

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

FORM 3

AMENDED REPORT

<b>APPLICATION FOR PERMIT TO DRILL</b>		<b>1. WELL NAME and NUMBER</b> Hancock 8-24-4-1W
<b>2. TYPE OF WORK</b> DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>		<b>3. FIELD OR WILDCAT</b> UNDESIGNATED
<b>4. TYPE OF WELL</b> Oil Well Coalbed Methane Well: NO		<b>5. UNIT or COMMUNITIZATION AGREEMENT NAME</b>
<b>6. NAME OF OPERATOR</b> NEWFIELD PRODUCTION COMPANY		<b>7. OPERATOR PHONE</b> 435 646-4825
<b>8. ADDRESS OF OPERATOR</b> Rt 3 Box 3630 , Myton, UT, 84052		<b>9. OPERATOR E-MAIL</b> mcrozier@newfield.com
<b>10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) FEE</b>	<b>11. MINERAL OWNERSHIP</b> FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	<b>12. SURFACE OWNERSHIP</b> FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
<b>13. NAME OF SURFACE OWNER (if box 12 = 'fee')</b> Henderson Ranches LLC		<b>14. SURFACE OWNER PHONE (if box 12 = 'fee')</b>
<b>15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')</b> RR 3 Box 3671, Myton, UT 84052		<b>16. SURFACE OWNER E-MAIL (if box 12 = 'fee')</b>
<b>17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')</b>	<b>18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS</b> YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>	<b>19. SLANT</b> VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>

20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
<b>LOCATION AT SURFACE</b>	2021 FNL 177 FEL	SENE	24	4.0 S	1.0 W	U
<b>Top of Uppermost Producing Zone</b>	2021 FNL 177 FEL	SENE	24	4.0 S	1.0 W	U
<b>At Total Depth</b>	2021 FNL 177 FEL	SENE	24	4.0 S	1.0 W	U

<b>21. COUNTY</b> UINTAH	<b>22. DISTANCE TO NEAREST LEASE LINE (Feet)</b> 177	<b>23. NUMBER OF ACRES IN DRILLING UNIT</b> 40
	<b>25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed)</b> 1304	<b>26. PROPOSED DEPTH</b> MD: 7070 TVD: 7070
<b>27. ELEVATION - GROUND LEVEL</b> 5004	<b>28. BOND NUMBER</b> B001834	<b>29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE</b> 437478

**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

<b>NAME</b> Mandie Crozier	<b>TITLE</b> Regulatory Tech	<b>PHONE</b> 435 646-4825
<b>SIGNATURE</b>	<b>DATE</b> 07/13/2010	<b>EMAIL</b> mcrozier@newfield.com
<b>API NUMBER ASSIGNED</b> 43047511680000	<b>APPROVAL</b>   Permit Manager	

**Proposed Hole, Casing, and Cement**

String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Prod	7.875	5.5	0	7070		
Pipe	Grade	Length	Weight			
	Grade J-55 LT&C	7070	15.5			

**Proposed Hole, Casing, and Cement**

<b>Proposed Hole, Casing, and Cement</b>						
<b>String</b>	<b>Hole Size</b>	<b>Casing Size</b>	<b>Top (MD)</b>	<b>Bottom (MD)</b>		
Surf	12.25	8.625	0	400		
<b>Pipe</b>	<b>Grade</b>	<b>Length</b>	<b>Weight</b>			
	Grade J-55 ST&C	400	24.0			

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

N89°53'W - 79.30 (G.L.O.)  
589°06'57"W  
5240.57' (Meas. to C.C.)  
5240.06' (Meas. to True)

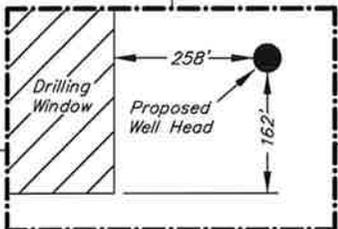
Angle Point  
Northwest Corner  
Section 18  
(1959 Galv. Cap)

**NEWFIELD PRODUCTION COMPANY**

WELL LOCATION, 8-24-4-1, LOCATED AS SHOWN IN THE SE 1/4 NE 1/4 (LOT 2) OF SECTION 24, T4S, R1W, U.S.B.&M. UINTAH COUNTY, UTAH.

S00°01'E - (G.L.O.) 2636.94' (Measured)  
S01°22'45"E (Basis of Bearings)

1953 Galv. Steel Cap



**Detail**  
No Scale

1953 Galv. Steel Cap

**24**

**WELL LOCATION:  
8-24-4-1**

ELEV. UNGRADED GROUND = 5003.9'

Lot 1

DRILLING WINDOW

Lot 2

See Detail At Left

Lot 3

Lot 4

N45°46'07"W 3731.42' (Meas.)

1959 Brass Cap

S88°53'46"W

N89°53'W - 79.01 (G.L.O.) 2575.65' (Meas to True)  
2578.71' (Meas. to C.C.)

Angle Point  
(Set Sandstone)

**8-24-4-1**  
**(Surface Location) NAD 83**  
LATITUDE = 40° 07' 19.83"  
LONGITUDE = 109° 56' 10.01"

Set Stone

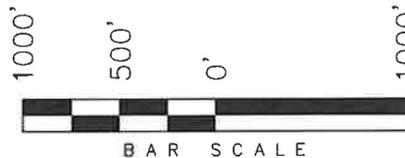
S00°49'30"E 5336.00'  
N00°49'30"W 69.65' (Meas. A.P. to True)  
S00°12'W 80.85' (G.L.O.)

Angle Point  
Reestablished Using  
Single Proportion  
Method (Not Set)

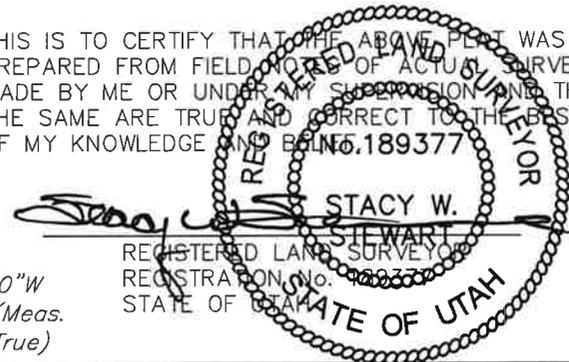
S00°47'30"E - 5201.15' (Measured From True to A.P.)  
S00°47'30"E 5322.04' - (G.L.O.)

1959 Galv. Steel Cap C.C.

N00°47'30"W 130.89' (Meas. A.P. to True)



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.



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

DATE SURVEYED: 02-15-10	SURVEYED BY: D.G.
DATE DRAWN: 02-22-10	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'

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

This Easement and Surface Use Agreement ("Agreement") is entered into this 20th day of May 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 24: SENE**

**(8-24-4-1, approx. 1.5 acres plus approx. 2,705ft of road and pipeline)**

**Uintah County, Utah**

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

**and associated road and pipeline routes beginning at the wellsites and traversing the lands as shall be agreed upon prior to the construction of same.**

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 May 20th, 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: \_\_\_\_\_  
Dan 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 )  
 )  
COUNTY OF Duchesne )ss

This instrument was acknowledged before me this 26<sup>th</sup> day of June, 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 )  
 )  
COUNTY OF Duchesne )ss

This instrument was acknowledged before me this 26<sup>th</sup> day of June, 2010 by **Lance Henderson and Julie Henderson**

Witness my hand and official seal.

My commission expires 9/8/2017

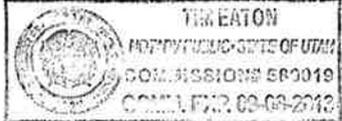
[Signature]  
Notary Public  


STATE OF UTAH )  
 )  
COUNTY OF Duchesne )ss

This instrument was acknowledged before me this 26<sup>th</sup> day of June, 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 )  
 )  
COUNTY OF Denver )ss

This instrument was acknowledged before me this \_\_\_\_\_, 2010 by **Dan 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  
HANCOCK 8-24-4-1W  
SE/NE SECTION 24, 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' – 2,035'
Green River	2,035'
Wasatch	6,795'
<b>Proposed TD</b>	<b>7,070'</b>

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

Green River Formation (Oil) 2,035' – 6,795'

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 <sub>3</sub> ) (mg/l)
Dissolved Bicarbonate (NaHCO <sub>3</sub> ) (mg/l)	Dissolved Chloride (Cl) (mg/l)
Dissolved Sulfate (SO <sub>4</sub> ) (mg/l)	Dissolved Total Solids (TDS) (mg/l)

4. **PROPOSED CASING PROGRAM**

a. **Casing Design: HANCOCK 8-24-4-1W**

Size	Interval		Weight	Grade	Coupling	Design Factors		
	Top	Bottom				Burst	Collapse	Tension
Surface casing 8-5/8"	0'	400'	24.0	J-55	STC	2,950	1,370	244,000
						13.15	10.77	25.42
Prod casing 5-1/2"	0'	7,070'	15.5	J-55	LTC	4,810	4,040	217,000
						2.14	1.80	1.98

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: HANCOCK 8-24-4-1W**

Job	Fill	Description	Sacks	OH Excess*	Weight (ppg)	Yield (ft <sup>3</sup> /sk)
			ft <sup>3</sup>			
Surface casing	400'	Class G w/ 2% CaCl	183	30%	15.8	1.17
			215			
Prod casing Lead	5,070'	Prem Lite II w/ 10% gel + 3% KCl	350	30%	11.0	3.26
			1142			
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 @ 350' +/-, and a Compensated Neutron-Formation Density Log from TD to 3500' +/- . A cement bond log will be run from PBTD to cement top. No drill stem testing or coring is planned for this well.

