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-30289

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

1a. Type of Work: [X] DRILL [ ] REENTER

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

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

8. Lease Name and Well No.: Federal 12-21-6-21

2. Name of Operator: Newfield Production Company

9. API Well No.: 43-047-38479

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

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

10. Field and Pool, or Exploratory: Horseshoe Bend 620

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*
At surface NW/SW 1767' FSL 909' FWL 621861X 40.281691
At proposed prod. zone 4459798Y -109.566533

11. Sec., T., R., M., or Blk. and Survey or Area: NW/SW Sec. 21, T6S R21E

14. Distance in miles and direction from nearest town or post office*: Approximatley 16.9 miles southwest of Vernal, Utah

12. County or Parish: Uintah

13. State: UT

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) Approx. 909' f/lse, NA f/unit	16. No. of Acres in lease: 517.81	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. 3,543'	19. Proposed Depth: 3,715'	20. BLM/BIA Bond No. on file: UTB000192
21. Elevations (Show whether DF, KDB, RT, GL, etc.): 4705' GL	22. Approximate date work will start*: 4th Quarter 2006	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	Name *(Printed/Typed)*	Date
Mandie Crozier	Mandie Crozier	8/11/06
Title: Regulatory Specialist		
Approved by *(Signature)*	Name *(Printed/Typed)*: BRADLEY G. HILL	Date: 08-17-06
Title	Office: ENVIRONMENTAL MANAGER	

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.

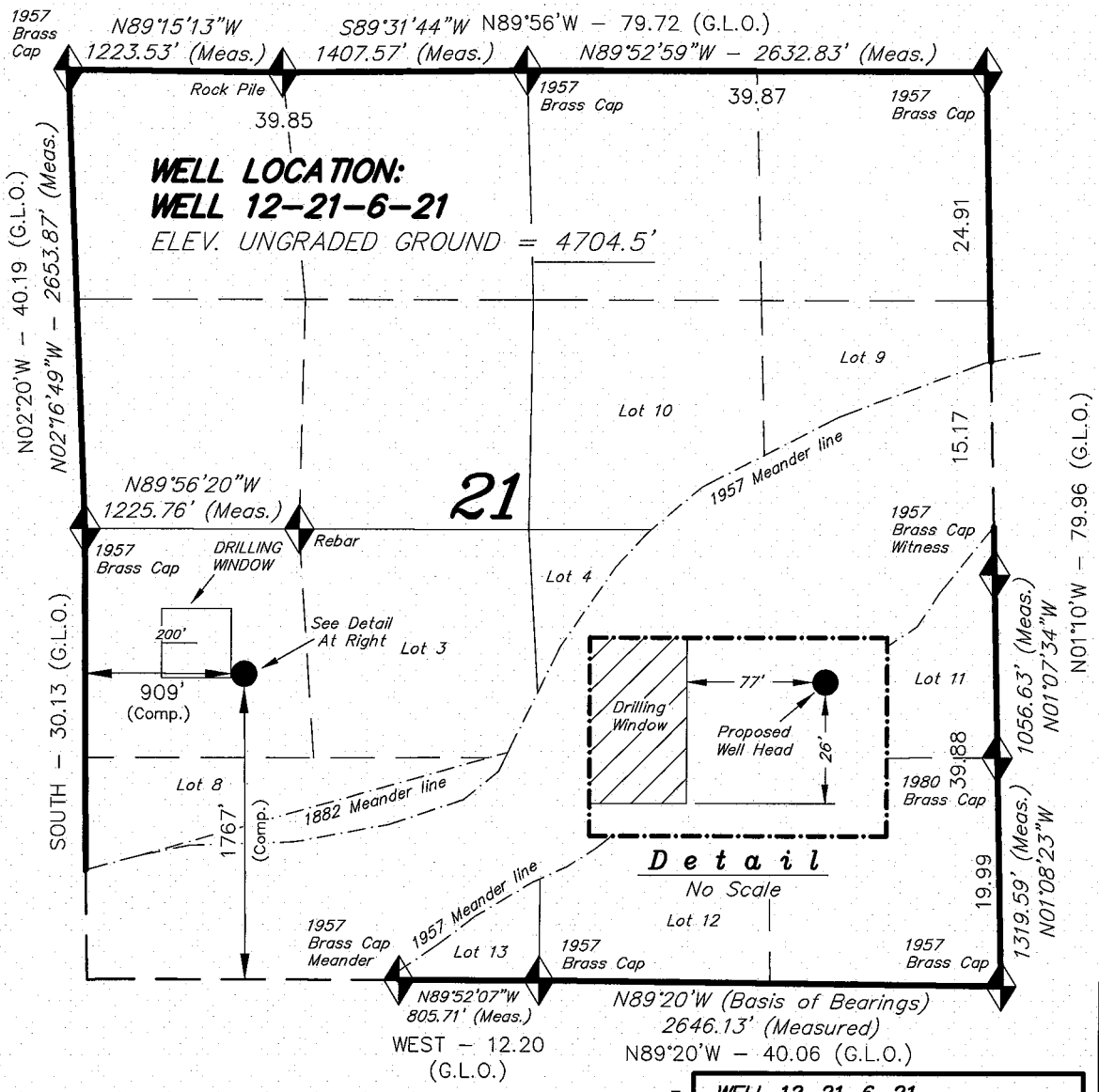
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**(Instructions on reverse)*

Federal Approval of this Action is Necessary

RECEIVED
AUG 15 2006
DIV. OF OIL, GAS & MINING

T6S, R21E, S.L.B.&M.



◆ = SECTION CORNERS LOCATED

BASIS OF ELEV;
U.S.G.S. 7-1/2 min QUAD (VERNAL SE)

WELL 12-21-6-21
(Surface Location) NAD 83
LATITUDE = 40° 16' 55.43"
LONGITUDE = 109° 34' 01.83"

NEWFIELD PRODUCTION COMPANY

WELL LOCATION, WELL 12-21-6-21, LOCATED AS SHOWN IN THE NW 1/4 SW 1/4 OF SECTION 21, T6S, R21E, S.L.B.&M. UINTAH COUNTY, UTAH.

1000' 500' 0' 1000'
BAR SCALE

Note:
1. Some lots were not labeled due to the illegibility of the G.L.O. plat.
2. The Proposed Well head bears S47°37'04"E 1238.04' from the West 1/4 Corner of Section 21.

N

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.

REGISTERED LAND SURVEYOR No.189377 STATE OF UTAH

STACY W. STEWART
REGISTERED LAND SURVEYOR
REGISTRATION No. 189377
STATE OF UTAH

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

DATE SURVEYED: 06-11-06	SURVEYED BY: C.M.
DATE DRAWN: 06-14-06	DRAWN BY: F.T.M.
REVISED:	SCALE: 1" = 1000'

NEWFIELD PRODUCTION COMPANY
FEDERAL #12-21-6-21
NW/SW SECTION 21, T6S, R21E
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' – 3,715'
Green River	3,715' +

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

Uinta Formation (Gas) 3,220' – 3,715'

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

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

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

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

Location & Sampled Interval	Date Sampled
Flow Rate	Temperature
Hardness	pH
Water Classification (State of Utah)	Dissolved Calcium (Ca) (mg/l)
Dissolved Iron (Fe) (ug/l)	Dissolved Sodium (Na) (mg/l)
Dissolved Magnesium (Mg) (mg/l)	Dissolved Carbonate (CO_3) (mg/l)
Dissolved Bicarbonate ($NaHCO_3$) (mg/l)	Dissolved Chloride (Cl) (mg/l)
Dissolved Sulfate (SO_4) (mg/l)	Dissolved Total Solids (TDS) (mg/l)

4. ***PROPOSED CASING PROGRAM***

a. Casing Design: Federal 12-21-6-21

SIZE	INTERVAL TOP	INTERVAL BTM	WT	GR	CPLG	DESIGN FACTORS BURST	DESIGN FACTORS COLLAPSE	DESIGN FACTORS TENSION
*SurfaceCasing 8-5/8"	0	350	24	K-55	**Csg Ratings:**	**2950**	**1370**	**263000**
					STC	15.02	12.3	4.5
**Production Casing 5-1/2" Prod mode					**Csg Ratings:**	**4810**	**4040**	**217000**
						3.67	3.08	2.02
Stim mode	0	3715	15.5	J55	LTC	2.82	3.08	2.02

Assumptions:

1) Surf. Csg max anticipated surface pressure (MASP) = Fracture Gradient - Gas Gradient (0.115pis/ft*TVDshoe)
2) Surface Casing Collapse = Fully evacuated casing = Pore Pressure - Gas Gradient (0.115pis/ft*TVDshoe)
3) Surface Casing Tension = Air weight of casing + 50,000# overpull
4) Production Casing MASP (production mode) = Pore Pressure - Gas Gradient * TVDshoe)
4a) Prod csg MASP (stim mode) = Frac Gradient*TVDshoe+Perf Friction+Pipe Friction - Hydr. Pressure
5) Production Casing Collapse = Fully evacuated casing = Pore Pressure - Gas Gradient (0.115pis/ft*TVDshoe)
6) Production Casing Tension = Air weight of casing + 50,000# overpull

*Fracture Gradient at surface casing shoe =	13.00	Ppg
*Pore pressure at surface casing shoe =	8.33	Ppg
**Pore pressure at production casing shoe =	9.00	Ppg
**Fracture gradient at production casing shoe =	0.80	psi/ft
**Perforation Friction =	100.00	Psig
**Pipe Friction =	65.00	psi/1000ft
**Fracture treatment displacement fluid =	8.33	Ppg

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

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

b. Cementing Design: Federal 12-21-6-21

FT. OF FILL		DESCRIPTION	SACKS/FT ^3	EXCESS*	WEIGHT	YIELD
Surface csg	350	Class G w/ 2% BWOC CaCl + 1/4#/sx celloflake.	161 / 188	30%	15.8	1.17
Prod. Csg.	3715	*50/50 poz G w/ 2% gel, 3% KCL, 0.5% EC1, ¼#/sx cello-flake or equivalent cement.	778 / 966	50%	14.4	1.24

*Actual volume pumped will be 15% over caliper log

1) Compressive Strength of lcmt: 2500 psi @ 24 hrs

Waiting On Cement: A minimum of four (4) hours shall elapse prior to attempting any pressure testing of the BOP equipment which would subject the surface casing cement to pressure, and a minimum of six (6) hours shall elapse before drilling out of the wiper plug, cement, or shoe is begun. WOC time shall be recorded in the Driller's Log. Compressive Strength shall be a minimum of 500 psi prior to drilling out.

