

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL			5. MINERAL LEASE NO: ML-22649	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>			8. UNIT or CA AGREEMENT NAME: UNIT #891008900A	
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP			9. WELL NAME and NUMBER: NBU 922-32H	
3. ADDRESS OF OPERATOR: 1368 S. 1200 E. CITY: VERNAL STATE: UT ZIP: 84078		PHONE NUMBER: (435) 781-7024	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1555'FNL, 951'FEL AT PROPOSED PRODUCING ZONE:			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 32 9S 22E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 23.8 MILES SOUTHEAST OF OURAY, UTAH			12. COUNTY: UINTAH	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 951'	16. NUMBER OF ACRES IN LEASE: 640.00	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40.00		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) REFER TO TOPO C	19. PROPOSED DEPTH: 8,900	20. BOND DESCRIPTION: RLB0005238		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 4986'GL	22. APPROXIMATE DATE WORK WILL START:	23. ESTIMATED DURATION:		

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4"	9 5/8	H-40	32.3#	2,100	265 SX CLASS G	15.6 PPG	1.18 YIELD
7 7/8"	4 1/2	I-80	11.6#	8,900	1820 SX 50/50 POZ	14.3 PPG	1.31 YIELD

25. **ATTACHMENTS**

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

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

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE *Sheila Upchego* DATE 4/12/2006

(This space for State use only)

API NUMBER ASSIGNED: 43-047-33007

APPROVAL:

RECEIVED
APR 14 2006

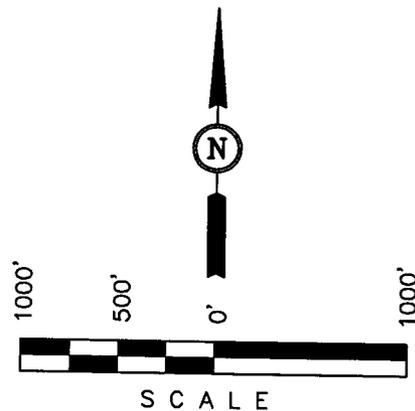
T9S, R22E, S.L.B.&M.

KERR McGEE OIL & GAS ONSHORE LP

Well location, NBU #922-32H, located as shown in the SE 1/4 NE 1/4 of Section 32, T9S, R22E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

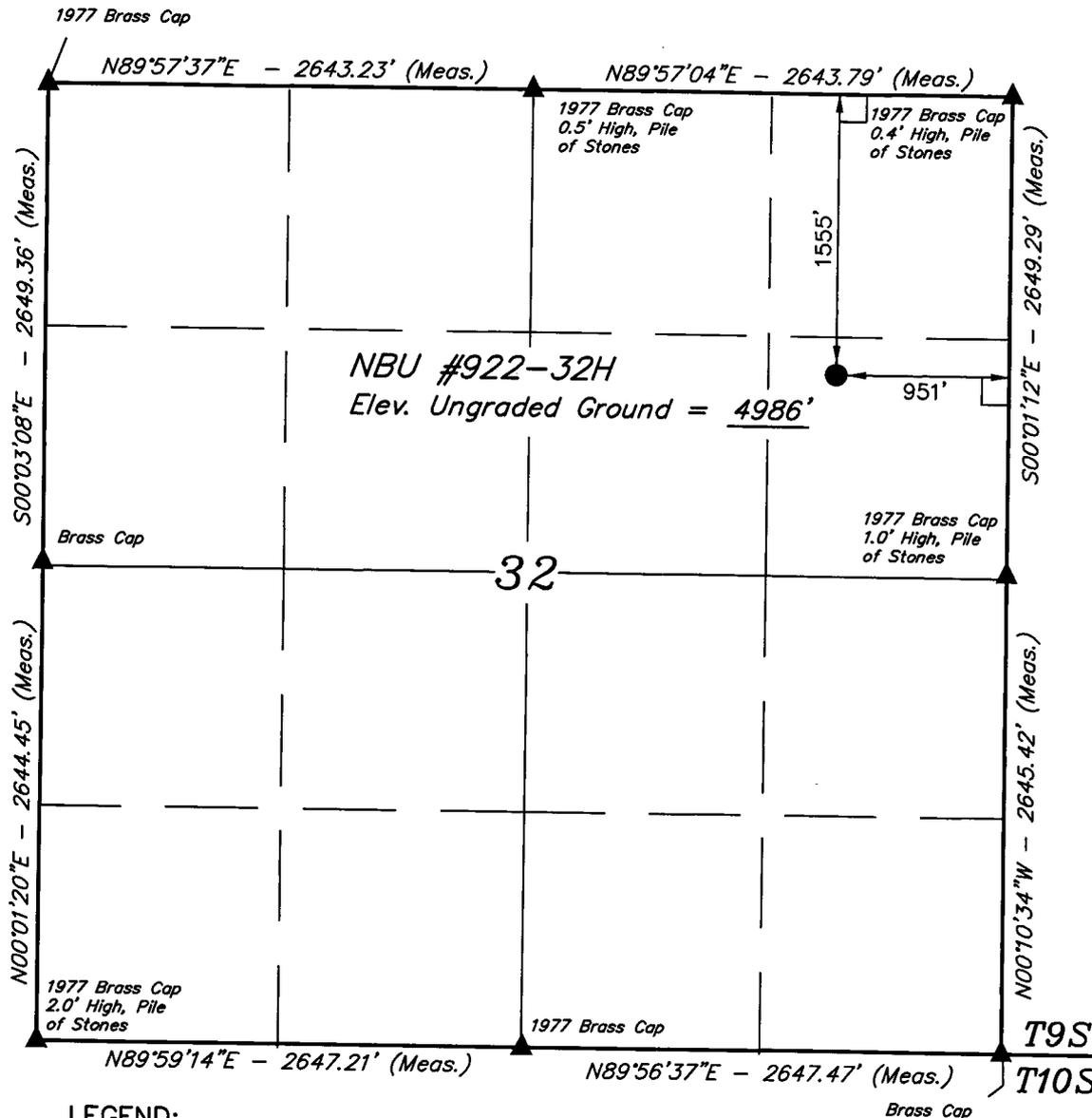
SPOT ELEVATION AT A RIDGE TOP NEAR THE WEST 1/4 CORNER OF SECTION 9, T10S, R22E, S.L.B.&M. TAKEN FROM THE ARCHY BENCH QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5304 FEET.



CERTIFICATE

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

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH



LEGEND:

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

(NAD 83)
 LATITUDE = 39°59'43.87" (39.995519)
 LONGITUDE = 109°27'28.13" (109.457814)
 (NAD 27)
 LATITUDE = 39°59'44.00" (39.995556)
 LONGITUDE = 109°27'25.67" (109.457131)

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

SCALE 1" = 1000'	DATE SURVEYED: 01-31-06	DATE DRAWN: 02-04-06
PARTY P.J. N.F. S.L.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE KERR McGEE OIL & GAS ONSHORE LP	

**NBU 922-32H
SENE SEC 32-T9S-R22E
UINTAH COUNTY, UTAH
ML-22649**

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1385'
Mahogany	2236'
Wasatch	4488'
Mesaverde	6983'
MVU2	7911'
MVL1	8420'
TD	8900'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1385'
	Mahogany	2236'
Gas	Wasatch	4488'
Gas	Mesaverde	6983'
Gas	MVU2	7911'
Gas	MVL1	8420'
Water	N/A	
Other Minerals	N/A	

3. Pressure Control Equipment (Schematic Attached)

Please refer to the attached Drilling Program.

4. Proposed Casing & Cementing Program:

Please refer to the attached Drilling Program.

5. Drilling Fluids Program:

Please refer to the attached Drilling Program.

6. Evaluation Program:

Please refer to the attached Drilling Program.

7. **Abnormal Conditions:**

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

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

8. **Anticipated Starting Dates:**

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

9. **Variances:**

Please refer to the attached Drilling Program.

10. **Other Information:**

Please refer to the attached Drilling Program.



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE April 12, 2006
 WELL NAME NBU 922-32H TD 8,900' MD/TVD _____
 FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 4,986' GL KB 5,001'
 SURFACE LOCATION SENE SECTION 32, T9S, R22E 1555'FNL, 951'FEL BHL Straight Hole
 Latitude: 39.995519 Longitude: 109.457814
 OBJECTIVE ZONE(S) Wasatch/Mesaverde
 ADDITIONAL INFO Regulatory Agencies: UDOGM (SURF & MINERALS), BLM, Tri-County Health Dept.

GEOLOGICAL FORMATION			MECHANICAL		
LOGS	TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'		14"	
			12-1/4"	9-5/8", 32.3#, H-40, STC	Air mist
Catch water sample, if possible, from 0 to <div style="margin-left: 100px;"> Green River @ 1,385' Top of Birds Nest Water @ 1598' Preset f/ GL @ 2,100' MD </div>					
Note: 12.25" surface hole will usually be drilled ±400' below the bottom of lost circulation zone. Drilled depth may be ±200' of the estimated set depth depending on the actual depth of the loss zone.					
	Mahogany @	2,236'			Water/Fresh Water Mud 8.3-11.5 ppg
Mud logging program TBD Open hole logging program f/ TD - surf csg			7-7/8"	4-1/2", 11.6#, I-80 or equivalent LTC casing	
	Wasatch @	4,488'			
	Mverde @	6,983'			
	MVU2 @	7,911'			
	MVL1 @	8,420'			
		TD @ 8,900'			Max anticipated Mud required 11.5 ppg



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'						
SURFACE	9-5/8"	0 to 2100	32.30	H-40	STC	2270 0.67*****	1370 1.39	254000 4.28
PRODUCTION	4-1/2"	0 to 8900	11.60	I-80	LTC	7780 2.31	6350 1.19	201000 2.23

1) Max Anticipated Surf. Press. (MASP) (Surface Casing) = (Pore Pressure at next csg point - (0.22 psi/ft-partial evac gradient x TVD of next csg point))
 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)
 (Burst Assumptions: TD = 11.5 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 3364 psi
 ***** Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE Option 1	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE Option 2	LEAD	1500	NOTE: If well will circulate water to surface, option 2 will be utilized Prem cmt + 16% Gel + 10 pps gilsonite +.25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,980'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	440	60%	11.00	3.38
	TAIL	4,920'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1380	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

DATE: _____

DRILLING SUPERINTENDENT: _____
Randy Bayne

DATE: _____

**NBU 922-32H
SENE SEC 32-T9S-R22E
Uintah County, UT
ML-22649**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Refer to Topo Map A for directions to the location.

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

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

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

2. Planned Access Roads:

Approximately 0.15 +/- miles of new access road is proposed. Refer to Topo Map B for the location of the proposed access road.

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

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

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

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

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

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

The following guidelines will apply if the well is productive.

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

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

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

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

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

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

Approximately 485' of pipeline is proposed. Refer to Topo D for the proposed pipeline.

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

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

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

No water well is to be drilled on this lease.

6. **Source of Construction Materials:**

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

Any gravel will be obtained from a commercial source.

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

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

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

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

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

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

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

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

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

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

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

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

8. Ancillary Facilities:

None are anticipated.

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

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

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

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

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

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

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

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

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

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

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

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

10. Plans for Reclamation of the Surface:

Producing Location:

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

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

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

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

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

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

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

Dry Hole/Abandoned Location:

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

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

11. Surface Ownership:

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

12. Other Information:

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

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

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

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

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

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

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

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

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

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

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

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



Sheila Upchego

4/12/2006
Date

Kerr-McGee Oil & Gas Onshore LP
NBU #922-32H
SECTION 32, 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 0.6 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 54.95 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #922-32H

LOCATED IN UINTAH COUNTY, UTAH
SECTION 32, T9S, R22E, S.L.B.&M.

