

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. UTU-01196-C
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 WESTPORT OIL & GAS COMPANY, L.P.		7. If Unit or CA Agreement, Name and No. NATURAL BUTTES UNIT
3A. Address 1368 SOUTH 1200 EAST, VERNAL, UTAH 84078		8. Lease Name and Well No. NBU 1022-10M
3b. Phone No. (include area code) (435) 781-7060		9. API Well No. 43-047-37170
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWSW 364' FSL 358' FWL 633816X 39.957146 At proposed prod. Zone 4423966y -109.433377		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 24.1 MILES SOUTHEAST OF OURAY, UTAH		11. Sec., T., R., M., or Blk, and Survey or Area SEC 10-T10S-R22E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 358'	16. No. of Acres in lease 400	12. County or Parish UINTAH
17. Spacing Unit dedicated to this well 40	13. State UT	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C	19. Proposed Depth 8625'	20. BLM/BIA Bond No. on file CO-1203
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5215' 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:

- |   |   |
|---|---|
| 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) DEBRA DOMENICI	Date 9/19/2005
Title ASSOCIATE ENVIRONMENTAL ANALYST		
Approved by Signature 	Name (Printed/Typed) BRADLEY G. HILL	Date 09-27-05
Title ENVIRONMENTAL SCIENTIST III		

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)

RECEIVED

Federal Approval of this  
Action is Necessary

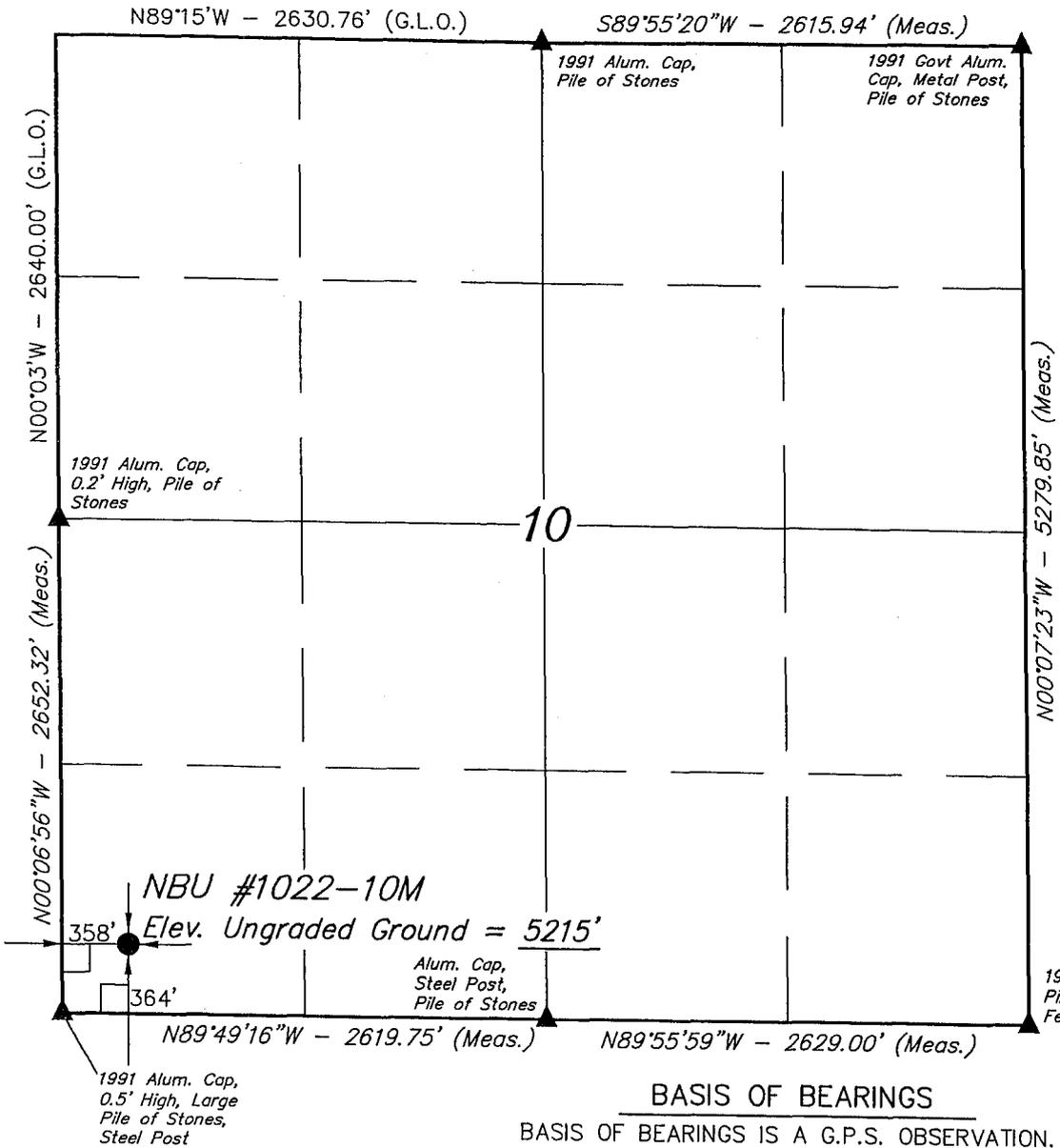
SEP 26 2005

DIV. OF OIL, GAS & MINING

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

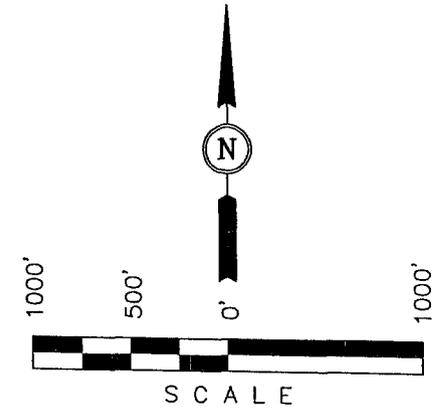
## WESTPORT OIL AND GAS COMPANY, L.P.

Well location, NBU #1022-10M, located as shown in the SW 1/4 SW 1/4 of Section 10, T10S, R22E, S.L.B.&M. Uintah County, Utah.



### BASIS OF ELEVATION

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



### CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL 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°57'26.11" (39.957253)  
 LONGITUDE = 109°26'02.66" (109.434072)

(NAD 27)

LATITUDE = 39°57'26.23" (39.957286)  
 LONGITUDE = 109°26'00.20" (109.433389)

### 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: 6-27-05	DATE DRAWN: 07-03-05
PARTY D.K. C.K. L.K.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE WESTPORT OIL AND GAS COMPANY, L.P.	

NBU 1022-10M  
SWSW SEC 10-T10S-R22E  
UINTAH COUNTY, UTAH  
UTU-01196-C

ONSHORE ORDER NO. 1

***DRILLING PROGRAM***

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

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1120'
Wasatch	4160'
Mesaverde	6580'
TD	8625'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1120'
Gas	Wasatch	4160'
Gas	Mesaverde	6580'
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 8625' TD, approximately equals 3450 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1552.5 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'						
SURFACE	9-5/8"	0 to 2000	32.30	H-40	STC	2270	1370	254000
						0.70*****	1.58	4.49
PRODUCTION	4-1/2"	0 to 8625	11.60	M-80 or I-80	LTC	7780	6350	201000
						2.39	1.23	2.30

- 1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)  
 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)  
 (Burst Assumptions: TD = 11.5 ppg) .22 psi/ft = gradient for partially evac wellbore  
 (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)  
 MASP 3260 psi

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

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE Option 1	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE Option 2	LEAD	1500	<b>NOTE: If well will circulate water to surface, option 2 will be utilized</b> Prem cmt + 16% Gel + 10 pps gilsonite +.25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,655'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	380	60%	11.00	3.38
	TAIL	4,970'	50/50 Poz/G + 10% salt + 2% gel	1390	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 & pour 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

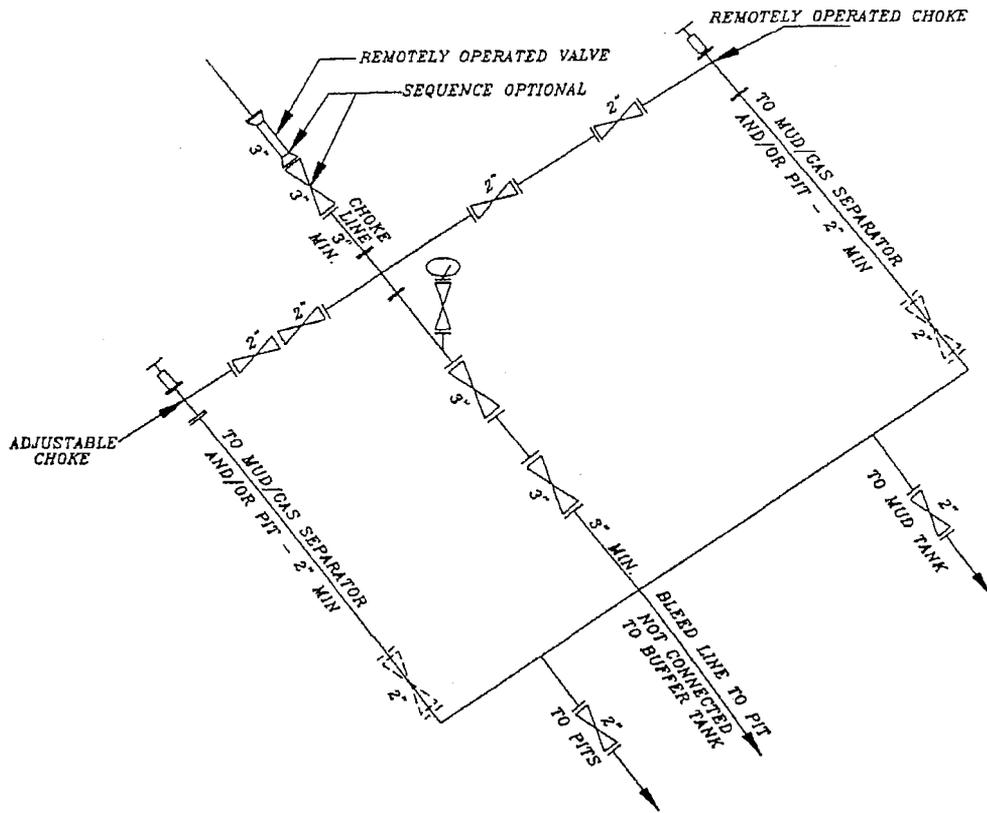
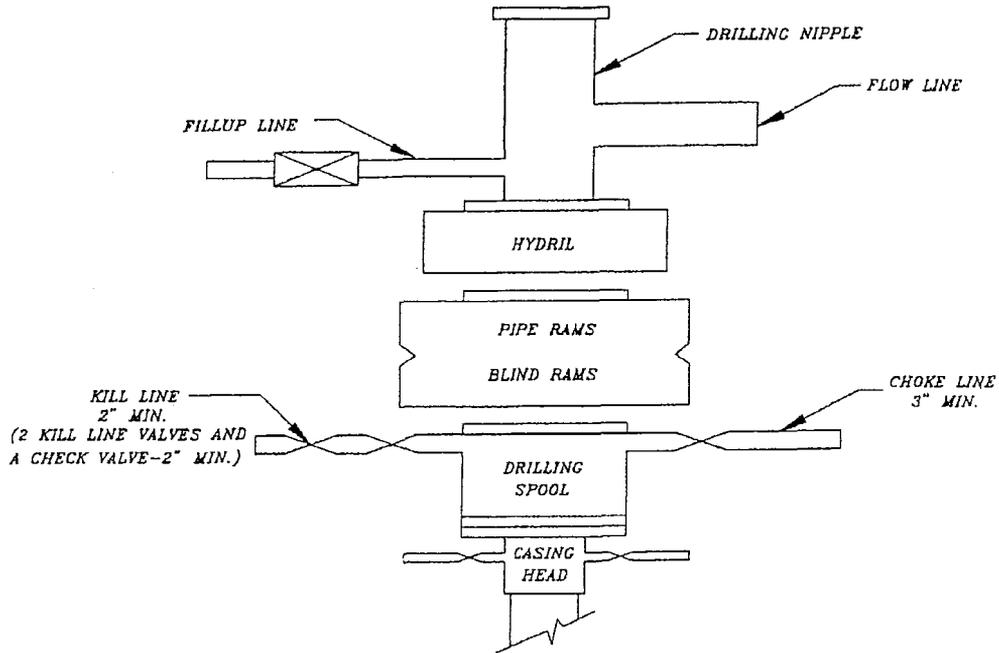
DATE:

DRILLING SUPERINTENDENT:

Randy Bayne

DATE:

# 5M BOP STACK and CHOKE MANIFOLD SYSTEM



**NBU 1022-10M  
SWSW SEC 10-T10S-R22E  
UINTAH COUNTY, UTAH  
UTU-01196-C**

**ONSHORE ORDER NO. 1**

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

An onsite inspection was conducted for the NBU 1022-10M 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).*

Approximately 0.2 miles of new access road is proposed. 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 986' of pipeline is proposed. Refer to Topo Map D for the location of the proposed pipelines.