The Vernal BLM Office shall be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.

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

The production casing cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals.

As a minimum, usable water zones shall be isolated and/or protected by having a cement top for the production casing at least 200 feet above the base of the usable water. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc., shall be utilized to help isolate the cement from contamination by the mud being displaced ahead of the cement slurry.

All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or to 1500 psi, whichever is greater, but not to exceed 70% of the minimum internal yield. If pressure declines more than 10% in 30 minutes, corrective action shall be taken.

A Form 3160-5, "Sundry Notices and Reports on Wells" shall be filed with the Vernal Office Manager within 30 days after the work is completed. This report must include the following information:

Setting of each string of casing showing the size, grade, weight of casing set, depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of the cementing tools used, casing test method and results, and the date of the work done. Spud date will be shown on the first reports submitted.

5. *MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:*

The Company's Class III (3) 3M minimum specifications for pressure control equipment for a standard Uinta development well are as follows:

A 3000 psi WP hydraulic BOP stack consisting of two ram preventers (double or two singles) and an annular preventer per **Exhibit C**.

Connections - All components on the stack and choke and kill lines shall have either flanged, studded, clamp hub or equivalent proprietary connections except control line outlets and pressure gauges.

Annular Preventer - The annular shall be rated to a minimum 3000 psi WP, if one set of pipe rams is installed, and shall be installed at the top of the stack. If a 3 ram preventer and 2 preventers equipped with pipe rams are used, a 3000 psi WP is acceptable. A valve rated to full annular WP shall be mounted on the closing side using XX heavy fittings.

Rams and Position - The lower cavity shall contain pipe rams (master ram) to fit the upper section of the drill pipe in use. Casing rams are not required. The upper cavity shall contain blind rams for a 3 ram stack. A means shall be available to mechanically lock the rams closed.

BOP Side Outlets - The choke and kill lines outlets shall be a minimum 2 inches nominal and can be either in the BOP body between the rams or in a spool placed between the rams. Two gate valves rated to full BOP WP shall be installed on both outlets. The outside choke line valve shall be hydraulically operated.

Choke and Kill Lines - The lines shall be a minimum 2 inches nominal, made of seamless steel, seamless steel with Chiksan™ joints, or armored fire resistant hose rated to required BOP WP. The choke line shall be as straight as possible, and securely anchored. All turns shall be 90 degrees and "targeted." When hoses are used, they shall have a rated test pressure of at least 1.5 times the required BOP WP.

Secondary Kill Outlet - One outlet located below the lower rams either on the BOP stack or on the wellhead shall be fitted with two valves, a needle valve with adapter and pressure gauge, all rated to wellhead WP or greater. This outlet is not to be used in normal operations.

Closing Methods - At least three means of operating all the preventers shall be provided, consisting of any combination of the following:

a. An air and/or electrically operated hydraulic pump(s) capable of closing one ram preventer in 30 seconds.

b. An accumulator capable of closing all preventers and opening the hydraulic choke line valve, without requiring a recharge.

c. Manual method with closing handles and/or wheels to be located in an unobstructed area, away from the wellhead, or additional equipment per item "a" and item "b" to provide full redundancy to method.

d. Bottled nitrogen or other back-up storage system to equal accumulator capacity, manifolded to by-pass the accumulator and close the BOP directly.

Hydraulic Closing Unit - The closing unit shall be equipped with:

a. A control manifold with a control valve for each preventer and hydraulically operated valve; a regulator for the annular preventer; and interconnected steel piping. Each blowout preventer control valve should be turned to open position during drilling operations.

b. Control lines to BOPs of seamless steel, seamless steel lines with Chiksan joints, or fire resistant steel armored hose.

c. A remote control panel from which each preventer and hydraulic valve can be operated. If the remote panel becomes inoperable, it shall not interfere with the operation of the main closing unit.

Location - For land locations, the hydraulic closing unit shall be located in an unobstructed area outside the substructure at least 50 feet from the wellhead and the remote panel shall be located near the driller's position. For offshore installations, the location of the closing unit and remote panel shall be such that one is located near the driller position and the other is located away from the well area and is accessible from a logical evacuation route.

Choke Manifold - The minimum equipment requirements are shown in **Exhibit C**. The choke manifold shall be located at least 5 feet from the BOP stack, outside the substructure.

Connections - All components of the manifold shall be equipped with flanged, studded, clamped hub or equivalent proprietary connections (gauge connections exempted).

Flow Wings - Three flow wings shall be provided, capable of transmitting well returns through conduits that are a minimum 2 inches nominal. Two wings shall be equipped with chokes and one gate valve upstream of each choke; one gate valve ahead of the discharge manifold; and one valve downstream of each choke; at least one choke shall be adjustable. A gate valve shall be installed directly upstream of the cross if single valves are installed upstream of the chokes. One wing with one gate valve capable of transmitting well returns directly to the discharge manifold. The chokes, the valve(s) controlling the unchoked discharge wing, and all equipment upstream of these items shall be rated to required BOP WP.

Discharge Manifold - A discharge manifold (buffer tank), capable of diverting well returns overboard or to the blowdown/reserve pit; to the mud gas separator; and to the shaker tank is required. Lead-filled bull plugs (or equivalent erosion resistant components) shall be installed in the discharge manifold directly opposite the choked wings.

Pressure Monitoring - A means of monitoring the inlet pressure of the choke manifold shall be provided. The capability to isolate this outlet shall be provided.

Drillstring Control Devices - An upper and lower kelly valve, drillstring safety valve including correct closing handle, and an inside BOP shall be provided. The safety valve and inside BOP shall have connections or crossovers to fit all tubulars with OD to allow adequate clearance for running in the hole. All drillstring valves shall be rated to the required BOP WP.

Auxiliary Equipment - A kelly saver sub with casing protector larger than tool joints at top of drillstring (for kelly equipped rigs); a wear bushing or wear flange to protect the seal area of the wellhead while drilling; and a plug or cup type BOP test tool shall be provided.

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 3M system, and individual components shall be operable as designed.

Function test of the BOP equipment shall be made daily. All required BOP tests and/or drills shall be recorded in the Driller's report.

Chart recorders will be used for all pressure tests. Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to BLM representatives upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2 regarding air or gas shall be adhered to. If a mist system is being utilized, the requirement for a deduster shall be waived.

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

From surface to ± 3000 feet will be drilled with fresh water or an air/mist system, depending on the drilling contractor's preference. From approximately 3000 feet, or in the case of the air/mist system when hole conditions dictate, to TD, a fresh water system will be utilized. Clay inhibition and hole stability will be achieved with KCL or DAP polymer additive. This fresh water system

will typically contain Total Dissolved Solids (TDS) of less than 3000 PPM. Anticipated maximum mud weight is 9.3 lbs/gal based on the offset 4-14 Government well (API 43047301550000). If necessary to control formation fluids or pressure, the system will be weighted with the addition of bentonite gel, and if pressure conditions warrant, with barite.

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

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

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

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

None uless dictated by unanticipated well conditions.

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

a. Logging Program:
(the log types run may change at the discretion of the geologist)

FDC/CNL/GR/DIL/SONIC: TD - 2,500'

CBL: A cement bond log will be run from the surface casing shoe to surface and from TD to the cement top of the production casing. A field copy will be submitted to the Vernal BLM Office.

b. Cores: As deemed necessary.

c. Drill Stem Tests: No DSTs are planned in the Uinta/Green River section. It is possible that DST's may be required in the Uinta Formation.

Drill stem tests, if they are run, will adhere to the following requirements: Initial opening of the drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the Authorized Officer (AO). However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released but tripping shall not begin before daylight, unless prior approval is obtained from the AO. Closed chamber DSTs may be performed day or night.

Some means of reverse circulation shall be provided in case of flow to the surface showing evidence of hydrocarbons.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

If a DST is performed, all engines within 100 feet of the wellbore that are required to be operational during the test shall have spark arresters or water-cooled exhausts.

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

Possible abnormal temperatures and/or pressures are not anticipated in Uitna or Green River. No hydrogen sulfide has been encountered or is known to exist from previous drilling in the area at this depth. Maximum anticipated bottomhole pressure will be approximately equal total depth in feet multiplied by a 0.45 psi/foot gradient.

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

a. Drilling Activity

Anticipated Commencement Date:	Upon approval of the site specific APD.
Drilling Days:	Approximately 4 days.
Completion Days:	Approximately 4 days.

b. Notification of Operations

The Vernal BLM office will be notified at least 24 hours **prior** to the commencement of spudding the well (to be followed with a Sundry Notice, Form 3160-5), of initiating pressure tests of the blowout preventer and related equipment, and running casing and cementing of all casing strings. Notification will be made during regular work hours (7:45 a.m.-4:30 p.m., Monday - Friday except holidays).

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the appropriate regulations, Onshore Orders, or BLM policy.

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in suspended status without prior approval from the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given to the BLM before resumption of operations.

Daily drilling and completion reports shall be submitted to the Vernal BLM Office on a weekly basis.

Whether the well is completed as a dry hole or a producer, the "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. One copy of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the Authorized Officer (AO).

A completion rig will be used for completion operations after the wells are stimulated to run the production tubing.. All conditions of this approved plan will be applicable during all operations conducted with the completion rig.

Operator shall report production data to the MMS pursuant to 30 CFR 216.5 using form MMS/3160. In accordance with Onshore Oil and Gas Order No. 1, a well will be reported

on form 3160-6, "Monthly Report of Operations," starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM Office.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever occurs first; and for gas wells, as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which gas is measured through permanent metering facilities, whichever occurs first.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by written communication not later than 5 days following the date when the well is placed on production.

Pursuant to Onshore Order No. 7, with the approval of the AO, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During this period, an application for approval of the permanent disposal method must be submitted to the AO.

Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during the initial well evaluation tests, not to exceed 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the AO and approval received for any venting/flaring of gas beyond the initial 30 days or authorized test period.

A schematic facilities diagram, as required by 43 CFR 3162.7-5(b.9.d), shall be submitted to the Vernal BLM Office within 60 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 43 CFR 3162.7-5(b.4).

