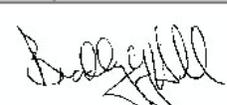


STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL						1. WELL NAME and NUMBER Padilla #1-18-3-2							
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 WILDCAT							
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) Patented			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') Joe R. Padilla						14. SURFACE OWNER PHONE (if box 12 = 'fee') 303-524-4851							
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') P.O. Box 270, Sedalia, CO 80135						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		507 FNL 729 FEL		NENE		18		3.0 S		2.0 W		U	
Top of Uppermost Producing Zone		507 FNL 729 FEL		NENE		18		3.0 S		2.0 W		U	
At Total Depth		507 FNL 729 FEL		NENE		18		3.0 S		2.0 W		U	
21. COUNTY DUCHEсне			22. DISTANCE TO NEAREST LEASE LINE (Feet) 507			23. NUMBER OF ACRES IN DRILLING UNIT 40							
27. ELEVATION - GROUND LEVEL 5181			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 0			26. PROPOSED DEPTH MD: 10400 TVD: 10400							
28. BOND NUMBER B001834			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 437478										
Hole, Casing, and Cement Information													
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight			
COND	17.5	13.375	0 - 60	48.0	H-40 ST&C	0.0	Class G	41	1.17	15.8			
SURF	12.25	9.625	0 - 1000	36.0	J-55 ST&C	0.0	Premium Lite High Strength	51	3.53	11.0			
							Class G	154	1.17	15.8			
I1	8.75	7	0 - 8687	26.0	P-110 LT&C	11.0	Premium Lite High Strength	328	3.53	11.0			
							50/50 Poz	139	1.24	14.3			
PROD	6	4.5	8387 - 10400	11.6	P-110 LT&C	11.0	50/50 Poz	160	1.24	14.3			
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 Don Hamilton				TITLE Permitting Agent				PHONE 435 719-2018					
SIGNATURE				DATE 05/30/2011				EMAIL starpoint@etv.net					
API NUMBER ASSIGNED 43013507860000				APPROVAL				 Permit Manager					

Newfield Production Company
Padilla #1-18-3-2
NE/NE Section 18, T3S, R2W
Duchesne County, UT

Drilling Program

1. Formation Tops

Uinta	surface
Green River	3,749'
Wasatch	8,837'
TD	10,400'

2. Depth to Oil, Gas, Water, or Minerals

Green River	8,337' - 8,837'	(Oil)
Wasatch	8,837' - TD	(Oil)

Fresh water may be encountered in the Uinta Formation, but would is not expected below about 500'.

3. Pressure Control

<u>Section</u>	<u>BOP Description</u>
Surface	12-1/4" diverter
Interm/Prod	The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc for a 5M system.

A 5M BOP system will consist of 2 ram preventers (double or two singles) and an annular preventer (see attached diagram). A choke manifold rated to at least 5,000 psi will be used.

4. Casing

Description	Interval		Weight (ppf)	Grade	Coup	Pore Press @ Shoe	MW @ Shoe	Frac Grad @ Shoe	Safety Factors		
	Top	Bottom							Burst	Collapse	Tension
Conductor 13 3/8	0'	60'	48	H-40	STC	--	--	--	1,730	770	322,000
									--	--	--
Surface 9 5/8	0'	1,000'	36	J-55	STC	8.33	8.33	12	3,520	2,020	394,000
									6.27	6.35	10.94
Intermediate 7	0'	8,687'	26	P-110	LTC	9	9.5	15	9,960	6,210	693,000
									2.57	1.81	3.07
Production 4 1/2	8,387'	10,400'	11.6	P-110	LTC	10.5	11	--	10,690	7,560	279,000
									2.30	1.54	2.31

Assumptions:

- Surface casing MASP = (frac gradient + 1.0 ppg) - (gas gradient)
- Intermediate casing MASP = (reservoir pressure) - (gas gradient)
- Production casing MASP = (reservoir pressure) - (gas gradient)
- All collapse calculations assume fully evacuated casing with a gas gradient
- All tension calculations assume air weight of casing
- Gas gradient = 0.1 psi/ft

All casing shall be new.

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

5. Cement

Job	Hole Size	Fill	Slurry Description	ft ³	OH excess	Weight (ppg)	Yield (ft ³ /sk)
				sacks			
Conductor	17 1/2	60'	Class G w/ 2% KCl + 0.25 lbs/sk Cello Flake	48	15%	15.8	1.17
				41			
Surface Lead	12 1/4	500'	Premium Lite II w/ 3% KCl + 10% bentonite	180	15%	11.0	3.53
				51			
Surface Tail	12 1/4	500'	Class G w/ 2% KCl + 0.25 lbs/sk Cello Flake	180	15%	15.8	1.17
				154			
Intermediate Lead	8 3/4	6,687'	Premium Lite II w/ 3% KCl + 10% bentonite	1156	15%	11.0	3.53
				328			
Intermediate Tail	8 3/4	1,000'	50/50 Poz/Class G w/ 3% KCl + 2% bentonite	173	15%	14.3	1.24
				139			
Production Tail	6	2,013'	50/50 Poz/Class G w/ 3% KCl + 2% bentonite	199	15%	14.3	1.24
				160			

The surface casing will be cemented to surface. In the event that cement does not reach surface during the primary cement job, a remedial job will be performed.

Actual cement volumes for the intermediate and production casing strings will be calculated from an open hole caliper log, plus 15% excess.

6. Type and Characteristics of Proposed Circulating Medium

Interval **Description**

- Surface - 1,000' An air and/or fresh water system will be utilized.
- 1,000' - TD A water based mud system will be utilized. Hole stability may be improved with additions of KCl or a similar inhibitive substance. In order to control formation pressure the system will be weighted with additions of bentonite, and if conditions warrant, with barite.
Anticipated maximum mud weight is 11.0 ppg.

7. Logging, Coring, and Testing

Logging: A dual induction, gamma ray, and caliper log will be run from TD to the base of the

surface casing. A compensated neutron/formation density log will be run from TD to the top of the Garden Gulch formation. A cement bond log will be run from PBTD to the cement top behind the production casing.

Cores: As deemed necessary.

DST: There are no DST's planned for this well.

8. Anticipated Abnormal Pressure or Temperature

Maximum anticipated bottomhole pressure will be approximately equal to total depth (feet) multiplied by a 0.55 psi/ft gradient.

$$10,400' \times 0.55 \text{ psi/ft} = 5678 \text{ psi}$$

No abnormal temperature is expected. No H₂S is expected.

9. Other Aspects

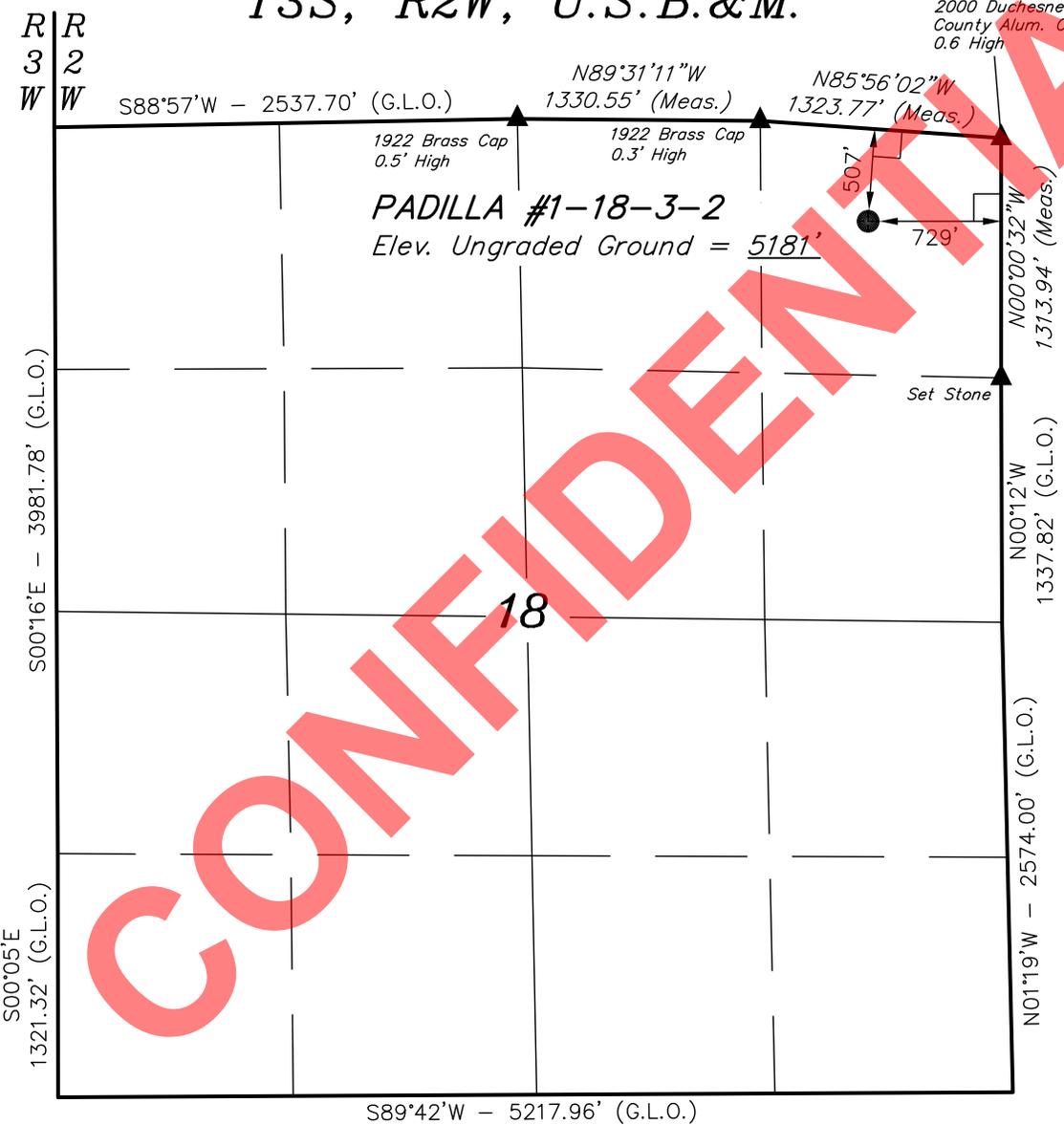
This is planned as a vertical well.

CONFIDENTIAL

T3S, R2W, U.S.B.&M.

NEWFIELD EXPLORATION COMPANY

Well location, PADILLA #1-18-3-2, located as shown in the NE 1/4 NE 1/4 of Section 18, T3S, R2W, U.S.B.&M., Duchesne County, Utah.

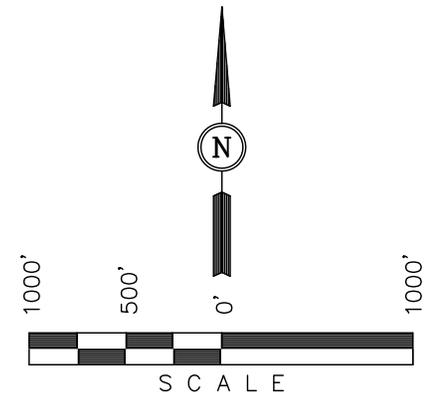


BASIS OF ELEVATION

SPOT ELEVATION LOCATED AT THE SOUTHEAST CORNER OF SECTION 20, T3S, R2W, U.S.B.&M. TAKEN FROM THE MYTON, QUADRANGLE, UTAH, DUCHESNE COUNTY, 7.5 MINUTE QUAD (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5148 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

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.

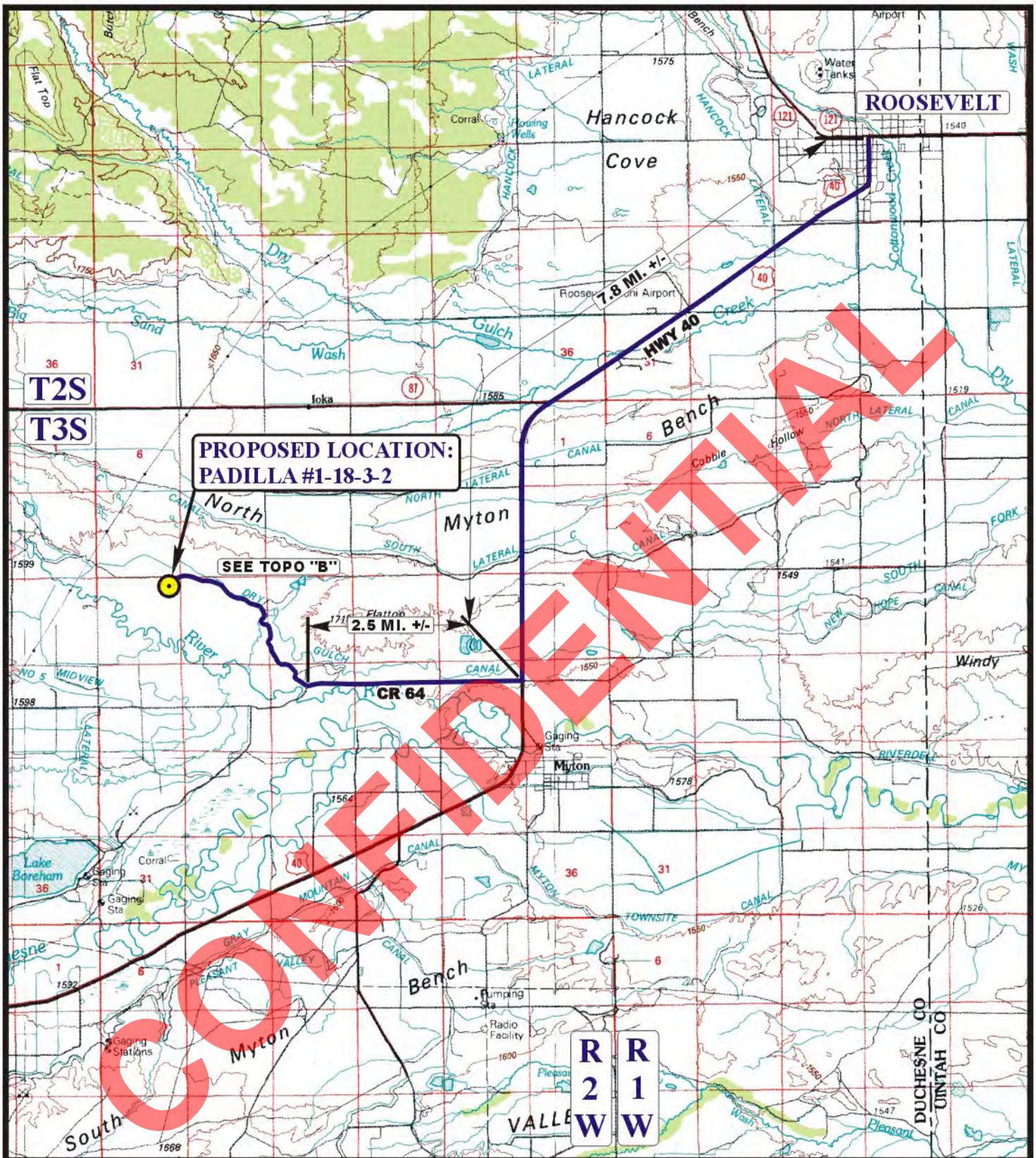
Robert L. Kay
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH
 05-01-11

REVISED: 05-03-11

UINTAH ENGINEERING & LAND SURVEYING		
85 SOUTH 200 EAST - VERNAL, UTAH 84078		
(435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 12-27-10	DATE DRAWN: 01-21-11
PARTY M.A. C.K. C.H.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE NEWFIELD EXPLORATION COMPANY	

- LEGEND:**
- └─┘ = 90° SYMBOL
 - = PROPOSED WELL HEAD.
 - ▲ = SECTION CORNERS LOCATED.

