

NEWFIELD



February 9, 2005

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

RE: Applications for Permit to Drill: Federal 1-3-9-18, 3-3-9-18, 5-3-9-18, and 11-3-9-18. ✓

Dear Diana:

Enclosed find APD's on the above referenced wells. The proposed 3-3-9-18 is an Exception Location. Our Land Department will send you the required Exception Location Letter. If you have any questions, feel free to give either Brad or myself a call.

Sincerely,

A handwritten signature in black ink that reads "Mandie Crozier".

Mandie Crozier
Regulatory Specialist

mc
enclosures

RECEIVED
FEB 14 2005
DIV. OF OIL, GAS & MINING

001

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.
UTU-16539

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 5-3-9-18

9. API Well No.
43-047-36302

10. Field and Pool, or Exploratory
Eight Mile Flat

11. Sec., T., R., M., or Blk. and Survey or Area
SW/NW Sec. 3, T9S R18E

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
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 (Report location clearly and in accordance with any State requirements.)*
At surface SW/NW 1987' FNL 488' FWL 594952X 40.061689
At proposed prod. zone 4434988Y -109.886667

14. Distance in miles and direction from nearest town or post office*
Approximatley 21.0 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. 488' f/lse, NA f/unit
16. No. of Acres in lease
1520.32

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. 2767'

19. Proposed Depth
6040'

20. BLM/BIA Bond No. on file
UTU0056

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
4918' GL

22. Approximate date work will start*
3rd Quarter 2005

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* Name (Printed/Typed) Mandie Crozier Date 2/9/05

Title Regulatory Specialist

Approved by (Signature) *Bradley G. Hill* Name (Printed/Typed) BRADLEY G. HILL Date 02-16-05

Title ENVIRONMENTAL SCIENTIST III

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

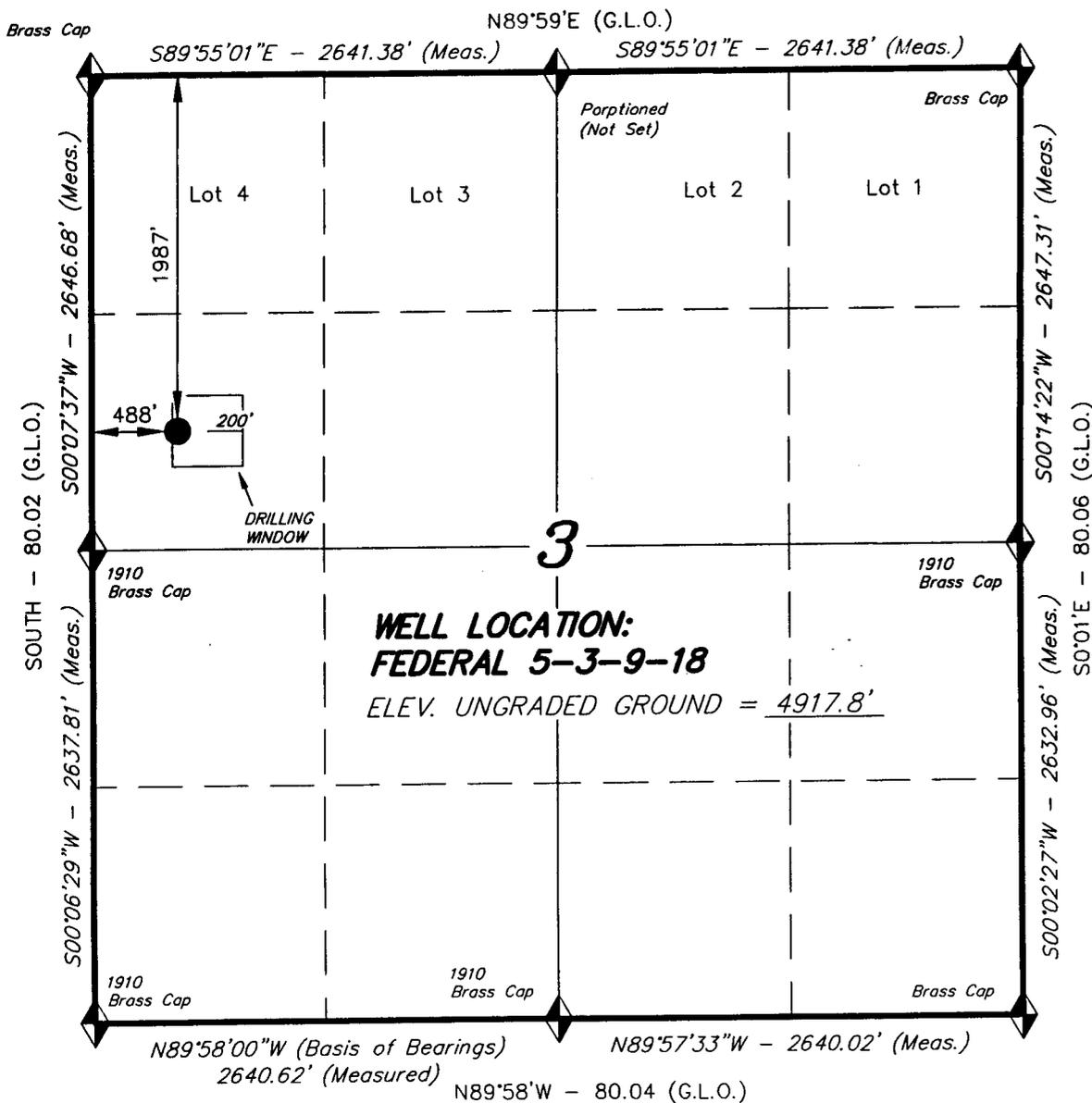
FEB 14 2005

DIV. OF OIL, GAS & MINING

Federal Approval of this
Action is Necessary

T9S, R18E, S.L.B.&M.

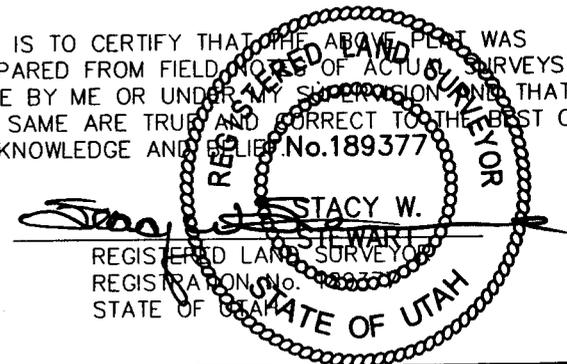
NEWFIELD PRODUCTION COMPANY



WELL LOCATION, FEDERAL 5-3-9-18,
LOCATED AS SHOWN IN THE SW 1/4 NW
1/4 OF SECTION 3, T9S, R18E, S.L.B.&M.
UINTAH COUNTY, UTAH.



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS
PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS
MADE BY ME OR UNDER MY SUPERVISION AND THAT
THE SAME ARE TRUE AND CORRECT TO THE BEST OF
MY KNOWLEDGE AND BELIEF. No. 189377



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

◆ = SECTION CORNERS LOCATED

BASIS OF ELEV; U.S.G.S. 7-1/2 min QUAD (PARIETTE DRAW SW)

SCALE: 1" = 1000'

SURVEYED BY: C.M.

DATE: 12-7-04

DRAWN BY: F.T.M.

NOTES:

FILE #

**NEWFIELD PRODUCTION COMPANY
FEDERAL #5-3-9-18
SW/NW SECTION 3, T9S, R18E
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' – 2240'
Green River	2240'
Wasatch	6040'

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

Green River Formation 2240' – 6040' - Oil

4. PROPOSED CASING PROGRAM

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

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

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

6. TYPE AND CHARACTERISTICS OF THE PROPOSED CIRCULATION MUDS:

Please refer to the Monument Butte Field SOP.

7. AUXILIARY SAFETY EQUIPMENT TO BE USED:

Please refer to the Monument Butte Field SOP.

8. TESTING, LOGGING AND CORING PROGRAMS:

Please refer to the Monument Butte Field SOP.

9. ANTICIPATED ABNORMAL PRESSURE OR TEMPERATURE:

The anticipated maximum bottom hole pressure is 1800 psi. It is not anticipated that abnormal temperatures will be encountered.

10. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS:

Please refer to the Monument Butte Field SOP.

**NEWFIELD PRODUCTION COMPANY
FEDERAL #5-3-9-18
SW/NW SECTION 3, T9S, R18E
UINTAH COUNTY, UTAH**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. EXISTING ROADS

See attached Topographic Map "A"

To reach Newfield Production Company well location site Federal #5-3-9-18 located in the SW 1/4 NW 1/4 Section 3, T9S, R18E, 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 - 15.3 miles \pm to it's junction with an existing dirt road to the northeast; proceed northeasterly - 4.1 miles \pm to it's junction with the beginning of the proposed access road; proceed northeasterly along the proposed access road - 220' \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 Archaeological Resource Survey and Paleontological Resource Survey for this area are attached. MOAC Report #03-154, 2/3/04. Paleontological Resource Survey prepared by, Wade E. Miller, 11/15/03. See attached report cover pages, Exhibit "D".

For the Federal #5-3-9-18 Newfield Production Company requests 220' of disturbed area be granted in Lease UTU-16539 to allow for construction of the proposed access road. **Refer to Topographic Map "B"**. The proposed access road will be an 18' crown road (9' either side of the centerline) with drainage ditches along either side of the proposed road whether it is deemed necessary in order to handle any run-off from normal meteorological conditions that are prevalent to this area. The maximum grade will be less than 8%. There will be no culverts required along this access road. There will be barrow ditches and turnouts as needed along this road. There are no fences encountered along this proposed road. There will be no new gates or cattle guards required. All construction material for this access road will be borrowed material accumulated during construction of the access road.

