



WESTPORT OIL AND GAS COMPANY, L.P.

1670 Broadway Suite 2800 Denver Colorado 80202  
Telephone: 303 573 5404 Fax: 303 573 5609

September 12, 2005

Ms. Diana Whitney  
Division of Oil, Gas and Mining  
P.O. Box 145801  
Salt Lake City, UT 84114-6100

RE: Southman Canyon 923-31L  
T9S-R23E  
Section 31: NWSW  
2,242' FSL, 291' FWL  
Uintah County, Utah

Dear Ms. Whitney:

Westport Oil and Gas Company, L.P. has submitted a permit to drill the captioned well to test the Wasatch and Mesaverde formations. The well is located at an exception location to State Rule 179-12 (Bonanza). The well location was moved for topographic reasons. Westport owns 100% of the leasehold within 460 feet of the exception location of the offset lands and has no objection to the exception location.

Westport requests your approval of this exception location. If you have any questions, call me at 303-607-3448. Thank you for your assistance.

Sincerely,

W. Chris Latimer, CPL  
Senior Landman

cc: Raleen Weddle

RECEIVED  
SEP 15 2005  
DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

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

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-33433
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator WESTPORT OIL & GAS COMPANY, L.P.		7. If Unit or CA Agreement, Name and No. UTU-74898
3A. Address 1368 SOUTH 1200 EAST, VERNAL, UTAH 84078		8. Lease Name and Well No. SOUTHMAN CANYON 923-31L
3b. Phone No. (include area code) (435) 781-7060		9. API Well No. 43-047-37228
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface NWSW LOT 3 2242' FSL 291' FWL 638539X 39.991467 At proposed prod. Zone 4457861Y -109.377284		10. Field and Pool, or Exploratory
14. Distance in miles and direction from nearest town or post office* 21.4 MILES SOUTHEAST OF OURAY, UTAH		11. Sec., T., R., M., or Blk, and Survey or Area SEC 31-T9S-R23E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig, unit line, if any) 291'	16. No. of Acres in lease 1922.95	12. County or Parish UINTAH
17. Spacing Unit dedicated to this well 40	13. State UT	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C	19. Proposed Depth 8700'	20. BLM/BIA Bond No. on file CO-1203
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4996.4' GL	22. Approximate date work will start* UPON APPROVAL	23. Estimated duration TO BE DETERMINED

24. Attachments

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

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

25. Signature 	Name (Printed/Typed) DEBRA DOMENICI	Date 9/29/2005
Title ASSOCIATE ENVIRONMENTAL ANALYST		
Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL	Date 10-05-05
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)

Federal Approval of this  
Action is Necessary

RECEIVED  
OCT 04 2005  
DIV. OF OIL, GAS & MINING

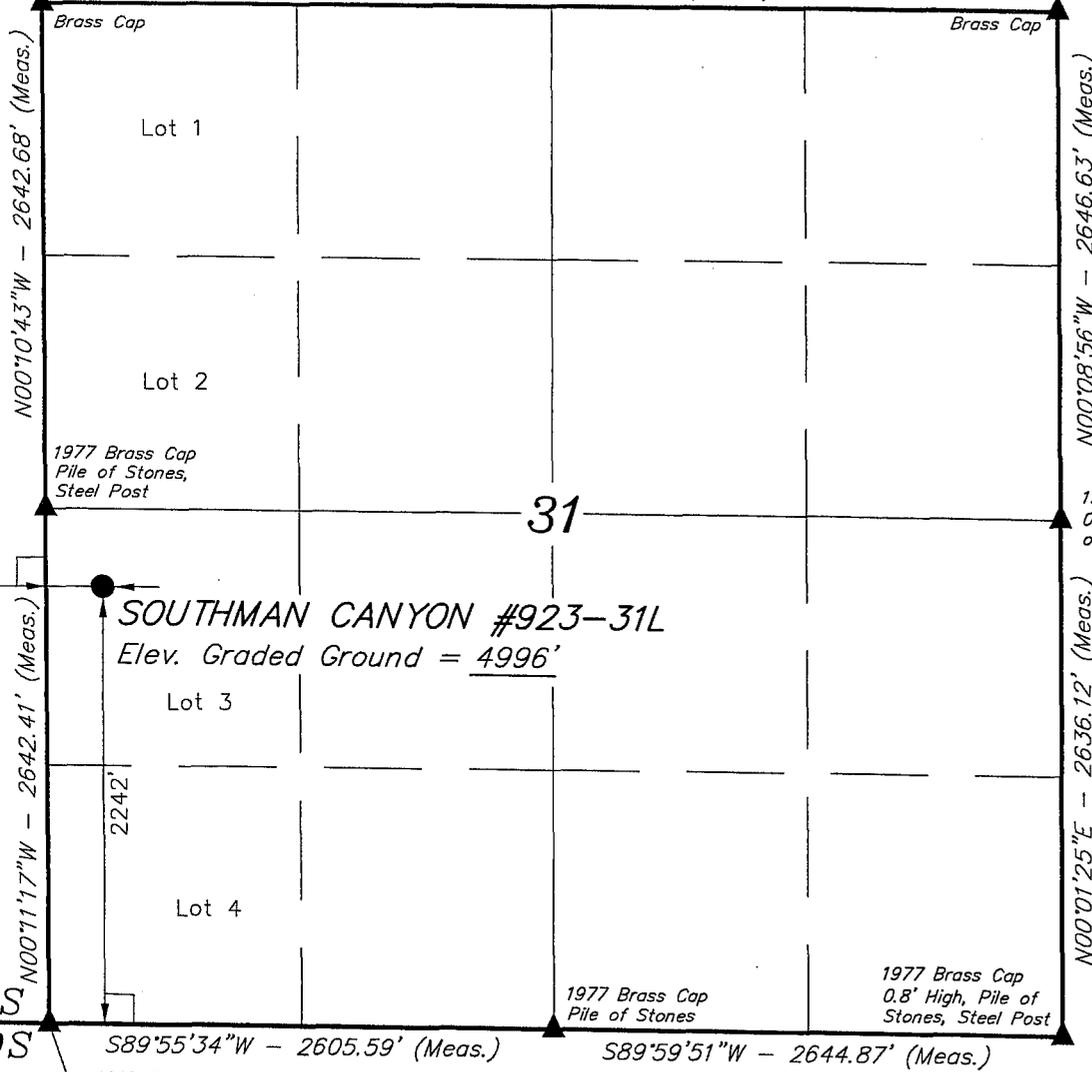
R  
22  
E

T9S, R23E, S.L.B.&M.

WESTPORT OIL AND GAS COMPANY, L.P.

Well location, SOUTHMAN CANYON #923-31L, located as shown in the NW 1/4 SW 1/4 (Lot 3) of Section 31, T9S, R23E, S.L.B.&M. Uintah County, Utah.

S89°59'15"W - 5261.57' (Meas.)

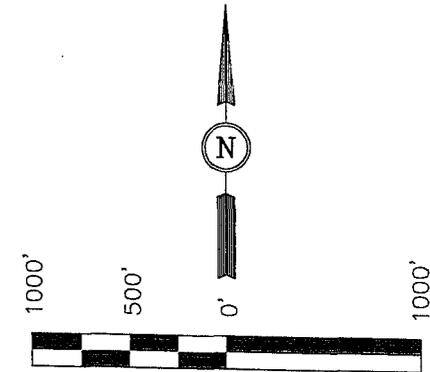


BASIS OF ELEVATION

BENCH MARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

BASIS OF BEARINGS

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



CERTIFIED LAND SURVEYOR  
 THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY 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. 0161  
 STATE OF UTAH

T9S  
T10S

S89°55'34"W - 2605.59' (Meas.)

S89°59'51"W - 2644.87' (Meas.)

LEGEND:

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

(NAD 83)  
 LATITUDE = 39°59'28.99" (39.991386)  
 LONGITUDE = 109°22'40.26" (109.377850)  
 (NAD 27)  
 LATITUDE = 39°59'29.11" (39.991419)  
 LONGITUDE = 109°22'37.81" (109.377169)

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

SCALE 1" = 1000'	DATE SURVEYED: 07-27-05	DATE DRAWN: 08-03-05
PARTY D.K. L.K. P.M.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE WESTPORT OIL AND GAS COMPANY, L.P.	

SOUTHMAN CANYON 923-31L  
NWSW SEC 31-T9S-R23E  
UINTAH COUNTY, UTAH  
UTU-33433

ONSHORE ORDER NO. 1

***DRILLING PROGRAM***

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

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1400'
Wasatch	4400'
Mesaverde	6700'
TD	8700'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1400'
Gas	Wasatch	4400'
Gas	Mesaverde	6700'
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'						
SURFACE	9-5/8"	0 to 2000	32.30	H-40	STC	2270 0.76*****	1370 1.58	254000 4.49
PRODUCTION	4-1/2"	0 to 8700	11.60	M-80 or I-80	LTC	7780 2.62	6350 1.30	201000 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
<b>Option 1</b>	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE		<b>NOTE: If well will circulate water to surface, option 2 will be utilized</b>					
<b>Option 2</b>	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	3,900'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	410	60%	11.00	3.38
	TAIL	4,800'	50/50 Poz/G + 10% salt + 2% gel	1340	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: \_\_\_\_\_  
 Brad Laney

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

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

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



SOUTHMAN CANYON 923-31L  
NWSW SEC 31-T9S-R23E  
UINTAH COUNTY, UTAH  
UTU-33433

ONSHORE ORDER NO. 1

*MULTI-POINT SURFACE USE & OPERATIONS PLAN*

1. **Existing Roads:**

Directions to the proposed location are attached.

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

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

2. **Planned Access Roads:**

Refer to Topo Map B.

The access road will be crowned (2 to 3%), ditched and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet. Graveling or capping the roadbed will be performed as necessary to provide a well constructed, safe road. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

Surface disturbance and vehicular traffic will be limited to the proposed location and proposed access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. 1989.

The road surface and shoulders will be kept in a safe and usable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free-flowing and will be maintained according to original construction standards. The access road surface will be kept free of trash during operations. All traffic will be confined to the approved disturbed surface. Road drainage crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing or shall the drainages be blocked by the road bed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Should mud holes develop, they shall be filled in and detours around them avoided. When snow is removed from the road during the winter months, the snow shall be pushed outside of the borrow ditches, and the turnouts kept clear so that snowmelt will be channeled away from the road.

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

Please refer to Topo Map C.

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

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

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

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

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

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The requested color is Carlsbad Canyon (2.5 Y 6/2) as determined during the on-site inspection.

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

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

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

Where available a 2" or 3" poly pipe will be installed with the existing rights-of-way to supply water during drilling and completion operations. There will be no new disturbance needed and the poly line will be removed after completion operations. The fresh water will be supplied from the power plant located within the following Sections 23, 24, 25, 26, 35, & 36, T8S, R23E.

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

No water well is to be drilled on this lease.

**6. Source of Construction Materials**

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

Any gravel will be obtained from a commercial source.

**7. Methods of Handling Waste Materials**

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

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

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

A plastic reinforced liner is to be used as discussed during on-site inspection. It will be a minimum of 20 mil thick and felt, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

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

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

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

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

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

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

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

**8. Ancillary Facilities**

None are anticipated.

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

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

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

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

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

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

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

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

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

Corner 8 shall be rounded to keep fill out of the drainage.

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

*Producing Location:*

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

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

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

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

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

Upon completion of backfilling, leveling, and recontouring of the pit, the stockpiled topsoil will be spread evenly over the location up to the rig anchor points, the location shall be reshaped to the original contour to the extent possible, and the location will be reseeded with Crested Wheatgrass using appropriate reclamation methods.

*Dry Hole/Abandoned Location:*

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

systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

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

**11. Surface Ownership:**

United States of America  
Bureau of Land Management  
170 South 500 East  
Vernal, UT 84078  
(435) 789-1362

**12. Other Information:**

A Class III archaeological survey and a paleontological survey have been completed and the reports will be submitted separately.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance. The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

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.

**Seed Mixture:**

The following seed mixture will be used during interim reclamation:

Crested Wheatgrass	6 lbs/acre
Needle and Thread Grass	6 lbs/acre

Operator will contact the BLM for the seed mixture when final reclamation of the location occurs.

**13. Lessee's or Operators's Representative & Certification:**

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

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

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

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

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

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

I hereby certify that the proposed drill site and access route has been inspected and 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

September 29, 2005  
Date

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

## **SOUTHMAN CANYON #923-31L SECTION 31, T9S, R23E, S.L.B.&M.**

**PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND A EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN A EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRCTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 2.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 1.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 0.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST ; TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 100' TO THE PROPOSED LOCATION.**

**TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 52.4 MILES.**

**WESTPORT OIL AND GAS COMPANY, L.P.**  
**SOUTHMAN CANYON #923-31L**  
 LOCATED IN UTAH COUNTY, UTAH  
 SECTION 31, T9S, R23E, S.L.B.&M.

