

CONFIDENTIAL

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: ML-49797	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				8. UNIT or CA AGREEMENT NAME: N/A	
2. NAME OF OPERATOR: BILL BARRETT CORPORATION				9. WELL NAME and NUMBER: State 14-32D-15-12	
3. ADDRESS OF OPERATOR: 1099 18th St, Suite 230C CITY Denver STATE CO ZIP 80202			PHONE NUMBER: (303) 312-8134	10. FIELD AND POOL, OR WILDCAT: Wildcat	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 780' FSL, 1169' FWL AT PROPOSED PRODUCING ZONE: 750' FSL, 1400' FWL, Sec. 32				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 32 15S 12E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: Approximately 19 miles southeast of Price, UT				12. COUNTY: Carbon	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 780' (surface), 750' (bottom)		16. NUMBER OF ACRES IN LEASE: 640 acres		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: no spacing	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1765'		19. PROPOSED DEPTH: 8,200		20. BOND DESCRIPTION: LPM4138147	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5620'		22. APPROXIMATE DATE WORK WILL START: 6/1/2008		23. ESTIMATED DURATION: 50 days	

24. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT			
12 1/4"	9 5/8" J-55 36#	1,000	Hal Lt Premium	220 sx	1.85 ft3/sk	12.7 ppg
			Premium	170 sx	1.15 ft3/sk	15.8 ppg
8 3/4"	5 1/2" P-110 20#	8,200	Hal Hi-Fill	180 sx	3.81 ft3/sk	11.0 ppg
			50/50 Poz	1080 sx	1.49 ft3/sk	13.4 ppg

25. ATTACHMENTS

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

- WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
- EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
- COMPLETE DRILLING PLAN
- FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Tracey Fallang TITLE Regulatory Analyst

SIGNATURE *Tracey Fallang* DATE 3/10/08

(This space for State use only)

API NUMBER ASSIGNED: 43-00731367

Approved by the
Utah Division of
Oil, Gas and Mining

APPROVAL:

Date: 05-12-08

By: *[Signature]*

RECEIVED
MAR 13 2008

DIV. OF OIL, GAS & MINING

T15S, R12E, S.L.B.&M.

589°59'58"W - 5296.08' (Meas.)

BILL BARRETT CORPORATION

Well location, STATE #14D-32-15-12, located as shown in the SW 1/4 SW 1/4 of Section 32, T15S, R12E, S.L.B.&M., Carbon County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHEAST CORNER OF SECTION 36, T14S, R13E, S.L.B.&M., TAKEN FROM THE SUNNYSIDE QUADRANGLE, UTAH, CARBON COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6483 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



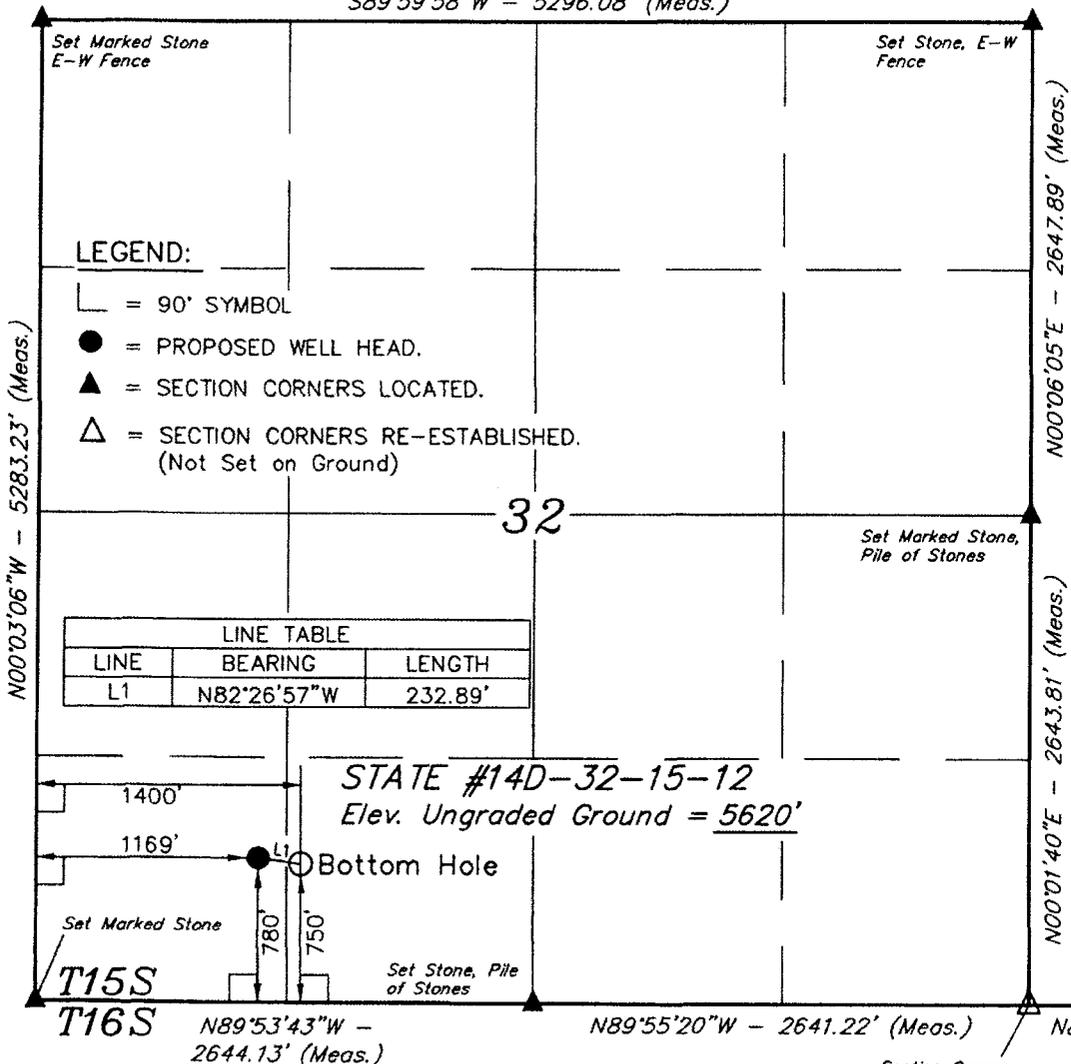
SCALE

CERTIFICATE OF LAND SURVEY

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED AND LOCATION AS SHOWN WAS STATED ON THE GROUND 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.

[Signature]
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 18130
 STATE OF UTAH

S 1/4 Cor. Sec. 34,
 Set Marked Stone,
 Pile of Stones



LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED. (Not Set on Ground)

LINE TABLE		
LINE	BEARING	LENGTH
L1	N82°26'57"W	232.89'

UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

NAD 83 (TARGET BOTTOM HOLE)		NAD 83 (SURFACE LOCATION)	
LATITUDE = 39°28'18.50" (39.471806)	LONGITUDE = 110°36'10.59" (110.602942)	LATITUDE = 39°28'18.80" (39.471889)	LONGITUDE = 110°36'13.53" (110.603758)
NAD 27 (TARGET BOTTOM HOLE)		NAD 27 (SURFACE LOCATION)	
LATITUDE = 39°28'18.62" (39.471839)	LONGITUDE = 110°36'08.03" (110.602231)	LATITUDE = 39°28'18.92" (39.471922)	LONGITUDE = 110°36'10.97" (110.603047)
STATE PLANE NAD 27		STATE PLANE NAD 27	
N: 415946.042 E: 2253430.466		N: 415974.079 E: 2253199.635	

SCALE 1" = 1000'	DATE SURVEYED: 02-13-08	DATE DRAWN: 02-19-08
PARTY D.R. A.W. C.N.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE BILL BARRETT CORPORATION	



March 11, 2008

Ms. Diana Mason
Petroleum Technician
State of Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

Re: **Directional Drilling R649-3-11 and
Exception Location R649-3-2
State 14-32D-15-12
SHL: 780' FSL & 1169' FWL, SWSW 32-T15S-R12E
BHL: 750' FSL & 1400' FWL SESW 32-T15S-R12E
Carbon County, Utah**

Dear Ms. Mason,

Pursuant to the filing of Bill Barrett Corporation's ("BBC") Application for Permit to Drill the above referenced well, we hereby submit this letter in accordance with Oil & Gas Conservation Rules R649-3-2 and R649-3-11 requesting an exception well location supported by the following information:

- This well is a directional well and is greater than 460 feet from the drilling lease boundary.
- The well will be drilled under a Farmout Agreement between Rod Markham, Jim Cone, Lowry Lewis and Bill Barrett Corporation.
- BBC certifies that it is the working interest owner of all lands within 460 feet of the entire directional well bore, and together with Rod Markham, et al we own 100% of the working interest in these lands. We have been in contact with Rod Markham, et al and they are aware of our drilling plans.
- The location is an exception for topographic reasons and our desire to situate the wellsite at a location acceptable to the surface owner.

Based on the information provided, BBC requests the Division grant this exception to the locating and siting requirements of R649-3-2 and R649-3-11. Should you have any questions or need further information, please contact me at 303-312-8129.

Sincerely,

A handwritten signature in black ink, appearing to read 'Doug Gundry-White', written over a horizontal line.

Doug Gundry-White
Senior Landman

RECEIVED
MAR 13 2008
DIV. OF OIL, GAS & MINING

1099 18TH STREET
SUITE 2300
DENVER, CO 80202
P 303.293.9100
F 303.291.0420

DRILLING PROGRAM

BILL BARRETT CORPORATION

State 14-32D-15-12

SWSW, 780' FSL, 1169' FWL, Sec. 32, T15S-R12E (surface hole)

SESW, 750' FSL, 1400' FWL, Sec. 32, T15S-R12E (bottom hole)

Carbon County, Utah

1 – 2. Estimated Tops of Geological Markers and Formations Expected to Contain Water, Oil and Gas and Other Minerals

<u>Formation</u>	<u>Depth – MD</u>	<u>Depth – TVD</u>
Morrison	1128'	1128'
Entrada	2128'	2128'
Navajo	2719'	2718'
Wingate	3164'	3158'
Moenkopi	3863'	3848'
Sinbad	4523'	4508'
Kaibab	4924'	4908'
Coconino	5144'	5128'
Pennsylvanian	5844'	5828'
Manning Canyon*	7044'	7028'
Humbug	7845'	7828'
TD	8200'	8200'

PROSPECTIVE PAY

*The Manning Canyon formation is the primary objective for oil/gas.

3. BOP and Pressure Containment Data

<u>Depth Intervals</u>	<u>BOP Equipment</u>
0 – 1000'	No pressure control required
1000' – TD	11" 3000# Ram Type BOP 11" 3000# Annular BOP
- Drilling spool to accommodate choke and kill lines;	
- Ancillary equipment and choke manifold rated at 3,000#. All well control equipment will be in accordance with the requirements of R649-3-7.	
- The State of Utah Division of Oil, Gas and Mining will be notified 24 hours in advance of all BOP pressure tests.	
- BOP hand wheels may be underneath the sub-structure of the rig if the drilling rig used is set up to operate most efficiently in this manner.	

