

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING						FORM 3 AMENDED REPORT <input checked="" type="checkbox"/>
APPLICATION FOR PERMIT TO DRILL						1. WELL NAME and NUMBER Hancock 12-7-4-1W
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 UNDESIGNATED
4. TYPE OF WELL Oil Well Coalbed Methane Well: NO						5. UNIT or COMMUNITIZATION AGREEMENT NAME
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) FEE			11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>			12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
13. NAME OF SURFACE OWNER (if box 12 = 'fee') Maurice Harvey						14. SURFACE OWNER PHONE (if box 12 = 'fee')
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') Rt 3 Box 3714, Myton, UT 84052						16. SURFACE OWNER E-MAIL (if box 12 = 'fee')
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')			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	1691 FSL 981 FWL	NWSW	7	4.0 S	1.0 W	U
Top of Uppermost Producing Zone	1691 FSL 981 FWL	NWSW	7	4.0 S	1.0 W	U
At Total Depth	1691 FSL 981 FWL	NWSW	7	4.0 S	1.0 W	U
21. COUNTY DUCHESNE		22. DISTANCE TO NEAREST LEASE LINE (Feet) 371		23. NUMBER OF ACRES IN DRILLING UNIT 40		
		25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1172		26. PROPOSED DEPTH MD: 7455 TVD: 7455		
27. ELEVATION - GROUND LEVEL 5156		28. BOND NUMBER B001834		29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 437478		
ATTACHMENTS						
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE 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 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			
NAME Mandie Crozier		TITLE Regulatory Tech		PHONE 435 646-4825		
SIGNATURE		DATE 08/19/2010		EMAIL mcrozier@newfield.com		
API NUMBER ASSIGNED 43013504220000		APPROVAL		 Permit Manager		

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Prod	7.875	5.5	0	7455		
Pipe	Grade	Length	Weight			
	Grade J-55 LT&C	7455	15.5			

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Surf	12.25	8.625	0	450		
Pipe	Grade	Length	Weight			
	Grade J-55 ST&C	450	24.0			

NEWFIELD PRODUCTION COMPANY
HANCOCK 12-7-4-1W
NW/SW SECTION 7, T4S, R1W
DUCHESNE 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' – 2,210'
Green River	2,210'
Wasatch	7,180'
Proposed TD	7,455'

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

Green River Formation (Oil) 2,210' – 7,180'

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 ₃) (mg/l)
Dissolved Bicarbonate (NaHCO ₃) (mg/l)	Dissolved Chloride (Cl) (mg/l)
Dissolved Sulfate (SO ₄) (mg/l)	Dissolved Total Solids (TDS) (mg/l)

4. **PROPOSED CASING PROGRAM**

a. **Casing Design: Hancock 12-7-4-1W**

Size	Interval		Weight	Grade	Coupling	Design Factors		
	Top	Bottom				Burst	Collapse	Tension
Surface casing 8-5/8"	0'	450'	24.0	J-55	STC	2,950	1,370	244,000
						11.69	9.57	22.59
Prod casing 5-1/2"	0'	7,455'	15.5	J-55	LTC	4,810	4,040	217,000
						2.03	1.70	1.88

Assumptions:

- 1) Surface casing max anticipated surface press (MASP) = Frac gradient – gas gradient
- 2) Prod casing MASP (production mode) = Pore pressure – gas gradient
- 3) All collapse calculations assume fully evacuated casing w/ gas gradient
- 4) All tension calculations assume air weight

Frac gradient at surface casing shoe = 13.0 ppg
 Pore pressure at surface casing shoe = 8.33 ppg
 Pore pressure at prod casing shoe = 8.33 ppg
 Gas gradient = 0.115 psi/ft

All casing shall be new or, if used, inspected and tested. Used casing shall meet or exceed API standards for new casing.

All casing strings shall have a minimum of 1 (one) centralizer on each of the bottom three (3) joints.

b. **Cementing Design: Hancock 12-7-4-1W**

Job	Fill	Description	Sacks	OH Excess*	Weight (ppg)	Yield (ft ³ /sk)
			ft ³			
Surface casing	450'	Class G w/ 2% CaCl	206	30%	15.8	1.17
			241			
Prod casing Lead	5,455'	Prem Lite II w/ 10% gel + 3% KCl	377	30%	11.0	3.26
			1229			
Prod casing Tail	2,000'	50/50 Poz w/ 2% gel + 3% KCl	363	30%	14.3	1.24
			451			

- *Actual volume pumped will be 15% over the caliper log
- Compressive strength of lead cement: 1800 psi @ 24 hours, 2250 psi @ 72 hours
- Compressive strength of tail cement: 2500 psi @ 24 hours

Hole Sizes: A 12-1/4" hole will be drilled for the 8-5/8" surface casing. A 7-7/8" hole will be drilled for the 5-1/2" production casing.

The 8-5/8" surface casing shall in all cases be cemented back to surface. In the event that during the primary surface cementing operation the cement does not circulate to surface, or if the cement level should fall back more than 8 feet from surface, then a remedial surface cementing operation shall be performed to insure adequate isolation and stabilization of the surface casing.

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. The air rig is equipped with a 6 ½" blooie line that is straight run and securely anchored. The blooie line is used with a discharge less than 100 ft from the wellbore in order to minimize the well pad size. The blooie line is not equipped with an automatic igniter or continuous pilot light and the compressor is located less than 100 ft from the well bore due to the low possibility of combustion with the air dust mixture. The trailer mounted compressor (capacity of 2000 CFM) has a safety shut-off valve which is located 15 feet from the air rig. A truck with 70 bbls of water is on stand by to be used as kill fluid, if necessary. 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 @ 450' +/-, and a Compensated Neutron-Formation Density Log from TD to 3500' +/- . A cement bond log will be run from PBTD 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.

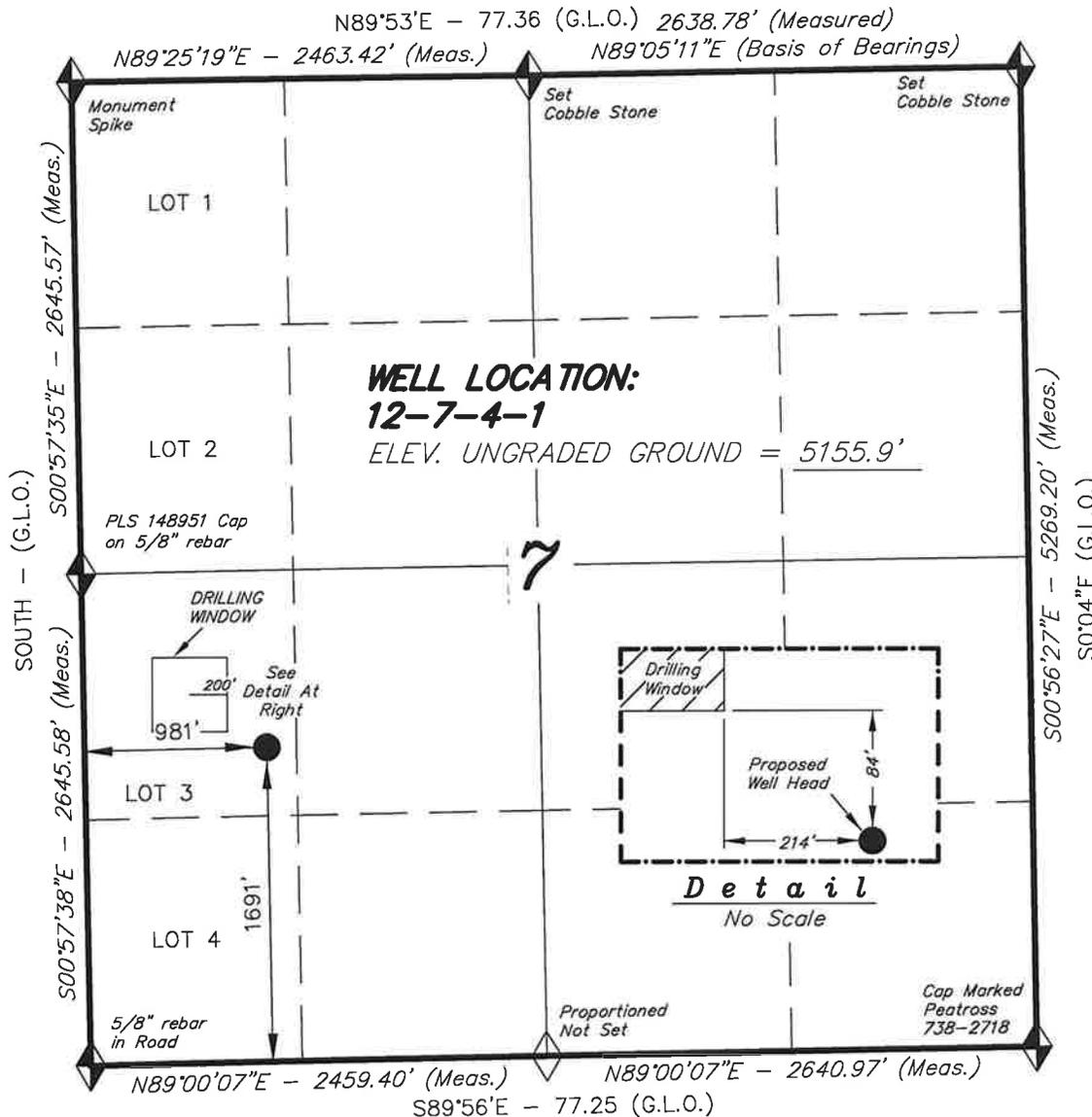
10. **ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS:**

It is anticipated that the drilling operations will commence the fourth quarter of 2010, and take approximately seven (7) days from spud to rig release.

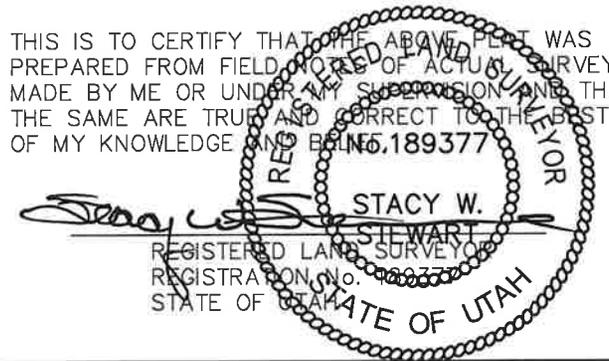
T4S, R1W, U.S.B.&M.

