

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-02277-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
2. Name of Operator WESTPORT OIL & GAS COMPANY L.P.		7. If Unit or CA Agreement, Name and No. NATURAL BUTTES UNIT
3A. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078		8. Lease Name and Well No. NBU 1021-25G
3b. Phone No. (include area code) (435) 781-7024		9. API Well No. 43-047-37913
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SWNE 2445'FNL, 2079'FEL 628479 X At proposed prod. Zone 4419634 - 109.49662		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 20 MILES SOUTHEAST OF OURAY, UTAH		11. Sec., T., R., M., or Blk. and Survey or Area SECTION 25-T10S-R21E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 2079'	16. No. of Acres in lease 1640.00	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 8900'	20. BLM/BIA Bond No. on file CO-1203
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5206'GL	22. Approximate date work will start* UPON APPROVAL	23. Estimated duration TO BE DETERMINED

24. Attachments

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

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

25. Signature 	Name (Printed/Typed) SHEILA UPCHEGO	Date 3/7/2006
Title REGULATORY ANALYST		
Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL	Date 03-20-06
Title ENVIRONMENTAL MANAGER	Office	

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

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

*(Instructions on reverse)

MAR 10 2006

Federal Approval of this Action is Necessary

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

R
21
E

R
22
E

Kerr-McGee Oil & Gas Onshore LP

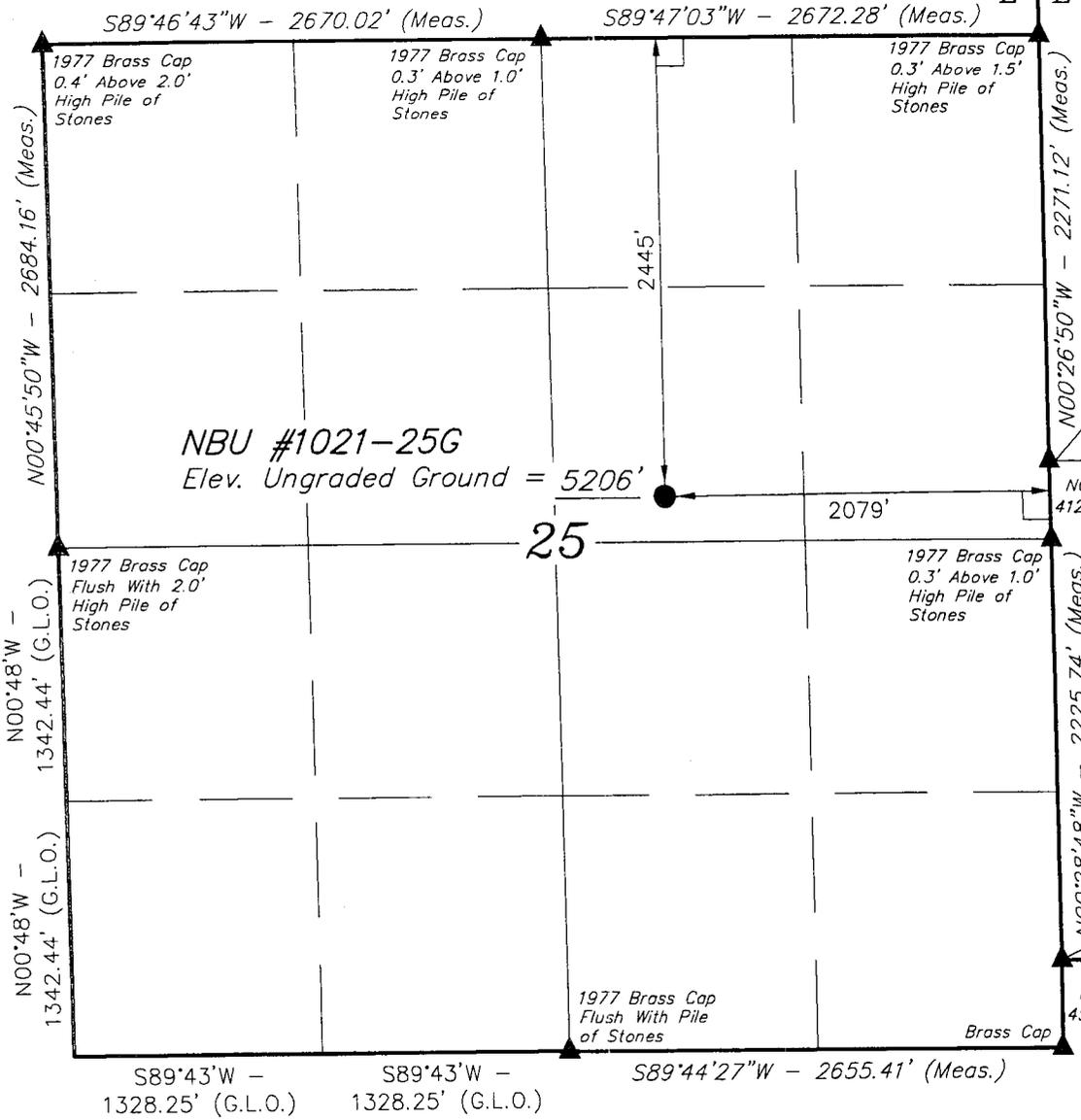
Well location, NBU #1021-25G, located as shown in the SW 1/4 NE 1/4 of Section 25, T10S, R21E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

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

BASIS OF BEARINGS

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



E 1/4 Cor. Sec. 30 1977 Brass Cap
0.2' Above 0.8' High Pile of Stones

30

N00°37'50"W
412.87' (Meas.)

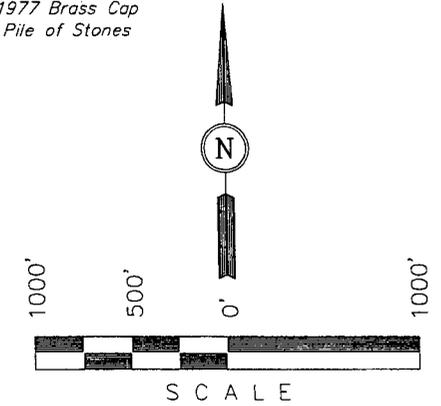
2079'

1977 Brass Cap
0.3' Above 1.0'
High Pile of
Stones

SW Cor.
Sec. 30
1977 Brass
Cap 0.9'
High, Pile
of Stones

N00°08'46"W
456.46' (Meas.)

Brass Cap



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. King
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

REVISED: 01-14-06

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

LEGEND:

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

(NAD 83)
LATITUDE = 39°55'09.91" (39.919419)
LONGITUDE = 109°29'50.90" (109.497472)
(NAD 27)
LATITUDE = 39°55'10.03" (39.919453)
LONGITUDE = 109°29'48.44" (109.496789)

SCALE 1" = 1000'	DATE SURVEYED: 12-13-05	DATE DRAWN: 12-21-05
PARTY J.F. P.J. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE Kerr-McGee Oil & Gas Onshore LP	

NBU #1021-25G
SW/NE Sec. 25, T10S,R21E
UINTAH COUNTY, UTAH
UTU-02277-B

ONSHORE ORDER NO. 1

DRILLING PROGRAM

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

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1000'
Wasatch	4275'
Mesaverde	6750'
TD	8900'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1000'
Gas	Wasatch	4275'
Gas	Mesaverde	6750'
Water	N/A	
Other Minerals	N/A	

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

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

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

Please see the Natural Buttes Unit SOP.

5. **Drilling Fluids Program:**

Please see the Natural Buttes Unit SOP.

6. **Evaluation Program:**

Please see the Natural Buttes Unit SOP.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 8900' TD, approximately equals 5518 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3560 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

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

9. **Variances:**

Please see Natural Buttes Unit SOP.

10. **Other Information:**

Please see Natural Buttes Unit SOP.



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE March 7, 2006
 WELL NAME NBU 1021-25G TD 8,900' MD/TVD
 FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 5,206' GL KB 5,221'
 SURFACE LOCATION SWNE SECTION 25-T10S-R21E 2445'FNL & 2079'FEL BHL Straight Hole
 Latitude: 39.919419 Longitude: 109.497472
 OBJECTIVE ZONE(S) Wasatch/Mesaverde
 ADDITIONAL INFO Regulatory Agencies: BLM (surface/minerals), UDOGM, Tri-County Health Dept.

GEOLOGICAL			MECHANICAL		
LOGS	FORMATION TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'		14"	
			12-1/4"	9-5/8", 32.3#, H-40, STC	Air mist
Catch water sample, if possible, from 0 to 4,275' Green River @ 1,000 Preset f/ GL @ 1900 MD Note: 12.25" surface hole will usually be drilled ±400' below the lost circulation zone (aka bird's nest). Drilled depth may be ±200' of the estimated set depth depending on the actual depth of the loss zone Mud logging program TBD Open hole logging program f/ TD - surf csg					
	Wasatch @	4,275'	7-7/8"	4-1/2", 11.6#, M80, 180 or equivalent LTC csg	Water/Fresh Water Mud 8.3-11.3 ppg
	Mverde @	6,750'			
		TD @ 8,900'			Max anticipated Mud required 11.3 ppg



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

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 1900	32.30	H-40	STC	0.69*****	1.66	4.73
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 8900	11.60	M-80 or I-80	LTC	2.38	1.21	2.23

- 1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)
 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)
 (Burst Assumptions: TD = 11.3 ppg) .22 psi/ft = gradient for partially evac wellbore
 (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoys.Fact. of water)
 MASP 3272 psi

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

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE Option 1	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
NOTE: If well will circulate water to surface, option 2 will be utilized							
SURFACE Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,770'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	390	60%	11.00	3.38
	TAIL	5,130'	50/50 Poz/G + 10% salt + 2% gel	1440	60%	14.30	1.31

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

FLOAT EQUIPMENT & CENTRALIZERS

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

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.
 BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.
 Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.
 Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

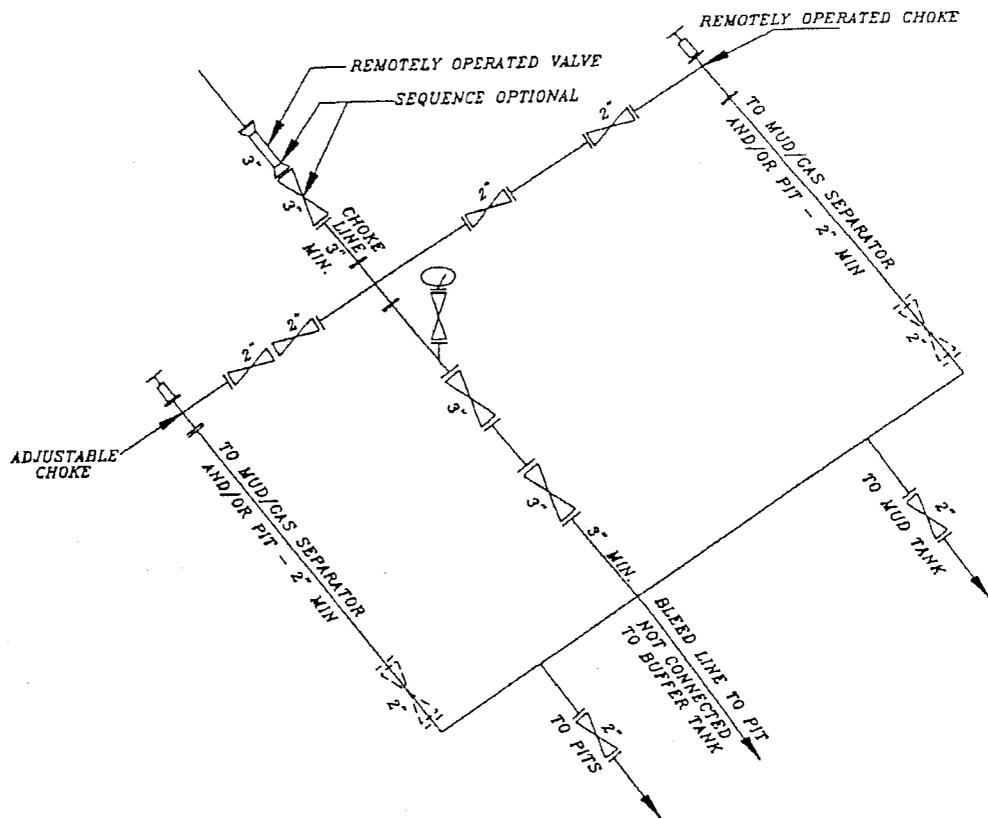
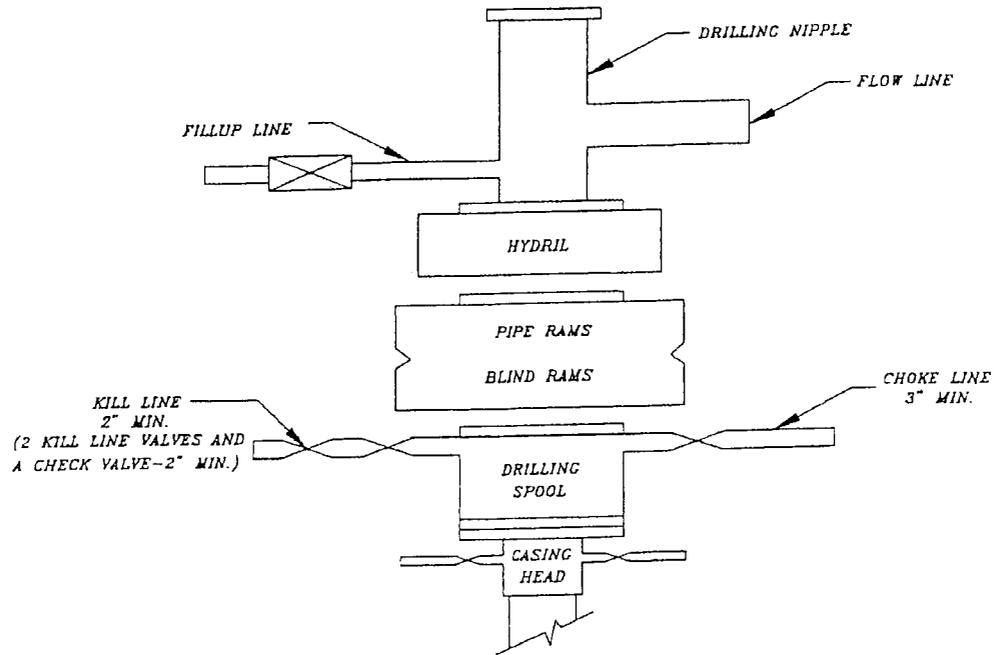
DRILLING ENGINEER: _____
 Brad Laney