Newfield Production Company requests 570' of disturbed area be granted in Lease UTU-17424 and 400' of disturbed area be granted in Lease UTU-16539 to allow for construction of the proposed gas lines. It is proposed that the disturbed area will be 50' wide 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.

Newfield Production Company requests 1370' of disturbed area be granted in Lease UTU-17424 and 400' of disturbed area be granted in Lease UTU-16539 to allow for construction of the proposed water lines. It is proposed that the disturbed area will be 50' wide to allow for construction of a buried 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

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

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

Threatened, Endangered, And Other Sensitive Species

Burrowing Owl: Due to the proximity of the location to active prairie dog towns, there is the potential to encounter nesting burrowing owls between April 1 and August 15. If new construction or surface disturbing activities are scheduled between April 1 and August 15, pre-construction surveys will be conducted to detect the presence of nesting burrowing owls within 0.5 mile of any new construction or surface disturbing activity (see Vernal BLM Field Office Protocol). No new

construction or surface disturbing activities will be allowed between April 1 and August 15 within a 0.5 mile radius of any active burrowing owl nest.

Reserve Pit Liner

Please refer to the Monument Butte Field SOP.

Location and Reserve Pit Reclamation

Please refer to the Monument Butte Field SOP.

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

Shadscale	<i>Atriplex confertifolia</i>	4 lbs/acre
Crested Wheatgrass	<i>Agropyron cristatum</i>	4 lbs/acre
Scarlet Globemallow	<i>Sphaeralcea concineae</i>	4 lbs/acre

Details of the On-Site Inspection

The proposed Federal #5-3-9-18 was on-sited on 10/14/04. The following were present; Brad Mecham (Newfield Production), Byron Tolman (Bureau of Land Management), and Amy Torez (Bureau of Land Management). Weather conditions were clear.

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 NEWFIELD PRODUCTION COMPANY is considered to be the operator of well #5-3-9-18 SW/NW Section 3, Township 9S, Range 18E: Lease UTU-16539 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 Newfield Production Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

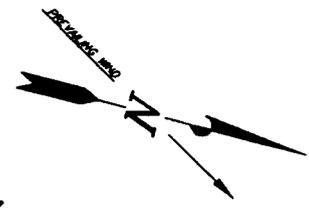
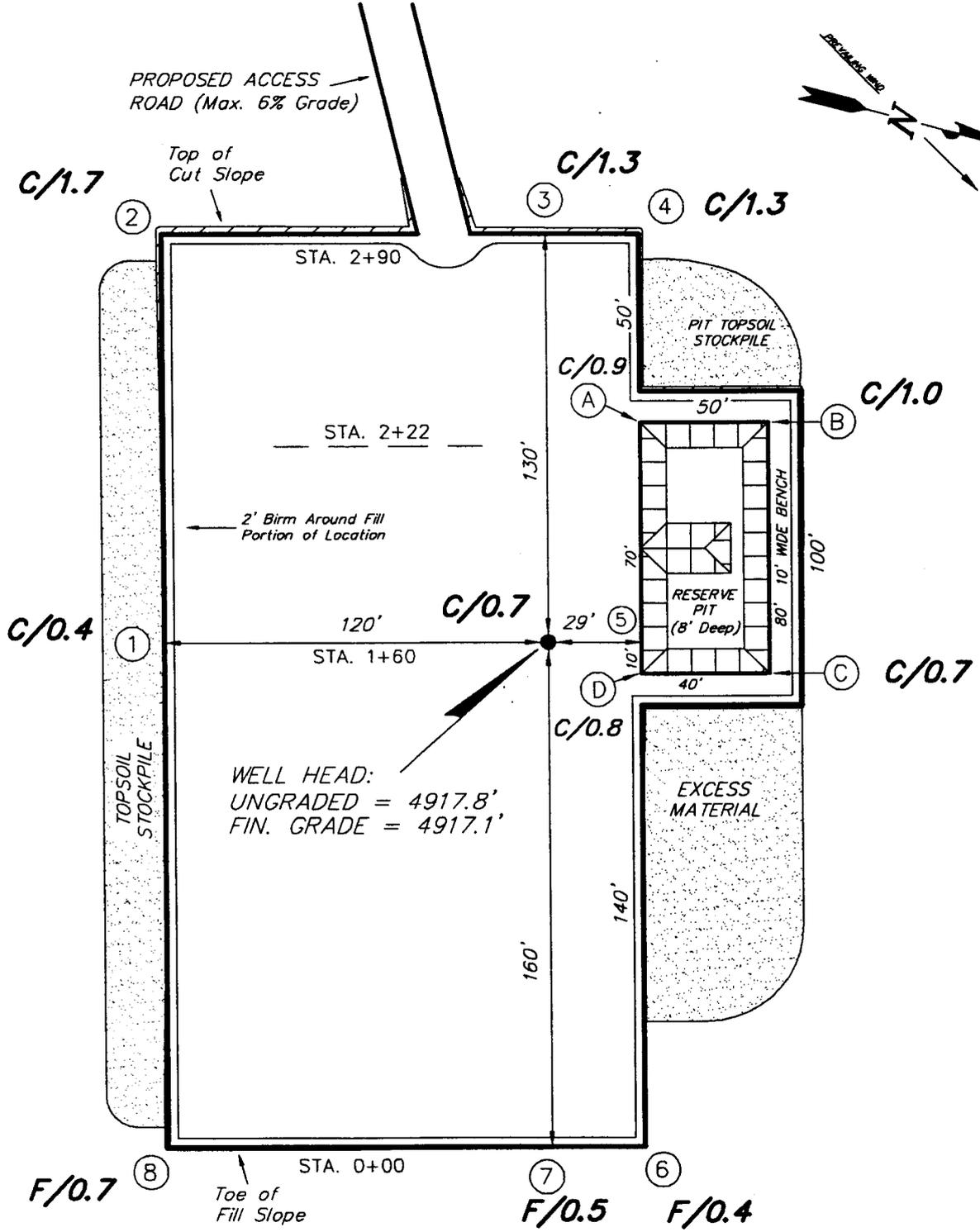
2/19/05
Date


Mandie Crozier
Regulatory Specialist
Newfield Production Company

NEWFIELD PRODUCTION COMPANY

FEDERAL 5-3-9-18

Section 3, T9S, R18E, S.L.B.&M.



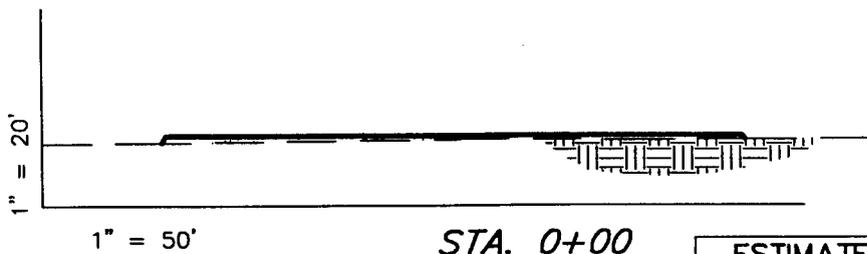
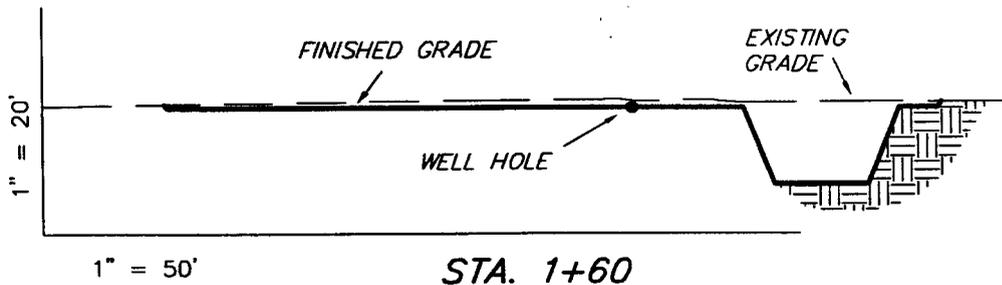
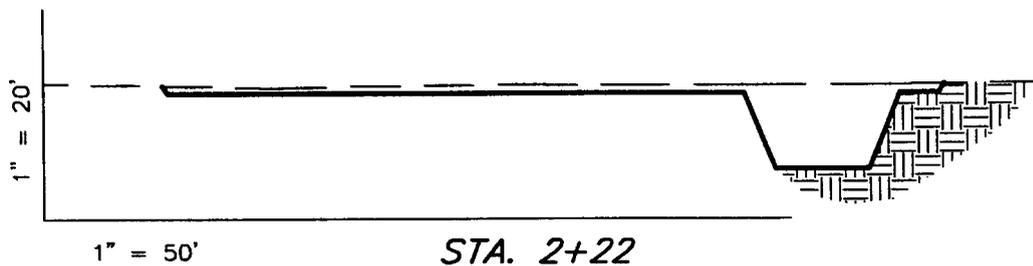
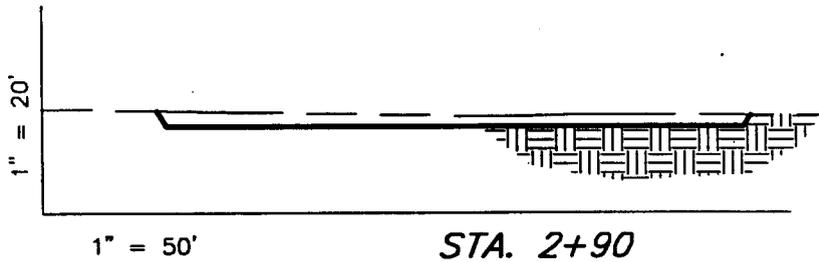
REFERENCE POINTS

200' EASTERLY = 4916.3'
 260' EASTERLY = 4916.6'

SURVEYED BY: C.M.	SCALE: 1" = 50'	<p>Tri State Land Surveying, Inc. 180 NORTH VERNAL AVE. VERNAL, UTAH 84078</p>
DRAWN BY: F.T.M.	DATE: 12-7-04	

(435) 781-2501

NEWFIELD PRODUCTION COMPANY
CROSS SECTIONS
FEDERAL 5-3-9-18



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

ESTIMATED EARTHWORK QUANTITIES (No Shrink or swell adjustments have been used) (Expressed in Cubic Yards)				
ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	410	410	Topsoil is not included in Pad Cut	0
PIT	640	0		640
TOTALS	1,050	410	890	640

SURVEYED BY: C.M.