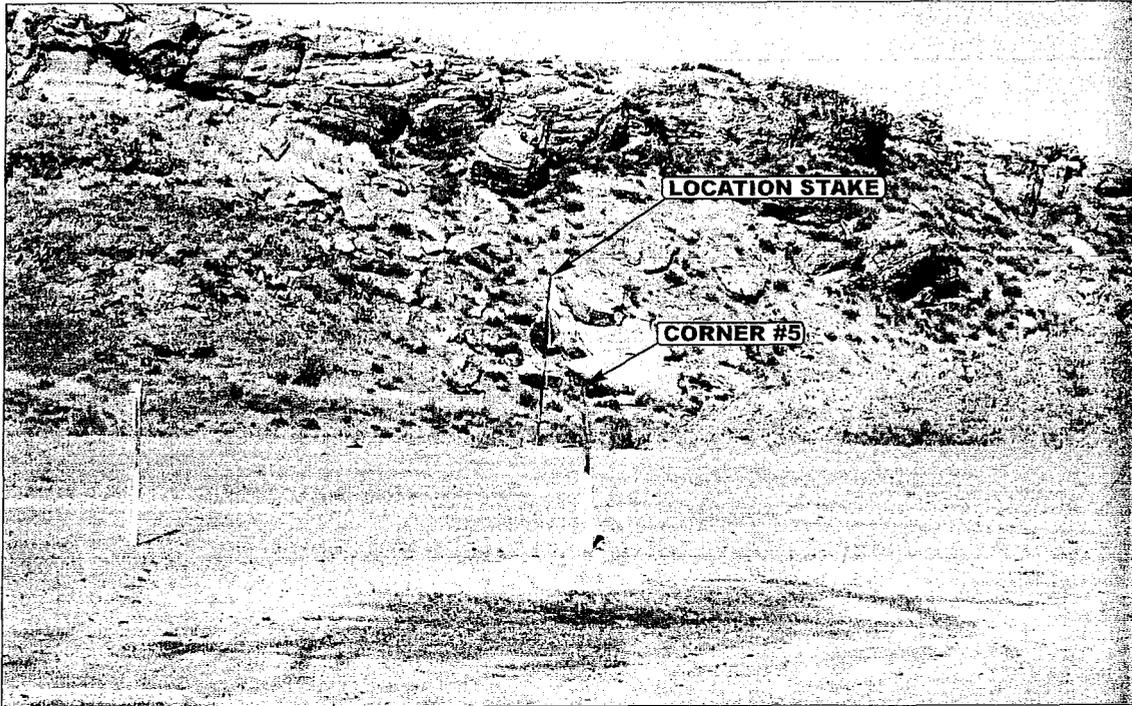


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: WESTERLY

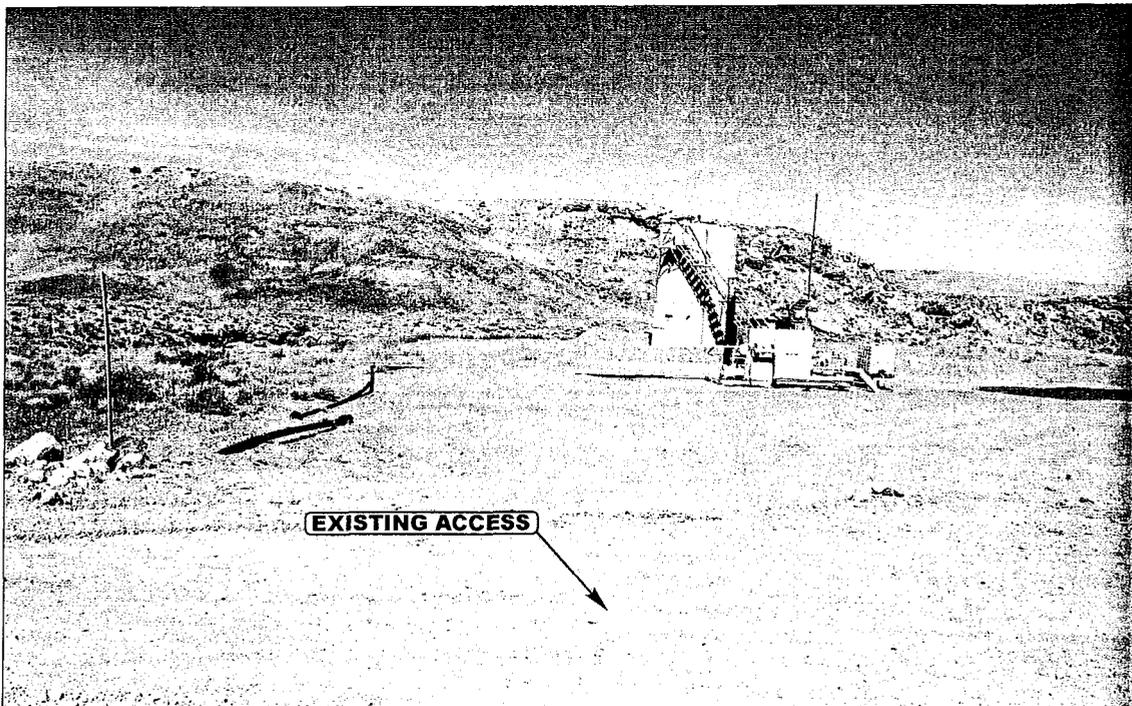


PHOTO: VIEW OF EXISTING ACCESS

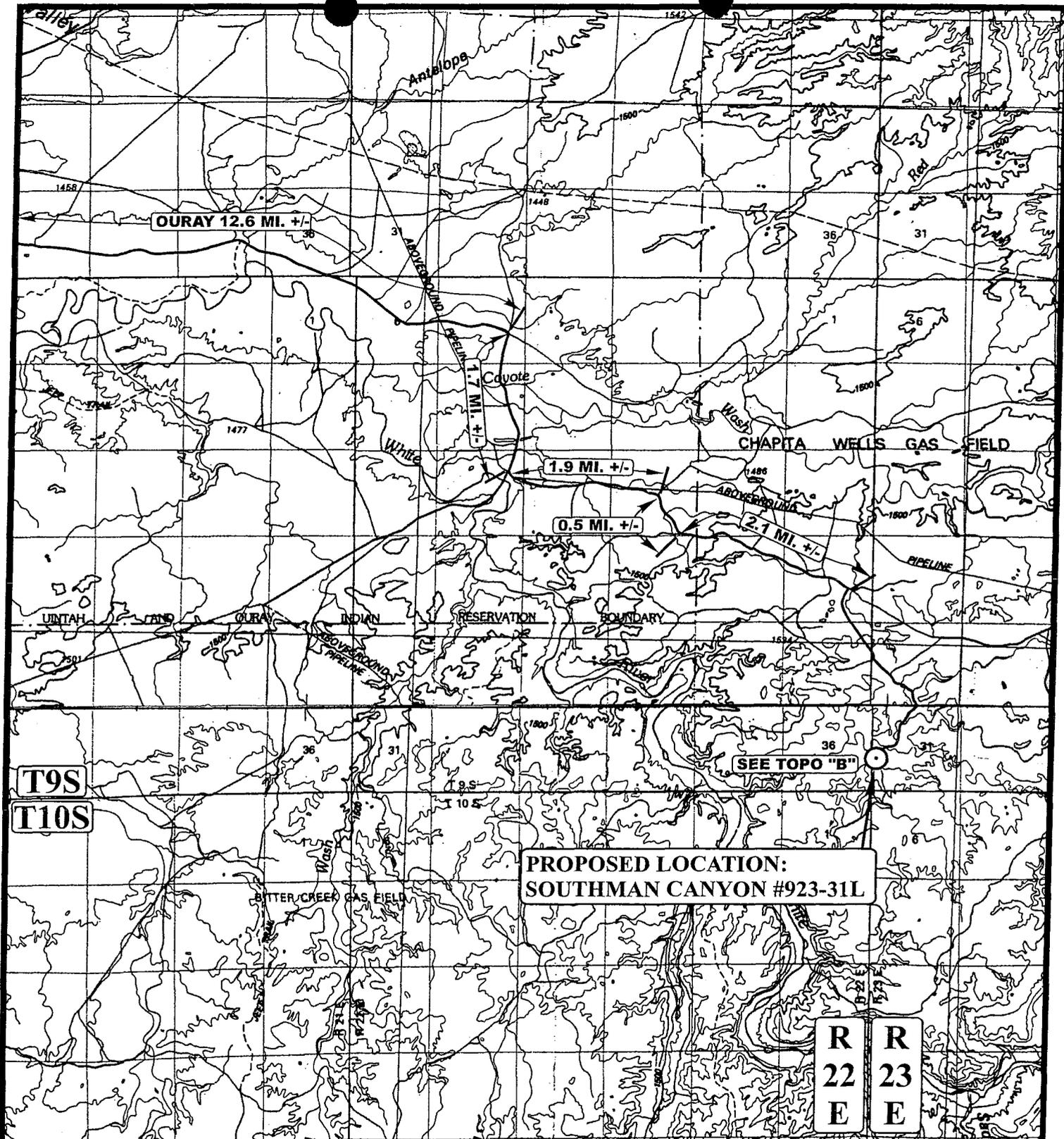
CAMERA ANGLE: WESTERLY



- Since 1964 -

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

LOCATION PHOTOS	08	09	05	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: D.K.	DRAWN BY: C.H.		REVISED: 00-00-00	



**PROPOSED LOCATION:  
SOUTHMAN CANYON #923-31L**

**R R  
22 23  
E E**

**LEGEND:**

⊙ PROPOSED LOCATION



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

**SOUTHMAN CANYON #923-31L  
SECTION 31, T9S, R23E, S.L.B.&M.  
2242' FSL 291' FWL**



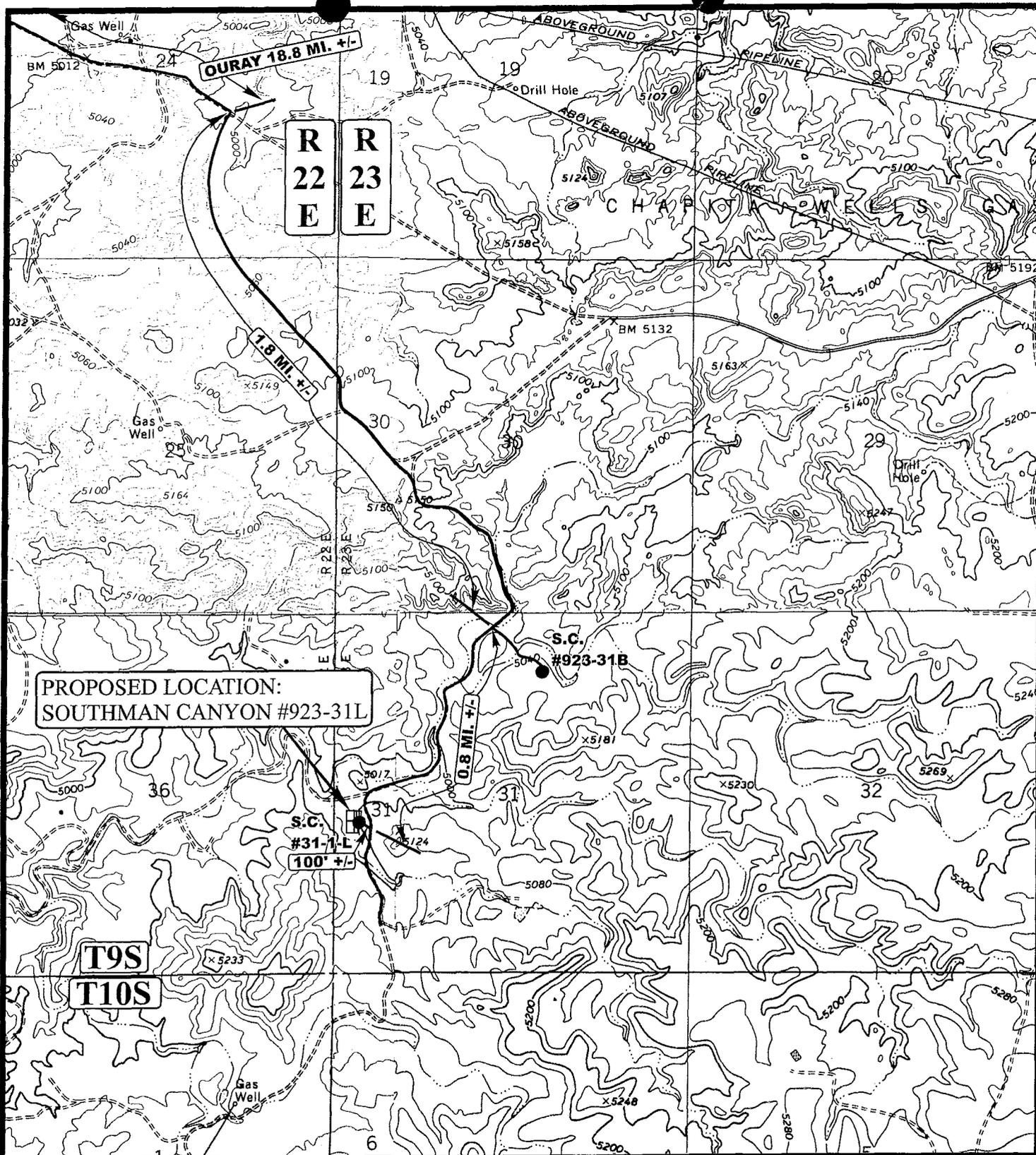
**Utah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC  
MAP**

**08 09 05**  
MONTH DAY YEAR

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





**PROPOSED LOCATION:  
SOUTHMAN CANYON #923-31L**

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING ROAD

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

**SOUTHMAN CANYON #923-31L  
SECTION 31, T9S, R23E, S.L.B.&M.  
2242' FSL 291' FWL**



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

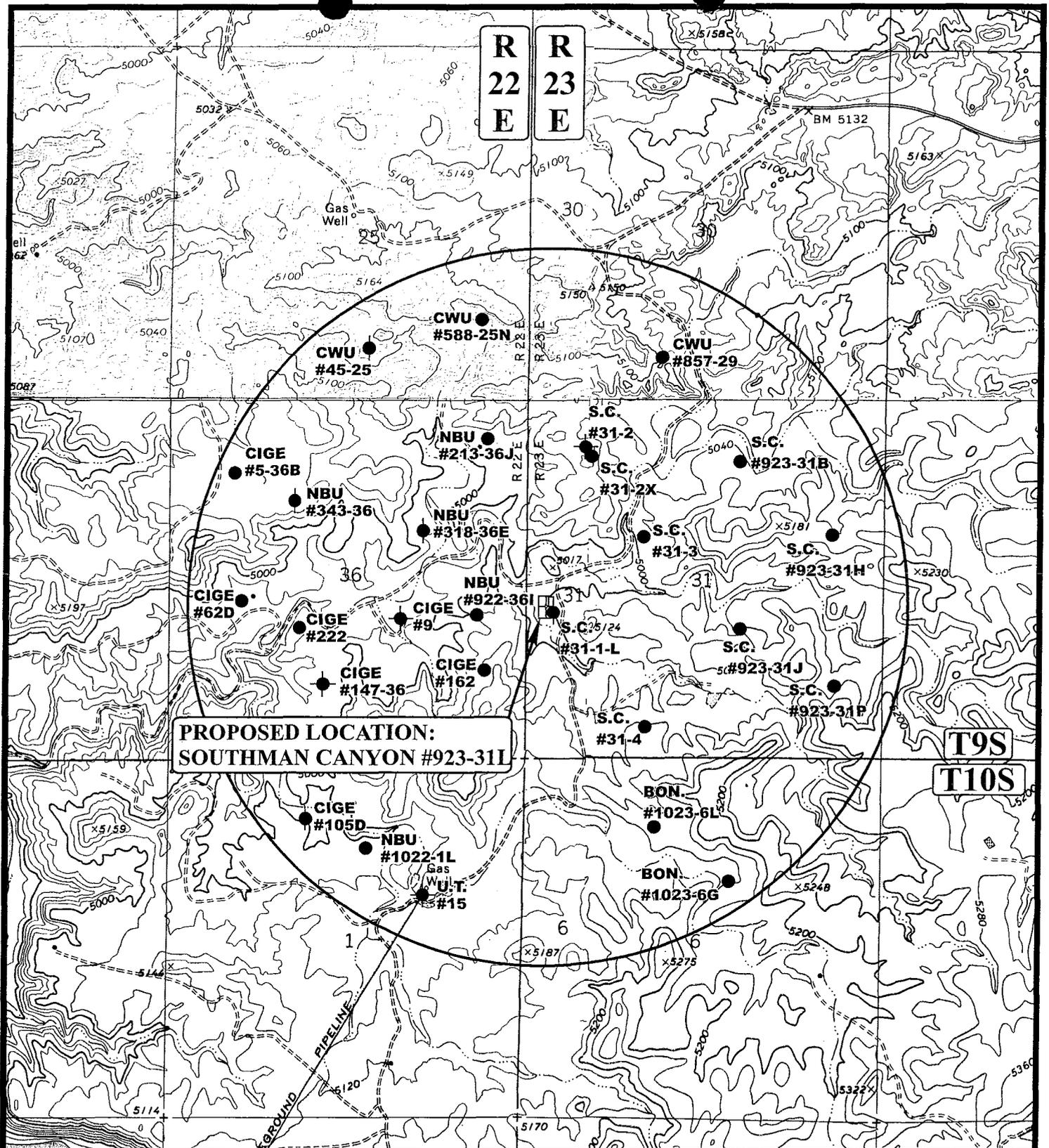


**TOPOGRAPHIC  
MAP**

<b>08</b>	<b>09</b>	<b>05</b>
MONTH	DAY	YEAR

**B  
TOPO**

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



**PROPOSED LOCATION:  
SOUTHMAN CANYON #923-31L**

**LEGEND:**

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

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

**SOUTHMAN CANYON #923-31L  
SECTION 31, T9S, R23E, S.L.B.&M.  
2242' FSL 291' FWL**



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



**TOPOGRAPHIC  
MAP**

**08 09 05**  
MONTH DAY YEAR

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

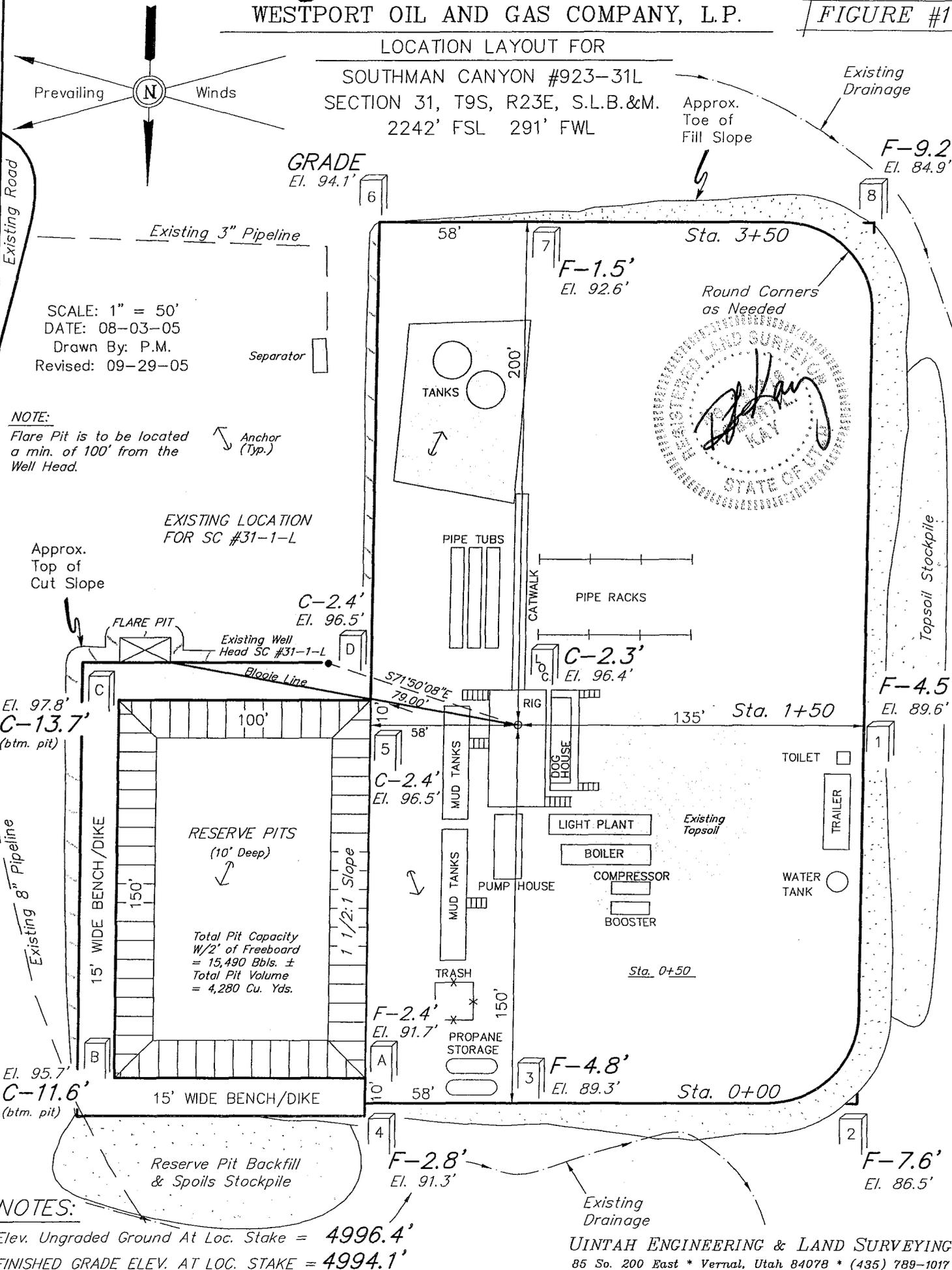


WESTPORT OIL AND GAS COMPANY, L.P.

FIGURE #1

LOCATION LAYOUT FOR

SOUTHMAN CANYON #923-31L  
SECTION 31, T9S, R23E, S.L.B.&M.  
2242' FSL 291' FWL



SCALE: 1" = 50'  
DATE: 08-03-05  
Drawn By: P.M.  
Revised: 09-29-05

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

EXISTING LOCATION  
FOR SC #31-1-L

RESERVE PITS  
(10' Deep)  
Total Pit Capacity  
W/2' of Freeboard  
= 15,490 Bbls. ±  
Total Pit Volume  
= 4,280 Cu. Yds.

NOTES:  
Elev. Ungraded Ground At Loc. Stake = 4996.4'  
FINISHED GRADE ELEV. AT LOC. STAKE = 4994.1'

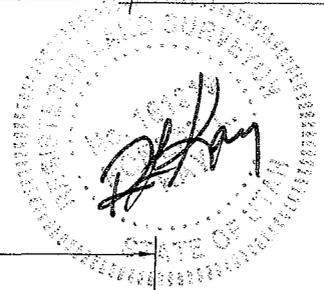
UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

WESTPORT OIL AND GAS COMPANY, L.P.

