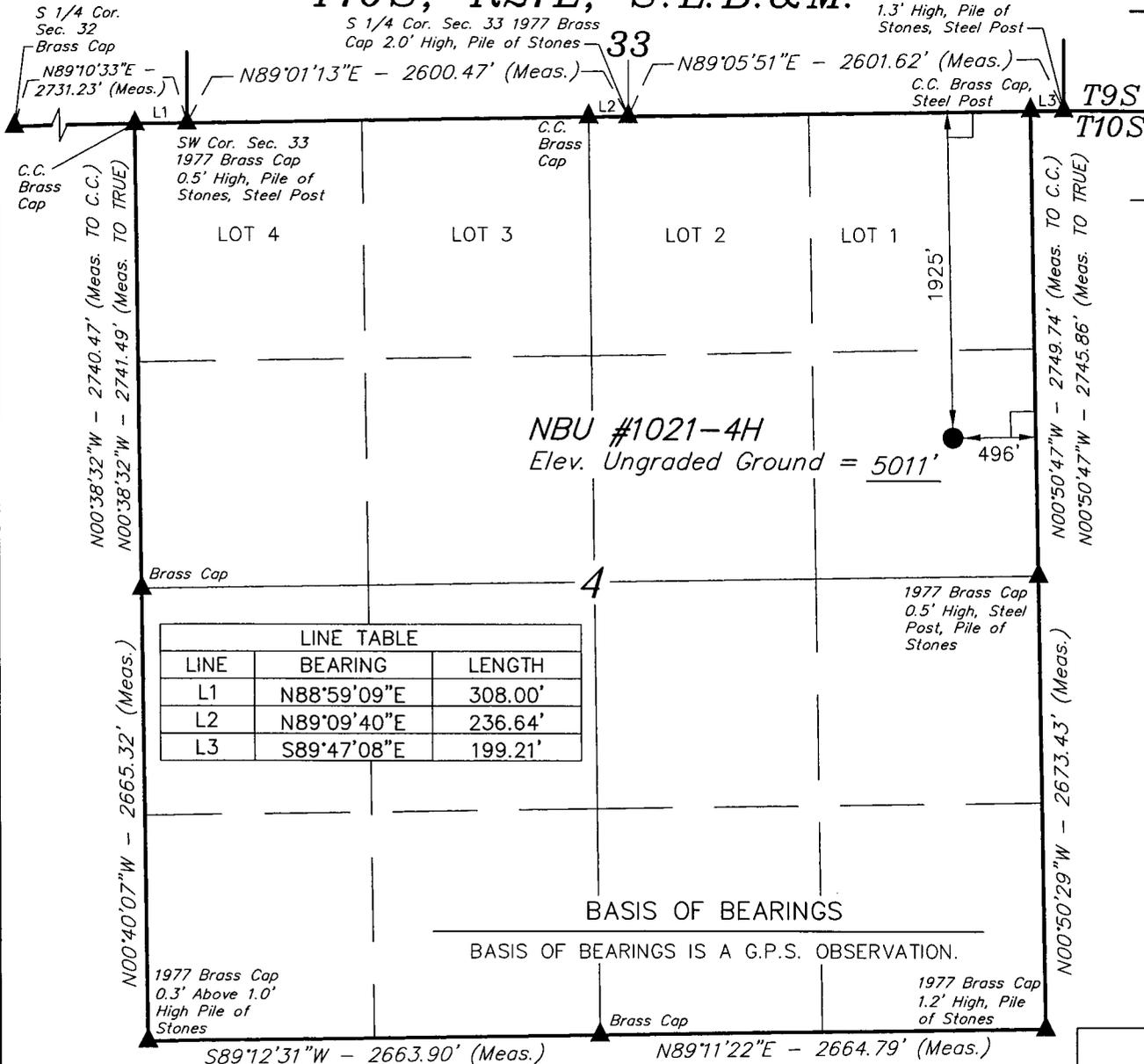


T10S, R21E, S.L.B.&M.

SE Cor. Sec. 33
1977 Brass Cap
1.3' High, Pile of
Stones, Steel Post

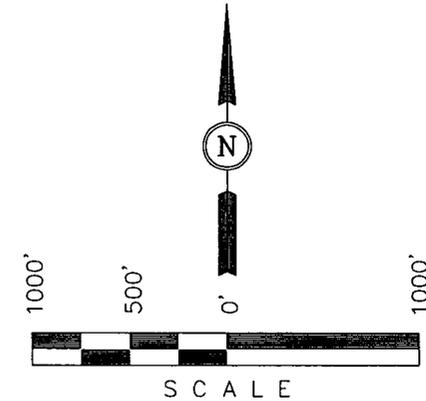
Kerr-McGee Oil & Gas Onshore LP

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



BASIS OF ELEVATION

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



CERTIFICATE

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

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

BASIS OF BEARINGS

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

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

LEGEND:

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

(NAD 83)
LATITUDE = 39°58'46.55" (39.979597)
LONGITUDE = 109°32'58.49" (109.549581)

(NAD 27)
LATITUDE = 39°58'46.68" (39.979633)
LONGITUDE = 109°32'56.01" (109.548892)

SCALE 1" = 1000'	DATE SURVEYED: 01-13-06	DATE DRAWN: 01-31-06
PARTY J.R. J.K. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE Kerr-McGee Oil & Gas Onshore LP	

**NBU 1021-4H
SENE SEC 4-T10S-R21E
UINTAH COUNTY, UTAH
ML-22940**

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1403'
Mahogany	2281'
Wasatch	4651'
Mesaverde	7571'
MVU2	8502'
MVL1	9098'
TD	9640'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1403'
	Mahogany	2281'
Gas	Wasatch	4651'
Gas	Mesaverde	7571'
Gas	MVU2	8502'
Gas	MVL1	9098'
Water	N/A	
Other Minerals	N/A	

3. Pressure Control Equipment (Schematic Attached)

Please refer to the attached Drilling Program.

4. Proposed Casing & Cementing Program:

Please refer to the attached Drilling Program.

5. Drilling Fluids Program:

Please refer to the attached Drilling Program.

6. Evaluation Program:

Please refer to the attached Drilling Program.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9640' TD, approximately equals 5977 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3856 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 refer to the attached Drilling Program.

10. **Other Information:**

Please refer to the attached Drilling Program.

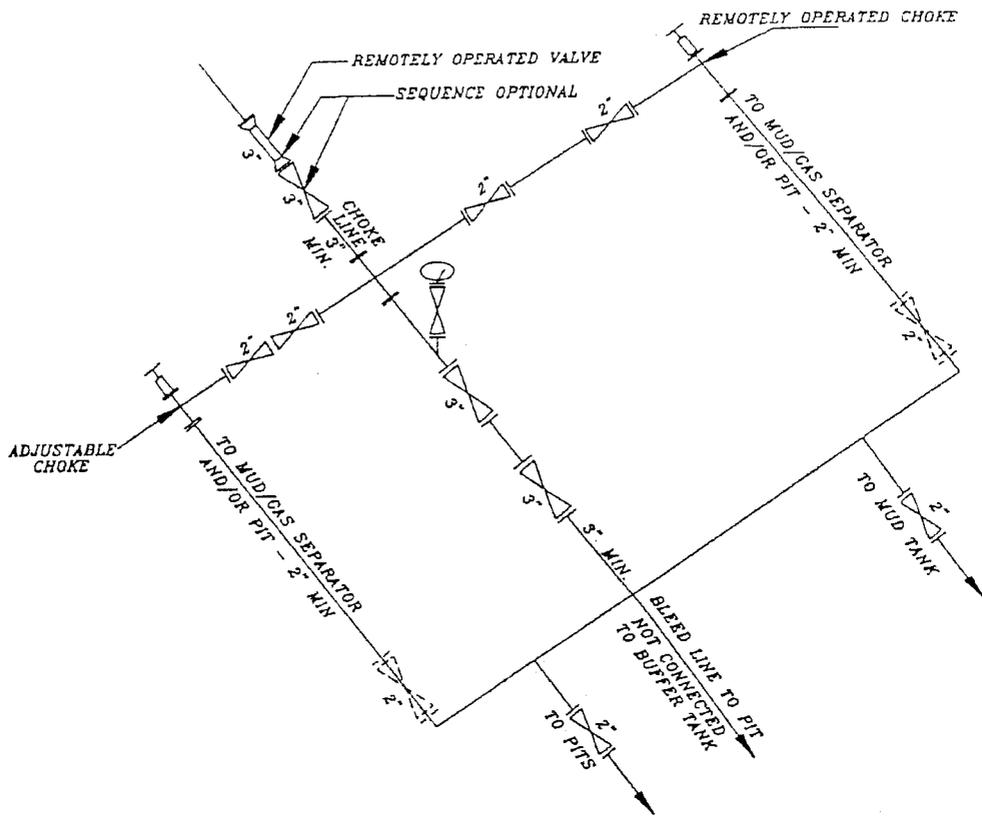
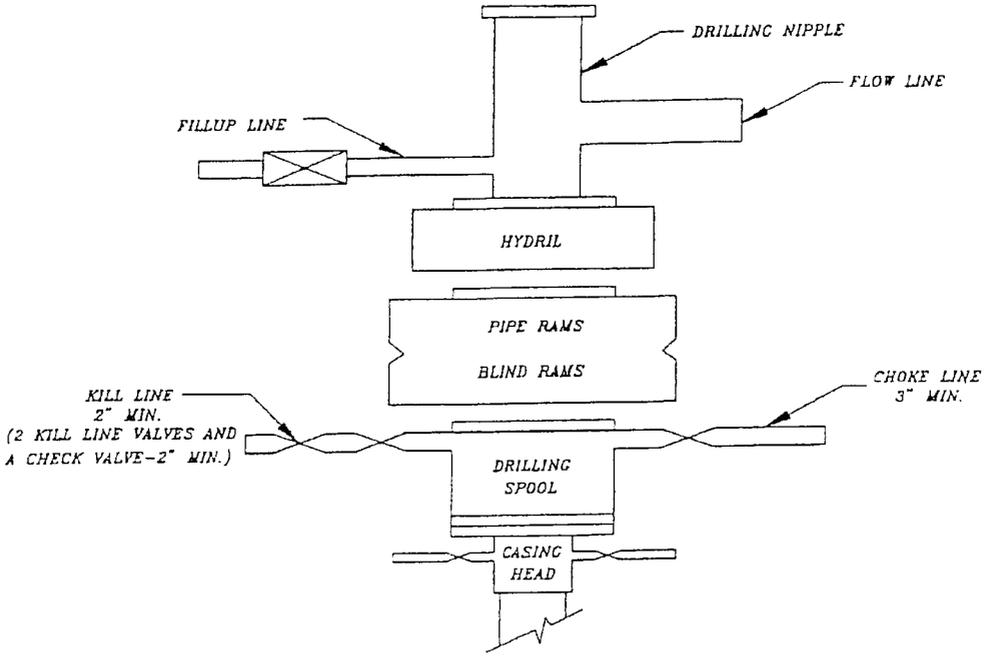


KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE March 24, 2006
 WELL NAME NBU 1021-4H TD 9,640' MD/TVD _____
 FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 5,011' GL KB 5,026'
 SURFACE LOCATION SENE SECTION 4, T10S, R21E 1925'FNL, 496'FEL BHL Straight Hole
 Latitude: 39.979597 Longitude: 109.549581
 OBJECTIVE ZONE(S) Wasatch/Mesaverde
 ADDITIONAL INFO Regulatory Agencies: UDGOGM (SURF & MINERALS), BLM, Tri-County Health Dept.

GEOLOGICAL			MECHANICAL		
LOGS	FORMATION TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'		14"	
			12-1/4"	9-5/8", 32.3#, H-40, STC	Air mist
			**For wells w/ surf csg set below 2200' app 10 jts of 36# J55 will be run on bottom		
<p>Catch water sample, if possible, from 0 to <u>4,651'</u></p> <p style="text-align: right;">Green River @ 1,403'</p> <p style="text-align: right;">Mahogany @ 2,281'</p> <p style="text-align: right;">Preset f/ GL @</p> <p style="text-align: right;">2300 MD</p> <p>Note: 12.25" surface hole will usually be drilled ±400' below the lost circulation zone (aka bird's nest). Drilled depth may be ±200' of the estimated set depth depending on the actual depth of the loss zone.</p> <p>Mud logging program TBD Open hole logging program f/ TD - surf csg</p>					
			7-7/8"	4-1/2", 11.6#, I-80 or equivalent LTC casing	Water/Fresh Water Mud 8.3-11.5 ppg
	Wasatch @	4,651'			
	Mverde @	7,571'			
	MVU2 @	8,502'			
	MVL1 @	9,098'			
		TD @ 9,640'			Max anticipated Mud required 11.5 ppg

5M BOP STACK and CHOKE MANIFOLD SYSTEM



NBU 1021-4H
SENE SEC 4, T10S, R21E
Uintah County, UT
ML-22940

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Refer to Topo Map A for directions to the location.

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

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

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

2. Planned Access Roads:

Approximately 0.2 +/- miles of Re-habed needs upgraded. Refer to Topo Map B for the location of the proposed access road.

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

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

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

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

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

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

The following guidelines will apply if the well is productive.

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

A dike will be constructed completely around those production facilities which contain

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

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

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

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

Approximately 402' +/- of Low Pressure pipeline and Approximately 2487' +/- of High Pressure pipeline is proposed. Refer to Topo D for the proposed pipeline.

5. Location and Type of Water Supply:

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

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

No water well is to be drilled on this lease.