Well abandonment operations shall not be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment", Form 3160-5, will be filed with the Authorized Officer within 30 days following completion of the well for abandonment. This report will indicate placement of the plugs and current status of the surface restoration. Final Abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO, or the appropriate surface managing agency.

Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with the State and local laws, to the extent to which they are applicable, to operations on Federal or Indian lands.

NEWFIELD PRODUCTION COMPANY
FEDERAL #12-21-6-21
NW/SW SECTION 21, T6S, R21E
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 #12-21-6-21 located in the NW 1/4 SW 1/4 Section 21, T6S, R21E, Uintah County, Utah:

Proceed southwesterly out of Vernal, Utah along Highway 40 – 10.2 miles ± to the junction of this highway and an existing road to the southeast; proceed southeasterly – 5.5 miles ± to it's junction with an existing road to the northeast; proceed northeasterly – 1.2 miles ± to it's junction with the beginning of the proposed access road; proceed along the proposed access road – 160' ± 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*

The following guidelines will apply if the well is productive:

- A dike will be constructed completely around those production facilities that contain fluids (i.e., production tanks, produced water tanks). These dikes will be constructed of compacted subsoil, be impervious, hold 110% of the capacity of the largest tank, and be independent of the back cut. If a Spill Prevention, Control, and Countermeasure (SPCC) Plan is required by the Environmental Protection Agency, the containment dike may be expanded with approval from the AO to meet SPCC requirements. (The use of topsoil for the construction of dikes will not be allowed).

- All permanent (on site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors which are described by the five state Rocky Mountain Inter-Agency Committee. All facilities will be painted within six months of installation. The required color for this facility as determined by the AO will be Carlsbad Canyon.

A description of the proposed pipelines are included. See to Topographic Map "C". Pipeline segments will be welded together on disturbed areas in or near the location (whenever possible), and dragged into place.

5. ***LOCATION AND TYPE OF WATER SUPPLY***

Water for drilling and completion purposes will be obtained from one of the following sources. Refer to Exhibit "E" for a copy of the Water Use Authorization.

Owner: Target Trucking
2960 North 500 East
Vernal, Utah 84078
(435) 789-6850

Owner: AC/DC Fence and Roustabout Company
PO Box 1493
Roosevelt, Utah 84066
(435) 722-7673

Fresh water may also be purchased by Newfield Production from the Johnson Water District and trucked to the proposed location for the purpose of drilling.

6. ***SOURCE OF CONSTRUCTION MATERIALS***

Surface and subsoil materials in the immediate area will be utilized. Any gravel will be obtained from the Company's privately owned source. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

7. ***METHODS FOR HANDLING WASTE DISPOSAL***

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be used at the next drill site or will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated. Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

The reserve pit will be constructed on the location and will not be located within natural drainage ways, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

Annular disposal of the drilling fluids may be requested as a disposal option. An application for an individual annular disposal permit will be made prior to disposing of any fluids in this manner.

Reserve pit leaks are considered an undesirable event and will be orally reported to the AO.

After first production, produced wastewater will be confined to the approved pit or storage tank, or removed and disposed of at an approved facility, for a period not to exceed 90 days. During the 90-day period, in accordance with Onshore Order # 7, an application for approval of a permanent disposal method and location will be submitted for the Authorized Officer's approval.

The indiscriminate dumping of produced fluids on roads, well sites, or other areas will not be allowed.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. Trash will not be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completing of wells within the Horseshoe Bend Field. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completing of wells within the Horseshoe Bend Field. Specific APDs shall address any modifications from this policy.

Attachment 1 contains the EPA List of Nonexempt Exploration and Production Wastes.

8. ***ANCILLARY FACILITIES***

Surface gas lines:

- No installation of surface gas lines will be performed during periods when the soil is too wet to adequately support installation equipment. If such equipment creates ruts in excess of three (3) inches deep, the soil will be deemed too wet to adequately support the equipment.

- Where possible, surface gas lines shall be placed as close to existing oil field roads as possible without interfering with normal road travel or road maintenance activities. For lines that are installed cross-country (not along access roads), travel along the lines will be infrequent and for maintenance needs only. If surface disturbance occurs along the lines, the operator will reclaim the land to the satisfaction of the AO of the appropriate surface management agency.

All surface lines will be either black or brown in color.

9. ***WELL SITE LAYOUT***

See attached Location Layout Diagram.

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

a. Producing Location:

Topsoil will be stripped from the location and places where it can most easily be recovered for inerim reclamation. The topsoil shall be respread over the entire location to a depth of at least four to six inches as soon as completion operations have been finished and recontouring of fill slopes is complete. At this point the production equipment can be set. Topsoil will be stockpiled separately from subsoil materials. Topsoil salvaged from the reserve pit will be stockpiled separately near the reserve pit. The areas of the location of the location not needed for production operation, including the reserve pits, shall be seeded.

Topsoil that will be stored more than one year before reclamation begins:

- will be windrowed, where possible, to a maximum depth of three (3) to four (4) feet near the margin of the well site:

- will be broadcast seeded with the seed mixture specified in the approved permit immediately after windrowing;

- will be "walked" with tracked heavy equipment to crimp the seeds into the soil.

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

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

If a synthetic, nylon-reinforced liner is used, the excess liner will be cut off and removed and the remaining liner will be torn and perforated while backfilling the reserve pit. Alternatively, the pit will be pumped dry, the liner folded into the pit, and the pit backfilled. The liner will be buried to a minimum of four (4) feet deep. The AO will provide a seed mixture to revegetate the reserve pit and other unused disturbed areas at the time of the onsite.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to approximate the natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion, weather permitting. This will be completed by the backfilling and crowning of the pit to prevent water from standing. Topsoil will be respread, and the pit area reseeded immediately following the respreading of the topsoil.

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)

Western Wheatgrass	*Pascopyrum Smithii*	6 lbs/acre
Galletta Grass	*Hilaria Jamesii*	6 lbs/acre

b. Dry Hole/Abandoned Location:

At the time of final abandonment, the intent of reclamation will be to return disturbed areas to near natural conditions in accordance with applicable federal and state laws, rules and regulations and agreements with private surface landowners. All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access roads to be performed within six (6) months, weather permitting, after final abandonment. The surface of disturbed areas will be recontoured to blend all cuts, fills, road berms, and borrow ditches to be natural in appearance as compared to the surrounding terrain. Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions may include the reestablishment of irrigation systems, the reestablishment of appropriate soil conditions, and the reestablishment of vegetation as specified.

After recontouring of disturbed areas, any stockpiled topsoil will be spread over the surface, and the area reseeded immediately. The location and access roads will be revegetated to the satisfaction of the AO of the appropriate surface management agency and in accordance with any applicable agreements with private surface landowners. The seed mixture will be that provided at the time of the onsite or, the AO will be contacted at the time of reclamation for the appropriate seed mixture. Seed will be drilled on the contour to an appropriate depth. Reseeding operations will be performed immediately after completion of reclamation operations.

Dry mulch may be considered as one method to enhance the re-establishment of desired native plant communities. If straw or hay mulch is used, the straw or hay must be certified "weed-free" and the certification documentation submitted to the AO prior to its application.

At final abandonment, the casing will be cut off at the base of the cellar or 3 feet below the final restored ground level, whichever is deeper. The Operator will cap the casing with a metal plate a minimum of 0.25 inches thick. The cap will be welded in place and the well location and identity will be permanently inscribed on the cap. The cap will be constructed with a weep hole.

11. ***SURFACE OWNERSHIP*** - Bureau Of Land Management (Proposed location and access roads leading to).

12. ***OTHER ADDITIONAL INFORMATION***

The Archaeological Resource Survey for this location will be forthcoming . The Paleontological Resource Survey for this location is attached. Paleontological Resource Survey prepared by, Wade E. Miller, 7/24/06. See attached report cover pages, Exhibit "D".

For the Federal #12-21-6-21 Newfield Production Company requests 160' of disturbed area be granted in Lease UTU-30289 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 160' of disturbed area be granted in Lease UTU-30289 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 buried 3" gas gathering line and a buried 2" poly fuel gas line. Both lines will tie in to the existing pipeline infrastructure . The proposed pipeline will follow existing developed roads or existing two track roads. In the areas that two tracks are followed, crews will set up on existing well pads for welding and a dozer will drag pipe across. There will be no surface disturbance and there will not be any road upgrades. **Refer to Topographic Map "C."**

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 will be transported to a water disposal well in the Horseshoe Bend Area by company or contract trucks.

Water not meeting quality criteria, will be disposed of at State of Utah approved surface disposal facility.

Threatened, Endangered, And Other Sensitive Species
None for the proposed Federal 12-21-6-21.

Reserve Pit Liner
The reserve pit will be lined with a synthetic reinforced liner a minimum of 12-mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. Trash or scrap that could puncture the liner will not be disposed of in the pit.

Details of the On-Site Inspection
The proposed Federal #12-21-6-21 was on-sited on 6/15/06. The following were present; Shon McKinnon (Newfield Production), Chris Carusona (Bureau of Land Management), and Brandon McDonald (Bureau of Land Management). Conditions were clear and ground cover was 100 percent open.

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

Representative

Name: Shon McKinnon
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 #12-21-6-21 NW/SW Section 21, Township 6S, Range 21E: Lease UTU-30289 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 US Specialty Insurance #B001832.

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.

