



August 29, 2003

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

RE: Applications for Permit to Drill: Federal 1-12-9-17, 3-12-9-17, 5-12-9-17, 7-12-9-17, 9-12-9-17, 11-12-9-17, 13-12-9-17, and 15-12-9-17.

Dear Diana:

Enclosed find APD's on the above referenced wells. If you have any questions, feel free to give either Brad or myself a call.

Sincerely,

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

Mandie Crozier
Regulatory Specialist

mc
enclosures

RECEIVED
SEP 02 2003
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

001

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-39713
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator Inland Production Company		7. If Unit or CA Agreement, Name and No. N/A
3a. Address Route #3 Box 3630, Myton UT 84052	3b. Phone No. (include area code) (435) 646-3721	8. Lease Name and Well No. Federal 7-12-9-17
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SW/NE 1847' FNL 1806' FEL 4433361X 40,04764 At proposed prod. zone 589442X -109,95148		9. API Well No. 43-047-35165
14. Distance in miles and direction from nearest town or post office* Approximatley 17.7 miles southeast of Myton, Utah		10. Field and Pool, or Exploratory Monument Butte Gas well in Plat
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) Approx. 834' f/lse, NA f/unit	16. No. of Acres in lease 1,120.00	11. Sec., T., R., M., or Blk. and Survey or Area SW/NE Sec. 12, T9S R17E
17. Spacing Unit dedicated to this well 40 Acres	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Approx. 2596'	12. County or Parish Uintah
19. Proposed Depth 6500'	20. BLM/BIA Bond No. on file #4488944	13. State UT
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5061' GR	22. Approximate date work will start* 4th Quarter 2003	23. Estimated duration Approximately seven (7) days from spud to rig release.

24. Attachments

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

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

25. Signature <i>Mandie Crozier</i>	Name (Printed/Typed) Mandie Crozier	Date 8/29/03
Title Regulatory Specialist		
Approved by (Signature) <i>Bradley Hill</i>	Name (Printed/Typed) BRADLEY G. HILL	Date 09-04-03
Title ENVIRONMENTAL SCIENTIST III		

Federal Approval of this Action is Necessary

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

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

*(Instructions on reverse)

RECEIVED
SEP 02 2003
DIV. OF OIL, GAS & MINING

INLAND PRODUCTION COMPANY
FEDERAL #7-12-9-17
SW/NE SECTION 12, T9S, R17E
UINTAH COUNTY, UTAH

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. **GEOLOGIC SURFACE FORMATION:**

Uinta formation of Upper Eocene Age

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

Uinta	0' - 1640'
Green River	1640'
Wasatch	5950'

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

Green River Formation 1640' - 6500' - Oil

4. **PROPOSED CASING PROGRAM**

Please refer to the Monument Butte Field Standard Operation Procedure (SOP).

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

Please refer to the Monument Butte Field SOP. See Exhibit "C".

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

Please refer to the Monument Butte Field SOP.

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

Please refer to the Monument Butte Field SOP.

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

Please refer to the Monument Butte Field SOP.

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

The anticipated maximum bottom hole pressure is 2000 psi. It is not anticipated that abnormal temperatures will be encountered.

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

Please refer to the Monument Butte Field SOP.

**INLAND PRODUCTION COMPANY
FEDERAL #7-12-9-17
SW/NE SECTION 12, T9S, R17E
UINTAH COUNTY, UTAH**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. EXISTING ROADS

See attached Topographic Map "A"

To reach Inland Production Company well location site Federal #7-12-9-17 located in the SW 1/4 NE 1/4 Section 12, T9S, R17E, Uintah County, Utah:

Proceed southwesterly out of Myton, Utah along Highway 40 - 1.6 miles \pm to the junction of this highway and UT State Hwy 53; proceed southeasterly along Hwy 53 - 11.8 miles \pm to it's junction with an existing road to the southeast; proceed southeasterly - 3.6 miles \pm to it's junction with the beginning of an access road to be upgraded; proceed along the access road to be upgraded - 3450' \pm to it's junction with the beginning of the proposed access road; proceed northwesterly along the proposed access road 580' \pm to the proposed well location.

2. PLANNED ACCESS ROAD

See Topographic Map "B" for the location of the proposed access road.

3. LOCATION OF EXISTING WELLS

Refer to Exhibit "B".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

Please refer to the Monument Butte Field Standard Operating Procedure (SOP).

5. LOCATION AND TYPE OF WATER SUPPLY

Please refer to the Monument Butte Field SOP. See Exhibit "A".

6. SOURCE OF CONSTRUCTION MATERIALS

Please refer to the Monument Butte Field SOP.

7. METHODS FOR HANDLING WASTE DISPOSAL

Please refer to the Monument Butte Field SOP.

8. ANCILLARY FACILITIES

Please refer to the Monument Butte Field SOP.

9. **WELL SITE LAYOUT**

See attached Location Layout Diagram.

10. **PLANS FOR RESTORATION OF SURFACE**

Please refer to the Monument Butte Field SOP.

11. **SURFACE OWNERSHIP** - Bureau Of Land Management

12. **OTHER ADDITIONAL INFORMATION**

The Paleontological Resource Survey and Archaeological Resource Survey for this area are attached. MOAC Report #03-58, 5/19/03. Paleontological Resource Survey prepared by, Wade E. Miller, 5/8/03. See attached report cover pages, Exhibit "D".

Inland Production Company requests a 60' ROW for the Federal #7-12-9-17 to allow for construction of a 6" gas gathering line, and a 3" poly fuel gas line. Both lines will tie in to the existing pipeline infrastructure. **Refer to Topographic Map "C."** For a ROW plan of development, please refer to the Monument Butte Field SOP.

Inland Production Company also requests a 60' ROW be granted for the Federal #7-12-9-17 to allow for construction of a 3" steel water injection line and a 3" poly water return line. **Refer to Topographic Map "C."** For a ROW plan of development, please refer to the Monument Butte Field SOP.

Water Disposal

Please refer to the Monument Butte Field SOP.

Reserve Pit Liner

A felt pad and 12 mil liner is required. Please refer to the Monument Butte Field SOP.

Location and Reserve Pit Reclamation

Please refer to the Monument Butte Field SOP.

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

Shadscale	<i>Atriplex confertifolia</i>	6 lbs/acre
Galleta grass	<i>Hilaria jamesii</i>	6 lbs/acre

13. **LESSEE'S OR OPERATORS REPRESENTATIVE AND CERTIFICATION**

Representative

Name: Brad Mecham

Address: Route #3 Box 3630
Myton, UT 84052

Telephone: (435) 646-3721

Certification

Please be advised that INLAND PRODUCTION COMPANY is considered to be the operator of well #7-12-9-17 SW/NE Section 12, Township 9S, Range 17E: Lease U-39713 Uintah County, Utah: and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Hartford Accident #4488944.

I hereby certify that the proposed drillsite and access route have been inspected, and I am familiar with the conditions which currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Inland Production Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

8/29/03

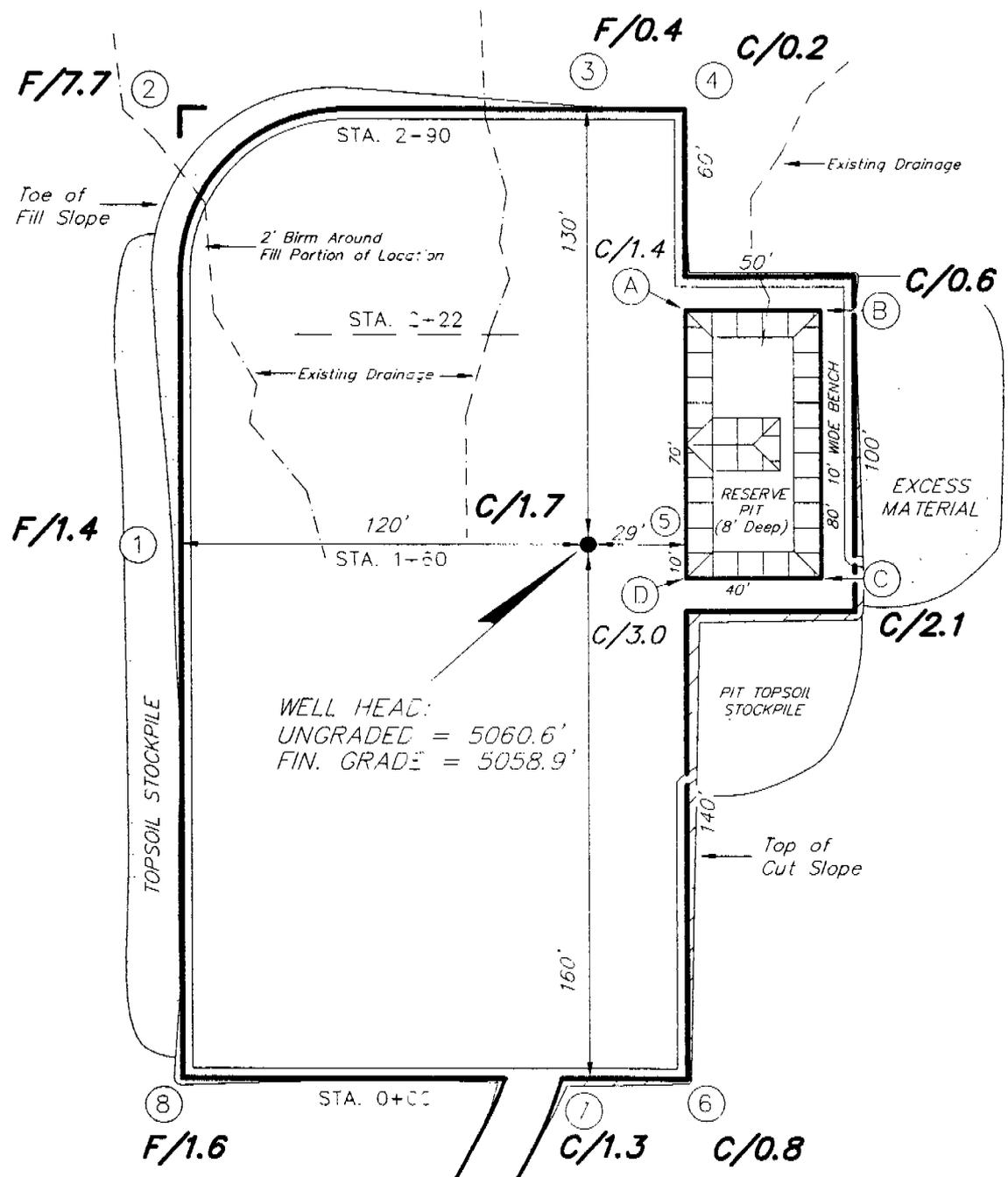
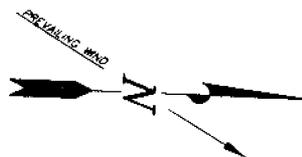
Date


Mandie Crozier
Regulatory Specialist

INLAND PRODUCTION COMPANY

FEDERAL 7-12-9-17

Section 12. T9S, R17E, S.L.B.&M.



WELL HEAD:
 UNGRADED = 5060.6'
 FIN. GRADE = 5058.9'

PROPOSED ACCESS ROAD (Max. 6% Grade)

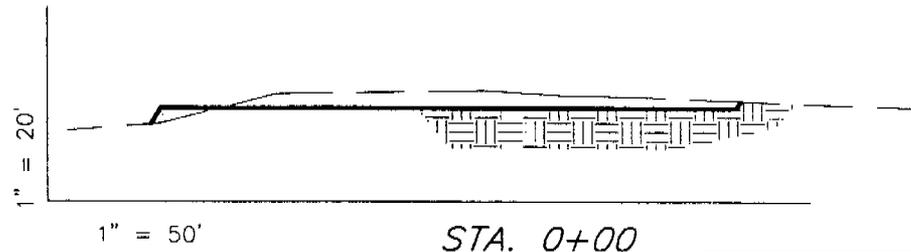
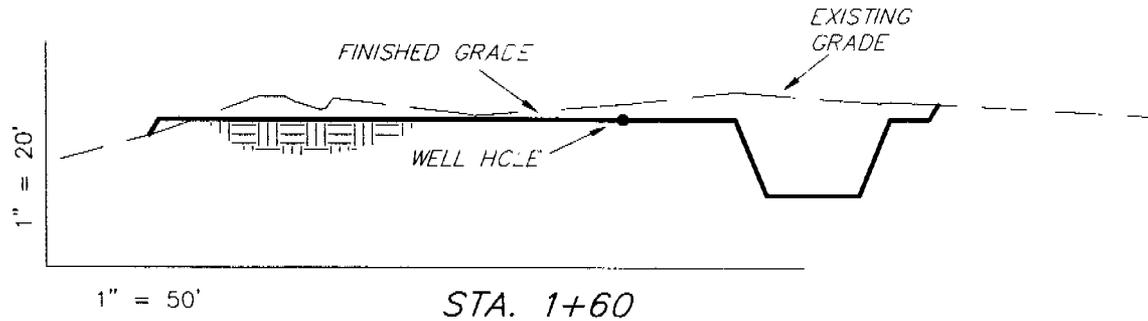
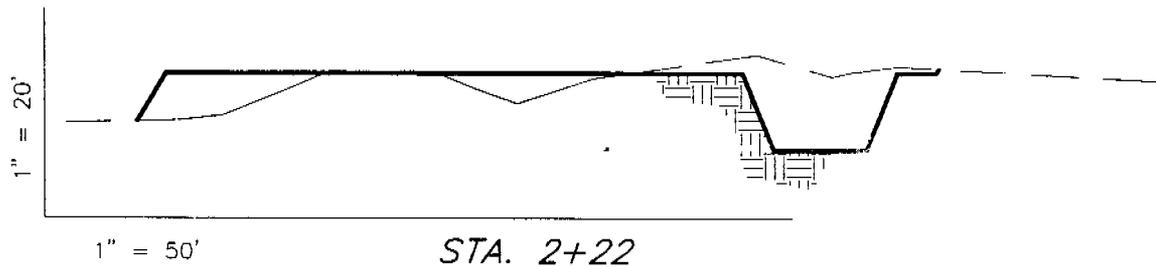
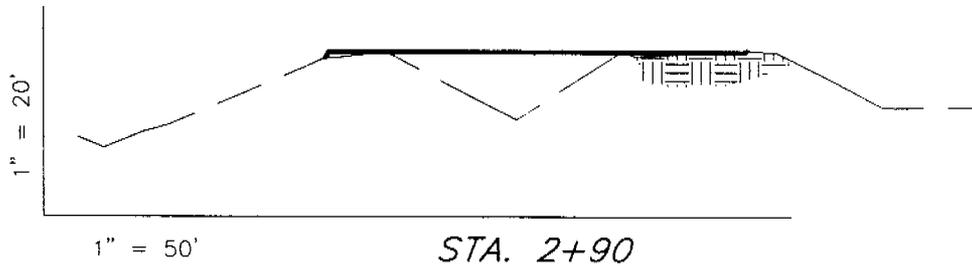
REFERENCE POINTS
 180' WEST = 5054.8'
 230' WEST = 5050.4'

SURVEYED BY: K.G.S.	SCALE: 1" = 50'	<p>Tri State Land Surveying, Inc. 38 WEST 100 NORTH VERNAL, UTAH 84078</p>	(435) 781-2501
DRAWN BY: J.R.S.	DATE: 5-21-03		

INLAND PRODUCTION COMPANY

CROSS SECTIONS

FEDERAL 7-12-9-17



ESTIMATED EARTHWORK QUANTITIES

(Expressed in Cubic Yards)

ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	1,450	1,450	Topsoil is not included in Pad Cut	0
PIT	640	0		640
TOTALS	2,090	1,450	890	640

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

SURVEYED BY: K.G.S.

SCALE: 1" = 50'

DRAWN BY: J.R.S.

DATE: 7/21/03

Tri State
Land Surveying, Inc.

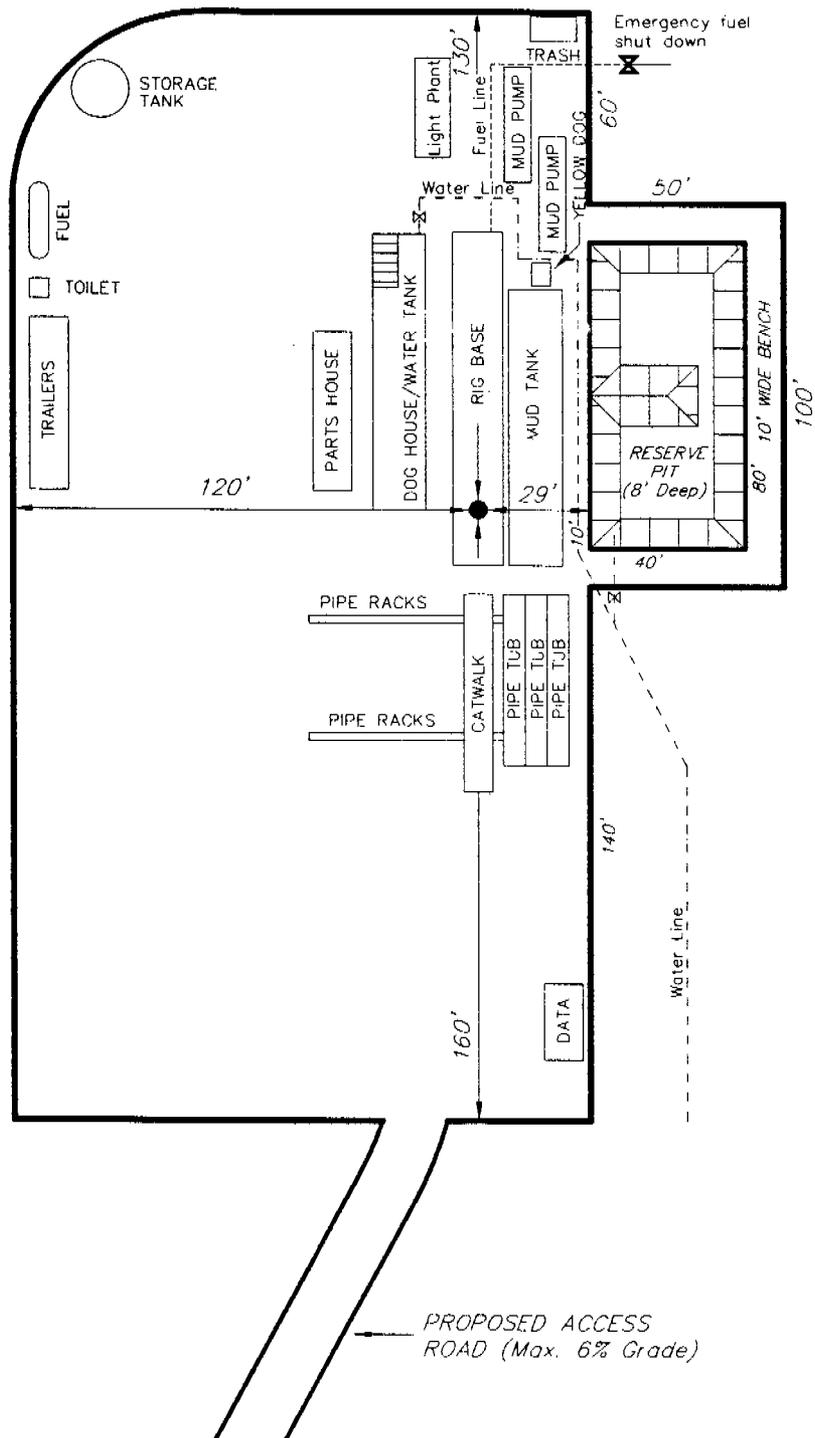
(435) 781-2501

38 WEST 100 NORTH VERNAL, UTAH 84078

INLAND PRODUCTION COMPANY

TYPICAL RIG LAYOUT

FEDERAL 7-12-9-17



SURVEYED BY: K.G.S.

SCALE: 1" = 50'

DRAWN BY: J.R.S.

DATE: 5-21-03

Tri State
Land Surveying, Inc.

(435) 781-2501

38 WEST 100 NORTH VERNAL, UTAH 84078

2-M SYSTEM
Blowout Prevention Equipment Systems

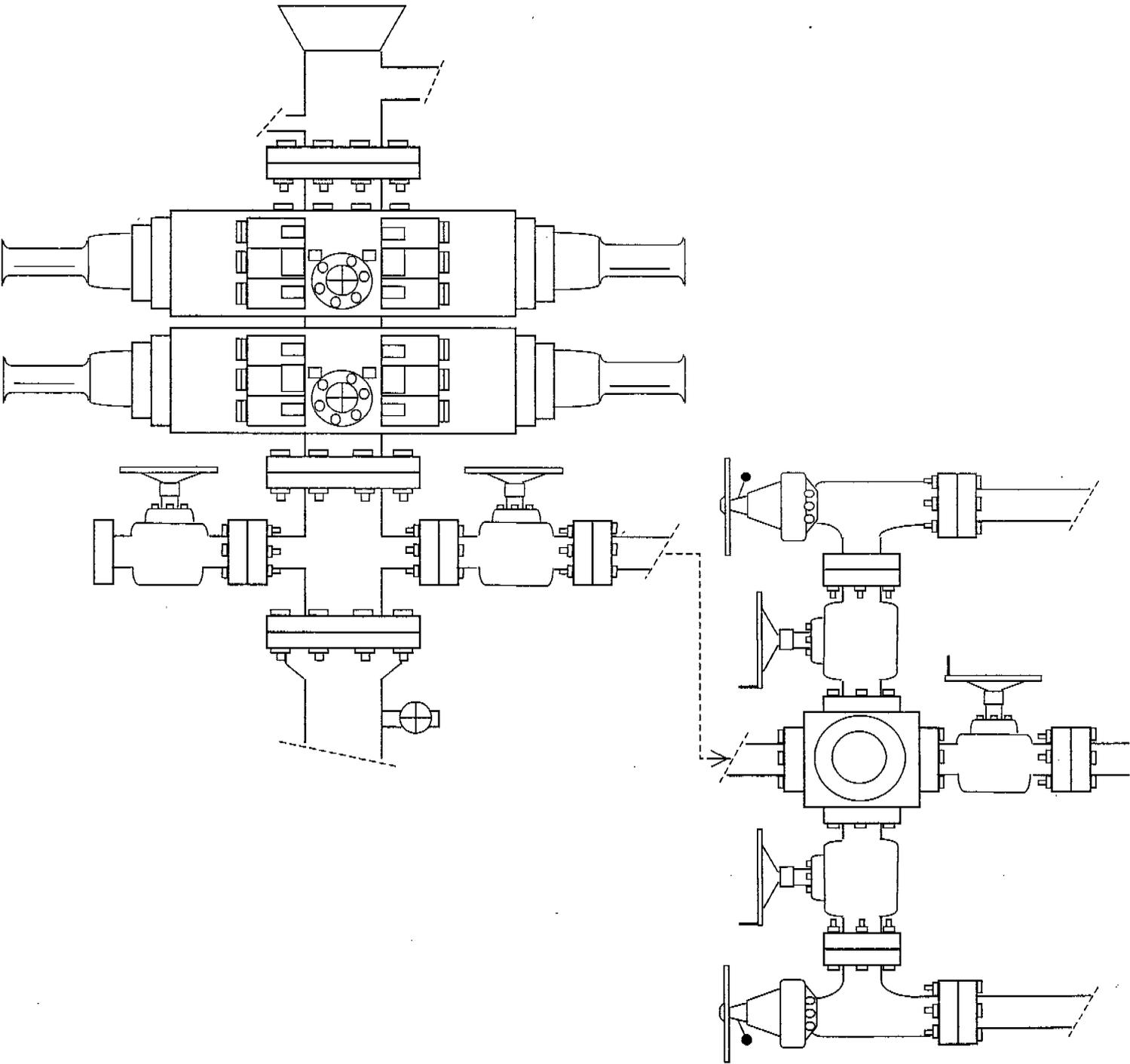


EXHIBIT C

CULTURAL RESOURCE INVENTORY OF
INLAND RESOURCES' BLOCK PARCELS IN
T 9S, R 17E, SECTIONS 1 AND 12
Uintah County, Utah

BY:

Mark C. Bond

Prepared For:

Bureau of Land Management
Vernal Field Office

Prepared Under Contract With:

Jon D. Holst & Company
for
Inland Resources
2507 Flintridge Place
Fort Collins, CO 80521

Prepared By:

Montgomery Archaeological Consultants
P.O. Box 147
Moab, Utah 84532

MOAC Report No. 03-58

May 19, 2003

United States Department of Interior (FLPMA)
Permit No. 03-UT-60122

State of Utah Antiquities Project (Survey)
Permit No. U-03-MQ-0328b

INLAND RESOURCES, INC.

**PALEONTOLOGICAL FIELD SURVEY OF PROPOSED
PRODUCTION DEVELOPMENT AREAS,
DUCHESNE AND UINTAH COUNTIES, UTAH**

(South ½ Section 6, T 9 S, R 18 E; South ½ Section 1, T 9 S, R 17 E;
all of Sections 11 and 12, the NW, SE & NE quarters of the SW ¼ Section 10,
the NE ¼ & SE ¼ of the SE ¼ Section 9, T 9 S, R 17 E and the SE ¼, SW ¼,
NE ¼ and SE ¼ of the SE ¼, Section 33, T 8 S, R 17 E.)