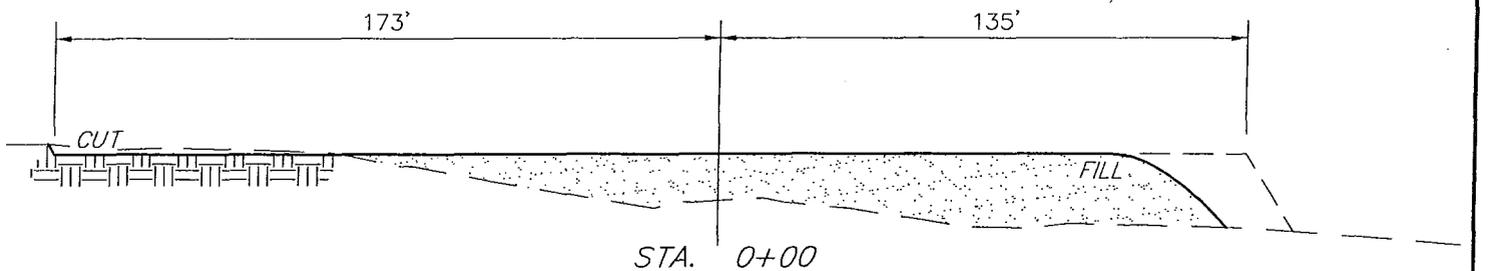
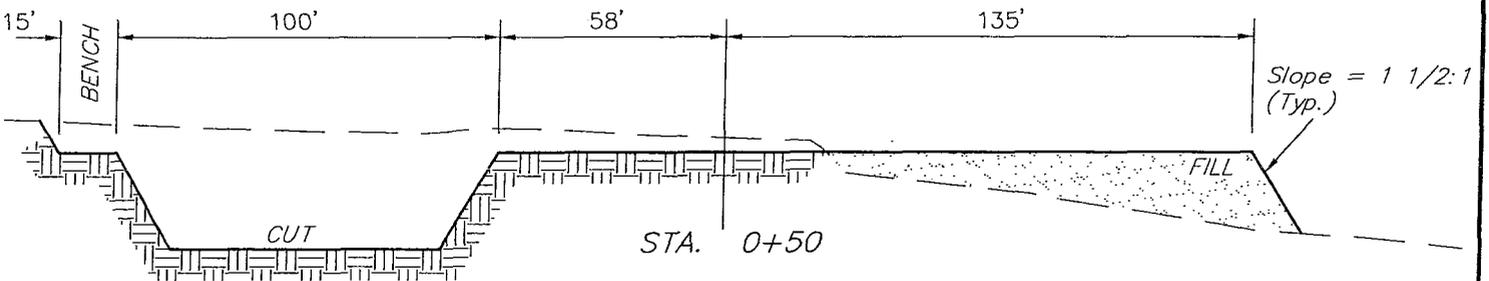
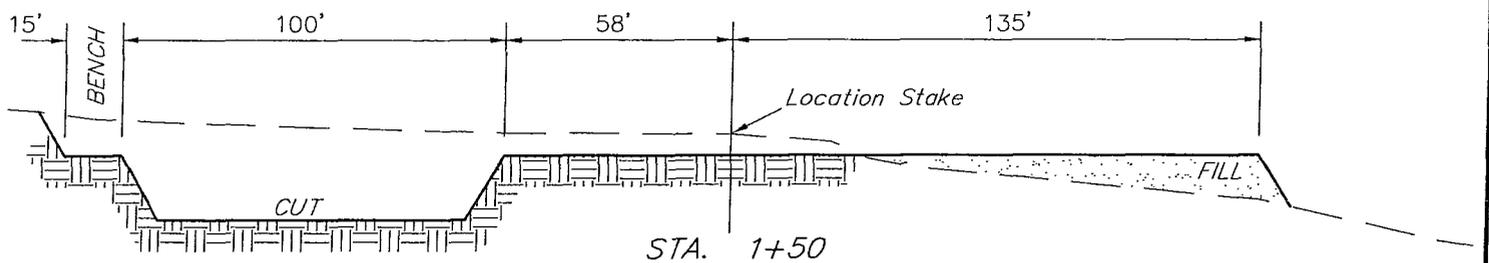
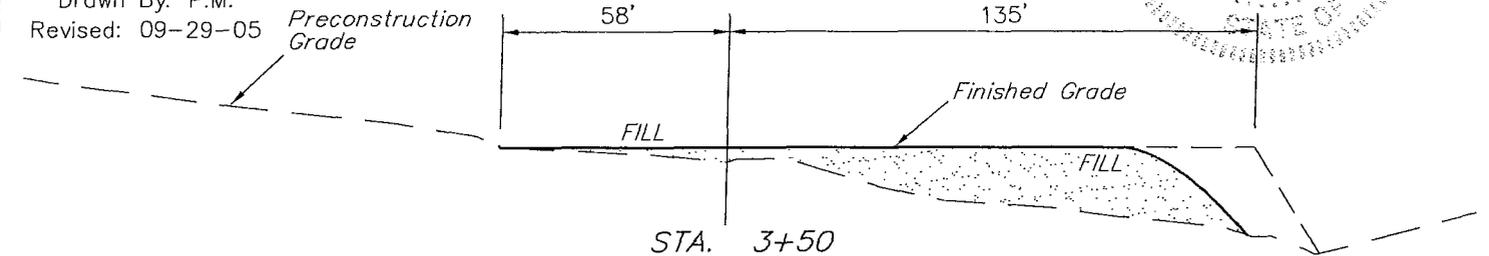
FIGURE #2

TYPICAL CROSS SECTIONS FOR  
SOUTHMAN CANYON #923-31L  
SECTION 31, T9S, R23E, S.L.B.&M.  
2242' FSL 291' FWL

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



DATE: 08-03-05  
Drawn By: P.M.  
Revised: 09-29-05



\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,000 Cu. Yds.
(New Construction Only)	
Remaining Location	= 8,390 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 9,390 CU.YDS.</b>
<b>FILL</b>	<b>= 6,250 CU.YDS.</b>

EXCESS MATERIAL	= 3,140 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,140 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 10/04/2005

API NO. ASSIGNED: 43-047-37228

WELL NAME: SOUTHMAN CYN 923-31L  
 OPERATOR: WESTPORT OIL & GAS CO ( N2115 )  
 CONTACT: DEBRA DOMENICI

PHONE NUMBER: 435-781-7060

PROPOSED LOCATION:

NWSW 31 090S 230E  
 SURFACE: 2242 FSL 0291 FWL  
 BOTTOM: 2242 FSL 0291 FWL  
 UINTAH  
 NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: UTU-33433  
 SURFACE OWNER: 1 - Federal  
 PROPOSED FORMATION: WSMVD  
 COALBED METHANE WELL? NO

LATITUDE: 39.99147  
 LONGITUDE: -109.3773

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. CO-1023 )
- 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 \_\_\_\_\_
- R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit  
Board Cause No: 179-12  
Eff Date: 7-5-05  
Siting: 460' fr west dkt u burg & 920' fr other wells
- R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_

STIPULATIONS: 1- Federal Approval





**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*

October 5, 2005

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

Re: Southman Canyon 923-31L Well, 2242' FSL, 291' FWL, NW SW, Sec. 31,  
T. 9 South, R. 23 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.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby 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 43-047-37228.

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 Southman Canyon 923-31L  
API Number: 43-047-37228  
Lease: UTU-33433

Location: NW SW                      Sec. 31                      T. 9 South                      R. 23 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. 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

**CA No.**

**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

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- If **NO**, the operator was contacted on:
- (R649-9-2) Waste Management Plan has been received on: IN PLACE
- Inspections of LA PA state/fee well sites complete on: n/a
- Reports current for Production/Disposition & Sundries on: ok
- 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
- Federal and Indian Units:**  
 The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006
- Federal and Indian Communization Agreements ("CA"):**  
 The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on:

**DATA ENTRY:**

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

**BOND VERIFICATION:**

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

**LEASE INTEREST OWNER NOTIFICATION:**

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

**COMMENTS:**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

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

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.

2. Name of Operator

**MUTIPLE WELLS**

**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			
<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 5116106**

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

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

Name (Printed/Typed)  
**RANDY BAYNE**

Title  
**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.

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.

**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

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

**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**

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 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.

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

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

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

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed)

**BRAD LANEY**

Signature

Title

**ENGINEERING SPECIALIST**

Date

**May 9, 2006**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

*Brad Laney*

Title

Office

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.

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

CH. OF OIL, GAS & MINERALS



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

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

**API:** 4304737228  
**Well Name:** SOUTHMAN CANYON 923-31L  
**Location:** NWSW SEC 31-T9S-R23E  
**Company Permit Issued to:** KERR MCGEE OIL AND GAS ONSHORE LP  
**Date Original Permit Issued:** 10/5/2005

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

*Pamela Hoopes*  
Signature

9/21/2006

Date

Title: REGULATORY CLERK

Representing: KERR MCGEE OIL AND GAS ONSHORE L

OCT 11 2006

SEP 30 2005

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-33433	
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator KERR MCGEE OIL AND GAS ONSHORE LP		7. If Unit or CA Agreement, Name and No. UTU-74898	
3A. Address 1368 SOUTH 1200 EAST, VERNAL, UTAH 84078		8. Lease Name and Well No. SOUTHMAN CANYON 923-31L	
3b. Phone No. (include area code) (435) 781-7003		9. API Well No. 43,047,37228	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NWSW LOT 3 2242' FSL 291' FWL At proposed prod. Zone		10. Field and Pool, or Exploratory	
14. Distance in miles and direction from nearest town or post office* 21.4 MILES SOUTHEAST OF OURAY, UTAH		11. Sec., T., R., M., or Blk. and Survey or Area SEC 31-T9S-R23E	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 291'		12. County or Parish UINTAH	
16. No. of Acres in lease 1922.95		13. State UT	
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.) 4996.4' GL		22. Approximate date work will start* UPON APPROVAL	
23. Estimated duration TO BE DETERMINED			

24. Attachments

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

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

25. Signature <i>Ramey Hoopes</i>	Name (Printed/Typed) RAMEY HOOPES	Date 4/17/2006
REGULATORY CLERK		
Approved by (Signature) <i>Jerry Kereka</i>	Name (Printed/Typed) JERRY KEREKA	Date 5-18-2007
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.

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

\*(Instructions on reverse)

NOTICE OF APPROVAL CONDITIONS OF APPROVAL ATTACHED RECEIVED

MAY 24 2007

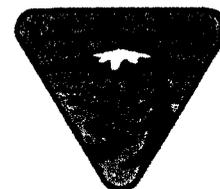
DIR. OF OIL, GAS & MINING

066XJ0203A



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

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



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

Company: Kerr-McGee Oil & Gas Onshore, LP      Location:      NWSW, Sec. 31, T9S, R23E  
Well No: Southman Canyon 923-31L      Lease No:      UTU-33433  
API No: 43-047-37228      Agreement:      N/A

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:	Chuck MacDonald	435-781-4441	
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<br>(Notify NRS/Enviro Scientist)                     | - Forty-Eight (48) hours prior to construction of location and access roads.   |
| Location Completion<br>(Notify NRS/Enviro Scientist)                       | - Prior to moving on the drilling rig.   |
| Spud Notice<br>(Notify Petroleum Engineer)                                 | - Twenty-Four (24) hours prior to spudding the well.   |
| Casing String & Cementing<br>(Notify Supervisory Petroleum Technician)     | - Twenty-Four (24) hours prior to running casing and cementing all casing strings.   |
| BOP & Related Equipment Tests<br>(Notify Supervisory Petroleum Technician) | - Twenty-Four (24) hours prior to initiating pressure tests.   |
| First Production Notice<br>(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)***

**General 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 report will be prepared by a BLM permitted paleontologist and submitted to the AO at the completion of surface disturbing activities.

**Specific Surface COAs**

- 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 on the lease have a stipulation. It is requested that the lessee/operator not initiate surface disturbing activities or drilling from May 15 through July 20.
- As discussed on the onsite conducted September 15, 2005, corner 8 of the location shall be rounded to avoid the drainage.

## **DOWNHOLE CONDITIONS OF APPROVAL**

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

- None

**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](mailto: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.

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-33433

6. If Indian, Allottee or Tribe Name

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

UTU-74898

8. Well Name and No.

SOUTHMAN CANYON 923-31L

9. API Well No.

4304737228

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH, 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)

2242'FSL-291'FWL

NWSW LOT 3 SEC 31-T9S-R23E

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

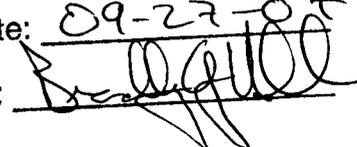
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/>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

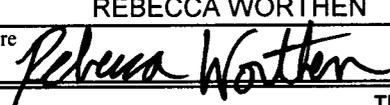
THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE OPERATOR'S REQUEST WAS APPROVED BY THE DIVISION OF OIL AND GAS ON OCTOBER 5, 2005.

Approved by the  
Utah Division of  
Oil, Gas and Mining

9-28-07  
RM

Date: 09-27-07  
By: 

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

Name (Printed/Typed)	Title
REBECCA WORTHEN	LAND SPECIALIST
Signature	Date
	September 18, 2007

**THIS SPACE FOR FEDERAL OR STATE USE**

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

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

(Instructions on reverse)

**RECEIVED**  
SEP 25 2007  
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:** 4304737228  
**Well Name:** SOUTHMAN CANYON 923-31L  
**Location:** NWSW LOT 3 SEC 31-T9S-R23E  
**Company Permit Issued to:** Kerr McGee Oil and Gas Onshore LP  
**Date Original Permit Issued:** 10/5/2000

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

Rebecca Wotter  
Signature

9/17/2007  
Date

Title: Land Specialist

Representing: Kerr McGee Oil and Gas Onshore LP

RECEIVED  
SEP 25 2007  
DIV. OF OIL, GAS & MINING

# DIVISION OF OIL, GAS AND MINING

## **SPUDDING INFORMATION**

Name of Company: **Kerr-McGee Oil & Gas Onshore, LP**

Well Name: **Southman Cyn 923-31L**

API No: **43-047-37228** Lease Type: **Federal**

Section **31** Township **09S** Range **23E** County **Uintah**

Drilling Contractor **Pete Martin Drilling** Rig # **Rathole**

### **SPUDDED:**

Date **6-29-08**

Time **7:00 AM**

How **Dry**

**Drilling will Commence:** \_\_\_\_\_

Reported by **Lew Weldon**

Telephone # **435-781-7060**

Date **7-01-08** Signed **RM**

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
4304739239	NBU 921-8P		SESE	8	9S,	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>B</u>	99999	<u>2900</u>	6/30/2008			<u>7/14/08</u>	
Comments: <u>MIRU PETE MARTIN BUCKET RIG. WSMVD</u> SPUD WELL LOCATION ON 06/30/2008 AT 1200 HRS.							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304737228	SOUTHMAN CANYON 923-31L		NWSW	31	9S,	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>B</u>	99999	<u>16952</u>	6/29/2008			<u>7/14/08</u>	
Comments: <u>MIRU PETE MARTIN BUCKET RIG. WSMVD</u> SPUD WELL LOCATION ON 06/29/2008 AT 0700 HRS.							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304739107	NBU 1021-13N		SESW	13	10S	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>B</u>	99999	<u>2900</u>	7/3/2008			<u>7/14/08</u>	
Comments: <u>MIRU PETE MARTIN BUCKET RIG. WSMVD</u> SPUD WELL LOCATION ON 07/03/2008 AT 0900 HRS.							

**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

Title

Date

*[Handwritten Signature]*  
7-9-2008

**RECEIVED**

**JUL 08 2008**

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**

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5. Lease Serial No.  
UTU-33433

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
UTU-74898

8. Well Name and No.  
**SOUTHMAN CANYON 923-31L**

9. API Well No.  
4304737228

10. Field and Pool, or Exploratory Area  
UNDESIGNATED

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)  
**NW/SW, LOT.3, SEC. 31, T9S, R23E 2242'FSL, 291'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 type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity <input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other <u>WELL SPUD</u> <input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal
<input checked="" type="checkbox"/> Subsequent Report	
<input type="checkbox"/> Final Abandonment Notice	

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

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

**SPUD WELL LOCATION ON 06/29/2008 AT 0700 HRS**

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

Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Title <b>REGULATORY ANALYST</b>
Signature 	Date <b>July 8, 2008</b>

THIS SPACE FOR FEDERAL OR STATE USE

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

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

Office

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

(Instructions on reverse)

**RECEIVED**  
**JUL 11 2008**  
**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-33433**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
**UTU-74898**

8. Well Name and No.  
**SOUTHMAN CANYON 923-31L**

9. API Well No.  
**4304737228**

10. Field and Pool, or Exploratory Area  
**UNDESIGNATED**

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)  
**NW/SW, LOT.3, SEC. 31, T9S, R23E 2242'FSL, 291'FWL**

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

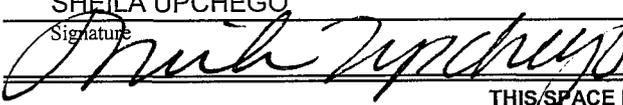
TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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>SET SURFACE</u>
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <u>CSG</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.

MIRU PROPETRO AIR RIG ON 06/30/2008. DRILLED 12 1/4" SURFACE HOLE TO 2070'. RAN 9 5/8" 36# J-55 SURFACE CSG. LEAD CMT W/300 SX PREM CLASS G @15.8 PPG 1.15 YIELD. TAILED CMT W/150 SX PREM CLASS G @15.8 PPG 1.15 YIELD. NO RETURNS THROUGH OUT JOB 90 PSI PSI LIFT. TOP OUT W/1125 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) <b>SHEILA UPCHEGO</b>	Title <b>REGULATORY ANALYST</b>
Signature 	Date <b>July 8, 2008</b>

THIS SPACE FOR FEDERAL OR STATE USE

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

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

(Instructions on reverse)

**RECEIVED**  
**JUL 11 2008**  
**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-33433

6. If Indian, Allottee or Tribe Name

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

UTU-74898

8. Well Name and No.

**SOUTHMAN CANYON 923-31L**

9. API Well No.

4304737228

10. Field and Pool, or Exploratory Area

UNDESIGNATED

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)

NW/SW, LOT.3, SEC. 31, T9S, R23E 2242'FSL, 291'FWL

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

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

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or 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.

FINISHED DRILLING FROM 2070' TO 8760' ON 07/30/2008. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/400 SX PREM LITE II @11.7 PPG 2.60 YIELD. TAILED CMT W/1100 SX 50/50 POZ @ 14.3 PPG 1.31 YIELD. DISPLACE W/136 BBLs WATER BUMP PLUG FLOATS HELD RELEASE PRESS HANG CSG W/40,000# TEST HANGER SEALS OK. NIPPLE DOWN BOPE CLEAN PITS.

RELEASED PIONEER RIG 69 ON 08/01/2008 AT 0700 HRS.

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

Name (Printed/Typed)

SHEILA UPCHEGO

Signature



Title

REGULATORY ANALYST

Date

August 5, 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

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.

