

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

FORM 3

AMENDED REPORT
(highlight changes)

| | | | | | |
|--|---------------------------------------|--|--|---|----------------------|
| APPLICATION FOR PERMIT TO DRILL | | | | 5. MINERAL LEASE NO: ML-23608 | 6. SURFACE: State |
| 1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> | | | | 7. IF INDIAN, ALLOTTEE OR TRIBE NAME: | |
| 8. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/> | | | | 8. UNIT or CA AGREEMENT NAME: NATURAL BUTTES UNIT | |
| 2. NAME OF OPERATOR: WESTPORT OIL & GAS COMPANY, L.P. | | | | 9. WELL NAME and NUMBER: NBU 1021-13A | |
| 3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078 | | | PHONE NUMBER: (435) 781-7060 | 10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES | |
| 4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 651' FNL 1311' FEL <i>628626X 39.953832</i> AT PROPOSED PRODUCING ZONE: <i>4423509Y -109.494219</i> | | | | 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 13 10S 21E | |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 19.75 MILES SOUTHEAST OF OURAY, UTAH | | | | 12. COUNTY: UINTAH | 13. STATE: UTAH |
| 15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 651' | 16. NUMBER OF ACRES IN LEASE: 640 | | 17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40 | | |
| 18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) REFER TO TOPO C | 19. PROPOSED DEPTH: 9,400 | | 20. BOND DESCRIPTION: RLB0005238 | | |
| 21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5261' GL | 22. APPROXIMATE DATE WORK WILL START: | | 23. ESTIMATED DURATION: TO BE DETERMINED | | |

24. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | CASING SIZE, GRADE, AND WEIGHT PER FOOT | | | SETTING DEPTH | CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT | | | |
|--------------|---|------|-------|---------------|---|---------|------|------|
| | 14" | | | | | | | |
| 12 1/4" | 9 5/8" | H-40 | 32.3# | 2,000 | PREM CMT | 265 SX | 1.18 | 15.6 |
| 7 7/8" | 4 1/2" | I-80 | 11.6# | 9,400 | PREM LITE II | 440 SX | 3.38 | 11 |
| | | | | | 50/50 POZ G | 1510 SX | 1.31 | 14.3 |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

25. ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- | | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) DEBRA DOMENICI TITLE ASSOC. ENVIRONMENTAL ANALYST
SIGNATURE *Debra Domenici* DATE 2/3/2006

(This space for State use only)

API NUMBER ASSIGNED: 43-047-37722

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

Date: 03-15-06

RECEIVED
FEB 08 2006

DIV. OF OIL, GAS & MINING

T10S, R21E, S.L.B.&M.

R
21
E

Kerr-McGee Oil & Gas Onshore LP

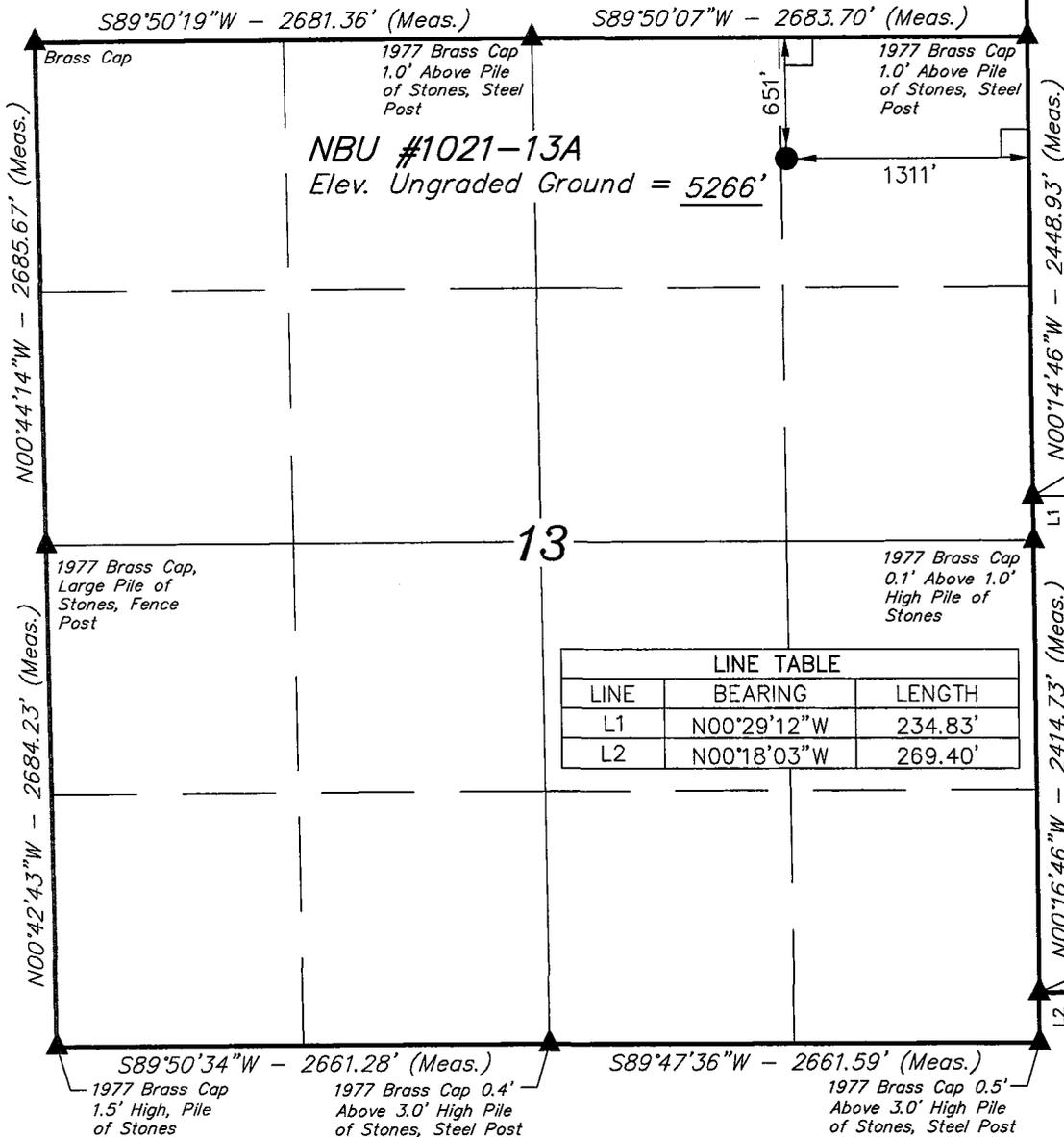
Well location, NBU #1021-13A, located as shown in the NE 1/4 NE 1/4 of Section 13, T10S, R21E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

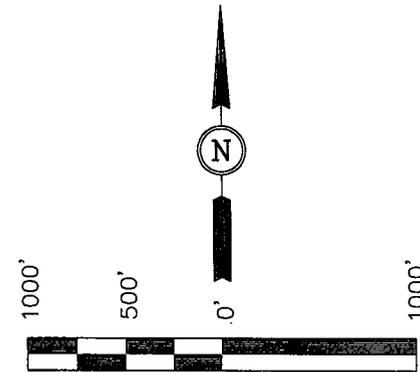
TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238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

BASIS OF BEARINGS

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



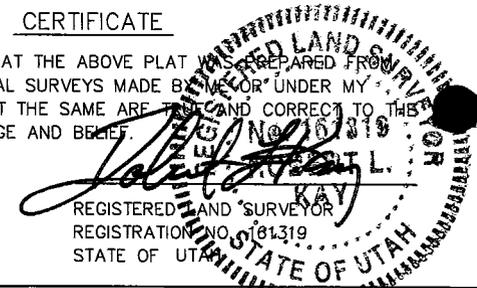
| LINE TABLE | | |
|------------|-------------|---------|
| LINE | BEARING | LENGTH |
| L1 | N00°29'12"W | 234.83' |
| L2 | N00°18'03"W | 269.40' |



SCALE

CERTIFICATE

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



REGISTERED LAND SURVEYOR
REGISTRATION NO. 181319
STATE OF UTAH

REVISED: 01-14-06

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

LEGEND:

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

(NAD 83)
 LATITUDE = 39°57'13.73" (39.953814)
 LONGITUDE = 109°29'42.12" (109.495033)
 (NAD 27)
 LATITUDE = 39°57'13.85" (39.953847)
 LONGITUDE = 109°29'39.65" (109.494347)

| | | |
|-------------------------|---|-------------------------|
| SCALE 1" = 1000' | DATE SURVEYED: 11-30-05 | DATE DRAWN: 12-11-05 |
| PARTY P.J. N.F. P.M. | REFERENCES G.L.O. PLAT | |
| WEATHER COLD | FILE Kerr-McGee Oil & Gas Onshore LP | |

NBU 1021-13A
NENE SEC 13-T10S-R21E
UINTAH COUNTY, UTAH
ML-23608

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 | 4500' |
| Mesaverde | 7300' |
| TD | 9400' |

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 | 4500' |
| Gas | Mesaverde | 7300' |
| 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 9400' TD, approximately equals 5828 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3760 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.



**Kerr-McGee Oil & Gas Onshore LP
DRILLING PROGRAM**

CASING PROGRAM

| | SIZE | INTERVAL | WT. | GR. | CPLG. | DESIGN FACTORS | | |
|------------|--------|-----------|-------|------|-------|----------------|----------|---------|
| | | | | | | BURST | COLLAPSE | TENSION |
| CONDUCTOR | 14" | 0-40' | | | | 2270 | 1370 | 254000 |
| SURFACE | 9-5/8" | 0 to 2000 | 32.30 | H-40 | STC | 0.64***** | 1.46 | 4.49 |
| | | | | | | 7780 | 6350 | 201000 |
| PRODUCTION | 4-1/2" | 0 to 9400 | 11.60 | I-80 | LTC | 2.19 | 1.13 | 2.11 |

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

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

(Burst Assumptions: TD = 11.5 ppg)

.22 psi/ft = gradient for partially evac wellbore

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

MASP 3553 psi

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

CEMENT PROGRAM

| | | FT. OF FILL | DESCRIPTION | SACKS | EXCESS | WEIGHT | YIELD |
|--|-----------------|-------------|--|---------|--------|--------|-------|
| SURFACE Option 1 | LEAD | 500 | Premium cmt + 2% CaCl + .25 pps flocele | 215 | 60% | 15.60 | 1.18 |
| | TOP OUT CMT (1) | 200 | 20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele | 50 | | 15.60 | 1.18 |
| | TOP OUT CMT (2) | as required | Premium cmt + 2% CaCl | as req. | | 15.60 | 1.18 |
| NOTE: If well will circulate water to surface, option 2 will be utilized | | | | | | | |
| SURFACE Option 2 | LEAD | 1500 | Prem cmt + 16% Gel + 10 pps gilsonite +.25 pps Flocele + 3% salt BWOC | 170 | 35% | 11.00 | 3.82 |
| | TAIL | 500 | Premium cmt + 2% CaCl + .25 pps flocele | 180 | 35% | 15.60 | 1.18 |
| | TOP OUT CMT | as required | Premium cmt + 2% CaCl | as req. | | 15.60 | 1.18 |
| PRODUCTION | LEAD | 4,000' | Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender | 440 | 60% | 11.00 | 3.38 |
| | TAIL | 5,400' | 50/50 Poz/G + 10% salt + 2% gel +.1% R-3 | 1510 | 60% | 14.30 | 1.31 |

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

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

FLOAT EQUIPMENT & CENTRALIZERS

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

ADDITIONAL INFORMATION

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

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

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

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER: _____
Brad Laney

DATE: _____

DRILLING SUPERINTENDENT: _____
Randy Bayne

DATE: _____

NBU 1021-13A
NENE SEC 13-T10S-R21E
Uintah County, UT
ML-23608

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Refer to Topo Map A for directions to the location.

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

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:

Approximately 0.4 miles of new access road is proposed. Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

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 required color is Carlsbad Canyon, standard color number 2.5Y 6/2.

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

Approximately 1983' of pipeline is proposed. Refer to Topo D for the proposed pipeline.

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.

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 and felt will be used, it will be a minimum of 20 mil thick, 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.

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.

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

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.

Location size may change prior to the drilling of the well due to current rig availability. If the proposed location is not large enough to accommodate the drilling rig the location will be re-surveyed and a Form 9 shall be submitted.

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.

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

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, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

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:**

SITLA
675 East 500 South, Suite 500
Salt Lake City, UT 84102

12. **Other Information:**

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.

A Class III archaeological survey has been completed and is attached.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it Within 460' of any non-committed tract lying within the boundaries of the Unit.

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

Debra Domenici
Associate Environmental Analyst
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East.
Vernal, UT 84078
(435) 781-7060

Randy Bayne
Drilling Manager
Kerr-McGee Oil & Gas Onshore LP
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.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond #RLB0005236.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.


Debra Domenici

2/3/2006
Date

Kerr-McGee Oil & Gas Onshore LP
NBU #1021-13A
SECTION 13, T10S, R21E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 11.2 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 6.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.6 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #1021-13C TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #1021-13G TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE PROPOSED #1021-13G AND THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 50.75 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-13A

LOCATED IN UINTAH COUNTY, UTAH
SECTION 13, T10S, R21E, S.L.B.&M.

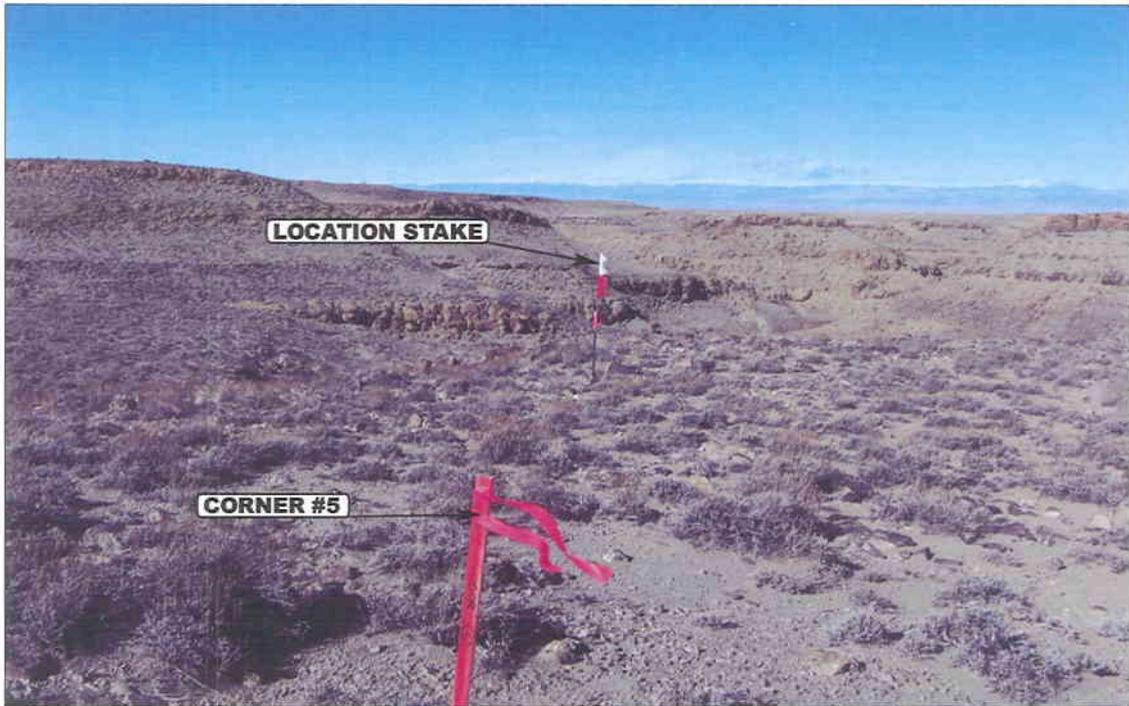


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: WESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS FOR THE #1021-13G CAMERA ANGLE: EASTERLY



- Since 1964 -

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

LOCATION PHOTOS

12 01 05
MONTH DAY YEAR

PHOTO

TAKEN BY: P.J.

DRAWN BY: C.P.

REVISED: 01-14-06

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-13A

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH

SECTION 13, T10S, R21E, S.L.B.&M.

