

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

FORM 3

AMENDED REPORT 

<b>APPLICATION FOR PERMIT TO DRILL</b>						<b>1. WELL NAME and NUMBER</b> Wedig 14-22-4-1	
<b>2. TYPE OF WORK</b> DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>						<b>3. FIELD OR WILDCAT</b> MONUMENT BUTTE	
<b>4. TYPE OF WELL</b> Oil Well Coalbed Methane Well: NO						<b>5. UNIT or COMMUNITIZATION AGREEMENT NAME</b>	
<b>6. NAME OF OPERATOR</b> NEWFIELD PRODUCTION COMPANY						<b>7. OPERATOR PHONE</b> 435 646-4825	
<b>8. ADDRESS OF OPERATOR</b> Rt 3 Box 3630 , Myton, UT, 84052						<b>9. OPERATOR E-MAIL</b> mcrozier@newfield.com	
<b>10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE)</b> Fee			<b>11. MINERAL OWNERSHIP</b> FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>			<b>12. SURFACE OWNERSHIP</b> FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
<b>13. NAME OF SURFACE OWNER (if box 12 = 'fee')</b> Nolan O. and Vicki Lynn Larsen						<b>14. SURFACE OWNER PHONE (if box 12 = 'fee')</b>	
<b>15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')</b> PO Box 25, Myton, UT 84052						<b>16. SURFACE OWNER E-MAIL (if box 12 = 'fee')</b>	
<b>17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')</b>			<b>18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS</b> YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>			<b>19. SLANT</b> VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>	
<b>20. LOCATION OF WELL</b>	<b>FOOTAGES</b>	<b>QTR-QTR</b>	<b>SECTION</b>	<b>TOWNSHIP</b>	<b>RANGE</b>	<b>MERIDIAN</b>	
<b>LOCATION AT SURFACE</b>	168 FSL 1947 FWL	SESW	22	4.0 S	1.0 W	U	
<b>Top of Uppermost Producing Zone</b>	168 FSL 1947 FWL	SESW	22	4.0 S	1.0 W	U	
<b>At Total Depth</b>	168 FSL 1947 FWL	SESW	22	4.0 S	1.0 W	U	
<b>21. COUNTY</b> DUCHESNE			<b>22. DISTANCE TO NEAREST LEASE LINE (Feet)</b> 168			<b>23. NUMBER OF ACRES IN DRILLING UNIT</b> 40	
			<b>25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed)</b> 1911			<b>26. PROPOSED DEPTH</b> MD: 6840 TVD: 6840	
<b>27. ELEVATION - GROUND LEVEL</b> 5136			<b>28. BOND NUMBER</b> B001834			<b>29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE</b> 43-7478	
<b>ATTACHMENTS</b>							
<b>VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES</b>							
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER				<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN			
<input checked="" 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			
<b>NAME</b> Mandie Crozier			<b>TITLE</b> Regulatory Tech			<b>PHONE</b> 435 646-4825	
<b>SIGNATURE</b>			<b>DATE</b> 07/21/2009			<b>EMAIL</b> mcrozier@newfield.com	
<b>API NUMBER ASSIGNED</b> 43013500810000			<b>APPROVAL</b>			 Permit Manager	

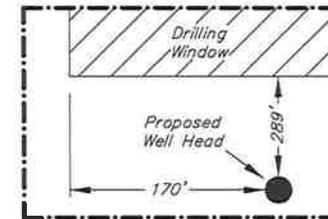
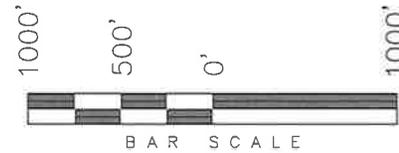
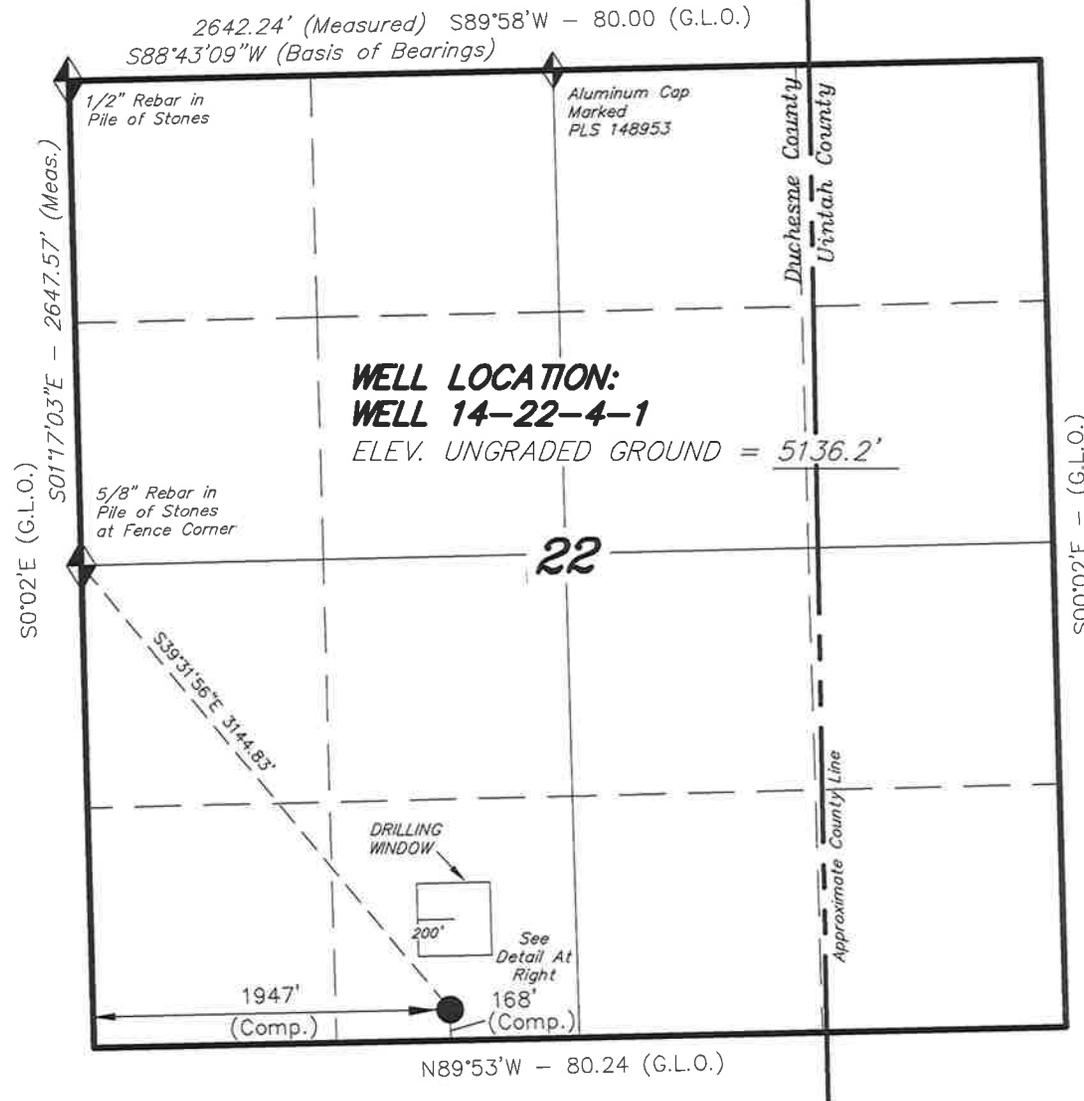
<b>Proposed Hole, Casing, and Cement</b>						
<b>String</b>	<b>Hole Size</b>	<b>Casing Size</b>	<b>Top (MD)</b>	<b>Bottom (MD)</b>		
Prod	7.875	5.5	0	6840		
<b>Pipe</b>	<b>Grade</b>	<b>Length</b>	<b>Weight</b>			
	Grade J-55 LT&C	6840	15.5			

<b>Proposed Hole, Casing, and Cement</b>						
<b>String</b>	<b>Hole Size</b>	<b>Casing Size</b>	<b>Top (MD)</b>	<b>Bottom (MD)</b>		
Surf	12.25	8.625	0	400		
<b>Pipe</b>	<b>Grade</b>	<b>Length</b>	<b>Weight</b>			
	Grade J-55 ST&C	400	24.0			

# T4S, R1W, U.S.B.&M.

## NEWFIELD PRODUCTION COMPANY

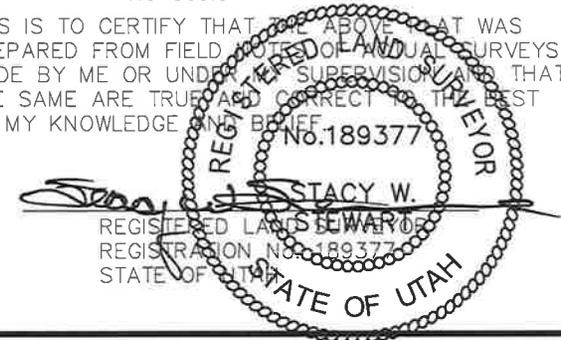
WELL LOCATION, WELL 14-22-4-1,  
 LOCATED AS SHOWN IN THE SE 1/4 SW  
 1/4 OF SECTION 22, T4S, R1W,  
 U.S.B.&M. DUCHESNE COUNTY, UTAH.



**Detail**  
 No Scale



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



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

DATE SURVEYED: 06-05-09	SURVEYED BY: T.H.
DATE DRAWN: 06-10-09	DRAWN BY: M.W.
REVISED:	SCALE: 1" = 1000'

◆ = 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'

**WELL 14-22-4-1**  
 (Surface Location) NAD 83  
 LATITUDE = 40° 06' 49.77"  
 LONGITUDE = 109° 59' 05.87"

## SURFACE USE AGREEMENT

THIS AGREEMENT, made and entered into by and between Nolan O. Larsen and Vicki Lynn Larsen, individually and as husband and wife, parties of the first part, hereinafter collectively referred to as "Owner", of POB 25 Myton UT 84052, and Inland Production Company, party of the second part, hereinafter referred to as "Inland", of 475 - 17th Street, Suite 1500, Denver, Colorado 80202

WITNESSETH:

WHEREAS, Owner is the owner in fee of all or a portion of the surface to the following described lands situated in Duchesne County, Utah, to-wit:

Township 4 South, Range 1 West U.S.M.  
Sec 15: SW/4NW/4, NW/4SW/4  
Sec 16: S/2SW/4, N/2SW/4SE/4, NW/4SE/4,  
S/2N/2, NE/4SE/4.  
Sec 17: SE/4SE/4  
Sec 19: Lots 1,2,3,4, E/2NW/4, NE/4SW/4,  
N/2SE/4SW/4, SW/4SE/4SW/4  
Sec 22: SW/4, W/2SE/4, S/2NW/4  
Sec 30: Lot 3

Township 4 South, Range 2 West U.S.M.  
Sec 11: SE/4NE/4  
Sec 14: Lot 2  
Sec 22: NW/4  
Sec 24: N/2SE/4

WHEREAS, the parties desire to settle their dispute on all claims for use of the surface and damage to crops arising from the drilling, completion and production activities and operations, and agree as to the measure of settlement for operations conducted by Inland on surface owned or controlled by Owner, above described, subject to the terms of this Agreement.

NOW, THEREFORE, In consideration of the mutual covenants herein contained, the parties agree as follows:

1 a) For wells located on crop land, within thirty (30) days after construction of any drillsite locations, and /or access roads upon the surface of crop land owned by Owner, Inland shall make a payment to Owner of One Thousand Five Hundred Dollars (\$1,500.00) per acre used by Inland for such drillsite locations and /or access roads. Such payment shall be for the use of the surface and damage to crops and shall cover the year in which such construction occurred. Crop land is defined as that which is now cultivated, seeded, harvested and the crop sold.

b). Following the year in which the well is drilled, on or before September 15 of each calendar year that Inland's operations continue, Inland shall pay to Owner a sum calculated at the rate of 8 tons per acre at \$80.00 per ton for that acreage used by Inland which is out of crop production as it pertains to the drillsite location at the wellhead and such land used as an access road.