**RECEIVED**

**AUG 11 2008**

(Instructions on reverse)

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. <b>UTU-33433</b>
2. Name of Operator <b>KERR-McGEE OIL &amp; GAS ONSHORE LP</b>		6. If Indian, Allottee or Tribe Name
3a. Address <b>1368 SOUTH 1200 EAST VERNAL, UT 84078</b>	3b. Phone No. (include area code) <b>(435) 781-7024</b>	7. If Unit or CA/Agreement, Name and/or No. <b>UTU-74898</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>NW/SW, LOT.3, SEC. 31, T9S, R23E 2242'FSL, 291'FWL</b>		8. Well Name and No. <b>SOUTHMAN CANYON 923-31L</b>
		9. API Well No. <b>4304737228</b>
		10. Field and Pool, or Exploratory Area <b>UNDESIGNATED</b>
		11. County or Parish, State <b>UINTAH COUNTY, UTAH</b>

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

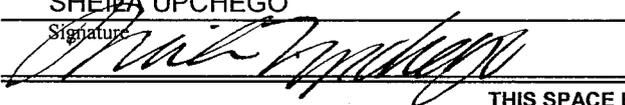
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/>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

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompletable 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 recompletable 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 09/04/2008 AT 10:00 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

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

Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Title <b>REGULATORY ANALYST</b>
Signature 	Date <b>September 5, 2008</b>

THIS SPACE FOR FEDERAL OR STATE USE

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

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

(Instructions on reverse)

**RECEIVED**

**SEP 09 2008**

Wins No.: 95100

**SOUTHMAN CANYON 923-31L**

**Well Operations Summary Long**

Operator KERR MCGEE OIL & GAS ONSHORE LP	FIELD NAME SOUTHMAN CANYON	SPUD DATE 06/29/2008	GL 4,996	KB 5014	ROUTE
API 4304737228	STATE UTAH	COUNTY UINTAH	DIVISION ROCKIES		
Long/Lat.: 39.99139 / -109.37785		Q-Q/Sect/Town/Range: NWSW / 31 / 9S / 23E	Footages: 2,242.00' FSL 291.00' FWL		

**Wellbore: SOUTHMAN CANYON 923-31L**

MTD 8,760	TVD 8,754	PBMD	PBTVD
EVENT INFORMATION:		EVENT ACTIVITY: DRILLING	START DATE: 6/29/2008
		OBJECTIVE: DEVELOPMENT	END DATE: 8/1/2008
		OBJECTIVE 2: VERTICAL WELL	DATE WELL STARTED PROD.:
		REASON: DRILL PROD HOLE	Event End Status: COMPLETE
			AFE NO.: 2013635

RIG OPERATIONS:	Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
PIONEER 69 / 69	07/19/2008	07/19/2008	07/19/2008	07/22/2008	07/30/2008	08/01/2008	08/02/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation	MD:
6/29/2008	SUPERVISOR: LEW W							58
	7:00 - 15:00	8.00	DRLSUR	02		P	MOVE IN AND RIG UP BUCKET RIG SPUD WELL @ 0700 HR 6/29/08 DRILL AND SET 40' OF SCHEDULE 10 PIPE DRILL RODENT HOLES FOR RIG 69 BLM AND STATE NOTFIED OF SPUD	
6/30/2008	SUPERVISOR: LEW W							990
	14:00 - 0:00	10.00	DRLSUR	02		P	MOVE IN AND RIG UP AIR RIG SPUD WELL @ 1400 HR 6/30/08 DA AT REPORT TIME 990'	
7/1/2008	SUPERVISOR: LEW W							1,380
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD HIT TRONA WATER @ 990' CIRCULATING WITH SKID PUMP 1080'	
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD CIRCULATING WITH SKID PUMP 1380'	
7/2/2008	SUPERVISOR: LEW W							2,070
	0:00 - 7:00	7.00	DRLSUR	02		P	RIG T/D @ 2070' CONDITION HOLE 1 HR	
	7:00 - 10:00	3.00	DRLSUR	05		P	TRIP DP OUT OF HOLE	
	10:00 - 13:00	3.00	DRLSUR	11		P	RUN 2050' OF 9 5/8 CSG AND RIG DOWN AIR RIG	
	13:00 - 14:00	1.00	DRLSUR	15		P	CEMENT 1ST STAGE WITH 300 SKS TAIL @ 15.8# 1.15 5.0 GAL/SK NO RETURNS THRUOUT JOB 90 PSI LIFT	
	14:00 - 14:30	0.50	DRLSUR	15		P	1ST TOP JOB 150 SKS DOWN BS WOC	
	14:30 - 16:30	2.00	DRLSUR	15		P	2ND TOP JOB 125 SKS DOWN BS WOC	

Wins No.: 95100

## SOUTHMAN CANYON 923-31L

API No.: 4304737228

	14:30 - 16:30	2.00	DRLSUR	15		P	2ND TOP JOB 125 SKS DOWN BS WOC	
	16:30 - 18:30	2.00	DRLSUR	15		P	3RD TOP JOB 100 SKS DOWN BS WOC	
	18:30 - 20:30	2.00	DRLSUR	15		P	4TH TOP JOB 225 SKS DOWN BS WOC	
	20:30 - 22:30	2.00	DRLSUR	15		P	5TH TOP JOB 225 SKS DOWN BS WOC	
	22:30 - 23:30	1.00	DRLSUR	15		P	6TH TOP JOB 450 SKS DOWN BS GOOD CMT TO SURFACE AND STAYED AT SURFACE	
	23:30 - 23:30	0.00	DRLSUR				NO VISIBLE LEAKS PIT 1/4 FULL WORT	
7/19/2008	<u>SUPERVISOR:</u> TM HEINS							<u>MD:</u> 2,070
	12:00 - 0:00	12.00	DRLPRO	01	E	P	R.D.R.T	
7/20/2008	<u>SUPERVISOR:</u> TM HEINS							<u>MD:</u> 2,070
	0:00 - 7:00	7.00	DRLPRO	01	E	P	RDRT	
	7:00 - 18:00	11.00	DRLPRO	01	A	P	MIRU, 11 TRUCKS - 2 - FORKLIFTS, 1 - CRANE, TRUCKS OFF LOC @ 16:00 HRS CRANE 1700 HRS	
	18:00 - 0:00	6.00	DRLPRO	01	B	P	RURT	
7/21/2008	<u>SUPERVISOR:</u> TM HEINS							<u>MD:</u> 2,070
	0:00 - 6:00	6.00	DRLPRO	01	B	P	RURT	
	6:00 - 21:30	15.50	DRLPRO	07	A	Z	INSTALL GAURDS ON BRAKE LINKAGE MISC WELDING AND REPAIRS	
	21:30 - 23:00	1.50	DRLPRO	01	B	P	P/U KELLY AND VALVES	
	23:00 - 0:00	1.00	DRLPRO	13	A	P	NIPPLE UP BOPE	
7/22/2008	<u>SUPERVISOR:</u> TM HEINS							<u>MD:</u> 2,173
	0:00 - 8:00	8.00	DRLPRO	13	A	P	NIPPLE UP BOPE, FLARE & CHOKE LINES	
	8:00 - 11:00	3.00	DRLPRO	13	C	P	PRESS TEST BOPE, HIGH 5000 PSI, LOW = 250 PSI, ANNULAR = 2500 PSI, LOW = 250 PSI, CSNG TO 1500 PSI F/ 30 MIN	
	11:00 - 13:00	2.00	DRLPRO	12	F	Z	UTAH STATE OSHA INSPECTION	

13:00 - 16:30	3.50	DRLPRO	05		P	HELD SAFETY MTNG W/ TESCO AND RIG CREW R/U , P/U BIT # 1, MM, BHA AND DRILL PIPE, R/D TESCO
16:30 - 20:30	4.00	DRLPRO	05	K	P	PICK UP KELLY INSTALL ROTATING HEAD RUBBER AND DRIVE BUSHINGS, RESTRING PAYSON DEPTH COUNTER
20:30 - 22:30	2.00	DRLPRO	02	F	P	DRLG CMNT, FLOAT AND SHOE
22:30 - 23:30	1.00	DRLPRO	02	A	P	DRLG FORMATION F/ 2070' TO 2173' - 103' - 103' HR MUD WT = 8.4 VIS = 27
23:30 - 0:00	0.50	DRLPRO	09	A	P	SURVEY AT 2100 = 1.37 DEGREE

7/23/2008

SUPERVISOR: TM HEINS

MD: 3,722

0:00 - 5:00	5.00	DRLPRO	02	A	P	DRLG F/ 2173' TO 2686' - 513' - 103' HR MUD WT = 8.4 VIS = 27
5:00 - 5:30	0.50	DRLPRO	09	A	P	SURVEY @ 2600' = 1.80 DEGREE
5:30 - 11:00	5.50	DRLPRO	02	A	P	DRLG F/ 2686' TO 3162' - 476' - 87' HR MUD WT = 8.4 VIS = 27
11:00 - 11:30	0.50	DRLPRO	09		P	SURVEY @ 3092' = 2.87 DEGREE
11:30 - 17:30	6.00	DRLPRO	02	A	P	DRLG F/ 3162' TO 3383' - 221' - 37' HR BACKED WT OF DUE TO DEVIATION, MUD WT = 8.4 VIS = 27
17:30 - 18:00	0.50	DRLPRO	06	A	P	LUBRICATE RIG
18:00 - 18:30	0.50	DRLPRO	02	A	P	DRLG F/ 3383' TO 3415' - 32' - 64' HR MUD WT = 8.4 VIS = 27
18:30 - 19:00	0.50	DRLPRO	09	A	P	SURVEY @ 3338' = 2.78 DEGREE
19:00 - 0:00	5.00	DRLPRO	02	A	P	DRLG F/ 3415' TO 3722' - 307' - 61' HR MUD WT = 8.4 VIS = 27

7/24/2008

SUPERVISOR: TM HEINS

MD: 4,922

0:00 - 3:00	3.00	DRLPRO	02	A	P	DRLG F/ 3722' TO 3924' - 202' - 67' HR MUD WT = 8.4 VIS = 27
3:00 - 3:30	0.50	DRLPRO	09	A	P	SURVEY @ 3857' = 1.90 DEGREE
3:30 - 15:00	11.50	DRLPRO	02	A	P	DRLG F/ 3924' TO 4428' - 504' - 44' HR MUD WT = 8.6 VIS = 33
15:00 - 15:30	0.50	DRLPRO	09	A	P	SURVEY @ 4358' = 1.69 DEGREE

Wins No.: 95100

SOUTHMAN CANYON 923-31L

API No.: 4304737228

15:00 - 15:30	0.50	DRLPRO	09	A	P	SURVEY @ 4358' = 1.69 DEGREE
15:30 - 0:00	8.50	DRLPRO	02	A	P	DRLG F/ 4428' TO 4922' - 494' - 58' HR MUD WT = 8.9 VIS = 37

7/25/2008

SUPERVISOR: TM HEINS

MD: 5,947

0:00 - 17:00	17.00	DRLPRO	02	A	P	DRLG / 4922' TO 5757' - 835' - 49' HR MUD WT = 9.0 TO 9.3 VIS 38 TO 40
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17:00 - 17:30	0.50	DRLPRO	06	A	P	LUBRICATE RIG
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17:30 - 18:00	0.50	DRLPRO	07	A	P	WORK ON LIGHTPLANT
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18:00 - 0:00	6.00	DRLPRO	02	A	P	DRLG F/ 5757' TO 5947' - 190' - 32' HR MUD WT = 9.3 TO 10 # VIS = 42
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7/26/2008

SUPERVISOR: TM HEINS

MD: 6,478

0:00 - 7:00	7.00	DRLPRO	02	A	P	DRLG F/ 5947' TO 6105' - 158' - 23' HR MUD WT = 10.3 TO 10, 7 VIS = 40
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7:00 - 7:30	0.50	DRLPRO	06	A	P	LUBRICATE RIG
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7:30 - 8:00	0.50	DRLPRO	07	A	Z	WORK ON L.P.
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8:00 - 0:00	16.00	DRLPRO	02	A	P	DRLG F/ 6105' TO 6478' - 373' - 23' HR MUD WT = 11.0 VIS 43
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7/27/2008

SUPERVISOR: TM HEINS

MD: 6,765

0:00 - 14:00	14.00	DRLPRO	02	A	P	DRLG F/ 6478' TO 6796' - 318' - 23' HR MUD WT = 11.2 VIS = 42
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14:00 - 15:00	1.00	DRLPRO	04	C	P	CIRC, BUILD AND PUMP SLUG,
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15:00 - 18:00	3.00	DRLPRO	05	A	P	TRIP F/ BIT # 1, KELLY UP AND WORK THROUGH TIGHT SPOT @ 4216'
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18:00 - 19:00	1.00	DRLPRO	04	A	P	BUILD & PUMP SLUG
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19:00 - 22:30	3.50	DRLPRO	05	A	P	TRIP OUT, L/D MM, AND BIT # 1, P/U MM AND BIT # 2
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22:30 - 23:00	0.50	DRLPRO	06	A	P	LUBRICATE RIG
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23:00 - 0:00	1.00	DRLPRO	05	A	P	TRIP IN HOLE
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7/28/2008

SUPERVISOR: TM HEINS

MD: 7,550

0:00 - 4:00	4.00	DRLPRO	05	A	P	TRIP IN HOLE TO 5314' HIT BRIDGE
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0:00 - 4:00	4.00	DRLPRO	05	A	P	TRIP IN HOLE TO 5314' HIT BRIDGE
4:00 - 5:00	1.00	DRLPRO	03	A	X	WASH AND REAM F/ 5314' TO 5413'
5:00 - 5:30	0.50	DRLPRO	05	A	P	FINISH TRIP IN HOLE
5:30 - 19:30	14.00	DRLPRO	02	A	P	DRLG F/ 6765' TO 7371' - 606' - 43' HR MUD WT = 11.3 VIS 45
19:30 - 20:30	1.00	DRLPRO	07	A	Z	REPLACE MASTER LINK IN HYDRO-MATIC CHAIN
20:30 - 0:00	3.50	DRLPRO	02	A	P	DRLG F/ 7371' TO 7550' - 179' - 51' HR - MUD WT = 11.5 VIS = 45

7/29/2008 SUPERVISOR: TM HEINS MD: 7,935

0:00 - 11:30	11.50	DRLPRO	02	A	P	DRLG F/ 7550' TO 7904' - 354' - 31' HR MUD WT = 11.5 VIS = 45
11:30 - 12:30	1.00	DRLPRO	04	C	P	CIRC, BUILD AND PUMP SLUG
12:30 - 13:00	0.50	DRLPRO	06	A	P	LUBRICATE RIG
13:00 - 18:30	5.50	DRLPRO	05	A	P	TRIP F/ BIT # 2 L/D BIT AND MOTOR
18:30 - 22:30	4.00	DRLPRO	05	A	P	P/U MM, & BIT # 3 TRIP IN HOLE NO PROBLEMS
22:30 - 23:00	0.50	DRLPRO	03	D	P	WASH & REAM 55' TO BOTTOM (NO FILL)
23:00 - 0:00	1.00	DRLPRO	02	A	P	DRLG F/ 7904' TO 7935' - 31' - 31' HR MUD WT = 11.6 VIS = 45

7/30/2008 SUPERVISOR: RON SJOSTROM MD: 8,760

0:00 - 15:00	15.00	DRLPRO	02	B	P	DRILL 7935-8675 = 740' = 49.3 FPH, MW 11.8/42
15:00 - 15:30	0.50	DRLPRO	06	A	P	RIG SERVICE
15:30 - 16:30	1.00	DRLPRO	02	B	P	DRILL 8675-8720 = 45' = 45 FPH, MW 12.0 / 45
16:30 - 17:30	1.00	DRLPRO	04	F	P	CCH HOLE FOR SAMPLES
17:30 - 18:30	1.00	DRLPRO	02	B	P	DRILL 8720-8760 TD = 40' = 40 FPH, MW 12.0 / 48
18:30 - 20:30	2.00	DRLPRO	04	F	P	CCH B/U FOR SAMPLES/GAS
20:30 - 21:00	0.50	DRLPRO	05	E	P	8 STD WIPER TRIP, WELL SWABBING, RIH

Wins No.: 95100

SOUTHMAN CANYON 923-31L

API No.: 4304737228

20:30 - 21:00 0.50 DRLPRO 05 E P 8 STD WIPER TRIP, WELL SWABBING, RIH

21:00 - 0:00 3.00 DRLPRO 04 B P CCH, RAISE MW TO 12.2, GAS ON B/U 4137 UTS

7/31/2008

SUPERVISOR: RON SJOSTROM

MD: 8,760

0:00 - 1:30 1.50 DRLPRO 04 B P CCH, RAISE MW TO 12.2, SPOT LCM PILL ON BTM

1:30 - 9:30 8.00 DRLPRO 05 B P LAY DOWN DRILLSTRING FOR E-LOGS & CASING, BRK KELLY,  
PULL WEAR BUSHING, R/D MACHINE

9:30 - 16:00 6.50 DRLPRO 08 A P R/U BAKER ATLAS, RUN TRIPLE COMBO E-LOGS TO 8767, R/D

16:00 - 16:30 0.50 DRLPRO 11 A P R/U CASING EQUIPMENT, SM ALL HANDS

16:30 - 22:30 6.00 DRLPRO 11 B P RUN 209 JTS 4-1/2 I-80 PRODUCTION CASING, SHOE @ 8742 GL

22:30 - 0:00 1.50 DRLPRO 04 E P CIRC CASING FOR CEMENT JOB

8/1/2008

SUPERVISOR: 5658

MD: 8,760

0:00 - 0:30 0.50 DRLPRO 04 E P CCH FOR CEMENT JOB

0:30 - 2:30 2.00 DRLPRO 15 A P CEMENT PRODUCTION CASING W/ 20 BBL SCAVENGER, 185  
BBL LEAD 11.7#, 256 BBL TAIL 14.3#, DISPLACE W/ 136 BBL  
WATER, BUMP PLUG, FLOATS HELD, RELEASE PRESSURE

2:30 - 3:00 0.50 DRLPRO 11 B P HANG CASING W/ 40,000#, TEST HANGER SEALS-OK

3:00 - 7:00 4.00 DRLPRO 13 A P NIPPLE DOWN BOPS, CLEAN PITS, RIG RELEASED 0700 8/1/08  
TO BONANZA 1023-11L

EVENT INFORMATION: EVENT ACTIVITY: COMPLETION START DATE: 8/28/2008 AFE NO.: 2013635  
 OBJECTIVE: DEVELOPMENT END DATE:  
 OBJECTIVE 2: ORIGINAL DATE WELL STARTED PROD.:  
 REASON: MV Event End Status:

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

LEED 698 / 698

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
8/28/2008	SUPERVISOR: BRAD BURMAN						MD:
	7:00 - 7:30	0.50	COMP	48		P	JSA#1
	7:30 - 17:00	9.50	COMP	30	A	P	7AM [DAY 1]
							MIRU LAST NIGHT. EOT @ 1500'. CONTINUE P/U NEW 2-3/8" J-55 TBG & RIH. [SLM] TBG WAS DRIFTED. TAG WET CMT @ 8695'. CIRC DOWN TO PBT @ 9699'. CIRC WELL CLN W 110 BBLs. POOH & L/D 15 JTS ON FLOAT. CONTINUE POOH STDG BACK TBG. LD MILL. RD FLOOR & TBG EQUIP.
							MIRU DBL JACK. P.T. CSG TO 7500#. RDMO DBL JACK.
							[STG#1] RIH W/ PERF GUNS & PERF THE M.V. @ 8590'-8594', 8632'-8634', & 8665'-8670' USING 3-3/8" EXP GUNS, 23 GM, 0.23, 0.36, 90° PHS, 4 SPF, [44 HLS] WHP=0#. POOH & L/D W.L. TOOLS. RDMO CUTTERS.
							5 PM SWI-SDF-WE PREP TO FRAC W/ BJ ON MONDAY 9/1/08
8/29/2008	SUPERVISOR: BRAD BURMAN						MD:
							[DAY 2]
							RIG ON STAND-BY. PREP TO FRAC W/BJ ON MONDAY 9/1/08
9/1/2008	SUPERVISOR: BRAD BURMAN						MD:
	7:00 - 7:30	0.50	COMP	48		P	HLD BJ, DXP JSA.

