

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

1a. Type of Work:  DRILL  REENTER

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

5. Lease Serial No.  
**UTU-0582**

6. If Indian, Allottee or Tribe Name  
**TRIBAL SURFACE**

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

8. Lease Name and Well No.  
**NBU 920-27B**

9. API Well No.  
**43-047-37903**

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**

10. Field and Pool, or Exploratory  
**NATURAL BUTTES**

11. Sec., T., R., M., or Blk. and Survey or Area  
**SECTION 27-T9S-R20E**

4. Location of Well (Report location clearly and in accordance with any State requirements. \*)  
At surface **NWNE 934'FNL, 1805'FEL LOT 2** **615 328K** **40. 01031**  
At proposed prod. Zone **4429 635Y** **109. 648 70Y**

12. County or Parish  
**UINTAH**

13. State  
**UTAH**

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

15. Distance from proposed\* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) **934'**

16. No. of Acres in lease  
**1433.57**

17. Spacing Unit dedicated to this well  
**40.00**

18. Distance from proposed location\* to nearest well, drilling, completed, applied for, on this lease, ft. **REFER TO TOPO C**

19. Proposed Depth  
**10,300'**

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**4827'GL**

22. Approximate date work will start\*  
**UPON APPROVAL**

23. Estimated duration  
**TO BE DETERMINED**

24. Attachments

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

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

25. Signature: *Sheila Upchego* Name (Printed/Typed): **SHEILA UPCHEGO** Date: **3/1/2006**

Title: **REGULATORY ANALYST**

Approved by (Signature): *Bradley G. Hill* Name (Printed/Typed): **BRADLEY G. HILL** Date: **03-20-06**

Title: **ENVIRONMENTAL MANAGER**

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

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

\*(Instructions on reverse)

**Federal Approval of this  
Action is Necessary**

RECEIVED  
**MAR 10 2006**

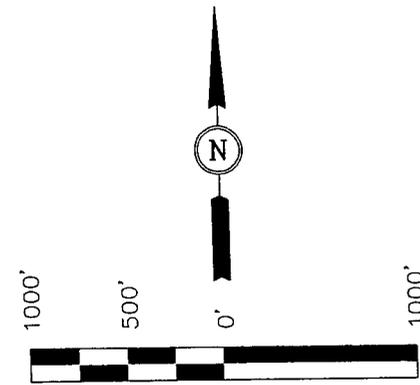
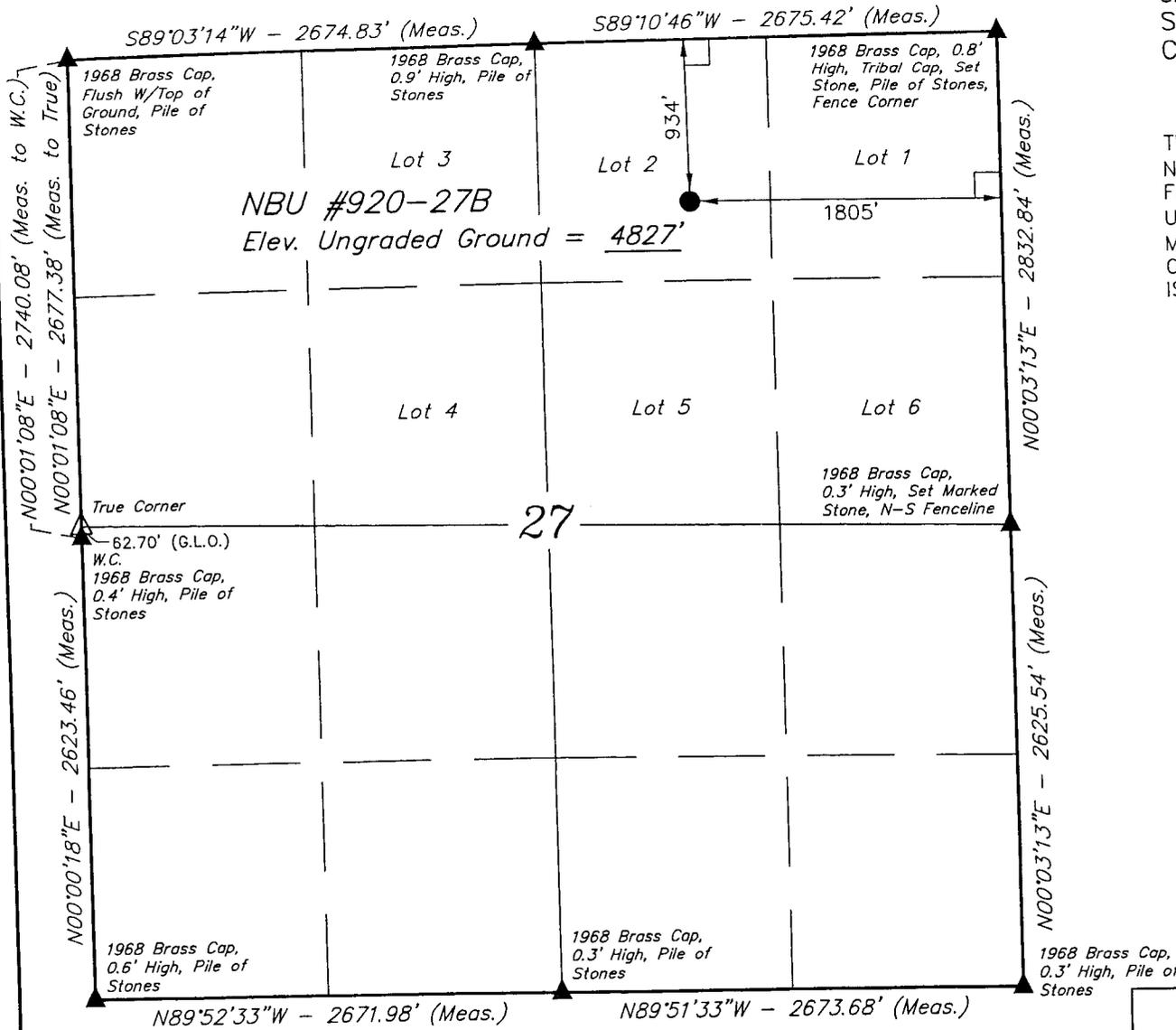
# T9S, R20E, S.L.B.&M.

## Kerr-McGee Oil & Gas Onshore LP

Well location, NBU #920-27B, located as shown in the NW 1/4 NE 1/4 (Lot 2) of Section 27, T9S, R20E, 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.



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.

*Robert H. Gray*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

### BASIS OF BEARINGS

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

(NAD 83)  
LATITUDE =  $40^{\circ}00'39.37''$  (40.010936)  
LONGITUDE =  $109^{\circ}38'57.78''$  (109.649383)  
(NAD 27)  
LATITUDE =  $40^{\circ}00'39.50''$  (40.010972)  
LONGITUDE =  $109^{\circ}38'55.29''$  (109.648692)

### LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED (Not Set On Ground)

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

SCALE 1" = 1000'	DATE SURVEYED: 12-9-05	DATE DRAWN: 1-3-06
PARTY D.K. L.K. K.G.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE Kerr-McGee Oil & Gas Onshore LP	

**NBU 920-27B  
NWNE SEC 27-T9S-R20E  
UINTAH COUNTY, UTAH  
LEASE NUMBER: UTU-0582**

**ONSHORE ORDER NO. 1  
WESTPORT OIL & GAS COMPANY**

***DRILLING PROGRAM***

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

<u>Formation</u>	<u>Depth</u>
Green River	1900'
Wasatch	5275'
Mesaverde	8250'
Total Depth	10,300'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1900'
Gas	Wasatch	5275'
Gas	Mesaverde	8250'
Water	N/A	
Other Minerals	N/A	

**3. Pressure Control Equipment:**

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

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

*Please see the Natural Buttes Unit SOP.*

Please refer to the attached Drilling Program.

**5. Drilling Fluids Program:**

*Please see the Natural Buttes Unit SOP.*

**6. Evaluation Program:**

*Please see the Natural Buttes Unit SOP.*

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure at 10,300' TD approximately equals 6,386 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 4,120 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates & Notification of Operations:**

*Please see the Natural Buttes Unit SOP.*

9. **Variations:**

*Please see the Natural Buttes Unit SOP.*

10. **Other Information:**

*Please see the Natural Buttes Unit SOP.*





**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 2400	32.30	H-40	STC	0.50*****	1.22	3.21
							3520	2020	564000
PRODUCTION	9-5/8"	2400	to 2800	36.00	J-55	STC	1.01*****	1.54	7.12
							10690	7560	279000
	4-1/2"	0	to 10300	11.60	I-80	LTC	2.36	1.11	2.68

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 = 12.7 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 4536 psi 2800 feet  
 \*\*\*\*\* Burst SF is low but csg is stronger than formation at  
 \*\*\*\*\* EMW @ 2800 for 2270# is 15.6 ppg or 0.8 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)	250	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	100		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
<b>NOTE: If well will circulate water to surface, option 2 will be utilized</b>							
SURFACE Option 2	LEAD	2000	Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC	230	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	4,770'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	520	60%	11.00	3.38
	TAIL	5,530'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1550	60%	14.30	1.31

\*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained  
 \*Substitute caliper hole volume plus 10% 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: \_\_\_\_\_ DATE: \_\_\_\_\_  
 Brad Laney  
 DRILLING SUPERINTENDENT: \_\_\_\_\_ DATE: \_\_\_\_\_  
 Randy Bayne NBU920-27B\_P110\_APD(pipeline).xls



**NBU 920-27B  
NWNE SEC 27-T9S-R20E  
UINTAH COUNTY, UTAH  
LEASE NUMBER: UTU-0582**

**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.

**2. Planned Access Roads:**

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

Approximately 150' +/- Miles of proposed access road. Refer to Topo Map B.

Approximately 0.4 +/- Miles of Re-Habed road needs upgraded. Refer to Topo Map B.

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

Please refer to Topo Map C.

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

*Please see the Natural Buttes Unit SOP.*

Refer to Topo Map D for the location of the proposed pipeline.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The requested color is Carlsbad Canyon (2.5Y 6/2), a non-reflective earthtone.

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

*Please see the Natural Buttes Unit SOP.*

**6. Source of Construction Materials:**

*Please see the Natural Buttes Unit SOP.*

**7. Methods of Handling Waste Materials:**

*Please see the Natural Buttes Unit SOP.*

*Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec 5-T9S-R22E, NBU #159, Sec 35-T9S-*

*R21E, Ace Oilfield Sec 2-T6S-R20E, MC & MC Sec 12-T6S-R19E,. (Requests in lieu of filing Form 3160-5 after initial production).*

8. **Ancillary Facilities:**

*Please see the Natural Buttes Unit SOP.*

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

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

Culvert(s) will be installed if needed.

A run off diversion for drainage will be constructed as needed.

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

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

Location size may change prior to the drilling of the well due to the current rig availability. If the proposed location is not large enough to accommodate the drilling rig. The location will be re-surveyed and a form 3160-5 will be submitted.

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

*Please see the Natural Buttes Unit SOP.*

11. **Surface Ownership:**

Ute Indian Tribe  
P.O. Box 70  
Fort Duchesne, Utah 84026  
(435)-722-5141

12. **Other Information:**

A Class III archaeological survey has been conducted for this location and submitted to the Ute Indian Tribe prior to the on-site.

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:

Sheila Upchego  
Regulatory Analyst  
Kerr-McGee Oil & Gas Onshore LP  
1368 South 1200 East  
Vernal, UT 84078  
(435) 781-7024

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 Kerr-McGee Oil & Gas Onshore LP Bond #N-2115, BLM Nationwide Bond # CO-1203, and BIA Nationwide Bond # RLB0005239.

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.

  
Sheila Upchego

03/01/2006

Date

# Kerr-McGee Oil & Gas Onshore LP

NBU #920-27B

SECTION 27, T9S, R20E, 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; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.4 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 DIRECTION APPROXIMATELY 0.4 MILES TO THE BEGINNING OF A RE-HABED ROAD TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY DIRECTION APPROXIMATELY 0.4 MILES THE BEGINNING OF THE PROPOSED ACCESS TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY DIRECTION APPROXIMATELY 150' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 38.2 MILES.

# Kerr-McGee Oil & Gas Onshore LP

NBU #920-27B  
LOCATED IN UINTAH COUNTY, UTAH  
SECTION 27, T9S, R20E, S.L.B.&M.

