

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

FORM 3

001

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: ML-3276	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 type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>				8. UNIT or CA AGREEMENT NAME: NATURAL BUTTES UNIT	
2. NAME OF OPERATOR: WESTPORT OIL & GAS COMPANY L.P.				9. WELL NAME and NUMBER: NBU 1022-16H	
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078			PHONE NUMBER: (435) 781-7024	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2169'FNL & 1298'FEL <i>633327x 39.950196</i> <i>4423186y -109.439267</i> AT PROPOSED PRODUCING ZONE:				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 16 10S 22E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 35.2 MILES SOUTHEAST OF OURAY, UTAH				12. COUNTY: UINTAH	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1298'		16. NUMBER OF ACRES IN LEASE: 480.00		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40.00	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) REFER TO TOPO C		19. PROPOSED DEPTH: 8,800		20. BOND DESCRIPTION: RLB0005238	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5247'GL		22. APPROXIMATE DATE WORK WILL START:		23. ESTIMATED DURATION:	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12 1/4"	9 5/8"	H-40	32.3#	1,900	265 SX
7 7/8"	4 1/2"	I-80	11.6#	8,800	1840 SX

RECEIVED
SEP 21 2004

DIV. OF OIL, GAS & MINING

ATTACHMENTS

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

- | | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST
SIGNATURE *Sheila Upchego* DATE 9/10/2004

(This space for State use only)

API NUMBER ASSIGNED: 43-047-35943

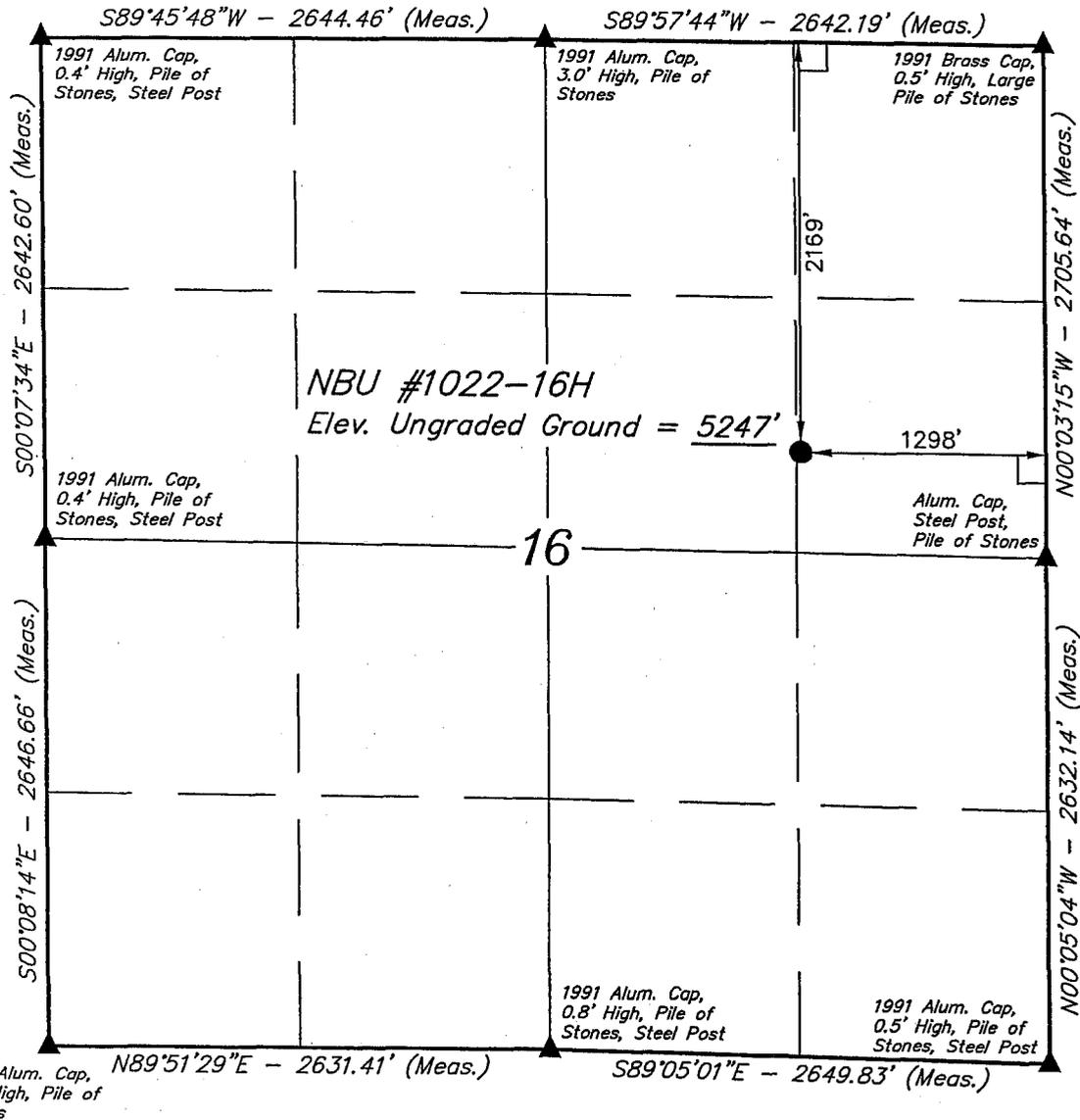
APPROVAL:

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 10-27-04
By: *[Signature]*

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

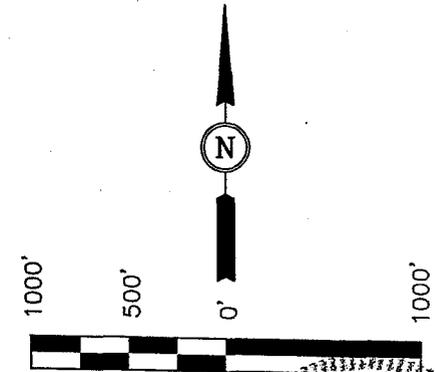
WESTPORT OIL AND GAS COMPANY, L.P.

Well location, NBU #1022-16H, located as shown in the SE 1/4 NE 1/4 of Section 16, 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 SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



REGISTERED LAND SURVEYOR
 CERTIFICATE
 No. 161319
 STATE OF UTAH

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 L. Key
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

BASIS OF BEARINGS

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

(NAD 83)

LATITUDE = $39^{\circ}57'01.09''$ (39.950303)

LONGITUDE = $109^{\circ}26'23.89''$ (109.439969)

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

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

SCALE 1" = 1000'	DATE SURVEYED: 8-10-04	DATE DRAWN: 8-11-04
PARTY K.K. J.T. K.G.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE WESTPORT OIL AND GAS COMPANY, L.P.	

NBU #1022-16H
SE/NE Sec. 16, T10S, R22E
UINTAH COUNTY, UTAH
ML-3276

ONSHORE ORDER NO. 1

DRILLING PROGRAM

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

<u>Formation</u>	<u>Depth</u>
Uinta	Surface
Green River	1190'
Wasatch	4200'
Mesaverde	6670'
TD	8800'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1190'
Gas	Wasatch	4200'
Gas	Mesaverde	6670'
Water	N/A	
Other Minerals	N/A	

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

Please see the attached Drilling Program.

4. **Proposed Casing & Cementing Program:**

Please see the attached Drilling Program

5. **Drilling Fluids Program:**

Please see the attached Drilling Program.

6. **Evaluation Program:**

Please see the attached Drilling Program.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 8,800' TD, approximately equals 3520 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1584 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

9. **Variations:**

Please see the attached Drilling Program.

10. **Other Information:**

Please see the attached Drilling Program.



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

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 1900	32.30	H-40	STC	0.86***** 7780	1.54 6350	4.73 201000
PRODUCTION	4-1/2"	0 to 8800	11.60	I-80	LTC	2.95	1.39	2.26

- 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 (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)
 (Burst Assumptions: TD = 10.0 ppg) .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)
 MASP 2640 psi

***** Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
Option 1	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE		NOTE: If well will circulate water to surface, option 2 will be utilized					
Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,700'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	410	60%	11.00	3.38
	TAIL	5,100'	50/50 Poz/G + 10% salt + 2% gel + .1% R-3	1430	60%	14.30	1.31

- *Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained
 *Substitute caliper hole volume plus 15% excess for TAIL if accurate caliper is obtained

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 every 2000'. Maximum allowable hole angle is 5 degrees.

DRILLING ENGINEER: _____
 Brad Laney

DATE: _____

DRILLING SUPERINTENDENT: _____
 Randy Bayne

DATE: _____

NBU #1022-16H
SE/NE Sec. 16, T10S-R22E
Uintah County, UT
ML-3276

ONSHORE ORDER NO. 1

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 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, standard color number 2.5Y 6/2.

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

Refer to Topo D for the proposed pipeline.

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 of the well due to current rig availability. If the proposed location is not large enough to accommodate the drilling rig the location will be re-surveyed and a Form 9 shall be submitted.

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:**

SITLA
675 East 500 South, Suite 500
Salt Lake City, UT 84102

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 will be submitted when report becomes available.

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

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

Sheila Upchego
Regulatory Analyst
Westport O&G Co. L.P.
P.O. Box 1148
Vernal, UT 84078
(435) 781-7024

Randy Bayne
Drilling Manager
Westport O&G Co. L.P.
P.O. Box 1148
Vernal, UT 84078
(435) 781-7018

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.

Westport O&G Co. L.P. is considered to be the operator of the subject well. Westport O&G Co. L.P. 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 Westport O&G Co. L.P. State Surety Bond: RLB0005238.

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.


Sheila Upchego

9/10/04
Date

WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1022-16H

SECTION 16, 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, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 11.2 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 EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 8.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 2.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN AN EASTERLY DIRCTION APPROXIMATELY 0.6 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTH; FOLLOW ROAD FLAGS IN A SOUTHERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 54.6 MILES.

WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1022-16H
LOCATED IN UINTAH COUNTY, UTAH
SECTION 16, T10S, R22E, S.L.B.&M.

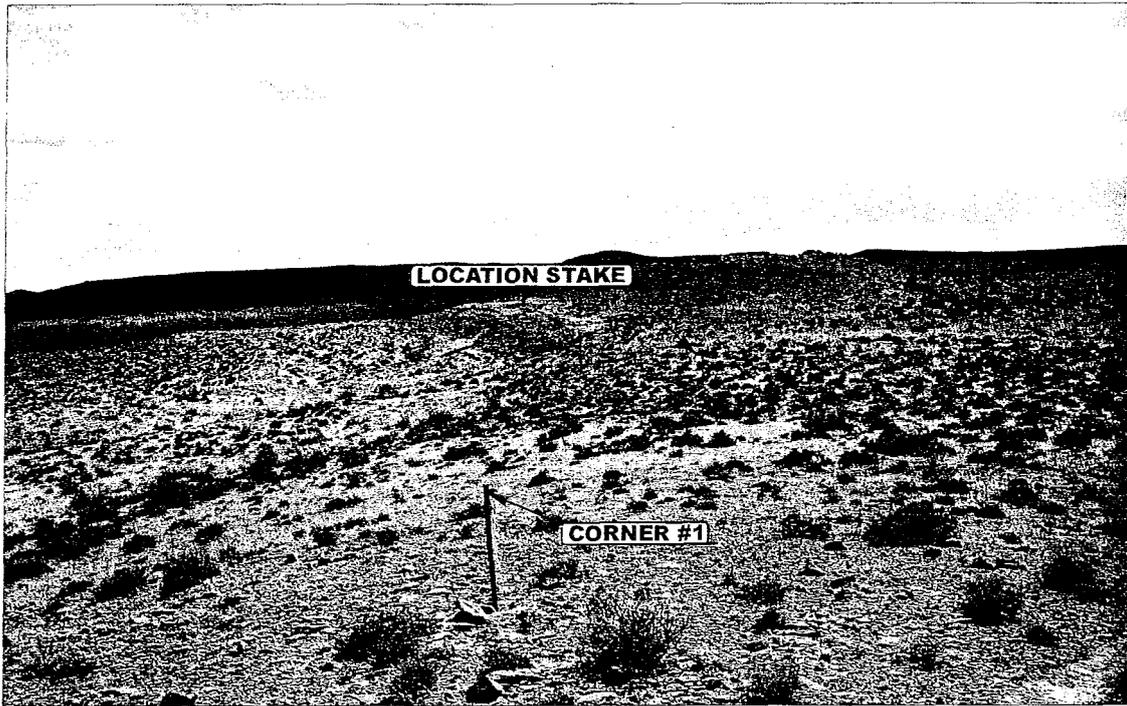


PHOTO: VIEW FROM CORNER #1 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

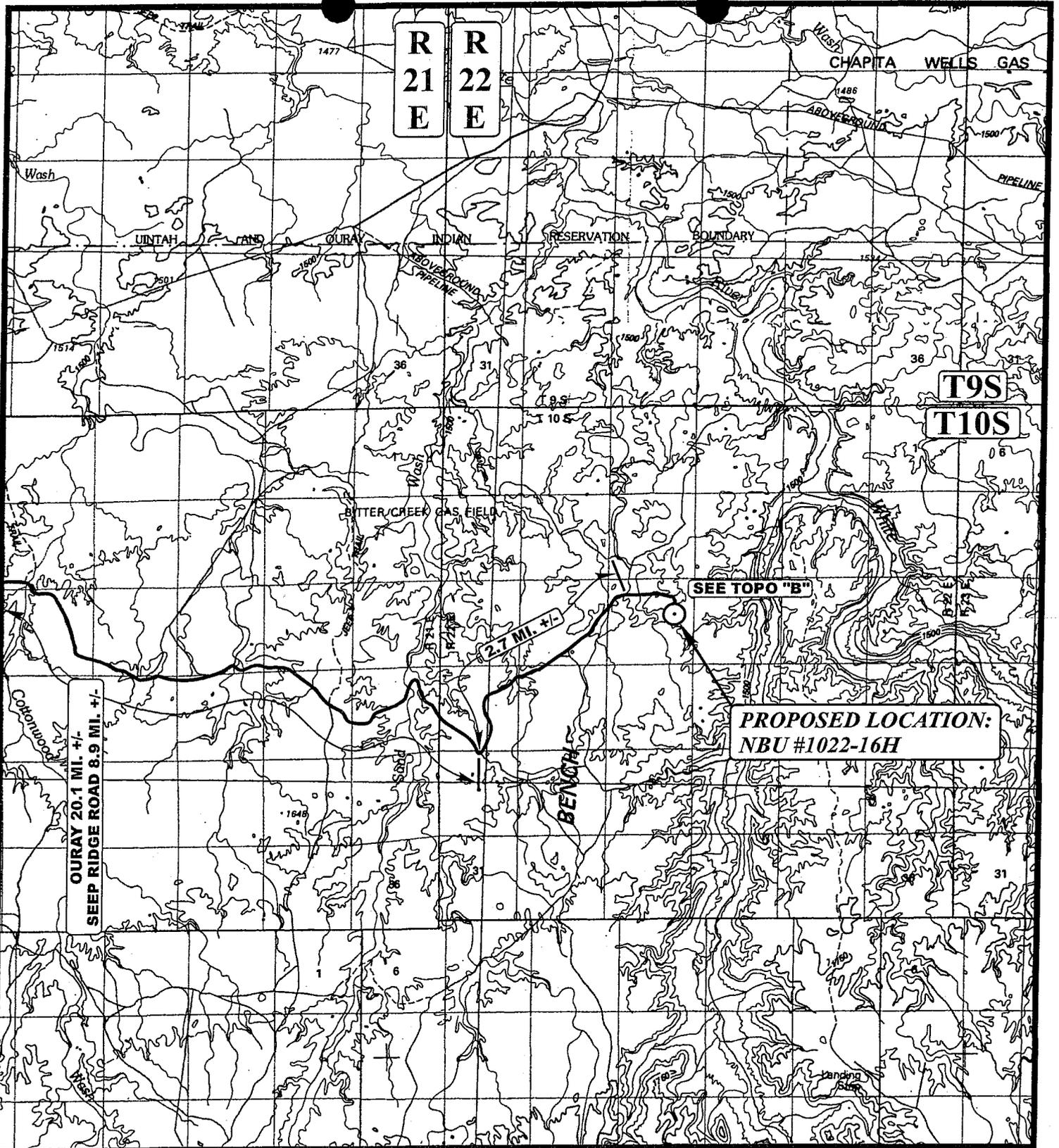
CAMERA ANGLE: SOUTHERLY



- Since 1964 -

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

LOCATION PHOTOS	8	12	04	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: J.T.	DRAWN BY: K.G.	REVISED: 00-00-00		



LEGEND:

⊙ PROPOSED LOCATION



WESTPORT OIL & GAS COMPANY, L.P.