7:30 - 19:00

11.50

COMP

36

E

P

5AM [DAY 3] MIRU BJ, DXP SAFETY &amp; CUTTERS W.L.S. NO H2S READINGS.

[STG#1] WE-SICP=1042#. P.T. SURFACE LINES TO 8525#. BRK DN PERFS @ 2627# @ 3 BPM. ISIP=2253, FG=.71. BULLHEAD 3 BBLS 15% HCL. CALC ALL PERFS OPEN. PMP'D 3069 BBLS SLK WTR & 116,327# 30/50 SD W/ 5000# R.C. SAND @ TAIL. ISIP=3161, FG=.81, NPI=908, MP=5909, MR=53, AP=5375, AR=52 BPM. 125 BBL SWEEP BETWEEN 1.5# & 2# SAND.

[STG#2] RIH W/ BAKER 8K CBP & PERF GUNS. SET CBP @ 8320'. PERF THE M.V. @ 8103'-8105', 8126'-8128', 8180'-8183', 8240'-8243', & 8282'-8284' USING 3-3/8" EXP GUNS, 23 GM, 0.36, 90° PHS, 4 SPF, [48 HLS] WHP=290#. BRK DN PERFS @ 2690 @ 4 BPM. ISIP=2370, FG=.74. CALC ALL PERFS OPEN. PMP'D 3160 BBLS SLK WTR & 123,912# 30/50 SAND W/ 5000# R.C. SAND @ TAIL. ISIP=2795, FG=.79, NPI=425, MP=5585, MR=52, AP=4885, AR=52 BPM. 125 BBL SWEEP BETWEEN 1.5# & 2.0# SAND.

[STG#3] RIH W/ BAKER 8K CBP & PERF GUNS. SET CBP @ 8010'. PERF THE M.V. @ 7688'-7690', 7744'-7746', 7796'-7798', 7847'-7849', 7888'-7890' 3 SPF, 120° PHS, 7952'-7955', 4 SPF, 90° PHS, & 7976'-7978', 3 SPF, 120° PHS USING 3-3/8" EXP GUNS, 23 GM, 0.26, [48 HLS] 2 RUNS FOR CUTTERS. WHP=115#. BRK DN PERFS @ 2093 @ 4 BPM. ISIP=1947, FG=.70. CALC 35/48 PERFS OPEN. PMP'D 4148 BBLS SLK WTR & 156,291# 30/50 SAND W/ 5000# R.C. SAND @ TAIL. ISIP=2150, FG=.72, NPI=2-3, MP=5268, MR=52, AP=4826, AR=51 BPM. 125 BBL SWEEP BETWEEN 1.0# -1.5# SAND & 250 BBLS SWEEP BETWEEN 1.5# - 2.0# SAND.

[STG#4] RIH W/ BAKER 8K CBP & PERF GUNS. SET CBP @ 7590'. PERF THE M.V. @ 7458'-7462', 7504'-7506' & 7550'-7554' USING 3-3/8" EXP GUNS, 23 GM, 0.36, 90° PHS, 4 SPF, [40 HLS] WHP=130#. BRK DN PERFS @ 3565 @ 5 BPM. HARD TIME BRKG DN. ISIP=2922, FG=.84. CALC ALL PERFS OPEN. PMP'D 1127 BBLS SLK WTR & 42,686# 30/50 SAND W/ 5000# R.C. SAND @ TAIL. ISIP=2265, FG=.75, NPI=657, MP=4511, MR=53, AP=4073, AR=52 BPM.

[STG#5] RIH W/ BAKER 8K CBP & PERF GUNS. SET CBP @ 7250'. PERF THE M.V. @ 7150'-7155' & 7205'-7210' USING 3-3/8" EXP GUNS, 23 GM, 0.36, 90° PHS, 4 SPF, [40 HLS] WHP= 230#. BRK DN PERFS @ 6162 @ 5 BPM. ISIP=2400, FG=.78. VERY HARD TIME BRKG DOWN. CALOC 36/40 PERFS OPEN. PMP'D 1591 BBLS SLLK WTR & 68,596# 30/50 SAND W/ 5000# R.C. SAND @ TAIL. ISIP=2224, FG=.76, NPI=176, MP=4668, MR=41, AP=3931, AR=41 BPM.

[KILL PLUG] RIH W/ BAKER 8K CBP. TAG SAND @ 7015' POOH & SET CBP @ 6996'. POOH & LD W.L. TOOLS. RDMO BJ, DXP & CUTTERS. GRAND TOTAL 30/50 & R.C. SAND=507,812# & TOTAL FLUID=13,095 BBLS.

7 PM SWI-SDFN. PREP TO DRILL OUT [5] CBP'S IN AM.

9/2/2008

SUPERVISOR: BRAD BURMAN

MD:

7:00 - 7:30

0.50

COMP

48

C

P

JSA#5

Wins No.: 95100

SOUTHMAN CANYON 923-31L

API No.: 4304737228

7:30 - 17:00 9.50 COMP 44 C P 7AM [DAY 4]

ND FRAC VALVES. NUBOP. RU FLOOR & TBG EQUIPMENT. PU 3-7/8" BIT, POBS W/ XN NIPPLE & RIH OUT OF DERRICK ON NEW 2-3/8" J-55 TBG. TAG SAND @ 6891'. RU SWVL & RIG PUMP. ESTABLISH CIRC W/ RIG PUMP. P.T. BOP TO 3000#. C/O 105' SAND TO CBP#1 @ 6996'.

[DRLG CBP#1] @ 6996'. DRILL OUT BAKER 8K CBP IN 4 MIN. 50# DIFF. RIH, TAG SD @ 7550'. C/O 40' SD. FCP=50#.

[DRLG CBP#2] @ 7250'. DRILL OUT BAKER 8K CBP IN 5 MIN. 50# DIFF. RIH, TAG SD @ 7550'. C/O 40' SD. FCP=75#.

[DRLG CBP#3] @ 7590'. DRILL OUT BAKER 8K CBP IN 5 MIN. 175# DIFF. RIH, TAG SD @ 7950'. C/O 60' SD. FCP=125#.

[DRLG CBP#4] @ 8010'. DRILL OUT BAKER 8K CBP IN 5 MIN. 75# DIFF. RIH, TAG SD @ 8300'. C/O 20' SD. FCP=225#.

[DRLG CBP#5] @ 8320'. DRILL OUT BAKER 8K CBP IN 5 MIN. 75# DIFF. RIH, TAG SD @ 8671'. C/O 28' SD TO PBD @ 8699'. CIRC WELL CLN. FCP=300#. R/D SWVL. POOH & LD 20 JTS ON FLOAT. LAND TBG ON HNGR W/ 257 JTS NEW 2-3/8" J-55 TBG. EOT @ 8090.61' & POBS W/ XN @ 8088.41'. AVG 5 MIN/PLUG & C/O 293' SD. RD FLOOR & TBG EQUIPMENT. NDBOP, NUWH. DROP BALL DN TBG & PMP OFF THE BIT @ 2200#. OPEN WELL TO FBT ON 20/64 CHOKE. FTP=1000#, SICP=1300#.

5 PM TURN WELL OVER TO FBC. LTR @ 5 PM= 11,715 BBLS. RACK EQUIPMENT.

17:00 - 17:00 0.00 COMP

MD:

9/3/2008

SUPERVISOR: BRAD BURMAN

7:00 -

33 A

7 AM FLBK REPORT: CP 1625#, TP 1300#, 20/64" CK, 45 BWPH, MEDIUM SAND, LIGHT GAS  
TTL BBLS RECOVERED: 705  
BBLS LEFT TO RECOVER: 11010

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**

5. Lease Serial No.  
**UTU-33433**

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

6. If Indian, Allottee or Tribe Name

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

7. Unit or CA Agreement Name and No.  
**UTU-74898**

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

8. Lease Name and Well No.  
**SOUTHMAN CANYON 923-31L**

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

At surface **NW/SW LOT 3, 2242'FSL, 291'FWL**

9. API Well No.  
**4304737228**

At top prod. interval reported below

10. Field and Pool, or Exploratory  
**UNDESIGNATED**

At total depth

11. Sec., T., R., M., or Block and Survey or Area **SEC. 31, T9S, R23E**

14. Date Spudded **06/29/08**  
15. Date T.D. Reached **07/30/08**  
16. Date Completed  D & A  Ready to Prod. **09/04/08**

12. County or Parish **UINTAH**  
13. State **UTAH**

17. Elevations (DF, RKB, RT, GL)\*  
**4996'GL**

18. Total Depth: MD **8760'** TVD  
19. Plug Back T.D.: MD **8699'** TVD  
20. Depth Bridge Plug Set: MD TVD

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

**CBL-CCL-GR**

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14"	36.7#		40'		28 SX			
12 1/4"	9 5/8"	36#		2070'		1575 SX			
7 7/8"	4 1/2"	11.6#		8760'		1500 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"	8091'							

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	7150'	8670'	7150'-8670'	0.36	220	OPEN
B)						
C)						
D)						

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

Depth Interval	Amount and type of Material
7150'-8670'	PMP 13,095 BBLs SLICK H2O & 507,812# 30/50 SD

**RECEIVED**

**OCT 06 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
09/04/08	09/04/08	24	→	0	1,406	600			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 1950# SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
20/64		1133#	→	0	1406	600			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
			→						FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
			→						PRODUCING GAS WELL

28b. Production - Interval C

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

28c. Production - Interval D

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

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

**SOLD**

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
GREEN RIVER	1243'				
MAHOGANY	1965'				
WASATCH	4248'	6401'			
MESAVERDE	6444'	8685'			

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
- 6. 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 REGULATORY ANALYST  
 Signature  Date 09/23/08

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.

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-33433
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> SOUTHMAN CYN 923-31L
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.	<b>9. API NUMBER:</b> 43047372280000
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	<b>PHONE NUMBER:</b> 720 929-6007 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2242 FSL 0291 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWSW Section: 31 Township: 09.0S Range: 23.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 6/14/2010	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> 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 type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" 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.**

THE OPERATOR REQUESTS AUTHORIZATION TO RECOMPLETE THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO RECOMPLETE THE WASATCH AND MESAVERDE FORMATIONS. THE OPERATOR REQUESTS AUTHORIZATION TO COMMINGLE THE NEWLY WASATCH AND MESAVERDE FORMATIONS, ALONG WITH THE EXISTING MESAVERDE FORMATIONS. PLEASE REFER TO THE ATTACHED RECOMPLETION PROCEDURE.

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

Date: June 15, 2010

By: *Derek [Signature]*

<b>NAME (PLEASE PRINT)</b> Andy Lytle	<b>PHONE NUMBER</b> 720 929-6100	<b>TITLE</b> Regulatory Analyst
<b>SIGNATURE</b> N/A	<b>DATE</b> 6/9/2010	



**The Utah Division of Oil, Gas, and Mining**

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices**

**Sundry Conditions of Approval Well Number 43047372280000**

**Authorization: Board Cause No. 179-14**

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

**Date:** June 15, 2010  
**By:** *David H. [Signature]*

# Greater Natural Buttes Unit



## **SOUTHMAN CANYON 923-31L RE-COMPLETIONS PROCEDURE**

**DATE:6/9/10  
AFE#:**

**COMPLETIONS ENGINEER:** Sarah Schaftenaar, Denver, CO  
(303)-895-5883 (Cell)  
(720)-929-6605 (Office)

**SIGNATURE:**

**ENGINEERING MANAGER: JEFF DUFRESNE**

**SIGNATURE:**

**REMEMBER SAFETY FIRST!**

**Name:** Southman Canyon 923-31L  
**Location:** NW SW Sec. 31 T9S R23E  
**Uintah County, UT**  
**Date:** 6/2/10

**ELEVATIONS:** 4996' GL 5014' KB

**TOTAL DEPTH:** 8760' **PBTD:** 8699'  
**SURFACE CASING:** 9 5/8", 36# J-55 ST&C @ 2069'  
**PRODUCTION CASING:** 4 1/2", 11.6#, I-80 LT&C @ 8742'  
 Marker Joint **4101-4121'**

**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:**

1186' Green River Top  
 1402' Bird's Nest Top  
 1918' Mahogany Top  
 4248' Wasatch Top  
 6496' Mesaverde Top

**BOTTOMS:**

6496' Wasatch Bottom  
 8760' Mesaverde Bottom (TD)

Estimated T.O.C. from CBL @ 3000'

**GENERAL:**

- A minimum of **8** tanks (cleaned lined 500 bbl) of recycled 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 Baker's Induction-Density-Neutron log dated 7/31/2008
- **5** fracturing stages required for coverage.
- Procedure calls for **6** 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.
- Pump scale inhibitor at 3 gpt (in pad and until 1.25 ppg ramp up is reached) and 10 gpt in all flushes except the final stage. Remember to pre-load the casing with scale inhibitor for the very first stage with 10 gpt.
- 30/50 mesh Ottawa sand, **Slickwater frac.**
- Maximum surface pressure **6200** psi.
- Flush volumes are the sum of slick 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 20/40 mesh **resin coated sand** last 5,000# of all frac stages
- Tubing Currently Landed @~8091
- Originally completed on 8/28/2008

**Existing Perforations:**

Zone	Feet of Pay	Perfs		SPF	Holes
		Top, ft.	Bot., ft		
MESAVERDE	0	7150	7155	4	20
MESAVERDE	1	7205	7210	4	20
MESAVERDE	3	7458	7462	4	16
MESAVERDE	11	7504	7506	4	8
MESAVERDE	0	7550	7554	4	16
MESAVERDE	7	7688	7690	3	6
MESAVERDE	2	7744	7746	3	6
MESAVERDE	16	7796	7798	3	6
MESAVERDE	3	7847	7849	3	6
MESAVERDE	3	7888	7890	3	6
MESAVERDE	3	7952	7955	4	12
MESAVERDE	8	7976	7978	3	6
MESAVERDE	2	8103	8105	4	8
MESAVERDE	1	8126	8128	4	8
MESAVERDE	2	8180	8183	4	12
MESAVERDE	8	8240	8243	4	12
MESAVERDE	1	8282	8284	4	8
MESAVERDE	3	8590	8594	4	16
MESAVERDE	9	8632	8634	4	8
MESAVERDE	4	8665	8670	4	20

**PROCEDURE:**

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.
2. If the tubing is below the proposed CBP depth, TOO H with 2-3/8", 4.7#, J-55 (or N-80) tubing (currently landed at ~8091'). Visually inspect for scale and consider replacing if needed. If the tubing is above the proposed CBP depth, RIH with tubing and tag for fill before TOO H.
3. If tbg looks ok consider running a gauge ring to 7110 (50' below proposed CBP). Otherwise P/U a mill and C/O to 7110 (50' below proposed CBP).

4. Set 8000 psi CBP at ~ 7060'. 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
MESAVERDE	6950	6954	4	16
MESAVERDE	7024	7030	4	24
6. Breakdown perfs and establish injection rate (include scale inhibitor in fluid). Spot 250 gals of 15% HCL and let soak 5-10 min. Fracture as outlined in Stage 1 on attached listing. Under-displace to ~6950' and trickle 250gal 15%HCL w/ scale inhibitor in flush .
7. Set 8000 psi CBP at ~6818'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:
 

Zone	From	To	spf	# of shots
MESAVERDE	6718	6722	4	16
MESAVERDE	6782	6788	4	24
8. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~6718' and trickle 250gal 15%HCL w/ scale inhibitor in flush.
9. Set 8000 psi CBP at ~6296'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:
 

Zone	From	To	spf	# of shots
WASATCH	6148	6152	4	16
WASATCH	6260	6266	4	24
10. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 3 on attached listing. Under-displace to ~6148' trickle 250gal 15%HCL w/ scale inhibitor in flush.
11. Set 8000 psi CBP at ~5915'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:
 

Zone	From	To	spf	# of shots
WASATCH	5794	5798	4	16
WASATCH	5879	5885	4	24
12. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 4 on attached listing. Under-displace to ~5794' and trickle 250gal 15%HCL w/ scale inhibitor in flush.
13. Set 8000 psi CBP at ~5496'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:
 

Zone	From	To	spf	# of shots
WASATCH	5456	5466	4	40
14. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 5 on attached listing. Under-displace to ~5456' and flush only with recycled water.
15. Set 8000 psi CBP at~5406'.
16. TIH with 3 7/8" mill, sliding sleeve, SN and tubing.
17. Mill plugs and clean out to 7050. Land tubing at ±8091' and open sleeve unless indicated otherwise by the well's behavior. This well will be commingled at this time.

