

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

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

5. Lease Serial No.  
**UTU-01191-A**  
6. If Indian, Allottee or Tribe Name  
7. If Unit or CA Agreement, Name and No.  
**UNIT #891008900A**  
8. Lease Name and Well No.  
**NBU 922-33H**

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**

9. API Well No.  
**43-047-38004**  
10. Field and Pool, or Exploratory  
**NATUAL BUTTES**

4. Location of Well (Report location clearly and in accordance with any State requirements. \*)  
At surface **SENE 2222'FNL, 283'FEL 633534X 39.993704**  
At proposed prod. Zone **4428020Y 109.435846**  
14. Distance in miles and direction from nearest town or post office\*  
**25.65 MILES SOUTHEAST OF OURAY, UTAH**

11. Sec., T., R., M., or Blk, and Survey or Area  
**SECTION 33, T9S, R22E**  
12. County or Parish  
**UINTAH**  
13. State  
**UTAH**

15. Distance from proposed\* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) **283'**  
16. No. of Acres in lease  
**1363.21**  
17. Spacing Unit dedicated to this well  
**40.00**

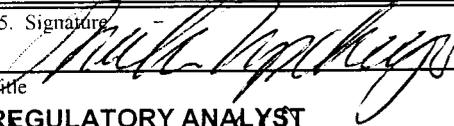
18. Distance from proposed location\* to nearest well, drilling, completed, applied for, on this lease, ft. **REFER TO TOPO C**  
19. Proposed Depth  
**9070'**  
20. BLM/BIA Bond No. on file  
**2971100-2533**

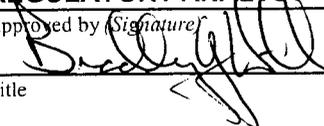
21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**4996'GL**  
22. Approximate date work will start\*  
23. Estimated duration

24. Attachments

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

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

25. Signature  Name (Printed/Typed) **SHEILA UPCHEGO** Date **4/11/2006**  
Title **REGULATORY ANALYST**

Approved by (Signature)  Name (Printed/Typed) **BRADLEY G. HILL** Date **04-25-06**  
Title **ENVIRONMENTAL MANAGER**

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

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

\*(Instructions on reverse)

Federal Approval of this  
Action is Necessary

RECEIVED  
APR 14 2006

DIV. OF OIL, GAS & MINING

# T9S, R22E, S.L.B.&M.

1977 Brass Cap,  
0.4' High, Pile  
of Stones

1977 Brass Cap,  
2.0' High Pile  
of Stones

1977 Brass Cap,  
1.5' High, Pile  
of Stones

1977 Brass Cap,  
1.0' High, Pile  
of Stones

NBU #922-33H  
Elev. Ungraded Ground = 4996'

33

T9S  
T10S

N89°57'11"E - 2641.75' (Meas.)

N89°56'44"E - 2638.11' (Meas.)

N00°01'12"W - 2649.29' (Meas.)

S00°10'34"E - 2645.42' (Meas.)

2222'

S00°02'56"E - 2648.23' (Meas.)

S00°03'15"E - 2647.30' (Meas.)

N89°56'33"E - 2638.98' (Meas.)

N89°58'24"E - 2636.67' (Meas.)

## LEGEND:

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

(NAD 83)  
LATITUDE = 39°59'37.32" (39.993700)  
LONGITUDE = 109°26'11.72" (109.436589)  
(NAD 27)  
LATITUDE = 39°59'37.44" (39.993733)  
LONGITUDE = 109°26'09.26" (109.435906)

## Kerr-McGee Oil & Gas Onshore LP

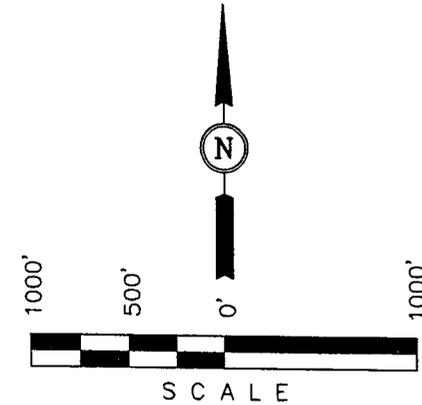
Well location, NBU #922-33H, located as shown in the SE 1/4 NE 1/4 of Section 33, T9S, R22E, S.L.B.&M. Uintah County, Utah.

### BASIS OF ELEVATION

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

### BASIS OF BEARINGS

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



### CERTIFICATE

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

*John H. ...*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO: 161319  
STATE OF UTAH

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

|                         |   |                         |
|-------------------------|---|-------------------------|
| SCALE<br>1" = 1000'     | DATE SURVEYED:<br>01-27-06              | DATE DRAWN:<br>02-06-06 |
| PARTY<br>P.J. N.F. S.L. | REFERENCES<br>G.L.O. PLAT               |                         |
| WEATHER<br>COLD         | FILE<br>Kerr-McGee Oil & Gas Onshore LP |                         |

**NBU 922-33H  
SENE SEC 33-T9S-R22E  
UINTAH COUNTY, UTAH  
UTU-01191-A**

**ONSHORE ORDER NO. 1**

***DRILLING PROGRAM***

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

| <u>Formation</u>        | <u>Depth</u> |
|-------------------------|--------------|
| Uinta                   | 0- Surface   |
| Green River             | 1363'        |
| Top of Birds Nest Water | 1598'        |
| Mahogany                | 2198'        |
| Wasatch                 | 4430'        |
| Mesaverde               | 6828'        |
| MVU2                    | 7780'        |
| MVL2                    | 8289'        |
| TD                      | 9070'        |

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

| <u>Substance</u> | <u>Formation</u>        | <u>Depth</u> |
|------------------|-------------------------|--------------|
|                  | Green River             | 1363'        |
| Water            | Top of Birds Nest Water | 1598'        |
| Gas              | Mahogany                | 2198'        |
| Gas              | Wasatch                 | 4430'        |
| Gas              | Mesaverde               | 6828'        |
| Gas              | MVU2                    | 7780'        |
| Gas              | MVL1                    | 8289'        |
| Other Minerals   | N/A                     |              |

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

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

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

*Please see the Natural Buttes Unit SOP.*

**5. Drilling Fluids Program:**

*Please see the Natural Buttes Unit SOP.*

**6. Evaluation Program:**

*Please see the Natural Buttes Unit SOP.*

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9070' TD, approximately equals 5623 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3628 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

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

9. **Variances:**

*Please see Natural Buttes Unit SOP.*

10. **Other Information:**

*Please see Natural Buttes Unit SOP.*





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

**CASING PROGRAM**

|            | SIZE   | INTERVAL  | WT.   | GR.  | CPLG. | DESIGN FACTORS |          |         |
|------------|--------|-----------|-------|------|-------|----------------|----------|---------|
|            |        |           |       |      |       | BURST          | COLLAPSE | TENSION |
| CONDUCTOR  | 14"    | 0-40'     |       |      |       | 2270           | 1370     | 254000  |
| SURFACE    | 9-5/8" | 0 to 2100 | 32.30 | H-40 | STC   | 0.66*****      | 1.39     | 4.28    |
| PRODUCTION | 4-1/2" | 0 to 9070 | 11.60 | I-80 | LTC   | 2.27           | 1.17     | 2.19    |

1) Max Anticipated Surf. Press. (MASP) (Surface Casing) = (Pore Pressure at next csg point - (0.22 psi/ft-partial evac gradient x TVD of next csg point))  
 2) MASP (Prod Casing) = Pore Pressure at TD - ( .22 psi/ft-partial evac gradient x TD)  
 (Burst Assumptions: TD = 11.5 ppg) .22 psi/ft = gradient for partially evac wellbore  
 (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)  
 MASP 3428 psi  
 \*\*\*\*\* Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

**CEMENT PROGRAM**

|                 |                 | FT. OF FILL   | DESCRIPTION  | SACKS   | EXCESS | WEIGHT | YIELD |
|-----------------|-----------------|---|--|---------|--------|--------|-------|
| SURFACE         | LEAD            | 500   | Premium cmt + 2% CaCl<br>+ .25 pps flocele   | 215     | 60%    | 15.60  | 1.18  |
| <b>Option 1</b> | TOP OUT CMT (1) | 200   | 20 gals sodium silicate + Premium cmt<br>+ 2% CaCl + .25 pps flocele                             | 50      |        | 15.60  | 1.18  |
|                 | TOP OUT CMT (2) | as required   | Premium cmt + 2% CaCl  | as req. |        | 15.60  | 1.18  |
| SURFACE         |                 | <b>NOTE: If well will circulate water to surface, option 2 will be utilized</b> |  |         |        |        |       |
| <b>Option 2</b> | LEAD            | 1500  | Prem cmt + 16% Gel + 10 pps gilsonite<br>+.25 pps Flocele + 3% salt BWOC                         | 170     | 35%    | 11.00  | 3.82  |
|                 | TAIL            | 500   | Premium cmt + 2% CaCl<br>+ .25 pps flocele   | 180     | 35%    | 15.60  | 1.18  |
|                 | TOP OUT CMT     | as required   | Premium cmt + 2% CaCl  | as req. |        | 15.60  | 1.18  |
| PRODUCTION      | LEAD            | 3,930'  | Premium Lite II + 3% KCl + 0.25 pps<br>celloflake + 5 pps gilsonite + 10% gel<br>+ 0.5% extender | 430     | 60%    | 11.00  | 3.38  |
|                 | TAIL            | 5,140'  | 50/50 Poz/G + 10% salt + 2% gel<br>+.1% R-3  | 1440    | 60%    | 14.30  | 1.31  |

\*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained  
 \*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