2 For wells located on non-crop land, within thirty (30) days after construction of any drillsite locations and/or access roads upon the surface of non-crop land owned by Owner, Inland shall make a one-time payment to Owner calculated at the rate of One Thousand Dollars (\$1,000.00) per acre utilized by Inland in its operations

3 a) For pipeline right-of-way construction in which a pipeline is laid through surface owned by Owner, Inland shall make a one-time payment of a sum calculated at a rate of Five Dollars (\$5.00) per running rod, provided, however, as to any part of said pipeline construction which takes place on crop land after commencement of seasonal cultivation but prior to harvest time, the rate shall be calculated at a rate of Ten Dollars (\$10.00) per running rod utilized by Inland in its operations. When requested by Owner, pipelines shall be buried below plow depth and surface areas impacted by the construction shall be rehabilitated, including the reseeded of crop land.

b). In the event related pipeline facilities such as a compressor site are constructed on crop land owned by Owner, Inland agrees to make a one-time payment to Owner of One Thousand Five Hundred

(\$1,500.00) per acre utilized by Inland in its operations. Should such related pipeline facilities be located on non-crop land, Inland shall make a one-time payment calculated at a rate of One Thousand Dollars (\$1,000.00) per acre utilized by Inland in its operations.

4. Owner agrees that upon receipt of the payments provided for in this Agreement for any future wells that may be drilled on surface owned by Owner, Inland shall be released and discharged from any and all claims, demands and losses arising out of such future operations for crop damage, acreage out of cultivation, interruption or interference with agricultural improvements and other claims.

5. For payments to be made and received under this Agreement, Owner agrees to protect, indemnify and save Inland and its employees, agents and contractors free and harmless from and against any and all claims, demands and losses, including costs and attorneys fees, accrued or accruing to Owner, its employees and/or tenants arising directly or indirectly in connection with operations by Inland, its employees, agents and contractors.

6. Following the completion of any well, Inland agrees to promptly clean up and maintain all areas of land continuing to be utilized in connection with oil and gas operations and to pay the cost of reclaiming and reseeding upon cessation of use.

7. This Agreement shall be binding upon and shall be for the benefit of the successors and assigns of Owner and Inland whether assigned, devised, bequeathed or otherwise transferred in whole or part by either of the parties hereto. The conditions herein contained shall be covenants running with the land.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the 14th day of March, 1997.

SURFACE OWNERS:

X Nolan O. Larsen  
(Nolan O. Larsen) SSN 529 68 4547

Vicki Lynn Larsen  
(Vicki Lynn Larsen) SSN 529 76 3264

INLAND PRODUCTION COMPANY

Chris A Potter  
Chris A Potter, Attorney-in-Fact

Surface Only  
Prospect/Unit name  
Lease NO. \_\_\_\_\_

NEWFIELD PRODUCTION COMPANY  
WEDIG 14-22-4-1  
SE/SW SECTION 22, T4S, R1W  
DUSCHESNE COUNTY, UTAH

TEN POINT DRILLING PROGRAM

1. **GEOLOGIC SURFACE FORMATION:**

Uinta formation of Upper Eocene Age

2. **ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:**

Uinta	0 – 1,940'
Green River	1,940'
Wasatch	6,840'

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

Green River Formation (Oil) 1,940' – 6,840'

Fresh water may be encountered in the Uinta Formation, but would not be expected below about 350'. All water shows and water bearing geologic units shall be reported to the geologic and engineering staff of the Vernal Office prior to running the next string of casing or before plugging orders are requested. All water shows must be reported within one (1) business day after being encountered.

All usable (<10,000 PPM TDS) water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling will be recorded by depth and adequately protected. This information shall be reported to the Vernal Office.

Detected water flows shall be sampled, analyzed, and reported to the geologic & engineering staff of the Vernal Office. The office may request additional water samples for further analysis. Usage of the State of Utah form *Report of Water Encountered* is acceptable, but not required.

The following information is requested for water shows and samples where applicable:

Location & Sampled Interval	Date Sampled
Flow Rate	Temperature
Hardness	pH
Water Classification (State of Utah)	Dissolved Calcium (Ca) (mg/l)
Dissolved Iron (Fe) (ug/l)	Dissolved Sodium (Na) (mg/l)
Dissolved Magnesium (Mg) (mg/l)	Dissolved Carbonate (CO <sub>3</sub> ) (mg/l)
Dissolved Bicarbonate (NaHCO <sub>3</sub> ) (mg/l)	Dissolved Chloride (Cl) (mg/l)
Dissolved Sulfate (SO <sub>4</sub> ) (mg/l)	Dissolved Total Solids (TDS) (mg/l)

4. **PROPOSED CASING PROGRAM:**

Surface Casing: 8-5/8" J-55 24# w/ST&C collars; set at 400' (New)  
Production Casing: 5-1/2" J-55, 15.5# w/LT&C collars; set at TD (New or used, inspected).

5. **MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:**

The operator's minimum specifications for pressure control equipment are as follows:

An 8" Double Ram Hydraulic unit with a closing unit will be utilized. Function test of BOP's will be check daily.

Refer to **Exhibit C** for a diagram of BOP equipment that will be used on this well.

6. **TYPE AND CHARACTERISTICS OF THE PROPOSED CIRCULATION MUDS:**

From surface to ±350 feet will be drilled with an air/mist system. From about 350 feet to TD, a fresh water system will be utilized. Clay inhibition and hole stability will be achieved with a KCl substitute additive. This additive will be identified in the APD and reviewed to determine if the reserve pit shall be lined. This fresh water system will typically contain Total Dissolved Solids (TDS) of less than 3000 PPM. Anticipated mud weight is 8.4 lbs/gal. If necessary to control formation fluids or pressure, the system will be weighted with the addition of bentonite gel, and if pressure conditions warrant, with barite.

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

No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completing of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completing of this well.

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

Newfield Production will **visually** monitor pit levels and flow from the well during drilling operations.

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

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

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

The logging program will consist of a Dual Induction, Gamma Ray and Caliper log from TD to base of surface casing @ 400' +/-, and a Compensated Neutron-Formation Density Log from TD to 3500' +/- . A cement bond log will be run from PBDT to cement top. No drill stem testing or coring is planned for this well.

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

No abnormal temperatures or pressures are anticipated. No hydrogen sulfide has been encountered or is known to exist from previous drilling in the area at this depth. Maximum anticipated bottomhole pressure will approximately equal total depth in feet multiplied by a 0.433 psi/foot gradient.

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

It is anticipated that the drilling operations will commence the fourth quarter of 2009, and take approximately seven (7) days from spud to rig release.

# 2-M SYSTEM

Blowout Prevention Equipment Systems

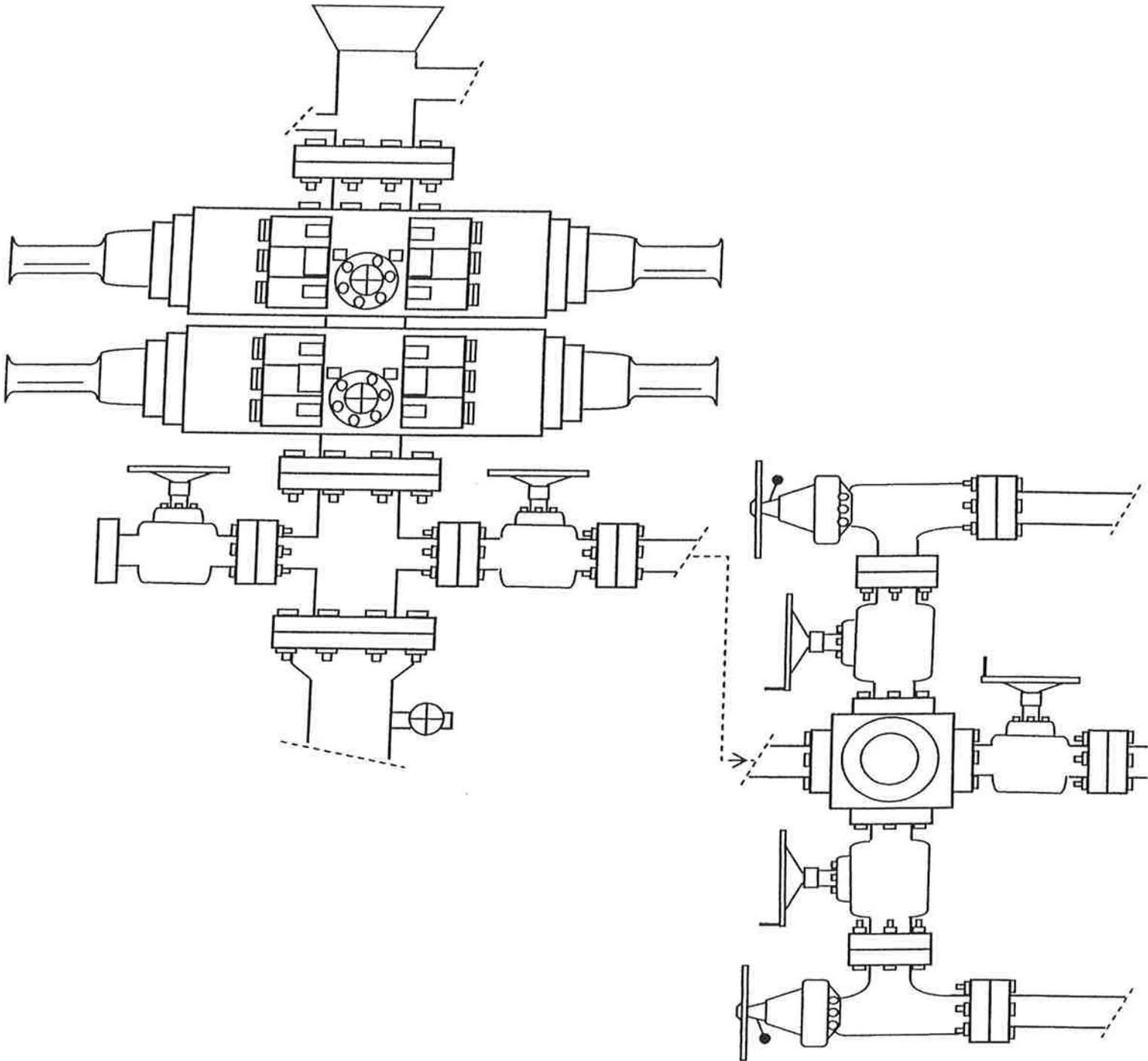
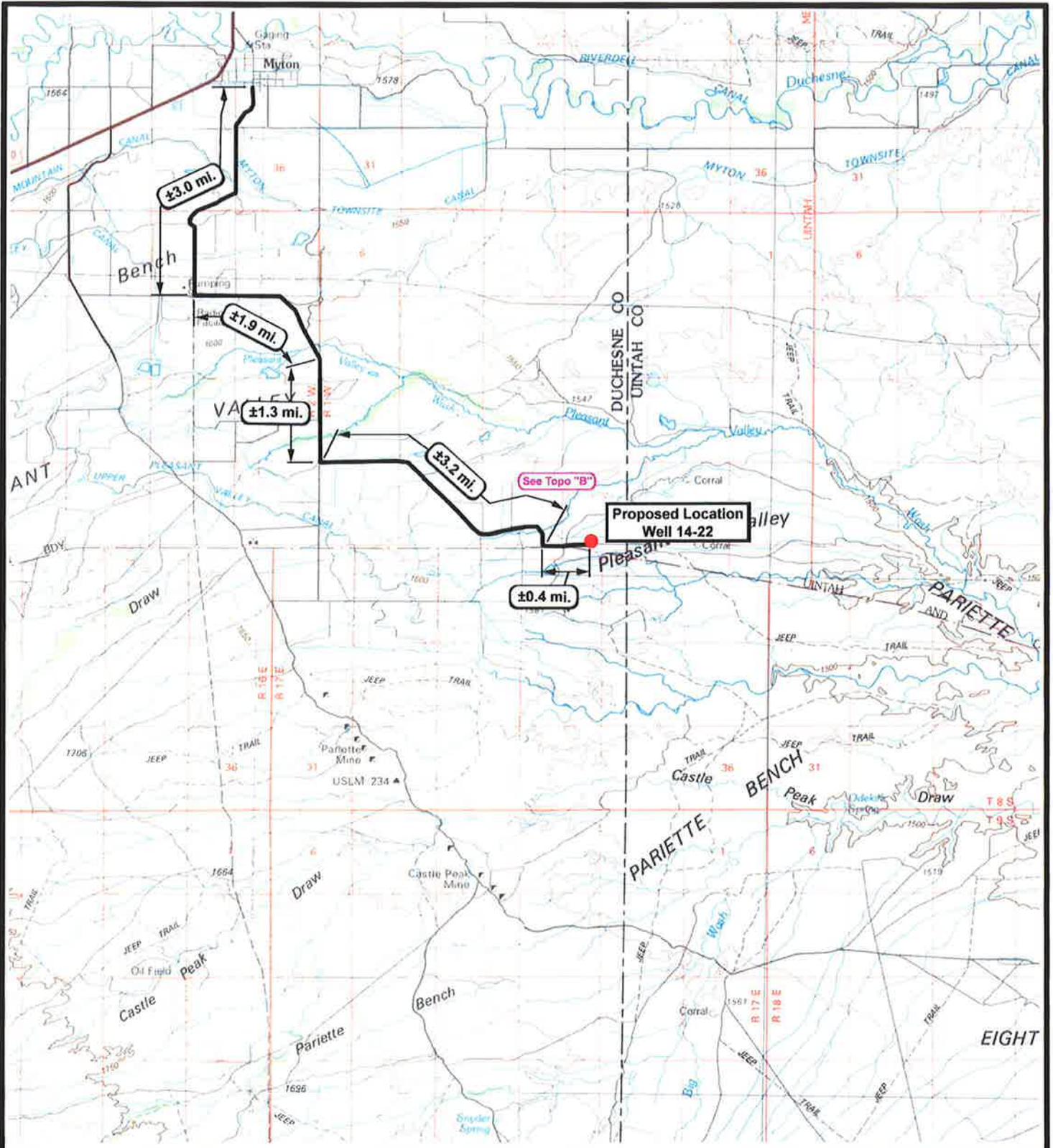


