

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

006

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU0141317
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator WESTPORT OIL & GAS COMPANY LP		7. If Unit or CA Agreement, Name and No. UTU63047A
Contact: SHEILA UPCHEGO E-Mail: supcheho@kmg.com		8. Lease Name and Well No. NBU 921-11A
3a. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435.781.7024 Fx: 435.781.7094	9. API Well No. 43-047-36629 00-000-00000-00-X0
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface NENE 705FNL 857FEL At proposed prod. zone		10. Field and Pool, or Exploratory NATURAL BUTTES
11. Sec., T., R., M., or Blk. and Survey or Area Sec 11 T9S R21E Mer SLB SME: BIA		12. County or Parish UINTAH
14. Distance in miles and direction from nearest town or post office* 20.1 MILES SOUTHEAST OF OURAY, UTAH		13. State UT
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 705'	16. No. of Acres in Lease 480.00	17. Spacing Unit dedicated to this well 40.00
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C	19. Proposed Depth 10100 MD	20. BLM/BIA Bond No. on file
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4844 GL	22. Approximate date work will start	23. Estimated duration

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>1. Well plat certified by a registered surveyor.</li> <li>2. A Drilling Plan.</li> <li>3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).</li> </ul> | <ul style="list-style-type: none"> <li>4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).</li> <li>5. Operator certification</li> <li>6. Such other site specific information and/or plans as may be required by the authorized officer.</li> </ul> |
|--|--|

25. Signature (Electronic Submission)	Name (Printed/Typed) SHEILA UPCHEGO Ph: 435.781.7024	Date 09/15/2004
Title OPERATIONS		
Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) HOWARD B CLEAVINGER II	Date 12/16/2004
Title AFM FOR MINERAL RESOURCES		
Office Vernal		

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #36157 verified by the BLM Well Information System  
For WESTPORT OIL & GAS COMPANY LP, sent to the Vernal  
Committed to AFMSS for processing by LESLIE WALKER on 09/21/2004 (04LW5056AE)

\*\* BLM REVISED \*\*

**Revisions to Operator-Submitted EC Data for APD #36157**

**Operator Submitted**

Lease: U-0141317  
Agreement: NATURAL BUTTES  
Operator: WESTPORT OIL & GAS COMPANY L.P  
1368 SOUTH 1200 EAST  
VERNAL, UT 84078  
Ph: 435.781.7024  
Fx: 435.781.7094

Admin Contact: SHEILA UPCHEGO  
OPERATIONS  
1368 SOUTH 1200 EAST  
VERNAL, UT 84078  
Ph: 435.781.7024  
Fx: 435.781.7094  
E-Mail: supchego@westportresourcescorp.com

Tech Contact: SHEILA UPCHEGO  
REGULATORY ANALYST  
1368 SOUTH 1200 EAST  
VERNAL, UT 84078

Well Name: NBU  
Number: 921-11A

Location: UT  
State: UINTAH  
County: Sec 11 T9S R21E Mer SLB  
S/T/R: NENE 705FNL 857FEL  
Surf Loc:

Field/Pool: NATURAL BUTTES

Bond: CO-1203

**BLM Revised (AFMSS)**

UTU0141317  
UTU63047A  
WESTPORT OIL & GAS COMPANY LP  
1368 SOUTH 1200 EAST  
VERNAL, UT 84078  
Ph: 435.789.4433  
Fx: 435.789.4436

SHEILA UPCHEGO  
OPERATIONS  
1368 SOUTH 1200 EAST  
VERNAL, UT 84078  
Ph: 435.781.7024  
Fx: 435.781.7094  
Cell: 435.823.4039  
E-Mail: supchego@kmg.com

SHEILA UPCHEGO  
OPERATIONS  
1368 SOUTH 1200 EAST  
VERNAL, UT 84078

NBU  
921-11A

UT  
UUINTAH  
Sec 11 T9S R21E Mer SLB  
NENE 705FNL 857FEL

NATURAL BUTTES

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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OMB No. 1004-0136  
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APPLICATION FOR PERMIT TO DRILL OR REENTER

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1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name TRIBAL SURFACE
2. Name of Operator WESTPORT OIL & GAS COMPANY L.P. Contact: SHEILA UPCHEGO E-Mail: supcheago@westportresourcescorp.com		7. If Unit or CA Agreement, Name and No. NATURAL BUTTES
3a. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078		8. Lease Name and Well No. NBU 921-11A
3b. Phone No. (include area code) Ph: 435.781.7024 Fx: 435.781.7094		9. API Well No. 43-047-36129
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NENE 705FNL 857FEL 626920 X 40.055900 At proposed prod. zone 4434812Y - 109.511969		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 20.1 MILES SOUTHEAST OF OURAY, UTAH		11. Sec., T., R., M., or Blk. and Survey or Area Sec 11 T9S R21E Mer SLB
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 705'	16. No. of Acres in Lease 480.00	12. County or Parish UINTAH
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C	19. Proposed Depth 10100 MD	13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4844 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well 40.00
		20. BLM/BIA Bond No. on file CO-1203
		23. Estimated duration

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan.   | 5. Operator certification  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature (Electronic Submission)	Name (Printed/Typed) SHEILA UPCHEGO Ph: 435.781.7024	Date 09/15/2004
Title REGULATORY ANALYST		
Approved by Signature	Name (Printed/Typed) BRADLEY G. HILL	Date 12-02-04
Title ENVIRONMENTAL SCIENTIST III		

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #36157 verified by the BLM Well Information System  
For WESTPORT OIL & GAS COMPANY L.P, sent to the Vernal

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Federal Approval of this  
Action is Necessary

DIV. OF OIL, GAS & MINING

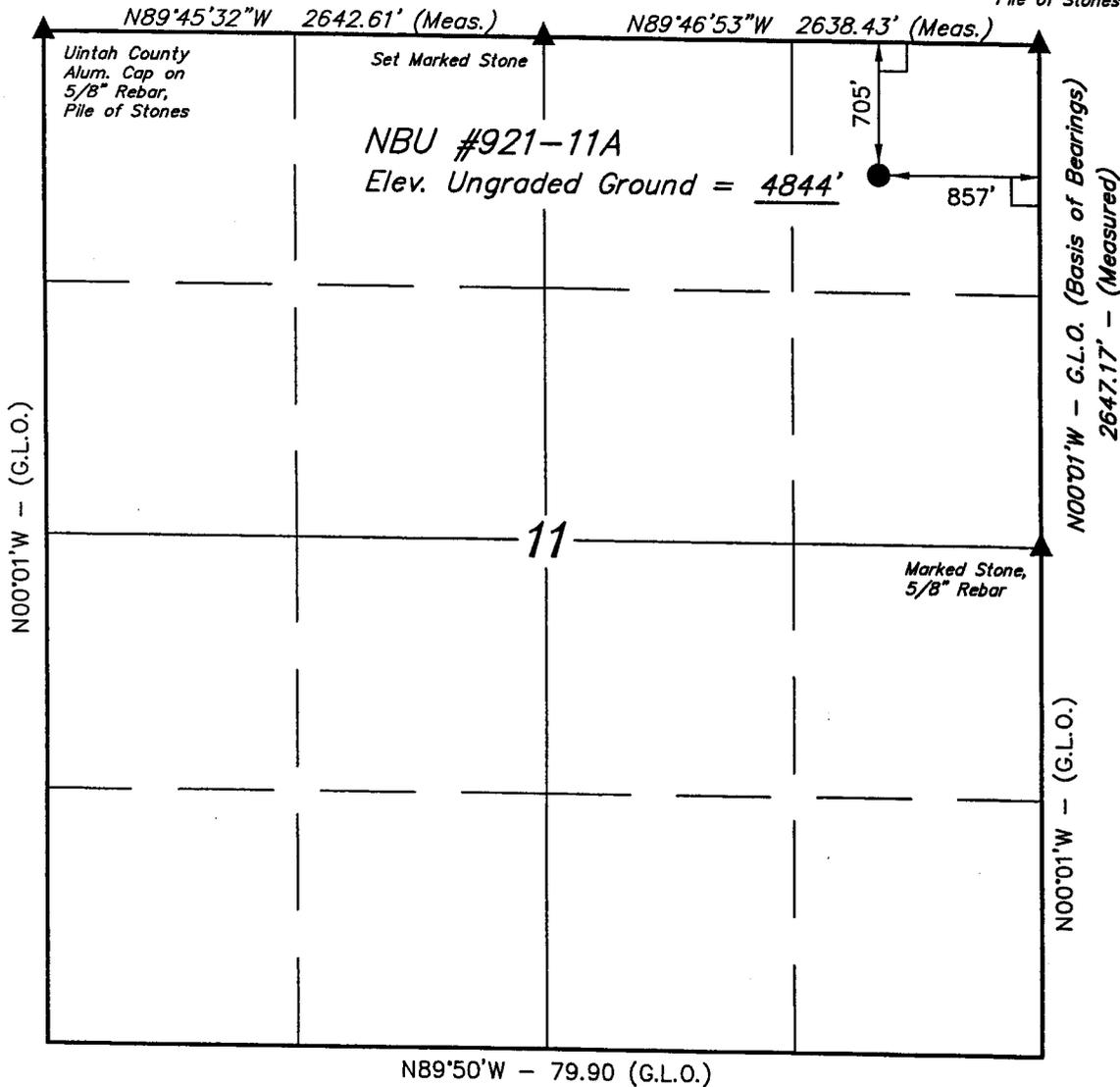
\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

T9S, R21E, S.L.B.&M.

WESTPORT OIL AND GAS COMPANY, L.P.

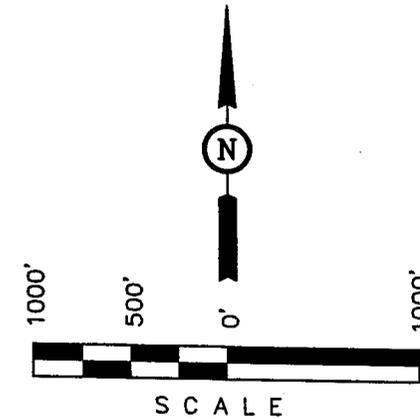
Well location, NBU #921-11A, located as shown in the NE 1/4 NE 1/4 of Section 11, T9S, R21E, S.L.B.&M., Uintah County, Utah.

Uintah County  
Alum. Cap on  
5/8" Rebar,  
Pile of Stones



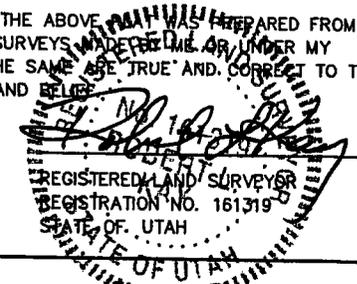
BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTH 1/4 CORNER OF SECTION 11, T9S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE 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 4857 FEET.



CERTIFICATE

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



Revised: 06-01-04 T.D.

<b>UINTAH ENGINEERING &amp; LAND SURVEYING</b> 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 10-15-98	DATE DRAWN: 11-05-98
PARTY D.A. C.G. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE WESTPORT OIL AND GAS COMPANY, L.P.	

LEGEND:

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

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# 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)

December 2, 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)

43-047-36134	NBU 921-20L Sec 20 T09S R21E 2159 FSL 0618 FWL
43-047-36129	NBU 921-11A Sec 11 T09S R21E 0705 FNL 0857 FEL
43-047-36135	NBU 921-23M Sec 23 T09S R21E 0763 FSL 1317 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:12-2-04

NBU #921-11A  
NE/NE Sec. 11, T9S, R21E  
UINTAH COUNTY, UTAH  
U-0141317

ONSHORE ORDER NO. 1

***DRILLING PROGRAM***

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

<u>Formation</u>	<u>Depth</u>
Uinta	Surface
Green River	1925'
Wasatch	5225'
Mesaverde	8150'
TD	10100'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1925'
Gas	Wasatch	5225'
Gas	Mesaverde	8150'
Water	N/A	
Other Minerals	N/A	

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

*Please see the Natural Buttes Unit Standard Operating Procedure (SOP).*

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

*Please see the Natural Buttes Unit SOP.*

5. **Drilling Fluids Program:**

*Please see the Natural Buttes Unit SOP.*

6. **Evaluation Program:**

*Please see the Natural Buttes Unit SOP.*

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 10100' TD, approximately equals 4040 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1818 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 Natural Buttes Unit SOP.*

10. **Other Information:**

*Please see Natural Buttes Unit SOP.*

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**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 2400	32.30	H-40	STC	0.75*****	1.22	3.74
PRODUCTION	4-1/2"	0 to 10100	11.60	I-80	LTC	2.57	1.21	1.97

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 3030 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	NOTE: If well will circulate water to surface, option 2 will be utilized Prem cmt + 16% Gel + 10 pps gilsonite +.25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	4,720'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	520	60%	11.00	3.38
	TAIL	5,380'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1500	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.