18. RDMO

19. Clean out well with foam and/or swabbing unit until steady flow has been established from recomple, if necessary.

**For design questions, please call  
Sarah Schaftenaar, Denver, CO  
(303)-895-5883 (Cell)  
(720)-929-6605 (Office)**

**For field implementation questions, please call  
Jeff Samuels, Vernal, UT  
435-781-7046 (Office)**

NOTES:

**Southman Canyon 923-31L  
Perforation and CBP Summary**

Stage	Zones	Perforations		SPF	Holes	Fracture Coverage		
		Top, ft	Bottom, ft					
1	MESAVERDE	6950	6954	4	16	6943.5	to	6955.8
	MESAVERDE	7024	7030	4	24	7011	to	7032.3
	MESAVERDE							
	MESAVERDE							
	MESAVERDE							
	MESAVERDE							
	MESAVERDE							
	# of Perfs/stage				Look	40	CBP DEPTH	6,818
2	MESAVERDE	6718	6722	4	16	6713	to	6748
	MESAVERDE	6782	6788	4	24	6771.5	to	6796.8
	MESAVERDE							
	MESAVERDE							
	MESAVERDE							
	MESAVERDE							
	MESAVERDE							
	# of Perfs/stage				Look	40	CBP DEPTH	6,296
3	WASATCH	6148	6152	4	16	6134.8	to	6156.3
	WASATCH	6260	6266	4	24	6252.3	to	6278.8
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	# of Perfs/stage				Look	40	CBP DEPTH	5,915
4	WASATCH	5794	5798	4	16	5783.8	to	5801.8
	WASATCH	5879	5885	4	24	5863.8	to	5898
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	# of Perfs/stage					40	CBP DEPTH	5,496
5	WASATCH	5456	5466	4	40	5442	to	5468.5
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	# of Perfs/stage				Look	40	CBP DEPTH	5,406
Totals					200			

Fracturing Schedules  
**Southman Canyon 923-31L**  
**Slickwater Frac**

Recomplete?	Y
Pad?	N
ACTS?	N

Swabbing Days	0	Enter Number of swabbing days here for recompletes
Production Log	0	Enter 1 if running a Production Log
DFIT	0	Enter Number of DFITs

Stage	Zone	Md-Ft of Pay	Perfs		SPF	Holes	Rate BPM	Fluid Type	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	MESAVERDE	0.141	6950	6954	4	16	Varied	Pump-in test			Slickwater		0	0	0								
	MESAVERDE	0.192	7024	7030	4	24	0	ISIP and 5 min ISIP														44	
	MESAVERDE	0.00					50	Slickwater Pad			Slickwater	3,497	3,497	83	83	15.0%	0.0%	0	0			10	
	MESAVERDE	0.00					50	Slickwater Ramp	0.25	1.25	Slickwater	6,605	10,101	157	241	28.3%	19.4%	4,953	4,953			20	
	MESAVERDE	0.00					50	SW Sweep	0	0	Slickwater	0	10,101	0	241		0.0%	0	4,953			0	
	MESAVERDE	0.00					50	Slickwater Ramp	1.25	1.5	Slickwater	6,605	16,706	157	398	28.3%	35.5%	9,081	14,035			0	
	MESAVERDE	0.00					50	SW Sweep	0	0	Slickwater	0	16,706	0	398		0.0%	0	14,035			0	
	MESAVERDE	0.00					50	Slickwater Ramp	0.5	1.5	Slickwater	0	16,706	0	398		0.0%	0	14,035			0	
	MESAVERDE	0.00					50	Slickwater Ramp	1.5	2	Slickwater	6,605	23,310	157	555	28.3%	45.2%	11,558	25,592			0	
	MESAVERDE	0.00					50	Flush (4-1/2)			Slickwater	4,537	27,847	108	663				25,592			44	
	MESAVERDE	0.00						ISDP and 5 min ISDP					27,847									119	
		<b>0.33</b>		<b># of Perfs/stage</b>		<b>40</b>									<b>Flush depth</b>	<b>6950</b>		<b>gal/md-ft</b>	<b>70,000</b>	<b>76,854</b>	<b>lbs sand/md-ft</b>		
																			<b>CBP depth</b>	<b>6,818</b>		<b>132</b>	
							13.3	<< Above pump time (min)															
2	MESAVERDE	0.207	6718	6722	4	16	Varied	Pump-in test			Slickwater		0	0	0								
	MESAVERDE	0.319	6782	6788	4	24	0	ISIP and 5 min ISIP															11
	MESAVERDE	0.00					50	Slickwater Pad			Slickwater	3,551	3,551	85	85	15.0%	0.0%	0	0			20	
	MESAVERDE	0.00					50	Slickwater Ramp	0.25	1.25	Slickwater	6,707	10,257	160	244	28.3%	19.4%	5,030	5,030			0	
	MESAVERDE	0.00					50	SW Sweep	0	0	Slickwater	0	10,257	0	244		0.0%	0	5,030			0	
	MESAVERDE	0.00					50	Slickwater Ramp	1.25	1.5	Slickwater	6,707	16,964	160	404	28.3%	35.5%	9,221	14,251			0	
	MESAVERDE	0.00					50	SW Sweep	0	0	Slickwater	0	16,964	0	404		0.0%	0	14,251			0	
	MESAVERDE	0.00					50	Slickwater Ramp	0.5	1.5	Slickwater	0	16,964	0	404		0.0%	0	14,251			0	
	MESAVERDE	0.00					50	Slickwater Ramp	1.5	2	Slickwater	6,707	23,670	160	564	28.3%	45.2%	11,736	25,988			0	
	MESAVERDE	0.00					50	Flush (4-1/2)			Slickwater	4,386	28,056	104	668				25,988			41	
	MESAVERDE	0.00						ISDP and 5 min ISDP					28,056									72	
		<b>0.53</b>		<b># of Perfs/stage</b>		<b>40</b>									<b>Flush depth</b>	<b>6718</b>		<b>gal/md-ft</b>	<b>45,000</b>	<b>49,406</b>	<b>lbs sand/md-ft</b>		
																			<b>CBP depth</b>	<b>6,296</b>		<b>422</b>	
							13.4	<< Above pump time (min)															
3	WASATCH	0.775	6148	6152	4	16	Varied	Pump-in test			Slickwater		0	0	0								
	WASATCH	0.22	6260	6266	4	24	0	ISIP and 5 min ISIP															11
	WASATCH	0.00					50	Slickwater Pad			Slickwater	3,731	3,731	89	89	15.0%	0.0%	0	0			37	
	WASATCH	0.00					50	Slickwater Ramp	0.25	1.5	Slickwater	12,438	16,169	296	385	50.0%	35.7%	10,883	10,883			0	
	WASATCH	0.00					50	Slickwater Ramp	1.5	3	Slickwater	8,706	24,875	207	592	35.0%	64.3%	19,589	30,472			0	
	WASATCH	0.00					50	Flush (4-1/2)			Slickwater	4,013	28,888	96	688				30,472			0	
	WASATCH	0.00						ISDP and 5 min ISDP														0	
	WASATCH	0.00																				0	
	WASATCH	0.00																				0	
	WASATCH	0.00																				38	
	WASATCH	0.00																				87	
		<b>1.00</b>		<b># of Perfs/stage</b>		<b>40</b>									<b>Flush depth</b>	<b>6148</b>		<b>gal/md-ft</b>	<b>25,000</b>	<b>30,625</b>	<b>lbs sand/md-ft</b>		
																			<b>CBP depth</b>	<b>5,915</b>		<b>233</b>	
							13.8	<< Above pump time (min)															
4	WASATCH	0.261	5794	5798	4	16	Varied	Pump-in test			Slickwater		0	0	0								
	WASATCH	0.345	5879	5885	4	24	0	ISIP and 5 min ISIP															11
	WASATCH	0.00					50	Slickwater Pad			Slickwater	3,636	3,636	87	87	15.0%	0.0%	0	0			36	
	WASATCH	0.00					50	Slickwater Ramp	0.25	1.5	Slickwater	12,120	15,756	289	375	50.0%	35.7%	10,605	10,605			0	
	WASATCH	0.00					50	Slickwater Ramp	1.5	3	Slickwater	8,484	24,240	202	577	35.0%	64.3%	19,089	29,694			0	
	WASATCH	0.00					50	Flush (4-1/2)			Slickwater	3,782	28,022	90	667				29,694			0	
	WASATCH	0.00						ISDP and 5 min ISDP														0	
	WASATCH	0.00																				0	

RECEIVED June 09, 2010



<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-33433
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> SOUTHMAN CYN 923-31L
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.	<b>9. API NUMBER:</b> 43047372280000
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	<b>PHONE NUMBER:</b> 720 929-6007 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2242 FSL 0291 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWSW Section: 31 Township: 09.0S Range: 23.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 6/14/2010	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> 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 type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" 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.**

THE OPERATOR REQUESTS AUTHORIZATION TO RECOMPLETE THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO RECOMPLETE THE WASATCH AND MESAVERDE FORMATIONS. THE OPERATOR REQUESTS AUTHORIZATION TO COMMINGLE THE NEWLY WASATCH AND MESAVERDE FORMATIONS, ALONG WITH THE EXISTING MESAVERDE FORMATIONS. PLEASE REFER TO THE ATTACHED RECOMPLETION PROCEDURE.

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

Date: June 15, 2010

By: *Derek [Signature]*

<b>NAME (PLEASE PRINT)</b> Andy Lytle	<b>PHONE NUMBER</b> 720 929-6100	<b>TITLE</b> Regulatory Analyst
<b>SIGNATURE</b> N/A		<b>DATE</b> 6/9/2010



**The Utah Division of Oil, Gas, and Mining**

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices**

**Sundry Conditions of Approval Well Number 43047372280000**

**Authorization: Board Cause No. 179-14**

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

**Date:** June 15, 2010  
**By:** *Dark K. Quist*

# Greater Natural Buttes Unit



## **SOUTHMAN CANYON 923-31L RE-COMPLETIONS PROCEDURE**

**DATE:6/9/10  
AFE#:**

**COMPLETIONS ENGINEER:** Sarah Schaftenaar, Denver, CO  
(303)-895-5883 (Cell)  
(720)-929-6605 (Office)

**SIGNATURE:**

**ENGINEERING MANAGER: JEFF DUFRESNE**

**SIGNATURE:**

**REMEMBER SAFETY FIRST!**

**Name:** Southman Canyon 923-31L  
**Location:** NW SW Sec. 31 T9S R23E  
**Uintah County, UT**  
**Date:** 6/2/10

**ELEVATIONS:** 4996' GL 5014' KB

**TOTAL DEPTH:** 8760' **PBTD:** 8699'  
**SURFACE CASING:** 9 5/8", 36# J-55 ST&C @ 2069'  
**PRODUCTION CASING:** 4 1/2", 11.6#, I-80 LT&C @ 8742'  
 Marker Joint **4101-4121'**

**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:**

1186' Green River Top  
 1402' Bird's Nest Top  
 1918' Mahogany Top  
 4248' Wasatch Top  
 6496' Mesaverde Top

**BOTTOMS:**

6496' Wasatch Bottom  
 8760' Mesaverde Bottom (TD)

Estimated T.O.C. from CBL @ 3000'

**GENERAL:**

- A minimum of **8** tanks (cleaned lined 500 bbl) of recycled 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 Baker's Induction-Density-Neutron log dated 7/31/2008
- **5** fracturing stages required for coverage.
- Procedure calls for **6** 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.
- Pump scale inhibitor at 3 gpt (in pad and until 1.25 ppg ramp up is reached) and 10 gpt in all flushes except the final stage. Remember to pre-load the casing with scale inhibitor for the very first stage with 10 gpt.
- 30/50 mesh Ottawa sand, **Slickwater frac.**
- Maximum surface pressure **6200** psi.
- Flush volumes are the sum of slick 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 20/40 mesh **resin coated sand** last 5,000# of all frac stages
- Tubing Currently Landed @~8091
- Originally completed on 8/28/2008

**Existing Perforations:**

Zone	Feet of Pay	Perfs		SPF	Holes
		Top, ft.	Bot., ft		
MESAVERDE	0	7150	7155	4	20
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MESAVERDE	16	7796	7798	3	6
MESAVERDE	3	7847	7849	3	6
MESAVERDE	3	7888	7890	3	6
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MESAVERDE	1	8282	8284	4	8
MESAVERDE	3	8590	8594	4	16
MESAVERDE	9	8632	8634	4	8
MESAVERDE	4	8665	8670	4	20

**PROCEDURE:**

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.
2. If the tubing is below the proposed CBP depth, TOO H with 2-3/8", 4.7#, J-55 (or N-80) tubing (currently landed at ~8091'). Visually inspect for scale and consider replacing if needed. If the tubing is above the proposed CBP depth, RIH with tubing and tag for fill before TOO H.
3. If tbg looks ok consider running a gauge ring to 7110 (50' below proposed CBP). Otherwise P/U a mill and C/O to 7110 (50' below proposed CBP).

4. Set 8000 psi CBP at ~ 7060'. 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
MESAVERDE	6950	6954	4	16
MESAVERDE	7024	7030	4	24
6. Breakdown perfs and establish injection rate (include scale inhibitor in fluid). Spot 250 gals of 15% HCL and let soak 5-10 min. Fracture as outlined in Stage 1 on attached listing. Under-displace to ~6950' and trickle 250gal 15%HCL w/ scale inhibitor in flush .
7. Set 8000 psi CBP at ~6818'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:
 

Zone	From	To	spf	# of shots
MESAVERDE	6718	6722	4	16
MESAVERDE	6782	6788	4	24
8. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~6718' and trickle 250gal 15%HCL w/ scale inhibitor in flush.
9. Set 8000 psi CBP at ~6296'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:
 

Zone	From	To	spf	# of shots
WASATCH	6148	6152	4	16
WASATCH	6260	6266	4	24
10. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 3 on attached listing. Under-displace to ~6148' trickle 250gal 15%HCL w/ scale inhibitor in flush.
11. Set 8000 psi CBP at ~5915'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:
 

Zone	From	To	spf	# of shots
WASATCH	5794	5798	4	16
WASATCH	5879	5885	4	24
12. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 4 on attached listing. Under-displace to ~5794' and trickle 250gal 15%HCL w/ scale inhibitor in flush.
13. Set 8000 psi CBP at ~5496'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:
 

Zone	From	To	spf	# of shots
WASATCH	5456	5466	4	40
14. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 5 on attached listing. Under-displace to ~5456' and flush only with recycled water.
15. Set 8000 psi CBP at~5406'.
16. TIH with 3 7/8" mill, sliding sleeve, SN and tubing.
17. Mill plugs and clean out to 7050. Land tubing at ±8091' and open sleeve unless indicated otherwise by the well's behavior. This well will be commingled at this time.

18. RDMO

19. Clean out well with foam and/or swabbing unit until steady flow has been established from recomple, if necessary.

**For design questions, please call  
Sarah Schaftenaar, Denver, CO  
(303)-895-5883 (Cell)  
(720)-929-6605 (Office)**

**For field implementation questions, please call  
Jeff Samuels, Vernal, UT  
435-781-7046 (Office)**

NOTES:

**Southman Canyon 923-31L  
Perforation and CBP Summary**

Stage	Zones	Perforations		SPF	Holes	Fracture Coverage		
		Top, ft	Bottom, ft					
1	MESAVERDE	6950	6954	4	16	6943.5	to	6955.8
	MESAVERDE	7024	7030	4	24	7011	to	7032.3
	MESAVERDE							
	MESAVERDE							
	MESAVERDE							
	MESAVERDE							
	MESAVERDE							
	# of Perfs/stage				Look	40	CBP DEPTH	6,818
2	MESAVERDE	6718	6722	4	16	6713	to	6748
	MESAVERDE	6782	6788	4	24	6771.5	to	6796.8
	MESAVERDE							
	MESAVERDE							
	MESAVERDE							
	MESAVERDE							
	MESAVERDE							
	# of Perfs/stage				Look	40	CBP DEPTH	6,296
3	WASATCH	6148	6152	4	16	6134.8	to	6156.3
	WASATCH	6260	6266	4	24	6252.3	to	6278.8
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	# of Perfs/stage				Look	40	CBP DEPTH	5,915
4	WASATCH	5794	5798	4	16	5783.8	to	5801.8
	WASATCH	5879	5885	4	24	5863.8	to	5898
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	# of Perfs/stage					40	CBP DEPTH	5,496
5	WASATCH	5456	5466	4	40	5442	to	5468.5
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	# of Perfs/stage				Look	40	CBP DEPTH	5,406
Totals					200			

Fracturing Schedules  
**Southman Canyon 923-31L**  
**Slickwater Frac**

Recomplete?	Y
Pad?	N
ACTS?	N

Swabbing Days	0	Enter Number of swabbing days here for recompletes
Production Log	0	Enter 1 if running a Production Log
DFIT	0	Enter Number of DFITs

Stage	Zone	Md-Ft of Pay	Perfs		SPF	Holes	Rate BPM	Fluid Type	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	MESAVERDE	0.141	6950	6954	4	16	Varied	Pump-in test			Slickwater		0	0	0							
	MESAVERDE	0.192	7024	7030	4	24	0	ISIP and 5 min ISIP														44
	MESAVERDE	0.00					50	Slickwater Pad			Slickwater	3,497	3,497	83	83	15.0%	0.0%	0	0			10
	MESAVERDE	0.00					50	Slickwater Ramp	0.25	1.25	Slickwater	6,605	10,101	157	241	28.3%	19.4%	4,953	4,953			20
	MESAVERDE	0.00					50	SW Sweep	0	0	Slickwater	0	10,101	0	241		0.0%	0	4,953			0
	MESAVERDE	0.00					50	Slickwater Ramp	1.25	1.5	Slickwater	6,605	16,706	157	398	28.3%	35.5%	9,081	14,035			0
	MESAVERDE	0.00					50	SW Sweep	0	0	Slickwater	0	16,706	0	398		0.0%	0	14,035			0
	MESAVERDE	0.00					50	Slickwater Ramp	0.5	1.5	Slickwater	0	16,706	0	398		0.0%	0	14,035			0
	MESAVERDE	0.00					50	Slickwater Ramp	1.5	2	Slickwater	6,605	23,310	157	555	28.3%	45.2%	11,558	25,592			0
	MESAVERDE	0.00					50	Flush (4-1/2)			Slickwater	4,537	27,847	108	663				25,592			44
	MESAVERDE	0.00						ISDP and 5 min ISDP					27,847									119
		<b>0.33</b>		<b># of Perfs/stage</b>		<b>40</b>								<b>Flush depth</b>	<b>6950</b>		<b>gal/md-ft</b>	<b>70,000</b>	<b>76,854</b>	<b>lbs sand/md-ft</b>		
																		<b>CBP depth</b>	<b>6,818</b>			
																						<b>132</b>
							13.3	<< Above pump time (min)														
2	MESAVERDE	0.207	6718	6722	4	16	Varied	Pump-in test			Slickwater		0	0	0							
	MESAVERDE	0.319	6782	6788	4	24	0	ISIP and 5 min ISIP														
	MESAVERDE	0.00					50	Slickwater Pad			Slickwater	3,551	3,551	85	85	15.0%	0.0%	0	0			11
	MESAVERDE	0.00					50	Slickwater Ramp	0.25	1.25	Slickwater	6,707	10,257	160	244	28.3%	19.4%	5,030	5,030			20
	MESAVERDE	0.00					50	SW Sweep	0	0	Slickwater	0	10,257	0	244		0.0%	0	5,030			0
	MESAVERDE	0.00					50	Slickwater Ramp	1.25	1.5	Slickwater	6,707	16,964	160	404	28.3%	35.5%	9,221	14,251			0
	MESAVERDE	0.00					50	SW Sweep	0	0	Slickwater	0	16,964	0	404		0.0%	0	14,251			0
	MESAVERDE	0.00					50	Slickwater Ramp	0.5	1.5	Slickwater	0	16,964	0	404		0.0%	0	14,251			0
	MESAVERDE	0.00					50	Slickwater Ramp	1.5	2	Slickwater	6,707	23,670	160	564	28.3%	45.2%	11,736	25,988			0
	MESAVERDE	0.00					50	Flush (4-1/2)			Slickwater	4,386	28,056	104	668				25,988			41
	MESAVERDE	0.00						ISDP and 5 min ISDP					28,056									72
		<b>0.53</b>		<b># of Perfs/stage</b>		<b>40</b>								<b>Flush depth</b>	<b>6718</b>		<b>gal/md-ft</b>	<b>45,000</b>	<b>49,406</b>	<b>lbs sand/md-ft</b>		
																		<b>CBP depth</b>	<b>6,296</b>			
																						<b>422</b>
							13.4	<< Above pump time (min)														
3	WASATCH	0.775	6148	6152	4	16	Varied	Pump-in test			Slickwater		0	0	0							
	WASATCH	0.22	6260	6266	4	24	0	ISIP and 5 min ISIP														
	WASATCH	0.00					50	Slickwater Pad			Slickwater	3,731	3,731	89	89	15.0%	0.0%	0	0			11
	WASATCH	0.00					50	Slickwater Ramp	0.25	1.5	Slickwater	12,438	16,169	296	385	50.0%	35.7%	10,883	10,883			37
	WASATCH	0.00					50	Slickwater Ramp	1.5	3	Slickwater	8,706	24,875	207	592	35.0%	64.3%	19,589	30,472			0
	WASATCH	0.00					50	Flush (4-1/2)			Slickwater	4,013	28,888	96	688				30,472			0
	WASATCH	0.00						ISDP and 5 min ISDP														0
	WASATCH	0.00																	30,472			0
	WASATCH	0.00										28,888		96	688							38
	WASATCH	0.00																				87
		<b>1.00</b>		<b># of Perfs/stage</b>		<b>40</b>								<b>Flush depth</b>	<b>6148</b>		<b>gal/md-ft</b>	<b>25,000</b>	<b>30,625</b>	<b>lbs sand/md-ft</b>		
																		<b>CBP depth</b>	<b>5,915</b>			
																						<b>233</b>
							13.8	<< Above pump time (min)														
4	WASATCH	0.261	5794	5798	4	16	Varied	Pump-in test			Slickwater		0	0	0							
	WASATCH	0.345	5879	5885	4	24	0	ISIP and 5 min ISIP														
	WASATCH	0.00					50	Slickwater Pad			Slickwater	3,636	3,636	87	87	15.0%	0.0%	0	0			11
	WASATCH	0.00					50	Slickwater Ramp	0.25	1.5	Slickwater	12,120	15,756	289	375	50.0%	35.7%	10,605	10,605			36
	WASATCH	0.00					50	Slickwater Ramp	1.5	3	Slickwater	8,484	24,240	202	577	35.0%	64.3%	19,089	29,694			0
	WASATCH	0.00					50	Flush (4-1/2)			Slickwater	3,782	28,022	90	667				29,694			0
	WASATCH	0.00						ISDP and 5 min ISDP														0
	WASATCH	0.00																				0
	WASATCH	0.00																				0

RECEIVED June 09, 2010



<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-33433
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> SOUTHMAN CYN 923-31L
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.	<b>9. API NUMBER:</b> 43047372280000
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	<b>PHONE NUMBER:</b> 720 929-6007 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2242 FSL 0291 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWSW Section: 31 Township: 09.0S Range: 23.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 6/14/2010	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> 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 type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" 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.**

THE OPERATOR REQUESTS AUTHORIZATION TO RECOMPLETE THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO RECOMPLETE THE WASATCH AND MESAVERDE FORMATIONS. THE OPERATOR REQUESTS AUTHORIZATION TO COMMINGLE THE NEWLY WASATCH AND MESAVERDE FORMATIONS, ALONG WITH THE EXISTING MESAVERDE FORMATIONS. PLEASE REFER TO THE ATTACHED RECOMPLETION PROCEDURE.

