

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

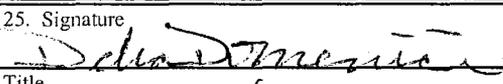
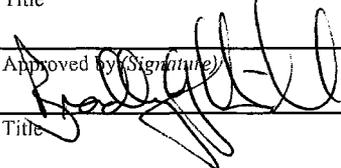
FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>UTU-0149077</b>
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator <b>WESTPORT OIL &amp; GAS COMPANY, L.P.</b>		7. If Unit or CA Agreement, Name and No. <b>NATURAL BUTTES UNIT</b>
3A. Address <b>1368 SOUTH 1200 EAST, VERNAL, UTAH 84078</b>		8. Lease Name and Well No. <b>NBU 922-340</b>
3b. Phone No. (include area code) <b>(435) 781-7060</b>		9. API Well No. <b>43-047-37155</b>
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface <b>SWSE 693' FSL 2130' FEL 634596X 39.987083</b> At proposed prod. Zone <b>4427304Y 109.42356Y</b>		10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
14. Distance in miles and direction from nearest town or post office* <b>27.45 MILES SOUTHEAST OF OURAY, UTAH</b>		11. Sec., T., R., M., or Blk, and Survey or Area <b>SEC 34-T9S-R22E</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>693'</b>	16. No. of Acres in lease <b>600</b>	12. County or Parish <b>UINTAH</b>
17. Spacing Unit dedicated to this well <b>40</b>	13. State <b>UT</b>	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>Refer to Topo C</b>	19. Proposed Depth <b>9150'</b>	20. BLM/BIA Bond No. on file <b>CO-1203</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4920.6' GL</b>	22. Approximate date work will start* <b>UPON APPROVAL</b>	23. Estimated duration <b>TO BE DETERMINED</b>

**24. Attachments**

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

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

25. Signature 	Name (Printed/Typed) <b>DEBRA DOMENICI</b>	Date <b>9/13/2005</b>
Title <b>ASSOCIATE ENVIRONMENTAL ANALYST</b>		
Approved by (Signature) 	Name (Printed/Typed) <b>BRADLEY G. HILL</b>	Date <b>09-21-05</b>
Title <b>ENVIRONMENTAL SCIENTIST III</b>		

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

Conditions of approval, if any, are attached.

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

\*(Instructions on reverse)

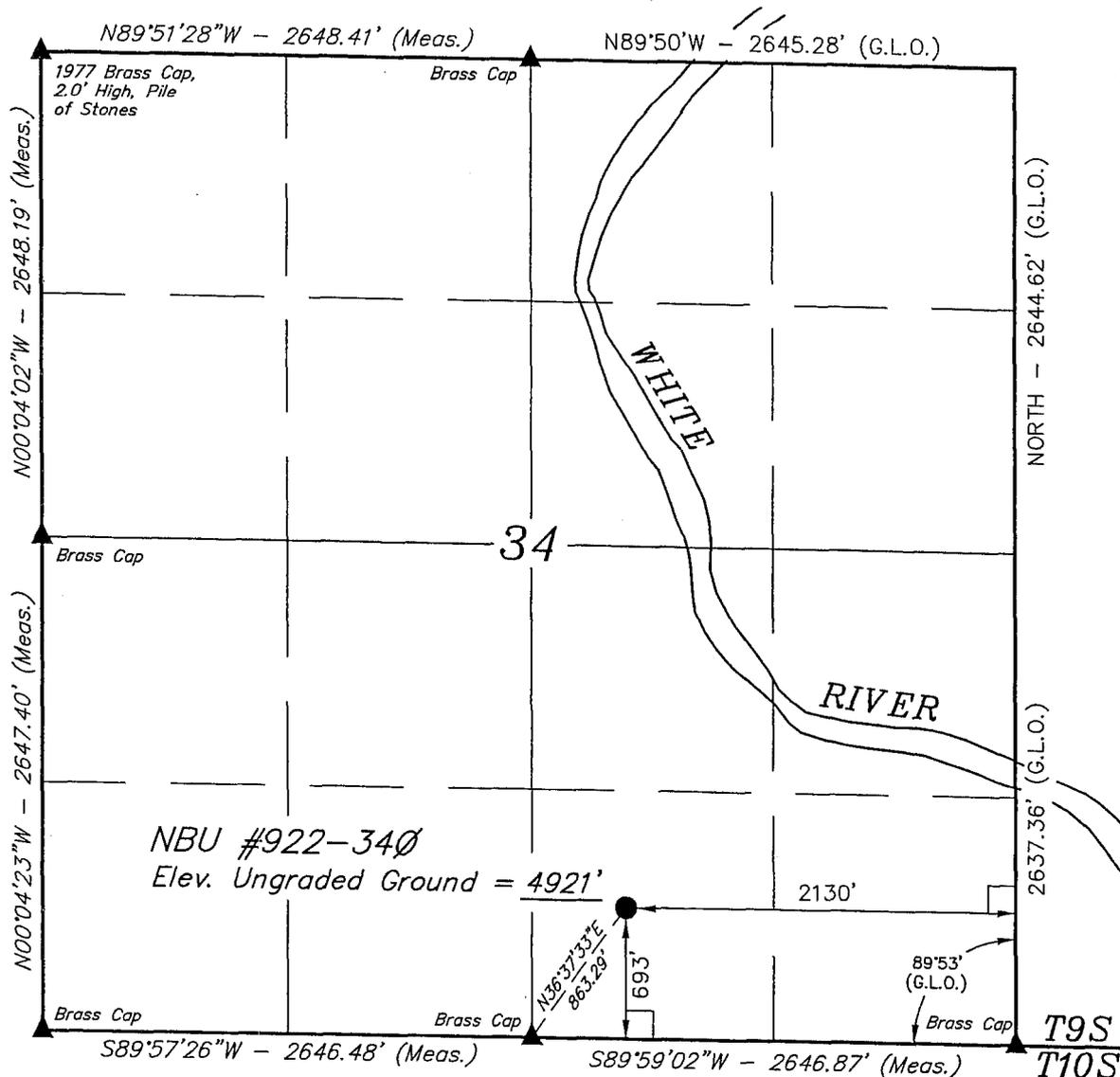
**Federal Approval of this  
Action is Necessary**

**RECEIVED**  
**SEP 20 2005**  
DIV. OF OIL, GAS & MINING

T9S, R22E, S.L.B.&M.

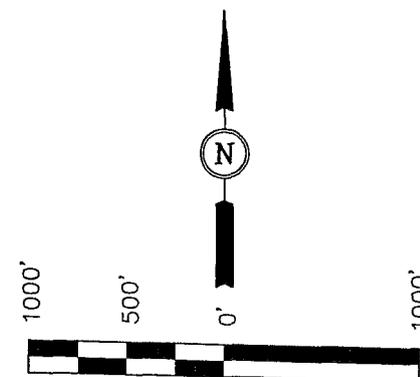
WESTPORT OIL AND GAS COMPANY, L.P.

Well location, NBU #922-340, located as shown in the SW 1/4 SE 1/4 of Section 34, T9S, R22E, S.L.B.&M. Uintah County, Utah.



BASIS OF ELEVATION

BENCH MARK (20EAM) LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.



SCALE

CERTIFICATE

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

*Robert A. ...*

REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

BASIS OF BEARINGS

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

(NAD 83)  
LATITUDE = 39°59'13.79" (39.987164)  
LONGITUDE = 109°25'27.44" (109.424289)  
(NAD 27)  
LATITUDE = 39°59'13.91" (39.987197)  
LONGITUDE = 109°25'24.98" (109.423606)

LEGEND:

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

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

SCALE 1" = 1000'	DATE SURVEYED: 7-1-05	DATE DRAWN: 7-12-05
PARTY D.K.    L.K.    K.G.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE WESTPORT OIL AND GAS COMPANY, L.P.	

NBU 922-340  
SWSE SEC 34-T9S-R22E  
UINTAH COUNTY, UTAH  
UTU-0149077

ONSHORE ORDER NO. 1

***DRILLING PROGRAM***

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

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1100'
Wasatch	4275'
Mesaverde	6900'
TD	9150'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1100'
Gas	Wasatch	4275'
Gas	Mesaverde	6900'
Water	N/A	
Other Minerals	N/A	

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

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

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

*Please see the Natural Buttes Unit SOP.*

5. **Drilling Fluids Program:**

*Please see the Natural Buttes Unit SOP.*

6. **Evaluation Program:**

*Please see the Natural Buttes Unit SOP.*

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9150' TD, approximately equals 3660 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1647 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

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

9. **Variances:**

*Please see Natural Buttes Unit SOP.*

10. **Other Information:**

*Please see Natural Buttes Unit SOP.*





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

**CASING PROGRAM**

	SIZE	INTERVAL	WT	GR	CPLG	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 1900	32.30	H-40	STC	0.70*****	1.66	4.73
PRODUCTION	4-1/2"	0 to 9150	11.60	M-80 or I-80	LTC	7780	6350	201000
						2.42	1.21	2.17

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 = 11.0 ppg) .22 psi/ft = gradient for partially evac wellbore  
 (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing \* Buoy. Fact. of water)  
 MASP 3221 psi

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

**CEMENT PROGRAM**

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
Option 1	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE		<b>NOTE: If well will circulate water to surface, option 2 will be utilized</b>					
Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,770'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	390	60%	11.00	3.38
	TAIL	5,380'	50/50 Poz/G + 10% salt + 2% gel	1500	60%	14.30	1.31

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

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

**FLOAT EQUIPMENT & CENTRALIZERS**

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

**ADDITIONAL INFORMATION**

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

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

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

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

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

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

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



NBU 922-340  
SWSE SEC 34-T9S-R22E  
UINTAH COUNTY, UTAH  
UTU-0149077

ONSHORE ORDER NO. 1

*MULTI-POINT SURFACE USE & OPERATIONS PLAN*

An onsite inspection was conducted for the NBU #922-340 on 8/23/05, for the subject well.