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

Approximately 986' 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 and the soil has a poor history for successful rehabilitation.

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.*

When the pit is backfilled, the topsoil pile shall be spread on the location up to the rig anchor points. The location will be reshaped to the original contour to the extent possible. The following seed mixture will be used to reclaim the surface for interim reclamation using appropriate reclamation methods. 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. Stipulations:****Cactus:**

A cactus survey will be performed.

**13. 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.

**14. 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 Bold #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

9/19/2005

Date

WESTPORT OIL AND GAS COMPANY, L.P.  
NBU #1022-10M  
SECTION 10, T10S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 11.2 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 8.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN LEFT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 0.35 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE TO FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 55.1 MILES.

# WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1022-10M  
LOCATED IN UINTAH COUNTY, UTAH  
SECTION 10, T10S, R22E, S.L.B.&M.

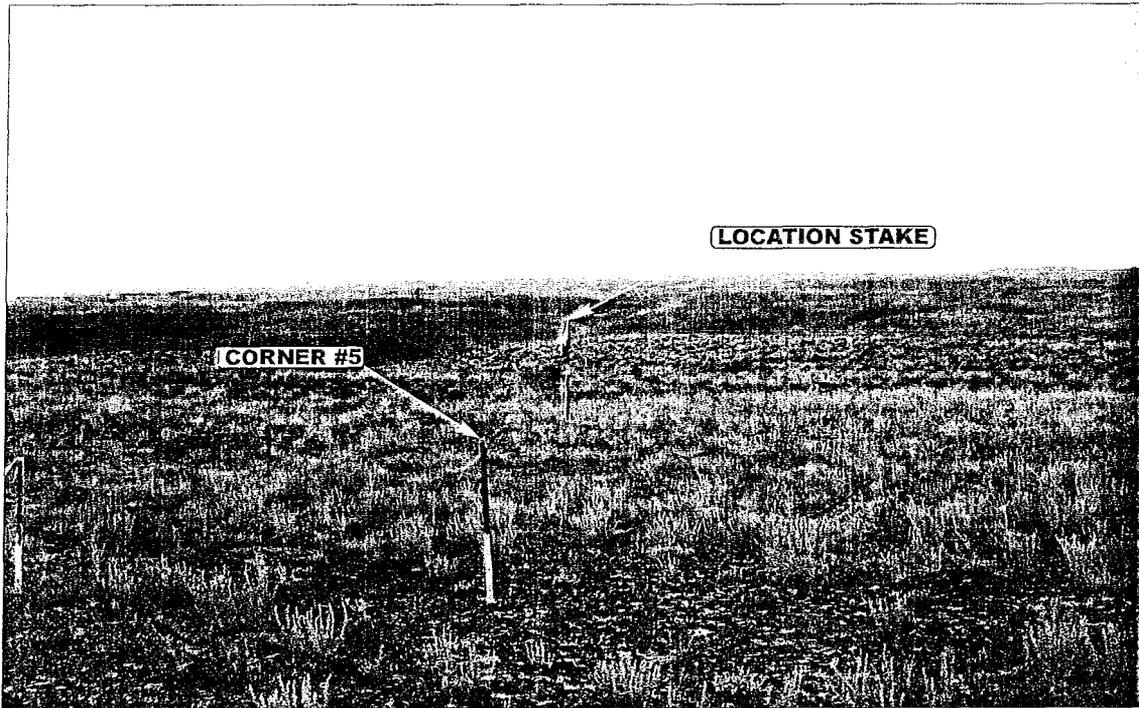


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY

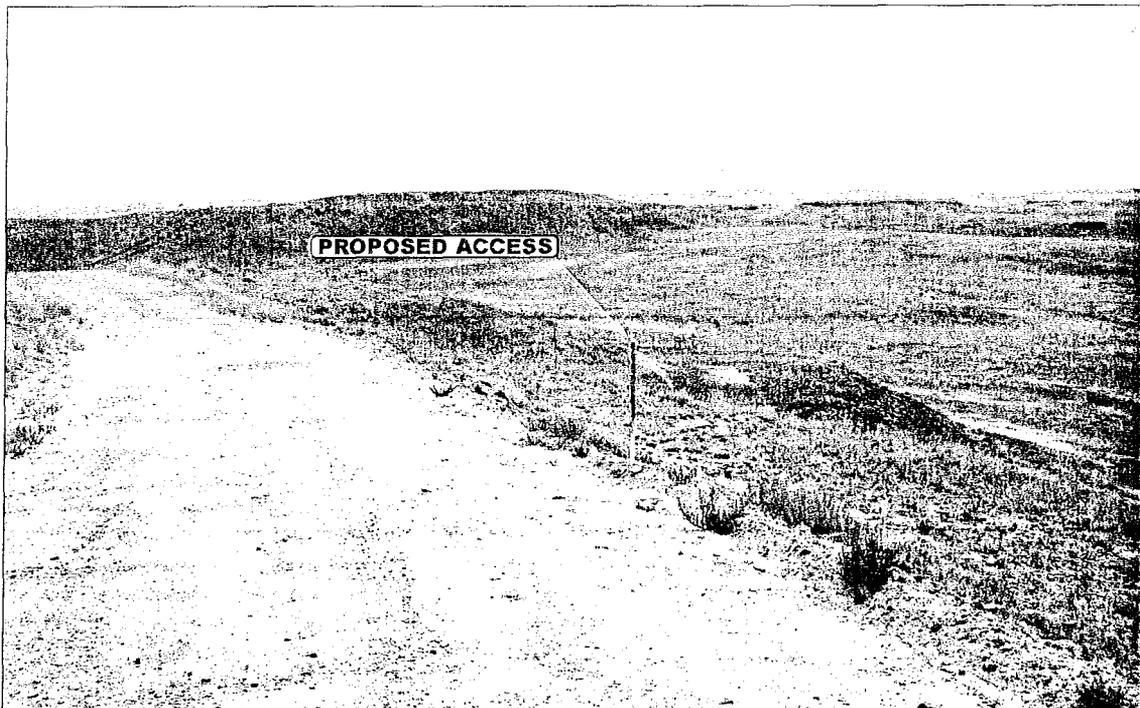


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

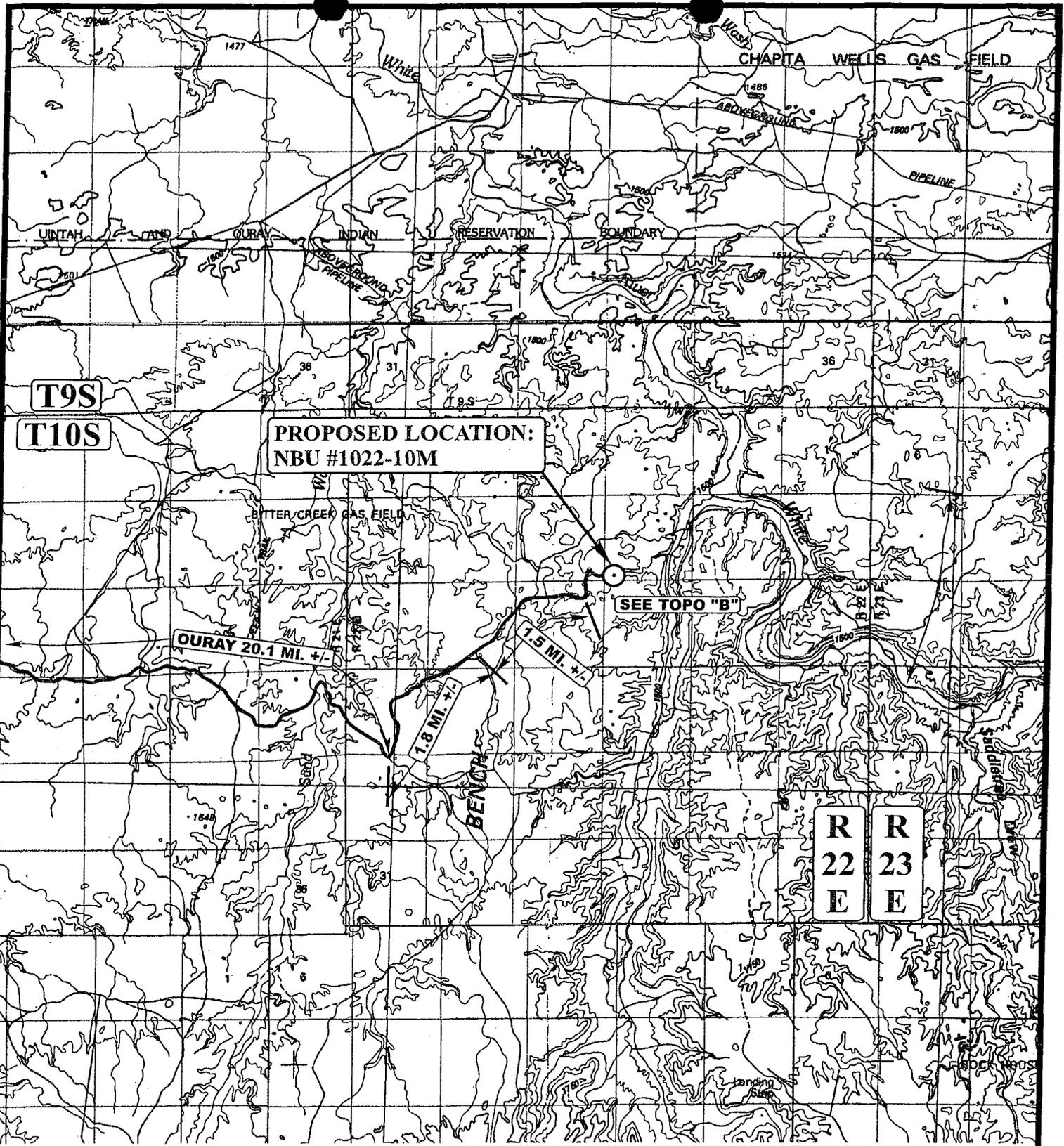
CAMERA ANGLE: NORTHEASTERLY



Since 1964 -

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

LOCATION PHOTOS	07	06	05	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: D.K.	DRAWN BY: C.H.		REVISED: 00-00-00	