NEWFIELD EXPLORATION COMPANY

WELL LOCATION, 12-7-4-1, LOCATED AS SHOWN IN THE NW 1/4 SW 1/4 (LOT 3) OF SECTION 7, T4S, R1W, U.S.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

LOT 1
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'

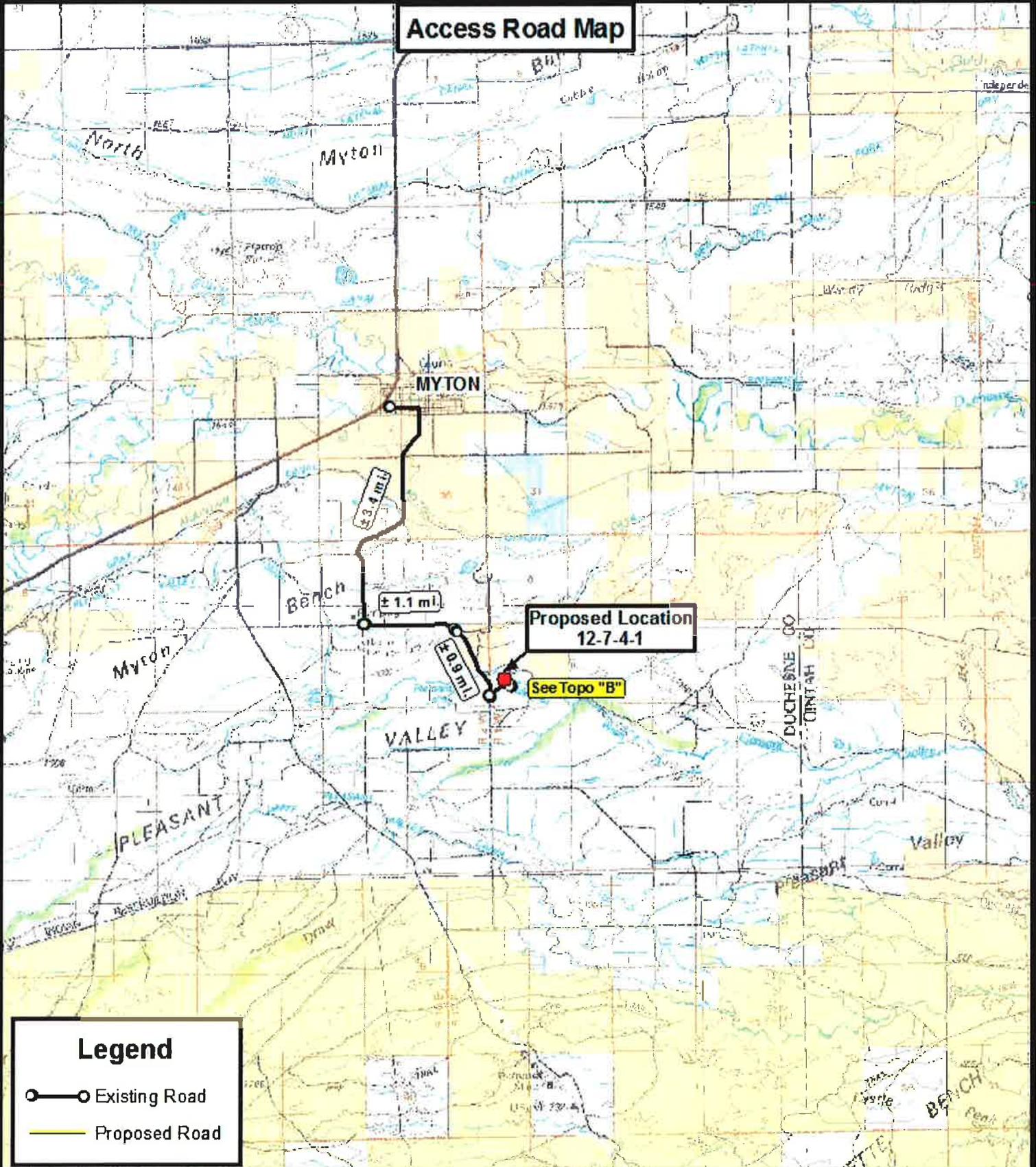
12-7-4-1
(Surface Location) NAD 83
LATITUDE = 40° 08' 48.89"
LONGITUDE = 110° 02' 40.20"

TRI STATE LAND SURVEYING & CONSULTING

180 NORTH VERNAL AVE. - VERNAL, UTAH 84078
(435) 781-2501

DATE SURVEYED: 04-23-10	SURVEYED BY: S.V.
DATE DRAWN: 04-26-10	DRAWN BY: M.W.
REVISED:	SCALE: 1" = 1000'

Access Road Map



Legend

- Existing Road
- Proposed Road

Tri State Land Surveying, Inc.
 180 NORTH VERNAL AVE. VERNAL, UTAH 84078

P: (435) 781-2871
 F: (435) 781-2318

DRAWN BY:	C.H.M.
DATE:	04-27-2010
SCALE:	1:100,000



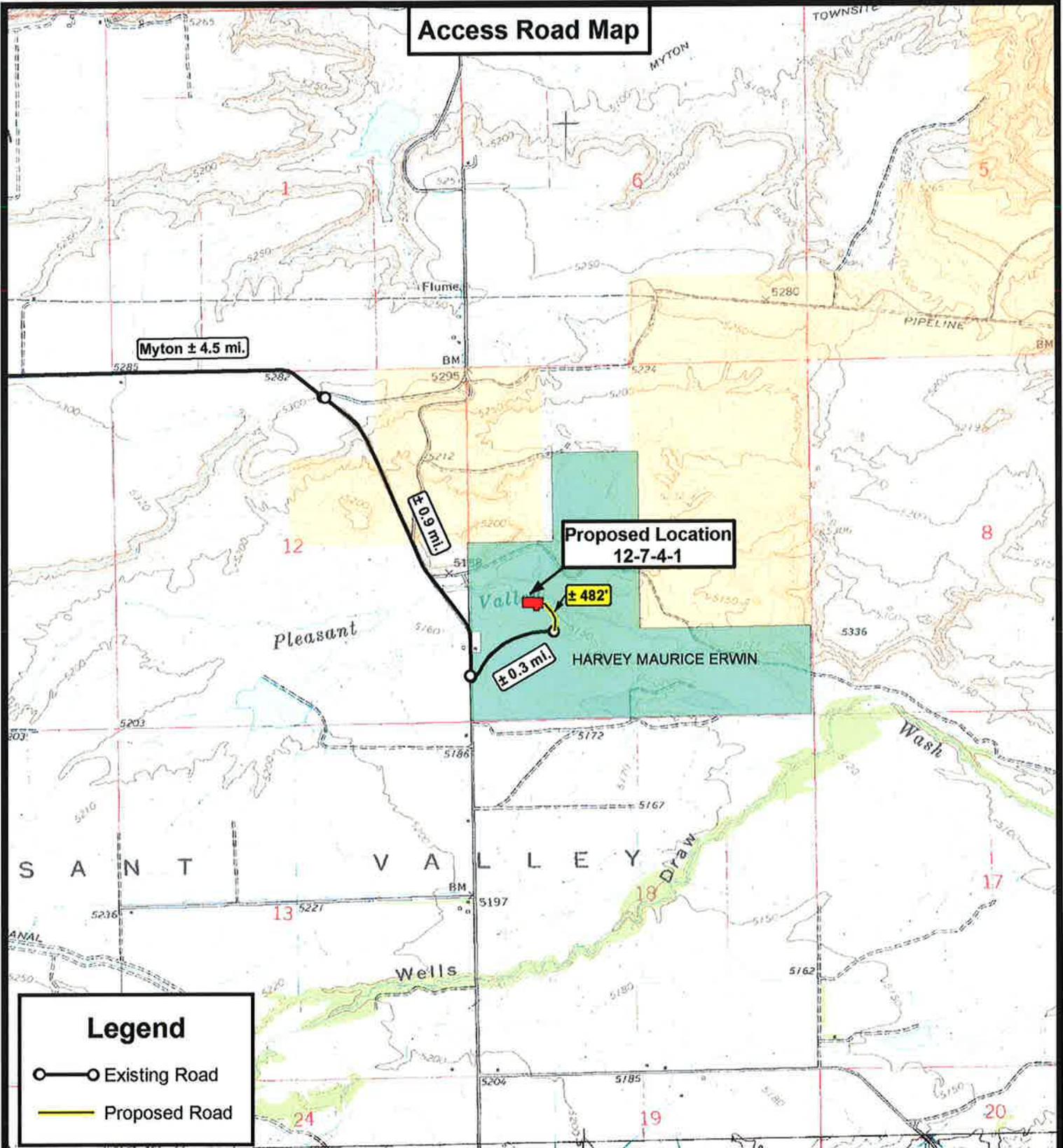
NEWFIELD EXPLORATION COMPANY

12-7-4-1
 SEC. 7, T4S, R1W, U.S.B.&M.
 Duchesne County, UT.

TOPOGRAPHIC MAP

SHEET **A**

Access Road Map



Legend

- Existing Road
- Proposed Road

THE PARCEL INFORMATION SHOWN HAS NOT BEEN SURVEYED BY TRI-STATE LAND SURVEYING, INC. - TRI-STATE DOES NOT WARRANTY PROPERTY PARCEL DATA OR ANY ASSOCIATED INFORMATION. A PROPERTY SURVEY IS REQUIRED TO DETERMINE THE ACTUAL LOCATION OF PROPERTY LINES AND SHOW ACCURATE DISTANCES ACROSS PARCELS.