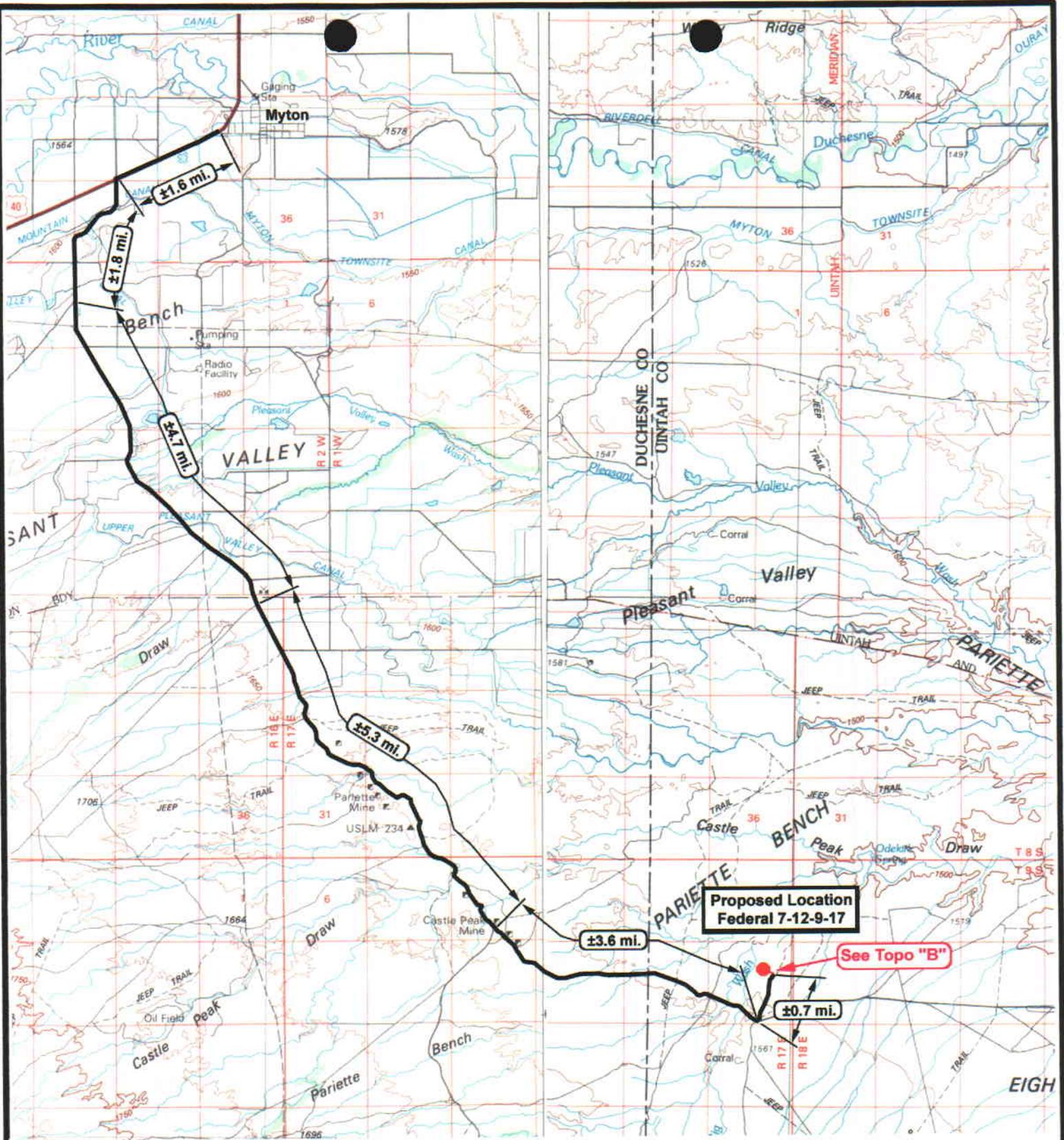
REPORT OF SURVEY

Prepared for:

Inland Resources, Inc.

Prepared by:

Wade E. Miller
Consulting Paleontologist
May 8, 2003



Federal 7-12-9-17
SEC. 12, T9S, R17E, S.L.B.&M.



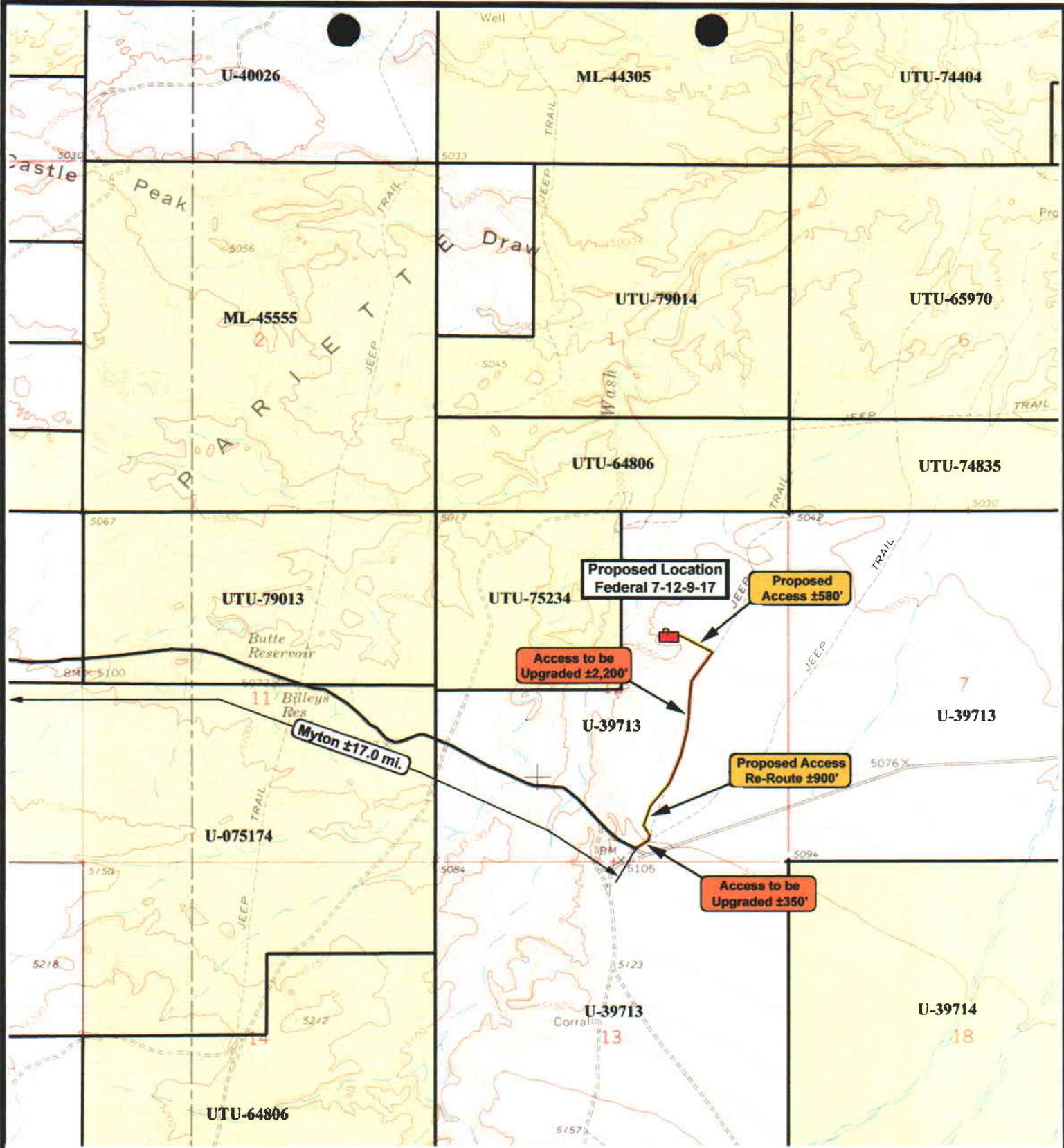
Tri-State
Land Surveying Inc.
 (435) 781-2501
 180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1 = 100,000
 DRAWN BY: R.A.B.
 DATE: 05-22-2003

Legend

- Existing Road
- Proposed Access

TOPOGRAPHIC MAP
"A"



**Federal 7-12-9-17
SEC. 12, T9S, R17E, S.L.B.&M.**



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

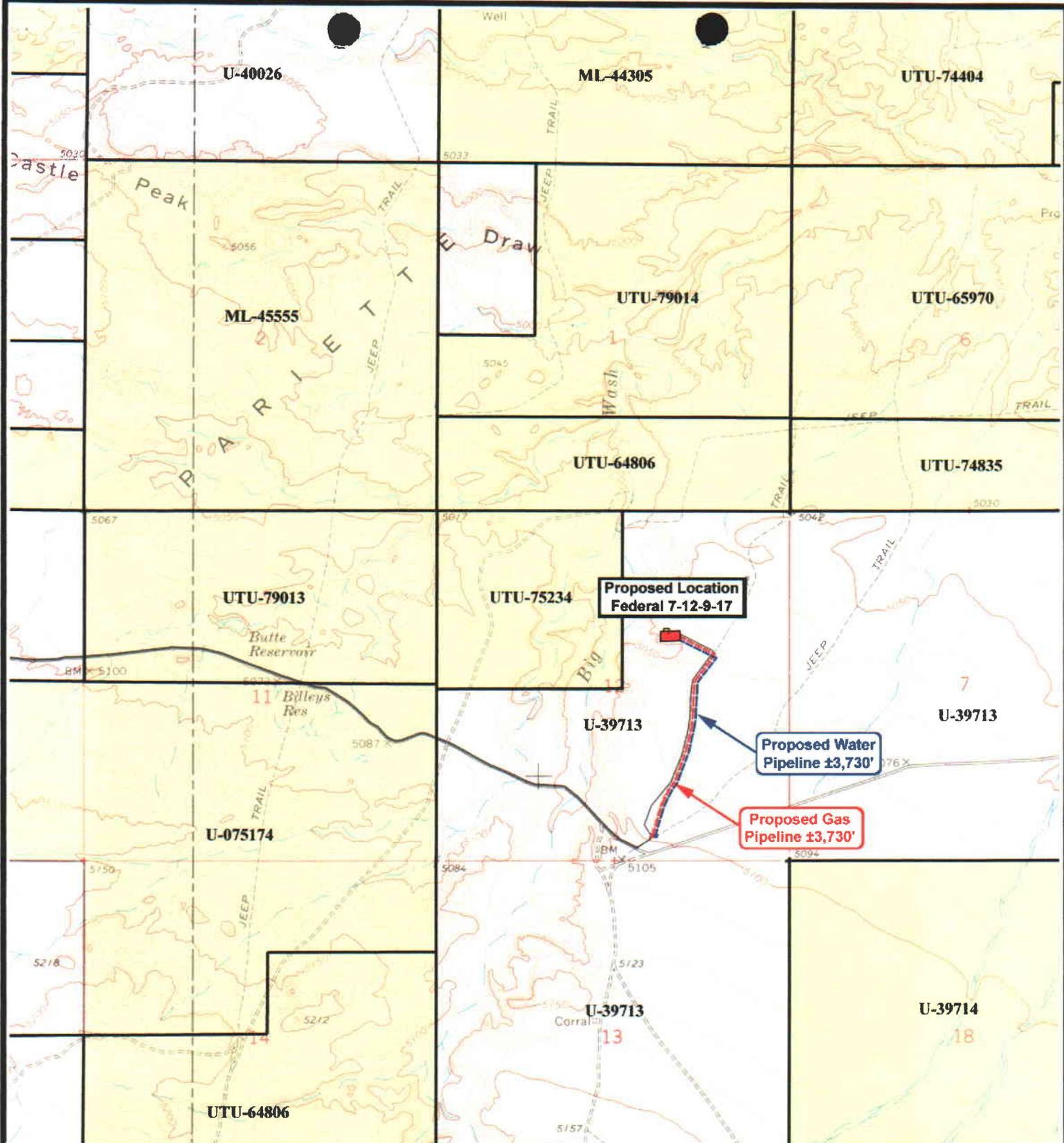
SCALE: 1" = 2,000'
DRAWN BY: R.A.B.
DATE: 05-22-2003

Legend

-  Existing Road
-  Proposed Access
-  Upgraded Access

TOPOGRAPHIC MAP

"B"



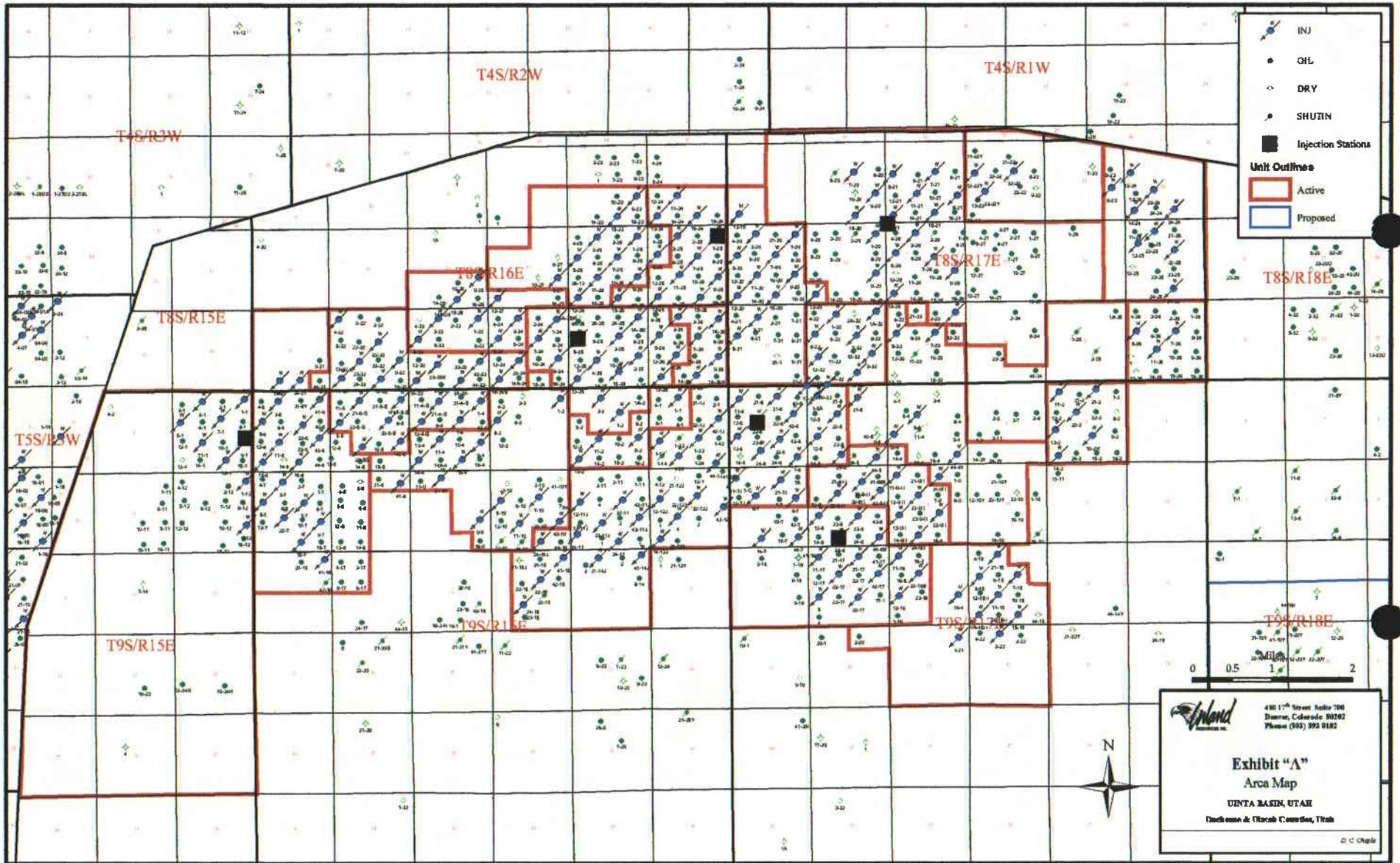
Tri-State
Land Surveying Inc.
 (435) 781-2501
 180 North Vernal Ave. Vernal, Utah 84078

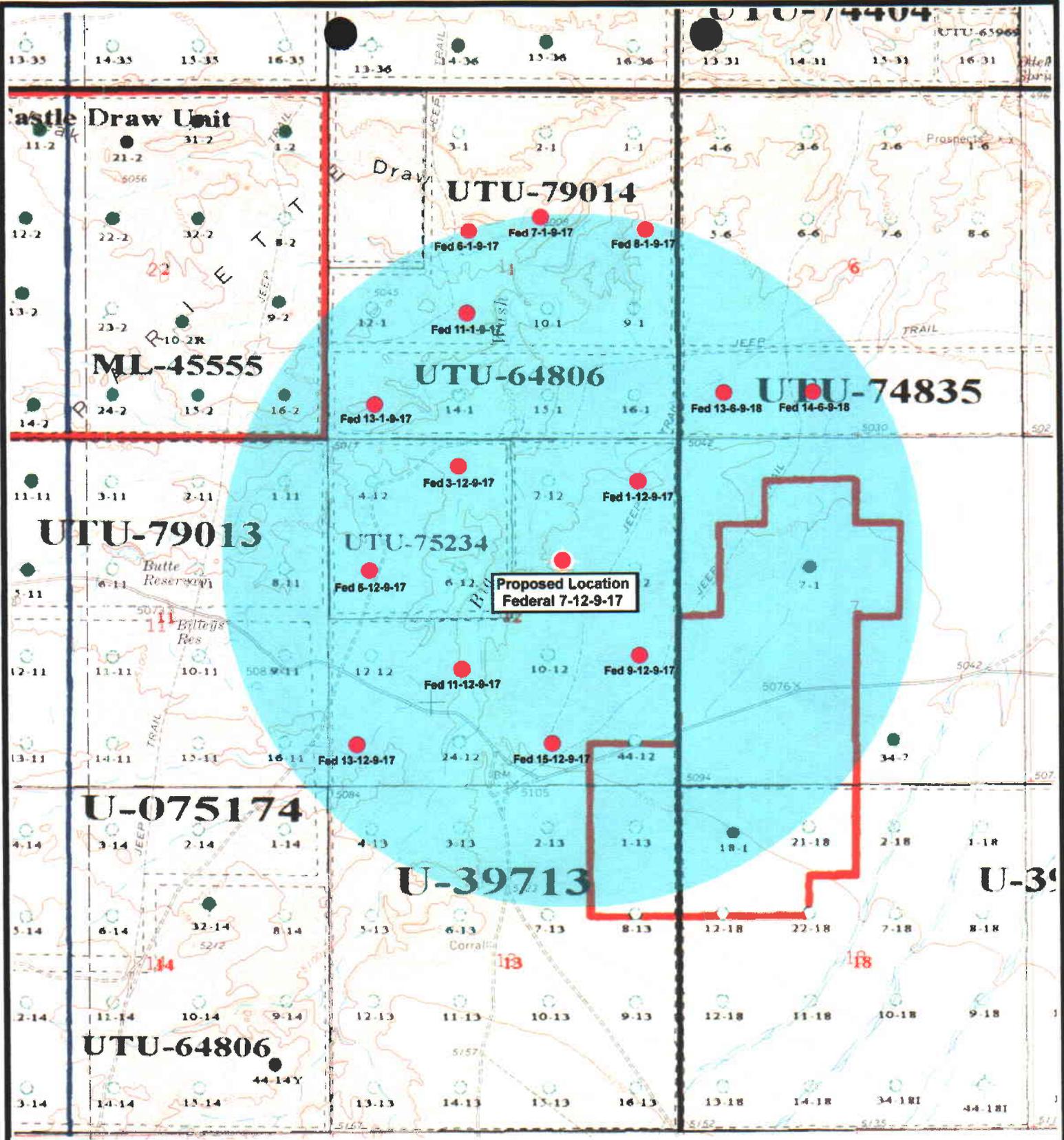
Legend	
	Roads
	Proposed Gas Line
	Proposed Water Line

Federal 7-12-9-17
SEC. 12, T9S, R17E, S.L.B.&M.

SCALE: 1" = 2,000'
 DRAWN BY: R.A.B.
 DATE: 05-22-2003

TOPOGRAPHIC MAP
"C"





**Federal 7-12-9-17
SEC. 12, T9S, R17E, S.L.B.&M.**



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

SCALE: 1" = 2,000'
DRAWN BY: R.A.B.
DATE: 05-22-2003

Legend

- Well Locations
- One-Mile Radius

Exhibit "B"

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/02/2003

API NO. ASSIGNED: 43-047-35165

WELL NAME: FEDERAL 7-12-9-17
OPERATOR: INLAND PRODUCTION (N5160)
CONTACT: MANDIE CROZIER

PHONE NUMBER: 435-646-3721

PROPOSED LOCATION:
SWNE 12 090S 170E
SURFACE: 1847 FNL 1806 FEL
BOTTOM: 1847 FNL 1806 FEL
UINTAH
8 MILE FLAT NORTH (590)

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

LEASE TYPE: 1 - Federal
LEASE NUMBER: U-39713
SURFACE OWNER: 1 - Federal
PROPOSED FORMATION: GRRV

LATITUDE: 40.04764
LONGITUDE: 109.95148

RECEIVED AND/OR REVIEWED:

Plat

Bond: Fed[1] Ind[] Sta[] Fee[]
(No. 4488944)

Potash (Y/N)

Oil Shale 190-5 (B) or 190-3 or 190-13

Water Permit
(No. MUNICIPAL)

RDCC Review (Y/N)
(Date:)

Fee Surf Agreement (Y/N)

LOCATION AND SITING:

R649-2-3.
Unit _____

R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells

R649-3-3. Exception

Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____

R649-3-11. Directional Drill

COMMENTS: See Separate file

STIPULATIONS: 1- federal approval
2- Spacing Strip



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

Michael O. Leavitt
Governor

Robert L. Morgan
Executive Director

Lowell P. Braxton
Division Director

September 4, 2003

Inland Production Company
Route #3, Box 3630
Myton, UT 84052

Re: Federal 7-12-9-17 Well, 1847' FNL, 1806 FEL, SW NE, Sec. 12, T. 9 South, R. 17 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-35165.

Sincerely,

A handwritten signature in black ink that reads "John R. Baza".

John R. Baza
Associate Director

pab
Enclosures

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

Operator: Inland Production Company
Well Name & Number Federal 7-12-9-17
API Number: 43-047-35165
Lease: U-39713

Location: SW NE **Sec.** 12 **T.** 9 South **R.** 17 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

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

5. 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.

005

Form 3160-3
(September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

5. Lease Serial No.
U-39713

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

7. If Unit or CA Agreement, Name and No.
N/A

8. Lease Name and Well No.
Federal 7-12-9-17

9. API Well No.
43-047-35765

10. Field and Pool, or Exploratory
Monument Butte

11. Sec., T., R., M., or Blk. and Survey or Area
SW/NE Sec. 12, T9S R17E

12. County or Parish
Uintah

13. State
UT

1a. Type of Work: DRILL REENTER

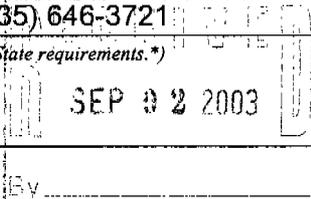
1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

2. Name of Operator
Inland Production Company

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

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

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface SW/NE 1847' FNL 1806' FEL
At proposed prod. zone



14. Distance in miles and direction from nearest town or post office*
Approximatley 17.7 miles southeast of Myton, Utah

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) Approx. 834' f/lse, NA f/unit

16. No. of Acres in lease
1,120.00

17. Spacing Unit dedicated to this well
40 Acres

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Approx. 2596'

19. Proposed Depth
6500'

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
5061' GR

22. Approximate date work will start*
4th Quarter 2003

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

24. Attachments

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

- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

- 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- 5. Operator certification.
- 6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature *Mandie Crozier*
Title Regulatory Specialist

Name (Printed/Typed)
Mandie Crozier

Date
8/29/03

Approved by (Signature) *Howard Leavengr*
Title Assistant Field Manager
Mineral Resources

Name (Printed/Typed)
Office

RECEIVED
JUL 19 2004
BUREAU OF OIL, GAS & MINING

Date
07/12/2004

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

Conditions of approval, if any, are attached.

NOTICE OF APPROVAL

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

*(Instructions on reverse)

CONDITIONS OF APPROVAL ATTACHED

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Inland Production Company.

Well Name & Number: Federal 7-12-9-17

API Number 43-04735165

Lease Number: U-39713

Location: SWNE Sec. 12 T.9S R. 17E

Agreement: N/A

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

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

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

Ed Forsman (435) 828-7874
Petroleum Engineer

Kirk Fleetwood (435) 828-7875
Petroleum Engineer

BLM FAX Machine (435) 781-4410

CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL

-No construction or drilling shall be allowed during the burrowing owl nesting season (April 1 to Aug. 15), without first consulting the BLM biologist. If no nesting owls are found, drilling will be allowed.

-Mountain Plover surveys would have to be conducted in accordance with the U.S. Fish and Wildlife Service Mountain Plover Survey Guidelines.

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

-A certified paleontologist shall be present to monitor the construction of the well pad.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

006

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
INLAND PRODUCTION COMPANY

3. Address and Telephone No.
Rt. 3 Box 3630, Myton Utah, 84052 435-646-3721

4. Location of Well (Footage, Sec., T., R., m., or Survey Description)
1847 FNL 1806 FEL SW/NE Section 12, T9S R17E

5. Lease Designation and Serial No.
U-39713

6. If Indian, Allottee or Tribe Name
NA

7. If Unit or CA, Agreement Designation
N/A

8. Well Name and No.
FEDERAL 7-12-9-17

9. API Well No.
43-047-35165

10. Field and Pool, or Exploratory Area
EIGHT MILE FLAT

11. County or Parish, State
UINTAH COUNTY, UT.

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent <input type="checkbox"/> Subsequent Report <input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Abandonment <input type="checkbox"/> Recompletion <input type="checkbox"/> Plugging Back <input type="checkbox"/> Casing Repair <input type="checkbox"/> Altering Casing <input checked="" type="checkbox"/> Other Permit Extension
	<input type="checkbox"/> Change of Plans <input type="checkbox"/> New Construction <input type="checkbox"/> Non-Routine Fracturing <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Inland Production Company requests to extend the Permit to Drill this well for one year. The original approval date was 9/4/03 (expiration 9/4/04).

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 08-30-04
By: [Signature]

FIELD OPERATOR
8-31-04
CKD

RECEIVED
AUG 24 2004

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct
Signed Mandie Crozier Title Regulatory Specialist Date 8/27/04
Mandie Crozier

CC: UTAH DOGM

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

CC: Utah DOGM

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-35165
Well Name: Federal 7-12-9-17
Location: SW/NE Section 12, T9S R17E
Company Permit Issued to: Inland Production Company
Date Original Permit Issued: 9/4/2003

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No (A)

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No

Mandie Crozier
Signature

8/27/2004

Date

Title: Regulatory Specialist

Representing: Inland Production Company



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov>

IN REPLY REFER TO:
3106
(UT-924)

September 16, 2004

Memorandum

To: Vernal Field Office

From: Acting Chief, Branch of Fluid Minerals

Subject: Merger Approval

Attached is an approved copy of the name change recognized by the Utah State Office. We have updated our records to reflect the merger from Inland Production Company into Newfield Production Company on September 2, 2004.