**LEGEND:**

○ PROPOSED LOCATION



**WESTPORT OILAND GAS COMPANY, L.P.**

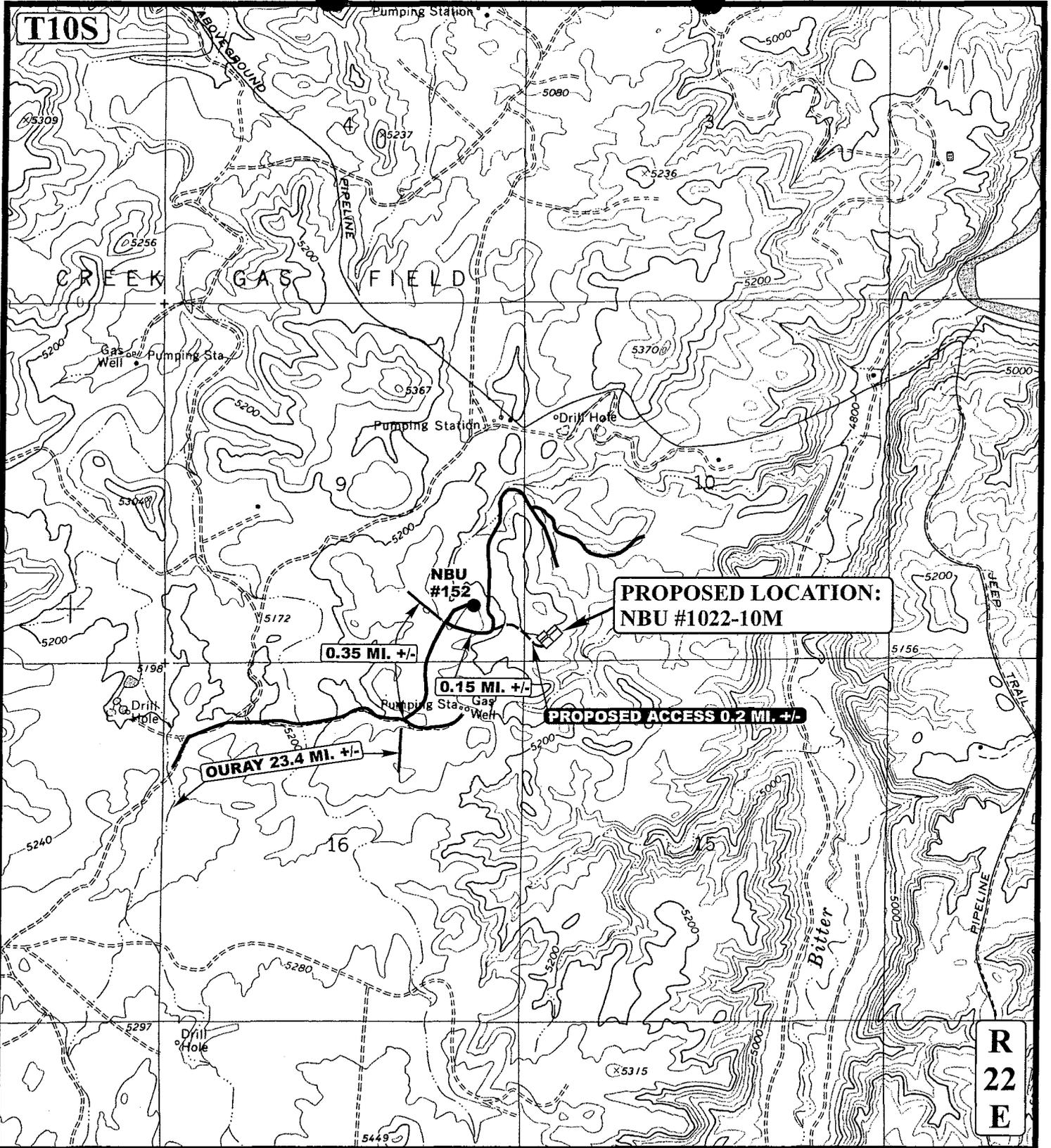
NBU #1022-10M  
 SECTION 10, T10S, R22E, S.L.B.&M.  
 364' FSL 358' FWL



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

TOPOGRAPHIC MAP  
 07 06 05  
 MONTH DAY YEAR  
 SCALE: 1:100,000 DRAWN BY: C.H. REVISED: 00-00-00





**LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD

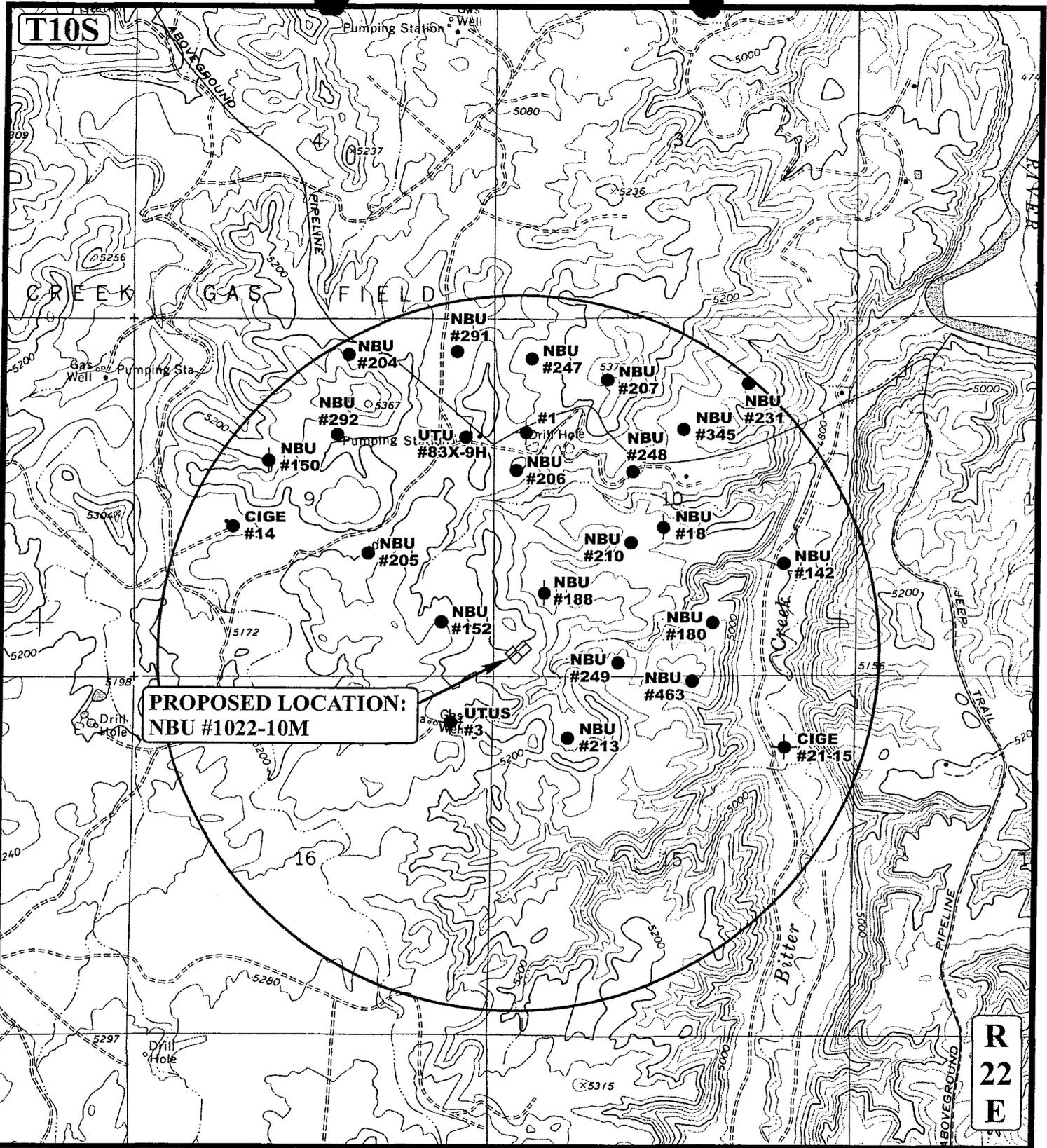
**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



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

**NBU #1022-10M**  
**SECTION 10, T10S, R22E, S.L.B.&M.**  
**364' FSL 358' FWL**

<b>TOPOGRAPHIC</b> <b>MAP</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; text-align: center;">07</td> <td style="width: 33%; text-align: center;">06</td> <td style="width: 33%; text-align: center;">05</td> </tr> <tr> <td style="text-align: center; font-size: small;">MONTH</td> <td style="text-align: center; font-size: small;">DAY</td> <td style="text-align: center; font-size: small;">YEAR</td> </tr> </table>	07	06	05	MONTH	DAY	YEAR	
07	06	05						
MONTH	DAY	YEAR						
SCALE: 1" = 2000'	DRAWN BY: C.H.	REVISED: 00-00-00						



**PROPOSED LOCATION:  
NBU #1022-10M**

**LEGEND:**

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



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



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

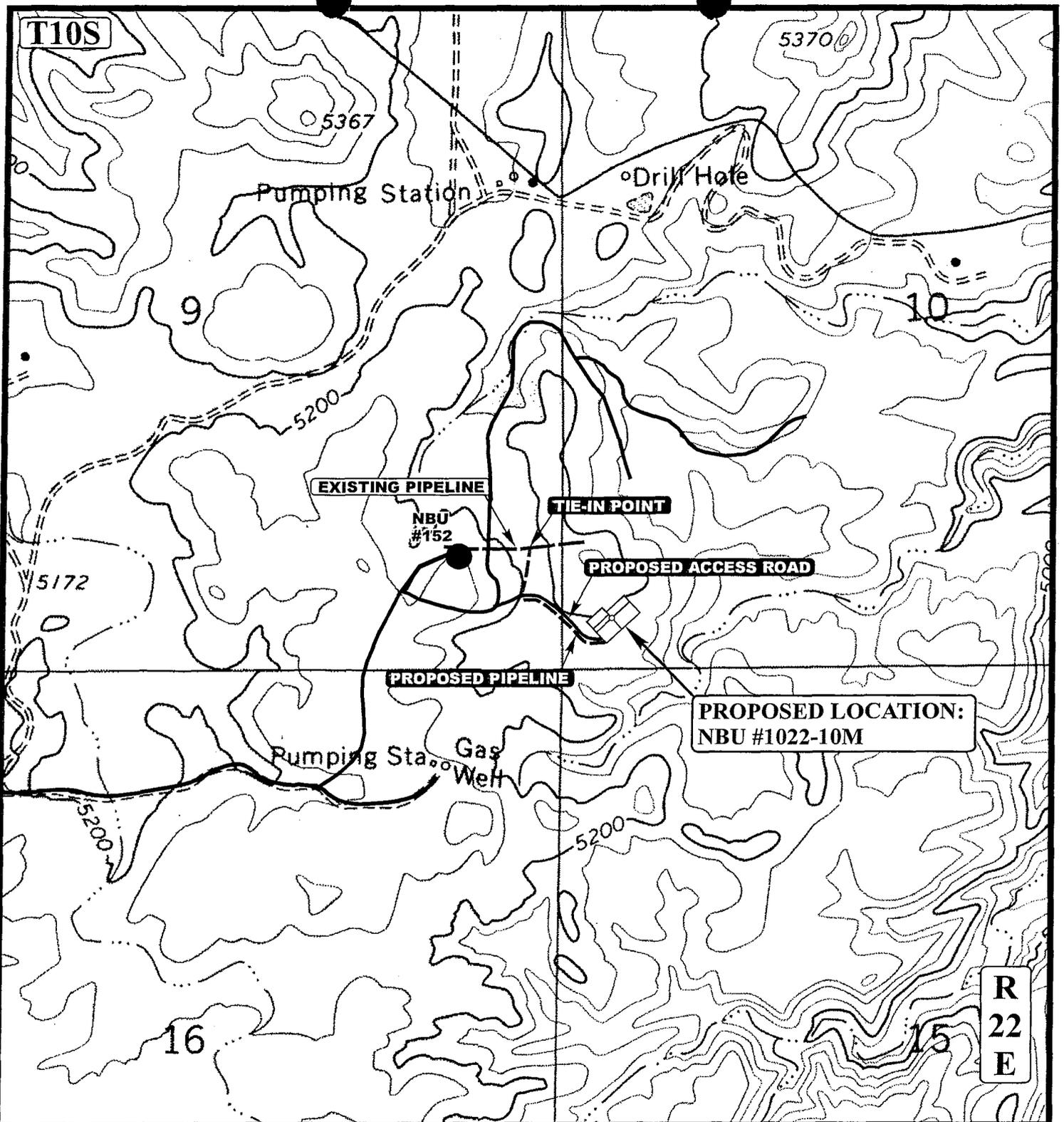
**NBU #1022-10M**  
**SECTION 10, T10S, R22E, S.L.B.&M.**  
**364' FSL 358' FWL**

**TOPOGRAPHIC  
MAP**

<b>07</b>	<b>06</b>	<b>05</b>
MONTH	DAY	YEAR

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





APPROXIMATE TOTAL PIPELINE DISTANCE = 986' +/-

**LEGEND:**

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE

WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1022-10M  
 SECTION 10, T10S, R22E, S.L.B.&M.  
 364' FSL 358' FWL



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



TOPOGRAPHIC MAP 07 06 05  
MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: C.H. REVISED: 00-00-00



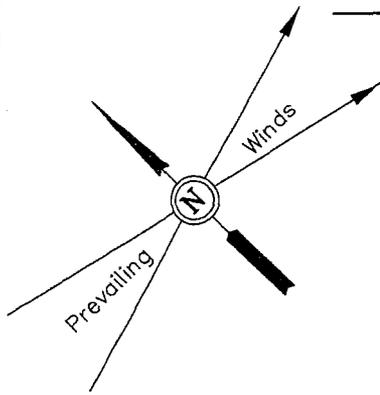
WESTPORT OIL AND GAS COMPANY, L.P.