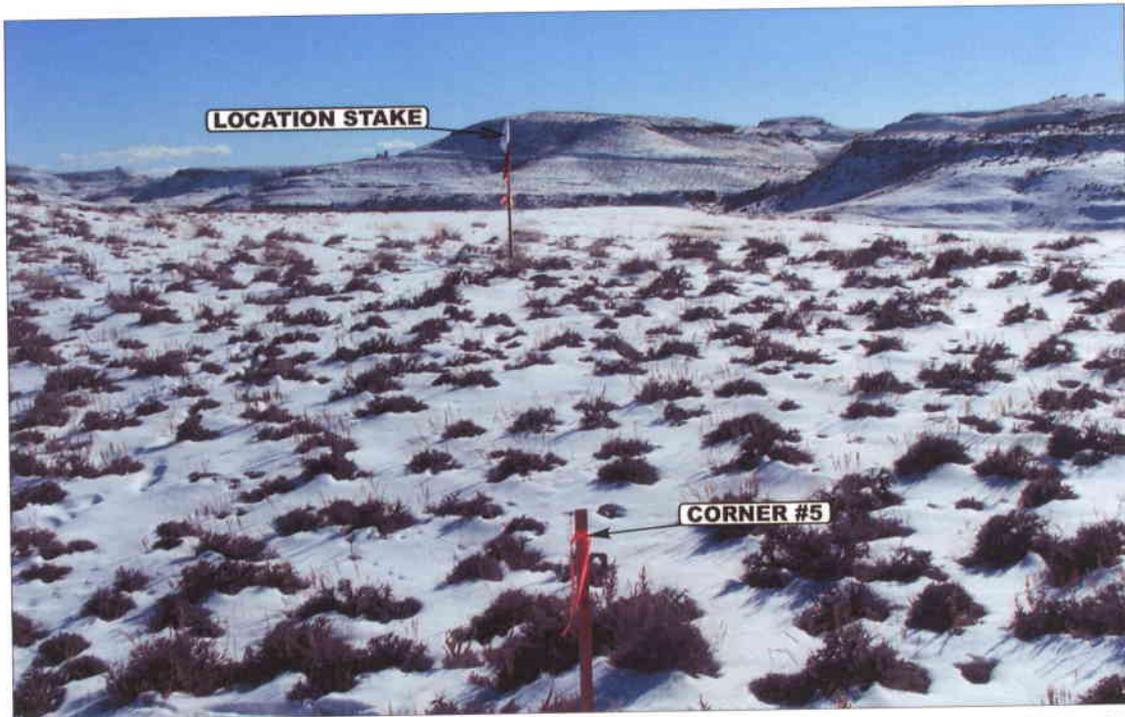


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHERLY

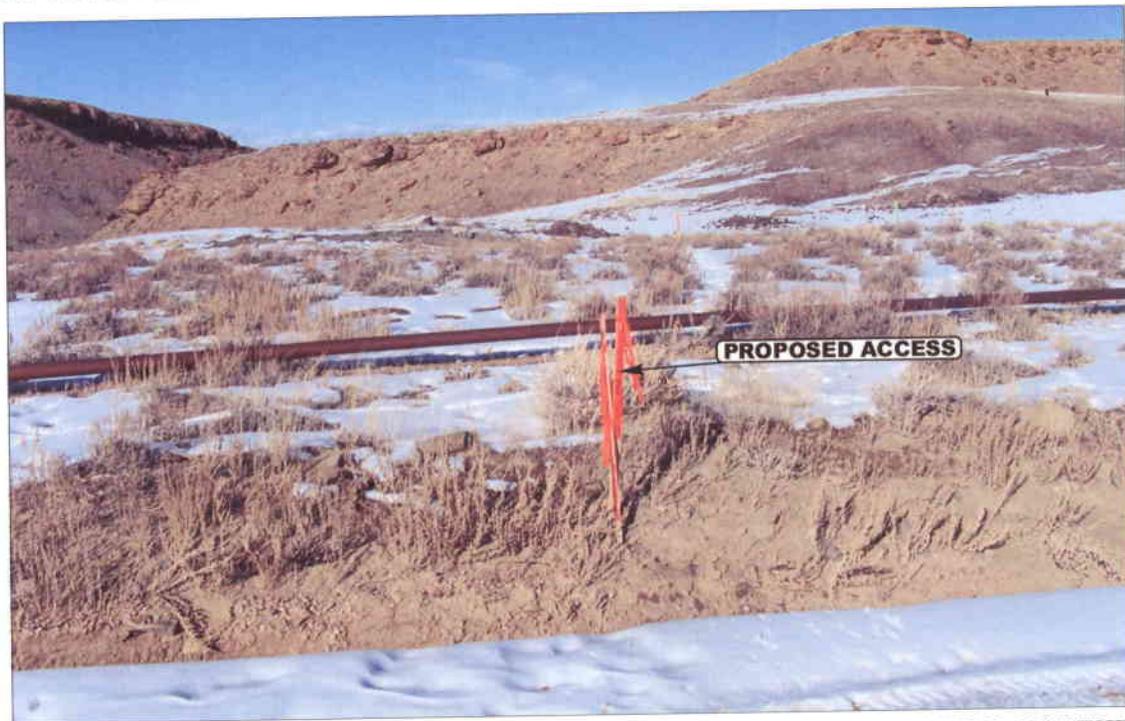


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

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

LOCATION PHOTOS

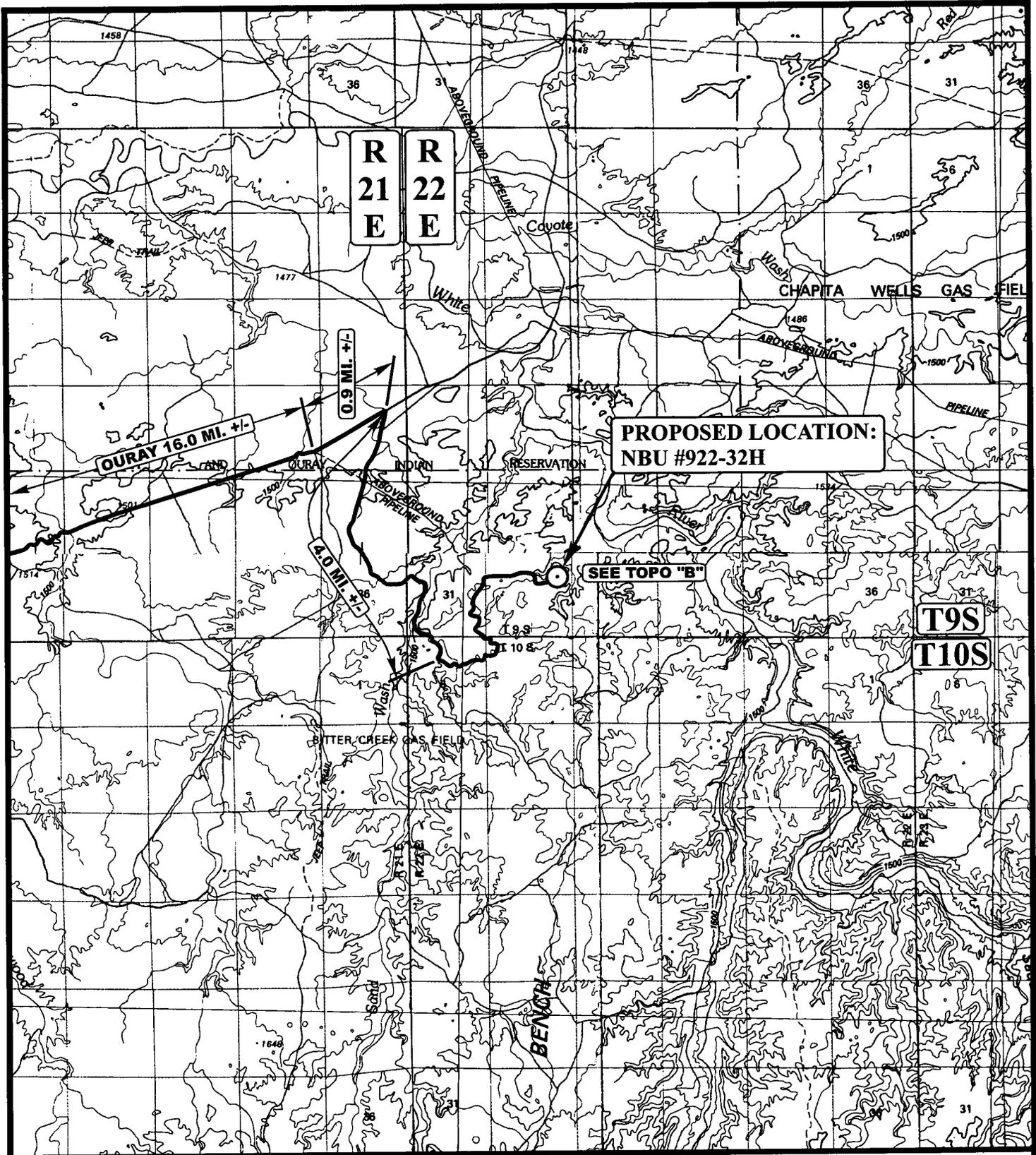
02 08 06
MONTH DAY YEAR

PHOTO

TAKEN BY: P.J.

DRAWN BY: C.P.

REVISED: 00-00-00



**PROPOSED LOCATION:
NBU #922-32H**

SEE TOPO "B"

**T9S
T10S**

LEGEND:

⊙ PROPOSED LOCATION



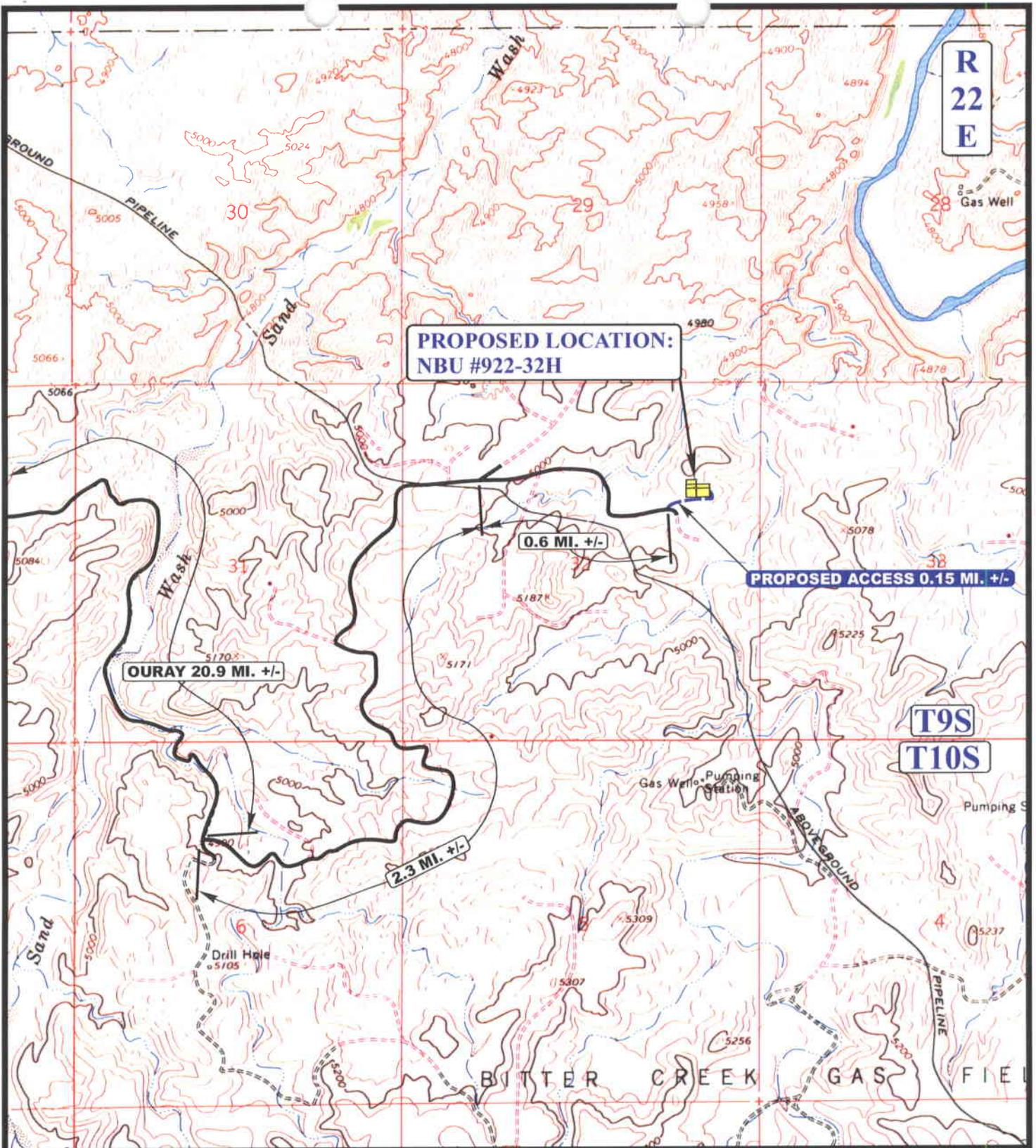
Kerr-McGee Oil & Gas Onshore LP

**NBU #922-32H
SECTION 32, T9S, R22E, S.L.B.&M.
1555' FNL 951' FEL**

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

TOPOGRAPHIC
MAP
 MONTH DAY YEAR
 02 08 06
 SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00





LEGEND:

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD



Kerr-McGee Oil & Gas Onshore LP

NBU #922-32H

SECTION 32, T9S, R22E, S.L.B.&M.

1555' FNL 951' FEL



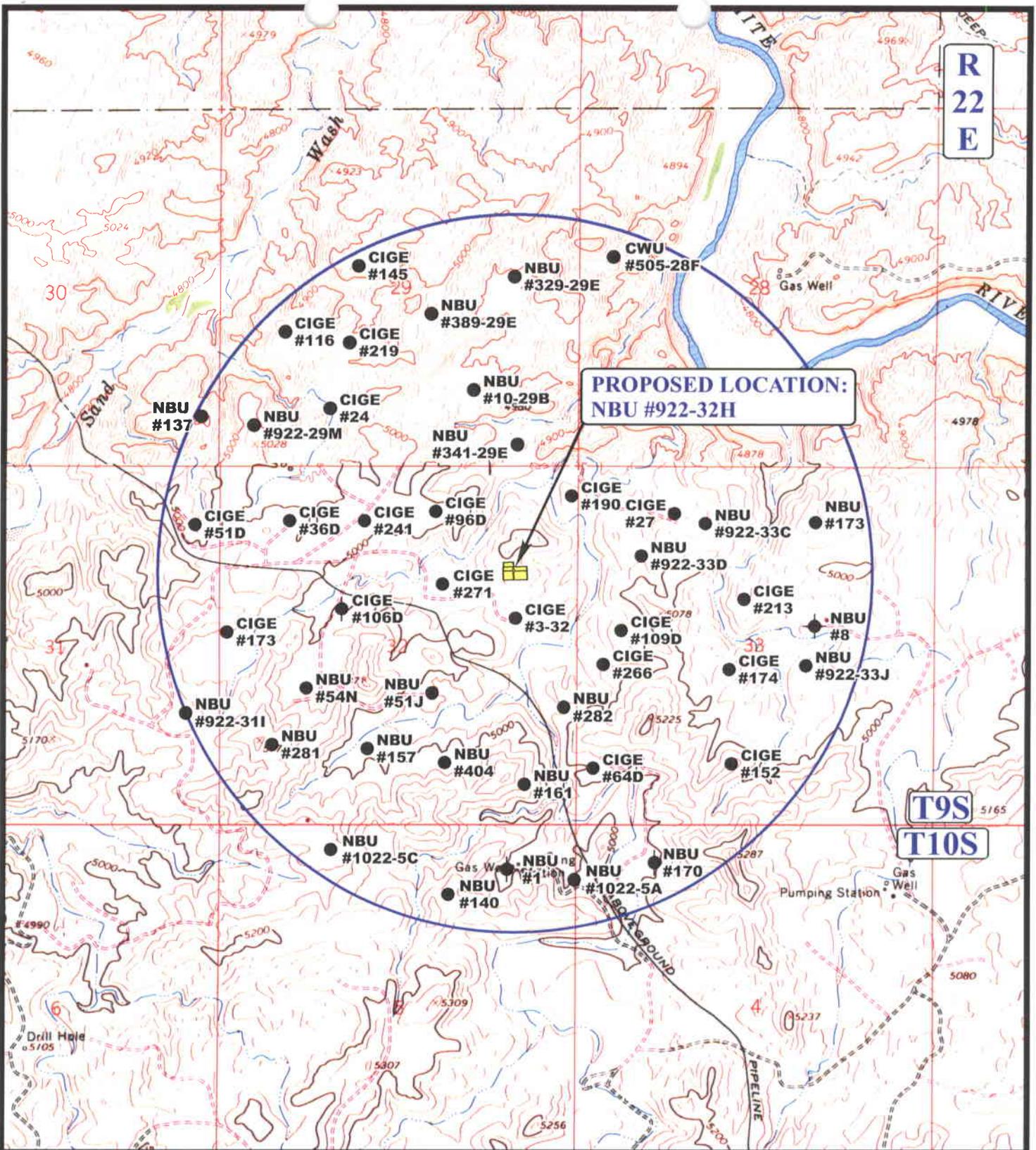
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
 MAP**

02 08 06
 MONTH DAY YEAR

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





**R
22
E**

**PROPOSED LOCATION:
NBU #922-32H**

**T9S
T10S**

LEGEND:

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



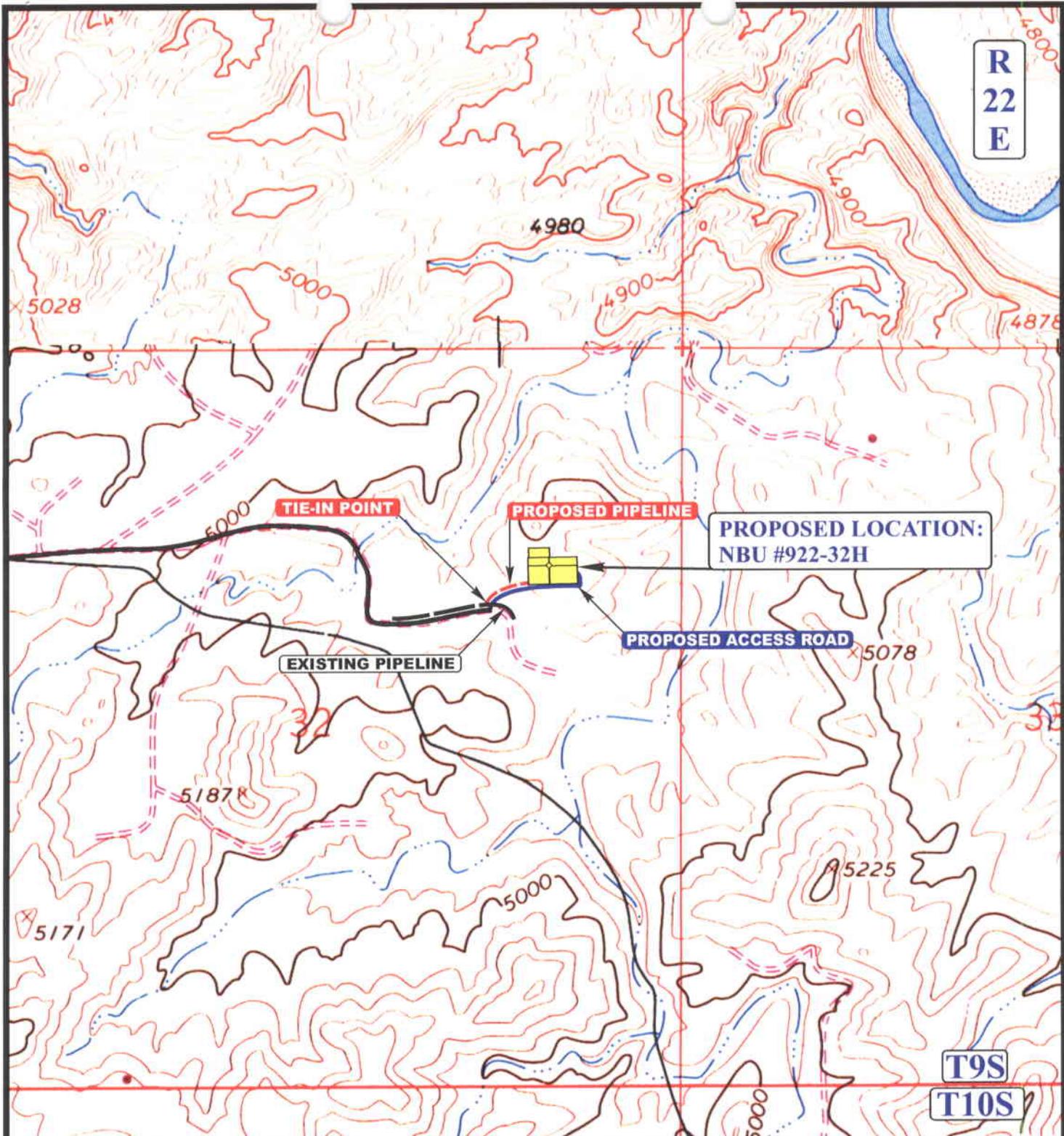
Kerr-McGee Oil & Gas Onshore LP

**NBU #922-32H
SECTION 32, T9S, R22E, S.L.B.&M.
1555' FNL 951' FEL**

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

TOPOGRAPHIC 02 08 06
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00 **C TOPO**

R
22
E



T9S
T10S

APPROXIMATE TOTAL PIPELINE DISTANCE = 485' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE



Kerr-McGee Oil & Gas Onshore LP

NBU #922-32H

SECTION 32, T9S, R22E, S.L.B.&M.