1. **Existing Roads:**

Refer to the attached location directions.

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

2. **Planned Access Roads:**

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

Refer to Topo Map B.

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

Please refer to Topo Map C.

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

*Please see the Natural Buttes Unit SOP.*

Approximately 380' of pipeline is proposed. Refer to Topo Map D for the location of the proposed pipelines.

**Variations to Best Management Practices (BMPs) Requested:**

Approximately 380' of 4" steel pipeline will be installed on surface within the access corridor for the well location. As a Best Management Practice (BMP), the pipeline would be buried within the access road corridor if possible. The construction of pipelines requires the corridor of 30 feet.

This exception to the BMP should be granted by the BLM Authorized Officer because indurated bedrock, such as sandstone, is at or within 2 feet of the surface.

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

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

*Please see the Natural Buttes SOP.*

6. **Source of Construction Materials**

*Please see the Natural Buttes SOP.*

7. **Methods of Handling Waste Materials**

*Please see the Natural Buttes SOP.*

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E (*Request is in lieu of filing Form 3160-5, after initial production*).

8. **Ancillary Facilities**

*Please see the Natural Buttes SOP.*

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

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

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

As per previous onsite discussion, a 20 mil reserve pit liner with felt will be used.

Location size may change prior to the drilling of the well due to the current rig availability. If the proposed location is not large enough to accommodate the drilling rig. The location will be re-surveyed and a form 3160-5 will be submitted.

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

*Please see the Natural Buttes SOP.*

The topsoil pile shall be spread on the location when the pit is backfilled. The following seed mixture will be used to reclaim the surface for interim reclamation. A total of 12 lbs/acre will be used if the seeds are drilled (24 lbs/acre if the seeds are broadcast). The per acre requirements for *drilled* seed are:

Crested Wheat Grass                      12 lbs.

Operator shall call the BLM for the seed mixture when final reclamation occurs.

**11. Surface Ownership:**

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

United States of America  
Bureau of Land Management  
170 South 500 East  
Vernal, UT 84078  
(435)781-4400

**12. Other Information:**

A Class III archaeological survey and a paleontological survey have been performed and will be filed when received.

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 Operator'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.

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

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

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by BLM Nationwide Bond #CO-1203.

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

9/13/2005

Date

WESTPORT OIL AND GAS COMPANY, L.P.  
NBU #922-340  
SECTION 34, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 5.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 3.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 7.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN LEFT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 1.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 0.35 MILES TO THE TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 58.45 MILES.

# WESTPORT OIL AND GAS COMPANY, L.P.

NBU #922-340  
LOCATED IN UINTAH COUNTY, UTAH  
SECTION 34, T9S, R22E, S.L.B.&M.

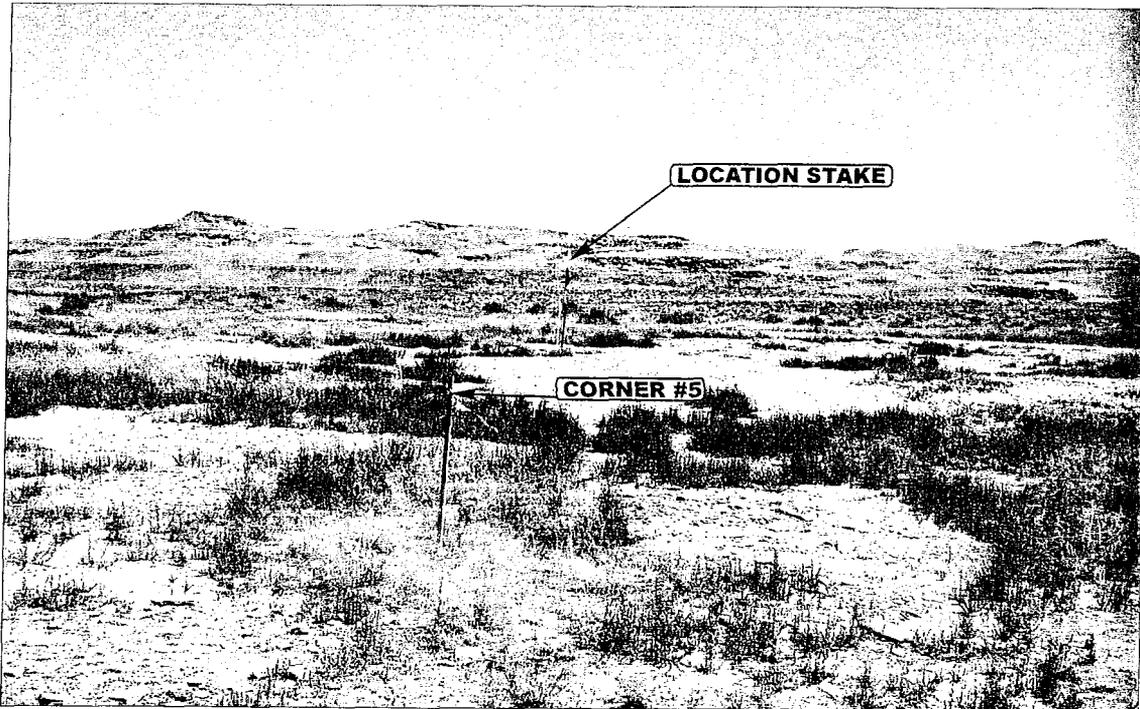


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

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

LOCATION PHOTOS

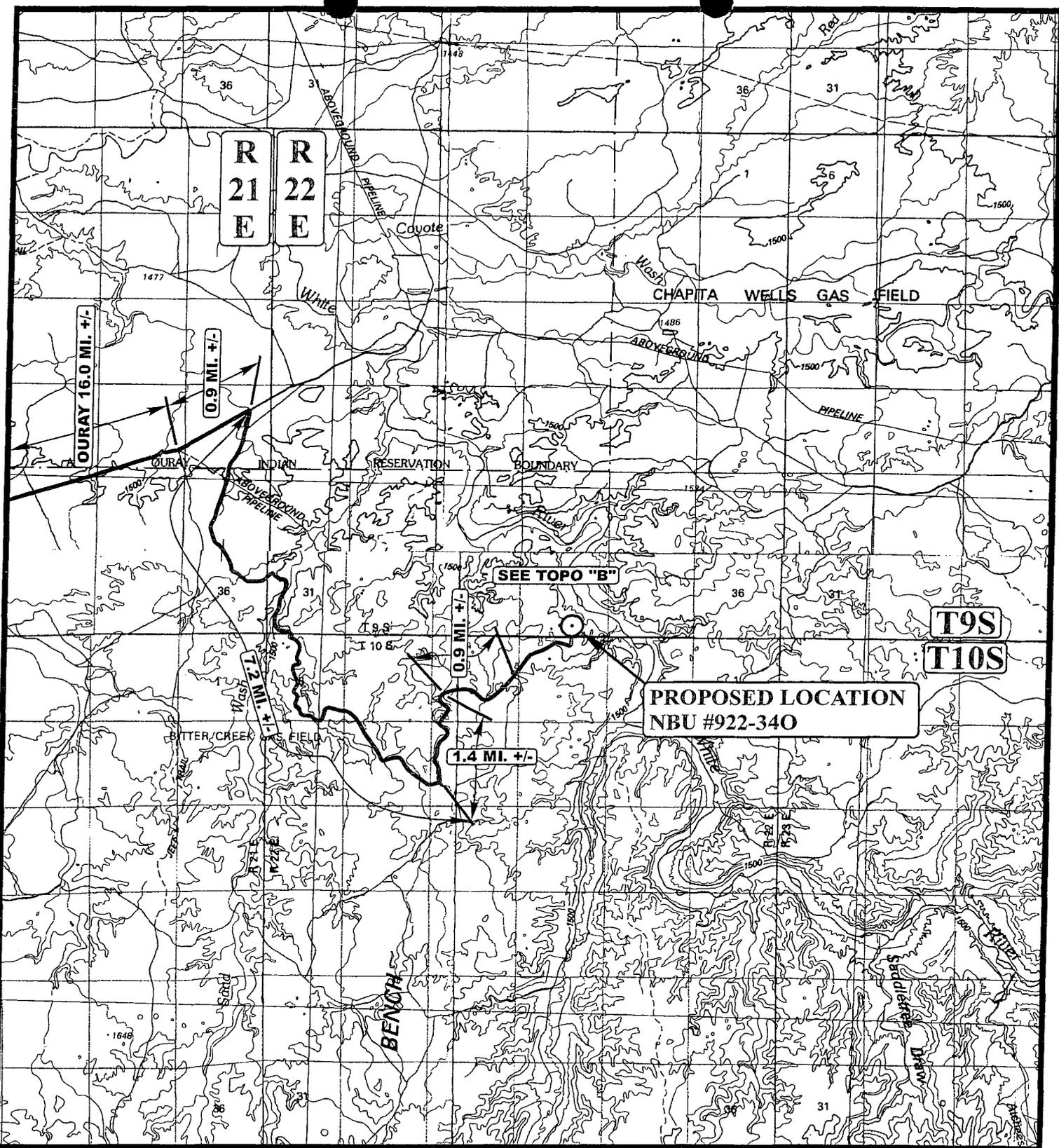
07 14 05  
MONTH DAY YEAR

PHOTO

TAKEN BY: D.K.

DRAWN BY: C.P.