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**ADDITIONAL INFORMATION**

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out. DIV. OF OIL, GAS & MINING  
 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: \_\_\_\_\_ DATE: \_\_\_\_\_  
 Brad Laney  
 DRILLING SUPERINTENDENT: \_\_\_\_\_ DATE: \_\_\_\_\_  
 Randy Bayne DHD\_NBU921-11A\_APD

**NBU #921-11A  
NE/NE Sec. 11,T9S,R21E  
UINTAH COUNTY, UTAH  
U-0141317**

**ONSHORE ORDER NO. 1**

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

An onsite inspection was conducted for the NBU#314 on 2/7/01, for the subject well. The operator has changed the well name to NBU #921-11A. The Bureau of Indian Affairs, Grants of Easements, the Authority to proceed with construction, Application for Permit to Drill Concurrence and the Environmental Analysis Site Specific EA information will reflect the old name of the NBU #314.

**1. Existing Roads:**

Refer to the attached location directions.

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

**2. Planned Access Roads:**

*Please see the Natural Buttes Unit Standard Operating Procedure (SOP).*

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

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

Please refer to Topo Map C.

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

*Please see the Natural Buttes Unit SOP.*

Approximately 210' +/- of pipeline is proposed. Up to 8" of pipeline shall be Butt Welded. Please refer to the attached Topo D Map for pipeline placement.

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 requested color is Carlsbad Canyon (2.5Y 6/2), a non-reflective earthtone.

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

*Please see the Natural Buttes SOP.*

**6. Source of Construction Materials:**

*Please see the Natural Buttes SOP.*

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**7. Methods of Handling Waste Materials:**

*Please see the Natural Buttes SOP.*

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 (*Request is in lieu of filing Form 3160-5, after initial production*).

**8. Ancillary Facilities:**

*Please see the Natural Buttes SOP.*

**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).

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

As per previous onsite discussion, a 16 mil reserve pit liner with felt will be required.

Location size may change prior to the drilling of the well due to the 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 3160-5 will be submitted.

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

*Please see the Natural Buttes SOP.*

**11. Surface Ownership:**

The well pad and access road are located on lands owned by:

Bureau of Indian Affairs  
Uintah and Ouray Agency  
P.O. Box 130  
Fort Duchesne, UT 84026  
(435) 722-4300

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**12. Other Information:**

A Class III archaeological survey has been conducted. A copy of the survey report has been submitted to the Ute Indian Tribe Energy & Minerals Department, prior to the on-site.

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 Oil & Gas Company L.P.  
P.O. Box 1148  
Vernal, UT 84078  
(435) 781-7024

Randy Bayne  
Drilling Manager  
Westport Oil & Gas Company 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.

Westport O&G Co. L.P. is considered to be the operator of the subject well. Westport O&G Co. L.P. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon leased lands.

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.

Bond coverage pursuant to 43 CFR for lease activities is being provided by BLM Nationwide Bond #CO-1203 and BIA Nationwide Bond #RLB0005239.

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.

/s/ Sheila Upchego  
Sheila Upchego



9/15/04

Date

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

**NBU #921-11A**

**SECTION 11, T9S, R21E, S.L.B.&M.**

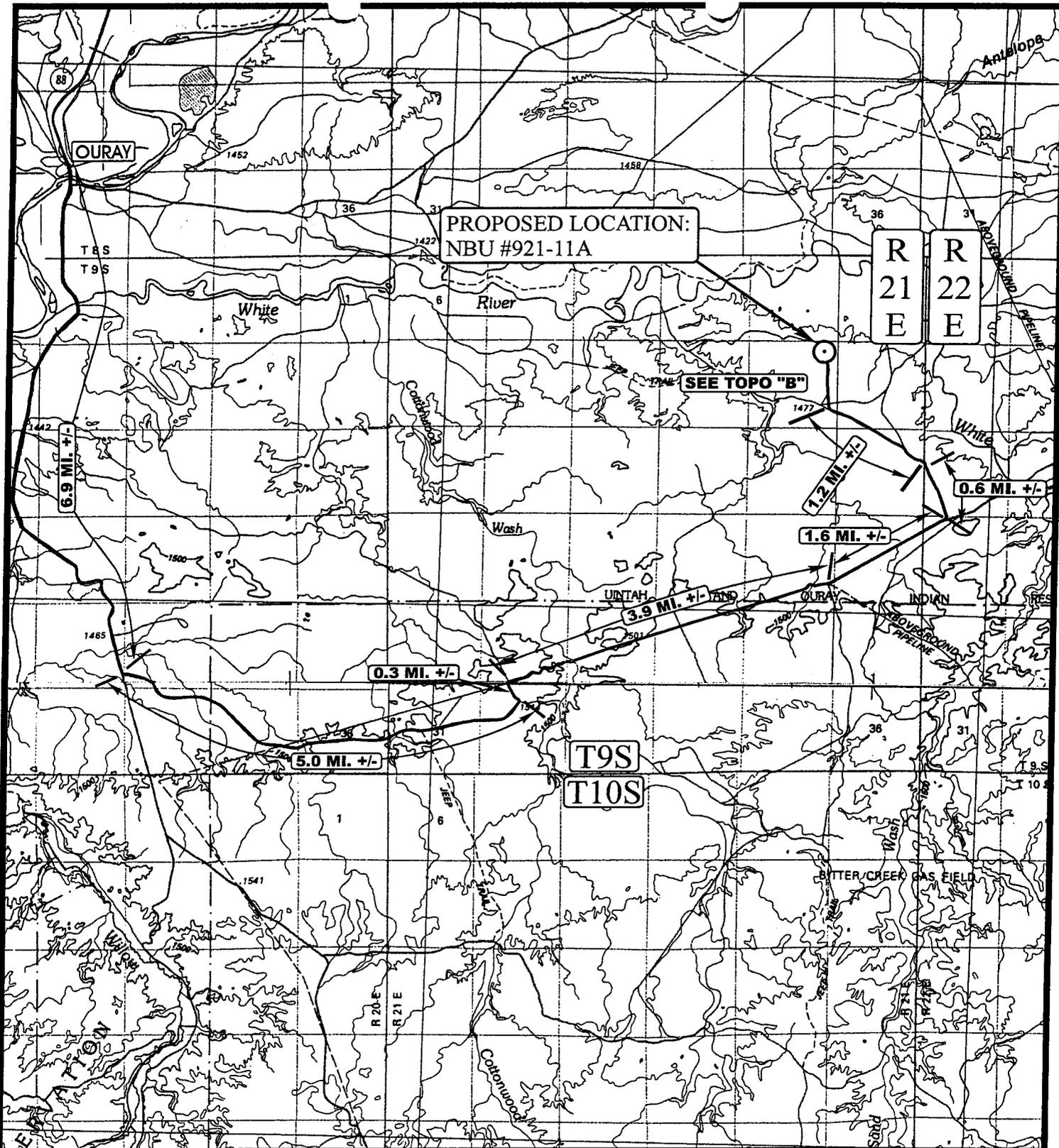
**PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.9 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 5.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN LEFT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 5.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN LEFT AND PROCEED IN A WESTERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 1.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE PROPOSED LOCATION.**

**TOTAL DISTANCE TO VERNAL IS APPROXIMATELY 51.4 MILES.**

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PROPOSED LOCATION:  
NBU #921-11A

R 21 E  
R 22 E

SEE TOPO "B"

6.9 MI. +/-

1.2 MI. +/-

0.6 MI. +/-

1.6 MI. +/-

3.9 MI. +/-

0.3 MI. +/-

5.0 MI. +/-

T9S  
T10S

R 20 E  
R 21 E

BITTER CREEK GAS FIELD

LEGEND:

○ PROPOSED LOCATION

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WESTPORT OIL AND GAS COMPANY, L.P.

NBU #921-11A

SECTION 11, T9S, R21E, S.L.B.&M.

70' FNL 857' FEL



Div. of Oil, Gas & Mining  
 Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

TOPOGRAPHIC  
MAP

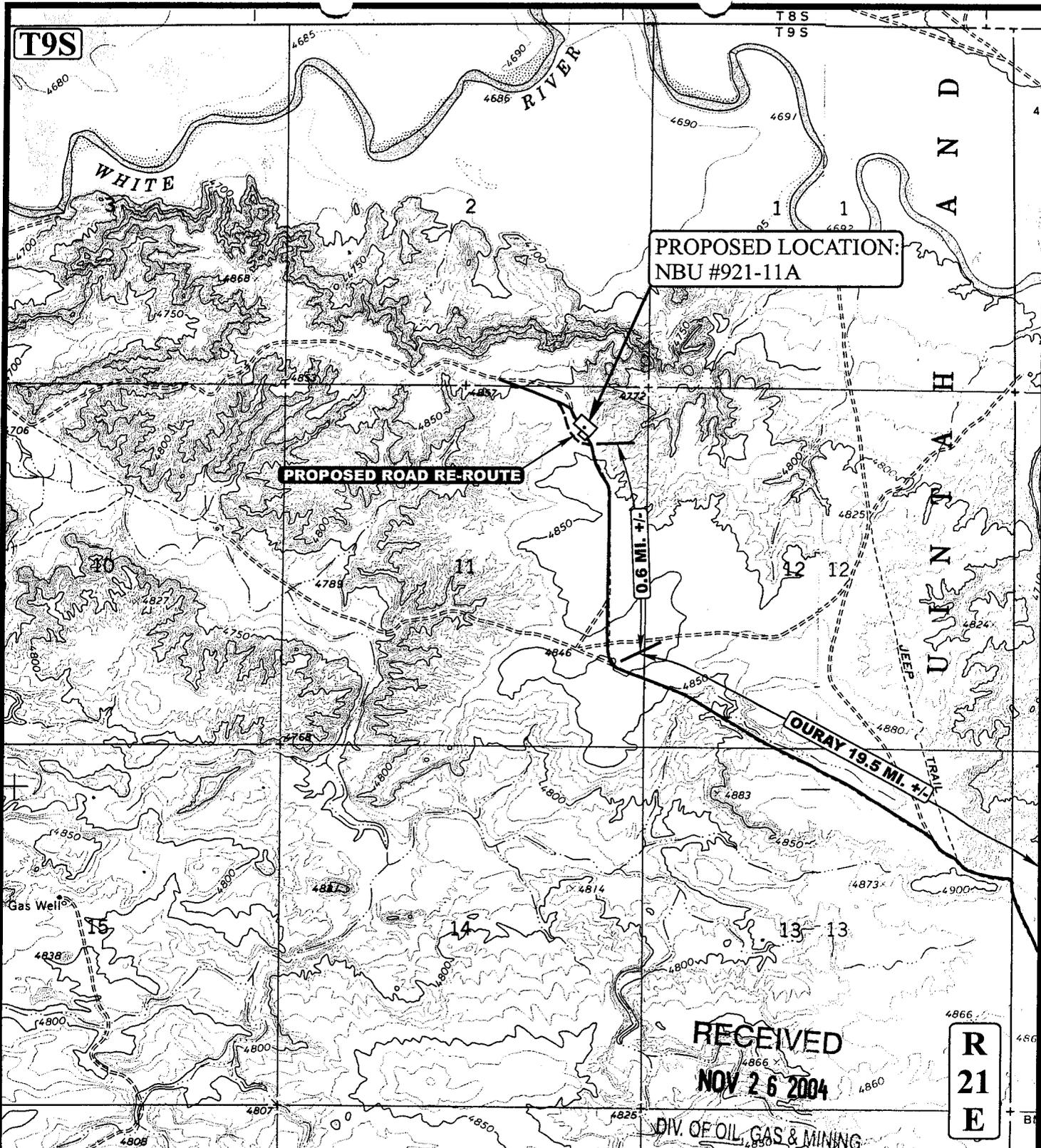
11 4 98  
MONTH DAY YEAR

SCALE: 1:100,000

DRAWN BY: C.G.

REV: 06-01-04 T.D.

