

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>UTU-0143933</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 <b>WESTPORT OIL &amp; GAS COMPANY L.P.</b>		7. If Unit or CA Agreement, Name and No.
3A. Address <b>1368 SOUTH 1200 EAST VERNAL, UT 84078</b>		8. Lease Name and Well No. <b>FEDERAL 1021-250</b>
3B. Phone No. (include area code) <b>(435) 781-7024</b>		9. API Well No. <b>43-047-37916</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface <b>SWSE 706'FSL, 1978'FEL 62852.7 X 39.9132-18</b> At proposed prod. Zone <b>4419007Y -109.496260</b>		10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
14. Distance in miles and direction from nearest town or post office* <b>35 MILES SOUTHEAST OF OURAY, UTAH</b>		11. Sec., T., R., M., or Blk, and Survey or Area <b>SECTION 25-T10S-R21E</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>706'</b>	16. No. of Acres in lease <b>2040.00</b>	12. County or Parish <b>UINTAH</b>
17. Spacing Unit dedicated to this well <b>40.00</b>	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>REFER TO TOPO C</b>	13. State <b>UTAH</b>
19. Proposed Depth <b>8900'</b>	20. BLM/BIA Bond No. on file <b>CO-1203</b>	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>5383'GL</b>	22. Approximate date work will start* <b>UPON APPROVAL</b>	23. Estimated duration <b>TO BE DETERMINED</b>

24. Attachments

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

- |   |   |
|---|---|
| 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) <b>SHEILA UPCHEGO</b>	Date <b>3/8/2006</b>
Title <b>REGULATORY ANALYST</b>		
Approved by (Signature) 	Name (Printed/Typed) <b>BRADLEY G. HILL</b>	Date <b>03-16-06</b>
Title <b>ENVIRONMENTAL MANAGER</b>		

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

Conditions of approval, if any, are attached.

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

\*(Instructions on reverse)

RECEIVED

MAR 10 2006

Federal Approval of this  
Action is Necessary

DEPT. OF OIL, GAS & MINING

1977 Brass Cap  
0.4' Above 2.0'  
High Pile of  
Stones

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

R  
21  
E

R  
22  
E

S89°46'43"W - 2670.02' (Meas.)

S89°47'03"W - 2672.28' (Meas.)

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

1977 Brass Cap  
0.3' Above 1.5'  
High Pile of  
Stones

N00°45'50"W - 2684.16' (Meas.)

N00°26'50"W - 2271.12' (Meas.)

**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.

N00°48'W - 1342.44' (G.L.O.)

25

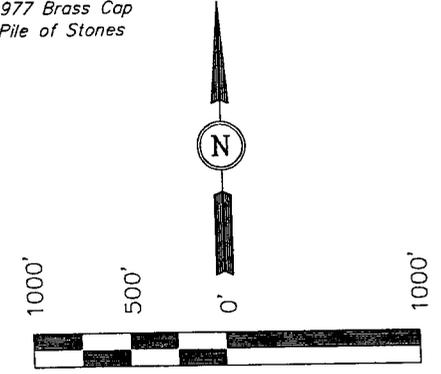
1977 Brass Cap  
Flush With 2.0'  
High Pile of  
Stones

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

N00°37'50"W  
412.87' (Meas.)

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

30



SCALE

**CERTIFICATE**

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

*John H. ...*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 16139  
STATE OF UTAH

N00°48'W - 1342.44' (G.L.O.)

**FEDERAL #1021-250**  
Elev. Ungraded Ground = 5383'

1978'

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

N00°08'46"W  
456.46' (Meas.)

Brass Cap

REVISED: 01-14-06

S89°43'W - 1328.25' (G.L.O.)

S89°43'W - 1328.25' (G.L.O.)

S89°44'27"W - 2655.41' (Meas.)

1977 Brass Cap  
Flush With Pile  
of Stones

(NAD 83)  
LATITUDE = 39°54'48.02" (39.913339)  
LONGITUDE = 109°29'49.35" (109.497042)  
(NAD 27)  
LATITUDE = 39°54'48.14" (39.913372)  
LONGITUDE = 109°29'46.89" (109.496358)

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

<b>UINTAH ENGINEERING &amp; LAND SURVEYING</b>		
85 SOUTH 200 EAST - VERNAL, UTAH 84078		
(435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 12-13-05	DATE DRAWN: 12-21-05
PARTY D.K. L.K. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE Kerr-McGee Oil & Gas Onshore LP	

**FEDERAL #1021-250  
SW/SE Sec. 25, T10S,R21E  
UINTAH COUNTY, UTAH  
UTU-0143933**

**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'
	Wasatch	4275'
Gas	Mesaverde	6750'
Gas	N/A	
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. **Variations:**

*Please see Natural Buttes Unit SOP.*

10. **Other Information:**

*Please see Natural Buttes Unit SOP.*





**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\*Buoy.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
<b>NOTE: If well will circulate water to surface, option 2 will be utilized</b>							
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

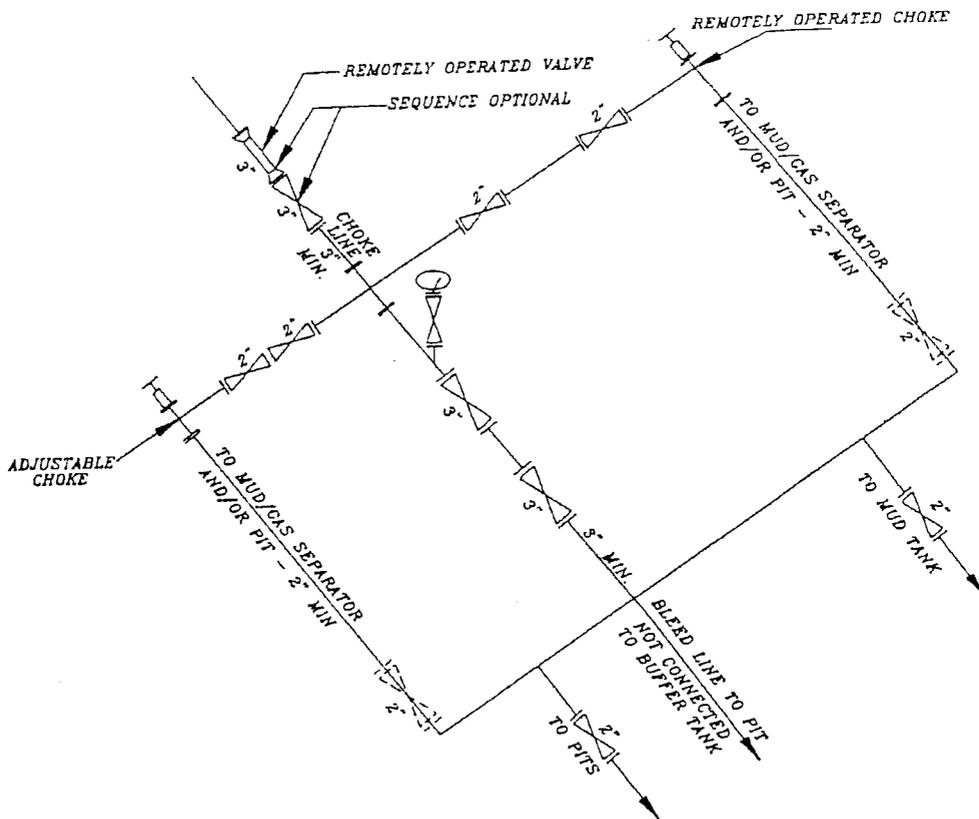
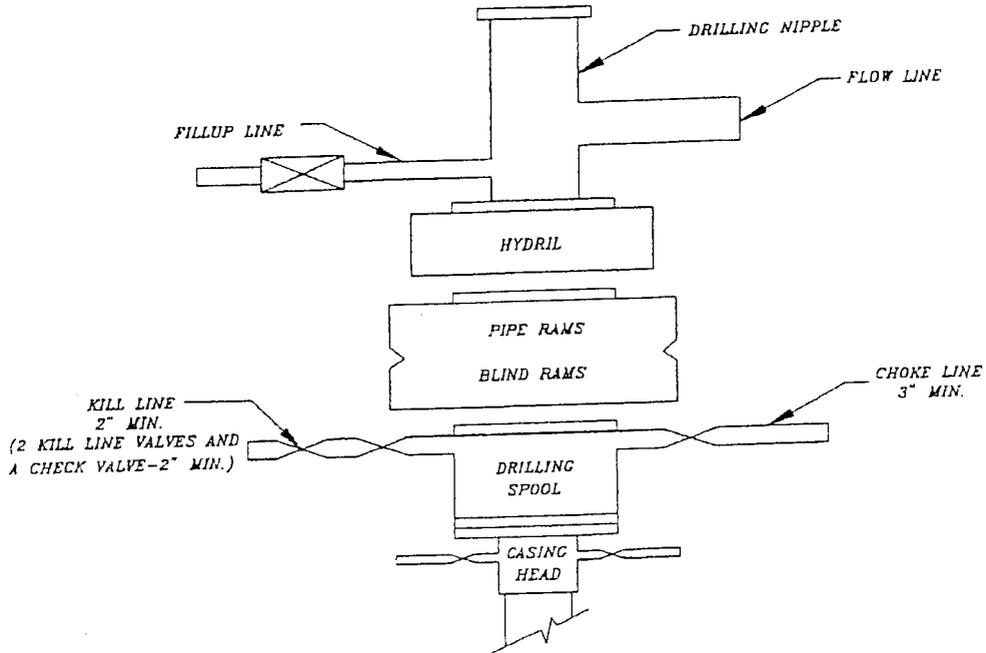
DATE: \_\_\_\_\_

DRILLING SUPERINTENDENT: \_\_\_\_\_

Randy Bayne

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

# 5M BOP STACK and CHOKE MANIFOLD SYSTEM



**FEDERAL 1021-250  
SWSE SEC 25-T10S-R21E  
UINTAH COUNTY, UTAH  
UTU-0143933**

**ONSHORE ORDER NO. 1**

***MULTI-POINT SURFACE USE & OPERATIONS PLAN***

An onsite inspection was conducted for the NBU 1021-250 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 0.32+/- 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.