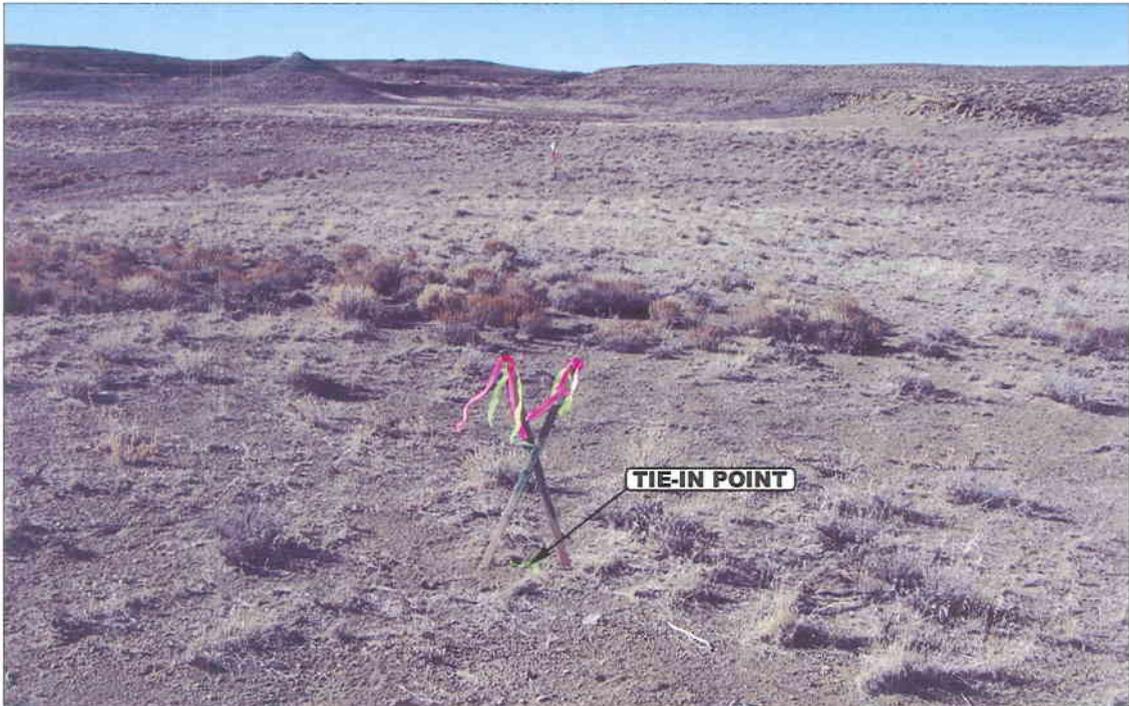


PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: EASTERLY



- Since 1964 -

U Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

PIPELINE PHOTOS

12 01 05
MONTH DAY YEAR

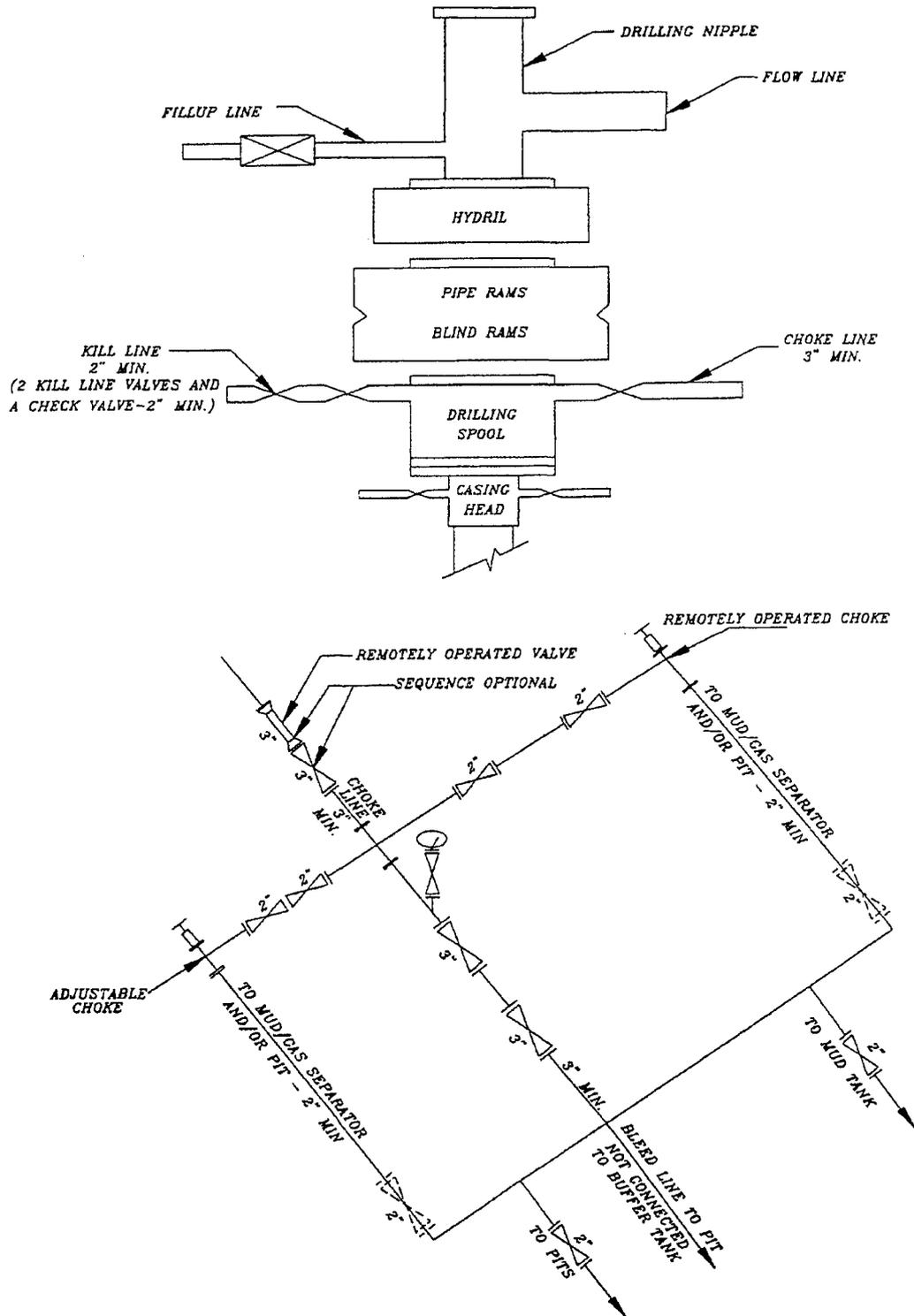
PHOTO

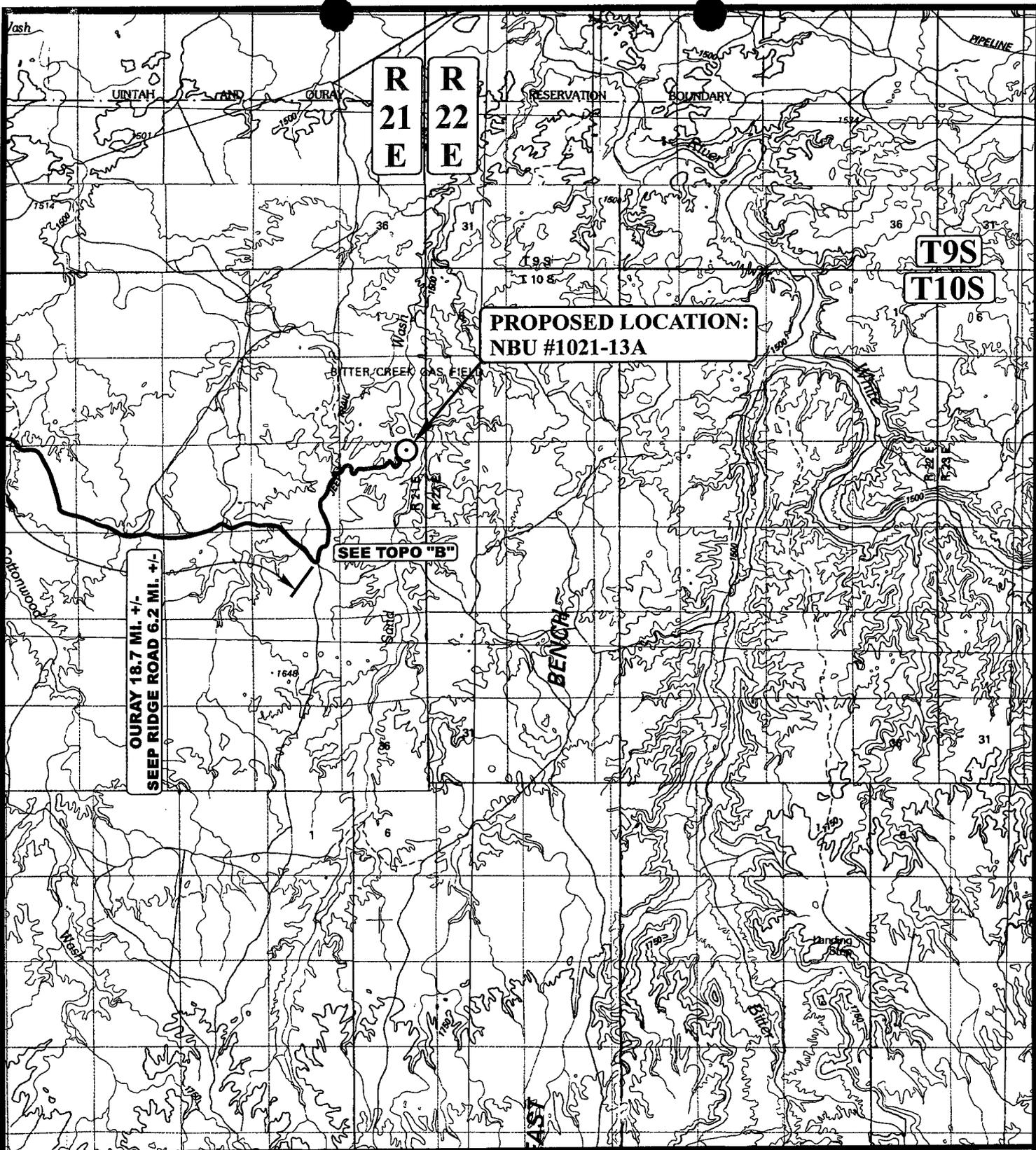
TAKEN BY: P.J.

DRAWN BY: C.P.

REVISED: 01-14-06

5M BOP STACK and CHOKE MANIFOLD SYSTEM





**PROPOSED LOCATION:
NBU #1021-13A**

**OURAY 18.7 MI. +/-
SEEP RIDGE ROAD 6.2 MI. +/-**

SEE TOPO "B"

LEGEND:

○ PROPOSED LOCATION



Kerr-McGee Oil & Gas Onshore LP

**NBU #1021-13A
SECTION 13, T10S, R21E, S.L.B.&M.
651' FNL 1311' FEL**

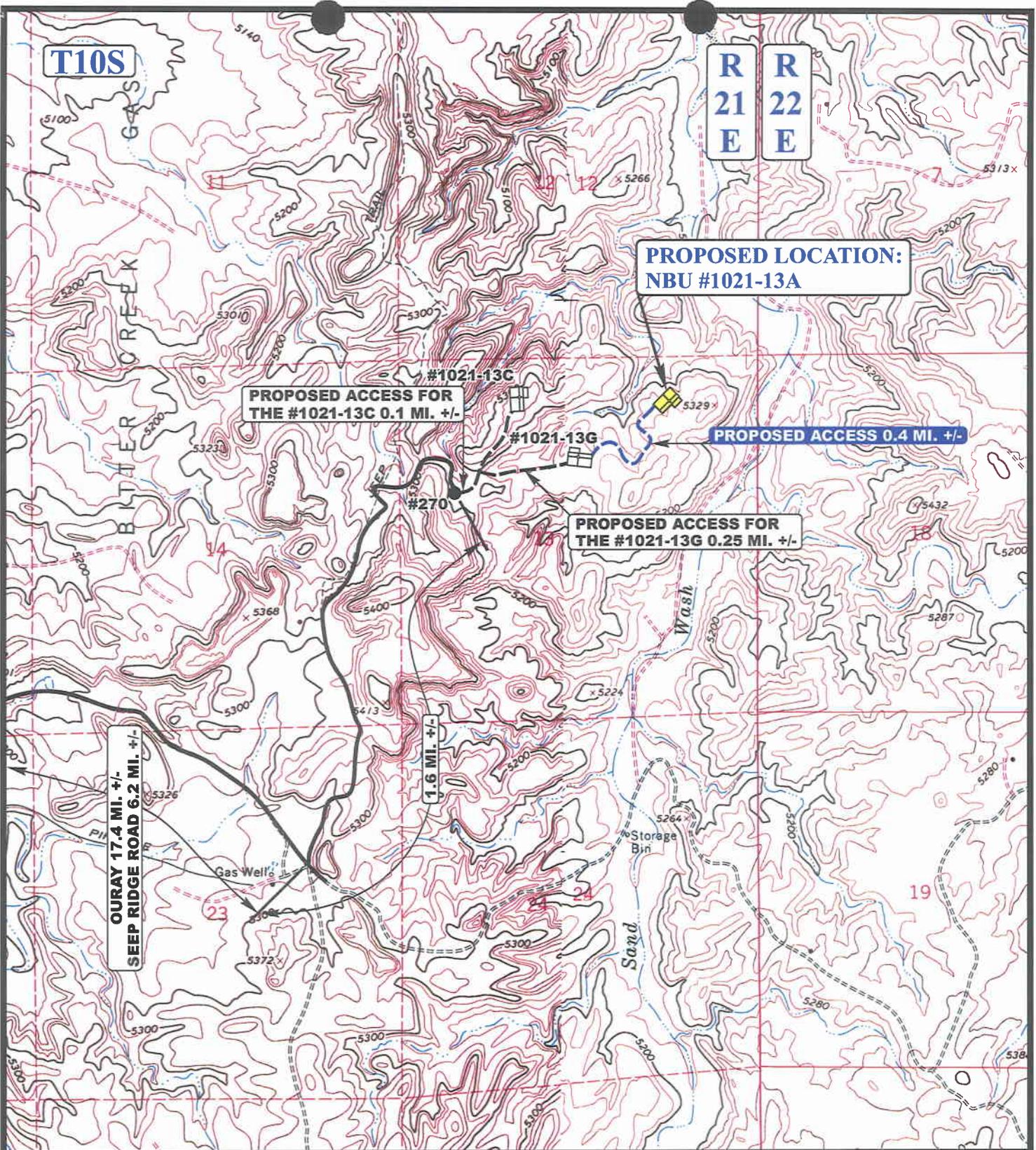


Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC 12 01 05
MAP MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 01-14-06





LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD



Kerr-McGee Oil & Gas Onshore LP

NBU #1021-13A
 SECTION 13, T10S, R21E, S.L.B.&M.
 651' FNL 1311' FEL



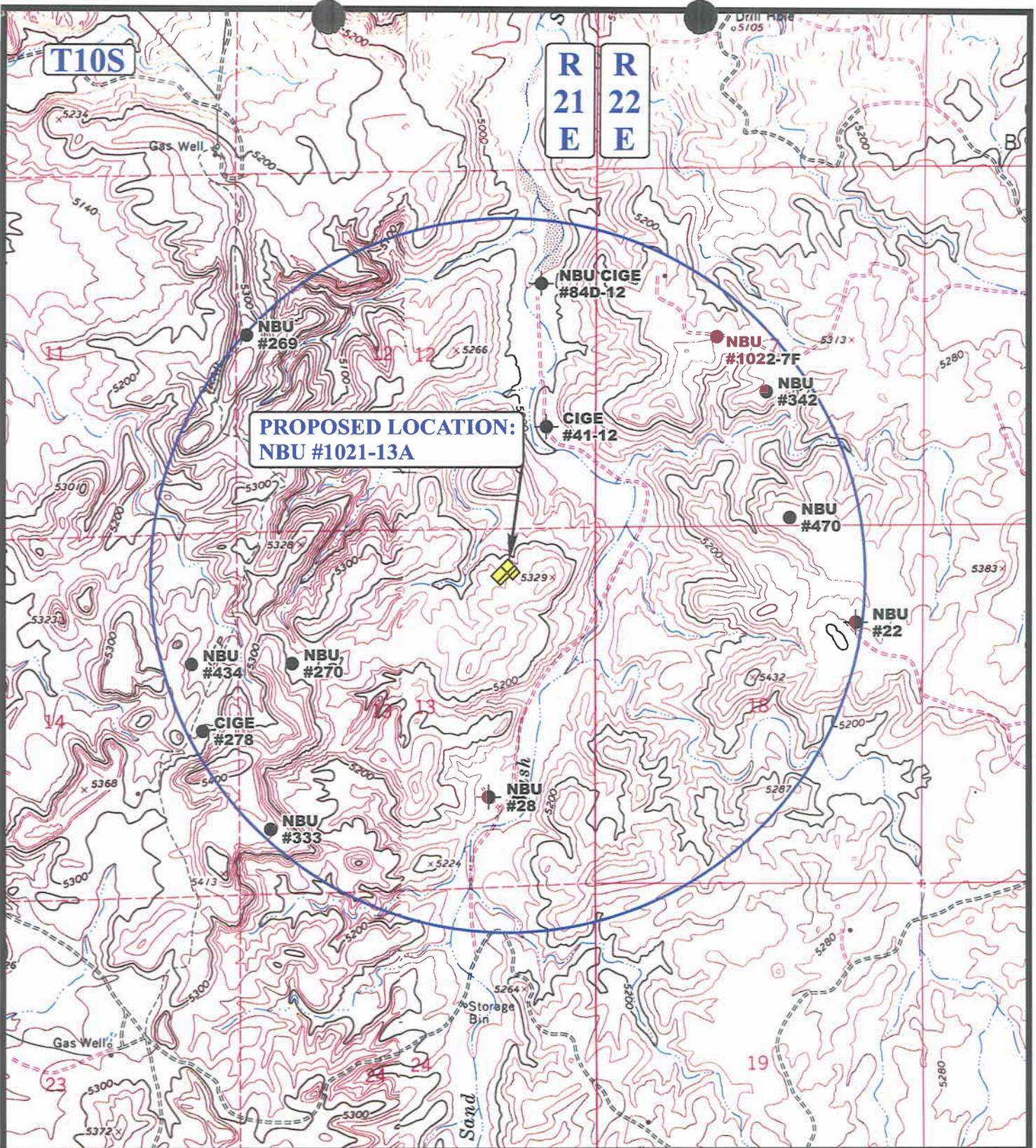
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

12 01 05
 MONTH DAY YEAR



SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 01-14-06



**PROPOSED LOCATION:
NBU #1021-13A**

LEGEND:

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



Kerr-McGee Oil & Gas Onshore LP

NBU #1021-13A
SECTION 13, T10S, R21E, S.L.B.&M.
651' FNL 1311' FEL



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

**TOPOGRAPHIC
MAP**

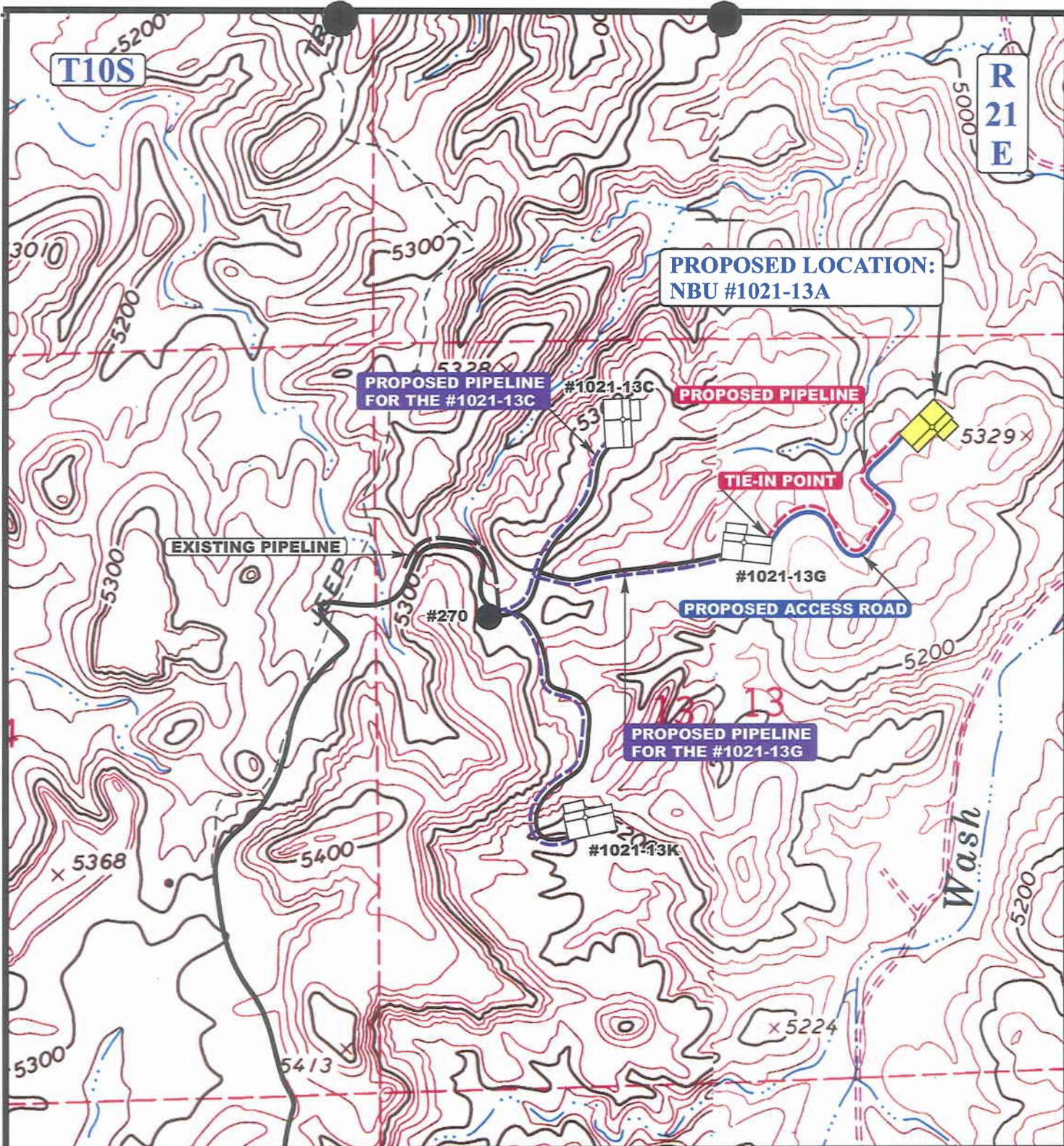
12 01 05
 MONTH DAY YEAR

SCALE: 1" = 2000'

DRAWN BY: C.P.

