

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

FORM 3

AMENDED REPORT   
(highlight changes)

**001**

<b>APPLICATION FOR PERMIT TO DRILL</b>		5. MINERAL LEASE NO: UO-01189-ST	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		8. UNIT or CA AGREEMENT NAME: NATURAL BUTTES UNIT	
2. NAME OF OPERATOR: WESTPORT OIL & GAS COMPANY, L.P.		9. WELL NAME and NUMBER: NBU 921-25D	
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078		PHONE NUMBER: (435) 781-7060	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 845' FNL 851' FWL AT PROPOSED PRODUCING ZONE:		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 25 9S 21E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 16.6 MILES SOUTHEAST OF OURAY, UTAH		12. COUNTY: UINTAH	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 845'	16. NUMBER OF ACRES IN LEASE: 240	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) REFER TO TOPO C	19. PROPOSED DEPTH: 9,700	20. BOND DESCRIPTION: RLB0005238/6	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 4942.3' GL	22. APPROXIMATE DATE WORK WILL START:	23. ESTIMATED DURATION: TO BE DETERMINED	

**PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4"	9 5/8" 32.3# H-40, STC	2,300	PREM CMT	265 SX	1.18 15.6
7 7/8"	4 1/2" 11.6# I-80, LTC	9,700	PREM CMT	170 SX	3.82 11.0
			PREM CMT	180 SX	1.18 15.6

**ATTACHMENTS**

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

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

NAME (PLEASE PRINT) DEBRA DOMENICI TITLE ASSOCIATE ENVIRONMENTAL ANALYST  
SIGNATURE *Debra Domenici* DATE 5/11/2005

(This space for State use only)

API NUMBER ASSIGNED: 43-047-36700

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

Date: 06-15-05  
By: *[Signature]*

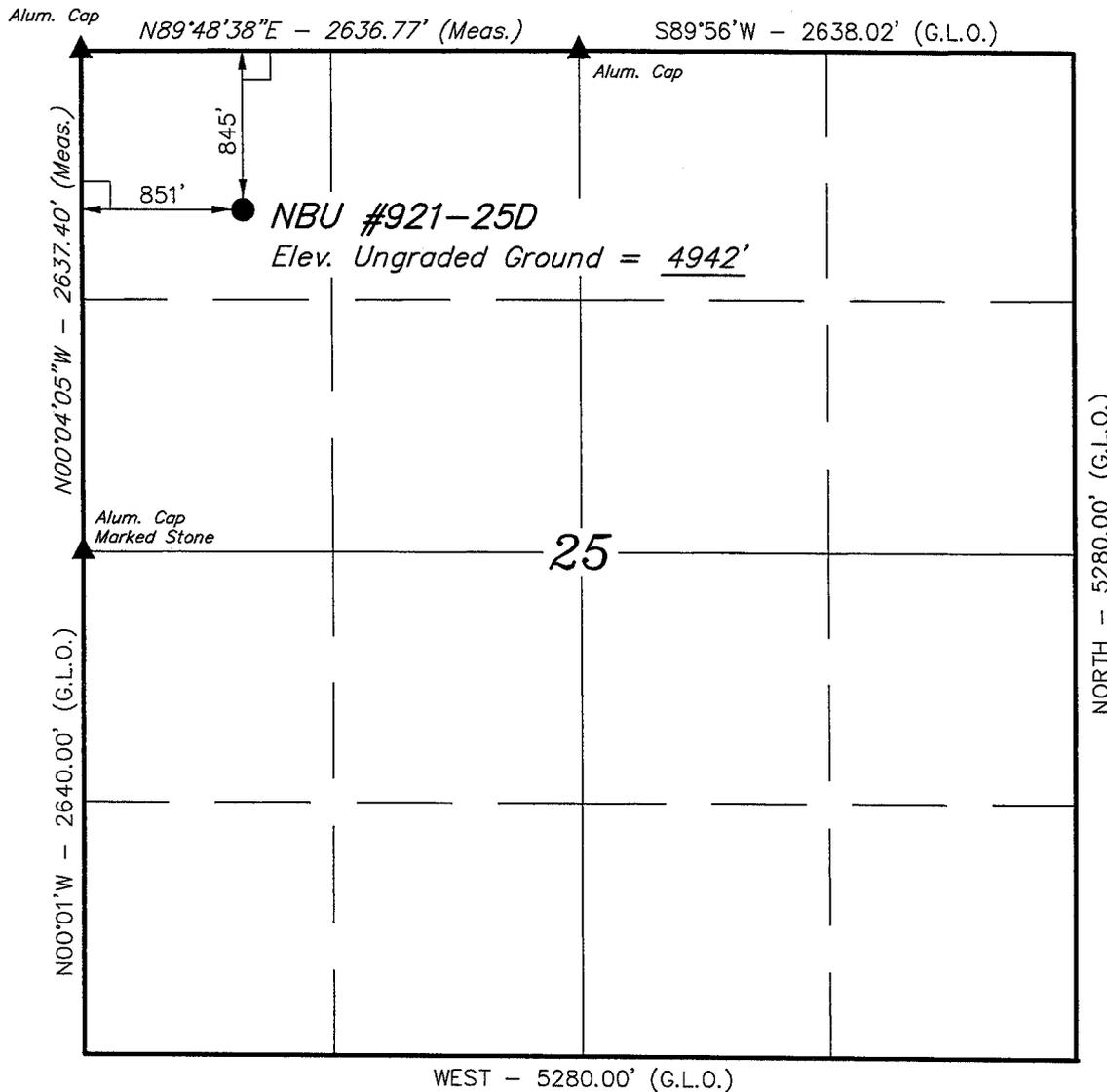
**RECEIVED  
MAY 13 2005**

DIV. OF OIL, GAS & MINING

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

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

Well location, NBU #921-25D, located as shown in the NW 1/4 NW 1/4 of Section 25, T9S, R21E, S.L.B.&M. Uintah County, Utah.

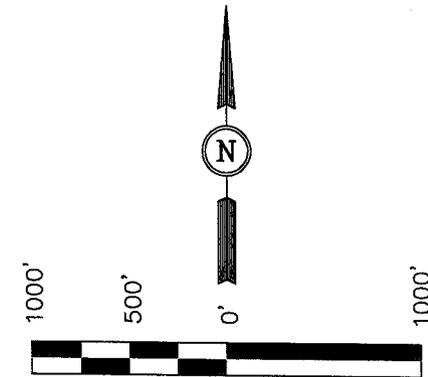


### BASIS OF ELEVATION

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

### BASIS OF BEARINGS

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



SCALE

### CERTIFICATE

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

*[Signature]*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161318  
 STATE OF UTAH

### LEGEND:

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

(AUTONOMOUS NAD 83)  
 LATITUDE = 40°00'42.94" (40.011928)  
 LONGITUDE = 109°30'23.30" (109.506472)  
 (AUTONOMOUS NAD 27)  
 LATITUDE = 40°00'43.07" (40.011964)  
 LONGITUDE = 109°30'20.83" (109.505786)

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

SCALE 1" = 1000'	DATE SURVEYED: 2-4-05	DATE DRAWN: 2-22-05
PARTY D.K. T.B. E.C.O.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE WESTPORT OIL AND GAS COMPANY, L.P.	

NBU 921-25D  
NWNW SEC 25-T9S-R21E  
UINTAH COUNTY, UTAH  
UO-01189-ST

ONSHORE ORDER NO. 1

***DRILLING PROGRAM***

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

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1525'
Wasatch	4800'
Mesaverde	7650'
TD	9700'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1525'
Gas	Wasatch	4800'
Gas	Mesaverde	7650'
Water	N/A	
Other Minerals	N/A	

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

*Please refer to the attached Drilling Program.*

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

*Please refer to the attached Drilling Program.*

5. **Drilling Fluids Program:**

*Please refer to the attached Drilling Program.*

6. **Evaluation Program:**

*Please refer to the attached Drilling Program.*

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9700' TD, approximately equals 3880 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1746 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 refer to the attached Drilling Program.*

10. **Other Information:**

*Please refer to the attached Drilling Program.*



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

**CASING PROGRAM**

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 2300	32.30	H-40	STC	0.62*****	1.27	3.90
PRODUCTION	4-1/2"	0 to 9700	11.60	I-80	LTC	2.12	1.09	2.05

- 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 = 11.5 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 3667 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	<b>NOTE: if well will circulate water to surface, option 2 will be utilized</b> 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	4,300'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	470	60%	11.00	3.38
	TAIL	5,400'	50/50 Poz/G + 10% salt + 2% gel + .1% R-3	1510	60%	14.30	1.31

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

**FLOAT EQUIPMENT & CENTRALIZERS**

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

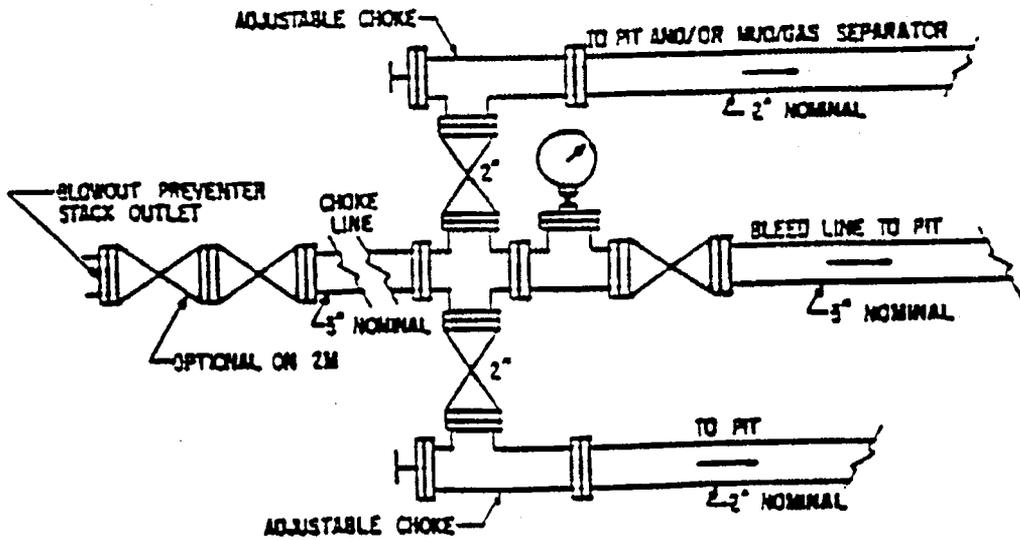
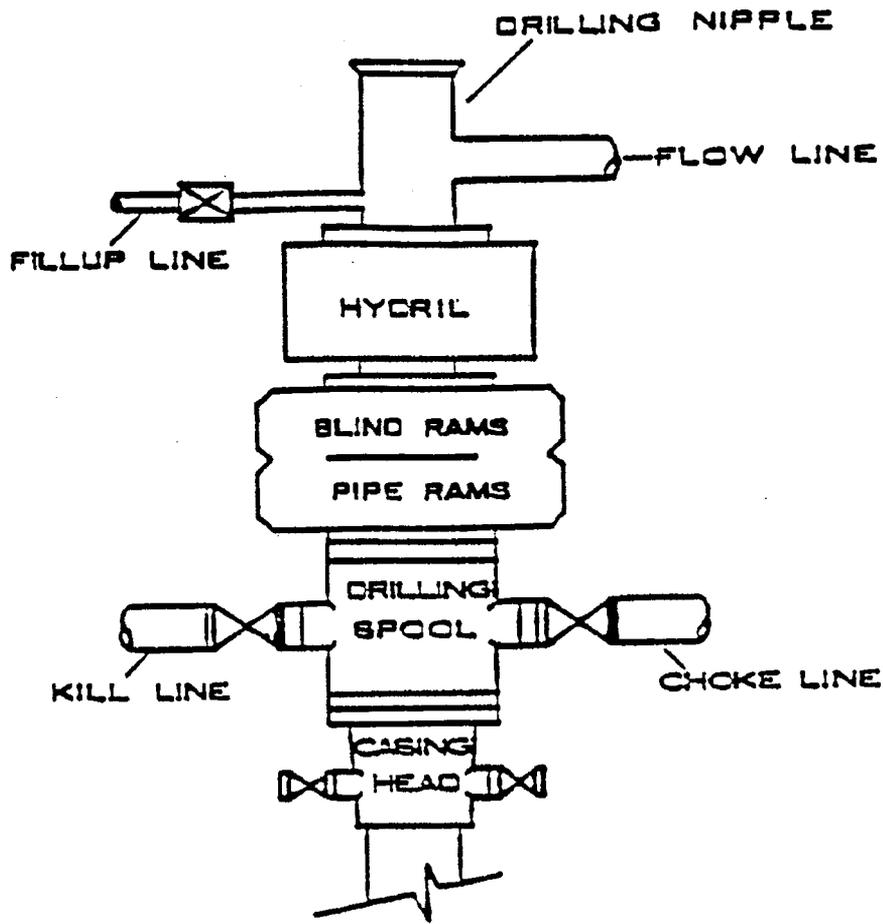
**ADDITIONAL INFORMATION**

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.  
 BOPE: 11" 3M with one annular and 2 rams. Test to 3,000 psi (annular to 1,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.  
 Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

DRILLING ENGINEER: \_\_\_\_\_ DATE: \_\_\_\_\_  
 Brad Laney  
 DRILLING SUPERINTENDENT: \_\_\_\_\_ DATE: \_\_\_\_\_  
 Randy Bayne

3,000 PSI

# BOP STACK



NBU 921-25D  
NWNW SEC 25-T9S-R21E  
Uintah County, UT  
UO-01189-ST

ONSHORE ORDER NO. 1

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

1. **Existing Roads:**

Refer to Topo Map A for directions to the location.