A  
TOPO



**LEGEND:**  
 - - - - - PROPOSED ACCESS ROAD  
 \_\_\_\_\_ EXISTING ROAD



**WESTPORT OIL AND GAS COMPANY, L.P.**  
 NBU #921-11A  
 SECTION 11, T9S, R21E, S.L.B.&M.  
 704' FNL 857' FEL

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

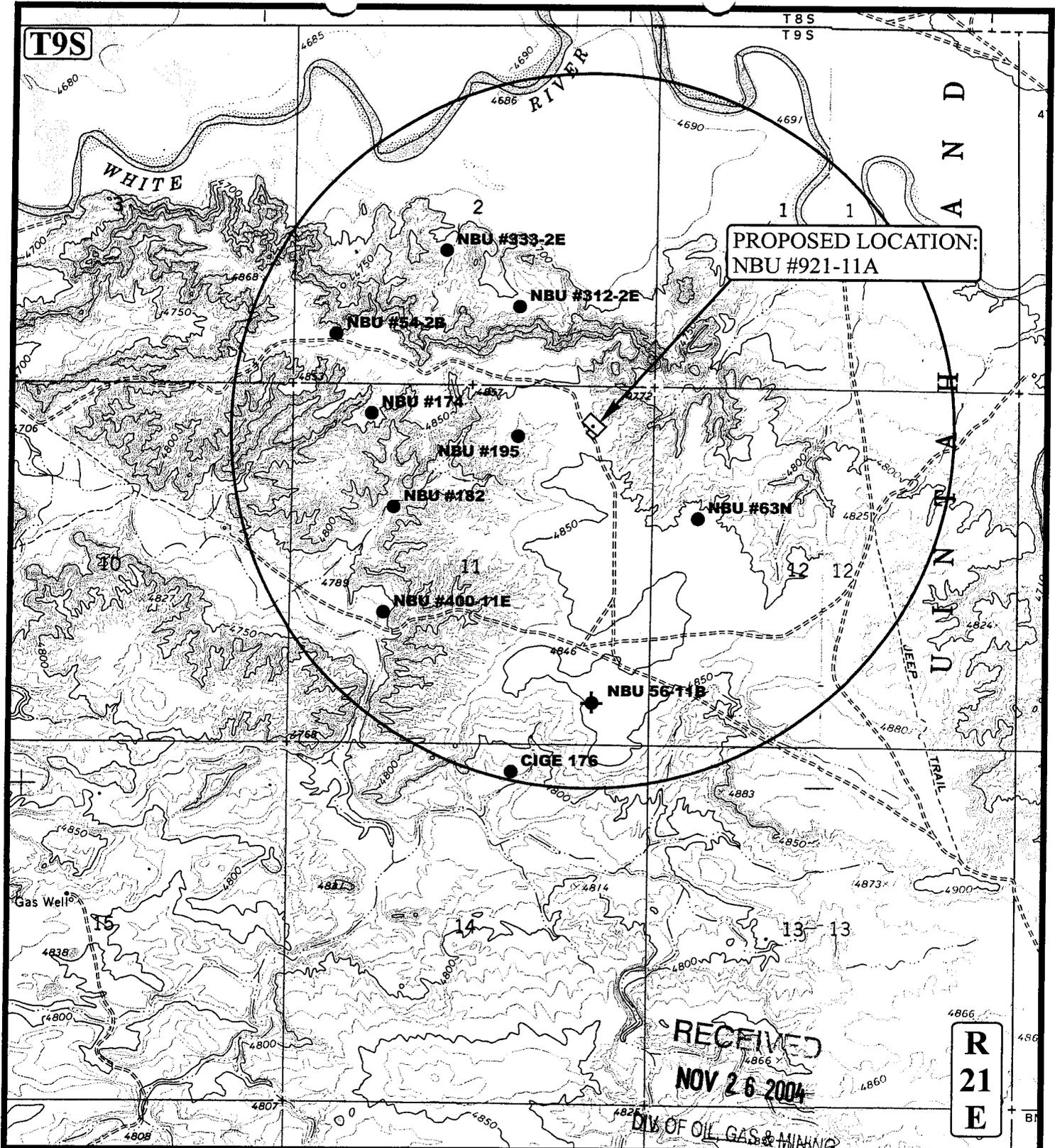
**TOPOGRAPHIC MAP** 11 4 98  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: C.G. REV: 06-01-04 T.D. **B**  
 TOPO

T9S

T8S  
T9S

A  
N  
D

PROPOSED LOCATION:  
NBU #921-11A



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NOV 26 2004

R  
21  
E

DIV. OF OIL, GAS & MINING

**LEGEND:**

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



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

NBU #921-11A  
SECTION 11, T9S, R21E, S.L.B.&M.  
70' FNL 857' FEL



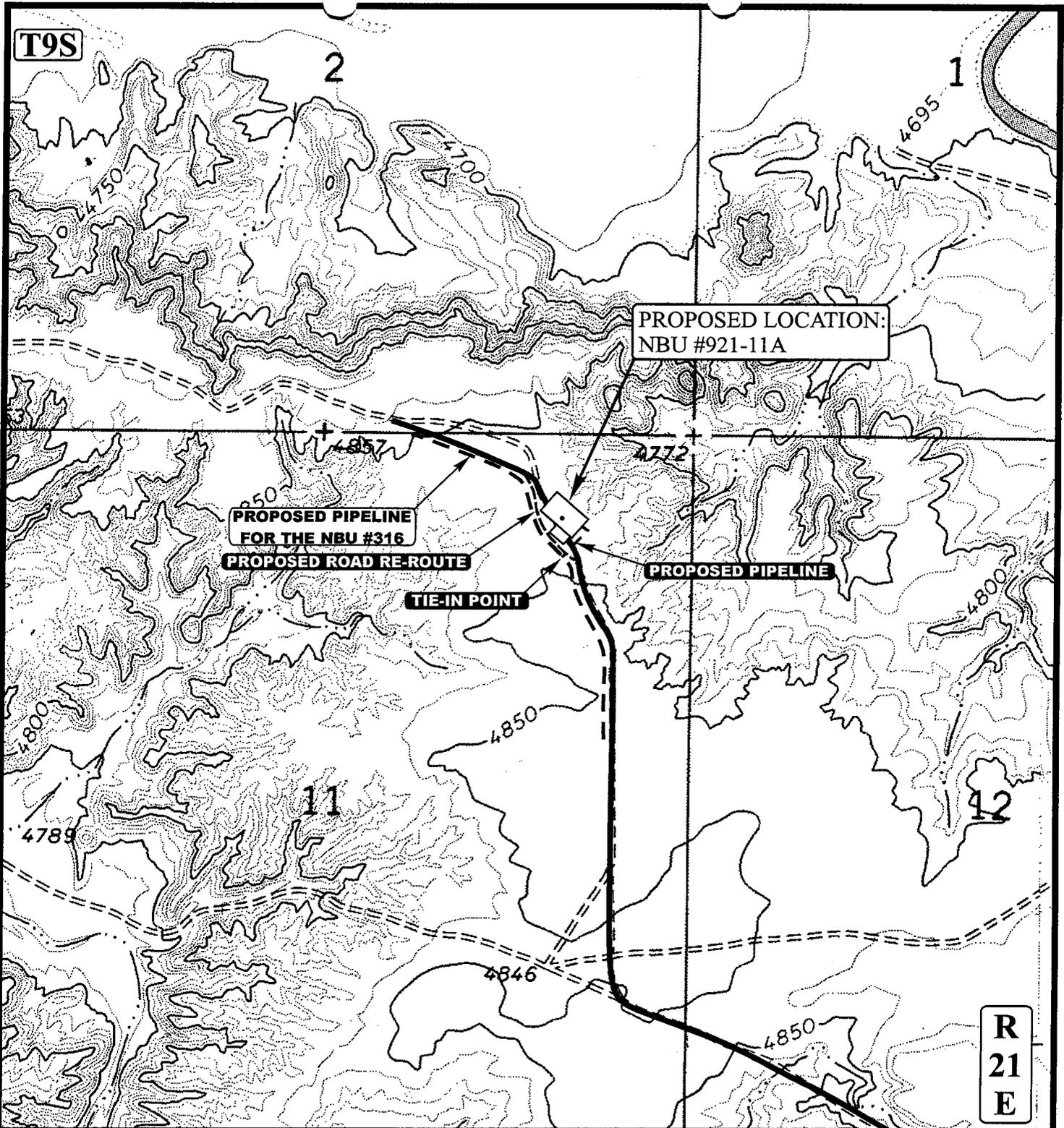
Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

TOPOGRAPHIC  
MAP

11 4 98  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.G. REV: 06-01-04 T.D.

C  
TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 210' +/-

**LEGEND:**

- EXISTING PIPELINE
- - - PROPOSED PIPELINE
- PROPOSED ACCESS

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WESTPORT OIL AND GAS COMPANY, L.P.

NBU #921-11A  
SECTION 11, T9S, R21E, S.L.B.&M.  
70' FNL 85' FEL

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

**TOPOGRAPHIC MAP**  
 11 4 98  
 MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: C.G. REV: 06-01-04 T.D.

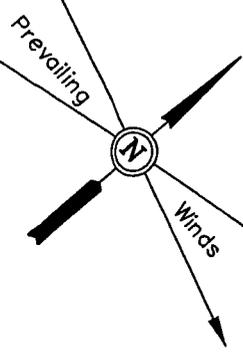
**D**  
TOPO

WESTPORT OIL AND GAS COMPANY, L.P.

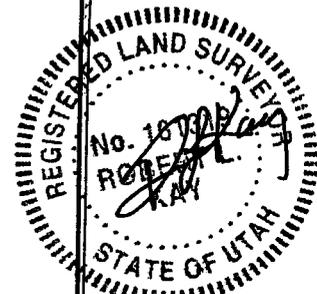
LOCATION LAYOUT FOR

NBU #921-11A  
SECTION 11, T9S, R21E, S.L.B.&M.  
705' FNL 857' FEL

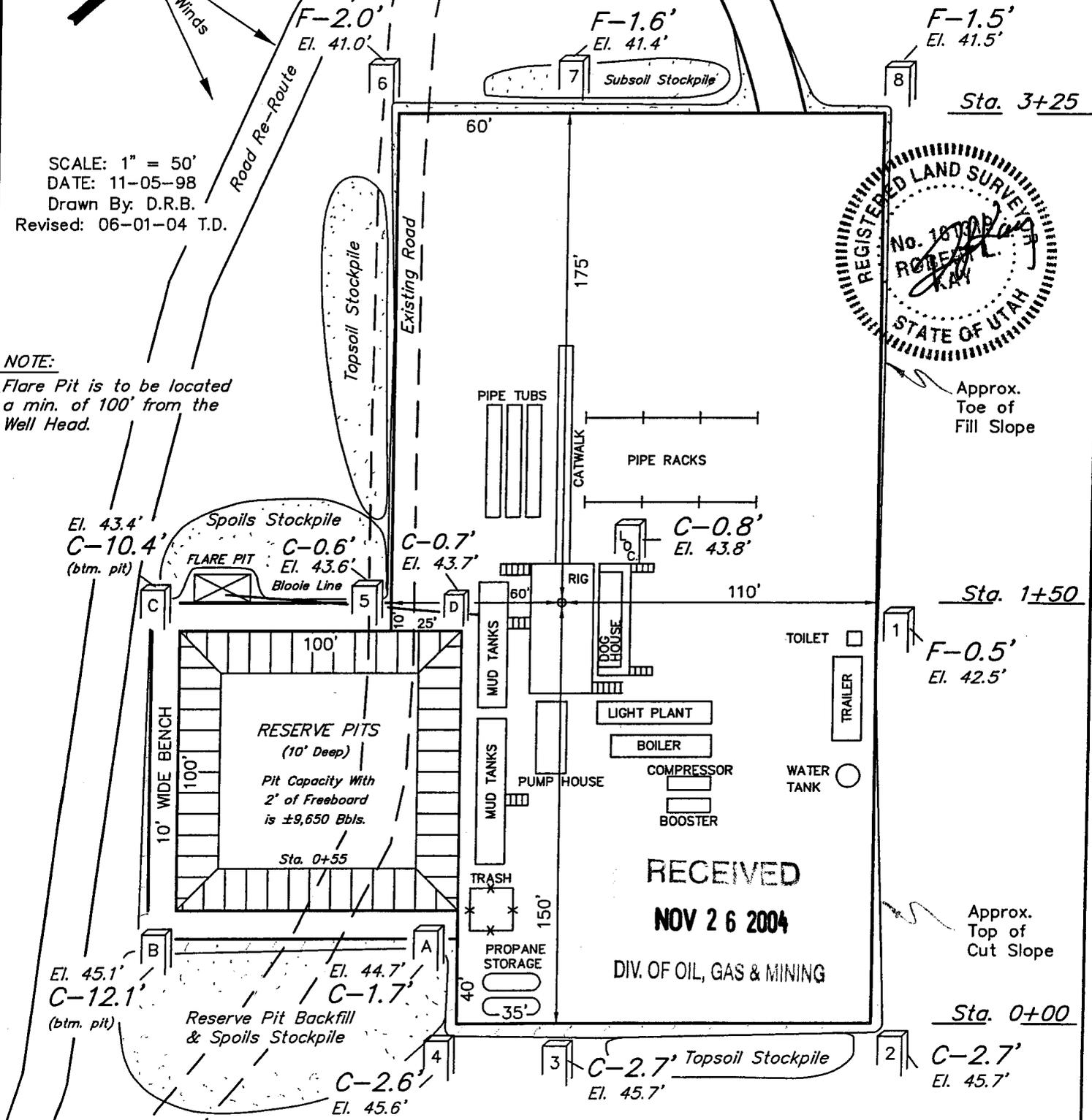
Proposed Access Road



SCALE: 1" = 50'  
DATE: 11-05-98  
Drawn By: D.R.B.  
Revised: 06-01-04 T.D.