REVISED: 01-14-06





APPROXIMATE TOTAL PIPELINE DISTANCE = 1,983' +/-

LEGEND:

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



Kerr-McGee Oil & Gas Onshore LP

NBU #1021-13A
SECTION 13, T10S, R21E, S.L.B.&M.
651' FNL 1311' FEL



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

TOPOGRAPHIC
MAP

12 01 05
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 01-14-06



Kerr-McGee Oil & Gas Onshore LP

FIGURE #2

TYPICAL CROSS SECTIONS FOR

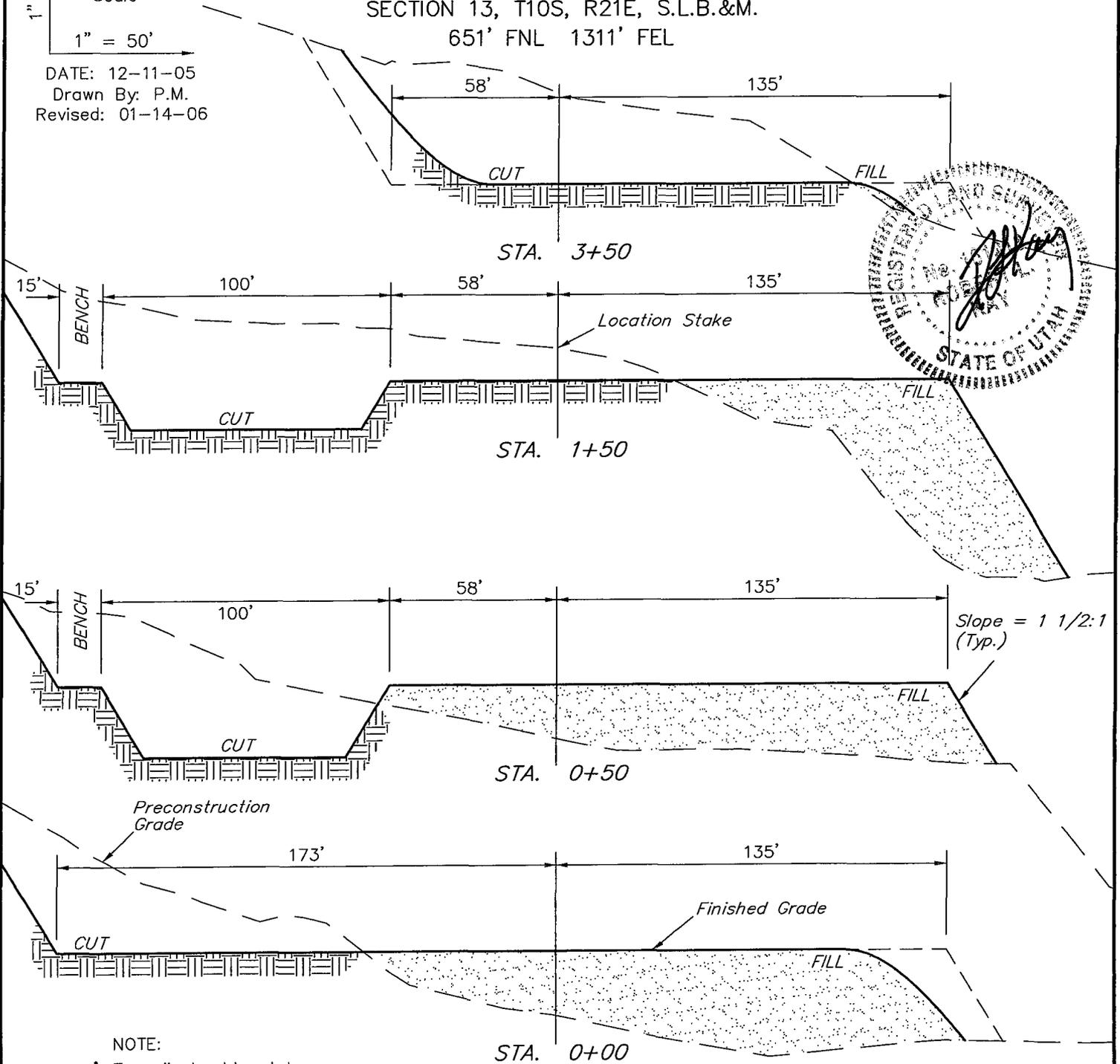
NBU #1021-13A

SECTION 13, T10S, R21E, S.L.B.&M.

651' FNL 1311' FEL

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

DATE: 12-11-05
Drawn By: P.M.
Revised: 01-14-06



NOTE:

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

*** NOTE:**

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

| | |
|------------------------|-------------------------|
| CUT | |
| (6") Topsoil Stripping | = 2,360 Cu. Yds. |
| Remaining Location | = 18,830 Cu. Yds. |
| TOTAL CUT | = 21,190 CU.YDS. |
| FILL | = 16,690 CU.YDS. |

| | |
|---|------------------|
| EXCESS MATERIAL | = 4,500 Cu. Yds. |
| Topsoil & Pit Backfill (1/2 Pit Vol.) | = 4,500 Cu. Yds. |
| EXCESS UNBALANCE (After Rehabilitation) | = 0 Cu. Yds. |

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

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 02/08/2006

API NO. ASSIGNED: 43-047-37722

WELL NAME: NBU 1021-13A
 OPERATOR: WESTPORT OIL & GAS CO (N2115)
 CONTACT: DEBRA DOMENICI

PHONE NUMBER: 435-781-7060

PROPOSED LOCATION:

NENE 13 100S 210E
 SURFACE: 0651 FNL 1311 FEL
 BOTTOM: 0651 FNL 1311 FEL
 COUNTY: UINTAH
 LATITUDE: 39.95383 LONGITUDE: -109.4942
 UTM SURF EASTINGS: 628626 NORTHINGS: 4423509
 FIELD NAME: NATURAL BUTTES (630)

| | | |
|------------------------|-----------------|-------------|
| INSPECT LOCATN BY: / / | | |
| Tech Review | Initials | Date |
| Engineering | DKD | 3/14/06 |
| Geology | | |
| Surface | | |

LEASE TYPE: 3 - State
 LEASE NUMBER: ML-23608
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSMVD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. RLB0005236)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-8496)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

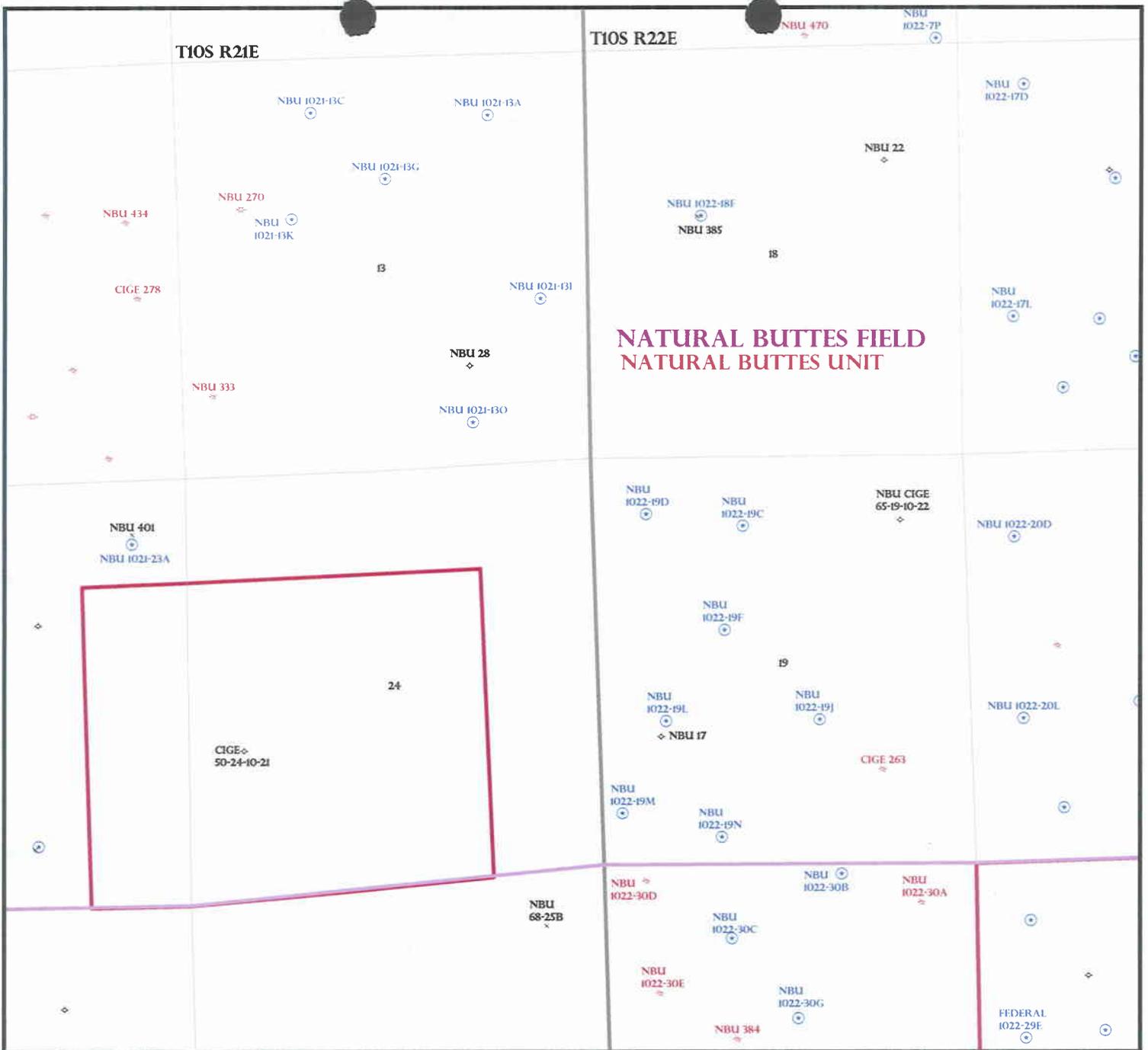
- R649-2-3.
- Unit: NATURAL BUTTES
- R649-3-2. General
Siting: 460' From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 173-14
Eff Date: 12-2-1999
Siting: 460' fr u b d r y f u n c i o n m. road
- R649-3-11. Directional Drill

COMMENTS:

Needs Perm (02-23-06)

STIPULATIONS:

- 1- OIL SHALE
- 2- STATEMENT OF BASIS
- 3- Surface Csg Cont Step



**NATURAL BUTTES FIELD
NATURAL BUTTES UNIT**

OPERATOR: WESTPORT O&G CO (N2115)
 SEC: 19 T. 10S R. 22E
 FIELD: NATURAL BUTTES (630)
 COUNTY: UINTAH
 CAUSE: 173-14 / 12-2-1999

| Field Status | Unit Status |
|--------------|--------------|
| ABANDONED | EXPLORATORY |
| ACTIVE | GAS STORAGE |
| COMBINED | NF PP OIL |
| INACTIVE | NF SECONDARY |
| PROPOSED | PENDING |
| STORAGE | PI OIL |
| TERMINATED | PP GAS |
| | PP GEOTHERML |
| | PP OIL |
| | SECONDARY |
| | TERMINATED |

Wells Status

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

Utah Oil Gas and Mining

PREPARED BY: DIANA WHITNEY
 DATE: 13-FEBRUARY-2006

**DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS**

OPERATOR: Westport Oil & Gas Company, L.P.
WELL NAME & NUMBER: NBU 1021-13A
API NUMBER: 43-047-37722
LOCATION: 1/4,1/4 NE/NE Sec: 13 TWP: 10S RNG: 21E; 651 FNL 1311' FEL

Geology/Ground Water:

Westport proposes to set 2,000' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 5,300'. A search of Division of Water Rights records shows one water well within a 10,000 foot radius of the center of Section 13. This well is over a mile from the proposed site. The well is owned by Target Trucking and is an oilfield water supply well. No depth for the well is listed. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. The production casing cement should be brought above the base of the moderately saline groundwater to isolate it from fresher waters uphole.

Reviewer: Brad Hill **Date:** 03/02/06

Surface:

The pre-drill investigation of the surface was performed on February 23, 2006. Ed Bonner and Jim Davis of SITLA and Ben Williams of UDWR were invited to attend the presite on Feb.14, 2006. Mr. Davis and Mr. Williams attended.

The site is State Surface and State Mineral. The proposed location poses no obvious problems for drilling and appears to be the best location for drilling a well in the immediate area.

Mr. Williams of the UDWR stated that the area is classified as critical yearlong antelope range, however he did not recommend any stipulations, as water is the limiting factor affecting the population not forage. No other wildlife are expected to be affected. He gave Mr. Davis and Mr. Estes copies of his write-up and a DWR recommended seed mix to use on the reserve pit and when closing the location.

This predrill investigation was conducted on a cool sunny day.

Reviewer: Floyd Bartlett **Date:** 02/27/2006

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner with a minimum thickness of 16 mils with a felt sub-liner shall be properly installed and maintained in the reserve pit.

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: Westport Oil & Gas Company, L.P.
WELL NAME & NUMBER: NBU 1021-13A
API NUMBER: 43-047-37722
LEASE: ML-23608 **FIELD/UNIT:** Natural Buttes
LOCATION: 1/4, 1/4 NE/NE Sec: 13 TWP: 10S RNG: 21E ; 651 FNL 1311' FEL
LEGAL WELL SITING: 460' from unit boundary and uncommitted tracts.
GPS COORD (UTM): 4423509 Y 0628626 X **SURFACE OWNER:** State of Utah
(SITLA)

PARTICIPANTS

Floyd Bartlett and David Hackford (DOGM), Carol Estes, Debora Domenici, Clay Einerson (Westport), David Kay and Luke Kay (Utah Engineering & Land Survey), Jim Davis (SITLA), Ben Williams (Utah Division of Wildlife Resources).

REGIONAL/SETTING TOPOGRAPHY

General area is the Sand Wash Drainage of Uintah, County. Sand Wash is approximately 36 air miles south of Vernal, Utah and approximately 20 miles southeast of Ouray, Utah. Access is by State of Utah Highway, Uintah County and oilfield development roads.

Topography is characterized by broad open flats dissected by numerous sub-drainages, which often become steep with ridges and draws with exposed sandstone layers. No perennial streams occur in drainage. Individual draws or washes are ephemeral with spring runoff or flows from sometimes-intense summer rainstorms. White River is to the northeast about 4 miles. No springs exist in the area. An occasional constructed pond occurs furnishing water for antelope or livestock.

This site is approximately 1/4 mile west of Sand Wash on a rocky lateral ridge. Surface is broken with rock outcrops. Large rock outcrops also occur below the location on the rim of Sand Wash. The location intersects no drainages and no stabilization problems are likely to occur. Approximately 0.4 miles of new road will be constructed from the proposed road leading to the NBU 1021-13G well.

SURFACE USE PLAN

CURRENT SURFACE USE: Sheep grazing, limited hunting and recreation.

PROPOSED SURFACE DISTURBANCE: Location of 350' x 193' and a reserve pit of 100' x 150' x 10 feet deep and an additional 15' wide bench. Approximately 0.4 miles of new road will be required. All material for the location and road will be obtained onsite.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: See attached map from GIS data base.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All production facilities will be on location and added after drilling well. Pipeline 1,983 feet in length will follow access road.

SOURCE OF CONSTRUCTION MATERIAL: All construction material will be obtained from the site.

ANCILLARY FACILITIES: None will be required.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST CONCERNS? (EXPLAIN). Unlikely, as the general use in the area is oil-field related with numerous other wells in the surrounding area.

WASTE MANAGEMENT PLAN:

Drilled cuttings will be settled into reserve pit. Liquids from pit will be allowed to evaporate. Formation water will be confined to storage tanks. Commercial contractor will handle sewage facilities, storage and disposal. Trash will be contained in trash baskets and hauled to an approved land fill.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None.

FLORA/FAUNA: A moderate cover of desert type vegetation consisting of black sagebrush, cheat grass and needle and thread grass, occupies the site. Antelope, rabbits, small reptiles, birds and mammals. Sheep graze the area in the winter.

SOIL TYPE AND CHARACTERISTICS: Sandy loam surface intermixed in large and small angular rock. Some sandstone bedrock is exposed.

EROSION/SEDIMENTATION/STABILITY: Little natural erosion. Sedimentation and stability are not a problem and location construction shouldn't cause an increase in stability or erosion problems. The location does not intersect any drainages.

PALEONTOLOGICAL POTENTIAL: Survey completed by IPC on 9/26/05 and furnished for the file.

RESERVE PIT

CHARACTERISTICS: 100' by 150' and 10' deep. The reserve pit is all within cut on the north east side of the location. A 15' wide bench is planned around the outer edges and 2' of freeboard.

LINER REQUIREMENTS (Site Ranking Form attached): Level 1 sensitivity. A 16 mil liner with a felt pad will be required for the reserve pit.

SURFACE RESTORATION/RECLAMATION PLAN

As per SITLA requirements.

SURFACE AGREEMENT:

As per SITLA requirements.

CULTURAL RESOURCES/ARCHAEOLOGY: Site was surveyed by MOAC on 10/03/05. A copy has been furnished to SITLA.

OTHER OBSERVATIONS/COMMENTS

Ben Williams of the UDWR stated that the area is classified as critical yearlong antelope range, however he did not recommend any stipulations, as water is the limiting factor affecting the population not forage. No other wildlife is expected to be affected.

This predrill investigation was conducted on a cool sunny day.

ATTACHMENTS

Photos of this site were taken and placed on file.

FLOYD BARTLETT
DOGM REPRESENTATIVE

02/23/06; 11:20 AM
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

| <u>Site-Specific Factors</u> | <u>Ranking</u> | <u>Site Ranking</u> |
|---|----------------|---------------------|
| Distance to Groundwater (feet) | | |
| >200 | 0 | |
| 100 to 200 | 5 | |
| 75 to 100 | 10 | |
| 25 to 75 | 15 | |
| <25 or recharge area | 20 | <u>0</u> |
| Distance to Surf. Water (feet) | | |
| >1000 | 0 | |
| 300 to 1000 | 2 | |
| 200 to 300 | 10 | |
| 100 to 200 | 15 | |
| < 100 | 20 | |
| Distance to Nearest Municipal Well (feet) | | |
| >5280 | 0 | |
| 1320 to 5280 | 5 | |
| 500 to 1320 | 10 | |
| <500 | 20 | <u>0</u> |
| Distance to Other Wells (feet) | | |
| >1320 | 0 | |
| 300 to 1320 | 10 | |
| <300 | 20 | <u>10</u> |
| Native Soil Type | | |
| Low permeability | 0 | |
| Mod. permeability | 10 | |
| High permeability | 20 | <u>10</u> |
| Fluid Type | | |
| Air/mist | 0 | |
| Fresh Water | 5 | |
| TDS >5000 and <10000 | 10 | |
| TDS >10000 or Oil Base Mud Fluid | 15 | |
| containing significant levels of hazardous constituents | 20 | <u>5</u> |
| Drill Cuttings | | |
| Normal Rock | 0 | |
| Salt or detrimental | 10 | <u>0</u> |
| Annual Precipitation (inches) | | |
| <10 | 0 | |
| 10 to 20 | 5 | |
| >20 | 10 | <u>0</u> |
| Affected Populations | | |
| <10 | 0 | |
| 10 to 30 | 6 | |
| 30 to 50 | 8 | |
| >50 | 10 | <u>0</u> |
| Presence of Nearby Utility Conduits | | |
| Not Present | 0 | |
| Unknown | 10 | |
| Present | 15 | <u>0</u> |

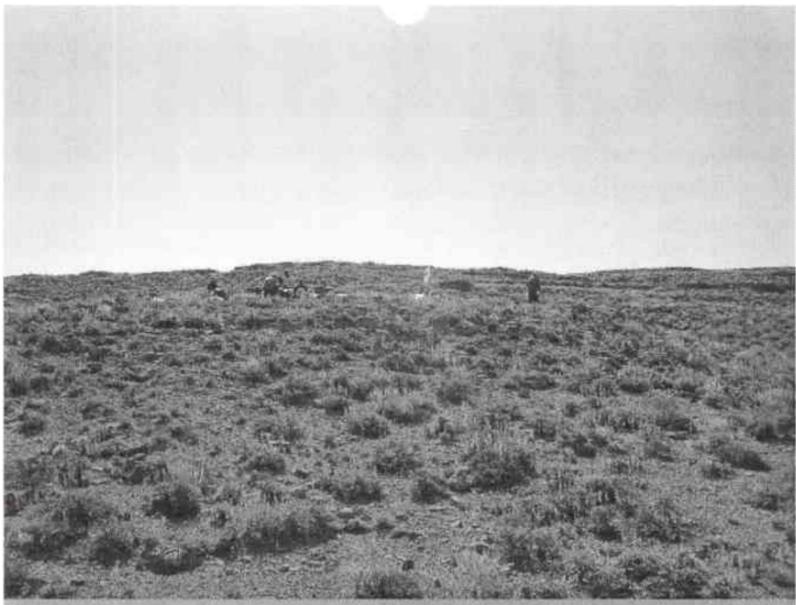
Final Score 25 (Level I Sensitivity)

Sensitivity Level I = 20 or more: total containment is required.

