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

5. Lease Serial No.
UTU-01198-B

6. If Indian, Allottee or Tribe Name

1a. Type of Work: [X] DRILL [ ] REENTER

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

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

8. Lease Name and Well No.
NBU 1022-22E

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

9. API Well No.
43-047-37176

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 SWNW 2247' FNL 228' FWL 633824X 39.935473
At proposed prod. Zone 4421560Y -109.433789

11. Sec., T., R., M., or Blk, and Survey or Area
SEC 22-T10S-R22E

14. Distance in miles and direction from nearest town or post office*
23.7 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) 228'

16. No. of Acres in lease
2040

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
8650'

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
5373.9' 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
Debra Domenici

Name *(Printed/Typed)*
DEBRA DOMENICI

Date
9/20/2005

Title
ASSOCIATE ENVIRONMENTAL ANALYST

Approved by *(Signature)*
Bradley G. Hill

Name *(Printed/Typed)*
BRADLEY G. HILL

Date
09-27-05

Title
ENVIRONMENTAL SCIENTIST III

Office

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

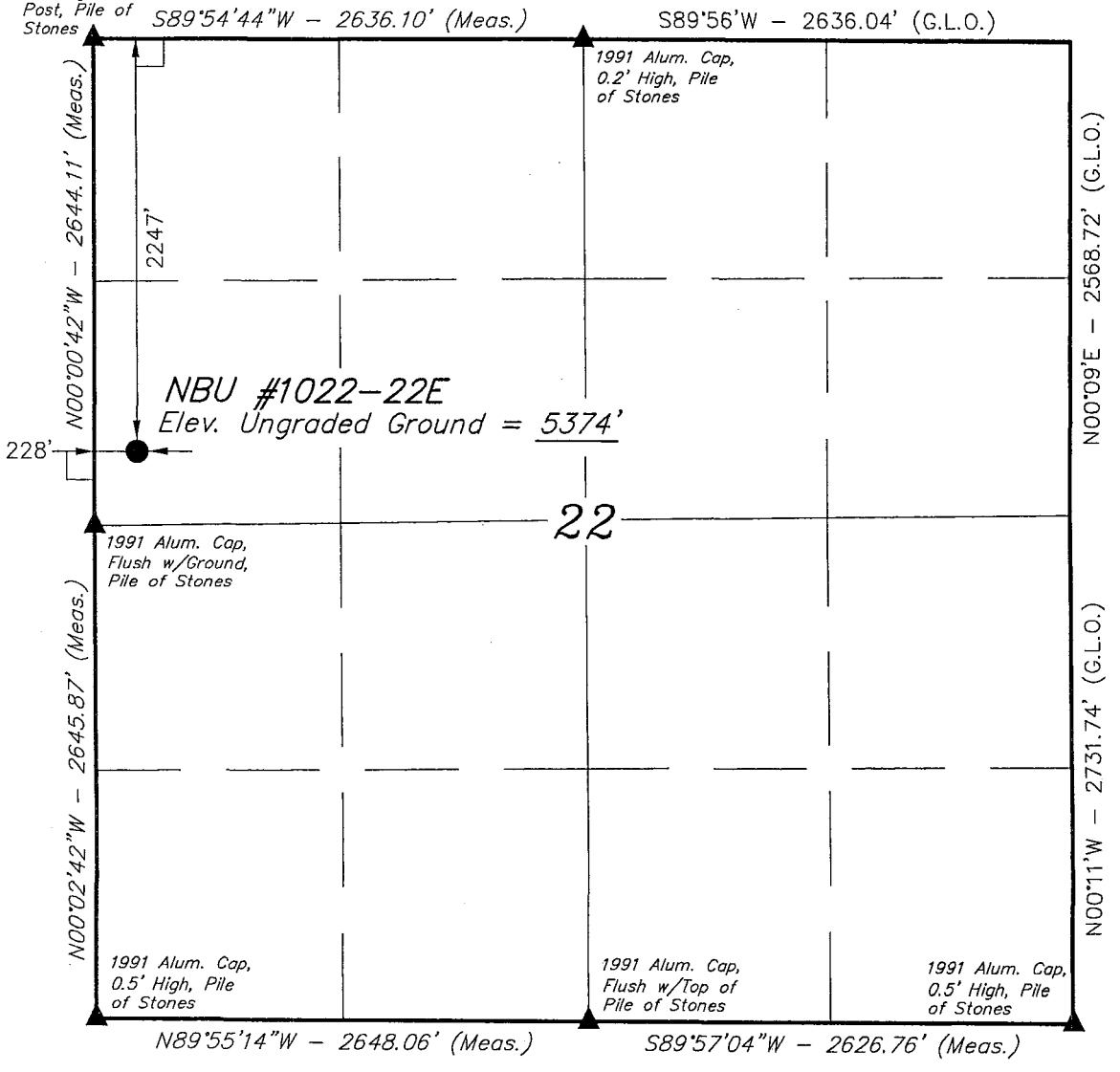
Title 18 U.S.C. Section 1001and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**(Instructions on reverse)*

Federal Approval of this Action is Necessary

RECEIVED
SEP 26 2005
DIV. OF OIL, GAS & MINING

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



WESTPORT OIL AND GAS COMPANY, L.P.

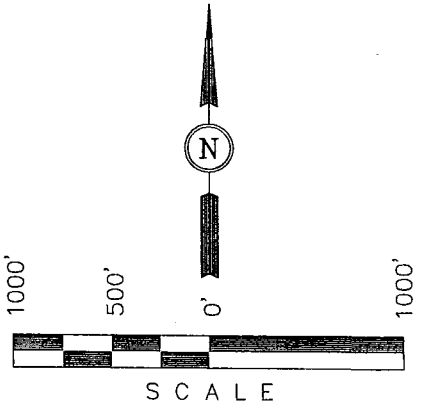
Well location, NBU #1022-22E, located as shown in the SW 1/4 NW 1/4 of Section 22, T10S, R22E, S.L.B.&M. Uintah County, Utah.

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.



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.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

LEGEND:

└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)
LATITUDE = 39°56'07.59" (39.935442)
LONGITUDE = 109°26'04.26" (109.434517)
(NAD 27)
LATITUDE = 39°56'07.71" (39.935475)
LONGITUDE = 109°26'01.80" (109.433833)

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

SCALE 1" = 1000'	DATE SURVEYED: 06-24-05	DATE DRAWN: 06-28-05
PARTY D.K. T.C. P.M.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE WESTPORT OIL AND GAS COMPANY, L.P.	

NBU 1022-22E
SWNW SEC 22-T10S-R22E
UINTAH COUNTY, UTAH
UTU-01198-B

ONSHORE ORDER NO. 1

DRILLING PROGRAM

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

Formation	Depth
Uinta	0- Surface
Green River	950'
Wasatch	4150'
Mesaverde	6650'
TD	8650'

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

Substance	Formation	Depth
	Green River	950'
Gas	Wasatch	4150'
Gas	Mesaverde	6650'
Water	N/A	
Other Minerals	N/A	

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

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

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

Please see the Natural Buttes Unit SOP.

5. **Drilling Fluids Program:**

Please see the Natural Buttes Unit SOP.