Michael Coulthard
Acting Chief, Branch of
Fluid Minerals

Enclosure

1. State of Texas Certificate of Registration

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114
Teresa Thompson
Joe Incardine
Connie Seare

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



Office of the Secretary of State

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

Newfield Production Company
Filing Number: 41530400

Articles of Amendment

September 02, 2004

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



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

Secretary of State

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

FILED
In the Office of the
Secretary of State of Texas
SEP 02 2004
Corporations Section

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

ARTICLE 1 – Name

The name of the corporation is Inland Production Company.

ARTICLE 2 – Amended Name

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

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

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

ARTICLE 3 – Effective Date of Filing

This document will become effective upon filing.

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

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

INLAND RESOURCES INC.

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

DIVISION OF OIL, GAS AND MINING**SPUDDING INFORMATION**Name of Company: INLAND PRODUCTION COMPANYWell Name: FEDERAL 7-12-9-17Api No: 43-047-35165 Lease Type: FEDERALSection 12 Township 09S Range 17E County UINTAHDrilling Contractor NDSI RIG # 1**SPUDDED:**Date 10/13/04Time 10:00 AMHow DRY**Drilling will commence:** _____Reported by RAY HERRERATelephone # 1-435-823-1990Date 10/14/2004 Signed CHD

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

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

OPERATOR ACCT. NO. N5160
N2095

RECEIVED

OCT 14 2004

DIV OF OIL, GAS & MINING

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	14347	43-047-35165	Federal 7-12-9-17	SWNE	12	9S	17E	Uintah	October 13, 2004	10/19/04

WELL 1 COMMENTS: *GRW*

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		

WELL 2 COMMENTS:

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		

WELL 3 COMMENTS:

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		

WELL 4 COMMENTS:

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		

WELL 5 COMMENTS:

- ACTION CODES (See instructions on back of form)
- A - Establish new entity for new well (single well only)
 - B - Add new well to existing entity (group or unit well)
 - C - Reassign well from one existing entity to another existing entity
 - D - Reassign 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.

Keble S. Jones
Signature
Keble S. Jones
Production Clerk
October 14, 2004
Date

NEWFIELD PRODUCTION COMPANY - CASING & CEMENT REPORT

8 5/8 CASING SET AT 333.66

LAST CASING 8 5/8" SET AT 333'
 DATUM 12' KB
 DATUM TO CUT OFF CASING _____
 DATUM TO BRADENHEAD FLANGE _____
 TD DRILLER 335' LOGGER N/A
 HOLE SIZE 12 1/4

OPERATOR Newfield Production
 WELL Federal 7-12-9-17
 FIELD/PROSPECT Monument Butte
 CONTRACTOR & RIG # NDSI NS #1

LOG OF CASING STRING:							
PIECES	OD	ITEM - MAKE - DESCRIPTION	WT / FT	GRD	THREAD	CONDT	LENGTH
		38.64' SH jt					
		WHI - 92 csg head			8rd	A	0.95
8	8 5/8"	Maverick ST&C csg	24#	J-55	8rd	A	321.81
		GUIDE shoe			8rd	A	0.9
CASING INVENTORY BAL.			FEET	JTS	TOTAL LENGTH OF STRING		323.66
TOTAL LENGTH OF STRING			323.66	8	LESS CUT OFF PIECE		2
LESS NON CSG. ITEMS			1.85		PLUS DATUM TO T/CUT OFF CSG		12
PLUS FULL JTS. LEFT OUT			0		CASING SET DEPTH		333.66
TOTAL			321.81	8	} COMPARE		
TOTAL CSG. DEL. (W/O THRDS)			324.57	8			
TIMING			1ST STAGE				
BEGIN RUN CSG.	Spud	10/13/2004	10:00am	GOOD CIRC THRU JOB		Yes	
CSG. IN HOLE		10/14/2004	1:00 PM	Bbls CMT CIRC TO SURFACE		4	
BEGIN CIRC		10/14/2004	1:55 PM	RECIPROCATED PIPE IN/A			
BEGIN PUMP CMT		10/14/2004	2:09 PM	DID BACK PRES. VALVE HOLD ?		N/A	
BEGIN DSPL. CMT		10/14/2004	14:20	BUMPED PLUG TO		150 PSI	
PLUG DOWN		Cemented	10/14/2004	2:30 PM			
CEMENT USED		CEMENT COMPANY- B. J.					
STAGE	# SX	CEMENT TYPE & ADDITIVES					
1	150	Class "G" w/ 2% CaCL2 + 1/4#/sk Cello-Flake mixed @ 15.8 ppg 1.17 cf/sk yield					
CENTRALIZER & SCRATCHER PLACEMENT			SHOW MAKE & SPACING				
Centralizers - Middle first, top second & third for 3							

COMPANY REPRESENTATIVE Floyd Mitchell DATE 10/15/2004

of 3/18/05

FORM 3160-3
(September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
DIV. OF OIL, GAS & MINING

RECEIVED
DEC 13 2004

COPY

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

010

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

5. Lease Serial No.
UTU39713

6. If Indian, Allottee or Tribe Name.

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

8. Well Name and No.
FEDERAL 7-12-9-17

9. API Well No.
4304735165

10. Field and Pool, or Exploratory Area
Monument Butte

11. County or Parish, State
Utah, UT

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Newfield Production Company

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

3b. Phone No. (include area code)
435.646.3721

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1847 FNL 1806 FEL
SW/NE Section 12 T9S R17E

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

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

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Status report for time period 11/23/04 - 12/09/04

Subject well had completion procedures initiated in the Green River formation on 11/23/04 without the use of a service rig over the well. A cement bond log was run and a total of four Green River intervals were perforated and hydraulically fracture treated w/ 20/40 mesh sand. Perf intervals were #1 (5704-5710'), (5690-5696'), (5569-5678') (ALL 4 JSPF); #2 (5476-5487'), (5441-5451') (ALL 4 JSPF); #3 ('), (4877-4883'), (4860-4863') (ALL 4 JSPF); #4 (4724-4746') (4 JSPF). Composite flow-through frac plugs were used between stages. Fracs were flowed back through chokes. A service rig was moved on well on 12/03/04. Bridge plugs were drilled out. Well was cleaned out to PBTD @ 5794'. Zones were swab tested for sand cleanup. A BHA & production tbg string were run in and anchored in well. End of tubing string @ 5716.56'. A new 1 1/2" bore rod pump was run in well on sucker rods. Well was placed on production via rod pump on 12/09/04.

I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Renee Palmer

Signature *Renee Palmer*

Title Production Clerk

Date 12/10/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

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

Office _____

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

(Instructions on reverse)

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

011

5. LEASE DESIGNATION AND SERIAL NO

UTU-39713

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

NA

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

FEDERAL 7-12-9-17

9. WELL NO.

43-047-35165

10. FIELD AND POOL OR WILDCAT

Monument Butte

11. SEC., T., R., M. OR BLOCK AND SURVEY OR AREA

Sec. 12, T9S, R17E

12. COUNTY OR PARISH

Utah

13. STATE

UT

1a. TYPE OF WORK

OIL WELL GAS WELL DRY Other _____

1b. TYPE OF WELL

NEW WELL WORK OVER DEEPEN PLUG BACK DIFF RESVR. Other _____

2. NAME OF OPERATOR

Newfield Exploration

3. ADDRESS AND TELEPHONE NO.

1401 17th St. Suite 1000 Denver, CO 80202

4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.)*

At Surface 1847' FNL & 1806' FEL (SWNE) Sec. 12, Twp 9S, Rng 17E
At top prod. Interval reported below

At total depth

14. API NO. 43-047-35165 DATE ISSUED 9/4/2003

15. DATE SPUNDED

10/13/2004

16. DATE T.D. REACHED

10/10/2004

17. DATE COMPL. (Ready to prod.)

12/9/2004

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*

5061' GL 5073' KB

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

5850'

21. PLUG BACK T.D., MD & TVD

5794'

22. IF MULTIPLE COMPL., HOW MANY*

23. INTERVALS DRILLED BY
----->

ROTARY TOOLS

X

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)*

Green River 4724'-5710'

25. WAS DIRECTIONAL SURVEY MADE

No

26. TYPE ELECTRIC AND OTHER LOGS RUN

Dual Induction Guard, SP, Compensated Density, Compensated Neutron, GR, Caliper, Cement Bond Log

27. WAS WELL CORED

No

23. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
8-5/8" - J-55	24#	334'	12-1/4"	To surface with 150 sx Class "G" cmt	
5-1/2" - J-55	15.5#	5838'	7-7/8"	285 sx Premlite II and 375 sx 50/50 Poz	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-7/8"	EOT @ 5716'	TA @ 5614'

31. PERFORATION RECORD (Interval, size and number)

INTERVAL	SIZE	SPF/NUMBER
(CP3,5) 5569-5578', 5690-96', 5704-10'	.41"	4/84
(CP1,2) 5441-51', 5476-87'	.41"	4/84
(B1) 4860'-4863'	.41"	4/12
(C-sd) 4724'-4746'	.41"	2/88

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5569'-5710'	Frac w/ 35,435# 20/40 sand in 354 bbls fluid.
5441'-5487'	Frac w/ 39,341# 20/40 sand in 376 bbls fluid.
4860'-4863'	Frac w/ 14,268# 20/40 sand in 220 bbls fluid.
4724'-4746'	Frac w/ 31,326# 20/40 sand in 308 bbls fluid.

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump)	WELL STATUS (Producing or shut-in)					
12/9/2004	2-1/2" x 1-1/2" x 15.5' RHAC Pump	PRODUCING					
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL--BBL.	GAS--MCF.	WATER--BBL.	GAS-OIL RATIO
10 day ave				21	56	2	2667
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL--BBL.	GAS--MCF.	WATER--BBL.	OIL GRAVITY-API (CORR.)	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

Sold & Used for Fuel

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

SIGNED

Brian Harris

TITLE

Engineering Technician

DATE

1/18/2005

Brian Harris

BDH

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

NEWFIELD



January 19, 2005

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

Attn: Ms. Carol Daniels

State 1-16-9-18 (43-047-35811)
State 5-2-9-18 (43-047-35777)
Blackjack Fed. 7-5-9-19 (43-013-32554)
Blackjack Fed. 1-5-9-19 (43-013-32555)
Federal 7-12-9-17 (43-047-35165)

Dear Ms. Carol Daniels

Enclosed is a Well Completion or Recompletion Report and Log form (Form 3160-4). We are no longer sending Log copies since Pat Grissom of Phoenix Surveys is already doing so.

If you should have any questions, please contact me at (303) 382-4449.

Sincerely,

Brian Harris
Engineering Tech

Enclosures

cc: Bureau of Land Management
Vernal District Office, Division of Minerals
Attn: Edwin I. Forsman
170 South 500 East
Vernal, Utah 84078

Well File – Denver
Well File – Roosevelt
Patsy Barreau/Denver
Bob Jewett/Denver
Renee Palmer/Roosevelt

RECEIVED

JAN 21 2005

DIV. OF OIL, GAS & MINING

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

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	GEOLOGIC MARKERS
				TOP
				MEAS. DEPTH
				TRUE VERT. DEPTH
			Well Name Federal 7-12-9-17	3533'
				3709'
				3822'
				4308'
				4342'
				4353'
				4482'
				4706'
				4811'
				5294'

OPERATOR CHANGE WORKSHEET

012

Change of Operator (Well Sold)

Designation of Agent/Operator

ROUTING

1. GLH
2. CDW
3. FILE

X Operator Name Change

Merger

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

9/1/2004

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

CA No.

Unit:

WELL(S)

NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS	
FEDERAL 10-1-9-17	01	090S	170E	4304735090	14421	Federal	OW	DRL	K
FEDERAL 9-1-9-17	01	090S	170E	4304735179	14075	Federal	OW	P	K
FEDERAL 11-1-9-17	01	090S	170E	4304735180	14105	Federal	OW	P	K
FEDERAL 1-11-9-17	11	090S	170E	4304735156	14321	Federal	OW	P	K
FEDERAL 7-11-9-17	11	090S	170E	4304735157	14249	Federal	OW	P	K
FEDERAL 9-11-9-17	11	090S	170E	4304735158	14250	Federal	OW	P	K
FEDERAL 11-11-9-17	11	090S	170E	4304735159	14287	Federal	OW	P	K
FEDERAL 15-11-9-17	11	090S	170E	4304735160	14302	Federal	OW	P	K
FEDERAL 3-12-9-17	12	090S	170E	4304735162	14343	Federal	OW	P	K
FEDERAL 1-12-9-17	12	090S	170E	4304735163	14361	Federal	OW	DRL	K
FEDERAL 5-12-9-17	12	090S	170E	4304735164	14344	Federal	OW	P	K
FEDERAL 7-12-9-17	12	090S	170E	4304735165	14347	Federal	OW	P	K
FEDERAL 9-12-9-17	12	090S	170E	4304735166	14391	Federal	OW	DRL	K
FEDERAL 11-12-9-17	12	090S	170E	4304735167	14345	Federal	OW	P	K
FEDERAL 13-12-9-17	12	090S	170E	4304735168	14305	Federal	OW	P	K
FEDERAL 15-12-9-17	12	090S	170E	4304735169	14346	Federal	OW	P	K
FEDERAL 2-25-9-17	25	090S	170E	4304734951		Federal	OW	APD	K
FEDERAL 3-14-9-18	14	090S	180E	4304734943		Federal	OW	APD	K
FEDERAL 4-14-9-18	14	090S	180E	4304734944		Federal	OW	APD	K
FEDERAL 2-23-9-18	23	090S	180E	4304734950		Federal	OW	APD	K

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 9/15/2004
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 9/15/2004

3. The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 2/23/2005

4. Is the new operator registered in the State of Utah: YES Business Number: 755627-0143

5. If **NO**, the operator was contacted contacted on:

6a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
6b. Inspections of LA PA state/fee well sites complete on: waived

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA

8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a

9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: na/

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 2/23/2005

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 2/28/2005
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 2/28/2005
3. Bond information entered in RBDMS on: 2/28/2005
4. Fee/State wells attached to bond in RBDMS on: 2/28/2005
5. Injection Projects to new operator in RBDMS on: 2/28/2005
6. Receipt of Acceptance of Drilling Procedures for APD/New on: waived

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UT 0056

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: 61BSBDH2912

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 61BSBDH2919

2. The **FORMER** operator has requested a release of liability from their bond on: n/a*
The Division sent response by letter on: n/a

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

*Bond rider changed operator name from Inland Production Company to Newfield Production Company - received 2/23/05



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155



IN REPLY REFER TO
3180
UT-922

June 30, 2005

Newfield Production Company
Attn: Kelly L. Donohoue
1401 Seventeenth Street, Suite 1000
Denver, Colorado 80202

Gentlemen:

The Sundance (Green River) Unit Agreement, Uintah County, Utah, was approved June 30, 2005. This agreement has been designated No. UTU82472X, and is effective July 1, 2005. The unit area embraces 11,143.86 acres, more or less.

Pursuant to regulations issued and effective June 17, 1988, all operations within the Sundance (Green River) Unit will be covered by your nationwide (Utah) oil and gas bond No. 0056.

The following leases embrace lands included within the unit area:

UTU0075174	UTU39713	UTU65970*	UTU79013*
UTU16539*	UTU39714	UTU74404	UTU79014*
UTU16540	UTU44429	UTU74835	UTU80915
UTU17424*	UTU64806*	UTU74872*	UTU82205
UTU18043	UTU65969	UTU75234	

* Indicates lease to be considered for segregation by the Bureau of Land Management pursuant to Section 18 (g) of the unit agreement and Public Law 86-705.

All lands and interests by State of Utah, Cause No. 228-08 are fully committed.

Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.

RECEIVED

JUL 0 / 2005

DIV. OF OIL, GAS & MINING

*Docket No
2005-009*

We are of the opinion that the agreement is necessary and advisable in the public interest and for the purpose of more properly conserving natural resources. Certification-Determination, signed by the School and Institutional Trust Land Administration for the State of Utah, is attached to the enclosed agreement. We request that you furnish the State of Utah and all other interested principals with appropriate evidence of this approval.

Sincerely,

/s/ Terry Catlin

Terry Catlin
Acting Chief, Branch of Fluid Minerals

Enclosure

bcc: Mary Higgins w/enclosure
MMS - Data Management Division (Attn: James Sykes)
Trust Lands Administration
Division of Oil, Gas and Mining
Field Manager - Vernal w/enclosure
File - Sundance (Green River) Unit w/enclosure
Agr. Sec. Chron
Fluid Chron
Central Files

UT922:TAThompson:tt:06/30/2005

Entity Form 6

"C" Change from one existing entity to another existing entity

API	Well	Sec	Twsp	Rng	Entity	Entity Eff Date
4304734465	SUNDANCE 15-32-8-18	32	080S	180E	13978 to 14844	9/20/2005
4304734466	SUNDANCE 16-32-8-18	32	080S	180E	14028 to 14844	9/20/2005
4304735090	FEDERAL 10-1-9-17	01	090S	170E	14421 to 14844	9/20/2005
4304735179	FEDERAL 9-1-9-17	01	090S	170E	14075 to 14844	9/20/2005
4304735180	FEDERAL 11-1-9-17	01	090S	170E	14105 to 14844	9/20/2005
4304735181	FEDERAL 13-1-9-17	01	090S	170E	14101 to 14844	9/20/2005
4304735182	FEDERAL 15-1-9-17	01	090S	170E	14094 to 14844	9/20/2005
4304735496	FEDERAL 16-1-9-17	01	090S	170E	14481 to 14844	9/20/2005
4304735156	FEDERAL 1-11-9-17	11	090S	170E	14321 to 14844	9/20/2005
4304735157	FEDERAL 7-11-9-17	11	090S	170E	14249 to 14844	9/20/2005
4304735158	FEDERAL 9-11-9-17	11	090S	170E	14250 to 14844	9/20/2005
4304735159	FEDERAL 11-11-9-17	11	090S	170E	14287 to 14844	9/20/2005
4304735160	FEDERAL 15-11-9-17	11	090S	170E	14302 to 14844	9/20/2005
4304735295	FEDERAL 3-11-9-17	11	090S	170E	14258 to 14844	9/20/2005
4304735497	FEDERAL 16-11-9-17	11	090S	170E	14568 to 14844	9/20/2005
4304735498	FEDERAL 14-11-9-17	11	090S	170E	14621 to 14844	9/20/2005
4304735500	FEDERAL 10-11-9-17	11	090S	170E	14587 to 14844	9/20/2005
4304735501	FEDERAL 8-11-9-17	11	090S	170E	14578 to 14844	9/20/2005
4304735502	FEDERAL 2-11-9-17	11	090S	170E	14588 to 14844	9/20/2005
4304735769	FEDERAL 6-11-9-17	11	090S	170E	14595 to 14844	9/20/2005
4304735162	FEDERAL 3-12-9-17	12	090S	170E	14343 to 14844	9/20/2005
4304735163	FEDERAL 1-12-9-17	12	090S	170E	14361 to 14844	9/20/2005
4304735164	FEDERAL 5-12-9-17	12	090S	170E	14344 to 14844	9/20/2005
4304735165	FEDERAL 7-12-9-17	12	090S	170E	14347 to 14844	9/20/2005
4304735166	FEDERAL 9-12-9-17	12	090S	170E	14391 to 14844	9/20/2005
4304735167	FEDERAL 11-12-9-17	12	090S	170E	14345 to 14844	9/20/2005
4304735168	FEDERAL 13-12-9-17	12	090S	170E	14305 to 14844	9/20/2005
4304735169	FEDERAL 15-12-9-17	12	090S	170E	14346 to 14844	9/20/2005
4304735516	FEDERAL 16-12-9-17	12	090S	170E	14569 to 14844	9/20/2005
4304735517	FEDERAL 14-12-9-17	12	090S	170E	14500 to 14844	9/20/2005
4304735518	FEDERAL 12-12-9-17	12	090S	170E	14497 to 14844	9/20/2005
4304735519	FEDERAL 10-12-9-17	12	090S	170E	14482 to 14844	9/20/2005
4304735520	FEDERAL 4-12-9-17	12	090S	170E	14553 to 14844	9/20/2005
4304735748	FEDERAL 8-12-9-17	12	090S	170E	14483 to 14844	9/20/2005
4304735749	FEDERAL 6-12-9-17	12	090S	170E	14498 to 14844	9/20/2005
4304735750	FEDERAL 2-12-9-17	12	090S	170E	14484 to 14844	9/20/2005



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8
999 18th STREET - SUITE 300
DENVER, CO 80202-2466
http://www.epa.gov/region08

SEP 19 2006

Ref: 8P-W-GW

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

David Gerbig
Newfield Production Company
1401 Seventeenth Street
Suite 1000
Denver, CO 80202

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

43-047,35165
9S 17E 12

Re: Underground Injection Control Program
Final Permit: Federal 7-12-9-17
Uintah County, Utah
EPA Permit No. UT21018-06969

Dear Mr. Gerbig:

Enclosed is your copy of the FINAL Underground Injection Control (UIC) Permit for the proposed Federal 7-12-9-17 injection well. A Statement of Basis, which discusses development of the conditions and requirements of the Permit, also is included.

The Public Comment period ended on SEP 7 2006. There were no comments on the Draft Permit received during the Public Notice period, and therefore the Final Permit becomes effective on the date of issuance. All conditions set forth herein refer to Title 40 Parts 124, 144, 146, and 147 of the Code of Federal Regulations (CFR) and are regulations that are in effect on the date that this Permit becomes effective.

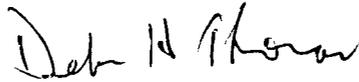
Please note that under the terms of the Final Permit, you are authorized only to construct the proposed injection well, and must fulfill the "Prior to Commencing Injection" requirements of the Permit, Part II Section C Subpart 1 and obtain written Authorization to Inject prior to commencing injection. It is your responsibility to be familiar with and to comply with all provisions of the Final Permit.

The Permit and the authorization to inject are issued for the operating life of the well unless terminated (Part III, Section B). The EPA will review this Permit at least every five (5) years to determine whether action under 40 CFR § 144.36(a) is warranted.

RECEIVED
SEP 21 2006

If you have any questions on the enclosed Final Permit or Statement of Basis, please call Emmett Schmitz of my staff at (303) 312-6174, or toll-free at (800) 227-8917, ext. 6174.

Sincerely,



for Stephen S. Tuber
Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

enclosure: Final UIC Permit
Statement of Basis
Form 7520-7 Application to Transfer Permit
Form 7520-11 Monitoring Report
Form No. 7520-12 Well Rework Record
Form 7520-14 Plugging Plan
Groundwater Section Guidance 35
Groundwater Section Guidance 37
Groundwater Section Guidance 39

cc: Letter only:
Maxine Natchees
Acting Chairperson
Uintah & Ouray Business Council
Ute Indian Tribe

Chester Mills
Superintendent
U.S. Bureau of Indian Affairs
Uintah & Ouray Indian Agency

w/ all enclosures:
S. Elaine Willie
Environmental Coordinator
Ute Indian Tribe



Lynn Becker
Director
Energy & Minerals Dept.
Ute Indian Tribe

Michael Guinn
Vice President - Operations
Newfield Production Company
Myton, Utah

Gilbert Hunt
Associate Director
State of Utah - Natural Resources

Fluid Minerals Engineering Office
U.S. Bureau of Land Management
Vernal, Utah





**UNDERGROUND INJECTION CONTROL PROGRAM
PERMIT**

PREPARED: September 2006

Permit No. UT21018-06969

Class II Enhanced Oil Recovery Injection Well

**Federal 7-12-9-17
Uintah County, UT**

Issued To

Newfield Production Company

1401 Seventeenth Street

Suite 1000

Denver, CO 80202

Part I. AUTHORIZATION TO CONSTRUCT AND OPERATE

Under the authority of the Safe Drinking Water Act and Underground Injection Control (UIC) Program regulations of the U. S. Environmental Protection Agency (EPA) codified at Title 40 of the Code of Federal Regulations (40 CFR) Parts 2, 124, 144, 146, and 147, and according to the terms of this Permit,

Newfield Production Company
1401 Seventeenth Street
Suite 1000
Denver, CO 80202

is authorized to construct and to operate the following Class II injection well or wells:

Federal 7-12-9-17
1847' FNL & 1806' FEL, SWNE S12, T9S, R17E
Uintah County, UT

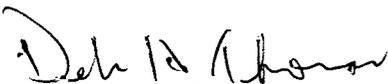
Permit requirements herein are based on regulations found in 40 CFR Parts 124, 144, 146, and 147 which are in effect on the Effective Date of this Permit. Issuance of this Permit does not convey any property rights of any sort, nor does it authorize any injury to persons or property or invasion of other private rights, or any infringement of other federal, State or local law or regulation.

This Permit is based on representations made by the applicant and on other information contained in the Administrative Record. Misrepresentation of information or failure to fully disclose all relevant information may be cause for termination, revocation and reissuance, or modification of this Permit and/or formal enforcement action. This Permit will be reviewed periodically to determine whether action under 40 CFR 144.36(a) is required.

This Permit is issued for the life of the well or wells unless modified, revoked and reissued, or terminated under 40 CFR 144.39 or 144.40. This Permit may be adopted, modified, revoked and reissued, or terminated if primary enforcement authority for this program is delegated to an Indian Tribe or a State. Upon the effective date of delegation, all reports, notifications, questions and other compliance actions shall be directed to the Indian tribe or State Program Director or designee.

Issue Date: AUG - 7 2006

Effective Date AUG - 7 2006



for Stephen S. Tuber
Assistant Regional Administrator*
Office of Partnerships and Regulatory Assistance

*NOTE: The person holding this title is referred to as the "Director" throughout this Permit.

PART II. SPECIFIC PERMIT CONDITIONS

Section A. WELL CONSTRUCTION REQUIREMENTS

These requirements represent the approved minimum construction standards for well casing and cement, injection tubing, and packer.