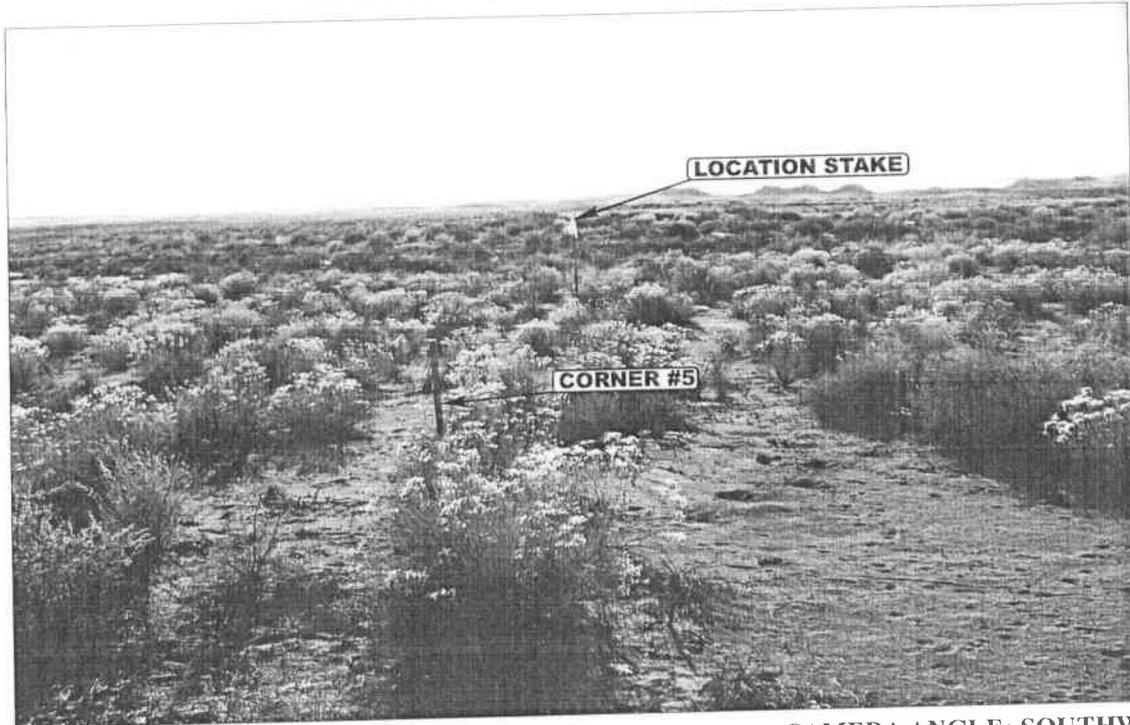


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY

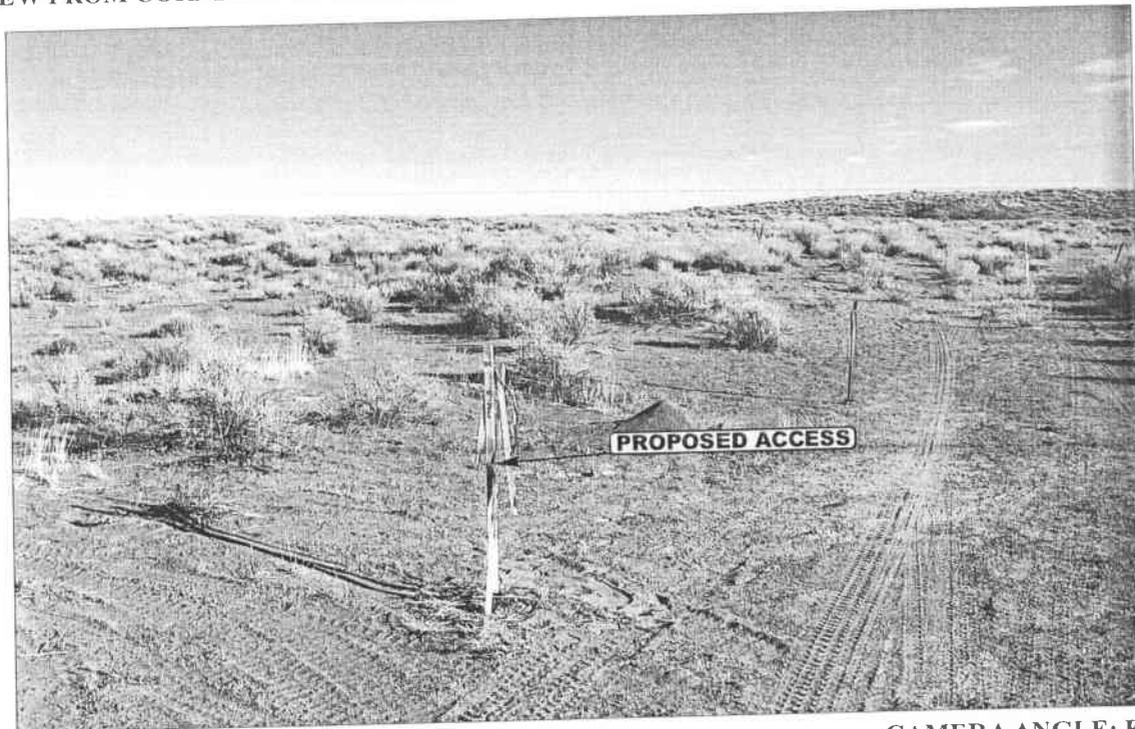


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: EASTERLY



**E&L**  
S

Uintah Engineering & Land Surveying

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

LOCATION PHOTOS

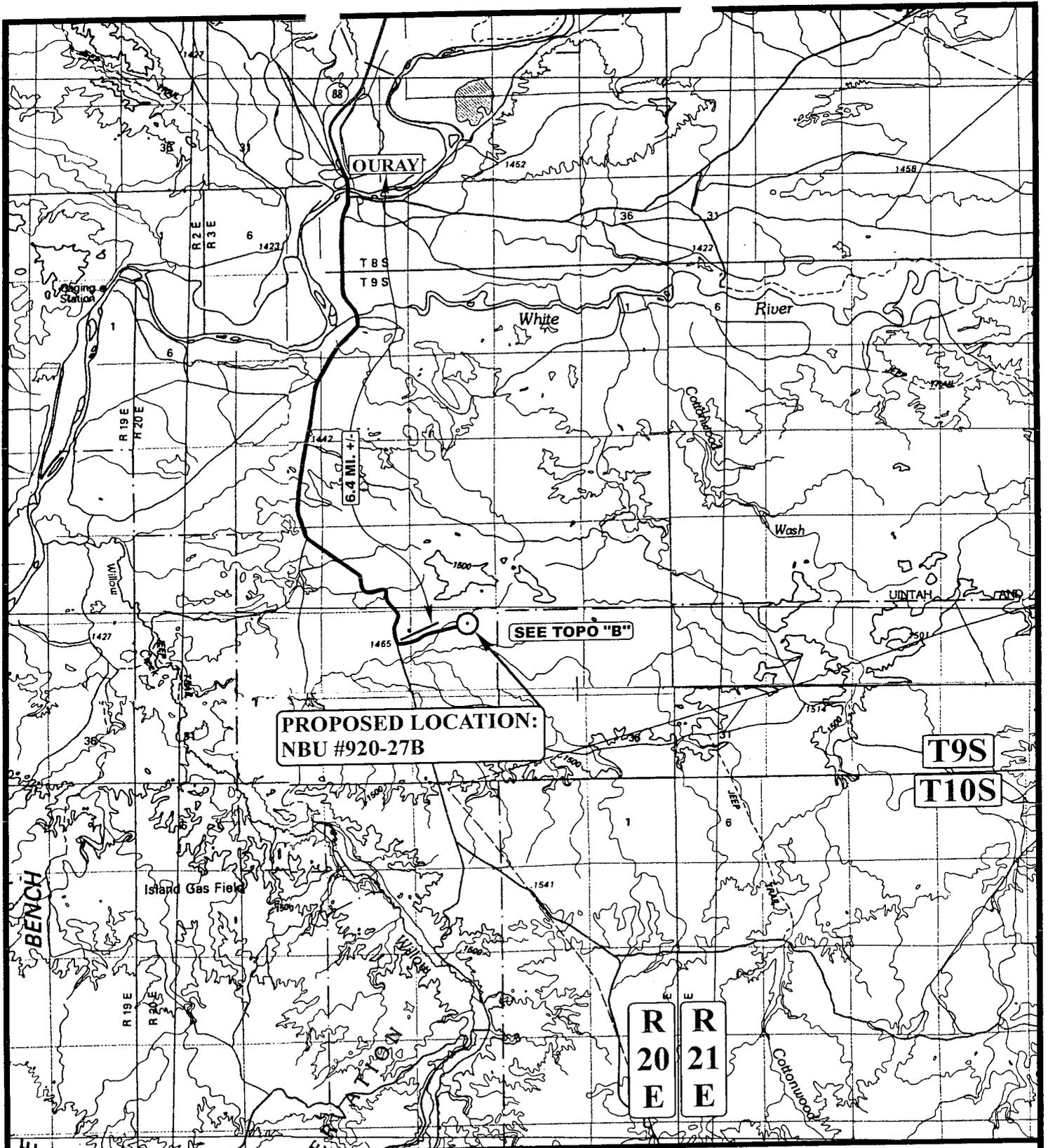
12 29 05  
MONTH DAY YEAR

PHOTO

TAKEN BY: D.K.

DRAWN BY: C.P.

REVISED: 00-00-00



**LEGEND:**

○ PROPOSED LOCATION



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

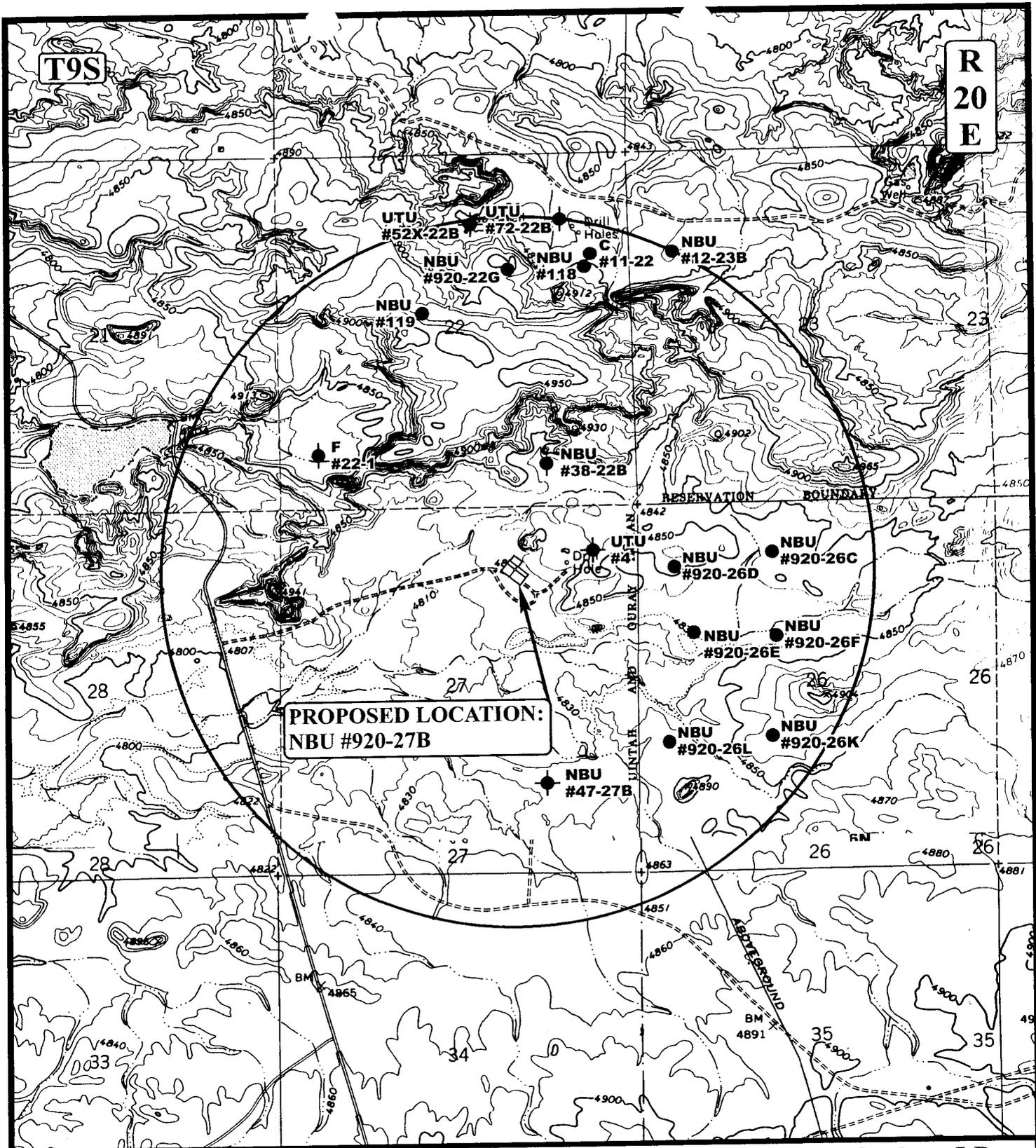
NBU #920-27B  
SECTION 27, T9S, R20E, S.L.B.&M.  
934' FNL 1805' FEL

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

**TOPOGRAPHIC** 12 29 05  
**MAP** MONTH DAY YEAR  
SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00







**PROPOSED LOCATION:  
NBU #920-27B**

**LEGEND:**

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



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

**NBU #920-27B**  
**SECTION 27, T9S, R20E, S.L.B.&M.**  
**934' FNL 1805' FEL**

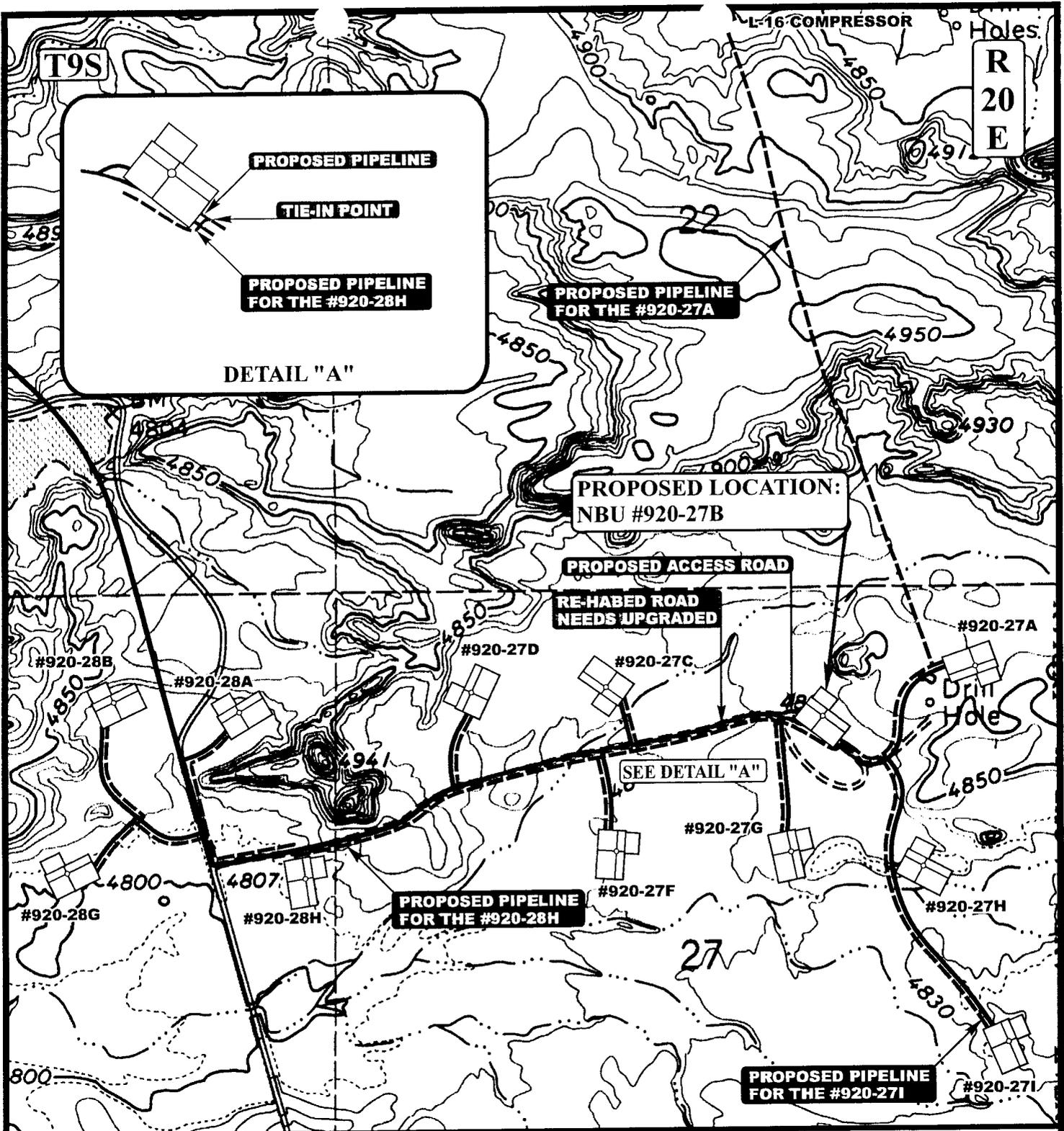


**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC** 12 29 05  
**MAP** MONTH DAY YEAR

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





APPROXIMATE TOTAL PIPELINE DISTANCE = 10' +/-

**LEGEND:**

-  PROPOSED ACCESS ROAD
-  RE-HABED ROAD NEEDS UPGRADED
-  PROPOSED PIPELINE
-  PROPOSED PIPELINE (SERVICING OTHER WELLS)



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

NBU #920-27B

SECTION 27, T9S, R20E, S.L.B.&M.

934' FNL 1805' FEL



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

TOPOGRAPHIC  
MAP

12	29	05
MONTH	DAY	YEAR

SCALE: 1" = 1000'

DRAWN BY: C.P.

REVISED: 00-00-00



# Kerr-McGee Oil & Gas Onshore LP

NBU #920-27B

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH

SECTION 27, T9S, R20E, S.1.B.&M.

