

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

FORM 3

AMENDED REPORT
(highlight changes)

001

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: ML3276	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 1022-16G	
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: 1603'FNL & 2126'FEL 633071x 39.951751 AT PROPOSED PRODUCING ZONE: 4423354y -109.442228				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 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) 1603'		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.): 5260' GL		22. APPROXIMATE DATE WORK WILL START:		23. ESTIMATED DURATION:	

24. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12 1/4"	9 5/8"	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

25. ATTACHMENTS

DIV. OF OIL, GAS & MINING

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: 43-047-35948

APPROVAL:

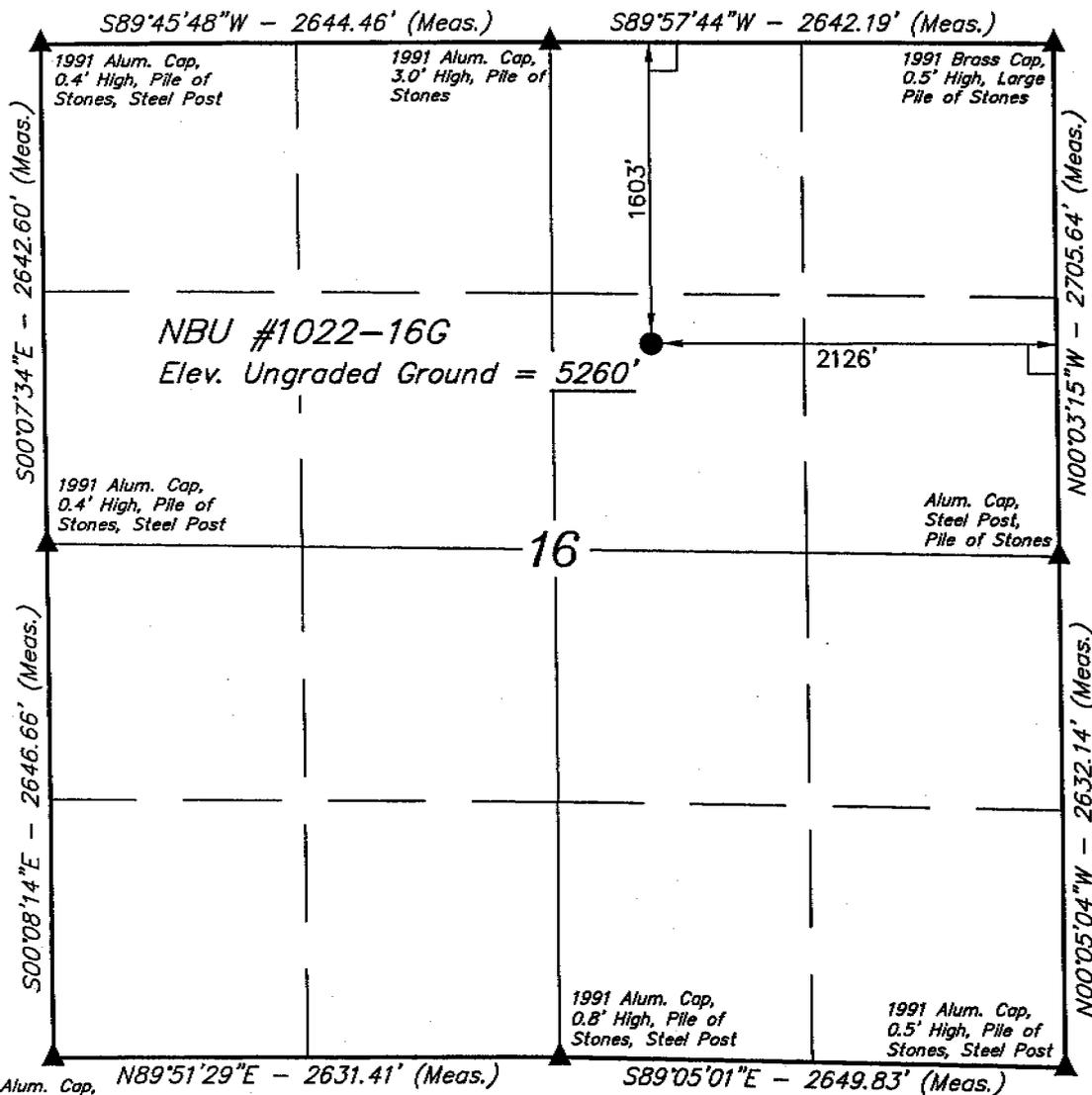
Approved by the
Utah Division of
Oil, Gas and Mining

Date: 9-27-04
By: *[Signature]*

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

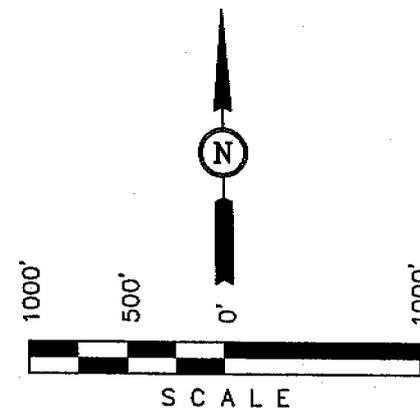
WESTPORT OIL AND GAS COMPANY, I.P.

Well location, NBU #1022-16G, located as shown in the SW 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, UINTAH 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.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert A. Gray
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 16138
 STATE OF UTAH

1991 Alum. Cap, 0.4' High, Pile of Stones

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

BASIS OF BEARINGS

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

(NAD 83)

LATITUDE = $39^{\circ}57'06.67''$ (39.951853)
 LONGITUDE = $109^{\circ}26'34.52''$ (109.442922)

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. B.W. K.G.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE WESTPORT OIL AND GAS COMPANY, I.P.	

NBU #1022-16G
 SW/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	6675'
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	6675'
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. **Variances:**

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	1.54	4.73
						7780	6350	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 Option 1	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
	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 Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite +.25 pps Flocele + 3% salt BWO	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
	NOTE: If well will circulate water to surface, option 2 will be utilized						
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

DRILLING SUPERINTENDENT: _____
 Randy Bayne DHD_NBU1022-16G_APD

DATE: _____
 DATE: _____

NBU #1022-16G
SW/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& GCo. 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 #1022-16G
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 SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY 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 #1022-16G
LOCATED IN UINTAH COUNTY, UTAH
SECTION 16, T10S, R22E, S.L.B.&M.