NBU #1022-16H
 SECTION 16, T10S, R22E, S.L.B.&M.
 2169' FNL 1298' FEL



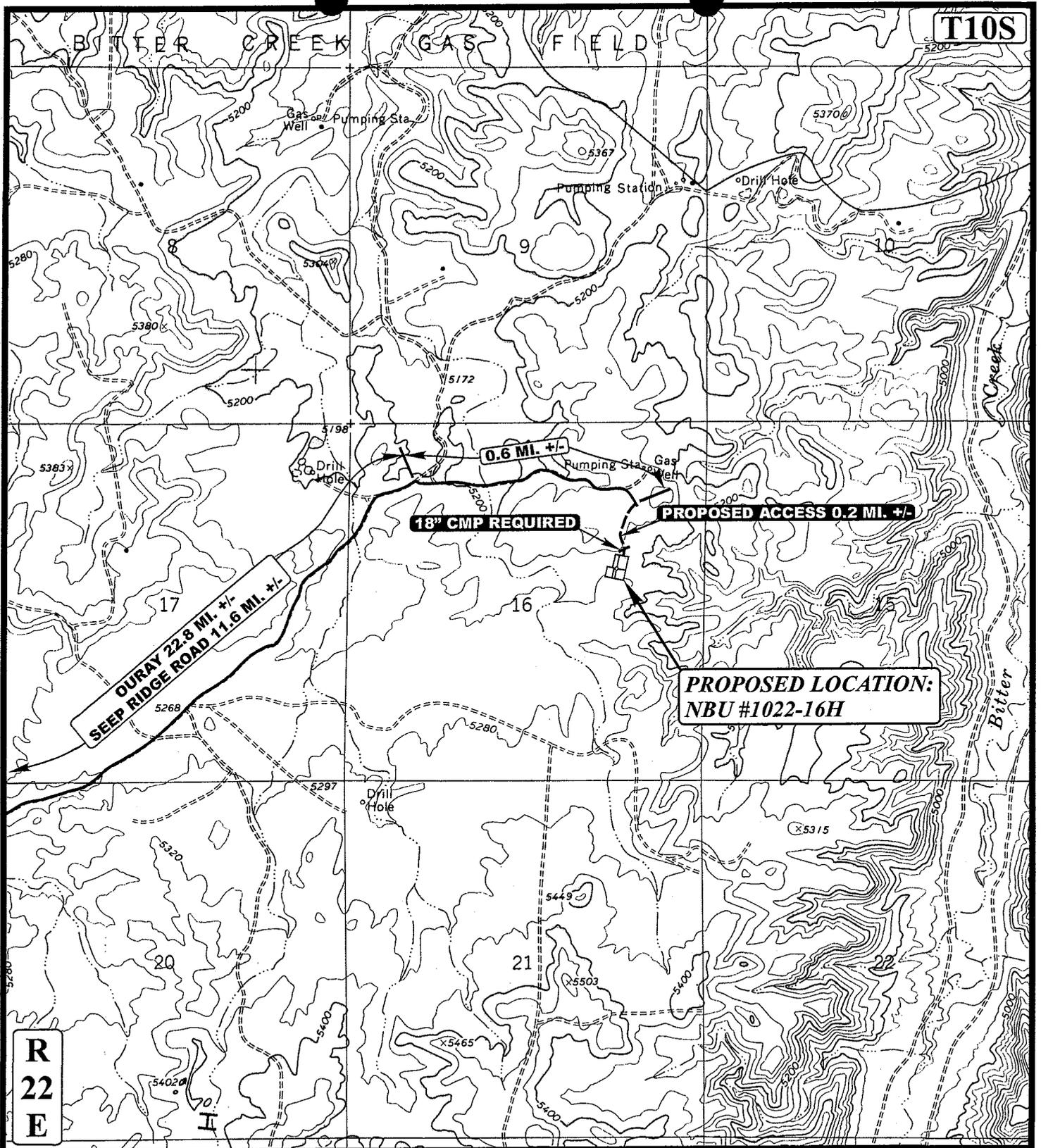
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
 MAP

8	12	04
MONTH	DAY	YEAR

SCALE: 1:100,000 | DRAWN BY: K.G. | REVISED: 00-00-00





R
22
E

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD

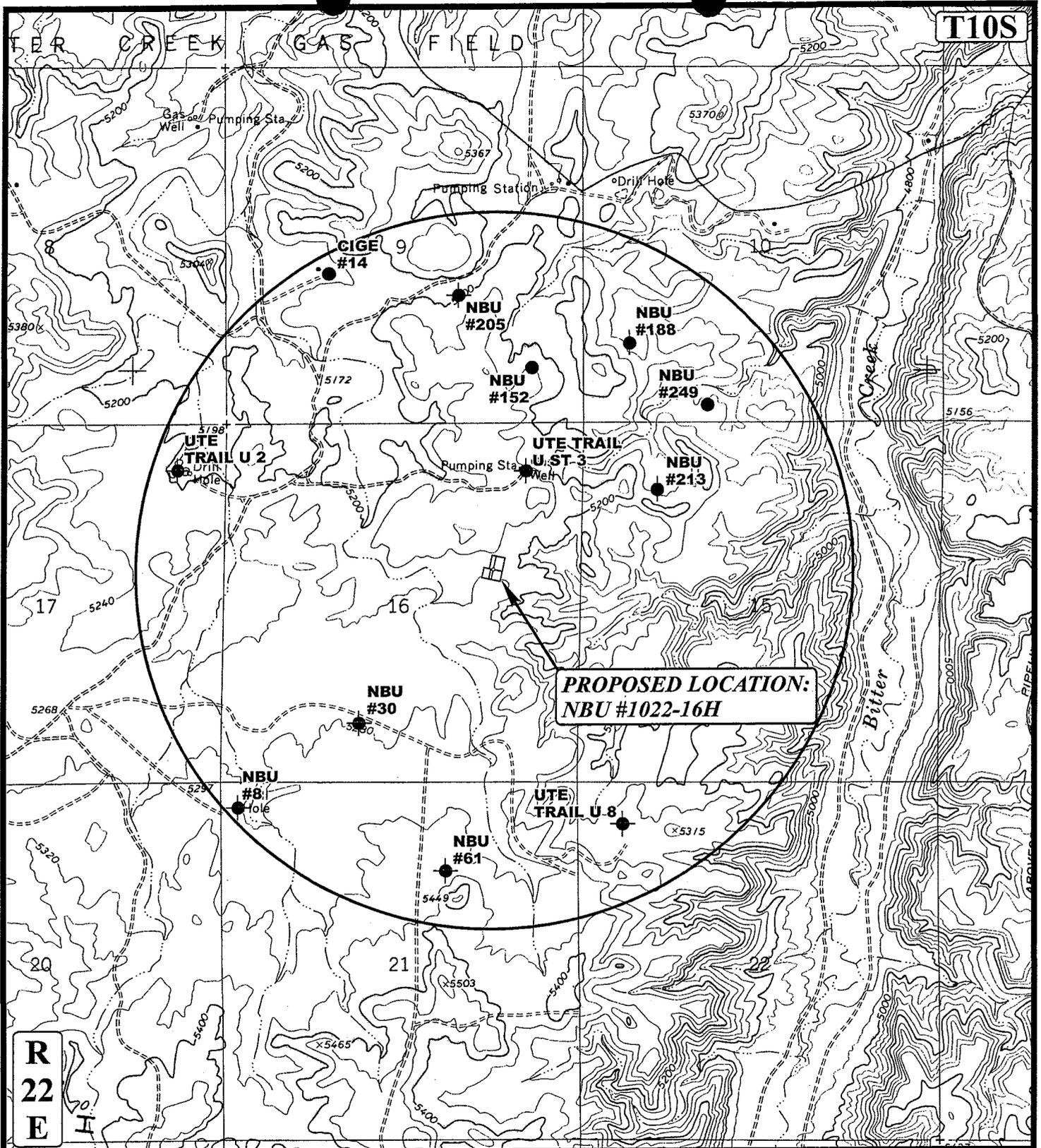
U E L S Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1022-16H
 SECTION 16, T10S, R22E, S.L.B.&M.
 2169' FNL 1298' FEL

TOPOGRAPHIC MAP	8	12	04	B TOPO
	MONTH	DAY	YEAR	
SCALE: 1" = 2000'		DRAWN BY: K.G.		REVISED: 00-00-00



**PROPOSED LOCATION:
NBU #1022-16H**

LEGEND:

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

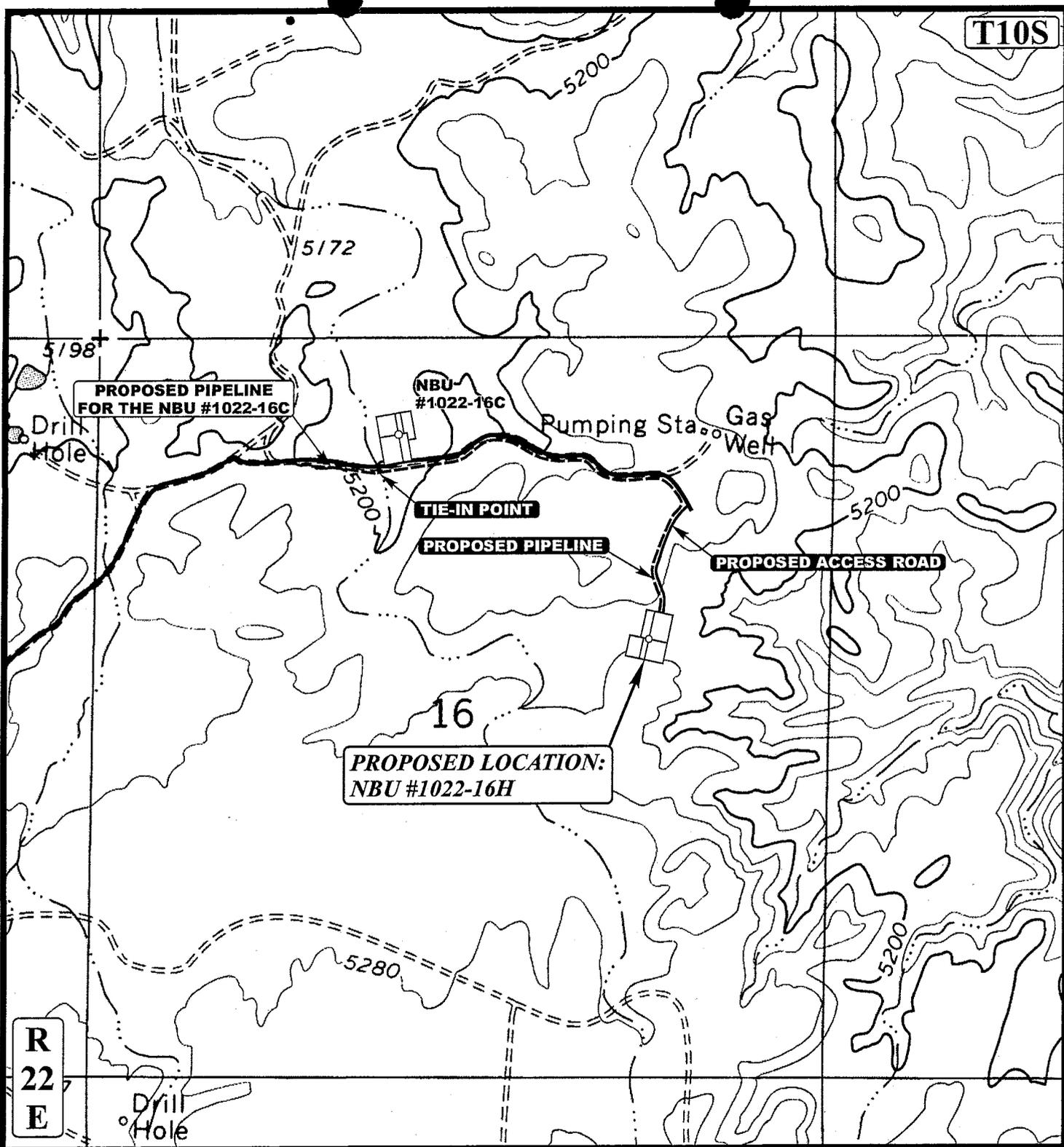
UES Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1022-16H
 SECTION 16, T10S, R22E, S.L.B.&M.
 2169' FNL 1298' FEL

TOPOGRAPHIC MAP 8 12 04
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: K.G. REVISED: 00-00-00 **C**
 TOPO

T10S



PROPOSED PIPELINE FOR THE NBU #1022-16C

NBU #1022-16C

Pumping Station Gas Well

TIE-IN POINT

PROPOSED PIPELINE

PROPOSED ACCESS ROAD

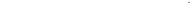
PROPOSED LOCATION: NBU #1022-16H

16

R
22
E

APPROXIMATE TOTAL PIPELINE DISTANCE = 3,200' +/-

LEGEND:

-  EXISTING PIPELINE
-  PROPOSED PIPELINE
-  PROPOSED ACCESS

WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1022-16H

SECTION 16, T10S, R22E, S.L.B.&M.

2169' FNL 1298' FEL



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

TOPOGRAPHIC MAP

8	12	04
MONTH	DAY	YEAR



SCALE: 1" = 1000' DRAWN BY: K.G. REVISED: 00-00-00

WESTPORT OIL AND GAS COMPANY, L.P.

FIGURE #2

TYPICAL CROSS SECTIONS FOR

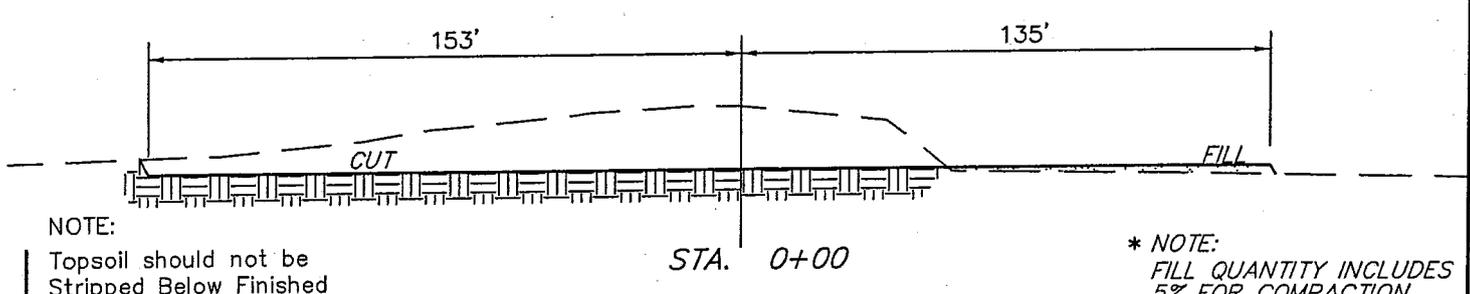
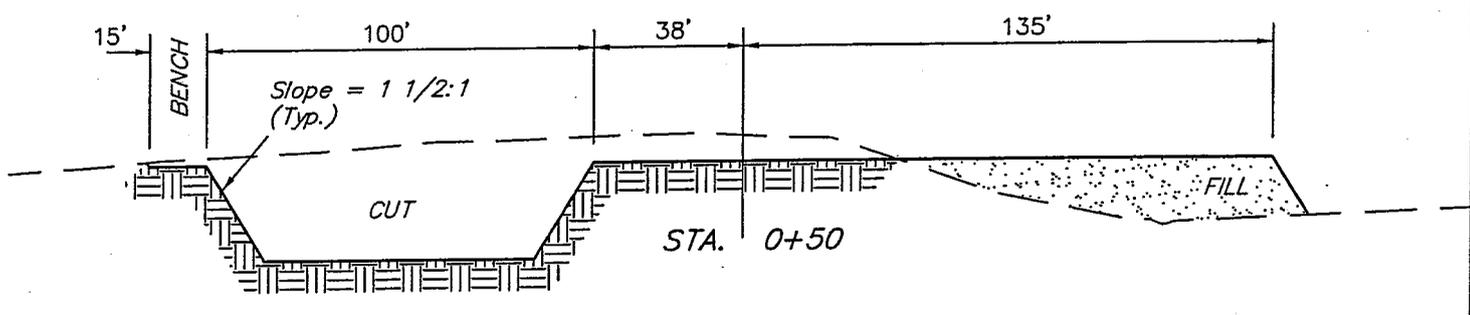
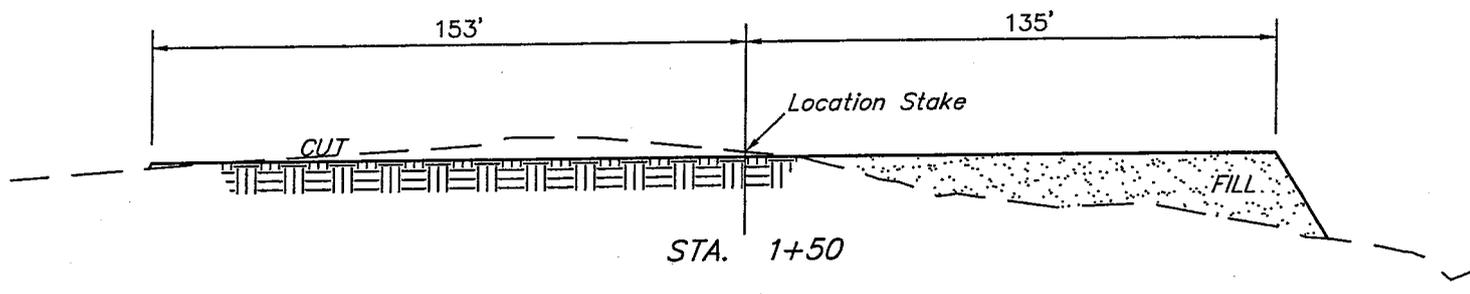
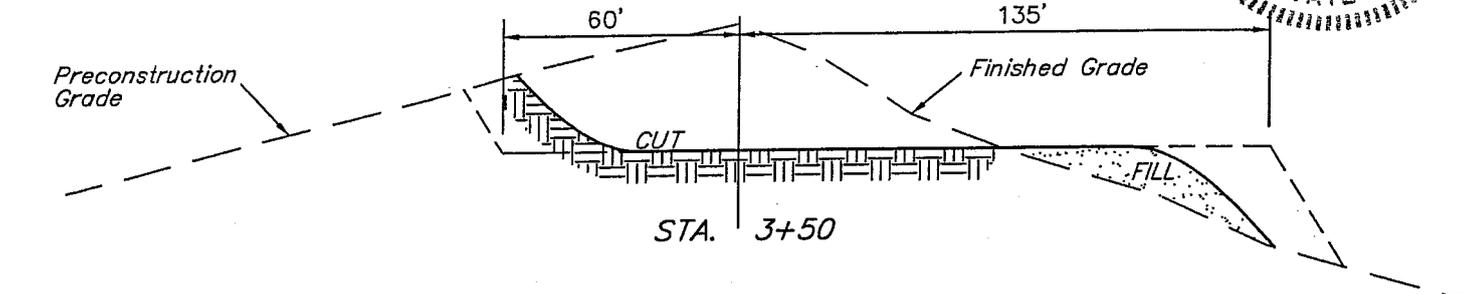
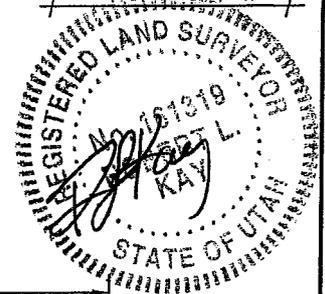
NBU #1022-16H

SECTION 16, T10S, R22E, S.L.B.&M.

2169' FNL 1298' FEL

1" = 20'
X-Section
Scale
1" = 50'

DATE: 8-11-04
Drawn By: K.G.