**Variances to Best Management Practices (BMPs) Requested:**

Approximately 1202' +/- 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 15<sup>th</sup> through June 20<sup>th</sup>.

**GOLDEN EAGLE:** No Construction or Drilling from February 1<sup>st</sup> through July 15<sup>th</sup>.

**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

3/8/2006  
Date

**Kerr-McGee Oil & Gas Onshore LP**  
**FEDERAL #1021-250**  
**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; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 11.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY, THEN WESTERLY DIRECTION APPROXIMATELY 0.45 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 2.0 MILES TO THE EXISTING #1021-36B AND THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTH; FOLLOW ROAD FLAGS IN A NORTHERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 56.4 MILES.

# Kerr-McGee Oil & Gas Onshore LP

FEDERAL #1021-250  
LOCATED IN UINTAH COUNTY, UTAH  
SECTION 25, T10S, R21E, S.L.B.&M.

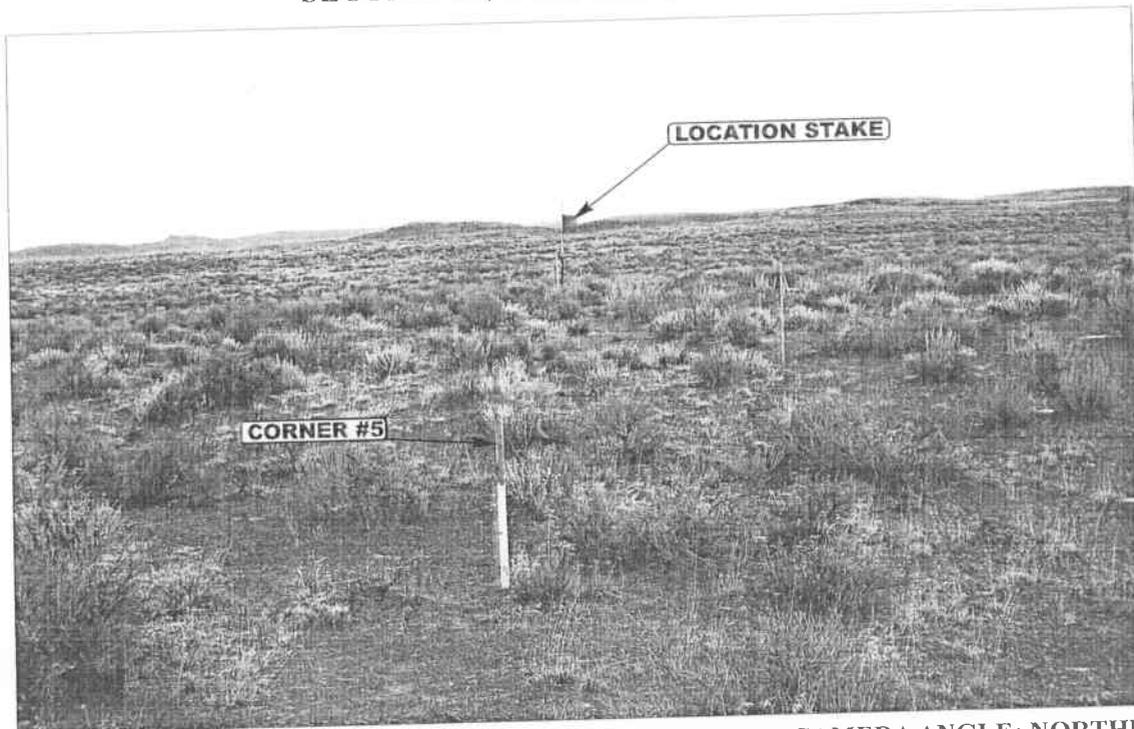


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

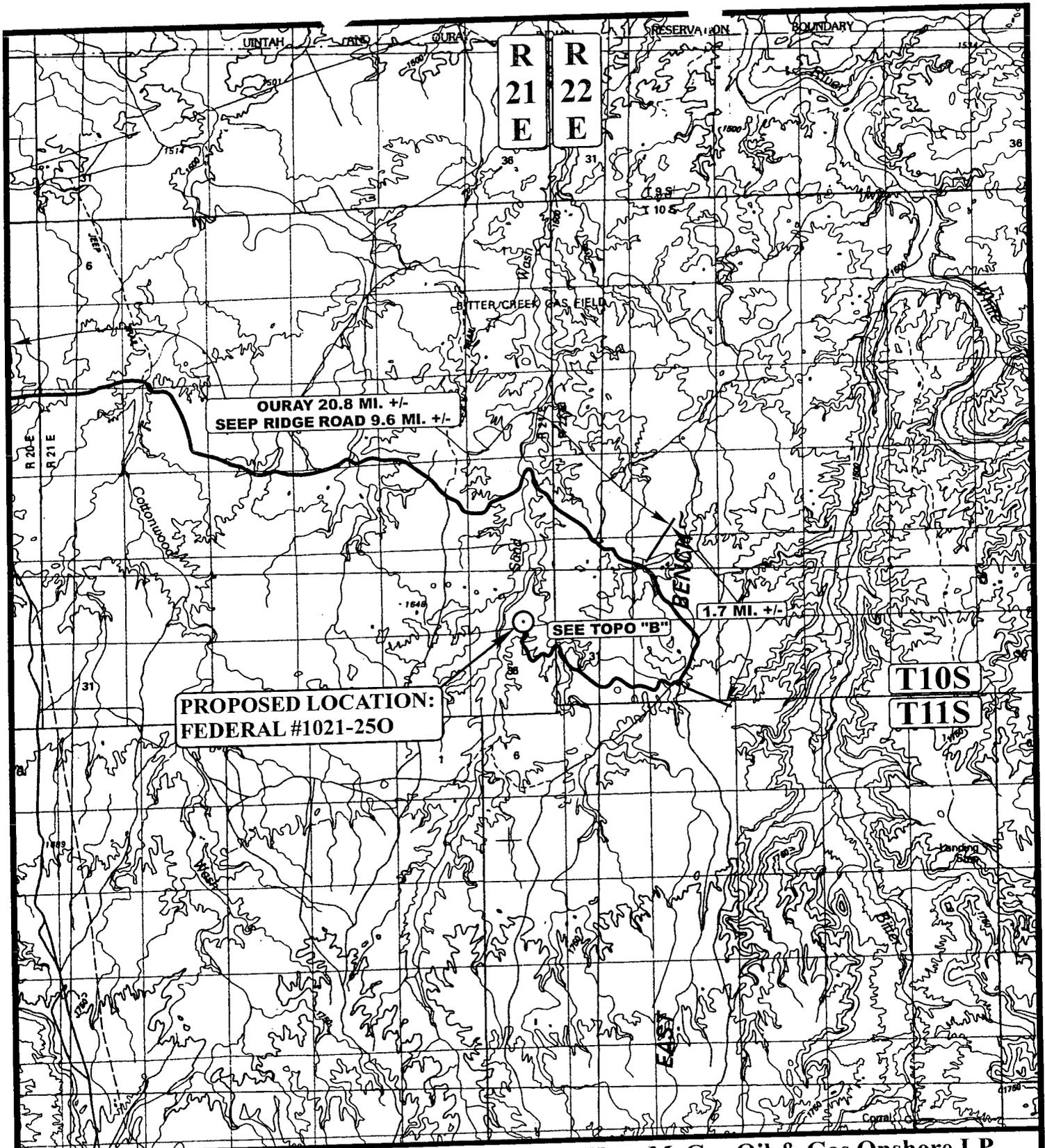
CAMERA ANGLE: NORTHEASTERLY



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

LOCATION PHOTOS	12	15	05	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: D.K.	DRAWN BY: C.P.	REVISED: 01-14-06		

