

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

FORM 3

AMENDED REPORT   
(highlight changes)

001

<b>APPLICATION FOR PERMIT TO DRILL</b>			5. MINERAL LEASE NO: U-01197-A-ST	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:	
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: NATURAL BUTTES UNIT	
2. NAME OF OPERATOR: El Paso Production Oil & Gas Company			9. WELL NAME and NUMBER: NBU 394	
3. ADDRESS OF OPERATOR: P.O. Box 1148 CITY Vernal STATE UT ZIP 84078		PHONE NUMBER: (435) 781-7023	10. FIELD AND POOL, OR WILDCAT: Natural Buttes	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 935' FSL & 1336' FEL AT PROPOSED PRODUCING ZONE:			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 11 10S 22E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 28.3 Miles Northeast of Ouray, UT			12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 935'	16. NUMBER OF ACRES IN LEASE: 1674.49	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) Refer to Topo C	19. PROPOSED DEPTH: 7,300	20. BOND DESCRIPTION: 400JU0705		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5148.4' GL	22. APPROXIMATE DATE WORK WILL START:	23. ESTIMATED DURATION: 10 Days		

**PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
11 - 12 1/4	8 5/8 or 9 5/8	250	Refer to 10 Pt program
7 7/8	4 1/2 or 5 1/2	7,300	Refer to 10 Pt program

**RECEIVED**

NOV 25 2002

DIVISION OF OIL, GAS AND MINING

**CONFIDENTIAL**

**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
- COMPLETE DRILLING PLAN
- EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
- FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Cheryl Cameron TITLE Operations  
SIGNATURE *Cheryl Cameron* DATE 11/22/2002

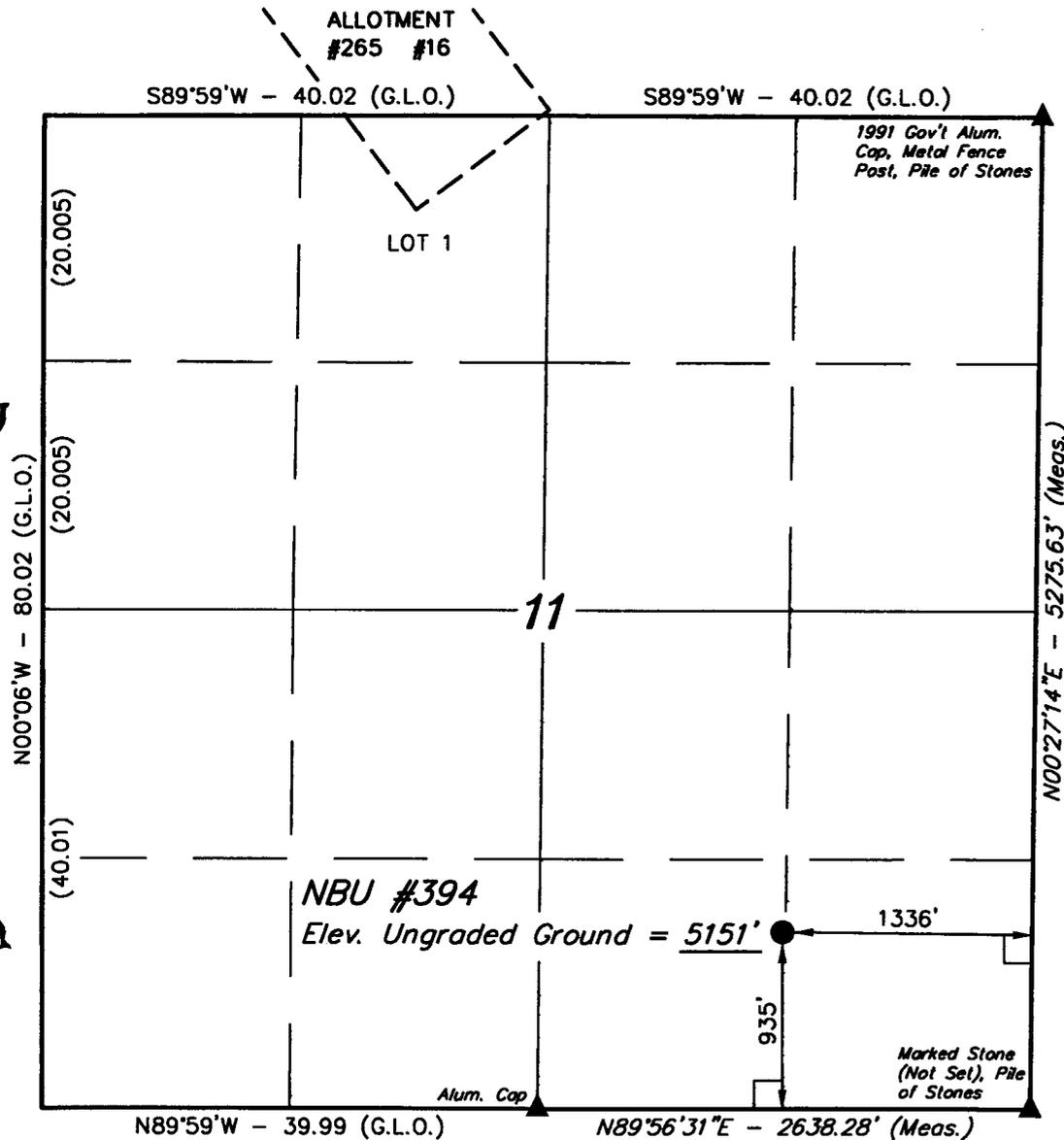
(This space for State use only)

API NUMBER ASSIGNED: 43-047-34804

APPROVAL:

Approved by the  
Utah Division of  
Oil, Gas and Mining  
Date: 01-27-03  
*[Signature]*

# T10S, R22E, S.L.B.&M.



## EL PASO PRODUCTION OIL & GAS COMPANY

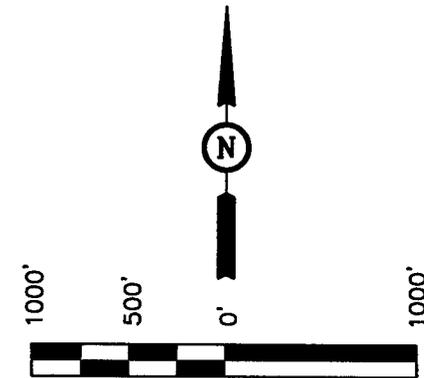
Well location, NBU #394, located as shown in the SW 1/4 SE 1/4 of Section 11, T10S, R22E, S.L.B.&M. Uintah County, Utah.

### BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.

### BASIS OF BEARINGS

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



SCALE  
CERTIFICATE

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.

*Robert J. Hag*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

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

### LEGEND:

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)  
LATITUDE = 39°57'31.62" (39.958783)  
LONGITUDE = 109°24'09.23" (109.402564)

SCALE 1" = 1000'	DATE SURVEYED: 07-22-02	DATE DRAWN: 07-19-02
PARTY D.A. J.A. D.COX	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE EL PASO PRODUCTION OIL & GAS COMPANY	

*to*

CULTURAL RESOURCE INVENTORY OF  
EL PASO PRODUCTION'S  
EIGHT WELL LOCATIONS IN NATURAL BUTTES  
(T 10S, R 22E, SECTIONS 10, 11, 14, AND 15)  
UINTAH COUNTY, UTAH

**COPY**  
INTL *CE* DATE *9/9/02*  
*NSU 394*

Keith R. Montgomery

Prepared For:

Bureau of Land Management  
Vernal Field Office

and

State of Utah  
School and Institutional  
Trust Lands Administration

Prepared Under Contract With:

El Paso Production Oil and Gas Company  
1368 South 1200 East  
Vernal, Utah 84078

Prepared By:

Montgomery Archaeological Consultants  
P.O. Box 147  
Moab, Utah 84532

MOAC Report No. 02-124

September 4, 2002

United States Department of Interior (FLPMA)  
Permit No. 02-UT-60122

State of Utah Antiquities Project (Survey)  
Permit No. U-02-MQ-0502b,s

**RECEIVED**

NOV 25 2002

DIVISION OF  
OIL, GAS AND MINING

## INTRODUCTION

A cultural resource inventory was conducted by Montgomery Archaeological Consultants (MOAC) in August 2002 for El Paso Production Oil and Gas Company's proposed eight well locations (CIGE #295, CIGE #296, CIGE #297, NBU #394, NBU #461, NBU #462, NBU #463, and NBU #464). The proposed well locations and associated access and pipeline corridors are situated in the Natural Buttes area, southeast of Ouray, Utah (Figure 1). The survey was implemented at the request of Mr. Carroll Estes, El Paso Production Oil and Gas Company, Vernal, Utah. The project is situated on land administered by the Bureau of Land Management (BLM), Vernal Field Office and on land administered by State of Utah School and Institutional Trust Lands Administration (SITLA).

The objective of the inventory was to locate, document, and evaluate any cultural resources within the project area in order to comply with Section 106 of 36 CFR 800, the National Historic Preservation Act of 1966 (as amended). Also, the inventory was implemented to attain compliance with a number of federal and state mandates, including the National Environmental and Policy Act of 1969, the Archaeological and Historic Conservation Act of 1972, the Archaeological Resources Protection Act of 1979, the American Indian Religious Freedom Act of 1978, and Utah State Antiquities Act of 1973 (amended 1990).

The fieldwork was performed on August 14-18, 2002 by Keith R. Montgomery, (Principal Investigator), assisted in the field by Roger Stash and Mark Bond. The project was initiated under the auspices of U.S.D.I. (FLPMA) Permit No. 02-UT-60122 and State of Utah Antiquities Permit (Survey) No. U-02-MQ-0502b,s issued to MOAC.

A file search was performed Roger Stash and Mark Bond at Bureau of Land Management, Vernal Field Office on August 14, 2002. This consultation indicated that a number of archaeological inventories have been completed near the project areas, all for oil and gas development. Archaeological-Environmental Research Corporation has completed several inventories for Coastal Oil and Gas Corporation, including an inventory in 1981 of the NBU #73 well location (Hauck 1981). Each of the inventories completed in the area resulted in a finding of no cultural resources. In 1986, Metcalf Archaeological Consultants conducted an inventory of well location NBU #79 documenting no cultural resources (Metcalf Archaeological Consultants 1986). Metcalf also completed inventories for a number of Coastal Oil and Gas Corporation well locations during 1991 under two project numbers (Scott 1991a, 1991b). No cultural resources were documented during the inventories. In 1992, Metcalf Archaeological Consultants conducted an inventory for one well location documenting no cultural resources (Truesdale 1992). Montgomery Archaeological Consultants (MOAC) conducted several inventories in the area in 1998, one of which is in the immediate project area of well location CIGE #295 (Montgomery 1998a, 1998b). No cultural resources were documented during these surveys. MOAC also completed an inventory near the current project area in 2001 for El Paso Production; the inventory resulted in no findings (Montgomery 2001). In summary, although a number of inventories have been conducted in the area, no cultural resources have been documented in the immediate project area.

## DESCRIPTION OF PROJECT AREA

The eight proposed El Paso Production well locations, access and pipeline corridors are situated in the Natural Buttes Field, southeast of Ouray, Utah. The legal description is T 10S, R 22E, Sections 10, 11, 14, and 15 (Figure 1). The proposed well locations are designated: CIGE #295, CIGE #296, CIGE #297, NBU #394, NBU #461, NBU #462, NBU #463, and NBU #464 (Table 1). Well locations NBU #462, NBU #463, and NBU #464 are situated on public lands administered by the Bureau of Land Management, Vernal Field Office. Well locations NBU #394, NBU #461, CIGE #295, CIGE #296, and CIGE #297 are situated on lands administered by State and Institutional Trust Lands (SITLA).

Table 1. El Paso Production's Natural Butte Eight Well Locations

Well Location Designation	Legal Location	Location at Surface	Access/Pipeline	Cultural Resources
CIGE #295	T 10S, R 22E, Sec. 14	622' FNL 2422' FWL	Access/Pipeline 787'	None
CIGE #296	T 10S, R 22E, Sec. 14	308' FNL 613' FWL	Access/Pipeline 656'	None
CIGE #297	T 10S, R 22E, Sec. 14	2381' FNL 1169' FWL	Access 330' Pipeline 1640'	None
NBU #394	T 10S, R 22E, Secs. 11 and 14	935' FSL 1336' FEL	Access/Pipeline 1115'	None
NBU #461	T 10S, R 22E, Sec. 14	1800' FNL 2175' FEL	Access in 10 acre	None
NBU #462, Alt #2	T 10S, R 22E, Sec. 15	2077' FNL 1729' FWL	Access 262' Pipeline 525'	None
NBU #463	T 10S, R 22E, Secs. 10 and 15	20' FNL 2395' FEL	Access in 10 acre Pipeline 656'	None
NBU #464	T 10S, R 22E, Sec. 15	1246' FNL 2314' FWL	Access in 10 acre Pipeline 1837'	None

## Environment

The study area lies within the Uinta Basin physiographic unit, a distinctly bowl-shaped geologic structure (Stokes 1986:231). The Uinta Basin ecosystem is within the Green River drainage, considered to be the northernmost extension of the Colorado Plateau. The geology is comprised of Tertiary age deposits which include Paleocene age deposits, and Eocene age fluvial and lacustrine sedimentary rocks. The Uinta Formation, which is predominate in the project area, occurs as eroded outcrops formed by fluvial deposited, stream laid interbedded sand and mud, and is known for its prolific paleontological localities. Specifically, the project area occurs on the east side of Cottonwood Wash on the valley floor which is interspersed by flat topped buttes and narrow steep-sided ridges. The area is heavily dissected and carved by ephemeral drainages. The surface geology consists of hard pan residual soil armored with shale and sandstone pebbles as well as some sand shadows. The elevation averages 5100 feet a.s.l. The project occurs within the Upper Sonoran Desert Shrub Association which includes shadscale, greasewood, mat saltbrush, snakeweed, rabbitbrush, prickly pear cactus, Indian ricegrass and non-native vegetation. Modern disturbances include grazing, roads, and oil/gas development.

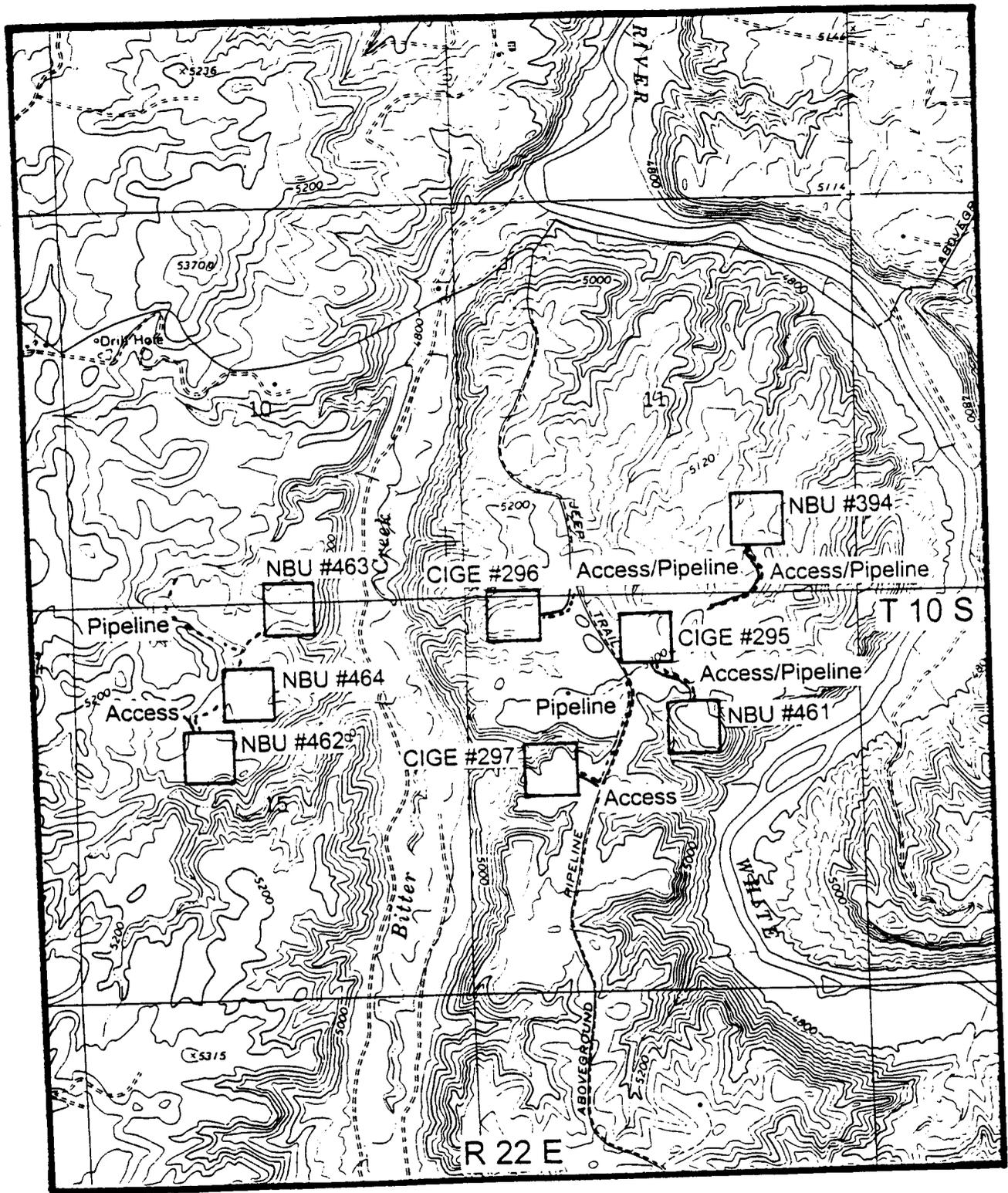


Figure 1. Inventory Area of El Paso Production Oil and Gas Company's Eight Proposed Well Locations, Access Roads, and Pipelines. USGS 7.5' Archy Bench, Utah 1987. Scale 1:24000.

## SURVEY METHODOLOGY

An intensive pedestrian survey was performed for this project which is considered 100% coverage. At each of the proposed well locations, a ten acre area centered on the center stake of the location was surveyed by the archaeologists walking parallel transects spaced no more than 10 m (30 ft) apart. The access and pipeline corridors were each 100 feet wide, surveyed by walking parallel transects along the staked centerline, spaced no more than 10 m (30 ft) apart. A 45m (150 foot) wide corridor was inspected when access/pipeline routes shared a corridor. Ground visibility was considered to be good. A total of 100.8 acres was inventoried, 37.5 acres of which occurs on BLM (Vernal Field Office) administered land, and 63.3 acres of which occurs on State of Utah School and Institutional Trust Land (SITLA).

## RESULTS AND RECOMMENDATIONS

The inventory of the eight proposed El Paso Production Oil and Gas Company well locations resulted in the location of no archaeological resources. Based on the findings, a determination of "no historic properties affected" is recommended for this undertaking pursuant to Section 106, CFR 800.

## REFERENCES CITED

Hauck, F.R.  
1981

Cultural Resource Evaluation of El Paso Production's NBU #73 Well Location, Uintah County, UT. Archeological-Environmental Research Corp. Bountiful, UT. BLM #047-486. BLM Form on file at the BLM Vernal Field Office.

Cultural Resource Evaluation of El Paso Production's NBU #39 Well Location, Uintah County, UT. Archeological-Environmental Research Corp. Bountiful, UT. BLM #047-404. BLM Form on file at the BLM Vernal Field Office. NO DATE AVAILABLE

Cultural Resource Evaluation of El Paso Production's CIGE #54 Well Location, Uintah County, UT. Archeological-Environmental Research Corp. Bountiful, UT. BLM #047-391. BLM Form on file at the BLM Vernal Field Office. NO DATE AVAILABLE

Metcalf Archaeological Consultants

1986

Cultural Resource Inventory of El Paso Production's NBU #79 Well Location, Uintah County, Utah. Metcalf Archaeological Consultants. Project No. U-86-MM-577b. BLM Form on file at the BLM Vernal Field Office.

Montgomery, K.R.

1998a

Cultural Resource Inventory of Coastal Oil and Gas Corporation's CIGE 246, NBU 333, NBU 347, NBU 349, and NBU 350 Well Locations and Access Roads in Uintah County, Utah. Montgomery Archaeological Consultants, Moab, Utah. Project No. U-98-MQ-0631b,s. On file at the BLM Vernal Field Office.

1998b

Cultural Resource Inventory of Coastal Oil and Gas Corporation's CIGE 247, NBU 345, and NBU 348 Well Locations, Access Roads, and Pipeline, Uintah County, Utah. Montgomery Archaeological Consultants, Moab, Utah. Project No. U-98-MQ-0715b,s. On file at the BLM Vernal Field Office.

2001

Cultural Resource Inventory of El Paso Production's Five Well Locations and Three Pipelines, Uintah County, Utah. Montgomery Archaeological Consultants, Moab, Utah. Project No. U-01-MQ-0680b,s. On file at the BLM Vernal Field Office.

Scott, J. M.  
1991a

Cultural Resource Inventory for Coastal Oil and Gas Corporation's Several Wells, Access Roads, and Pipelines, Uintah County, Utah. Metcalf Archaeological Consultants, Eagle, CO. Project No. U-91-MM-055b. Several BLM Forms for individual well locations with same project number on file at the BLM Vernal Field Office.

1991b

Cultural Resource Inventory for Coastal Oil and Gas Corporation's NBU #171 Well and Access Location, Uintah County, Utah. Metcalf Archaeological Consultants, Eagle, CO. Project No. U-91-MM-478b,s. On file at the BLM Vernal Field Office.

Stokes, W.L.  
1986

*Geology of Utah.* Utah Museum of Natural History and Utah Geological and Mineral Survey, Salt Lake City.

Truesdale, J.A.  
1992

Results of a Class III Cultural Resource Inventory for Coastal Oil and Gas Corporation's Proposed Well NBU #205 and Access, Uintah County, Utah. Metcalf Archaeological Consultants, Eagle, CO. Project No. U-92-MM-394b,s. On file at the BLM Vernal Field Office.

# **EL PASO PRODUCTION OIL & GAS COMPANY**

**NBU #394**

**SECTION 11, T10S, R22E, S.L.B.&M.**

**PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 11.5 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN SOUTHEASTERLY DIRECTION APPROXIMATELY 12.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 1.4 MILES THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 2.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 300' TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST FOLLOW ROAD FLAGS IN A NORTHEASTERLY, THEN NORTHWESTERLY. THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE PROPOSED LOCATION.**

**TOTAL DISTANCE TO VERNAL IS APPROXIMATELY 59.3 MILES.**

# EL PASO PRODUCTION OIL & GAS COMPANY

**NBU #394**

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 11, T10S, R22E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: NORTHEASTERLY

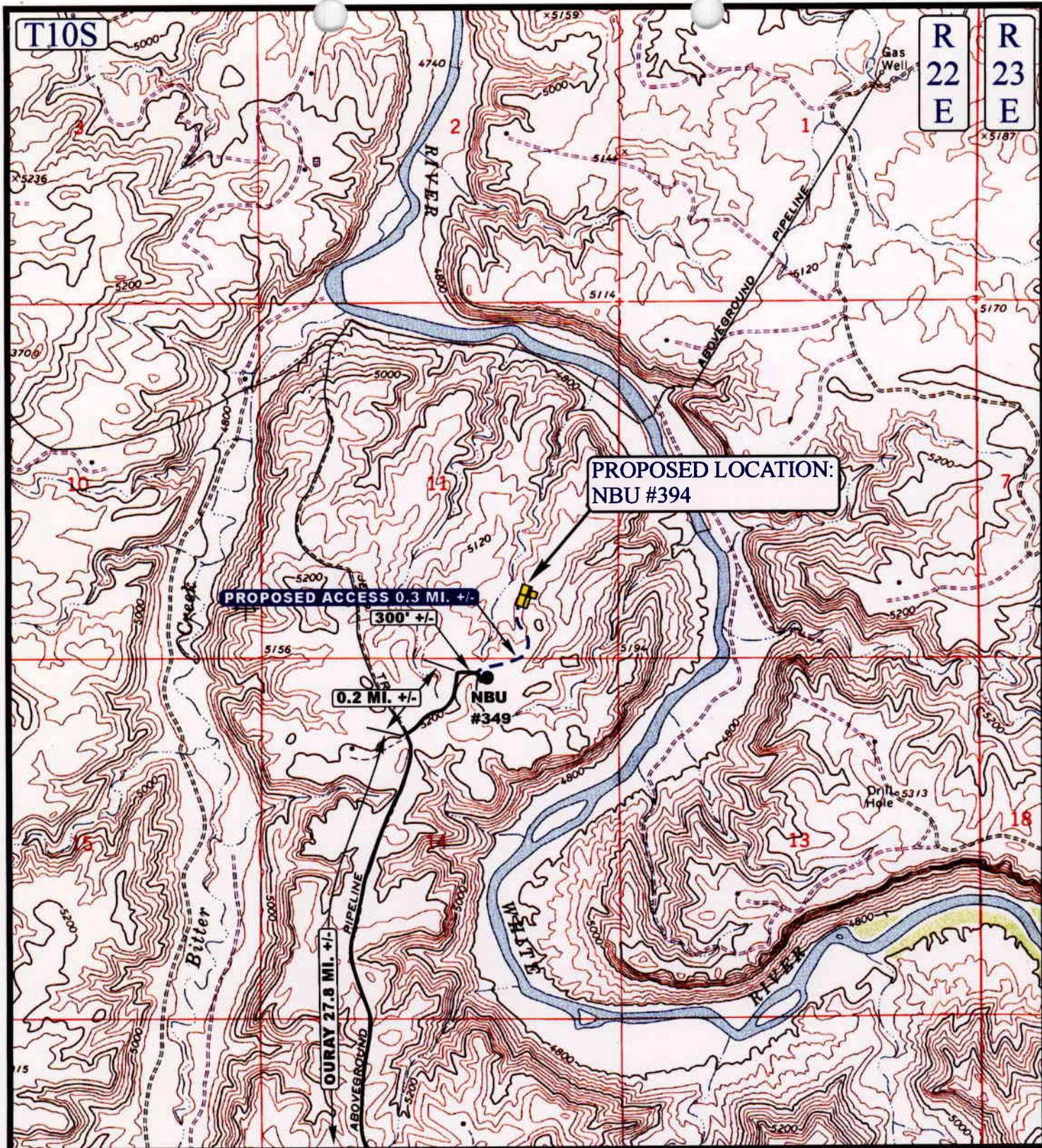


- Since 1964 -

**U E L S** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	7	23	02	PHOTO
TAKEN BY: D.A.	MONTH	DAY	YEAR	
DRAWN BY: J.L.G.	REVISED: 00-00-00			





**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING ROAD



EL PASO PRODUCTION OIL & GAS COMPANY

NBU #394

SECTION 11, T10S, R22E, S.L.B.&M.