DATE: _____

DRILLING SUPERINTENDENT: _____
 Randy Bayne

DATE: _____

5M BOP STACK and CHOKE MANIFOLD SYSTEM



**NBU 1021-25G
SWNE SEC 25-T10S-R21E
UINTAH COUNTY, UTAH
UTU-02277-B**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the NBU 1021-25G on 03/02/06 for the subject well.

1. Existing Roads:

Refer to the attached location directions.

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

2. Planned Access Roads:

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

Approximately 0.1+/- miles of new access road is proposed. Refer to Topo Map B.

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

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

Please see the Natural Buttes Unit SOP.

Low Profile Tanks shall be installed. As discussed at the on-site inspection.

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

Variations to Best Management Practices (BMPs) Requested:

Approximately 8950' +/- of 4" steel pipeline will be installed on surface within the access corridor for the well location. As a Best Management Practice (BMP), the pipeline would be buried within the access road corridor if possible. The construction of pipelines requires the corridor of 30 feet.

This exception to the BMP should be granted by the BLM Authorized Officer because indurated bedrock, such as sandstone, is at or within 2 feet of the surface and the soil has a poor history for successful rehabilitation.

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

5. Location and Type of Water Supply:

Please see the Natural Buttes SOP.

6. **Source of Construction Materials:**

Please see the Natural Buttes SOP.

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

Please see the Natural Buttes SOP.

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

8. **Ancillary Facilities:**

Please see the Natural Buttes SOP.

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

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

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

As per previous onsite discussion, a 20 mil reserve pit liner with felt will be used.

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

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

Please see the Natural Buttes SOP.

When the pit is backfilled, the topsoil pile shall be spread on the location up to the rig anchor points. The location will be reshaped to the original contour to the extent possible. The following seed mixture will be used to reclaim the surface for interim reclamation using appropriate reclamation methods. A total of 12 lbs/acre will be used if the seeds are drilled (24 lbs/acre if the seeds are broadcast). The per acre requirements for **drilled** seed are:

Crested Wheat Grass	4 lbs.
Needle and Thread Grass	4 lbs.
Indian Rice Grass	4 lbs.

Operator shall call the BLM for the seed mixture when final reclamation occurs.

11. Surface Ownership:

The well pad and access road are located on lands owned by:

United States of America
Bureau of Land Management
170 South 500 East
Vernal, UT 84078
(435)781-4400

12. Stipulations:

Critical Soils: No Construction When Wet.

Wildlife Stipulations:

ANTELOPE STIPULATIONS: No construction or drilling from May 15th through June 20th.

13. Other Information:

A Class III archaeological survey and a paleontological survey have been performed and will be filed when received.

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

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

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.

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 the terms and conditions of the lease for the operations conducted upon leased lands.

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

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

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


Sheila Upchego

3/7/2006
Date

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-25G

SECTION 25, T10S, R21E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 11.2 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 6.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY DIRECTION APPROXIMATELY 1.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 51.0 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-25G
LOCATED IN UINTAH COUNTY, UTAH
SECTION 25, T10S, R21E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY

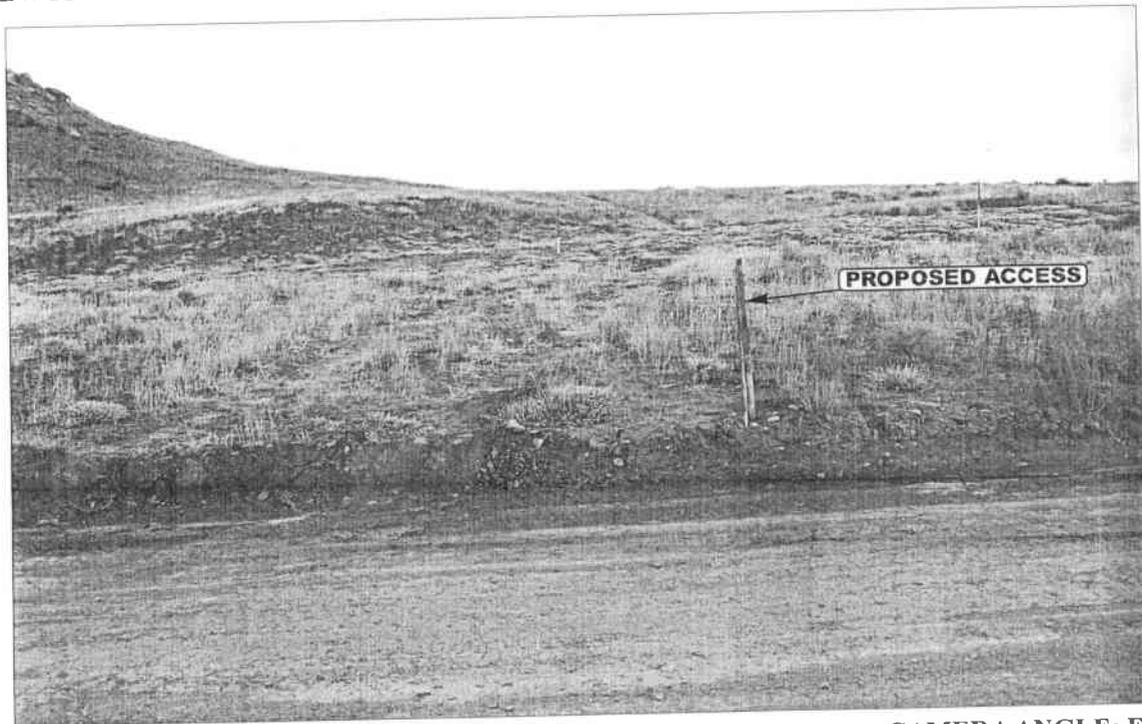


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

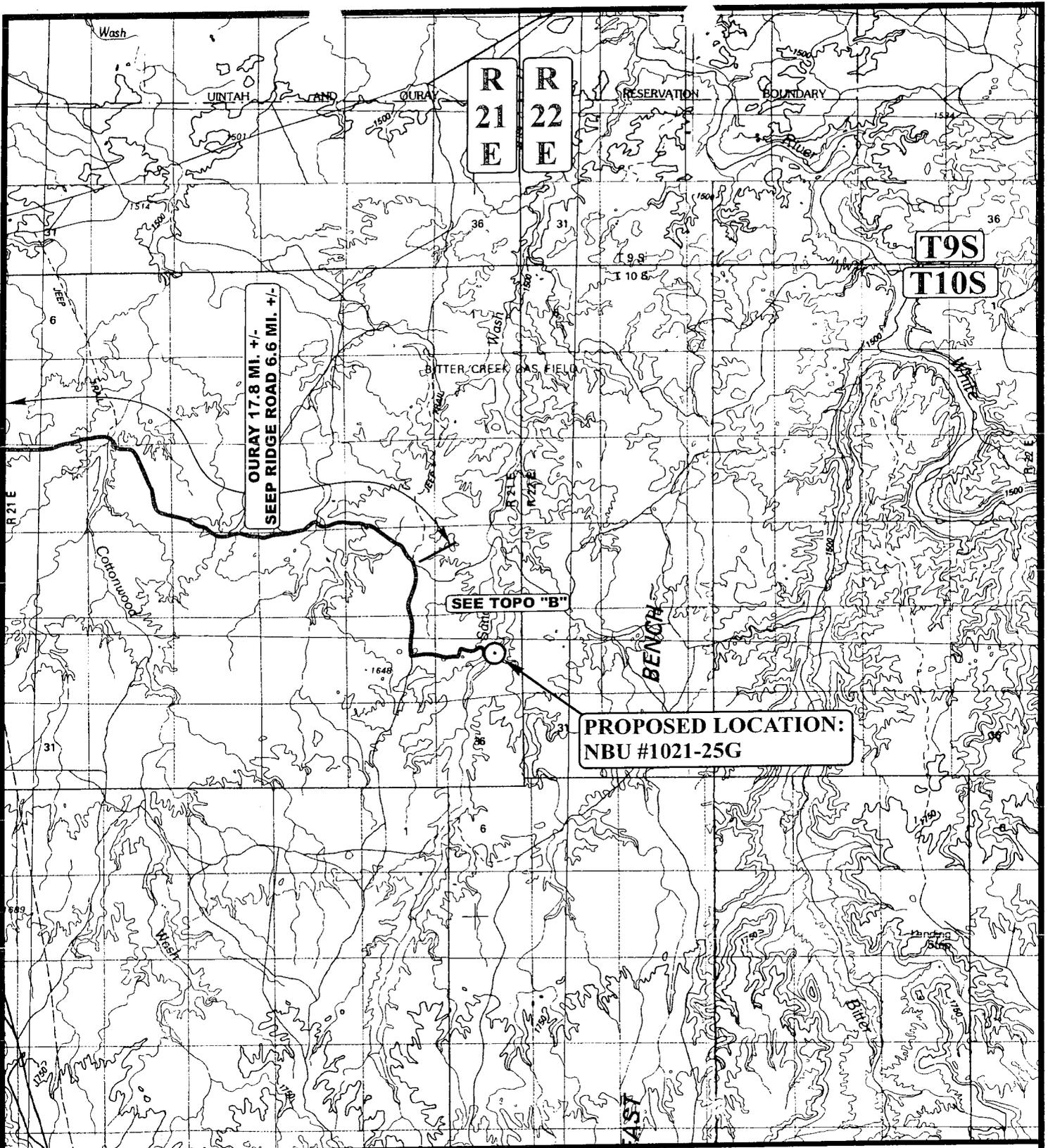
CAMERA ANGLE: EASTERLY



- Since 1964 -

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

LOCATION PHOTOS	12	14	05	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: P.J.	DRAWN BY: C.P.		REVISED: 01-14-06	



LEGEND:

○ PROPOSED LOCATION



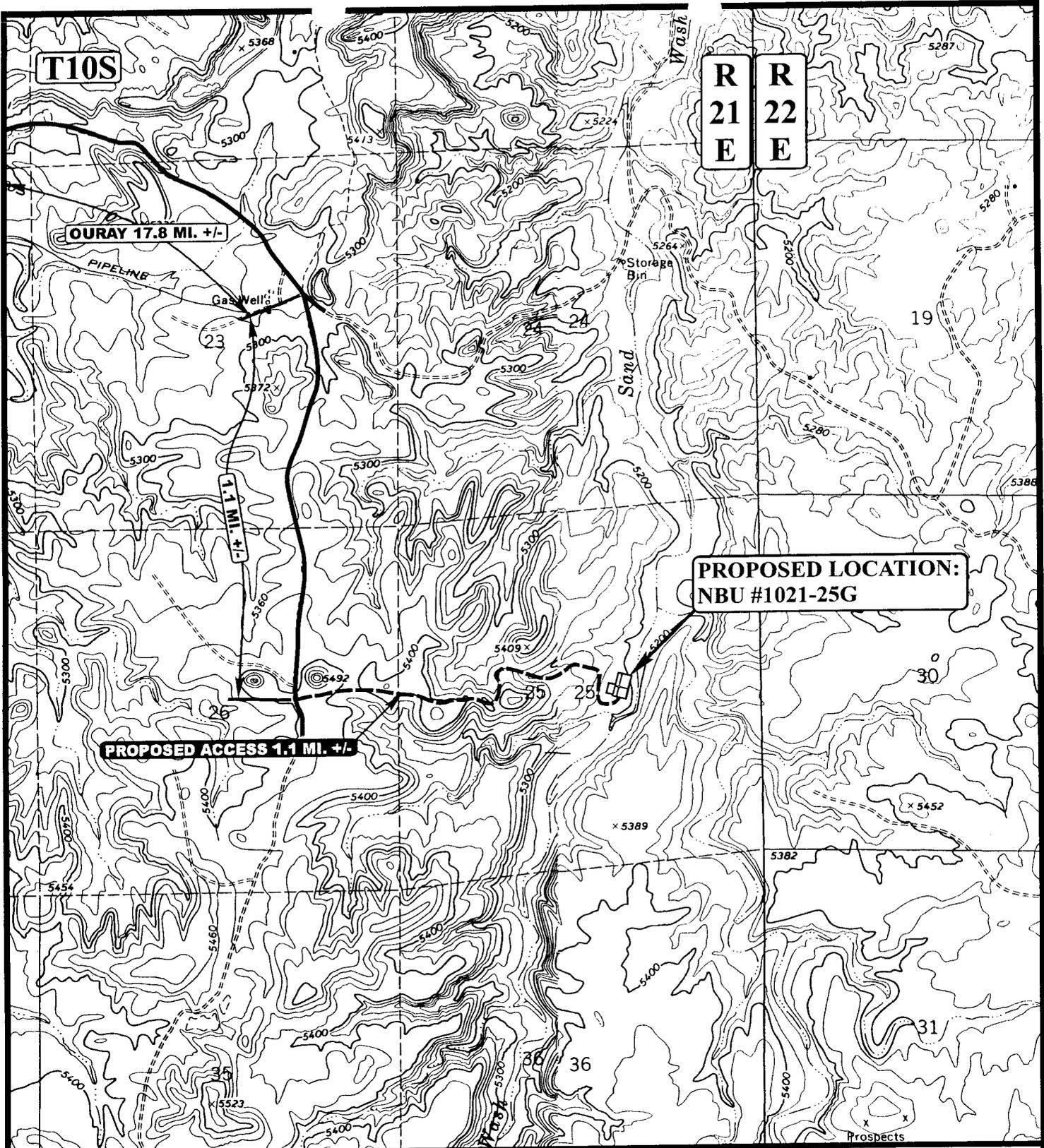
Kerr-McGee Oil & Gas Onshore LP

NBU #1021-25G
 SECTION 25, T10S, R21E, S.L.B.&M.
 2445' FNL 2079' FEL

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

TOPOGRAPHIC MAP
 MONTH 12 DAY 14 YEAR 05
 SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 01-14-06





LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD



Kerr-McGee Oil & Gas Onshore LP

NBU #1021-25G

SECTION 25, T10S, R21E, S.L.B.&M.

2445' FNL 2079' FEL



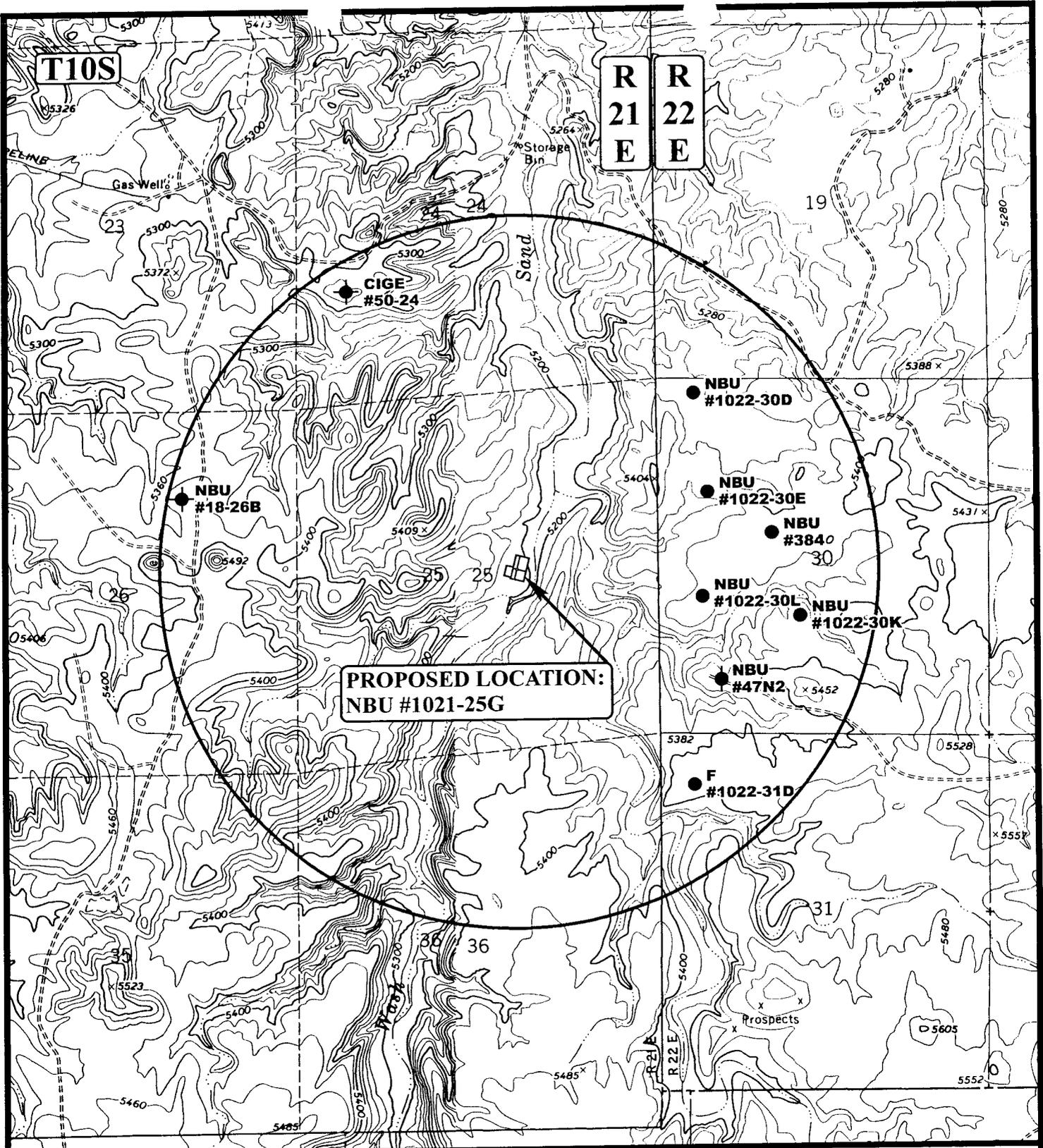
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

12	14	05
MONTH	DAY	YEAR

B
TOPO

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



**PROPOSED LOCATION:
NBU #1021-25G**

LEGEND:

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



Kerr-McGee Oil & Gas Onshore LP

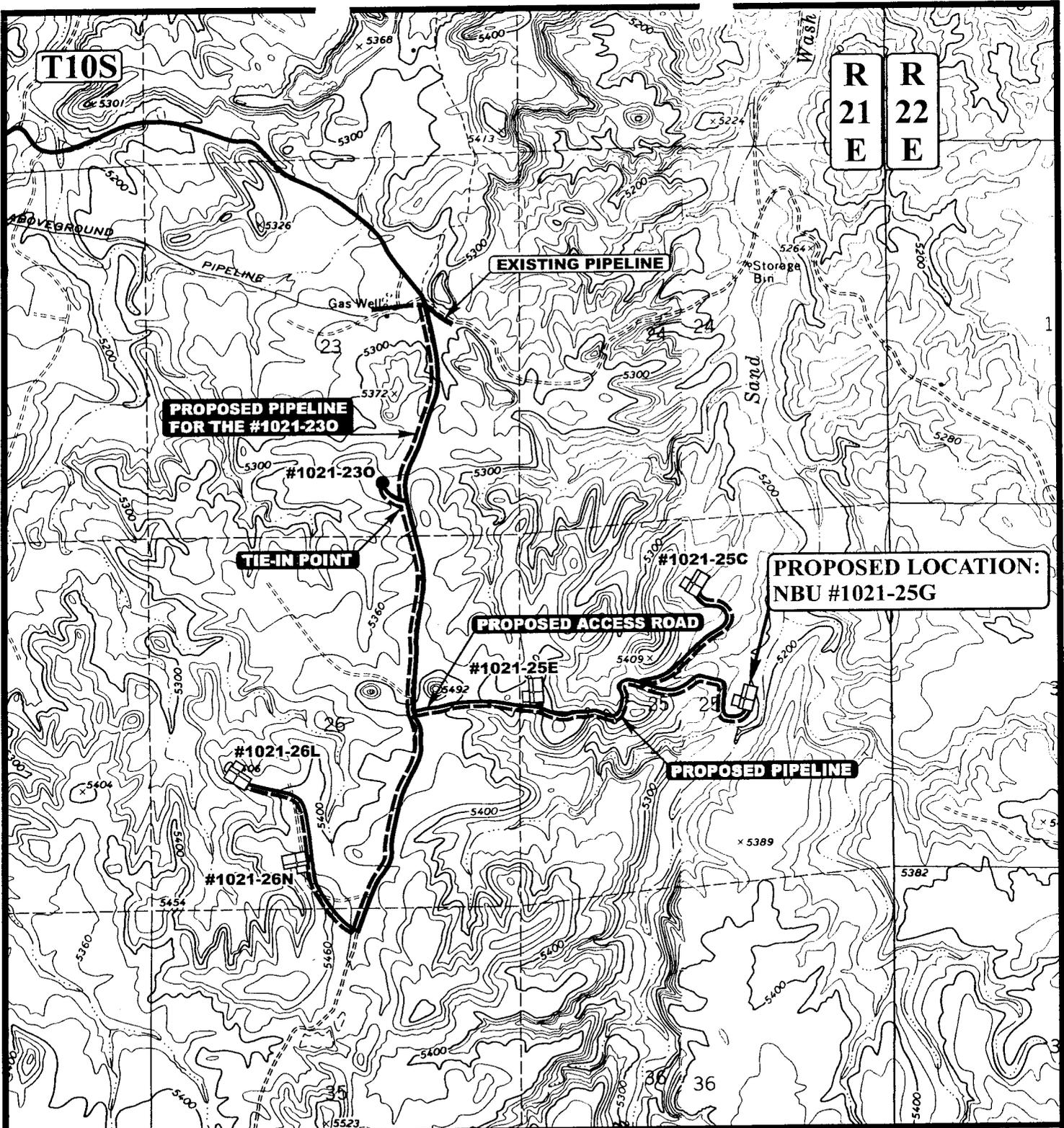
**NBU #1021-25G
SECTION 25, T10S, R21E, S.L.B.&M.
2445' FNL 2079' FEL**



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

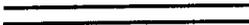
TOPOGRAPHIC			12	14	05
MAP			MONTH	DAY	YEAR
SCALE: 1" = 2000'		DRAWN BY: C.P.		REVISED: 01-14-06	





APPROXIMATE TOTAL PIPELINE DISTANCE = 8,950' +/-

LEGEND:

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

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-25G

SECTION 25, T10S, R21E, S.L.B.&M.

2445' FNL 2079' FEL



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



TOPOGRAPHIC	12	14	05
MAP	MONTH	DAY	YEAR
SCALE: 1" = 2000'	DRAWN BY: C.P.		REVISED: 01-14-06



Kerr-McGee Oil & Gas Onshore LP

NBU #1021-25G

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH

SECTION 25, T10S, R21E, S.L.B.&M.