6. **Evaluation Program:**

Please see the Natural Buttes Unit SOP.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 8650' TD, approximately equals 3460 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1557 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

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

9. **Variances:**

Please see Natural Buttes Unit SOP.

10. **Other Information:**

Please see Natural Buttes Unit SOP.

Westport Oil and Gas Company, L.P.

DRILLING PROGRAM

COMPANY NAME	Westport Oil and Gas Co., L.P.	DATE	August 18, 2005
WELL NAME	**NBU 1022-22E**	TD	8,650' MD/TVD
FIELD	Natural Buttes	COUNTY Uintah	STATE Utah
ELEVATION	5,374' GL	KB 5,389'	
SURFACE LOCATION	SWNW SECTION 22-T10S-R22E 2247'FNL & 228'FWL	BHL	Straight Hole
	Latitude: 39.935442 *Longitude:* 109.434517		
OBJECTIVE ZONE(S)	Wasatch/Mesaverde		
ADDITIONAL INFO	Regulatory Agencies: UDOGM (surface/minerals), BLM, Tri-County Health Dept.		

GEOLOGICAL			MECHANICAL		
LOGS	FORMATION TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'	14"		
			12-1/4"	9-5/8", 32.3#, H-40, STC	Air mist
Catch water sample, if possible, from 0 to 4,150'					
	Green River @	**950**			
	Preset f/ GL @	**1900 ' MD**			
Mud logging program TBD Open hole logging program f/ TD - surf csg			7-7/8"	4-1/2", 11.6#, M80, I80 or equivalent LTC csg	Air Mist/Polymer Aerated Water/Brine 8.3-10.8 ppg
	Wasatch @	**4,150'**			
	Mverde @	**6,650'**			
	TD @	**8,650'**			Max anticipated Mud required 10.8 ppg

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	0.77********	1.66	4.73
								7780	6350	201000
PRODUCTION	4-1/2"	0	to	8650	11.60	M-80 or I-80	LTC	2.63	1.31	2.30

1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)

2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)

(Burst Assumptions: TD = 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 2955 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	3,650'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	380	60%	11.00	3.38
	TAIL	5,000'	50/50 Poz/G + 10% salt + 2% gel	1400	60%	14.30	1.31

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

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

FLOAT EQUIPMENT & CENTRALIZERS

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

ADDITIONAL INFORMATION

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

BOPE: 11" 3M with one annular and 2 rams. Test to 3,000 psi (annular to 1,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

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

DRILLING ENGINEER: _____ **DATE:** _____

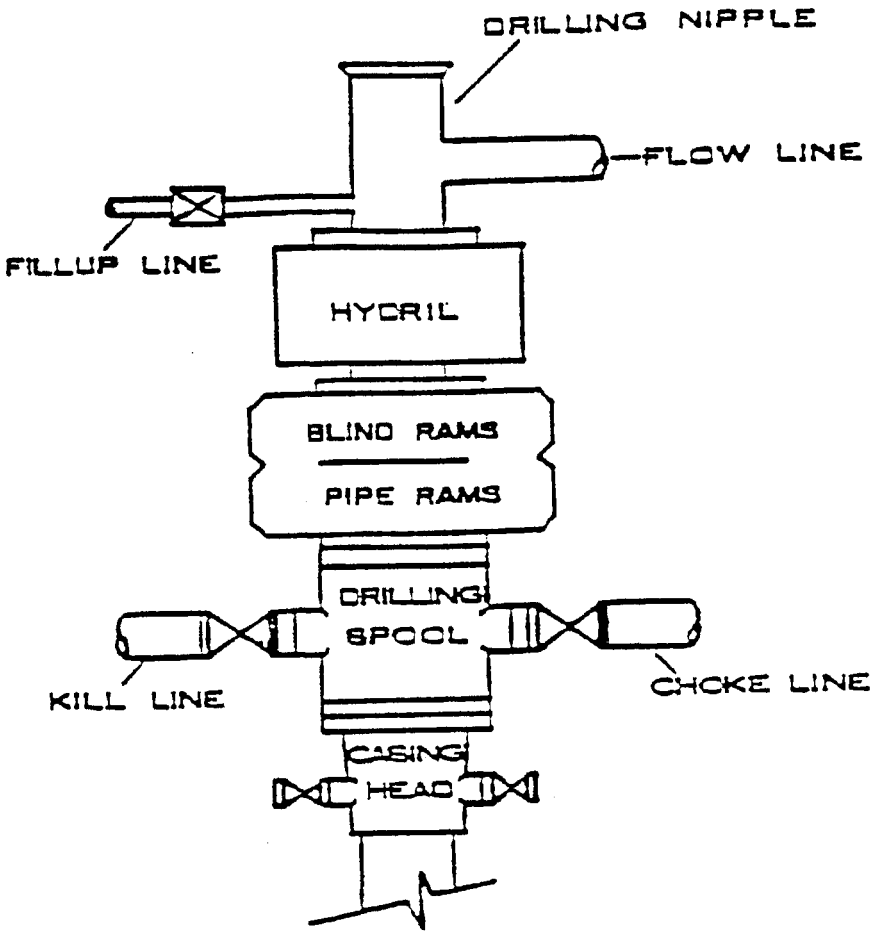
Brad Laney

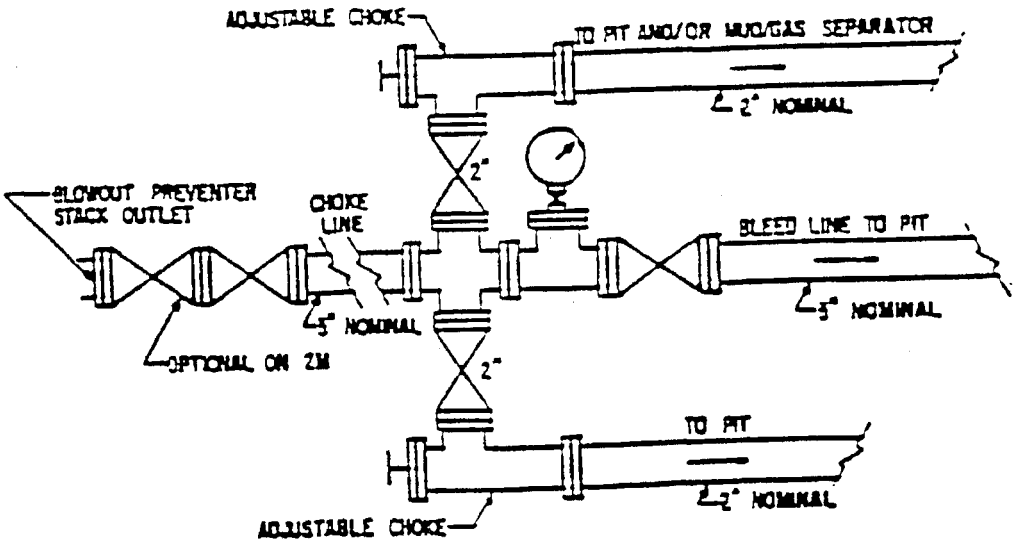
DRILLING SUPERINTENDENT: _____ **DATE:** _____

Randy Bayne

3,000 PSI

BOP STACK





NBU 1022-22E
SWNW SEC 22-T10S-R22E
UINTAH COUNTY, UTAH
UTU-01198-B

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the NBU 1022-22E 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 1024' of pipeline is proposed. Refer to Topo Map D for the location of the proposed pipelines.

