

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

FORM 3
 AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL				1. WELL NAME and NUMBER Ute Tribal 8-23-4-1		
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>				3. FIELD OR WILDCAT MONUMENT BUTTE		
4. TYPE OF WELL Oil Well <input type="checkbox"/> Coalbed Methane Well: NO <input type="checkbox"/>				5. UNIT or COMMUNITIZATION AGREEMENT NAME		
6. NAME OF OPERATOR NEWFIELD PRODUCTION COMPANY				7. OPERATOR PHONE 435 646-4825		
8. ADDRESS OF OPERATOR Rt 3 Box 3630 , Myton, UT, 84052				9. OPERATOR E-MAIL mcrozier@newfield.com		
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) 20G0005609		11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>		12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>		
13. NAME OF SURFACE OWNER (if box 12 = 'fee') Henderson Ranches LLC				14. SURFACE OWNER PHONE (if box 12 = 'fee')		
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') RR 3 Box 3671, ,				16. SURFACE OWNER E-MAIL (if box 12 = 'fee')		
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')		18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>		19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>		
20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	2269 FNL 492 FEL	SENE	23	4.0 S	1.0 W	U
Top of Uppermost Producing Zone	2269 FNL 492 FEL	SENE	23	4.0 S	1.0 W	U
At Total Depth	2269 FNL 492 FEL	SENE	23	4.0 S	1.0 W	U
21. COUNTY UINTAH		22. DISTANCE TO NEAREST LEASE LINE (Feet) 492		23. NUMBER OF ACRES IN DRILLING UNIT 40		
		25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 2918		26. PROPOSED DEPTH MD: 6840 TVD: 6840		
27. ELEVATION - GROUND LEVEL 5037		28. BOND NUMBER WYB000493		29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 43-7478		

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input checked="" type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP

NAME Mandie Crozier	TITLE Regulatory Tech	PHONE 435 646-4825
SIGNATURE	DATE 03/02/2010	EMAIL mcrozier@newfield.com
API NUMBER ASSIGNED 43047509810000	APPROVAL  Permit Manager	

Proposed Hole, Casing, and Cement

String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Prod	7.875	5.5	0	6840		
Pipe	Grade	Length	Weight			
	Grade J-55 LT&C	6840	15.5			

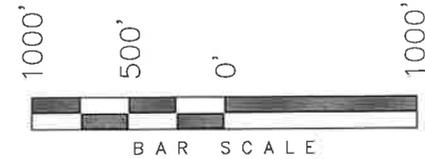
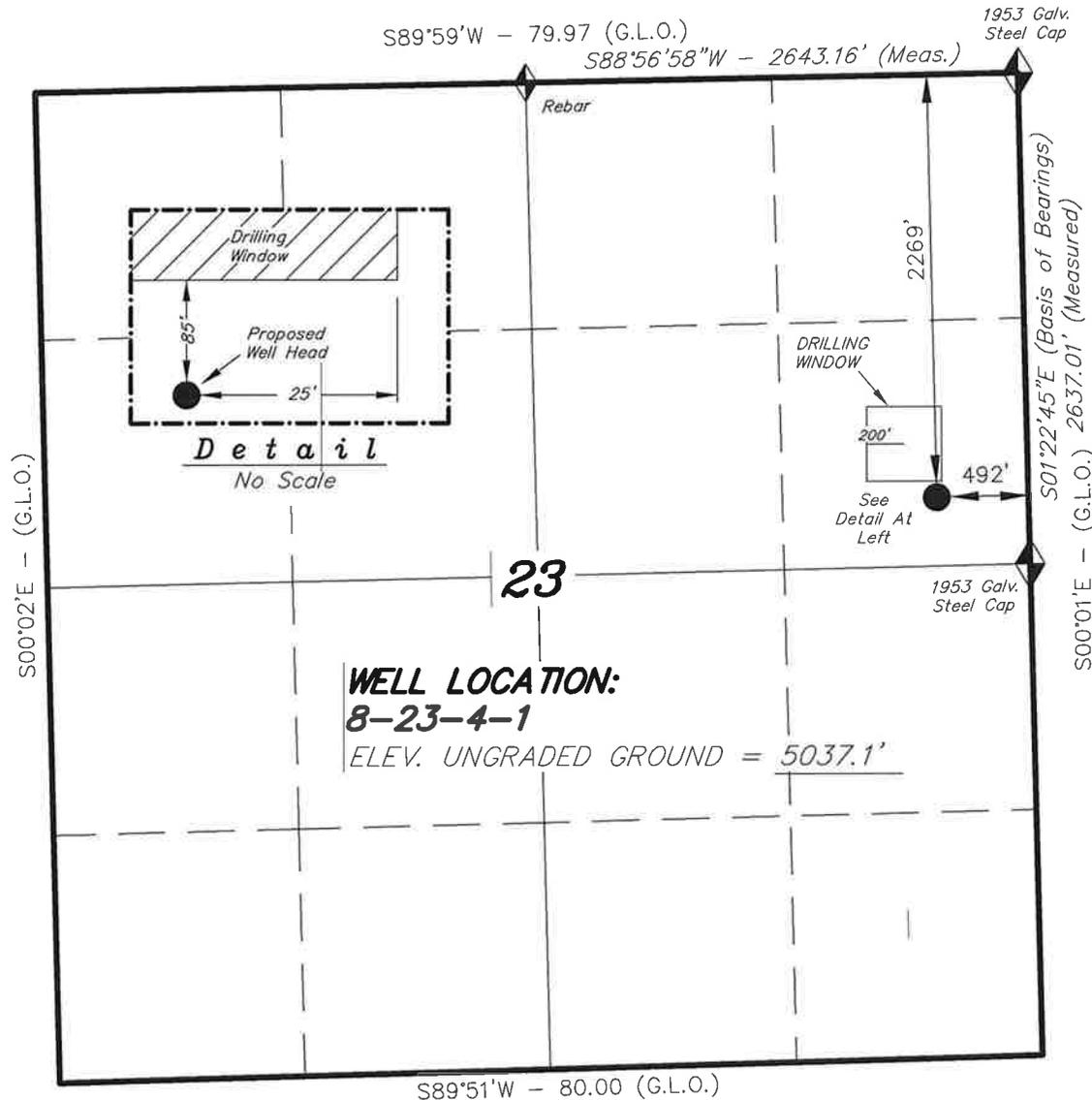
Proposed Hole, Casing, and Cement

String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Surf	12.25	8.625	0	300		
Pipe	Grade	Length	Weight			
	Grade J-55 ST&C	300	24.0			

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

NEWFIELD PRODUCTION COMPANY

WELL LOCATION, 8-23-4-1, LOCATED AS SHOWN IN THE SE 1/4 NE 1/4 OF SECTION 23, T4S, R1W, U.S.B.&M. UTAH COUNTY, UTAH.



WELL LOCATION:
8-23-4-1

ELEV. UNGRADED GROUND = 5037.1'

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. 189377

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

TRI STATE LAND SURVEYING & CONSULTING

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

DATE SURVEYED: 12-28-09	SURVEYED BY: T.P.
DATE DRAWN: 12-30-09	DRAWN BY: M.W.
REVISED:	SCALE: 1" = 1000'

◆ = SECTION CORNERS LOCATED

BASIS OF ELEV; Elevations are base on LOCATION: an N.G.S. OPUS Correction. LAT. 40°04'09.56" LONG. 110°00'43.28" (Tristate Aluminum Cap) Elev. 5281.57'

8-23-4-1
(Surface Location) NAD 83
LATITUDE = 40° 07' 17.48"
LONGITUDE = 109° 57' 21.21"

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

This Easement and Surface Use Agreement ("Agreement") is entered into this 22nd day of February 2010 by and between, **Henderson Ranches, LLC, Wayne and Moreen Henderson, Lance and Julie Henderson, Tommy Henderson, and Billie Henderson**, whose address is R.R. 3, Box 3671, Myton, Utah 84052 ("Surface Owner," whether one or more), and NEWFIELD PRODUCTION COMPANY, a Texas corporation ("NEWFIELD"), with offices at 1001 Seventeenth Street, Suite 2000, Denver, Colorado 80202, covering certain lands, (the "Lands") situated in Uintah County, Utah described as follows:

Township 4 South, Range 1 West
Section 23: SENE
(8-23-4-1, approx. 1.5 acres plus approx. 980ft of road and pipeline)
Uintah County, Utah

(limited to proposed roads, pipelines, & well pad only, as shown in attached plats)

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

1. Compensation for Well; Release of All Claims

NEWFIELD shall pay to Surface Owner the sum as set forth in and according to the terms of that certain Letter Agreement for Easement, Right-of Way and Surface Use by and between Surface Owner and NEWFIELD, dated February 22nd, 2010, as full payment and satisfaction for any and all detriment, depreciation, injury or damage of any nature to the Lands or growing crops thereon that may occur as a result of NEWFIELD's drilling or completion operations or its continuing activities for the production or transportation of oil, gas, or other hydrocarbons or products associated with the foregoing including, but not limited to, surface use, access, pipelines, gathering lines, pipeline interconnections, and any and all other reasonable or customary uses of land related to said operations or activities.

2. Grant of Right of Way and Easement

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

This Agreement shall be binding upon the respective heirs, executors, administrators, successors, and assigns of the undersigned.

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

NEWFIELD PRODUCTION COMPANY

By: _____
Daniel W. Shewmake, Vice President-Development

SURFACE OWNER

By: Wayne Henderson
Wayne Henderson, Henderson Ranches, LLC

By: Wayne Henderson
Wayne Henderson

By: Lance Henderson
Lance Henderson

By: Tommy Henderson
Tommy Henderson

By: Moreen Henderson
Moreen Henderson

By: Julie Henderson
Julie Henderson

By: Billie Henderson
Billie Henderson

STATE OF UTAH)
)ss
COUNTY OF Duchesne)

This instrument was acknowledged before me this 22nd day of February, 2010 by **Wayne Henderson and Moreen Henderson**

Witness my hand and official seal.

My commission expires 9/8/2013

[Signature]
Notary Public


STATE OF UTAH)
)ss
COUNTY OF Duchesne)

This instrument was acknowledged before me this 22nd day of February, 2010 by **Lance Henderson and Julie Henderson**

Witness my hand and official seal.

My commission expires 9/8/2013

[Signature]
Notary Public


STATE OF UTAH)
)ss
COUNTY OF Duchesne)

This instrument was acknowledged before me this 22nd day of February, 2010 by **Tommy Henderson and Billie Henderson**

Witness my hand and official seal.

My commission expires 9/8/2013

[Signature]
Notary Public


STATE OF COLORADO)
)ss
COUNTY OF Denver)

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

Witness my hand and official seal.

Notary Public

My commission expires _____

NEWFIELD PRODUCTION COMPANY
UTE TRIBAL 8-23-4-1
SE/NE SECTION 23, T4S, R1W
UINTAH COUNTY, UTAH

TEN POINT DRILLING PROGRAM

1. **GEOLOGIC SURFACE FORMATION:**

Uinta formation of Upper Eocene Age

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

Uinta	0 -- 2,020'
Green River	2,030'
Wasatch	6,840'

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

Green River Formation (Oil) 2,030' – 6,840'

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: Ute Tribal 8-23-4-1**

Size	Interval		Weight	Grade	Coupling	Design Factors		
	Top	Bottom				Burst	Collapse	Tension
Surface casing 8-5/8"	0'	300'	24.0	J-55	STC	2,950	1,370	244,000
						17.53	14.35	33.89
Prod casing 5-1/2"	0'	6,840'	15.5	J-55	LTC	4,810	4,040	217,000
						2.21	1.86	2.05

Assumptions:

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

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

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

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

b. **Cementing Design: Ute Tribal 8-23-4-1**

Job	Fill	Description	Sacks	OH Excess*	Weight (ppg)	Yield (ft ³ /sk)
			ft ³			
Surface casing	300'	Class G w/ 2% CaCl	138	30%	15.8	1.17
			161			
Prod casing Lead	4,840'	Prem Lite II w/ 10% gel + 3% KCl	334	30%	11.0	3.26
			1090			
Prod casing Tail	2,000'	50/50 Poz w/ 2% gel + 3% KCl	363	30%	14.3	1.24
			451			

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

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

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

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

The operator's minimum specifications for pressure control equipment are as follows:

An 8" Double Ram Hydraulic unit with a closing unit will be utilized. Function test of BOP's will be check daily.