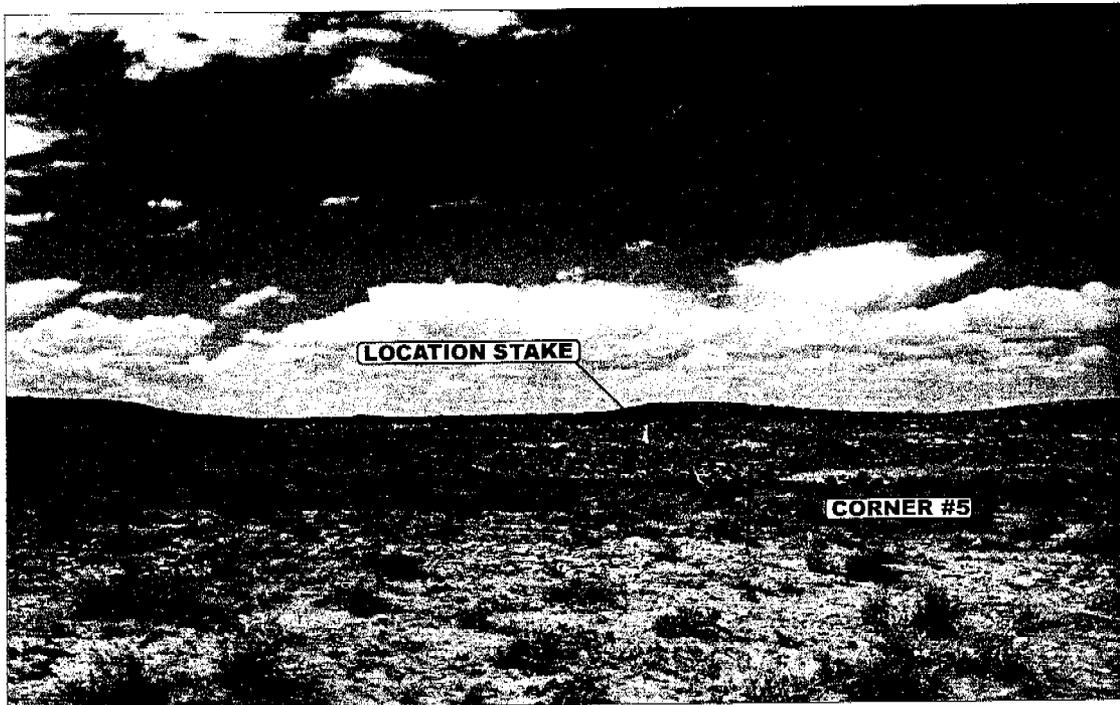


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

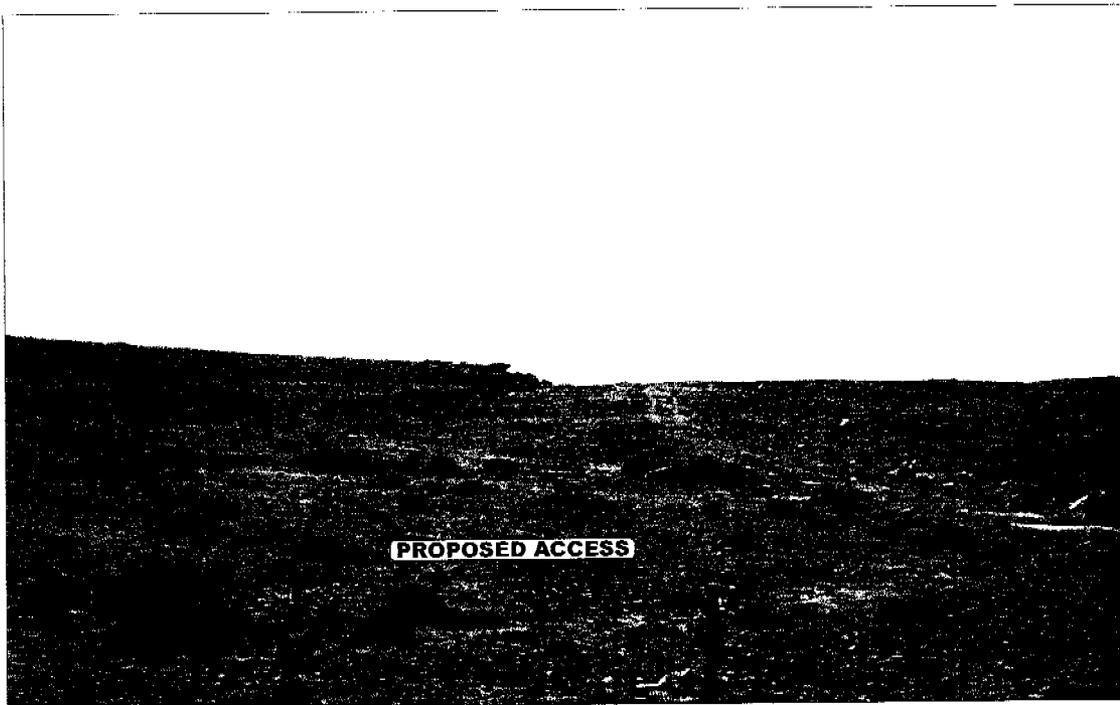


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



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

- Since 1964 -

LOCATION PHOTOS

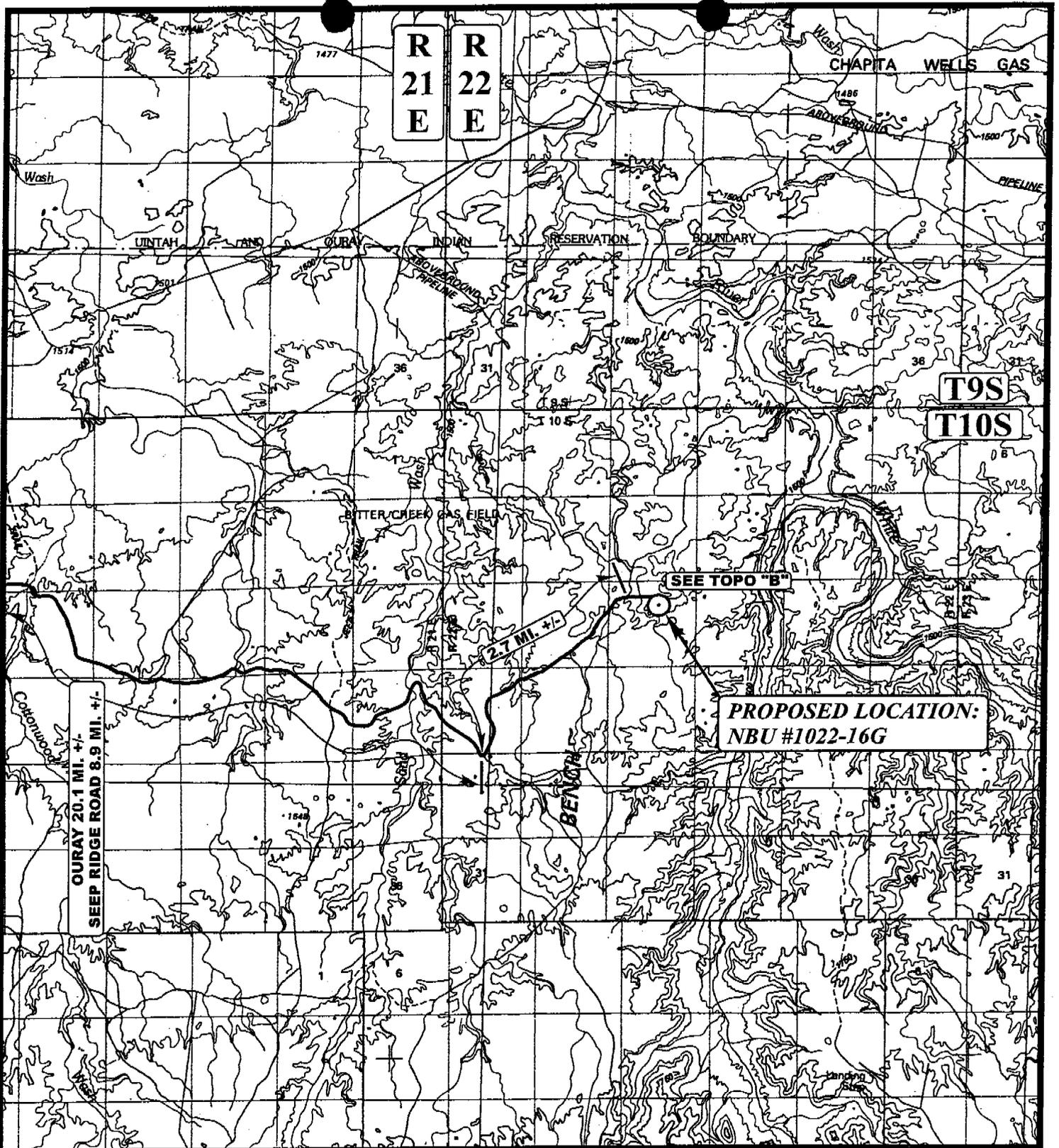
8 12 04
MONTH DAY YEAR

PHOTO

TAKEN BY: K.K.

DRAWN BY: K.G.

REVISED: 00-00-00



LEGEND:

○ PROPOSED LOCATION



Utah 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 #1022-16G
SECTION 16, T10S, R22E, S.L.B.&M.
1603' FNL 2126' FEL

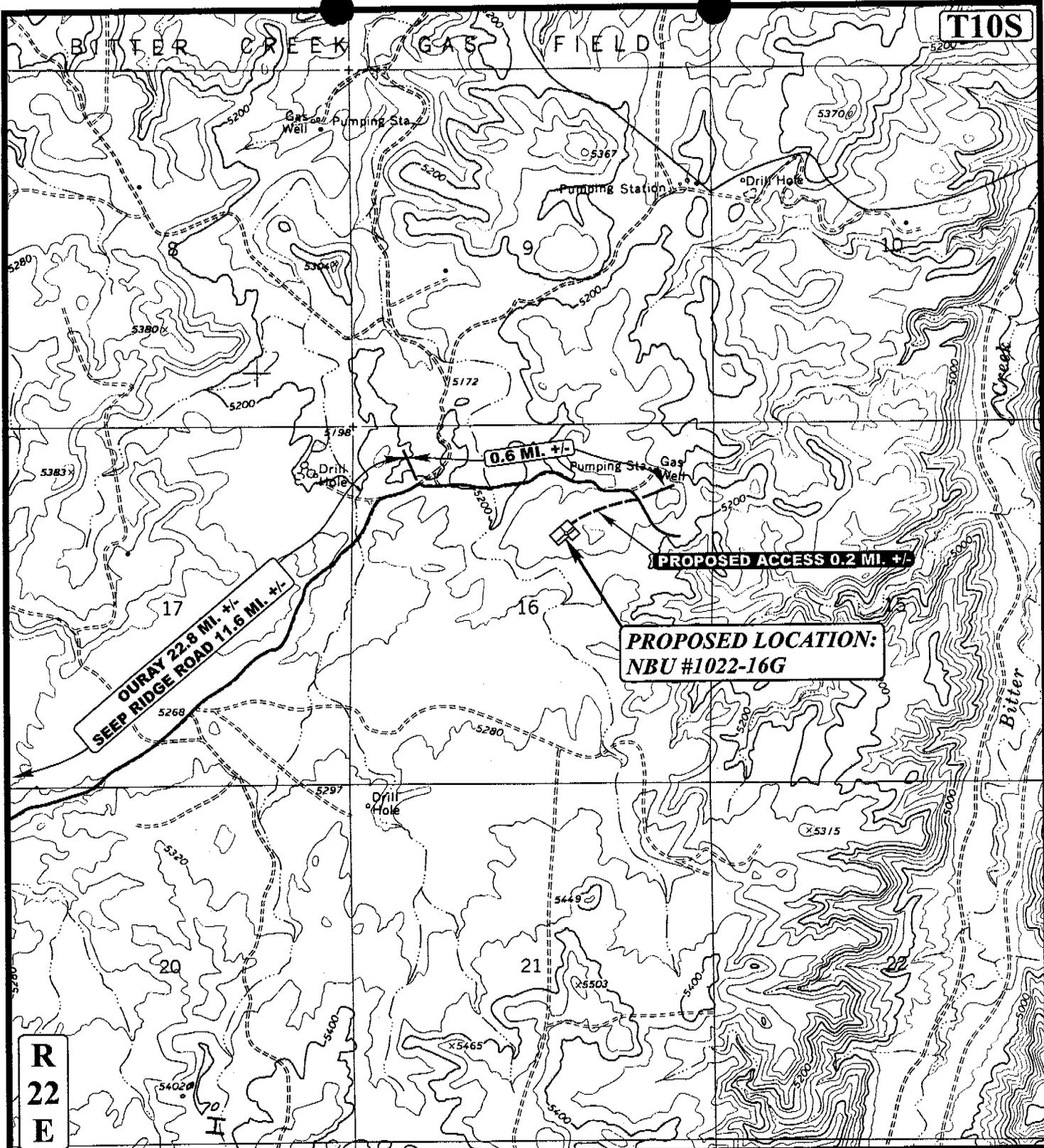
TOPOGRAPHIC
MAP

8 12 04
MONTH DAY YEAR

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



T10S



R
22
E

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD



WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1022-16G

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

1603' FNL 2126' FEL



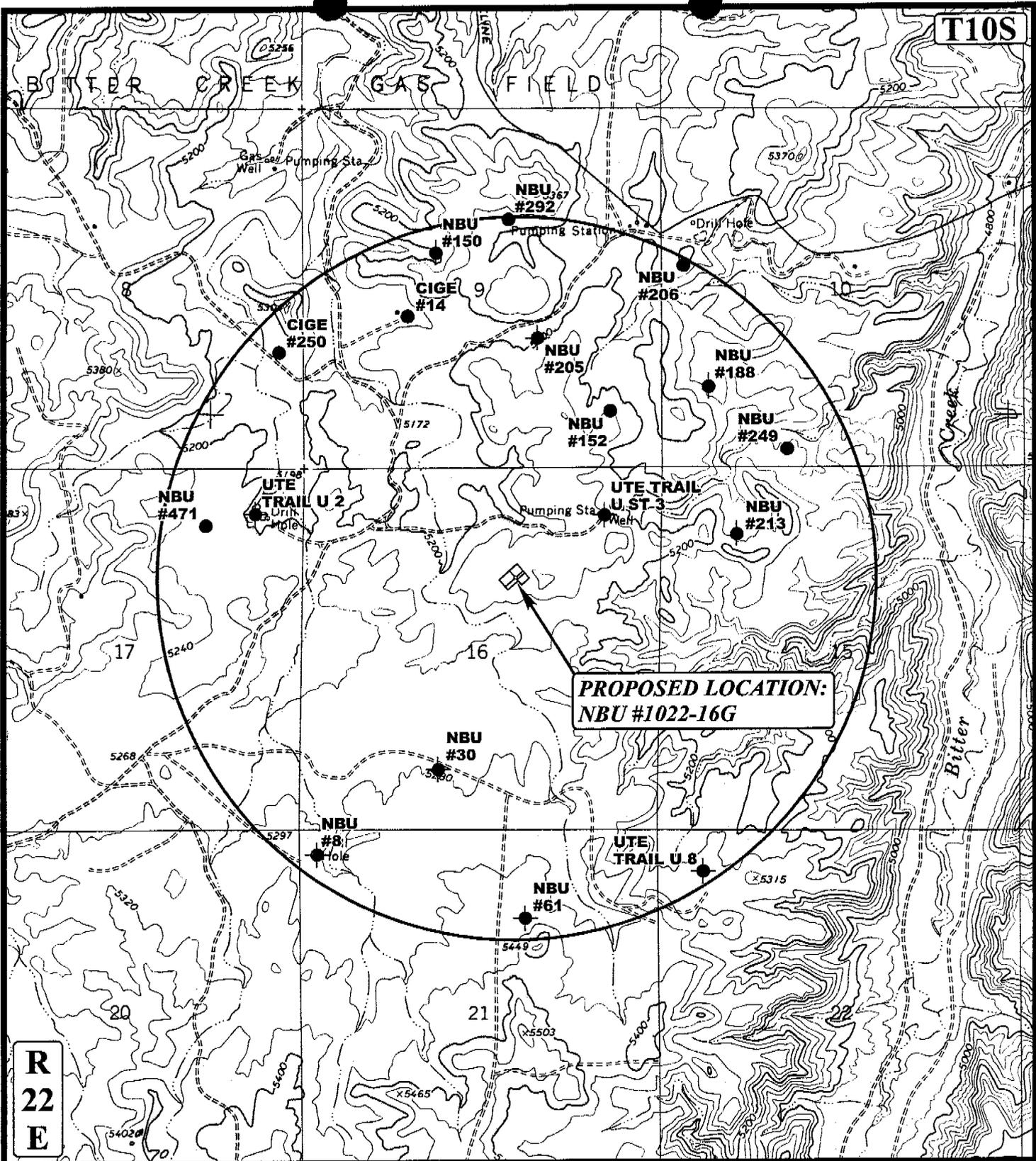
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

8	12	04
MONTH	DAY	YEAR

**B
TOPO**

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



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

**R
22
E**

LEGEND:

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

WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1022-16G
SECTION 16, T10S, R22E, S.L.B.&M.
1603' FNL 2126' FEL

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

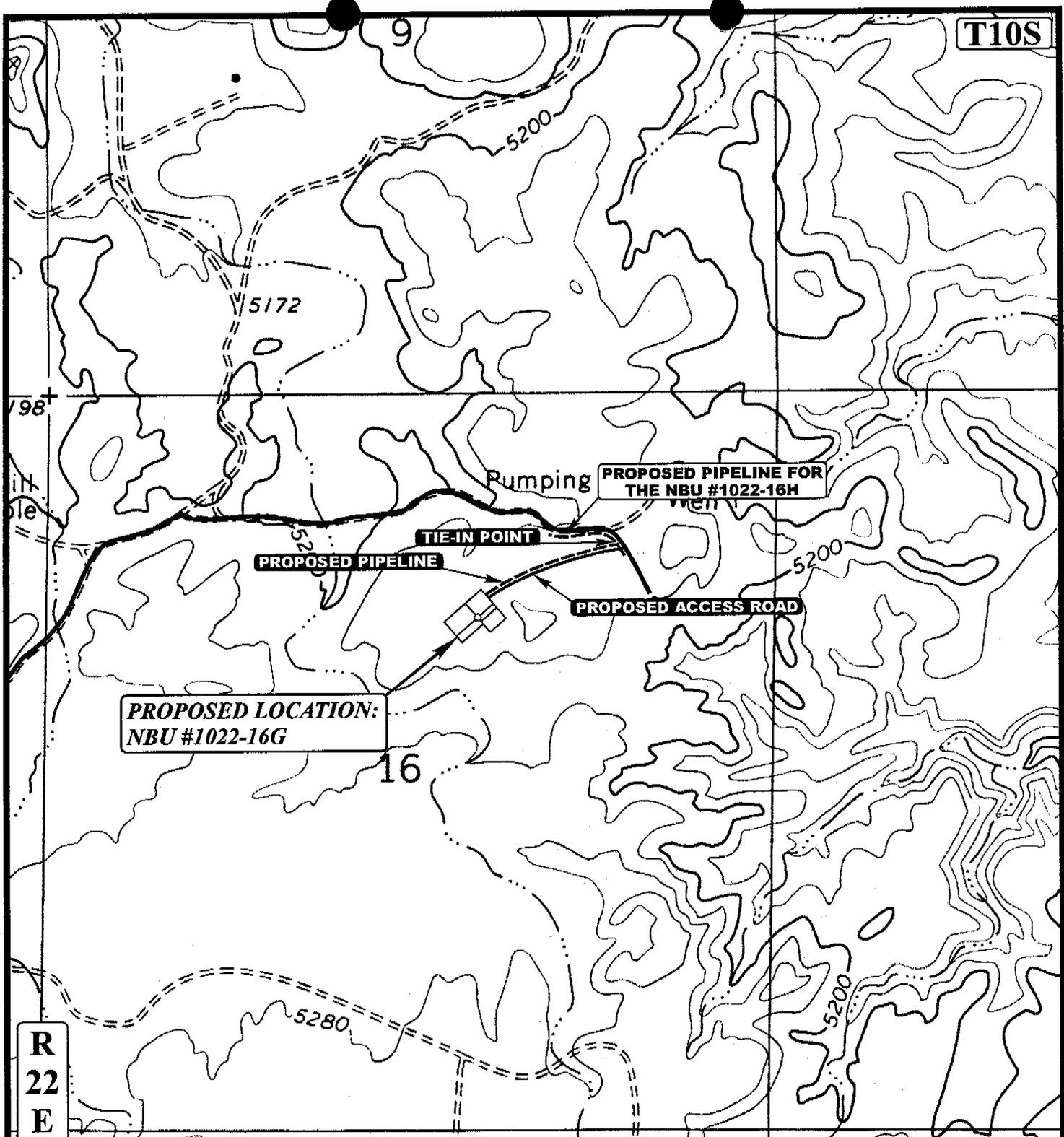


TOPOGRAPHIC MAP

8	12	04
MONTH	DAY	YEAR

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

C
TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 1,000' +/-

LEGEND:

- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED ACCESS



WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1022-16G

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

1603' FNL 2126' 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

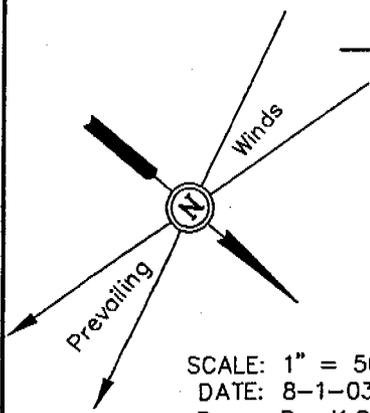
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 TOPO**

LOCATION LAYOUT FOR

NBU #1022-16G

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

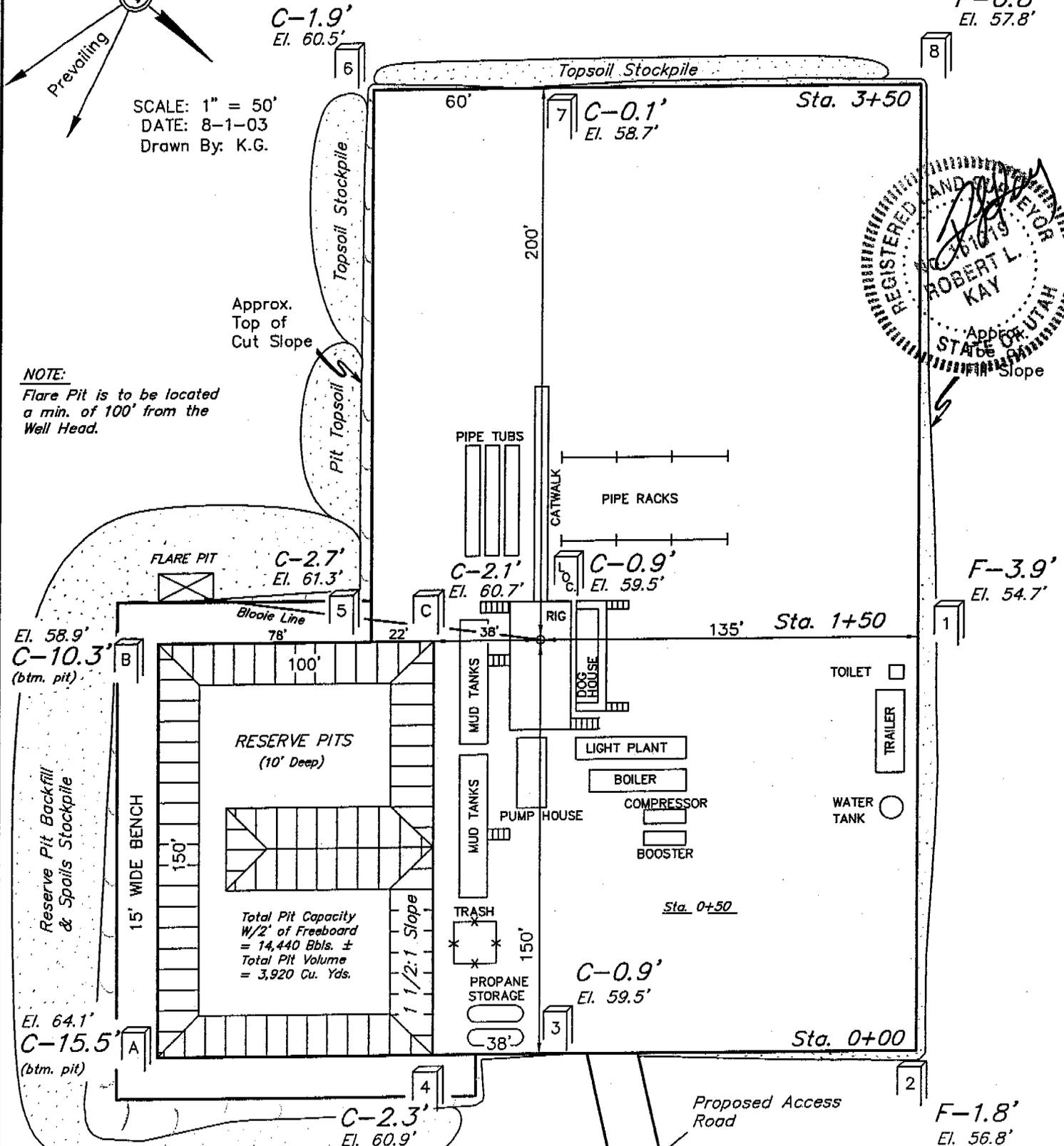
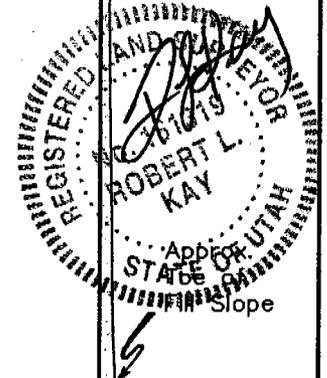
1603' FNL 2126' FEL



SCALE: 1" = 50'
DATE: 8-1-03
Drawn By: K.G.

F-0.8'
El. 57.8'

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

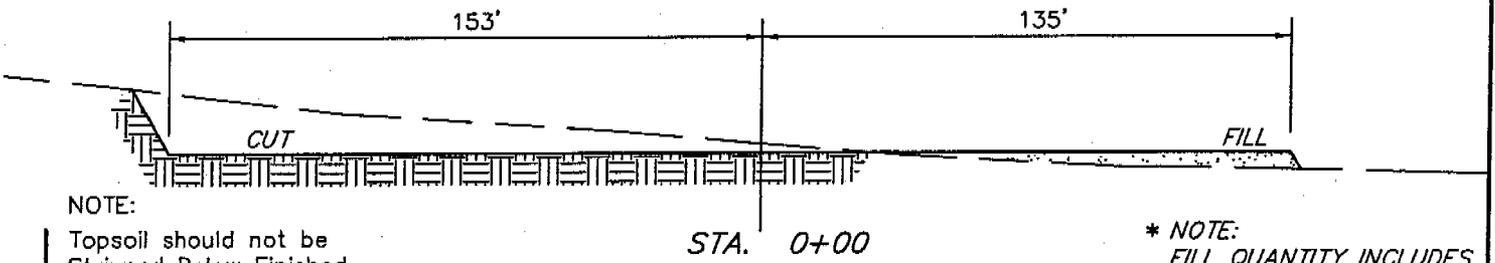
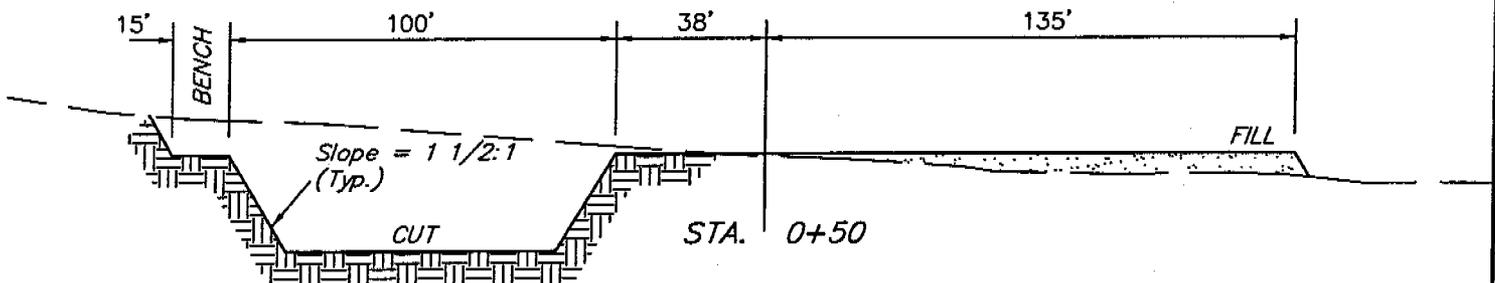
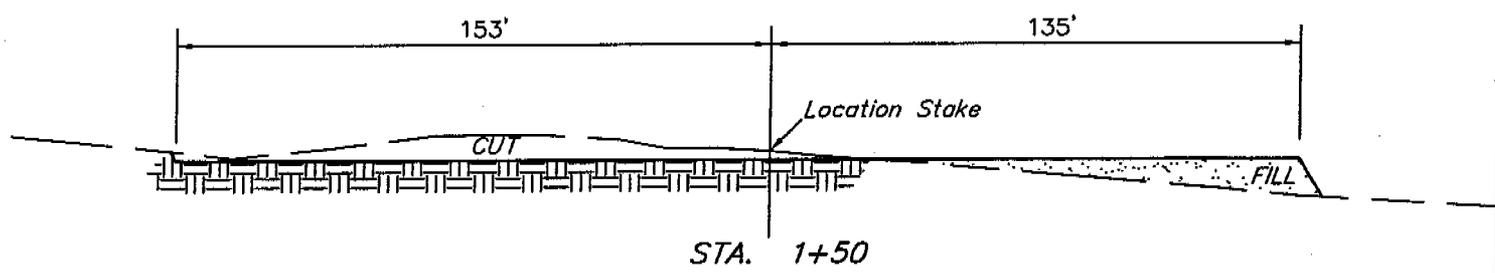
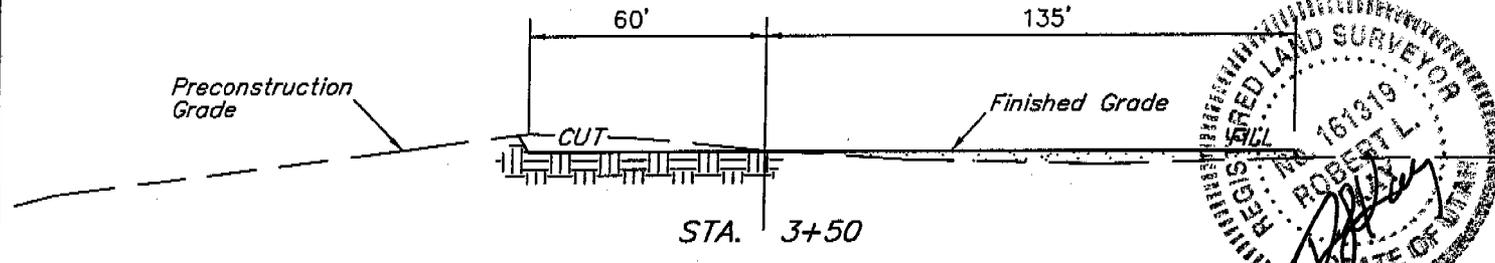
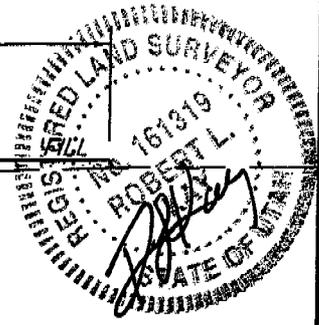


NOTES:
Elev. Ungraded Ground At Loc. Stake = 5259.5'
FINISHED GRADE ELEV. AT LOC. STAKE = 5258.6'

TYPICAL CROSS SECTIONS FOR
 NBU #1022-16G
 SECTION 16, T10S, R22E, S.L.B.&M.
 1603' FNL 2126' FEL

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

DATE: 8-1-03
 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	= 1,730 Cu. Yds.
Remaining Location	= 6,420 Cu. Yds.
TOTAL CUT	= 8,150 CU.YDS.
FILL	= 3,470 CU.YDS.

