30 percent, then additional seeding and reclamation efforts may be required.

Seed mix (Interim and Final Reclamation):

| Common name | Latin name | lbs/acre | Recommended seed planting depth |
|---------------------|-------------------------------|----------|---------------------------------|
| Squirreltail grass | <i>Elymus elymoides</i> | 3.0 | ¼ - ½" |
| Siberian wheatgrass | <i>Agropyron fragile</i> | 1.0 | ½" |
| Shadscale saltbush | <i>Atriplex confertifolia</i> | 0.50 | ½" |
| Four-wing saltbush | <i>Atriplex canescens</i> | 0.50 | ½" |
| Gardner's saltbush | <i>Atriplex gardneri</i> | 0.50 | ½" |
| Scarlet globemallow | <i>Sphaeralcea coccinea</i> | 0.10 | ⅛ - ¼" |

- All pounds are pure live seed.
- All seed and mulch will be certified weed free.
- Rates are set for drill seeding; double rate if broadcasting.
- Reseeding may be required if initial seeding is not successful.

Final reclamation:

- Once the location is plugged and abandoned, it shall be recontoured to match natural topography, topsoil shall be respread, and the entire location shall be seeded with a seed mix recommended by the AO (see above). Seed application will follow all guidelines in the interim seed mix bullet statement above, and in Green River Reclamation Guidelines. If reclamation seeding should take place using the broadcast method, the seed at a minimum will be walked into the soil with a dozer immediately after the seeding is completed.

**DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

SITE SPECIFIC DOWNHOLE COAs:

- Newfield Production Co. shall adhere to all referenced requirements in the SOP (version: June 24, 2008)) along with all Oil and Gas rules and requirements listed in the Code of Federal Regulations and all Federal Onshore Oil and Gas Orders.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4.

Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
 USA UTU-74805

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
 LONE TREE UNIT

1. TYPE OF WELL: OIL WELL GAS WELL OTHER

8. WELL NAME and NUMBER:
 LONE TREE FEDERAL 9-15-9-17

2. NAME OF OPERATOR:
 NEWFIELD PRODUCTION COMPANY

9. API NUMBER:
 4301350021

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

PHONE NUMBER
 435.646.3721

10. FIELD AND POOL, OR WILDCAT:
 MONUMENT BUTTE

4. LOCATION OF WELL:
 FOOTAGES AT SURFACE:

COUNTY: DUCHESNE

OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: NESE, 15, T9S, R17E

STATE: UT

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|--|---|---|---|
| <input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLAIR |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of Work Completion: 10/08/2009 | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/STOP) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input checked="" type="checkbox"/> OTHER: - Weekly Status Report |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

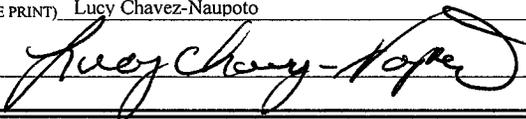
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The above subject well was completed on 10-08-09, attached is a daily completion status report.

NAME (PLEASE PRINT) Lucy Chavez-Naupoto

TITLE Production Tech

SIGNATURE



DATE 10/22/2009

(This space for State use only)

RECEIVED
 OCT 26 2009
 DIV. OF OIL, GAS & MINING

Daily Activity Report

Format For Sundry

LONE TREE 9-15-9-17**8/1/2009 To 12/30/2009****9/23/2009 Day: 1****Completion**

Rigless on 9/23/2009 - Ran CBL & perforated 1st stage. - Install 5M frac head & NU Weatherford Cameron single blind BOP. RU HO trk & pressure test casing, wellhead, casing valves & blind rams to 4500 psi. RU Perforators LLC WLT & mast. Run CBL under pressure f/ WLTD of 5522' to sfc. Found cmt top @ 126'. Perforate stage #1, CP3 sds @ 5402-06', CP1 sds @ 5250- 54', CP 0.5 sds @ 5208- 11' W/ 3 1/8" slick gun (19 grams, .49" EH, 21.92" pen, 120° phasing & 3 JSPF) for a total of 33 holes. RD WLT. SIFN W/ est 132 BWTR.

Daily Cost: \$0**Cumulative Cost:** \$12,299**9/29/2009 Day: 2****Completion**

Rigless on 9/29/2009 - Frac stage #1 & shot stage #2. - Stage #1, A1 sands. RU BJ Services. 0 psi on well. Frac CP3, CP1 & CP.5 sds w/ 25,016#'s of 20/40 sand in 203 bbls of Lightning 17 fluid. Broke @ 3362 psi. Pumped 780 gals of fresh wtr mixed with 30 gals of Techni-Hib 767W. Treated w/ ave pressure of 2667 psi @ ave rate of 24 BPM. Pumped 504 gals of 15% HCL in flush for Stage #2. ISDP 1600 psi. Leave pressure on well. RU Perforators WLT, crane & lubricator. RIH w/ Weatherford 5-1/2" 5K composite flow through frac plug, 6' perf gun. Set plug @ 5060'. Perforate LODC sds @ 4988-94' w/ 3 1/8" slick guns (11 gram, .36" EH, 120°, 21.92" pen, EXP-3319-331 Titan) w/ 3 spf for total of 18 shots. 500 BWTR - Attempt to break down LODC sands @ 4200 psi w/o success. Leave pressure on well. SWIFN.

