

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: DRILL REENTER
b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

5. Lease Serial No.
UTU-0469

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.
NBU 1022-21M

9. API Well No.
43-047-37171

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

3A. Address
1368 SOUTH 1200 EAST, VERNAL, UTAH 84078

3b. Phone No. (include area code)
(435) 781-7060

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface SWSW 727' FSL 560' FWL 632322x 39.929108
At proposed prod. Zone 44208271y - 109.451394

11. Sec., T., R., M., or Blk, and Survey or Area
SEC 21-T10S-R22E

14. Distance in miles and direction from nearest town or post office*
23 MILES SOUTHEAST OF OURAY, UTAH

12. County or Parish
UINTAH

13. State
UT

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
560'

16. No. of Acres in lease
640

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
8700'

20. BLM/BIA Bond No. on file
CO-1203

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
5359.5' 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:

- | | |
|--|---|
| <p>1. Well plat certified by a registered surveyor.</p> <p>2. A Drilling Plan.</p> <p>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.</p> | <p>4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).</p> <p>5. Operator certification.</p> <p>6. Such other site specific information and/or plans as may be required by the authorized office.</p> |
|--|---|

25. Signature <i>Debra Domenici</i>	Name (Printed/Typed) DEBRA DOMENICI	Date 9/19/2005
--	--	-------------------

Title ASSOCIATE ENVIRONMENTAL ANALYST		
Approved by (Signature) <i>Bradley G. Hill</i>	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

SEP 26 2005

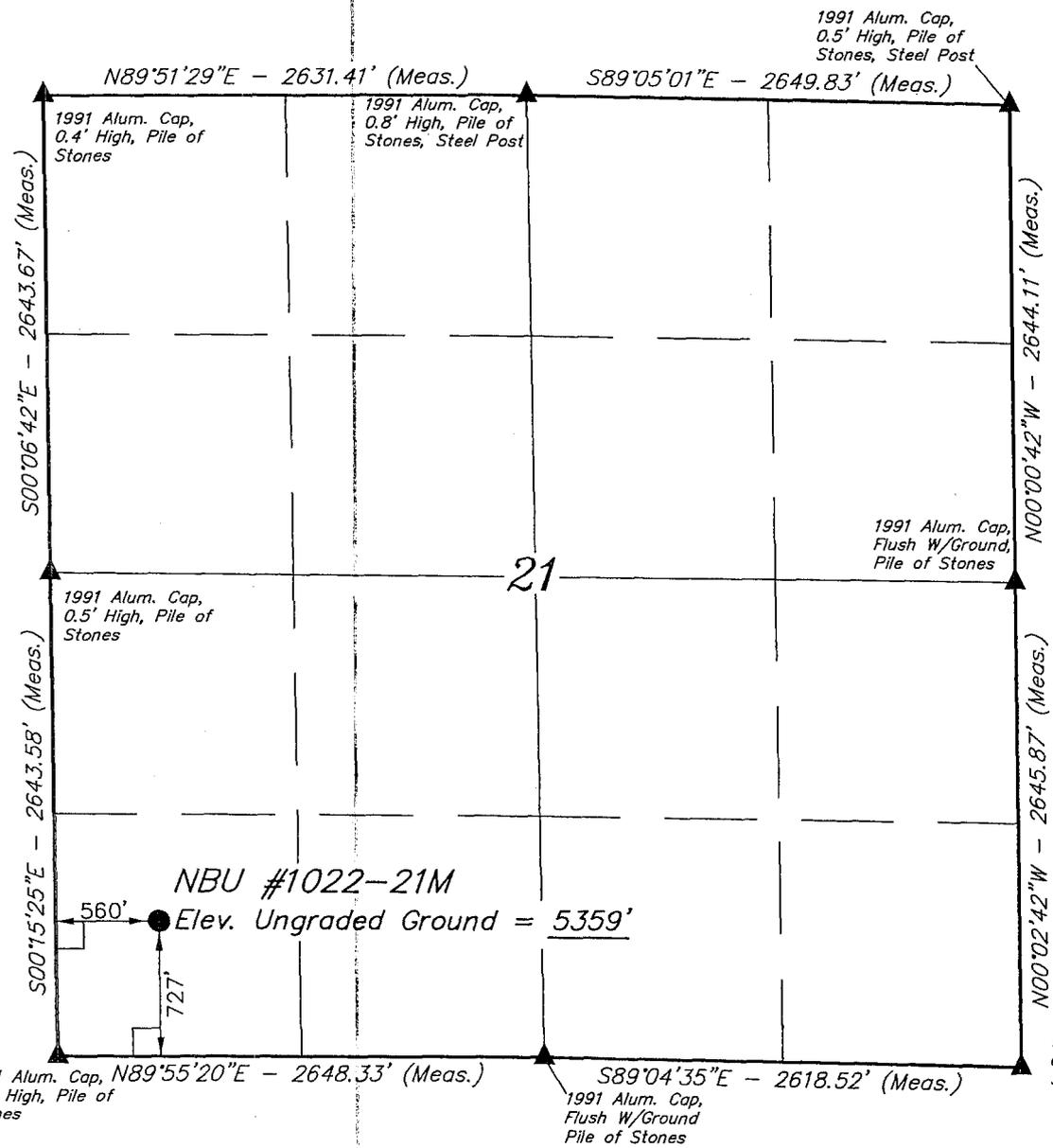
Federal Approval of this
Action is Necessary

DIV. OF OIL, GAS & MINING

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

WESTPORT OIL AND GAS COMPANY, L.P.

Well location, NBU #1022-21M, located as shown in the SW 1/4 SW 1/4 of Section 21, T10S, R22E, S.L.B.&M. Uintah County, Utah.

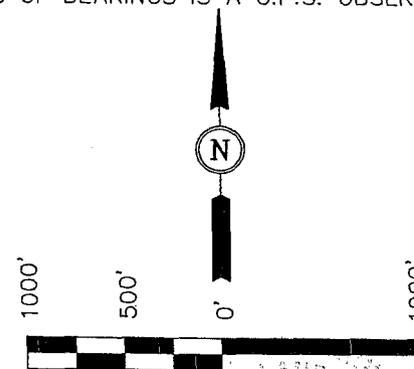


BASIS OF ELEVATION

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.

BASIS OF BEARINGS

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



S C A L E

CERTIFICATE

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

[Signature]
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

(NAD 83)
 LATITUDE = 39°55'45.10" (39.929194)
 LONGITUDE = 109°27'07.61" (109.452114)
 (NAD 27)
 LATITUDE = 39°55'45.22" (39.929228)
 LONGITUDE = 109°27'05.15" (109.451431)

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 06-16-05	DATE DRAWN: 06-23-05
PARTY D.A. T.A. L.K.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE	WESTPORT OIL AND GAS COMPANY, L.P.

NBU 1022-21M
SWSW SEC 21-T10S-R22E
UINTAH COUNTY, UTAH
UTU-0469

ONSHORE ORDER NO. 1

DRILLING PROGRAM

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

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1125'
Wasatch	4125'
Mesaverde	6575'
TD	8700'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1125'
Gas	Wasatch	4125'
Gas	Mesaverde	6575'
Water	N/A	
Other Minerals	N/A	

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

Please refer to the attached Drilling Program.

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

Please refer to the attached Drilling Program.

5. **Drilling Fluids Program:**

Please refer to the attached Drilling Program.

6. **Evaluation Program:**

Please refer to the attached Drilling Program.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 8700' TD, approximately equals 3480 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1566 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

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

9. **Variances:**

Please refer to the attached Drilling Program.

10. **Other Information:**

Please refer to the attached Drilling Program.



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

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 1900	32.30	H-40	STC	0.76*****	1.66	4.73
PRODUCTION	4-1/2"	0 to 8700	11.60	M-80 or I-80	LTC	2.62	1.30	2.28

- 1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)
 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)
 (Burst Assumptions: TD = 10.8 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 2972 psi

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

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
Option 1	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE			NOTE: If well will circulate water to surface, option 2 will be utilized				
Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite +.25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,620'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	380	60%	11.00	3.38
	TAIL	5,080'	50/50 Poz/G + 10% salt + 2% gel	1420	60%	14.30	1.31

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

FLOAT EQUIPMENT & CENTRALIZERS

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

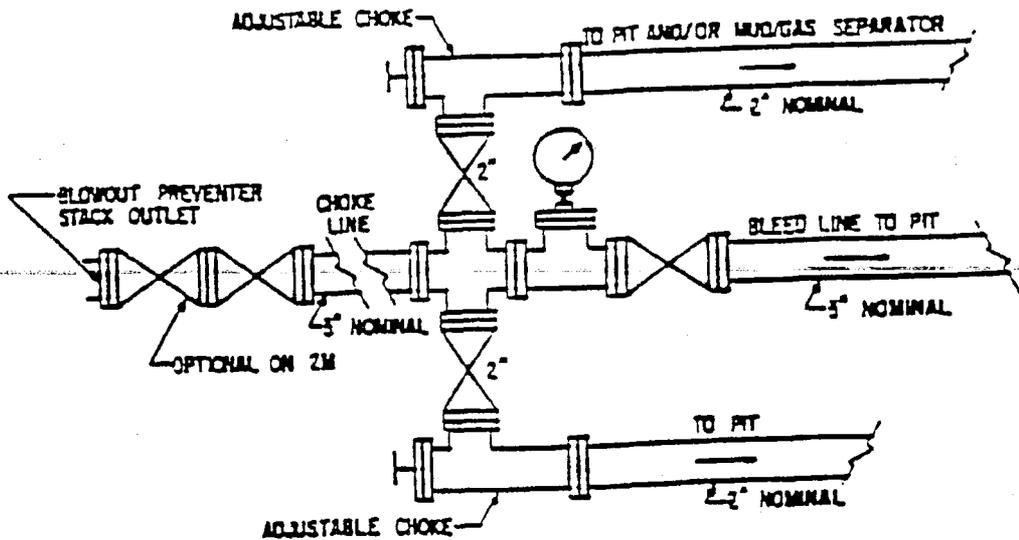
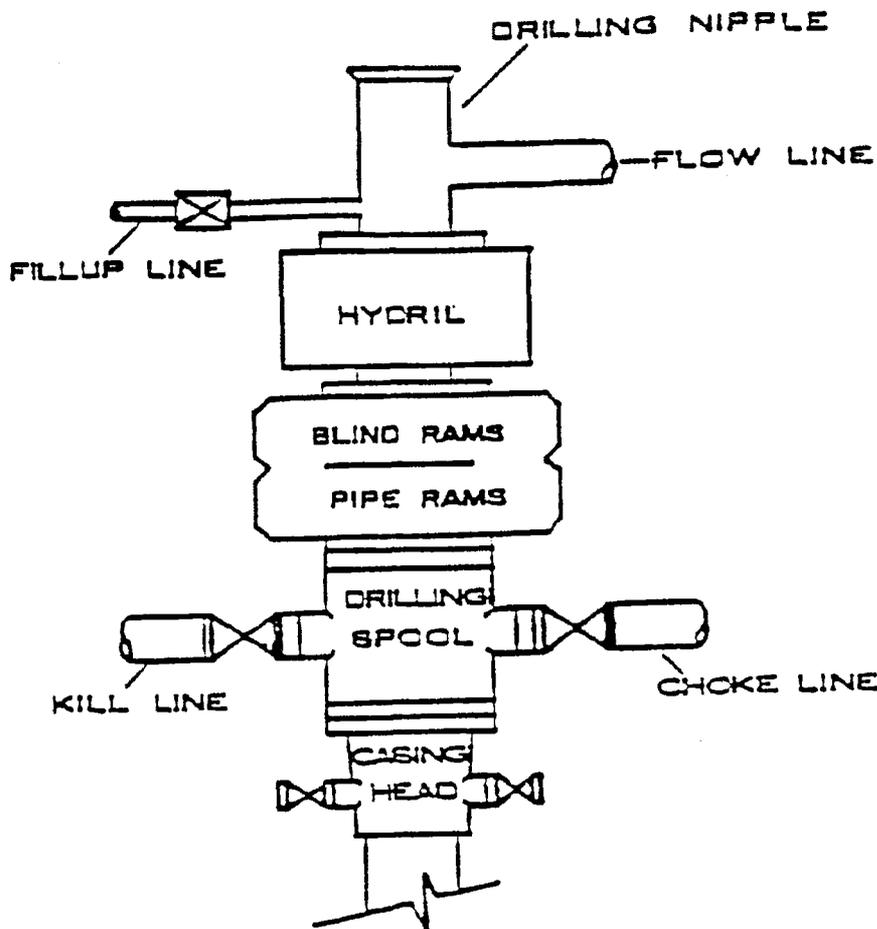
ADDITIONAL INFORMATION

