

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING						FORM 3 AMENDED REPORT <input type="checkbox"/>
<b>APPLICATION FOR PERMIT TO DRILL</b>						<b>1. WELL NAME and NUMBER</b> Ute Tribal 7-2-4-1E
<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> WILDCAT
<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)</b> 20G0005609			<b>11. MINERAL OWNERSHIP</b> FEDERAL <input type="checkbox"/> INDIAN <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input 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> Deep Creek Investments						<b>14. SURFACE OWNER PHONE (if box 12 = 'fee')</b>
<b>15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')</b> 2400 Sunnyside Ave, ,						<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"/>
<b>20. LOCATION OF WELL</b>	<b>FOOTAGES</b>	<b>QTR-QTR</b>	<b>SECTION</b>	<b>TOWNSHIP</b>	<b>RANGE</b>	<b>MERIDIAN</b>
<b>LOCATION AT SURFACE</b>	1978 FNL 1982 FEL	SWNE	2	4.0 S	1.0 E	U
<b>Top of Uppermost Producing Zone</b>	1978 FNL 1982 FEL	SWNE	2	4.0 S	1.0 E	U
<b>At Total Depth</b>	1978 FNL 1982 FEL	SWNE	2	4.0 S	1.0 E	U
<b>21. COUNTY</b> UINTAH		<b>22. DISTANCE TO NEAREST LEASE LINE (Feet)</b> 1978		<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> 1996		<b>26. PROPOSED DEPTH</b> MD: 7915 TVD: 7915		
<b>27. ELEVATION - GROUND LEVEL</b> 5186		<b>28. BOND NUMBER</b> RLB0010462		<b>29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE</b> 437478		
<b>ATTACHMENTS</b>						
<b>VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES</b>						
<input checked="" type="checkbox"/> <b>WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER</b>			<input checked="" type="checkbox"/> <b>COMPLETE DRILLING PLAN</b>			
<input checked="" type="checkbox"/> <b>AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)</b>			<input type="checkbox"/> <b>FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER</b>			
<input type="checkbox"/> <b>DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)</b>			<input checked="" type="checkbox"/> <b>TOPOGRAPHICAL MAP</b>			
<b>NAME</b> Mandie Crozier		<b>TITLE</b> Regulatory Tech		<b>PHONE</b> 435 646-4825		
<b>SIGNATURE</b>		<b>DATE</b> 10/06/2010		<b>EMAIL</b> mcrozier@newfield.com		
<b>API NUMBER ASSIGNED</b> 43047513030000		<b>APPROVAL</b>		 Permit Manager		

<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>		
Prod	7.875	5.5	0	7915		
<b>Pipe</b>	<b>Grade</b>	<b>Length</b>	<b>Weight</b>			
	Grade J-55 LT&C	7915	15.5			

<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	300		
<b>Pipe</b>	<b>Grade</b>	<b>Length</b>	<b>Weight</b>			
	Grade J-55 ST&C	300	24.0			

NEWFIELD PRODUCTION COMPANY  
UTE TRIBAL 7-2-4-1E  
SW/NE SECTION 2, T4S, R1E  
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' – 2,835'
Green River	2,835'
Wasatch	7,640'
<b>Proposed TD</b>	<b>7,915'</b>

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

Green River Formation (Oil)      2,835' – 7,640'

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: Ute Tribal 7-2-4-1E**

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'	7,915'	15.5	J-55	LTC	4,810	4,040	217,000
						1.91	1.60	1.77

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 7-2-4-1E**

Job	Fill	Description	Sacks	OH Excess*	Weight (ppg)	Yield (ft <sup>3</sup> /sk)
			ft <sup>3</sup>			
Surface casing	300'	Class G w/ 2% CaCl	138	30%	15.8	1.17
			161			
Prod casing Lead	5,915'	Prem Lite II w/ 10% gel + 3% KCl	409	30%	11.0	3.26
			1332			
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:  
The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **2M** system, and individual components shall be operable as designed. 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 PBDT to cement top. No drill stem testing or coring is planned for this well.

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

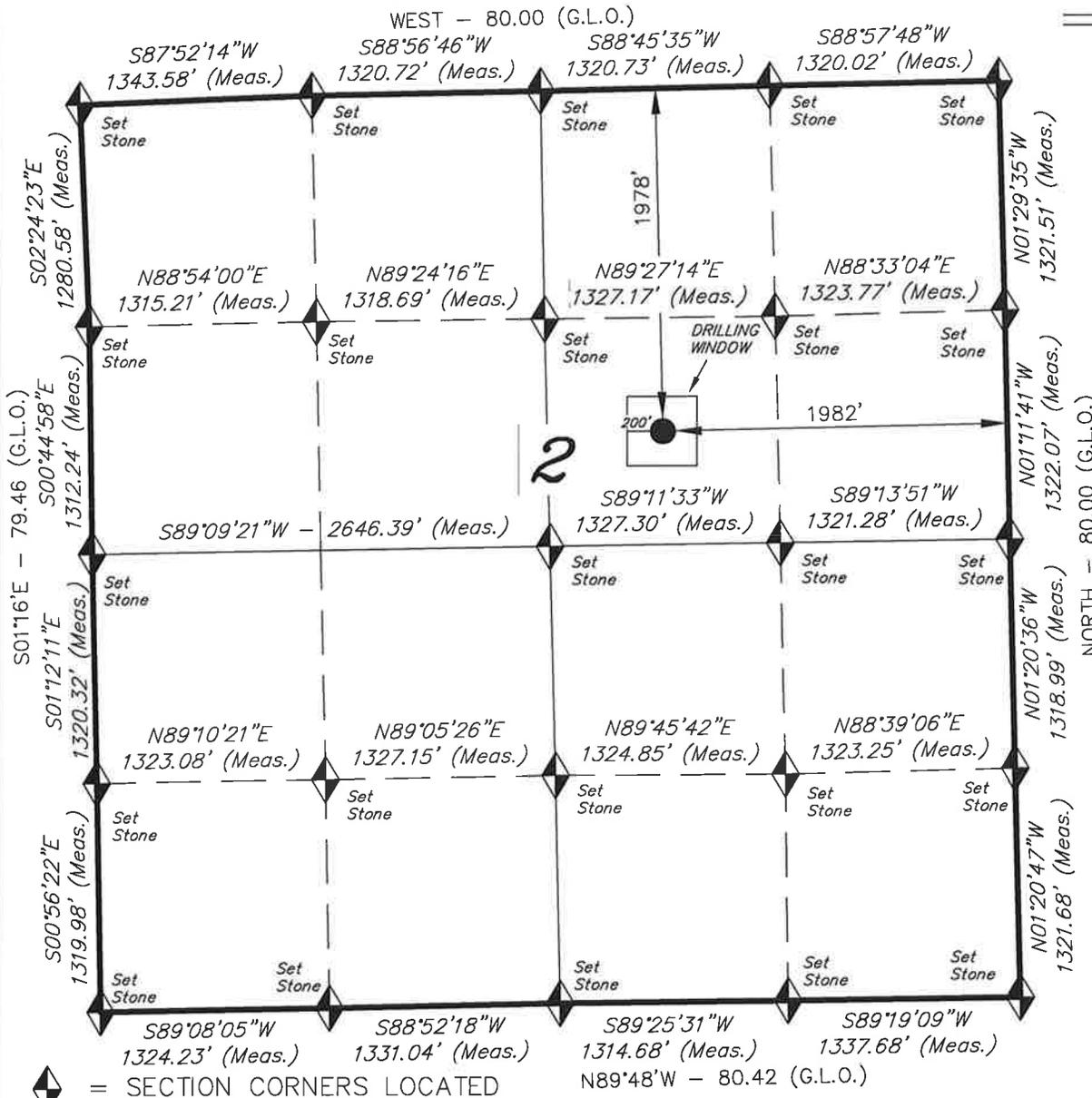
No abnormal temperatures or pressures are anticipated. No hydrogen sulfide has been encountered or is known to exist from previous drilling in the area at this depth. Maximum anticipated bottomhole pressure will approximately equal total depth in feet multiplied by a 0.433 psi/foot gradient.

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

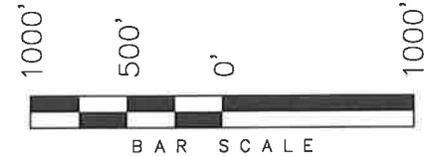
It is anticipated that the drilling operations will commence the first quarter of 2011, and take approximately seven (7) days from spud to rig release.

# T4S, R1E, U.S.B.&M.

## NEWFIELD EXPLORATION COMPANY



WELL LOCATION, 7-2-4-1E, LOCATED AS SHOWN IN THE SW 1/4 NE 1/4 OF SECTION 2, T4S, R1E, U.S.B.&M. UINTAH COUNTY, UTAH.



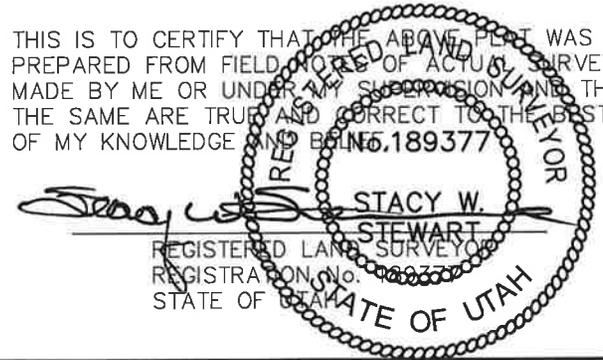
**NOTES:**

1. Well footages are measured at right angles to the Section Lines.
2. Bearings are based on Global Positioning Satellite observations.