- Since 1964 -



**PROPOSED LOCATION:  
FEDERAL #1021-250**

**OURAY 20.8 MI. +/-  
SEEP RIDGE ROAD 9.6 MI. +/-**

**SEE TOPO "B"**

**1.7 MI. +/-**

**T10S  
T11S**

**R 21 E  
R 22 E**

**LEGEND:**

○ PROPOSED LOCATION

N

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

**FEDERAL #1021-250  
SECTION 25, T10S, R21E, S.L.B.&M.  
706' FSL 1978' FEL**



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

**TOPOGRAPHIC  
MAP**

**12 15 05**  
MONTH DAY YEAR

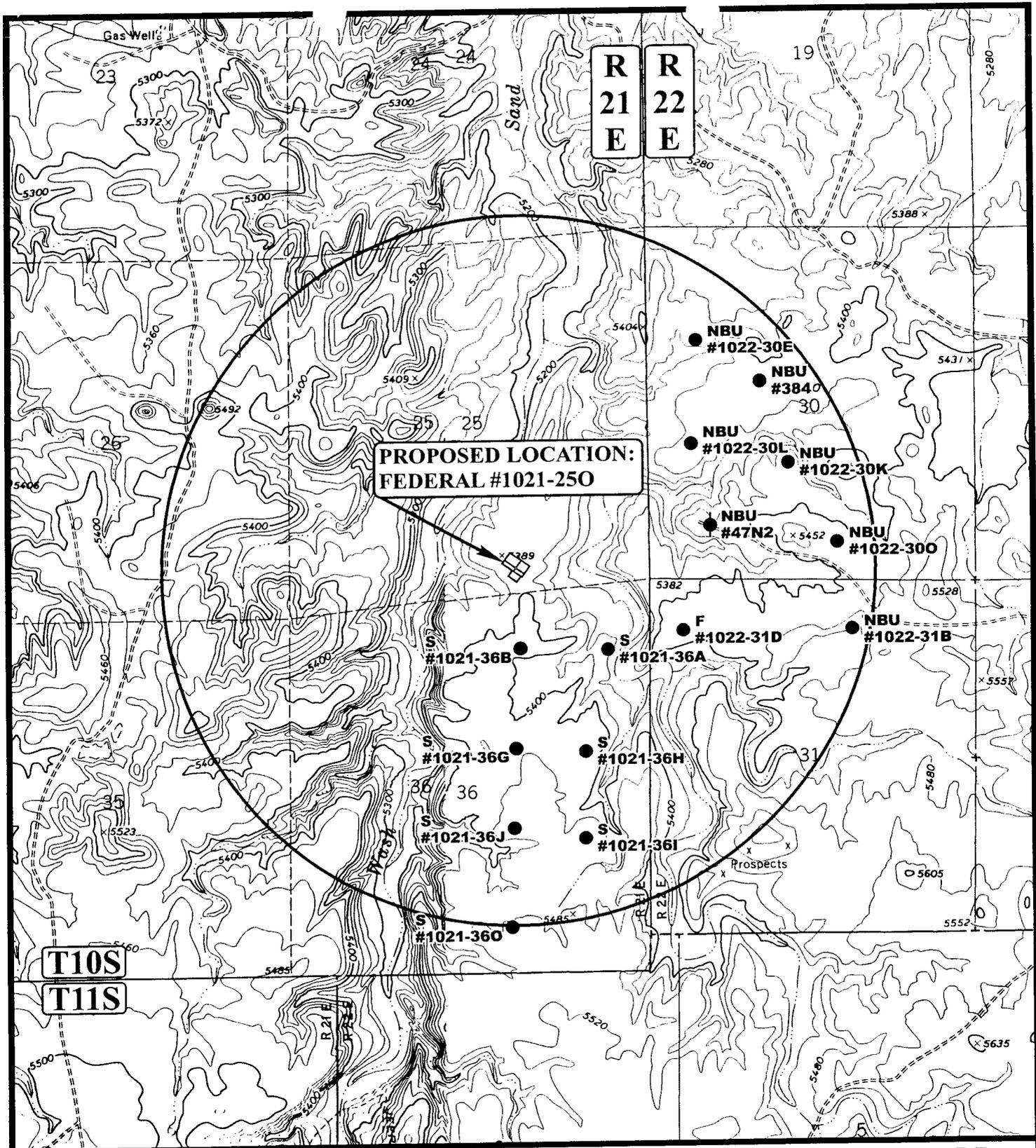
**SCALE: 1:100,000**

**DRAWN BY: C.P.**

**REVISED: 01-14-06**







**PROPOSED LOCATION:  
FEDERAL #1021-250**

**LEGEND:**

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

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

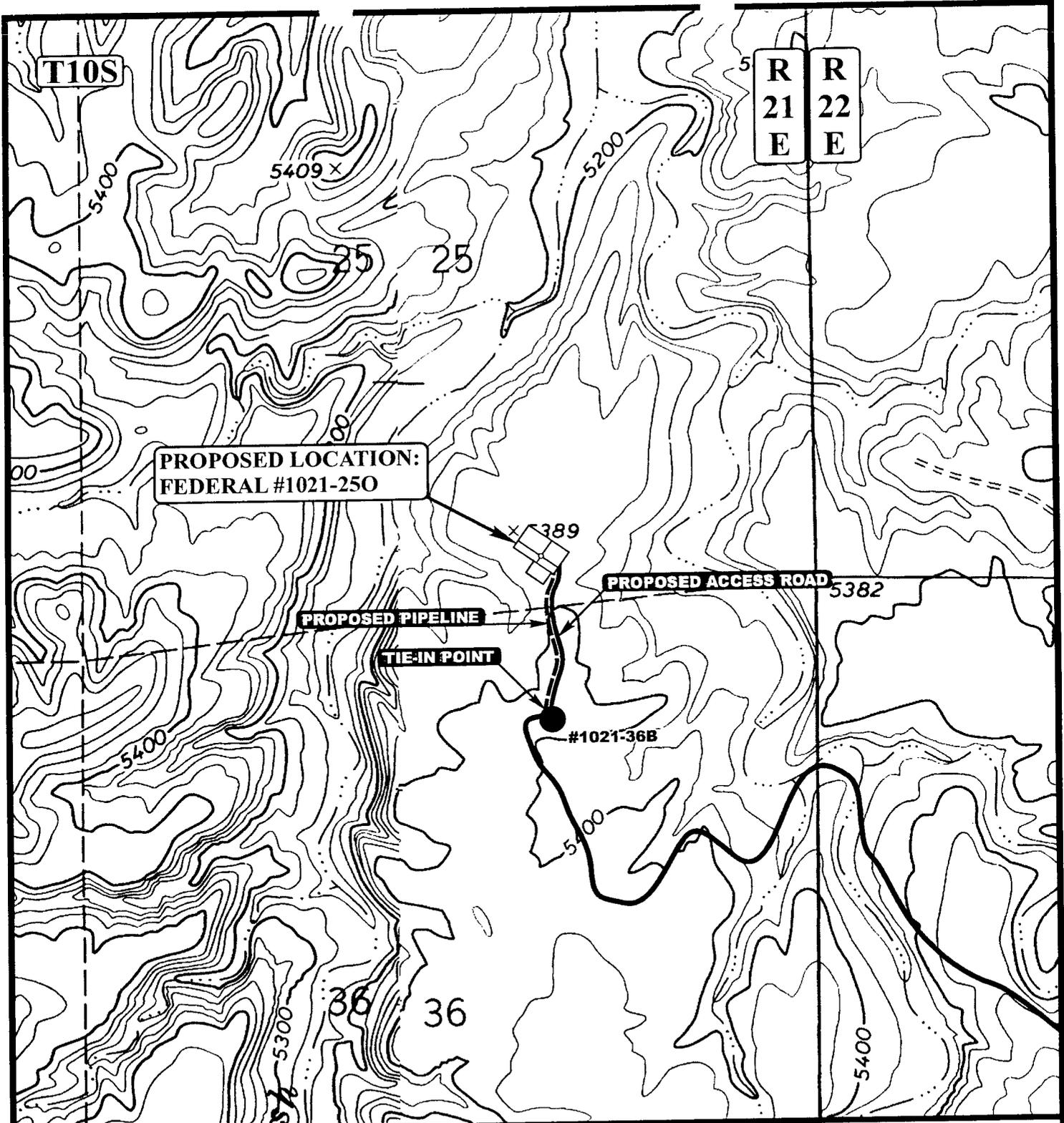
**FEDERAL #1021-250  
SECTION 25, T10S, R21E, S.L.B.&M.  
706' FSL 1978' FEL**

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



TOPOGRAPHIC	12	15	05
MAP	MONTH	DAY	YEAR
SCALE: 1" = 2000'	DRAWN BY: C.P.		REVISED: 01-14-06





APPROXIMATE TOTAL PIPELINE DISTANCE = 1,202' +/-

**LEGEND:**

- PROPOSED ACCESS ROAD
- PROPOSED PIPELINE



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

FEDERAL #1021-250  
SECTION 25, T10S, R21E, S.L.B.&M.  
706' FSL 1978' FEL

<b>UELS</b>	<b>Uintah Engineering &amp; Land Surveying</b>	
	85 South 200 East Vernal, Utah 84078 (435) 789-1017 * FAX (435) 789-1813	

<b>TOPOGRAPHIC MAP</b>	12	15	05	<b>D TOPO</b>
	MONTH	DAY	YEAR	
SCALE: 1" = 1000'		DRAWN BY: C.P.		REVISED: 01-14-06

**Kerr-McGee Oil & Gas Onshore LP**  
**FEDERAL #1021-250**  
**PIPELINE ALIGNMENT**  
**LOCATED IN UINTAH COUNTY, UTAH**  
**SECTION 25, T10S, R21E, S.L.B.&M.**



**PHOTO: VIEW FROM TIE-IN POINT**

**CAMERA ANGLE: NORTHEASTERLY**



**PHOTO: VIEW OF PIPELINE ALIGNMENT**

**CAMERA ANGLE: NORTHERLY**



- Since 1964 -

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

PIPELINE PHOTOS			12	15	05	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: D.K.	DRAWN BY: C.P.	REVISED: 01-14-06				