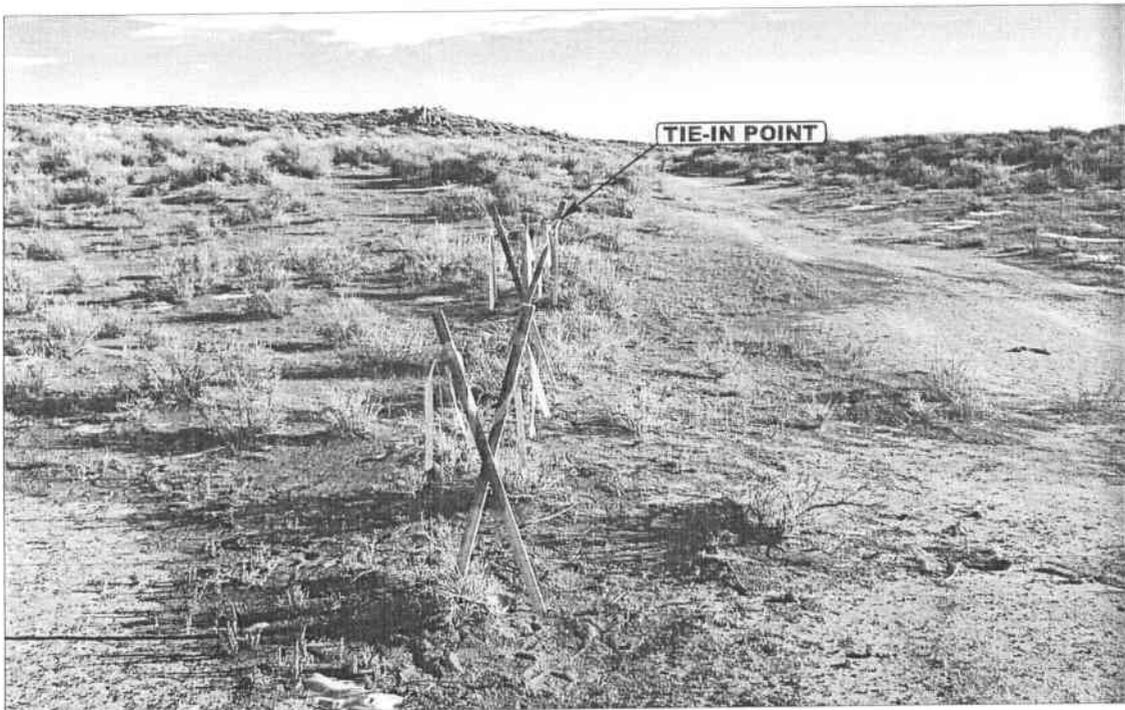


PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

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

PIPELINE PHOTOS	12	29	05	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: D.K.	DRAWN BY: C.P.		REVISED: 00-00-00	

# Keri-McGee Oil & Gas Onshore, LP

FIGURE #1

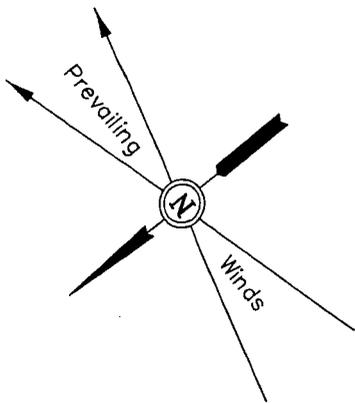
## LOCATION LAYOUT FOR

NBU #920-27B

SECTION 27, T9S, R20E, S.L.B.&M.

C-1.5', 934' FNL 1805' FEL  
El. 27.1'

F-3.4'  
El. 22.2'



SCALE: 1" = 50'  
DATE: 1-5-06  
Drawn By: K.G.

**NOTE:**

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

Approx. Top of Cut Slope

Topsail Stockpile

Sta. 3+50

F-1.6'  
El. 24.0'

Proposed Access Road for the NBU #920-20A

Approx. Toe of Fill Slope



CATWALK

PIPE RACKS

C-1.9'  
El. 27.5'

FLARE PIT

Bleed Line

C-1.5'  
El. 27.1'

RIG

Sta. 1+50

F-2.1'  
El. 23.5'

El. 30.2'  
C-14.6'  
(btm. pit)

RESERVE PITS  
(10' Deep)

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

C-1.8'  
El. 27.4'

MUD TANKS

DOG HOUSE

TOILET

TRAILER

LIGHT PLANT

BOILER

COMPRESSOR

BOOSTER

WATER TANK

PUMP HOUSE

Sta. 0+50

C-1.7'  
El. 27.3'

TRASH

PROPANE STORAGE

C-0.4'  
El. 26.0'

Sta. 0+00

F-1.5'  
El. 24.1'

C-1.5'  
El. 27.1'

Proposed Access Road

**NOTES:**

Elev. Ungraded Ground At Loc. Stake = 4827.1'  
FINISHED GRADE ELEV. AT LOC. STAKE = 4825.6'

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

# Kerr-McGee Oil & Gas Onshore LP

FIGURE #2

## TYPICAL CROSS SECTIONS FOR

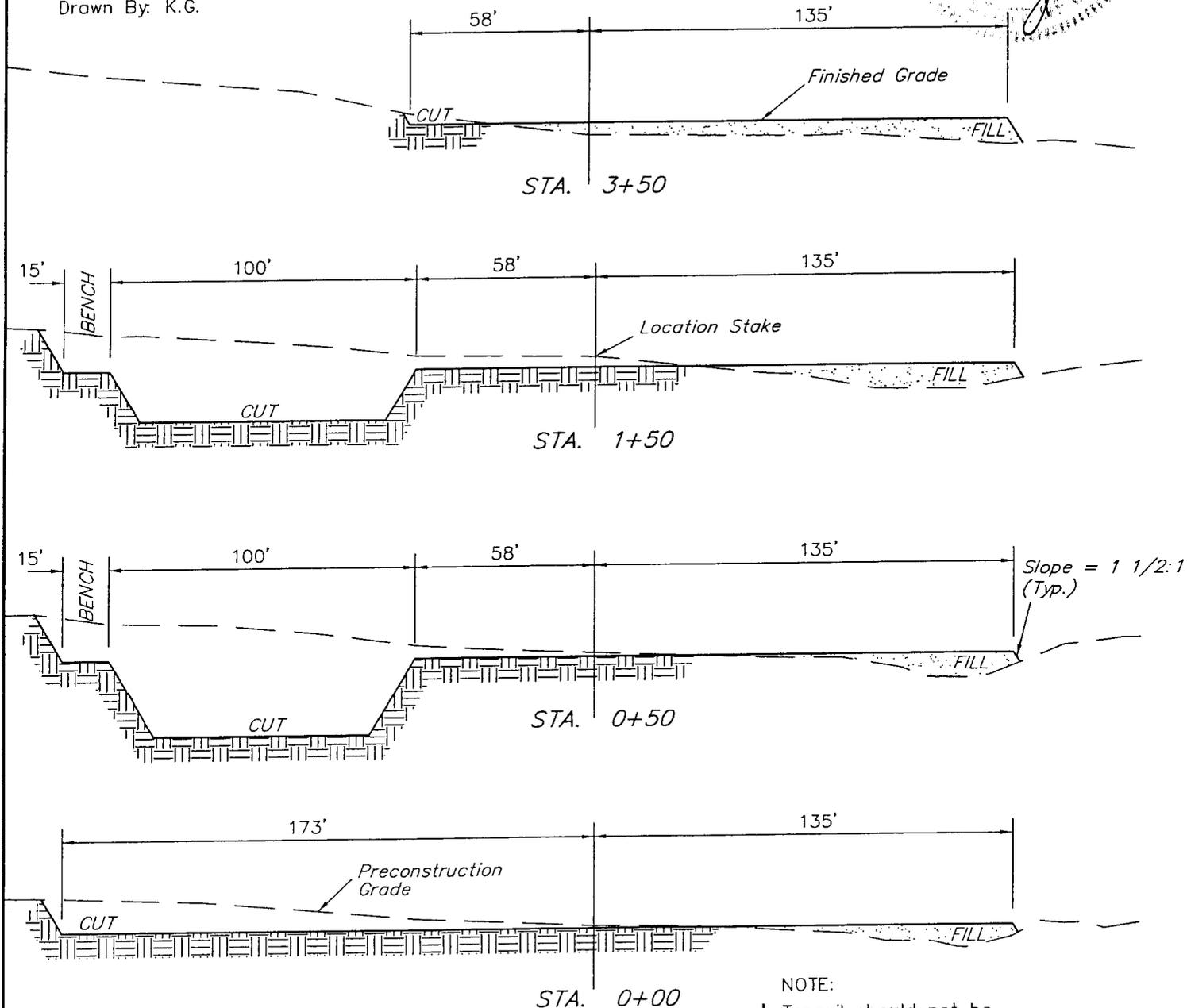
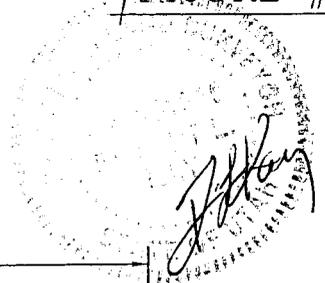
NBU #920-27B

SECTION 27, T9S, R20E, S.L.B.&M.

934' FNL 1805' FEL

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

DATE: 1-5-06  
Drawn By: K.G.



\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

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

### APPROXIMATE YARDAGES

CUT	
(12") Topsoil Stripping	= 3,570 Cu. Yds.
Remaining Location	= 7,090 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 10,660 CU.YDS.</b>
<b>FILL</b>	<b>= 4,950 CU.YDS.</b>

EXCESS MATERIAL	= 5,710 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 5,710 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: 03/10/2006

API NO. ASSIGNED: 43-047-37903
--------------------------------

WELL NAME: NBU 920-27B  
 OPERATOR: WESTPORT OIL & GAS CO ( N2115 )  
 CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:  
 NWNE 27 090S 200E  
 SURFACE: 0934 FNL 1805 FEL  
 BOTTOM: 0934 FNL 1805 FEL  
 COUNTY: UINTAH  
 LATITUDE: 40.01093 LONGITUDE: -109.6488  
 UTM SURF EASTINGS: 615328 NORTHINGS: 4429635  
 FIELD NAME: NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: UTU-0582  
 SURFACE OWNER: 2 - Indian

PROPOSED FORMATION: WSMVD  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

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

Potash (Y/N)  
 Oil Shale 190-5 (B) or 190-3 or 190-13  
 Water Permit  
 (No. 43-8496 )

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

Fee Surf Agreement (Y/N)

Intent to Commingle (Y/N)

LOCATION AND SITING:

R649-2-3.

Unit: NATURAL BUTTES

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

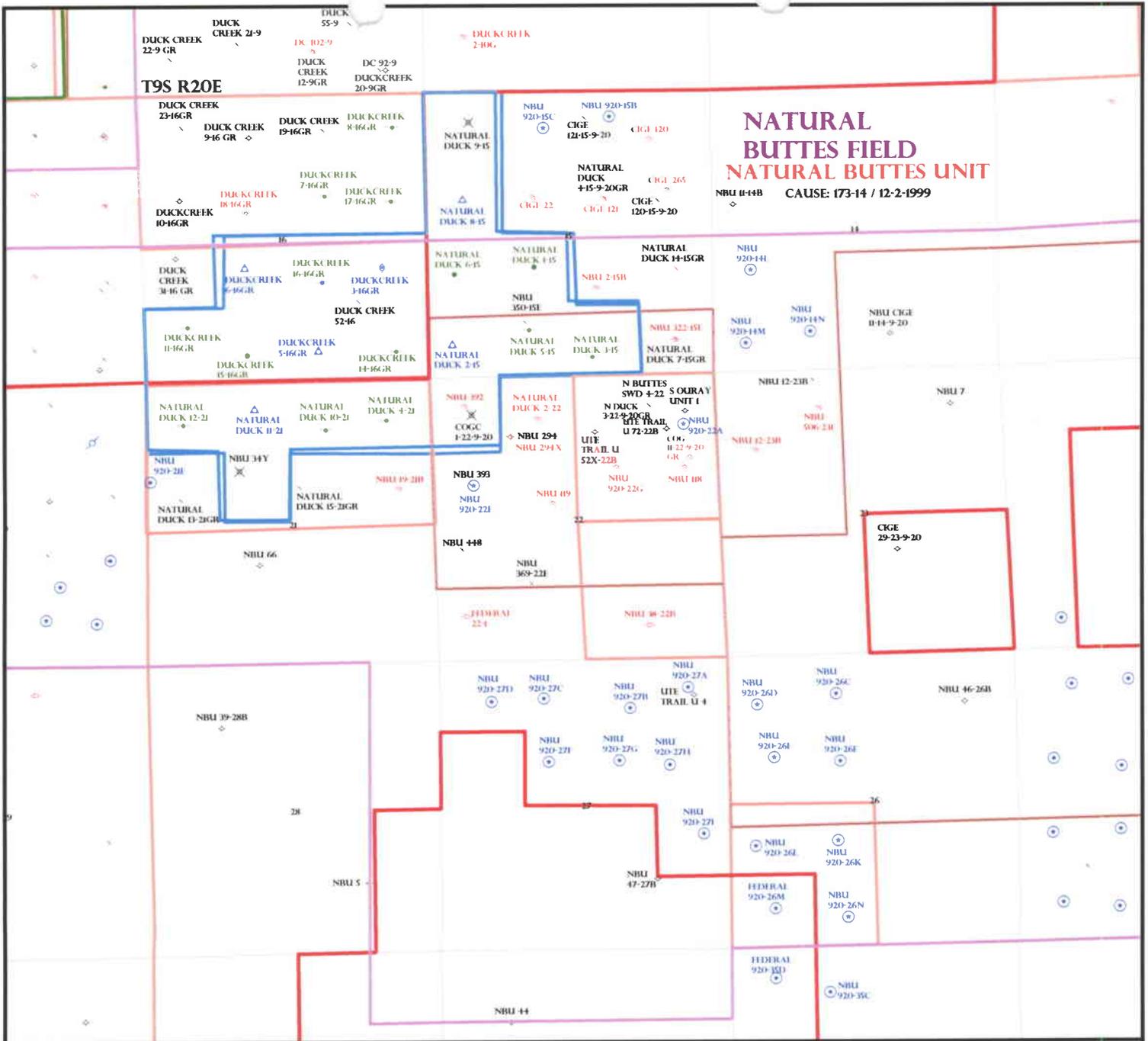
R649-3-3. Exception

Drilling Unit  
 Board Cause No: 173-14  
 Eff Date: 12-2-99  
 Siting: 460' fr 1/2 bdr of E and W of Tract

R649-3-11. Directional Drill

COMMENTS: Sup, Separate file

STIPULATIONS: 1- Federal Approval  
2- OIL SHALE



OPERATOR: WESTPORT O&G CO (N2115)

SEC: 14,15,21,22,27 T. 10S R. 21E

FIELD: NATURAL BUTTES (630)

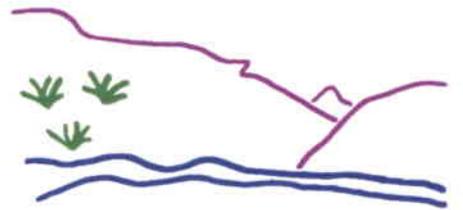
COUNTY: UINTAH

CAUSE: 173-14 / 12-2-1999

- Field Status**
- ABANDONED
  - ACTIVE
  - COMBINED
  - INACTIVE
  - PROPOSED
  - STORAGE
  - TERMINATED

- Unit Status**
- EXPLORATORY
  - GAS STORAGE
  - NF PP OIL
  - NF SECONDARY
  - PENDING
  - PI OIL
  - PP GAS
  - PP GEOTHERMAL
  - 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: 16-MARCH-2006

# 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 17, 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)

43-047-37910	NBU 1021-24I	Sec 24 T10S R21E 2272 FSL 0870 FEL
43-047-37911	NBU 1021-24C	Sec 24 T10S R21E 0626 FNL 1887 FWL
43-047-37912	NBU 1021-24B	Sec 24 T10S R21E 0905 FNL 1648 FEL
43-047-37913	NBU 1021-25G	Sec 25 T10S R21E 2445 FNL 2079 FEL
43-047-37914	NBU 1021-25H	Sec 25 T10S R21E 2377 FNL 0127 FEL
43-047-37917	NBU 1021-25E	Sec 25 T10S R21E 2301 FNL 0183 FWL
43-047-37907	NBU 1021-03L	Sec 03 T10S R21E 2618 FSL 0315 FWL
43-047-37908	NBU 1021-03D	Sec 03 T10S R21E 0285 FNL 0915 FWL
43-047-37909	NBU 1021-03H	Sec 03 T10S R21E 1884 FNL 0506 FEL
43-047-37894	NBU 920-14L	Sec 14 T09S R20E 1907 FSL 0707 FWL
43-047-37895	NBU 920-15B	Sec 15 T09S R20E 0501 FNL 1876 FEL
43-047-37896	NBU 920-15C	Sec 15 T09S R20E 0684 FNL 2181 FWL
43-047-37897	NBU 920-21E	Sec 21 T09S R20E 1851 FNL 0032 FWL
43-047-37898	NBU 920-22A	Sec 22 T09S R20E 0937 FNL 0584 FEL
43-047-37899	NBU 920-27A	Sec 27 T09S R20E 0579 FNL 0728 FEL
43-047-37900	NBU 920-27G	Sec 27 T09S R20E 1907 FNL 2023 FEL
43-047-37901	NBU 920-27F	Sec 27 T09S R20E 1888 FNL 2014 FWL
43-047-37902	NBU 920-27C	Sec 27 T09S R20E 0699 FNL 1937 FWL
43-047-37903	NBU 920-27B	Sec 27 T09S R20E 0934 FNL 1805 FEL
43-047-37904	NBU 920-27D	Sec 27 T09S R20E 0731 FNL 0971 FWL
43-047-37905	NBU 920-27I	Sec 27 T09S R20E 2152 FSL 0491 FEL
43-047-37906	NBU 920-27H	Sec 27 T09S R20E 2023 FNL 1089 FEL

Page 2

Our records indicate the NBU 1021-24I and the 1021-24B are closer than 460 feet from uncommitted land within the Natural Butte Unit. The NBU 1021-25H is located **outside** of the Natural Buttes Unit and is closer than 460 feet from the Unit Boundary.