**WELL LOCATION:  
7-2-4-1E**

ELEV. UNGRADED GROUND = 5186.3'

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



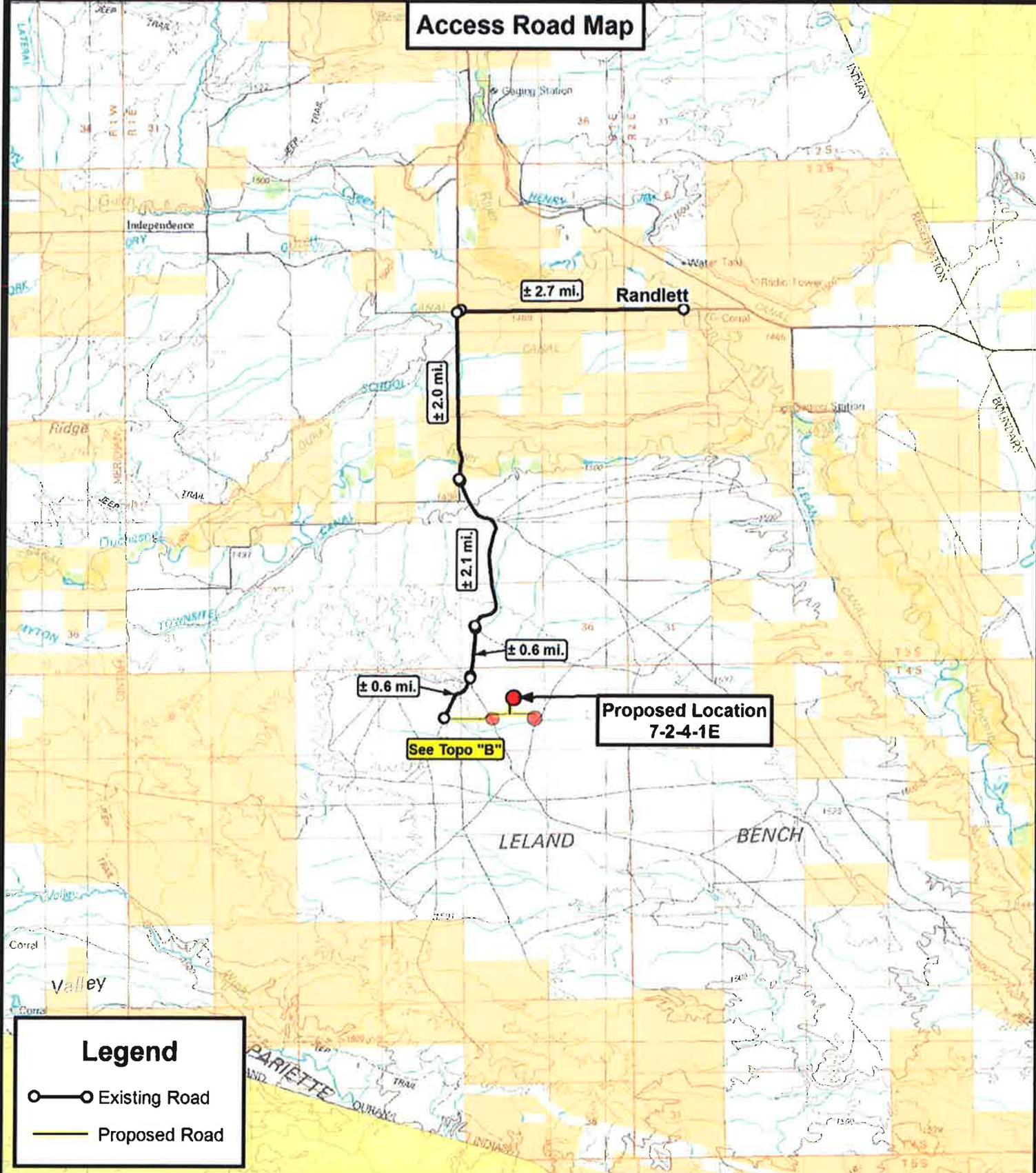
**TRI STATE LAND SURVEYING & CONSULTING**  
180 NORTH VERNAL AVE. - VERNAL, UTAH 84078  
(435) 781-2501

◆ = 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'

**7-2-4-1E**  
**(Surface Location) NAD 83**  
LATITUDE = 40° 09' 57.53"  
LONGITUDE = 109° 50' 51.29"

DATE SURVEYED: 09-04-10	SURVEYED BY: T.P.
DATE DRAWN: 09-10-10	DRAWN BY: F.T.M.
REVISED:	SCALE: 1" = 1000'

# Access Road Map



**Legend**

- Existing Road
- Proposed Road



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

P: (435) 781-2501  
 F: (435) 781-2518



**NEWFIELD EXPLORATION COMPANY**

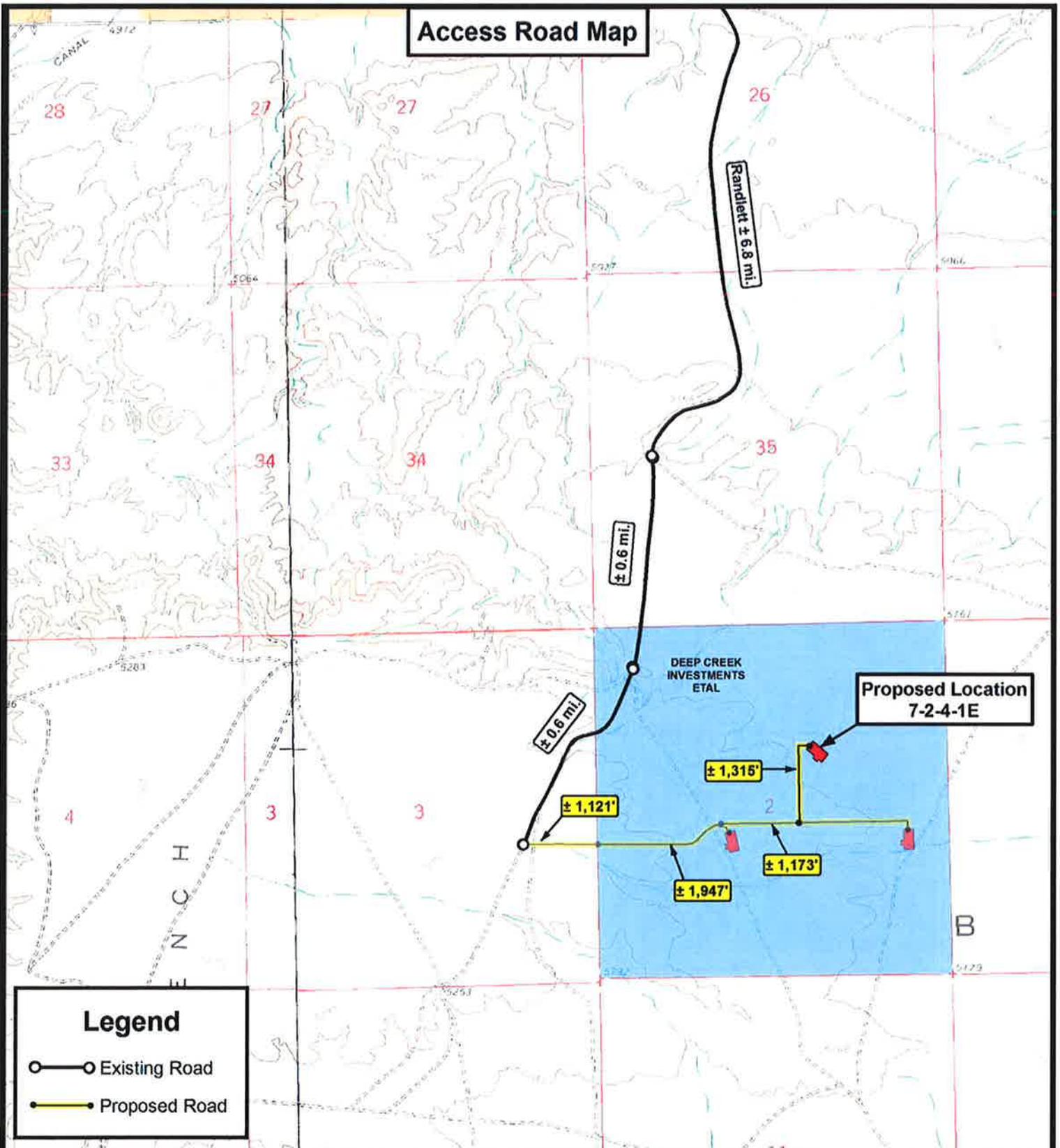
**7-2-4-1E**  
**SEC. 2, T4S, R1E, U.S.B.&M.**  
**Uintah County, UT.**

DRAWN BY:	J.A.S.
DATE:	09-14-2010
SCALE:	1:100,000

**TOPOGRAPHIC MAP**

SHEET  
**A**

### Access Road Map



**Legend**

- Existing Road
- Proposed Road

THE PARCEL INFORMATION SHOWN HAS NOT BEEN SURVEYED BY TRI-STATE LAND SURVEYING, INC. - TRI-STATE DOES NOT WARRANTY PROPERTY PARCEL DATA OR ANY ASSOCIATED INFORMATION. A PROPERTY SURVEY IS REQUIRED TO DETERMINE THE ACTUAL LOCATION OF PROPERTY LINES AND SHOW ACCURATE DISTANCES ACROSS PARCELS.