(NAD 83)
 LATITUDE = 40°13'40.46" (40.227906)
 LONGITUDE = 110°08'44.55" (110.145708)
 (NAD 27)
 LATITUDE = 40°13'40.61" (40.227947)
 LONGITUDE = 110°08'42.00" (110.145000)



LEGEND:

 PROPOSED LOCATION

NEWFIELD EXPLORATION COMPANY

PADILLA #1-18-3-2
SECTION 18, T3S, R2W, U.S.B.&M.
507' FNL 729' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

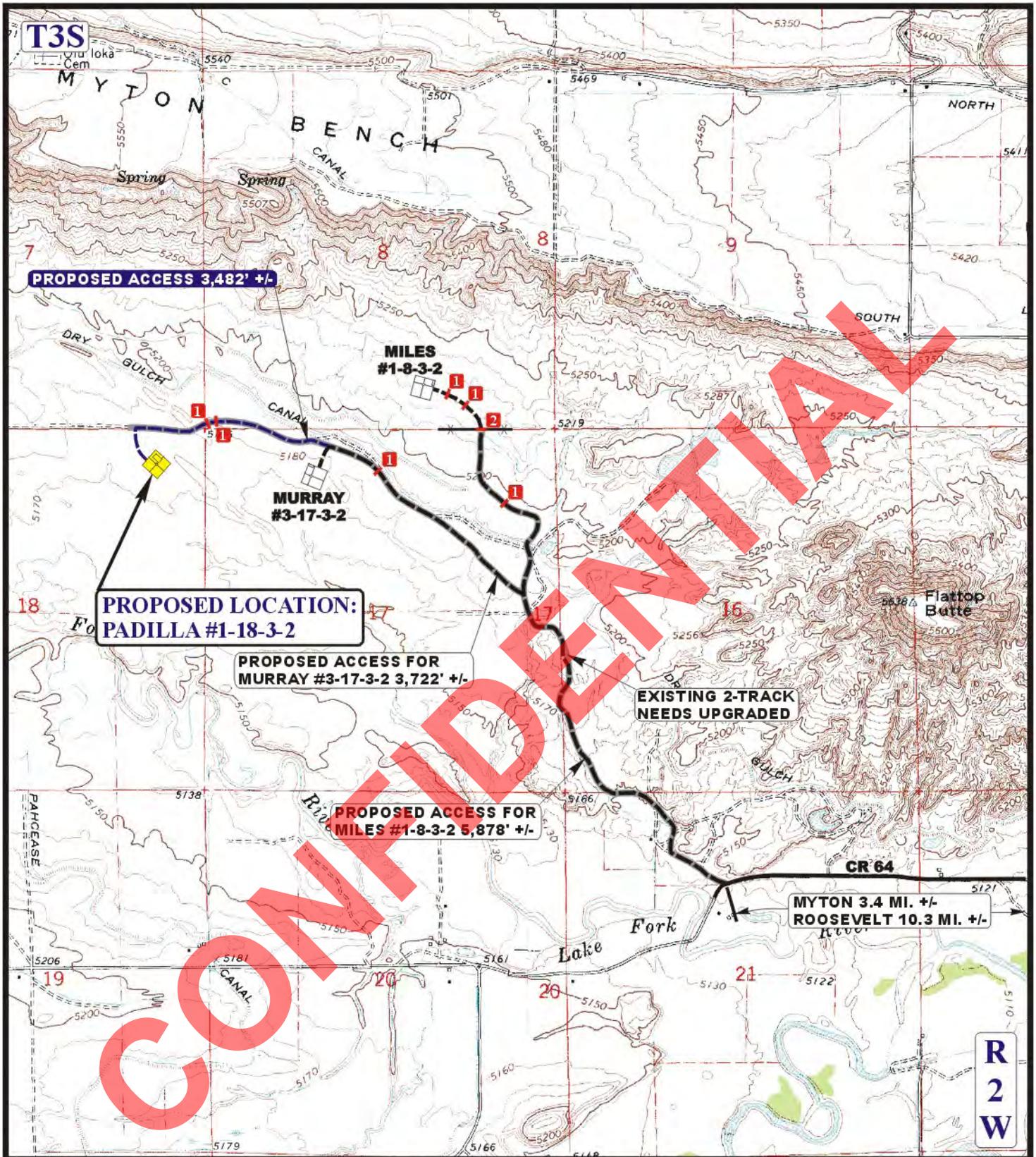


TOPOGRAPHIC
MAP

01 **12** **11**
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: Z.L. REVISED: 05-04-11





LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD
- EXISTING 2-TRACK NEEDS UPGRADED
- EXISTING FENCE
- 18" CMP REQUIRED
- INSTALL CATTLE GUARD



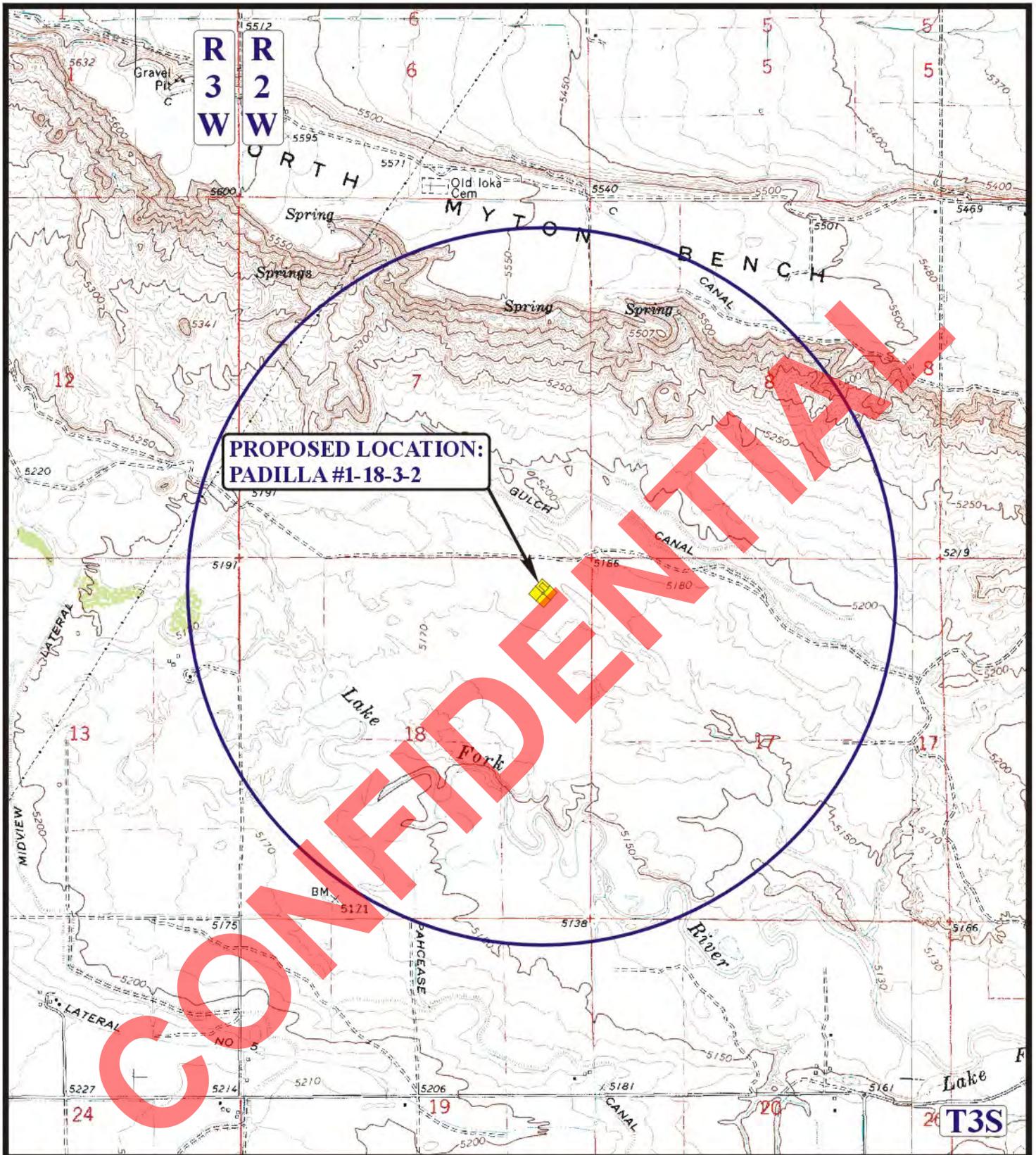
NEWFIELD EXPLORATION COMPANY

PADILLA #1-18-3-2
SECTION 18, T3S, R2W, U.S.B.&M.
507' FNL 729' FEL



Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

ACCESS ROAD MAP	01	12	11	B TOPO
	MONTH	DAY	YEAR	
SCALE: 1" = 2000'	DRAWN BY: Z.L.		REVISED: 05-17-11	



**PROPOSED LOCATION:
PADILLA #1-18-3-2**

LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

NEWFIELD EXPLORATION COMPANY

**PADILLA #1-18-3-2
SECTION 18, T3S, R2W, U.S.B.&M.
507' FNL 729' FEL**

UEIS
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP
 MONTH: 01 DAY: 12 YEAR: 11
 SCALE: 1" = 2000' DRAWN BY: Z.L. REVISED: 05-17-11
C TOPO

MEMORANDUM OF SURFACE DAMAGE RELEASE

State of Utah)(
County of Duchesne)(

For Ten Dollars (\$10.00) and other adequate consideration, Joe R. Padilla whose address is P.O. Box 270, Sedalia, Colorado 80135-0271, hereafter referred to as "Surface Owner" has granted, a Surface Damage Release, to Harvest (US) Holdings, Inc. of 1177 Enclave Parkway, Suite 300, Houston, Texas 77077, hereafter referred to as "Harvest", dated this 29 day of March, 2011, for the purpose of drilling, and producing oil, gas, and other minerals, laying pipelines, building roads, tanks, power stations, telephone lines and other structures, and producing, saving, take care of, treating, transporting, and owning oil, gas, and other minerals, all on or from Padilla 1-18-3-2 Well on the following lands (the "Lands") in Duchesne County Utah: Township 3 South-Range 2 West, USM, Section 18: NE/4NE/4 Duchesne County, see attached Plat for well location:

The Surface Damage Release is effective as long thereafter as oil, gas, or other minerals are produced from the Lands, or other lands pooled with the Lands, according to and by the terms and provisions of the Lease(s) covering said Lands. This Memorandum is placed of record for the purpose of giving notice of the Surface Damage Release.

This instrument may be executed in multiple counterparts with each counterpart being considered an original for all purposes herein and binding upon the party executing same whether or not this instrument is executed by all parties hereto, and the signature and acknowledgment pages of the various counterparts hereto may be combined into one instrument for the purposes of recording this instrument in the records of the County Recorder's office.

Executed this 29 day of March, 2011.

SURFACE OWNER:

Signature of Joe R. Padilla
Joe R. Padilla

ACKNOWLEDGEMENT

STATE OF UTAH COLORADO }
DOUGLAS } :SS
COUNTY OF DUCHESNE }

BEFORE me, the undersigned, a Notary Public in and fore said County and State, on this 29th day of MARCH, 2011, personally appeared Joe R. Padilla, known to be the identical person(s) who executed the within and foregoing instrument, and acknowledged to me that they executed the same as a free and voluntary act and deed, for the uses and purposes therein set forth. Given under my hand and seal the day and year last above written.

Signature of Rifaat Azam
Notary Public



ROAD RIGHT-OF-WAY AGREEMENT

STATE OF UTAH }
 } :SS
COUNTY OF DUCHESNE }

FOR AND IN CONSIDERATION OF TEN & 00/100ths DOLLARS (\$10.00) and other good and valuable consideration, in hand paid to **Joe R. Padilla,**

("GRANTOR"), the receipt and sufficiency of which is hereby acknowledge, does hereby grant to **Harvest (US) Holdings, Inc. of 1177 Enclave Parkway, Suite 300, Houston, Texas 77077,** its successors or assigns, a right-of-way to construct, maintain and use a road for the purpose of drilling, operating and maintaining a well or wells for the production of the oil and/or gas, and for the transportation of oil, gas, produced water, or other substances therein, under, on, over and through the premises hereinafter described, and the Grantee is granted the right of ingress and egress, over and across said road and lands for any purpose necessary or incidental to the drilling, operating and maintaining a well or wells owned by Grantee.

The said right-of-way shall be located over and across the following described lands owned by the Grantor in Duchesne County, State of Utah, to-wit:

Township 3 South-Range 2 West, USM, Section 18: NE/4 NE/4, Duchesne County, see attached Plat(s) for the described right-of-way location:

To have and to hold said easements, rights, and right-of-way unto the said Grantee, its successors and assigns.

Grantor shall not place anything over or so close to any road, or other facility of Grantee as will be likely to interfere with Grantee's access thereto by use of equipment of means customarily employed in the maintenance of the road. Grantee to pay for all damage to growing crops, drainage tile and fences of Grantor arising out of the construction or repair of any of the roads, and facilities herein authorized to be maintained and operated by Grantee. This easement shall not exceed seventy (70') feet for construction and sixty six (66') feet permanent easement. Disturbed ground not in the permanent road easement to be reseeded at recommended seeding rates per Surface Owner once cleanup is completed.

The foregoing sets out the entire agreement between Grantor and Grantee, and supersedes any prior oral or written agreements or negotiations not set out in writing herein or in the oil and gas lease covering the above described lands. No provisions of this agreement shall be modified, altered or waived except by written amendment executed by the parties or their representatives as set forth below.

For the same consideration, the undersigned agree to account to any party who may be entitled to any portion of the aforementioned sum, and to indemnify and hold harmless **Harvest (US) Holdings, Inc.,** its successors and assigns, from any claim by any other party for damages to the above described lands and the improvements and crops and other things situated thereon.

Grantor shall be held harmless from any claim or demand made on the grounds of damage to property or injury to or death of persons, arising out of Grantee's exercise of the rights herein granted.

This agreement shall terminate within six (6) months after cessation of use by Grantee, at which time Grantee agrees to restore the surface of said land as nearly as is reasonably practical to its original condition.

This agreement shall be binding upon the successors and assigns of the parties hereto and shall be deemed to be a covenant running with the lands described above.

IN WITNESS WHEREOF, the GRANTOR and GRANTEE herein named have hereunto set their hand and seal this 29 day of March, 2011.

Joe R. Padilla
Joe R. Padilla

ACKNOWLEDGEMENT

STATE OF ~~UTAH~~ COLORADO }
 DOUGLAS } :SS
COUNTY OF ~~DUCHESNE~~ }

BEFORE me, the undersigned, a Notary Public in and fore said County and State, on this 29th day of MARCH, 2011, personally appeared **Joe R. Padilla,** before me known to be the identical person(s) who executed the within and foregoing instrument, and acknowledged to me that they executed the same as a free and voluntary act and deed, for the uses and purposes therein set forth. Given under my hand and seal the day and year last above written.

