

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-22792	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 1021-19M	
3. ADDRESS OF OPERATOR: 1368 S 1200 E		CITY VERNAL STATE UT ZIP 84078	PHONE NUMBER: (435) 781-7024	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 650'FSL, 772'FWL			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 19 10S 21E	
AT PROPOSED PRODUCINGZONE: _____				
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 11.5 MILES SOUTHEAST OF OURAY			12. COUNTY: UINTAH	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 772'	16. NUMBER OF ACRES IN LEASE: 643.60	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40.00		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) REFER TO TOPO C	19. PROPOSED DEPTH: 9,540	20. BOND DESCRIPTION: RLB0005237		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5218'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#	2,000	265 SX	1.18	15.6
7 7/8"	4 1/2"	I-80	11.6#	9,540	2010 SX	1.31	14.3

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"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<div style="text-align: right; font-weight: bold; font-size: 1.2em;">RECEIVED</div> <div style="text-align: right; font-weight: bold; font-size: 1.2em;">MAY 30 2006</div> <div style="text-align: right; font-weight: bold;">DIV. OF OIL, GAS & MINING</div> <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER
---	--

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGUALTORY ANALYST
 SIGNATURE *Sheila Upchego* DATE 5/24/2006

(This space for State use only)

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

API NUMBER ASSIGNED: 43-047-38150

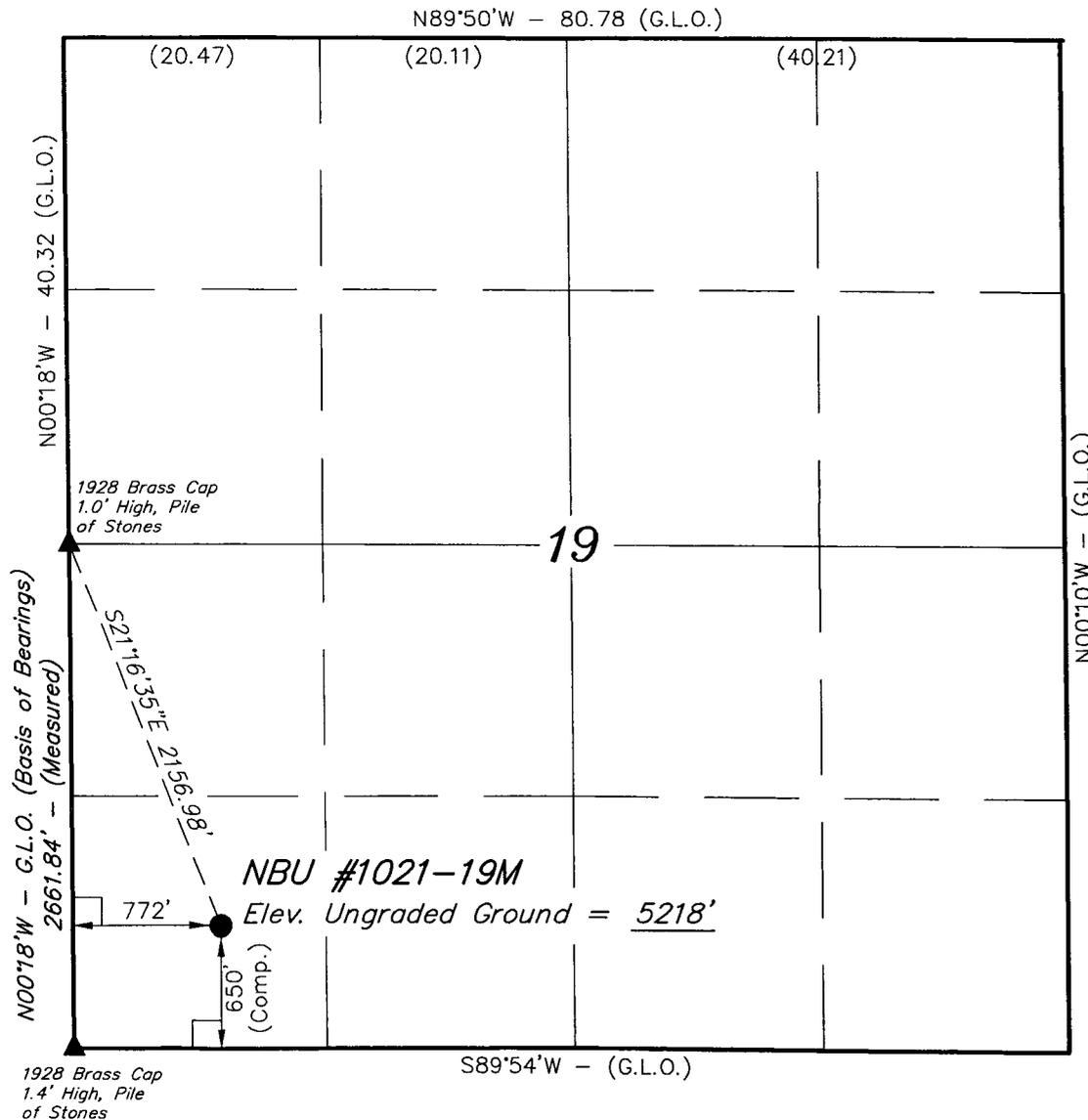
APPROVAL: _____

Date: 06-25-07
By: *Brad Gill*

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

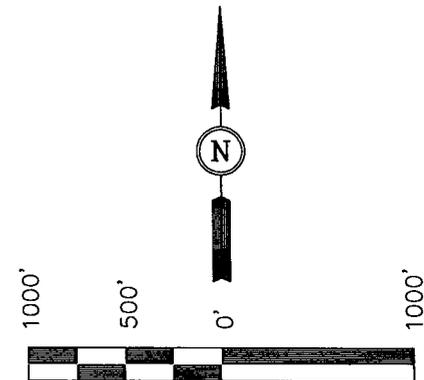
Kerr-McGee Oil & Gas Onshore LP

Well location, NBU #1021-19M, located as shown in the SW 1/4 SW 1/4 of Section 19, T10S, R21E, S.L.B.&M. Uintah County, Utah.



BASIS OF ELEVATION

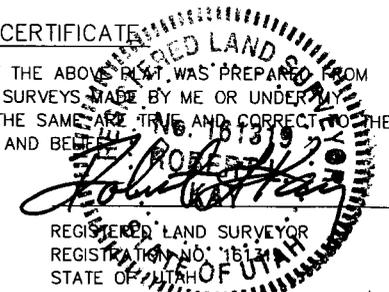
SPOT ELEVATION LOCATED ON A ROAD IN THE NW 1/4 NE 1/4 OF SECTION 19, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN. NE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5302. FEET.



SCALE

CERTIFICATE

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



Revised: 01-31-06 C.H.
Revised: 12-05-05 C.H.

LEGEND:

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

LATITUDE = 39°55'40"
LONGITUDE = 109°36'03"

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

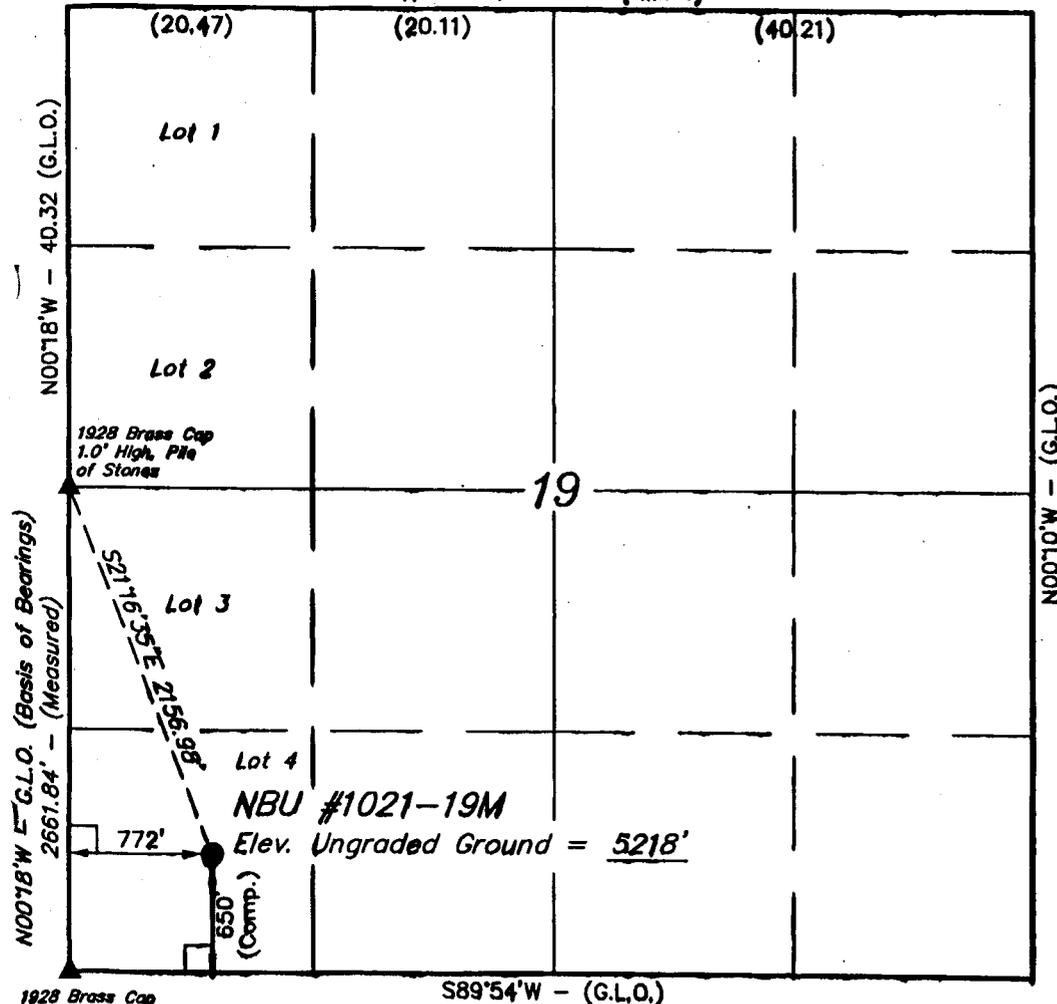
SCALE 1" = 1000'	DATE SURVEYED: 2-5-01	DATE DRAWN: 2-8-01
PARTY C.T. D.T. D.COX	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE Kerr-McGee Oil & Gas Onshore LP	

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

Kerr-McGee Oil & Gas Onshore LP

Well location, NBU #1021-19M, located as shown in the SW 1/4 SW 1/4 of Section 19, T10S, R21E, S.L.B.&M. Uintah County, Utah.

N89°50'W - 80.78 (G.L.O.)



1928 Brass Cap
1.4' High, Pile
of Stones

S89°54'W - (G.L.O.)

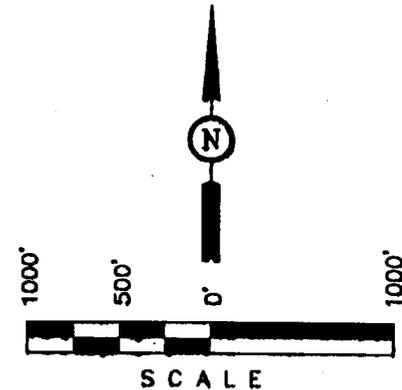
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LATITUDE = 39°55'40"
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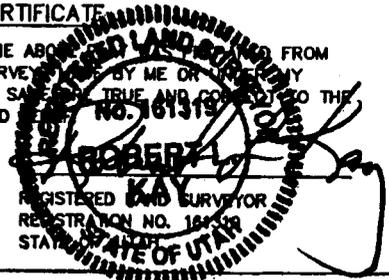
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Revised: 06-05-06 C.H.
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UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 2-5-01	DATE DRAWN: 2-8-01
PARTY C.T. D.T. D.COX	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE Kerr-McGee Oil & Gas Onshore LP	

**NBU #1021-19M
SWSW SECTION 19-T10S-R21E
UINTAH COUNTY, UTAH
LEASE NUMBER: ML-22792**

**ONSHORE ORDER NO. 1
WESTPORT OIL & GAS COMPANY**

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
Uinta	Surface
Green River	1101'
Top of Birds Nest Water	1348'
Mahogany	1865'
Wasatch	4351'
Mesa Verde	7360'
MVU2	8352'
MVL1	8888'
Total Depth	9540'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Water	Green River	1101'
	Top of Birds Nest Water	1348'
	Mahogany	1865'
Gas	Wasatch	4351'
	Mesa Verde	7360'
Gas	MVU2	8352'
Gas	MVL1	8888'
Water	N/A	
Other Minerals	N/A	

3. Pressure Control Equipment:

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 at 9540' TD approximately equals 5915 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3816 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates & Notification of Operations:**

Please refer to the attached Drilling Program.