Details of the approved well construction plan are incorporated into this Permit as APPENDIX A. Changes to the approved plan that may occur during construction must be approved by the Director prior to being physically incorporated.

1. Casing and Cement.

The well or wells shall be cased and cemented to prevent the movement of fluids into or between underground sources of drinking water. The well casing and cement shall be designed for the life expectancy of the well and of the grade and size shown in APPENDIX A. Remedial cementing may be required if shown to be inadequate by cement bond log or other attempted demonstration of Part II (External) mechanical integrity.

2. Injection Tubing and Packer.

Injection tubing is required, and shall be run and set with a packer at or below the depth indicated in APPENDIX A. The packer setting depth may be changed provided it remains below the depth indicated in APPENDIX A and the Permittee provides notice and obtains the Director's approval for the change.

3. Sampling and Monitoring Devices.

The Permittee shall install and maintain in good operating condition:

- (a) a "tap" at a conveniently accessible location on the injection flow line between the pump house or storage tanks and the injection well, isolated by shut-off valves, for collection of representative samples of the injected fluid; and
- (b) one-half (1/2) inch female iron pipe fitting, isolated by shut-off valves and located at the wellhead at a conveniently accessible location, for the attachment of a pressure gauge capable of monitoring pressures ranging from normal operating pressures up to the Maximum Allowable Injection Pressure specified in APPENDIX C:
 - (i) on the injection tubing; and
 - (ii) on the tubing-casing annulus (TCA); and
- (c) a pressure actuated shut-off device attached to the injection flow line set to shut-off the injection pump when or before the Maximum Allowable Injection Pressure specified in APPENDIX C is reached at the wellhead; and
- (d) a non-resettable cumulative volume recorder attached to the injection line.

4. Well Logging and Testing

Well logging and testing requirements are found in APPENDIX B. The Permittee shall ensure the log and test requirements are performed within the time frames specified in APPENDIX B. Well logs and tests shall be performed according to current EPA-approved procedures. Well log and test results shall be submitted to the Director within sixty (60) days of completion of the logging or testing activity, and shall include a report describing the methods used during logging or testing and an interpretation of the test or log results.

5. Postponement of Construction or Conversion

The Permittee shall complete well construction within one year of the Effective Date of the Permit, or in the case of an Area Permit within one year of authorization of the additional well. Authorization to construct and operate shall expire if the well has not been constructed within one year of the Effective Date of the Permit or authorization and the Permit may be terminated under 40 CFR 144.40, unless the Permittee has notified the Director and requested an extension prior to expiration. Notification shall be in writing, and shall state the reasons for the delay and provide an estimated completion date. Once Authorization has expired under this part, the complete permit process including opportunity for public comment may be required before Authorization to construct and operate may be reissued.

6. Workovers and Alterations

Workovers and alterations shall meet all conditions of the Permit. Prior to beginning any addition or physical alteration to an injection well that may significantly affect the tubing, packer or casing, the Permittee shall give advance notice to the Director and obtain the Director's approval. The Permittee shall record all changes to well construction on a Well Rework Record (EPA Form 7520-12), and shall provide this and any other record of well workover, logging, or test data to EPA within sixty (60) days of completion of the activity.

A successful demonstration of Part I MI is required following the completion of any well workover or alteration which affects the casing, tubing, or packer. Injection operations shall not be resumed until the well has successfully demonstrated mechanical integrity and the Director has provided written approval to resume injection.

Section B. MECHANICAL INTEGRITY

The Permittee is required to ensure each injection well maintains mechanical integrity at all times. The Director, by written notice, may require the Permittee to comply with a schedule describing when mechanical integrity demonstrations shall be made.

An injection well has mechanical integrity if:

- (a) There is no significant leak in the casing, tubing, or packer (Part I); and
- (b) There is no significant fluid movement into an underground source of drinking water through vertical channels adjacent to the injection well bore (Part II).

1. Demonstration of Mechanical Integrity (MI).

The operator shall demonstrate MI prior to commencing injection and periodically thereafter. Well-specific conditions dictate the methods and the frequency for demonstrating MI and are discussed in the Statement of Basis. The logs and tests are designed to demonstrate both internal (Part I) and external (Part II) MI as described above. The conditions present at this well site warrant the methods and frequency required in Appendix B of this Permit.

In addition to these regularly scheduled demonstrations of MI, the operator shall demonstrate internal (Part I) MI after any workover which affects the tubing, packer or casing.

The Director may require additional or alternative tests if the results presented by the operator are not satisfactory to the Director to demonstrate there is no movement of fluid into or between USDWs resulting from injection activity. Results of MI tests shall be submitted to the Director as soon as possible but no later than sixty (60) days after the test is complete.

2. Mechanical Integrity Test Methods and Criteria

EPA-approved methods shall be used to demonstrate mechanical integrity. Ground Water Section Guidance No. 34 "Cement Bond Logging Techniques and Interpretation", Ground Water Section Guidance No. 37, "Demonstrating Part II (External) Mechanical Integrity for a Class II injection well permit", and Ground Water Section Guidance No. 39, "Pressure Testing Injection Wells for Part I (Internal) Mechanical Integrity" are available from EPA and will be provided upon request.

The Director may stipulate specific test methods and criteria best suited for a specific well construction and injection operation.

3. Notification Prior to Testing.

The Permittee shall notify the Director at least 30 days prior to any scheduled mechanical integrity test. The Director may allow a shorter notification period if it would be sufficient to enable EPA to witness the mechanical integrity test. Notification may be in the form of a yearly or quarterly schedule of planned mechanical integrity tests, or it may be on an individual basis.

4. Loss of Mechanical Integrity.

If the well fails to demonstrate mechanical integrity during a test, or a loss of mechanical integrity becomes evident during operation (such as presence of pressure in the TCA, water flowing at the surface, etc.), the Permittee shall notify the Director within 24 hours (see Part III Section E Paragraph 11(e) of this Permit) and the well shall be shut-in within 48 hours unless the Director requires immediate shut-in.

Within five days, the Permittee shall submit a follow-up written report that documents test results, repairs undertaken or a proposed remedial action plan.

Injection operations shall not be resumed until after the well has successfully been repaired and demonstrated mechanical integrity, and the Director has provided approval to resume injection.

Section C. WELL OPERATION

INJECTION BETWEEN THE OUTERMOST CASING PROTECTING UNDERGROUND SOURCES OF DRINKING WATER AND THE WELL BORE IS PROHIBITED.

Injection is approved under the following conditions:

1. Requirements Prior to Commencing Injection.

Well injection, including for new wells authorized by an Area Permit under 40 CFR 144.33 (c), may commence only after all well construction and pre-injection requirements herein have been met and approved. The Permittee may not commence injection until construction is complete, and

- (a) The Permittee has submitted to the Director a notice of completion of construction and a completed EPA Form 7520-10 or 7520-12; all applicable logging and testing requirements of this Permit (see APPENDIX B) have been fulfilled and the records submitted to the Director; mechanical integrity pursuant to 40 CFR 146.8 and Part II Section B of this Permit has been demonstrated; and
 - (i) The Director has inspected or otherwise reviewed the new injection well and finds it is in compliance with the conditions of the Permit; or
 - (ii) The Permittee has not received notice from the Director of his or her intent to inspect or otherwise review the new injection well within 13 days of the date of the notice in Paragraph 1a, in which case prior inspection or review is waived and the Permittee may commence injection.

2. Injection Interval.

Injection is permitted only within the approved injection interval, listed in APPENDIX C. Additional individual injection perforations may be added provided that they remain within the approved injection interval and the Permittee provides notice to the Director in accordance with Part II, Section A, Paragraph 6.

3. Injection Pressure Limitation

- (a) The permitted Maximum Allowable Injection Pressure (MAIP), measured at the wellhead, is found in APPENDIX C. Injection pressure shall not exceed the amount the Director determines is appropriate to ensure that injection does not initiate new fractures or propagate existing fractures in the confining zone adjacent to USDWs. In no case shall injection pressure cause the movement of injection or formation fluids into a USDW.
- (b) The Permittee may request a change of the MAIP, or the MAIP may be increased or decreased by the Director in order to ensure that the requirements in Paragraph (a) above are fulfilled. The Permittee may be required to conduct a step rate injection test or other suitable test to provide information for determining the fracture pressure of the injection zone. Change of the permitted MAIP by the Director shall be by modification of this Permit and APPENDIX C.

4. Injection Volume Limitation.

Injection volume is limited to the total volume specified in APPENDIX C.

5. Injection Fluid Limitation.

Injected fluids are limited to those identified in 40 CFR 144.6(b)(2) as fluids used for enhanced recovery of oil or natural gas, including those which are brought to the surface in connection with conventional oil or natural gas production that may be commingled with waste waters from gas plants which are an integral part of production operations unless those waters are classified as a hazardous waste at the time of injection, pursuant to 40 CFR 144.6(b). Non-exempt wastes, including unused fracturing fluids or acids, gas plant cooling tower cleaning wastes, service wastes and vacuum truck wastes, are NOT approved for injection. This well is NOT approved for commercial brine injection, industrial waste fluid disposal or injection of hazardous waste as defined by CFR 40 Part 261. The Permittee shall provide a listing of the sources of injected fluids in accordance with the reporting requirements in Part II Section D Paragraph 4 and APPENDIX D of this Permit.

6. Tubing-Casing Annulus (TCA)

The tubing-casing annulus (TCA) shall be filled with water treated with a corrosion inhibitor, or other fluid approved by the Director. The TCA valve shall remain closed during normal operating conditions and the TCA pressure shall be maintained at zero (0) psi.

If TCA pressure cannot be maintained at zero (0) psi, the Permittee shall follow the procedures in Ground Water Section Guidance No. 35 "Procedures to follow when excessive annular pressure is observed on a well."

Section D. MONITORING, RECORDKEEPING, AND REPORTING OF RESULTS

1. Monitoring Parameters, Frequency, Records and Reports.

Monitoring parameters are specified in APPENDIX D. Pressure monitoring recordings shall be taken at the wellhead. The listed parameters are to be monitored, recorded and reported at the frequency indicated in APPENDIX D even during periods when the well is not operating.

Monitoring records must include:

- (a) the date, time, exact place and the results of the observation, sampling, measurement, or analysis, and;
- (b) the name of the individual(s) who performed the observation, sampling, measurement, or analysis, and;
- (c) the analytical techniques or methods used for analysis.

2. Monitoring Methods.

- (a) Monitoring observations, measurements, samples, etc. taken for the purpose of complying with these requirements shall be representative of the activity or condition being monitored.

- (b) Methods used to monitor the nature of the injected fluids must comply with analytical methods cited and described in Table 1 of 40 CFR 136.3 or Appendix III of 40 CFR 261, or by other methods that have been approved in writing by the Director.
- (c) Injection pressure, annulus pressure, injection rate, and cumulative injected volumes shall be observed and recorded at the wellhead under normal operating conditions, and all parameters shall be observed simultaneously to provide a clear depiction of well operation.
- (d) Pressures are to be measured in pounds per square inch (psi).
- (e) Fluid volumes are to be measured in standard oil field barrels (bbl).
- (f) Fluid rates are to be measured in barrels per day (bbl/day).

3. Records Retention.

- (a) Records of calibration and maintenance, and all original strip chart recordings for continuous monitoring instrumentation, copies of all reports required by this permit, and records of all data used to complete the application for this permit shall be retained for a period of AT LEAST THREE (3) YEARS from the date of the sample, measurement, report, or application. This period may be extended anytime prior to its expiration by request of the Director.
- (b) Records of the nature and composition of all injected fluids must be retained until three (3) years after the completion of any plugging and abandonment (P&A) procedures specified under 40 CFR 144.52(a)(6) or under Part 146 Subpart G, as appropriate. The Director may require the Permittee to deliver the records to the Director at the conclusion of the retention period. The Permittee shall continue to retain the records after the three (3) year retention period unless the Permittee delivers the records to the Director or obtains written approval from the Director to discard the records.
- (c) The Permittee shall retain records at the location designated in APPENDIX D.

4. Annual Reports.

Whether the well is operating or not, the Permittee shall submit an Annual Report to the Director that summarizes the results of the monitoring required by Part II Section D and APPENDIX D.

The first Annual Report shall cover the period from the effective date of the Permit through December 31 of that year. Subsequent Annual Reports shall cover the period from January 1 through December 31 of the reporting year. Annual Reports shall be submitted by February 15 of the year following data collection. EPA Form 7520-11 may be copied and shall be used to submit the Annual Report, however, the monitoring requirements specified in this Permit are mandatory even if EPA Form 7520-11 indicates otherwise.

Section E. PLUGGING AND ABANDONMENT

1. Notification of Well Abandonment, Conversion or Closure.

The Permittee shall notify the Director in writing at least forty-five (45) days prior to: 1) plugging and abandoning an injection well, 2) converting to a non-injection well, and 3) in the case of an Area Permit, before closure of the project.

2. Well Plugging Requirements

Prior to abandonment, the injection well shall be plugged with cement in a manner which prevents the movement of fluids into or between underground sources of drinking water. Prior to placement of the cement plug(s) the well shall be in a state of static equilibrium with the mud weight equalized top to bottom, either by circulating the mud in the well at least once or by a comparable method prescribed by the Director. The well shall be plugged in accordance with the approved plugging and abandonment plan and with 40 CFR 146.10.

3. Approved Plugging and Abandonment Plan.

The approved plugging and abandonment plan is incorporated into this Permit as APPENDIX E. Changes to the approved plugging and abandonment plan must be approved by the Director prior to beginning plugging operations. The Director also may require revision of the approved plugging and abandonment plan at any time prior to plugging the well.

4. Forty Five (45) Day Notice of Plugging and Abandonment.

The Permittee shall notify the Director at least forty-five (45) days prior to plugging and abandoning a well and provide notice of any anticipated change to the approved plugging and abandonment plan.

5. Plugging and Abandonment Report.

Within sixty (60) days after plugging a well, the Permittee shall submit a report (EPA Form 7520-13) to the Director. The plugging report shall be certified as accurate by the person who performed the plugging operation. Such report shall consist of either:

- (a) A statement that the well was plugged in accordance with the approved plugging and abandonment plan; or
- (b) Where actual plugging differed from the approved plugging and abandonment plan, an updated version of the plan, on the form supplied by the Director, specifying the differences.

6. Inactive Wells.

After any period of two years during which there is no injection the Permittee shall plug and abandon the well in accordance with Part II Section E Paragraph 2 of this Permit unless the Permittee:

- (a) Provides written notice to the Director;
- (b) Describes the actions or procedures the Permittee will take to ensure that the well will not endanger USDWs during the period of inactivity. These actions and procedures shall include compliance with mechanical integrity demonstration, Financial Responsibility and all other permit requirements designed to protect USDWs; and

- (c) Receives written notice by the Director temporarily waiving plugging and abandonment requirements.

PART III. CONDITIONS APPLICABLE TO ALL PERMITS

Section A. EFFECT OF PERMIT

The Permittee is allowed to engage in underground injection in accordance with the conditions of this Permit. The Permittee shall not construct, operate, maintain, convert, plug, abandon, or conduct any other activity in a manner that allows the movement of fluid containing any contaminant into underground sources of drinking water, if the presence of that contaminant may cause a violation of any primary drinking water regulation under 40 CFR 142 or may otherwise adversely affect the health of persons. Any underground injection activity not authorized by this Permit or by rule is prohibited. Issuance of this Permit does not convey property rights of any sort or any exclusive privilege; nor does it authorize any injury to persons or property, any invasion of other private rights, or any infringement of State or local law or regulations. Compliance with the terms of this Permit does not constitute a defense to any enforcement action brought under the provisions of Section 1431 of the Safe Drinking Water Act (SDWA) or any other law governing protection of public health or the environment, for any imminent and substantial endangerment to human health or the environment, nor does it serve as a shield to the Permittee's independent obligation to comply with all UIC regulations. Nothing in this Permit relieves the Permittee of any duties under applicable regulations.

Section B. CHANGES TO PERMIT CONDITIONS

1. Modification, Reissuance, or Termination.

The Director may, for cause or upon a request from the Permittee, modify, revoke and reissue, or terminate this Permit in accordance with 40 CFR 124.5, 144.12, 144.39, and 144.40. Also, this Permit is subject to minor modification for causes as specified in 40 CFR 144.41. The filing of a request for modification, revocation and reissuance, termination, or the notification of planned changes or anticipated noncompliance on the part of the Permittee does not stay the applicability or enforceability of any condition of this Permit.

2. Conversions.

The Director may, for cause or upon a written request from the Permittee, allow conversion of the well from a Class II injection well to a non-Class II well. Conversion may not proceed until the Permittee receives written approval from the Director. Conditions of such conversion may include but are not limited to, approval of the proposed well rework, follow up demonstration of mechanical integrity, well-specific monitoring and reporting following the conversion, and demonstration of practical use of the converted configuration.

3. Transfer of Permit.

Under 40 CFR 144.38, this Permit is transferable provided the current Permittee notifies the Director at least thirty (30) days in advance of the proposed transfer date (EPA Form 7520-7) and provides a written agreement between the existing and new Permittees containing a specific date for transfer of Permit responsibility, coverage and liability between them. The notice shall adequately demonstrate that the financial responsibility requirements of 40 CFR 144.52(a)(7) will be met by the new Permittee. The Director may require modification or revocation and reissuance of the Permit to change the name of the Permittee and incorporate such other requirements as may be necessary under the Safe Drinking Water Act; in some cases, modification or revocation and reissuance is mandatory.

4. Permittee Change of Address.

Upon the Permittee's change of address, or whenever the operator changes the address where monitoring records are kept, the Permittee must provide written notice to the Director within 30 days.

5. Construction Changes, Workovers, Logging and Testing Data

The Permittee shall give advance notice to the Director, and shall obtain the Director's written approval prior to any physical alterations or additions to the permitted facility. Alterations or workovers shall meet all conditions as set forth in this permit. The Permittee shall record any changes to the well construction on a Well Rework Record (EPA Form 7520-12), and shall provide this and any other record of well workovers, logging, or test data to EPA within sixty (60) days of completion of the activity.

Following the completion of any well workovers or alterations which affect the casing, tubing, or packer, a successful demonstration of mechanical integrity (Part III, Section F of this permit) shall be made, and written authorization from the Director received, prior to resuming injection activities.

Section C. SEVERABILITY

The Provisions of this Permit are severable, and if any provision of this Permit or the application of any provision of this Permit to any circumstance, is held invalid, the application of such provision to other circumstances, and the remainder of this Permit shall not be affected thereby.

Section D. CONFIDENTIALITY

In accordance with 40 CFR Part 2 and 40 CFR 144.5, information submitted to EPA pursuant to this Permit may be claimed as confidential by the submitter. Any such claim must be asserted at the time of submission by stamping the words "confidential business information" on each page containing such information. If no claim is made at the time of submission, EPA may make the information available to the public without further notice. If a claim is asserted, the validity of the claim will be assessed in accordance with the procedures in 40 CFR Part 2 (Public Information). Claims of confidentiality for the following information will be denied:

- The name and address of the Permittee, and
- information which deals with the existence, absence or level of contaminants in drinking water.

Section E. GENERAL PERMIT REQUIREMENTS

1. Duty to Comply.

The Permittee must comply with all conditions of this Permit. Any noncompliance constitutes a violation of the Safe Drinking Water Act (SDWA) and is grounds for enforcement action; for Permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application; except that the Permittee need not comply with the provisions of this Permit to the extent and for the duration such noncompliance is authorized in an emergency permit under 40 CFR 144.34. All violations of the SDWA may subject the Permittee to penalties and/or criminal prosecution as specified in Section 1423 of the SDWA.

2. Duty to Reapply.

If the Permittee wishes to continue an activity regulated by this Permit after the expiration date of this Permit, under 40 CFR 144.37 the Permittee must apply for a new permit prior to the expiration date.

3. Need to Halt or Reduce Activity Not a Defense.

It shall not be a defense for a Permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this Permit.

4. Duty to Mitigate.

The Permittee shall take all reasonable steps to minimize or correct any adverse impact on the environment resulting from noncompliance with this Permit.

5. Proper Operation and Maintenance.

The Permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the Permittee to achieve compliance with the conditions of this Permit. Proper operation and maintenance includes effective performance, adequate funding, adequate operator staffing and training, and adequate laboratory and process controls, including appropriate quality assurance procedures. This provision requires the operation of back-up or auxiliary facilities or similar systems only when necessary to achieve compliance with the conditions of this Permit.

6. Permit Actions.

This Permit may be modified, revoked and reissued or terminated for cause. The filing of a request by the Permittee for a permit modification, revocation and reissuance, or termination, or a notification of planned changes or anticipated noncompliance, does not stay any permit condition.

7. Property Rights.

This Permit does not convey any property rights of any sort, or any exclusive privilege.

8. Duty to Provide Information.

The Permittee shall furnish to the Director, within a time specified, any information which the Director may request to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The Permittee shall also furnish to the Director, upon request, copies of records required to be kept by this Permit. The Permittee is required to submit any information required by this Permit or by the Director to the mailing address designated in writing by the Director.

9. Inspection and Entry.

The Permittee shall allow the Director, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to:

- (a) Enter upon the Permittee's premises where a regulated facility or activity is located or conducted, or where records must be kept under the conditions of this Permit;

- (b) Have access to and copy, at reasonable times, any records that must be kept under the conditions of this Permit;
- (c) Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this Permit; and,
- (d) Sample or monitor at reasonable times, for the purpose of assuring permit compliance or as otherwise authorized by the SDWA, any substances or parameters at any location.

10. Signatory Requirements.

All applications, reports or other information submitted to the Director shall be signed and certified according to 40 CFR 144.32. This section explains the requirements for persons duly authorized to sign documents, and provides wording for required certification.

11. Reporting Requirements.

- (a) **Planned changes.** The Permittee shall give notice to the Director as soon as possible of any planned changes, physical alterations or additions to the permitted facility, and prior to commencing such changes.
- (b) **Anticipated noncompliance.** The Permittee shall give advance notice to the Director of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.
- (c) **Monitoring Reports.** Monitoring results shall be reported at the intervals specified in this Permit.
- (d) **Compliance schedules.** Reports of compliance or noncompliance with, or any progress reports on, interim and final requirements contained in any compliance schedule of this Permit shall be submitted no later than 30 days following each schedule date.
- (e) **Twenty-four hour reporting.** The Permittee shall report to the Director any noncompliance which may endanger human health or the environment, including:
 - (i) Any monitoring or other information which indicates that any contaminant may cause endangerment to a USDW; or
 - (ii) Any noncompliance with a permit condition or malfunction of the injection system which may cause fluid migration into or between USDWs.

Information shall be provided, either directly or by leaving a message, within twenty-four (24) hours from the time the permittee becomes aware of the circumstances by telephoning (800) 227-8917 and requesting EPA Region VIII UIC Program Compliance and Technical Enforcement Director, or by contacting the EPA Region VIII Emergency Operations Center at (303) 293-1788.

In addition, a follow up written report shall be provided to the Director within five (5) days of the time the Permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause, the period of noncompliance including exact dates and times, and if the noncompliance has not been corrected the anticipated time it is expected to continue; and the steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance.

- (f) Oil Spill and Chemical Release Reporting: The Permittee shall comply with all reporting requirements related to the occurrence of oil spills and chemical releases by contacting the National Response Center (NRC) at (800) 424-8802, (202) 267-2675, or through the NRC website <http://www.nrc.uscg.mil/index.htm>.
- (g) Other Noncompliance. The Permittee shall report all instances of noncompliance not reported under paragraphs Part III, Section E Paragraph 11(b) or Section E, Paragraph 11(e) at the time the monitoring reports are submitted. The reports shall contain the information listed in Paragraph 11(e) of this Section.
- (h) Other information. Where the Permittee becomes aware that it failed to submit any relevant facts in the permit application, or submitted incorrect information in a permit application or in any report to the Director, the Permittee shall promptly submit such facts or information to the Director.

Section F. FINANCIAL RESPONSIBILITY

1. Method of Providing Financial Responsibility.

The Permittee shall maintain continuous compliance with the requirement to maintain financial responsibility and resources to close, plug, and abandon the underground injection well(s). No substitution of a demonstration of financial responsibility shall become effective until the Permittee receives written notification from the Director that the alternative demonstration of financial responsibility is acceptable. The Director may, on a periodic basis, require the holder of a permit to revise the estimate of the resources needed to plug and abandon the well to reflect changes in such costs and may require the Permittee to provide a revised demonstration of financial responsibility.

2. Insolvency.

In the event of:

- (a) the bankruptcy of the trustee or issuing institution of the financial mechanism; or
- (b) suspension or revocation of the authority of the trustee institution to act as trustee; or

- (c) the institution issuing the financial mechanism losing its authority to issue such an instrument

the Permittee must notify the Director in writing, within ten (10) business days, and the Permittee must establish other financial assurance or liability coverage acceptable to the Director within sixty (60) days after any event specified in (a), (b), or (c) above.

The Permittee must also notify the Director by certified mail of the commencement of voluntary or involuntary proceedings under Title 11 (Bankruptcy), U.S. Code naming the owner or operator as debtor, within ten (10) business days after the commencement of the proceeding. A guarantor, if named as debtor of a corporate guarantee, must make such a notification as required under the terms of the guarantee.

APPENDIX A

WELL CONSTRUCTION REQUIREMENTS

See diagram.

The Federal No. 7-12-9-17 was drilled to a total depth of 5845 (KB) feet in the Douglas Creek Member of the Green River Formation.

Surface casing (8-5/8 inch) was set at a depth of 333 feet in a 12-1/4 inch hole using 150 sacks of Class "G" cement which was circulated to the surface.

Production casing (5-1/2 inch) was set at a depth of 5838 feet (KB) in a 7-7/8 inch hole with 285 sacks of Premium Lite II and 375 sacks of 50/50 poz mix. This well construction is considered adequate to protect USDW's.

The EPA calculates the top of cement as 1567 feet from the surface.

The schematic diagram shows the proposed injection perforations in the Douglas Creek Member of the Green River Formation.

Injection perforations may be placed at the operator's discretion within the approved injection zone between 3602 feet to the top of the Wasatch Formation, estimated at 5970 feet (KB). Perforations may be added at a later time provided the operator notifies the Director and submits an updated well completion report (EPA Form 7520-12) and schematic diagram.