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

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

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

2. **Planned Access Roads:**

Approximately 0.2 miles of new access road is proposed. Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

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

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

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

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

Please refer to Topo Map C.

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

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

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

A dike will be constructed completely around those production facilities which contain

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

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

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

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

Approximately 1627' of pipeline is proposed. Refer to Topo D for the proposed pipeline.

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

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

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

No water well is to be drilled on this lease.

**6. Source of Construction Materials**

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

Any gravel will be obtained from a commercial source.

**7. Methods of Handling Waste Materials**

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

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

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

A plastic reinforced liner and felt will be used, it will be a minimum of 16 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

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

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

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

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

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

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

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

**8. Ancillary Facilities**

None are anticipated.

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

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

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

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

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

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

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

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

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

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

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

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

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

*Producing Location:*

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

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

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

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

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

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

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

*Dry Hole/Abandoned Location:*

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

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

11. **Surface Ownership:**

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

12. **Other Information:**

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

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

A Class III archaeological survey has been completed and is attached.

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:**

Debra Domenici  
Associate Environmental Analyst  
Westport O&G Co.  
1368 South 1200 East  
Vernal, UT 84078  
(435) 781-7060

Randy Bayne  
Drilling Manager  
Westport O&G Co.  
1368 South 1200 East  
Vernal, UT 84078  
(435)781-7018

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

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

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

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond #RLB0005236.

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.

  
Debra Domenici

5/11/2005  
Date

WESTPORT OIL AND GAS COMPANY, L.P.  
NBU #921-25D  
SECTION 25, 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; TURN 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 NORTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 3.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE EAST; FOLLOW ROAD FLAGS IN A EASTERLY THEN SOUTHERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL TO THE PROPOSED LOCATION IS APPROXIMATELY 47.6 MILES.

# WESTPORT OIL AND GAS COMPANY, L.P.

NBU #921-25D

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 25, T9S, R21E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF EXISTING ACCESS

CAMERA ANGLE: EASTERLY



- Since 1964 -

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

LOCATION PHOTOS

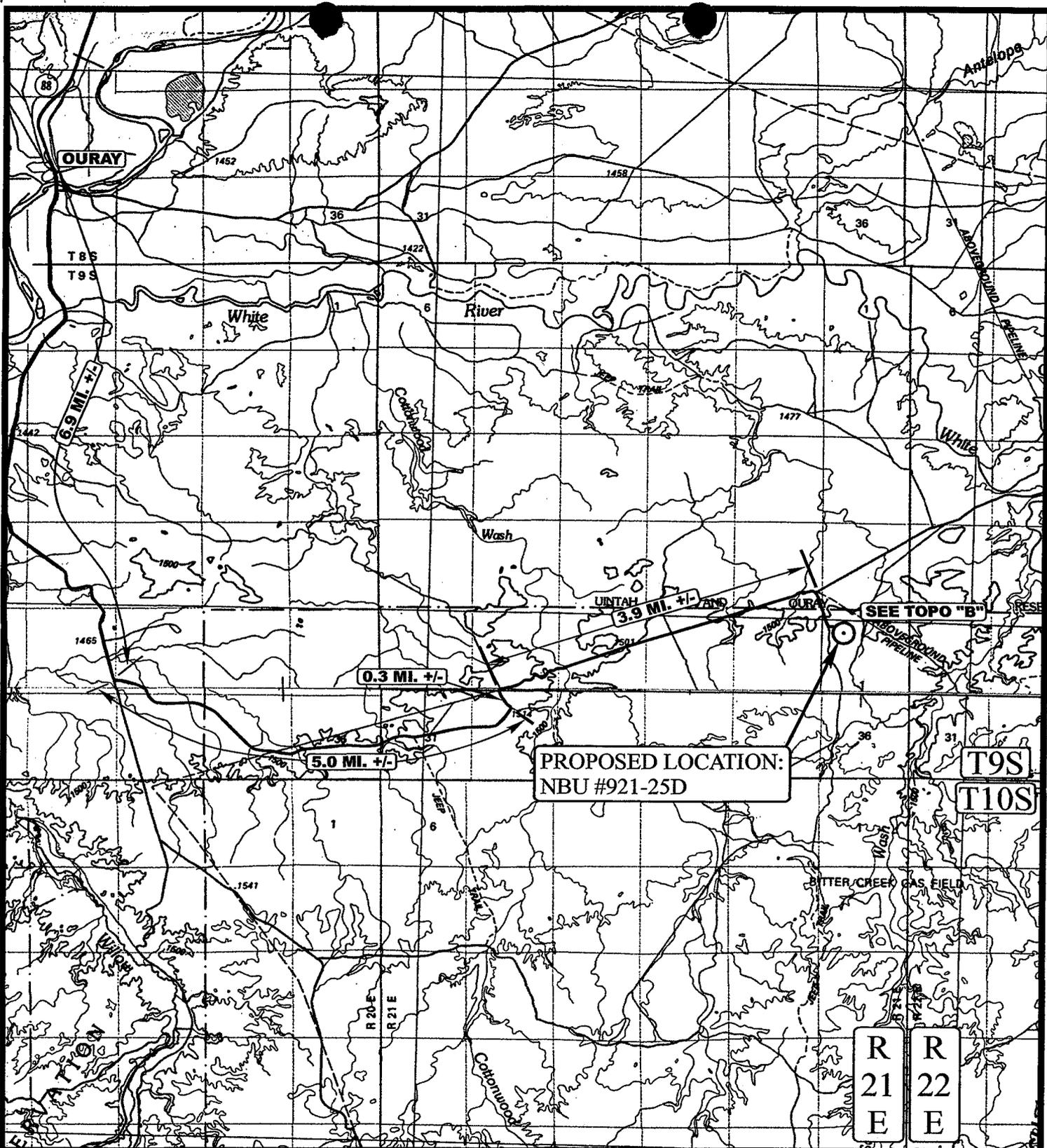
02 21 05  
MONTH DAY YEAR

PHOTO

TAKEN BY: D.K.

DRAWN BY: C.H.

REVISED: 00-00-00



PROPOSED LOCATION:  
NBU #921-25D

SEE TOPO "B"

T9S  
T10S

R  
21  
E

R  
22  
E

**LEGEND:**

⊙ PROPOSED LOCATION

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

NBU #921-25D  
SECTION 25, T9S, R21E, S.L.B.&M.  
845' FNL 851' FWL



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

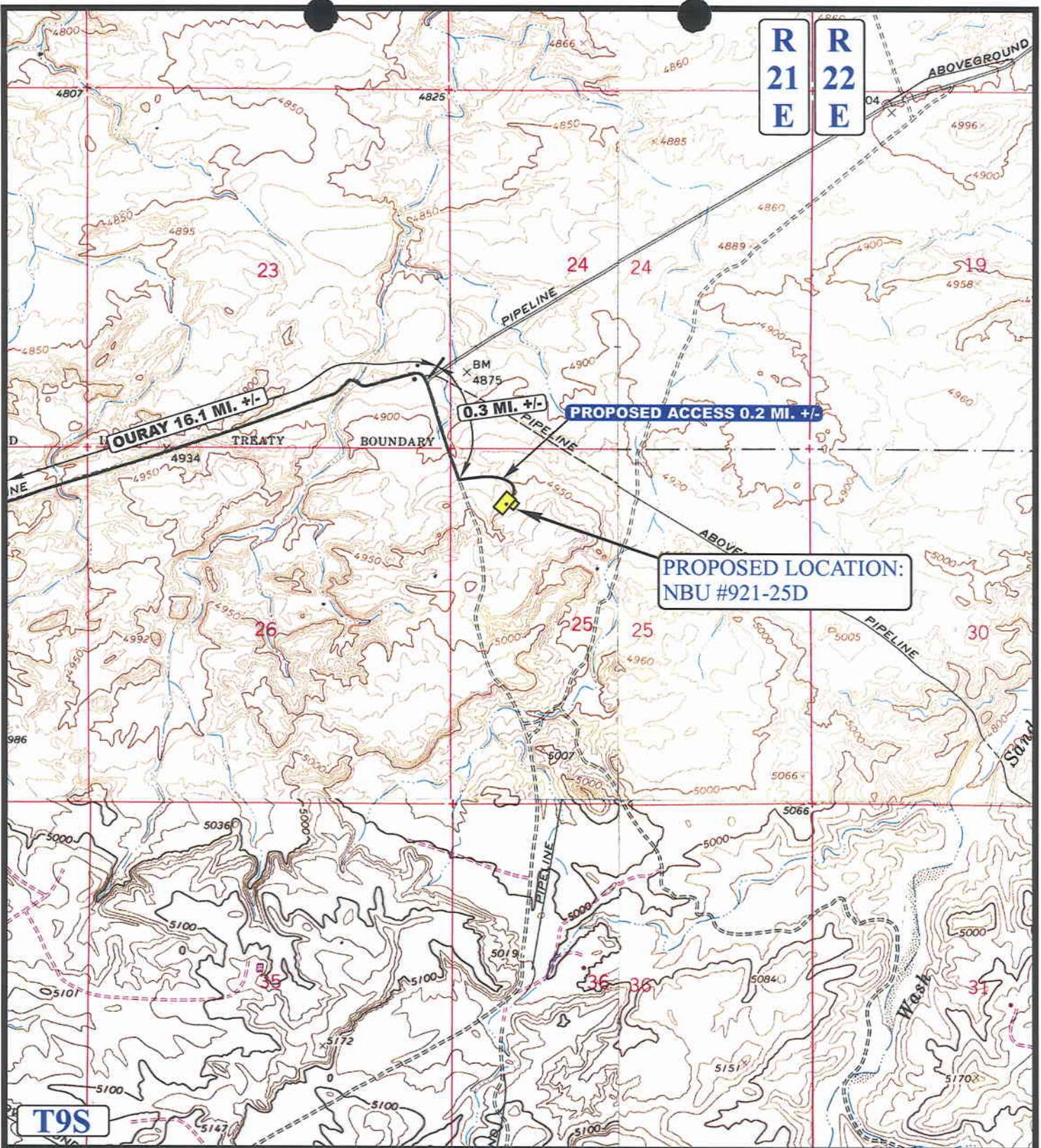


TOPOGRAPHIC  
MAP

02	21	05
MONTH	DAY	YEAR

SCALE: 1:100,000 | DRAWN BY: C.H. | REVISED: 00-00-00





**LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD

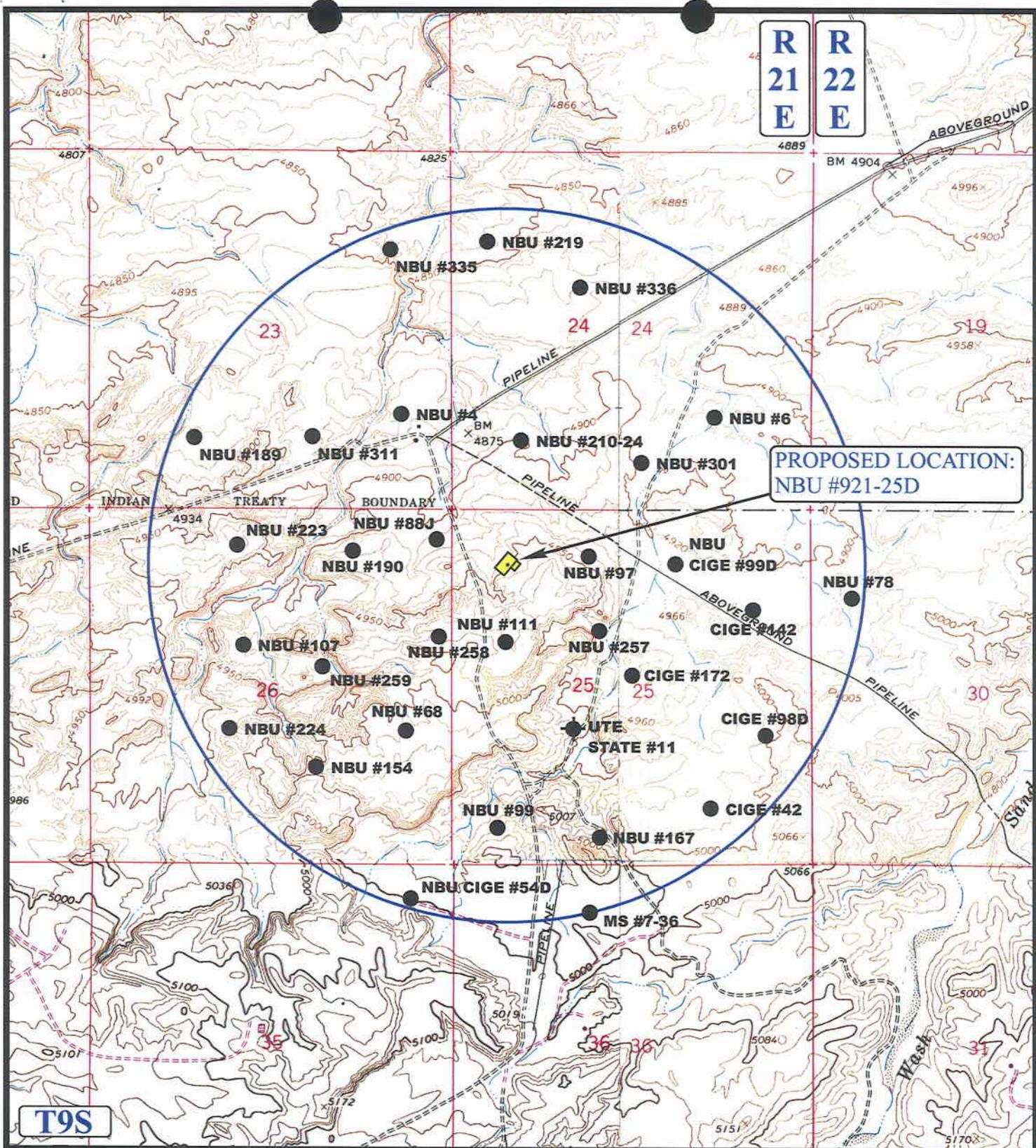
**UEIS** Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