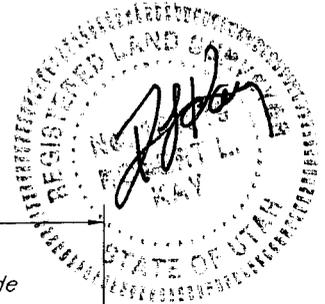
# Kerr-McGee Oil & Gas Onshore LP

FIGURE #2

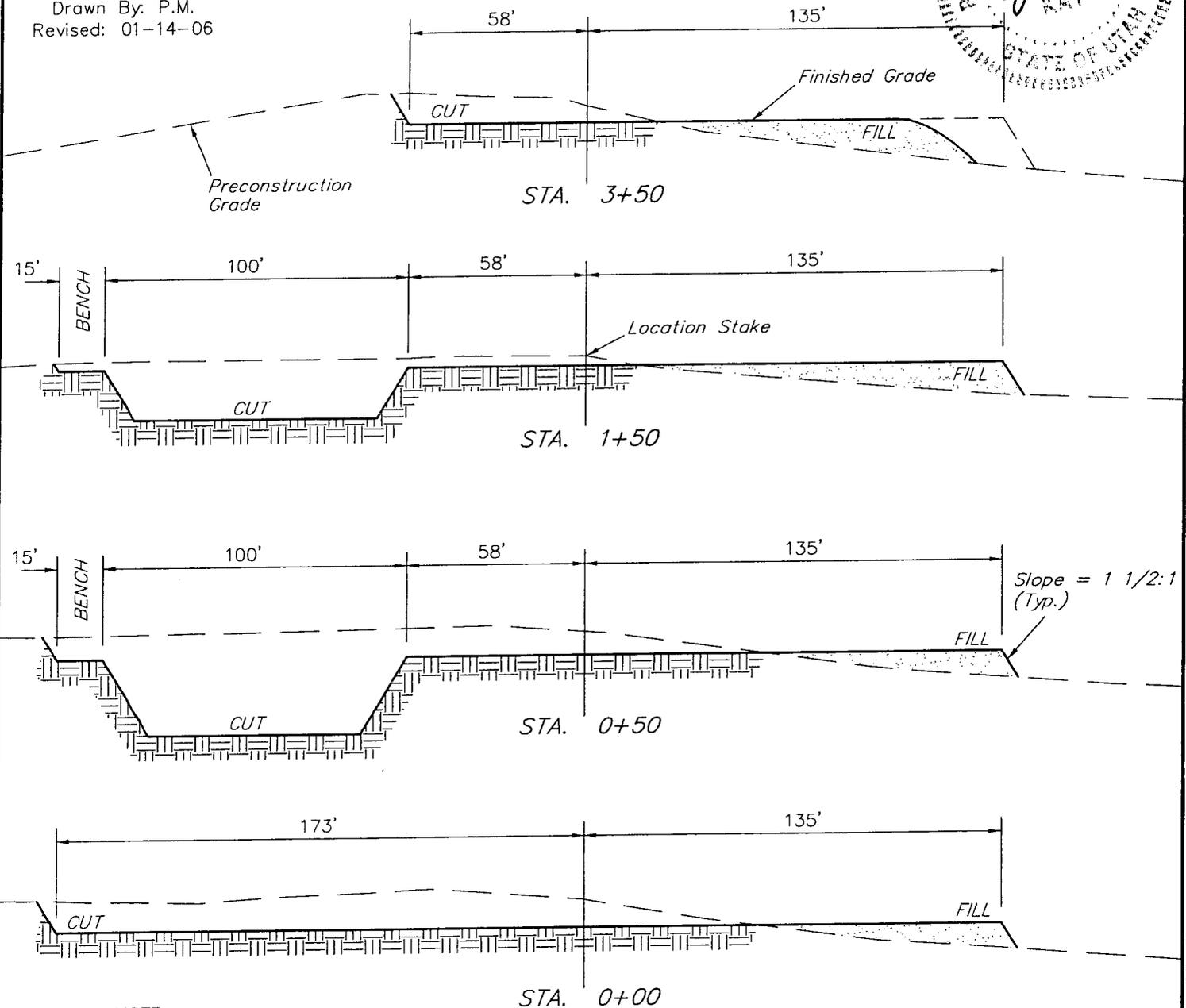
## TYPICAL CROSS SECTIONS FOR

FEDERAL #1021-250  
SECTION 25, T10S, R21E, S.L.B.&M.  
706' FSL 1978' FEL

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



DATE: 12-21-05  
Drawn By: P.M.  
Revised: 01-14-06



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

\* NOTE:  
FILL QUANTITY INCLUDES 5% FOR COMPACTION

### APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,800 Cu. Yds.
Remaining Location	= 7,690 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 9,490 CU.YDS.</b>
<b>FILL</b>	<b>= 5,170 CU.YDS.</b>

EXCESS MATERIAL	= 4,320 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,940 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 380 Cu. Yds.

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 03/10/2006

API NO. ASSIGNED: 43-047-37916

WELL NAME: FEDERAL 1021-250  
 OPERATOR: WESTPORT OIL & GAS CO ( N2115 )  
 CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

SWSE 25 100S 210E  
 SURFACE: 0706 FSL 1978 FEL  
 BOTTOM: 0706 FSL 1978 FEL  
 COUNTY: UINTAH  
 LATITUDE: 39.91330 LONGITUDE: -109.4963  
 UTM SURF EASTINGS: 628527 NORTHINGS: 4419007  
 FIELD NAME: NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: UTU-0143933  
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

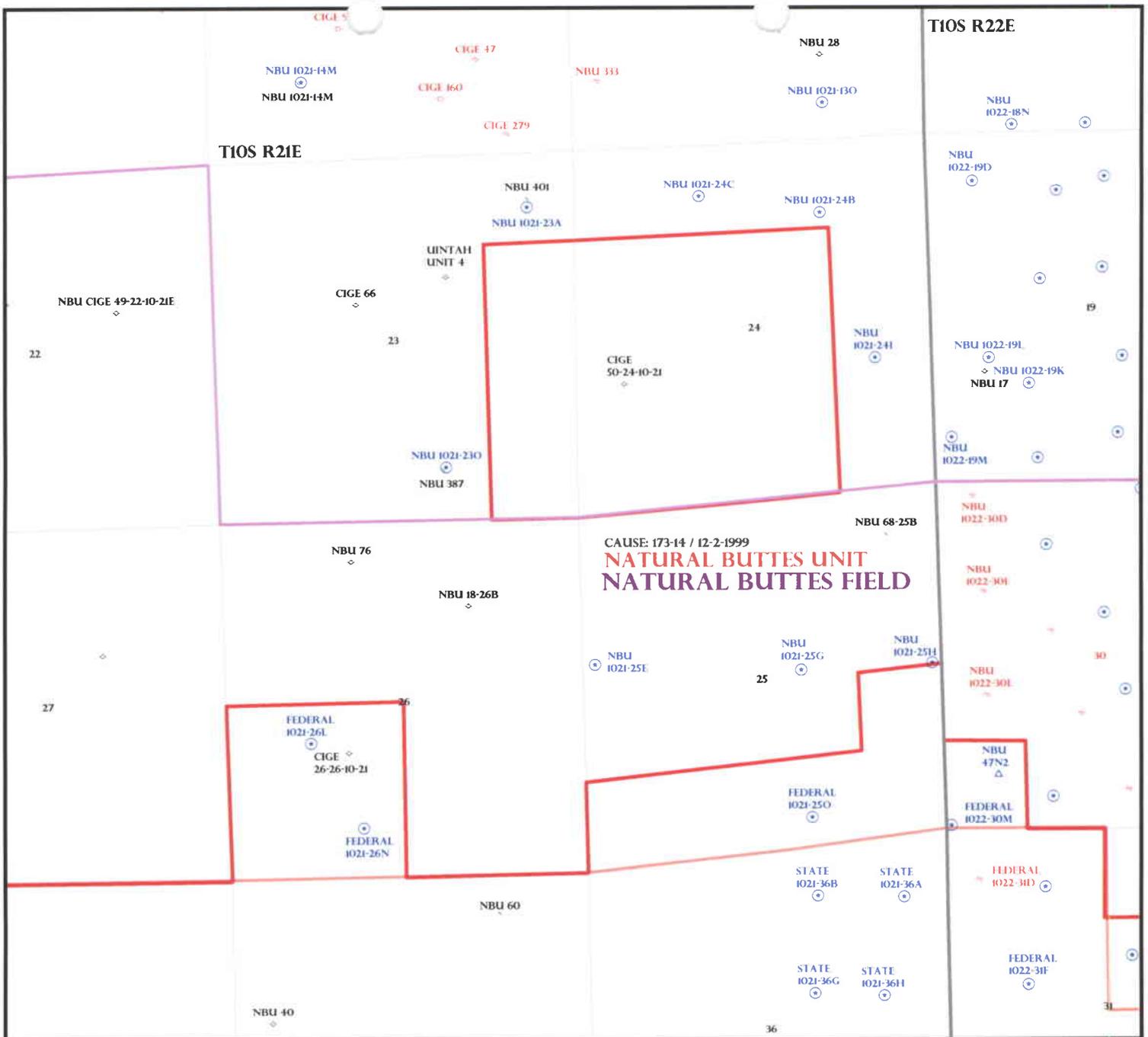
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. CO-1203 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 43-8496 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit: \_\_\_\_\_
- R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit  
Board Cause No: \_\_\_\_\_  
Eff Date: \_\_\_\_\_  
Siting: \_\_\_\_\_
- R649-3-11. Directional Drill

COMMENTS: Sp, Spinal file

STIPULATIONS: 1. Federal Approval  
2. Spacing Strip  
3. OIL SHALE



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

OPERATOR: WESTPORT O&G CO (N2115)

SEC: 25,26 T. 10S R. 21E

FIELD: NATURAL BUTTES (630)

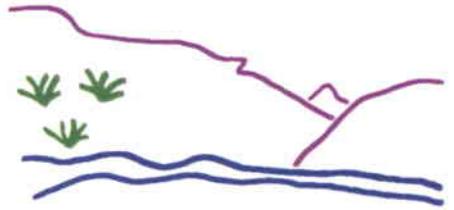
COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

- 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



**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 16, 2006

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

Re: Federal 1021-250 Well, 706' FSL, 1978' FEL, SW SE, 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 43-047-37916.