EXHIBIT C



**NEWFIELD**  
Exploration Company

**Well 14-22-4-1**  
**SEC. 22, T4S, R1W, U.S.B.&M.**



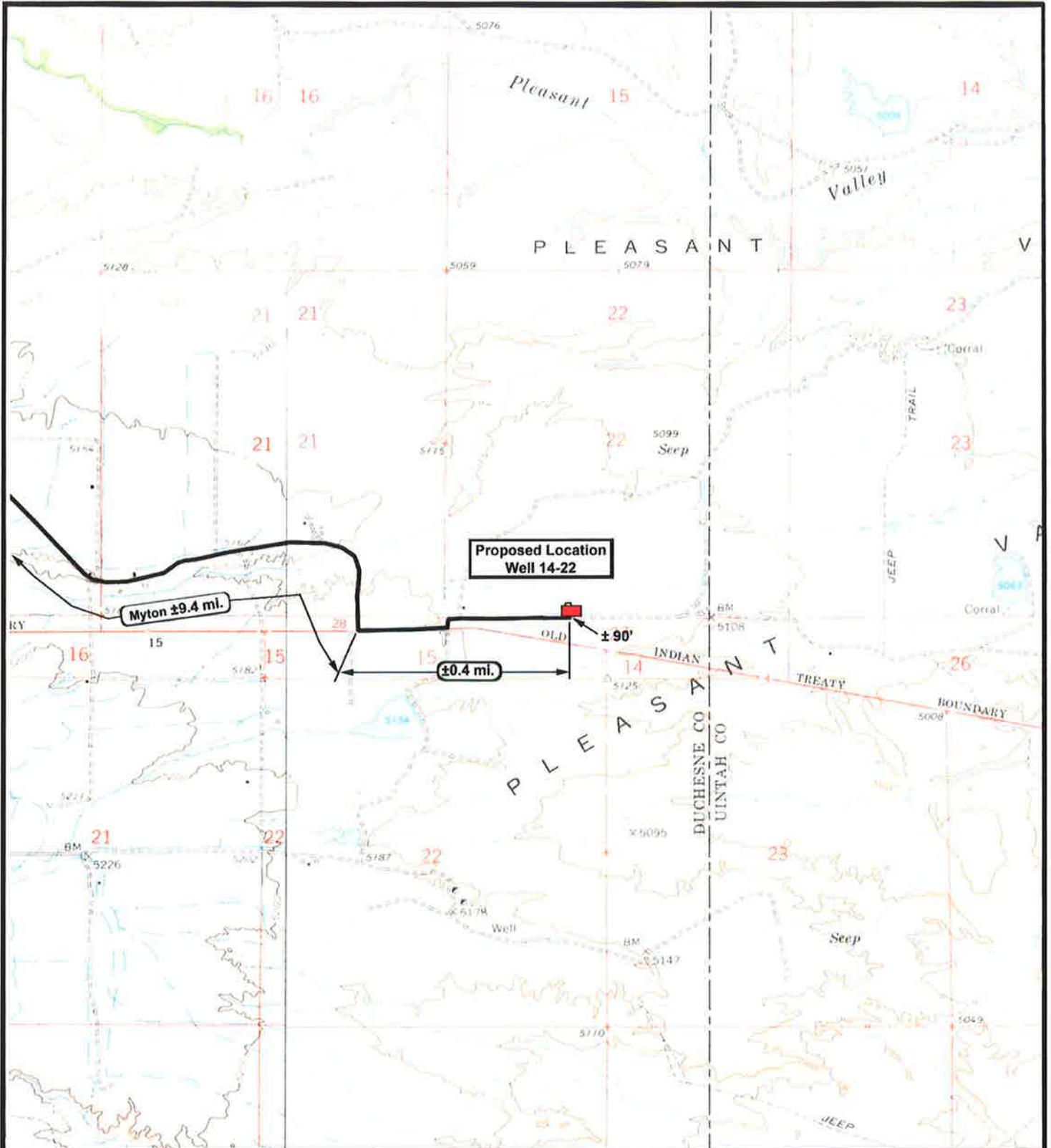
**Tri-State**  
Land Surveying Inc.  
(435) 781-2501  
180 North Vernal Ave. Vernal, Utah 84078

**SCALE:** 1 = 100,000  
**DRAWN BY:** mw  
**DATE:** 07-09-2009

**Legend**

- Existing Road
- Proposed Access

**TOPOGRAPHIC MAP**  
**"A"**



**NEWFIELD**  
Exploration Company

**Well 14-22-4-1**  
**SEC. 22, T4S, R1W, U.S.B.&M.**



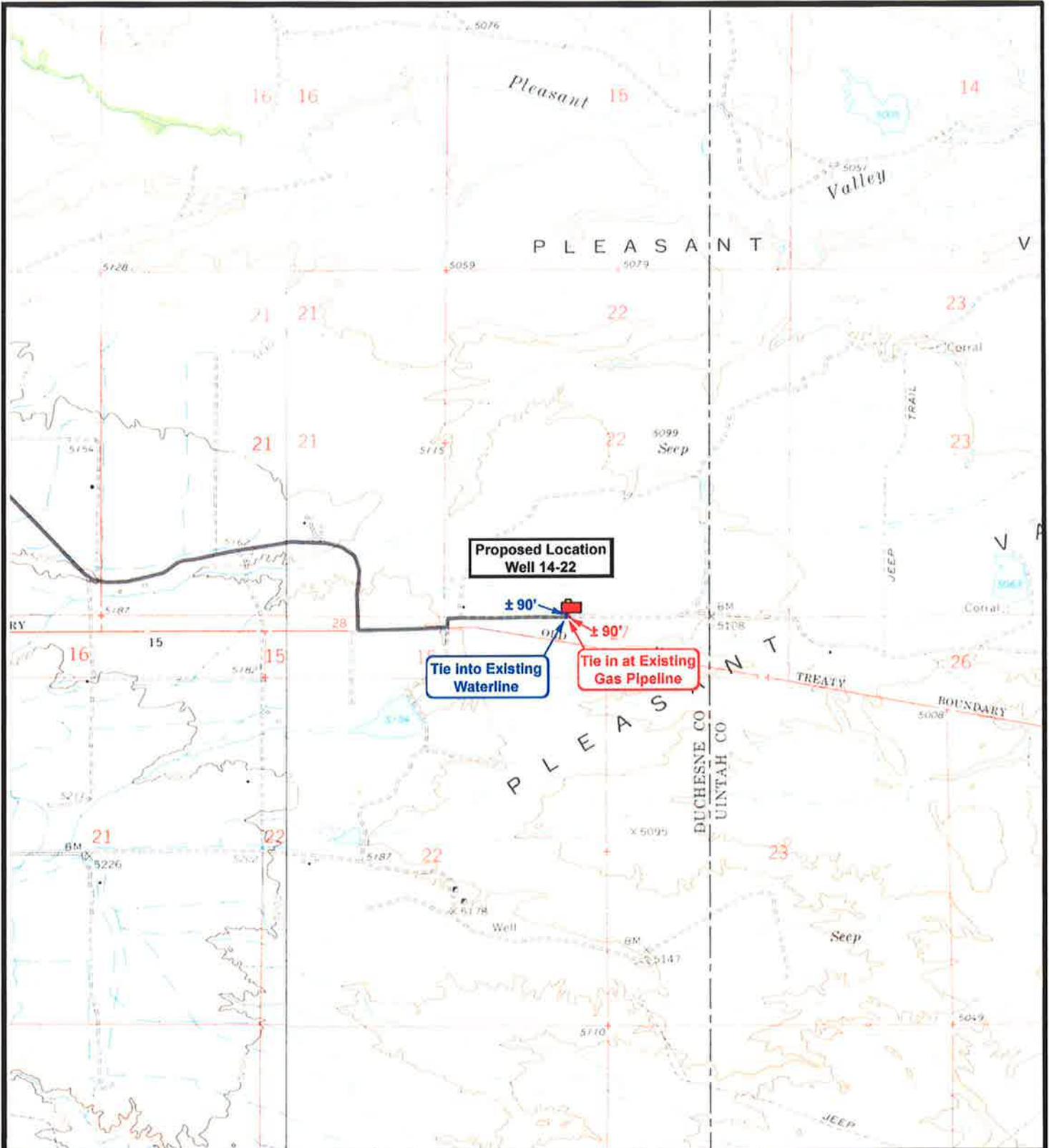
**Tri-State**  
Land Surveying Inc.  
(435) 781-2501  
180 North Vernal Ave. Vernal, Utah 84078

**SCALE: 1" = 2,000'**  
**DRAWN BY: mw**  
**DATE: 07-09-2009**

**Legend**

- Existing Road
- Proposed Access

**TOPOGRAPHIC MAP**  
**"B"**





**NEWFIELD**  
Exploration Company

**Well 14-22-4-1**  
**SEC. 22, T4S, R1W, U.S.B.&M.**





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

SCALE: 1" = 2,000'