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

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

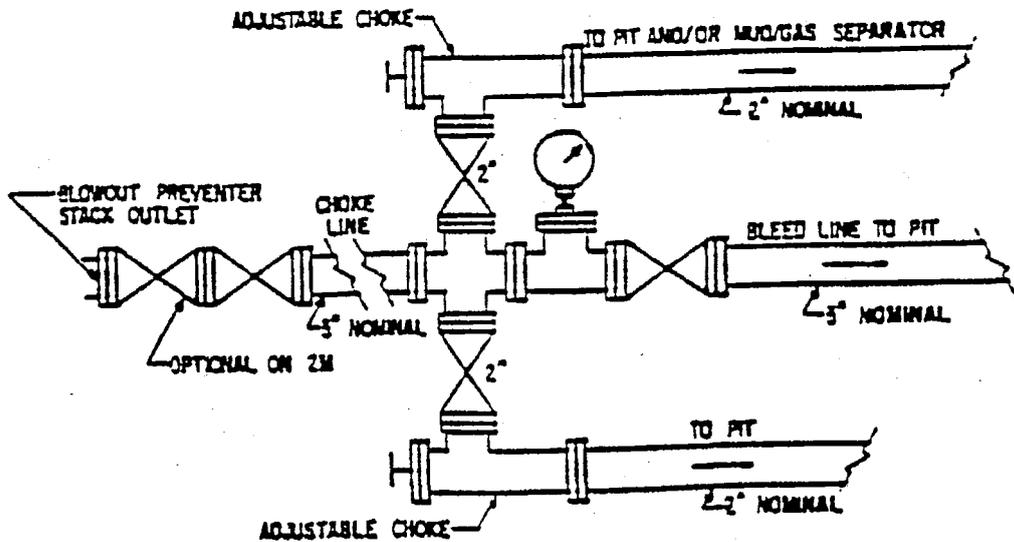
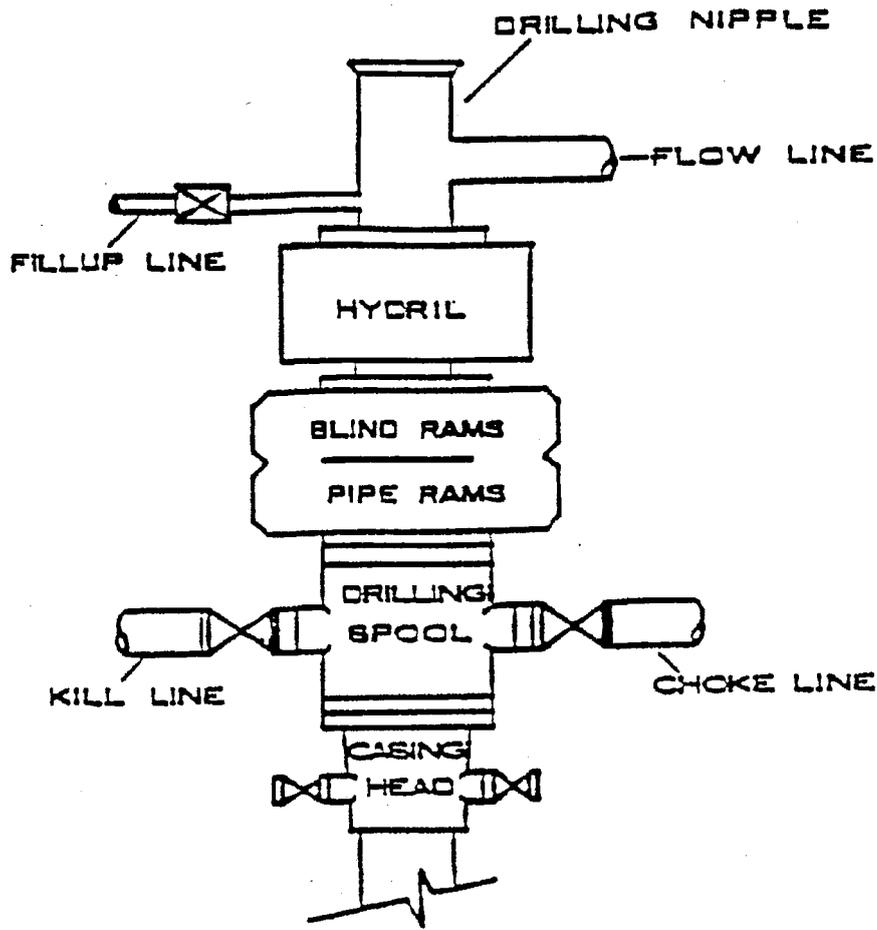
CUT	
(6") Topsoil Stripping	= 1,820 Cu. Yds.
Remaining Location	= 9,120 Cu. Yds.
TOTAL CUT	= 10,940 CU.YDS.
FILL	= 7,160 CU.YDS.

EXCESS MATERIAL	= 3,780 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,780 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

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

3,000 PSI

BOP STACK



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/21/2004

API NO. ASSIGNED: 43-047-35943

WELL NAME: NBU 1022-16H
OPERATOR: WESTPORT OIL & GAS CO (N2115)
CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

SENE 16 100S 220E
SURFACE: 2169 FNL 1298 FEL
BOTTOM: 2169 FNL 1298 FEL
UINTAH
NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	10/27/04	DKD
Geology		
Surface		

LEASE TYPE: 3 - State
LEASE NUMBER: ML-3276
SURFACE OWNER: 3 - State
PROPOSED FORMATION: WSMVD
COALBED METHANE WELL? NO

LATITUDE: 39.95020
LONGITUDE: -109.4393

RECEIVED AND/OR REVIEWED:

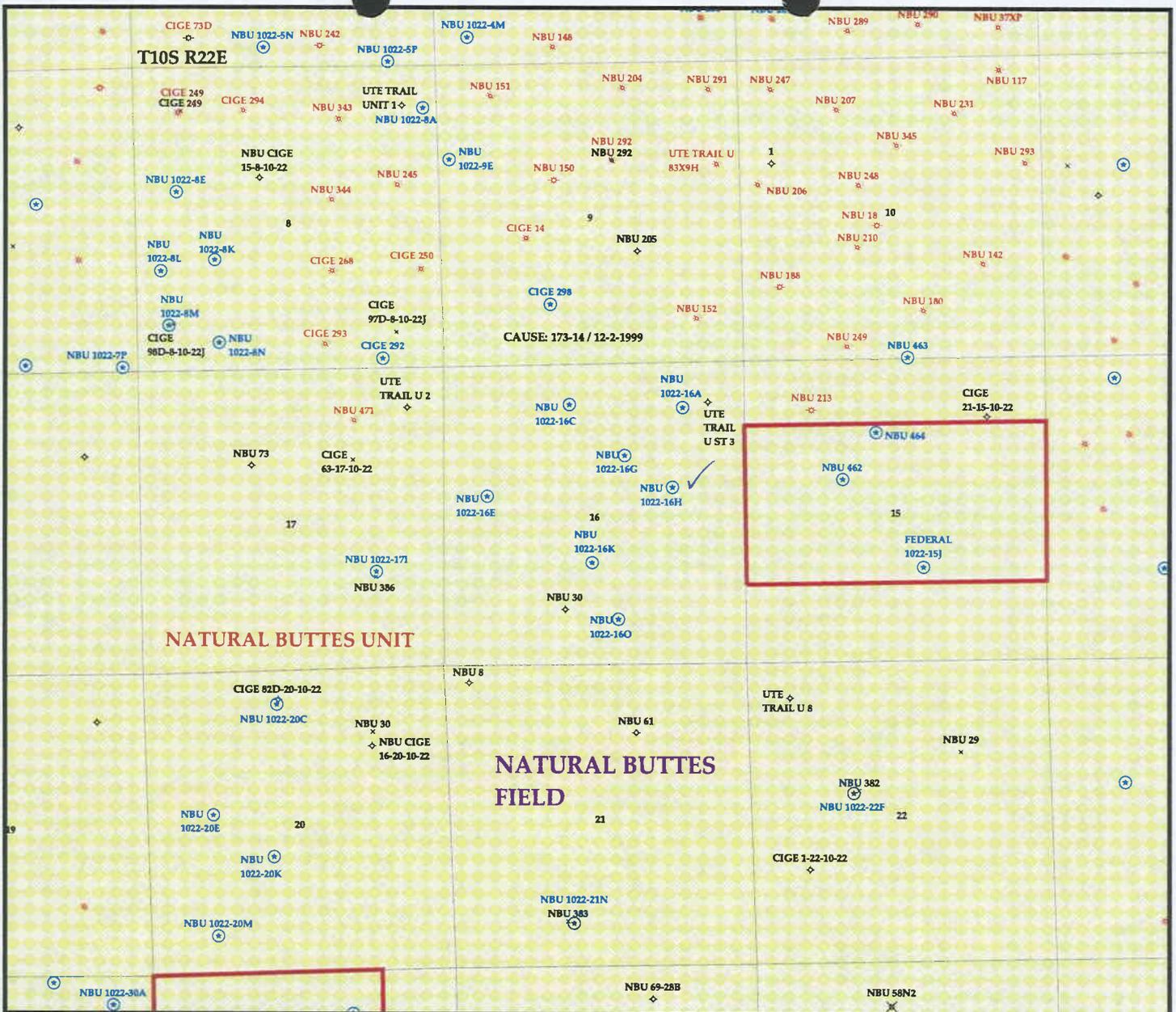
- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. RLB0005234)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-8496)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

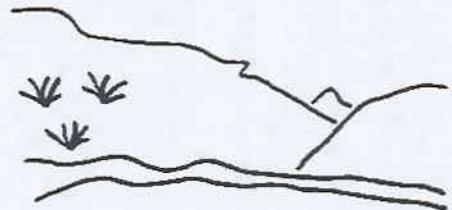
- ___ R649-2-3.
- Unit NATURAL BUTTES
- ___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- ___ R649-3-3. Exception
- Drilling Unit
Board Cause No: 173-14
Eff Date: 12-2-1999
Siting: 460' fr W baryf uncomm. tract
- ___ R649-3-11. Directional Drill

COMMENTS: Needs Presio(10-20-04)

STIPULATIONS: 1- Oil shale
2- Surface Cas Cont Stop
3- STATEMENT OF BASIS



OPERATOR: WESTPORT O&G CO (N2115)
SEC. 16 T.10S R.22E
FIELD: NATURAL BUTTES (630)
COUNTY: UINTAH
CAUSE: 173-14 / 12-2-1999



Utah Oil Gas and Mining

Wells	Units.shp	Fields.shp
⊕ GAS INJECTION	□ EXPLORATORY	⬛ ABANDONED
⊙ GAS STORAGE	□ GAS STORAGE	⬜ ACTIVE
× LOCATION ABANDONED	□ NF PP OIL	⬜ COMBINED
⊕ NEW LOCATION	□ NF SECONDARY	⬜ INACTIVE
⊕ PLUGGED & ABANDONED	□ PENDING	⬜ PROPOSED
⊕ PRODUCING GAS	□ PI OIL	⬜ STORAGE
⊕ PRODUCING OIL	□ PP GAS	⬜ TERMINATED
⊕ SHUT-IN GAS	□ PP GEOTHERML	
⊕ SHUT-IN OIL	□ PP OIL	
× TEMP. ABANDONED	□ SECONDARY	
⊕ TEST WELL	□ TERMINATED	
⊕ WATER INJECTION		
⊕ WATER SUPPLY		
⊕ WATER DISPOSAL		



PREPARED BY: DIANA WHITNEY
 DATE: 29-SEPTEMBER-2004

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

September 29, 2004

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2004 Plan of Development Natural Buttes Unit
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2004 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Mesaverde)

43-047-35943	NBU 1022-16H Sec 16	T10S R22E 2169 FNL 1298 FEL
43-047-35944	NBU 1022-16K Sec 16	T10S R22E 1835 FSL 2535 FWL
43-047-35945	NBU 1022-16O Sec 16	T10S R22E 0817 FSL 2290 FEL
43-047-35946	NBU 1022-16A Sec 16	T10S R22E 0763 FNL 1096 FEL
43-047-35947	NBU 1022-16C Sec 16	T10S R22E 0695 FNL 2163 FWL
43-047-35948	NBU 1022-16G Sec 16	T10S R22E 1603 FNL 2126 FEL
43-047-35949	NBU 1022-16E Sec 16	T10S R22E 2281 FNL 0718 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Natural Buttes Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:9-29-04

From: Ed Bonner
To: Whitney, Diana
Date: 10/7/2004 3:06:34 PM
Subject: Well Clearance

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

MSC Exploration LP
State MSC 35-2
North Thompson 2-1

Medallion Exploration
Atchee Ridge 16-19 #1

QEP Uinta Basin, Inc
CB 13G-36-6-20

Prima Oil & Gas Company
State Lost Creek 32-44
(Must avoid site in access road)

Westport Oil & Gas Company
NBU 1022-16H
NBU 1022-16K
NBU 1022-16O
NBU 1022-16A
NBU 1022-16C
NBU 1022-16G
NBU 1022-16E
NBU 1022-16M

Merrion Oil & Gas Corporation
Scud 1
Sparkle Dun 1

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

CC: Garrison, LaVonne; Hill, Brad; Hunt, Gil

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

OPERATOR: WESTPORT OIL AND GAS COMPANY, L.P.

WELL NAME & NUMBER: NBU 1022-16H

API NUMBER: 43-047-35943

LEASE: ML-3276 FIELD/UNIT: NATURAL BUTTES

LOCATION: 1/4, 1/4 SE/NE Sec: 16 TWP: 10S RNG: 22E 1298' FEL 2169' FNL

LEGAL WELL SITING: 460' from unit boundary and uncommitted tracts.

GPS COORD (UTM): 633325E 4423204N SURFACE OWNER: STATE OF UTAH

PARTICIPANTS

DAVID W. HACKFORD (DOGM), FLOYD BARTLETT (DWR), CLAY EINERSON, DEBRA DOMENICI (WESTPORT), KOLBY KAY, (UELS).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

SITE IS IN A RELATIVELY FLAT AREA OF LOW RIDGES AND SHALLOW DRAWS DRAINING GRADUALLY FOR 1.4 MILES TO THE NORTH, THEN 1.0 MILES TO THE NORTHEAST TO THE WHITE RIVER. BREAKS OF BITTER CREEK CANYON HEAD 0.5 MILES TO THE EAST. BITTER CREEK IS 1.1 MILES TO THE EAST. OURAY, UTAH IS 35.2 MILES TO THE NORTHWEST. THERE IS A SHARP ROCKY CANYON 800' TO THE NORTHEAST AND EAST AND A STEEP ROCKY KNOLL 300' TO THE SOUTH.

SURFACE USE PLAN

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING, HUNTING.

PROPOSED SURFACE DISTURBANCE: LOCATION WILL BE 350' BY 273'. ACCESS ROAD WILL BE 0.2 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.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS?
EXPLAIN: UNLIKELY.

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: SAGE, GREASEWOOD, HORSEBRUSH, PRICKLY PEAR, SHADSCALE, RABBITBRUSH: PRONGHORN, RODENTS, SONGBIRDS, RAPTORS, COYOTE, 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: 150' BY 100' AND 10' DEEP.

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

SURFACE RESTORATION/RECLAMATION PLAN

AS PER SITLA.

SURFACE AGREEMENT: AS PER SITLA.

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

OTHER OBSERVATIONS/COMMENTS

THIS PREDRILL INVESTIGATION WAS CONDUCTED ON A COOL, CLOUDY, WINDY DAY WITH NO SNOW COVER.

ATTACHMENTS

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

DAVID W. HACKFORD
DOGM REPRESENTATIVE

10/20/04, 1:00 PM
DATE/TIME

**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>0</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 25 (Level II 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.





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

OPERATOR: WESTPORT OIL AND GAS COMPANY, L.P.
WELL NAME & NUMBER: NBU 1022-16H
API NUMBER: 43-047-35943
LOCATION: 1/4,1/4 SE/NE Sec: 16 TWP: 10S RNG: 22E 1298' FEL 2169' FNL

Geology/Ground Water:

Westport proposes to set 1,900' 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 3,100'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. 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.

Reviewer: Brad Hill **Date:** 10/25/04

Surface:

The predrill investigation of the surface was performed on 10/20/04. Floyd Bartlett with DWR and Ed Bonner with SITLA were invited to this investigation on 10/06/04. Mr. Bartlett was present. He had no concerns regarding the construction of this location or the drilling of the well. This site is on State surface, with State minerals, and appears to be the best site for a location in the immediate area. There is a sharp, rocky canyon 800' to the east and northeast. Because of this terrain, Westport request exception spacing for this well.

Reviewer: David W. Hackford **Date:** 10/21/2004

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.

Well name:	10-04 Westport NBU 1022-16H		
Operator:	Westport Oil & Gas		
String type:	Surface	Project ID:	43-047-35943
Location:	Uintah		

Design parameters:	Minimum design factors:	Environment:
Collapse	Collapse:	H2S considered? No
Mud weight: 8.400 ppg	Design factor 1.125	Surface temperature: 65 °F
Design is based on evacuated pipe.		Bottom hole temperature: 92 °F
		Temperature gradient: 1.40 °F/100ft
		Minimum section length: 1,500 ft
	Burst:	Cement top: 541 ft
	Design factor 1.00	
Burst		Non-directional string.
Max anticipated surface pressure: 1,672 psi	Tension:	
Internal gradient: 0.120 psi/ft	8 Round STC: 1.80 (J)	
Calculated BHP 1,900 psi	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 buoyed weight.	Re subsequent strings:
	Neutral point: 1,666 ft	Next setting depth: 8,800 ft
		Next mud weight: 10.000 ppg
		Next setting BHP: 4,571 psi
		Fracture mud wt: 19,250 ppg
		Fracture depth: 1,900 ft
		Injection pressure 1,900 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	1900	9.625	32.30	H-40	ST&C	1900	1900	8.876	120.4

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	829	1370	1.652	1900	2270	1.19	54	254	4.72 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & Mining

Phone: 801-538-5280
FAX: 801-359-3940

Date: October 26, 2004
Salt Lake City, Utah

Remarks: Collapse is based on a vertical depth of 1900 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:

10-04 Westport NBU 1022-16H

Operator: **Westport Oil & Gas**

String type: Production

Project ID:

43-047-35943

Location: Uintah

Design parameters:

Collapse

Mud weight: 10,000 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 188 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Burst

Max anticipated surface pressure: 3,515 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 4,571 psi

No backup mud specified.