EXCESS MATERIAL	= 4,680 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,690 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 990 Cu. Yds.

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/28/2004

API NO. ASSIGNED: 43-047-35948

WELL NAME: NBU 1022-16G

OPERATOR: WESTPORT OIL & GAS CO (N2115)

CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

SWNE 16 100S 220E

SURFACE: 1603 FNL 2126 FEL

BOTTOM: 1603 FNL 2126 FEL

UINTAH

NATURAL BUTTES (630)

LEASE TYPE: 3 - State

LEASE NUMBER: ML3276

SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSMVD

COALBED METHANE WELL? NO

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

LATITUDE: 39.95175

LONGITUDE: -109.4422

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. RUB0005236)
- 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:

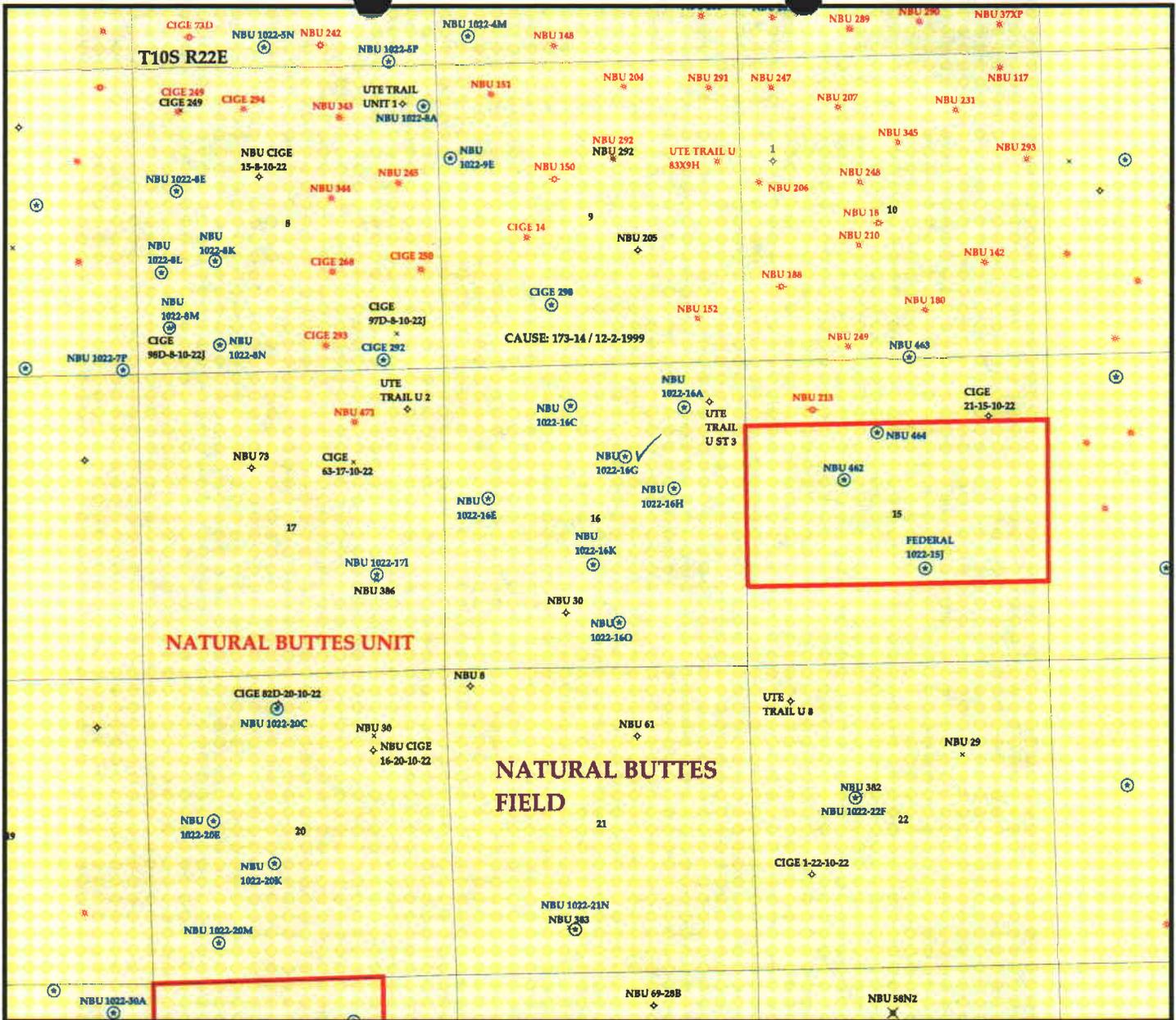
- ___ R649-2-3.
- Unit NATURAL BUTTES
- ___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- ___ R649-3-3. Exception
- Drilling Unit
Board Cause No: 173-14
Eff Date: 12-2-1998
Siting: 4100' fr uhdrg/EWncmm STALL
- ___ R649-3-11. Directional Drill

COMMENTS: Needs Permit (10-20-04)

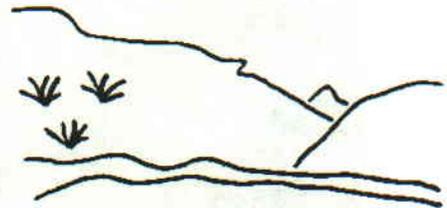
STIPULATIONS: 1- OIL SHALE

2- Surface Csg Cont Stip

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 1022-16G
API NUMBER: 43-047-35948
LEASE: ML-3276 FIELD/UNIT: NATURAL BUTTES
LOCATION: 1/4,1/4 NW/NE Sec: 16 TWP: 10S RNG: 22E 2126' FEL 1603' FNL
LEGAL WELL SITING: 460' from unit boundary and uncommitted tracts.
GPS COORD (UTM): 633073E 4423372N 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 1.3 MILES TO THE NORTH, THEN 1.1 MILES TO THE NORTHEAST TO THE WHITE RIVER. BREAKS OF BITTER CREEK CANYON HEAD 0.8 MILES TO THE EAST. BITTER CREEK IS 1.3 MILES TO THE EAST. OURAY, UTAH IS 35.2 MILES TO THE NORTHWEST. THERE ARE NUMEROUS SANDSTONE OUTCROPPINGS 250' TO THE NORTHEAST.

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 LINER WILL NOT 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, 12:05 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>10</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>

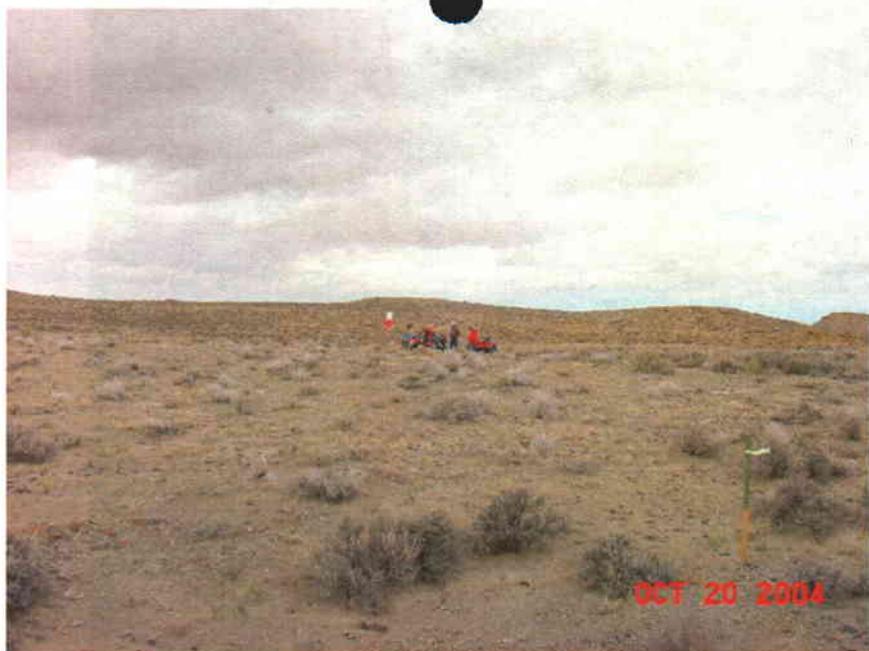
Final Score 15 (Level II Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.

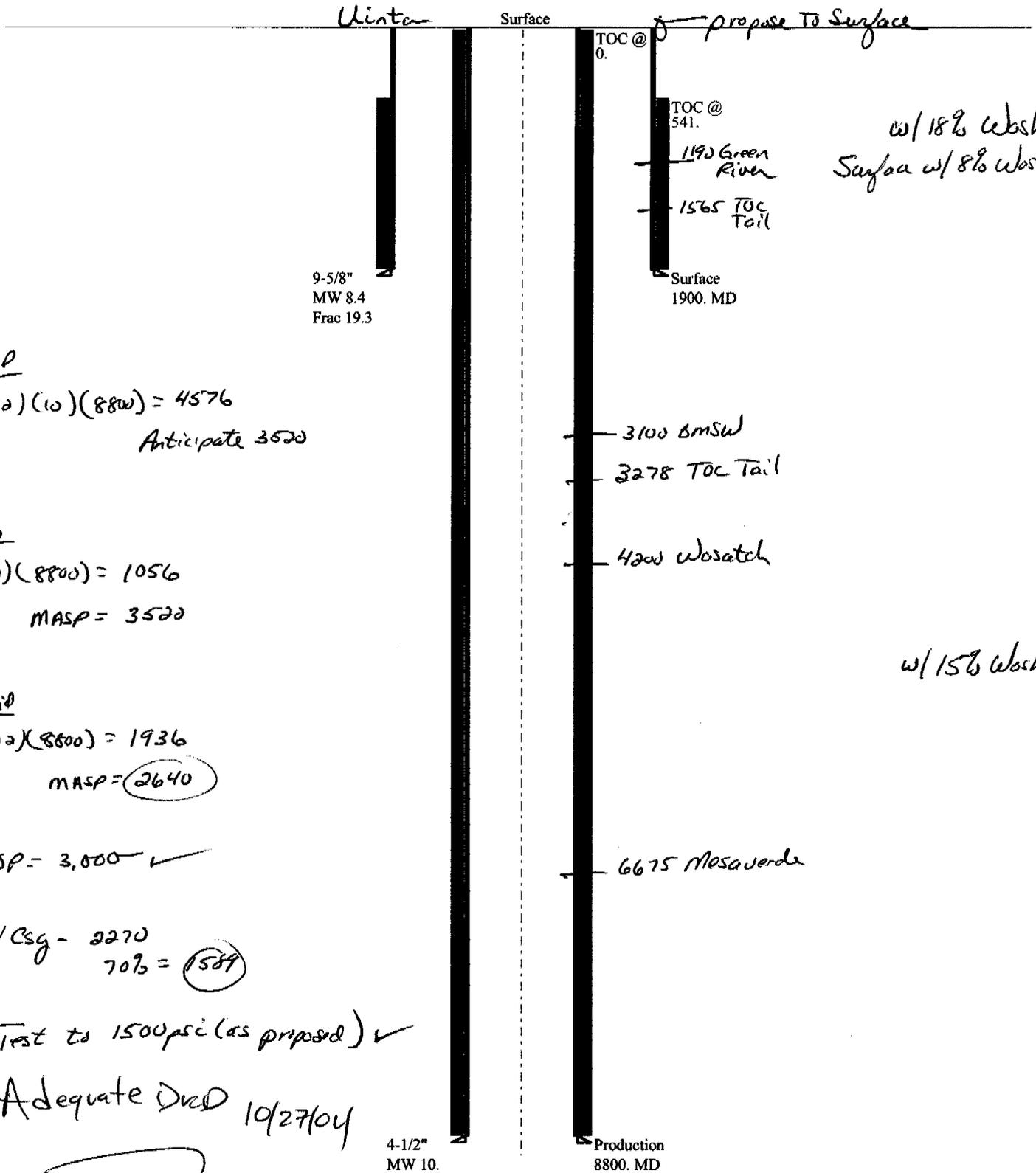
Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.





10-04 Westport NBU 1022-10G
Casing Schematic



w/ 18% Washout
Surface w/ 8% Washout

w/ 15% Washout

BHP
 $(0.52)(10)(8800) = 4576$
 Anticipate 3520

Gao
 $(.12)(8800) = 1056$
 MASP = 3520

fluid
 $(.22)(8800) = 1936$
 MASP = 2640

BOP = 3,000 ✓

Surf Csg - 2270
 $70\% = 1589$

Test to 1500 psi (as proposed) ✓

Adequate DWD 10/27/04



9-5/8"
MW 8.4
Frac 19.3

4-1/2"
MW 10.

TOC @ 0.

TOC @ 541.