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

**N**  
 NBU #921-25D  
 SECTION 25, T9S, R21E, S.L.B.&M.  
 845' FNL 851' FWL

**TOPOGRAPHIC MAP** 02 21 05  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: C.H. REVISED: 00-00-00

**B**  
 TOPO



**PROPOSED LOCATION:  
NBU #921-25D**

**T9S**

**LEGEND:**

- ⊘ DISPOSAL WELLS
- PRODUCING WELLS
- ⊖ SHUT IN WELLS
- ⊘ WATER WELLS
- ABANDONED WELLS
- ⊖ TEMPORARILY ABANDONED

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

**NBU #921-25D  
SECTION 25, T9S, R21E, S.L.B.&M.  
845' FNL 851' FWL**



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85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

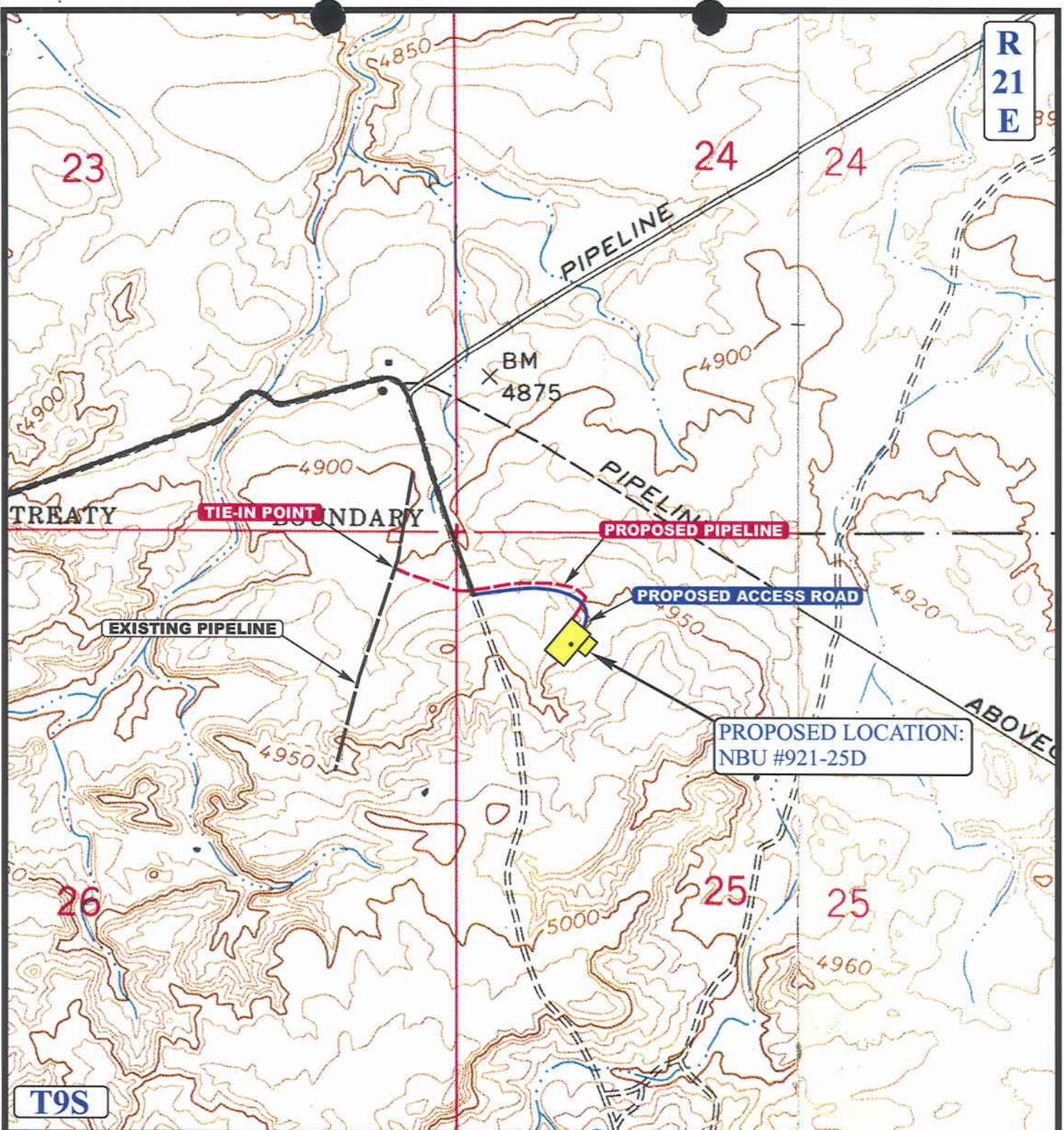


**TOPOGRAPHIC  
MAP**

**02 21 05**  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.H. REVISED: 00-00-00





**APPROXIMATE TOTAL PIPELINE DISTANCE = 1627' +/-**

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- - - - - PROPOSED PIPELINE

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

**NBU #921-25D**

**SECTION 25, T9S, R21E, S.L.B.&M.**

**845' FNL 851' FWL**



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



**TOPOGRAPHIC MAP** 02 21 05  
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.H. REVISED: 00-00-00



WESTPORT OIL AND GAS COMPANY, L.P.

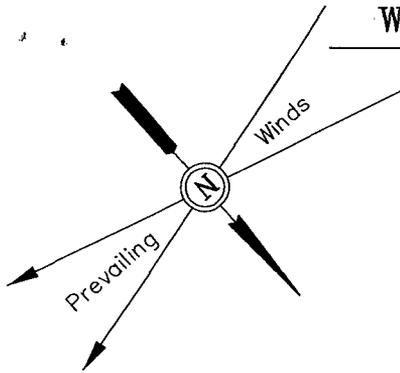
FIGURE #1

LOCATION LAYOUT FOR

NBU #921-25D

SECTION 25, T9S, R21E, S.L.B.&M.

845' FNL 851' FWL



SCALE: 1" = 50'  
DATE: 2-22-05  
Drawn By: E.C.O.

C-14.3'  
El. 56.6'

Move Back Existing Topsoil Pile Prior To Constuction

Approx. Toe of Fill Slope

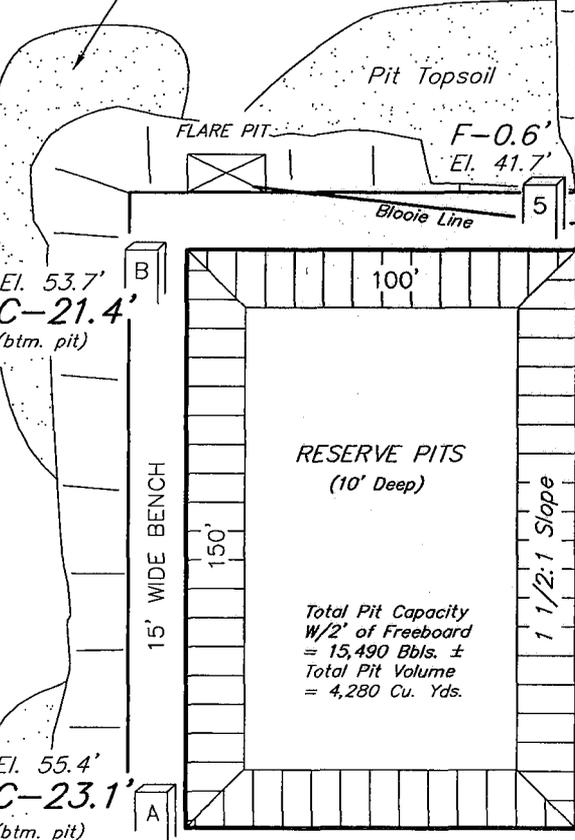
F-9.8'  
El. 32.5'

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

Reserve Pit Backfill & Spoils Stockpile

Approx. Top of Cut Slope

EXISTING PAD



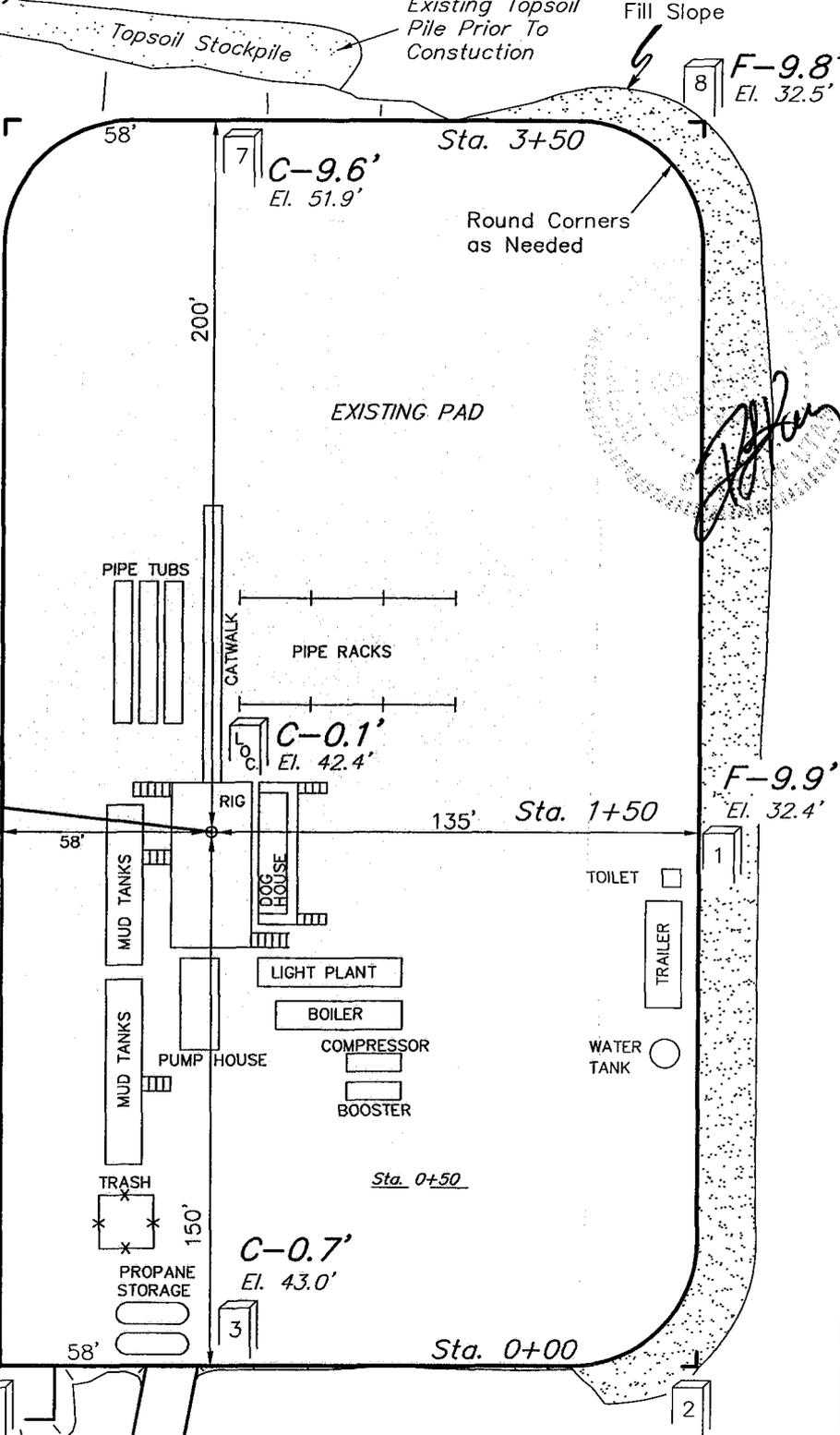
NOTES:

Elev. Ungraded Ground At Loc. Stake = 4942.4'  
FINISHED GRADE ELEV. AT LOC. STAKE = 4942.3'

C-7.0'  
El. 49.3'  
Reserve Pit Backfill & Spoils Stockpile

Existing Access Road

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



WESTPORT OIL AND GAS COMPANY, L.P.