Refer to **Exhibit C** for a diagram of BOP equipment that will be used on this well.

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

From surface to ±350 feet will be drilled with an air/mist system. The air rig is equipped with a 6 ½" blooie line that is straight run and securely anchored. The blooie line is used with a discharge less than 100 ft from the wellbore in order to minimize the well pad size. The blooie line is not equipped with an automatic igniter or continuous pilot light and the compressor is located less than 100 ft from the well bore due to the low possibility of combustion with the air dust mixture. The trailer mounted compressor (capacity of 2000 CFM) has a safety shut-off valve which is located 15 feet from the air rig. A truck with 70 bbls of water is on stand by to be used as kill fluid, if necessary. From about ±350 feet to TD, a fresh water system will be utilized. Clay inhibition and hole stability will be achieved with a KCl substitute additive. This additive will be identified in the APD and reviewed to determine if the reserve pit shall be lined. This fresh water system will typically contain Total Dissolved Solids (TDS) of less than 3000 PPM. Anticipated mud weight is 8.4 lbs/gal. If necessary to control formation fluids or pressure, the system will be weighted with the addition of bentonite gel, and if pressure conditions warrant, with barite

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

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

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

Newfield Production will **visually** monitor pit levels and flow from the well during drilling operations.

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

Auxiliary safety equipment will be a Kelly Cock, bit float, and a TIW valve with drill pipe threads.

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

The logging program will consist of a Dual Induction, Gamma Ray and Caliper log from TD to base of surface casing @ 300' +/-, and a Compensated Neutron-Formation Density Log from TD to 3500' +/- . A cement bond log will be run from PBD to cement top. No drill stem testing or coring is planned for this well.

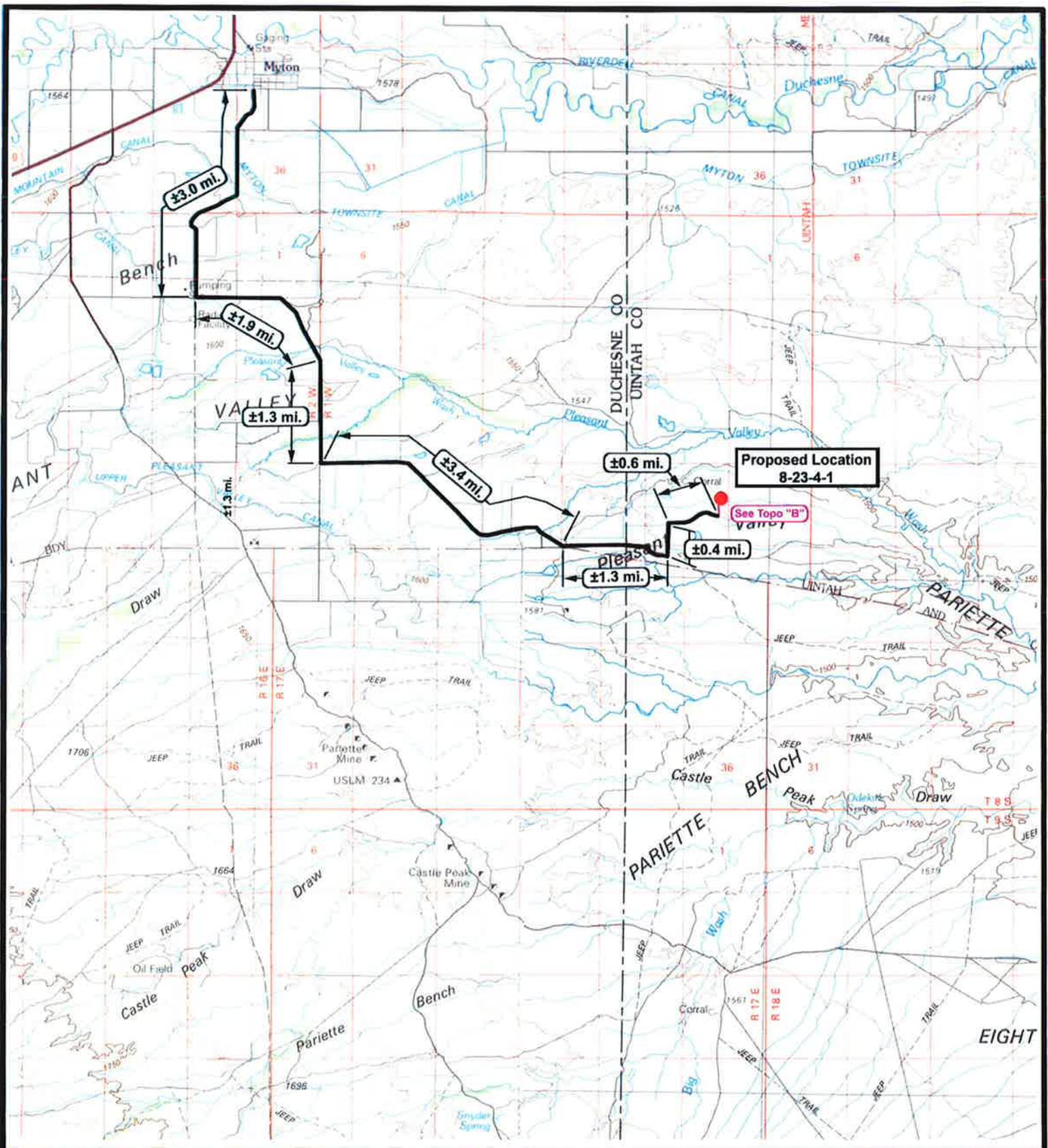
9. **ANTICIPATED ABNORMAL PRESSURE OR TEMPERATURE:**

No abnormal temperatures or pressures are anticipated. No hydrogen sulfide has been encountered or is known to exist from previous drilling in the area at this depth. Maximum anticipated

bottomhole pressure will approximately equal total depth in feet multiplied by a 0.433 psi/foot gradient.

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

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



NEWFIELD
Exploration Company

8-23-4-1
SEC. 23, T4S, R1W, U.S.B.&M.



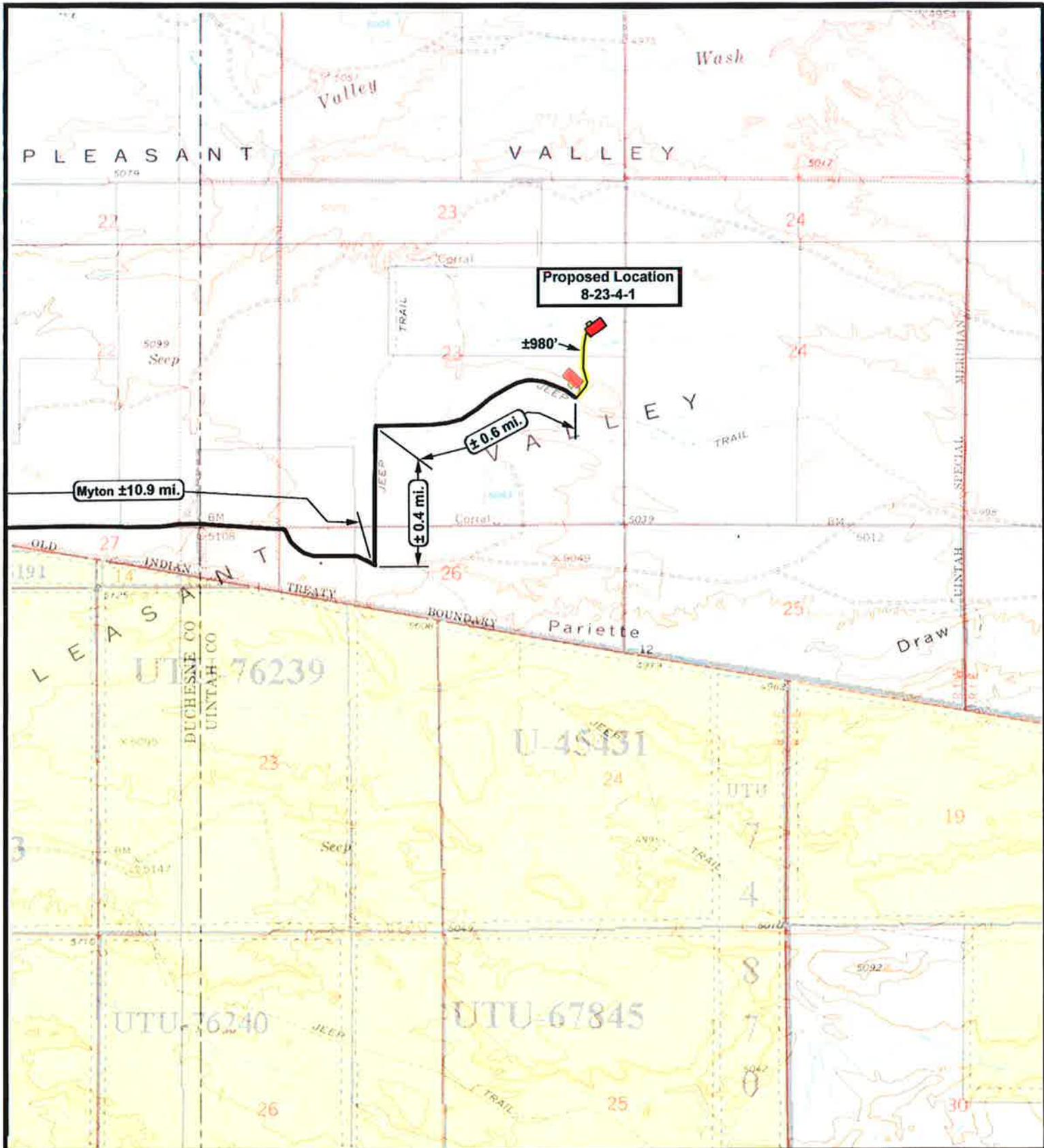
Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1 = 100,000
DRAWN BY: mw
DATE: 12-30-2009

Legend

- Existing Road
- Proposed Access

TOPOGRAPHIC MAP
"A"



 **NEWFIELD**
Exploration Company

8-23-4-1
SEC. 23, T4S, R1W, U.S.B.&M.