Burst:

Design factor 1.00

Cement top: Surface

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)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 7,484 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	8800	4.5	11.60	L-80	LT&C	8800	8800	3.875	204
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	4571	6350	1.389	4571	7780	1.70	87	212	2.44 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & Mining

Phone: 801-538-5280
FAX: 801-359-3940

Date: October 26, 2004
Salt Lake City, Utah

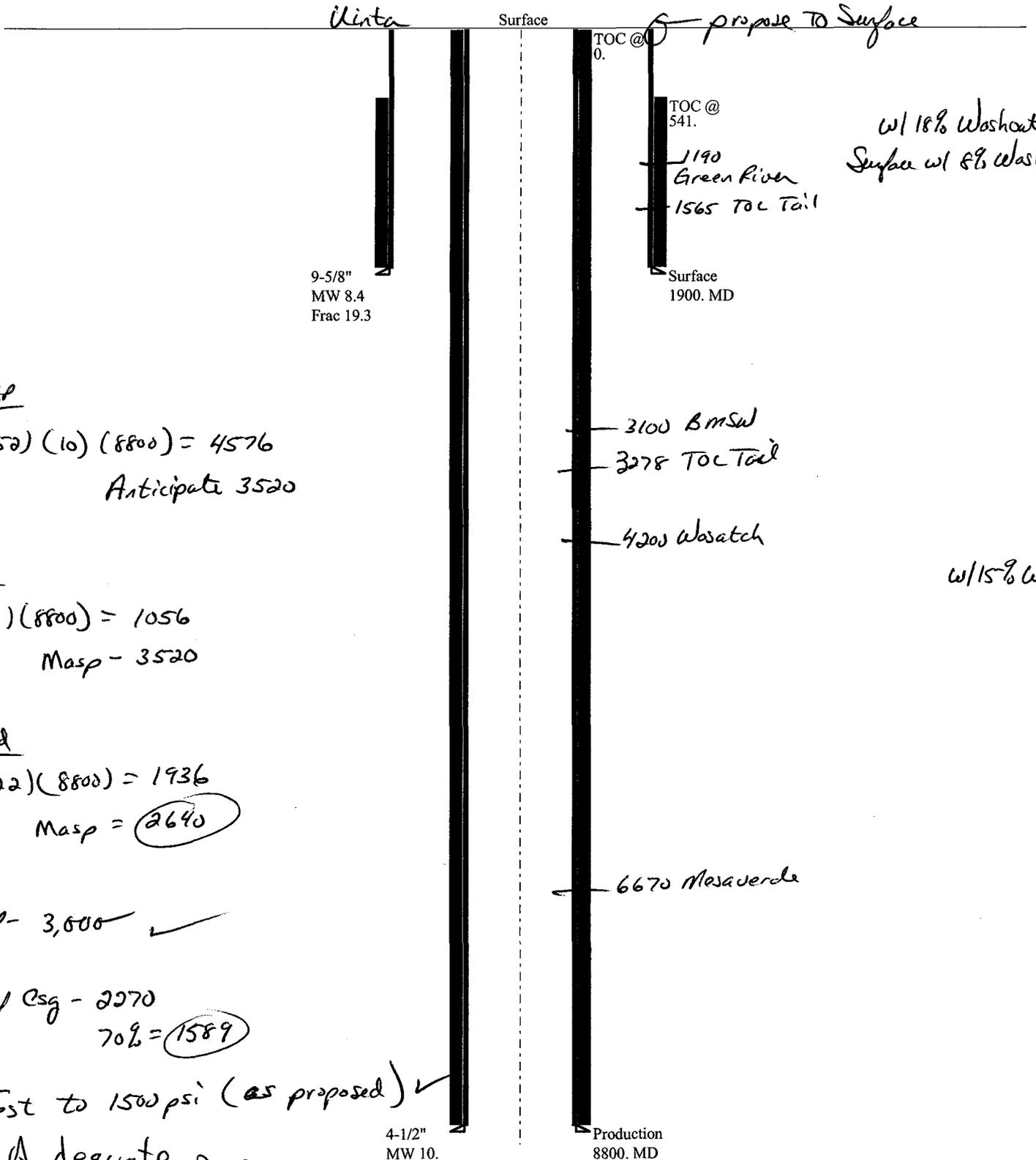
Remarks:

Collapse is based on a vertical depth of 8800 ft, a mud weight of 10 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

10-04 Westport NBU 1022-6H

Casing Schematic



w/ 18% Washout
Surface w/ 8% Washout

w/ 15% Washout

BHP

$(.052)(10)(8800) = 4576$
Anticipate 3520

Gas

$(.12)(8800) = 1056$
Masp - 3520

Fluid

$(.22)(8800) = 1936$
Masp = 2640

BOP - 3,000 ✓

Surf Csg - 2270
70% = 1589

Test to 1500 psi (as proposed) ✓

Adequate D&D 10/27/04

4-1/2"
MW 10.

Production
8800. MD



State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

October 27, 2004

Westport Oil & Gas Company, LP
1368 S 1200 E
Vernal, UT 84078

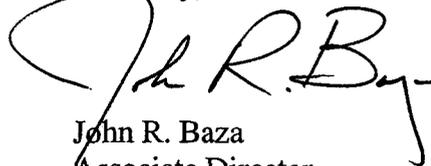
Re: Natural Buttes Unit 1022-16H Well, 2169' FNL, 1298' FEL, SE NE, Sec. 16,
T. 10 South, R. 22 East, Uintah County, Utah

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 43-047-35943.

Sincerely,



John R. Baza
Associate Director

pab
Enclosures

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

Operator: Westport Oil & Gas Company, LP
Well Name & Number Natural Buttes Unit 1022-16H
API Number: 43-047-35943
Lease: ML-3276

Location: SE NE Sec. 16 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.

Page 2

API # 43-047-35943

October 27, 2004

6. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
7. Surface casing shall be cemented to the surface.

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

005

6. Lease Designation and Serial Number
ML-3276

7. Indian Allottee or Tribe Name
N/A

8. Unit or Communitization Agreement
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)

9. Well Name and Number
NBU 1022-16H

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

10. API Well Number
43-047-35943

3. Address of Operator
1368 SOUTH 1200 EAST, VERNAL, UT 84078

4. Telephone Number
435-781-7044

11. Field and Pool, or Wildcat
NATURAL BUTTES

5. Location of Well
Footage : 2169' FNL, 1298' FEL County : UINTAH
QQ, Sec, T., R., M : SENE, SECTION 16, T10S, R22E, SLB&M State : UTAH

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 LOCATION LAYOUT CHANGE
- New Construction
- Pull or Alter Casing
- Recompletion
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

Approximate Date Work Will Start _____

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.)

WESTPORT OIL & GAS COMPANY, L.P. HAS NEED TO CHANGE THE ORIGINAL LOCATION LAYOUT TO ACCOMMODATE FOR A LARGER RIG; PIONEER 38.

PLEASE REFER TO THE ATTACHED LOCATION LAYOUT.

RECEIVED
MAR 01 2005
DIV. OF OIL, GAS & MINING

COPY SENT TO OPERATOR
Date: 3-2-05
Initials: CHO

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

Name & Signature Raleen Weddle Title Associate Regulatory Date 02/16/05

(State Use Only)

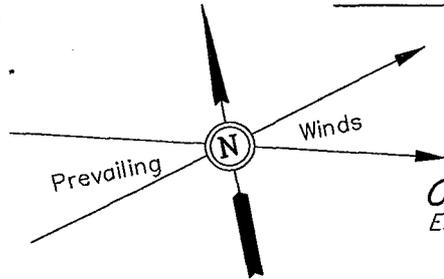
APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS AND MINING
DATE: 3/3/05
BY: [Signature]

WESTPORT OIL AND GAS COMPANY, L.P.

FIGURE #1

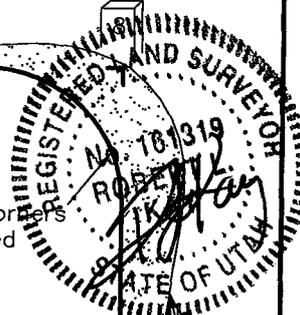
LOCATION LAYOUT FOR

NBU #1022-16H
SECTION 16, T10S, R22E, S.L.B.&M.
2169' FNL 1298' FEL



Proposed Access Road

SCALE: 1" = 50'
DATE: 8-11-04
Drawn By: K.G.
Rev: 12-1-04 E.C.O.

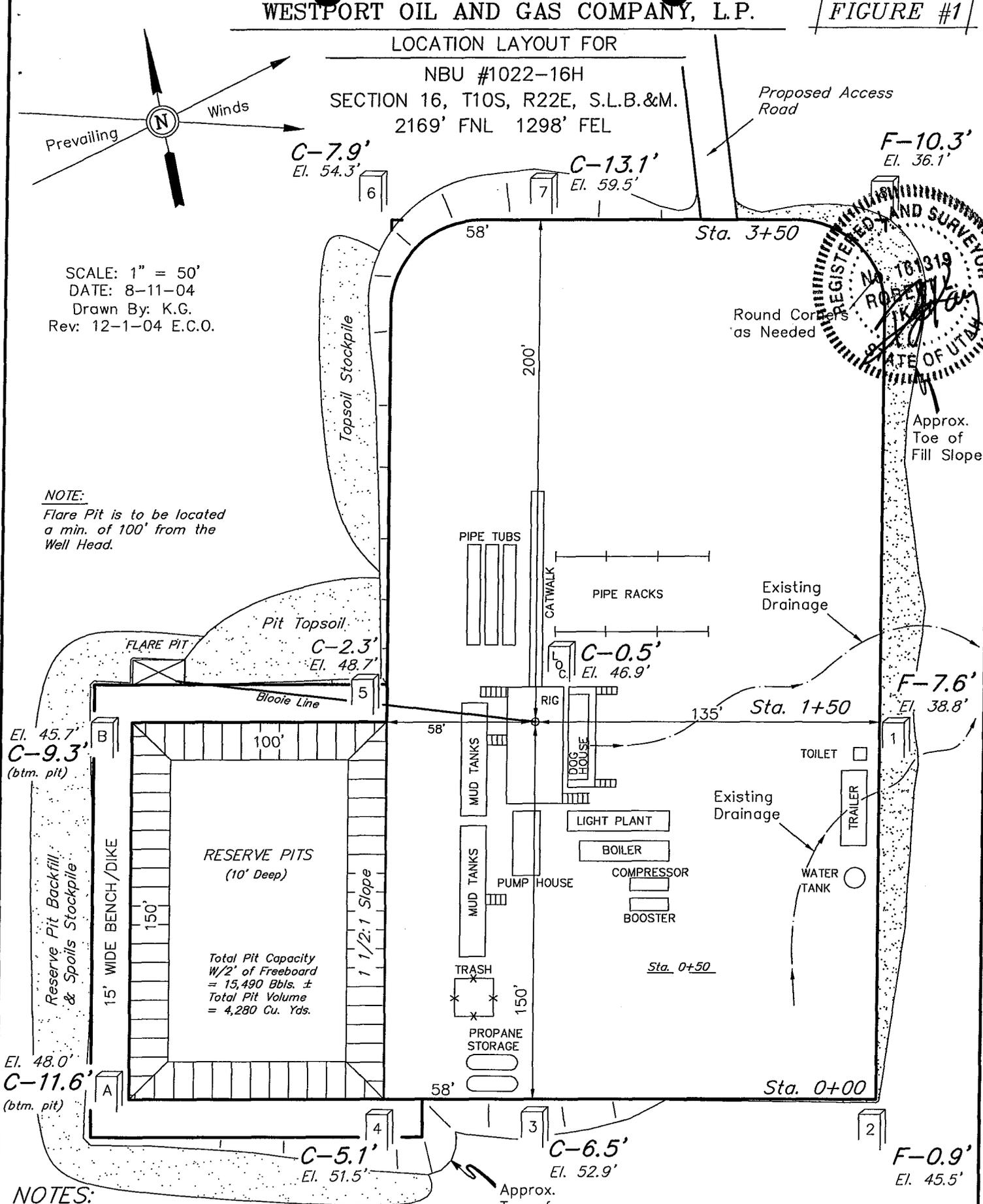


Round Corners as Needed

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 = 5246.9'
FINISHED GRADE ELEV. AT LOC. STAKE = 5246.4'

Approx. Top of Cut Slope

WESTPORT OIL AND GAS COMPANY, L.P.

FIGURE #2

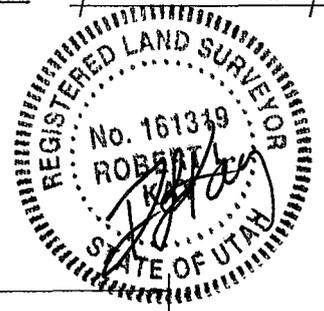
TYPICAL CROSS SECTIONS FOR

NBU #1022-16H

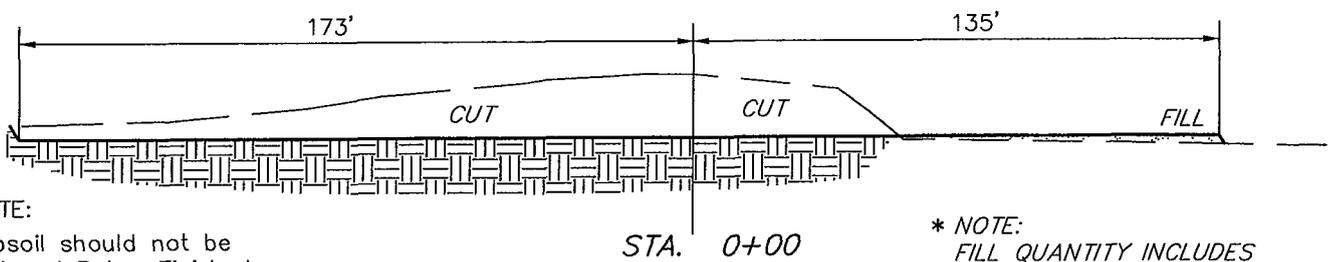
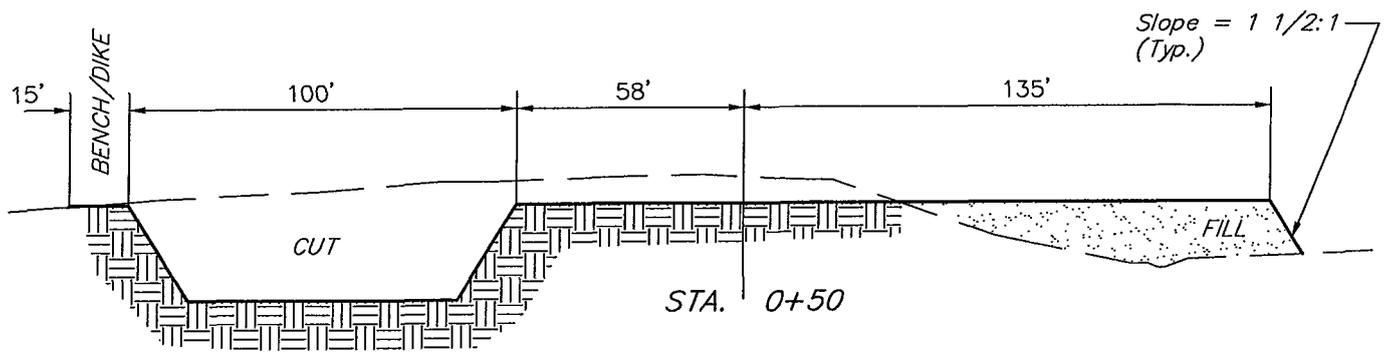
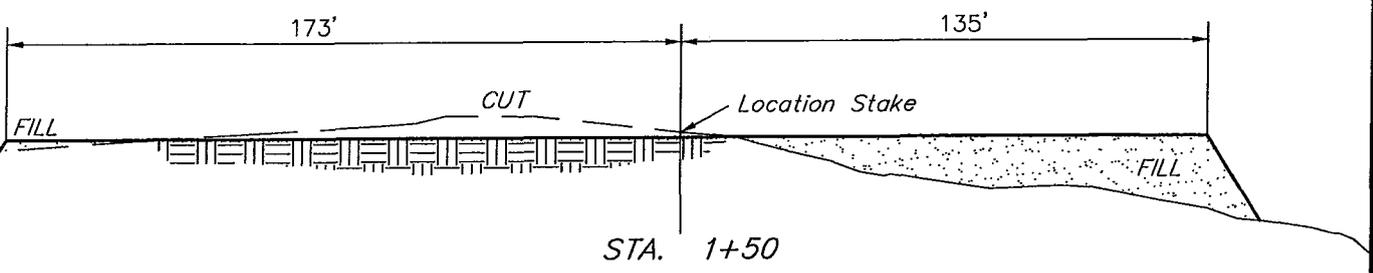
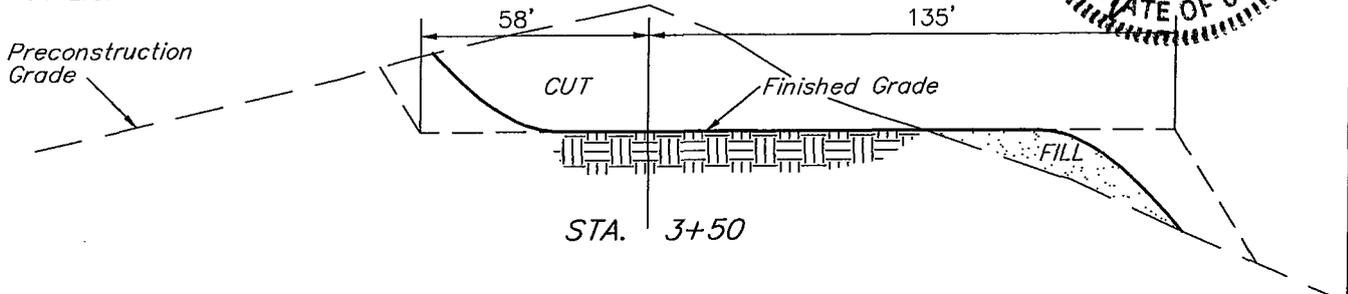
SECTION 16, T10S, R22E, S.L.B.&M.

2169' FNL 1298' FEL

X-Section Scale
1" = 50'
1" = 20'



DATE: 8-11-04
Drawn By: K.G.
Rev: 12-1-04 E.C.O.



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

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT		
(6") Topsoil Stripping	= 1,880	Cu. Yds.
Remaining Location	= 9,400	Cu. Yds.
TOTAL CUT	= 11,280	CU.YDS.
FILL	= 7,120	CU.YDS.

EXCESS MATERIAL	= 4,160	Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 4,020	Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 140	Cu. Yds.

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

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3276
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES UNIT
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: NBU 1022-16H	
2. NAME OF OPERATOR: WESTPORT OIL & GAS COMPANY L.P.		9. API NUMBER: 4304735943
3. ADDRESS OF OPERATOR: 1368 S. 1200 E. CITY VERNAL STATE UT ZIP 84078	PHONE NUMBER: (435) 781-7024	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2169'FNL & 1298'FEL		COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 16 10S 22E		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR 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 checked="" type="checkbox"/> OTHER: <u>APD EXTENSION</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

THE OPERATOR REQUESTS AUTHORIZATION FOR AN ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION. SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED.

**Approved by the
Utah Division of
Oil, Gas and Mining**

Date: 09-28-05
By: [Signature]

RECEIVED
SEP 26 2005
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGULATORY ANALYST
SIGNATURE <u>[Signature]</u>	DATE 9/22/2005

(This space for State use only)

COPY SENT TO OPERATOR
Date: 9-29-05
Initials: CTD

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-35943
Well Name: NBU 1022-16H
Location: SENE SECTION 16-T10S-R22E
Company Permit Issued to: WESTPORT OIL & GAS CO., L.P.
Date Original Permit Issued: 10/27/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No


Signature

9/22/2005

Date

Title: REGULATORY ANALYST

Representing: WESTPORT OIL & GAS COMPANY L.P.