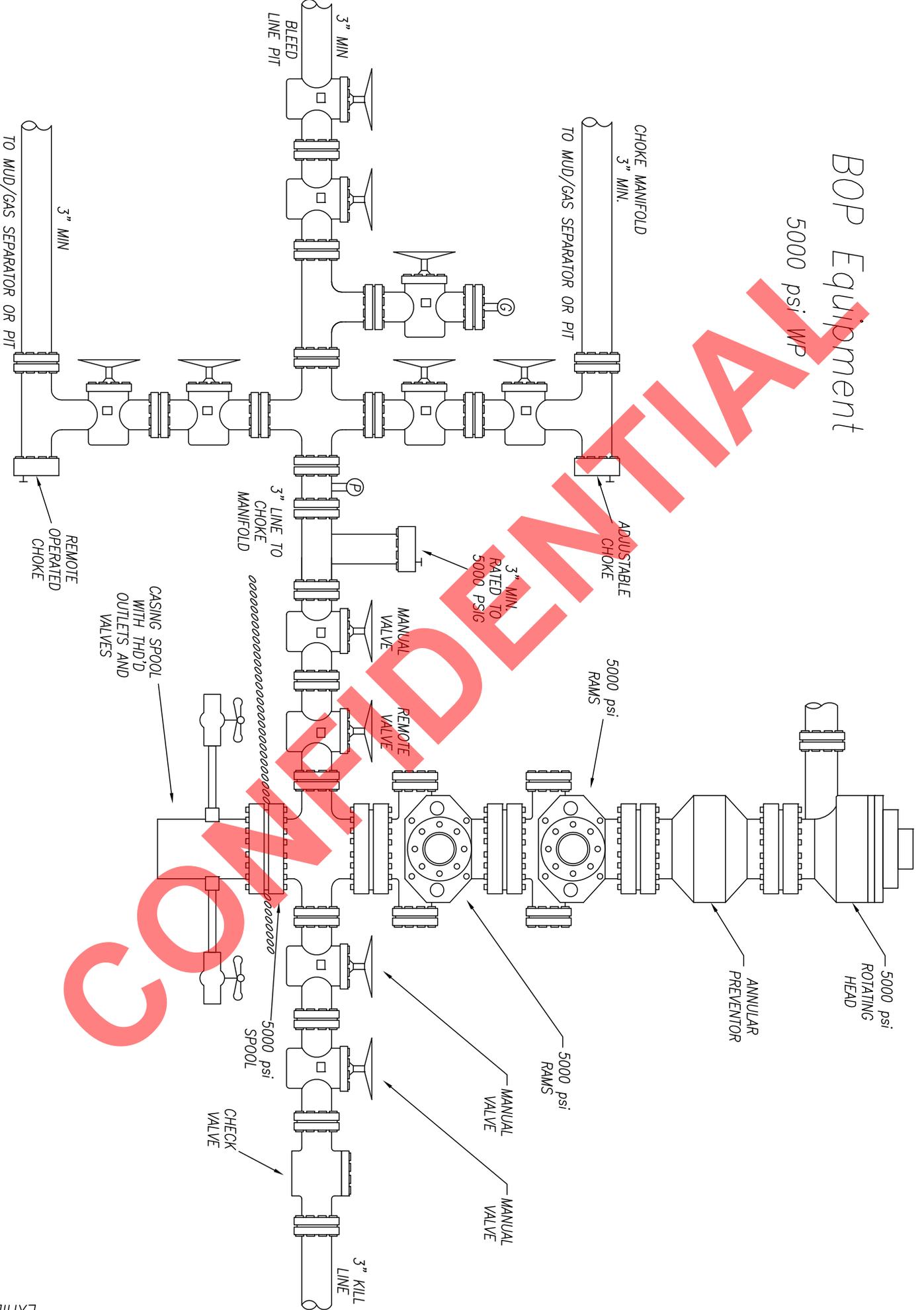


Rifaat Azam Notary Public

CONFIDENTIAL

BOP Equipment

5000 psi WP



CONFIDENTIAL

RECEIVED: Jun. 27, 2011

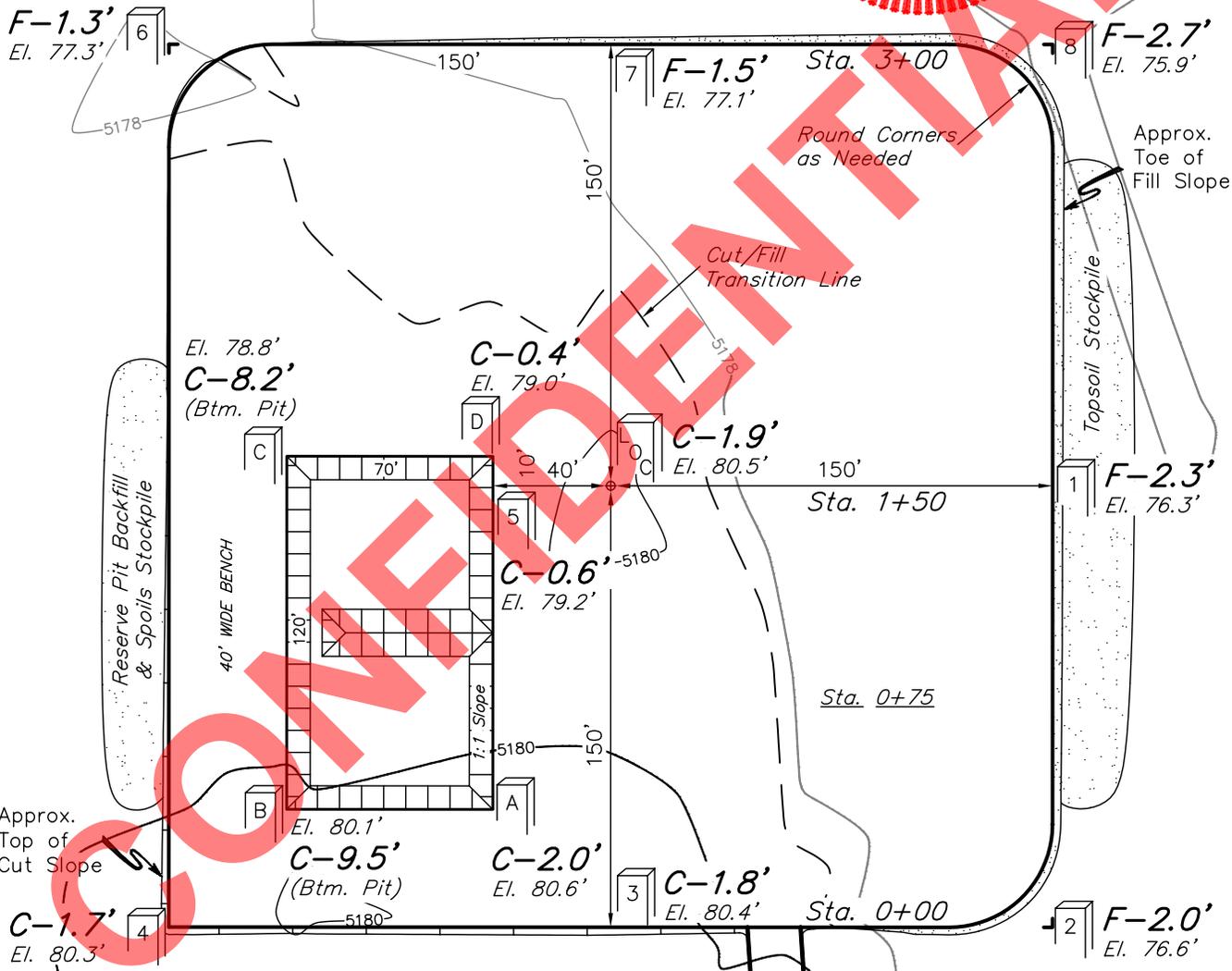
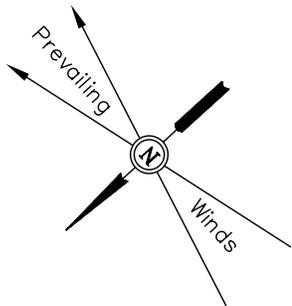
NEWFIELD EXPLORATION COMPANY

LOCATION LAYOUT FOR

PADILLA #1-18-3-2
SECTION 18, T3S, R2W, U.S.B.&M.
507' FNL 729' FEL

FIGURE #1

SCALE: 1" = 60'
DATE: 01-21-11
DRAWN BY: C.H.
REV: 05-03-11
REV: 05-18-11 J.I.



Approx. Top of Cut Slope

C-1.7'
El. 80.3'

RESERVE PIT
(8' Deep)
Total Pit Capacity
W/2' of Freeboard
= 6,740 Bbls.±
Total Pit Volume
= 1,950 Cu. Yds

Elev. Ungraded Ground At Loc. Stake = **5180.5'**
FINISHED GRADE ELEV. AT LOC. STAKE = **5178.6'**

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

RECEIVED: Jun. 27, 2011

NEWFIELD EXPLORATION COMPANY

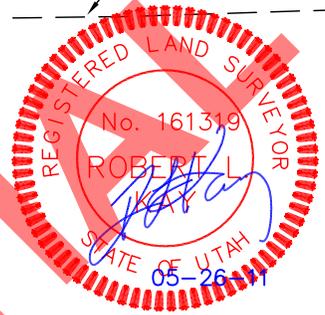
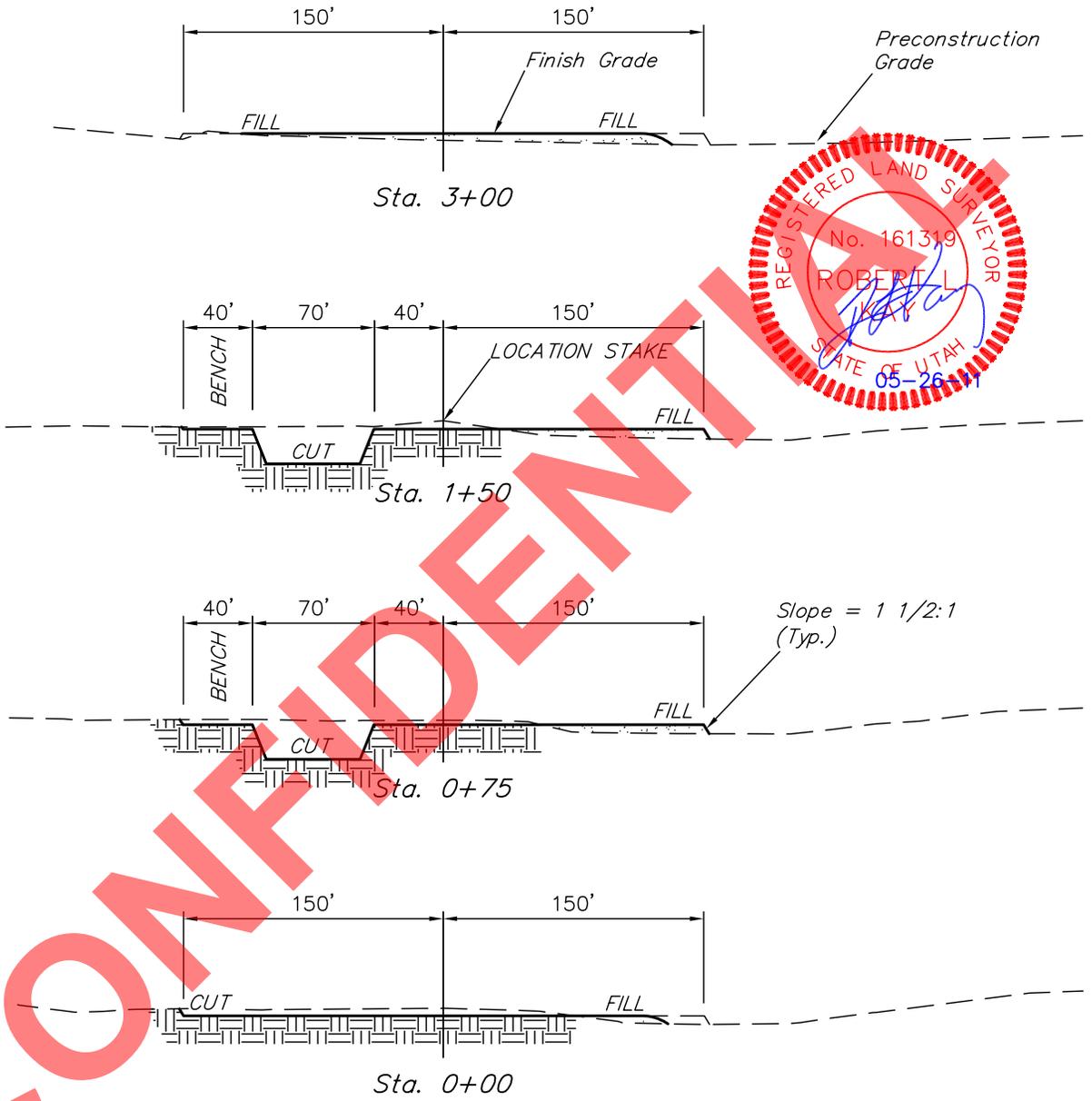
FIGURE #2

TYPICAL CROSS SECTIONS FOR

**PADILLA #1-18-3-2
SECTION 18, T3S, R2W, U.S.B.&M.
507' FNL 729' FEL**

X-Section Scale
1" = 100'
1" = 40'

DATE: 01-21-11
DRAWN BY: C.H.
REV: 05-03-11
REV: 05-18-11 J.L.



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

APPROXIMATE ACREAGES
WELL SITE DISTURBANCE = ± 2.812 ACRES
ACCESS ROAD DISTURBANCE = ± 5.238 ACRES
TOTAL = ± 8.050 ACRES

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	1,740 Cu. Yds.
Remaining Location	=	3,440 Cu. Yds.
TOTAL CUT	=	5,180 CU.YDS.
FILL	=	2,460 CU.YDS.