The packer will be required to be set no higher than 100 feet above the top perforation.

Federal #7-12-9-17

Spud Date: 10/13/2004
 Put on Production: 12/09/2004
 GL: 5061' KB: 5073'

Initial Production: BOPD,
 MCFD, BWPD

SURFACE CASING

CSG SIZE: 8-5/8"
 GRADE: J-55
 WEIGHT: 24#
 LENGTH: 8 jts (323.66')
 DEPTH LANDED: 333.66'
 HOLE SIZE: 12-1/4"
 CEMENT DATA: 150 sxs Class "G" cement, Est. 4 bbls cement to surface.

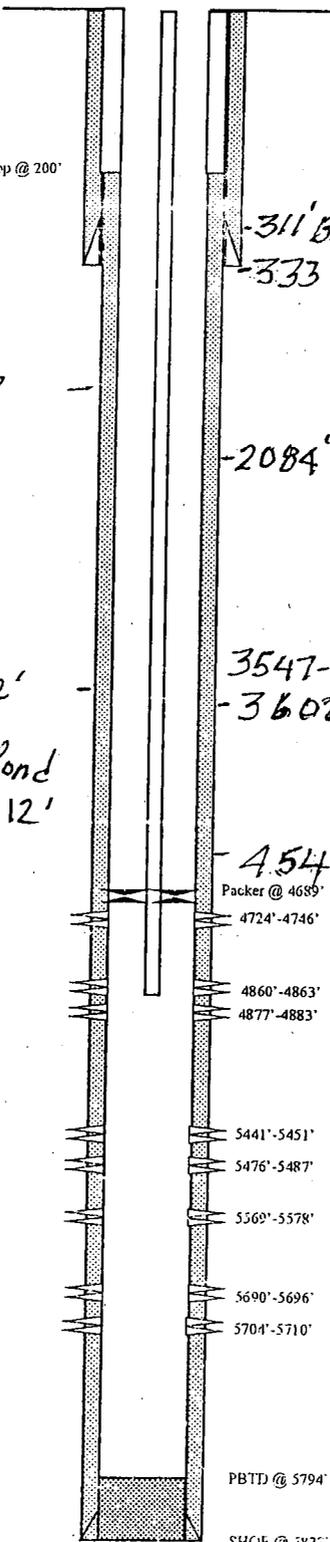
PRODUCTION CASING

CSG SIZE: 5-1/2" *EPA TOC 1567*
 GRADE: J-55
 WEIGHT: 15.5#
 LENGTH: 132 jts (5840.47')
 DEPTH LANDED: 5838.47'
 HOLE SIZE: 7-7/8"
 CEMENT DATA: 285 sxs Premilite II and 375 sxs 50/50 POZ.
 CEMENT TOP AT: 200'

TUBING

SIZE/GRADE/WT.: 2 7/8" / J-55 / 6.5#
 NO. OF JOINTS: 172 jts (5602.45')
 TUBING ANCHOR: 5614.45' KB
 NO. OF JOINTS: 1 jt (32.57')
 SEATING NIPPLE: 2 7/8" (1 10")
 SN LANDED AT: 5649.82' KB
 NO. OF JOINTS: 2 jts (65.19')
 TOTAL STRING LENGTH: EOT @ 5716.56' w/ 12' KB

Proposed Injection Wellbore Diagram



FRAC JOB

12/01/04 5569'-5710' Frac CP3, CP5 sands as follows:
 35,435# of 20/40 sand in 354 bbls Lightning 17 fluid. Treated at avg. pressure of 1223 psi with average rate of 24.9 BPM. ISIP - 1350. Calculated flush: 5567 gals. Actual flush: 5565 gals.

12/01/04 5441'-5487' Frac CP1 & CP2 sands as follows:
 39,341# of 20/40 sand in 376 bbls Lightning 17 fluid. Treated at avg. pressure of 1202 psi with average rate of 25 BPM. ISIP - 1290. Calculated flush: 5439 gals. Actual flush: 5439 gals.

12/01/04 4860'-4883' Frac B1 and B2 sands as follows:
 14,268# of 20/40 sand in 220 bbls Lightning 17 fluid. Treated at avg. pressure of 2085 psi with average rate of 24.5 BPM. ISIP - 1910. Calculated flush: 4858 gals. Actual flush: 4897 gals.

12/02/04 4724'-4746' Frac C sands as follows:
 31,326# of 20/40 sand in 308 bbls Lightning 17 fluid. Treated at avg. pressure of 1873 psi with average rate of 24.7 BPM. ISIP - 2230. Calculated flush: 4722 gals. Actual flush: 4637 gals.

PERFORATION RECORD

Date	Depth Range	SPF	Holes
11/23/04	5704'-5710'	4 SPF	24 holes
11/23/04	5690'-5696'	4 SPF	24 holes
11/23/04	5569'-5578'	4 SPF	36 holes
12/01/04	5476'-5487'	4 SPF	44 holes
12/01/04	5441'-5451'	4 SPF	40 holes
12/01/04	4877'-4883'	4 SPF	24 holes
12/01/04	4860'-4863'	4 SPF	12 holes
12/02/04	4724'-4746'	2 SPF	88 holes

NEWFIELD

Federal #7-12-9-17
 1847' FNL & 1806' FEI
 SWNE Section 12-T9S-R17E
 Uintah Co, Utah
 API #43-047-35165; Lease #UTU-39713

in Douglas Creek
Est. Base Carbonate 5845'
Estimated Washatch 5970'

APPENDIX B

LOGGING AND TESTING REQUIREMENTS

Logs.

Logs will be conducted according to current UIC guidance. It is the responsibility of the permittee to obtain and use guidance prior to conducting any well logging required as a condition of this permit.

NO LOGGING REQUIREMENTS

Tests.

Tests will be conducted according to current UIC guidance. It is the responsibility of the permittee to obtain and use guidance prior to conducting any well test required as a condition of this permit.

WELL NAME: Federal 7-12-9-17	
TYPE OF TEST	DATE DUE
Radioactive Tracer Survey (2)	Within a 180-day period after commencement of injection and at least once every five (5) years thereafter
Step Rate Test	Within a 180-day period after commencement of injection
Standard Annulus Pressure	Prior to authorization to inject, and at least once every five years thereafter
Pore Pressure	Prior to authorization to inject

APPENDIX C

OPERATING REQUIREMENTS

MAXIMUM ALLOWABLE INJECTION PRESSURE:

Maximum Allowable Injection Pressure (MAIP) as measured at the surface shall not exceed the pressure(s) listed below.

WELL NAME	MAXIMUM ALLOWED INJECTION PRESSURE (psi)
	ZONE 1 (Upper)
Federal 7-12-9-17	1,105

INJECTION INTERVAL(S):

Injection is permitted only within the approved injection interval listed below. Injection perforations may be altered provided they remain within the approved injection interval and the Permittee provides notice to the Director in accordance with Part II, Section A, Paragraph 6. Specific injection perforations can be found in Appendix A.

WELL NAME: Federal 7-12-9-17	APPROVED INJECTION INTERVAL (KB, ft)		FRACTURE GRADIENT (psi/ft)
	TOP	BOTTOM	
FORMATION NAME			
Green River	3,602.00	5,970.00	0.670

ANNULUS PRESSURE:

The annulus pressure shall be maintained at zero (0) psi as measured at the wellhead. If this pressure cannot be maintained, the Permittee shall follow the procedures listed under Part II, Section C. 6. of this permit.

MAXIMUM INJECTION VOLUME:

There is no limitation on the number of barrels per day (bbls/day) of water that shall be injected into this well, provided further that in no case shall injection pressure exceed that limit shown in Appendix C.

APPENDIX D

MONITORING AND REPORTING PARAMETERS

This is a listing of the parameters required to be observed, recorded, and reported. Refer to the permit Part II, Section D, for detailed requirements for observing, recording, and reporting these parameters.

OBSERVE MONTHLY AND RECORD AT LEAST ONCE EVERY THIRTY DAYS	
OBSERVE AND RECORD	Injection pressure (psig)
	Annulus pressure(s) (psig)
	Injection rate (bbl/day)
	Fluid volume injected since the well began injecting (bbls)

ANNUALLY	
ANALYZE	Injected fluid total dissolved solids (mg/l)
	Injected fluid specific gravity
	Injected fluid specific conductivity
	Injected fluid pH

ANNUALLY	
REPORT	Each month's maximum and averaged injection pressures (psig)
	Each month's maximum and averaged annulus pressure(s) (psig)
	Each month's averaged injection rate (bbl/day)
	Fluid volume injected since the well began injecting (bbl)
	Written results of annual injected fluid analysis
	Sources of all fluids injected during the year

Records of all monitoring activities must be retained and made available for inspection at the following location:

Newfield Production Company
1401 Seventeenth Street - Suite 1000
Denver, CO 80202

APPENDIX E

PLUGGING AND ABANDONMENT REQUIREMENTS

See diagram.

All cement plugs will be set with tubing.

9.2 ppg plugging gel, or fresh water weighted with bentonite or treated brine will be placed between all cement plugs.

The following Plugging and Abandonment Plan, as proposed by the permittee, is predicated on the permittee not revising the injection perforations cited on the schematic diagram of well during construction/conversion. Should the uppermost perforations (4724 feet to 5710 feet) be modified in construction, the EPA will modify the P&A Plan accordingly.

PLUG NO. 1: A Cast Iron Bridge Plug (CIBP) at 4629 feet with 100 feet of Class "G" cement on CIBP.

PLUG NO. 2: Set a 200-foot cement plug (2000 feet to 2200 feet) across the top of the Green River Formation (2084 feet) and a water zone at 2000 feet to 2200 feet..

PLUG NO. 3: Perforate 384 feet with 4 JSPF. Circulate Class "G" cement down the 5-1/2 inch casing and up the 5-1/2 inch X 8-5/8 inch annulus.

Federal #7-12-9-17

Spud Date: 10/13/2004
 Put on Production: 12/09/2004
 GL: 5061' KB: 5073'

Initial Production: BOPD,
 MCFD, BWPD

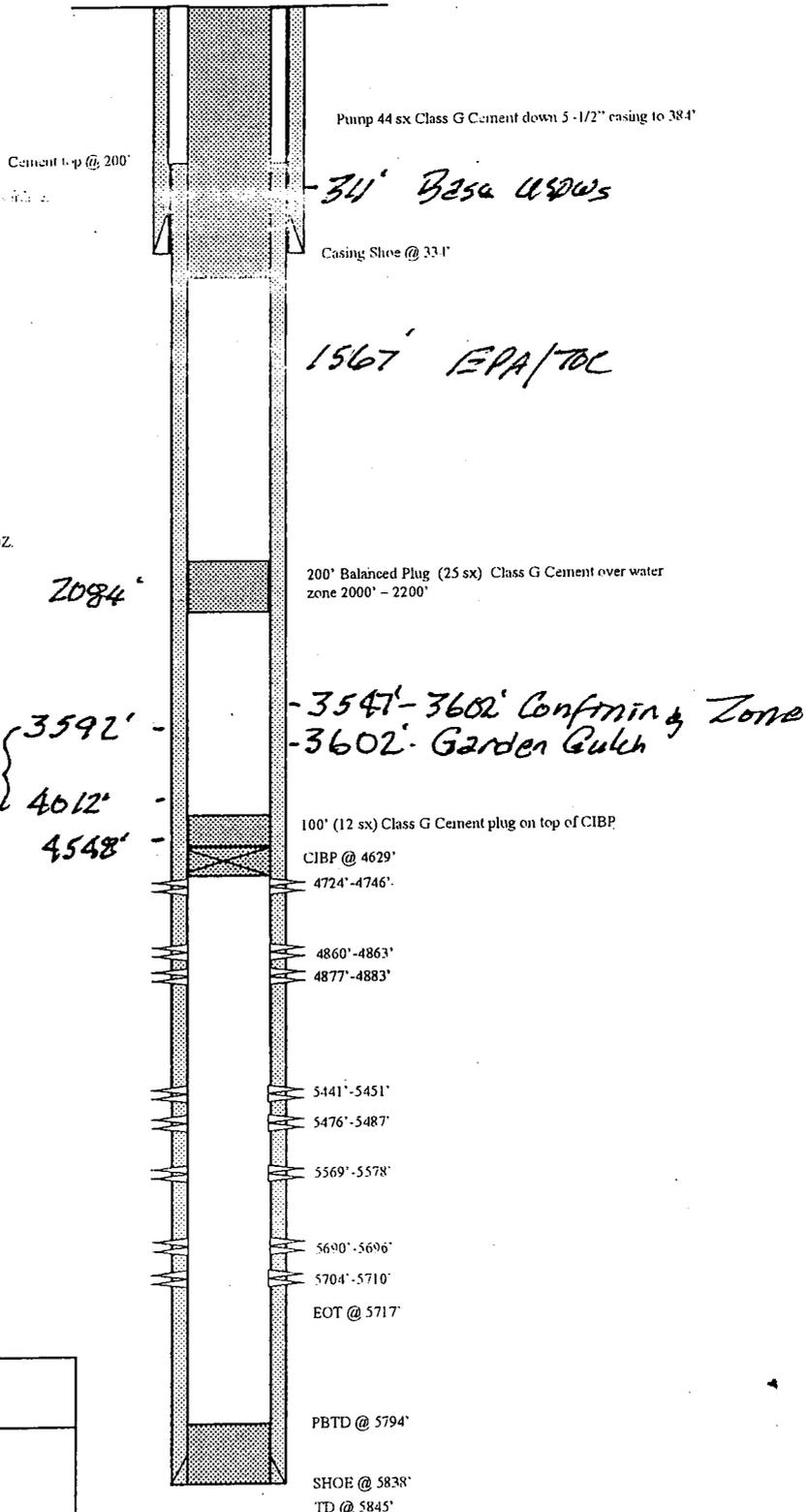
SURFACE CASING

CSG SIZE: 8-5/8"
 GRADE: J-55
 WEIGHT: 24#
 LENGTH: 8 jts (323.66')
 DEPTH LANDED: 333.66'
 HOLE SIZE: 12-1/4"
 CEMENT DATA: 150 sxs Class G Cement Est. 1134' and 1135' @ 200'

PRODUCTION CASING

CSG SIZE: 5-1/2"
 GRADE: J-55
 WEIGHT: 15.5#
 LENGTH: 132 jts (5840.47')
 DEPTH LANDED: 5838.47'
 HOLE SIZE: 7-7/8"
 CEMENT DATA: 285 sxs Premite II and 375 sxs 50/50 POZ.
 CEMENT TOP AT: 200'

Proposed P & A Wellbore Diagram



<p>Federal #7-12-9-17 1847' FNL & 1806' FEL SWNE Section 12-T9S-R17E Uintah Co, Utah API #43-047-35165, Lease #UTU-39713</p>

Est. Base Carbonate 5845'
 Est. Washka 5970'

APPENDIX F

CORRECTIVE ACTION REQUIREMENTS

No corrective action is deemed necessary for this project.

annually as part of the Annual Report to the Director. Any time a new source of injected fluid is added, a fluid analysis shall be made of the new source.

Instantaneous injection pressure, injection flow rate, cumulative fluid volume and TCA pressures must be observed on a weekly basis. A recording, at least once every thirty (30) days, must be made of the injection pressure, injection flow rate and cumulative fluid volume, and the maximum and average value for each must be determined for each month. This information is required to be reported annually as part of the Annual Report to the Director.

PART VII. Plugging and Abandonment Requirements (40 CFR 146.10)

Plugging and Abandonment Plan

Prior to abandonment, the well or wells must be plugged with cement in a manner which will not allow the movement of fluids either into or between USDWs. The plugging and abandonment plan is described in Appendix E of the Permit.

All cement plugs will be set with tubing.

9.2 ppg plugging gel, or fresh water weighted with bentonite or treated brine will be placed between all cement plugs.

The following Plugging and Abandonment Plan, as proposed by the permittee, is predicated on the permittee not revising the injection perforations cited on the schematic diagram of well during construction/conversion. Should the uppermost perforations (4724 feet to 5710 feet) be modified in construction, the EPA will modify the P&A Plan accordingly.

PLUG NO. 1: A Cast Iron Bridge Plug (CIBP) at 4629 feet with 100 feet of Class "G" cement on CIBP.

PLUG NO. 2: Set a 200-foot cement plug (2000 feet to 2200 feet) across the top of the Green River Formation (2084 feet) and a water zone at 2000 feet to 2200 feet..

PLUG NO. 3: Perforate 384 feet with 4 JSPF. Circulate Class "G" cement down the 5-1/2 inch casing and up the 5-1/2 inch X 8-5/8 inch annulus.

PART VIII. Financial Responsibility (40 CFR 144.52)

Demonstration of Financial Responsibility

The permittee is required to maintain financial responsibility and resources to close, plug, and abandon the underground injection operation in a manner prescribed by the Director. The permittee shall show evidence of such financial responsibility to the Director by the submission of a surety bond, or other adequate assurance such as financial statements or other materials acceptable to the Director. The Regional Administrator may, on a periodic basis, require the holder of a lifetime permit to submit a revised estimate of the resources needed to plug and abandon the well to reflect inflation of such costs, and a revised demonstration of financial responsibility if necessary. Initially, the operator has chosen to demonstrate financial responsibility with:

Financial Statement, received April 22, 2005

- sg = specific gravity (of injected fluid)
d = depth to top of injection zone (or top perforation)

Injection Volume Limitation

Cumulative injected fluid volume limits are set to assure that injected fluids remain within the boundary of the exempted area. Cumulative injected fluid volume is limited when injection occurs into an aquifer that has been exempted from protection as a USDW.

There will be no restrictions on the cumulative volume of the authorized Johnson Water District reservoir "source water" injected into the approved injection zone from 3602 feet to the top of the Wasatch Formation, estimated at 5970 feet.

Mechanical Integrity (40 CFR 146.8)

An injection well has mechanical integrity if:

1. there is no significant leak in the casing, tubing, or packer (Part I); and
2. there is no significant fluid movement into a USDW through vertical channels adjacent to the injection well bore (Part II).

The Permit prohibits injection into a well which lacks mechanical integrity.

The Permit requires that the well demonstrate mechanical integrity prior to injection and periodically thereafter. A demonstration of mechanical integrity includes both internal (Part I) and external (Part II). The methods and frequency for demonstrating Part I and Part II mechanical integrity are dependent upon well-specific conditions as explained below.

PART 1 (Internal) Mechanical Integrity (MI) will be demonstrated using a casing/tubing pressure mechanical integrity test prior to beginning injection, and at least once every five (5) years thereafter.

Demonstration of PART I MI is also required prior to resuming injection following any workover operation that affects the casing, tubing or packer.

PART I may be demonstrated by a standard tubing-casing annulus pressure test using the maximum permitted injection pressure or 1000 psi, whichever is less, with a ten (10) percent or less pressure loss over thirty (30) minutes.

PART II (External): The Cement Bond Log-Gamma Ray-CCL" (CBL) indicates that cement does not meet minimum requirements needed to demonstrate zone isolation (at least 18 feet of continuous 80% bond, or better) through the Confining Zone. Therefore, further testing for Part II MI will be required within a 180-day "Limited Period of Authorization to Inject", and at least once every five years thereafter. Approved tests for demonstrating Part II MI include a Temperature Survey, Noise Log or Oxygen Activation Log, and Region 8 may also accept results of a Radioactive Tracer Survey under certain circumstances.

PART VI. Monitoring, Recordkeeping and Reporting Requirements

Injection Well Monitoring Program

At least once a year the permittee must analyze a sample of the injected fluid for total dissolved solids (TDS), specific conductivity, pH, and specific gravity. This analysis shall be reported to EPA

For wells in the AOR which are improperly sealed, completed, or abandoned, the applicant shall develop a Corrective Action Plan (CAP) consisting of the steps or modifications that are necessary to prevent movement of fluid into USDWs.

The CAP will be incorporated into the Permit as APPENDIX F and become binding on the permittee.

TABLE 4.1 lists the wells in the AOR, and shows the well type, operating status, depth, top of casing cement and whether a CAP is required for this well.

PART V. Well Operation Requirements (40 CFR 146.23)

TABLE 5.1			
INJECTION ZONE PRESSURES			
Federal 7-12-9-17			
Formation Name	Depth Used to Calculate MAIP (ft)	Fracture Gradient (psi/ft)	Initial MAIP (psi)
Green River	4,724.00	0.670	1,105

Approved Injection Fluid

The approved injection fluid is limited to Class II injection well fluids pursuant to 40 CFR § 144.6(b). For disposal wells injecting water brought to the surface in connection with natural gas storage operations, or conventional oil or natural gas production, the fluid may be commingled and the well used to inject other Class II wastes such as drilling fluids and spent well completion, treatment and stimulation fluid. Injection of non-exempt wastes, including unused fracturing fluids or acids, gas plant cooling tower cleaning wastes, service wastes and vacuum truck wastes, is prohibited.

The proposed injectate is "source water" (674 mg/l) from the Johnson Water District Reservoir.

Injection Pressure Limitation

Injection pressure, measured at the wellhead, shall not exceed a maximum calculated to assure that the pressure used during injection does not initiate new fractures or propagate existing fractures in the confining zones adjacent to the USDWs.

The applicant submitted injection fluid density and injection zone data which was used to calculate a formation fracture pressure and to determine the maximum allowable injection pressure (MAIP), as measured at the surface, for this Permit,

TABLE 5.1 lists the fracture gradient for the injection zone and the approved MAIP, determined according to the following formula:

$$FP = [fg - (0.433 * sg)] * d$$

FP = formation fracture pressure (measured at surface)
 fg = fracture gradient (from submitted data or tests)

Tubing-Casing Annulus (TCA)

The TCA allows the casing, tubing and packer to be pressure-tested periodically for mechanical integrity, and will allow for detection of leaks. The TCA will be filled with fresh water treated with a corrosion inhibitor or other fluid approved by the Director.

The tubing/casing annulus must be kept closed at all times so that it can be monitored as required under conditions of the Permit

Monitoring Devices

The permittee will be required to install and maintain wellhead equipment that allows for monitoring pressures and providing access for sampling the injected fluid. Required equipment may include but is not limited to: 1) shut-off valves located at the wellhead on the injection tubing and on the TCA; 2) a flow meter that measures the cumulative volume of injected fluid; 3) fittings or pressure gauges attached to the injection tubing and the TCA for monitoring the injection and TCA pressure; and 4) a tap on the injection line, isolated by shut-off valves, for sampling the injected fluid.

All sampling and measurement taken for monitoring must be representative of the monitored activity.

PART IV. Area of Review, Corrective Action Plan (40 CFR 144.55)

**TABLE 4.1
AOR AND CORRECTIVE ACTION**

Well Name	Type	Status (Abandoned Y/N)	Total Depth (ft)	TOC Depth (ft)	CAP Required (Y/N)
Federal 10-12-9-17	Producer	No	5,832.00	295.00	No
Federal 2-12-19-17	Producer	No	5,865.00	1,581.00	No
Federal 6-12-9-17	Producer	No	5,850.00	1,313.00	No
Federal 8-12-9-17	Producer	No	5,865.00	1,328.00	No

TABLE 4.1 lists the wells in the Area of Review ("AOR") and shows the well type, operating status, depth, top of casing cement ("TOC") and whether a Corrective Action Plan ("CAP") is required for the well.

Area Of Review

Applicants for Class I, II (other than "existing" wells) or III injection well Permits are required to identify the location of all known wells within the injection well's Area of Review (AOR) which penetrate the injection zone, or in the case of Class II wells operating over the fracture pressure of the formation, all known wells within the area of review that penetrate formations which may be affected by increased pressure. Under 40 CFR 146.6 the AOR may be a fixed radius of not less than one quarter (1/4) mile or a calculated zone of endangering influence. For Area Permits, a fixed width of not less than one quarter (1/4) mile for the circumscribing area may be used.

Corrective Action Plan

PART III. Well Construction (40 CFR 146.22)

The Federal No. 7-12-9-17 was drilled to a total depth of 5845 (KB) feet in the Douglas Creek Member of the Green River Formation.

Surface casing (8-5/8 inch) was set at a depth of 333 feet in a 12-1/4 inch hole using 150 sacks of Class "G" cement which was circulated to the surface.

Production casing (5-1/2 inch) was set at a depth of 5838 feet (KB) in a 7-7/8 inch hole with 285 sacks of Premium Lite II and 375 sacks of 50/50 poz mix. This well construction is considered adequate to protect USDW's.

The EPA calculates the top of cement as 1567 feet from the surface.

The schematic diagram shows the proposed injection perforations in the Douglas Creek Member of the Green River Formation.

Injection perforations may be placed at the operator's discretion within the approved injection zone between 3602 feet to the top of the Wasatch Formation, estimated at 5970 feet (KB). Perforations may be added at a later time provided the operator notifies the Director and submits an updated well completion report (EPA Form 7520-12) and schematic diagram.

The packer will be required to be set no higher than 100 feet above the top perforation.

TABLE 3.1
WELL CONSTRUCTION REQUIREMENTS
Federal 7-12-9-17

Casing Type	Hole Size (in)	Casing Size (in)	Cased Interval (ft)	Cemented Interval (ft)
Long string	7.88	5.50	0.00 - 5,838.00	1,567.00 - 5,838.00
Surface	12.25	8.63	0.00 - 333.00	0.00 - 333.00

The approved well completion plan will be incorporated into the Permit as APPENDIX A and will be binding on the Permittee. Modification of the approved plan is allowed under 40 CFR 144.52(a)(1) provided written approval is obtained from the Director prior to actual modification.

Casing and Cementing (TABLE 3.1)

The construction plan for the well or wells proposed for conversion to an injection well was evaluated and determined to be in conformance with standard practices and guidelines that ensure well injection does not result in the movement of fluids into USDWs. Well construction and conversion details for the well or wells are shown in TABLE 3.1.

Tubing and Packer

Injection tubing is required to be installed from a packer up to the surface inside the well casing. The packer will be set above the uppermost perforation. The tubing and packer are designed to prevent injection fluid from coming into contact with the outermost casing.