4. **Casing Program**

<u>Hole Size</u>	<u>SETTING DEPTH (FROM) (TO)</u>		<u>Casing Size</u>	<u>Casing Weight</u>	<u>Casing Grade</u>	<u>Thread</u>	<u>Condition</u>
12 1/4"	surface	1,000'	9 5/8"	36#	J or K 55	ST&C	New
8 3/4"	surface	8,200'	5 1/2"	20#	P-110	LT&C	New
- Any substitute casing string shall have equivalent or greater collapse, tension and burst properties.							
- The State of Utah, Division of Oil, Gas and Mining, will be notified 24 hours in advance of all casing tests performed in accordance with R649-3-13.							

5. **Cementing Program**

9 5/8" Surface Casing	Lead with approximately 220 sx Halliburton Light Premium with additives mixed at 12.7 ppg (yield = 1.85 ft ³ /sx) and tail with approximately 170 sx Premium cement with additives mixed at 15.8 ppg (yield = 1.15 ft ³ /sx), circulated to surface with 80% excess.
5 1/2" Production Casing	Lead with approximately 180 sx Halliburton Hi-Fill cement with additives mixed at 11 ppg (yield = 3.81 ft ³ /sx). Follow with primary cement, 1080 sx of 50/50 Poz Premium with additives mixed at 13.4 ppg (yield = 1.49 ft ³ /sk). Top of cement to be determined by log and sample evaluation; estimated TOC 3000'.
Note: Actual volumes to be calculated from caliper log.	

6. **Mud Program**

<u>Interval</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss (API filtrate)</u>	<u>Remarks</u>
0 – 1000'	8.3 – 8.9	36 – 42	20 cc or less	Freshwater/Polyplus/Drilzone/Max Gel
1000' – 8200'	9.2 – 10.4	38 – 42	6 cc or less	Black Fury System
Note: Sufficient mud materials to maintain mud properties, control lost circulation and to contain "kicks" will be available at wellsite. BBC may require minor amounts of diesel to be added to its fluid system in order to reduce tork and drag.				
Note: In the event air drilling should occur at this location:				
<ul style="list-style-type: none"> - Fresh water would be used to suppress the dust coming out. The blooie line, approximately 37' long and 6" diameter, would run from the pit to the wellhead. There is no ignition system as burnable gas should not be encountered. - Capacity of compressor: 1250SCFM with an 1170 SCFM on standby, which would be located very near the wellbore. The compressor has switches to shut off should any problems be encountered. - The rig has mud pumps capable of pumping the kill fluid (fresh water), of which there is 500 bbls on location at all times. 				

7. **Testing, Logging and Core Programs**

Cores	Coring of up to 1000' proposed.
Testing	None anticipated;
Sampling	30' samples to 5,900', then 10' samples from 5,900 to TD
Surveys	Run every 1000' and on trips, slope only;
Logging	DIL-GR-SP, FDC-CNL-GR-CAL-Pe-Microlog, Dipole Sonic, all TD to surface and 1500' FMI, ECS logs.

8. **Anticipated Abnormal Pressures or Temperatures**

No abnormal pressures or temperatures or other hazards are anticipated.

Maximum anticipated bottom hole pressure equals approximately 4435 psi* and maximum anticipated surface pressure equals approximately 2631 psi** (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

*Max Mud Wt x 0.052 x TD = A (bottom hole pressure)

**Maximum surface pressure = A - (0.22 x TD)

9. **Auxiliary Equipment**

- a) Upper kelly cock; lower Kelly cock will be installed while drilling
- b) Inside BOP or stab-in valve (available on rig floor)
- c) Safety valve(s) and subs to fit all string connections in use
- d) Mud monitoring will be visually observed

10. **Drilling Schedule**

Location Construction: June 2008
 Spud: June 2008
 Duration: 20 days drilling time
 30 days completion time

11. **Water Source**

BBC intends on using a diversion point along the Price River through a direct purchase agreement with Janice Hamilton under water right No. 91-4122 (A43613). The diversion will be along the Price River within the SE/4 NE/4, Section 12, T16S, R11E, SLB&M. on existing disturbance. A temporary change of use and diversion of water has been applied for with the State of Utah – Water Rights Office and is pending approval at this time.

Should additional water sources be pursued they will be properly permitted through the State of Utah – Division of Water Rights. Additionally, DOGM will be notified of any changes in water supply.

12. **Archaeology**

Montgomery Archaeological Consultants has been contracted to conduct a Class III archaeology inventory at the time weather conditions permit.

Bill Barrett Corporation
Drilling Program
State 14-32D-15-12
Carbon County, Utah

13. **Paleontology**

Intermountain Paleo-Consulting has been contracted to conduct a paleontological inventory at the time weather conditions permit.

Well name: **State 14-32D-15-12 Manning Canyon**
 Operator: **Bill Barrett Corporation**
 String type: **Surface**
 Location: **Section 32, T15S-R12E, Carbon, Co. UT**

Design parameters:

Collapse

Mud weight: 8.60 ppg

Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
 Surface temperature: 71.00 °F
 Bottom hole temperature: 80 °F
 Temperature gradient: 0.85 °F/100ft
 Minimum section length: 1,000 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 455 psi
 Internal gradient: 0.22 psi/ft
 Calculated BHP 675 psi

No backup mud specified.

Tension:

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

Non-directional string.

Tension is based on buoyed weight.
 Neutral point: 873 ft

Re subsequent strings:

Next setting depth: 8,040 ft
 Next mud weight: 9.300 ppg
 Next setting BHP: 3,884 psi
 Fracture mud wt: 13.000 ppg
 Fracture depth: 1,000 ft
 Injection pressure 675 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft ³)
1	1000	9.625	36.00	J-55	ST&C	1000	1000	8.796	71.2
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	447	2020	4.522	675	3520	5.21	31	394	12.54 J

Prepared Dominic Spencer
 by: Bill Barrett

Phone: (303) 312-8164
 FAX: (303) 312-8195

Date: September 18, 2007
 Denver, Colorado

Remarks:

Collapse is based on a vertical depth of 1000 ft, a mud weight of 8.6 ppg The casing is considered to be evacuated for collapse purposes.
 Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Job Recommendation**Surface Casing**

Fluid Instructions

Fluid 1: Spacer Sweep

Fresh Water

Fluid Density: 8.40 lbm/gal
Fluid Volume: 20 bbl

Fluid 2: Lead Cement – (700 – 0’)

Halliburton Light Premium

2 % Calcium Chloride (Accelerator)

0.125 lbm/sk Poly-E-Flake (Lost Circulation Additive)

Fluid Weight 12.70 lbm/gal
Slurry Yield: 1.85 ft³/sk
Total Mixing Fluid: 9.90 Gal/sk
Top of Fluid: 0 ft
Calculated Fill: 700 ft
Volume: 70.28 bbl
Calculated Sacks: 213.31 sks
Proposed Sacks: 220 sks

Fluid 3: Tail Cement – (1000 – 700’)

Premium Cement

94 lbm/sk Premium Cement (Cement)

2 % Calcium Chloride (Accelerator)

0.125 lbm/sk Poly-E-Flake (Lost Circulation Additive)

Fluid Weight 15.80 lbm/gal
Slurry Yield: 1.15 ft³/sk
Total Mixing Fluid: 4.97 Gal/sk
Top of Fluid: 700 ft
Calculated Fill: 300 ft
Volume: 33.52 bbl
Calculated Sacks: 163.67 sks
Proposed Sacks: 170 sks

Well name: **State 14-32D-15-12 Manning Canyon**
 Operator: **Bill Barrett Corporation**
 String type: **Production: Frac**
 Location: **Section 32, T15S-R12E, Carbon Co. UT**

Design parameters:

Collapse
 Mud weight: 9.30 ppg

Design is based on evacuated pipe.

Minimum design factors:

Collapse:
 Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
 Surface temperature: 71.00 °F
 Bottom hole temperature: 139 °F
 Temperature gradient: 0.85 °F/100ft
 Minimum section length: 1,500 ft

Cement top: 1,000 ft

Burst

Max anticipated surface pressure: 5,155 psi
 Internal gradient: 0.22 psi/ft
 Calculated BHP 6,924 psi

No backup mud specified.

Tension:

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

Non-directional string.

Tension is based on buoyed weight.
 Neutral point: 6,908 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	8040	5.5	20.00	P-110	LT&C	8040	8040	4.653	325.4
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3884	11100	2.858	6924	12630	1.82	138	548	3.97 J

Prepared Dominic Spencer
 by: Bill Barrett

Phone: (303) 312-8164
 FAX: (303) 312-8195

Date: September 18, 2007
 Denver, Colorado

Remarks:

Collapse is based on a vertical depth of 8040 ft, a mud weight of 9.3 ppg. The casing is considered to be evacuated for collapse purposes.
 Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Job Recommendation

Production Casing

Fluid Instructions

Fluid 1: Water Spacer

Fresh Water

Fluid Density: 8.34 lbm/gal

Fluid Volume: 10 bbl

Fluid 2: Reactive Spacer

Super Flush

Fluid Density: 9.20 lbm/gal

Fluid Volume: 20 bbl

Fluid 3: Water Spacer

Fresh Water

Fluid Density: 8.34 lbm/gal

Fluid Volume: 10 bbl

Fluid 4: Lead Cement – (3000 – 900')

Halliburton Hi-Fill

3 lbm/sk Granulite TR 1/4 (Lost Circulation Additive)

Fluid Weight 11 lbm/gal

Slurry Yield: 3.81 ft³/sk

Total Mixing Fluid: 23.40 Gal/sk

Top of Fluid: 900 ft

Calculated Fill: 2100 ft

Volume: 117.27 bbl

Calculated Sacks: 172.81 sks

Proposed Sacks: 180 sks

Fluid 5: Primary Cement – (TD – 3000')

50/50 Poz Premium

2 % Bentonite (Light Weight Additive)

3 % KCL (Clay Control)

0.75 % Halad(R)-322 (Low Fluid Loss Control)

0.2 % FWCA (Free Water Control)

3 lbm/sk Silicalite Compacted (Light Weight Additive)

0.25 lbm/sk Flocele (Lost Circulation Additive)

1 lbm/sk Granulite TR 1/4 (Lost Circulation Additive)

Fluid Weight 13.40 lbm/gal

Slurry Yield: 1.49 ft³/sk

Total Mixing Fluid: 7.06 Gal/sk

Top of Fluid: 3000 ft

Calculated Fill: 5040 ft

Volume: 284.41 bbl

Calculated Sacks: 1071.70 sks

Proposed Sacks: 1080 sks

Fluid 6: Water Displacement

Clayfix II Water

0.084 gal/bbl MA-844 (Surfactant)

0.084 gal/bbl Clayfix II (Clay Control)