1555' FNL 951' FEL



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

**TOPOGRAPHIC
MAP**

02	08	06
MONTH	DAY	YEAR

SCALE: 1" = 1000'

DRAWN BY: C.P.

REVISED: 00-00-00



Kerr-McGee Oil & Gas Onshore LP

NBU #922-32H

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH

SECTION 32, T9S, R22E, S.L.B.&M.

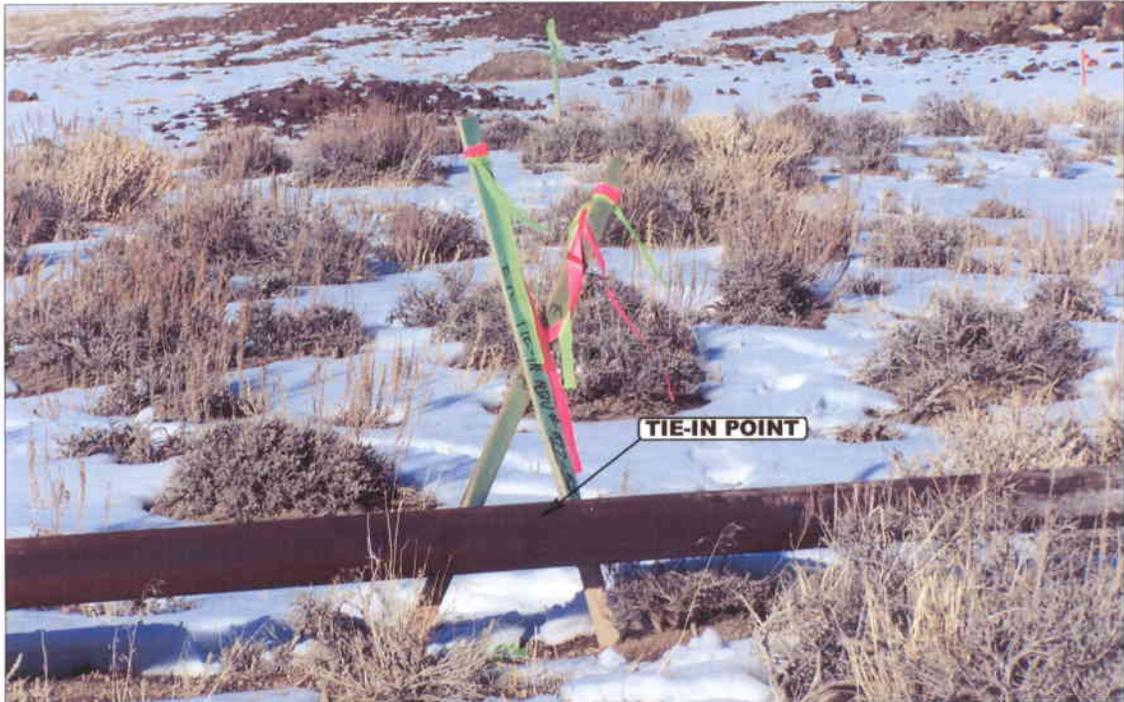


PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

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

PIPELINE PHOTOS

02 08 06
MONTH DAY YEAR

PHOTO

TAKEN BY: P.J.

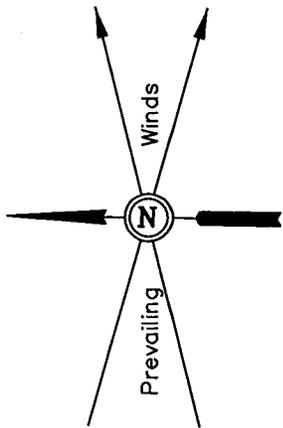
DRAWN BY: C.P.

REVISED: 00-00-00

LOCATION LAYOUT FOR

NBU #922-32H
SECTION 32, T9S, R22E, S.L.B.&M.
1555' FNL 951' FEL

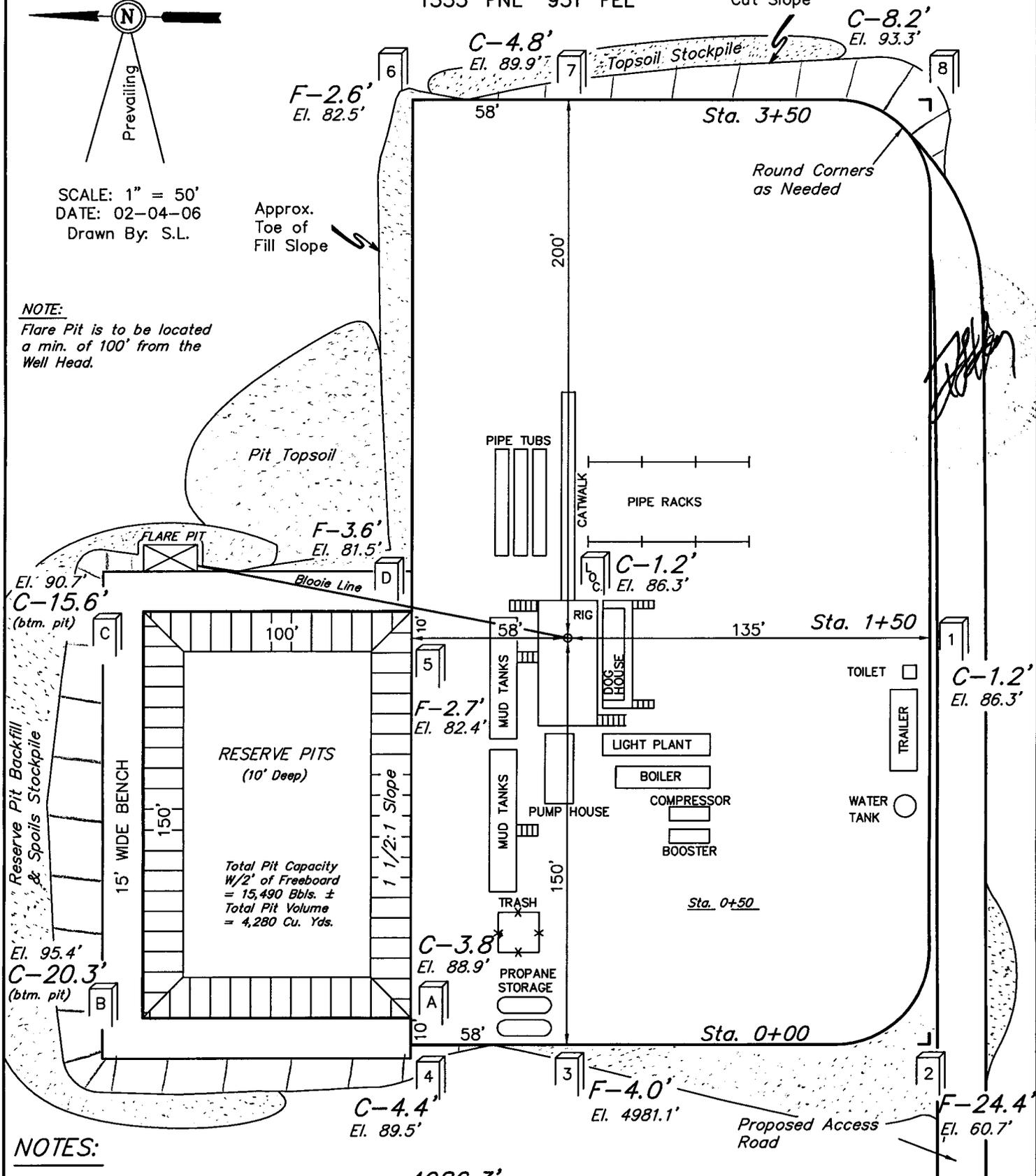
Approx.
Top of
Cut Slope



SCALE: 1" = 50'
DATE: 02-04-06
Drawn By: S.L.

NOTE:

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



NOTES:

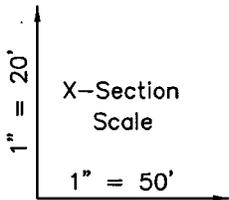
Elev. Ungraded Ground At Loc. Stake = 4986.3'
FINISHED GRADE ELEV. AT LOC. STAKE = 4985.1'

TYPICAL CROSS SECTIONS FOR

NBU #922-32H

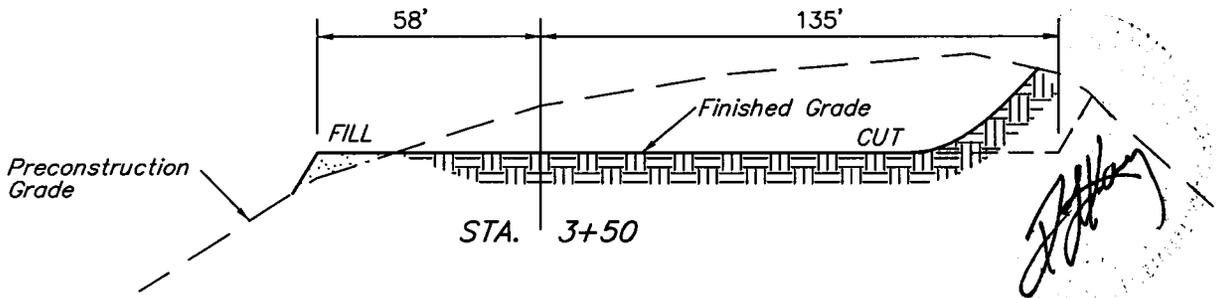
SECTION 32, T9S, R22E, S.L.B.&M.

1555' FNL 951' FEL

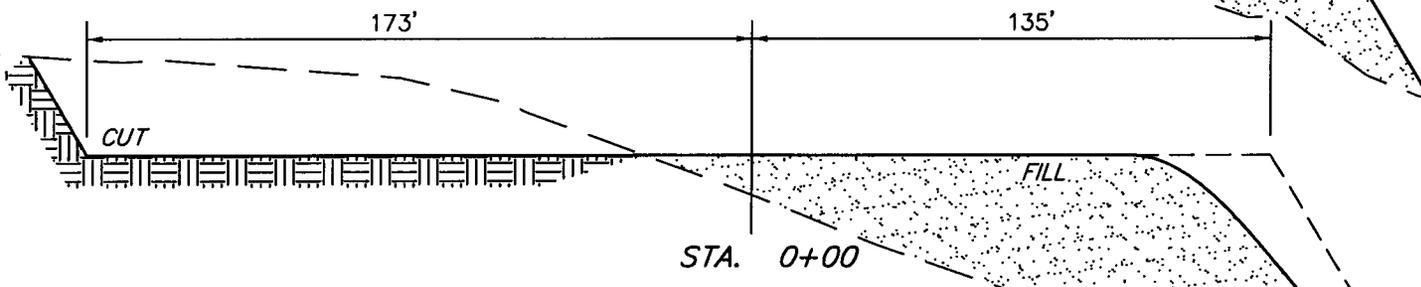
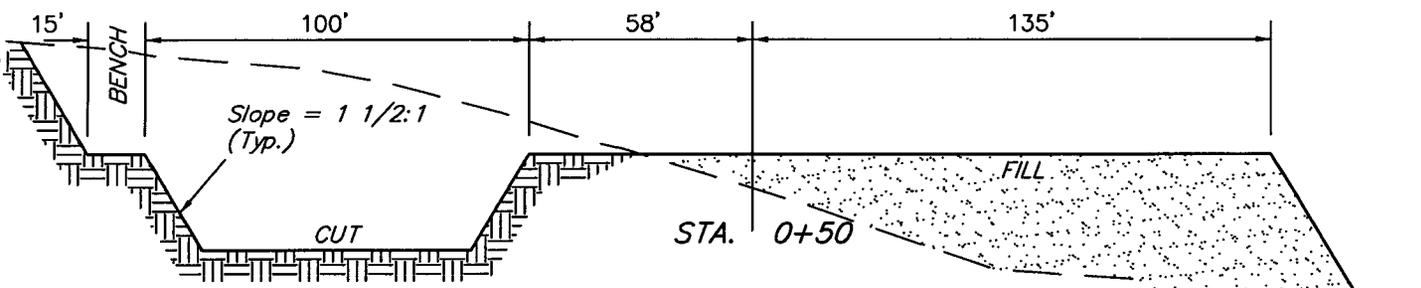
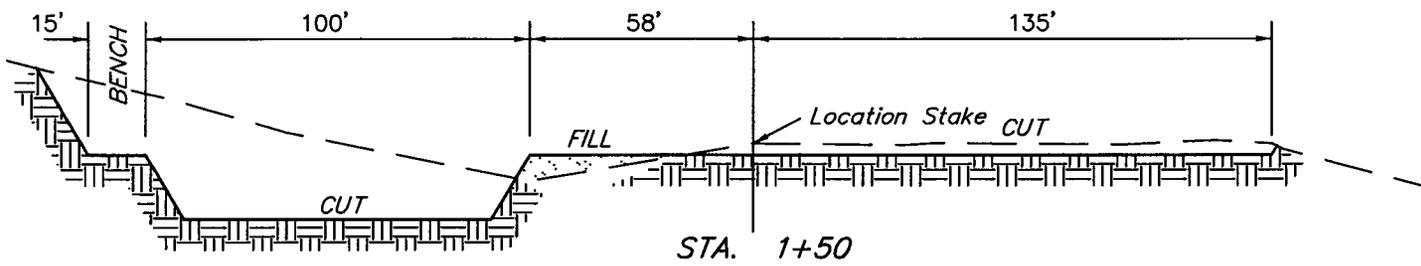


DATE: 02-04-06

Drawn By: S.L.