Variances to Best Management Practices (BMPs) Requested:

Approximately 1024' 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:

Wildlife Stipulations:

Antelope Stipulations:

No construction or drilling from May 15th through 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.

13. Lessee's or Operator's Representative & Certification:

Debra Domenici
Associate Environmental Analyst
Wesport 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

Debra Domenici

9/20/2005

Date

WESTPORT OIL AND GAS COMPANY, L.P.
NBU #1022-22E
SECTION 22, 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 1.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 300' TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 54.7 MILES.

WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1022-22E

LOCATED IN UINTAH COUNTY, UTAH
SECTION 22, T10S, R22E, S.L.B.&M.

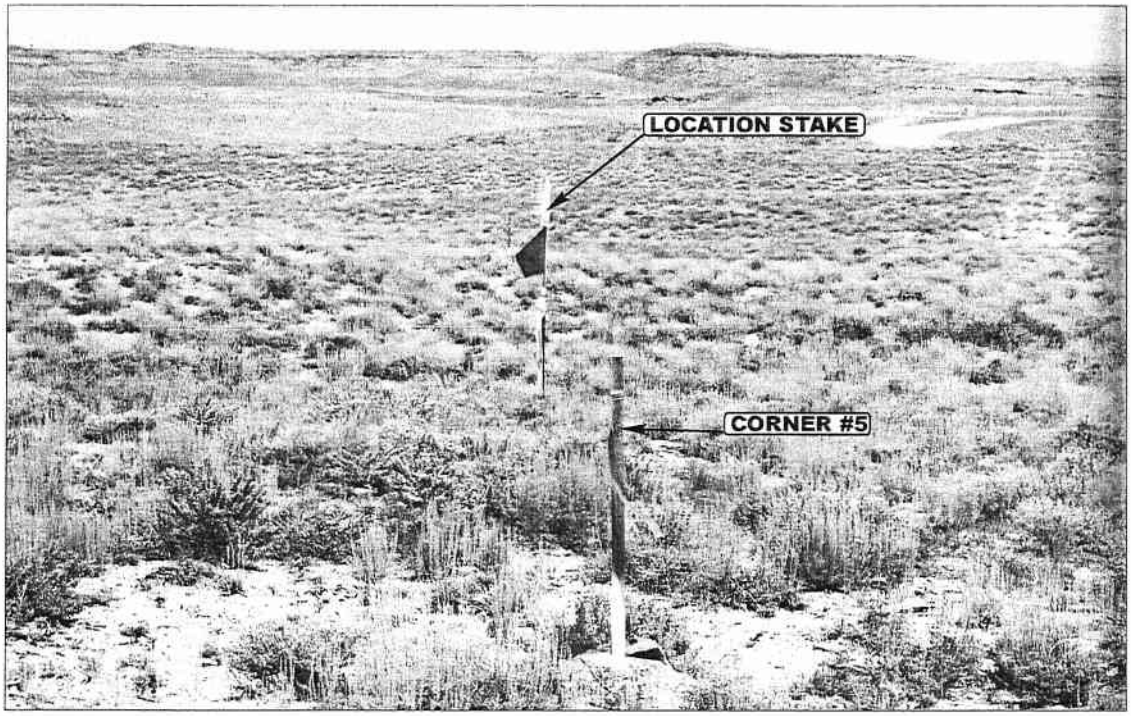


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE **CAMERA ANGLE: NORTHWESTERLY**

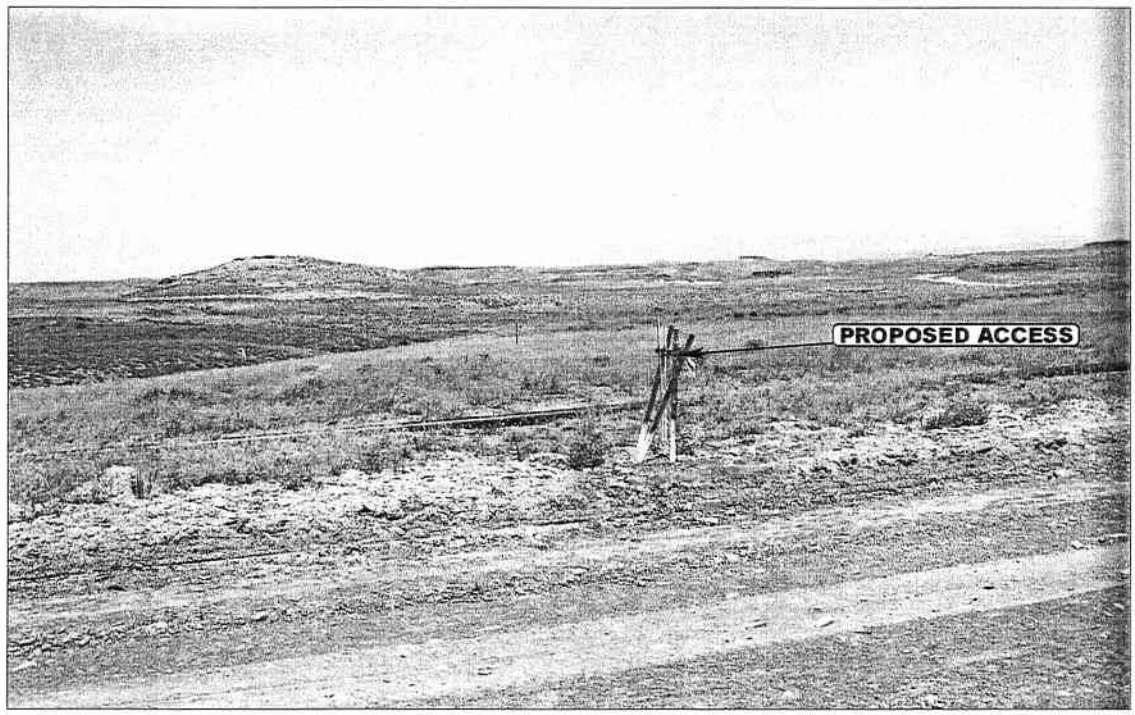
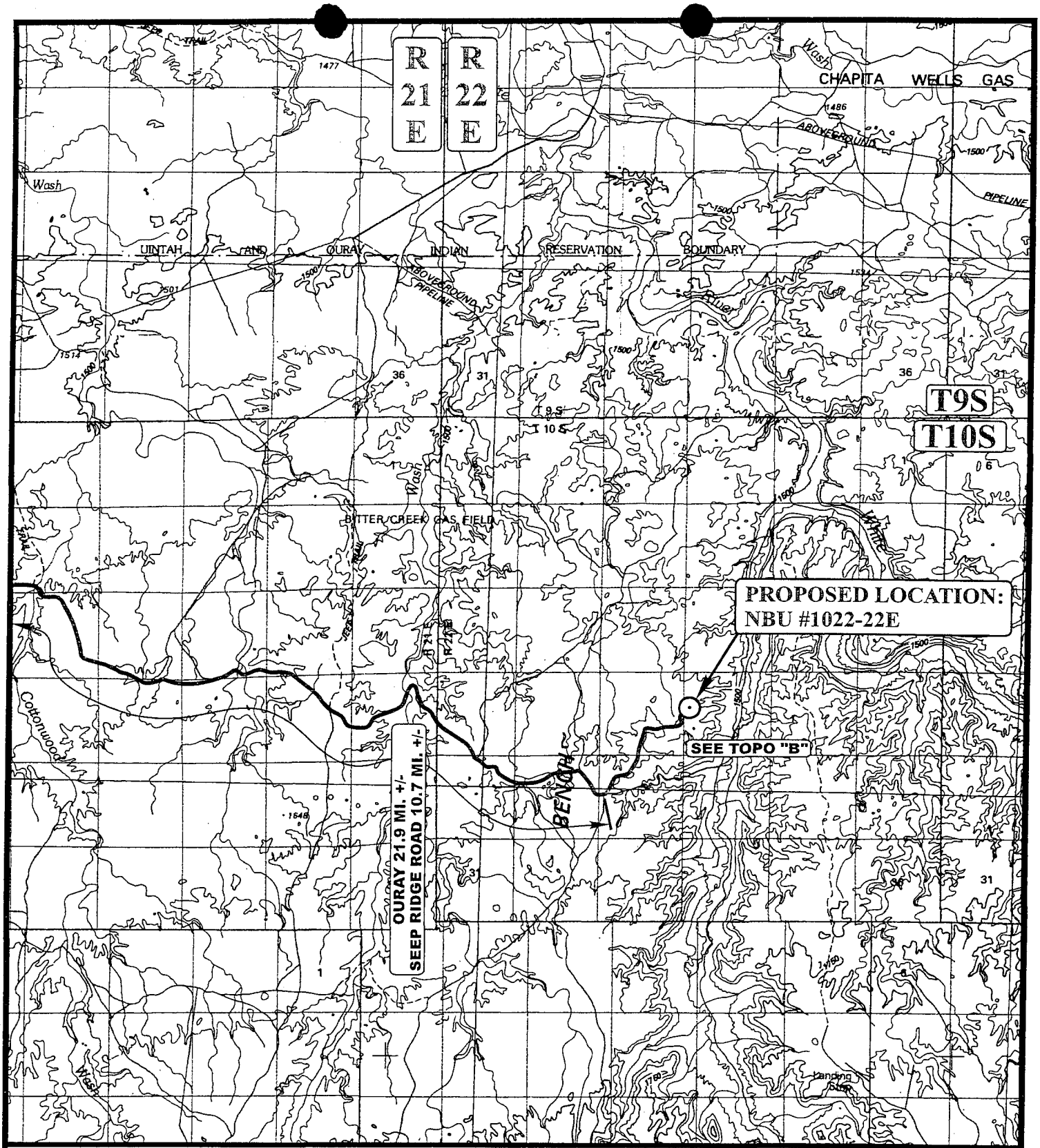