1190 Green River

1565 TOC Tail

Surface 1900. MD

3100 BMSW

3278 TOC Tail

4200 Washout

6675 Mesaverde

Production 8800. MD

Well name:

10-04 Westport NBU 1022-16G

Operator: **Westport Oil & Gas**

String type: **Surface**

Project ID:

43-047-35948

Location: **Uintah**

Design parameters:

Collapse

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

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 92 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 541 ft

Burst

Max anticipated surface pressure: 1,672 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 1,900 psi

No backup mud specified.

Tension:

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

Tension is based on buoyed weight.
Neutral point: 1,666 ft

Non-directional string.

Re subsequent strings:

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.

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

Well name:	10-04 Westport NBU 1022-16G	
Operator:	Westport Oil & Gas	Project ID:
String type:	Production	43-047-35948
Location:	Uintah	

Design parameters:

Collapse

Mud weight: 10.000 ppg
 Design is based on evacuated pipe.

Burst

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

No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

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

Tension is based on buoyed weight.
 Neutral point: 7,484 ft

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

Cement top: Surface

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	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.

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



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 1022-16G Well, 1603' FNL, 2126' FEL, SW 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 43-047-35948.

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 1022-16G
API Number: 43-047-35948
Lease: ML3276

Location: SW 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 #43-047-35948

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.

**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 1022-16G
API NUMBER: 43-047-35948
LOCATION: 1/4,1/4 SW/NE Sec: 16 TWP: 10S RNG: 22E 2126' FEL 1603' 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. Mr. Bartlett gave Ms. Domenici a prescribed seed mix to be used when reserve pit is reclaimed.

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

Conditions of Approval/Application for Permit to Drill:

None.

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

005

<p align="center">SUNDRY NOTICES AND REPORTS ON WELLS</p> <p>Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT -- for such proposals</p>		6. Lease Designation and Serial Number ML-3276
		7. Indian Allottee or Tribe Name N/A
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (specify)		8. Unit or Communitization Agreement NATURAL BUTTES
2. Name of Operator WESTPORT OIL & GAS COMPANY, L.P.		9. Well Name and Number NBU 1022-16G
3. Address of Operator 1368 SOUTH 1200 EAST, VERNAL, UT 84078	4. Telephone Number 435-781-7044	10. API Well Number 43-047-35948
5. Location of Well Footage : 1603' FNL, 2126' FEL County : UINTAH QQ, Sec, T., R., M : SWNE, SECTION 16, T10S, R22E, SLB&M State : UTAH		11. Field and Pool, or Wildcat NATURAL BUTTES
12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		

NOTICE OF INTENT
(Submit in Duplicate)

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

SUBSEQUENT REPORT
(Submit Original Form Only)

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

Approximate Date Work Will Start _____

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

COPIES SENT TO OPERATOR
Date: 2-2-05
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)

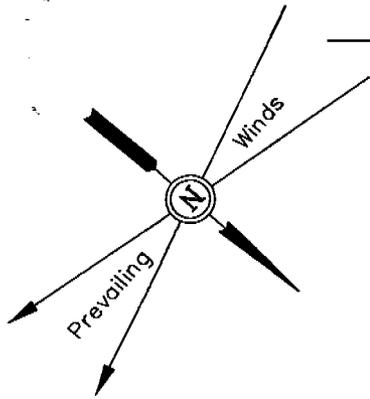
[Handwritten Signature]

WESTPORT OIL AND GAS COMPANY, L.P.

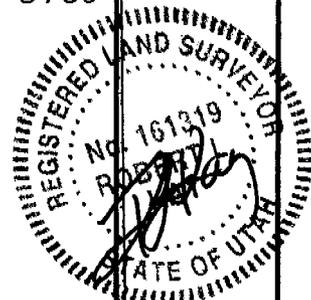
FIGURE #1

LOCATION LAYOUT FOR

NBU #1022-16G
SECTION 16, T10S, R22E, S.L.B.&M.
1603' FNL 2126' FEL

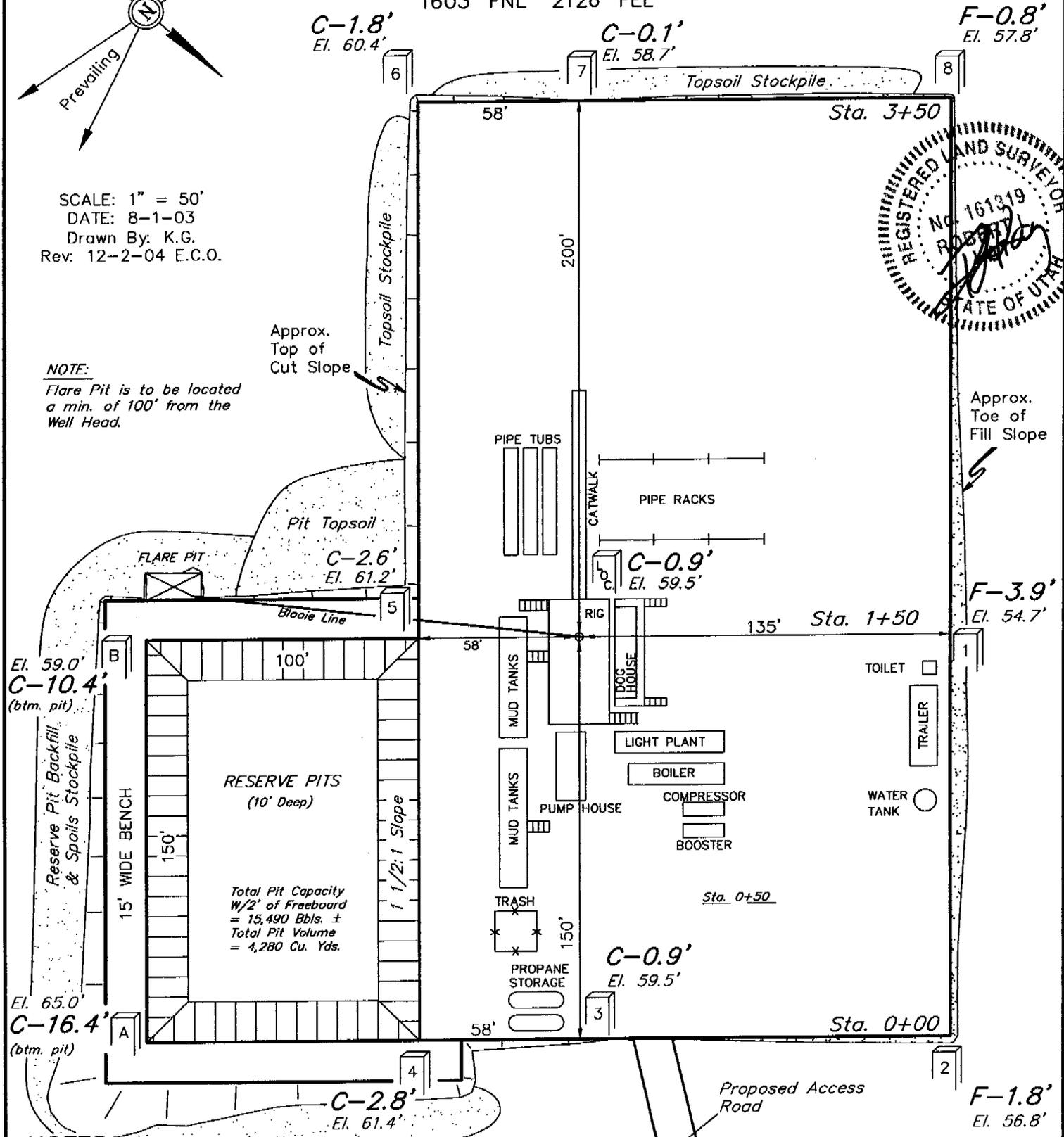


SCALE: 1" = 50'
DATE: 8-1-03
Drawn By: K.G.
Rev: 12-2-04 E.C.O.



NOTE:

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



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5259.5'
FINISHED GRADE ELEV. AT LOC. STAKE = 5258.6'

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

WESTPORT OIL AND GAS COMPANY, L.P.

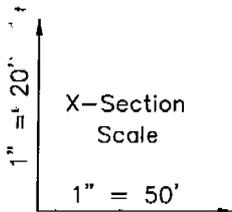
FIGURE #2

TYPICAL CROSS SECTIONS FOR

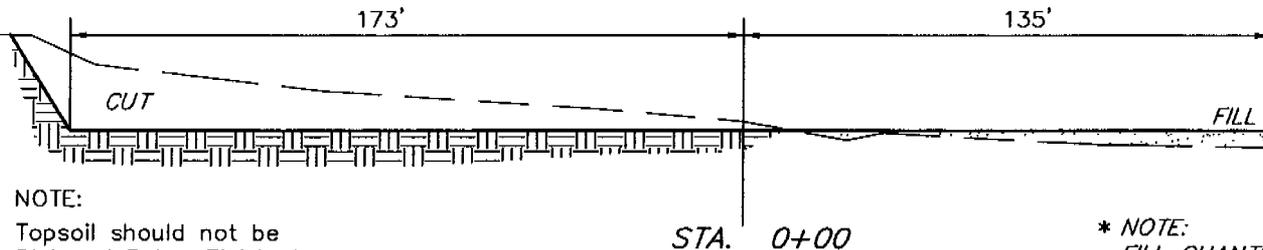
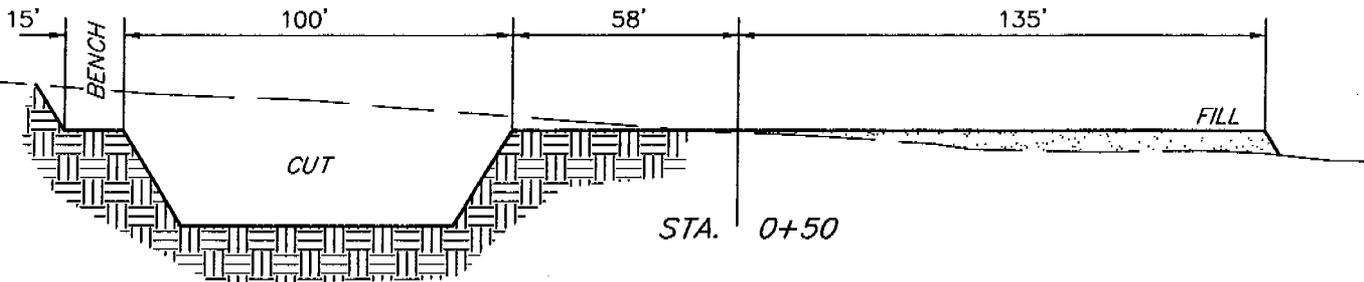
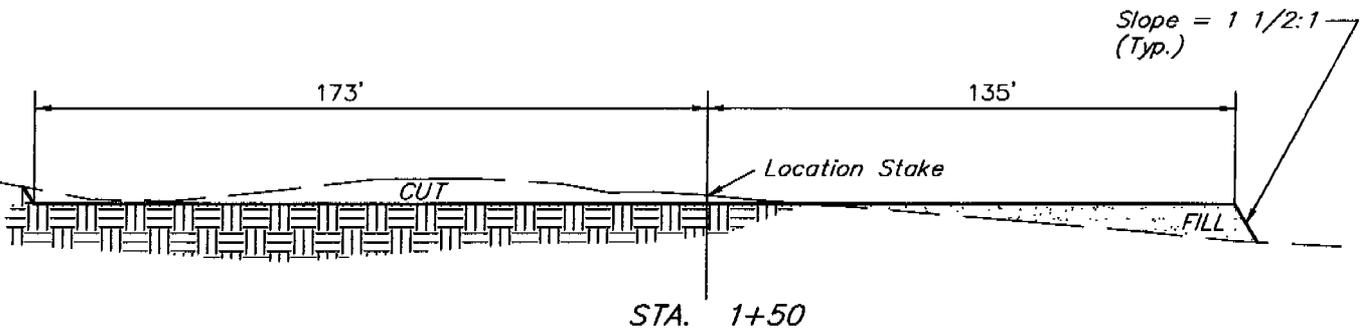
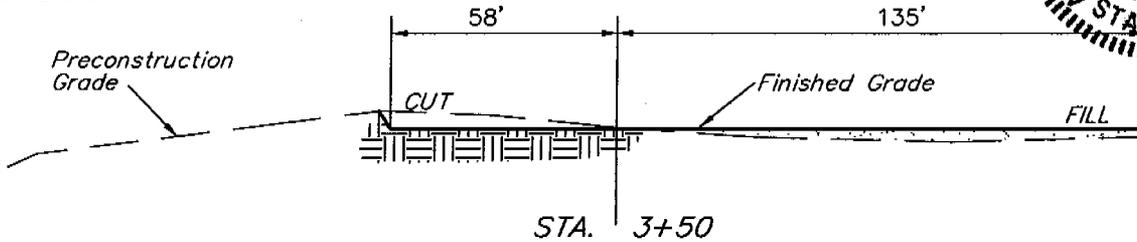
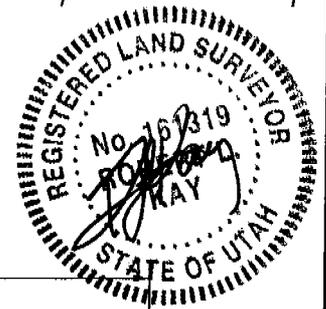
NBU #1022-16G

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

1603' FNL 2126' FEL



DATE: 8-1-03
Drawn By: K.G.
Rev: 12-2-04 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	= 1,800	Cu. Yds.
Remaining Location	= 7,230	Cu. Yds.
TOTAL CUT	= 9,030	CU.YDS.
FILL	= 3,480	CU.YDS.