SCALE: 1" = 50'

DRAWN BY: F.T.M.

DATE: 12-7-04

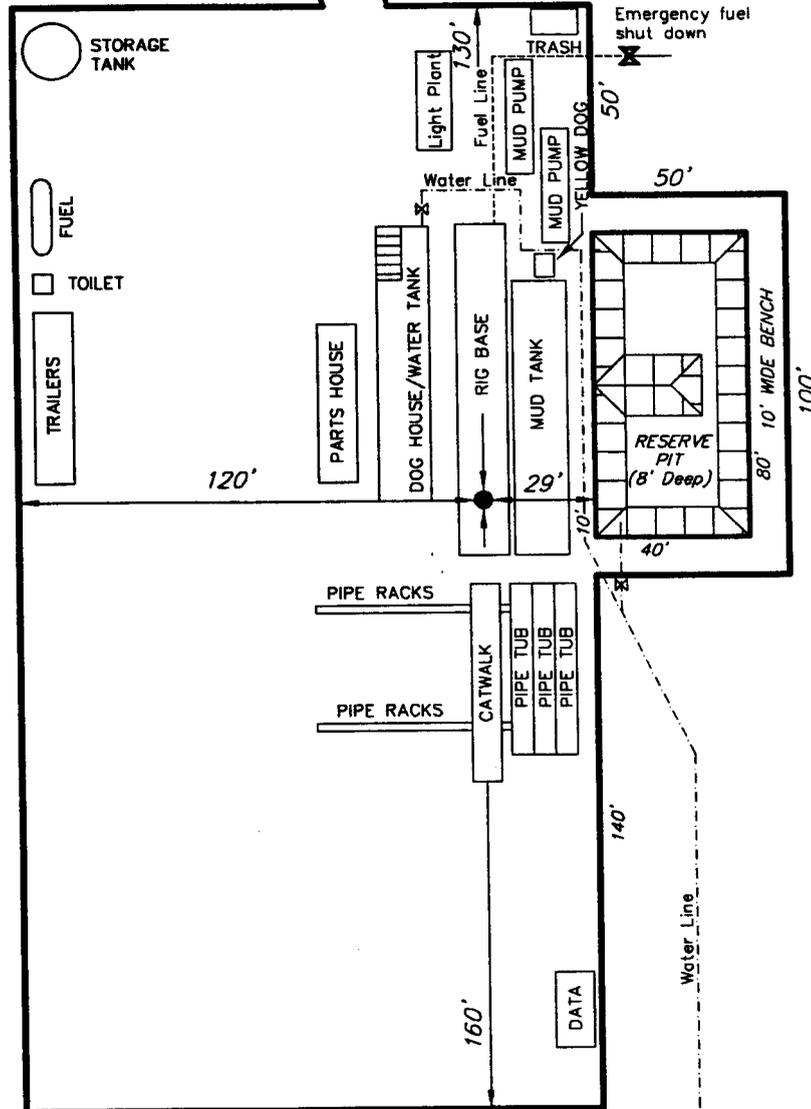
Tri State (435) 781-2501
Land Surveying, Inc.
 180 NORTH VERNAL AVE. VERNAL, UTAH 84078

NEWFIELD PRODUCTION COMPANY

TYPICAL RIG LAYOUT

FEDERAL 5-3-9-18

PROPOSED ACCESS ROAD (Max. 6% Grade)



SURVEYED BY: C.M.

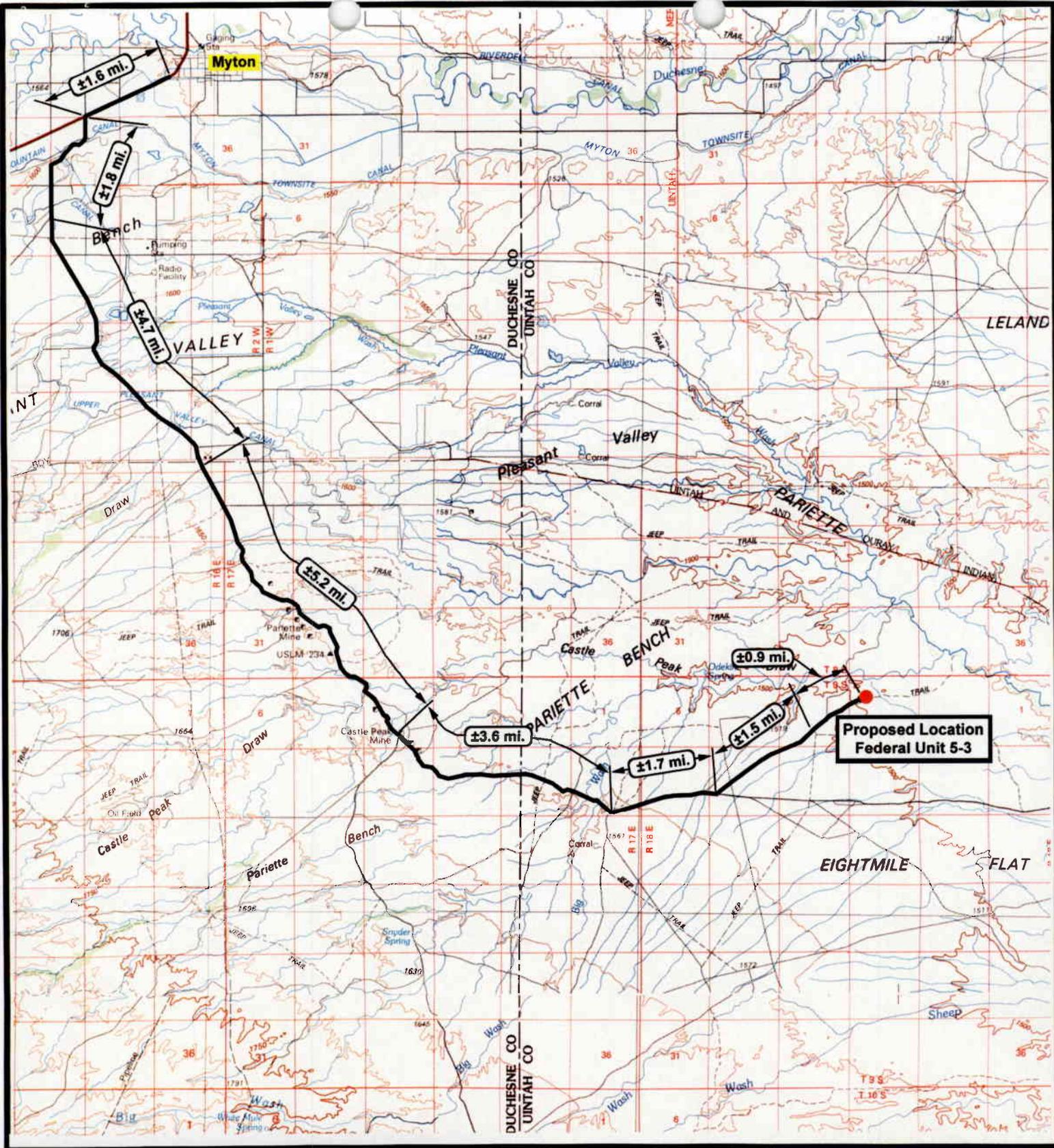
SCALE: 1" = 50'

DRAWN BY: F.T.M.

DATE: 12-7-04

(435) 781-2501

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



NEWFIELD
Exploration Company

Federal Unit 5-3
SEC. 3, T9S, R18E, S.L.B.&M.