Daily Cost: \$0**Cumulative Cost:** \$12,599**9/30/2009 Day: 3****Completion**

Rigless on 9/30/2009 - Frac stage 3 & 4, flowback well. - Stage #2, LODC sands. RU BJ Services. Pressure well to 4200 psi attempting to break down perms w/o success. RU Perforators LLC. RIH w/ dump bailer tag sand @4978', dump acid on top of sand. POOH w/ wireline. Attempt to brake perms @ 4200 psi w/o success. Skip LODC sands & move to stage #3. - Stage #3, A1 sands. RU BJ Services. 276 psi on well. Frac LODC sds w/ 14,907#'s of 20/40 sand in 122 bbls of Lightning 17 fluid. Broke @ 1294 psi. Pumped 780 gals of fresh wtr mixed with 30 gals of Techni-Hib 767W. Treated w/ ave pressure of 2009 psi @ ave rate of 24.2 BPM. Pumped 504 gals of 15% HCL in flush for Stage #4. ISDP 1633 psi. Leave pressure on well. RU Perforators WLT, crane & lubricator. RIH w/ Weatherford 5-1/2" 5K composite flow through frac plug, 9' perf gun. Set plug @ 4610'. Perforate D3 sds @ 4536-45' w/ 3 1/8" slick guns (11 gram, .36" EH, 120°, 21.92" pen, EXP-3319-331 Titan) w/ 3 spf for total of 27 shots. 771 BWTR - Stage #4, D3 sands. RU BJ Services. 1465 psi on well. Frac D3 sds w/ 17,874#'s of 20/40 sand in 135 bbls of Lightning 17 fluid. Broke @ 3622 psi. Pumped 780 gals of fresh wtr mixed with 30 gals of Techni-Hib 767W. Treated w/ ave pressure of 2049 psi @ ave rate of 24.1 BPM. 1056 BWTR. Open well for immediate flowback @ 3 BPM. Well flowed for 2 1/2 hours & died. Recovered 360 bbls. SWIFN. 696 BWTR.

Daily Cost: \$0**Cumulative Cost:** \$60,982**10/5/2009 Day: 5****Completion**

WWS #1 on 10/5/2009 - Drill out plugs, TOOH & PU RBP & PKR. - MIRU WWS #1. Check pressure on well, 45 psi. Bleed down pressure. ND BOPs & frac head. NU production wellhead & BOPs. Talley & PU 4 3/4" chomp bit, bit sub & 125- jts 2 7/8" J-55 6.5# 8rd EUE tbg. SWIFN - MIRU WWS #1. Check pressure on well, 45 psi. Bleed down pressure. ND BOPs & frac head. NU production wellhead & BOPs. Talley & PU 4 3/4" chomp bit, bit sub & 125- jts 2 7/8" J-55 6.5# 8rd EUE tbg. SWIFN - MIRU WWS #1. Check pressure on well, 45 psi. Bleed down pressure. ND BOPs & frac head. NU production wellhead & BOPs. Talley & PU 4 3/4" chomp bit, bit sub & 125- jts 2 7/8" J-55 6.5# 8rd EUE tbg. SWIFN - Check pressure on well, 150 psi csg & 50 psi tbg. Circulate well clean. TIH w/ 40- jts tbg, circulate well clean. Continue TIH w/ 46- jts tbg. Set RBP @ 5046', PUH & set Pkr @ 4958' & EOT @ 4968'. RU hot oil truck. Pump 30 bbls fresh water down tbg. Break down LODC sands @ 1700 psi @ 1 BPM. RU BJ services. Frac LODC sands w/ 24,118#s 20/40 sand in 184 bbls lightning 17 fluid. Treated w/ ave pressure of 3974 psi & ave rate of 16.4 BPM. Open for immediate flowback @ 3 BPM. Flowed for 1 hour & died. Recovered 145 bbls. Release packer & circulate well clean. TIH & tag fill @ 5011', clean out to RBP @ 5046'. Latch onto & release RBP. Pump 30 BW down tbg. TOOH w/ 160- jts tbg, Pkr & RPB. Drain pump & pump lines. SWIFN. 814 BWTR. - Check pressure on well, 50 psi tbg & csg. Continue PU 20- jts 2 7/8" tbg & tag plug @ 4610'. RU power swivel. Drill out plug in 20 min. Continue PU tbg & tag fill @ 4849'. Clean out 51' of sand to plug. Drill out plug in 18 min. Cont TIH & tag fill @ 5001', clean out 59' of sand to plug @ 5060'. Drill out plug in 45 min. Cont TIH & tag sand @ 5475'. Clean out to PBD @ 5554'. Circulate well clean. RD power swivel. TOOH w/ 175- jts tbg, bit sub & bit. MU & TIH w/ 5 1/2" TS RBP, 4' X 2 3/8" tbg sub, 5 1/2" HD packer, SN & 64- jts 2 7/8" J-55 tbg. SWIFN. 706 BWTR. - Check pressure on well, 50 psi tbg & csg. Continue PU 20- jts 2 7/8" tbg & tag plug @ 4610'. RU power swivel. Drill out plug in 20 min. Continue PU tbg & tag fill @ 4849'. Clean out 51' of sand to plug. Drill out plug in 18 min. Cont TIH & tag fill @ 5001', clean out 59' of sand to plug @ 5060'. Drill out plug in 45 min. Cont TIH & tag sand @ 5475'. Clean out to PBD @ 5554'. Circulate well clean. RD power swivel. TOOH w/ 175- jts tbg, bit sub & bit. MU & TIH w/ 5 1/2" TS RBP, 4' X 2 3/8" tbg sub, 5 1/2" HD packer, SN & 64- jts 2 7/8" J-55 tbg. SWIFN. 706 BWTR. - Check pressure on well, 50 psi tbg & csg. Continue PU 20- jts 2 7/8" tbg & tag plug @ 4610'. RU power swivel. Drill out plug in 20 min. Continue PU tbg & tag fill @ 4849'. Clean out 51' of sand to plug. Drill out plug in 18 min. Cont TIH & tag fill @ 5001', clean out 59' of sand to plug @ 5060'. Drill out plug in 45 min. Cont TIH & tag sand @ 5475'. Clean out to PBD @ 5554'. Circulate well clean. RD power swivel. TOOH w/ 175- jts tbg, bit sub & bit. MU & TIH w/ 5 1/2" TS RBP, 4' X 2 3/8" tbg sub, 5 1/2" HD packer, SN & 64- jts 2 7/8" J-55 tbg. SWIFN. 706 BWTR. - Check pressure on well, 150 psi csg & 50 psi tbg. Circulate well clean. TIH w/ 40- jts tbg, circulate well clean. Continue TIH w/ 46- jts tbg. Set RBP @ 5046', PUH & set Pkr @ 4958' & EOT @ 4968'. RU hot oil truck. Pump 30 bbls fresh water down tbg. Break down LODC sands @ 1700 psi @ 1 BPM. RU BJ services. Frac LODC sands w/ 24,118#s 20/40 sand in 184 bbls lightning 17 fluid. Treated w/ ave pressure of 3974 psi & ave rate of 16.4 BPM. Open for immediate flowback @ 3 BPM. Flowed for 1 hour & died. Recovered 145 bbls. Release packer & circulate well clean. TIH & tag fill @ 5011', clean out to RBP @ 5046'. Latch onto & release RBP. Pump 30 BW down tbg. TOOH w/ 160- jts tbg, Pkr & RPB. Drain pump & pump lines. SWIFN. 814 BWTR. - Check pressure on well, 150 psi csg & 50 psi tbg. Circulate well clean. TIH w/ 40- jts tbg, circulate well clean. Continue TIH w/ 46- jts tbg. Set RBP @ 5046', PUH & set Pkr @ 4958' & EOT @ 4968'. RU hot oil truck. Pump 30 bbls fresh water down tbg. Break down LODC sands @ 1700 psi @ 1 BPM. RU BJ services. Frac LODC sands w/ 24,118#s 20/40 sand in 184 bbls lightning 17 fluid. Treated w/ ave pressure of 3974 psi & ave rate of 16.4 BPM. Open for immediate flowback @ 3 BPM. Flowed for 1 hour & died. Recovered 145 bbls. Release packer & circulate well clean. TIH & tag fill @ 5011', clean out to RBP @ 5046'. Latch onto & release RBP. Pump 30 BW down tbg. TOOH w/ 160- jts tbg, Pkr & RPB. Drain pump & pump lines. SWIFN. 814 BWTR.