935' FSL 1336' FEL



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

TOPOGRAPHIC  
 MAP

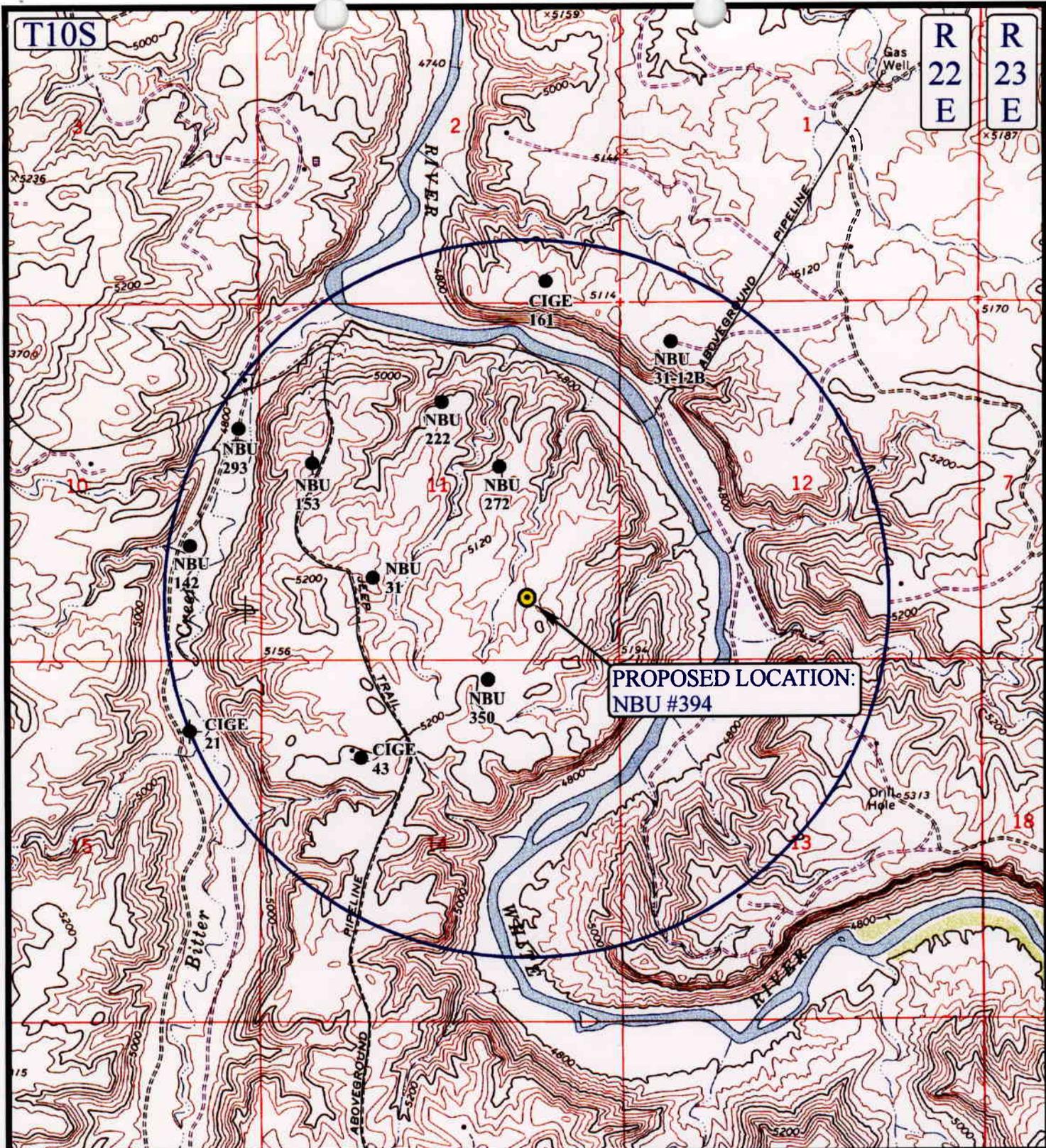
7 23 02  
 MONTH DAY YEAR

SCALE: 1" = 2000'

DRAWN BY: J.L.G

REVISED: 00-00-00





**PROPOSED LOCATION:  
NBU #394**

**LEGEND:**

- ⊗ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ⊗ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



**EL PASO PRODUCTION OIL & GAS COMPANY**

**NBU #394**

**SECTION 11, T10S, R22E, S.L.B.&M.**

**935' FSL 1336' FEL**



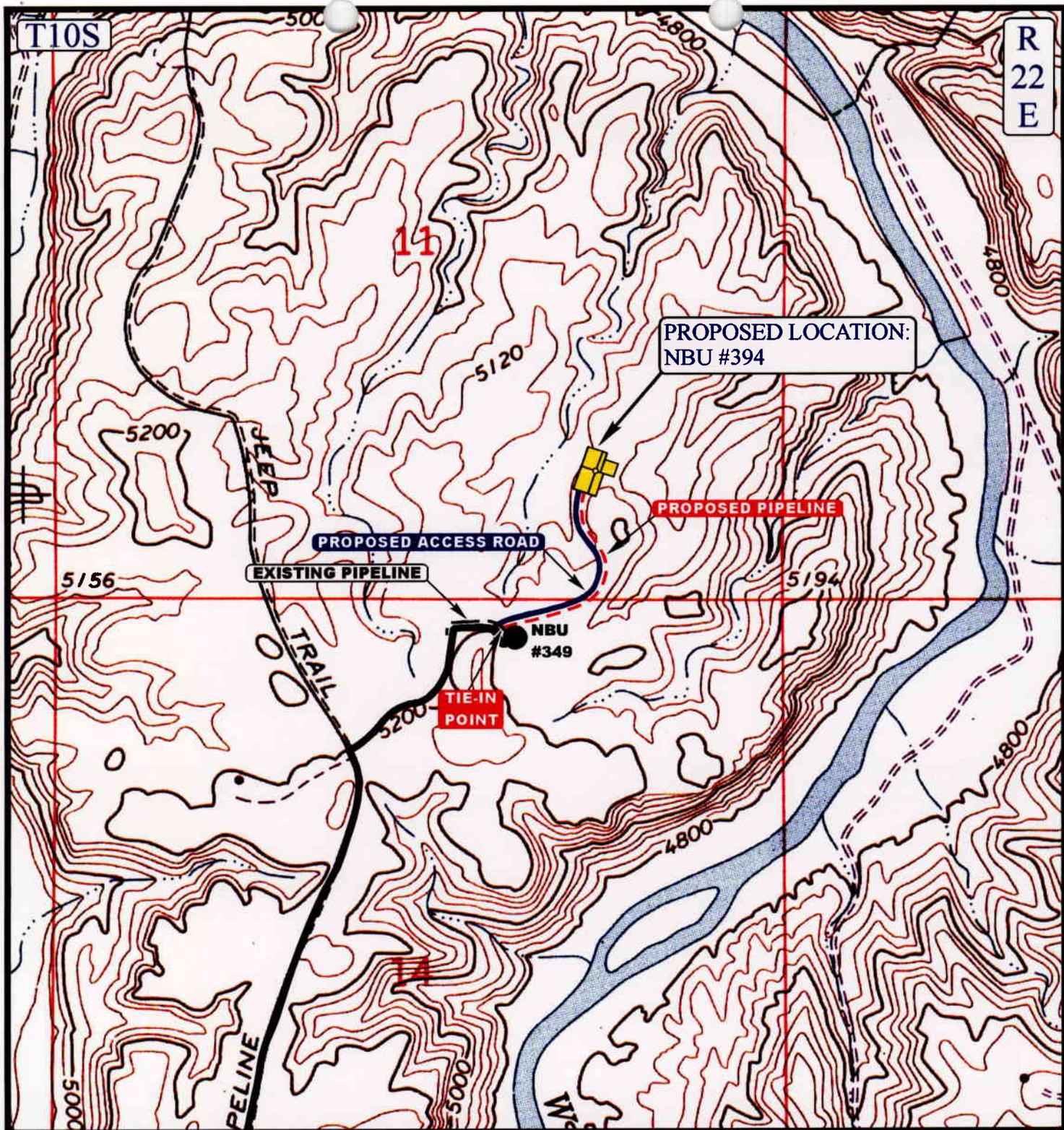
**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC  
MAP**

**7 23 02**  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00





**APPROXIMATE TOTAL PIPELINE DISTANCE = 1500' +/-**

**LEGEND:**

- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED ACCESS

**EL PASO PRODUCTION OIL & GAS COMPANY**

**NBU #394**

**SECTION 11, T10S, R22E, S.L.B.&M.**

**935' FSL 1336' FEL**



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

**TOPOGRAPHIC  
 MAP**

**7 23 02**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00

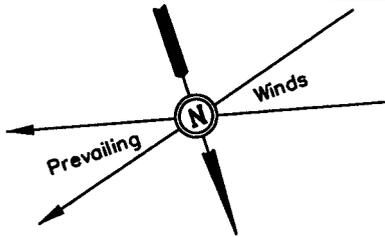


# EL PASO PRODUCTION OIL & GAS COMPANY

## LOCATION LAYOUT FOR

NBU #394  
SECTION 11, T10S, R22E, S.L.B.&M.  
935' FSL 1336' FEL

Proposed Access Road



SCALE: 1" = 50'  
DATE: 07-22-02  
Drawn By: D.COX

F-5.2'  
El. 43.2'

Sta. 3+25

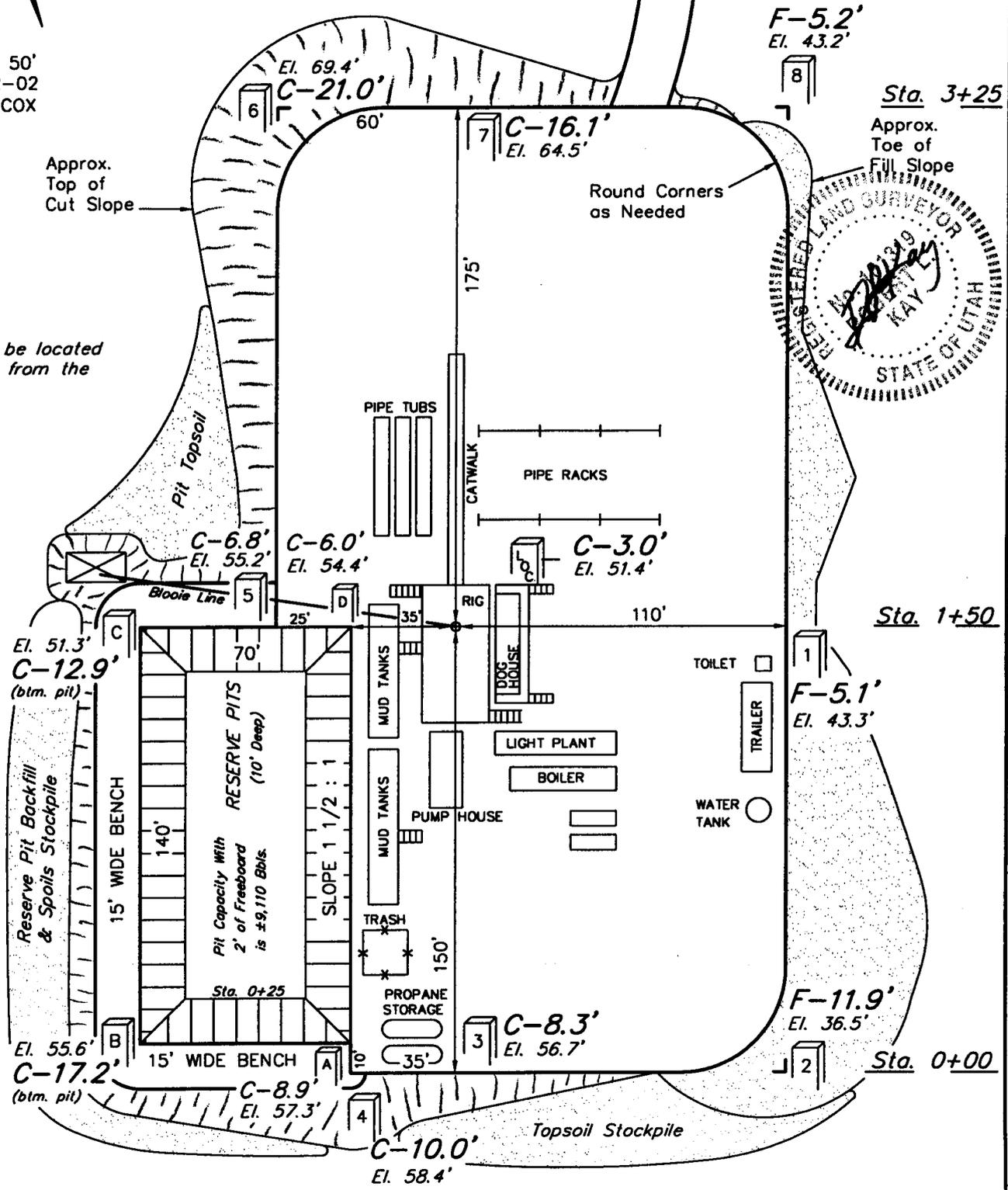
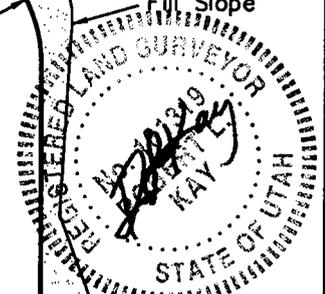
Approx. Top of Cut Slope

Round Corners as Needed

Approx. Toe of Fill Slope

**NOTE:**

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



**NOTES:**

Elev. Ungraded Ground At Loc. Stake = 5151.4'  
FINISHED GRADE ELEV. AT LOC. STAKE = 5148.4'

FIGURE #1

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

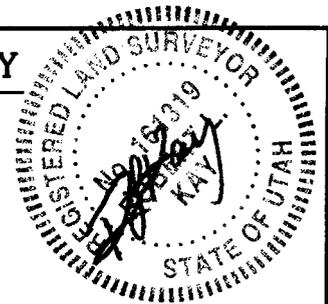
EL PASO PRODUCTION OIL & GAS COMPANY

TYPICAL CROSS SECTIONS FOR

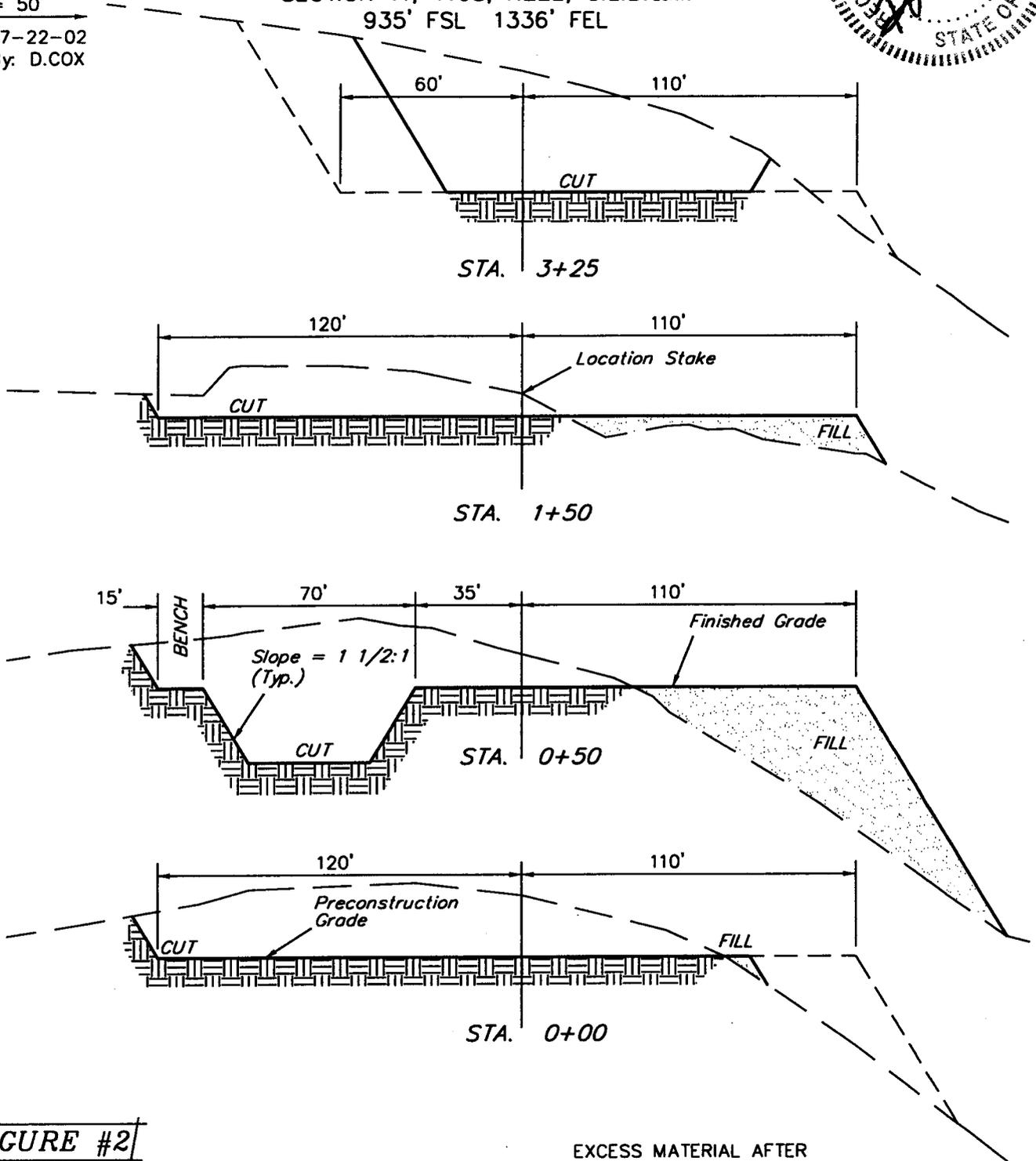
NBU #394

SECTION 11, T10S, R22E, S.L.B.&M.

935' FSL 1336' FEL



1" = 20'  
 X-Section Scale  
 1" = 50'  
 DATE: 07-22-02  
 Drawn By: D.COX



**FIGURE #2**

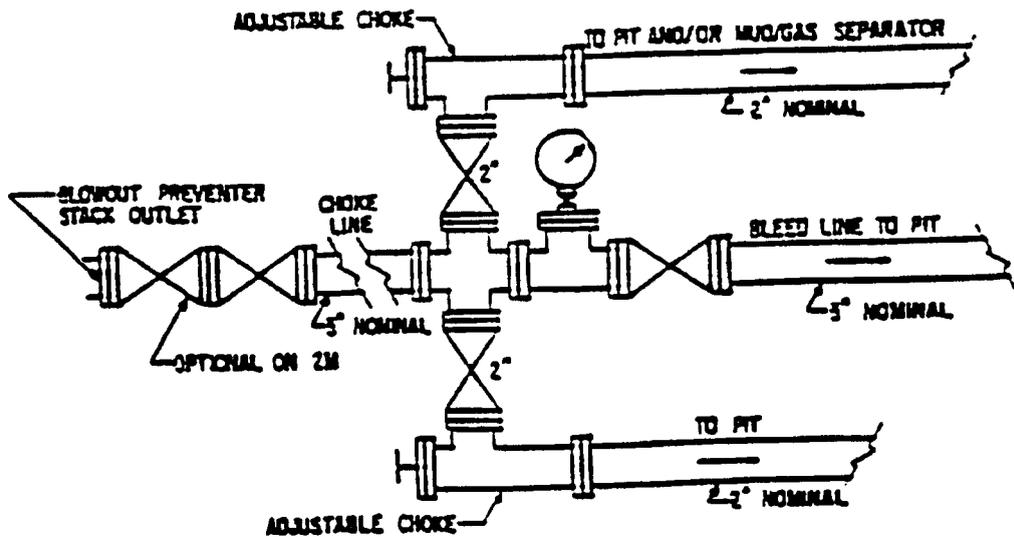
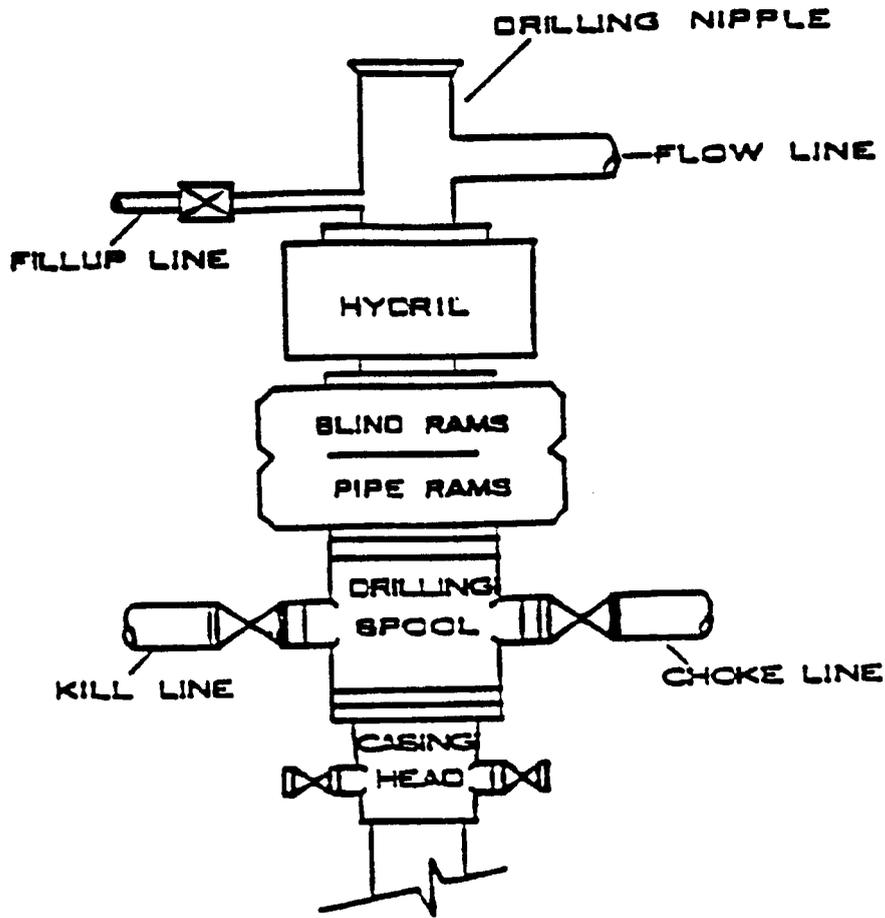
**APPROXIMATE YARDAGES**

CUT	
(6") Topsoil Stripping	= 1,210 Cu. Yds.
Remaining Location	= 16,040 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 17,250 CU.YDS.</b>
<b>FILL</b>	<b>= 6,530 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	= 10,380 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,500 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 7,880 Cu. Yds.