RECEIVED

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

SEP 23 2005

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

BLM VERNAL, UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-3276
INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
NATURAL BUTTES UNIT

8. WELL NAME and NUMBER:
NBU 1022-16H

9. API NUMBER:
4304735943

10. FIELD AND POOL, OR WILDCAT:
NATURAL BUTTES

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

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
WESTPORT OIL & GAS COMPANY L.P.

3. ADDRESS OF OPERATOR:
1368 S. 1200 E. CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:
(435) 781-7024

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2169'FNL & 1298'FEL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 16 10S 22E

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" 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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR 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 checked="" type="checkbox"/> OTHER: <u>APD EXTENSION</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

THE OPERATOR REQUESTS AUTHORIZATION FOR AN ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION. SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED.

VERNAL DIST. SEP 23 2005
 ENG. UB
 GEOL. _____
 E.S. _____
 PET. _____
 A.M. _____

ACCEPTED BY BLM FOR
UNIT PURPOSES ONLY

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE *Sheila Upchego*

DATE 9/22/2005

(This space for State use only)

RECEIVED

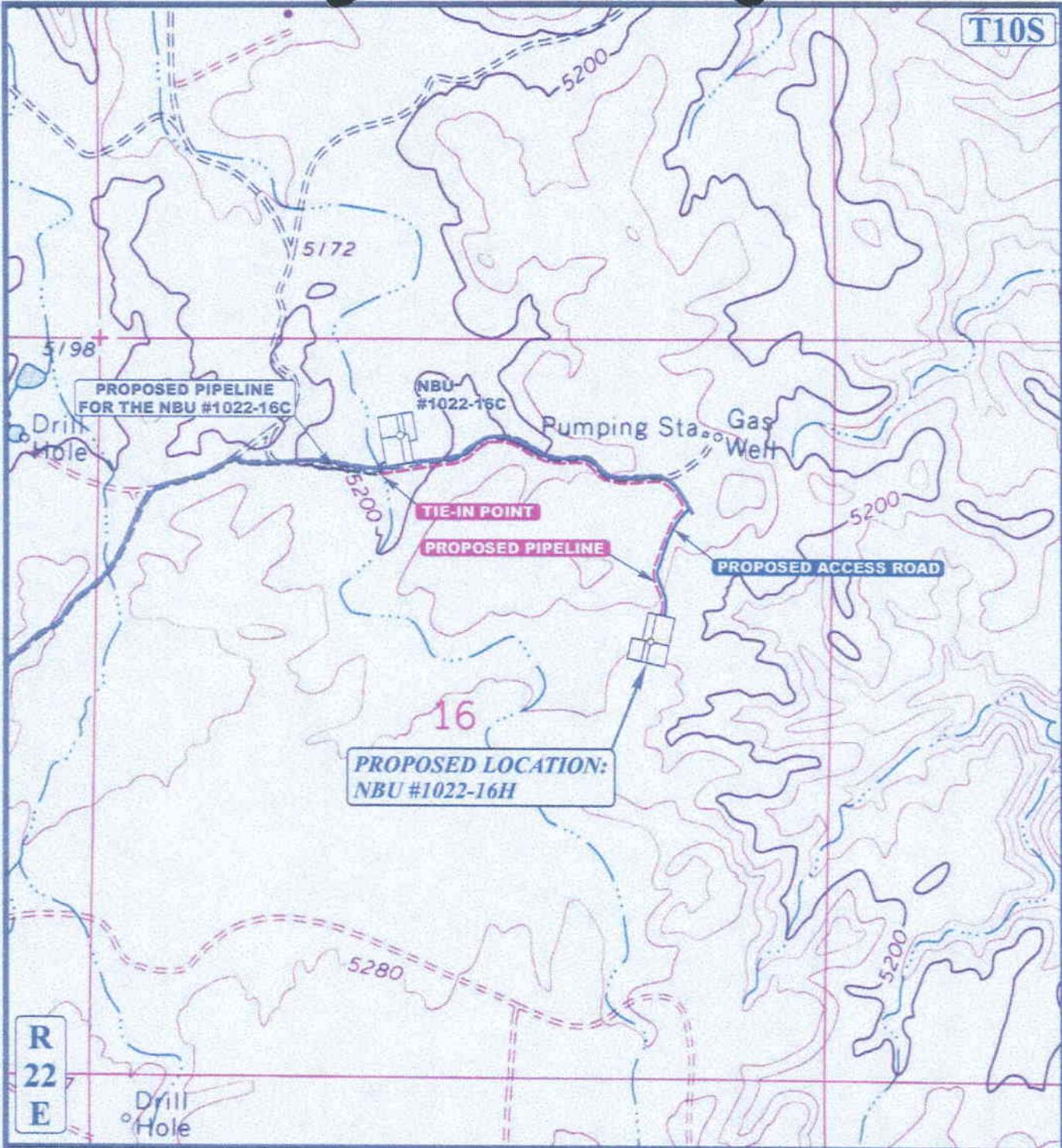
OCT 11 2005

Instructions on Reverse Side)

DIV. OF OIL, GAS & MINING

UDOGM

T10S



APPROXIMATE TOTAL PIPELINE DISTANCE = 3,200' +/-

LEGEND:

- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED ACCESS

WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1022-16H

SECTION 16, T10S, R22E, S.L.B.&M.

2169' FNL 1298' FEL



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

TOPOGRAPHIC
MAP

8	12	04
MONTH	DAY	YEAR



SCALE: 1" = 1000' DRAWN BY: K.G. REVISED: 00-00-00

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: **1/6/2006**

FROM: (Old Operator): N2115-Westport Oil & Gas Co., LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024	TO: (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

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
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 CHANGE OF OPERATOR

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

BLM BOND = C01203
BIA BOND = RLB0005239

APPROVED 5/16/06

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

DIV. OF OIL, GAS & MINING

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

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

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 CHANGE OF OPERATOR
	<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.

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)

BRAD LANEY

Signature

Title

ENGINEERING SPECIALIST

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Brad Laney

Title

Date

5-9-06

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.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: KERR-MCGEE OIL & GAS ONSHORE LP

Well Name: NBU 1022-16H

Api No: 43-047-35943 Lease Type: STATE

Section 16 Township 10S Range 22E County UINTAH

Drilling Contractor PETE MARTIN'S RIG # BUCKET

SPUDDED:

Date 5/20/06

Time 10:00 AM

How DRY

Drilling will Commence: _____

Reported by LOU WELDON

Telephone # (435) 828-7035

Date 05/22/2006 Signed CHD

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

FORM 6

ENTITY ACTION FORM

Operator: KERR MCGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995
 Address: 1368 SOUTH 1200 EAST
city VERNAL
state UT zip 84078 Phone Number: (435) 781-7024

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304735943	NBU 1022-16H		SENE	16	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>A</i>	99999	<i>2900</i>	5/20/2006		<i>5/25/06</i>		
Comments: <i>MIRU PETE MARTIN BUCKET RIG. WSMVRD</i> <i>SPUD WELL LOCATION ON 05/20/2006 AT 1000 HRS.</i> <i>- K</i>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

(5/2006) to EARLENE RUSSELL Co. UTDOAM Phone # (901) 538-5330 Fax # (901) 269-3940
 to SHEILA UPCHEGO Co. KMG Phone # (435) 781-7024 Fax # (435) 781-7094

SHEILA UPCHEGO

Name (Last, First) *Sheila Upchego*
 Signature *Sheila Upchego*
 Title REGULATORY ANALYST Date 5/22/2006

RECEIVED
MAY 23 2006

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3276
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: NBU 1022-16H	
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		9. API NUMBER: 4304735943
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078	PHONE NUMBER: (435) 781-7024	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2169'FNL, 1298'FEL		COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 16 10S 22E		STATE: 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 (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"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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 checked="" type="checkbox"/> OTHER: <u>WELL SPUD</u>
	<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.

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX.

SPUD WELL LOCATION ON 05/20/2006 AT 1000 HRS.

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGUALTORY ANALYST
SIGNATURE	DATE 5/22/2006

(This space for State use only)

RECEIVED
MAY 26 2006

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3276
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: NBU 1022-16H	
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		9. API NUMBER: 4304735943
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078	PHONE NUMBER: (435) 781-7024	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2169'FNL, 1298'FEL		COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 16 10S 22E		STATE: 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 (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"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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 checked="" type="checkbox"/> OTHER: <u>SET SURFACE CSG</u>
	<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.

MIRU BILL MARTIN AIR RIG ON 05/21/2006. DRILLED 12 1/4" SURFACE HOLE TO 1950'. RAN 9 5/8" 32.3# H-40 SURFACE CSG. LEAD CMT W/225 SX PREM CLASS G @15.8 PPG 1.15 YIELD. NO RETURNS TO PIT. TOP OUT W/580 SX CLASS G @15.8 PPG 1.15 YIELD. CMT TO SURFACE. HOLE STAYED FULL.

WORT

NAME (PLEASE PRINT) <u>SHEILA UPCHEGO</u>	TITLE <u>REGUALTORY ANALYST</u>
SIGNATURE	DATE <u>6/8/2006</u>

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3276
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		8. WELL NAME and NUMBER: NBU 1022-16H
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078		9. API NUMBER: 4304735943
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2169'FNL, 1298'FEL		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 16 10S 22E		COUNTY: UINTAH
		STATE: UTAH

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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"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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 checked="" type="checkbox"/> OTHER: <u>SET SURFACE CSG</u>
	<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.

MIRU BILL MARTIN AIR RIG ON 05/21/2006. DRILLED 12 1/4" SURFACE HOLE TO 1950'. RAN 9 5/8" 32.3# H-40 SURFACE CSG. LEAD CMT W/225 SX PREM CLASS G @15.8 PPG 1.15 YIELD. NO RETURNS TO PIT. TOP OUT W/580 SX CLASS G @15.8 PPG 1.15 YIELD. CMT TO SURFACE. HOLE STAYED FULL.

WORT

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGUALTORY ANALYST
SIGNATURE	DATE 6/8/2006

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JUN 12 2006
DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3276
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		8. WELL NAME and NUMBER: NBU 1022-16H
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST VERNAL UT 84078		9. API NUMBER: 4304735943
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2169'FNL, 1298'FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 16 10S 22E		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: 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 (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 checked="" 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 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 checked="" type="checkbox"/> OTHER: <u>DRILLING</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>OPERATIONS</u>

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

THE OPERATOR SPUD THE SUBJECT WELL LOCATION ON 05/20/2006 AND SET SURFACE CSG ON 05/21/2006. THE OPERATOR HAS PLANS TO COMMENCE DRILLING OPERATIONS IN MID JUNE 2007.

NAME (PLEASE PRINT) <u>SHEILA UPCHEGO</u>	TITLE <u>SENIOR LAND ADMIN SPECIALIST</u>
SIGNATURE	DATE <u>3/21/2007</u>

(This space for State use only)

RECEIVED
MAR 26 2007

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3276
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1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		8. WELL NAME and NUMBER: NBU 1022-16H
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST VERNAL UT 84078		9. API NUMBER: 4304735943
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2169'FNL, 1298'FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 16 10S 22E		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: 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 (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"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR 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 checked="" type="checkbox"/> OTHER: <u>DRILLING OPERATIONS</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

THE OPERATOR SPUD THE SUBJECT WELL LOCATION ON 05/20/2006 AND SET SURFACE CSG ON 05/21/2006. THE OPERATOR HAS PLANS TO COMMENCE DRILLING OPERATIONS IN MID JUNE 2007.

NAME (PLEASE PRINT) <u>SHEILA UPCHEGO</u>	TITLE <u>SENIOR LAND ADMIN SPECIALIST</u>
SIGNATURE	DATE <u>5/9/2007</u>

(This space for State use only)

RECEIVED
MAY 29 2007
DIV. OF OIL, GAS & MINING



- NOTICE -
DRILLING WELLS NOT REPORTED AS COMPLETED
 Utah Division of Oil, Gas and Mining

05/16/07

TO: SHEILA UPCHEGO
 KERR-McGEE OIL & GAS ONSHORE
 1368 S 1200 E
 VERNAL UT 84078

UTAH DIVISION OF OIL, GAS AND MINING
 P.O. BOX 145801
 SALT LAKE CITY, UTAH 84114-5801

Drilling was commenced on the following wells more than 6 months ago. In accordance with Utah Oil and Gas Conservation General Rule R649-3-21, it is requested that you submit a Form 8, Well Completion Report for each completed well, along with any required logs and analyses, within 14 days of the date on this form. If a well has not been completed, please submit a Form 9, Sundry Notice, within the same timeframe, giving an explanation of why the well has not yet been completed, the company's intentions, and the current status of the well.

Failure to comply with this request may result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the pursuit of enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code. Please direct questions or concerns to (801) 538-5284.

Well Name	API Number	Sec - Twp - Rng	County	Spud Date Dry	Spud Date Rotary
NBU 1022-16H	4304735943	16 100S 220E	UINTAH	05/20/06	

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3276
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: NBU 1022-16H	
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		9. API NUMBER: 4304735943
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST VERNAL UT 84078	PHONE NUMBER: (435) 781-7024	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2169'FNL, 1298'FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 16 10S 22E		COUNTY: UINTAH STATE: 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 (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"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR 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 checked="" type="checkbox"/> OTHER: FINAL DRILLING OPERATIONS
	<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.

FINISHED DRILLING FROM 1950' TO 8735' ON 08/22/2007. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/382 SX PREM LITE II @11.3 PPG 3.02 YIELD. TAILED CMT W/1277 SX 50/50 POZ @14.3 PPG 1.31 YIELD. DISPLACE W/135 BBLs CLAYFIX CIRC 2500 PSI BUMP PLUG FLOATS HELD W/5 BBL LEAD BACK TO PIT. SET SLIPS 85K NIPPLE DOWN CUT OFF CSG. CLEAN PITS.

RELEASED PIONEER RIG 38 ON 08/24/2007 AT 4:00 AM.

RECEIVED
SEP 04 2007
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE SENIOR LAND ADMIN SPECIALIST
SIGNATURE	DATE 8/24/2007

(This space for State use only)

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML 3276
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
2. NAME OF OPERATOR: KERR-McGEE OIL & GAS ONSHORE LP		8. WELL NAME and NUMBER: NBU 1022-16H
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		9. API NUMBER: 4304735943
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2169'FNL-1298'FEL		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 16 10S 22E		COUNTY: UINTAH
		STATE: 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 (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"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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 checked="" type="checkbox"/> OTHER: <u>PRODUCTION</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>START-UP</u>

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

THIS SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 09/30/2007 @ 11:15AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

RECEIVED
OCT 24 2007
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE SENIOR LAND ADMIN SPECIALIST
SIGNATURE	DATE 10/2/2007

(This space for State use only)



Anadarko Petroleum Corporation
 1368 S. 1200 East
 Vernal, UT 84078

CHRONOLOGICAL WELL HISTORY

NBU 1022-16H
 SENE, SEC. 16, T10S, R22E
 UINTAH COUNTY, UT

DATE	Activity		Status
05/03/06	START LOCATION	Pioneer 38	
05/20/06	SET CONDUCTOR	Pioneer 38	
05/23/06	SET AIR RIG	Pioneer 38	DRLG
05/26/06	9 5/8" @ 2050' RING IN	Pioneer 38	WORT
07/31/07	TD: 1950' Csg. 9 5/8"@ 1948' RDRT and move to NBU 1022-16H. Rig on maintenance.	MW: 8.4	SD: 7/XX/07 DSS: 0
08/01/07	TD: 1950' Csg. 9 5/8"@ 1948' Rig on maintenance.	MW: 8.4	SD: 7/XX/07 DSS: 0
08/02/07	TD: 1950' Csg. 9 5/8"@ 1948' Rig on maintenance.	MW: 8.4	SD: 7/XX/07 DSS: 0
08/03/07	TD: 1950' Csg. 9 5/8"@ 1948' Rig on maintenance.	MW: 8.4	SD: 7/XX/07 DSS: 0
08/06/07	TD: 1950' Csg. 9 5/8"@ 1948' Rig on maintenance.	MW: 8.4	SD: 7/XX/07 DSS: 0
08/07/07	DHC: \$478,019 CWC: TD: 1950' Csg. 9 5/8"@ 1948' Rig on maintenance.	MW: 8.4	SD: 7/XX/07 DSS: 0
08/08/07	TD: 1950' Csg. 9 5/8"@ 1948' Rig on maintenance.	MW: 8.4	SD: 7/XX/07 DSS: 0
08/09/07	TD: 1950' Csg. 9 5/8"@ 1948' Rig on maintenance.	MW: 8.4	SD: 7/XX/07 DSS: 0
08/10/07	TD: 1950' Csg. 9 5/8"@ 1948'	MW: 8.4	SD: 7/XX/07 DSS: 0

Rig on maintenance.

08/13/07

TD: 1950' Csg. 9 5/8" @ 1948' MW: 8.4 SD: 7/XX/07 DSS: 0
Finish rig maintenance. NU and test BOPE. PU BHA @ report time.

08/14/07

TD: 3122' Csg. 9 5/8" @ 1948' MW: 8.4 SD: 8/13/07 DSS: 1
PU drill string and drill FE. Rotary spud @ 1300 hrs 8/13/07. Drill from 1950'-3122'. DA.

08/15/07

TD: 4454' Csg. 9 5/8" @ 1948' MW: 9.4 SD: 8/13/07 DSS: 2
Drill from 3122'-4454'. DA.

08/16/07

TD: 5280' Csg. 9 5/8" @ 1948' MW: 10.1 SD: 8/13/07 DSS: 3
Drill from 4454'-5280'. DA.

08/17/07

TD: 5910' Csg. 9 5/8" @ 1948' MW: 10.5 SD: 8/13/07 DSS: 4
Drill from 5280'-5910. Work on Generator. POOH to shoe and W/O mechanic.

08/20/07

TD: 7690' Csg. 9 5/8" @ 1948' MW: 11.4 SD: 8/13/07 DSS: 7
Work on Generator. POOH and change bits. TIH and drill from 5910'-7690'. DA.

08/21/07

TD: 8360' Csg. 9 5/8" @ 1948' MW: 11.6 SD: 8/13/07 DSS: 8
Drill from 7690'-8360'. DA.

08/22/07

TD: 8735' Csg. 9 5/8" @ 1948' MW: 11.8 SD: 8/13/07 DSS: 9
Drill from 8360'-8735' TD. CCH and short trip to 7800'. POOH for logs @ report time.

08/23/07

TD: 8735' Csg. 9 5/8" @ 1948' MW: 11.8 SD: 8/13/07 DSS: 10
POOH for logs. Run Triple Combo. TIH and CCH for casing. LDDS @ report time.