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

DRILLING ENGINEER: _____ DATE: _____
 Brad Laney
 DRILLING SUPERINTENDENT: _____ DATE: _____
 Randy Bayne
 NBU1022-21M_APD(ArchiesBench).xls

3,000 PSI

BOP STACK



NBU 1022-21M
SWSW SEC 21-T10S-R22E
UINTAH COUNTY, UTAH
UTU-0469

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the NBU 1022-21M 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 0.4 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 2180' of pipeline is proposed. Refer to Topo Map D for the location of the proposed pipelines.

Variations to Best Management Practices (BMPs) Requested:

Approximately 2180' 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:**Antelope:**

No construction or drilling will occur from May 15th to June 20th.

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 #1022-21M
SECTION 21, T10S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 11.2 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 10.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE WEST; FOLLOW ROAD FLAGS IN A WESTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 54.0 MILES.

WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1022-21M
LOCATED IN UINTAH COUNTY, UTAH
SECTION 21, T10S, R22E, S.L.B.&M.

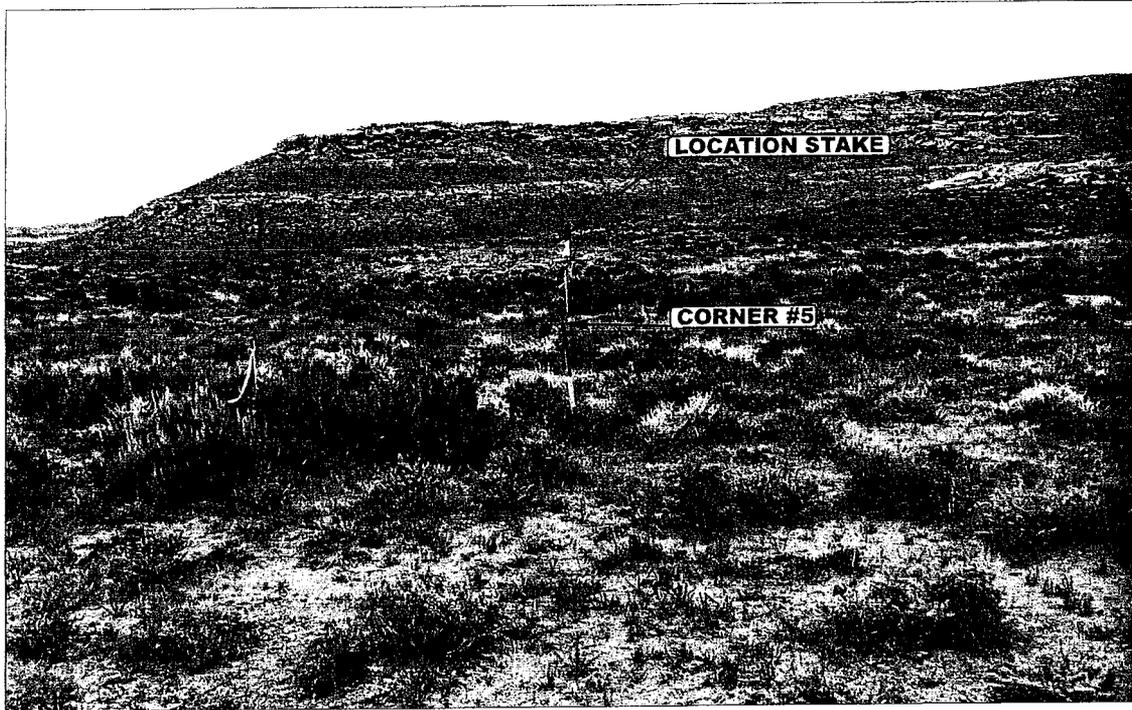


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY

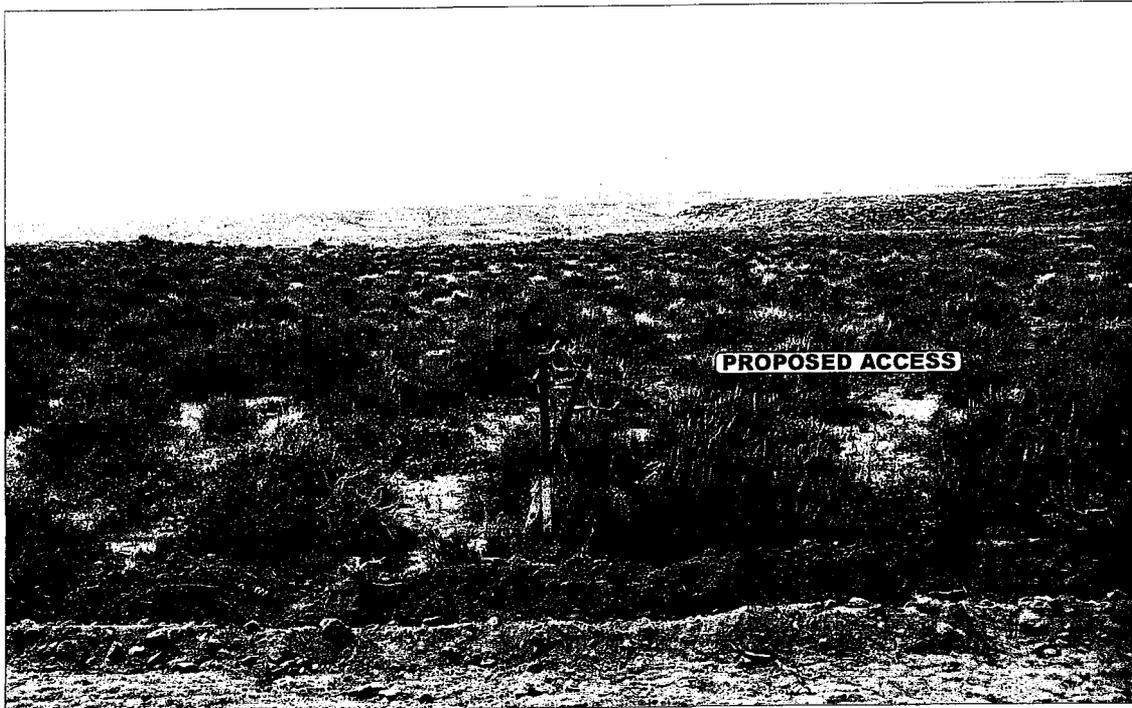


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: WESTERLY



- Since 1964 -

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

LOCATION PHOTOS	06	22	05	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: D.A.	DRAWN BY: C.P.		REVISED: 00-00-00	

R
21
E

R
22
E

CHAPITA WELLS GAS

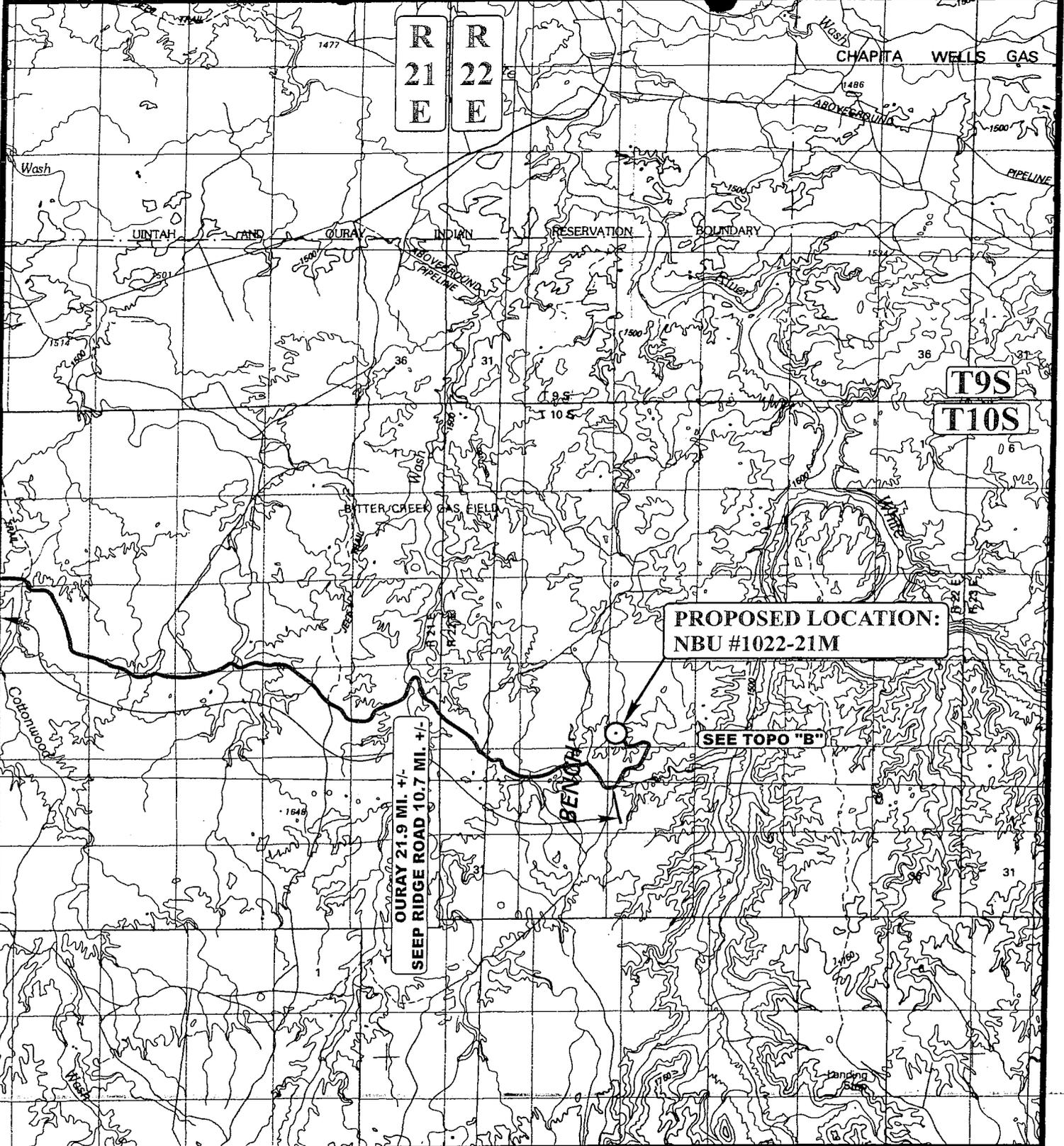
T9S

T10S

PROPOSED LOCATION:
NBU #1022-21M

SEE TOPO "B"

OURAY 21.9 MI. +/-
SEEP RIDGE ROAD 10.7 MI. +/-



LEGEND:

○ PROPOSED LOCATION



WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1022-21M

SECTION 21, T10S, R22E, S.L.B.&M.