EXCESS MATERIAL	= 5,550	Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,940	Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 1,610	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

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3276
2. NAME OF OPERATOR: WESTPORT OIL & GAS COMPANY L.P.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NATURAL BUTTES UNIT
3. ADDRESS OF OPERATOR: 1368 S. 1200 E. CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES UNIT
PHONE NUMBER: (435) 781-7024		8. WELL NAME and NUMBER: NBU 1022-16G
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1603'FNL & 2126'FEL		9. API NUMBER: 4304735948
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 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 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. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL, GAS AND MINING ON OCTOBER 27, 2004.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 11-09-05
By: *[Signature]*

COPIES SENT TO OPERATOR
Date: 11-15-05
By: *[Signature]*

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST
SIGNATURE *[Signature]* DATE 11/4/2005

(This space for State use only)

RECEIVED
NOV 08 2005
DIV. OF OIL, GAS & MINING

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

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

API: 4304735948
Well Name: NBU 1022-16G
Location: SWNE 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

11/4/2005
Date

Title: REGULATORY ANALYST

Representing: WESTPORT OIL & GAS COMPANY L.P.

RECEIVED
NOV 08 2005
DIV. OF OIL, GAS & MINING

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
---	--

CA No.		Unit:		NATURAL BUTTES UNIT				
WELL NAME	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

6. **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

7. **Federal and Indian Units:**
 The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006

8. **Federal and Indian Communization Agreements ("CA"):**
 The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

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

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

RECEIVED
MAY 10 2006
 DIV. OF OIL, GAS & MINING

BLM BOND = C01203
BIA BOND = RLB0005239

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

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

Name (Printed/Typed) 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.

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

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

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.

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	Title ENGINEERING SPECIALIST
Signature <i>Brad Laney</i>	Date May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by <i>Brad Laney</i>	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.

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

OPERATOR MR MCGEE OIL AND GAS ONSHORE
 ADDRESS 1368 SOUTH 1200 EAST
VERNAL, UT 84078

OPERATOR ACCT. NO. N 2995

C

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	99999	2900	43-047-35948	NBU 1022-16G	SWNE	16	10	22	UINTAH	5/22/2006	5/25/06

WELL 1 COMMENTS:
 MIRU ROCKEY MTN. BUCKET RIG *WSMVD*
 WELL SPUD @ 2000 HR 5/22/06 *- R*

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

WELL 2 COMMENTS:

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

WELL 3 COMMENTS:

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

WELL 4 COMMENTS:

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

WELL 5 COMMENTS:

- ACTION CODES (See Instructions on back of form)
- 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)

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

RECEIVED
 MAY 24 2006
 DIV. OF OIL, GAS & MINING

Raney Hoopes
 Signature

REGULATORY CLERK 05/24/06
 Title Date
 Phone No. 781-7003

MAY-24-2006 WED 08:45 AM EL PASO PRODUCTION

FAX NO. 4357817094

P. 02

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 1022-16G
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078		9. API NUMBER: 4304735948
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1603'FNL, 2126'FEL		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 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"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <u>SET SURFACE CSG</u>

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

MIRU BILL MARTIN AIR RIG ON 05/31/2006. DRILLED 12 1/4" SURFACE HOLE TO 2020'. RAN 9 5/8" 32.3# H-40 SURFACE CSG. LEAD CMT W/300 SX PREM CLASS G @15.8 PPG 1.15 YIELD. NO RETURNS TO PIT. TOP OUT W/100 SX CLASS G @15.8 PPG 1.15 YIELD DOWN BACKSIDE. 2ND TOP OUT W/150 SX CLASS G @15.8 PPG 1.15 YIELD DOWN BACKSIDE. CMT TO SURFACE HOLE STAYED FULL.

WORT

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NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGUALTORY ANALYST
SIGNATURE	DATE 6/5/2006

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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 AND GAS ONSHORE LP		8. WELL NAME and NUMBER: NBU 1022-16G
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078	PHONE NUMBER: (435) 781-7003	9. API NUMBER: 4304735948
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1603' FNL 2126' FEL		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 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: 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 TO 8792'. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/420 SX PREM LITE II @ 11.0 PPG 3.82 YIELD TAILEED W/1257 SX 50/50 POZ @ 14.3 PPG 1.31 YIELD. FLOATS HELD. DROP AND SET SLIPS W/90K.

RELEASE RIG ON 7/3/06 AT 1100 HRS.

NAME (PLEASE PRINT) <u>Ramey Hoopes</u>	TITLE <u>Regulatory Clerk</u>
SIGNATURE <u>Ramey Hoopes</u>	DATE <u>7/5/2006</u>

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STATE OF UTAH
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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 1022-16G
2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP			9. API NUMBER: 4304735948
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST 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: 1603'FNL, 2126'FEL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 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: PRODUCTION START-UP
	<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 PLACED ON PRODUCTION START-UP ON 07/22/2006 AT 9:30 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGULATORY ANALYST
SIGNATURE	DATE 7/24/2006

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KERR MCGEE OIL & GAS ONSHORE, LP
1368 South 1200 East
Vernal, UT 84078
CHRONOLOGICAL HISTORY

NBU 1022-16G

UINTAH COUNTY, UT

	SPUD	Surface Casing	Activity	Status
05/08/06			Build Location, 10% Complete	Pioneer 38
05/09/06			Build Location, 30% Complete	Pioneer 38
05/10/06			Build Location, 40% Complete	Pioneer 38
05/11/06			Build Location, 45% Complete	Pioneer 38
05/12/06			Build Location, 45% Complete	Pioneer 38
05/15/06			Build Location, 50% Complete	Pioneer 38
05/16/06			Build Location, 60% Complete	Pioneer 38
05/17/06			Build Location, 70% Complete	Pioneer 38
05/18/06			Build Location, 90% Complete	Pioneer 38
05/22/06			Build Location, 90% Complete	Pioneer 38
05/23/06			Location complete, WOBR	Pioneer 38
05/26/06	5/22/06		Set conductor, WOAR	Pioneer 38
06/14/06	5/31/06	9 5/8" @ 1979'	WORT	Pioneer 38
06/19/06	5/31/06	9 5/8" @ 1979'	WORT	Pioneer 38
06/20/06			TD: 2020' Csg. 9 5/8"@ 1979' MW: 8.3 SD: 6/XX/06 DSS: 0 Move to NBU 1022-16G, 100% moved 70% set in. SDFN	
06/21/06			TD: 2020' Csg. 9 5/8"@ 1979' MW: 8.3 SD: 6/XX/06 DSS: 0 Move to NBU 1022-16G, 100% moved 80% rigged up.	
06/22/06			TD: 2020' Csg. 9 5/8"@ 1979' MW: 8.3 SD: 6/XX/06 DSS: 0 Finish RURT. NU and test BOPE. PU BHA and DP and drill FE @ report time.	

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06/23/06 TD: 3445' Csg. 9 5/8" @ 1979' MW: 8.3 SD: 6/22/06 DSS: 1
Drill cmt and FE. Drill and survey f/ 2020'-3445'. DA @ report time.

06/26/06 TD: 5850' Csg. 9 5/8" @ 1979' MW: 9.3 SD: 6/22/06 DSS: 4
Drill f/ 3445'-5850'. TFNB. PU new bit and MM. TIH @ report time.

06/27/06 TD: 6425' Csg. 9 5/8" @ 1979' MW: 9.7 SD: 6/22/06 DSS: 5
Finish TIH. Drill from 5850'-6425'. DA @ report time.

06/28/06 TD: 7227' Csg. 9 5/8" @ 1979' MW: 10.0 SD: 6/22/06 DSS: 6
Drill from 6425'-7227'. DA @ report time.

06/29/06 TD: 7898' Csg. 9 5/8" @ 1979' MW: 10.1 SD: 6/22/06 DSS: 7
Drill f/ 7227'-7450'. Repair rotary motor hose. DA to 7898'. Repair swivel pkg @ report time.

06/30/06 TD: 8219' Csg. 9 5/8" @ 1979' MW: 10.5 SD: 6/22/06 DSS: 8
Finish swivel repairs, Drill 7898' - 8219' DA @ report time

07/03/06 TD: 8792' Csg. 9 5/8" @ 1979' MW: 12.4 SD: 6/22/06 DSS: 11
Drill f/ 8219'-8273'. TFNB. Drill to 8792'. CCH and short trip. LDDS and run logs to TD.
Run and cmt 4.5" csg. Set slips, NDBOP, and release rig at 1100 hrs on 7/3/06.

07/05/06 TD: 8792' Csg. 9 5/8" @ 1979' MW: 12.4 SD: 6/22/06 DSS: 12
Release rig at 1100 hrs on 7/3/06. RDRT and move to NBU 1022-17G on 7/4/06. 100% moved
and 70% rigged up @ report time.

07/17/06 PROG: 07:00 AM. HSM.
PU MILL & SUB DRIFT & TALLEY 276 JTS OF 2 3/8" J-55 4.7# TBG. TAG BOTTOM @ 8,722'.
RU POWER SWIVEL. BRK CIRCULATION. CLEAN OUT TO 8,727'. POOH LD 31 JTS &
STAND BACK 123 STANDS. ND BOP'S NU FRAC VALVES. SWI SDFN 4:00 PM

07/18/06 PROG: 6:00 AM. HSM.
MIRU CUTTERS TO RUN CEMENT BOND LOG & PERFORATE ZONE 1. RUN CBL FROM
8,733' TO SURFACE GOOD BOND. MIRU B&C QUICK TEST TO PRESSURE TEST CASING &
FRAC VALVES. PRESSURE TEST CASING & BOTH FRAC VALVES TO 7,500 PSI. GOOD
TEST RDMO B&C QUICK TEST. RIH W/ 3 3/8" EXP GUNS, 23 GRM, .35 HOLES, 90 DEG
PHASING PERF 8,688' - 8,696' 4 SPF, 8,670' - 8,672' 4 SPF, 40 HOLES. POOH W/WIRE LINE.
RDMO CUTTERS. SWI SDFN.

07/19/06 PROG: STG 1) WHP 530 PSI, BRK 3,512 PSI, @ 5.3 BPM, ISIP 2,340 PSI, FG .71 PMP 100
BBLs @ 51.8 BPM @ 5,500 PSI = 34 OF 40 HOLES OPEN MP 7,176 PSI, MR 53.2 BPM, AP
4,392 PSI, AR 50.3 BPM, ISIP 2,604 PSI, FG .74 NPI 264 PSI, PMP 848 BBLs SLICK WATER,
16,800 LBS 30/50 SAND & 5,000 LBS, 20/40 RESIN COATED SAND

STG 2) RIH W/ 3 3/8" EXP GUNS, 23 GRM, .35 HOLES 120 & 90 DEG PHASING SET 8K
BAKER CBP @ 8,389' & PERF 8,356' - 59' 4 SPF, 8,267' - 70' 4 SPF, 8,242' - 46' 4 SPF, 8,220' - 22' 3
SPF 46 HOLES WHP 300 PSI, BRK 3,313 PSI, @ 5.3 BPM, ISIP 2,421 PSI, FG .73 PMP 100

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BBLs @ 52.0 BPM @ 5,700 PSI = 40 OF 46 HOLES OPEN AFTER PUMPING 40,000 LBS SND
PSI INCREASED BY 500 PSI. MAY HAVE LOST A ZONE. MP 5,737 PSI, MR 52.5 BPM, AP
4,408 PSI, AR 49.4 BPM, ISIP 2740 PSI, FG .77 NPI 319 PSI, PMP 1,688 BBLs SLICK WATER,
57,300 LBS 30/50 SAND & 5,000 LBS, 20/40 RESIN COATED SAND

STG 3) RIH W/ 3 3/8" EXP GUNS, 23 GRM, .35 HOLES 120 & 90 DEG PHASING SET 8K
BAKER CBP @ 8,156' & PERF 8,122' - 26' 3 SPF, 8,082' - 87' 4 SPF, 8,051' - 54' 3 SPF, 7,995' - 96' 4
SPF 45 HOLES WHP 2,518 PSI, NO BRK JUST STARTED TO PUMP IN @ 2,835 PSI, @ 5.3
BPM, ISIP 2,630 PSI, FG .76. ZONE 2 MAY HAVE COMMUNICATED W/ZONE 3 PMP 100
BBLs @ 51.0 BPM @ 5,650 PSI = 40 OF 45 HOLES OPEN MP 5,709 PSI, MR 54.3 BPM, AP
4,183 PSI, AR 50.1 BPM, ISIP 2,860 PSI, FG .79 NPI 230 PSI, PMP 1,683 BBLs SLICK WATER,
54,700 LBS 30/50 SAND & 5,000 LBS, 20/40 RESIN COATED SAND