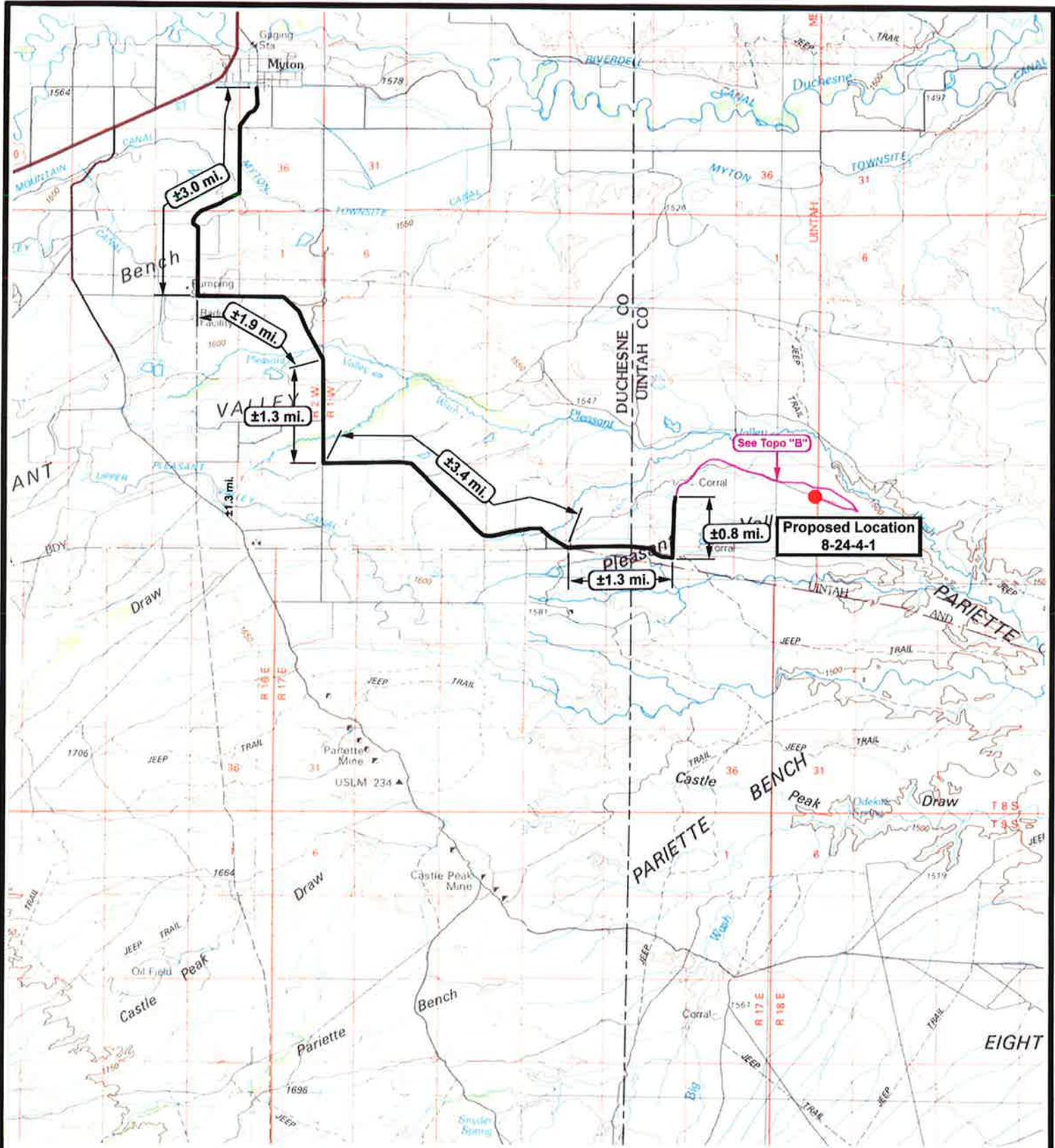
9. **ANTICIPATED ABNORMAL PRESSURE OR TEMPERATURE:**

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 fourth quarter of 2010, and take approximately seven (7) days from spud to rig release.



**NEWFIELD**  
Exploration Company

**8-24-4-1**  
**SEC. 24, T4S, R1W, U.S.B.&M.**



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

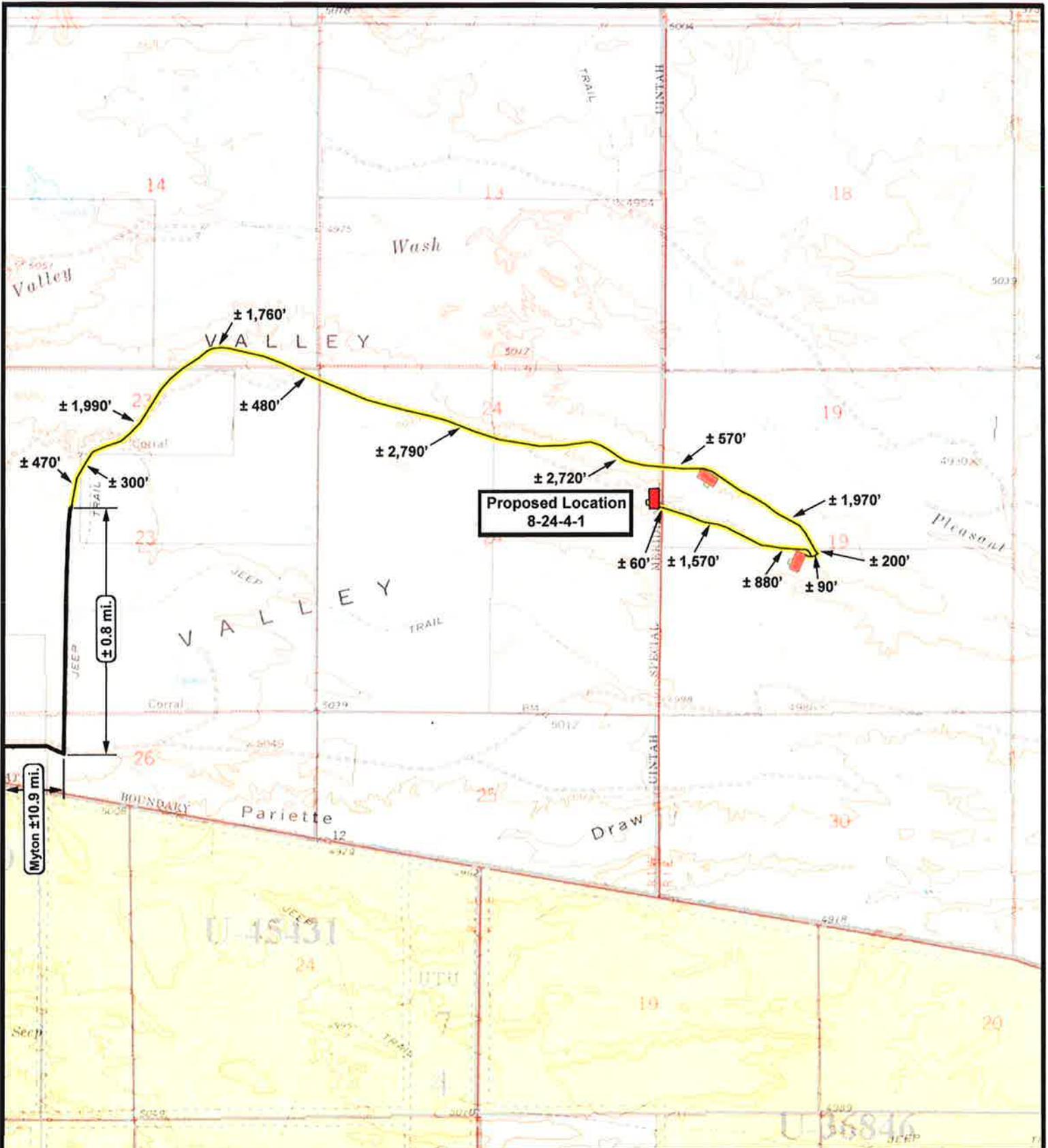
SCALE: 1 : 100,000  
DRAWN BY: JAS  
DATE: 02-24-2010