REVISED: 00-00-00



**LEGEND:**

○ PROPOSED LOCATION



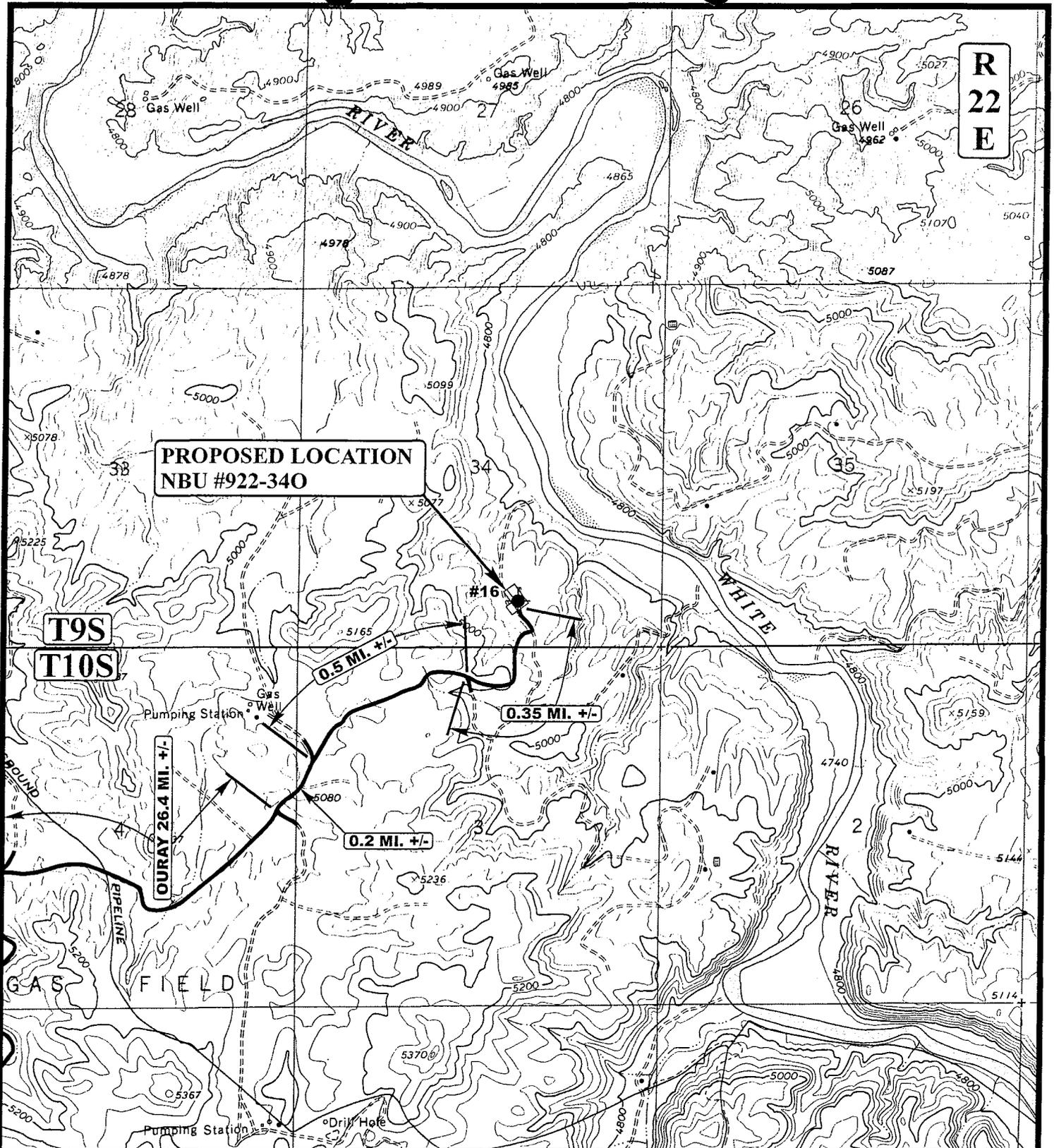
**WESTPORT OIL AND GAS COMPANY, L.P.**

NBU #922-340  
 SECTION 34, T9S, R22E, S.L.B.&M.  
 693' FSL 2130' FEL

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

TOPOGRAPHIC	07	14	05
MAP	MONTH	DAY	YEAR
SCALE: 1:100,000	DRAWN BY: C.P.		REVISED: 00-00-00

**A**  
 TOPO



**LEGEND:**

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD



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

**NBU #922-340**

**SECTION 34, T9S, R22E, S.L.B.&M.**

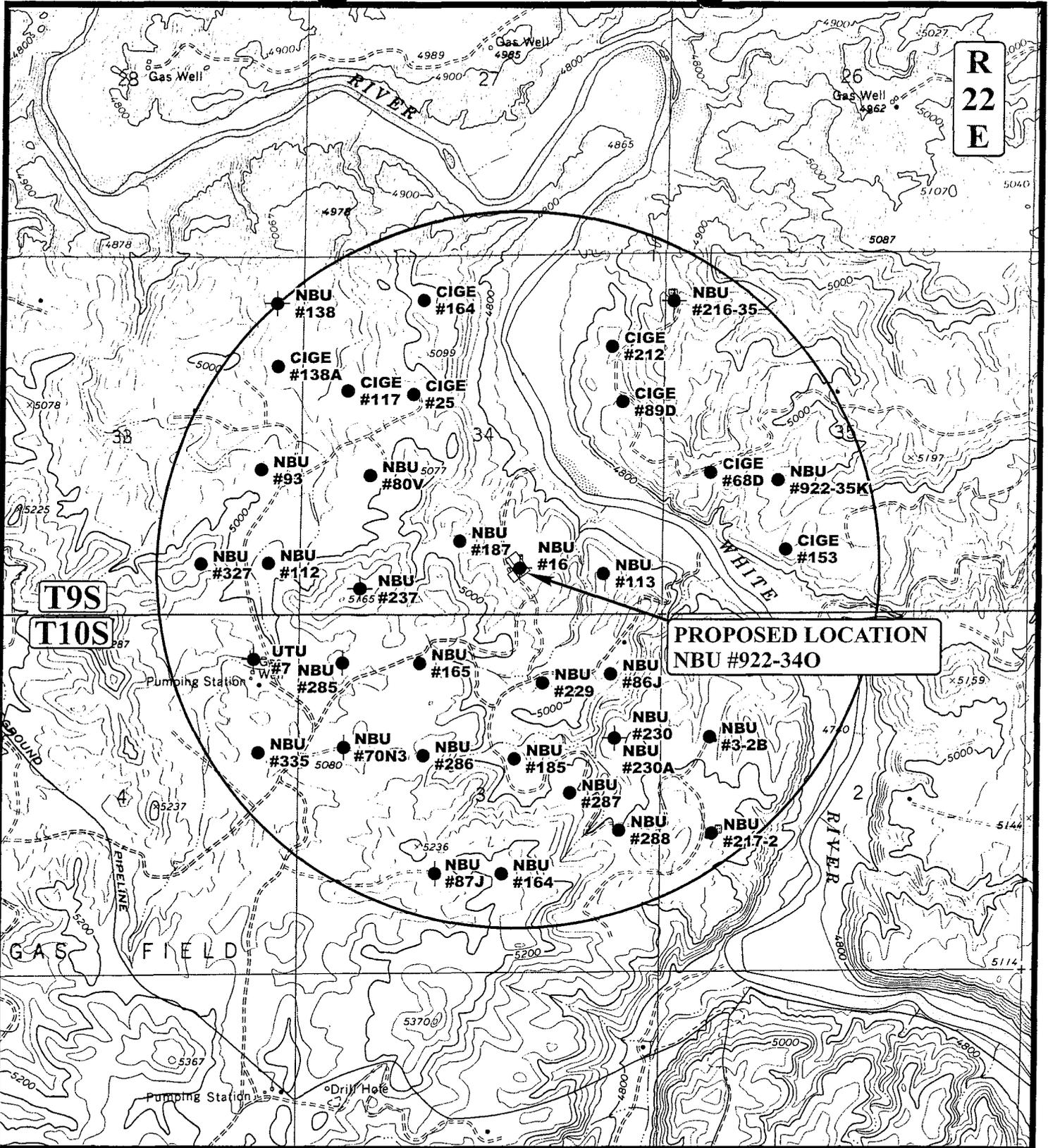
**693' FSL 2130' FEL**



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

**TOPOGRAPHIC** 07 14 05  
**MAP** MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





**R  
22  
E**

**T9S**

**T10S**

**PROPOSED LOCATION  
NBU #922-340**

**LEGEND:**

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

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

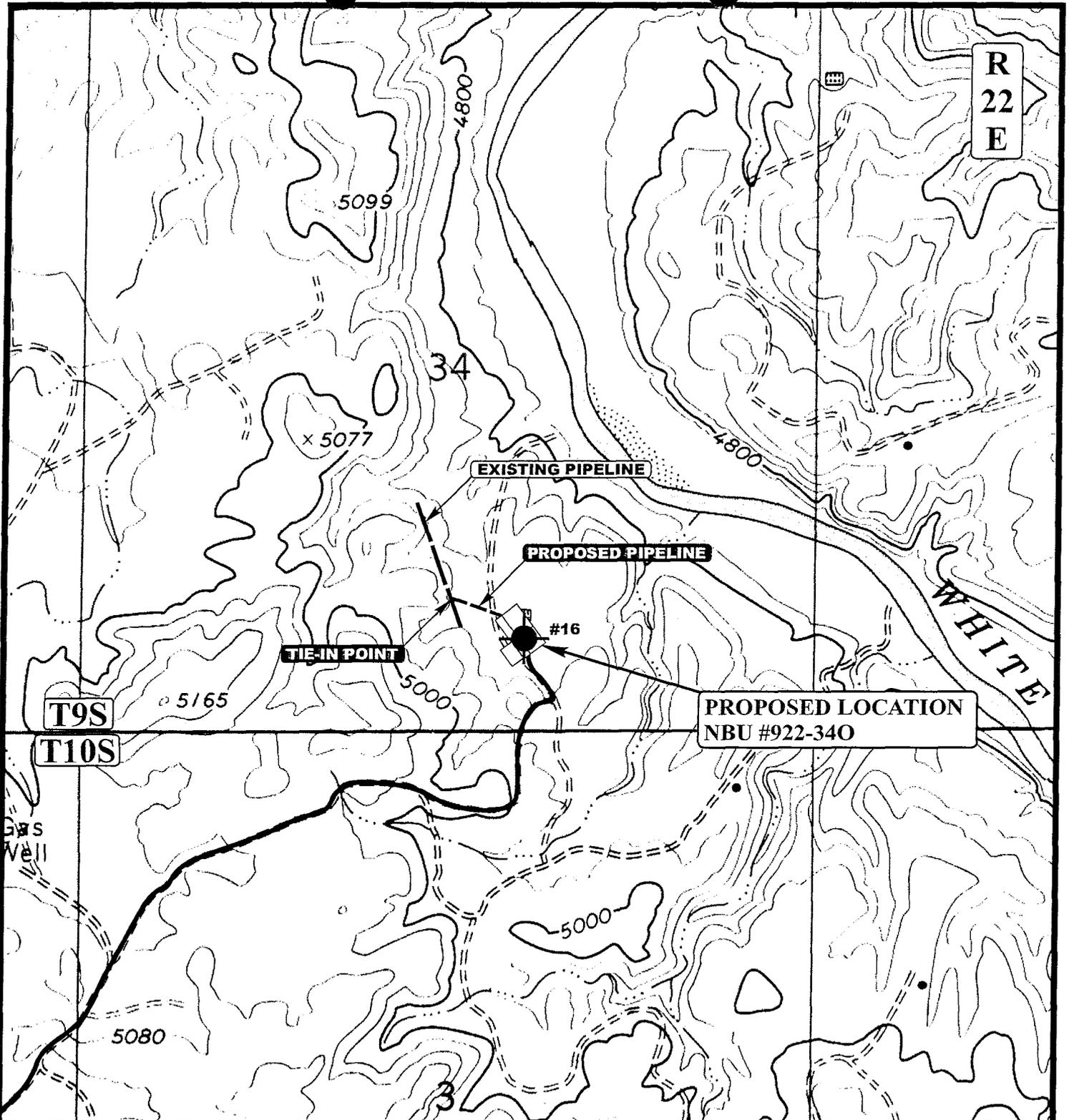