Daily Cost: \$0

Cumulative Cost: \$72,082

10/7/2009 Day: 7**Completion**

WWS #1 on 10/7/2009 - TIH w/ production tbg, swab & start PU rods. - Check pressure on well, 20 psi csg. Pump 20 BW down csg. PU & TIH w/ 2 7/8" NC, 2- jts tbg, SN, 1- jt tbg, TA & 169- jts 2 7/8" J-55 6.5# 8rd EUE tbg (had to stop & circulate well twice during TIH). RU swab equipment. Made 10- swab runs w/ SFL @ surface & EFL @ 900'. Recovered 104 bbls ending w/ trace of oil, show of gas & no show of sand. RD swab equipment. TIH w/ 3- jts tbg & tag fill @ 5551', clean out to PBD @ 5554'. Circulate well clean. LD 3- jts tbg used to clean out. Attempt to preset TA w/o success. Pump 50 BW down tbg-csg annulus. Preset TA successfully, release TA. RD rig floor. ND BOPs Set TA @ 5369' w/ 18,000# tension. NU wellhead. X-over for rods. PU & prime Central Hydraulic 2 1/2" X 1 1/2" X 16' X 20' RHAC rod pump. PU 6- 1 1/2" weight rods, 20- 3/4" guided rods & 90- 3/4" plain rods. Drain pump & pump lines. SWIFN. 729 BWTR.

Daily Cost: \$0**Cumulative Cost:** \$152,756

10/8/2009 Day: 8**Completion**

WWS #1 on 10/8/2009 - Continue PU rods & PWOP. - Check pressure on well, 20 psi csg, 0 psi tbg. LD polish rod. Continue PU 99- 3/4" guided rods, 1- 8', 4' X 3/4" pony rods & 1 1/2" X 30' polish rod. RU pumping unit. Fill tbg w/ 2 BW & stroke test pump w/ unit to 800 psi. RDMOSU. PWOP @ 10:30 am w/ 86" SL @ 5 SPM. Final Report! 731 BWTR. **Finalized**

Daily Cost: \$0**Cumulative Cost:** \$164,627

Pertinent Files: Go to File List



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8

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

MAY 08 2012

Ref: 8P-W-UIC

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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

RECEIVED

MAY 14 2012

DIV. OF OIL, GAS & MINING

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

FOR RECORD ONLY

**RE: Underground Injection Control (UIC)
Additional Well to Lone Tree Area Permit
EPA UIC Permit UT20853-09596
Well: Lone Tree Federal 9-15-9-17
NESE Sec. 15-T9S-R17E
Duchesne County, Utah
API No.: 43-013-50021**

Dear Mr. Sundberg:

The U.S. Environmental Protection Agency Region 8 hereby authorizes Newfield Production Company (Newfield) to convert the oil well Lone Tree Federal 9-15-9-17 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 Lone Tree Area Permit No. UT20853-00000 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 Bob Near at (303) 312-6278 or (800) 227-8917, extension 312-6278. Please submit the required data to Jason Deardorff at the letterhead address citing mail code 8P-W-UIC.