Fluid Density: 8.33 lbm/gal

Fluid Volume: 177.33 bbl



Drilling Fluids Proposal
Bill Barrett Corporation

Interval Key Performance Indicators

Interval Depth (ft)	Maximum Mud Weight	Low Gravity Solids	Solids Removal Efficiency	MBT (#/bbl)	ROP (Ft/Hr)
0 - 1,000'	8.4	<2	98 %	<2	>100

Interval Fluid Properties

Fluid Density (ppg)	Funnel Viscosity (Sec/Qt)	Plastic Viscosity (cp)	Yield Point (lb/100ft ²)	MBT (lb/bbl)	Drill Solids (%)	API Fluid Loss (cc/30min)
8.3 - 8.4	26 - 30	0 - 2	0 - 2	<2	<2	UC

Drilling Interval Discussion

- Drill the 12-1/4" with fresh water circulating the reserve pit pumping Max Gel / Poly Plus sweeps every 200 feet or as required due to hole or hole cleaning issues.
- Utilize POLYPLUS, and DRILZONE L 2-3 visc cups each down the drill pipe on alternating connections to enhance hole cleaning and to help prevent bit balling.
- Maintain 400-500 mg/l total hardness utilizing Lime & Gyp in the suction tank at all times for maximum inhibition. Do not focus on maintaining the total hardness that high in the reserve pit, focus on maintaining the total hardness in the suction tank, eventually the whole system will have a total hardness of 400-500 mg/l if circulating the reserve long enough.
- Utilize MAX GEL / POLYPLUS sweeps every 200' to ensure adequate hole cleaning. Should hole cleaning become a problem increase the frequency and volume of the sweeps. If hole problems or hole cleaning issues cannot be solved with the implementation of the sweeps a mud up with a basic spud mud might be required. Mud up should only be performed as a last resort to solve any and all hole issues.
- Keep the drill solids to a minimum by using a selective flocculant (FLOXIT) and Lime while circulating the reserve pit. This will enhance solids separation for a cleaner solids free fluid at the suction. This will also minimize the potential for differential sticking and lost circulation.
- Lost circulation and seepage is problematic in this interval, and has occurred on most of the offset wells. Keep a good supply of lost circulation materials (Cedar Fiber/Fiber Plug, Multi Seal, Mica, SAFE-CARB, Sawdust, etc.) on location for any mud losses. Do not treat for losses of drill water unless the losses are greater than 50% of flow rate.
- Prior to running the surface casing, pump a 75 - 100 barrel high viscosity MAX GEL / Lime sweep and circulate the hole clean. Do not trip unless the hole is clean.

M-I SWACO
410 17th Street, Suite 800
Denver, Colorado 80202
Tel: (303) 623-0911 Fax: (303) 572-7044

CONFIDENTIAL DOCUMENT



Drilling Fluids Proposal
Bill Barrett Corporation

Interval Key Performance Indicators						
Interval Depth (ft)	Maximum Mud Weight	Low Gravity Solids	Solids Removal Efficiency	MBT (#/bbl)	ROP (Ft/Hr)	
1,000' – 8,040'	9.2 – 10.4	<5	75 %	<10	25 - 45	
Interval Fluid Properties						
Fluid Density (ppg)	Funnel Viscosity (Sec/Qt)	Plastic Viscosity (cp)	Yield Point (lb/100ft²)	MBT (lb/bbl)	Drill Solids (%)	API Fluid Loss (cc/30min)
9.2 – 10.4	38 - 42	12-18	22 - 28	<10	<5	< 6

Drilling Interval Discussion
<ul style="list-style-type: none">• Prior to beginning mud-up ensure the makeup water in the pits is clean and the Ca⁺ level is less than 120 mg/L. Treat calcium level with Soda Ash additions.• Begin mud-up of a BLACK FURY system at 1,000' just after drilling out of the surface casing, being fully conditioned prior drilling the Entrada formation at 1,533'. Calculations for this interval have been made with the assumption that mud up will be done after drilling out of cement into the production interval.• For mud-up: mix 6 pounds per barrel MAX-GEL and 1.0-1.25 ppb POLYPLUS-dry to raise the viscosity to 36 - 42 sec./qt. This formulation should produce a fluid with a 12-15cc/30 min. API fluid loss. Utilize Caustic Soda and Lime to achieve and maintain a 9.5-10pH.• When ½ of the MAX-GEL and POLYPLUS dry have been added, begin additions of POLYPAC-R at 1 PPB to reduce the fluid loss to less than 10cc/30min.• Once the MAX GEL has had an opportunity to hydrate begin additions of GYP/LIME to maintain the Ca⁺ level at 400-500 mg/L. Maintain this level until TD.• Add BLACK FURY to the active system until a concentration of 2% by volume is attained. Maintain this level throughout the interval.• Utilize POLYPLUS-dry to maintain the fluid rheology until TD of this interval. Only add pre-hydrated MAX GEL to the system to maintain the original 5ppb mud up concentration. Once the drilling fluid is completely mudded up all MAX GEL additions must be pre-hydrated.

M-I SWACO
410 17th Street, Suite 800
Denver, Colorado 80202
Tel: (303) 623-0911 Fax: (303) 572-7044

CONFIDENTIAL DOCUMENT

PRESSURE CONTROL EQUIPMENT – Schematic Attached

A. Type: Eleven (11) Inch Double Gate Hydraulic BOP with Eleven (11) Inch Annular Preventer. The blow out preventer will be equipped as follows:

1. One (1) blind ram (above).
2. One (1) pipe ram (below).
3. Drilling spool with two (2) side outlets (choke side 3-inch minimum, kill side 2-inch minimum).
4. 3-inch diameter choke line.
5. Two (2) choke line valves (3-inch minimum).
6. Kill line (2-inch minimum).
7. Two (2) chokes.
8. Two (2) kill line valves, one of which shall be a check valve (2-inch minimum).
9. Upper kelly cock valve with handles available.
10. Safety valve(s) & subs to fit all drill string connections in use.
11. Pressure gauge on choke manifold.
12. Fill-up line above the uppermost preventer.

B. Pressure Rating: 3,000 psi

C. Testing Procedure:

Annular Preventer

At a minimum, the Annular Preventer will be pressure tested to 50% of the rated working pressure for a period of ten (10) minutes or until provisions of the test are met, whichever is longer.

At a minimum the above pressure test will be performed:

1. When the annular preventer is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repairs; and
4. At thirty (30) day intervals.

In addition, the Annular Preventer will be functionally operated at least weekly.

Blow-Out Preventer

At a minimum, the BOP, choke manifold, and related equipment will be pressure tested to the approved working pressure of the BOP stack (if isolated from the surface casing by a test plug) or to 70% of the internal yield strength of the surface casing (if the BOP is not isolated from the casing by a test plug). Pressure will be

maintained for a period of at least ten (10) minutes or until the requirements of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

1. When the BOP is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repairs; and
4. At thirty (30) day intervals.

In addition the pipe and blind rams will be activated each trip, but not more than once each day. All BOP drills and tests will be recorded in the IADC driller's log.

D. Choke Manifold Equipment:

All choke lines will be straight lines unless turns use tee blocks or are targeted with running tees, and will be anchored to prevent whip and vibration.

E. Accumulator:

The accumulator will have sufficient capacity to open the hydraulically-controlled choke line valve (if so equipped), close all rams plus the annular preventer, and retain a minimum of 200 psi above precharge on the closing manifold without the use of closing unit pumps. The fluid reservoir capacity will be double the usable fluid volume of the accumulator system capacity and the fluid level of the reservoir will be maintained at the manufacturer's recommendations.

The BOP system will have two (2) independent power sources to close the preventers. Nitrogen bottles (3 minimum) will be one (1) of these independent power sources and will maintain a charge equal to the manufacturer's specifications.

The accumulator precharge pressure test will be conducted prior to connecting the closing unit to the BOP stack and at least once every six (6) months thereafter. The accumulator pressure will be corrected if the measured precharge pressure is found to be above or below the maximum or minimum limits specified in the *Onshore Oil & Gas Order Number 2*.

A manual locking device (i.e. hand wheels) or automatic locking device will be installed on all systems of 2M or greater. A valve will be installed in the closing line as close as possible to the annular preventer to act as a locking device. This valve will be maintained in the open position and will be closed only when the power source for the accumulator is inoperative.

Remote controls shall be readily accessible to the driller. Remote controls for all 3M or greater systems will be capable of closing all preventers. Remote controls for 5M or greater systems will be capable of both opening and closing all preventers. Master controls will be at the accumulator and will be capable of opening and closing all preventers and the choke line valve (if so equipped).

F. Miscellaneous Information:

The Blow-Out Preventer and related pressure control equipment will be installed, tested and maintained in compliance with the specifications in and requirements of *Onshore Oil & Gas Order Number 2*. The choke manifold located outside the rig sub-structure. The hydraulic BOP closing unit will be located at least twenty-five (25) feet from the well head but readily accessible to the driller. Exact locations and configurations of the hydraulic BOP closing unit will depend upon the particular rig contracted to drill this hole.

A flare line will be installed after the choke manifold, extending 125 feet (minimum) from the center of the drill hole to a separate flare pit.



BILL BARRETT CORPORATION

Planning Report

Database: Compass
Company: BILL BARRETT CORP
Project: CARBON COUNTY, UT (NAD 27)
Site: SECTION 32 T15S R12E
Well: STATE #14D-32-15-12
Wellbore: STATE #14D-32-15-12
Design: Design #1

Local Co-ordinate Reference: Well STATE #14D-32-15-12
TVD Reference: WELL @ 5633.00ft (Original Well Elev)
MD Reference: WELL @ 5633.00ft (Original Well Elev)
North Reference: True
Survey Calculation Method: Minimum Curvature

Project	CARBON COUNTY, UT (NAD 27)		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	Utah Central 4302		Using geodetic scale factor

Site	SECTION 32 T15S R12E		
Site Position:		Northing:	415,974.211 ft
From:	Lat/Long	Easting:	2,253,199.777 ft
Position Uncertainty:	0.00 ft	Slot Radius:	"
		Latitude:	39° 28' 18.920 N
		Longitude:	110° 36' 10.9700 W
		Grid Convergence:	0.57 °

Well	STATE #14D-32-15-12		
Well Position	+N/-S	0.00 ft	Northing: 415,974.206 ft
	+E/-W	0.00 ft	Easting: 2,253,199.777 ft
Position Uncertainty	0.00 ft	Wellhead Elevation:	ft
		Latitude:	39° 28' 18.920 N
		Longitude:	110° 36' 10.9700 W
		Ground Level:	5,618.00 ft

Wellbore	STATE #14D-32-15-12				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	BGGM2007	3/7/2008	11.87	65.29	52,188

Design	Design #1			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.00	0.00	0.00	97.50

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,872.17	9.44	97.50	2,870.04	-5.07	38.49	2.00	2.00	0.00	97.50	
3,579.65	9.44	97.50	3,567.93	-20.22	153.58	0.00	0.00	0.00	0.00	
4,523.99	0.00	0.00	4,508.00	-30.35	230.56	1.00	-1.00	0.00	180.00	
8,043.99	0.00	0.00	8,028.00	-30.35	230.56	0.00	0.00	0.00	0.00	PBHL_STATE #14D-