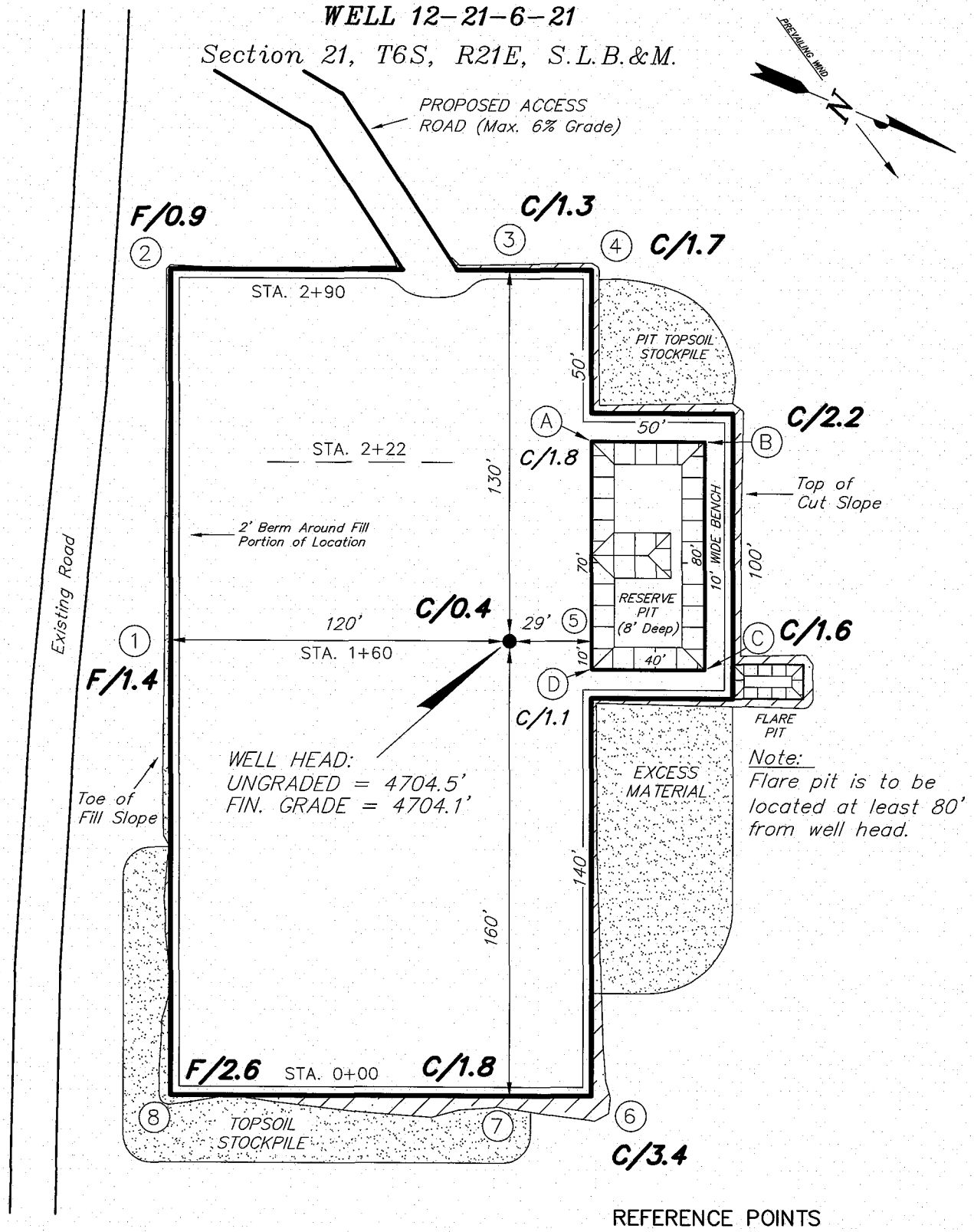
8/11/06
Date

Mandie Crozier
Regulatory Specialist

NEWFIELD PRODUCTION COMPANY

WELL 12-21-6-21

Section 21, T6S, R21E, S.L.B.&M.



Note:
Flare pit is to be located at least 80' from well head.

REFERENCE POINTS

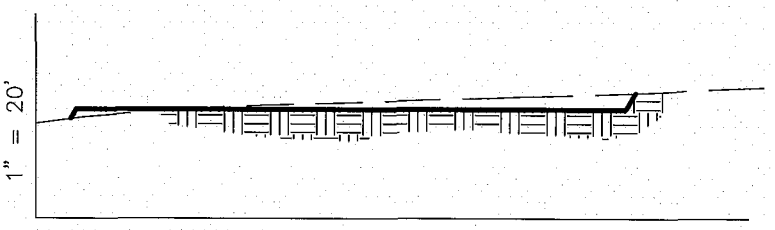
210' NORTHEASTERLY = 4719.4'
260' NORTHEASTERLY = 4716.0'
180' SOUTHEASTERLY = 4701.2'

SURVEYED BY: C.M.	SCALE: 1" = 50'	Tri State Land Surveying, Inc.	(435) 781-2501
DRAWN BY: F.T.M.	DATE: 06-13-06	180 NORTH VERNAL AVE. VERNAL, UTAH 84078	

NEWFIELD PRODUCTION COMPANY

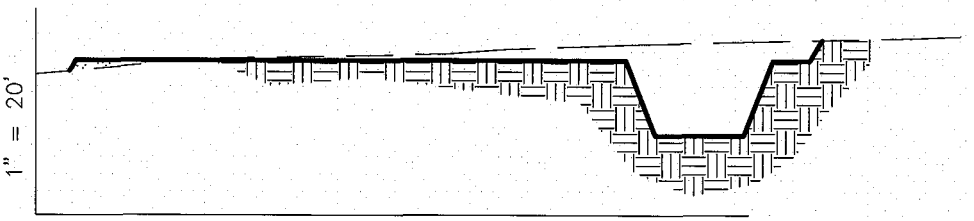
CROSS SECTIONS

WELL 12-21-6-21



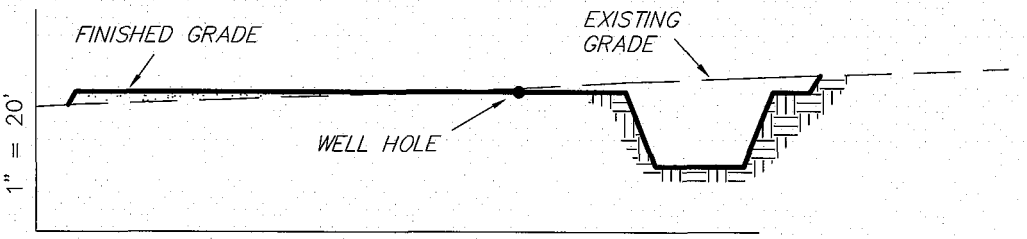
1" = 50'

STA. 2+90



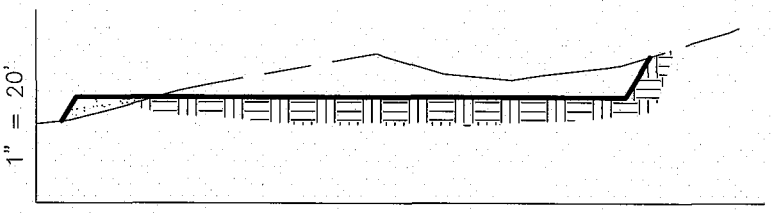
1" = 50'

STA. 2+22



1" = 50'

STA. 1+60



1" = 50'

STA. 0+00

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)

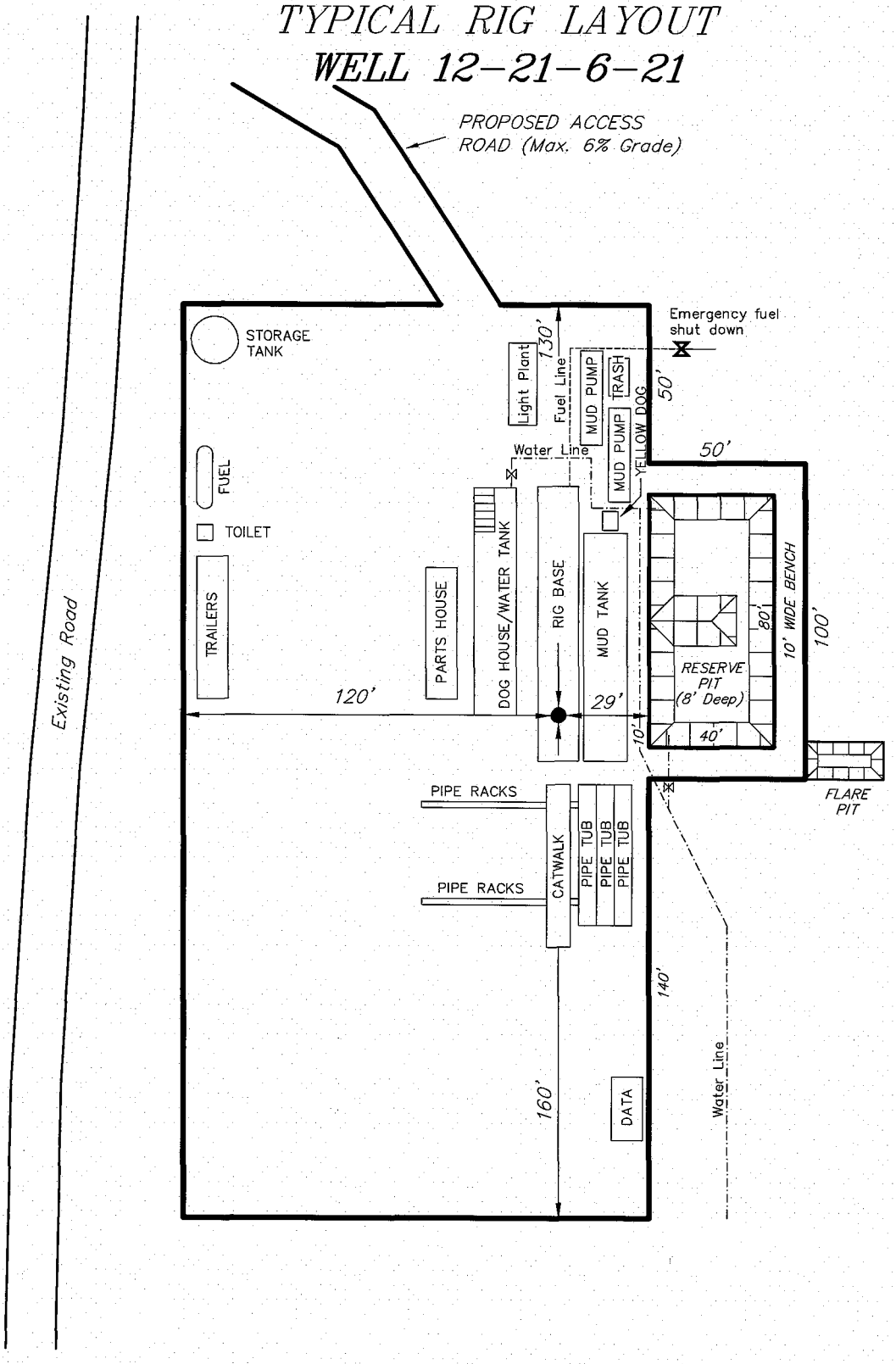
ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	770	770	Topsoil is not included in Pad Cut	0
PIT	640	0		640
TOTALS	1,410	770	950	640