3,000 PSI

# BOP STACK



WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 11/25/2002

API NO. ASSIGNED: 43-047-34804

WELL NAME: NBU 394

OPERATOR: EL PASO PROD OIL & GAS ( N1845 )

CONTACT: CHERYL CAMERON

PHONE NUMBER: 435-781-7023

PROPOSED LOCATION:

SWSE 11 100S 220E  
SURFACE: 0935 FSL 1336 FEL  
BOTTOM: 0935 FSL 1336 FEL  
UINTAH  
NATURAL BUTTES ( 630 )

LEASE TYPE: 3 - State  
LEASE NUMBER: U-01197-A-ST  
SURFACE OWNER: 3 - State

PROPOSED FORMATION: MVRD

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKD	1/24/03
Geology		
Surface		

LATITUDE: 39.95890

LONGITUDE: 109.40205

RECEIVED AND/OR REVIEWED:

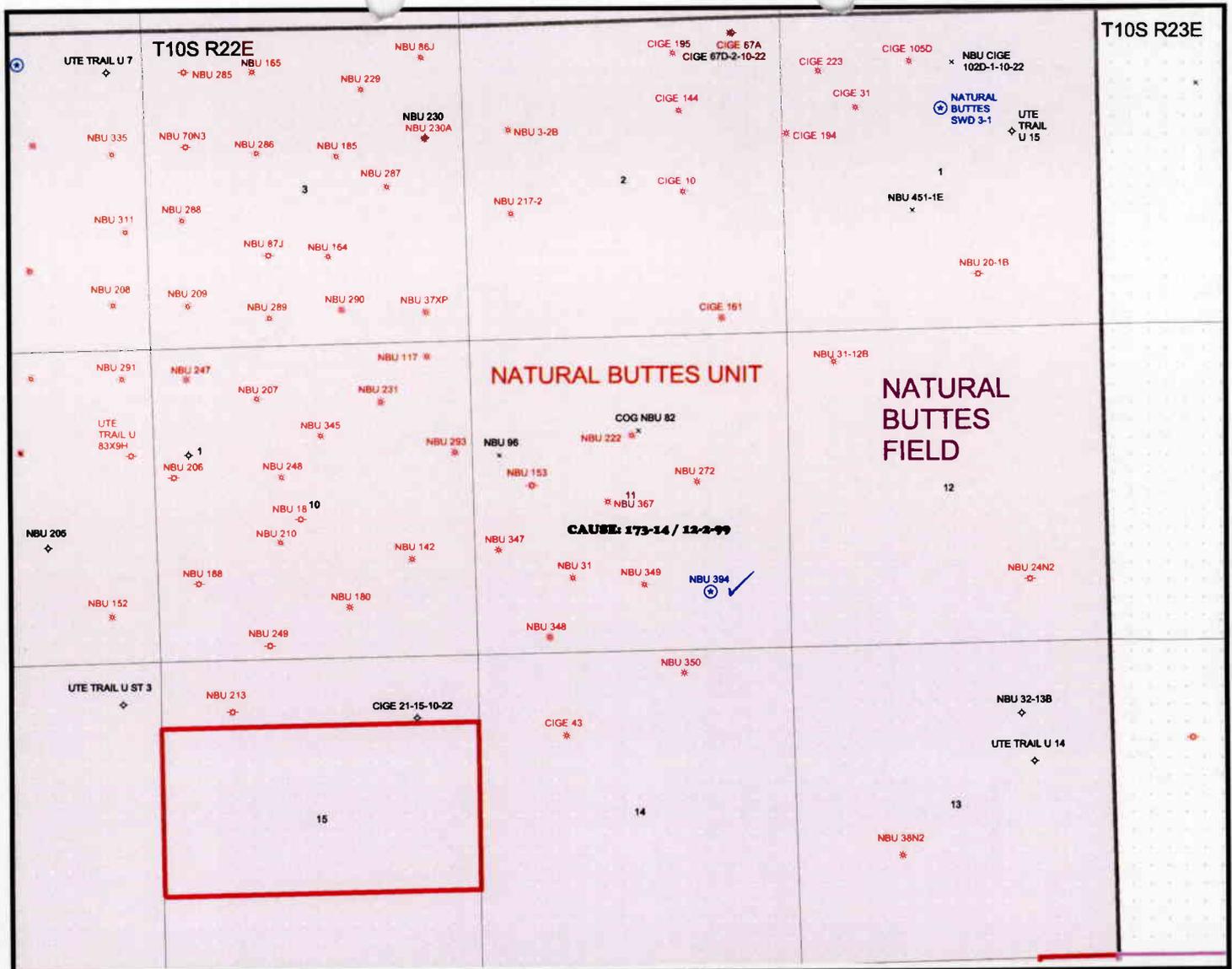
- Plat
- Bond: Fed[] Ind[] Sta[3] Fee[]  
(No. 400JU0705 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 43-8496 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit NATURAL BUTTES
- R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit  
Board Cause No: 173-14  
Eff Date: 12-2-99  
Siting: 460' fr W boundary of Uncolon tract
- R649-3-11. Directional Drill

COMMENTS: Need Permit (12-17-02)

STIPULATIONS: (1) Oil Shale  
(2) STATEMENT OF BASIS



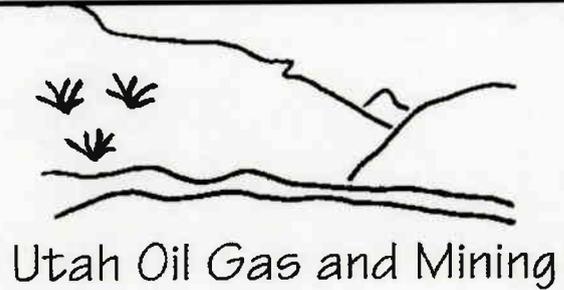
OPERATOR: EL PASO PRODUCTION (N1845)

SEC. 11 T10S, R22E,

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 173-14 / 12-2-99



WELLS

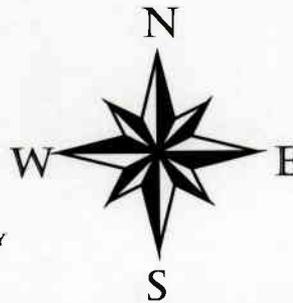
- ◇ GAS INJECTION
- ◇ GAS STORAGE
- ◇ LOCATION ABANDONED
- ⊕ NEW LOCATION
- ◇ PLUGGED & ABANDONED
- ◇ PRODUCING GAS
- ◇ PRODUCING OIL
- ◇ SHUT-IN GAS
- ◇ SHUT-IN OIL
- × TEMP. ABANDONED
- ◇ TEST WELL
- ◇ WATER INJECTION
- ◇ WATER SUPPLY
- ◇ WATER DISPOSAL

UNIT STATUS

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

FIELD STATUS

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED
- COUNTY BOUNDARY
- SECTION LINES
- TOWNSHIP LINES



PREPARED BY: DIANA MASON  
DATE: 27-NOVEMBER-2002

**ON-SITE PREDRILL EVALUATION**  
**Division of Oil, Gas and Mining**

**OPERATOR:** EL PASO PRODUCTION OIL & GAS COMPANY.  
**WELL NAME & NUMBER:** NBU 394  
**API NUMBER:** 43-047-34804  
**LEASE:** U-01197-A-ST **FIELD/UNIT:** NATURAL BUTTES  
**LOCATION:** 1/4, 1/4 SW/SE **Sec:** 11 **TWP:** 10S **RNG:** 22E 1336' FEL 935' FSL  
**LEGAL WELL SITING:**        F **SEC. LINE;**        F **1/4, 1/4 LINE;**        F **ANOTHER WELL.**  
**GPS COORD (UTM):** 4424355N 12636411N **SURFACE OWNER:** STATE OF UTAH

**PARTICIPANTS**

DAVID W. HACKFORD (DOGM), FLOYD BARTLETT, (DWR), SONIA LOUCKS, CARROLL WILSON, (EL PASO). DAVID KAY, (UELS).

**REGIONAL/LOCAL SETTING & TOPOGRAPHY**

SITE IS ON STEEP SIDED RIDGE OVERLOOKING THE CONFLUENCE OF THE WHITE RIVER AND BITTER CREEK. THE CONFLUENCE IS 0.8 MILES TO THE NORTHWEST AND THE WHITE RIVER IS 0.5 MILES TO THE EAST. DRAINAGE AT THIS POINT IS TO THE NORTH. NUMEROUS DRAWS HEAD ON THIS RIDGE AND RUN TO THE WEST, NORTH AND EAST TO THE WHITE RIVER OR BITTER CREEK.

**SURFACE USE PLAN**

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING, HUNTING.

PROPOSED SURFACE DISTURBANCE: LOCATION WILL BE 325' BY 245'. ACCESS ROAD WILL BE 0.3 MILES.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: SEE ATTACHED MAP FROM GIS DATABASE.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: ALL PRODUCTION FACILITIES WILL BE ON LOCATION AND ADDED AFTER DRILLING WELL. PIPELINE WILL FOLLOW ACCESS ROAD.

SOURCE OF CONSTRUCTION MATERIAL: ALL CONSTRUCTION MATERIAL WILL BE BORROWED FROM SITE DURING CONSTRUCTION OF LOCATION.

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

**WASTE MANAGEMENT PLAN:**

DRILLED CUTTINGS WILL BE SETTLED INTO RESERVE PIT. LIQUIDS FROM PIT WILL BE ALLOWED TO EVAPORATE. FORMATION WATER WILL BE CONFINED TO STORAGE TANKS. SEWAGE FACILITIES, STORAGE AND DISPOSAL WILL BE HANDLED BY COMMERCIAL CONTRACTOR. TRASH WILL BE CONTAINED IN TRASH BASKETS AND HAULED TO AN APPROVED LAND FILL.

**ENVIRONMENTAL PARAMETERS**

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: SALTBRUSH, SHADSCALE, PRICKLEY PEAR, CHEATGRASS, NATIVE GRASSES: PRONGHORN, COYOTES, SONGBIRDS, RAPTORS, RODENTS, RABBITS.

SOIL TYPE AND CHARACTERISTICS: LIGHT BROWN SANDY CLAY .

EROSION/SEDIMENTATION/STABILITY: VERY LITTLE NATURAL EROSION.  
SEDIMENTATION AND STABILITY ARE NOT A PROBLEM AND LOCATION CONSTRUCTION  
SHOULDN'T CAUSE AN INCREASE IN STABILITY OR EROSION PROBLEMS.

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED.

**RESERVE PIT**

CHARACTERISTICS: 140' BY 70' AND 10' DEEP.

LINER REQUIREMENTS (Site Ranking Form attached): A 12 MIL LINER AND FELT  
SUBLINER WILL BE REQUIRED FOR THE RESERVE PIT.

**SURFACE RESTORATION/RECLAMATION PLAN**

**AS PER SITLA.**

SURFACE AGREEMENT: AS PER SITLA.

CULTURAL RESOURCES/ARCHAEOLOGY: SITE WAS INSPECTED BY MONTGOMERY  
ARCHAEOLOGICAL CONSULTANTS. A REPORT OF THIS INVESTIGATION WILL BE PLACED ON  
FILE.

**OTHER OBSERVATIONS/COMMENTS**

THIS PREDRILL INVESTIGATION WAS CONDUCTED ON A COLD, FROSTY DAY WITH TWO  
INCHES OF SNOW COVER.

**ATTACHMENTS**

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

DAVID W. HACKFORD  
DOGM REPRESENTATIVE

12/12/02. 1:30 PM  
DATE/TIME





**DIVISION OF OIL, GAS AND MINING  
APPLICATION FOR PERMIT TO DRILL  
STATEMENT OF BASIS**

**OPERATOR:** EL PASO PRODUCTION & GAS COMPANY

**WELL NAME & NUMBER:** NBU 394

**API NUMBER:** 43-047-34804

**LOCATION:** 1/4,1/4 SW/SE Sec: 11 TWP: 10S RNG:22E 1336' FEL 935' FSL

**Geology/Ground Water:**

El Paso proposes to set 250' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 3,500'. A search of Division of Water Rights records shows one water well within a 10,000 foot radius of the center of section 11 . This well is approximately 1 mile from the proposed location and is listed as a mining use well. Depth of the well is 1390 feet. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. Production casing cement should be brought to above the base of the moderately saline groundwater in order to isolate it from fresher waters uphole.

**Reviewer:** Brad Hill

**Date:** 12/17/02

**Surface:**

The predrill investigation of the surface was performed on 12/12/02. Floyd Bartlett and Miles Hanberg with DWR and Ed Bonner with SITLA were invited to this investigation on 12/2/02. Mr. Bartlett was present. SITLA did not have a representative present. Mr. Bartlett did not have any concerns regarding the construction of this location or the drilling of the well. This site is on State surface with State minerals. This site appears to be the best site for a location in the immediate area. 60 PPM H2S was reported while drilling the NBU 222 which is in this section approx. 0.7 miles to the northwest. However, several wells have been drilled in this section since then, and no H2S was encountered. In the past, several reserve pits in this area have leaked, even with the protection of a plastic liner, thus a felt sub-liner will be required under the plastic liner. Mr. Wilson with El Paso agreed with me on this point.

**Reviewer:** David W. Hackford

**Date:** 12/16/02

**Conditions of Approval/Application for Permit to Drill:**

1. A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.

**Evaluation Ranking Criteria and Ranking Score  
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>5</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>20</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

**Final Score**                      30                      (Level III Sensitivity)

Sensitivity Level I = 20 or more: total containment is required.  
Sensitivity Level II = 15-19: lining is discretionary.  
Sensitivity Level III = below 15; no specific lining is required.

UTAH DIVISION OF WATER RIGHTS  
 WATER RIGHT POINT OF DIVERSION PLOT CREATED TUE, DEC 17, 2002, 10:06 AM  
 PLOT SHOWS LOCATION OF 1 POINTS OF DIVERSION

PLOT OF AN AREA WITH A RADIUS OF 10000 FEET FROM A POINT  
 FEET, FEET OF THE CT CORNER,  
 SECTION 11 TOWNSHIP 10S RANGE 22E SL BASE AND MERIDIAN

PLOT SCALE IS APPROXIMATELY 1 INCH = 4000 FEET

N O R T H

\*\*\*\*\*

\*\*\*\*\*

\*\*\*

\*\*\*

\*\*\*

\*\*\*

\*\*

\*\*

\*\*\*

\*\*\*

\*\*

\*\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

\*

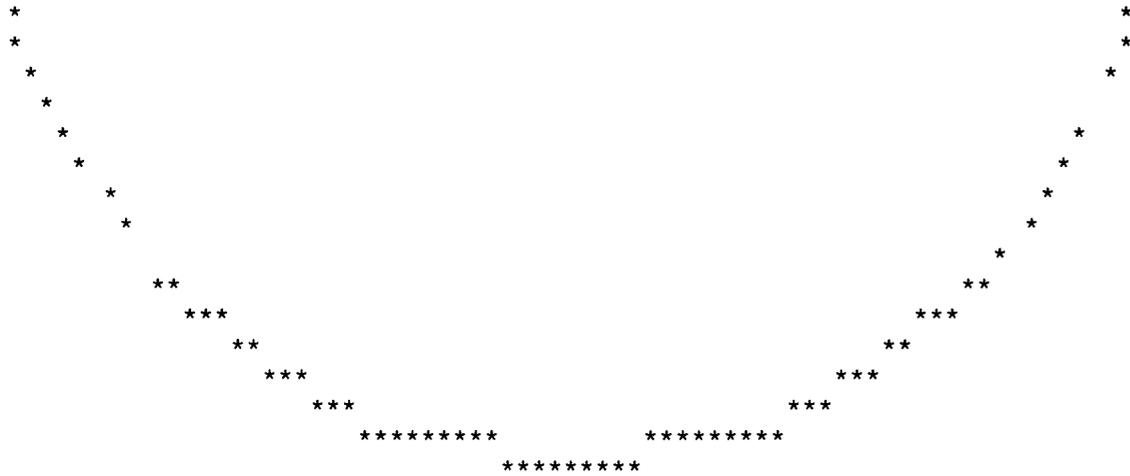
\*

\*

\*

\*

0




---

UTAH DIVISION OF WATER RIGHTS  
 NWPLAT POINT OF DIVERSION LOCATION PROGRAM

---

MAP CHAR	WATER RIGHT	QUANTITY CFS	AND/OR	AC-FT	SOURCE DESCRIPTION DIAMETER	or WELL INFO DEPTH	POINT OF DIVERSION DESCRIPTION NORTH	EAST	CNR	SEC	TWN	RNG B&
0	49 353	.4000		.00	7	1390	S 2128	E 2313	NW 12	10S	22E	S
		WATER USE(S): MINING OTHER			10100 Santa Monica Blvd			PRIORITY DATE: 07/10/1 Los Angeles				

---

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

002

6. Lease Designation and Serial Number  
 U-01197-A-ST

7. Indian Allottee or Tribe Name

8. Unit or Communitization Agreement

9. Well Name and Number  
 NBU 394

10. API Well Number

11. Field and Pool, or Wildcat  
 Natural Buttes

**SUNDRY NOTICES AND REPORTS ON WELLS**  
 Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.  
 Use APPLICATION FOR PERMIT -- for such proposals

1. Type of Well  
 Oil Well       Gas Well       Other (specify)

2. Name of Operator  
 El Paso Production Oil & Gas Company

3. Address of Operator  
 P.O. Box 1148 Vernal, UT 84078

4. Telephone Number  
 (435) 781-7023

5. Location of Well  
 Footage : 935' FSL & 1336' FEL      County : Uintah  
 QQ, Sec, T., R., M : SWSE SEC. 11, T10S, R22E      State : UT

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

**NOTICE OF INTENT**  
 (Submit in Duplicate)

<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input checked="" type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Other _____	

Approximate Date Work Will Start \_\_\_\_\_

**SUBSEQUENT REPORT**  
 (Submit Original Form Only)

<input type="checkbox"/> Abandonment *	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Other _____	

Date of Work Completion \_\_\_\_\_

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.  
 \* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

OPERATOR REQUESTS TO AMEND THE CEMENT & CASING PROGRAM ORIGINALLY SUBMITTED IN THE APD (APPLICATION FOR PERMIT TO DRILL).

REFER TO THE ATTACHED DRILLING PROGRAM.

**RECEIVED**  
**JAN 21 2003**  
 DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.

Name & Signature Cheryl Cameron  Title Operations Date 01/16/03

(State Use Only)



**el paso** | Production  
**DRILLING PROGRAM**

**CASING PROGRAM**

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-20'				2270	1370	254000
SURFACE	9-5/8"	0-250'	32.30	H-40	STC	16.19	11.71	4.37
						5350	4960	162000
PRODUCTION	4-1/2"	0-TD	11.60	J-55	LTC	2.08	1.45	1.20

- 1) Maximum Anticipated Surface Pressure (MASP) (Conductor and Surface Casings) = (Frac Gradient at Shoe - Gas Gradient (0.115 psi/ft))(TVD)
  - 2) MASP (Int Casing) = Pore Pressure at Next Casing Point - (Gas Gradient x TVD of Next Casing Point x 0.67) - (Mud Weight x TVD x 0.052 x 0.33)
  - 3) MASP (Prod Casing) = Pore Pressure - (Gas Gradient x TVD of Production Interval)
- (Burst Assumptions: FG @ 9-5/8" shoe = 13.0 ppg, Max Pore Pressure = 9.0 ppg EMW)  
(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing, 50000 lbs overpull)

**CEMENT PROGRAM**

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE		250	Class G + 2% CaCl <sub>2</sub> + 0.25 pps celloflake	140	35%	15.80	1.16
PRODUCTION	LEAD	3,600'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	380	60%	11.00	3.38
	TAIL	3,700'	50/50 Poz/G + 10% salt + 2% gel	1040	60%	14.30	1.31

**FLOAT EQUIPMENT & CENTRALIZERS**

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

**ADDITIONAL INFORMATION**

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 3M with one annular and 2 rams. Test to 3,000 psi (annular to 1,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys on bit trips. Maximum allowable hole angle is 5 degrees.

Prepared by: C. Cameron

DRILLING ENGINEER:

\_\_\_\_\_  
Dan Lindsey

DATE: \_\_\_\_\_

**NBU 394  
SWSE Sec. 11, T10S, R22E  
Uintah County, UT  
U-01197-A-ST**

**EL PASO PRODUCTION COMPANY  
DRILLING PROGRAM**

**1. Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>
KB	5165'
Green River	1135'
Wasatch	4100'
Mesaverde	6500'
Total Depth	7300'

**2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	KB	5165'
	Green River	1135'
	Wasatch	4100'
Gas	Mesaverde	6500'
Water	N/A	
Other Minerals	N/A	

**3. Pressure Control Equipment (Schematic Attached)**

The BOP stack will consist of one 11" 3,000 psi annular BOP, one 11" 3,000 psi double ram, and one 11' drilling spool. The lower ram will contain pipe rams, and the upper ram will contain blind rams.

The choke and kill lines and the choke manifold will have a 3,000 psi minimum pressure rating.

The hydrill will be tested to 1,500 psi. The rams, choke manifold, kelly safety valves, drill string safety valves, and inside BOP will be tested to 3,000 psi.

4. **Proposed Casing Program:**

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>Casing Size</u>	<u>Wt/ft</u>	<u>Grade</u>	<u>Type</u>
Surface	0-250'	11" or 12 1/4"	8 5/8" or 9 5/8"	24#, 32.3#, 36#, or 40#	K-55, H-40, or J-55	ST&C
Production	0-TD	7 7/8"	4 1/2" or 5 1/2"	11.6#	N-80	LT&C

The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation that will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including: presence/absence of hydrocarbons, fracture gradients, usable water zones, formation pressures, lost circulation zones, other minerals, or other unusual characteristics.

All casing, except conductor casing, shall be new or reconditioned and tested. Used casing shall meet or exceed API standards for new casing.

The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing. If drive pipe is used, it may be left in place if its total length is less than twenty feet below the surface. If the total length of the drive pipe is equal to or greater than twenty feet, it will be pulled prior to cementing surface casing, or it will be cemented in place.

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

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

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

Maximum anticipated bottom hole pressure calculated @ 7300 TD approximately equals 2920 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1314 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

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

**Casing design is subject to revision based on geologic conditions encountered.**

**Proposed Cementing Program:**

<u>Surface</u>	<u>Fill</u>	<u>Type &amp; Amount</u>
0-250'	250'	A minimum of 85 sx Class "G" + 2% CaCl <sub>2</sub> , 15.6 ppg, 1.19 cf/sx (Cement will be circulated to surface, about 25% excess)

<u>Production</u>	<u>Type &amp; Amount</u>
200' above the top-most resource interval	Lead: Extended, Lite, or Hi-Fill cement + additives, 11 or 12 ppg, 2.69 cf/sx
TD-500' above productive internal	Tail: Extended Class "G" or 50:50 Poz + additives, 14 ppg, or RFC, 14.0 – 14.5 ppg, 1.57 cf/sx.

*\* see secondary dated 1/16/03*

For production casing, actual cement volumes will be determined from the calculated hole volume + 60% excess, minimum. Cement volumes will include an amount sufficient to circulate to surface, if possible. Operator will continue to attempt to circulate cement to surface, but at a minimum, circulation will be 200' above the top of the Green River Formation, or as directed by the Authorized Officer (AO) or Acting, or as specified in the Conditions of Approval (COA) in the Application for Permit to Drill (APD).

For surface casing, waiting on cement time will be adequate to achieve 500 psi compressive strength at the casing shoe prior to drilling out.

Anticipated cement tops will be reported as to depth, not the expected number of sacks of cement to be used. The Division of Oil, Gas, and Mining (DOG M) Office shall be notified, with sufficient lead time, in order to have a DOGM representative on location while running all casing strings and cementing.

After cementing the surface pipe and/or any intermediate strings, but before commencing any test, The casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the Driller's Log.

**Auxiliary Well Control Equipment to Be Used:**

Kelly Cock  
A sub with a full opening (TIW) valve having threads compatible with drill string tubulars.

5. **Drilling Fluids Program:**

WASATCH

<u>Interval</u>	<u>Type</u>	<u>Mud Weight</u>
0-TD	Air/Air Mist/Aerated Water/Water (as hole conditions Warrant) Displace Hole to 10 ppg brine mud, prior to logging.	8.4 ppg or less

MESAVERDE

<u>Interval</u>	<u>Type</u>	<u>Mud Weight</u>
0-TD	Air/Air Mist/Aerated Water/Water (as hole conditions warrant) Depending on hole conditions, the hole will be displaced to either 10 ppg brine or drilling mud prior to logging. If hole conditions warrant, a mud system will be used.	8.4 ppg or less

No chromate additives will be used in the mud system prior to approval to ensure adequate protection of fresh water 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.

**6. Evaluation Program:**

The Evaluation Program may change at the discretion of the well site geologist with approval by The Authorized Officer.

**Cased Hole Logs Only**

GR/Dipole Sonic/Neutron:	TD-500' above the Wasatch Formation (to surface at times)
Drill Stem Tests:	As deemed necessary
Cores:	As deemed necessary

When cement has not been circulated to surface, the cement top will be determined by Either a temperature survey or cement bond log. Should a temperature survey fail to Locate the cement top, a cement bond log shall be run.

**Open Hole Logs**

PEX:	From TD - Surface
------	-------------------

**7. Abnormal Conditions:**

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.

**8. Variances:**

Operator requests approval to perform drilling operations without an automatic igniter because drilling will be performed with an air/mist medium.

9. **Other Information:**

All loading lines will be placed inside the berm surrounding the tank battery.

10. **Anticipated Starting Dates & Notification of Operations:**

Anticipated commencement date shall be upon approval of the proposed APD.

Drilling Days:                      Approximately 10 days

Completion Days:                Approximately 7 days

**NBU 394  
SWSE Sec. 11, T10S, R22E  
Uintah County, UT  
U-01197-A-ST**

**MULTI-POINT SURFACE USE & OPERATIONS PLAN**

**1. Existing Roads:**

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

Refer to the attached directions to the proposed location site.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

*Improvements to existing access roads shall be determined at the on-site inspection.*

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

**2. Planned Access Roads:**

Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet, *unless modified at the on-site inspection*. Appropriate water control will be installed to control erosion.

*Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities shall be determined at the on-site.*

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

**3. Location of Existing Wells Within a 1-Mile Radius**

Please refer to Topo Map C.

**4. Location of Existing & Proposed Facilities**

*The following guidelines will apply if the well is productive.*

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad Canyon (2.5Y 6/2).