Sincerely,



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

Enclosures: Authorization for Additional Well
Wellbore Schematic for Lone Tree Federal 9-15-9-17

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



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 UT20853-00000

The Lone Tree UIC Area Permit UT20853-00000, effective September 1, 1998 authorizes injection for the purpose of enhanced oil recovery in the Monument Butte Field. On March 23, 2012, Newfield Production Company notified the Director concerning the following additional enhanced recovery injection well:

Well Name: Lone Tree Federal 9-15-9-17
EPA Permit ID Number: UT20853-09596
Location: 1984' FSL & 660' FEL
NESE Sec. 15-T9S-R17E
Duchesne County, Utah
API No.43-013-50021

Pursuant to 40 CFR §144.33, Area UIC Permit UT20853-00000 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. UT20853-00000, 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: 5/2/12 [Signature]

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: **Lone Tree Federal 9-15-9-17**

EPA Well ID Number: **UT20853-09596**

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 **1,540 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 0.78 psi/ft, SG is 1.015 and D is 4,536 ft.

UIC Area Permit No. UT20853-00000 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.

*Authorization for Additional Well: UIC Area Permit UT20853-00000
Well: Lone Tree Federal 9-15-9-17 EPA Well ID: UT20853-09596*

4

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: **Lone Tree Federal 9-15-9-17**
EPA Well ID Number: **UT20853-09596**

Underground Sources of Drinking Water (USDWs): USDWs in the Lone Tree 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 929 ft. below ground surface in the Lone Tree Federal 9-15-9-17 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 UT20771-00000 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 water samples showing TDS values less than 10,000 mg/l have occurred and this occurrence has

Authorization for Additional Well: UIC Area Permit UT20853-00000
Well: Lone Tree Federal 9-15-9-17 EPA Well ID: UT20853-09596

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 308 ft. in a 12-1/4" hole, using 160 sacks Class "G" cement, cemented to the surface.

Longstring Casing: 5-1/2" casing is set at 5,598 ft. in a 7-7/8" hole secured with 701 sacks of cement. Total driller depth is 5,597 ft. Plugged back total depth is 5,554 ft. EPA calculates top of cement at 1,054 ft. Estimated CBL top of cement is 126 ft.

Perforations: Top perforation: 4,536 ft. Bottom perforation: 5,406 ft.

AREA OF REVIEW (AOR) WELL REQUIREMENTS

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

Sundance Federal 8-15-9-17 API: 43-013-32792 SENE Sec. 15-T9S-R17E
The Top of Cement is above the base of the Confining Zone.

Federal 12-14-9-17 API: 43-013-32704 NWSW Sec. 14-T9S-R17E
The Top of Cement is above the base of the Confining Zone.

Federal NGC H44-15-9-17 API: 43-013-30715 SESE Sec. 15-T9S-R17E
Dry Hole. Plugging procedure approved by Bureau of Land Management.

S. Pleasant Valley 10-15-9-17 API: 43-013-32022 NWSE Sec. 15-T9S-R17E
The top of cement is above the base of the Confining Zone.

No Corrective Action Required on AOR well: 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

*Authorization for Additional Well: UIC Area Permit UT20853-00000
Well: Lone Tree Federal 9-15-9-17 EPA Well ID: UT20853-09596*

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.

Lone Tree Federal 9-15-9-17

Spud Date: 9/7/2009
 Put on Production: 10/7/2009
 GL: 5129' KB: 5141'

Proposed Injection Wellbore Diagram

SURFACE CASING

CSG SIZE: 8-5/8"
 GRADE: J-55
 WEIGHT: 24#
 LENGTH: 7 jts (307.86')
 DEPTH LANDED: 319.71' KB
 HOLE SIZE: 12-1/4"
 CEMENT DATA: 160 sx class 'G' cmt

PRODUCTION CASING

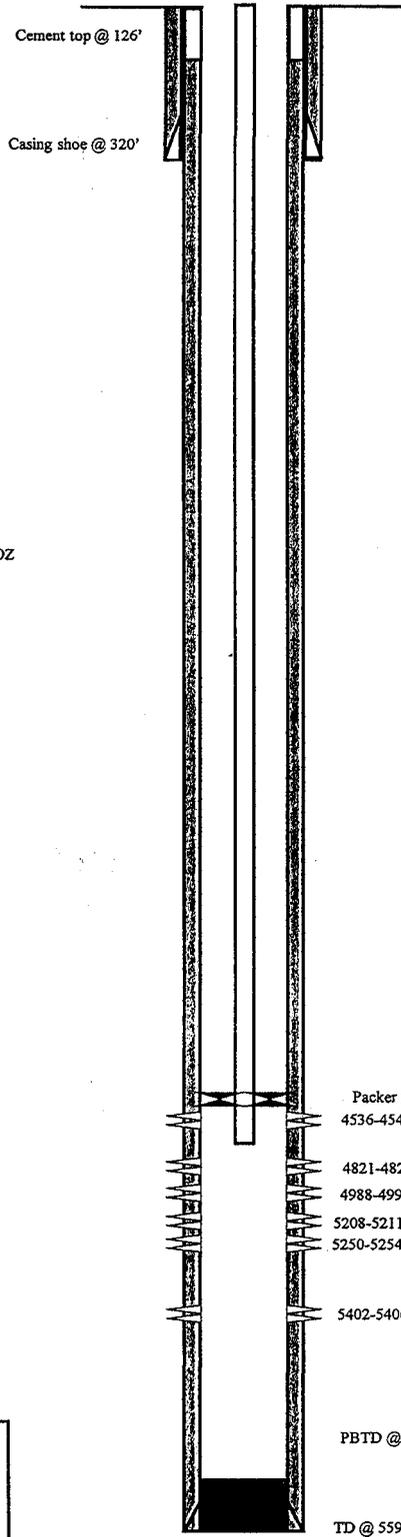
CSG SIZE: 5-1/2"
 GRADE: J-55
 WEIGHT: 15.5#
 LENGTH: 125 jts (5584.57')
 DEPTH LANDED: 5597.82'
 HOLE SIZE: 7-7/8"
 CEMENT DATA: 301 sx Prem Lite II and 400 sx 50/50 POZ
 CEMENT TOP AT: 126'