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

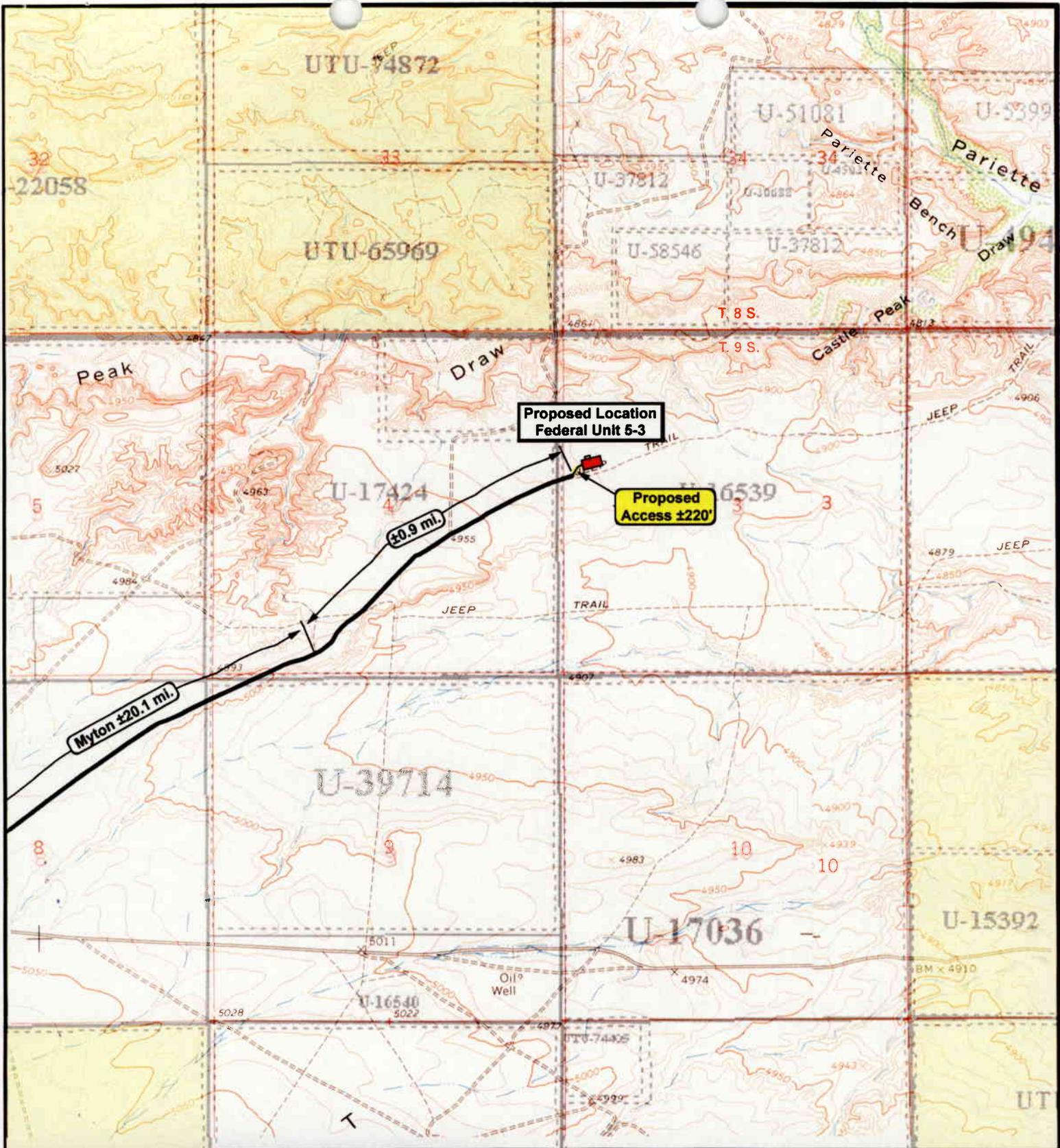
SCALE: 1 = 100,000
DRAWN BY: mw
DATE: 12-7-2004

Legend

Existing Road

TOPOGRAPHIC MAP

"A"



NEWFIELD
Exploration Company

Federal Unit 5-3
SEC. 3, T9S, R18E, S.L.B.&M.



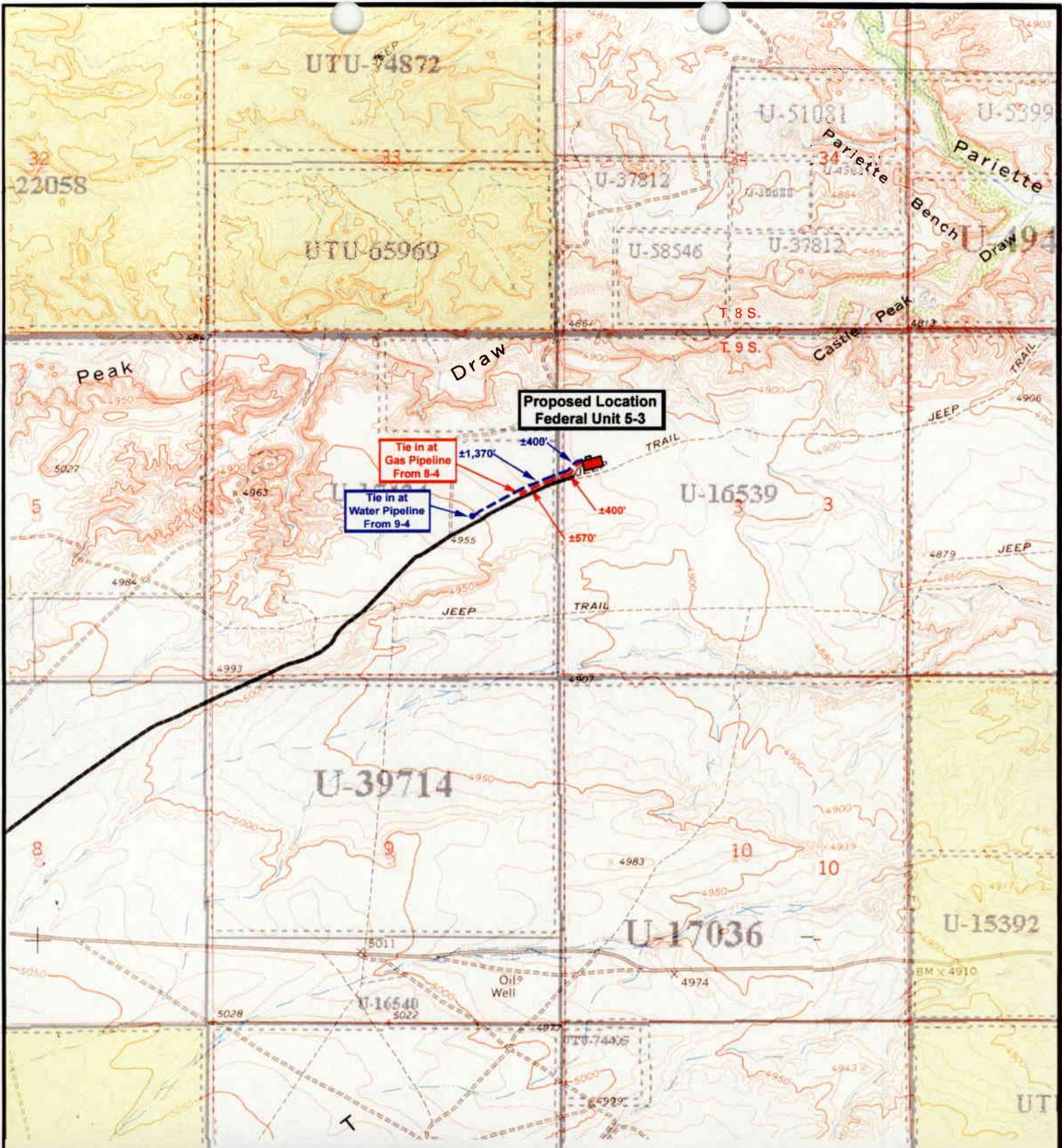
Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
DRAWN BY: mw
DATE: 12-7-2004

Legend

Existing Road
 Proposed Access

TOPOGRAPHIC MAP
"B"



NEWFIELD
Exploration Company

Federal Unit 5-3
SEC. 3, T9S, R18E, S.L.B.&M.



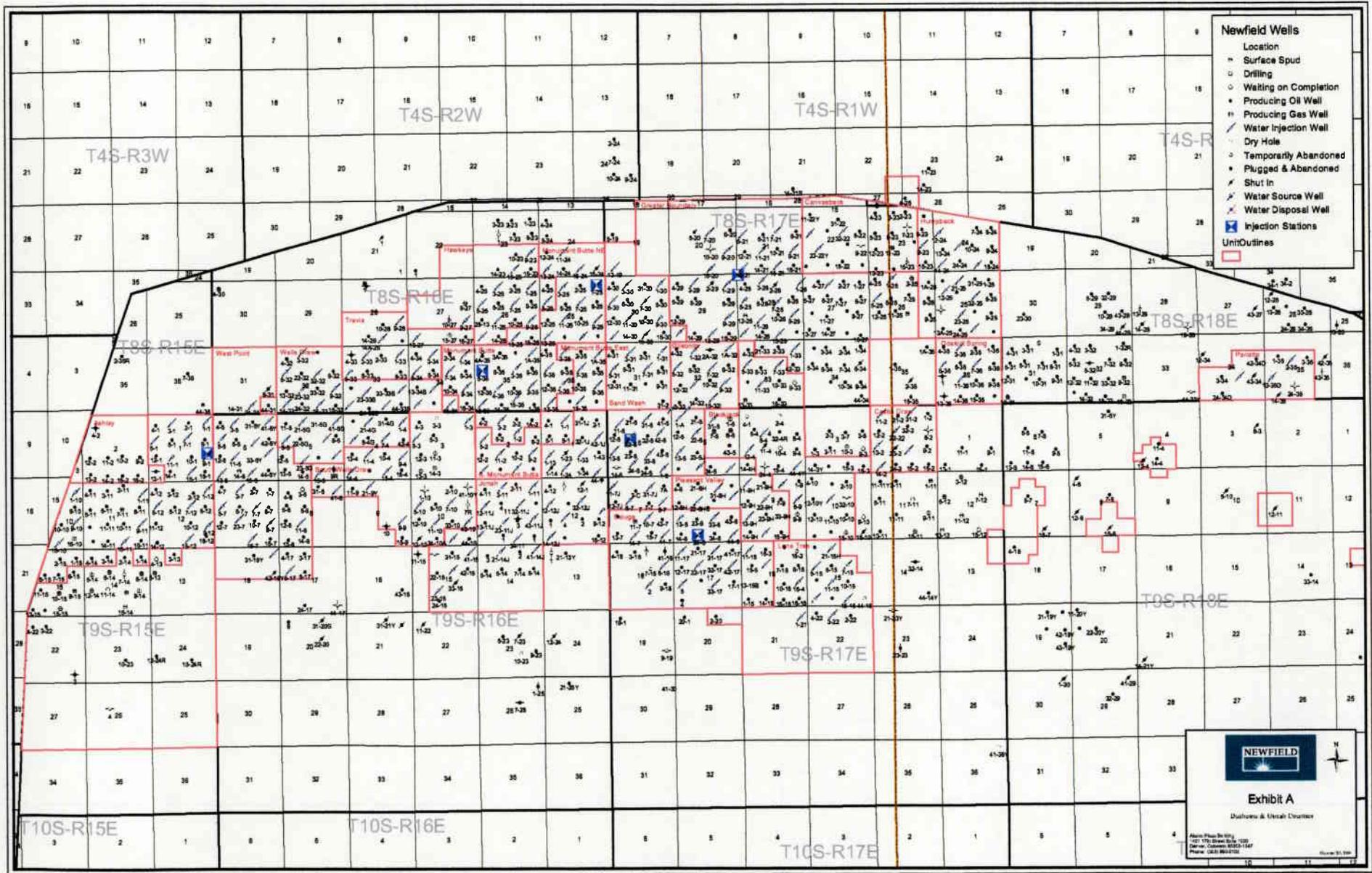
Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
DRAWN BY: mw
DATE: 12-7-2004