STG 4) RIH W/ 3 3/8" EXP GUNS, 23 GRM, .35 HOLES 120 & 90 DEG PHASING SET 8K
BAKER CBP @ 7,926' & PERF 7,894' - 96' 4 SPF, 7,815' - 20' 4 SPF, 7,720' - 23', 3 SPF, 7,655' - 58'
3 SPF 46 HOLES WHP 1,215 PSI, BRK 6,998 PSI, @ 2.3 BPM, ISIP 2,452 PSI, FG .75 PMP 100
BBLs @ 52.2 BPM @ 6,400 PSI = 30 OF 46 HOLES OPEN MP 7,494 PSI, MR 54.9 BPM, AP
5,484 PSI, AR 50.1 BPM, ISIP 2,833 PSI, FG .80 NPI 381 PSI, PMP 920 BBLs SLICK WATER,
20,200 LBS 30/50 SAND & 5,000 LBS, 20/40 RESIN COATED SAND

STG 5) RIH W/ 3 3/8" EXP GUNS, 23 GRM, .35 HOLES 90 DEG PHASING SET 8K BAKER
CBP @ 7,615' & PERF 7,582' - 85' 4 SPF, 7,463' - 68' 4 SPF, 7,419' - 22', 4 SPF, 44 HOLES WHP
380 PSI, BRK 6,669 PSI, @ 5.3 BPM, ISIP 2,600 PSI, FG .78 PMP 100 BBLs @ 50.4 BPM @
5,800 PSI = 37 OF 44 HOLES OPEN MP 6,610 PSI, MR 53.7 BPM, AP 5,094 PSI, AR 50.4 BPM,
ISIP 3,330 PSI, FG .88 NPI 730 PSI, PMP 1,004 BBLs SLICK WATER, 30,300 LBS 30/50 SAND
& 5,000 LBS, 20/40 RESIN COATED SAND

STG 6) RIH W/ 3 3/8" EXP GUNS, 23 GRM, .35 HOLES 120 & 90 DEG PHASING SET 8K
BAKER CBP @ 7,224' & PERF 7,191' - 94' 4 SPF, 7,158' - 60' 3 SPF, 7,061' - 63', 3 SPF, 7,020' - 23'
4 SPF, 6,946' - 48' 3 SPF, 42 HOLES WHP 0 PSI, BRK 3,228 PSI, @ 5.3 BPM, ISIP 1,782 PSI,
FG .69 PMP 100 BBLs @ 51.1 BPM @ 5,100 PSI = 36 OF 42 HOLES OPEN MP 5,158 PSI, MR
52.2 BPM, AP 4,200 PSI, AR 48.6 BPM, ISIP 3,057 PSI, FG .87 NPI 1,275 PSI, PMP 1,328 BBLs
SLICK WATER, 44,900 LBS 30/50 SAND & 5,000 LBS, 20/40 RESIN COATED SAND

STG 7) RIH W/ 3 3/8" EXP GUNS, 23 GRM, .35 HOLES 120 & 90 DEG PHASING SET 8K
BAKER CBP @ 6,868' & PERF 6,816' - 18' 4 SPF, 6,768' - 72' 3 SPF, 6,716' - 20', 4 SPF, 6,592' - 95'
3 SPF, 45 HOLES. SWI SDFN

07/20/06

PROG: STG 7) WHP 420 PSI, BRK 2,246 PSI, @ 5.3 BPM, ISIP 1,195 PSI, FG .62 PMP 100
BBLs @ 52.2 BPM @ 3,700 PSI = 45 OF 45 HOLES OPEN MP 4,018 PSI, MR 52.4 BPM, AP
3,408 PSI, AR 48.7 BPM, ISIP 2,387 PSI, FG .79 NPI 1,192 PSI, PMP 1,081 BBLs SLICK
WATER, 34,300 LBS 30/50 SAND & 5,000 LBS, 20/40 RESIN COATED SAND

STG 8) RIH W/ 3 3/8" EXP GUNS, 23 GRM, .35 HOLES 120 & 90 DEG PHASING SET 8K
BAKER CBP @ 6,352' & PERF 6,319' - 22' 3 SPF, 6,027' - 31' 4 SPF, 6,018' - 23', 4 SPF, 45
HOLES WHP 0 PSI, BRK 2,363 PSI, @ 5.3 BPM, ISIP 830 PSI, FG .57 PMP 100 BBLs @ 52.4
BPM @ 3,500 PSI = 45 OF 45 HOLES OPEN MP 3,609 PSI, MR 52.7 BPM, AP 2,621 PSI, AR
49.1 BPM, ISIP 1,826 PSI, FG .73 NPI 996 PSI, PMP 735 BBLs SLICK WATER, 22,000 LBS
30/50 SAND & 5,000 LBS, 20/40 RESIN COATED SAND

STG 9) RIH W/ 3 3/8" EXP GUNS, 23 GRM, .35 HOLES 120 & 90 DEG PHASING SET 8K
BAKER CBP @ 5,207' & PERF 5,172' - 77' 4 SPF, 5,152' - 56' 3 SPF, 5,042' - 44', 3 SPF, 4,939' -
41 4 SPF, 46 HOLES WHP 0 PSI, BRK 2,947 PSI, @ 5.3 BPM, ISIP 850 PSI, FG .58 PMP 100
BBLs @ 52.5 BPM @ 2,975 PSI = 46 OF 46 HOLES OPEN MP 3,236 PSI, MR 52.9 BPM, AP
2,266 PSI, AR 48.5 BPM, ISIP 1,060 PSI, FG .61 NPI 210 PSI, PMP 863 BBLs SLICK WATER,

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24,720 LBS 30/50 SAND & 5,000 LBS, 20/40 RESIN COATED SAND

KILL PLG) RIH SET 8K BAKER CBP @ 4,890'

RDMO SLB & CUTTERS. SPOT TUB TRL. PU 3 7/8" BIT FAST EDDIE POBS & SN. RIH
W/154 JTS TBG. RU POWER SWIVEL, BRK CIRC. C/O 5' OF SAND TAG PLG 1 @ 4,890'
DRL PLG IN 10 MIN 200 PSI INCREASE RIH C/O 30' OF SAND TAG PLG 1 @ 5,207' DRL PLG
IN 10 MIN 400 PSI INCREASE RIH C/O 30' OF SAND TAG PLG 1 @ 6,352' DRL PLG IN 10 MIN
600 PSI INCREASE RIH TOTAL OF 202 JTS OF 2 3/8" TBG. EOT @ 6,397' SWI SDFN

07/24/06

ON SALES

07/22/06: 426 MCF, 0 BC, 744 BW, TP: 1200#, CP: 1850#, 20/64 CHK, 16 HRS, LP: 94#.

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DIV. OF OIL, GAS & MINING

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 1022-16G

9. API NUMBER:
4304735948

10. FIELD AND POOL, OR WILDCAT
NATURAL BUTTES

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

12. COUNTY
UINTAH

13. STATE
UTAH

14. DATE SPUDDED: **5/22/2006**

15. DATE T.D. REACHED: **7/1/2006**

16. DATE COMPLETED: **7/22/2006**

ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
5260'GL

18. TOTAL DEPTH: MD **8,792**

TVD

19. PLUG BACK T.D.: MD **8,741**

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)
CBL-CCL-GR

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#		2,020		550			
7 7/8"	4 1/2 I-80	11.6#		8,792		1677			

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"	7.754							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) WASATCH	4,939	6,322		
(B) WAS/MESA	6,592	6,818		
(C) MESAVERDE	6,946	8,696		
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
4,939 6,322	0.35	91	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
6,592 6,818	0.35	42	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
6,946 8,696	0.35	263	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
4939'-6322'	PMP 1598 BBLS SLICK H2O & 56,720# 30/50 OTTOWA SD
6592'-6818'	PMP 1081 BBLS SLICK H2O & 39,300# 30/50 OTTOWA SD
6946'-8696'	PMP 7471 BBLS SLICK H2O & 253,300# 30/50 OTTOWA SD

29. ENCLOSED ATTACHMENTS:

ELECTRICAL/MECHANICAL LOGS

SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION

GEOLOGIC REPORT

CORE ANALYSIS

DST REPORT

OTHER: _____

DIRECTIONAL SURVEY

30. WELL STATUS:
PROD

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED: 7/22/2006		TEST DATE: 7/26/2006		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 1,098	WATER - BBL: 580	PROD. METHOD: FLOWING
CHOKE SIZE: 20/64	TBG. PRESS. 660	CSG. PRESS. 1,375	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 1,098	WATER - BBL: 580	INTERVAL STATUS: PROD

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED: 7/22/2006		TEST DATE: 7/26/2006		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 1,098	WATER - BBL: 580	PROD. METHOD: FLOWING
CHOKE SIZE: 20/64	TBG. PRESS. 660	CSG. PRESS. 1,375	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 1,098	WATER - BBL: 580	INTERVAL STATUS: PROD

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: FLOWING
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: PROD

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):

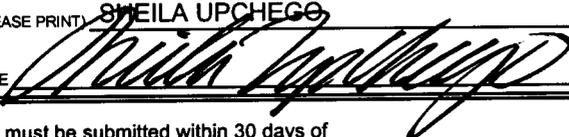
Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
WASATCH MESAVERDE	4,300 6,794	6,794			

34. FORMATION (Log) MARKERS:

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 REGULATORY ANALYST
 SIGNATURE  DATE 8/7/2006

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



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 1, 2008

CERTIFIED MAIL NO. 7004 2510 0004 1824 6466

Ms. Sheila Upchego
Kerr McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078

43 0A7 35948
NBU 1022-16G
105 22E 16

Re: Extended Shut-in and Temporarily Abandoned Well Requirements for Wells on Fee or State Leases

Dear Ms. Upchego,

As of July 2008, Kerr McGee Oil & Gas has twenty-eight (28) State and Mineral Lease Wells (see attachment A) that are in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months require filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining ("Division") approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon showing of good cause by the operator (R649-3-36-1.3.3).

For extended SI/TA consideration the operator shall provide the Division with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).



Page 2
October 1, 2008
Ms. Upchego

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

js
Enclosure

cc: Jim Davis, SITLA
Operator Compliance File
Well File

ATTACHMENT A

	Well Name	API	Lease Type	Location	Years Inactive
1	CIGE 5	43-047-30335	STATE	NWSE Sec 31-09S-22E	1 Year 4 Months
2	CIGE 54D	43-047-30851	ML-22582	NENE Sec 35-09S-21E	2 Years 4 Months
3	CIGE 80D	43-047-30853	ML-22652	NWNW Sec 02-10S-21E	1 Year
4	CIGE 51D	43-047-30889	STATE	NENE Sec 31-09S-22E	1 Year 3 Months
5	NBU 54N	43-047-30890	ML-22649	NESW Sec 32-09S-22E	1 Year 3 Months
6	CIGE 92D	43-047-31162	STATE	SESW Sec 13-10S-20E	1 Year
7	NBU 213-36J	43-047-31268	ML-22650	NENE Sec 36-09S-22E	1 Year 1 Month
8	ARCHY BENCH STATE 1-2	43-047-31489	ML-22348-A	NENE Sec 02-11S-22E	1 Year 10 Months
9	CIGE 97D	43-047-31729	STATE	SESE Sec 31-09S-22E	1 Year 7 Months
10	NBU 157	43-047-32007	ML-22649	SESW Sec 32-09S-22E	1 Year 3 Months
11	NBU 343-36E	43-047-32205	ML-22650	SESW Sec 36-09S-22E	1 Year 7 Months
12	NBU 265	43-047-32796	ML-13826	NESE Sec 02-10S-21E	1 Year 2 Months
13	MORGAN STATE 12-36	43-047-32814	ML-22265	NESE Sec 36-09S-21E	1 Year
14	WONSITS STATE 1-32	43-047-32820	ML-47780	SWNE Sec 32-07S-22E	4 Years
15	NBU 333	43-047-33641	ML-23608	SWSW Sec 13-10S-21E	1 Year 6 Months
16	NBU 389	43-047-34229	ML-21329	NENE Sec 28-10S-21E	1 year 4 Months
17	STATE 921-32P	43-047-34422	ML-48758	SESE Sec 32-09S-21E	1 Year 5 Months
18	STATE 920-36P	43-047-34423	ML-48757	SESE Sec 36-09S-20E	2 years 9 Months
19	NBU 440	43-047-34785	STATE	SWNW Sec 34-09S-21E	1 Year 4 Months
20	NBU 442	43-047-34788	STATE	NWSW Sec 35-09S-21E	2 Years 8 Months
21	CIGE 284	43-047-34792	ML-23612	SWNW Sec 01-10S-21E	1 Year 2 Months
22	CIGE 285	43-047-34793	ML-22652	NENE Sec 02-10S-21E	1 Year 8 Months
23	STATE 920-36O	43-047-35788	ML-48757	SWSE Sec 36-09S-20E	1 Year 8 Months
24	NBU 1022-16G	43-047-35948	ML-3276	SWNE Sec 16-10S-22E	1 Year 2 Months
25	NBU 1022-16B	43-047-36158	ML-3276	NWNE Sec 16-10S-22E	1 Year 3 Months
26	NBU 921-34K	43-047-36389	STATE	NESW Sec 34-09S-21E	1 Year 2 Months
27	BONANZA 1023-16J	43-047-37092	ML-22186-A	NWSE Sec 16-10S-23E	1 Year 4 Months
28	NBU 921-34J	43-047-37953	STATE	NWSE Sec 34-09S-21E	1 Year



Kerr McGee Oil and Gas Onshore LP
1368 SOUTH 1200 EAST • VERNAL, UT 84078
435-789-4433 • FAX 435-781-7094

November 10, 2008

43 047 35948
NBU 1022-16G
10S 22E 16

Mr. Dustin K. Doucet
Division of Oil, Gas and Mining

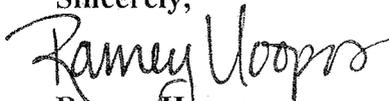
RE: Extended Shut-In and Temporarily Abandoned Wells
Greater Natural Buttes Area

Dear Mr. Doucet:

Our plan of action for wells cited in your October 1, 2008, letter regarding SI and TA wells is attached. We plan to plug, recomplete or workover every well on the list during the next six months. We will positively establish casing mechanical integrity at that time. In particular, the EPA has requested an expanded Area of Review for the UIC permits we have either received or are preparing. We have to have a plan for a large number of wells in the bottom tier of sections in Township 9S-21E. **These are shown in bold font.**

We have not enclosed all of the data requested in light of the fact that we plan to mobilize on these wells in the near future. If you still require that data, please let us know and we will commence gathering it.