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



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NOV 26 2004

DIV. OF OIL, GAS & MINING

NOTES:

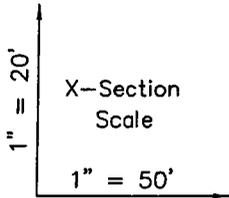
Elev. Ungraded Ground At Loc. Stake = 4843.8'  
FINISHED GRADE ELEV. AT LOC. STAKE = 4843.0'

FIGURE #1

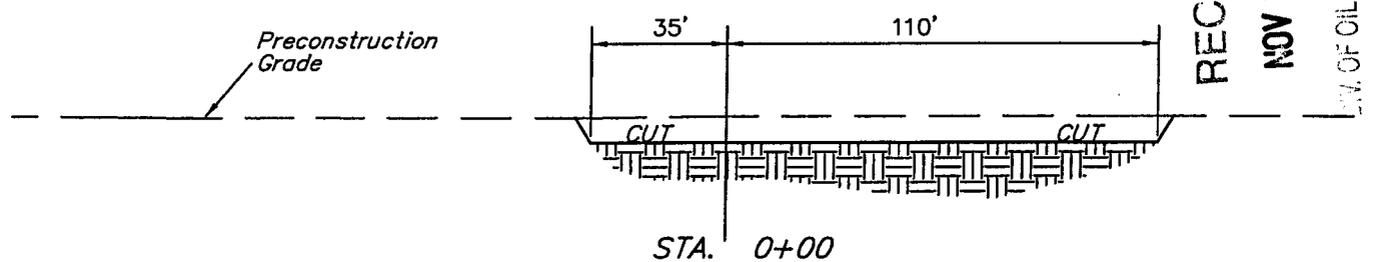
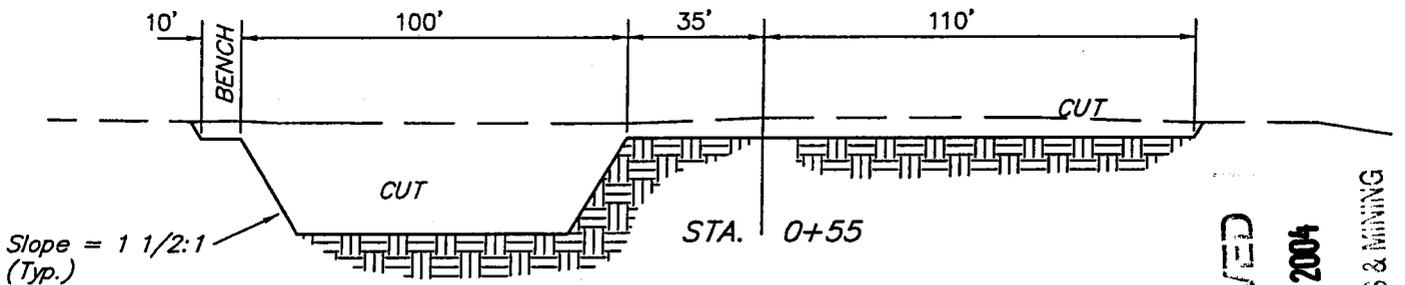
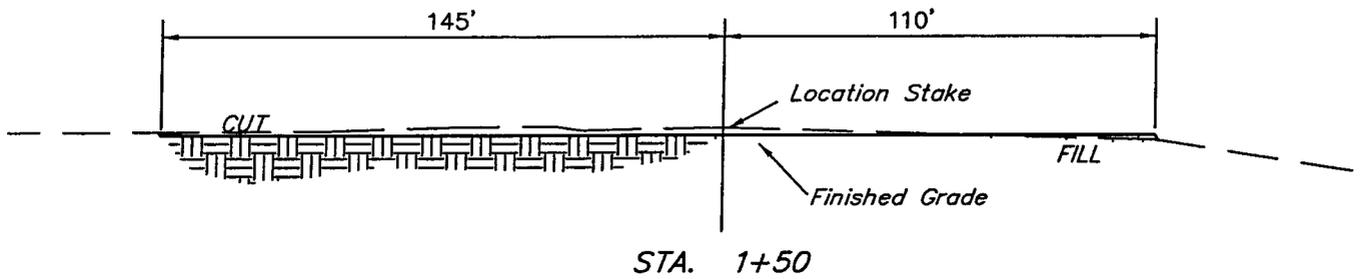
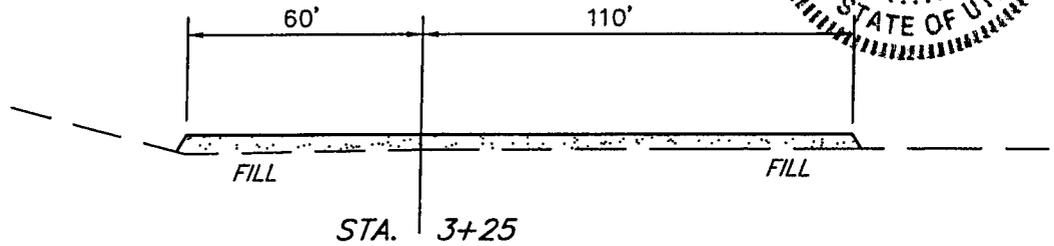
# WESTPORT OIL AND GAS COMPANY, L.P.

## TYPICAL CROSS SECTIONS FOR

NBU #921-11A  
SECTION 11, T9S, R21E, S.L.B.&M.  
705' FNL 857' FEL



DATE: 11-05-98  
Drawn By: D.R.B.  
Revised: 06-01-04 T.D.



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NOV 26 2004  
DIV. OF OIL, GAS & MINING

**FIGURE #2**

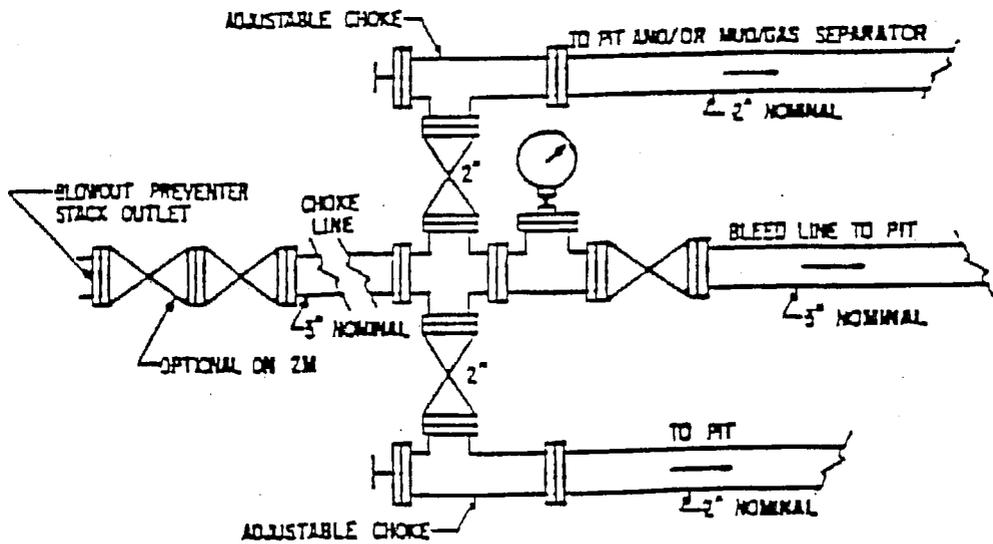
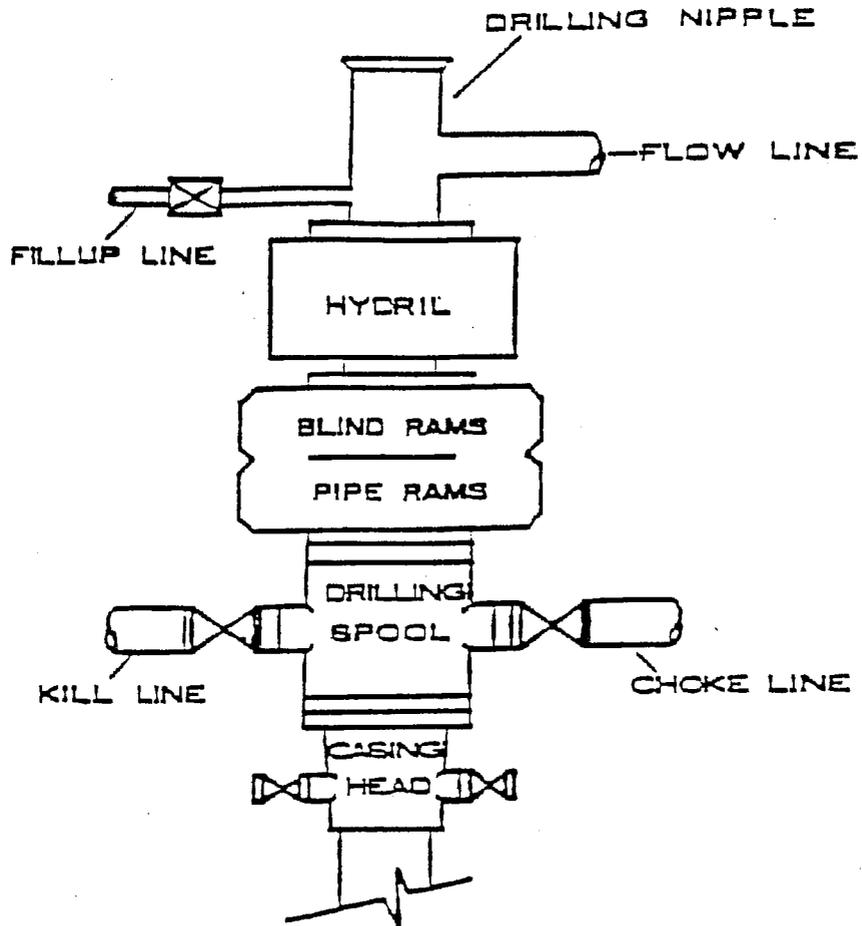
**APPROXIMATE YARDAGES**

CUT	
(12") Topsoil Stripping	= 2,280 Cu. Yds.
Remaining Location	= 3,400 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 5,680 CU.YDS.</b>
<b>FILL</b>	<b>= 1,960 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	= 3,620 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,620 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

3,000 PSI

# BOP STACK



WORKSHEET

APPLICATION FOR PERMIT TO DRILL

004

APD RECEIVED: 11/26/2004

API NO. ASSIGNED: 43-047-36129

WELL NAME: NBU 921-11A

OPERATOR: WESTPORT OIL & GAS CO ( N2115 )

CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

NENE 11 090S 210E  
 SURFACE: 0705 FNL 0857 FEL  
 BOTTOM: 0705 FNL 0857 FEL  
 UINTAH  
 NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-0141317

SURFACE OWNER: 2 - Indian

PROPOSED FORMATION: WSMVD

COALBED METHANE WELL? NO

LATITUDE: 40.05590

LONGITUDE: -109.5120

RECEIVED AND/OR REVIEWED:

LOCATION AND SITING:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. CO-1203 )
- 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)

- \_\_\_ R649-2-3.
- Unit NATURAL BUTTES
- \_\_\_ R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- \_\_\_ R649-3-3. Exception
- Drilling Unit  
Board Cause No: 173-14  
Eff Date: 12-2-1999  
Siting: 460' fr. W. bary. E. Union. Tract
- \_\_\_ R649-3-11. Directional Drill

COMMENTS:

See Separate file

STIPULATIONS:

1- Federal approved  
2- OIL SHALE





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*

December 2, 2004

Westport Oil & Gas Company, L P  
1368 South 1200 East  
Vernal, UT 84078

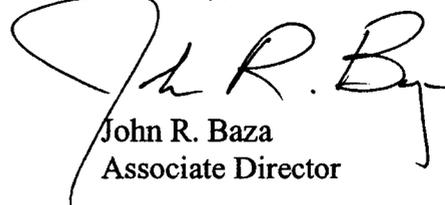
Re: Natural Buttes Unit 921-11A Well, 705' FNL, 857' FEL, NE NE, Sec. 11,  
T. 9 South, R. 21 East, Uintah County, Utah

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 43-047-36129.