FIGURE #2

TYPICAL CROSS SECTIONS FOR

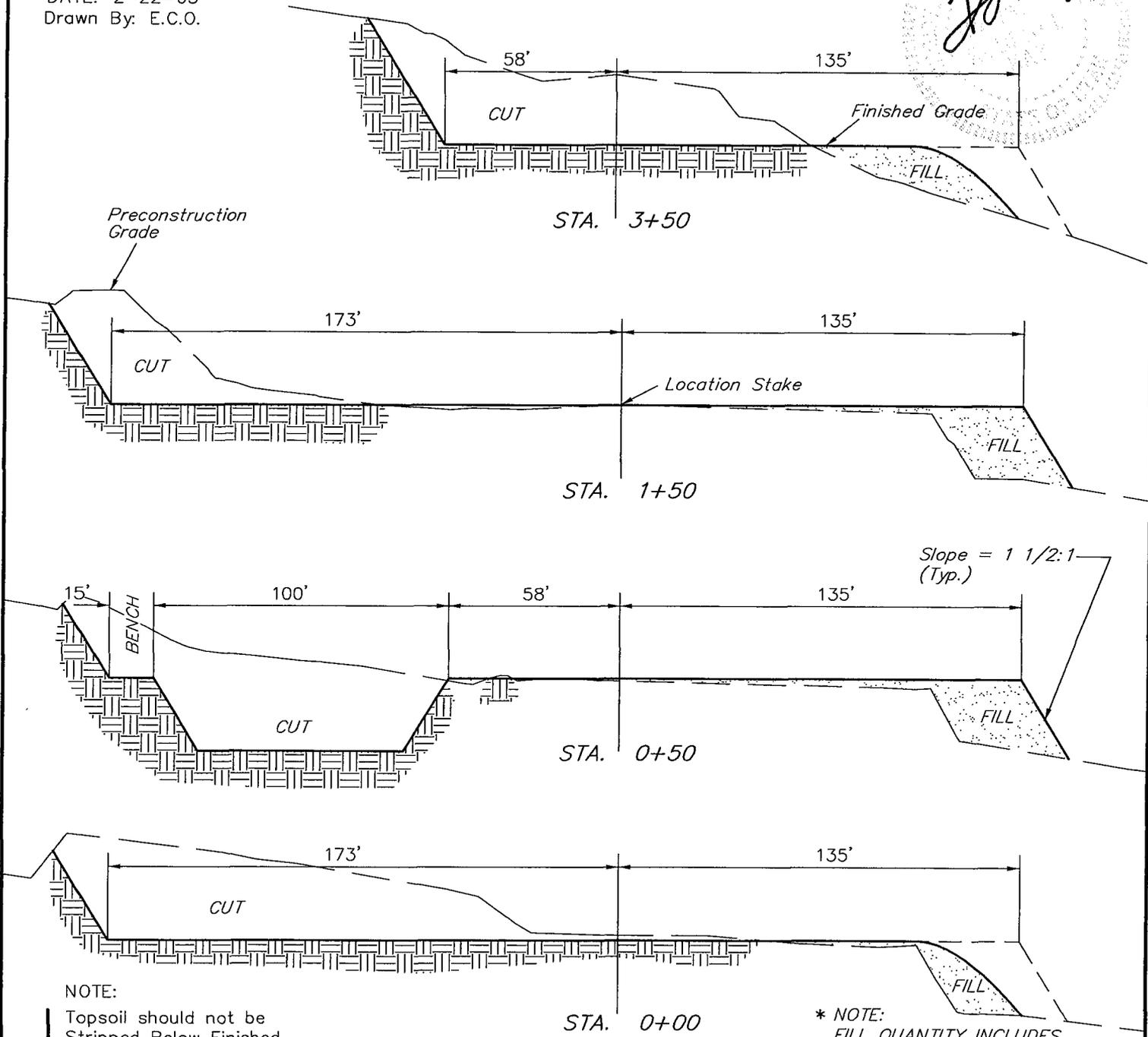
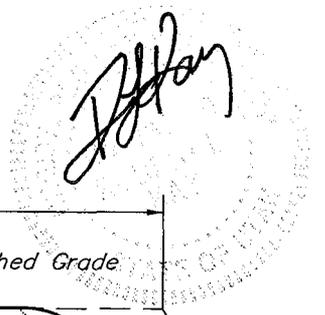
NBU #921-25D

SECTION 25, T9S, R21E, S.L.B.&M.

845' FNL 851' FWL

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

DATE: 2-22-05  
Drawn By: E.C.O.



NOTE:

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

\* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT		
(6") Topsoil Stripping	=	310 Cu. Yds.
Remaining Location	=	10,350 Cu. Yds.
<b>TOTAL CUT</b>	<b>=</b>	<b>10,660 CU.YDS.</b>
<b>FILL</b>	<b>=</b>	<b>5,840 CU.YDS.</b>

EXCESS MATERIAL	=	4,820 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	2,450 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	2,370 Cu. Yds.

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

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/13/2005

API NO. ASSIGNED: 43-047-36700

WELL NAME: NBU 921-25D  
OPERATOR: WESTPORT OIL & GAS CO ( N2115 )  
CONTACT: DEBRA DOMENICI

PHONE NUMBER: 435-781-7060

PROPOSED LOCATION:

NWNW 25 090S 210E  
SURFACE: 0845 FNL 0851 FWL  
BOTTOM: 0845 FNL 0851 FWL  
UINTAH  
NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DRD	6/14/05
Geology		
Surface		

LEASE TYPE: 3 - State  
LEASE NUMBER: UO-01189-ST  
SURFACE OWNER: 3 - State  
PROPOSED FORMATION: WSMVD  
COALBED METHANE WELL? NO

LATITUDE: 40.01193  
LONGITUDE: -109.5057

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. RLB000523X6 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 43-8496 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit NATURAL BUTTES
- R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit  
Board Cause No: 173-14  
Eff Date: 12-2-1994  
Siting: 460' fr u baryg & unclum. tracts
- R649-3-11. Directional Drill

COMMENTS:

PRESITE (05-25-05)

STIPULATIONS:

~~1- OIL SHALE~~  
1- OIL SHALE  
2- STATEMENT OF BASIS



# 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)

May 17, 2005

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2005 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 2005 within the Natural Buttes Unit, Uintah County, Utah.

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

(Proposed PZ MesaVerde)

43-047-36704	NBU 1022-23M Sec 23 T10S R22E 0151 FSL 0227 FWL	
43-047-36705	NBU 1022-23E Sec 23 T10S R22E 1479 FNL 0068 FWL	
43-047-36706	NBU 1022-26K Sec 26 T10S R22E 2409 FSL 1811 FWL	
43-047-36707	NBU 1022-26F Sec 26 T10S R22E 1773 FNL 1877 FWL	
43-047-36708	NBU 1022-26E Sec 26 T10S R22E 2166 FNL 0634 FWL	
43-047-36709	NBU 1022-26D Sec 26 T10S R22E 0852 FNL 0483 FWL	
43-047-36710	NBU 1022-26C Sec 26 T10S R22E 0807 FNL 2019 FWL	
43-047-36700	NBU 921-25D Sec 25 T09S R21E 0845 FNL 0851 FWL	
43-047-36698	NBU 921-13P Sec 13 T09S R21E 0565 FSL 0540 FEL	
43-047-36699	NBU 921-13J Sec 13 T09S R21E 1941 FSL 2177 FEL	
43-047-36703	NBU 1021-21A Sec 21 T10S R21E 0841 FNL 0762 FEL	
43-047-36702	NBU 1021-21H Sec 21 T10S R21E 1993 FNL 0599 FEL	
43-047-36701	CW 1-18 GR Sec 18 T10S R21E 1684 FSL 0755 FEL	

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

/s/ Michael L. Coulthard

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

**OPERATOR:** WESTPORT OIL AND GAS COMPANY, L.P.  
**WELL NAME & NUMBER:** NBU 921-25D  
**API NUMBER:** 43-047-36700  
**LOCATION:** 1/4,1/4 NW/NW Sec: 25 TWP: 9S RNG: 21E 851' FWL 845' FNL

**Geology/Ground Water:**

Westport proposes to set 2,300' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 1,900'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. The proposed casing and cement should adequately protect any useable sources of ground water.

**Reviewer:** Brad Hill **Date:** 06/07/05

**Surface:**

The predrill investigation of the surface was performed on 05/25/05. Floyd Bartlett with DWR and Ed Bonner with SITLA were invited to this investigation on 05/18/05. Mr. Bartlett was present. He did not have any concerns regarding the construction of this location or the drilling of the well. This site is on State surface, and appears to be the best site for a location in the immediate area. Mr. Bartlett gave Mr. Estes a prescribed seed mix to be used when reserve pit is reclaimed. A location and reserve pit already exist at this site. They were constructed for the NBU 320 (43-047-33201). This well was never spudded. This location and reserve pit will be enlarged. This well was permitted in 1998.

**Reviewer:** David W. Hackford **Date:** 05/31/2005

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

None.

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

OPERATOR: WESTPORT OIL AND GAS COMPANY, L.P.  
WELL NAME & NUMBER: NBU 921-25D  
API NUMBER: 43-047-36700  
LEASE: UO-01189-ST FIELD/UNIT: NATURAL BUTTES  
LOCATION: 1/4,1/4 NW/NW Sec: 25 TWP: 9S RNG: 21E 851' FWL 845' FNL  
LEGAL WELL SITING: 460' from unit boundary and uncommitted tracts.  
GPS COORD (UTM): 627532E 4429946N SURFACE OWNER: STATE OF UTAH

**PARTICIPANTS**

DAVID W. HACKFORD (DOGM), FLOYD BARTLETT (DWR), CARROLL ESTES (WESTPORT), ROBERT KAY (UELS).

**REGIONAL/LOCAL SETTING & TOPOGRAPHY**

SITE IS IN A RELATIVELY BROKEN AREA OF LOW RIDGES AND SHALLOW DRAWS DRAINING GRADUALLY FOR 3.0 MILES TO THE NORTHEAST TO THE WHITE RIVER. THERE IS A LOW MESA 0.3 MILES TO THE SOUTHEAST. OURAY, UTAH IS 16.6 MILES TO THE NORTHWEST. THIS AREA HAS NUMEROUS SANDSTONE OUTCROPPINGS.

**SURFACE USE PLAN**

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING, HUNTING.

PROPOSED SURFACE DISTURBANCE: LOCATION HAS BEEN CONSTRUCTED, BUT WILL BE ENLARGED AND WILL BE 350' BY 273'. ACCESS ROAD HAS ALREADY BEEN CONSTRUCTED.

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

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

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

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

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

**WASTE MANAGEMENT PLAN:**

DRILLED CUTTINGS WILL BE SETTLED INTO RESERVE PIT. LIQUIDS FROM PIT WILL BE ALLOWED TO EVAPORATE. FORMATION WATER WILL BE CONFINED TO STORAGE

TANKS. SEWAGE FACILITIES, STORAGE AND DISPOSAL WILL BE HANDLED BY COMMERCIAL CONTRACTOR. TRASH WILL BE CONTAINED IN TRASH BASKETS AND HAULED TO AN APPROVED LAND FILL.

**ENVIRONMENTAL PARAMETERS**

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: GREASEWOOD, HORSEBRUSH, PRICKLY PEAR, SHADSCALE, SALTBRUSH, RABBITBRUSH: PRONGHORN, RODENTS, SONGBIRDS, RAPTORS, COYOTE, RABBITS.

SOIL TYPE AND CHARACTERISTICS: LIGHT BROWN SANDY CLAY.

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

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED.

**RESERVE PIT**

CHARACTERISTICS: 150' BY 100' AND 10' DEEP.

LINER REQUIREMENTS (Site Ranking Form attached): A LINER WILL NOT BE REQUIRED FOR RESERVE PIT.

**SURFACE RESTORATION/RECLAMATION PLAN**

AS PER SITLA.

SURFACE AGREEMENT: AS PER SITLA.

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

**OTHER OBSERVATIONS/COMMENTS**

THIS PREDRILL INVESTIGATION WAS CONDUCTED ON A WARM, WINDY DAY WITH NO SNOW COVER. A LOCATION AND RESERVE PIT ALREADY EXISTS AT THIS SITE. IT WAS CONSTRUCTED FOR THE NBU 320, BUT THE WELL WAS NEVER DRILLED. THIS LOCATION WILL BE ENLARGED.

**ATTACHMENTS**

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

DAVID W. HACKFORD  
DOGM REPRESENTATIVE

5/25/05, 12:45 PM  
DATE/TIME

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

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

**Final Score**            15            (Level II Sensitivity)

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

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

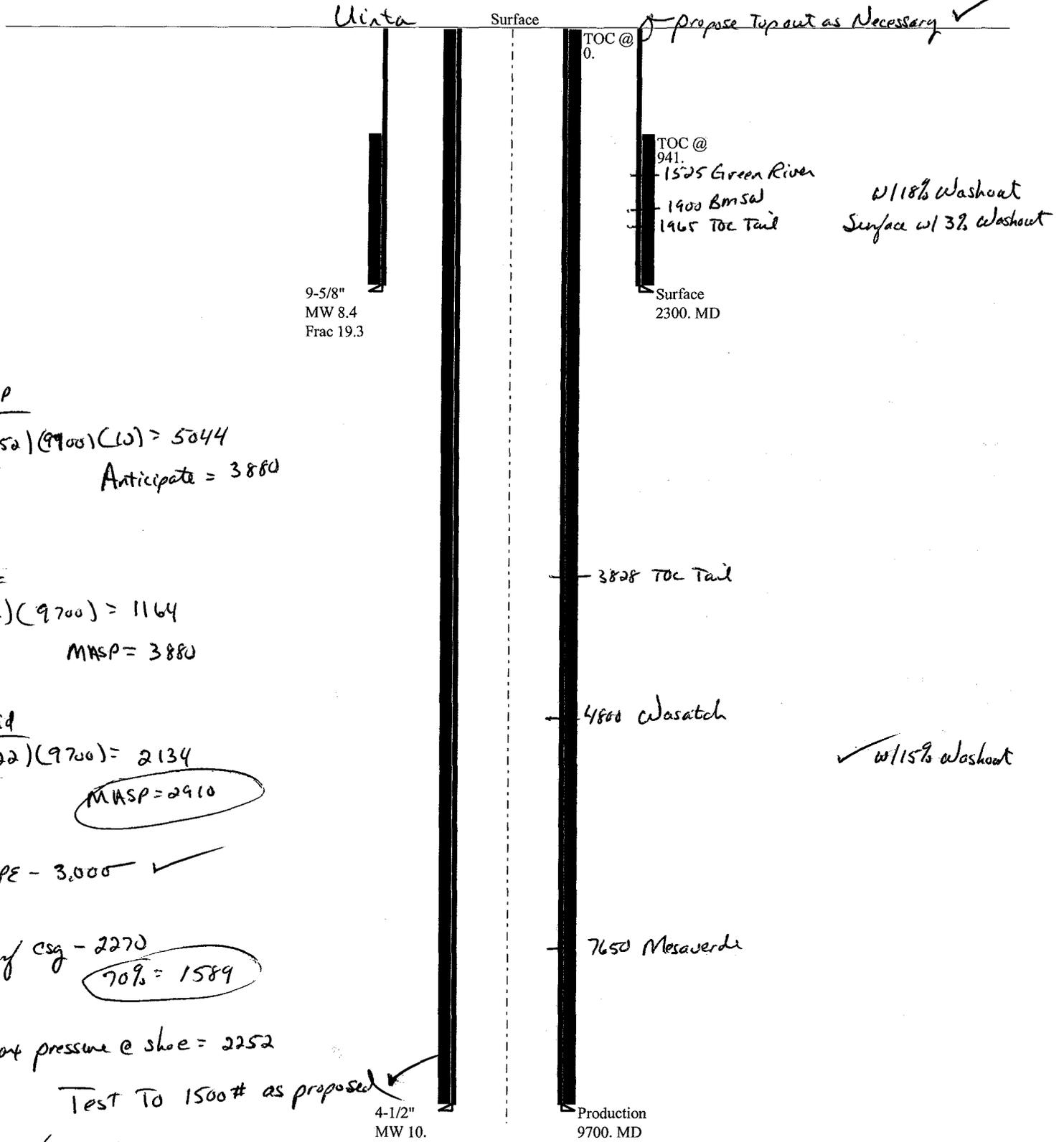
Sensitivity Level III = below 15; no specific lining is required.