FIGURE #1

LOCATION LAYOUT FOR

NBU #1022-10M  
SECTION 10, T10S, R22E, S.L.B.&M.  
364' FSL 358' FWL

CONSTRUCT  
DIVERSION  
DITCH



SCALE: 1" = 50'  
DATE: 07-03-05  
Drawn By: L.K.

Approx.  
Top of  
Cut Slope

Sta. 3+50

Round Corners  
as Needed

Existing  
Drainage

Approx.  
Toe of  
Fill Slope

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

Pit Topsoil

FLARE PIT

C-3.0'  
El. 216.8'

Block Line

El. 220.6'  
C-16.8'  
(btm. pit)

100'

10'

Reserve Pit Backfill  
& Spoils Stockpile

15' WIDE BENCH  
150'

RESERVE PITS  
(10' Deep)

Total Pit Capacity  
W/2' of Freeboard  
= 15,490 Bbls. ±  
Total Pit Volume  
= 4,280 Cu. Yds.

1 1/2:1 Slope

5'

C-2.8'  
El. 216.6'

El. 215.6'  
C-11.8'  
(btm. pit)

15' WIDE BENCH

GRADE  
El. 213.8'

5'

C-0.8'  
El. 214.6'

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5215.0'  
FINISHED GRADE ELEV. AT LOC. STAKE = 5213.8'

PIPE TUBS

CATWALK  
PIPE RACKS

C-1.2'  
El. 215.0'

Existing  
Drainage

F-5.5'  
El. 208.3'

Sta. 1+50

TOILET

TRAILER

WATER TANK

LIGHT PLANT

BOILER

COMPRESSOR

BOOSTER

PUMP HOUSE

TRASH

PROPANE STORAGE

C-0.8'  
El. 214.6'

Sta. 0+00

2

C-0.3'  
El. 214.1'

Proposed Access  
Road

WESTPORT OIL AND GAS COMPANY, L.P.

FIGURE #2

TYPICAL CROSS SECTIONS FOR

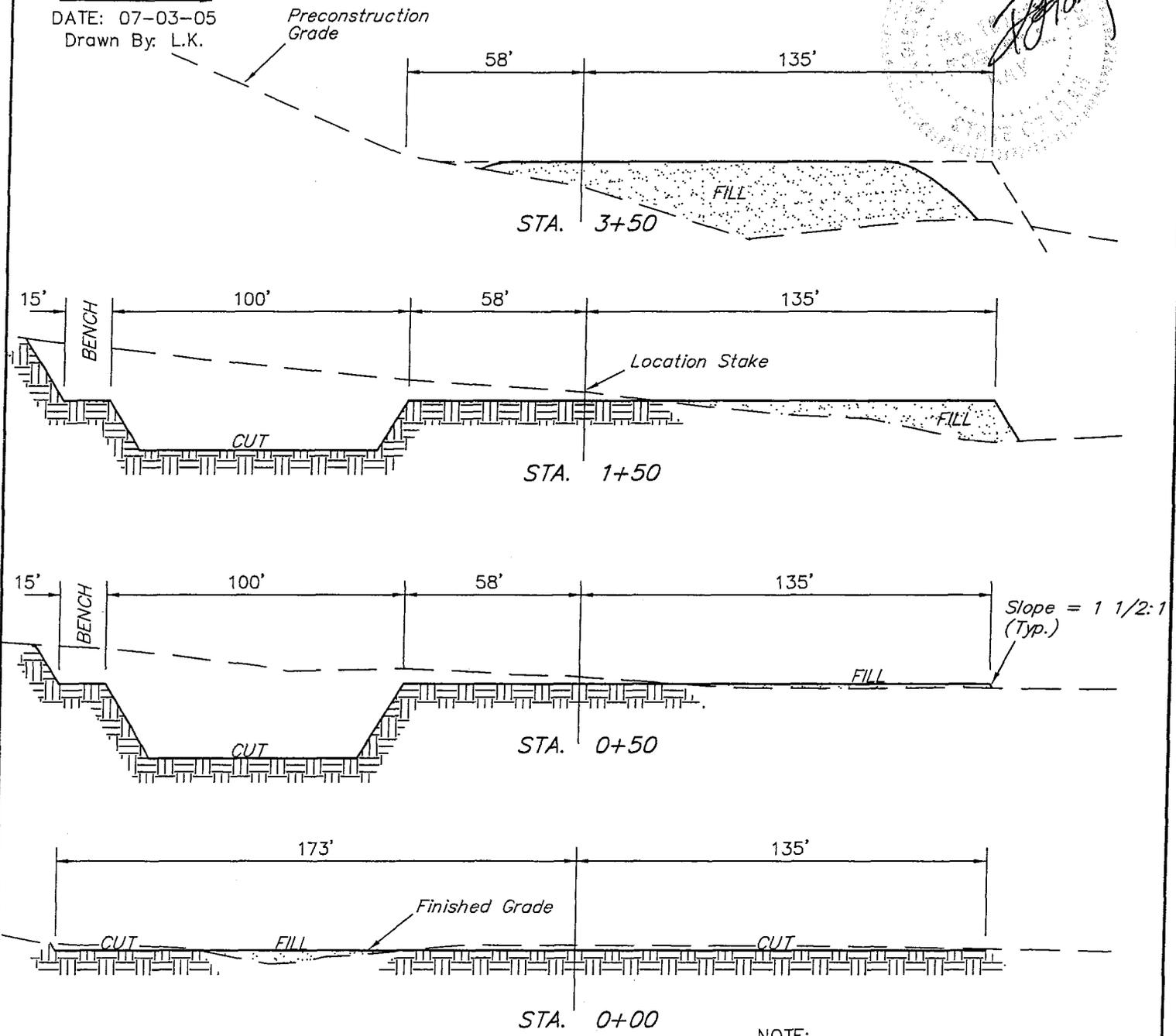
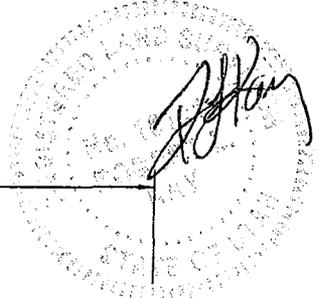
NBU #1022-10M

SECTION 10, T10S, R22E, S.L.B.&M.

364' FSL 358' FWL

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

DATE: 07-03-05  
Drawn By: L.K.



\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

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

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,790 Cu. Yds.
Remaining Location	= 7,600 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 9,390 CU.YDS.</b>
<b>FILL</b>	<b>= 5,460 CU.YDS.</b>

EXCESS MATERIAL	= 3,930 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,930 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 09/26/2005

API NO. ASSIGNED: 43-047-37170

WELL NAME: NBU 1022-10M  
 OPERATOR: WESTPORT OIL & GAS CO ( N2115 )  
 CONTACT: DEBRA DOMENICI

PHONE NUMBER: 435-781-7060

PROPOSED LOCATION:

SWSW 10 100S 220E  
 SURFACE: 0364 FSL 0358 FWL  
 BOTTOM: 0364 FSL 0358 FWL  
 UINTAH  
 NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: UTU-01196-C  
 SURFACE OWNER: 1 - Federal  
 PROPOSED FORMATION: WSMVD  
 COALBED METHANE WELL? NO

LATITUDE: 39.95715  
 LONGITUDE: -109.4334

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:

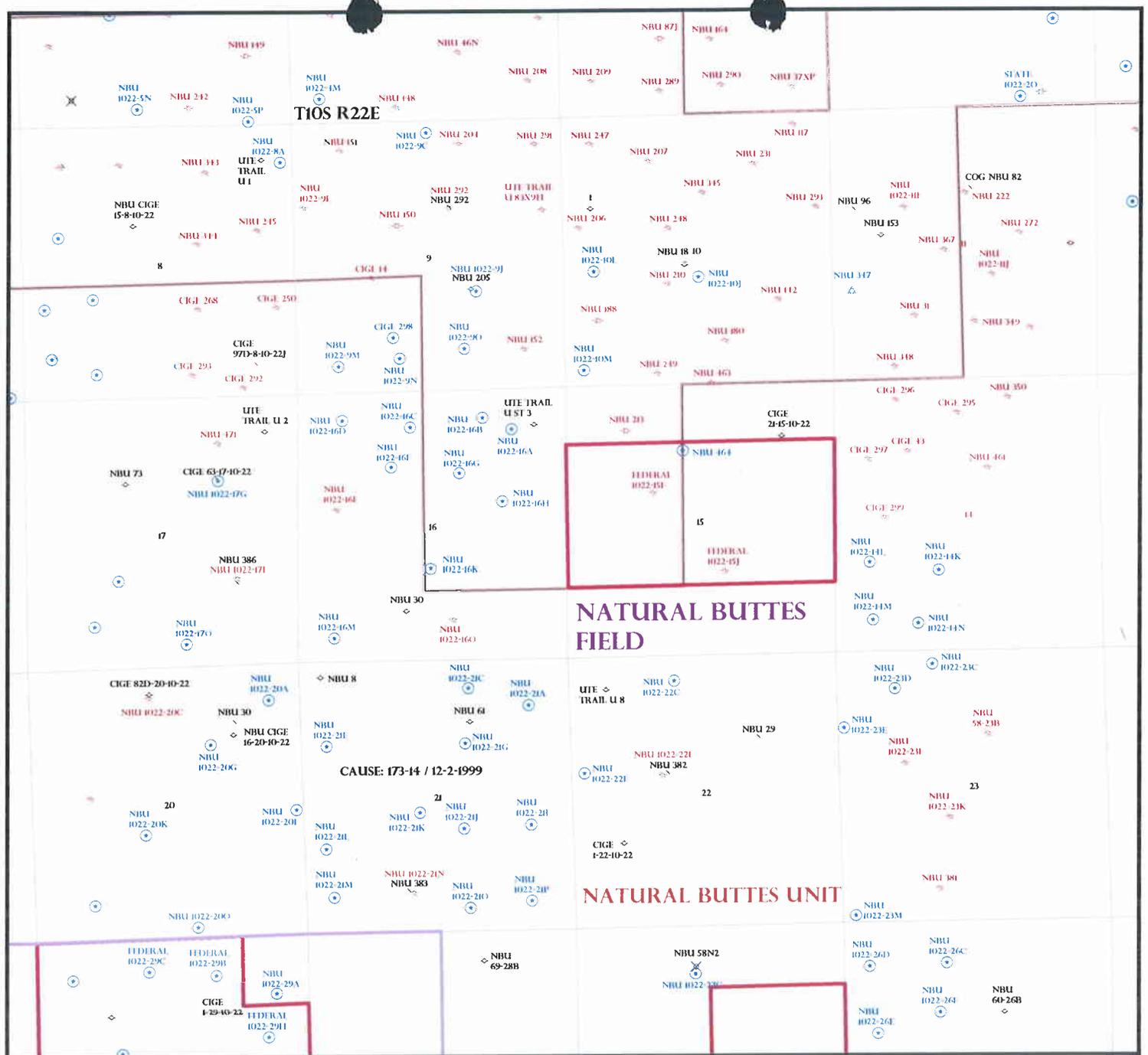
- \_\_\_\_\_ R649-2-3.
- Unit NATURAL BUTTES
- \_\_\_\_\_ R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- \_\_\_\_\_ R649-3-3. Exception
- Drilling Unit  
Board Cause No: 173-14  
Eff Date: 12-2-99  
Siting: 460' fr u bdr g. & uncomm. Tract
- \_\_\_\_\_ R649-3-11. Directional Drill