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

Date: June 15, 2010

By: *Derek DeWitt*

<b>NAME (PLEASE PRINT)</b> Andy Lytle	<b>PHONE NUMBER</b> 720 929-6100	<b>TITLE</b> Regulatory Analyst
<b>SIGNATURE</b> N/A		<b>DATE</b> 6/9/2010



**The Utah Division of Oil, Gas, and Mining**

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices**

**Sundry Conditions of Approval Well Number 43047372280000**

**Authorization: Board Cause No. 179-14**

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

**Date:** June 15, 2010  
**By:** *Dark K. [Signature]*

# Greater Natural Buttes Unit



## **SOUTHMAN CANYON 923-31L RE-COMPLETIONS PROCEDURE**

**DATE:6/9/10  
AFE#:**

**COMPLETIONS ENGINEER:** Sarah Schaftenaar, Denver, CO  
(303)-895-5883 (Cell)  
(720)-929-6605 (Office)

**SIGNATURE:**

**ENGINEERING MANAGER: JEFF DUFRESNE**

**SIGNATURE:**

**REMEMBER SAFETY FIRST!**

**Name:** Southman Canyon 923-31L  
**Location:** NW SW Sec. 31 T9S R23E  
**Uintah County, UT**  
**Date:** 6/2/10

**ELEVATIONS:** 4996' GL 5014' KB

**TOTAL DEPTH:** 8760' **PBTD:** 8699'  
**SURFACE CASING:** 9 5/8", 36# J-55 ST&C @ 2069'  
**PRODUCTION CASING:** 4 1/2", 11.6#, I-80 LT&C @ 8742'  
 Marker Joint **4101-4121'**

**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:**

1186' Green River Top  
 1402' Bird's Nest Top  
 1918' Mahogany Top  
 4248' Wasatch Top  
 6496' Mesaverde Top

**BOTTOMS:**

6496' Wasatch Bottom  
 8760' Mesaverde Bottom (TD)

Estimated T.O.C. from CBL @ 3000'

**GENERAL:**

- A minimum of **8** tanks (cleaned lined 500 bbl) of recycled 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 Baker's Induction-Density-Neutron log dated 7/31/2008
- **5** fracturing stages required for coverage.
- Procedure calls for **6** 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.
- Pump scale inhibitor at 3 gpt (in pad and until 1.25 ppg ramp up is reached) and 10 gpt in all flushes except the final stage. Remember to pre-load the casing with scale inhibitor for the very first stage with 10 gpt.
- 30/50 mesh Ottawa sand, **Slickwater frac.**
- Maximum surface pressure **6200** psi.
- Flush volumes are the sum of slick 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 20/40 mesh **resin coated sand** last 5,000# of all frac stages
- Tubing Currently Landed @~8091
- Originally completed on 8/28/2008

**Existing Perforations:**

Zone	Feet of Pay	Perfs		SPF	Holes
		Top, ft.	Bot., ft		
MESAVERDE	0	7150	7155	4	20
MESAVERDE	1	7205	7210	4	20
MESAVERDE	3	7458	7462	4	16
MESAVERDE	11	7504	7506	4	8
MESAVERDE	0	7550	7554	4	16
MESAVERDE	7	7688	7690	3	6
MESAVERDE	2	7744	7746	3	6
MESAVERDE	16	7796	7798	3	6
MESAVERDE	3	7847	7849	3	6
MESAVERDE	3	7888	7890	3	6
MESAVERDE	3	7952	7955	4	12
MESAVERDE	8	7976	7978	3	6
MESAVERDE	2	8103	8105	4	8
MESAVERDE	1	8126	8128	4	8
MESAVERDE	2	8180	8183	4	12
MESAVERDE	8	8240	8243	4	12
MESAVERDE	1	8282	8284	4	8
MESAVERDE	3	8590	8594	4	16
MESAVERDE	9	8632	8634	4	8
MESAVERDE	4	8665	8670	4	20

**PROCEDURE:**

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.
2. If the tubing is below the proposed CBP depth, TOO H with 2-3/8", 4.7#, J-55 (or N-80) tubing (currently landed at ~8091'). Visually inspect for scale and consider replacing if needed. If the tubing is above the proposed CBP depth, RIH with tubing and tag for fill before TOO H.
3. If tbg looks ok consider running a gauge ring to 7110 (50' below proposed CBP). Otherwise P/U a mill and C/O to 7110 (50' below proposed CBP).

4. Set 8000 psi CBP at ~ 7060'. 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
MESAVERDE	6950	6954	4	16
MESAVERDE	7024	7030	4	24
6. Breakdown perfs and establish injection rate (include scale inhibitor in fluid). Spot 250 gals of 15% HCL and let soak 5-10 min. Fracture as outlined in Stage 1 on attached listing. Under-displace to ~6950' and trickle 250gal 15%HCL w/ scale inhibitor in flush .
7. Set 8000 psi CBP at ~6818'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:
 

Zone	From	To	spf	# of shots
MESAVERDE	6718	6722	4	16
MESAVERDE	6782	6788	4	24
8. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~6718' and trickle 250gal 15%HCL w/ scale inhibitor in flush.
9. Set 8000 psi CBP at ~6296'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:
 

Zone	From	To	spf	# of shots
WASATCH	6148	6152	4	16
WASATCH	6260	6266	4	24
10. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 3 on attached listing. Under-displace to ~6148' trickle 250gal 15%HCL w/ scale inhibitor in flush.
11. Set 8000 psi CBP at ~5915'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:
 

Zone	From	To	spf	# of shots
WASATCH	5794	5798	4	16
WASATCH	5879	5885	4	24
12. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 4 on attached listing. Under-displace to ~5794' and trickle 250gal 15%HCL w/ scale inhibitor in flush.
13. Set 8000 psi CBP at ~5496'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:
 

Zone	From	To	spf	# of shots
WASATCH	5456	5466	4	40
14. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 5 on attached listing. Under-displace to ~5456' and flush only with recycled water.
15. Set 8000 psi CBP at~5406'.
16. TIH with 3 7/8" mill, sliding sleeve, SN and tubing.
17. Mill plugs and clean out to 7050. Land tubing at **±8091'** and open sleeve unless indicated otherwise by the well's behavior. This well will be commingled at this time.

18. RDMO

19. Clean out well with foam and/or swabbing unit until steady flow has been established from recomple, if necessary.

**For design questions, please call  
Sarah Schaftenaar, Denver, CO  
(303)-895-5883 (Cell)  
(720)-929-6605 (Office)**

**For field implementation questions, please call  
Jeff Samuels, Vernal, UT  
435-781-7046 (Office)**

NOTES:

**Southman Canyon 923-31L  
Perforation and CBP Summary**

Stage	Zones	Perforations		SPF	Holes	Fracture Coverage		
		Top, ft	Bottom, ft					
1	MESAVERDE	6950	6954	4	16	6943.5	to	6955.8
	MESAVERDE	7024	7030	4	24	7011	to	7032.3
	MESAVERDE							
	MESAVERDE							
	MESAVERDE							
	MESAVERDE							
	MESAVERDE							
	# of Perfs/stage				Look	40	CBP DEPTH	6,818
2	MESAVERDE	6718	6722	4	16	6713	to	6748
	MESAVERDE	6782	6788	4	24	6771.5	to	6796.8
	MESAVERDE							
	MESAVERDE							
	MESAVERDE							
	MESAVERDE							
	MESAVERDE							
	# of Perfs/stage				Look	40	CBP DEPTH	6,296
3	WASATCH	6148	6152	4	16	6134.8	to	6156.3
	WASATCH	6260	6266	4	24	6252.3	to	6278.8
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	# of Perfs/stage				Look	40	CBP DEPTH	5,915
4	WASATCH	5794	5798	4	16	5783.8	to	5801.8
	WASATCH	5879	5885	4	24	5863.8	to	5898
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	# of Perfs/stage					40	CBP DEPTH	5,496
5	WASATCH	5456	5466	4	40	5442	to	5468.5
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	WASATCH							
	# of Perfs/stage				Look	40	CBP DEPTH	5,406
Totals					200			

Fracturing Schedules  
**Southman Canyon 923-31L**  
**Slickwater Frac**

Recomplete?	Y
Pad?	N
ACTS?	N

Swabbing Days	0	Enter Number of swabbing days here for recompletes
Production Log	0	Enter 1 if running a Production Log
DFIT	0	Enter Number of DFITs

Stage	Zone	Md-Ft of Pay	Perfs		SPF	Holes	Rate BPM	Fluid Type	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	MESAVERDE	0.141	6950	6954	4	16	Varied	Pump-in test			Slickwater		0	0	0							
	MESAVERDE	0.192	7024	7030	4	24	0	ISIP and 5 min ISIP														44
	MESAVERDE	0.00					50	Slickwater Pad			Slickwater	3,497	3,497	83	83	15.0%	0.0%	0	0			10
	MESAVERDE	0.00					50	Slickwater Ramp	0.25	1.25	Slickwater	6,605	10,101	157	241	28.3%	19.4%	4,953	4,953			20
	MESAVERDE	0.00					50	SW Sweep	0	0	Slickwater	0	10,101	0	241		0.0%	0	4,953			0
	MESAVERDE	0.00					50	Slickwater Ramp	1.25	1.5	Slickwater	6,605	16,706	157	398	28.3%	35.5%	9,081	14,035			0
	MESAVERDE	0.00					50	SW Sweep	0	0	Slickwater	0	16,706	0	398		0.0%	0	14,035			0
	MESAVERDE	0.00					50	Slickwater Ramp	0.5	1.5	Slickwater	0	16,706	0	398		0.0%	0	14,035			0
	MESAVERDE	0.00					50	Slickwater Ramp	1.5	2	Slickwater	6,605	23,310	157	555	28.3%	45.2%	11,558	25,592			0
	MESAVERDE	0.00					50	Flush (4-1/2)			Slickwater	4,537	27,847	108	663				25,592			44
	MESAVERDE	0.00						ISDP and 5 min ISDP					27,847									119
		<b>0.33</b>		<b># of Perfs/stage</b>		<b>40</b>								<b>Flush depth</b>	<b>6950</b>		<b>gal/md-ft</b>	<b>70,000</b>	<b>76,854</b>	<b>lbs sand/md-ft</b>		
																		<b>CBP depth</b>	<b>6,818</b>			
																						<b>132</b>
							13.3	<< Above pump time (min)														
2	MESAVERDE	0.207	6718	6722	4	16	Varied	Pump-in test			Slickwater		0	0	0							
	MESAVERDE	0.319	6782	6788	4	24	0	ISIP and 5 min ISIP														
	MESAVERDE	0.00					50	Slickwater Pad			Slickwater	3,551	3,551	85	85	15.0%	0.0%	0	0			11
	MESAVERDE	0.00					50	Slickwater Ramp	0.25	1.25	Slickwater	6,707	10,257	160	244	28.3%	19.4%	5,030	5,030			20
	MESAVERDE	0.00					50	SW Sweep	0	0	Slickwater	0	10,257	0	244		0.0%	0	5,030			0
	MESAVERDE	0.00					50	Slickwater Ramp	1.25	1.5	Slickwater	6,707	16,964	160	404	28.3%	35.5%	9,221	14,251			0
	MESAVERDE	0.00					50	SW Sweep	0	0	Slickwater	0	16,964	0	404		0.0%	0	14,251			0
	MESAVERDE	0.00					50	Slickwater Ramp	0.5	1.5	Slickwater	0	16,964	0	404		0.0%	0	14,251			0
	MESAVERDE	0.00					50	Slickwater Ramp	1.5	2	Slickwater	6,707	23,670	160	564	28.3%	45.2%	11,736	25,988			0
	MESAVERDE	0.00					50	Flush (4-1/2)			Slickwater	4,386	28,056	104	668				25,988			41
	MESAVERDE	0.00						ISDP and 5 min ISDP					28,056									72
		<b>0.53</b>		<b># of Perfs/stage</b>		<b>40</b>								<b>Flush depth</b>	<b>6718</b>		<b>gal/md-ft</b>	<b>45,000</b>	<b>49,406</b>	<b>lbs sand/md-ft</b>		
																		<b>CBP depth</b>	<b>6,296</b>			
																						<b>422</b>
							13.4	<< Above pump time (min)														
3	WASATCH	0.775	6148	6152	4	16	Varied	Pump-in test			Slickwater		0	0	0							
	WASATCH	0.22	6260	6266	4	24	0	ISIP and 5 min ISIP														
	WASATCH	0.00					50	Slickwater Pad			Slickwater	3,731	3,731	89	89	15.0%	0.0%	0	0			11
	WASATCH	0.00					50	Slickwater Ramp	0.25	1.5	Slickwater	12,438	16,169	296	385	50.0%	35.7%	10,883	10,883			37
	WASATCH	0.00					50	Slickwater Ramp	1.5	3	Slickwater	8,706	24,875	207	592	35.0%	64.3%	19,589	30,472			0
	WASATCH	0.00					50	Flush (4-1/2)			Slickwater	4,013	28,888	96	688				30,472			0
	WASATCH	0.00						ISDP and 5 min ISDP														0
	WASATCH	0.00																	30,472			0
	WASATCH	0.00										28,888		96	688							38
	WASATCH	0.00																				87
		<b>1.00</b>		<b># of Perfs/stage</b>		<b>40</b>								<b>Flush depth</b>	<b>6148</b>		<b>gal/md-ft</b>	<b>25,000</b>	<b>30,625</b>	<b>lbs sand/md-ft</b>		
																		<b>CBP depth</b>	<b>5,915</b>			
																						<b>233</b>
							13.8	<< Above pump time (min)														
4	WASATCH	0.261	5794	5798	4	16	Varied	Pump-in test			Slickwater		0	0	0							
	WASATCH	0.345	5879	5885	4	24	0	ISIP and 5 min ISIP														
	WASATCH	0.00					50	Slickwater Pad			Slickwater	3,636	3,636	87	87	15.0%	0.0%	0	0			11
	WASATCH	0.00					50	Slickwater Ramp	0.25	1.5	Slickwater	12,120	15,756	289	375	50.0%	35.7%	10,605	10,605			36
	WASATCH	0.00					50	Slickwater Ramp	1.5	3	Slickwater	8,484	24,240	202	577	35.0%	64.3%	19,089	29,694			0
	WASATCH	0.00					50	Flush (4-1/2)			Slickwater	3,782	28,022	90	667				29,694			0
	WASATCH	0.00						ISDP and 5 min ISDP														0
	WASATCH	0.00																				0
	WASATCH	0.00																				0

RECEIVED June 09, 2010



<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-33433
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> SOUTHMAN CYN 923-31L	
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.	<b>9. API NUMBER:</b> 43047372280000	
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	<b>PHONE NUMBER:</b> 720 929-6515 Ext	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 2242 FSL 0291 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWSW Section: 31 Township: 09.0S Range: 23.0E Meridian: S	<b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH	
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 6/9/2011	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER: <input style="width: 50px;" type="text"/>	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input checked="" type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. A RECOMPLETION WAS PERFORMED ON THE SUBJECT WELL, TO RECOMPLETE THE WASATCH AND MESAVERDE FORMATION. THE OPERATOR HAS COMMINGLED THE NEWLY WASATCH AND MESAVERDE FORMATION ALONG WITH THE EXISTING MESAVERDE FORMATION. THE OPERATOR HAS RETURNED THE SUBJECT WELL BACK TO PRODUCTION ON 06/09/2011 AT 0800 HRS. THE RECOMPLETION CHRONOLOGICAL WELL HISTORY WILL BE SUBMITTED WITH THE WELL COMPLETION REPORT.		
<b>NAME (PLEASE PRINT)</b> Sheila Wopsock	<b>PHONE NUMBER</b> 435 781-7024	<b>TITLE</b> Regulatory Analyst
<b>SIGNATURE</b> N/A	<b>DATE</b> 6/9/2011	

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

5. Lease Serial No. UTU33433

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No. UTU74898

8. Lease Name and Well No. SOUTHMAN CANYON 923-31L

9. API Well No. 43-047-37228

10. Field and Pool, or Exploratory NATURAL BUTTES

11. Sec., T., R., M., or Block and Survey or Area Sec 31 T9S R23E Mer SLB

12. County or Parish UINTAH

13. State UT

14. Date Spudded 06/29/2008

15. Date T.D. Reached 07/30/2008

16. Date Completed  D & A  Ready to Prod. 06/09/2011

17. Elevations (DF, KB, RT, GL)\* 4996 GL

18. Total Depth: MD 8760 TVD

19. Plug Back T.D.: MD 8695 TVD

20. Depth Bridge Plug Set: MD TVD

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

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20.000	14.000 STL	36.7		40		28			
12.250	9.625 J-55	36.0		2070		1575		0	
7.875	4.500 I-80	11.6		8760		1500		1460	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	8088							

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	5456	6154	5456 TO 6154	0.360	72	OPEN
B) MESAVERDE	6718	7030	6718 TO 7030	0.360	48	OPEN
C)						
D)						

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

Depth Interval	Amount and Type of Material
5456 TO 7030	PUMP 3,676 BBLs SLICK H2O & 141,520 LBS 30/50 SAND.