Sincerely,



John R. Baza  
Associate Director

pab  
Enclosures

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

**Operator:** Westport Oil & Gas Company, L P  
**Well Name & Number** Natural Buttes Unit 921-11A  
**API Number:** 43-047-36129  
**Lease:** U-0141317

**Location:** NE NE                      **Sec. 11**              **T. 9 South**                      **R. 21 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

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

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. 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.

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

007

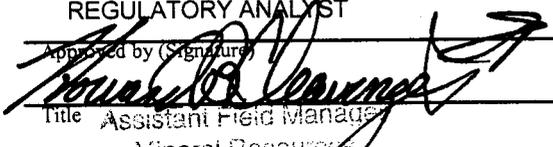
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-0141317
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name TRIBAL SURFACE
2. Name of Operator WESTPORT OIL & GAS COMPANY L.P. Contact: SHEILA UPCHEGO E-Mail: supchego@westportresourcescorp.com		7. If Unit or CA Agreement, Name and No. NATURAL BUTTES
3a. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435.781.7024 Fx: 435.781.7094	8. Lease Name and Well No. NBU 921-11A
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface NENE 705FNL 857FEL At proposed prod. zone		9. API Well No. 43-047-36129
14. Distance in miles and direction from nearest town or post office 20.1 MILES SOUTHEAST OF OURAY, UTAH	11. Sec., T., R., M., or Blk. and Survey or Area Sec 11 T9S R21E Mer SLB	10. Field and Pool, or Exploratory NATURAL BUTTES
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 705'	12. County or Parish UINTAH	13. State UT
16. No. of Acres in Lease 480.00	17. Spacing Unit dedicated to this well 40.00	
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C	19. Proposed Depth 10100 MD	20. BLM/BIA Bond No. on file CO-1203
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4844 GL	22. Approximate date work will start	23. Estimated duration

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) SHEILA UPCHEGO Ph: 435.781.7024	Date 09/15/2004
Title REGULATORY ANALYST		
Approved by (Signature) 	Name (Printed/Typed)	Date 12/16/2004
Title Assistant Field Manager Mineral Resources	Office	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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Additional Operator Remarks (see next page)

JAN 10 2005

Electronic Submission #36157 verified by the BLM Well Information System  
For WESTPORT OIL & GAS COMPANY L.P, sent to the Vernal  
Committed to AFSS for processing by LESLIE WALKER on 09/21/2004 ( )

ENVIRONMENTAL & MINING

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

UDD06111

U7LW5056AE

NO 105

Posted 9/21/04

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Westport Oil & Gas Company

Well Name & Number: NBU 921-11A

API Number: 43-047-36129

Lease Number: UTU - 0141317

Location: NENE Sec. 11 TWN: 09S RNG: 21E

Agreement: NATURAL BUTTES UNIT

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

## CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application 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.

**Submit an electronic copy of all logs run on this well in LAS format. This submission will replace the requirement for submittal of paper logs to the BLM.**

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Casing Program and Auxiliary Equipment

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Wasatch Formation, identified at  $\pm 5,225$  ft.

**SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)**

Westport Oil and Gas Company L.P. (Westport) will assure the Ute Tribe that any/all contractors and subcontractors have acquired a current Tribal Business License and have updated "Access Permits" prior to construction. All Westport personnel, contractors and subcontractors will have these permits in their vehicles at all times. Companies that have not complied with this COA will be in violation of the Ute Tribal Business License Ordinance, and will be subject to fines and penalties.

Westport employees, representatives, and/or authorized personnel (subcontractors) shall not carry firearms on their person or in their vehicles while working on the Uintah and Ouray Indian Reservation.

Westport employees and/or authorized personnel (subcontractors) in the field will have approved applicable APDs and/or ROW permits/authorizations on their person(s) during all phases of construction.

Westport will notify the Ute Tribe and Bureau of Indian Affairs (BIA) in writing of any requested modification of APDs or Rights-Of Way (ROW). Westport shall receive written notification of authorization or denial of the requested modification. Without authorization, Westport will be subject to fines and penalties.

The Ute Tribe Energy & Minerals Department shall be notified in writing 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday. A Tribal Technician is to routinely monitor construction. Westport shall make arrangements with the Ute Energy & Minerals Department for all monitoring that will exceed regular working hours for Tribal Technicians. A qualified archaeologist accompanied by a Tribal Technician will monitor any trenching construction of the pipeline. Westport is to inform contractors to maintain construction of the pipelines within approved right of ways.

At the Natural Buttes Unit 921-11A well, a ROW, 30 feet wide and 148 feet long, shall be granted by BIA for the new access road. A corridor ROW, 30 feet wide and 210 feet long, shall be granted for the pipeline construction.

At the Natural Buttes Unit 921-9G well, a ROW, 30 feet wide and 770 feet long, shall be granted by the BIA for the new access road. A corridor ROW, 30 feet wide and 3109 feet long, shall be granted for the pipeline construction.

At these locations, the constructed, travel width of the access road will be limited to 18 feet. Upon authorization by the Ute Tribe Energy & Minerals Department, the ROWs may be wider where sharp curves; deep cuts and fills occur; or, where intersections with other roads are required.

Culverts and diversion ditches will be placed and constructed where needed. Road base gravel will be used where sandy soils make roadways and the drilling location hazardous for access or drilling operations.

Upon completion of the pertinent APD and ROWs, Westport will notify the Ute Tribe Energy & Minerals Department for a Tribal Technician to verify the Affidavit of Completion.

Production waters, oil, and other byproducts shall not be placed on access roads or the well pad.

All vehicular traffic, personnel movement, construction and restoration operations will be confined to the areas examined and approved and to the existing roadways and/or evaluated access routes.

Westport will implement "Safety and Emergency Plan" and ensure plan compliance.

Westport shall stop construction activities and notify personnel from the Ute Tribe Energy & Minerals Department and BIA if cultural remains including paleontology resources (vertebrate fossils) are exposed or identified during construction. The Ute Tribe Department of Cultural Rights and Protection and the BIA will provide mitigation measures prior to allowing construction.

Westport employees and/or authorized personnel (subcontractors) will not be allowed to collect artifacts and paleontology fossils. No significant cultural resources shall be disturbed.

Westport will control noxious weeds on the well site and ROWs. Westport will be responsible for noxious weed control if weeds spread from the project area onto adjoining land.

Reserve pits will be lined with an impervious synthetic liner. A fence will be constructed around the reserve pit until it is backfilled. Prior to backfilling the reserve pit, all fluids will be pumped from the pit into trucks and hauled, to approved disposal sites. When the reserve pits are backfilled, the surplus oil and mud, etc., will be buried a minimum of 3 feet below the surface of the soil.

A closed system will be used during production. This means that production fluids will be contained in leak-proof tanks. All production fluids will be disposed of at approved disposal sites.

Surface pipelines will be constructed to lay on the soil surface. The pipeline portion of the ROW will not be bladed or cleared of vegetation without authorization of the BIA. Surface pipelines shall be welded in place at well sites or on access roads. They shall be pulled into place and assembled with suitable equipment. Vehicles shall not use pipeline ROWs as access roads unless specifically authorized.

Buried pipelines shall be buried a minimum of 3 feet below the soil surface. After construction is completed the disturbed area shall be contoured to blend into the natural landscape and be reseeded between September 15 and November 1 of the year following construction with perennial vegetation seed mixture provided by the BIA or Ute Tribe.

Before a well site is abandoned, Westport will be required to restore the well site and ROWs to near their original state. The disturbed areas will be reseeded with desirable perennial vegetation.

Soil erosion will be mitigated, by reseeded all disturbed areas.

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.  
**UTU-0141317**

6. If Indian, Allottee or Tribe Name  
**TRIBAL SURFACE**

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

8. Well Name and No.  
**NBU 921-11A**

9. API Well No.  
**43-047-36129**

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

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

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

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
**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)  
**NENE SECTION 11-T9S-R21E 705'FNL & 857'FEL**

**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 APD <b>EXTENSION</b>

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

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 BUREAU OF LAND MANAGEMENT ON DECEMBER 16, 2004. AND APPROVAL WAS GRANTED BY THE DIVISION OF OIL, GAS AND MINING ON DECEMBER 2, 2004.

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

Date: **12-12-05**  
By: *[Signature]*

COMMENT TO OPERATOR  
12-13-05  
LHD

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

Name (Printed/Typed)  
**Sheila Upchego**

Signature  
*[Signature]*

Title  
**Regulatory Analyst**

Date  
**December 1, 2005**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

**DEC 06 2005**

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

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

**API:** 4304736129  
**Well Name:** NBU 921-11A  
**Location:** NENE SECTION 11-T9S-R21E  
**Company Permit Issued to:** WESTPORT OIL & GAS CO., L.P.  
**Date Original Permit Issued:** 12/2/2004

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

12/1/2005

Date

Title: REGULATORY ANALYST

Representing: WESTPORT OIL & GAS COMPANY L.P.

DEC 06 2005

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>U-0141317</b>
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name <b>TRIBAL SURFACE</b>
2. Name of Operator <b>WESTPORT OIL &amp; GAS COMPANY L.P.</b>		7. If Unit or CA Agreement, Name and No. <b>NATURAL BUTTES UNIT</b>
3A. Address <b>1368 SOUTH 1200 EAST VERNAL, UT 84078</b>	3b. Phone No. (include area code) <b>(435) 781-7024</b>	8. Lease Name and Well No. <b>NBU 921-11A</b>
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface <b>NENE 705'FNL &amp; 857'FEL</b> At proposed prod. Zone		9. API Well No. <b>4304736129</b>
14. Distance in miles and direction from nearest town or post office* <b>20.1 MILES SOUTHEAST OF OURAY, UTAH</b>		10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>705'</b>	16. No. of Acres in lease <b>480.00</b>	11. Sec., T., R., M., or Blk, and Survey or Area <b>SEC 11-T9S-R21E</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>REFER TO TOPO C</b>	19. Proposed Depth <b>10100'</b>	12. County or Parish <b>UINTAH</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4844'GL</b>	22. Approximate date work will start* <b>2/06</b>	13. State <b>UTAH</b>
		20. BLM/BIA Bond No. on file <b>CO-1203</b>
		17. Spacing Unit dedicated to this well <b>40.00</b>
		23. Estimated duration <b>TO BE DETERMINED</b>

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |  |   |
|--|---|
| 1. Well plat certified by a registered surveyor.   | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).   |
| 2. A Drilling Plan.  | 5. Operator certification.  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office. | 6. Such other site specific information and/or plans as may be required by the authorized office. |

25. Signature <i>Sheila Upchego</i>	Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Date <b>2/24/2006</b>
Title <b>REGULATORY ANALYST</b>		
Approved by (Signature) <i>Thomas B. Cleary</i>	Name (Printed/Typed) <b>Accepted by the Utah Division of Oil, Gas and Mining</b>	Date <b>02/24/06</b>
Title <b>Assistant Regional Director</b>	Office <b>FOR RECORD ONLY</b>	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

**CONDITIONS OF APPROVAL ATTACHED**

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on reverse)

RECEIVED  
NOTICE OF APPROVAL  
FEB 28 2006



DIV. OF OIL, GAS & MINING



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE

170 South 500 East VERNAL, UT 84078 (435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

**Company:** Westport Oil & Gas Co.      **Location:** NENE, Sec 11, T9S, R21E  
**Well No:** NBU 921-11A      **Lease No:** UTU-0141317  
**API No:** 43-047-36129      **Agreement:** Natural Buttes WS MV

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
<b>After Hours Contact Number:</b>	<b>435-781-4513</b>	<b>Fax:</b> 435-781-4410	

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

- Construction Activity - The Ute Tribe Energy & Minerals Dept. shall be notified in writing 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday.
- Construction Completion - Upon completion of the pertinent APD and ROWs construction, notify the Ute Tribe Energy & Minerals Dept. for a Tribal Technician to verify the Affidavit of Completion.
- Spud Notice  
(Notify Petroleum Engineer) - Twenty-Four (24) hours prior to spudding the well.
- Casing String & Cementing  
(Notify Jamie Sparger) - Twenty-Four (24) hours prior to running casing and cementing all casing strings.
- BOP & Related Equipment Tests  
(Notify Jamie Sparger) - Twenty-Four (24) hours prior to initiating pressure tests.
- First Production Notice  
(Notify Petroleum Engineer) - Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

***SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)***

Westport Oil & Gas Company L.P. (Westport) will assure the Ute Tribe that any/all contractors and subcontractors have acquired a current Tribal Business License and have updated "Access Permits" prior to construction. All Westport personnel, contractors and subcontractors will have these permits in their vehicles at all times. Companies that have not complied with this COA will be in violation of the Ute Tribal Business License Ordinance, and will be subject to fines and penalties.