06-05 Westport NBU 921-25D

Casing Schematic



9-5/8"  
MW 8.4  
Frac 19.3

TOC @  
0.

TOC @  
941.  
1525 Green River  
1900 Bmsal  
1965 TOC Tail

Surface  
2300. MD

w/18% Washout  
Surface w/ 3% Washout

BHP  
 $(.052)(9700)(10) = 5044$   
 Anticipate = 3880

G<sub>aa</sub>  
 $(.12)(9700) = 1164$   
 MASP = 3880

Fluid  
 $(.22)(9700) = 2134$   
 MASP = 2910

BOPE - 3000 ✓

Surf csg - 2270  
 $70\% = 1589$

Max pressure @ shoe = 2252

Test To 1500# as proposed

4-1/2"  
MW 10.

Production  
9700. MD

✓ Adequate DKO 6/14/05

Well name:	<b>06-05 Westport NBU 921-25D</b>	
Operator:	<b>Westport Oil &amp; Gas</b>	Project ID:
String type:	Surface	43-047-36700
Location:	Uintah County	

**Design parameters:**

**Collapse**

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

**Burst**

Max anticipated surface pressure: 2,024 psi  
 Internal gradient: 0.120 psi/ft  
 Calculated BHP: 2,300 psi

No backup mud specified.

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Tension:**

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

Tension is based on buoyed weight.  
 Neutral point: 2,016 ft

**Environment:**

H2S considered? No  
 Surface temperature: 75 °F  
 Bottom hole temperature: 107 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 1,500 ft

Cement top: 942 ft

Non-directional string.

**Re subsequent strings:**

Next setting depth: 8,600 ft  
 Next mud weight: 10.000 ppg  
 Next setting BHP: 4,468 psi  
 Fracture mud wt: 19.250 ppg  
 Fracture depth: 2,300 ft  
 Injection pressure: 2,300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2300	9.625	32.30	H-40	ST&C	2300	2300	8.876	145.8
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1004	1370	1.365	2300	2270	0.99	65	254	3.90 J

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

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

Date: June 8, 2005  
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2300 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	<b>06-05 Westport NBU 921-25D</b>		
Operator:	<b>Westport Oil &amp; Gas</b>	Project ID:	43-047-36700
String type:	Production		
Location:	Uintah County		

**Design parameters:**

**Collapse**

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

**Burst**

Max anticipated surface pressure: 3,875 psi  
 Internal gradient: 0.120 psi/ft  
 Calculated BHP: 5,039 psi  
  
 No backup mud specified.

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Tension:**

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

Tension is based on buoyed weight.  
 Neutral point: 8,250 ft

**Environment:**

H2S considered? No  
 Surface temperature: 75 °F  
 Bottom hole temperature: 211 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 1,500 ft

Cement top: Surface

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	9700	4.5	11.60	L-80	LT&C	9700	9700	3.875	224.8
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5039	6350	1.260	5039	7780	1.54	96	212	2.22 J

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

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

Date: June 8, 2005  
 Salt Lake City, Utah

**Remarks:**

Collapse is based on a vertical depth of 9700 ft, a mud weight of 10 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

**From:** Ed Bonner  
**To:** Whitney, Diana  
**Date:** 6/13/2005 1:48:02 PM  
**Subject:** Well Clearance

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

ConocoPhillips  
Utah 24-902  
Utah 28-903  
Utah 18-904

Westport Oil & Gas Company  
NBU 921-25D  
NBU 921-33N  
NBU 922-36B  
North Bench State 42-16  
North Bench State 44-16

QEP Uinta Basin, Inc  
RW 14-36AMU  
WK 1ML-2-9-24  
WK 3ML-2-9-24  
WK 7ML-2-9-24  
WK 13ML-2-9-24  
WK 15ML-2-9-24

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

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



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

June 14, 2005

Westport Oil & Gas Company, LP  
1368 South 1200 East  
Vernal, Utah 84078

Re: Natural Buttes Unit 921-25D Well, 845' FNL, 851' FWL, NW NW, Sec. 25,  
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 43-047-36700.

Sincerely,

Gil Hunt  
Acting Associate Director

jc  
Enclosures

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

Operator: Westport Oil & Gas Company, LP  
Well Name & Number Natural Buttes Unit 921-25D  
API Number: 43-047-36700  
Lease: UO-01189-ST

Location: NW NW Sec. 25 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

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

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

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

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

#### 3. Reporting Requirements

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

#### 4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

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

Page 2

API # 43-047-36700

June 14, 2005

6. 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.

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

FORM 6

ENTITY ACTION FORM

Operator: WESTPORT OIL & GAS COMPANY L.P. Operator Account Number: N 2115  
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
4304736700	NBU 921-25D		NWNW	25	9S	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>B</i>	99999	<i>2900</i>	2/22/2006		2/28/06		
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 02/22/2006 AT 7:00 AM <i>- J</i>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304736082	NBU 921-15P		SESE	15	9S	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>B</i>	99999	<i>2900</i>	2/21/2006		2/28/06		
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 02/21/2006 AT 7:00 AM. <i>- J</i>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304735986	NBU 1022-17M		SWSW	17	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>B</i>	99999	<i>2900</i>	2/22/2006		2/28/06		
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 02/22/2006 AT 10:00 AM. <i>- J</i>							

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)

SHEILA UPCHEGO

Name (Please Print)

*Sheila Upchego*  
Signature

REGULATORY ANALYST 2/23/2006

Title Date

RECEIVED

FEB 23 2006

DIV. OF OIL, GAS & MINING

To: <i>EARLENE Russell</i>	From: <i>SHEILA UPCHEGO</i>
Co./Dept. <i>UTDOGAM</i>	<i>WESTPORT OIL &amp; GAS CO</i>
Phone # <i>(801) 538-5330</i>	Phone # <i>(205) 781-7024</i>
Fax # <i>(801) 359-3940</i>	Fax # <i>435-781-7024</i>

(5/2000)

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL		5. LEASE DESIGNATION AND SERIAL NUMBER: U-01189-ST	
2. NAME OF OPERATOR: WESTPORT OIL & GAS COMPANY L.P.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
3. ADDRESS OF OPERATOR: 1368 S. 1200 E.      CITY VERNAL      STATE UT      ZIP 84078		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES UNIT	
4. LOCATION OF WELL		8. WELL NAME and NUMBER: NBU 921-25D	
FOOTAGES AT SURFACE: 845'FNL & 851'FWL		9. API NUMBER: 4304736700	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 25 9S 21E		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES	
COUNTY: UINTAH		STATE: UTAH	

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

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

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

SPUD WELL LOCATION ON 02/22/2006 AT 7:00 AM.

NAME (PLEASE PRINT) <u>SHEILA UPCHEGO</u>	TITLE <u>REGULATORY ANALYST</u>
SIGNATURE	DATE <u>2/23/2006</u>

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>			5. LEASE DESIGNATION AND SERIAL NUMBER: <b>U-01189-ST</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
			7. UNIT or CA AGREEMENT NAME: <b>NATURAL BUTTES UNIT</b>
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			8. WELL NAME and NUMBER: <b>NBU 921-25D</b>
2. NAME OF OPERATOR: <b>WESTPORT OIL &amp; GAS COMPANY L.P.</b>			9. API NUMBER: <b>4304736700</b>
3. ADDRESS OF OPERATOR: 1368 S. 1200 E.      CITY <b>VERNAL</b> STATE <b>UT</b> ZIP <b>84078</b>		PHONE NUMBER: <b>(435) 781-7024</b>	10. FIELD AND POOL, OR WILDCAT: <b>NATURAL BUTTES</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>845'FNL &amp; 851'FWL</b>			COUNTY: <b>UINTAH</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWNW 25 9S 21E</b>			STATE: <b>UTAH</b>

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate)  Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>SET SURFACE CSG</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

MIRU BILL MARTIN AIR RIG. DRILLED 12 1/4" SURFACE HOLE TO 2360'. RAN 9 5/8" 32.3# H-40 SURFACE CSG. LEAD CMT W/210 SX CLASS G @15.6 PPG 1.18 YIELD. TAILED CMT W/225 SX CLASS G @11.0 PPG 3.82 YIELD. DISPLACED W/175.6 BBLs FRESH WATER TOP OFF W/100 SX CLASS G @11.0 PPG 3.82 YIELD. CMT TO SURFACE.

WORT

NAME (PLEASE PRINT) <u>SHEILA UPCHEGO</u>	TITLE <u>REGULATORY ANALYST</u>
SIGNATURE	DATE <u>3/9/2006</u>

(This space for State use only)

**MAR 23 2006**

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>U-01189-ST</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: <b>NATURAL BUTTES UNIT</b>
2. NAME OF OPERATOR: <b>WESTPORT OIL &amp; GAS COMPANY L.P.</b>		8. WELL NAME and NUMBER: <b>NBU 921-25D</b>
3. ADDRESS OF OPERATOR: 1368 S. 1200 E. CITY <b>VERNAL</b> STATE <b>UT</b> ZIP <b>84078</b>		9. API NUMBER: <b>4304736700</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>845'FNL &amp; 851'FWL</b>		10. FIELD AND POOL, OR WILDCAT: <b>NATURAL BUTTES</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWNW 25 9S 21E</b>		COUNTY: <b>UINTAH</b>
		STATE: <b>UTAH</b>

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
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<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input checked="" type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
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	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

03/23/06 TD: 5857' Drill f/ 4471'-5857'. Lost returns, mud up system, and mix LCM @ report time.

03/24/06 TD: 5857' Hole fell in while trying to regain circ. Run free point tools and backed off leaving 5 DCs in hole. TIH w/ fishing tools @ report time.

03/27/06 TD: 5857' Finish TIH w/ fishing tools. Screw into fish and jar on pipe w/ no movement. Back off and left part of fishing tools in hole. PU wash pipe and TIH. Washover 73' and TOO H to c/o wash pipe shoe. TIH and washover fish to IBS. TOO H. PU overshot and TIH. Worked overshot on fish several times but slipped off. TOO H to c/o overshot @ report time.

03/28/06 TD: 5857' TOO H and c/o overshot. TIH and attempt to work over fish, went by side of fish. TOO H and lay down fishing tools. TIH with bit, wash down to top of fish and circulate hole clean @ report time.

03/29/06 TD: 5857' Circulate hole clean. TOO H and change out overshot. TIH and work over fish. Did not engage fish. POOH and change out overshot. TIH and work over fish. PU and slipped off fish. Attempt to get over fish. Went by fish. Prepare to trip fishing assembly @ report time.

03/30/06 TD: 5857' TOO H and change out overshot. TIH and work over fish. Engage fish. RU wireline and RIH with free point. Could not get in top of fish. POOH with free point and jar on fish. Pull fish 2 stds up hole and lost same. TOO H with overshot. M/U mill and TIH to dress top of fish @ report time. See additional page for more information.