727' FSL 560' FWL



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

TOPOGRAPHIC
MAP

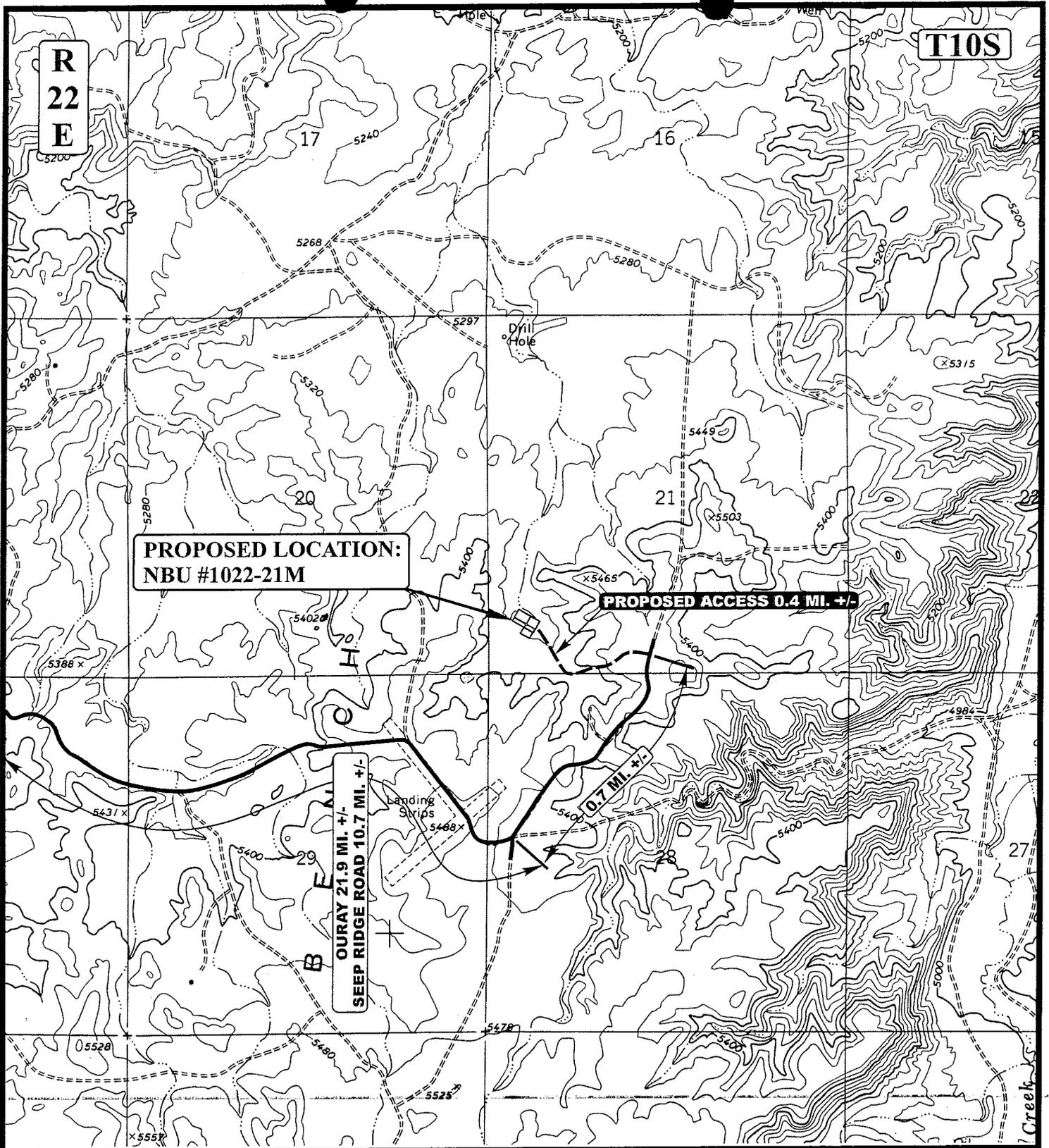
06 22 05
MONTH DAY YEAR

SCALE: 1:100,000

DRAWN BY: C.P.

REVISED: 00-00-00





LEGEND:

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD



WESTPORT OIL AND GAS COMPANY, L.P.
NBU #1022-21M
SECTION 21, T10S, R22E, S.L.B.&M.
727' FSL 560' FWL

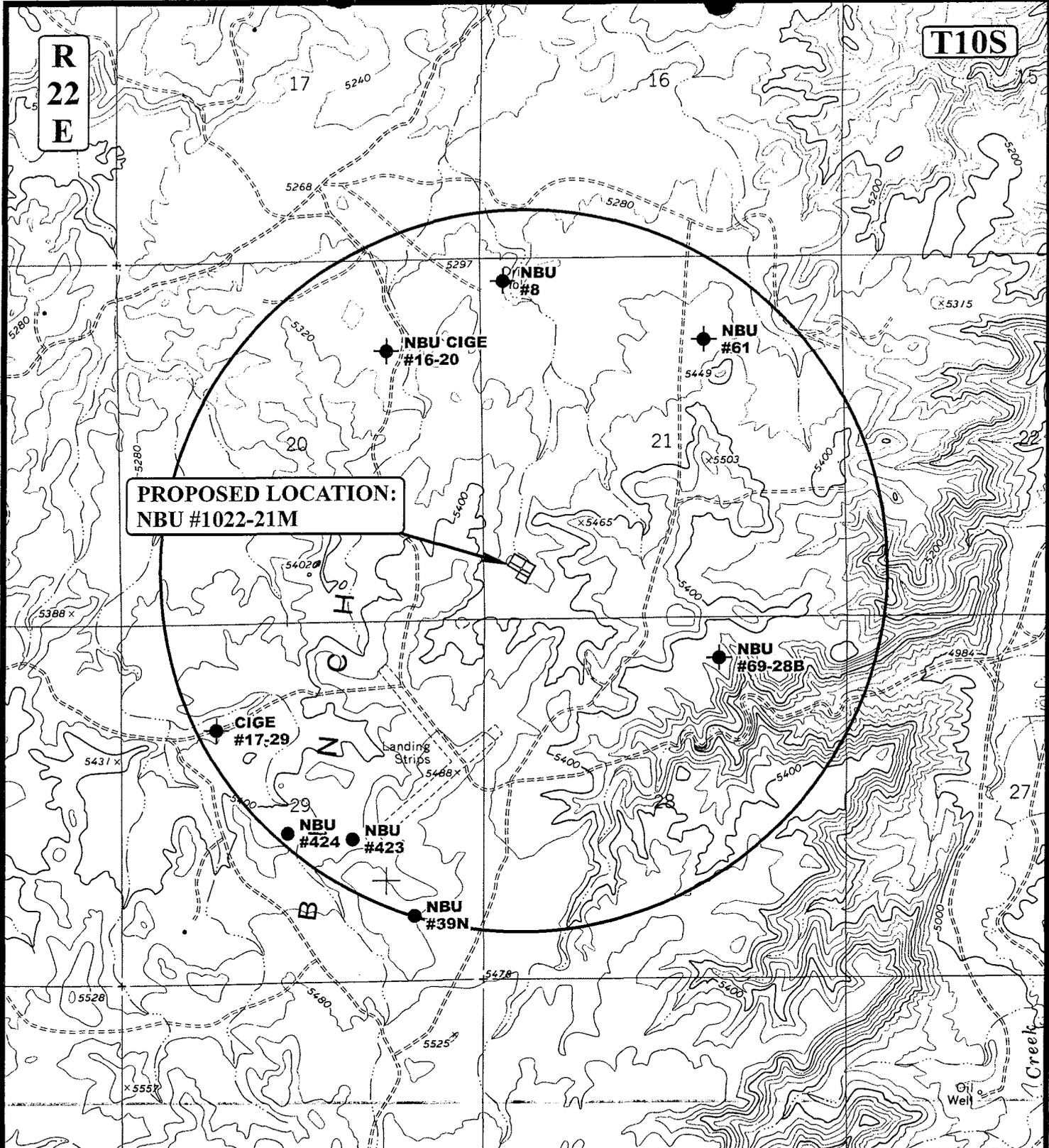
UES
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC **06 22 05**
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

B
TOPO

R
22
E

T10S



**PROPOSED LOCATION:
NBU #1022-21M**

LEGEND:

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



WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1022-21M
SECTION 21, T10S, R22E, S.L.B.&M.
727' FSL 560' FWL



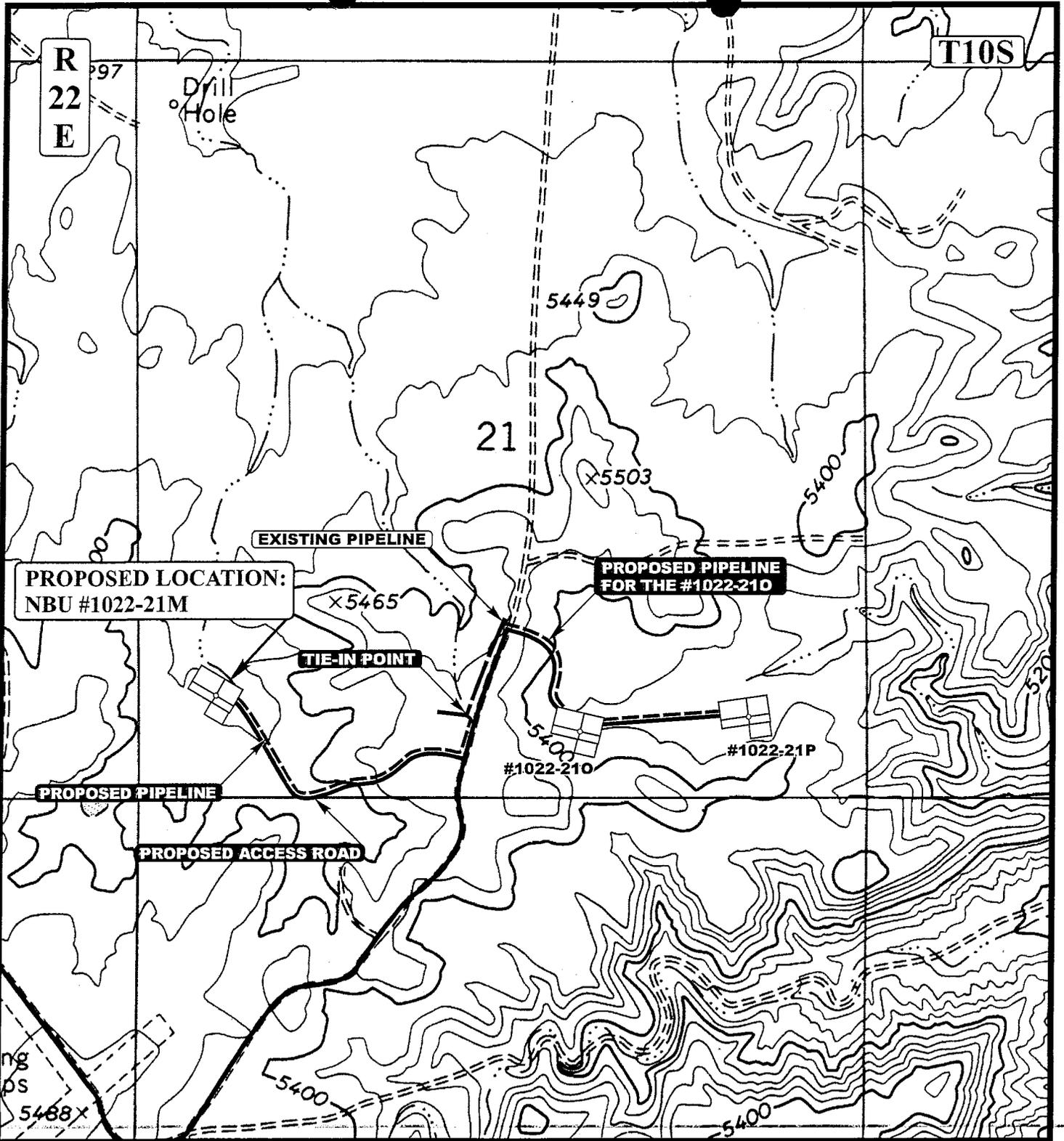
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

06	22	05
MONTH	DAY	YEAR

C
TOPO

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



APPROXIMATE TOTAL PIPELINE DISTANCE = 2,180' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE
-  PROPOSED PIPELINE (SERVICING OTHER WELLS)



WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1022-21M

SECTION 21, T10S, R22E, S.L.B.&M.