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Wellbore: STATE #14D-32-15-12
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Local Co-ordinate Reference: Well STATE #14D-32-15-12
TVD Reference: WELL @ 5633.00ft (Original Well Elev)
MD Reference: WELL @ 5633.00ft (Original Well Elev)
North Reference: True
Survey Calculation Method: Minimum Curvature

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00
Start Build 2.00									
2,500.00	2.00	97.50	2,499.98	-0.23	1.73	1.75	2.00	2.00	0.00
2,600.00	4.00	97.50	2,599.84	-0.91	6.92	6.98	2.00	2.00	0.00
2,700.00	6.00	97.50	2,699.45	-2.05	15.56	15.69	2.00	2.00	0.00
2,800.00	8.00	97.50	2,798.70	-3.64	27.64	27.88	2.00	2.00	0.00
2,872.17	9.44	97.50	2,870.04	-5.07	38.49	38.82	2.00	2.00	0.00
Start 707.48 hold at 2872.17 MD									
2,900.00	9.44	97.50	2,897.49	-5.66	43.02	43.39	0.00	0.00	0.00
3,000.00	9.44	97.50	2,996.13	-7.80	59.29	59.80	0.00	0.00	0.00
3,100.00	9.44	97.50	3,094.78	-9.94	75.55	76.20	0.00	0.00	0.00
3,200.00	9.44	97.50	3,193.42	-12.09	91.82	92.61	0.00	0.00	0.00
3,300.00	9.44	97.50	3,292.07	-14.23	108.09	109.02	0.00	0.00	0.00
3,400.00	9.44	97.50	3,390.71	-16.37	124.35	125.43	0.00	0.00	0.00
3,500.00	9.44	97.50	3,489.36	-18.51	140.62	141.83	0.00	0.00	0.00
3,579.65	9.44	97.50	3,567.93	-20.22	153.58	154.90	0.00	0.00	0.00
Start Drop -1.00									
3,600.00	9.24	97.50	3,588.01	-20.65	156.85	158.20	1.00	-1.00	0.00
3,700.00	8.24	97.50	3,686.85	-22.63	171.92	173.40	1.00	-1.00	0.00
3,800.00	7.24	97.50	3,785.93	-24.39	185.27	186.87	1.00	-1.00	0.00
3,900.00	6.24	97.50	3,885.24	-25.92	196.90	198.60	1.00	-1.00	0.00
4,000.00	5.24	97.50	3,984.74	-27.22	206.82	208.60	1.00	-1.00	0.00
4,100.00	4.24	97.50	4,084.39	-28.30	215.01	216.87	1.00	-1.00	0.00
4,200.00	3.24	97.50	4,184.18	-29.15	221.48	223.39	1.00	-1.00	0.00
4,300.00	2.24	97.50	4,284.06	-29.78	226.22	228.17	1.00	-1.00	0.00
4,400.00	1.24	97.50	4,384.02	-30.17	229.23	231.21	1.00	-1.00	0.00
4,500.00	0.24	97.50	4,484.01	-30.34	230.51	232.50	1.00	-1.00	0.00
4,523.99	0.00	0.00	4,508.00	-30.35	230.56	232.55	1.00	-1.00	-406.38
Start 3520.00 hold at 4523.99 MD									
4,600.00	0.00	0.00	4,584.01	-30.35	230.56	232.55	0.00	0.00	0.00
4,700.00	0.00	0.00	4,684.01	-30.35	230.56	232.55	0.00	0.00	0.00
4,800.00	0.00	0.00	4,784.01	-30.35	230.56	232.55	0.00	0.00	0.00
4,900.00	0.00	0.00	4,884.01	-30.35	230.56	232.55	0.00	0.00	0.00
5,000.00	0.00	0.00	4,984.01	-30.35	230.56	232.55	0.00	0.00	0.00
5,100.00	0.00	0.00	5,084.01	-30.35	230.56	232.55	0.00	0.00	0.00
5,200.00	0.00	0.00	5,184.01	-30.35	230.56	232.55	0.00	0.00	0.00
5,300.00	0.00	0.00	5,284.01	-30.35	230.56	232.55	0.00	0.00	0.00
5,400.00	0.00	0.00	5,384.01	-30.35	230.56	232.55	0.00	0.00	0.00
5,500.00	0.00	0.00	5,484.01	-30.35	230.56	232.55	0.00	0.00	0.00
5,600.00	0.00	0.00	5,584.01	-30.35	230.56	232.55	0.00	0.00	0.00
5,700.00	0.00	0.00	5,684.01	-30.35	230.56	232.55	0.00	0.00	0.00
5,800.00	0.00	0.00	5,784.01	-30.35	230.56	232.55	0.00	0.00	0.00
5,900.00	0.00	0.00	5,884.01	-30.35	230.56	232.55	0.00	0.00	0.00
6,000.00	0.00	0.00	5,984.01	-30.35	230.56	232.55	0.00	0.00	0.00
6,100.00	0.00	0.00	6,084.01	-30.35	230.56	232.55	0.00	0.00	0.00
6,200.00	0.00	0.00	6,184.01	-30.35	230.56	232.55	0.00	0.00	0.00
6,300.00	0.00	0.00	6,284.01	-30.35	230.56	232.55	0.00	0.00	0.00
6,400.00	0.00	0.00	6,384.01	-30.35	230.56	232.55	0.00	0.00	0.00
6,500.00	0.00	0.00	6,484.01	-30.35	230.56	232.55	0.00	0.00	0.00
6,600.00	0.00	0.00	6,584.01	-30.35	230.56	232.55	0.00	0.00	0.00
6,700.00	0.00	0.00	6,684.01	-30.35	230.56	232.55	0.00	0.00	0.00
6,800.00	0.00	0.00	6,784.01	-30.35	230.56	232.55	0.00	0.00	0.00
6,900.00	0.00	0.00	6,884.01	-30.35	230.56	232.55	0.00	0.00	0.00



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MD Reference: WELL @ 5633.00ft (Original Well Elev)
North Reference: True
Survey Calculation Method: Minimum Curvature

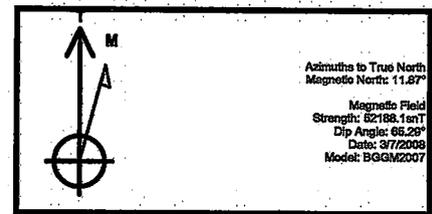
Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
7,000.00	0.00	0.00	6,984.01	-30.35	230.56	232.55	0.00	0.00	0.00
7,100.00	0.00	0.00	7,084.01	-30.35	230.56	232.55	0.00	0.00	0.00
7,200.00	0.00	0.00	7,184.01	-30.35	230.56	232.55	0.00	0.00	0.00
7,300.00	0.00	0.00	7,284.01	-30.35	230.56	232.55	0.00	0.00	0.00
7,400.00	0.00	0.00	7,384.01	-30.35	230.56	232.55	0.00	0.00	0.00
7,500.00	0.00	0.00	7,484.01	-30.35	230.56	232.55	0.00	0.00	0.00
7,600.00	0.00	0.00	7,584.01	-30.35	230.56	232.55	0.00	0.00	0.00
7,700.00	0.00	0.00	7,684.01	-30.35	230.56	232.55	0.00	0.00	0.00
7,800.00	0.00	0.00	7,784.01	-30.35	230.56	232.55	0.00	0.00	0.00
7,900.00	0.00	0.00	7,884.01	-30.35	230.56	232.55	0.00	0.00	0.00
8,000.00	0.00	0.00	7,984.01	-30.35	230.56	232.55	0.00	0.00	0.00
8,043.99	0.00	0.00	8,028.00	-30.35	230.56	232.55	0.00	0.00	0.00

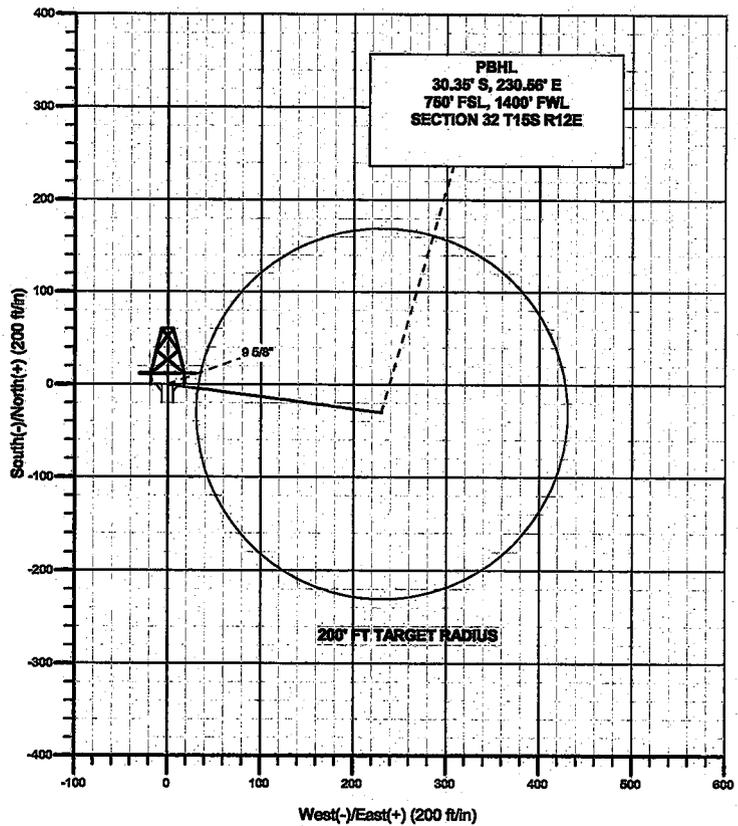
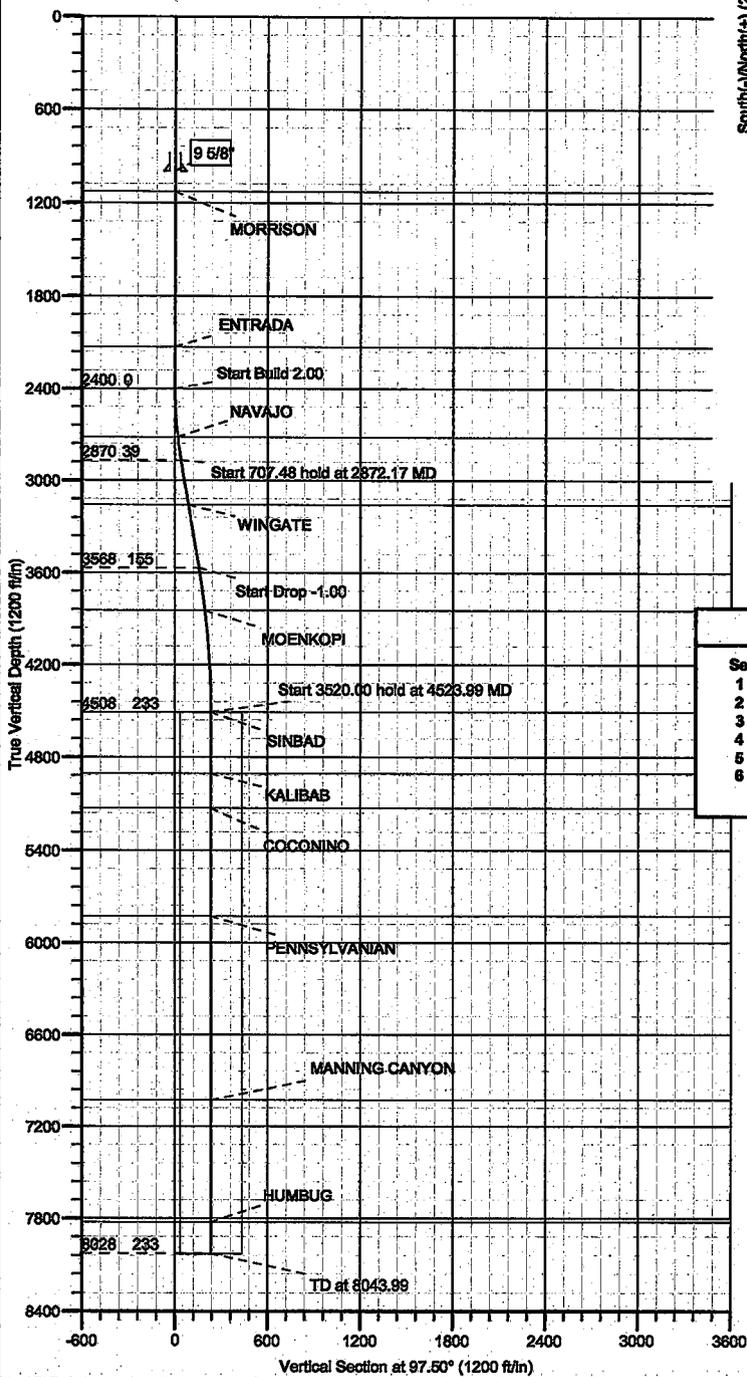
TD at 8043.99