[Handwritten signature]



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 2,070 Cu. Yds.
Remaining Location	= 13,890 Cu. Yds.
TOTAL CUT	= 15,960 CU.YDS.
FILL	= 9,800 CU.YDS.

EXCESS MATERIAL	= 6,160 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 4,210 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 1,950 Cu. Yds.

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

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 04/14/2006

API NO. ASSIGNED: 43-047-38007

WELL NAME: NBU 922-32H
 OPERATOR: KERR-MCGEE OIL & GAS (N2995)
 CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

SENE 32 090S 220E
 SURFACE: 1555 FNL 0951 FEL
 BOTTOM: 1555 FNL 0951 FEL
 COUNTY: UINTAH
 LATITUDE: 39.99554 LONGITUDE: -109.4570
 UTM SURF EASTINGS: 631722 NORTHINGS: 4428193
 FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	Dues	5/15/06
Geology		
Surface		

LEASE TYPE: 3 - State
 LEASE NUMBER: ML-22649
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSMVD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

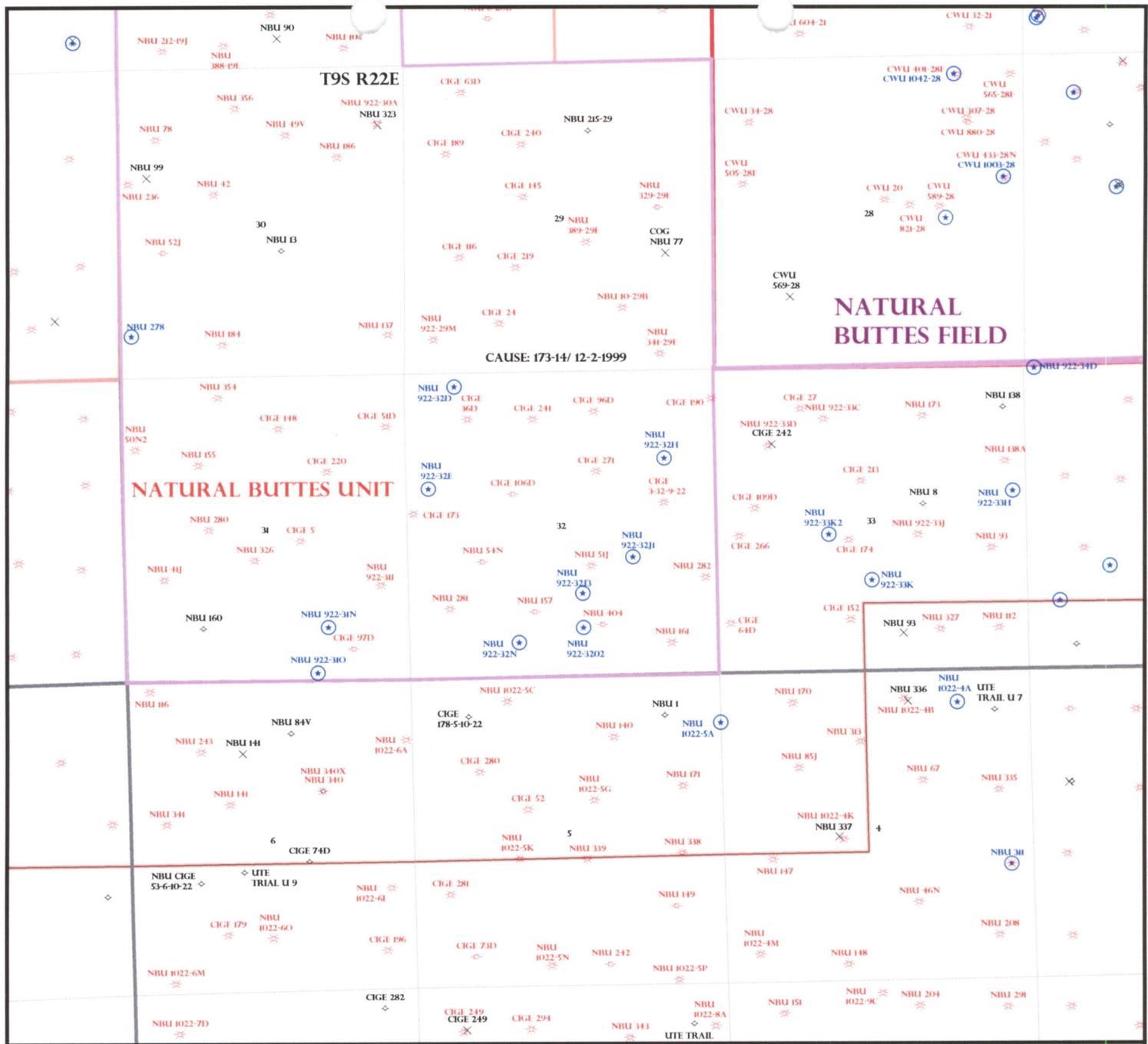
- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. R1B0005236)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-8496)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

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

COMMENTS: Needs Permit (04-26-06)

STIPULATIONS: 1- STATEMENT OF BASIS
2- Oil Shale
3- Surface Cog Cont Stip



OPERATOR: KERR MCGEE O&G (N2995)

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

FIELD: NATURAL BUTTES (630)

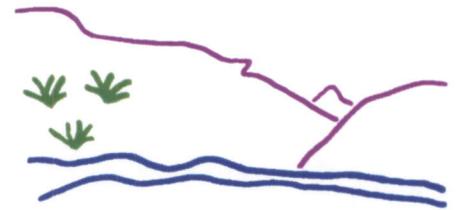
COUNTY: UINTAH

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



Utah Oil Gas and Mining



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

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

OPERATOR: Kerr McGee Oil and Gas Onshore LP
WELL NAME & NUMBER: NBU 922-32H
API NUMBER: 43-047-38007
LOCATION: 1/4,1/4 SE/NE Sec: 32 TWP: 9S RNG: 22E; 1555' FNL 951' FEL

Geology/Ground Water:

Kerr McGee proposes to set 2,100' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 3,500'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. The production casing cement should be brought up above the base of the moderately saline ground water in order to isolate it from fresher waters up hole. The proposed casing and cement should adequately protect. Any usable ground water.

Reviewer: Brad Hill **Date:** 05/04/06

Surface:

The pre-drill investigation of the surface was performed on April 26, 2006. Ed Bonner and Jim Davis of SITLA and Ben Williams of UDWR were invited to attend the pre-site on April 21, 2006. Mr. Davis attended. Mr. Williams stated he had a previous commitment and would not be able to attend

The site is State Surface and State Mineral. The proposed location poses no obvious problems for drilling and appears to be the best location for drilling a well in the immediate area.

On other pre-sites in the general area, Mr. Williams of the UDWR has stated that the area is classified as critical yearlong antelope range, however he did not recommend any stipulations, as water is the limiting factor affecting the population not forage. Also no other wildlife were expected to be affected.

This pre-drill investigation was conducted on a sunny day. ATV's were used to access the site.

Reviewer: Floyd Bartlett **Date:** 04/27/2006

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner with a minimum thickness of 16 mils shall be properly installed and maintained in the reserve pit.

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

OPERATOR: Kerr McGee Oil and Gas Onshore LP
WELL NAME & NUMBER: NBU 922-32H
API NUMBER: 43-047-38007
LEASE: ML-22649 **FIELD/UNIT:** Natural Buttes
LOCATION: 1/4, 1/4 SE/NE Sec: 32 TWP: 9S RNG: 22E ; 1555' FNL 951' FEL
LEGAL WELL SITING: 460 Feet from unit boundary and uncommitted tracts.
GPS COORD (UTM): 4428194 Y 0631716 X **SURFACE OWNER:** State of Utah (SITLA)

PARTICIPANTS

Floyd Bartlett (DOGM), Carol Estes, Rich Devot, Shane Bullock and Clay Einerson (Kerr McGee), Luke Kay (Uintah Engineering & Land Survey), Jim Davis (SITLA),

REGIONAL/SETTING TOPOGRAPHY

General area is the Sand Wash Drainage of Uintah, County. Sand Wash is approximately 36 air miles south of Vernal, Utah and approximately 24 miles southeast of Ouray, Utah. Access is by State of Utah Highway, Uintah County and oilfield development roads.

Topography is characterized by broad open flats dissected by numerous sub-drainages, which often become steep with ridges and draws with exposed sandstone layers. No perennial streams occur in drainage. Individual draws or washes are ephemeral with spring runoff or flows from sometimes-intense summer rainstorms. White River is to the northeast about 1 1/2 miles. No springs exist in the area. An occasional constructed pond occurs furnishing water for antelope or livestock.

This site is on an elevated bench above a draw which has a developed road. The bench is surrounded on the north by a higher ridge with sandstone outcrops or cliffs near the top. A draw begins within the northeast corner of the location and will be covered with fill. The drainage is a tributary of Sand Wash. No other drainages intersect the location and no stabilization problems are likely to occur. Approximately 0.15 miles of new road will be constructed from the existing road.

SURFACE USE PLAN

CURRENT SURFACE USE: Sheep grazing, limited hunting and recreation.

PROPOSED SURFACE DISTURBANCE: Location of 350' x 193' and a reserve pit of 150' x 75' x 10 feet deep and an additional 15' wide bench. Approximately 0.1 mile of new road will be required. All material for the location and road will be obtained onsite.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: Numerous. See attached map from GIS database.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All production facilities will be on location and added after drilling well. A pipeline 485 feet in length will follow the access road.

SOURCE OF CONSTRUCTION MATERIAL: All construction material will be obtained from the site.

ANCILLARY FACILITIES: None will be required.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST CONCERNS? (EXPLAIN). Unlikely, as the general use in the area is oil-field related with numerous other wells in the surrounding area.

WASTE MANAGEMENT PLAN:

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

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None.

FLORA/FAUNA: A sparse cover of desert type vegetation consisting of black sagebrush, cheatgrass, halogeton, shadscale, prickly pear, and curly mesquite occupies the site. Antelope, rabbits, small reptiles, birds and mammals. Sheep graze the area in the winter.

SOIL TYPE AND CHARACTERISTICS: Sandy loam with angular fractured rock surface. Some sandstone bedrock is exposed on the nearby ridges.

EROSION/SEDIMENTATION/STABILITY: Little natural erosion. Sedimentation and stability are not a problem and location construction shouldn't cause an increase in stability or erosion problems. The location does not intersect any drainages but the head of one steep drainage will be filled.

PALEONTOLOGICAL POTENTIAL: Survey completed and furnished for the file.

RESERVE PIT

CHARACTERISTICS: 150' by 75' and 10' deep. The reserve pit is all within cut on the north west side of the location. A 10' wide bench is planned around the outer edges and 2' of freeboard.

LINER REQUIREMENTS (Site Ranking Form attached): Level 1 sensitivity. A

16 mil liner with a felt pad will be required for the reserve pit. The operator stated that a 20mil liner with double felt sub-pad, as needed would be installed.

SURFACE RESTORATION/RECLAMATION PLAN

As per SITLA requirements.

SURFACE AGREEMENT:

As per SITLA requirements.

CULTURAL RESOURCES/ARCHAEOLOGY: Site has been surveyed by MOAC on 3-14-2006. A copy will be furnished to SITLA.

OTHER OBSERVATIONS/COMMENTS

Ben Williams of the UDWR was invited to the pre-site on Friday 4/21/06. He was unable to attend because of previous commitments. On other pre-sites in the general area he has stated that the area is classified as critical yearlong antelope range, however he did not recommend any stipulations, as water is the limiting factor affecting the population not forage. Also no other wildlife are expected to be affected.

This pre-drill investigation was conducted on a sunny day. ATV's were used to access the site.

ATTACHMENTS

Photos of this site were taken and placed on file.

FLOYD BARTLETT
DOGM REPRESENTATIVE

04/26/06; 10:00 AM
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

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

Final Score 25 (Level I Sensitivity)

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

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

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

05-06 Kerr McGee NBU 92_ 32H

Casing Schematic

Uenta

Surface

BHP
 $(.052)(11.5)(8900) = 5322$
 Anticipate 3560

9-5/8"
 MW 8.4
 Frac 19.3

Geo
 $(.12)(8900) = 1068$
 MASP = 4254

Fluid
 $(.22)(8900) = 1958$
 MASP = 3364

ROPE - 5,000 ✓

Surf csq - 2270
 70% = 1589

Max pressure @ Surf csq shoe = 3826

Test to 1589* (propose 1500) ✓

adequate
 DUD

5/12/06

4-1/2"
 MW 11.5

TOC @ 0.

TOC @ 0.

1385' Green River

1565' TOC Tail

✓ w/5% Washout
 *Surface St. P

Surface
 2100. MD

3500 Bmsal

3995
 TOC Tail

✓ w/19% Washout

4488 Wasatch

6983 Mesaverde

Production
 8900. MD

Well name:	05-06 Kerr McGee NBU 922-32H		
Operator:	Kerr McGee	Project ID:	43-047-38007
String type:	Surface		
Location:	Uintah County		

Design parameters:

Collapse

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

Burst

Max anticipated surface pressure: 1,848 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP: 2,100 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

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

Tension is based on buoyed weight.
 Neutral point: 1,841 ft

Environment:

H2S considered? No
 Surface temperature: 75 °F
 Bottom hole temperature: 104 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,500 ft

Cement top: Surface

Non-directional string.

Re subsequent strings:

Next setting depth: 8,900 ft
 Next mud weight: 11.500 ppg
 Next setting BHP: 5,317 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 2,100 ft
 Injection pressure: 2,100 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft ³)
1	2100	9.625	32.30	H-40	ST&C	2100	2100	8.876	133.1
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	916	1370	1.495	2100	2270	1.08	59	254	4.27 J

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

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

Date: May 5, 2006
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2100 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

Well name:	05-06 Kerr McGee NBU 922-32H		
Operator:	Kerr McGee	Project ID:	43-047-38007
String type:	Production		
Location:	Uintah County		

Design parameters:

Collapse

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

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
 Surface temperature: 75 °F
 Bottom hole temperature: 200 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,500 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 2,234 psi
 Internal gradient: 0.346 psi/ft
 Calculated BHP 5,317 psi

No backup mud specified.

Tension:

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

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 7,370 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	8900	4.5	11.60	N-80	LT&C	8900	8900	3.875	206.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5317	6350	1.194	5317	7780	1.46	85	223	2.61 J

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

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

Date: May 5, 2006
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 8900 ft, a mud weight of 11.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

May 16, 2006

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

Re: Natural Buttes Unit 922-32H Well, 1555' FNL, 951' FEL, SE NE, Sec. 32,
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 43-047-38007.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

Operator: Kerr-McGee Oil & Gas Onshore LP
Well Name & Number Natural Buttes Unit 922-32H
API Number: 43-047-38007
Lease: ML-22649

Location: SE NE **Sec.** 32 **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**

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

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

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

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

3. **Reporting Requirements**

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

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

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

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

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL		5. MINERAL LEASE NO: ML-22649	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		8. UNIT or CA AGREEMENT NAME: UNIT #891008900A	
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		9. WELL NAME and NUMBER: NBU 922-32H	
3. ADDRESS OF OPERATOR: 1368 S. 1200 E. CITY: VERNAL STATE: UT ZIP: 84078		PHONE NUMBER: (435) 781-7024	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1555'FNL, 951'FEL AT PROPOSED PRODUCING ZONE:		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 32 9S 22E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 23.8 MILES SOUTHEAST OF OURAY, UTAH		12. COUNTY: UINTAH	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 951'	16. NUMBER OF ACRES IN LEASE: 640.00	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40.00	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) REFER TO TOPO C	19. PROPOSED DEPTH: 8,900	20. BOND DESCRIPTION: RLB0005238	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 4986'GL	22. APPROXIMATE DATE WORK WILL START:	23. ESTIMATED DURATION:	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4"	9 5/8	H-40	32.3#	2,100	265 SX CLASS G	15.6 PPG	1.18 YIELD
7 7/8"	4 1/2	I-80	11.6#	8,900	1820 SX 50/50 POZ	14.3 PPG	1.31 YIELD

ATTACHMENTS

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

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

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST
SIGNATURE *Sheila Upchego* DATE 4/12/2006

(This space for State use only)

API NUMBER ASSIGNED: 43-047-33067

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

APPROVAL

Date: 05-16-06

By: *Sheila Upchego*

RECEIVED
APR 14 2006

DIV. OF OIL, GAS & MINING

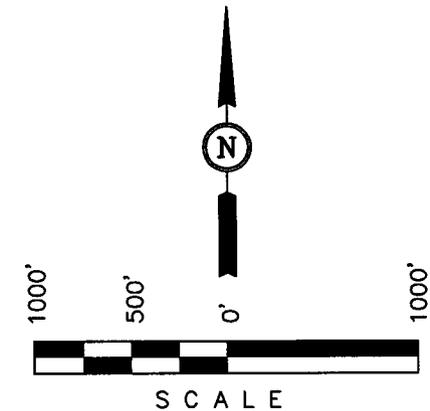
T9S, R22E, S.L.B.&M.