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Refer to Topo Map D for the proposed pipeline placement.

**5. Location and Type of Water Supply:**

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

**6. Source of Construction Materials**

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

**7. Methods of Handling Waste Materials**

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

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids. *The need for a reserve pit liner will be determined at the on-site inspection.*

If a plastic reinforced liner is used, it will be a minimum of 12 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

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

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

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling 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 of this well.

*Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E.*

8. **Ancillary Facilities**

None are anticipated.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s). ***This section is subject to modification as a result of the on-site inspection.***

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

If it is determined that a pit liner will be used at the on-site inspection, the reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

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

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

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

Location size may change prior to the drilling pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile (s), and surface material stockpile(s).

**10. Plans for Reclamation of the Surface:**

*Producing Location:*

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

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

If a plastic, nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

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

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

*Dry Hole/Abandoned Location:*

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of

irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. **Surface Ownership:**

State of Utah  
SITLA  
675 East 500 South  
Salt Lake City, UT 84102-2818

12. **Other Information:**

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey has been conducted. A copy of this report is attached.

This proposed location is not within 460 feet from the boundary of the Natural Buttes Unit, nor is it within 460 feet of any non-committed tract lying within the boundaries of the Unit.

**13. Lessee's or Operators's Representative & Certification:**

Cheryl Cameron  
Regulatory Analyst  
El Paso Production Company  
P.O. Box 1148  
Vernal, UT 84078  
(435) 781-7023

Scott Palmer  
Drilling Manager  
El Paso Production Company  
9 Greenway Plaza  
Houston, TX 77046  
(832) 676-3391

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

El Paso Production Company is considered to be the operator of the subject well. El Paso Production Company agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by El Paso Production Company, State Bond No. 400JU0705.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

  
Cheryl Cameron

11/18/02

Date

Well name:	<b>12-02 El Paso NBU 394</b>	
Operator:	<b>El Paso Production Company</b>	Project ID:
String type:	Surface	43-047-34804
Location:	Uintah County	

**Design parameters:**

**Collapse**

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

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
 Surface temperature: 65 °F  
 Bottom hole temperature: 68 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 200 ft

Cement top: Surface

**Burst**

Max anticipated surface pressure: 0 psi  
 Internal gradient: 0.468 psi/ft  
 Calculated BHP 117 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: 219 ft

Non-directional string.

**Re subsequent strings:**

Next setting depth: 7,300 ft  
 Next mud weight: 9.000 ppg  
 Next setting BHP: 3,413 psi  
 Fracture mud wt: 19.250 ppg  
 Fracture depth: 250 ft  
 Injection pressure 250 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	250	9.625	32.30	H-40	ST&C	250	250	8.876	15.8

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	108	1370	<u>12.66</u>	117	2270	<u>19.42</u>	8	254	<u>31.46 J</u>

Prepared by: Dustin Doucet  
 Utah Dept. of Natural Resources

Phone: 801-538-5281  
 FAX: 801-359-3940

Date: January 23, 2003  
 Salt Lake City, Utah

ENGINEERING STIPULATIONS: Surface casing cemented to surface; Oil shale  
 Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.  
 Collapse is based on a vertical depth of 250 ft, a mud weight of 8.33 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:	<b>12-02 El Paso NBU 394</b>	
Operator:	<b>El Paso Production Company</b>	Project ID:
String type:	Production	43-047-34804
Location:	Uintah County	

<b>Design parameters:</b>	<b>Minimum design factors:</b>	<b>Environment:</b>
<b>Collapse</b>	<b>Collapse:</b>	H2S considered? No
Mud weight: 9.000 ppg	Design factor 1.125	Surface temperature: 65 °F
Design is based on evacuated pipe.		Bottom hole temperature: 167 °F
		Temperature gradient: 1.40 °F/100ft
		Minimum section length: 368 ft
	<b>Burst:</b>	Cement top: <u>Surface</u>
	Design factor 1.00	
<b>Burst</b>		Non-directional string.
Max anticipated surface pressure: 0 psi	<b>Tension:</b>	
Internal gradient: 0.468 psi/ft	8 Round STC: 1.80 (J)	
Calculated BHP: <u>3,413 psi</u>	8 Round LTC: 1.80 (J)	
No backup mud specified.	Buttress: 1.60 (J)	
	Premium: 1.50 (J)	
	Body yield: 1.50 (B)	
	Tension is based on air weight.	
	Neutral point: 6,318 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	7300	4.5	11.60	J-55	LT&C	7300	7300	3.875	169.2

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	3413	4960	1.45	3413	5350	1.57	85	162	1.91 J

Prepared by: Dustin Doucet  
Utah Dept. of Natural Resources

Phone: 801-538-5281  
FAX: 801-359-3940

Date: January 23, 2003  
Salt Lake City, Utah

ENGINEERING STIPULATIONS: Surface casing cemented to surface; Oil shale  
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.  
Collapse is based on a vertical depth of 7300 ft, a mud weight of 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.

12-02 El Paso NBU 394

Casing Schematic

Surface

uinta

9-5/8"  
MW 8.3  
Frac 19.3

TOC @ 0.  
TOC @ 0.  
Surface  
250. MD

w/18" washout

BOP

$(0.052)(9)(7300) = 3416 \text{ psi}$   
Anticipated = 2920 psi

Gas  
 $(0.12)(7300) = 876 \text{ psi}$

3MBOPE proposed  
Adequate design 1/24/03

4100' -  
Washout

6500' -  
Mesaverde

3256'  
-TOC tail

3500'  
±BMSGW

w/15" washout

4-1/2"  
MW 9.

Production  
7300. MD



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5340 telephone  
(801) 359-3940 fax  
(801) 538-7223 TTY  
www.nr.utah.gov

Michael O. Leavitt  
Governor  
Robert L. Morgan  
Executive Director  
Lowell P. Braxton  
Division Director

January 27, 2003

El Paso Production Oil & Gas Company  
P O Box 1148  
Vernal, UT 84078

Re: Natural Buttes Unit 394 Well, 935' FSL, 1336' FEL, SW SE, Sec. 11, T. 10 South,  
R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-34804.

Sincerely,

A handwritten signature in black ink that reads "John R. Baza".

John R. Baza  
Associate Director

pb

Enclosures

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

**Operator:** El Paso Production Oil & Gas Company  
**Well Name & Number** Natural Buttes Unit 394  
**API Number:** 43-047-34804  
**Lease:** U-01197-A-ST

**Location:** SW SE                      **Sec.** 11                      **T.** 10 South                      **R.** 22 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 actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

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

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

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. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

6. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

JAN. 17. 2003 3:34PM

WESTPORT

NO. 173 P. 2

**WESTPORT OIL AND GAS COMPANY, L.P.**

410 Seventeenth Street #2300 Denver Colorado 80202-4436  
Telephone: 303 573 5404 Fax: 303 573 5609

**February 1, 2002**

Department of the Interior  
Bureau of Land Management  
2850 Youngfield Street  
Lakewood, CO 80215-7093  
Attention: Ms. Martha Maxwell

**RE: BLM Bond CO-1203  
BLM Nationwide Bond 158626364  
Surety - Continental Casualty Company  
Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.  
Conversion of Westport Oil and Gas Company, Inc., into Westport Oil and Gas Company, L.P.  
Assumption Rider - Westport Oil and Gas Company, L.P.**

**Dear Ms. Maxwell:**

**Pursuant to our recent conversations, please find the following list of enclosures for the BLM's consideration and approval:**

**Two (2) Assumption Riders, fully executed originals.  
Copies of Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.  
Copies of Westport Oil and Gas Company, Inc., conversion into Westport Oil and Gas Company, L.P.  
List of all Federal/BIA/State Leases - Belco/Westport's leases - in all states.**

**Please inform us of any additional information needed to complete the change to Westport Oil and Gas Company, L.P., as operator of record.**

**I thank you for your assistance and cooperation in this matter. Please do not hesitate contacting the undersigned, should a question arise.**

**Sincerely,  
Westport Oil and Gas Company, L.P.**

*Debby J. Black*  
**Debby J. Black  
Engineer Technician**

**Encl:**



United States Department of the Interior **RECEIVED**

BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155

FEB 22 2002

DIVISION OF  
OIL, GAS AND MINING

In Reply Refer To:  
3106  
UTU-25566 et al  
(UT-924)

FEB 21 2002

NOTICE

Westport Oil and Gas Company L.P. : Oil and Gas  
410 Seventeenth Street, #2300 :  
Denver Colorado 80215-7093 :

Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of Westport Oil and Gas Company, Inc. into Westport Oil and Gas Company, L.P. with Westport Oil and Gas Company, L.P. being the surviving entity.

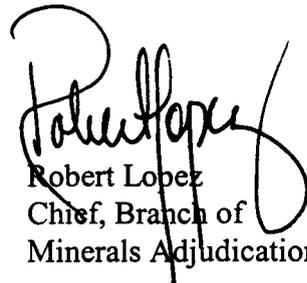
For our purposes, the name change is recognized effective December 31, 2001.

The oil and gas lease files identified have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Westport Oil and Gas Company, Inc. to Westport Oil and Gas Company, L.P.. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Colorado.

UTU-03405  
UTU-20895  
UTU-25566  
UTU-43156  
UTU-49518  
UTU-49519  
UTU-49522  
UTU-49523



Robert Lopez  
Chief, Branch of  
Minerals Adjudication

cc: Moab Field Office  
Vernal Field Office  
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217  
State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114  
Teresa Thompson (UT-922)  
Joe Incardine (UT-921)

# memorandum

Branch of Real Estate Services  
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to  
Attn of: Supervisory Petroleum Engineer

Subject: Modification of Utah Division of Oil, Gas and Mining Regulations

To: Director, Utah Division of Oil, Gas and Mining Division: John Baza

We have been advised of changes occurring with the operation of your database for Change of Operator. You will be modifying your records to reflect Change of Operator once you have received all necessary documentation from the companies involved, and perhaps in advance of our Notice of Concurrence/Approval of Change of Operator where Indian leases are involved.

We have no objection.

With further comment to Rulemaking, I wish to comment concerning the provision of Exhibits for upcoming Hearings. I would like to see the Uintah & Ouray Agency, BIA, and the Ute Indian Tribe, Energy & Mineral Resources Department added to the list of those parties that receive advance Exhibits so as to allow us to have research time prior to Hearing dates. We will be able to provide a more informed recommendation to the Oil, Gas and Mining Board. It would be best if we would receive only those Exhibits that concern Indian lands, specifically on or adjacent to Indian lands. This may be a difficult situation to attain, as it is not always clear where 'on or adjacent' occurs.

I am aware that you have gone to extra effort to correct this matter already, and I fully appreciate it. My request is intended only to allow the addition of Uintah & Ouray Agency and Ute Indian Tribe to the official listing.

We appreciate your concern, and hope that these comments are timely enough for consideration in the revision process.

CC: Minerals & Mining Section of RES  
Ute Energy & Mineral Resources Department: Executive Director  
chrono





# United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

Washington, D.C. 20240

FEB 10 2003

IN REPLY REFER TO:  
Real Estate Services

Carroll A. Wilson  
Principal Landman  
Westport Oil and Gas Company, L.P.  
1368 South 1200 East  
Vernal, Utah 84078

Dear Mr. Wilson:

This is in response to your request for approval of RLI Insurance Company's Nationwide Oil and Gas Lease Bond No. RLB0005239 executed effective December 17, 2002, (\$150,000 coverage) with Westport Oil and Gas Company, L. P., as principal.

This bond is hereby approved as of the date of this correspondence and will be retained in the Bureau of Indian Affairs' Division of Real Estate Services, 1849 C Street, NW, MS-4512-MIB, Washington, D.C. 20240. All Bureau oil and gas regional offices and the surety are being informed of this action.

In cases where you have existing individual and/or collective bonds on file with one or more of our regional offices, you may now request those offices, directly, to terminate in lieu of coverage under this Nationwide Bond.

Enclosed is a copy of the approved bond for your files. If we may be of further assistance in this matter, please advise.

Sincerely,

Director, Office of Trust Responsibilities

ACTING

Enclosure

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

FORM 9

**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.

		5. LEASE DESIGNATION AND SERIAL NUMBER:
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: <b>Exhibit "A"</b>
2. NAME OF OPERATOR: <b>El Paso Production Oil &amp; Gas Company</b>		9. API NUMBER:
3. ADDRESS OF OPERATOR: <b>9 Greenway Plaza Houston TX 77064-0995</b>		10. FIELD AND POOL, OR WILDCAT:
PHONE NUMBER: <b>(832) 676-5933</b>		
4. LOCATION OF WELL		
FOOTAGES AT SURFACE:		COUNTY:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		STATE: <b>UTAH</b>

**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 start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" 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 FLARE
	<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/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

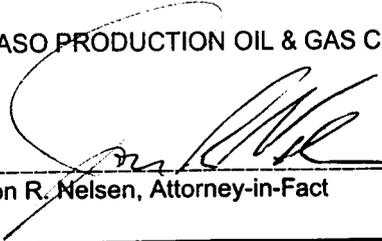
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator change to Westport Oil and Gas Company, L.P., 1670 Broadway, Suite 2800, Denver, CO. 80202-4800, effective December 17, 2002.

BOND # \_\_\_\_\_

State Surety Bond No. RLB0005236  
Fee Bond No. RLB0005238

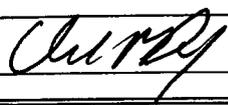
EL PASO PRODUCTION OIL & GAS COMPANY

By:   
Jon R. Nelsen, Attorney-in-Fact

**RECEIVED**

**FEB 28 2003**

DIV. OF OIL, GAS & MINING

<b>WESTPORT OIL AND GAS COMPANY, L.P.</b>	
NAME (PLEASE PRINT) <b>David R. Dix</b>	TITLE <b>Agent and Attorney-in-Fact</b>
SIGNATURE 	DATE <b>12/17/02</b>

(This space for State use only)



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155

IN REPLY REFER TO  
UT-922

February 27, 2003

Westport Oil and Gas Company, L.P.  
Attn: Gary D. Williamson  
1670 Broadway, Suite 2800  
Denver, Colorado 80202

Re: Natural Buttes Unit  
Uintah County, Utah

Gentlemen:

On February 27, 2003, we received an indenture dated December 17, 2002, whereby El Paso Production Oil & Gas Company resigned as Unit Operator and Westport Oil and Gas Company, L.P., was designated as Successor Unit Operator for the Natural Buttes Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective February 27, 2003. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Natural Buttes Unit Agreement.

Your nationwide (Colorado) oil and gas bond No. 1203 will be used to cover all operations within the Natural Buttes Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Vernal (w/enclosure)  
SITLA  
Division of Oil, Gas & Mining  
Minerals Adjudication Group  
File - Natural Buttes Unit (w/enclosure)  
Agr. Sec. Chron  
Fluid Chron

UT922:TAThompson:tt:02/27/2003

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

Form 3160-5  
(August 1999)

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 reenter an  
abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**WESTPORT OIL & GAS COMPANY, L.P.**

3a. Address  
**P.O. BOX 1148 VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7023**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SEE ATTACHED EXHIBIT "A"**

5. Lease Serial No.  
**SEE ATTACHED EXHIBIT "A"**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**SEE ATTACHED EXHIBIT "A"**

9. API Well No.  
**SEE ATTACHED EXHIBIT "A"**

10. Field and Pool, or Exploratory Area

11. County or Parish, State  
**UINTAH COUNTY, UT**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, 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 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 Notice	<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 and Abandon	<input type="checkbox"/> Temporarily Abandon	<b>SUCCESSOR OF</b>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<b>OPERATOR</b>

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration then. If the proposal is to deepen directionally or recompletes horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zc. 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 when testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator determined that the site is ready for final inspection.

WESTPORT OIL & GAS COMPANY, L.P., IS CONSIDERED TO BE THE OPERATOR ON THE ATTACHED DESCRIBED LANDS AND IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE FOR THE OPERATIONS CONDUCTED ON THE LEASED LANDS OR PORTIONS THEREOF, BOND COVERAGE FOR THIS WELL IS PROVIDED BY FEDERAL NATIONWIDE BOND NO. 158626364, EFFECTIVE FEBRUARY 1, 2002, AND BIA NATIONWIDE BOND NO. RLB0005239, EFFECTIVE FEBRUARY 10, 2003.

RECEIVED  
MAR 04 2003

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) <b>CHERYL CAMERON</b>	Title <b>OPERATIONS</b>
Signature 	Date <b>March 4, 2003</b>

THIS SPACE FOR FEDERAL OR STATE 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, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.  
(Instructions on reverse)

**OPERATOR CHANGE WORKSHEET**

1. GLH
2. CDW ✓
3. FILE

006

**X Change of Operator (Well Sold)**

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective: <b>12-17-02</b>	
<b>FROM: (Old Operator):</b>	<b>TO: ( New Operator):</b>
EL PASO PRODUCTION OIL & GAS COMPANY	WESTPORT OIL & GAS COMPANY LP
Address: 9 GREENWAY PLAZA	Address: P O BOX 1148
HOUSTON, TX 77064-0995	VERNAL, UT 84078
Phone: 1-(832)-676-5933	Phone: 1-(435)-781-7023
Account No. N1845	Account No. N2115

**CA No. Unit: NATURAL BUTTES**

<b>WELL(S)</b>						
NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
NBU 180	10-10S-22E	43-047-32113	2900	FEDERAL	GW	P
NBU 247	10-10S-22E	43-047-32977	2900	FEDERAL	GW	P
NBU 249	10-10S-22E	43-047-32978	2900	FEDERAL	GW	S
NBU 293	10-10S-22E	43-047-33182	2900	FEDERAL	GW	P
NBU 345	10-10S-22E	43-047-33704	2900	FEDERAL	GW	P
NBU 248	10-10S-22E	43-047-34079	2900	FEDERAL	GW	P
NBU 367	11-10S-22E	43-047-33707	2900	STATE	GW	P
NBU 347	11-10S-22E	43-047-33709	2900	STATE	GW	P
NBU 348	11-10S-22E	43-047-34001	2900	STATE	GW	P
NBU 349	11-10S-22E	43-047-34002	2900	STATE	GW	P
NBU 222	11-10S-22E	43-047-32509	2900	STATE	GW	P
NBU 272	11-10S-22E	43-047-32889	2900	STATE	GW	P
NBU 31	11-10S-22E	43-047-30307	2900	STATE	GW	P
NBU 394	11-10S-22E	43-047-34804	99999	STATE	GW	APD
NBU 153	11-10S-22E	43-047-31975	2900	FEDERAL	GW	S
NBU 31-12B	12-10S-22E	43-047-30385	2900	STATE	GW	P
NBU 24N2	12-10S-22E	43-047-30535	2900	STATE	GW	S
NBU 32-13B	13-10S-22E	43-047-30395	2900	STATE	GW	PA
NBU 38N2	13-10S-22E	43-047-30536	2900	STATE	GW	P
NBU CIGE 43-14-10-22	14-10S-22E	43-047-30491	2900	STATE	GW	P

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 02/28/2003
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 03/04/2003
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 03/06/2003
4. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
5. If **NO**, the operator was contacted contacted on: \_\_\_\_\_

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM-12/31/2003 BIA-12/5/02

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 02/27/2003

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: N/A

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

**DATA ENTRY:**

1. Changes entered in the Oil and Gas Database on: 03/24/2003
2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 03/24/2003
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

**STATE WELL(S) BOND VERIFICATION:**

1. State well(s) covered by Bond Number: RLB 0005236

**FEDERAL WELL(S) BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: 158626364

**INDIAN WELL(S) BOND VERIFICATION:**

1. Indian well(s) covered by Bond Number: RLB 0005239

**FEE WELL(S) BOND VERIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB 0005238
2. The **FORMER** operator has requested a release of liability from their bond on: N/A  
The Division sent response by letter on: N/A

**LEASE INTEREST OWNER NOTIFICATION:**

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

**COMMENTS:**

---

---

---

---

---

---

**DIVISION OF OIL, GAS AND MINING**

**SPUDDING INFORMATION**

Name of Company: WESTPORT OIL & GAS COMPANY LP

Well Name: NBU 394

Api No: 43-047-34804 Lease Type: STATE

Section 11 Township 10S Range 22E County UINTAH

Drilling Contractor SKI DRILLING RIG# AIR

**SPUDDED:**

Date 05/01/03

Time 8:00 AM

How ROTARY

**Drilling will commence:** \_\_\_\_\_

Reported by JIM MURRAY

Telephone # 1-435-828-1730

Date 05/01/2003 Signed: CHD





**el paso** Production  
**DRILLING PROGRAM**

CONFIDENTIAL

**CASING PROGRAM**

	SIZE	INTERVAL	WT	GR	CYCLO	DESIGN FACTORS		
						DEPTH	CONCRETE	TENSION
CONDUCTOR	14"	0-20'				2270	1370	264000
SURFACE	8-5/8"	0-800'	32.30	H-40	STC	5.06	3.66	3.35
PRODUCTION	4-1/2"	0-TD	11.60	J-55	LTC	5350	4960	162000
						1.78	1.25	1.08

- 1) Maximum Anticipated Surface Pressure (MASP) (Conductor and Surface Casings) = (Frac Gradient at Shoe + Gas Gradient (0.115 psi/ft))(TVD)
  - 2) MASP (Int Casing) = Pore Pressure at Next Casing Point - (Gas Gradient x TVD of Next Casing Point x 0.67) - (Mud Weight x TVD x 0.062 x 0.33)
  - 3) MASP (Prod Casing) = Pore Pressure - (Gas Gradient x TVD of Production Interval)
- (Burst Assumptions: FG @ 8-5/8" shoe = 13.0 ppg, Max Pore Pressure = 9.0 ppg EMW)  
(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing, 50000 lbs overpull)

**CEMENT PROGRAM**

		FT. OF CEMENT	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE		800	Class G + 2% CaCl <sub>2</sub> + 0.25 pps celloflake	310	35%	15.80	1.16
PRODUCTION	LEAD	3,600'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	380	60%	11.00	3.38
	TAIL	4,900'	50/60 Poz/G + 10% salt + 2% gel	1370	60%	14.30	1.31

**FLOAT EQUIPMENT & CENTRALIZERS**

SURFACE	Guide shoes, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

**ADDITIONAL INFORMATION**

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.  
 BOP: 11" 3M with one annular and 2 rams. Test to 3,000 psi (annular to 1,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.  
 Drop Totoc surveys on bit trips. Maximum allowable hole angle is 5 degrees.

DRILLING ENGINEER:

Dan Lindsey

DATE:

RECEIVED

MAY 01 2003

DIV. OF OIL, GAS & MINING

Surface

9-5/8"  
MW 8.3  
Frac 19.3

TOC @  
0.  
TOC @  
233.  
Surface  
800. MD

w/10% washout  
TOC surface w/7% washout  
of surface step

1130'  
GR

BOP

BHP = 3974 psi

$\frac{Gas}{(0.12)(8500)} = 1020 psi$

MASP = 2954 psi

4100'  
washout

w/15% washout  
of shale step 190.5(b)

3M BOPE proposed

Adopted DAD

5/1/03

6500'  
Mesa Verde

4-1/2"  
MW 9.

Production  
8500. MD

CONFIDENTIAL

Well name: **05-03 Westport NBU 394rev.**  
 Operator: **Westport Oil and Gas Company**  
 String type: **Surface**  
 Location: **Uintah County**  
 Project ID: **43-047-34804**

**Design parameters:**

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

**Burst**  
 Max anticipated surface pressure: 0 psi  
 Internal gradient: 0.468 psi/ft  
 Calculated BHP: 374 psi  
 No backup mud specified.

**Minimum design factors:**

**Collapse:**  
 Design factor: 1.125

**Burst:**  
 Design factor: 1.00

**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: 702 ft

**Environment:**

H2S considered? No  
 Surface temperature: 65 °F  
 Bottom hole temperature: 76 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 200 ft

Cement top: 233 ft  
*\*Surface Step*

Non-directional string.

**Re subsequent strings:**

Next setting depth: 8,500 ft  
 Next mud weight: 9.000 ppg  
 Next setting BHP: 3,974 psi  
 Fracture mud wt: 19.250 ppg  
 Fracture depth: 800 ft  
 Injection pressure: 800 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	800	9.625	32.30	H-40	ST&C	800	800	8.876	50.7

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	346	1370	3.96	374	2270	6.07	26	254	9.83 J

Prepared by: **Dustin Doucet**  
 Utah Dept. of Natural Resources

Phone: 801-538-5281  
 FAX: 801-359-3940

Date: May 1, 2003  
 Salt Lake City, Utah

ENGINEERING STIPULATIONS: Surface casing cemented to surface; Oil shale  
 Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.  
 Collapse is based on a vertical depth of 800 ft, a mud weight of 8.33 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:	<b>05-03 Westport NBU 394rev.</b>	
Operator:	<b>Westport Oil and Gas Company</b>	
String type:	Production	Project ID: 43-047-34804
Location:	Uintah County	

**Design parameters:**

**Collapse**  
 Mud weight: 9.000 ppg  
 Design is based on evacuated pipe.

**Burst**

Max anticipated surface pressure: 0 psi  
 Internal gradient: 0.468 psi/ft  
 Calculated BHP: 2,974 psi  
 No backup mud specified.