We have no objections to permitting the wells so long as the unit operator receives an exception to the locating and siting requirements of the State of Utah (R649-3-2).

/s/ Michael L. Coulthard

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



**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 20, 2006

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

Re: Natural Buttes Unit 920-27B Well, 934' FNL, 1805' FEL, NW NE, Sec. 27,  
T. 9 South, R. 20 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 43-047-37903.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

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

**Operator:** Westport Oil & Gas Company, LP  
**Well Name & Number** Natural Buttes Unit 920-27B  
**API Number:** 43-047-37903  
**Lease:** UTU-0582

**Location:** NW NE                      **Sec.** 27                      **T.** 9 South                      **R.** 20 East

### Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

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

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

<b>ROUTING</b>
1. DJJ
2. CDW

**X Change of Operator (Well Sold)**

Operator Name Change/Merger

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

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

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

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

**DATA ENTRY:**

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

**BOND VERIFICATION:**

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

**LEASE INTEREST OWNER NOTIFICATION:**

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

**COMMENTS:**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

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

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

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

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

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

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

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006. KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

**RECEIVED**

**MAY 10 2006**

DIV. OF OIL, GAS & MINING

*BLM BOND = C01203  
BIA BOND = RLB0005239*

**APPROVED 5/16/06**

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

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

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

**THIS SPACE FOR FEDERAL OR STATE USE**

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

**SEE ATTACHED**

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

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

**UINTAH COUNTY, UTAH**

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

TYPE OF SUBMISSION	TYPE OF ACTION					
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input 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**

Signature

Title

**ENGINEERING SPECIALIST**

Date

**May 9, 2006**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

*Brad Laney*

Title

Office

Date

**5-9-06**

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

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



## United States Department of the Interior

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

IN REPLY REFER TO:

CO922 (MM)  
3106  
COC017387 et. al.

March 23, 2006

### NOTICE

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

#### Merger/Name Change - Recognized

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

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

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

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

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

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

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

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

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

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

**Attachment:**

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

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

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



# United States Department of the Interior



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

IN REPLY REFER TO:  
3106  
(UT-922)

March 27, 2006

## Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

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

Chief, Branch of  
Fluid Minerals

## Enclosure

Approval letter from BLM COSO (2 pp)

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

RECEIVED

MAR 28 2006

DIV. OF OIL, GAS & MINERALS

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.  
UTU-0582

6. If Indian, Allottee or Tribe Name  
TRIBAL SURFACE

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

8. Well Name and No.  
NBU 920-27B

9. API Well No.  
4304737903

10. Field and Pool, or Exploratory Area  
NATURAL BUTTES

11. County or Parish, State  
UINTAH, UTAH

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

1. Type of Well  
 Oil Well     Gas Well     Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
934' FNL, 1805' FEL LOT 2  
NWNE, SEC 27-T9S-R20E

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

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

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or 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.

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 20, 2006

Approved by  
Utah Division of  
Oil, Gas and Mining

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

2-22-07  
PM

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

Name (Printed/Typed) RAMEY HOOPES	Title REGULATORY CLERK
Signature [Signature]	Date FEBURARY 12, 2007

THIS SPACE FOR FEDERAL OR STATE USE

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

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

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

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

**API:** 4304737903  
**Well Name:** NBU 920-27B  
**Location:** NWNE, SEC 27-T9S-R20E  
**Company Permit Issued to:** KERR MCGEE OIL AND GAS ONSHORE LP  
**Date Original Permit Issued:** 3/20/2006

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 Hodges  
Signature

2/12/2007  
Date

**Title:** Regulatory Clerk

**Representing:** Kerr McGee Oil & Gas Onshore LP

RECEIVED

FEB 20 2007

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

3b. Phone No. (include area code)  
**435.781.7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**NW/NE LOT 2, SEC. 27, T9S, R20E 934'FNL, 1805'FEL**

5. Lease Serial No.  
**UTU-0582**

6. If Indian, Allottee or Tribe Name  
**TRIBAL SURFACE**

7. If Unit or CA/Agreement, Name and/or No.  
**UNIT #891008900A  
NATURAL BUTTES UNIT**

8. Well Name and No.  
**NBU 920-27B**

9. API Well No.  
**4304737903**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

11. County or Parish, State  
**UINTAH, UTAH**

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

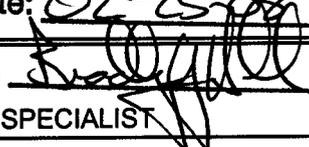
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/>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

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

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APPROVED BY THE DIVISION OF OIL, GAS AND MINING ON MARCH 20, 2006.

Approved by the  
Utah Division of  
Oil, Gas and Mining

**COPY SENT TO OPERATOR**  
 Date: 2-26-2008  
 Initials: KS

Date: 02-25-08  
 By: 

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

Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Title <b>SENIOR LAND ADMIN SPECIALIST</b>
Signature 	Date <b>February 4, 2008</b>

THIS SPACE FOR FEDERAL OR STATE USE

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

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

(Instructions on reverse)

**RECEIVED**  
**FEB 25 2008**  
 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:** 4304737903  
**Well Name:** NBU 920-27B  
**Location:** NW/NE LOT 2, SEC. 27, T9S, R20E  
**Company Permit Issued to:** WESTPORT OIL & GAS COMPANY  
**Date Original Permit Issued:** 3/20/2006

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

  
Signature

2/4/2008

Date

Title: SENOIR LAND ADMIN SPECIALIST

Representing: KERR-McGEE OIL & GAS ONSHORE LP

**RECEIVED**  
**FEB 25 2008**  
DIV. OF OIL, GAS & MINING

**RECEIVED**

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**MAR 02 2006**

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>UTU-0582</b>	
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name <b>TRIBAL SURFACE</b>	
2. Name of Operator <b>KERR MCGEE OIL AND GAS ONSHORE LP</b>		7. If Unit or CA Agreement, Name and No. <b>NATURAL BUTTES UNIT</b>	
3A. Address <b>1368 SOUTH 1200 EAST VERNAL, UT 84078</b>		8. Lease Name and Well No. <b>NBU 920-27B</b>	
3b. Phone No. (include area code) <b>(435) 781-7024</b>		9. API Well No. <b>43-047-37903</b>	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface <b>NWNE 934'FNL, 1805'FEL LOT 2</b> At proposed prod. Zone		10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>	
14. Distance in miles and direction from nearest town or post office* <b>7.2 MILES SOUTHEAST OF OURAY, UTAH</b>		11. Sec., T., R., M., or Blk, and Survey or Area <b>SECTION 27-T9S-R20E</b>	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>934'</b>	16. No. of Acres in lease <b>1433.57</b>	17. Spacing Unit dedicated to this well <b>40.00</b>	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>REFER TO TOPO C</b>	19. Proposed Depth <b>10,300'</b>	20. BLM/BIA Bond No. on file <b>CO-1203 W42357 W4B000291</b>	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4827'GL</b>	22. Approximate date work will start* <b>UPON APPROVAL</b>	23. Estimated duration <b>TO BE DETERMINED</b>	

**24. Attachments**

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

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>1. Well plat certified by a registered surveyor.</li> <li>2. A Drilling Plan.</li> <li>3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).</li> </ul> | <ul style="list-style-type: none"> <li>4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).</li> <li>5. Operator certification.</li> <li>6. Such other site specific information and/or plans as may be required by the authorized office.</li> </ul> |
|--|--|

25. Signature <i>Ramey Hoopes</i>	Name (Printed/Typed) <b>RAMEY HOOPES</b>	Date <b>4/27/2006</b>
Title <b>REGULATORY CLERK</b>		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed) <b>JEAN KENZKA</b>	Date <b>3-7-2008</b>
Title <b>Assistant Field Manager Lands &amp; Mineral Resources</b>	Office <b>VERNAL FIELD OFFICE</b>	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

**CONDITIONS OF APPROVAL ATTACHED**

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

\*(Instructions on reverse)

**RECEIVED**

**MAR 17 2008**

DIV. OF OIL, GAS & MINING

**NOTICE OF APPROVAL**

**UDOGM**

07BM4943A

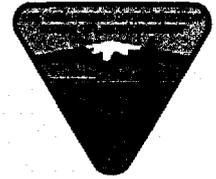


**UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE**

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



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

<b>Company:</b>	<b>Kerr-McGee Oil &amp; Gas Onshore LP</b>	<b>Location:</b>	<b>NWNE Lot 2, Sec 27, T9S, R20E</b>
<b>Well No:</b>	<b>NBU 920-27B</b>	<b>Lease No:</b>	<b>UTU-0582</b>
<b>API No:</b>	<b>43-047-37903</b>	<b>Agreement:</b>	<b>Natural Buttes Unit</b>

<b>Title</b>	<b>Name</b>	<b>Office Phone Number</b>	<b>Cell Phone Number</b>
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
NRS/Enviro Scientist:		(435) 781-4475	(435) 828-4029
Supervisory NRS/Enviro Scientist:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	
NRS/Enviro Scientist:		(435) 781-4476	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:		(435) 781-3400	(435) 828-3544
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545
		<b>Fax: (435) 781-3420</b>	

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

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

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

**Additional Stipulations**

- Paleo monitoring

**General Conditions of Approval**

- A 30' foot corridor right-of-way shall be approved. Upon completion of each pipeline in corridor, they shall be identified and filed with the Ute Tribe.
- A qualified Archaeologist accompanied by a Tribal Technician will monitor trenching construction of pipeline.
- The Ute Tribe Energy & Minerals Department is to be notified, in writing 48 hours prior to construction of pipeline.
- Construction Notice shall be given to the department on the Ute Tribe workdays, which are Monday through Thursday. The Company understands that they may be responsible for costs incurred by the Ute Tribe after hours.
- The Company shall inform contractors to maintain construction of pipelines within the approved ROW's.
- The Company shall assure the Ute Tribe that "ALL CONTRACTORS, INCLUDING SUB-CONTRACTORS, LEASING CONTRACTORS, AND ETC." have acquired a current and valid Ute Tribal Business License and have "Access Permits" prior to construction, and will have these permits in all vehicles at all times.
- You are hereby notified that working under the "umbrella" of a company does not allow you to be in the field, and can be subject to those fines of the Ute Tribe Severance Tax Ordinance.
- Any deviation of submitted APD's and ROW applications the Companies will notify the Ute Tribe and BIA in writing and will receive written authorization of any such change with appropriate authorization.
- The Company will implement "Safety and Emergency Plan." The Company's safety director will ensure its compliance.

- All Company employees and/or authorized personnel (sub-contractors) in the field will have approved applicable APD's and/or ROW permits/authorizations on their person(s) during all phases of construction.
- All vehicular traffic, personnel movement, construction/restoration operations shall be confined to the area examined and approved, and to the existing roadways and/or evaluated access routes.
- All personnel shall refrain from collecting artifacts, any paleontological fossils, and from disturbing any significant cultural resources in the area.
- The personnel from the Ute Tribe Energy & Minerals Department shall be notified should cultural remains from subsurface deposits be exposed or identified during construction. All construction will cease.
- All mitigative stipulations contained in the Bureau of Indian Affairs Site Specific Environmental Assessment (EA) will be strictly adhered.
- Upon completion of Application for Corridor Right-Way, the company will notify the Ute Tribe Energy & Minerals Department, so that a Tribal Technician can verify Affidavit of Completion.

**DOWNHOLE PROGRAM  
CONDITIONS OF APPROVAL (COAs)**

**SITE SPECIFIC DOWNHOLE COAs:**

- Surface casing cement shall be brought up to the surface. To reach the surface, operator is required to pump additional cement beyond the stated amounts of sacks in application.

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

**DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

## OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or

data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

**DIVISION OF OIL, GAS AND MINING**

**SPUDDING INFORMATION**

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

Well Name: NBU 920-27B

Api No: 43-047-37903 Lease Type: FEDERAL

Section 27 Township 09S Range 20E County UINTAH

Drilling Contractor PETE MARTIN DRLG RIG # BUCKET

**SPUDDED:**

Date 04/02/08

Time 11:00 AM

How DRY

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

Reported by LOU WELDON

Telephone # (435) 828-7035

Date 04/03/08 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
4304737903	NBU 920-27B		NWNE	27	9S	20E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>B</i>	99999	<i>2900</i>	4/2/2008			<i>4/3/08</i>	
<b>Comments:</b> MIRU PETE MARTIN BUCKET RIG. <i>W57mvd</i> SPUD WELL LOCATION ON 04/02/2008 AT 1100 HRS							

**Well 2**

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

**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	
<b>Comments:</b>							

**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]*  
 Signature \_\_\_\_\_  
 SENIOR LAND SPECIALIST \_\_\_\_\_  
 Title \_\_\_\_\_ Date 4/3/2008

**RECEIVED**

**APR 03 2008**

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
**UTU-0582**

6. If Indian, Allottee or Tribe Name  
**TRIBAL SURFACE**

7. If Unit or CA/Agreement, Name and/or No.  
**UNIT #891008900A  
NATURAL BUTTES UNIT**

8. Well Name and No.  
**NBU 920-27B**

9. API Well No.  
**4304737903**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**NW/NE LOT. 2, SEC. 27, T9S, R20E 934'FNL. 1805'FEL**

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"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input checked="" type="checkbox"/> Other <b>WELL SPUD</b>
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Water Disposal

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

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 04/02/2008 AT 1100 HRS.