Legend

- Roads
- Proposed Gas Line
- Proposed Water Line

TOPOGRAPHIC MAP
"C"



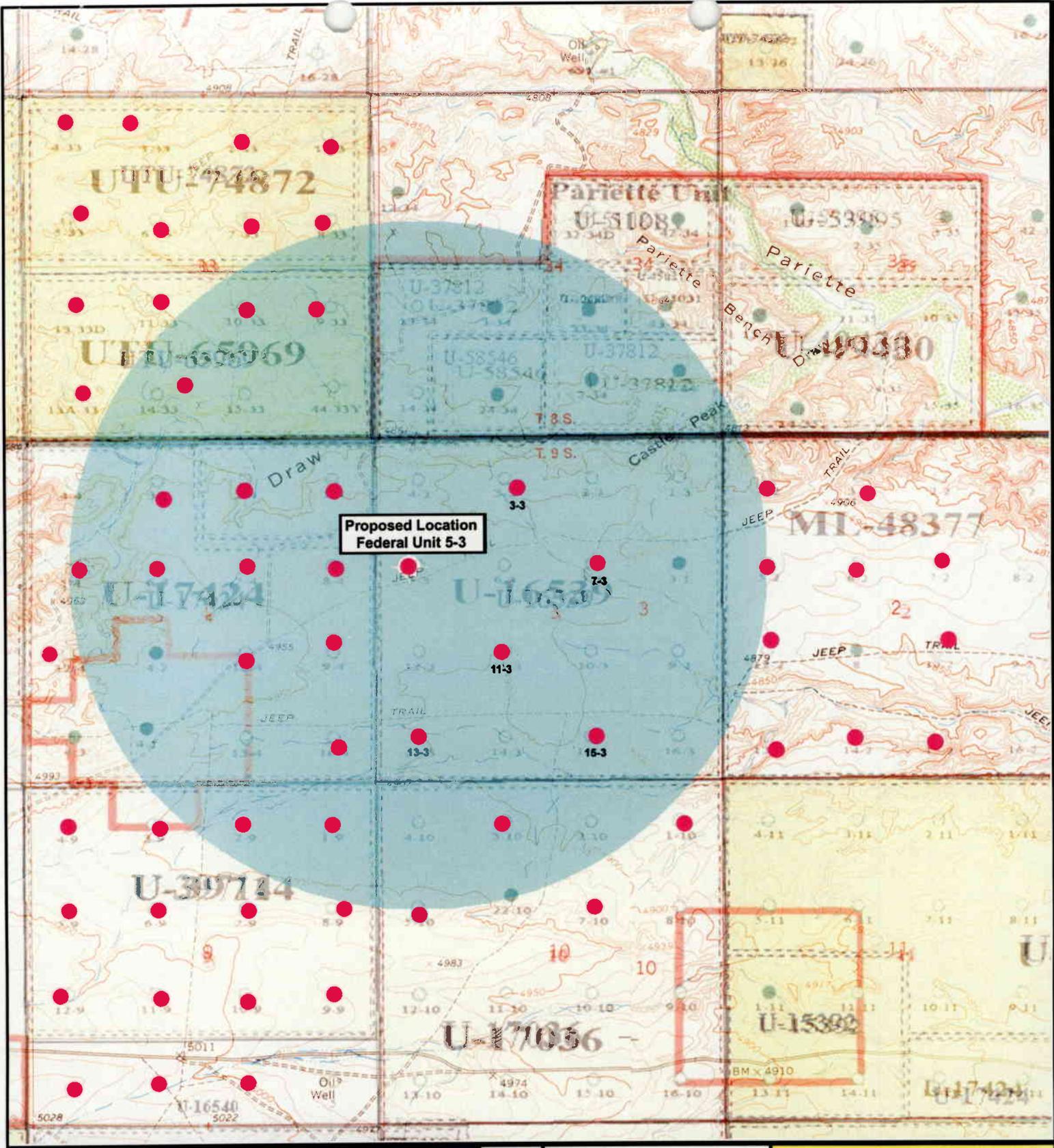
- Newfield Wells**
- Location
 - Surface Spud
 - Drilling
 - Waiting on Completion
 - Producing Oil Well
 - Producing Gas Well
 - Water Injection Well
 - Dry Hole
 - Temporarily Abandoned
 - Plugged & Abandoned
 - Shut In
 - Water Source Well
 - Water Disposal Well
 - Injection Stations
- Unit Outlines**
-

NEWFIELD

Exhibit A

Outlines & Unit Outlines

Main Office: 1001 W. 17th Street, Suite 1000
 Denver, Colorado 80202-1149
 Phone: (303) 860-0100
 Fax: (303) 860-0101



**Proposed Location
Federal Unit 5-3**



NEWFIELD
Exploration Company

**Federal Unit 5-3
SEC. 3, T9S, R18E, S.L.B.&M.**




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

SCALE: 1" = 2000'
DRAWN BY: mw
DATE: 12-7-2004

Legend

- Well Locations
- One-Mile Radius

Exhibit "B"

2-M SYSTEM
Blowout Prevention Equipment Systems

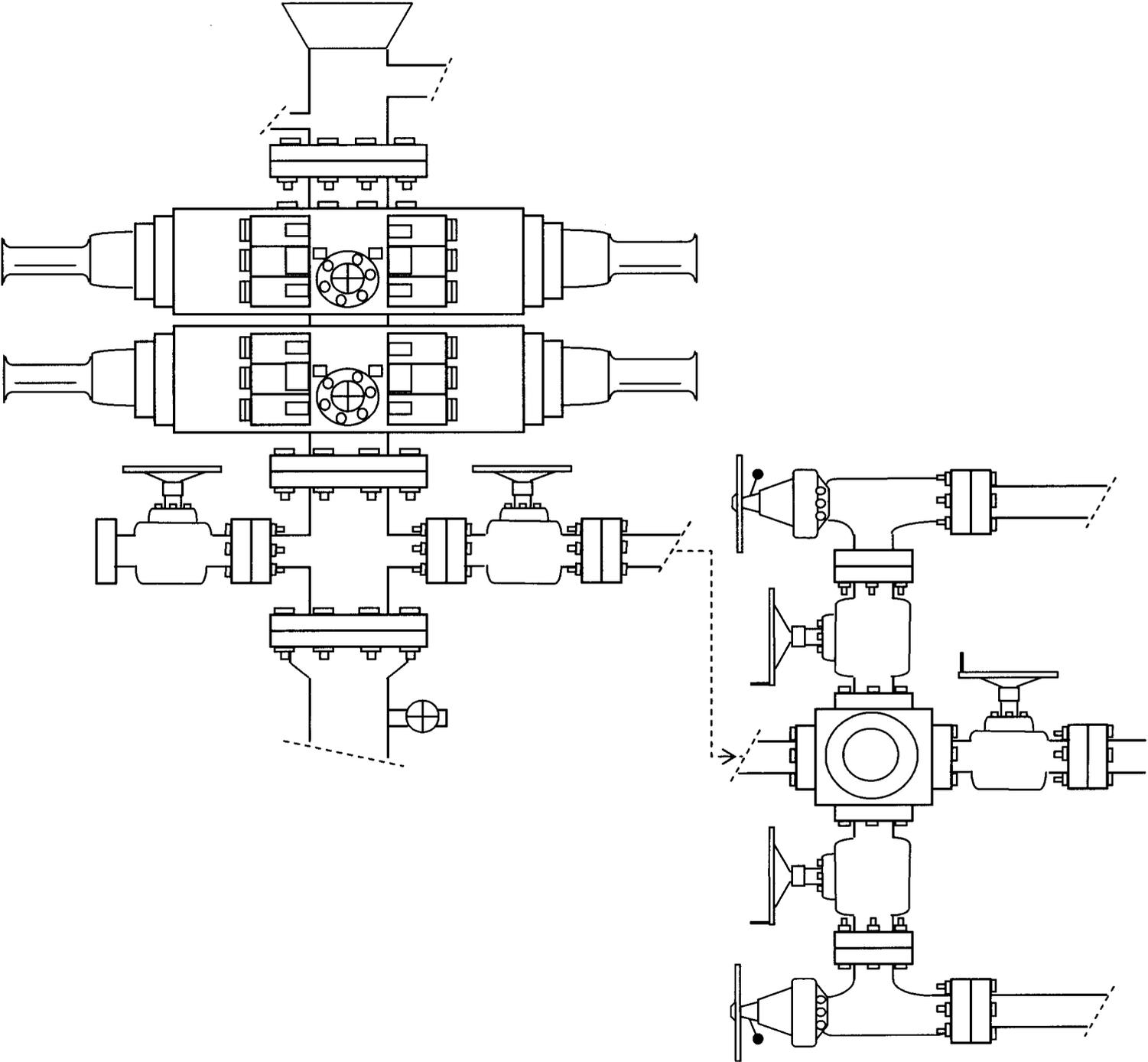


EXHIBIT C

CULTURAL RESOURCE INVENTORY OF
INLAND PRODUCTIONS PARCEL IN
T 8 S, R18 E, SEC. 33 AND
T 9 S, R 18 E, SEC. 3 & 4,
UINTAH COUNTIES, UTAH