TABLE 2.3
CONFINING ZONES
Federal 7-12-9-17

Formation Name	Formation Lithology	Top (ft)	Base (ft)
Green River	Shale	3,547.00	3,602.00

Underground Sources of Drinking Water (USDWs) (TABLE 2.4)

Aquifers or the portions thereof which contain less than 10,000 mg/l total dissolved solids (TDS) and are being or could in the future be used as a source of drinking water are considered to be USDWs. The USDWs in the area of this facility are identified in TABLE 2.4.

The State of Utah "Water Wells and Springs", <http://NRWRT1.STATE.UT.US> identifies no public water supply wells within one-quarter (1/4) mile Area-of-Review (AOR) around the Federal No. 7-12-9-17.

Technical Publication No. 92: State of Utah, Department of Natural Resources, cites the base of the Underground Sources of Drinking Water (USDW) in the Uinta Formation, approximately 311 feet from the surface.

An August 3, 2005 water analysis of produced water from the Federal No. 7-12-9-17 identifies the TDS of the Douglas Creek Member as 9951 mg/l.

TABLE 2.4
UNDERGROUND SOURCES OF DRINKING WATER (USDW)
Federal 7-12-9-17

Formation Name	Formation Lithology	Top (ft)	Base (ft)	TDS (mg/l)
Uinta	Lacustrine and fluvial sand-shale-carbonate	0.00	2,084.00	< 10,000.00
Green River	Interbedded carbonate, sand, shale	2,084.00	5,970.00	9,951.00

TABLE 2.1
GEOLOGIC SETTING
Federal 7-12-9-17

Formation Name	Top (ft)	Base (ft)	TDS (mg/l)	Lithology
Uinta	0.00	2,084.00	< 10,000.00	Lacustrine and fluvial sediments
Green River	2,084.00	5,970.00	9,951.00	Interbedded lacustrine sand-shale-carbonate and fluvial sand and shale

Proposed Injection Zone(s) (TABLE 2.2)

An injection zone is a geological formation, group of formations, or part of a formation that receives fluids through a well. The proposed injection zones are listed in TABLE 2.2.

Injection will occur into an injection zone that is separated from USDWs by a confining zone which is free of known open faults or fractures within the Area of Review.

The approved injection zone for enhanced recovery is identified as the gross interval between the top of the Garden Gulch Member at 3602 feet and the top of the Wasatch Formation, estimated to be 5970 feet.

TABLE 2.2
INJECTION ZONES
Federal 7-12-9-17

Formation Name	Top (ft)	Base (ft)	TDS (mg/l)	Fracture Gradient (psi/ft)	Porosity	Exempted?*
Green River	3,602.00	5,970.00	9,951.00	0.670	7.00%	N/A

- * C - Currently Exempted
- E - Previously Exempted
- P - Proposed Exemption
- N/A - Not Applicable

Confining Zone(s) (TABLE 2.3)

A confining zone is a geological formation, part of a formation, or a group of formations that limits fluid movement above the injection zone. The confining zone or zones are listed in TABLE 2.3.

The Confining Zone is identified as a 55-foot shale interval (3547 feet - 3602 feet) directly overlying the Garden Gulch Member of the Green River Formation.

PART II. Permit Considerations (40 CFR 146.24)

The proposed injection well is located in the Newfield Production Company Greater Monument Butte area near the center of the broad, gently northward dipping south flank of the Uinta Basin. The beds dip at about 200'/mile, and there are no known surface folds or faults in the field. The lower 600' to 800' of the Uinta Formation, generally consisting of 5' to 20' thick brown lenticular fluvial sandstone and interbedded varicolored shales, outcrops at the surface in this area. The Uinta is underlain by the Green River Formation which consists of lake (lacustrine) margin sandstones, limestone and shale beds that were deposited along the edges and on the broad level floor of Lake Uinta as it expanded and contracted through time. Underlying the Green River Formation is the Wasatch Formation, which is approximately 2400' thick in this area and consists of red alluvial shales and siltstone with scattered lenticular sandstones usually 10' to 50' thick. Below the Wasatch Formation is the Mesaverde Formation; a series of interbedded continental deposits of shale, sandstone, and coal. Water samples from Mesaverde sands in the nearby Natural Buttes Unit yield highly saline water.

The Uinta Basin is a topographic and structural trough encompassing an area of more than 9300 square mi (14,900 km) in northeast Utah. The basin is sharply asymmetrical, with a steep north flank bounded by the east-west-trending Uinta Mountains, and a gently dipping south flank. The Uinta Basin formed in Paleocene to Eocene time, creating a large area of internal drainage which was filled by ancestral Lake Uinta. Deposition in and around Lake Uinta consisted of open- to marginal-lacustrine sediments that make up the Green River Formation. Alluvial red-bed deposits that are laterally equivalent to and intertongue with the Green River make up the Colton Formation (Wasatch). More than 450 million barrels of oil (63 MT) have been produced from the Green River and Wasatch Formations in the Uinta Basin. The southern shore of Lake Uinta was very broad and flat, which allowed large transgressive and regressive shifts in the shoreline in response to climatic and tectonic-induced rise and fall of the lake. The cyclic nature of Green River deposition in the southern shore area resulted in numerous stacked deltaic deposits. Distributary-mouth bars, distributary channels, and near-shore bars are the primary producing sandstone reservoirs in the area (Ref: "Reservoir Characterization of the Lower Green River Formation, Southwest Uinta Basin, Utah Biannual Technical Progress Report 4/1/99 - 9/30/99", by C. D. Morgan, Program Manager, November 1999, Contract DE-AC26-98BC15103). The Tertiary Duchesne River Formation alluvium generally is present at the surface in this area.

Throughout the current Newfield Production Company area of enhanced recovery injection activity, i.e., T8-9S - R15-19E, Green River Formation water analyses generally exhibit total dissolved (TDS) content well in excess of 10,000 mg/l. A few recent applications for well conversion to enhanced recovery injection contain Green River water analyses with TDS approximating 10,000 mg/l. The State of Utah-Natural Resources ascribes low TDS values to several possibilities involving dilution of Green River water with high TDS values, e.g., recharge of the Green River Formation via Green River Formation outcrop on the Book Cliffs/Roan Cliffs; injection of very low TDS Johnson Water District Reservoir source water; and percolation of surface water via deep-seated Gilsonite veins penetrating lower Green River Members.

Geologic Setting (TABLE 2.1)

PART I. General Information and Description of Facility

Newfield Production Company
1401 Seventeenth Street
Suite 1000
Denver, CO 80202

on

August 26, 2005

submitted an application for an Underground Injection Control (UIC) Program Permit for the following injection well or wells:

Federal 7-12-9-17
1847' FNL & 1806' FEL, SWNE S12, T9S, R17E
Uintah County, UT

Regulations specific to Uintah-Ouray Indian Reservation injection wells are found at 40 CFR 147 Subpart TT.

The Permit application, including the required information and data necessary to issue a UIC Permit in accordance with 40 CFR Parts 144, 146 and 147, was reviewed by EPA and determined to be complete.

The Permit will expire upon delegation of primary enforcement responsibility (primacy) for applicable portions of the UIC Program to the Ute Indian Tribe or the State of Utah unless the delegated agency has the authority and chooses to adopt and enforce this Permit as a Tribal or State Permit.

TABLE 1.1 shows the status of the well or wells as "New", "Existing", or "Conversion" and for Existing shows the original date of injection operation. Well authorization "by rule" under 40 CFR Part 144 Subpart C expires automatically on the Effective Date of an issued UIC Permit.

The Federal No. 7-12-9-17 is currently an active Douglas Creek Member of the Green River Formation oil well. The applicant intends to convert the subject well to a Class II enhanced recovery injection well to support existing Green River Formation enhanced oil recovery operations.

TABLE 1.1
WELL STATUS / DATE OF OPERATION

CONVERSION WELLS

Well Name	Well Status	Date of Operation
Federal 7-12-9-17	Conversion	N/A

This STATEMENT OF BASIS gives the derivation of site-specific UIC Permit conditions and reasons for them. Referenced sections and conditions correspond to sections and conditions in the Permit.

UIC Permits specify the conditions and requirements for construction, operation, monitoring and reporting, and plugging of injection wells to prevent the movement of fluids into underground sources of drinking water (USDWs). Under 40 CFR 144 Subpart D, certain conditions apply to all UIC Permits and may be incorporated either expressly or by reference. General Permit conditions for which content is mandatory and not subject to site-specific differences (40 CFR Parts 144, 146 and 147) are not discussed in this document.

Upon the Effective Date when issued, the Permit authorizes the conversion and operation of a "new" injection well or wells governed by the conditions specified in the Permit. The Permit is issued for the operating life of the injection well or project unless terminated for reasonable cause under 40 CFR 144.39, 144.40 and 144.41. The Permit is subject to EPA review at least once every five (5) years to determine if action is required under 40 CFR 144.36(a).

STATEMENT OF BASIS

NEWFIELD PRODUCTION COMPANY
FEDERAL 7-12-9-17
UINTAH COUNTY, UT

EPA PERMIT NO. UT21018-06969

CONTACT: Emmett Schmitz
U. S. Environmental Protection Agency
Ground Water Program, 8P-W-GW
999 18th Street, Suite 300
Denver, Colorado 80202-2466
Telephone: 1-800-227-8917 ext. 6174

UNDERGROUND INJECTION CONTROL PROGRAM

PUBLIC NOTICE AND OPPORTUNITY TO COMMENT

Newfield Production Company
1401 Seventeenth Street
Suite 1000
Denver, CO 80202

PURPOSE OF PUBLIC NOTICE

The purpose of this notice is to solicit public comment on a proposal by the Region 8 Ground Water Program office of the U.S. Environmental Protection Agency (EPA) to issue or modify an Underground Injection Control (UIC) Permit that authorizes the underground injection of fluid via a Class II injection well or wells:

Federal 9-1-9-17
1846' FSL & 918' FEL
NESE S1, T9S, R17E
Uintah County, UT

BACKGROUND

The well(s) is for injection of a fluid, such as water or brine produced during conventional oil or natural gas production that may be commingled with waste water from gas plants which are an integral part of production operations unless that water is classified as a hazardous waste at the time of injection or for the enhanced recovery of oil or natural gas.

The Federal No. 9-1-9-17 is currently an active Green River Formation oil well. Newfield intends to convert the subject well to an enhanced recovery injection well to support existing Green River Formation enhanced oil recovery operations.

The approved injection zone is the gross interval within the Green River Formation from 3726 feet to the top of the Wasatch Formation at approximately 6031 feet, which includes the Garden Gulch, Douglas Creek and Basal Carbonate Members of the Green River Formation. The injectate will be a blend of water from the Johnson Water District and produced Green River water. The TDS of the blended injectate has been analyzed as 4284 mg/l.

No water wells are present within one-quarter (1/4) mile of the Federal No. 9-1-9-17.

Cement records for this well do not show that adequate cement was placed in the Confining Zone annulus. Therefore, within 180 days after beginning injection, the permittee will conduct a Part II (External) Mechanical Integrity Test to confirm that the injectate will remain within the authorized injection interval.

The EPA has made a preliminary decision to approve this Class II enhanced recovery injection facility, and by doing so any underground sources of drinking water (USDWs) will be protected. Therefore, the EPA is serving notice of an intent to issue a Class II Permit for the Federal 9-1-9-17.

A Draft Permit or modification has been prepared in accordance with provisions of the Safe Drinking Water Act (SDWA) as amended (42 USC et seq) and other lawful standards and regulations. The EPA has made a preliminary determination that all underground sources of drinking water will be protected. The Permit is issued for the life of the well unless modified or terminated.

This Permit or modification, once issued, authorizes the conversion of a non-injection well or wells to an injection well and operation as an injection well. Operation of the well(s) will be governed by the requirements and conditions specified in the Permit or modification.

PUBLIC COMMENTS

The requirements and conditions of the Draft Permit or modification are tentative, and are open to comment from any interested party. Persons wishing to comment upon or object to any aspect of proposal are invited to submit comments, IN WRITING, within 30 days of this notice to:

Emmett Schmitz
U. S. Environmental Protection Agency
Ground Water Program, 8P-W-GW
999 18th Street, Suite 300
Denver, Colorado 80202-2466
Telephone: 1-800-227-8917 ext. 6174

The Administrative Record, including the application, the Draft Permit or modification and Statement of Basis prepared by the EPA, and public comments received, is available for public inspection at the above location(s) weekdays from 8:00 a.m. to 4:00 p.m.

PUBLIC HEARING

Within the thirty (30) day period, any interested person may request a public hearing as provided by 40 CFR §124.12. A request for a hearing must be made IN WRITING to the above address and must state the nature of the issues proposed to be raised at the hearing. A public hearing will be held only if significant interest is shown.

FINAL PERMIT DECISION

All comments received within the thirty (30) day period will be considered in the Final decision. The decision may be to: issue, modify, deny, or revoke and reissue the Permit or modification. The Final decision shall become effective thirty (30) days after issuance unless no commenters requested changes to the Draft Permit or modification, in which case the Permit or modification shall become effective immediately upon issuance.

APPEALS

Within thirty (30) days after a Final decision has been issued, any person who filed comments on the Draft decision or who participated in a public hearing may petition the Administrator to review the final decision. Any person who failed to file comments or failed to participate in the public hearing may petition for administrative review only to the extent of the changes from the Draft to

the Final Permit or modification decision. Commenters are referred to 40 CFR §§ 124.15 through 124.20 for procedural requirements of the appeal process.

SEP 19 2006

Date of Publication

SUBJECT: GROUND WATER SECTION GUIDANCE NO. 35
Procedures to follow when excessive annular pressure is
observed on a well.

FROM: Tom Pike, Chief
UIC Direct Implementation Section

TO: All Section Staff
Montana Operations Office

The following procedure is intended as an aid to UIC field inspectors when they encounter excessive annular pressure on a well. Excessive annular pressure is defined as 100 psi or 10% of the tubing pressure, whichever is less.

Usually, annular pressure is a direct indication of a loss of mechanical integrity. In some instances, recurring annular pressure may be caused by fluctuations in the temperature of the injected fluid. These temperature fluctuations may cause the annular pressure to increase when a hot fluid is being injected and decrease as the temperature of the injected fluid cools. The presence of temperature-induced pressure on the annulus does not indicate a malfunction in the casing/tubing/packer system and is not considered a loss of mechanical integrity. Wells exhibiting recurring temperature-induced annular pressure may be allowed to continue injecting if a temperature monitoring program is approved and followed.

This guidance was written to help determine the cause of annular pressure. When the procedures in this guidance are followed, any major mechanical integrity problems (a breach in the casing/tubing/packer system) will become apparent quickly. A quick determination will allow the operator to begin follow-up procedures immediately to prevent contamination to USDWs.

Use Section Guidance No. 35 to determine if the well has experienced a loss of mechanical integrity. If you find that there is a loss of mechanical integrity, use *Headquarters Guidance No. 76. - Follow-up to loss of Mechanical Integrity for Class II Wells* to bring the well back into compliance. The use of Section Guidance No. 35 is not to be confused with, nor does it supersede any provision of *Headquarters Guidance No. 76*. Instead, the two guidance documents are meant to work together to identify and to remedy any potential mechanical integrity failure.

A flowchart for Section Guidance No. 35 is included for quick reference in the field.

PROCEDURES TO FOLLOW WHEN EXCESSIVE ANNULAR PRESSURE IS OBSERVED

During field inspections, the following procedures should be followed when excessive annular pressure is observed. Excessive annular pressure is defined as 100 psi or 10% of the tubing pressure, whichever is less.

NOTE CONDITIONS AT THE WELL

Note tubing and annular pressure readings, and the operating status of the well (injecting, shut-in, etc.) on the UIC inspection form.

SEE IF ANNULUS PRESSURE WILL BLEED-OFF

Attempt to bleed the pressure from the annulus by having the operator open the annulus (for a maximum of sixty seconds).

It is the operator's responsibility to collect and dispose of any fluids bled from the annulus.

DID THE ANNULAR PRESSURE BLEED TO 0 PSI WITHIN SIXTY SECONDS?

YES

NO

Have the operator close the annulus.

Have the operator close the annulus.

On your inspection form note the volume of fluid (or gas) bled from the annulus during the sixty seconds, and the tubing and annulus pressures.

On your inspection form note the volume of fluid (or gas) bled from the annulus during the sixty seconds, and the tubing and annulus pressures.

Have the operator shut the well in for 2 hours, and if possible, bleed pressure from the injection tubing. Record the tubing and annulus pressure after two hours.

Bleed off the annulus for 60 seconds. Record the tubing and annulus pressures after bleed-off, and estimate the volume bled off.

INFORM THE OPERATOR THAT THE WELL HAS AN APPARENT MECHANICAL INTEGRITY FAILURE and provide the operator with the guidance that discusses OPERATOR RESPONSIBILITIES FOLLOWING MECHANICAL INTEGRITY FAILURES.

END PROCEDURE.

SEE IF PRESSURE RETURNS WITHIN 15 MINUTES

Continue to monitor the well for annulus pressure return for at least 15 minutes after the annulus valve is closed.

DOES PRESSURE
RETURN TO THE
ANNULUS AFTER 15
MINUTES?

YES

NO

On your inspection form, note the annulus and tubing pressures recorded after 15 minutes.

Have the operator shut the well in for 2 hours, and if possible, bleed pressure from the injection tubing. Record the tubing and annulus pressure after two hours.

Bleed off the annulus for 60 seconds. Record the tubing and annulus pressures after bleed-off, and estimate the volume bled off.

INFORM THE OPERATOR THAT THE WELL HAS AN APPARENT MECHANICAL INTEGRITY FAILURE and provide the operator with the guidance that discusses OPERATOR RESPONSIBILITIES FOLLOWING MECHANICAL INTEGRITY FAILURES.

END PROCEDURE.

Require the operator to monitor and report to EPA with the annulus and tubing pressures for at least 14 days to see if pressure returns to the annulus.

Instruct the operator to contact EPA as soon as any pressure returns to the annulus.

DOES PRESSURE
RETURN TO THE
ANNULUS WITHIN
14 DAYS?

YES

NO

EPA Technical Expert will design a proper Mechanical Integrity test.

Compliance officer will require the operator to conduct the test within 14 days.

The well is considered to have mechanical integrity.

END PROCEDURE.

DOES THE WELL
PASS THE MIT?

YES

NO

Require the operator to monitor and report to EPA with the annulus and tubing pressures for at least 14 days to see if pressure returns to the annulus.

Instruct the operator to contact EPA as soon as any pressure returns to the

INFORM THE OPERATOR THAT THE WELL HAS AN APPARENT MECHANICAL INTEGRITY FAILURE and provide the operator with the guidance that discusses OPERATOR RESPONSIBILITIES FOLLOWING MECHANICAL INTEGRITY FAILURES.

END PROCEDURE.

DOES PRESSURE
RETURN TO THE
ANNULUS WITHIN
14 DAYS?

YES

NO

EPA Technical Expert will design a proper Monitoring Program to determine the cause of recurrent annular pressure.

The well is considered to have mechanical integrity.

END PROCEDURE.

Compliance officer will require the operator to begin the Monitoring program within 14 days.

Conduct unannounced inspections at the well during the Monitoring Program.

IS THE ANNULUS
PRESSURE CAUSED
BY TEMPERATURE?

YES

NO

EPA Technical Expert will design a proper Temperature Monitoring Program that allows injection to continue while tracking relationship between temperature and recurrent annulus pressure.

INFORM THE OPERATOR THAT THE WELL HAS AN APPARENT MECHANICAL INTEGRITY FAILURE and provide the operator with the guidance that discusses OPERATOR RESPONSIBILITIES FOLLOWING MECHANICAL INTEGRITY FAILURES.

Compliance officer will require the operator to cease injection immediately if the operator fails to follow the Temperature Monitoring Program.

END PROCEDURE.

Compliance officer will require the operator to cease injection immediately if recurrent annular pressures cannot be explained by the results of the Temperature Monitoring Program.

Compliance officer will require annual Mechanical Integrity Tests using the standard pressure method.

14-DAY PRESSURE MONITORING

Please use this form to report data for a 14-day period after pressure is bled from the tubing-casing annulus. Please telephone EPA in Denver as soon as possible when/if pressure returns to the annulus. This data will be used to determine the cause(s) of recurrent annular pressure.

NOTE: DO NOT BLEED PRESSURE FROM ANNULUS DURING THE 14-DAY MONITORING PERIOD.

	DATE	TIME	ANNULUS PRESSURE (psi)	TUBING PRESSURE (psi)	WELL INJECTING (YES/NO)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					

WELL NAME: _____

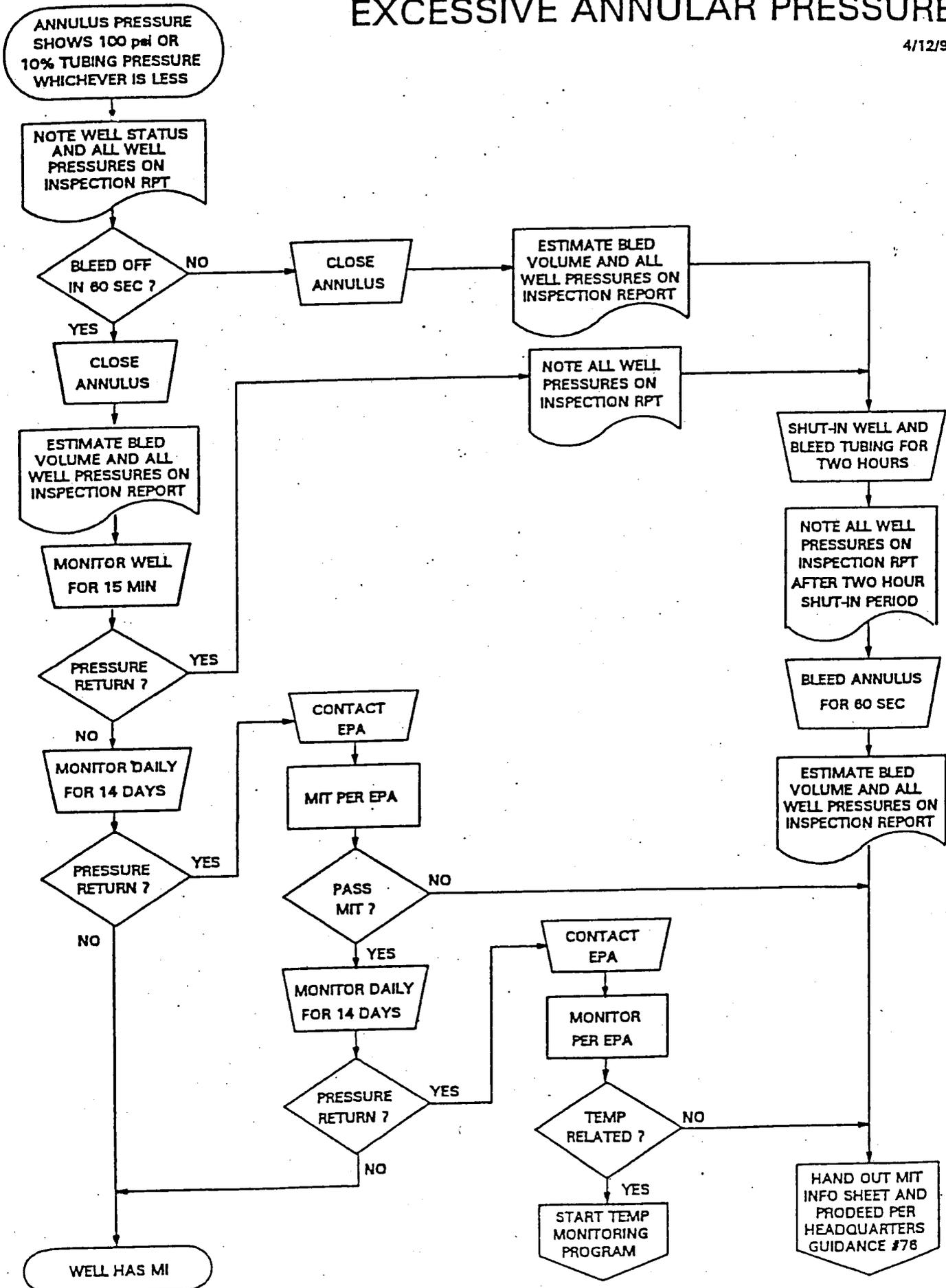
ATOR: _____

SIGNATURE: _____
 D:\April 12, 1994:RCT/RCT/k:\guidance.35

DATE: _____

EXCESSIVE ANNULAR PRESSURE

4/12/94





UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VIII

999 18th STREET - SUITE 500

DENVER, COLORADO 80202-2466

OPERATOR RESPONSIBILITIES FOLLOWING MECHANICAL INTEGRITY FAILURES

- 1) IMMEDIATELY - Cease injection and shut-in the well as rapidly as feasible. In no case shall the well remain in operation beyond 48 hours unless Tom Pike, Chief, Underground Injection Control Implementation (UIC-I) Section [(303) 293-1544] allows for temporary operation of the well.
- 2) WITHIN 24 HOURS - Verbally notify the UIC-I Section Chief of MIT failure even in cases where the failure is detected during a test which was witnessed by a UIC inspector.
- 3) WITHIN 5 DAYS - Submit a written follow-up report documenting test results, remediation taken or a proposed remediation plan and any limits established by the Director on appropriate volume or time for continued injection operation.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VIII

999 18th STREET - SUITE 300
DENVER, COLORADO 80202-2466

SUBJECT: GROUND WATER SECTION GUIDANCE NO. 37
Demonstrating Part II (external) Mechanical Integrity
for a Class II injection well permit.

FROM: Tom Pike, Chief
UIC Direct Implementation Section

TO: All Section Staff
Montana Operations Office

During the review for a Class II injection well permit, consideration must be given to the mechanical integrity (MI) of the well. MI demonstrates that the well is in sound condition and that the well is constructed in a manner that prevents injected fluids from entering any formation other than the authorized injection formation.

A demonstration of MI is a two part process:

PART I - INTERNAL MECHANICAL INTEGRITY is an assurance that there are no significant leaks in the casing/tubing/packer system.

PART II - EXTERNAL MECHANICAL INTEGRITY demonstrates that after fluid is injected into the formation, the injected fluids will not migrate out of the authorized injection interval through vertical channels adjacent to the wellbore.