NAME (PLEASE PRINT) <u>SHEILA UPCHEGO</u>	TITLE <u>REGULATORY ANALYST</u>
SIGNATURE	DATE <u>4/7/2006</u>

(This space for State use only)

**RECEIVED**  
**APR 12 2006**

WESTPORT OIL & GAS COMPANY, LP

CHRONOLOGICAL HISTORY

NBU 921-25D

- 03/31/06 TD: 5857' RIH with mill and dress top of fish. TOOH, make up overshot and TIH. Work overshot over fish and P/U to 200K. Lost fish. CCH mud and raise vis. POOH and check grapple @ report time.
- 04/03/06 TD: 5857' RIH with mill and dress top of fish. TOOH, make up overshot and make several attempts to engage fish. POOH and PU wash pipe and overshot and wash over fish @ report time.
- 04/04/06 TD: 5857' Wash over fish down to overshot. Engage fish and set jars of. Pulled of fish. Tried several attempts to engage fish with no success. POOH and check grapple. PU mill and TIH @ report time.
- 04/05/06 TD: 5857' TIH. CCH while building inverted mill shoe. TOOH and PU inverted mill. TIH and mill 2' over top of fish. CCH and TOOH. PU wash pipe and TIH @ report time
- 04/06/06 TD: 5857' Wash over fish to stabilizer. Circ BU. TOOH and PU over shot. TIH and work onto fish. Jarring on fish @ report time.
- 04/07/06 TD: 5857' Jar on fish, no movement. POOH and lay down fishing tools. TIH and CBU. Mix and pump 325 sks of 17.5# yield cement plug on top of fish. Pull 15 stds and CBU. TOOH. PU bit and BHA and TIH to casing shoe. WOC @ report time.
-

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

<p><b>SUNDRY NOTICES AND REPORTS ON WELLS</b></p> <p>Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.                  Use APPLICATION FOR PERMIT – for such proposals</p>		6. Lease Designation and Serial Number U-01189-ST
		7. Indian Allottee or Tribe Name
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (specify)		8. Unit or Communitization Agreement NATURAL BUTTES UNIT
2. Name of Operator KERR-MCGEE OIL & GAS ONSHORE LP		9. Well Name and Number NBU 921-25D
3. Address of Operator 1368 SOUTH 1200 EAST, VERNAL, UTAH 84078		10. API Well Number 43-047-36700
4. Telephone Number 435-781-7003		11. Field and Pool, or Wildcat NATURAL BUTTES
5. Location of Well Footage : 845' FNL 851' FWL      County : UINTAH QQ. Sec, T., R., M : NWNW SEC 25, T9S, R21E SLB&M      State : UTAH		

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

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

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

FINISHED DRILLING FROM 2360' TO 9330'. RUN 224 JTS, 4.5, 11.6#, J-55 & I-80, PRODUCTION CSG, CIRC GAS OUT, CMT 20 BBLS SPACER, SCAVENGER 20 SKS CMT, LEAD 375 SKS. PREM LITE 11+ 3% KCI+ 0.25 PPS CELOFLAKE+ 5 PPS GILSONITE+ 10% GEL+ 0.5% EXTENDER, 1327 SKS 50/50 POZ+ 10% SALT+ 2% GEL + 1% R-3, DISPLACEMENT 144 BBLS H2O, BUMP PLUG, PLUG HOLDING, LOST RETURNS LAST 8 BBLS OF DISPLACEMENT.

RELEASE RIG 4/25/06 @ 11:00 HRS  
 RIG DOWN READY FOR TRUCKS

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

Name & Signature *James Hoopes* Title *Regulatory Clerk* Date 04/26/06

(State Use Only)

**RECEIVED**

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

**ROUTING**

1. DJJ
2. CDW

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

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

**1/6/2006**

<b>FROM:</b> (Old Operator): N2115-Westport Oil & Gas Co., LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024	<b>TO:</b> ( New Operator): N2995-Kerr-McGee Oil & Gas Onshore, LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024
---	--

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

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- If **NO**, the operator was contacted on: \_\_\_\_\_
- (R649-9-2) Waste Management Plan has been received on: IN PLACE
- Inspections of LA PA state/fee well sites complete on: n/a 3 LA wells & all PA wells transferred
- Reports current for Production/Disposition & Sundries on: ok

6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet

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

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

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

**DATA ENTRY:**

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

**BOND VERIFICATION:**

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

**LEASE INTEREST OWNER NOTIFICATION:**

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

**COMMENTS:**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

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

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

6. If Indian, Allottee or Tribe Name

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

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

9. API Well No.

10. Field and Pool, or Exploratory Area

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

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

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

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

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006.

KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

RECEIVED

MAY 10 2006

DIV. OF OIL, GAS & MINING

BLM BOND = C01203  
 BIA BOND = RLB0005239

APPROVED 5116106

*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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

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

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

**WESTPORT OIL & GAS COMPANY L.P.**

3a. Address

**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)

**(435) 781-7024**

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

**SEE ATTACHED**

5. Lease Serial No.

**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

**UINTAH COUNTY, UTAH**

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

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

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

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

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

RECEIVED  
MAY 10 2006

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed)

**BRAD LANEY**

Signature

Title

**ENGINEERING SPECIALIST**

Date

**May 9, 2006**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

*Brad Laney*

Title

Date

**5-9-06**

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

Office

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

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>U-01189-ST</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: <b>UNIT #891008900A</b>
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: <b>NBU 921-25D</b>	
2. NAME OF OPERATOR: <b>KERR MCGEE OIL &amp; GAS ONSHORE LP</b>		9. API NUMBER: <b>4304736700</b>
3. ADDRESS OF OPERATOR: <b>1368 SOUTH 1200 EAST</b> CITY <b>VERNAL</b> STATE <b>UT</b> ZIP <b>84078</b>	PHONE NUMBER: <b>(435) 781-7024</b>	10. FIELD AND POOL, OR WILDCAT: <b>NATURAL BUTTES</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>845'FNL, 851'FWL</b>		COUNTY: <b>UINTAH</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWNW 25 9S 21E</b>		STATE: <b>UTAH</b>

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate)  Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <b>PRODUCTION START-UP</b>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
**THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 05/11/2006 AT 10:00 AM.**  
**PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.**

NAME (PLEASE PRINT) <b>SHEILA UPCHEGO</b>	TITLE <b>REGUALTORY ANALYST</b>
SIGNATURE	DATE <b>5/15/2006</b>

(This space for State use only)

**RECEIVED**  
**MAY 19 2006**  
DIV. OF OIL, GAS & MINING

**KERR McGEE OIL & GAS ONSHORE, LP**

CHRONOLOGICAL HISTORY

**NBU 921-25D**

UINTAH COUNTY, UT

	SPUD	Surface Casing	Activity	Status
12/14/06			Location had been previously built.	Caza 12
12/24/06	2/22/06		Set conductor, WOAR	Caza 12
03/06/06	3/04/06		Air rig spud, Drlg	Caza 12
03/07/06	3/04/06	9 5/8" @ 2315'	WORT	Caza 12
03/13/06	3/04/06	9 5/8" @ 2315'	Ring in, WORT	Caza 12
03/21/06	TD: 2550'	Csg. 9 5/8"@ 2315'	MW: 8.4 SD: 3/21/06	DSS: 0 MIRU, NU, and test BOPE. PU BHA, DP, drill cmt, and FE. Drill f/ 2320'-2550'. DA @ report time.
02/22/06	TD: 4471'	Csg. 9 5/8"@ 2315'	MW: 8.4 SD: 3/21/06	DSS: 2 Drill f/ 2550'-4471'. DA @ report time.
03/23/06	TD: 5857'	Csg. 9 5/8"@ 2315'	MW: 8.4 SD: 3/21/06	DSS: 3 Drill f/ 4471'-5857'. Lost returns, mud up system, and mix LCM @ report time.
03/24/06	TD: 5857'	Csg. 9 5/8"@ 2315'	MW: 8.6 SD: 3/21/06	DSS: 4 Hole fell in while trying to regain circ. Run free point tools and backed off leaving 5 DCs in hole. TIH w/ fishing tools @ report time.
03/27/06	TD: 5857'	Csg. 9 5/8"@ 2315'	MW: 9.0 SD: 3/21/06	DSS: 7 Finish TIH w/ fishing tools. Screw into fish and jar on pipe w/ no movement. Back off and left part of fishing tools in hole. PU wash pipe and TIH. Washover 73' and TOO H to c/o wash pipe shoe. TIH and washover fish to IBS. TOO H. PU overshot and TIH. Worked overshot on fish several times but slipped off. TOO H to c/o overshot @ report time.
03/28/06	TD: 5857'	Csg. 9 5/8"@ 2315'	MW: 9.0 SD: 3/21/06	DSS: 8 TOOH and c/o overshot. TIH and attempt to work over fish, went by side of fish. TOO H and lay down fishing tools. TIH with bit, wash down to top of fish and circulate hole clean @ report time.
03/29/06	TD: 5857'	Csg. 9 5/8"@ 2315'	MW: 9.0 SD: 3/21/06	DSS: 8 Circulate hole clean. TOO H and change out overshot. TIH and work over fish. Did not engage fish. POOH and change out overshot. TIH and work over fish. PU and slipped off fish. Attempt to get over fish. Went by fish. Prepare to trip fishing assembly @ report time.

03/30/06 TD: 5857' Csg. 9 5/8"@ 2315' MW: 9.0 SD: 3/21/06 DSS: 8  
TOOH and change out overshot. TIH and work over fish. Engage fish. RU wireline and RIH with free point. Could not get in top of fish. POOH with free point and jar on fish. Pull fish 2 stds up hole and lost same. TOOH with overshot. M/U mill and TIH to dress top of fish @ report time.

03/31/06 TD: 5857' Csg. 9 5/8"@ 2315' MW: 9.0 SD: 3/21/06 DSS: 11  
RIH with mill and dress top of fish. TOOH, make up overshot and TIH. Work overshot over fish and P/U to 200K. Lost fish. CCH mud and raise vis. POOH and check grapple @ report time.

04/03/06 TD: 5857' Csg. 9 5/8"@ 2315' MW: 9.0 SD: 3/21/06 DSS: 14  
RIH with mill and dress top of fish. TOOH, make up overshot and make several attempts to engage fish. POOH and PU wash pipe and overshot and wash over fish @ report time.

04/04/06 TD: 5857' Csg. 9 5/8"@ 2315' MW: 9.0 SD: 3/21/06 DSS: 15  
Wash over fish down to overshot. Engage fish and set jars of. Pulled of fish. Tried several attempts to engage fish with no success. POOH and check grapple. PU mill and TIH @ report time.

04/05/06 TD: 5857' Csg. 9 5/8"@ 2315' MW: 9.0 SD: 3/21/06 DSS: 16  
TIH. CCH while building inverted mill shoe. TOOH and PU inverted mill. TIH and mill 2' over top of fish. CCH and TOOH. PU wash pipe and TIH @ report time

04/06/06 TD: 5857' Csg. 9 5/8"@ 2315' MW: 9.0 SD: 3/21/06 DSS: 17  
Wash over fish to stabilizer. Circ BU. TOOH and PU over shot. TIH and work onto fish. Jarring on fish @ report time.

04/07/06 TD: 5857' Csg. 9 5/8"@ 2315' MW: 9.0 SD: 3/21/06 DSS: 18  
Jar on fish, no movement. POOH and lay down fishing tools. TIH and CBU. Mix and pump 335 skx cement plug on top of fish. Pull 15 stds and CBU. TOOH. PU bit and BHA and TIH to casing shoe. WOC @ report time.

04/10/06 TD: 5115' Csg. 9 5/8"@ 2315' MW: 9.0 SD: 3/21/06 DSS: 21  
TIH and tag cement plug @ 4960'. Dress of plug to 5020'. TOOH and PU 1.5 deg bent housing motor and TIH. C/O swivel and Kelly Spinner. Time drill of plug from 5020'-5097'. Rotate from 5097'-5115' @ report time.

04/11/06 TD: 5192' Csg. 9 5/8"@ 2315' MW: 9.0 SD: 3/21/06 DSS: 22  
Rotate from 5115'-5129'. Slide from 5129'-5192', survey @ 5153', 4.54 deg. TFNB and MM. TIH @ report time.

04/12/06 TD: 5410' Csg. 9 5/8"@ 2315' MW: 9.8 SD: 3/21/06 DSS: 23  
Wash and ream from 4170'-4370'. FIH. Drill from 5192'-5410'. DA @ report time.

04/13/06 TD: 5674' Csg. 9 5/8"@ 2315' MW: 10.0 SD: 3/21/06 DSS: 24

Drill from 5410'-5628'. Lost full returns and stuck pipe. Work pipe free and establish full returns. Drill to 5674'. TFNB and wipe out hole @ 5440'. TIH @ report time.

4/17/06

TD: 6815' Csg. 9 5/8"@ 2315' MW: 10.4 SD: 3/21/06 DSS: 28  
FIH. Drill from 5674'-5736'. Rotary table locked up. POOH and W/O replacement. Install rotary table. TIH and drill from 5736'-5798'. Hole fell in. Work pipe free. Drill to 6486'. TFNB. Drill to 6815. DA @ report time.

4/18/06

TD: 7490' Csg. 9 5/8"@ 2315' MW: 10.4 SD: 3/21/06 DSS: 29  
Drill from 6815'-7490'. DA @ report time. Lost 150 bbls mud last 24 hrs.

04/19/06

TD: 7827' Csg. 9 5/8"@ 2315' MW: 10.8 SD: 3/21/06 DSS: 30  
Drill from 7490'-7827'. TFNB. Pipe stuck at 5660' and worked free. POOH @ report time.

04/20/06

TD: 8230' Csg. 9 5/8"@ 2315' MW: 10.8 SD: 3/21/06 DSS: 31  
TIH and drill f/ 7327'-8230'. DA @ report time.

04/21/06

TD: 8665' Csg. 9 5/8"@ 2315' MW: 11.1 SD: 3/21/06 DSS: 32  
Drill f/ 8230'-8665'. DA @ report time.

4/24/06

TD: 9330' Csg. 9 5/8"@ 2315' MW: 11.6 SD: 3/21/06 DSS: 35  
Drill f/ 8665'-9010'. TFNB. Drill to 9330'. Short trip and CCH to LDDP @ report time.

04/25/06

TD: 9330' Csg. 9 5/8"@ 2315' MW: 11.6 SD: 3/21/06 DSS: 36  
CCH and LDDP. Run and cmt 4.5" csg. Set slips and NDBOP @ report time.

04/26/06

TD: 9330' Csg. 9 5/8"@ 2315' MW: 11.6 SD: 3/21/06 DSS: 37  
ND BOPE, cut off casing and release rig @ 1100 hrs 4/25/06. RDRT. Will move to NBU 278 this am.