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS **CAMERA ANGLE: NORTHWESTERLY**

- Since 1964 -

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

LOCATION PHOTOS		06 MONTH	27 DAY	05 YEAR	PHOTO
TAKEN BY: D.K.	DRAWN BY: C.P.	REVISED: 00-00-00			



LEGEND:

⊙ PROPOSED LOCATION

N

WESTPORT OIL AND GAS COMPANY, L.P.

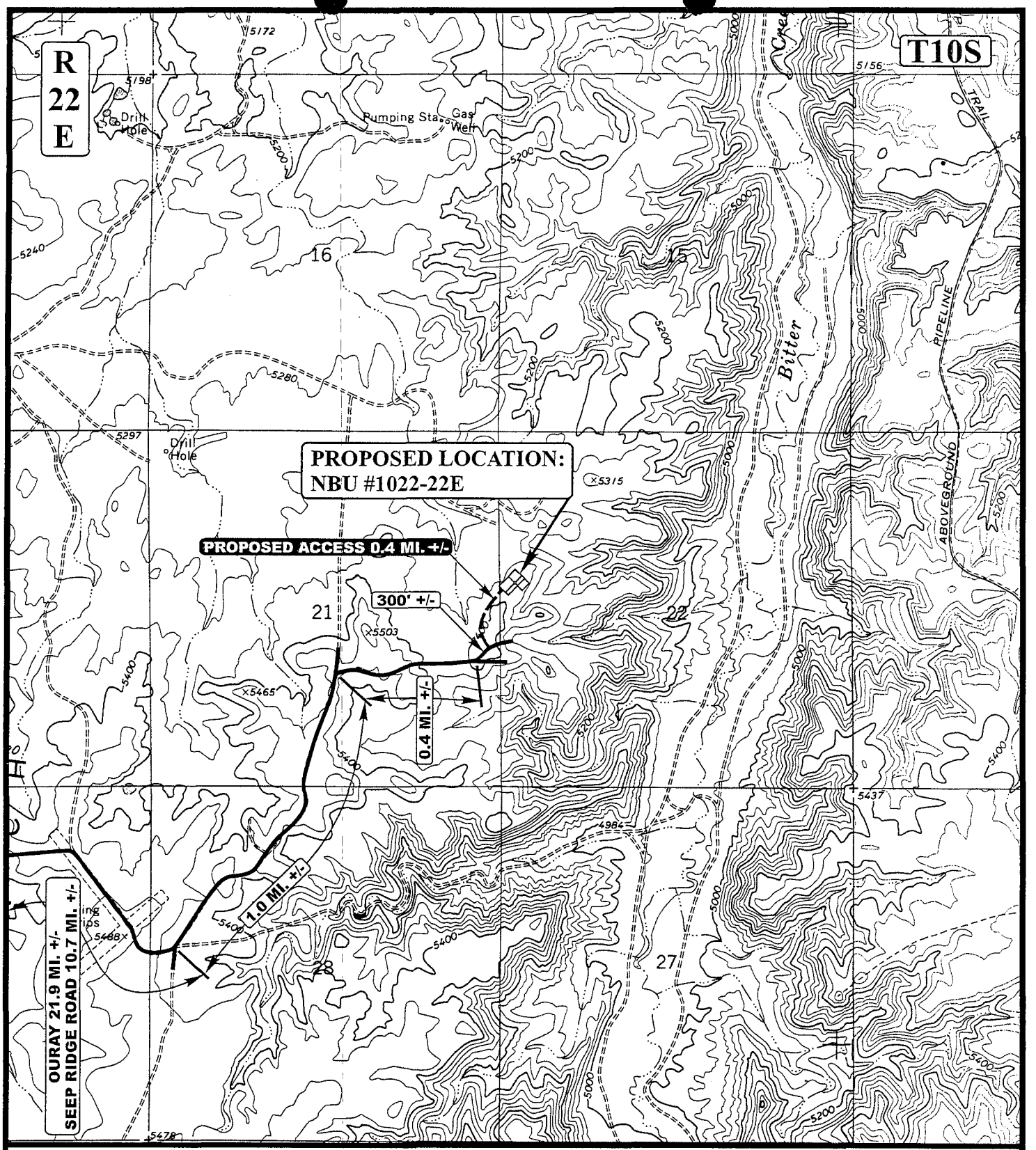
NBU #1022-22E

SECTION 22, T10S, R22E, S.L.B.&M.