EXCESS MATERIAL	=	2,720 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	2,720 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	=	0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

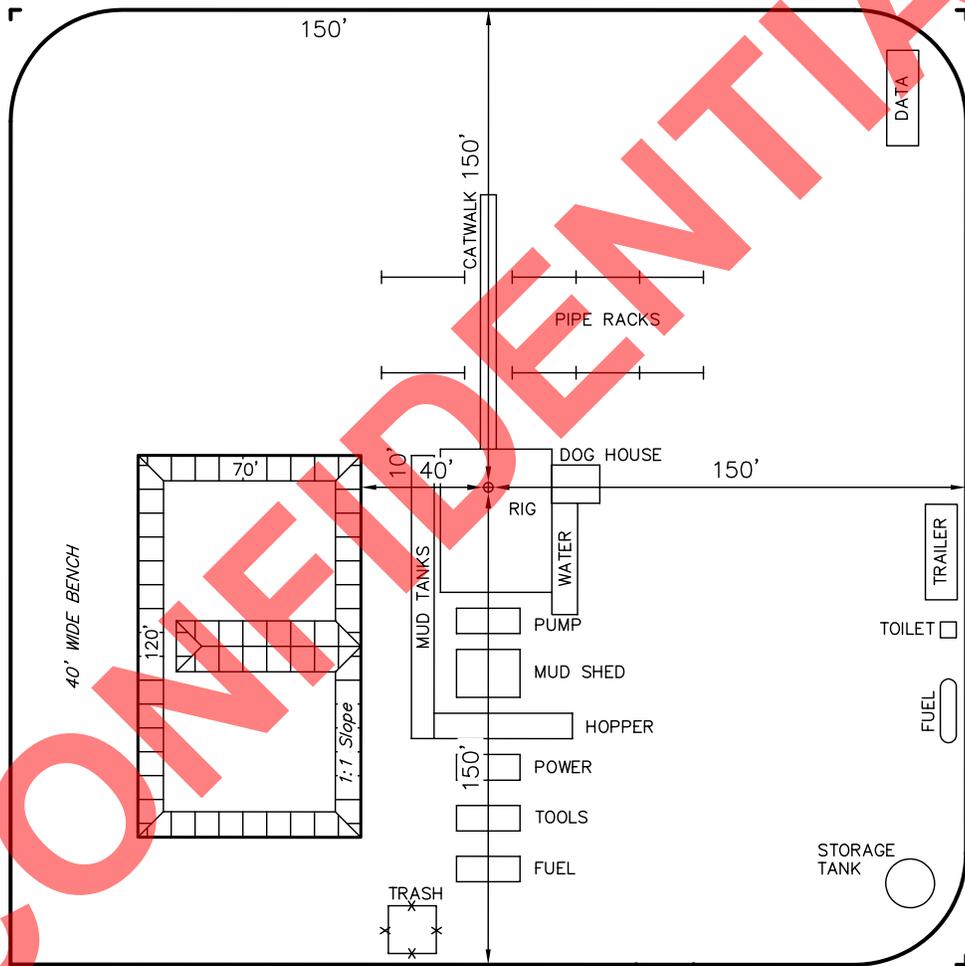
NEWFIELD EXPLORATION COMPANY

TYPICAL RIG LAYOUT FOR

PADILLA #1-18-3-2
SECTION 18, T3S, R2W, U.S.B.&M.
507' FNL 729' FEL

FIGURE #3

SCALE: 1" = 60'
DATE: 01-21-11
DRAWN BY: C.H.
REV: 05-03-11
REV: 05-18-11 J.I.

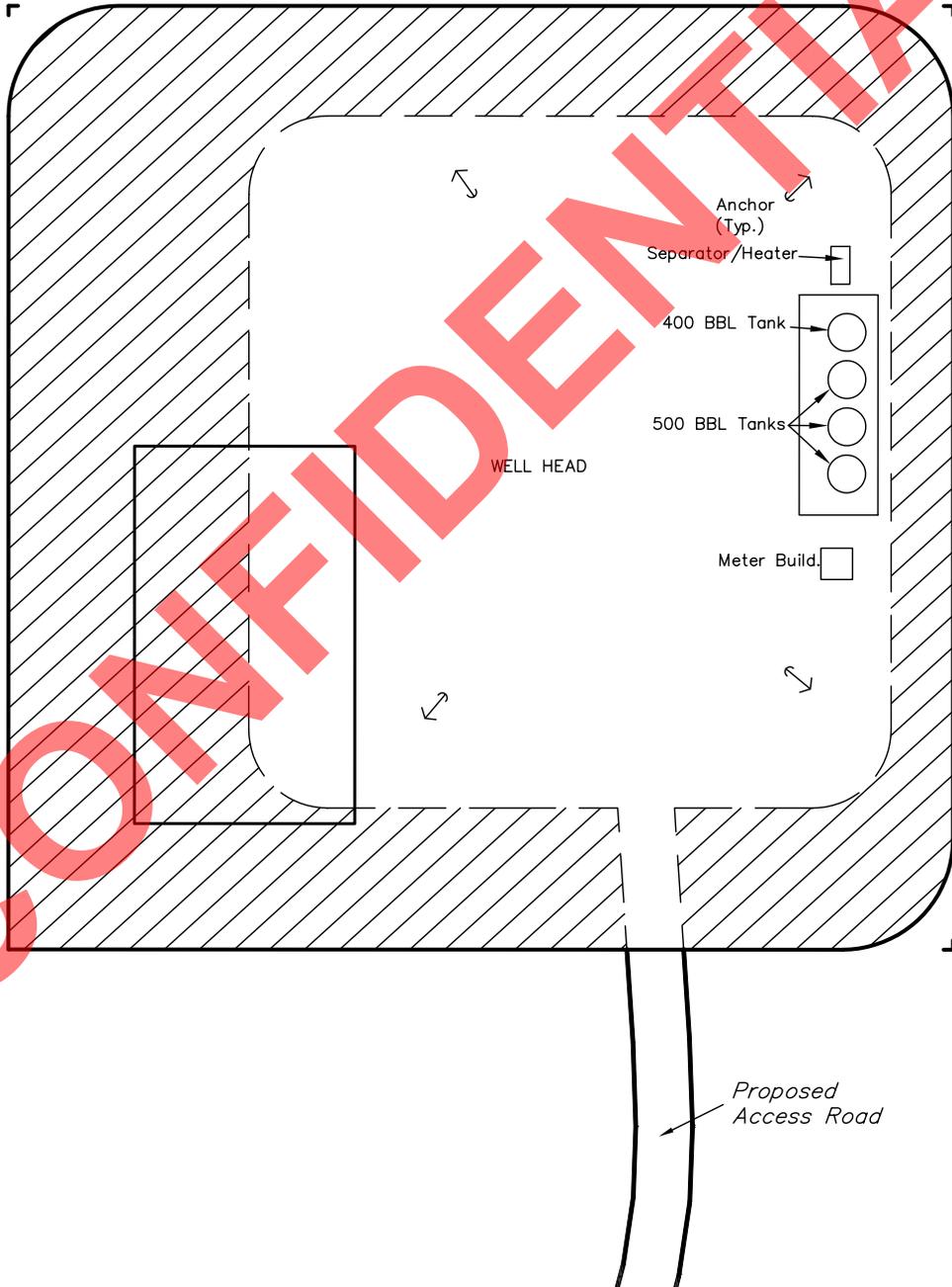
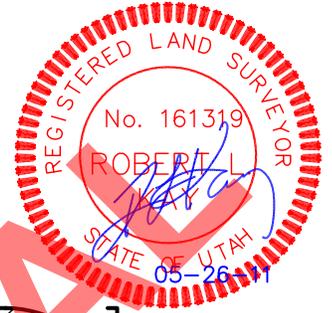
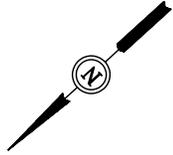


RESERVE PIT
(8' Deep)
Total Pit Capacity
W/2' of Freeboard
= 6,740 Bbls.±
Total Pit Volume
= 1,950 Cu. Yds

NEWFIELD EXPLORATION COMPANY
PRODUCTION FACILITY LAYOUT FOR
PADILLA #1-18-3-2
SECTION 18, T3S, R2W, U.S.B.&M.
507' FNL 729' FEL

FIGURE #4

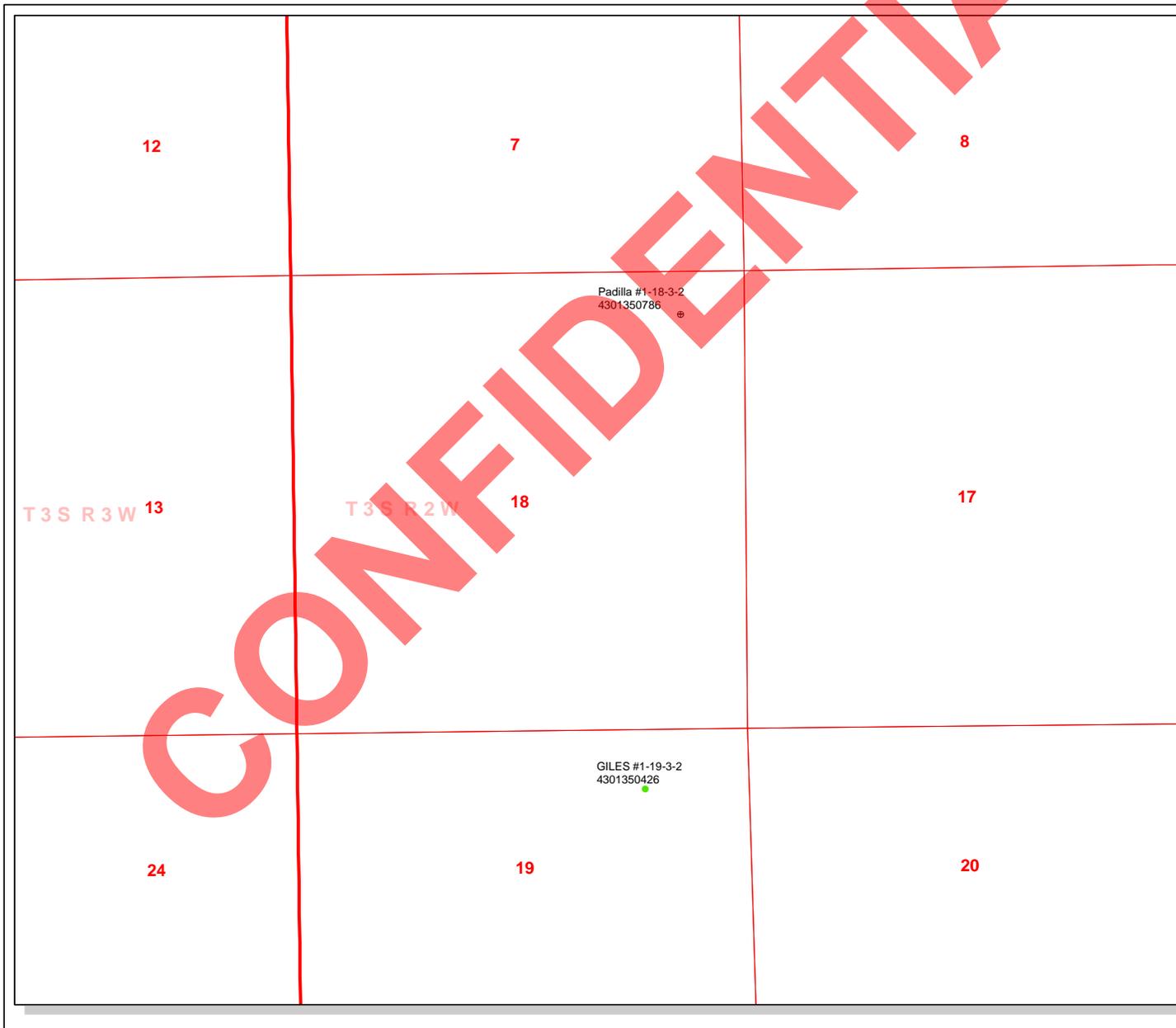
SCALE: 1" = 60'
DATE: 01-21-11
DRAWN BY: C.H.
REV: 05-03-11
REV: 05-18-11 J.I.



 RECLAIMED AREA

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

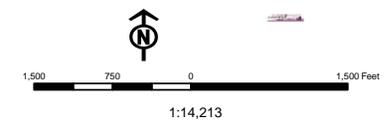
RECEIVED: Jun. 27, 2011



API Number: 4301350786
Well Name: Padilla #1-18-3-2
Township T0.3 . Range R0.2 . Section 18
Meridian: UBM
 Operator: NEWFIELD PRODUCTION COMPANY

Map Prepared:
 Map Produced by Diana Mason

- | | |
|---------------|------------------------------------|
| Units | Wells Query |
| STATUS | Status |
| 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 |
| STATUS | SOW - Shut-in Oil Well |
| Unknown | TA - Temp. Abandoned |
| ABANDONED | TW - Test Well |
| ACTIVE | WDW - Water Disposal |
| COMBINED | WIW - Water Injection Well |
| INACTIVE | WSW - Water Supply Well |
| STORAGE | |
| TERMINATED | |
| Sections | |
| Township | |





State of Utah

GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

Office of the Governor
PUBLIC LANDS POLICY COORDINATION

JOHN HARJA
Director

June 15, 2011

Diana Mason
Petroleum Specialist
Department of Natural Resources, Division of Oil Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

Subject: Application for Permit to Drill Padilla #1-18-3-2 well
RDCC Project No. 26720

Dear Ms. Mason:

The State of Utah, through the Public Lands Policy Coordination Office (PLPCO), has reviewed this project. Utah Code (Section 63J-4-601, *et. seq.*) designates PLPCO as the entity responsible to coordinate the review of technical and policy actions that may affect the physical resources of the state, and to facilitate the exchange of information on those actions among federal, state, and local government agencies. As part of this process, PLPCO makes use of the Resource Development Coordinating Committee (RDCC). The RDCC includes representatives from the state agencies that are generally involved or impacted by public lands management.

Division of Air Quality

Because fugitive dust may be generated during soil disturbance the proposed project will be subject to Air Quality rule R307-205-5 for Fugitive Dust. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules can be found at www.rules.utah.gov/publicat/code/r307/r307.htm.

The state encourages the use of Best Management Processes (BMP s) in protecting air quality in Utah. The state recommends the following BMP s as standard operating procedures:

- 1) Emission Standards for Stationary Internal Combustion Engines of 2 g/bhp-hr of NO_x for engines less than 300 HP (Tier 3) and 1 g/bhp-hr of NO_x for engines over 300 HP (Tier 3).

- 2) No or low bleed controllers for Pneumatic Pumps, Actuators and other Pneumatic devices.
- 3) Green completion or controlled VOC emissions methods with 90% efficiency for Oil or Gas Atmospheric Storage Tanks, VOC Venting controls or flaring, Glycol Dehydration and Amine Units Units, VOC Venting controls or flaring, Well Completion, Re-Completion, Venting, and Planned Blowdown Emissions.

If compressors or pump stations are constructed at the site a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to R307-401: Permit: Notice of Intent and Approval Order, of the Utah Air Quality Rules. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm.

The State of Utah appreciates the opportunity to review this proposal and we look forward to working with you on future projects. Please direct any other written questions regarding this correspondence to the Public Lands Policy Coordination Office at the address below, or call Judy Edwards at (801) 537-9023.