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** \_\_\_\_\_ Federal 1021-250 \_\_\_\_\_

**API Number:** \_\_\_\_\_ 43-047-37916 \_\_\_\_\_

**Lease:** \_\_\_\_\_ UTU-0143933 \_\_\_\_\_

**Location:** SW SE                      **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.

6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

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

**ROUTING**

1. DJJ
2. CDW

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

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

**1/6/2006**

**FROM:** (Old Operator):  
 N2115-Westport Oil & Gas Co., LP  
 1368 South 1200 East  
 Vernal, UT 84078  
 Phone: 1-(435) 781-7024

**TO:** ( New Operator):  
 N2995-Kerr-McGee Oil & Gas Onshore, LP  
 1368 South 1200 East  
 Vernal, UT 84078  
 Phone: 1-(435) 781-7024

**CA No.**

**Unit:**

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

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- 4a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- 4b. If **NO**, the operator was contacted on: \_\_\_\_\_
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a
- 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.*

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

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**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**

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

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

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

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

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

*BLM BOND = C01203*  
*BIA BOND = RLB0005239*

**APPROVED 5116106**  
*Earlene Russell*

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed) **RANDY BAYNE**  
Signature *Randy Bayne*  
Title **DRILLING MANAGER**  
Date **May 9, 2006**

**THIS SPACE FOR FEDERAL OR STATE USE**

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

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

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

6. If Indian, Allottee or Tribe Name

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

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

9. API Well No.

10. Field and Pool, or Exploratory Area

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

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

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

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

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

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

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

RECEIVED  
 MAY 10 2006

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed) <b>BRAD LANEY</b>	Title <b>ENGINEERING SPECIALIST</b>
Signature <i>Brad Laney</i>	Date <b>May 9, 2006</b>

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by <i>Brad Laney</i>	Title	Date <b>5-9-06</b>
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

U.S. DEPT. OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

MAR 0 4 2006

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
**BLM VERNAL, UTAH**

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

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>UTU-0143933</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 <b>WESTPORT OIL &amp; GAS COMPANY L.P. Kerr-McGee Onshore</b>		7. If Unit or CA Agreement, Name and No.	
3A. Address <b>1368 SOUTH 1200 EAST VERNAL, UT 84078</b>		8. Lease Name and Well No. <b>FEDERAL 1021-250</b>	
3b. Phone No. (include area code) <b>(435) 781-7024</b>		9. API Well No. <b>43-047-3716</b>	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface <b>SWSE 706'FSL, 1978'FEL</b> At proposed prod. Zone		10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>	
14. Distance in miles and direction from nearest town or post office* <b>35 MILES SOUTHEAST OF OURAY, UTAH</b>		11. Sec., T., R., M., or Blk, and Survey or Area <b>SECTION 25-T10S-R21E</b>	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>706'</b>	16. No. of Acres in lease <del>2040.00</del> <b>240.</b>	17. Spacing Unit dedicated to this well <b>40.00</b>	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>REFER TO TOPO C</b>	19. Proposed Depth <b>8900'</b>	20. BLM/BIA Bond No. on file <b>CO-1203</b>	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>5383'GL</b>	22. Approximate date work will start* <b>UPON APPROVAL</b>	23. Estimated duration <b>TO BE DETERMINED</b>	

**24. Attachments**

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

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

25. Signature <i>Sheila Upchego</i>	Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Date <b>3/8/2006</b>
Title <b>REGULATORY ANALYST</b>		
Approved by (Signature) <i>Jerry Kenczka</i>	Name (Printed/Typed) <b>JERRY KENCZKA</b>	Date <b>1-28-2007</b>
Title <b>Assistant Field Manager Lands &amp; Mineral Resources</b>	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)

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

RECEIVED  
JAN 30 2007  
DIV. OF OIL, GAS & MINING

UDOM

06BM0847A



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 O&G Onshore, LP      **Location:** SWSE, Sec 25, T10S, R21E  
**Well No:** Federal 1021-250      **Lease No:** UTU-0143933  
**API No:** 43-047-37916      **Agreement:** N/A

Petroleum Engineer:	Ryan Angus	Office: 435-781-4430	Cell: 435-828-
Petroleum Engineer:	James Ashley	Office: 435-781-4470	Cell: 435-828-7874
Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
NRS/Environmental Scientist:	Scott Ackerman	Office: 435-781-4437	
NRS/Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
NRS/Environmental Scientist:	Jannice Cutler	Office: 435-781-3400	
NRS/Environmental Scientist:	Michael Cutler	Office: 435-781-3401	
NRS/Environmental Scientist:	Anna Figueroa	Office: 435-781-3407	
NRS/Environmental Scientist:	Melissa Hawk	Office: 435-781-4476	
NRS/Environmental Scientist:	Chuck McDonald	Office: 435-781-4441	
NRS/Environmental Scientist:	Nathan Packer	Office: 435-781-3405	
NRS/Environmental Scientist:	Verlyn Pindell	Office: 435-781-3402	
NRS/Environmental Scientist:	Holly Villa	Office: 435-781-4404	
NRS/Environmental Scientist:	Darren Williams	Office: 435-781-4447	
NRS/Environmental Scientist:	Karl Wright	Office: 435-781-4484	

**After Hours Contact Number: 435-781-4513**

**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 one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

- Location Construction (Notify NRS) - Forty-Eight (48) hours prior to construction of location and access roads.
- Location Completion (Notify NRS) - 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 Supervisory Petroleum Technician) - Twenty-Four (24) hours prior to running casing and cementing all casing
- BOP & Related Equipment Tests (Notify Supervisory Petroleum Technician) - 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)***

1. 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 .
2. The lessee/operator is given notice that lands in the lease have been identified as containing a golden eagle nest within 0.5 mile of the proposed action. It is requested that the lessee/operator not initiate surface disturbing activities or drilling from February 1<sup>st</sup> to July 15<sup>th</sup>. A survey may be conducted by a qualified biologist or a BLM representative during this timing period to determine if golden eagles are nesting in the area .
3. If paleontologic materials are uncovered during construction, the operator shall immediately stop work that might further disturb such materials and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation will be necessary for the discovered paleontologic material.
4. 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 re-contoured and the topsoil re-spread, and the area shall be seeded in the same manner as the location topsoil.
5. Following well plugging and abandonment, the location, access roads, pipelines, and other facilities shall be reclaimed. All disturbed surfaces shall be reshaped to approximate the original contour; the top soil re-spread over the surface; and, the surface re-vegetated. The surface of approved staging areas where construction activities did not occur may require disking or ripping and reseeded.

### ***DOWNHOLE CONDITIONS OF APPROVAL***

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

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

1. None

#### **DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. 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. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
3. **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
4. 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.

5. The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).
6. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.

7. The lessee/operator must report encounters of all non oil & gas mineral resources (such as gilsonite, tar sands, oil shale, etc.) to a geologist of 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.
8. 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.
9. 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.

Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. 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 pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

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.

10. 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.

A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

**Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**

11. 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.  
  
All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
12. Oil and gas meters shall be calibrated in place prior to any deliveries. The 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.
13. 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.
14. This APD is approved subject to the requirement that, 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:
  - a. Operator name, address, and telephone number.
  - b. Well name and number.
  - c. Well location (1/4, Sec., Twn, Rng, and P.M.).
  - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
  - e. 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).
  - f. 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.
  - g. Unit agreement and / or participating area name and number, if applicable.
  - h. Communitization agreement number, if applicable.

15. Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
16. 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
17. 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.
18. 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-0143933**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**FEDERAL 1021-250**

9. API Well No.  
**4304737916**

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

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

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

1. Type of Well  
 Oil Well     Gas Well     Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**706' FSL, 1978' FEL  
SWSE, SEC 25-T10S-R21E**

**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 <b>APD EXTENSION</b>
			<b>DOGM</b>

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

THE 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 DIVISION OF OIL, GAS AND MINING ON MARCH 16, 2006.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 02-22-07  
By: [Signature]

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

Name (Printed/Typed) <b>RAMEY HOOPES</b>	Title <b>REGULATORY CLERK</b>
Signature <u>Ramey Hoopes</u>	Date <b>FEBURARY 8, 2007</b>

**THIS SPACE FOR FEDERAL OR STATE USE**

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

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

**RECEIVED**

**FEB 20 2007**

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

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

**API:** 4304737916  
**Well Name:** FEDERAL 1021-250  
**Location:** SWSE, SEC 25-T10S-R21E  
**Company Permit Issued to:** KERR MCGEE OIL AND GAS ONSHORE LP  
**Date Original Permit Issued:** 3/16/2006

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

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

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

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

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

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

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

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

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

Ramey Hooper  
Signature

2/8/2007  
Date

Title: Regulatory Clerk

Representing: Kerr McGee Oil & Gas Onshore LP

RECEIVED

FEB 16 2007

DIV. OF OIL, GAS & MINING

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

FORM 6

ENTITY ACTION FORM

Operator: KERR MCGEE OIL & GAS ONSHORE LP Operator Account Number: N 2996  
Address: 1368 SOUTH 1200 EAST  
city VERNAL  
state UT zip 84078 Phone Number: (435) 781-7024

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304737916	FEDERAL 1021-250		SWSE	25	10S	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>R</i> A	99999	16277	7/26/2007		7/31/07		
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSTMVD</i> SPUD WELL LOCATION ON 07/26/2007 AT 10:00 AM							

Well 2

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

Well 3

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

ACTION CODES:

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

(5/2000) To: BARBARA RUSSELL From: SHEILA UPCHEGO  
Co./Dept: UTDGM Co: KMCB  
Phone: (801) 538-5330 Phone: (435) 781-7024  
Fax #: (801) 259-3940 Fax: (435) 781-7094

SHEILA UPCHEGO

Name (Please Print)  
*Sheila Upchego*  
Signature  
SENIOR LAND SPECIALIST 7/27/2007  
Date

RECEIVED  
JUL 26 2007

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-0143933**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

**FEDERAL 1021-250**

9. API Well No.

**4304737916**

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/SE SEC. 25, T10S, R21E 706'FSL, 1978'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 <b>WELL SPUD</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat 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 recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

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

**SPUD WELL LOCATION ON 07/26/2007 AT 10:00 AM.**

**RECEIVED**  
**JUL 31 2007**

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

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

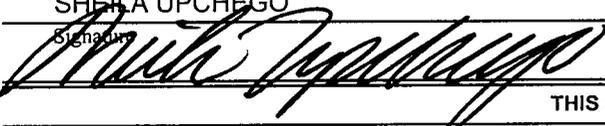
Name (Printed/Typed)

**SHEILA UPCHEGO**

Title

**SENIOR LAND ADMIN SPECIALIST**

Signature



Date

**July 27, 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-0143933**

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.

**FEDERAL 1021-250**

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

9. API Well No.

**4304737916**

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

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

10. Field and Pool, or Exploratory Area

**NATURAL BUTTES**

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

**SW/SE SEC. 25, T10S, R21E 706'FSL, 1978'FEL**

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 <u>SET SURFACE CSG</u>

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 07/28/2007. DRILLED 12 1/4" SURFACE HOLE TO 1950'. RAN 9 5/8" 32.3# H-40 SURFACE CSG. LEAD CMT W/160 SX HIFILL CLASS G @11.0 PPG 3.82 YIELD. TAILED CMT W/200 SX PREM CLASS G @15.8 PPG 1.15 YIELD. SOME RETURNS LATE INTO DISPLACEMENT NO CMT TO PIT. RAN 200' OF 1" PIPE. CMT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD. NO CMT TO SURFACE. TOP OUT W/150 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL. WORT.

**RECEIVED**  
**AUG 06 2007**

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

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

Title  
**SENIOR LAND ADMIN SPECIALIST**  
Date  
**August 1, 2007**

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

**THIS SPACE FOR FEDERAL OR STATE USE**

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Serial No.  
**UTU-0143933**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**FEDERAL 1021-250**

9. API Well No.  
**4304737916**

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/SE SEC. 25, T10S, R21E 706'FSL, 1978'FEL**

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

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

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

FINISHED DRILLING FROM 1950' TO 8440' ON 08/30/2007. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/310 SX PREM LITE II @11.0 PPG 3.38 YIELD. TAILED CMT W/1102 SX 50/50 POZ @14.3 PPG 1.31 YIELD. DISPLACE W/130.5 BBLS FRESH WATER W/CLAYTREAT + MAGNACIDE BUMP PLUG 500 OVER FLOATS OK HAD GOOD CIRC W/19 BBLS CMT TO PIT. FLUSH STACK LAND CSG W/50,000 TEAT TO 5000 PSI ND BOPE CLEAN MUD TANKS.

RELEASED PIONEER RIG 41 ON 09/01/2007 AT 1300 HRS.

**RECEIVED**  
**SEP 10 2007**

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

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

Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Title <b>SENIOR LAND ADMIN SPECIALIST</b>
Signature 	Date <b>September 4, 2007</b>

**THIS SPACE FOR FEDERAL OR STATE USE**

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Serial No.  
**UTU-0143933**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**FEDERAL 1021-250**

9. API Well No.  
**4304737916**

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/SE SEC. 25, T10S, R21E 706'FSL, 1978'FEL**

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

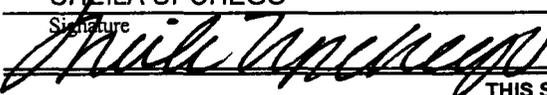
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 <b>PRODUCTION START-UP</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or 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 11/09/2007 AT 11:00 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

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

Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Title <b>SENIOR LAND ADMIN SPECIALIST</b>
Signature 	Date <b>November 14, 2007</b>

THIS SPACE FOR FEDERAL OR STATE USE

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

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

(Instructions on reverse)

**RECEIVED**  
**NOV 20 2007**  
DIV. OF OIL, GAS & MINING



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

## CHRONOLOGICAL WELL HISTORY

### FEDERAL 1021-250

SWSE, SEC. 25, T10S, R21E  
 UINTAH COUNTY, UT

DATE	ACTIVITY	STATUS
06/29/07	LOCATION STARTED PIONEER 41	
07/25/07	LOCATION COMPLETED PIONEER 41	P/L IN, WOBR
07/26/07	SET CONDUCTOR PIONEER 41	
07/28/07	SET AIR RIG PIONEER 41	DRLG
08/06/07	9 5/8" @1932' PIONEER 41	WORT
08/21/07	TD: 1950' Csg. 9 5/8" @ 1932' MW: 8.4 SD: 8/XX/07 RDRT and move to Federal 1021-250.	DSS: 0
08/22/07	TD: 1950' Csg. 9 5/8" @ 1932' MW: 8.4 SD: 8/XX/07 Finish move to Federal 1021-250. Spot rig and RURT. SDFN.	DSS: 0
08/23/07	RURT. NU and test BOPE.	
08/24/07	TD: 2980' Csg. 9 5/8" @ 1932' MW: 8.4 SD: 8/23/07 NU and test BOPE. PUDS and drill FE. Rotary spud @ 1330 hrs 8/23/07. Drill from 1968'-2980'. DA.	DSS: 1
08/27/07	TD: 6137' Csg. 9 5/8" @ 1932' MW: 9.7 SD: 8/23/07 Drill from 2980'-6137'. TFNB.	DSS: 4
08/28/07	TD: 7010' Csg. 9 5/8" @ 1932' MW: 10.2 SD: 8/23/07 FIH. Drill from 6137'-7010'. DA.	DSS: 5
08/29/07	TD: 7815' Csg. 9 5/8" @ 1932' MW: 10.8 SD: 8/23/07 Drill from 7010'-7815'. DA.	DSS: 6
08/30/07	TD: 8170' Csg. 9 5/8" @ 1932' MW: 11.2 SD: 8/23/07 Drill from 7815'-8118'. TFNB. Drill to 8170'. DA.	DSS: 7
08/31/07	TD: 8440' Csg. 9 5/8" @ 1932' MW: 11.6 SD: 8/23/07 Drill from 8170'-8440' TD. Short trip and CCH for logs. POOH and run Triple Combo.	DSS: 8
09/03/07	TD: 8440' Csg. 9 5/8" @ 1932' MW: 11.6 SD: 8/23/07 TIH to 4200'. Break circulation and lost returns. Pump LCM pill and establish returns. FIH and CCH for casing. LDDS. Run and cement 4 1/2" Production Casing. Land casing and release rig @ 1300 hrs 9/1/07. RDRT and move to Bitter Creek 1122-60. SDFN.	DSS: 10

**11/01/07**      **MIRU**  
Days on Completion: 1  
Remarks: DAY 1) 10:30 AM. ROAD RIG AND EQUIP FROM NBU 1022-14L-2S TO LOCATION. SPOT EQUIP AND RUSU. ND WH. NU BOP. RU FLOOR. SDFN

**11/02/07**      **pu & RIH W/ new tbg & bit**  
Days On Completion: 2  
Remarks: DAY 2) 8:00- HSM. TBG AOL 9:00. MU AND RIH W/ 3-7/8" BIT AND BIT SUB ON 2-3/8" J-55 EUE TBG AS TALLY. RAN 263-JTS IN. SDFN W/ EOT AT 8283'

**11/05/07**      **C/O TO PBSD**  
Days On Completion: 5  
Remarks: DAY 3) 8:00- HSM. RU DRLG EQUIP. ESTABLISH REV-CIRC. CIRC AS RIH. HAD 90' SOFT CMT WTR FROM 8315' TO 8378'. D/O WIPER PLUG AND CMT TO PBSD AT 8394' W/ 267-JTS IN. CIRC CLEAN (GREEN WTR, CMT, RUBBER). RD DRLG EQUIP. POOH AS LD 15 JTS, AND S/B 252 JTS. RD FLOOR. ND BOP. NU FRAC VALVES. RU FLOOR. SDFN. WILL P-TEST IN AM.