08/24/07

TD: 8735' Csg. 9 5/8" @ 1948' MW: 11.8 SD: 8/13/07 DSS: 11
LDDS. Run and cement 4 1/2" Production Casing. Set slips and release rig @ 0400 hrs 8/24/07.

09/23/07

PU Tubing

Days On Completion: 1

Remarks: 7:00 AM. RAINING VERY MUDDY TEMP 41 DEG. HSM. RU RIG & RIG
EQUIPMENT. PU 3 7/8" MILL & SUB DRIFT & TALLEY 274 JTS OF 2 3/8" J-55 4.7# TBG. RIH
TO 8,442'. SWI SDFN

09/24/07

LOG

Days On Completion: 2

Remarks: 7:00 AM. HSM. POOH W/ 274 JTS OF 2 3/8" J-55 4.7# TBG. ND BOP'S NU FRAC
VALVES. MIRU CUTTERS TO RUN A CEMENT BOND LOG. RIH TAG PBTB @ 8,616' LOG
TO SURFACE. GOOD BOND CEMENT TOP @ SURFACE. MIRU B&C QUICK TEST.
PRESSURE TEST CASING & BOTH FRAC VALVES TO 7,500 PSI. GOOD TEST. RDMO
CUTTERS & B&C QUICK TEST. SWI SDFN.

- 09/25/07 Activity: LOG**
Days On Completion: 2
Remarks: 7:00 AM. HSM. POOH W/ 274 JTS OF 2 3/8" J-55 4.7# TBG. ND BOP'S NU FRAC VALVES. MIRU CUTTERS TO RUN A CEMENT BOND LOG. RIH TAG PBTB @ 8,616' LOG TO SURFACE. GOOD BOND CEMENT TOP @ SURFACE. MIRU B&C QUICK TEST. PRESSURE TEST CASING & BOTH FRAC VALVES TO 7,500 PSI. GOOD TEST. RDMO CUTTERS & B&C QUICK TEST. SWI SDFN.
- 09/26/07 FRAC**
Days On Completion: 3
Remarks: 10:00 AM. HSM. MIRU WEATHERFORD & CUTTERS TO FRAC & PERFORATE.
- STG 1) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES 90 & 120 DEG PHASING.
PERFORATE 8,293' - 96' 4 SPF, 8,168' - 70' 3 SPF, 8,140' - 42' 3 SPF, 8,075' - 79' 4 SPF, 7,986' - 87' 4 SPF, 44 HOLES. PRESSURE TEST PUMPS & LINES TO 8,000 PSI WHP 140 PSI, BRK 3,344 PSI @ 2.9 BPM, ISIP 2,792 PSI, FG .78 PUMP 100 BBLS @ 50.8 BPM @ 4,350 PSI = 44 OF 44 HOLES OPEN. MP 7,288 PSI, MR 52.0 BPM, AP 4,406 PSI, AR 50.5 BPM, ISIP 2,873 PSI NPI 81 PSI, PMP 2,879 BBLS OF SLICK WATER & 97,845 LBS 30/50 SAND. DID NOT PUMP THE RESIN COATED SAND WE WERE SCREENING OUT WE DID GET FLUSHED @ 20 BPM. RDMO CUTTERS & WEATHERFORD. ND FRAC VALVES NU BOP'S. SWI SDFN
- 09/27/07 DRLG CBP&LAND TBG**
Days On Completion: 4
Remarks: 7:00 AM. HSM. PU 3 7/8" BIT, POBS, & SN. RIH W/ 257 JTS OF 2 3/8" J-55 4.7# TBG. 7,918' RU POWER SWIVEL & RIG PUMP. BRK CIRCULATION W/ 2% KCL. RIH C/O 15' OF SAND TAG PLG @ 7,936' DRL PLG IN 10 MIN 1,300 PSI INCREASE RIH C/O TO 8,470' CIRC WELL CLEAN. POOH LD 32 JTS. LAND TBG W/ 243 JTS OF NEW 2 3/8" J-55 4.7 # TBG. **EOT @ 7,495.23'**. ND BOP'S NU WELL HEAD. DROP BALL TO SHEAR OFF BIT. PUMP OFF BIT @ 1,550 PSI. SHUT WELL IN 30 MINUTES TO LET BIT FALL TO BOTTOM. TURN WELL OVER TO FLOW TESTERS.
289 JTS OUT BOUND
243 JTS LANDED
1 JT X-THREADED
45 JTS RETURNED
- 09/28/07 FLOWBACK REPORT:** CP 500#, TP 500#, CK 20/64", 45 BWPH, LOAD REC'D 975 BBLS, LLTR 1304 BBLS
- 09/30/07 WELL WENT ON SALES:** @ 11:15 AM, 170 MCF, 270 TBG, 861 CSG, 20/64 CK, 5 BBWH
- 09/29/07 FLOWBACK REPORT:** CP 1050#, TP 390#, CK 20/64", 11 BWPH, LOAD REC'D 1411 BBLS, LLTR 868 BBLS
- 09/30/07 FLOWBACK REPORT:** CP 850#, TP 350#, CK 20/64", 5 BWPH, LOAD REC'D 1607 BBLS, LLTR 672 BBLS

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3276
b. TYPE OF WORK: NEW WELL <input checked="" type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER _____		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		7. UNIT or CA AGREEMENT NAME UNIT #891008900A
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078		8. WELL NAME and NUMBER: NBU 1022-16H
PHONE NUMBER: (435) 781-7024		9. API NUMBER: 4304735943
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2169'FNL, 1298'FEL AT TOP PRODUCING INTERVAL REPORTED BELOW: AT TOTAL DEPTH:		10. FIELD AND POOL, OR WILDCAT NATURAL BUTTES
14. DATE SPUDDED: 5/20/2006		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 16 10S 22E
15. DATE T.D. REACHED: 8/22/2007		12. COUNTY UINTAH
16. DATE COMPLETED: 9/30/2007		13. STATE UTAH
ABANDONED <input type="checkbox"/> READY TO PRODUCE <input checked="" type="checkbox"/>		17. ELEVATIONS (DF, RKB, RT, GL): 5247'GL
18. TOTAL DEPTH: MD 8,735 TVD	19. PLUG BACK T.D.: MD 8,470 TVD	20. IF MULTIPLE COMPLETIONS, HOW MANY? *
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) CBL-CCL-GR SD, DSN, ACTR		21. DEPTH BRIDGE MD PLUG SET: TVD
23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)		

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
12 1/4"	9 5/8 H-40	32.3#		1,950		805			
7 7/8"	4 1/2 I-80	11.6#		8,735		1659			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	7,986							

26. PRODUCING INTERVALS **WSMVD**

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) MESAVERDE	7,986	8,296			7,986 8,296	0.36	44	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
7986'-8296'	PMP 2879 BBLs SLICK H2O & 97,845# 30/50 OTTOWA SD

29. ENCLOSED ATTACHMENTS:

<input type="checkbox"/> ELECTRICAL/MECHANICAL LOGS	<input type="checkbox"/> GEOLOGIC REPORT	<input type="checkbox"/> DST REPORT	<input type="checkbox"/> DIRECTIONAL SURVEY
<input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION	<input type="checkbox"/> CORE ANALYSIS	<input type="checkbox"/> OTHER: _____	

30. WELL STATUS:
PROD

RECEIVED
OCT 24 2007

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #28)

DATE FIRST PRODUCED: 9/30/2007	TEST DATE: 10/4/2007	HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 70	WATER - BBL: 5	PROD. METHOD: FLOWING		
CHOKE SIZE: 22/64	TBG. PRESS. 367	CSG. PRESS. 886	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 70	WATER - BBL: 5	INTERVAL STATUS: PROD

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:		
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:		
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:		
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

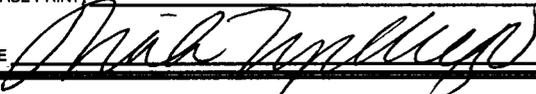
Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
WASATCH MESAVERDE	4,257 6,620	6,620			

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE SENIOR LAND ADMIN SPECIALIST
 SIGNATURE  DATE 10/22/2007

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining Phone: 801-538-5340
 1594 West North Temple, Suite 1210
 Box 145801 Fax: 801-359-3940
 Salt Lake City, Utah 84114-5801

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-3276

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME
UNIT #891008900A

8. WELL NAME and NUMBER:
NBU 1022-16H

9. API NUMBER:
4304735943

10. FIELD AND POOL, OR WILDCAT
NATURAL BUTTES

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
SENE 16 10S 22E

12. COUNTY
UINTAH

13. STATE
UTAH

1a. TYPE OF WELL: OIL WELL GAS WELL DRY OTHER _____

b. TYPE OF WORK: NEW WELL HORIZ. LATS. DEEP-EN RE-ENTRY DIFF. RESVR. OTHER **Reperf RECOMPLETION**

2. NAME OF OPERATOR:
KERR MCGEE OIL & GAS ONSHORE LP

3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY **VERNAL** STATE **UT** ZIP **84078** PHONE NUMBER: **(435) 781-7024**

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: **2169'FNL, 1298'FEL**
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH:

14. DATE SPUDED: **5/20/2006** 15. DATE T.D. REACHED: **8/22/2007** 16. DATE COMPLETED: _____ ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL): **5247'GL**

18. TOTAL DEPTH: MD **8,735** TVD _____ 19. PLUG BACK T.D.: MD **7,786** TVD _____ 20. IF MULTIPLE COMPLETIONS, HOW MANY? * _____ 21. DEPTH BRIDGE MD _____ PLUG SET: TVD _____

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)

23. WAS WELL CORED? NO YES (Submit analysis)
WAS DST RUN? NO YES (Submit report)
DIRECTIONAL SURVEY? NO YES (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
12 1/4"	9 5/8 H-40	32.3#		1,950		805			
7 7/8"	4 1/2 I-80	11.6#		8,735		1659			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	7,494							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) MESAVERDE	6,864	7,551			6,864 7,551	0.36	120	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
6864'-7551'	PMP 3277 BBLs SLICK H2O & 118,630# 30/50 SD

RECEIVED
MAY 02 2008
DIV OF OIL, GAS & MINING

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

29. ENCLOSED ATTACHMENTS: ELECTRICAL/MECHANICAL LOGS GEOLOGIC REPORT DST REPORT DIRECTIONAL SURVEY
 SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION CORE ANALYSIS OTHER: _____

30. WELL STATUS: **TA**

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD: TA
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS: SI

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

TEMPORARILY ABANDON 04/22/2008

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

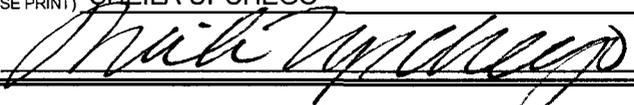
34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
WASATCH MESAVERDE	4,257 6,620	6,620			

35. ADDITIONAL REMARKS (Include plugging procedure)

THE SUBJECT WELL LOCATION WAS PLACED ON TEMPORARILY ABANDON STATUS.

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

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE SENIOR LAND ADMIN SPECIALIST
 SIGNATURE  DATE 4/24/2008

This report must be submitted within 30 days of

- completing or plugging a new well
- reentering a previously plugged and abandoned well
- drilling horizontal laterals from an existing well bore
- significantly deepening an existing well bore below the previous bottom-hole depth
- recompleting to a different producing formation
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining Phone: 801-538-5340
1594 West North Temple, Suite 1210
Box 145801 Fax: 801-359-3940
Salt Lake City, Utah 84114-5801

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.

		6. LEASE DESIGNATION AND SERIAL NUMBER: ML-3276
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: NBU 1022-16H
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		9. API NUMBER: 4304735943
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
PHONE NUMBER: (435) 781-7024		

4. LOCATION OF WELL

FOOTAGES AT SURFACE: **2169'FNL, 1298'FEL** COUNTY: **UINTAH**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **SENE 16 10S 22E** STATE: **UTAH**

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input checked="" 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 checked="" type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR 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.

THE SUBJECT WELL LOCATION WAS REPERFORATED IN THE SAME MESAVERDE FORMATION FROM 6864'-7551' 120 HOLES 0.36 FRACED WITH 3277 BBLs SLICK H2O & 118,630# 30/50 SD. LAND 2 3/8" TBG @7494'. THE OPERATOR HAS TRIED TO PUT THE WELL LOCATION ON SALES, BUT WITHOUT SUCCESS THE WELL LOCATION HAS NOT BEEN ABLE TO FLOW. THE OPERATOR HAS SHUT THE WELL IN.

THE OPERATOR REQUESTS AUTHORIZATION TO TEMPORARILY ABANDON THE SUBJECT WELL LOCATION, UNTIL THE OPERATOR EVALUATES THE WELL.

PLEASE REFER TO THE ATTACHED RECOMPLETION CHRONOLOGICAL WELL HISTORY.

COPY SENT TO OPERATOR
Date: 5.19.2008
Initials: KS

RECEIVED
MAY 02 2008
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE SENIOR LAND ADMIN SPECIALIST
SIGNATURE	DATE 4/24/2008

(This space for State use only)

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

DATE: 5/12/08
BY: [Signature] (See Instructions on Reverse Side)
**Val & Tracy 10/2008*

(6/2000)

Wins No.: 93569

NBU 1022-16H

API No.: 4304735943

EVENT INFORMATION: EVENT ACTIVITY: COMPLETION START DATE: 3/17/2008
 OBJECTIVE: SECONDARY END DATE:
 OBJECTIVE 2: OTHER DATE WELL STARTED PROD.: /
 REASON: UPPER MV COMPL Event End Status:

RIG OPERATIONS: Begin Mobilization Rig On Location Rig Charges Rig Operation Start Finish Drilling Rig Release Rig Off Location

MILES 2 / 2

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
3/17/2008							
SUPERVISOR: JEFF SAMUELS							
	7:00 - 15:00	8.00	COMP	31	I	P	7:00 A.M. HSM ROAD RIG & EQUIP F/ NBU 1021-25G TO LOC. MIRU. SICP 2200#, BLEED PSI OFF. NDWH. NUBOPE. UNLAND TBG @ 7495' & POOH STAND BACK 243 JTS TBG. L/D BHA. WAIT ON W.L. TO SET CIBP. SWI. SDFN

3/18/2008							
SUPERVISOR: JEFF SAMUELS							
	7:00 - 15:00	8.00	COMP	34	I	P	7:00 A.M. HSM 1700# SICP. BLEED WELL OFF. MIRU CUTTERS. P/U 4 1/2" BAKER CIBP & RIH. SET CIBP @ 7800'. POOH. ND BOPE, NU FRAC VLV'S. MIRU B&C QUICK TST. FILL CSG & PSI TST CSG & FRAC VLV'S TO 7000# (HELD). P/U DMP BAILER. LOAD W/ 1 SKS CLASS G CMT & RIH. DMP BAIL CMT ON CIBP @ 7800'. TOC @ 7786'. POOH. P/U 3 3/8" EXP PERF GUNS LOADED W/ 23 GM CHARGES. 4 SPF. 90 DEG PHASING & RIH. SHOOT 28 HOLES F/ 7544' - 51', P/U SHOOT 12 HOLES F/ 7525' - 28'. POOH. MIRU WEATHERFORD FRAC SVC. PREP TO FRAC IN A.M. SWI. SDFN

3/19/2008							
SUPERVISOR: JEFF SAMUELS							
	7:00 - 17:00	10.00	COMP	36	B	P	7:00 A.M. HSM MIRU WEATHERFORD FRAC SVC. MIRU CUTTERS. PRIME PUMPS. PSI TST LINES TO 8500# (HELD). PREP TO FRAC ALL STG'S SHOT W/ 3 3/8" PERF GUNS LOADED W/ 23 GM CHARGES. 4 SPF, 90 DEG PHASING. ALL STAGES INCLUDE NALCO DVE-005 SCALE INHIB, 3 GPT IN PAD & 1/2 RAMP, 10 GPT IN FLUSH & PRE PAD, ALL STAGES TREATED W/ 30/50 SAND TAILED IN W/ 5000# TLC SAND FOR SAND CONTROLL. ALL CBP'S ARE 4 1/2" BAKER 8K CBP'S. STG 1: BRK DWN PERF'S @ 4753#, EST INJ RT @ 40 BM @ 5620#, ISIP 2950#, FG .83, TREAT STG 1 W/ 12,230# SAND TAILED IN W/ 5000# TLC SAND W/ SLK WTR. TOT CL FL 567 BBLS. ISIP 3535#, NPI 567#, FG .91 STG 2: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @ 7198', P/U SHOOT 40 HOLES F/ 7156' - 66', POOH. BRK DWN PERF'S @ 3023#, EST INJ RT @ 40 BPM @ 4401#, ISIP 1967#, FG .71, TREAT STG 2 W/ 39,900# SAND TAILED IN W/ 7500# TLC SAND W/ SLK WTR. TOT CL FL 1138 BBLS. ISIP 3298#, NPI 1331#, FG .89 STG 3: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @ 6904', P/U SHOOT 40 HOLES F/ 6864' - 74'. POOH, BRK DWN PERF'S @ 3406#, EST INJ RT @ 41.5 BPM @ 3510#, ISIP 1609#, FG .87, TREAT STG 3 W/ 68,500# SAND TAILED IN W/ 9300# TLC SAND W/ SLK WTR. TOT CL FL 1572 BBLS. ISIP 2955#, NPI 1346#, FG .86 P/U 4 1/2" CBP & RIH. SET KILL PLUG @ 6814'. POOH. RDMO CUTTERS. RDMO WEATHERFORD. ND FRAC VLV'S. NU BOPE. P/U 3 7/8" BIT. POBS & RIH ON TBG. TAG KILL PLUG @ 6814'. L/D 1 JT. R/U DRL EQUIP. SWI. SDFN

3/20/2008 108.00

SUPERVISOR: JEFF SAMUELS

Wins No.: 93569

NBU 1022-16H

API No.: 4304735943

7:00 - 17:00 10.00 COMP 44 C P 7:00 A.M. HSM

RIH. TAG FILL @ 6764', (50' FILL) BRK CONV CIRC W/ 2%KCL & BEG TO DRL. C/O TO KILL PLUG @ 6814'.

DRL 1ST CBP, (900# PSI INC). CONT TO RIH. TAG FILL @ 6874', (30' FILL). C/O TO 2ND CBP @ 6904'.

DRL UP 2ND CBP (100# PSI INC). CONT TO RIH. TAG FILL @ 7166', (30' FILL). C/O TO 3RD CBP @ 7196'.