Sincerely,


Ramey Hoopes

RECEIVED

NOV 12 2008

DIV. OF OIL, GAS & MINING

1	CIGE 5	43-047-30335
2	CIGE 54D	43-047-30851
3	CIGE 80D	43-047-30853
4	CIGE 51D	43-047-30889
5	NBU 54N	43-047-30890
6	CIGE 92D	43-047-31162
7	NBU 213-36J	43-047-31268
8	ARCHY BENCH STATE 1-2	43-047-31489
9	CIGE 97D	43-047-31729
10	NBU 157	43-047-32007
11	NBU 343-36E	43-047-32205
12	NBU 265	43-047-32796
13	MORGAN STATE 12-36	43-047-32814
14	WONSITS STATE 1-32	43-047-32820
15	NBU 333	43-047-33641
16	NBU 389	43-047-34229
17	STATE 921-32P	43-047-34422
18	STATE 920-36P	43-047-34423
19	NBU 440	43-047-34785
20	NBU 442	43-047-34788
21	CIGE 284	43-047-34792
22	CIGE 285	43-047-34793
23	STATE 920-36O	43-047-35788
24	NBU 1022-16G	43-047-35948
25	NBU 1022-16B	43-047-36158
26	NBU 921-34K	43-047-36389
27	BONANZA 1023-16J	43-047-37092
28	NBU 921-34J	43-047-37953

RECEIVED

NOV 12 2008

DIV. OF OIL, GAS & MINES

CATEGORY 3 - STATE OR FEE SHUT IN WELL LIST

Well	Reason for S/ITA	POA Timing	Comments & Reasoning for POA
Archy Bench State 1-2	Wellbore integrity issues & poor production	Q2 2009	Refrac & recomplete potential exists in well. Work will be done to establish production.
Wonsits State 1-32	Not completed in best existing quality pay	Q1 2009	Recomplete potential exists in well. Work will be done to establish production.
State 920-36P	High water producer with very little gas production	Q2 2009	Review of new drills within section & water shut off work needed to determine potential. Water shut off or P&A will be recommended.
State 920-36O	High water producer with very little gas production	Q2 2009	Review of new drills within section & water shut off work needed to determine potential. Water shut off or P&A will be recommended.
NBU 1022-16G	High water producer with very little gas production	0	Should not be classified as SI as a WSO was performed & production was established in May of 2008. Current rates of 155 mcf/d & 69 bwpd.
NBU 1022-16B	High water producer with very little gas production	0	Should not be classified as SI as a WSO was performed & production was established in May of 2008. Current rates of 155 mcf/d & 69 bwpd.
NBU 213-36J			EOG operated well.
NBU 343-36E			EOG operated well.
BONANZA 1023-16J	Permits being prepared for additional wells		Surface casing set, preparing additional APD's to use location as a multi-well pad. This well will be drilled with the others.
CIGE 5	1.4 Bcf Tw Cum. Twinned in 2007.	Q1 2009	Can P&A.
CIGE 80D	0.4 Bcf Tw Cum. Low gas production.	Q1 2009	Potential for Clean out and RTP.
CIGE 51D	1.0 Bcf Tw Cum. Twinned in 2007.	Q1 2009	Can P&A.
NBU 54N	1.4 Bcf Tw Cum. Twinned in 2007.	Q1 2009	Can P&A.
CIGE 92D	1.6 Bcf Tw Cum.	Q1 2009	Will review for bypassed pay. Prob depleted and can P&A.
CIGE 97D	0.4 Bcf Tw Cum. Twinned in 2007.	Q1 2009	Can P&A.
NBU 157	0.5 Bcf Tw Cum. Twinned in 2007.	Q1 2009	Can P&A.
NBU 265	0.05 Bcf Tw. Refraced in 2007.	Q1 2009	High risk RC cand: 1.7 Bcf Offset. BBXG prob beter RC candidate. Therefore P&A.
NBU 333	0.09 Bcf W/TM. RC Candidate.	Q4 2008	Reviewed 11-06 by kfm (me). Time to RC.
NBU 389	0.07 Bcf Tw Cum. RC Candidate.	Q1 2009	2002 Vintage. Review for RC.
CIGE 54D	0.95 Bcf Tw Cum. SI in 2006.	Q4 2008	Will review for RC potential. Within EPA requested Area of Review.
MORGAN STATE 12-36	0.09 Bcf W/TM.	Q1 2009	Note comm w 41J, 2.7 Bcf well. Prob fraced into in 1997. High risk RC. P&A. Within EPA requested Area of Review.
STATE 921-32P	0.1 Bcf W/TM/MM. High water producer.	Q1 2009	Pkr below Mid Tw prod log, unsuccessful water shut off. Try pkr at Top of Kmv. Within EPA requested Area of Review.
NBU 440	0.01 Bcf W/TM/MM. High water producer.	Q1 2009	Attempt to set pkr at top of Kmv and produce.
CIGE 285	0.1 Bcf. W/TM/MM. High water producer.	Q1 2009	Attempt to set pkr at top of Kmv and produce.
NBU 442		Q4 2008	UIC permit application being prepared.
CIGE 284		Q1 2009	Within EPA requested Area of Review.
CIGE 285		Q1 2009	Within EPA requested Area of Review.
NBU 921-34K		Q1 2009	Mobilizing to convert well to injection.
NBU 921-34J		Q1 2009	Test Green River. UIC candidate. Within EPA requested Area of Review.



State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

December 23, 2008

CERTIFIED MAIL NO.: 7004 2510 0004 1824 6633

Ms. Ramey Hoopes
Kerr McGee Oil and Gas
1368 South 1200 East
Vernal, UT 84078

43 047 35948
NBU 1022-16G
10S 22E 16

SUBJECT: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases dated September 23, 2008

Dear Ms. Hoopes:

The Division of Oil, Gas and Mining (Division) is in receipt of your letter dated November 10, 2008 (received by the Division on November 12, 2008) in regards to the twenty-eight (28) shut-in or temporarily abandoned (SI/TA) wells operated by Kerr McGee Oil and Gas (Kerr McGee). It is the Divisions understanding that Kerr McGee plans to plug, recomplete or workover every well on Attachment A during the next six months.

Based on the submitted information and plan to bring the listed wells out of non-compliance status within a six month period the Division grants extended SI/TA status for the wells listed on Attachment A until September 1, 2009, allowing adequate time to perform the proposed work.

If you have any questions or need additional assistance in regards to the above matters please contact me at (801) 538-5281

Sincerely,

Dustin K. Doucet
Petroleum Engineer

DKD/JP/js
Enclosure
cc: Jim Davis, SITLA
Operator Compliance File
Well File

N:\O&G Reviewed Docs\Chron file\Petroleum Engineer\SITA\20081212 KerrMcGee SITA response.doc



ATTACHMENT A

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2	CIGE 54D	43-047-30851	ML-22582	NENE Sec 35-09S-21E	2 Years 4 Months
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6	CIGE 92D	43-047-31162	STATE	SESW Sec 13-10S-20E	1 Year
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26	NBU 921-34K	43-047-36389	STATE	NESW Sec 34-09S-21E	1 Year 2 Months
27	BONANZA 1023-16J	43-047-37092	ML-22186-A	NWSE Sec 16-10S-23E	1 Year 4 Months
28	NBU 921-34J	43-047-37953	STATE	NWSE Sec 34-09S-21E	1 Year



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
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Division of Oil Gas and Mining

JOHN R. BAZA
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JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

December 23, 2008
January 27, 2009 – re-mailed

CERTIFIED MAIL NO.: 7004-2510-0004-1824-6633 (returned unclaimed)
CERTIFIED MAIL NO.: 7004 2510 0004 1824 6695

Ms. Ramey Hoopes
Kerr McGee Oil and Gas
1368 South 1200 East
Vernal, UT 84078

43 047 35948
NBU 1022-16G
10S 22E 16

SUBJECT: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases dated September 23, 2008

Dear Ms. Hoopes:

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Based on the submitted information and plan to bring the listed wells out of non-compliance status within a six month period the Division grants extended SI/TA status for the wells listed on Attachment A until September 1, 2009, allowing adequate time to perform the proposed work.

If you have any questions or need additional assistance in regards to the above matters please contact me at (801) 538-5281

Sincerely,

Dustin K. Doucet
Petroleum Engineer

DKD/JP/js

Enclosure

cc: Jim Davis, SITLA
Operator Compliance File
Well File

N:\O&G Reviewed Docs\Chron file\Petroleum Engineer\SITA\20081212 KerrMcGee SITA response.doc



ATTACHMENT A

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Kerr-McGee Oil & Gas Onshore LP

1368 South 1200 East Vernal Utah 84078
Telephone: 435-781-7024 Fax: 720-929-3616

August 26, 2009

Dustin Doucet
State of Utah
1594 West North Temple, Suite 1210, PO Box 145801
Salt Lake City, UT 84114

43 047 35948
NBU 1022-16G
10S 22E 16

SUBJECT: Response to Letter Regarding Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases dated September 23, 2008

Dear Mr. Doucet:

Kerr McGee Oil and Gas (Kerr McGee) is responding to the Division of Oil, Gas and Mining's request to bring the listed wells out of non-compliance status by September 1, 2009. See Attachment A for the list of wells and our plan for each well. All wells will either be plugged, recompleted, converted to SWD monitor wells, or have been returned to production.

Kerr McGee will be providing sundry notices and procedures within 60 days from this notice. If you have any questions or need additional information in regards to the above please contact Paul Wages at (435) 781 - 7037.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Sheila Wopsock'.

Sheila Wopsock
Regulatory Analyst

Enclosure

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DIV. OF OIL, GAS & MINING

ATTACHMENT A

Well Name	API	Plan
CIGE 5	4304730335	P&A
CIGE 54D	4304730851	Already TA'd for SWD monitor well
CIGE 80D	4304730853	TA – Monitor Well
CIGE 51D	4304730889	P&A
NBU 54N	4304730890	P&A
CIGE 92D	4304731162	P&A
NBU 213-36J	4304731268	EOG Well
ARCHY BENCH STATE 1-2	4304731489	P&A
CIGE 97D	4304731729	P&A
NBU 157	4304732007	P&A
NBU 343-36E	4304732205	EOG Well
NBU 265	4304732796	P&A
MORGAN STATE 12-36	4304732814	P&A
WONSITS STATE 1-32	4304732820	P&A
NBU 333	4304733641	P&A
NBU 389	4304734229	P&A
STATE 921-32P	4304734422	TA for future SWD monitor well or
STATE 920-36P	4304734423	P&A
NBU 440	4304734785	TA – Monitor Well
NBU 442	4304734788	P&A
CIGE 284	4304734792	Has been returned to production
CIGE 285	4304734793	P&A
STATE 920-36O	4304735788	P&A
NBU 1022-16G <i>TDS R22E S-16</i>	4304735948	Currently producing
NBU 1022-16B	4304736158	Currently producing
NBU 921-34K	4304736389	Already converted to SWD Well
BONANZA 1023-16J	4304737092	Has surface hole only, extend TA status to keep for future pad location
NBU 921-34J	4304737953	Extend TA status to evaluate for

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