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**NEWFIELD EXPLORATION COMPANY**

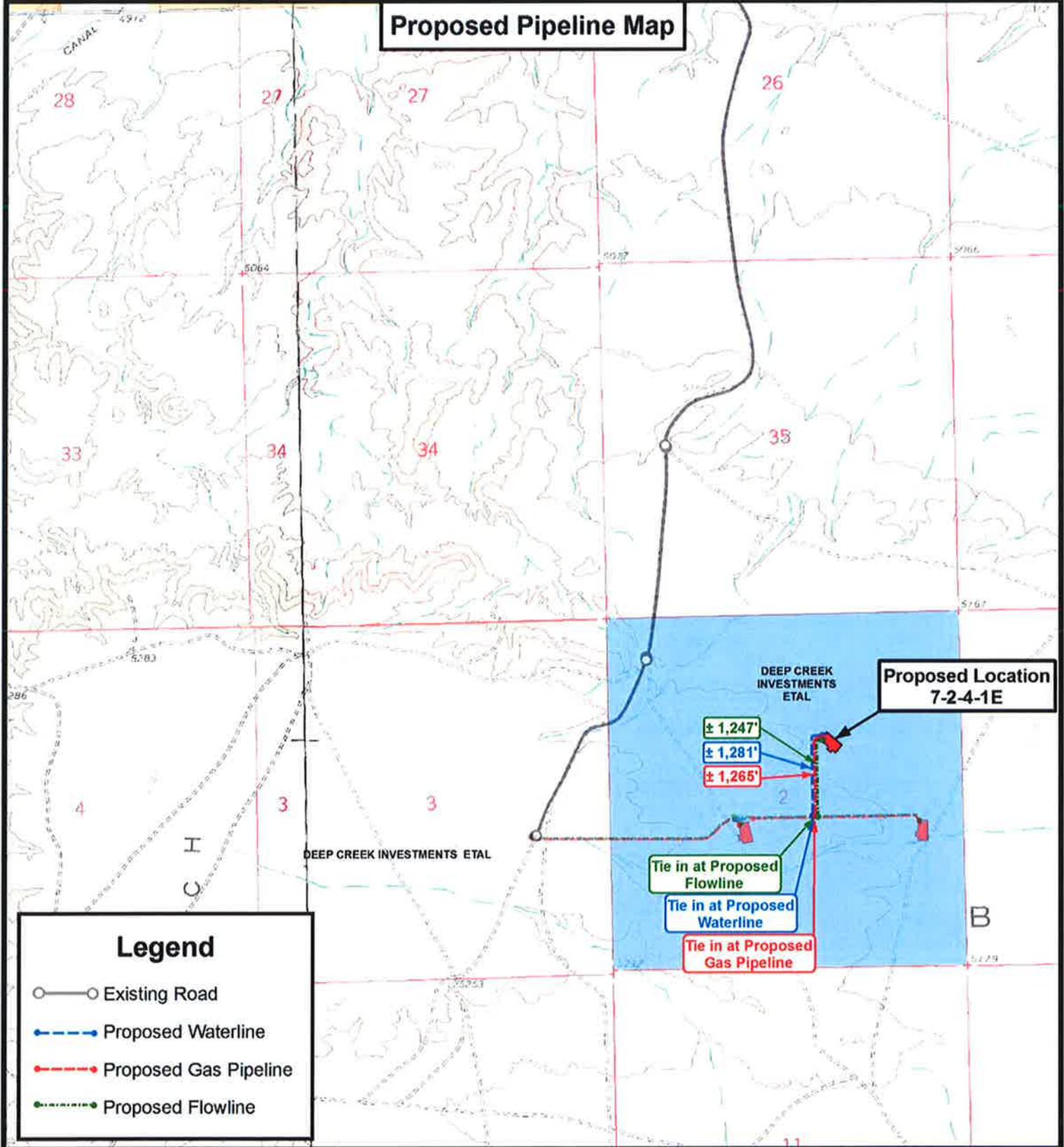
7-2-4-1E  
 SEC. 2, T4S, R1E, U.S.B.&M.  
 Uintah County, UT.

DRAWN BY:	J.A.S.
DATE:	09-14-2010
SCALE:	1" = 2,000'

**TOPOGRAPHIC MAP**

SHEET  
**B**

# Proposed Pipeline Map



### Legend

- Existing Road
- Proposed Waterline
- Proposed Gas Pipeline
- Proposed Flowline

THE PARCEL INFORMATION SHOWN HAS NOT BEEN SURVEYED BY TRI-STATE LAND SURVEYING, INC. - TRI-STATE DOES NOT WARRANTY PROPERTY PARCEL DATA OR ANY ASSOCIATED INFORMATION. A PROPERTY SURVEY IS REQUIRED TO DETERMINE THE ACTUAL LOCATION OF PROPERTY LINES AND SHOW ACCURATE DISTANCES ACROSS PARCELS.



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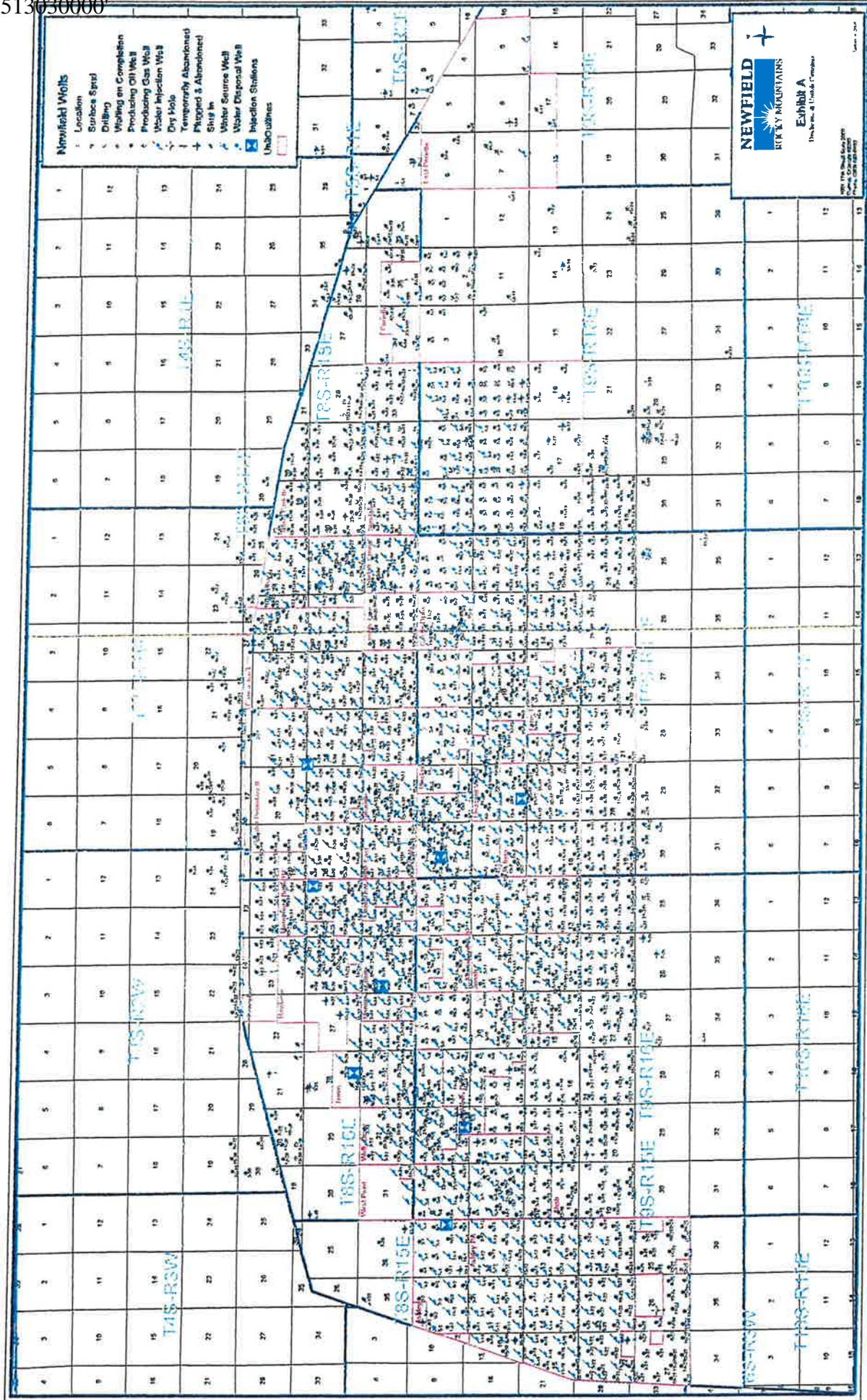
**NEWFIELD EXPLORATION COMPANY**

7-2-4-1E  
SEC. 2, T4S, R1E, U.S.B.&M.  
Uintah County, UT.

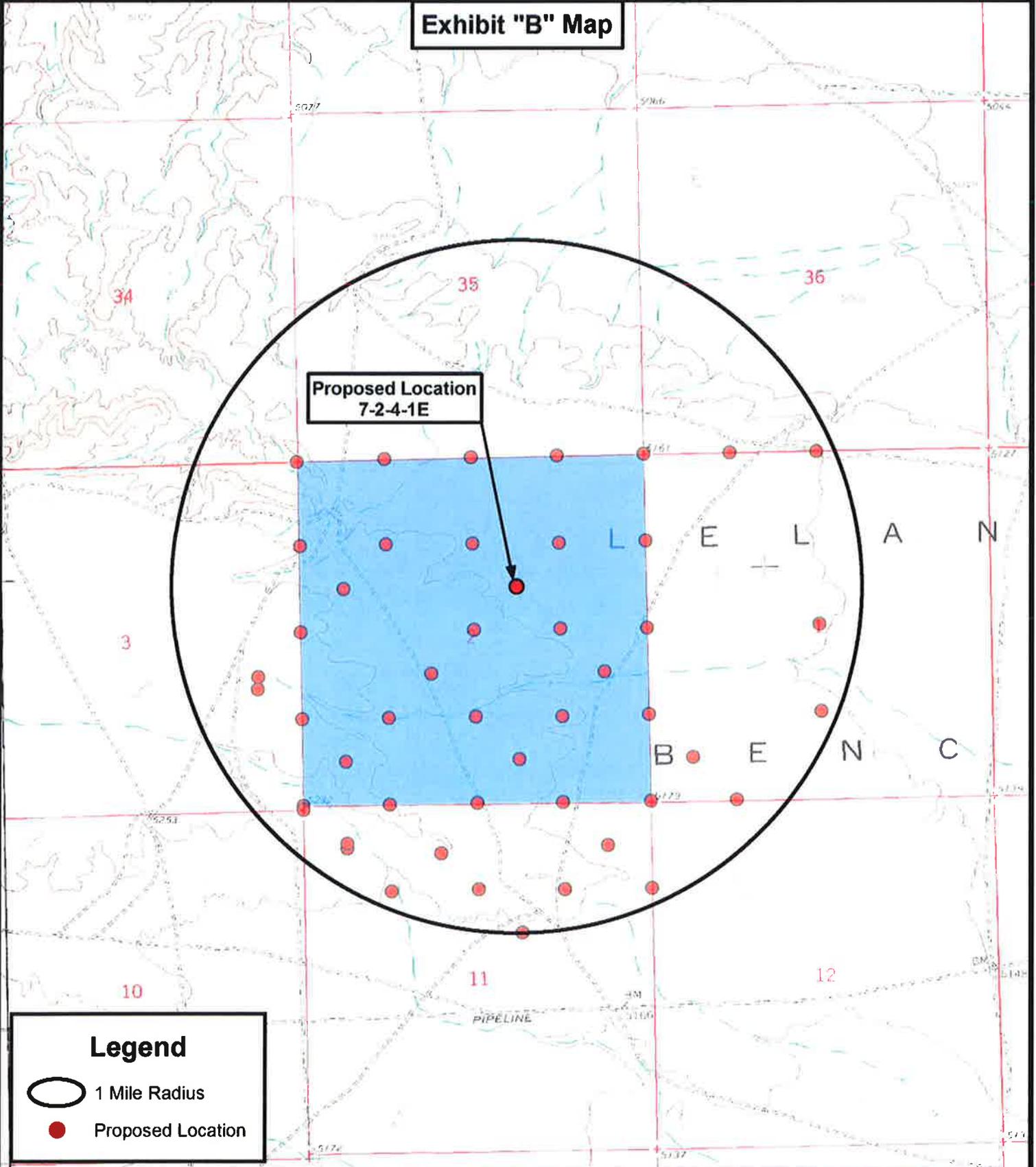
DRAWN BY:	J.A.S.
DATE:	09-14-2010
SCALE:	1" = 2,000'