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

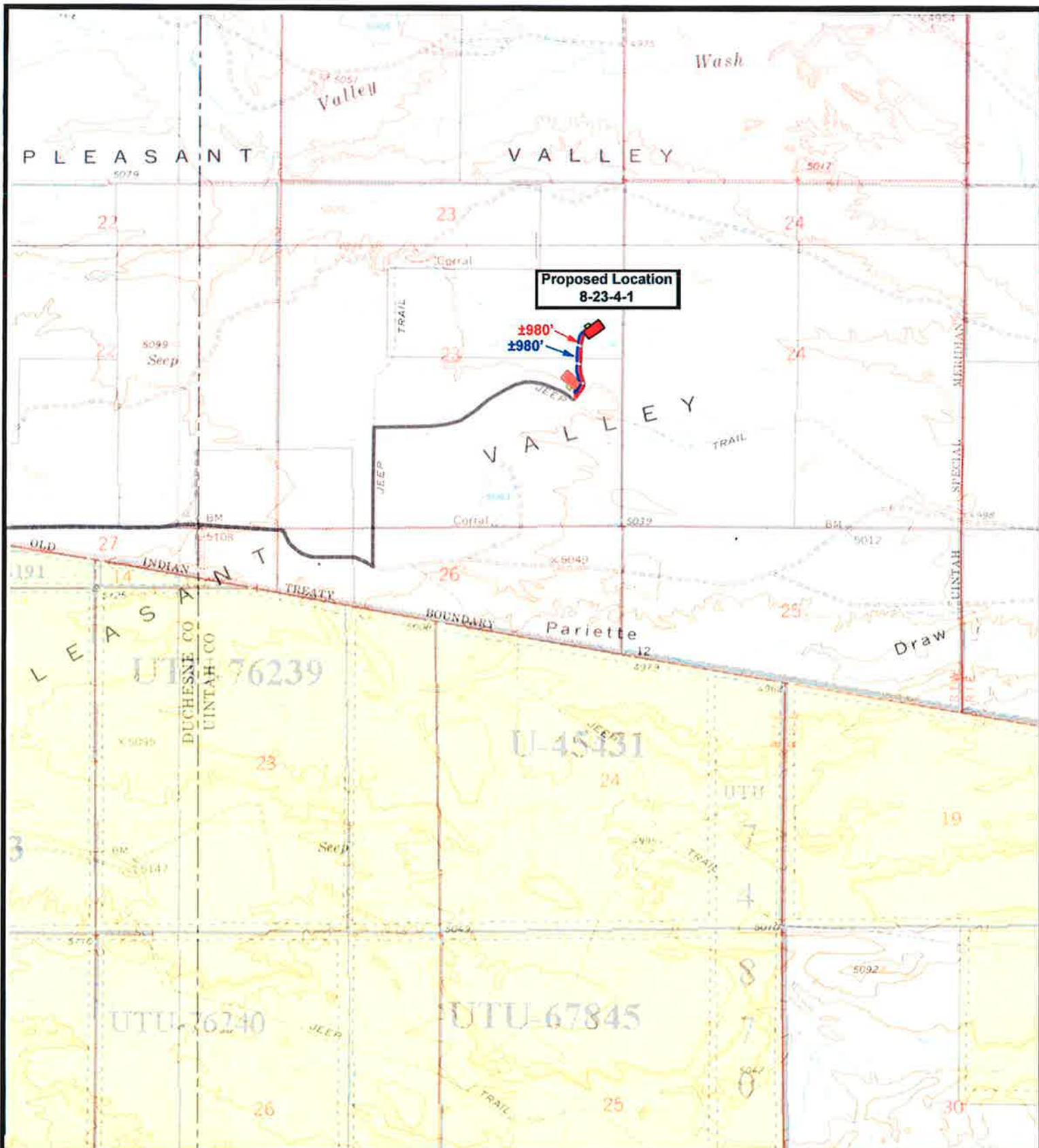
SCALE: 1" = 2,000'
DRAWN BY: mw
DATE: 12-30-2009

Legend

-  Existing Road
-  Proposed Access

TOPOGRAPHIC MAP

"B"



NEWFIELD
Exploration Company

8-23-4-1
SEC. 23, T4S, R1W, U.S.B.&M.



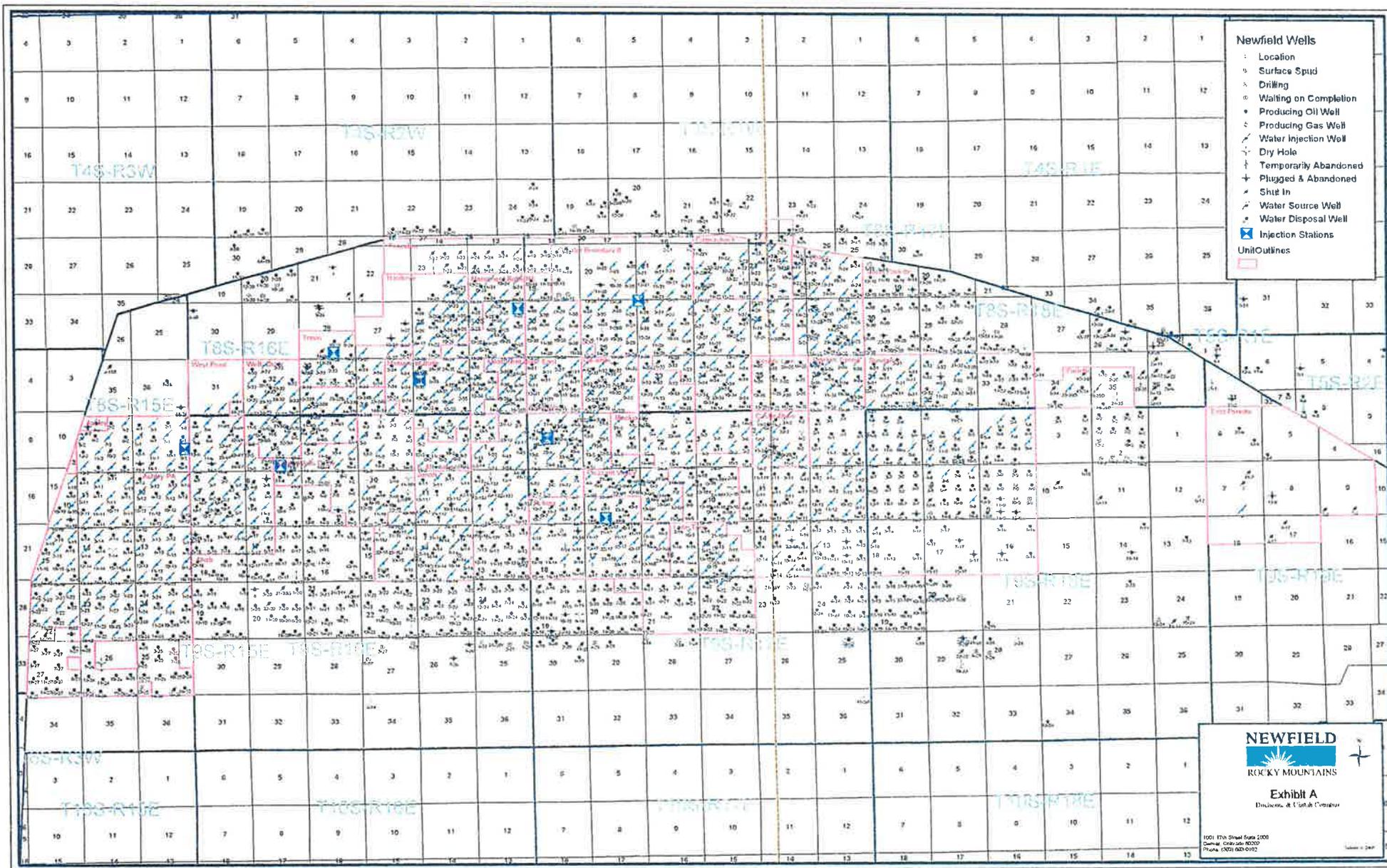
Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
DRAWN BY: mw
DATE: 12-30-2009

Legend

- Roads
- Proposed Gas Line
- Proposed Water Line

TOPOGRAPHIC MAP
"C"

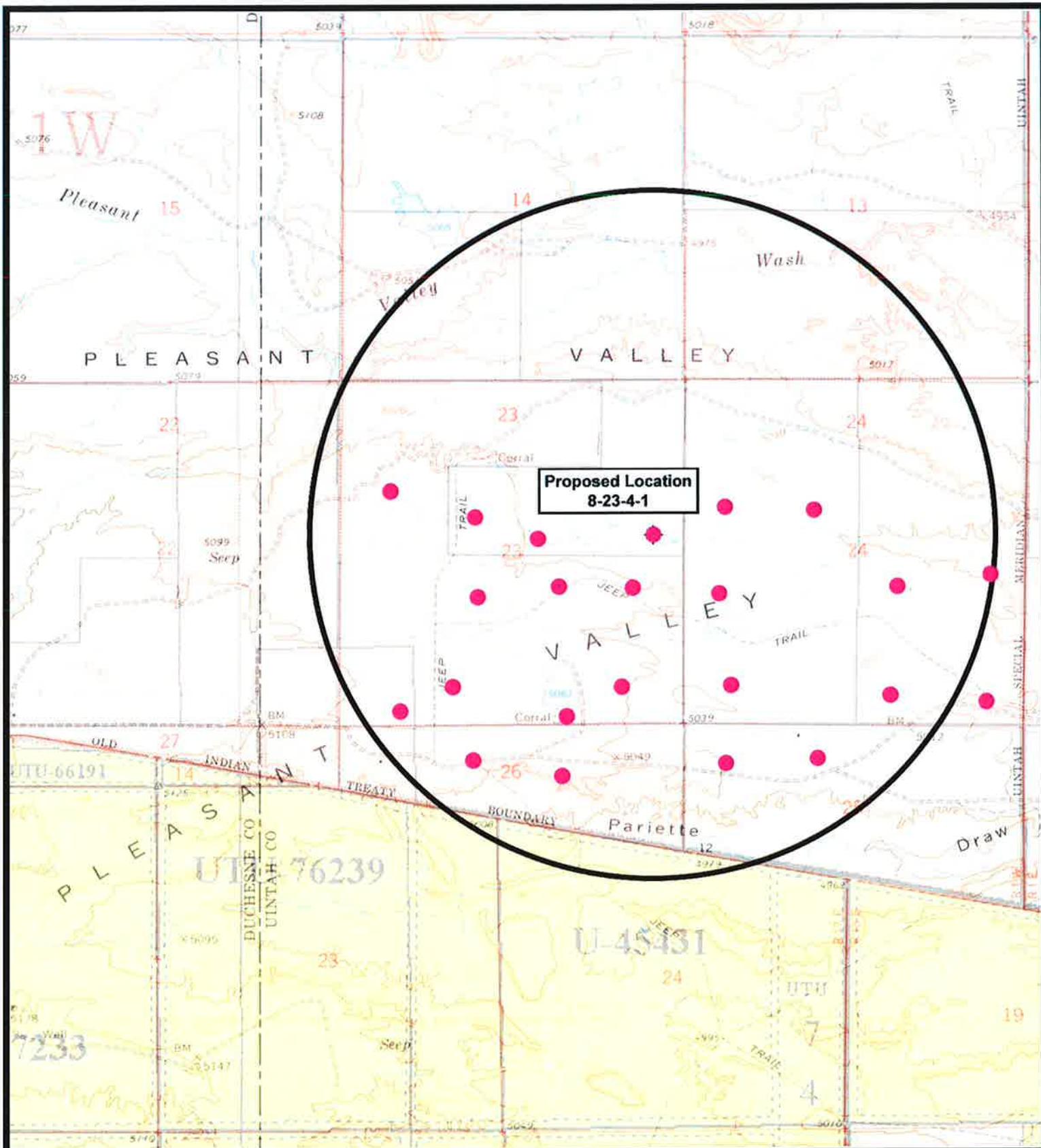


- Newfield Wells**
- Location
 - ◻ Surface Spud
 - △ Drilling
 - ◊ Waiting on Completion
 - Producing Oil Well
 - ⊕ Producing Gas Well
 - ⊘ Water Injection Well
 - ⊗ Dry Hole
 - ⊕ Temporarily Abandoned
 - ⊖ Plugged & Abandoned
 - ⊥ Shut In
 - ⊥ Water Source Well
 - ⊥ Water Disposal Well
 - ⊗ Injection Stations
- Unit Outlines**
- Unit Outlines
 - - - Unit Outlines

NEWFIELD
ROCKY MOUNTAINS

Exhibit A
Division & Unit Center

1001 17th Street Suite 200
Denver, Colorado 80202
Phone: (303) 622-0102



 **NEWFIELD**
Exploration Company

8-23-4-1
SEC. 23, T4S, R1W, U.S.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: 12-30-2009

Legend

- Location
- One-Mile Radius

Exhibit "B"

**NEWFIELD PRODUCTION COMPANY
UTE TRIBAL 8-23-4-1
SE/NE SECTION 23, T4S, R1W
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 Ute Tribal 8-23-4-1 located in the SE 1/4 NE 1/4 Section 23, T4S, R1W, Uintah County, Utah:

Proceed in a southerly direction out of Myton, approximately 3.0 miles to it's junction with an existing road to the east; proceed in a southeasterly direction approximately 3.2 miles to it's junction with an existing road to the east; proceed in a southeasterly direction approximately 4.7 miles to it's junction with an existing road to the north; proceed northerly approximately 0.4 miles to it's junction with an existing road to the east; proceed easterly approximately 0.6 miles to it's junction with the beginning of the proposed access road to the north; proceed northerly along the proposed access road approximately 980' to the proposed well location.

The aforementioned dirt oil field service roads and other roads in the vicinity are constructed out of existing native materials that are prevalent to the existing area they are located in and range from clays to a sandy-clay shale material.