BY:

Katie Simon
and
Keith R. Montgomery

Prepared For:

Bureau of Land Management
Vernal Field Office

Prepared Under Contract With:

Inland Production
Route 3, Box 3630
Myton, UT 84052

Prepared By:

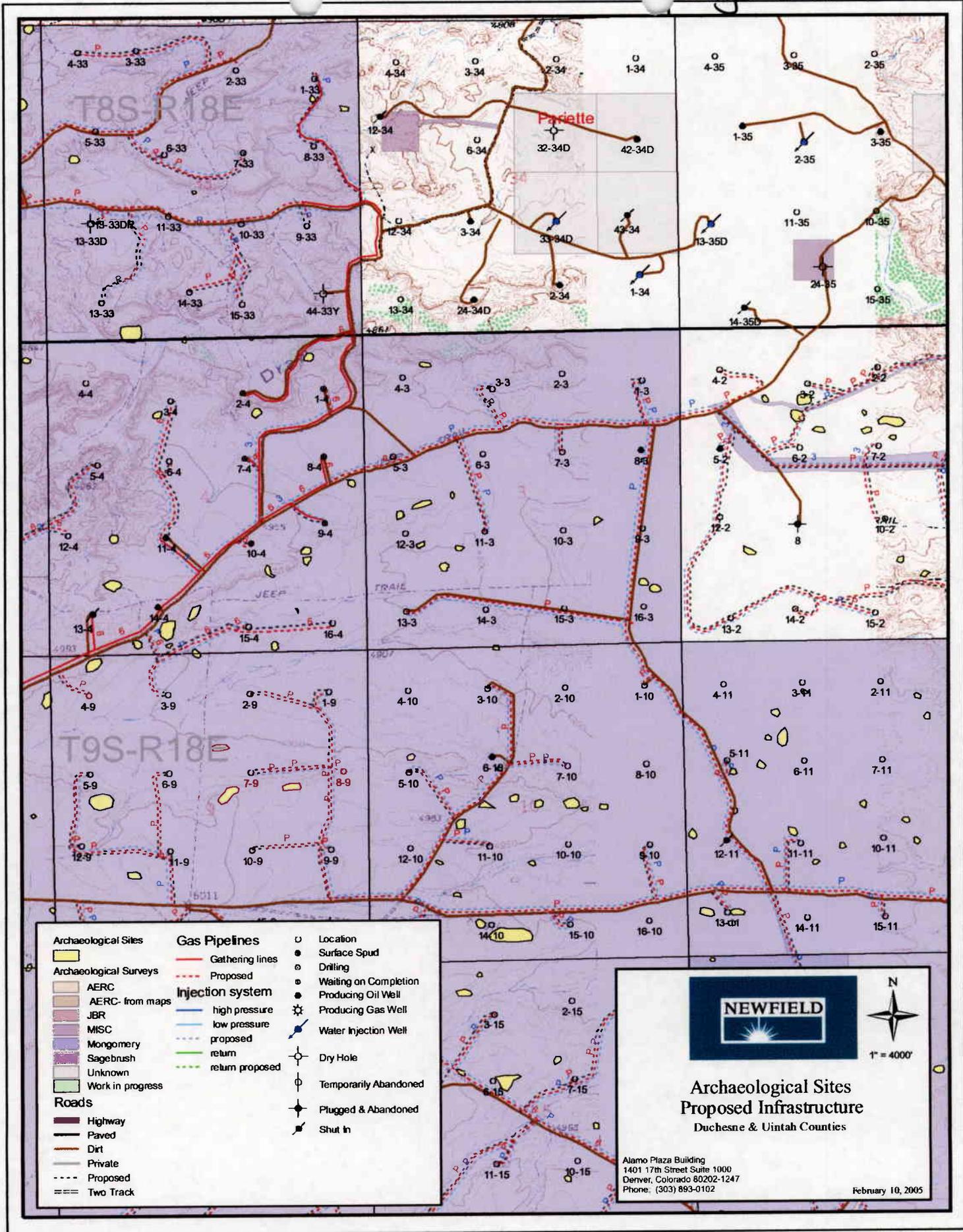
Montgomery Archaeological Consultants
P.O. Box 147
Moab, Utah 84532

MOAC Report No. 03-154

February 3, 2004

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

State of Utah Antiquities Project (Survey)
Permit No. U-03-MQ-0799b



- | | | |
|------------------------|-------------------------|-----------------------|
| Archaeological Sites | Gas Pipelines | Location |
| Archaeological Surveys | Gathering lines | Surface Spud |
| AERC | Proposed | Drilling |
| AERC- from maps | Injection system | Waiting on Completion |
| JBR | high pressure | Producing Oil Well |
| MISC | low pressure | Producing Gas Well |
| Montgomery | proposed | Water Injection Well |
| Sagebrush | return | Dry Hole |
| Unknown | return proposed | Temporarily Abandoned |
| Work in progress | | Plugged & Abandoned |
| Roads | | Shut In |
| Highway | | |
| Paved | | |
| Dirt | | |
| Private | | |
| Proposed | | |
| Two Track | | |



**Archaeological Sites
Proposed Infrastructure**
Duchesne & Uintah Counties

Alamo Plaza Building
1401 17th Street Suite 1000
Denver, Colorado 80202-1247
Phone: (303) 893-0102

February 10, 2005

INLAND RESOURCES, INC.

**PALEONTOLOGICAL FIELD SURVEY OF PROPOSED
PRODUCTION DEVELOPMENT AREAS,
UINTAH COUNTY, UTAH**

(Sections 3, 4, & 10, T 9 S, R 18 E; Section 7, T 9 S, R 19 E)

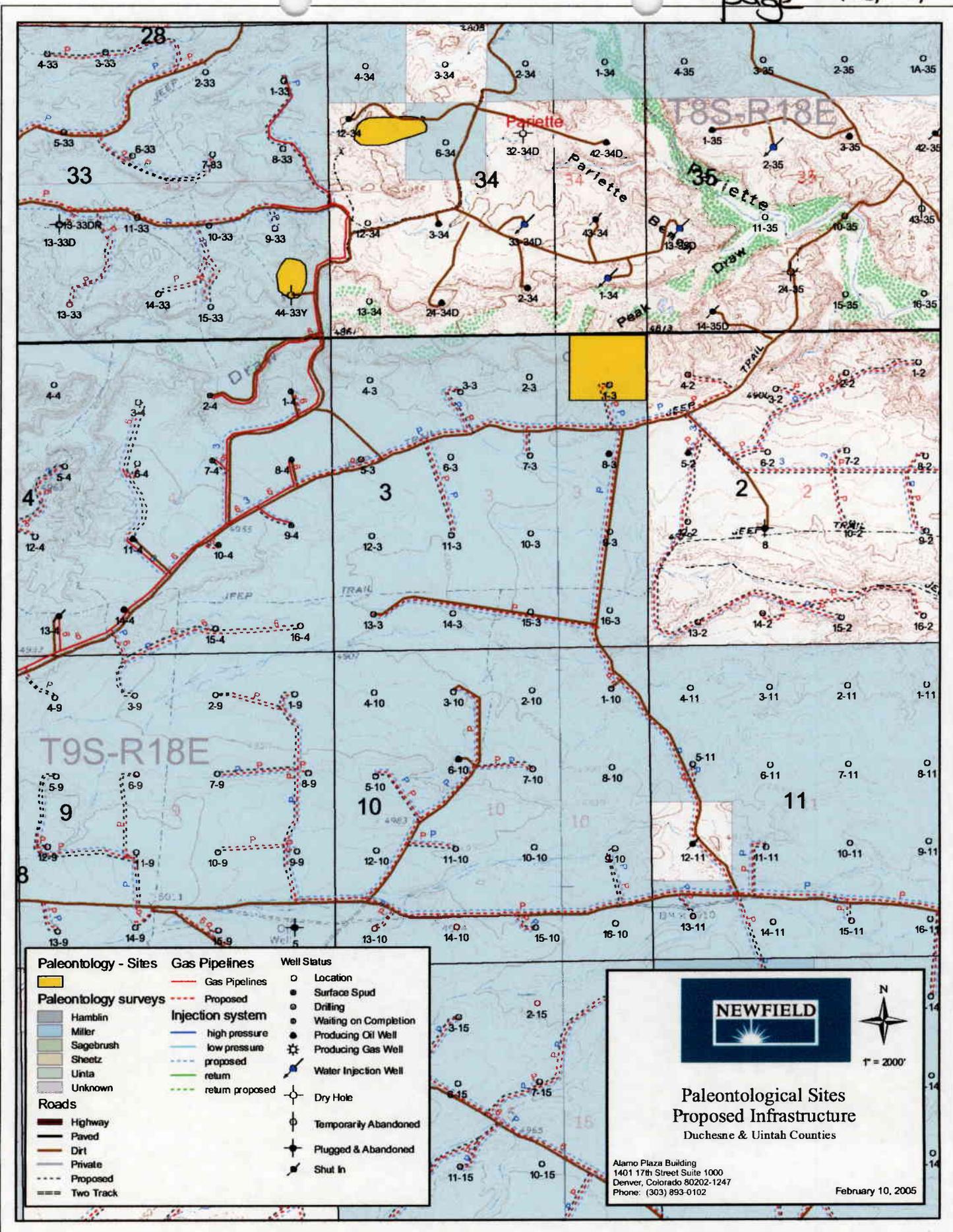
REPORT OF SURVEY

Prepared for:

Inland Resources, Inc.