Plan Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
2,400.00	2,400.00	0.00	0.00	Start Build 2.00
2,872.17	2,870.04	-5.07	38.49	Start 707.48 hold at 2872.17 MD
3,579.65	3,567.93	-20.22	153.58	Start Drop -1.00
4,523.99	4,508.00	-30.35	230.56	Start 3520.00 hold at 4523.99 MD
8,043.99	8,028.00	-30.35	230.56	TD at 8043.99



KB ELEV: WELL @ 5633.00ft (Original Well Elev)
 GRD ELEV: 5618.00



SECTION DETAILS										
Sec	MD	Inc	Azi	TVD	+N-S	+E-W	DLeg	TFace	VSec	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	2400.00	0.00	0.00	2400.00	0.00	0.00	0.00	0.00	0.00	
3	2872.17	9.44	97.50	2870.04	-5.07	38.49	2.00	97.50	38.82	
4	3579.65	9.44	97.50	3567.93	-20.22	163.68	0.00	0.00	154.90	
5	4523.99	0.00	0.00	4508.00	-30.35	230.56	1.00	180.00	232.55	
6	8043.99	0.00	0.00	8028.00	-30.35	230.56	0.00	0.00	232.65	PBHL_STATE #14D-32-15-12

FORMATION TOP DETAILS		
TVDPath	MDPath	Formation
1128.00	1128.00	MORRISON
2128.00	2128.00	ENTRADA
2718.00	2718.66	NAVAJO
3164.00	3164.09	WINGATE
3882.00	3882.62	MOENKOPI
4523.00	4523.99	SINBAD
4923.00	4923.99	KALIBAB
5143.00	5143.99	COCONINO
5843.00	5843.99	PENNSYLVANIAN
7043.00	7043.99	MANNING CANYON
7843.00	7843.99	HUMBUG

BILL BARRETT CORPORATION

STATE #14D-32-15-12

SECTION 32, T15S, R12E, S.L.B.&M.

PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY, THEN EASTERLY DIRECTION FROM PRICE, UTAH ALONG U.S. HIGHWAY 6 APPROXIMATELY 12.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 6.0 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED LOCATION

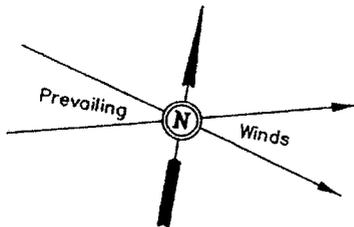
TOTAL DISTANCE FROM PRICE, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 18.6 MILES.

BILL BARRETT CORPORATION

LOCATION LAYOUT FOR

FIGURE #1

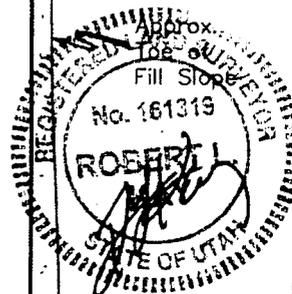
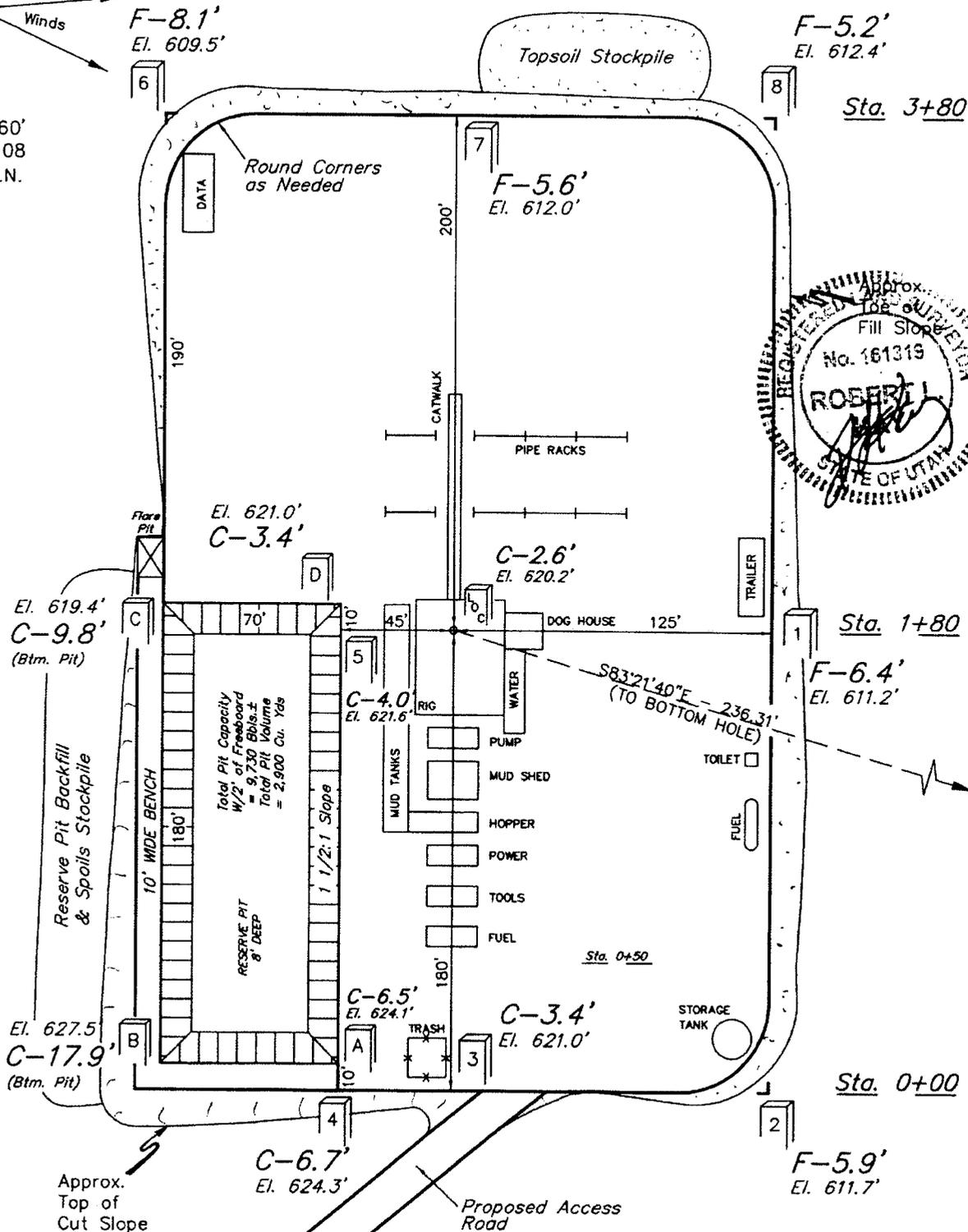
STATE #14D-32-15-12
SECTION 32, T15S, R12E, S.L.B.&M.
780' FSL 1169' FWL



SCALE: 1" = 60'
DATE: 02-18-08
DRAWN BY: C.N.

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5620.2'
FINISHED GRADE ELEV. AT LOC. STAKE = 5617.6'