9. **Variances:**

Please refer to the attached Drilling Program.

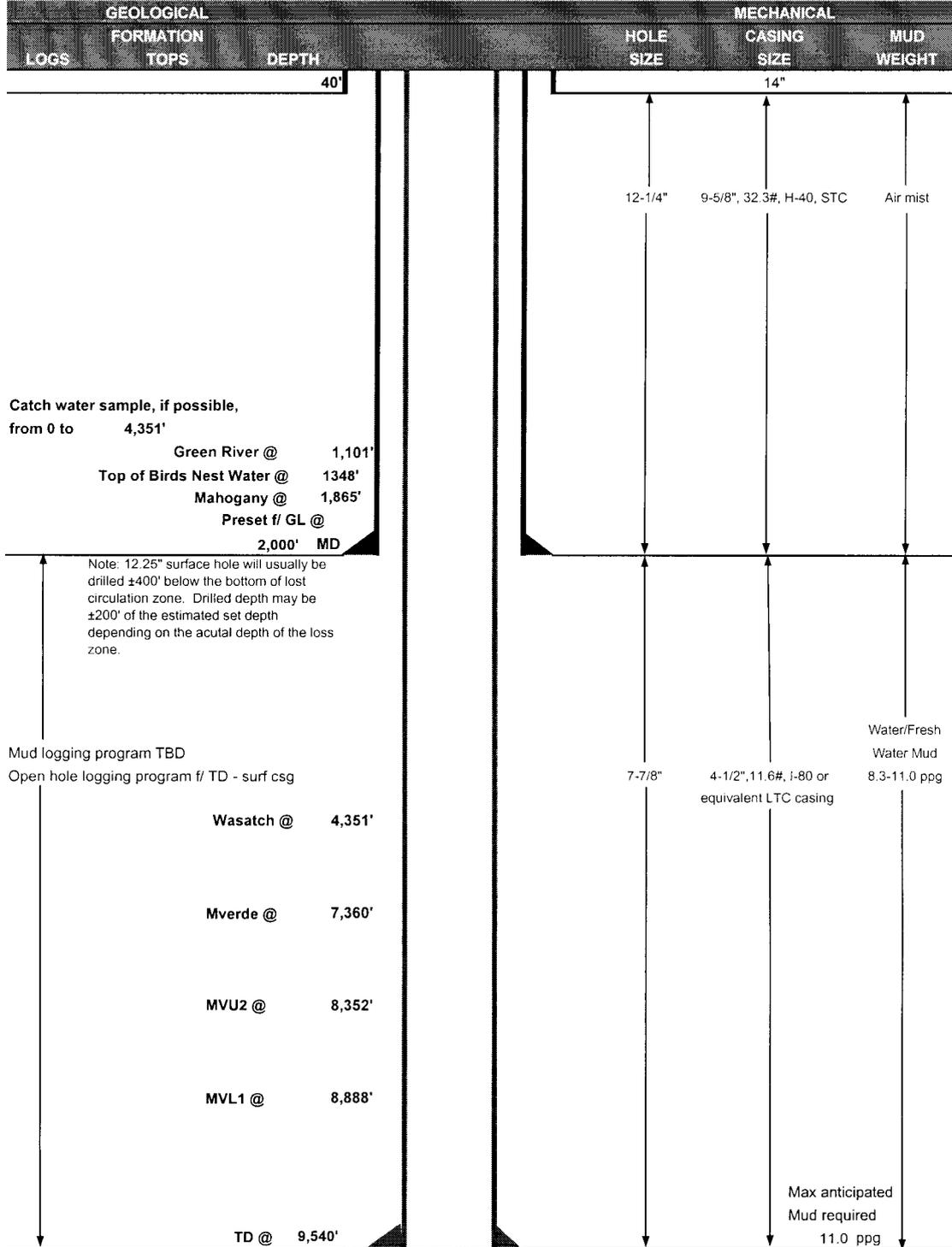
10. **Other Information:**

Please refer to the attached Drilling Program.



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE May 24, 2006
 WELL NAME NBU 1021-19M TD 9,540' MD/TVD
 FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 5,218' GL KB 5,233'
 SURFACE LOCATION SWSW SECTION 19, T10S, R21E 650'FSL, 772'FWL BHL Straight Hole
 Latitude: 39.927778 Longitude: 109.600833
 OBJECTIVE ZONE(S) Wasatch/Mesaverde
 ADDITIONAL INFO Regulatory Agencies: UDOGM (SURF & MINERALS), BLM, Tri-County Health Dept.





KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 2000	32.30	H-40	STC	0.68*****	1.46	4.49
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 9540	11.60	I-80	LTC	2.32	1.16	2.08

- 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 = 11.0 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 3358 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	NOTE: If well will circulate water to surface, option 2 will be utilized						
	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,850'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	420	60%	11.00	3.38
	TAIL	5,690'	50/50 Poz/G + 10% salt + 2% gel + .1% R-3	1590	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.

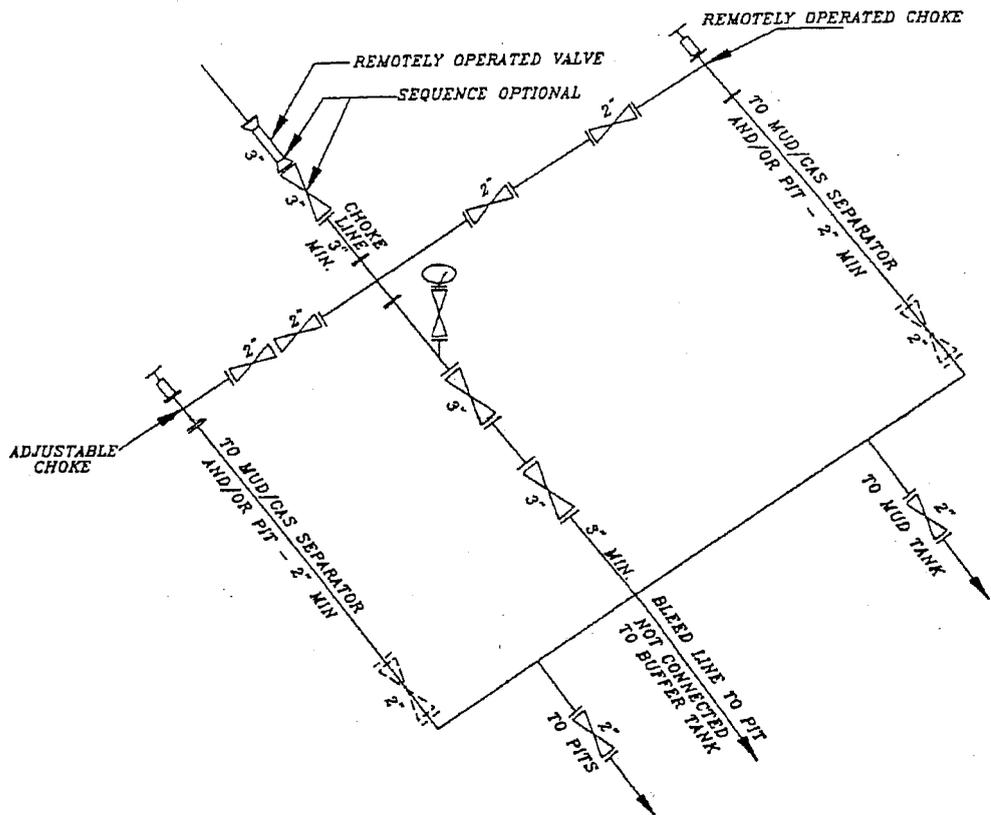
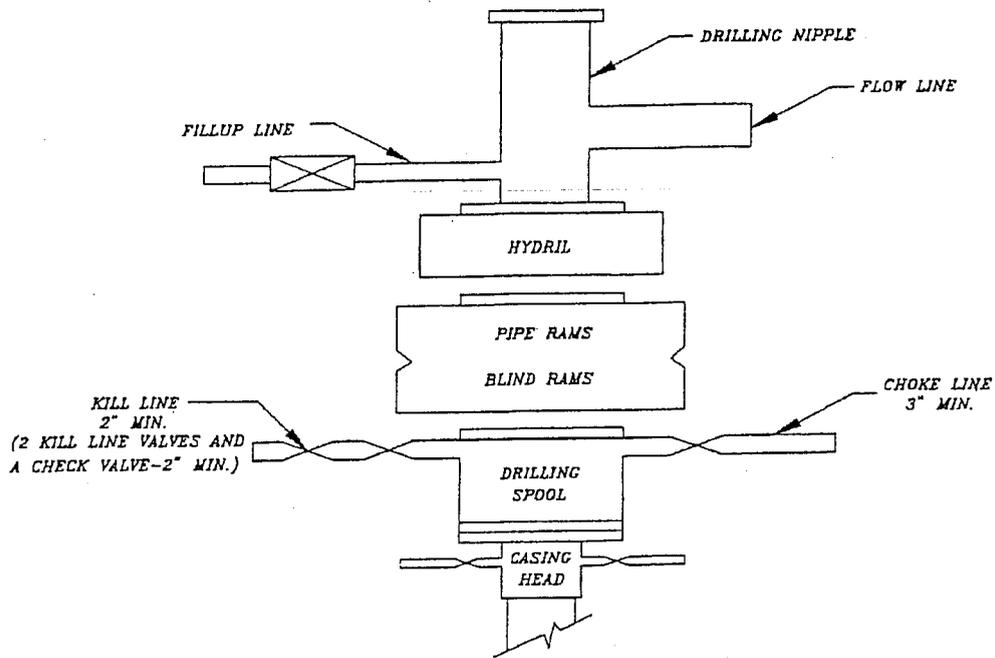
DRILLING ENGINEER: _____
 Brad Laney

DATE: _____

DRILLING SUPERINTENDENT: _____
 Randy Bayne

DATE: _____

5M BOP STACK and CHOKE MANIFOLD SYSTEM



NBU 1021-19M
SWSW Sec. 19, T10S-R21E
Uintah County, UT
ML-22792

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.

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 300' +/- of new access road is proposed. Refer to Topo Map B for the location of the proposed access road.

Approximately 0.4 +/- miles of an existing 2-track roads needs upgraded. Refer to Topo Map B.

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 will be 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 & Pipelines

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 5800' of 4" pipeline is proposed. The pipeline will be butt-welded together. 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 16 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 performed by AERC and completed on April 23, 2001, the Archaeological Report No. COG02-09A

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 Operations 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

Date

Kerr-McGee Oil & Gas Onshore LP
NBU #1021-19M
SECTION 19, T10S, R21E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 13.6 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTH; FOLLOW ROAD FLAGS IN A NORTHERLY DIRECTION APPROXIMATELY 300' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 45.0 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-19M

LOCATED IN UINTAH COUNTY, UTAH
SECTION 19, T10S, R21E, S.L.B.&M.