The roads for access during the drilling, completion and production phase will be maintained at the standards required by the State of Utah, or other controlling agencies. This maintenance will consist of some minor grader work for smoothing road surfaces and for snow removal. Any necessary fill material for repair will be purchase and hauled from private sources.

2. PLANNED ACCESS ROAD

Approximately 980' of access road is proposed for the proposed well. See attached **Topographic Map "B"**.

The proposed access road will be an 18' crown road (9' either side of the centerline) with drainage ditches along either side of the proposed road whether it is deemed necessary in order to handle any run-off from normal meteorological conditions that are prevalent to this area. The maximum grade will be less than 8%.

There will be **no** culverts required along this access road. There will be barrow ditches and turnouts as needed along this road.

There are no fences encountered along this proposed road. There will be no new gates or cattle guards required.

All construction material for this access road will be borrowed material accumulated during construction of the access road.

3. LOCATION OF EXISTING WELLS

Refer to Exhibit "B".

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

There are no existing facilities that will be used by this well.

It is anticipated that this well will be a producing oil well.

Upon construction of a tank battery, the well pad will be surrounded by a dike of sufficient capacity to contain at minimum 110% of the largest tank volume within the facility battery.

Tank batteries will be built to State specifications.

All permanent (on site for six (6) months or longer) structures, constructed or installed (including pumping units), will be painted a flat, non-reflective, earth tone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within six months of installation.

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

Newfield Production will transport water by truck from nearest water source as determined by a Newfield representative for the purpose of drilling the above mentioned well. The available water sources are as follows:

Johnson Water District
Water Right : 43-7478

Neil Moon Pond
Water Right: 43-11787

Maurice Harvey Pond
Water Right: 47-1358

Newfield Collector Well
Water Right: 41-3530 (A30414DV, contracted with the Duchesne County Conservancy District).

There will be no water well drilled at this site.

6. **SOURCE OF CONSTRUCTION MATERIALS**

All construction material for this location shall be borrowed material accumulated during construction of the location site and access road.

A mineral material application is not required for this location.

7. **METHODS FOR HANDLING WASTE DISPOSAL**

A small reserve pit (90' x 40' x 8' deep, or less) will be constructed from native soil and clay materials. The reserve pit will receive the processed drill cutting (wet sand, shale & rock) removed from the wellbore. Any drilling fluids, which do accumulate in the pit as a result of shale-shaker carryover, cleaning of the sand trap, etc., will be promptly reclaimed. All drilling fluids will be fresh water based, typically containing Total Dissolved Solids of less than 3000 PPM. No potassium chloride, chromates, trash, debris, nor any other substance deemed hazardous will be placed in this pit. Therefore, it is proposed that no synthetic liner be required in the reserve pit. However, if upon constructing the pit there is insufficient fine clay and silt present, a liner will be used for the purpose of reducing water loss through percolation.

Newfield requests approval that a flare pit not be constructed or utilized on this location.

A portable toilet will be provided for human waste.

A trash basket will be provided for garbage (trash) and hauled away to an approved disposal site at the completion of the drilling activities.

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

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

8. **ANCILLARY FACILITIES**

There are no ancillary facilities planned for at the present time and none foreseen in the near future.

9. **WELL SITE LAYOUT**

See attached Location Layout Sheet.

Fencing Requirements

All pits will be fenced according to the following minimum standards:

- a) A 39-inch net wire shall be used with at least one strand of barbed wire on top of the net.
- b) The net wire shall be no more than two (2) inches above the ground. The barbed wire shall be three (3) inches above the net wire. Total height of the fence shall be at least forty-two (42) inches.
- c) Corner posts shall be centered and/or braced in such a manner to keep tight at all times
- d) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than sixteen (16) feet.
- e) All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

The reserve pit fencing will be on three (3) sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Existing fences to be crossed by the access road will be braced and tied off before cutting so as to prevent slacking in the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and upon completion of construction the fence shall be repaired to BLM specifications.

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

- a) Producing Location

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

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximated natural contours. Weather permitting, the reserve pit will be reclaimed within one hundred twenty (120) days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed.

b) Dry Hole Abandoned Location

At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and the State of Utah will attach the appropriate surface rehabilitation conditions of approval.

11. **SURFACE OWNERSHIP** – Henderson Ranches LLC.

See attached Memorandum of Surface Use Agreement and Easement ROW.

12. **OTHER ADDITIONAL INFORMATION**

Newfield Production Company requests 980' of disturbed area be granted to allow for construction of the planned access road. **Refer to Topographic Map "B"**. A permanent width of 30' and a running surface of 18' is proposed for the planned access road. The construction phase of the planned access road will last approximately (5) days. The planned 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 980' of disturbed area be granted for construction of the proposed gas lines. It is proposed that the disturbed area will temporarily be 50' wide to allow for construction of a 6" gas gathering line, and a 3" poly fuel gas line, with a permanent width of 30' upon completion of the proposed gas lines. The construction phase of the proposed gas lines will last approximately (5) days. Both proposed lines will tie in to the existing pipeline infrastructure. **Refer to Topographic Map "C."**

Newfield Production Company requests 980' of disturbed area be granted to allow for construction of the proposed water lines. It is proposed that the disturbed area will temporarily be 50' wide to allow for construction of a buried 3" steel water injection line and a buried 3" poly water return line and 30' wide upon completion of the proposed water lines. Both proposed lines will tie in to the existing pipeline infrastructure. **Refer to Topographic Map "C."** In the event that the proposed well is converted to a water injection well, a separate injection permit will be applied for through the proper agencies.

- a) Newfield Production Company is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, Newfield is to immediately stop work that might further disturb such materials and contact the Authorized Officer.
- b) Newfield Production will control noxious weeds along rights-of-way for roads, pipelines, well sites or other applicable facilities. On State administered land it is required that a Pesticide Use Proposal shall be submitted and given approval prior to the application of herbicides or other possible hazardous chemicals.
- c) Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on State Lands after the conclusion of drilling operations or at any other time without State authorization. However, if State authorization is obtained, it is only a

temporary measure to allow time to make arrangements for permanent storage on commercial facilities.

The Archaeological and Paleontological Report Waiver is attached.

Additional Surface Stipulations

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws and regulations, Onshore Oil and Gas Orders, the approved plan of operations and any applicable Notice to Lessees. A copy of these conditions will be furnished to the field representative to ensure compliance.

Hazardous Material Declaration

Newfield Production Company guarantees that during the drilling and completion of the Ute Tribal 8-23-4-1, Newfield will not use, produce, store, transport or dispose 10,000# annually of any of the hazardous chemicals contained in the Environmental Protection Agency's consolidated list of chemicals subject to reporting under Title III Superfund Amendments and Reauthorization Act (SARA) of 1986. Newfield also guarantees that during the drilling and completion of the Ute Tribal 8-23-4-1, Newfield will use, produce, store, transport or dispose less than the threshold planning quantity (T.P.Q.) of any extremely hazardous substances as defined in 40 CFR 355.

A complete copy of the approved APD, if applicable, shall be on location during the construction of the location and drilling activities.

Newfield Production Company or a contractor employed by Newfield Production shall contact the State office at (801) 722-3417, 48 hours prior to construction activities.

The State office as well as the Ute Tribe Energy and Mineral Department shall be notified upon site completion prior to moving on the drilling rig.

13. LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

Representative

Name: Tim Eaton
Address: Newfield Production Company
Route 3, Box 3630
Myton, UT 84052
Telephone: (435) 646-3721

Certification

Please be advised that Newfield Production Company is considered to be the operator of well #8-23-4-1, SE/NE Section 23, T4S, R1W, 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, Federal Bond #WYB000493.

I hereby certify that the proposed drill site and access route have been inspected, and I am familiar with the conditions which currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Newfield Production Company and its contractors and subcontractors in conformity with this plan and the terms and

conditions under which it is approved. This statement is subject to the provisions of the 18 U.S.C. 1001 for the filing of a false statement.

2/26/10
Date


Mandie Crozier
Mandie Crozier
Regulatory Specialist
Newfield Production Company

NEWFIELD PRODUCTION COMPANY

8-23-4-1

Section 23, T4S, R1W, U.S.B.&M.



PROPOSED ACCESS ROAD (Max. 6% Grade)

C/0.3

C/2.2

Top of Cut Slope

Edge of Field

C/1.9

STA. 3+05

STA. 2+35

STA. 1+75

STA. 0+00

WELL HEAD:
UNGRADED = 5037.1'
FIN. GRADE = 5036.1'

PIT TOPSOIL STOCKPILE

C/1.5

C/0.4

C/1.0

C/0.7

C/0.4

TOPSOIL STOCKPILE

120'

130'

50'

C/1.8

A

B

2' Berm Around Fill Portion of Location

70'

1:1 Slopes

50'

80'

10' WIDE BENCH

100'

40'

RESERVE PIT (8' Deep)

D

FLARE PIT

EXCESS MATERIAL

Note:
Flare pit is to be located a minimum of 80' from well head.

155'

EXCESS MATERIAL

F/0.9

F/0.7

Toe of Fill Slope

F/1.0

EXCESS MATERIAL

REFERENCE POINTS

- 170' SOUTHEAST - 5035.5'
- 220' SOUTHEAST - 5034.1'
- 225' NORTHEAST - 5034.4'
- 275' NORTHEAST - 5034.0'

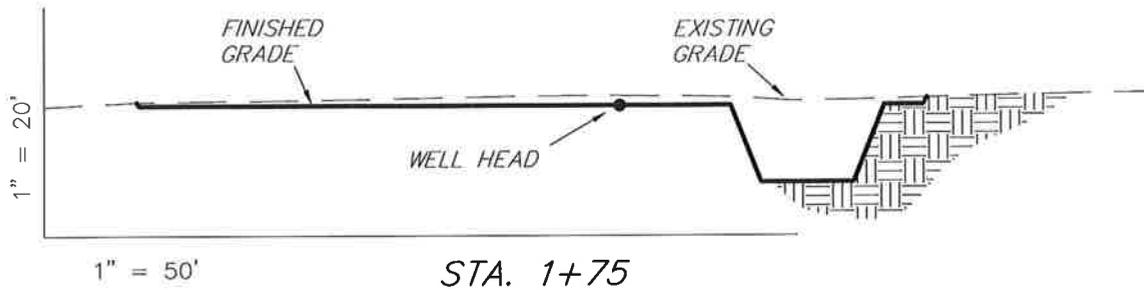
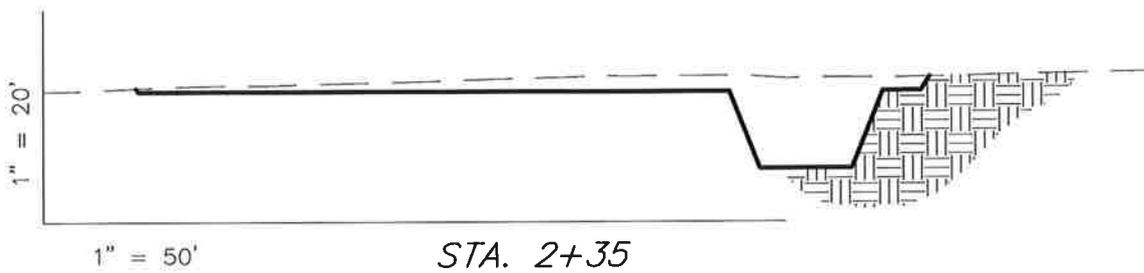
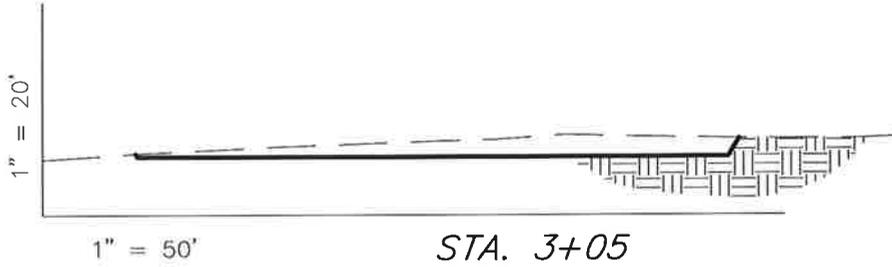
SURVEYED BY: T.P.	DATE SURVEYED: 12-28-09
DRAWN BY: M.W.	DATE DRAWN: 12-30-09
SCALE: 1" = 50'	REVISED:

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

NEWFIELD PRODUCTION COMPANY

CROSS SECTIONS

8-23-4-1



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	600	600	Topsoil is not included in Pad Cut	0
PIT	640	0		640
TOTALS	1,240	600	990	640

SURVEYED BY: T.P.	DATE SURVEYED: 12-28-09
DRAWN BY: M.W.	DATE DRAWN: 12-30-09
SCALE: 1" = 50'	REVISED:

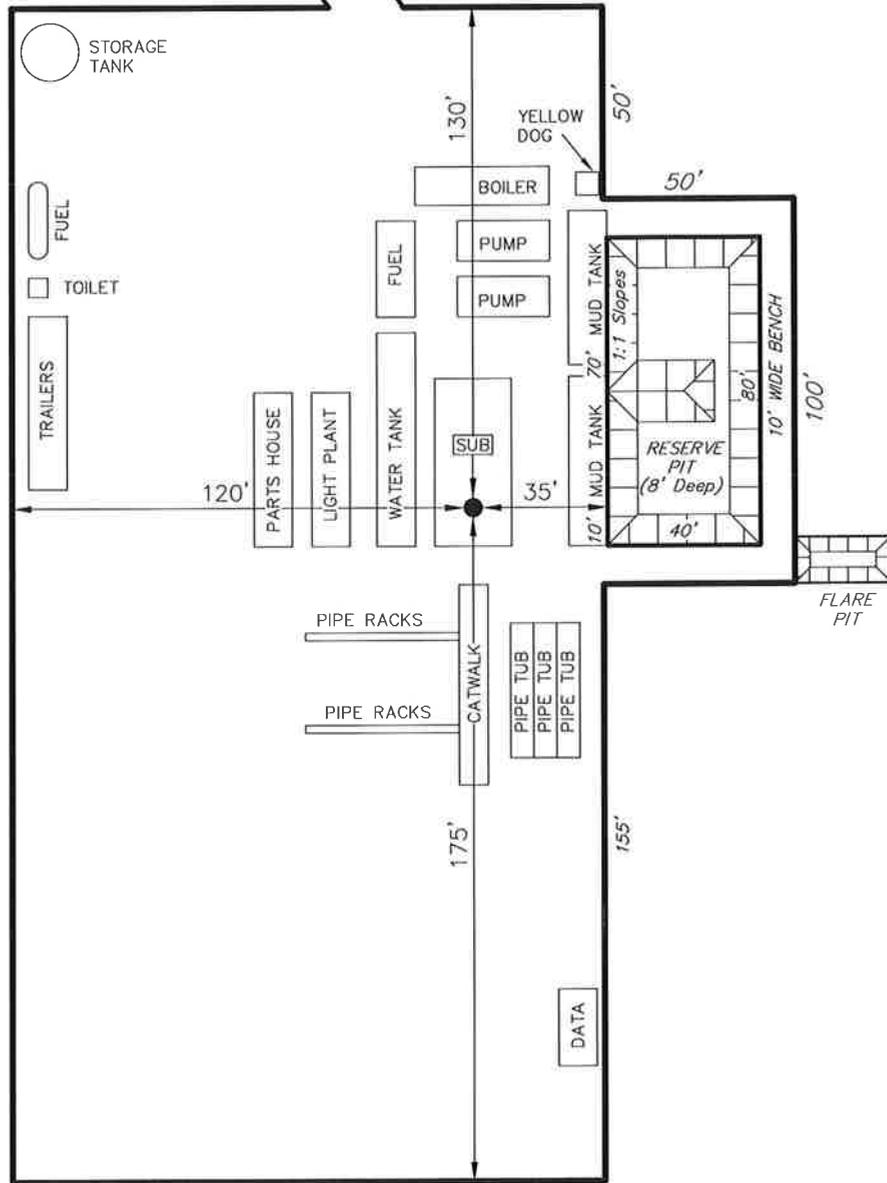
Tri State (435) 781-2501
Land Surveying, Inc.
180 NORTH VERNAL AVE. VERNAL, UTAH 84078

NEWFIELD PRODUCTION COMPANY

TYPICAL RIG LAYOUT

8-23-4-1

PROPOSED ACCESS ROAD (Max. 6% Grade)



SURVEYED BY: T.P.	DATE SURVEYED: 12-28-09
DRAWN BY: M.W.	DATE DRAWN: 12-30-09
SCALE: 1" = 50'	REVISED:

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

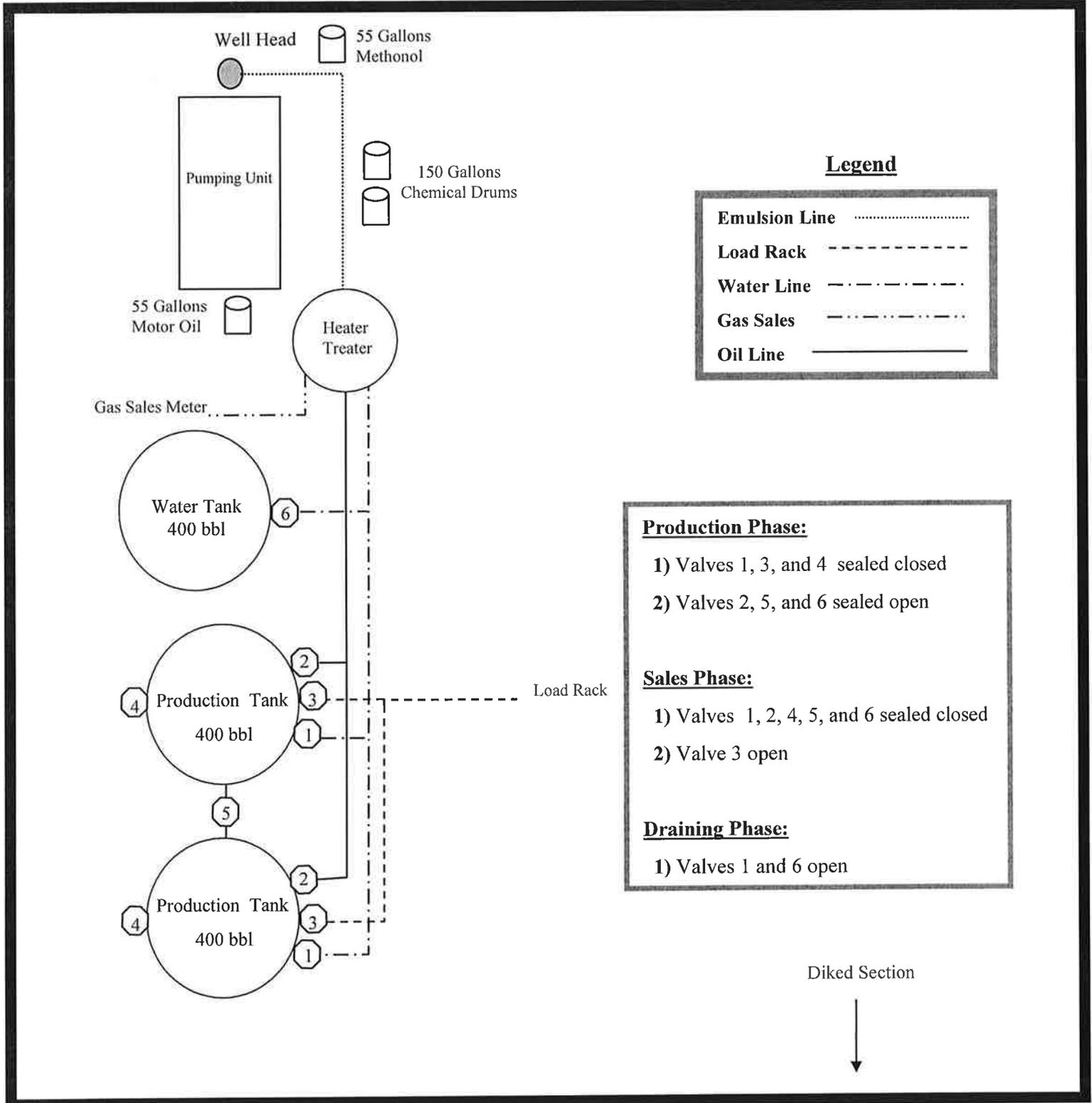
Newfield Production Company Proposed Site Facility Diagram

Ute Tribal 8-23-4-1

SE/NE Sec. 23, T4S, R1W

Uintah County, Utah

2OG0005609



Legend

Emulsion Line
Load Rack	-----
Water Line	-.-.-.-
Gas Sales
Oil Line	————

Production Phase:

- 1) Valves 1, 3, and 4 sealed closed
- 2) Valves 2, 5, and 6 sealed open

Sales Phase:

- 1) Valves 1, 2, 4, 5, and 6 sealed closed
- 2) Valve 3 open

Draining Phase:

- 1) Valves 1 and 6 open

Diked Section



EXHIBIT D

Township 4 South, Range 1 West
Section 23: SENE (8-23-4-1)

Uintah County, Utah

ARCHAEOLOGICAL & PALEOTOLOGICAL REPORT WAIVER

For the above referenced location only; Henderson Ranches, LLC, the private surface owner. (Having a Surface Owner Agreement with Newfield Production Company)

Wayne Henderson, representing this entity does agree to waive the request from the State of Utah and Bureau of Land Management for an Archaeological/Cultural and Paleotological Resource Survey for any wells covered by the Surface Use Agreement dated 2/22/2010 between the above said private land owner and Newfield Production. This waiver hereby releases Newfield Production Company from this request.


Wayne Henderson Date
Private Surface Owner


Dave Allred Date
Newfield Production Company

NEWFIELD



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

February 26, 2010

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

RE: Application for Permit to Drill
Ute Tribal 8-23-4-1

Dear Diana:

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

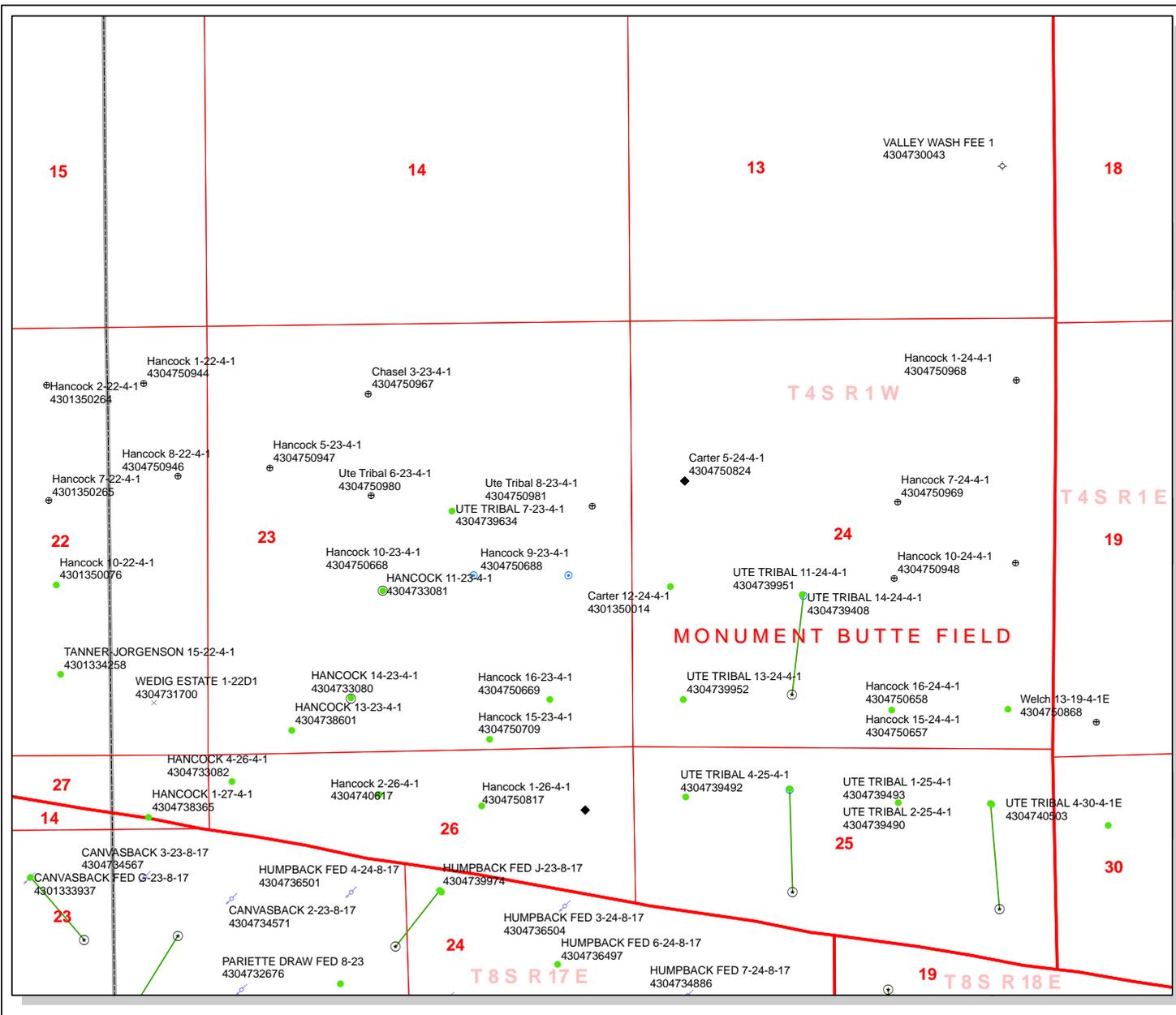
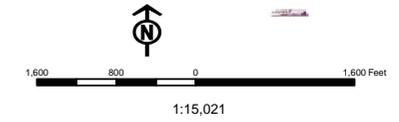
Sincerely,