COMMENTS:

(See Separate File)

STIPULATIONS:

1- Federal Approved  
2- OIL SHALE



T10S R22E

NATURAL BUTTES FIELD

NATURAL BUTTES UNIT

CAUSE: 173-14 / 12-2-1999

OPERATOR: WESTPORT O&G CO (N2115)

SEC: 9,10,21,22 T. 10S 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
  - PI 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: 27-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 27, 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)

43-047-37166	NBU 1022-9J Sec 09 T10S R22E 1941 FSL 1739 FEL	
43-047-37167	NBU 1022-9N Sec 09 T10S R22E 0661 FSL 1983 FWL	
43-047-37168	NBU 1022-10J Sec 10 T10S R22E 2136 FSL 2620 FEL	
43-047-37169	NBU 1022-10L Sec 10 T10S R22E 2273 FSL 0580 FWL	
43-047-37170	NBU 1022-10M Sec 10 T10S R22E 0364 FSL 0358 FWL	
43-047-37171	NBU 1022-21M Sec 21 T10S R22E 0727 FSL 0560 FWL	
43-047-37172	NBU 1022-21L Sec 21 T10S R22E 1675 FSL 0420 FWL	
43-047-37173	NBU 1022-21P Sec 21 T10S R22E 0579 FSL 0852 FEL	
43-047-37174	NBU 1022-210 Sec 21 T10S R22E 0462 FSL 2059 FEL	
43-047-37175	NBU 1022-21J Sec 21 T10S R22E 2018 FSL 2162 FEL	
43-047-37176	NBU 1022-22E Sec 22 T10S R22E 2247 FNL 0228 FWL	
43-047-37177	NBU 1022-22C Sec 22 T10S R22E 0467 FNL 2018 FWL	
43-047-37165	NBU 1022-27C Sec 27 T10S R22E 0922 FNL 2341 FWL	
43-047-37178	NBU 1022-350 Sec 35 T10S R22E 0610 FSL 2139 FEL	
43-047-37179	NBU 1022-35N Sec 35 T10S R22E 0703 FSL 1995 FWL	
43-047-37180	NBU 1022-35J Sec 35 T10S R22E 1971 FSL 1844 FEL	

Page 2

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

/s/ Michael L. Coulthard

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

MCoulthard:mc:9-27-05



**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 27, 2005

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

Re: Natural Buttes Unit 1022-10M Well, 364' FSL, 358' FWL, SW SW, Sec. 10,  
T. 10 South, R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37170.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

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

Operator: Westport Oil & Gas Company  
Well Name & Number Natural Buttes Unit 1022-10M  
API Number: 43-047-37170  
Lease: UTU-01196-C

Location: SW SW                      Sec. 10                      T. 10 South                      R. 22 East

### Conditions of Approval

1. General

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

2. Notification Requirements

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:		<b>1/6/2006</b>
<b>FROM:</b> (Old Operator): N2115-Westport Oil & Gas Co., LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024	<b>TO:</b> ( New Operator): N2995-Kerr-McGee Oil & Gas Onshore, LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024	

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

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- b. If **NO**, the operator was contacted on:
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a 3 LA wells & all PA wells transferred
- 5c. Reports current for Production/Disposition & Sundries on: ok
- 6. Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet
- 7. Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006
- 8. Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- 9. Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on:

**DATA ENTRY:**

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

**BOND VERIFICATION:**

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

**LEASE INTEREST OWNER NOTIFICATION:**

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

**COMMENTS:**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

*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**

DIV. OF OIL, GAS & MINING

*BLM BOND = C01203  
BIA BOND = RLB0005239*

**APPROVED 5/16/06**

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

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

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

**THIS SPACE FOR FEDERAL OR STATE USE**

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

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

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

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**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 & MINERALS

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-01196-C**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**NBU 1022-10M**

9. API Well No.  
**4304737170**

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)  
**SWSW 364' FSL 358' FWL  
SEC 10-T10S-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, GAS AND MINING ON SEPTEMBER 27, 2005.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 11-02-06  
By: [Signature]

COPY SENT TO OPERATOR  
Date: 11/2/06  
Initials: [Signature]

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

Name (Printed/Typed) <b>RAMEY HOOPES</b>	Title <b>REGULATORY CLERK</b>
Signature <u>[Signature]</u>	Date <b>October 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	

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

(Instructions on reverse)

**RECEIVED**  
**NOV 01 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:** 4304737170  
**Well Name:** NBU 1022-10M  
**Location:** SWSW SEC 10- T10S-R22E  
**Company Permit Issued to:** KERR MCGEE OIL AND GAS ONSHORE LP  
**Date Original Permit Issued:** 9/27/2005

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

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

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

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

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

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

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

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

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

Ramey Hoopes  
Signature

10/20/2006

Date

Title: REGULAROTY CLERK

Representing: Kerr McGee Oil and Gas Onshore LP

RECEIVED  
NOV 01 2006  
DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**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-01196-C
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 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		8. Lease Name and Well No. NBU 1022-10M
3b. Phone No. (include area code) (435) 781-7003		9. API Well No. 43-047-37170
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWSW 364' FSL 358' FWL At proposed prod. Zone		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 24.1 MILES SOUTHEAST OF OURAY, UTAH		11. Sec., T., R., M., or Blk, and Survey or Area SEC 10-T10S-R22E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 358'	16. No. of Acres in lease 400	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	19. Proposed Depth 8625'	20. BLM/BIA Bond No. on file <del>CO-1203</del> WYB000291
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5215' 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:

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

25. Signature <i>Ramey Hoopes</i>	Name (Printed/Typed) RAMEY HOOPES	Date 4/27/2006
<b>REGULATORY CLERK</b>		
Approved by (Signature) <i>Jerry Kenicka</i>	Name (Printed/Typed) JERRY KENICKA	Date 2/23/2007
Title Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD 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 ATTACHED**

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

\*(Instructions on reverse)

RECEIVED

MAR 06 2007

NOTICE OF APPROVAL

DIV. OF OIL, GAS & MINING



06GXJ0081A

**RECEIVED**

SEP 20 2005

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

**BLM VERNAL, UTAH**

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-01196-C	
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 WESTPORT OIL & GAS COMPANY, L.P.		7. If Unit or CA Agreement, Name and No. NATURAL BUTTES UNIT	
3A. Address 1368 SOUTH 1200 EAST, VERNAL, UTAH 84078		8. Lease Name and Well No. NBU 1022-10M	
3b. Phone No. (include area code) (435) 781-7060		9. API Well No.	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWSW 364' FSL 358' FWL At proposed prod. Zone		10. Field and Pool, or Exploratory NATURAL BUTTES	
14. Distance in miles and direction from nearest town or post office* 24.1 MILES SOUTHEAST OF OURAY, UTAH		11. Sec., T., R., M., or Blk, and Survey or Area SEC 10-T10S-R22E	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 358'	16. No. of Acres in lease 400	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	19. Proposed Depth 8625'	20. BLM/BIA Bond No. on file CO-1203	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5215' 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:

- |  |   |
|--|---|
| 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) DEBRA DOMENICI	Date 9/19/2005
-------------------	--	-------------------

Title <b>ASSOCIATE ENVIRONMENTAL ANALYST</b>		
Approved by (Signature)	Name (Printed/Typed)	Date
Title	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)

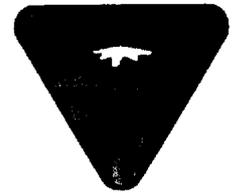
06GXJ0081A

Entered in AFMSS  
Date 12-28-06



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

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



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

Company: Kerr McGee Oil & Gas Onshore LP Location: SWSW, Sec 10, T10S, R22E  
Well No: NBU 1022-10M Lease No: UTU-01196-C  
API No: 43-047-37170 Agreement: Natural Buttes WS MV

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Petroleum Engineer:	Jim Ashley	Office: 435-781-4470	Cell: 435-828-7874
Petroleum Engineer:	Ryan Angus	Office: 435-781-4430	
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
Natural Resource Specialist:	Chuck Macdonald	Office: 435-781-4441	
Natural Resource Specialist:	Darren Williams	Office: 435-781-4447	
Natural Resource Specialist:	Verlyn Pindell	Office: 435-781-3402	
<b>After Hours Contact Number:</b>	<b>435-781-4513</b>	Fax: 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 (Notify Holly Villa) - Forty-Eight (48) hours prior to construction of location and access roads.
- Location Completion (Notify Holly Villa) - Prior to moving on the drilling rig.
- Spud Notice (Notify Petroleum Engineer) - Twenty-Four (24) hours prior to spudding the well.
- Casing String & Cementing (Notify Jamie Sparger) - Twenty-Four (24) hours prior to running casing and cementing all casing strings.
- BOP & Related Equipment Tests (Notify Jamie Sparger) - Twenty-Four (24) hours prior to initiating pressure tests.
- First Production Notice (Notify Petroleum Engineer) - Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

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

- Adhere to Executive Order 5327 of April 15, 1930, stipulations for lands in oil shale withdrawal.
- All applicable local, state, and/or federal laws, regulations, and/or statutes will be complied with.
- All traffic related to this action will be restricted to approved routes. Cross-country vehicle travel will not be allowed.
- No vehicle travel, construction or routine maintenance activities shall be performed during periods when the soil is too wet to adequately support vehicles and/or construction equipment. If such equipment creates ruts in excess of four inches deep, the soil shall be deemed too wet to adequately support construction equipment.
- The access road will be crowned and ditched. Flat-bladed roads are not allowed.
- If additional erosion occurs during the life of this project, more culverts, low water crossings, berms, wing ditches or etc. will be needed to control the erosion.
- All secondary drainages shall be rerouted around the location, as needed.
- Low-water crossings will be appropriately constructed to avoid sedimentation of drainage ways and other water resources.
- Pipelines will be buried at all major drainage crossings.
- Prevent fill and stock piles from entering drainages.
- The reserve pit will be lined with a 16 ml or greater liner and doubled felted prior to spudding.
- The liner is to be cut 5 feet below ground surface or at the level of the cuttings, whichever is deeper, and the excess liner material is to be disposed of at an authorized disposal site.
- When the reserve pit contains fluids or toxic substances, the operator must ensure animals do not ingest or become entrapped in pit fluids.
- If paleontologic or cultural materials are uncovered during construction, the operator shall immediately stop work that might further disturb or move such materials and contact the Authorized Officer (AO) within 48 hours. A determination will be made by the AO as to necessary mitigation for the discovered paleontologic/cultural material.
- If Uinta Basin hookless cactus or other special status plants are found, construction will cease and the AO will be notified to determine the appropriate mitigation.

- The interim seed mix for this location shall be:

Crested wheatgrass (*Agropyron cristatum*): 12 lbs/acre

- All pounds are in pure live seed.
  - Rates are set for drill seeding; double the rate if broadcasting.
  - Reseeding may be required if initial seeding is not successful.
- The operator will be responsible for treatment and control of invasive and noxious weeds.
  - The topsoil from the reserve pit shall be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be contoured and the topsoil spread, and the area shall be seeded in the same manner as the location topsoil to comply with natural topography.
  - Once the location is plugged and abandoned, it shall be contoured to natural topography, topsoil shall be spread, and the entire location shall be seeded with a seed mix recommended by the AO (preferably of native origin). Seed application will follow all guidelines in the interim seed mix bullet statement above. If reclamation seeding should take place using the broadcast method, the seed at a minimum will be walked into the soil with a dozer immediately after the seeding is completed.
  - The authorized officer may prohibit surface disturbing activities during severe winter conditions to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.
  - The authorized officer may prohibit surface disturbing activities during wet or muddy conditions to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.
  - All well facilities not regulated by OSHA will be painted Carlsbad Canyon.
  - All boulders with a length or diameter greater than 3 feet, that are found showing at the surface, will be stockpiled for use during final reclamation.
  - Notify the Authorized Officer 48 hours prior to surface disturbing activities.
  - Operator shall notify any active gilsonite mining operation within 2 miles of the location 48 hours prior to any blasting during construction for this well.