SURVEYED BY: C.M.	SCALE: 1" = 50'	Tri State Land Surveying, Inc.	(435) 781-2501
DRAWN BY: F.T.M.	DATE: 06-13-06	180 NORTH VERNAL AVE. VERNAL, UTAH 84078	

NEWFIELD PRODUCTION COMPANY

TYPICAL RIG LAYOUT

WELL 12-21-6-21



SURVEYED BY: C.M.	SCALE: 1" = 50'	Tri State Land Surveying, Inc.	(435) 781-2501
DRAWN BY: F.T.M.	DATE: 06-13-06	180 NORTH VERNAL AVE. VERNAL, UTAH 84078	

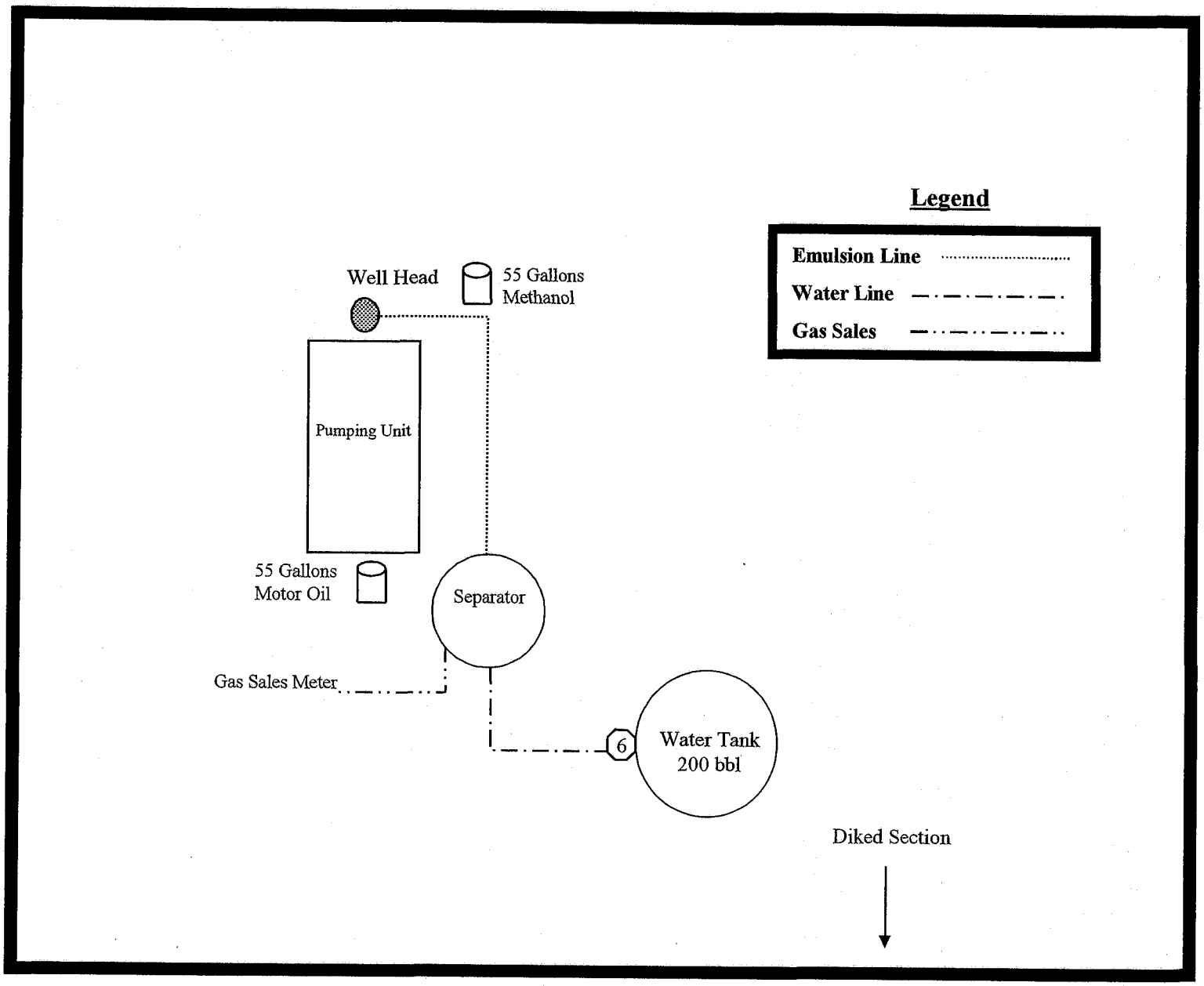
Newfield Production Company
Proposed Site Facility Diagram

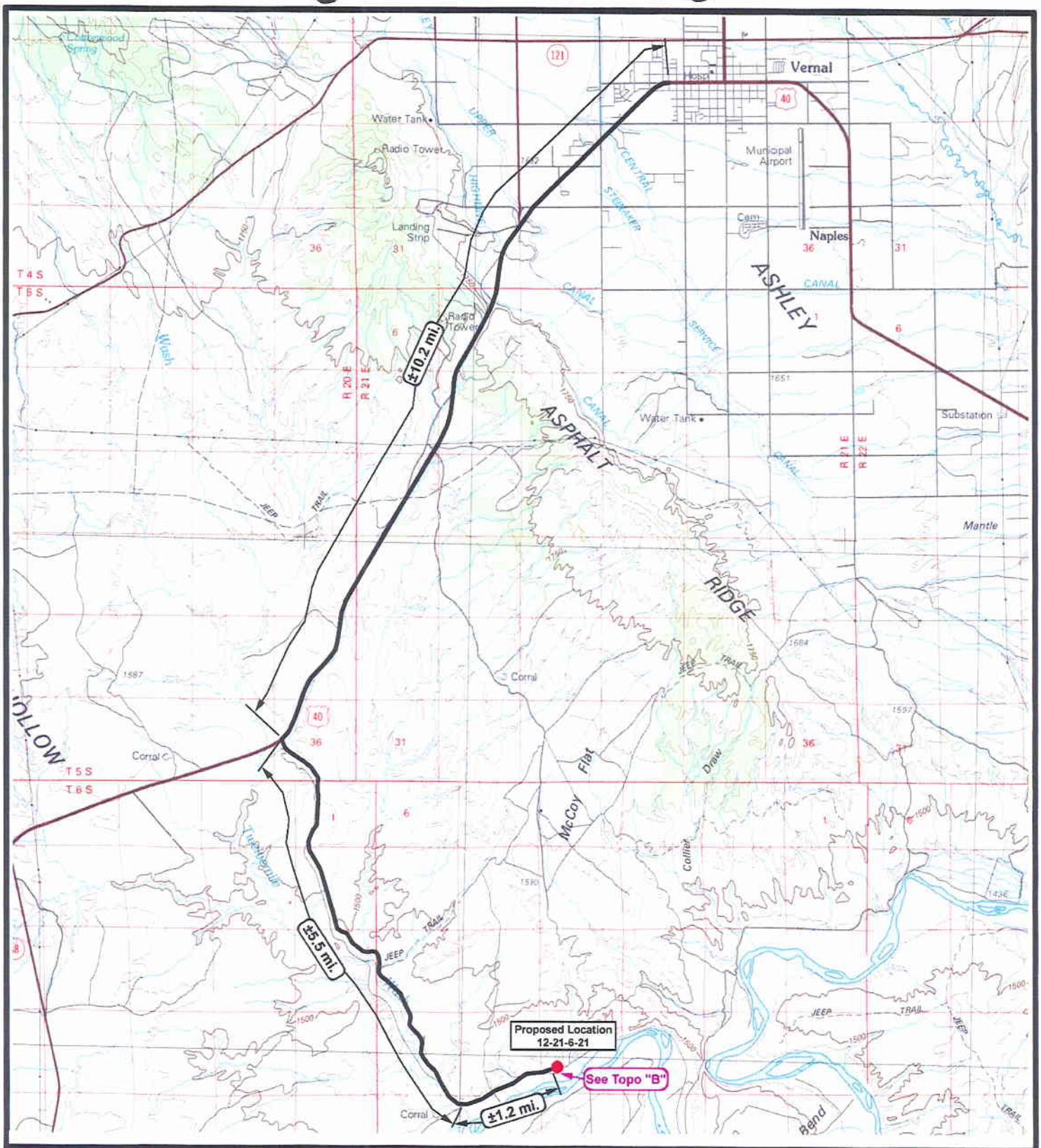
Federal 12-21-6-21

NW/SW Sec. 21, T6S, 21E

Uintah County, Utah

UTU-30289





NEWFIELD
Exploration Company

12-21-6-21
SEC. 21, T6S, R21E, S.L.B.&M.