Westport employees, representatives, and/or authorized personnel (subcontractors) shall not carry firearms on their person or in their vehicles while working on the Uintah & Ouray Indian Reservation.

Westport employees and/or authorized personnel (subcontractors) in the field will have approved applicable APDs and/or ROW permits/authorizations on their person(s) during all phases of construction.

Westport will notify the Ute Tribe and Bureau of Indian Affairs (BIA) in writing of any requested modification of APDs or Rights-Of-Way (ROW). Westport shall receive written notification of authorization or denial of the requested modification. Without authorization, Westport will be subject to fines and penalties.

The Ute Tribe Energy & Minerals Department shall be notified in writing 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday. A Tribal Technician is to routinely monitor construction. Westport shall make arrangements with the Ute Energy & Minerals Department for all monitoring that will exceed regular working hours for Tribal Technicians. A qualified archaeologist accompanied by a Tribal Technician will monitor any trenching construction of the pipeline. Westport is to inform contractors to maintain construction of the pipelines within approved ROW.

At the NBU 921-11A well, a ROW 30 feet wide and 148 feet long shall be granted by BIA for the new access road. A corridor ROW 30 feet wide and 210 feet long shall be granted for the pipeline construction.

At these locations, the constructed travel width of the access road will be limited to 18 feet. Upon authorization by the Ute Tribe Energy & Minerals Department, the ROWs may be wider where sharp curves, deep cuts and fills occur; or, where intersections with other roads are required.

Culverts and diversion ditches will be placed and constructed where needed. Road base gravel will be used where sandy soils make roadways and the drilling location hazardous for access or drilling operations.

Upon completion of the pertinent APD and ROWs, Westport will notify the Ute Tribe Energy & Minerals Department for a Tribal Technician to verify the Affidavit of Completion.

Production waters, oil, and other byproducts shall not be placed on access roads or the well pad.

All vehicular traffic, personnel movement, construction and restoration operations will be confined to the areas examined and approved and to the existing roadways and/or evaluated access routes.

Westport will implement "Safety and Emergency Plan" and ensure plan compliance.

Westport shall stop construction activities and notify personnel from the Ute Tribe Energy & Minerals Department and BIA if cultural remains including paleontology resources (vertebrate fossils) are exposed or identified during construction. The Ute Tribe Department of Cultural Rights and Protection and the BIA will provide mitigation measures prior to allowing construction.

Westport employees and/or authorized personnel (subcontractors) will not be allowed to collect artifacts and paleontology fossils. No significant cultural resources shall be disturbed.

Westport will control noxious weeds on the well site and ROWs. Westport will be responsible for noxious weed control if weeds spread from the project area onto adjoining land.

Reserve pits will be lined with an impervious synthetic liner. A fence will be constructed around the reserve pit until it is backfilled. Prior to backfilling the reserve pit, all fluids will be pumped from the pit into trucks and hauled, to approved disposal sites. When the reserve pits are backfilled, the surplus oil and mud, etc., will be buried a minimum of 3 feet below the surface of the soil.

A closed system will be used during production. This means that production fluids will be contained in leak-proof tanks. All production fluids will be disposed of at approved disposal sites.

Surface pipelines will be constructed to lay on the soil surface. The pipeline portion of the ROW will not be bladed or cleared of vegetation without authorization of the BIA. Surface pipelines shall be welded in place at well sites or on access roads. They shall be pulled into place and assembled with suitable equipment. Vehicles shall not use pipeline ROWs as access roads unless specifically authorized.

Buried pipelines shall be buried a minimum of 3 feet below the soil surface. After construction is completed the disturbed area shall be contoured to blend into the natural landscape and be reseeded between September 15 and November 1 of the year following construction with perennial vegetation seed mixture provided by the BIA or Ute Tribe.

Before a well site is abandoned, Westport will be required to restore the well site and ROWs to near their original state. The disturbed areas will be reseeded with desirable perennial vegetation.

Soil erosion will be mitigated by reseeded all disturbed areas.

### ***DOWNHOLE CONDITIONS OF APPROVAL***

**All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to.** The following items are emphasized:

#### **SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL**

1. As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Wasatch Formation, identified at  $\pm 5,225$  ft.

#### **DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
3. **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
4. Blowout prevention equipment (BOPE) will remain in use until the well is completed or abandoned. Closing unit controls must remain unobstructed and readily accessible at all times. Choke manifolds must be located outside of the rig substructure.

All BOPE components will be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests must be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test must be reported in the driller's log.

BOP drills must be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

5. All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.
6. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval

of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office must be obtained and notification given before resumption of operations.

7. Chronologic drilling progress reports must be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

Any change in the program must be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) must be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, will require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR 3162.4-3, this well must be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

8. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by the BLM, Vernal Field Office.

**Please submit an electronic copy of all logs run on this well in LAS format to [UT\\_VN\\_Wellogs@BLM.gov](mailto:UT_VN_Wellogs@BLM.gov). This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF other).**

9. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the BLM, Vernal Field Office.

All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

10. Oil and gas meters will be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
11. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - a. Operator name, address, and telephone number.
  - b. Well name and number.
  - c. Well location (1/4<sup>1</sup>/<sub>4</sub>, Sec., Twn, Rng, and P.M.).
  - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
  - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - g. Unit agreement and / or participating area name and number, if applicable.
  - h. Communitization agreement number, if applicable.
13. Any venting or flaring of gas will be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
14. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production

15. Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
  
16. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

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.  
**U-0141317**

6. If Indian, Allottee or Tribe Name  
**UTE TRIBE**

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

8. Well Name and No.  
**NBU 921-11A**

9. API Well No.  
**43-047-36129**

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

3b. Phone No. (include area code)  
**435-781-7044**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**NENE SECTION 11, T9S, R21E - 705' FNL, 857' FEL**

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<b>ENLARGE PAD</b>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

TO ACCOMMODATE FOR A LARGER RIG LAYOUT KERR-MCGEE HAS NEED TO INCREASE THE EXISTING WELL PAD BY 25' ON THE DOGHOUSE AND 25' ON THE LAY DOWN SIDE OF THE LOCATION. REVISED APPLICATIONS HAVE BEEN SENT TO THE BIA TO AMEND THE EXISTING CONCERRANCE.

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

**RECEIVED**

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed) <b>RALEEN WEDDLE</b>	Title <b>REGULATORY ANALYST</b>
Signature <i>Raleen Weddle</i>	Date <b>April 21, 2006</b>

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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

<b>ROUTING</b>
1. DJJ
2. CDW

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

Operator Name Change/Merger

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

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

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- b. If **NO**, the operator was contacted on:
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a 3 LA wells & all PA wells transferred
- 5c. 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
- a. The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG  
The Division sent response by letter on: \_\_\_\_\_

**LEASE INTEREST OWNER NOTIFICATION:**

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

**COMMENTS:**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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**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 <b>CHANGE OF OPERATOR</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

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

**RECEIVED**

**MAY 10 2006**

DIV. OF OIL, GAS & MINING

*BLM BOND = C01203  
BIA BOND = RLB0005239*

**APPROVED 5/16/06**

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

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

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

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

3a. Address **1368 SOUTH 1200 EAST VERNAL, UT 84078**  
3b. Phone No. (include area code) **(435) 781-7024**

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

5. Lease Serial No.

**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

**MULTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

**UINTAH COUNTY, UTAH**

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other <b>CHANGE OF OPERATOR</b>

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

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

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

RECEIVED  
MAY 10 2006

DIV OF OIL, GAS & MINING

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

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

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by <i>Brad Laney</i>	Title	Date <b>5-9-06</b>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



## United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Colorado State Office  
2850 Youngfield Street  
Lakewood, Colorado 80215-7076

IN REPLY REFER TO:

CO922 (MM)  
3106  
COC017387 et. al.

March 23, 2006

### NOTICE

Kerr-McGee Oil & Gas Onshore L.P. :  
1999 Broadway, Suite 3700 : Oil & Gas  
Denver, CO 80202 :

#### Merger/Name Change - Recognized

On February 28, 2006 this office received acceptable evidence of the following mergers and name conversion:

Kerr-McGee Oil & Gas Onshore L.P., a Delaware Limited Partnership, and Kerr-McGee Oil & Gas Onshore LLC, a Delaware Limited Partnership merger with and into Westport Oil and Gas Company L.P., a Delaware Limited Partnership, and subsequent Westport Oil & Gas Company L.P. name conversion to Kerr-McGee Oil & Gas Onshore L.P.

For our purposes the merger and name conversion was effective January 4, 2006, the date the Secretary of State of Delaware authenticated the mergers and name conversion.

Kerr-McGee Oil & Gas Onshore L.P. provided a list of oil and gas leases held by the merging parties with the request that the Bureau of Land Management change all their lease records from the named entities to the new entity, Kerr-McGee Oil & Gas Onshore L.P. In response to this request each state is asked to retrieve their own list of leases in the names of these entities from the Bureau of Land Management's (BLM) automated LR2000 data base.

The oil and gas lease files identified on the list provided by Kerr-McGee Oil & Gas Onshore L.P. have been updated as to the merger and name conversion. We have not abstracted the lease files to determine if the entities affected by the acceptance of these documents holds an interest in the lease, nor have we attempt to identify leases where the entity is the operator on the ground that maintains vested record title or operating rights interests. If additional documentation, for change of operator, is required you will be contacted directly by the appropriate Field Office. The Mineral Management Services (MMS) and other applicable BLM offices were notified of the merger with a copy of this notice

Please contact this office if you identify additional leases where the merging party maintains an interest, under our jurisdiction, and we will document the case files with a copy of this notice. If the leases are under the jurisdiction of another State Office that information will be forwarded to them for their action.

Three riders accompanied the merger/name conversion documents which will add Kerr-McGee Oil and Gas Onshore LLC as a principal to the 3 Kerr-McGee bonds maintained by the Wyoming State Office. These riders will be forward to them for their acceptance.

The Nationwide Oil & Gas Continental Casualty Company Bond #158626364 (BLM Bond #CO1203), maintained by the Colorado State Office, will remain in full force and effect until an assumption rider is accepted by the Wyoming State Office that conditions their Nationwide Safeco bond to accept all outstanding liability on the oil and gas leases attached to the Colorado bond.

If you have questions about this action you may call me at 303.239.3768.

/s/Martha L. Maxwell  
Martha L. Maxwell  
Land Law Examiner  
Fluid Minerals Adjudication

**Attachment:**

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

WY, UT, NM/OK/TX, MT/ND, WY State Offices

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



# United States Department of the Interior



BUREAU OF LAND MANAGEMENT  
Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155  
<http://www.blm.gov>

IN REPLY REFER TO:  
3106  
(UT-922)

March 27, 2006

## Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

Attached is an approved copy of the merger recognized by the Bureau of Land Management, Colorado State Office. We have updated our records to reflect the merger from Westport Oil and Gas Company L.P. into Kerr-McGee Onshore Oil and Gas Company. The merger was approved effective January 4, 2006.

Chief, Branch of  
Fluid Minerals

## Enclosure

Approval letter from BLM COSO (2 pp)

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225  
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114  
Teresa Thompson  
Joe Incardine  
Connie Seare  
Dave Mascarenas  
Susan Bauman

RECEIVED

MAR 28 2006

DIV. OF OIL, GAS & MINERAL

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.

U-0141317

6. If Indian, Allottee or Tribe Name

TRIBAL SURFACE

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

UNIT #891008900A  
NATURAL BUTTES UNIT

8. Well Name and No.

NBU 921-11A

9. API Well No.

4304736129

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

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

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

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

NE/NE SEC. 11, T9S, R21E 705'FNL, 857'FEL

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

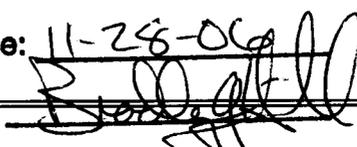
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> 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 DOGM APD EXTENSION

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.

THE OPERATOR REQUESTS AUTHORIZATION FOR A 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 DEPARTMENT ON NOVEMBER 2, 2004.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 11-28-06

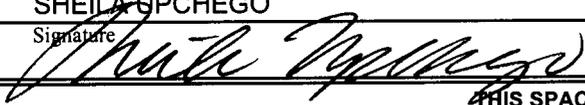
By: 

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

Name (Printed/Typed)

SHEILA UPCHEGO

Signature



Title

SENIOR LAND ADMIN SPECIALIST

Date

November 21, 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.