**11/06/07**      **PERF STG 1**  
Days On Completion: 6  
Remarks: 7:00 A.M. HSM MIRU CUTTERS W.L. SVC. FILL CSG W/ 2% KCL. WAIT ON B&C QUICK TST. MIRU B&C. PSI TST CSG & FRAC VLV ASSEMBLY TO 7500# (HELD). P/U 3 3/8" EXP PERF GUNS LOADED W/ 23 GM CHARGES. 4 SPF, 90 DEG PHASING & RIH. SHOOT 12 HOLES F/ 8367' - 70', P/U SHOOT 20 HOLES F/ 8210' - 15', P/U SHOOT 12 HOLES F/ 8143' - 46'. POOH. PREP TO FRAC IN A.M. SWI. SDFN

**11/07/07**      **FRAC**  
Days On Completion: 7  
Remarks: 7:00 A.M. HSM MIRU CUTTERS W.L. SVC. MIRU HALLIBURTON FRAC SVC. PSI TST LINES TO 8000# (held) HOLD SFT MTG & BEG TO FRAC. ALL STAGES SHOT W/ 3 3/8" EXP PERF GUNS LOADED W/ 23 GM CHARGES, 4 SPF, 90 DEG PHASING. ALL CBP'S ARE 4 1/2" BAKER 8K CBP'S. ALL STAGES INCLUDE NALCO DVE-005 SCALE INHIB. 3 GAL PER THOUSAND IN PAD & 1/2 RAMP. 10 GAL PER THOUSAND IN PRE-PAD & FLUSH. ALL STAGES INCLUDE NALCO BIOCID @ .5 GAL PER K, ALL STAGES INCLUDE HALLIBURTON GAS PERF 1000, W/ SAND WEDGE IN FINAL 40% OF SAND PACK.

STG 1: BRK DWN PERFS @ 3896#, EST INJ RT @ 53 BPM @ 5400#, ISIP 2710#. FG .78, TREAT STG 1 W/ 58,173# SAND W/ SLK WTR. TOT CL FL 1734 BBLs. ISIP 2814#, NPI 104#, FG .79

STG 2: P/U 3 3/8" PERF GUNS & 4 1/2" BAK 8K CBP & RIH. SET CBP @ 7718', P/U SHOOT 20 HOLES F/ 7683' - 88', P/U SHOOT 12 HOLES F/ 7584' - 87', P/U SHOOT 12 HOLES F/ 7445' - 48', POOH. BRK DWN PERFS @ 2612 , EST JNJ RT @ 39 BPM @ 3100#, ISIP=2050#, F.G=.72, TREAT STG 2 W/ 20500# SAND W/ 643 BBLs. ISIP=2122#, NPI=72#, F.G=.73

STG 3: P/U RIH W/ 3-3/8" PERF GUNS W/ 4-1/2 BKR 8K CBP, RIH SET CBP @ 7201', P/U SHOOT 12 HOLES F/7168-71, P/U SHOOT 20 HOLES F/ 7107-12, P/U SHOOT 8 HOLES F/ 6976-78, POOH, WHP=0#, BRK DN PERFS @ 3039#, EST INJT RT=40, INJT PSI=3200#, ISIP=1915#, F.G=.72, TREAT STG 3 W/ 33400# SAND W/ 941 BBLs. ISIP=2527#, F.G=.80, NPI=612#.

STG #4: P/U RIH W/ 3-3/8" PERF GUNS W/ 4-1/2 BKR 8K CBP, RIH SET CBP @ 6564' P/U SHOOT 24 HOLES F/ 6528-37, P/U SHOOT 20 HOLES F/ 6303-11, POOH, WHP=0#, BRK DN PERFS @ 2426#, EST INJT RT= 40, INJT PSI=3250#, ISIP=1590#, F.G=.69, TREAT STG 4 W/ 33400# SAND W/ 941 BBLs, ISIP=2527, F.G=.80, NPI=961.

P/U RIH W/ BKR 4-1/2 8K CBP & SET @ 6250' POOH. RDMO CUTTERS. RDMO HALLIBURTON. ND FRAC VLV'S. NU BOPE. P/U 3 7/8" BIT. POBS & RIH ON TBG, TAG KILL PLUG @ 6250'. L/D 1 JT TBG. PREP TO DRL OUT IN A.M.

11/08/07

**FINAL REPORT**

Days On Completion: 8

Remarks: 7:AM. HSM. OPEN WELL. RIH, TAG @ 6250'.RU DRILL EQUIP. BROKE CONV CIR. DRILL UP CBP @ 6250'. NO PRES INC. RIH, TAG @ 5600'. 64' SAND. DRILL DOWN TO 2# CBP @ 6564'. DRILL UP CBP. 700 PSI INC. RIH, TAG @ 7171'.30' SAND. DRILL DOWN TO 3# CBP @ 7201'. DRILL UP CBP, 200 PSI INC. RIH, TAG @ 7708'. 20' SAND. DRILL DOWN TO CBP @ 7728'. DRILL UP CBP, 200 PSI INC. RIH, TAG @ 8375', 19' SAND. DRILL DOWN TO PBD @ 8394'.CIR WELL CLEAN. POOH LD EXCESS TBG. 238 JTS IN WELL, LAND TBG. EOT 7505.41'. ND BOP, NU WELLHEAD. DROP BALL, POBS. OPEN WELL TO PIT W/ 1000 PSI ON CSG.

11/09/07

**FLOWBACK REPORT:** CP 2500#, TP 1000#, CK 20/64", 38 BWPH, LOAD REC'D 909 BBLS, LLTR 2350 BBLS

**WENT ON SALES:** @ 11:00 AM, 1000 MCF, 1300 TBG, 2400 CSG, 20/64 CK, 20 BBWH

11/10/07

**FLOWBACK REPORT:** CP 2100#, TP 1450#, CK 20/64", 25 BWPH, LOAD REC'D 1680 BBLS, LLTR 1579 BBLS

11/11/07

**FLOWBACK REPORT:** CP 1950#, TP 1325#, CK 20/64", 23 BWPH, LOAD REC'D 2266 BBLS, LLTR 993 BBLS

**ON SALES:** 2125 MCF, 0 BC, 414 BW, TP: 1325#, CP: 1900#, 20/64 CHK, 24 HRS, LP: 264#.

11/12/07

**FLOWBACK REPORT:** CP 1725#, TP 1450#, CK 20/64", 10 BWPH, LOAD REC'D 2571 BBLS, LLTR 688 BBLS

**ON SALES:** 2583 MCF, 0 BC, 240 BW, TP: 1450#, CP: 1725#, 18/64 CHK, 24 HRS, LP: 270#.

11/13/07

**ON SALES:** 2036 MCF, 0 BC, 120 BW, TP: 1650#, CP: 1937#, 14/64 CHK, 24 HRS, LP: 264#.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

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

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

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

4. Location of Well (Report locations clearly and in accordance with Federal requirements)\*  
 At surface **SW/SE 706'FSL, 1978'FEL**

At top prod. interval reported below

At total depth

14. Date Spudded **07/26/07**  
 15. Date T.D. Reached **08/30/07**  
 16. Date Completed  D & A  Ready to Prod. **11/09/07**

18. Total Depth: MD **8440'** TVD  
 19. Plug Back T.D.: MD **8394'** TVD  
 20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
**CBL-CCL-GR SD, DSN, ACTR**

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14"	36.7#		40'		28 SX			
12 1/4"	9 5/8"	32.3#		1950'		610 SX			
7 7/8"	4 1/2"	11.6#		8440'		1412 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"	7505'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	6304'	6534'	6304'-6534'	0.36"	44	OPEN
B) MESAVERDE	6976'	8370'	6976'-8370'	0.36"	128	OPEN
C)						
D)						

26. Perforation Record

Depth Interval	Amount and type of Material
6304'-6534'	PMP 1027 BBLs SLICK H2O & 41,300# 30/50 SD
6976'-8370'	PMP 3318 BBLs SLICK H2O & 112,073# 30/50 SD

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

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
11/09/00	11/12/07	24	→	0	2,583	240			DIV. OF OIL, GAS & MINING FLOWS FROM WELL PRODUCING GAS WELL
Choke Size	Tbg. Press. Flwg. 1450#	Csg. Press. 1725#	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
18/64	SI		→	0	2583	240			

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
11/09/07	11/12/07	24	→	0	2583	240			FLOWS FROM WELL PRODUCING GAS WELL
Choke Size	Tbg. Press. Flwg. 1450#	Csg. Press. 1725#	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
18/64	SI		→	0	2583	240			

RECEIVED  
DEC 14 2007

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

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	4121' 6683'	6683'			

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 12/03/07

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 6

**ENTITY ACTION FORM**

Operator: KERR MCGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995  
 Address: 1368 SOUTH 1200 EAST  
city VERNAL  
state UT zip 84078 Phone Number: (435) 781-7024

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
Various	NBU REVISION						UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>E</i>	<i>Various</i>	<i>2900</i>	<i>3/13/2012</i>			<i>2/1/2012</i>	
<b>Comments:</b> MOVE THE ATTACHED WELLS INTO THE NATURAL BUTTES UNIT REVISION EFFECTIVE 02/01/2012. <i>72 wells</i> <i>5/31/2012</i>							

Well 2

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

Well 3

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

**ACTION CODES:**

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

SHEILA WOPSOCK

Name (Please Print)

Signature

REGULATORY ANALYST

Title

5/30/2012

Date

**RECEIVED**

**MAY 31 2012**

Div. of Oil, Gas & Mining

Entity Action Form Attachment for wells moved into the Natural Buttes Unit Effective 02/01/2012.