Mandie Crozier
Regulatory Specialist

API Number: 4304750981
Well Name: Ute Tribal 8-23-4-1
Township 04.0 S Range 01.0 W Section 23
Meridian: UBM
 Operator: NEWFIELD PRODUCTION COMPANY

Map Prepared:
 Map Produced by Diana Mason

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





March 25, 2010

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

2440

RE: Exception Location
Ute Tribal 8-23-4-1
T4S R1W, Section 23: SENE
2269' FNL 492' ~~FNL~~ FEL
Uintah County, Utah

Dear Ms. Mason;

Pursuant to Rule 649-3-3 of the Oil & Gas Rules and Regulations of the State of Utah, Newfield Production Company ("NPC") hereby requests an exception location for the drilling of the captioned well. The proposed drillsite for this well is located 85' south of the drilling window required by Rule R649-3-2, which requires a well to be located in the center of a forty (40) acre quarter-quarter section, or a substantially equivalent lot or tract, with a tolerance of two hundred (200) feet in any direction from the center.

The attached plat depicts the proposed location and illustrates the deviation from the drilling window. The requested location has been chosen to accommodate the surface owner.

Please note the drillsite is on tribal acreage and the leasehold is owned by NPC and Ute Energy. The location is less than 460' from acreage owned by the Ute Energy. A copy of Ute Energy's consents to this location has been enclosed.

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Alan Wild", is written over a faint circular stamp.

Alan Wild
Land Associate

Attachment

RECEIVED
MAR 29 2010
DIV. OF OIL, GAS & MINING



March 1, 2010

Ute Energy
Attn: Cameron Cuch
PO Box 789
7074 East 900 South
Fort Duchesne, UT 84026

Re: Exception Location
Ute Tribal 8-23-4-1
Uintah County, Utah

Dear Mr. Cuch:

In accordance with Section 3.1.D of the Exploration & Development Agreement dated December 22, 2006 among the Ute Indian Tribe, Newfield Production Company and the Ute Distribution Corporation, please be advised that Newfield is requesting approval from the Utah Division of Oil, Gas & Mining for the following well:

Ute Tribal 8-23-4-1
T4S R1W, Section 23: SENE
2269' FNL 492' FEL
Uintah County, Utah

The location of this well is outside the drilling window as required by State of Utah R649-3-2. It has been moved at the request of the surface owner. Therefore, it is necessary to obtain your written concurrence with this exception location as an affected party.

Enclosed you will find a plat showing the location of the above referenced well. If you are in agreement to this location, please verify your consent by signing and dating where indicated on page 2 of this letter and return to my attention **as soon as possible**. You may mail your consent to the letterhead address, fax to 303-893-0103 or email to awild@newfield.com.

If you have any questions or need further information, please do not hesitate to contact me at 303-382-4137 or by email at awild@newfield.com. I appreciate your prompt attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan D. Wild", is written over a faint, illegible stamp or watermark.

Alan D. Wild
Land Associate

RECEIVED

MAR 29 2010

DIV. OF OIL, GAS & MINING

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

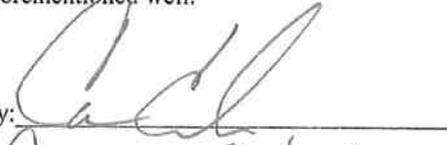
303-893-0103 fax

awild@newfield.com email

Re: Exception Location
Ute Tribal 8-23-4-1
T4S R1W, Section 23: SENE
2269' FNL 492' FEL
Uintah County, Utah

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

By:


Cameron Cuch, General Manager
Print Name and Title

Date: March 24, 2010

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator	NEWFIELD PRODUCTION COMPANY				
Well Name	Ute Tribal 8-23-4-1				
API Number	43047509810000	APD No	2440	Field/Unit	MONUMENT BUTTE
Location: 1/4,1/4	SENE	Sec	23	Tw	4.0S Rng 1.0W 2269 FNL 492 FEL
GPS Coord (UTM)	589032 4441564	Surface Owner	Henderson Ranches LLC		

Participants

Floyd Bartlett (DOGM), Tim Eaton, Brian Foote, Cheyene Bateman and Joe Pippy (Newfield), James Hereford and Karl Wright (BLM), Cory Miller (Tri-State Land Surveying).

Regional/Local Setting & Topography

The proposed location is approximately 11.9 road miles southeast of Myton, UT in a sub-drainage of Pleasant Valley Wash which drains into the Pariette Draw drainage of Duchesne County. Both of these draws contain perennial streams somewhat consisting of irrigation runoff and seepage. Pariette Draw runs into the Green River approximately 6 miles downstream from Ouray, Utah and about 12 miles downstream from the location. The broad flats of Pleasant Valley that are frequently used for agriculture characterize the area. Flats are intersected by drainages with gentle to moderate side slopes. Access to the site is by State, County and existing or planned oil field development roads. Approximately 980 feet of new construction across Henderson's private land will be required to reach the location.

The specific site for the proposed Ute Tribal 8-23-4-1 oil well location is in Pleasant Valley mostly outside a pivot irrigated cornfield. The pad is laid out in a west to easterly direction bordering the cornfield that is to the north. The location is outside the normal drilling and moved to this location at the request of the landowners so as not to interfere with their agricultural production. The entire reserve pit is within the outside edge of the field. The well will be drilled and reserve pit closed during the non-irrigation season. The area is essential level with a slight slope into re greasewood wastelands that border the field. This area has a moderately high water table and may require some imported borrow to harden the pad. No drainage concerns exist and no diversions are needed. No streams, springs, ditches or open water exists in the immediate area. Mr. Karl Wright of the BLM expressed some concern that the pivot may spray on the outer edge of the location. It was explained that this would only occur if the pivot circled in that area during an intense wind.

Henderson Ranches owns the surface of the location.

Surface Use Plan

Current Surface Use

- Grazing
- Agricultural
- Wildlfe Habitat

New Road Miles	Well Pad	Src Const Material	Surface Formation
0.018	Width 204 Length 305	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

Approximately 6 inches of snow covered the site. Identified vegetation included halogeton, shadscale, greasewood, aster, curly mesquite grass, 1 tamarix and weedy annuals.

Cattle, deer, small mammals and birds.

Soil Type and Characteristics

Deep clayey sandy loam.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required? N

Berm Required? Y

Erosion Sedimentation Control Required? N

Paleo Survey Run? N **Paleo Potential Observed?** N **Cultural Survey Run?** N **Cultural Resources?**

Reserve Pit

Site-Specific Factors	Site Ranking	
Distance to Groundwater (feet)		20
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	300 to 1320	10
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)		0
Affected Populations		
Presence Nearby Utility Conduits	Not Present	0
	Final Score	45
		1 Sensitivity Level

Characteristics / Requirements

The reserve pit will be 40' x 80' x 8' deep located in an area of cut on the southwest side of the location within a pivot sprinkler irrigated cornfield. A pit liner is required. Newfield commonly uses a 16-mil liner.

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

Other Observations / Comments

Floyd Bartlett
Evaluator

3/9/2010
Date / Time

Application for Permit to Drill Statement of Basis

3/31/2010

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
2440	43047509810000	LOCKED	OW	P	No
Operator	NEWFIELD PRODUCTION COMPANY		Surface Owner-APD	Henderson Ranches LLC	
Well Name	Ute Tribal 8-23-4-1		Unit		
Field	MONUMENT BUTTE		Type of Work	DRILL	
Location	SENE 23 4S 1W U 2269 FNL 492 FEL GPS Coord (UTM) 589015E 4441557N				

Geologic Statement of Basis

The mineral rights for the proposed well are owned by the Ute Tribe. The BLM will be the agency responsible for evaluating and approving the drilling, casing and cement programs.

Brad Hill
APD Evaluator

3/10/2010
Date / Time

Surface Statement of Basis

The proposed location is approximately 11.9 road miles southeast of Myton, UT in a sub-drainage of Pleasant Valley Wash which drains into the Pariette Draw drainage of Duchesne County. Both of these draws contain perennial streams somewhat consisting of irrigation runoff and seepage. Pariette Draw runs into the Green River approximately 6 miles downstream from Ouray, Utah and about 12 miles downstream from the location. The broad flats of Pleasant Valley that are frequently used for agriculture characterize the area. Flats are intersected by drainages with gentle to moderate side slopes. Access to the site is by State, County and existing or planned oil field development roads. Approximately 980 feet of new construction across Henderson's private land will be required to reach the location.

The specific site for the proposed Ute Tribal 8-23-4-1 oil well location is in Pleasant Valley mostly outside a pivot irrigated cornfield. The pad is laid out in a west to easterly direction bordering the cornfield that is to the north. The location is outside the normal drilling and moved to this location at the request of the landowners so as not to interfere with their agricultural production. The entire reserve pit is within the outside edge of the field. The well will be drilled and reserve pit closed during the non-irrigation season. The area is essential level with a slight slope into re greasewood wastelands that border the field. This area has a moderately high water table and may require some imported borrow to harden the pad. No drainage concerns exist and no diversions are needed. No streams, springs, ditches or open water exists in the immediate area. Mr. Karl Wright of the BLM expressed some concern that the pivot may spray on the outer edge of the location. It was explained that this would only occur if the pivot circled in that area during an n intense wind.

Henderson Ranches owns the surface of the location. A surface use agreement has been signed. Wayne and Tommy Henderson were met that morning prior to the pre-site. They said they would only attend the evaluations for the few wells they had concerns with. They had no concerns regarding this location. The minerals are owned by the United States Government and held in trust for the Ute Indian Tribe. James Hereford and Karl Wright of the BLM were present and had no significant concerns. The landowners have waived a cultural resource survey.

Floyd Bartlett
Onsite Evaluator

3/9/2010
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.

Application for Permit to Drill Statement of Basis

3/31/2010

Utah Division of Oil, Gas and Mining

Page 2

Surface

The well site shall be bermed to prevent fluids from leaving the pad.