Sincerely,



John Harja
Director

CONFIDENTIAL

Well Name	NEWFIELD PRODUCTION COMPANY Padilla #1-18-3-2 4301			
String	COND	SURF	I1	PROD
Casing Size(")	13.375	9.625	7.000	4.500
Setting Depth (TVD)	60	1000	8687	10400
Previous Shoe Setting Depth (TVD)	0	60	1000	8687
Max Mud Weight (ppg)	8.3	8.3	11.0	11.0
BOPE Proposed (psi)	0	500	5000	5000
Casing Internal Yield (psi)	1000	3520	9950	10690
Operators Max Anticipated Pressure (psi)	5678			10.5

Calculations	COND String	13.375	"
Max BHP (psi)	.052*Setting Depth*MW=	26	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	19	NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	13	NO OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	13	NO
Required Casing/BOPE Test Pressure=		60	psi
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi *Assumes 1psi/ft frac gradient

Calculations	SURF String	9.625	"
Max BHP (psi)	.052*Setting Depth*MW=	432	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	312	YES diverter
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	212	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	225	NO
Required Casing/BOPE Test Pressure=		1000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		60	psi *Assumes 1psi/ft frac gradient

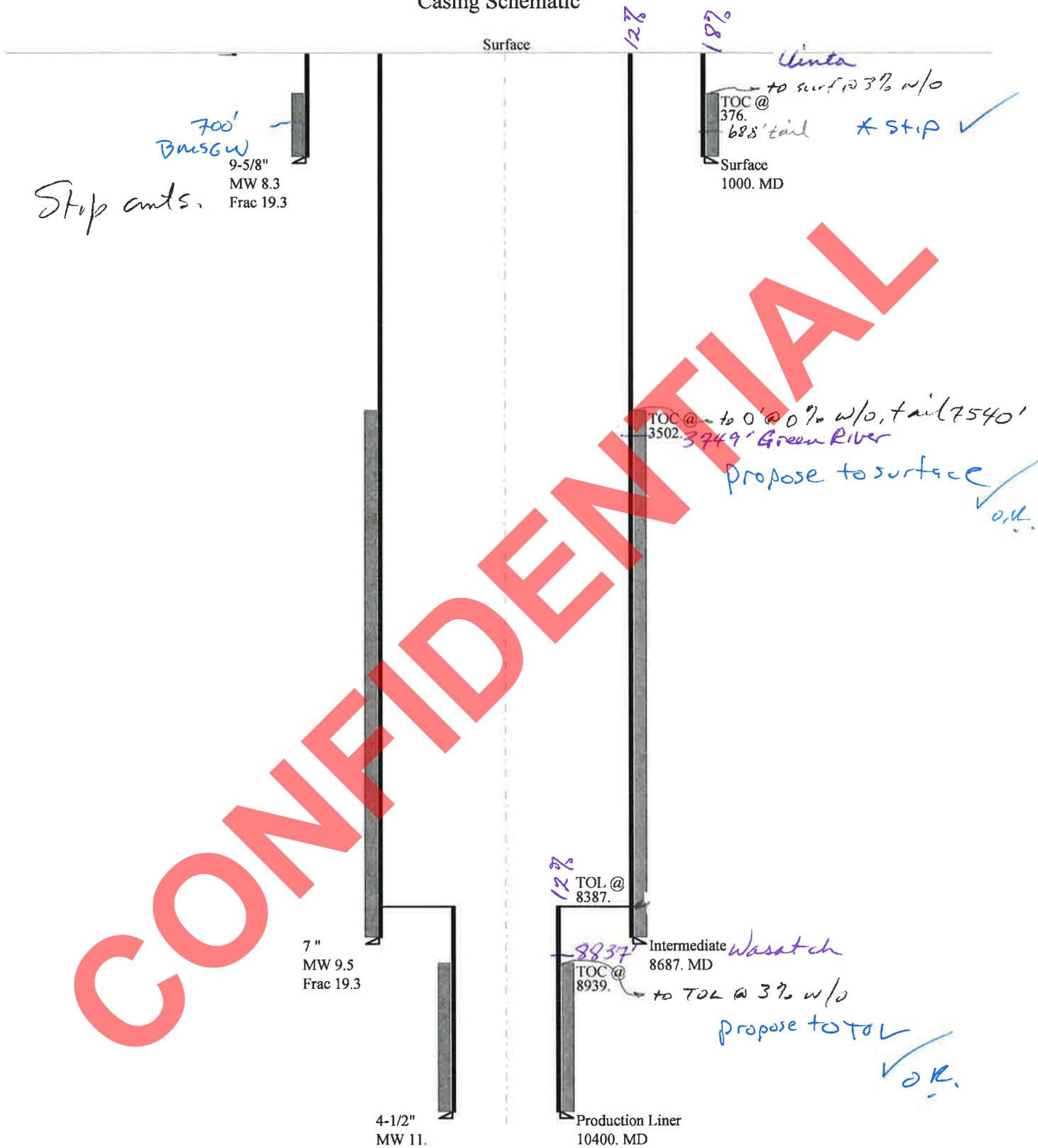
Calculations	I1 String	7.000	"
Max BHP (psi)	.052*Setting Depth*MW=	4969	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	3927	YES
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	3058	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	3278	NO Reasonable
Required Casing/BOPE Test Pressure=		5000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		1000	psi *Assumes 1psi/ft frac gradient

Calculations	PROD String	4.500	"
Max BHP (psi)	.052*Setting Depth*MW=	5949	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	4701	YES
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	3661	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	5572	YES OK
Required Casing/BOPE Test Pressure=		5000	psi

CONFIDENTIAL

43013507860000 Padilla #1-18-3-2

Casing Schematic



CONFIDENTIAL

Well name:	43013507860000 Padilla #1-18-3-2		
Operator:	NEWFIELD PRODUCTION COMPANY		
String type:	Surface	Project ID:	43-013-50786
Location:	DUCHESNE COUNTY		

Design parameters:

Collapse

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

Burst

Max anticipated surface pressure: 880 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP: 1,000 psi

 No backup mud specified.

Minimum design factors:

Collapse:

Design factor: 1.125

Burst:

Design factor: 1.00

Tension:

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

Tension is based on air weight.
 Neutral point: 877 ft

Environment:

H2S considered? No
 Surface temperature: 74 °F
 Bottom hole temperature: 88 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 100 ft

 Cement top: 376 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 8,687 ft
 Next mud weight: 9.500 ppg
 Next setting BHP: 4,287 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 1,000 ft
 Injection pressure: 1,000 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	1000	9.625	36.00	J-55	ST&C	1000	1000	8.796	8691
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	433	2020	4.669	1000	3520	3.52	36	394	10.95 J

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

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

Date: June 8, 2011
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 1000 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.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	43013507860000 Padilla #1-18-3-2		
Operator:	NEWFIELD PRODUCTION COMPANY		
String type:	Intermediate	Project ID:	43-013-50786
Location:	DUCHESNE COUNTY		

Design parameters:

Collapse

Mud weight: 9.500 ppg
 Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 3,655 psi
 Internal gradient: 0.220 psi/ft
 Calculated BHP: 5,566 psi

 No backup mud specified.

Minimum design factors:

Collapse:

Design factor: 1.125

Burst:

Design factor: 1.00

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: 7,442 ft

Environment:

H2S considered? No
 Surface temperature: 74 °F
 Bottom hole temperature: 196 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 100 ft

Cement top: 3,502 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 10,400 ft
 Next mud weight: 11.000 ppg
 Next setting BHP: 5,943 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 8,687 ft
 Injection pressure: 8,687 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	8687	7	26.00	P-110	LT&C	8687	8687	6.151	90301
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	4287	6230	1.453	5566	9950	1.79	225.9	693	3.07 J

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

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

Date: June 8, 2011
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 8687 ft, a mud weight of 9.5 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.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	43013507860000 Padilla #1-18-3-2	
Operator:	NEWFIELD PRODUCTION COMPANY	
String type:	Production Liner	Project ID: 43-013-50786
Location:	DUCHESNE COUNTY	

Design parameters:

Collapse

Mud weight: 11.000 ppg
Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 3,655 psi
Internal gradient: 0.220 psi/ft
Calculated BHP: 5,943 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor: 1.125

Burst:

Design factor: 1.00

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: 10,071 ft

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 220 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,000 ft

Cement top: 8,939 ft

Liner top: 8,387 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	2000	4.5	11.60	P-110	LT&C	10400	10400	3.875	9635
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	5943	7580	1.276	5943	10690	1.80	23.2	279	12.03 J

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

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

Date: June 8, 2011
Salt Lake City, Utah

Remarks:

For this liner string, the top is rounded to the nearest 100 ft. Collapse is based on a vertical depth of 10400 ft, a mud weight of 11 ppg. The Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator	NEWFIELD PRODUCTION COMPANY				
Well Name	Padilla #1-18-3-2				
API Number	43013507860000	APD No	3890	Field/Unit	WILDCAT
Location: 1/4,1/4	NENE	Sec 18	Tw 3.0S	Rng 2.0W	507 FNL 729 FEL
GPS Coord (UTM)	572744	4453198	Surface Owner	Joe R. Padilla	

Participants

Floyd Bartlett (DOGM), Tim Eaton, Jeff Henderson (Newfield Exploration Company).

Regional/Local Setting & Topography

The general area is approximately 10.3 road miles southwest of Roosevelt and 4 air miles west of Myton, Duchesne County, UT. The site is within bottomlands formed by the Duchesne and Lake Fork Rivers, which join approximately 3 ½ miles southeast of the location. Topography is broad gentle bottomlands bordered on the north by gentle to steep sloping side-hills. Much of the bottomlands are used for agriculture. Access is by State, County and planned oil field development roads. Approximately 3482 feet of betterment and new construction is planned for this well.

The proposed Padillia #1-18-3-2 oil well location is on lands owned by Joe Padillia of Sadillia, Colorado. A surface use agreement exists. Mr. Padillia was contacted by telephone. He said he would not attend the preside visit and had no concerns regarding the proposal. It is located in waste type lands not used or suitable for agriculture. The site has a relatively high water table. It is dominated with grease wood and soils are high in alkali. At least the area under the rig substructure must be hardened with imported borrow. To construct the pad, a limited amount of cut will be moved from the north portion of the location to the south. Maximum cut is 2.8 feet at Pit Corner A and maximum fill is 2.7 feet at Location Corner 8. The Dry Gulch Canal is about ¼ mile north of the site. The site is within the normal drilling window and with pad hardening it should be a suitable location for constructing a pad, drilling and operating a well.

Surface Use Plan

Current Surface Use

Grazing
Wildlife Habitat

New Road Miles	Well Pad	Src Const Material	Surface Formation
0.71	Width 300 Length 300	Offsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

Vegetation on the area is dominated by greasewood. Curly mesquite, fringe sage, Si hy, horsebrush, rabbit brush and annuals are present.

Cattle, antelope, deer, prairie dogs, small mammals and birds.

Soil Type and Characteristics

Deep sandy clay loam with no surface rock.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues Y

Surface of pad must be hardened at least under the rig sub-structure with imported borrow.

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?** N

Reserve Pit

Site-Specific Factors

Site Ranking

Distance to Groundwater (feet)	25 to 75	15	
Distance to Surface Water (feet)	300 to 1000	2	
Dist. Nearest Municipal Well (ft)	>5280	0	
Distance to Other Wells (feet)	>1320	0	
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	32	1 Sensitivity Level

Characteristics / Requirements

A reserve pit 120' x 70' x 8' deep will be dug in the northwest corner of the site. A 16 mill liner with felt sub-liner will be used.

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

Other Observations / Comments

Floyd Bartlett
Evaluator

6/14/2011
Date / Time

Application for Permit to Drill

Statement of Basis

6/27/2011

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
3890	43013507860000	LOCKED	OW	P	No
Operator	NEWFIELD PRODUCTION COMPANY		Surface Owner-APD	Joe R. Padilla	
Well Name	Padilla #1-18-3-2		Unit		
Field	WILDCAT		Type of Work	DRILL	
Location	NENE 18 3S 2W U 507 FNL 729 FEL		GPS Coord (UTM)	572751E 4453196N	

Geologic Statement of Basis

Newfield proposes to set 60' of conductor and 1,000' of surface casing at this location. The base of the moderately saline water at this location is estimated to be at a depth of 700'. A search of Division of Water Rights records shows 6 water wells within a 10,000 foot radius of the center of Section 18. All wells are located over a mile from the proposed location. All wells are privately owned. Depth is listed as ranging from 50 to 200 feet. Depth is not listed for 1 well. Average depth is less than 100 feet. 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 surface casing should adequately protect useable ground water in this area.

Brad Hill
APD Evaluator

6/16/2011
Date / Time

Surface Statement of Basis

The general area is approximately 10.3 road miles southwest of Roosevelt and 4 air miles west of Myton, Duchesne County, UT. The site is within bottomlands formed by the Duchesne and Lake Fork Rivers, which join approximately 3 1/2 miles southeast of the location. Topography is broad gentle bottomlands bordered on the north by gentle to steep sloping side-hills. Much of the bottomlands are used for agriculture. Access is by State, County and planned oil field development roads. Approximately 3482 feet of betterment and new construction is planned for this well.

The proposed Padillia #1-18-3-2 oil well location is on lands owned by Joe Padillia of Sadillia, Colorado. A surface use agreement exists. Mr. Padillia was contacted by telephone. He said he would not attend the preside visit and had no concerns regarding the proposal. It is located in waste type lands not used or suitable for agriculture. The site has a relatively high water table. It is dominated with grease wood and soils are high in alkali. At least the area under the rig substructure must be hardened with imported borrow. To construct the pad, a limited amount of cut will be moved from the north portion of the location to the south. Maximum cut is 2.8 feet at Pit Corner A and maximum fill is 2.7 feet at Location Corner 8. The Dry Gulch Canal is about 1/4 mile north of the site. The site is within the normal drilling window and with pad hardening it should be a suitable location for constructing a pad, drilling and operating a well.

Floyd Bartlett
Onsite Evaluator

6/14/2011
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.
Surface	The reserve pit shall be fenced upon completion of drilling operations.

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 5/30/2011

API NO. ASSIGNED: 43013507860000

WELL NAME: Padilla #1-18-3-2

OPERATOR: NEWFIELD PRODUCTION COMPANY (N2695)

PHONE NUMBER: 435 719-2018

CONTACT: Don Hamilton

PROPOSED LOCATION: NENE 18 030S 020W

Permit Tech Review:

SURFACE: 0507 FNL 0729 FEL

Engineering Review:

BOTTOM: 0507 FNL 0729 FEL

Geology Review:

COUNTY: DUCHESNE

LATITUDE: 40.22793

LONGITUDE: -110.14489

UTM SURF EASTINGS: 572751.00

NORTHINGS: 4453196.00

FIELD NAME: WILDCAT

LEASE TYPE: 4 - Fee

LEASE NUMBER: Patented

PROPOSED PRODUCING FORMATION(S): WASATCH

SURFACE OWNER: 4 - Fee

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- PLAT
 - Bond: STATE - B001834
 - Potash
 - Oil Shale 190-5
 - Oil Shale 190-3
 - Oil Shale 190-13
 - Water Permit: 437478
 - RDCC Review: 2011-06-23 00:00:00.0
 - 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:** R649-3-2
- Effective Date:**
- Siting:**
- R649-3-11. Directional Drill

Comments: Presite Completed

Stipulations:

- 5 - Statement of Basis - bhill
- 11 - Cement Productive Zones - ddoucet
- 12 - Cement Volume (3) - hmacdonald
- 21 - RDCC - dmason
- 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: Padilla #1-18-3-2
API Well Number: 43013507860000
Lease Number: Patented
Surface Owner: FEE (PRIVATE)
Approval Date: 6/27/2011

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 R649-3-2. The expected producing formation or pool is the WASATCH Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

The Application for Permit to Drill has been forwarded to the Resource Development Coordinating Committee for review of this action. The operator will be required to comply with any applicable recommendations resulting from this review. (See attached)

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.

Intermediate casing shall be cemented 100' minimum above producing formations encountered while drilling and 100' minimum above any zones tested (proposed cement back to surface in drilling plan).

Surface casing shall be cemented to the surface.

Cement volume for the 4 1/2" production string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to 8387' MD as indicated in the submitted drilling plan.

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

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 <http://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:

Approved by:

A handwritten signature in black ink, appearing to read "J. Rogers", written in a cursive style.