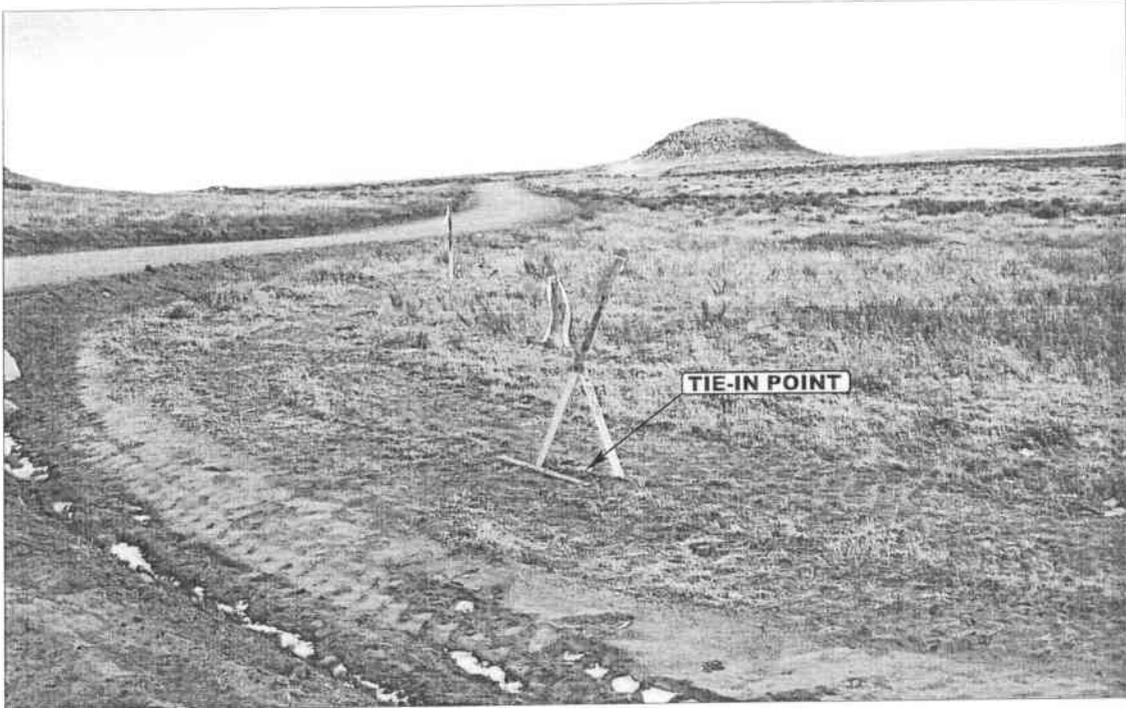


PHOTO: VIEW OF ALIGNMENT

CAMERA ANGLE: NORTHEASTERLY

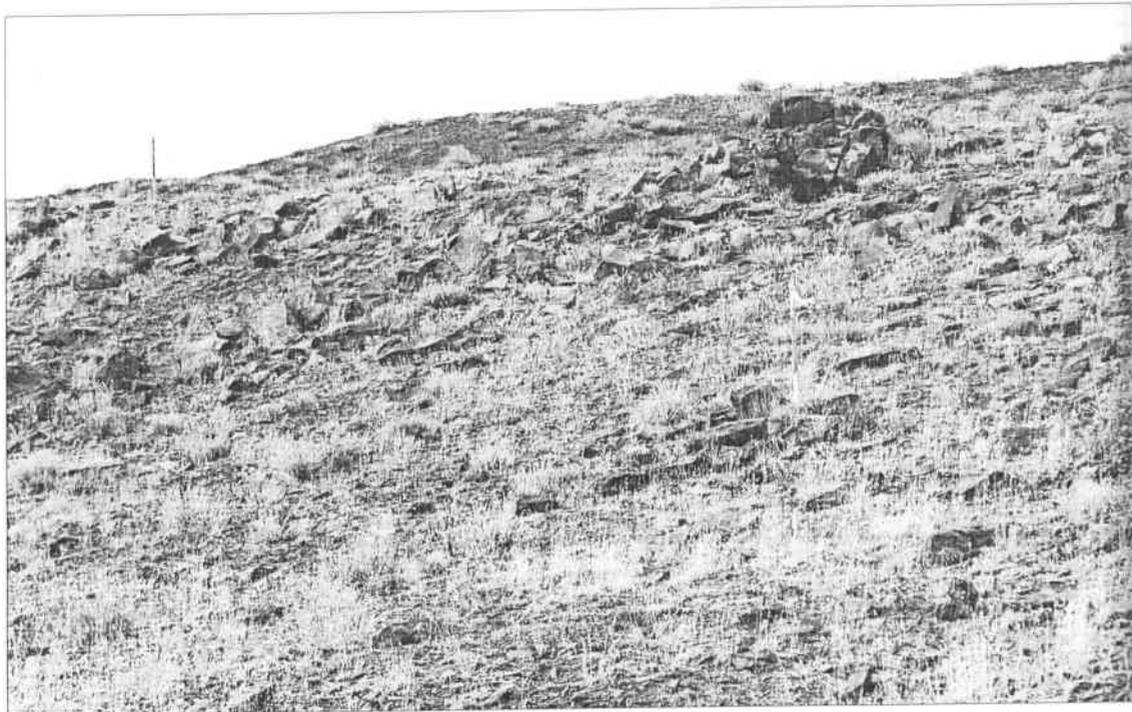


PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: NORTHERLY



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

- Since 1964 -

PIPELINE PHOTOS	12	14	05	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: P.J.	DRAWN BY: C.P.		REVISED: 01-14-06	

Kerr-McGee Oil & Gas Onshore LP

FIGURE #1

LOCATION LAYOUT FOR

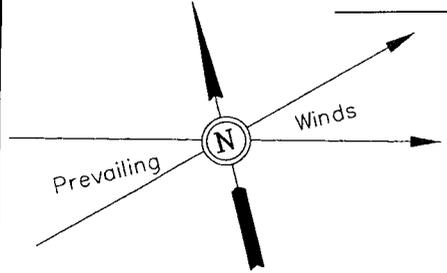
NBU #1021-25G

SECTION 25, T10S, R21E, S.L.B.&M.

F-0.4' 2445' FNL 2079' FEL
El. 205.6'

Approx. Toe of Fill Slope

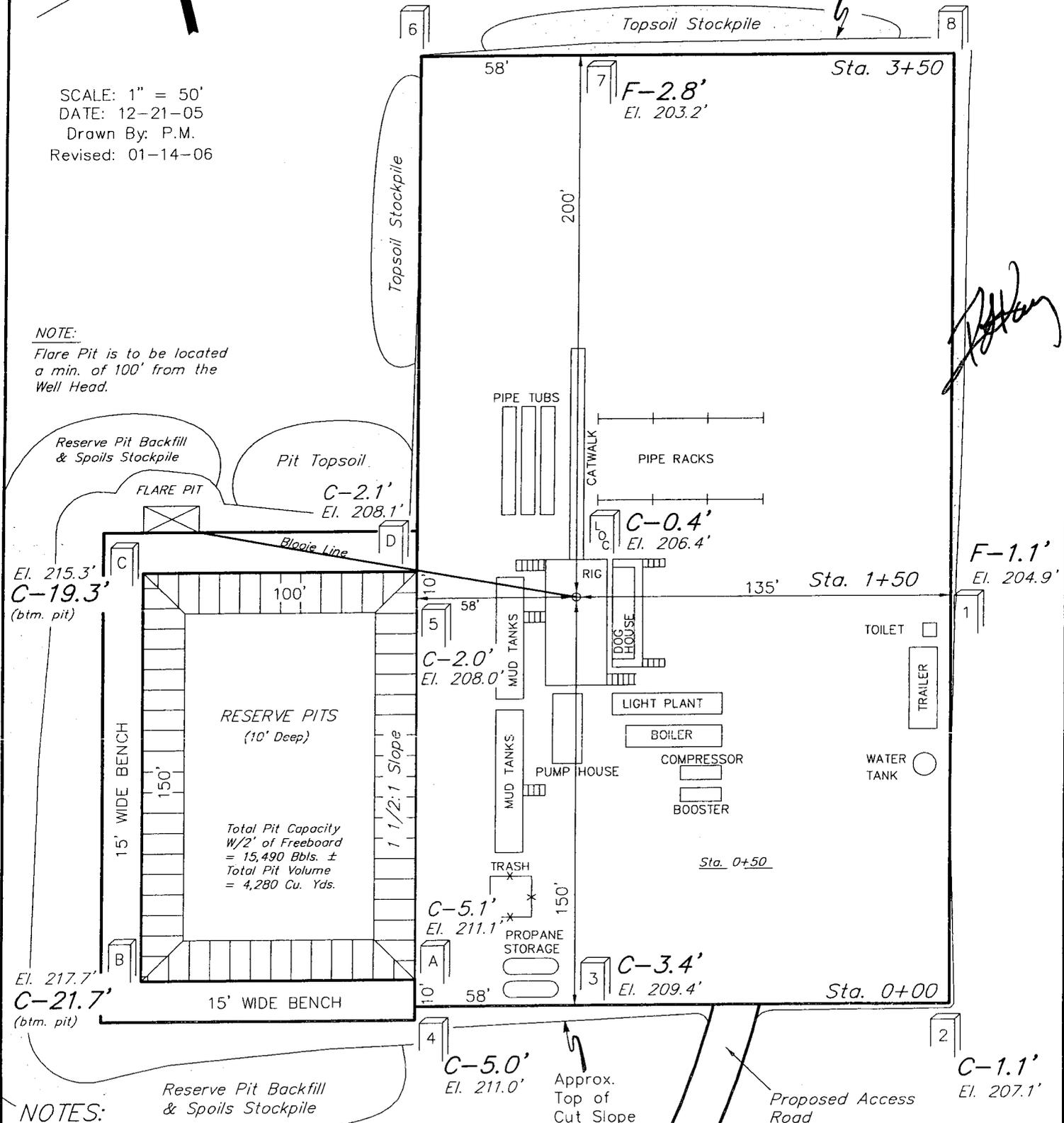
F-3.8' El. 202.2'



SCALE: 1" = 50'
DATE: 12-21-05
Drawn By: P.M.
Revised: 01-14-06

NOTE:

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



NOTES:

Reserve Pit Backfill & Spoils Stockpile

Elev. Ungraded Ground At Loc. Stake = 5206.4'
FINISHED GRADE ELEV. AT LOC. STAKE = 5206.0'

Approx. Top of Cut Slope

Proposed Access Road

C-1.1' El. 207.1'

Kerr-McGee Oil & Gas Onshore LP

FIGURE #2

TYPICAL CROSS SECTIONS FOR

NBU #1021-25G

SECTION 25, T10S, R21E, S.L.B.&M.

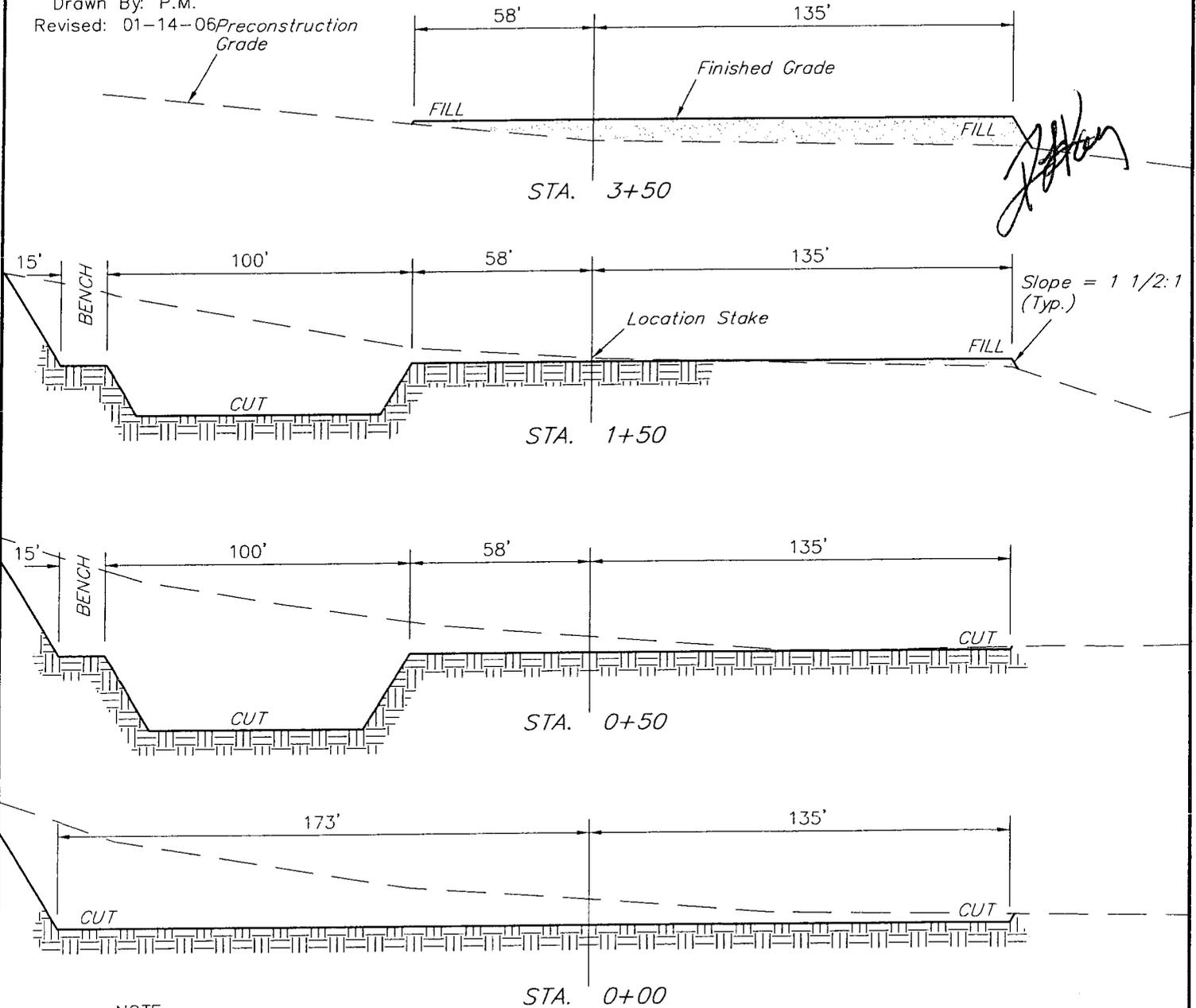
2445' FNL 2079' FEL

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

DATE: 12-21-05

Drawn By: P.M.