05/04/06

PROG: 7:00 AM HSM

PREP & TALLY 317 JTS. 2-3/8" L-80 8RD TBG, PU 3-7/8" MILL & SUB & RIH PU TBG OFF TRAILER. TAG PBD @ 9280', CIRC WL CLEAN W/100 BBLs 2% KCL. RD PMP & LINES. X-O POOH LD 49 JTS ON TRAILER. CONT TO POOH STAND BACK TBG. EOT @ 5000'. SWI.

05/05/06

7:00 A.M. HSM

CONT TO POOH W/ TBG F/5000'. LD BIT & BIT SUB. NDBOPE. NU FRAC VLV ASSEMBLY. MIRU B&C QUICK TST. PSI TST CSG & FRAC VLVS TO 7500# (HELD). RDMO B&C, MIRU CUTTERS. PU 3-3/8" EXP PERF GUNS LOADED W/23 GM CHARGES, 4 SPF, 90 DEG PHASING & RIH. SHOOT 20 HOLES F/ 9180' - 85, PU SHOOT 20 HOLES F/ 9103' - 08', PU SHOOT 12 HOLES F/8986' - 89'. POOH. RDMO CUTTERS. PREP TO FRAC. SDFD.

05/08/06

PROG: MIRU SCHLUMBERGER & CUTTERS WIRELING SERVICE. HSM. PRES TEST SURF LINES TO 8500#: HELD. EACH STAGE WILL USE NALCO's DVEO-005 SCALE

INHIBITOR (10 GPT IN FLUSH, 3 GPT IN PAD THRU 50% SND).

STAGE 1: 7:45 AM. OPEN WL: 1870#. BRK: 3300, ISIP: 2400, FG: 0.70. EST RATE: 49.3 BPM @ 5200#. POC: 100%. FRAC STAGE AS PER DESIGN W/YF 124 ST+ GEL. TOT SD: 364,300 LBS, TOT FL: 2920 BBL, ISIP: 4060, FG: 0.89, NPI: 1660#. MR: 49.4 BPM, MP: 7018#, AR: 47.4 BPM, AP: 5340#.

STAGE 2: MU CWLS, PU BAKER 4.5" 8K CBP & 3-3/8" PERF GUN. RIH, SET CBP @ 8837', PU, PERF: 8804-07', PU, PERF: 8480-83', 4 SPF EA, TOT OF 24 HOLES. POOH, LD WL TLS. MU D/S. REPAIR LEAK BELOW FRAC VALVE. OPEN: 320#, BRK: 2931#, ISIP: 2150#, FG: 0.69. EST RATE: 30.4 BPM @ 4450#. POC: 88%. FRAC STAGE AS PER DESIGN W/YF 122 ST+ GEL. TOT SD: 150,900 LBS, TOT FL: 1185 BBL, ISIP: 2730#, FG: 0.75, NPI: 580#. MR: 31.1 BPM, MP: 4844#, AR: 29.4 BPM, AP: 3342#.

STAGE 3: MU CWLS, PU BAKER 4.5" 8K CBP & 3-3/8" PERF GUN. RIH, SET CBP @ 8225', PU, PERF: 8104-89', PU, PERF: 8057-60', PU, PERF: 8014-17', 4 SPF EA, TOT OF 44 HOLES. POOH, LD WL TLS. MU D/S. OPEN: 512#, BRK: 3056#, ISIP: 1735#, FG: 0.64. EST RATE 44.7 BPM @ 4600#. POC: 68%. FRAC STAGE AS PER DESIGN W/YF 120 ST+ GEL. TOT SD: 240,700 LBS, TOT FL: 1811 BBL, ISIP: 2507#. FG: 0.75. MR: 45.3 BPM, MP: 5468#, AR: 43.1 BPM, AP: 3860#.

STAGE 4: MU CWLS, PU BAKER 4.5" 8K CBP & 3-3/8" PERF GUN. RIH, SET CBP @ 7765', PU, PERF: 7730-35', PU, PERF: 7584-87', PU, PERF: 7536-40', 4 SPF EA, TOT OF 48 HOLES. POOH, LD WL TLS. MU D/S. OPEN: 740#, BRK: 1969#, ISIP: 1435#, FG: 0.62. EST RATE: 49.4 BPM @ 4100#. POC: 65%. FRAC STAGE AS PER DESIGN W/YF 120 ST+ GEL. TOT SD: 336,500 LBS, TOT FL: 2462 BBL, ISIP: 2370#, FG: 0.75, NPI: 935#. MR: 49.7 BPM, MP: 5318#, AR: 46.4 BPM, AP: 3561#.

STAGE 5: MU CWLS, PU 4.5" BAKER 8K CBP & 3-3/8" PERF GUN. RIH, SET CBP @ 7185', PU, PERF: 7152-55', PU, TO PERF NXT INTERVAL, GUN FAILED. POOH, BUILD NEW GUN. RIH, PERF: 7071-77', PU, PERF: 6895-97', 4 SPF EA, TOT OF 44 HOLES. POOH, LD WL TLS. MU D/S. OPEN: 200#, BRK: 2167#, ISIP: 1040#, FG: 0.59. EST RATE: 40.7 BPM @ 3600#. POC: 57%. FRAC STAGE AS PER DESIGN W/YF 118 ST+ GEL. TOT SD: 125,700 LBS, TOT FL: 979 BBL,

05/09/06

PROG: 7:00 A.M. HSM

STG 6: P/U 3-1/8" HSC PERF GUN & 4-1/2" BAK 8K CBP & RIH. SET CBP @ 6552', P/U SHOOT 20 HOLES F/ 6517' - 22', P/U SHOOT 16 HOLES F/ 6380' - 84'. POOH. BRK DN PERF'S @ 2101#, EST INJ RT @ 35.4 BPM @ 3000#, ISIP 1200#, FG .62, FRAC STG 6 W/ 115,900 20/40 SD W/ YF118ST+ GEL. TOT CL FL 892 BBL. ISIP 1803#, NPI 603#, FG .72

STG 7: P/U 3-1/8" HSC PERF GUNS & 4-1/2" BAK 8K CBP & RIH. SET CBP @ 5341', P/U SHOOT 20 HOLES F/ 5306' - 11', POOH. BRK DN PERF'S @ 1883#, EST INJ RT @ 20 BPM @ 1700#, ISIP 678#, FG .54, FRAC STG 7 W/ 27,340# SD, W/ YF118ST+ GEL. TOT CL FL 280 BBL, ISIP 1421#, NPI 743#, FG .66

P/U 4-1/2" BAK 8K CBP & RIH. SET KILL PLUG @ 5206'. POOH. RDMO CUTTERS. RDMO SCHLUMBERGER. ND FRAC VLV'S. NUBOPE. P/U 3 7/8" SMITH BIT, POBS & RIH W/ TBG. TAG KILL PLUG @ 5206'. R/U DRL EQUIP, R/U PMP & LINES. BRK CONV CIRC W/ 2% KCL. & BEG TO DRL.

DRL UP 1ST CBP IN 9 MIN. (500# PSI INC). CONT TO RIH. TAG FILL @ 5311'. (30' FILL). C/O TO 2ND CBP @ 5341'.

DRL UP 2ND CBP IN 11 MIN. (400# PSI INC). CONT TO RIH, TAG FILL @ 6522', (30' FILL). C/O TO 3RD CBP @ 6552'.

DRL UP 3RD CBP IN 10 MIN. (300# PSI INC). RIH W/ 1 JT TBG. CIRC WL CLEAN. SWI. SDFN

**05/15/06**

**ON SALES**

05/11/06: 941 MCF, 0 BC, 640 BW, TP: 1850#, CP: 1550#, 20/64 CHK, 24 HRS, LP: 107#.

05/12/06: 1594 MCF, 0 BC, 720 BW, TP: 1800#, CP: 2375#, 20/64 CHK, 20 HRS, LP: 101#.

05/13/06: 1856 MCF, 0 BC, 480 BW, TP: 1775#, CP: 2375#, 20/64 CHK, 24 HRS, LP: 160#.

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

AMENDED REPORT  FORM 8  
(highlight changes)

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

5. LEASE DESIGNATION AND SERIAL NUMBER:  
**U-01189-ST**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME  
**UNIT #891008900A**

8. WELL NAME and NUMBER:  
**NBU 921-25D**

9. API NUMBER:  
**4304736700**

10. FIELD AND POOL, OR WILDCAT  
**NATURAL BUTTES**

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:  
**NWNW 25 9S 21E**

12. COUNTY  
**UINTAH**

13. STATE  
**UTAH**

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_

b. TYPE OF WORK: NEW WELL  HORIZ. LATS.  DEEP-EN  RE-ENTRY  DIFF. RESVR.  OTHER \_\_\_\_\_

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

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

4. LOCATION OF WELL (FOOTAGES)  
AT SURFACE: **845'FNL, 851'FWL**  
AT TOP PRODUCING INTERVAL REPORTED BELOW:  
AT TOTAL DEPTH:

14. DATE SPUNDED: **2/22/2006** 15. DATE T.D. REACHED: **4/24/2006** 16. DATE COMPLETED: **5/11/2006** ABANDONED  READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):  
**4942'GL**

18. TOTAL DEPTH: MD **9,330** TVD \_\_\_\_\_ 19. PLUG BACK T.D.: MD **9,311** TVD \_\_\_\_\_ 20. IF MULTIPLE COMPLETIONS, HOW MANY? \* \_\_\_\_\_ 21. DEPTH BRIDGE MD \_\_\_\_\_ PLUG SET: TVD \_\_\_\_\_

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)  
**CBL-CCL-GR**  
*RPM*

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
12 1/4"	9 5/8 H-40	32.3#		2,360		535			
7 7/8"	4 1/2 I-80	11.6#		9,330		1722			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8	8,314							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) WASATCH	5,306	6,522			5,306 6,522	0.34	56	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B) MESAVERDE	6,895	9,185			6,895 9,185	0.35	208	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
5306'-6522'	PMP 1172 BBLs YF118ST & 143,240# 20/40 SD
6895'-9185'	PMP 9537 BBLs YF118, 120, 122, 124ST & 1,218,100# 20/40 SD

29. ENCLOSED ATTACHMENTS:

ELECTRICAL/MECHANICAL LOGS  GEOLOGIC REPORT  DST REPORT  DIRECTIONAL SURVEY  
 SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION  CORE ANALYSIS  OTHER: \_\_\_\_\_

30. WELL STATUS:  
**PROD**

**RECEIVED**

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 5/11/2006		TEST DATE: 5/21/2006		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 2,427	WATER - BBL: 312	PROD. METHOD: FLOWING
CHOKE SIZE: 18/64	TBG. PRESS. 1,354	CSG. PRESS. 1,847	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 2,427	WATER - BBL: 312	INTERVAL STATUS: PROD

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED: 5/11/2006		TEST DATE: 5/21/2006		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 2,427	WATER - BBL: 312	PROD. METHOD: FLOWING
CHOKE SIZE: 18/64	TBG. PRESS. 1,354	CSG. PRESS. 1,847	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 2,427	WATER - BBL: 312	INTERVAL STATUS: PROD

INTERVAL C (As shown in item #26)

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

INTERVAL D (As shown in item #26)

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

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

SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
WASATCH MESAVERDE	4,776 7,515	7,515			

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGUALTORY ANALYST

SIGNATURE 

DATE 6/5/2006

This report must be submitted within 30 days of

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

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

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

Send to: Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UO-01189-ST
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b> NATURAL BUTTES
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> NBU 921-25D
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.	<b>9. API NUMBER:</b> 43047367000000
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	<b>PHONE NUMBER:</b> 720 929-6007 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0845 FNL 0851 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWNW Section: 25 Township: 09.0S Range: 21.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

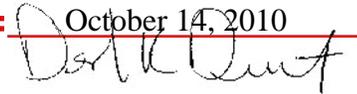
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 10/18/2010  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> ACIDIZE  <input type="checkbox"/> CHANGE TO PREVIOUS PLANS  <input type="checkbox"/> CHANGE WELL STATUS  <input type="checkbox"/> DEEPEN  <input type="checkbox"/> OPERATOR CHANGE  <input type="checkbox"/> PRODUCTION START OR RESUME  <input type="checkbox"/> REPERFORATE CURRENT FORMATION  <input type="checkbox"/> TUBING REPAIR  <input type="checkbox"/> WATER SHUTOFF  <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING  <input type="checkbox"/> CHANGE TUBING  <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS  <input type="checkbox"/> FRACTURE TREAT  <input type="checkbox"/> PLUG AND ABANDON  <input type="checkbox"/> RECLAMATION OF WELL SITE  <input type="checkbox"/> SIDETRACK TO REPAIR WELL  <input type="checkbox"/> VENT OR FLARE  <input type="checkbox"/> SI TA STATUS EXTENSION  <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR  <input type="checkbox"/> CHANGE WELL NAME  <input type="checkbox"/> CONVERT WELL TYPE  <input type="checkbox"/> NEW CONSTRUCTION  <input type="checkbox"/> PLUG BACK  <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION  <input checked="" type="checkbox"/> TEMPORARY ABANDON  <input type="checkbox"/> WATER DISPOSAL  <input type="checkbox"/> APD EXTENSION  OTHER: <input style="width: 100px;" type="text"/>

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

THE OPERATOR REQUESTS AUTHORIZATION TO TEMPORARILY ABANDON THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO TEMPORARILY ABANDON THE WELL TO DRILL THE NBU 921-25D PAD, WHICH CONSISTS OF THE NBU 921-25C1AS, NBU 921-25D1BS, NBU 921-25D1CS, NBU 921-25E1CS AND NBU 921-25E3AS. PLEASE REFER TO THE ATTACHED TEMPORARILY ABANDON PROCEDURE.