TUBING

SIZE/GRADE/WT.: 2-7/8" / J-55 / 6.5#
 NO. OF JOINTS: 169 jts (5357')
 TUBING ANCHOR: 5369' KB
 NO. OF JOINTS: 1 jt (31.6')
 SEATING NIPPLE: 2-7/8" (1.1')
 SN LANDED AT: 5403' KB
 NO. OF JOINTS: 2 jts (63.3')
 TOTAL STRING LENGTH: EOT @ 5468'

FRAC JOB

| | | |
|------------|------------|---|
| 10/08/2009 | 5208-5406' | Frac CP3, CP1 & CP.5 sands as follows: Frac with 25016# 20/40 sand in 203 bbls of Lightning 17 fluid. |
| 10/08/2009 | 4988-4994' | Frac LODC sands as follows: Frac with 24118# 20/40 sand in 184 bbls of Lightning 17 fluid. |
| 10/08/2009 | 4821-4829' | Frac A1 sands as follows: Frac with 14907# 20/40 sand in 122 bbls of Lightning 17 fluid |
| 10/08/2009 | 4536-4545' | Frac D3 sands as follows: Frac with 17874# 20/40 sand in 135 bbls of Lightning 17 fluid. |



PERFORATION RECORD

| | | |
|------------|--------|----------|
| 5402-5406' | 3 JSPF | 12 holes |
| 5250-5254' | 3 JSPF | 12 holes |
| 5208-5211' | 3 JSPF | 9 holes |
| 4988-4994' | 3 JSPF | 18 holes |
| 4821-4829' | 3 JSPF | 24 holes |
| 4536-4545' | 3 JSPF | 27 holes |

NEWFIELD

Lone Tree Federal 9-15-9-17

1984' FSL & 660' FEL NE/SE
 Section 15-T9S-R17E
 Duchesne Co, Utah

API # 43-013-50021; Lease # UTU-74805

| | | |
|--|--|---|
| 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-74805 |
| | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 1. TYPE OF WELL Oil Well | | 7. UNIT or CA AGREEMENT NAME: GMBU (GRRV) |
| 2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY | | 8. WELL NAME and NUMBER: LONE TREE FED 9-15-9-17 |
| 3. ADDRESS OF OPERATOR: Rt 3 Box 3630 , Myton, UT, 84052 | | 9. API NUMBER: 43013500210000 |
| PHONE NUMBER: 435 646-4825 Ext | | 9. FIELD and POOL or WILDCAT: MONUMENT BUTTE |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1984 FSL 0660 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 15 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 type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 7/11/2012 | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input checked="" type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input checked="" type="checkbox"/> CONVERT WELL TYPE |
| <input type="checkbox"/> DRILLING REPORT Report Date: | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> NEW CONSTRUCTION |
| | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> PLUG BACK |
| | <input type="checkbox"/> PRODUCTION START OR RESUME | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | <input type="checkbox"/> TEMPORARY ABANDON |
| | <input type="checkbox"/> TUBING REPAIR | <input type="checkbox"/> VENT OR FLARE | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> WATER SHUTOFF | <input type="checkbox"/> SI TA STATUS EXTENSION | <input type="checkbox"/> APD EXTENSION |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> OTHER | OTHER: <input style="width: 100px;" type="text"/> |

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 07/06/2012. On 07/06/2012 Jason Deardorff with the EPA was contacted concerning the initial MIT on the above listed well. On 07/11/2012 the casing was pressured up to 1680 psig and charted for 30 minutes with no pressure loss. The well was not injecting during the test. The tubing pressure was 50 psig during the test. There was not an EPA representative available to witness the test. EPA# UT20853-09596

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
July 16, 2012**

| | | |
|---|-------------------------------------|---|
| NAME (PLEASE PRINT) Lucy Chavez-Naupoto | PHONE NUMBER 435 646-4874 | TITLE Water Services Technician |
| SIGNATURE N/A | DATE 7/11/2012 | |

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: 7 1 11
 Test conducted by: Brendan Curry
 Others present: _____

117 20853-09596

| | | |
|---|-----------------------------------|------------------|
| Well Name: <u>Lone Tree Federal 9-15-9-17</u> | Type: ER SWD | Status: AC TA UC |
| Field: <u>Monument Butte</u> | | |
| Location: <u>9</u> Sec: <u>15</u> T: <u>9</u> N: <u>10</u> R: <u>17</u> @/W | County: <u>Duchesne</u> | State: <u>UT</u> |
| Operator: <u>Newfield</u> | | |
| Last MIT: <u>1</u> / <u>1</u> | Maximum Allowable Pressure: _____ | PSIG |

Is this a regularly scheduled test? Yes No
 Initial test for permit? Yes No
 Test after well rework? Yes No
 Well injecting during test? Yes No If Yes, rate: 0 bpd