6. Source of Construction Materials:

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

Any gravel will be obtained from a commercial source.

7. Methods of Handling Waste Materials:

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

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

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

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

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

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

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

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

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

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

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

8. Ancillary Facilities:

None are anticipated.

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

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

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

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

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

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

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

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

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

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

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

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

10. Plans for Reclamation of the Surface:

Producing Location:

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

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

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

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

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

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

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

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

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

11. Surface Ownership:

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

12. Other Information:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

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

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

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

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

Randy Bayne
Drilling Manager
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435)781-7018

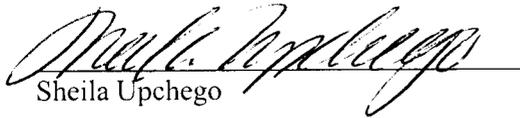
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

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

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

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

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


Sheila Upchego

3/24/2006
Date

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-4H

SECTION 4, 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 DIRECTION APPROXIMATELY 6.9 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 5.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 2.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE JUNCTION OF THIS ROAD AND A REHABED ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 46.1 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-4H

LOCATED IN UINTAH COUNTY, UTAH
SECTION 4, T10S, R21E, S.L.B.&M.

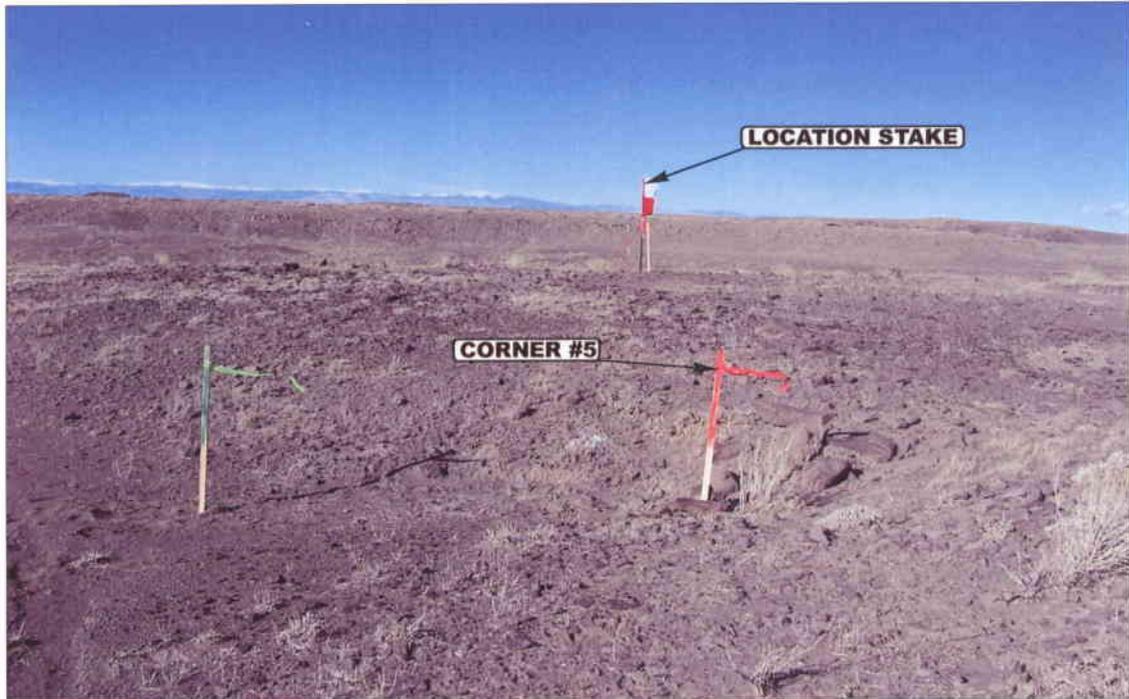


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



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

LOCATION PHOTOS

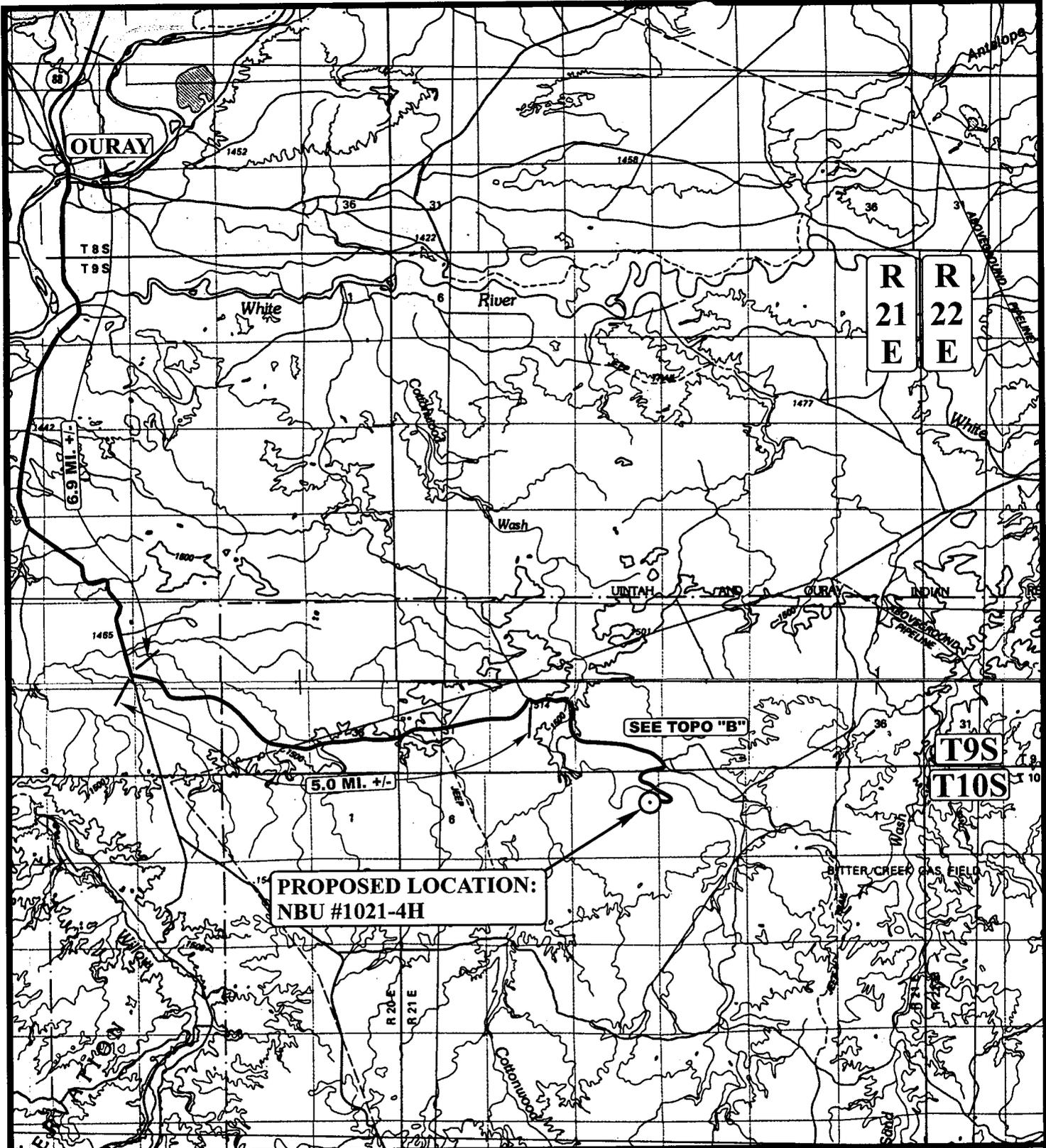
01 18 06
MONTH DAY YEAR

PHOTO

TAKEN BY: J.R.

DRAWN BY: C.P.

REVISED: 00-00-00



LEGEND:

⊙ PROPOSED LOCATION



Kerr-McGee Oil & Gas Onshore LP

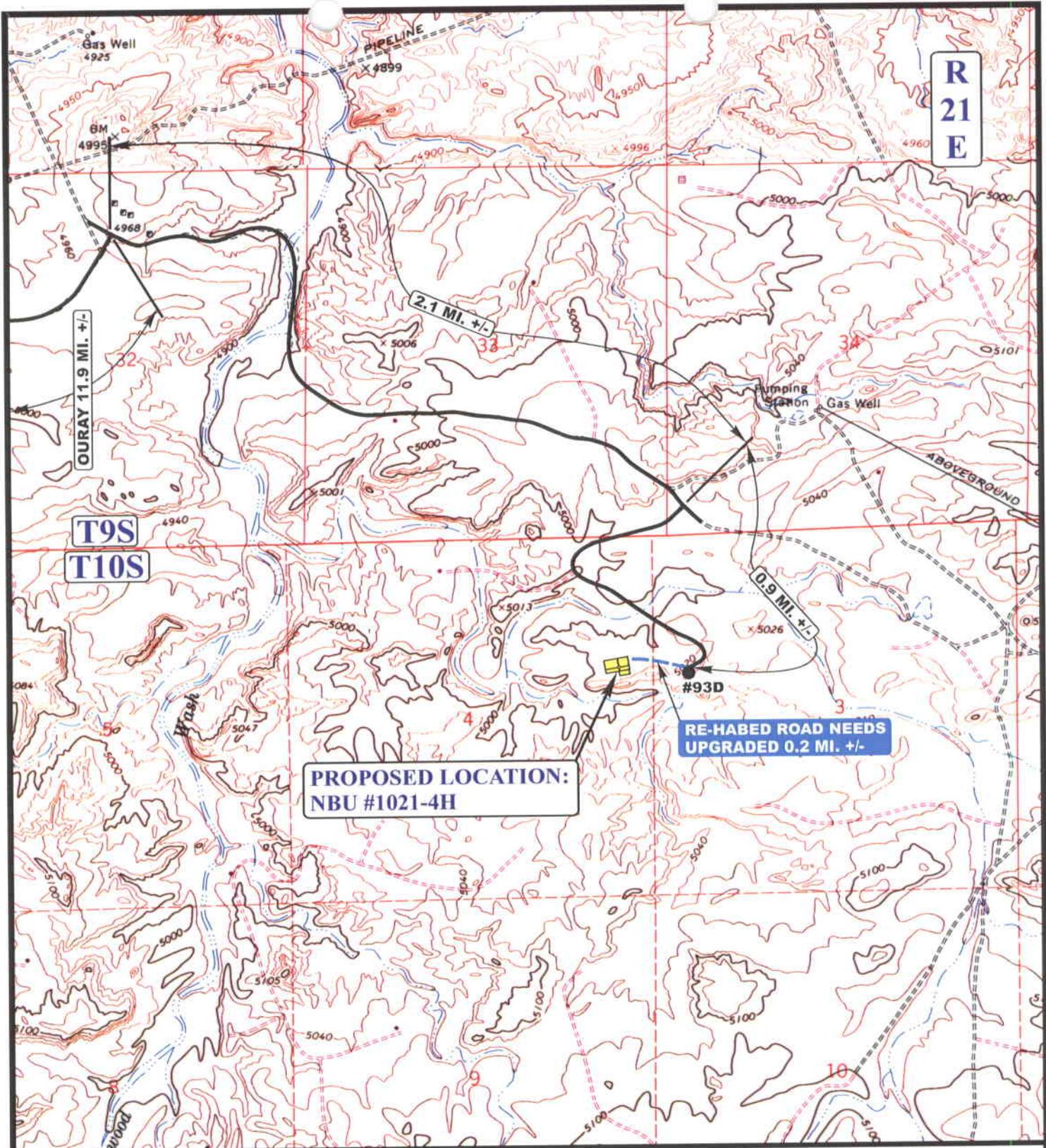
NBU #1021-4H
 SECTION 4, T10S, R21E, S.L.B.&M.
 1925' FNL 496' FEL



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

TOPOGRAPHIC MAP
 01 18 06
 MONTH DAY YEAR
 SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00





**PROPOSED LOCATION:
NBU #1021-4H**

**RE-HABED ROAD NEEDS
UPGRADED 0.2 MI. +/-**

LEGEND:

- EXISTING ROAD
- RE-HABED ROAD NEEDS UPGRADED



Kerr-McGee Oil & Gas Onshore LP

**NBU #1021-4H
SECTION 4, T10S, R21E, S.L.B.&M.
1925' FNL 496' FEL**



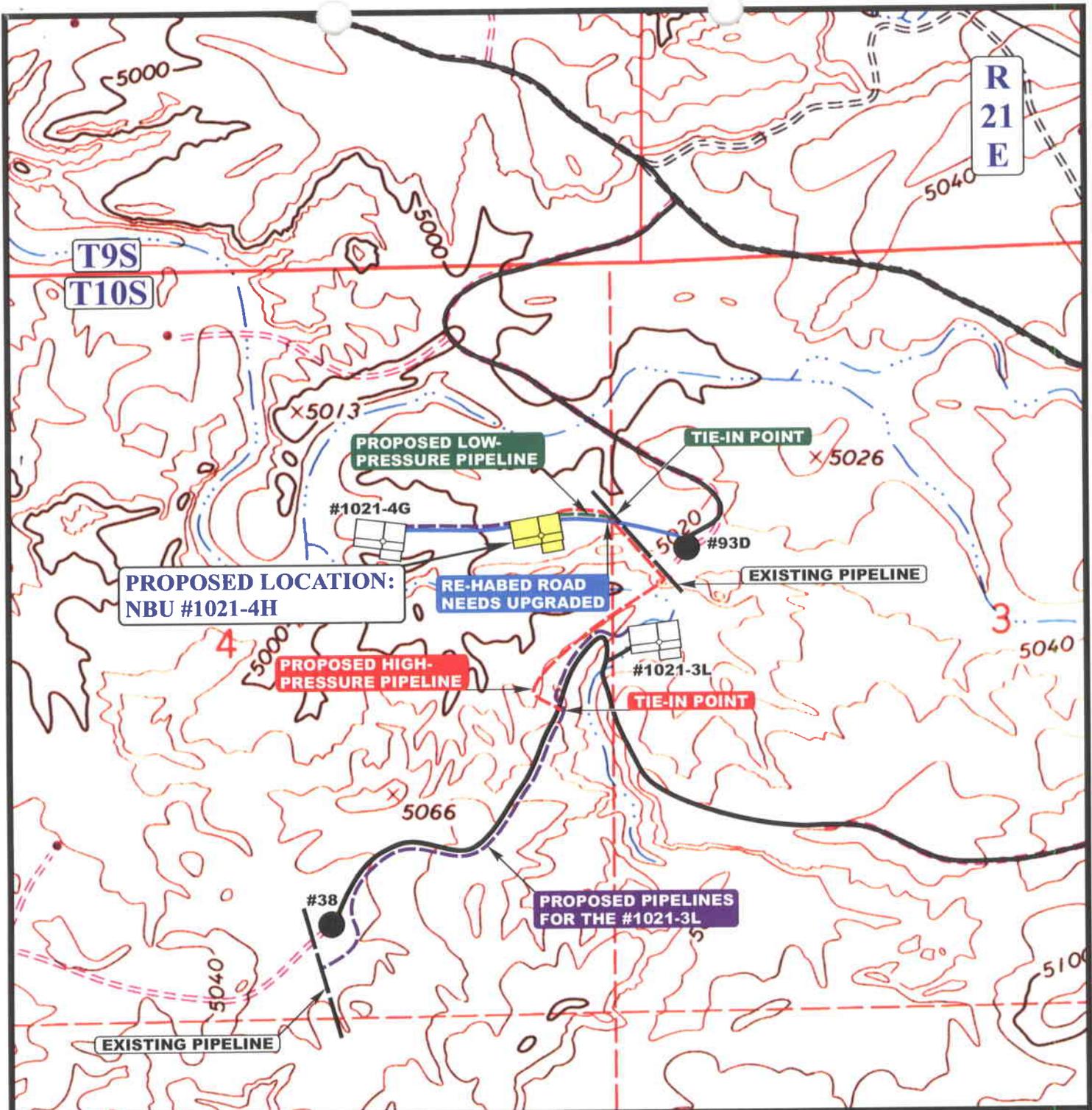
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

01 18 06
MONTH DAY YEAR

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

**B
TOPO**



APPROXIMATE TOTAL LOW-PRESSURE PIPELINE DISTANCE = 402' +/-

APPROXIMATE TOTAL HIGH-PRESSURE PIPELINE DISTANCE = 2,487' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED LOW-PRESSURE PIPELINE
- PROPOSED HIGH-PRESSURE PIPELINE
- PROPOSED PIPELINE (SERVICING OTHER WELLS)



Kerr-McGee Oil & Gas Onshore LP

NBU #1021-4H
SECTION 4, T10S, R21E, S.L.B.&M.
1925' FNL 496' FEL



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

TOPOGRAPHIC 01 18 06
MAP MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 00-00-00



Kerr-McGee Oil & Gas Onshore LP

NBU #1021-4H
PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH
SECTION 4, T10S, R21E, S.L.B.&M.

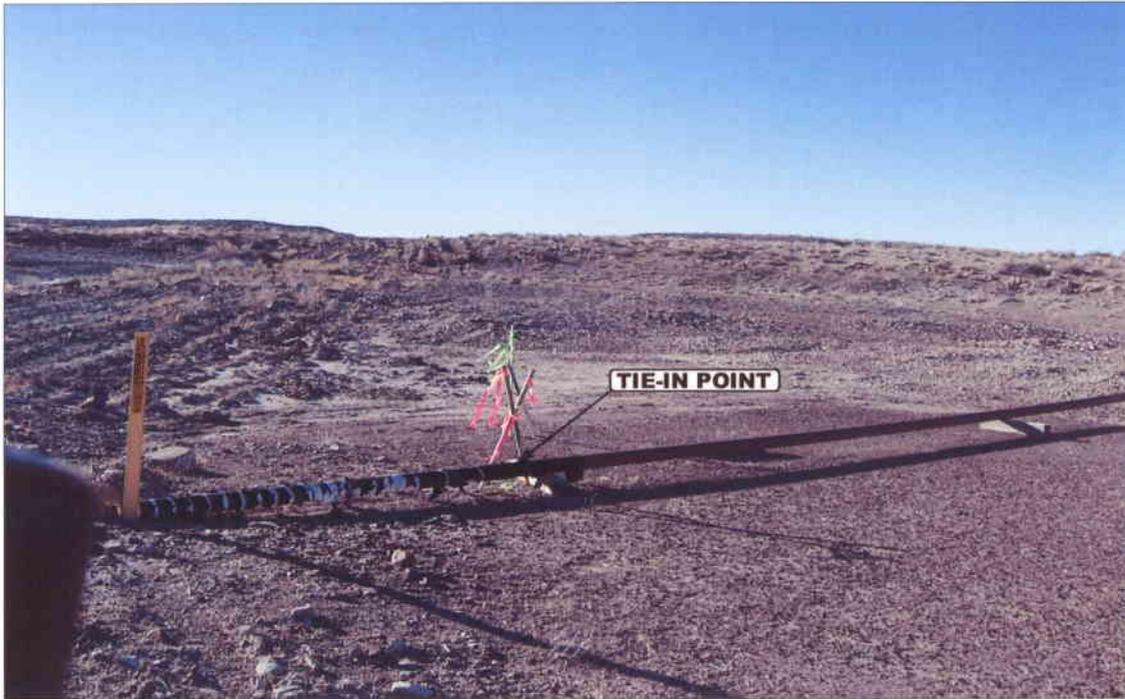


PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: WESTERLY



PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

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

PIPELINE PHOTOS

01 18 06
MONTH DAY YEAR

PHOTO

TAKEN BY: J.R.

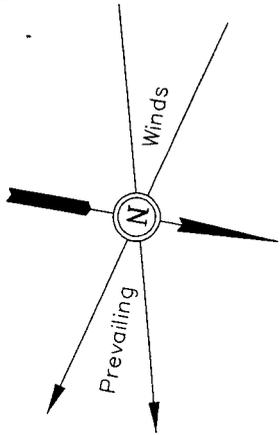
DRAWN BY: C.P.

REVISED: 00-00-00

LOCATION LAYOUT FOR

NBU #1021-4H
SECTION 4, T10S, R21E, S.L.B.&M.
1925' FNL 496' FEL

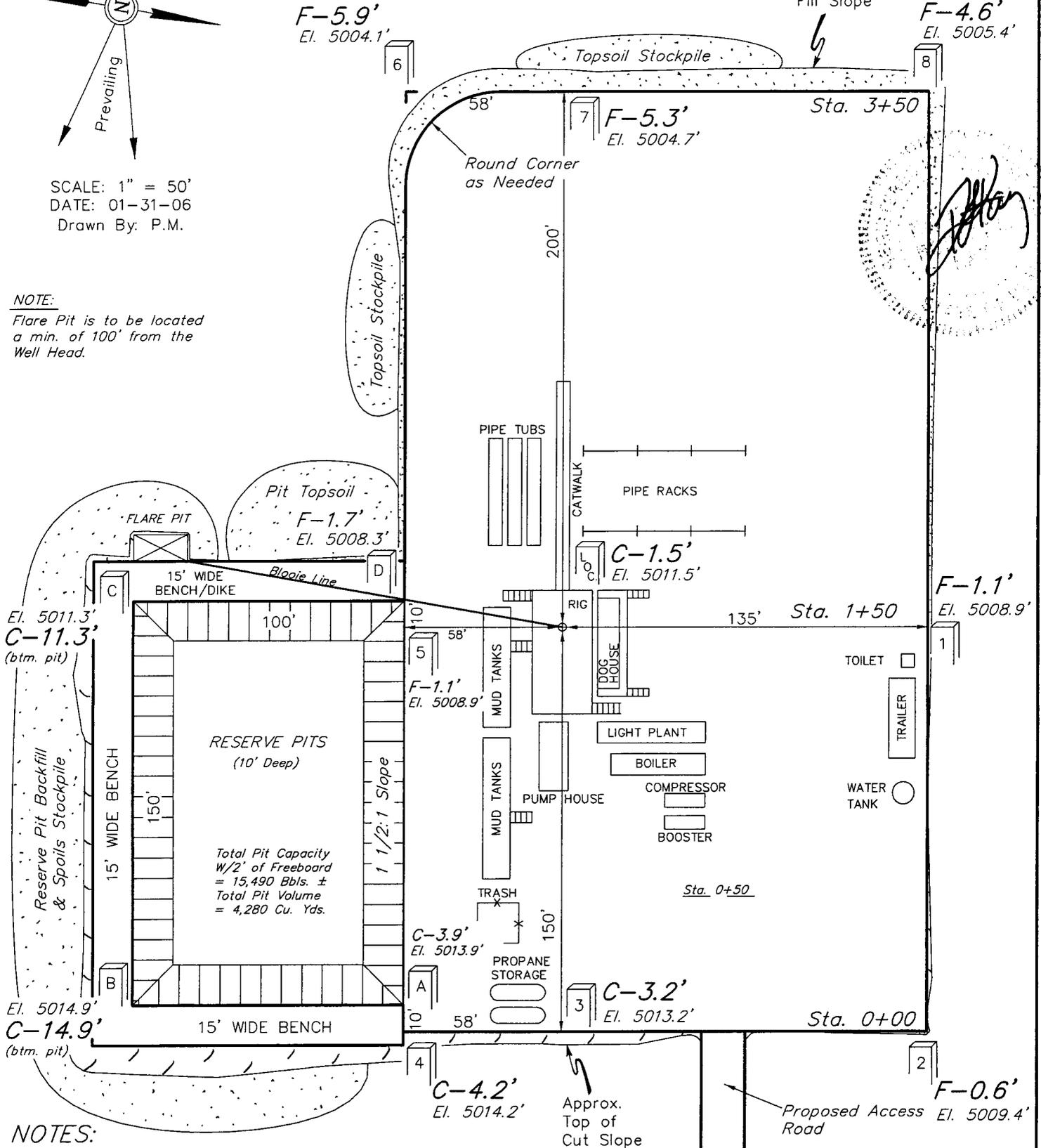
Approx.
Toe of
Fill Slope



SCALE: 1" = 50'
DATE: 01-31-06
Drawn By: P.M.

NOTE:

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



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5011.5'
FINISHED GRADE ELEV. AT LOC. STAKE = 5010.0'

TYPICAL CROSS SECTIONS FOR

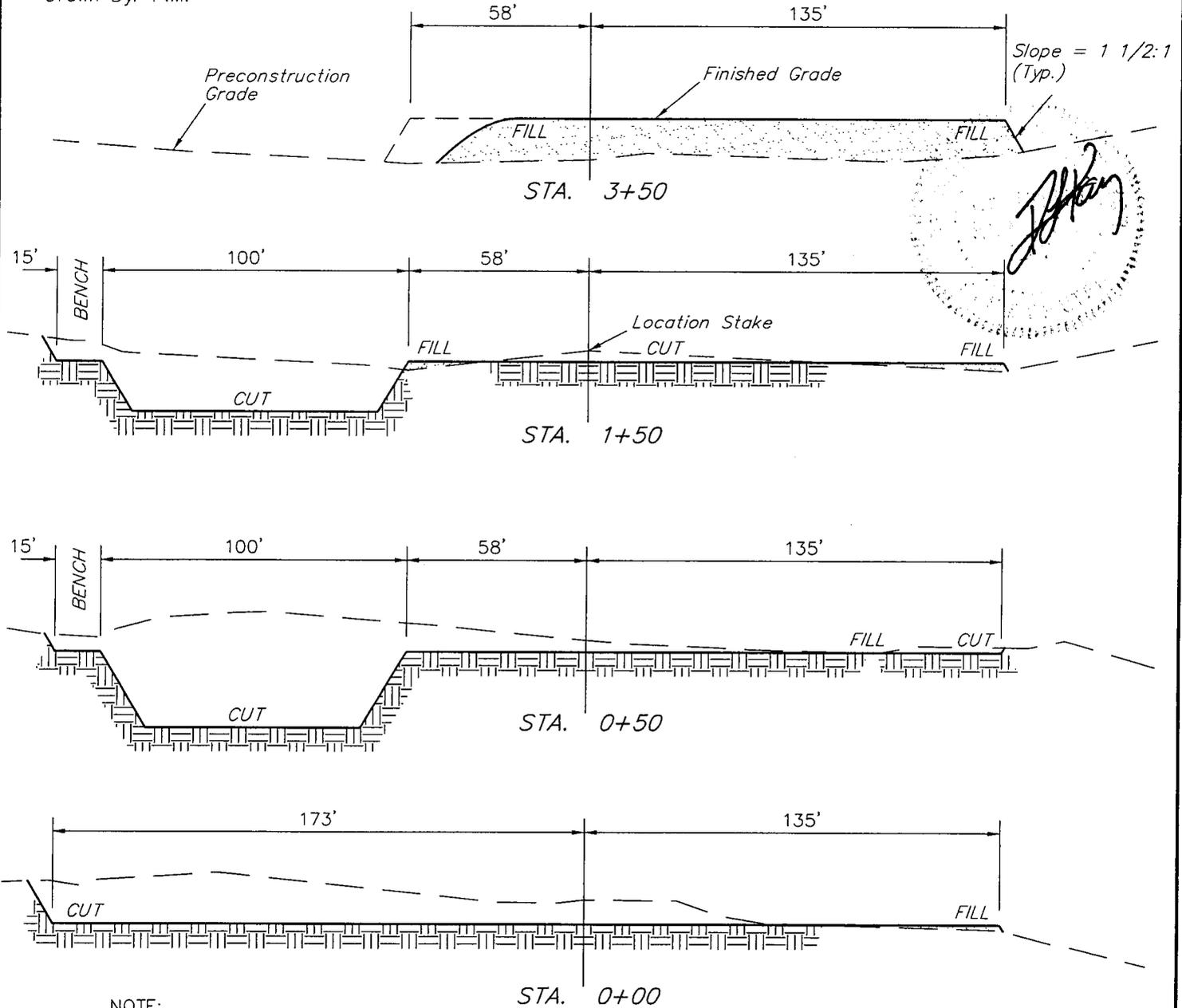
NBU #1021-4H

SECTION 4, T10S, R21E, S.L.B.&M.