DRL UP 3RD CBP (100# PSI INC). CONT TO RIH. TAG FILL @ 7746', (40' FILL). C/O TO PBTD @ 7786'. CIRC WELL CLEAN. R/D DRL EQUIP. POOH L/D 17 JTS ON TRAILER. LUBRICATE TBG HANGER INTO WELL. LAND TBG W/ EOT @ 7494'. NDBOPE. DROP BALL. NUWH. PMP OFF THE BIT SUB @ 2000#. R/U FLOW BACK EQUIP. RIG DWN, RACK OUT EQUIP. TURN OVER TO FLOW BACK CREW.

ROAD RIG & EQUIP F/ 921-16H TO NBU 921-10H. MIRU. SDFWE

SICP 900#
FTP 50#
48/64 CHOKE

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3276
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
		8. WELL NAME and NUMBER: NBU 1022-16H
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	9. API NUMBER: 4304735943	
2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES	
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078	PHONE NUMBER: (435) 781-7024	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2169'FNL, 1298'FEL		COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 16 10S 22E		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR 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 checked="" 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.

THE OPERATOR REQUESTS AUTHORIZATION TO CONDUCT A WATER SHUT OFF OPERATION. THE P/U TBG TO 7494' MD. D/O CIBP @7786' RUN TEMPERATURE LOG AND CONSULT WITH ENGINEERING AS TO BEST APPROACH TO SHUT-OFF WATER. CONDUCT WATER SHUT-OFF OPERATION AND RAISE TBG SETTING DEPTH TO 7300'.

PLEASE REFER TO THE ATTACHED WATER SHUT OFF PROCEEDURE.

COPY SENT TO OPERATOR

Date: 6.10.2008

Initials: KS

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE SENIOR LAND ADMIN SPECIALIST
SIGNATURE	DATE 5/6/2008

(This space for State use only)

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

DATE: 5/30/08 (See Instructions on Reverse Side)

BY:

RECEIVED

MAY 08 2008

DIV. OF OIL, GAS & MINING

NBU 1022-16H

RIG MAINTENANCE MAY 2008

Relevant History

- SEP 2007: Interval test Mother Lode. Frac one stage (7986-8296') with 2879 bbls of water and 97,845 lbs of sand. C-O to 8470', land tubing @ 7495' and RTP.
- MAR 2008: Set 4-1/2" CIBP at 7800'. Dump bail 1 sx of Class G cement on top of CIBP. Top of cement 7786'. Frac three stages 7525-7551' with 12 klbs, 7156-7166' with 40 klbs and 6864-6874' with 51 klbs. Land tubing @ 7494' and RTP.

Symptoms

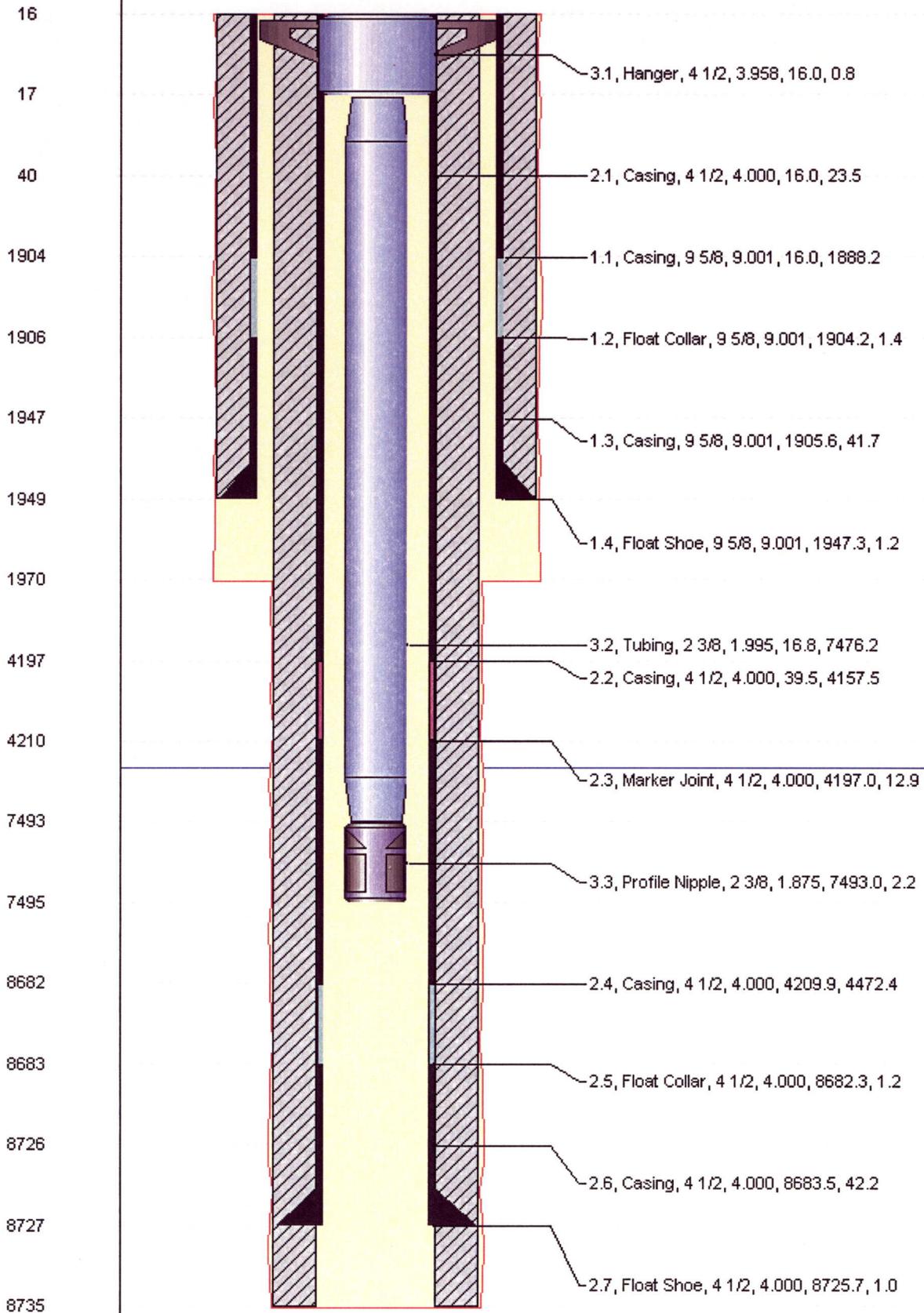
- Well has too much water production to produce consistently.

Prognosis

- P/U tubing to 7494' MD. D-O CIBP @ 7786'. Run temperature log and consult with Engineering as to best approach to shut-off water. Conduct water shut-off operation and raise tubing setting depth to ~7300'.

Procedure Outline

- MIRU. Broach tubing to SN (with full OD broach). Unland tubing at 7494' and POOH (top kill as necessary taking flows up the tubing/casing annulus). L/D all bad or suspect joints of tubing.
- P/U bit and POBS. RIH to 7786' and D-O CIBP (expect kick during drill-out). C-O well to 8683'. P/U tubing to 6500' and pump-off bit. Shut-in well overnight to allow bit to fall and well to build pressure.
- N/U lubricator. Run temperature log under static and dynamic conditions. Consult with engineering on logging results.
- POOH w/tubing and prepare for water shut-off depending on logging results.
- Land tubing at ~7300'. Displace 20 gals of "2054" foamer into well leaving some in the SN (contact Joe Arnold about foamer #823-0797).



Anadarko Petroleum Corporation
1368 S. 1200 East
Vernal, UT 84078

CHRONOLOGICAL WELL HISTORY

NBU 1022-16H

SENE, SEC. 16, T10S, R22E
UINTAH COUNTY, UT
TD: 8735'
PBTD: 8616'
PERFS: 8293' – 8296' WAS/MV
EOT: 2 3/8" J55 @ 7,495'

COMPLETION: AFE#806053D

09/23/07 PU Tubing

Days On Completion: 1

Remarks: 7:00 AM. RAINING VERY MUDDY TEMP 41 DEG. HSM. RU RIG & RIG EQUIPMENT. PU 3 7/8" MILL & SUB DRIFT & TALLEY 274 JTS OF 2 3/8" J-55 4.7# TBG. RIH TO 8,442'. SWI SDFN

09/24/07 LOG

Days On Completion: 2

Remarks: 7:00 AM. HSM. POOH W/ 274 JTS OF 2 3/8" J-55 4.7# TBG. ND BOP'S NU FRAC VALVES. MIRU CUTTERS TO RUN A CEMENT BOND LOG. RIH TAG PBTD @ 8,616' LOG TO SURFACE. GOOD BOND CEMENT TOP @ SURFACE. MIRU B&C QUICK TEST. PERSSURE TEST CASING & BOTH FRAC VALVES TO 7,500 PSI. GOOD TEST. RDMO CUTTERS & B&C QUICK TEST. SWI SDFN.

09/25/07 Activity: LOG

Days On Completion: 2

Remarks: 7:00 AM. HSM. POOH W/ 274 JTS OF 2 3/8" J-55 4.7# TBG. ND BOP'S NU FRAC VALVES. MIRU CUTTERS TO RUN A CEMENT BOND LOG. RIH TAG PBTD @ 8,616' LOG TO SURFACE. GOOD BOND CEMENT TOP @ SURFACE. MIRU B&C QUICK TEST. PERSSURE TEST CASING & BOTH FRAC VALVES TO 7,500 PSI. GOOD TEST. RDMO CUTTERS & B&C QUICK TEST. SWI SDFN.

09/26/07 FRAC

Days On Completion: 3

Remarks: 10:00 AM. HSM. MIRU WEATHERFORD & CUTTERS TO FRAC & PERFORATE.

STG 1) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES 90 & 120 DEG PHASING. PERFORATE 8,293' - 96' 4 SPF, 8,168' - 70' 3 SPF, 8,140' - 42' 3 SPF, 8,075' - 79' 4 SPF, 7,986' - 87' 4 SPF, 44 HOLES. PRESSURE TEST PUMPS & LINES TO 8,000 PSI WHP 140 PSI, BRK 3,344 PSI @ 2.9 BPM, ISIP 2,792 PSI, FG .78 PUMP 100 BBLS @ 50.8 BPM @ 4,350 PSI = 44 OF 44 HOLES OPEN. MP 7,288 PSI, MR 52.0 BPM, AP 4,406 PSI, AR 50.5 BPM, ISIP 2,873 PSI NPI 81 PSI, PMP 2,879 BBLS OF SLICK WATER & 97,845 LBS 30/50 SAND. DID NOT PUMP THE RESIN COATED SAND WE WERE SCREENING OUT WE DID GET FLUSHED @ 20 BPM. RDMO CUTTERS & WEATHERFORD. ND FRAC VALVES NU BOP'S. SWI SDFN

09/27/07 DRLG CBP&LAND TBG

Days On Completion: 4

Remarks: 7:00 AM. HSM. PU 3 7/8" BIT, POBS, & SN. RIH W/ 257 JTS OF 2 3/8" J-55 4.7# TBG. 7,918' RU POWER SWIVEL & RIG PUMP. BRK CIRCULATION W/ 2% KCL. RIH C/O 15' OF SAND TAG PLG @ 7,936' DRL PLG IN 10 MIN 1,300 PSI INCREASE RIH C/O TO 8,470' CIRC WELL CLEAN. POOH LD 32 JTS. LAND TBG W/ 243 JTS OF NEW 2 3/8" J-55 4.7 # TBG. EOT @ 7,495.23'. ND BOP'S NU WELL HEAD. DROP BALL TO SHEAR OFF BIT. PUMP OFF BIT @ 1,550 PSI. SHUT WELL IN 30 MINUTES TO LET BIT FALL TO BOTTOM. TURN WELL OVER TO FLOW TESTERS.

289 JTS OUT BOUND

243 JTS LANDED

1 JT X-THREADED

45 JTS RETURNED

WELL IP'D

10/04/07 ON SALES: 70 MCF, 0 BC, 5 BW, TP: 367#, CP: 886#, 22/64 CHK, 24 HRS, LP: 274#.

WORKOVER: (WATER SHUT-OFF)

WORKOVER: (DESCR OF WORK) – AFE OR LOE

LOE – SLICKLINE

10/09/07 travel to office held safety meeting travel w/l truck inspect w/l truck travel well .r/u w/l test wire r/i/h with 1.625 sampl bailer to 8445 w/l/m tag fluid 2930 w/l/m sampl was sand r/d move nbu 1022 18-i.

Fluid Level: 2930' WLM
Plunger: n/a
Spring: n/a
S/N: 7495' WLM

TD: 2930' WLM
Tight Spots: n/a
Trash: sand

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS			5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3276
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP			8. WELL NAME and NUMBER: NBU 1022-16H
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		PHONE NUMBER: (435) 781-7024	9. API NUMBER: 4304735943
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2169'FNL, 1298'FEL COUNTY: UINTAH QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 16 10S 22E STATE: UTAH			10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

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"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 6/17/2008	<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 checked="" 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.

ON 06/16/2008, THE OPERATOR CONDUCTED A WATER SHUT-OFF ON THE SUBJECT WELL LOCATION. THE OPERATOR SET AN ISOLATION PACKER AT 6907.89'. THE OPERATOR RETURNED THE SUBJECT WELL LOCATION BACK TO PRODUCTION ON 06/17/2008. THE OPERATOR DID NOT SQUEEZE CMT ON THE SUBJECT WELL LOCATION.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

RECEIVED
JUN 23 2008
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE SENIOR LAND ADMIN SPECIALIST
SIGNATURE	DATE 6/19/2008

(This space for State use only)

WINS No.: 93569

NBU 1022-16H

Start Date: 6/12/2008

AFE No.: 88007276

Operation Summary Report

End Date:

Operator KERR MCGEE OIL & GAS ONSHORE LP	FIELD NAME NATURAL BUTTES	SPUD DATE 8/13/07	GL 5,246	KB 5262	ROUTE
API 4304735943	STATE UTAH	COUNTY UINTAH	DIVISION ROCKIES		
Lat./Long.: Lat./Long.: 39.95030 / -109.43997		Q-Q/Sect/Town/Range: SENE / 16 / 10S / 22E	Footages: 2,169.00' FNL 1,298.00' FEL		
MTD 8735	TVD 8732	LOG MD	PBMD 8470	PBTVD 8470	

EVENT INFORMATION: EVENT ACTIVITY: WORKOVER / REPAIR REASON: PACKER ISOLATION
 OBJECTIVE: SECONDARY DATE WELL STARTED/RESUMED:
 OBJECTIVE2: OTHER Event End Status:

RIG OPERATIONS: Begin Mobilization Rig On Location Rig Charges Rig Operation Start Finish Drilling Rig Release Rig Off Location

LEED 733 / 733

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
6/16/2008							
SUPERVISOR: JEFF SAMUELS							
	7:00 - 16:00	9.00	MAINT	47	C	P	7:00 A.M. HSM ROAD RIG & EQUIP F/ NBU 921-14A TO LOC. MIRU. 450# SICP. BLEED PSI DWN. R/U PMP & LINES. PMP 40 BBLS TREATED 2% KCL DWN CSG. X-O PMP 15 BBLS DWN TBG TO CONTROLL WELL. NDWH. NUBOPE. UNLAND TBG & POOH W/ BHA. (ALL TBG LOOKS GOOD, NO SCALE OR IRON SULFIDE). P/U 1.875" X-PROFILE S.N., TALLY TBG ON TRAILER & P/U 26 JTS OFF TRAILER. EOT @ 802'. SWI. SDFN
6/17/2008							
SUPERVISOR: JEFF SAMUELS							
	7:00 - 12:00	5.00	MAINT	47	C	P	7:00 A.M. HSM INSTALL WEATHERFORD 4 1/2" ARROW SET PKR, & CONT TO RIH W/ TBG. SET PKR @ 6907.89'. LAND TBG W/ 13K# DWN W/ EOT @ 7717.35'. NDBOPE. NUWH. RETURN WELL TO PROD. RIG DWN, MOVE OFF.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3276
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: NBU 1022-16H
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047359430000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6007 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2169 FNL 1298 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENE Section: 16 Township: 10.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: 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: 3/3/2010	<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 checked="" type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
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	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

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

THIS WELL RETURNED TO PRODUCTION ON 3/3/2010.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 March 23, 2010

NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A		DATE 3/22/2010

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3276
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: NBU 1022-16H
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047359430000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6007 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2169 FNL 1298 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENE Section: 16 Township: 10.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: 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: 3/3/2010	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THIS WELL RETURNED TO PRODUCTION ON 3/3/2010.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 March 18, 2010

NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A		DATE 3/17/2010

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3276
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THIS WELL RETURNED TO PRODUCTION ON 3/3/2010.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 March 23, 2010

NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A		DATE 3/22/2010

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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The operator requests authorization to plug and abandon the subject well location. Plug and abandonment procedures are attached. Thank you.																																
Approved by the Utah Division of Oil, Gas and Mining		Date: 09/20/2011 By: <u>Dark K. Quist</u>																														
NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst																														
SIGNATURE N/A	DATE 8/15/2011																															

Please Review Attached Conditions of Approval

RECEIVED Aug. 15, 2011



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43047359430000

- 1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338.**
- 2. AMEND PLUG #5: Plug # 5 is not necessary (note CBL shows TOC @ 0'). The balanced plug set inside the casing from 1970' to 1760' in proposed Plug # 6 is adequate (\pm 16sx).**
- 3. All annuli shall be cemented from a minimum depth of 100' to the surface.**
- 4. Surface reclamation shall be done in accordance with R649-3-34 – Well Site Restoration.**
- 5. All balanced plugs shall be tagged to ensure that they are at the depth specified.**
- 6. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply.**
- 7. If there are any changes to the procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 (ofc) or 801-733-0983 (home) prior to continuing with the procedure.**
- 8. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.**

8/17/2011

Wellbore Diagram

r263

API Well No: 43-047-35943-00-00 Permit No: Well Name/No: NBU 1022-16H

Company Name: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Location: Sec: 16 T: 10S R: 22E Spot: SENE

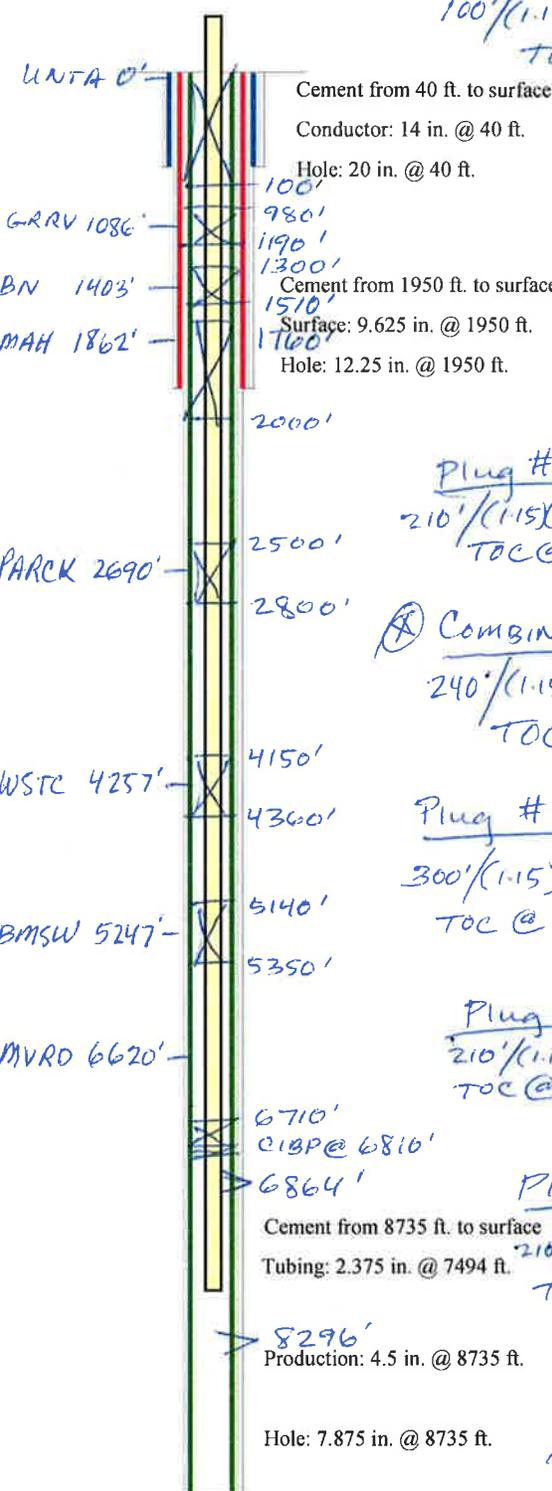
Coordinates: X: 633327 Y: 4423186

Field Name: NATURAL BUTTES

County Name: UINTAH

String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)
HOL1	40	20		
COND	40	14	36.7	40
HOL2	1950	12.25		
SURF	1950	9.625	32.3	1950
HOL3	8735	7.875		
PROD	8735	4.5	11.6	8735
T1	7494	2.375		



Plug # 8
 $210' / (1.15 \times 0.0872) = 16 \text{ SX}$
 TOC @ 980' ✓ O.K.

Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
COND	40	0	UK	28
PROD	8735	0 (CBL)	UK	1659
SURF	1950	0	UK	805

Plug # 7
 $210' / (1.15 \times 0.0872) = 16 \text{ SX}$
 TOC @ 1300' ✓ O.K.

⊕ COMBINE Plug 5 & 6
 $240' / (1.15 \times 0.0872) = 18 \text{ SX}$
 TOC @ 1760' ✓ O.K.

* Part not necessary in proposed Plug # 5 - balance plug as proposed in Plug # 6.

Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Squeeze
6864	8296			

Plug # 4
 $300' / (1.15 \times 0.0872) = 23 \text{ SX}$
 TOC @ 2500' ✓ O.K.

Plug # 3
 $210' / (1.15 \times 0.0872) = 16 \text{ SX}$
 TOC @ 4150' ✓ O.K.

Formation Information

Formation	Depth
UNTA	0
GRRV	1086
MHGBN	1862
PARCK	2690
WSTC	4257
BMSW	5247
MVRD	6620

Plug # 2
 $210' / (1.15 \times 0.0872) = 16 \text{ SX}$
 TOC @ 5140' ✓ O.K.

Plug # 1
 $100' / (1.15 \times 0.0872) = 8 \text{ SX}$
 TOC @ 6710' ✓ O.K.

TD: 8735 TVD: 8735 PBTD: 7786

Name: **NBU 1022-16H** 8/11/11
 Surface Location: SENE SEC.16, T10S, R22E
 Uintah County, UT

API: 4304735943 LEASE#: ML-3276

ELEVATIONS: 5247' GL 5263' KB

TOTAL DEPTH: 8735' PBD: 8470'

SURFACE CASING: 9 5/8", 32.3# H-40 @ 1950', 12 1/4" Hole

PRODUCTION CASING: 4 1/2", 11.6# I-80 @ 8735', 7 7/8" Hole
 TOC @ Surface per CBL

PERFORATIONS: Mesaverde 6864' - 8296'

Tubular/Borehole	Drift inches	Collapse psi	Burst Psi	Capacities		
				Gal./ft.	Cuft./ft.	Bbl./ft.
2.375" 4.7# J-55 tbg.	1.901	8100	7700	0.1626	0.02171	0.00387
4.5" 11.6# N/M/I-80 csg	3.875	6350	7780	0.6528	0.0872	0.0155
9.625" 32.3# H-40 csg	8.845	1400	2270	3.3055	0.4418	0.0787
Annular Capacities						
2.375" tbg. X 4.5" 11.6# csg.				0.4226	0.0565	0.01
4.5" csg. X 9.625" 32.3# csg.				2.478	0.3314	0.059
4.5" csg. X 7.875" hole				1.7052	0.2278	0.0406
9.625" csg. X 12.25" hole				2.3436	0.3132	0.0558

Formation	Depth to top, ft.	Tech. Pub. #92 Base of USDW's
Uinta	Surface	USDW Elevation ~0' MSL
Green River	1086'	USDW Depth ~5247' KBE
Bird's Nest	1403'	
Mahogany	1862'	
Base of Parachute	2690'	
Wasatch	4257'	
Mesaverde	6620'	

NBU 1022-16H PLUG & ABANDONMENT PROCEDURE**GENERAL**

- H2S MAY BE PRESENT. CHECK FOR H2S AND TAKE APPROPRIATE PRECAUTIONS.
- CEMENT QUANTITIES BELOW ASSUME NEAT CLASS G, YIELD 1.145 CUFT./SX. IF A DIFFERENT PRODUCT IS USED, WELLSITE PERSONNEL ARE RESPONSIBLE FOR CORRECTING QUANTITIES TO YIELD THE STATED SLURRY VOLUME. WHEN SQUEEZING, INCLUDE 10% EXCESS PER 1000' OF DEPTH.
- TREATED FRESH WATER WILL BE PLACED BETWEEN ALL PLUGS INSTEAD OF BRINE.
- ALL DISPLACEMENT FLUID SHALL CONTAIN CORROSION INHIBITOR AND BIOCIDES. PREMIX 5 GALLONS PER 100 BBLs FLUID.
- PLUGS ARE TO BE TAGGED TO ENSURE THEY ARE AT DEPTH SPECIFIED.
- NOTIFY UDOGM 24 HOURS BEFORE MOVING ON LOCATION.

PROCEDURE

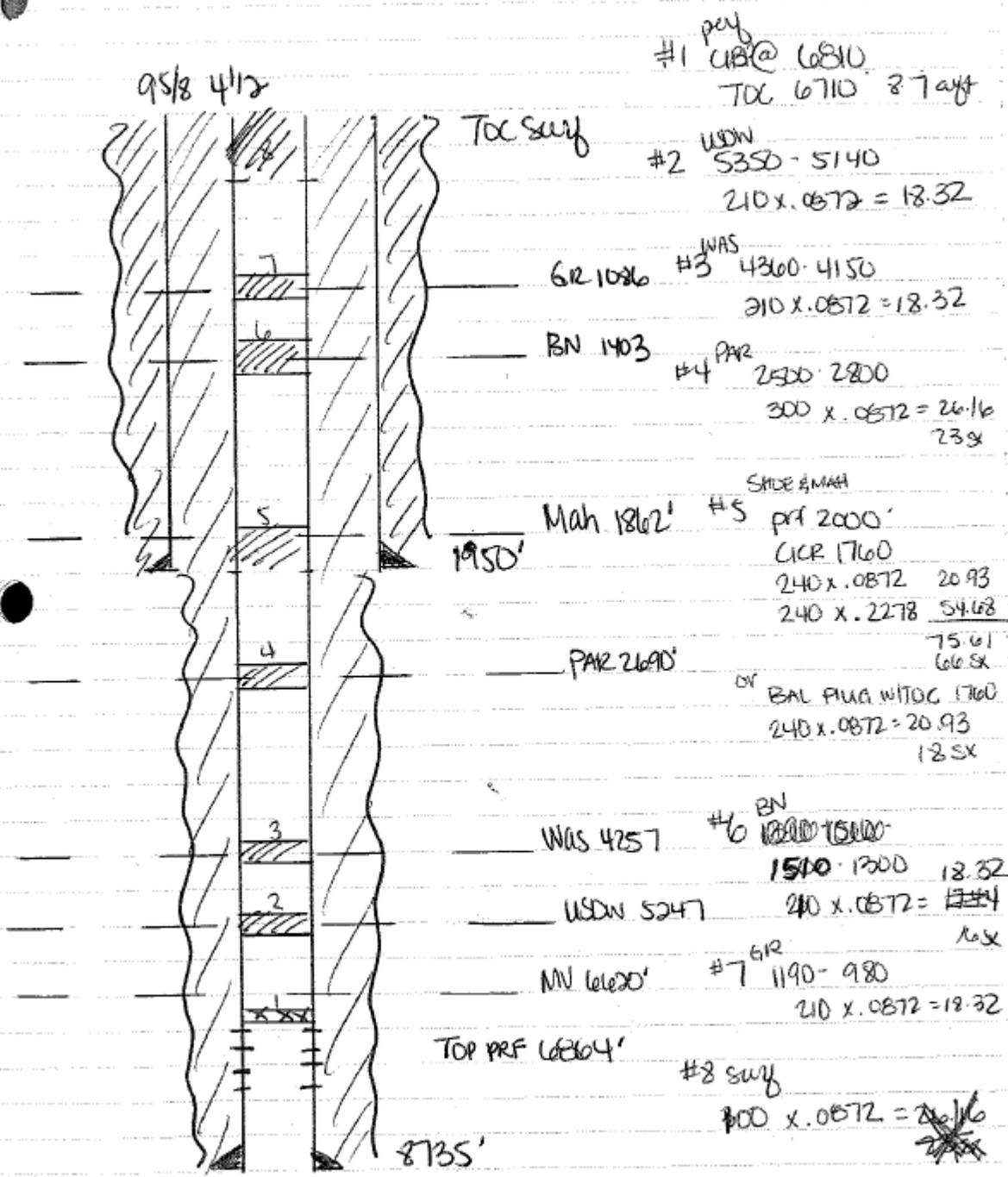
Note: An estimated 71 sx Class "G" cement needed for procedure

1. MIRU. KILL WELL AS NEEDED. ND WH, NU AND TEST BOPE.
2. PULL TBG & LD SAME. RU WIRELINE AND MAKE A GAUGE RING RUN TO CHECK FOR FILL. A GPS READING WILL NEED TO BE TAKEN AT THE WELL SITE AND RECORDED IN OPENWELLS. PLEASE TAKE IT TO THE 6TH DECIMAL PLACE.
3. **PLUG #1, ISOLATE MESAVERDE PERFORATIONS (6864'-8296')**: RIH W/ 4 ½" CIBP. SET @ ~6810'. RELEASE CIBP, PUH 10', BRK CIRC W/ FRESH WATER. DISPLACE A MINIMUM OF **8 SX / 1.6 BBL / 8.72 CUFT**. ON TOP OF PLUG. PUH ABOVE TOC (~6710'). REVERSE CIRCULATE W/ TREATED FRESH WATER.
4. **PLUG #2, PROTECT BASE OF USDW (~5247')**: PUH TO ~5350'. BRK CIRC W/ FRESH WATER. DISPLACE A MINIMUM OF **16 SX/ 3.3 BBL/ 18.3 CUFT** AND BALANCE PLUG W/ TOC @ ~5140' (210' COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ TREATED FRESH WATER.
5. **PLUG #3, PROTECT TOP OF WASATCH (4257')**: PUH TO ~4360'. BRK CIRC W/ FRESH WATER. DISPLACE A MINIMUM OF **16 SX/ 3.3 BBL/ 18.3 CUFT** AND BALANCE PLUG W/ TOC @ ~4150' (210' COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ TREATED FRESH WATER.
6. **PLUG #4, PROTECT BASE OF PARACHUTE MEMBER (~2690')**: PUH TO ~2800'. BRK CIRC W/ FRESH WATER. DISPLACE A MINIMUM OF **23 SX/ 4.7 BBL/ 26.2 CUFT** AND BALANCE PLUG W/ TOC @ ~2500' (300' COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ TREATED FRESH WATER.
7. **PLUG #5, PROTECT SURFACE CASING SHOE (1950') & TOP OF MAHOGANY (1862')**: POOH W/ TUBING. RIH W/ WIRELINE & PERFORATE @ 2000' W/ 4 SPF. PERFORM INJECTION TEST. **IF FORMATION DOESN'T TEST, CONTINUE WITH PLUG #6.** IF FORMATION WILL SQUEEZE, CONTINUE THIS STEP. POOH. PU & RIH W/ 4 ½" CIRC, SET @ ~1760'. RIH W/ TBG & STING INTO CIRC & SQUEEZE PERFS W/ APPROXIMATELY **66 SX / 13.5 BBL / 75.6 CUFT** OR SUFFICIENT VOLUME TO FILL CSG

& ANNULUS TO 1760'. STING OUT OF CICR AND SPOT 4 SX / 0.8 BBL / 4.36 CUFT CMT ON TOP OF CICR. BRK CIRC W/ FRESH WATER. POOH ABOVE TOC (~1710'). REVERSE CIRCULATE W/ TREATED FRESH WATER.

8. **PLUG #6, PROTECT TOP OF MAHOGANY (~1862')**: PUH TO ~1970'. BRK CIRC W/ FRESH WATER. DISPLACE A MINIMUM OF **16 SX/ 3.3 BBL/ 18.3 CUFT** AND BALANCE PLUG W/ TOC @ ~1760' (210' COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ TREATED FRESH WATER.
9. **PLUG #7, PROTECT TOP OF BIRD'S NEST (~1403')**: PUH TO ~1510'. BRK CIRC W/ FRESH WATER. DISPLACE A MINIMUM OF **16 SX/ 3.3 BBL/ 18.3 CUFT** AND BALANCE PLUG W/ TOC @ ~1300' (210' COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ TREATED FRESH WATER.
10. **PLUG #8, PROTECT TOP OF GREEN RIVER (1086')**: PUH TO ~1190'. BRK CIRC W/ FRESH WATER. DISPLACE A MINIMUM OF **16 SX/ 3.3 BBL/ 18.3 CUFT** AND BALANCE PLUG W/ TOC @ ~980' (210' COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ TREATED FRESH WATER.
11. **PLUG #9, CEMENT SURFACE HOLE:** PUH TO ~100'. BRK CIRC W/ FRESH WATER. DISPLACE A MINIMUM OF **8 SX / 1..6 BBL / 8.72 CUFT**. AND FILL CASING TO SURFACE.
12. CUT OFF WELLHEAD AND INSTALL MARKER PER BLM GUIDELINES.
13. RDMO. TURN OVER TO OPERATIONS FOR SURFACE REHAB. SURFACE RECLAMATION TO BE PERFORMED IN ACCORDANCE WITH R649-3-34 - WELL SITE RESTORATION.

ALM 8/12/2011



1022-164

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-3276

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
NATURAL BUTTES

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
NBU 1022-16H

2. NAME OF OPERATOR:
KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER:
43047359430000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779
PHONE NUMBER: 720 929-6515 Ext

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
2169 FNL 1298 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SENE Section: 16 Township: 10.0S Range: 22.0E Meridian: S

COUNTY:
UINTAH

STATE:
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 checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 11/8/2011 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input type="text"/>

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

The operator has concluded the plug and abandonment operations on the subject well location on 11/08/2011. Please see the attached chronological well history for details and updated latitude and longitude locations. Thank you.

NAME (PLEASE PRINT) Jaime Scharnowske	PHONE NUMBER 720 929-6304	TITLE Regularatory Analyst
SIGNATURE N/A	DATE 12/19/2011	

US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-16H				Spud Date: 8/13/2007				
Project: UTAH-UINTAH			Site: NBU 1022-16H			Rig Name No: WESTERN WELLSITE/UNK		
Event: ABANDONMENT			Start Date: 11/3/2011		End Date: 11/8/2011			
Active Datum: RKB @5,262.00usft (above Mean Sea Level)				UWI: NBU 1022-16H				
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
11/3/2011	7:00 - 17:00	10.00	ABAND					PREJOB SAFETY MEETING, MIRU, WO TANK, OPEN WELL TO TANK (1800PSI ON CASING, 1400PSI ON TUBING), FLOW WELL TO TANK ALL DAY AND OVERNIGHT, SDFN
11/4/2011	7:00 - 17:00	10.00	ABAND					PREJOB SAFETY MEETING, KILL WELL WITH 50BLS BRINE WATER, NDWH, NUBOP, RU SCAN TECH, TOH AND TEST TUBING, RD SCAN TECH, TIH WITH BIT TO 6830', TOH, TIH WITH CIBP AND SET AT 6775', SIW, SDFN WITNESSED BY: DAVE HACKFORD, UDOGM
11/7/2011	7:00 - 17:00	10.00	ABAND					PREJOB SAFETY MEETING, LOAD HOLE WITH 80BLS PRODUCED WATER WITH CORROSION INHIBITOR, PRESSURE TEST CASING HELD. MIX AND PUMP 10SXS CLASS G CEMENT, TOH TO 5364'. MIX AND PUMP 20SXS CLASS G CEMENT, TOH TO 4377'. MIX AND PUMP 20SXS CLASS G CEMENT, TOH TO 2805'. MIX AND PUMP 25SXS CLASS G CEMENT, TOH TO 2004'. MIX AND PUMP 30SXS CLASS G CEMENT. TOH, SIW, WOC, SDFN WITNESSED BY: DAVE HACK FORD DOGM
11/8/2011	7:00 - 17:00	10.00	ABAND					PREJOB SAFETY MEETING, TIH AND TAG CEMENT AT 1571', TOH TO 1541', MIX AND PUMP 40SXS CLASS G CEMENT, TOH, RD, NDBOP, DIG OUT WELLHEAD, CUT OFF WELLHEAD, TOC IN SURFACE ANNULUS AT SURFACE, FILL 4.5" CASING FROM 100' TO SURFACE WITH 10SXS CLASS G CEMENT, WELD ON INFO PLATE, BACKFILL, START MO, SDFN WITNESSED BY: DAVE HACK FORD DOGM 165 TOTAL SXS CEMENT 3545' 115JTS YELLOW BAND 2 3/8" TUBING RECOVERED 3237' 105JTS RED BAND 2 3/8" TUBING RECOVERED LAT: +39.95029 LONG:-109.44000