Surface

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

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 3/2/2010

API NO. ASSIGNED: 43047509810000

WELL NAME: Ute Tribal 8-23-4-1

OPERATOR: NEWFIELD PRODUCTION COMPANY (N2695)

PHONE NUMBER: 435 646-4825

CONTACT: Mandie Crozier

PROPOSED LOCATION: SENE 23 040S 010W

Permit Tech Review:

SURFACE: 2269 FNL 0492 FEL

Engineering Review:

BOTTOM: 2269 FNL 0492 FEL

Geology Review:

COUNTY: UINTAH

LATITUDE: 40.12152

LONGITUDE: -109.95536

UTM SURF EASTINGS: 589015.00

NORTHINGS: 4441557.00

FIELD NAME: MONUMENT BUTTE

LEASE TYPE: 2 - Indian

LEASE NUMBER: 2OG0005609

PROPOSED PRODUCING FORMATION(S): GREEN RIVER

SURFACE OWNER: 4 - Fee

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- PLAT
- Bond: FEDERAL - WYB000493
- Potash
- Oil Shale 190-5
- Oil Shale 190-3
- Oil Shale 190-13
- Water Permit: 43-7478
- RDCC Review:
- Fee Surface Agreement
- Intent to Commingle

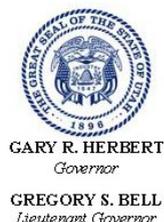
Commingling Approved

LOCATION AND SITING:

- R649-2-3.
- Unit:**
- R649-3-2. General
- R649-3-3. Exception
- Drilling Unit
- Board Cause No:** R649-3-3
- Effective Date:**
- Siting:**
- R649-3-11. Directional Drill

Comments: Presite Completed

Stipulations:
1 - Exception Location - bhll
4 - Federal Approval - dmason
5 - Statement of Basis - bhll
23 - Spacing - dmason



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: Ute Tribal 8-23-4-1
API Well Number: 43047509810000
Lease Number: 2OG0005609
Surface Owner: FEE (PRIVATE)
Approval Date: 4/1/2010

Issued to:

NEWFIELD PRODUCTION COMPANY , Rt 3 Box 3630 , Myton, UT 84052

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-3. The expected producing formation or pool is the GREEN RIVER Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

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

Exception Location:

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

General:

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

Conditions of Approval:

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

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the

Statement of Basis (copy attached).

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well – contact Carol Daniels at 801-538-5284 (please leave a voicemail message if not available)

OR

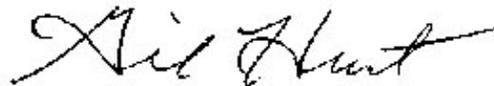
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <https://oilgas.ogm.utah.gov>

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) – due prior to implementation
- Written Notice of Emergency Changes (Form 9) – due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
- Report of Water Encountered (Form 7) – due within 30 days after completion
- Well Completion Report (Form 8) – due within 30 days after completion or plugging

Approved By:



Gil Hunt
Associate Director, Oil & Gas

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. 20G0005609
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name UTE
2. Name of Operator Newfield Production Company		7. If Unit or CA Agreement, Name and No. NA
3a. Address Route #3 Box 3630, Myton UT 84052	3b. Phone No. (include area code) (435) 646-3721	8. Lease Name and Well No. Ute Tribal 8-23-4-1
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SE/NE 2269' FNL 492' FEL At proposed prod. zone		9. API Well No. 43 047 50981
14. Distance in miles and direction from nearest town or post office* Approximately 10.1 miles southeast of Myton, UT		10. Field and Pool, or Exploratory Undesignated
15. Distance from proposed* location to nearest property or lease line, ft. Approx. 492' f/lse, NA' f/unit (Also to nearest drig. unit line, if any)	16. No. of acres in lease NA	11. Sec., T. R. M. or Blk. and Survey or Area Sec. 23, T4S R1W
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Approx. 2918'	19. Proposed Depth 6,840'	12. County or Parish Utah
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5037' GL	22. Approximate date work will start* 3rd Qtr. 2010	13. State UT
20. BLM/BIA Bond No. on file RLB0010462		
23. Estimated duration (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, must be attached to this form:

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM. |

25. Signature <i>Mandie Crozier</i>	Name (Printed/Typed) Mandie Crozier	Date 6/17/10
Title Regulatory Specialist		
Approved by (Signature) <i>James H. Sparger</i>	Name (Printed/Typed) James H. Sparger	Date JUN 22 2010
Title Acting Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

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

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

(Continued on page 2)

UDOGM

NOTICE OF APPROVAL

RECEIVED

JUL 19 2010

DIV. OF OIL, GAS & MINING

RECEIVED

JUN 21 2010

BLM VERNAL, UTAH

*(Instructions on page 2)

Original
MAR 04 2010

Received date

CONDITIONS OF APPROVAL ATTACHED

AF/MS 10JMD653A



**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: Ute Tribal 8-23-4-1
API No: 43-047-50980

Location: SENW, Sec.23, T4S R1W
Lease No: 2OG0005609
Agreement: N/A

OFFICE NUMBER: (435) 781-4400

OFFICE FAX NUMBER: (435) 781-3420

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

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

NOTIFICATION REQUIREMENTS

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

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

Site Specific Conditions of Approval:

- No surface COAs
- Well is on private surface.

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

SITE SPECIFIC DOWNHOLE COAs:

- Variance on using a diverter bowl in place of a rotating head. The diverter bowl forces the air and cutting returns to the reserve pit and is used to drill the surface casing (surface to a total depth of 350 feet). The surface casing occurs within the Uinta Formation which is a non-hydrocarbon bearing zone and thus has no possibility of gas pressure.
- Variance is granted on using a blooie line with a discharge less than 100 feet from the wellbore in order to minimize the size of the well pads and direct the cuttings and circulating mediums into the reserve pit. The well bore is located approximately 35 feet from the reserve pit which is 40 feet wide; a 100 feet blooie line would discharge the cuttings and circulating mediums across the reserve pit and off the location. The requested length of the blooie line to drill the surface casing (surface to a total depth of 350 feet) is 35 feet. The surface casing occurs within the Uinta Formation which is a non-hydrocarbon bearing zone and thus has no possibility of gas pressure.
- Variance is granted on operating without an automatic igniter or continuous pilot light on the blooie line due to the fact the air rig is only used to drill the surface casing (surface to a total depth of 350 feet). The surface casing occurs within the Uinta Formation which is a non-hydrocarbon bearing zone and thus has no possibility of gas pressure.
- Variance granted permission to use a trailer mounted compressor located less than 100 feet from the well bore in order to minimize the well pad size. The trailer mounted compressor is located 50 feet from the wellbore and in an opposite direction of the blooie line. The compressor has the following safety features: (1) shut off valve on the trailer that is located approximately 15 ft from the air rig, (2) pressure relief valve on the compressor, and (3) Spark arresters on the motors. The compressor only used in the drilling of the surface casing (surface to a total depth of 350 feet). The surface casing occurs within the Uinta Formation which is a non-hydrocarbon bearing zone and thus has no possibility of gas pressure.
- Operator must notify BLM Vernal office of any active gilsonite operation within 2 miles of the location 48 hours prior to any blasting on this well location

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

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or

abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.

- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- 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.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (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 the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or

data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

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

Spud
BLM - Vernal Field Office - Notification Form

Operator Newfield Exploration

Rig Name/# Ross #29

Submitted By Mitch Benson

Phone Number (435) 823-5885

Name/Numer UTE TRIBAL 8-23-4-1W

Qtr/Qrt SE/NE Section 23 Township 4S Range 1W

Lease Serial Number 2OG0005609

API Number 43-047-50981

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

Date/Time 10/5/2010 8:00:00 AM

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

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

Date/Time 10/5/2010 2:00:00 PM

Remarks:

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

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

OPERATOR ACCT. NO. N2695

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	17809	4301350306	ALLEN 1-24-4-2	NENE	24	4S	2W	DUCHESNE	10/10/2010	10/12/10
WELL 1 COMMENTS: GRRV											
A	99999	17810	4304750981	UTE TRIBAL 8-23-4-1	SENE	23	4S	1W	UINTAH	10/5/2010	10/12/10
GRRV											
B	99999	17400	4301350188	MON BUTTE NE ^{FED 25} N 23 8-16	NESW	25 23	8S	16E	DUCHESNE	10/1/2010	10/18/10
GRRV BHL = NESW											
A	99999	17811	4301350038	UTE TRIBAL 6-3-4-4	SENW	6	4S	4W	DUCHESNE	9/28/2010	10/12/10
GR-WS											
A	99999	17812	4301350377	UTE TRIBAL 9-14-4-3W	NESE	14	4S	3W	DUCHESNE	10/5/2010	10/12/10
WELL 5 COMMENTS: GRRV											
A	99999	17813	4304751124	UTE TRIBAL 11-11-4-1E	NESW	11	4S	1E	UINTAH	10/11/2010	10/12/10
WELL 5 COMMENTS: GRRV											

CONFIDENTIAL

- ACTION CODES (See instructions on back of form)
- A - 1 new entity for new well (single well only)
 - B - well to existing entity (group or unit well)
 - C - from one existing entity to another existing entity
 - D - well from one existing entity to a new entity
 - E - other (explain in comments section)

RECEIVED
 OCT 11 2010

Signature Jentri Park
 Production Clerk
 Date 10/11/10

NOTE: Use COMMENT section to explain why each Action Code was selected.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

SUBMIT IN TRIPLICATE - Other Instructions on page 2

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 NEWFIELD PRODUCTION COMPANY

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

3b. Phone (include are code)
 435.646.3721

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 SENE Section 23 T4S R1W

5. Lease Serial No.
 BIA 14-20-H62-6252

6. If Indian, Allottee or Tribe Name.

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

8. Well Name and No.
 UTE TRIBAL 8-23-4-1

9. API Well No.
 4304750981

10. Field and Pool, or Exploratory Area
 MYTON-TRIBAL EDA

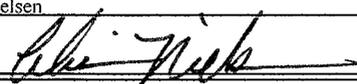
11. County or Parish, State
 DUCHESNE, UT

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

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

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

On 10/5/10 MIRU Ross rig # 29.Spud well @ 8:00 AM. Drill 350' of 12 1/4" hole with air mist. TIH W/ 8 Jt's 8 5/8" J-55 24 # csgn. Set @ 349.75 KB On 10/7/10 cement with 180 sks of class "G" w/ 2% CaCL2 + 1/4# sk Cello- Flake Mixed @ 15.8 ppg > 1.17 cf/ sk yeild. Returned 5 bbls cement to pit. WOC.

I hereby certify that the foregoing is true and correct (Printed/ Typed) Alvin Nielsen	Title Drilling Foreman
Signature 	Date 10/07/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

(Instructions on page 2)

RECEIVED

OCT 18 2010

DIV. OF OIL, GAS & MINING

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
 BIA 14-20-H62-6252

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL GAS WELL OTHER

8. WELL NAME and NUMBER:
 UTE TRIBAL 8-23-4-1

2. NAME OF OPERATOR:
 NEWFIELD PRODUCTION COMPANY

9. API NUMBER:
 4304750981

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

PHONE NUMBER:
 435.646.3721

10. FIELD AND POOL, OR WILDCAT:
 MYTON-TRIBAL EDA

4. LOCATION OF WELL:
 FOOTAGES AT SURFACE: 2269 FNL 0492 FEL

COUNTY: DUCHESNE

OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: SENE, 23, T4S, R1W

STATE: UT

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will _____ <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of Work Completion: 11/03/2010	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLAIR
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/STOP)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: - Weekly Status Report
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

The above subject well was completed on 11-03-10, attached is a daily completion status report.