Tri State Land Surveying, Inc.
 180 NORTH VERNAL AVE. VERNAL, UTAH 84078
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NEWFIELD EXPLORATION COMPANY

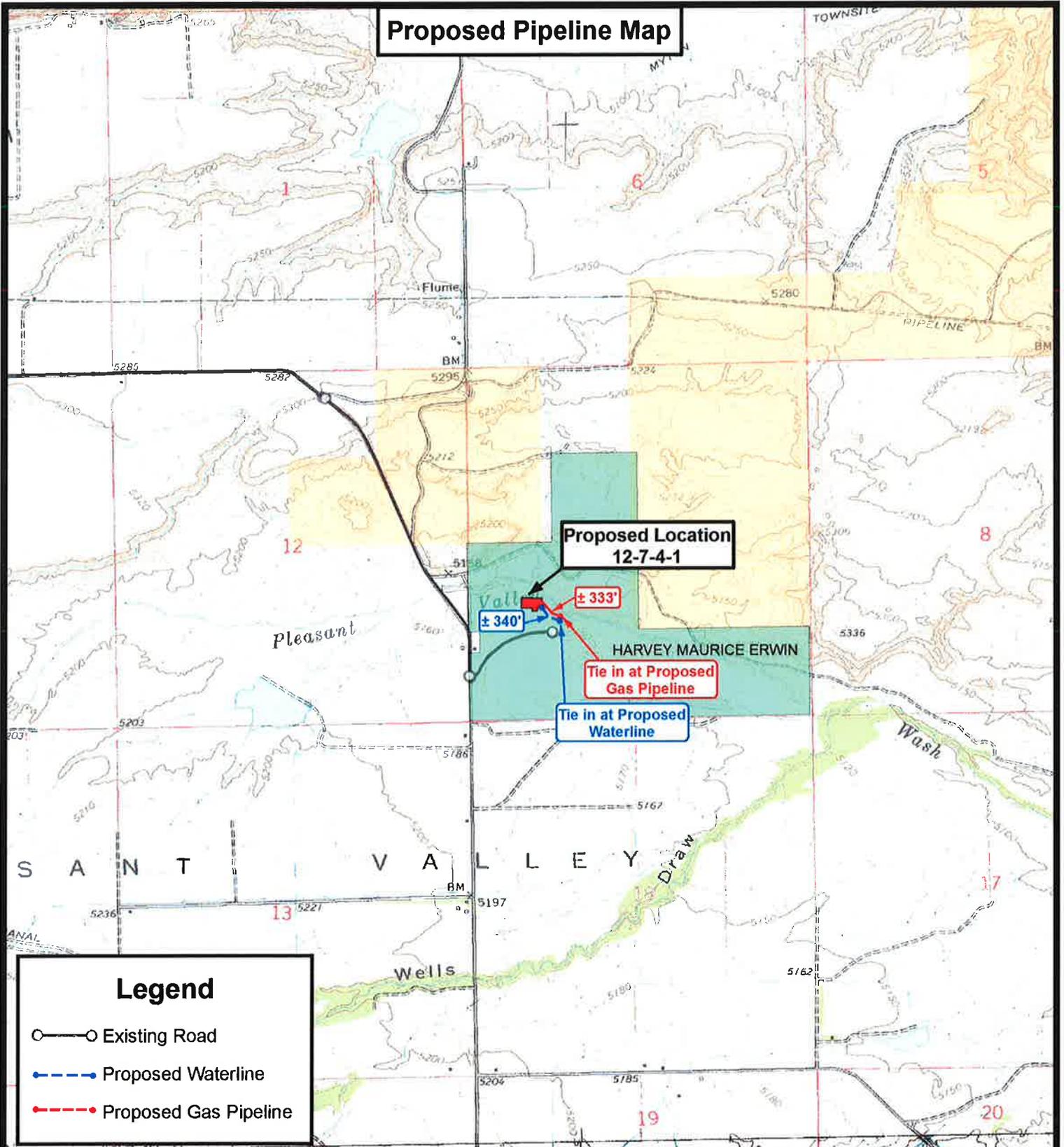
12-7-4-1
 SEC. 7, T4S, R1W, U.S.B.&M.
 Duchesne County, UT.

DRAWN BY:	C.H.M.
DATE:	04-27-2010
SCALE:	1" = 2,000'

TOPOGRAPHIC MAP

SHEET
B

Proposed Pipeline Map



**Proposed Location
12-7-4-1**

± 333'

HARVEY MAURICE ERWIN

Tie in at Proposed Gas Pipeline

Tie in at Proposed Waterline

Legend

- Existing Road
- Proposed Waterline
- Proposed Gas Pipeline

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P: (435) 781-2501
F: (435) 781-2518



NEWFIELD EXPLORATION COMPANY

12-7-4-1
SEC. 7, T4S, R1W, U.S.B.&M.
Duchesne County, UT.

DRAWN BY:	C.H.M.
DATE:	04-27-2010
SCALE:	1" = 2,000'

TOPOGRAPHIC MAP

SHEET
C

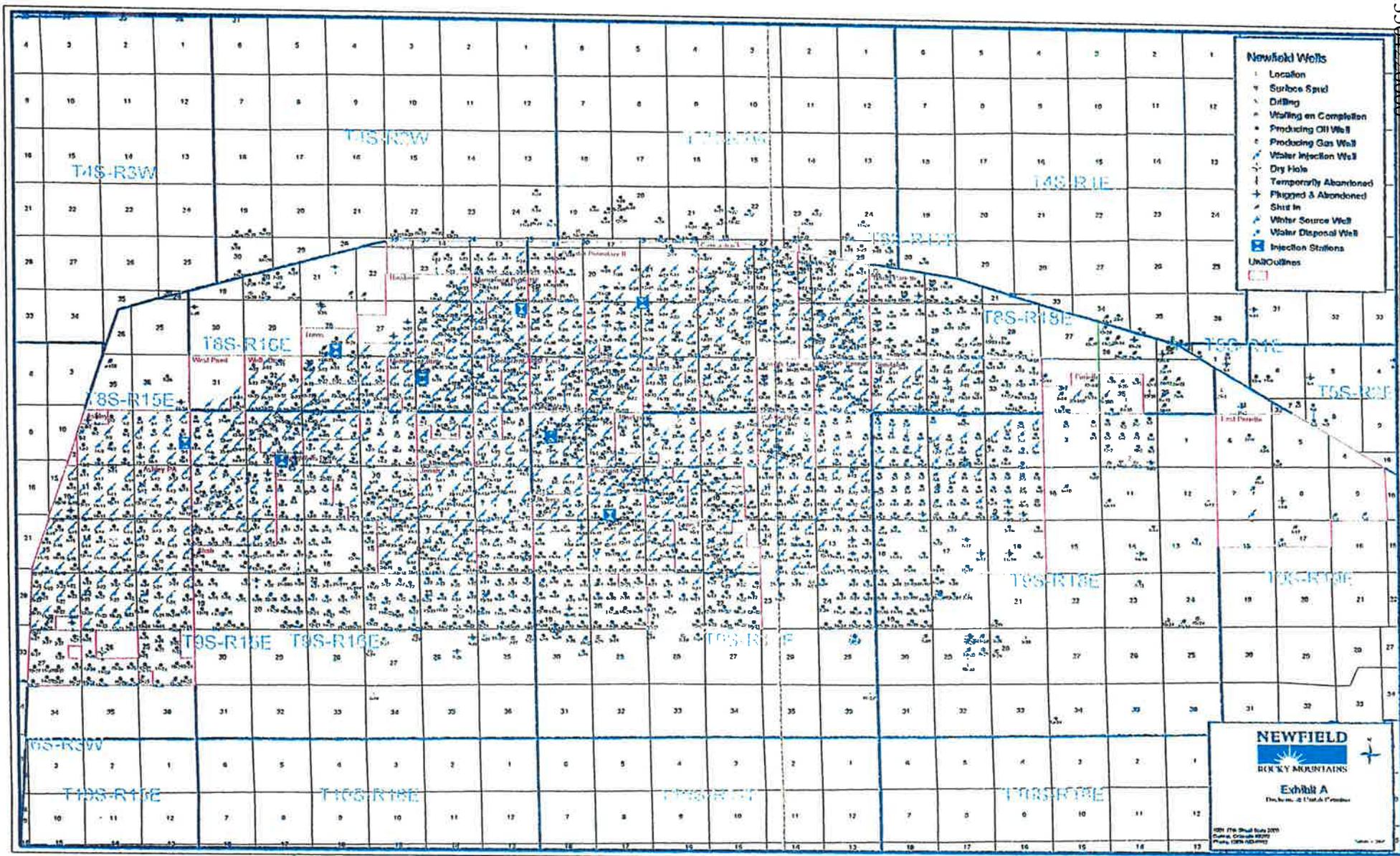
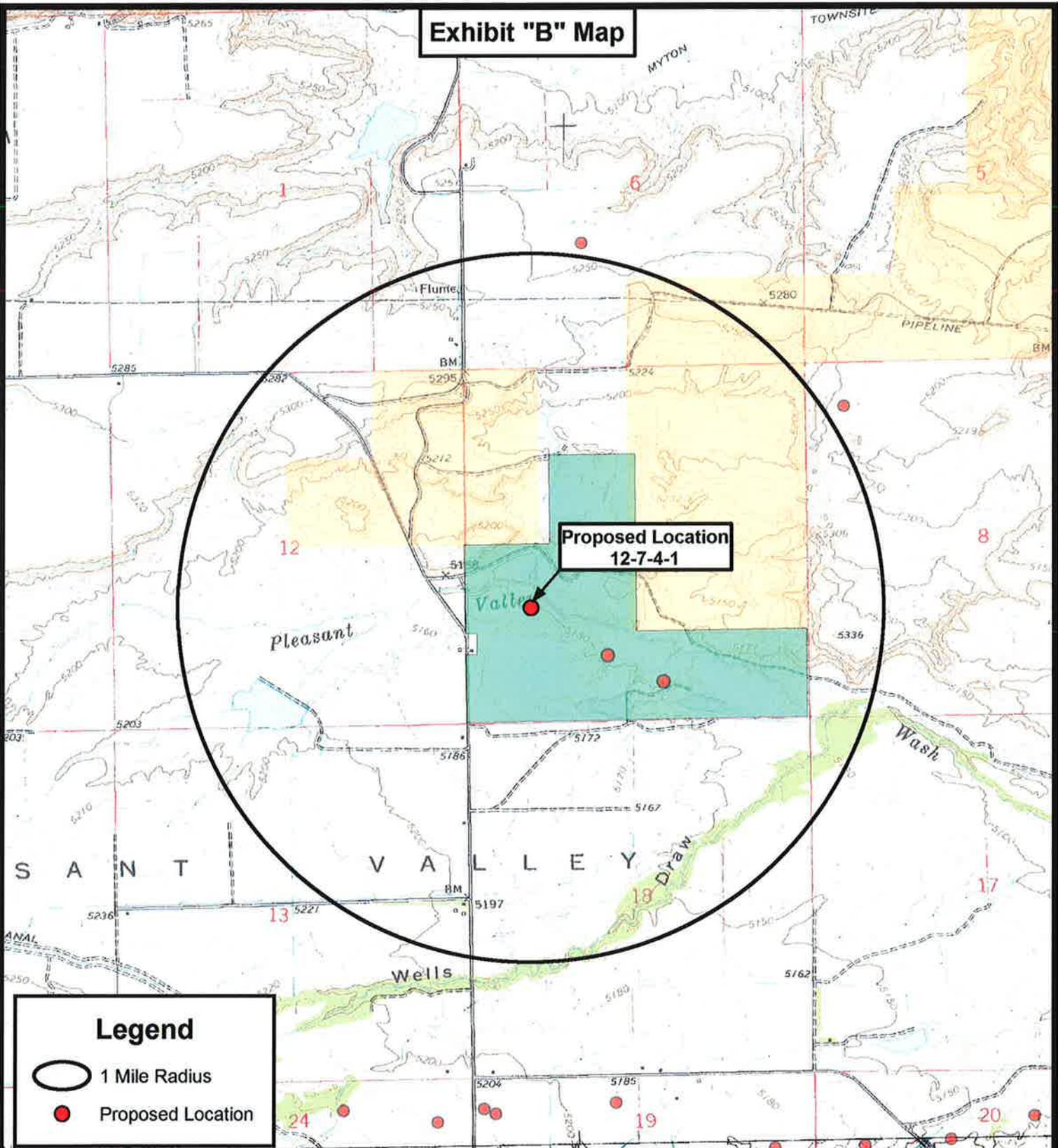