DRAWN BY: mw

DATE: 07-09-2009

**Legend**

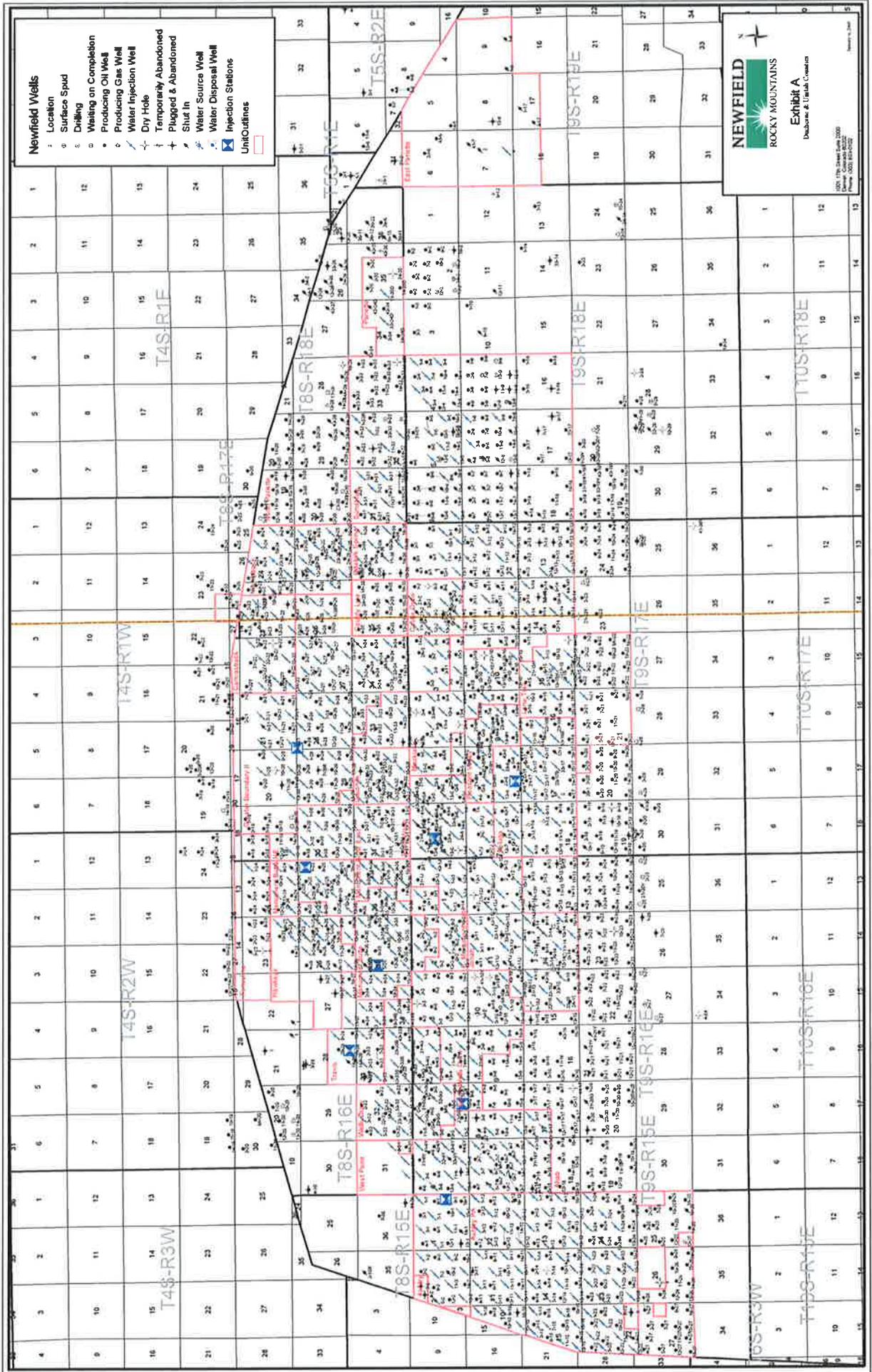
— Roads

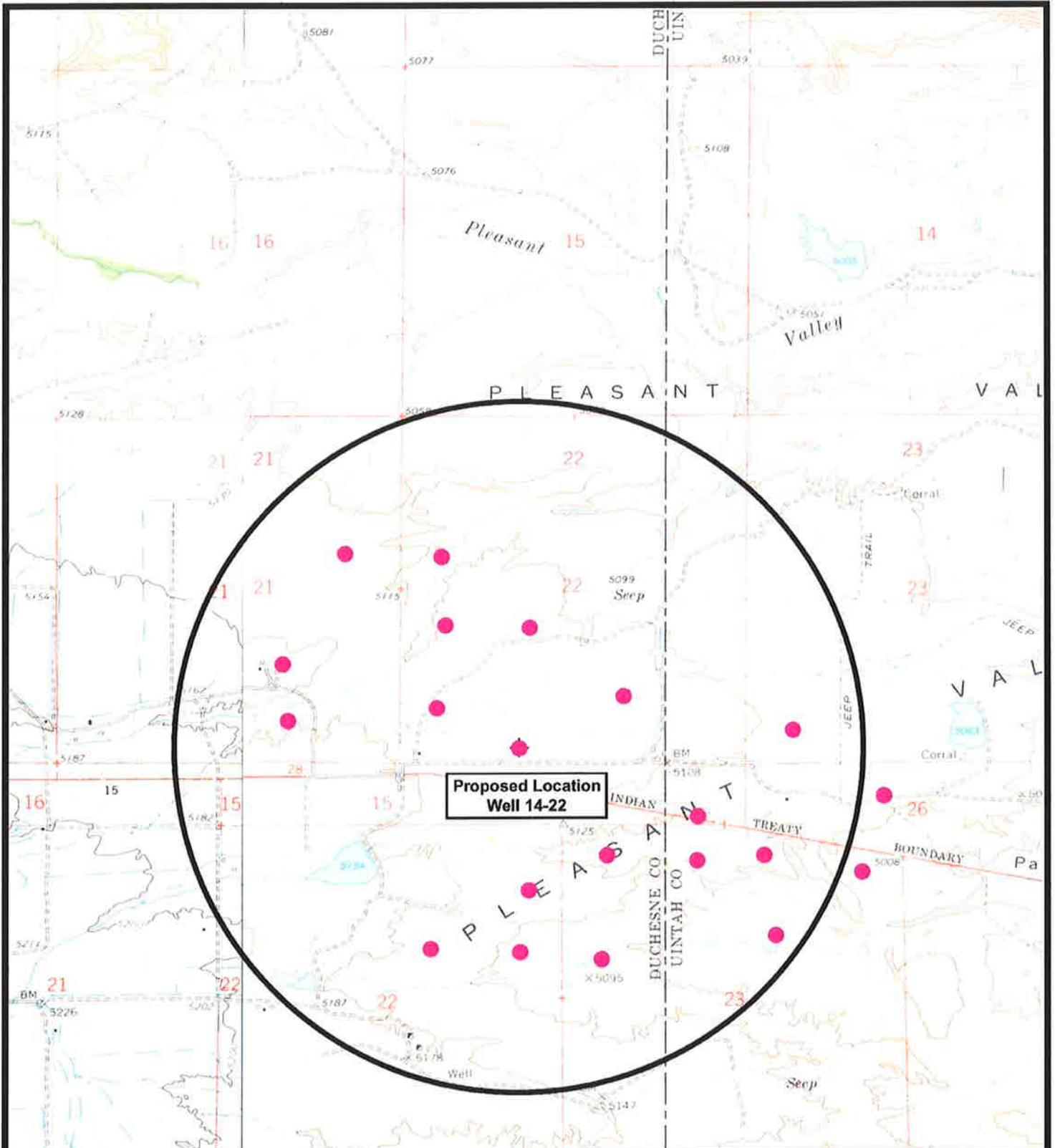
— Proposed Gas Line

— Proposed Water Line

TOPOGRAPHIC MAP

"C"





**Proposed Location  
Well 14-22**



**NEWFIELD**  
Exploration Company

**Well 14-22-4-1**  
**SEC. 22, T4S, R1W, U.S.B.&M.**




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**SCALE: 1" = 2,000'**  
**DRAWN BY: mw**  
**DATE: 07-09-2009**

**Legend**

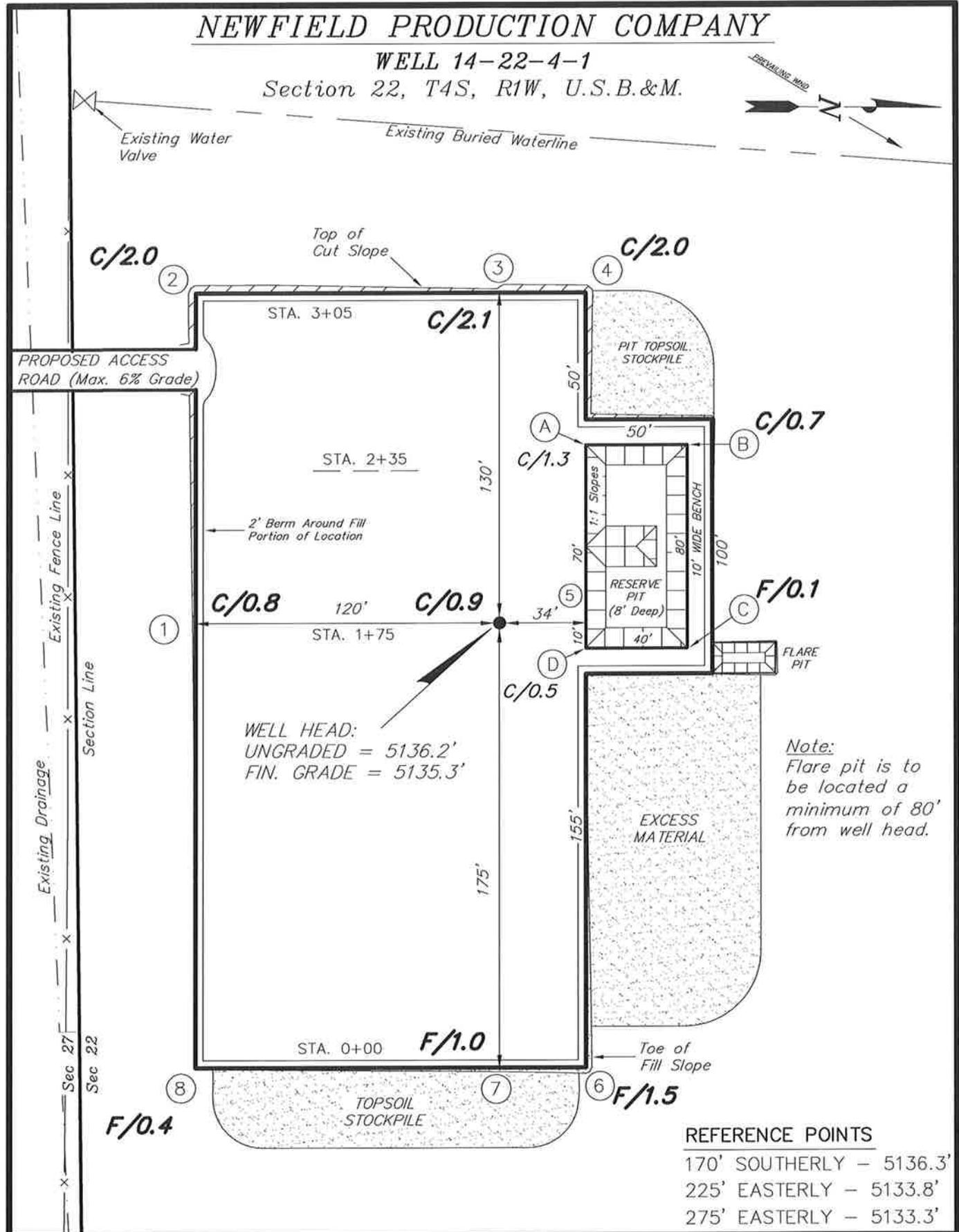
- Location
- One-Mile Radius

**Exhibit "B"**

# NEWFIELD PRODUCTION COMPANY

WELL 14-22-4-1

Section 22, T4S, R1W, U.S.B.&M.



*Note:*  
Flare pit is to be located a minimum of 80' from well head.