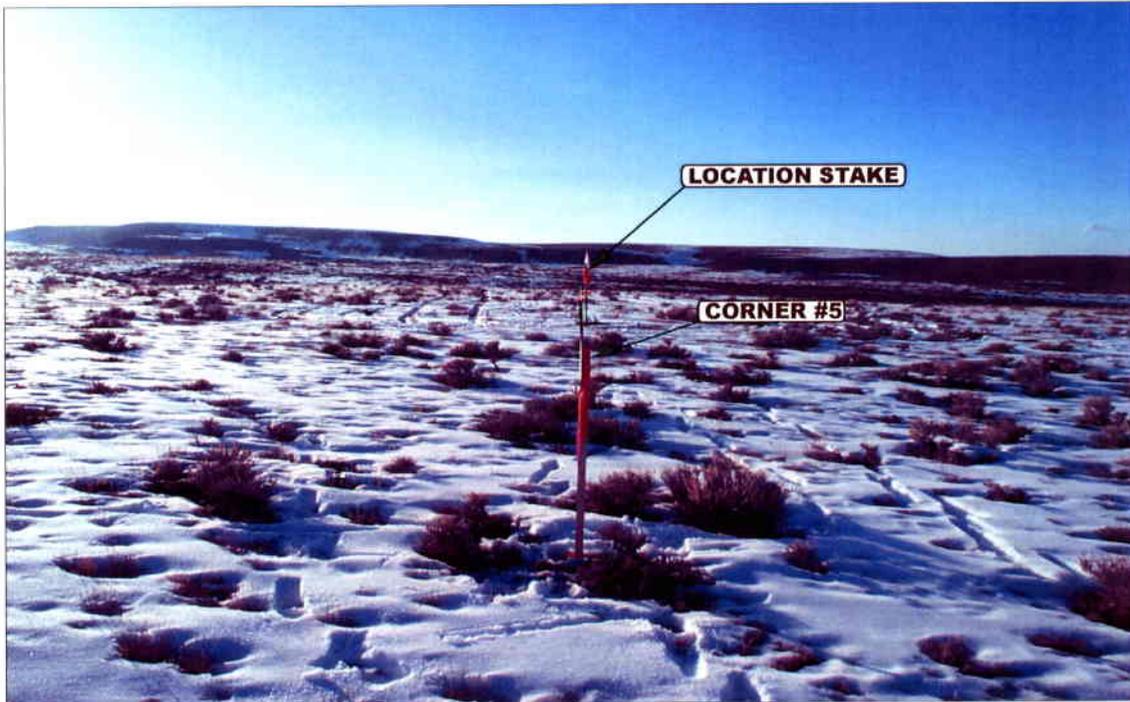


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

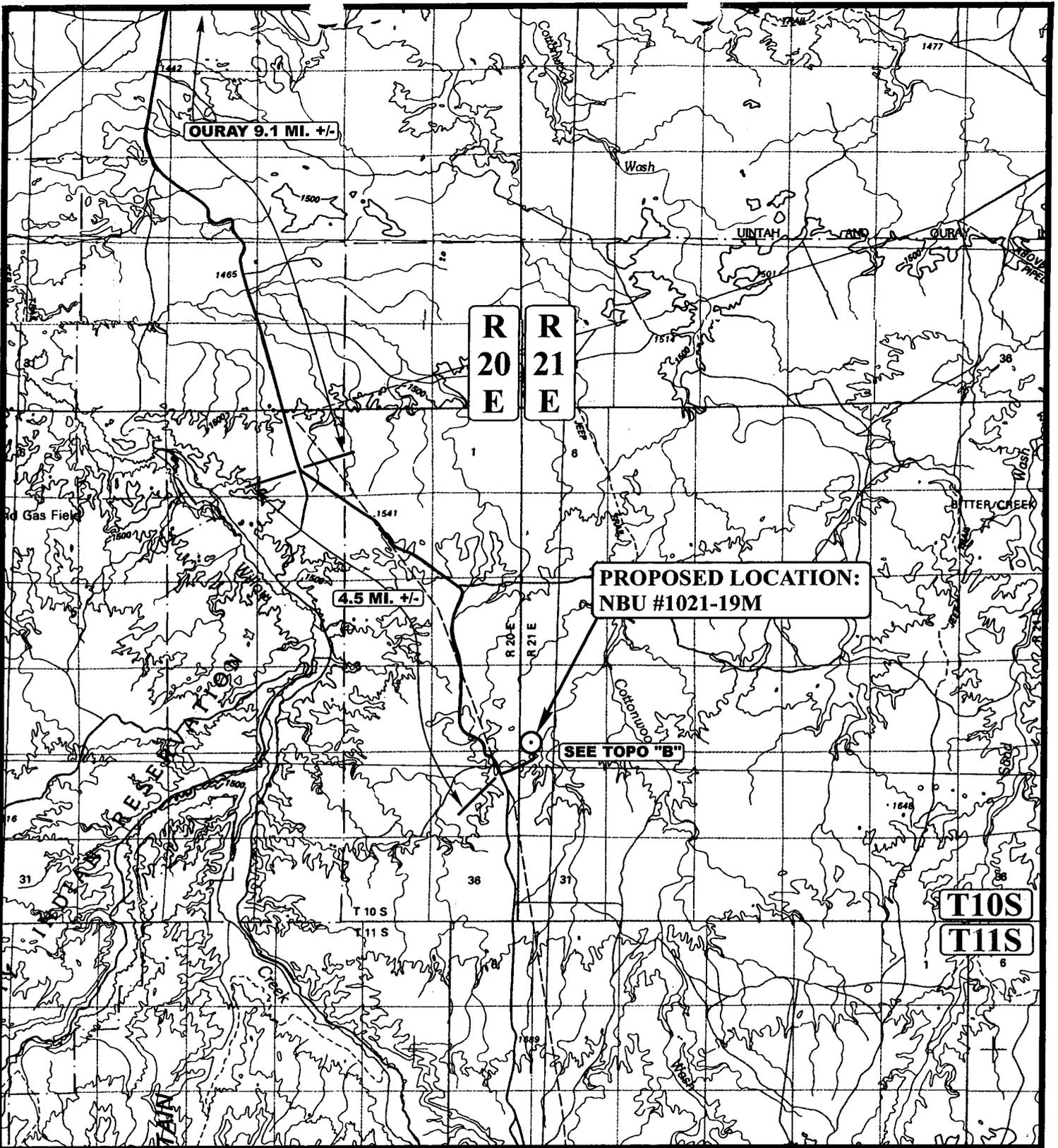
CAMERA ANGLE: NORTHERLY



- Since 1964 -

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

LOCATION PHOTOS	2	8	01	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: C.T.	DRAWN BY: P.M.		REVISED: 01-30-06	



LEGEND:

○ PROPOSED LOCATION



Kerr-McGee Oil & Gas Onshore LP

NBU #1021-19M
 SECTION 19, T10S, R21E, S.L.B.&M.
 650' FSL 722' FWL



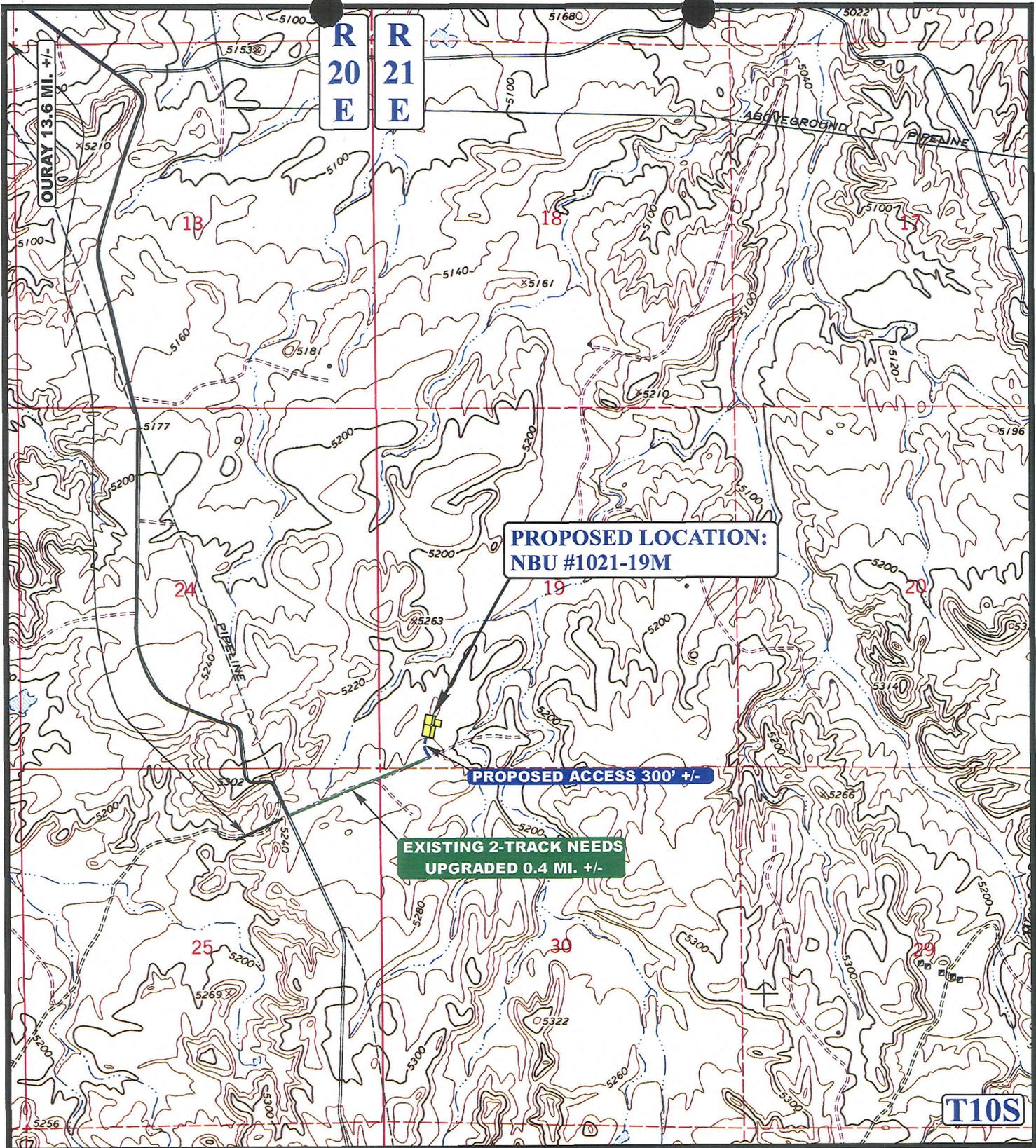
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

2	8	01
MONTH	DAY	YEAR

SCALE: 1:100,000 | DRAWN BY: P.M. | REVISED: 01-30-06





LEGEND:

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD
-  EXISTING 2-TRACK NEEDS UPGRADED

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-19M
SECTION 19, T10S, R21E, S.L.B.&M.
650' FSL 722' FWL