Exhibit "B" Map



**Proposed Location
12-7-4-1**

Legend

- 1 Mile Radius
- Proposed Location

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**Tri State
Land Surveying, Inc.**
180 NORTH VERNAL AVE. VERNAL, UTAH 84078

P: (435) 781-2501
F: (435) 781-2518



NEWFIELD EXPLORATION COMPANY

**12-7-4-1
SEC. 7, T4S, R1W, U.S.B.&M.
Duchesne County, UT.**

DRAWN BY: C.H.M.
DATE: 04-27-2010
SCALE: 1" = 2,000'

TOPOGRAPHIC MAP

SHEET
D

MEMORANDUM
of
EASEMENT, RIGHT-OF-WAY
and
SURFACE USE AGREEMENT

This Easement, Right-of-Way and Surface Use Agreement ("Agreement") is entered into this 27th day of July, 2010 by and between **Maurice Harvey whose address is Route 3 Box 3714, Myton Utah 84052**, ("Surface Owner," whether one or more) and Newfield Production Company, a Texas corporation ("NEWFIELD"), with offices at 1001 Seventeenth Street, Suite 2000, Denver, Colorado 80202, covering certain lands, (the "Lands") situated in Duchesne County, Utah described as follows:

Township 4 South, Range 1 West
Section 7: SENW, NESW, NWSW, SWSW, SESW, SWSE, SESE

Township 4 South, Range 2 West
Section 13: NENW, NWNW, SWNW, SENW, SWNE, SENE

Duchesne County, Utah
Being 513.33 acres, more or less,

For and in consideration of the sum of ten dollars (\$10.00), and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby agree to the terms and provisions set forth as follows:

1. Compensation for Well; Release of All Claims

NEWFIELD shall pay to Surface Owner the sum as set forth in and according to the terms of that certain Letter Agreement for Easement, Right-of Way and Surface Use by and between Surface Owner and NEWFIELD, dated July 27, 2010 as full payment and satisfaction for any and all detriment, depreciation, injury or damage of any nature to the Lands or growing crops thereon that may occur as a result of NEWFIELD's drilling or completion operations or its continuing activities for the production or transportation of oil, gas, or other hydrocarbons or products associated with the foregoing including, but not limited to, surface use, access, pipelines, gathering lines, pipeline interconnections, and any and all other reasonable or customary uses of land related to said operations or activities.

2. Grant of Right of Way and Easement

Surface Owner hereby grants, bargains, leases, assigns, and conveys to NEWFIELD an easement and right-of-way for the purpose of construction, using and maintaining access roads, locations for surface equipment and subsurface gathering lines for each well drilled upon the Lands, pipelines, and pipeline interconnections for two years from date of this agreement and so long thereafter as NEWFIELD's oil and gas leases remain in effect.

This Agreement shall be binding upon the respective heirs, executors, administrators, successors, and assigns of the undersigned. This agreement replaces and supersedes any and all prior agreements covering the lands described herein.

These Parties hereto have executed this document effective as of the day first above written.

SURFACE OWNER

NEWFIELD PRODUCTION COMPANY

By: Maurice Harvey
Maurice Harvey

By: _____
Dan Shewmake
Vice President – Development

STATE OF UTAH)
)
)ss
COUNTY OF Duchesne)

This instrument was acknowledged before me this 27th day of July, 2010 by **Maurice Harvey**.

Witness my hand and official seal.

My commission expires 9/8/2013

[Signature]
Notary Public



STATE OF COLORADO)
)
)ss
COUNTY OF DENVER)

This instrument was acknowledged before me this _____ day of _____, 2010 by **Dan Shewmake, as Vice President – Development of Newfield Production Company**, a Texas corporation, on behalf of the corporation.

Witness my hand and official seal.

Notary Public

My commission expires _____

NEWFIELD PRODUCTION COMPANY
HANCOCK 12-7-4-1W
NW/SW SECTION 7, T4S, R1W
DUCHESNE COUNTY, UTAH

THIRTEEN POINT SURFACE PROGRAM

1. **EXISTING ROADS**

See attached **Topographic Map “A”**

To reach Newfield Production Company well location site Hancock 12-7-4-1W located in the NW¼ SW¼ Section 7, T4S, R1W, S.L.B. & M., Duchesne County, Utah:

Proceed in a southwesterly direction out of Myton, approximately 3.4 miles to the junction of this road and an existing road to the east; proceed easterly approximately 1.1 miles to it's junction with an existing road to the southeast; proceed southeasterly approximately 0.9 miles to it's junction with an existing road to the northeast; proceed in a northeasterly direction approximately 0.3 miles to it's junction with the beginning of the proposed access road; proceed in a northwesterly direction along the proposed access road approximately 482' 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 482' 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

Maurice Harvey Pond
Water Right: 47-1358

Neil Moon Pond
Water Right: 43-11787

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:** Maurice Harvey
See the attached Memorandum of Right of Way and Surface Use Agreement.

12. **OTHER ADDITIONAL INFORMATION:**

Newfield Production Company requests 482' of planned access road to be granted. **Refer to Topographic Map "B"**. Newfield Production Company requests 333' of surface gas line to be granted. Newfield Production Company requests 340' of buried water line to be granted.

It is proposed that the disturbed area will be 60' wide to allow for construction of the proposed access road, a 10" or smaller gas gathering line, a 3" poly fuel gas line, a buried 3" steel water injection line and a buried 3" poly water return line. The planned access road will consist of a 18' permanent running surface (9' either side of the centerline) crowned and ditched in order to handle any run-off from any precipitation events 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 turnouts as needed along this road to allow for increases in potential traffic issues. 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.

Both the proposed surface gas and buried water lines will tie in to the existing pipeline infrastructure. **Refer to Topographic Map "C."** The proposed water pipelines will be buried in a 4-5' deep trench constructed with a trencher or backhoe for the length of the proposal. The equipment will run on the surface and not be flat bladed to minimize surface impacts to precious topsoil in these High Desert environments. If possible, all proposed surface gas pipelines will be installed on the same side of the road as existing gas lines. The construction phase of the planned access road, proposed gas lines and proposed water lines will last approximately (5) days.

In the event that the proposed well is converted to a water injection well, a Sundry Notice form will be applied for through the State of Utah DOGM.

- 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 Hancock 12-7-4-1W, 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 Hancock 12-7-4-1W 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: Tim Eaton
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 #12-7-4-1W, NW/SW Section 7, 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.

Ten Point Well Program &
Thirteen Point Well Program
Page 10 of 10

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.

8/19/10
Date


Mandie Crozier
Regulatory Specialist
Newfield Production Company

NEWFIELD



Route #3 Box 3630
Myton, Utah 84052
(435) 646-4825, FAX: (435) 646-3031

August 19, 2010

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

RE: Application for Permit to Drill
Hancock 12-7-4-1W

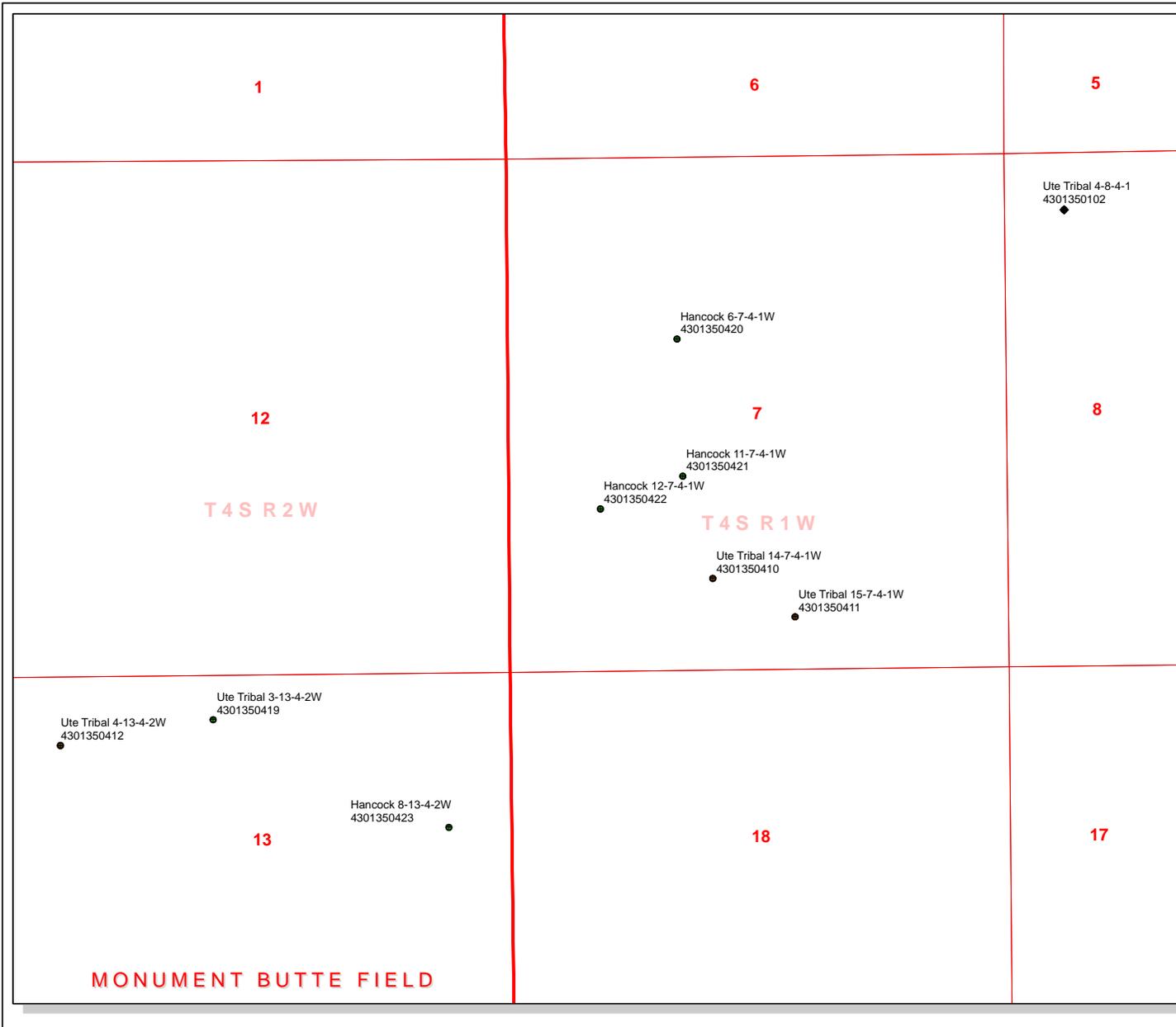
Dear Diana:

The above mentioned location is an **Exception Location**. Our Land Department will send you the required exception location letter. If you have any questions, feel free to give either Tim Eaton or myself a call.