**FLOAT EQUIPMENT & CENTRALIZERS**

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

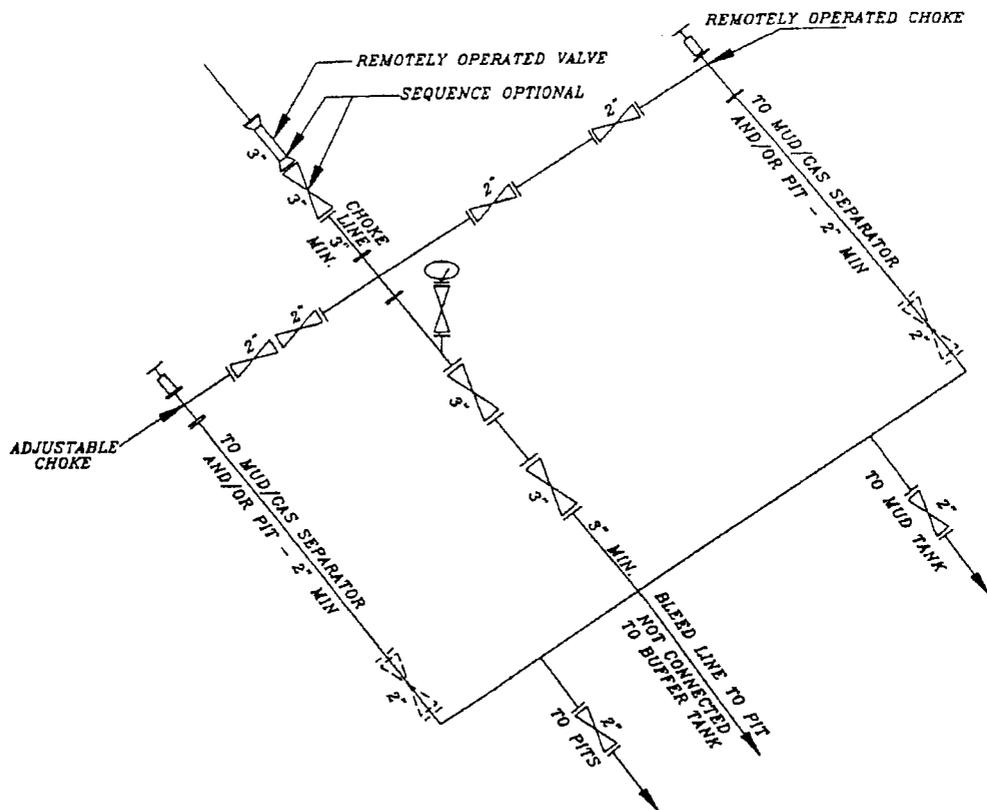
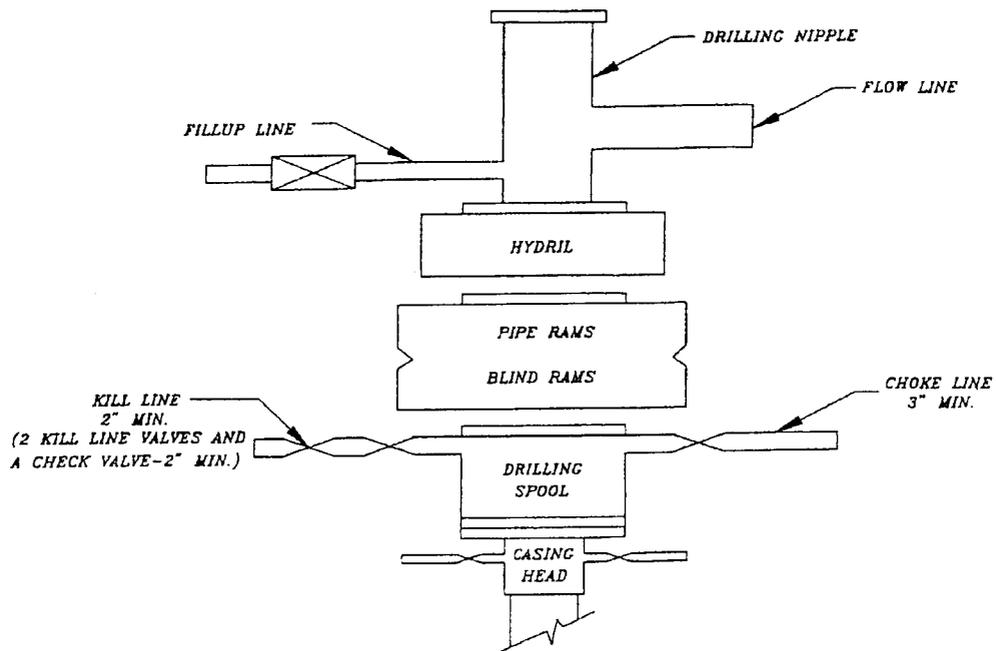
**ADDITIONAL INFORMATION**

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

DRILLING ENGINEER: \_\_\_\_\_  
 Brad Laney  
 DRILLING SUPERINTENDENT: \_\_\_\_\_  
 Randy Bayne NBU922-33H\_I80\_APD.xls

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

# 5M BOP STACK and CHOKE MANIFOLD SYSTEM



**NBU 922-33H  
SENE SEC 33-T9S-R22E  
UINTAH COUNTY, UTAH  
UTU-01191-A**

**ONSHORE ORDER NO. 1**

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

An onsite inspection was conducted for the NBU 922-33H on 3/30/06 for the subject well.

**1. Existing Roads:**

Refer to the attached location directions.

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

**2. Planned Access Roads:**

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

Approximately 40' +/- of new access road is proposed. Refer to Topo Map B.

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

Please refer to Topo Map C.

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

*Please see the Natural Buttes Unit SOP.*

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

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

Approximately 1900' +/- of 4" steel pipeline will be installed on surface within the access corridor for the well location. As a Best Management Practice (BMP), the pipeline would be buried within the access road corridor if possible. The construction of pipelines requires the corridor of 30 feet.

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

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

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

*Please see the Natural Buttes SOP.*

**6. Source of Construction Materials:**

*Please see the Natural Buttes SOP.*

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

*Please see the Natural Buttes SOP.*

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

**8. Ancillary Facilities:**

*Please see the Natural Buttes SOP.*

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

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

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

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

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

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

*Please see the Natural Buttes SOP.*

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

|                         |        |
|-------------------------|--------|
| Crested Wheat Grass     | 4 lbs. |
| Needle and Thread Grass | 4 lbs. |
| Galleta Grass           | 4 lbs. |

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

**11. Surface Ownership:**

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

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

**12. Stipulations: - NONE****13. Other Information:**

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

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

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

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

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

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

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

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

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by BLM Nationwide Bond #2971100-2533.

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

4/11/2006  
Date

**Kerr-McGee Oil & Gas Onshore LP**  
**NBU #922-33H**  
**SECTION 33, T9S, R22E, 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 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 5.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 3.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.9 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 4.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 2.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 2.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 350' TO THE BEGINNING OF THE PROPOSED ACCESS TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY DIRECTION APPROXIMATELY 40' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 56.65 MILES.

# Kerr-McGee Oil & Gas Onshore LP

NBU #922-33H

LOCATED IN UINTAH COUNTY, UTAH

SECTION 33, T9S, R22E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: EASTERLY



- Since 1964 -

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

LOCATION PHOTOS

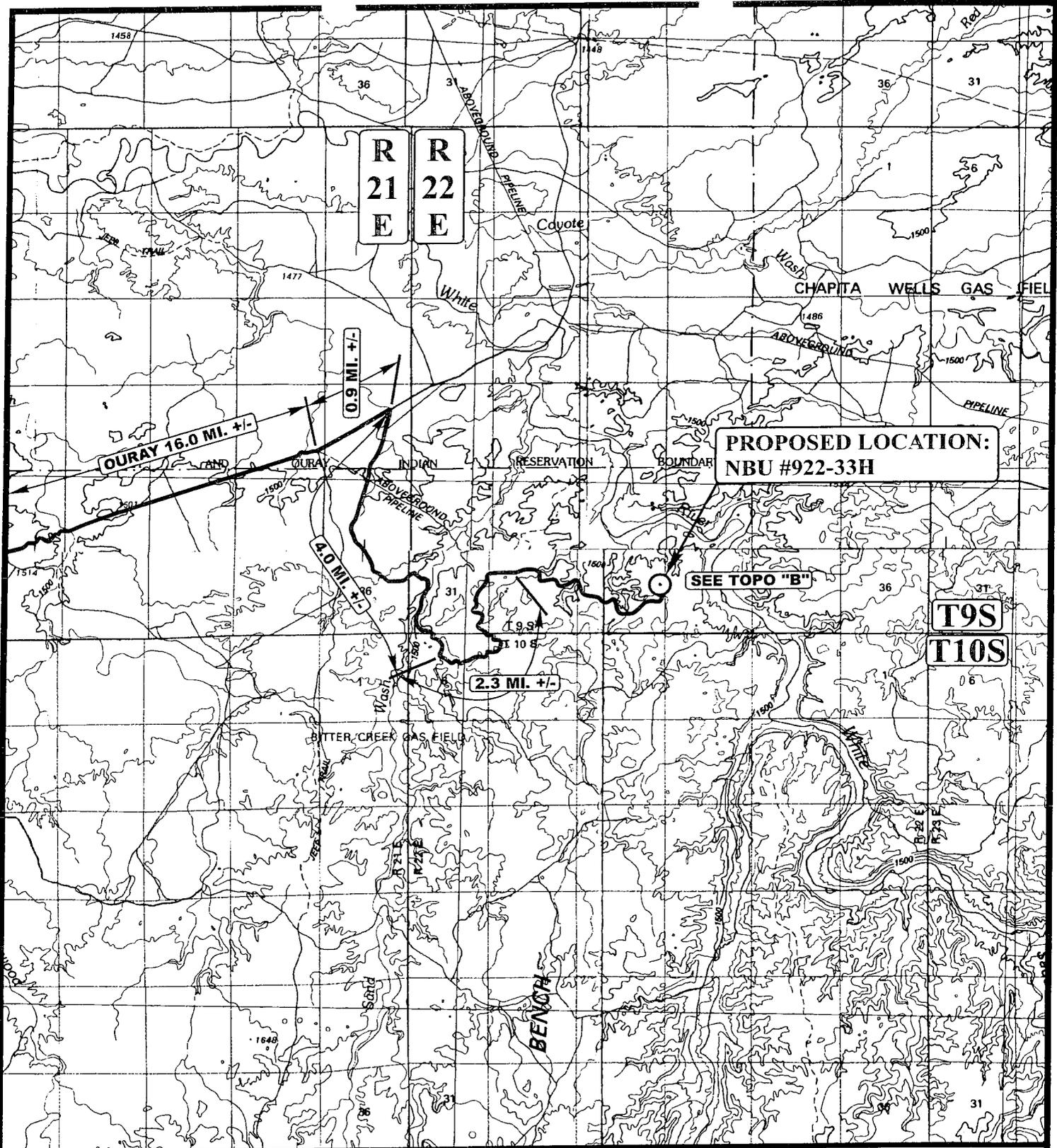
02 09 06  
MONTH DAY YEAR

PHOTO

TAKEN BY: P.J.

DRAWN BY: C.P.