**RECEIVED**  
**APR 15 2008**

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

Name (Printed/Typed)  
**SHEILA UPCHEGO**

Signature  
*Sheila Upchego*

Title  
**SENIOR LAND ADMIN SPECIALIST**

Date  
**April 3, 2008**

DIV. OF OIL, GAS & MINING

THIS SPACE FOR FEDERAL OR STATE USE

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

**KERR-McGEE OIL & GAS ONSHORE LP**

3a. Address

**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)

**(435) 781-7024**

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

**NW/NE LOT. 2, SEC. 27, T9S, R20E 934'FNL. 1805'FEL**

5. Lease Serial No.

**UTU-0582**

6. If Indian, Allottee or Tribe Name

**TRIBAL SURFACE**

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

**UNIT #891008900A**

**NATURAL BUTTES UNIT**

8. Well Name and No.

**NBU 920-27B**

9. API Well No.

**4304737903**

10. Field and Pool, or Exploratory Area

**NATURAL BUTTES**

11. County or Parish, State

**UINTAH COUNTY, UTAH**

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

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

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

MIRU PROPETRO AIR RIG ON 04/06/2008. DRILLED 12 1/4" SURFACE HOLE TO 2850'. RAN 9 5/8" 36# J-55 SURFACE CSG. LEAD CMT W/270 SX HIFILL CLASS G @11.0 PPG 3.82 YIELD. TAILED CMT W/225 SX PREM CLASS G @15.8 PPG 1.15 YIELD. GOOD RETURNS THROUGH OUT JOB 30 +/- BBLS LEAD CMT TO PIT. RAN 200' OF 1" PIPE. CMT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN 1" PIPE. GOOD CMT TO SURFACE AND FELL BACK. TOP OUT W/75 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL. WORT.

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

Name (Printed/Typed)

**SHEILA UPCHEGO**

Title

**SENIOR LAND ADMIN SPECIALIST**

Signature



Date

**April 14, 2008**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

Title

Date

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

Office

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

(Instructions on reverse)

**RECEIVED**

**APR 21 2008**

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Serial No.  
**UTU-0582**

6. If Indian, Allottee or Tribe Name  
**TRIBAL SURFACE**

7. If Unit or CA/Agreement, Name and/or No.  
**UNIT #891008900A  
NATURAL BUTTES UNIT**

8. Well Name and No.  
**NBU 920-27B**

9. API Well No.  
**4304737903**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**NW/NE LOT. 2, SEC. 27, T9S, R20E 934'FNL. 1805'FEL**

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

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

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

FINISHED DRILLING FROM 2850' TO 10,485' ON 05/04/2008. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/768 SX PREM LITE II @13.0 PPG 1.82 YIELD. TAILED CMT W/1400 SX 50/50 POZ @ 14.3 PPG 1.31 YIELD. DROP PLUG & DISPLACE W/161.9 BBLS MUD CLEAN BUMP PLUG @3500 PSI 500 OVER CIRC PSI FLOATS HELD W/1.5 BBLS BACK TO TURCK FULL RETURNS THROUGH OUT JOB W/30 BBLS LEAD CMT TO PIT. LAND DTO HANGER W/100K ND BOPE

RELEASED ENSIGN RIG 83 ON 05/06/2008 AT 0300 HRS,

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

Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Title <b>SENIOR LAND ADMIN SPECIALIST</b>
Signature 	Date <b>May 6, 2008</b>

**THIS SPACE FOR FEDERAL OR STATE USE**

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

**RECEIVED**  
**MAY 08 2008**

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

(Instructions on reverse)

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. <b>UTU-0582</b>
2. Name of Operator <b>KERR-McGEE OIL &amp; GAS ONSHORE LP</b>		6. If Indian, Allottee or Tribe Name <b>TRIBAL SURFACE</b>
3a. Address <b>1368 SOUTH 1200 EAST VERNAL, UT 84078</b>	3b. Phone No. (include area code) <b>(435) 781-7024</b>	7. If Unit or CA/Agreement, Name and/or No. <b>UNIT #891008900A</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>NW/NE LOT. 2, SEC. 27, T9S, R20E 934'FNL. 1805'FEL</b>		8. Well Name and No. <b>NBU 920-27B</b>
		9. API Well No. <b>4304737903</b>
		10. Field and Pool, or Exploratory Area <b>NATURAL BUTTES</b>
		11. County or Parish, State <b>UINTAH COUNTY, UTAH</b>

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

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

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

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 06/08/2008 AT 11:00 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

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

Name (Printed/Typed)

**SHEILA UPCHEGO**

Title

**SENIOR LAND ADMIN SPECIALIST**

Signature

Date

**June 12, 2008**

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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

Office

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

**RECEIVED**

(Instructions on reverse)

**JUN 17 2008**

DIV. OF OIL, GAS & MINING

Wins No.: 94906

NBU 920-27B

Well Operations Summary Long

Operator KERR MCGEE OIL & GAS ONSHORE LP	FIELD NAME NATURAL BUTTES	SPUD DATE 04/02/2008	GL 4.827	KB 4844	ROUTE
API 4304737903	STATE UTAH	COUNTY UINTAH	DIVISION ROCKIES		
Long/Lat.: 40.01094 / -109.64938	Q-Q/Sec/Town/Range: NWNE / 27 / 9S / 20E	Footages: 934.00' FNL 1,805.00' FEL			

Wellbore: NBU 920-27B

MTD 10,485	TVD 10,482	PBMD	PBTVD
<b>EVENT INFORMATION:</b>	EVENT ACTIVITY: DRILLING	START DATE: 4/2/2008	
	OBJECTIVE: DEVELOPMENT	END DATE: 5/6/2008	
	OBJECTIVE 2: ORIGINAL	DATE WELL STARTED PROD.: .	
	REASON:	Event End Status: COMPLETE	

<b>RIG OPERATIONS:</b>	Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
ENSIGN 83 / 83	04/14/2008	04/15/2008	04/15/2008	04/23/2008	05/04/2008	05/06/2008	05/06/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
4/2/2008	SUPERVISOR: LEW WELDON						
	11:00 - 16:00	5.00	DRLCON	02		P	MOVE IN AND RIG UP BUCKET RIG SPUD WELL @ 1100 HR 4/2/08 DRILL AND SET 40' OF SCHEDULE 10 PIPE DRILL RODENT HOLES FOR RIG 83 BLM AND STATE NOTIFIED OF SPUD
4/6/2008	SUPERVISOR: LEW WELDON						
	16:00 - 0:00	8.00	DRLSUR	02		P	MOVE IN AND RIG UP AIR RIG SPUD WELL @ 1600 HR 4/6/08 DA AT REPORT TIME 390'
4/7/2008	SUPERVISOR: LEW WELDON						
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1020'
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1200'
4/8/2008	SUPERVISOR: LEW WELDON						
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1800'
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 2100'
4/9/2008	SUPERVISOR: LEW WELDON						
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 2550'
	12:00 - 20:00	8.00	DRLSUR	02		P	RIG T/D @ 2850' CONDITION HOLE 1.5 HR

Wins No.: 94906

NBU 920-27B

API No.: 4304737903

12:00 - 20:00	8.00	DRLSUR	02	P	RIG T/D @ 2850' CONDITION HOLE 1.5 HR
20:00 - 0:00	4.00	DRLSUR	05	P	TRIP DP OUT OF HOLE @ REPORT TIME

4/10/2008

SUPERVISOR: LEW WELDON

0:00 - 4:30	4.50	DRLSUR	11	P	RUN 2815' OF 9 5/8 CSG AND 200' OF 1" PIPE RIG DOWN AIR RIG
4:30 - 5:30	1.00	DRLSUR	15	P	CEEMNT 1ST STAGE WITH 270 SKS LEAD @ 11# 3.82 23 GAL/SK AND 225 SKS TAIL @ 15.8# 1.15 5.0 GAL/SK GOOD RETURNS THRUOUT JOB + - 30 BBL LEAD CMT TO PIT
5:30 - 6:00	0.50	DRLSUR	15	P	1ST TOP JOB 100 SKS DOWN 1" PIPE GOOD CMT TO SURFACE AND FELL BACK WOC
6:00 - 8:00	2.00	DRLSUR	15	P	2ND TOP JOB 75 SKS DOWN BS GOOD CMT TO SURFACE AND STAYED AT SURFACE
8:00 - 8:00	0.00	DRLSUR			NO VISIBLE LEAKS PIT 1/2 FULL WORT

4/14/2008

SUPERVISOR: SID ARMSTRONG

4:00 - 0:00	20.00	DRLPRO	01	E	P	R/D RIG & WILL BE MOVING TO NBU-920-27B THIS AM W/ KERR TRUCKING
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4/15/2008

SUPERVISOR: STUART NEILSON

0:00 - 6:00	6.00	DRLPRO	01	E	P	RDRT
8:00 - 20:00	14.00	DRLPRO	01	A	P	MOVE RIG W/ KERR TRUCKING TO NBU 920-27B
20:00 - 0:00	4.00	DRLPRO	12	D	P	WAIT ON DAYLIGHT

4/16/2008

SUPERVISOR: STUART NEILSON

0:00 - 7:00	7.00	DRLPRO	12	D	P	WAIT ON DAYLIGHT
7:00 - 19:00	12.00	DRLPRO	01	B	P	RURT 75% RIGGED UP
19:00 - 0:00	5.00	DRLPRO	07	B	S	REPAIR DRUM BEARINGS

4/17/2008

SUPERVISOR: STUART NEILSON

0:00 - 7:00	7.00	DRLPRO	12	E	Z	REPAIR DRAWTOOL
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Wins No.:	NBU 920-27B						API No.:	4304737903
0:00 - 7:00	7.00	DRLPRO	12	E	Z	REPAIR DRAWTOOL		
7:00 - 19:00	12.00	DRLPRO	01	B	P	RURT, WORK ON DRAWTOOL		
19:00 - 0:00	5.00	DRLPRO	12	E	Z	REPAIR DRAWTOOL		
<b>4/18/2008</b>								
SUPERVISOR: STUART NEILSON								
0:00 - 0:00	24.00	DRLPRO	07	A	Z	REPAIR DRAWTOOL, REPAIR BRAKE LINKAGE		
<b>4/19/2008</b>								
SUPERVISOR: STUART NEILSON								
0:00 - 0:00	24.00	DRLPRO	07	A	Z	REPAIR BRAKE LINKAGE		
<b>4/20/2008</b>								
SUPERVISOR: STUART NEILSON								
0:00 - 0:00	24.00	DRLPRO	07	A	Z	REPAIR BRAKE LINKAGE		
<b>4/21/2008</b>								
SUPERVISOR: STUART NEILSON								
0:00 - 6:00	6.00	DRLPRO	07	A	Z	REPAIR BRAKES		
6:00 - 10:00	4.00	DRLPRO	13	A	P	N/U BOP		
10:00 - 18:00	8.00	DRLPRO	13	C	Z	TEST BOP, BLIND RAMS SHEARED BOLTS ON RAMS, REPLACE, BROKE BLIND RAM ROD		
18:00 - 0:00	6.00	DRLPRO	13	D	Z	N/D BOP TO REPLACE DOUBLE GATE RAMS		
<b>4/22/2008</b>								
SUPERVISOR: STUART NEILSON								
0:00 - 11:30	11.50	DRLPRO	13	D	Z	CHANGE OUT DOUBLE GATE, N/U		
11:30 - 14:30	3.00	DRLPRO	13	C	P	TEST BOP, RAMS & ALL VALVES - 250 LOW - 5000 HIGH, ANN 250-LOW - 2500 HIGH, CASING 1500 F/ 30 MIN, INSTALL WEAR BUSHING		
14:30 - 19:00	4.50	DRLPRO	05	A	P	HPJSM W/ RIG & P/U CREWS, R/U & P/U BHA & D/P, R/D		
19:00 - 22:00	3.00	DRLPRO	05	A	P	TOURQE KELLY, INSTALL ROT RUBBER, DRIVE BUSHINGS, CENTER STACK		
22:00 - 0:00	2.00	DRLPRO	02	F	P	DRLG CEMENT & F/E		

4/23/2008

SUPERVISOR: STUART NEILSON

0:00 - 1:00	1.00	DRLPRO	02	F	P	DRLG CEMENT & F/E
1:00 - 1:30	0.50	DRLPRO	09	A	P	SURVEY @ 2810 1.06 DEG
1:30 - 9:30	8.00	DRLPRO	02	B	P	SPUD WELL, DRLG F/ 2850 TO 3444 594' @ 74.2' PH W/ 8.3 PPG - 27 VIS
9:30 - 10:00	0.50	DRLPRO	09	A	P	SURVEY @ 3364 1.53 DEG
10:00 - 14:30	4.50	DRLPRO	02	B	P	DRLG F/ 3444 TO 3754 310' @ 68.8' PH W/ 8.3 PPG - 27 VIS
14:30 - 15:00	0.50	DRLPRO	06	A	P	SERVICE RIG
15:00 - 17:00	2.00	DRLPRO	02	B	P	DRLG F/ 3754 TO 3970 216' @ 108' PH W/ 8.5 PPG 35 VIS
17:00 - 17:30	0.50	DRLPRO	09	A	P	SURVEY @ 3890 2.02 DEG
17:30 - 20:30	3.00	DRLPRO	02	B	P	DRLG F/ 3970 TO 4158 188' @ 62.6' PH W/ 8.7 PPG - 37 VIS
20:30 - 21:30	1.00	DRLPRO	04	B	P	RAISE MUD WT TO 9.2 PPG TO KILL GAS
21:30 - 0:00	2.50	DRLPRO	02	B	P	DRLG F/ 4158 TO 4346 188' @ 75.2' PH W/ 9.3 PPG - 41 VIS

4/24/2008

SUPERVISOR: STUART NEILSON

0:00 - 1:30	1.50	DRLPRO	02	B	P	DRLG F/ 4345 TO 4462 117' @ 78' PH W/ 9.3 PPG - 38VIS
1:30 - 2:00	0.50	DRLPRO	09	A	P	SURVEY @ 4387 1.96 DEG
2:00 - 10:30	8.50	DRLPRO	02	B	P	DRLG F/ 4462 TO 4956 494' @ 58' PH W/ 9.4 PPG - 40 VIS
10:30 - 11:00	0.50	DRLPRO	09	A	P	SURVEY @ 4875 1.07 DEG
11:00 - 13:00	2.00	DRLPRO	02	B	P	DRLG F/ 4956 TO 5110 154' @ 77' PH W/ 9.4 PPG - 40 VIS
13:00 - 13:30	0.50	DRLPRO	06	A	P	SERVICE RIG
13:30 - 18:30	5.00	DRLPRO	02	B	P	DRLG F/ 5110 TO 5479 369' @ 73.8' PH W/ 9.4 PPG - 40 VIS

13:30 - 18:30	5.00	DRLPRO	02	B	P	DRLG F/ 5110 TO 5479 369' @ 73.8' PH W/ 9.4 PPG - 40 VIS
18:30 - 19:00	0.50	DRLPRO	09	A	P	SURVEY @ 5399 2.06 DEG
19:00 - 0:00	5.00	DRLPRO	02	B	P	DRLG F/ 5479 TO 5912 433' @ 86.6' PH W/ 9.5 PPG - 41 VIS

4/25/2008

SUPERVISOR: STUART NEILSON

0:00 - 6:00	6.00	DRLPRO	02	B	P	DRLG F/ 5912 TO 6190 278' @ 46.3' PH W/ 10.2 PPG - 42 VIS
6:00 - 6:30	0.50	DRLPRO	09	A	P	SURVEY @ 6110 1.51 DEG
6:30 - 12:00	5.50	DRLPRO	02	B	P	DRLG F/ 6190 TO 6561 371' @ 67.5' PH W/ 10.5 PPG - 42 VIS
12:00 - 12:30	0.50	DRLPRO	06	A	P	SERVICE RIG
12:30 - 0:00	11.50	DRLPRO	02	B	P	DRLG F/ 6561 TO 7047 486' @ 42.3' PH W/ 10.9 PPG - 42 VIS