Sensitivity Level I = 15-19: lining is discretionary.

Sensitivity Level II = below 15: no specific lining is required.





03-06 Westport NBU 1021-3A

Casing Schematic

Surface

TOC @ 0.
TOC @ 0.

1400 Green River ✓ w/ 6% Washout
1487 TOC Tail ✗ Surface St. A

Surface
2000. MD

9-5/8"
MW 8.4
Frac 19.3

BHP

$$(.052)(11.5)(9400) = 5621$$

Anticipate 5828

Gas

$$(.12)(9400) = 1128$$

MASP = 4700

BOPE - 5,000 ✓

Surf Csg - 2270

70% = 1589

Mat pressure @ Surf Csg shoe = 4200

✓ Test to 1500# (as proposed)

✓ Adequate DWD 3/14/06

4-1/2"
MW 11.5

Production
9400. MD

3913 TOC Tail

4500 Mesatch

5300 Bmsw

✓ w/ 18% Washout

7200 Mesaverde

| | | | |
|--------------|------------------------------------|-------------|--------------|
| Well name: | 03-06 Westport NBU 1021-13A | | |
| Operator: | Westport Oil & Gas | Project ID: | 43-047-37722 |
| String type: | Surface | | |
| Location: | Uintah County | | |

Design parameters:

Collapse

Mud weight: 8.400 ppg
 Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 1,760 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP: 2,000 psi

 No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

8 Round STC: 1.80 (J)
 8 Round LTC: 1.80 (J)
 Buttress: 1.60 (J)
 Premium: 1.50 (J)
 Body yield: 1.50 (B)

Tension is based on buoyed weight.
 Neutral point: 1,753 ft

Environment:

H2S considered? No
 Surface temperature: 75 °F
 Bottom hole temperature: 103 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,500 ft

Cement top: Surface

Non-directional string.

Re subsequent strings:

Next setting depth: 9,400 ft
 Next mud weight: 11.500 ppg
 Next setting BHP: 5,616 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 2,000 ft
 Injection pressure: 2,000 psi

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Internal Capacity (ft³) |
|---------|---------------------|-------------------------|-------------------------|------------------|----------------------|----------------------|---------------------|-------------------------|-------------------------|
| 1 | 2000 | 9.625 | 32.30 | H-40 | ST&C | 2000 | 2000 | 8.876 | 126.8 |
| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor |
| 1 | 873 | 1370 | 1.570 | 2000 | 2270 | 1.14 | 57 | 254 | 4.49 J |

Prepared by: Clinton Dworshak
 Utah Div. of Oil & Mining

Phone: 801-538-5280
 FAX: 801-359-3940

Date: March 3, 2006
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2000 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

| | | | |
|--------------|------------------------------------|-------------|--------------|
| Well name: | 03-06 Westport NBU 1021-13A | | |
| Operator: | Westport Oil & Gas | Project ID: | 43-047-37722 |
| String type: | Production | | |
| Location: | Uintah County | | |

Design parameters:

Collapse
Mud weight: 11.500 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:
Design factor 1.125

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 207 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Burst

Max anticipated surface pressure: 4,487 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 5,615 psi

Burst:

Design factor 1.00

Cement top: Surface

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.
Neutral point: 7,784 ft

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Internal Capacity (ft³) |
|---------|---------------------|-------------------------|-------------------------|------------------|----------------------|----------------------|---------------------|-------------------------|-------------------------|
| 1 | 9400 | 4.5 | 11.60 | M-80 | LT&C | 9400 | 9400 | 3.875 | 217.9 |
| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor |
| 1 | 5615 | 6350 | 1.131 | 5615 | 7780 | 1.39 | 90 | 267 | 2.96 B |

Prepared by: Clinton Dworshak
Utah Div. of Oil & Mining

Phone: 801-538-5280
FAX: 801-359-3940

Date: March 3, 2006
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 9400 ft, a mud weight of 11.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

From: Ed Bonner
To: Whitney, Diana
Date: 2/15/2006 3:57:43 PM
Subject: Well Clearance

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

EOG Resources, Inc
NBU 556-18E
NBU 557-18E

Summit Operating, LLC
State 16-32-13-22
State 8-32-13-22
State 6-36-13-22
State 4-36-13-22

Westport Oil & Gas Company
NBU 1021-28G
NBU 1021-28O (APD has name as **State 1021-28O**) One significant site which must be avoided
NBU 1021-13A
NBU 1021-13C
NBU 1021-13G
NBU 1021-13I
NBU 1021-13K
NBU 1021-13O

Wind River II Corporation
Snowshoe 2-15-16-22

If you have any questions regarding this matter please give me a call.

CC: Garrison, LaVonne; Hill, Brad; Hunt, Gil

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:
3160
(UT-922)

March 2, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2006 Plan of Development Natural Buttes Unit Uintah
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Natural Buttes Unit, Uintah County, Utah.

| API# | WELL NAME | LOCATION |
|---------------------------------|--------------|------------------------------------|
| (Proposed PZ Wasatch-MesaVerde) | | |
| 43-047-37738 | NBU 1022-19F | Sec 19 T10S R22E 2239 FNL 1622 FWL |
| 43-047-37739 | NBU 1022-19D | Sec 19 T10S R22E 0732 FNL 0640 FWL |
| 43-047-37740 | NBU 1022-19C | Sec 19 T10S R22E 0896 FNL 1891 FWL |
| 43-047-37765 | NBU 1022-16J | Sec 16 T10S R22E 2302 FSL 1901 FEL |
| 43-047-37766 | NBU 1022-16P | Sec 16 T10S R22E 0724 FSL 0973 FEL |
| 43-047-37767 | NBU 1022-16L | Sec 16 T10S R22E 1904 FSL 0343 FWL |
| 43-047-37768 | NBU 1022-18H | Sec 18 T10S R22E 1947 FNL 0465 FEL |
| 43-047-37769 | NBU 1022-18G | Sec 18 T10S R22E 1870 FNL 1383 FEL |
| 43-047-37770 | NBU 1022-18I | Sec 18 T10S R22E 1592 FSL 0803 FEL |
| 43-047-37771 | NBU 1022-18E | Sec 18 T10S R22E 1656 FNL 0606 FWL |
| 43-047-37772 | NBU 1022-18J | Sec 18 T10S R22E 2158 FSL 2171 FEL |
| 43-047-37773 | NBU 1022-18N | Sec 18 T10S R22E 0125 FSL 1249 FWL |
| 43-047-37774 | NBU 1022-18B | Sec 18 T10S R22E 0818 FNL 2040 FEL |
| 43-047-37775 | NBU 1022-18P | Sec 18 T10S R22E 0169 FSL 0249 FEL |
| 43-047-37776 | NBU 1022-18D | Sec 18 T10S R22E 0765 FNL 0311 FWL |
| 43-047-37777 | NBU 1022-18O | Sec 18 T10S R22E 0134 FSL 2445 FEL |
| 43-047-37783 | NBU 1022-19K | Sec 19 T10S R22E 1509 FSL 1427 FWL |
| 43-047-37778 | NBU 1022-19H | Sec 19 T10S R22E 2298 FNL 1086 FEL |
| 43-047-37779 | NBU 1022-19B | Sec 19 T10S R22E 0696 FNL 2180 FEL |
| 43-047-37780 | NBU 1022-19G | Sec 19 T10S R22E 2069 FNL 2241 FEL |
| 43-047-37781 | NBU 1022-19I | Sec 19 T10S R22E 2135 FSL 0460 FEL |
| 43-047-37782 | NBU 1022-19O | Sec 19 T10S R22E 0740 FSL 2065 FEL |
| 43-047-37734 | NBU 1021-27E | Sec 27 T10S R21E 1862 FNL 0535 FWL |
| 43-047-37728 | NBU 1021-28G | Sec 28 T10S R21E 1952 FNL 1971 FEL |
| 43-047-37721 | NBU 1021-13C | Sec 13 T10S R21E 0576 FNL 1772 FWL |
| 43-047-37722 | NBU 1021-13A | Sec 13 T10S R21E 0651 FNL 1311 FEL |

Page 2

| | | | | | | | | |
|--------------|--------------|--------|------|------|------|-----|------|-----|
| 43-047-37723 | NBU 1021-13G | Sec 13 | T10S | R21E | 1444 | FNL | 2651 | FEL |
| 43-047-37724 | NBU 1021-13K | Sec 13 | T10S | R21E | 1935 | FSL | 1486 | FWL |
| 43-047-37725 | NBU 1021-13I | Sec 13 | T10S | R21E | 2353 | FSL | 0668 | FEL |
| 43-047-37727 | NBU 1021-13O | Sec 13 | T10S | R21E | 0777 | FSL | 1573 | FEL |
| 43-047-37761 | NBU 920-20P | Sec 20 | T09S | R20E | 0769 | FSL | 0978 | FEL |
| 43-047-37760 | NBU 920-20O | Sec 20 | T09S | R20E | 0842 | FSL | 1913 | FEL |
| 43-047-37759 | NBU 920-20N | Sec 20 | T09S | R20E | 0803 | FSL | 1885 | FWL |
| 43-047-37758 | NBU 920-20M | Sec 20 | T09S | R20E | 0630 | FSL | 0838 | FWL |
| 43-047-37757 | NBU 920-20L | Sec 20 | T09S | R20E | 2104 | FSL | 0827 | FWL |
| 43-047-37756 | NBU 920-20J | Sec 20 | T09S | R20E | 1466 | FSL | 1653 | FEL |
| 43-047-37755 | NBU 920-20I | Sec 20 | T09S | R20E | 1955 | FSL | 0717 | FEL |
| 43-047-37732 | NBU 920-22E | Sec 22 | T09S | R20E | 2009 | FNL | 0756 | FWL |
| 43-047-37764 | NBU 920-24M | Sec 24 | T09S | R20E | 0614 | FSL | 0851 | FWL |
| 43-047-37753 | NBU 920-14M | Sec 14 | T09S | R20E | 0536 | FSL | 0612 | FWL |
| 43-047-37754 | NBU 920-14N | Sec 14 | T09S | R20E | 0732 | FSL | 1805 | FWL |

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

/s/ Michael L. Coulthard

bcc: File – Natural Buttes Unit
Division of Oil Gas and Mining
Central Files



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

March 15, 2006

Westport Oil & Gas Company, LP
1368 S 1200 E
Vernal, UT 84078

Re: Natural Buttes Unit 1021-13A Well, 651' FNL, 1311' FEL, NE NE, Sec. 13,
T. 10 South, R. 21 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37722.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

Operator: Westport Oil & Gas Company, LP
Well Name & Number Natural Buttes Unit 1021-13A
API Number: 43-047-37722
Lease: ML-23608

Location: NE NE **Sec.** 13 **T.** 10 South **R.** 21 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**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

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. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

Page 2

43-047-37722

March 15, 2006

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

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:

ML-23608

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

NATURAL BUTTES UNIT

8. WELL NAME and NUMBER:

NBU 1021-13A

9. API NUMBER:

43-047-37722

10. FIELD AND POOL, OR WILDCAT:

NATURAL BUTTES

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL

OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:

WESTPORT OIL & GAS COMPANY L.P.

3. ADDRESS OF OPERATOR:

1368 S. 1200 E. CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:

(435) 781-7024

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 651'FNL, 1311'FEL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 13 10S 21E

STATE:

UTAH

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|---|---|--|
| <input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____ | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input checked="" type="checkbox"/> OTHER: PIPELINE CHANGE |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

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

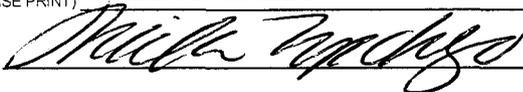
THE OPERATOR REQUESTS AUTHORIZATION TO CHANGE THE EXISTING PIPELINE PROPOSED IN THE ORIGINAL APD. AN ON-SITE WAS CONDUCTED ON 02/23/2006 WITH THE UTDOGM REPRESENTATIVE. WHILE CONDUCTING THE ON-SITE INSPECTION IT WAS DECIDED TO CHANGE THE PIPELINE TO A TOTAL OF APPROXIMATELY 800' +/- PIPELINE IS PROPOSED.

PLEASE REFER TO THE ATTACHED TOPO MAP D.

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE



DATE 3/13/2006

(This space for State use only)

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

(See Instructions on Reverse Side)

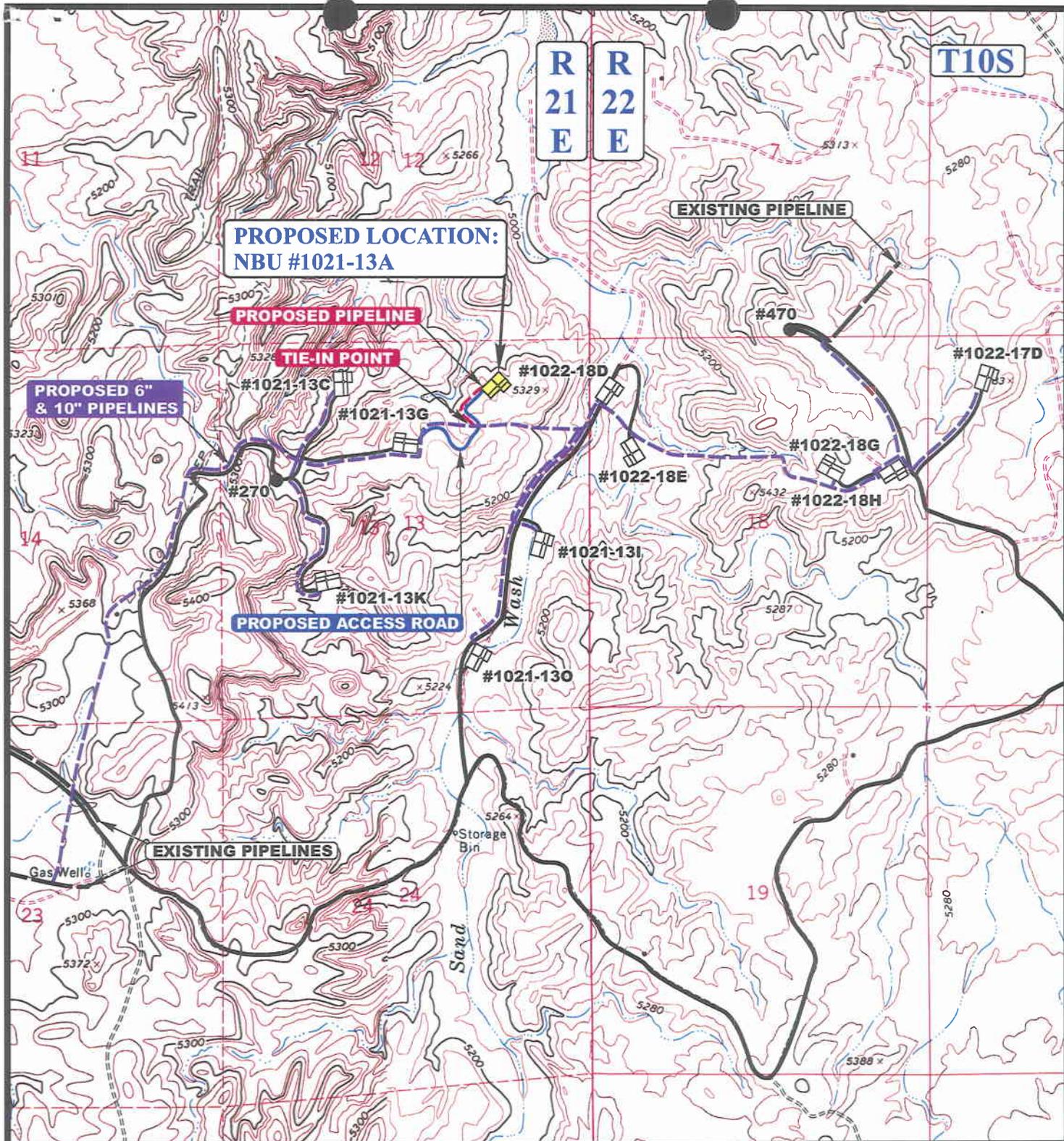
RECEIVED

MAR 23 2006

(5/2000)

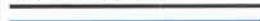
DIV. OF OIL, GAS & MINING

Approval should be obtained from appropriate land management Agency/owner



APPROXIMATE TOTAL PIPELINE DISTANCE = 800' +/-

LEGEND:

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



Kerr-McGee Oil & Gas Onshore LP

NBU #1021-13A
SECTION 13, T10S, R21E, S.L.B.&M.
651' FNL 1311' FEL



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

TOPOGRAPHIC MAP
 01 14 06
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 03-07-06



Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

| |
|----------------|
| ROUTING |
| 1. DJJ |
| 2. CDW |

X Change of Operator (Well Sold)

Operator Name Change/Merger

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

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

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- 4a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- 4b. If **NO**, the operator was contacted on: _____
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a 3 LA wells & all PA wells transferred
- 5c. Reports current for Production/Disposition & Sundries on: ok
- 6. Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet
- 7. Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006
- 8. Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- 9. Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: _____

DATA ENTRY:

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

BOND VERIFICATION:

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

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

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

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

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

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

5. Lease Serial No.
MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State
UINTAH COUNTY, UTAH

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

| TYPE OF SUBMISSION | TYPE OF ACTION |
|---|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Deepen |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Fracture Treat |
| | <input type="checkbox"/> Alter Casing |
| | <input type="checkbox"/> New Construction |
| | <input type="checkbox"/> Casing Repair |
| | <input type="checkbox"/> Plug and Abandon |
| | <input type="checkbox"/> Change Plans |
| | <input type="checkbox"/> Plug Back |
| | <input type="checkbox"/> Convert to Injection |
| | <input type="checkbox"/> Production (Start/Resume) |
| | <input type="checkbox"/> Reclamation |
| | <input type="checkbox"/> Recomplete |
| | <input type="checkbox"/> Temporarily Abandon |
| | <input type="checkbox"/> Water Shut-Off |
| | <input type="checkbox"/> Well Integrity |
| | <input checked="" type="checkbox"/> Other CHANGE OF OPERATOR |
| | <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 recomplate 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 <i>Randy Bayne</i> | Date May 9, 2006 |

THIS SPACE FOR FEDERAL OR STATE USE

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.
MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State
UINTAH COUNTY, UTAH

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

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.

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

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

RECEIVED
 MAY 10 2006

DIV OF OIL, GAS & MINING

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

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

THIS SPACE FOR FEDERAL OR STATE USE

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

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

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

FORM 9

| | | |
|--|--|---|
| SUNDRY NOTICES AND REPORTS ON WELLS | | 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23608 |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | 7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES UNIT |
| 2. NAME OF OPERATOR: KERR MCGEE OIL AND GAS ONSHORE LP | | 8. WELL NAME and NUMBER: NBU 1021-13A |
| 3. ADDRESS OF OPERATOR: 1368 S. 1200 E. CITY VERNAL STATE UT ZIP 84078 | | 9. API NUMBER: 4304737722 |
| PHONE NUMBER: (435) 781-7003 | | 10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 651' FNL 1311' FEL | | COUNTY: UINTAH |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 13 10S 21E | | STATE: UTAH |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|--|---|---|---|
| <input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____ | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input checked="" type="checkbox"/> OTHER: <u>APD EXTENSION</u> |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

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

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL, GAS AND MINING ON MARCH 15, 2006.