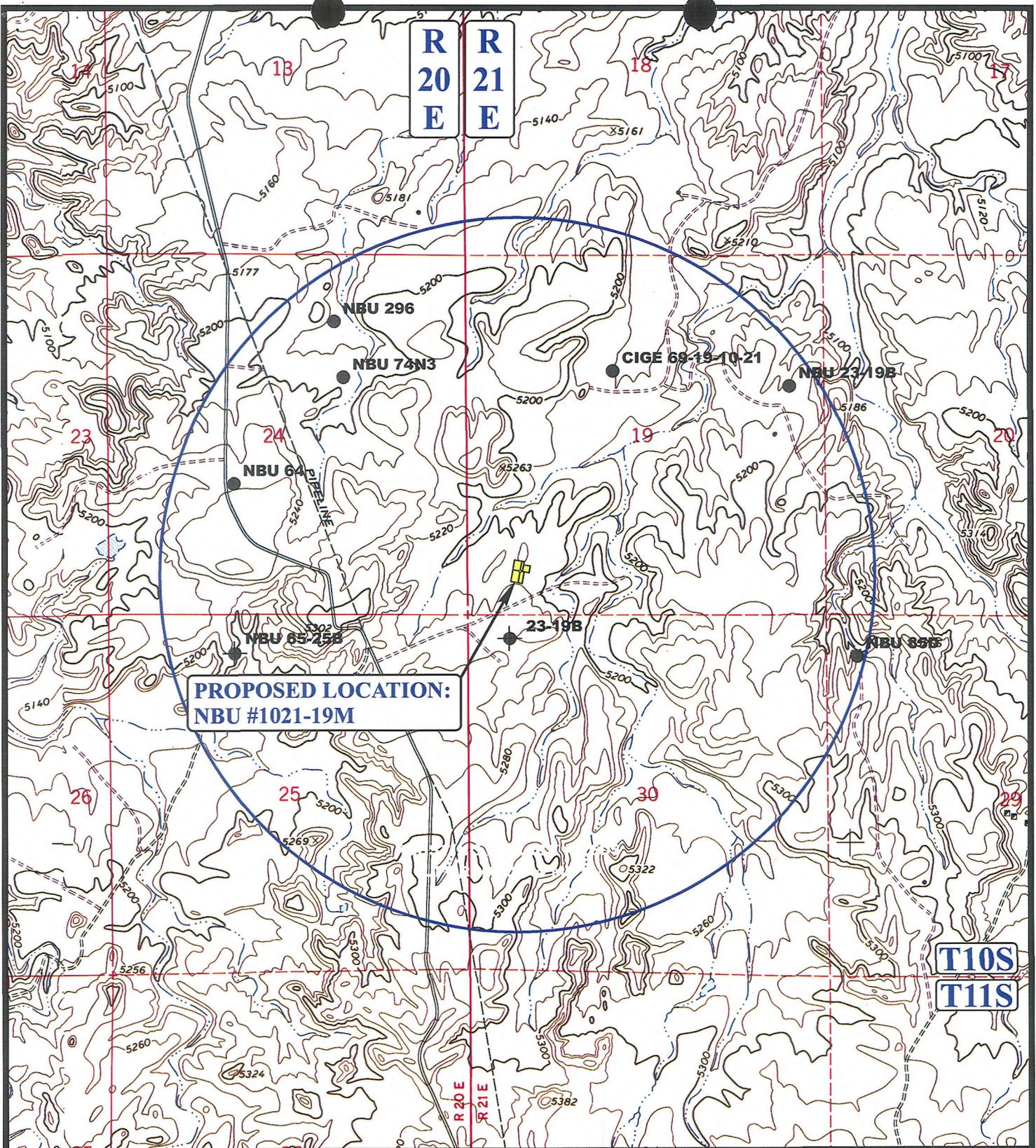


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TOPOGRAPHIC **2** **8** **01**
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 01-30-06





**PROPOSED LOCATION:
NBU #1021-19M**

LEGEND:

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

Kerr-McGee Oil & Gas Onshore LP

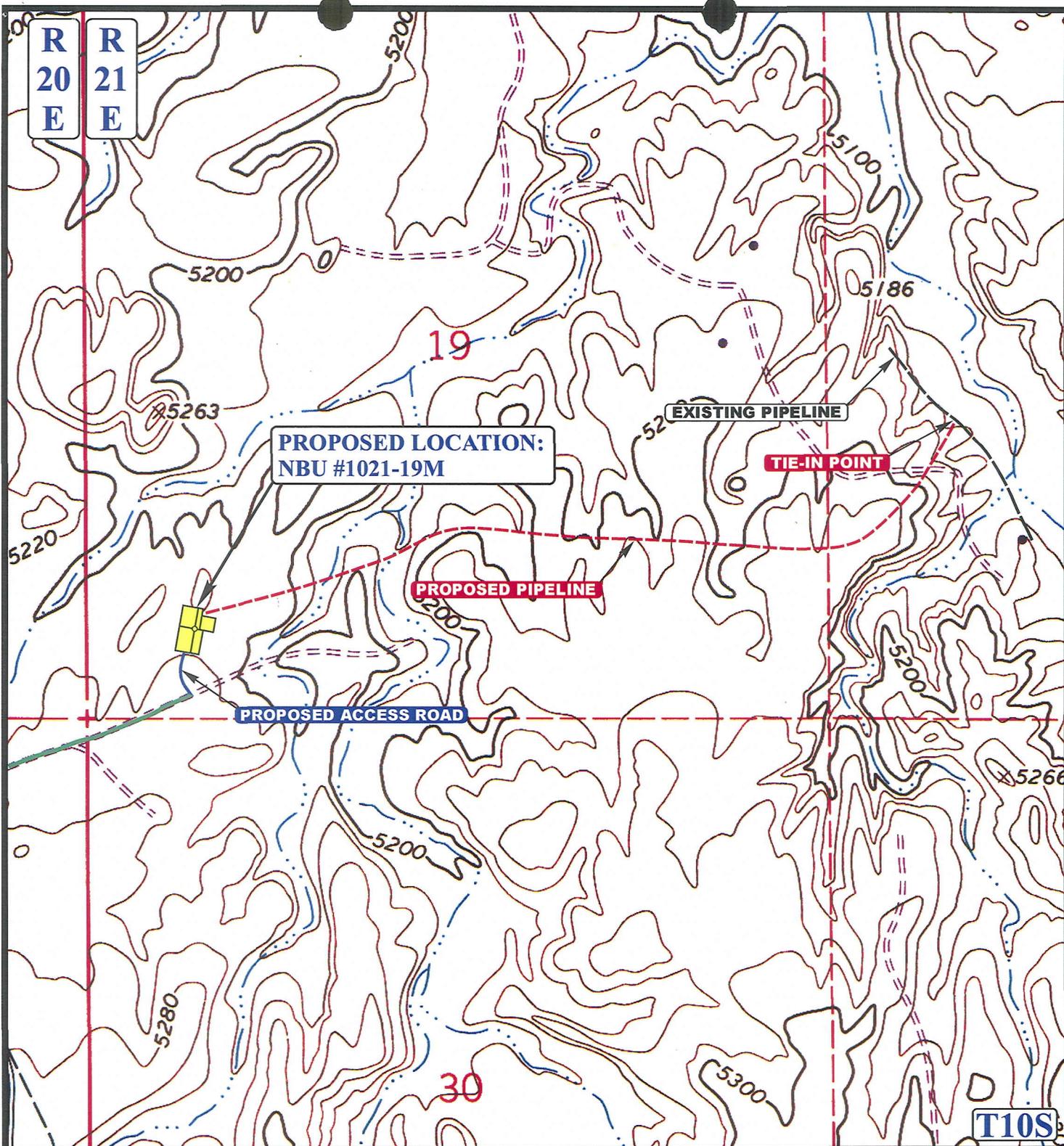
**NBU #1021-19M
SECTION 19, T10S, R21E, S.L.B.&M.
650' FSL 722' FWL**

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



TOPOGRAPHIC MAP 2 8 01
MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 01-30-06

C
TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 5,800' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-19M
SECTION 19, T10S, R21E, S.L.B.&M.
650' FSL 722' FWL



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 85 South 200 East Vernal, Utah 84078
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TOPOGRAPHIC **2** **19** **01**
MAP MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: P.M. REVISED: 01-30-06



Kerr-McGee Oil & Gas Onshore LP

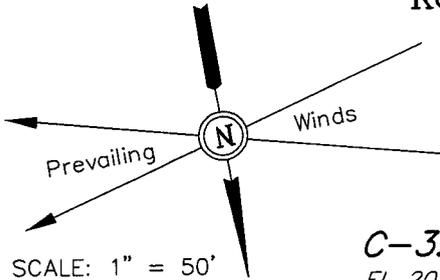
LOCATION LAYOUT FOR

NBU #1021-19M

SECTION 19, T10S, R21E, S.L.B.&M.

650' FSL 772' FWL

Proposed Access Road

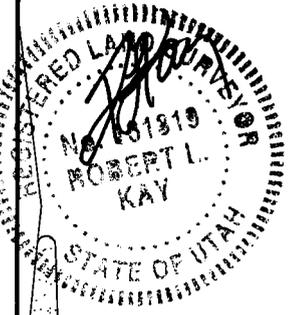


SCALE: 1" = 50'
 DATE: 2-8-01
 Drawn By: D.COX
 Revised: 12-05-05 C.H.
 Revised: 01-31-06 C.H.

C-3.2'
 El. 20.9'
 Approx. Top of Cut Slope

Sta. 3+25

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



El. 17.6'
 C-9.9'
 (btm. pit)

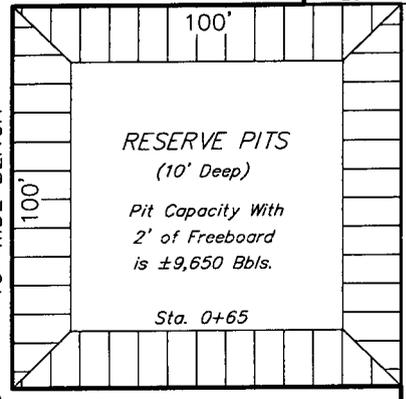
FLARE PIT
 Blooie Line

Pit Topsoil
 C-0.9'
 El. 18.6'

C-0.6'
 El. 18.3'

C-0.5'
 El. 18.2'

Sta. 1+50



TOILET
 TRAILER
 F-0.1'
 El. 17.6'

Topsoil Stockpile

El. 14.8'
 C-7.1'
 (btm. pit)

Reserve Pit Backfill & Spoils Stockpile

El. 18.3'
 C-0.6'

C-3.5'
 El. 21.2'

F-1.6'
 El. 16.1'

Approx. Toe of Fill Slope

Sta. 0+00

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5218.2'
 FINISHED GRADE ELEV. AT LOC. STAKE = 5217.7'

FIGURE #1

Kerr-McGee Oil & Gas Onshore LP

TYPICAL CROSS SECTIONS FOR

NBU #1021-19M

SECTION 19, T10S, R21E, S.L.B.&M.

650' FSL 772' FWL

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

DATE: 2-8-01
Drawn By: D.COX
Revised: 12-05-05 C.H.
Revised: 01-31-06 C.H.