1925' FNL 496' FEL

X-Section Scale
1" = 50'

DATE: 01-31-06
Drawn By: P.M.



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	= 1,780 Cu. Yds.
Remaining Location	= 7,350 Cu. Yds.
TOTAL CUT	= 9,130 CU.YDS.
FILL	= 5,210 CU.YDS.

EXCESS MATERIAL	= 3,920 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,920 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 03/29/2006

API NO. ASSIGNED: 43-047-37962

WELL NAME: NBU 1021-4H

OPERATOR: Lerr-McGee (N2945)

PHONE NUMBER: 435-781-7024

CONTACT: SHEILA UPCHEGO

PROPOSED LOCATION:

SENE 04 100S 210E
 SURFACE: 1925 FNL 0496 FEL
 BOTTOM: 1925 FNL 0496 FEL
 COUNTY: UINTAH
 LATITUDE: 39.97949 LONGITUDE: -109.5489
 UTM SURF EASTINGS: 623910 NORTHINGS: 4426279
 FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKD	5/4/06
Geology		
Surface		

LEASE TYPE: 3 - State
 LEASE NUMBER: ML-22940
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSMVD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. RLB000523K)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-8496)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit: NATURAL BUTTES
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 173-14
Eff Date: 12-2-99
Siting: 400' fr wharf & unconsolidated
- R649-3-11. Directional Drill

COMMENTS: Needs Presu (04-12-06)

STIPULATIONS: 1- OIL SHALE
2- STATEMENT OF BASIS
3- Surface Csg Cont Stip

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

OPERATOR: _____ WESTPORT OIL AND GAS COMPANY, L.P. _____
WELL NAME & NUMBER: _____ NBU 1021-4H _____
API NUMBER: _____ 43-047-37962 _____
LOCATION: 1/4,1/4 SE/NE Sec: 04 TWP: 10S RNG: 21E 1925' FNL 496' FEL

Geology/Ground Water:

Westport proposes to set 2,300' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 3,500'. A search of Division of Water Rights records shows one water well within a 10,000 foot radius of the center of section 4. This well approximately .75 miles from the proposed location and is listed as a mining use well. The producing depth is listed as 200 feet. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. Production casing cement should be brought to above the base of the moderately saline groundwater in order to isolate it from fresher waters uphole.

Reviewer: Brad Hill **Date:** 04/25/06

Surface:

The pre-drill investigation of the surface was performed on 04/12/06. Ben Williams with DWR and Ed Bonner with SITLA were invited to this investigation on 04/05/06. Mr. Bonner was not present.

Mr. Williams had no concerns regarding the construction of this location or the drilling of this well. This site is on State surface, with State minerals, and appears to be the best site for a location in the immediate area. Mr. Williams gave Raylene Weddle with Westport a prescribed seed mix to be used when the reserve pit is reclaimed.

Reviewer: Floyd Bartlett **Date:** 04/14/2006

Conditions of Approval/Application for Permit to Drill:

None.

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

OPERATOR: WESTPORT OIL AND GAS COMPANY, L.P.
WELL NAME & NUMBER: NBU 1021-4H
API NUMBER: 43-047-37962
LEASE: ML-22940 **FIELD/UNIT:** NATURAL BUTTES
LOCATION: 1/4,1/4 SE/NE Sec: 04 TWP: 10S RNG: 21E 1925' FNL 496' FEL
LEGAL WELL SITING: 460 F unit boundary and uncommitted tracts.
GPS COORD (UTM): 623910 E 4426279 N **SURFACE OWNER:** STATE OF UTAH (SITLA)

PARTICIPANTS

FLOYD BARTLETT (DOGM), CLAY EINERSON, RICH DEVOT, RAYLENE WEDDLE (WESTPORT), DAVID KAY (UELS), BEN WILLIAMS (DWR).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Ouray, Ut is approximately 15 miles to the northwest. Access to the area is by a State of Utah Highway, Uintah County and oil field development roads. Approximately 0.2 miles of rehabbed road, which led to the CIGE 136 well, which has been plugged and abandoned will be upgraded and reused.

Site is approximately 0.5 miles south of the Middle Bench road on a unculating barren area with a slight slope to the southwest toward Cottonwood Wash. Terrain is gentle but broken in the immediate area consisting of small draws separated by low ridges. Cottonwood Wash is an ephemeral drainage, which flows only during spring runoff and during intense summer storms. Its confluence with the White River is approximately 7 miles to the north.

SURFACE USE PLAN

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING, HUNTING.

PROPOSED SURFACE DISTURBANCE: The dimensions of the location are 350' by 193' that does not include a portion of the reserve pit or the topsoil and spoils storage. Access to the site will be over approximately 0.2 miles of previously rehabbed road, which will be upgraded.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: SEE ATTACHED MAP FROM GIS DATABASE.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: ALL PRODUCTION FACILITIES WILL BE ON LOCATION AND ADDED AFTER DRILLING WELL. A PIPELINE 2889 FEET IN LENGTH WILL FOLLOW ACCESS ROAD TO TIE-IN POINT.

SOURCE OF CONSTRUCTION MATERIAL:
ALL CONSTRUCTION MATERIAL WILL BE BORROWED FROM SITE DURING CONSTRUCTION OF LOCATION.

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS?
EXPLAIN: Unlikely. Numerous wells exist in the immediate area.

WASTE MANAGEMENT PLAN:

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

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: Barren site with limited vegetation consisting of Gardner saltbrush, cheatgrass, globe mallow, halogeton and bud sage.
PRONGHORN, RODENTS, SONGBIRDS, RAPTORS, COYOTE, RABBITS.

SOIL TYPE AND CHARACTERISTICS: Rocky sandy loam with fractured surface rock pavement and some exposed sandstone bedrock.

EROSION/SEDIMENTATION/STABILITY: Very little natural erosion. Reserve pit located in cut on the southeast corner of the location. One small drainage originates within the location and will be covered with fill. Sedimentation and stability are not a problem and location construction shouldn't cause an increase in stability or erosion problems.

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED.

RESERVE PIT

CHARACTERISTICS: 150' BY 100' AND 10' DEEP LOCATED WITHIN AN AREA OF CUT.

LINER REQUIREMENTS (Site Ranking Form attached): A LINER WILL NOT BE REQUIRED FOR RESERVE PIT. Raylene Weddle of Westport stated they plan to install a 20 mil. liner with a felt pad sub liner.

SURFACE RESTORATION/RECLAMATION PLAN

AS PER SITLA.

SURFACE AGREEMENT: AS PER SITLA.

CULTURAL RESOURCES/ARCHAEOLOGY: MONTGOMERY ARCHEOLOGICAL CONSULTANTS ON 02/19/06 INSPECTED SITE. A REPORT OF THIS INVESTIGATION WILL BE PLACED ON FILE.

OTHER OBSERVATIONS/COMMENTS

THIS PREDRILL INVESTIGATION WAS CONDUCTED ON A COOL, CLEAR DAY.

ATTACHMENTS

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

FLOYD BARTLETT
DOGM REPRESENTATIVE

04/12/06, 11:30AM
DATE/TIME

. uation Ranking Criteria and Ranking re
For Reserve and Onsite Pit Liner Requirements

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

Final Score 15 (Level II Sensitivity)

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

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.

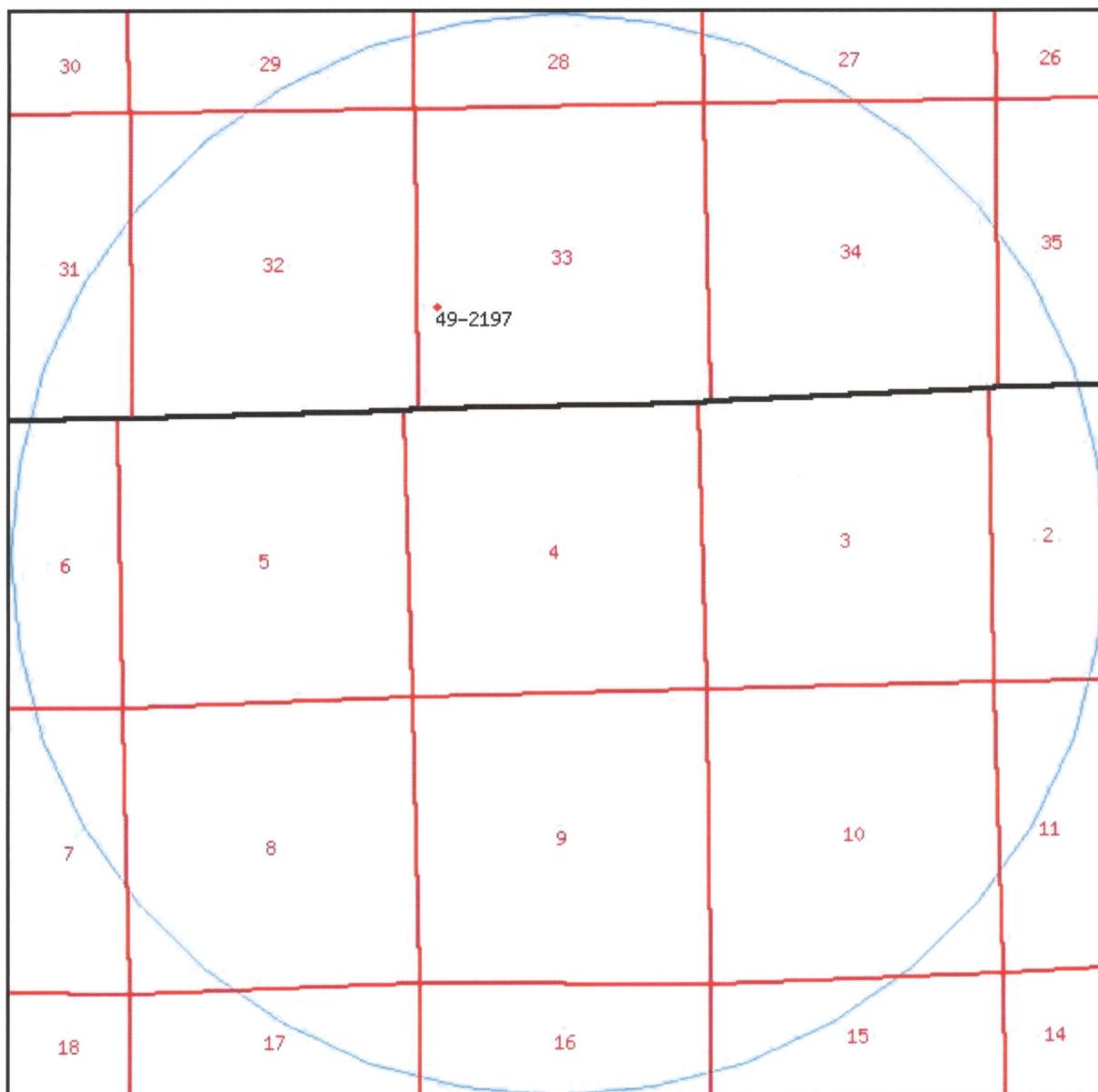

[State Online Services](#)
[Agency List](#)
[Business.utah.gov](#)

UTAH DIVISION OF WATER RIGHTS

WRPLAT Program Output Listing

Version: 2004.12.30.00 Rundate: 04/25/2006 01:35 PM

Radius search of 10000 feet from a point N2640 E2640 from the SW corner, section 04, Township 10S, Range 21E, SL b&m Criteria:wrtypes=W,C,E podtypes=U status=U,A,P usetypes=all



0 1300 2600 3900 5200 ft

Water Rights

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS	ACFT	Owner
49-2197	Underground N1855 E348 SW 33 9S 21E SL		A	20050527	O	0.250	0.000	UTAH SCHOOL AND INSTITUTIONAL TRU ADM. RICHARD B. WILCO: SPECIALIST

[Natural Resources](#) | [Contact](#) | [Disclaimer](#) | [Privacy Policy](#) | [Accessibility Policy](#)

04-06 Westport NBU 1021 .B

Casing Schematic

Uenta

Surface

9-5/8"
MW 8.4
Frac 19.3

TOC @
-232. TOC @
0.