Revised: 01-14-06 *Preconstruction Grade*



NOTE:

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

*** NOTE:**

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,890 Cu. Yds.
Remaining Location	= 11,990 Cu. Yds.
TOTAL CUT	= 13,880 CU.YDS.
FILL	= 3,680 CU.YDS.

EXCESS MATERIAL	= 10,200 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 4,030 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 6,170 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: 43-047-37913

WELL NAME: NBU 1021-25G
 OPERATOR: WESTPORT OIL & GAS CO (N2115)
 CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

SWNE 25 100S 210E
 SURFACE: 2445 FNL 2079 FEL
 BOTTOM: 2445 FNL 2079 FEL
 COUNTY: UINTAH
 LATITUDE: 39.91940 LONGITUDE: -109.4967
 UTM SURF EASTINGS: 628479 NORTHINGS: 4419683
 FIELD NAME: NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-02277-B
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

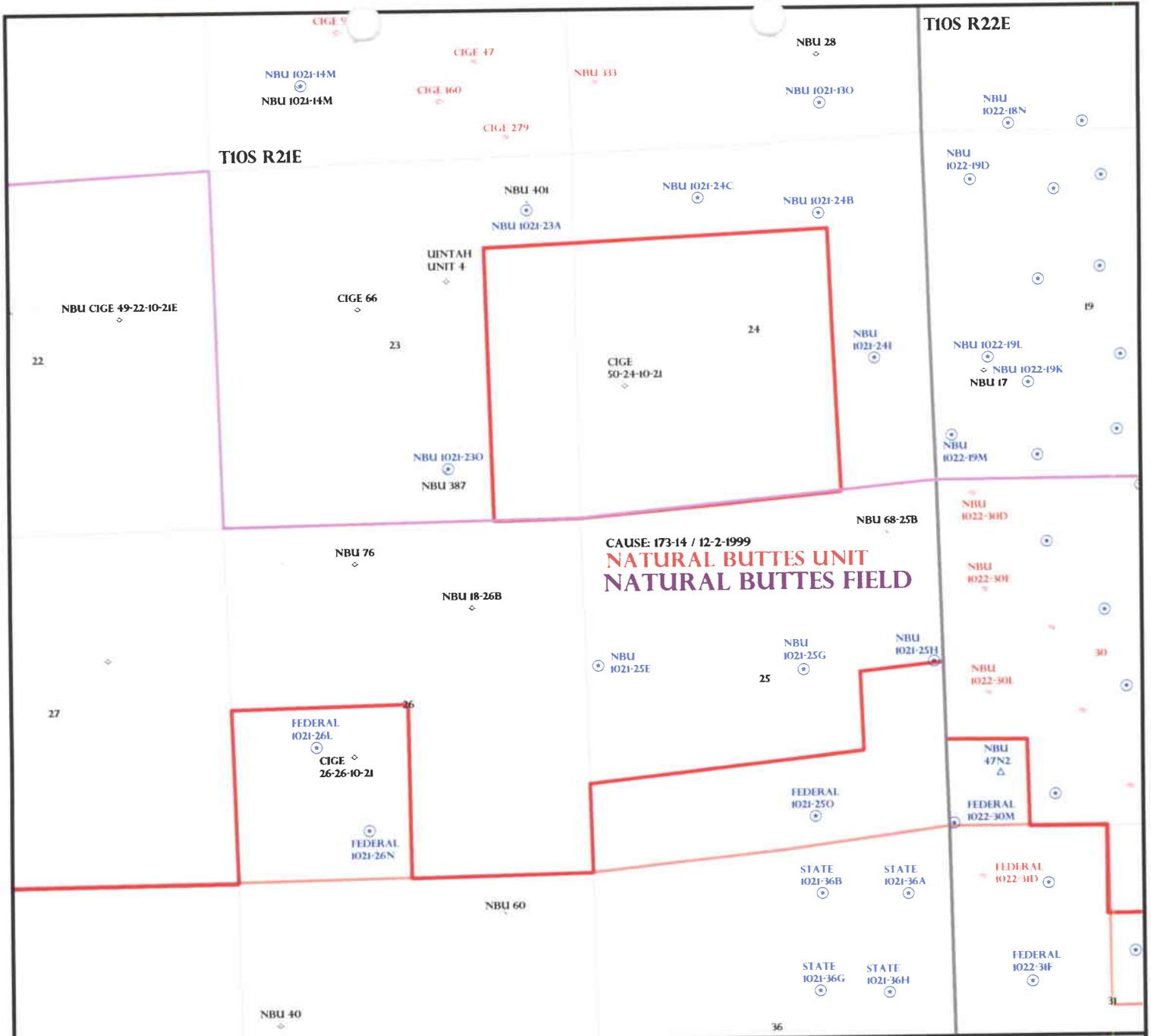
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. CO-1203)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-8496)
- RDCC Review (Y/N)
(Date:)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

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: 12-2-94
Siting: 460' fr u bdrg E unconsolidated Tracts
- R649-3-11. Directional Drill

COMMENTS: See Separate file

STIPULATIONS: 1- Federal Approval
2- OIL SHALE



CAUSE: 173-14 / 12-2-1999
NATURAL BUTTES UNIT
NATURAL BUTTES FIELD

OPERATOR: WESTPORT O&G CO (N2115)

SEC: 24,25 T. 10S R. 21E

FIELD: NATURAL BUTTES (630)

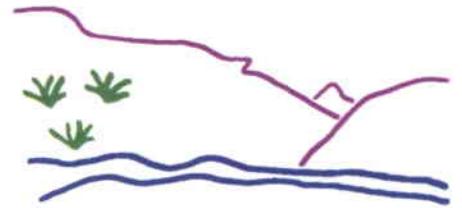
COUNTY: UINTAH

CAUSE: 173-14 / 12-2-1999

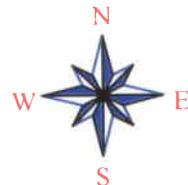
- Field Status**
- ABANDONED
 - ACTIVE
 - COMBINED
 - INACTIVE
 - PROPOSED
 - STORAGE
 - TERMINATED

- Unit Status**
- EXPLORATORY
 - GAS STORAGE
 - NF PP OIL
 - NF SECONDARY
 - PENDING
 - PI OIL
 - PP GAS
 - PP GEOTHERML
 - PP OIL
 - SECONDARY
 - TERMINATED

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



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
 DATE: 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 1021-25G Well, 2445' FNL, 2079' FEL, SW NE, Sec. 25,
T. 10 South, R. 21 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37913.

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 1021-25G
API Number: 43-047-37913
Lease: UTU-02277-B

Location: SW NE **Sec.** 25 **T.** 10 South **R.** 21 East

Conditions of Approval

1. General

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

2. Notification Requirements

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.

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)
SWNE SECTION 25, T10S, R21E 2445'FNL, 2079'FEL

5. Lease Serial No.
UTU-02277-B

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
NBU 1021-25G

9. API Well No.
43-047-37913

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

THE OPERATOR REQUESTS AUTHORIZATION TO CHANGE THE PIPELINE ROUTE TO THE FOLLOWING. APPROXIMATELY 2150' OF 4" STEEL PIPELINE FROM THE PROPOSED WELL LOCATION TO THE TO THE TIE-IN POINT FOR THE PROPOSED NBU 1021-25C WELL LOCATION.

PLEASE REFER TO THE ATTACHED TOPO D MAP FOR PIPELINE PLACEMENT.

MAR 29 2006

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

Name (Printed/Typed)

Sheila Upchego

Signature

Title

Regulatory Analyst

Date

March 24, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

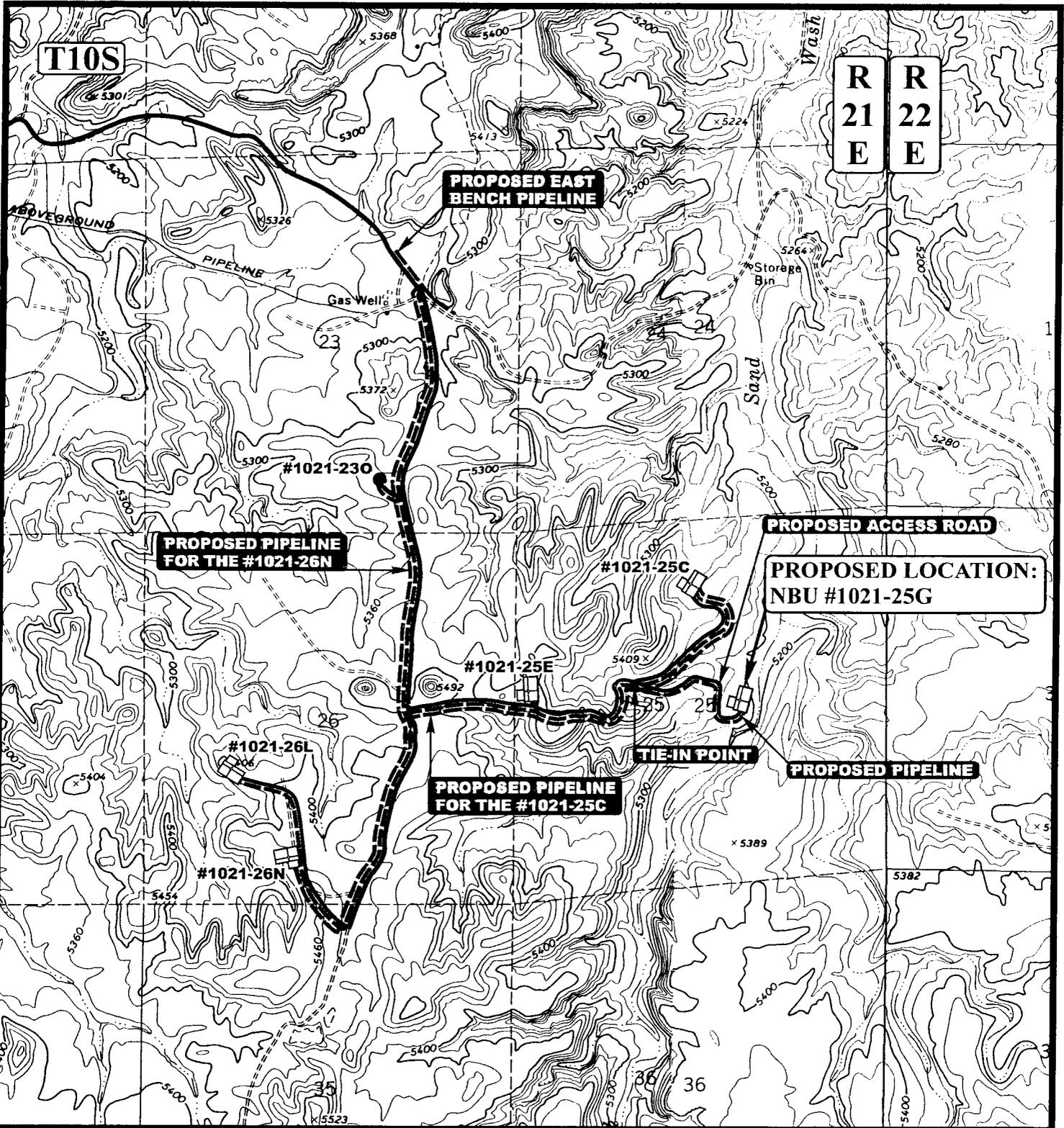
Title

Date

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

**Accepted by the
Utah Division of
Oil, Gas and Mining**
**Federal Approval of this
Action is Necessary**
FOR RECORD ONLY

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.