KERR McGEE OIL & GAS ONSHORE LP

Well location, NBU #922-32H, located as shown in the SE 1/4 NE 1/4 of Section 32, T9S, R22E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT A RIDGE TOP NEAR THE WEST 1/4 CORNER OF SECTION 9, T10S, R22E, S.L.B.&M. TAKEN FROM THE ARCHY BENCH QUADRANGLE, UTAH, UINAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5304 FEET.



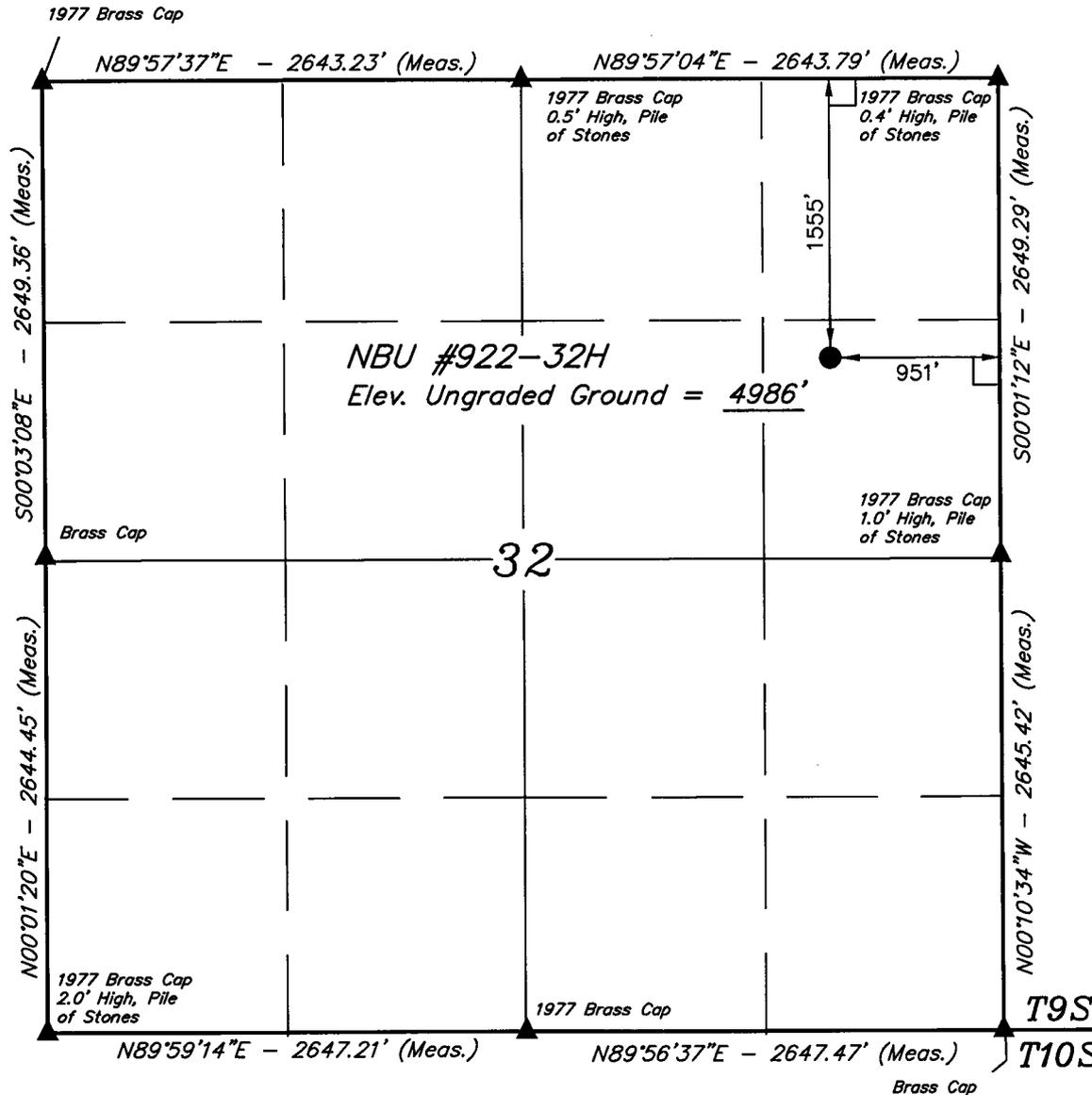
CERTIFICATE

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

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 1" = 1000'	DATE SURVEYED: 01-31-06	DATE DRAWN: 02-04-06
PARTY P.J. N.F. S.L.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE KERR McGEE OIL & GAS ONSHORE LP	



LEGEND:

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

(NAD 83)
 LATITUDE = 39°59'43.87" (39.995519)
 LONGITUDE = 109°27'28.13" (109.457814)
 (NAD 27)
 LATITUDE = 39°59'44.00" (39.995556)
 LONGITUDE = 109°27'25.67" (109.457131)

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
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22649
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		8. WELL NAME and NUMBER: NBU 922-32H
3. ADDRESS OF OPERATOR: 1368 S. 1200 E. CITY VERNAL STATE UT ZIP 84078	PHONE NUMBER: (435) 781-7024	9. API NUMBER: 43104738007
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1555'FNL, 951'FEL		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 32 9S ²² 21E		COUNTY: UINTAH STATE: UTAH

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

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

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

AN ON-SITE INSPECTION WAS CONDUCTED ON 04/26/2006. IT WAS DECIDED AT THE ON-SITE INSPECTION TO CHANGE THE PIPELINE ROUTE FROM THE PROPOSED PIPELINE, TO APPROXIMATELY 800' +/- OF 4" PIPELINE BACK TO THE HIGH AND LOW PRESSURE PIPELINE. AS DISCUSSED AT THE ON-SITE INSPECTION.

PLEASE REFER TO TOPO MAP D FOR PIPELINE PLACEMENT.

RECEIVED

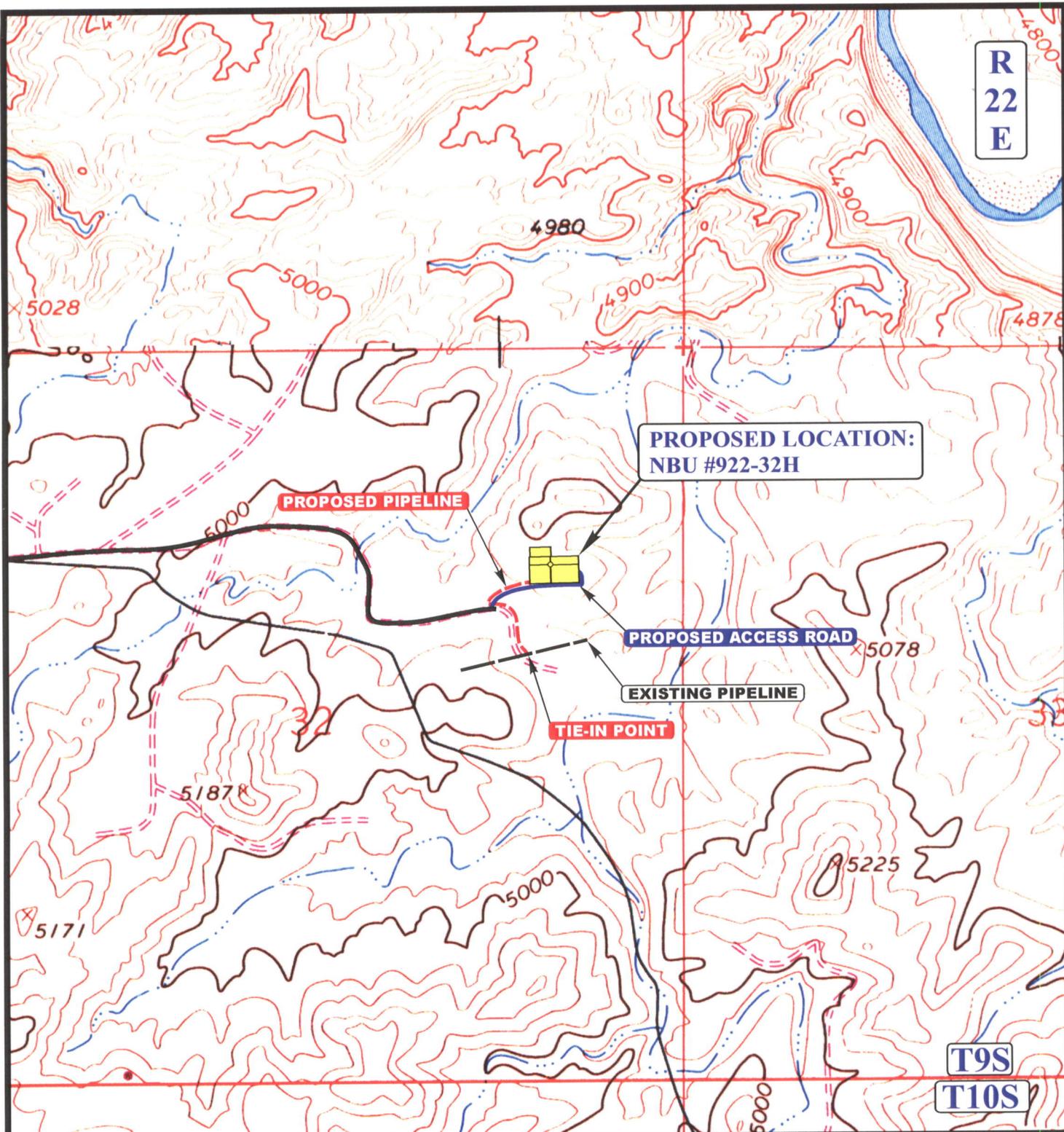
DIV OF OIL, GAS & MINING

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGULATORY ANALYST
SIGNATURE	DATE 5/4/2006

(This space for State use only)

**Accepted by the
Utah Division of
Oil, Gas and Mining
For Record Only**

(See Instructions on Reverse Side)



APPROXIMATE TOTAL PIPELINE DISTANCE = 800' +/-

LEGEND:

	PROPOSED ACCESS ROAD
	EXISTING PIPELINE
	PROPOSED PIPELINE

Kerr-McGee Oil & Gas Onshore LP
NBU #922-32H
SECTION 32, T9S, R22E, S.L.B.&M.
1555' FNL 951' FEL



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

TOPOGRAPHIC MAP	02	08	06	
	MONTH	DAY	YEAR	
SCALE: 1" = 1000'	DRAWN BY: C.P.	REV: B.C. 05-01-06		

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
Address: 1388 SOUTH 1200 EAST
city VERNAL
state UT zip 84078

Operator Account Number: N 2996

Phone Number: (435) 781-7024

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304738175	DIABLO 924-31L		NWSW	31	9S	24E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>A</u>	99999	<u>15562</u>	8/4/2006		8/10/06		
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSMVD</u> SPUD WELL LOCATION ON 08/04/2006 AT 0900 HRS.							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304738007	NBU 922-32H		SENE	32	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>B</u>	99999	<u>2900</u>	8/6/2006		8/10/06		
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSMVD</u> SPUD WELL LOCATION ON 08/06/2006 AT 0930 HRS.							

Well 3

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

ACTION CODES:

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

SHEILA UPCHEGO

Name: Sheila Upchego
Signature: [Signature]
REGULATORY ANALYST
Title: _____ Date: 8/7/2006

To: EARLENE RUSSELL From: SHEILA UPCHEGO
Co./Dept: WTDGAM Co: KMG
Phone #: (801) 638-5330 Phone #: (435) 781-7024
Fax #: (801) 359-3440 Fax #: (435) 781-7094

RECEIVED
AUG 9 / 2006

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-22649

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
UNIT #891008900A

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

8. WELL NAME and NUMBER:
NBU 922-32H

9. API NUMBER:
4304738007

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
KERR McGEE OIL & GAS ONSHORE LP

3. ADDRESS OF OPERATOR: PHONE NUMBER:
1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078 (435) 781-7024

10. FIELD AND POOL, OR WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **1555'FNL, 951'FEL** COUNTY: **UINTAH**
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **SENE 32 9S 22E** STATE: **UTAH**

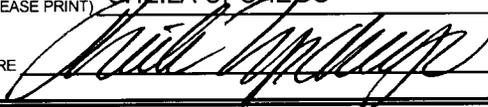
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

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

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

SPUD WELL LOCATION ON 08/06/2006 AT 0930 HRS.

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST
SIGNATURE  DATE 8/7/2006

(This space for State use only)

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-22649

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
UNIT #891008900A

8. WELL NAME and NUMBER:
NBU 922-32H

9. API NUMBER:
4304738007

10. FIELD AND POOL, OR WILDCAT:
NATURAL BUTTES

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
KERR MCGEE OIL & GAS ONSHORE LP

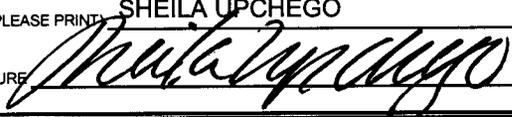
3. ADDRESS OF OPERATOR: PHONE NUMBER:
1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078 (435) 781-7024

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **1555'FNL, 951'FEL** COUNTY: **UINTAH**
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **SENE 32 9S 22E** STATE: **UTAH**

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

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

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
MIRU PIONEER RIG 52 ON 09/01/2006. DRILLED 12 1/4" SURFACE HOLE TO 2494'. RAN 9 5/8" 36# J-55 SURFACE CSG. LEAD CMT W/250 SX CLASS G @11.0 PPG 3.82 YIELD. TAILED CMT W/225 SX CLASS G @15.8 PPG 1.15 YIELD. DISP W/191.7 BBLS WATER BUMP PLUG & HAD FULL RETURNS 77 BBLS OF LEAD CMT TO SURFACE & TOP OUT W/130 SX CLASS G @15.8 PPG 1.15 YIELD. CMT TO SURFACE. NIPPLE DOWN COND & WELD ON HEAD NIPPLE UP BOPS TEST BOPS INSTALL WEAR BRUSHING P/U MOTOR & BIT & TIH. DRILLING AHEAD.