**TOPOGRAPHIC MAP**

SHEET **C**



### Exhibit "B" Map



**Legend**

- 1 Mile Radius
- Proposed Location

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

P: (435) 781-2501  
 F: (435) 781-2518



**NEWFIELD EXPLORATION COMPANY**

**7-2-4-1E**  
**SEC. 2, T4S, R1E, U.S.B.&M.**  
**Uintah County, UT.**

DRAWN BY:	J.A.S
DATE:	09-14-2010
SCALE:	1" = 2,000'

**TOPOGRAPHIC MAP**

SHEET **D**

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

This Easement, Right-of-Way and Surface Use Agreement ("Agreement") is entered into this 2<sup>nd</sup> day of October, 2009 by and between Deep Creek Investments etal, Lee M. Smith, General Manager whose address is 2400 Sunnyside Avenue, Salt Lake City, UT 84108, ("Surface Owner," whether one or more) and Newfield Production Company, a Texas corporation ("NEWFIELD"), with offices at 1001 17<sup>th</sup> Street, Suite 2000, Denver, Colorado 80202, covering certain lands, (the "Lands") situated in Uintah County, Utah described as follows:

Township 4 South, Range 1 East  
Section 2  
Section 3 S1/2

Uintah County, Utah  
Being 960 acres, more or less and pertaining to the following wells:

- 1-2-4-1E (NENE - Sec. 2), 2-2-4-1E (NWNE - Sec. 2), 3-2-4-1E (NENW - Sec. 2),
- 4-2-4-1E (NWNW - Sec. 2), 5-2-4-1E (SWNW - Sec. 2), 6-2-4-1E (SENE - Sec. 2),
- 7-2-4-1E (SWNE - Sec. 2), 8-2-4-1E (SENE - Sec. 2), 9-2-4-1E (NESE - Sec. 2),
- 10-2-4-1E (NWSE - Sec. 2), 11-2-4-1E (NESW - Sec. 2), 12-2-4-1E (NWSW - Sec. 2),
- 13-2-4-1E (SWSW - Sec. 2), 14-2-4-1E (SESW - Sec. 2), 15-2-4-1E (SWSE - Sec. 2),
- 16-2-4-1E (SESE - Sec. 2), 9-3-4-1E (NESE - Sec. 3), 10-3-4-1E (NWSE - Sec. 3),
- 11-3-4-1E (NESW - Sec. 3), 12-3-4-1E (NWSW - Sec. 3), 13-3-4-1E (SWSW - Sec. 3),
- 14-3-4-1E (SESW - Sec. 3), 15-3-4-1E (SWSE - Sec. 3), 16-3-4-1E (SESE - Sec. 3).

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 October 2<sup>nd</sup>, 2009 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. This agreement replaces and supersedes any and all prior agreements covering the lands described herein.

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

SURFACE OWNER

NEWFIELD PRODUCTION COMPANY

By:   
Lee M. Smith, General Manager  
Deep Creek Investments, etal

By: \_\_\_\_\_  
Daniel W. Shewmake  
Vice President - Development

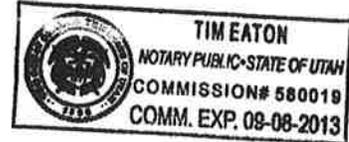
STATE OF UTAH )  
 )ss  
COUNTY OF Salt Lake )

This instrument was acknowledged before me this 2<sup>nd</sup> day of October, 2009 by Lee M. Smith, Deep Creek Investments, etal, General Manager.

Witness my hand and official seal.

My commission expires 9/8/2013

*Tim Eaton*  
Notary Public



STATE OF COLORADO )  
 )ss  
COUNTY OF DENVER )

This instrument was acknowledged before me this \_\_\_\_\_, 2009 by **Daniel W. Shewmake, as Vice President - Development 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 7-2-4-1E  
SW/NE SECTION 2, T4S, R1E  
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 7-2-4-1E located in the SW 1/4 NE 1/4 Section 2, T4S, R1E, Uintah County, Utah:

Proceed in a westerly direction out of Randlett, approximately 2.7 miles to it's junction with an existing road to the south; proceed in a southerly direction approximately 4.7 miles to it's junction with the beginning of the proposed access road to the east; proceed in a easterly direction along the proposed access road approximately 4241'; turn and continue in a northerly direction along the proposed access road approximately 1315' 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 5556' of access road is proposed for the proposed well. See attached **Topographic Map "B"**.

The proposed access road will be an 20' crown road (10' 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 : 43-10136

Maurice Harvey Pond  
Water Right: 47-1358

Neil Moon Pond  
Water Right: 43-11787

Newfield Collector Well  
Water Right: 41-1817 (A30414DVA, 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.

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** – Deep Creek Investments etal.  
See attached Memorandum of Surface Use Agreement and Easement ROW..

12. **OTHER ADDITIONAL INFORMATION**

The Archaeological and Paleontological Reports will be forthcoming.

Newfield Production Company requests 5556' of planned access road to be granted. **Refer to Topographic Map "B"**. Newfield Production Company requests 1265' of surface gas line to be granted. Newfield Production Company requests 1281' 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 4" poly fuel gas line, a buried 10" steel water injection line, a buried 3" poly water return line, and a and a 14" surface flow line. The planned access road will consist of a 20' permanent running surface (10' 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 3160-5 form will be applied for through the Bureau of Land Management field office.

- 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.

**Surface Flow Line**

Newfield requests 1247' of surface flow line be granted. The Surface Flow Line will consist of up to a 14" bundled pipe consisting of 2-2" poly glycol lines and 1-3" production line. For all new wells, Newfield. **Refer to Topographic Map "D"** for the proposed location of the proposed flow line. Flow lines will be tan and will be constructed using the following procedures:

Clearing and Grading: No clearing or grading of the ROW will be required. The centerline of the proposed route will be staked prior to installation. Flow lines shall be placed as close to existing

roads as possible without interfering with normal road travel or road maintenance activities. Due to the proximity of existing facilities, no temporary use or construction/storage areas are anticipated. If necessary, temporary use or construction/storage areas will be identified on a topographic map included in the approved permit.

Installation: The proposed flow lines will be installed 4-6" above the ground. For portions along existing two-track and primary access roads, lengths of pipe will be strung out in the borrow ditch, welded together, and rolled or dragged into place with heavy equipment. For pipelines that are installed cross-country (not along existing or proposed roads), travel along the lines will be infrequent and for maintenance needs only. No installation activities will be performed during periods when the soil is too wet to adequately support installation equipment. If such equipment creates ruts in excess of three (3) inches deep, the soil will be deemed too wet to adequately support the equipment.

Termination and Final Reclamation: After abandonment of the associated production facilities, the flow lines will be cut and removed, and any incidental surface disturbance reclaimed. Reclamation procedures will follow those outlined in the Castle Peak and Eight Mile Flat Reclamation and Weed Management Plan.

#### **Water Disposal**

After first production, if the production water meets quality guidelines, it will be transported to the Ashley, Monument Butte, Jonah, South Wells Draw 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, will be disposed at Newfield's Pariette #4 disposal well (Sec. 7, T9S R19E), Federally approved surface disposal facilities or at a State of Utah approved surface disposal 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 Ute Tribal 7-2-4-1E, 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 7-2-4-1E, 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

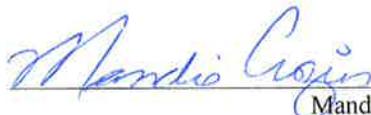
Address: Newfield Production Company  
Route 3, Box 3630  
Myton, UT 84052  
Telephone: (435) 646-3721

Certification

Please be advised that Newfield Production Company is considered to be the operator of well #7-2-4-1E, SW/NE Section 2, T4S, R1E, Uintah County, Utah and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage for this well is covered by the Bureau of Indian Affairs Bond #RLB0010462.

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.