2247' FNL 228' FWL

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

TOPOGRAPHIC MAP	06 MONTH	27 DAY	05 YEAR
SCALE: 1:100,000	DRAWN BY: C.P.	REVISED: 00-00-00	



LEGEND:

EXISTING ROAD
PROPOSED ACCESS ROAD

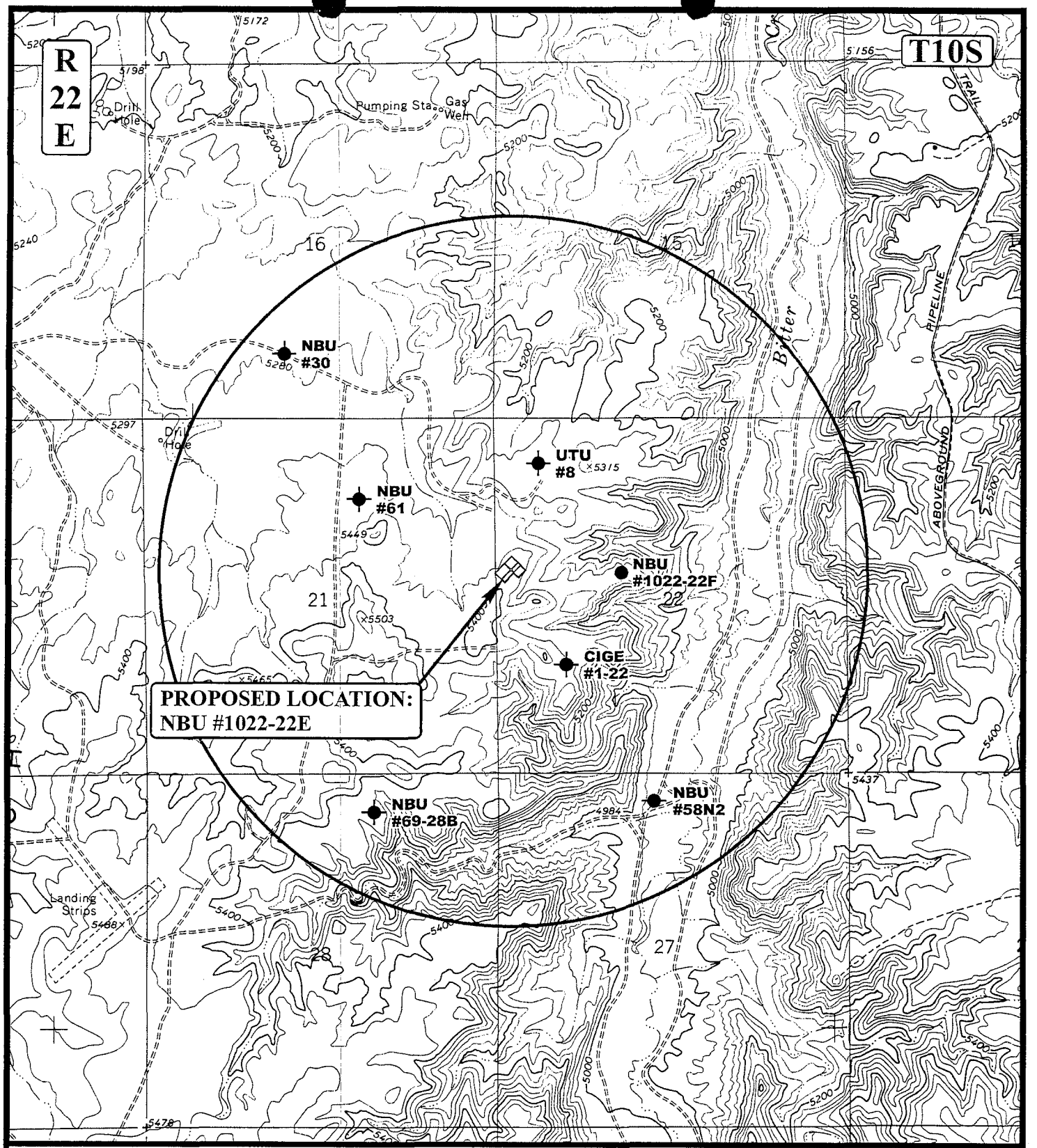
N

WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1022-22E
SECTION 22, T10S, R22E, S.L.B.&M.
2247' FNL 228' FWL

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

TOPOGRAPHIC MAP	06 MONTH	27 DAY	05 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: C.P.	REVISED: 00-00-00		



LEGEND:

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

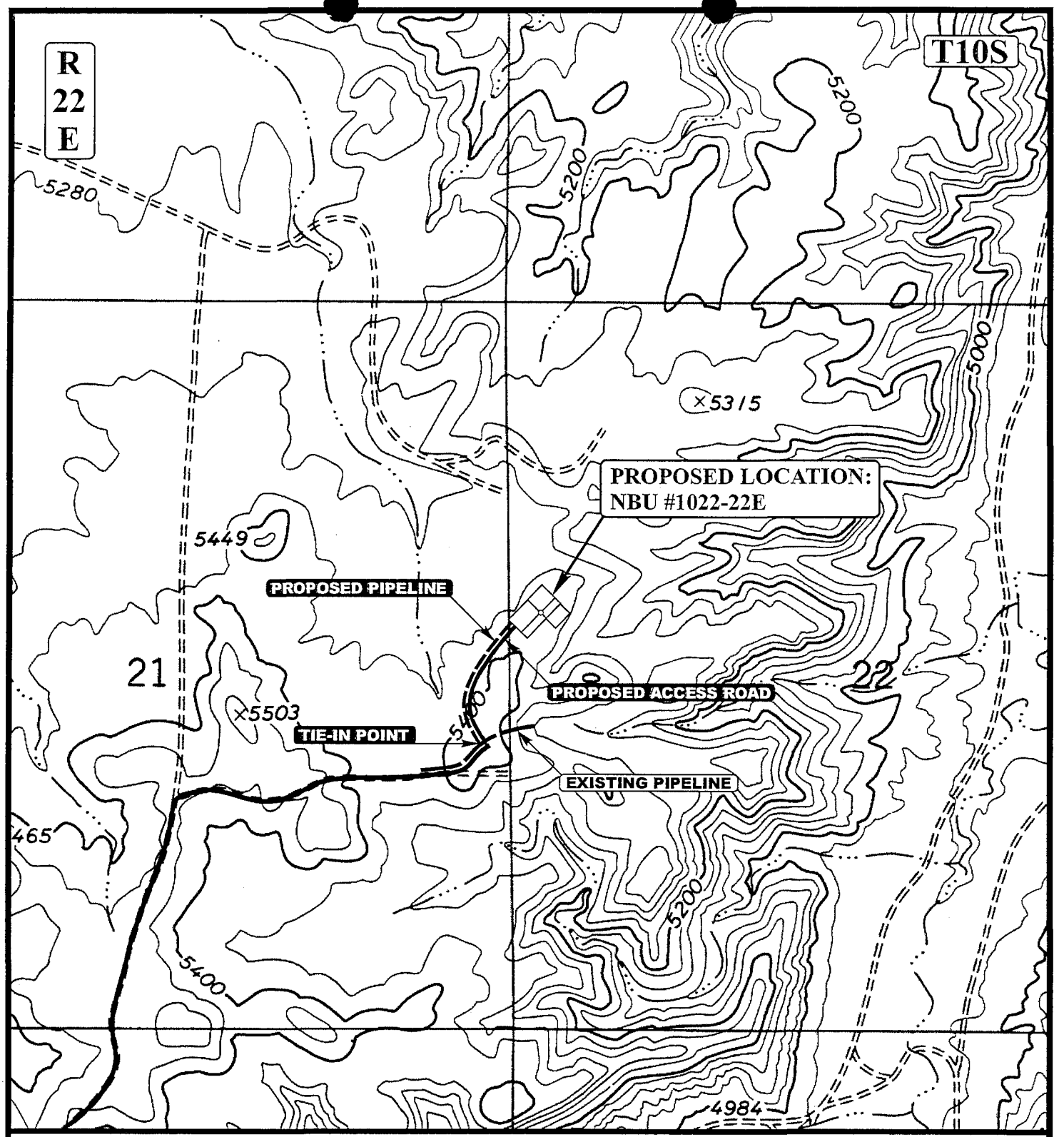
N

WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1022-22E
SECTION 22, T10S, R22E, S.L.B.&M.
2247' FNL 228' FWL