Pre-test casing/tubing annulus pressure: 1680 psig

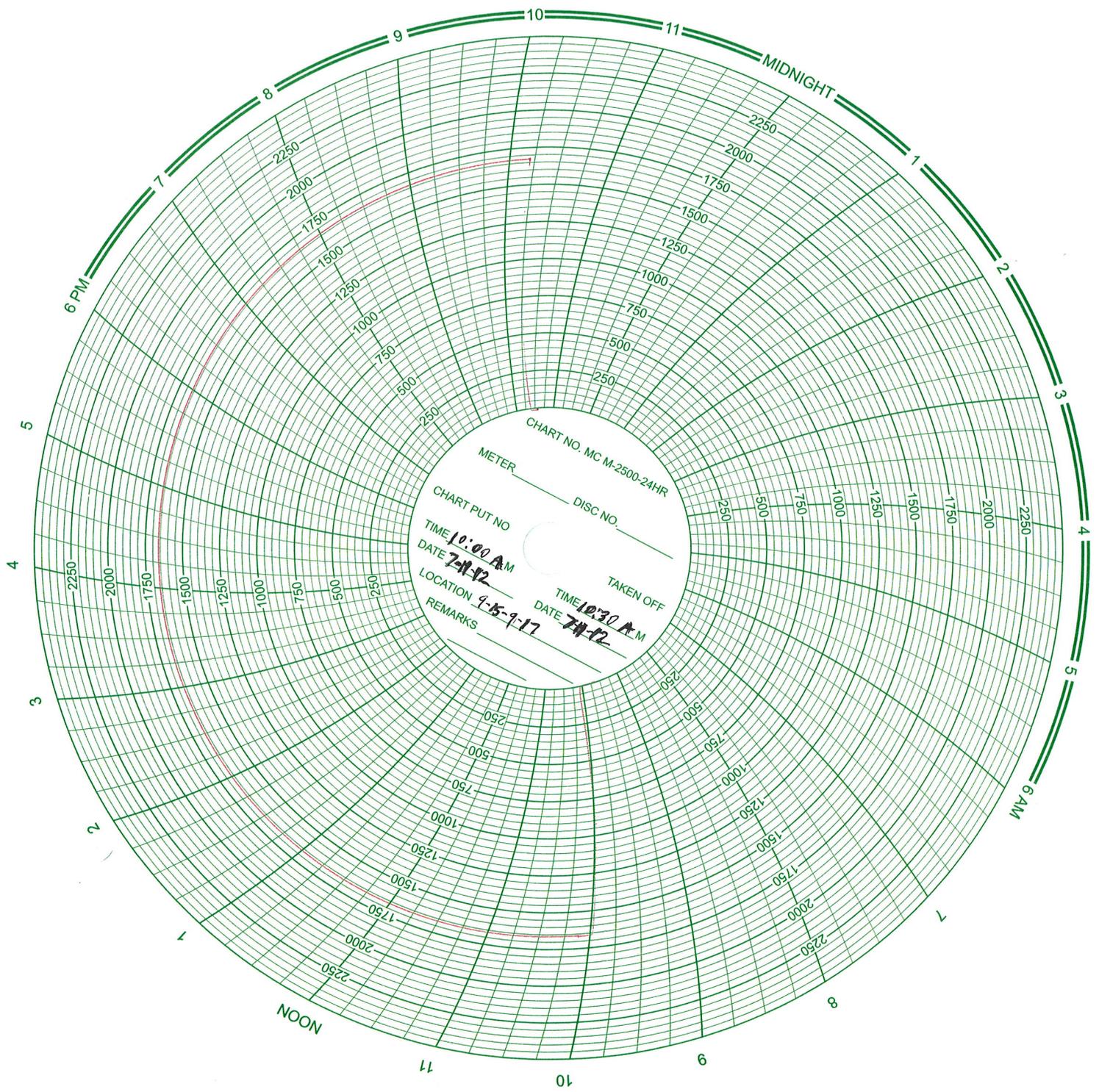
| MIT DATA TABLE | Test #1 | Test #2 | Test #3 |
|---|---|---|---|
| TUBING PRESSURE | | | |
| Initial Pressure | <u>50</u> psig | psig | psig |
| End of test pressure | <u>50</u> psig | psig | psig |
| CASING / TUBING ANNULUS PRESSURE | | | |
| 0 minutes | <u>1680</u> psig | psig | psig |
| 5 minutes | <u>1680</u> psig | psig | psig |
| 10 minutes | <u>1680</u> psig | psig | psig |
| 15 minutes | <u>1680</u> psig | psig | psig |
| 20 minutes | <u>1680</u> psig | psig | psig |
| 25 minutes | <u>1680</u> psig | psig | psig |
| 30 minutes | <u>1680</u> psig | psig | psig |
| _____ minutes | psig | psig | psig |
| _____ minutes | psig | psig | psig |
| RESULT | <input type="checkbox"/> Pass <input type="checkbox"/> Fail | <input type="checkbox"/> Pass <input type="checkbox"/> Fail | <input type="checkbox"/> Pass <input type="checkbox"/> Fail |

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

MECHANICAL INTEGRITY PRESSURE TEST

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

Signature of Witness: _____



Daily Activity Report

Format For Sundry

LONE TREE 9-15-9-17

5/1/2012 To 9/30/2012

7/3/2012 Day: 1

Conversion

NC #2 on 7/3/2012 - MIRUSU, L/D Rods - Move From The Fed 9-24-9-16 To The LT 9-15-9-17, MIRUSU, R/U H/Oiler To Csg, Pmp 60 Bbls Wtr, R/D Pmp Unit, Unseat Rod Pmp, R/U H/Oiler To Tbg, Flush Rods W/- 40 Bbls Wtr, Reseat Pmp, Pressure Test Tbg To 3,000 Psi, Good Test, Took 8 Bbls Wtr To Fill, POOH & L/D W/- 1- 2' x 3/4" Pony Sub, 1 1/2" x 30' Polished Rod, 1- 4', 1- 8' x 3/4" Pony Subs, 99- 3/4" Guided Rods, 90- 3/4" Plain Rods, 20- Guided Rods, 6- 1 1/2" x 25' Wt Bars, Rod Pmp, X - Over For Tbg, Rig Maintenance, SWI, CSDFN @ 7:00 PM, 7:00 To 7:30 PM C/Trvl.