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

COPY SENT TO OPERATOR
Date: 2-22-07
Initials: RHA

Date: 02-21-07
By: [Signature]

| | |
|---|-------------------------------|
| NAME (PLEASE PRINT) <u>RAMEY HOOPES</u> | TITLE <u>REGULATORY CLERK</u> |
| SIGNATURE <u>Ramey Hoopes</u> | DATE <u>2/8/2007</u> |

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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: 4304737722
Well Name: NBU 1021-13A
Location: NENE, SEC 13-T10S-R21E
Company Permit Issued to: KERR MCGEE OIL AND GAS ONSHORE LP
Date Original Permit Issued: 3/15/2006

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

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

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

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

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

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

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

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

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

Ramey Hooper
Signature

2/8/2007
Date

Title: Regulatory Clerk

Representing: Kerr McGee Oil & Gas Onshore LP

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DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: KERR-McGEE OIL & GAS ONSHORE, LP

Well Name: NBU 1021-13A

Api No: 43-047-37722 Lease Type: STATE

Section 13 Township 10S Range 21E County UINTAH

Drilling Contractor PETE MARTIN DRLG RIG # BUCKET

SPUDDED:

Date 12/02/07

Time 11:00 AM

How DRY

Drilling will Commence: _____

Reported by LOU WELDON

Telephone # (435) 781-7060

Date 12/03/07 Signed CHD

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 |
|--|-----------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 4304737722 | NBU 1021-13A | | NENE | 13 | 10S | 21E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| <i>B</i> | 99999 | <i>2900</i> | 12/2/2007 | | | <i>12/31/07</i> | |
| Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 12/02/2007 AT 1100 HRS. | | | | | | | |

Well 2

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|--|-----------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 4304738225 | BONANZA 1023-10F | | SENE | 10 | 10S | 23E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| <i>A</i> | 99999 | <i>16565</i> | 12/1/2007 | | | <i>12/31/07</i> | |
| Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 12/01/2007 AT 0900 HRS. | | | | | | | |

Well 3

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

ACTION CODES:

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

SHEILA UPCHEGO

Name (Please Print)

Signature

SENIOR LAND SPECIALIST

Title

[Signature]

Date

12/3/2007

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DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

| | | |
|---|--|---|
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23608 |
| 2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078 | | 7. UNIT or CA AGREEMENT NAME: UNIT #891008900A |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 651'FNL, 1311'FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 13 10S 21E | | 8. WELL NAME and NUMBER: NBU 1021-13A |
| PHONE NUMBER: (435) 781-7024 | | 9. API NUMBER: 4304737722 |
| | | 10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES |
| | | COUNTY: UINTAH |
| | | STATE: UTAH |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|---|---|--|
| <input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____ | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input checked="" type="checkbox"/> OTHER: SET SURFACE CSG |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

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

MIRU BILL MARTIN AIR RIG ON 12/02/2007. DRILLED 12 1/4" SURFACE HOLE TO 2210'. 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 TO PIT. TOP OUT W/550 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL.

WORT

| | |
|---|------------------------------------|
| NAME (PLEASE PRINT) SHEILA UPCHEGO | TITLE SENIOR LAND ADMIN SPECIALIST |
| SIGNATURE  | DATE 12/13/2007 |

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

FORM 9

| | | |
|--|--|--|
| SUNDRY NOTICES AND REPORTS ON WELLS | | 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23608 |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | 7. UNIT or CA AGREEMENT NAME: UNIT #891008900A |
| 2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP | | 8. WELL NAME and NUMBER: NBU 1021-13A |
| 3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078 | | 9. API NUMBER: 4304737722 |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 651'FNL, 1311'FEL | | 10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 13 10S 21E | | COUNTY: UINTAH |
| | | STATE: UTAH |

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| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|---|---|---|
| <input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____ | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input checked="" type="checkbox"/> OTHER: <u>WELL SPUD</u> |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

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

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

SPUD WELL LOCATION ON 12/02/2007 AT 1100 HRS.

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DIV. OF OIL, GAS & MINING

| | |
|---|---|
| NAME (PLEASE PRINT) SHEILA UPCHEGO | TITLE SENIOR LAND ADMIN SPECIALIST |
| SIGNATURE | DATE 12/3/2007 |

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

FORM 9

| | | |
|--|--|--|
| SUNDRY NOTICES AND REPORTS ON WELLS | | 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23608 |
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| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | 7. UNIT or CA AGREEMENT NAME: UNIT #891008900A |
| 2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP | | 8. WELL NAME and NUMBER: NBU 1021-13A |
| 3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078 | PHONE NUMBER: (435) 781-7024 | 9. API NUMBER: 4304737722 |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 651'FNL, 1311'FEL | | 10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 13 10S 21E | | COUNTY: UINTAH |
| | | STATE: UTAH |

| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | | |
|---|---|--|--|
| TYPE OF SUBMISSION | TYPE OF ACTION | | |
| <input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____ | <input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE | <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/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"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: FINAL DRILLING OPERATIONS |

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

FINISHED DRILLING FROM 2210' TO 9220' ON 01/05/2008. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/425 SX PREM LITE II @11.3 PPG 3.10 YIELD. TAILED CMT W/1285 SX 50/50 POZ @14.3 PPG 1.31 YIELD. FI;; RETURNS HAND MANDREL IN WELL HEAD CLEAN PITS.

RELEASED ENSIGN RIG 12 ON 01/07/2008 AT 0600 HRS.

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JAN 15 2008
DIV. OF OIL, GAS & MINING

| | |
|---|---|
| NAME (PLEASE PRINT) SHEILA UPCHEGO | TITLE SENIOR LAND ADMIN SPECIALIST |
| SIGNATURE | DATE 1/8/2008 |

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

FORM 9

| | | |
|--|--|--|
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| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 13 10S 21E | | COUNTY: UINTAH |
| | | STATE: UTAH |

| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | | |
|---|---|---|---|
| TYPE OF SUBMISSION | TYPE OF ACTION | | |
| <input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input checked="" type="checkbox"/> OTHER: PRODUCTION START-UP |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

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

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 02/16/2008 AT 11:00 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

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FEB 25 2008
DIV. OF OIL, GAS & MINING

| | |
|---|---|
| NAME (PLEASE PRINT) SHEILA UPCHEGO | TITLE SENIOR LAND ADMIN SPECIALIST |
| SIGNATURE | DATE 2/19/2008 |

(This space for State use only)



Anadarko Petroleum Corporation
 1368 South 1200 East
 Vernal, UT 84078

CHRONOLOGICAL WELL HISTORY

NBU 1021-13A

LOCATION NENE, SEC.13, T10S, R21E
 UINTAH COUNTY, UT

| DATE | ACTIVITY | ENSIGN 12 | STATUS |
|----------|---|-----------|----------------------------|
| 10/31/07 | LOCATION STARTED | ENSIGN 12 | |
| 11/29/07 | LOCATION COMPLETED | ENSIGN 12 | P/L IN, WOBR |
| 12/02/07 | SET CONDUCTOR | ENSIGN 12 | WOAR |
| 12/06/07 | SET AIR RIG | ENSIGN 12 | DRILLING |
| 12/13/07 | 9-5/8" @ 2171' | ENSIGN 12 | WORT |
| 12/27/07 | TD: 2210' Csg. 9 5/8"@ 2171' MW: 8.4 Move rig f/ NBU 1021-13G. RURT @ report time. | | SD: 12/XX/07 DSS: 0 |
| 12/28/07 | TD: 2210' Csg. 9 5/8"@ 2171' MW: 8.4 Finish RURT, NU and test BOP. PU BHA @ report time. | | SD: 12/XX/07 DSS: 0 |
| 12/31/07 | TD: 5405' Csg. 9 5/8"@ 2171' MW: 9.6 PUDS, drill cmt and FE. Spud @ 1230 on 12/28/07. Drill f/ 2210'-5405'. DA @ report time. | | SD: 12/28/07 DSS: 3 |
| 01/02/08 | TD: 7400' Csg. 9 5/8"@ 2171' MW: 10.5 Drill f/ 5405'-7400'. DA @ report time. | | SD: 12/28/07 DSS: 4 |
| 01/03/08 | TD: 7630' Csg. 9 5/8"@ 2171' MW: 10.8 Drill from 7400'-7498'. TFNB and MM. TIH to 4000' and pump LCM sweeps. FIH and drill from 7498'-7630'. DA @ report time. | | SD: 12/28/07 DOL/DSS: 10/5 |
| 01/04/08 | TD: 8500' Csg. 9 5/8"@ 2171' MW: 11.2 Drill from 7630'-8500'. DA @ report time. | | SD: 12/28/07 DOL/DSS: 11/6 |
| 01/07/08 | TD: 9220' Csg. 9 5/8"@ 2171' MW: 11.5 Drill from 8500'-8900'. TFNB. Drill to 9220' TD. CCH and LDDS. Run Triple Combo. Run 4 1/2" Production Casing. RU Halliburton and cement casing @ report time. | | SD: 12/28/07 DOL/DSS: 14/9 |
| 01/08/08 | TD: 9220' Csg. 9 5/8"@ 2171' MW: 11.5 | | SD: 12/28/07 DOL/DSS:15/10 |

Cement casing. Land casing and release rig @ 0600 hrs 1/7/08. RDRT. Will move to NBU 921-15E this am.

02/11/08 24 HR FORECAST: PREP TO PRESS TEST CSG & FRAC VALVES IN AM. SUMMARY: RU MILES #3 RIG. PU 3 7/8" MILL & SUB. DRIFT & TALLY 233 JTS OF 2 3/8" J-55 4.7# TBG. EOT @ 7,327'. POOH W/ 4 JTS OF TBG TO DROP WATER LEVEL. WINTERIZE WELL HEAD. SWI, SDFN.

02/12/08 24 HR FORECAST: GL ELEV RKB FORMATION SUMMARY: POOH W/ 229 JTS OF 2 3/8" TBG. ND BOP'S NU FRAC VALVES. PRESSURE TEST CASING & FRAC VALVES TO 7,500 PSI. PERFORATE ZONE 1

02/13/08 **FRAC**
Days on Completion:3

| SUMMARY | | | | |
|--|------|------|-----|---|
| FRAC 5 ZONES & PERFORATE 4 ZONES & SET KILL PLUG | | | | |
| OPERATION DETAILS | | | | |
| HOURS | DUR | CODE | SUB | DESCRIPTION |
| 7:00-7:30 | 0.50 | 48 P | | HSM WI CUTTERS. BJ. & RIG CREW |
| 7:30-8:30 | 1.00 | 36 P | B | MIRU CUTTERS & BJ TO FRAC & PERFORATE |
| 8:30-9:30 | 1.00 | 36 P | B | PRIME UP PUMPS & LINES. PRESSURE TEST SURFACE EQU. TO 8,000 PSI. STG 1) WHP 1,578 PSI, BRK 3,430 PSI @ 2.7 BPM, ISIP 2,466 PSI, FG .71. PUMP 100 BBLs @ 50 BPM @ 4,950 PSI = 32 OF 40 HOLES OPEN. MP 8,337 PSI, MR 51.0 BPM, AP 5,050 PSI, AR 50.0 BPM, ISIP 3,080 PSI, FG .78, NPI 594 PSI, PUMPED 1,954 BBLs OF 30/50 SAND & 5,000 LBS OF 20/40 RESIN COATED SAND. TOTAL PROP PUMPED 85,716 LBS. |
| 9:30-11:07 | 1.62 | 36 P | B | STG 2) RIH W/ 3 3/8" EXP. GNS. 36 HOLES. 90 & 180 DEG PHASING. SET 10K WEATHERFORD CBP @ 8,071'. PERF 8,037' - 41' 4 SPF. 7,934' - 36' 4 SPF. 7,928' - 30' 4 SPF. 7,889' - 91' 2 SPF. 7,878' - 78' 2 SPF. 40 HOLES. WHP 1,580 PSI, BRK 4,757 PSI @ 2.6 BPM, ISIP 2,580 PSI, FG .75. PUMP 100 BBLs @ 40 BPM @ 4,950 = 40 OF 40 HOLES OPEN. MP 4,026 PSI, MR 40.5 BPM, AP 3,691 PSI, AR 40 BPM, ISIP 2,454 PSI, FG .74, NPI -106 PSI, PMP 719 BBLs OF SLICK WATER & 17,444 LBS OF 30/50 SND & 5,000 LBS OF 20/40 RESIN COATED SAND. TOTAL PROP PUMPED = 22,444 LBS. |
| 11:07-12:30 | 1.38 | 36 P | B | STG 3) RIH W/ 3 3/8" EXP. GNS. 36 HOLES. 60 & 120 DEG PHASING. SET 10K WEATHERFORD CBP @ 7,760'. PERF 7,727' - 30' 4 SPF. 7,709' - 15' 3 SPF. 7,701' - 03' 3 SPF. 7,686' - 88' 4 SPF. 44 HOLES. WHP 2,038 PSI, BRK 2,261 PSI @ 2.8 BPM, ISIP 2,052 PSI, FG .70. PUMP 100 BBLs @ 50.6 BPM @ 4,972 = 38 OF 44 HOLES OPEN. MP 4,804 PSI, MR 53 BPM, AP 2,101 PSI, AR 51 BPM, ISIP 2,511 PSI, FG .78, NPI 459 PSI, PMP 961 BBLs OF SLICK WATER & 27,286 LBS OF 30/50 SND & 5,000 LBS OF 20/40 RESIN COATED SAND. TOTAL PROP PUMPED = 32,298 LBS. |
| 12:30-13:45 | 1.25 | 36 P | B | STG 4) RIH W/ 3 3/8" EXP. GNS. 36 HOLES. 60 DEG PHASING. SET 6K WEATHERFORD CBP @ 7,377'. PERF 7,340' - 47' 4 SPF. 7,327' - 30' 4 SPF. 40 HOLES. WHP 440 PSI, BRK 2,799 PSI @ 2.7 BPM, ISIP 1,856 PSI, FG .81. PUMP 100 BBLs @ 40.2 BPM @ 4,196 = 40 OF 40 HOLES OPEN. MP 4,267 PSI, MR 40.4 BPM, AP 4,007 PSI, AR 40 BPM, ISIP 2,798 PSI, FG .81, NPI 1,143 PSI, PMP 567 BBLs OF SLICK WATER & 12,126 LBS OF 30/50 SND & 5,000 LBS OF 20/40 RESIN COATED SAND. TOTAL PROP PUMPED = 17,126 LBS. |
| 13:45-14:52 | 1.12 | 36 P | B | STG 5) RIH W/ 3 3/8" EXP. GNS. 36 HOLES. 90 & 120 DEG PHASING. SET 6K WEATHERFORD CBP @ 7,187'. PERF 7,151' - 57' 3 SPF. 7,151' - 57' 4 SPF. 42 HOLES. WHP 260 PSI, BRK 2,797 PSI @ 2.7 BPM, ISIP 1,966 PSI, FG .81. PUMP 100 BBLs @ 40.0 BPM @ 4,148 = 40 OF 42 HOLES OPEN. MP 3,951 PSI, MR 40.1 BPM, AP 3,802 PSI, AR 40 BPM, ISIP 2,772 PSI, FG .82, NPI 806 PSI, PMP 406 BBLs OF SLICK WATER & 11,556 LBS OF 30/50 SND & 5,000 LBS OF 20/40 RESIN COATED SAND. TOTAL PROP PUMPED = 16,556 LBS. |
| 14:52-16:00 | 1.13 | 34 P | I | KILL PLUG) RIH SET WEATHERFORD 6K CBP @ 7,000' |
| 16:00-17:00 | 1.00 | 36 P | B | RDMO BJ & CUTTERS. ND FRAC VALVES & NU BOP'S WINTERIZE WELL HEAD. SDFN |

02/14/08 **FLOWBACK REPORT:** CP 1850#, TP 1500#, CK 20/64", 50 BWPH, LOAD REC'D 2130 BBLs, REMAINING LTR 2477 BBLs

02/16/08 **WENT ON SALES:** @ 11:00 AM, 1200 MCF, 1400 TBG, 2175 CSG, 20/64 CK, 29 BBWH

02/17/08 **FLOWBACK REPORT:** CP 1500#, TP 900#, CK 20/64", 10 BWPH, LOAD REC'D 301 BBLs, REMAINING LTR 512 BBLs

ON SALES: 951 MCF, 0 BC, 432 BW, TP: 1100#, CP: 1800#, 20/64 CHK, 24 HRS, LP: 302#.

02/18/08 **FLOWBACK REPORT:** CP 1200#, TP 875#, CK 20/64", 10 BWPH, LOAD REC'D 240 BBLS,
REMAINING LTR 272 BBLS

ON SALES: 1545 MCF, 0 BC, 240 BW, TP: 900#, CP: 1500#, 20/64 CHK, 24 HRS, LP: 250#.

02/19/08 **ON SALES:** 1346 MCF, 0 BC, 240 BW, TP: 875#, CP: 1200#, 20/64 CHK, 24 HRS, LP: 241#.

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-23608

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME
UNIT #891008900A

8. WELL NAME and NUMBER:
NBU 1021-13A

9. API NUMBER:
4304737722

10. FIELD AND POOL, OR WILDCAT
NATURAL BUTTES

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
NENE 13 10S 21E

12. COUNTY
UINTAH

13. STATE
UTAH

14. DATE SPUDDED: **12/2/2007** 15. DATE T.D. REACHED: **1/5/2008** 16. DATE COMPLETED: **2/16/2008**

ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
5261'GL

18. TOTAL DEPTH: MD **9,220** TVD

19. PLUG BACK T.D.: MD **9,176** TVD

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE MD PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
CBL-COL-GR, BCS, SD, DSN, ACTR

23.
WAS WELL CORED? NO YES (Submit analysis)
WAS DST RUN? NO YES (Submit report)
DIRECTIONAL SURVEY? NO YES (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

| HOLE SIZE | SIZE/GRADE | WEIGHT (#/ft.) | TOP (MD) | BOTTOM (MD) | STAGE CEMENTER DEPTH | CEMENT TYPE & NO. OF SACKS | SLURRY VOLUME (BBL) | CEMENT TOP ** | AMOUNT PULLED |
|-----------|------------|----------------|----------|-------------|----------------------|----------------------------|---------------------|---------------|---------------|
| 20" | 14" STL | 36.7# | | 40 | | 28 | | | |
| 12 1/4" | 9 5/8 J-55 | 36# | | 2,210 | | 1000 | | | |
| 7 7/8" | 4 1/2 I-80 | 11.6# | | 9,220 | | 1710 | | | |
| | | | | | | | | | |
| | | | | | | | | | |

25. TUBING RECORD

| SIZE | DEPTH SET (MD) | PACKER SET (MD) | SIZE | DEPTH SET (MD) | PACKER SET (MD) | SIZE | DEPTH SET (MD) | PACKER SET (MD) |
|--------|----------------|-----------------|------|----------------|-----------------|------|----------------|-----------------|
| 2 3/8" | 7,966 | | | | | | | |

26. PRODUCING INTERVALS

| FORMATION NAME | TOP (MD) | BOTTOM (MD) | TOP (TVD) | BOTTOM (TVD) | INTERVAL (Top/Bot - MD) | SIZE | NO. HOLES | PERFORATION STATUS |
|----------------|----------|-------------|-----------|--------------|-------------------------|------|-----------|--|
| (A) MESAVERDE | 7,151 | 8,819 | | | 7,151 8,819 | 0.36 | 208 | Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/> |
| (B) WSMVD | | | | | | | | Open <input type="checkbox"/> Squeezed <input type="checkbox"/> |
| (C) | | | | | | | | Open <input type="checkbox"/> Squeezed <input type="checkbox"/> |
| (D) | | | | | | | | Open <input type="checkbox"/> Squeezed <input type="checkbox"/> |

RECEIVED

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

| DEPTH INTERVAL | AMOUNT AND TYPE OF MATERIAL |
|----------------|--|
| 7151'-8819' | PMP 4607 BBLs SLICK H2O & 154,140# 30/50 OTTOWA SD |

MAR 28 2008

DIV. OF OIL, GAS & MINING

29. ENCLOSED ATTACHMENTS:

ELECTRICAL/MECHANICAL LOGS GEOLOGIC REPORT DST REPORT DIRECTIONAL SURVEY

SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION CORE ANALYSIS OTHER: _____

30. WELL STATUS:
PROD

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

| | | | | | | | | | | |
|-----------------------------------|--------------------|-------------------------|-------------|---------------------|---------------|---------------------------|-----------------|---------------------|---------------------|--------------------------|
| DATE FIRST PRODUCED: 2/16/2008 | | TEST DATE: 2/18/2008 | | HOURS TESTED: 24 | | TEST PRODUCTION RATES: → | OIL – BBL: 0 | GAS – MCF: 1,545 | WATER – BBL: 240 | PROD. METHOD: FLOWING |
| CHOKE SIZE: 20/64 | TBG. PRESS. 900 | CSG. PRESS. 1,500 | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: 0 | GAS – MCF: 1,545 | WATER – BBL: 240 | INTERVAL STATUS: PROD |

INTERVAL B (As shown in item #26)

| | | | | | | | | | | |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|
| DATE FIRST PRODUCED: | | TEST DATE: | | HOURS TESTED: | | TEST PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | INTERVAL STATUS: |

INTERVAL C (As shown in item #26)

| | | | | | | | | | | |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|
| DATE FIRST PRODUCED: | | TEST DATE: | | HOURS TESTED: | | TEST PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | INTERVAL STATUS: |

INTERVAL D (As shown in item #26)

| | | | | | | | | | | |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|
| DATE FIRST PRODUCED: | | TEST DATE: | | HOURS TESTED: | | TEST PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | INTERVAL STATUS: |

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

SOLD

33. 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.