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST
SIGNATURE  DATE 9/6/2006

(This space for State use only)

RECEIVED
SEP 15 2006

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS			5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22649
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP			8. WELL NAME and NUMBER: NBU 922-32H
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		PHONE NUMBER: (435) 781-7024	9. API NUMBER: 4304738007
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1555'FNL, 951'FEL			10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 32 9S 22E			COUNTY: UINTAH
			STATE: UTAH

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

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

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

FINISHED DRILLING FROM 2494' TO 9152' ON 09/16/2006. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/393 SX PREM LITE II @11.3 PPG 3.02 YIELD. TAILED CMT W/1237 SX 50/50 POZ @14.3 PPG 1.31 YIELD. DROP PLUG & DISPLACE W/141.6 BBLs WATER & BUMP PLUG W/500 OVER FINAL CIRC PRESSURE OF 2400 & PLUG HELD & FULL RETURNS 70 BBLs INTO DISPLACEMENT LOST RETURNS. NIPPLE DOWN & SET SLIPS 95K STRING WT & ROUGH CUT 4 1/2 CSG. WASH AND CLEAN MUD TANKS.

RELEASED PIONEER RIG 52 ON 09/17/2006 AT 0000 HRS.

OCT 11 2006

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGULATORY ANALYST
SIGNATURE	DATE 9/20/2006

(This space for State use only)

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS			5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22649
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP			8. WELL NAME and NUMBER: NBU 922-32H
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		PHONE NUMBER: (435) 781-7024	9. API NUMBER: 4304738007
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1555'FNL, 951'FEL			10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 32 9S 22E			COUNTY: UINTAH
			STATE: UTAH

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

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

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 10/26/2006 AT 10:00 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGULATORY ANALYST
SIGNATURE	DATE 10/30/2006

(This space for State use only)

RECEIVED
NOV 01 2006



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

CHRONOLOGICAL WELL HISTORY

NBU 922-32H

SENE, SEC. 32, T9S, R22E
UINTAH COUNTY, UT
TD: 9152'
PBTD: 9017'
PERFS: 8908'-11'
EOT: 4815'

	SPUD	Surface Casing Air Rig	Activity	Status
07/11/06			Building Location, 5% Complete	Pioneer 52
07/12/06			Building Location, 10% Complete	Pioneer 52
07/13/06			Building Location, 15% Complete	Pioneer 52
07/17/06			Building Location, 15% Complete	Pioneer 52
07/18/06			Building Location, 25% Complete	Pioneer 52
07/19/06			Building Location, 35% Complete	Pioneer 52
07/24/06			Building Location, 35% Complete	Pioneer 52
07/25/06			Building Location, 50% Complete	Pioneer 52
07/26/06			Building Location, 50% Complete DRLG	Pioneer 52
07/27/06			Building Location, 50% Complete DRLG	Pioneer 52
07/28/06			Building Location, 55% Complete	Pioneer 52
07/31/06			Building Location, 65% Complete	Pioneer 52
08/01/06			Building Location, 70% Complete	Pioneer 52
08/02/06			Building Location, 75% Complete	Pioneer 52
08/03/06			Building Location, 80% Complete	Pioneer 52
08/04/06			Building Location, 90% Complete	Pioneer 52
08/07/06			Location Complete	Pioneer 52
08/08/06	8/6/06		Set Conductor Spud, WOAR	Pioneer 52

08/11/06	8/10/06	Air Rig Spud, DRLG			Pioneer 52
09/01/06	TD: 2000'	Csg. 9 5/8" @ XX'	MW: 8.4	SD: 8/11/06	DSS: 0
Move to NBU 922-32H. Set rig in and RURT @ report time.					
09/05/06	TD: 2494'	Csg. 9 5/8" @ 2480'	MW: 8.5	SD: 9/3/06	DSS: 3
RURT. NU on conductor. PU 12 1/4" bit and BHA and drill from 2000'-2494'. CCH and POOH. Lay down BHA. Run and cement 9 5/8" surface casing. WOC. Install well head. NU and test BOPE. PU 7 7/8" PDC bit, MM and BHA and TIH @ report time.					
09/06/06	TD: 3401'	Csg. 9 5/8" @ 2480'	MW: 8.5	SD: 9/3/06	DSS: 4
TIH. Drill FE. Drill from 2494'-3401'. DA @ report time.					
09/07/06	TD: 4420'	Csg. 9 5/8" @ 2480'	MW: 8.6	SD: 9/3/06	DSS: 5
Drill from 3401'-4089'. Repair SCR. Drill to 4420'. DA @ report time.					
09/08/06	TD: 5026'	Csg. 9 5/8" @ 2480'	MW: 9.6	SD: 9/3/06	DSS: 6
Drill from 4420'-5026'. DA @ report time.					
09/11/06	TD: 6561'	Csg. 9 5/8" @ 2480'	MW: 10.0	SD: 9/3/06	DSS: 9
Drill from 5026'-6339'. TFNB. TIH to shoe and repair SCR. FIH and drill from 6339'-6561'. DA @ report time.					
09/12/06	TD: 7282'	Csg. 9 5/8" @ 2480'	MW: 10.6	SD: 9/3/06	DSS: 10
Drill from 6561'-7282'. DA @ report time.					
09/13/06	TD: 8275'	Csg. 9 5/8" @ 2480'	MW: 11.4	SD: 9/3/06	DSS: 11
Drill from 7282'-8275'. DA @ report time.					
09/14/06	TD: 8518'	Csg. 9 5/8" @ 2480'	MW: 11.6	SD: 9/3/06	DSS: 12
Drill from 8275'-8518'. TFNB @ report time.					
09/15/06	TD: 8990'	Csg. 9 5/8" @ 2480'	MW: 11.8	SD: 9/3/06	DSS: 13
TIH with new bit. Drill from 8518'-8990'. DA @ report time.					
09/18/06	TD: 8990'	Csg. 9 5/8" @ 2480'	MW: 11.8	SD: 9/3/06	DSS: 13
TIH with new bit. Drill from 8518'-8990'. DA @ report time.					
09/19/06	TD: 9152'	Csg. 9 5/8" @ 2480'	MW: 11.9	SD: 9/3/06	DSS: 17
RDRT. Prepare to move rig to NBU 922-32E this am.					
10/19/06	Days On Completion: 1 7:00 a.m. HSM. ROAD RIG & EQUIP F/ NBU 922-32J3, TO LOC. MI, BECAME STUCK ON LOC. DRIVER'S SIDE SANK 14". CALL FOR HEAVY EQUIP. WAIT 3 HRS. DIG OUT UNDER RIG. REPLACE MUD W/ SHALE ROCK. BACK UP TO W.H. RIG UP. PREP & TALLY 2 3/8" TBG. NDWH. NU BOPE. P/U 3 7/8" MILL, BIT SUB & RIH, P/U TBG OFF TRAILER. EOT @ 6320'. SWI SDFN.				
10/20/06	Days On Completion: 2 7:00 AM. HSM CONT. RIH W/60 JTS OF 2 3/8" TBG. EOT @ 7,296.12'. POOH STAND BACK 117 STANDS OF 2 3/8" TBG. MIRU CUTTERS TO LOG & PERF. TAG PBTD @ 9,066'. RUN CEMENT BOND LOG FROM 9,066' TO CEMENT TOP @ 610', CEMENT BOND GOOD. MIRU B&C QUICK TEST. TEST CASING & BOTH FRAC VALVES TO 7,500 PSI. GOOD TEST. RDMO B&C QUICK TEST. RU CUTTERS TO PERFORATE. RIH W/ 3 3/8" EXP GUNS 23 GRM .36" HOLES 120 & 90 DEG PHASING. PERFORATE 8,908' - 11' 4 SPF, 8,775' - 78' 3				

SPF, 8,710' - 13' 4 SPF, 8,680' - 83' 4 SPF, 45 HOLES. POOH W/WIRE LINE RDMO CUTTERS. SWI, SDFWE.

10/24/06

Days on Completion: 5

(10/24/06): 7:00 A.M. HSM. MIRU SCHLUMBERGER, MIRU CUTTERS. HOLD SFT MTG. PSI TST LINES TO 8500# (HELD). PREP TO FRAC. ALL MESA VERDE STAGES PERFORATED W/ 3 3/8" EXP PERF GUNS LOADED W/ 23 GM CHARGES, 3 & 4 SPF, 90 & 120 DEG PHASING. ALL WASATCH PERF'S SHOT W/ 3 1/8" PORTED PERF GUNS LOADED W/ 12 GM CHARGES. 4 SPF, 90 DEG PHASING. ALL ZONES INCLUDE NALCO DVE-005 SCALE INHIB. 3 GAL'S PER THOUSAND IN PAD & 1/2" RAMP. 10 GAL'S PER THOUSAND IN FLUSH. OPEN WELL SICP 1660#. BEGIN FRAC 9:30 A.M.

STG 1: BRK DWN PERF'S @ 3004#, EST INJ RT @ 48.8 BPM @ 4630#, ISIP 2470#, FG .71, CALC PERF'S OPEN (34/45 PERF'S OPEN). TREAT STG 1 W/ 58,600# 30/50 SAND W/ SLK WTR. TOT CL FL 1718 BBLs. ISIP 2873#, NPI 403#, FG .76

STG 2: P/U 3 3/8" PERF GUNS & 4 1/2" BAK 8K CBP & RIH. SET CBP @ 8485', P/U SHOOT 20 HOLES F/ 8450' - 55', P/U SHOOT 12 HOLES F/ 8397' - 8400', P/U SHOOT 12 HOLES F/ 8342' - 45'. POOH. BRK DWN PERF'S @ 2827#, EST INJ RT @ 51.3 BPM @ 4660#, ISIP 2100#, FG .68, CALC PERF'S OPEN (41/44 HOLES OPEN). TREAT STG 2 W/ 79300# 30/50 SAND W/ SLK WTR. TOT CL FL 2094 BBLs. ISIP 2660#, NPI 560#, FG .75 (DENSOMETER'S FAILED. ST 10 BBLs PAST BLENDER FOR FLUSH).

STG 3: P/U 3 3/8" PERF GUNS & 4 1/2" BAK 8K CBP & RIH. SET CBP @ 8160', P/U SHOOT 36 HOLES F/ 8121' - 30'. POOH. MAKE REPAIRS ON SCHLUMBERGER EQUIP. DWN 3 HRS. 2031# ON WELL AFTER PERF. BRK DWN PERF'S @ 4016#, EST INJ RT @ 50.2 BPM @ 4890#, ISIP 2230#, FG .71, CALC PERF'S OPEN (36/36 HOLES OPEN). TREAT STG 3 W/ 10,900# 30/50 SAND W/ SLICK WTR. TOT CL FL 416 BBLs, ISIP 2047#, NPI -183#, FG .69

STG 4: P/U 3 3/8" PERF GUNS & 4 1/2" BAK 8K CBP & RIH. SET CBP @ 7938', P/U SHOOT 8 HOLES F/ 7906' - 08', P/U SHOOT 20 HOLES F/ 7834' - 39', P/U SHOOT 12 HOLES F/ 7774' - 77', POOH, BRK DWN PERF'S @ 2944#, EST INJ RT @ 49.5 BPM @ 4650#, ISIP 1850#, FG .67, CALC PERF'S OPEN (32/40 HOLES OPEN). TREAT STG 4 W/ 26,500# 30/50 SAND W/ SLK WTR. TOT CL FL 812 BBLs, ISIP 2530#, NPI 680#, FG .76

STG 5: P/U 3 3/8" PERF GUNS & 4 1/2" BAK 8K CBP & RIH. SET CBP @ 7680', P/U SHOOT 12 HOLES F/ 7580' - 83', P/U SHOOT 12 HOLES F/ 7533' - 36', P/U SHOOT 16 HOLES F/ 7405' - 09'. POOH. SWI. SDFN.

10/25/06

Days on Completion: 6

(10/25/06): 7:00 a.m. HSM. SICP 1250#, PRIME PMP'S & CONT TO FRAC.

STG 5: BRK DWN PERF'S @ 2879#, EST INJ RT @ 49.6 BPM @ 3900#, ISIP 1750#, FG .67, CALC PERF'S OPEN (40/40 HOLES OPEN). TREAT STG 5 W/ 24,100# SAND W/ SLK WTR. TOT CL FL 718 BBLs. ISIP 2280#, NPI 530#, FG .74

STG 6:, P/U 3 3/8" PERF GUNS & 4 1/2" BAK 8K CBP & RIH. SET CBP @ 7347', P/U SHOOT 20 HOLES F/ 7302' - 07', P/U SHOOT 8 HOLES F/ 7104' - 06', P/U SHOOT 12 HOLES F/ 7033' - 36', POOH, BRK DWN PERF'S @ 2164#, EST INJ RT @ 49.1 BPM @ 4000#, ISIP 1520#, FG .65, CALC PERF'S OPEN (35/40 HOLES OPEN). TREAT STG 6 W/ 69,100# 30/50 SAND W/ SLK WTR. TOT CL FL 1817 BBLs, ISIP 2040#, NPI 520#, FG .72

STG 7: P/U 3 1/8" HSC PERF GUNS & 4 1/2" BAK 8K CBP & RIH. SET CBP @ 5890'. P/U SHOOT 8 HOLES F/ 5865' - 67', P/U SHOOT 12 HOLES F/ 5846' - 49', P/U SHOOT 20 HOLES F/ 5566' - 71'. POOH, BRK DWN PERF'S @ 1806#, EST INJ RT @ 50.1 BPM @ 2870#, ISIP

963#, FG .60, CALC PERF'S OPEN (40/40 HOLES OPEN). TREAT STG 7 W/ 44,300# 30/50 SAND W/ SLK WTR. TOT CL FL 1205 BBLS, ISIP 1150#, NPI 187#, FG .63.

STG 8: P/U 3 1/8" HSC PERF GUNS & 4 1/2" BAK 8K CBP & RIH. SET CBP @ 5296'. P/U SHOOT 24 HOLES F/ 5260' - 66', P/U SHOOT 16 HOLES F/ 4994' - 98'. POOH, BRK DWN PERF'S @ 1695#, EST INJ RT @ 52.8 BPM @ 3270#, ISIP 523#, FG .54, CALC PERF'S OPEN (30/40 HOLES OPEN). TREAT STG 8 W/ 44,800# SAND W/ SLK WTR. TOT CL FL 1152 BBLS. ISIP 1463#, NPI 940#, FG .72 P/U 4 1/2" BAK 8K CBP & RIH. SET KILL PLUG @ 4894'. POOH. RDMO CUTTERS. RDMO SCHLUMBERGER. ND FRAC VAVLES. NU BOPE. P/U 3 7/8" SMITH BIT. POBS & RIH W/ TBG. TAG KILL PLUG @ 4894'. L/D 2 JTS. PREP TO DRL IN A.M. SWI. SDFN.

10/26/06

Days On Completion: 7

7:00 A.M. HSM. R/U PWR SWIVEL. R/U PMP & LINES. BRK CONV CIRC & BEG TO DRL. C/O TO 1ST CBP @ 4890'.

DRL UP KILL PLUG IN 8 MIN. (WELL WENT ON VACCUM). CONT TO PMP. CATCH CIRC AFTER 80 BBLS GONE. CONT TO RIH. TAG FILL @ 5260'. (36' FILL). C/O TO 2ND CBP @ 5296'.

DRL UP 2ND CBP IN 10 MIN. (200# PSI INC). CONT TO RIH. TAG FILL @ 5865', (25' FILL). C/O TO 3RD CBP @ 5890'.

DRL UP 3RD CBP IN 8 MIN. (200# PSI INC). CONT TO RIH. TAG FILL @ 7312', (35' FILL). C/O TO 4TH CBP @ 7347'.

DRL UP 4TH CBP IN 10 MIN. (300# PSI INC). CONT TO RIH. TAG FILL @ 7610', (90' FILL). C/O TO 5TH CBP @ 7690'.

DRL UP 5TH CBP IN 12 MIN. (500# PSI INC). CONT TO RIH. TAG FILL @ 7910', (28' FILL). C/O TO 6TH CBP @ 7938'.