A Class II injection well may demonstrate Part II MI by showing that injected fluids remain within the authorized injection interval. This may be accomplished as follows:

- 1) Cement bond log showing 80% bond through the an appropriate interval (Section Guidance 34),
- 2) Radioactive tracer survey conducted according to a EPA-approved procedure, or
- 3) Temperature survey conducted according to a EPA-approved procedure (Section Guidance 38).

For each test option above, the operator of the injection well should submit a plan for conducting the test. The plan will then be approved (or modified and approved) by EPA. EPA's pre-approval of the testing method will assure the operator that the

test is conducted consistent with current EPA guidance, and that the test will provide meaningful results.

Part II MI may be demonstrated either before or after issuing the Final Permit. However, if Part II is to be demonstrated after the Final Permit is issued, a provision in the permit will require the demonstration of Part II MI. The well will also be required to pass Part II MI prior to granting authorization to inject.

Radioactive tracer surveys and temperature surveys require that the well be allowed to inject fluids as part of the procedure. In these cases, a well that has shown no other demonstration of Part II MI will be allowed to inject only that volume of fluid that is necessary to conduct the appropriate test.

After the results of the test proves that the well has passed Part II MI, the well will be given authorization to begin full injection operations.

If any of the tests show a lack of Part II MI, the well will be repaired and retested, or plugged (See Headquarters Guidance #76).

Mechanical Integrity Test

Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
Underground Injection Control Program, UIC Direct Implementation Program 8P-W-GW
999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____ Date: ____/____/____

Test conducted by: _____

Others present: _____

Well Name: _____	Type: ER SWD	Status: AC TA UC
Field: _____		
Location: _____	Sec: ____ T ____ N/S R ____ E/W	County: _____ State: ____
Operator: _____		
Last MIT: ____/____/____	Maximum Allowable Pressure: _____	PSIG

Is this a regularly scheduled test? Yes No

Initial test for permit? Yes No

Test after well rework? Yes No

Well injecting during test? Yes No If Yes, rate: _____ bpd

Pre-test casing/tubing annulus pressure: _____ psig

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

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



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VIII

999 18th STREET - SUITE 500

DENVER, COLORADO 80202-2466

SUBJECT: GROUND WATER SECTION GUIDANCE NO. 39

Pressure testing injection wells for Part I (internal)
Mechanical Integrity

FROM: Tom Pike, Chief
UIC Direct Implementation Section

TO: All Section Staff
Montana Operations Office

Introduction

The Underground Injection Control (UIC) regulations require that an injection well have mechanical integrity at all times (40 CFR 144.28 (f) (2) and 40 CFR 144.51 (q) (1)). A well has mechanical integrity (40 CFR 146.8) if:

- (1) There is no significant leak in the tubing, casing or packer; and
- (2) There is no significant fluid movement into an underground source of drinking water (USDW) through vertical channels adjacent to the injection wellbore.

Definition: Mechanical Integrity Pressure Test for Part I. A pressure test used to determine the integrity of all the downhole components of an injection well, usually tubing, casing and packer. It is also used to test tubing cemented in the hole by using a tubing plug or retrievable packer. Pressure tests must be run at least once every five years. If for any reason the tubing/packer is pulled, the injection well is required to pass another mechanical integrity test of the tubing casing and packer prior to recommencing injection regardless of when the last test was conducted. Tests run by operators in the absence of an EPA inspector must be conducted according to these procedures and recorded on either the attached form or an equivalent form containing the necessary information. A pressure recording chart documenting the actual annulus test pressures must be attached to the form.

This guidance addresses making a determination of Part I of Mechanical Integrity (no leaks in the tubing, casing or packer). The Region's policy is: 1) to determine if there are significant leaks in the tubing, casing or packer; 2) to assure that the casing can withstand pressure similar to that which

would be applied if the tubing or packer fails; 3) to make the Region's test procedure consistent with the procedures utilized by other Region VIII Primacy programs; and 4) to provide a procedure which can be easily administered and is applicable to all class I and II wells. Although there are several methods allowed for determining mechanical integrity, the principal method involves running a pressure test of the tubing/casing annulus. Region VIII's procedure for running a pressure test is intended to aid UIC field inspectors who witness pressure tests for the purpose of demonstrating that a well has Part I of Mechanical Integrity. The guidance is also intended as a means of informing operators of the procedures required for conducting the test in the absence of an EPA inspector.

Pressure Test Description

Test Frequency

The mechanical integrity of an injection well must be maintained at all times. Mechanical integrity pressure tests are required at least every five (5) years. If for any reason the tubing/packer is pulled, however, the injection well is required to pass another mechanical integrity test prior to recommencing injection regardless of when the last test was conducted. The Regional UIC program must be notified of the workover and the proposed date of the pressure test. The well's test cycle would then start from the date of the new test if the well passes the test and documentation is adequate. Tests may be required on a more frequent basis depending on the nature of the injectate and the construction of the well (see Section guidance on MITs for wells with cemented tubing and regulations for Class I wells).

Region VIII's criteria for well testing frequency is as follows:

1. Class I hazardous waste injection wells; initially [40 CFR 146.68(d)(1)] and annually thereafter;
2. Class I non-hazardous waste injection wells; initially and every two (2) years thereafter, except for old permits (such as the disposal wells at carbon dioxide extraction plants which require a test at least every five years);
3. Class II wells with tubing, casing and packer; initially and at least every five (5) years thereafter;
4. Class II wells with tubing cemented in the hole; initially and every one (1) or two (2) years thereafter

depending on well specific conditions (See Region VIII UIC Section Guidance #36);

5. Class II wells which have been temporarily abandoned (TAD) must be pressure tested after being shut-in for two years; and
6. Class III uranium extraction wells; initially.

Test Pressure

To assure that the test pressure will detect significant leaks and that the casing is subjected to pressure similar to that which would be applied if the tubing or packer fails, the tubing/casing annulus should be tested at a pressure equal to the maximum allowed injection pressure or 1000 psig whichever is less. The annular test pressure must, however, have a difference of at least 200 psig either greater or less than the injection tubing pressure. Wells which inject at pressures of less than 300 psig must test at a minimum pressure of 300 psig, and the pressure difference between the annulus and the injection tubing must be at least 200 psi.

Test Criteria

1. The duration of the pressure test is 30 minutes.
2. Both the annulus and tubing pressures should be monitored and recorded every five (5) minutes.
3. If there is a pressure change of 10 percent or more from the initial test pressure during the 30 minute duration, the well has failed to demonstrate mechanical integrity and should be shut-in until it is repaired or plugged.
4. A pressure change of 10 percent or more is considered significant. If there is no significant pressure change in 30 minutes from the time that the pressure source is disconnected from the annulus, the test may be completed as passed.

Recordkeeping and Reporting

The test results must be recorded on the attached form. The annulus pressure should be recorded at five (5) minute intervals. Tests run by operators in the absence of an EPA inspector must be conducted according to these procedures and recorded on the attached form or an equivalent form and a pressure recording

chart documenting the actual annulus test pressures must be attached to the submittal. The tubing pressure at the beginning and end of each test must be recorded. The volume of the annulus fluid bled back at the surface after the test should be measured and recorded on the form. This can be done by bleeding the annulus pressure off and discharging the associated fluid into a five gallon container. The volume information can be used to verify the approximate location of the packer.

Procedures for Pressure Test

1. Scheduling the test should be done at least two (2) weeks in advance.
2. Information on the well completion (location of the packer, location of perforations, previous cement work on the casing, size of casing and tubing, etc.) and the results of the previous MIT test should be reviewed by the field inspector in advance of the test. Regional UIC Guidance #35 should also be reviewed. Information relating to the previous MIT and any well workovers should be reviewed and taken into the field for verification purposes.
3. All Class I wells and Class II SWD wells should be shut-in prior to the test. A 12 to 24-hour shut-in is preferable to assure that the temperature of the fluid in the wellbore is stable.
4. Class II enhanced recovery wells may be operating during the test, but it is recommended that the well be shut-in if possible.
5. The operator should fill the casing/tubing annulus with inhibited fluid at least 24 hours in advance, if possible. Filling the annulus should be undertaken through one valve with the second valve open to allow air to escape. After the operator has filled the annulus, a check should be made to assure that the annulus will remain full. If the annulus can not maintain a full column of fluid, the operator should notify the Director and begin a rework. The operator should measure and report the volume of fluid added to the annulus. If not already the case, the casing/tubing valves should be closed, at least, 24 hours prior to the pressure test.

Following steps are at the well:

6. Read tubing pressure and record on the form. If the

well is shut-in, the reported information on the actual maximum operating pressure should be used to determine test pressures.

7. Read pressure on the casing/tubing annulus and record value on the form. If there is pressure on the annulus, it should be bled off prior to the test. If the pressure will not bleed-off, the guidance on well failures (Region VIII UIC Section Guidance #35) should be followed.
8. Ask the operator for the date of the last workover and the volume of fluid added to the annulus prior to this test and record information on the form.
9. Hook-up well to pressure source and apply pressure until test value is reached.
10. Immediately disconnect pressure source and start test time (If there has been a significant drop in pressure during the process of disconnection, the test may have to be restarted). The pressure gages used to monitor injection tubing pressure and annulus pressure should have a pressure range which will allow the test pressure to be near the mid-range of the gage. Additionally, the gage must be of sufficient accuracy and scale to allow an accurate reading of a 10 percent change to be read. For instance, a test pressure of 600 psi should be monitored with a 0 to 1000 psi gage. The scale should be incremented in 20 psi increments.
11. Record tubing and annulus pressure values every five (5) minutes.
12. At the end of the test, record the final tubing pressure.
13. If the test fails, check the valves, bull plugs and casing head close up for possible leaks. The well should be retested.
14. If the second test indicates a well failure, the Region should be informed of the failure within 24 hours by the operator, and the well should be shut-in within 48 hours per Headquarters guidance #76. A follow-up letter should be prepared by the operator which outlines the cause of the MIT failure and proposes a potential course of action. This report should be submitted to EPA within five days.

15. Bleed off well into a bucket, if possible, to obtain a volume estimate. This should be compared to the calculated value obtained using the casing/tubing annulus volume and fluid compressibility values.
16. Return to office and prepare follow-up.

Alternative Test Option

While it is expected that the test procedure outlined above will be applicable to most wells, the potential does exist that unique circumstances may exist for a given well that precludes or makes unsafe the application of this test procedure. In the event that these exceptional or extraordinary conditions are encountered, the operator has the option to propose an alternative test or monitoring procedures. The request must be submitted by the operator in writing and must be approved in writing by the UIC-Implementation Section Chief or equivalent level of management.

Attachment

Mechanical Integrity Test

Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
 Underground Injection Control Program, UIC Direct Implementation Program 8P-W-GW
 999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____ Date: ____ / ____ / ____

Test conducted by: _____

Others present: _____

Well Name: _____	Type: ER SWD	Status: AC TA UC
Field: _____		
Location: _____	Sec: ____ T ____ N / S R ____ E / W	County: _____ State: ____
Operator: _____		
Last MIT: ____ / ____ / ____	Maximum Allowable Pressure: _____	PSIG

Is this a regularly scheduled test? Yes No

Initial test for permit? Yes No

Test after well rework? Yes No

Well injecting during test? Yes No If Yes, rate: _____ bpd

Pre-test casing/tubing annulus pressure: _____ psig

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

United States Environmental Protection Agency
Washington, DC 20460



Application To Transfer Permit

Name and Address of Existing Permittee	Name and Address of Surface Owner
--	-----------------------------------

<p>Locate Well and Outline Unit on Section Plat- 640 Acres.</p>	State	County	Permit Number
	Surface Location Description 1/4 of 1/4 of 1/4 of 1/4 of Section ___ Township ___ Range ___		
	Locate well in two directions from nearest lines of quarter section and drilling unit		
	Surface Location ___ ft. from (N/S) ___ Line of quarter section and ___ ft. from (E/W) ___ Line of quarter section.		
Well Activity <input type="checkbox"/> Class I <input type="checkbox"/> Class II ___ Brine Disposal ___ Enhanced Recovery ___ Hydrocarbon Storage <input type="checkbox"/> Class III <input type="checkbox"/> Other		Well Status <input type="checkbox"/> Operating <input type="checkbox"/> Modification/Conversion <input type="checkbox"/> Proposed	Type of Permit <input type="checkbox"/> Individual <input type="checkbox"/> Area Number of Wells ___
Lease Number		Well Number	

Name(s) and Address(es) of New Owners(s)	Name and Address of New Operator
--	----------------------------------

Attach to this application a written agreement between the existing and new permittee containing a specific date for transfer of permit responsibility, coverage, and liability between them.

The new permittee must show evidence of financial responsibility by the submission of a surety bond, or other adequate assurance, such as financial statements or other materials acceptable to the Director.

Certification

I certify under the penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. (Ref. 40 CFR 144.32)

Name and Official Title (Please type or print)	Signature	Date Signed
--	-----------	-------------



PLUGGING RECORD

NAME AND ADDRESS OF PERMITTEE

NAME AND ADDRESS OF CEMENTING COMPANY

LOCATE WELL AND OUTLINE UNIT ON SECTION PLAT - 640 ACRES

STATE COUNTY

PERMIT NUMBER

SURFACE LOCATION DESCRIPTION

1/4 OF 1/4 OF 1/4 SECTION TOWNSHIP RANGE

LOCATE WELL IN TWO DIRECTIONS FROM NEAREST LINES OF QUARTER SECTION AND DRILLING UNIT

Surface Location ____ ft. from (N/S) ____ Line of quarter section
and ____ ft. from (E/W) ____ Line of quarter section

TYPE OF AUTHORIZATION

- Individual Permit
- Area Permit
- Rule

Number of Wells ____

Lease Name

Describe in detail the manner in which the fluid was placed the method used in introducing it into the hole

CASING AND TUBING RECORD AFTER PLUGGING

SIZE	WT(LB./FT)	TO BE PUT IN WELL (FT)	TO BE LEFT IN WELL (FT)	HOLE SIZE

WELL ACTIVITY

METHOD OF EMPLACEMENT OF CEMENT PLUG

- CLASS I
 - CLASS II
 - Brine Disposal
 - Enhanced Recovery
 - Hydrocarbon Storage
 - CLASS III
- The Balance Method
 - The Dump Saker Method
 - The Two-Plug Method
 - Other

CEMENTING TO PLUG AND ABANDON DATA:

	PLUG #1	PLUG #2	PLUG #3	PLUG #4	PLUG #5	PLUG #6	PLUG #7
Size of Hole or Pipe in which Plug Will Be Placed (inches)							
Depth to Bottom of Tubing or Drill Pipe (ft.)							
Sacks of Cement To Be Used (each plug)							
Slurry Volume To Be Pumped (cu. ft.)							
Calculated Top of Plug (ft.)							
Measured Top of Plug (if tagged ft.)							
Slurry Wt. (Lb./Gal.)							
Type Cement or Other Material (Class III)							

LIST ALL OPEN HOLE AND/OR PERFORATED INTERVALS

From	To	From	To

Signature of Cementer or Authorized Representative

Signature of EPA Representative

CERTIFICATION

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations. (REF. 40 CFR 122.22)

NAME AND OFFICIAL TITLE (Please type or print)

SIGNATURE

DATE SIGNED

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
U-39713

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
SUNDANCE UNIT

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.

1. TYPE OF WELL: OIL WELL GAS WELL OTHER

8. WELL NAME and NUMBER:
FEDERAL 7-12-9-17

2. NAME OF OPERATOR:
NEWFIELD PRODUCTION COMPANY

9. API NUMBER:
4304735165

3. ADDRESS OF OPERATOR: Route 3 Box 3630 CITY Myton STATE UT ZIP 84052 PHONE NUMBER 435.646.3721

10. FIELD AND POOL, OR WILDCAT:
MONUMENT BUTTE

4. LOCATION OF WELL:
FOOTAGES AT SURFACE: 1847 FNL 1806 FEL COUNTY: UINTAH
OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: SWNE, 12, T9S, R17E STATE: UT

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of Work Completion: 10/12/2006	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARITLY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLAIR
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input checked="" type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/STOP)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: -
	<input checked="" type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
The subject well has been converted from a producing oil well to an injection well on 10/12/06. On 10/25/06 Dan Jackson with the EPA was contacted concerning the initial MIT on the above listed well. Permission was given at that time to perform the test on 10/27/06. On 10/27/06 the casing was pressured up to 1000 psig and charted for 30 minutes with no pressure loss. The well was not injecting during the test. The tubing pressure was 300 psig during the test. There was not an EPA representative available to witness the test. EPA# UT21018-06969 API# 43-047-35165

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

NAME (PLEASE PRINT) Callie Ross TITLE Production Clerk
SIGNATURE *Callie Ross* DATE 11/08/2006

(This space for State use only)

**RECEIVED
NOV 13 2006
DIV. OF OIL, GAS & MINING**

Mechanical Integrity Test

Casing or Annulus Pressure Mechanical Integrity Test

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

EPA Witness: _____ Date: 1 / 1 /
 Test conducted by: Trefley J. Ruzin
 Others present: _____

Well Name: <u>Federal 7-12-9-17</u>	Type: ER SWD	Status: AC TA UC
Field: <u>MONUMENT BUTTE</u>		
Location: <u>SUNNE</u> Sec: <u>12 T 9 N 10 R 17 E W</u> County: <u>WINTAH</u> State: <u>OR</u>		
Operator: <u>Newfield</u>		
Last MIT: <u> 1 / 1 / </u>	Maximum Allowable Pressure: _____	PSIG

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

Pre-test casing/tubing annulus pressure: 0 psig

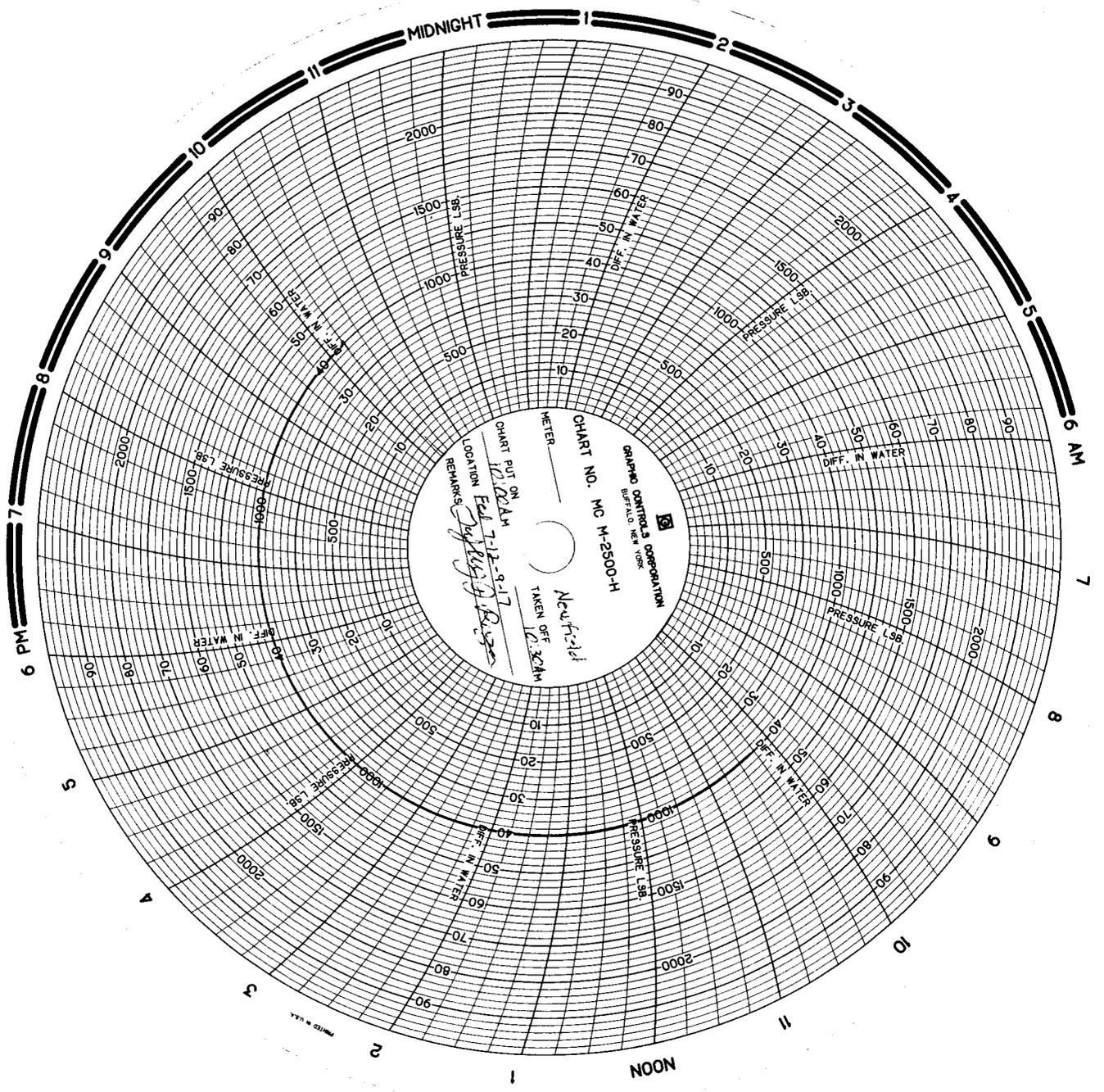
MIT DATA TABLE	Test #1	Test #2	Test #3
TUBING PRESSURE			
Initial Pressure	<u>300</u> psig	psig	psig
End of test pressure	<u>300</u> psig	psig	psig
CASING / TUBING ANNULUS PRESSURE			
0 minutes	<u>1000</u> psig	psig	psig
5 minutes	<u>1000</u> psig	psig	psig
10 minutes	<u>1000</u> psig	psig	psig
15 minutes	<u>1000</u> psig	psig	psig
20 minutes	<u>1000</u> psig	psig	psig
25 minutes	<u>1000</u> psig	psig	psig
30 minutes	<u>1000</u> psig	psig	psig
_____ minutes	psig	psig	psig
_____ minutes	psig	psig	psig
RESULT	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail

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

MECHANICAL INTEGRITY PRESSURE TEST

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

Signature of Witness: _____



MIDNIGHT

NOON

6 PM

9 AM

2000

1500

1000

500

0

005

010

015

020

030

040

050

060

070

080

090

90

80

70

60

50

40

30

20

10

0

10

20

30

40

50

60

70

80

90

GRAND CENTRAL STATION
BUFFALO, N. Y.
CHART NO. MC M-2500-H
METER _____
TAKEN OFF 12:32 PM
LOCATION Fed 7-12-9-17
REMARKS
[Signature]

MADE IN U.S.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

<p>1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other</p>		<p>5. Lease Serial No. USA UTU-39713</p>
<p>2. Name of Operator NEWFIELD PRODUCTION COMPANY</p>		<p>6. If Indian, Allottee or Tribe Name.</p>
<p>3a. Address Route 3 Box 3630 Myton, UT 84052</p>	<p>3b. Phone (include are code) 435.646.3721</p>	<p>7. If Unit or CA/Agreement, Name and/or SUNDANCE UNIT</p>
<p>4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1847 FNI, 1806 FFI. SWNE Section 12 T9S R17E</p>		<p>8. Well Name and No. FEDERAL 7-12-9-17</p>
		<p>9. API Well No. 4304735165</p>
		<p>10. Field and Pool, or Exploratory Area MONUMENT BUTTE</p>
		<p>11. County or Parish, State UINTAH, UT</p>

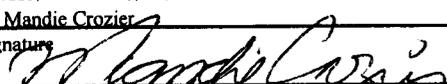
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, OR OTHER DATA

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

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The above referenced well was put on injection at 2:00 p.m. on 12/11/06.

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

<p>I hereby certify that the foregoing is true and correct (Printed/ Typed) Mandie Crozier</p>	<p>Title Regulatory Specialist</p>
<p>Signature </p>	<p>Date 12/12/2006</p>

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

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

(Instructions on reverse)

RECEIVED
DEC 13 2006

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 NEWFIELD PRODUCTION COMPANY

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

3b. Phone (include are code)
 435.646.3721

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 1847 FNL 1806 FEL
 SWNE Section 12 T9S R17E

5. Lease Serial No.
 USA UTU-39713

6. If Indian, Allottee or Tribe Name.

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

8. Well Name and No.
 FEDERAL 7-12-9-17

9. API Well No.
 4304735165

10. Field and Pool, or Exploratory Area
 MONUMENT BUTTE

11. County or Parish, State
 UINTAH, UT

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

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

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

A step rate test was conducted on the subject well on May 2, 2007. Results from the test indicate that the fracture gradient is .725 psi/ft. Therefore, Newfield is requesting that the maximum allowable injection pressure (MAIP) be changed to 1175 psi.