**Legend**

- Existing Road
- Proposed Access

**TOPOGRAPHIC MAP**

**"A"**



 **NEWFIELD**  
Exploration Company

**8-24-4-1**  
**SEC. 24, T4S, R1W, U.S.B.&M.**



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

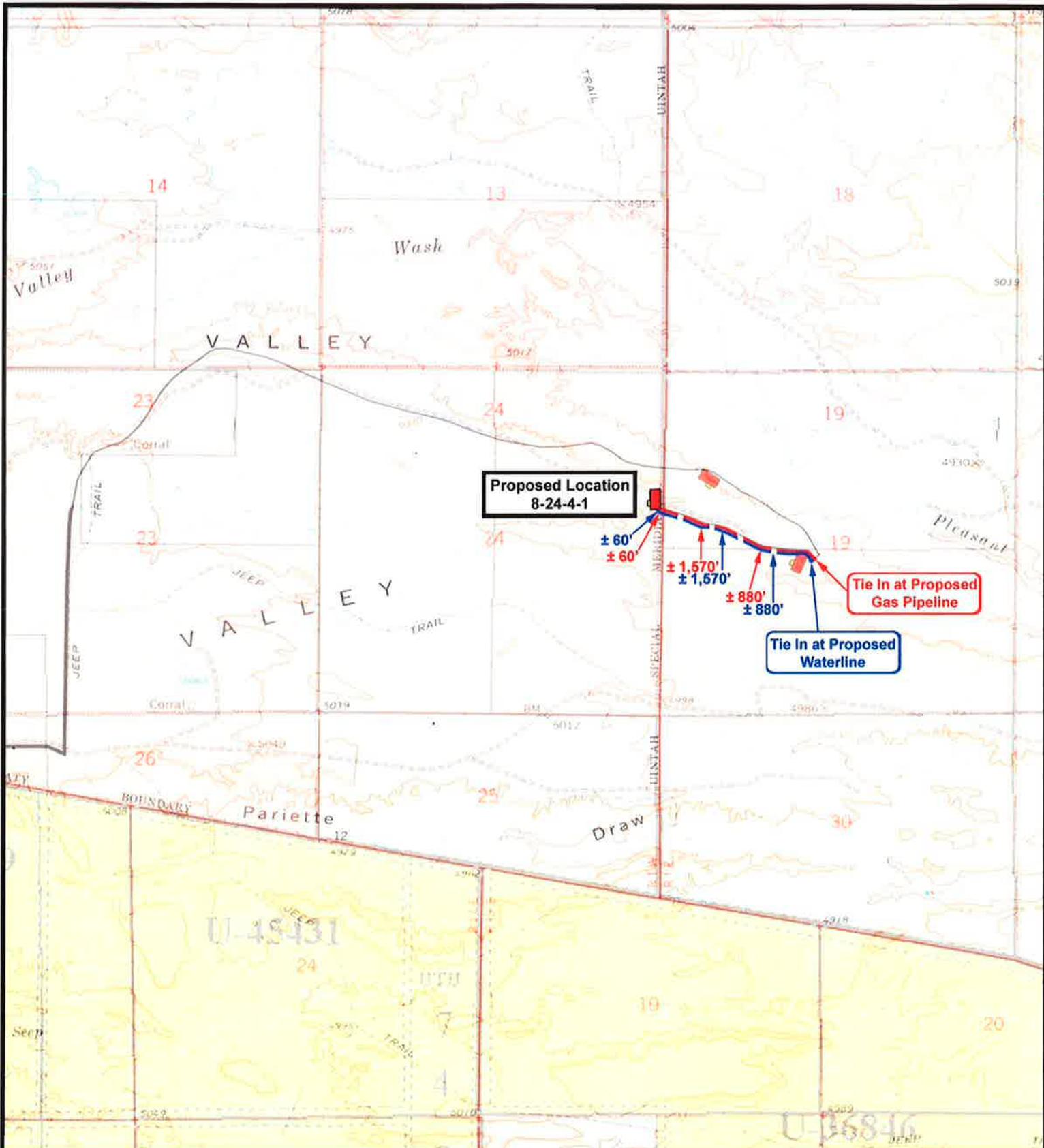
**SCALE: 1" = 2,000'**  
**DRAWN BY: JAS**  
**DATE: 02-24-2010**

**Legend**

-  Existing Road
-  Proposed Access

**TOPOGRAPHIC MAP**

**"B"**



**NEWFIELD**  
Exploration Company

**8-24-4-1**  
**SEC. 24, T4S, R1W, U.S.B.&M.**



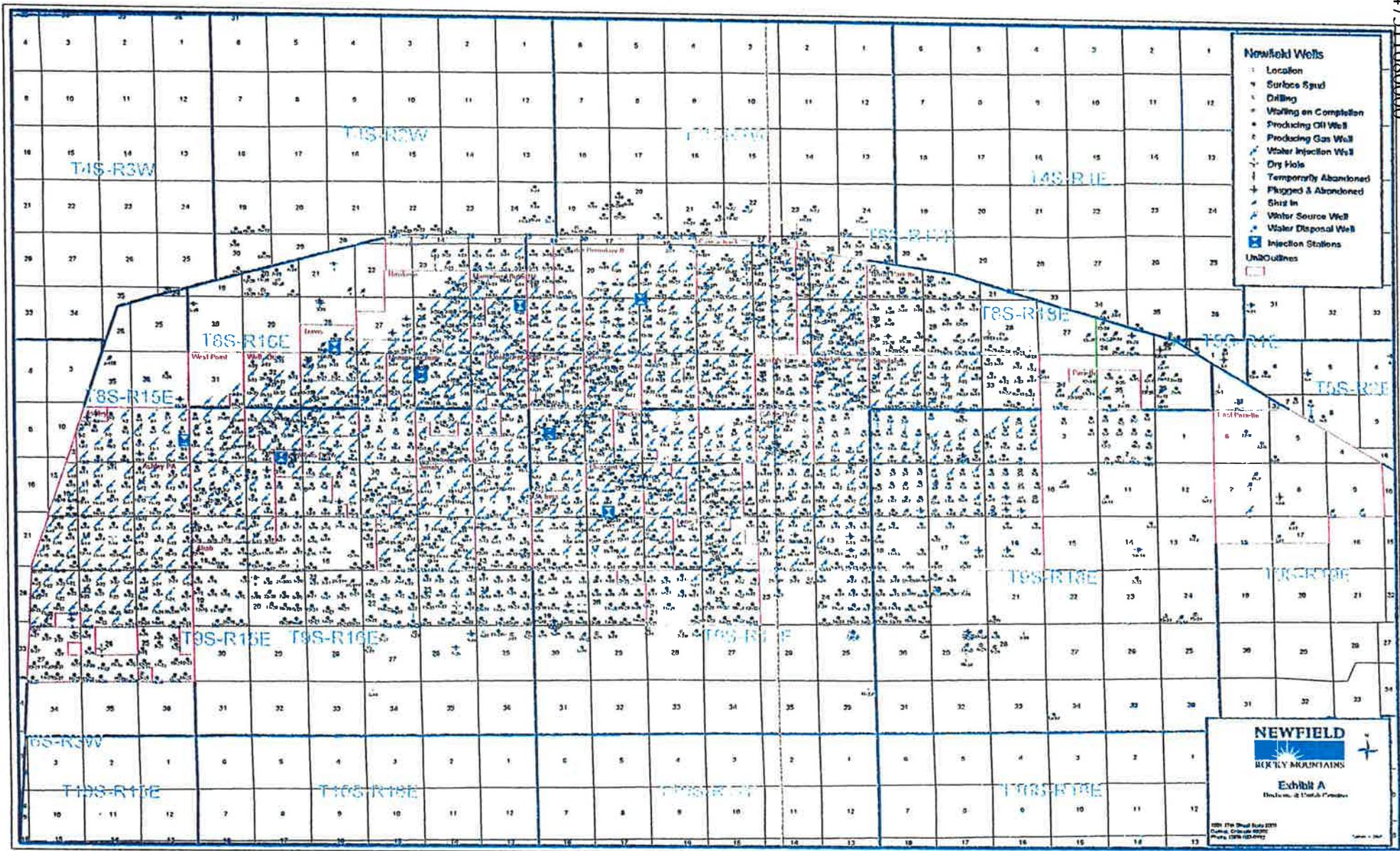
*Tri-State*  
Land Surveying Inc.  
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180 North Vernal Ave. Vernal, Utah 84078

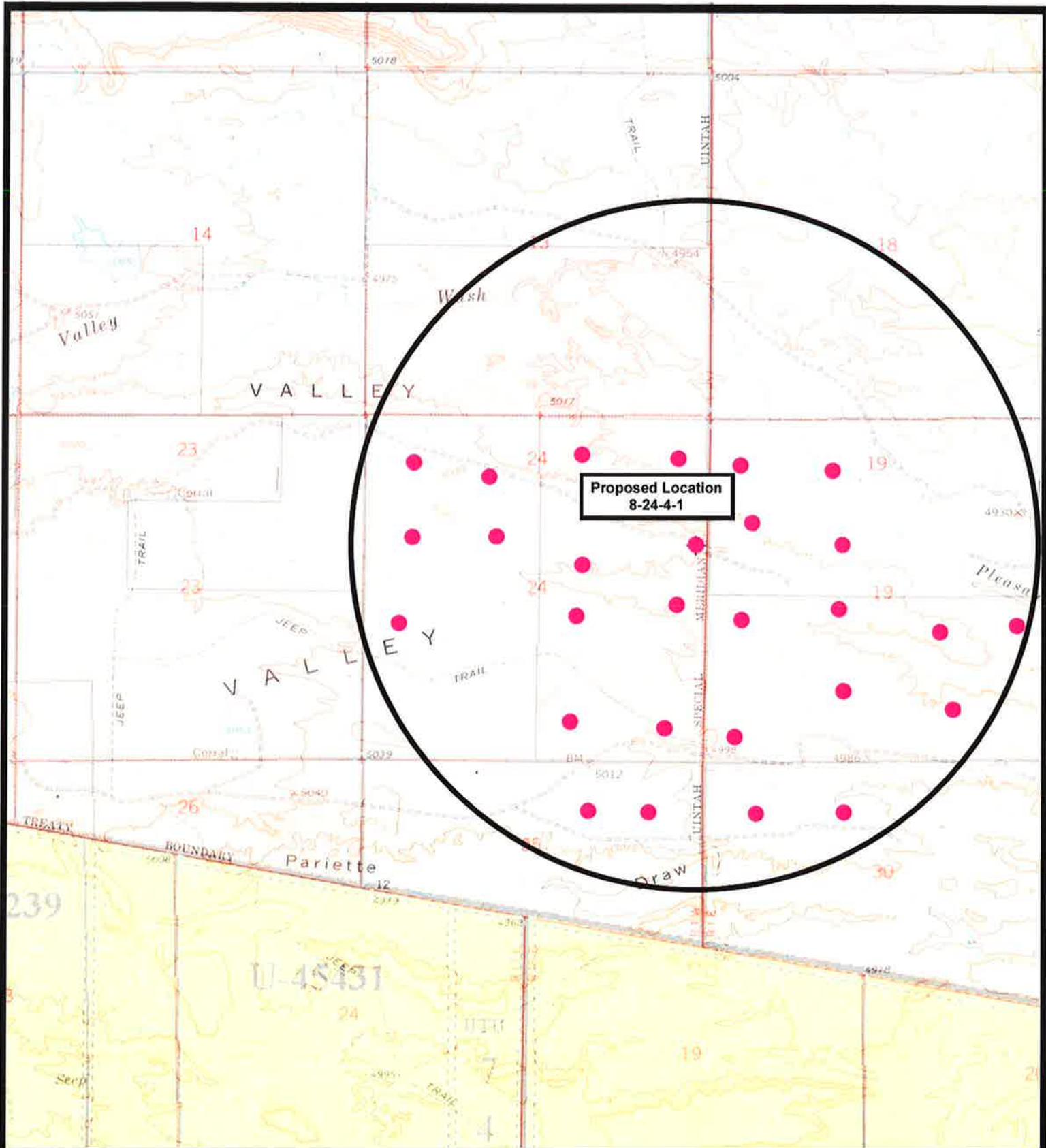
**SCALE: 1" = 2,000'**  
**DRAWN BY: JAS**  
**DATE: 02-24-2010**