**NBU #922-340  
SECTION 34, T9S, R22E, S.L.B.&M.  
693' FSL 2130' FEL**



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

**TOPOGRAPHIC MAP** 07 14 05  
MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 380' +/-

**LEGEND:**

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE

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

NBU #922-340

SECTION 34, T9S, R22E, S.L.B.&M.

693' FSL 2130' FEL



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



TOPOGRAPHIC	07	14	05
MAP	MONTH	DAY	YEAR
SCALE: 1" = 1000'	DRAWN BY: C.P.		REVISED: 00-00-00



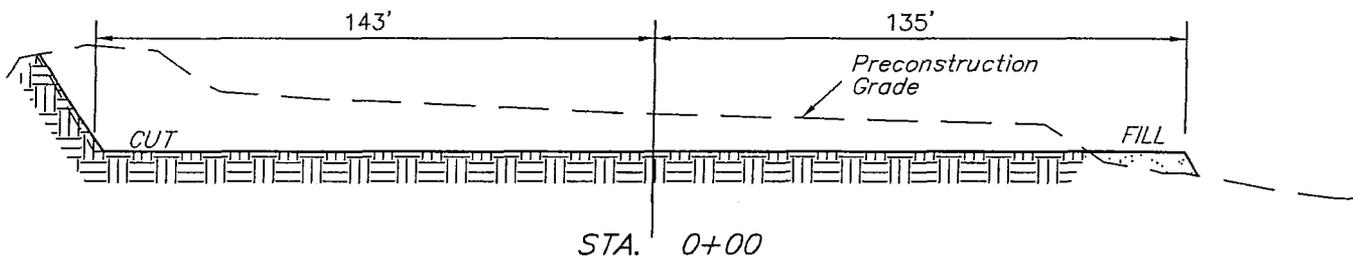
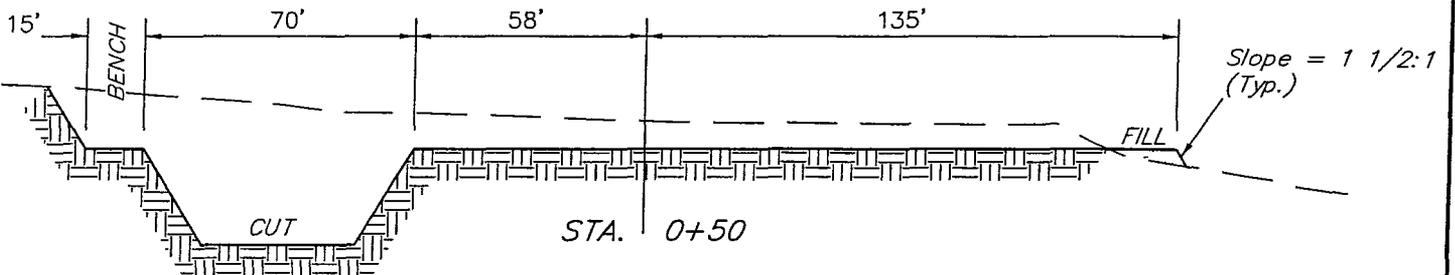
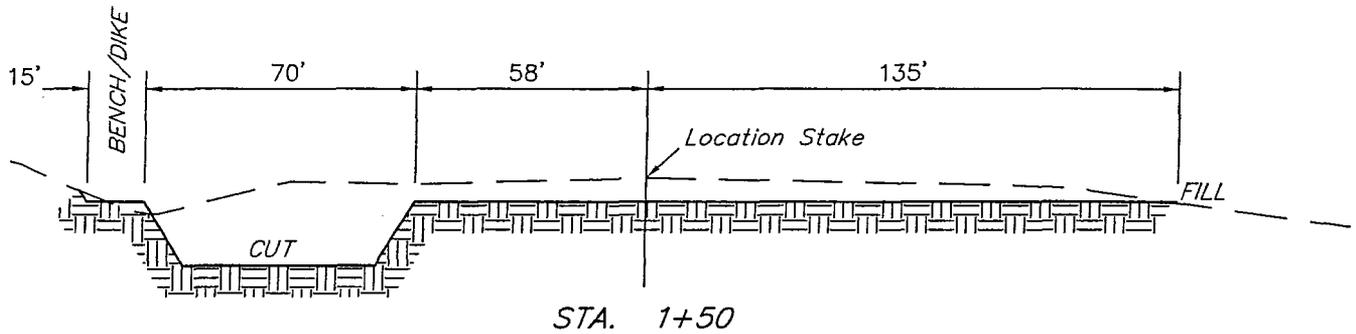
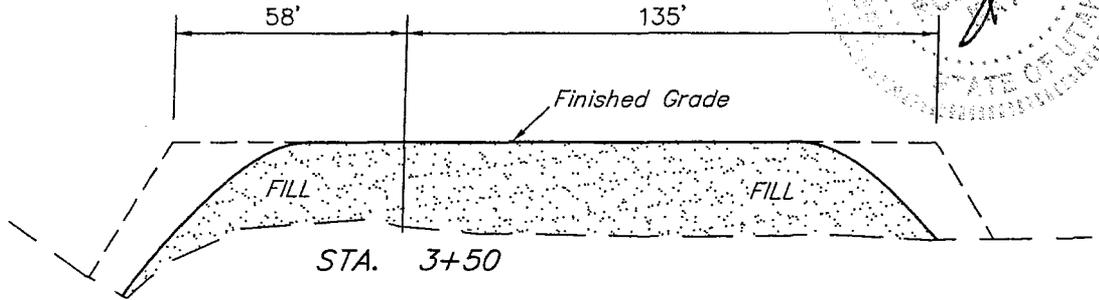
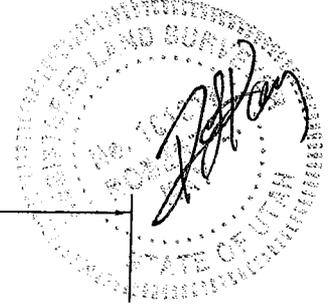


WESTPORT OIL AND GAS COMPANY, L.P.

FIGURE #2

TYPICAL CROSS SECTIONS FOR  
 NBU #922-34Ø  
 SECTION 34, T9S, R22E, S.L.B.&M.  
 693' FSL 2130' FEL

1" = 20'  
 X-Section  
 Scale  
 1" = 50'  
 DATE: 7-12-05  
 Drawn By: K.G.



APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,770 Cu. Yds.
Remaining Location	= 7,370 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 9,140 CU.YDS.</b>
<b>FILL</b>	<b>= 5,980 CU.YDS.</b>

EXCESS MATERIAL	= 3,160 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,160 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 09/20/2005

API NO. ASSIGNED: 43-047-37155

WELL NAME: NBU 922-340  
 OPERATOR: WESTPORT OIL & GAS CO ( N2115 )  
 CONTACT: DEBRA DOMENICI

PHONE NUMBER: 435-781-7060

PROPOSED LOCATION:

SWSE 34 090S 220E  
 SURFACE: 0693 FSL 2130 FEL  
 BOTTOM: 0693 FSL 2130 FEL  
 UINTAH  
 NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: UTU-0149077  
 SURFACE OWNER: 1 - Federal  
 PROPOSED FORMATION: WSMVD  
 COALBED METHANE WELL? NO

LATITUDE: 39.98708  
 LONGITUDE: -109.4236

RECEIVED AND/OR REVIEWED:

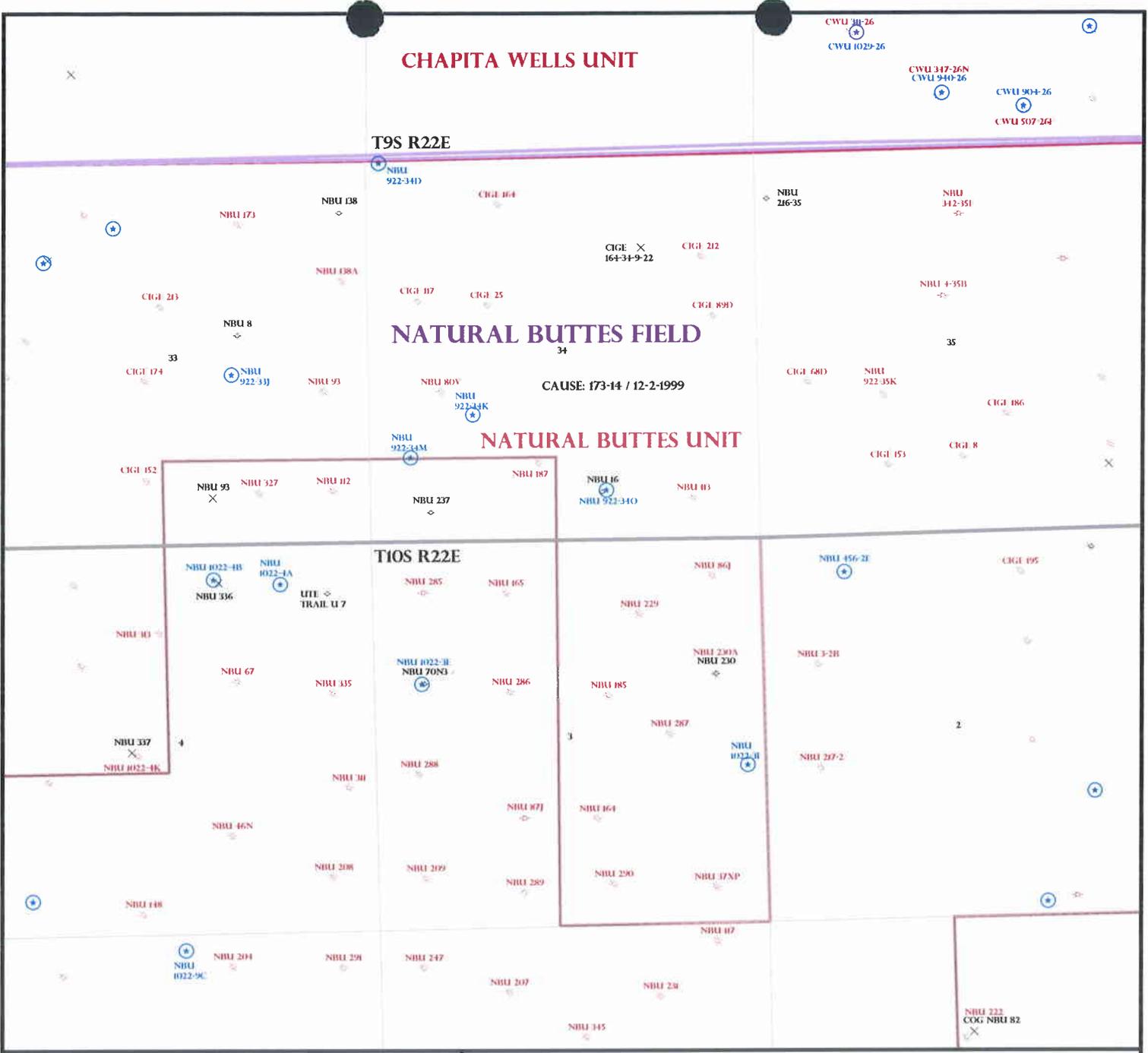
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. CO-1203 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 43-8496 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

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

COMMENTS: Sep. Separate file

STIPULATIONS: 1- Federal approval  
2- OIL SHALE



OPERATOR: WESTPORT O&G CO (N2115)  
 SEC: 34 T. 9S R. 22E  
 FIELD: NATURAL BUTTES (630)  
 COUNTY: UINTAH  
 CAUSE: 173-14 / 12-2-1999

**Field Status**

	ABANDONED
	ACTIVE
	COMBINED
	INACTIVE
	PROPOSED
	STORAGE
	TERMINATED

**Unit Status**

	EXPLORATORY
	GAS STORAGE
	NF PP OIL
	NF SECONDARY
	PENDING
	P1 OIL
	PP GAS
	PP GEOTHERML
	PP OIL
	SECONDARY
	TERMINATED

- Wells Status**
- GAS INJECTION
  - GAS STORAGE
  - LOCATION ABANDONED
  - NEW LOCATION
  - PLUGGED & ABANDONED
  - PRODUCING GAS
  - PRODUCING OIL
  - SHUT-IN GAS
  - SHUT-IN OIL
  - TEMP. ABANDONED
  - TEST WELL
  - WATER INJECTION
  - WATER SUPPLY
  - WATER DISPOSAL
  - DRILLING



PREPARED BY: DIANA WHITNEY  
 DATE: 20-SEPTEMBER-2005

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:  
3160  
(UT-922)

September 21, 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 Wasatch-MesaVerde)		
43-047-37152	NBU 922-34D Sec 34 T09S R22E 0101 FNL 0123	FWL
43-047-37153	NBU 922-34K Sec 34 T09S R22E 1763 FSL 1354	FWL
43-047-37154	NBU 922-34M Sec 34 T09S R22E 1182 FSL 0494	FWL
43-047-37155	NBU 922-34O Sec 34 T09S R22E 0693 FSL 2130	FEL
43-047-37156	NBU 1022-3E Sec 03 T10S R22E 1935 FNL 0591	FWL
43-047-37157	NBU 1022-3I Sec 03 T10S R22E 2179 FSL 0272	FEL

Our records indicate the NBU 922-34D is closer than 460 feet from the Natural Buttes Unit boundary.

We have no objections to permitting the wells so long as the unit operator receives an exception to the locating and siting requirements of the State of Utah (R649-3-2).

/s/ Michael L. Coulthard

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



**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*

September 21, 2005

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

Re: Natural Buttes Unit 922-340 Well, 693' FSL, 2130' FEL, SW SE,  
Sec. 34, T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37155.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

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

Operator: Westport Oil & Gas Company, LP  
Well Name & Number Natural Buttes Unit 922-340  
API Number: 43-047-37155  
Lease: UTU-0149077

Location: SW SE                      Sec. 34                      T. 9 South                      R. 22 East

### Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

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

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

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

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

Operator Name Change/Merger

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

**DATA ENTRY:**

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

**BOND VERIFICATION:**

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

**LEASE INTEREST OWNER NOTIFICATION:**

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

**COMMENTS:**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

*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 type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>CHANGE OF OPERATOR</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

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

**RECEIVED**  
**MAY 10 2006**

*BLM BOND = C01203*  
*BIA BOND = RLB0005239*

**APPROVED 5/16/06**

DIV. OF OIL, GAS & MINING

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

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

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

**THIS SPACE FOR FEDERAL OR STATE USE**

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

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

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

6. If Indian, Allottee or Tribe Name

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

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

9. API Well No.

10. Field and Pool, or Exploratory Area

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

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

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

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

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

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

RECEIVED  
 MAY 10 2006

DIV OF OIL, GAS & MINING

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

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

THIS SPACE FOR FEDERAL OR STATE USE

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

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



## United States Department of the Interior

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

IN REPLY REFER TO:

CO922 (MM)  
3106  
COC017387 et. al.

March 23, 2006

### NOTICE

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

#### Merger/Name Change - Recognized

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

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

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

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

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

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

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

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

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

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

**Attachment:**

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

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

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



# United States Department of the Interior



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

IN REPLY REFER TO:  
3106  
(UT-922)

March 27, 2006

## Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

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

Chief, Branch of  
Fluid Minerals

## Enclosure

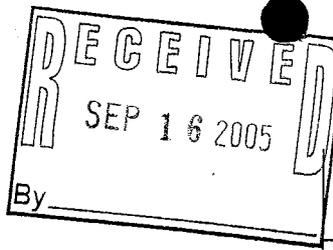
Approval letter from BLM COSO (2 pp)

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

RECEIVED

MAR 28 2006

DIV. OF OIL, GAS & MINERAL



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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-0149077
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name NATURAL BUTTES UNIT
2. Name of Operator KERR MCGEE OIL AND GAS ONSHORE LP		7. If Unit or CA Agreement, Name and No. NATURAL BUTTES UNIT
3a. Address 1368 SOUTH 1200 EAST, VERNAL, UTAH 84078	3b. Phone No. (include area code) (435) 781-7003	8. Lease Name and Well No. NBU 922-340
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWSE 693' FSL 2130' FEL At proposed prod. Zone		9. API Well No. 43-047-37155
14. Distance in miles and direction from nearest town or post office* 27.45 MILES SOUTHEAST OF OURAY, UTAH		10. Field and Pool, or Exploratory NATURAL BUTTES
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 693'	16. No. of Acres in lease 600	11. Sec., T., R., M., or Blk, and Survey or Area SEC 34-T9S-R22E
17. Spacing Unit dedicated to this well 40	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Refer to Topo C	12. County or Parish UINTAH
19. Proposed Depth 9150'	20. BLM/BIA Bond No. on file CO-1203	13. State UT
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4920.6' GL	22. Approximate date work will start* UPON APPROVAL	23. Estimated duration TO BE DETERMINED

24. Attachments

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

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

25. Signature <i>Ramey Hoopes</i>	Name (Printed/Typed) RAMEY HOOPES	Date 4/13/2006
Title REGULATORY CLERK		
Approved by (Signature) <i>Howard B. Leavitt</i>	Name (Printed/Typed) Assistant Field Manager Mineral Resources	Date 05/22/2006
Title Assistant Field Manager Mineral Resources	Office	

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

Conditions of approval, if any, are attached.