727' FSL 560' FWL



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

TOPOGRAPHIC MAP
 MONTH 06 DAY 22 YEAR 05
 SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 00-00-00



WESTPORT OIL AND GAS COMPANY, L.P.

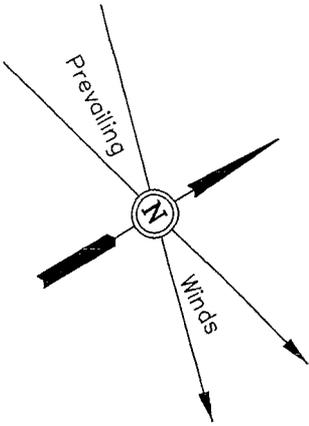
FIGURE #1

LOCATION LAYOUT FOR

NBU #1022-21M

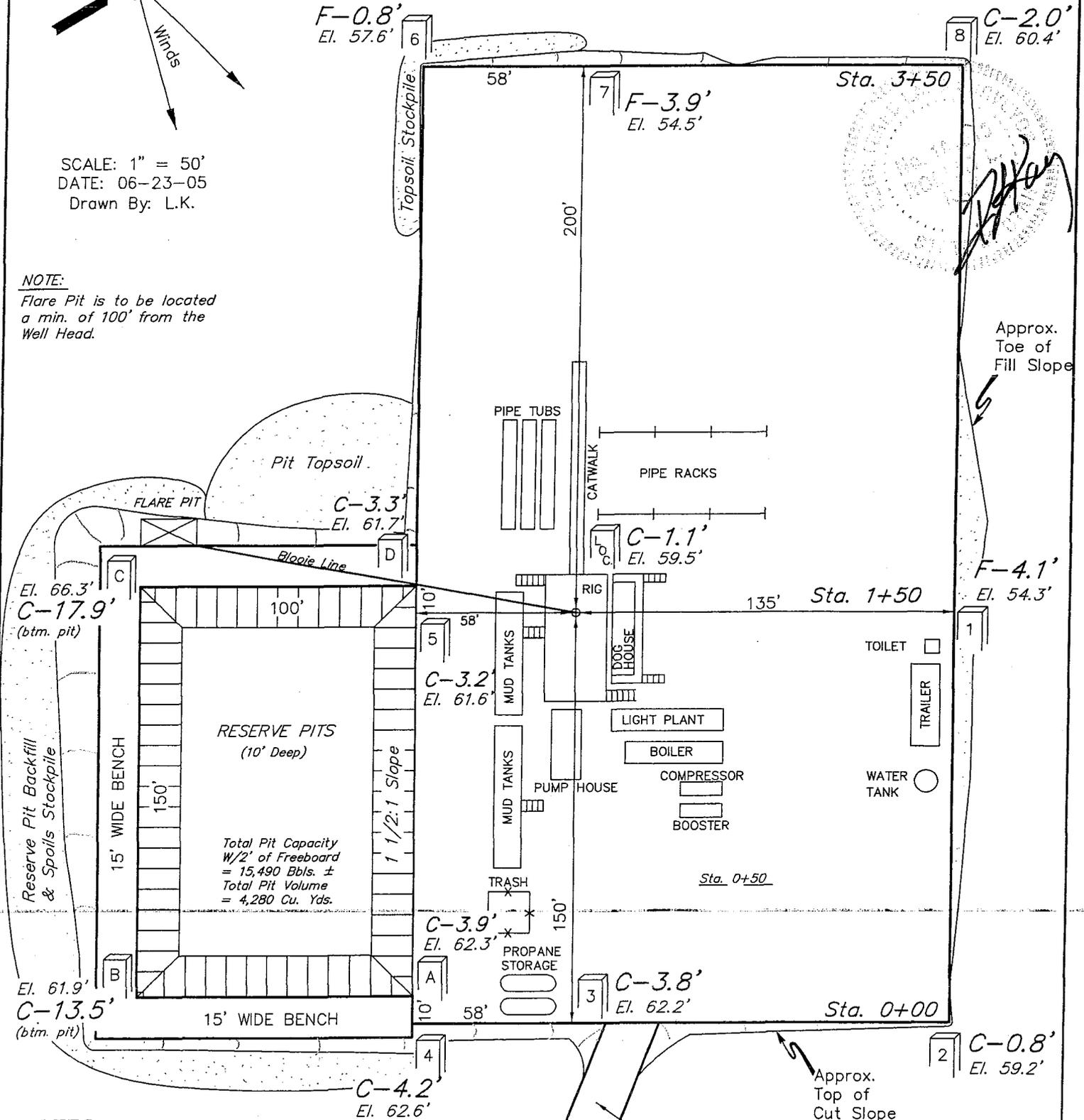
SECTION 21, T10S, R22E, S.L.B.&M.

727' FSL 560' FWL



SCALE: 1" = 50'
DATE: 06-23-05
Drawn By: L.K.

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



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5359.5'
FINISHED GRADE ELEV. AT LOC. STAKE = 5358.4'

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

WESTPORT OIL AND GAS COMPANY, L.P.

FIGURE #2

TYPICAL CROSS SECTIONS FOR

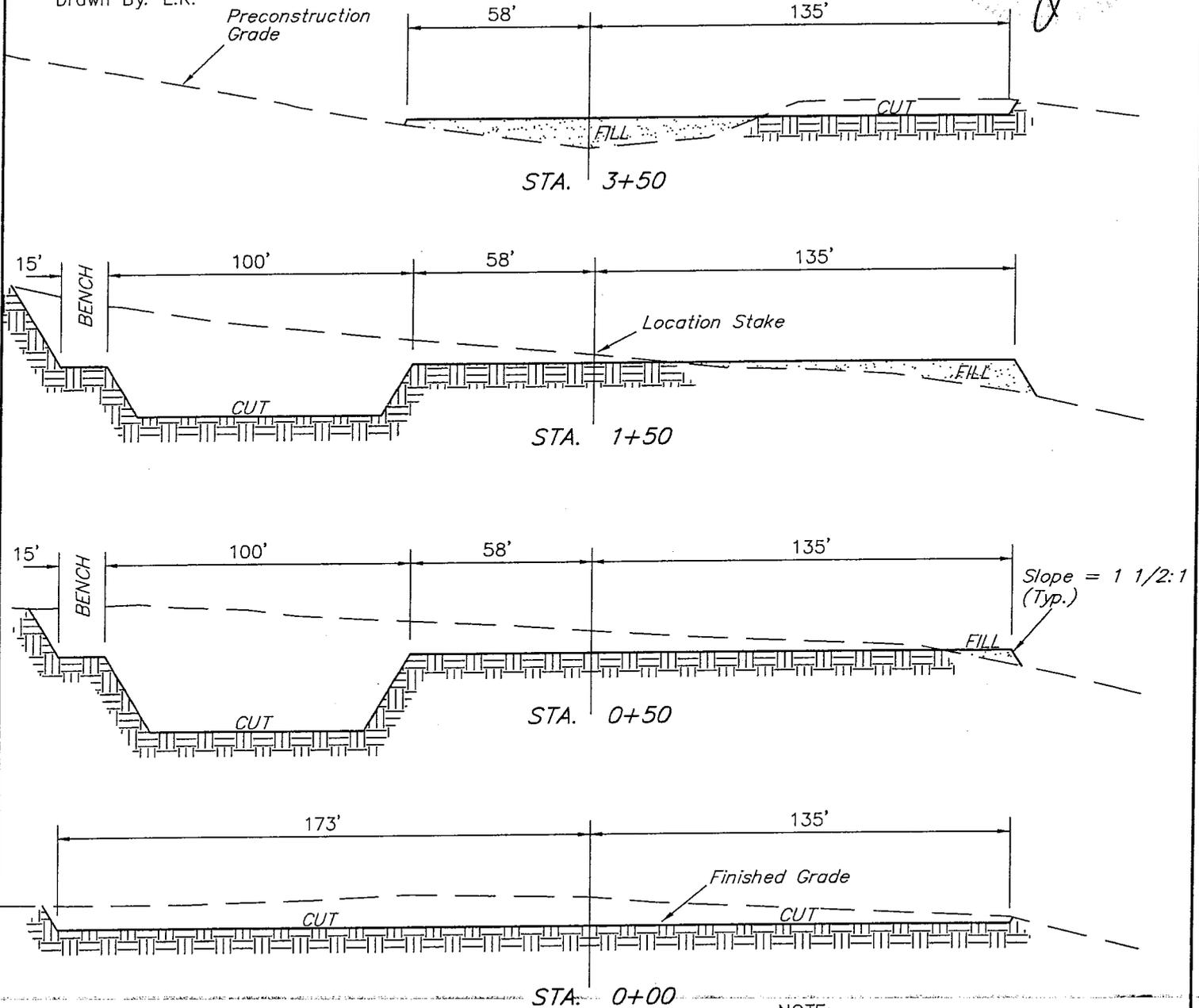
NBU #1022-21M

SECTION 21, T10S, R22E, S.L.B.&M.

727' FSL 560' FWL

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

DATE: 06-23-05
Drawn By: L.K.



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,810 Cu. Yds.
Remaining Location	= 10,880 Cu. Yds.
TOTAL CUT	= 12,690 CU.YDS.
FILL	= 2,390 CU.YDS.

NOTE:

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

EXCESS MATERIAL	= 10,300 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,950 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 6,350 Cu. Yds.