**Legend**

- Roads
- Proposed Gas Line
- Proposed Water Line

**TOPOGRAPHIC MAP**  
**"C"**





**NEWFIELD**  
Exploration Company

**8-24-4-1**  
**SEC. 24, 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: JAS**  
**DATE: 02-24-2010**

**Legend**

- Location
- One-Mile Radius

**Exhibit "B"**

NEWFIELD PRODUCTION COMPANY  
HANCOCK 8-24-4-1W  
SE/NE SECTION 24, T4S, R1W  
UINTAH COUNTY, UTAH

THIRTEEN POINT SURFACE PROGRAM

1. EXISTING ROADS

See attached **Topographic Map "A"**

To reach Newfield Production Company well location site Hancock 8-24-4-1W located in the SE¼ NE¼ Section 24, T4S, R1W, S.L.B. & M., Uintah County, Utah:

Proceed in a southwesterly direction out of Myton, approximately 3.0 miles to the junction of this road and an existing road to the east; proceed southeasterly approximately 1.9 miles to it's junction with an existing road to the south; proceed southerly approximately 1.3 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 0.8 miles to it's junction with the beginning of the proposed access road; proceed in a easterly direction along the proposed access road approximately 13,050' ; turn and continue along the proposed access road approximately 2,800' to the proposed well location.

The highways mentioned in the foregoing paragraph are bituminous surfaced roads to the point where Highway 216 exists to the South, thereafter the roads are constructed with existing materials and gravel. The highways are maintained by Utah State road crews. All other roads are maintained by County crews.

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.

2. PLANNED ACCESS ROAD

Approximately 15,850' of access road is proposed. 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 for drilling purposes from the following water sources:

Johnson Water District  
Water Right: 43-7478

Neil Moon Pond  
Water Right: 43-11787

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. A 16 mil liner with felt will be required. Newfield requests approval that a flare pit be constructed and 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) or at State of Utah 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.

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 the attached Memorandum of Right of Way and Surface Use Agreement.

12. **OTHER ADDITIONAL INFORMATION:**

Newfield Production Company requests 15,850' of planned access road to be granted. **Refer to Topographic Map "B"**. Newfield Production Company requests 2,510' of surface gas line to be granted. Newfield Production Company requests 2,510' of buried water line to be granted.

It is proposed that the disturbed area will be 60' wide to allow for construction of the proposed access road, a 10" or smaller gas gathering line, a 3" poly fuel gas line, a buried 3" steel water injection line and a buried 3" poly water return line. The planned access road will consist of a 18' permanent running surface (9' either side of the centerline) crowned and ditched in order to handle any run-off from any precipitation events 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 turnouts as needed along this road to allow for increases in potential traffic issues. 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.

Both the proposed surface gas and buried water lines will tie in to the existing pipeline infrastructure. **Refer to Topographic Map "C."** The proposed water pipelines will be buried in a 4-5' deep trench constructed with a trencher or backhoe for the length of the proposal. The equipment will run on the surface and not be flat bladed to minimize surface impacts to precious topsoil in these High Desert environments. If possible, all proposed surface gas pipelines will be installed on the same side of the road as existing gas lines. The construction phase of the planned access road, proposed gas lines and proposed water lines will last approximately (5) days.

In the event that the proposed well is converted to a water injection well, a Sundry Notice form will be applied for through the State of Utah DOGM.

- 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.

#### **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 Hancock 8-24-4-1W, 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 Hancock 8-24-4-1W 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 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

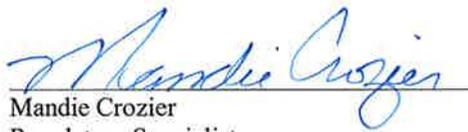
##### Certification

Please be advised that Newfield Production Company is considered to be the operator of well #8-24-4-1W, SE/NE Section 24, 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 Bond #B001834.

Ten Point Well Program &  
Thirteen Point Well Program  
Page 10 of 10

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.

7/12/10  
Date

  
Mandie Crozier  
Regulatory Specialist  
Newfield Production Company

# 2-M SYSTEM

Blowout Prevention Equipment Systems

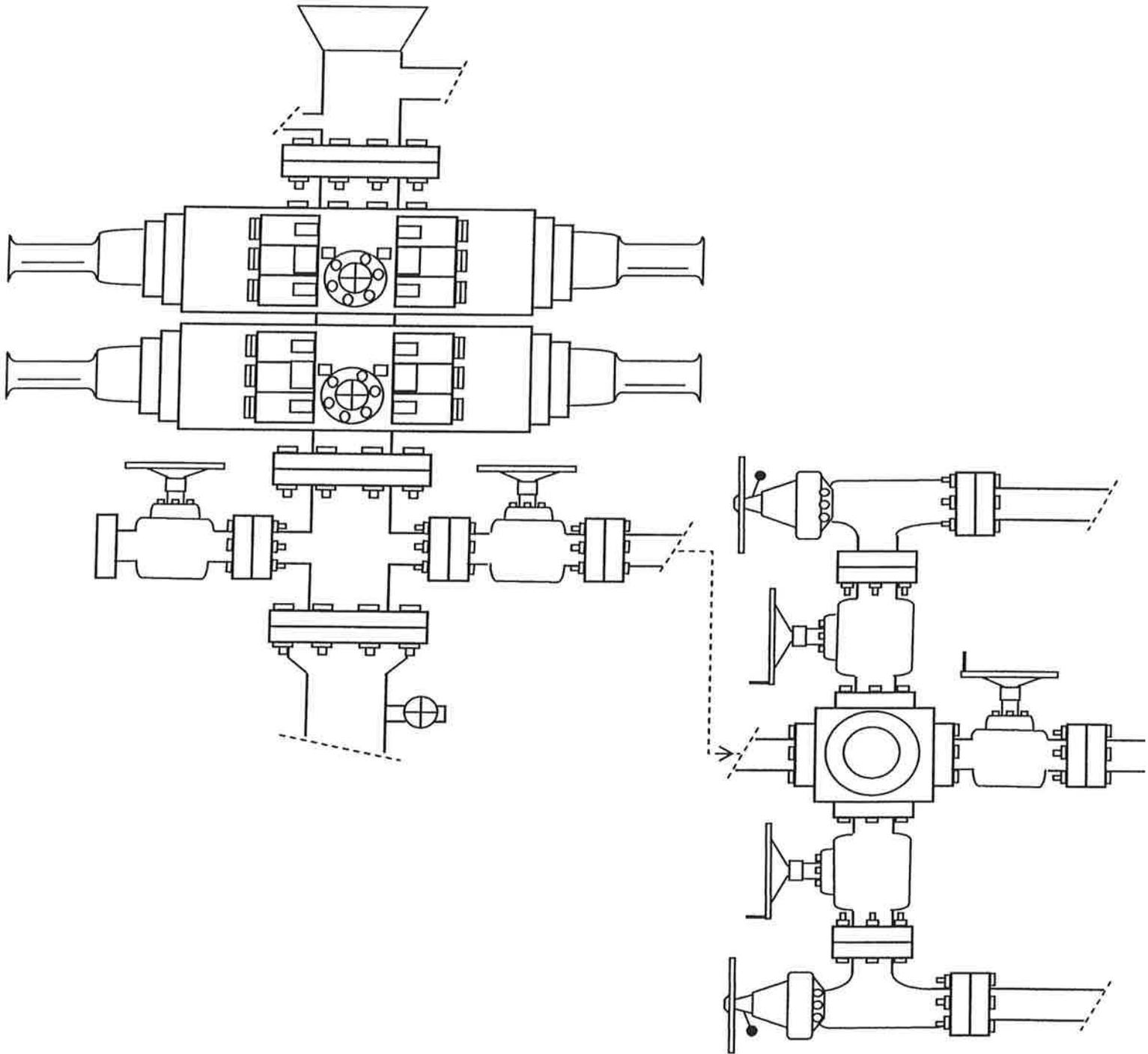


EXHIBIT C

# NEWFIELD



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

July 13, 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  
**Hancock 8-24-4-1W**