34. FORMATION (Log) MARKERS:

| Formation | Top (MD) | Bottom (MD) | Descriptions, Contents, etc. | Name | Top (Measured Depth) |
|----------------------|----------------|-------------|------------------------------|------|----------------------|
| WASATCH MESAVERDE | 4,472 7,144 | 7,144 | | | |

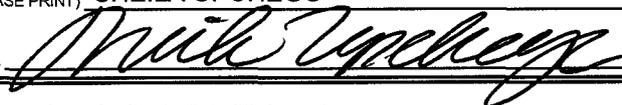
35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE SENIOR LAND ADMIN SPECIALIST

SIGNATURE



DATE 3/14/2008

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340
Fax: 801-359-3940

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

FORM 9

| | | |
|---|--|--|
| SUNDRY NOTICES AND REPORTS ON WELLS | | 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23608 |
| <small>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.</small> | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | 7. UNIT or CA AGREEMENT NAME: UNIT #891008900A |
| 2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP | | 8. WELL NAME and NUMBER: NBU 1021-13A |
| 3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST VERNAL UT 84078 | PHONE NUMBER: (435) 781-7024 | 9. API NUMBER: 4304737722 |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 651'FNL, 1311'FEL | | 10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 13 10S 21E | | COUNTY: UINTAH |
| | | STATE: UTAH |

| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | | |
|---|---|--|--|
| TYPE OF SUBMISSION | TYPE OF ACTION | | |
| <input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____ | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> OTHER: _____ |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input checked="" type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

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 COMPLETE THE WASATCH INTERVALS, AND COMMINGLE THE NEWLY WASATCH INTERVALS WITH THE EXISTING MESAVERDE INTERVALS.

PLEASE REFER TO THE ATTACHED RECOMPLETION PROCEDURE.

COPY SENT TO OPERATOR

Date: 6-24-2008

Initials: KS

RECEIVED

JUN 26 2008

DIV. OF OIL, GAS & MINING

| | |
|---|---|
| NAME (PLEASE PRINT) <u>SHEILA UPCHEGO</u> | TITLE <u>SENIOR LAND ADMIN SPECIALIST</u> |
| SIGNATURE <u><i>[Signature]</i></u> | DATE <u>6/23/2008</u> |

(This space for State use only)

**APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING**

DATE: 6/26/08

BY: *[Signature]*

(See Instructions on Reverse Side)

Name: NBU 1021-13A
Location: NENE Sec. 13 T10S R21E
 Uintah County, UT
Date: 6/18/08

ELEVATIONS: 5266 GL 5280 KB

TOTAL DEPTH: 9220 **PBTD:** 9175
SURFACE CASING: 9 5/8", 36# J-55 ST&C @ 2186'
PRODUCTION CASING: 4 1/2", 11.6#, I-80 LT&C @ 9220'
 Marker Joint 4520'-4535'

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 (Sec above) | 7780 | 6350 | 3.875" | 0.0155 | 0.6528 |
| 2 3/8" by 4 1/2" Annulus | | | | 0.0101 | 0.4227 |

TOPS:

1253' Green River
 1922' Mahogany
 4460' Wasatch
 7063' Mesaverde

GENERAL:

- A minimum of 11 tanks (cleaned lined 500 bbl) of fresh water will be required. Note: Use biocide in tanks and the water needs to be at least 45°F at pump time.
- All perforation depths are from Halliburtons Induction-Density-Neutron log dated 1/6/08
- 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.
- Put scale inhibitor 3 gals/1000 gals (in pad and 1/2 the ramp) and 10 gals/1000 gals in all flushes except the final stage. Remember to pre-load the casing with scale inhibitor for the very first stage with 10 gpt.
- 20/40 mesh Ottawa sand, **Gel frac**.
- Maximum surface pressure **6200 psi**.
- Flush volumes are the sum of water and acid used during displacement (include scale inhibitor as mentioned above). **DO NOT OVERDISPLACE**. Stage acid and scale inhibitor if necessary to cover the next perforated interval.
- Service companies need to provide surface/production annulus pop-offs to be set for 1500 psi for each frac.
- Pump **resin coated sand** last 5,000# of all frac stages
- Tubing Currently Landed @~7966

- Originally completed on 2/13/08

Existing Perforations:

| <u>PERFORATIONS</u> | | | | | | |
|---------------------------------|-------------------|-------------------|-------------------|---------------------|--------------------|----------------------|
| <u>Formation (Bench)</u> | <u>Top</u> | <u>Btm</u> | <u>spf</u> | <u>Shots</u> | <u>Date</u> | <u>Reason</u> |
| MESA VERDE | 7151 | 7157 | 4 | 24 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 7327 | 7330 | 4 | 12 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 7340 | 7347 | 4 | 26 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 7686 | 7688 | 4 | 8 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 7701 | 7703 | 3 | 6 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 7709 | 7715 | 3 | 18 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 7727 | 7730 | 4 | 12 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 7876 | 7878 | 2 | 4 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 7889 | 7891 | 2 | 4 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 7928 | 7930 | 4 | 8 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 7934 | 7936 | 4 | 8 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 8037 | 8041 | 4 | 16 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 8750 | 8757 | 2 | 14 | 02/12/2008 | PRODUCTION |
| MESA VERDE | 8812 | 8819 | 4 | 26 | 02/12/2008 | PRODUCTION |

PROCEDURE:

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.
2. TOOH with 2-3/8", 4.7#, J-55 tubing (currently landed at ~7966'). Visually inspect for scale and consider replacing if needed.
3. If tbg looks ok consider running a gauge ring to 7150' (50' below proposed CBP). Otherwise P/U a mill and C/O to 7150' (50' below proposed CBP).
4. Set 8000 psi CBP at ~ 7100'. Pressure test BOP and casing to 6000 psi. .

5. Perf the following with 3-3/8" gun, 23 gm, 0.36"hole:

| Zone | From | To | spf | # of shots |
|---------|------|------|-----|------------|
| WASATCH | 6928 | 6930 | 3 | 6 |
| WASATCH | 6942 | 6944 | 3 | 6 |
| WASATCH | 6974 | 6976 | 3 | 6 |
| WASATCH | 7018 | 7020 | 3 | 6 |
| WASATCH | 7048 | 7052 | 4 | 16 |

6. Breakdown perfs and establish injection rate (include scale inhibitor in fluid). Fracture as outlined in Stage 1 on attached listing. Under-displace to ~6878' and trickle 250gal 15%HCL w/ scale inhibitor in flush .

7. Set 8000 psi CBP at ~6604'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:

| Zone | From | To | spf | # of shots |
|---------|------|------|-----|------------|
| WASATCH | 6406 | 6410 | 3 | 12 |
| WASATCH | 6526 | 6530 | 3 | 12 |
| WASATCH | 6570 | 6574 | 4 | 16 |

8. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~6378' and trickle 250gal 15%HCL w/ scale inhibitor in flush.

Note: Tight Spacing

9. Set 8000 psi CBP at ~6368'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

| Zone | From | To | spf | # of shots |
|---------|------|------|-----|------------|
| WASATCH | 6220 | 6226 | 3 | 18 |
| WASATCH | 6278 | 6280 | 3 | 6 |
| WASATCH | 6310 | 6312 | 3 | 6 |
| WASATCH | 6336 | 6338 | 4 | 8 |

10. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 3 on attached listing. Under-displace to ~6170' trickle 250gal 15%HCL w/ scale inhibitor in flush.

11. Set 8000 psi CBP at ~5984'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

| Zone | From | To | spf | # of shots |
|---------|------|------|-----|------------|
| WASATCH | 5772 | 5774 | 4 | 8 |
| WASATCH | 5794 | 5796 | 4 | 8 |
| WASATCH | 5818 | 5820 | 4 | 8 |
| WASATCH | 5924 | 5926 | 4 | 8 |
| WASATCH | 5952 | 5954 | 4 | 8 |

12. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 4 on attached listing. Under-displace to ~5722' and trickle 250gal 15%HCL w/ scale inhibitor in flush.

13. Set 8000 psi CBP at ~5296'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

| Zone | From | To | spf | # of shots |
|---------|------|------|-----|------------|
| WASATCH | 5256 | 5266 | 4 | 40 |

14. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 5 on attached listing. Under-displace to ~5206' and flush only with recycled water.

15. Set 8000 psi CBP at ~5206'.

16. TIH with 3 7/8" bit, pump off sub, SN and tubing.

17. Drill plugs and clean out to 9175. Pump off sub and land tubing at ±7846' unless indicated otherwise by the well's behavior. This well will be commingled at this time.

18. RDMO

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

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

NOTES:
Avoid water at 6820'

Name NBU 1021-13A
 Perforation and CBP Summary

| Stage | Zones | Perforations | | SPF | Holes | Fracture Coverage | | |
|------------------|---------|--------------|------------|-----|-------|-------------------|-------|------|
| | | Top, ft | Bottom, ft | | | | | |
| 1 | WASATCH | 6928 | 6930 | 3 | 6 | 6928 | to | 6930 |
| | WASATCH | 6942 | 6944 | 3 | 6 | 6942 | to | 6944 |
| | WASATCH | 6974 | 6976 | 3 | 6 | 6974 | to | 6976 |
| | WASATCH | 7018 | 7020 | 3 | 6 | 7006 | to | 7131 |
| | WASATCH | 7048 | 7052 | 4 | 16 | 7048 | to | 7052 |
| | WASATCH | | | | | | | |
| | WASATCH | | | | | | | |
| | WASATCH | | | | | | | |
| | WASATCH | | | | | | | |
| | WASATCH | | | | | | | |
| | WASATCH | | | | | | | |
| | WASATCH | | | | | | | |
| | WASATCH | | | | | | | |
| | WASATCH | | | | | | | |
| # of Perfs/stage | | | | | 40 | CBP DEPTH | 5,604 | |
| 2 | WASATCH | 6406 | 6410 | 3 | 12 | 6406 | to | 6466 |
| | WASATCH | 6526 | 6530 | 3 | 12 | 6519 | to | 6597 |
| | WASATCH | 6570 | 6574 | 4 | 16 | 6519 | to | 6597 |
| | WASATCH | | | | | | | |
| | WASATCH | | | | | | | |
| | WASATCH | | | | | | | |
| | WASATCH | | | | | | | |
| | WASATCH | | | | | | | |
| | WASATCH | | | | | | | |
| | WASATCH | | | | | | | |
| | WASATCH | | | | | | | |
| | WASATCH | | | | | | | |
| | WASATCH | | | | | | | |
| | WASATCH | | | | | | | |
| # of Perfs/stage | | | | | 40 | CBP DEPTH | 5,368 | |
| 3 | WASATCH | 6220 | 6226 | 3 | 18 | 6206 | to | 6231 |
| | WASATCH | 6278 | 6280 | 3 | 6 | 6235 | to | 6284 |
| | WASATCH | 6310 | 6312 | 3 | 6 | 6304 | to | 6389 |
| | WASATCH | 6336 | 6338 | 4 | 8 | 6304 | to | 6388 |
| | WASATCH | | | | | | | |
| | WASATCH | | | | | | | |
| | WASATCH | | | | | | | |
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| | WASATCH | | | | | | | |
| # of Perfs/stage | | | | | 38 | CBP DEPTH | 5,984 | |
| 4 | WASATCH | 5772 | 5774 | 4 | 8 | 5766 | to | 5828 |
| | WASATCH | 5794 | 5796 | 4 | 8 | 5766 | to | 5828 |
| | WASATCH | 5818 | 5820 | 4 | 8 | 5766 | to | 5828 |
| | WASATCH | 5924 | 5926 | 4 | 8 | 5889 | to | 5955 |
| | WASATCH | 5952 | 5954 | 4 | 8 | 5889 | to | 5955 |
| | WASATCH | | | | | | | |
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| | WASATCH | | | | | | | |
| # of Perfs/stage | | | | | 40 | CBP DEPTH | 5,206 | |
| 5 | WASATCH | 5256 | 5266 | 4 | 40 | 5248 | to | 5282 |
| | WASATCH | | | | | | | |
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| | WASATCH | | | | | | | |
| # of Perfs/stage | | | | | 40 | CBP DEPTH | 5,206 | |

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

| | | |
|---|--|---|
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23608 |
| 2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078 | | 7. UNIT or CA AGREEMENT NAME: UNIT #891008900A |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 651'FNL, 1311'FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 13 10S 21E | | 8. WELL NAME and NUMBER: NBU 1021-13A |
| PHONE NUMBER: (435) 781-7024 | | 9. API NUMBER: 4304737722 |
| COUNTY: UINTAH STATE: UTAH | | 10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|---|--|--|
| <input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____ | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> OTHER: _____ |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input checked="" type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

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 COMPLETE THE WASATCH INTERVALS, AND COMMINGLE THE NEWLY WASATCH INTERVALS WITH THE EXISTING MESAVERDE INTERVALS.

PLEASE REFER TO THE ATTACHED RECOMPLETION PROCEDURE.

COPY SENT TO OPERATOR
Date: 7-15-2008
Initials: KS

| | |
|---|---|
| NAME (PLEASE PRINT) <u>SHEILA UPCHEGO</u> | TITLE <u>SENIOR LAND ADMIN SPECIALIST</u> |
| SIGNATURE  | DATE <u>6/23/2008</u> |

(This space for State use only)

**APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING**
DATE: 7/14/08
BY: [Signature]
(See Instructions on Reverse Side)
cause 173-14

RECEIVED
JUN 26 2008
DIV. OF OIL, GAS & MINING

Name: NBU 1021-13A
Location: NENE Sec. 13 T10S R21E
Uintah County, UT
Date: 6/18/08

ELEVATIONS: 5266 GL 5280 KB

TOTAL DEPTH: 9220 **PBTD:** 9175
SURFACE CASING: 9 5/8", 36# J-55 ST&C @ 2186'
PRODUCTION CASING: 4 1/2", 11.6#, I-80 LT&C @ 9220'
 Marker Joint 4520'-4535'

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:

1253' Green River
 1922' Mahogany
 4460' Wasatch
 7063' Mesaverde

GENERAL:

- A minimum of **11** tanks (cleaned lined 500 bbl) of fresh water will be required. Note: Use biocide in tanks and the water needs to be at least 45°F at pump time.
- All perforation depths are from Halliburtons Induction-Density-Neutron log dated 1/6/08
- **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.
- Put scale inhibitor 3 gals/1000 gals (in pad and 1/2 the ramp) and 10 gals/1000 gals in all flushes except the final stage. Remember to pre-load the casing with scale inhibitor for the very first stage with 10 gpt.
- 20/40 mesh Ottawa sand, **Gel frac.**
- Maximum surface pressure **6200** psi.
- Flush volumes are the sum of water and acid used during displacement (include scale inhibitor as mentioned above). **DO NOT OVERDISPLACE.** Stage acid and scale inhibitor if necessary to cover the next perforated interval.
- Service companies need to provide surface/production annulus pop-offs to be set for 1500 psi for each frac.
- Pump **resin coated sand** last 5,000# of all frac stages
- Tubing Currently Landed @~7966

- Originally completed on 2/13/08

Existing Perforations:

| PERFORATIONS | | | | | | |
|--------------------------|------------|------------|------------|--------------|-------------|---------------|
| Formation (Bench) | Top | Btm | spf | Shots | Date | Reason |
| MESA VERDE | 7151 | 7157 | 4 | 24 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 7327 | 7330 | 4 | 12 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 7340 | 7347 | 4 | 28 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 7686 | 7688 | 4 | 8 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 7701 | 7703 | 3 | 6 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 7709 | 7715 | 3 | 18 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 7727 | 7730 | 4 | 12 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 7876 | 7878 | 2 | 4 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 7889 | 7891 | 2 | 4 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 7928 | 7930 | 4 | 8 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 7934 | 7936 | 4 | 8 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 8037 | 8041 | 4 | 16 | 02/13/2008 | PRODUCTION |
| MESA VERDE | 8750 | 8757 | 2 | 14 | 02/12/2008 | PRODUCTION |
| MESA VERDE | 8812 | 8819 | 4 | 28 | 02/12/2008 | PRODUCTION |

PROCEDURE:

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.
2. TOOH with 2-3/8", 4.7#, J-55 tubing (currently landed at ~7966'). Visually inspect for scale and consider replacing if needed.
3. If tbg looks ok consider running a gauge ring to 7150' (50' below proposed CBP). Otherwise P/U a mill and C/O to 7150' (50' below proposed CBP).
4. Set 8000 psi CBP at ~ 7100'. Pressure test BOP and casing to 6000 psi. .
5. Perf the following with 3-3/8" gun, 23 gm, 0.36"hole:

| Zone | From | To | spf | # of shots |
|---------|------|------|-----|------------|
| WASATCH | 6928 | 6930 | 3 | 6 |
| WASATCH | 6942 | 6944 | 3 | 6 |
| WASATCH | 6974 | 6976 | 3 | 6 |
| WASATCH | 7018 | 7020 | 3 | 6 |
| WASATCH | 7048 | 7052 | 4 | 16 |
6. Breakdown perfs and establish injection rate (include scale inhibitor in fluid). Fracture as outlined in Stage 1 on attached listing. Under-displace to ~6878' and trickle 250gal 15%HCL w/ scale inhibitor in flush .
7. Set 8000 psi CBP at ~6604'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:

| Zone | From | To | spf | # of shots |
|---------|------|------|-----|------------|
| WASATCH | 6406 | 6410 | 3 | 12 |
| WASATCH | 6526 | 6530 | 3 | 12 |
| WASATCH | 6570 | 6574 | 4 | 16 |

8. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~6378' and trickle 250gal 15%HCL w/ scale inhibitor in flush.
Note: Tight Spacing

9. Set 8000 psi CBP at ~6368'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

| Zone | From | To | spf | # of shots |
|---------|------|------|-----|------------|
| WASATCH | 6220 | 6226 | 3 | 18 |
| WASATCH | 6278 | 6280 | 3 | 6 |
| WASATCH | 6310 | 6312 | 3 | 6 |
| WASATCH | 6336 | 6338 | 4 | 8 |

10. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 3 on attached listing. Under-displace to ~6170' trickle 250gal 15%HCL w/ scale inhibitor in flush.