APPROXIMATE TOTAL PIPELINE DISTANCE = 2,150' +/-

LEGEND:

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



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



Kerr-McGee Oil & Gas Onshore LP

NBU #1021-25G
SECTION 25, T10S, R21E, S.L.B.&M.
2445' FNL 2079' FEL

TOPOGRAPHIC			01	14	06
MAP			MONTH	DAY	YEAR
SCALE: 1" = 2000'		DRAWN BY: C.P.		REVISED: 03-17-06	



Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING
1. DJJ
2. CDW

X Change of Operator (Well Sold)

Operator Name Change/Merger

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

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

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

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

DATA ENTRY:

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

BOND VERIFICATION:

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

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

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

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

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

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

5. Lease Serial No.
MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State
UINTAH COUNTY, UTAH

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

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

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

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

RECEIVED

MAY 10 2006

DIV. OF OIL, GAS & MINING

*BLM BOND = C01203
BIA BOND = RLB0005239*

APPROVED 5/16/06

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

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

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

THIS SPACE FOR FEDERAL OR STATE USE

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

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

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

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

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

MULTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

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

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

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

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

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

RECEIVED
MAY 10 2006

DIV OF OIL, GAS & MINING

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

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

THIS SPACE FOR FEDERAL OR STATE USE

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

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



United States Department of the Interior

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

IN REPLY REFER TO:

CO922 (MM)
3106
COC017387 et. al.

March 23, 2006

NOTICE

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

Merger/Name Change - Recognized

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

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

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

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

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

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

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

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

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

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

Attachment:

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

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

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



United States Department of the Interior



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

IN REPLY REFER TO:
3106
(UT-922)

March 27, 2006

Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

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

Chief, Branch of
Fluid Minerals

Enclosure

Approval letter from BLM COSO (2 pp)

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

RECEIVED

MAR 28 2006

DIV. OF OIL, GAS & MINERAL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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-02277-B

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side

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

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
NBU 1021-25G

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

9. API Well No.
4304737913

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

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

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2445' FNL, 2079' FEL
SWNE, SEC 25-T10S-R21E

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"/> 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 APD EXTENSION DOGM

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

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

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 02-20-07
By: [Signature]

COPY SENT TO OPERATOR
Date: 2-20-07
Initials: DM

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

Name (Printed/Typed) RAMEY HOOPES	Title REGULATORY CLERK
Signature [Signature]	Date FEBURARY 8, 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.

FEB 20 2007

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

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

API: 4304737913
Well Name: NBU 1021-25G
Location: SWNE, SEC 25-T10S-R21E
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 Hoopes
Signature

2/8/2007
Date

Title: Regulatory Clerk

Representing: Kerr McGee Oil & Gas Onshore LP

RECEIVED
FEB 20 2007
DIV. OF OIL, GAS & MINING

RECEIVED

RECEIVED

MAR 17 2006

MAR - 8 2006

Form 3160-3
(August 1999)

ELMVERNAL, UTAH

BLM

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: DRILL REENTER
b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

5. Lease Serial No.
UTU-02277-B
6. If Indian, Allottee or Tribe Name
7. If Unit or CA Agreement, Name and No.
NATURAL BUTTES UNIT

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

8. Lease Name and Well No.
NBU 1021-25G

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

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

9. API Well No.
43-047-37913

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface **SWNE 2445'FNL, 2079'FEL**

10. Field and Pool, or Exploratory
NATURAL BUTTES

At proposed prod. Zone

11. Sec., T., R., M., or Blk, and Survey or Area
SECTION 25-T10S-R21E

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

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

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) **2079'**

16. No. of Acres in lease
1640.00

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 8900'**

19. Proposed Depth

20. BLM/BIA Bond No. on file
GO-1203 WY8000291

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
5206'GL

22. Approximate date work will start*
UPON APPROVAL

23. Estimated duration
TO BE DETERMINED

24. Attachments

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

- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office.

- 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- 5. Operator certification.
- 6. Such other site specific information and/or plans as may be required by the authorized office.

25. Signature
Ramey Hoopes
Title
REGULATORY CLERK

Name (Printed/Typed)
RAMEY HOOPES Date
4/17/2006

Approved by (Signature)
[Signature]
Title
**Assistant Field Manager
Lands & Mineral Resources**

Name (Printed/Typed)
JERRY KENNEDY Date
6-13-2007
Office

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

CONDITIONS OF APPROVAL 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)

NOTICE OF APPROVAL

UDOSH

RECEIVED

JUN 18 2007

DIV. OF OIL, GAS & MINING

06Bm 0857A
NOS 2/1/06

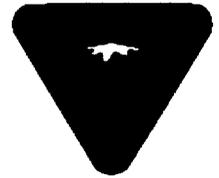


**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE**

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	Kerr-McGee Oil & Gas Onshore, LP	Location:	SWNE, Sec. 25, T10S, R21E
Well No:	NBU 1021-25G	Lease No:	UTU-02277-B
API No:	43-047-37913	Agreement:	Natural Buttes Unit

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

Fax: (435) 781-4410

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

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

NOTIFICATION REQUIREMENTS

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

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

GENERAL SURFACE COA

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A report will be prepared by a BLM permitted paleontologist and submitted to the AO at the completion of surface disturbing activities.

SITE SPECIFIC SURFACE CONDITIONS OF APPROVAL

- 4 to 6 inches of topsoil shall be stripped from the location and windrowed as shown on the cut sheet. The topsoil shall then be broadcast seeded with the recommended seed mix immediately after it has been windrowed and the seed walked into the soil with a dozer.
- The topsoil from the reserve pit shall be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be recontoured and the topsoil respread, and the area shall be seeded in the same manner as the location topsoil.
- Once the location is plugged and abandoned, it shall be recontoured to natural contours, topsoil respread where appropriate, and the entire location seeded with the recommended seed mix. Seeding shall take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.
- The lessee/operator is given notice that lands in the lease have been identified as containing crucial pronghorn (antelope) habitat. It is requested that the lessee/operator not initiate surface disturbing activities or drilling from May 15 through June 20. A survey may be conducted by a qualified biologist or a BLM representative during this timing period to determine if pronghorn are in the area.
- The lessee/operator is given notice that lands in the lease have been identified as containing golden eagle nesting habitat. It is requested that the lessee/operator not initiate surface disturbing activities or drilling from February 1st to July 15th. A survey may be conducted by a qualified biologist or a BLM representative during this timing period to determine if golden eagles are in the area.
- As discussed on the onsite conducted on March 2, 2006 all fill and excess material will be kept out of all drainages.
- As discussed on the onsite conducted on March 2, 2006 the reserve pit will be double lined and felted due to the proximity of the floodplain.

DOWNHOLE CONDITIONS OF APPROVAL

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- A variance is granted for O.O. #2 III. E. 1.
 - . The blooie line shall be straight or have targeted tees for bends in the line.
 - . Not requiring an automatic igniter or continuous pilot on the blooie line
 - . If a mist system is used, the requirement for a deduster shall be waived.

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

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

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

- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Wellogs@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.

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-02277-B

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
NBU 1021-25G

9. API Well No.
4304737913

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, State
UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SW/NE SEC. 25, T10S, R21E 2445'FNL, 2079'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 type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other SET SURFACE
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	CSG
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

MIRU BILL MARTIN AIR RIG ON 11/06/2007. DRILLED 12 1/4" SURFACE HOLE TO 2040'. RAN 9 5/8" 47 JTS OF 32.3# H-40 AND 2 JTS OF 36# J-55 SURFACE CSG. LEAD CMT W/180 SX HIFILL CLASS G @11.0 PPG 3.82 YIELD. TAILED CMT W/200 SX PREM CLASS G @15.8 PPG 3.38 YIELD. GOOD RETURNS.NO LEAD CMT TO SURFACE. TOP OUT W/125 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE AND FELL BACK. 2ND TOP OUT W/50 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 November 12, 2007

THIS SPACE FOR FEDERAL OR STATE USE

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

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

(Instructions on reverse)

RECEIVED

NOV 20 2007

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.
UTU-02277-B

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
NBU 1021-25G

9. API Well No.
4304737913

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, State
UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SW/NE SEC. 25, T10S, R21E 2445'FNL, 2079'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"/> Casing Repair
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Plug and 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 FINAL DRILLING OPERATIONS

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.

FINISHED DRILLING FROM 2040' TO 8700' ON 11/26/2007. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG, LEAD CMT W/290 SX PREM LITE II @11.0 PPG 3.38 YIELD. TAILED CMT W/1100 SX 50/50 POZ @14.3 PPG 1.31 YIELD. PLUG HOLDING, NIPPLE DOWN BOP SET SLIPS CUT OF 4 1/2" CSG. CLEAN MUD PITS.

RELEASED ENSIGN RIG 12 ON 11/27/2007 AT 1400 HRS.

**RECEIVED
DEC 03 2007**

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed) SHEILA UPCHEGO	Title SENIOR LAND ADMIN SPECIALIST
Signature 	Date November 28, 2007

THIS SPACE FOR FEDERAL OR STATE USE

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.

UTU-02277-B

6. If Indian, Allottee or Tribe Name

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

UNIT #891008900A
NATURAL BUTTES UNIT

8. Well Name and No.

NBU 1021-25G

9. API Well No.

4304737913

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

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

SW/NE SEC. 25, T10S, R21E 2445'FNL, 2079'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 type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other PRODUCTION START-UP
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 01/11/2008 AT 10:00 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

RECEIVED
JAN 28 2008

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

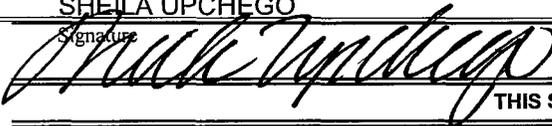
Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature



Date

January 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)



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

CHRONOLOGICAL WELL HISTORY

NBU 1021-25G

LOCATION SWNE, SEC.25, T10S, R21E
UINTAH COUNTY, UT

DATE	ACTIVITY	STATUS
10/05/07	LOCATION STARTED ENSIGN 12	
10/26/07	LOCATION COMPLETED ENGIN 12	P/L IN, WOBR
11/20/07	TD: 4510' Csg. 9 5/8"@ 2005' MW: 9.4 SD: 11/18/07 DSS: 3 Drill from 3475'-4510'. DA.	
11/21/07	TD: 5560' Csg. 9 5/8"@ 2005' MW: 9.6 SD: 11/18/07 DSS: 4 Drill from 4510'-5560'. DA.	
11/22/07	TD: 6110' Csg. 9 5/8"@ 2005' MW: 9.8 SD: 11/18/07 DSS: 5 Drill from 5560'-5890'. TFNB. Drill to 6110'. DA.	
11/23/07	TD: 6970' Csg. 9 5/8"@ 2005' MW: 10.6 SD: 11/18/07 DSS: 6 Drill from 6110'-6970'. DA.	
11/26/07	TD: 8700' Csg. 9 5/8"@ 2005' MW: 11.5 SD: 11/18/07 DSS: 9 Drill from 6970'-7798'. TFNB. Drill to 8700' TD. Short trip and LDDS @ report time.	
11/27/07	TD: 8700' Csg. 9 5/8"@ 2005' MW: 11.5 SD: 11/18/07 DSS: 10 LDDS. Run Triple Combo. Run 4 1/2" Production Casing. CCH @ report time.	
11/28/07	TD: 8700' Csg. 9 5/8"@ 2005' MW: 11.5 SD: 11/18/07 DSS: 11 Cement 4 1/2" Production Casing. Land casing and release rig @ 1400 hrs 11/27/07. RDRT.	
01/02/08	MIRU Days On Completion: 1 Remarks: MIRU, NUBOP'S, SDFN. PU TBG IN AM.	
01/03/08	RIH W/ TBG & MILL Days On Completion: 2 Remarks: RU FLOOR & TBG EQUIP. PU 3 7/8" MILL & 277 JTS NEW 2 3/8" J55 TBG & RIH. TAG PBSD @ 8645.85'. POOH & LD 1 JT TBG ON FLOAT. (6 JTS TBG ON FLOAT). CONTINUE POOH, STD BACK TBG. EOT @ 6160'. SWI, SDFN.	

01/04/08

Days On Completion: 3

Remarks: Continue POOH & std back tbg. RD floor & tbg equip. NDBOP's, NU Frac Valves. MIRU Dbl Jack Testers. PT csg. & Frac Valves to 7500 psi. (Good Test) RDMO Dbl Jack. Prep well for Frac on Monday 01/07/08 w/Weatherford. SWI - SDFN

01/07/08

FRAC & PERFORATE

Days On Completion: 6

Remarks: DAY 4 - JSA #4 MIRU CUTTERS WIRELINE & WEATHERFORD FRAC CREW

STG 1) RIH W/PERF GUN & PERF THE MV @ 8026' - 8030' & 8068' - 8072' & 8149' - 8151' USING 3 3/8" EXP GUN, 23gm, 0.36 HOLES, 90 DEG PHS, 4SPF, 40 HOLES. WHP = 0 PRESSURE TEST SURFACE UNITS TO 8500 PSI. WHP 0000 PSI, BRK 0000 PSI @ 3 BPM, ISIP 0000 PSI, FG 0.00 PUMP 125 BBLs @ 50 BPM @ 4500 PSI = 28 OF 40 HOLES OPEN. MP 7175 PSI, MR 51 BPM, AP 4367 PSI, AR 50 BPM, ISIP 3072 PSI, FG 0.82, NPI 882 PSI, SW PMPD 2803 BBLs, 95680# 30/50 OWATTA, 6140# RCS.