For John Rogers
Associate Director, Oil & Gas

Spud
BLM - Vernal Field Office - Notification Form

Operator Newfield Exploration Rig Name/# 30 Bucket Rig
Submitted By Britt Stubbs Phone Number 435-823-0096
Well Name/Number Padilla 1-18-3-2
Qtr/Qtr NE/NE Section 18 Township 3S Range 2W
Lease Serial Number Patented
API Number 43-013-50786

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

Date/Time 7-6-11 9:00 AM PM

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

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

Date/Time 7-6-11 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 _____

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	99999	17400 ✓	4301350653	GMBU V-32-8-16	SESE	32	8S	16E	DUCHESNE	7/21/2011	7/28/11
WELL 1 COMMENTS: <i>GRRV</i> <i>BHL = SESE</i>											
A	99999	18148	4301350786	PADILLA #1-18-3-2	NENE	18	3S	2W	DUCHESNE	7/6/2011	7/28/11
<i>WSTC</i> CONFIDENTIAL											
A	99999	18149	4301350833	MURPHY #2-31-3-2	NWNE	31	3S	2W	DUCHESNE	7/21/2011	7/28/11
<i>WSTC</i> CONFIDENTIAL											
A	99999	18150	4304751311	UTE TRIBAL 1-9-4-1E	NENE	9	4S	1E	UINTAH	7/5/2011	7/28/11
<i>GRRV</i>											
B	99999	17400 ✓	4304751551	GMBU C-2-9-17	NWNE	2	9S	17E	UINTAH	7/14/2011	7/28/11
<i>GRRV</i> <i>BHL = NENW</i>											
ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	QQ	SC	TP	RG	COUNTY	SPUD DATE	EFFECTIVE DATE

ACTION CODES (See instructions on back of form)
 A - 1 new entity for new well (single well only)
 B - 1 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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 JUL 27 2011

DIV. OF OIL, GAS & MINING

Signature: *[Handwritten Signature]*
 Jentri Park
 Production Clerk
 07/27/11

CONFIDENTIAL

BLM - Vernal Field Office - Notification Form

Operator Newfield Exploration Rig Name/# Pioneer 69 Submitted
By RL Tatman Phone Number 4358286092
Well Name/Number Padilla 1-10-3-2W
Qtr/Qtr NE/NE Section 18 Township 3S Range 2W
Lease Serial Number FEE
API Number 43-013-50786

TD Notice – TD is the final drilling depth of hole.

Date/Time 7/30/11 0400 AM PM

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

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

Date/Time 7-31-11 1800 AM PM

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AUG 01 2011

DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: 14-20-H62-6269
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: Padilla #1-18-3-2	
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY	9. API NUMBER: 43013507860000	
3. ADDRESS OF OPERATOR: Rt 3 Box 3630 , Myton, UT, 84052	PHONE NUMBER: 435 646-4825 Ext	9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0507 FNL 0729 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 18 Township: 03.0S Range: 02.0W Meridian: U		COUNTY: DUCHESNE
		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 8/3/2011 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	
	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input type="text" value="Change of Lease Numbr"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
The lease number for the above mentioned well needs to be changed to reflect the correct mineral ownership to BIA Lease Number 14-20-H62-6269.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY		
NAME (PLEASE PRINT) Mandie Crozier	PHONE NUMBER 435 646-4825	TITLE Regulatory Tech
SIGNATURE N/A	DATE 8/3/2011	

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Form 3160-3
(August 2007)

AUG 03 2011

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

BLM, Vernal Utah
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. 14-20-H62-6269
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name UTE
2. Name of Operator Newfield Production Company		7. If Unit or CA Agreement, Name and No. NA
3a. Address Route #3 Box 3630, Myton UT 84052		8. Lease Name and Well No. Padilla #1-18-3-2
3b. Phone No. (include area code) (435) 646-3721		9. API Well No. 43-013-50786
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface NE/NE 507' FNL 729' FEL At proposed prod. zone		10. Field and Pool, or Exploratory Undesignated
14. Distance in miles and direction from nearest town or post office* Approximately 12.8 miles southwest of Myton, UT		11. Sec., T. R. M. or Blk. and Survey or Area Sec. 18, T3S R2W
15. Distance from proposed* location to nearest property or lease line, ft. Approx. 507' f/lse, NA' f/unit (Also to nearest drig. unit line, if any)	16. No. of acres in lease NA	17. Spacing Unit dedicated to this well 40 Acres
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. NA	19. Proposed Depth 10,400'	20. BLM/BIA Bond No. on file RLB0010462
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5181' GL	22. Approximate date work will start* 3rd Qtr. 2011	23. Estimated duration (15) days from SPUD to rig release
24. Attachments		

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

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

25. Signature 	Name (Printed/Typed) Mandie Crozier	Date 8/2/11
-------------------	--	----------------

Title
Regulatory Specialist

Approved by (Signature) 	Name (Printed/Typed) Jerry Kenczka	Date AUG 12 2011
-----------------------------	---------------------------------------	---------------------

Title
Assistant Field Manager
Lands & Mineral Resources

Office
VERNAL FIELD OFFICE

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

CONDITIONS OF APPROVAL ATTACHED

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

(Continued on page 2)

*(Instructions on page 2)

NOTICE OF APPROVAL

UDOGM

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DIV. OF OIL, GAS & MINING

111 BLM/210A



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

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Newfield Production Company
Well No: Padillia 1-18-3-2
API No: 43-047-50786

Location: NENE, Sec. 18, T3S, R2W
Lease No: 14-20-H62-6269
Agreement: N/A

OFFICE NUMBER: (435) 781-4400

OFFICE FAX NUMBER: (435) 781-3420

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

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

NOTIFICATION REQUIREMENTS

Construction Activity (Notify Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist)	- The Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist shall be notified at least 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday.
Construction Completion (Notify Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist)	- Upon completion of the pertinent APD/ROW construction, notify the Ute Tribe Energy & Minerals Dept. for a Tribal Technician to verify the Affidavit of Completion. Notify the BLM Environmental Scientist prior to moving on the drilling rig.
Spud Notice (Notify BLM Petroleum Engineer)	- Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify BLM Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to running casing and cementing all casing strings to: ut_vn_opreport@blm.gov .
BOP & Related Equipment Tests (Notify BLM Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify BLM Petroleum Engineer)	- Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

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

CONDITIONS OF APPROVAL:

- The edge of the pad shall avoid the drainage.
- A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be installed and maintained in the reserve pit.
- Any deviation from submitted APD's and ROW applications the operator will notify the BLM in writing and will receive written authorization of any such change with appropriate authorization.
- All operator employees and/or authorized personnel (sub-contractors) in the field will have approved applicable APD's and ROW permits/authorizations on their person(s) during all phases of construction.
- All vehicular traffic, personnel movement, construction/restoration operations shall be confined to the area examined and approved, and to the existing roadways and/or evaluated access routes.
- All permanent surface equipment (meaning on site for six months or longer) will be painted Covert Green to match the surrounding landscape color unless otherwise authorized. This will include all facilities except those required to comply with Occupational Safety and Health Act (OSHA) regulations.
- Reclamation will be completed in accordance with the recontouring and reseeding procedures outlined in the Newfield Exploration Company Castle Peak and Eight Mile Flat Reclamation Plan on file with the Vernal Field Office of the BLM, unless otherwise specified by the private surface owner.
- The surface conditions as set forth by the owners and/or agencies.

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

SITE SPECIFIC DOWNHOLE COAs:

- Intermediate casing cement shall be brought 200' up and into the surface casing annuli. Intermediate casing minimum cement top is 0800 ft.
- Production casing cement shall be brought 200' up and into the intermediate casing annuli. Production casing minimum cement top is 8400 ft.

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

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

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

(from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

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

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- For information regarding production reporting, contact the Office of Natural Resources Revenue (ONRR) at www.ONRR.gov.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location ($\frac{1}{4}$ $\frac{1}{4}$, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if

performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

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

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: 14-20-H62-6269
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: PADILLA #1-18-3-2	
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY	9. API NUMBER: 43013507860000	
3. ADDRESS OF OPERATOR: Rt 3 Box 3630 , Myton, UT, 84052	PHONE NUMBER: 435 646-4825 Ext	9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0507 FNL 0729 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 18 Township: 03.0S Range: 02.0W Meridian: U	COUNTY: DUCHESNE	
		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input checked="" type="checkbox"/> DRILLING REPORT Report Date: 10/13/2011	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> OTHER	
<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
The above well was placed on production on 10/13/2011 at 19:00 hrs.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY		
NAME (PLEASE PRINT) Jennifer Peatross	PHONE NUMBER 435 646-4885	TITLE Production Technician
SIGNATURE N/A	DATE 12/7/2011	

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

1a. Type of Well Oil Well Gas Well Dry Other
 b. Type of Completion: New Well Work Over Deepen Plug Back Diff. Resvr.,
 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 507' FNL & 729' FEL (NE/NE) SEC. 18, T3S, R2W

At top prod. interval reported below

At total depth 10400'

14. Date Spudded
07/07/2011

15. Date T.D. Reached
08/03/2011

16. Date Completed 10/13/2011
 D & A Ready to Prod.

17. Elevations (DF, RKB, RT, GL)*
5181' GL 5199' KB

18. Total Depth: MD 10400'
TVD

19. Plug Back T.D.: MD 10351'
TVD

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each) *MUD*
 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"	9-5/8" J-55	36#	0	1014'		344 PRIMLITE			
8-3/4"	7" P-110	26#	0	8673'		370 PRIMLITE		310'	
						350 50/50 POZ			
6-1/8"	4-1/2" P-110	11.6#	8240'	10396'		210 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@ 8211'	TA @ 8066'						

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Red Beds/Wasatch	10078'	10240'	8851-10240'	.35"	171	
B) Wasatch	8851'	9895'				
C)						
D)						

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

Depth Interval	Amount and Type of Material
10078-10240'	Frac w/ 4567# 100 mesh, 27488# 20/40 white sand and 3667# 20/40 TLC; 1558 bbls Slickwater fluid; 1 stage.
8851-9895'	Frac w/ 595479# 20/40 white sand and 66737# 20/40 TLC; 14154 bbls Lightning 17 fluid; 5 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
10/3/11	1/14/12	24	→	194	234	188			Weatherford 2-1/2" x 2" x 36' RHBC Pump
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	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	Tbg. Press. Flwg. SI	Csg. Press.	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.)

SOLD AND 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
RED BEDS/WASATCH WASATCH	10078' 8851'	10240' 9895'		GREEN RIVER	3469'
				MAHOGANY BENCH TOP	5523'
				GARDEN GULCH MARKER GARDEN GULCH 1	6376' 6636'
				GARDEN GULCH 2 DOUGLAS CREEK MARKER	6798' 7473'
				UTELAND BUTTE WASATCH	8690' 8825'

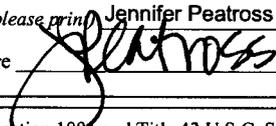
32. Additional remarks (include plugging procedure):

The above well began producing on 10/03/2011 during the drilling/completion process. Test data was taken ten days following the well being placed on pump.

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  Date 01/25/2012

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

PADILLA 1-18-3-2

6/1/2011 To 10/30/2011

PADILLA 1-18-3-2

Waiting on Cement

Date: 7/8/2011

Ross #31 at 55. Days Since Spud - On 7/7/11 Ross #30 spud and drilled 55' of 18" hole, P/U and run 2 jts of 14" casing set - yield. Returned 5 bbls to piti, BLM and State were notified of spud via email. - 55'KB. On 7/8/11 cement w/BJ w/91 sks of class G+2%kcl+.25#CF mixed @ 15.8ppg and 1.17

Daily Cost: \$0

Cumulative Cost: \$427,809

PADILLA 1-18-3-2

Rig Down / Preparing To Mob Rig

Date: 7/13/2011

Pioneer #69 at 72. 0 Days Since Spud - Pre Tour Safety Meeting on Tear Down - Rig Down and Prepare to Mob From Lamb 1-19-3-1

Daily Cost: \$0

Cumulative Cost: \$451,966

PADILLA 1-18-3-2

Rig up - Reclaim 8' of reserve pit

Date: 7/14/2011

Pioneer #69 at 72. 0 Days Since Spud - JSA for days work; Rig down on Lamb #1-19-3-1 location and mobilize rig to - Padilla #1 18-3-2W location. Set sub and carrier; stop rig up due to location size - Continue rigging up as much as possible without pits being set. Scope up sub base; - Continue rigging up as much as possible before setting in remaining rig components - Raise derrick and wait on location to scope up same; fit 14" riser for 13 5/8" rotating head, - install same; p/u & m/u 13 5/8" rotating head while working on location - Add 8' of location between reserve pit and substructure. - Set Y-Base; change liners in mud pumps to 6 1/4"; C/O pipe rams f/ 4" t/ 4 1/2";

Daily Cost: \$0

Cumulative Cost: \$471,608

PADILLA 1-18-3-2

Repairing Kelly Spinner / P/U Swivel

Date: 7/15/2011

Pioneer #69 at 72. 0 Days Since Spud - JSA w/ crews; Continue to rig up with trucks and crane. Trucks released @ 12:30 PM - Crane released @ 13:30 hrs. Rig up all lines and utilities; Finish up 14" nipple up w/ rotating head - P/U drilling tools to rig floor; organize 12 1/4" BHA components. - Repair rig (NPT for Pioneer) Quill shaft longer on replacement swivel; exchange swivels; 2nd - Received 32 joints of 9 5/8" casing on location. - swivel; organize welder and parts to modify kelly spinner to fit first replacement swivel - Re-work kelly spinner to fit replacement swivel. - State of Utah notified of intent to spud well by phone. Carol Davis and Dennis Ingram - replacement swivel wrong connection thread; L/D 2nd replacement swivel; P/U first replacement

Daily Cost: \$0

Cumulative Cost: \$514,265

PADILLA 1-18-3-2

Drig 12 1/4" hole @ 892'

Date: 7/16/2011

Pioneer #69 at 892. 1 Days Since Spud - JSA for day's work; (NPT for Pioneer) Continue with

kelly spinner modification and repair swivel - packing damaged with kelly spinner operation. - Accept rig @ 13:00 hrs on 7-15-2011 to drill. P/U and M/U kelly, kelly spinner, put in rat hole, - 12 1/4" PDC bit, 8" mud motor, shock sub, cross over and p/u kelly. Tighten dresser sleeve - for small water leak. Test circulating system. - Drlg f/ 72' t/ 181' w/ 550-600 gpm - 30 RPM and 5K WOB - to spud, run 9 5/8" casing, cement, nipple up and test. - Drlg f/ 181' t/734' - Inspect rotating head drive bushing and replace rotating head rubber - Drlg f/ 734' t/ 892' - Time spent surveying on 250' stations. - Visit from State of Utah (D. Ingram) and voice mail notification given to D. Jarvis of intent - Service Rig

Daily Cost: \$0

Cumulative Cost: \$542,814

PADILLA 1-18-3-2

WOC while N/D 14" conductor

Date: 7/17/2011

Pioneer #69 at 1038. 2 Days Since Spud - JSA for days work; drlg f/ 892' t/ 1038'. 720 gpm / 10K WOB / 60 RPM - and hydraulic lines to BOPE) - Drop survey @ TD 966' @ 3.75° - Trip out of hole racking drill string back to 8" tools; L/D " tools with Kimzey casing - Found 8" motor with crack in upper stator connection leaking. - PJSM; R/U casing tongs and back up; P/U and M/U Davis float shoe, 1 jt 36# J-55 Csg; - Davis float collar; 26 jts 36# J-55 Csg (27 jts total ran) no problems tripping in the hole except - the last joint took weight briefly and then went to bottom without issue; full returns while running - casing. Filled on the fly with a fill up hose and installed swag at jts 2, 15, and 27 to circulate. - Checked floats on jt 2. PU wt 45K SO 35K - R/D Casing crew and release same - R/U cement trucks and lines to floor. - PJSM with crews on cement job; remove circulating swag and install cement head. Hook up hard lines. - Test hard lines to 3000 psi., pump 10 bbls dyed water, 10 bbls gel, 10 bbls fresh water; 344 sx prem - II cement 1% calc 14.4 ppg, 1.42 yld, 6.97 gps (87 bbls), shut down and drop plug @ 19:13 hrs; - displace w/ 77.5 bbls 3% KCL, bumped plug w/ 960 psi (final lift 300 psi @ 3 bpm) held 3 minutes; - bled back 1/2 bbl, floats held, 16 bbls of cmt to surface. CIP @ 19:29 hrs 7-16-11. - Rig down cementers - WOC - make cellar ready for welder to cut off casing; spot flare stack and install lines to same; - work on BOPE; install replacement hoses in substructure (kill line, choke line - Sweep hole clean with high vis pill; build and pump slug; fill and utilize trip tank for trip out.