N

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

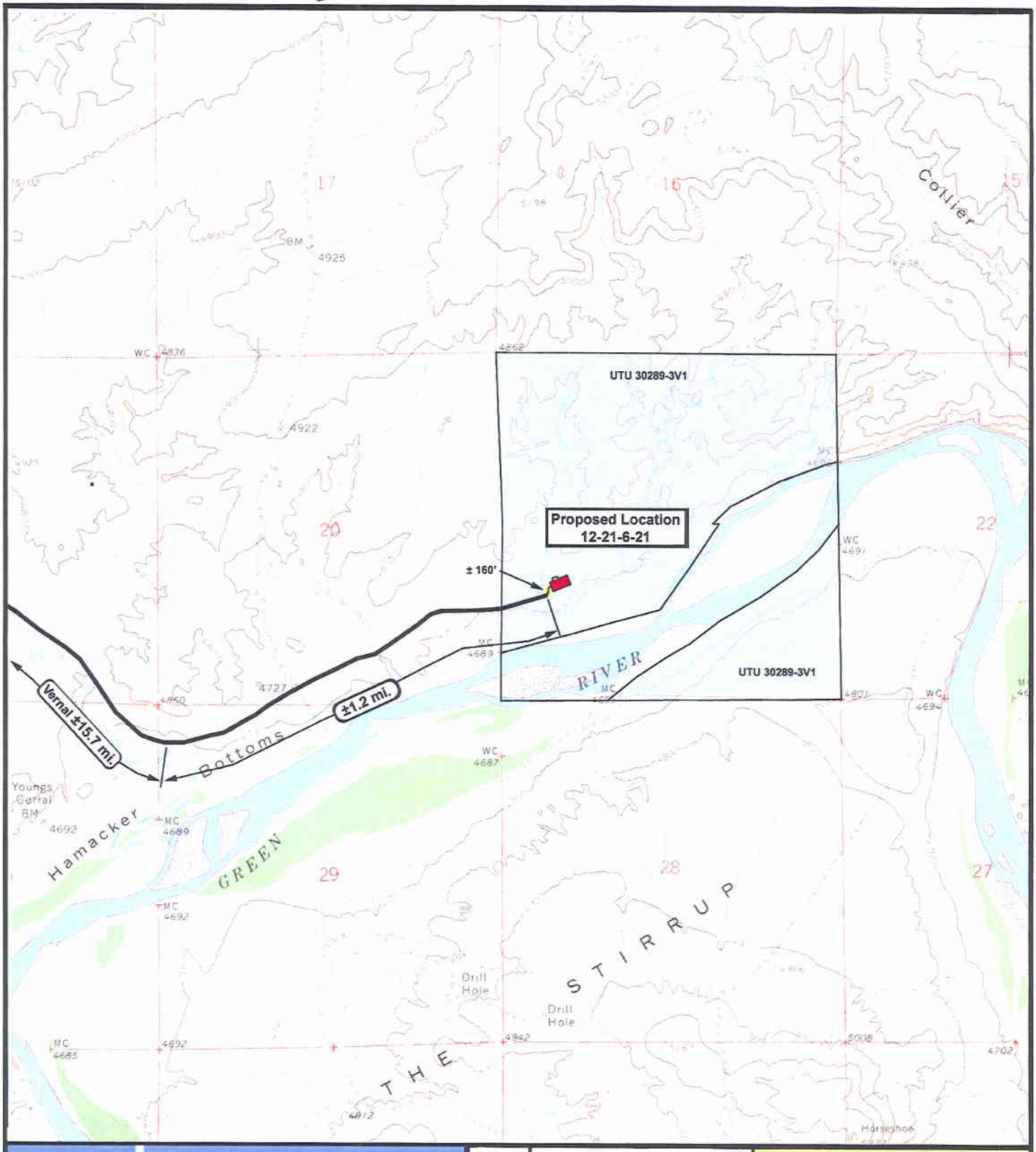
SCALE:	1 = 100,000
DRAWN BY:	mw
DATE:	06-14-2006

Legend

- Existing Road
- Proposed Access

TOPOGRAPHIC MAP

"A"



NEWFIELD
Exploration Company

12-21-6-21
SEC. 21, T6S, R21E, S.L.B.&M.

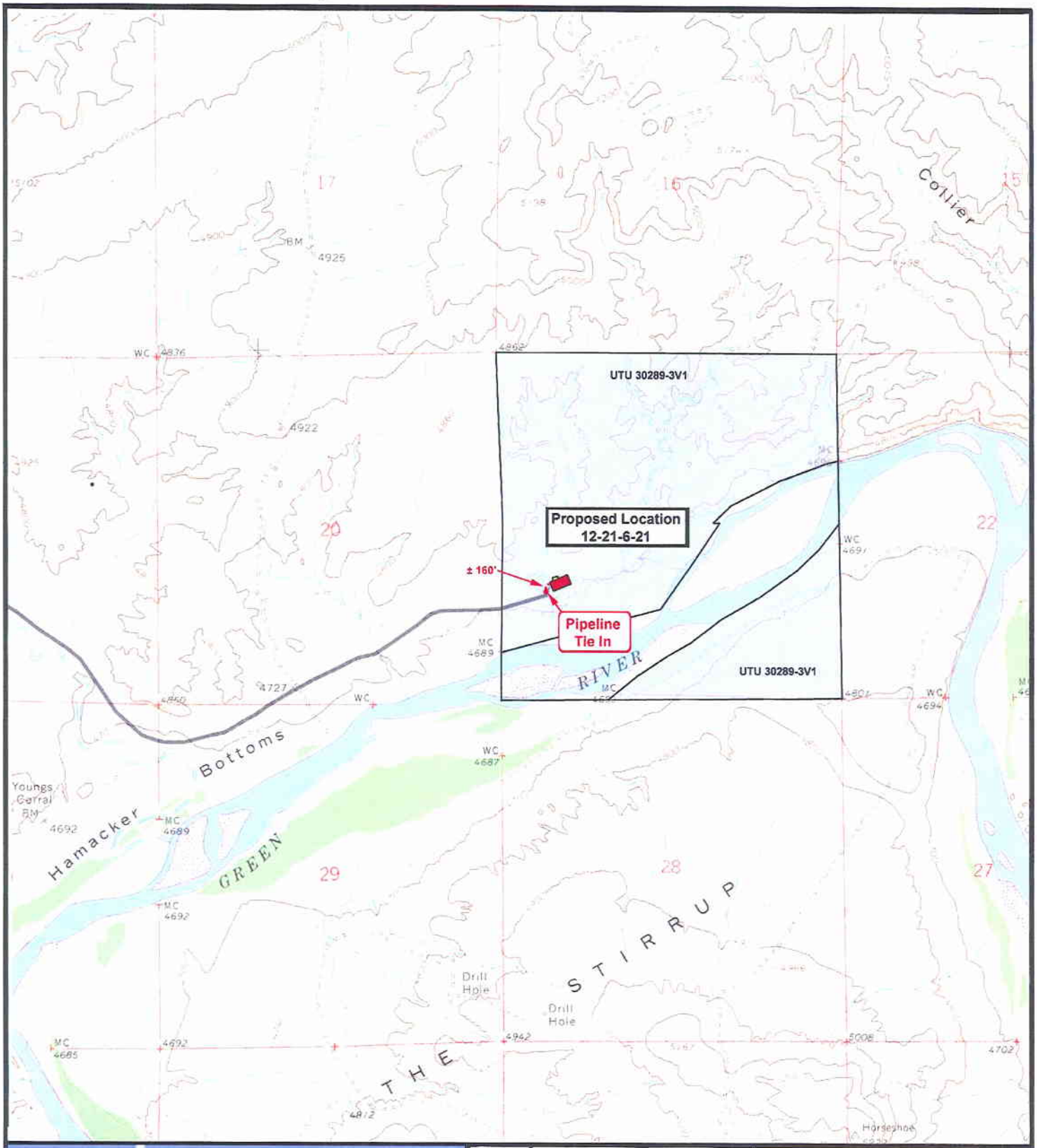
N

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

SCALE: 1" = 2,000'
DRAWN BY: mw
DATE: 06-14-2006

Legend
Existing Road
Proposed Access

TOPOGRAPHIC MAP
"B"



NEWFIELD
Exploration Company

12-21-6-21
SEC. 21, T6S, R21E, S.L.B.&M.