BILL BARRETT CORPORATION

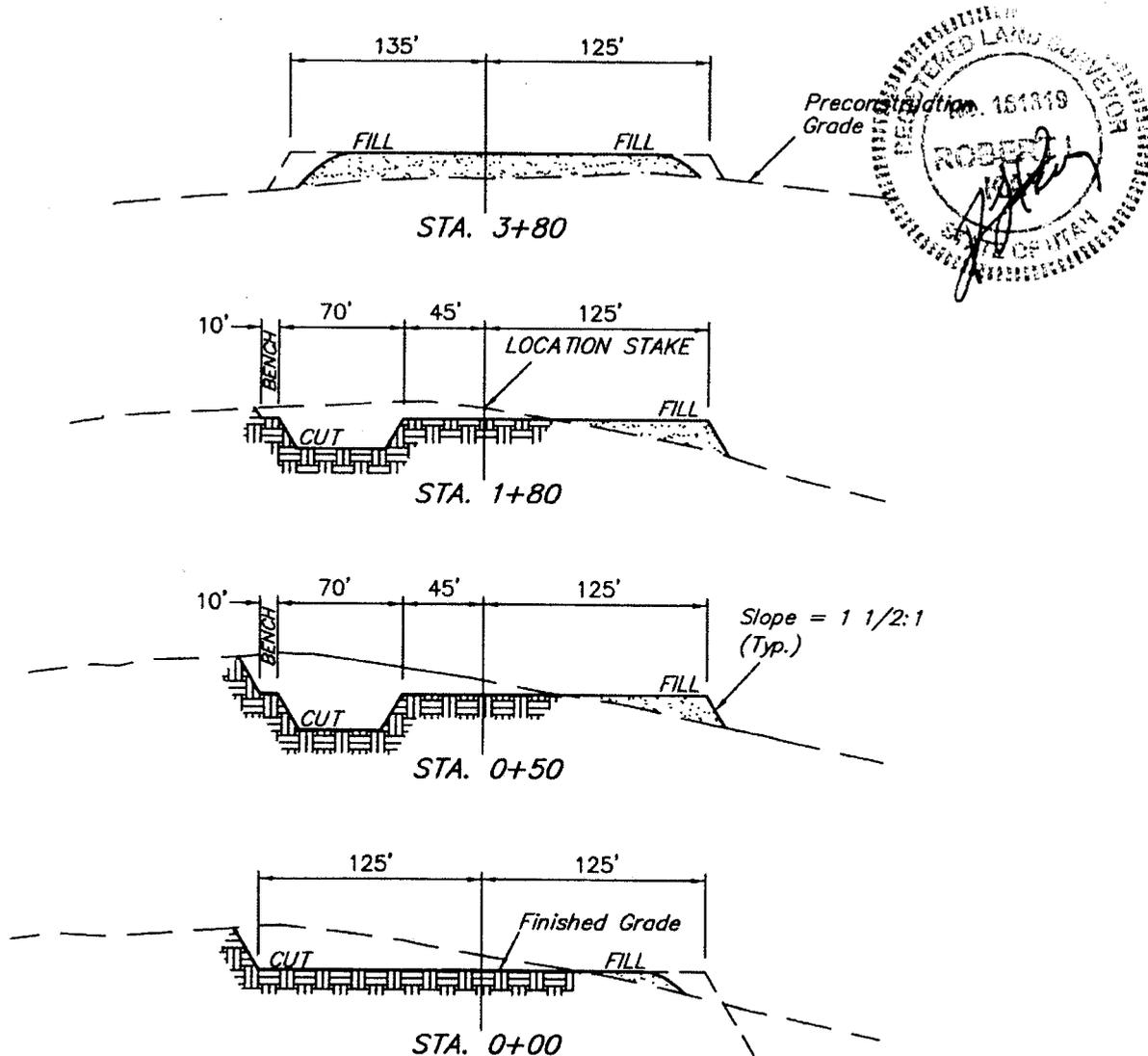
TYPICAL CROSS SECTIONS FOR

STATE #14D-32-15-12
SECTION 32, T15S, R12E, S.L.B.&M.
780' FSL 1169' FWL

FIGURE #2

1" = 40'
X-Section
Scale
1" = 100'

DATE: 02-18-08
DRAWN BY: C.N.



APPROXIMATE ACREAGES

WELL SITE DISTURBANCE = ±2.575 ACRES
ACCESS ROAD DISTURBANCE = ±0.206 ACRES
TOTAL = ±2.781 ACRES

NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 1,900 Cu. Yds.
Remaining Location = 8,550 Cu. Yds.

TOTAL CUT = 10,530 CU. YDS.
FILL = 7,100 CU. YDS.

EXCESS MATERIAL = 3,430 Cu. Yds.
Topsoil & Pit Backfill = 3,430 Cu. Yds.
(1/2 Pit Vol.)
EXCESS UNBALANCE = 0 Cu. Yds.
(After Interim Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
86 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

BILL BARRETT CORPORATION

STATE #14D-32-15-12

LOCATED IN CARBON COUNTY, UTAH
SECTION 32, T15S, R12E, S.L.B.&M.

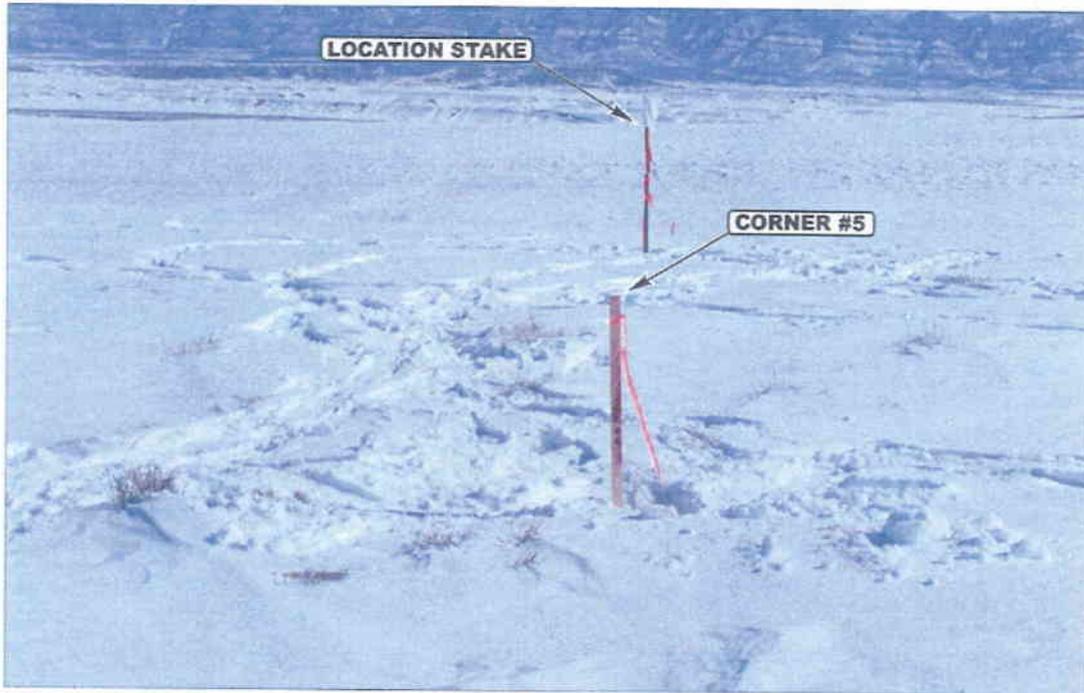


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

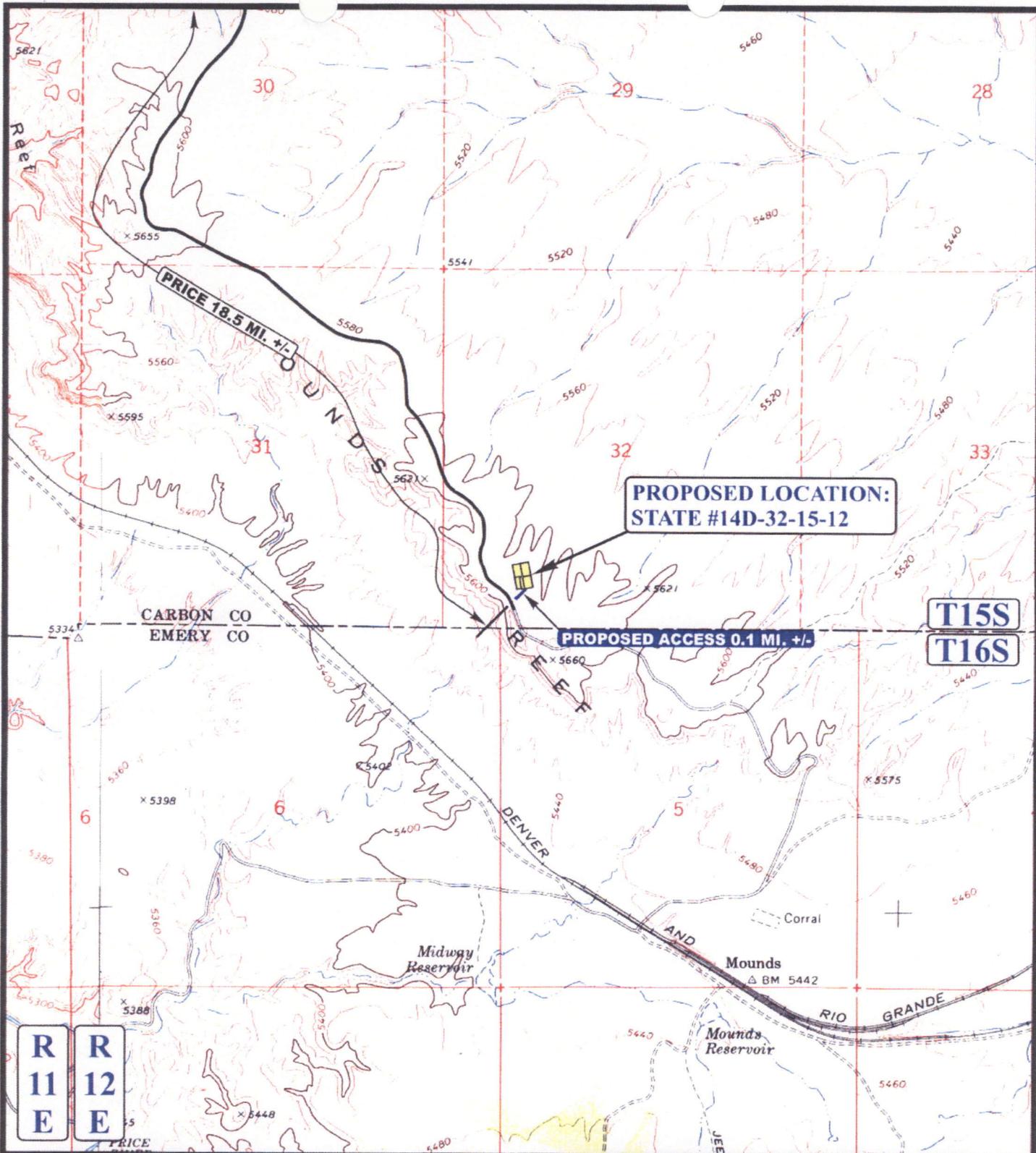
UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

02 25 08
MONTH DAY YEAR

PHOTO

TAKEN BY: D.R. DRAWN BY: C.C. REVISED: 00-00-00



LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD



BILL BARRETT CORPORATION

STATE #14D-32-15-12
 SECTION 32, T15S, R12E, S.L.B.&M.
 780' FSL 1169' FWL



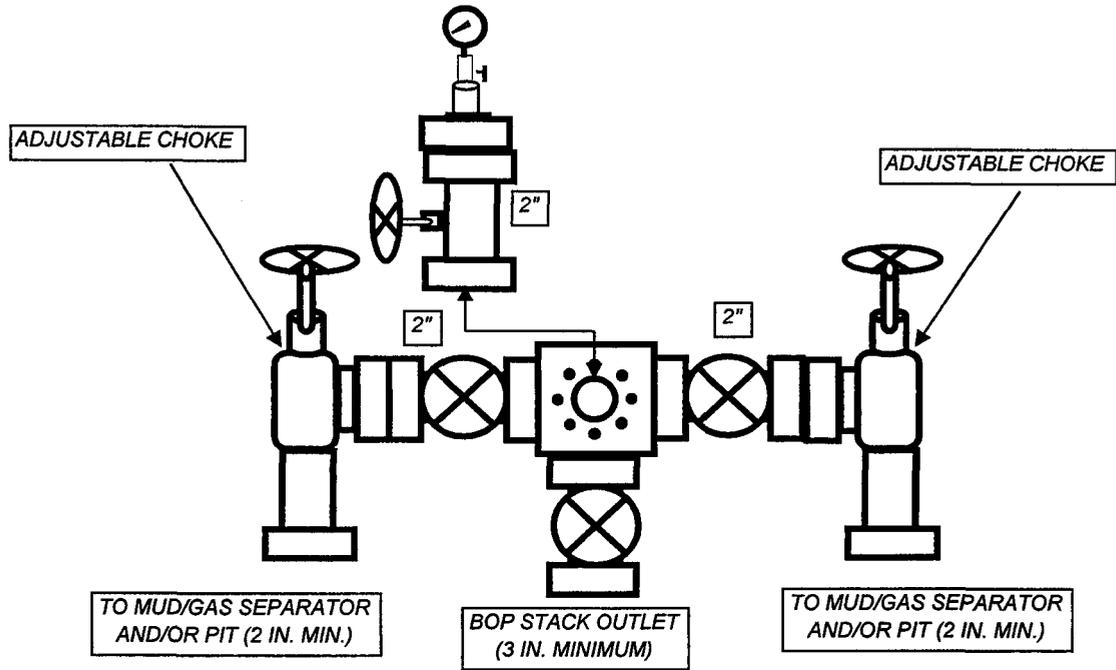
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP 02 25 08
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.C. REVISED: 00-00-00