Daily Cost: \$0

Cumulative Cost: \$613,825

PADILLA 1-18-3-2

Drilling the 8 3/4" section @ 1098'

Date: 7/18/2011

Pioneer #69 at 1098. 3 Days Since Spud - JSA for days work; S/O casing and rig down csg tools on floor; raise 13 5/8" rotating - Drlg f/ 1048' t/ 1098' - Make final cut and weld on well head 5M 11" SOW Cameron (test weld to 1000 psi. Witnessed - by co-rep Sandy Pulley) - Nipple up BOPE and hook up flow line; fill with water and look for leaks; flush choke and panic line - Pressure up accumulator unit and function test rams / preventers - JSA with crews and tester; R/U and test kelly valves, floor valves, choke manifold valves, pipe and - blind rams 250 psi low for 5 min and 5000 psi high for 10 minutes; test annular preventer 250 psi - low for 5 min and 3500 psi high for 10 min. BOPE test good; Accumulator test good. - Test 9 5/8" casing to 1500 psi with blind rams for 30 minutes (good test). - All tests charted and on display in co-rep office. - Install wear bushing in well head and run in 2 opposing LDS. - P/U and M/U 8 3/4" BHA #2; - TIH w/ 8 stands DP. L/D top joint off 7 stands to accommodate for BHA change. - Hold JSA; Slip and cut drlg line. 125'. - P/U kelly and establish drilling parameters / Tag cement at 980' - Rig Service - Pumps - Drill Cmt, shoe track and rat hole t/ 1038' FC @ 986' FS @ 1024' ; Drlg 10' new hole t/ 1048' - Circulate and condition for FIT - Perform FIT to 10 ppge (present mud wt 8.4; used 83 psi) - head and 14" riser to make rough cut on casing. L/D cut off; N/D 14" riser and rotating head;

Daily Cost: \$0

Cumulative Cost: \$641,601

PADILLA 1-18-3-2**Drig 8 3/4" hole at 2735'****Date:** 7/19/2011

Pioneer #69 at 2735. 4 Days Since Spud - JSA for days work; Drlg f/ 1098' t/ 1630' (includes connection and survey time) - Rig Service - Drlg f/ 2325' t/ 2735' - JSA for days work; Drlg f/ 1946' t/ 2325' - Drlg f/ 1630' t/ 1945' (includes connection and survey time)

Daily Cost: \$0**Cumulative Cost:** \$703,448

PADILLA 1-18-3-2**Drig 8 3/4" hole at 3646'****Date:** 7/20/2011

Pioneer #69 at 3646. 5 Days Since Spud - JSA for days work; Drlg f/ 2735' t/ 2798' (no sliding) - Circulate bottoms up for trip out - TOOH f/ 2798' to Directional Tools (pipe pulled wet due to motor failure / plugged nozzles) - L/D failed mud motor; P/U replacement mud motor; check MWD sonde and orient assembly - TIH T/ 2770'; Fill pipe and shallow pusle test MWD at casing seat; 30' of fill found. - Wash and ream 30' to bottom; lots of sand and sharded shale at shakers; slight oil show. - Drilling parameters = 500-550 gpm - 65 rpm - 15-20K WOB- 2250 psi on bottom - Service rig - JSA for days work; drlg f/ 2920' t/ 3350' - Drlg f/ 3350' t/ 3646' - Repair service - Total footage for last 24 hrs = 911' (886 rotated / 25 slid) 97% rotate 3% slide - Drlg f/ 2793' t/ 2920' (all rotating)

Daily Cost: \$0**Cumulative Cost:** \$729,478

PADILLA 1-18-3-2**Drilling ahead at the depth of 5543'.****Date:** 7/21/2011

Pioneer #69 at 5543. 6 Days Since Spud - JSA for days work; Drlg f/ 3646' t/ 4721' - JSA for days work; Drlg f/ 4721' t/ 5201' - 24 hr footage = 1897' // 82.48'/ hr // Rotate 1764' Slide 133' Rotate 93% Slide 7% - Work tight hole at 5487' (bit hung x 2; able to circulate; left hand torque when pumps running) - Drlg f/ 5512' t/ 5543' - Drlg f/ 5201' t/ 5512

Daily Cost: \$0**Cumulative Cost:** \$769,177

PADILLA 1-18-3-2**Drig ahead @ 6681'****Date:** 7/22/2011

Pioneer #69 at 6681. 7 Days Since Spud - JSA for days work; Drilling f/ 5543' t/ 5858' - 30 Minute Safety Stand Down - Drlg f/ 5858' t/ 6080' - Blend in 700 bbls of 9.6 ppg mud to system while drilling at the depth of 5947'. - 24 hr footage = 1138' (1056' rotated 82' slid) 93% rotate 7% slide - JSA for days work (safety stand down) drlg f/ 6080' t/ 6428' - Drlg f/ 6428' t/ 6681' - Drilling Parameters = 22K WOB / 65 RPM / 450 GPM / 200-400 Diff / Pump Press 2300 psi - Rig Service

Daily Cost: \$0**Cumulative Cost:** \$803,386

PADILLA 1-18-3-2**Drig 8 3/4" hole @ 7881'****Date:** 7/23/2011

Pioneer #69 at 7781. 8 Days Since Spud - JSA for days work; Drlg f/ 6681' t/ 7312' - Rig Service - JSA for days work; Drlg f/ 7312' t/ 7585 - Sliding as needed for vertical control - Footage last 24 hrs = 1200' (Rotate=1115' Slide=85') 93% rotate 7% slide - Drilling parameters = 20-24K WOB - 500 Diff - 450 GPM- 60 RPM - Drlg f/ 7585' t/ 7781'

Daily Cost: \$0**Cumulative Cost:** \$871,935

PADILLA 1-18-3-2**Circulate & Condition Hole For L/D & Log****Date:** 7/24/2011

Pioneer #69 at 8690. 9 Days Since Spud - JSA for days work; Drlg f/ 7881' t/ 8514' - Rig Service - Drlg f/ 8514' t/ 8608' - JSA for days work; Drlg f/ 8608' t/ 8690' TD for 7" casing point - Circulate and condition for L/D DP and E-Line logs. - Circulate and condition for L/D DP and E-Line logs. Increase mud weight to 10.2+ ppg for gas control - Short trip f/ 8690' t/ 5487'. Tight spot @ 5487'. Wiped through it several times until we were able - to trip past it without difficulty. No fill at bottom and no other problems seen on trip. - Circulate and condition for L/D DP, Run E-Line Logs and 7" casing. - 30' flare @ 7881'. Began increasing mud weight. Increased mud weight from 9.3 to 10.2 ppg over - course of day. 30' from bottoms up on short trip (flared just at bottoms up and then no flare) - days footage = 909' w/ 13 hrs drilling time. 70 fph average. Slid 43' Rotated 866' rot 95% sld 5%

Daily Cost: \$0**Cumulative Cost:** \$903,938

PADILLA 1-18-3-2**L/D 8 3/4" BHA****Date:** 7/25/2011

Pioneer #69 at 8690. 10 Days Since Spud - JSA for days work; Circ and cond mud wt to 10.2 ppg; wait on Weatherford L/D crew to arrive - L/D 8 3/4" BHA #3 - Observe well for flow (static); pump 12.2 ppg pill (40 bbls) set back kelly - TOO H L/D 4 1/2" DP t/ 5331' Several flow checks were made on the trip out with no flow - observed. Hole not taking proper fill. - Called town to discuss options with well not taking proper fill while observing well. - The decision was made to RIH to TD (8690') and circ and condition mud to 10.5 ppg - TIH w/ single joints 4 1/2" DP t/ 8690' (no difficulty except displacement long 3 bbls per 10 stands - on trip in) - Circulate and condition mud to 10.5+ ppg and work on getting entrained air out of mud - 30' flare seen @ 1/2 of bottom up volume pumped through bottoms up. Flare extinguished shortly - after bottoms up. Circulation through gas buster. - Circulate and condition mud to 10.5 ppg; take returns off gas buster and shut off poor boy degasser; - mix Bariod defoamer and aluminum stearate to control air in mud. Add water to re-hydrate and work - on mud properties. Mix 12.5 ppg slug to TOO H with. - Shut off pump and observe well for flow (well static) Pump slug and line up on trip tank. - TOO H t/ 5330' +/- - Continue TOO H to 675' (BHA) Observe well f/ flow (static) - P/U kelly and break same; rack back in rat hole - Hold PJSM w/ L/D crew and rig crew; R/U L/D crew

Daily Cost: \$0**Cumulative Cost:** \$938,174

PADILLA 1-18-3-2**Running 7" casing @ 4967'****Date:** 7/26/2011

Pioneer #69 at 8690. 11 Days Since Spud - Run 7" casing t/ 357' - Continue running 7" casing to the depth of 4967' - Filling pipe every 20 jts - Notified State of Utah (Dan Jarvis and Dennis Ingram) by phone of upcoming casing run, cement job - and BOPE test. No response from State. - JSA for days work; Safety meeting with Weatherford; finish L/D BHA #3 - R/D L/D Truck and move off - JSA with Halliburton Logging; R/U and run E-Line logs: Run 1 triple combo Run 2 XRMI / Dipole Sonic - JSA for days work; Safety meeting w/ Loggers; R/D loggers - Pull wear bushing - JSA w/ L/D and csg crew; R/U same

Daily Cost: \$0**Cumulative Cost:** \$1,050,306

PADILLA 1-18-3-2**TIH w/ 6 1/8" BHA****Date:** 7/27/2011

Pioneer #69 at 8690. 12 Days Since Spud - Run casing f/ 6219' t/ 8672'; P/U Cameron hanger

and land on hanger w/ 150K; install rotating - Test BOPE and 7" casing; Annular preventer tested 250 low/ 3500 hi; pipe, blind rams, choke manifold - run pumps at reduced rate and string in sawdust to get mud returns to surface. Reciprocate pipe 10'. - Circulate and condition mud; work on recovering returns; approximate losses of 250 bbls - JSA for days work; Run casing w/ casing crew t/ 5545'. - Rig down cementers - Install pack off / drill through wear bushing in A-Section - Service Rig - Gave 150 bbls of 12.4 ppg mud to completions for well kill. Taken from Lamb tank farm - C/O Kelly f/ 4 1/2" to 4"; c/o drilling tools on rig floor - C/O Pipe rams and floor equipment - 2 bbls mud; 10 bbls cement to surface; Top of lead surface; top of tail 5497' - CIP @ 14:30 7/26/11; good returns through job; bumped plug to 2000 psi; held 3 min bled back - 50:50:2 2R3 cmt14 ppg; dropped top plug, (visually confirmed departure); displaced w/ 330 bbls mud. - bbls dyed water, 20 bbls Mud Clean 1, 20 bbls fresh, 370 sxs PI II cement(232.47 bbls)11lb , 350 sxs - Hold PJSM w/ cementers; R/U cement head and hard lines; test lines to 2000 psi, pump 10 - Circulate 1.2 casing volumes; small flare briefly at bttms up; continue to string in sawdust - R/D Casing and L/D equipment and release crews - Ran 189 jts 7" 26# P-110 LTC casing w/ 2 marker jts @ 8062' and 7349' - head rubber; land w/ Cameron hand Brett; establish circulation and stage up to 5 bpm. - P/U BHA - Shallow pulse test MWD tools - Organize BHA #4, P/U and M/U same - test charts on display in company reps office - and floor valves 250 low/ 5000 high; 7" casing w/ 1500 psi for 30 minutes and charted - Run csg f/ 5545' t/ 6319'. Fill pipe and reciprocate while establishing circulation

Daily Cost: \$0

Cumulative Cost: \$1,395,546

PADILLA 1-18-3-2

Drill 6 1/8" hole with mud

Date: 7/28/2011

Pioneer #69 at 9100. 13 Days Since Spud - and reduce water Loss., Slide 12' at 9060' to drop angle. - From Lamb Yard and Blend in System for 10.6 ppg / Run Solids control equip. mixing to increase KCL - Drilling 6 1/8" Hole from 8697' to 9100' with 40.3 fph Avg ROP / Condition Mud Haul in 11.6 ppg Mud - Condition Mud and Circulate Hole Clean / Ensure consistent MW in hole 9.9+ ppg - Drilling 6 1/8" Hole from 8687' to 8697' - Dump and Clean Sand trap and Shale pit (JSA) Start up solids control and condition Mud to 10.ppg - Wash down to plug top at 8621 drill Plug and Float drill cement and drill shoe at 8668' - Lubricate Rig (JSA) - Slip and Cut 65' of Drilling Line. (Safety Meeting and JSA) - Set Kelly Back / Rig down laydown machine (JSA) / Install rotating head rubber - Trip in hole / (JSA) Pick up 4" Drill pipe and trip in hole tag fill at 8598' Pick up Kelly Fill Pipe - Shut in well and Conduct FIT To 1830 PSI for a 14.00 ppg EMW. (JSA) (B&C QuickTest)

Daily Cost: \$0

Cumulative Cost: \$1,429,073

PADILLA 1-18-3-2

Drill 6 1/8" hole with mud

Date: 7/29/2011

Pioneer #69 at 9805. 14 Days Since Spud - Drilling 6 1/8" Hole from 9429' to 9805' with 28 fph Avg ROP (pre tour safety meeting) weighting mud - to 10.8+ to control formation gasses, 10 ft Flare at 9426 with 8600U put returns on Gas Buster - Drilling 6 1/8" Hole from 9100' to 9429' with 33 fph Avg ROP (pre tour safety meeting) - Increased Mud weight to 11.1+ to reduce gas Readings - mixing mud and chemicals to adjust mud properties to control water loss and inhibit shale - Routine Rig Service (JSA)

Daily Cost: \$0

Cumulative Cost: \$1,501,800

PADILLA 1-18-3-2

Circulate and condition at TD

Date: 7/30/2011

Pioneer #69 at 10400. 15 Days Since Spud - Drilling 6 1/8" Hole from 9805' to 9910 with 30

fph Avg ROP (pre tour safety meeting) - Lubricate rig (JSA) - Rig Repairs / (JSA) Repair Drive line from Rotary Drive Motor to Rotary Table - Constantly Mixing Barite to increase MW from 11.1+ to 12.0 encountered Bicarbonates Contamination - (CO2) at between 9900 and 10000' Mud began to thicken and PH dropped Began Mixing Desco and Lime - Thin Mud and counteract affects of Carbonic acid, Mixed Fresh water and Waterloo control agent, - Circulate and condition Increase Mud weight from 12.0 to 12.3 to Control Gas and prepare for trip. - Drilling 6 1/8" Hole from 9910' to 10400 with 29.7 fph Avg ROP (pre tour safety meeting)

Daily Cost: \$0

Cumulative Cost: \$1,555,670

PADILLA 1-18-3-2

Logging / Rig up Loggers

Date: 7/31/2011

Pioneer #69 at 10400. 16 Days Since Spud - Pull out of hole for Logs / Pull Slow to Prevent Swabbing of Formation Fluids (JSA)/Monitor triptank - Circulate and Condition / 8000 u of Gas on Bottoms up No Flare. / Mix Pill - Short Trip to Casing Shoe (JSA) Pull 28 Stands and Run Back In hole. Tight Spot from 9800 to 9920' - Mixing Chemicals for filtration Control and to Stabilize rheology, Mix Pill - Condition Mud and Circulate / (pretour safety Meeting / JSA) Increasing Mud Weight To 12.7 - Logging / Rig up Loggers (JSA and Prejob Safety Meeting) Run 1 Triple Combo.