10/6/10  
Date \_\_\_\_\_

  
Mandie Crozier  
Regulatory Specialist  
Newfield Production Company

# 2-M SYSTEM

Blowout Prevention Equipment Systems

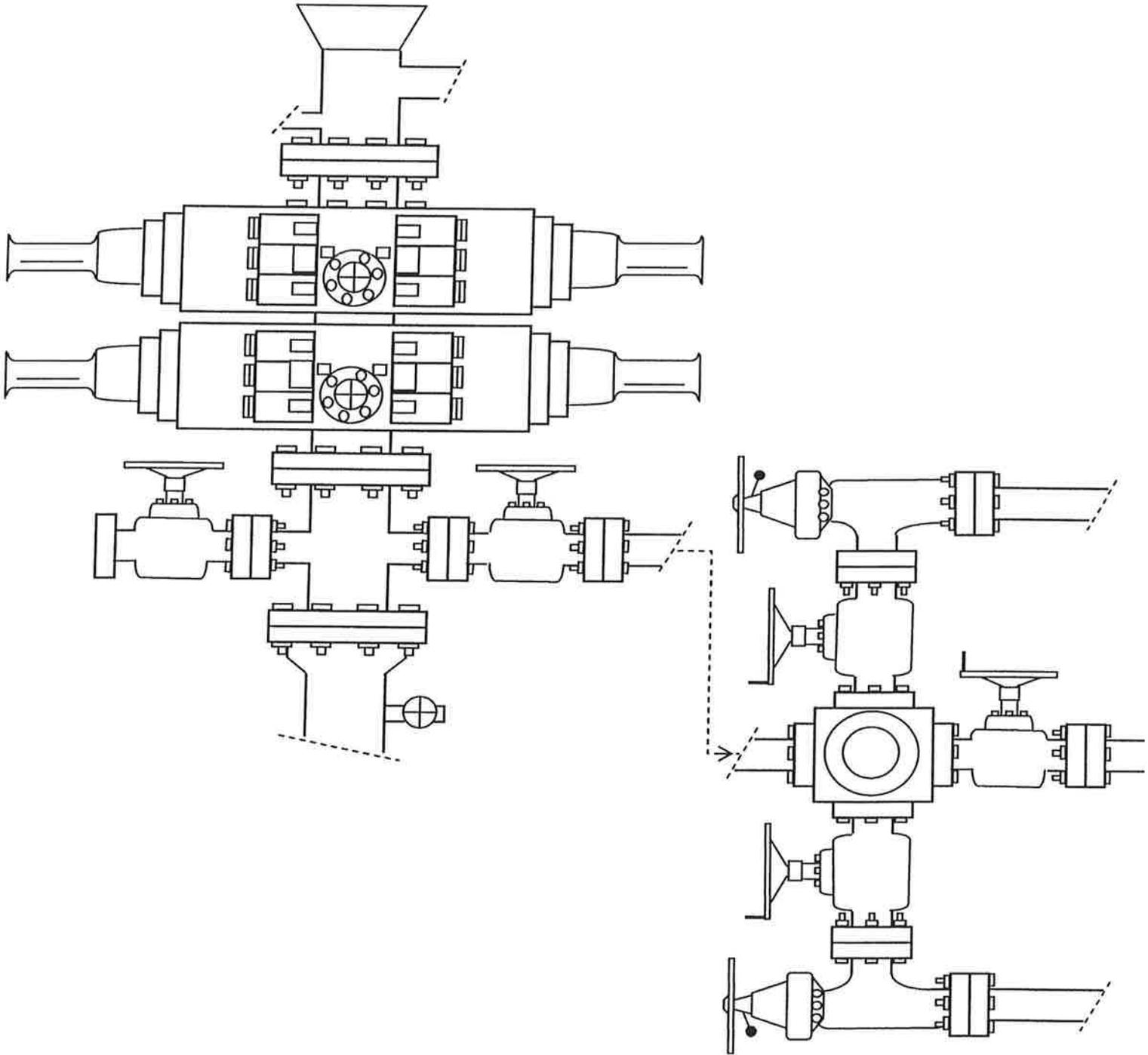
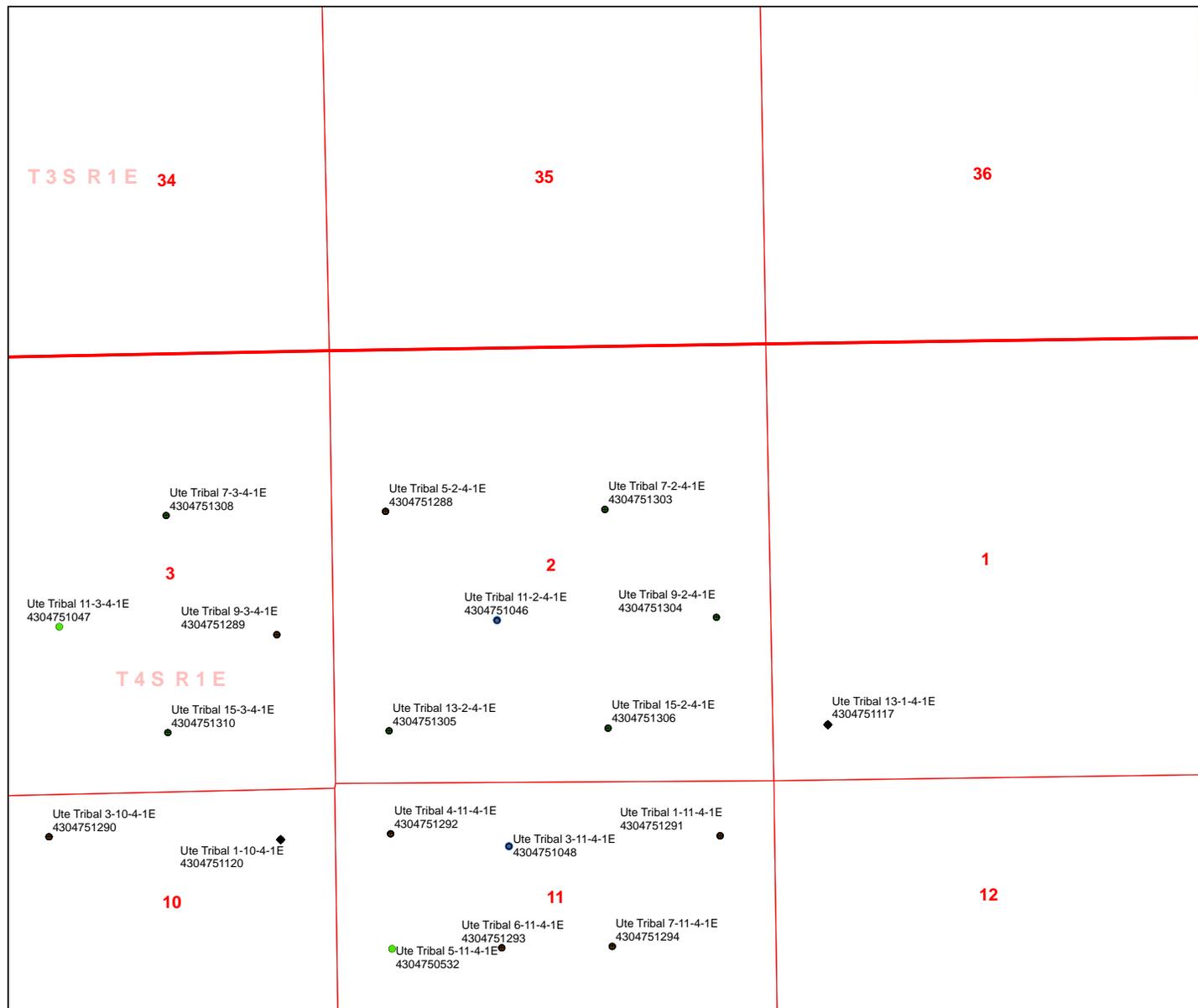


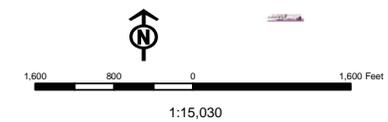
EXHIBIT C

**API Number: 4304751303**  
**Well Name: Ute Tribal 7-2-4-1E**  
**Township 04.0 S Range 01.0 E Section 02**  
**Meridian: UBM**  
 Operator: NEWFIELD PRODUCTION COMPANY

Map Prepared:  
 Map Produced by Diana Mason



- | Units                       | Wells Query                        |
|-----------------------------|------------------------------------|
| ACTIVE                      | <call other values>                |
| EXPLORATORY                 | APD - Approved Permit              |
| GAS STORAGE                 | DRL - Spudded (Drilling Commenced) |
| NF PP OIL                   | GIW - Gas Injection                |
| NF SECONDARY                | GS - Gas Storage                   |
| PI OIL                      | LA - Location Abandoned            |
| PP GAS                      | LOC - New Location                 |
| PP GEOTHERML                | OPS - Operation Suspended          |
| PP OIL                      | PA - Plugged Abandoned             |
| SECONDARY                   | PGW - Producing Gas Well           |
| TERMINATED                  | POW - Producing Oil Well           |
| <b>Fields</b>               | RET - Returned APD                 |
| Sections                    | SGW - Shut-in Gas Well             |
| Township                    | SOW - Shut-in Oil Well             |
| Bottom Hole Location - AGRC | TA - Temp. Abandoned               |
|                             | TW - Test Well                     |
|                             | WDW - Water Disposal               |
|                             | WW - Water Injection Well          |
|                             | WSW - Water Supply Well            |



# ON-SITE PREDRILL EVALUATION

## Utah Division of Oil, Gas and Mining

<b>Operator</b>	NEWFIELD PRODUCTION COMPANY				
<b>Well Name</b>	Ute Tribal 7-2-4-1E				
<b>API Number</b>	43047513030000	<b>APD No</b>	3048	<b>Field/Unit</b>	WILDCAT
<b>Location: 1/4,1/4</b>	SWNE	<b>Sec 2</b>	<b>Tw 4.0S</b>	<b>Rng 1.0E</b>	1978 FNL 1982 FEL
<b>GPS Coord (UTM)</b>	598195	4446615	<b>Surface Owner</b>	Deep Creek Investments	

**Participants**

See other Comments:

**Regional/Local Setting & Topography**

The general area is on Leland Bench, which is located about 10 miles southwest of Fort Duchesne, Uintah County, Utah. Broad flats with low growing desert shrub type vegetation characterize the area. A few rolling hills and slopes leading to higher flats occur. No springs, seeps or flowing streams are known to occur in the area. The Duchesne River is approximately 7 miles to the east. All lands in the immediate area are privately owned. Solid blocks or scattered Ute Tribal lands surround the area.