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,

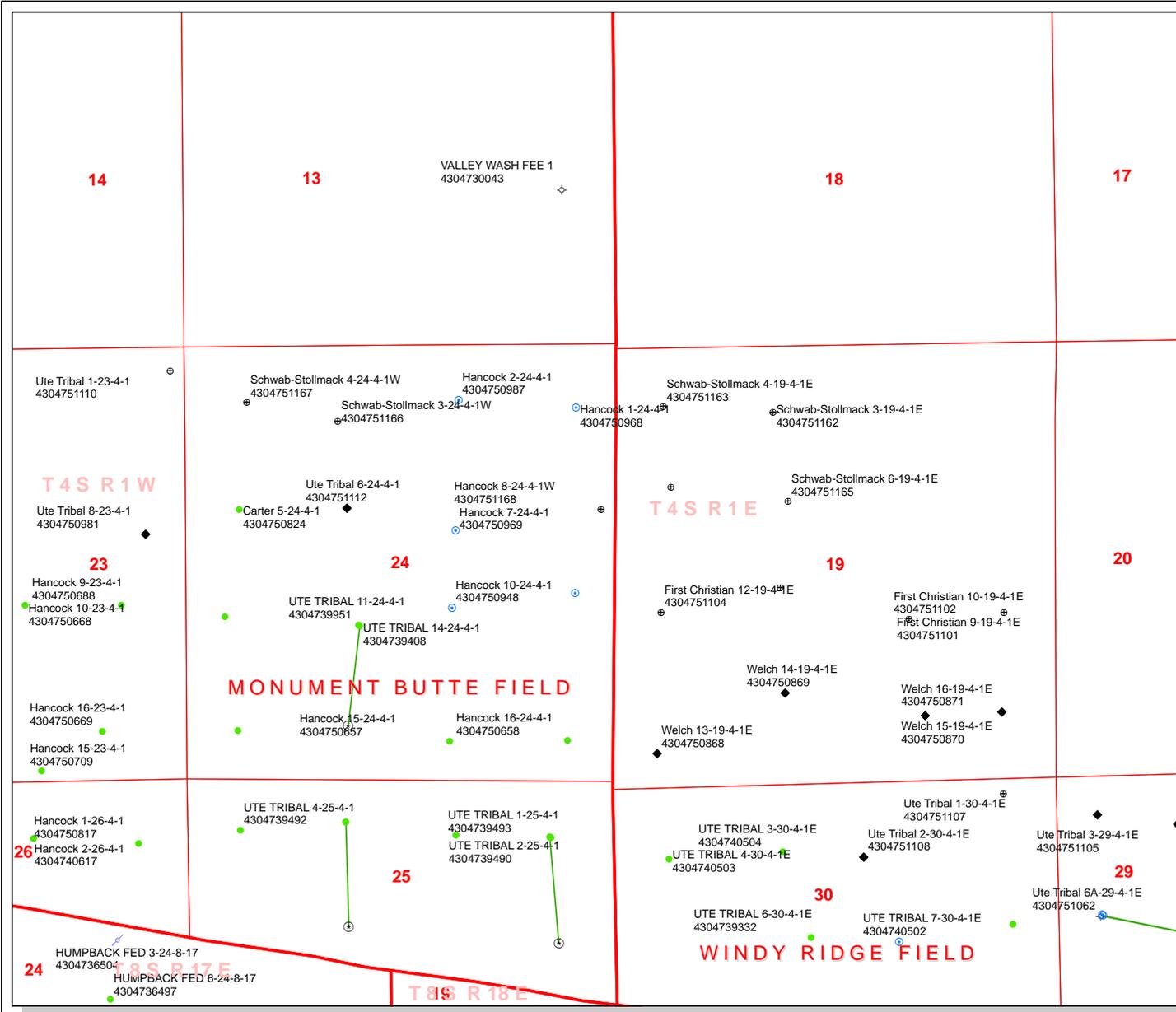
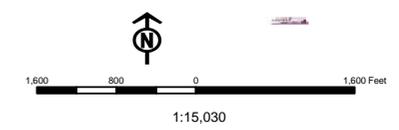
A handwritten signature in blue ink that reads "Mandie Crozier". The signature is fluid and cursive.

Mandie Crozier  
Regulatory Specialist

**API Number: 4304751168**  
**Well Name: Hancock 8-24-4-1W**  
**Township 04.0 S Range 01.0 W Section 24**  
**Meridian: UBM**  
 Operator: NEWFIELD PRODUCTION COMPANY

Map Prepared:  
 Map Produced by Diana Mason

<b>Units</b>	<b>Wells Query</b>
<b>STATUS</b>	<b>Status</b>
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
<b>Fields</b>	SGW - Shut-in Gas Well
Sections	SOW - Shut-in Oil Well
Township	TA - Temp. Abandoned
	TW - Test Well
	WDW - Water Disposal
	WW - Water Injection Well
	WSW - Water Supply Well





July 26, 2010

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

RE: Exception Location  
**Hancock 8-24-4-1W**  
T4S R1W, Section 24: SENE  
2021'FNL 177' 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 258' east 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 John Chasel. The location is less than 460' from acreage owned by the Chasel. A copy of Chasel's consent 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](mailto: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 light blue circular stamp.

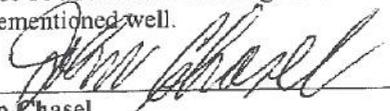
Alan Wild  
Land Associate

Attachment

Attn: Alan Wild  
Newfield Production Company  
[awild@newfield.com](mailto:awild@newfield.com)  
303-685-8098 fax

RE: Exception Location  
**Hancock 8-24-4-1W**  
T4S R1W, Section 24: SENE  
2021' FNL 177' FEL  
Uintah County, Utah

Please be advised the undersigned does not have an objection to the proposed location of the  
aforementioned well.

  
\_\_\_\_\_  
John Chasel

Date: 7-19-2010

Well Name	NEWFIELD PRODUCTION COMPANY Hancock 8-24-4-1W 4304751168000			
String	Surf	Prod		
Casing Size(")	8.625	5.500		
Setting Depth (TVD)	400	7070		
Previous Shoe Setting Depth (TVD)	0	400		
Max Mud Weight (ppg)	8.3	8.4		
BOPE Proposed (psi)	500	2000		
Casing Internal Yield (psi)	2950	4810		
Operators Max Anticipated Pressure (psi)	3040	8.3		

Calculations	Surf String	8.625	"
Max BHP (psi)	.052*Setting Depth*MW=	173	
			<b>BOPE Adequate For Drilling And Setting Casing at Depth?</b>
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	125	YES <input type="checkbox"/> air drill <input type="text"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	85	YES <input type="checkbox"/> OK <input type="text"/>
			<b>*Can Full Expected Pressure Be Held At Previous Shoe?</b>
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	85	NO <input type="checkbox"/> OK <input type="text"/>
Required Casing/BOPE Test Pressure=		400	psi
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi *Assumes 1psi/ft frac gradient

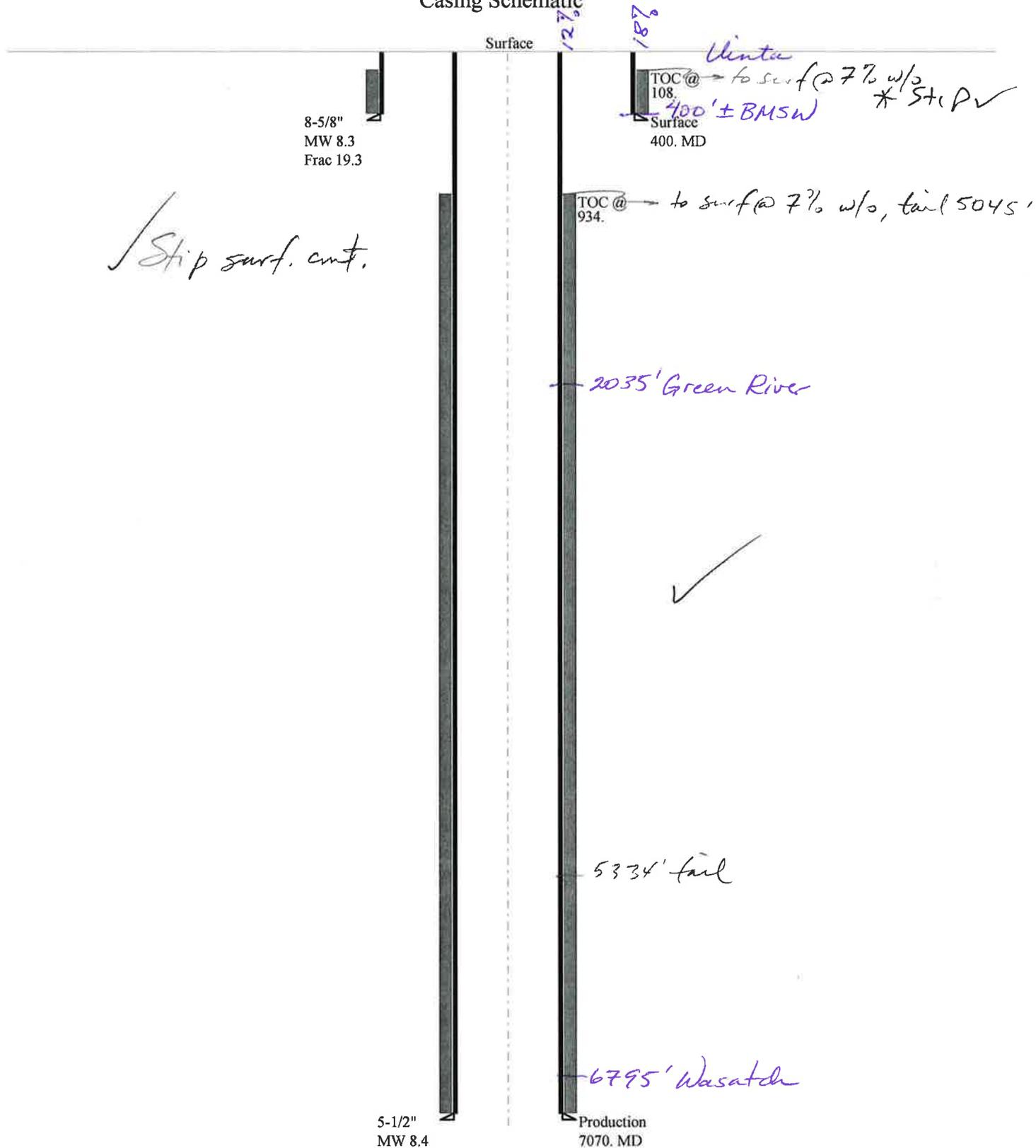
Calculations	Prod String	5.500	"
Max BHP (psi)	.052*Setting Depth*MW=	3088	
			<b>BOPE Adequate For Drilling And Setting Casing at Depth?</b>
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	2240	NO <input type="checkbox"/> <input type="text"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	1533	YES <input type="checkbox"/> OK <input type="text"/>
			<b>*Can Full Expected Pressure Be Held At Previous Shoe?</b>
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	1621	NO <input type="checkbox"/> Reasonable for area <input type="text"/>
Required Casing/BOPE Test Pressure=		2000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		400	psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			<b>BOPE Adequate For Drilling And Setting Casing at Depth?</b>
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO <input type="checkbox"/> <input type="text"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO <input type="checkbox"/> <input type="text"/>
			<b>*Can Full Expected Pressure Be Held At Previous Shoe?</b>
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO <input type="checkbox"/> <input type="text"/>
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			<b>BOPE Adequate For Drilling And Setting Casing at Depth?</b>
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO <input type="checkbox"/> <input type="text"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO <input type="checkbox"/> <input type="text"/>
			<b>*Can Full Expected Pressure Be Held At Previous Shoe?</b>
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO <input type="checkbox"/> <input type="text"/>
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

# 43047511680000 Hancock 8-24-4-1W

## Casing Schematic



Well name:	<b>43047511680000 Hancock 8-24-4-1W</b>		
Operator:	<b>NEWFIELD PRODUCTION COMPANY</b>		
String type:	Surface	Project ID:	43-047-51168
Location:	UINTAH COUNTY		

**Design parameters:**

**Collapse**

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

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
Surface temperature: 74 °F  
Bottom hole temperature: 80 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 100 ft

Cement top: 108 ft

**Burst**

Max anticipated surface pressure: 352 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP 400 psi

No backup mud specified.