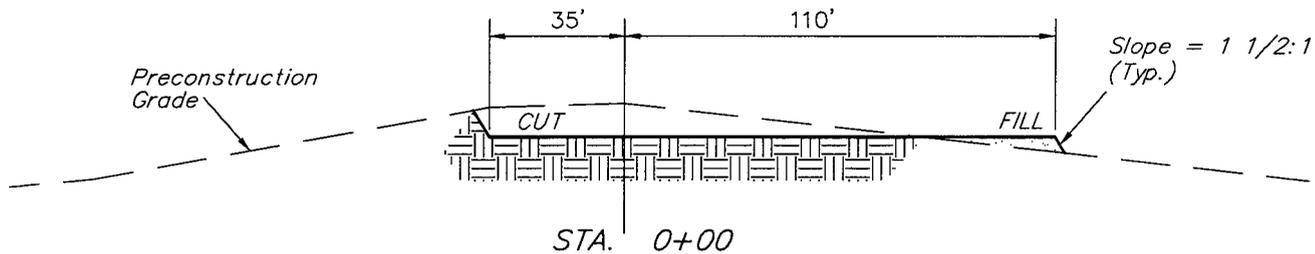
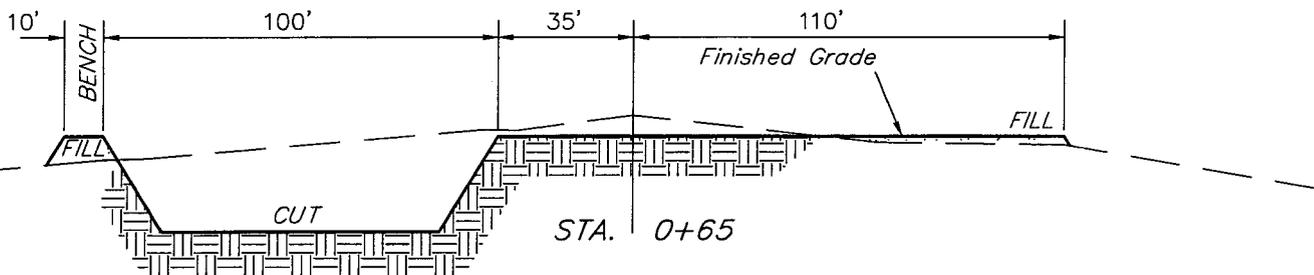
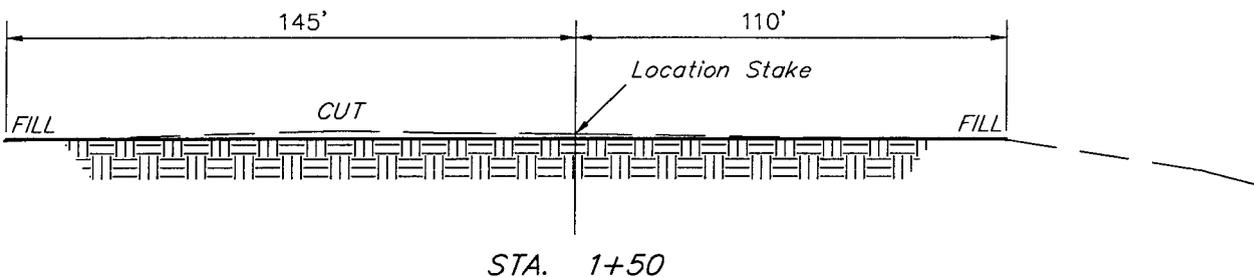
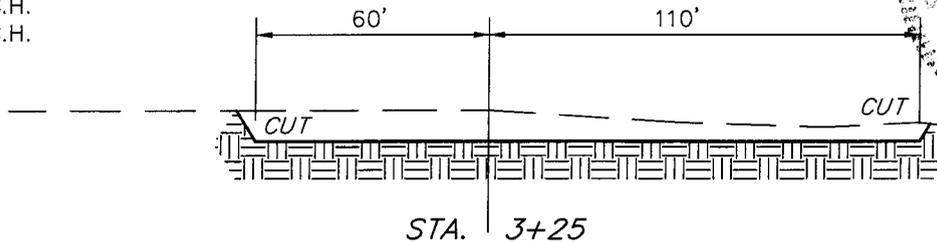
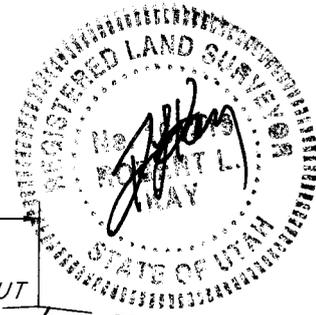


FIGURE #2

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,200 Cu. Yds.
Remaining Location	= 3,410 Cu. Yds.
TOTAL CUT	= 4,610 CU.YDS.
FILL	= 1,050 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 3,500 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,540 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 960 Cu. Yds.

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 05/30/2006

API NO. ASSIGNED: 43-047-38150

WELL NAME: NBU 1021-19M
 OPERATOR: KERR-MCGEE OIL & GAS (N2995)
 CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

SWSW 19 100S 210E
 SURFACE: 0650 FSL 0772 FWL
 BOTTOM: 0650 FSL 0772 FWL
 COUNTY: UINTAH
 LATITUDE: 39.92771 LONGITUDE: -109.6008
 UTM SURF EASTINGS: 619571 NORTHINGS: 4420461
 FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKD	8/22/06
Geology		
Surface		

LEASE TYPE: 3 - State
 LEASE NUMBER: ML-22792
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSMVD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. RLB0005236)
- N Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-8496)
- N RDCC Review (Y/N)
(Date: _____)
- NA Fee Surf Agreement (Y/N)
- NA Intent to Commingle (Y/N)

LOCATION AND SITING:

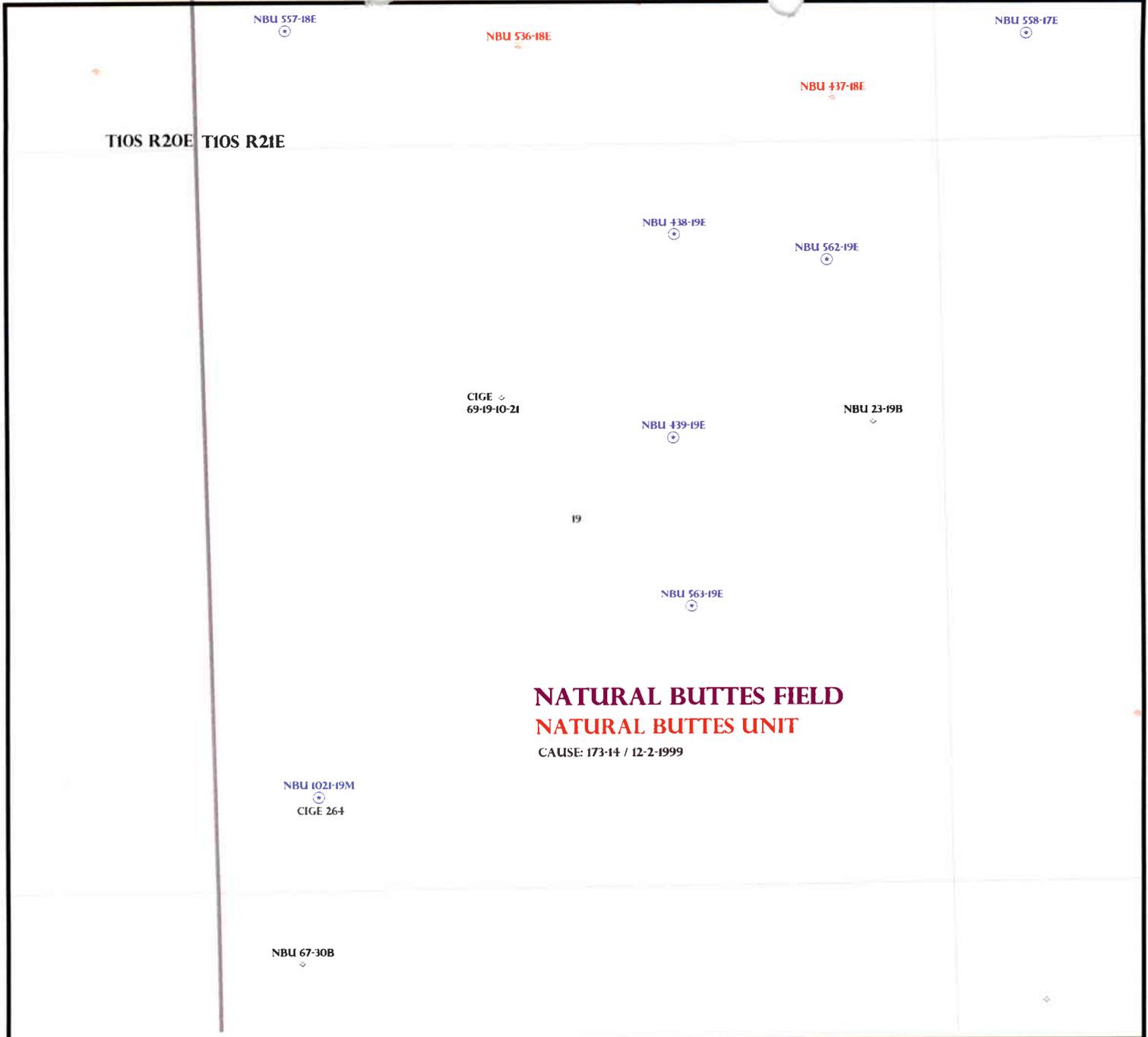
- R649-2-3.
- Unit: NATURAL BUTTES
- R649-3-2. General
Siting: 460' From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 173-14
Eff Date: 12-2-1999
Siting: 460' fr wld & g f uncomml. Drills
- R649-3-11. Directional Drill

COMMENTS:

Needs Plat (07-26-06)

STIPULATIONS:

- 1 - STATEMENT OF BASIS
- 2 - OIL SHALE
- 3 - Surface Csg Contst. P



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

OPERATOR: KERR-MCGEE O&G (N2995)
 SEC: 19 T. 10S R. 21E
 FIELD: NATURAL BUTTES (630)
 COUNTY: Uintah
 CAUSE: 173-14 / 12-2-1999

Field Status	Unit Status
ABANDONED	EXPLORATORY
ACTIVE	GAS STORAGE
COMBINED	NF PP OIL
INACTIVE	NF SECONDARY
PROPOSED	PENDING
STORAGE	PI OIL
TERMINATED	PP GAS
	PP GEOTHERML
	PP OIL
	SECONDARY
	TERMINATED

Wells Status

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



PREPARED BY: DIANA WHITNEY
 DATE: 6-JUNE-2006

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

OPERATOR: KERR MCGEE OIL & GAS ONSHORE L.P.
WELL NAME & NUMBER: NBU 1021-19M
API NUMBER: 43-047-38150
LOCATION: 1/4,1/4 SW/SW Sec: 19 TWP: 10S RNG: 21E 650' FSL 772' FWL

Geology/Ground Water:

Kerr McGee proposes to set 2,000 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 4,800 feet. 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 location is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The proposed surface casing should adequately protect any near surface aquifers. Production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresher waters uphole.

Reviewer: Brad Hill **Date:** 08/01/2006

Surface:

The predrill investigation of the surface was performed on 7/26/06. Ben Williams with DWR and Ed Bonner with SITLA were invited to this investigation on 7/18/06. Neither was present. This site is on State surface, with State minerals, and appears to be the best site for a location in the immediate area. A well on this site was previously permitted to El Paso Production Company. This well was the CIGE 264 (API 43-047-34227). The location was never constructed and the well was never spudded. The permit has expired.

Reviewer: David W. Hackford **Date:** 7/26/2006

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner with a minimum thickness of 12 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 & GAS ONSHORE L.P.

WELL NAME & NUMBER: NBU 1021-19M

API NUMBER: 43-047-38150

LEASE: ML-22792 **FIELD/UNIT:** NATURAL BUTTES

LOCATION: 1/4, 1/4 SW/SW **Sec:** 19 **TWP:** 10S **RNG:** 21E 772' **FWL** 650' **FSL**

LEGAL WELL SITING: 460' from unit boundary and uncommitted tracts.

GPS COORD (UTM): 619572E 4420461N **SURFACE OWNER:** STATE OF UTAH

PARTICIPANTS

DAVID W. HACKFORD (DOGM), DAVID KAY (UELS), A.J. KACACK, CARROLL ESTES (KERR-MCGEE).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

SITE IS IN A RELATIVELY FLAT AREA OF LOW RIDGES AND SHALLOW DRAWS DRAINING GRADUALLY FOR 1.0 MILE TO THE NORTHEAST TO COTTONWOOD WASH, THEN 8.6 MILES TO THE NORTH TO THE WHITE RIVER. THE RIM OF WILLOW CREEK CANYON IS 2.2 MILES TO THE EAST. BITTER CREEK IS 10.1 MILES TO THE EAST. OURAY, UTAH IS 11.5 MILES TO THE NORTHWEST. THERE IS A LOW KNOLL 100' TO THE NORTH.

SURFACE USE PLAN

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING, HUNTING.

PROPOSED SURFACE DISTURBANCE: LOCATION WILL BE 325' BY 270'. ACCESS ROAD WILL BE 300 FEET.