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

\*(Instructions on reverse)

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED  
RECEIVED

MAY 26 2006

DIV. OF OIL, GAS & MINING



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE  
170 South 500 East VERNAL, UT 84078 (435) 781-4400



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

<b>Company:</b> Kerr-McGee Oil & Gas Onshore, L.P.	<b>Location:</b> SWSE, Sec. 34, T9S, R22E	
<b>Well No:</b> NBU 922-340	<b>Lease No:</b> UTU-0149077	
<b>API No:</b> 43-047-37155	<b>Agreement:</b> Natural Buttes Unit	
<b>Petroleum Engineer:</b> Matt Baker	<b>Office:</b> 435-781-4490	<b>Cell:</b> 435-828-4470
<b>Petroleum Engineer:</b> Michael Lee	<b>Office:</b> 435-781-4432	<b>Cell:</b> 435-828-7875
<b>Petroleum Engineer:</b> Roger Hall	<b>Office:</b> 435-781-4470	
<b>Supervisory Petroleum Technician:</b> Jamie Sparger	<b>Office:</b> 435-781-4502	<b>Cell:</b> 435-828-3913
<b>Environmental Scientist:</b> Paul Buhler	<b>Office:</b> 435-781-4475	<b>Cell:</b> 435-828-4029
<b>Environmental Scientist:</b> Karl Wright	<b>Office:</b> 435-781-4484	
<b>Natural Resource Specialist:</b> Holly Villa	<b>Office:</b> 435-781-4404	
<b>Natural Resource Specialist:</b> Melissa Hawk	<b>Office:</b> 435-781-4476	
<b>Natural Resource Specialist:</b> Nathaniel West	<b>Office:</b> 435-781-4447	
<b>Natural Resource Specialist:</b> Chris Carusona	<b>Office:</b> 435-781-4441	
<b>Natural Resource Specialist:</b> Scott Ackerman	<b>Office:</b> 435-781-4437	
<b>After Hours Contact Number:</b> 435-781-4513	<b>Fax:</b> 435-781-4410	

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

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

**NOTIFICATION REQUIREMENTS**

- |   |  |
|---|--|
| Location Construction<br>(Notify Holly Villa)               | - Forty-Eight (48) hours prior to construction of location and access roads.   |
| Location Completion<br>(Notify Holly Villa)                 | - Prior to moving on the drilling rig.   |
| Spud Notice<br>(Notify PE)                                  | - Twenty-Four (24) hours prior to spudding the well.   |
| Casing String & Cementing<br>(Notify Jamie Sparger SPT)     | - Twenty-Four (24) hours prior to running casing and cementing all casing strings.   |
| BOP & Related Equipment Tests<br>(Notify Jamie Sparger SPT) | - Twenty-Four (24) hours prior to initiating pressure tests.   |
| First Production Notice<br>(Notify PE)                      | - Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

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

- If paleontologic materials are uncovered during construction, the operator shall immediately stop work that might further disturb such materials and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation will be necessary for the discovered paleontologic material.
- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.
- Due to the proximity of the White River, the entire location will be bermed, and pits will be double felted. This will be done in order prevent any possible impacts to T&E fish in the case of accidental spill.

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

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

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

- None.

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

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
- Blowout prevention equipment (BOPE) will remain in use until the well is completed or abandoned. Closing unit controls must remain unobstructed and readily accessible at all times. Choke manifolds must be located outside of the rig substructure.
- All BOPE components will be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests must be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test must be reported in the driller's log.
- BOP drills must be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.
- No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended

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

- Chronologic drilling progress reports must be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- Any change in the program must be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) must be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, will require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.
- In accordance with 43 CFR 3162.4-3, this well must be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by the BLM, Vernal Field Office.
- **Please submit an electronic copy of all logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF other).**
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the BLM, Vernal Field Office.
- All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
- Oil and gas meters will be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the

API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.

- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and / or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas will be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
**UTU-0149077**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**NBU 922-340**

9. API Well No.  
**4304737155**

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

3a. Address **1368 SOUTH 1200 EAST VERNAL, UT 84078** 3b. Phone No. (include area code) **435-781-7003**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**693' FSL 2130' FEL  
SWSE, SEC 34-T9S-R22E**

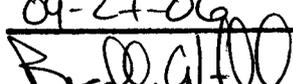
**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

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

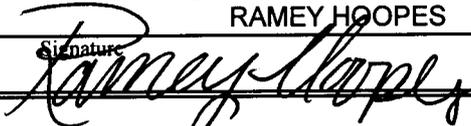
13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical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

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL AND GAS ON SEPTEMBER 21, 2004.

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

Date: **09-27-06**  
By: 

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

Name (Printed/Typed) <b>RAMEY HOOPES</b>	Title <b>REGULATORY CLERK</b>
Signature 	Date <b>August 21, 2006</b>

THIS SPACE FOR FEDERAL OR STATE USE

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

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

(Instructions on reverse)

9/29/06  
RM

**RECEIVED**

**SEP 18 2006**

**AUG 28 2006**

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

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

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

**API:** 4304737155  
**Well Name:** NBU 922-340  
**Location:** SWSE, SEC 34-T9S-R22E  
**Company Permit Issued to:** KERR MCGEE OIL AND GAS ONSHORE LP  
**Date Original Permit Issued:** 9/21/2004 *h*

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

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

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

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

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

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

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

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

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

*Ramey Clopper*  
\_\_\_\_\_  
Signature

9/13/2006

\_\_\_\_\_  
Date

Title: REGULATORY CLERK

Representing: Kerr McGee Oil and Gas Onshore LP

RECEIVED

SEP 18 2006

DIV. OF OIL, GAS & MINING

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

FORM 6

**ENTITY ACTION FORM**

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

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304737155	NBU 922-340		SWSE	34	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>B</i>	99999	<i>2900</i>	12/19/2006				
Comments: <i>MIRU PETE MARTIN BUCKET RIG. WSMVD</i> SPUD WELL LOCATION ON 12/19/2006 AT 0900 HRS.							

Well 2

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

Well 3

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

**ACTION CODES:**

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

SHEILA UPCHEGO

Name (Please Print)

Signature

SENIOR LAND SPECIALIST

12/20/2006

Title

Date

(5/2000)

To: <u>ERIENE RUSSELL</u>	From: <u>Sheila Upchego</u>
Co./Dept: <u>UTDOG M</u>	Co: <u>KMG</u>
Phone: <u>(801) 538-5336</u>	Phone: <u>(435) 781-7024</u>
Fax #: <u>(801) 269-2447</u>	Fax: <u>(435) 781-7094</u>

**RECEIVED**  
**DEC 20 2006**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
**UTU-0149077**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**NBU 922-340**

9. API Well No.  
**4304737155**

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SWSE SEC. 34, T9S, R22E 693'FSL, 2130'FEL**

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

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

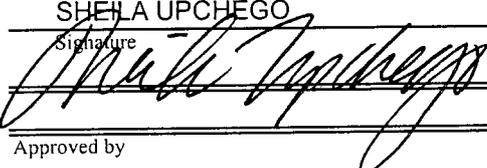
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MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX.

SPUD WELL LOCATION ON 12/19/2006 AT 0900 HRS.

**RECEIVED**  
**DEC 26 2006**  
DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Title <b>SENIOR LAND ADMIN SPECIALIST</b>
Signature 	Date <b>December 20, 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	

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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NATURAL BUTTES UNIT**

8. Well Name and No.  
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**4304737155**

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**UINTAH COUNTY, UTAH**

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 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**

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**SWSE SEC. 34, T9S, R22E 693'FSL, 2130'FEL**

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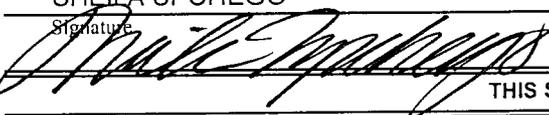
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<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing 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 <u>SET SURFACE</u>
			<u>CSG</u>

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 recompleate 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 recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

MIRU BILL MARTIN AIR RIG ON 12/27/2006. DRILLED 12 1/4" SURFACE HOLE TO 2370'. RAN 9 5/8" 48 JTS OF 32.3# H-40 AND 10 JTS OF 36# J-55 SURFACE CSG. LEAD CMT W/350 SX PREM CLASS G @15.8 PPG 1.15 YIELD NO RETURNS TO PIT DIDN'T LAND PLUG PUMPED 1 BBL OVER DISP. TOP OUT W/550 SX PREM CLASS G @15. PPG 1.15 YIELD. DOWN BACKSIDE CMT TO SURFACE 50' FROM SURFACE.

WORT

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

Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Title <b>SENIOR LAND ADMIN SPECIALIST</b>
Signature 	Date <b>January 4, 2007</b>

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
-------------	-------	------

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

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

(Instructions on reverse)

RECEIVED  
JAN 11 2007  
DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Serial No.

UTU-0149077

6. If Indian, Allottee or Tribe Name

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

UNIT #891008900A  
NATURAL BUTTES UNIT

8. Well Name and No.

**NBU 922-340**

9. API Well No.

4304737155

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

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

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

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

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

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

SWSE SEC. 34, T9S, R22E 693'FSL, 2130'FEL

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

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

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

FINISHED DRILLING FROM 2370' TO 8700' ON 01/30/2007. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/365 SX PREM LITE II @11.0 PPG 3.13 YIELD. TAILED CMT W/1170 SX 50/50 POZ @14.3 PPG 1.31 YIELD. NIPPLE DOWN SET SLIPS W/100,000 WT CUT OFF CSG. CLEAN PITS.

RELEASED ENSIGN RIG 12 ON 01/31/2007 AT MIDNIGHT.