Sincerely,

A handwritten signature in blue ink that reads "Mandie Crozier". The signature is written in a cursive style.

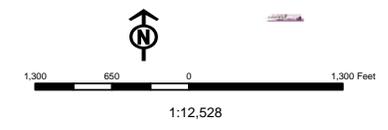
Mandie Crozier
Regulatory Specialist



API Number: 4301350422
Well Name: Hancock 12-7-4-1W
Township 04.0 S Range 01.0 W Section 07
Meridian: UBM
Operator: NEWFIELD PRODUCTION COMPANY

Map Prepared:
 Map Produced by Diana Mason

- | Units | Wells Query |
|-----------------------------|------------------------------------|
| STATUS | <all other values> |
| ACTIVE | APD - Approved Permit |
| EXPLORATORY | DRL - Spudded (Drilling Commenced) |
| GAS STORAGE | GIW - Gas Injection |
| NF PP OIL | GS - Gas Storage |
| NF SECONDARY | LA - Location Abandoned |
| PI OIL | LOC - New Location |
| PP GAS | OPS - Operation Suspended |
| PP GEOTHERML | PA - Plugged Abandoned |
| PP OIL | PGW - Producing Gas Well |
| SECONDARY | POW - Producing Oil Well |
| TERMINATED | RET - Returned APD |
| Fields | SGW - Shut-in Gas Well |
| Sections | SOW - Shut-in Oil Well |
| Township | TA - Temp. Abandoned |
| Bottom Hole Location - AGRC | TW - Test Well |
| | WDW - Water Disposal |
| | WW - Water Injection Well |
| | WSW - Water Supply Well |



Well Name	NEWFIELD PRODUCTION COMPANY Hancock 12-7-4-1W 430135042200			
String	Surf	Prod		
Casing Size(")	8.625	5.500		
Setting Depth (TVD)	450	7455		
Previous Shoe Setting Depth (TVD)	0	450		
Max Mud Weight (ppg)	8.3	8.4		
BOPE Proposed (psi)	500	2000		
Casing Internal Yield (psi)	2950	4810		
Operators Max Anticipated Pressure (psi)	3206	8.3		

Calculations	Surf String	8.625	"
Max BHP (psi)	.052*Setting Depth*MW=	194	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	140	YES <input type="checkbox"/> air drill
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	95	YES <input type="checkbox"/> OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	95	NO <input type="checkbox"/> Reasonable depth in area
Required Casing/BOPE Test Pressure=		450	psi
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi *Assumes 1psi/ft frac gradient

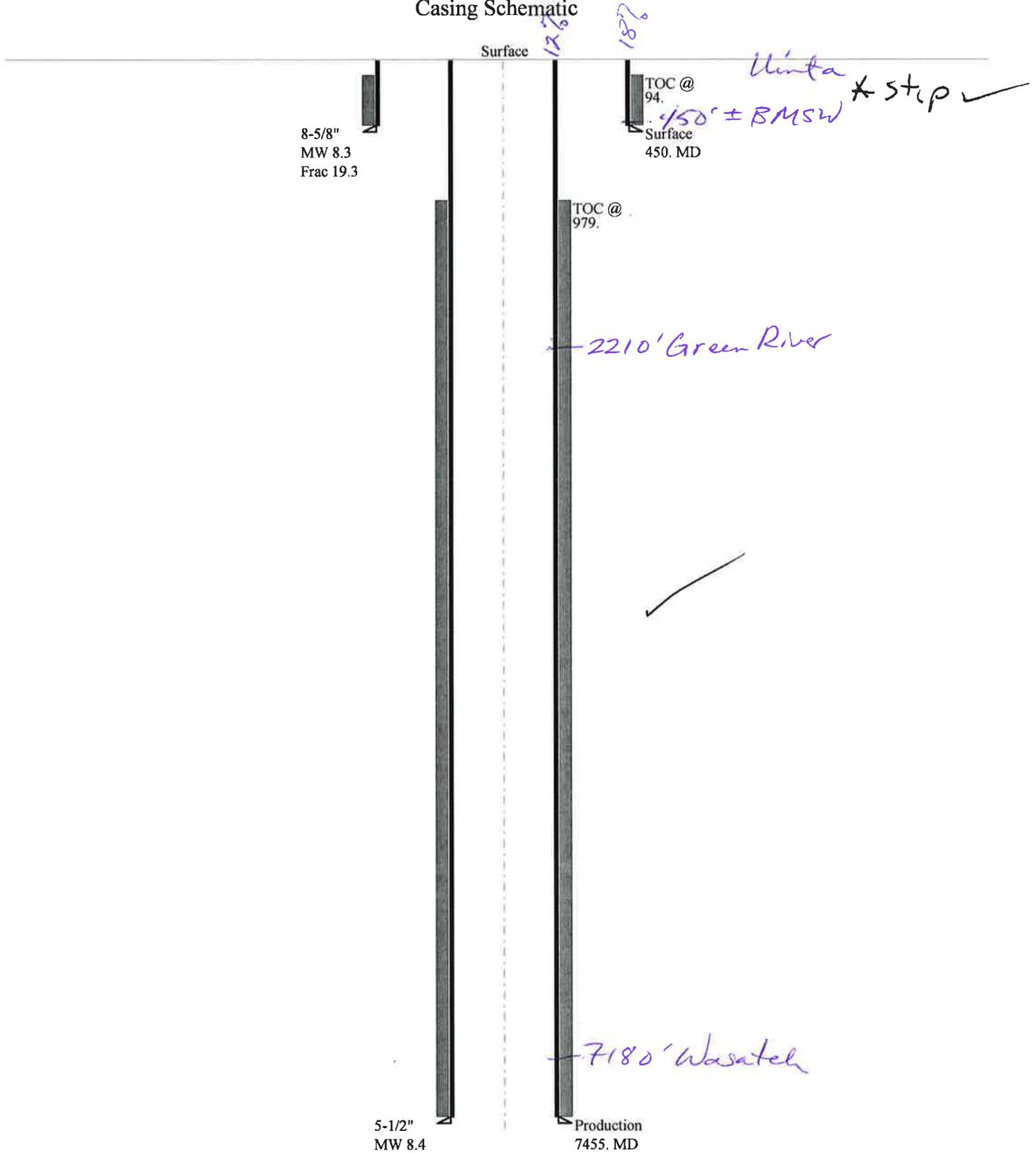
Calculations	Prod String	5.500	"
Max BHP (psi)	.052*Setting Depth*MW=	3256	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	2361	NO <input type="checkbox"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	1616	YES <input type="checkbox"/> OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	1715	NO <input type="checkbox"/> Reasonable for area
Required Casing/BOPE Test Pressure=		2000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		450	psi *Assumes 1psi/ft frac gradient

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

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

43013504220000 Hancock 12-7-4-1W

Casing Schematic



Well name:	43013504220000 Hancock 12-7-4-1W		
Operator:	NEWFIELD PRODUCTION COMPANY		
String type:	Surface	Project ID:	43-013-50422
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: 94 ft

Burst

Max anticipated surface pressure: 396 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP 450 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: 394 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 7,455 ft
 Next mud weight: 8.400 ppg
 Next setting BHP: 3,253 psi
 Fracture mud wt: 19,250 ppg
 Fracture depth: 450 ft
 Injection pressure: 450 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	450	8.625	24.00	J-55	ST&C	450	450	7.972	2317
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	195	1370	7.035	450	2950	6.56	10.8	244	22.59 J

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

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

Date: October 11, 2010
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 450 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:	43013504220000 Hancock 12-7-4-1W		
Operator:	NEWFIELD PRODUCTION COMPANY		
String type:	Production	Project ID:	43-013-50422
Location:	DUCHESNE COUNTY		

Design parameters:

Collapse

Mud weight: 8.400 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: 178 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 100 ft

Cement top: 979 ft

Burst

Max anticipated surface pressure: 1,613 psi
 Internal gradient: 0.220 psi/ft
 Calculated BHP 3,253 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: 6,508 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	7455	5.5	15.50	J-55	LT&C	7455	7455	4.825	26324
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	3253	4040	1.242	3253	4810	1.48	115.6	217	1.88 J

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

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

Date: October 11, 2010
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 7455 ft, a mud weight of 8.4 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.



January 11, 2011

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

RE: Exception Location
Hancock 12-7-4-1W
T4S R1W, Section 7: NWSW
1691'FSL 981' FWL
Uintah 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 214' east and 84' 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 at the request of the surface owner.

Please note the drillsite and all surrounding acreage within a four hundred sixty (460') foot radius is owned by NPC and the Ute Indian Tribe. You will find a copy of the Ute Indian Tribe's consent to this exception location attached to this letter.

If you have any questions or require further information, please do not hesitate to contact the undersigned at 303-383-4137 or by email at awild@newfield.com. Your consideration of this matter is greatly appreciated.

Sincerely,

A handwritten signature in blue ink, appearing to read "Alan D. Wild".

Alan D. Wild
Land Associate

Attachment

Return to: Newfield Production Company
ATTN: Alan Wild
1001 17th Street, Suite 2000
Denver, CO 80202

303-685-8098 fax

awild@newfield.com email

Re: Exception Location
Hancock 12-7-4-1W
T4S R1W, Section 7: NWSW
1691' FSL 981' FWL
Uintah County, Utah

Please be advised The Ute Indian Tribe does not have an objection to the proposed location of the
aforementioned well.

By: 
Mandel Niyore, Director
Print Name and Title

Date: 1/5/2011

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator	NEWFIELD PRODUCTION COMPANY				
Well Name	Hancock 12-7-4-1W				
API Number	43013504220000	APD No	2972	Field/Unit	UNDESIGNATED
Location: 1/4,1/4	NWSW	Sec 7	Tw 4.0S	Rng 1.0W	1691 FSL 981 FWL
GPS Coord (UTM)	581443 4444294	Surface Owner	Maurice Harvey		

Participants

Floyd Bartlett (DOGM), Tim Eaton and Joe Pippy, (Newfield Production Co.), Maurice and Ryan Harvey (Surface Owners), Christina Cimulica and William T. Civish (BLM) and Corey Miller (Tri-State Land Survey and Engineering).