(Instructions on reverse)

RECEIVED

NOV 24 2006

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:** 4304736129  
**Well Name:** NBU 921-11A  
**Location:** NENE SEC. 11, T9S, R21E  
**Company Permit Issued to:** WESTPORT OIL & GAS CO L.P.  
**Date Original Permit Issued:** 12/2/2004

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

11/14/2006

Date

Title: SENOIR LAND ADMIN SPECIALIST

Representing: KERR-McGEE OIL & GAS ONSHORE LP

RECEIVED

NOV 24 2006

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

RECEIVED  
VERNAL FIELD OFFICE  
OFFICES AND REPORTS ON WELLS

2007 JAN 27 PM 1:53  
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.  
U-0141317

6. If Indian, Allottee or Tribe Name  
TRIBAL SURFACE

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

8. Well Name and No.  
NBU 921-11A

9. API Well No.  
4304736129

10. Field and Pool, or Exploratory Area  
NATURAL BUTTES

11. County or Parish, State  
UINTAH, UTAH

DEPT. OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT - Other instructions on reverse side

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
KERR MCGEE OIL AND GAS ONSHORE LP

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

3b. Phone No. (include area code)  
435-781-7003

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
705' FNL 857' FEL  
NENE, SEC 11-T9S-R21E

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input 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 APD EXTENSION
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	BLM
	<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.

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE BUREAU OF LAND MANAGEMENT ON FEBURARY 24, 2006.

RECEIVED  
MAR 05 2007

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

Name (Printed/Typed) RAMEY HOOPES Title REGULATORY CLERK

Signature *Ramey Hooper* Date January 23, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by *[Signature]* Petroleum Engineer Date FEB 6 2007

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.



CONDITIONS OF APPROVAL ATTACHED

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

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

**API:** 4304736129  
**Well Name:** NBU 921-11A  
**Location:** NENE, SEC 11-T9S-R21E  
**Company Permit Issued to:** KERR MCGEE OIL AND GAS ONSHORE LP  
**Date Original Permit Issued:** 2/24/2006

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

Ramey Hoopes  
Signature

1/23/2007  
Date

Title: REGULATORY CLERK

Representing: Kerr McGee Oil and Gas Onshore LP

**RECEIVED**

**MAR 05 2007**

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

# CONDITIONS OF APPROVAL

## Kerr McGee Oil and Gas Onshore LP.

### Notice of Intent APD Extension

**Lease:** UTU-0141317  
**Well:** NBU 921-11A  
**Location:** NENE Sec 11-T9S-R21E

An extension for the referenced APD is granted with the following conditions:

- 
1. The extension and APD shall expire on <sup>24</sup>2/28/08.
  2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Matt Baker of this office at (435) 781-4490

RECEIVED

MAR 05 2007

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

KERR MCGEE OIL & GAS ONSHORE 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)

NE/NE SEC. 11, T9S, R21E 705'FNL, 857'FEL

5. Lease Serial No.

UTU-0141317

6. If Indian, Allottee or Tribe Name

TRIBAL SURFACE

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

UNIT #891008900A  
NATURAL BUTTES UNIT

8. Well Name and No.

NBU 921-11A

9. API Well No.

4304736129

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

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 <u>WELL SPUD</u>
	<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.

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 60'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/32 SX READY MIX.

SPUD WELL LOCATION ON 06/28/2007 AT 0800 HRS.

**RECEIVED**  
**JUL 02 2007**

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

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

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature



Date

June 29, 2007

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.

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

ENTITY ACTION FORM

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

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304736129	NBU 921-11A		NENE	11	9S	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>R</i> B	99999	2900	6/28/2007		7/23/07		
Comments: MIRU PETE MARTIN BUCKET RIG. <i>W37M VD</i> SPUD WELL LOCATION ON 06/28/2007 AT 0800 HRS.							

Well 2

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

Well 3

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

ACTION CODES:

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

(5/2000) To: EARLENE Russell From: Sheila Upchego  
 Co./Dept: UTDOG M Co: KMB  
 Phone #: (801) 539-5330 Phone: (435) 781-7024  
 Fax #: (801) 359-3940 Fax: (435) 781-7094

SHEILA UPCHEGO

Name (Please Print)

*Sheila Upchego*  
Signature

SENIOR LAND SPECIALIST 6/29/2007

Title Date

RECEIVED  
JUN 29 2007

DIV. OF OIL, GAS & MINING

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.  
**UTU-0141317**

6. If Indian, Allottee or Tribe Name  
**TRIBAL SURFACE**

7. If Unit or CA/Agreement, Name and/or No.  
**UNIT #891008900A  
NATURAL BUTTES UNIT**

8. Well Name and No.  
**NBU 921-11A**

9. API Well No.  
**4304736129**

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**KERR MCGEE OIL & GAS ONSHORE 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)  
**NE/NE SEC. 11, T9S, R21E 705'FNL, 857'FEL**

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>SET SURFACE</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

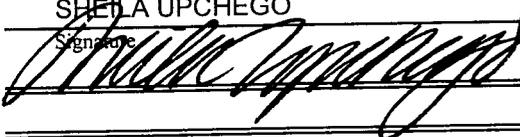
13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical 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.

MIRU BILL MARTIN AIR RIG ON 07/02/2007. DRILLED 12 1/4" SURFACE HOLE TO 2840'. RAN 9 5/8" 63 JTS OF 32.3# H-40 AND 10 JTS OF 36# J-55 SURFACE CSG. LEAD CMT W/270 SX HIFILL CLASS G @11.0 PPG 3.82 YIELD. TAILED CMT W/225 SX PREM CLASS G @15.8 PPG 1.15 YIELD. GOOD RETURNS THROUGH OUT JOB 23 +/- BBL LEAD CMT TO PIT DIDN'T LAND PLUG. RAN 200' OF 1" PIPE. CMT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN 1" PIPE. GOOD CMT TO SURFACE AND FELL BACK. TOP OUT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL

WORT.

**RECEIVED**  
**JUL 17 2007**  
DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Title <b>SENIOR LAND ADMIN SPECIALIST</b>
Signature 	Date <b>July 10, 2007</b>

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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TRIBAL SURFACE

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

UNIT #891008900A  
NATURAL BUTTES UNIT

8. Well Name and No.

**NBU 921-11A**

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10. Field and Pool, or Exploratory Area

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11. County or Parish, State

UINTAH COUNTY, UTAH

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

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Oil Well  Gas Well  Other

2. Name of Operator

KERR MCGEE OIL & GAS ONSHORE 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)

NE/NE SEC. 11, T9S, R21E 705'FNL, 857'FEL

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

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<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>PRODUCTION START-UP</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 09/01/2007 AT 12:00 PM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

**RECEIVED**  
**SEP 10 2007**

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

Name (Printed/Typed)

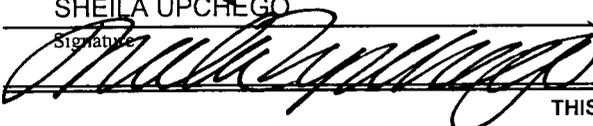
SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

DIV. OF OIL, GAS & MINING

Signature



Date

September 5, 2007

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.

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

**CHRONOLOGICAL WELL HISTORY**

**NBU 921-11A**  
 NENE, SEC. 11, T9S, R21E  
 UINTAH COUNTY, UT

DATE	ACTIVITY	STATUS
06/07/07	LOCATION STARTED PIONEER 54	
06/25/07	LOCATION COMPLETE PIONEER 54	P/L IN, WOBR
07/02/07	SET AIR RIG SPUD PIONEER 54	DRLG
07/17/07	9 5/8" @2786' PIONEER 54	WORT
07/24/07	TD: 2808' Csg. 9 5/8"@ 2808' MW: 8.3 SD: 7/XX/07 Move to the NBU 921-11A. 75% Rigged up this morning.	DSS: 0
07/25/07	TD: 2840' Csg. 9 5/8"@ 2808' MW: 8.3 SD: 7/XX/07 RURT. NU and test BOPE. PU BHA and DP. Drill cmt @ report time.	DSS: 0
07/26/07	TD: 2840' Csg. 9 5/8"@ 2816' MW: 8.3 SD: 7/XX/07 Drill cmt and FE w/ mill. Mill on junk f/ 2872'-2882'. TOOH w/ mill and junk basket @ report time.	DSS: 0
07/27/07	TD: 2840' Csg. 9 5/8"@ 2816' MW: 8.5 SD: 7/XX/07 Clean junk out of hole in 3 attempts w/ mill, Tricone, and junk basket. TIH w/ PDC at report time.	DSS: 0
07/30/07	TD: 6758' Csg. 9 5/8"@ 2816' MW: 9.4 SD: 7/27/07 TIH with PDC bit. Rotary spud @ 0730 hrs 7/27/07. Drill from 2840'-6785'. DA.	DSS: 3
07/31/07	TD: 7354' Csg. 9 5/8"@ 2816' MW: 9.4 SD: 7/27/07 Drill from 6785'-7354'. DA.	DSS: 4
08/01/07	TD: 7730' Csg. 9 5/8"@ 2816' MW: 9.9 SD: 7/27/07 Drill from 7354'-7464'. TFNB and MM. W&R tight hole @ 5000'. Drill to 7730'. DA.	DSS: 5
08/02/07	TD: 8379' Csg. 9 5/8"@ 2816' MW: 10.3 SD: 7/27/07 Drill from 7730'-8379'. Work on mud pumps.	DSS: 6
08/03/07	TD: 9087' Csg. 9 5/8"@ 2816' MW: 10.5 SD: 7/27/07 Drill from 8379'-9087'. DA @ report time. Note: Lost 300 bbls at 8610', inc LCM to 10%.	DSS: 7
08/06/07	TD: 9920' Csg. 9 5/8"@ 2816' MW: 11.4 SD: 7/27/07 Drill from 9087'-9625'. TFNB. Drill to 9920' TD. Short trip and CCH. Lay down drill string. Run Triple Combo @ report time	DSS: 10
08/07/07	TD: 9920' Csg. 9 5/8"@ 2816' MW: 11.4 SD: 7/27/07 Run Triple Combo. Run and cement 4 1/2" Production Casing. Set slips and release rig @ 0600 hrs 8/7/07. RDRT @ report time	DSS: 11

08/08/07 TD: 9920' Csg. 9 5/8" @ 2816' MW: 11.4 SD: 7/27/07 DSS: 11  
RDRT and move to NBU 921-11A.

08/24/07 **P/U TBG**  
Days On Completion: 1  
Remarks: DAY #1] 7:00 ROAD RIG FROM NBU 1021-19N TO NBU 921-11A, MIRU SPOT EQUIP, N/D WELL HEAD, N/U BOPE, R/U TBG EQUIP, P/U 3-7/8 MILL, TALLEY & P/U 317 JNTS 2-3/8 L-80 TBG TAG @ 9844', R/U CIRC EQUIP CIRC HOLE C/O TO 9861' L/D 30 JNTS ON FLOAT SWIFN. 5:00

08/27/07 **POOH**  
Days On Completion: 4  
Remarks: DAY #2 ] 7:00 HSM OPEN WELL UP POOH W/ 2-3/8 TGB S/B. MIRU CUTTERS WIRE LINE, RUN CBL FROM 9842' TO SURFACE [GOOD CEMENT BOND] MIRU B&C QUICK TEST, PRESSURE TEST CSG & FRAC VALLVES TO 7500# [GOOD TEST] R/D B&C TESTERS, P/U & RIH W/ 3-3/8 EXPEND. GUNS PERFORATE MESAVERDE @ 9800'-9805', 9725'-9729' 4SPF, 90\* PH, .23 GM, 0.36" HOLE, & 9691'-9694' 3 SPF [45 HOLES] SWIFN. 4:00

08/28/07 **FRAC**  
Days On Completion: 5  
Remarks: DAY #3] 7:00 HSM REVIEW JSA #1 , MIRU WTHRFRD FRAC CREW, PRESSURE TEST SURFACE LINES TO 8500#.