Prepared by:

Wade E. Miller
Consulting Paleontologist
November 15, 2003



Paleontology - Sites	Gas Pipelines	Well Status
Paleontology sites	Gas Pipelines	Location
Paleontology surveys	Proposed	Surface Spud
Hamblin	Injection system	Drilling
Miller	high pressure	Waiting on Completion
Sagebrush	low pressure	Producing Oil Well
Sheetz	proposed	Producing Gas Well
Uinta	return	Water Injection Well
Unknown	return proposed	Dry Hole
Roads		Temporarily Abandoned
Highway		Plugged & Abandoned
Paved		Shut In
Dirt		
Private		
Proposed		
Two Track		



**Paleontological Sites
Proposed Infrastructure**
Duchesne & Uintah Counties

Alamo Plaza Building
1401 17th Street Suite 1000
Denver, Colorado 80202-1247
Phone: (303) 893-0102

February 10, 2005

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/14/2005

API NO. ASSIGNED: 43-047-36302

WELL NAME: FEDERAL 5-3-9-18
OPERATOR: NEWFIELD PRODUCTION (N2695)
CONTACT: MANDIE CROZIER

PHONE NUMBER: 435-646-3721

PROPOSED LOCATION:
SWNW 03 090S 180E
SURFACE: 1987 FNL 0488 FWL
BOTTOM: 1987 FNL 0488 FWL
UINTAH
8 MILE FLAT NORTH (590)

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

LEASE TYPE: 1 - Federal
LEASE NUMBER: UTU-16539
SURFACE OWNER: 1 - Federal
PROPOSED FORMATION: GRRV
COALBED METHANE WELL? NO

LATITUDE: 40.06169
LONGITUDE: -109.8867

RECEIVED AND/OR REVIEWED:

Plat

Bond: Fed[1] Ind[] Sta[] Fee[]
(No. UTU0056)

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

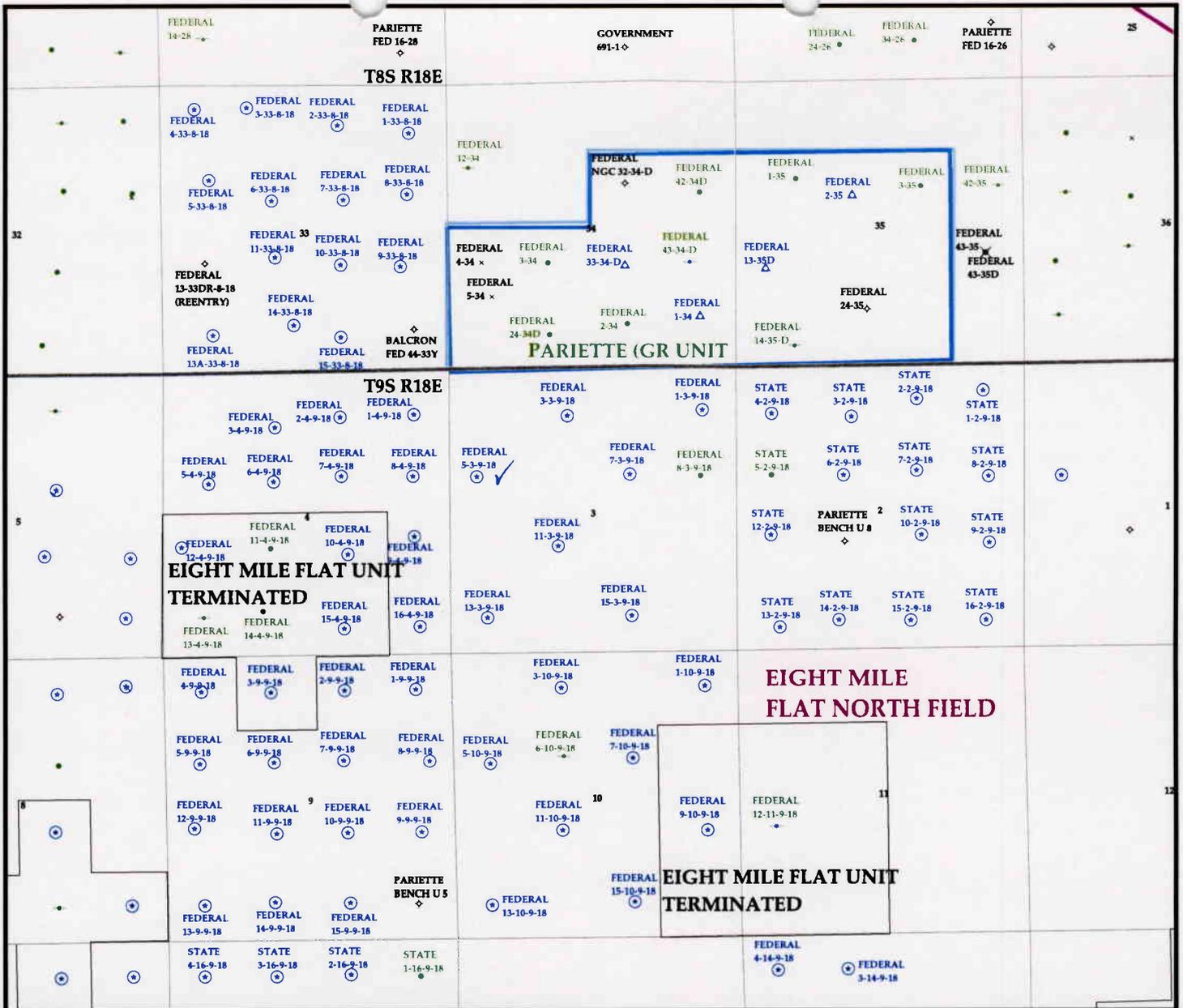
____ R649-3-3. Exception

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

____ R649-3-11. Directional Drill

COMMENTS: Sep, Separate file

STIPULATIONS: 1- Federal Approval
2- Spacing Waiver



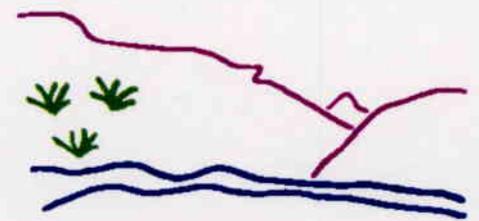
OPERATOR- NEWFIELD PROD CO (N2695)

SEC. 3 T.9S R.18E

FIELD: EIGHT MILE FLAT NORTH (590)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING



Utah Oil Gas and Mining

Wells	Units.shp	Fields.shp
● GAS INJECTION	□ EXPLORATORY	□ ABANDONED
○ GAS STORAGE	□ GAS STORAGE	□ ACTIVE
× LOCATION ABANDONED	□ NF PP OIL	□ COMBINED
⊕ NEW LOCATION	□ NF SECONDARY	□ INACTIVE
◇ PLUGGED & ABANDONED	□ PENDING	□ PROPOSED
★ PRODUCING GAS	□ PI OIL	□ STORAGE
● PRODUCING OIL	□ PP GAS	□ TERMINATED
⊖ SHUT-IN GAS	□ PP GEOTHERML	
⊕ SHUT-IN OIL	□ PP OIL	
× TEMP. ABANDONED	□ SECONDARY	
○ TEST WELL	□ TERMINATED	
⊕ WATER INJECTION		
⊕ WATER SUPPLY		
⊖ WATER DISPOSAL		



PREPARED BY: DIANA WHITNEY
DATE: 16-FEBRUARY-2005

**State of Utah****Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

February 16, 2005

Newfield Production Company
Rt. #3, Box 3630
Myton, UT 84052

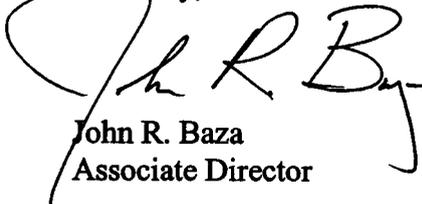
Re: Federal 5-3-9-18 Well, 1987' FNL, 488' FWL, SW NW, Sec. 3, T. 9 South,
R. 18 East, Uintah County, Utah

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 43-047-36302.

Sincerely,



John R. Baza
Associate Director

pab
Enclosures

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

Operator: Newfield Production Company
Well Name & Number Federal 5-3-9-18
API Number: 43-047-36302
Lease: UTU-16539

Location: SW NW Sec. 3 T. 9 South R. 18 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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Designation and Serial No.
UTU-16539

6. If Indian, Allottee or Tribe Name
NA

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

8. Well Name and No.
FEDERAL 5-3-9-18

9. API Well No.
43-047-36302

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

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

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well
 Gas Well
 Other

2. Name of Operator
NEWFIELD 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)
1987 FNL 488 FWL SW/NW Section 3, T9S R18E

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

TYPE OF SUBMISSION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

- Abandonment
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Other **Permit Extension**
- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- 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.)*

Newfield Production Company requests to extend the Permit to Drill this well for one year. The original approval date was 2/16/05 (expiration 2/16/06).