Regional/Local Setting & Topography

The proposed location is approximately 5.7 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 11 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 planned oil field development roads. Approximately 482 feet of new road will be constructed across private land to reach the location

The proposed Hancock 12-7-4-1-2W oil well location is on a gentle north slope which leads away from an alfalfa field to the south. The outer edge of the reserve pit is within an alfalfa field being irrigated by a pivot overhead sprinkler. Location Corner 6 is planned for a 2.6 foot cut. This area is moist and needs to be excavated out and filled with a rubble type fill and/or rounded to miss the moist part. The location is located outside the normal drilling window at the request of the landowner so as to miss his alfalfa field. This pad may later be used to directionally drill an additional well. With these modifications, the location appears to be a suitable site for drilling and operating a well.

Maurice Harvey owns the surface of the area.

Surface Use Plan

Current Surface Use

Grazing
Wildlife Habitat
Agricultural

**New Road
Miles**

0.034

Well Pad

Width 204 Length 305

Src Const Material

Onsite

Surface Formation

UNTA

Ancillary Facilities N

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetlands Y

Flora / Fauna

Alfalfa, orchard grass, Russian olive trees, rabbitbrush, sporobolous, rye grass, milkweed, whitetop and annual weeds

Cattle, deer, small mammals and birds.

Soil Type and Characteristics

Deep sandy loam.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues Y

. Location Corner 6 is planned for a 2.6 foot cut. This area is moist and needs to be excavated out and filled with a rubble type fill and/or rounded to miss the moist part.

Drainage Diverson 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	
Distance to Groundwater (feet)		20
Distance to Surface Water (feet)		20
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	300 to 1320	10
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)		0
Affected Populations		
Presence Nearby Utility Conduits	Not Present	0
	Final Score	65
		1 Sensitivity Level

Characteristics / Requirements

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

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

Other Observations / Comments

Floyd Bartlett
Evaluator

9/14/2010
Date / Time

Application for Permit to Drill

Statement of Basis

1/13/2011

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
2972	43013504220000	LOCKED	OW	P	No
Operator	NEWFIELD PRODUCTION COMPANY		Surface Owner-APD	Maurice Harvey	
Well Name	Hancock 12-7-4-1W		Unit		
Field	UNDESIGNATED		Type of Work	DRILL	
Location	NWSW 7 4S 1W U 1691 FSL 981 FWL GPS Coord (UTM) 581444E 4444291N				

Geologic Statement of Basis

Newfield proposes to set 350' 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 450'. A search of Division of Water Rights records shows 8 water wells within a 10,000 foot radius of the center of Section 7. Depth is listed for only one well which is 24 feet deep. Uses listed are domestic, irrigation, stock watering and fish culture. The nearest well to the proposed location is 1/4 mile to the southeast. 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 an interconnected, high volume source of useable ground water. The surface casing should be extended to cover the estimated base of the moderately saline ground water.

Brad Hill
APD Evaluator

10/5/2010
Date / Time

Surface Statement of Basis

The proposed location is approximately 5.7 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 11 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 planned oil field development roads. Approximately 482 feet of new road will be constructed across private land to reach the location

The proposed Hancock 12-7-4-1-2W oil well location is on a gentle north slope which leads away from an alfalfa field to the south. The outer edge of the reserve pit is within an alfalfa field being irrigated by a pivot overhead sprinkler. Location Corner 6 is planned for a 2.6 foot cut. This area is moist and needs to be excavated out and filled with a rubble type fill and/or rounded to miss the moist part. The location is located outside the normal drilling window at the request of the landowner so as to miss his alfalfa field. This pad may later be used to directionally drill an additional well. With these modifications, the location appears to be a suitable site for drilling and operating a well.

Maurice Harvey owns the surface of the area. A Surface Use Agreement exists. The minerals are owned by another party and under lease to Newfield Production Co.. Mr. Harvey requested that the well be drilled and reserve pit closed outside the irrigation season. Newfield is agreeable to do this.

Floyd Bartlett
Onsite Evaluator

9/14/2010
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
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.

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

1/13/2011

Utah Division of Oil, Gas and Mining

Page 2

Surface

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

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 8/19/2010

API NO. ASSIGNED: 43013504220000

WELL NAME: Hancock 12-7-4-1W

OPERATOR: NEWFIELD PRODUCTION COMPANY (N2695)

PHONE NUMBER: 435 646-4825

CONTACT: Mandie Crozier

PROPOSED LOCATION: NWSW 07 040S 010W

Permit Tech Review:

SURFACE: 1691 FSL 0981 FWL

Engineering Review:

BOTTOM: 1691 FSL 0981 FWL

Geology Review:

COUNTY: DUCHESNE

LATITUDE: 40.14691

LONGITUDE: -110.04386

UTM SURF EASTINGS: 581444.00

NORTHINGS: 4444291.00

FIELD NAME: UNDESIGNATED

LEASE TYPE: 4 - Fee

LEASE NUMBER: FEE

PROPOSED PRODUCING FORMATION(S): GREEN RIVER

SURFACE OWNER: 4 - Fee

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- PLAT
- Bond: STATE/FEE - B001834
- Potash
- Oil Shale 190-5
- Oil Shale 190-3
- Oil Shale 190-13
- Water Permit: 437478
- 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

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



GARY R. HERBERT
Governor

GREGORY S. BELL
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: Hancock 12-7-4-1W
API Well Number: 43013504220000
Lease Number: FEE
Surface Owner: FEE (PRIVATE)
Approval Date: 1/13/2011

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
801-231-8956 - 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 John Rogers
Associate Director, Oil & Gas

Spud
BLM - Vernal Field Office - Notification Form

Operator Newfield Exploration Rig Name/# Ross 21 Submitted By
Branden Arnold Phone Number 435-401-0223
Well Name/Number Hancock 12-7-4-1W
Qtr/Qtr NW/SW Section 7 Township 4S Range 1W
Lease Serial Number FEE
API Number 43- 013-50422

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

Date/Time 4/21/11 9:00 AM PM

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

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

Date/Time 4/21/11 3:00 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 _____

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

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

OPERATOR ACCT. NO. N2695

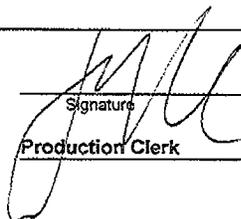
ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION				COUNTY	SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG			
E	17960	17960	4301350304	WILCKEN 16-23-4-2	SESE	23	4S	2W	DUCHESNE	2/16/2011	3/24/11
WELL 1 COMMENTS: CHANGE FROM GRRV TO GR-WS FORMATION — 4/28/11											
E	17884	17884	4301350355	UTE TRIBAL 10-7-4-2	NWSE	7	4S	2W	DUCHESNE	11/17/2010	3/24/11
CHANGE FROM GRRV TO GR-WS FORMATION NWSW 23 4S 2W — 4/28/11											
E	17959	17959	4301350455	UTE TRIBAL 12-22-4-2W	NENW	22	8S	1E	DUCHESNE	2/21/2011	3/29/11
CHANGE FROM GRRV TO GR-WS FORMATION — 4/28/11											
A	99999	18022	4301350385	UTE TRIBAL 3-27-4-3	NENW	27	4S	3W	DUCHESNE	4/19/2011	4/28/11
GRRV NWSW											
A	99999	18023	4301350422	HANCOCK 12-7-4-1W	SWSW	7	4S	1W	DUCHESNE	4/21/2011	4/28/11
GRRV											
ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION				COUNTY	SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG			

- ACTION CODES (See instructions on back of form)
- A - 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.

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DIV. OF OIL, GAS & MINING

Signature: 
 Jentri Park
 Production Clerk
 04/28/11

Daily Activity Report**Format For Sundry****HANCOCK 12-7-4-1W****3/1/2011 To 7/30/2011****5/10/2011 Day: 1****Completion**

Rigless on 5/10/2011 - Rigged up Perforators WLT with lubricator. Ran CBL under pressure. WLTD was 7387' with TOC at 136'. Ran in hole with 3-1/8" ported guns and perforated CP5 sands as shown in perforation report. SWIFN. - Nipple up frac head and Weatherford BOPs. Rig up Heat Waves Hot Oiler and test casing, frac head, frac valves and BOP to 4500 psi. Rig up Perforators WLT with lubricator. Run CBL under pressure. WLTD was 7387' with TOC at 136'. Run in hole with 3-1/8" ported guns and perforate CP5 sands as shown in perforation report. Rig down WLT and hot oiler. SIWFN w/ 176 BWTR.

Daily Cost: \$0**Cumulative Cost:** \$15,995

5/16/2011 Day: 2**Completion**

Rigless on 5/16/2011 - Frac first 2 stages & perforate stage #3. - Frac first 2 stages & perforate stage 3. 872 BWTR. SWIFN.

Daily Cost: \$0**Cumulative Cost:** \$16,295

5/17/2011 Day: 3**Completion**

Stone #8 on 5/17/2011 - Frac remaining stages & MIRUSU. PU tbg & tag fill. - Frac remaining stages as detailed. 1756 BWTR. Open for immediate flowback @ approx 3 BPM. Well flowed for 3 hours & died. Recovered approx 430 bbls. 1326 BWTR. MIRUSU. ND frac BOPs. NU BOPs. RU rig floor. Talley & PU 4 3/4" chomp bit, bit sub & tbg. Tag fill @ 5723'. RU power swivel. SWIFN. 1326 BWTR

Daily Cost: \$0**Cumulative Cost:** \$117,375

5/19/2011 Day: 4**Completion**

Stone #8 on 5/19/2011 - Drill out plugs & clean out to PBDT. Made 4 swab runs. - Check pressure on well, 230 psi csg & 200 psi tbg. Bled pressure off well. Clean out 157' sand to plug @ 5880'. Drill out plug in 20 min. Continue PU tbg & tag plug @ 6260'. Drill out plug in 20 min. Continue PU tbg & tag fill @ 6996'. Clean out to plug @ 7125'. Drill out plug in 20 min. Continue PU tbg & tag fill @ 7306'. Clean out to PBDT @ 7428'. Circulate well clean. LD 4- jts tbg. RU swab equipment. Made 4 swab runs & recover 45 bbls. SWIFN. 1281 BWTR.