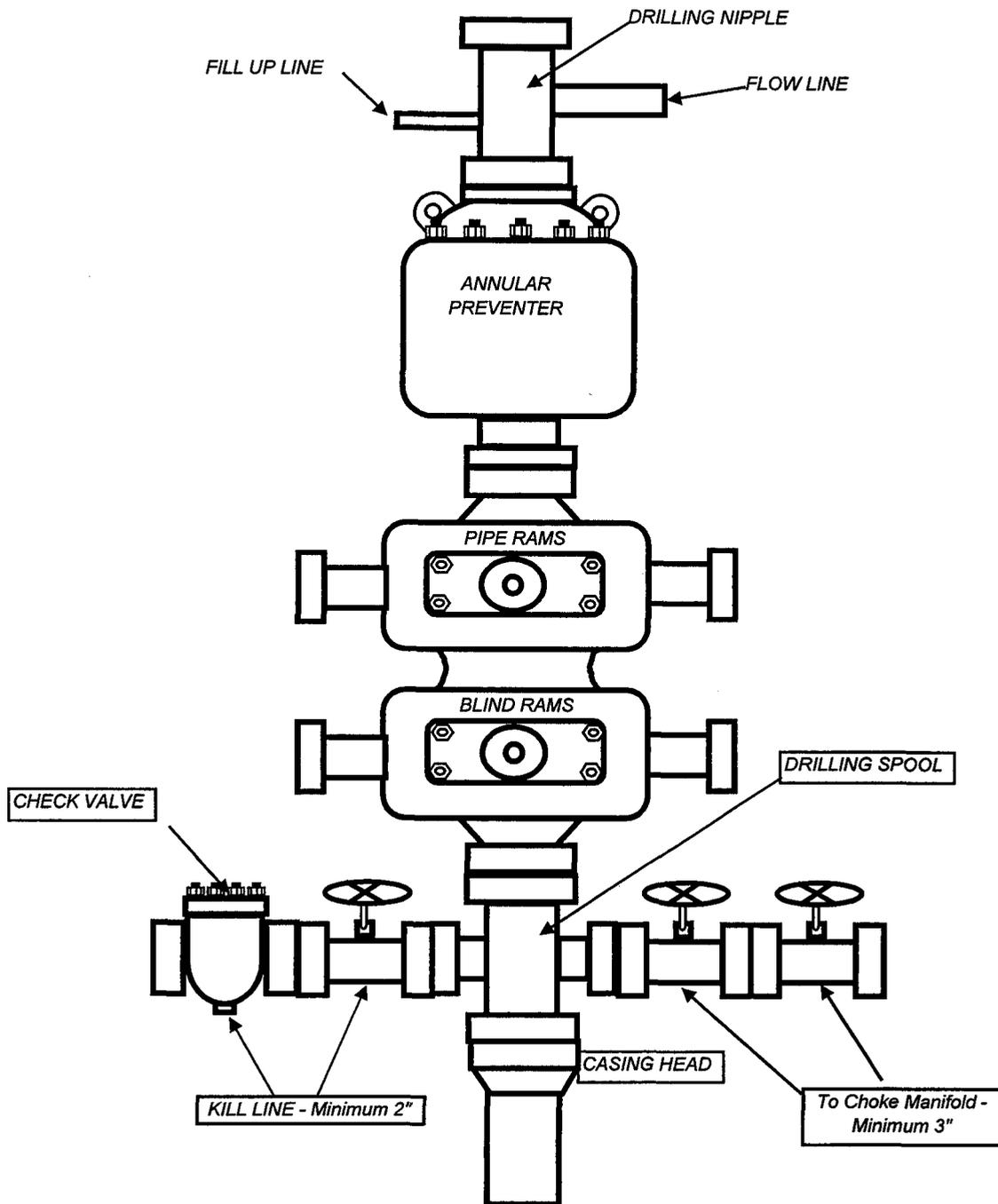
BILL BARRETT CORPORATION

TYPICAL 3,000 p.s.i. CHOKE MANIFOLD



BILL BARRETT CORPORATION

TYPICAL 3,000 p.s.i. BLOWOUT PREVENTER



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 03/13/2008

API NO. ASSIGNED: 43-007-31367

WELL NAME: STATE 14-32D-15-12

OPERATOR: BILL BARRETT CORP (N2165)

PHONE NUMBER: 303-312-8134

CONTACT: TRACEY FALLANG

PROPOSED LOCATION:

SWSW 32 150S 120E
 SURFACE: 0780 FSL 1169 FWL
 BOTTOM: 0750 FSL 1400 FWL
 COUNTY: CARBON
 LATITUDE: 39.47187 LONGITUDE: -110.6031
 UTM SURF EASTINGS: 534144 NORTHINGS: 4369009
 FIELD NAME: WILDCAT (1)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DCCD	5/12/08
Geology		
Surface		

LEASE TYPE: 3 - State
 LEASE NUMBER: ML-49797
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: HMBG
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. LPM4138148)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 91-4122)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- _____ R649-2-3.
- Unit: _____
- _____ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- _____ R649-3-3. Exception
- _____ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
- R649-3-11. Directional Drill

COMMENTS:

Needs Prints (04-04-08)

STIPULATIONS:

- 1 - Spacing Stip
- 2 - STATEMENT OF BASIS

T15S R12E

32

STATE
14-32D-15-12
BHL
14-32D-15-12

STATE
15-32-15-12

T16S R12E

OPERATOR: BILL BARRETT CORP (N2165)

SEC: 32 T.15S R. 12E

FIELD: WILDCAT (001)

COUNTY: CARBON

SPACING: R649-3-11 / DIRECTIONAL DRILLING

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

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

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



PREPARED BY: DIANA MASON
DATE: 17-MARCH-2008

Application for Permit to Drill

Statement of Basis

4/30/2008

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
715	43-007-31367-00-00		GW	S	No
Operator	BILL BARRETT CORP		Surface Owner-APD		
Well Name	STATE 14-32D-15-12		Unit		
Field	WILDCAT		Type of Work		
Location	SWSW 32 15S 12E S 780 FSL 1169 FWL GPS Coord (UTM) 534144E 4369009N				

Geologic Statement of Basis

Significant volumes of high quality ground water are unlikely to be encountered at this location. A poorly to moderately permeable soil is likely to be developed on the Upper Part of the Blue Gate Member of the Mancos Shale. The proposed casing and cementing program should adequately isolate any zones of fresh water that may be penetrated. There are no underground water rights filed within a mile of the proposed well site.

Chris Kierst
APD Evaluator

4/25/2008
Date / Time

Surface Statement of Basis

Bart Kettle-Division of Oil, Gas and Mining (DOGM), Jim Davis-Trust Lands Administration (SITLA), Kyle Beagley-Division of Wildlife Resources (DWR), Fred Goodrich-Bill Barrett Corp. (BBC), Jack Finely-Bill Barrett Corp (BBC), Joe D Smith-Bill Barrett Corp (BBC), Kelly Rasmussen-Uintah Engineering & Land Surveying

Invited, but electing not to attend: Rex Sacco-Carbon County, Gayla Williams-Carbon County and Sandy Lehman-for the Carbon County Commissioners.

DWR list proposed project site as year long pronghorn antelope range. During severe winters the rims of the reef surrounding proposed project are considered particularly important to antelope as they blow/melt free of snow.

DOGM notes relatively flat site void of taller vegetation such as the proposed project site develop problems with rig traffic leaving permitted areas. Precautions such as signs of fencing should implemented to manage these activities.

DOGM noted the rim and areas adjacent to it are likely spots for fossils. Paleo survey indicate shark teeth were located in survey's.

Bart Kettle
Onsite Evaluator

4/4/2008
Date / Time

Conditions of Approval / Application for Permit to Drill

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

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator BILL BARRETT CORP
Well Name STATE 14-32D-15-12
API Number 43-007-31367-0 **APD No** 715 **Field/Unit** WILDCAT
Location: 1/4,1/4 SWSW **Sec** 32 **Tw** 15S **Rng** 12E 780 FSL 1169 FWL
GPS Coord (UTM) **Surface Owner**

Participants

Bart Kettle-DOG, Jim Davis-SITLA, Kyle Beagley-DWR, Fred Goodrich-BBC, Jack Finely-BBC, Joe D Smith-BBC, Kelly Rasmussen-Uintah Engineering & Land Surveying

Regional/Local Setting & Topography

Proposed project area is located ~8 miles southeast of Wellington City, in Carbon County Utah. The proposed project site sit atop a small reef rising to the south towards the San Rafeal Swell. Drainage flows into Grassy Trails Creek within three miles and eventually to the Price River 10 miles away. Project site is located in a 8-10" precept zone at the northern extent of the San Rafeal Swell. Regionally agriculture lands are located along the valley floor 5 miles to the west. Regionally, the climate is arid rangelands dominated by Salt Scrub shrub lands and Pinion/Juniper woodlands. Soils in the region are generally poorly developed, and moderate too highly erosive.

Surface Use Plan

Current Surface Use

Grazing
Wildlfe Habitat

New Road

Miles	Well Pad	Src Const Material	Surface Formation
0.1	Width 250	Length 380	

Ancillary Facilities

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Flora
Grass: Indian rice grass, curely galleta
Forbs: Desert parsely, funnel lily
Shrubs: bud sage, black sage, gray horse brush, shadescale, broom snakeweed, Nuttles saltbrush.
Trees: none
Other: prickly pear spp.

Fauna: Host of small mammals and reptiles possible. DWR listes as year long prong horn antelope range. Durring sever winter conditions antelope congregate along melted/blown off portions along reef. Use by coyote and bobcat likely.

Soil Type and Characteristics

Predominantly gray clays/shale's, some smaller sandstone fragments.

Erosion Issues Y

Soils prone to wind erosion, mitigation not recommended.

Sedimentation Issues N

Site Stability Issues N

Drainage Diversion Required N

Berm Required? N

Erosion Sedimentation Control Required? N

Disturbance should be reclaimed as promptly as possible.