1403 Green River

1527
70% Tail

✓ w/ 18% washout
+ surface step

Surface
2300. MD

BHP

$$(0.053)(11.5)(9640) = 5764$$

Anticipate 5977

Gas

$$(0.12)(9640) = 1156$$

MASP = 4820

BoPE - 5000 ✓

Say' esg - 2270

70% = 1589

Max pressure @ Surf (Sg) = 4275

✓ Test to 1589# (proposed 1520) OK.

✓ Adequate DSD 5/4/06

4-1/2"
MW 11.5

Production
9640. MD

3500 Bmsw

4081 70% Tail

4651 Washout

✓ w/ 18% washout

7571 Mesaverde

Well name:

04-06 Westport NBU 1021-4B

Operator: **Westport Oil & Gas**

String type: Surface

Project ID:

43-047-37962

Location: Uintah County

Design parameters:

Collapse

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

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 107 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 0 ft

Burst

Max anticipated surface pressure: 2,112 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,388 psi

No backup mud specified.

Tension:

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

Tension is based on buoyed weight.
Neutral point: 2,040 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 9,640 ft
Next mud weight: 12.000 ppg
Next setting BHP: 6,009 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,400 ft
Injection pressure 2,400 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
2	1900	9.625	32.30	H-40	ST&C	1900	1900	8.876	120.4
1	400	9.625	36.00	J-55	ST&C	2300	2300	8.796	28.5

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
2	829	1367	1.648	2340	2270	0.97	66	254	3.82 J
1	1004	2020	2.013	2388	3520	1.47	5	394	78.19 J

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

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

Date: April 27, 2006
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2300 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

04-06 Westport NBU 1021-4B

Operator: **Westport Oil & Gas**

String type: Production

Project ID:
43-047-37962

Location: Uintah County

Design parameters:

Collapse

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

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 210 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 4,602 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 5,759 psi

No backup mud specified.

Tension:

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

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 7,983 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	9640	4.5	11.60	N-80	LT&C	9640	9640	3.875	223.5
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5759	6350	1.103	5759	7780	1.35	93	223	2.41 J

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

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

Date: April 27,2006
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 9640 ft, a mud weight of 11.5 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.



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

May 9, 2006

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

Re: Natural Buttes Unit 1021-4H Well, 1925' FNL, 496' FEL, SE NE, Sec. 4,
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 43-047-37962.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

Operator: Westport Oil & Gas Company

Well Name & Number Natural Buttes Unit 1021-4H

API Number: 43-047-37962

Lease: ML-22940

Location: SE NE **Sec.** 4 **T.** 10 South **R.** 21 East

Conditions of Approval

1. General

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

2. Notification Requirements

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

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

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

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

3. Reporting Requirements

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

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

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

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

7. Surface casing shall be cemented to the surface.

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL			5. MINERAL LEASE NO ML-22940	6. SURFACE State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>			8. UNIT or CA AGREEMENT NAME NATURAL BUTTES UNIT	
2. NAME OF OPERATOR: WESTPORT OIL & GAS COMPANY L.P.			9. WELL NAME and NUMBER NBU 1021-4H	
3. ADDRESS OF OPERATOR: 1368 S. 1200 E. CITY VERNAL STATE UT ZIP 84078		PHONE NUMBER (435) 781-7024	10. FIELD AND POOL, OR WILDCAT NATURAL BUTTES	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1925'FNL, 496'FEL AT PROPOSED PRODUCING ZONE:			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN SENE 4 10S 21E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 15.1 MILES SOUTHEAST OF OURAY, UTAH			12. COUNTY: UINTAH	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 496'	16. NUMBER OF ACRES IN LEASE 164.56	17. NUMBER OF ACRES ASSIGNED TO THIS WELL 40.00		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) REFER TO TOPO C	19. PROPOSED DEPTH: 9,640	20. BOND DESCRIPTION: RLB0005238		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5011'GL	22. APPROXIMATE DATE WORK WILL START:	23. ESTIMATED DURATION:		

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4"	9 5/8	H-40	32.3#	2,300	315 SX CLASS G	15.6 PPG	1.18 YIELD
7 7/8"	4 1/2	I-80	11.6#	9,640	1990 SX 50/50 POZ	14.3 PPG	1.31 YIELD

25. **ATTACHMENTS**

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

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

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE *Sheila Upchego* DATE 3/30/2006

(This space for State use only)

API NUMBER ASSIGNED: 43-047-37962

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

Date: 05-09-06

By: *[Signature]*

RECEIVED
APR 04 2006

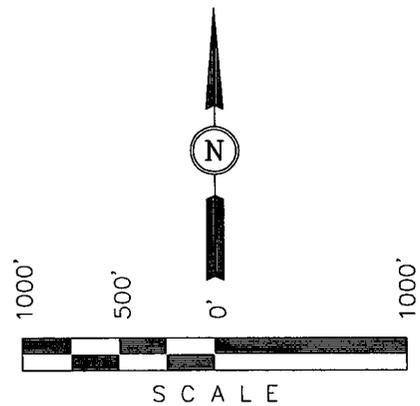
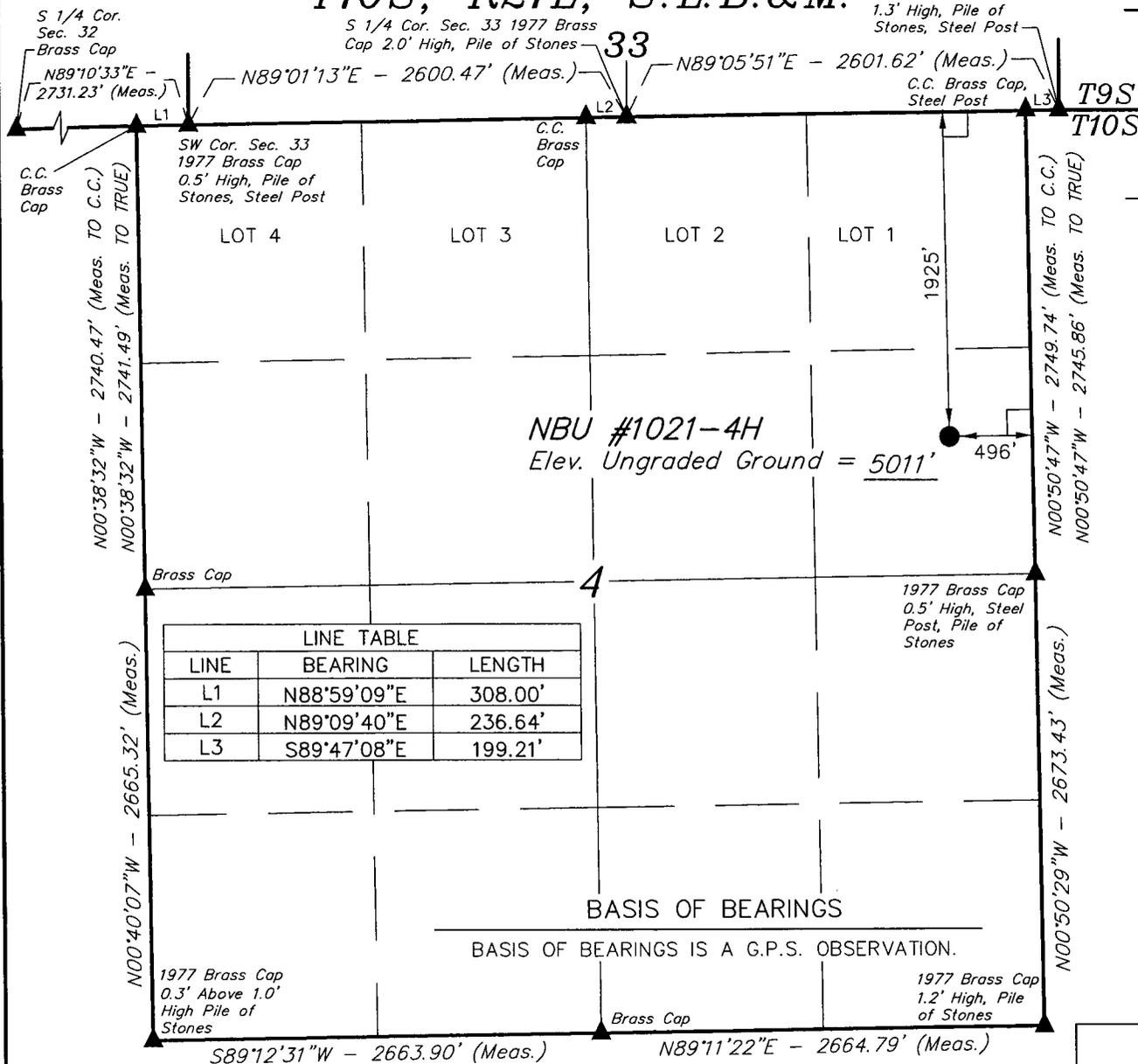
DIV. OF OIL, GAS & MINING

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

SE Cor. Sec. 33
1977 Brass Cap
1.3' High, Pile of
Stones, Steel Post

Kerr-McGee Oil & Gas Onshore LP

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



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.

[Signature]
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

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

SCALE 1" = 1000'	DATE SURVEYED: 01-13-06	DATE DRAWN: 01-31-06
PARTY J.R. J.K. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE Kerr-McGee Oil & Gas Onshore LP	

LEGEND:

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

(NAD 83)
LATITUDE = 39°58'46.55" (39.979597)
LONGITUDE = 109°32'58.49" (109.549581)

(NAD 27)
LATITUDE = 39°58'46.68" (39.979633)
LONGITUDE = 109°32'56.01" (109.548892)

From: Ed Bonner
To: Whitney, Diana
Date: 5/8/2006 3:48:33 PM
Subject: Well Clearance

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

ConocoPhillips Company

Utah 17-1174
Utah 17-1175
Utah 13-1169
Utah 19-1181
Utah 20-1183
Utah 24-1189
Utah 30-1062
Utah 30-1088
Utah 30-1090

Lone Mountain Production Company
Hancock State 2-5

Pendragon Energy Partners, Inc
State 9-16-10-18

QEP Uinta Basin, Inc
GB 9ML-16-8-22
GB 10ML-16-8-22
RW 12-32BG

Westport Oil & Gas Company

NBU 921-34J
NBU 922-31N
NBU 1021-4B
NBU 1021-4G
NBU 1021-4H
NBU 922-31O
NBU 921-32N (1 significant site which must be avoided per arc consultant survey in relocating well pad)
NBU 921-32O

XTO Energy, Inc

State of Utah 17-8-28-12
State of Utah 17-8-21-33
State of Utah 17-8-22-14
State of Utah 17-8-18-24
State of Utah 17-8-5-42R

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

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

CULTURAL RESOURCE INVENTORY OF
KERR-MCGEE OIL & GAS ONSHORE LP'S
SEVEN PROPOSED WELL LOCATIONS:
NBU #1021-3D, G, H, L, AND #1021-4B, G, H,
IN T10S R21E SECTIONS 3 AND 4, AND
T9S R21E SECTIONS 33 AND 34,
UINTAH COUNTY, UTAH

André Jendresen

CULTURAL RESOURCE INVENTORY OF
KERR-MCGEE OIL & GAS ONSHORE LP'S
SEVEN PROPOSED WELL LOCATIONS:
NBU #1021-3D, G, H, L, AND #1021-4B, G, H,
IN T10S R21E SECTIONS 3 AND 4, AND
T9S R21E SECTIONS 33 AND 34,
UINTAH COUNTY, UTAH

By:

André Jendresen

Prepared For:

Bureau of Land Management
Vernal Field Office
and
State of Utah
School and Institutional
Trust Lands Administration

Prepared Under Contract With:

Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, Utah 84078

Prepared By:

Montgomery Archaeological Consultants
P.O. Box 147
Moab, Utah 84532

MOAC Report No. 06-25

March 20, 2006

United States Department of Interior (FLPMA)
Permit No. 05-UT-60122

State of Utah Antiquities Project (Survey)
Permit No. U-06-MQ-0234b,s

ABSTRACT

A cultural resource inventory was conducted by Montgomery Archaeological Consultants (MOAC) in February, 2006 for Kerr-McGee Oil & Gas Onshore LP's seven proposed well locations NBU #1021-3D, G, H, L, and #1021-4B, G, H, and associated pipeline and access routes. The project area is located southeast of the town of Ouray, Uintah County, Utah. Specifically, it is located southwest of the White River, east of Cottonwood Wash, and northwest of the Bitter Creek Gas Fields. The survey was implemented at the request of Ms. Raleen Weddle, Kerr-McGee Oil & Gas Onshore LP, Vernal, Utah. A total of 132.4 acres was inventoried for cultural resources, 47.8 acres of which occurs on State of Utah School and Institutional Trust Lands Administration (SITLA) land, and the remaining 84.6 acres are on public land administered by the Bureau of Land Management (BLM), Vernal Field Office.