Daily Cost: \$0**Cumulative Cost:** \$125,478

5/20/2011 Day: 5**Completion**

Stone #8 on 5/20/2011 - Swab well. TIH w/ production tbg. - Open well w/ 200 psi on casing. Flowed 35 bbls. Made 7 swab runs. 80 bbls & shows sand. Made 8 more runs to clean up sand. FFL was 300'. Total of 205 bbls fluid. RD swab. TIH w/ tbg to tag 22' of new sand. C/O to PBDT 7428'. TOO H w/ tbg. LD mill & x-over sub. TIH w/ NC, 2 jts tbg, SN, 1 jt tbg, TA

new Cntrl Hydrlic w/ 45,000# shear, 227 jts tbg. SIFN. - Open well w/ 200 psi on casing. Flowed 35 bbls. Made 7 swab runs. 80 bbls & shows sand. Made 8 more runs to clean up sand. FFL was 300'. Total of 205 bbls fluid. RD swab. TIH w/ tbg to to tag 22' of new sand. C/O to PBDT 7428'. TOOH w/ tbg. LD mill & x-over sub. TIH w/ NC, 2 jts tbg, SN, 1 jt tbg, TA new Cntrl Hydrlic w/ 45,000# shear, 227 jts tbg. SIFN. - Open well w/ 200 psi on casing. Circulate 160 bbls water. RD BOP's. Set TA @ 7185' w/ 18,000#'s tension w/ SN @ 7218' & EOT @ 7283'. Pickup & prime pump. RIH w/ 2-1/2" x 1-1/2" x 21' x 24' new RHAC Cntrl Hydrlic pump w/ 230"SL, 1" x 4' stabilizer, 6- 1-1/2" weight rods, 180- 3/4" guided rods, 100- 7/8" guided rods, 2',6',8' x 7/8" pony rod, 1-1/2" x 30' polish rod. Space pump. Test tbg & pump to 800 psi. POP @ 4PM w/ 4 spf w/ 122"SL w/ 1080 bbls EWTR. RDMOSU. Final Report. - Open well w/ 200 psi on casing. Circulate 160 bbls water. RD BOP's. Set TA @ 7185' w/ 18,000#'s tension w/ SN @ 7218' & EOT @ 7283'. Pickup & prime pump. RIH w/ 2-1/2" x 1-1/2" x 21' x 24' new RHAC Cntrl Hydrlic pump w/ 230"SL, 1" x 4' stabilizer, 6- 1-1/2" weight rods, 180- 3/4" guided rods, 100- 7/8" guided rods, 2',6',8' x 7/8" pony rod, 1-1/2" x 30' polish rod. Space pump. Test tbg & pump to 800 psi. POP @ 4PM w/ 4 spf w/ 122"SL w/ 1080 bbls EWTR. RDMOSU. Final Report. **Finalized**

Daily Cost: \$0

Cumulative Cost: \$131,275

Pertinent Files: Go to File List

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No. **FEE (PRIVATE)**

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

8. Lease Name and Well No. **HANCOCK 12-7-4-1W**

9. AFI Well No. **43-013-50422**

10. Field and Pool or Exploratory

11. Sec., T., R., M., on Block and Survey or Area **SEC. 7, T4S, R1W**

12. County or Parish **DUCHESNE** 13. State **UT**

17. Elevations (DF, RKB, RT, GL)* **5156' GL 5168' KB**

1. Type of Well Oil Well Gas Well Dry Other

b. Type of Completion: New Well Work Over Deepen Plug Back Diff. Resrv..

Other: _____

2. Name of Operator **NEWFIELD EXPLORATION COMPANY**

3. Address **1401 17TH ST. SUITE 1000 DENVER, CO 80202** 3a. Phone No. (include area code) **(435) 646-3721**

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface **1691' FSL & 981' FWL (NW/SW) SEC. 7, T4S, R1W**

At top prod. interval reported below

At total depth **7455'**

14. Date Spudded **04/21/2011** 15. Date T.D. Reached **05/02/2011** 16. Date Completed **05/20/2011**
 D & A Ready to Prod.

18. Total Depth: MD **7455'** TVD **MD 7428'** TVD **MD 7428'** TVD **MD 7428'** TVD

20. Depth Bridge Plug Set: **MD TVD**

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
DUAL IND GRD, SP, COMP. DENSITY, COMP. NEUTRON, GR, CALIPER, CMT BOND

22. Was well cored? No Yes (Submit analysis)
Was DST run? No Yes (Submit report)
Directional Survey? No Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	8-5/8" J-55	24#	0	480'		230 CLASS G			
7-7/8"	5-1/2" J-55	15.5#	0	7452'		300 PRIMLITE		136'	
						450 50/50 POZ			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-7/8"	EOT@ 7283'	TA @ 7185'						

25. Producing Intervals

Formation	Top	Bottom	Perforation Interval	Size	No. Holes	Perf. Status
A) Green River	5684'	7219'	7213-7219'	.36"	18	
B)			5684-7037'	.34"	72	
C)						
D)						

26. Perforation Record

Perforation Interval	Size	No. Holes	Perf. Status
7213-7219'	.36"	18	
5684-7037'	.34"	72	

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
5684-7219'	Frac w/ 151813#s 20/40 sand in 1037 bbls of Lightning 17 fluid in 4 stages

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
5/24/11	6/5/11	24	→	51	12	148			2-1/2" x 1-1/2" x 21' x 24' RHAC Pump

Choke Size: SI, Tbg. Press. SI, Csg. Press. SI, 24 Hr. Rate: →, Oil BBL: →, Gas MCF: →, Water BBL: →, Gas/Oil Ratio: →, Well Status: PRODUCING

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						

Choke Size: SI, Tbg. Press. SI, Csg. Press. SI, 24 Hr. Rate: →, Oil BBL: →, Gas MCF: →, Water BBL: →, Gas/Oil Ratio: →, Well Status: →

*(See instructions and spaces for additional data on page 2)

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28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Solid, used for fuel, vented, etc.)

USED FOR FUEL

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

GEOLOGICAL MARKERS

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
GREEN RIVER	5684'	7219'		GARDEN GULCH MRK	4996'
				GARDEN GULCH 1	5210'
				GARDEN GULCH 2	5343'
				POINT 3	5641'
				X MRKR	5892'
				Y MRKR	5934'
				DOUGALS CREEK MRK	6052'
				BI-CARB	6371'
				B LIMESTONE MRK	6507'
				CASTLE PEAK	6905'
				BASAL CARBONATE	7276'
				WASATCH	7406'

32. Additional remarks (include plugging procedure):

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- Electrical/Mechanical Logs (1 full set req'd.)
 Geologic Report
 DST Report
 Directional Survey
 Sundry Notice for plugging and cement verification
 Core Analysis
 Other: Drilling Daily Activity

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Jennifer Peatross Title Production Technician
 Signature *Jennifer Peatross* Date 06/15/2011

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.

Daily Activity Report

Format For Sundry

HANCOCK 12-7-4-1W

2/1/2011 To 6/30/2011

HANCOCK 12-7-4-1W

Rigging Up

Date: 4/28/2011

NDSI #2 at 480. 0 Days Since Spud - Rig down and prepair for 12.3 mile field rig move. - NM Monel 29.67',1 x 3.39'Double Gap,1 x 2.11'Index sub,and 1x5.28' NM Pony 8 drill collars. - Pick up BHA as follows Varel VM 616R 7-7/8" PDC bit, Hunting 7/8 ADJ 4.3 .33, 1.5 degree mud motor, - Rig repair change rotary table. - 10 minutes.Test Surface csg @ 1,500 psi for 30 minutes.All tests good. - valve and Choke line and choke Manifold , Pipe Rams , Blind Rams,to high pressure of 2,000 psi for - On 4/21/11 Ross #29 spud and drilled 480' of 12 1/4" hole,P/U and run 11 jts of 8 5/8" casing set - @ 483.22'KB. On 4/25/11 cement w/BJ w/230 sks of class G+2% kcl+.25#CF mixed @ 15.8ppg and 1.17 - yield. Returned 4bbls to pit, bump plug to 470psi, BLM and State were notified of spud via email. - Rig down and prepair for 12.3 mile field rig move. - On 4/27/2011 MIRU set all equipment w/liddell trucking (12.3 mile field rig move from the First - Christian 9-19-4-1-E) BLM and State notified via e-mail of rig move @ 7:00 am 4/27/2011and BOPE - test on 4/27/2011 @ 3:00 PM - Accept rig on 4/27/2011@ 3:00 PM Conducted safety meeting w/B&C Quick test R/U Test Kelly,Safety - valve and Choke line and choke Manifold , Pipe Rams , Blind Rams,to high pressure of 2,000 psi for - 10 minutes.Test Surface csg @ 1,500 psi for 30 minutes.All tests good. - Rig repair change rotary table. - Pick up BHA as follows Varel VM 616R 7-7/8" PDC bit, Hunting 7/8 ADJ 4.3 .33, 1.5 degree mud motor, - NM Monel 29.67',1 x 3.39'Double Gap,1 x 2.11'Index sub,and 1x5.28' NM Pony 8 drill collars. - Rig repair work on Kelly Spinners. - On 4/21/11 Ross #29 spud and drilled 480' of 12 1/4" hole,P/U and run 11 jts of 8 5/8" casing set - @ 483.22'KB. On 4/25/11 cement w/BJ w/230 sks of class G+2% kcl+.25#CF mixed @ 15.8ppg and 1.17 - yield. Returned 4bbls to pit, bump plug to 470psi, BLM and State were notified of spud via email. - Rig repair work on Kelly Spinners. - On 4/27/2011 MIRU set all equipment w/liddell trucking (12.3 mile field rig move from the First - Christian 9-19-4-1-E) BLM and State notified via e-mail of rig move @ 7:00 am 4/27/2011and BOPE - test on 4/27/2011 @ 3:00 PM - Accept rig on 4/27/2011@ 3:00 PM Conducted safety meeting w/B&C Quick test R/U Test Kelly,Safety - valve and Choke line and choke Manifold , Pipe Rams , Blind Rams,to high pressure of 2,000 psi for - 10 minutes.Test Surface csg @ 1,500 psi for 30 minutes.All tests good. - Rig repair change rotary table. - Pick up BHA as follows Varel VM 616R 7-7/8" PDC bit, Hunting 7/8 ADJ 4.3 .33, 1.5 degree mud motor, - NM Monel 29.67',1 x 3.39'Double Gap,1 x 2.11'Index sub,and 1x5.28' NM Pony 8 drill collars. - Rig repair work on Kelly Spinners. - On 4/21/11 Ross #29 spud and drilled 480' of 12 1/4" hole,P/U and run 11 jts of 8 5/8" casing set - @ 483.22'KB. On 4/25/11 cement w/BJ w/230 sks of class G+2% kcl+.25#CF mixed @ 15.8ppg and 1.17 - yield. Returned 4bbls to pit, bump plug to 470psi, BLM and State were notified of spud via email. - Rig down and prepair for 12.3 mile field rig move. - On 4/27/2011 MIRU set all equipment w/liddell trucking (12.3 mile field rig move from the First - Christian 9-19-4-1-E) BLM and State notified via e-mail of rig move @ 7:00 am 4/27/2011and BOPE - test on 4/27/2011 @ 3:00 PM - Accept rig on 4/27/2011@ 3:00 PM Conducted safety meeting w/B&C Quick test R/U Test Kelly,Safety

Daily Cost: \$0

Cumulative Cost: \$94,603

HANCOCK 12-7-4-1W

Drill 7 7/8" hole with fresh water

Date: 4/29/2011

NDSI #2 at 3531. 1 Days Since Spud - No H2S reported last 24 hrs checked @ 2000' then every 500' to present depth. - Drill 7 7/8" bore hole with fresh water from 1059' to 3531' w/15k,total RPM 160,GPM 400 Avg ROP129' - Rig service,BOP drill, check crowomatic - Drill 7 7/8" bore hole with fresh water from 425' to 1059' w/20k,total RPM 160,GPM 400 Avg

ROP181' - Pick up rotating head rubber tag cement @ 425' - Rig repair change out flywheel gear on kelly spinner.