DRL UP 6TH CBP IN 10 MIN, (400# PSI INC). CONT TO RIH. TAG FILL @ 8130'. (30' FILL). C/O TO 7TH CBP @ 8160'.

DRL UP 7TH CBP IN 15 MIN. (500# PSI INC). CONT TO RIH. TAG FILL @ 8455', (30' FILL). C/O TO 8TH CBP @ 8455'.

DRL UP 8TH CBP IN 15 MIN. (600# PSI INC). CONT TO RIH. TAG FILL @ 8911', (106' FILL). C/O TO PBTD @ 9017', CIRC WELL CLEAN. R/D DRL EQUIP. POOH L/D 147 JTS ON TRAILER. LUBRICATE TBG HANGER INTO WELL. LAND TBG W/ EOT @ 4815'. NDBOP. NUWH. PMP OFF THE BIT SUB @ 1500#. R/U FLOW BACK EQUIP. TURN OVER TO FLOW BACK CREW. SICP 1350#, FTP 50#, 46/64 CHOKE.

TBG ON LOC	301 JTS
TBG IN WELL	154 JTS
TBG LEFT ON TRAILER	147 JTS

ON FLOWBACK 10/26/06: 1975# CP, 1300# TP, 20/64 CK, 45 BWPH, LOAD REC'D 825 BBLS, LLTR 825 BBLS

10/27/06

ON FLOWBACK 10/27/06: 1775# CP, 1325# TP, 20/64 CK, 30 BWPH, LOAD REC'D 720 BBLS, LLTR 1545 BBLS

10/30/06

ON FLOWBACK 10/29/06: 1650# CP, 1225# TP, 20/64 CK, 16 BWPH, LOAD REC'D 384 BBLS, LLTR 2505 BBLS

ON FLOWBACK 10/30/06: 1525# CP, 1275# TP, 20/64 CK, 10 BWPH, LOAD REC'D 240 BBLS,
LLTR 2745 BBLS

WELL WENT ON SALES: 10/26/06 @ 10:00 A.M., TBG 1500, CSG 2000, 20/64 CHK, MCF
1300, 45 BBLS WATER

ON SALES

10/26/06: 805 MCF, 0 BC, 720 BW, TP: 1325#, CP: 1775#, 20/64 CHK, 18 HRS, LP: 96#.

10/27/06: 1721 MCF, 0 BC, 576 BW, TP: 1250#, CP: 1750#, 20/64 CHK, 24 HRS, LP: 74#.

10/28/06: 1832 MCF, 0 BC, 384 BW, TP: 1225#, CP: 1650#, 20/64 CHK, 24 HRS, LP: 74#.

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL GAS WELL DRY OTHER _____

b. TYPE OF WORK: NEW WELL HORIZ. LATS. DEEP-EN RE-ENTRY DIFF. RESVR. OTHER _____

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-22649

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME
UNIT #891008900A

8. WELL NAME and NUMBER:
NBU 922-32H

2. NAME OF OPERATOR:
KERR MCGEE OIL & GAS ONSHORE LP

9. API NUMBER:
4304738007

3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY **VERNAL** STATE **UT** ZIP **84078**

PHONE NUMBER: **(435) 781-7024**

10. FIELD AND POOL, OR WILDCAT
NATURAL BUTTES

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: **1555'FNL, 951'FEL**

AT TOP PRODUCING INTERVAL REPORTED BELOW:

AT TOTAL DEPTH:

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
SENE 32 9S, 22E

12. COUNTY **UINTAH** 13. STATE **UTAH**

14. DATE SPUDDED: **8/6/2006** 15. DATE T.D. REACHED: **9/16/2006** 16. DATE COMPLETED: **10/26/2006**

ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
4986'GL

18. TOTAL DEPTH: MD **9,152** TVD _____

19. PLUG BACK T.D.: MD **9,017** TVD _____

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE MD _____ PLUG SET: TVD _____

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
CBL-CCL-GR

23. WAS WELL CORED? NO YES (Submit analysis)
WAS DST RUN? NO YES (Submit report)
DIRECTIONAL SURVEY? NO YES (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
12 1/4"	9 5/8 J-55	36#		2,494		605			
7 7/8"	4 1/2 I-80	11.6#		9,152		1630			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	4,815							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) WASATCH	4,994	5,867		
(B) MESAVERDE	7,033	8,911		
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
4,994 5,867	0.34	80	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
7,033 8,911	0.35	245	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
4994'-5867'	PMP 2357 BBLS SLICK H2O & 89,100# 30/50 OTTOWA SD
7033'-8911'	PMP 7575 BBLS SLICK H2O & 268,500# 30/50 OTTOWA SD

29. ENCLOSED ATTACHMENTS:

ELECTRICAL/MECHANICAL LOGS GEOLOGIC REPORT DST REPORT DIRECTIONAL SURVEY
 SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION CORE ANALYSIS OTHER: _____

30. WELL STATUS:
PROD

RECEIVED

DEC 06 2006

DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED: 10/26/2006		TEST DATE: 11/9/2006		HOURS TESTED: 24		TEST PRODUCTION RATES: →		OIL - BBL: 0	GAS - MCF: 2,174	WATER - BBL: 199	PROD. METHOD: FLOWING
CHOKE SIZE: 20/64	TBG. PRESS. 889	CSG. PRESS. 1,135	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 2,174	WATER - BBL: 199	INTERVAL STATUS: PROD	

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED: 10/26/2006		TEST DATE: 11/9/2006		HOURS TESTED: 24		TEST PRODUCTION RATES: →		OIL - BBL: 0	GAS - MCF: 2,174	WATER - BBL: 199	PROD. METHOD: FLOWING
CHOKE SIZE: 20/64	TBG. PRESS. 889	CSG. PRESS. 1,135	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 2,174	WATER - BBL: 199	INTERVAL STATUS: PROD	

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:	

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:	

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)
SOLD

33. 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.

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
WASATCH MESAVERDE	4,510 7,042	7,042			

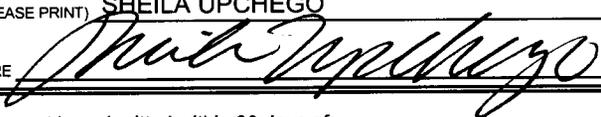
34. FORMATION (Log) MARKERS:

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE 

DATE 11/28/2006

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340
Fax: 801-359-3940

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22649
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: NBU 922-32H
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047380070000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6007 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1555 FNL 0951 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENE Section: 32 Township: 09.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 3/26/2010	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
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	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

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

THE OPERATOR REQUESTS AUTHORIZATION TO TEMPORARILY ABANDON THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO TEMPORARILY ABANDON THE WELL TO DRILL THE NBU 922-32H2 PAD, WHICH CONSISTS OF THE NBU 922-32A2DS, NBU 922-32A4DS, AND NBU 922-32H1BS. PLEASE REFER TO THE ATTACHED TEMPORARILY ABANDON PROCEDURE.

Approved by the Utah Division of Oil, Gas and Mining

Date: March 31 2010

By: *Derek Quist*

NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A		DATE 3/24/2010

NBU 922-32H
 1555' FNL & 951' FEL
 SWNE SEC.32, T9S, R22E
 Uintah County, UT

KBE: 5010'
 GLE: 4986'
 TD: 9152'
 PBDT: 9017'

API NUMBER: 43-047-38007
 LEASE NUMBER: ML-22649
 WINS #: 91728
 WI: 100.0000%
 NRI: 79.452949%

CASING: 20" hole
 14" STL 36.7# csg @ 40' GL
 Cemented to surface w/ 28 sx

12 1/4" hole
 9 5/8" 36# J-55 @ 2494' (KB)
 Cement w/ 605 sx, TOC at surface by circulation

7.875" hole
 4 1/2" 11.6# I-80 @ 9152'
 Cement w/ 1630 sks

TUBING: 2 3/8" 4.7# J-55 tubing landed at 8014'

Tubular/Borehole	Drift inches	Collapse psi	Burst psi	Capacities		
				Gal./ft.	Cuft/ft.	Bbl./ft.
2.375" 4.7# J-55 tbg.	1.901	8100	7700	0.1624	0.02173	0.00387
4.5" 11.6# I-80	3.875	6350	7780	0.6528	0.0872	0.01554
9.625" 36# J-55	8.765	2020	3520	3.247	0.434	0.0773
14" 36.7# Stl						
Annular Capacities						
2.375" tbg. X 4 1/2" 11.6# csg				0.4227	0.0565	0.01006
4.5" csg X 9 5/8" 36# csg				2.2159	0.3236	0.0576
4.5" csg X 7.875 borehole				1.7052	0.2278	0.0406
9.625" csg X 12 1/4" borehole				2.3436	0.3132	0.0558
9.625" csg X 14" csg				3.4852	0.4659	0.083
14" csg X 20" borehole						

GEOLOGIC INFORMATION:

Formation	Depth to top, ft.
Uinta	Surface
Wasatch	4510'
Mesa Verde	7042'

Tech. Pub. #92 Base of USDW's

USDW Elevation	1200' MSL
USDW Depth	3810' KBE

PERFORATIONS:

Formation	Date	Top	Btm	Spf	Status
Wasatch	10/20/2006	4,994	4,998	4	Open
Wasatch	10/20/2006	5,260	5,266	4	Open
Wasatch	10/20/2006	5,566	5,571	4	Open
Wasatch	10/20/2006	5,846	5,849	4	Open
Wasatch	10/20/2006	5,865	5,867	4	Open
Wasatch	10/20/2006	7,033	7,036	4	Open
Mesaverde	10/20/2006	7,104	7,106	4	Open
Mesaverde	10/20/2006	7,302	7,307	4	Open
Mesaverde	10/20/2006	7,405	7,409	4	Open
Mesaverde	10/20/2006	7,533	7,536	4	Open
Mesaverde	10/20/2006	7,580	7,583	4	Open
Mesaverde	10/20/2006	7,774	7,777	4	Open
Mesaverde	10/20/2006	7,834	7,839	4	Open
Mesaverde	10/20/2006	7,906	7,908	4	Open
Mesaverde	10/20/2006	8,121	8,130	4	Open
Mesaverde	10/20/2006	8,342	8,345	4	Open
Mesaverde	10/20/2006	8,397	8,400	4	Open
Mesaverde	10/20/2006	8,450	8,455	4	Open
Mesaverde	10/20/2006	8,680	8,683	4	Open
Mesaverde	10/20/2006	8,710	8,713	4	Open
Mesaverde	10/20/2006	8,775	8,778	3	Open
Mesaverde	10/20/2006	8,908	8,911	4	Open

WELL HISTORY:

- Spud Well 8/6/06, TD'd 9/16/06
- 10/26/06 - Completed MV/Was intervals f/ 4994' - 8911'. Frac gross interval in 8 stages using 357,600# 30/50 sand & 9932 bbls gel fluid.
- 11/9/06 - WELL IP'D- 2174 MCF, 0 BC, 199 BW, TP: 889#, CP: 1135#, 20/64 CHK, 24 HRS, LP: 113#.
- 4/30/08 - Lower tubing to 8014'

REMARKS:**Recommended future action for disposition of well bore:**

Temporarily abandon the wellbore during the drilling and completion operations of the NBU 922-32H2 pad wells (922-32A2DS, 922-32H1BS, 922-32A4DS). Return to production as soon as possible once completions are done.

NBU 922-32H TEMPORARY ABANDONMENT PROCEDURE

GENERAL

- H2S MAY BE PRESENT. CHECK FOR H2S AND TAKE APPROPRIATE PRECAUTIONS.
- CEMENT QUANTITIES BELOW ASSUME NEAT CLASS G, YIELD 1.145 CUFT./SX. IF A DIFFERENT PRODUCT IS USED, WELLSITE PERSONNEL ARE RESPONSIBLE FOR CORRECTING QUANTITIES TO YIELD THE STATED SLURRY VOLUME. WHEN SQUEEZING, INCLUDE 10% EXCESS PER 1000' OF DEPTH.
- TREATED FRESH WATER WILL BE PLACED BETWEEN ALL PLUGS INSTEAD OF BRINE.
- ALL DISPLACEMENT FLUID SHALL CONTAIN CORROSION INHIBITOR AND BIOCIDES. PREMIX 5 GALLONS PER 100 BBLs FLUID.
- NOTIFY UDOGM 24 HOURS BEFORE MOVING ON LOCATION.

PROCEDURE

Note: An estimated 19 sx Class "G" cement needed for procedure

Note: Gyro ran to 4000'

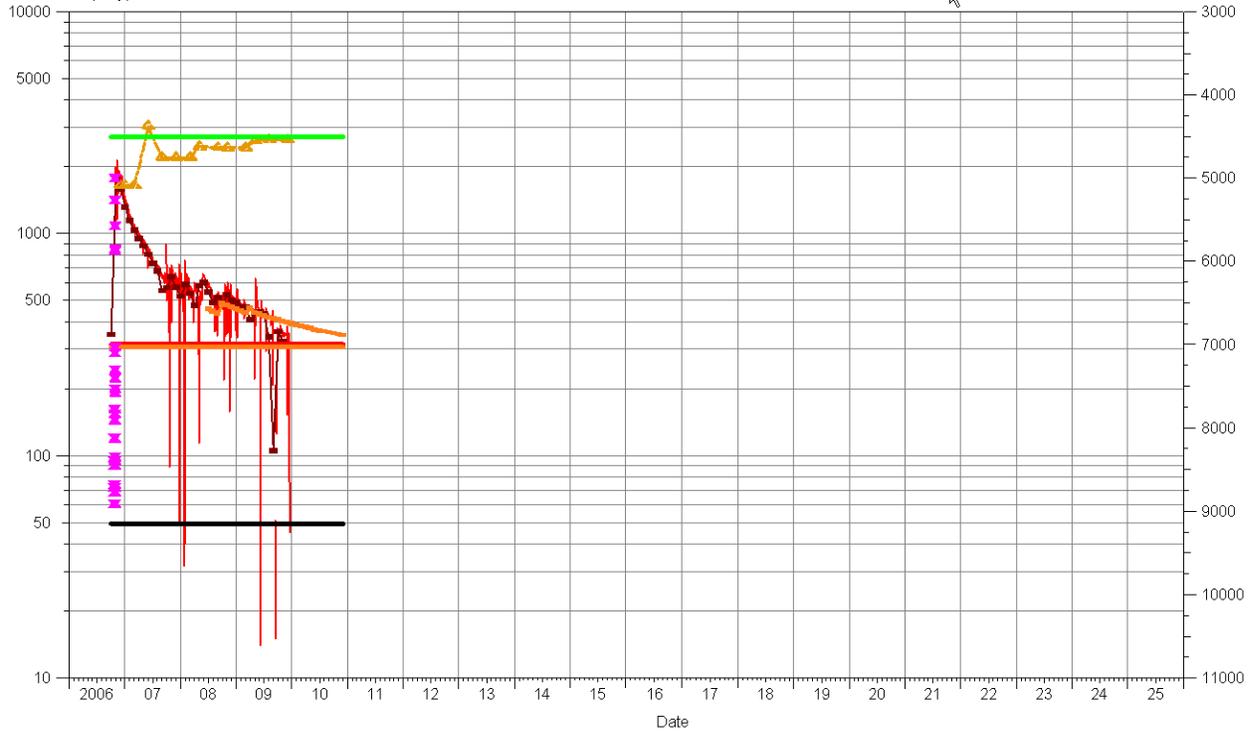
1. MIRU. KILL WELL AS NEEDED. ND WH, NU AND TEST BOPE.
2. PULL TBG & LD SAME. RU WIRELINE AND MAKE A GAUGE RING RUN TO CHECK FOR FILL.
3. **PLUG #1, ISOLATE MESAVERDE/WASATCH PERFORATIONS (4994' - 8911')**: RIH W/ 4 1/2" CBP. SET @ ~4944'. RELEASE CBP, PUH 10', BRK CIRC W/ FRESH WATER. PRESSURE TEST CASING TO 500 PSI. INFORM ENGINEERING IF IT DOESN'T TEST. DISPLACE A MINIMUM OF 4.36 CUFT CMT (4 SX) ON TOP OF PLUG. PUH ABOVE TOC (~4894'). REVERSE CIRCULATE W/ TREATED FRESH WATER.
4. **PLUG #2, PROTECT WASATCH TOP (4510')**: PUH TO ~4610'. BRK CIRC W/ FRESH WATER. DISPLACE 17.44 CUFT. (15 SX) AND BALANCE PLUG W/ TOC @ ~4410' (200' COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ TREATED FRESH WATER.
5. LOWER WELLHEAD TO GROUND LEVEL TO ACCOMMODATE DRILLING OPS AND INSTALL MARKER PER BLM GUIDELINES.
6. RDMO. TURN OVER TO DRILLING OPERATIONS.