NAME (PLEASE PRINT) Lucy Chavez-Naupoto

TITLE Administrative Assistant

SIGNATURE



DATE 11/08/2010

(This space for State use only)

RECEIVED
 NOV 16 2010
 DIV. OF OIL, GAS & MINING

Daily Activity Report

Format For Sundry

UTE TRIBAL 8-23-4-1

9/1/2010 To 1/30/2011

10/13/2010 Day: 1

Completion

Rigless on 10/13/2010 - Run CBL & perforate stg #1 - Install 5m frac head. NU 6" 5K Cameron BOP. RU H/O truck & pressure test casing, blind rams, frac head, csg & casing valves to 4500 psi. RU Perforators LLC WLT w/ mast & run CBL under pressure. WLTD @ ' & cement top @ '. Perforate stage #1, CP4 sds @ (6519'-23') w/ 3 1/8" Port plug guns (11 gram .36" EH 16.82" pen) w/ 3 spf for total of 12 shots, CP4 sds @ (6513'-15') w/ 3 1/8" Port plug guns (11 gram .36" EH 16.82" pen) w/ 3 spf for total of 6 shots, CP3 sds @ (6461'-63') w/ 3 1/8" Port plug guns (11 gram .36" EH 16.82" pen) w/ 3 spf for total of 6 shots, & CP 3 sds @ (6427'-29') w/ 3 1/8" Port plug guns (11 gram .36" EH 16.82" pen) w/ 3 spf for total of 6 shots. RD H/O truck & The Perforators WLT & mast. Wait on frac crew

Daily Cost: \$0

Cumulative Cost: \$12,857

10/27/2010 Day: 2

Completion

Rigless on 10/27/2010 - Frac well. Flow well. - RU The Perforators wireline. Set CBP & perf CP1 sds as shown in perforation report. RU BJ Services. Frac CP1 sds as shown in stimulation report. 1464 BWTR. - RU The Perforators wireline. Set CBP & perf LODC/A3/A1 sds as shown in stimulation report. RU BJ Services. Frac LODC/A3/A1 sds as shown in stimulation report. 2409 BWTR. - RU BJ Services. Frac CP4/CP3 sds as shown in stimulation report. 1029 BWTR. - RU The Perforators wireline. Set CBP & perf D2/DS2 sds as shown in perforation report. RU BJ Services. Frac D2/DS2 sds as shown in stimulation report. 2772 BWTR. - RU The Perforators wireline. Set CBP & perf GB6/GB4 sds as shown in perforation report. RU BJ Services. Frac GB6/GB4 sds as shown in stimulation report. RD BJ Services & The Perforators wireline. Open well to pit for immediate flowback @ approx. 3 bpm. Well flowed for 5 hrs & turned to oil. Recovered 675 bbls. SWIFN. 2851 BWTR.

Daily Cost: \$0

Cumulative Cost: \$139,671

10/29/2010 Day: 3

Completion

NC #3 on 10/29/2010 - MIRUSU. PU tbg & drill out CBP's. - MIRUSU. ND frac head & BOP. NU production head & BOP. RU rig floor. X- over to tbg eq. PU TIH w/ 4 3/4 chomp bit & 156- jts 2 7/8. Tag kill plug @ 4880'. RU RBS power swivel. Drill out kill plug. TIH w/ tbg to CBP @ 5130'. Drill out CBP. SDFD.

Daily Cost: \$0

Cumulative Cost: \$158,659

11/1/2010 Day: 4

Completion

NC #3 on 11/1/2010 - Cont to drill out CBP's. Swab well clean. - OWU. 300 psi on tbg & csg. TIH w/ tbg to CBP @ 5600'. Drill out CBP. TIH w/ tbg to CBP @ 6150'. Drill out CBP. TIH w/ tbg to CBP @ 6390'. Drill out CBP. TIH w/ tbg to fill @ 6956'. Clean fill out to PBTD @ 7030'. CWC. LD 3- jts 2 7/8. RU sandline to swab. IFL @ surface. Made 12 swab runs & recovered 150 bbls fluid w/ 5% oil & no sand. FFL @ 1300'. TIH w/ 3- jts 2 7/8. Tag fill @ 7000'. 30' of new fill. Clean out fill to PBTD @ 7030'. CWC. LD 14- jts 2 7/8. SDFD.

Daily Cost: \$0**Cumulative Cost:** \$202,324

11/2/2010 Day: 5**Completion**

NC #3 on 11/2/2010 - Trip tbg for production. - OWU. 300 psi on tbg & csg. RU rig pump & CWC. TOH w/ 210- jts 2 7/8, & chomp bit. PU TIH w/ NC, 2- jts 2 7/8, SN, 1- jt 2 7/8, TA, 207- jts 2 7/8. RD rig floor. ND BOP. Set TA w/ 18000 tension. NU wellhead. X- over to rod eq. PU TIH w/ 2 1/2 x 1 1/2 x 20 x 24 RHAC, 6- 1 1/2 wt bars, 40- 3/4 guided rods, 115- 3/4 plain rods, 97- 7/8 guided rods, 8', 4', 2', x 7/8 pony rods, 1 1/2 x 26' polish rod. SDFD.

Daily Cost: \$0**Cumulative Cost:** \$208,722

11/3/2010 Day: 6**Completion**

NC #3 on 11/3/2010 - RU pumping unit & PWOP. - RU pumping unit. W/ tbg full stroke test rod pump to 800 psi. Good test. RDMOSU. POP @ 9:00 W/ 122" SL @ 5 SPM FINAL REPORT!!

Finalized**Daily Cost:** \$0**Cumulative Cost:** \$233,074

Pertinent Files: Go to File List

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
14-20-H62-6252

6. If Indian, Allottee or Tribe Name
UTE TRIBAL 8-23-4-1

7. Unit or CA Agreement Name and No.

8. Lease Name and Well No.
UTE TRIBAL 8-23-4-1

9. AFI Well No.
~~43-047-50987~~ 4304750981

10. Field and Pool or Exploratory
MYTON-TRIBAL EDA

11. Sec., T., R., M., on Block and Survey or Area
SEC. 23, T4S, R1W

12. County or Parish
UINTAH

13. State
UT

14. Date Spudded
10/05/2010

15. Date T.D. Reached
10/14/2010

16. Date Completed
11/03/2010
 D & A Ready to Prod.

17. Elevations (DF, RKB, RT, GL)*
5037' GL 5049' KB

18. Total Depth: MD 7065'
TVD

19. Plug Back T.D.: MD 7030'
TVD

20. Depth Bridge Plug Set: MD
TVD

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

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	8-5/8" J-55	24#	0	350'		170 CLASS G			
7-7/8"	5-1/2" J-55	15.5#	0	7056'		300 PRIMLITE		240'	
						450 50/50 POZ			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-7/8"	EOT@ 6590'	TA @ 6492'						

25. Producing Intervals

Formation	Top	Bottom	Perforation Record	Size	No. Holes	Perf. Status
A) Green River			6427-6523' CP3 CP4	.36"	3	30
B) Green River			6328-6336' CP1	.36"	3	24
C) Green River			5930-6083' A1 A3 LODC	.36"	3	33
D) Green River			5405-5534' DS2 D2	.36"	3	18

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

Depth Interval	Amount and Type of Material
6427-6523'	Frac w/ 78212#'s 20/40 sand in 666 bbls of Lightning 17 fluid.
6328-6336'	Frac w/ 29002#'s 20/40 sand in 250 bbls of Lightning 17 fluid.
5930-6083'	Frac w/ 125120#'s 20/40 sand in 778 bbls of Lightning 17 fluid.
5405-5534'	Frac w/ 24203#'s 20/40 sand in 204 bbls of Lightning 17 fluid.

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
11/3/10	11/18/10	24	→	102	0.00	7.71			2-1/2" x 1-1/2" x 20' x 24' RHAC Pump
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→					PRODUCING	

28a. Production - Interval B

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

RECEIVED
NOV 23 2010

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

28b. Production - Interval C

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

28c. Production - Interval D

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

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

USED FOR FUEL

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

GEOLOGICAL MARKERS

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
GREEN RIVER	4937'	6523'		GARDEN GULCH MRK	4449'
				GARDEN GULCH 1	4631'
				GARDEN GULCH 2	4751'
				POINT 3	5054'
				X MRKR	5269'
				Y MRKR	5306'
				DOUGALS CREEK MRK	5448'
				BI CARBONATE MRK	5748'
				B LIMESTON MRK	5882'
				CASTLE PEAK	6282'
				BASAL CARBONATE	6680'
				WASATCH	6802'

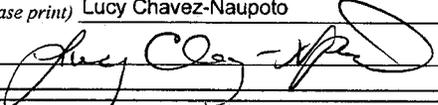
32. Additional remarks (include plugging procedure):

Stage 5: Green River Formation (GB4 & GB6) 4937-5044", .36" 3/39 Frac w/ 99155#'s of 20/40 sand in 609 bbls of Lightning 17 fluid

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

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

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

Name (please print) Lucy Chavez-Naupoto Title Administrative Assistant
 Signature  Date 11/19/2010

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

Daily Activity Report**Format For Sundry****UTE TRIBAL 8-23-4-1****8/1/2010 To 12/30/2010****UTE TRIBAL 8-23-4-1****Waiting on Cement****Date:** 10/7/2010

Ross #29 at 350. Days Since Spud - On 10/5/10 Ross rig # 29 spud the Ute Tribe 8-23-4-1W on 10/5/10 @ 8:00 AM TD 350' - Ute Tribe & BLM & State was notif - returned 5 bbls to the pit - On 10/7/10 cemented 85/8" surface casing w/ 170 sks Mixed @ 15.8 ppg & 1.17 yeild G+2%CaCl - On 10/5/10 ran 85/8" surface casing (Guide shoe shoe jt baffle plate 7 jts set @ 349.75'

Daily Cost: \$0**Cumulative Cost:** \$53,039**UTE TRIBAL 8-23-4-1****Drill 7 7/8" hole with fresh water****Date:** 10/11/2010

Capstar #328 at 1849. 1 Days Since Spud - Rig up on UT 8-23-4-1 - Nipple up BOP - R/U B&C hold meeting, test top drive, safety valve, rams, choke to 2000#/10min csg 1500#/30 min - No H2S or flow reported in last 24 hours - Orient directional tools , TIH and tag @ 287' - Drill 7 7/8" hole F/ 287' to 1849' w/ 15K WOB, TRPM-190, GPM-415, Avg ROP-136 ft/hr - Rig up flare lines, Lay out BHA and mesuare

Daily Cost: \$0**Cumulative Cost:** \$91,444**UTE TRIBAL 8-23-4-1****Drill 7 7/8" hole with fresh water****Date:** 10/12/2010

Capstar #328 at 5336. 2 Days Since Spud - Rig Service , check crownomatic and BOP - Drill 7 7/8" hole F/ 3887' to 5336' w/ 18K WOB, TRPM-184, GPM-409, Avg ROP-121 ft/hr - No H2S or flow reported in last 24 hours - Drill 7 7/8" hole F/ 1849' to 3887' w/ 18K WOB, TRPM-184, GPM-409, Avg ROP-177 ft/hr

Daily Cost: \$0**Cumulative Cost:** \$129,504**UTE TRIBAL 8-23-4-1****Logging****Date:** 10/13/2010

Capstar #328 at 7065. 3 Days Since Spud - Lay down drill pipe and BHA - Circulate hole clean for logs, check flow=NO Flow - Drill 7 7/8" hole F/ 6605' to 7065' w/ 20K WOB, TRPM-184, GPM-409, Avg ROP-131 ft/hr - Rig Service, check crownomatic and BOP - Drill 7 7/8" hole F/ 5336' to 6605' w/ 20K WOB, TRPM-184, GPM-409, AVG ROP-110 ft/hr - Hold meeting w/ PSI ,R/U and Log

Daily Cost: \$0**Cumulative Cost:** \$176,869**UTE TRIBAL 8-23-4-1****Wait on Completion****Date:** 10/14/2010

Capstar #328 at 7065. 4 Days Since Spud - Clean mud tanks - Nipple down and set slips w/ 101,000# tension - 167 jts of fresh, returned 20bbls to pit, bump plug to 2290 psi. - and 450 sks tail@ 14.4ppg and 1.24 yield(50:50:2+.05ESF+3%KCL+.5%EC-1+.25#CF+FP-6L) displace w/ - Cement w/ 300sks of lead @11ppg and 3.53 yield(PL II+.05#SF+3% KCL+.5#CF+2#Kol Seal+FP-6L) - Release Rig @0130 on 10-14-10 - run 167 jts of 5.5",J-

55,15.5# LTC set @ 7056.4', top of float 7013.4',tagged 2' short - Rig up B&C hold meeting and test 5.5" csg.Rams to 2000#/10 minutes - Rig down PSI and rig up to run casing - run log F/ loggers TD=7055' to surface, (density,porosity,Compensated neutron) - Circulate casing,Hold safety meeting w/ BJ Services, rig up BJ **Finalized**

Daily Cost: \$0

Cumulative Cost: \$301,372

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