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 09/26/2005

API NO. ASSIGNED: 43-047-37171

WELL NAME: NBU 1022-21M
 OPERATOR: WESTPORT OIL & GAS CO (N2115)
 CONTACT: DEBRA DOMENICI

PHONE NUMBER: 435-781-7060

PROPOSED LOCATION:

SWSW 21 100S 220E
 SURFACE: 0727 FSL 0560 FWL
 BOTTOM: 0727 FSL 0560 FWL
 UINTAH
 NATURAL BUTTES (630)

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-0469
 SURFACE OWNER: 1 - Federal
 PROPOSED FORMATION: WSMVD
 COALBED METHANE WELL? NO

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

LATITUDE: 39.92911
 LONGITUDE: -109.4514

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:

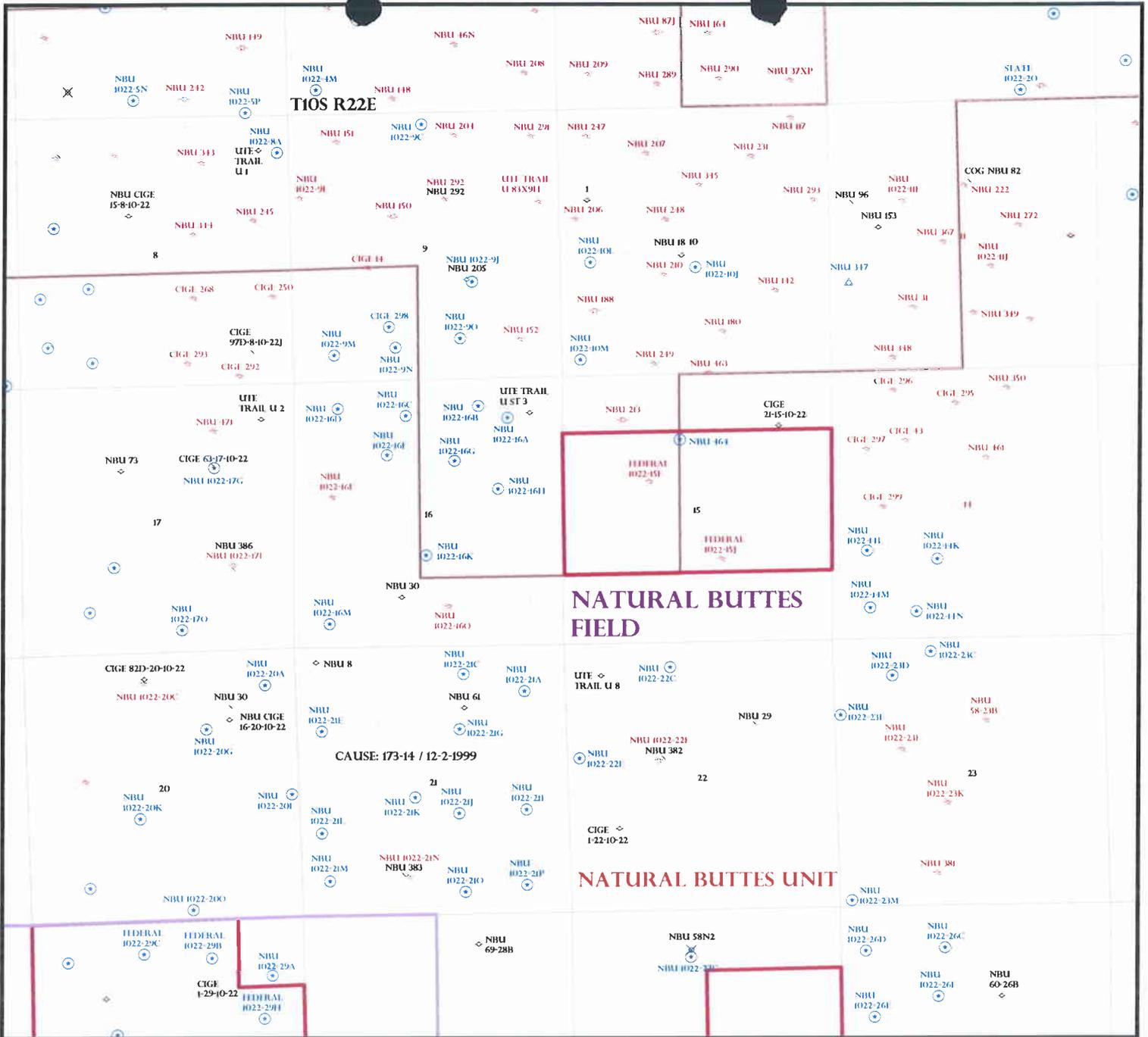
- R649-2-3.
- Unit NATURAL BUTTES
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 173-14
Eff Date: 12-2-09
Siting: 460' fr u bdr & uncomm. tract
- R649-3-11. Directional Drill

COMMENTS:

Sup, Separate file.

STIPULATIONS:

1- Federal Approval
2- Oil SHALE



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

Utah Oil Gas and Mining

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 1022-21M Well, 727' FSL, 560' FWL, SW SW, Sec. 21,
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 43-047-37171.

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 1022-21M
API Number: 43-047-37171
Lease: UTU-0469

Location: SW SW Sec. 21 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

ROUTING
1. DJJ
2. CDW

X Change of Operator (Well Sold)

Operator Name Change/Merger

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

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

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or 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) RANDY BAYNE	Title DRILLING MANAGER
Signature <i>Randy Bayne</i>	Date May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

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

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

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

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

MULTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

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

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

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

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

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

RECEIVED
MAY 10 2006

DIV OF OIL, GAS & MINING

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

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

THIS SPACE FOR FEDERAL OR STATE USE

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

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



United States Department of the Interior

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

IN REPLY REFER TO:

CO922 (MM)
3106
COC017387 et. al.

March 23, 2006

NOTICE

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

Merger/Name Change - Recognized

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

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

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

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

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

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

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

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

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

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

Attachment:

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

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

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



United States Department of the Interior



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

IN REPLY REFER TO:
3106
(UT-922)

March 27, 2006

Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

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

Chief, Branch of
Fluid Minerals

Enclosure

Approval letter from BLM COSO (2 pp)

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

RECEIVED

MAR 28 2006

DIV. OF OIL, GAS & MINERAL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

AUG 24 2006

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-0469

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 1022-21M

9. API Well No.
4304737171

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 SEC 21-T10S-R22E
727' FSL 560' FWL**

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

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

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

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE BREAU OF LAND MANAGEMENT ON SEPTEMBER 27, 2005.

CONDITIONS OF APPROVAL ATTACHED

RECEIVED

SEP 28 2006

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

Name (Printed/Typed) RAMEY HOOPES	Title REGULATORY CLERK DIV. OF OIL, GAS & MINING
Signature <i>Ramey Hoopes</i>	Date August 22, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by <i>Matt Baker</i>	Title Petroleum Engineer	Date SEP 22 2006
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		

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

(Instructions on reverse)



CONDITIONS OF APPROVAL

Kerr McGee Oil & Gas Onshore.

Notice of Intent APD Extension

Lease: UTU-0469
Well: NBU 1022-21M
Location: SWSW Sec 21-T10S-R22E

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

1. The extension and APD shall expire on 9/27/07
2. No other extension shall be granted.

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

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-0469

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 1022-21M

9. API Well No.

4304737171

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 SEC 21-T10S-R22E

727' FSL 560' 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>APD EXTENSION</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>DOGM</u>
	<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 ^{Approved by the} ~~November 27, 2005.~~

Utah Division of
Oil, Gas and Mining

Date: 11-02-06

By: *[Signature]*

11:30 AM

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

Name (Printed/Typed)

RAMEY HOOPES

Title

REGULATORY CLERK

Signature

Ramey Hoopes

Date

October 20, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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

Office

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

(Instructions on reverse)

RECEIVED

NOV 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: 4304737171
Well Name: NBU 1022-21M
Location: SWSW SEC 21- 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

Received
Sept 20, 2005

Form 3160-3
(August 1999)

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: DRILL REENTER

b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

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

3A. Address
1368 SOUTH 1200 EAST, VERNAL, UTAH 84078

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

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface SWSW 727' FSL 560' FWL
At proposed prod. Zone

14. Distance in miles and direction from nearest town or post office*
23 MILES SOUTHEAST OF OURAY, UTAH

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 560'

16. No. of Acres in lease
640

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
8700'

20. BLM/BIA Bond No. on file
~~CO-1203~~ WY BOND 291

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
5359.5' 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.
- 2. A Drilling Plan.
- 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.

- 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- 5. Operator certification.
- 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
Title REGULATORY CLERK		
Approved by (Signature) <i>Tara Kennedy</i>	Name (Printed/Typed) Tara Kennedy	Date 7-16-2007
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, if any, are attached.

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

JUL 23 2007

NOTICE OF APPROVAL

DIV. OF OIL, GAS & MINING

NOS 08/09/05

06GXJ0313A

UDOGM



**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
Well No: NBU 1022-21M
API No: 43-047-37171

Location: SWSW, Sec. 21, T10S, R22E
Lease No: UTU-469
Agreement: Natural Buttes Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
NRS/Enviro Scientist:	Paul Buhler	(435) 781-4475	(435) 828-4029
NRS/Enviro Scientist:	Karl Wright	(435) 781-4484	
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	
NRS/Enviro Scientist:	Vacant	(435) 781-4476	(435) 828-7381
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Jannice Cutler	(435) 781-3400	
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	

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 two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	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 Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	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)**

Surface COAs:

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.
- During operations, if any vertebrate paleontological resources are discovered, all operations affecting such sites shall be immediately suspended, and all discoveries shall be left intact until authorized to proceed by the Authorized Officer. The appropriate Authorized Officer of the Vernal BLM office shall be notified within 48 hrs of the discovery, and a decision as to the preferred alternative/course of action will be rendered.
- 4 to 6 inches of topsoil shall be stripped from the location and windrowed as shown on the cut sheet. The topsoil shall then be broadcast seeded with the recommended seed mix immediately after it has been windrowed and the seed walked into the soil with a dozer.
- 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 recontoured and the topsoil respread, and the area shall be seeded in the same manner as the location topsoil.
- Once the location is plugged and abandoned, it shall be recontoured to natural contours, topsoil respread where appropriate, and the entire location seeded with the recommended seed mix. Seeding shall take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.
- The lessee/operator is given notice that lands in the lease have been identified as containing crucial pronghorn (antelope) habitat. It is requested that the lessee/operator not initiate surface disturbing activities or drilling from May 15 through June 20. A survey may be conducted by a qualified biologist or a BLM representative during this timing period to determine if pronghorn are in the area.
- The following seed mixture shall be used:

Type		lbs./acre
Indian Ricegrass	<i>Stipa hymenoides</i>	4
Needle and Threadgrass	<i>Stipa comata</i>	4
Crested Wheatgrass	<i>Agropyron cristatum</i>	4
** Seed shall be drilled; but if broadcasted double the pounds per acre used and work the solids mechanically to cover the seed.		

DOWNHOLE COAs:

SITE SPECIFIC DOWNHOLE COAs:

- The operator must report encounters of gilsonite to the Vernal Field Office in writing within 5 working days of each encounter; each report shall include the date and depth (from KB or GL) of encounter and the vertical footage of the encounter.
- A surface casing shoe integrity test shall be performed.

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

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) 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.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, 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.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- 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.
- 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_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- 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.
- 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.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location ($\frac{1}{4}$ / $\frac{1}{4}$, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- 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.
- 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.

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

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

FORM 6

ENTITY ACTION FORM

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

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304737171	NBU 1022-21M		SWSW	21	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
B	99999	2900	9/10/2007			9/25/07	
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 09/10/2007 AT 0900 HRS.							

Well 2

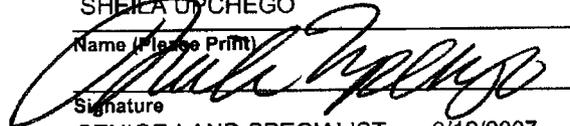
API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

Well 3

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

ACTION CODES:

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

SHEILA UPCHEGO
 Name (Please Print)

 Signature
 SENIOR LAND SPECIALIST 9/12/2007
 Title Date

(5/2000)

RECEIVED
SEP 12 2007

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-469

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 1022-21M

9. API Well No.
4304737171

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. 21, T10S, R22E 727'FSL, 560'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 WELL SPUD
	<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 09/10/2007 AT 0900 HRS.