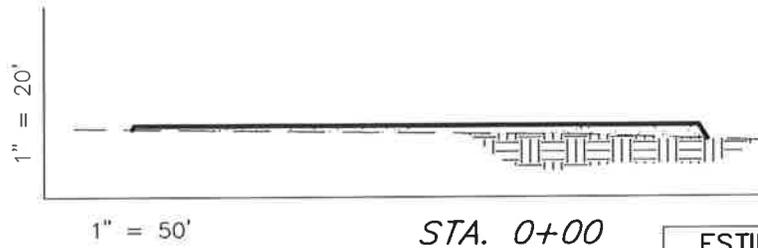
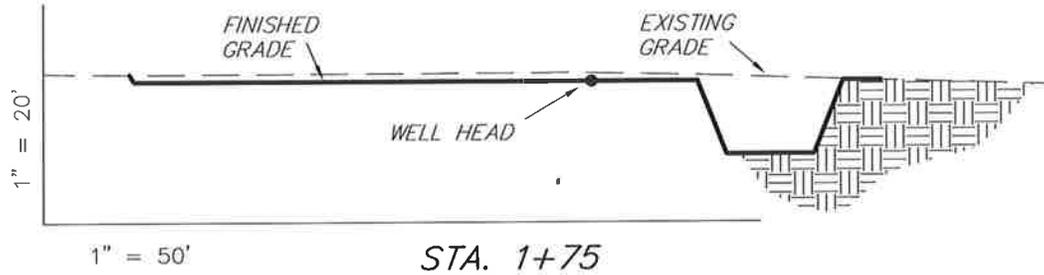
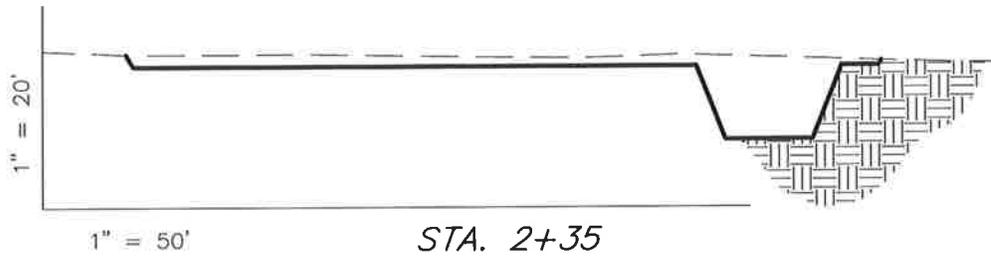
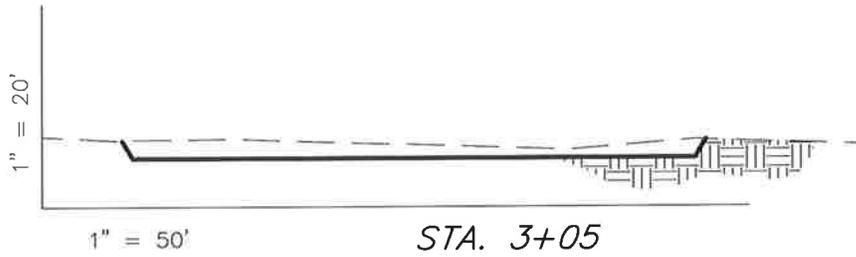
REFERENCE POINTS	
170' SOUTHERLY	- 5136.3'
225' EASTERLY	- 5133.8'
275' EASTERLY	- 5133.3'

SURVEYED BY: S.V.	DATE SURVEYED: 07-01-09
DRAWN BY: M.W.	DATE DRAWN: 07-07-09
SCALE: 1" = 50'	REVISED:

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

# NEWFIELD PRODUCTION COMPANY

## CROSS SECTIONS WELL 14-22-4-1



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	560	560	Topsoil is not included in Pad Cut	0
PIT	640	0		640
TOTALS	1,200	560	990	640

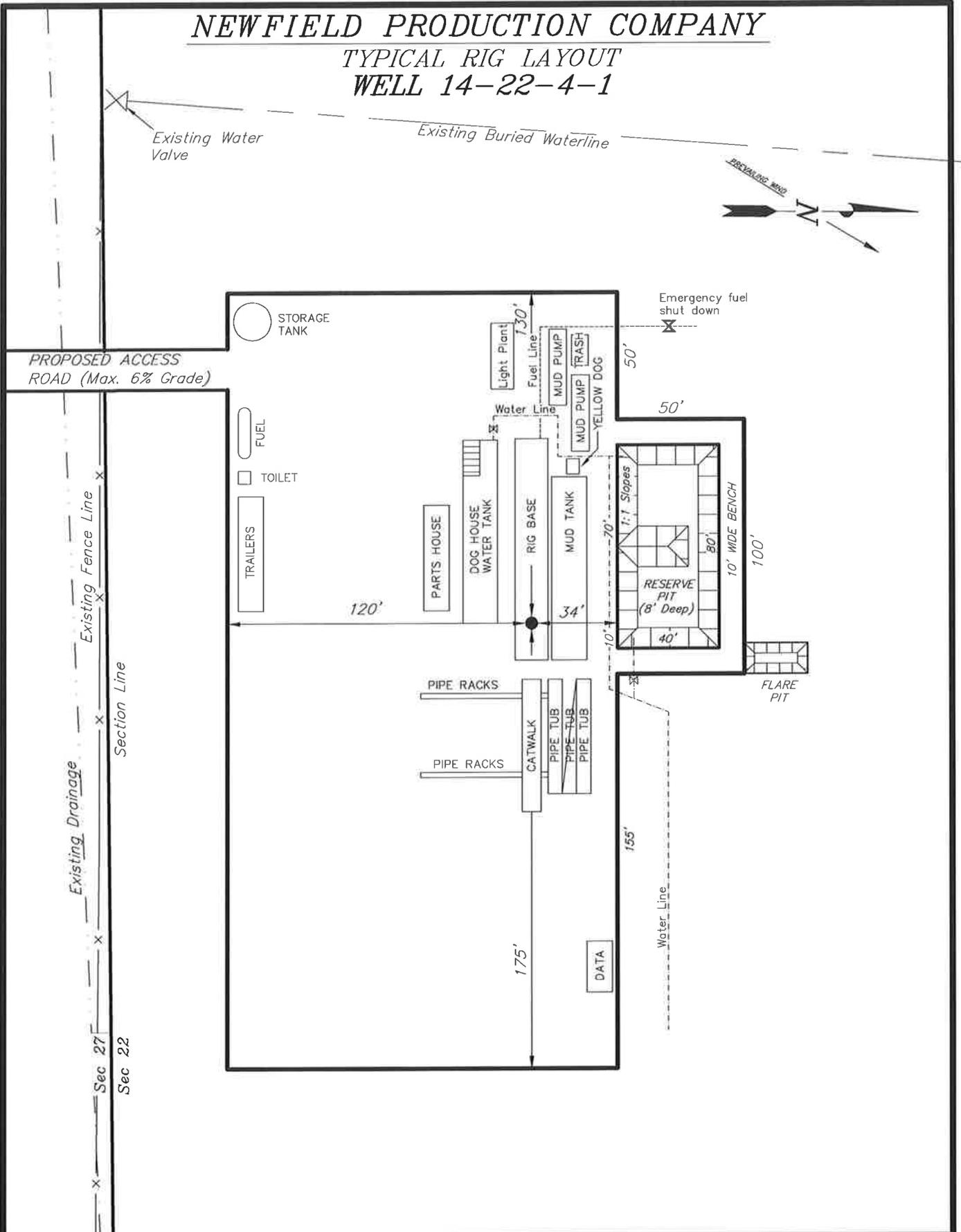
SURVEYED BY: S.V.	DATE SURVEYED: 07-01-09
DRAWN BY: M.W.	DATE DRAWN: 07-07-09
SCALE: 1" = 50'	REVISED:

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

# NEWFIELD PRODUCTION COMPANY

## TYPICAL RIG LAYOUT

### WELL 14-22-4-1



SURVEYED BY: S.V.	DATE SURVEYED: 07-01-09	<b>Tri State</b> Land Surveying, Inc. 180 NORTH VERNAL AVE. VERNAL, UTAH 84078
DRAWN BY: M.W.	DATE DRAWN: 07-07-09	
SCALE: 1" = 50'	REVISED:	

(435) 781-2501

NEWFIELD PRODUCTION COMPANY  
WEDIG 14-22-4-1  
SE/SW SECTION 22, T4S, R1W  
DUSCHESNE COUNTY, UTAH

THIRTEEN POINT SURFACE PROGRAM

1. **EXISTING ROADS**

See attached **Topographic Map "A"**

To reach Newfield Production Company well location site Wedig 14-22-4-1 located in the SE¼ SW¼ Section 22, T4S, R1W, S.L.B. & M., Duchesne County, Utah:

Proceed in a southerly direction out of Myton, approximately 3.0 miles to it's junction with an existing road to the east; proceed in a southeasterly direction approximately 3.2 miles to it's junction with an existing road to the east; proceed southeasterly approximately 3.2 miles to it's junction with an existing road to the east; proceed easterly approximately 0.4 miles ± to it's junction with the beginning of the proposed access road; proceed along the proposed access road approximately 90' to the proposed well location.

The highways mentioned in the foregoing paragraph are bituminous surfaced roads to the point where Highway 216 exists to the South, thereafter the roads are constructed with existing materials and gravel. The highways are maintained by Utah State road crews. All other roads are maintained by County crews.

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

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

2. **PLANNED ACCESS ROAD**

Approximately 90' of access road is proposed. See attached **Topographic Map "B"**.

The proposed 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.

3. **LOCATION OF EXISTING WELLS**

Refer to **EXHIBIT B**.

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

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

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

Upon construction of a tank battery, the well pad will be surrounded by a dike of sufficient capacity to contain at minimum 110% of the largest tank volume within the facility battery.

Tank batteries will be built to State specifications.

All permanent (on site for six (6) months or longer) structures, constructed or installed (including pumping units), will be painted a flat, non-reflective, earth tone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within six months of installation.

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).

There will be no water well drilled at this site

6. **SOURCE OF CONSTRUCTION MATERIALS**

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

A mineral material application is not required for this location.

7. **METHODS FOR HANDLING WASTE DISPOSAL**

A small reserve pit (90' x 40' x 8' deep, or less) will be constructed from native soil and clay materials. The reserve pit will receive the processed drill cutting (wet sand, shale & rock) removed from the wellbore. Any drilling fluids, which do accumulate in the pit as a result of shale-shaker carryover, cleaning of the sand trap, etc., will be promptly reclaimed. All drilling fluids will be fresh water based, typically containing Total Dissolved Solids of less than 3000 PPM. No potassium chloride, chromates, trash, debris, nor any other substance deemed hazardous

will be placed in this pit. A 16 mil liner with felt will be required. Newfield requests approval that a flare pit be constructed and utilized on this location.

A portable toilet will be provided for human waste.

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

Immediately upon first production, all produced water will be confined 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) or at State of Utah approved surface disposal facilities.

8. **ANCILLARY FACILITIES:**

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

9. **WELL SITE LAYOUT:**

See attached Location Layout Sheet.

**Fencing Requirements**

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

- a) A 39-inch net wire shall be used with at least one strand of barbed wire on top of the net.
- b) The net wire shall be no more than two (2) inches above the ground. The barbed wire shall be three (3) inches above the net wire. Total height of the fence shall be at least forty-two (42) inches.
- c) Corner posts shall be centered and/or braced in such a manner to keep tight at all times
- d) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than sixteen (16) feet.
- e) All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

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

10. **PLANS FOR RESTORATION OF SURFACE:**

a) **Producing Location**

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

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

b) **Dry Hole Abandoned Location**

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

11. **SURFACE OWNERSHIP:** Nolan O. and Vicki Lynn Larsen  
See attached Easement ROW and Surface Use Agreement.

12. **OTHER ADDITIONAL INFORMATION:**

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

**Additional Surface Stipulations**

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

**Hazardous Material Declaration**

Newfield Production Company guarantees that during the drilling and completion of the Wedig 14-22-4-1, Newfield will not use, produce, store, transport or dispose 10,000# annually of any of the hazardous chemicals contained in the Environmental Protection Agency's consolidated list of chemicals subject to reporting under Title III Superfund Amendments and Reauthorization Act (SARA) of 1986. Newfield also guarantees that during the drilling and completion of the Wedig 14-22-4-1 Newfield will use, produce, store, transport or dispose less than the threshold planning quantity (T.P.Q.) of any extremely hazardous substances as defined in 40 CFR 355.

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

Newfield Production Company or a contractor employed by Newfield Production shall contact the State office at (801) 722-3417, 48 hours prior to construction activities.

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

13. **LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:**

Representative

Name: Dave Allred  
Address: Newfield Production Company  
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 #14-22-4-1, SE/SW Section 22, T4S, R1W, 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 Bond #B001834.

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 the 18 U.S.C. 1001 for the filing of a false statement.