Access to the proposed well site is by State of Utah or Uintah County roads and existing or proposed oilfield development roads. Distance from Randlett, Utah is approximately 8.0 miles. Approximately 1,265 feet new road will be constructed to reach this location.

The proposed Ute Tribal 7-2-4-1E oil well is on the toe of a slope in rolling topography. The rolling topography extends to the north a short distance and becomes flat. Maximum cut for the pad is 2.8 feet at Pit Corner C, with a maximum fill of 3.1 feet at Location Corner 2. The location is within the normal drilling window and appears to be a good site for constructing a pad, drilling and operating a well.

Deep Creek Investments own the surface.

**Surface Use Plan**

**Current Surface Use**

- Grazing
- Recreational
- Wildlife Habitat

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

**Ancillary Facilities** N

**Waste Management Plan Adequate?**

**Environmental Parameters**

**Affected Floodplains and/or Wetlands** N

**Flora / Fauna**

The vegetation on Leland Bench is a desert shrub/forb type. Similar species are common throughout the area. Principal species are shadscale, bud sage, winter fat, horsebrush, broom snakeweed, Indian ricegrass, needle and thread grass, curly mesquite grass, scarlet globe mallow, matt and Gardiner saltbrush, hordeum jabutum and annual mustards. A few occurrences of cheat grass, rabbit brush, buckwheat and other species occur but are not common. Overall vegetation is fair to good. Impacts from past and current grazing do not exist.

Because of the lack of water and cover the area is not rich in fauna. Species include antelope, coyotes and small mammals and rodents. Some shrub dependent birds may occur but were not observed. Historically, but not currently, sheep and wild horses grazed the area. Light winter cattle grazing currently exist.

**Soil Type and Characteristics**

Soils are a deep sandy loam with some gravel.

**Erosion Issues** N

**Sedimentation Issues** N

**Site Stability Issues** N

**Drainage Diversion Required?** N

**Berm Required?** Y

**Erosion Sedimentation Control Required?** N

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

**Reserve Pit**

**Site-Specific Factors**

**Site Ranking**

<b>Distance to Groundwater (feet)</b>	100 to 200	5	
<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>	30	1 Sensitivity Level

**Characteristics / Requirements**

A 40' x 80' x 8' deep reserve pit is planned in a cut on the southwest corner of the location. A liner with a minimum thickness of 16-mils is required. A sub-liner may not be needed because of the lack of rock in the area.

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

**Other Observations / Comments**

Floyd Bartlett (DOGM), Tim Eaton, (Newfield Production Co.), Corie Miller (Tri-State Land Surveying), Christine Cimiluca and Janna Simonsen (BLM), Matt Crazier and Marsha Perry, (Uintah County Planning and Zoning) and Alan Smith Land Owner or representing the Land Owners)

ATV's were used to access the site.

Floyd Bartlett  
**Evaluator**

10/12/2010  
**Date / Time**

# Application for Permit to Drill

## Statement of Basis

10/28/2010

### 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>
3048	43047513030000	LOCKED	OW	P	No
<b>Operator</b>	NEWFIELD PRODUCTION COMPANY		<b>Surface Owner-APD</b>	Deep Creek Investments	
<b>Well Name</b>	Ute Tribal 7-2-4-1E		<b>Unit</b>		
<b>Field</b>	WILDCAT		<b>Type of Work</b>	DRILL	
<b>Location</b>	SWNE 2 4S 1E U 1978 FNL 1982 FEL		<b>GPS Coord (UTM)</b>	598193E 4446609N	

### 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

10/26/2010  
Date / Time

### Surface Statement of Basis

The general area is on Leland Bench, which is located about 10 miles southwest of Fort Duchesne, Uintah County, Utah. Broad flats with low growing desert shrub type vegetation characterize the area. A few rolling hills and slopes leading to higher flats occur. No springs, seeps or flowing streams are known to occur in the area. The Duchesne River is approximately 7 miles to the east. All lands in the immediate area are privately owned. Solid blocks or scattered Ute Tribal lands surround the area.

Access to the proposed well site is by State of Utah or Uintah County roads and existing or proposed oilfield development roads. Distance from Randlett, Utah is approximately 8.0 miles. Approximately 1,265 feet new road will be constructed to reach this location.

The proposed Ute Tribal 7-2-4-1E oil well is on the toe of a slope in rolling topography. The rolling topography extends to the north a short distance and becomes flat. Maximum cut for the pad is 2.8 feet at Pit Corner C, with a maximum fill of 3.1 feet at Location Corner 2. The location is within the normal drilling window and appears to be a good site for constructing a pad, drilling and operating a well.

Deep Creek Investments own the surface. Mr. Alan Smith, a partner in the company, attended the pre-site evaluation. He had no concerns regarding the proposal. A surface use agreement has been completed.

The minerals are owned by the United States Government and held in trust for the Ute Indian Tribe. Ms. Christine Cimiluca and Ms. Janna Simonsen of the BLM, who acts for the Ute Indian Tribe, attended the pre-site evaluation. They had no concerns regarding the location as planned.

Uintah County has recently passed a new ordinance to regulate extraction industries. This ordinance requires a conditional use permit for all oil or gas wells in areas not zoned as industrial. Newfield will be required to obtain a permit for this and other wells on Leland Bench except for a small area which is zoned light industrial.

Floyd Bartlett  
Onsite Evaluator

10/12/2010  
Date / Time

### Conditions of Approval / Application for Permit to Drill

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

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**Application for Permit to Drill  
Statement of Basis**

10/28/2010

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

Page 2

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Surface

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

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

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**APD RECEIVED:** 10/6/2010

**API NO. ASSIGNED:** 43047513030000

**WELL NAME:** Ute Tribal 7-2-4-1E

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

**PHONE NUMBER:** 435 646-4825

**CONTACT:** Mandie Crozier

**PROPOSED LOCATION:** SWNE 02 040S 010E

**Permit Tech Review:**

**SURFACE:** 1978 FNL 1982 FEL

**Engineering Review:**

**BOTTOM:** 1978 FNL 1982 FEL

**Geology Review:**

**COUNTY:** UINTAH

**LATITUDE:** 40.16600

**LONGITUDE:** -109.84691

**UTM SURF EASTINGS:** 598193.00

**NORTHINGS:** 4446609.00

**FIELD NAME:** WILDCAT

**LEASE TYPE:** 2 - Indian

**LEASE NUMBER:** 20G0005609

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

**SURFACE OWNER:** 4 - Fee

**COALBED METHANE:** NO

---

**RECEIVED AND/OR REVIEWED:**

- PLAT
- Bond: INDIAN - RLBO010462
- Potash
- Oil Shale 190-5
- Oil Shale 190-3
- Oil Shale 190-13
- Water Permit: 437478
- RDCC Review: 2010-10-26 00:00:00.0
- Fee Surface Agreement
- Intent to Commingle

**Commingle Approved**

**LOCATION AND SITING:**

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

**Comments:** Presite Completed

**Stipulations:** 4 - Federal Approval - dmason  
5 - Statement of Basis - bhll  
21 - RDCC - dmason  
23 - Spacing - dmason



GARY R. HERBERT  
*Governor*

GREGORY S. BELL  
*Lieutenant Governor*

## State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

Division of Oil, Gas and Mining

JOHN R. BAZA  
*Division Director*

### Permit To Drill

\*\*\*\*\*

**Well Name:** Ute Tribal 7-2-4-1E  
**API Well Number:** 43047513030000  
**Lease Number:** 2OG0005609  
**Surface Owner:** FEE (PRIVATE)  
**Approval Date:** 10/28/2010

**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 R649-3-2. 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

**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.

The Application for Permit to Drill has been forwarded to the Resource Development Coordinating Committee for review of this action. The operator will be required to comply with any applicable recommendations resulting from this review. (See attached)

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:**

A handwritten signature in black ink, appearing to read "John Rogers", written over a faint, illegible stamp or background.

For John Rogers  
Associate Director, Oil & Gas

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

5. Lease Serial No. 20G0005609
6. If Indian, Allottee or Tribe Name UTE
7. If Unit or CA Agreement, Name and No. NA
8. Lease Name and Well No. Ute Tribal 7-2-4-1E
9. API Well No. 43-047-51303
10. Field and Pool, or Exploratory Undesignated
11. Sec., T. R. M. or Blk. and Survey or Area Sec. 2, T4S R1E
12. County or Parish Uintah
13. State UT

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER	
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	
2. Name of Operator Newfield Production Company	
3a. Address Route #3 Box 3630, Myton UT 84052	3b. Phone No. (include area code) (435) 646-3721
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SW/NE 1978' FNL 1982' FEL At proposed prod. zone	
14. Distance in miles and direction from nearest town or post office* Approximately 9.1 miles southwest of Randlett, UT	
15. Distance from proposed* location to nearest property or lease line, ft. Approx. 1978' f/lse, NA' f/unit (Also to nearest drig. unit line, if any)	16. No. of acres in lease NA
17. Spacing Unit dedicated to this well 40 Acres	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Approx. 1996'	19. Proposed Depth 7,915'
20. BLM/BIA Bond No. on file RLB0010462	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5186' GL	22. Approximate date work will start* 1st Qtr. 2011
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 10/6/10
-------------------------------------	--	-----------------

Title Regulatory Specialist

Approved by (Signature) <i>James H. Sparger</i>	Name (Printed/Typed) James H. Sparger	Date JAN 29 2011
---	--	---------------------

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)

\*(Instructions on page 2)

**RECEIVED RECEIVED**

**UDOGM**

FEB 08 2011    OCT 08 2010

DIV. OF OIL, GAS & MINING

**BLM VERNAL, UTAH**

**NOS** 9-21-2010

**AFMSS#** 10SS046A

**CONDITIONS OF APPROVAL ATTACHED**



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      Location: SWNE, Sec. 2, T4S R1E  
Well No: Ute Tribal 7-2-4-1E      Lease No: 2OG0005609  
API No: 43-047-51303      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: <a href="mailto:ut_vn_opreport@blm.gov">ut_vn_opreport@blm.gov</a> .
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)***

- A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be installed and maintained in the reserve pit.
- Any deviation from submitted APD's and ROW applications the operator will notify the BLM in writing and will receive written authorization of any such change with appropriate authorization.
- All operator employees and/or authorized personnel (sub-contractors) in the field will have approved applicable APD's and ROW permits/authorizations on their person(s) during all phases of construction.
- All vehicular traffic, personnel movement, construction/restoration operations should be confined to the area examined and approved, and to the existing roadways and/or evaluated access routes.
- All permanent surface equipment (meaning on site for six months or longer) will be painted Covert Green to match the surrounding landscape color unless otherwise authorized. This would include all facilities except those required to comply with Occupational Safety and Health Act (OSHA) regulations.
- Reclamation will be completed in accordance with the recontouring and reseeding procedures outlined in the Newfield Exploration Company Castle Peak and Eight Mile Flat Reclamation Plan on file with the Vernal Field Office of the BLM, unless otherwise specified by the private surface owner.