Daily Cost: \$0

Cumulative Cost: \$1,605,912

PADILLA 1-18-3-2

Run Casing/ Trip in hole

Date: 8/1/2011

Pioneer #69 at 10400. 17 Days Since Spud - Liner Hand Specifications. - Wireline Logs, Pretour Safety Meeting about Logging and Werll Control/2nd Run XRFI and Dipole Sonic - Trip In BHA and Lay down (JSA) (Safety MEETING with Lay down Crew) - Rig up and Run 52 jts 4.5" P-110, 11.6# casing with Weatherford TRS casers. Transfer 2 Full length - and 1 Short Joints Back to Runners Yard.Fill Pipe every 10 JTS(Prejob Safety Meeting) - Trip In Hole(JSA) With Production Liner To 9000' Filling Pipe every 50 Stds/ Run Slow per Weatherford

Daily Cost: \$0

Cumulative Cost: \$1,703,328

PADILLA 1-18-3-2

Nipple down BOPE

Date: 8/2/2011

Pioneer #69 at 10400. 18 Days Since Spud - Reverse out kcl water and cement as well as 30 bbls Mud, Shut in well and Pressure test Casing - then bleed to 800 psi and open to check floats, Floats held, Set Packer and sting out of liner hangr - 119 bbls KCL Water, Bumped plug at 13:23 with 800 PSI over FCP of 3200 psi, Hold pressure for 5 min - Safety Meeting Hang Liner and Cement well pump 53.5 bbls of Cement at 14.4 ppg then displace with - Tag Bottom at 10397', Pick up 10' Pup Joint, Rig up cement head and Circulate / Rig Up Cementers - Continue tripping liner to 10365'(JSA AND SAFETY MEETING ON TRIPPING) - to 2250 PSI for 5 Minutes, bleed off pressure and open BOP then Displace Mud in pipe and casing - Nipple down BOPE to retrieve Stand of pipe Dropped in well. - in Well head. (there is no way to screw in or or spear this Nubbin due to Poor design) - pipe fell down the hole and the 6.5" Lift Nubbin hug in the top of the 7" Casing Mandrel hanger - out lift Nubbin when the Pipe lifted from force of tong pull and the slips came out, The STND of - Hanger and Begin to trip in hole with Drill pipe in Derrick, Run in first stand and begin to break - with 300 bbls KCL water at 7 BPM max pressure 3350 PSI.Rig down BJ - Rig Up Lay down Machine (JSA and Pre Job Safety Meeting) and Lay down Drill Pipe, Lay down liner

Daily Cost: \$0

Cumulative Cost: \$1,857,688

PADILLA 1-18-3-2

Wait on Completion

Date: 8/3/2011

Pioneer #69 at 10400. 19 Days Since Spud - Trip in Hole 22 Stands of Drill pipe (Use Collar Clamp On every stand) - Reinstall Mouse Hole and and Rig up weatherford lay down machine (JSA) - Pull out of hole / Lay Down Drill pipe (JSA) - Nipple Down BOPE and Set Stack On Trolley System (JSA) Weld Lifting eye on Liftig Nubbin and Pull - Stand free from 7" Casing pack off.(Safety Meeting & Hot Work Permit Required) - Rig Down Casers and Tear Down Rig For Move / Rig Released at 14:00 **Finalized**

Daily Cost: \$0

Cumulative Cost: \$1,943,344

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

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5.LEASE DESIGNATION AND SERIAL NUMBER: 14-20-H62-6269
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7.UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: PADILLA #1-18-3-2
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY	9. API NUMBER: 43013507860000
3. ADDRESS OF OPERATOR: 1001 17th Street, Suite 2000 , Denver, CO, 80202	PHONE NUMBER: 303 382-4443 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0507 FNL 0729 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 18 Township: 03.0S Range: 02.0W Meridian: U	9. FIELD and POOL or WILDCAT: WILDCAT COUNTY: DUCHESNE STATE: UTAH

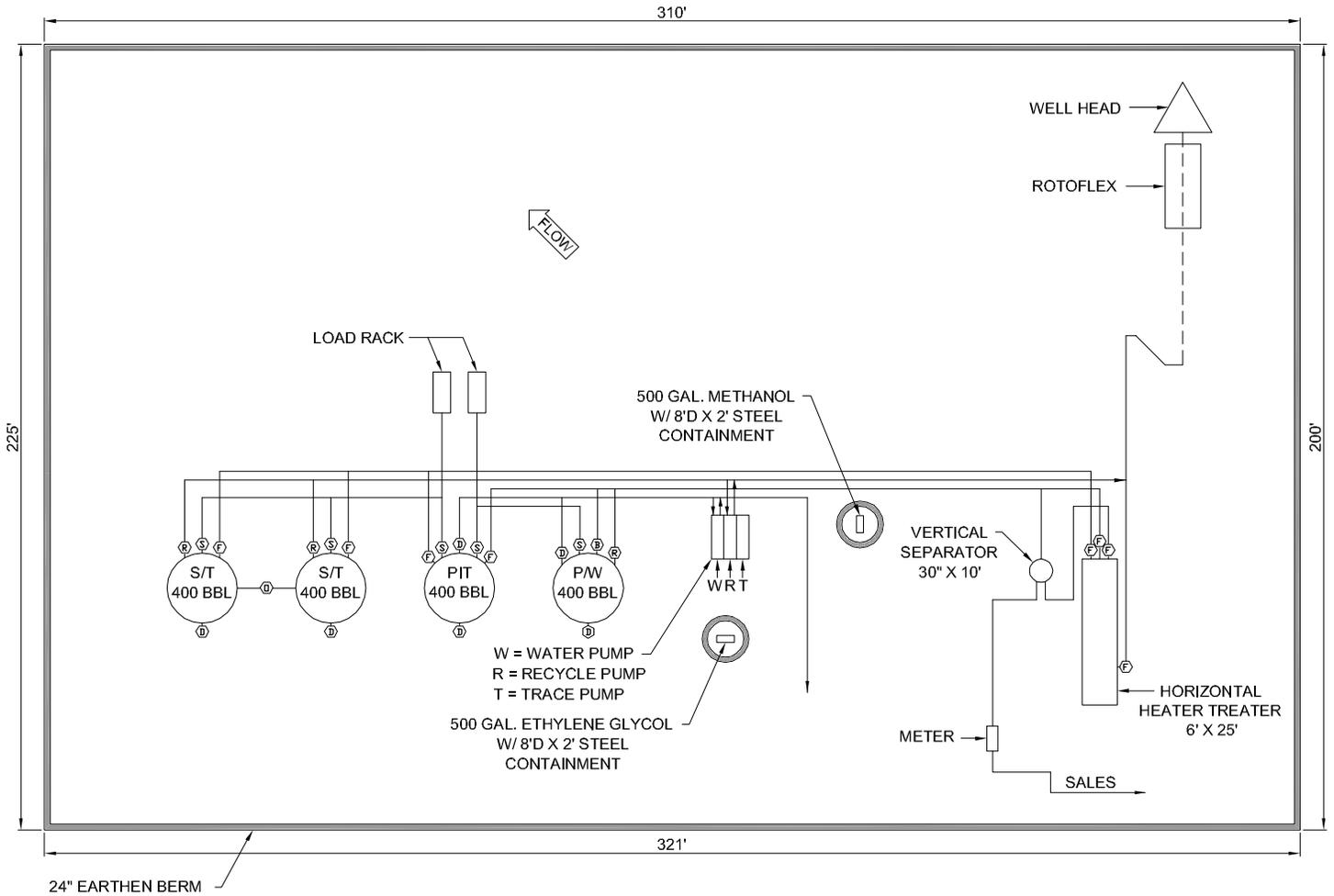
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 3/1/2012	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <input type="text" value="Site Facility/Site Security"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
SEE ATTACHED REVISED SITE FACILITY DIAGRAM

**Accepted by the
 Utah Division of
 Oil, Gas and Mining
 FOR RECORD ONLY
 August 27, 2012**

NAME (PLEASE PRINT) Jill L Loyle	PHONE NUMBER 303 383-4135	TITLE Regulatory Technician
SIGNATURE N/A	DATE 8/13/2012	



UTU87538X

POSITION OF VALVES AND USE OF SEALS DURING PRODUCTION			
Valve	Line Purpose	Position	Seal Installed
D	Drain	Closed	Yes
F	Oil, Gas, Water	Open	No
O	Overflow	Open/Closed	No
V	Vent	Open	No
R	Recycle	Closed	Yes
B	Blowdown	Open/Closed	No
S	Sales	Closed	Yes

POSITION OF VALVES AND USE OF SEALS DURING WATER DRAIN			
Valve	Line Purpose	Position	Seal Installed
D	Drain	Open	No
F	Oil, Gas, Water	Closed	No
O	Overflow	Closed	No
V	Vent	Open	No
R	Recycle	Closed	Yes
B	Blowdown	Closed	No
S	Sales	Closed	Yes

Federal Lease #: 14-20-H62-6269
 API #: 4301350786
 This lease is subject to the
 Site Security Plan for:
 Newfield Exploration Company
 19 East Pine Street
 Pinedale, WY 82941

M.G.

PADILLA 1-18-3-2

Newfield Exploration Company
 NENE Sec 18, T3S, R2W
 Duchesne County, UT

MAR 2012

Note: This drawing represents approximate sizes and distances. Underground pipeline locations are also approximated.



STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
		5. LEASE DESIGNATION AND SERIAL NUMBER: 14-20-H62-6269
SUNDRY NOTICES AND REPORTS ON WELLS		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
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		STATE: UTAH

11.

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 9/7/2012	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
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	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <input type="text" value="Site Facility/Site Security"/>

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

SEE ATTACHED REVISED SITE FACILITY DIAGRAM

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
February 14, 2013**

NAME (PLEASE PRINT) Jill L Loyle	PHONE NUMBER 303 383-4135	TITLE Regulatory Technician
SIGNATURE N/A	DATE 1/25/2013	

NEWFIELD PRODUCTION COMPANY

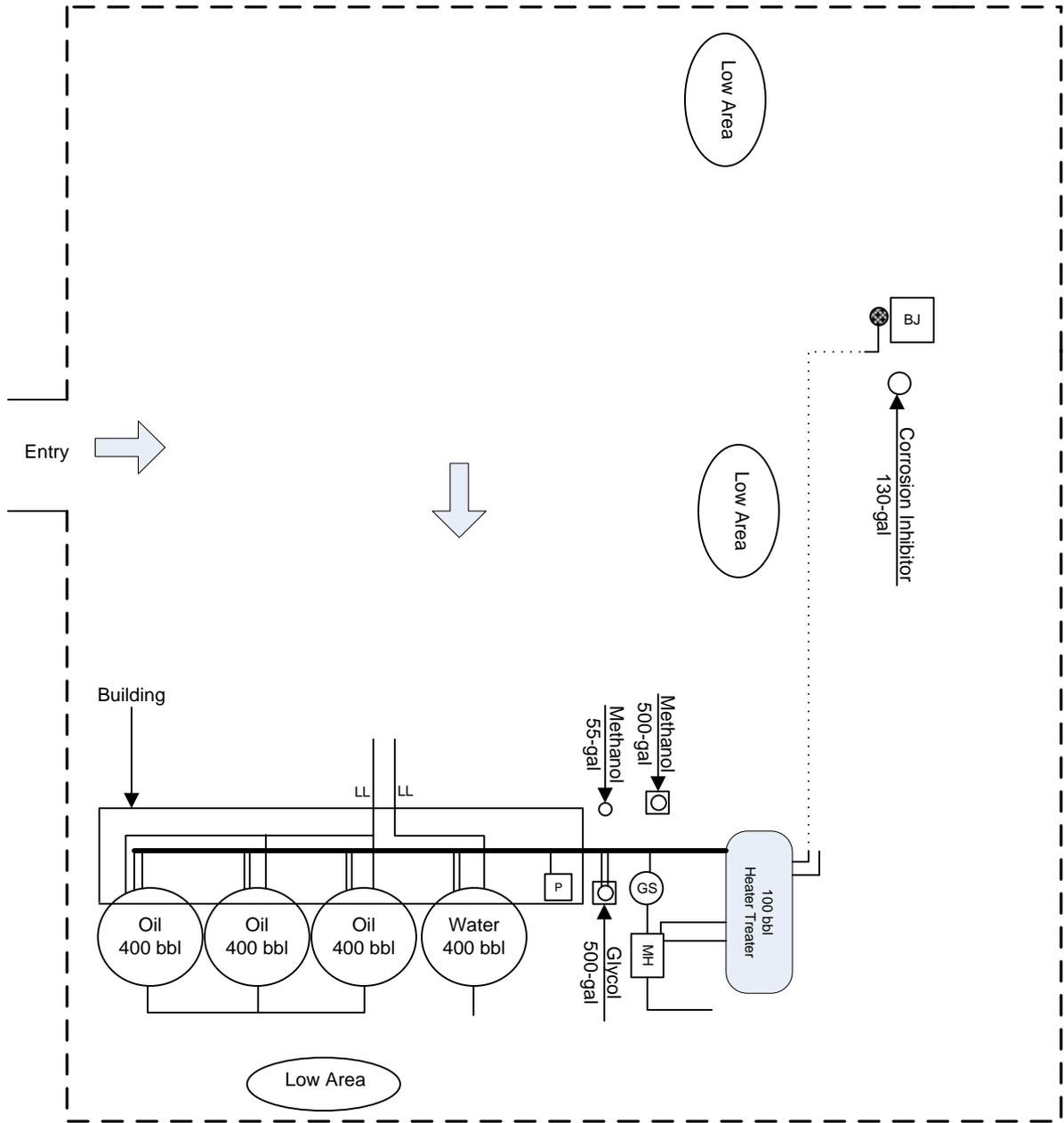
PADILLA 1-18-3-2W
SEC. 18 T3S R2W
DUCHESNE COUNTY, UTAH



Unnamed Drainage
175 ft →

LEGEND

- FENCE
- - - BERM
- ABOVEGROUND PIPING
- UNDERGROUND PIPING (LOCATION APPROXIMATE)
- [MH] METER HOUSE
- ← DIRECTION OF FLOW
- bbl BARREL(S)
- LL LOAD LINE
- ⊗ WELL HEAD
- [BJ] BELT JACK
- (GS) GAS SCRUBBER
- PIPING CONDUIT
- [P] PUMP



ALL UNDERGROUND PIPING IS FOR
PROCESS FLOW DEMONSTRATION ONLY