11. Set 8000 psi CBP at ~5984'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

| Zone | From | To | spf | # of shots |
|---------|------|------|-----|------------|
| WASATCH | 5772 | 5774 | 4 | 8 |
| WASATCH | 5794 | 5796 | 4 | 8 |
| WASATCH | 5818 | 5820 | 4 | 8 |
| WASATCH | 5924 | 5926 | 4 | 8 |
| WASATCH | 5952 | 5954 | 4 | 8 |

12. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 4 on attached listing. Under-displace to ~5722' and trickle 250gal 15%HCL w/ scale inhibitor in flush.

13. Set 8000 psi CBP at ~5296'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

| Zone | From | To | spf | # of shots |
|---------|------|------|-----|------------|
| WASATCH | 5256 | 5266 | 4 | 40 |

14. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 5 on attached listing. Under-displace to ~5206' and flush only with recycled water.

15. Set 8000 psi CBP at ~5206'.

16. TIH with 3 7/8" bit, pump off sub, SN and tubing.

17. Drill plugs and clean out to 9175. Pump off sub and land tubing at ±7846' unless indicated otherwise by the well's behavior. This well will be commingled at this time.

18. RDMO

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

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

NOTES:
Avoid water at 6820'

Name NBU 1021-13A
 Perforation and CBP Summary

| Stage | Zones | Perforations | | SPF | Holes | Fracture Coverage | | |
|-------|------------------|--------------|------------|-----|-------|-------------------|-----------|-------|
| | | Top, ft | Bottom, ft | | | | | |
| 1 | WASATCH | 6928 | 6930 | 3 | 6 | 6928 | to | 6930 |
| | WASATCH | 6942 | 6944 | 3 | 6 | 6942 | to | 6944 |
| | WASATCH | 6974 | 6976 | 3 | 6 | 6974 | to | 6976 |
| | WASATCH | 7018 | 7020 | 3 | 6 | 7005 | to | 7121 |
| | WASATCH | 7048 | 7052 | 4 | 16 | 7048 | to | 7052 |
| | WASATCH | | | | | | | |
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| | WASATCH | | | | | | | |
| | # of Perfs/stage | | | | | 40 | CBP DEPTH | 6,804 |
| 2 | WASATCH | 6406 | 6410 | 3 | 12 | 6406 | to | 6466 |
| | WASATCH | 6526 | 6530 | 3 | 12 | 6519 | to | 6597 |
| | WASATCH | 6570 | 6574 | 4 | 16 | 6519 | to | 6597 |
| | WASATCH | | | | | | | |
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| | # of Perfs/stage | | | | | 40 | CBP DEPTH | 6,366 |
| 3 | WASATCH | 6220 | 6226 | 3 | 18 | 6206 | to | 6231 |
| | WASATCH | 6278 | 6280 | 3 | 6 | 6235 | to | 6284 |
| | WASATCH | 6310 | 6312 | 3 | 6 | 6304 | to | 6388 |
| | WASATCH | 6336 | 6338 | 4 | 8 | 6304 | to | 6388 |
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| | WASATCH | | | | | | | |
| | # of Perfs/stage | | | | | 38 | CBP DEPTH | 5,984 |
| 4 | WASATCH | 5772 | 5774 | 4 | 8 | 5766 | to | 5828 |
| | WASATCH | 5794 | 5796 | 4 | 8 | 5766 | to | 5828 |
| | WASATCH | 5818 | 5820 | 4 | 8 | 5766 | to | 5828 |
| | WASATCH | 5924 | 5926 | 4 | 8 | 5889 | to | 5956 |
| | WASATCH | 5952 | 5954 | 4 | 8 | 5889 | to | 5956 |
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| | WASATCH | | | | | | | |
| | # of Perfs/stage | | | | | 40 | CBP DEPTH | 5,296 |
| 5 | WASATCH | 5256 | 5266 | 4 | 40 | 5248 | to | 5282 |
| | WASATCH | | | | | | | |
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| | WASATCH | | | | | | | |
| | # of Perfs/stage | | | | | 40 | CBP DEPTH | 5,206 |

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

FORM 9

| | | |
|--|--|--|
| SUNDRY NOTICES AND REPORTS ON WELLS | | 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23608 |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | 7. UNIT or CA AGREEMENT NAME: UNIT #891008900A |
| 2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP | | 8. WELL NAME and NUMBER: NBU 1021-13A |
| 3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078 | | 9. API NUMBER: 4304737722 |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 651'FNL, 1311'FEL | | 10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 13 10S 21E | | COUNTY: UINTAH |
| | | STATE: UTAH |

| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | | |
|--|---|--|--|
| TYPE OF SUBMISSION | TYPE OF ACTION | | |
| <input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 8/31/2008 | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> OTHER: _____ |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input checked="" type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

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

THE OPERATOR HAS PERFORMED THE RECOMPLETION ON THE SUBJECT WELL LOCATION. THE OPERATOR HAS RETURNED THE SUBJECT WELL LOCATION BACK TO PRODUCTION ON 08/31/2008 AT 10:30 AM.

PLEASE REFER TO THE ATTACHED RECOMPLETION CHRONOLOGICAL WELL HISTORY.

| | |
|---|---------------------------------|
| NAME (PLEASE PRINT) SHEILA UPCHEGO | TITLE REGULATORY ANALYST |
| SIGNATURE | DATE 9/3/2008 |

(This space for State use only)

RECEIVED

SEP 09 2008

DIV. OF OIL, GAS & MINING

7:15 - 17:00 9.75 COMP 36 D P MIRU WEATHERFORD FFRAC EQUIP, FRAC WASATCH 6928'-7052' [40 HOLES]

STG #1] WHP=700#,brk dn perfs @ 4415#, INJT PSI=3938#, INJT RT=20, ISIP=3105#, FG=.89, PUMP' 1067 BBLS W/ 1100655# 20/40 OTTAWA, W/ 5000# RESIN COAT IN TAIL.

STG #2] P/U RIH W/ BKR 8K CBP & PERF GUN. SET CBP @ 6604' PERF WASATCH USING 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 6570'-6574' 4 SPF 90° PH, 16 HOLES, 6526'-6530' 3 SPF, 102° PH, 12 HOLES, 6406'-6410' 3 SPF, 120° PH, 12 HOLES [40 HOLES]

WHP=60#, BRK DN PERFS @ 6508#, INJT PSI=3530#, INJ RT=23, ISIP=2497#, FG=.83, PUMP'D 897.0 BBLS W/ 95333# 20/40 OTTAWA, W/ 5000# RESIN COAT IN TAIL, ISIP=2208#, FG=.78, AR=22.4, AP=2937#, MR=22.8, NPI=-289#, 26/40 CALC PERFS OPEN 64%.

STG #3] P/U RIH W/ BKR 8K CBP & PERF GUN. SET CBP @ 6368', PERF WASATCH USING 3-3/8 EXPEND, 23 GRM, 0.26" HOLE, 6336'-6338' 4 SPF, 90° PH, 8 HOLES, 6310'-6312 3 SPF, 120° PH, 6 HOLES, 6278'-6280' 3 SPF, 120° PH, 6 HOLES, 6220'-6226' 3 SPF, 120° PH, 18 HOLES, [38 HOLES]

WHP=0#, BRK DN PERFS @ 2491#, INJT PSI=2756#, INJT RT=23, ISIP=1986#, FG=.75, PUMP'D 1015 BBLS W/ 109158# 20/40 OWATTA W/ 5000# RESIN COAT IN TAIL. ISIP=2449, FG=.83, AR=23.4, AP=2448#, MR=24.7, MP=3027#, NPI=463#, 30/38 CALC PERFS OPEN 79%.

STG #4] P/U RIH W/ BKR 8K CBP & PERF GUN, SET CBP @ 5984', PERF WASATCH USING 3-3/8 EXPEND, 23 GRM, 0.36" HOLE. 4 SPF, 90° PH, 5952'-5954', 5924'-5926', 5818'-5820, 5794'-5796', 5772'-5774' [40 HOLES]

WHP=0#, BRK DN PERFS @ 2265#, INJ PSI=2335#, INJ RT=24, ISIP=1509#, FG=.70, PUMP'D 1032 BBLS W/ 111301# 20/40 OWATTA W/ 5000# RESIN COAT IN TAIL, ISIP=1968, FG=.77, AR=23, AP=2054, MR=24, MP=2654, NPI=459, 27/40 CALC PERFS OPEN 79%.

STG #5] P/U RIH W/ BKR 8K CBP & PERF GUN. SET CBP @ 5296', PERF WASATCH USING 3-3/8 EXPEND, 23 GRM, 0>36" HOLE, 4 SPF, 90° PH, 40 HOLES, 5256'-5206'.

WHP=0#, BRK DN PERFS @ 1490#, INJT PSI=2440, INJT RT=24, ISIP=1183#, FG=.66, PUMP'D 850 BBLS W/ 88708# 20/40 OWATTA, W/ 5000# RESIN COAT IN TAIL. ISIP=2574#, FG=.93, AR=23, AP=2577, MR=24, MP=2623#, NPI=134#, 24/40 CALC PERFS OPEN 60%.

P/U RIH W/ BKR 8K CBP & SET @ 5206' POOH R/D CUTTERS WIRE LINE & WTHRFRD FRAC. N/D FRAC VALVES, N/U BOPS, P/U & RIH W/ 3-7/8 POBS & 2-3/8 J-55 TBG. SWIFN.

| | | | | | | |
|-----------|-------------------------|------|----|---|---|---|
| 8/27/2008 | SUPERVISOR: KEN WARREN | | | | | MD: |
| | 7:00 - | | 33 | A | | 7 AM FLBK REPORT: CP 200#, TP 0#, OPEN/64" CK, - BWPB, - SAND, - GAS TTL BBLS RECOVERED: 0 BBLS LEFT TO RECOVER: 4862 |
| 8/28/2008 | SUPERVISOR: KEN WARREN | | | | | MD: |
| | - | | | | | |
| 8/29/2008 | SUPERVISOR: KEN WARREN | | | | | MD: |
| | - | | | | | |
| 8/30/2008 | SUPERVISOR: KEN WARREN | | | | | MD: |
| | 10:30 - | PROD | | | | WELL TURNED TO SALES @ 1030 HR ON 8/30/2008 - FTP 90#, CP 1200#, CK 20/64", 454 MCFD, 360 BWPB |
| 8/30/2008 | SUPERVISOR: CHUCK ALLEN | | | | | MD: |
| | 7:00 - | PROD | 33 | A | P | 7 AM FLBK REPORT: CP 1200#, TP 450#, 20/64" CK, 15 BWPB, LIGHT SAND, - GAS TTL BBLS RECOVERED: 575 BBLS LEFT TO RECOVER: 4287 |

Wins No.: 95158 NBU 1021-13A API No.: 4304737722

| | | | | | |
|-----------|-------------------------|----|---|--|-----|
| 8/31/2008 | SUPERVISOR: CHUCK ALLEN | | | | MD: |
| | 7:00 - | 33 | A | 7 AM FLBK REPORT: CP 1000#, TP 500#, 20/64" CK, 11 BWPH, CLEAN SAND, - GAS TTL BBLS RECOVERED: 839 BBLS LEFT TO RECOVER: 4023 | |

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

AMENDED REPORT FORM 8
(highlight changes)

amended from sundry

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-23608

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME
UNIT #891008900A

8. WELL NAME and NUMBER:
NBU 1021-13A

9. API NUMBER:
4304737722

10. FIELD AND POOL, OR WILDCAT
NATURAL BUTTES

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
NENE 13 10S 21E

12. COUNTY
UINTAH

13. STATE
UTAH

1a. TYPE OF WELL: OIL WELL GAS WELL DRY OTHER _____

b. TYPE OF WORK: NEW WELL HORIZ. LATS. DEEP-EN RE-ENTRY DIFF. RESVR. OTHER *reperf* RECOMPLETION

2. NAME OF OPERATOR:
KERR MCGEE OIL & GAS ONSHORE LP

3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078
PHONE NUMBER: (435) 781-7024

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 651'FNL, 1311'FEL
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH:

14. DATE SPUDDED: 12/2/2007
15. DATE T.D. REACHED: 1/5/2008
16. DATE COMPLETED: 8/31/2008
ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
5261'GL

18. TOTAL DEPTH: MD 9,220 TVD
19. PLUG BACK T.D.: MD 9,176 TVD
20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE MD
PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
N/A

23. WAS WELL CORED? NO YES (Submit analysis)
WAS DST RUN? NO YES (Submit report)
DIRECTIONAL SURVEY? NO YES (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

| HOLE SIZE | SIZE/GRADE | WEIGHT (#ft.) | TOP (MD) | BOTTOM (MD) | STAGE CEMENTER DEPTH | CEMENT TYPE & NO. OF SACKS | SLURRY VOLUME (BBL) | CEMENT TOP ** | AMOUNT PULLED |
|-----------|------------|---------------|----------|-------------|----------------------|----------------------------|---------------------|---------------|---------------|
| 20" | 14" STL | 36.7# | | 40 | | 28 | | | |
| 12 1/4" | 9 5/8 J-55 | 36# | | 2,210 | | 1000 | | | |
| 7 7/8" | 4 1/2 I-80 | 11.6# | | 9,220 | | 1710 | | | |

25. TUBING RECORD

| SIZE | DEPTH SET (MD) | PACKER SET (MD) | SIZE | DEPTH SET (MD) | PACKER SET (MD) | SIZE | DEPTH SET (MD) | PACKER SET (MD) |
|--------|----------------|-----------------|------|----------------|-----------------|------|----------------|-----------------|
| 2 3/8" | 7.966 | | | | | | | |

26. PRODUCING INTERVALS

27. PERFORATION RECORD

| FORMATION NAME | TOP (MD) | BOTTOM (MD) | TOP (TVD) | BOTTOM (TVD) | INTERVAL (Top/Bot - MD) | SIZE | NO. HOLES | PERFORATION STATUS |
|----------------|----------|-------------|-----------|--------------|-------------------------|------|-----------|--|
| (A) WASATCH | 5,256 | 7,052 | | | 5,256 7,052 | 0.36 | 198 | Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/> |
| (B) | | | | | | | | Open <input type="checkbox"/> Squeezed <input type="checkbox"/> |
| (C) | | | | | | | | Open <input type="checkbox"/> Squeezed <input type="checkbox"/> |
| (D) | | | | | | | | Open <input type="checkbox"/> Squeezed <input type="checkbox"/> |

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

| DEPTH INTERVAL | AMOUNT AND TYPE OF MATERIAL |
|----------------|--|
| 5256'-7052' | PMP 4862 BBLs SLICK H2O & 515,155# 30/50 OTTOWA SD |

29. ENCLOSED ATTACHMENTS:

30. WELL STATUS:

ELECTRICAL/MECHANICAL LOGS
 GEOLOGIC REPORT
 DST REPORT
 DIRECTIONAL SURVEY
 SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION
 CORE ANALYSIS
 OTHER: _____

PROD

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

| | | | | | | | | | | |
|-----------------------------------|--------------------|------------------------|-------------|---------------------|---------------|---------------------------|-----------------|-------------------|---------------------|--------------------------|
| DATE FIRST PRODUCED: 8/31/2008 | | TEST DATE: 9/4/2008 | | HOURS TESTED: 24 | | TEST PRODUCTION RATES: → | OIL – BBL: 0 | GAS – MCF: 631 | WATER – BBL: 198 | PROD. METHOD: FLOWING |
| CHOKE SIZE: 22/64 | TBG. PRESS. 213 | CSG. PRESS. 556 | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: 0 | GAS – MCF: 631 | WATER – BBL: 198 | INTERVAL STATUS: PROD |

INTERVAL B (As shown in item #26)

| | | | | | | | | | | |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|
| DATE FIRST PRODUCED: | | TEST DATE: | | HOURS TESTED: | | TEST PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | INTERVAL STATUS: |

INTERVAL C (As shown in item #26)

| | | | | | | | | | | |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|
| DATE FIRST PRODUCED: | | TEST DATE: | | HOURS TESTED: | | TEST PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | INTERVAL STATUS: |

INTERVAL D (As shown in item #26)

| | | | | | | | | | | |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|
| DATE FIRST PRODUCED: | | TEST DATE: | | HOURS TESTED: | | TEST PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | INTERVAL STATUS: |

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

SOLD

33. 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.

34. FORMATION (Log) MARKERS:

| Formation | Top (MD) | Bottom (MD) | Descriptions, Contents, etc. | Name | Top (Measured Depth) |
|----------------------|----------------|-------------|------------------------------|------|----------------------|
| WASATCH MESAVERDE | 4,472 7,144 | | | | |

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE 

DATE 9/16/2008

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340
Fax: 801-359-3940

| | |
|--|---|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23608 |
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES |
| 1. TYPE OF WELL Gas Well | 8. WELL NAME and NUMBER: NBU 1021-13A |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. | 9. API NUMBER: 43047377220000 |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 | PHONE NUMBER: 720 929-6007 Ext |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 0651 FNL 1311 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 13 Township: 10.0S Range: 21.0E Meridian: S | 9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|--|--|---|---|
| <input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 9/3/2009 | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR |
| <input type="checkbox"/> SUBSEQUENT REPORT 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"/> 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 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 checked="" 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 TEMPORARILY ABANDON THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO TEMPORARILY ABANDON THE WELL BORE TO DRILL THE NBU 1021-13A PAD, WHICH CONSIST OF NBU 1021-13A3CS, NBU 1021-13H4CS, NBU 1021-13H4AS, NBU 1021-13B3CS. PLEASE REFER TO THE ATTACHED TEMPORARILY ABANDON PROCEDURE.