7/20/09  
Date

  
Mandie Crozier  
Regulatory Specialist  
Newfield Production Company

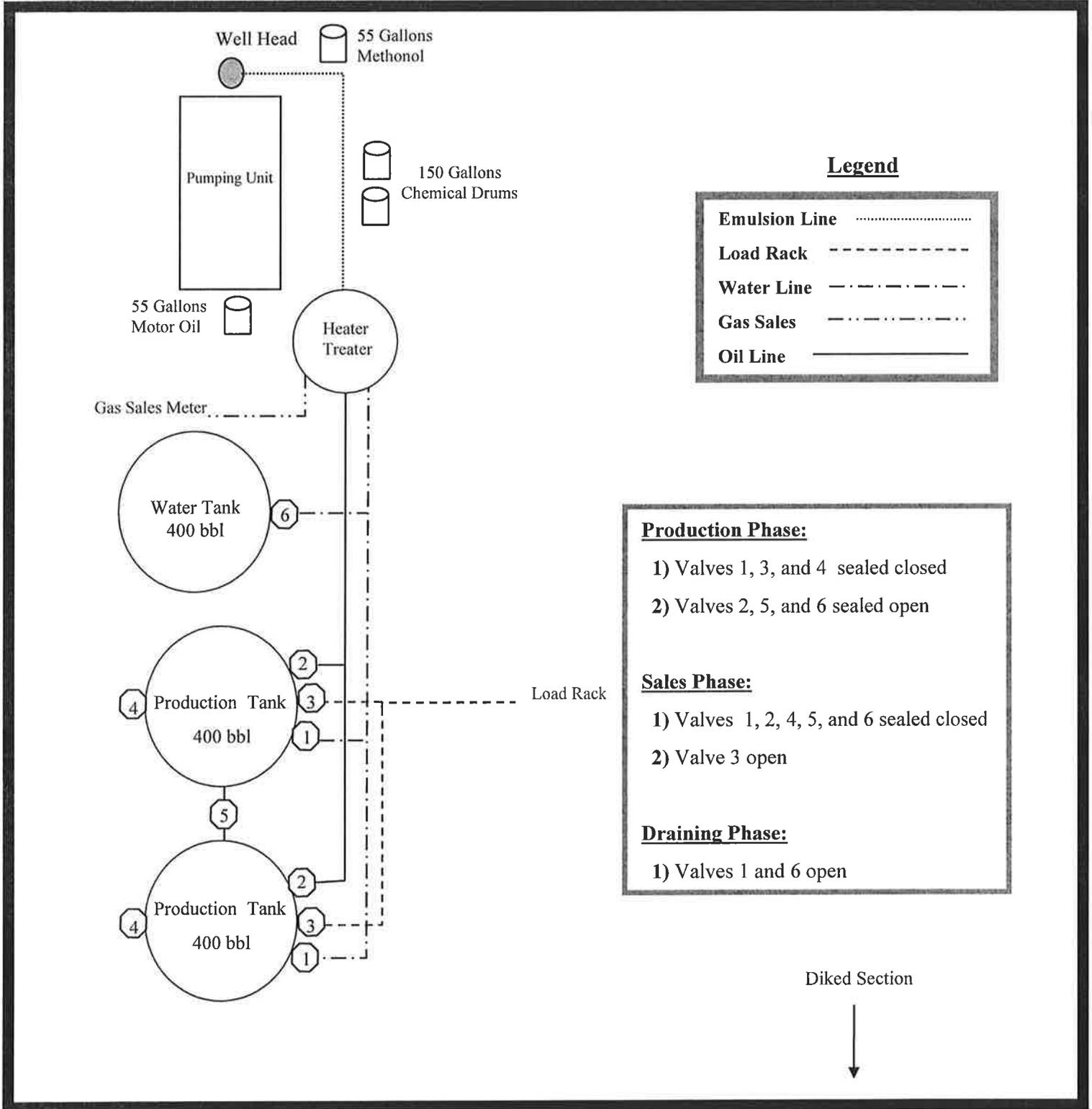
# Newfield Production Company Proposed Site Facility Diagram

Wedig 14-22-4-1

SE/SW Sec. 22, T4S, R1W

Duchesne County, Utah

Fee







August 12, 2009

State of Utah, Division of Oil, Gas & Mining  
ATTN: Diana Mason  
PO Box 145801  
Salt Lake City, UT 84114-5801

RE: Exception Location  
**Wedig 14-22-4-1**  
T4S R1W, Section 22: SESW  
168'FSL 1947' FWL  
Duchesne County, Utah

Dear Ms. Mason;

Pursuant to Rule 649-3-3 of the Oil & Gas Rules and Regulations of the State of Utah, Newfield Production Company ("NPC") hereby requests an exception location for the drilling of the captioned well. The proposed drillsite for this well is located 289' south of the drilling window required by Rule R649-3-2, which requires a well to be located in the center of a forty (40) acre quarter-quarter section, or a substantially equivalent lot or tract, with a tolerance of two hundred (200) feet in any direction from the center.

The attached plat depicts the proposed location and illustrates the deviation from the drilling window. The requested location has been chosen to accommodate the surface owner.

Please note the drillsite and all surrounding acreage within a four hundred sixty (460') foot radius is fee acreage and the leasehold is owned by NPC and John Chasel. A copy of John Chasel's consent to this location has been enclosed.

If you have any questions or require further information, please do not hesitate to contact the undersigned at 303-382-4444 or by email at [reveland@newfield.com](mailto:reveland@newfield.com). Your consideration of this matter is greatly appreciated.

Sincerely,

A handwritten signature in blue ink that reads "Roxann Eveland".

Roxann Eveland  
Land Associate

Attachment

**RECEIVED**

**AUG 17 2009**

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



July 29, 2009

John Chasel  
c/o Quinex Energy  
465 S. 200 W  
Bountiful, UT 84010

RE: Exception Location  
Wedig 14-22-4-1  
Duchesne County, Utah

Dear Mr. Chasel;

Please be advised Newfield Production Company has submitted an application for permit to drill for the following well:

**Wedig 14-22-4-1**  
T4S R1W, Section 22: SESW  
168' FSL 1947' FWL  
Duchesne County, Utah

In order to accommodate the surface owner, this well has been located 289' south of the drilling window as required by State of Utah R649-3-2. It is therefore only 168' from the lease boundary. It is necessary to obtain your written concurrence with this exception location as a partial leasehold owner of the fee lands in Lot 3 of T4S R1W, Section 27, the lands the well will encroach upon.

Enclosed you will find a plat showing the location of the above referenced well. If you are in agreement to this location, please verify your consent by signing and dating where indicated on page 2 of this letter and returning to my attention **as soon as possible** by email at [reveland@newfield.com](mailto:reveland@newfield.com) or fax to 303-893-0103.

If you have any questions or need further information, please do not hesitate to contact me at 303-382-4444. I appreciate your prompt attention to this matter.

Sincerely,

A handwritten signature in cursive script that reads "Roxann Eveland".

Roxann Eveland  
Land Associate

Enclosure

RECEIVED

AUG 17 2009

DIV. OF OIL, GAS & MINING

Attn: Roxann Eveland  
Newfield Production Company  
[reveland@newfield.com](mailto:reveland@newfield.com)  
303-893-0103 fax

RE: Exception Location  
Wedlg 14-22-4-1  
T4S R1W, Section 22: SESW  
168' FSL 1947' FWL  
Duchesne County, Utah

Please be advised the undersigned does not have an objection to the proposed location of the  
aforementioned well.

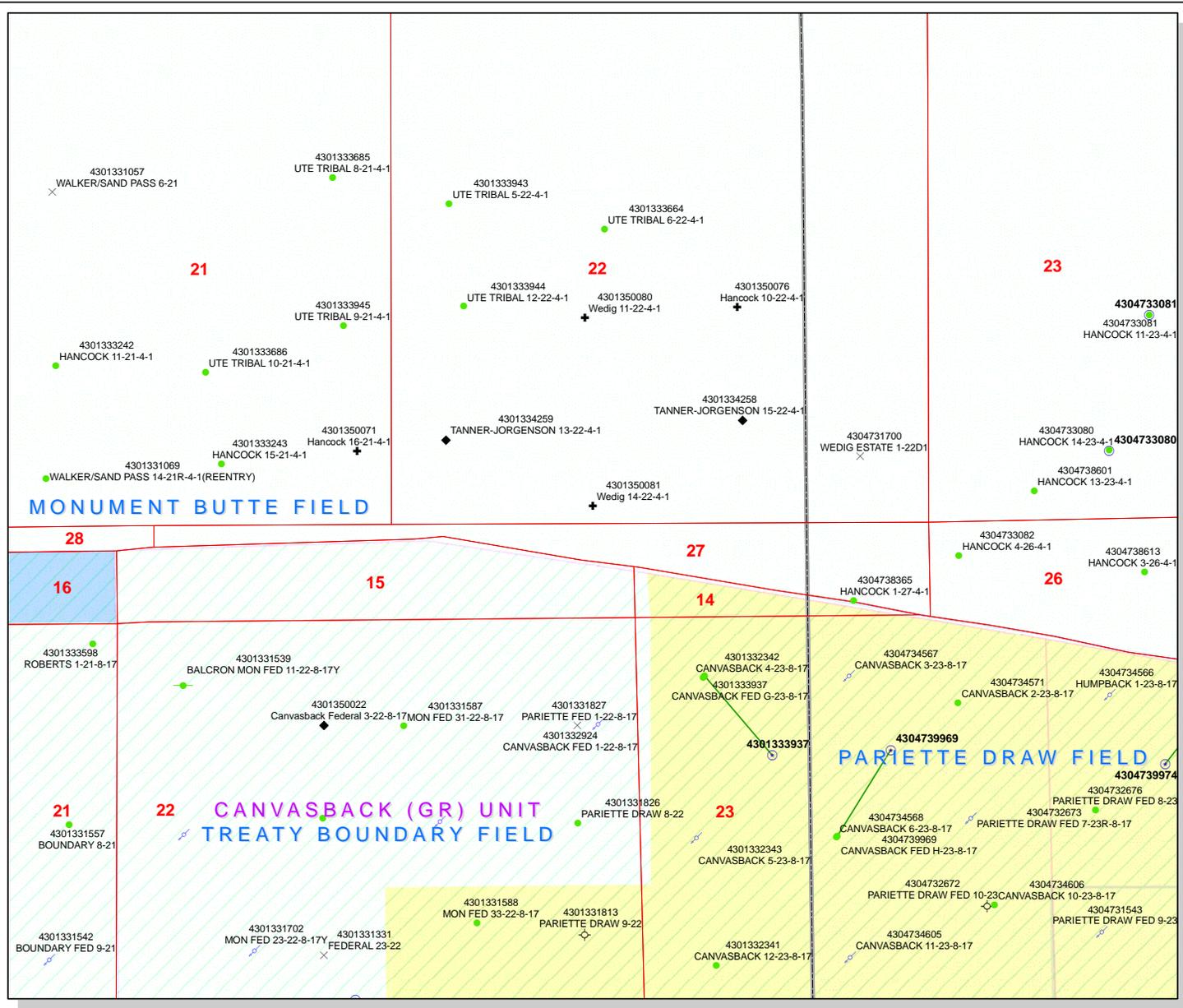
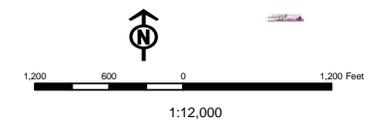
  
\_\_\_\_\_  
John Chasel

Date: 8-8-09

**API Number: 4301350081**  
**Well Name: Wedig 14-22-4-1**  
**Township 04.0 S Range 01.0 W Section 22**  
**Meridian: UBM**  
 Operator: NEWFIELD PRODUCTION COMPANY

Map Prepared:  
 Map Produced by Diana Mason

<b>Units</b>	<b>Wells Query Events</b>
<b>STATUS</b>	<all other values>
ACTIVE	-Nub
EXPLORATORY	APD
GAS STORAGE	DRL
NF PP OIL	GI
NF SECONDARY	GS
PI OIL	LA
PP GAS	NEW
PP GEOTHERM	OPS
PP OIL	PA
SECONDARY	PGW
TERMINATED	POW
<b>Fields</b>	RET
<b>STATUS</b>	SGW
ACTIVE	SOW
COMBINED	TA
Sections	TW
	WD
	WI
	WS



**BOPE REVIEW      NEWFIELD PRODUCTION COMPANY    Wedig 14-22-4-1 43013500810000**

<b>Well Name</b>	NEWFIELD PRODUCTION COMPANY Wedig 14-22-4-1 43013500810000		
<b>String</b>	Surf	Prod	
<b>Casing Size(")</b>	8.625	5.500	
<b>Setting Depth (TVD)</b>	400	6840	
<b>Previous Shoe Setting Depth (TVD)</b>	0	400	
<b>Max Mud Weight (ppg)</b>	8.3	8.6	
<b>BOPE Proposed (psi)</b>	0	2000	
<b>Casing Internal Yield (psi)</b>	2950	4810	
<b>Operators Max Anticipated Pressure (psi)</b>	2941	8.3	