KILL PLG) RIH SET 8K BAKER CBP @ 7962'. RDMO CUTTERS & WEATHERFORD.

RD FLOOR, ND FRAC VALVES, NU BOP's. RU FLOOR & TBG EQUIP. PU 3 7/8" BIT, POBS W/BIG R NIPPLE & RIH ON NEW 2 3/8" J55 TBG. TAG CBP @ 7962'. POOH & STD BACK 3 STANDS. SWI - SDFN

01/08/08

Drill CBP & Land

Days On Completion: 7

Remarks: DAY 5 JSA # 5 RU POWER SWIVEL, TAG CBP @ 7970'. HAD TROUBLE W/ SWIVEL. BROKE CIAC. DRILLED OUT CBP IN 15 MIN. TIH W/ 2 3/8" TBG TAG 8600' . LAYED DOWN 20 JTS TBG. LANDED TBG ON HANGER W/ 256 JTS. EOT @ 8002.53'. POBS @ 8000.18' . BIG R (1.875") PROFILE NIPPLE @ 7979.98'. R/D FLOOR AND TBG EQUIP. ND/BOP, NU/WH. DROP BALL DN TBG & PUMP OFF BIT @ 2200 PSI. WAIT 30 MIN FOR BIT TO FALL TO BTM.OPEN WELL TO FBT ON 20/64 CHOKE. FTP = 900 #, SICP = 900 #. PM. TURN WELLOVER TO FBC . LTR @ 3:00 PM = 2950 BBLs. RACK OUT EQUIP AND DRAIN PUMP AND LINES. R/D SERVICE UNIT. MOVE OFF LOC.

282 JTS DELV.

256 JTS LANDED

26 JTS RETURNED

01/09/08 **FLOWBACK REPORT:** CP 1650#, TP 1175#, CK 20/64", 40 BWPH, LOAD REC'D 680 BBLs, REMAINING LTR 2131 BBLs

01/10/08 **FLOWBACK REPORT:** CP 1200#, TP 775#, CK 20/64", 25 BWPH, LOAD REC'D 665 BBLs, REMAINING LTR 1466 BBLs

01/11/08 **FLOWBACK REPORT:** CP 925#, TP 650#, CK 20/64", 8 BWPH, LOAD REC'D 227 BBLs, REMAINING LTR 1239 BBLs

WENT ON SALES: @ 10:00 AM, 2200 MCF, 1049 TBG, 1049 CSG, 18/64 CK, 9 BBWH

01/12/08 **ON SALES:** 472 MCF, 0 BC, 216 BW, TP: 589#, CP: 875#, 18/64 CHK, 18 HRS, LP: 221#.

01/13/08 **ON SALES:** 885 MCF, 0 BC, 216 BW, TP: 602 CP: 849#, 18/64 CHK, 24 HRS, LP: 183#.

01/14/08 **ON SALES:** 792 MCF, 0 BC, 216 BW, TP: 614#, CP: 866#, 18/64 CHK, 24 HRS, LP: 179#.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU-02277-B

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

6. If Indian, Allottee or Tribe Name

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

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

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

8. Lease Name and Well No.
NBU 1021-25G

4. Location of Well (Report locations clearly and in accordance with Federal requirements)*
At surface **SW/NE 2445'FNL, 2079'FEL**

9. API Well No.
4304737913

At top prod. interval reported below

10. Field and Pool, or Exploratory
NATURAL BUTTES

At total depth

11. Sec., T., R., M., or Block and Survey or Area **SEC. 25 T10S, R21E**

14. Date Spudded **10/31/07** 15. Date T.D. Reached **11/26/07** 16. Date Completed D & A Ready to Prod. **01/11/08**

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

17. Elevations (DF, RKB, RT, GL)*
5206'GL

18. Total Depth: MD **8700'** TVD **MD 8656'** TVD **MD 8656'** 20. Depth Bridge Plug Set: MD **MD** TVD **TVD**

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

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

CBL-CCL-GR, SD, DSN, HRI

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cement Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14"	36.7#		40'		28 SX			
12 1/4"	9 5/8"	32.3# 36#		2040'		555 SX			
7 7/8"	4 1/2"	11.6#		8700'		1390 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"	8002'							

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	8026'	8151'	8026'-8151'	0.36	40	OPEN
B) WSMVD						
C)						
D)						

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

Depth Interval	Amount and type of Material
8026'-8151'	PMP 2803 BBLs SLICK H2O & 95,680# 30/50 SD

RECEIVED

FEB 25 2008

DIV. OF OIL, GAS & MINING

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
01/11/08	01/13/08	24	→	0	885	216			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
18/64	SI	602#	→	0	885	216			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.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
	SI		→						

28b. Production - Interval C

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

28c. Production - Interval D

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

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

SOLD

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

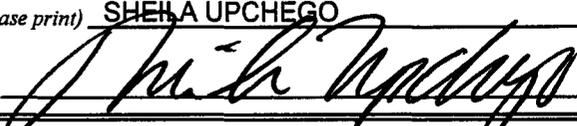
Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH MESAVERDE	3982' 6573'	6573'			

32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

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

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

Name (please print) SHEILA UPCHEGO Title SENIOR LAND ADMIN SPECIALIST
 Signature  Date 02/06/08

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.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-02277-B	
SUNDRY NOTICES AND REPORTS ON WELLS	
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: NBU 1021-25G
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047379130000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6100
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2445 FNL 2079 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 25 Township: 10.0S Range: 21.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
	COUNTY: UINTAH
	STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 2/18/2014	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <input type="text" value="Production Enhancement"/>

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

The operator conducted the following workover/wellbore cleanout on the subject well on 2/18/2014. Please see the attached chronological well history for details. Thank you.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 February 25, 2014

NAME (PLEASE PRINT) Teena Paulo	PHONE NUMBER 720 929-6236	TITLE Staff Regulatory Specialist
SIGNATURE N/A	DATE 2/24/2014	

US ROCKIES REGION
Operation Summary Report

Well: NBU 1021-25G

Spud Date: 11/18/2007

Project: UTAH-UINTAH

Site: NBU 1021-25G

Rig Name No:

Event: WELL WORK EXPENSE

Start Date: 2/11/2014

End Date: 2/18/2014

Active Datum: RKB @5,213.00usft (above Mean Sea Level)

UWI: NBU 1021-25G

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
2/12/2014	7:00 - 7:15	0.25	MAINT	48		P		JSA-SAFETY MEETING, ROAD RIG IN MUD
	7:15 - 14:00	6.75	MAINT	30	A	P		ROAD RIG AND EQUIPT FROM 1022-5B TO LOC, MIRU,
	14:00 - 16:00	2.00	MAINT	30	F	P		PUMP 20 BBLS WTR DN TBG, N/D WH, N/U BOPS,
	16:00 - 17:00	1.00	MAINT	31		P		P/U ON TBG W/ PULLING 60,000# TO MOVE TBG, HANGER STUCK, LAY DN TBG HANGER, SWI, LOCK RAMS, SDFN
2/13/2014	7:00 - 7:15	0.25	MAINT	48		P		JSA-SAFETY MEETING, SCAN TBG OUT,
	7:15 - 10:00	2.75	MAINT	31	I	P		500# ON WELL, 400# ON SURFACE, BLOW WELL DN, PUMP 20 BBLS WTR DN TBG AND 40 BBLS DN CSG, RIH W/ 2 3/8" J-55 TBG TAG @ 8065', BOTTOM PERF 8151', R/U SCAN TECH
	10:00 - 12:30	2.50	MAINT	31	I	P		TOOH W/ SCAN 2 3/8" J-55 TBG OUT, HAD 52 JTS RED BAND AND 167 JTS YELLOW BAND, HOLES IN JTS # 128, 129, 130, AND 131, LIGHT INTERNAL SCALE 174 TO 219, EXTERNAL SCALE 217 TO 219, TOTAL OF 219 JTS, R/D SCAN TECH,
	12:30 - 14:00	1.50	MAINT	34	I	P		R/U CASEDHOLE WIRELINE, RIH W/ GAUGE RING to 6500', RIH W/ 8K CBP, SET CBO AT 6350', R/D WIRELINE
	14:00 - 17:00	3.00	MAINT	31	C	P		P/U WEATHERFORD PACKER RIH SET PACKER AT 517', FILL HOLE W/ WATER, PRESSURE TEST BACKSIDE TO 500#, BLEED DN TO 300# IN 30 MIN, PRESSURE TEST TBG AND CSG TO 1000# HOLD FOR 30 MIN NO BLEED OFF, RETEST BACKSIDE TO 1000# W/ BLEED OFF 400# IN 20 MIN, PRESSURE TEST SURFACE TO 1500# HOLD FOR 30 MIN LOST 100#, BLEED ALL PRESSURE OFF, RELEASE PACKER TOOH LAY PACKER DN, SWI, LOCK RAMS, SDFN
2/14/2014	7:00 - 7:15	0.25	MAINT	48		P		JSA-SAFETY MEETING, DRILL OUT W/ AIR FOAM
	7:15 - 9:45	2.50	MAINT	31	I	P		400# ON WELL, BLOW DN TO TK, P/U 3 7/8" LONG NECK MILL, RIH W/ TALLY TBG IN, TAG CBP 6350', R/U SWIVEL AND FOAM UNIT,
	9:45 - 16:00	6.25	MAINT	44	D	P		ESTB CIRC W/ FOAM UNIT, MILL OUT CBP @ 6350' IN 5 MIN, RIH TAG SCALE @ 7100', C/O SCALE FROM 7100' TO PBD @ 8269' 100' OF RATHOLE, CIRC WELL CLEAN
	16:00 - 17:30	1.50	MAINT	31	I	P		P/O LAY DN 39 JTS 2 3/8" TBG ON TRAILER,, P/O STAND BACK 10 STANDS, SHUT WELL IN LOCK RAMS, SDFWE
2/18/2014	7:00 - 7:15	0.25	MAINT	48		P		JSA-SAFETY MEETING
	7:15 - 9:00	1.75	MAINT	31	I	P		800# ON WELL, 300# ON SURFACE, BLOW WELL DN TO TK, TOOH W/ 2 3/8" TBG LAY DN 3 7/8" MILL,

US ROCKIES REGION
Operation Summary Report

Well: NBU 1021-25G		Spud Date: 11/18/2007	
Project: UTAH-UINTAH		Site: NBU 1021-25G	Rig Name No:
Event: WELL WORK EXPENSE		Start Date: 2/11/2014	End Date: 2/18/2014
Active Datum: RKB @5,213.00usft (above Mean Sea Level)		UWI: NBU 1021-25G	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	9:00 - 15:00	6.00	MAINT	31	I	P		P/U LSN 1/875" NIPPLE, RIH W/ 224 JTS 2 3/8" J-55 TBG, BROACH TBG IN, LAND TBG W/ 224 JTS 2 3/8" J-55 TBG @ 7042.41', N/D BOP, N/U WH, SHUT WELL IN, SURFACE OPEN TO POP OFF VALVE, KB = 15.00' HANGER = .83' 224 JTS 2 3/8" J-55 TBG = 7025.58' LSN 1.875 " = 1.00' EOT = 7042.41'
2/19/2014	7:00 - 11:00	4.00	MAINT	42		P		MATT/F.L=3000'/RUNS=1/BBLS=27

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-02277-B
---	---

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
--	--

1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: NBU 1021-25G
------------------------------------	---

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047379130000
---	---

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6100	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
---	--------------------------------------	--

4. LOCATION OF WELL FOOTAGES AT SURFACE: 2445 FNL 2079 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 25 Township: 10.0S Range: 21.0E Meridian: S	COUNTY: UINTAH STATE: UTAH
---	---

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 7/17/2014 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input checked="" type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

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

Kerr McGee is requesting to do a casing repair on the NBU 1021-25G.
 Please see the attached procedures.