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

**Date:** October 14, 2010  
**By:** 

<b>NAME (PLEASE PRINT)</b> Danielle Piernot	<b>PHONE NUMBER</b> 720 929-6156	<b>TITLE</b> Regulatory Analyst
<b>SIGNATURE</b> N/A		<b>DATE</b> 10/13/2010

NBU 921-25D  
 845' FNL & 851' FWL  
 NWNW SEC.25, T9S, R21E  
 Uintah County, UT

KBE: 4957'  
 GLE: 4943'  
 TD: 9330'  
 PBTD: 9311'

API NUMBER: 4304736700  
 LEASE NUMBER: U-01194-ST  
 WINS#: 73641  
 WI: 100.0000%  
 NRI: 81.994445%

CASING: 20" hole  
 14" STL 50# csg @ 40' GL  
 Cemented to surface w/ 28 sx

12 1/4" hole  
 9 5/8" 32.3# H-40 @ 2360' (KB)  
 Cemented with 535 sx. TOC @ surface

7.875" hole  
 4 1/2" 11.6# I-80 @ 9330'  
 Cemented w/ 1722 sx

TUBING: 2 3/8" 4.7# J-55 tubing landed at 8314'

PERFORATIONS: Wasatch 5306' - 6522'  
 Mesaverde 6895' - 9185'

Tubular/Borehole	Drift inches	Collapse psi	Burst psi	Capacities		
				Gal./ft.	Cuft/ft.	Bbl./ft.
2.375" 4.7# J-55 tbg.	1.901	8100	7700	0.1624	0.0217	0.0039
4.5" 11.6# N-80	3.875	6350	7780	0.6528	0.0872	0.0155
9.625" 36# K-55	8.921	2020	3520	3.247	0.434	0.0773
<b>Annular Capacities</b>						
2.375" tbg. X 4 1/2" 11.6# csg				0.4227	0.0565	0.0101
4.5" csg X 9 5/8" 36# csg				2.4192	0.3231	0.0576
4.5" csg X 7.875 borehole				1.704	0.2276	0.0406
9 5/8" csg X 12 1/4" borehole				2.3436	0.3132	0.0558

**GEOLOGIC INFORMATION:**

<b>Formation</b>	<b>Depth to top, ft.</b>	<b>Tech. Pub. #92 Base of USDW's</b>	
Uinta	Surface	USDW Elevation	~4200' MSL
Wasatch	4776'	USDW Depth	~757' KBE
Mesaverde	7515'		

**WELL HISTORY:**

- Spud Well 2/22/06, TD'd 4/24/06
- May '06 - Completed Wasatch/Mesaverde zones (5306' - 9185') with 10,709 bbls gel fluid & 1,361,340# 20/40 sand
- 5/11/06- 1<sup>st</sup> Sales, 941 MCF, 0 BC, 640 BW, TP: 1550#, CP: 1850#, 20/64 CHK, 24 HRS, LP: 107#.

**Recommended future action for disposition of well bore:**

Temporarily abandon the wellbore during the drilling and completion operations of the NBU 921-25D pad wells. Return to production as soon as possible once completions are done.

## **NBU 921-25D TEMPORARY ABANDONMENT PROCEDURE**

### **GENERAL**

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

### **PROCEDURE**

**Note: An estimated 20 sx Class "G" cement needed for procedure**

**Note: Gyro run on 4/23/08 to 8400' (Delsco)**

1. MIRU. KILL WELL AS NEEDED. ND WH, NU AND TEST BOPE.
2. PULL TBG & LD SAME. RU WIRELINE AND MAKE A GAUGE RING RUN TO CHECK FOR FILL. A GPS READING WILL NEED TO BE TAKEN AT THE WELL SITE AND RECORDED IN OPENWELLS. PLEASE TAKE IT TO THE 6TH DECIMAL PLACE.
3. **PLUG #1, ISOLATE MESAVERDE/WASATCH PERFORATIONS (5306'-9185')**: RIH W/ 4 ½" CBP. SET @ ~5260'. RELEASE CBP, PUH 10', BRK CIRC W/ FRESH WATER. PRESSURE TEST CASING TO 500 PSI. INFORM ENGINEERING IF IT DOESN'T TEST. DISPLACE A MINIMUM OF **4 SX/ 0.8 BBL/ 4.36 CUFT.** ON TOP OF PLUG. PUH ABOVE TOC (~5210'). REVERSE CIRCULATE W/ TREATED FRESH WATER.
4. **PLUG #2, PROTECT WASATCH TOP (4776')**: PUH TO ~4880'. BRK CIRC W/ FRESH WATER. DISPLACE A MINIMUM OF **16 SX/ 3.2 BBL/ 17.88 CUFT** AND BALANCE PLUG W/ TOC @ ~4675' (205' COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ TREATED FRESH WATER.
5. LOWER WELLHEAD TO GROUND LEVEL TO ACCOMMODATE DRILLING OPS AND INSTALL MARKER PER BLM GUIDELINES.
6. RDMO. TURN OVER TO DRILLING OPERATIONS.

ALM 10/13/10

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UO-01189-ST
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<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0845 FNL 0851 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWNW Section: 25 Township: 09.0S Range: 21.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 12/13/2010	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
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	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input checked="" type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

The operator has concluded the temporarily abandonment operations on the subject well location on 12/13/2010. The subject well was temporarily abandoned in order to drill the NBU 921-25D Pad. Please see the attached chronological well history for details of the operation.

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

<b>NAME (PLEASE PRINT)</b> Andy Lytle	<b>PHONE NUMBER</b> 720 929-6100	<b>TITLE</b> Regulatory Analyst
<b>SIGNATURE</b> N/A		<b>DATE</b> 12/15/2010

**US ROCKIES REGION**  
**Operation Summary Report**

Well: NBU 921-25D		Spud Date: 3/21/2006	
Project: UTAH-UINTAH		Site: NBU 921-25D	Rig Name No: WESTERN WELLSITE/UNK
Event: ABANDONMENT		Start Date: 12/10/2010	End Date: 12/13/2010
Active Datum: RKB @4,956.99ft (above Mean Sea Level)		UWI: NBU 921-25D	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
12/10/2010	7:00 - 7:15	0.25		48				HSM JSA.
	7:15 - 18:00	10.75		30				rig up pump 100 BLS to kill well ND WH NU BOPE pull tubing hanger out rig up pipe inspection tools TOH/ inspec 261 joints total good joints 228 total bad joints 33 laid down SM rig down pipe inspection tools PU 3.7/8 bit TIH / tubing to 5287' pump water when TOH/tubing an TIH / tubing to keep well kill SWI SDFW
12/13/2010	7:00 - 7:15	0.25		48				HSM JSA.
	7:15 - 18:00	10.75		30				road to location on pickup pump 80 BLS water to kill well TOH/tubing continue pumping water when tripin pipe laid down bit PU 4.1/2 CIBP TIH/tubing set plug at 5267' PUH/ 10' full well presure test casing at 500 PSI test good pump 4 SXS TOC 5214' TOH/ tubing to 5150' reverse circulation TOH/tubing to 4882' pump 16 SXS TOC 4668' TOH/tubing to 4600' reverse circulation TOH/tubing ND BOPE rig down



GARY R. HERBERT  
Governor

GREGORY S. BELL  
Lieutenant Governor

# State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

January 26, 2012

CERTIFIED MAIL NO.: 7011 0110 0001 3568 1731

Ms. Julie Jacobson  
Kerr McGee Oil and Gas  
1099 18<sup>th</sup> Street, Suite 1800  
Denver, CO 80202

43 047 36700  
NBU 921-25D  
9S 21E 25

Subject: **SECOND NOTICE: Extended Shut-in and Temporarily Abandoned Well Requirements for Wells on Fee or State Leases**

Dear Ms. Jacobson:

As of January 2012, Kerr McGee Oil and Gas (Kerr McGee) has sixteen (16) State Lease Wells (see Attachment A) that are in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months requires the filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining (Division) approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (R649-3-36-1.3.3).

This a **THIRD NOTICE** of non-compliance for NBU 1022-1314S which had a re-issued second notice on April 14, 2011. Later an approval to PA on April 19, 2011 was signed by the Division.

This is the **SECOND NOTICE** of non-compliance that Kerr McGee has received for wells listed as such on Attachment A. These wells received a first notice on April 14, 2011. Additional correspondence from Kerr McGee was received in May and June. Three (3) of the aforementioned wells (Attachment A) had previously been granted SI/TA extensions which have since expired.

This is also **FIRST NOTICE** for wells that have recently been added to Kerr McGee's non compliance list. Please submit the required information for extended SI/TA status within 30 days of this notice or further actions will be initiated.



Page 2  
Kerr McGee Oil and Gas  
January 26, 2012

For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

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

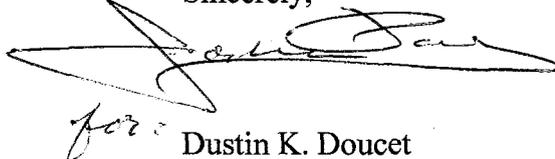
Please note that the Divisions preferred method for showing well integrity is by MIT

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

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

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

Sincerely,



*for* Dustin K. Doucet  
Petroleum Engineer

DKD/JP/js  
Enclosure  
cc: Compliance File  
Well File  
LaVonne Garrison, SITLA

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# ATTACHMENT A

	Well Name	API	LEASE	Years Inactive	SI/TA Extension Expired On
<b>3<sup>RD</sup> NOTICE</b>					
1	NBU 1022-13I4S	43-047-39475	STUO-08512-ST	4 Years 2 Months	12/31/2010
<b>2<sup>ND</sup> NOTICE</b>					
2	BONANZA 1023-16J	43-047-37092	ML-22186-A	4 Years 10 Months	12/31/2011
3	NBU 921-34J	43-047-37953	STATE	4 Years 6 Months	9/01/2009
4	NBU 921-34L	43-047-36388	STUO-1194-A	2 Years 9 Months	
5	NBU 921-33J	43-047-36394	STOU-015630	2 Years 11 Months	
<b>1<sup>ST</sup> NOTICE</b>					
6	UTE TRAIL U 88X2G	43-047-15389	ML-3352	1 Year 6 Months	
7	CIGE 3-32-9-22	43-047-30320	ML-22649	1 Year 8 Months	
8	NBU 31-12B	43-047-30385	ML-01197-A	1 Year 10 Months	
9	CIGE 51D	43-047-30889	U-01530-ST	1 Year 6 Months	
10	NBU 69N2	43-047-31090	U-01194-ST	1 Year	
11	NBU 97	43-047-31744	U-01189-ST	1 Year 1 Month	
12	BONANAZA 1023-2I	43-047-35663	ML-47062	1 Year 5 Months	
13	NBU 921-25D	43-047-36700	UO-01189-ST	1 Year 2 Months	
14	NBU 565-30E	43-047-37533	ML-22793	1 Year 11 Months	
15	STATE 1021-36D	43-047-38845	ML-47060	1 Year 5 Months	
16	NBU 661-24E	43-047-50011	ML-22790	1 Year 8 Months	



February 23, 2012

Dustin K. Doucet  
Petroleum Engineer  
Division of Natural Resources, Division of Oil, Gas and Mining  
State of Utah  
PO Box 145801  
Salt Lake City UT 84114-5801

Dear Mr. Doucet:

We are in receipt of your letters dated January 26, 2012, regarding the shut-in and temporarily abandoned status of wells operated by Kerr McGee Oil and Gas.

The attached list explains the status of each well referenced in your January 26, 2012, letters.

Please do not hesitate to contact me if you have any questions or concerns. I can be reached at 720-929-6515.

Sincerely,

A handwritten signature in black ink, appearing to read "Julie A. Jacobson". The signature is fluid and cursive.

Julie A. Jacobson  
Regulatory Affairs Supervisor

Attachment

**RECEIVED**  
**FEB 23 2012**  
**DIV. OF OIL, GAS & MINING**

23-Feb-12

## UDOGM LETTER(S)

WELL	API	Lease	Comment
UTAH 10-415	43-015-30391	ML-48189	P&A procedure planned to be submitted
NBU 1022-13I4S	43-047-39475	STUO-08512-ST	P&A procedure approved in June 2011; work completed by April 11, 2012
Bonanza 1023-16J	43-047-37092	ML-22186-A	TA approved on 4/19/2011; considering use of wellbore
NBU 921-34J	43-047-37953	STATE	June 2011 approved to convert to Birds Nest; convert by July 1, 2012
NBU 921-34L	43-047-36388	STUO-1194-A	June 2011 approved to convert to Birds Nest; convert by July 1, 2012
NBY 921-33J	43-047-36394	STUO-015630	Recompleted approved June 2011; on schedule
UTE Trail U88X2G	43-047-15389	ML-3352 (ML13826??)	Decision on well by May 1, 2012
CIGE 3-32-9-22	43-047-30320	ML-22649	Waiting for ground from recent activities to settle and then will put well back on production
NBU 31-12B	43-047-30385	ML-01197	Return to production by 5/1/2012
CIGE 51D	43-047-30889	U-01530-ST	P&A procedure approved; will plug this year
NBU 69N2	43-047-31090	U-01194-ST	Under review
NBU 97	43-047-31744	U-01189-ST	TA'd due to pressure monitor; pad completion aroun 9/1/2012
BONANZA 1023-2I	43-047-35663	ML-47062	work over scheduled 6/1/2012
NBU 921-25D	43-047-36700	UO-001189	TA'd due to pressure monitor; expected to drill out around 9/1/2012
NBU 565-30E	43-047-37533	ML-22793	P&A producer approved; work will be completed 7/18/2012
STATE 1021-36D	43-047-38845	ML-47060	producing (as of 12/28/2011)
NBU 661-24E	43-047-50011	ML-22790	producing (as of 12/28/2011)

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