Daily Cost: \$0

Cumulative Cost: \$8,595

7/5/2012 Day: 2

Conversion

NC #2 on 7/5/2012 - POOH W/- Tbg Breaking & Dopeing Collars, TIH W/- Weatherford Arrowset Packer - 5:30 To 6:00 AM C/Trvl, 6:00 AM OWU, R/U Sandline, RIH & Tag Fill, Tag Fill @ 5551', R/D Sandline, R/D Wellhead, R/U Weatherford BOPS, Release TA, POOH Breaking & Dopeing Every Collar, POOH W/- 169- Jts Tbg, TA, 1- Jt Tbg, SN, 2- Jts Tbg, NC, L/D 32- Jts Tbg On Float, P/U & TIH W/- Wireline Re-Entry Guide, 2 3/8" 1.875 "XN" Profile Nipple (ID Is 1.796'), 2 3/8" x 2 7/8" X-Over, 5 1/2" Arrowset Pkr, 2 7/8" 1.875 "X" Seal Nipple, On / Off Skirt, 2 7/8" SN, 140- Jts Tbg, SWI, CSDFN @ 7:00 PM, 7:00 To 7:30 PM C/Trvl.

Daily Cost: \$0

Cumulative Cost: \$22,322

7/6/2012 Day: 3

Conversion

NC #2 on 7/6/2012 - Pressure Test Tbg & Csg - 5:30 To 6:00 AM C/Trvl, 6:00 AM OWU, R/U H/Oiler To Tbg, Pmp 7 Bbls Fresh Wtr For A Pad, Drop Stnd Vlve, R/U Sandline, Chase Stnd Vlve To SN, R/D Sandline, Pressure Test Tbg To 3,000 Psi For Approx. 1 Hr, Had To Bump Back Up A Couple Of Times, Good Test, R/U Sandline, Fish Stnd Vlve, R/D Sandline, R/D Weatherford BOPS, R/U Injection Tree, R/U H/Oiler To Csg, Pmp 70 Bbls Fresh Wtr W/- Pkr Fluid, R/D Inj. Tree, Set Pkr, R/U Inj. Tree, Fill & TestCsg To 1,500 Psi, Had To Bump Up A Couple Of Times, Finally Hold For Approx. 1 Hr, Well Ready For MIT

Daily Cost: \$0

Cumulative Cost: \$114,961

7/11/2012 Day: 4

Conversion

Rigless on 7/11/2012 - Conduct initial MIT - On 07/06/2012 Jason Deardorff with the EPA was contacted concerning the initial MIT on the above listed well. On 007/11/2012 the casing was pressured up to 1680 psig and charted for 30 minutes with no pressure loss. The well was not injecting during the test. The tubing pressure was 50 psig during the test. There was not an EPA representative available to witness the test. EPA# UT20853-09596 **Finalized**

Daily Cost: \$0

Cumulative Cost: \$146,231

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

| | |
|--|---|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-74805 |
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: GMBU (GRRV) |
| 1. TYPE OF WELL Water Injection Well | 8. WELL NAME and NUMBER: LONE TREE FED 9-15-9-17 |
| 2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY | 9. API NUMBER: 43013500210000 |
| 3. ADDRESS OF OPERATOR: Rt 3 Box 3630 , Myton, UT, 84052 | PHONE NUMBER: 435 646-4825 Ext |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1984 FSL 0660 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 15 Township: 09.0S Range: 17.0E Meridian: S | 9. FIELD and POOL or WILDCAT: MONUMENT BUTTE COUNTY: DUCHESNE STATE: UTAH |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|--|---|---|
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 8/1/2012 | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input checked="" type="checkbox"/> CONVERT WELL TYPE |
| <input type="checkbox"/> DRILLING REPORT Report Date: | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> NEW CONSTRUCTION |
| | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> PLUG BACK |
| | <input type="checkbox"/> PRODUCTION START OR RESUME | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | <input type="checkbox"/> TEMPORARY ABANDON |
| | <input type="checkbox"/> TUBING REPAIR | <input type="checkbox"/> VENT OR FLARE | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> WATER SHUTOFF | <input type="checkbox"/> SI TA STATUS EXTENSION | <input type="checkbox"/> APD EXTENSION |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input checked="" type="checkbox"/> OTHER | OTHER: <input type="text" value="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 6:30 PM on 08/01/2012. EPA # UT20853-09596

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

FOR RECORD ONLY

August 02, 2012

| | | |
|---|-------------------------------------|---|
| NAME (PLEASE PRINT) Lucy Chavez-Naupoto | PHONE NUMBER 435 646-4874 | TITLE Water Services Technician |
| SIGNATURE N/A | DATE 8/2/2012 | |



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8**

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

JUL 24 2012

Ref: 8P-W-UIC

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

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

RECEIVED

AUG 01 2012

DIV. OF OIL, GAS & MINING

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

FOR RECORD ONLY

RE: Underground Injection Control (UIC)
Authorization to Commence Injection
EPA UIC Permit UT20853-09596
Well: Lone Tree Federal 9-15-9-17
NESE Sec. 15-T9S-R17E
Duchesne County, Utah
API No.: 43-013-50021

Dear Mr. Durfey:

The U.S. Environmental Protection Agency Region 8 has received Newfield Production Company's (Newfield) July 11, 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 UT20853-09596.