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

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

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

1. A surface casing shoe integrity test shall be performed.

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

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

All BOPE components shall 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 shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.

BOP drills shall 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.

Cement baskets shall not be run on surface casing.

5. The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).
6. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.

7. The lessee/operator must report encounters of all non oil & gas mineral resources (such as gilsonite, tar sands, oil shale, etc.) to the Vernal Field Office in writing within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
8. No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall 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 shall be obtained and notification given before resumption of operations.
9. Chronologic drilling progress reports shall 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 shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall 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, shall 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 shall 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.

10. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall 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, shall 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) shall be submitted only when requested by the BLM, Vernal Field Office.

A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

**Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Wellologs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**

11. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall 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.

12. Oil and gas meters shall 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 shall 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.
13. 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.
14. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - a. Operator name, address, and telephone number.
  - b. Well name and number.
  - c. Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
  - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.

- g. Unit agreement and / or participating area name and number, if applicable.
  - h. Communitization agreement number, if applicable.
15. Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
  16. 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, shall 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
  17. 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.
  18. 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.

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 2996  
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
4304738516	NBU 1022-4E-1T		SWNW	4	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
B	99999	2900	6/5/2007		6/14/07		
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSTMVD</i> SPUD WELL LOCATION ON 06/05/2007 AT 1000 HRS.							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304737170	NBU 1022-10M		SWSW	10	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
B	99999	2900	6/5/2007		6/14/07		
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSTMVD</i> SPUD WELL LOCATION ON 06/05/2007 AT 1700 HRS							

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) Sheila Upchego  
Signature *Sheila Upchego*  
Title SENIOR LAND SPECIALIST Date 6/6/2007

To: Ernie Russell From: Sheila Upchego  
Co./Dept: WIDOGM Co: KMS  
Phone: (901) 538-5330 Phone: (435) 781-7024  
Fax #: (801) 259-3440 Fax #: (435) 781-7094

RECEIVED

JUN 06 2007

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-01196-C**

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 1022-10M**

9. API Well No.  
**4304737170**

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)  
**SW/SW SEC. 4, T10S, R22E 364'FSL, 358'FWL**

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

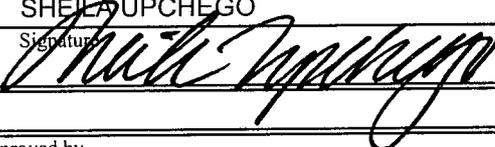
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/>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

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

**MIRU 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 06/05/2007 AT 1700 HRS.**

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

Name (Printed/Typed) <b>SHEILA DUPCHEGO</b>	Title <b>SENIOR LAND ADMIN SPECIALIST</b>
Signature 	Date <b>June 6, 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	

**RECEIVED**

**JUN 11 2007**

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.

UTU-01196-C

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 1022-10M

9. API Well No.

4304737170

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)

SW/SW SEC. 4, T10S, R22E 364'FSL, 358'FWL

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 SET SURFACE
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	CSG
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

MIRU BILL MARTIN AIR RIG ON 06/14/2007. DRILLED 12 1/4" SURFACE HOLE TO 2010'. RAN 9 5/8" 32.3# H-40 SURFACE CSG. LEAD CMT W/260 SX PREM CLASS G @15.8 PPG 1.15 YIELD. TAILED CMT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE NO CMT TO SURFACE. TOP OUT W/180 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE NO CMT TO SURFACE. 2ND TOP OUT W/180 SX PREM CLASS G @15.8 PPG 1.15 YIELD. GOOD CMT TO SURFACE HOLE STAYED FULL.

RECEIVED

JUN 26 2007

WORT.

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature

Date

June 18, 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.

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-01196-C

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 1022-10M**

9. API Well No.

4304737170

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)

SW/SW SEC. 4, T10S, R22E 364'FSL, 358'FWL

**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 FINAL DRILLING OPERATIONS
	<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 2010' TO 8685' ON 07/26/2007. RAN 4 1/2" 11.6# PRODUCTION CSG. LEAD CMT W/360 SX PREM LITE II @11.3 PPG 3.02 YIELD. TAILED CMT W/1075 SX 50/50 POZ @14.3 PPG 1.31 YIELD. BUMP PLUG 500 PSI OVER LIFT 20 BBLs CMT TO PIT. CHECK FLOAT OK HAD GOOD RETURNS THROUGH OUT JOB. LAND CSG. TEST HEAD. CLEAN MUD TANKS.

RELEASED PIONEER RIG 69 ON 07/28/2007 AT 0600 HRS.

**RECEIVED**  
JUL 31 2007  
DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature



Date

July 27, 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.

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-01196-C**

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 1022-10M**

9. API Well No.

**4304737170**

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)

**10  
SW/SW SEC. 4, T10S, R22E 364'FSL, 358'FWL**

**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>PRODUCTION</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<b>START-UP</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 SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 08/25/2007 AT 1:00 PM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

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

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

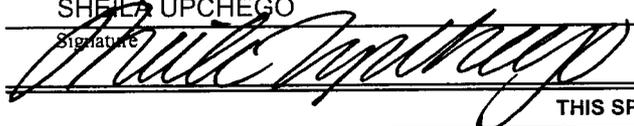
Name (Printed/Typed)

**SHEILA UPCHEGO**

Title

**SENIOR LAND ADMIN SPECIALIST**

Signature



Date

**August 29, 2007**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

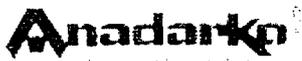
Title

Date

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

Office

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



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

## CHRONOLOGICAL WELL HISTORY

### **NBU 1022-10M**

SWSW, SEC. 10, T10S, R22E  
UINTAH COUNTY, UT

<b>DATE</b>	<b>ACTIVITY</b>	<b>STATUS</b>
05/18/07	LOCATION STARTED PIONEER 69	
06/04/07	LOCATION COMPLETE PIONEER 69	P/L IN, WOBR
06/06/07	SET CONDUCTOR PIONEER 69	WOAR
06/14/07	SET AIR RIG, 9 5/8" @ 2043' PIONEER 69	WORT
07/12/07	TD: 2010' Csg. 9 5/8" @ 2043' MW: 8.4 Move to NBU 1022-10M. Spot rig and RURT.	SD: 7/XX/07 DSS: 0
07/13/07	TD: 2010' Csg. 9 5/8" @ 2043' MW: 8.4 RURT. NU and test BOPE @ report time.	SD: 7/XX/07 DSS: 0
07/16/07	TD: 4535' Csg. 9 5/8" @ 2043' MW: 9.9 NU and test BOPE. PU drill string and drill FE. Rotary spud @ 0530 hrs 7/14/07. Drill from 2070'-4535'. DA @ report time.	SD: 7/14/07 DSS: 2
07/17/07	TD: 5345' Csg. 9 5/8" @ 2043' MW: 10.2 Drill from 4535'-5345'. DA @ report time.	SD: 7/14/07 DSS: 3
07/18/07	TD: 5960' Csg. 9 5/8" @ 2043' MW: 10.6 Drill from 5345'-5960'. DA.	SD: 7/14/07 DSS: 4
07/19/07	TD: 6089' Csg. 9 5/8" @ 2043' MW: 11.2 Drill f/ 5960'-6089'. TFNB. Work tight hole at 5125'. Lost 70 bbls, inc LCM to 5%, and MW to 11.2. FOOH. C/O MM and bit. TIH @ report time.	SD: 7/14/07 DSS: 5
07/20/07	TD: 6220' Csg. 9 5/8" @ 2043' MW: 11.3 Drill f/ 6089'-6093'. Mud motor failed. TOO H and c/o MM and bit. TIH and drill f/ 6093'-6220'. DA @ report time.	SD: 7/14/07 DSS: 6
07/23/07	TD: 7907' Csg. 9 5/8" @ 2043' MW: 11.6 Drill 6220'-7907'DA @ report time.	SD: 7/14/07 DSS: 9
07/24/07	TD: 8045' Csg. 9 5/8" @ 2043' MW: 11.6 Drill 7907'-8045' Pump slug TFNB. TIH @ report time.	SD: 7/14/07 DSS: 11
07/25/07	TD: 8570' Csg. 9 5/8" @ 2043' MW: 11.7 FIH. Drill f/ 8045'-8570'. DA @ report time.	SD: 7/14/07 DSS: 12
07/26/07	TD: 8685' Csg. 9 5/8" @ 2043' MW: 11.7	SD: 7/14/07 DSS: 13

Drill f/ 8570'-8685'. CCH, short trip, and LDDP. RU and run logs @ report time.

**07/27/07** TD: 8685' Csg. 9 5/8" @ 2043' MW: 11.7 SD: 7/14/07 DSS: 14  
Finish logging. Run and cmt 4.5" prod csg. Land csg, ND, and clean pits. Release rig @ 0500 hrs on 7/27/07. RDRT @ report time.

**07/30/07** TD: 8685' Csg. 9 5/8" @ 2043' MW: 11.7 SD: 7/14/07 DSS: 14  
RDRT and move to NBU 1022-10L.

**08/20/07 PU PROD TBG**

Days On Completion: 1  
Remarks: 7:00 AM. HSM. MIRU RIG & SPOT RIG EQUIPMENT. PU 3 7/8" MILL & SUB. DRIFT & TALLEY 279 JTS OF 2 3/8" J-55 4.7# TBG. TAG PBTB @ 8,590'. RU POWER SWIVEL. BRK CIRC W/ 2% KCL. C/O TO 8,647'. CIRC WELL CLEAN. POOH LD 25 JTS & STAND BACK 128 STANDS. ND BOPS NU FRAC VALVES. SWI SDFN

**08/21/07 Log, P.T. & PERF**

Days On Completion: 2  
Remarks: 7:00 AM. HSM. MIRU CUTTERS TO LOG. RIH W/ CEMENT BOND LOG TOOLS. TAG PBTB @ 8,629' LOG TO SURFACE. GOOD BOND. CEMENT TOP @ SURFACE. MIRU B&C QUICK TEST. PRESSURE TEST CASING & BOTH FRAC VALVES TO 7,500 PSI. GOOD TEST. RDMO B&C QUICK TEST. RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING. PERFORATE 8,572' - 76' 4 SPF, 8,490' - 93' 4 SPF, 8,405' - 07' 4 SPF, 8,355' - 56' 4 SPF, 8,314' - 16' 3 SPF, TOTAL 46 HOLES. RDMO CUTTERS. SWI SDFN

**8/22/07 FRAC**

Days On Completion: 3  
Remarks: 8:00 AM. HSM. MIRU HALLIBURTON & CUTTERS TO FRAC & PERFORATE. PRIME UP PUMPS & LINES. PRESSURE TEST TO 8,500 PSI.

STG 1: WHP 984 PSI, BRK 4,177 PSI @ 4.7 BPM, ISIP 2,890 PSI, FG .78 PUMP 100 BBLS @ 50.1 BPM @ 4,300 PSI = 46 OF 46 HOLES OPEN. MP 4,464 PSI, MR 53.5 BPM, AP 4,135 PSI, AR 49.7 BPM, ISIP 2,913 PSI FG .78, NPI 23 PSI, PUMPD 1,770 BBLS SLICK WATER & 55,170 LBS OF 30/50 SAND & 5,000 LBS OF 20/40 RESIN COATED SAND. TOTAL PROP 60,170 LBS.

STG 2: RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING SET 8K BAKER CBP @ 8,181'. PERF 8,149' - 51' 4 SPF, 8,024' - 28' 4 SPF, 7,972' - 75' 4 SPF, 7,927' - 28' 4 SPF, 7,834' - 36' 3 SPF, 46 HOLES. WHP 0 PSI, BRK 3,292 PSI @ 4.2 BPM, ISIP 2,447 PSI, FG .74 PUMP 100 BBLS @ 50.4 BPM @ 4,400 PSI = 42 OF 46 HOLES OPEN. MP 4,414 PSI, MR 50.8 BPM, AP 4,137 PSI, AR 50.7 BPM, ISIP 2,855 PSI FG .79, NPI 408 PSI, PUMPD 1,788 BBLS SLICK WATER & 62,430 LBS OF 30/50 SAND & 5,000 LBS OF 20/40 RESIN COATED SAND. TOTAL PROP 67,430 LBS.