REVISED: 00-00-00



**LEGEND:**

○ PROPOSED LOCATION

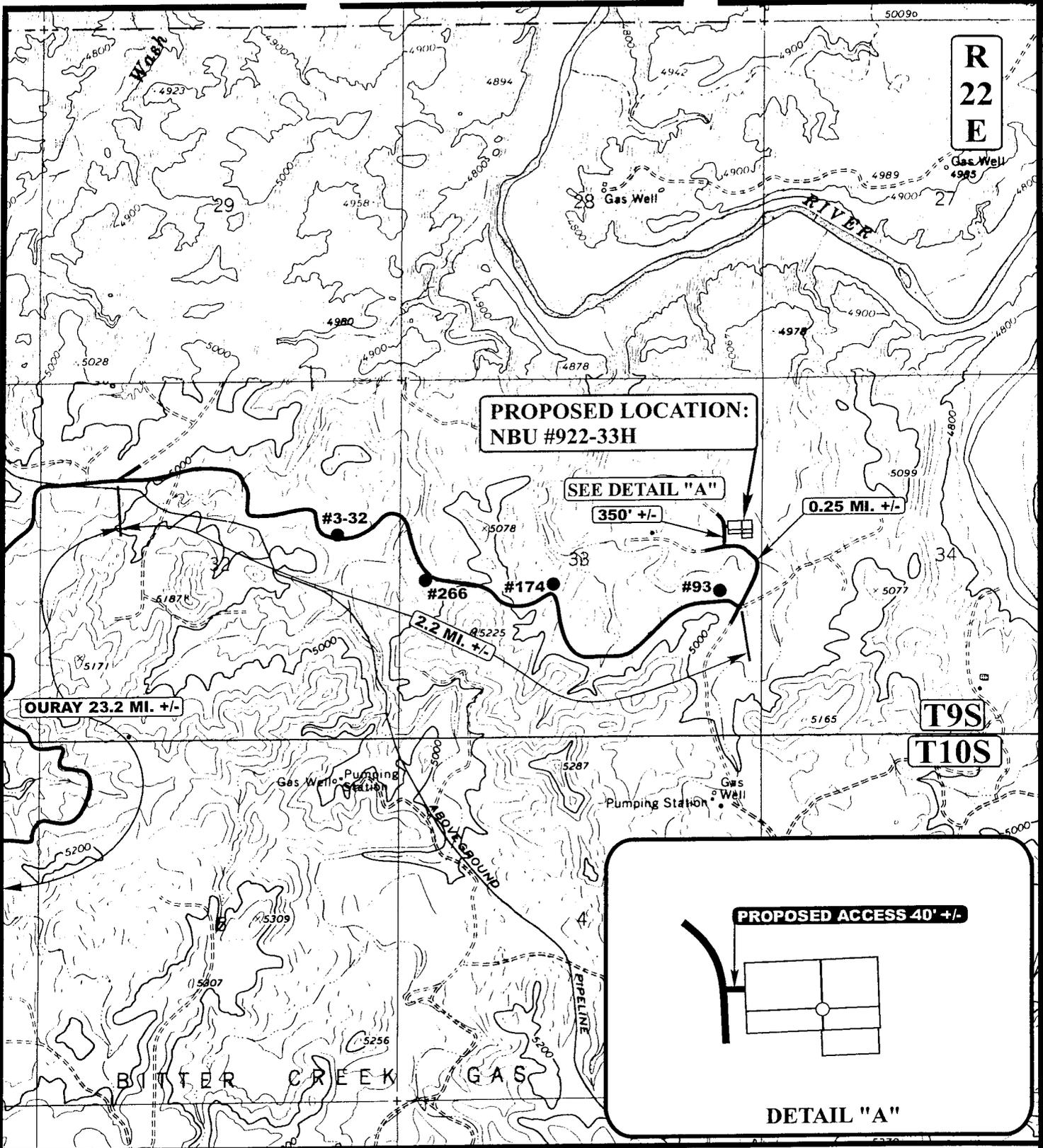
**ES** Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

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

NBU #922-33H  
 SECTION 33, T9S, R22E, S.L.B.&M.  
 2222' FNL 283' FEL



|                  |                |     |                   |                  |
|------------------|----------------|-----|-------------------|------------------|
| TOPOGRAPHIC      | 02             | 09  | 06                | <b>A</b><br>TOPO |
| MAP              | MONTH          | DAY | YEAR              |                  |
| SCALE: 1:100,000 | DRAWN BY: C.P. |     | REVISED: 00-00-00 |                  |



**LEGEND:**  
 ————— EXISTING ROAD  
 - - - - - PROPOSED ACCESS ROAD

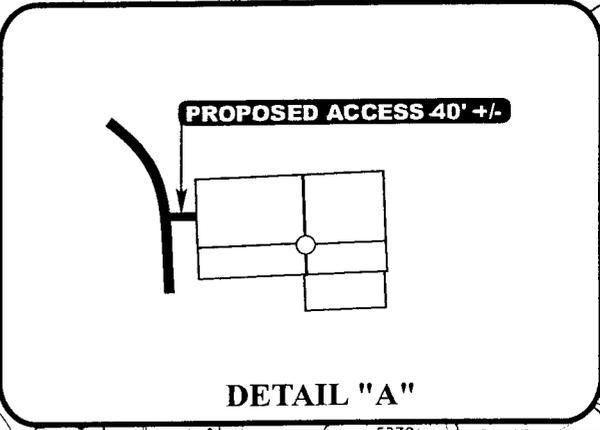
**UEIS** Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