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

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: ALL PRODUCTION FACILITIES WILL BE ON LOCATION AND ADDED AFTER DRILLING WELL. PIPELINE WILL FOLLOW ACCESS ROAD.

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

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS? EXPLAIN: UNLIKELY.

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. SEWAGE FACILITIES, STORAGE AND DISPOSAL WILL BE HANDLED BY COMMERCIAL CONTRACTOR. TRASH WILL BE CONTAINED IN TRASH BASKETS AND HAULED TO AN APPROVED LAND FILL.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: GREASEWOOD, HORSEBRUSH, PRICKLY PEAR, SHADSCALE, SALTBRUSH, RABBITBRUSH: PRONGHORN, RODENTS, SONGBIRDS, RAPTORS, COYOTE, RABBITS.

SOIL TYPE AND CHARACTERISTICS: LIGHT BROWN SANDY CLAY.

EROSION/SEDIMENTATION/STABILITY: VERY LITTLE NATURAL EROSION. SEDIMENTATION AND STABILITY ARE NOT A PROBLEM AND LOCATION CONSTRUCTION SHOULDN'T CAUSE AN INCREASE IN STABILITY OR EROSION PROBLEMS.

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED.

RESERVE PIT

CHARACTERISTICS: 100' BY 100' AND 10' DEEP.

LINER REQUIREMENTS (Site Ranking Form attached): A 12 MIL LINER WILL BE REQUIRED FOR RESERVE PIT.

SURFACE RESTORATION/RECLAMATION PLAN

AS PER SITLA.

SURFACE AGREEMENT: AS PER SITLA.

CULTURAL RESOURCES/ARCHAEOLOGY: SITE WAS INSPECTED BY A.E.R.C. ARCHEOLOGICAL CONSULTANTS. A REPORT OF THIS INVESTIGATION WILL BE PLACED ON FILE.

OTHER OBSERVATIONS/COMMENTS

THIS PREDRILL INVESTIGATION WAS CONDUCTED ON A HOT, SUNNY DAY. THIS SITE WAS PREVIOUSLY PERMITTED AS THE CIGE 264 (43-047-34227) TO EL PASO PRODUCTION COMPANY. THIS PERMIT EXPIRED. THE LOCATION WAS NEVER CONSTRUCTED AND THE WELL WAS NEVER SPUDDED.

ATTACHMENTS

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

DAVID W. HACKFORD
DOGM REPRESENTATIVE

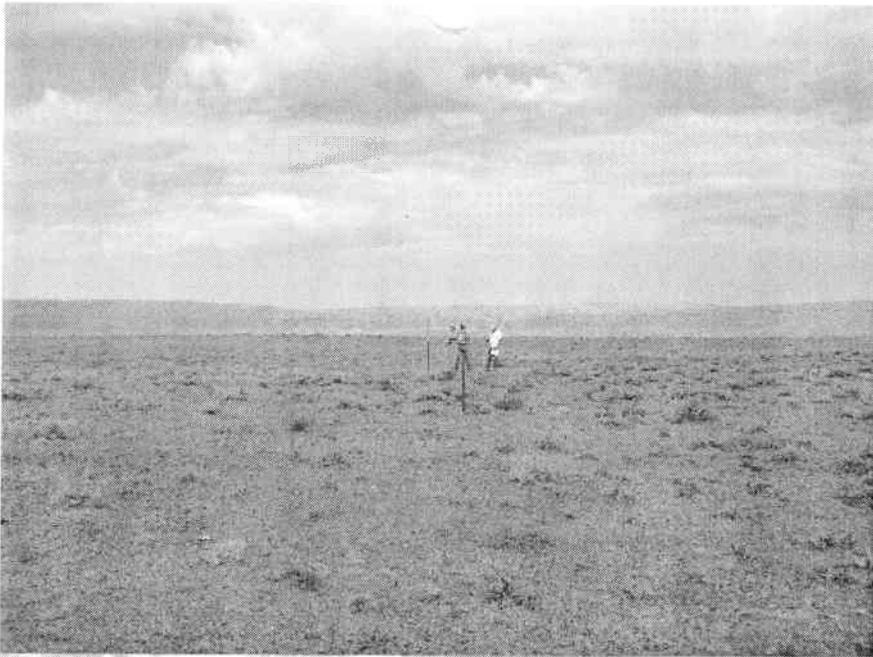
7/26/06, 9:30 AM
DATE/TIME

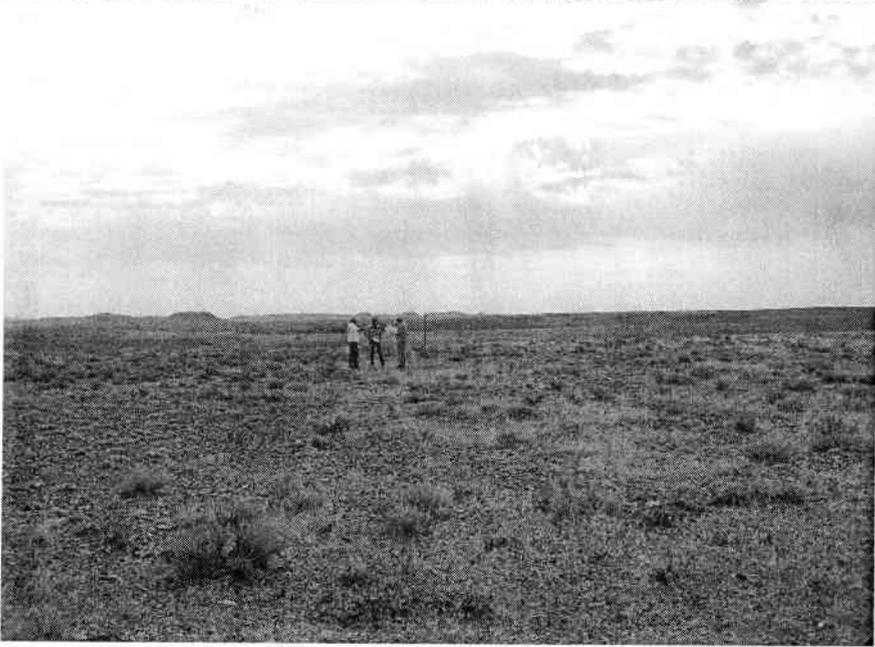
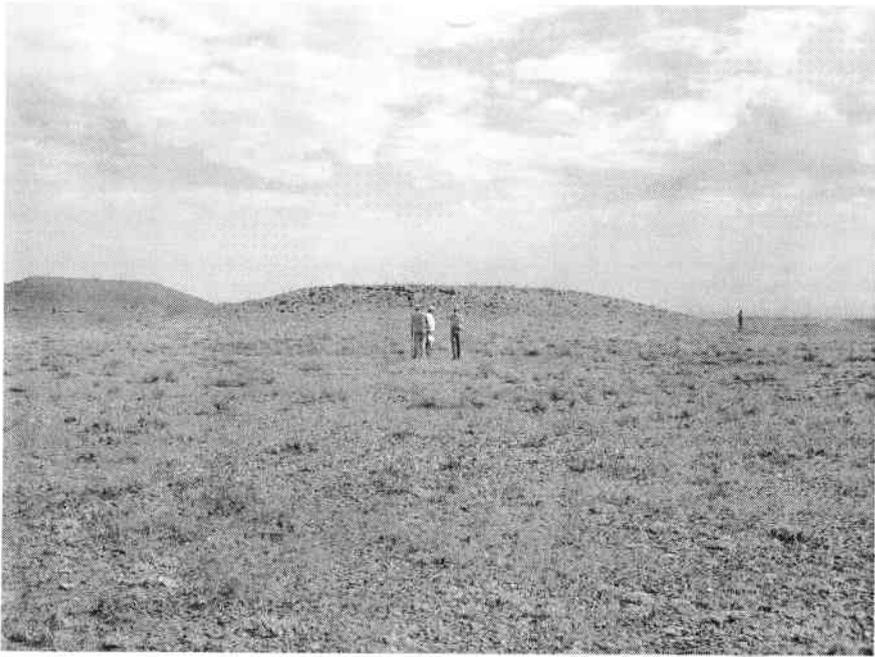
**Evaluation Ranking Criteria and Ranking
For Reserve and Onsite Pit Liner Requirements**

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

Final Score 20 (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.
Sensitivity Level II = 15-19; lining is discretionary.
Sensitivity Level III = below 15; no specific lining is required.

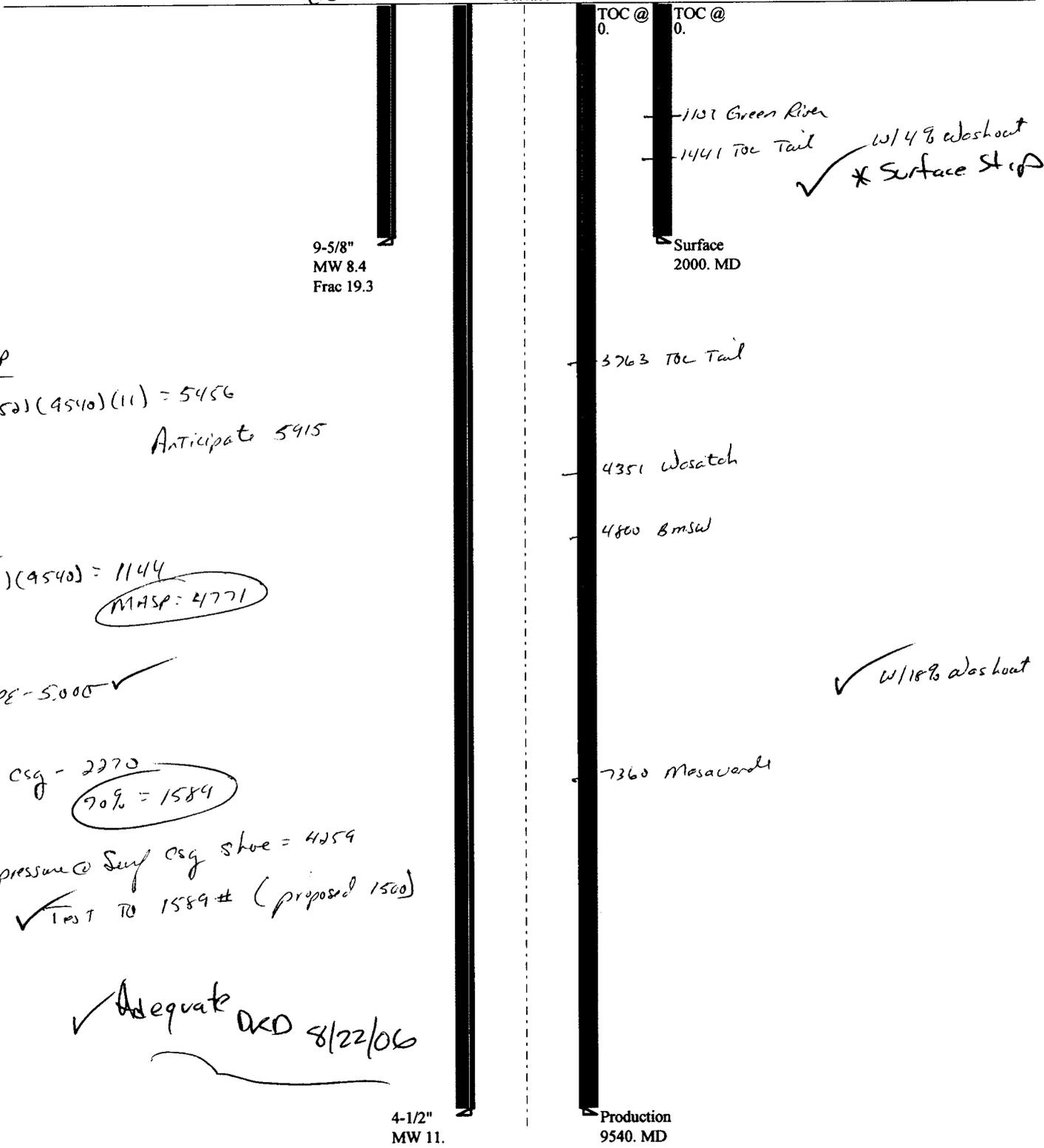




- 08-06 Kerr McGee NBU 1021-19M
Casing Schematic

Clinta

Surface



9-5/8"
MW 8.4
Frac 19.3

Surface
2000. MD

4-1/2"
MW 11.