4/26/2008

SUPERVISOR: STUART NEILSON

0:00 - 8:00	8.00	DRLPRO	02	B	P	DRLG F/ 7047 TO 7256 209' @ 26.1' PH W/ 11.8 PPG - 45 VIS
8:00 - 8:30	0.50	DRLPRO	04	B	X	CIRC & RAISE WT TO CONTROL GAS
8:30 - 12:30	4.00	DRLPRO	02	B	P	DRLG F/ 7256 TO 7334 78' @ 19.5' PH W/ 12.0 PPG - 48 VIS
12:30 - 19:00	6.50	DRLPRO	05	A	P	PUMP PILL, DROP TOTCO, POOH W/ BIT #1, MAKE UP BIT, TIH TO SHOE
19:00 - 19:30	0.50	DRLPRO	06	A	P	SERVICE RIG
19:30 - 21:30	2.00	DRLPRO	05	A	P	FILL PIPE, TIH
21:30 - 23:00	1.50	DRLPRO	03	E	P	CIRC OUT GAS, WASH & REAM 90' TO BOTTOM W/ 10' FILL 40' FLARE
23:00 - 0:00	1.00	DRLPRO	02	B	P	DRLG F/ 7334 TO 7471 31' @ 31' PH W/ 12.2 PPG - 45 VIS

4/27/2008

SUPERVISOR: STUART NEILSON

0:00 - 12:30	12.50	DRLPRO	02	B	P	DRLG F/ 7365 TO 7766 401' @ 32' PH W/ 12.6 PPG - 43 VIS
12:30 - 13:00	0.50	DRLPRO	06	A	P	SERVICE RIG

Wins No.:	NBU 920-27B						API No.:	4304737903
12:30 - 13:00	0.50	DRLPRO	06	A	P	SERVICE RIG		
13:00 - 21:30	8.50	DRLPRO	02	B	P	DRLG F/ 7766 TO 8019 253' @ 29.8' PH W/ 12.7 PPG - 43 VIS		
21:30 - 22:30	1.00	DRLPRO	07	B	Z	REPAIR PUMPS		
22:30 - 0:00	1.50	DRLPRO	02	B	P	DRLG F/ 8019 TO 8080 61' @ 40' PH W/ 12.7 PPG - 43 VIS		
<b>4/28/2008</b>								
SUPERVISOR: STUART NEILSON								
0:00 - 13:00	13.00	DRLPRO	02	B	P	DRLG F/ 8080 TO 8354 274' @ 21.1' PH W/ 12.7 PPG - 45 VIS		
13:00 - 13:30	0.50	DRLPRO	06	A	P	SERVICE RIG		
13:30 - 0:00	10.50	DRLPRO	02	B	P	DRLG F/ 8354 TO 8617 263' @ 25' PH W/ 12.7 PPG - 45 VIS		
<b>4/29/2008</b>								
SUPERVISOR: STUART NEILSON								
0:00 - 6:30	6.50	DRLPRO	02	B	P	DRLG F/ 8617 TO 8732 115' @ 17.7' PH W/ 12.7 PPG - 45 VIS		
6:30 - 16:30	10.00	DRLPRO	05	A	P	PUMP PILL, DROP TOTCO, POOH W/ BIT #2, TIGHT @ 4900 - 3600, C/O BIT & MM, TIH		
16:30 - 18:30	2.00	DRLPRO	07	B	Z	WORK ON PUMPS		
18:30 - 19:00	0.50	DRLPRO	03	E	P	WASH & REAM 90' TO BOTTOM 10' FILL		
19:00 - 0:00	5.00	DRLPRO	02	B	P	DRLG F/ 8732 TO 8793 61' @ 12.2' PH W/ 12.7 PPG - 45 VIS		
<b>4/30/2008</b>								
SUPERVISOR: STUART NEILSON								
0:00 - 6:00	6.00	DRLPRO	02	B	P	DRLG F/ 8793 TO 8905 112' @ 18.6' PH W/ 12.7 PPG - 45 VIS		
6:00 - 8:30	2.50	DRLPRO	07	B	Z	CHANGE SWIVEL PACKING		
8:30 - 14:00	5.50	DRLPRO	02	B	P	DRLG F/ 8905 TO 8998 93' @ 16.9' PH W/ 12.7 - 45 VIS		
14:00 - 14:30	0.50	DRLPRO	06	A	P	SERVICE RIG		
14:30 - 0:00	9.50	DRLPRO	02	B	P	DRLG F/ 8998 TO 9143 145' @ 15.3, PH W/ 12.7 PPG - 45 VIS		

Wins No.: 94906

NBU 920-27B

API No.: 4304737903

5/1/2008

SUPERVISOR: STUART NEILSON

0:00 - 12:30	12.50	DRLPRO	02	B	P	DRLG F/ 9143 TO 9366 223' @ 17.8' PH W/ 12.7 PPG - 45 VIS
12:30 - 13:00	0.50	DRLPRO	06	A	P	SERVICE RIG
13:00 - 22:30	9.50	DRLPRO	02	B	P	DRLG F/ 9366 TO 9601 235' @ 24.7' PH W/ 12.7 PPG - 45 VIS
22:30 - 23:00	0.50	DRLPRO	07	B	Z	REPLACE 3 TO 2" SWEDGE ON #1 PUMP
23:00 - 0:00	1.00	DRLPRO	02	B	P	DRLG F/ 9601 TO 9619 18' @ 18' PH W/ 12.7 PPG - 45 VIS

5/2/2008

SUPERVISOR: STUART NEILSON

0:00 - 12:00	12.00	DRLPRO	02	B	P	DRLG F/ 9619 TO 9890 271' @ 22.6' PH W/ 12.7 PPG - 45 VIS
12:00 - 12:30	0.50	DRLPRO	06	A	P	SERVICE RIG
12:30 - 0:00	11.50	DRLPRO	02	B	P	DRLG F/ 9890 TO 10073 183' @ 15.9' PH W/ 12.7 PPG - 45 VIS

5/3/2008

SUPERVISOR: STUART NEILSON

0:00 - 5:30	5.50	DRLPRO	02	B	P	DRLG F/ 10073 TO 10136 63' @ 11.4' PH W/ 12.7 PPG - 45 VIS
5:30 - 18:00	12.50	DRLPRO	05	A	P	TFNB, C/O BITS, TIH, WASH 30' TO BOTTOM, 5' FILL
18:00 - 0:00	6.00	DRLPRO	02	B	P	DRLG F/ 10136 TO 10303 167' @ 27.8' PH W/ 12.7 PPG - 45 VIS

5/4/2008

SUPERVISOR: STUART NEILSON

0:00 - 1:30	1.50	DRLPRO	02	B	P	DRLG F/ 10303 TO 10353 50' @ 33.3' PH W/ 12.8 PPG - 45 VIS
1:30 - 2:00	0.50	DRLPRO	07	B	Z	REPLACE 3" TO 2" SWEDGE ON # 1 PUMP
2:00 - 7:00	5.00	DRLPRO	02	B	P	DRLG F/ 10353 TO 10485' ( TD ) 132' @ 26.4' PH W/ 12.8 PPG - 45 VIS
7:00 - 8:00	1.00	DRLPRO	04	C	P	CIRC & COND HOLE
8:00 - 10:00	2.00	DRLPRO	05	E	P	SHORT TRIP 20 STDS

10:00 - 11:30	1.50	DRLPRO	04	C	P	CIRC & COND HOLE TO LDDS
11:30 - 20:30	9.00	DRLPRO	05	B	P	HPJSM W/ RIG & L/D CREWS, R/U & LDDP, BREAK KELLY, L/D BHA, PULL WEAR BUSHING, R/D L/D CREW
20:30 - 0:00	3.50	DRLPRO	10	C	P	HPJSM W/ RIG & LOGGING CREWS, R/U & RUN QUAD COMBO FROM LOGGERS DEPTH 10,487

5/5/2008  
SUPERVISOR: STUART NEILSON

0:00 - 8:00	8.00	DRLPRO	10	C	P	LOG F/ 10485, TOOL FAILER @ 4500, LOG UP, REPLACE BAD TOOL, RELOG F/ 4500'
8:00 - 17:00	9.00	DRLPRO	11	B	P	HPJSM W/ RIG & CASING CREWS, R/U & RUN 10485' OF P-110 4 1/2" CASING
17:00 - 19:00	2.00	DRLPRO	04	E	P	CIRC CASING
19:00 - 22:30	3.50	DRLPRO	15	A	P	HPJSM W/ RIG & CEMENTING CREWS, R/U & PSI TEST LINES TO 4500, START 20 BBLS MUD CLEAN, SCAV- 20 SKS, 11 PPG, 3.38 YLD, LEAD 766 SKS 13 PPG 1.82 YLD, TAIL 1400 SKS 14.3 PPG 1.31 YLD, DROP PLUG & DISPLACE W/ 161.9 BBLS MUD CLEAN, BUMP PLUG @ 3500 PSI ( 500 OVER CIRC PSI ) FLOATS HELD W/ 1.5 BBLS BACK TO TRUCK, FULL RETURNS THROUGH OUT JOB W/ 50 BBLS LEAD CMT TO PIT, LAND DTO HANGER W/ 100 K, PIT 1/4 -LINER OK
22:30 - 0:00	1.50	DRLPRO	13	A	P	N/D BOP - BIULD 520 BBLS UP TO 13.8 PPG & SHIP TO RIG 54, 390 BBLS 12.9 PPG TO NBU 920-15C

5/6/2008  
SUPERVISOR: STUART NEILSON

0:00 - 3:00	3.00	DRLPRO	04	A	P	CLEAN PITS, RELEASE RIG @ 03:00 - 5/6/08
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7:00 - 17:00 10.00 COMP 36 B P 7:00 A.M. HSM

MIRU CUTTERS. MIRU WEATHERFORD FRAC SVC. P/U 3 3/8" PERF GUNS LOADED W/ 23 GM CHARGES & RIH. SHOOT 21 HOLES F/ 10372' - 79', P/U SHOOT 9 HOLES F/ 10271' - 74', P/U SHOOT 12 HOLES F/ 10189' - 93'. POOH, PRIME PMP'S & PSI TST LINES TO 8500# (HELD). PREP TO FRAC

NOTE: ALL STAGES SHOT W/ 3 3/8" EXP PERF GUNS LOADED W/ 23 GM CHARGES. (SEE PERF SHEET FOR PHASING & DENSITY). ALL CBP'S ARE 4 1/2" BAKER 8K CBP'S. ALL STAGES TREATED W/ 30/50 SAND TAILED IN W/ 5000# TLC SAND FOR SAND CONTROL. ALL STAGES INCLUDE NALCO DVE-005 SCALE INHIB. 3 GPT IN PAD & 1/2 RAMP, 10 GPT IN FLUSH & PRE PAD. ALL STAGES INCLUDE NALCO BIOCIDES .25 GPT.

STG 1: BRK DWN PERF'S @ 4336#, EST INJ RT @ 53.7 BPM @ 5900#, ISIP 3161#, FG .75, TREAT STG 1 W/ 67,200# SAND, TAILED IN W/ 5000# TLC SAND W/ SLK WTR. TOT CL FL 2144 BBLs. ISIP 3389#, NPI 228#, FG .77

STG 2: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @ 10128', P/U SHOOT 20 HOLES F/ 10093' - 98', P/U SHOOT 9 HOLES F/ 10031' - 34', P/U SHOOT 9 HOLES F/ 10019' - 22', P/U SHOOT 6 HOLES F/ 9991' - 93', POOH. BRK DWN PERF'S @ 4549#, EST INJ RT @ 50.3 @ 6000#, ISIP 3184#, FG .76, TREAT STG 2 W/ 43434# SAND TAILED IN W/ 5000# TLC SAND W/ SLK WTR. TOT CL FL 1295 BBLs. ISIP 3599#, NPI 415#, FG .80

STG 3: P/U 3 3/8" PERF GUNS & 4 1/2" BAK 8K CBP & RIH. SET CBP @ 9931', P/U SHOOT 40 HOLES F/ 9891' - 9901', POOH. BRK DWN PERF'S @ 4588#, EST INJ RT @ 51.8 BPM @ 5940#, ISIP 3452#, FG .79, TREAT STG 3 W/ 75,640# SAND TAILED IN W/ 5000# TLC SAND W/ SLK WTR. TOT CL FL 2132 BBLs. ISIP 3540#, NPI 87#, FG .80

STG 4: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @ 9829', P/U SHOOT 16 HOLES F/ 9795' - 99', P/U SHOOT 9 HOLES F/ 9773' - 76', P/U SHOOT 9 HOLES F/ 9688' - 91', P/U SHOOT 9 HOLES F/ 9657' - 60', POOH. BRK DWN PERF'S @ 4133#, EST INJ RT @ 51.8 BPM @ 5590#, ISIP 3100#, FG .76, TREAT STG 4 W/ 139,276# SAND TAILED IN W/ 5000# TLC SAND W/ SLK WTR. TOT CL FL 3786 BBLs. ISIP 3341#, NPI 241#, FG .79

STG 5: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @ 9607', P/U SHOOT 20 HOLES F/ 9572' - 77', P/U SHOOT 9 HOLES F/ 9552' - 55', P/U SHOOT 12 HOLES F/ 9521' - 27'. POOH, BRK DWN PERF'S @ 4552#, EST INJ RT @ 49.6 BPM @ 6000#, ISIP 3278#, FG .79, TREAT STG 5 W/ 102,034# SAND TAILED IN W/ 5000# TLC SAND W/ SLK WTR. TOT CL FL 2801 BBLs. ISIP 3460#, NPI 182#, FG .80

SWI. SDFN

6/5/2008

SUPERVISOR: JEFF SAMUELS

7:00 - 17:00 10.00 COMP 36 B P 7:00 A.M. HSM  
CONT TO FRAC.

STG 6: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @ 9460'. P/U SHOOT 12 HOLES F/ 9429' - 32', P/U SHOOT 12 HOLES F/ 9420' - 24', P/U SHOOT 8 HOLES F/ 9393' - 95', P/U SHOOT 9 HOLES F/ 9343' - 46'. POOH. BRK DWN PERF'S @ 4150#, EST INJ RT @ 52.6 BPM @ 5400#, ISIP 3175#, FG .78, TREAT STG 6 W/ 97,365# SAND TAILED IN W/ 5000# TLC SAND W/ SLK WTR. TOT CL FL 2674 BBLs. ISIP 3316#, NPI 141#, FG .80

STG 7: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @ 9246'. P/U SHOOT 9 HOLES F/ 9213' - 16', P/U SHOOT 12 HOLES F/ 9205' - 08'. P/U SHOOT 8 HOLES F/ 9192' - 94', P/U SHOOT 8 HOLES F/ 9176' - 78'. P/U SHOOT 6 HOLES F/ 9168' - 70'. POOH, BRK DWN PERF'S @ 3950#, EST INJ RT @ 52.2 BPM @ 5570#, ISIP 2902#, FG .76, TREAT STG 7 W/ 100,095# SAND, TAILED IN W/ 5000# TLC SAND W/ SLK WTR. TOT CL FL 2416 BBLs. ISIP 3241#, NPI 339#, FG .80

P/U 4 1/2" BAKER 8K CBP & RIH. SET KILL PLUG @ 9118'. POOH. RDMO CUTTERS. RDMO WEATHERFORD. ND FRAC VLVS. NU BOPE. P/U 3 7/8" BIT, POBS & RIH W/ TBG. TAG KILL PLUG @ 9818'. L/D 1 JT TBG. R/U DRL EQUIP. PREP TO D/O IN A.M. SWI. SDFN

6/6/2008

SUPERVISOR: JEFF SAMUELS

7:00 - 17:00 10.00 COMP 44 C P 7:00 A.M. HSM  
R/U PMP & LINES. BRK CONV CIRC & BEG TO DRL.