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

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature



Date

February 1, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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

Office

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

(Instructions on reverse)

RECEIVED  
FEB 05 2007  
DIV. OF OIL, GAS & MINING

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.*

5. Lease Serial No.  
**UTU-0149077**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**NBU 922-340**

9. API Well No.  
**4304737155**

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SWSE SEC. 34, T9S, R22E 693'FSL, 2130'FEL**

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other <b>PRODUCTION START-UP</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 recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

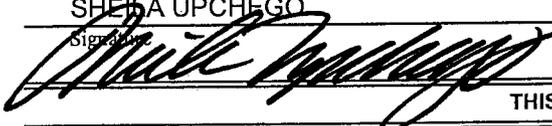
THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 02/18/2007 AT 10:00 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

**RECEIVED**  
**FEB 28 2007**

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

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

Name (Printed/Typed) <b>SHEBA UPCHEGO</b>	Title <b>SENIOR LAND ADMIN SPECIALIST</b>
Signature 	Date <b>February 22, 2007</b>

**THIS SPACE FOR FEDERAL OR STATE USE**

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

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



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

## CHRONOLOGICAL WELL HISTORY

### NBU 922-34O

SWSE, SEC. 34, T9S, R22E  
 UINTAH COUNTY, UT

DATE	Activity		Status	
11/30/06	Location is 10% Complete	Caza 12		
12/01/06	Location is 20% Complete	Caza 12		
12/04/06	Location is 40% Complete	Caza 12		
12/05/06	Location is 50% Complete	Caza 12		
12/06/06	Location is 55% Complete	Caza 12		
12/07/06	Location is 65% Complete	Caza 12		
12/08/06	Location is 70% Complete	Caza 12		
12/11/06	Location is 70% Complete	Caza 12	DRLG	
12/12/06	Location is 70% Complete	Caza 12	DRLG	
12/13/06	Location is 75% Complete	Caza 12		
12/14/06	Location is 80% Complete	Caza 12		
12/15/06	Location is 90% Complete	Caza 12		
12/18/06	Location is 95% Complete	Caza 12	P/L IN, WOBR	
12/19/06	SET CONDUCTOR	Caza 12	WOAR	
12/28/06	AIR RIG SPUD	Caza 12		
01/03/06	9 5/8" CSG @ 2343'	Caza 12	WORT	
01/18/07	TD: 2370' Csg. 9 5/8"@ 2343' MW: 8.4 Move to NBU 922-34O. 100% moved 20% rigged up.		SD: 1/XX/07 SDFN.	DSS: 0
01/19/07	TD: 2370' Csg. 9 5/8"@ 2343' MW: 8.4 Continue RURT. 100% moved 75% rigged up.		SD: 1/XX/07 SDFN.	DSS: 0
01/22/07	TD: 4510' Csg. 9 5/8"@ 2343' MW: 9.1		SD: 1/20/07	DSS: 2

Finish RURT. NU and test BOPE. PU BHA and DP and drill FE. Rotary spud @ 0600 hrs 1/20/07. Drill from 2355'-4510'. DA @ report time.

01/23/07

TD: 5420' Csg. 9 5/8"@ 2343' MW: 9.3 SD: 1/20/07 DSS: 3  
Drill from 4510'-5420'. DA @ report time.

01/24/07

TD: 6020' Csg. 9 5/8"@ 2343' MW: 9.6 SD: 1/20/07 DSS: 4  
Drill from 5420'-6020'. DA @ report time.

01/25/07

TD: 6250' Csg. 9 5/8"@ 2343' MW: 9.6 SD: 1/20/07 DSS: 5  
Drill from 6020'-6098'. TFNB. Drill to 6250'. DA @ report time.

01/26/07

TD: 6570' Csg. 9 5/8"@ 2343' MW: 10.0 SD: 1/20/07 DSS: 6  
Drill from 6250'-6386'. TFNB. Drill to 6570'. DA @ report time.

01/29/07

TD: 8370' Csg. 9 5/8"@ 2343' MW: 11.5 SD: 1/20/07 DSS: 9  
Drill from 6386'-8100'. TFNB and cut drill line. Drill to 8370'. DA @ report time.

01/30/07

TD: 8700' Csg. 9 5/8"@ 2343' MW: 11.7 SD: 1/20/07 DSS: 10  
Drill from 8370'-8700' TD. Short trip 10 STDs. POOH and run Triple Combo @ report time.

01/31/07

TD: 8700' Csg. 9 5/8"@ 2343' MW: 11.7 SD: 1/20/07 DSS: 11  
Run Triple Combo. TIH and CCH for casing. Lay down drill string. Run 4 1/2" Production Casing @ report time.

02/01/07

TD: 8700' Csg. 9 5/8"@ 2343' MW: 11.7 SD: 1/20/07 DSS: 11  
Run and cement 4 1/2" Production Casing. Set slips and release rig @ midnight 21/31/07. RDRT.

02/02/07

TD: 8700' Csg. 9 5/8"@ 2343' MW: 11.7 SD: 1/20/07 DSS: 13  
RDRT. Will move to the NBU 1022-10C-1 this morning.

02/12/07

**PU PROD TUBING**

Days On Completion: 1

Remarks: 7:00 AM. HSM RU DAY 1. ND WELL HEAD NU BOP'S. PU 3 7/8" MILL & SUB. DRIFT & TALLEY 276 JTS OF 2 3/8" J-55 4.7# TBG. TAG FILL @ 8,566'. 105' ABOVE FLOAT COLLAR. CHECKED W/ DRILLING DEP. NOTHING WAS REPORTED THAT DIFF. FROM REPORTS. CASING DEPTH FLOAT NOT HOLDING ECT. RU POWER SWIVEL & RIG PUMP. BRK CIRCULATION. DRL 5' SOFT CEMENT, THEN TOP PLUG (BLACK RUBBER RETURNS). CONT DRILLING @ 0.75' PER/MIN. DRL TO 8,660'. CIRCULATE WELL CLEAN. RD POWER SWIVEL. LD 22 JTS. 34 JTS TOTAL ON TRL. WINTERIZE WELL HEAD. SWI SDFN.

02/13/07

**POOH W/TBG AND PERF**

Days On Completion: 2

Remarks: DAY 2) 7:00 AM. HSM.

POOH W/129 STANDS. ND BOP'S NU FRAC VALVES. MIRU CUTTERS. RIH W/ CEMENT BOND LOG TOOLS. TAG PBT @ 8,669' GOOD CEMENT BOND TO SURFACE. MIRU B&C QUICK TEST. PRESSURE TEST CASING & BOTH FRAC VALVES TO 7,500 PSI. GOOD

TEST. RDMO B&C QUICK TEST. RIH W/ 3 3/8" EXP GUNS, 23 GRM, .36 HOLES, 90 DEG PHASING PERF 8,641' - 44' 4 SPF, 8,593' - 99' 4 SPF, 8,479' - 81' 4 SPF, 44 HOLES. RDMO CUTTERS. WINTERIZE WELL HEAD. SWI SDFN

02/14/07

### FRAC

Days On Completion: 3

Remarks: 6:00 AM. HSM. MIRU HALLIBURTON & CUTTERS TO PERF & FRAC.

STG 1) PRESSURE TEST PUMPS & LINES TO 8,700 PSI.WHP 0 PSI, BRK 3,530 PSI @ 4.3 BPM, ISIP 2,903 PSI, FG .77PMP 100 BBLS @ 49.7 BPM @ 4,600 PSI = 41 OF 44 HOLES OPEN. MP 6,300 PSI, MR 50.7 BPM, AP 4,696 PSI, AR 46.8 BPM, ISIP 2,687 PSI, FG .75, NPI - 216 PSI, PMP 840 BBLS SLICK WATER, 22,300 LBS 30/50 SAND

STG 2 ) RIH W/ 3 3/8" EXP GUNS, 23 GRM, .36 HOLES 90 DEG PHASING SET 5K HALLIBURTON CBP @ 8,342', PERF 8,308' - 12' 4 SPF, 8,210' - 15' 4SPF, 8,045' - 47' 4 SPF, 44 HOLES WHP 100 PSI, BRK 2,797 PSI @ 4.3 BPM, ISIP 2,212 PSI, FG .71 PMP 100 BBLS @ 49.3 BPM @ 4,240 PSI = 40 OF 44 HOLES OPEN MP 7,143 PSI, MR 53.4 BPM, AP 4,330 PSI, AR 49.4 BPM, ISIP 2,967 PSI, FG .80 NPI 755 PSI, PMP 1,511 BBLS SLICK WATER, 56,200 LBS 30/50 SAND

STG 3 ) RIH W/ 3 3/8" EXP GUNS, 23 GRM, .36 HOLES 90 & 120 DEG PHASING SET 5K HALLIBURTON CBP @ 7,995', PERF 7,962' - 65' 4 SPF, 7,910' - 13' 3 SPF, 7,814' - 18' 4 SPF, 7,684' - 86' 4 SPF, 45 HOLES WHP 180 PSI, BRK 2,282 PSI @ 4.3 BPM, ISIP 1,900 PSI, FG .68 PMP 100 BBLS @ 50.0 BPM @ 4,000 PSI = 40 OF 45 HOLES OPEN MP 4,172 PSI, MR 50.4 BPM, AP 3,562 PSI, AR 49.4 BPM, ISIP 2,185 PSI, FG .72 NPI 285 PSI, PMP 2,163 BBLS SLICK WATER, 83,000 LBS 30/50 SAND

STG 4 ) RIH W/ 3 3/8" EXP GUNS, 23 GRM, .36 HOLES 90 DEG PHASING SET 5K HALLIBURTON CBP @ 7,560', PERF 7,527' - 30' 4 SPF, 7,369' - 72' 4 SPF, 7,348' - 52' 4 SPF, 40 HOLES WHP 0 PSI, BRK 2,789 PSI @ 5.3 BPM, ISIP 1,977 PSI, FG .70 PMP 100 BBLS @ 49.5 BPM @ 4,200 PSI = 38 OF 40 HOLES OPEN MP 4,828 PSI, MR 54.1 BPM, AP 3,934 PSI, AR 49.5 BPM, ISIP 2,311 PSI, FG .75 NPI 334 PSI, PMP 606 BBLS SLICK WATER, 19,200 LBS 30/50 SAND

STG 5 ) RIH W/ 3 3/8" EXP GUNS, 23 GRM, .36 HOLES 90 DEG PHASING SET 5K HALLIBURTON CBP @ 7,162', PERF 7,127' - 32' 4 SPF, 7,022' - 28' 4 SPF, 44 HOLES WHP 0 PSI, BRK 2,464 PSI @ 4.3 BPM, ISIP 1,293 PSI, FG .62 PMP 100 BBLS @ 51.8 BPM @ 3,415 PSI = 38 OF 44 HOLES OPEN MP 3,793 PSI, MR 55.6 BPM, AP 3,359 PSI, AR 51.0 BPM, ISIP 2,094 PSI, FG .73 NPI 801 PSI, PMP 1,808 BBLS SLICK WATER, 72,000 LBS 30/50 SAND WINTERIZE WELL HEAD SWI SDFN

02/15/07

### RUN TUBING

Days On Completion: 4

Remarks: 7:00 AM. HSM.