**Tension:**

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

Tension is based on air weight.  
Neutral point: 350 ft

**Non-directional string.**

**Re subsequent strings:**

Next setting depth: 7,070 ft  
Next mud weight: 8,400 ppg  
Next setting BHP: 3,085 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 400 ft  
Injection pressure: 400 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	400	8.625	24.00	J-55	ST&C	400	400	7.972	2059
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	173	1370	7.917	400	2950	7.38	9.6	244	25.42 J

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

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

Date: August 16, 2010  
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 400 ft, a mud weight of 8.33 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	<b>43047511680000 Hancock 8-24-4-1W</b>		
Operator:	<b>NEWFIELD PRODUCTION COMPANY</b>		
String type:	Production	Project ID:	43-047-51168
Location:	UINTAH COUNTY		

**Design parameters:**

**Collapse**

Mud weight: 8.400 ppg  
 Design is based on evacuated pipe.

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
 Surface temperature: 74 °F  
 Bottom hole temperature: 173 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 100 ft

Cement top: 934 ft

**Burst**

Max anticipated surface pressure: 1,530 psi  
 Internal gradient: 0.220 psi/ft  
 Calculated BHP 3,085 psi

No backup mud specified.

**Tension:**

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

**Non-directional string.**

Tension is based on air weight.  
 Neutral point: 6,172 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	7070	5.5	15.50	J-55	LT&C	7070	7070	4.825	24964
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	3085	4040	1.310	3085	4810	1.56	109.6	217	1.98 J

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

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

Date: August 16, 2010  
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 7070 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

# ON-SITE PREDRILL EVALUATION

## Utah Division of Oil, Gas and Mining

**Operator** NEWFIELD PRODUCTION COMPANY  
**Well Name** Hancock 8-24-4-1W  
**API Number** 43047511680000      **APD No** 2806      **Field/Unit** UNDESIGNATED  
**Location: 1/4,1/4** SENE      **Sec** 24      **Tw** 4.0S      **Rng** 1.0W      2021      **FNL** 177      **FEL**  
**GPS Coord (UTM)** 590713 4441654      **Surface Owner** Henderson Ranches LLC

**Participants**

Floyd Bartlett (DOGM), Tim Eaton (Newfield Production Co.).

**Regional/Local Setting & Topography**

The proposed location is approximately 14 road miles southeast of Myton, UT in a sub-drainage of Pleasant Valley Wash which drains into the Pariette Draw drainage of Uintah 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. Broad flats in Pleasant Valley frequently used for agriculture characterize the area. Flats are intersected by drainages with gentle to moderate side slopes. Access is by State and County and existing oil field development roads. Approximately 2,430 feet of additional new construction across Henderson’s private land will be required to reach the location.

The proposed Hancock 8-24-4-1W oil well pad is oriented in a south to north direction on the east end of a bench. The site is a wheel-line irrigated field currently planted to oats. The end of the wheel-line will be dropped to facilitate the location. The site has a gentle slope to the northeast. A wet area occurs near corner 1, probably created by the current irrigation. The location is a considerable distance to the east of the normal drilling to facilitate the surface owners request to avoid as much of the agricultural land as reasonable. Maximum cut is 2.7 feet at Corner 6 and maximum fill is 8.6 feet at Corner 8. No drainages intersect the location and no diversions are needed. The selected location should be suitable and stable for constructing the pad, drilling and operating the proposed well.

Henderson Ranches owns the surface of the location and surrounding area.

**Surface Use Plan**

**Current Surface Use**

- Grazing
- Agricultural
- Wildlfe Habitat

<b>New Road Miles</b>	<b>Well Pad</b>	<b>Src Const Material</b>	<b>Surface Formation</b>
0.45	<b>Width</b> 204 <b>Length</b> 305	Onsite	UNTA

**Ancillary Facilities** N

**Waste Management Plan Adequate?**

**Environmental Parameters**

**Affected Floodplains and/or Wetlands** N

**Flora / Fauna**

Current vegetation is oats, alfalfa and some minor weeds.

Cattle, deer, small mammals and birds.

**Soil Type and Characteristics**

Deep sandy loam.

**Erosion Issues** N

**Sedimentation Issues** N

**Site Stability Issues** N

**Drainage Diversion Required?** N

**Berm Required?** N

**Erosion Sedimentation Control Required?** N

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

**Reserve Pit**

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

**Characteristics / Requirements**

The reserve pit will be 40' x 70' x 8' deep located in an area of cut on the southwest side of the location. 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**

7/28/2010  
**Date / Time**

# Application for Permit to Drill Statement of Basis

8/23/2010

**Utah Division of Oil, Gas and Mining**

Page 1

<b>APD No</b>	<b>API WellNo</b>	<b>Status</b>	<b>Well Type</b>	<b>Surf Owner</b>	<b>CBM</b>
2806	43047511680000	LOCKED	OW	P	No
<b>Operator</b>	NEWFIELD PRODUCTION COMPANY		<b>Surface Owner-APD</b>	Henderson Ranches LLC	
<b>Well Name</b>	Hancock 8-24-4-1W		<b>Unit</b>		
<b>Field</b>	UNDESIGNATED		<b>Type of Work</b>	DRILL	
<b>Location</b>	SENE 24 4S 1W U 2021 FNL 177 FEL GPS Coord (UTM) 590713E 4441651N				

**Geologic Statement of Basis**

Newfield proposes to set 350' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 400'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of Section 24. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be an interconnected, high volume source of useable ground water. However, ground water in the Uinta Formation should be of sufficient quality and quantity for isolated domestic and agricultural use and should be protected. Surface casing should be extended to the estimated base of the moderately saline ground water.

Brad Hill  
**APD Evaluator**

8/5/2010  
**Date / Time**

**Surface Statement of Basis**

The proposed location is approximately 14 road miles southeast of Myton, UT in a sub-drainage of Pleasant Valley Wash which drains into the Pariette Draw drainage of Uintah 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. Broad flats in Pleasant Valley frequently used for agriculture characterize the area. Flats are intersected by drainages with gentle to moderate side slopes. Access is by State and County and existing oil field development roads. Approximately 2,430 feet of additional new construction across Henderson's private land will be required to reach the location.

The proposed Hancock 8-24-4-1W oil well pad is oriented in a south to north direction on the east end of a bench. The site is a wheel-line irrigated field currently planted to oats. The end of the wheel-line will be dropped to facilitate the location. The site has a gentle slope to the northeast. A wet area occurs near corner 1, probably created by the current irrigation. The location is a considerable distance to the east of the normal drilling to facilitate the surface owners request to avoid as much of the agricultural land as reasonable. Maximum cut is 2.7 feet at Corner 6 and maximum fill is 8.6 feet at Corner 8. No drainages intersect the location and no diversions are needed. The selected location should be suitable and stable for constructing the pad, drilling and operating the proposed well.

Henderson Ranches owns the surface of the location and surrounding area. A surface use agreement has been signed. Both Wayne Henderson and his son Tommie were contacted by telephone. They had previously seen the location and had no concerns. They did not accompany us to the site. The minerals are also FEE but owned by another party and under lease to Newfield Production Company.

Floyd Bartlett  
**Onsite Evaluator**

7/28/2010  
**Date / Time**

---

# Application for Permit to Drill Statement of Basis

8/23/2010

Utah Division of Oil, Gas and Mining

Page 2

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<b>Category</b>	<b>Condition</b>
Pits	A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	The well site shall be bermed to prevent fluids from leaving the pad.
Surface	The reserve pit shall be fenced upon completion of drilling operations.

# WORKSHEET APPLICATION FOR PERMIT TO DRILL

**APD RECEIVED:** 7/13/2010

**API NO. ASSIGNED:** 43047511680000

**WELL NAME:** Hancock 8-24-4-1W

**OPERATOR:** NEWFIELD PRODUCTION COMPANY (N2695)

**PHONE NUMBER:** 435 646-4825

**CONTACT:** Mandie Crozier

**PROPOSED LOCATION:** SENE 24 040S 010W

**Permit Tech Review:**

**SURFACE:** 2021 FNL 0177 FEL

**Engineering Review:**

**BOTTOM:** 2021 FNL 0177 FEL

**Geology Review:**

**COUNTY:** UINTAH

**LATITUDE:** 40.12218

**LONGITUDE:** -109.93543

**UTM SURF EASTINGS:** 590713.00

**NORTHINGS:** 4441651.00

**FIELD NAME:** UNDESIGNATED

**LEASE TYPE:** 4 - Fee

**LEASE NUMBER:** FEE

**PROPOSED PRODUCING FORMATION(S):** GREEN RIVER

**SURFACE OWNER:** 4 - Fee

**COALBED METHANE:** NO

## RECEIVED AND/OR REVIEWED:

- PLAT
- Bond: STATE/FEE - B001834
- Potash
- Oil Shale 190-5
- Oil Shale 190-3
- Oil Shale 190-13
- Water Permit: 437478
- RDCC Review:
- Fee Surface Agreement
- Intent to Commingle

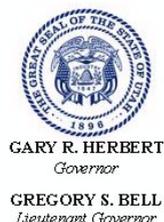
Commingling Approved

## 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  
5 - Statement of Basis - bhll  
23 - Spacing - dmason  
25 - Surface Casing - hmacdonald



**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:** Hancock 8-24-4-1W  
**API Well Number:** 43047511680000  
**Lease Number:** FEE  
**Surface Owner:** FEE (PRIVATE)  
**Approval Date:** 8/23/2010

**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:**

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).