RECEIVED
SEP 1 / 2007
DIV. OF OIL, GAS & MINING

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

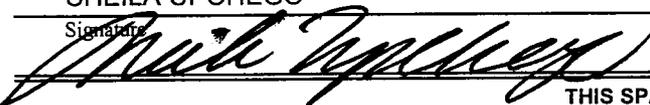
Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature



Date

September 12, 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-469

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 1022-21M

9. API Well No.

4304737171

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. 21, T10S, R22E 727'FSL, 560'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 09/14/2007. DRILLED 12 1/4" SURFACE HOLE TO 2270'. RAN 9 5/8" 56 JTS OF 32.3# H-40 AND 2 JTS OF 36# J-55 SURFACE CSG. LEAD CMT W/180 SX HIFILL CLASS G @11.0 PPG 3.82 YIELD. TAILED CMT W/200 SX PREM CLASS G @15.8 PPG 1.15 YIELD. GOOD RETURNS TO PIT NO LEAD CMT TO PIT. RAN 200' OF 1" PIPE. CMT W/125 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN 1" PIPE. GOOD CMT TO SURFACE AND FELL BACK. TOP OUT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD.. DOWN BACKSIDE. GOOD CMT TO SURFACE HOLE STAYED FULL.

WORT.

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

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature

Date

September 17, 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

RECEIVED

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. **SEP 25 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.

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

5. Lease Serial No.
UTU-0469

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 1022-21M

9. API Well No.
4304737171

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, State
UINTAH COUNTY, UT

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)
727'FSL-560'FWL
SWSW SEC 21-T10S-R22E

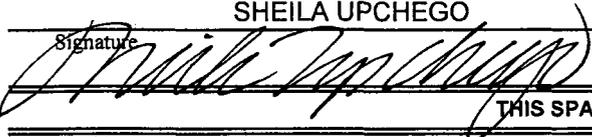
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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 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 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.

FINISHED DRILLING FROM 7955 TO 8425 ON 10/12/2005. RAN 4.1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/340 PREM LITE II @ 11.3 PPG 3.02 YLD. TAILED W/1200 SX 50/50 PREM POZ @ 14.3 PPG 1.31 YLD DISPLACE W/130 BBLs, FINAL CIRC PSI 2450, BUMP PLUG. NIPPLE DOWN. CLEAN PITS. RELEASE RIG 38 10/13/2007 @ 2200 HRS.

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

Name (Printed/Typed) SHEILA UPCHEGO	Title SENIOR LAND ADMIN SPECIALIST
Signature 	Date October 15, 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 omissions in any matter within its jurisdiction.

(Instructions on reverse)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.
UTU-469

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 1022-21M

9. API Well No.
4304737171

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. 21, T10S, R22E 727'FSL, 560'FWL

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

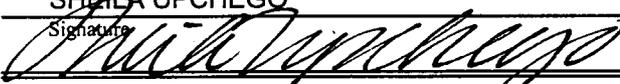
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 PRODUCTION START-UP
	<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.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 12/27/2007 AT 12:00 PM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

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

Name (Printed/Typed) SHEILA UPCHEGO	Title SENIOR LAND ADMIN SPECIALIST
Signature 	Date December 28, 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	

**RECEIVED
DEC 31 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.



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

CHRONOLOGICAL WELL HISTORY

NBU 1022-21M

LOCATION SWSW SEC.21, T10S, R22E
UINTAH COUNTY, UT

DATE	ACTIVITY	PIONEER 38	STATUS
08/15/07	LOCATION STARTED	PIONEER 38	
09/07/07	LOCATION COMPLETE	PIONEER 38	P/L IN, WOBR
09/10/07	SET CONDUCTOR	PIONEER 38	WOAR
09/18/07	9 5/8" @ 2243'	PIONEER 38	WORT
10/05/07	TD: 2270' Csg. 9 5/8" @ 2243' MW: 8.4 RDRT and move to NBU 1022-21M. Spot rig and RURT.		SD: 10/XX/07 DSS: 0
10/08/07	TD: 5316' Csg. 9 5/8" @ 2243' MW: 10.0 RURT. NU and test BOPE. PUDS and drill FE. Rotary spud @ 1530 hrs 10/6/07. Drill from 2270'-5318'. DA.		SD: 10/6/07 DSS: 2
10/09/07	TD: 6370' Csg. 9 5/8" @ 2243' MW: 10.5 Drill from 5318'-6370'. DA.		SD: 10/6/07 DSS: 3
10/10/07	TD: 7200' Csg. 9 5/8" @ 2243' MW: 10.6 Drill from 6370'-7200'. DA.		SD: 10/6/07 DSS: 4
10/11/07	TD: 7595' Csg. 9 5/8" @ 2243' MW: 11.1 Drill from 7200'-7506. TFNB. Drill to 7595'. DA.		SD: 10/6/07 DSS: 5
10/12/07	TD: 8425' Csg. 9 5/8" @ 2243' MW: 11.6 Drill from 7595'-8425'. CCH and prep to short trip @ report time.		SD: 10/6/07 DSS: 6
10/15/07	TD: 8425' Csg. 9 5/8" @ 2243' MW: 11.6 Short trip and CCH. LDDS. Run Quad combo. Run 4 1/2" Production Casing. Attempt to circulate btms up. Lost returns. Pump LCM and fill hole on the back side. Cement casing. ND BOPE and set slips. Release rig @ 2200 hrs 10/13/07. RDRT and move to NBU 1022-21G.		SD: 10/6/07 DSS: 8
12/17/07	Frac Days On Completion: 1 Remarks: DAY #1] 7:00 HSM WAIT ON WEATHERFORD FRAC CREW, IRON TRUCK LOST RADIATOR, COULD NOT RIG UP FRAC EQUIP. WAIT TILL TUES.		

12/18/07

Frac

Days On Completion: 2

Remarks: DAY #2] HSM CUTTERS & WEATHERFORD FROZE UP, CUTTERS GOT TO WELL HEAD @ 8:30. P/U RIH W/ 3-3/8 EXPEND GUN, .23 GRM, 0.36" HOLE, 4 SPF, 36 HOLES. PERF MESAVERDE 8186'-8195', WAIT ON WEATHERFORD. GOT 4 PUMP TRUCKS OUT OF 6 STARTED @ 1:30, WENT TO FRAC FIRST STG & FRAC VAN COMPUTERS FRIED. 3:00 SWIFN.

12/19/2007

Frac

Days On Completion: 3

Remarks: DAY #3] 7:00 HSM WEATHERFORD BLENDER BROKE DN WAITED FOR BLENDER TO COME OUT OF TOWN, SHOWED UP ON LOC @ 11:15, OPEN WELL UP AFTER P/T @ 1:15

STG #1] FRAC MESAVERDE, WHP=1600#, BRK DN PERFS @ 4765#, INJT RT=40, INJT PSI=4662, ISIP=2830, FG=.78, PUMP'D 876.6 BBLS SLK/WTR W/ 21877# 30/50 MESH, ISIP=2833#, FG=.78, AR=40, AP=4171, MR=41, MP=6408, NPI=3, 27/36 PERFS OPEN [76%]

STG #2] P/U RIH W/ BKR 8K CBP W/ 3-3/8 EXP, 23 GRM, 0.36" HOLE, 36 HOLES. SET CBP @ 8090', PERF MESAVERDE 8056'-8060' 4 SPF, 8005'-8008' 4 SPF, 7929'-7933', 4SPF. WHP=0#, BRK DN PERFS @ 6009#, INJT RT=40, INJ PSI=6160, ISIP=2720#, FG=.78, PUMP'D 1832.6 BBLS SLK/WTR W/ 62373# 30/50 MESH, ISIP=2710, FG=.78, AR=50, AP=4922, MR=51, MP=6572, NPI=-10, 40/44 PERFS OPEN [92%]

STG #3] P/U RIH W/ BKR 8K CBP W/ 3-3/8 EXP, 23 GRM, 0.36" HOLE, 44 HOLES, PERF GUN, SET CBP @ 7356', PERF MESAVERDE 7323'-7326' 4 SPF, 7301'-7303' 4 SPF, 7195'-7198' 3 SPF 7154'-7158' 4 SPF, WHP=0#, BRK DN PERFS @ 2358#, INJ RT=50, INJ PSI=3540, FG=.65, PUMP'D 2203.2 BBLS SLK/WTR W/ 77988# 30/50 MESH ISIP=2593#, FG=.80, AR=50, AP=3559, MR=51, MP=3741, NPI=1058, 35/45 PERFS OPEN [77%]

STG #4] P/U RIH W/ BKR 8K CBP W/ 3-3/8 EXP, .23 GRM, 0.36" HOLE, 45 HOLES, PERF GUNS, SET CBP @ 6962', PERF MESAVERDE 6928'-6932' 4 SPF, 6858'-6863' 4 SPF, WHP=0#, BRK DN PERFS @ 3230#, INJT RT=40.2, INJT PSI=4810, ISIP=1940, FG=.72, PUMP'D 627.2 BBLS SLK/WTR W/ 19393# 30/50 MESH, ISIP=2301#, FG=.77, AR=40, AP=3928, MR=42, MP=5909, NPI=361, 22/36 PERFS OPEN [61%]

STG #5] P/U RIH W/ BKR 8K CBP W/ 3-3/8 EXP, .23 GRM, 0.36" HOLE 36 HOLES PERF GUNS SET CBP @ 6609' PERF MESAVERDE 6570'-6579' 4 SPF, WHP=0#, BRK DN PERFS W/ 3715#, INJT RT=40, INJT PSI=3195, ISIP=1472, FG=.66, PUMP'D 1269 BBLS SLK/WTR W/ 38838# 30/50 MESH ISIP=2641, FG=.84, AR=39, AP=3065, MR=40, MP=3665, NPI=1169, 25/36 PERFS OPEN [70%]

P/U RIH W/ BKR 8K CBP & SET @ 6507' POOH R/D CUTTERS WIRE LINE & WTHRFRD FRAC EQUIP. SWIFN. 10:30

12/20/07

dril out cbp

Days On WellWork: 4

Daily Detail: 7:AM. HSM. ND FRAC VALVES, NU BOP. PU 37/8" BIT, POBS, R-NIPPLE. RIH PU 23/8" TBG. TAG @ 6507'. RU DRILL EQUIP. BROKE CONV CIR. DRILL OUT 1# CBP @ 6507'. 400 PSI DIFF INC. RIH TAG @ 6509'. 30' SAND. DRILL DOWN TO 2# CBP @ 6609'. DRILL UP CBP. 300 PSI DIFF INC. RIH, TAG @ 6930'. 30' SAND. DRILL DOWN TO 3# CBP @ 6960'. DRILL UP CBP, 600 PSI DIFF INC. RIH, TAG @ 7326'. 30' SAND. DRILL DOWN TO 4# CBP @ 7356'. DRILL UP CBP. 250 PSI DIFF INC. RIH, TAG @ 8060'. 30' SAND. DRILL DOWN

TO 5# CBP @ 8090'. DRILL UP CBP. 100 PSI DIFF INC. RIH TO PBTD @ 8373'. CIR WELL.
POOH LD EXCESS TBG. 239 JTS IN WELL. EOT 7437.10. SWI 5:30 PM

12/21/07

Final Report

Days On WellWork: 5

Daily Detail : 7:AM HSM. OPEN WELL. 2000 PSI ON CSG. BLOW DOWN. LAND TBG W/
239 JTS. EOT @ 7437.10.ND BOP. NU WELLHEAD. DROP BALL, POBS. 1/2 HR SHUT. OPEN
WELL TO PIT. TURN OVER TO FLOWTESTERS.