STG 6) RIH W/ 3 3/8" EXP GUNS, 23 GRM, .36 HOLES, 90 DEG PHASING SET 5K HALLIBURTON CBP @ 5,956', PERF 5,922' - 26' 4 SPF, 5,823' - 29' 4 SPF 40 HOLES WHP 0 PSI, BRK 2,767 PSI @ 4.6 BPM, ISIP 1,502 PSI, FG .69PMP 100 BBLS @ 50.2 BPM @ 3,350 PSI = 39 OF 40 HOLES OPEN MP 3,912 PSI, MR 54.1 BPM, AP 2,816 PSI, AR 48.9 BPM, ISIP 1,385 PSI, FG .67 NPI -117 PSI, PMP 757 BBLS SLICK WATER, 27,200 LBS 30/50 SAND

STG 7 ) RIH W/ 3 3/8" EXP GUNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING SET 5K HALLIBURTON CBP @ 5,273', PERF 5,240' - 43' 4 SPF, 5,065' - 69' 4 SPF 4,967' - 69' 3 SPF, 4,866' - 69' 4 SPF, 46 HOLES WHP 100 PSI, BRK 1,014 PSI @ 4.7 BPM, ISIP 557 PSI, FG .55 PMP 100 BBLS @ 50.3 BPM @ 2,700 PSI = 46 OF 46 HOLES OPEN MP 2,789 PSI, MR 50.5 BPM, AP 2,266 PSI, AR 45.1 BPM, ISIP 770 PSI, FG .59 NPI 213 PSI, PMP 1,067 BBLS

SLICK WATER, 38,800 LBS 30/50 SAND KILL PLG ) RIH SET 5K HALLIBURTON CBP @ 4,810'. RDMO CUTTERS & HALLIBURTON. ND FRAC VALVES NU BOP'S PU 3 7/8" BIT FAST EDDIE POBS & SN. RIH W/ 152 JTS OF 2 3/8" J55 4.7# TBGRU POWER SWIVEL READY TO DRL. WINTERIZE WELL HEAD SWI SDFN

02/16/07

**DRILL CBP & LAND**

Days On Completion: 5

Remarks: 7:00 AM. HSM. DAY 5 )BRK CIRCULATION RIH

C/O 0' OF SAND TAG PLG 1 @ 4,810' DRL PLG IN 5 MIN WELL ON A VACUUM RIH

C/O 40' OF SAND TAG PLG 2 @ 5,273' PUMP 50 MORE BBLS STARTED TO GET RETURNS PUMP 2 BPM RETURNS 1/2 BPM. DRL PLG 2 100 PSI INCREASE RIH

C/O 30' OF SAND TAG PLG 3 @ 5,956' DRL PLG IN 10 MIN 100 PSI INCREASE RIH FLOATS NOT HOLDING FLOWING OUT TBG. PUMP DOWN TBG TO CLEAR FLOATS FLOATS NOT HOLDING. PUMP AGAIN FLOATS HOLDING. RIH

C/O 30' OF SAND TAG PLG 4 @ 7,162' DRL PLG IN 10 MIN 300 PSI INCREASE FLOATS NOT HOLDING. PUMP DOWN TBG AGAIN FLOATS HOLDING. RIH

C/O 30' OF SAND TAG PLG 5 @ 7,560' DRL PLG IN 10 MIN 400 PSI INCREASE RIH

C/O 30' OF SAND TAG PLG 6 @ 7,995' DRL PLG IN 10 MIN 400 PSI INCREASE RIH

C/O 50' OF SAND TAG PLG 7 @ 8,342' DRL PLG IN 12 MIN 300 PSI INCREASE RIH

C/O TO 5,657' CIRCULATE WELL CLEAN. WELL FLOWING @ 700 PSI THRU 2" LINE. LD 29 JTS LAND TUBING W/ 250 JTS OF 2 3/8" J-55 4.7# TBG. EOT @ 7,762.45' DROP BALL TO SHEAR OFF BIT. ND BOP'S NU WELL HEAD. PUMP OFF BIT @ 1450 PSI. TURN WELL OVER TO FLOW TESTERS.

292 JTS OUTBOUND	8,752 BBLS TLTR	14.00 KB
250 JTS LANDED	1,320 BBLS RIG REC	.83 HANGER
42 JTS RETURNED	7,432 BBLS LTR	7,745.42 TUBING
		2.20 FAST EDDIE S.N.
		7,762.45 LANDED

02/17/07

**FLOW BACK REPORT:** CP: 2050#, TP: 1650#, 15 BWPH, 20/64 CHK, TTL BBLS FLWD: 520 TODAYS LTR: 5982 BBLS, TTL LOAD RECD TO DATE: 1450 BBLS

02/18/07

**FLOW BACK REPORT:** CP: 1900#, TP: 1550#, 7 BWPH, 20/64 CHK, TTL BBLS FLWD: 246 TODAYS LTR: 5736 BBLS, TTL LOAD RECD TO DATE: 1696 BBLS

02/19/07

**ON SALES:** 1593 MCF, 0 BC, 350 BW, TP: 1324#, CP: 2000#, 20/64 CHK, 24 HRS, LP: 162#.

02/20/07

**ON SALES:** 2826 MCF, 0 BC, 350 BW, TP: 1380#, CP: 2000#, 20/64 CHK, 24 HRS, LP: 235#.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

5. Lease Serial No.  
UTU-0149077

1a. Type of Well  Oil Well  Gas  Dry Other  
b. Type of Completion:  New  Work Over  Deepen  Plug Back  Diff. Reserv.  
Other \_\_\_\_\_

6. If Indian, Allottee or Tribe Name

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

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

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

8. Lease Name and Well No.  
NBU 922-340

4. Location of Well (Report locations clearly and in accordance with Federal requirements)\*

At surface SW/SE 693'FSL, 2130'FEL  
At top prod. interval reported below

9. API Well No.  
4304737155

10. Field and Pool, or Exploratory  
NATURAL BUTTES

At total depth

14. Date Spudded 12/19/06  
15. Date T.D. Reached 01/30/07  
16. Date Completed  D & A  Ready to Prod. 02/18/07

11. Sec., T., R., M., or Block and Survey or Area SEC. 34, T9S, R22E

12. County or Parish UINTAH  
13. State UTAH

17. Elevations (DF, RKB, RT, GL)\*  
4921'GL

18. Total Depth: MD 8700' TVD  
19. Plug Back T.D.: MD 8669' TVD

20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
CBL-CCL-GR

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14"	36.7#		40'		28 SX			
12 1/4"	9 5/8"	32.3# 36#		2370'		900 SX			
7 7/8"	4 1/2"	11.6#		8700'		1535 SX			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Set (MD)
2 3/8"	7762'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	4866'	5926'	4866'-5926'	0.36	86	OPEN
B) MESAVERDE	7022'	8644'	7022'-8644'	0.36	217	OPEN
C)						
D)						

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

Depth Interval	Amount and type of Material
4866'-5926'	PMP 1824 BBLs SLICK H2O & 66,000# 30/50 OTTOWA SD
7022'-8644'	PMP 6928 BBLs SLICK H2O & 252,700# 30/50 OTTOWA SD

RECEIVED  
MAR 16 2007

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
02/18/07	02/20/07	24	→	0	2,826	350			Flows from Well
Choke Size	Tbg. Press. Flwg. 1380# SI	Csg. Press. 2000#	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
20/64	SI	2000#	→	0	2826	350			Producing Gas Well

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28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
02/18/07	02/20/07	24	→	0	2826	350			Flows from Well
Choke Size	Tbg. Press. Flwg. 1380# SI	Csg. Press. 2000#	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
20/64	SI	2000#	→	0	2826	350			Producing Gas Well

28b. Production - Interval C

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

28c. Production - Interval D

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

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

SOLD

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH DARK CANYON MESAVERDE	4230' 6650' 6700'	6650' 6700'			

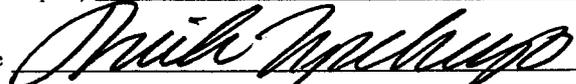
32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

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

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

Name (please print) SHEILA UPCHEGO Title SENIOR LAND ADMIN SPECIALIST

Signature  Date 3/12/2007

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

<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> UTU-0149077
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</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>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 922-340
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.		<b>9. API NUMBER:</b> 43047371550000
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	<b>PHONE NUMBER:</b> 720 929-6515 Ext	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0693 FSL 2130 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWSE Section: 34 Township: 09.0S Range: 22.0E Meridian: S		<b>COUNTY:</b> UINTAH
		<b>STATE:</b> UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:  <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 3/10/2011  <input type="checkbox"/> SPUD REPORT Date of Spud:  <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> OTHER	
	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
This well returned to production on 03/10/2011.		
<b>Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY</b>		
<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> 3/23/2011