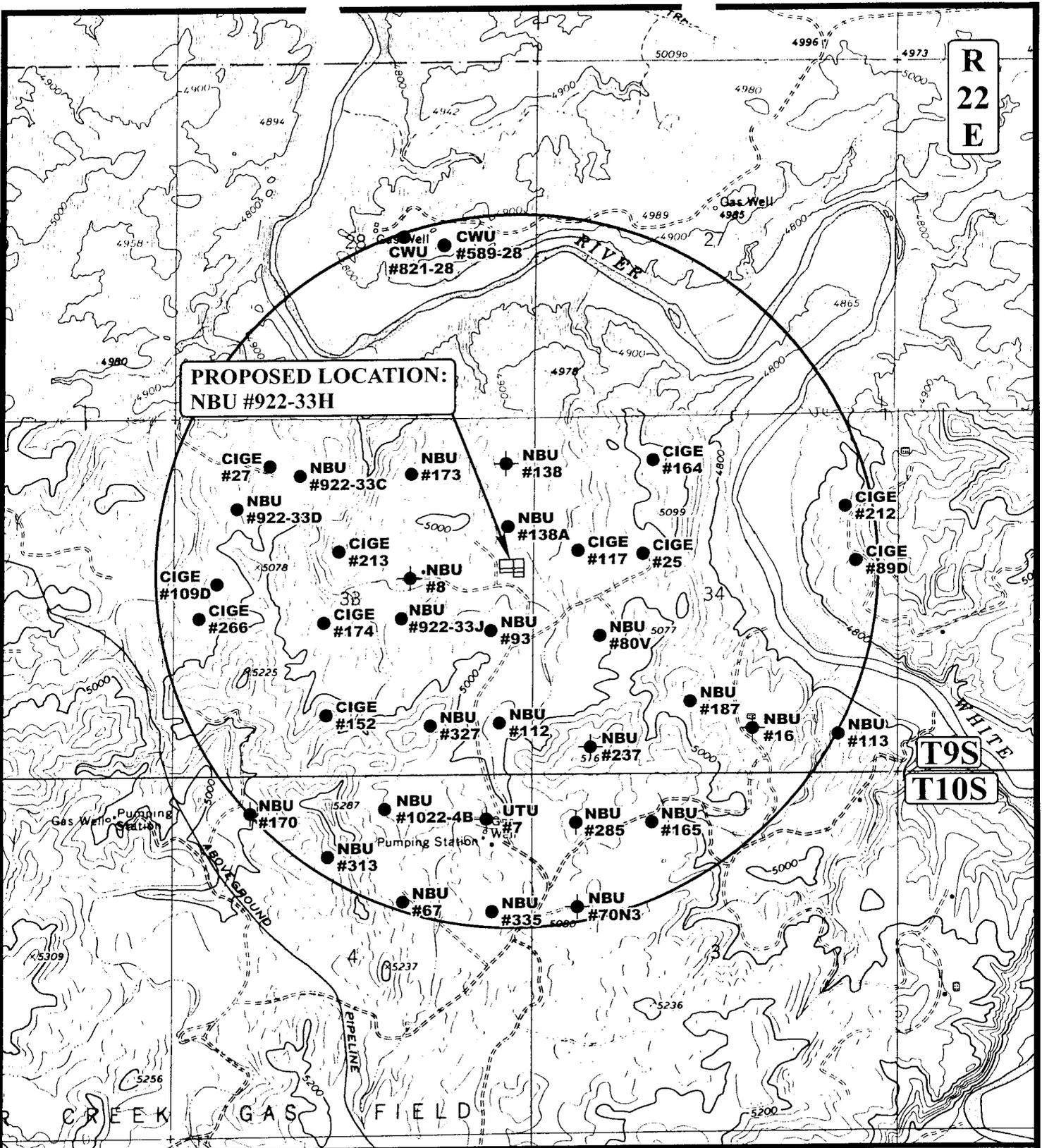


**Kerr-McGee Oil & Gas Onshore LP**  
 NBU #922-33H  
 SECTION 33, T9S, R22E, S.L.B.&M.  
 2222' FNL 283' FEL

**TOPOGRAPHIC** 02 09 06  
**MAP** MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

**B**  
**TOPO**





**PROPOSED LOCATION:  
NBU #922-33H**

**R  
22  
E**

**T9S  
T10S**

**LEGEND:**

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

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

**NBU #922-33H  
SECTION 33, T9S, R22E, S.L.B.&M.  
2222' FNL 283' FEL**

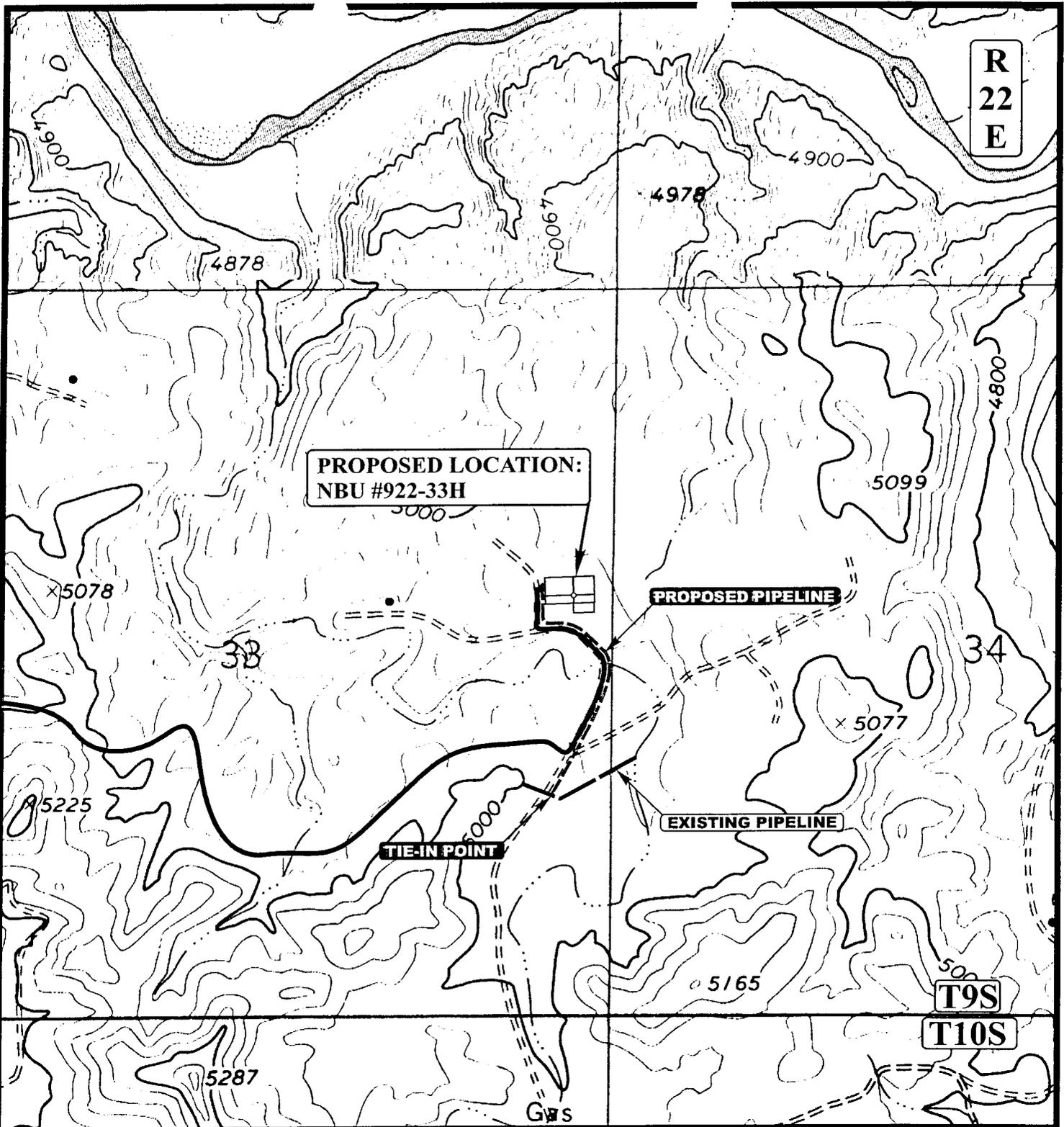


**Utah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



**TOPOGRAPHIC MAP**  
02 09 06  
MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 1,900' +/-

**LEGEND:**

|  |                      |
|--|----------------------|
|  | PROPOSED ACCESS ROAD |
|  | EXISTING PIPELINE    |
|  | PROPOSED PIPELINE    |

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



**Kerr-McGee Oil & Gas Onshore LP**  
 NBU #922-33H  
 SECTION 33, T9S, R22E, S.L.B.&M.  
 2222' FNL 283' FEL

|                    |                |     |                   |                  |
|--------------------|----------------|-----|-------------------|------------------|
| TOPOGRAPHIC<br>MAP | 02             | 09  | 06                | <b>D</b><br>TOPO |
|                    | MONTH          | DAY | YEAR              |                  |
| SCALE: 1" = 1000'  | DRAWN BY: C.P. |     | REVISED: 00-00-00 |                  |

# Kerr-McGee Oil & Gas Onshore LP

NBU #922-33H

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH

SECTION 33, T9S, R22E, S.L.B.&M.

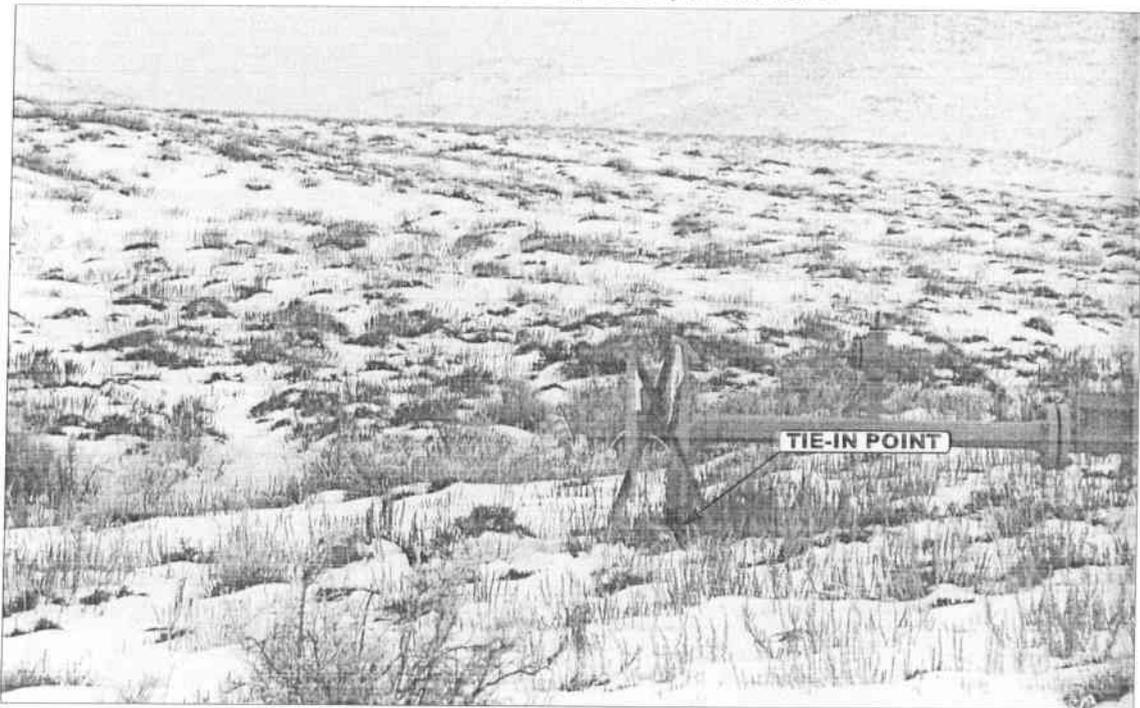


PHOTO: VIEW OF TIE-IN POINT

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: NORTHERLY



- Since 1964 -

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

PIPELINE PHOTOS

02 09 06  
MONTH DAY YEAR

PHOTO

TAKEN BY: P.J.

DRAWN BY: C.P.

REVISED: 00-00-00

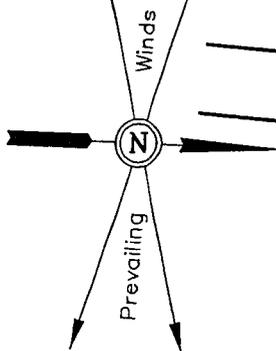
# Kerr-McGee Oil & Gas Onshore LP

FIGURE #1

## LOCATION LAYOUT FOR

NBU #922-33H  
SECTION 33, T9S, R22E, S.L.B.&M.  
2222' FNL 283' FEL

Existing Road



SCALE: 1" = 50'  
DATE: 02-06-06  
Drawn By: S.L.

F-2.4'  
El. 90.9'

F-3.6'  
El. 89.7'  
Sta. 3+50

Proposed Access Road

F-1.9'  
El. 91.4'

Round Corners  
as Needed

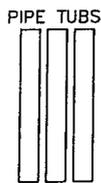
Approx.  
Top of  
Cut Slope

Approx.  
Top of  
Fill Slope

**NOTE:**

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

Pit Topsoil



PIPE RACKS

FLARE PIT C-3.5'  
El. 96.8'

C-2.6'  
El. 95.9'

El. 97.9'  
C-14.6'  
(btm. pit)

Sta. 1+50

Reserve Pit Backfill  
& Spoils Stockpile

15' WIDE BENCH

RESERVE PITS  
(10' Deep)  
Total Pit Capacity  
W/2' of Freeboard  
= 9,850 Bbls. ±  
Total Pit Volume  
= 2,780 Cu. Yds.

C-3.5'  
El. 96.8'

TOILET

TRAILER

WATER  
TANK

F-4.0'  
El. 89.3'

LIGHT PLANT

BOILER

PUMP HOUSE

TRASH

PROPANE STORAGE

C-.2.7'  
El. 96.0'

F-0.6'  
El. 92.7'

El. 98.5'  
C-15.2'  
(btm. pit)

15' WIDE BENCH

C-2.6'  
El. 95.9'

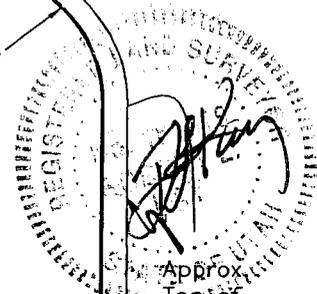
Sta. 0+00

F-5.8'  
El. 87.5'

**NOTES:**

Elev. Ungraded Ground At Loc. Stake = 4995.9'  
FINISHED GRADE ELEV. AT LOC. STAKE = 4993.3'