This APD has not been approved yet by the BLM.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: **02-13-06**
By: *[Signature]*

FEB 08 2006

COPIES SENT TO OPERATOR
3-2-06
[Signature]

14. I hereby certify that the foregoing is true and correct

Signed *Mandie Crozier* Title Regulatory Specialist Date 2/6/2006
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: 43-047-36302
Well Name: Federal 5-3-9-18
Location: SW/NW Section 3, T9S R18E
Company Permit Issued to: Newfield Production Company
Date Original Permit Issued: 2/16/2005

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 NA

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

Mandi Cozart
Signature

2/6/2005
Date

Title: Regulatory Specialist

Representing: Newfield Production Company

FEB 08 2006

01/11/2006 10:00 AM

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

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

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

5. Lease Designation and Serial No.

UTU-16539

6. If Indian, Allottee or Tribe Name

NA

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

FEDERAL 5-3-9-18

9. API Well No.

43-047-36302

10. Field and Pool, or Exploratory Area

EIGHT MILE FLAT NORTH

11. County or Parish, State

UINTAH COUNTY, UT.

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

NEWFIELD 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)

1987 FNL 488 FWL SW/NW Section 3, T9S R18E

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"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<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.)*

Newfield Production Company requests to extend the Permit to Drill this well for one year. The original approval date was 2/16/05 (expiration 2/16/07).

This APD has not been approved yet by the BLM.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 02-07-07
By: [Signature]

RECEIVED TO OPERATOR
DATE: 2-8-07
TIME: 2 PM

FEB 06 2007

14. I hereby certify that the foregoing is true and correct

Signed [Signature] Title Regulatory Specialist Date 2/2/2007
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: 43-047-36302
Well Name: Federal 5-3-9-18
Location: SW/NW Section 3,T9S R18E
Company Permit Issued to: Newfield Production Company
Date Original Permit Issued: 2/16/2005

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 NA

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 Crozis
Signature

2/2/2007
Date

Title: Regulatory Specialist

Representing: Newfield Production Company

FEB 06 2007

RECEIVED

FEB 14 2005

BLM VERNAL, UTAH

Form 3160-3
(September 2001)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
UTU-16539

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 5-3-9-18

9. API Well No.
43047-36302

10. Field and Pool, or Exploratory
Eight Mile Flat

11. Sec., T., R., M., or Blk. and Survey or Area
SW/NW Sec. 3, T9S R18E

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
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 (Report location clearly and in accordance with any State requirements. *)
At surface SW/NW 1987' FNL 488' FWL
At proposed prod. zone

14. Distance in miles and direction from nearest town or post office*
Approximatley 21.0 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. 488' f/ise, NA f/unit

16. No. of Acres in lease
1520.32

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. 2767'

19. Proposed Depth
6040'

20. BLM/BIA Bond No. on file
UTU0056

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
4918' GL

22. Approximate date work will start*
3rd Quarter 2005

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
2/19/05

Approved by (Signature)
Jerry Kenczka
Title
Assistant Field Manager
Lands & Mineral Resources

Name (Printed/Typed)
JERRY KENCZKA
Office
VERNAL FIELD OFFICE

Date
3-8-2007

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)

CONDITIONS OF APPROVAL ATTACHED

NOTICE OF APPROVAL

RECEIVED

MAR 16 2007

DIV. OF OIL, GAS & MINING

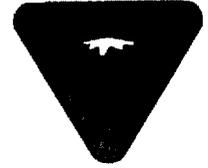
05PP0340A

No NOS



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

170 South 500 East VERNAL, UT 84078 (435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Newfield Production Company
Well No: Federal 5-3-9-18
API No: 43-047-36302

Location: SWNW, Sec 3, T9S, R18E
Lease No: UTU-16539
Agreement: N/A

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	435-781-4490	435-828-4470
Petroleum Engineer:	Michael Lee	435-781-4432	435-828-7875
Petroleum Engineer:	James Ashley	435-781-4470	435-828-7874
Petroleum Engineer:	Ryan Angus	435-781-4430	
Supervisory Petroleum Technician:	Jamie Sparger	435-781-4502	435-828-3913
NRS/Enviro Scientist:	Paul Buhler	435-781-4475	435-828-4029
NRS/Enviro Scientist:	Karl Wright	435-781-4484	
NRS/Enviro Scientist:	Holly Villa	435-781-4404	
NRS/Enviro Scientist:	Melissa Hawk	435-781-4476	435-828-7381
NRS/Enviro Scientist:	Chuck MacDonald	435-781-4441	
NRS/Enviro Scientist:	Jannice Cutler	435-781-3400	
NRS/Enviro Scientist:	Michael Cutler	435-781-3401	
NRS/Enviro Scientist:	Anna Figueroa	435-781-3407	
NRS/Enviro Scientist:	Verlyn Pindell	435-781-3402	
NRS/Enviro Scientist:	Darren Williams	435-781-4447	
NRS/Enviro Scientist:	Nathan Packer	435-781-3405	
After Hours Contact Number: 435-781-4513		Fax: 435-781-4410	

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

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

NOTIFICATION REQUIREMENTS

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

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

CONDITIONS OF APPROVAL

See SOP and APD

Conditions of Approval not covered in SOP and APD:

- Timing Limitation – April 1 through August 15 – A timing restriction will be in affect for all sites to protect the Burrowing owl during its nesting season. The access road will be crowned and ditched. Flat-bladed roads are not allowed.
- If additional erosion occurs during the life of this project, more culverts, low water crossings, berms, wing ditches or etc. will be needed to control the erosion.
- Low-water crossings will be appropriately constructed to avoid sedimentation of drainage ways and other water resources.
- Pipelines will be buried at all major drainage crossings.
- The reserve pit will be lined with a 12 ml or greater liner and felt prior to spudding.
- If paleontologic or cultural materials are uncovered during construction, the operator shall immediately stop work that might further disturb or move such materials and contact the Authorized Officer (AO) within 48 hours. A determination will be made by the AO as to necessary mitigation for the discovered paleontologic/cultural material.
- If Uinta Basin hookless cactus or other special status plants are found, construction will cease and the AO will be notified to determine the appropriate mitigation.

The interim seed mix for this location shall be:

Crested Wheat grass:	6 lbs/acre
Indian Rice grass:	lbs/acre

- The operator will be responsible for treatment and control of invasive and noxious weeds.
- All well facilities not regulated by OSHA will be painted Carlsbad Canyon.

General Surface COA

Operator shall notify any active Gilsonite mining operation within 2 miles of the location 48 hours prior to any blasting during construction for this well.

DOWNHOLE CONDITIONS OF APPROVAL

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

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- None

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).
- All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.

- The lessee/operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) shall the BLM need to obtain additional information.
- All shows of fresh water and minerals shall be reported and protected. A sample shall be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and notification given before resumption of operations.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.
- All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- This APD is approved subject to the requirement that, shall the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and / or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major

Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Designation and Serial No.
~~UTU-84229~~ 16539

6. If Indian, Allottee or Tribe Name
NA

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

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
FEDERAL 5-3-9-18

2. Name of Operator
NEWFIELD PRODUCTION COMPANY

9. API Well No.
43-047-36302

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

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

4. Location of Well (Footage, Sec., T., R., m., or Survey Description)
1987 FNL 488 FWL SW/NW Section 3, T9S R18E

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"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Permit Extension</u>
	<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.)*

Newfield Production Company requests to extend the Permit to Drill this well for one year. The original approval date was 2/16/05 (expiration 2/16/08).

This APD is not yet due to expire with the BLM.

COPY SENT TO OPERATOR

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 2-7-2008

Initials: KS

Date: 02-07-08

By: [Signature]

RECEIVED

FEB 04 2008

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct
Signed [Signature] Title Regulatory Specialist Date 1/31/2008
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: 43-047-36302
Well Name: Federal 5-3-9-18
Location: SW/NW Section 3,T9S R18E
Company Permit Issued to: Newfield Production Company
Date Original Permit Issued: 2/16/2005

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 NA

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

Mandi Cosijn
Signature

2/1/2008
Date

Title: Regulatory Specialist

Representing: Newfield Production Company

RECEIVED
FEB 04 2008
DIV. OF OIL, GAS & MINING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.blm.gov/ut/st/en/fo/vernal/html>



IN REPLY REFER TO:

3160

UT08300

May 7, 2008

Mandie Crozier
Newfield Production Company
Route 3, Box 3630
Myton, UT 84052

43-047-3 6302

Re: Notice of Expiration
Well No. Federal 5-3-9-18
SWNW, Sec. 3, T9S, R18E
Uintah County, Utah
Lease No. UTU-84229

Dear Ms. Crozier:

The Application for Permit to Drill (APD) the above-referenced well was approved on March 8, 2007. No extension of the original APD was requested. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location in the future, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

If you have any questions regarding this matter, please contact me at (435) 781-4455.

Sincerely,

Cindy Severson

Cindy Severson
Land Law Examiner

cc: UDOGM – Diana Mason

RECEIVED

MAY 19 2008

DIV. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

March 5, 2009

Mandie Crozier
Newfield Production Co
Route 3 Box 3630
Myton, UT 84052

Re: APD Rescinded – Federal 5-3-9-18, Sec. 3, T.9S, R.18E
Uintah County, Utah API No. 43-047-36302

Dear Ms. Crozier:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on February 16, 2005. On February 13, 2006, February 7, 2007 and February 7, 2008 the Division granted a one-year APD extension. On March 5, 2009, you requested that the division rescind the state approved APD.

No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective March 5, 2009.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
Bureau Of Land Management, Vernal