STG 3: RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING SET 8K BAKER CBP @ 7,730'. PERF 7,698' - 7,700' 4 SPF, 7,635' - 36' 4 SPF, 7,530' - 32' 4 SPF, 7,470' - 73' 4 SPF, 7,409' - 12' 4 SPF, 44 HOLES. WHP 0 PSI, BRK 2,859 PSI @ 4.1 BPM, ISIP 2,215 PSI, FG .73 PUMP 100 BBLS @ 51.1 BPM @ 4,700 PSI = 38 OF 44 HOLES OPEN. MP 6,086 PSI, MR 52.7 BPM, AP 4,760 PSI, AR 50.9 BPM, ISIP 2,811 PSI FG .78, NPI 596 PSI, PUMPD 1,685 BBLS SLICK WATER & 59,230 LBS OF 30/50 SAND & 5,000 LBS OF 20/40 RESIN COATED SAND. TOTAL PROP 64,230 LBS.

STG 4: RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING SET 8K BAKER CBP @ 7,190'. PERF 7,159' - 60' 4 SPF, 7,052' - 54' 4 SPF, 6,950' - 51' 4 SPF, 6,912' - 15' 4 SPF, 6,860' - 63' 4 SPF, 6,836' - 37' 4 SPF 40 HOLES. SWI SDFN

8/23/07

**FRAC**

Days On Completion: 4  
Remarks: 7:00 AM. HSM

STG 4: WHP 576 PSI, BRK 2,899 PSI @ 4.3 BPM, ISIP 2118 PSI, FG .74 PUMP 100 BBLS @ 52.7 BPM @ 4,381 PSI = 36 OF 40 HOLES. MP 4,833 PSI, MR 53.3 BPM, AP 4,419 PSI, AR 45.4 BPM, ISIP 2,805 PSI, FG .84 NPI 687 PSI, PMP 1,234 BBLS SLICK WATER & 39,700 LBS OF 30/50 SAND & 5,000 LBS OF 20/40 RESIN COATED SAND. TOTAL PROP 44,700 LBS.

STG 5: RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING SET 8K BAKER CBP @ 6,709'. PERF 6,669' - 79' 4 SPF, 40 HOLES. WHP 0 PSI, BRK 2,818 PSI @ 4.1 BPM, ISIP 1,540 PSI, FG .67 PUMP 100 BBLS @ 41.1 BPM @ 2,785 PSI = 40 OF 40 HOLES OPEN. MP 3,079 PSI, MR 42.1 BPM, AP 2,793 PSI, AR 40.9 BPM, ISIP 2,004 PSI FG .74, NPI 464 PSI, PUMPD 585 BBLS SLICK WATER & 12,850 LBS OF 30/50 SAND & 5,000 LBS OF 20/40 RESIN COATED SAND. TOTAL PROP 17,850 LBS.

STG 6: RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING SET 8K BAKER CBP @ 6,390'. PERF 6,352' - 54' 4 SPF, 6,290' - 93' 4 SPF, 6,164' - 66' 4 SPF, 6,127' - 30' 4 SPF, 40 HOLES. WHP 0 PSI, BRK 2,240 PSI @ 4.5 BPM, ISIP 1,410 PSI, FG .66 PUMP 100 BBLS @ 51.6 BPM @ 3,190 PSI = 40 OF 40 HOLES OPEN. MP 3,258 PSI, MR 53.1 BPM, AP 3,011 PSI, AR 51.6 BPM, ISIP 1,703 PSI FG .71, NPI 293 PSI, PUMPD 643 BBLS SLICK WATER & 16,200 LBS OF 30/50 SAND & 5,000 LBS OF 20/40 RESIN COATED SAND. TOTAL PROP 21,200 LBS.

STG 7: RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING SET 8K BAKER CBP @ 5,401'. PERF 5,361' - 71' 4 SPF, 40 HOLES. WHP 0 PSI, BRK 2,556 PSI @ 4.5 BPM, ISIP 961 PSI, FG .61 PUMP 100 BBLS @ 51.4 BPM @ 3,110 PSI = 40 OF 40 HOLES OPEN. MP 3,304 PSI, MR 54.3 BPM, AP 3,094 PSI, AR 51.6 BPM, ISIP 1,888 PSI FG .79, NPI 927 PSI, PUMPD 560 BBLS SLICK WATER & 13,040 LBS OF 30/50 SAND & 5,000 LBS OF 20/40 RESINOATED SAND. TOTAL PROP 18,040 LBS.

STG 8: RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING SET 8K BAKER CBP @ 5,143'. PERF 5,107' - 13' 4 SPF, 4,953' - 57' 4 SPF, 40 HOLES. WHP 0 PSI, BRK 2,406 PSI @ 4.3 BPM, ISIP 1,024 PSI, FG .64 PUMP 100 BBLS @ 51.8 BPM @ 2,477 PSI = 40 OF 40 HOLES OPEN. MP 3,302 PSI, MR 52.0 BPM, AP 2,504 PSI, AR 51.8 BPM, ISIP 1,197 PSI FG .67, NPI 173 PSI, PUMPD 1,453 BBLS SLICK WATER & 54,380 LBS OF 30/50 SAND & 5,000 LBS OF 20/40 RESIN COATED SAND. TOTAL PROP 59,380 LBS.

KILL PLG: RIH SET BAKER 8K CBP @ 4,900' RDMO CUTTERS & HALLIBURTON. ND FRAC VALVES NU BOP'S. PU 3 7/8" BIT & FAST EDDIE POBS 7 RIH W/ 154 JTS OF 2 3/8" J-55 4.7# TBG. EOT @ 4,762'. RU POWER SWIVEL & SPOT IN TBG TRAILER. SWI SDFN

08/24/07

**DRLG CBP & LAND TBG**

Days On Completion: 5  
Remarks: 7:00 AM. HSM.

BRK CIRCULATION W/ 2% KCL. RIH  
C/O 10' OF SAND TAG PLG 1 @ 4,900' DRL PLG IN 10 MIN 0 PSI INCREASE RIH  
C/O 30' OF SAND TAG PLG 2 @ 5,134' DRL PLG IN 10 MIN 100 PSI INCREASE RIH  
C/O 30' OF SAND TAG PLG 3 @ 5,401' DRL PLG IN 10 MIN 0 PSI INCREASE RIH  
C/O 30' OF SAND TAG PLG 4 @ 6,390' DRL PLG IN 10 MIN 0 PSI INCREASE RIH  
C/O 30' OF SAND TAG PLG 5 @ 6,709' DRL PLG IN 10 MIN 100 PSI INCREASE RIH  
C/O 30' OF SAND TAG PLG 6 @ 7,190' DRL PLG IN 10 MIN 500 PSI INCREASE RIH  
C/O 30' OF SAND TAG PLG 7 @ 7,730' DRL PLG IN 10 MIN 300 PSI INCREASE RIH  
C/O 30' OF SAND TAG PLG 8 @ 8,180' DRL PLG IN 10 MIN 300 PSI INCREASE RIH  
C/O 40' TO 8,637' CIRCULATE WELL CLEAN.

POOH LD 34 JTS. LAND TUBING W/ 246 JTS OF 2 3/8" J-55 4.7# TBG. EOT @ 7,597.39'. ND BOP'S NU WELL HEAD. DROP BALL TO SHEAR OFF BIT. PUMP OFF BIT @ 1,740 PSI, SWI SHUT DOWN FOR 30 MINUTES TO LET BIT FALL TO BOTTOM. TURN WELL OVER TO FLOW TESTERS.

290 JTS OUTBOUND	18.00' KB	9,718 BBLS TLTR
246 LANDED	.83' HANGER	1,975 BBLS RIG RECOVERY
44 RETURNED	7,576.36' TUBING	7,743 BBLS LTR
	2.20' BIG SN. 1.875	
	7,597.39' EOT	

- 08/25/07** FLOWBACK REPORT: CP 1800#, TP 1350#, CK 20/64", 40 BWPH, LOAD REC'D 770 BBLS, LLTR 6973 BBLS  
WELL WENT ON SALES @ 1:00, 500 MCF, 1600 TBG, 2200 CSG, 20/64 CK, 40 BBWH
- 08/26/07** FLOWBACK REPORT: CP 2200#, TP 1450#, CK 20/64", 37 BWPH, LOAD REC'D 1706 BBLS, LLTR 6037 BBLS  
ON SALES: 470 MCF, 0 BC, 888 BW, TP: 1450#, CP: 2200#, 20/64 CHK, 16 HRS, LP: 183#.
- 08/27/07** FLOWBACK REPORT: CP 2200#, TP 1400#, CK 20/64", 32 BWPH, LOAD REC'D 2546 BBLS, LLTR 5197 BBLS  
ON SALES: 1202 MCF, 0 BC, 768 BW, TP: 1400#, CP: 2200#, 20/64 CHK, 16 HRS, LP: 215#.
- 08/28/07** FLOWBACK REPORT: CP 1900#, TP 1350#, CK 20/64", 17 BWPH, LOAD REC'D 3070 BBLS, LLTR 4673 BBLS

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

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

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

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

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

At surface **SW/SW 364'FSL, 358'FWL**

At top prod. interval reported below

At total depth

14. Date Spudded **06/05/07** 15. Date T.D. Reached **07/26/07** 16. Date Completed  D & A  Ready to Prod. **08/25/07**

18. Total Depth: MD **8685'** TVD **8637'** 19. Plug Back T.D.: MD **8637'** TVD **8637'** 20. Depth Bridge Plug Set: MD **8637'** TVD **8637'**

21. Type Electric & Other Mechanical Logs Run (Submit copy of each) **CBL-CCL-GR, Comp 2, Caliper** 22. Was well cored?  No  Yes (Submit copy)  
Was DST run?  No  Yes (Submit copy)  
Directional Survey?  No  Yes (Submit copy)

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage 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#		2010'		640 SX			
7 7/8"	4 1/2"	11.6#		8685'		1435 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"	7597'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	4953'	6354'	4953'-6354'	0.36	120	OPEN
B) MESAVERDE	6696'	8579'	6696'-8579'	0.36	216	OPEN
C)						
D)						

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

Depth Interval	Amount and type of Material
4953'-6354'	PMP 2656 BBLs SLICK H2O & 98,620# 30/50 OTTOWA SD
6696'-8579'	PMP 7062 BBLs SLICK H2O & 254,380# 30/50 OTTOWA SD

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
08/25/07	09/02/07	24	→	0	1,494	408			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 938#	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
18/64	SI	1471#	→	0	1494	408		PRODUCING GAS WELL	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
08/25/07	09/02/07	24	→	0	1494	408			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 938#	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
18/64	SI	1471#	→	0	1494	408		PRODUCING GAS WELL	

RECEIVED  
SEP 25 2007

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

28b. Production - Interval C

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

28c. Production - Interval D

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

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

**SOLD**

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH MESAVERDE	4247' 6624'	6624'			

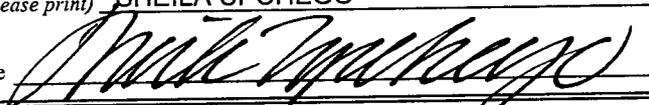
32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

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

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

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

Signature  Date 9/17/2007

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-01196-C	
<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>	
<b>7. UNIT or CA AGREEMENT NAME:</b> NATURAL BUTTES	
<b>8. WELL NAME and NUMBER:</b> NBU 1022-10M	
<b>9. API NUMBER:</b> 43047371700000	
<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES	
<b>COUNTY:</b> Uintah	
<b>STATE:</b> UTAH	

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

<b>1. TYPE OF WELL</b> Gas Well	
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.	
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	<b>PHONE NUMBER:</b> 720 929-6100
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0364 FSL 0358 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWSW Section: 10 Township: 10.0S Range: 22.0E Meridian: S	

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> 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
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 7/1/2015			OTHER: <input type="text" value="WORKOVER"/>
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			

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

A WORKOVER FOR TUBING FAILURE HAS BEEN COMPLETED ON THE NBU 1022-10M, SEE THE ATTACHED OPERATIONS SUMMARY REPORT.