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



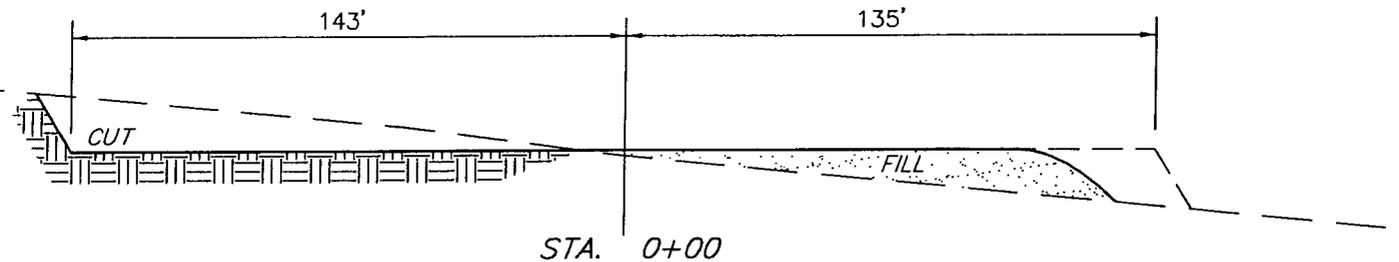
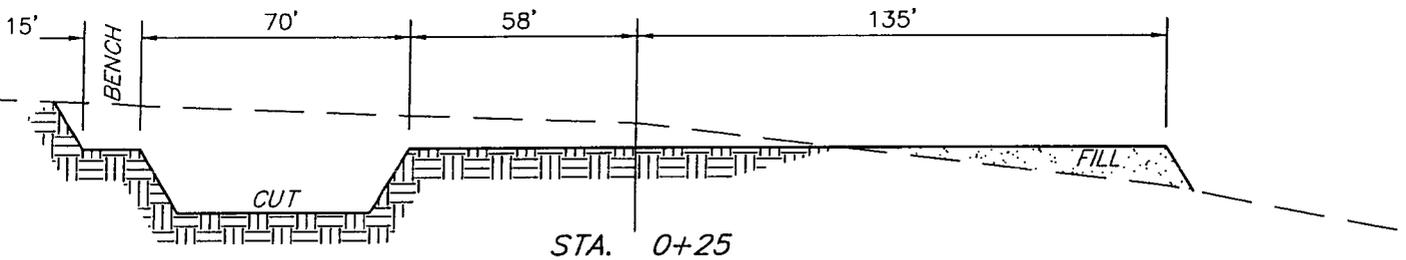
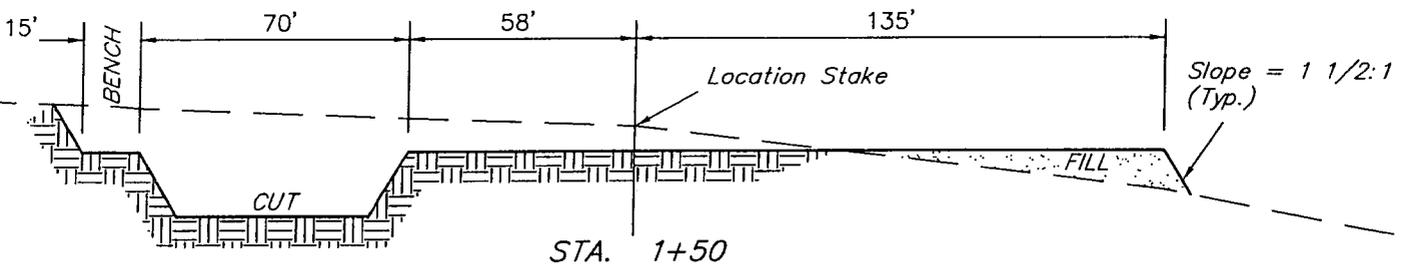
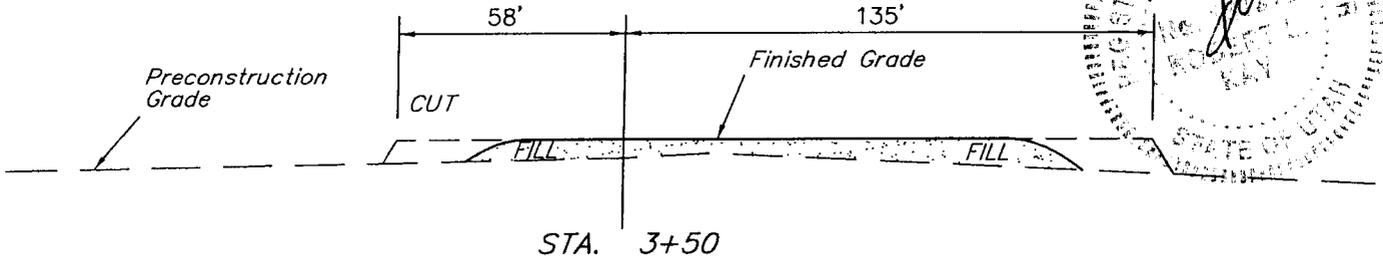
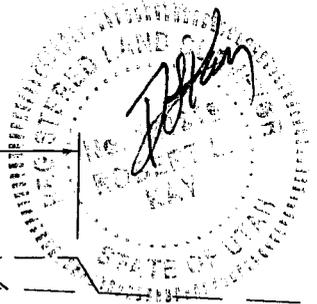
# Kerr-McGee Oil & Gas Onshore LP

FIGURE #2

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

TYPICAL CROSS SECTIONS FOR  
NBU #922-33H  
SECTION 33, T9S, R22E, S.L.B.&M.  
2222' FNL 283' FEL

DATE: 02-06-06  
Drawn By: S.L.



**NOTE:**

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

**\* NOTE:**

FILL QUANTITY INCLUDES 5% FOR COMPACTION

**APPROXIMATE YARDAGES**

|                        |                        |
|------------------------|------------------------|
| <b>CUT</b>             |                        |
| (6") Topsoil Stripping | = 1,700 Cu. Yds.       |
| Remaining Location     | = 6,180 Cu. Yds.       |
| <b>TOTAL CUT</b>       | <b>= 7,880 CU.YDS.</b> |
| <b>FILL</b>            | <b>= 4,790 CU.YDS.</b> |

|   |                  |
|---|------------------|
| EXCESS MATERIAL                         | = 3,090 Cu. Yds. |
| Topsoil & Pit Backfill (1/2 Pit Vol.)   | = 3,090 Cu. Yds. |
| EXCESS UNBALANCE (After Rehabilitation) | = 0 Cu. Yds.     |

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 04/14/2006

API NO. ASSIGNED: 43-047-38004

WELL NAME: NBU 922-33H  
 OPERATOR: KERR-MCGEE OIL & GAS ( N2995 )  
 CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:  
 SENE 33 090S 220E  
 SURFACE: 2222 FNL 0283 FEL  
 BOTTOM: 2222 FNL 0283 FEL  
 COUNTY: UINTAH  
 LATITUDE: 39.99370 LONGITUDE: -109.4359  
 UTM SURF EASTINGS: 633534 NORTHINGS: 4428020  
 FIELD NAME: NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: UTU-01191-A  
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

Plat

Bond: Fed[1] Ind[] Sta[] Fee[]  
 (No. 2971100-2533 )

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

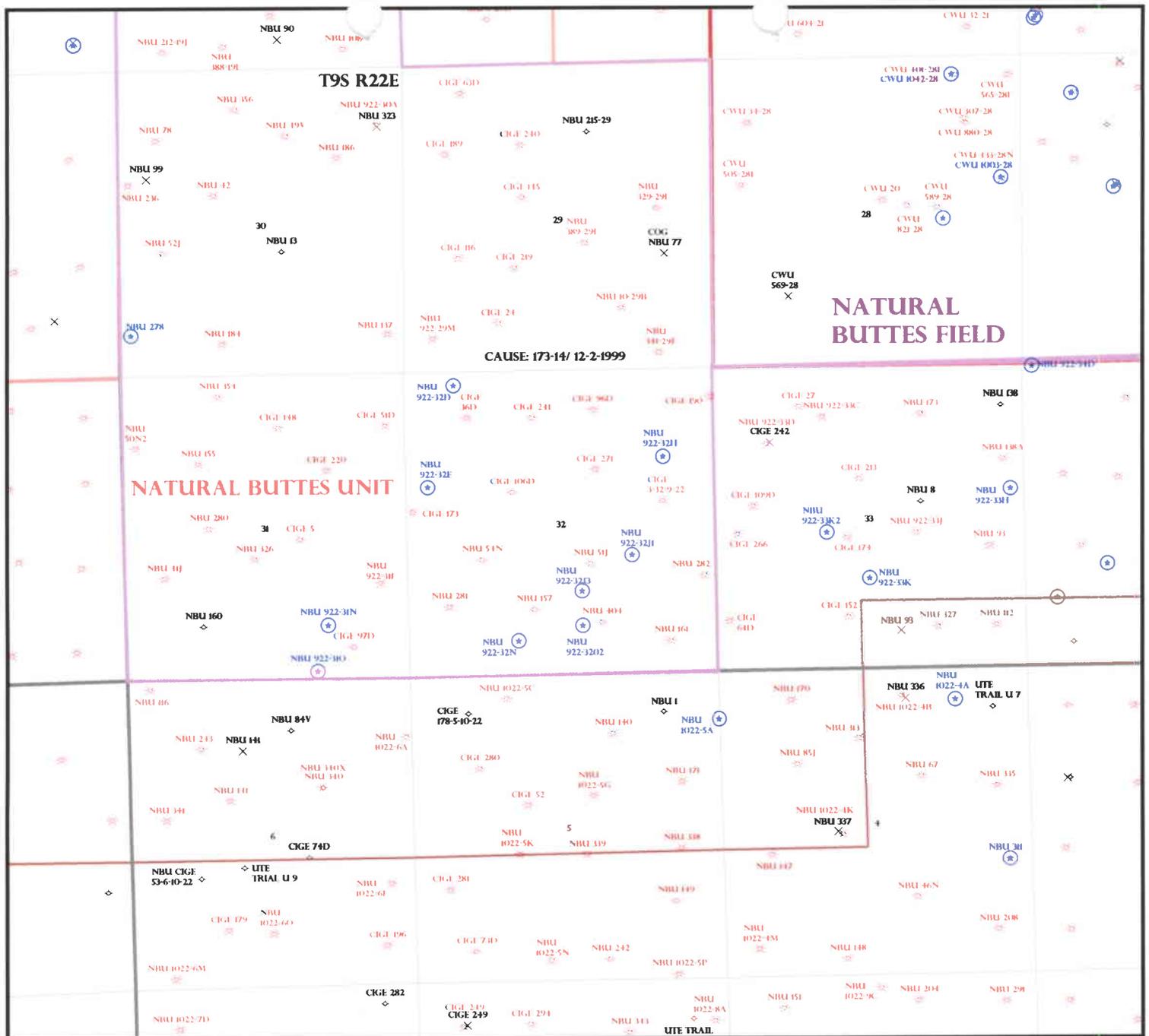
     R649-3-3. Exception

Drilling Unit  
 Board Cause No: 173-14  
 Eff Date: 12-2-49  
 Siting: 460' fr Ubd. of U. Comm. Tract

     R649-3-11. Directional Drill

COMMENTS: Sup. Operator file

STIPULATIONS: 1- Federal Approval  
2- OIL SHALE



OPERATOR: KERR MCGEE O&G (N2995)