Surface casing shall be cemented to the surface.

**Additional Approvals:**

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan – contact Dustin Doucet
- Significant plug back of the well – contact Dustin Doucet
- Plug and abandonment of the well – contact Dustin Doucet

**Notification Requirements:**

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

- Within 24 hours following the spudding of the well – contact Carol Daniels  
OR  
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <https://oilgas.ogm.utah.gov>
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program – contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well – contact Dan Jarvis

**Contact Information:**

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office  
801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office  
801-231-8956 - after office hours

**Reporting Requirements:**

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

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

**Approved By:**



Acting Associate Director, Oil & Gas

Spud  
BLM - Vernal Field Office - Notification Form

Operator Newfield Exploration Rig Name/# Ross Rig # 21  
Submitted By Xabier Lasa Phone Number 435-823-6014  
Well Name/Number Hancock 8-24-4-1W  
Qtr/Qtr SE/NE Section 24 Township 4S Range 1W  
Lease Serial Number Fee  
API Number 43-047-511680000

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

Date/Time 9-4-10      8:00  
AM  PM

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

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

Date/Time 9-4-10      4:00 AM  PM

BOPE

- Initial BOPE test at surface casing point
- BOPE test at intermediate casing point
- 30 day BOPE test
- Other

Date/Time \_\_\_\_\_ AM  PM

Remarks Spud With Ross Rig #21 @ 8:00 am On 9/4/10 Run 8  
5/8" Casing @ 4:00 pm on 9-4-10.

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION				COUNTY	SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG			
B	99999	17400 ✓	4301350147	FEDERAL 9-29-8-16	NESE	29	8S	16E	DUCHESNE	9/4/2010	9/21/10
WELL 1 COMMENTS: <b>GRRV</b>											
B	99999	17400 ✓	4301334218	FEDERAL 8-26-8-15	SENE	26	8S	15E	DUCHESNE	9/3/2010	9/21/10
WELL 1 COMMENTS: <b>GRRV</b>											
A	99999	17780	4301350311	UTE TRIBAL 10-22-4-3	NWSE	22	4S	3W	DUCHESNE	9/8/2010	9/21/10
WELL 1 COMMENTS: <b>GRRV</b>											
A	99999	17781	4304751168	HANCOCK 8-24-4-1W	SENE	24	4S	1W	DUCHESNE	9/4/2010	9/21/10
WELL 1 COMMENTS: <b>GRRV</b>											
B	99999	17400 ✓	4301350145	FEDERAL 7-29-8-16	SWNE	29	8S	16E	DUCHESNE	9/5/2010	9/21/10
WELL 5 COMMENTS: <b>GRRV</b>											
A	99999	17782	4301350359	UTE TRIBAL 11-23-4-3	NESW	23	4S	3W	DUCHESBNE	9/8/2010	9/21/10
WELL 5 COMMENTS: <b>GRRV</b>											

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)

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

RECEIVED  
 SEP 16 2010

DIV. OF OIL, GAS & MINING

Signature: *[Handwritten Signature]*  
 Jentri Park  
 Production Clerk  
 Date: 09/16/10

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

5. LEASE DESIGNATION AND SERIAL NUMBER:

FEE

**SUNDRY NOTICES AND REPORTS ON WELLS**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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.

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL:

OIL WELL  GAS WELL  OTHER

8. WELL NAME and NUMBER:

HANCOCK 8-24-4-1 W

2. NAME OF OPERATOR:

NEWFIELD PRODUCTION COMPANY

9. API NUMBER:

4304751168

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: 2021 FNL 0177 FEL

COUNTY: UINTAH

OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: SENE, 24, T4S, R1W

STATE: UT

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate)  Approximate date work will  _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARITLY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of Work Completion:  09/10/2010	<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: - Spud Notice
	<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.

On 9/4/10 MIRU Ross # 21. Spud well @ 1:00 PM. Drill 430' of 12 1/4" hole with air mist. TIH W/ 10 Jt's 8 5/8" J-55 24# casing. Set @ 429.24' KB. On 9/8/10 cement with 220 sks of class "G" w/ 2% CaCL2 + 1/4# per sk Cello Flake mixed @ 15.8 ppg with 1.17 cf/sk yield. Returned 8 bbls cement to pit. WOC.

NAME (PLEASE PRINT) Mitch Benson

TITLE Drilling Foreman

SIGNATURE *Mitch Benson*

DATE 09/10/2010

(This space for State use only)

**RECEIVED**  
**SEP 22 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:  
**FEE**

**SUNDRY NOTICES AND REPORTS ON WELLS**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

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

1. TYPE OF WELL: OIL WELL  GAS WELL  OTHER

8. WELL NAME and NUMBER:  
Hancock 8-24-4-1

2. NAME OF OPERATOR:  
NEWFIELD PRODUCTION COMPANY

9. API NUMBER:  
4304751168

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:

COUNTY: UINTAH

FOOTAGES AT SURFACE:

OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: SENE, 24, 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 type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of Work Completion: 10/08/2010	<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 10/08/2010, attached is a daily completion status report.

NAME (PLEASE PRINT) Monica Bradley

TITLE Office Services Assistant

SIGNATURE

*monica Bradley*

DATE 10/11/2010

(This space for State use only)

**RECEIVED**

**OCT 14 2010**

**DIV. OF OIL, GAS & MINING**

# Daily Activity Report

Format For Sundry

**HANCOCK 8-24-4-1**

**8/1/2010 To 12/30/2010**

**9/29/2010 Day: 1**

**Completion**

Rigless on 9/29/2010 - 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, WSTCH sds @ (6933'-36') w/ 3 1/8" Port plug guns ( 11 gram .36" EH 16.82" pen) w/ 3 spf for total of 9 shots, (6898'-01') w/ 3 1/8" Port plug guns ( 11 gram .36" EH 16.82" pen) w/ 3 spf for total of 9 shots, & (6868'-72') w/ 3 1/8" Port plug guns ( 11 gram .36" EH 16.82" pen) w/ 3 spf for total of 12 shots. RD H/O truck & The Perforators WLT & mast. Wait on frac crew

**Daily Cost:** \$0

**Cumulative Cost:** \$12,663

---

**10/4/2010 Day: 2**

**Completion**

Rigless on 10/4/2010 - Perforate, frac & flowback well. - Perforate & frac as detailed. 3856 BWTR. Open for immediate flowback @ approx 3 BPM. Well flowed for 6 1/2 hours & died. Recovered 950 bbls. 2906 BWTR.

**Daily Cost:** \$0

**Cumulative Cost:** \$131,116

---

**10/6/2010 Day: 4**

**Completion**

NC #3 on 10/6/2010 - Cont TIH w/ tbg, & drill out CBP's. - MIRUSU. 300 psi on well. Bleed pressure off well. Recovered 150 bbls water. ND BOP & frac head. NU production head & BOP. RU rig floor. X- over to tbg eq. PU TIH w/ 4 3/4 chomp bit, & 85- jts 2 7/8. SDFD. - OWU. 550 psi on tbg & csg. Bleed pressure off tbg & csg. PU TIH w/ 95- jts 2 7/8. Tag CBP @ 5620'. RU RBS power swivel. Drill out CBP. TIH w/ tbg to CBP @ 6390'. Drill out CBP. TIH w/ tbg to CBP @ 6600'. Drill out CBP. TIH w/ tbg to fill @ 6756'. Clean out fill & drill out CBP @ 6820'. TIH w/ tbg to fill @ 6890'. Clean out fill to PBTD @ 6985'. CWC. RD power swivel. LD 3- jts 2 7/8. SDFD. - OWU. 550 psi on tbg & csg. Bleed pressure off tbg & csg. PU TIH w/ 95- jts 2 7/8. Tag CBP @ 5620'. RU RBS power swivel. Drill out CBP. TIH w/ tbg to CBP @ 6390'. Drill out CBP. TIH w/ tbg to CBP @ 6600'. Drill out CBP. TIH w/ tbg to fill @ 6756'. Clean out fill & drill out CBP @ 6820'. TIH w/ tbg to fill @ 6890'. Clean out fill to PBTD @ 6985'. CWC. RD power swivel. LD 3- jts 2 7/8. SDFD. - MIRUSU. 300 psi on well. Bleed pressure off well. Recovered 150 bbls water. ND BOP & frac head. NU production head & BOP. RU rig floor. X- over to tbg eq. PU TIH w/ 4 3/4 chomp bit, & 85- jts 2 7/8. SDFD.

**Daily Cost:** \$0

**Cumulative Cost:** \$185,232

---

**10/7/2010 Day: 5**

**Completion**

NC #3 on 10/7/2010 - RU sandline & swab well clean. - OWU. 450 psi on tbg & csg. Bleed pressure off tbg & csg. RU sandline to swab. IFL @ surface. Made 13 swab runs & recovered 135 bbls fluid w/ trace oil & no sand. FFL @ 1700'. RD sandline. SDFD.