API	Well Name	QTR/QTR / Section	TWNSHP	RANGE	Producing Intervals
4304737079	FEDERAL 920-25I	NESE <i>orig entity</i> 15431	25 9S	20E	WASATCH/MESAVERDE
4304737080	FEDERAL 920-25H	SENE 15761	25 9S	20E	WASATCH/MESAVERDE
4304737081	FEDERAL 920-25A	NENE 15553	25 9S	20E	WASATCH/MESAVERDE from MURD
4304739098	STATE 1021-28M	SWSW 16499	28 10S	21E	WASATCH To WSMVD
4304737918	FEDERAL 1021-26L	NWSW 16390	26 10S	21E	MESAVERDE To WSMVD
4304737919	FEDERAL 1021-26N	SESW 16391	26 10S	21E	WASATCH/MESAVERDE
4304737916	FEDERAL 1021-25O	SWSE 16277	25 10S	21E	WASATCH/MESAVERDE
4304739112	STATE 1021-31M	SWSW 16454	31 10S	21E	WASATCH To WSMVD
4304739127	STATE 1021-32P	SESE 16471	32 10S	21E	WASATCH/MESAVERDE
4304739128	STATE 1021-32O	SWSE 17513	32 10S	21E	WASATCH/MESAVERDE
4304739131	STATE 1021-32L	NWSW 16902	32 10S	21E	WASATCH/MESAVERDE
4304739133	STATE 1021-32J	NWSE 17529	32 10S	21E	WASATCH/MESAVERDE
4304739134	STATE 1021-32I	NESE 16905	32 10S	21E	WSMVD
4304739135	STATE 1021-32H	SENE 17528	32 10S	21E	WASATCH/MESAVERDE
4304735714	FEDERAL 1022-29H	SENE 15147	29 10S	22E	WASATCH/MESAVERDE
4304735715	FEDERAL 1022-29F	SENW 15162	29 10S	22E	WASATCH/MESAVERDE
4304735716	FEDERAL 1022-29B	NWNE 11492	29 10S	22E	WASATCH/MESAVERDE
4304735737	FEDERAL 1022-29I	NESE 15001	29 10S	22E	WASATCH/MESAVERDE
4304735738	FEDERAL 1022-29D	NWNW 15016	29 10S	22E	MESAVERDE To WSMVD
4304734862	FEDERAL 31-10-22	SESE 13879	31 10S	22E	MESAVERDE To WSMVD
4304735173	FEDERAL 1022-31D	NWNW 14132	31 10S	22E	WASATCH/MESAVERDE
4304736492	FEDERAL 1022-31N	SESW 16255	31 10S	22E	WASATCH/MESAVERDE
4304736493	FEDERAL 1022-31I	NESE 15089	31 10S	22E	WASATCH/MESAVERDE
4304736494	FEDERAL 1022-31G	SWNE 15075	31 10S	22E	WASATCH/MESAVERDE
4304736495	FEDERAL 1022-31F	SENE 15230	31 10S	22E	WASATCH/MESAVERDE
4304736574	FEDERAL 1022-31C	NENW 15090	31 10S	22E	WASATCH/MESAVERDE
4304736575	FEDERAL 1022-31J	NWSE 15214	31 10S	22E	WASATCH/MESAVERDE
4304736576	FEDERAL 1022-31L	NWSW 16276	31 10S	22E	WASATCH/MESAVERDE
4304734317	STATE 1-32	NESW 13419	32 10S	22E	WASATCH/MESAVERDE
4304734831	STATE 2-32	SESW 13842	32 10S	22E	MESAVERDE To WSMVD
4304734832	STATE 3-32	NWSW 13844	32 10S	22E	WASATCH/MESAVERDE
4304735095	STATE 1022-32J	NWSE 114097	32 10S	22E	WSMVD
4304735096	STATE 1022-32A	NENE 13914	32 10S	22E	WASATCH/MESAVERDE
4304735186	STATE 1022-32P	SESE 14131	32 10S	22E	MESAVERDE To WSMVD
4304735315	STATE 1022-32O	SWSE 14114	32 10S	22E	WASATCH/MESAVERDE
4304735647	STATE 1022-32H	SENE 14348	32 10S	22E	MESAVERDE To WSMVD
4304736413	STATE 1021-36O	SWSE 15619	36 10S	21E	WASATCH/MESAVERDE
*4304738157	WELL BELONGS TO QEP ENERGY CORP "GH 8-20-8-21" PERMIT NOT APPROVED				
4304734839	FEDERAL 1022-15F	SENW 14618	15 10S	22E	WASATCH/MESAVERDE
4304736414	STATE 1021-36J	NWSE 15651	36 10S	21E	WASATCH/MESAVERDE
4304738152	STATE 1021-36L	NWSW 16012	36 10S	21E	WASATCH/MESAVERDE
4304735440	FEDERAL 1022-15J	NWSE 14617	15 10S	22E	WASATCH/MESAVERDE
4304736415	STATE 1021-36I	NESE 15684	36 10S	21E	WASATCH/MESAVERDE
4304738845	STATE 1021-36D	NWNW 16455	36 10S	21E	WASATCH/MESAVERDE

4304750096	FEDERAL 1022-27H	SENE	17626	27 10S	22E	WASATCH/MESAVERDE	
4304736416	STATE 1021-36H	SENE	15335	36 10S	21E	WASATCH/MESAVERDE	
4304738846	STATE 1021-36E	SWNW	16523	36 10S	21E	WASATCH/MESAVERDE	
4304735676	FEDERAL 1022-28L	NWSW	15110	28 10S	22E	WASATCH/MESAVERDE	
4304736417	STATE 1021-36G	SWNE	15297	36 10S	21E	WASATCH/MESAVERDE	
4304738847	STATE 1021-36F	SENE	16394	36 10S	21E	WASATCH/MESAVERDE	
4304735713	FEDERAL 1022-28N	SESW	15145	28 10S	22E	WASATCH/MESAVERDE	
4304736418	STATE 1021-36B	NWNE	14953	36 10S	21E	WASATCH/MESAVERDE	
4304738848	STATE 1021-36N	SESW	16359	36 10S	21E	WASATCH/MESAVERDE	
4304735735	FEDERAL 1022-28O	SWSE	15285	28 10S	22E	WASATCH/MESAVERDE	from MURD
4304736419	STATE 1021-36A	NENE	15035	36 10S	21E	WASATCH/MESAVERDE	
4304738849	STATE 1021-36K	NESW	16084	36 10S	21E	WASATCH/MESAVERDE	
4304735736	FEDERAL 1022-28M	SWSW	15286	28 10S	22E	WASATCH/MESAVERDE	
4304736420	STATE 1021-36P	SESE	15372	36 10S	21E	WASATCH/MESAVERDE	
4304738850	STATE 1021-36C	NENW	16396	36 10S	21E	WASATCH/MESAVERDE	
4304734861	FEDERAL 29-10-22	SESE	14006	29 10S	22E	MESAVERDE	TO WSMVD
4304735577	FEDERAL 1022-33O	SWSE	15080	33 10S	22E	WASATCH/MESAVERDE	
4304735739	FEDERAL 1022-33E	SWNW	15193	33 10S	22E	WASATCH/MESAVERDE	
4304735740	FEDERAL 1022-33M	SWSW	15373	33 10S	22E	WASATCH/MESAVERDE	
4304735741	FEDERAL 1022-33L	NWSW	15511	33 10S	22E	WASATCH/MESAVERDE	
4304735742	FEDERAL 1022-33G	SWNE	15404	33 10S	22E	WASATCH/MESAVERDE	from MURD
4304735743	FEDERAL 1022-33C	NENW	15405	33 10S	22E	WASATCH/MESAVERDE	
4304735744	FEDERAL 1022-33A	NENE	15539	33 10S	22E	WASATCH/MESAVERDE	
4304737105	FEDERAL 1022-33D	NWNW	16502	33 10S	22E	WASATCH/MESAVERDE	
4304737106	FEDERAL 1022-33F	SENE	16560	33 10S	22E	WASATCH/MESAVERDE	from WSTC
4304737107	FEDERAL 1022-33K	NESW	16124	33 10S	22E	WASATCH/MESAVERDE	
4304737109	FEDERAL 1022-33N	SESW	16126	33 10S	22E	WASATCH/MESAVERDE	
4304737110	FEDERAL 1022-33B	NWNE	16561	33 10S	22E	WASATCH/MESAVERDE	
4304735810	STATE 1021-36E	SWNW	14295	36 10S	21E	WASATCH/MESAVERDE	