**Minimum design factors:**

**Collapse:**  
 Design factor: 1.125

**Burst:**  
 Design factor: 1.00

**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 buoyed weight.  
 Neutral point: 7,356 ft  
 Force applied: 50,000.0 Kips  
 Depth applied: 0 ft

**Environment:**

H2S considered? No  
 Surface temperature: 65 °F  
 Bottom hole temperature: 184 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 368 ft

Cement top: Surface  
 Oil Shale  
 190-5 (b)  
 Non-directional string.

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	8500	4.5	11.60	J-55	LT&C	8500	8500	3.875	197

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	3974	4960	1.25	3974	5350	1.35	85	162	1.90 J

*1.64 w/o buoyancy  
 Westport Assumes  
 50K max overpull  
 Standard practice -  
 Dun Lindsey -  
 Adequate w/ this  
 Assumption OGD*

Prepared by: Dustin Doucet  
 Utah Dept. of Natural Resources

Phone: 801-538-5281  
 FAX: 801-359-3940

Date: May 1, 2003  
 Salt Lake City, Utah

ENGINEERING STIPULATIONS: Surface casing cemented to surface; Oil shale  
 Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.  
 Collapse is based on a vertical depth of 8500 ft, a mud weight of 9 ppg The casing is considered to be evacuated for collapse purposes.  
 Burst strength is not adjusted for tension.

009

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

OPERATOR WESTPORT O&G COMPANY L.P  
ADDRESS P.O. BOX 1148  
VERNAL, UTAH 84078

OPERATOR ACCT. NO. N 2115

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	99999	2900	43-047-34804	NBU #394	SWSE	11	10S	22E	UINTAH	5/1/2003	5/2/03

WELL 1 COMMENTS:  
MIRU SKI AIR RIG  
SPUD WELL LOCATION ON 5/1/03 AT 8 AM

CONFIDENTIAL

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		

WELL 2 COMMENTS:

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		

WELL 3 COMMENTS:

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		

WELL 4 COMMENTS:

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		

WELL 5 COMMENTS:

Post-It® Fax Note 7671

Date	5/2/03	# of pages	▶
To	JIM THOMPSON	From	Shella Upchurch
Co./Dept.	DOG M	Co.	WESTPORT O&G CO
Phone	(801) 538-4330	Phone	(435) 781-7024
Fax	(801) 364-3940	Fax	(435) 781-7094

*Shella Upchurch*  
Signature

REGULATORY ANALYST 05/02/03  
Title Date

Phone No. (435) 781-7024

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

NOTE: Use COMMENT section to explain why each Action Code was selected.  
(3/89)

RECEIVED  
MAY 02 2003

MAY-02-2003 FRI 10:10 AM EL PASO PRODUCTION FAX NO. 4357817094 P. 01

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

CONFIDENTIAL

008

6. Lease Designation and Serial Number  
U-01197-A-ST

7. Indian Allottee or Tribe Name

8. Unit or Communitization Agreement  
NATURAL BUTTES UNIT

9. Well Name and Number  
NBU 394

10. API Well Number  
43-047-34804

11. Field and Pool, or Wildcat  
NATURAL BUTTES

**SUNDRY NOTICES AND REPORTS ON WELLS**  
Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.  
Use APPLICATION FOR PERMIT -- for such proposals

1. Type of Well  
 Oil Well  Gas Well  Other (specify)

2. Name of Operator  
WESTPORT OIL & GAS COMPANY, L.P.

3. Address of Operator  
P.O. BOX 1148 VERNAL, UT 84078

4. Telephone Number  
(435) 781-7023

5. Location of Well  
Footage : 935' FSL, 1336' FEL County : UINTAH  
QQ, Sec. T., R., M : SWSE SEC. 11, T10S, R22E State : UT

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

**NOTICE OF INTENT**  
(Submit in Duplicate)

<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input checked="" type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Other _____	

Approximate Date Work Will Start IMMEDIATE

**SUBSEQUENT REPORT**  
(Submit Original Form Only)

<input type="checkbox"/> Abandonment *	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Other _____	

Date of Work Completion \_\_\_\_\_

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.  
\* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

OPERATOR REQUESTS AUTHORIZATION TO AMEND THE APPROVED DRILLING PLAN; AMENDMENTS INCLUDE TD CHANGE FROM 7300' - 8500' W/ SURFACE CSG SET @ 800'.

REFER TO THE ATTACHED DHD FOR THE ABOVE REFERENCED AMENDMENTS WITH THE CMT & CSG DETAILS.

COPY SENT TO OPERATOR  
Date: 05-05-03  
Initials: CHD

Approved by the  
Utah Division of  
Oil, Gas and Mining  
Date: 05-05-03  
By: [Signature]

14. I hereby certify that the foregoing is true and correct.

Name & Signature CHERYL CAMERON Title OPERATIONS

(State Use Only)

RECEIVED

MAY 05 2003

DIV. OF OIL, GAS & MINING



**elPASO** Production  
**DRILLING PROGRAM**

**CASING PROGRAM**

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-20'				2270	1370	254000
SURFACE	9-5/8"	0-800'	32.30	H-40	STC	5.06	3.66	3.35
						5350	4960	162000
PRODUCTION	4-1/2"	0-TD	11.60	J-55	LTC	1.78	1.25	1.09

- 1) Maximum Anticipated Surface Pressure (MASP) (Conductor and Surface Casings) = (Frac Gradient at Shoe - Gas Gradient (0.115 psi/ft))(TVD)
  - 2) MASP (Int Casing) = Pore Pressure at Next Casing Point - (Gas Gradient x TVD of Next Casing Point x 0.67) - (Mud Weight x TVD x 0.052 x 0.33)
  - 3) MASP (Prod Casing) = Pore Pressure - (Gas Gradient x TVD of Production Interval)
- (Burst Assumptions: FG @ 9-5/8" shoe = 13.0 ppg, Max Pore Pressure = 9.0 ppg EMW)  
(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing, 50000 lbs overpull)

**CEMENT PROGRAM**

	FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	800	Class G + 2% CaCl <sub>2</sub> + 0.25 pps celloflake	310	35%	15.80	1.16
PRODUCTION	LEAD 3,600'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	390	60%	11.00	3.38
	TAIL 4,900'	50/50 Poz/G + 10% salt + 2% gel	1370	60%	14.30	1.31

**FLOAT EQUIPMENT & CENTRALIZERS**

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

**ADDITIONAL INFORMATION**

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.  
 BOPE: 11" 3M with one annular and 2 rams. Test to 3,000 psi (annular to 1,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.  
 Drop Totco surveys on bit trips. Maximum allowable hole angle is 5 degrees.

DRILLING ENGINEER: \_\_\_\_\_  
 Dan Lindsey

DATE: \_\_\_\_\_



CONFIDENTIAL

**Westport Oil & Gas Company, L.P.**

1368 S. 1200 E.

Vernal, Utah 84078

Phone: 435-789-4433 Fax: 435-789-4436

**FAX COVER SHEET**

DATE: 6/4/03

TO: Diana Mason  
Dustin Doucet © FAX # \_\_\_\_\_

FROM: Cheryl Cameron © FAX # 435-789-4436

# PAGES (INCLUDING COVER): 4

Comments:

RECEIVED  
 JUN 04 2003  
 DIV. OF OIL, GAS & MINING





Westport Oil and Gas Company, L.P.

CONFIDENTIAL

**CASING PROGRAM**

	SIZE	INTERVAL	WT	GR	CMT	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	20"	0-40'				2,270	1,370	254,000
SURFACE	9-5/8"	0 to 838	32.30	H-40	STC	1.21	3.49	10.75
INTERMEDIATE	7"	0 to 4,000'	23.00	J-55	LTC	1.29	1.75	3.90
PRODUCTION	4-1/2"	0 to 2,000'	11.60	M-80	LTC	7,780	6,350	201,000
PRODUCTION	4-1/2"	2,000' to 8,370'	11.80	J-55	LTC	2.30	1.60	2.37
						5350	4960	162000
						1.40	0.95	2.51

- 1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)
  - 2) MASP (Int Casing) = Pore Pressure at Next Casing Point - (.22 psi/ft-partial evac gradient x TVD of next csg point)
  - 3) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)
- (Burst Assumptions: Max Pore Press @ Int shoe, TD = 9.0 ppg, 12.0 ppg BMW)      .22 psi/ft = gradient for partially evac wellbore  
 (Collapse Assumption: Fully Evacuated Casing, Max MW)      (Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)

**CEMENT PROGRAM**

	FT. OF HILL	DESCRIPTION	BARRELS	EXCESS	WEIGHT	YIELD
SURFACE	838	Class G + 2% CaCl <sub>2</sub> + 0.25 pps Celloflake	330	36%	15.80	1.18
INTERMEDIATE	LEAD 3,025'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	180	35%	11.00	3.38
	TAIL 435'	Typo II + 1% CaCl + 0.25 pps celloflake	80	36%	14.80	1.33
PRODUCTION	Tail 4,810'	50/50 Poz/G + 10% sult + 2% gel	520	35%	14.30	1.31

\* or 15% over casing log

**FLOAT EQUIPMENT & CENTRALIZERS**

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
INTERMEDIATE	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of cement with bow spring centralizers.

**ADDITIONAL INFORMATION**

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 6M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower Kelly valves.

Run Totoc surveys every 2000'. Maximum allowable hole angle is 5 degrees.

DRILLING ENGINEER:

Brad Laney

DATE:

DRILLING SUPERINTENDENT:

Randy Bayne

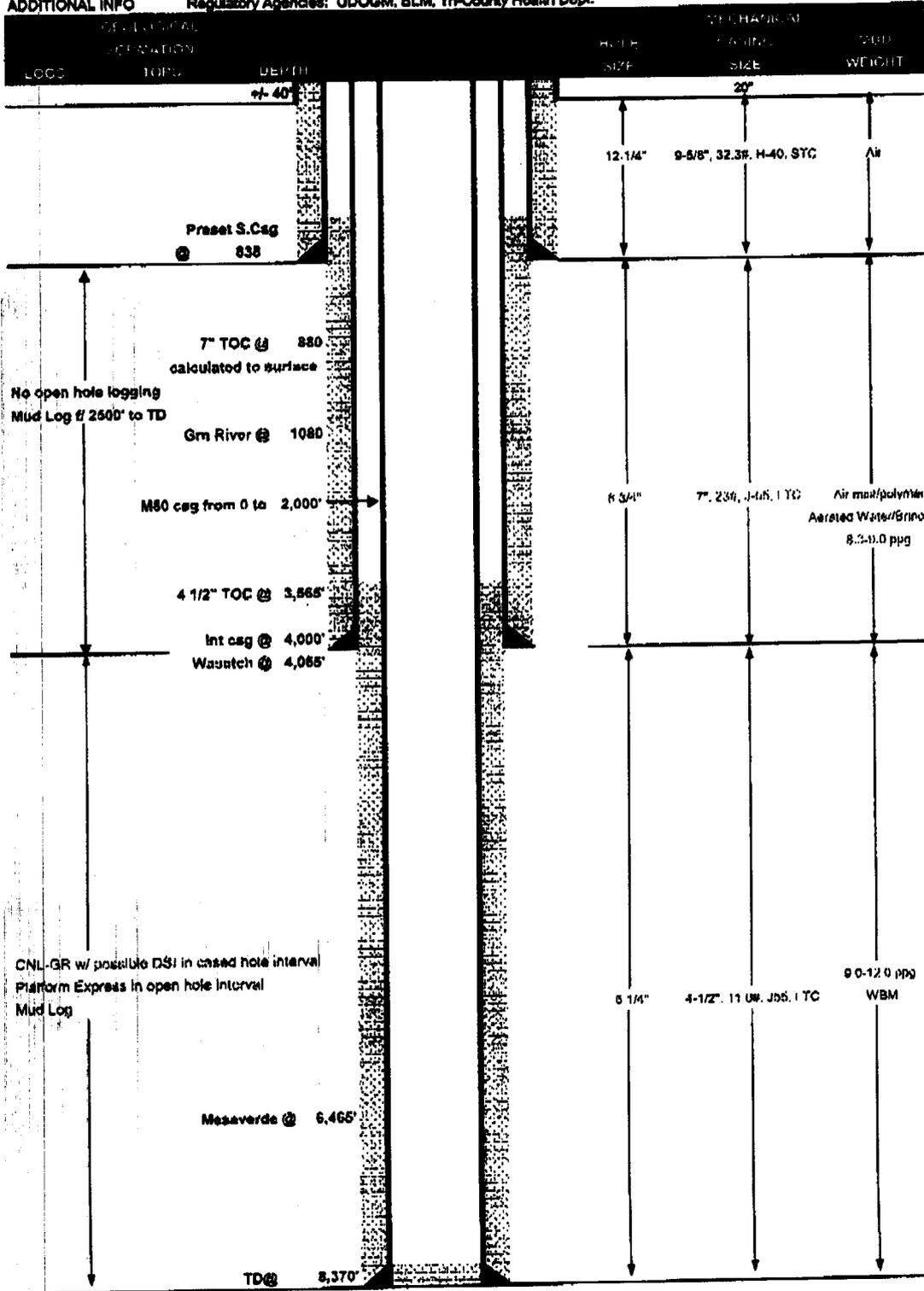
DATE:



**Westport Oil and Gas Company, L.P.**  
**DRILLING PROGRAM**

**CONFIDENTIAL**

COMPANY NAME Westport Oil and Gas Company DATE May 15, 2003  
 WELL NAME NBU 394 TD 8,370' MD/TVD  
 FIELD Natural Buttes COUNTY Utah STATE Utah ELEVATION 9,148' GL KB 5,163'  
 SURFACE LOCATION 935' FSL, 1336' PBL, SW/SE, SEC. 11, T10S, R22E BHL Straight Hole  
 OBJECTIVE ZONE(S) Wasatch, Mesa Verde  
 ADDITIONAL INFO Regulatory Agencies: UDOGM, BLM, Tri-County Health Dept.



Well name:	<b>06-03 Westport NBU 394rev.</b>	
Operator:	<b>Westport Oil and Gas Company</b>	
String type:	Intermediate	Project ID: 43-047-34804
Location:	Uintah County	

**Design parameters:**

**Collapse**

Mud weight: 9.000 ppg  
Design is based on evacuated pipe.

**Burst**

Max anticipated surface pressure: 3,520 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP: 4,000 psi

No backup mud specified.

**Minimum design factors:**

**Collapse:**

Design factor: 1.125

**Burst:**

Design factor: 1.00

**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 buoyed weight.

Neutral point: 3,459 ft  
Force applied: 50,000.0 Kips  
Depth applied: 0 ft

**Environment:**

H2S considered? No  
Surface temperature: 65 °F  
Bottom hole temperature: 121 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 1,500 ft

Cement top:

1,492 ft

*w/ 15 g wash - ut*

Non-directional string.

**Re subsequent strings:**

Next setting depth: 8,370 ft  
Next mud weight: 12.000 ppg  
Next setting BHP: 5,218 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 4,000 ft  
Injection pressure: 4,000 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	4000	7	23.00	J-55	LT&C	4000	4000	6.25	184.9

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	1870	3270	1.75	4000	4360	1.09	80	313	3.93 J

Prepared by: Dustin Doucet  
Utah Dept. of Natural Resources

Phone: 801-538-5281  
FAX: 801-359-3940

Date: June 6, 2003  
Salt Lake City, Utah

ENGINEERING STIPULATIONS: Surface casing cemented to surface; Oil shale  
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.  
Collapse is based on a vertical depth of 4000 ft, a mud weight of 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:	<b>06-03 Westport NBU 394rev.</b>	
Operator:	<b>Westport Oil and Gas Company</b>	
String type:	Production	Project ID: 43-047-34804
Location:	Uintah County	

**Design parameters:**

**Collapse**

Mud weight: 9.000 ppg  
Design is based on evacuated pipe.

**Burst**

Max anticipated surface pressure: 0 psi  
Internal gradient: 0.468 psi/ft  
Calculated BHP: 3,913 psi

No backup mud specified.

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**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 buoyed weight.

Neutral point: 7,244 ft  
Force applied: 50,000.0 Kips  
Depth applied: 0 ft

**Environment:**

H2S considered? No  
Surface temperature: 65 °F  
Bottom hole temperature: 182 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 368 ft

Cement top:

4,394 ft

Non-directional string.

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)
2	2000	4.5	11.60	M-80	LT&C	2000	2000	3.875	46.4
1	6370	4.5	11.60	J-55	LT&C	8370	8370	3.875	147.7

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
2	935	5820	<u>6.22</u>	935	7780	<u>8.32</u>	84	267	<u>3.18 B</u>
1	3913	4960	<u>1.27</u>	3913	5350	<u>1.37</u>	61	162	<u>2.66 J</u>

Prepared by: Dustin Doucet  
Utah Dept. of Natural Resources

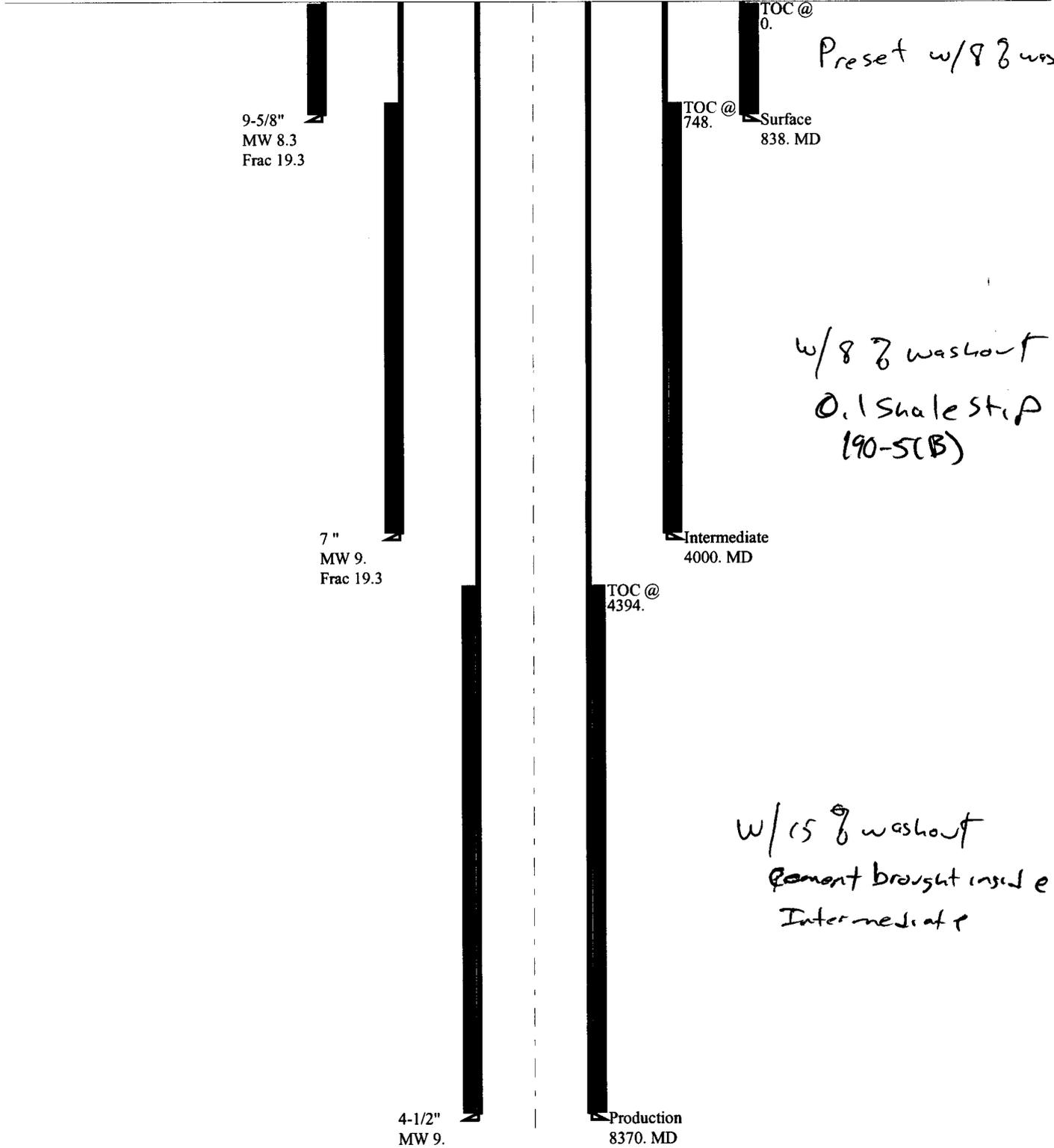
Phone: 801-538-5281  
FAX: 801-359-3940

Date: June 6, 2003  
Salt Lake City, Utah

ENGINEERING STIPULATIONS: Surface casing cemented to surface; Oil shale  
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.  
Collapse is based on a vertical depth of 8370 ft, a mud weight of 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.

Surface



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

CONFIDENTIAL

012

6. Lease Designation and Serial Number  
U-01197-A-ST

7. Indian Allottee or Tribe Name

8. Unit or Communitization Agreement  
Natural Buttes Unit

9. Well Name and Number  
NBU 394

10. API Well Number  
43-047-34804

11. Field and Pool, or Wildcat  
Natural Buttes

**SUNDRY NOTICES AND REPORTS ON WELLS**  
Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.  
Use APPLICATION FOR PERMIT - for such proposals

1. Type of Well  
 Oil Well     Gas Well     Other (specify)

2. Name of Operator  
Westport Oil & Gas Company, L.P.

3. Address of Operator  
P.O. Box 1148 Vernal, UT 84078

4. Telephone Number  
(435) 781-7023

5. Location of Well  
Footage : SWSE 935' FSL, 1336' FEL    County : Uintah  
QQ, Sec. T., R., M : Sec. 11, T10S, R22E    State : UT

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

**NOTICE OF INTENT**  
(Submit in Duplicate)

- Abandonment
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Multiple Completion
- Other \_\_\_\_\_
- New Construction
- Pull or Alter Casing
- Recompletion
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

Approximate Date Work Will Start Immediate

**SUBSEQUENT REPORT**  
(Submit Original Form Only)

- Abandonment \*
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Other \_\_\_\_\_
- New Construction
- Pull or Alter Casing
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

Date of Work Completion \_\_\_\_\_

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

\* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Operator requests authorization to amend the approved drilling program; amendments include TD change f/ 8500'-8370', and intermediate csg set @ 4000'. Refer to the attached DHD for the above referenced amendments w/ the cmt & csg details.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 06-24-03  
By: [Signature]

COPY SENT TO OPERATOR  
Date: 06-27-03  
Initials: CHD

14. I hereby certify that the foregoing is true and correct.

Name & Signature Cheryl Cameron Title Operations Date 06/04/03

(State Use Only)

RECEIVED

JUN 17 2003





**Westport Oil and Gas Company, L.P.**

**CONFIDENTIAL**

**CASING PROGRAM**

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	20"	0-40'				2,270	1,370	254,000
SURFACE	9-5/8"	0 to 838	32.30	H-40	STC	1.21	3.49	10.75
						4,360	3,270	313,000
INTERMEDIATE	7"	0 to 4,000'	23.00	J-55	LTC	1.29	1.75	3.90
						7,780	6,350	201,000
PRODUCTION	4-1/2"	0 to 2,000'	11.60	M-80	LTC	2.30	1.60	2.37
						5350	4960	162000
PRODUCTION	4-1/2"	2,000' to 8,370'	11.60	J-55	LTC	1.40	0.95	2.51

- 1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point)-(0.22 psi/ft-partial evac gradient x TVD of next csg point)
  - 2) MASP (Int Casing) = Pore Pressure at Next Casing Point - (.22 psi/ft-partial evac gradient x TVD of next csg point)
  - 3) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)
- (Burst Assumptions: Max Pore Press @ Int shoe, TD = 9.0 ppg, 12.0 ppg EMW) .22 psi/ft = gradient for partially evac wellbore  
(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)

**CEMENT PROGRAM**

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS*	WEIGHT	YIELD
SURFACE		838	Class G + 2% CaCl <sub>2</sub> + 0.25 pps Celloflake	330	35%	15.80	1.16
INTERMEDIATE	LEAD	3,025'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	180	35%	11.00	3.38
	TAIL	435	Type II + 1% CaCl + 0.25 pps celloflake	80	35%	14.80	1.33
PRODUCTION	Tail	4,810'	50/50 Poz/G + 10% salt + 2% gel	520	35%	14.30	1.31

\* or 15% over caliper log

**FLOAT EQUIPMENT & CENTRALIZERS**

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
INTERMEDIATE	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of cement with bow spring centralizers.