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

TOPOGRAPHIC MAP	06 MONTH	27 DAY	05 YEAR	C TOPO
SCALE: 1" = 2000'	DRAWN BY: C.P.	REVISED: 00-00-00		



APPROXIMATE TOTAL PIPELINE DISTANCE = 1,024' +/-

LEGEND:

PROPOSED ACCESS ROAD
EXISTING PIPELINE
PROPOSED PIPELINE

N

WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1022-22E
SECTION 22, T10S, R22E, S.L.B.&M.
2247' FNL 228' FWL

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

TOPOGRAPHIC MAP	06 MONTH	27 DAY	05 YEAR	D TOPO
SCALE: 1" = 1000'	DRAWN BY: C.P.	REVISED: 00-00-00		

WESTPORT OIL AND GAS COMPANY, L.P.

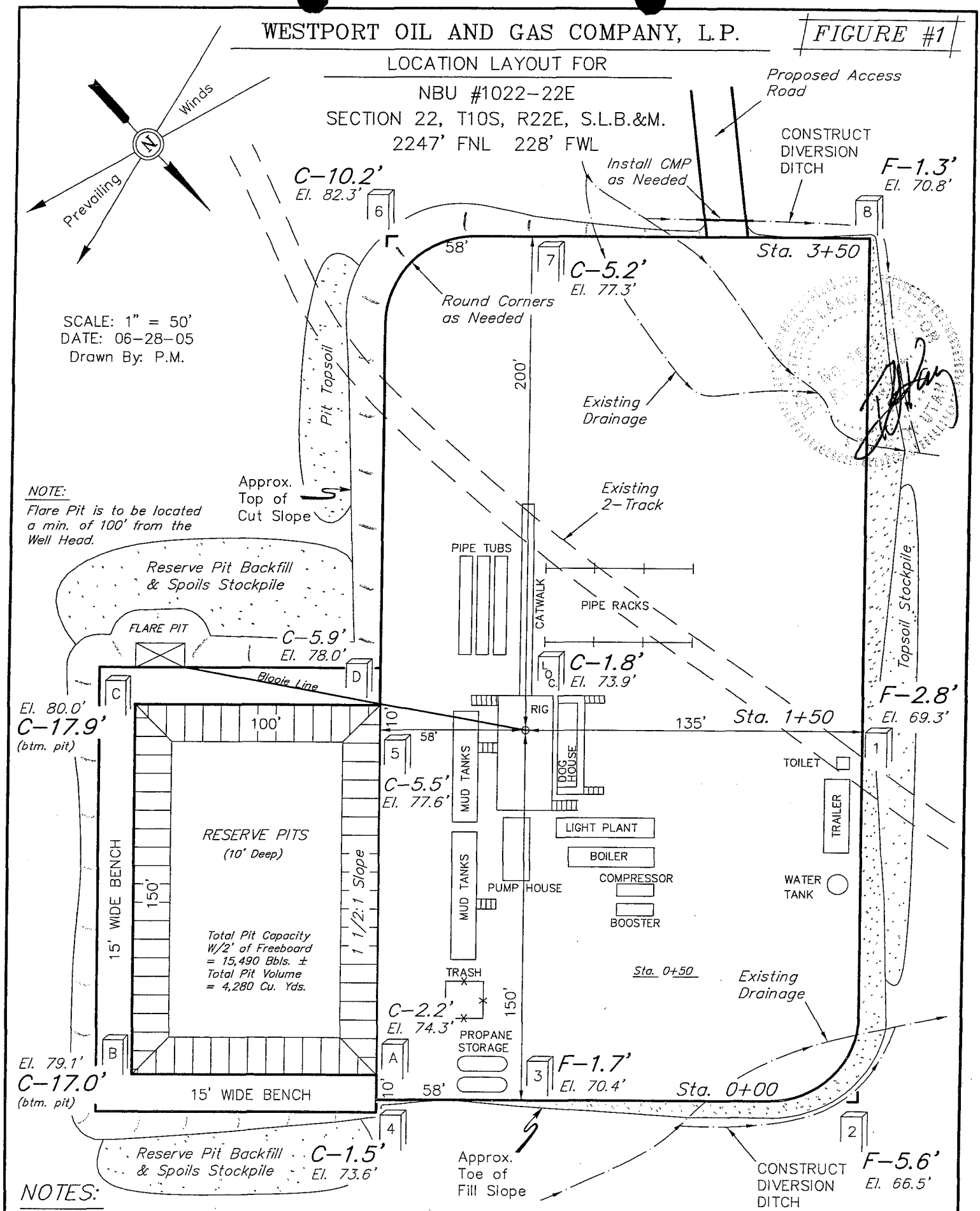
FIGURE #1

LOCATION LAYOUT FOR

NBU #1022-22E

SECTION 22, T10S, R22E, S.L.B.&M.

2247' FNL 228' FWL



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5373.9'

FINISHED GRADE ELEV. AT LOC. STAKE = 5372.1'