<b>Calculations</b>	<b>Surf String</b>	<b>8.625</b>	<b>"</b>
<b>Max BPH (psi)</b>	$.052 * \text{Setting Depth} * \text{MW} =$	173	
			<b>BOPE Adequate For Drilling And Setting Casing at Depth?</b>
<b>MASP (Gas) (psi)</b>	$\text{Max BHP} - (0.12 * \text{Setting Depth}) =$	125	NO
<b>MASP (Gas/Mud) (psi)</b>	$\text{Max BHP} - (0.22 * \text{Setting Depth}) =$	85	NO
			<b>*Can Full Expected Pressure Be Held At Previous Shoe?</b>
<b>Pressure At Previous Shoe</b>	$\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$	85	NO      Reasonable depth
<b>Required Casing/BOPE Test Pressure=</b>		400	psi
<b>*Max Pressure Allowed @ Previous Casing Shoe=</b>		0	psi    *Assumes 1psi/ft frac gradient

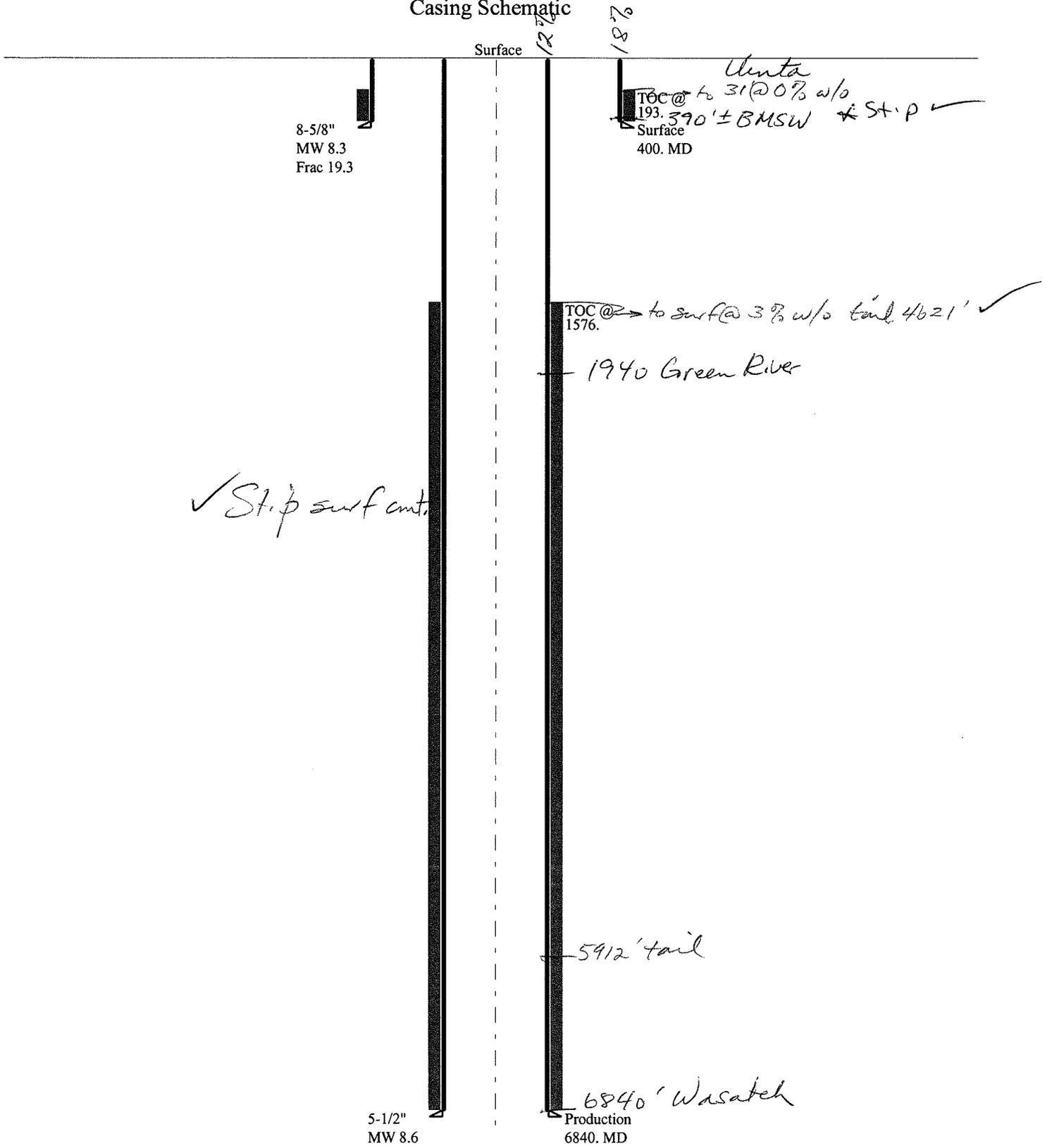
<b>Calculations</b>	<b>Prod String</b>	<b>5.500</b>	<b>"</b>
<b>Max BPH (psi)</b>	$.052 * \text{Setting Depth} * \text{MW} =$	3059	
			<b>BOPE Adequate For Drilling And Setting Casing at Depth?</b>
<b>MASP (Gas) (psi)</b>	$\text{Max BHP} - (0.12 * \text{Setting Depth}) =$	2238	NO
<b>MASP (Gas/Mud) (psi)</b>	$\text{Max BHP} - (0.22 * \text{Setting Depth}) =$	1554	YES      OK
			<b>*Can Full Expected Pressure Be Held At Previous Shoe?</b>
<b>Pressure At Previous Shoe</b>	$\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$	1642	NO      Reasonable for area
<b>Required Casing/BOPE Test Pressure=</b>		2000	psi
<b>*Max Pressure Allowed @ Previous Casing Shoe=</b>		400	psi    *Assumes 1psi/ft frac gradient

<b>Calculations</b>	<b>String</b>		<b>"</b>
<b>Max BPH (psi)</b>	$.052 * \text{Setting Depth} * \text{MW} =$		
			<b>BOPE Adequate For Drilling And Setting Casing at Depth?</b>
<b>MASP (Gas) (psi)</b>	$\text{Max BHP} - (0.12 * \text{Setting Depth}) =$		NO
<b>MASP (Gas/Mud) (psi)</b>	$\text{Max BHP} - (0.22 * \text{Setting Depth}) =$		NO
			<b>*Can Full Expected Pressure Be Held At Previous Shoe?</b>
<b>Pressure At Previous Shoe</b>	$\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$		NO
<b>Required Casing/BOPE Test Pressure=</b>			psi
<b>*Max Pressure Allowed @ Previous Casing Shoe=</b>			psi    *Assumes 1psi/ft frac gradient

<b>Calculations</b>	<b>String</b>		<b>"</b>
<b>Max BPH (psi)</b>	$.052 * \text{Setting Depth} * \text{MW} =$		
			<b>BOPE Adequate For Drilling And Setting Casing at Depth?</b>
<b>MASP (Gas) (psi)</b>	$\text{Max BHP} - (0.12 * \text{Setting Depth}) =$		NO
<b>MASP (Gas/Mud) (psi)</b>	$\text{Max BHP} - (0.22 * \text{Setting Depth}) =$		NO
			<b>*Can Full Expected Pressure Be Held At Previous Shoe?</b>
<b>Pressure At Previous Shoe</b>	$\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$		NO
<b>Required Casing/BOPE Test Pressure=</b>			psi
<b>*Max Pressure Allowed @ Previous Casing Shoe=</b>			psi    *Assumes 1psi/ft frac gradient

# 43013500810000 Wedig 14-22-4-1

## Casing Schematic



Well name:	<b>43013500810000 Wedig 14-22-4-1</b>		
Operator:	<b>NEWFIELD PRODUCTION COMPANY</b>		
String type:	Surface	Project ID:	43-013-50081
Location:	DUCHESNE COUNTY		

**Design parameters:**

**Collapse**  
 Mud weight: 8.330 ppg  
 Design is based on evacuated pipe.

**Minimum design factors:**

**Collapse:**  
 Design factor 1.125

**Burst:**  
 Design factor 1.00

**Environment:**

H2S considered? No  
 Surface temperature: 74 °F  
 Bottom hole temperature: 80 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 100 ft  
 Cement top: 193 ft

**Burst**

Max anticipated surface pressure: 352 psi  
 Internal gradient: 0.120 psi/ft  
 Calculated BHP 400 psi

No backup mud specified.

**Tension:**  
 8 Round STC: 1.80 (J)  
 8 Round LTC: 1.70 (J)  
 Buttress: 1.60 (J)  
 Premium: 1.50 (J)  
 Body yield: 1.50 (B)

Tension is based on air weight.  
 Neutral point: 350 ft

**Non-directional string.**

**Re subsequent strings:**

Next setting depth: 6,840 ft  
 Next mud weight: 8.600 ppg  
 Next setting BHP: 3,056 psi  
 Fracture mud wt: 19.250 ppg  
 Fracture depth: 400 ft  
 Injection pressure: 400 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	400	8.625	24.00	J-55	ST&C	400	400	7.972	2059

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	173	1370	7.917	400	2950	7.38	9.6	244	25.42 J

Prepared by: Helen Sadik-Macdonald  
 Div of Oil, Gas & Mining

Phone: 801 538-5357  
 FAX: 801-359-3940

Date: August 6, 2009  
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 400 ft, a mud weight of 8.33 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	<b>43013500810000 Wedig 14-22-4-1</b>		
Operator:	<b>NEWFIELD PRODUCTION COMPANY</b>		
String type:	Production	Project ID:	43-013-50081
Location:	DUCHESNE COUNTY		

**Design parameters:**

**Collapse**

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

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
 Surface temperature: 74 °F  
 Bottom hole temperature: 170 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 100 ft  
 Cement top: 1,576 ft

**Burst**

Max anticipated surface pressure: 1,551 psi  
 Internal gradient: 0.220 psi/ft  
 Calculated BHP 3,056 psi

No backup mud specified.

**Tension:**

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

Tension is based on air weight.  
 Neutral point: 5,950 ft

**Non-directional string.**

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	6840	5.5	15.50	J-55	LT&C	6840	6840	4.825	24152

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	3056	4040	1.322	3056	4810	1.57	106	217	2.05 J

Prepared by: Helen Sadik-Macdonald  
 Div of Oil, Gas & Mining

Phone: 801 538-5357  
 FAX: 801-359-3940

Date: August 6, 2009  
 Salt Lake City, Utah

Remarks:  
 Collapse is based on a vertical depth of 6840 ft, a mud weight of 8.6 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.



August 12, 2009

State of Utah, Division of Oil, Gas & Mining  
ATTN: Diana Mason  
PO Box 145801  
Salt Lake City, UT 84114-5801

RE: Exception Location  
**Wedig 14-22-4-1**  
T4S R1W, Section 22: SESW  
168' FSL 1947' FWL  
Duchesne County, Utah

Dear Ms. Mason;

Pursuant to Rule 649-3-3 of the Oil & Gas Rules and Regulations of the State of Utah, Newfield Production Company ("NPC") hereby requests an exception location for the drilling of the captioned well. The proposed drillsite for this well is located 289' south of the drilling window required by Rule R649-3-2, which requires a well to be located in the center of a forty (40) acre quarter-quarter section, or a substantially equivalent lot or tract, with a tolerance of two hundred (200) feet in any direction from the center.

The attached plat depicts the proposed location and illustrates the deviation from the drilling window. The requested location has been chosen to accommodate the surface owner.

Please note the drillsite and all surrounding acreage within a four hundred sixty (460') foot radius is fee acreage and the leasehold is owned by NPC and John Chasel. A copy of John Chasel's consent to this location has been enclosed.

If you have any questions or require further information, please do not hesitate to contact the undersigned at 303-382-4444 or by email at [reveland@newfield.com](mailto:reveland@newfield.com). Your consideration of this matter is greatly appreciated.

Sincerely,

A handwritten signature in blue ink that reads "Roxann Eveland".

Roxann Eveland  
Land Associate

Attachment

**RECEIVED**

**AUG 17 2009**

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



July 29, 2009

John Chasel  
c/o Quinex Energy  
465 S. 200 W  
Bountiful, UT 84010

RE: Exception Location  
Wedig 14-22-4-1  
Duchesne County, Utah

Dear Mr. Chasel;

Please be advised Newfield Production Company has submitted an application for permit to drill for the following well:

**Wedig 14-22-4-1**  
T4S R1W, Section 22: SESW  
168' FSL 1947' FWL  
Duchesne County, Utah

In order to accommodate the surface owner, this well has been located 289' south of the drilling window as required by State of Utah R649-3-2. It is therefore only 168' from the lease boundary. It is necessary to obtain your written concurrence with this exception location as a partial leasehold owner of the fee lands in Lot 3 of T4S R1W, Section 27, the lands the well will encroach upon.