ALM 12/15/09

NBU_EAST
KERR-MCGEE OIL & GAS ONSHO
W/TMMM
Cmpl Type: Slickwater

NBU 922-32H
43047380070000
09S 22E 32 SENE

Gas Cum Monthly : 738 MMcf
Gas Cum Dly : 735942 Mcf



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Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
May 26, 2010

NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A		DATE 5/25/2010

US ROCKIES REGION
Operation Summary Report

Well: NBU 922-32H

Spud Date: 9/3/2006

Project: UTAH-UINTAH

Site: NBU 922-32H

Rig Name No: MILES 2/2

Event: ABANDONMENT

Start Date: 5/18/2010

End Date: 5/21/2010

Active Datum: RKB @5,008.99ft (above Mean Sea Level) UWI: NBU 922-32H

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
5/18/2010	13:00 - 15:00	2.00	ABAND	30		P		MOVE IN ON LOC, TO WINDY TO RU, SDFN
5/19/2010	7:00 - 7:30	0.50	ABAND	48		P		NDWH, NU BOP'S
	7:30 - 19:00	11.50	ABAND	45		P		RIG UP, 1000# TBG, 750# CSG, KILL TBG, 30 BBLS, 20 BBLS CSG, NDWH, NU BOP'S, TEST TO 3000#, UNLAND TBG, RU PRS, SCAN TBG OOH, 257 JTS, J55, 4.7# TBG. 168 YB, 73 BB, 15 RB, RD PRS, RU MULTI SHOT, RUN GYRO TO 8000'. SDFN
5/20/2010	7:00 - 7:30	0.50	ABAND	48		P		TIH TBG
	7:30 - 16:00	8.50	ABAND	31		P		KILL WELL WITH 20 BBLS TMAC, RU CUTTERS, PU GAUGE RING RIH TO 4970', POOH LD GAUGE RING, PU CBP RIH TO 4944', SET CBP, POOH RD CUTTERS, PUMP TMAC DWN CSG TO FILL CSG, SHUT DWN TO REPAIR PWR TONGS, RIH 159 JTS TO 4944', SWIFN
5/21/2010	7:00 - 7:30	0.50	ABAND	48		P		CEMENT PLUGS
	7:30 - 7:30	0.00	ABAND	51		P		RU PUMP PRESSURE TEST CSG TO 500# 5 MIN, RD PUMP, RU PRO PETRO, PUMP 10 SX, CLASS G 1.145 YIELD 4.9 GW/SX, 15.8# DENISTY, 11.5 CF, 2 BBLS, DISPLACE WITH 1 BBL FRESH, 17.3 BBL TMC, POOH 11 JTS TO 4610', PUMP 3.1 BBL CLASS G AS ABOVE, 17.25 CF, DISPLACE WITH 1 BBL FRESH, 16.1 BBL TMAC, POOH TBG, ND BOP'S, CAP WELL, RDMO TO CIGE 3.

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<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 3/18/2011	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER: <input style="width: 50px;" type="text"/>	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
The subject well location has returned to production from a temporarily abandoned status on Friday, March 18, 2011. Please see attach chronological history report.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY		
NAME (PLEASE PRINT) Gina Becker	PHONE NUMBER 720 929-6086	TITLE Regulatory Analyst II
SIGNATURE N/A	DATE 3/28/2011	

US ROCKIES REGION
Operation Summary Report

Well: NBU 922-32H				Spud Date: 9/3/2006				
Project: UTAH-UINTAH			Site: NBU 922-32H			Rig Name No: GWS 1/1		
Event: WELL WORK EXPENSE			Start Date: 3/3/2011		End Date: 3/4/2011			
Active Datum: RKB @5,008.99ft (above Mean Sea Level)				UWI: NBU 922-32H				
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
3/3/2011	7:00 - 7:15	0.25	REE	48		P		HSM, SLIPS, TRIPS & FALLS, D/O CBP ON REETRY UNKNOWN PRESSURE UNDER CBP.
	7:15 - 17:30	10.25	REE	31	I	P		ATTEMPT TO RU ON NBU 922-31P1 TOO MUDDY, ROAD RIG FROM NBU 922-31P1, MIRU, NU TBG HEAD, FILL IN AROUND WH, NU BOP, RU FLOOR & TBG EQUIP, LAY HARD LINES, PU 3 7/8" DRAG BIT, POBS, 1 JT TBG, 1.875" XN SN, TALLY & PU TBG, TO CMT PLUG, TBG HAD ALOT OF RUST IN ID RABBIT HANGING UP HAD TO BEAT ON THEM W/ SLEDGE HAMMER, TAG @ 4,430', RU POWER SWIVEL & INSTAL WASH RUB, FILL TBG & BREAK CIRC, START DRLG CMT FROM 4,430' TO 4,472', DRAIN UP & WINTERIZE, SWI SDFN.
3/4/2011	7:00 - 7:15	0.25	REE	48		P		HSM, SLIPS, TRIPS & FALLS, HAVE PUP JT READY W/ WASH RUBBER & HANGER TO LAND TBG IF WE GET BIG KICK WHILE DRLG CBP.

US ROCKIES REGION
Operation Summary Report

Well: NBU 922-32H

Spud Date: 9/3/2006

Project: UTAH-UINTAH

Site: NBU 922-32H

Rig Name No: GWS 1/1

Event: WELL WORK EXPENSE

Start Date: 3/3/2011

End Date: 3/4/2011

Active Datum: RKB @5,008.99ft (above Mean Sea Level)

UWI: NBU 922-32H

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	7:15 - 19:00	11.75	REE	44	A	P		<p>HOOK UP HARD LINE, BREAK CIRC START DRLG CMT FROM 4,472' TO 4,610', RIH TAG @ 4,810', PU 6' PUP JT & INSTAL NEW WASH RUBBER & TBG HANGER IN CASE WELL UNLOADS WHILE DRLG CBP WE CAN LAND TBG IF NEEDED, DRLG CMT FROM 4,810' TO 4,944', PRESS TEST BOP TO 2,500 PSI FOR 10 MIN HELD OK, DRILL CBP @ 4,944' WELL WENT ON VACUMN, RD POWER SWIVEL, TALLY & PU TBG OFF TRAILER, TRICKLE TMAC DOWN CSG, RIH TAG @ 8,216', RU POWER SWIVEL & AIR FOAM UNIT, INSTALL PUMP THRU PLUG & BREAK CIRC W/ AIR FOAM TOOK 1 HR @ 1/2 BPM & 1,000 SCF OF AIR, START DRLG SCALE FROM 8,216' TO 8,342' FELL FREE RIH TO 8,969', 58' PAST BTM PERF, L/D 24 JTS KILL TBG W/ 15 BBLS TO REMOVE PUMP THRU PLUG, L/D 6 JTS, PU WEATHERFORD HANGER, LAND TBG @ 8,027.30' W/ 256 JTS 2 3/8" J-55 TBG.</p> <p>RD POWER SWIVEL, FLOOR & TBG EQUIP, ND BOPS, NU WH, DROP BALL TO SHEAR OFF BIT W/ 3,200 PSI.</p> <p>DRAIN UP & WINTERIZE, SWI, RDMO MONDAY TO NBU 921-25F PAD, SDFWE.</p> <p>KB= 24' 7 1/16" WEATHERFORD HANGER= .83' TBG DELIVERED 294 JTS 255 JTS 2 3/8" J-55 = 7,967.89' TBG USED 256 JTS 1.875" XN SN 1.33' TBG RETURNED 38 JTS 1 JT 2 3/8" J-55 = 31.29' YELLOW BAND USED TBG FROM B&C YARD POBS 1.96' EOT @ 8,027.30' SN @ 7,992.72'</p> <p>WATER TO RECOVER 300 BBLS, CALLED CDC TALKED TO TUCKER, ALL SURFACE CSG VALVES LEFT OPEN.</p>

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9																														
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22649 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES																														
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: NBU 922-32H																															
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047380070000																															
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6515 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES																														
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1555 FNL 0951 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENE Section: 32 Township: 09.0S Range: 22.0E Meridian: S	COUNTY: UINTAH STATE: UTAH																															
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA																																
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<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 3/3/2011 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top; padding: 2px;"><input type="checkbox"/> ACIDIZE</td> <td style="width: 33%; vertical-align: top; padding: 2px;"><input type="checkbox"/> ALTER CASING</td> <td style="width: 33%; vertical-align: top; padding: 2px;"><input type="checkbox"/> CASING REPAIR</td> </tr> <tr> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> CHANGE TO PREVIOUS PLANS</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> CHANGE TUBING</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> CHANGE WELL NAME</td> </tr> <tr> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> CHANGE WELL STATUS</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> CONVERT WELL TYPE</td> </tr> <tr> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> DEEPEN</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> FRACTURE TREAT</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> NEW CONSTRUCTION</td> </tr> <tr> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> OPERATOR CHANGE</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> PLUG AND ABANDON</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> PLUG BACK</td> </tr> <tr> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> PRODUCTION START OR RESUME</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> RECLAMATION OF WELL SITE</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION</td> </tr> <tr> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> REPERFORATE CURRENT FORMATION</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> SIDETRACK TO REPAIR WELL</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> TEMPORARY ABANDON</td> </tr> <tr> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> TUBING REPAIR</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> VENT OR FLARE</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> WATER DISPOSAL</td> </tr> <tr> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> WATER SHUTOFF</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> SI TA STATUS EXTENSION</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> APD EXTENSION</td> </tr> <tr> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> WILDCAT WELL DETERMINATION</td> <td style="vertical-align: top; padding: 2px;"><input checked="" type="checkbox"/> OTHER</td> <td style="vertical-align: top; padding: 2px;">OTHER: <input style="width: 80px;" type="text" value="MAINTENANCE"/></td> </tr> </table>		<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <input style="width: 80px;" type="text" value="MAINTENANCE"/>
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Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY																																
NAME (PLEASE PRINT) Sheila Wopsock	PHONE NUMBER 435 781-7024	TITLE Regulatory Analyst																														
SIGNATURE N/A	DATE 7/15/2011																															

US ROCKIES REGION
Operation Summary Report

Well: NBU 922-32H				Spud Date: 9/3/2006				
Project: UTAH-UINTAH			Site: NBU 922-32H			Rig Name No: GWS 1/1		
Event: WELL WORK EXPENSE			Start Date: 3/3/2011			End Date: 3/4/2011		
Active Datum: RKB @5,008.99ft (above Mean Sea Level)				UWI: NBU 922-32H				
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
3/3/2011	7:00 - 7:15	0.25	REE	48		P		HSM, SLIPS, TRIPS & FALLS, D/O CBP ON REETRY UNKNOWN PRESSURE UNDER CBP.
	7:15 - 17:30	10.25	REE	31	I	P		ATTEMPT TO RU ON NBU 922-31P1 TOO MUDDY, ROAD RIG FROM NBU 922-31P1, MIRU, NU TBG HEAD, FILL IN AROUND WH, NU BOP, RU FLOOR & TBG EQUIP, LAY HARD LINES, PU 3 7/8" DRAG BIT, POBS, 1 JT TBG, 1.875" XN SN, TALLY & PU TBG, TO CMT PLUG, TBG HAD ALOT OF RUST IN ID RABBIT HANGING UP HAD TO BEAT ON THEM W/ SLEDGE HAMMER, TAG @ 4,430', RU POWER SWIVEL & INSTAL WASH RUB, FILL TBG & BREAK CIRC, START DRLG CMT FROM 4,430' TO 4,472', DRAIN UP & WINTERIZE, SWI SDFN.
3/4/2011	7:00 - 7:15	0.25	REE	48		P		HSM, SLIPS, TRIPS & FALLS, HAVE PUP JT READY W/ WASH RUBBER & HANGER TO LAND TBG IF WE GET BIG KICK WHILE DRLG CBP.

US ROCKIES REGION
Operation Summary Report

Well: NBU 922-32H		Spud Date: 9/3/2006	
Project: UTAH-UINTAH		Site: NBU 922-32H	Rig Name No: GWS 1/1
Event: WELL WORK EXPENSE		Start Date: 3/3/2011	End Date: 3/4/2011
Active Datum: RKB @5,008.99ft (above Mean Sea Level)		UWI: NBU 922-32H	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	7:15 - 19:00	11.75	REE	44	A	P		<p>HOOK UP HARD LINE, BREAK CIRC START DRLG CMT FROM 4,472' TO 4,610', RIH TAG @ 4,810', PU 6' PUP JT & INSTAL NEW WASH RUBBER & TBG HANGER IN CASE WELL UNLOADS WHILE DRLG CBP WE CAN LAND TBG IF NEEDED, DRLG CMT FROM 4,810' TO 4,944', PRESS TEST BOP TO 2,500 PSI FOR 10 MIN HELD OK, DRILL CBP @ 4,944' WELL WENT ON VACUMN, RD POWER SWIVEL, TALLY & PU TBG OFF TRAILER, TRICKLE TMAC DOWN CSG, RIH TAG @ 8,216', RU POWER SWIVEL & AIR FOAM UNIT, INSTALL PUMP THRU PLUG & BREAK CIRC W/ AIR FOAM TOOK 1 HR @ 1/2 BPM & 1,000 SCF OF AIR, START DRLG SCALE FROM 8,216' TO 8,342' FELL FREE RIH TO 8,969', 58' PAST BTM PERF, L/D 24 JTS KILL TBG W/ 15 BBLS TO REMOVE PUMP THRU PLUG, L/D 6 JTS, PU WEATHERFORD HANGER, LAND TBG @ 8,027.30' W/ 256 JTS 2 3/8" J-55 TBG.</p> <p>RD POWER SWIVEL, FLOOR & TBG EQUIP, ND BOPS, NU WH, DROP BALL TO SHEAR OFF BIT W/ 3,200 PSI.</p> <p>DRAIN UP & WINTERIZE, SWI, RDMO MONDAY TO NBU 921-25F PAD, SDFWE.</p> <p>KB= 24' 7 1/16" WEATHERFORD HANGER= .83' TBG DELIVERED 294 JTS 255 JTS 2 3/8" J-55 = 7,967.89' TBG USED 256 JTS 1.875" XN SN 1.33' TBG RETURNED 38 JTS 1 JT 2 3/8" J-55 = 31.29' YELLOW BAND USED TBG FROM B&C YARD POBS 1.96' EOT @ 8,027.30' SN @ 7,992.72'</p> <p>WATER TO RECOVER 300 BBLS, CALLED CDC TALKED TO TUCKER, ALL SURFACE CSG VALVES LEFT OPEN.</p>