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

**SITE SPECIFIC DOWNHOLE COAs:**

- The operator shall comply with all applicable requirements in the SOP (version: "Ute Tribe Green River Development Program", April 17, 2008). The operator shall also comply with applicable laws and regulations; with the lease terms, Onshore Oil and Gas Orders, NTL's; and with other orders and instructions of the authorized officer.

**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](mailto: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.
- For information regarding production reporting, contact the Office of Natural Resources Revenue (ONRR) at [www.ONRR.gov](http://www.ONRR.gov).
- 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 ( $\frac{1}{4}$  $\frac{1}{4}$ , 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 26 Submitted By Cheyenne Bateman Phone Number 435-823-2419

Well Name/Number Ute Tribal 7-2-4-1E

Qtr/Qtr SW/NE Section 2 Township 4S Range 1E

Lease Serial Number 2OG0005609

API Number 43-047-51303

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

Date/Time 2/28/2011 8:00 AM  PM

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

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

Date/Time 2/28/2011 12:00PM 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 \_\_\_\_\_

---

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	4301350254	GREATER MONUMENT BUTTE T-2-9-16	SWSW	2	9S	16E	DUCHESNE	2/18/2011	2/28/11
WELL 1 COMMENTS: GRRV BHL = NE SE Sec 2											
A	99999	17956	4304751289	UTE TRIBAL 9-3-4-1E	NESE	3	4S	1E	UINTAH	2/18/2011	2/28/11
GRRV											
B	99999	17400	4301350251	GREATER MONUMENT BUTTE N-1-9-16	SWNW	1	9S	16E	DUCHESNE	2/23/2011	2/28/11
GRRV BHL = NESW											
A	99999	17957	4304751288	UTE TRIBAL 5-2-4-1E	SWNW	2	4S	1E	UINTAH	2/21/2011	2/28/11
GRRV											
A	99999	17958	4304751303	UTE TRIBAL 7-2-4-1E	SWNE	2	4S	1E	UINTAH	2/28/2011	2/28/11
GRRV											
B	99999	17400	4301350249	GREATER MONUMENT BUTTE D-1-9-16	NWNW	1	9S	16E	DUCHESNE	2/25/2011	2/28/11
GRRV BHL = NE NW											

ACTION CODES (See instructions on back of form)

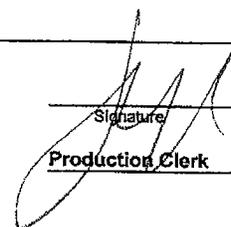
- A - 1 new entity for new well (single well only)
- B - well to existing entity (group or unit well)
- C - from one existing entity to another existing entity
- D - well from one existing entity to a new entity
- E - ther (explain in comments section)

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

RECEIVED

FEB 28 2011

DIV. OF OIL, GAS & MINING

Signature:   
 Jentri Park  
 Production Clerk  
 02/28/11

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

**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)

SWNE Section 2 T4S R1E

5. Lease Serial No.  
MON BUTTE EDA 20G0005609

6. If Indian, Allottee or Tribe Name.

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

8. Well Name and No.  
UTE TRIBAL 7-2-4-1E

9. API Well No.  
4304751303

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

11. County or Parish, State  
UINTAH, 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 recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

On 2/28/11 MIRU Ross #26. Spud well @9:00 AM. Drill 310' of 12 1/4" hole with air mist. TIH W/ 7 Jt's 8 5/8" J-55 24# csgn. Set @ 298.25'. On 3/9/11 cement with 160 sks of class "G" w/ 2% CaCL2 + 0.25#/sk Cello- Flake Mixed @ 15.8ppg w/ 1.17ft3/sk yield. Returned 2 barrels cement to pit. WOC.

**RECEIVED**

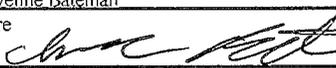
**MAR 21 2011**

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

I hereby certify that the foregoing is true and correct (Printed/ Typed)

Chevenne Bateman

Signature



Title

Date

03/11/2011

**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)





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

5. LEASE DESIGNATION AND SERIAL NUMBER:  
MON BUTTE EDA 20G0005609

**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 7-2-4-1E

2. NAME OF OPERATOR:  
NEWFIELD PRODUCTION COMPANY

9. API NUMBER:  
4304751303

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:

COUNTY: UINTAH

OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: SWNE, 2, T4S, R1E

STATE: UT

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

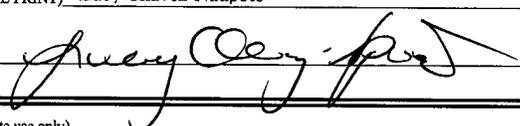
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate)  Approximate date work will _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of Work Completion: <u>04/08/2011</u>	<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 04-08-11, attached is a daily completion status report.

NAME (PLEASE PRINT) Lucy Chavez-Naupoto

TITLE Administrative Assistant

SIGNATURE 

DATE 04/11/2011

(This space for State use only)

**RECEIVED**  
**APR 25 2011**  
DIV. OF OIL, GAS & MINING

## Daily Activity Report

Format For Sundry

**UTE TRIBAL 7-2-4-1E**

**2/1/2011 To 6/30/2011**

**4/1/2011 Day: 1**

**Completion**

Nabors #147 on 4/1/2011 - MIRUSU. - RU 4-3/4" rock bit, X-over sub. Tally, drift, pick-up & TIH w/ new J-55, 2-7/8", 6.5#, 8EUE tbg to tag @ 1865', C/O to DV tool @ 1900'. RU swivel, pump & tanks. Drlg out DV tool in 3 hours. Continue PU tbg & TIH to tag fill @ 7725'. C/O to 7740'. TOOH w/ tbg. SIFN. - MIRUSU. - MIRUSU. - RU 4-3/4" rock bit, X-over sub. Tally, drift, pick-up & TIH w/ new J-55, 2-7/8", 6.5#, 8EUE tbg to tag @ 1865', C/O to DV tool @ 1900'. RU swivel, pump & tanks. Drlg out DV tool in 3 hours. Continue PU tbg & TIH to tag fill @ 7725'. C/O to 7740'. TOOH w/ tbg. SIFN.

**Daily Cost:** \$0

**Cumulative Cost:** \$55,746

**4/4/2011 Day: 3**

**Completion**

Nabors #147 on 4/4/2011 - RIH w/ string mill. CBL/Perferate 1st stage. Well ready for frac. - RU string mill. TIH w/ tbg to work mill through DV tool. RU swivel & work mill. TOOH w/ tbg. RU Perforators LLC WLT. RIH & CBL well under pressure, WLTD was 7760' w/ cement top in & out in well w/ top @ 330'. RU Hot Oiler & test casing & wellhead w/ valves to 4500 psi. RIH & perferate CP3/CP.5 sds w/ 3 spf for total of 21 shots. SIFN.

**Daily Cost:** \$0

**Cumulative Cost:** \$77,323

**4/5/2011 Day: 4**

**Completion**

Nabors #147 on 4/5/2011 - Frac well. Flow well back. RD BOP's. TIH w/ tbg. - Stage #1: RU BJ Services "Ram Head" frac flange. RU BJ & open well w/ 24 psi on casing. Perfs broke down @ 2433 back to 1956 w/ 4 bbls @ 4 bpm. ISIP was 1523 w/ .64FG. 1 min was 1376. 4 min was 1273. Pump 6 bbls of 15% HCL acid (had 600 psi drop when hit perfs). Frac w/ 40,220# of 20/40 sand in 532 bbls of Lightning 17 frac fluid. Treated @ ave pressure of 2582 w/ ave rate of 27 bpm w/ 6 ppg of sand. Spot 12 bbls of 15% HCL acid in flush for next stage. ISIP was 2089 w/ .72FG. 5 min was 1964. 10 min was 1920. 15 min was 1956. Leave pressure on well. 718 Bbls EWTR. - Stage #3: RU WLT. RIH w/ frac plug & perf gun. Set plug @ 6335'. Perferate PB10 sds w/ 3 spf for total of 30 shots. RU BJ & open well w/ 1503 psi on casing. Perfs broke down @ 2138 back to 1880 w/ 3 bbls @ 3 bpm. Frac w/ 36,797#'s of 20/40 sand in 391 bbls of Lightning 17 frac fluid. Treated @ ave pressure of 2706 w/ ave rate of 27 bpm w/ 8 ppg of sand. ISIP was 3034 w/ .92FG. 5 min was 2500. 10 min was 2216. 15 min was 2198. 1531 Bbls EWTR. RD BJ & WLT. Flow well back. Well flowed for 4 hours & died w/ 450 bbls EWTR. RD Cameron BOP's. Instal Schefer BOP's. TIH w/ 4-3/4" Chomp mill & X-over sub, 190 jts tbg. Circulate well clean. SIFN w/ 1081 bbls EWTR. - Stage #2: RU Perforators WLT & lubricator. RIH w/ WCS 5-1/2" (6K) composite flow through frac plug & perf gun. Set plug @ 6775'. Perferate D3 sds w/ 3 spf for total of 18 shots. RU BJ & open well w/ 1765 psi on casing. Perfs broke down @ 3702 back to 2515 w/ 4 bbls @ 4 bpm. Frac w/ 29,958#'s of 20/40 sand in 422 bbls of Lightning 17 frac fluid. Treated @ ave pressure of 2605 w/ ave rate of 26 bpm w/ 6 ppg of sand. Spot 12 bbls of 15% HCL acid in flush for next stage. ISIP was 2280 w/ .78FG. 5 min was 1625. 10 min was 1672. 15 min was 1599. Leave pressure on well. 1140 Bbls EWTR.