**ADDITIONAL INFORMATION**

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.  
BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.  
Run Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

DRILLING ENGINEER: \_\_\_\_\_  
Brad Laney

DATE: \_\_\_\_\_

DRILLING SUPERINTENDENT: \_\_\_\_\_  
Randy Bayne

DATE: \_\_\_\_\_



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

CONFIDENTIAL

014

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT -- for such proposals		6. Lease Designation and Serial Number U-01197-A-ST
		7. Indian Allottee or Tribe Name
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (specify)		8. Unit or Communitization Agreement NATURAL BUTTES UNIT
2. Name of Operator WESTPORT OIL & GAS COMPANY, L.P.		9. Well Name and Number NBU 394
3. Address of Operator P.O. BOX 1148, VERNAL, UTAH 84078	4. Telephone Number 435-781-7060	10. API Well Number 43-047-34804
5. Location of Well Footage : 935' FSL, 1336' FEL QQ, Sec. T., R., M : SWSE SEC 11-T10S-R22E County : UINTAH State : UT		11. Field and Pool, or Wildcat NATURAL BUTTES
12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		

**NOTICE OF INTENT**  
(Submit in Duplicate)

<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Other _____	

Approximate Date Work Will Start \_\_\_\_\_

**SUBSEQUENT REPORT**  
(Submit Original Form Only)

<input type="checkbox"/> Abandonment *	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Other <u>DRILLING OPERATIONS</u>	

Date of Work Completion 6/30/03

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.  
\* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

RUN 151 JTS, J-55, 47 JTS M-80, 4.5 11.60#, LTC CSG, TALLIED 8513', SET @8499'.  
 PUMP 5 BBLs WATER, 20 BBLs FLOW GUARD, 5 BBLs WATER, CMT SLURRY 775 SKS, 50/50  
 POZ + 10% SALT + 2% GEL, DROP TOP PLUG DISPLACE WITH 127.7 BBLs WATER + MAGNICIDE

RELEASE PRESS FLOATS HELD, GOOD CIRC DURING JOB  
 RIG RELEASED @ 1700 HRS 6/30/03

14. I hereby certify that the foregoing is true and correct.  
 Name & Signature DEBRA DOMENICI *Debra Domenici* Title ADMIN ASSIST Date 07/01/03

RECEIVED

JUL 08 2003

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

015

<p align="center"><b>SUNDRY NOTICES AND REPORTS ON WELLS</b></p> <p>Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT -- for such proposals</p>		6. Lease Designation and Serial Number U-01197-A-ST
		7. Indian Allottee or Tribe Name
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (specify) <b>CONFIDENTIAL</b>		8. Unit or Communitization Agreement NATURAL BUTTES UNIT
2. Name of Operator WESTPORT OIL & GAS COMPANY, L.P.		9. Well Name and Number NBU 394
3. Address of Operator P.O. BOX 1148, VERNAL, UTAH 84078	4. Telephone Number (435)781-7060	10. API Well Number 43-047-34804
5. Location of Well Footage : SWSE 935' FSL 1336' FEL County : UINTAH QQ, Sec, T., R., M : SEC 11-T10S-R22E State : UTAH		11. Field and Pool, or Wildcat NATURAL BUTTES

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

<p align="center"><b>NOTICE OF INTENT</b> (Submit in Duplicate)</p> <table border="0"> <tr><td><input type="checkbox"/> Abandonment</td><td><input type="checkbox"/> New Construction</td></tr> <tr><td><input type="checkbox"/> Casing Repair</td><td><input type="checkbox"/> Pull or Alter Casing</td></tr> <tr><td><input type="checkbox"/> Change of Plans</td><td><input type="checkbox"/> Recompletion</td></tr> <tr><td><input type="checkbox"/> Conversion to Injection</td><td><input type="checkbox"/> Shoot or Acidize</td></tr> <tr><td><input type="checkbox"/> Fracture Treat</td><td><input type="checkbox"/> Vent or Flare</td></tr> <tr><td><input type="checkbox"/> Multiple Completion</td><td><input type="checkbox"/> Water Shut-Off</td></tr> <tr><td><input checked="" type="checkbox"/> Other <u>PRODUCTION START</u></td><td></td></tr> </table> <p>Approximate Date Work Will Start <u>7/14/03</u></p>	<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion	<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Shoot or Acidize	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off	<input checked="" type="checkbox"/> Other <u>PRODUCTION START</u>		<p align="center"><b>SUBSEQUENT REPORT</b> (Submit Original Form Only)</p> <table border="0"> <tr><td><input type="checkbox"/> Abandonment *</td><td><input type="checkbox"/> New Construction</td></tr> <tr><td><input type="checkbox"/> Casing Repair</td><td><input type="checkbox"/> Pull or Alter Casing</td></tr> <tr><td><input type="checkbox"/> Change of Plans</td><td><input type="checkbox"/> Shoot or Acidize</td></tr> <tr><td><input type="checkbox"/> Conversion to Injection</td><td><input type="checkbox"/> Vent or Flare</td></tr> <tr><td><input type="checkbox"/> Fracture Treat</td><td><input type="checkbox"/> Water Shut-Off</td></tr> <tr><td><input type="checkbox"/> Other _____</td><td></td></tr> </table> <p>Date of Work Completion _____</p> <p>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form. * Must be accompanied by a cement verification report.</p>	<input type="checkbox"/> Abandonment *	<input type="checkbox"/> New Construction	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Shoot or Acidize	<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> Other _____	
<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction																										
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing																										
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion																										
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Shoot or Acidize																										
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Vent or Flare																										
<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off																										
<input checked="" type="checkbox"/> Other <u>PRODUCTION START</u>																											
<input type="checkbox"/> Abandonment *	<input type="checkbox"/> New Construction																										
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing																										
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Shoot or Acidize																										
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Vent or Flare																										
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off																										
<input type="checkbox"/> Other _____																											

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

THE SUBJECT WELL WAS PLACED ON SALES AT 11:30 AM ON 7/14/03  
REFER TO THE ATTACHED CHRONOLOGICAL DRILLING AND COMPLETION HISTORY REPORT

RECEIVED

JUL 21 2003

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.  
Name & Signature DEBRA DOMENICI *Debra Domenici* Title ADMIN ASSIST Date 07/16/03

(State Use Only)

**WESTPORT OIL & GAS COMPANY, LP  
PRODUCTION REPORT**

CHRONOLOGICAL HISTORY

**NBU 394**

Page 1

UINTAH COUNTY, UT

**DRILLING REPORT:**

**SW/SE 11-10S-22E      WI: 100%  
Target pay: Wasatch/Mesa Verde**

**AFE:                      8/8THS AFE MS: 577  
ATD: 6800'**

3/25/03	Building location. 5% complete.
3/26/03	Building location. 5% complete.
3/27/03	Building location. 10% complete.
3/28/03	Building location. 10% complete.
3/31/03	Building location. 15% complete.
4/1/03	Building location. 25% complete.
4/2/03	Building location. 25% complete.
4/3/03	Building location. 50% complete.
4/4/03	Building location. 55% complete.
4/7/03	Building location. 70% complete.
4/8/03	Building location. 70% complete.
4/9/03	Building location. 75% complete.
4/10/03	Building location. 75% complete.
4/11/03	Building location. 85% complete.
4/14/03	Building location. 90% complete.
4/15/03	Building location. 95% complete.
4/16/03	Building location. 100% complete.
4/17/03	Building location. 100% complete.
4/21/03	Building location. 100% complete.
4/22/03	Building location. 100% complete.
4/23/03	Building location. 100% complete.

4/24/03	Building location. 100% complete.			
4/25/03	Building location. 100% complete.			
4/28/03	Building location. 100% complete.			
4/29/03	Building location. 100% complete.			
4/30/03	Building location. 100% complete.			
5/1/03	Building location. 100% complete.			
5/2/03	TD: 700'	CSG:	MW:	SD: DSS:
	MIRU Air Rig. Spud 12 1/4" surf hole @ 8 AM 5/1/03. Drlg w/air to 400'. Air mist to 700' SIFN. Notify Kirk Fleetwood BLM, Carol Daniels, UDOGM of spud.			
5/5/03	Rig: Ski Drilling air rig	AFETD: 6800'		
	TD: 845'	CSG: 9 5/8" @ 838'	MW:	SD: DSS:
	MIRU Drill 12 1/4" surf hole from 700' to 845' w/air rig. Run & cmt. 9 5/8" surf csg. Notify Dave Hackford, UDOGM. WORT, Caza Rig #7.			
5/6/03	TD: 845'	CSG: 9 5/8" @ 838'	MW:	SD: DSS:
	WORT.			
5/7/03	TD: 845'	CSG: 9 5/8" @ 838'	MW:	SD: DSS:
	WORT.			
5/8/03	TD: 845'	CSG: 9 5/8" @ 838'	MW:	SD: DSS:
	WORT.			
5/9/03	TD: 845'	CSG: 9 5/8" @ 838'	MW:	SD: DSS:
	WORT.			
5/12/03	TD: 845'	CSG: 9 5/8" @ 838'	MW:	SD: DSS:
	WORT.			
5/13/03	TD: 845'	CSG: 9 5/8" @ 838'	MW:	SD: DSS:
	WORT.			
5/14/03	TD: 845'	CSG: 9 5/8" @ 838'	MW:	SD: DSS:
	WORT.			
5/15/03	SPUD 5/01/03	Surface Casing 9 5/8" @ 838'	Activity	Status WORT Caza 7
5/16/03	5/01/03	9 5/8" @ 838'		WORT Caza 7
5/19/03	5/01/03	9 5/8" @ 838'		WORT Caza 7
5/20/03	5/01/03	9 5/8" @ 838'		WORT Caza 7
5/21/03	5/01/03	9 5/8" @ 838'		WORT Caza 7
5/22/03	5/01/03	9 5/8" @ 838'		WORT Caza 7

Pipeline Cost: \$11,422

5/23/03	5/01/03	9 5/8" @ 838'	WORT Caza 7
5/27/03	5/01/03	9 5/8" @ 838'	WORT Caza 7
5/28/03	5/01/03	9 5/8" @ 838'	WORT Caza 7
5/29/03	5/01/03	9 5/8" @ 838'	WORT Caza 7
5/30/03	5/01/03	9 5/8" @ 838'	WORT Caza 7
6/2/03	5/01/03	9 5/8" @ 838'	WORT Caza 7
6/3/03	5/01/03	9 5/8" @ 838'	WORT Caza 7
6/4/03	5/01/03	9 5/8" @ 838'	WORT Caza 7
6/5/03	Archie's Bench TD: 838' CSG: 9 5/8" @ 838' MW: 8.4 SD: x/xx/03 DSS:0 Rig down on CIGE 295. Prepare to move to NBU 394.		
6/6/03	TD: 838' CSG: 9 5/8" @ 838' MW: 8.4 SD: x/xx/03 DSS:0 MIRU Caza 7 on NBU 394. NU & Test BOPE. PU BHA @ report time.		
6/9/03	TD: 4025' CSG: 7" @ 4025' MW: 8.4 SD: 6/06/03 DSS:3 Drlg to 4025'. CCH. Run & cement 7" intermediate casing @ 4025' @ report time.		
6/10/03	TD: 4100' CSG: 7" @ 4025' MW: 8.4 SD: 6/06/03 DSS:4 Cement 7" intermediate casing @ 4025'. ND BOPE, Set Slips. NU and Test BOPE. Drlg FE. Drlg to 4100'. DA.		
6/11/03	TD: 5150' CSG: 7" @ 4025' MW: 8.4 SD: 6/06/03 DSS:5 Drlg from 4100'-5150'. DA. Had drilling break 4900'-4932'.		
6/12/03	TD: 5743' CSG: 7" @ 4025' MW: 8.4 SD: 6/06/03 DSS:6 Drlg from 5150'-5743'. TFNB.		
6/13/03	TD: 6260' CSG: 7" @ 4025' MW: 8.4 SD: 6/06/03 DSS:7 Finish TFNB. Drlg from 5743'-6260'. DA.		
6/16/03	TD: 7615' CSG: 7" @ 4025' MW: 8.4 SD: 6/06/03 DSS:10 Drlg from 6260'-6953'. TFNB Drlg to 7615'. DA.		
6/17/03	TD: 8130' CSG: 7" @ 4025' MW: 8.5 SD: 6/06/03 DSS:11 Drlg from 7615'-8130'. DA.		
6/18/03	TD: 8500' CSG: 7" @ 4025' MW: 9.7 SD: 6/06/03 DSS:12 Drlg from 8130'-8500' TD. Circulate and condition mud for logs.		
6/19/03	TD: 8500' CSG: 7" @ 4025' MW: 12.0 SD: 6/06/03 DSS:13 Circulate and condition mud for logs. Attempt OH logs. Stopped @ 4717'. TIH CCH.		
6/20/03	TD: 8500' CSG: 7" @ 4025' MW: 11.9 SD: 6/06/03 DSS:14 CCH. Run OH logs. TIH to 5028'. Tight hole. Attempt to work pipe. Pipe stuck @ 5028'. Run free point log. Pipe free @ 4508'. Run 400 gn shot and back off pipe. TIH for fishing tools.		

- 6/23/03 TD: 8500' CSG: 7" @ 4025' MW: 10.7 SD: 6/06/03 DSS:17  
Bit @ 5028'. TOF @ 4538'. Washed over fish f/4538'-4854'. Run Free point. Fish stuck @ 4693'. Prepare to back off @ 4689'.
- 6/24/03 TD: 8500' CSG: 7" @ 4025' MW: 11.4 SD: 6/06/03 DSS:18  
Bit @ 5028'. TOF @ 4687'. RIH w/string shot. Back of fish. Recovered 1 DC. PU wash pipe and RIH to top of fish. Unable to get over fish. Trip for screw in sub.
- 6/25/03 TD: 8500' CSG: 7" @ 4025' MW: 11.4 SD: 6/06/03 DSS:19  
TIH with screw in sub and back off @ 4654'. POOH. PU wash pipe and TIH. Wash over fish f/4654' to 5031'. Fish dropped down hole. Will POOH for Bit and condition hole to new TOF.
- 6/26/03 TD: 8500' CSG: 7" @ 4025' MW: 12.3 SD: 6/06/03 DSS:20  
TIH and screwed into fish @ 4735'. Jared on Fish. No movement. Ran Spud bar to 5088'. Bit @ 5103'. Ran free point. 100% free @ 4692' stuck @ 4707' Top of jars @ 4722'. Back off @ 4660'. TOOH for washpipe.
- 6/27/03 TD: 8500' CSG: 7" @ 4025' MW: 12.2 SD: 6/06/03 DSS:21  
Wash over fish f/4660'-4855'. TOOH for screw in sub. Screw into fish. Perf. DC @ 4816'. Disp hole w/water from 4816'. Working pipe. 100% free @ 4842'. Will attempt back-off @ 4834'.
- 6/30/03 TD: 8500' CSG: 7" @ 4025' MW: 12.2 SD: 6/06/03 DSS:24  
Wash over fish from 4834'-Top of Bit @ 5106'. Back off @ 3923 and displace casing w water. Screw back into fish. Jar on fish. Came free. POOH with Fish. LD same. RIH to 5160'. Ream bridge. TIH to 6257'. Ream. RIH to 8456. POOH to casing shoe. LD DP in stages. Rig up and running 4 1/2" casing at report time.
- 7/1/03 TD: 8500' CSG: 4 1/2" @ 8499' MW: 12.2 SD: 6/06/03 DSS:25  
Finish running 4 1/2" casing at 8499'. Circ out gas. Cement 4 1/2" Production casing w/good returns during job. ND BOPE. Set Slips. Release rig @ 1700 hrs 6/30/03. Rig Down. Prep to move to NBU 461. Final Drilling Report.
- 7/8/03 HELD SAFETY MEETING (PU TBG). ROAD RIG & EQUIP FROM NBU 229 TO LOC. MIRU. NDWH. NUBOP. MIRU CUTTERS WL. PU CCL-GR-CBL LOG TOOLS & RIH. TAG PBTB @ 8438'. LOG WELL FROM PBTB TO 1300' (200' ABV CMT TOP). POOH. RDMO CUTTERS. SWI. SDFN 5:00 PM.
- 7/9/03 HELD SAFETY MEETING (PU TBG). PU 3 7/8" ROCK TOOTH (SMITH) BIT, 2 3/8" BIT SUB. TALLY TBG & BEG TO RIH. PU TBG. TAG PBTB @ 8493'. DBL CHECK TBG COUNT & TALLY W/AZTEC (FOUND FLOAT COLLAR, TALLY SHOULD BE @ 8496'). CIRC WELL CLEAN W/120 BBLs 2% KCL (FOUND CMT IN RETURNS), X-O, POOH W/TBG. PREP TO FRAC IN AM.
- 7/10/03 PER DESIGN (SEE PERF REPORT) FROM 8464' TO 7572'. SEGO/MESA VERDE FORMATIONS.  
NOTE: TIGHT SPOT IN CSG @ 8464'.  
MIRU SCHLUMBERGER. HELD SAFETY MEETING. PRESS TST LINES TO 6000#, HELD. FRAC SEGO/MESA VERDE ZONES W/TOTAL OF 634,800# 20/40 OTTOWA SD, 7337 BBLs TOTAL CLEAN FLU. SEE FRAC SCHEDULE. RDMO CUTTERS. RDMO DOWELL. PREP TO DRL OUT CBP'S IN AM.
- 7/11/03 HELD SAFETY MEETING (DRILLING UNDER PRESS). SICP: 50#. BLEED PRESS

OFF. WELL WOULD NOT DIE. FLOWING EXTREMELY HEAVY SD. LET WELL FLOW FOR 4 HRS. PRESS @ 50#. MED SD. LUBRICATED PMP OFF BIT SUB & BIT INTO WELL. CONT TO RIH. TAG FILL @ 7610' (40' SD). RU DRL EQUIP. BRK CIRC W/RIG PMP & CO SD TO CBP @ 7650'. DRL UP CBP IN 6.5 MIN (TOOK 1500# KICK). CONT TO RIH. TAG FILL @ 7765' (60' SD). CO SD TO 2<sup>ND</sup> CBP @ 7825'. DRL UP 2<sup>ND</sup> PLUG IN 7 MIN (TOOK 500# KICK). CONT TO RIH. TAG FILL @ 8025' (30' SD). CO TO 3<sup>RD</sup> CBP @ 8055'. DRL UP 3<sup>RD</sup> CBP IN 5 MIN. CIRC WELL CLEAN. POOH W/20 STANDS. BOOMER DN TBG TO BOP'S. EOT @ 6885'.

7/14/03

HELD SAFETY MEETING (TRIPPING TBG UNDER PRESS). SICP: 2275#. BLOW WELL DN. CONT TO RIH W/TBG. TAG PBTB @ 8493'. POOH. LD 5 JTS. LAND TBG W/EOT @ 8389'. NDBOP. NUWH. RU PMP & LINES. PMP OFF BIT SUB @ 2200#. RD PMP & LINES. RU FLOW BACK LINES TO PIT. BEG TO FLOW WELL. FTP: 400#, SICP: 1950#. RD. MAKE RIG REPAIRS.

## FLOW BACK REPORTS:

7/12/03: CP: 2600#, TP: 2250#, 737 BW, 16/64" CHK, 21 HRS, 32 BWPH, SD: TRACE. TLTR: 7537 BBLs, TLR: 1602 BBLs, LLTR: 5935 BBLs.

7/13/03: CP: 3500#, TP: 2440#, 629 BW, 16/64" CHK, 24 HRS, 27 BWPH, TLTR: 7537 BBLs, TLR: 2231 BBLs, LLTR: 5306 BBLs.

7/14/03: CP: 3300#, TP: 2300#, 506 BW, 16/64" CHK, 24 HRS, 18 BWPH, SD: CLEAN. TLTR: 7537 BBLs, TLR: 2737 BBLs, LLTR: 4800 BBLs.

7/15/03

ON SALES

TP: 2350#, CP: 3250#. WELL ON @ 11:30 AM.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

017

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
 WESTPORT OIL & GAS COMPANY, L.P.

3a. Address  
 P.O. BOX 1148 VERNAL, UT 84078

3b. Phone No. (include area code)  
 (435) 781-4304734804

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
 Multiple Wells - see attached  
 10S 22E 11

5. Lease Serial No.  
 Multiple Wells - see attached

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
 891008900A

8. Well Name and No.  
 Multiple Wells - see attached

9. API Well No.  
 Multiple Wells - see attached

10. Field and Pool, or Exploratory Area  
 Natural Buttes Unit

11. County or Parish, State  
 Uintah County, UT

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

Westport Oil & Gas requests a variance to Onshore Order No. 4, Part IIIC.a. requiring each sales tank be equipped with a pressure-vacuum thief hatch and/or vent line valve. The variance is requested as an economic analysis shows the value of the shrunk condensate will not payout the incremental cost of purchasing and maintaining the valve resulting in a loss of value over the producing life of the well.

The volume lost to shrinkage by dropping the tank pressure from 6 ozs. to 0 psig is shown to be 0.3% of the tank volume. This was determined by lab analysis of a representative sample from the field. The sample shrunk from 98.82% of original volume to 98.52% when the pressure was dropped. The average NBU well produces approximately 6 bbls condensate per month. The resulting shrinkage would amount to 0.56 bbls per month lost volume due to shrinkage. The value of the shrunk and lost condensate does not recoup or payout the cost of installing and maintaining the valves and other devices that hold the positive tank pressure. An economic run based on the loss and costs is attached. Westport Oil & gas requests approval of this variance in order to increase the value of the well to the operator and the mineral royalty owners.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) J.T. Conley Title Operations Manager  
 Signature *J.T. Conley* Date: 9-2-2003  
 Initials: *CHD* Date: 9-2-2003

SEP 10 2003  
DIV. OF OIL, GAS & MINING

THIS SPACE FOR FEDERAL OR STATE USE

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
 Accepted by the Utah Division of Oil, Gas and Mining  
 Federal Approval of This Action Is Necessary  
 Office \_\_\_\_\_ Date: 9/16/03

Title 18 U.S.C. Section 1001, 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.

**Project Economics Worksheet**

Instructions: Fill in blue boxes with before and after project data. The evaluation results are shown below and graphed automatically at the bottom of the page. This sheet is protected to prevent accidental alteration of the formulas. See JTC for changes. OPX entered as annual costs and/or as unit OPX costs for \$/BF and \$/MCF

Project Name: **Condensate Shrinkage Economics**

Is this job a well pull or production rig job ??? **N** (Y or N)

	BEFORE \$/Year	AFTER \$/Year	DIFFERENCE \$/Year
Gross Oil Revenue	\$1,088	\$1,099	\$11
Gross Gas Revenue	\$0	\$0	\$0
NGL Revenue	\$0	\$0	\$0
PULING UNIT SERVICE			\$0
WIRELINE SERVICE			\$0
SUBSURF EQUIP REPAIRS			\$0
COMPANY LABOR			\$0
CONTRACT LABOR	\$0	\$200	\$200
CONTR SERVICE			\$0
LEASE FUEL GAS	\$0	\$0	\$0
UTILITIES - ELECTRICITY	\$0	\$0	\$0
CHEMICAL TREATING			\$0
MATERIAL & SUPPLY	\$0	\$150	\$150
WATER & HAULING			\$0
ADMINISTRATIVE COSTS			\$0
GAS PLANT PROCESSING			\$0
<b>Totals</b>	<b>\$0</b>	<b>\$350</b>	<b>\$350</b>

Increased OPX Per Year

**Investment Breakdown:**

	Cap/Exp Code	Cost, \$
Capital \$	820/830/840	\$1,200
Expense \$	830/860	\$0
Total \$		\$1,200

Oil Price	\$ 23.00	\$/BO
Gas Price	\$ 3.10	\$/MCF
Electric Cost	\$ -	\$/ HP / day
OPX/BF	\$ 2.00	\$/BF
OPX/MCF	\$ 0.62	\$/MCF

**Production & OPX Detail:**

	Before		After		Difference	
Oil Production	0.192	BOPD	0.194	BOPD	0.002	BOPD
Gas Production	0	MCFPD	0	MCFPD	0	MCFPD
Wtr Production	0	BWPD	0	BWPD	0	BWPD
Horse Power		HP		HP	0	HP
Fuel Gas Burned		MCFPD		MCFPD	0	MCFPD

**Project Life:**

Life = **20.0** Years  
(Life no longer than 20 years)

**Internal Rate of Return:**

After Tax IROR = **#DIV/0!**

**AT Cum Cashflow:**

Operating Cashflow = **(\$2,917)** (Discounted @ 10%)

**Payout Calculation:**

$$\text{Payout} = \frac{\text{Total Investment}}{\text{Sum(OPX + Incremental Revenue)}} = 1$$

Payout occurs when total AT cashflow equals investment  
See graph below, note years when cashflow reaches zero

Payout = **NEVER** Years or **#VALUE!** Days

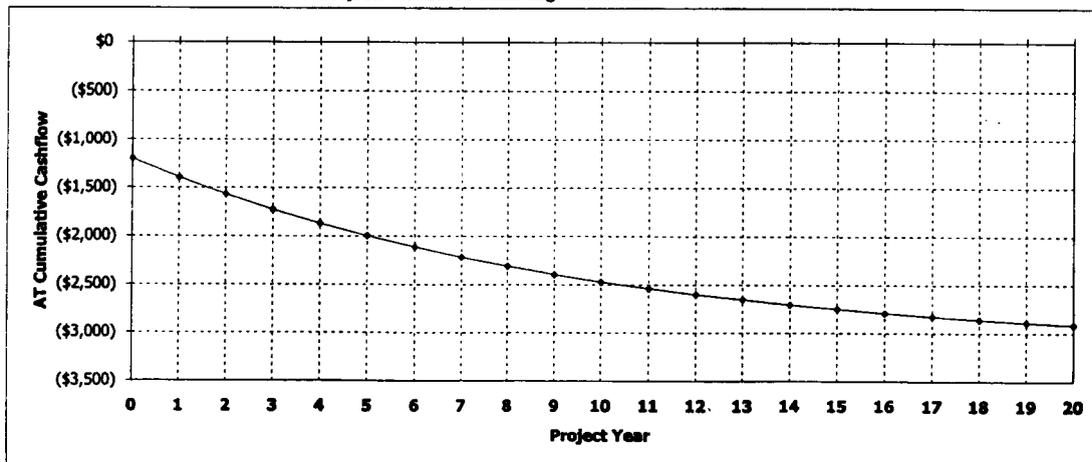
**Gross Reserves:**

Oil Reserves = **6** BO  
Gas Reserves = **0** MCF  
Gas Equiv Reserves = **38** MCFE

**Notes/Assumptions:**

**An average NGL well produces 0.192 Bopd with no tank pressure. The production is increased to 0.194 Bopd if 6 ozs of pressure are placed on the tank. The increased production does not payout the valve cost or the estimated annual maintenance costs.**

Project: Condensate Shrinkage Economics



**Westport Oil and Gas, Inc.**

**NBU/Ouray Field**

RFL 2003-022

**COMPARISON OF FLASH BACK PRESSURES**

Calculated by Characterized Equation-of-State

Flash Conditions		Gas/Oil Ratio ( scf/STbbl ) (A)	Specific Gravity of Flashed Gas ( Air=1.000 )	Separator Volume Factor (B)	Separator Volume Percent (C)
psig	°F				

**Calculated at Laboratory Flash Conditions**

80	70			1.019	
0	122	30.4	0.993	1.033	101.37%
0	60	0.0	—	1.000	98.14%

**Calculated Flash with Backpressure using Tuned EOS**

80	70			1.015	
6.0 oz	65	24.6	0.777	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
4.0 oz	65	24.7	0.778	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
2.0 oz	65	24.7	0.779	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
0	65	24.8	0.780	1.003	98.82%
0	60	0.0	—	1.000	98.52%

(A) Cubic Feet of gas at 14.696 psia and 60 °F per Barrel of Stock Tank Oil at 60 °F.