DRL UP 1ST CBP @ 9118' (1500# PSI INC). CONT TO RIH. TAG FILL @ 9216', (30' FILL). C/O TO 2ND CBP @ 9246'.

DRL UP 2ND CBP (900# PSI INC). CONT TO RIH. TAG FILL @ 9430', (30' FILL). C/O TO 3RD CBP @ 9460'.

DRL UP 3RD CBP (600# PSI INC). CONT TO RIH. TAG FILL @ 9577', (30' FILL). C/O TO 4TH CBP @ 9607'.

DRL UP 4TH CBP (800# PSI INC). CONT TO RIH. TAG FILL @ 9804' (25' FILL). C/O TO 5TH CBP @ 9829'.

DRL UP 5TH CBP (600# PSI INC). CONT TO RIH. TAG FILL @ 9901', (30' FILL). C/O TO 6TH CBP @ 9931'.

DRL UP 6TH CBP (1100# PSI INC). CONT TO RIH. TAG FILL @ 10098', (30' FILL). C/O TO 7TH CBP @ 10128'.

DRL UP 7TH CBP (400# PSI INC). CONT TO RIH. TAG FILL @ 10367', (73' FILL). C/O TO PBTD! 10440'. CIRC WELL CLEAN. R/D DRL EQUIP. POOH L/D 22 JTS ON TRAILER. LAND TBG W/ EOT @ 9839'. NDBOPE. DROP BALL. NU WH. PMP OFF THE BIT SUB @ 3400#. R/U FLOW BACK LINES. RIG DWN, RACK OUT. TURN WELL OVER TO FLOW BACK CREW.

SICP 2200#  
FTP 100#  
48/64 CHOKE

TBG ON LOC 332 JTS  
TBG IN WELL 310 JTS  
TBG LEFT ON TRAILER 22 JTS

6/6/2008

SUPERVISOR: JEFF SAMUELS

7:00 - 33 A

7 AM FLBK REPORT: CP 2200#, TP 100#, 48/64" CK, 2620 BWPB,  
TRACE SAND, LIGHT GAS  
TTL BBLs RECOVERED: -  
BBLs LEFT TO RECOVER: -

6/7/2008

SUPERVISOR: JEFF SAMUELS

Wins No.: 94906 NBU 920-27B API No.: 4304737903

7:00 -	33	A	7 AM FLBK REPORT: CP 2400#, TP 1875#, 20/64" CK, 96 BWPH, TRACE SAND, LIGHT GAS TTL BBLS RECOVERED: 2140 BBLS LEFT TO RECOVER: 4474
6/8/2008 SUPERVISOR: JEFF SAMUELS			
7:00 -	33	A	7 AM FLBK REPORT: CP 3350#, TP 2000#, 24/64" CK, 65 BWPH, TRACE SAND, HEAVY GAS TTL BBLS RECOVERED: 6394 BBLS LEFT TO RECOVER: 10854
11:00 -		PROD	WELL TURNED TO SALES @ 1100 HR ON 6/08/2008 - FTP 2000#, CP 3550#, CK 26/64", 2000 MCFD, 1560 BWPD
6/9/2008 SUPERVISOR: JEFF SAMUELS			
7:00 -	33	A	7 AM FLBK REPORT: CP 3200#, TP 1700#, 26/64" CK, 50 BWPH, TRACE SAND, HEAVY GAS TTL BBLS RECOVERED: 7709 BBLS LEFT TO RECOVER: 9539

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

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

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

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

4. Location of Well (Report locations clearly and in accordance with Federal requirements)\*  
 At surface **NW/NE LOT 2, 934'FNL, 1805'FEL**  
 At top prod. interval reported below \_\_\_\_\_  
 At total depth \_\_\_\_\_

14. Date Spudded **04/02/08** 15. Date T.D. Reached **05/04/08** 16. Date Completed  D & A  Ready to Prod. **06/08/08**

18. Total Depth: MD **10.485'** TVD \_\_\_\_\_ 19. Plug Back T.D.: MD **10.440'** TVD \_\_\_\_\_ 20. Depth Bridge Plug Set: MD \_\_\_\_\_ TVD \_\_\_\_\_

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
**CBL-COR-GR, DA, cal, Comp 2, CD, CN, HDI**

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14"	36.7#		40'		28 SX			
12 1/4"	9 5/8"	36#		2850'		670 SX			
7 7/8"	4 1/2"	11.6#		10,485'		2168 SX			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Set (MD)
2 3/8"	9839'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	9168'	10,379'	9168'-10,379'	0.36	294	OPEN
B) WSMVD						
C)						
D)						

26. Perforation Record

Depth Interval	Amount and type of Material
9168'-10,379'	PMP 17,248 BBLs SLICK H2O & 625,044# 30/50 SD

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

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
06/08/08	06/15/08	24	→	0	2,327	720			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 550#	Csg. Press. 1490#	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
30/64	SI	1490#	→	0	2327	720			PRODUCING GAS WELL

28a. Production - Interval B

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

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

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**JUL 15 2008**

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

28b. Production - Interval C

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

28c. Production - Interval D

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

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

**SOLD**

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

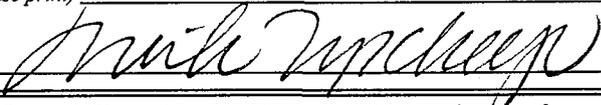
Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
GREEN RIVER	1662'	2259'			
MAHOGANY	2259'	5032'			
WASATCH	5032'	8293'			
MESAVERDE	8293'				

32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

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

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

Name (please print) SHEILA UPCHEGO Title REGULATORY ANALYST  
 Signature  Date 07/09/08

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
SUNDRY NOTICES AND REPORTS ON WELLS

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

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

5. Lease Serial No.  
**UTU-0582**

6. If Indian, Allottee or Tribe Name  
**TRIBAL SURFACE**

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

8. Well Name and No.  
**NBU 920-27B**

9. API Well No.  
**4304737903**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**934' FNL, 1805' FEL LOT 2  
NW/NE, SEC.27, T9S-R20E**

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

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

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

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

PLEASE REFER TO THE ATTACHED RECOMPLETION PROCEDURE.

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

Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Title <b>REGULATORY ANALYST</b>
Signature <i>Sheila Upchego</i>	Date <b>November 10, 2008</b>

THIS SPACE FOR FEDERAL OR STATE USE

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

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

(Instructions on reverse)

Accepted by the  
Director of  
Oil, Gas and Mining  
Date: 11/24/08  
By: [Signature]  
\* Cause 173-14

Federal Approval Of This  
Action Is Necessary

COPY SENT TO OPERATOR  
Date: 11.26.2008  
Initials: KS

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NOV 12 2008

DIV. OF OIL, GAS & MINING

**Name:** NBU 920-27B  
**Location:** NWNE 27 T9S R20W  
**Uintah County, UT**  
**Date:** 11/7/08

**ELEVATIONS:** 4827 GL 4844 KB

**TOTAL DEPTH:** 10485 **PBTD:** 10440  
**SURFACE CASING:** 9 5/8", 36# J-55 ST&C @ 2834'  
**PRODUCTION CASING:** 4 1/2", 11.6#, I-80 LT&C @ 10485'  
 Marker Joint 5018' - 5039'

**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:**

1662' Green River  
 2259' Mahogany  
 5032' Wasatch  
 8293' Mesaverde

CBL indicates good cement below Surface.

**GENERAL:**

- A minimum of 33 tanks (cleaned lined 500 bbl) of recycled water will be required. Note: Use biocide in tanks and the water needs to be at least 45°F at pump time.
- All perforation depths are from Bakers Induction-Density-Neutron log dated 5/5/08
- 8 fracturing stages required for coverage.
- Procedure calls for 8 CBP's (8000 psi) and 1 flow through plug.
- 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.
- 30/50 mesh Ottawa sand, Slickwater frac.
- Maximum surface pressure 6200 psi.
- Flush volumes are the sum of slick water and acid used during displacement (include scale inhibitor as mentioned above). DO NOT OVERDISPLACE. Stage acid and scale inhibitor if necessary to cover the next perforated interval.
- Service companies need to provide surface/production annulus pop-offs to be set for 1500 psi for each frac.

- Pump 20/40mesh resin coated sand last 5,000# of all frac stages
- Tubing Currently Landed @~9839'
- Originally completed on 6/5/08

**Existing Perforations:**

**PERFORATIONS**

<u>Formation (Bench)</u>	<u>Top</u>	<u>Btm</u>	<u>spf</u>	<u>Shots</u>
MESA VERDE	9168	9170	3	6
MESA VERDE	9176	9178	4	8
MESA VERDE	9192	9194	4	8
MESA VERDE	9205	9208	4	12
MESA VERDE	9213	9216	3	9
MESA VERDE	9343	9346	3	9
MESA VERDE	9393	9395	4	8
MESA VERDE	9420	9424	3	12
MESA VERDE	9429	9432	4	12
MESA VERDE	9521	9527	2	12
MESA VERDE	9552	9555	3	9
MESA VERDE	9572	9577	4	20
MESA VERDE	9657	9660	3	9
MESA VERDE	9688	9691	3	9
MESA VERDE	9773	9776	3	9
MESA VERDE	9795	9799	4	16
MESA VERDE	9891	9901	4	40
MESA VERDE	9991	9993	3	6
MESA VERDE	10019	10022	3	9
MESA VERDE	10031	10034	3	9
MESA VERDE	10093	10098	4	20
MESA VERDE	10189	10193	3	12
MESA VERDE	10271	10274	3	9
MESA VERDE	10372	10379	3	21

**PROCEDURE:**

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.
2. If the tubing is below the proposed CBP depth, TOO H with 2-3/8", 4.7#, J-55 (or N-80) tubing (currently landed at ~9839'). Visually inspect for scale and consider replacing if needed. If the tubing is above the proposed CBP depth, RIH with tubing and tag for fill before TOO H.
3. If tbg looks ok consider running a gauge ring to 9073' (50' below proposed CBP). Otherwise P/U a mill and C/O to 9073' (50' below proposed CBP).
4. Set 8000 psi flow through plug at ~ 9023'. Pressure test BOP and casing to 6000 psi. .
5. Perf the following with 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
MESAVERDE	8826	8830	3	12

MESAVERDE	8873	8876	3	9
MESAVERDE	8930	8932	3	6
MESAVERDE	8989	8993	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 ~8783' and trickle 250gal 15%HCL w/ scale inhibitor in flush . Note: Tight Spacing.

7. Set 8000 psi CBP at ~8773'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
MESAVERDE	8622	8624	3	6
MESAVERDE	8659	8661	3	6
MESAVERDE	8691	8694	3	9
MESAVERDE	8711	8713	4	8
MESAVERDE	8740	8743	4	12

8. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~8572' and trickle 250gal 15%HCL w/ scale inhibitor in flush.

9. Set 8000 psi CBP at ~7878'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	7752	7758	4	24
WASATCH	7844	7848	4	16

10. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 3 on attached listing. Under-displace to ~7702' trickle 250gal 15%HCL w/ scale inhibitor in flush.

11. Set 8000 psi CBP at ~7590'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	7526	7528	4	8
WASATCH	7552	7560	4	32

~~12. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 4 on attached listing. Under-displace to ~7476' and trickle 250gal 15%HCL w/ scale inhibitor in flush.~~

13. Set 8000 psi CBP at ~7254'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	7200	7204	4	16
WASATCH	7216	7224	3	24

14. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 5 on attached listing. Under-displace to ~7150' and trickle 250gal 15%HCL w/ scale inhibitor in flush.

15. Set 8000 psi CBP at ~6992'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	6848	6854	3	18
WASATCH	6890	6894	3	12
WASATCH	6958	6962	3	12

16. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 6 on attached listing. Under-displace to ~6798' and trickle 250gal 15%HCL w/ scale inhibitor in flush.

17. Set 8000 psi CBP at ~6390'. Perf the following 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	6220	6226	4	24
WASATCH	6356	6360	4	16

18. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 7 on attached listing. Under-displace to ~6170' and trickle 250gal 15%HCL w/ scale inhibitor in flush.

19. Set 8000 psi CBP at ~5250'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	5120	5126	4	24
WASATCH	5216	5220	4	16

20. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 8 on attached listing. Under-displace to ~5070' and flush only with recycled water.

21. Set 8000 psi CBP at ~5070'.

22. TIH with 3 7/8" mill, sliding sleeve, SN and tubing.

23. Mill plugs (DO NOT DRILL FLOW THRU PLUG @ 9023') and clean out to 9023'. Land tubing at ~~±8592'~~ and open sleeve unless indicated otherwise by the well's behavior. This well will NOT be commingled at this time.

24. RDMO

25. Clean out well with foam and/or swabbing unit until steady flow has been established from recomplete.

26. MIRU

27. Mill isolation plug and C/O to PBTD. Prep to commingle well. Land tubing at ~9089'

28. 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:  
Tight Spacing between stages 1 & 2.

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Name NBU 920-27B  
 Perforation and CBP Summary

Stage	Zones	Perforations		SPF	Holes	Fracture Coverage		
		Top, ft	Bottom, ft					
1	MESAVERDE		No Perfs			8807	to	8823
	MESAVERDE	8826	8830	3	12	8826	to	8831.5
	MESAVERDE	8873	8876	3	9	8858	to	8878
	MESAVERDE	8930	8932	3	6	8929	to	8934
	MESAVERDE		No Perfs			8950	to	8956
	MESAVERDE		No Perfs			8979	to	8981
	MESAVERDE	8989	8993	4	16	8984	to	8999.5
	# of Perfs/stage				43	CBP DEPTH	8,773	
2	MESAVERDE	8622	8624	3	6	8620.5	to	8626
	MESAVERDE		No Perfs			8642	to	8645.5
	MESAVERDE	8659	8661	3	6	8655	to	8662
	MESAVERDE	8691	8694	3	9	8688	to	8720.5
	MESAVERDE	8711	8713	4	8	8723.5	to	8726.5
	MESAVERDE		No Perfs			8728	to	8729
	MESAVERDE	8740	8743	4	12	8739.5	to	8747.5
	# of Perfs/stage				41	CBP DEPTH	7,878	
3	WASATCH	7752	7758	4	24	7751	to	7758
	WASATCH	7844	7848	4	16	7843	to	7848
		# of Perfs/stage			40	CBP DEPTH	7,590	
4	WASATCH	7526	7528	4	8	7526	to	7528
	WASATCH	7552	7560	4	32	7550	to	7560
		# of Perfs/stage			40	CBP DEPTH	7,254	
5	WASATCH	7200	7204	4	16	7200	to	7205
	WASATCH	7216	7224	3	24	7210	to	7225
		# of Perfs/stage			40	CBP DEPTH	6,992	
6	WASATCH	6848	6854	3	18	6847	to	6860
	WASATCH	6890	6894	3	12	6890	to	6894
	WASATCH	6958	6962	3	12	6958	to	6962
		# of Perfs/stage			42	CBP DEPTH	6,390	
7	WASATCH	6220	6226	4	24	6220	to	6243
	WASATCH	6356	6360	4	16	6356	to	6360
		# of Perfs/stage			40	CBP DEPTH	5,250	
8	WASATCH	5120	5126	4	24	5112	to	5126
	WASATCH	5216	5220	4	16	5216	to	5221
		# of Perfs/stage			40	CBP DEPTH	5,070	



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
UTU-0582  
6. If Indian, Allottee or Tribe Name  
TRIBAL SURFACE

**SUBMIT IN TRIPLICATE** - Other instructions on page 2.

1. Type of Well  
 Oil Well  Gas Well  Other

7. If Unit of CA/Agreement, Name and/or No.  
UNIT #891008900A  
8. Well Name and No.  
NBU 920-27B

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

9. API Well No.  
4304737903

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

3b. Phone No. (include area code)  
435.781.7024

10. Field and Pool or Exploratory Area  
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
NW/NE LOT. 2, SEC. 27, T9S, R20E 934/FNL, 1805/FEL

11. Country or Parish, State  
UINTAH COUNTY, UTAH

**12. CHECK THE 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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

THE OPERATOR HAS PERFORMED A RECOMPLETION ON THE SUBJECT WELL. THE OPERATOR HAS COMPLETED THE WASATCH FORMATION. THE OPERATOR HAS COMMINGLED THE NEWLY WASATCH ALONG WITH THE EXISTING MESAVERDE FORMATION. THE OPERATOR HAS PLACED THE SUBJECT WELL LOCATION BACK TO PRODUCTION ON 12/21/2008 AT 12:00 PM.