Production
9540. MD

BHP

$$(0.052)(4540)(11) = 5456$$

Anticipate 5915

Gps

$$(0.12)(4540) = 1144$$

MASP: 4771

BUPE - 5,000 ✓

Surf csg - 2270

$$70\% = 1589$$

Max pressure @ Surf csg shoe = 4259
✓ Test to 1589# (proposed 1500)

✓ Adequate OKD 8/22/06

✓ w/ 4% washout
* Surface St. of

✓ w/ 18% washout

Well name:	08-06 Kerr McGee NBU 1021-19M	
Operator:	Kerr McGee Oil & Gas	Project ID:
String type:	Surface	43-047-38150
Location:	Uintah County	

Design parameters:

Collapse

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

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
 Surface temperature: 75 °F
 Bottom hole temperature: 103 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 500 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 1,760 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP 2,000 psi

No backup mud specified.

Tension:

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

Tension is based on buoyed weight.
 Neutral point: 1,753 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 9,540 ft
 Next mud weight: 11.000 ppg
 Next setting BHP: 5,451 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 2,000 ft
 Injection pressure 2,000 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2000	9.625	32.30	H-40	ST&C	2000	2000	8.876	126.8
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	873	1370	1.570	2000	2270	1.14	57	254	4.49 J

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

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

Date: August 9, 2006
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2000 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:	08-06 Kerr McGee NBU 1021-19M		
Operator:	Kerr McGee Oil & Gas	Project ID:	
String type:	Production	43-047-38150	
Location:	Uintah County		

Design parameters:

Collapse

Mud weight: 11.000 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: 209 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,500 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 2,147 psi
 Internal gradient: 0.346 psi/ft
 Calculated BHP 5,451 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: 7,971 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	9540	4.5	11.60	N-80	LT&C	9540	9540	3.875	221.1
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	5451	6350	1.165	5451	7780	1.43	92	223	2.41 J

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

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

Date: August 9, 2006
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 9540 ft, a mud weight of 11 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.

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)

June 5, 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
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(Proposed PZ Wasatch/MesaVerde)

43-047-38159	NBU 1022-20B	Sec 20 T10S R22E 0526 FNL 1964 FEL
43-047-38160	NBU 1022-21F	Sec 21 T10S R22E 2074 FNL 2135 FWL
43-047-38161	NBU 1022-21B	Sec 21 T10S R22E 0661 FNL 1987 FEL
43-047-38162	NBU 1022-21H	Sec 21 T10S R22E 1760 FNL 1123 FEL
43-047-38163	NBU 1022-21D	Sec 21 T10S R22E 0410 FNL 0921 FWL
43-047-38164	NBU 1022-22D	Sec 22 T10S R22E 0692 FNL 0642 FWL
43-047-38165	NBU 1022-22L	Sec 22 T10S R22E 1944 FSL 0941 FWL
43-047-38166	NBU 1022-28B	Sec 28 T10S R22E 0643 FNL 1812 FEL
43-047-38171	NBU 1022-28C	Sec 28 T10S R22E 0490 FNL 2456 FWL
43-047-38167	NBU 1022-28J	Sec 28 T10S R22E 1990 FSL 2161 FEL
43-047-38168	NBU 1022-28H	Sec 28 T10S R22E 2515 FNL 0461 FEL
43-047-38169	NBU 1022-28I	Sec 28 T10S R22E 1780 FSL 0859 FEL
43-047-38172	NBU 1022-33P	Sec 33 T10S R22E 0860 FSL 1067 FEL
43-047-38158	NBU 1022-6J	Sec 06 T10S R22E 2208 FSL 1796 FEL
43-047-38150	NBU 1021-19M	Sec 19 T10S R21E 0650 FSL 0772 FWL

Our records indicate the 1022-33P is closer than 460 feet from the Natural Buttes Unit boundary.

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

/s/ Michael L. Coulthard

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.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22792
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 650'FSL, 772'FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 19 10S 21E		8. WELL NAME and NUMBER: NBU 1021-19M
		9. API NUMBER: 43-DAT-38150
		10. 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 (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEEN	<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 checked="" 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 type="checkbox"/> OTHER: _____
	<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 WAS CONDUCTED ON JULY 26, 2006, IT WAS DECIDED ON THE ON-SITE INSPECTION TO CHANGE THE LOCATION LAYOUT AND TYPICAL CROSS SECTIONS.

A 30' RIGHTS-OF-WAY WILL BE REQUIRED. APPROXIMATELY 6915' OF 4" PIPELINE FROM THE PROPOSED LOCATION, TO CROSS INTO N/2 OF SEC. 25, T10S, R20E., (BLM SURFACE), THE PIPELINE WILL TRAVEL BACK ONTO STATE LANDS IN SEC. 24, T10S, R20E. TO AN EXISTING HIGH PRESSURE PIPELINE.

REFER TO THE LOCATION LAYOUT, TYPICAL CROSS SECTIONS AND THE TOPO MAP D.

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

Date: 09-14-06
By: [Signature]

COPY SENT TO OPERATOR
Date: 9-20-06
Initials: CHD

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGULATORY ANALYST
SIGNATURE <u>[Signature]</u>	DATE 8/25/2006

(This space for State use only)

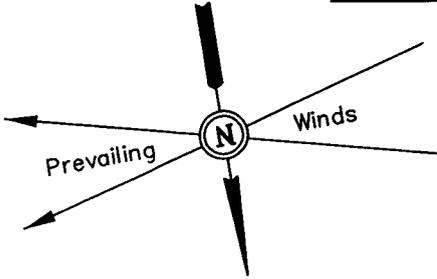
RECEIVED
AUG 31 2006
DIV. OF OIL, GAS & MINING

Kerr-McGee Oil & Gas Onshore LP

FIGURE #1

LOCATION LAYOUT FOR

NBU #1021-19M
SECTION 19, T10S, R21E, S.L.B.&M.



C-3.7' 650' FSL 772' FWL
El. 19.4'

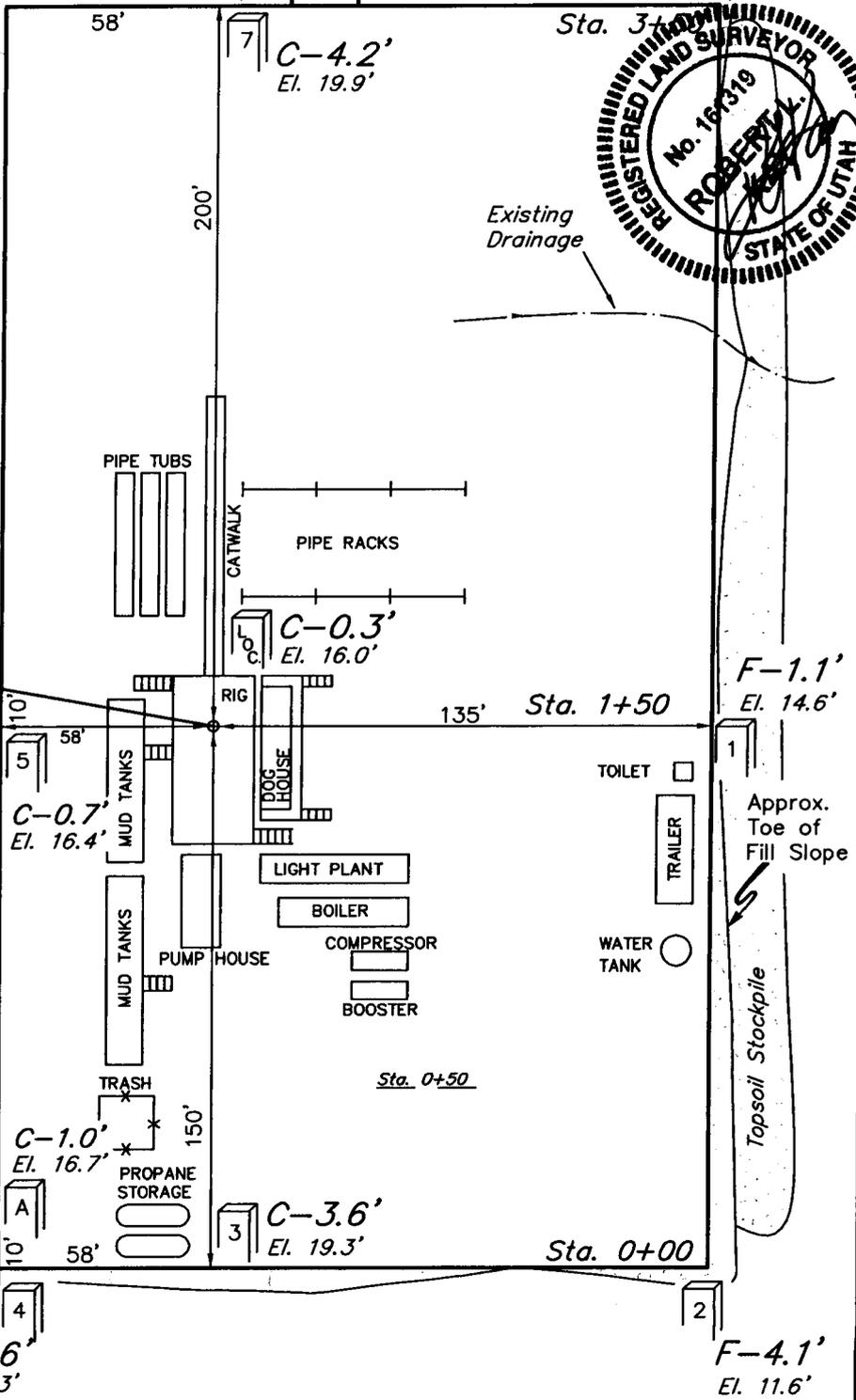
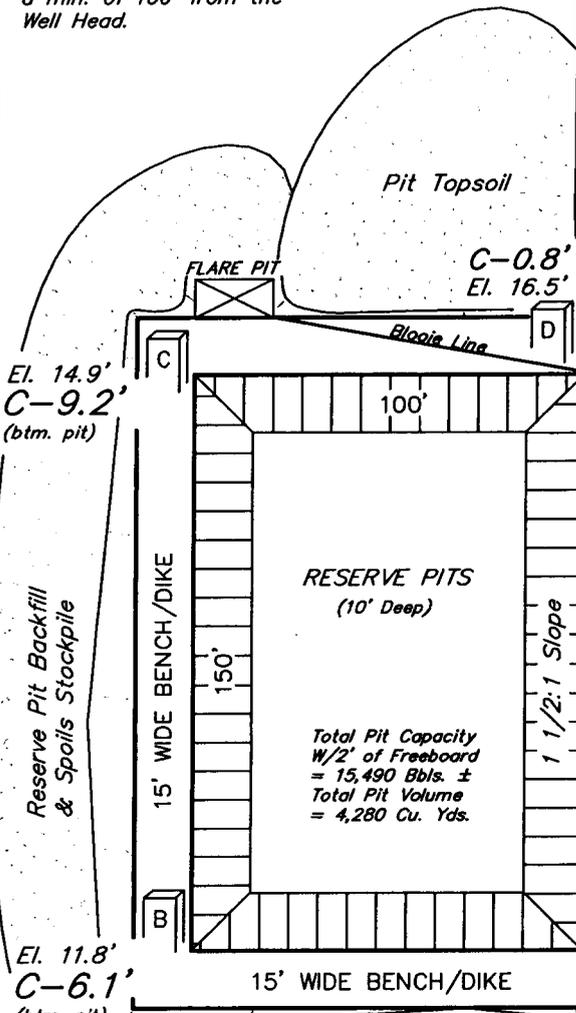
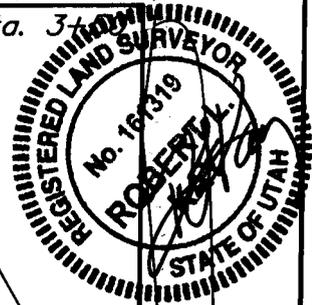
Approx. Top of Cut Slope

C-2.4' El. 18.1'

Proposed Access Road

SCALE: 1" = 50'
DATE: 08-01-06
Drawn By: L.K.