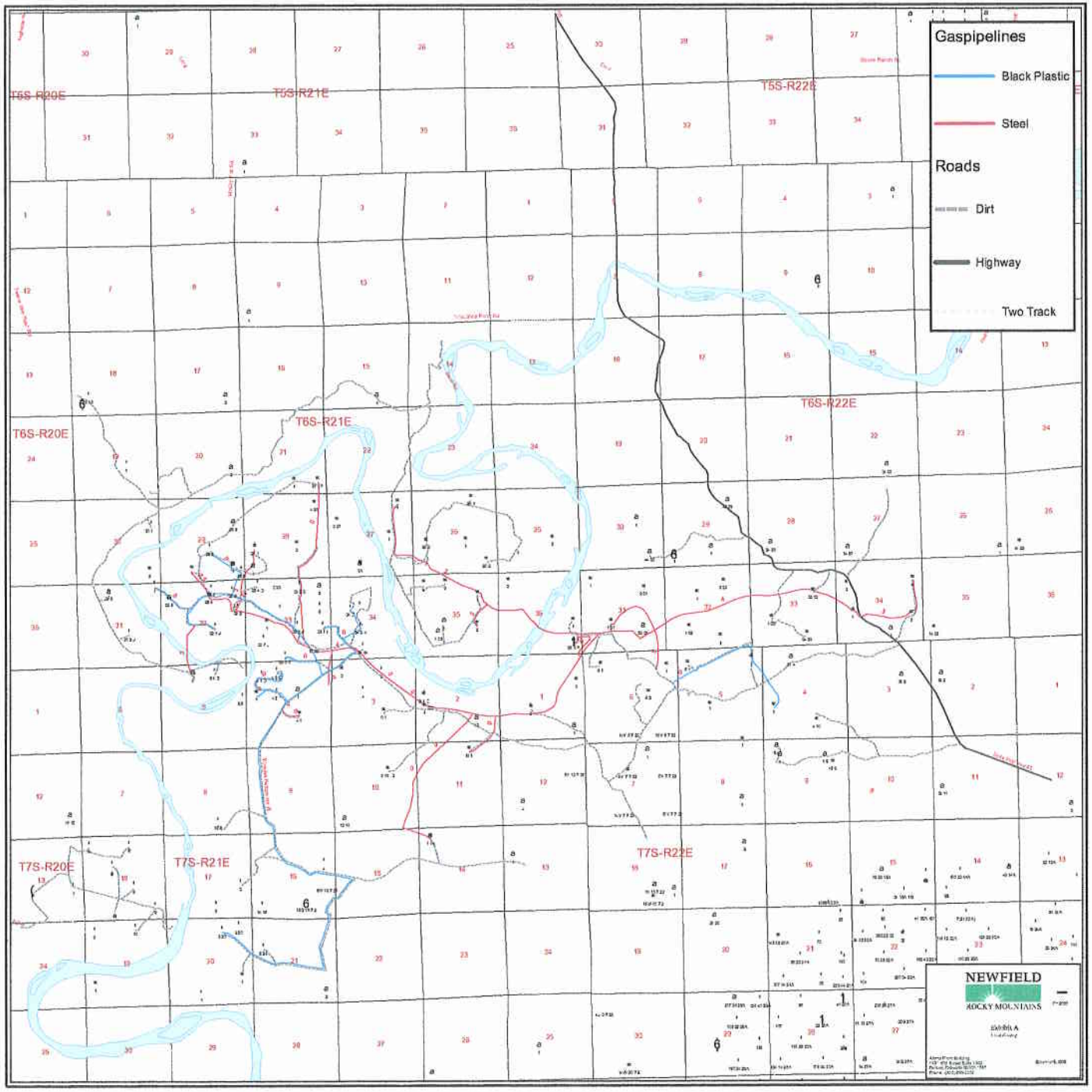
N

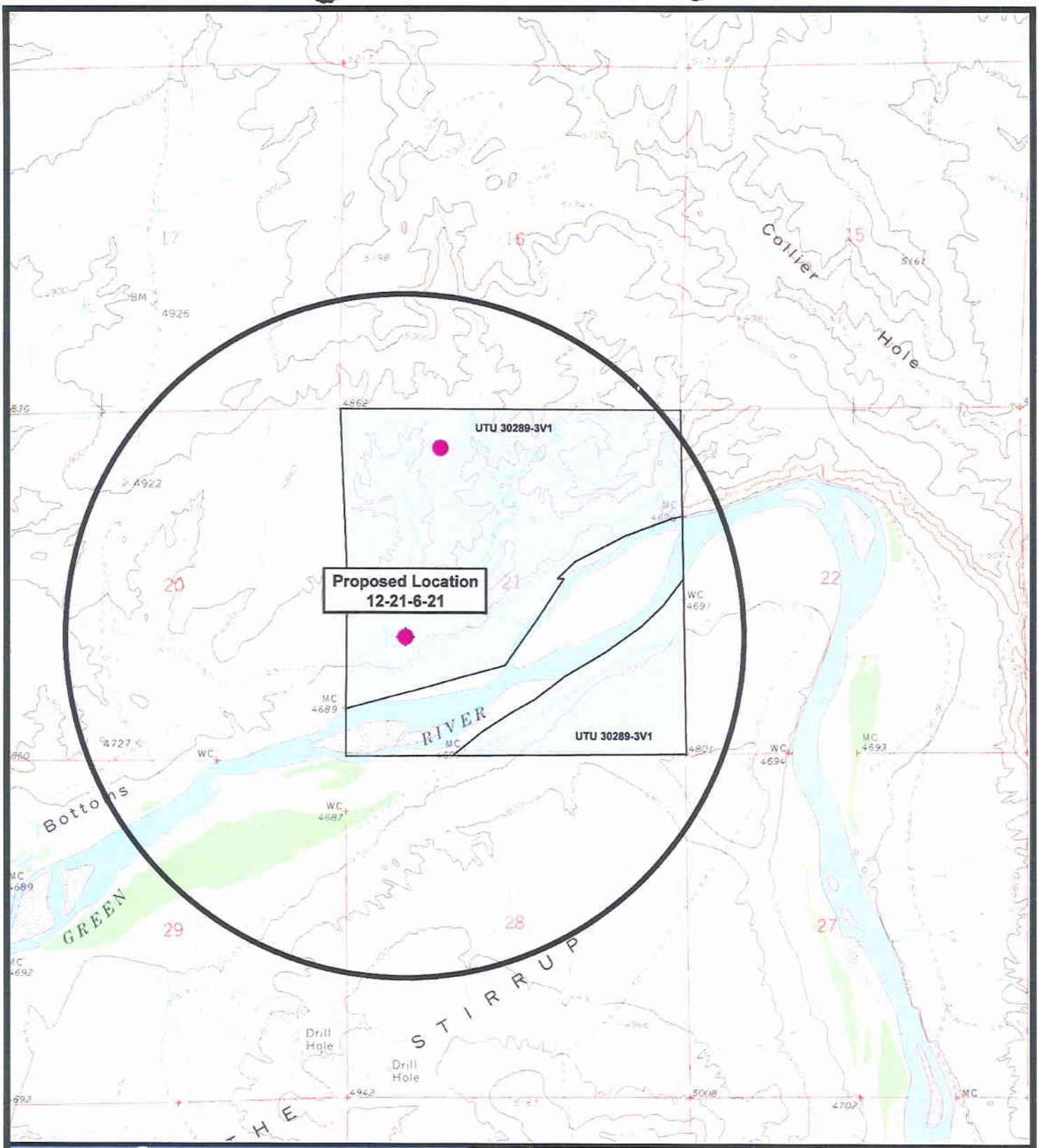
Tri-State Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
DRAWN BY: mw
DATE: 06-14-2006

Legend
Roads
Proposed Gas Line

TOPOGRAPHIC MAP
"C"


Gaspipelines
Black Plastic
Steel
Roads
Dirt
Highway
Two Track
T5S-R20E
T5S-R21E
T5S-R22E
T6S-R20E
T6S-R21E
T6S-R22E
T7S-R20E
T7S-R21E
T7S-R22E
NEWFIELD
ROCKY MOUNTAINS
Exhibit A



NEWFIELD
Exploration Company

12-21-6-21
SEC. 21, T6S, R21E, S.L.B.&M.

N

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

SCALE:	1" = 2,000'
DRAWN BY:	mw
DATE:	06-14-2006

Legend

- Location
- One-Mile Radius

Exhibit "B"

3-M SYSTEM
Blowout Prevention Equipment Systems

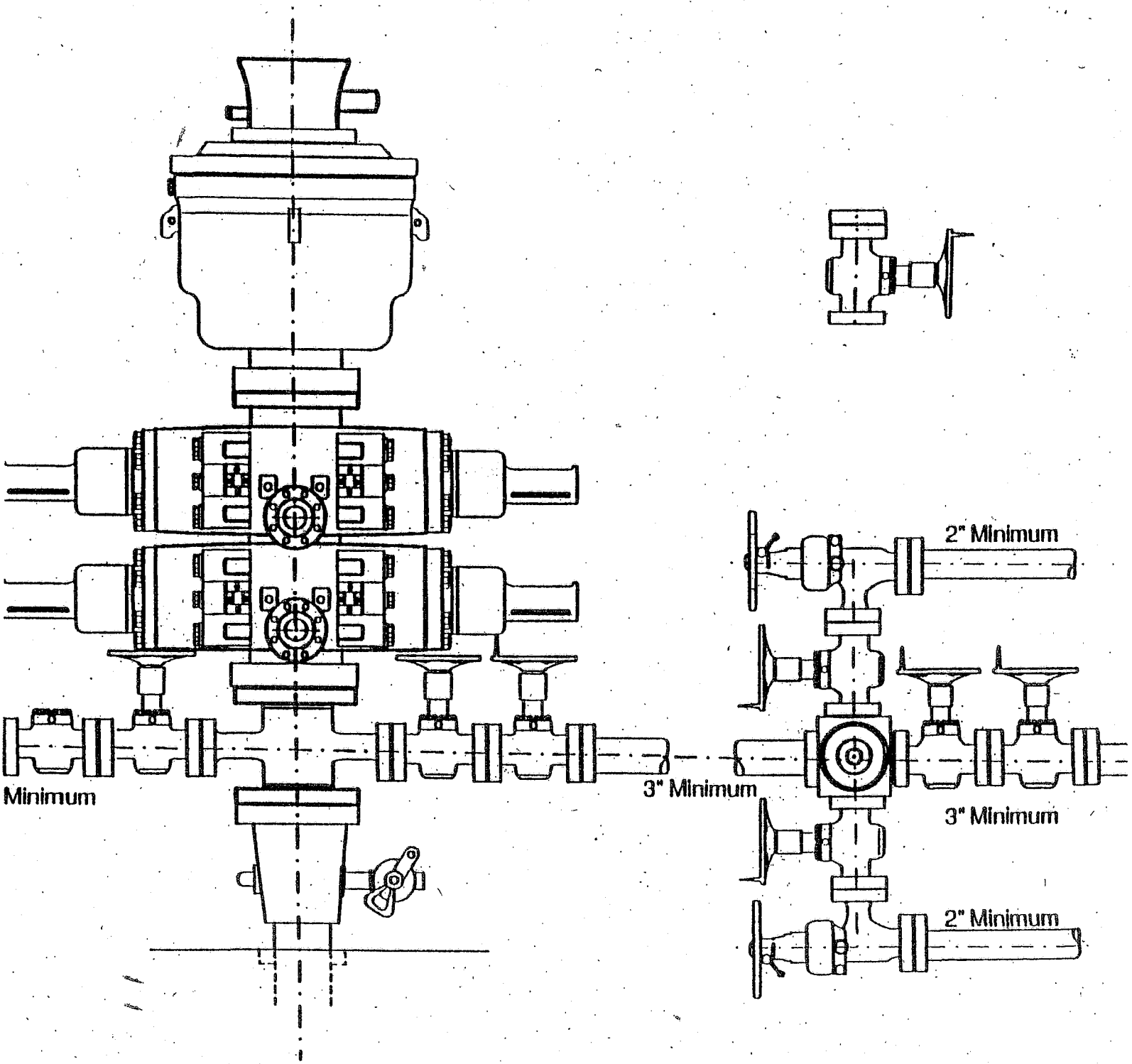


EXHIBIT C

Exhibit "D"

NEWFIELD PRODUCTION COMPANY

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

(NE 1/4, NW 1/4, Section 21, and NW 1/4, SE 1/4, Section 34, T 6 S, R 21 E, Horseshoe Bend Area; NE 1/4 & SE 1/4, Section 19, T 8 S, R 17 E, NE 1/4 & NW 1/4, NE, and NE 1/4 & NW 1/4, NW 1/4, and SW 1/4, NW 1/4, and NW 1/4, SW 1/4, Section 20 T 8 S, R 17 E; NE 1/4, & NW 1/4, NE 1/4, and NE 1/4, & NW 1/4, NW 1/4, Section 21, T 8 S, R 17 E, Greater Boundary Unit)

REPORT OF SURVEY

Prepared for:

Newfield Production Company

Prepared by:

Wade E. Miller
Consulting Paleontologist
July 24, 2006

Exhibit E

1 of 3

State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF WATER RIGHTS

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Robert L. Morgan
State Engineer

1594 West North Temple, Suite 220
PO Box 146300
Salt Lake City, Utah 84114-6300
801-538-7240
801-538-7467 (Fax)

August 11, 2000

Target Trucking 43-10988
Dan McKee or R.C. Hacking
3960 North 500 East
Vernal, UT 84078

Dear Applicant:

RE: APPROVED APPLICATION
NUMBER 43-10988 (F72511)

This is your authority to develop the water under the above referenced application which under Sections 73-3-10 and 73-3-12, Utah Code Annotated, 1953, as amended, must be diligently prosecuted to completion. The water must be put to beneficial use and proof of beneficial use be made to the State Engineer on or before August 31, 2003; otherwise, the application will be lapsed.

Proof of beneficial use is evidence to the State Engineer that the water has been placed to its full intended beneficial use. By law, it must be prepared by a registered engineer or land surveyor, who will certify to the location and the uses for the water. Your proof of beneficial use will become the basis for the extent of your water right.