Daily Cost: \$0

Cumulative Cost: \$153,409

HANCOCK 12-7-4-1W

Drill 7 7/8" hole with fresh water

Date: 4/30/2011

NDSI #2 at 5526. 2 Days Since Spud - Drill 7 7/8" Hole From 3531' To 4163'. WOB 16,000 lbs,TRPM 160,GPM 400, AVG ROP 105.3 fph - Rig Service,Check Crown-A-Matic,Function Test Bop's. - Drill 7 7/8" Hole From 4163' To 5526'. WOB 18,000 lbs,TRPM 160,GPM 400,AVG ROP 77.8 fph. 15 slides - from 4480' to 4495' And 4828' To 4843' - No H2s Reported Last 24 Hrs.

Daily Cost: \$0

Cumulative Cost: \$191,681

HANCOCK 12-7-4-1W

Running casing

Date: 5/1/2011

NDSI #2 at 7455. 4 Days Since Spud - P/U Bit #2 RR,Bit Sub and Trip in Hole - R/U Marcus Liddell Casing Crew Run 176 jts 5.5",J-55,15.5# LT&C Casing Shoe Set @ 7451',Float Collar - Change Out Pipe Rams.R/U B&C Quick Test,Test 5 1/2" Pipe Rams to 2000 psi tested OK - LDDP & BHA - RiG Down Pipe Spinners/R/U Laydown Crew - P/U Bit #2 RR,Bit Sub and Trip in Hole - R/U Halliburton Log Well with Triple Combo From Loggers Depth 7469' To Surface Casing. - TOOH Stand Back 34 std & BHA. Laydown Directional Tools & Mud Motor - Pump 260 bbls 10# Brine water - LDDP To 4000' (Tight Hole @ 4124') - Circ For Laydown - Drill 7 7/8" Hole From 5526' To 6033',WOB 18,000 lbs,TRPM 160,GPM 400,AVG ROP 78 fph - Rig Service,Check Crown-A-Matic,Function Test Bop's,Held Bop Drill. - Drill 7 7/8" Hole From 6033' To 7455' TD,WOB 20,000 lbs,TRPM 160,GPM 400,AVG ROP 83.6 fph - TD Well @ 6:00 AM 5/1/11 - Flowing 5 gal/Min At TD - 15' Slides @ 5779' To 5794',6286' To 6301',6603' To 6618' - No H2s Reported Last 24 Hrs. - Circ For Laydown - LDDP To 4000' (Tight Hole @ 4124') - Pump 260 bbls 10# Brine water - TOOH Stand Back 34 std & BHA. Laydown Directional Tools & Mud Motor - R/U Halliburton Log Well with Triple Combo From Loggers Depth 7469' To Surface Casing. - Set at 7427'. 5 jts will be transferred to next well (Beckstead 11-17-4-2W) - RiG Down Pipe Spinners/R/U Laydown Crew - LDDP & BHA - Change Out Pipe Rams.R/U B&C Quick Test,Test 5 1/2" Pipe Rams to 2000 psi tested OK - R/U Marcus Liddell Casing Crew Run 176 jts 5.5",J-55,15.5# LT&C Casing Shoe Set @ 7451',Float Collar - Set at 7427'. 5 jts will be transferred to next well (Beckstead 11-17-4-2W) - Drill 7 7/8" Hole From 5526' To 6033',WOB 18,000 lbs,TRPM 160,GPM 400,AVG ROP 78 fph - Rig Service,Check Crown-A-Matic,Function Test Bop's,Held Bop Drill. - Drill 7 7/8" Hole From 6033' To 7455' TD,WOB 20,000 lbs,TRPM 160,GPM 400,AVG ROP 83.6 fph - TD Well @ 6:00 AM 5/1/11 - Flowing 5 gal/Min At TD - 15' Slides @ 5779' To 5794',6286' To 6301',6603' To 6618' - No H2s Reported Last 24 Hrs.

Daily Cost: \$0

Cumulative Cost: \$390,965

HANCOCK 12-7-4-1W

Rigging down

Date: 5/3/2011

NDSI #2 at 7455. 5 Days Since Spud - Rig released @ 16:00 PM 5/2/2011 - Nipple Downl clean mud tank tear down prepair for 10 mile field rig move. - Returned 25 bbls of cement to pit.Bumped plug to 1900 psi. - gps FP FP-6L+2%bwoc Bentonite + 0.3% bwoc Sodium Metasilicate + 54.7% H2O.)Displaced w/176.9 bbls - sacks Static Free + 3%bwow Potassium Chloride + 0.5% bwoc EC-1 + 0.25 lbs/sacks Cello Flake + 0.002 - Continue running 5.5 casing set @ 7451.87' - gps FP-6L + 10% bwoc Bentonite + 0.5% bwoc Sodium Metasilicate + 5 lbs/sacks CSE -2 +204.7%H2O) - Static Free + 3% bwow Potassium Chloride + 0.5lbs/sacks Cello Flake + 2 lbs/sacks Kol Seal + 0.002 - Pump 300 sks of lead cement

pumped @ 11 ppg & 3.53 yield (Premium Lite II cement +0.05 lbs/sack - Circulate bottoms up with rig pump Rig up BJ Services hard lines, Pressure test lines to 3800 psi. - Then pumped 450 sks tail cement @ 14.4ppg & 1.24 (50:50) Poz (Fly Ash): Class G Cement + 0.05 lb

Finalized

Daily Cost: \$0

Cumulative Cost: \$435,662

Pertinent Files: Go to File List



GARY R. HERBERT
Governor

SPENCER J. COX
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

November 28, 2016

CERTIFIED MAIL NO.: 7015 0640 0003 5276 0440

43 013 50A22
Hancock 12-7-A-1W
7 AS 1W

Mr. Kirby Carroll
Newfield Production Company
1001 17th Street, STE 2000
Denver, CO 80202

Subject: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases

Dear Mr. Carroll:

As of August 2016, Newfield has thirty-two (32) State and Fee Lease Wells (see attachment A) that are currently in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status.

Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (649-3-36-1.3.3). For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas and Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

Please note that the Divisions preferred method for showing well integrity is by MIT.

Page 2
Newfield Production Company
November 28, 2016

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

All Submittals should be sent via ePermit

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

DKD/DD/js

cc: Compliance File
Well File
LaVonne Garrison, SITLA

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ATTACHMENT A

	Well Name	API	LEASE	Years.Months Inactive
1	GMBU 2-16-9-18H	43-047-52013	ML-48378	4.4
2	Gulf State 36-13	43-047-31345	ML-22057	9.2
3	Moon 3-20-4-2	43-013-50007	Fee	3.5
4	S Mon Butte ST P-2-9-16	43-013-50118	ML-21839	3.6
5	State 3-16-9-18	43-047-35813	ML-48378	3.5
6	Wells Draw ST 7-36	43-013-30934	ML-21835	3.4
7	Prewitt 10-24	43-013-31865	Fee	3.2
8	W Draw ST N-32-8-16	43-013-34146	ML-45555	2.4
9	Wells Draw 2-32-8-16	43-013-32220	ML-21836	2.3
10	GMBU N-2-9-15	43-013-50910	ML-43538	2.2
11	GMBU M-2-9-15	43-013-50909	ML-43538	2.1
12	Moon 1-29-4-2	43-013-50006	Fee	2.0
13	Moon 1-20-4-2	43-013-50008	Fee	2.0
14	State 1-36-8-15	43-013-34234	ML-21835	2.5
15	Ashley ST 6-2-9-15	43-013-32584	ML-43538	1.10
16	Allen Trust 2-24	43-013-31944	Fee	1.9
17	Lamb 4-34-4-1E	43-047-40272	Fee	1.5
18	Wells Draw 4-32-8-16	43-013-32222	ML-21836	1.8
19	Greater Mon Butte T-36-8-16	43-013-50211	ML-22061	1.8
20	Williams #14-8-4-2	43-013-50617	Fee	1.8
21	Hancock 11-21-4-1	43-013-33242	Fee	1.5
22	Malnar 9-19-4-1	43-013-33913	Fee	1.2
23	Hancock 16-20-4-1	43-013-33914	Fee	1.0
24	State 12-36-8-15	43-013-34224	ML-21835	2.1
25	State 4-36-8-15	43-013-34231	ML-21835	1.4
26	Roberts 4-19-4-1	43-013-50072	Fee	1.1
27	Mon Butte East K-36-8-16	43-013-50112	ML-22061	1.1
28	S Mon Butte ST N-2-9-16	43-013-50117	ML-21839	1.4
29	Wilcken 16-23-4-2	43-013-50304	Fee	1.0
→ 30	Hancock 12-7-4-1W	43-013-50422	Fee	1.3
31	State 1-16-9-18	43-047-35811	ML-48378	1.6
32	Lamb 1-34-4-1E	43-047-40275	Fee	1.1



GARY R. HERBERT
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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

December 14, 2016

CERTIFIED MAIL NO.: 7015 0640 0003 5276 0525

Ms. Assiya Bekniyazova
Newfield Production Company
4 Waterway Square PL, STE 100
The Woodlands, TX 77380

43 013 50422
Hancock 12-7-9-1W
7 4S 1W

Subject: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases

Dear Ms. Bekniyazova:

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Please note that the Divisions preferred method for showing well integrity is by MIT.



Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

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Sincerely,



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