SEC: 31,32,33 T. 9S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 173-14/ 12-2-1999

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

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

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



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY  
DATE: 24-APRIL-2006

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

**IN REPLY REFER TO:**

**3160  
(UT-922)**

April 24, 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) |              |                                    |
| 43-047-38005                    | NBU 922-31O  | Sec 31 T09S R22E 0135 FSL 1638 FEL |
| 43-047-38006                    | NBU 922-32E  | Sec 32 T09S R22E 2022 FNL 0305 FWL |
| 43-047-38007                    | NBU 922-32H  | Sec 32 T09S R22E 1555 FNL 0951 FEL |
| 43-047-38008                    | NBU 922-32D  | Sec 32 T09S R22E 0264 FNL 0778 FWL |
| 43-047-38009                    | NBU 922-32J3 | Sec 32 T09S R22E 1434 FSL 2382 FEL |
| 43-047-38010                    | NBU 922-32O2 | Sec 32 T09S R22E 0844 FSL 2377 FEL |
| 43-047-38011                    | NBU 922-32J1 | Sec 32 T09S R22E 2044 FSL 1513 FEL |
| 43-047-38002                    | NBU 922-33K2 | Sec 33 T09S R22E 2383 FSL 1837 FWL |
| 43-047-38003                    | NBU 922-33K  | Sec 33 T09S R22E 1586 FSL 2553 FWL |
| 43-047-38004                    | NBU 922-33H  | Sec 33 T09S R22E 2222 FNL 0283 FEL |

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

/s/ Michael L. Coulthard

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



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

April 25, 2006

Kerr-McGee Oil & Gas Onshore, LP  
1368 S 1200 E  
Vernal, UT 84078

Re: Natural Buttes Unit 922-33H Well, 2222' FNL, 0283' FEL, SE NE, Sec. 33,  
T. 9 South, R. 22 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 43-047-38004.

Sincerely,

A handwritten signature in black ink, appearing to read "Gil Hunt".

Gil Hunt  
Associate Director

pab  
Enclosures

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

**Operator:** Kerr-McGee Oil & Gas Onshore, LP  
**Well Name & Number** Natural Buttes Unit 922-33H  
**API Number:** 43-047-38004  
**Lease:** UTU-01191-A

**Location:** SE NE                      **Sec.** 33                      **T.** 9 South                      **R.** 22 East

### **Conditions of Approval**

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.  
UTU-01191-A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
NBU 922-33H

9. API Well No.  
43-047-38004

10. Field and Pool, or Exploratory Area  
NATURAL BUTTES

11. County or Parish, State  
UINTAH, UT

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
2222' FNL 283' FEL  
SEC 33-T9S-R22E, SLB & M

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

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

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

THE OPERATOR REQUESTS AUTHORIZATION TO CHANGE THE WELL NAME AND NUMBER FROM NBU 922-33H TO NBU 922-33H-4 TO REFLECT THE 20 ACRE WELL LOCATION.

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

|                                      |                           |
|--------------------------------------|---------------------------|
| Name (Printed/Typed)<br>RAMEY HOOPES | Title<br>REGULATORY CLERK |
| Signature<br><i>Ramey Hoopes</i>     | Date<br>June 22, 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.

(Instructions on reverse)

**RECEIVED**  
JUN 26 2006  
DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.  
UTU-01191-A

6. If Indian, Allottee or Tribe Name

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

UNIT #891008900A

8. Well Name and No.

NBU 922-33H-4

9. API Well No.

4304738004

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH, UTAH

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

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

KERR MCGEE OIL AND GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

435-781-7003

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

2222' FNL, 283' FEL  
SENE, SEC 33-T9S-R2E

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

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

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

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL GAS AND MINING ON APRIL 25, 2006.

Approved by the  
Utah Division of  
Oil, Gas and Mining

32207  
RM

Date: 03-21-07  
By: [Signature]

RECEIVED

MAR 21 2007

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed)

RAMEY HOOPES

Title

REGULATORY CLERK

Signature

[Signature: Rammy Hoopes]

Date

March 15, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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

Office

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

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

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

**API:** 4304738004  
**Well Name:** NBU 922-33H-4  
**Location:** SENE, SEC 33-T9S-R22E  
**Company Permit Issued to:** KERR MCGEE OIL AND GAS ONSHORE LP  
**Date Original Permit Issued:** 4/25/2006

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

Rammy Hooper  
Signature

3/15/2007  
Date

Title: Regulatory Clerk

Representing: Kerr McGee Oil & Gas Onshore LP

**RECEIVED**  
**MAR 21 2007**  
DIV. OF OIL, GAS & MINING

RECEIVED

2006

Form 3160-3  
(August 1999)

BLM VERNAL, UTAS  
FORM APPROVED  
DATE 1004-0136  
Expires November 30, 2000

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

|   |   |  |                          |
|---|---|--|--------------------------|
| 1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER  |   | 5. Lease Serial No.<br><b>UTU-01191-A</b>  |                          |
| b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone |   | 6. If Indian, Allottee or Tribe Name   |                          |
| 2. Name of Operator<br><b>KERR MCGEE OIL &amp; GAS ONSHORE LP</b>   |   | 7. If Unit or CA Agreement, Name and No.<br><b>UNIT #891008900A</b>              |                          |
| 3a. Address<br><b>1368 SOUTH 1200 EAST VERNAL, UT 84078</b>   | 3b. Phone No. (include area code)<br><b>(435) 781-7024</b>            | 8. Lease Name and Well No.<br><b>NBU 922-33H-4</b>                               |                          |
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *)<br>At surface <b>SE 222' FNL, 283' FEL</b>   |   | 9. API Well No.<br><b>4310A73800A</b>  |                          |
| 14. Distance in miles and direction from nearest town or post office*<br><b>25.65 MILES SOUTHEAST OF OURAY, UTAH</b>  |   | 10. Field and Pool, or Exploratory<br><b>NATURAL BUTTES</b>                      |                          |
| 13. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>283'</b>   | 16. No. of Acres in lease<br><b>1363.21</b>                           | 11. Sec., T., R., M., or Blk. and Survey or Area<br><b>SECTION 33, T9S, R22E</b> |                          |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>REFER TO TOPO C</b>   | 19. Proposed Depth<br><b>9070'</b>                                    | 12. County or Parish<br><b>UINTAH</b>  | 13. State<br><b>UTAH</b> |
| 20. BLM/BIA Bond No. on file<br><del>2971100-2533</del> <b>WY000291</b>   | 21. Elevations (Show whether DF, KDB, RT, GL, etc.)<br><b>4996'GL</b> | 17. Spacing Unit dedicated to this well<br><b>20.00</b>                          |                          |
| 22. Approximate date work will start*   |   | 23. Estimated duration   |                          |

24. Attachments

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

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

DEPT. OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
RECEIVED  
VERNAL FIELD OFFICE  
2006 JUN 23 PM 2:20  
6/22/2006

|   |  |                          |
|---|--|--------------------------|
| 25. Signature<br><i>Ramey Hoopes</i>                                      | Name (Printed/Typed)<br><b>RAMEY HOOPES</b>  | Date<br><b>6/22/2006</b> |
| Title<br><b>REGULATORY CLERK</b>  |  |                          |
| Approved by (Signature)<br><i>Jerry Kawecka</i>                           | Name (Printed/Typed)<br><b>Jerry Kawecka</b> | Date<br><b>7-16-2007</b> |
| Title<br><b>Assistant Field Manager<br/>Lands &amp; Mineral Resources</b> | Office                                       |                          |

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

Conditions of approval, if any, are attached.

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

\*(Instructions on reverse)

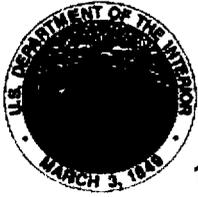
NOTICE OF APPROVAL

RECEIVED

JUL 19 2007

DIV. OF OIL, GAS & MINING

06BMC957A  
UDOGH



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

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



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

|                 |   |                   |                                |
|-----------------|---|-------------------|--------------------------------|
| <b>Company:</b> | <b>Kerr-McGee Oil &amp; Gas Onshore, LP</b> | <b>Location:</b>  | <b>SENE, Sec 33, T9S, R22E</b> |
| <b>Well No:</b> | <b>NBU 922-33H-4</b>                        | <b>Lease No:</b>  | <b>UTU-01191-A</b>             |
| <b>API No:</b>  | <b>43-047-38004</b>                         | <b>Agreement:</b> | <b>Natural Buttes Unit</b>     |

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

Fax: (435) 781-4410

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

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

**NOTIFICATION REQUIREMENTS**

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

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

***Surface COAs:***

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

***Site Specific COAs:***

- The topsoil from the reserve pit shall be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be re-contoured and the topsoil re-spread, and the area shall be seeded in the same manner as the location topsoil.
- Once the location is plugged and abandoned, it shall be re-contoured to natural contours, topsoil re-spread where appropriate, and the entire location seeded with the recommended seed mix. Seeding shall take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.

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

### **SITE SPECIFIC DOWNHOLE COAs:**

A variance is granted for O.O. #2 III. E. 1.

- The blooie line shall be straight or have targeted tees for bends in the line.
- An automatic igniter or continuous pilot on the blooie line not required.
- If a mist system is used, the requirement for a deduster shall be waived.