The inventory resulted in the documentation of two new prehistoric archaeological sites (42Un5192 and 42Un5193), and the re-location of one previously recorded non-eligible prehistoric site (42Un1792). Site 42Un1792 is a previously recorded non-eligible lithic scatter that is located at the edge of the pipeline/access corridor for proposed well location NBU #1021-3G. Site 42Un5192 consists of a light but fairly diverse scatter of chipped stone situated on a sand sheet on an eroded plain. The setting of the site suggests that intact subsurface remains may occur within the sheet of sand. The artifact assemblage also exhibits some spatial patterning that may indicate specific activities on the site. These factors suggest that data concerning the chronology of the occupation, general prehistoric technology, and specific site function as well as perhaps subsistence strategies and land use patterns may be collected with further investigations at the site. Therefore, 42Un5192 is recommended as eligible for the National Register of Historic Places under criterion D as outlined in 36 CFR 60.4. Site 42Un5192 is located northwest of proposed well location NBU #1021-3D, and will therefore be avoided by the undertaking. Site 42Un5193 possesses limited research value because of its lack of integrity and meaningful spatial patterning, and the quantity of debitage materials is not significant for statistical intrasite comparisons of lithic flakes. The site does not contain any unique attributes, such as artifact diversity and density, to warrant its protection as an archaeological loci of great importance. The site is situated on compact residual soils, with very little chance of subsurface deposits. As such, it is recommended that site 42Un5193 be considered ineligible for protection under the National Register of Historic Places since it fails to meet the requirements listed in criteria A, B, C, and D, as outlined in 36 CFR 60.4. Based on these findings, a determination of "no historic properties affected" is proposed for this undertaking pursuant to Section 106, CFR 800.

TABLE OF CONTENTS

ABSTRACT	i
TABLE OF CONTENTS	ii
LIST OF FIGURE	ii
LIST OF TABLE	ii
INTRODUCTION	1
DESCRIPTION OF PROJECT AREA	2
Cultural Overview	4
Environmental Setting	4
SURVEY METHODOLOGY	7
INVENTORY RESULTS	8
Archaeological Sites	8
NATIONAL REGISTER OF HISTORIC PLACES EVALUATION	9
MANAGEMENT RECOMMENDATIONS	10
REFERENCES CITED	11
APPENDIX A: INTERMOUNTAIN ANTIQUITIES COMPUTER SYSTEM (IMACS) SITE FORMS	15

LIST OF FIGURE

1. Kerr-McGee Oil & Gas Onshore LP's seven proposed well locations
and associated access/pipeline corridors, showing cultural resources. 3

LIST OF TABLE

1. Kerr-McGee Oil & Gas Onshore LP's Seven Proposed Well Locations. 2

INTRODUCTION

A cultural resource inventory was conducted by Montgomery Archaeological Consultants (MOAC) in February, 2006 for Kerr-McGee Oil & Gas Onshore LP's seven proposed well locations NBU #1021-3D, G, H, L, and #1021-4B, G, H, and associated pipeline and access routes. The project area is located southeast of the town of Ouray, Uintah County, Utah. Specifically, it is located southwest of the White River, east of Cottonwood Wash, and northwest of the Bitter Creek Gas Fields. The survey was implemented at the request of Ms. Raleen Weddle, Kerr-McGee Oil & Gas Onshore LP, Vernal, Utah. A total of 132.4 acres was inventoried for cultural resources, 47.8 acres of which occurs on State of Utah School and Institutional Trust Lands Administration (SITLA) land, and the remaining 84.6 acres are on public land administered by the Bureau of Land Management (BLM), Vernal Field Office.

The objective of the inventory was to locate, document, and evaluate any cultural resources within the project area in order to comply with Section 106 of 36 CFR 800, the National Historic Preservation Act of 1966 (as amended). Also, the inventory was implemented to attain compliance with a number of federal and state mandates, including the National Environmental Policy Act of 1969, the Archaeological and Historic Conservation Act of 1972, the Archaeological Resources Protection Act of 1979, the American Indian Religious Freedom Act of 1978, and the Utah State Antiquities Act of 1973 (amended 1990).

The fieldwork was performed on February 19, 2006 by Keith Montgomery and assisted by Mark G. Beeson. The inventory was conducted under the auspices of U.S.D.I. (FLPMA) Permit No. 05-UT-60122, State of Utah Antiquities Permit (Survey) No. U-06-MQ-0234b,s issued to MOAC, Moab, Utah.

A file search for previous cultural resource inventories and archaeological sites was conducted by Keith Montgomery at the BLM Vernal Field Office on January 25, 2006. An in-house MOAC file search was also conducted on January 25, 2006. The file search resulted in several projects which took place within the immediate area of the current project. In 1978 Centuries Research, Inc. conducted a cultural inventory of five well sites for Belco Petroleum. Their project did not find any cultural remains (Copeland 1978). In July 1978, Archaeological Environmental Research Corporation (AERC) conducted a cultural resource inventory for the Natural Buttes Cultural Mitigation Study, which resulted in the documentation of a lithic scatter (42Un662), which is located east of the current project area (Weder 1978). In 1981 the Cultural Resource Management Services of Brigham Young University (CRMS) conducted two separate inventory project for TOSCO Corporation. The first inventory project was for the support facilities of a proposed shale oil recovery plant near Sand Wash. This project revealed no new archaeological resources (Nielson 1981). The second, occurring in October was an archaeological survey of three access roads. This project identified one site (42Un655), which is located outside of the current project area (Thompson 1981). In 1990, AERC conducted a cultural resource inventory for the Seep Ridge Road Extension, which resulted in the documentation of a non-eligible lithic scatter (42Un1792), which is partially located within the current project area (Beaty 1990). Site 42Un1792 was re-located by MOAC during the current project inventory. In 1991, The Grand River Institute prepared a cultural resources inventory report on two seismic lines for Western Geophysical and ENRON Oil and Gas Company, which resulted in no cultural findings (Conner 1991a). In November 1991, The Grand River Institute performed a cultural resources inventory for ENRON Oil and Gas Company's NBU #345-4E well location, which resulted in the documentation of a non-eligible lithic scatter (42Un1953), which is located outside of the current project area (Conner 1991b). Two

cultural resource inventories for Coastal Oil and Gas in 1994 and 1996 by Metcalf Archaeological Consultants, Inc., produced only the isolated find of a single chert primary flake at the NBU 262 well location in 1996 (Späth 1994, 1996). Projects in 1997 and 1998, also conducted by Metcalf Archaeological Consultants, Inc., for Coastal Oil and Gas similarly produced no cultural resource findings (Barclay, 1997, 1998). An Independent Archaeologist conducted a cultural resource inventory for Enron Oil and Gas Company in 2000 without any findings (Truesdale 2000). In 2001 and 2002 Montgomery Archaeological conducted three inventories for El Paso Oil and Gas, finding no cultural resources (Montgomery 2001a, 2001b and 2002). In March 2005, Montgomery Archaeological Consultants (MOAC) conducted an inventory of three well locations (NBU #921-34H, K and L) for Westport Oil and Gas Company (Montgomery and Jolley 2005b). No cultural resources were located in the inventory. In March 2005, Montgomery Archaeological Consultants (MOAC) also conducted an inventory of nine well locations (Units NBU-921-33 B, F, G, I, J, K, N, O and P) for Westport Oil and Gas Company, which resulted in the documentation of two historic archaeological sites (42Un4708 and 42Un4709), none of which occur within the current project area (Montgomery and Jolley 2005a).

In summary, one previously recorded non-eligible prehistoric site (42Un1792) occurs partially within the current project area.

DESCRIPTION OF THE PROJECT AREA

Kerr-McGee Oil & Gas Onshore LP's seven proposed well locations with access roads and pipelines are situated southwest of the White River, east of Cottonwood Wash and northwest of the Bitter Creek Gas Fields. The legal description is T10S R21E Sections 3 and 4, and T9S R21E Sections 33 and 34 (Table 1, Figure 1).

Table 1. Kerr-McGee Oil & Gas Onshore LP's Seven Proposed Well Locations.

Well Location	Legal Location	Access/Pipeline	Cultural Resources
NBU # 1021-3D	NW/NW, Sec 3, T10S, R21E	Access: 0 ft Pipeline: 990 ft	42Un5192 42Un5193
NBU # 1021-3G	SW/NE, Sec 3, T10S, R21E	Access: 1180 ft Pipeline: 1180 ft	NONE
NBU # 1021-3H	SE/NE, Sec 3, T10S, R21E	Access: 0 ft Pipeline: 4790 ft	42Un1792
NBU # 1021-3L	NW/SW, Sec 3, T10S, R21E	Access: 0 ft Pipeline: 3730 ft	NONE
NBU # 1021-4B	NW/NE, Sec 4, T10S, R21E	Access: 2150 ft Pipeline: 2150 ft	NONE
NBU # 1021-4G	SW/NE, Sec 4, T10S, R21E	Access: 730 ft Pipeline: 730 ft	NONE
NBU # 1021-4H	SE/NE, Sec 4, T10S, R21E	Access: 870 ft Pipeline: 2450 ft	NONE

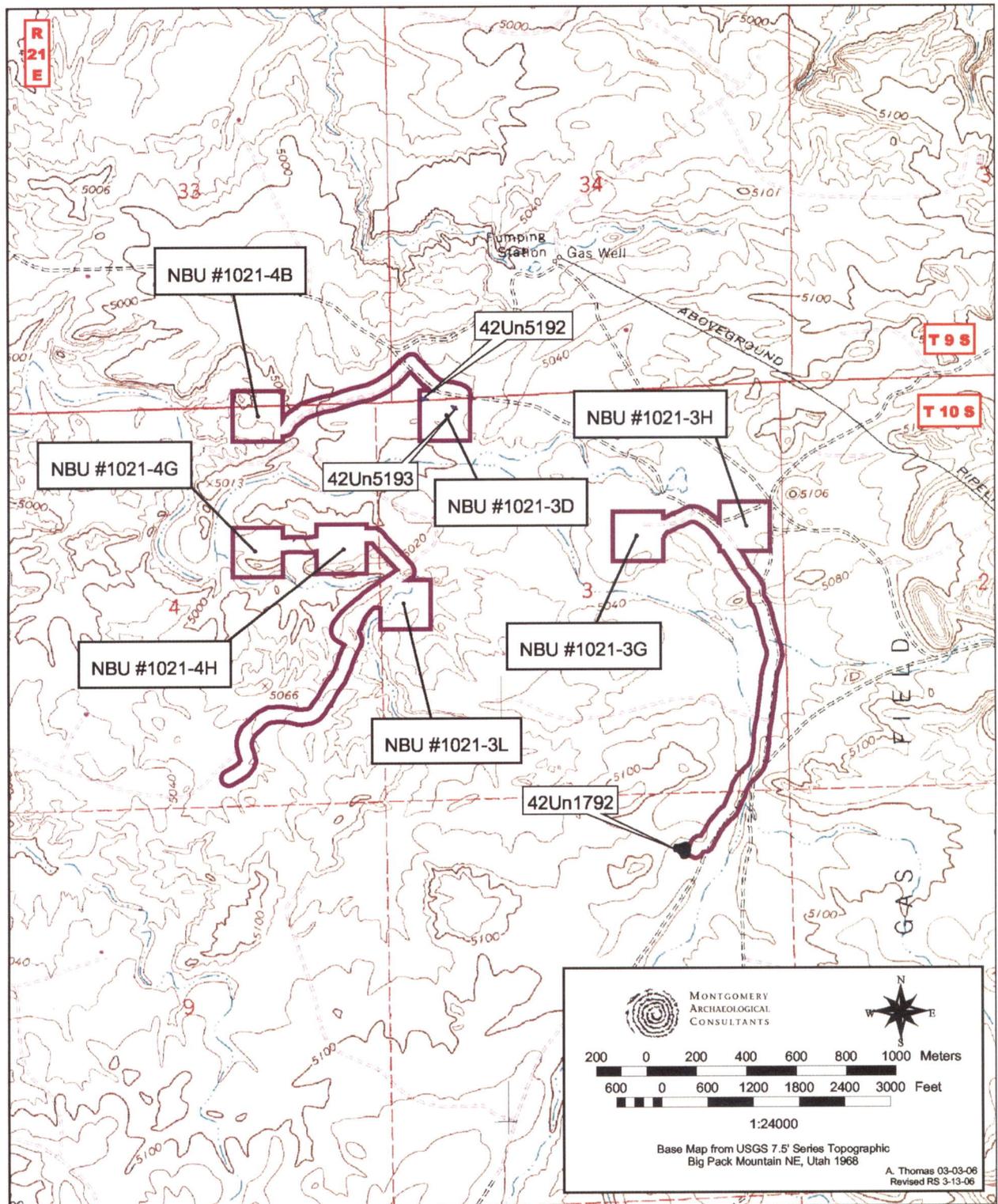


Figure 1. Kerr-McGee Oil & Gas Onshore LP's seven proposed well locations and associated access/pipeline corridors, showing cultural resources.

Environmental Setting

The study area lies within the Uinta Basin physiographic unit, a distinctly bowl-shaped geologic structure (Stokes 1986:231). The Uinta Basin ecosystem is within the Green River drainage, considered to be the northernmost extension of the Colorado Plateau. The geology is comprised of Tertiary age deposits which include Paleocene age deposits, and Eocene age fluvial and lacustrine sedimentary rocks. The Uinta Formation, which is predominate in the project area, occurs as eroded outcrops formed by fluvial deposited, stream laid interbedded sandstone and mudstone, and is known for its prolific paleontological localities.

Specifically, the inventory area is situated southwest of the White River, between Cottonwood Wash and Sand Wash. The area is heavily dissected and carved by ephemeral drainages. The surface geology consists of hard pan residual soil armored with shale and sandstone pebbles as well as some sand shadows. The elevation ranges between 4900 and 5080 feet a.s.l. The project occurs within the Upper Sonoran Desert Shrub Association which includes sagebrush, shadscale, greasewood, mat saltbush, snakeweed, rabbitbrush, prickly pear cactus, Indian ricegrass and non-native vegetation. Modern disturbances include livestock grazing, roads, and oil/gas development.