(B) Barrels of oil at indicated pressure and temperature per Barrel of Stock Tank Oil at 60 °F.

(C) Oil volume at indicated pressure and temperature as a percentage of original saturated oil volume.

Note: Bubblepoint of sample in original sample container was 80 psig at 70° F with 1 cc water

WELL	LEGALS	STFLEASENO	CANUMBER	APINO
NBU 332	10-10-21 NWSW	UTU01416A	891008900A	430473384000S1
NBU 333	13-10-21 SWSW	ML23608	891008900A	430473364100S1 ✓
NBU 335	4-10-22 SENE	UTU01191	891008900A	430473372400S1
NBU 336	4-10-22 NWNE	U-01191	891008900A	430473402700S1
NBU 337	4-10-22 SENW	U-01191-A	891008900A	430473402000S1
NBU 338	5-10-22 NESE	UTU01191	891008900A	430473405800S1
NBU 339	5-10-22 NWSE	UTU01191	891008900A	430473440600S1
NBU 340	6-10-22 SWNE	UTU01195	891008900A	430473372500S1
NBU 340X	6-10-22 SWNE	UTU01195	891008900A	430473401500S1
NBU 341	6-10-22 SWNW	UTU464	891008900A	430473372600S1
NBU 342	7-10-22 NWSE	UTU468	891008900A	430473372700S1
NBU 343	8-10-22 NWNE	UTU01196C	891008900A	430473371900S1
NBU 344	8-10-22 SWNE	UTU01196C	891008900A	430473402100S1
NBU 345	10-10-22 SWNE	UTU02587	891008900A	430473370400S1 ✓
NBU 345-4E	4-10-21 SWSW	UTU01393B	891008900A	430473470000S1 ✓
NBU 347	11-10-22 NWSW	UTU01197A	891008900A	430473370900S1 ✓
NBU 348	11-10-22 SWSW	UTU01197A-ST	891008900A	430473400100S1
NBU 349	11-10-22 SWSE	UTU01197A-ST	891008900A	430473400200S1 ✓
NBU 350	14-10-22 NWNE	UTU01197A	891008900A	430473364200S1 ✓
NBU 351	30-10-22 SESE	UTU0132568A	891008900A	430473366800S1
NBU 352	9-9-21 SWNW	UTU0149767	891008900A	430473392200S1
NBU 353	27-9-21 SENW	U01194A	891008900A	430473320500S1 ✓
NBU 354	31-9-22 NENW	UTU464	891008900A	430473323100S1
NBU 356	30-9-22 NENW	U463	891008900A	430473323200S1
NBU 357	15-10-21 SWSW	UTU01791A	891008900A	430473372800S1
NBU 358	16-10-21 SESW	ML10755	891008900A	430473370800S1
NBU 359	29-10-21 NWNE	ML21330	891008900A	430473370600S1
NBU 360	29-10-22 SESW	UTU0145824	891008900A	430473377300S1
NBU 361	32-10-22 NWNW	ML22798	891008900A	430473370500S1 ✓
NBU 362	28-9-21 SESW	UTU0576	891008900A	430473377400S1
NBU 363	28-9-21 SESE	UTU0576	891008900A	430473377500S1
NBU 364	29-9-21 SESE	UTU0581	891008900A	430473377600S1
NBU 365	3-10-21 SESE	UTU0149078	891008900A	430473377700S1
NBU 366	10-10-21 NWNW	UTU0149079	891008900A	430473372900S1
NBU 367	11-10-22 NESW	UTU01197A-ST	891008900A	430473370700S1 ✓
NBU 370	17-9-21 NWSW	UTU0575	891008900A	430473467200S1 ✓
NBU 371	8-9-21 SWSE	UTU0575B	891008900A	430473467300S1 ✓
NBU 375	12-9-21 SWNE	UTU0141317	891008900A	430473444000S1 ✓
NBU 376	12-9-21 NENE	UTU0141317	891008900A	430473444100S1 ✓
NBU 377	31-9-21 NENW	UTU0582	891008900A	430473436300S1
NBU 378	31-9-21 NWNE	UTU0582	891008900A	430473436400S1
NBU 381	23-10-22 SESW	UTU01198B	891008900A	430473423400S1
NBU 382	22-10-22 SENW	U-01198-B	891008900A	430473423500S1
NBU 383	21-10-22 SESW	U-489	891008900A	430473423600S1
NBU 384	30-10-22 SENW	UTU0132568A	891008900A	430473423700S1 ✓
NBU 385	18-10-22 SENW	ML22973	891008900A	430473422800S1
NBU 386	17-10-22 NESE	UTU470	891008900A	430473423800S1
NBU 387	23-10-21 SWSE	U-02277-A	891008900A	430473423900S1
NBU 388	22-10-21 SENW	U-02278-A	891008900A	430473424000S1
NBU 389	28-10-21 NENE	ML21329	891008900A	430473422900S1
NBU 390	30-10-21 SESE	ML22793	891008900A	430473423000S1
NBU 391	17-9-21 NWNW	UTU0575	891008900A	430473487400S1
NBU 393	22-9-20 SWNW	U0577B	891008900A	430473486400S1
NBU 394	11-10-22 SWSE	UTU01197A-ST	891008900A	430473480400S1 ✓
NBU 395	27-9-21 SWSW	UTU01194A-ST	891008900A	430473437400S1 ✓
NBU 396	33-9-21 NENW	UTU0576	891008900A	430473448000S1 ✓
NBU 397	26-10-20 NESW	UTU4476	891008900A	430473436500S1
NBU 398	18-10-21 NENW	UTU02270A	891008900A	430473436600S1
NBU 399	14-10-21 NWNW	UTU465	891008900A	430473440900S1
NBU 400	16-10-21 NENW	ML10755	891008900A	430473479400S1
NBU 401	23-10-21 NENE	UTU02278A	891008900A	430473480100S1
NBU 404	32-9-22 SWSE	ML22649	891008900A	430473437500S1 ✓
NBU 405	27-9-21 NENE	UTU01194A-ST	891008900A	430473440700S1 ✓
NBU 407	32-10-22 NENW	ML22798	891008900A	430473431800S1 ✓
NBU 408	31-10-22 NENE	UTU0143551	891008900A	430473459000S1 ✓
NBU 409	32-9-21 NWSW	ML48758	891008900A	430473442100S1 ✓
NBU 410	32-9-21 SWSW	ML48758	891008900A	430473487200S1
NBU 411	32-9-21 SESE	ML48758	891008900A	430473442200S1 ✓
NBU 412	32-10-22 SENW	ML22798	891008900A	430473431900S1 ✓
NBU 413	32-10-22 SWNW	ML22798	891008900A	430473432000S1 ✓
NBU 414	31-10-22 SENE	UTU0143551	891008900A	430473438700S1
NBU 414-20E	20-9-21 NWNE	U0143551/U0575	891008900A	430473477900S1
NBU 415-20E	20-9-21 SWNE	UTU0575	891008900A	430473448900S1 ✓
NBU 416	36-9-20 SESE	ML48757	891008900A	430473442300S1 ✓
NBU 418	12-9-21 NWNW	UTU0141317	891008900A	430473477700S1

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

016

5. LEASE DESIGNATION AND SERIAL NO.
U-01197-A-ST

WELL COMPLETION OR RECOMPLETION REPORT AND LOG\*

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

1a. TYPE OF WELL

OIL WELL [ ] GAS WELL [X] DRY [ ] Other

7. UNIT AGREEMENT NAME

NATURAL BUTTES UNIT

1b. TYPE OF COMPLETION

NEW WELL [X] WORK OVER [ ] DEEP-EN [ ] PLUG BACK [ ] DIFF. RESVR. [ ] Other

8. FARM OR LEASE NAME, WELL NO.

NBU

2. NAME OF OPERATOR

WESTPORT OIL & GAS COMPANY L.P.

CONFIDENTIAL

9. WELL NO.

#394

3. ADDRESS AND TELEPHONE NO.

P.O. BOX 1148, VERNAL, UTAH 84078 (435) 781-7024

10. FIELD AND POOL OR WILDCAT

NATURAL BUTTES

4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements)

At Surface

SWSE 935'FSL & 1336'FEL

11. SEC., T., R., M., OR BLOCK AND SURVEY

OR AREA

SECTION 11-T10S-R22E

At total depth

14. API NO.

43-047-34804

DATE ISSUED

1/27/03

12. COUNTY

UINTAH

13. STATE

UTAH

15. DATE SPUDDED

5/1/03

16. DATE T.D. REACHED

6/30/03

17. DATE COMPL. (Ready to prod. or Plug & Seal)

7/14/03

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\*

5148.4'GL

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

MD 8500'

21. PLUG, BACK T.D., MD & TVD

TD

MD

8438'

TVD

22. IF MULTIPLE COMPL., HOW MANY

23. INTERVALS DRILLED BY

-----> [X]

ROTARY TOOLS

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)

MESAVERDE: 8464'-7572'

25. WAS DIRECTIONAL SURVEY MADE

NO

26. TYPE ELECTRIC AND OTHER LOGS RUN MICAO-091-FOCUS, CN/LD/GR, CCL-GR-CBL-Rec 7-9-03, REF AZHAL 16A-Rec 6-24-03

27. WAS WELL CORED YES [ ] NO [X] (Submit analysis)

DRILL STEM TEST YES [ ] NO [X] (See reverse side)

23. CASING RECORD (Report all strings set in well)

Table with columns: CASING SIZE, WEIGHT, LB/FT., DEPTH SET (MD), HOLE SIZE, CEMENTING RECORD, AMOUNT PULLED. Rows include 9 5/8", 7", and 4 1/2" casing sizes.

29. LINER RECORD

Table with columns: SIZE, TOP (MD), BOTTOM (MD), SACKS CEMENT\*, SCREEN (MD), SIZE, DEPTH SET (MD), PACKER SET (MD). Includes entry for 2 3/8" size with 8389' depth set.

31. PERFORATION RECORD (Interval, size and number)

Table with columns: INTERVAL, SIZE, NUMBER. Includes entry for 8464'-7572' interval.

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

Table with columns: DEPTH INTERVAL (MD), AMOUNT AND KIND OF MATERIAL USED. Includes entry for 8464'-7572' interval with 634800# 20/40 OTTOWA SD & 7337 BBLs.

33.\* PRODUCTION

Table with columns: DATE FIRST PRODUCTION, PRODUCTION METHOD, WELL STATUS, DATE OF TEST, HOURS TESTED, CHOKER SIZE, PROD'N. FOR TEST PERIOD, OIL--BBL., GAS--MCF., WATER--BBL., GAS-OIL RATIO, FLOW. TUBING PRESS., CASING PRESSURE, CALCULATED 24-HOUR RATE, OIL-BBL., GAS--MCF., WATER--BBL., OIL GRAVITY-API (CORR.).

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

SOLD

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED SHEILA UPCHEGO

TITLE REGULATORY ANALYST

RECEIVED DATE 9/8/2003

See Spaces for Addition Data on Reverse Side

SEP 15 2003

## INSTRUCTIONS

This form should be completed in compliance with the Utah Oil and Gas Conservation General Rules. If not filed prior to this time, all logs, tests, and directional surveys as required by Utah Rules should be attached and submitted with this report.

ITEM 18: Indicate which elevation is used as reference for depth measurements given in other spaces on this form and on any attachments. ITEMS 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

ITEM 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

ITEM 33: Submit a separate completion report on this form for each interval to be separately produced (see instruction for items 22 and 24 above).

**37. SUMMARY OF POROUS ZONES:**

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.

Formation	Top	Bottom	Description, contents, etc.
GREEN RIVER WASATCH MESAVERDE	1080' 4071' 6304'	4071' 6304'	

38. GEOLOGIC MARKERS			
Name	Meas. Depth	Top	True Vert. Depth



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

**CONFIDENTIAL**

**019**

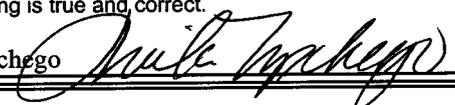
<p><b>SUNDRY NOTICES AND REPORTS ON WELLS</b></p> <p>Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.                  Use APPLICATION FOR PERMIT -- for such proposals</p>		6. Lease Designation and Serial Number <b>U-01197-A-ST</b>
		7. Indian Allottee or Tribe Name
		8. Unit or Communitization Agreement <b>NATURAL BUTTES UNIT</b>
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (specify)	9. Well Name and Number <b>NBU #394</b>	
2. Name of Operator <b>WESTPORT OIL &amp; GAS COMPANY L.P.</b>		10. API Well Number <b>43-047-34804</b>
3. Address of Operator <b>1368 SOUTH 1200 EAST VERNAL, UTAH 84078</b>	4. Telephone Number <b>(435) 781-7024</b>	11. Field and Pool, or Wildcat <b>NATURAL BUTTES</b>
5. Location of Well Footage : 935'FSL & 1336'FEL      County : UINTAH QQ, Sec, T., R., M : SWSE SECTION 11-T10S-R22E      State : UTAH		

12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA																											
<p align="center"><b>NOTICE OF INTENT</b> (Submit in Duplicate)</p> <table style="width: 100%;"> <tr> <td><input type="checkbox"/> Abandonment</td> <td><input type="checkbox"/> New Construction</td> </tr> <tr> <td><input type="checkbox"/> Casing Repair</td> <td><input type="checkbox"/> Pull or Alter Casing</td> </tr> <tr> <td><input type="checkbox"/> Change of Plans</td> <td><input type="checkbox"/> Recompletion</td> </tr> <tr> <td><input type="checkbox"/> Conversion to Injection</td> <td><input type="checkbox"/> Shoot or Acidize</td> </tr> <tr> <td><input type="checkbox"/> Fracture Treat</td> <td><input type="checkbox"/> Vent or Flare</td> </tr> <tr> <td><input type="checkbox"/> Multiple Completion</td> <td><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td><input type="checkbox"/> Other _____</td> <td></td> </tr> </table> <p>Approximate Date Work Will Start _____</p>	<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion	<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Shoot or Acidize	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> Other _____		<p align="center"><b>SUBSEQUENT REPORT</b> (Submit Original Form Only)</p> <table style="width: 100%;"> <tr> <td><input type="checkbox"/> Abandonment *</td> <td><input type="checkbox"/> New Construction</td> </tr> <tr> <td><input type="checkbox"/> Casing Repair</td> <td><input type="checkbox"/> Pull or Alter Casing</td> </tr> <tr> <td><input type="checkbox"/> Change of Plans</td> <td><input type="checkbox"/> Shoot or Acidize</td> </tr> <tr> <td><input type="checkbox"/> Conversion to Injection</td> <td><input type="checkbox"/> Vent or Flare</td> </tr> <tr> <td><input type="checkbox"/> Fracture Treat</td> <td><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td><input checked="" type="checkbox"/> Other <u>WORKOVER</u></td> <td></td> </tr> </table> <p>Date of Work Completion <u>4/13/04</u></p> <p><small>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.                  * Must be accompanied by a cement verification report.</small></p>	<input type="checkbox"/> Abandonment *	<input type="checkbox"/> New Construction	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Shoot or Acidize	<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off	<input checked="" type="checkbox"/> Other <u>WORKOVER</u>	
<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction																										
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing																										
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion																										
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Shoot or Acidize																										
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Vent or Flare																										
<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off																										
<input type="checkbox"/> Other _____																											
<input type="checkbox"/> Abandonment *	<input type="checkbox"/> New Construction																										
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing																										
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Shoot or Acidize																										
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Vent or Flare																										
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off																										
<input checked="" type="checkbox"/> Other <u>WORKOVER</u>																											

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

MIRU SPOT EQUIP SET 1 ANCHOR NIPPLE DOWN TREE NUBOP UNLAND TBG STUCK WORK FREE RIH TAG @8408'. POOH W/TBG. TBG HAS SCALE @8000'. MAKE UP MILL RIH. EOT @3300'. RIH TAG SCALE @7600'. RU DRILLED 5' OF HARD SCALE OUT RIH TAG @8010'. DRILLED OUT 6' SCALE RIG TAG @8412'. NEW PBTD POOH L/D MILL PICK UP PROD EQUIP. RIH EOT @6300'. RIH LAND 247 JTS 2 3/8" J-55 TBG ON WELL HEAD EOT @7792' ND BOP NIPPLE UP TREE. RDMO.

14. I hereby certify that the foregoing is true and correct.

Name & Signature Sheila Upchego  Title Regulatory Analyst Date 07/01/04

(State Use Only)

**RECEIVED**  
**JUL 06 2004**

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. DJJ
2. CDW

**X Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:		<b>1/6/2006</b>
<b>FROM:</b> (Old Operator): N2115-Westport Oil & Gas Co., LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024	<b>TO:</b> ( New Operator): N2995-Kerr-McGee Oil & Gas Onshore, LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024	

WELL NAME	CA No.	Unit:	NATURAL BUTTES UNIT					
	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- If **NO**, the operator was contacted on: \_\_\_\_\_
- (R649-9-2)Waste Management Plan has been received on: IN PLACE
- Inspections of LA PA state/fee well sites complete on: n/a 3 LA wells & all PA wells transferred
- Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet
- Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006
- Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: \_\_\_\_\_

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 5/15/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/15/2006
- Bond information entered in RBDMS on: 5/15/2006
- Fee/State wells attached to bond in RBDMS on: 5/16/2006
- Injection Projects to new operator in RBDMS on: \_\_\_\_\_
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: CO1203
- Indian well(s) covered by Bond Number: RLB0005239
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236
- The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG  
The Division sent response by letter on: \_\_\_\_\_

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

**COMMENTS:**

---



---

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**KERR-McGEE OIL & GAS ONSHORE LP**

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SEE ATTACHED**

5. Lease Serial No.  
**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, 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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other <b>CHANGE OF OPERATOR</b>

13. Describe Proposed or Completed Operations (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 recomplete 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.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006. KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

**RECEIVED**

**MAY 10 2006**

DIV. OF OIL, GAS & MINING

*BLM BOND = C01203  
BIA BOND = RLB0005239*

**APPROVED 5/16/06**

*Earlene Russell*  
**Division of Oil, Gas and Mining**  
**Earlene Russell, Engineering Technician**

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) <b>RANDY BAYNE</b>	Title <b>DRILLING MANAGER</b>
Signature <i>Randy Bayne</i>	Date <b>May 9, 2006</b>

**THIS SPACE FOR FEDERAL OR STATE 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, 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.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**WESTPORT OIL & GAS COMPANY L.P.**

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SEE ATTACHED**

5. Lease Serial No.  
**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, 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 Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>CHANGE OF OPERATOR</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (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.

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

**APPROVED** 5/16/06  
*Earlene Russell*  
 Division of Oil, Gas and Mining  
 Earlene Russell, Engineering Technician

RECEIVED  
 MAY 10 2006

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) <b>BRAD LANEY</b>	Title <b>ENGINEERING SPECIALIST</b>
Signature <i>Brad Laney</i>	Date <b>May 9, 2006</b>

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by <i>Brad Laney</i>	Title	Date <b>5-9-06</b>
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, 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.

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 reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

5. Lease Serial No.  
**U-01197-A-ST**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
**NATURAL BUTTES UNIT**

8. Well Name and No.  
**NBU 394**

9. API Well No.  
**4304734804**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
**KERR-McGEE OIL & GAS ONSHORE LP**

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**935' FSL, 1336' FEL  
SWSE, SEC.11, T10S-R22E**

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (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 recomplete 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.

THE OPERATOR REQUESTS AUTHORIZATION TO RECOMPLETE THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO COMPLETE THE WASATCH AND THE EXISTING MESAVERDE FORMATION. THE OPERATOR WILL COMMINGLE THE NEWLY WASATCH AND MESAVERDE INTERVALS ALONG WITH THE EXISTING MESAVERDE FORMATIONS.

PLEASE REFER TO THE ATTACHED RECOMPLETION PROCEDURE.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Title <b>REGULATORY ANALYST</b>
Signature <i>Sheila Upchego me</i>	Date <b>November 5, 2008</b>

THIS SPACE FOR FEDERAL OR STATE 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, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

**APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING**

DATE: 11/24/08  
BY: [Signature]  
\* Cause 173-14

**RECEIVED  
NOV 12 2008**

DIV. OF OIL, GAS & MINING

COPY SENT TO OPERATOR

Date: 11.26.2008

Initials: KS

**Name:** NBU 394  
**Location:** SW SE Sec. 11 10S 22E  
**Uintah County, UT**  
**Date:** 11/03/08

**ELEVATIONS:** 5148 GL 5167 KB

**TOTAL DEPTH:** 8500 **PBTD:** 8493  
**SURFACE CASING:** 9 5/8", 36# J-55 ST&C @ 838'  
**PRODUCTION CASING:** 4 1/2", 11.6#, I-80 LT&C @ 8499'  
 Marker Joint 4042-4060'

**TUBULAR PROPERTIES:**

	BURST (psi)	COLLAPSE (psi)	DRIFT DIA. (in.)	CAPACITIES	
				(bbl/ft)	(gal/ft)
2 3/8" 4.7# J-55 tbg	7,700	8,100	1.901"	0.00387	0.1624
4 1/2" 11.6# I-80 (See above)	7780	6350	3.875"	0.0155	0.6528
2 3/8" by 4 1/2" Annulus				0.0101	0.4227

**TOPS:**

963' Green River  
 1764' Mahogany  
 4054' Wasatch  
 6297' Mesaverde  
 Estimated T.O.C. from CBL @1800

**GENERAL:**

- A minimum of 16 tanks (cleaned lined 500 bbl) of recycled water will be required. Note: Use biocide in tanks and the water needs to be at least 45°F at pump time.
- All perforation depths are from Halliburtons Induction-Density-Neutron log dated 06/20/03
- 4 fracturing stages required for coverage.
- Procedure calls for 4 CBP's and 1 flow through plug (8000 psi).
- Calculate open perforations after each breakdown. If less than 60% of the perforations appear to be open, ball out with 15% HCl.
- Put scale inhibitor 3 gals/1000 gals (in pad and 1/2 the ramp) and 10 gals/1000 gals in all flushes except the final stage. Remember to pre-load the casing with scale inhibitor for the very first stage with 10 gpt.
- 30/50 mesh Ottawa sand, Slickwater frac.
- Maximum surface pressure 6200 psi.
- Flush volumes are the sum of slick water and acid used during displacement (include scale inhibitor as mentioned above). DO NOT OVERDISPLACE. Stage acid and scale inhibitor if necessary to cover the next perforated interval.
- Service companies need to provide surface/production annulus pop-offs to be set for 1500 psi for each frac.
- Pump resin coated sand last 5,000# of all frac stages

- Tubing Currently Landed @~8389
- Originally completed on 07/08/03

**Existing Perforations:**

Zone	From	To	# of Shots
Mesaverde	7572	7579	12
Mesaverde	7624	7628	8
Mesaverde	7759	7761	6
Mesaverde	7793	7795	8
Mesaverde	7862	7863	2
Mesaverde	7892	7894	8
Mesaverde	7955	7957	8
Mesaverde	7989	7990	2
Mesaverde	8280	8285	9
Mesaverde	8381	8384	4
Sego	8416	8422	9
Sego	8458	8464	4

**PROCEDURE:**

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.
2. TOOH with 2-3/8", 4.7#, N-80 tubing (currently landed at ~8389'). Visually inspect for scale and consider replacing if needed.
3. If tbg looks ok consider running a gauge ring to 7570 (50' below proposed CBP). Otherwise P/U a mill and C/O to 7570 (50' below proposed CBP).
4. Set 8000 psi flow through plug at ~ 7520'. Pressure test BOP and casing to 6000 psi. .
5. Perf the following with 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
MESAVERDE	7262	7268	4	24
MESAVERDE	7416	7420	4	16
6. Breakdown perms and establish injection rate (include scale inhibitor in fluid). Fracture as outlined in Stage 1 on attached listing. Under-displace to ~7212' and trickle 250gal 15%HCL w/ scale inhibitor in flush .
7. Set 8000 psi CBP at ~7090'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
MESAVERDE	6922	6926	4	16
MESAVERDE	7052	7060	3	24

8. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~6902' and trickle 250gal 15%HCL w/ scale inhibitor in flush. Tight spacing between stages 2 & 3.
9. Set 8000 psi CBP at ~6890'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:
 

Zone	From	To	spf	# of shots
MESAVERDE	6698	6702	4	16
MESAVERDE	6764	6766	4	8
MESAVERDE	6856	6860	4	16
10. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 3 on attached listing. Under-displace to ~6648' trickle 250gal 15%HCL w/ scale inhibitor in flush.
11. Set 8000 psi CBP at ~5148'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:
 

Zone	From	To	spf	# of shots
WASATCH	5108	5118	4	40
12. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 4 on attached listing. Under-displace to ~5058' and flush only with recycled water.
13. Set 8000 psi CBP at ~5058'.
14. TIH with 3 7/8" mill, sliding sleeve, SN and tubing.
15. Mill plugs (DO NOT DRILL FLOW THROUGH PLUG @ 7520') and clean out to 7510'. Land tubing at ±6892' and open sleeve unless indicated otherwise by the well's behavior. This well will NOT be commingled at this time.
16. RDMO
17. Clean out well with foam and/or swabbing unit until steady flow has been established from recomplete.
18. MIRU
19. Mill flow through plug @ 7520' and commingle well. Land tubing at ~8354'
20. RDMO

**For design questions, please call  
 Sarah Schaftenaar, Denver, CO  
 (303)-895-5883 (Cell)  
 (720)-929-6605 (Office)**

**For field implementation questions, please call  
 Robert Miller, Vernal, UT  
 4350781 7041 (Office)**



NBU 394

Perforation and CBP Summary

Stage	Zones	Perforations		SPF	Holes	Fracture Coverage		
		Top, ft	Bottom, ft					
1	MESAVERDE	7262	7268	4	24	7256.5	to	7280
	MESAVERDE	7416	7420	4	16	7335.5	to	7337
	MESAVERDE		No perfs			7340	to	7340.5
	MESAVERDE		No perfs			7347.5	to	7347.5
	MESAVERDE		No perfs			7348.5	to	7348.5
	MESAVERDE		No perfs			7350	to	7350.5
	MESAVERDE		No perfs			7351.5	to	7352
	MESAVERDE		No perfs			7357	to	7357.5
	MESAVERDE		No perfs			7362	to	7363
	MESAVERDE		No perfs			7367.5	to	7368
	MESAVERDE		No perfs			7369.5	to	7372
	MESAVERDE		No perfs			7373.5	to	7376
	MESAVERDE		No perfs			7412.5	to	7414
	MESAVERDE		No perfs			7416.5	to	7420
	MESAVERDE		No perfs			7427.5	to	7428
	MESAVERDE		No perfs			7430	to	7433.5
	MESAVERDE		No perfs			7435.5	to	7436.5
	MESAVERDE		No perfs			7438.5	to	7441.5
	MESAVERDE		No perfs			7443	to	7444
	MESAVERDE		No perfs			7446.5	to	7449.5
MESAVERDE		No perfs			7450.5	to	7450.5	
	# of Perfs/stage				40	CBP DEPTH	7,090	
2	MESAVERDE	6922	6926	4	16	6923	to	6926
	MESAVERDE	7052	7060	3	24	6974.5	to	6975
	MESAVERDE		No perfs			6989	to	6989.5
	MESAVERDE		No perfs			7055.5	to	7059.5
	MESAVERDE		No perfs			7060.5	to	7060.5
	MESAVERDE		No perfs			7063	to	7063
		# of Perfs/stage				40	CBP DEPTH	6,890
3	MESAVERDE	6698	6702	4	16	6683.5	to	6684
	MESAVERDE	6764	6766	4	8	6685.5	to	6686
	MESAVERDE	6856	6860	4	16	6689	to	6689.5
	MESAVERDE		No perfs			6699	to	6701
	MESAVERDE		No perfs			6760	to	6763
	MESAVERDE		No perfs			6764.5	to	6768
	MESAVERDE		No perfs			6852.5	to	6853
	MESAVERDE		No perfs			6856	to	6862.5
		# of Perfs/stage				40	CBP DEPTH	5,148
4	WASATCH	5108	5118	4	40	5103.5	to	5103.5
	WASATCH		No perfs			5106.5	to	5122
	WASATCH		No perfs			5123.5	to	5126
		# of Perfs/stage				40	CBP DEPTH	5,058
	Totals				160			

NBU 394

Perforation and CBP Summary

Stage	Zones	Perforations		SPF	Holes	Fracture Coverage		
		Top, ft	Bottom, ft					
1	MESAVERDE	7262	7268	4	24	7256.5	to	7280
	MESAVERDE	7416	7420	4	16	7335.5	to	7337
	MESAVERDE		No perfs			7340	to	7340.5
	MESAVERDE		No perfs			7347.5	to	7347.5
	MESAVERDE		No perfs			7348.5	to	7348.5
	MESAVERDE		No perfs			7350	to	7350.5
	MESAVERDE		No perfs			7351.5	to	7352
	MESAVERDE		No perfs			7357	to	7357.5
	MESAVERDE		No perfs			7362	to	7363
	MESAVERDE		No perfs			7367.5	to	7368
	MESAVERDE		No perfs			7369.5	to	7372
	MESAVERDE		No perfs			7373.5	to	7376
	MESAVERDE		No perfs			7412.5	to	7414
	MESAVERDE		No perfs			7416.5	to	7420
	MESAVERDE		No perfs			7427.5	to	7428
	MESAVERDE		No perfs			7430	to	7433.5
	MESAVERDE		No perfs			7435.5	to	7436.5
	MESAVERDE		No perfs			7438.5	to	7441.5
	MESAVERDE		No perfs			7443	to	7444
	MESAVERDE		No perfs			7446.5	to	7449.5
MESAVERDE		No perfs			7450.5	to	7450.5	
	# of Perfs/stage				40	CBP DEPTH	7,090	
2	MESAVERDE	6922	6926	4	16	6923	to	6926
	MESAVERDE	7052	7060	3	24	6974.5	to	6975
	MESAVERDE		No perfs			6989	to	6989.5
	MESAVERDE		No perfs			7055.5	to	7059.5
	MESAVERDE		No perfs			7060.5	to	7060.5
	MESAVERDE		No perfs			7063	to	7063
		# of Perfs/stage				40	CBP DEPTH	6,890
3	MESAVERDE	6698	6702	4	16	6683.5	to	6684
	MESAVERDE	6764	6766	4	8	6685.5	to	6686
	MESAVERDE	6856	6860	4	16	6689	to	6689.5
	MESAVERDE		No perfs			6699	to	6701
	MESAVERDE		No perfs			6760	to	6763
	MESAVERDE		No perfs			6764.5	to	6768
	MESAVERDE		No perfs			6852.5	to	6853
	MESAVERDE		No perfs			6856	to	6862.5
		# of Perfs/stage				40	CBP DEPTH	5,148
4	WASATCH	5108	5118	4	40	5103.5	to	5103.5
	WASATCH		No perfs			5106.5	to	5122
	WASATCH		No perfs			5123.5	to	5126
		# of Perfs/stage				40	CBP DEPTH	5,058
	Totals				160			

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>			5. LEASE DESIGNATION AND SERIAL NUMBER: <b>U-01197-A-ST</b>		
			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:		
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.					
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			7. UNIT or CA AGREEMENT NAME: <b>UNIT #891008900A</b>		
2. NAME OF OPERATOR: <b>KERR MCGEE OIL &amp; GAS ONSHORE LP</b>			8. WELL NAME and NUMBER: <b>NBU 394</b>		
3. ADDRESS OF OPERATOR: <b>1368 SOUTH 1200 EAST</b> CITY: <b>VERNAL</b> STATE: <b>UT</b> ZIP: <b>84078</b>			PHONE NUMBER: <b>(435) 781-7024</b>	9. API NUMBER: <b>4304734804</b>	
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>935'FSL, 1336'FEL</b>			10. FIELD AND POOL, OR WILDCAT: <b>NATURAL BUTTES</b>		
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SWSE 11 10S 22E</b>			COUNTY: <b>UINTAH</b>		
			STATE: <b>UTAH</b>		

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 start: _____  <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input checked="" type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input type="checkbox"/> OTHER: _____

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

THE OPERATOR HAS PERFORMED A RECOMPLETION ON THE SUBJECT WELL LOCATION. THE OPERATOR HAS PLACED THE SUBJECT WELL LOCATION BACK ON PRODUCTION ON 12/05/2008 AT 10:00 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

**RECEIVED**  
**DEC 09 2008**  
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>SHEILA UPCHEGO</u>	TITLE <u>REGULATORY ANALYST</u>
SIGNATURE	DATE <u>12/8/2008</u>

(This space for State use only)

WINS No.: 71842

NBU 394

Start Date: 11/25/2008

AFE No.: 2027331

Operation Summary Report

End Date: 12/3/2008

Operator KERR MCGEE OIL & GAS ONSHORE LP		FIELD NAME NATURAL BUTTES	SPUD DATE 6/6/03	GL 5,148	KB 5163	ROUTE V45
API 4304734804	STATE UTAH	COUNTY UINTAH	DIVISION ROCKIES			
Lat./Long.: Lat./Long.: 0.00000 / 0.00000		Q-Q/Sect/Town/Range: / 11 / 10S / 22E				
MTD 8500	TVD 8491	LOG MD	PBMD 8480	PBTVD 8480		

EVENT INFORMATION:    EVENT ACTIVITY: RECOMPLETION    REASON: WAS    AFE NO.: 2027331  
 OBJECTIVE: DEVELOPMENT    DATE WELL STARTED/RESUMED:  
 OBJECTIVE2: RECOMPLETE    Event End Status: COMPLETE

RIG OPERATIONS:    Begin Mobilization    Rig On Location    Rig Charges    Rig Operation Start    Finish Drilling    Rig Release    Rig Off Location  
 KEY 234 / 234    11/25/2008    12/03/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
11/25/2008	<u>SUPERVISOR: KEN WARREN</u> <span style="float:right">MD:</span>						
	7:00 - 7:15	0.25	COMP	48		P	HSM, R/D & R/U
	7:15 - 7:15	0.00	COMP				
11/26/2008	<u>SUPERVISOR: KEN WARREN</u> <span style="float:right">MD:</span>						
12/1/2008	<u>SUPERVISOR: KEN WARREN</u> <span style="float:right">MD:</span>						
	7:00 - 11:00	4.00	COMP	36	E	Z	HSM, MIRU, PROBLEMS GETTING UP EAST SIDE OF BITTER CREEK DOUGWAY
	11:00 -		COMP	36	E	P	P/T SURFACE LINES TO 8500#, OPEN WELL, FRAC STG #1 MESAVERDE 7262'-7420' 40 HOLES.
							STG #1] WHP=1260#, BRK DN PERFS @ 4651#, INJT PSI=4150#, INJT RT=49, ISIP=1976, FG=.71, PUMP'D 3876.8 BBLS SLK WTR W/ 140259# 30/50 MESH W/ 5000# RESIN COAT IN TAIL, ISIP=2412#, FG=.77, AR=49, AP=3831#, MR=49.7, MP=5372#, NPI=436#, 36/40 CALC PERFS OPEN.
							STG #2] P/U RIH W/ BKR 8K CBP & PERF GUN. SET CBP @ 7090', PERF MESAVERDE USING 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 4 SPF, 90* PH, 7052'-7060' 24 HOLES, 6922'-6926' 16 HOLES, [40 HOLES]
							WHP=#, BRK DN PERFS @ 5898#, INJT PSI=4700#, INJT RT=49, ISIP=2351#, FG=.78, PUMP'D 739.1 BBLS SLK WTR W/ 25801# 30/50 MESH W/ 5000# RESIN COAT IN TAIL. ISIP=2615#, FG=.82, AR=48.9, AP=4322#, MR=49.3, MP=5898#, NPI=264#, 38/40 CALC PERFS OPEN 95%.
							STG #3] P/U RIH W/ BKR 8K CBP & PERF GUN. SET CBP @ 6890', PERF MESAVERDE USING 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 4 SPF, 90* PH, 6856'-6860' 16 HOLES, 6764'-6766' 8 HOLES, 6698'-6702' 16 HOLES [40 HOLES]
							WHP= 0#, BRK DN PERFSN @ 5915#, INJT PSI=4950#, INJT RT=41, ISIP=2653#, FG=.83, PUMP'D 1093.6 BBLS SLK WTR W/ 40053# 30/50 MESH W/ 2500# RESIN COAT IN TAIL, [WING HALF HAMMER UNION SPLIT ON PUMP TRUCK HAD TO SHUT DOWN ISOLATE & WENT TO FLUSH, DID NOT GET ALL OF RESIN IN STG] ISIP=3795#, FG=1.00, AR=41.3, AP=4123#, MR=41.5, MP=7326#, NPI=1142# 34/40 CALC PERFS OPEN, SWIFN.
12/2/2008	<u>SUPERVISOR: KEN WARREN</u> <span style="float:right">MD:</span>						
	7:00 - 7:15	0.25	COMP	48		P	HSM, WORKING W/ WIRE LINE

Wins No.: 71842

NBU 394

API No.: 4304734804

EVENT INFORMATION:	EVENT ACTIVITY: RECOMPLETION	REASON: WAS	AFE NO.: 2027331
	OBJECTIVE: DEVELOPMENT	DATE WELL STARTED/RESUMED:	
	OBJECTIVE2: RECOMPLETE	Event End Status: COMPLETE	

RIG OPERATIONS:	Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
KEY 234 / 234	11/25/2008						12/03/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
	7:15 - 17:00	9.75	COMP	44	C	P	STG #4] OPEN WELL, P/U RIH W/ BKR 8K CBP & PERF GUN, SET CBP @ 5160' PERF WASATCH USING 3-3/8 EXPEN, 23 GRM, 0.36" HOLE 4 SPF, 90° PH, [40 HOLES] 5108'-5118' 40 HOLES,  WHP=0#, BRK DN PERFS @ 2711#, INJT PSI=2500#, INJT RT=41.5, ISIP=794#, FG=.60, PUMP'D 1247.1 BBLS SLK WTR W/ 48627# 30/50 MESH W/ 5000# RESIN COAT IN TAIL, ISIP=1937#, FG=.82, AR=41.5, AP=2600#, MR=41.7, MP=2783#, NPI=1143#, 40/40 CALC PERFS OPEN 100%.  P/U RIH W/ BKR 8K CBP, SET CBP @ 5058', POOH R/D WIRE LINE & WEATHERFORD FRAC EQUIP. N/D FRAC VALVES, NU BOPS, R/U TBG EQUIP, RIH W/ 60 JNTS 2-3/8 TBG, POOH L/D 60 JNTS, P/U SLIDING SLEEVE PKG W/ RBS MILL, RIH TAG KILL PLUG P/U PWR SWVL, PULL HIGH KELLEY READY TO DRL IN A.M SWIFN.
12/4/2008	<u>SUPERVISOR:</u> KEN WARREN 7:00 -			33	A		<u>MD:</u> 7 AM FLBK REPORT: CP 1400#, TP 700#, 34/64" CK, 40 BWPH, 1/2 CUP SAND, - GAS TTL BBLS RECOVERED: 680 BBLS LEFT TO RECOVER: 5867
12/5/2008	<u>SUPERVISOR:</u> RYAN BIRCHELL 7:00 -  10:00 -		PROD	33	A		<u>MD:</u> 7 AM FLBK REPORT: CP 1300#, TP 600#, 20/64" CK, 30 BWPH, - SAND, - GAS TTL BBLS RECOVERED: 1900 BBLS LEFT TO RECOVER: 4647  WELL TURNED TO SALES @ 1000 HR ON 12/5/2008 - FTP 850#, CP 1500#, CK 20/64", 1200 MCFD, 360 BWPD
12/6/2008	<u>SUPERVISOR:</u> RYAN BIRCHELL 7:00 -			33	A		<u>MD:</u> 7 AM FLBK REPORT: CP 1500#, TP 950#, 20/64" CK, 15 BWPH, TRACE SAND, 1148 GAS TTL BBLS RECOVERED: 2260 BBLS LEFT TO RECOVER: 4287
12/7/2008	<u>SUPERVISOR:</u> RYAN BIRCHELL 7:00 -			33	A		<u>MD:</u> 7 AM FLBK REPORT: CP 1500#, TP 900#, 20/64" CK, 15 BWPH, CLEAN SAND, 1162 GAS TTL BBLS RECOVERED: 2620 BBLS LEFT TO RECOVER: 3927

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>	
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.	
<b>1. TYPE OF WELL</b> Gas Well	<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-01197-A-ST
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	<b>7. UNIT or CA AGREEMENT NAME:</b> NATURAL BUTTES
<b>PHONE NUMBER:</b> 720 929-6100	<b>8. WELL NAME and NUMBER:</b> NBU 394
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0935 FSL 1336 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWSE Section: 11 Township: 10.0S Range: 22.0E Meridian: S	<b>9. API NUMBER:</b> 43047348040000
	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
	<b>COUNTY:</b> UINTAH
	<b>STATE:</b> UTAH

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 Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 10/1/2015	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <input type="text" value="TUBING FAILURE"/>

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

A WORKOVER FOR TUBING FAILURE HAS BEEN COMPLETED ON THE NBU 394, SEE THE ATTACHED OPERATIONS SUMMARY REPORT.

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 October 08, 2015

<b>NAME (PLEASE PRINT)</b> Doreen Green	<b>PHONE NUMBER</b> 435 781-9758	<b>TITLE</b> Regulatory Analyst II
<b>SIGNATURE</b> N/A	<b>DATE</b> 10/6/2015	

US ROCKIES REGION  
Operation Summary Report

Well: NBU 394

Spud date: 6/6/2003

Project: UTAH-UINTAH

Site: NBU 394

Rig name no.: GWS 1/1

Event: WELL WORK EXPENSE

Start date: 9/16/2015

End date: 9/22/2015

Active datum: GL @5,147.99usft (above Mean Sea Level)

UWI: NBU 394

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD from (usft)	Operation
9/3/2015	7:00 - 10:00	3.00	MAINT	35		P		Drove to loc. Rigged up. RIH w/1.906 Broach to 7701', POOH. Blew well to tank, but well petered out. RIH w/G-1 Tool to 7701', POOH. No fish. RIH w/JDC to 7701', latched plunger, POOH. RIH w/JDC to 7703', latched spring, hit jars @ 1200 lbs. for about an hour, POOH. Rigged down, traveled to yard. FLUID LEVEL 3100 SEAT NIPPLE DEPTH 7703 SN TYPE X TD (Max Depth) 8262
9/16/2015	7:00 - 7:15	0.25	MAINT	48		P		HSM,JSA. RIG MOVE.
	7:15 - 13:00	5.75	MIRU	30	A	P		RODE RI TO LOC.SPOT RIG & EQUIP. RU SAME.
	13:00 - 14:30	1.50	MIRU	30	F	P		TBG/CSG PSI 50#. CNTRL WELL W/ 50 BBLS T-MAC. NDWH,UNLAND TBG, TBG WAS NOT STUCK. LAND TBG, NUBPOE AND TBG EQUIP.
	14:30 - 17:00	2.50	MAINT	31	I	P		UNLAND TBG, TALLY & RIH W/ 17 JTS 2-3/8" P-110 TAGGED UP @ 8190'. BBTM PERF @ 8464' PBTB @ 8480' LD 17 JTS. SWIFN.
9/17/2015	7:00 - 7:15	0.25	MAINT	48		P		HSM, JSA
	7:15 - 12:00	4.75	MAINT	31	A	P		TBG/CSG 550PSI. BLED WELLLL DOWN. CNTRL WELL RU SCAN TECH. POOH AND LD 245 JTS 2-3/8" J-55 TBG. INSPECTION RESULTS: 66 JTS YELLOW BAND 15 JTS BLUE BAND 1 JT DBL BLUE BAND 163 JTS RED BAND. 187 JTS REJECTED 58 JTS OF GOOD PIPE. ALL 245 JTS WILL BE REPLACED WITH L-80 W/ 1% CHROME TBG.
	12:00 - 18:00	6.00	MAINT	31	I	P		TALLY AND RIH W/ SUPERIOR ORBIT BIT, XO AND 259 JTS 2-3/8" L-80 TBG W/ 1% CHROME TAGGED FILL @ 8131' LD 1 JNT SWIFN EOT @ 8100' 258 JTS.
9/18/2015	7:00 - 7:15	0.25	MAINT	48		P		HSM,JSA
	7:15 - 9:00	1.75	MAINT	44	D	P		CSG 600 PSI - TBG0 PSI . RU PWR SWVL, N2/FOAM UNIT. ATTEMPT TO BREAK CONV. CIRC. TBG WAS PLUGGED. RD PWR SWVL AND N2/FOAM UNIT.
	9:00 - 17:00	8.00	MAINT	31	I	S		POOH W/ 260 JTS AND BHA, BTM JNT AND ORBIT BIT WAS PLUGGED W/ SCALE. MU MILL AND XO, RIH W/ 201 JNTS TBG. EOT @ 6314' SWIFWE
9/21/2015	7:00 - 7:30	0.50	MAINT	48		P		HSM, WORKING W/ N2 & AIR UNITS.
	7:30 - 8:30	1.00	MAINT	31	I	P		SICP 650, SITP 650, OPEN CSG TO FB TNK, CONTROL TBG W/ 25 BBLS T-MAC, RIH W/ 34 JTS TAG UP @ 7382', 808' HIGHER THAN FIRST MILL. HAD TO L/D 20 JTS TO GET PIPE OUT OF DERICK. TAG BACK UP @ 7382' RU DRLG EQUIP.

US ROCKIES REGION  
Operation Summary Report

Well: NBU 394

Spud date: 6/6/2003

Project: UTAH-UINTAH

Site: NBU 394

Rig name no.: GWS 1/1

Event: WELL WORK EXPENSE

Start date: 9/16/2015

End date: 9/22/2015

Active datum: GL @5,147.99usft (above Mean Sea Level)

UWI: NBU 394

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD from (usft)	Operation
	8:30 - 15:00	6.50	MAINT	44	D	P		BROKE CIR W/ N2 / AIR IN 1 HR 25 MIN, C/O HARD SCALE F/ 7382' TO 7402', FELL FREE TO 7696' KILL TBG PULL UP REM TSF, RIH TAG BACK UP @ 8167', RU SWIVEL INST TSF, BROKE CIRC W/ N2 / AIR, C/O PATCHY SCALE F/ 8167' TO 8250', CIRC CLN, KILL TBG, RD SWIVEL.
	15:00 - 17:00	2.00	MAINT	31	I	P		L/D 3 JTS REM TSF, L/D 18 JTS, POOH W/ 114 JTS SWI SDFN.
9/22/2015	7:00 - 7:30	0.50	MAINT	48		P		HSM, BROACHING TBG WITH SAND LINE.
	7:30 - 12:30	5.00	MAINT	31	I	P		SICP 800, SITP 800, CONTROL TBG W/ 30 BBLS, POOH W/ REM 128 JTS, L/D MILL, RIH W/ NEW 1.875 X/N & 242 JTS 23/8 L-80 W/ 1% CHROME BROACHING, LAND TBG ND BOPS NU WH.  KB = 15' 7" HANGER = 1.00' 242 JTS 23/8 L-80 W/ 1% CHROME ID = 7589.42' 1.875 X/N = 1.05' EOT @ 7606.47'
	12:30 - 17:30	5.00	MAINT	31	H	P		RU & BLEW WELL AROUND W/ N2 & AIR, SWI RDMOL, MIRU ON NBU 1022-19B SDFN.
9/30/2015	7:00 - 17:00	10.00	PROD	42	B	P		Arrived to location, rigged up and blew tubing pressure down. Starting pressure Tb 60 PSI CA 1000 PSI Started swabbing made 6 runs. Fluid level was at 3500 ft. Recovered 45 bbl. Got ready to swab and when we started bleeding the pressure on the tubing, we noticed we had a restriction somewhere from the well to the tank, so we called operator and he came and we started trouble shoot and found out where we had the restriction, so we took flow line apart and fixed it, we started swabbing and swabbed well back on, it unloaded for a while and then it died. Well had some scale at the first runs. Shut well in and headed back to the shop. Ending Pressure TB 10 PSI CA 900 PSI Ending tank level= 3'2"

US ROCKIES REGION  
**Operation Summary Report**

Well: NBU 394		Spud date: 6/6/2003	
Project: UTAH-UINTAH		Site: NBU 394	Rig name no.: GWS 1/1
Event: WELL WORK EXPENSE		Start date: 9/16/2015	End date: 9/22/2015
Active datum: GL @5,147.99usft (above Mean Sea Level)		UWI: NBU 394	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD from (usft)	Operation
10/1/2015	7:00 - 17:00	10.00	PROD	42	B	P		<p>Arrived to location, rigged up and blew tubing pressure down.</p> <p>Starting pressure Tb 80 PSI CA 980 PSI</p> <p>Started swabbing made 2 runs.</p> <p>Fluid level was at 3500 ft.</p> <p>Recovered 40 bbl.</p> <p>Swabbed well back on, well unloaded for a while and casing was communicating really well until it died when casing got down to 700 psi. Went after it again and got well unloading again. Talked to operator and we set well on open sale pause overnight. Rigged down and moved to next well.</p> <p>Ending Pressure TB 120 PSI CA 660 PSI Ending tank level= 5'6"</p>