- 12/22/07 **FLOWBACK REPORT:** CP 1500#, TP 950#, CK 20/64", 45 BWPH, LOAD REC'D 855 BBLS, TTL
LOAD REC'D -855 BBLS
- 12/23/07 **FLOWBACK REPORT:** CP 1875#, TP 1000#, CK 20/64", 45 BWPH, LOAD REC'D 1935 BBLS, TTL
LOAD REC'D -1935 BBLS
- 12/24/07 **FLOWBACK REPORT:** CP 2150#, TP 1000#, CK 20/64", 45 BWPH, LOAD REC'D 3015 BBLS, TTL
LOAD REC'D -3015 BBLS
- 12/25/07 **FLOWBACK REPORT:** CP 2000#, TP 1200#, CK 20/64", 20 BWPH, LOAD REC'D 3495 BBLS, TTL
LOAD REC'D -3495 BBLS
- 12/26/07 **FLOWBACK REPORT:** CP 1875#, TP 1100#, CK 20/64", 20 BWPH, LOAD REC'D 3975 BBLS, TTL
LOAD REC'D 2831 BBLS
- 12/27/07 **FLOWBACK REPORT:** CP 1750#, TP 1075#, CK 20/64", 35 BWPH, LOAD REC'D 5640 BBLS, TTL
LOAD REC'D 1166 BBLS

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

5. Lease Serial No.
UTU-469

6. If Indian, Allottee or Tribe Name

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

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

8. Lease Name and Well No.
NBU 1022-21M

3. Address
1368 SOUTH 1200 EAST, VERNAL, UTAH 84078

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

9. API Well No.
4304737171

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

At surface SW/SW 727'FSL, 560'FWL

At top prod. interval reported below

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. Sec., T., R., M., or Block and Survey or Area SEC. 21, T10S, R22E

12. County or Parish

UINTAH

13. State

UTAH

At total depth

14. Date Spudded
09/10/07

15. Date T.D. Reached
10/12/07

16. Date Completed
 D & A Ready to Prod.
12/27/07

17. Elevations (DF, RKB, RT, GL)*
5360'GL

18. Total Depth: MD 8425'
TVD

19. Plug Back T.D.: MD 8373'
TVD

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

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

CBL-CCL-GR SD, DSN, ACTR

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cement Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14"	36.7#		40'		28 SX			
12 1/4"	9 5/8"	32.3# 36#		2270'		605 SX			
7 7/8"	4 1/2"	11.6#		8425'		1540 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"	7437'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	6570'	8195'	6570'-8195'	0.36	206	OPEN
B) WSMVD						
C)						
D)						

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

Depth Interval	Amount and type of Material
6570'-8195'	PMP 6809 BBLs SLICK H2O & 220,469# 30/50 MESH SD

RECEIVED

JAN 28 2008

DIV. OF OIL, GAS & MINING

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
12/27/07	01/02/08	24	→	0	1,035	360			FLows FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
20/64		1128#	→	0	1035	360			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
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
			→						

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	4126' 6548'	6548'			

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 01/15/08

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.

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-469

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 1022-21M

9. API Well No.
4304737171

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. 21, T10S, R22E 727'FSL, 560'FWL

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input checked="" type="checkbox"/> Recomplete <input type="checkbox"/> Other _____
	<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.

COPY SENT TO OPERATOR

Date: 6-26-2008

Initials: KS

THE OPERATOR REQUESTS AUTHORIZATION TO RECOMPLETE THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO COMPLETE THE WASATCH FORMATION. THE OPERATOR WILL COMMINGLE THE NEWLY WASATCH INTERVALS ALONG WITH THE EXISTING MESAVERDE INTERVALS.

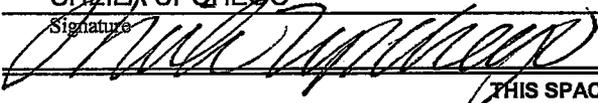
RECEIVED

JUN 23 2008

PLEASE REFER TO THE ATTACHED RECOMPLETION PROCEDURE.

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 19, 2008

THIS SPACE FOR FEDERAL OR STATE USE

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

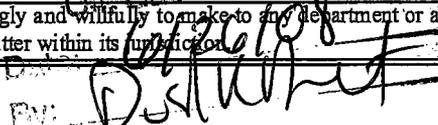
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

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

**Federal Approval Of This
Action Is Necessary**

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to an 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)


BY: David White

Location: SWSW Sec. 21 T10S R22E

Uintah County, UT

Date: 6/19/08

ELEVATIONS: 5360 GL 5376 KB

TOTAL DEPTH: 8418

PBTD: 8373

SURFACE CASING:

9 5/8", 36# J-55 ST&C @ 2244'

PRODUCTION CASING:

4 1/2", 11.6#, I-80 LT&C @ 8418'

Marker Joint **3965'-3986'**

TUBULAR PROPERTIES:

	BURST (psi)	COLLAPSE (psi)	DRIFT DIA. (in.)	CAPACITIES	
				(bbl/ft)	(gal/ft)
2 3/8" 4.7# J-55 tbg	7,700	8,100	1.901"	0.00387	0.1624
4 1/2" 11.6# I-80 (See above)	7780	6350	3.875"	0.0155	0.6528
2 3/8" by 4 1/2" Annulus				0.0101	0.4227

TOPS:

1045' Green River

1682' Mahogany

4122' Wasatch

6542' Mesaverde

CBL indicates good cement below 3300'

GENERAL:

- A minimum of 7 tanks (cleaned lined 500 bbl) of fresh water will be required. Note: Use biocide in tanks and the water needs to be at least 45°F at pump time.
- All perforation depths are from Halliburtons Induction-Density-Neutron log dated 10/12/07
- 3 fracturing stages required for coverage.
- Procedure calls for 4 CBP's (**8000** psi).
- Calculate open perforations after each breakdown. If less than 60% of the perforations appear to be open, ball out with 15% HCl.
- Put scale inhibitor 3 gals/1000 gals (in pad and 1/2 the ramp) and 10 gals/1000 gals in all flushes except the final stage. Remember to pre-load the casing with scale inhibitor for the very first stage with 10 gpt.
- 20/40 mesh Ottawa sand, **Gel frac**.
- Maximum surface pressure **6200** psi.
- Flush volumes are the sum of water and acid used during displacement (include scale inhibitor as mentioned above). DO NOT OVERDISPLACE. Stage acid and scale inhibitor if necessary to cover the next perforated interval.
- Service companies need to provide surface/production annulus pop-offs to be set for 1500 psi for each frac.
- Pump **resin coated sand** last 5,000# of all frac stages
- Tubing Currently Landed @~7437

- Originally completed on 12/18/07

Existing Perforations:

PERFORATIONS					
Formation (Bench)	Top	Btm	spf	Shots	Date
MESA VERDE	6570	6579	4	36	12/18/2007
MESA VERDE	6858	6863	4	20	12/18/2007
MESA VERDE	6928	6932	4	16	12/18/2007
MESA VERDE	7154	7158	4	16	12/18/2007
MESA VERDE	7195	7198	4	12	12/18/2007
MESA VERDE	7301	7303	4	8	12/18/2007
MESA VERDE	7323	7326	4	12	12/18/2007
MESA VERDE	7929	7933	4	16	12/18/2007
MESA VERDE	8005	8008	4	12	12/18/2007
MESA VERDE	8056	8060	4	16	12/18/2007
MESA VERDE	8186	8195	4	36	12/18/2007

PROCEDURE:

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.
2. TOOH with 2-3/8", 4.7#, J-55 tubing (currently landed at ~7437'). Visually inspect for scale and consider replacing if needed.
3. If tbg looks ok consider running a gauge ring to 6100' (50' below proposed CBP). Otherwise P/U a mill and C/O to 6100' (50' below proposed CBP).
4. Set 8000 psi CBP at ~ 6050'. Pressure test BOP and casing to 6000 psi. .
5. Perf the following with 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
WASATCH	5824	5826	4	8
WASATCH	5852	5854	4	8
WASATCH	5934	5938	4	16
WASATCH	5984	5986	4	8
6. Breakdown perms and establish injection rate (include scale inhibitor in fluid). Fracture as outlined in Stage 1 on attached listing. Under-displace to ~5774' and trickle 250gal 15%HCL w/ scale inhibitor in flush . **Note: Tight Spacing**
7. Set 8000 psi CBP at ~5740'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
WASATCH	5516	5518	3	6
WASATCH	5552	5554	3	6
WASATCH	5628	5630	3	6
WASATCH	5684	5686	3	6
WASATCH	5706	5710	4	16

8. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~5466' and trickle 250gal 15%HCL w/ scale inhibitor in flush.
9. Set 8000 psi CBP at ~5248'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	5210	5218	4	32
10. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 3 on attached listing. Under-displace to ~5160' flush only with recycled water. **Note: Lower Rate**
11. Set 8000 psi CBP at ~5160'.
12. TIH with 3 7/8" bit, pump off sub, SN and tubing.
13. Drill plugs and clean out to 8373. Pump off sub and land tubing at ±7899' unless indicated otherwise by the well's behavior. This well will be commingled at this time.
14. RDMO

**For design questions, please call
 Conner Staley, Denver, CO
 (720)-929-6419 (Office)**

**For field implementation questions, please call
 Robert Miller, Vernal, UT
 4350781 7041 (Office)**

NOTES:
 Avoiding water at 5100', 6150', and 6350'. Note lower rate on Stage 3.