Approved by the Utah Division of Oil, Gas and Mining

Date: September 02, 2009

By: *Derek Duff*

| | | |
|--|-------------------------------------|------------------------------------|
| NAME (PLEASE PRINT) Andy Lytle | PHONE NUMBER 720 929-6100 | TITLE Regulatory Analyst |
| SIGNATURE N/A | | DATE 9/1/2009 |

NBU 1021-13A
 651' FNL & 1311' FEL
 NENE SEC. 13, T10S, R21E
 Uintah County, UT

| | | | |
|-------|-------|---------------|--------------|
| KBE: | 5280' | API NUMBER: | 43-047-37722 |
| GLE: | 5266' | LEASE NUMBER: | UT-000005285 |
| TD: | 9220' | WI: | 100.0000% |
| PBTD: | | NRI: | 80.702949% |

CASING: 20" hole
 14" STL 36.7# csg @ 40' GL
 Cemented to surface w/ 28 sx

12 1/4" hole
 9 5/8" 36# J-55@ 2210' (KB)
 Cement w/ 1000 sx

7.875" hole
 4 1/2" 11.6# I-80 @ 9220'
 Cement w/ 1710 sks, TOC @ surface per CBL

TUBING: 2 3/8" 4.7# J-55 tubing landed at 7838'

| Tubular/Borehole | Drift inches | Collapse psi | Burst Psi | Capacities | | |
|--------------------------------|--------------|--------------|-----------|------------|----------|----------|
| | | | | Gal./ft. | Cuft/ft. | Bbl./ft. |
| 2.375" 4.7# J-55 tbg. | 1.901 | 8100 | 7700 | 0.1624 | 0.02173 | 0.00387 |
| 4.5" 11.6# P-110 | 3.875 | 7560 | 10690 | 0.6528 | 0.0872 | 0.01554 |
| 9.625" 32.3# H-40 | 8.845 | 1400 | 2270 | 3.3055 | 0.4418 | 0.0787 |
| 14" 36.7# Stl | | | | | | |
| Annular Capacities | | | | | | |
| 2.375" tbg. X 4 1/2" 11.6# csg | | | | 0.4227 | 0.0565 | 0.01006 |
| 4.5" csg X 9 5/8" 32.3# csg | | | | 2.4780 | 0.3314 | 0.0590 |
| 4.5" csg X 7.875 borehole | | | | 1.7052 | 0.2278 | 0.0406 |
| 9.625" csg X 12 1/4" borehole | | | | 2.3436 | 0.3132 | 0.0558 |
| 9.625" csg X 14" csg | | | | 3.4852 | 0.4659 | 0.0830 |
| 14" csg X 20" borehole | | | | | | |

GEOLOGIC INFORMATION:

| Formation | Depth to top, ft. |
|-------------------|-------------------|
| Uinta | Surface |
| Green River | 1287' |
| Bird's Nest | 1585' |
| Mahogany | 2049' |
| Base of Parachute | |
| Wasatch | 4472' |
| Dark Canyon | 7144' |
| Mesa Verde | 7211' |

Tech. Pub. #92 Base of USDW's

USDW Elevation
USDW Depth

0' MSL
5280' KBE

PERFORATIONS:

| Formation | Date | Top | | SPF | Status |
|-----------|-----------|------|------|-----|--------|
| Wasatch | 8/25/2008 | 5256 | 5266 | 4 | Open |
| Wasatch | 8/25/2008 | 5772 | 5774 | 4 | Open |
| Wasatch | 8/25/2008 | 5794 | 5796 | 4 | Open |
| Wasatch | 8/25/2008 | 5818 | 5820 | 4 | Open |
| Wasatch | 8/25/2008 | 5924 | 5926 | 4 | Open |
| Wasatch | 8/25/2008 | 5952 | 5954 | 4 | Open |
| Wasatch | 8/25/2008 | 6220 | 6226 | 3 | Open |
| Wasatch | 8/25/2008 | 6278 | 6280 | 3 | Open |
| Wasatch | 8/25/2008 | 6310 | 6312 | 3 | Open |
| Wasatch | 8/25/2008 | 6336 | 6338 | 4 | Open |
| Wasatch | 8/25/2008 | 6406 | 6410 | 3 | Open |
| Wasatch | 8/25/2008 | 6526 | 6530 | 3 | Open |
| Wasatch | 8/25/2008 | 6570 | 6574 | 4 | Open |
| Wasatch | 8/25/2008 | 6928 | 6930 | 3 | Open |
| Wasatch | 8/25/2008 | 6942 | 6944 | 3 | Open |
| Wasatch | 8/25/2008 | 6974 | 6976 | 3 | Open |
| Wasatch | 8/25/2008 | 7018 | 7020 | 3 | Open |
| Wasatch | 8/25/2008 | 7048 | 7052 | 4 | Open |
| Mesaverde | 2/13/2008 | 7151 | 7157 | 3 | Open |
| Mesaverde | 2/13/2008 | 7151 | 7157 | 4 | Open |
| Mesaverde | 2/13/2008 | 7327 | 7330 | 4 | Open |
| Mesaverde | 2/13/2008 | 7340 | 7347 | 4 | Open |
| Mesaverde | 2/13/2008 | 7686 | 7688 | 4 | Open |
| Mesaverde | 2/13/2008 | 7701 | 7703 | 3 | Open |
| Mesaverde | 2/13/2008 | 7709 | 7715 | 3 | Open |
| Mesaverde | 2/13/2008 | 7727 | 7730 | 4 | Open |
| Mesaverde | 2/13/2008 | 7876 | 7878 | 2 | Open |
| Mesaverde | 2/13/2008 | 7889 | 7891 | 2 | Open |
| Mesaverde | 2/13/2008 | 7928 | 7930 | 4 | Open |
| Mesaverde | 2/13/2008 | 7934 | 7936 | 4 | Open |
| Mesaverde | 2/13/2008 | 8037 | 8041 | 4 | Open |
| Mesaverde | 2/12/2008 | 8750 | 8757 | 2 | Open |
| Mesaverde | 2/12/2008 | 8812 | 8819 | 4 | Open |

WELL HISTORY:

- Spud Well 12/2/07, TD'd 1/5/08
- 2/13/08 - Completed MV interval f/ 7151' - 8819'. Slickwater frac in 5 stages using 154,140# sand & 4607 bbls slickwater.
- 2/18/08 - Well IP'd - 1545 MCF, 0 BC, 240 BW, TP: 900#, CP: 1500#, 20/64 CHK, 24 HRS, LP: 250#.
- 8/25/08 - Completed Was interval f/ 5256' - 7052' using 515,155# sand & 4862 bbls slickwater.
- 9/4/08 - Well IP'd - 631 MCF, 0 BC, 198 BW, TP 213#, CP 556#, 22/64" CK, 24 HRS, LP 98#

REMARKS:

- Land Exploration/Operations - This well is producing from the Was/MV formations. The lease is held by the NB Unit. OK to TA. Jason Rayburn 6/24/09.
- Geology - All pay sands stimulated. Okay to TA for pad drilling. Formation tops provided for reference. BJK 6/25/09
- Reservoir Engineering - This well was completed to the Mesaverde in Feb 2008 and then recompleted to the Wasatch in Aug 2008 and has a gross cum of 134 MMCF. The net remaining reserves as of Q209 are 360 MMCF. The average rate for May-June09 was 170 mcf/d with a LGR of 110 bbl/mcf. The marginal well screening tool shows a breakeven EBITDA of \$2.64/mcf for Jan-Apr09. Recommend to TA during the drilling and completion operations of the NBU 1021-13A pad wells. LNG 6/30/09
- Operations Engineering - Currently producing 160 MCFD and 20 BWPD. Ok to TA for pad drilling. BJA 6/30/09

Recommended future action for disposition of well bore:

Temporarily abandon the wellbore during the drilling and completion operations of the NBU 1021-13A pad wells. Return to production as soon as possible once completions are done.

GENERAL

- H2S MAY BE PRESENT. CHECK FOR H2S AND TAKE APPROPRIATE PRECAUTIONS.
- CEMENT QUANTITIES BELOW ASSUME NEAT CLASS G, YIELD 1.145 CUFT./SX. IF A DIFFERENT PRODUCT IS USED, WELLSITE PERSONNEL ARE RESPONSIBLE FOR CORRECTING QUANTITIES TO YIELD THE STATED SLURRY VOLUME. WHEN SQUEEZING, INCLUDE 10% EXCESS PER 1000' OF DEPTH.
- TREATED FRESH WATER WILL BE PLACED BETWEEN ALL PLUGS INSTEAD OF BRINE.
- ALL DISPLACEMENT FLUID SHALL CONTAIN CORROSION INHIBITOR AND BIOCIDES. PREMIX 5 GALLONS PER 100 BBLs FLUID.
- NOTIFY BLM 24 HOURS BEFORE MOVING ON LOCATION.

PROCEDURE

Note: An estimated 23 sx Class "G" cement needed for procedure

Note: Gyro ran to 7900'

1. MIRU. KILL WELL AS NEEDED. ND WH, NU AND TEST BOPE.
2. PULL TBG & LD SAME. RU WIRELINE AND MAKE A GAUGE RING RUN TO CHECK FOR FILL.
3. **PLUG #1, ISOLATE MESAVERDE PERFORATIONS (7151' - 8819')**: RIH W/ 4 ½" CBP. SET @ ~7101'. RELEASE CBP, PUH 10', BRK CIRC W/ FRESH WATER. DISPLACE A MINIMUM OF 4 SX CMT (4.36 CUFT) ON TOP OF PLUG. PUH ABOVE TOC (~7051'). REVERSE CIRCULATE W/ TREATED FRESH WATER.
4. **PLUG #2, ISOLATE WASATCH PERFORATIONS (5256' - 7052')**: POOH. RIH W/ 4 ½" CBP, SET @ ~5206'. RELEASE CBP, BRK CIRC W/ FRESH WATER. PRESSURE TEST CASING TO 500 PSI. INFORM ENGINEERING IF IT DOESN'T TEST. DISPLACE A MINIMUM OF 4 SX (4.36 CUFT.) ON TOP OF PLUG. PUH ABOVE TOC (~5156'). REVERSE CIRCULATE W/ TREATED FRESH WATER.
5. **PLUG #3, PROTECT WASATCH TOP (4472')**: PUH TO ~4572'. BRK CIRC W/ FRESH WATER. DISPLACE 15 SX (17.44 CUFT.) AND BALANCE PLUG W/ TOC @ ~4372' (200' COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ TREATED FRESH WATER.
6. LOWER WELLHEAD TO GROUND LEVEL TO ACCOMMODATE DRILLING OPS AND INSTALL MARKER PER BLM GUIDELINES.
7. RDMO. TURN OVER TO DRILLING OPERATIONS.

ALM 8/31/09

| | |
|--|---|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23608 |
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES |
| 1. TYPE OF WELL Gas Well | 8. WELL NAME and NUMBER: NBU 1021-13A |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. | 9. API NUMBER: 43047377220000 |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 | PHONE NUMBER: 720 929-6007 Ext |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 0651 FNL 1311 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 13 Township: 10.0S Range: 21.0E Meridian: S | 9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|--|---|---|
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 9/18/2009 | <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 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 checked="" type="checkbox"/> TEMPORARILY 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 HAS PERFORMED THE TEMPORARILY ABANDON OPERATIONS ON THE SUBJECT WELL LOCATION ON 09/18/2009. THE OPERATOR HAS T&A THE WELL TO DRILL THE NBU 1021-13A PAD WELLS, WHICH CONSISTS OF NBU 1021-13A3CS, NBU 1021-13H4CS, NBU 1021-13H4AS, NBU 1021-13B3CS. PLEASE REFER TO THE ATTACHED TEMPORARILY ABANDON CHRONOLOGICAL WELL HISTORY.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 September 22, 2009

| | | |
|--|-------------------------------------|------------------------------------|
| NAME (PLEASE PRINT) Andy Lytle | PHONE NUMBER 720 929-6100 | TITLE Regulatory Analyst |
| SIGNATURE N/A | | DATE 9/21/2009 |

US ROCKIES REGION
Operation Summary Report

| | | | | | |
|--|--|---|--|--------------------------|--|
| Well: NBU 1021-13A | | Spud Conductor: 12/2/2007 | | Spud Date: 12/4/2007 | |
| Project: UTAH-UINTAH | | Site: NBU 1021-13A | | Rig Name No: SWABBCO 1/1 | |
| Event: ABANDONMENT | | Start Date: 9/15/2009 | | End Date: | |
| Active Datum: RKB @5,280.01ft (above Mean Sea Level) | | UWI: 0/10/S/21/E/13/0/NENE/6/PM/N/651.00/E/0/1,311.00/0/0 | | | |

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (ft) | Operation |
|-----------|----------------|---------------|-------|------|----------|-----|--------------|--|
| 9/16/2009 | 7:00 - 7:15 | 0.25 | ABAND | 48 | | P | | DAY 1 - JSA & SM. NO H2S PRESENT. |
| | 7:15 - 10:00 | 2.75 | ABAND | 30 | A | P | | SITP = 160 PSI, SICP - 260 PSI. MIRU, SPOT EQUIP. NDWH, NU BOP. PT BOP TO 3000 PSI. RU FLOOR & TBG EQUIP. PMP 40 BBLs T-MAC DWN TBG & 20 BBL CSG TO CONTROL WELL. |
| | 10:00 - 15:00 | 5.00 | ABAND | 31 | I | P | | MIRU SCAN TECH. HOLD SM & JSA. POOH W/2 3/8" TBG & SCAN SAME. TBG 2 3/8" 4.7# J55. 249 TOTAL JTS IN WELL. LD 29 BAD JTS, STD BK 220 GOOD JTS. LD POBS & XN NIPPLE. SWI-SDFD. PREP TO PMP CMT PLUG IN AM. |
| 9/17/2009 | 7:00 - 7:15 | 0.25 | ABAND | 48 | | P | | DAY 2 - JSA & SM. NO H2S PRESENT. |
| | 7:15 - 17:00 | 9.75 | ABAND | 34 | I | P | | WHP = 260 PSI. BLOW DWN WELL. PMP 40 BBLs TO CONTROL WELL. |
| | | | | | | | | MIRU CUTTERS WIRELINE. PU 3 7/8" CSG SCRAPPER & RIH. TAG FILL @ 8916'. (BTM PERF @ 8810') ESTIMATED PBSD @ 9175'. POOH & LD SCRAPPER. PU 4 1/2" HALCO 8K CBP & RIH & SET @ 7120'. (COULD NOT DETECT FLUID LEVEL). (TOP PERF MV @ 7151" - BTM PERF WASATCH @ 7052') POOH W/WIRELINE & LD TOOLS. |
| | | | | | | | | PU NOTCHED COLLAR & RIH ON 226 JTS 2 3/8" TBG. TAG CBP @ 7120'. (COULD NOT DETECT FLUID LEVEL). POOH W/TBG. LD 62 JTS ON FLOAT, STD BK IN DRK 83 STDS. |
| | | | | | | | | RU WIRELINE. RIH W/4 1/2" HALCO 8K CBP SET @ 5216'. (TOP PERF @ 5256') POOH & LD TOOLS. RDMO CUTTERS. |
| | | | | | | | | LOAD HOLE W/T-MAC & PT CSG TO 500 PSI. HOLD 5 MIN. (GOOD TEST). PU NOTCHED COLLAR & RIH ON 166 JTS 2 3/8" TBG. TAG CBP @ 5216'. PU 3'. |
| | | | | | | | | 17:00 - SWI - SDFN. PREP WELL TO SET CMT PLGS IN AM. |
| 9/18/2009 | 7:00 - 7:15 | 0.25 | ABAND | 48 | | P | | DAY 3 - JSA & SM. NO H2S PRESENT. |

US ROCKIES REGION
Operation Summary Report

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|--|--|---------------------------|---|----------------------|--------------------------|
| Well: NBU 1021-13A | | Spud Conductor: 12/2/2007 | | Spud Date: 12/4/2007 | |
| Project: UTAH-UINTAH | | | Site: NBU 1021-13A | | Rig Name No: SWABBCO 1/1 |
| Event: ABANDONMENT | | | Start Date: 9/15/2009 | | End Date: |
| Active Datum: RKB @5,280.01ft (above Mean Sea Level) | | | UWI: 0/10/S/21/E/13/0/NENE/6/PM/N/651.00/E/0/1,311.00/0/0 | | |

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (ft) | Operation |
|------|----------------|---------------|-------|------|----------|-----|--------------|---|
| | 7:15 - 12:00 | 4.75 | ABAND | 51 | D | P | | <p>WHP = 0 PSI. EOT @ 5213'. MIRU PRO PETRO CEMENTERS. EST CIRC TBG/ANN. MIX & PMP 5 SK CLASS G CMT & SPOT ON TOP OF CBP @ 5216'. CMT PLUG FROM 5216' TO 5145'.</p> <p>POOH W/TBG & LD 20 JTS TBG ON FLOAT. EOT @ 4584'.</p> <p>RU PRO PETRO. EST CIRC TBG/ANN. MIX & PMP 20 SK CLASS G CMT & SPOT CMT PLUG FROM 4584' TO 4295' ACROSS WASATCH TOP. RDMO PRO PETRO CEMENTERS.</p> <p>POOH W/TBG & LD 146 JTS TBG ON FLOAT. (249 JTS TOTAL ON FLOAT). ND BOP. ND 4 1/2" CSG FLANGE. INSTAL CAP PLATE ON SURFACE CSG FLANGE.</p> <p>RD SERVICE UNIT. ROAD RIG TO THE NBU 922 - 29P PAD.</p> |

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|--|---|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23608 |
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES |
| 1. TYPE OF WELL Gas Well | 8. WELL NAME and NUMBER: NBU 1021-13A |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. | 9. API NUMBER: 43047377220000 |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 | PHONE NUMBER: 720 929-6007 Ext |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 0651 FNL 1311 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 13 Township: 10.0S Range: 21.0E Meridian: S | 9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|---|---|---|
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 6/30/2010 | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE |
| <input type="checkbox"/> DRILLING REPORT Report Date: | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> NEW CONSTRUCTION |
| | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> PLUG BACK |
| | <input checked="" type="checkbox"/> PRODUCTION START OR RESUME | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | <input type="checkbox"/> TEMPORARY ABANDON |
| | <input type="checkbox"/> TUBING REPAIR | <input type="checkbox"/> VENT OR FLARE | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> WATER SHUTOFF | <input type="checkbox"/> SI TA STATUS EXTENSION | <input type="checkbox"/> APD EXTENSION |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> OTHER | OTHER: _____ |

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

THIS TEMPORARILY ABANDONED WELL HAS RETURNED TO PRODUCTION.
 THIS WELL RETURNED TO PRODUCTION ON 6/30/2010. PLEASE SEE ATTACHED CHRONOLOGICAL WELL HISTORY.

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

FOR RECORD ONLY
 July 01, 2010

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|--|-------------------------------------|------------------------------------|
| NAME (PLEASE PRINT) Andy Lytle | PHONE NUMBER 720 929-6100 | TITLE Regulatory Analyst |
| SIGNATURE N/A | | DATE 6/30/2010 |

US ROCKIES REGION
Operation Summary Report

Well: NBU 1021-13A Spud Conductor: 12/2/2007 Spud Date: 12/4/2007
 Project: UTAH-UINTAH Site: NBU 1021-13A PAD Rig Name No:
 Event: WELL WORK EXPENSE Start Date: 6/22/2010 End Date: 6/23/2010
 Active Datum: RKB @5,280.00ft (above Mean Sea Level) UWI: 0/10/S/21/E/13/0/NENE/6/PM/N/651.00/E/0/1,311.00/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (ft) | Operation |
|-----------|----------------|---------------|-------|------|----------|-----|--------------|---|
| 6/22/2010 | 6:30 - 7:00 | 0.50 | REE | 48 | | P | | HSM. PINCH POINTS. PICKING UP TUBING MIRU RIG. ND WELL HEAD NU BOP. PU 3 7/8" BIT & POPS. DRIFT & TALLY 137 JTS OF 2 3/8" J-55 YELLOW BAND TBG. RU POWER SWIVEL & BRK CIRCULATION. TAG CEMENT TOP @ 4,356'. DRLG HARD CEMENT TO 4580' = 224'. CIRC WELL CLEAN. RIH TAG CEMENT @ 5,162' DRLG OUT CEMENT & CBP @ 5,216'. LOST CIRCULATION EOT @ 5,244'. SWI SDFN |
| | 7:00 - 17:00 | 10.00 | REE | 44 | A | P | | |
| 6/23/2010 | 6:30 - 7:00 | 0.50 | REE | 48 | | P | | HSM. DRILLING W / FOAM SICP 750 PSI & TBG PSI 100. BLEED OFF PRESSURE ON TUBING. DRIFT & TALLY TBG & RIH TAG CBP @ 7,120'. START PUMPING NITROGEN W / FOAM UNIT. HAVE FOAM AROUND IN 1 HR. DRL PLG IN 10 MIN. 500 PSI INCREASE. PUMP 20 BBLS TO KILL TBG. RIH W / TBG A TOTAL OF 282 JTS OF 2 3/8" J-55 YELLOW BAND TBG. C/O TO 8,915' PBTD. POOH LD 31 JTS. LAND TBG W / 251 JTS @ 7,956.39'. ND BOP COULD NOT NU WELL HEAD. WE HAD A FMC TUBING HEAD A VETCO GRAY HANGER & A CRAMRON ADAPTOR. WAITE ON WELL HEAD PARTS. NU WELL HEAD. DROP BALL TO SHEAR OFF BIT. PUMP OFF BIT @ 650 PSI. WELL FLOWING BUT NO FLOW LINE. SWI RDMO RIG. ALL TUBING WAS BROCHED. |
| | 7:00 - 17:00 | 10.00 | REE | 44 | C | P | | |