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

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

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

- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Wellogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

## **OPERATING REQUIREMENT REMINDERS:**

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

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

# DIVISION OF OIL, GAS AND MINING

## SPUDDING INFORMATION

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

Well Name: NBU 923-33H-4

Api No: 43-047-38004 Lease Type: FEDERAL

Section 33 Township 09S Range 22E County UINTAH

Drilling Contractor PETE MARTIN DRLG RIG # RATHOLE

### SPUDDED:

Date 09/23/07

Time 1:30 PM

How DRY

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

Reported by LOU WELDON

Telephone # (435) 8287035

Date 09/24/07 Signed CHD

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

FORM 6

**ENTITY ACTION FORM**

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

**Well 1**

| API Number  | Well Name             |                   | QQ        | Sec | Twp                              | Rng | County |
|---|-----------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| 4304738004  | NBU 922-33H-4         |                   | SENE      | 33  | 9S                               | 22E | UINTAH |
| Action Code   | Current Entity Number | New Entity Number | Spud Date |     | Entity Assignment Effective Date |     |        |
| <u>B</u>  | 99999                 | <u>2900</u>       | 9/23/2007 |     | <u>9/25/07</u>                   |     |        |
| <b>Comments:</b> MIRU PETE MARTIN BUCKET RIG. SPUD WELL ON 09/23/2007 @ 1330 HRS.<br><u>WSMVD</u> |                       |                   |           |     |                                  |     |        |

**Well 2**

| API Number   | Well Name             |                   | QQ        | Sec | Twp                              | Rng | County |
|--|-----------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| 4304738215   | BONANZA 1023-8I       |                   | NESE      | 8   | 10S                              | 23E | UINTAH |
| Action Code  | Current Entity Number | New Entity Number | Spud Date |     | Entity Assignment Effective Date |     |        |
| <u>A</u>   | 99999                 | <u>16358</u>      | 9/22/2007 |     | <u>9/25/07</u>                   |     |        |
| <b>Comments:</b> MIRU PETE MARTIN BUCKET RIG. SPUD WELL LOCATION ON 09/22/2007 @ 0830 HRS.<br><u>WSMVD</u> |                       |                   |           |     |                                  |     |        |

**Well 3**

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

**ACTION CODES:**

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

SHEILA UPCHEGO

Name (Please Print)

*[Handwritten Signature]*

Signature

SENIOR LAND SPECIALIST

9/24/2007

Title

Date

**RECEIVED**

**SEP 24 2007**

(5/2000)

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Serial No.  
**UTU-01191-A**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**NBU 922-33H-4**

9. API Well No.  
**4304738004**

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SE/NE SEC. 33, T9S, R22E 2222'FNL, 283'FEL**

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

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

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

FINISHED DRILLING FROM 2400' TO 8921' ON 10/18/2007. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/400 SX PREM LITE II @11.4 PPG 2.91 YIELD. TAILED CMT W/1200 SX 50/50 POZ @14.3 PPG 1.31 YIELD. SET SLIPS ND BOP CUT OFF CSG. CLEAN PITS..

RELEASED ENSIGN RIG 12 ON 10/20/2007 AT 0330 HRS.

**RECEIVED**  
**OCT 24 2007**  
DIV. OF OIL, GAS & MINING

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

|  |  |
|--|--|
| Name (Printed/Typed)<br><b>SHEILA UPCHEGO</b>  | Title<br><b>SENIOR LAND ADMIN SPECIALIST</b> |
| Signature<br> | Date<br><b>October 22, 2007</b>              |

**THIS SPACE FOR FEDERAL OR STATE USE**

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

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

|  |   |  |
|--|---|--|
| 1. Type of Well<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other |   | 5. Lease Serial No.<br>UTU 01191-A   |
| 2. Name of Operator<br>KERR MCGEE OIL AND GAS ONSHORE LP   |   | 6. If Indian, Allottee or Tribe Name   |
| 3a. Address<br>1368 SOUTH 1200 EAST VERNAL, UT 84078   | 3b. Phone No. (include area code)<br>435-781-7003 | 7. If Unit or CA/Agreement, Name and/or No.<br>UNIT #891008900A<br>NATURAL BUTTES UNIT |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>2222'FNL-283'FEL<br>SENE SEC 33-T9S-R22E               |   | 8. Well Name and No.<br>NBU 922-33H-4  |
|  |   | 9. API Well No.<br>4304738004  |
|  |   | 10. Field and Pool, or Exploratory Area<br>NATURAL BUTTES                              |
|  |   | 11. County or Parish, State<br>UINTAH COUNTY, UT                                       |

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 SET      |
|   |   |   | SURFACE CSG  |

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

MIRU BILL MARTIN AIR RIG ON 09/26/2007. DRILLED 12 1/4" SURFACE HOLE TO 2400'. RAND 9 5/8 OF 48 JTS OF 32.3# H-40, AND 12 JTS OF 36# J-55 SURFACE CSG. LEAD CMT W/450 SX PREM CLASS G @ 15.8 PPG 1.15 YLD. TAILED CMT W/100 SX PREM CLASS @ 15.8 PPG 1.15 YLD. DOWN BACKSIDE. TOP OUT W/125 SX PREM CLASS G @ 15.8 PPG 1.15 YLD. DOWN BACK SIDE. 2ND TOP OUT W/100 SX OF PREM CLASS G @ 15.8 PPG 1.15 YLD. DOWN BACK SIDE. 3RD TOP OUT W/125 SX PREM CLASS G @ 15.8 PPG 1.15 YLD. DOWN BACKSIDE. GOOD CMT TO SURFACE AND HOLE STAYED FULL. WORT

**RECEIVED**  
OCT 24 2007

DIV. OF OIL, GAS & MINING

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

|  |                                       |
|--|---------------------------------------|
| Name (Printed/Typed)<br>SHEILA UPCHEGO | Title<br>SENIOR LAND ADMIN SPECIALIST |
| Signature<br>                          | Date<br>October 2, 2007               |

THIS SPACE FOR FEDERAL OR STATE USE

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.  
UTU 01191A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
NBU 922-33H-4

9. API Well No.  
4304738004

10. Field and Pool, or Exploratory Area  
NATURAL BUTTES

11. County or Parish, State  
UINTAH, UTAH

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

1. Type of Well  
 Oil Well     Gas Well     Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
2222'FNL-283'FEL  
SENE SEC 33-T9S-R22E

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

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

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

MIRU-PETE MARTIN DRILLING. DRILL 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX. SPUD WELL @ 1330 HRS ON 09/23/2007.

**RECEIVED**  
OCT 24 2007  
DIV. OF OIL, GAS & MINING

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

|  |                                       |
|--|---------------------------------------|
| Name (Printed/Typed)<br>SHEILA URCHEGO | Title<br>SENIOR LAND ADMIN SPECIALIST |
| Signature<br>                          | Date<br>September 24, 2007            |

THIS SPACE FOR FEDERAL OR STATE USE

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

**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)

**SE/NE SEC. 33, T9S, R22E 2222'FNL, 283'FEL**

5. Lease Serial No.

**UTU-01191-A**

6. If Indian, Allottee or Tribe Name

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

**UNIT #891008900A  
NATURAL BUTTES UNIT**

8. Well Name and No.

**NBU 922-33H-4**

9. API Well No.

**4304738004**

10. Field and Pool, or Exploratory Area

**NATURAL BUTTES**

11. County or Parish, State

**UINTAH COUNTY, UTAH**

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

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

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

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 01/27/2008 AT 2:00 PM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

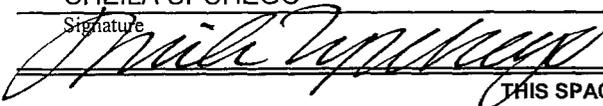
**RECEIVED**  
**FEB 05 2008**  
DIV. OF OIL, GAS & MINING

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

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

Title  
**SENIOR LAND ADMIN SPECIALIST**

Signature



Date  
**January 30, 2008**

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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

Office

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

(Instructions on reverse)

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

### CHRONOLOGICAL WELL HISTORY

**NBU 922-33H-4**

LOCATION SENE SEC.33, T9S, R22E  
 UINTAH COUNTY, UT

| DATE     | ACTIVITY   | ENSIGN 12 | STATUS       |        |
|----------|--|-----------|--------------|--------|
| 09/23/07 | SET CONDUCTOR  | ENSIGN 12 | BUILDING     |        |
| 09/26/07 | SET AIR RIG  | ENSIGN 12 | DRILL        |        |
| 10/02/07 | 9 5/8" @ 2380'   | ENSIGN 12 | WORT         |        |
| 10/10/07 | TD: 2400' Csg. 9 5/8"@ 2380' MW: 8.4<br>Move to NBU 922-33H-4. Spot rig and RURT.  |           | SD: 10/XX/07 | DSS: 0 |
| 10/11/07 | TD: 2400' Csg. 9 5/8"@ 2380' MW: 8.4<br>RURT. NU and test BOPE. PUDS and drill FE.   |           | SD: 10/XX/07 | DSS: 0 |
| 10/12/07 | TD: 3755' Csg. 9 5/8"@ 2380' MW: 8.9<br>Repair swivel packing. Drill cmt and FE. Rotary spud @ 1100 hrs on 10/11/07. Drill f/ 2400'-3755'. DA @ report time. |           | SD: 10/11/07 | DSS: 1 |
| 10/15/07 | TD: 6957' Csg. 9 5/8"@ 2380' MW: 10.2<br>Drill from 3755'-6957'. TFNB @ report time.   |           | SD: 10/11/07 | DSS: 4 |
| 10/16/07 | TD: 7824' Csg. 9 5/8"@ 2380' MW: 10.7<br>TFNB. Drill from 6957'-7824'. DA.   |           | SD: 10/11/07 | DSS: 5 |
| 10/17/07 | TD: 8430' Csg. 9 5/8"@ 2380' MW: 11.6<br>Drill from 7824'-8430'. TFNB @ report time.   |           | SD: 10/11/07 | DSS: 6 |
| 10/18/07 | TD: 8921' Csg. 9 5/8"@ 2380' MW: 11.9<br>Finish TFNB. Drill from 8430'-8921' TD. CCH and prepare to short trip @ report time.                                |           | SD: 10/11/07 | DSS: 7 |
| 10/19/07 | TD: 8921' Csg. 9 5/8"@ 2380' MW: 11.9<br>Short trip 15 stds and LDDS. RU Baker and run Quad Combo. Gamma failed. Run 4 1/2" Production Casing @ report time. |           | SD: 10/11/07 | DSS: 8 |
| 10/22/07 | TD: 8921' Csg. 9 5/8"@ 2380' MW: 11.9  |           | SD: 10/11/07 | DSS: 9 |

Run and cement 4 1/2" casing, (Had to circulate out cement with rig pumps due to BJ equipment failure). Set slips and release rig @ 0330 10/20/07. RDRT and move to Fed. 1021-26N.