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

Reserve Pit

Site-Specific Factors

Site Ranking

Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	>1320	0
Native Soil Type	Low permeability	0
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	<10	0
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0

Final Score 5 3 Sensitivity Level

Characteristics / Requirements

Closed Loop Mud Required? N Liner Required? N Liner Thickness Pit Underlayment Required? N

Other Observations / Comments

Observations indicate site likely contains some type of fossils along the rim of the reef. Paleo survey apparently located shark teeth in the general proximity and is recommending a paleoentologist be present during construction activities.

DWR list proposed project site as year long pronghorn antelope range. During several winters rims of the reef surrounding proposed project are considered particularly important to antelope as they blow/melt free of snow.

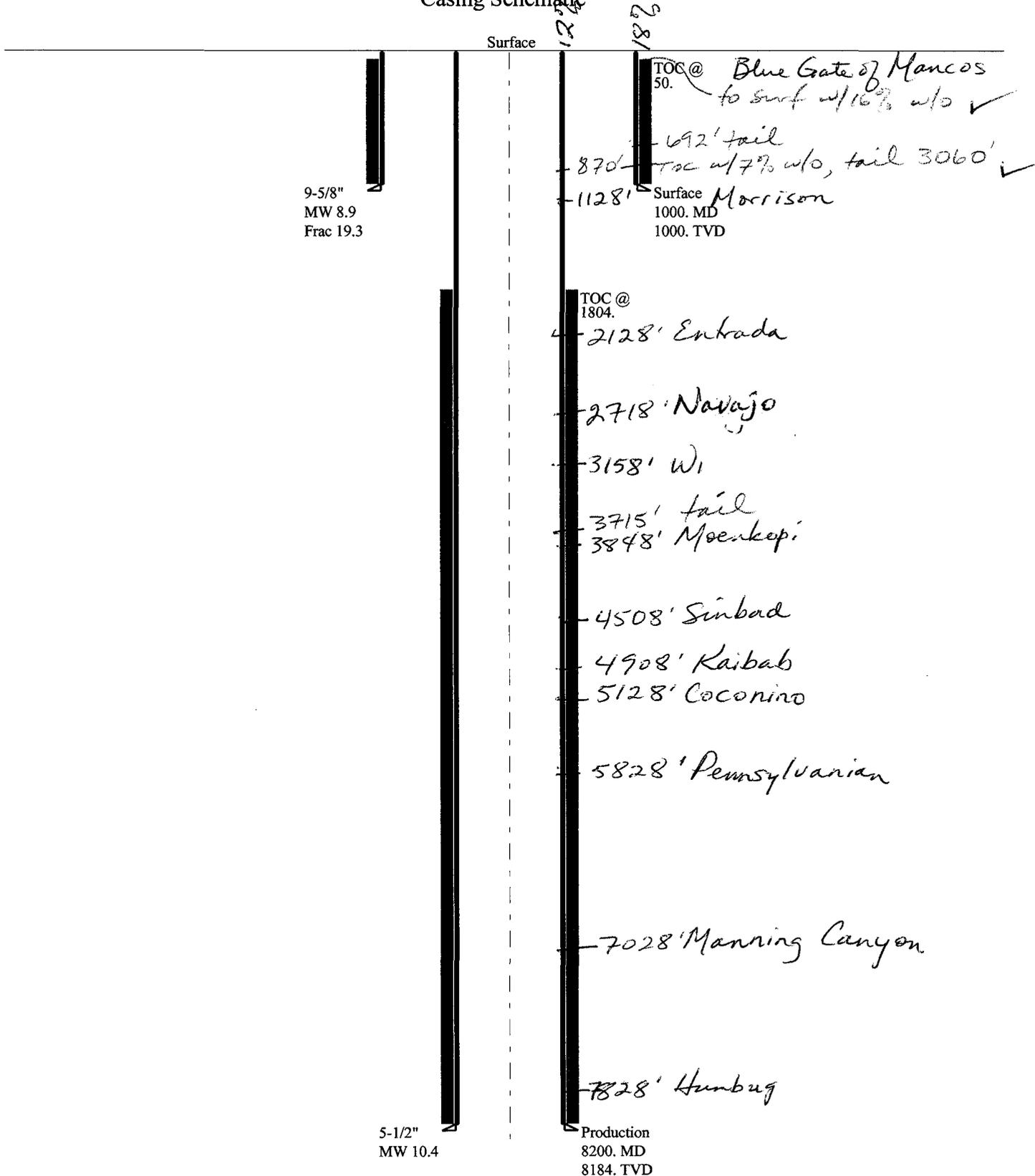
Previous experience indicates flat project sites such as this one with little vegetation develop problems with rig traffic leaving permitted areas. Precautions such as fencing or signs should be used to manage such activities.

Bart Kettle
Evaluator

4/4/2008
Date / Time

2008-05 Bill Barrett State 14-32D-15-12

Casing Schematic



Well name:

2008-05 Bill Barrett State 14-32D-15-12

Operator: **Bill Barrett Corp**

String type: Surface

Project ID:

43-007-31367

Location: Carbon County

Design parameters:

Collapse

Mud weight: 8.900 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 79 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 185 ft
Cement top: 50 ft

Burst

Max anticipated surface pressure: 880 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 1,000 psi

No backup mud specified.

Tension:

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

Tension is based on air weight.
Neutral point: 868 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 8,184 ft
Next mud weight: 10.400 ppg
Next setting BHP: 4,421 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 1,000 ft
Injection pressure: 1,000 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	1000	9.625	36.00	J-55	ST&C	1000	1000	8.796	434.1
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	462	2020	4.369	1000	3520	3.52	36	394	10.94 J

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

Phone: 831-538-5357
FAX: 801-359-3940

Date: May 6, 2008
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Collapse is based on a vertical depth of 1000 ft, a mud weight of 8.9 ppg. The casing is considered to be evacuated for collapse purposes.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

2008-05 Bill Barrett State 14-32D-15-12

Operator: **Bill Barrett Corp**

String type: Production

Project ID:

43-007-31367

Location: Carbon County

Design parameters:

Collapse

Mud weight: 10.400 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 180 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 368 ft

Burst:

Design factor 1.00

Cement top: 1,804 ft

Burst

Max anticipated surface pressure: 2,621 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 4,421 psi

No backup mud specified.

Tension:

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

Directional Info -

Kick-off point 2400 ft
Departure at shoe: 232 ft
Maximum dogleg: 2 °/100ft
Inclination at shoe: 0 °

Tension is based on air weight.

Neutral point: 6,912 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	8200	5.5	20.00	P-110	LT&C	8184	8200	4.653	1021
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	4421	11100	2.510	4421	12630	2.86	164	548	3.35 J

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

Phone: 831-538-5357
FAX: 801-359-3940

Date: May 6, 2008
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Collapse is based on a vertical depth of 8184 ft, a mud weight of 10.4 ppg. The casing is considered to be evacuated for collapse purposes.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Engineering responsibility for use of this design will be that of the purchaser.

BOPE REVIEW

Bill Barrett ST 14-32D-15-12 API 43-007-31367

INPUT		Bill Barrett ST 14-32D-15-12 API 43-007-31367	
Well Name		String 1	String 2
Casing Size (")		9 5/8	5 1/2
Setting Depth (TVD)		1000	8200
Previous Shoe Setting Depth (TVD)		0	1000
Max Mud Weight (ppg)		8.9	10.4
BOPE Proposed (psi)		0	3000
Casing Internal Yield (psi)		3520	12630
Operators Max Anticipated Pressure (psi)		4435	10.4 ppg

Calculations	String 1	9 5/8 "	
Max BHP [psi]	$.052 \times \text{Setting Depth} \times \text{MW} =$	463	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	$\text{Max BHP} - (0.12 \times \text{Setting Depth}) =$	343	NO
MASP (Gas/Mud) [psi]	$\text{Max BHP} - (0.22 \times \text{Setting Depth}) =$	243	NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	$\text{Max BHP} - .22 \times (\text{Setting Depth} - \text{Previous Shoe Depth}) =$	243	NO \rightarrow No pressure, reasonable depth
Required Casing/BOPE Test Pressure		1000	psi
*Max Pressure Allowed @ Previous Casing Shoe =		0	psi

Calculations	String 2	5 1/2 "	
Max BHP [psi]	$.052 \times \text{Setting Depth} \times \text{MW} =$	4435	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	$\text{Max BHP} - (0.12 \times \text{Setting Depth}) =$	3451	NO
MASP (Gas/Mud) [psi]	$\text{Max BHP} - (0.22 \times \text{Setting Depth}) =$	2631	YES ✓
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	$\text{Max BHP} - .22 \times (\text{Setting Depth} - \text{Previous Shoe Depth}) =$	2851	NO
Required Casing/BOPE Test Pressure		3000	psi
*Max Pressure Allowed @ Previous Casing Shoe =		1000	psi

*Assumes 1psi/ft frac gradient

From: Ed Bonner
To: Mason, Diana
Date: 5/1/2008 3:46 PM
Subject: Well Clearance

CC: Davis, Jim; Garrison, LaVonne; Hill, Brad; Jarvis, Dan

The following wells have been given cultural resources and paleontological resources clearance by the Trust Lands Administration:

Bill Barrett Corporation
State 15-32-15-12 (API 43 007 31366
State 14-32D-15-12 API 43 007 31367)

If you have any questions regarding this matter please give me a call.



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 12, 2008

Bill Barrett Corporation
1099 18th St., Ste. 2300
Denver, CO 80202

Re: State 14-32D-15-12 Well, 780' FSL, 1169' FWL, SW SW, Sec. 32, T. 15 South,
R. 12 East, Bottom Location 750' FSL, 1400' FWL, SE SW, Sec. 32, T. 15 South,
R. 12 East, Carbon County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-007-31367.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Carbon County Assessor
SITLA



Operator: Bill Barrett Corporation
Well Name & Number State 14-32D-15-12
API Number: 43-007-31367
Lease: ML-49797

Location: SW SW **Sec.** 32 **T.** 15 South **R.** 12 East
Bottom Location: SE SW **Sec.** 32 **T.** 15 South **R.** 12 East

Conditions of Approval

1. General

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

2. Notification Requirements

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

- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
- 24 hours prior to spudding the well – contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

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

- Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
- Any changes to the approved drilling plan – contact Dustin Doucet

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

- Dan Jarvis at: (801) 538-5338 office (801) 942-0871 home
- Carol Daniels at: (801) 538-5284 office
- Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
6. In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.
7. 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.



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 26, 2009

Tracey Fallang
Bill Barrett Corporation
1099 18th Street, Ste. 2300
Denver, CO 80202

Re: APD Rescinded – State 14-32D-15-12 Sec. 32 T. 15 R. 12E
Carbon County, Utah API No. 43-007-31367

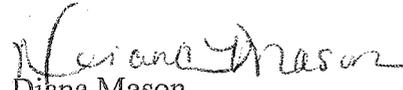
Dear Ms. Fallang:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on May 12, 2008. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective January 22, 2009.

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

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

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Ed Bonner, SITLA