Cultural-Historical Overview

The cultural-chronological sequence represented in the area includes the Paleoindian, Archaic, Fremont, Protohistoric, and Euro-American stages. The earliest inhabitants of the region are representative of the Paleoindian stage (ca. 12,000-8,000 B.P.). This stage is characterized by the adaptation to terminal Pleistocene environments and by the exploitation of big game fauna. The presence of Paleoindian hunters in the Uinta Basin region is implied by the discovery of Clovis and Folsom fluted points (ca. 12,000 B.P. - 10,000 B.P.), as well as the more recent Plano Complex lanceolate points (ca. 10,000 B.P. - 7,000 B.P.). Near the project area, a variety of Paleoindian projectile points have been documented, including Goshen, Alberta, and Midland styles (Hauck 1998).

The Archaic stage (ca. 8,000 B.P.-1,500 B.P.) is characterized by the dependence on a foraging subsistence, with peoples seasonally exploiting a wide spectrum of plant and animal species in different ecozones. The shift to an Archaic lifeway was marked by the appearance of new projectile point types, and the development of the atlatl, perhaps in response to a need to pursue smaller and faster game (Holmer 1986). In the Uinta Basin, evidence of Early Archaic presence is relatively sparse compared to the subsequent Middle and Late Archaic periods. Early Archaic (ca. 6000-3000 B.C.) sites in the Basin include sand dune sites and rockshelters primarily clustered in the lower White River drainage (Spangler 1995:373). Early Archaic projectile points recovered from Uinta Basin contexts include Pinto Series, Humboldt, Elko Series, Northern Side-notched, Hawken Side-notched, Sudden Side-notched and Rocker Base Side-notched points. Excavated sites in the area with Early Archaic components include Deluge Shelter in Dinosaur National Monument, and open campsites along the Green River and on the Diamond Mountain Plateau (Spangler 1995:374). The Middle Archaic (ca. 3000-500 B.C.) is characterized by improved climatic conditions and an increase in human population on the northern Colorado Plateau. Several stratified Middle Archaic sites have been excavated and dozens of sites have been documented in the Uinta Basin. Middle Archaic sites in the area reflect cultural influences from the Plains, although a Great Basin and/or northern Colorado Plateau influence is represented in the continuation of the Elko Series projectile points. Subsistence data from Middle Archaic components

indicate gathering and processing of plants as well as faunal exploitation (e.g., mule deer, antelope, bighorn sheep, cottontail rabbit, muskrat, prairie dog, beaver and birds). The Late Archaic period (ca. 500 B.C.-A.D. 550) in the Uinta Basin is distinguished by the continuation of Elko Series projectile points with the addition of semi-subterranean residential structures at base camps. By about A.D. 100, maize horticulture and Rose Springs arrow points had been added to the Archaic lifeway. In the Uinta Basin, the earliest evidence of Late Archaic architecture occurs at the Cockleburr Wash Site (42Un1476) where a temporary structure, probably a brush shelter, yielded a date of 316 B.C. (Tucker 1986). The structure was probably associated with seasonal procurement of wild floral resources gathered along Cliff Creek.

The Formative stage (A.D. 500-1300) is recognized in the area as the Uinta Fremont as first defined by Marwitt (1970). This stage is characterized by a reliance upon domesticated corn and squash, increasing sedentism, and in its later periods, substantial habitation structures, pottery, and bow and arrow weapon technology. Based on the evidence from Caldwell Village, Boundary Village, Deluge Shelter, Mantles Cave and others, the temporal range of the Uinta Fremont appears to be from A.D. 650 to 950. This variant is characterized by shallow, saucer-shaped pithouse structures with randomly placed postholes and off-center firepits, some of which were adobe-rimmed. Traits considered unique or predominate to the Uinta Basin include calcite-tempered pottery, two-handled wide-mouth vessels, Utah type metates, the use of gilsonite for pottery repair, settlement on tops of buttes and large-shouldered bifaces (Shields 1970).

Archaeological evidence suggests that Numic peoples appeared in east-central Utah at approximately A.D. 1100 or shortly before the disappearance of Formative-stage peoples (Reed 1994). The archaeological remains of Numic-speaking Utes consist primarily of lithic scatters with low quantities of brown ware ceramics, rock art, and occasional wickiups. Rock art has been defined by Cole (1990) as either Early Historic Ute Indian Style (A.D. 1600 to 1830) or Late Historic Ute Indian Style (A.D. 1830 to 1880). The brown ware ceramics appear to be the most reliable indicator of cultural affiliation, as Desert Side-notched and Cottonwood Triangular points were manufactured by other cultural groups beside the Ute (Horn, Reed, and Chandler 1994:130). The Ute appear to have been hunters and gatherers who exploited various fauna and flora resources. According to macrobotanical and faunal data from dated components, deer, elk, pronghorn, bison, and small game were acquired (Reed 1994:191). Plant materials thought to have been exploited for food include goosefoot, grass seeds, pinyon nuts, juniper berries, squawbush berries and leaves, hackberry seeds and possibly saltbush seeds, knotweed, chokecherry, and chickweed (Reed 1994:191).

The cultural history of the Eastern Ute, comprising the bands living east of the Green River, has been divided into four phases (Reed 1988). The earliest and most tenuous phase is the Chipeta Phase, dated between ca. 1250 and 1400. Diagnostic artifacts include Desert Side-notched, Cottonwood Triangular, and small corner-notched arrow points, and possibly Shoshonean knives. The Canalla phase (ca. A.D. 1400-1650) designates the period between the appearance of well-dated Uncompahgre brown ware ceramics and the adoption of an equestrian lifeway. Diagnostic artifacts include Uncompahgre Brown Ware ceramics, Desert Side-notched and Cottonwood Triangular points, and Shoshonean knives. The pedestrian hunter and gatherers probably lived in wickiups. Near the end of the phase, some groups may have obtained trade items from Spanish settlements in New Mexico (Horn, Reed, and Chandler 1994:131). The Antero phase (ca. A.D. 1650-1881) represents a shift to a fully equestrian lifestyle and integration of Euroamerican trade goods into Ute material culture. The horse permitted hunting of bison on the Plains and led to an increase in the importance of raiding for economic gain (Ibid 131).

Euroamerican trade goods became important, and tepees as well as wickiups were inhabited. The early Utes in Uintah County were Uinta-ats, a small band of a few hundred members (Burton 1996:20). In pre-horse days, Ute family groups lived largely independently of others with key gathering, hunting, and fishing sites being communal and granted to all, within both the local and extralocal Ute communities (Ibid 340). According to Smith's (1974) informants both deer and buffalo were important game for the White River Ute band. Before the buffalo became extinct in the Uintah Basin in the 1830s, the Ute would make trips northeast of Fort Bridger in the vicinity of what is now Rock Springs and Green River, Wyoming using the horse to surround and drive the buffalo over a precipice (Callaway, Janetski, and Stewart 1986; Smith 1974). All Ute groups made tripod or conical houses with a three or four-pole foundation and a circular ground plan some 10 to 15 feet in diameter with covering brush or bark.

The first Euro-Americans in the Uinta Basin were Spanish missionaries, traveling between Sante Fe, New Mexico up through western Colorado, towards the Utah Valley, and on to California. In 1776, under the leadership of Fray Francisco Atanasio Dominguez and Fray Silvestre Velez de Escalante, the Spanish commenced to explore a northern route from Santa Fe to the garrison of Monterey on the California coast (Spangler et al. 1995). Euro-American traders were another early factor in the history of the Uinta Basin. Some of these were Spaniards, who continued to visit the region until the Mexican war of independence in 1821, when most Spanish were expelled from the Southwest. It was the beaver trade in the early part of the nineteenth century, that cemented trade with Ute and Shoshone in the area, and resulted in the establishment of trading posts along the major rivers in the area, including the Duchesne, Green, and Uinta (Ibid 1995).

The settlement of the Uinta Basin differs from that of much of Utah in that early settlement occurred around Indian "agencies" assigned to the Uinta and Ouray Reservations, rather than under the direction of the Mormon church (Spangler et al. 1995). Early scouting parties sent out by the Mormon church had deemed the area unfit for settlers, and it was not until later that the region began to be homesteaded. In 1861, President Lincoln established the Uintah Indian Reservation, which was recognized by an act of Congress in 1864 (Burton 1996). The Indian agencies consisted of cabins and a trading post with farms cropping up around the agency, and were directed by a government Indian agent. The first agency was constructed at the mouth of Daniels Canyon in 1864, and was moved several times before 1868. In 1880 the White River Utes and the Uncompahgre Utes were forced to move to an adjacent area of land, southeast of the Uintah Reservation, and within a few years, the reservations were combined into the Uintah-Ouray Reservation.

By 1876, only a handful of ranchers, had settled the area, to be joined that year by a group of Mormons. They formed a settlement around the ranch of Pardon Dodds, an Indian agent, located in Dry Fork Canyon; later to become known as Old Ashley Town (Burton 1996). Another small group of Mormon settlers arrived in 1878, camping near the confluence of Ashley Creek, and naming their settlement Incline. In 1878, additional Mormon settlers ventured into the area; locating near what is today Vernal. Myton, located to the northwest of the project area, started as a trading post on the Uintah Indian Reservation sometime in the mid-1880s. The trading post served a small segment of the Indian population until 1886, when the army, as part of building the road between Price and the newly established Fort Duchesne, built a bridge over the Duchesne River (Barton 1998:154). Myton was originally known as Bridge, and quickly changed from a small, bustling way-station and Indian trading post to a town of tents and a few wooden buildings prior to the opening of the Uintah Indian Reservation around 1905. The settlement attracted people from various parts of the world including Denmark, England, Switzerland, Sweden, Wales, and Germany, as well as many states of the Union (Ibid 156).

Livestock was a primary industry in the region from early on, along with agriculture, timbering, mining, bee keeping, and freighting (Burton 1996). Most of the early Mormon settlers had only a few head of cattle, that were grazed in cooperative herds on shared pasture lands, however, large herds of cattle had been seasonally grazed in the region from as early as the 1850s (Ibid 108). Before the early 1930s, grazing in the Tavaputs Plateau region, at the southern edge of the Uintah Basin, was mostly unregulated. This, combined with the lush grassland environment of the area at the time, attracted many ranchers with their cattle, horses, and sheep (Barton 1998). By 1893, a record number of cattle were being sold. Sheep quickly became an important commodity, after their introduction to the region in 1879, and by the early 1890s, more sheep were being ranged in the region than cattle (Burton 1996). By 1935, herds of both cattle and sheep were being decreased to halt overgrazing. In 1996, only two large, year-round herds remained in Uintah County, although small farms and ranches in the region still keep small quantities of stock animals.

SURVEY METHODOLOGY

An intensive pedestrian survey was performed by the archaeologist walking parallel transects spaced no more than 10 meters apart, which is considered 100% coverage for this project. At the proposed well locations, a 10 acre square was defined, centered on the well pad center stake. Access roads and pipeline corridors were surveyed to a width of 60 m (200 ft). Ground visibility was considered good. A total of 132.4 acres was inventoried for cultural resources, 47.8 acres of which occurs on State of Utah School and Institutional Trust Lands Administration (SITLA) land, and the remaining 84.6 acres are on public land administered by the Bureau of Land Management (BLM), Vernal Field Office.

INVENTORY RESULTS

The inventory of Kerr-McGee Oil & Gas Onshore LP's seven proposed well locations in T10S R21E Sections 3 and 4, and T9S R21E Sections 33 and 34, resulted in the documentation of two new prehistoric archaeological sites (42Un5192 and 42Un5193), and the re-location of one previously recorded non-eligible prehistoric site (42Un1792).

Smithsonian Site No.: 42Un1792
Temporary Site No.: N/A
NRHP Eligibility: Non-eligible

Description: In 1990, AERC conducted a cultural resource inventory for the Seep Ridge Road Extension, which resulted in the documentation of this non-eligible lithic scatter. Site 42Un1792 consists of 25-100 chert flakes, a red sandstone mano, several pieces of turtle shell and a few pieces of bone. The debitage is dominated by secondary reduction, while tertiary flakes and shatter are rare. The site is located in a drainage and the blowout sections of a dune, at the intersection of two above ground pipelines. The site is located at the edge of the pipeline/access corridor for proposed well location NBU #1021-3H. Site 42Un1792 was re-located by MOAC during the current project inventory.

Smithsonian Site No.: 42Un5192
Temporary Site No.: MOAC 06-25-1
NRHP Eligibility: Eligible

Description: Site 42Un5192 is a small, light, lithic scatter, consisting of 19 flakes and an Elko corner notched projectile point, made of brown chert, with a broken tip. The debitage consists of 25 quartzite and chert flakes, mainly from the tertiary stage of reduction. Primary and secondary flakes and shatter are also common. The site occurs on a sand sheet on an eroded plain east of Cottonwood Wash. Vegetation on the site is sparse, but includes shadscale, greasewood, snakeweed, and cheatgrass. The ground surface visibility is between 80 and 100 percent. The site is impacted by erosion, deflation, grazing, and a nearby road.

Smithsonian Site No.: 42Un5193
Temporary Site No.: MOAC 06-25-2
NRHP Eligibility: Non-eligible

Description: Site 42Un5193 is a small, light, lithic scatter, consisting of 12 quartzite and chert flakes. The debitage is dominated by primary flakes, while secondary and tertiary flakes and shatter are also common. The site occurs on an eroded plain between Cottonwood Wash and Sand Wash. Vegetation on the site is sparse, but includes shadscale, snakeweed, and cheatgrass. The ground surface visibility is between 85 and 100 percent. The site is impacted by erosion, deflation, grazing, and a nearby road.