Enclosed you will find a plat showing the location of the above referenced well. If you are in agreement to this location, please verify your consent by signing and dating where indicated on page 2 of this letter and returning to my attention **as soon as possible** by email at [reveland@newfield.com](mailto:reveland@newfield.com) or fax to 303-893-0103.

If you have any questions or need further information, please do not hesitate to contact me at 303-382-4444. I appreciate your prompt attention to this matter.

Sincerely,

A handwritten signature in cursive script that reads "Roxann Eveland".

Roxann Eveland  
Land Associate

Enclosure

RECEIVED

AUG 17 2009

DIV. OF OIL, GAS & MINING

Attn: Roxann Eveland  
Newfield Production Company  
[reveland@newfield.com](mailto:reveland@newfield.com)  
303-893-0103 fax

RE: Exception Location  
Wedlg 14-22-4-1  
T4S R1W, Section 22: SESW  
168' FSL 1947' FWL  
Duchesne County, Utah

Please be advised the undersigned does not have an objection to the proposed location of the  
aforementioned well.

  
\_\_\_\_\_  
John Chasel

Date: 8-8-09

# ON-SITE PREDRILL EVALUATION

## Utah Division of Oil, Gas and Mining

<b>Operator</b>	NEWFIELD PRODUCTION COMPANY				
<b>Well Name</b>	Wedig 14-22-4-1				
<b>API Number</b>	43013500810000	<b>APD No</b>	1797	<b>Field/Unit</b>	MONUMENT BUTTE
<b>Location: 1/4,1/4</b>	SESW	<b>Sec</b> 22	<b>Tw</b> 4.0S	<b>Rng</b> 1.0W	168 FSL 1947 FWL
<b>GPS Coord (UTM)</b>	586563	4440682	<b>Surface Owner</b>	Nolan O. and Vicki Lynn Larsen	

**Participants**

Floyd Bartlett (DOGM), Tim Eaton, (Newfield Production Co.), Cory Miller and Cameron Stewart (Tri-State Land Surveying).

**Regional/Local Setting & Topography**

The proposed location is approximately 9.8 road miles southwest of Myton, UT in a sub-drainage of Pleasant Valley Wash which drains into the Pariette Draw drainage of Duchesne County. Both of these draws contain perennial streams somewhat consisting of irrigation runoff and seepage. Pariette Draw runs into the Green River approximately 6 miles downstream from Ouray, Utah and about 13 miles downstream from the location. Broad flats in Pleasant Valley frequently used for agriculture characterize the area. Flats are intersected by drainages with gentle to moderate side slopes. Access is by State and County and existing oil field development roads. Eighty feet of new construction across Larson's private land will be required to reach the location.

The proposed Wedig 14-22-4-1 oil well location is in Pleasant Valley immediately north of the road and on the south edge of a pivot irrigated alfalfa field. A fence and pipeline parallel the location on the south. The pad, as designed, runs in a south to north direction with the long portion into the alfalfa field. It was decided to rotate the pad 90 degrees so that it will parallel the edge of the field. The center stake will not be moved. Less interruption will occur to the field and irrigation system. Topography is relatively flat requiring limited excavation to construct the pad. The topsoil and any excess material should not be stockpiled within the field. The site appears to be a suitable area for drilling and operating an oil well.

Mr. Nolan Larsen owns the surface of the location and attended the pre-site visit. He is agreeable to the proposal and a surface use agreement has been signed. The minerals are also FEE and owned by another party.

**Surface Use Plan**

**Current Surface Use**

- Grazing
- Agricultural
- Recreational
- Wildlfe Habitat

<b>New Road Miles</b>	<b>Well Pad</b>	<b>Src Const Material</b>	<b>Surface Formation</b>
0.01	<b>Width</b> 204 <b>Length</b> 305	Onsite	UNTA

**Ancillary Facilities** N

**Waste Management Plan Adequate?**

**Environmental Parameters**

**Affected Floodplains and/or Wetlands** N

**Flora / Fauna**

Vegetation primarily consists of irrigated alfalfa. A few weeds including morning glory exist.

Cattle, deer, small mammals and birds.

**Soil Type and Characteristics**

Deep sandy loam.

**Erosion Issues** N

**Sedimentation Issues** N

**Site Stability Issues** N

**Drainage Diversion Required?** N

**Berm Required?** Y

**Erosion Sedimentation Control Required?** N

**Paleo Survey Run?** N **Paleo Potential Observed?** N **Cultural Survey Run?** N **Cultural Resources?**

**Reserve Pit**

**Site-Specific Factors**

**Site Ranking**

<b>Distance to Groundwater (feet)</b>	25 to 75	15	
<b>Distance to Surface Water (feet)</b>	300 to 1000	2	
<b>Dist. Nearest Municipal Well (ft)</b>	>5280	0	
<b>Distance to Other Wells (feet)</b>	300 to 1320	10	
<b>Native Soil Type</b>	Mod permeability	10	
<b>Fluid Type</b>	Fresh Water	5	
<b>Drill Cuttings</b>	Normal Rock	0	
<b>Annual Precipitation (inches)</b>		0	
<b>Affected Populations</b>			
<b>Presence Nearby Utility Conduits</b>	Not Present	0	
	<b>Final Score</b>	42	1 Sensitivity Level

**Characteristics / Requirements**

The reserve pit will be 40' x 80' x 8' deep located in an area of cut on the northwest side of the location. A pit liner is required. Newfield commonly uses a 16 mil liner.

**Closed Loop Mud Required?** N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** Y

**Other Observations / Comments**

Floyd Bartlett  
**Evaluator**

6/25/2009  
**Date / Time**

# Application for Permit to Drill Statement of Basis

8/20/2009

**Utah Division of Oil, Gas and Mining**

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<b>APD No</b>	<b>API WellNo</b>	<b>Status</b>	<b>Well Type</b>	<b>Surf Owner</b>	<b>CBM</b>
1797	43013500810000	LOCKED	OW	P	No
<b>Operator</b>	NEWFIELD PRODUCTION COMPANY		<b>Surface Owner-APD</b>	Nolan O. and Vicki Lynn Larsen	
<b>Well Name</b>	Wedig 14-22-4-1		<b>Unit</b>		
<b>Field</b>	MONUMENT BUTTE		<b>Type of Work</b>	DRILL	
<b>Location</b>	SESW 22 4S 1W U 168 FSL 1947 FWL GPS Coord (UTM) 586555E 4440662N				

**Geologic Statement of Basis**

Newfield proposes to set 400' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 390'. A search of Division of Water Rights records shows 5 water wells within a 10,000 foot radius of the center of Section 22. All wells are privately owned. Depth is not listed for any of the wells. Water use is listed as irrigation, stock watering, and domestic use. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. The proposed casing and cement should adequately protect usable ground water in the area.

Brad Hill  
**APD Evaluator**

8/4/2009  
**Date / Time**

**Surface Statement of Basis**

The proposed location is approximately 9.8 road miles southwest of Myton, UT in a sub-drainage of Pleasant Valley Wash which drains into the Pariette Draw drainage of Duchesne County. Both of these draws contain perennial streams somewhat consisting of irrigation runoff and seepage. Pariette Draw runs into the Green River approximately 6 miles downstream from Ouray, Utah and about 13 miles downstream from the location. Broad flats in Pleasant Valley frequently used for agriculture characterize the area. Flats are intersected by drainages with gentle to moderate side slopes. Access is by State and County and existing oil field development roads. Eighty feet of new construction across Larson's private land will be required to reach the location.

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Floyd Bartlett  
**Onsite Evaluator**

6/25/2009  
**Date / Time**

**Conditions of Approval / Application for Permit to Drill**

<b>Category</b>	<b>Condition</b>
Drilling	Location shall be turned 90 degrees from the proposed orientation.
Pits	A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	The well site shall be bermed to prevent fluids from leaving the pad.

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# **Application for Permit to Drill Statement of Basis**

8/20/2009

**Utah Division of Oil, Gas and Mining**

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Surface

The reserve pit shall be fenced upon completion of drilling operations.

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

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**APD RECEIVED:** 7/21/2009

**API NO. ASSIGNED:** 43013500810000

**WELL NAME:** Wedig 14-22-4-1

**OPERATOR:** NEWFIELD PRODUCTION COMPANY (N2695)

**PHONE NUMBER:** 435 646-4825

**CONTACT:** Mandie Crozier

**PROPOSED LOCATION:** SESW 22 040S 010W

**Permit Tech Review:**

**SURFACE:** 0168 FSL 1947 FWL

**Engineering Review:**

**BOTTOM:** 0168 FSL 1947 FWL

**Geology Review:**

**COUNTY:** DUCHESNE

**LATITUDE:** 40.11371

**LONGITUDE:** -109.98435

**UTM SURF EASTINGS:** 586555.00

**NORTHINGS:** 4440662.00

**FIELD NAME:** MONUMENT BUTTE

**LEASE TYPE:** 4 - Fee

**LEASE NUMBER:** Fee

**PROPOSED PRODUCING FORMATION(S):** GREEN RIVER

**SURFACE OWNER:** 4 - Fee

**COALBED METHANE:** NO

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**RECEIVED AND/OR REVIEWED:**

- PLAT
- Bond: STATE/FEE - B001834
- 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

**Commingling Approved**

**LOCATION AND SITING:**

- R649-2-3.
  - Unit:**
  - R649-3-2. General
  - R649-3-3. Exception
  - Drilling Unit
  - Board Cause No:** R649-3-3
  - Effective Date:**
  - Siting:**
  - R649-3-11. Directional Drill
- 

**Comments:** Presite Completed  
NEEDS EX LOC LETTER:

**Stipulations:** 1 - Exception Location - bhill  
5 - Statement of Basis - bhill  
23 - Spacing - dmason  
25 - Surface Casing - hmacdonald



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:** Wedig 14-22-4-1  
**API Well Number:** 43013500810000  
**Lease Number:** Fee  
**Surface Owner:** FEE (PRIVATE)  
**Approval Date:** 8/20/2009

**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 R649-3-3. 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

**Exception Location:**

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

**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:**

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

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Surface casing shall be cemented to the surface.

**Additional Approvals:**

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan – contact Dustin Doucet
- Significant plug back of the well – contact Dustin Doucet
- Plug and abandonment of the well – contact Dustin Doucet

**Notification Requirements:**

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

- Within 24 hours following the spudding of the well – contact Carol Daniels  
OR  
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <https://oilgas.ogm.utah.gov>
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program – contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well – contact Dan Jarvis

**Contact Information:**

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

- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office  
801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office  
801-942-0871 - after office hours

**Reporting Requirements:**

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) – due prior to implementation
- Written Notice of Emergency Changes (Form 9) – due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
- Report of Water Encountered (Form 7) – due within 30 days after completion
- Well Completion Report (Form 8) – due within 30 days after completion or plugging

**Approved By:**



For Gil Hunt  
Associate Director, Oil & Gas

Spud

BLM - Vernal Field Office - Notification Form

Operator Newfield Exploration Rig Name/# Ross Rig #  
21 Submitted By Xabier Lasa Phone Number 435-  
823-6014

Well Name/Number Wedig 14-22-4-1  
Qtr/Qtr SE/SW Section 22 Township 4 S Range 1 W  
Lease Serial Number Fee  
API Number 43-0130500810000

Spud Notice – Spud is the initial spudding of the well, not drilling out below a casing string.

Date/Time 10-16-09 9:00 AM  PM

Casing – Please report time casing run starts, not cementing times.

- Surface Casing
- Intermediate Casing
- Production Casing
- Liner
- Other

Date/Time 10/7/09 4:00 AM  PM

BOPE

- Initial BOPE test at surface casing point
- BOPE test at intermediate casing point
- 30 day BOPE test
- Other

Date/Time \_\_\_\_\_ AM  PM

Remarks Spud With Ross Rig #21 At 9:00 AM Run Csg @ 4:00  
PM 10/16/09