**Daily Cost:** \$0

**Cumulative Cost:** \$147,017

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**4/6/2011 Day: 5****Completion**

Nabors #147 on 4/6/2011 - TIH w/ tbg drlg out plugs. Swab well. - Open well w/ 150 psi on casing. Pump 10 bbls. TIH w/ tbg. RU swivel. Drlg out plugs. Continue Drlg out plugs. Tag fill @ 7670'. C/O to 7740'. LD 4 jts. RU swab equipment. Made 18 runs & rec'd 170 bbls of fluid. Last run showed trace of oil w/ no sand. FFL was 900'. RD swab. SIFN w/ 981 bbls EWTR.

**Daily Cost:** \$0**Cumulative Cost:** \$153,764

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**4/7/2011 Day: 6****Completion**

Nabors #147 on 4/7/2011 - TOOH w/ tbg. RIH w/ production. - Open well w/ 150 psi on casing. Pump 10 bbls water. TIH w/ tbg to tag no new sand. Circulate 200 bbls water. TOOH w/ tbg. LD Mill & x-over sub. TIH w/ NC, 2 jts tbg, SN, 1 jt tbg, TA new Cntrl Hydrlic w/ 45,000# shear, 233 jts tbg. RD BOP's. Set TA @ 7286' w/ 18,000#'s tension w/ SN @ 7320' & EOT @ 7384'. Flush tbg w/ 60 bbls water. Pickup & prime pump. TIH w/ 2-1/2" x 1-1/2" x 21' x 24' new Cntrl Hydrlic RHAC pump w/ 228"SL, 6- 1-1/2" weight rods, 183- 3/4" guided rods, 30- 7/8" guided rods. SIFN.

**Daily Cost:** \$0**Cumulative Cost:** \$160,154

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**4/8/2011 Day: 7****Completion**

Nabors #147 on 4/8/2011 - Continue RIH w/ rods. Put well non pump. Final Report. - Open well w/ 0 psi on casing. Continue RIH w/ production. 100- 7/8" guided 4per, 2', 4', 6', 8' x 7/8" pony rods, 1-1/2" x 30' polish rod. Space pump. Test tbg & pump to 800 psi w/ 1/2 bbl. RDMOSU. POP @ 11AM @ 5 spm w/ 122"SL w/ 981 bbls EWTR. Final Report. **Finalized**

**Daily Cost:** \$0**Cumulative Cost:** \$201,157

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**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**

a. 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.  
**MON BUTTE EDA 20G0005609**

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.  
**UTE TRIBAL 7-2-4-1E**

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

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

9. AFI Well No.  
**43-047-51303**

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

10. Field and Pool or Exploratory  
**MONUMENT BUTTE**

At surface **1978' FNL & 1982' FEL (SWNE) SEC. 2, T4S, R1E**

11. Sec., T., R., M., on Block and  
Survey or Area  
**SEC. 2, T4S, R1E**

At top prod. interval reported below

12. County or Parish 13. State

At total depth **7915'**

**UINTAH UT**

14. Date Spudded  
**02/28/2011**

15. Date T.D. Reached  
**03/22/2011**

16. Date Completed **04/08/2011**  
 D & A  Ready to Prod.

17. Elevations (DF, RKB, RT, GL)\*  
**5186' GL 5198' KB**

18. Total Depth: MD **7915'**  
TVD

19. Plug Back T.D.: MD **7816'**  
TVD

20. Depth Bridge Plug Set: MD  
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each) **SD, IDSN, MSF, DL**  
**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	311'		160 CLASS G			
7-7/8"	5-1/2" J-55	15.5#	0	7862'		309 PRIMLITE		330'	
						454 50/50 POZ			
						206 PRIMLITE			

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 @ 7384'	TA @ 7286'						

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Green River	6228'	7314'	6228-7314'	.36"	69	
B)						
C)						
D)						

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

Depth Interval	Amount and Type of Material
6228-7314'	Frac w/ 106975#s 20/40 sand in 562 bbls of Lightning 17 fluid in 3 stages

**RECEIVED**

**MAY 10 2011**

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

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
4/9/11	4/25/11	24	→	25	12	53			2-1/2" x 1-1/2" x 21' 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	
			→						

\*(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	6228'	7314'		GARDEN GULCH MRK	5422'
				GARDEN GULCH 1	5614'
				GARDEN GULCH 2	5756'
				POINT 3	6094'
				X MRKR	6284'
				Y MRKR	6329'
				DOUGALS CREEK MRK	6502'
BI CARBONATE MRK	6816'				
B LIMESTON MRK	6961'				
LBLKSH	7042'				
CASTLE PEAK	7201'				
BASAL CARBONATE	7525'				
WASATCH	7632'				

32. Additional remarks (include plugging procedure):

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) Jennifer Peatross Title Production Technician  
 Signature  Date 05/03/2011

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 7-2-4-1E****1/1/2011 To 5/30/2011****UTE TRIBAL 7-2-4-1E****Waiting on Cement****Date:** 3/9/2011

Ross #26 at 310. Days Since Spud - On 2/28/11 Ross #26 spud and drilled 310' of 12 1/4" hole, P/U and run 7 jts of 8 5/8" casing set - yield. Returned 2bbls to pit, bump plug to 500 psi, BLM and State were notified of spud via email. - @ 311.57'KB. On 3/9/11 cement w/BJ w/160 sks of class G+2%kcl+.25#CF mixed @ 15.8ppg and 1.17

**Daily Cost:** \$0**Cumulative Cost:** \$76,702**UTE TRIBAL 7-2-4-1E****Drilling 7 7/8" hole****Date:** 3/18/2011

Capstar #328 at 813. 0 Days Since Spud - Test BOPE - M/U BHA TIH tag cement @ 250' - Drill out cement and shoe - Drill 7 7/8" hole f/ 311-725 spm-101, wob- 10-12, pp-680-800, rpm- 61, gpm- 373 - R/U flare lines, strap BHA

**Daily Cost:** \$0**Cumulative Cost:** \$119,682**UTE TRIBAL 7-2-4-1E****Circulating LCM Sweeps****Date:** 3/19/2011

Capstar #328 at 4390. 1 Days Since Spud - Drill F/2715-4390' wob-10, pp-680, rpm-61, spm-101, gpm-344 mud losses increasing notreading MWD - Service Rig - Drill 7 7/8" hole F/ 725-2715 wob-10, pp-680, rpm-61, spm-101, gpm-344 - Pumping LCM sweeps to cure losses. Not getting MWD signal

**Daily Cost:** \$0**Cumulative Cost:** \$154,313**UTE TRIBAL 7-2-4-1E****Drilling 7 7/8" hole****Date:** 3/20/2011

Capstar #328 at 6337. 2 Days Since Spud - pull 7 singles to confirm MWD signal, RIH - Drill 7 7/8" hole f/5342-6066' wob-15-17, rpm-61, pp-1350, gpm-387 - Pump LCM sweeps - Drill 7 7/8" hole f/6066-63376' wob-15-17, rpm-61, pp-1200, gpm-395 - wait on MWD to get survey - Service Rig - Drill 7 7/8" holeF/4390-5342' wob-10-12, rpm-61, pp-1200, gpm-395 - Circulate and cond. Pumping LCM sweeps

**Daily Cost:** \$0**Cumulative Cost:** \$177,421**UTE TRIBAL 7-2-4-1E****Drilling 7 7/8" hole****Date:** 3/21/2011

Capstar #328 at 7876. 3 Days Since Spud - Drill 7 7/8" hole F/6337-6970' wob-18-20 pp-1700, rpm-61, gpm-398 - service rig, flow check hole ballooning flowed back 42 bbl slowed to trickle - Drill 7 7/8" hole F/6970'-7876' wob-18-20 pp-1700, rpm-61, gpm-398 hole taking fluid while pumping

**Daily Cost:** \$0**Cumulative Cost:** \$212,583

**UTE TRIBAL 7-2-4-1E****Riunning 5.5" Casing****Date:** 3/22/2011

Capstar #328 at 7915. 4 Days Since Spud - mix and spot 40 bbl 10 ppg pill under loss zone at +-4200' - Rig up and run 5.5" production casing Lost returns @ 1615" staying full on backside - Circulate and condition get MW 8.7 all around hole ballooning - PJSM rig up wireline unit - Drill F/ 7876'-7915' wob-18-20 pp-1700, rpm-61, gpm-398 - Lay down directional tools - POOH laying down dp - Prepare trip tank mix and pump sloug - run wireline logs, rig down

**Daily Cost:** \$0**Cumulative Cost:** \$247,437

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**UTE TRIBAL 7-2-4-1E****Rigging down****Date:** 3/23/2011

Capstar #328 at 7915. 5 Days Since Spud - Pump cmt. 309 SX lead, 454 SX tail stage 1 drop plug, displace bump plug, 206 SX stage 2 - PJSM rig up Baker Hughes Cementers - Rig down clean tanks Release rig 3/22/11 @ 23:00 - Run 5.5" Production Casing leave out 1 jt. Due to fill Land shoe @ 7862.82 - circ and cond prior to POOH **Finalized**

**Daily Cost:** \$0**Cumulative Cost:** \$428,349

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**Pertinent Files: Go to File List**