Fracturing Schedules
 Name NBU 1022:21M
 Gel Frac

3338.7032
 79.4929333

Stage	Zone	Perfs		SPF	Holes	Rate BPM	Fluid Type	Prop	Initial ppg	Final ppg	Fluid	Volume gals	Cum Vol gals	Volume BBLs	Cum Vol BBLs	Fluid % of frac	Sand % of frac	Sand lbs	Cum. Sand lbs	Footage from CBP to Flush	Scale Inhib., gal.	
		Top, ft.	Bot. ft.																			
1	WASATCH	5824	5826	4	8	Varied	Pump-in test															
	WASATCH	5852	5854	4	8	0	ISIP and 5 min ISIP															56
	WASATCH	5934	5936	4	16	20	20#				Freshwater	4,608	4,608	110	110	16.0%	0.0%	0	0		14	
	WASATCH	5984	5986	4	8	20	20# X-link	20/40	1	1	Freshwater	2,016	2,016	48	158	7.0%	2.0%	2,016	2,016		8	
	WASATCH					20	20# X-link	20/40	2	2	Freshwater	2,016	2,016	48	206	7.0%	4.1%	4,032	6,048		6	
	WASATCH					20	20# X-link	20/40	3	3	Freshwater	7,200	7,200	171	377	25.0%	21.8%	21,600	27,648		22	
	WASATCH					20	20# X-link	20/40	4	4	Freshwater	6,048	6,048	144	521	21.0%	24.4%	24,192	51,840		0	
	WASATCH					20	20# X-link	20/40	6	6	Freshwater	4,032	8,840	96	617	14.0%	24.4%	24,192	76,032		0	
	WASATCH					20	20# X-link	20/40	8	8	Freshwater	2,880	28,800	69	686	10.0%	23.3%	23,040	99,072		0	
	WASATCH					20	Flush (4-1/2")					5,638	34,438	134	820						56	
	WASATCH						ISDP and 5 min ISDP														160	
		# of Perfs/stage			40	41.0	<< Above pump time (min)								LOOK		gal/ft	600	2,064	lbs sand/ft		
															Flush depth	5774		CBP depth	5,740		34	LOOK
2	WASATCH	5516	5518	3	6	Varied	Pump-in test															
	WASATCH	5552	5554	3	6	0	ISIP and 5 min ISIP															17
	WASATCH	5626	5630	3	6	20	20#				Freshwater	5,792	5,792	138	138	16.0%	0.0%	0	0		8	
	WASATCH	5684	5686	3	6	20	20# X-link	20/40	1	1	Freshwater	2,534	2,534	60	198	7.0%	2.0%	2,534	2,534		8	
	WASATCH	5706	5710	4	16	20	20# X-link	20/40	2	2	Freshwater	2,534	2,534	60	259	7.0%	4.1%	5,068	7,602		8	
	WASATCH					20	20# X-link	20/40	3	3	Freshwater	9,050	9,050	215	474	25.0%	21.8%	27,150	34,752		27	
	WASATCH					20	20# X-link	20/40	4	4	Freshwater	7,602	7,602	181	655	21.0%	24.4%	30,408	65,160		0	
	WASATCH					20	20# X-link	20/40	6	6	Freshwater	5,068	10,860	121	776	14.0%	24.4%	30,408	95,568		0	
	WASATCH					20	20# X-link	20/40	8	8	Freshwater	3,620	36,200	86	862	10.0%	23.3%	28,960	124,528		0	
	WASATCH					20	Flush (4-1/2")					5,337	41,537	127	989						53	
	WASATCH						ISDP and 5 min ISDP														113	
		# of Perfs/stage			40	49.4	<< Above pump time (min)								Flush depth	6466	gal/ft	200	688	lbs sand/ft	218	
															CBP depth	5,248						
3	WASATCH	5210	5218	4	32	Varied	Pump-in test															
	WASATCH					0	ISIP and 5 min ISIP															12
	WASATCH					15	20#				Freshwater	3,840	3,840	91	91	16.0%	0.0%	0	0		5	
	WASATCH					15	20# X-link	20/40	1	1	Freshwater	1,680	1,680	40	131	7.0%	2.0%	1,680	1,680		5	
	WASATCH					15	20# X-link	20/40	2	2	Freshwater	1,680	1,680	40	171	7.0%	4.1%	3,360	5,040		5	
	WASATCH					15	20# X-link	20/40	3	3	Freshwater	6,000	6,000	143	314	25.0%	21.8%	18,000	23,040		18	
	WASATCH					15	20# X-link	20/40	4	4	Freshwater	5,040	5,040	120	434	21.0%	24.4%	20,160	43,200		0	
	WASATCH					15	20# X-link	20/40	6	6	Freshwater	3,360	7,200	80	514	14.0%	24.4%	20,160	63,360		0	
	WASATCH					15	20# X-link	20/40	8	8	Freshwater	2,400	24,000	57	571	10.0%	23.3%	19,200	82,560		0	
	WASATCH					15	Flush (4-1/2")					5,038	29,038	120	691						50	
	WASATCH						ISDP and 5 min ISDP														90	
		# of Perfs/stage			32	46.1	<< Above pump time (min)								LOOK		gal/ft	1,000	3,440	lbs sand/ft	0	
															Flush depth	5160		CBP depth	5,160			
Totals					112	2.3					Total Fluid	104,574	gals		2,490	bbls	Total Sand	306,160			LOOK	
												2,490	bbls		6.5	tanks		Total Scale Inhib. =			359	

Name NBU 1022-21M
 Perforation and CBP Summary

Stage	Zones	Perforations		SPF	Holes	Fracture Coverage		
		Top, ft	Bottom, ft					
1	WASATCH	5824	5826	4	8	5824	to	5826
	WASATCH	5852	5854	4	8	5852	to	5854
	WASATCH	5934	5938	4	16	5898	to	5940
	WASATCH	5984	5986	4	8	5984	to	5986
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
		# of Perfs/stage				40	CBP DEPTH	5,740
2	WASATCH	5516	5518	3	8	5508	to	5644
	WASATCH	5552	5554	3	6	5508	to	5644
	WASATCH	5628	5630	3	6	5508	to	5644
	WASATCH	5684	5686	3	6	5665	to	5710
	WASATCH	5706	5710	4	16	5665	to	5710
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
		# of Perfs/stage				40	CBP DEPTH	5,248
3	WASATCH	5210	5218	4	32	5194	to	5218
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
		# of Perfs/stage				32	CBP DEPTH	5,160

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

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<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	
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<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____	
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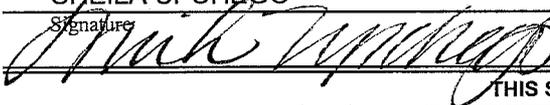
THE OPERATOR PERFORMED AN RECOMPLETION ON THE SUBJECT WELL LOCATION. THE OPERATOR HAS PLACED THE SUBJECT WELL LOCATION BACK ON PRODUCTION ON 07/20/2008 AT 8:30 AM.

PLEASE REFER TO THE ATTACHED RECOMPLETION CHRONOLOGICAL WELL HISTORY.

**RECEIVED
JUL 28 2008**

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed) SHEILA UPCHEGO	Title REGULATORY ANALYST
Signature 	Date July 21, 2008

THIS SPACE FOR FEDERAL OR STATE USE

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

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EVENT INFORMATION: EVENT ACTIVITY: RECOMPLETION START DATE: 7/10/2008
 OBJECTIVE: DEVELOPMENT END DATE: 7/16/2008
 OBJECTIVE 2: RECOMPLETE DATE WELL STARTED PROD.:
 REASON: WAS RECOMPLETE Event End Status: COMPLETE

RIG OPERATIONS: Begin Mobilization Rig On Location Rig Charges Rig Operation Start Finish Drilling Rig Release Rig Off Location

MILES-GRAY 1 / 1 07/09/2008 07/09/2008 07/16/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation	
7/9/2008	SUPERVISOR: JD FOREMAN							MD:
	7:00 - 7:30	0.50	COMP	48		P	SAFETY MEETING	
	7:30 - 15:00	7.50	COMP	31		P	ROAD RIG F/ YARD TO NBU1022-21M SPOTIN EQUIP RIG UP BLOW WELL DOWN KILL W/ 40 BBL 2% KCL NIPPLE UP BOP UNLAND TBG POOH NIPPLE DOWN BOP NIPPLE FRAC VALVES SDFN	
7/10/2008	SUPERVISOR: JD FOREMAN							MD:
	7:00 - 13:00	6.00	COMP	31		P	STANDBY	
7/11/2008	SUPERVISOR: JD FOREMAN							MD:
	7:00 - 7:30	0.50	COMP	48		P	SAFETY METTING	
	7:30 - 17:00	9.50	COMP	31		P	MIRU CUTTERS RIH W/ G/R TO 6100' POOH PICK UP 8K CBP RIH SET @ 6050' FILL HOLE W/ 2% KCL WATER TEST CSG TO 6000# GOOD TEST RIH W/ 3,3/8 GUNS 23 GM .36 HOLES PERF @ 5824'-26'4 SPF 5852'-54' 4 SPF 5934'-38' 4 SPF 5984'-86' 4 SPF POOH RIG DOWN NO BLOW SDFWE	
7/14/2008	SUPERVISOR: JD FOREMAN							MD:
	7:00 - 7:30	0.50	COMP	48		P	SAFETY MEETING	
	7:30 - 17:00	9.50	COMP	31		P	MIRU WEATHERFORD FRAC STAGE #1 BRK PERF @3181# INJ RT 20 BPM INJ PSI 2570# ISIP 1271# FG .66 FRAC W/ 94022# 20/40 SAND + 5000# RESIN COATED SAND + 871 BBL 20 # GEL FLUID MP 3410# MR 21.1 BPM AP 2204# AR 20.6 BPM ISIP 2168# FG .81 NPI 897# STAGE #2 RIH SET 8K CBP @ 5740' PERF W/ 3,3/8 GUNS 23GM .36 HOLE @5516'-18' 3 SPF 5552'-54' 3 SPF 5628'-30' 3 SPF 5684'-86' 3 SPF 5706'-10' 4 SPF BRK PERF @ 5567# INJ RT 20 BPM INJ PSI 2450# ISIP 1865# FG .77 FRAC W/ 126594# 20/40 SAND + 5000# RESIN COATED SAND MP 6416# MR 22.2 BPM AP 2924# AR 18 BPM ISIP 2034# FG .80 NPI 169# STAGE #3 RIH SET 8K CBP # 5248# PERF @ 5210'-5218' 4 SPF BRK PERF @ 2696#INJ RT 20 BPM INJ PSI 1519# FG.73 FRAC W/72612# 20/40 SAND + 5000# RESIN COATED SAND + 683 BBP 20# GEL FLUID MP 2441# MR 21.1 AP 1987# AR 16.9 BPM ISIP 1954# FG .82 NPI 435# RIH SET 8K CBP @ 5160' RIG DOWN WEATHERFORD & CUTTERS SDFN	
7/16/2008	SUPERVISOR: JD FOREMAN							MD:
	7:00 - 7:30	0.50	COMP	48		P	SAFETY MEETING	
	7:30 - 17:00	9.50	COMP	31		P	BRK CIRC W/ AIR FOAM C/O F/8150' TO 8288' TAG OLD POBS CIRC CLEAN PULL & LAY DOWN 15 JTS 2,3/8 LAND TBG W/ 253 JTS J-55 TBG EOT 7881.10' NIPPLE DOWN BOP NIPPEL UP TREE PUMP OFF BIT TRUN WELL TO FLOW BACK CREW RDMO TBG DETAIL KB 16.00 HANGER .83 253 JTS 2,3/8 J-55 TBG 7862.07 XN-NIPPLE 2.20 EOT 7881.10	
7/18/2008	SUPERVISOR: JD FOREMAN							MD:
	7:00 -			33	A		7 AM FLBK REPORT: CP 1700#, TP 650#, 20/64" CK, 35 BWPH, TRACE SAND, NA GAS TTL BBLs RECOVERED: 675 BBLs LEFT TO RECOVER: 5325	
7/19/2008	SUPERVISOR: JD FOREMAN							MD:
	7:00 -			33	A		7 AM FLBK REPORT: CP 1550#, TP 700#, 20/64" CK, 30 BWPH, TRACE SAND, NA GAS TTL BBLs RECOVERED: 1463 BBLs LEFT TO RECOVER: 4537	
7/20/2008	SUPERVISOR: JD FOREMAN							MD:

Wins No.: 93575		NBU 1022-21M		API No.: 4304737171
7:00 -	33	A	7 AM FLBK REPORT: CP 1450#, TP 700#, 20/64" CK, 27 BWPH, TRACE SAND, NA GAS TTL BBLS RECOVERED: 2141 BBLS LEFT TO RECOVER: 3859	
7/21/2008	SUPERVISOR: JD FOREMAN		<u>MD:</u>	
7:00 -	33	A	7 AM FLBK REPORT: CP 1400#, TP 675#, 20/64" CK, 17 BWPH, CLEAN SAND, - GAS TTL BBLS RECOVERED: 2582 BBLS LEFT TO RECOVER: 3418	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-0469
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.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: NBU 1022-21M
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047371710000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6007 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0727 FSL 0560 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 21 Township: 10.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 4/5/2010	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input checked="" type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

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

THIS WELL RETURNED TO PRODUCTION ON 4/5/2010.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 April 13, 2010

NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A		DATE 4/13/2010