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

**FOR RECORD ONLY**

July 07, 2015

<b>NAME (PLEASE PRINT)</b> Doreen Green	<b>PHONE NUMBER</b> 435 781-9758	<b>TITLE</b> Regulatory Analyst II
<b>SIGNATURE</b> N/A	<b>DATE</b> 7/2/2015	

US ROCKIES REGION  
**Operation Summary Report**

Well: NBU 1022-10M

Spud date: 7/14/2007

Project: UTAH-UINTAH

Site: NBU 1022-10M

Rig name no.: MILES-GRAY 1/1

Event: WELL WORK EXPENSE

Start date: 6/15/2015

End date: 6/17/2015

Active datum: RKB @5,232.99usft (above Mean Sea Level)

UWI: NBU 1022-10M

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD from (usft)	Operation
6/15/2015	7:00 - 7:15	0.25	MAINT	48		P		SAFETY= JSA.
	7:15 - 10:00	2.75	MAINT	30	C	P		RDMO NBU 921-26E1DS. ROAD RIG TO LOCATION. SPOT IN ALL EQUIP.
	10:00 - 13:00	3.00	MAINT	30	A	P		FCP & FTP= 80#. MIRU. BLOW DOWN WELL TO PRODUCTION TANKS. CNTRL TBG W/ 30BBLS TMAC TO MAKE SURE IT WAS NOT PLUGGED (GOOD).
	13:00 - 14:00	1.00	MAINT	30	F	P		NDWH. UN-LAND TBNG TO MAKE SURE IT WAS NOT STUCK (TBG WAS STUCK). STRIP IN 2-3/8" X 6.00' PUP JT. LAND TBNG BACK ON HANGER. NUBOP. R/U FLOOR & TBNG EQUIP. UN-LAND TBNG. REMOVE HANGER. WORK STUCK TBG FOR +/- 10MIN AND GOT IT TO POP FREE. L/D TBG PUP JT.
	14:00 - 18:00	4.00	MAINT	31	I	P		DID NOT T/U BECAUSE TBNG WAS STUCK & C/O IS NEEDED. MIRU SCANNERS. POOH WHILE SCANNING 246JTS 2-3/8" J-55 TBNG. SCAN RESULTS AS FOLLOWS:\n\nY-BND TBG= 77JTS\nB-BND TBG= 40JTS. LIGHT INTERNAL PITTING & LIGHT WEAR.\nR-BND TBG= 129JTS. LIGHT INTERNAL PITTING JT 74- JT 105. MODERATE INTERNAL PITTING JT 105-JT 178. HEAVY INTERNAL PITTING JT 176- JT 246. HEAVY EXTERNAL PITTING JT 190-JT 202. MEDIUM TO HEAVY EXTERNAL SCALE JT 190-JT 225. JT # 171 PIN WAS FOLDED IN, VERY THIN AND ROLLED IN ON ITSELF (NO DRIFT). INTERNAL SCALE LOOKED GOOD (LIGHT). PROBABLE HOLES @ JT#201, 202 & 213 (NOT TOTALLY VISIBLE BUT PROBABLE).\n\nRDMO SCANNER. SWIFN. CSG TO SALES. SDFN. LOCK RAMS.
6/16/2015	7:00 - 7:15	0.25	MAINT	48		P		SAFETY = JSA.
	7:15 - 11:30	4.25	MAINT	31	I	P		FCP= 80#. BLOW DOWN WELL TO FLOWBACK TANK. P/U & RIH W/ 3-7/8" MILL, BIT SUB & 199JTS 2-3/8" J-55 TBNG. T/U ON SCALE @ 6147'. R/U POWER SWIVEL.
	11:30 - 17:00	5.50	MAINT	31	N	P		MIRU N2 FOAM UNIT. BREAK CONV CIRC IN 1HR. C/O HARD PATCHY SCALE FROM 6147' TO 6508' AND FALL THRU. CIRC WELL CLEAN 20MIN. CNTRL TBG W/ 10BBLS TMAC. HANG BACK POWER SWIVEL. TOOH & REMOVE TSF. TIH W/ TOTAL OF 267JTS TBG & BHA TO 8300.36' (DID NOT TAG SCALE AGAIN). C/O TO 8300' ONLY, AS PER ENGINEERS INSTRUCTION. R/U N2 FOAM UNIT AND CIRC WELLBORE CLEAN FOR 45MIN. CNTRL TBG W/ 10BBLS TMAC. L/D 5JTS. SWIFN.SDFN. LOCK RAMS.
6/17/2015	7:00 - 7:15	0.25	MAINT	48		P		SAFETY = JSA.

US ROCKIES REGION  
Operation Summary Report

Well: NBU 1022-10M		Spud date: 7/14/2007	
Project: UTAH-UINTAH		Site: NBU 1022-10M	Rig name no.: MILES-GRAY 1/1
Event: WELL WORK EXPENSE		Start date: 6/15/2015	End date: 6/17/2015
Active datum: RKB @5,232.99usft (above Mean Sea Level)		UWI: NBU 1022-10M	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD from (usft)	Operation
	7:15 - 17:00	9.75	MAINT	31	I	P		SICP= 750#. SITP= 650#. BLOW DOWN WELL TO FLOWBACK TANK. R/D POWER SWIVEL. POOH WHILE L/D 15MORE JTS EXCESS TBG. CONT POOH WHILE STD BACK 248JTS 2-3/8" J-55 Y-BND TBG. L/D MILL & BIT SUB. P/U & RIH W/ NEW 1.875" XN-NOTCH COMBO NIPPLE + 248JTS 2-3/8" J-55 TBG. BROACH ALL TBG GOOD WHILE RIH W/ 1.910" BROACH. LAND TBG ON HANGER. R/D FLOOR & TBG EQUIP. NDBOP. NUWH. SWI. RDMOL. ROAD RIG TO NBU 1022-10C-1 FOR MAINTENANCE JOB. \n\nCNTRL WELL AS NEEDED W/ TMAC. TWLTR= 25BBLS.\n\nPRODUCTION TBG LANDED AS FOLLOWS:\nKB= 18.00\nHANGER= .83\n248JTS 2-3/8" J-55 Y-BND TBG= 7690.02\n1.875" XN-NOTCH COMBO NIPPLE= 1.05\nEOT @ 7709.90'
6/23/2015	7:00 - 21:00	14.00	PROD	42		P		Swabbed well back on, well didn't have plunger so we left it unload for a while but the tubing pressure wouldn't get to high, after 20 minutes well would die, so we had to go after it, we did this a few times, until towards the end of the day well started to get better tubing pressure and casing was trying to communicate, but after 30 minutes well die. So we shut well in and headed back to the shop
6/24/2015	7:00 - 17:00	10.00	PROD	42	B	P		Starting pressure Tb 300 PSI CA 800 PSI OStarted swabbing, made 8 runs. Fluid level was at 4500' Recovered 45 bbl. Swabbed well back on, scale knocker came, I didn't know it had a scale knocker and it hit my tools pretty hard, so it knocked my spans loose and they fell in the tubing. Talked to lead operator and explain the situation and he told me to try to get them out or to make sure they didn't go all the way down to the casing. So we tried to latch them a couple times but couldn't latch them, they might have some trash on top of them or we might need different tool. So we shut well in and headed back to the shop Ending Pressure Tb 0 PSI CA 800 PSI
6/25/2015	7:00 - 12:00	5.00	MAINT	35		P		Drove to loc. Rigged up. RIH w/Impression block to 7717', hit a few times, POOH. RIH w/JDC, big boy combo to 7717', latched tools, when weight was picked up and jars hit tools unlatched, repeated this process for a while, POOH. RIH w/JDC, big boy combo again to 7717', same as previous run, POOH. Rigged down, traveled to next loc.  FLUID LEVEL 3850 SEAT NIPPLE DEPTH 7710 SN TYPE TD (Max Depth)

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

Well: NBU 1022-10M		Spud date: 7/14/2007	
Project: UTAH-UINTAH		Site: NBU 1022-10M	Rig name no.: MILES-GRAY 1/1
Event: WELL WORK EXPENSE		Start date: 6/15/2015	End date: 6/17/2015
Active datum: RKB @5,232.99usft (above Mean Sea Level)		UWI: NBU 1022-10M	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD from (usft)	Operation
	7:00 - 17:00	10.00	PROD	42	B	P		Starting pressure Tb 250 PSI CA 780 PSI OStarted swabbing, made 8 runs. Fluid level was at 5000' Recovered 24 bbl. After slick line run in tubing to do its work and try to latch spans jars, I went in to try to set on top of them harder to see if we could latch and pull them out. We were able to latch them but as soon as we start pulling they will slip off. So we tried that for 4 runs and still couldn't get them we talked to lead operator and he told me to try to swab well back on and see if the spans and swab cup would come up, so I did 4 runs and well didn't unload on its own so we shut well in and headed back to the shop. [We talked to lead about getting some other tool that might get a better bite on the spans so we will get a new tool and try it in the am.] Ending Pressure Tb 0 PSI CA 810 PSI
6/26/2015	7:00 - 17:00	10.00	PROD	42	B	P		Starting pressure Tb 300 PSI CA 790 PSI OStarted swabbing, made 8 runs. Fluid level was at 5000' Recovered 40 bbl. We were trying to fish the tools for almost half of day, but still could get a good bite until on the last run we didn't feel it anymore, so we called foreman and asked him if we could get the slick line here to run in with impression block and he said go ahead. So slick line run in hole and got to sn and still kept going down to 8500' so the tools already made it through the SN, so after that we started swabbing for the rest of the day and well didn't unload on its own and casing still didn't communicate. So we shut well in and headed back to the shop Ending Pressure Tb 0 PSI CA 830 PSI
6/27/2015	7:00 - 17:00	10.00	PROD	42	B	P		Starting pressure TBG 390 CSG 830 PSI Started swabbing & Made 10 runs Fluid level was at 4100ft Recovered 74bbbs Swab well on, flow tubing to tank for 1hour. Dropped scale knocker for 1hour. Scale knocker didn't trip back up, flow tubing to tank for 35min, then shut well in for the night. Rig off wellhead, travel back to shop. Ending Pressure Tb 540 PSI CA 750 PSI

## US ROCKIES REGION

## Operation Summary Report

Well: NBU 1022-10M

Spud date: 7/14/2007

Project: UTAH-UINTAH

Site: NBU 1022-10M

Rig name no.: MILES-GRAY 1/1

Event: WELL WORK EXPENSE

Start date: 6/15/2015

End date: 6/17/2015

Active datum: RKB @5,232.99usft (above Mean Sea Level)

UWI: NBU 1022-10M

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD from (usft)	Operation
6/29/2015	7:00 - 17:00	10.00	PROD	42	B	P		Starting pressure Tb 300 PSI CA 830 PSI OStarted swabbing, made 4 runs. Fluid level was at 5500' Recovered 14 bbl. Swabbed well back on, scale knocker came up, left well unloading for an hour. Dropped scale knocker back in the tubing and tried to trip it , but it wouldn't come so we shut well in and headed back to the shop Ending Pressure Tb 0 PSI CA 810 PSI
6/30/2015	7:00 - 21:00	14.00	PROD	42		P		Swabbed well back on, scale knocker came up, we let well sale for a while and casing was communicating really well until line spike came up, and well started to die off, so we dropped the scale knocker and tried to trip it, but it didn't come so I went after it, and operator told me to leave it selling overnight so we did and headed back to the shop.
7/1/2015	7:00 - 17:00	10.00	PROD	42	B	P		Starting pressure Tb 20 PSI CA 830 PSI Started swabbing, made 7 runs. Fluid level was at 5500' Recovered 60 bbl. Swabbed well back on, scale knocker came up, tripped it 5 times I was helping it come with the bypass and it was coming on 25 minutes. Operator came and set some times and we left it back on sales. Headed back to the shop Ending Pressure Tb 520 PSI CA 740 PSI