NATIONAL REGISTER OF HISTORIC PLACES EVALUATION

The National Register Criteria for Evaluation of Significance and procedures for nominating cultural resources to the National Register of Historic Places (NRHP) are outlined in 36 CFR 60.4 as follows:

The quality of significance in American history, architecture, archaeology, and culture is present in districts, sites, buildings, structures, and objects of State and local importance that possess integrity of location, design, setting, material, workmanship, feeling, and association, and that they:

- a)...are associated with events that have made a significant contribution to the broad patterns of our history; or
- b)...are associated with the lives of persons significant to our past; or
- c)...embody the distinctive characteristics of a type, period, or method of construction; or that represents the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction; or
- d)...have yielded or may be likely to yield information important in prehistory or history.

The inventory resulted in the documentation of two new prehistoric archaeological sites (42Un5192 and 42Un5193), and the re-location of one previously recorded non-eligible prehistoric site (42Un1792).

Site 42Un5192 consists of a light but fairly diverse scatter of chipped stone situated on a sand sheet on an eroded plain. The setting of the site suggests that intact subsurface remains may occur within the sheet of sand. The artifact assemblage also exhibits some spatial patterning that may indicate specific activities on the site. These factors suggest that data concerning the chronology of the occupation, general prehistoric technology, and specific site function as well as perhaps subsistence strategies and land use patterns may be collected with further investigations at the site. Therefore, 42Un5192 is recommended as eligible for the National Register of Historic Places under criterion D as outlined in 36 CFR 60.4. Site 42Un5192 is located northwest of proposed well location NBU #1021-3D, and will therefore be avoided by the undertaking.

Site 42Un5193 possesses limited research value because of its lack of integrity and meaningful spatial patterning, and the quantity of debitage materials is not significant for statistical intrasite comparisons of lithic flakes. The site does not contain any unique attributes, such as artifact diversity and density, to warrant its protection as an archaeological loci of great importance. The site is situated on compact residual soils, with very little chance of subsurface deposits. As such, it is recommended that site 42Un5193 be considered ineligible for protection under the National Register of Historic Places since it fails to meet the requirements listed in criteria A, B, C, and D, as outlined in 36 CFR 60.4.

MANAGEMENT RECOMMENDATIONS

The inventory of Kerr-McGee Oil & Gas Onshore LP's seven proposed well locations in T10S R21E Sections 3 and 4, and T9S R21E Sections 33 and 34, resulted in the documentation of two new prehistoric archaeological sites (42Un5192 and 42Un5193), and the re-location of one previously recorded non-eligible prehistoric site (42Un1792).

Site 42Un1792 is a previously recorded non-eligible lithic scatter that is located at the edge of the pipeline/access corridor for proposed well location NBU #1021-3G.

Site 42Un5192 is recommended as eligible for the National Register of Historic Places under criterion D as outlined in 36 CFR 60.4. Site 42Un5192 is located northwest of proposed well location NBU #1021-3D, and will therefore be avoided by the undertaking.

Site 42Un5193 is not recommended as eligible to the NRHP, as it fails to meet the requirements listed in criteria A, B, C, and D, as outlined in 36 CFR 60.4.

Based on these findings, a determination of "no historic properties affected" is proposed for this undertaking pursuant to Section 106, CFR 800.

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APPENDIX A:
INTERMOUNTAIN ANTIQUITIES COMPUTER SYSTEM (IMACS)
SITE INVENTORY FORMS

On File At:

Utah Division of State History
Salt Lake City, Utah

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:
3160
(UT-922)

April 4, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

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

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

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Wasatch/MesaVerde)

43-047-37963	NBU 1021-3G	Sec 03 T10S R21E 1960 FNL 1924 FEL
43-047-37960	NBU 1021-4G	Sec 04 T10S R21E 1941 FNL 1606 FEL
43-047-37961	NBU 1021-4B	Sec 04 T10S R21E 0128 FNL 1542 FEL
43-047-37962	NBU 1021-4H	Sec 04 T10S R21E 1925 FNL 0496 FEL
43-047-37964	NBU 1021-5F	Sec 05 T10S R21E 1808 FNL 2338 FWL
43-047-37965	NBU 1021-5D	Sec 05 T10S R21E 0721 FNL 0626 FWL
43-047-37966	NBU 1021-6E	Sec 06 T10S R21E 1825 FNL 0880 FWL
43-047-37967	NBU 1021-6D	Sec 06 T10S R21E 0697 FNL 0464 FWL
43-047-37968	NBU 1021-6C	Sec 06 T10S R21E 0460 FNL 1872 FWL
43-047-37956	NBU 921-27N	Sec 27 T09S R21E 0705 FSL 2310 FWL
43-047-37959	NBU 921-33M	Sec 33 T09S R21E 0890 FSL 0172 FWL
43-047-37953	NBU 921-34J	Sec 34 T09S R21E 1623 FSL 1500 FEL
43-047-37969	NBU 1021-25C	Sec 25 T10S R21E 0753 FNL 2528 FWL
43-047-37954	NBU 922-31N	Sec 31 T09S R22E 0914 FSL 1446 FEL
43-047-37955	NBU 922-32N	Sec 32 T09S R22E 0600 FSL 1810 FWL

Our records indicate the NBU 921-33M is closer than 460 feet from uncommitted lands with the Natural Buttes Unit.

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

/s/ Michael L. Coulthard

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ
2. CDW

X Change of Operator (Well Sold)

Operator Name Change/Merger

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

1/6/2006

FROM: (Old Operator): N2115-Westport Oil & Gas Co., LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024	TO: (New Operator): N2995-Kerr-McGee Oil & Gas Onshore, LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024
---	--

WELL NAME	CA No.			Unit:	NATURAL BUTTES			
	SEC	TWN	RNG		API NO	ENTITY NO	LEASE TYPE	WELL TYPE
NBU 920-14L	14	090S	200E	4304737894		Federal	GW	APD
NBU 920-15B	15	090S	200E	4304737895		Federal	GW	APD
NBU 920-15C	15	090S	200E	4304737896		Federal	GW	APD
NBU 920-21E	21	090S	200E	4304737897		Federal	GW	APD
NBU 920-22A	22	090S	200E	4304737898		Federal	GW	APD
NBU 920-27A	27	090S	200E	4304737899		Federal	GW	APD
NBU 920-27G	27	090S	200E	4304737900		Federal	GW	APD
NBU 920-27F	27	090S	200E	4304737901		Federal	GW	APD
NBU 920-27C	27	090S	200E	4304737902		Federal	GW	APD
NBU 920-27B	27	090S	200E	4304737903		Federal	GW	APD
NBU 920-27D	27	090S	200E	4304737904		Federal	GW	APD
NBU 920-27I	27	090S	200E	4304737905		Federal	GW	APD
NBU 920-27H	27	090S	200E	4304737906		Federal	GW	APD
NBU 921-27N	27	090S	210E	4304737956		State	GW	NEW
STATE 921-32N	32	090S	210E	4304737957		State	GW	NEW
STATE 921-32O	32	090S	210E	4304737958		State	GW	NEW
NBU 921-33M	33	090S	210E	4304737959		State	GW	NEW
NBU 921-34J	34	090S	210E	4304737953		State	GW	NEW
NBU 922-31N	31	090S	220E	4304737954		State	GW	NEW
NBU 922-32N	32	090S	220E	4304737955		State	GW	NEW
NBU 1021-3L	03	100S	210E	4304737907		Federal	GW	APD
NBU 1021-3D	03	100S	210E	4304737908		Federal	GW	APD
NBU 1021-3H	03	100S	210E	4304737909		Federal	GW	APD
NBU 1021-3G	03	100S	210E	4304737963		Federal	GW	APD
NBU 1021-4G	04	100S	210E	4304737960		State	GW	NEW
NBU 1021-4B	04	100S	210E	4304737961		State	GW	NEW
NBU 1021-4H	04	100S	210E	4304737962		State	GW	NEW
NBU 1021-5F	05	100S	210E	4304737964		Federal	GW	APD
NBU 1021-5D	05	100S	210E	4304737965		Federal	GW	APD
NBU 1021-6E	06	100S	210E	4304737966		Federal	GW	APD
NBU 1021-6D	06	100S	210E	4304737967		Federal	GW	APD
NBU 1021-6C	06	100S	210E	4304737968		Federal	GW	APD
NBU 1021-7B	07	100S	210E	4304737941		Federal	GW	APD
NBU 1021-24I	24	100S	210E	4304737910		Federal	GW	NEW
NBU 1021-24C	24	100S	210E	4304737911		Federal	GW	APD
NBU 1021-24B	24	100S	210E	4304737912		Federal	GW	NEW
NBU 1021-25G	25	100S	210E	4304737913		Federal	GW	APD
NBU 1021-25E	25	100S	210E	4304737917		Federal	GW	APD
NBU 1021-25C	25	100S	210E	4304737969		Federal	GW	APD
NBU 1022-19K	19	100S	220E	4304737783		Federal	GW	APD

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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other CHANGE OF OPERATOR

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

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

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

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

THIS SPACE FOR FEDERAL OR STATE USE

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.
MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State
UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

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

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

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

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

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input checked="" type="checkbox"/> Other CHANGE OF OPERATOR

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

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

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

RECEIVED
MAY 10 2006

DIV. OF OIL, GAS & MINING

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

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

THIS SPACE FOR FEDERAL OR STATE USE

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

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

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:** **NATURAL BUTTES UNIT**

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

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- If **NO**, the operator was contacted on:
- (R649-9-2) Waste Management Plan has been received on: IN PLACE
- Inspections of LA PA state/fee well sites complete on: n/a 3 LA wells & all PA wells transferred
- 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
- The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG
 The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

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

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

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

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

5. Lease Serial No.
MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State
UINTAH COUNTY, UTAH

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

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

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

RECEIVED

MAY 10 2006

DIV. OF OIL, GAS & MINING

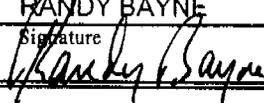
BLM BOND = C01203
 BIA BOND = RLB0005239

APPROVED 5/16/06

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

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

Name (Printed/Typed)
RANDY BAYNE

Signature


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

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.
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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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other CHANGE OF OPERATOR

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

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

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

RECEIVED
MAY 10 2006

DIV. OF OIL, GAS & MINING

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

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

THIS SPACE FOR FEDERAL OR STATE USE

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

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

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22940
2. NAME OF OPERATOR: KERR MCGEE OIL AND GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 S 1200 E VERNAL UT 84078		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES UNIT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1925' FNL, 496' FEL		8. WELL NAME and NUMBER: NBU 1021-4H
QTR/CTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 4 10S 21E		9. API NUMBER: 4304737962
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
STATE: UTAH		

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

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

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

THE OPERATOR REQUESTS AUTHORIZATION FOR AN ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION. SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL, GAS AND MINING ON MAY 9, 2006.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 04-24-07
By: [Signature]

4.24.07
rm

NAME (PLEASE PRINT): RAMEY HOOPES	TITLE: REGULATORY CLERK
SIGNATURE: <u>Ramey Hoopes</u>	DATE: 4/12/2007

(This space for State use only)

RECEIVED

APR 23 2007

DIV. OF OIL, GAS & MINING

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

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

API: 4304737962
Well Name: NBU 1021-4H
Location: SENE, SEC 4-T10S-R21E
Company Permit Issued to: KERR-MCGEE OIL AND GAS ONSHORE LP
Date Original Permit Issued: 5/9/2006

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

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

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

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

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

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

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

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

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


Signature

4/12/2007

Date

Title: REGULATORY CLERK

Representing: Kerr McGee Oil and Gas Onshore LP

RECEIVED

APR 23 2007

DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22940
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: NBU 1021-4H
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		9. API NUMBER: 4304737962
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1925'FNL, 496'FEL		COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 4 10S 21E		STATE: UTAH

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

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

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

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION, SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL, GAS AND MINING ON MAY 9, 2006, AND ACCEPTED FOR UNIT PURPOSES BY THE BUREAU OF LAND MANAGEMENT ON MARCH 12, 2007.

Approved by the
Utah Division of
Oil, Gas and Mining

COPY SENT TO OPERATOR

Date: 5-16-2008
Initials: KS

Date: 05-05-08
By: [Signature]

RECEIVED
MAY 02 2008
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE SENIOR LAND ADMIN SPECIALIST
SIGNATURE <u>[Signature]</u>	DATE 4/22/2008

(This space for State use only)



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

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

API: 4304737962
Well Name: NBU 1021-4H
Location: SE/NE SEC. 4, T10S, R21E
Company Permit Issued to: KERR McGEE OIL & GAS ONSHORE LP
Date Original Permit Issued: 5/9/2006

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

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

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

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

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

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

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

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

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

Signature

4/22/2008
Date

Title: SENOIR LAND ADMIN SPECIALIST

Representing: KERR-McGEE OIL & GAS ONSHORE LP

RECEIVED
MAY 02 2008
 DIR. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 14, 2009

Kerr-McGee Oil & Gas Onshore, LP
1368 South 1200 East
Vernal, UT 84078

Re: APD Rescinded – NBU 1021-4H, Sec. 4, T. 10S, R. 21E
Uintah County, Utah API No. 43-047-37962

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on May 9, 2006. On April 24, 2007 and on May 5, 2008, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective May 14, 2009.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Ed Bonner, SITLA