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

I hereby certify that the foregoing is true and correct (Printed/ Typed) Cheyenne Bateman	Title Well Analyst Foreman
Signature 	Date 05/16/2007

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

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

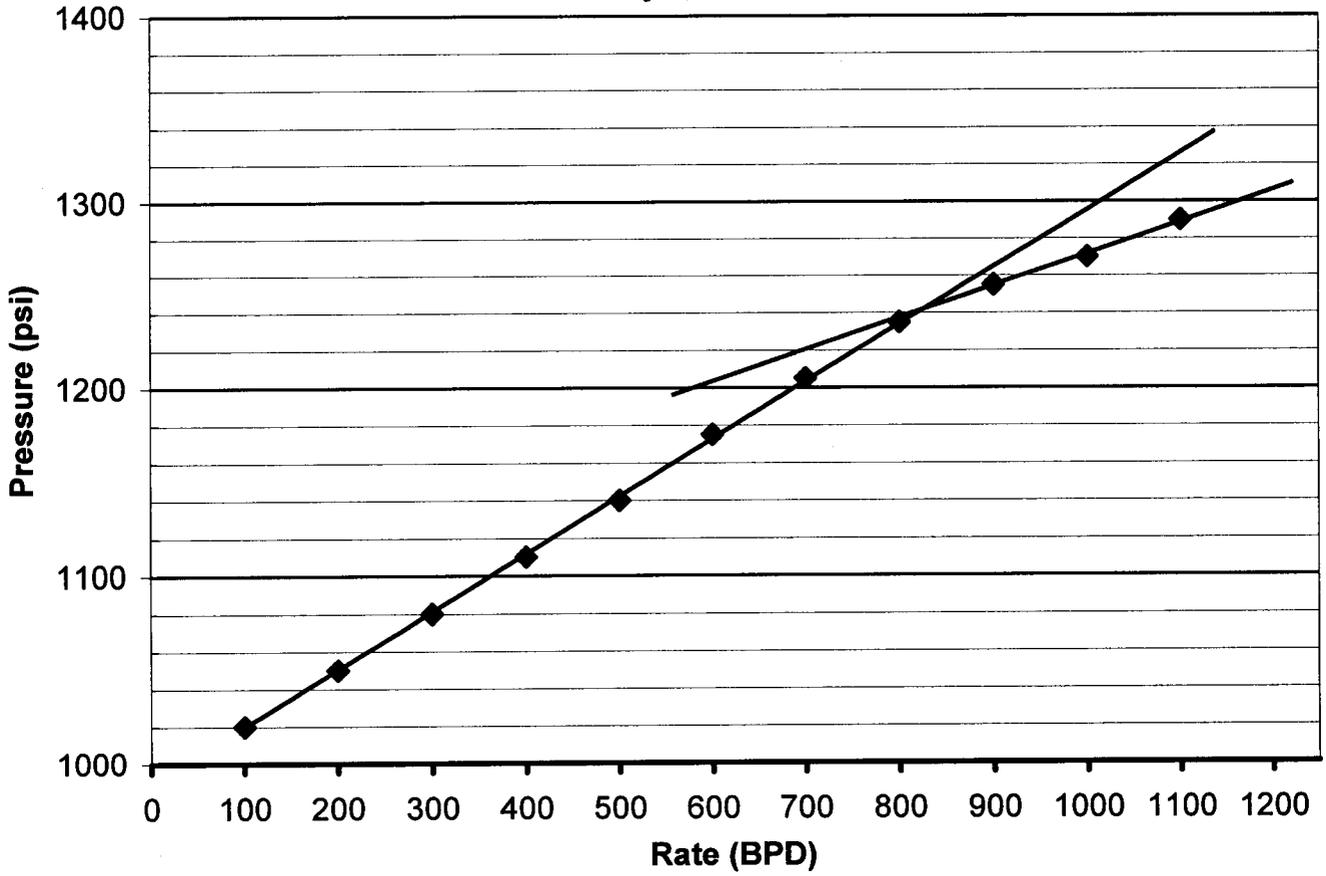
(Instructions on reverse)

RECEIVED

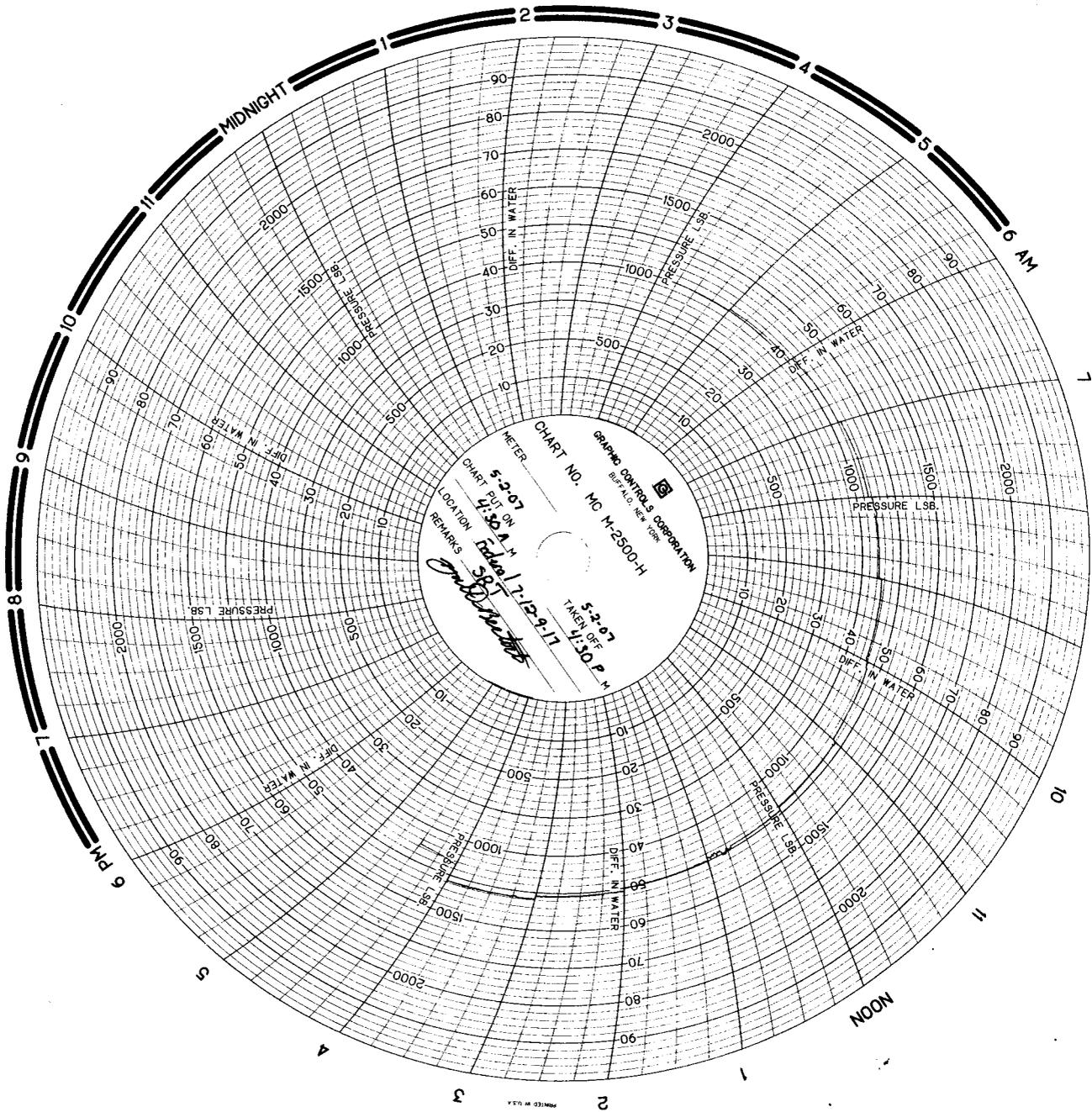
MAY 23 2007

DIV. OF OIL, GAS & MINING

Federal 7-12-9-17
 Sundance Unit
 Step Rate Test
 May 2, 2007



		<u>Step</u>	<u>Rate(bpd)</u>	<u>Pressure(psi)</u>
Start Pressure:	1000 psi	1	100	1020
Instantaneous Shut In Pressure (ISIP):	1175 psi	2	200	1050
Top Perforation:	4118 feet	3	300	1080
Fracture pressure (Pfp):	1245 psi	4	400	1110
FG:	0.725 psi/ft	5	500	1140
		6	600	1175
		7	700	1205
		8	800	1235
		9	900	1255
		10	1000	1270
		11	1100	1290



GRAPHIC CONTROLS CORPORATION
 BUFFALO, N.Y. U.S.A.
 CHART NO. MC M-2500-H
 METER
 CHART PUT ON 5-2-07
 TAKEN OFF 5-2-07
 LOCATION Edgewood
 4:30 A.M. 4:30 P.M.
 REMARKS 580
Chas. D. ...



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

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

Ref: 8P-W-GW

DEC 21 2007

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Michael Guinn
Vice President-Operations
Newfield Production Company
Route 3-Box 3630
Myton, UT 84502

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

RECEIVED

JAN 10 2008

DIV. OF OIL, GAS & MINING

43, 047-35165
95 17E 12

RE: **Authorization to Continue Injection**
EPA UIC Permit UT21018-06969
Well: Federal 7-12-9-17
Duchesne County, Utah

Dear Mr. Guinn:

Thank you for submitting to Region 8 Ground Water Program office of the Environmental Protection Agency (EPA) the results from the July 26, 2007 Radioactive Tracer Survey (RTS) used to demonstrate Part II (External) Mechanical Integrity (MI) in the Federal 7-12-9-17 Class II injection well. The results of the RTS were reviewed and approved on August 5, 2007, and the EPA has determined that the test adequately demonstrated Part II MI; that injected fluids will remain in the authorized injection interval at or below the Maximum Authorized Injection Pressure (MAIP) of **1175 psig**.

The EPA hereby authorizes continued injection into Federal 7-12-9-17 under the terms and conditions of EPA UIC Permit UT21018-06969 at an **MAIP of 1175 psig**.

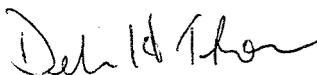
You may apply for a higher maximum allowable injection pressure at a later date. Your application should be accompanied by the interpreted results from a Step-Rate Test (SRT) that measures the formation fracture pressure and the fracture gradient at this location. A current copy of EPA Guidelines for running and interpreting a SRT will be sent upon request. Should the SRT result in approval of a higher maximum allowable injection pressure, a new Part II MI demonstration must be run to show that the injected fluids will remain in the authorized injection interval at the higher pressure. Please note that to use a pressure greater than the **MAIP of 1175 psig** during a SRT and RTS, you must first receive prior written authorization from the Director.

As of this approval, responsibility for Permit Compliance and Enforcement is transferred to Region 8 UIC Technical Enforcement Program office. Therefore, please direct all future notification, reporting, monitoring and compliance correspondence to the following address, referencing your well name and UIC Permit number on all correspondence regarding this well:

US EPA, Region 8
Attn: Nathan Wisner
MC: ENF-UFO
1595 Wynkoop Street
Denver, CO 80202

Please be reminded that it is your responsibility to be aware of and to comply with all conditions of your Permit. If you have any questions regarding this approval, please call Patricia Pfeiffer at 800-227-8917 (ext. 312-6271). For questions regarding notification, testing, monitoring, reporting or other Permit requirements, Nathan Wisner of the UIC Technical Enforcement Program may be reached by calling 800-227-8917 (ext. 312-6211).

Sincerely,



for Stephen S. Tuber
Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

cc: Curtis Cesspooch, Chairperson
Uintah & Ouray Business Committee
Ute Indian Tribe

Ronald Groves, Councilman
Uintah & Ouray Business Committee
Ute Indian Tribe

Irene Cuch, Vice-Chairperson
Uintah & Ouray Business Committee
Ute Indian Tribe

Steven Cesspooch, Councilman
Uintah & Ouray Business Committee
Ute Indian Tribe

Phillip Chimburas, Councilman
Uintah & Ouray Business Committee
Ute Indian Tribe

Frances Poowegup, Councilwoman
Uintah & Ouray Business Committee
Ute Indian Tribe

Chester Mills, Superintendent
BIA - Uintah & Ouray Indian Agency

David Gerbig
Operations Engineer
Newfield Production Company

Shawn Chapoose, Director
Land Use Department
Ute Indian Tribe

Gil Hunt
Assistant Director
Utah Division of Oil, Gas, and Mining

Fluid Minerals Engineering Office
BLM - Vernal Office

bcc: Nathan Wiser, ENF-UFO
Monica Morales, 8TAP

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-39713
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: GMBU (GRRV)
1. TYPE OF WELL Water Injection Well	8. WELL NAME and NUMBER: FEDERAL 7-12-9-17	
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY	9. API NUMBER: 43047351650000	
3. ADDRESS OF OPERATOR: Rt 3 Box 3630 , Myton, UT, 84052	PHONE NUMBER: 435 646-4825 Ext	9. FIELD and POOL or WILDCAT: 8 MILE FLAT NORTH
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1847 FNL 1806 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 12 Township: 09.0S Range: 17.0E Meridian: S	COUNTY: UINTAH	
		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 9/26/2011 <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: 5 YR MIT	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
<p>On 09/14/2011 Nathan Wiser with the EPA was contacted concerning the 5 year MIT on the above listed well. On 09/26/2011 the casing was pressured up to 1255 psig and charted for 30 minutes with no pressure loss. The well was not injecting during the test. The tubing pressure was 1009 psig during the test. There was not an EPA representative available to witness the test.</p> <p style="text-align: center;">EPA# UT21018-06969</p>		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY		
NAME (PLEASE PRINT) Lucy Chavez-Naupoto	PHONE NUMBER 435 646-4874	TITLE Water Services Technician
SIGNATURE N/A	DATE 9/29/2011	

Mechanical Integrity Test

Casing or Annulus Pressure Mechanical Integrity Test

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

EPA Witness: _____ Date: 9 / 26 / 11
 Test conducted by: Lynn Manson
 Others present: _____

Well Name: <u>Federal 7-12-9-17</u>	Type: ER SWD	Status: AC TA UC
Field: <u>Monument Butte</u>		
Location: <u>SW/NE</u> Sec: <u>12</u> T <u>9</u> N <u>10</u> R <u>17E</u> W County: <u>Uintah</u> State: <u>Wt</u>		
Operator: <u>Newfield</u>		
Last MIT: <u>/ /</u>	Maximum Allowable Pressure: _____	PSIG

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

Pre-test casing/tubing annulus pressure: 0 psig

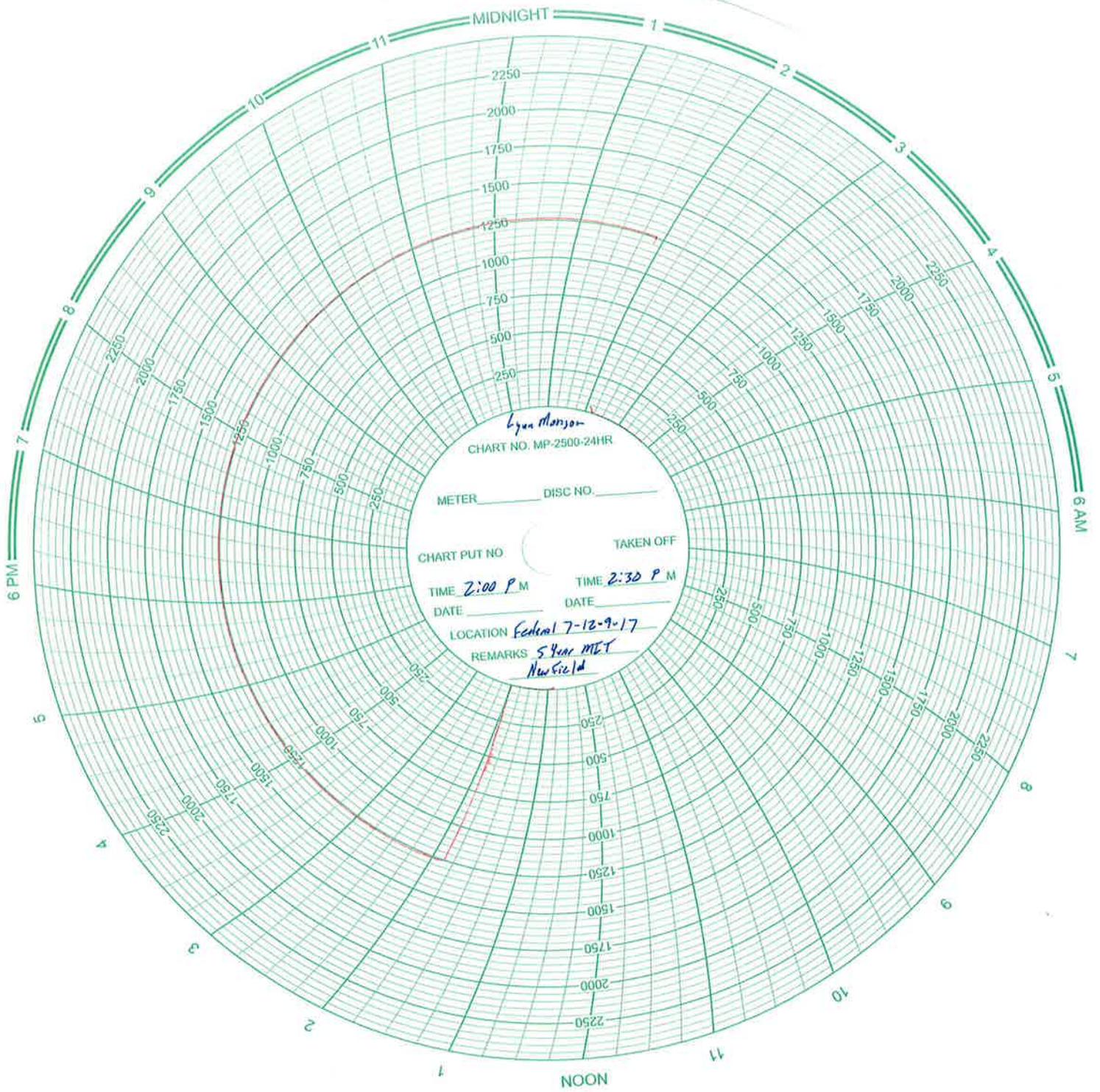
MIT DATA TABLE	Test #1	Test #2	Test #3
TUBING PRESSURE			
Initial Pressure	<u>1009</u> psig	psig	psig
End of test pressure	<u>1009</u> psig	psig	psig
CASING / TUBING ANNULUS PRESSURE			
0 minutes	<u>1255</u> psig	psig	psig
5 minutes	<u>1255</u> psig	psig	psig
10 minutes	<u>1255</u> psig	psig	psig
15 minutes	<u>1255</u> psig	psig	psig
20 minutes	<u>1255</u> psig	psig	psig
25 minutes	<u>1255</u> psig	psig	psig
30 minutes	<u>1255</u> psig	psig	psig
<u> </u> minutes	psig	psig	psig
<u> </u> minutes	psig	psig	psig
RESULT	<input checked="" type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail

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

MECHANICAL INTEGRITY PRESSURE TEST

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

Signature of Witness: _____



Federal #7-12-9-17

Spud Date: 10/13/2004
 Put on Production: 12/09/2004
 GL: 5061' KB: 5073'

Initial Production: BOPD,
 MCFD, BWPD

SURFACE CASING

CSG SIZE: 8-5/8"
 GRADE: J-55
 WEIGHT: 24#
 LENGTH: 8 jts (323.66')
 DEPTH LANDED: 333.66'
 HOLE SIZE: 12-1/4"
 CEMENT DATA: 150 sxs Class "G" cmt. Est. 4 bbls cmt to surface.

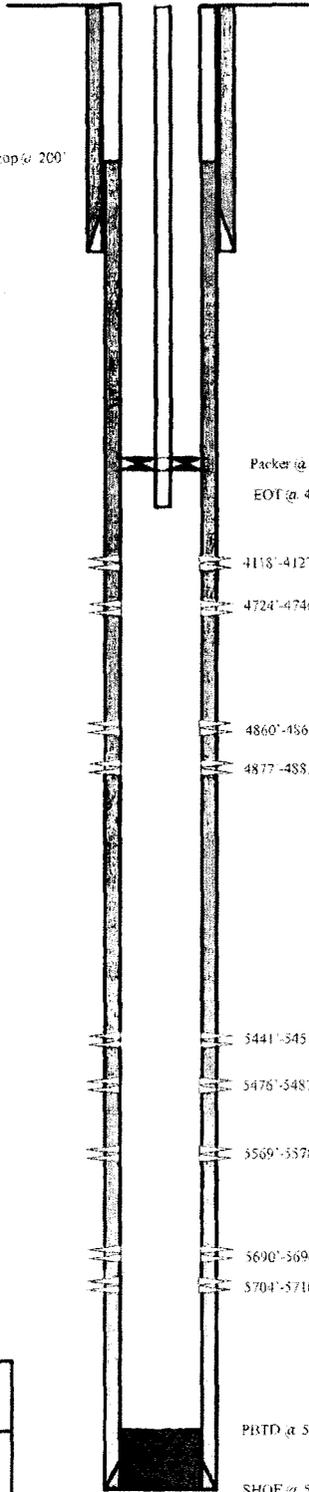
PRODUCTION CASING

CSG SIZE: 5-1/2"
 GRADE: J-55
 WEIGHT: 15.5#
 LENGTH: 132 jts (5840.47')
 DEPTH LANDED: 5833.47'
 HOLE SIZE: 7-7/8"
 CEMENT DATA: 285 sxs Premix II and 375 sxs 50-50 POZ.
 CEMENT TOP AT: 200'

TUBING

SIZE/GRADE/WT: 2 7/8" J-55 / 6.5#
 NO. OF JOINTS: 124 jts (4042.15')
 SEATING NIPPLE: 2 7/8" (1.10')
 SN LANDED AT: 4054.15' KB
 TOTAL STRING LENGTH: EOF @ 4062.70' w/ 12' KB

Injection Wellbore
 Diagram



FRAC JOB

12/01/04 5569'-5710' **Frac CP3, CP5 sands as follows:**
 35,435# of 20/40 sand in 354 bbls Lightning 17 fluid. Treated at avg. pressure of 1223 psi with average rate of 24.9 BPM. ISIP = 1350.
 Calculated flush: 5567 gals. Actual flush: 5565 gals.

12/01/04 5441'-5487' **Frac CP1 & CP2 sands as follows:**
 39,341# of 20/40 sand in 376 bbls Lightning 17 fluid. Treated at avg. pressure of 1202 psi with average rate of 25 BPM. ISIP = 1290.
 Calculated flush: 5439 gals. Actual flush: 5439 gals.

12/01/04 4860'-4883' **Frac B1 and B2 sands as follows:**
 14,268# of 20/40 sand in 220 bbls Lightning 17 fluid. Treated at avg. pressure of 2085 psi with average rate of 24.5 BPM. ISIP = 1910.
 Calculated flush: 4858 gals. Actual flush: 4897 gals.

12/02/04 4724'-4746' **Frac C sands as follows:**
 31,326# of 20/40 sand in 508 bbls Lightning 17 fluid. Treated at avg. pressure of 1873 psi with average rate of 24.7 BPM. ISIP = 2230.
 Calculated flush: 4722 gals. Actual flush: 4637 gals.

10/11/06 4118'-4127' **Frac GB6 sds as follows:**
 GB6 sds @ 4118-27' W: 4 JSFP, RD WLT, TH W/ Weatherford 5 1/2" "TS" RBP, RH, tbg sub, 5 1/2" "RD" pkr & tbg. ISIP = 2000 psi.

10/12/06
 11/3/06
**Well converted to an Injection well.
 MIT completed and submitted.**

PERFORATION RECORD

11/23/04 5704'-5710' 4 SPF 24 holes
 11/23/04 5690'-5696' 4 SPF 24 holes
 11/23/04 5569'-5578' 4 SPF 36 holes
 12/01/04 5476'-5487' 4 SPF 44 holes
 12/01/04 5441'-5451' 4 SPF 40 holes
 12/01/04 4877'-4883' 4 SPF 24 holes
 12/01/04 4860'-4863' 4 SPF 12 holes
 12/02/04 4724'-4746' 2 SPF 88 holes

NEWFIELD

Federal #7-12-9-17
 1847' FNL & 1806' FEL
 SWNE Section 12-T9S-R17E
 Uintah Co. Utah
 API #43-047-35165; Lease #UTU-39713

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-39713
1. TYPE OF WELL Water Injection Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY		7. UNIT or CA AGREEMENT NAME: GMBU (GRRV)
3. ADDRESS OF OPERATOR: Rt 3 Box 3630 , Myton, UT, 84052		8. WELL NAME and NUMBER: FEDERAL 7-12-9-17
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1847 FNL 1806 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 12 Township: 09.0S Range: 17.0E Meridian: S		9. API NUMBER: 43047351650000
PHONE NUMBER: 435 646-4825 Ext		9. FIELD and POOL or WILDCAT: 8 MILE FLAT NORTH
COUNTY: UINTAH		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 checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 8/31/2016	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
<input type="checkbox"/> DRILLING REPORT Report Date:	<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 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 checked="" type="checkbox"/> OTHER	
	OTHER: <input style="width: 100px;" type="text" value="5 YR MIT"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. 5 YR MIT performed on the above listed well. On 08/31/2016 the casing was pressured up to 1109 psig and charted for 30 minutes with no pressure loss. The well was not injecting during the test. The tbg pressure was 589 psig during the test. There was not an EPA representative available to witness the test. EPA #UT22197-06969		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY September 01, 2016		
NAME (PLEASE PRINT) Lucy Chavez-Naupoto	PHONE NUMBER 435 646-4874	TITLE Water Services Technician
SIGNATURE N/A	DATE 9/1/2016	

Mechanical Integrity Test Casing or Annulus Pressure Mechanical Integrity Test

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

EPA Witness: _____ Date: 8 / 31 / 2016
 Test conducted by: Shannon Lozenby
 Others present: _____

Well Name: <u>Federal 7-12-9-17</u>	Type: ER SWD	Status: AC TA UC -06969
Field: <u>Greater Monument Butte</u>		
Location: <u>7-12-9-17</u> Sec: <u>12</u> T <u>95</u> N/S R <u>17</u> E/W County: <u>wintah</u> State: <u>ut</u>		
Operator: <u>Shannon Lozenby</u>		
Last MIT: <u> </u> / <u> </u> / <u> </u>	Maximum Allowable Pressure: <u>1279</u>	PSIG

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

Pre-test casing/tubing annulus pressure: 0/589 psig

MIT DATA TABLE	Test #1	Test #2	Test #3
TUBING PRESSURE			
Initial Pressure	<u>589</u> psig	psig	psig
End of test pressure	<u>589</u> psig	psig	psig
CASING / TUBING ANNULUS PRESSURE			
0 minutes	<u>1109.0</u> psig	psig	psig
5 minutes	<u>1109.8</u> psig	psig	psig
10 minutes	<u>1109.8</u> psig	psig	psig
15 minutes	<u>1109.8</u> psig	psig	psig
20 minutes	<u>1109.6</u> psig	psig	psig
25 minutes	<u>1108.8</u> psig	psig	psig
30 minutes	<u>1108.6</u> psig	psig	psig
_____ minutes	psig	psig	psig
_____ minutes	psig	psig	psig
RESULT	<input checked="" type="checkbox"/> Pass [] Fail	[] Pass [] Fail	[] Pass [] Fail

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

MECHANICAL INTEGRITY PRESSURE TEST

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

Signature of Witness: _____

7-12-9-17 5yr mit
8/31/2016 7:57:49 AM