PLEASE REFER TO THE ATTACHED RECOMPLETION CHRONOLOGICAL WELL HISTORY.

14. I hereby certify that the foregoing is true and correct.  
Name (Printed/Typed)  
SHEILA UPCHEGO  
Title REGULATORY ANALYST  
Signature   
Date 12/23/2008

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

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

**RECEIVED**  
**DEC 31 2008**

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

Wins No.: 94906

NBU 920-27B

API No.: 4304737903

EVENT INFORMATION: EVENT ACTIVITY: RECOMPLETION  
 OBJECTIVE: DEVELOPMENT  
 OBJECTIVE 2: RECOMPLETE  
 REASON: MV/WAS

START DATE: 12/13/2008  
 END DATE: 12/18/2008  
 DATE WELL STARTED PROD.:  
 Event End Status: COMPLETE

AFE NO.: 2028115

RIG OPERATIONS: Begin Mobilization Rig On Location Rig Charges Rig Operation Start Finish Drilling Rig Release Rig Off Location  
 12/13/2008 12/18/2008

KEY 243 / 243

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
12/13/2008 SUPERVISOR: KEN WARREN							
	7:00 - 7:15	0.25	COMP	48		P	HSM, ROADING RIG
	7:15 - 20:00	12.75	COMP	33	C	P	ROAD RIG FROM CIGE 295 TO NBU-920-27B, MIRU, SPOT EQUIP, CONTROL WELL W/ 60 BBLS, N/D WELL HEAD, N/U BOPS, POOH W/ 4-1/16 HANGER, POOH W/ 310 JNTS 2-3/8 L-80 TBG, N/D BOPS, N/U FRAC VALVES, MIRU CUTTERS WIRE LINE, RIH W/ 3-7/8 GAUGE RING TO 9050' [NO PROBLEMS] POOH L/D GAUGE RING, P/U BKR 10 K FLOW THROUGH PLUG. RIH SET @ 9008', FILLED HOLE W/ 2% KCL, P/T CSG & FRAC VALVES TO 7500' [NO PROBLEMS] P/U RIH PERF MESAVERDE USING 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 8989'-8993' 4 SPF, 90" PH, 16 HOLES, 8930'-8932' 3 SPF 120" PH, 6 HOLES, 8873'-8876' 3 SPF, 9 HOLES, 8826'-8830; 3 SPF, 12 HOLES, [43 HOLES] DRAINED EQUIP, READY FOR FRAC MON.
12/15/2008 SUPERVISOR: GARTH McCONKIE							
	6:45 - 7:00	0.25	COMP	48		P	DAY 2 - JSA & SM #2
	7:00 - 10:00	3.00	COMP	46	F	Z	MIRU WEATHERFORD PUMPING SERVICES. FROZEN BLNDR & CHEM SYSTEM. HOLD WEATHERFORD SAFETY MTG. W.E. SICP = 1968 PSI. WELL HEAD FROZEN UP. NO WELL HEAD HEATER
	10:00 - 10:35	0.58	COMP	46	A	X	STG #1) P/T SURF. EQUIP. TO 8500 PSI. BRK DWN PERFS 5.0 BPM @ 3795 PSI. ISIP = 3067 PSI, FG = 0.79. PMP 140 BBLS W/10/1000 SCALE INHIB. PMP 150 BBLS 48.8 BPM @ 5510 PSI. 30/43 PERFS OPEN - 70%. 553 BBLS IN TO JOB S/D FIX INLINE DESITOMETER. DOWN 35 MIN. ADD 250 BBLS TO PAD. MP 6895 PSI, MR 56.8 BPM, AP 5644 PSI, AR 52.8 BPM, ISIP = 3496 PSI, FG = 0.83, NPI = 429 PSI. PMPD 4733 BBLS SLK WTR, 159,928 LBS OTTOWA SND, 4,967 LBS TLC SND, 164,895 LBS TOTAL SAND. 315 GAL SCALE INHIB.
	10:35 - 13:15	2.67	COMP	36	E	P	STG #2) WHP = 1407 PSI. BRK DWN PERFS 5.1 BPM @ 4913 PSI. ISIP = 3120 PSI, FG = 0.80. PMP 250 BBLS 40.9 BPM @ 4538 PSI. 41/41 PERFS OPEN - 100%. MP 6359 PSI, MR 41.1 BPM, AP 4270 PSI, AR 40.7 BPM, ISIP = 3418 PSI, FG = 0.84, NPI = 298 PSI. PMPD 3758 BBLS SLK WTR, 137,884 LBS OTTOWA SND, 4,895 LBS TLC SND, 142,779 LBS TOTAL SAND. 210 GAL SCALE INHIB.
	13:15 - 14:38	1.38	COMP	37	B	P	STG #3) RIH W/3 3/8" EXP. GNS, 23 GRM, 0.36 HOLE, 90 & 120 DEG PHSG. SET BAKER 8K CBP @ 8773'. PERF M.V. @ 8740' - 43'. 4 SPF, 8711' - 13', 4 SPF, 8691' - 94', 3 SPF, 8659' - 61', 3 SPF, 8622' - 24', 3 SPF, 41 HOLES. POOH W/TOOLS.
	14:38 - 16:33	1.92	COMP	36	E	P	STG #2) WHP = 1407 PSI. BRK DWN PERFS 5.1 BPM @ 4913 PSI. ISIP = 3120 PSI, FG = 0.80. PMP 250 BBLS 40.9 BPM @ 4538 PSI. 41/41 PERFS OPEN - 100%. MP 6359 PSI, MR 41.1 BPM, AP 4270 PSI, AR 40.7 BPM, ISIP = 3418 PSI, FG = 0.84, NPI = 298 PSI. PMPD 3758 BBLS SLK WTR, 137,884 LBS OTTOWA SND, 4,895 LBS TLC SND, 142,779 LBS TOTAL SAND. 210 GAL SCALE INHIB.
	16:33 - 17:52	1.32	COMP	37	B	P	STG #3) RIH W/3 3/8" EXP. GNS, 23 GRM, 0.36 HOLE, 90 DEG PHSG. SET BAKER 8K CBP @ 7878'. PERF M.V. @ 7844' - 48'. 4 SPF, 7752' - 58', 4 SPF, 40 HOLES. POOH W/TOOLS.
	17:52 - 18:00	0.13	COMP			P	SWI - SDFN. PREP WELL TO PERF & FRAC STGS 3 - 8 IN AM. FREEZE PROTECT WELL HEAD.
12/16/2008 SUPERVISOR: GARTH McCONKIE							
	8:00 - 8:30	0.50	COMP	48		P	DAY 3 - JSA & SM #3. PREP WELL & FRAC EQUIP. TO START FRAC.
	8:30 - 9:49	1.32	COMP	36	E	P	STG #3) WHP = 2038 PSI. P/T SURFACE EQUIP. TO 8400 PSI. BRK DWN PERFS 9.5 BPM @ 3892 PSI. ISIP = 2980 PSI, FG = 0.82. PMP 130 BBLS 50.8 BPM @ 5295 PSI. 30/40 PERFS OPEN - 75%. MP 5312 PSI, MR 51.2 BPM, AP 4658 PSI, AR 51.1 BPM, ISIP = 3255 PSI, FG = 0.86, NPI = 275 PSI. PMPD 699 BBLS SLK WTR, 19,714 LBS OTTOWA SND, 4,886 LBS TLC SND, 24,600 LBS TOTAL SAND. 79 GAL SCALE INHIB.
	9:49 - 11:22	1.55	COMP	37	B	P	STG #4) RIH W/3 3/8" EXP. GNS, 23 GRM, 0.36 HOLE, 90 DEG PHSG. SET BAKER 8K CBP @ 7590'. PERF M.V. @ 7552' - 60'. 4 SPF, 7526' - 28', 4 SPF, 40 HOLES. POOH W/TOOLS.



Wins No.: 94906

NBU 920-27B

API No.: 4304737903

7:15 - 7:15

0.00

COMP

31

I

P

WHP = 0 PSI. R/D FLOOR. N/D FRAC VALVES. N/U BOP. R/U FLOOR & TBG EQUIP. THAW OUT TBG TONGS. RIH W/18 STDS TBG. POOH & L/D 36 JTS TBG ON FLOAT.

P/U BIT & SLIDING SLEEVE. RIH ON USED 2 3/8" 4.7# J55 TBG. TAG CBP @ 5069'. R/U PWR SWWL & PMP. EST CIRC. W/2% KCL WTR. P/T BOP TO 3000 PSI.

CBP #1) DRLG OUT BAKER 8K CBP @ 5069' IN 10 MIN. 800 PSI DIFF. RIH TAG FILL @ 5200'. C/O 50' OF SND. FCP = 0 PSI.

CBP #2) DRLG OUT BAKER 8K CBP @ 5250' IN 15 MIN. 800 PSI DIFF. RIH TAG FILL @ 6310'. C/O 80' OF SND. FCP = 125 PSI.

CBP #3) DRLG OUT BAKER 8K CBP @ 6390' IN 10 MIN. 300 PSI DIFF. RIH TAG FILL @ 0000'. C/O 00' OF SND. FCP = 150 PSI.

CBP #4) DRLG OUT BAKER 8K CBP @ 6992' IN 10 MIN. 600 PSI DIFF. SWIVEL DWN 1 JT. RIH W/1 JT & FILL W/DIESEL. FLOW WELL ON CSG. FOR 30 MIN. EOT @ 7059'.

18:30 SWI - SDFN. PREP WELL TO CONT. TO DRLG PLUGS IN AM. 4 PLUGS LEFT.

MD:

12/18/2008

SUPERVISOR: GARTH McCONKIE

7:00 - 17:00

10.00

COMP

31

P

7:AM HSM. OPEN WELL 2200 SHUT IN PSI. BLOW DOWN RIH CONTINUE DRILL. TAG SAND @ 7224'. 30' SAND. DRILL DOWN TO CBP @ 7254' DRILLUP CBP 350 DIFF PSI INC. RIH TAG SAND @ 7560', 30' SAND. DRILL DOWN TO CBP @ 7590'. DRILL UP CBP. 300 DIFF PSI INC. RIH TAG SAND @ 7848'. 30' SAND. DRILL DOWN TO CBP @ 7878'. DRILL UP CBP, 400 DIFF PSI INC. RIH, TAG @ 8743'. DRILL DOWN TO CBP @ 8773'. DRILL UP CBP 300 DIFF PSI INC. RIH CLEANOUT TO FRAC PLUG @ 9003'. CIR CLEAN.RD DRILL EQUIP. POOH LD TBG. 271 JTS IN WELL. LAND TBG. EOT @ 8598.38. ND BOP. NU WELLHEAD. RU SLICKLINE, RIH PULL SLEVE. RUN PROTECTOR. PUT WELL FLOWING TO TANK. 1600 PSI ON CSG. TURN WELL OVER TO FLOWTESTERS. RD RIG MOVE OFF.

MD:

12/19/2008

SUPERVISOR: GARTH McCONKIE

7:00 -

33

A

7 AM FLBK REPORT: CP 1200#, TP 200#, 34/64" CK, 80 BWP, - SAND, - GAS  
TTL BBLS RECOVERED: 3500  
BBLS LEFT TO RECOVER: 10800

MD:

12/20/2008

SUPERVISOR: GARTH McCONKIE

12:00 -

PROD

WELL TURNED TO SALES @ 1200 HR ON 12/20/2008 - FTP 1200#, CP 2100#, CK 20/64", 1300 MCFD, 840 MCFD

amended

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

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

3. Address: 1368 SOUTH 1200 EAST VERNAL, UTAH 84078  
 3a. Phone No. (include area code): 435.781.7024

5. Lease Serial No.  
UTU-0582

6. If Indian, Allottee or Tribe Name  
TRIBAL SURFACE

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

8. Lease Name and Well No.  
NBU 920-27B

9. AFI Well No.  
4304737903

10. Field and Pool or Exploratory  
NATURAL BUTTES

11. Sec., T., R., M., on Block and  
Survey or Area: SEC. 27, T9S, R20E

12. County or Parish: UINTAH, COUNTY  
 13. State: UT

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
 At surface: NW/NE LOT. 2, 934'FNL, 1805'FEL  
 At top prod. interval reported below:  
 At total depth:

14. Date Spudded: 04/02/2008  
 15. Date T.D. Reached: 05/04/2008  
 16. Date Completed: 12/21/2008  
 D & A  Ready to Prod.

17. Elevations (DF, RKB, RT, GL)\*  
4827'GL

18. Total Depth: MD 10,485' TVD  
 19. Plug Back T.D.: MD 9,003' TVD  
 20. Depth Bridge Plug Set: MD TVD

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

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14" STEEL	36.7#		40'		28 SX			
12 1/4"	9 5/8" J-55	36#		2,850'		670 SX			
7 7/8"	4 1/2 I-80	11.6#		10,485'		2,168 SX			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 3/8"	8,598'							

25. Producing Intervals

Formation	Top	Bottom	Perforation Interval	Size	No. Holes	Perf. Status
A) WASATCH	5,120'	7,848'	5,120'-7,848'	0.36	242	OPEN
B) MESAVERDE	8,622'	8,993'	8,622'-8,993'	0.36	84	OPEN
C)						
D)						

26. Perforation Record

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

Depth Interval	Amount and Type of Material
5,120'-7,848'	PMP 6,502 BBLs SLICK H2O & 257,887# 30/50 OTTOWA SD
8,622'-8,993'	PMP 8,491 BBLs SLICK H2O & 307,674# 30/50 OTTOWA SD

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
12/21/08	1/4/09	24	→	0	1,870	250			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
20/64	831#	1,137#	→	0	1,870	250		PRODUCING GAS WELL	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
12/21/08	1/4/09	24	→	0	1,870	250			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
20/64	831#	1,137#	→	0	1,870	250		PRODUCING GAS WELL	

RECEIVED  
JAN 20 2009

\*(See instructions and spaces for additional data on page 2)

28b. Production - Interval C

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

28c. Production - Interval D

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

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

SOLD

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
GREEN RIVER	1662'				
MAHOGANY	2259'				
WASATCH	5032'	8365'			
MESAVERDE	8501'	10,379'			

32. Additional remarks (include plugging procedure):

33. Indicate which items have been attached by placing a check in the appropriate boxes:

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

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

Name (please print) SHEILA UPCHEGO Title REGULATORY ANALYST  
 Signature  Date 01/16/2009

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

(Continued on page 3)