As of the date of this letter, Newfield is authorized to commence injection into the Lone Tree Federal 9-15-9-17 well at a Maximum Allowable Injection Pressure (MAIP) of 1,540 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:

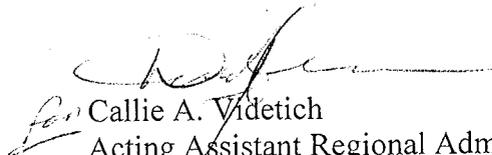
Ms. Sarah Roberts
U.S. EPA Region 8: 8ENF-UFO
1595 Wynkoop Street
Denver, Colorado 80202-1129

Or, 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 UT20853-09596.

If you have questions regarding the above action, please call Bob Near at (303) 312-6278 or (800) 227-8917, extension 312-6278.

Sincerely,


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

RECEIVED
JAN 14 1993
U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Vernal Office

Eric Sundberg, Regulatory Analyst
Newfield Production Company



Printed on Recycled Paper

Lone Tree Federal 9-15-9-17

Spud Date: 9/7/2009
 Put on Production: 10/7/2009
 GL: 5129' KB: 5141'

Injection Wellbore Diagram

SURFACE CASING

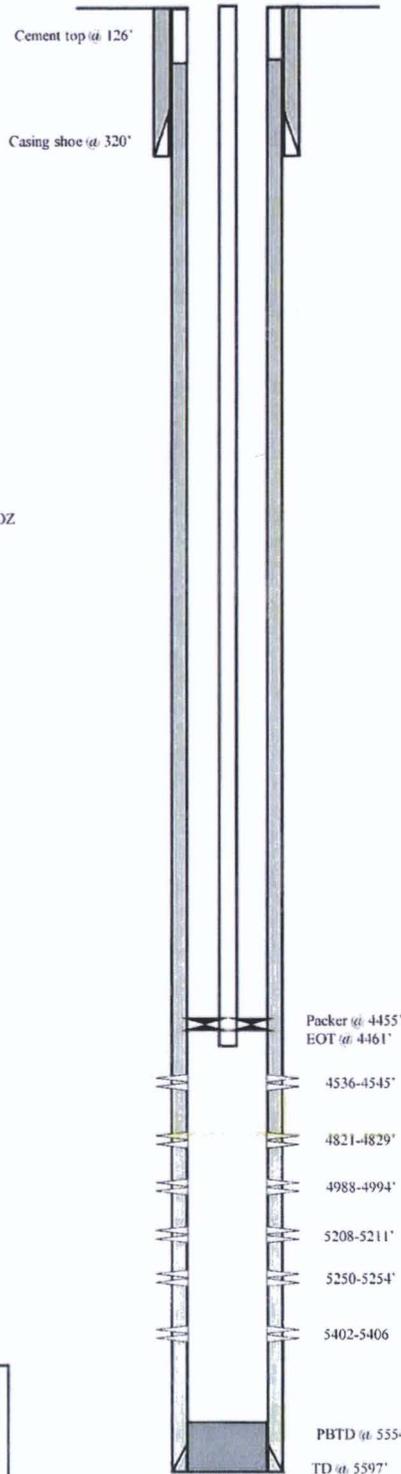
CSG SIZE: 8-5/8"
 GRADE: J-55
 WEIGHT: 24#
 LENGTH: 7 jts (307.86')
 DEPTH LANDED: 319.71' KB
 HOLE SIZE: 12-1/4"
 CEMENT DATA: 160 sx class 'G' cmt

PRODUCTION CASING

CSG SIZE: 5-1/2"
 GRADE: J-55
 WEIGHT: 15.5#
 LENGTH: 125 jts (5584.57')
 DEPTH LANDED: 5597.82'
 HOLE SIZE: 7-7/8"
 CEMENT DATA: 301 sx Prem Lite II and 400 sx 50-50 POZ
 CEMENT TOP AT: 126'

TUBING

SIZE/GRADE/WT.: 2-7/8" / J-55 / 6.5#
 NO. OF JOINTS: 140 jts (4436.8')
 SEATING NIPPLE: 2-7/8" (1.1')
 SN LANDED AT: 4448.8' KB
 ON/OFF SKIRT AT: 4449.9'
 1.875 X SEAL NIPPLE: 2-7/8" @ 4451.4'
 ARROWSET PACKER CE @ 4455'
 X-OVER AT: 4458.7'
 XN NIPPLE AT: 4459.2'
 TOTAL STRING LENGTH: EOT @ 4461'



FRAC JOB

| | | |
|------------|------------|---|
| 10/08/2009 | 5208-5406' | Frac CP3, CP1 & CP.5 sands as follows: Frac with 25016# 20-40 sand in 203 bbls of Lightning 17 fluid. |
| 10/08/2009 | 4988-4994' | Frac LODC sands as follows: Frac with 24118# 20-40 sand in 184 bbls of Lightning 17 fluid. |
| 10/08/2009 | 4821-4829' | Frac A1 sands as follows: Frac with 14907# 20-40 sand in 122 bbls of Lightning 17 fluid |
| 10/08/2009 | 4536-4545' | Frac D3 sands as follows: Frac with 17874# 20-40 sand in 135 bbls of Lightning 17 fluid. |
| 07/06/12 | | Convert to Injection Well |
| 07/11/12 | | Conversion MIT Finalized - update tbg detail |

PERFORATION RECORD

| | | |
|------------|--------|----------|
| 5402-5406' | 3 JSPF | 12 holes |
| 5250-5254' | 3 JSPF | 12 holes |
| 5208-5211' | 3 JSPF | 9 holes |
| 4988-4994' | 3 JSPF | 18 holes |
| 4821-4829' | 3 JSPF | 24 holes |
| 4536-4545' | 3 JSPF | 27 holes |

NEWFIELD

Lone Tree Federal 9-15-9-17

1984' FSL & 660' FEL NE/SE

Section 15-T9S-R17E

Duchesne Co, Utah

API # 43-013-50021; Lease # UTU-74805