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**JUL 26 2011**  
**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
06/09/2011	06/29/2011	24	→	0.0	172.0	501.0			FLows FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
30/64	SI 104	1133.0	→	0	172	501		PGW	

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.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
	SI		→						

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

ELECTRONIC SUBMISSION #113155 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

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
GREEN RIVER	1186				
BIRD'S NEST	1402				
MAHOGANY	1918				
WASATCH	4248	6496			
MESAVERDE	6496	8760			

32. Additional remarks (include plugging procedure):

Attached is the Recompletion Chrono and Perforation Report.

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
- 6. Core Analysis
- 7 Other:

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

**Electronic Submission #113155 Verified by the BLM Well Information System.  
 For KERR MCGREE OIL & GAS ONSHORE,, sent to the Vernal**

Name (please print) ANDREW LYTLE Title REGULATORY ANALYST

Signature (Electronic Submission) Date 07/18/2011

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.

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

Well: SOUTHMAN CANYON 923-31L		Spud Conductor: 6/29/2008	Spud Date: 6/30/2008
Project: UTAH-UINTAH		Site: SOUTHMAN CANYON 923-31L	Rig Name No: LEED 698/698
Event: RECOMPL/RESEREVEADD		Start Date: 5/26/2011	End Date:
Active Datum: RKB @5,014.00ft (above Mean Sea Level)		UWI: SOUTHMAN CANYON 923-31L	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
6/3/2011	11:00 - 18:00	7.00	COMP	30	A	P	11 AM [DAY 1]	<p>MIRU, SPOT EQUIPMENT. FCP=125#, FTP=125#. BLEW WELL DN. NDWH, NUBOP. R/U FLOOR &amp; TBG EQUIPMENT. POOH STDG BACK 2-3/8" J-55 TBG. L/D BHA. TBG LOOKED GOOD. BTM 8 STDS HAD LIGHT SCALE ON EXTERIOR.</p> <p>MIRU C.H.S. RIH W/ BAKER 8K CBP &amp; SET @ 7060'. POOH &amp; L/D WIRE LINE TOOLS. NDBOP, NUFV. FILL CSG W/ TMAC &amp; PRESSURE UP TO 1000# W/ RIG PMP.</p> <p>MIRU B&amp;C QUICK TEST. P.T. 4-1/2" CSG &amp; FRAC VALVE AS PER PROCEDURE. RDMO B&amp;C.</p> <p>6 PM SWI-SDF-WE. PREP TO FRAC 6/6/11 W/ FRAC TECH.</p>

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

Well: SOUTHMAN CANYON 923-31L		Spud Conductor: 6/29/2008		Spud Date: 6/30/2008	
Project: UTAH-UINTAH			Site: SOUTHMAN CANYON 923-31L		Rig Name No: LEED 698/698
Event: RECOMPL/RESEREVEADD			Start Date: 5/26/2011		End Date:
Active Datum: RKB @5,014.00ft (above Mean Sea Level)			UWI: SOUTHMAN CANYON 923-31L		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
6/6/2011	7:00 - 17:00	10.00	COMP	36	B	P		<p>700 a.m. MIRU FRAC TECH, MIRU CHS. P/U 3 1/8" EXP PERF GUNS &amp; RIH. SHOOT STG 1 PERFS AS PER DESIGN. SEE PERF REPORT.</p> <p>NOTE: ALL STAGES SHOT W/ 3 1/8" EXP PERF GUNS LOADED W/ 23 GM CHARGES. 4 SPF, 90 DEG PHASING. ALL CPB'S ARE BAKER 8K CBP'S. ALL STAGES INCLUDE 5000# +/- OF 20/40 RESIGN SAND FOR FLOW BACK CONTROLL. ALL STAGES INCLUDE NALCO DVE-005 SCALE INHIB, 3 GPT IN PAD &amp; 1/2 RAMP 10 GPT IN FLUSH &amp; PRE PAD. ALL STAGES INCLUDE NALCO BIOCID @ .5 GPT.</p> <p>HOLD SAFTY MTG. PSI TST LINES TO 8476# (HELD). JOB RAN W/ N2 POP OFF ONLY, TESTED ALL SHUT DOWNS ON PUMPS, SET IN SERIES @ 6300, 2 PMPs @ 6400, 2 @ 6500.</p> <p>STG 1: BRK DWN PERFS @ 3848#, EST INJ RT @ 52.2 @ 5154#, ISIP 2005#, FG .72. TREAT STG 1 W/ 25984# SAND. TOT SW 844 BBLs. ISIP 2320#, NPI 315#, FFG .76.</p> <p>STG 2: P/U 3 1/8" PERF GUNS &amp; 4 1/2" CBP &amp; RIH. SET CBP @ 6823', P/U SHOOT 24 HOLES F/ 6952' - 7030'. POOH. BRK DWN PERFS @ 4396#, EST INJ RT @ 49.7 BPM @ 4122#, ISIP 1970#, FG .72. TREAT STG 2 W/ #26217 SAND. TOT SW 715 BBLs. ISIP 2035#, NPI 65#, FFG .73.</p> <p>STG 3: P/U 3 1/8" PERF GUNS &amp; 4 1/2" CBP &amp; RIH. SET CBP @ 6190', P/U SHOOT 24 HOLES F/ 6148' - 6154'. POOH. BRK DWN PERFS @ 4751#, EST INJ RT @ 50.6 BPM @ 3912#, ISIP 1014#, .60FG. TREAT STG 3 W/ 30993# SAND. TOT CL FL 736 BBLs. ISIP 1883#, NPI 869#, FFG .74.</p> <p>STG 4: P/U 3 1/8" PERF GUNS &amp; 4 1/2" CBP &amp; RIH. SET CBP @ 5914', P/U SHOOT 24 HOLES F/ 5794' - 5884'. POOH. BRK DWN PERFS @ 2578#, EST INJ RT @ 49.4 BPM @ 3183#, ISIP 1055#, FG .61 TREAT STG 4 W/ 28536# SAND. TOT SW 717 BBLs. ISIP 1440#, NPI 385#, FFG .68.</p> <p>STG 5: P/U 3 1/8" PERF GUNS &amp; 4 1/2" CBP &amp; RIH. SET CBP @ 5492', P/U SHOOT 24 HOLES F/ 5456' - 5462'. POOH. BRK DWN PERFS @ 2087#, EST INJ RT @ 52.2 BPM @ 3078#, ISIP 880#, FG .59 TREAT STG 5 W/ 29790# SAND. TOT SW 664 BBLs. ISIP 1627#, NPI 747#, FFG .73.</p> <p>P/U 4 1/2" CBP, RIH &amp; SET @ 5406' POOH, RDMO CHS. RDMO FRAC TECH. ND FV. NUBOPE. P/U 3 7/8" BIT. POBS &amp; PREP TO RIH W/ TBG.</p> <p>TOT SW: 3676 BBLs TOTAL SAND: 141,520 LBS HSM</p>
6/7/2011	7:00 - 7:15	0.25	COMP	48		P		

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

Well: SOUTHMAN CANYON 923-31L		Spud Conductor: 6/29/2008	Spud Date: 6/30/2008
Project: UTAH-UINTAH		Site: SOUTHMAN CANYON 923-31L	Rig Name No: LEED 698/698
Event: RECOMPL/RESEREVEADD		Start Date: 5/26/2011	End Date:
Active Datum: RKB @5,014.00ft (above Mean Sea Level)		UWI: SOUTHMAN CANYON 923-31L	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	7:15 - 19:00	11.75	COMP	44	C	P		<p>WHP = 0 PSI. RIH &amp; TAG FILL @ 5376'. RU PWR SWVL &amp; PMP. EST CIRC. PT BOP TO 3000 PSI. C/O 30' OF SND.</p> <p>CBP #1) DRL OUT BAKER 8K CBP @ 5406' IN 8 MIN. 100 PSI DIFF. RIH TAG FILL @ 5462'. C/O 30' OF SND. FCP = 0 PSI.</p> <p>CBP #2) DRL OUT BAKER 8K CBP @ 5492' IN 3 MIN. 0 PSI DIFF. RIH TAG FILL @ 5884'. C/O 30' OF SND. FCP = 0 PSI.</p> <p>CBP #3) DRL OUT BAKER 8K CBP @ 5914' IN 5 MIN. 0 PSI DIFF. RIH TAG FILL @ 6160'. C/O 30' OF SND. FCP = 0 PSI.</p> <p>CBP #4) DRL OUT BAKER 8K CBP @ 6190' IN 4 MIN. 0 PSI DIFF. RIH TAG FILL @ 7045'. C/O 15' OF SND. FCP = 0 PSI.</p> <p>CBP #5) DRL OUT BAKER 8K CBP @ 7060' IN 4 MIN. 0 PSI DIFF. RIH &amp; TAG FILL @ 8146". RU WEATHERFORD FOAM UNIT &amp; EST CIRC C/O TO 8172' FELL THROUGH, RIH &amp; TAG HARD FILL @ 8528' DRL OUT TO 8610' (4 HRS), POOH WITH 50 STANDS, SWIFN.</p>
6/8/2011	7:00 - 7:15	0.25	COMP	48		P		HSM
	7:15 - 17:00	9.75	COMP	44	D	P		<p>SICP 1200#. BLOW WELL TO FBT, RIH &amp; TAG FILL @ 8606' C/O TO 8659', LOST CIRC, R/U WEATHERFORD FOAM UNIT &amp; EST CIRC, CONT TO C/O TO PBTD 8695' &amp; CIRC WELL CLN &amp; R/D FOAM UNIT. R/D PWR SWVL. POOH &amp; L/D 19 JTS ON FLOAT. LAND TBG ON HNGR WITH 257 JTS 2 3/8' J-55 TBG. EOT @ 8088.4', XN POBS @ 8090.6'. R/D FLOOR &amp; TBG EQUIP. NDBOP, NUWH. DROP BALL DWN TBG &amp; PUMP 32 BBLS PUMP BIT OFF @ 2000#. R/D PREP TO MOVE IN AM. TURN OVER TO FLOWBACK CREW @ 4 PM. SICP 260# SITP 0#. SWIFN TO BUILD PRESS.</p> <p>OLTR- 4556 BBLS WR- 905 BBLS LLTR- 3651 BBLS</p>
6/9/2011	7:00 -			33	A			<p>7 AM FLBK REPORT: CP 1480#, TP 80#, -/64" CK, - BWP, - SAND, - GAS TTL BBLS RECOVERED: 761 BBLS LEFT TO RECOVER: 3795</p>
6/10/2011	7:00 -			33	A			<p>7 AM FLBK REPORT: CP 1225#, TP 100#, OPEN/64" CK, 32 BWP, - SAND, - GAS TTL BBLS RECOVERED: 1264 BBLS LEFT TO RECOVER: 3292</p>
6/11/2011	7:00 -			33	A			<p>7 AM FLBK REPORT: CP 1080#, TP 100#, OPEN/64" CK, 24 BWP, LIGHT SAND, 200TH GAS TTL BBLS RECOVERED: 1925 BBLS LEFT TO RECOVER: 2631</p>
6/12/2011	7:00 -			33	A			<p>7 AM FLBK REPORT: CP 1325#, TP 100#, OPEN/64" CK, - BWP, LIGHT SAND, - GAS TTL BBLS RECOVERED: 2301 BBLS LEFT TO RECOVER: 2255</p>
6/13/2011	7:00 -			33	A			<p>7 AM FLBK REPORT: CP 1200#, TP 240#, OPEN/64" CK, - BWP, LIGHT SAND, - GAS TTL BBLS RECOVERED: 2757 BBLS LEFT TO RECOVER: 1799</p>

1 General

1.1 Customer Information

Company	US ROCKIES REGION		
Representative			
Address			

1.2 Well Information

Well	SOUTHMAN CANYON 923-31L		
Common Name	SOUTHMAN CANYON 923-31L		
Well Name	SOUTHMAN CANYON 923-31L	Wellbore No.	OH
Report No.	1	Report Date	9/2/2010
Project	UTAH-UINTAH	Site	SOUTHMAN CANYON 923-31L
Rig Name/No.	LEED 698/698	Event	RECOMPL/RESEREVEADD
Start Date	5/26/2011	End Date	
Spud Date	6/30/2008	Active Datum	RKB @5,014.00ft (above Mean Sea Level)
UWI	SOUTHMAN CANYON 923-31L		

1.3 General

Contractor	CASEHOLE SOLUTIONG	Job Method	PERFORATE	Supervisor	BRAD BURMAN
Perforated Assembly	PRODUCTION TUBING	Conveyed Method	WIRELINE		

1.4 Initial Conditions

Fluid Type		Fluid Density		Gross Interval	5,456.0 (ft)-7,030.0 (ft)	Start Date/Time	6/2/2011 12:00AM
Surface Press		Estimate Res Press		No. of Intervals	8	End Date/Time	6/2/2011 12:00AM
TVD Fluid Top		Fluid Head		Total Shots	120	Net Perforation Interval	30.00 (ft)
Hydrostatic Press		Press Difference		Avg Shot Density	4.00 (shot/ft)	Final Surface Pressure	
Balance Cond	NEUTRAL					Final Press Date	

1.5 Summary

2 Intervals

2.1 Perforated Interval

Date	Formation/Reservoir	CCL@ (ft)	CCL-T S (ft)	MD Top (ft)	MD Base (ft)	Shot Density (shot/ft)	Misfires/ Add. Shot	Diameter (in)	Carr Type /Carr Manuf	Carr Size (in)	Phasing (°)	Charge Desc /Charge Manufacturer	Charge Weight (gram)	Reason	Misrun
12:00AM	WASATCH/			5,456.0	5,462.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO	

2.1 Perforated Interval (Continued)

Date	Formation/ Reservoir	CCL@ (ft)	CCL-T S (ft)	MD Top (ft)	MD Base (ft)	Shot Density (shot/ft)	Misfires/ Add. Shot	Diamete r (in)	Carr Type /Carr Manuf	Carr Size (in)	Phasing (°)	Charge Desc /Charge Manufacturer	Charge Weight (gram)	Reason	Misrun
12:00AM	WASATCH/			5,794.0	5,796.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
12:00AM	WASATCH/			5,880.0	5,884.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
12:00AM	WASATCH/			6,148.0	6,154.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
12:00AM	MESAVERDE/			6,718.0	6,721.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
12:00AM	MESAVERDE/			6,790.0	6,793.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
12:00AM	MESAVERDE/			6,952.0	6,954.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
12:00AM	MESAVERDE/			7,026.0	7,030.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	

3 Plots

3.1 Wellbore Schematic

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9	
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-33433	
		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>	
<b>1. TYPE OF WELL</b> Gas Well		<b>7. UNIT or CA AGREEMENT NAME:</b>	
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.		<b>8. WELL NAME and NUMBER:</b> SOUTHMAN CYN 923-31L	
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		<b>9. API NUMBER:</b> 43047372280000	
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2242 FSL 0291 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWSW Section: 31 Township: 09.0S Range: 23.0E Meridian: S		<b>9. FIELD and POOL or WILDCAT:</b> NORTHER BUTTES	
		<b>COUNTY:</b> UINTAH	
		<b>STATE:</b> UTAH	
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:  <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 8/20/2015  <input type="checkbox"/> SPUD REPORT Date of Spud:  <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE  <input type="checkbox"/> CHANGE TO PREVIOUS PLANS  <input type="checkbox"/> CHANGE WELL STATUS  <input type="checkbox"/> DEEPEN  <input type="checkbox"/> OPERATOR CHANGE  <input checked="" type="checkbox"/> PRODUCTION START OR RESUME  <input type="checkbox"/> REPERFORATE CURRENT FORMATION  <input type="checkbox"/> TUBING REPAIR  <input type="checkbox"/> WATER SHUTOFF  <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING  <input type="checkbox"/> CHANGE TUBING  <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS  <input type="checkbox"/> FRACTURE TREAT  <input type="checkbox"/> PLUG AND ABANDON  <input type="checkbox"/> RECLAMATION OF WELL SITE  <input type="checkbox"/> SIDETRACK TO REPAIR WELL  <input type="checkbox"/> VENT OR FLARE  <input type="checkbox"/> SI TA STATUS EXTENSION  <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR  <input type="checkbox"/> CHANGE WELL NAME  <input type="checkbox"/> CONVERT WELL TYPE  <input type="checkbox"/> NEW CONSTRUCTION  <input type="checkbox"/> PLUG BACK  <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION  <input type="checkbox"/> TEMPORARY ABANDON  <input type="checkbox"/> WATER DISPOSAL  <input type="checkbox"/> APD EXTENSION  OTHER: <input style="width: 100px;" type="text"/>
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.			
The Southman Canyon 923-31L well was returned to production on 8/20/2015. Thank you.			
<b>Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY August 26, 2015</b>			
<b>NAME (PLEASE PRINT)</b> Jennifer Thomas		<b>PHONE NUMBER</b> 720 929-6808	<b>TITLE</b> Regulatory Specialist
<b>SIGNATURE</b> N/A		<b>DATE</b> 8/26/2015	

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>
<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-33433	
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>	
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	
<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>	
<b>7. UNIT or CA AGREEMENT NAME:</b>	
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> SOUTHMAN CYN 923-31L
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.	<b>9. API NUMBER:</b> 43047372280000
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	<b>PHONE NUMBER:</b> 720 929-6456
<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES	
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2242 FSL 0291 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWSW Section: 31 Township: 09.0S Range: 23.0E Meridian: S	<b>COUNTY:</b> UINTAH
<b>STATE:</b> UTAH	

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 11/29/2016	<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: <input style="width: 100px;" type="text"/>

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

The Southman Canyon 923-31L well was returned to production on 11/29/2016.

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 December 07, 2016

<b>NAME (PLEASE PRINT)</b> Candice Barber	<b>PHONE NUMBER</b> 435 781-9749	<b>TITLE</b> HSE Representative
<b>SIGNATURE</b> N/A	<b>DATE</b> 12/2/2016	