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 #1022-22E

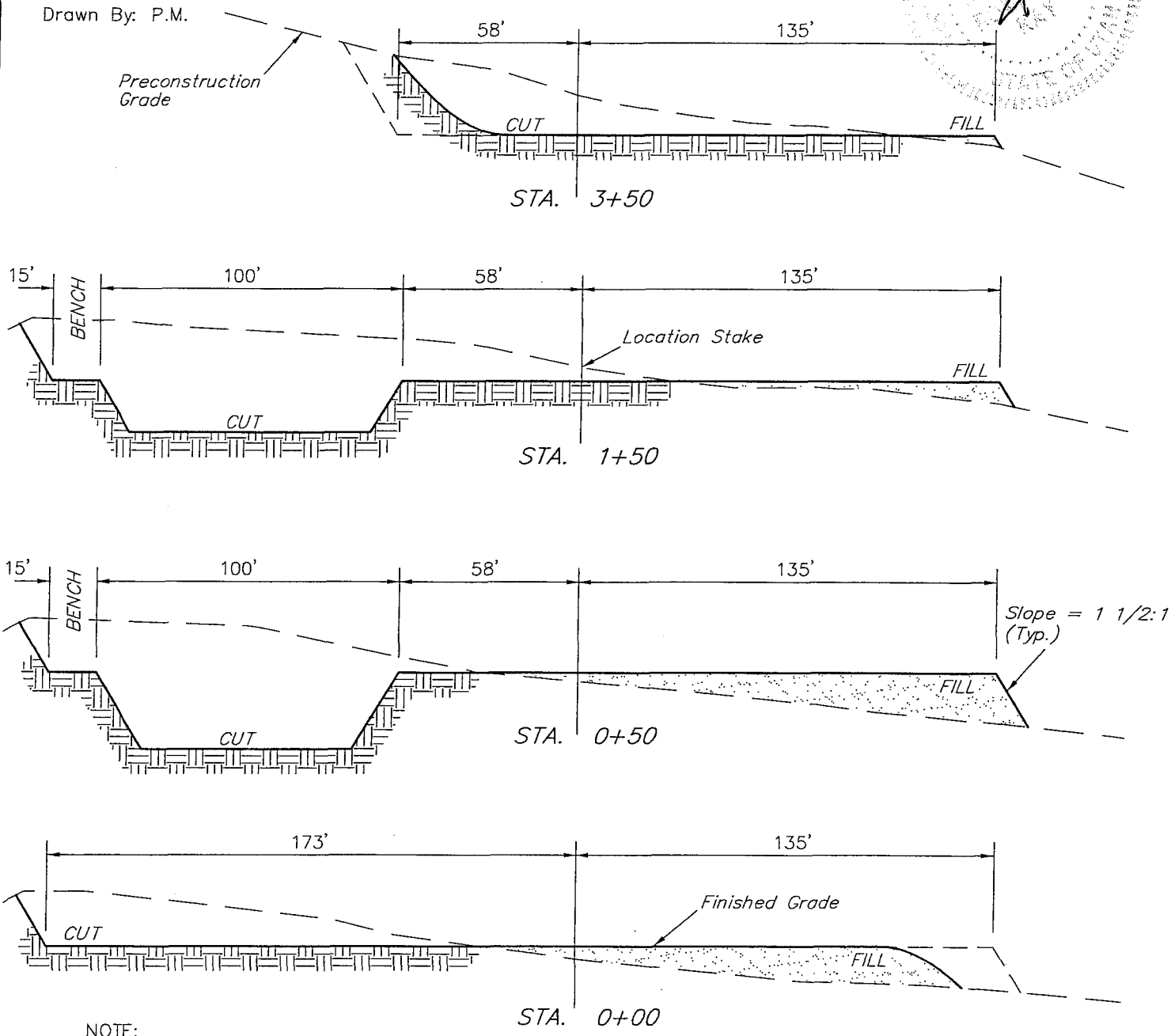
SECTION 22, T10S, R22E, S.L.B.&M.

2247' FNL 228' FWL

1" = 20' X-Section Scale

1" = 50'

DATE: 06-28-05
Drawn By: P.M.



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

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT

(6") Topsoil Stripping	=	1,910	Cu. Yds.
Remaining Location	=	12,090	Cu. Yds.
TOTAL CUT	=	14,000	CU.YDS.
FILL	=	4,930	CU.YDS.

EXCESS MATERIAL	=	9,070	Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	4,050	Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	5,020	Cu. Yds.

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

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/26/2005

API NO. ASSIGNED: 43-047-37176

WELL NAME: NBU 1022-22E

OPERATOR: WESTPORT OIL & GAS CO (N2115)

CONTACT: DEBRA DOMENICI

PHONE NUMBER: 435-781-7060

PROPOSED LOCATION:

SWNW 22 100S 220E

SURFACE: 2247 FNL 0228 FWL

BOTTOM: 2247 FNL 0228 FWL

UINTAH

NATURAL BUTTES (630)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-01198-B

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 39.93547

LONGITUDE: -109.4338

RECEIVED AND/OR REVIEWED:

✓ Plat

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

N Potash (Y/N)

✓ Oil Shale 190-5 (B) or 190-3 or 190-13

✓ Water Permit
(No. 43-8496)

N RDCC Review (Y/N)
(Date:)

NA Fee Surf Agreement (Y/N)

NA Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit NATURAL BUTTES

___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells

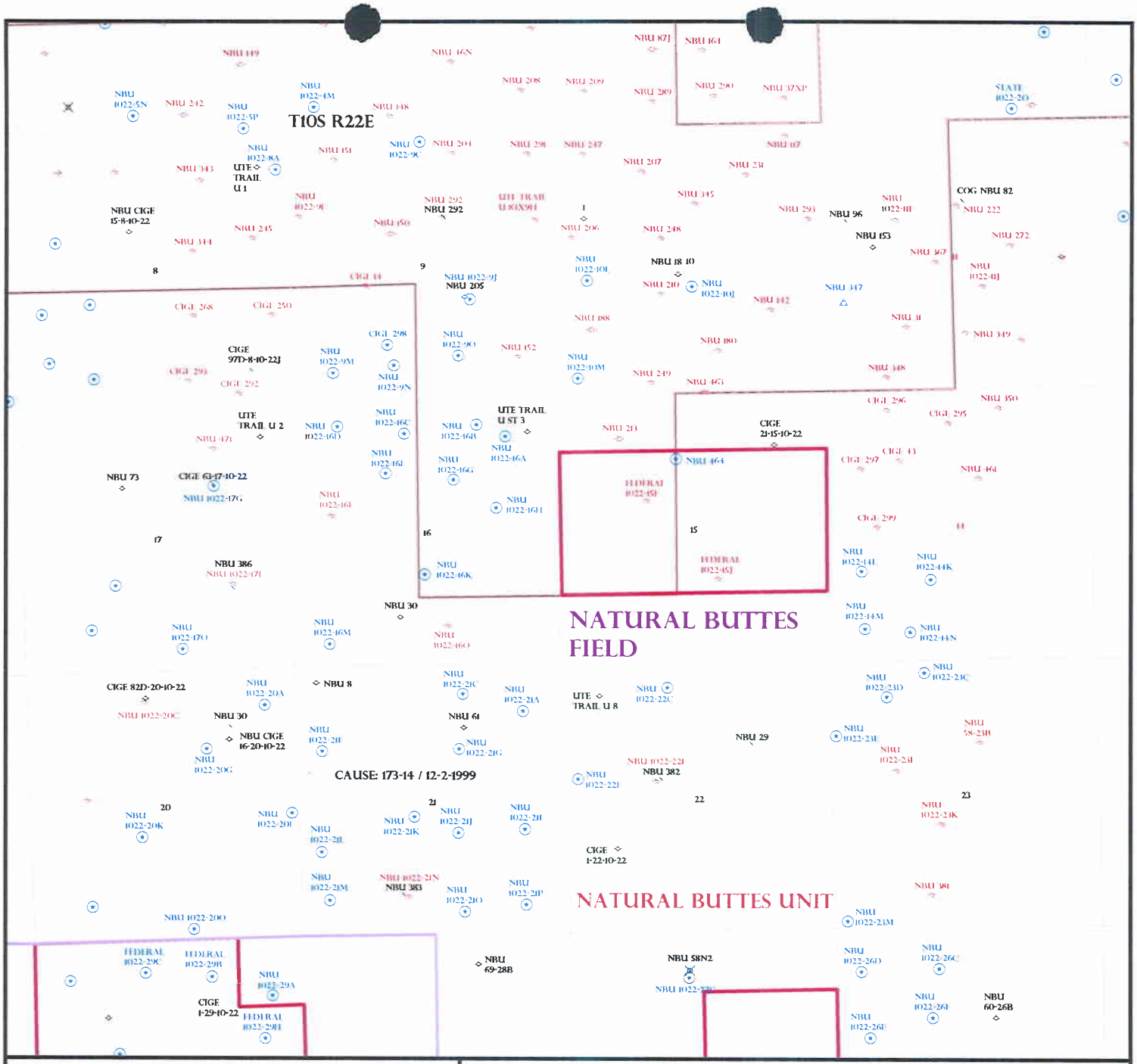
___ R649-3-3. Exception

✓ Drilling Unit
Board Cause No: 173-14
Eff Date: 12-2-99
Siting: 460' fr u bdry & uncomm. tract