Accepted by the
Utah Dept. of
Oil, Gas and Mining

Date: _____

By: Doreen Green

NAME (PLEASE PRINT) Doreen Green	PHONE NUMBER 435 781-9758	TITLE Regulatory Analyst II
SIGNATURE N/A	DATE 7/16/2014	



NBU 1021-25G

CASING LEAK

GREATER NATURAL BUTTES

SECTION 25, T10S R21E

43-047-37913

UINTAH, UT



CONTACT INFORMATION

FOREMAN	Jason Hackford	435-790-6793
LEAD OPERATOR	Jim Houghton	435-790-6903
MECHANICAL LEAD	Kyler Lance	435-828-8938
OPERATOR	Curtis Harvey	435-828-8948
OPERATOR	Kenny Timothy	435-823-8079
ENGINEER	Mickey Doherty	406-491-7294

DEPTHS & TUBULARS

GL: 5206'
KB: 5613'
TD: 8693'
PBTD: 8593'

Tubular	Drift inches	Collapse Psi	Burst Psi	Capacities		
				Gal./ft.	Cuft/ft.	Bbl./ft.
2.375" 4.7# J-55 tbg.	1.901	8100	7700	0.1626	0.02173	0.00387
4.5" 11.6# I-80 csg	3.875	6350	7780	0.6528	0.0872	0.01554
9.625" 32.3# H- 40 csg.	8.845	1400	2270	3.3055	0.4419	0.0787
Annular Capacities						
2.375" tbg. X 4.5" 11.6# csg.				0.4226	0.0565	0.01006
4.5" csg. X 9.625" 32.3# csg.				2.4793	0.3314	0.0590



PERFORATIONS

Legal Well Name	Date	MD Top (ft)	MD Base (ft)	SPF	Stage
NBU 1021-25G	3/11/2008	6,530	6,540	4	R5
NBU 1021-25G	3/11/2008	6,687	6,700	3	R4
NBU 1021-25G	3/11/2008	6,860	6,865	4	R3
NBU 1021-25G	3/11/2008	6,954	6,958	3	R3
NBU 1021-25G	3/11/2008	7,010	7,014	3	R3
EOT @ ~7,042'					
NBU 1021-25G	3/11/2008	7,094	7,097	4	R2
NBU 1021-25G	3/11/2008	7,155	7,158	4	R2
NBU 1021-25G	3/11/2008	7,225	7,229	4	R2
NBU 1021-25G	3/11/2008	7,537	7,540	3	R1
NBU 1021-25G	3/11/2008	7,555	7,559	3	R1
NBU 1021-25G	3/11/2008	7,605	7,610	4	R1
NBU 1021-25G	1/7/2008	8,026	8,030	4	1
NBU 1021-25G	1/7/2008	8,068	8,072	4	1
NBU 1021-25G	1/7/2008	8,149	8,151	4	1
PBTD @ ~8,593'					



HISTORY (completion, solids, slickline, workover)

- 1/2008: Completed 1 stage in the Mesaverde. Clean out to PBTD; land tubing @ ~8002' & pump bit off.
- 3/2008: Recomplete – Pulled tubing. Completed 5 stages in the Mesaverde. Clean out to PBTD; land tubing @ ~6844' & pump bit off.
- 2/2014: Workover – Pulled tubing & scanned out; kicked out 52 bad joints. Set CBP @ ~6350'; TIH w/ packer. Set packer @ ~517'. Pressure test backside to 1000 psi, lost 400 psi in 20 minutes. Pressure test surface casing to 1500 psi; lost 100 psi in 30 minutes. POOH w/ packer; TIH w/ mill & cleanout to 8269'. POOH w/ mill; TIH w/ tubing and land @ ~7042'.
- 7/2014: Slickline – Pull spring & plunger. Tag TD @ ~8291'. Scratch & broach tubing; tight spots from 3500' to SN. Chase spring and plunger to bottom.
- 7/2014: Pumped down surface casing; would not pressure test.



PROCEDURE

- MIRU, NDWH, & NUBOP.
- Un-land tubing. Current EOT +/- **7042'**.
- POOH and **scan** the tubing. If scaled or damaged joints are found, scan and break each connection to visually inspect each pin and upset. Once good pipe integrity is reestablished, the visual inspection of each connection may be discontinued based on personal judgment. LD all scaled or damaged joints.
- Take solid samples (inside & outside of tubing), if available, and submit to engineer.
- TIH w/ 4.5" packer to locate hole; POOH.
- RU wireline; RIH w/ 4.5" CBP & set below hole. Pump down casing to establish injection rate; if injection rate cannot be established, RIH w/ 1' casing punch gun & shoot at depth of hole. RD wireline.
- RU cement crew; pump cement down production casing until returns are seen up surface casing. RD cement crew.
- RIH with **3.875" mill**, mill up excess cement & pressure test casing. If test passes, mill up CBP, POOH & LD mill.
- TIH w/ 2.375" J-55 tubing; land tubing with SN at +/- **7042' (Same Depth)**. Broach full ID to EOT. Ensure that broach is 1.90" OD.
- NDBOP, NUWH, & notify CDC, Foreman, & Operators of RDMO.

Tubing Installed: November 28, 2007

Failure Date: July 10, 2014

Days to Failure: 2416

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-02277-B
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: NBU 1021-25G
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047379130000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6100 9. FIELD and POOL or WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2445 FNL 2079 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 25 Township: 10.0S Range: 21.0E Meridian: S	COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input checked="" type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 7/23/2014	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input type="text" value="Casing Repair"/>

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

The operator has completed the casing repair for the NBU 1021-25G.
 Please see the attached operations report. Thank you.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 August 28, 2014

NAME (PLEASE PRINT) Matthew P Wold	PHONE NUMBER 720 929-6993	TITLE Regulatory Analyst I
SIGNATURE N/A	DATE 8/21/2014	

US ROCKIES REGION
Operation Summary Report

Well: NBU 1021-25G

Spud Date: 11/18/2007

Project: UTAH-UINTAH

Site: NBU 1021-25G

Rig Name No: SWABBCO 10/10

Event: WELL WORK EXPENSE

Start Date: 7/17/2014

End Date: 7/23/2014

Active Datum: RKB @5,213.00usft (above Mean Sea Level)

UWI: NBU 1021-25G

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
7/21/2014	7:00 - 7:15	0.25	WO/REP	48		P		SAFETY = JSA.
	7:15 - 8:30	1.25	WO/REP	30		P		FCP= 80#. FTP= 80#. MIRU. BLOW DOWN WELL TO PRODUCTION TANKS. CNTRL TBG W/ 20BBLS TMAC. CNTRL CSG W/ 20BBLS TMAC. NDWH. NUBOP. R/U FLOOR & TBNG EQUIP. UN-LAND TBNG. MIRU SCANNERS.
	8:30 - 12:00	3.50	WO/REP	31		P		POOH WHILE SCANNING 224JTS 2-3/8" J-55 TBNG. SCAN RESULTS AS FOLLOWS: Y-BND= 179 JTS 2-3/8" J-55 B-BND= 41JTS 2-3/8" J-55. DUE TO VERY MILD PITTING & MINOR WALL LOSS. R-BND= 4JTS REJECTED DUE TO MODERATE PITTING & MODERATE WALL LOSS. JTS WERE JUST OVER THE BLUE BAND THRESHOLD. LIGHT EXT SCALE F-JT# 206 T-JT# 224. RDMO SCANNERS.
	12:00 - 17:00	5.00	WO/REP	31	G	P		P/U & RIH W/ 4-1/2" RBP + 64JTS 2-3/8" J-55 TBNG. SET RBP @ 2000'. RELEASE RBP. POOH W/ TBNG. P/U & RIH W/ 4-1/2" TENSION PACKER + 16JTS 2-3/8" J-55 TBNG. SET PACKER @ 507'. TEST BELOW PCKR GOOD @ 1500#. TEST ABOVE PCKR BAD (FULL RETURNS OUT SURFACE CSG). POOH W/ PCKR & 8JTS TBNG. SET PCKR @258'. TEST BELOW PCKR GOOD @ 1000#. TEST ABOVE PCKR BAD (FULL RETURNS OUT SURFACE CSG). POOH W/ PCKR & 4JTS TBNG. SET PCKR @135'. TEST BELOW PCKR GOOD @ 1000#. TEST ABOVE PCKR BAD (FULL RETURNS OUT SURFACE CSG). POOH W/ PCKR & 2JTS TBNG. SET PCKR @72'. TEST BELOW PCKR GOOD @ 500#. TEST ABOVE PCKR BAD (FULL RETURNS OUT SURFACE CSG). POOH W/ PCKR & 1JT TBNG. SET PCR @40'. TEST BELOW PCKR BAD (FULL RETURNS OUT SURFACE CSG. TEST ABOVE PCKR GOOD @ 500#. CSG LEAK SUSPECTED TO BE PARTED COLLAR @ +/- 52' KB. FINISH POOH W/ TBNG. L/D PACKER. R/D FLOOR & TBNG EQUIP. DIG OUT CSG HEAD & EXPOSE BOLTS. PREP TO REMOVE CSG HEAD IN AM FOR CSG REPAIR. SWIFN.SDFN.
7/22/2014	7:00 - 7:15	0.25	WO/REP	48		P		SAFETY = JSA.

US ROCKIES REGION
Operation Summary Report

Well: NBU 1021-25G

Spud Date: 11/18/2007

Project: UTAH-UINTAH

Site: NBU 1021-25G

Rig Name No: SWABBCO 10/10

Event: WELL WORK EXPENSE

Start Date: 7/17/2014

End Date: 7/23/2014

Active Datum: RKB @5,213.00usft (above Mean Sea Level)

UWI: NBU 1021-25G

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	7:15 - 14:30	7.25	WO/REP	31	B	P		<p>0# ON WELL. NDBOP. REMOVE CSG HEAD. MIRU FISHERMAN. P/U SPEAR. SPEAR INTO CSG & POOH W/ PARTED JT OF CSG = 24.83'. L/D PARTED JT OF CSNG. CSNG PARTED ON THE THREADS INSIDE OF THE COLLAR.</p> <p>RIH W/ SPEAR & JT OF 2-7/8" TBNG. SPEAR INTO CSNG @ 24.83'. PULL 90,000# ON CSNG STRING (GOOD). RELEASE SPEAR & POOH. L/D SPEAR.</p> <p>P/U & RIH W/ SKIRTED MILL + WASHOVER PIPE. R/U POWER SWIVEL. DRESS OFF CSNG TOP. MILL OFF 3" OF CSNG. POOH W/ TOOLS & L/D TOOLS.</p> <p>MIRU CSNG CREW. P/U FULL JT OF 4-1/2" 11.6# P-110 LTC CSNG + 4-1/2" X 5K WEATHERFORD EXTERNAL CSNG PATCH. RIH & INSTALL PATCH. PULL TEST PATCH GOOD @ 80,000#. PRESSURE TEST CSNG GOOD @ 2500# FOR 15MIN W/ NO VISIBLE PRESSURE LOSS & NO COMMUNICATION W/ SURFACE CSNG. BLEED OFF PRESSURE. SET SLIPS @ 70,000#. CUT & DRESS CSNG TOP. INSTALL CSNG HEAD. PACK OFF & PRESSURE TEST CSNG HEAD GOOD @ 9000# (NO BLEED OFF). RE-INSTALL POP OFF ASSEMBLY ONTO SURFACE CSNG & LOCK OPEN SURFACE CSNG. NUBOP. R/U FLOOR & TBNG EQUIP.</p> <p>CSNG & PATCH INSTALLED AS FOLLOWS: KB= 15.00' 4-1/2" 11.6# P-110 LTC = 24.90' 4-1/2" X 5K LOGAN EXTERNAL CSNG PATCH = 3.96'. SWALLOW ON PATCH = 2.90'</p>
	14:30 - 17:00	2.50	WO/REP	31		P		<p>P/U & RIH W/ RETREIVING HEAD + 64JTS 2-3/8" J-55 TBNG. T/U ON RBP @ 2000'. LATCH ONTO RBP. RELEASE RBP. POOH W/ RBP & L/D TOOLS. P/U & RIH W/ XN-NOTCH COMBO + 80JTS 2-3/8" J-55 TBNG. SWIFN.SDFN. LOCK OUT RAMS.</p>
7/23/2014	7:00 - 7:15	0.25	WO/REP	48		P		SAFETY= JSA.

US ROCKIES REGION

Operation Summary Report

Well: NBU 1021-25G

Spud Date: 11/18/2007

Project: UTAH-UINTAH

Site: NBU 1021-25G

Rig Name No: SWABBCO 10/10

Event: WELL WORK EXPENSE

Start Date: 7/17/2014

End Date: 7/23/2014

Active Datum: RKB @5,213.00usft (above Mean Sea Level)

UWI: NBU 1021-25G

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	7:15 - 15:00	7.75	WO/REP	31		P		<p>SICP= 400#. SITP= 200#. BLOW DOWN WELL TO FLOWBACK TANK. CNTRL TBNG W/ 15BBLS TMAC. CONT RIH W/ 2-3/8" J-55 TBNG + XN-NOTCH COMBO NIPPLE. BROACH WHILE RIH W/ 1.910" BROACH. LAND WELL ON HANGER. BROACH FROM SURFACE TO XN. R/D FLOOR & TBNG EQUIP. NDBOP. NUWH. SWI. RDMOL. RIG RELEASED.</p> <p>TBNG LANDED AS FOLLOWS:</p> <p>KB= 15.00' HANGER= .83' 224JTS 2-3/8" J-55 Y-BND TBNG = 7016.15' 1.875" XN-NOTCH COMBO NIPPLE = 1.05'</p> <p>EOT @7033.03'</p> <p>TWLTR= 85BBLS</p>