Failure on your part to comply with the requirements of the statutes may result in forfeiture of this application. **It is the applicant's obligation to maintain a current address with this office. Please notify this office immediately of any change.**

Also enclosed are two post cards. You must give the Driller (Start) Card to the licensed driller with whom you contract to construct the well(s). The other card is the Applicant Card which is your responsibility to sign and return to this office immediately after final completion of the well. CAUTION: There may be local health department requirements for the actual siting of your well. Please check with the proper local authority before construction begins.

Your contact with this office, should you need it, is with the Vernal Regional Office. The telephone number is (435)781-5327.

Sincerely,

Robert L. Morgan

Robert L. Morgan, P.E.
State Engineer

RLM:et
Encl.: Memorandum Decision

Resolution No. 05- 05 - 209
Uintah and Ouray Agency
Fort Duchesne, Utah

WHEREAS, the Ute Tribal Business Committee, has the right to approve or veto any sale, disposition, lease or encumbrance of Tribal Lands, interests in Tribal lands or other Tribal assets, which may be authorized or executed by officials or Agency of the Government, provides that no Tribal lands shall ever be encumbered or sold, except leases for mining purposes or on which the land may be made for such longer periods as may be authorized by law;

WHEREAS, Energy producers Reservation wide have a need for industrial water to drill oil and gas wells; and

WHEREAS, AC/DC Fencing and Roustabout Company proposes to pump water out and to build French drains, if needed, from Reservation wide to supply industrial water to the energy producers for the purpose of drilling oil and gas wells; and

WHEREAS, Energy producers within the boundaries of the U & O reservation have a need for industrial water to drill oil and gas wells. Also, to build French drains, as needed; and

WHEREAS, AC/DC Fencing and Roustabout Company, proposes to pay the Ute Indian Tribe a reasonable market value of five (.5) cents for each barrel of water sold to energy producers through their company, and twenty-five (.25) cents to AC/DC for a total of thirty (.30) cents per barrel,

NOW, THEREFORE, BE IT RESOLVED BY THE TRIBAL BUSINESS COMMITTEE OF THE UTE INDIAN TRIBE OF THE UINTAH AND OURAY RESERVATION, UTAH, in order to promote independent business among tribal members, and to foster the economic welfare of tribal members and to develop if needed Group VI water rights of the Ute Indian Tribe, the Ute Indian Tribe hereby grants authority to AC/DC Fence and Roustabout Company to develop resources Reservation wide for the purpose of energy development.

BE IT FURTHER RESOLVED, that AC/DC Fence and Roustabout pay a reasonable market value for all water sold through their company for a period of two (2) years.

M. Maxine Natchees, Chairman

ABSENT
T. Smiley Arrowchis, Vice-Chairman

Frances Poowegup, Member

Ronald A. Groves, Member

Irene Cuch, Member

Richard Jenks Jr, Member

209

CERTIFICATION

I here[illegible] the fo[illegible] Plan was adopted by the Tribal [illegible]ss Committee o[illegible] Tribe [illegible] and Ouray Reservation, Utah, at a duly called meeting at Fort Duchesne, Utah, on the 13 day of July, 2005, at which time a quorum was present and voted 5 FOR, 0 AGAINST, 0 ABSTAINING, and 1 ABSENT.

[illegible]
[illegible] Tribal Business Committee

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/15/2006

API NO. ASSIGNED: 43-047-38479

WELL NAME: FEDERAL 12-21-6-21

OPERATOR: NEWFIELD PRODUCTION (N2695)

PHONE NUMBER: 435-646-3721

CONTACT: MANDIE CROZIER

PROPOSED LOCATION:

NWSW 21 060S 210E

SURFACE: 1767 FSL 0909 FWL

BOTTOM: 1767 FSL 0909 FWL

COUNTY: UINTAH

LATITUDE: 40.28169 LONGITUDE: -109.5665

UTM SURF EASTINGS: 621861 NORTHINGS: 4459798

FIELD NAME: HORSESHOE BEND (620)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-30289

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: UNTA

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

✓ Plat

✓ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. UTB000192)

N Potash (Y/N)

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

✓ Water Permit
(No. MUNICIPAL)

N RDCC Review (Y/N)
(Date:)

N/A Fee Surf Agreement (Y/N)

N/A Intent to Commingle (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: 145-10

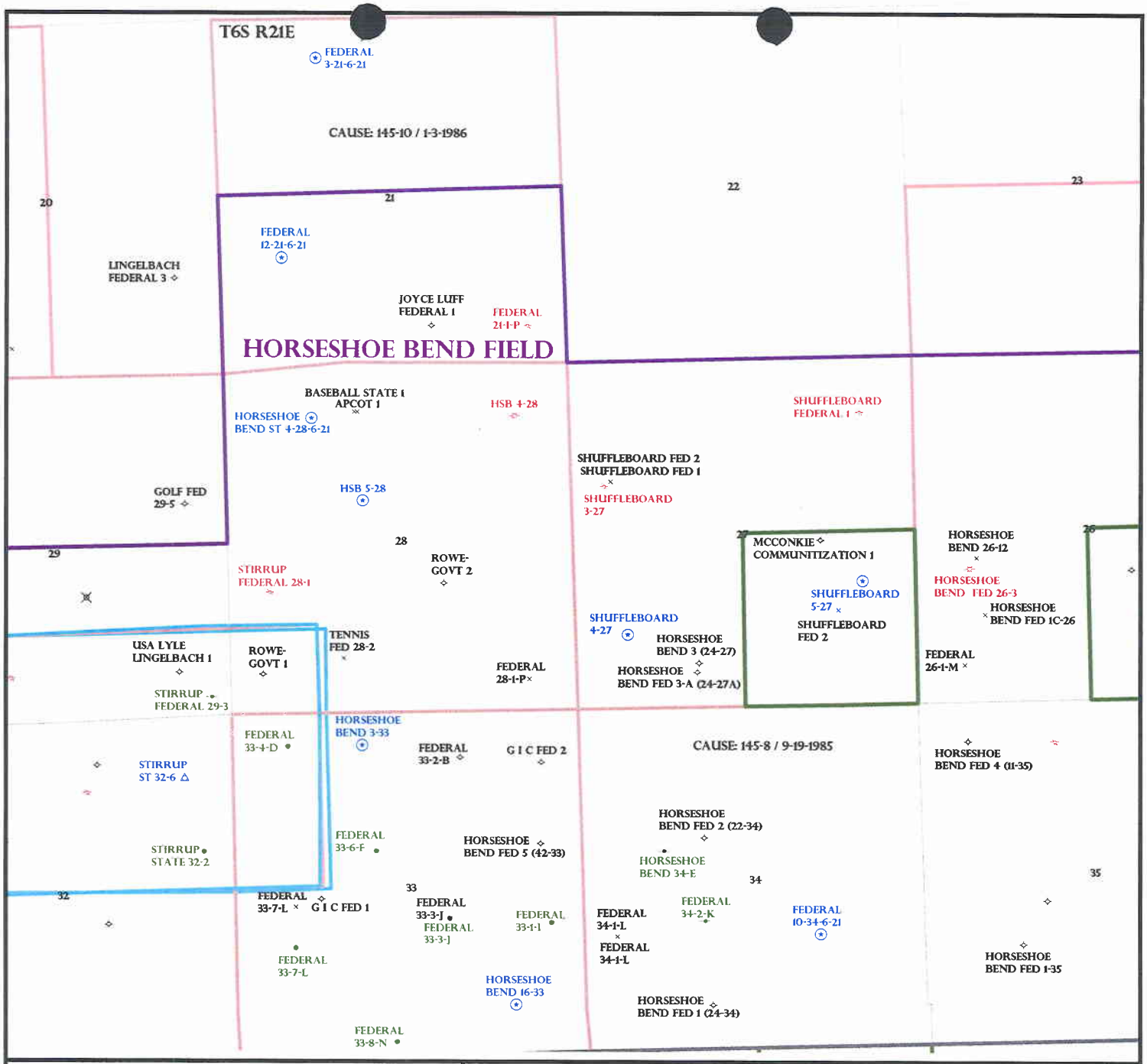
Eff Date: 1-3-1986

Siting: 500' fr boundary of 1/4 Section

___ R649-3-11. Directional Drill

COMMENTS: ___

STIPULATIONS: 1- Federal Approval



OPERATOR: NEWFIELD PROD CO (N2695)

SEC: 21 T.6S R. 21E

FIELD: HORSESHOE BEND (620)

COUNTY: UINTAH

CAUSE: 145-10 / 1-3-1986

Field Status
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status
- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING

Utah Oil Gas and Mining

N W E S

PREPARED BY: DIANA WHITNEY
DATE: 16-AUGUST-2006

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 & Mining

JOHN R. BAZA
Division Director

August 17, 2006

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

Re: Federal 12-21-6-21 Well, 1767' FSL, 909' FWL, NW SW, Sec. 21, T. 6 South, R. 21 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 43-047-38479.

Sincerely,

for Gil Hunt
Associate Director

pab
Enclosures

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

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

Operator: Newfield Production Company

Well Name & Number Federal 12-21-6-21

API Number: 43-047-38479

Lease: UTU-30289

Location: NW SW **Sec.** 21 **T.** 6 South **R.** 21 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.

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 & Mining

JOHN R. BAZA
Division Director

April 4, 2007

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

Re: APD Rescinded –Federal 12-21-6-21 Sec. 21 T. 6 R. 21E
Uintah County, Utah API No. 43-047-38479

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 August 17, 2006. On April 2, 2007, 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 April 2, 2007.

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

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Green River District-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

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IN REPLY REFER TO:
3160
UTG011

April 7, 2010

43047384479

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

Re: Request to Return APD
Well No. Federal 12-21-6-21
NWSW, Sec. 21, T6S, R21E
Uintah County, Utah
Lease No. UTU-30289

Dear Ms. Crozier:

The Application for Permit to Drill (APD) for the above referenced well received in this office on August 15, 2006, is being returned unapproved per your request in an email message to me received on December 8, 2009. Your message stated that Newfield will re-submit a new APD for this location sometime in 2010.

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

Sincerely,

Cindy Severson

Cindy Severson
Land Law Examiner

cc: UDOGM

RECEIVED
APR 14 2010
DIV. OF OIL, GAS & MINING