STG #1] WHP=1760#, BRK DN PERFS @ 3507#, INJT RT=53, INJT PSI=4700, FG=.71, PUMP'D 1686.1 BBLS SLK/WTR & 43674# 30/50 MESH SD, ISIP=3329, FG=.78, AR=53.2, AP=4764, MR=53.8, MP=6594, NPI=666, 100% PERFS OPEN, 45/45

STG #2] P/U RIH W/ BKR 8K CBP & 3-3/8 EXP GUNS W/ 0.36" HOLE & .23 GM, SET CBP @ 9624', PERF MESAVERDE @ 9588'-9594' 4 SPF, 90\* PH 24 HOLES, 9537'-9542' 4 SPF, 90\* PH, 20 HOLES. [44 HOLES]. WHP=80#, BRK DN PERFS @ 4351, INJT RT=51.9, INJT PSI=4800, FG=.77, PUMP'D 1125.2 BBLS SLK/WTR & 35809# 30/50 MESH SD, ISIP=3058, FG=.75, AR=51.6, AP=4594, MR=51.9, MP=5254, NPI=-128, 100% PERFS OPEN 44/44,

STG#3] P/U RIH W/ BKR 8K CBP & 3-3/8 EXP GUNS, 0.36" HOLE, 23 GM, SET CBP @ 8532', PERF MESAVERDE @ 84996'-8502' 4 SPF, 90\* PH, 24 HOLES, 8386'-8390' 4 SPF, 90\* PH 16 HOLES [40 HOLES] WHP=150#, BRK DN PERF @ 2349, INJT RT=51.3, INJT PSI=5430, ISIP=2068, FG=.68, PUMP'D 2014.1 BBLS SLK/WTR & 69899# 30/50 MESH SD, ISIP=2120, FG=.69, AR=51.7, AP=3663, MR=52, MP=5451, NPI=52, 83% PERFS OPEN 37/40.

STG#4] P/U RIH W/ BKR 8K CBP & 3-3/8 EXP GUNS, 0.36" HOLE 23 GM, SET CBP @ 8303', PERF MESAVERDE @ 8267'-8273' 4 SPF, 90\* PH, 24 HOLES, 8112'-8117' 4 SPF, 90\* PH 20 HOLES [44 HOLES] WHP=1860#, BRK DN PERFS @ 1999, INJT RT=52, INJT PSI=3770, ISIP=1976, FG=.68, PUMP'D 1903.4 BBLS SLK/WTR & 65953# 30/50 MESH SD, ISIP=2339, FG=.72, AR=52.2, AP=3422, MR=52.2, MP=4077, NPI=363, 100% PERFS OPEN 44/44.

STG #5] P/U RIH W BKR 8K CBP & 3-3/8 EXP GUNS, 0.36" HOLE, 23 GM, SET CBP @ 7905', PERF WASATCH @ 7872'-7875' 4 SPF, 90\* PH, 12 HOLES, 7499'-7505' 4 SPF, 90\* PH, 24 HOLES [36 HOLES] WHP=150#, BRK DN PERFS @ 2532, INJT RT=25, INJT PSI=3770, ISIP=1976, FG=.63, PUMP'D 622 BBLS SLK/WTR & 18003# 30/50 MESH SD, ISIP=2119, FG=.71, AR=52, AP=3910, MR=52.3, MP=5378, NPI=606, 100% PERFS OPEN 36/36.

STG #6] P/U RIH W/ BKR 8K CBP & 3-1/8 HSC PERF GUNS, 0.34" HOLE, 12 GM, SET CBP @ 6668' PERF WASATCH 6632'-6638' 4 SPF, 90\* PH, 24 HOLES, 6574'-6578' 4 SPF, 90\* PH, 16 HOLES [40 HOLES] SWIFN. 5:00

08/29/07

**FRAC**

Days On Completion: 6

Remarks: DAY #4] HSM READY TO FRAC

STG #6] WHP=370#, BRK DN PERFS @ 1612#, ISIP=1274, FG=.63, INJT RT=52, INJT PSI=2400, PUMP'D 1973.7 BBLS SLK/WTR & 69598# 30/50 MESH SD, ISIP=1280, FG=.63, AR=52.3, AP=2547, MR=52.6, MP=5403, NPI=6, 100% PERFS OPEN 40/40

STG #7] P/U RIH W/ BKR 8K CBP & 3-1/8 HSC, 23 GM, 0.34" HOLE, SET CBP @ 6372', PERF WASATCH 6337'-6342' 4 SPF 90\* PH, 20 HOLES, 6103'-6108' 4 SPF, 90\* PH, 20 HOLES [40 HOLES] WHP=0#, BRK DN PERFS @ 1354#, ISIP=1054, FG=.61, INJT RT=52.1, INJT PSI=2150, PUMP'D 1276.1 BBLS SLK/WTR & 43454# 30/50 MESH SD, ISIP=1107, FG=.62, AR=52.3, AP=2547, MR=52.6, MP=5403, NPI=53, 100% PERFS OPEN.40/40

STG #8] P/U RIH W/ BKR 8K CBP & 3-1/8 HSC, .23 GM , 0.34" HOLE, SET CBP @ 6008', PERF WASATCH 5973'-5978' 4 SPF, 90\* PH, 20 HOLES, 5889'-5894' 4 SPF, 90 \* PH, 20 HOLES, [40 HOLES] WHP=250#, BRK DN PERFS @ 1934#, ISIP=911, FG=.59, INJT RT=52.6, INJT PSI=2350, PUMP'D 1346 BBLS SLK WTR & 48830# 30/50 MESH SD, ISIP=1504, FG=.69, AR=52.5, AP=2394, MR=52.8, MP=3535, NPI=.69, 100% PERS OPN. 40/40 P/U RIH W/ BKR 8K CBP FOR TOP KILL SET @ 5839'. R/D WTHRFRD & CUTTERS WIRE LINE, N/D FRAC VALVE, N/U BOPE, R/U TBG EQUIP.

PLUG #1] P/U RIH W/ 3-7/8 MILL POPBS, RIH W/ 2-3/8 TBG TAG KILL PLUG @ 5739' R/U CIRC EQUIP BRK CIRC DRL THROUGH BKR 8K CBP IN 6 MIN 200# INCREASE.

PLUG #2] CONTINUE TO RIH TAG FILL @ 5978' C/O TO BKR 8K CBP @ 6008' DRL THROUGH IN 6 MIN, 200# INCREASE. LET WELL FLOW TO CLEAN UP SWIFN.

08/30/07

**DRL CBP's**

Days On Completion: 7

Remarks: DAY #5] 7:00 HSM OPEN WELL UP SICP=500#, CONTINUE TO RIH.

PLUG #3] TAG FILL @ 6342' 30' FILL C/O TO BKR 8K CBP & DRL THROUGH IN 6 MIN. 200# INCREASE.

PLUG #4] CONTINUE TO RIH TAG FILL @ 6638', 30' FILL, C/O TO BKR 8K CBP @ 6668' DRL THROUGH IN 6 MIN. 200# INCREASE.

PLUG #5] CONTINUE TO RIH TAG FILL @ 8032', 30' FILL, C/O TO BKR 8K CBP @ 8062' DRL THROUGH IN 8 MIN. 300# INCREASE.

PLUG #6] CONTINUE TO RIH TAG FILL @ 8312', 30' FILL, C/O TO BKR 8K CBP @ 8342' DRL THROUGH NIN 10 MIN. 400# INCREASE.

PLUG #7] CONTINUE TO RIH TAG FILL @ 8502', 30' FILL, C/O TO BKR 8K CBP @ 8532' DRL THROUGH IN 10 MIN. 400# INCREASE.

PLUG #8] CONTINUE TO RIH TAG FILL @ 9594', 30' FILL, C/O TO BKR 8K CBP @ 9624' DRL THROUGH IN 8 MIN. 500# INCREASE.

RIH C/O TO PBTD @ 9860' CIRC HOLE L/D 33 JNTS ON FLOAT, P/U NLUBRICATE HANGER IN WELL W/ 286 JNTS 2-3/8 N-80 TBG, EOT @ 8901.12, R/D PWR SWVL, R/D TBG EQUIP, N/D BOPE, DROP BALL, N/U WELL HEAD PUMP OFF POBS W/ 20 BBLS KCL SHUT IN FOR 1 HR TURNED OVER TO FLOW BACK CREW. 2:00

TBG DETAIL

KB 18.00  
HANGER .83  
286 JNTS 2-3/8 N-80 TBG 8879.87  
PROFILE NIPPLE [ BIG "R" NIPPLE 2.42  
EOT 8901.12  
354 JNTS 2-3/8 L-80 TBG BROUGHT TO LOC  
286 JNTS USED IN WELL  
68 JNTS SENT BACK TO TWN

- 08/31/07**    **FLOWBACK REPORT:** CP 2000#, TP 1500#, CK 20/64", 45 BWPH, LOAD REC'D 995 BBLS, LLTR 8766 BBLS  
**ON SALES:** MCF, BC, 1080 BW, TP: 1500#, CP: 2000#, 20/64 CHK, HRS, LP: #.
- 09/01/07**    **FLOWBACK REPORT:** CP 2050#, TP 1600#, CK 20/64", 25 BWPH, LOAD REC'D 1780 BBLS, LLTR 7981 BBLS  
**WELL WENT ON SALES:** @12:00 PM, 2000 MCF, 1600 TBG, 2075 CSG, 20/64 CK, 25 BBWH  
**ON SALES:** MCF, BC, 600 BW, TP: 1600#, CP: 2050#, 20/64 CHK, HRS, LP: #.
- 09/02/07**    **FLOWBACK REPORT:** CP 1975#, TP 1475#, CK 20/64", 20 BWPH, LOAD REC'D 2260 BBLS, LLTR 7501 BBLS  
**ON SALES:** 2000 MCF, 0 BC, 480 BW, TP: 1475#, CP: 1975#, 20/64 CHK, 24 HRS, LP: 0#.
- 09/03/07**    **FLOWBACK REPORT:** CP 1950#, TP 1300#, CK 20/64", 15 BWPH, LOAD REC'D 2690 BBLS, LLTR 7071 BBLS  
**ON SALES:** 2000 MCF, BC, 360 BW, TP: 1300#, CP: 1950#, 20/64 CHK, 24 HRS, LP: 155#.
- 09/04/07**    **FLOWBACK REPORT:** CP 1875#, TP 1325#, CK 20/64", 15 BWPH, LOAD REC'D 3050 BBLS, LLTR 6711 BBLS

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

FORM APPROVED  
OMB NO. 1004-0137  
Expires: November 30, 2000

5. Lease Serial No.  
**UTU-0141317**

6. If Indian, Allottee or Tribe Name  
**UTE TRIBE**

7. Unit or CA Agreement Name and No.  
**UNIT #891008900A NBU UNIT**

8. Lease Name and Well No.  
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**4304736129**

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11. Sec., T., R., M., or Block and Survey or Area  
**SEC. 11, T9S, R21E**

12. County or Parish  
**UINTAH**

13. State  
**UTAH**

17. Elevations (DF, RKB, RT, GL)\*  
**4844'GL**

14. Date Spudded  
**06/28/07**

15. Date T.D. Reached  
**08/06/07**

16. Date Completed  
 D & A  Ready to Prod.  
**09/01/07**

18. Total Depth: MD **9920'** TVD  
19. Plug Back T.D.: MD **9860'** TVD  
20. Depth Bridge Plug Set: MD **9860'** TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
**CBL-CCL-GR Comp 2 CDCN, Caliper**

22. Was well cored?  No  Yes (Submit copy)  
Was DST run?  No  Yes (Submit copy)  
Directional Survey?  No  Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cement Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14"	36.7#		60'		32 SX			
12 1/4"	9 5/8"	32.3# 36#		2840'		695 SX			
7 7/8"	4 1/2"	11.6#		9920'		1951 SX			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Set (MD)
2 3/8"	8901'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	5889'	7875'	5889'-7875'	0.36	156	OPEN
B) MESAVERDE	8112'	9805'	8112'-9805'	0.36	173	OPEN
C)						
D)						

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

Depth Interval	Amount and type of Material
5889'-7875'	PMP 5209 BBLs SLICK H2O & 179,885# 30/50 MESH SD
8112'-9805'	PMP 6728 BBLs SLICK H2O & 215,335# 30/50 MESH SD

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

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
09/01/07	09/06/07	24	→	0	2,444	240			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 1300# SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
20/64		1650#	→	0	2444	240			PRODUCING GAS WELL

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
09/01/07	09/06/07	24	→	0	2444	240			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 1300# SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
20/64		1650#	→	0	2444	240			PRODUCING GAS WELL

(See instructions and spaces for additional data on reverse side)

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

SOLD

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

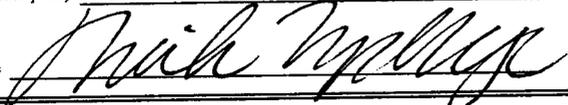
Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH MESAVERDE	5322' 8100'	8100'			

32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

- 1. Electrical/Mechanical Logs (1 full set req'd.)
- 2. Geologic Report
- 3. DST Report
- 4. Directional Survey
- 5. Sundry Notice for plugging and cement verification
- 5. Core Analysis
- 7. Other:

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) SHEILA UPCHEGO Title SENIOR LAND ADMIN SPECIALIST  
 Signature  Date 9/26/2007

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.