**Daily Cost:** \$0

**Cumulative Cost:** \$190,293

---

**10/8/2010 Day: 6****Completion**

NC #3 on 10/8/2010 - Clean out to PBD. Trip tbg & rods for production. - OWU. 350 psi on tbg & csg. Bleed pressure off tbg & csg. TIH w/ 3- jts 2 7/8. Tag PBD @ 6985'. No new fill. CWC. LD 8- jts 2 7/8. TOH w/ 215- jts 2 7/8, & chomp bit. PU TIH w/ BP, 3- jts 2 7/8, PBGA, 1- jt 2 7/8, SN, 1- jt 2 7/8, TA, 210- 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, 106- 3/4 guided rods, 54- 3/4 plain rods, 97- 7/8 guided rods, 4' x 7/8 pony rod, 1 1/2 x 26' polish rod. RU pumping unit. W/ tbg full stroke test rod pump to 800 psi. Good test. RDMOSU. POP @ 7:30 W/ 144" SL @ 5 SPM FINAL REPORT!! **Finalized**

**Daily Cost:** \$0**Cumulative Cost:** \$220,940

---

**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**

1a. Type of Well  Oil Well  Gas Well  Dry  Other  
 b. Type of Completion:  New Well  Work Over  Deepen  Plug Back  Diff. Resrv.,  
 Other: \_\_\_\_\_

5. Lease Serial No.  
FEE

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

2. Name of Operator  
NEWFIELD EXPLORATION COMPANY

8. Lease Name and Well No.  
HANCOCK 8-24-4-1 W

3. Address  
1401 17TH ST. SUITE 1000 DENVER, CO 80202

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

9. AFI Well No.  
430-047-51168

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*

At surface 2021' FNL & 177' FEL (SE/NE) SEC.24 , T4S, R1W

10. Field and Pool or Exploratory  
MYTON-TRIBAL EDA

11. Sec., T., R., M., on Block and  
Survey or Area  
SEC.24 , T4S, R1W

At top prod. interval reported below

12. County or Parish  
UINTAH

13. State  
UT

At total depth 7040

14. Date Spudded  
09/04/2010

15. Date T.D. Reached  
09/21/2010

16. Date Completed 10/07/2010  
 D & A  Ready to Prod.

17. Elevations (DF, RKB, RT, GL)\*  
5004' GL 5016 ' KB

18. Total Depth: MD 7040'  
TVD

19. Plug Back T.D.: MD 6985'  
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 Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	8-5/8" J-55	24#	0	429.24'		220 CLASS G			
7-7/8"	5-1/2" J-55	15.5#	0	7016.55'		320 PRIMLITE		384'	
						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@ 6757'	TA @6591'						

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Green River			6868-6901 Wasatch	.36"	3	30
B) Green River			6718-6761 BsCarb	.36"	3	54
C) Green River			6443-6510 CP3 & CP4	.36"	3	24
D) Green River			6331-6336 CP1	.36"	3	15

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

Depth Interval	Amount and Type of Material
6868-6901 Wasatch	Frac w/ 35115#'s of 20/40 sand in 241 bbls of Lightning 17 fluid
6718-6761 BsCarb	Frac w/ 84019#'s of 20/40 sand in 2281 bbls of slick water fluid.
6443-6510 CP3 & CP4	Frac w/32240#'s of 20/40 sand in 294 bbls of Lightning 17 fluid
6331-6336 CP1	Frac w/ 20604#'s of 20/40 sand in 174 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
10-8-10	10/18/10	24	→	8.11	0.00	9.86			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	
2-7/8"			→					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	
			→						

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

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28b. Production - Interval C

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

28c. Production - Interval D

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

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

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
				GARDEN GULCH MRK GARDEN GULCH 1	4465 4641
				GARDEN GULCH 2 POINT 3	4763 5079
				X MRKR Y MRKR	5276 5312
				DOUGALS CREEK MRK BI CARBONATE MRK	5454 5783
				B LIMESTON MRK CASTLE PEAK	5890 6268
				BASAL CARBONATE WASATCH	6649 6772

32. Additional remarks (include plugging procedure):

Stage 5: Green River Formation (D2) 5534-5539", .36" 3/15 Frac w/ 14045#'s of 20/40 sand in 128 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) Monica Bradley Title Office Services Assistant  
 Signature Monica Bradley Date 10/19/2010

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

**HANCOCK 8-24-4-1****7/1/2010 To 11/30/2010****HANCOCK 8-24-4-1****Waiting on Cement****Date:** 9/8/2010

Ross #21 at 430. Days Since Spud - Returned 8 bbls to pit. - 8 5/8" casing w/ 220 sks Class "G" + 2% CaCl<sub>2</sub> + 0.25#/sk Cello Flake at 15.8 ppg w/ 1.17 yield. - casing (guide shoe, shoe jt, baffle plate, 9 jts) set @ 429.24' KB. On 9/8/10 BJ Services cemented - On 9/4/10 Ross Rig #21 spud Hancock 8-24-4-1W, drilled 430' of 12 1/4" hole, and ran 10 jts 8 5/8"

**Daily Cost:** \$0**Cumulative Cost:** \$52,921**HANCOCK 8-24-4-1****Waiting on Cement****Date:** 9/17/2010

NDSI #1 at 430. 0 Days Since Spud - Rig down and prepare for move

**Daily Cost:** \$0**Cumulative Cost:** \$54,065**HANCOCK 8-24-4-1****Drill 7 7/8" hole with fresh water****Date:** 9/18/2010

NDSI #1 at 1671. 1 Days Since Spud - Drill 7 7/8" hole F/380' to 499', w/ 15 WOB, 128 RPM, 350 GPM, ROP 128 - Trip out for sub, - Drill 7 7/8" hole F/499' to 1671', w/ 15 WOB, 128 RPM, 350 GPM, ROP 112 - Tag @ 380 - Surface csg @ 1500 PSI - test good - R/U Quicktest Test Kelly, safty valve, choke manifold, Pipe and blind rams @ 2000 PSI - MIRU w/Jones trucking set all equipment - Notify BLM and state of rig move and pressure test - P/U Smith Bit MI 616, Hunting .33 1.5° Mud motor, Monel, X/O subs and hang of subs, 21 6" DC

**Daily Cost:** \$0**Cumulative Cost:** \$110,148**HANCOCK 8-24-4-1****Drill 7 7/8" hole with fresh water****Date:** 9/19/2010

NDSI #1 at 3958. 2 Days Since Spud - Rig service funtion test pipe rams and crownomatic - Drill 7 7/8" hole F/2986' - 3958', w/ 15 WOB, 150 RPM, 350 GPM, ROP 83 - Drill 7 7/8" hole F/1671' - 2986', w/ 18 WOB, 146 RPM, 350 GPM, ROP 113

**Daily Cost:** \$0**Cumulative Cost:** \$129,821**HANCOCK 8-24-4-1****Drill 7 7/8" hole with fresh water****Date:** 9/20/2010

NDSI #1 at 5714. 3 Days Since Spud - Drill 7 7/8" hole F/4178' -5714', w/ 18 WOB, 150 RPM, 350 GPM, ROP 92 - Rig service funtion test pipe rams and crownomatic - Drill 7 7/8" hole F/3958' - 4178', w/ 18 WOB, 150 RPM, 350 GPM, ROP 100

**Daily Cost:** \$0**Cumulative Cost:** \$151,894**HANCOCK 8-24-4-1****Logging****Date:** 9/21/2010

NDSI #1 at 7040. 4 Days Since Spud - Rig service funtion test pipe rams and crownomatic -

work on light plant - R/U Psi run DISGL/SP/GR suite TD to surface- DSN/SDL/GR/CAL suite TD to 3000' (loggers TD 7033') - Lay down DP,BHA and Pay zone tools - pump 340 bbls brine - Lay down to 4000' - pump 340 bbls brine - Circulate for logs - Drill 7 7/8" hole F/5964' -7040' TD', w/ 20 WOB,150 RPM, 345 GPM,ROP 102 - Drill 7 7/8" hole F/5714' -5964', w/ 20 WOB,150 RPM, 345 GPM,ROP 92

**Daily Cost:** \$0

**Cumulative Cost:** \$186,692

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**HANCOCK 8-24-4-1**

**Wait on Completion**

**Date:** 9/22/2010

NDSI #1 at 7040. 5 Days Since Spud - Release rig @1930 pm on 9/21/10 - Clean Mud tanks - Tear down - Nipple down set 5.5 csg slips w/ 110,000# tension - Mixed @ 14.4 ppg yeild @ 1.24 return 0 bbls to pit Bump plug to1790 psi - yield @ 3.54 Then tail of 450 sk 50:50:2+3% KCL+0.5%EC-1+.25# SK CF+.05#SF+.3SMS+FP-6L - CMT w/BJ Pump 320 sks PL II +3% KCL +5#CSE+0.5#CF+2#KOL+.5SMS+FP+SF mixed @ 11ppg - Circulate csg - Finish logs - R/U QT csg run 166jt 5.5 15.5# j-55 LTC-tag -GS set @ 7016.55' KB -FC set @ 6973.28' KB

**Finalized**

**Daily Cost:** \$0

**Cumulative Cost:** \$342,845

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**Pertinent Files: Go to File List**

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		
E	17757	17757	4301350343	UTE TRIBAL 1-23-4-3	NENE	23	4S	3W	DUCHESNE	8/18/2010	10/1/10
WELL 1 COMMENTS: Change formation from GRRV to GRWS 12/14/10											
E	17781	17781	4304751168	HANCOCK 8-24-4-1W	SENE	24	4S	1W	UINTAH	10/5/2010	10/7/10
Change formation from GRRV to GRWS 12/14/10											

ACTION CODES (See instructions on back of form)

- A - 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)

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\_\_\_\_\_  
 Signature Jentri Park  
 Production Clerk 12/03/10

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