___ R649-3-11. Directional Drill

COMMENTS: Sep. Separate file

STIPULATIONS: 1- Federal Approval
2 - OIL SHALE



OPERATOR: WESTPORT O&G CO (N2115)

SEC: 9,10,21,22 T. 10S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 173-14 / 12-2-1999

Utah Oil Gas and Mining

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

N
W E
S

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

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

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

September 27, 2005

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

Re: Natural Buttes Unit 1022-22E Well, 2247' FNL, 228' FWL, SW NW, Sec. 22, 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 43-047-37176.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

Operator: Westport Oil & Gas Company

Well Name & Number Natural Buttes Unit 1022-22E

API Number: 43-047-37176

Lease: UTU-01198-B

Location: SW NW **Sec.** 22 **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):	**TO:** (New Operator):
N2115-Westport Oil & Gas Co., LP	N2995-Kerr-McGee Oil & Gas Onshore, LP
1368 South 1200 East	1368 South 1200 East
Vernal, UT 84078	Vernal, UT 84078
Phone: 1-(435) 781-7024	Phone: 1-(435) 781-7024

CA No. **Unit:** **NATURAL BUTTES UNIT**

WELL NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
3. The new company was checked on the **Department of Commerce, Division of Corporations Database on:** 3/7/2006

4a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181

4b. If **NO**, the operator was contacted 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:

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

BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: CO1203
2. Indian well(s) covered by Bond Number: RLB0005239
3. (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:

4. (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:

Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires Jnovember 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

5. Lease Serial No.
MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
MUTIPLE WELLS

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

9. API Well No.

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

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

10. Field and Pool, or Exploratory Area

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

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			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other CHANGE OF OPERATOR
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 1 0 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)*	Title
RANDY BAYNE	DRILLING MANAGER
Signature: Randy Bayne	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.

(Instructions on reverse)

Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires Jnovember 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

5. Lease Serial No.
MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
MUTIPLE WELLS

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

9. API Well No.

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

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

10. Field and Pool, or Exploratory Area

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

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			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☒ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other CHANGE OF OPERATOR
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ 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.

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)*	Title
BRAD LANEY	ENGINEERING SPECIALIST
Signature	Date May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

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

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

(Instructions on reverse)

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 2 8 2006
DIV. OF OIL, GAS & MINING

Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
AUG 24 2006

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

5. Lease Serial No.
UTU-01198-B

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
NBU 1022-22E

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

9. API Well No.
4304737176

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

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

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
SWNW SEC 22-T10S-R22E
2247' FNL 228' FWL

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			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☒ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other APD EXTENSION
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ 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 BUREAU OF LAND MANAGEMENTG ON SEPTEMBER 27, 2005.

CONDITIONS OF APPROVAL ATTACHED

RECEIVED
SEP 28 2006
DIV. OF OIL, GAS & MINING

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

Name *(Printed/Typed)*
RAMEY HOOPES

Title
REGULATORY CLERK

Signature
Ramey Hoopes

Date
August 22, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by
Matt Baker

Title
Petroleum Engineer

Date
SEP 21 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.

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)

UDOGM

CONDITIONS OF APPROVAL

Kerr McGee Oil & Gas Onshore.

Notice of Intent
APD Extension

Lease: UTU-01198-B
Well: NBU 1022-22E
Location: SWNW Sec 22-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

Form 3160-5
(August 1999)

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

5. Lease Serial No.
UTU-01198-B

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
NBU 1022-22E

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

9. API Well No.
4304737176

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

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

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
SWNW SEC 22-T10S-R22E
2247' FNL 228' FWL

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			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☒ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other APD EXTENSION DOGM
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

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

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL, GAS AND MINING ON SEPTEMBER 27, 2005.

Approved by the Utah Division of Oil, Gas and Mining

11-3-06 RM

Date: 11-02-06

By: [signature]

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

Name *(Printed/Typed)*	Title
RAMEY HOOPES	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

[redacted]

Application for Permit to Drill
Request for Permit Extension
Validation
(this form should accompany the Sundry Notice requesting permit extension)

API: 4304737176
Well Name: NBU 1022-22E
Location: SWNW SEC 22- 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

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

March 9, 2007

Sheila Upchego
Kerr-McGee O&G Onshore LP
1368 South 1200 East
Vernal, UT 84078

Re: APD Rescinded at the request of Kerr McGee

Dear Ms. Upchego:

Enclosed find the APD list that was requested to be rescinded to Kerr-McGee per Raleen White and you dated March 9, 2007. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective March 9, 2007.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

Well Name	API Number
NBU 1022-35I	43-047-35677
NBU 1022-19L	43-047-37598
NBU 1022-21-0	43-047-37174
NBU 1022-19K	43-047-37783
NBU 1022-22G	43-047-38794
NBU 1022-21A	43-047-36089
NBU 1022-19M	43-047-37599
NBU 1022-19N	43-047-37597
NBU 1022-21J	43-047-37175
NBU 1022-21P	43-047-37173
NBU 1022-22C	43-047-37177
NBU 1022-22E	43-047-37176
NBU 1022-29A	43-047-37101
NBU 1022-30I	43-047-37600
NBU 1022-30J	43-047-37551
NBU 1022-30N	43-047-37550
BITTER CREEK 1122-3H	43-047-38822
BITTER CREEK 1122-3I	43-047-38809
BITTER CREEK 1122-5M	43-047-38121
BITTER CREEK 1122-6B	43-047-38118
BITTER CREEK 1122-6F	43-047-38117
BITTER CREEK 1122-6G	43-047-38116
BITTER CREEK 1122-6H	43-047-38115
BITTER CREEK 1122-6J	43-047-38114
BITTER CREEK 1122-6L	43-047-38112
BITTER CREEK 1122-6P	43-047-38110
FEDERAL 1021-24E	43-047-38175
FEDERAL 1021-24G	43-047-38174
FEDERAL 1021-24K	43-047-38176
FEDERAL 1021-24M	43-047-38177
FEDERAL 1022-29E	43-047-37102
FEDERAL 1022-29G	43-047-37357
FEDERAL 1022-31M	43-047-37358
FEDERAL 1022-31O	43-047-37104
MULLIGAN 823-3F	43-047-38620
MULLIGAN 823-3P	43-047-38619
MULLIGAN 823-4B	43-047-38621
MULLIGAN 823-13L	43-047-38626
MULLIGAN 823-20O	43-047-38628
MULLIGAN 822-13G	43-047-36556
MULLIGAN 823-18E	43-047-36557