01/21/08

**MIRU TALLY-PICK UP 2,3/8**

Days On Completion: 1

Remarks: ROAD RIG TO LOC SPOT IN EQUIP RIG UP NIPPLE UP BOP RIG UP FLOOR  
TALLY & PICK UP 2,3/8 TBG POOH BW/2,3/8 EOT6500' SDFN

01/22/08

**Perf**

Days On Completion: 2

Remarks: POOH W/2,3/8 TBG TEST CSG & BOP TO 7500# GOOD TEST MIRU CUTTERS RIH  
W/ 3,3/8 GUNS 23 GM .36 HOLES PERF @ 8450'-56' 4 SPF 8549'-51' 4 SPF 8607'-09' 4 SPF  
NO BLOW SDFN WO BJ FRAC CREW

01/23/08

**Frac**

Days On Completion: 3

Remarks: MIRU JB TO FRAC BJ VAN BROKE DOWN STANDBY WO BJ

01/24/08

**Frac**

Days On Completion: 4

Remarks: SM TEST LINES STAGE #1 BRK PERF @ 3974# INJ RT 50 BPM INJ PSI 5200# ISIP  
2833# FG .77 FRAC W/ 15772# 30/50 SAND+ 5000# 20/40 RESIN COATED + 788 BBL  
SLICKWATER MP 6748# MR 52 BPM AP 5398# AR 51 BPM ISIP 3012# FG .79 NPI 179#

STAGE #2 RIH SET 8K CBP @ 8369' PERF @ 8208'-10' 3 SPF 8282'-86' 4 SPF 8320'-24' 3  
SPF 8337'-39' 3 SPF BRK PERF @ 3677# INJ RT 50 BPM INJ PSI 4750# ISIP 2232# FG .71  
FRAC W/ 83461# 30/50 SAND + 5000# 20/40 RESIN COATED SAND + 2408 BBL  
SLICKWATER MP 5086# MR 52 BPM AP 4635# AR 51 BPM ISIP 2741# FG .77 NPI 509#

STAGE #3 RIH SET 8K CBP @ 8141' PERF @ 8074'-76' 4 SPF 8088'-90' 4 SPF 8105'-11' 4  
SPF BRK PERF @ 2679# INJ RT 51 BPM INJ PSI 5000# ISIP 2381# FG .73 FRAC W/ 17541#  
30/50 SAND + 5000# RESIN COATED 20/40 SAND + 765 BBL SLICKWATER MP 5046# MR 51  
BPM AP 4636# AR 50 BPM ISIP 2688# FG .77 NPI 307#

STAGE #4 RIH SET 8K CBP @ 7640' PERF @ 7500'-05' 3 SPF 7583'-87' 4 SPF 7608'-19' 4  
SPF BRK @ 3627# INJ RT 50 BPM INJ PSI 4800# ISIP 2195# FG .73 FRAC W/ 24029# 30/50  
SAND + 5000# 20/40 RESIN COATED SAND + 908 BBL SLICKWATER MP 4831# MR 51 BPM  
AP 4205# AR 50 BPM ISIP 2556# FG .78 NPI 361#

STAGE # 5 RIH SET 8K CBP @7366' PERF @ 7276'-78' 4 SPF 7317'-23' 4 SPF 7334'-36' 4  
SPF BRK PERF @ 2925# INJ RT 50 BPM INJ PSI 3950# ISIP 1339# FG .62 FRAC W/ 44376#  
30/50 SAND + 5000# 20/40 RESIN COATED SAND + 1442 BBL SLICKWATER MP 4206# MR  
51 BPM AP 3853# AR 50 BPM ISIP 2415# FG .77 NPI 1076#

STAGE #6 RIH SET 8K CBP @ 7073' PERF @ 7018'-20' 4 SPF 7030'-33' 4 SPF 7038'-43' 4  
SPF BRK PERF @ 3226# INJ RT 50 BPM INJ PSI 4400# ISIP 1760 FG .69 FRAC W/ 25333#  
30/50 SAND + 5000# 20/40 RESIN COATED SAND + 910 BBL SLICKWATER MP 4421# MR 51  
BPM AP 3859# AR 50 BPM ISIP 2355# FG .78 NPI 595#

STAGE #7 RIH SET 8K CBP @ 6154' PERF @ 6119'-24' 4 SPF 6119'-24' 4 SPF BRK PERF @  
3143# INJ RT 50 BPM INJ PSI 3430# ISIP1650# FG .71 FRAC W/ 15381# 30/50 + 5000# 20/40  
RESIN COATED SAND + 632 BBL SLICKWATER MP 3143# MR 51 BPM AP 3110# AR 50 BPM  
ISIP 1754# FG .73 NPI 104# RIH SET 8K CBP @6019' RIG DOWN BJ & CUTTERS SDFN

01/25/08

**DRIL CBP**

Days On Completion: 5

Remarks: NIPPLE DOWN FRAC VALVES NIPPLE UP BOP MAKE UP BIT-POBS RIH W/ 2,3/8 TBG TAG @ 6019' RIG UP DRILG EQUIP DRILL OUT CBP @ 6919' 100# KICK RIH TAG @ 6124' 30' SAND ON CBP DRILL OUT SAND & CBP @ 6154' 200# KICK RIH TAG @ 7043' 30' SAND ON CBP DRILL OUT SAND & CBP 7073' 200# KICK RIH T5AG @ 7336' 30' SAND ON CBP DRILL OUT SAND & CBP 7366' RIH TAG @ 7610' 30' SAND ON CBP DRILL OUT SAND & CBP @ 7640' 400# KICK RIH TAG @ 8111' 30' SAND ON CBP DRILL OUT SAND & CBP @ 8141' 100# KICK RIH TAG @ 8339' 30' SAND ON CBP DRILL OUT SAND & CBP 8369' 300# KICK CLEAN OUT TO8740' PULL & LAY DOWN 32 JTS 2,3/8 LAND ON WELL HEAD W/ 243 JTS 2,3/8 J-55 TBG EOT 7743.62' NIPPLE DOWN BOP NIPPLE UP TREE PUMP OFF BIT TRUN WELL TO FLOWBACK CREW SDFN

|                        |          |
|------------------------|----------|
| TBG DETAL              |          |
| KB                     | 14.00    |
| HANGER                 | .83      |
| 248 JTS 2,3/8 J-55 TBG | 7726.64  |
| XN NIPPLE              | 2.20     |
| EOT                    | 77443.62 |
| 44 JTS BACK TO YARD    |          |

01/26/08

**FLOWBACK REPORT:** CP 2200#, TP 1700#, CK 20/64", 55 BWPH, LOAD REC'D 2700 BBLS, REMAINING LTR 3353 BBLS

01/27/08

**FLOWBACK REPORT:** CP 2400#, TP 1900#, CK 20/64", 40 BWPH, LOAD REC'D 1135 BBLS, REMAINING LTR 2218 BBLS

01/28/08

**FLOWBACK REPORT:** CP 2300#, TP 1600#, CK 20/64", 30 BWPH, LOAD REC'D 745 BBLS, REMAINING LTR 1473 BBLS

**ON SALES:** 875 MCF, BC, 720 BW, TP: 1600#, CP: 2300#, 20/64 CHK, 24 HRS, LP: 138#.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

5. Lease Serial No.  
UTU-01191-A

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

6. If Indian, Allottee or Tribe Name

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

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

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

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

8. Lease Name and Well No.  
NBU 922-33H-4

4. Location of Well (Report locations clearly and in accordance with Federal requirements)\*  
At surface SE/NE 2222'FNL, 283'FEL

9. API Well No.  
4304738004

At top prod. interval reported below  
At total depth

10. Field and Pool, or Exploratory  
NATURAL BUTTES

14. Date Spudded  
09/23/07

15. Date T.D. Reached  
10/18/07

16. Date Completed  
 D & A  Ready to Prod.  
01/27/08

11. Sec., T., R., M., or Block and Survey or Area  
SEC. 33, T9S, R22E

12. County or Parish  
UINTAH

13. State  
UTAH

17. Elevations (DF, RKB, RT, GL)\*  
4996'GL

18. Total Depth: MD 8921'  
TVD

19. Plug Back T.D.: MD 8740'  
TVD

20. Depth Bridge Plug Set: MD  
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
CBL-CCL-GR, COMP 2, CD, CN, GR, CAL, RAB

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

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

| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| 20"       | 14"        | 36.7#       |          | 40'         |                      | 28 SX                       |                   |             |               |
| 12 1/4"   | 9 5/8"     | 32.3# 36#   |          | 2400'       |                      | 900 SX                      |                   |             |               |
| 7 7/8"    | 4 1/2"     | 11.6#       |          | 8921'       |                      | 1600 SX                     |                   |             |               |

24. Tubing Record

| Size   | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Set (MD) |
|--------|----------------|-------------------|------|----------------|-------------------|------|----------------|-----------------|
| 2 3/8" | 7744'          |                   |      |                |                   |      |                |                 |

25. Producing Intervals

| Formation    | Top   | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|--------------|-------|--------|---------------------|------|-----------|--------------|
| A) WASATCH   | 6119' | 6124'  | 6119'-6124'         | 0.34 | 40        | OPEN         |
| B) MESAVERDE | 7018' | 8609'  | 7018'-8609'         | 0.36 | 229       | OPEN         |
| C)           |       |        |                     |      |           |              |
| D)           |       |        |                     |      |           |              |

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

| Depth Interval | Amount and type of Material                 |
|----------------|---|
| 6199'-6124'    | PMP 632 BBLs SLICK H2O & 20,381# 30/50 SD   |
| 7018'-8609'    | PMP 7221 BBLs SLICK H2O & 240,512# 30/50 SD |

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

28. Production - Interval A

| Date First Produced | Test Date               | Hours Tested      | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method  |
|---------------------|-------------------------|-------------------|-----------------|---------|---------|-----------|-----------------------|-------------|--------------------|
| 01/27/08            | 01/29/08                | 24                | →               | 0       | 2,037   | 600       |                       |             | FLOWS FROM WELL    |
| Choke Size          | Tbg. Press. Flwg. 1550# | Csg. Press. 2000# | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Well Status |                    |
| 20/64               | SI                      | 2000#             | →               | 0       | 2037    | 600       |                       |             | PRODUCING GAS WELL |

28a. Production - Interval B

| Date First Produced | Test Date               | Hours Tested      | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method  |
|---------------------|-------------------------|-------------------|-----------------|---------|---------|-----------|-----------------------|-------------|--------------------|
| 01/27/08            | 01/29/08                | 24                | →               | 0       | 2037    | 600       |                       |             | FLOWS FROM WELL    |
| Choke Size          | Tbg. Press. Flwg. 1550# | Csg. Press. 2000# | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Well Status |                    |
| 20/64               | SI                      | 2000#             | →               | 0       | 2037    | 600       |                       |             | PRODUCING GAS WELL |

28b. Production - Interval C

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

28c. Production - Interval D

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

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

**SOLD**

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

| Formation            | Top            | Bottom | Descriptions, Contents, etc. | Name | Top         |
|----------------------|----------------|--------|------------------------------|------|-------------|
|                      |                |        |                              |      | Meas. Depth |
| WASATCH<br>MESAVERDE | 4422'<br>6869' | 6869'  |                              |      |             |

32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

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

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

Name (please print) SHEILA UPCHEGO Title SENIOR LAND ADMIN SPECIALIST

Signature  Date 02/19/08

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