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



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5216.0'
FINISHED GRADE ELEV. AT LOC. STAKE = 5215.7'

Kerr-McGee Oil & Gas Onshore LP

FIGURE #2

TYPICAL CROSS SECTIONS FOR

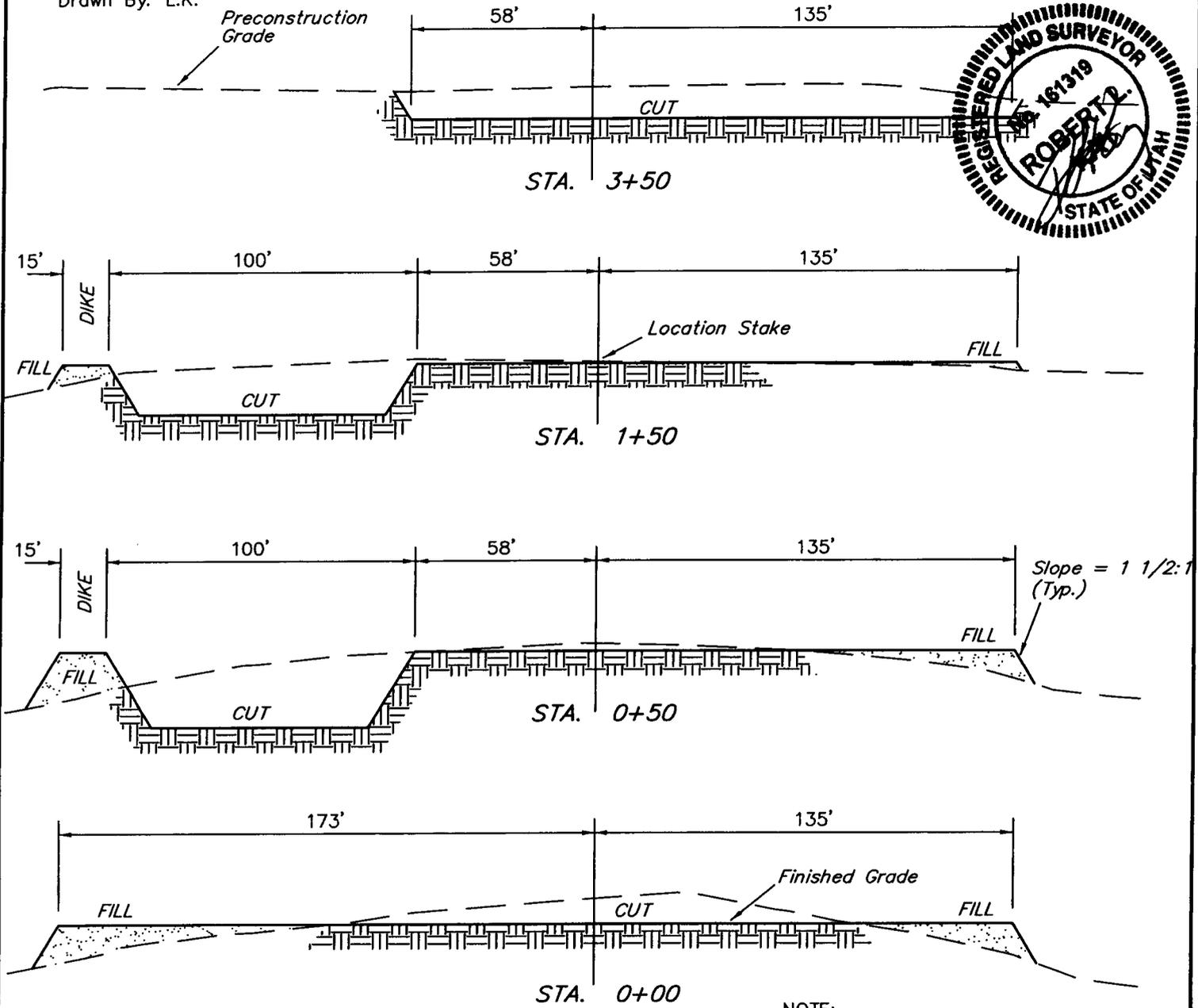
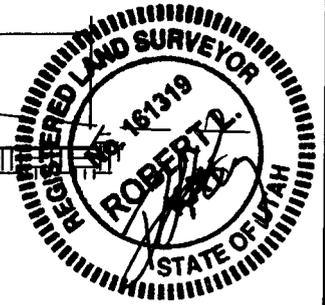
NBU #1021-19M

SECTION 19, T10S, R21E, S.L.B.&M.

650' FSL 772' FWL

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

DATE: 08-01-06
Drawn By: L.K.



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

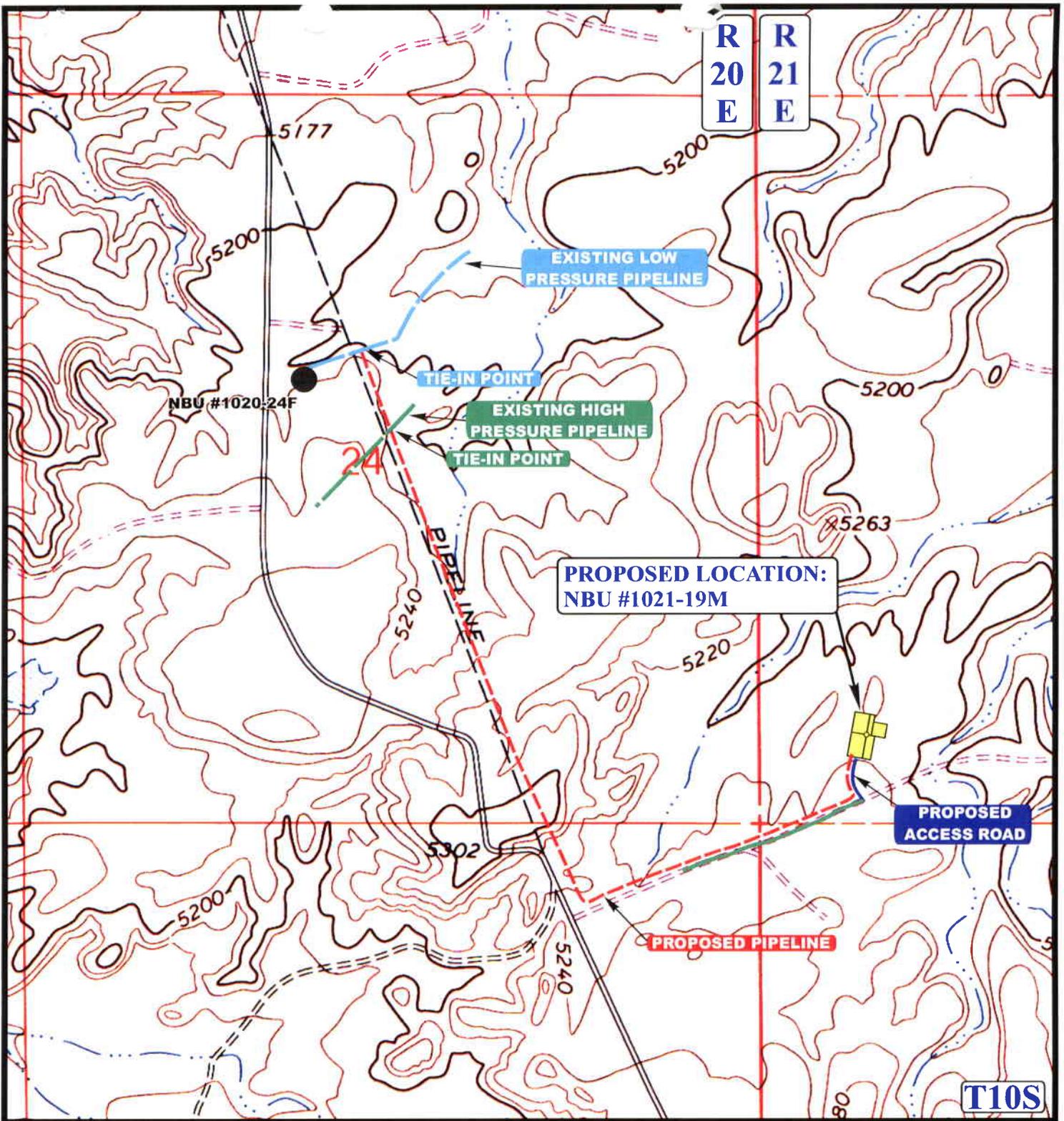
* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,800 Cu. Yds.
Remaining Location	= 4,790 Cu. Yds.
TOTAL CUT	= 6,590 CU.YDS.
FILL	= 2,650 CU.YDS.

EXCESS MATERIAL	= 3,940 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,940 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

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



APPROXIMATE TOTAL PIPELINE DISTANCE = 6,915' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-19M
SECTION 19, T10S, R21E, S.L.B.&M.
650' FSL 722' FWL

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



TOPOGRAPHIC
MAP
 SCALE: 1" = 1000' DRAWN BY: L.K. REVISED: 08-01-06

2	19	01
MONTH	DAY	YEAR

D
TOPO

From: Ed Bonner
To: Mason, Diana
Date: 6/22/2007 10:23 AM
Subject: Well Clearance

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

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

EOG Resources, Inc

Chapita Wells Unit 1330-32 (API 43 047 39293)
Chapita Wells Unit 1326-32 (API 43 047 39294)
Chapita Wells Unit 1327-32 (API 43 047 39295)
Chapita Wells Unit 1325-32 (API 43 047 39296)
Chapita Wells Unit 1331-32 (API 43 047 39300)
Chapita Wells Unit 1328-32 (API 43 047 39301)

Kerr McGee Oil & Gas Onshore LP

NBU 1021-19M (API 43 047 38150)
NBU 1021-32A (API 43 047 39026)
NBU 1021-32B (API 43 047 39027)
NBU 1021-32C (API 43 047 39028)
NBU 1021-32F (API 43 047 39029)
NBU 1021-32P (API 43 047 39127)
NBU 1021-32O (API 43 047 39128)
NBU 1021-32N (API 43 047 39129)
NBU 1021-32M (API 43 047 39130)
NBU 1021-32L (API 43 047 39131)
NBU 1021-32K (API 43 047 39132)
NBU 1021-32J (API 43 047 39133)
NBU 1021-32I (API 43 047 39134)
NBU 1021-32H (API 43 047 39135)
NBU 1021-32G (API 43 047 39136)
NBU 1021-32D (API 43 047 39137)
NBU 1021-32E (API 43 047 39138)

Parallel Petroleum Corporation

Trail Creek Anticline 1-2-6-25 (API 43 047 38324)

QEP Uinta Basin Inc

GB 7SG-36-8-21 (API 43 047 38765)

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



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

June 25, 2007

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

Re: Natural Buttes Unit 1021-19M Well, 650' FSL, 772' FWL, SW SW, Sec. 19, T. 10 South, R. 21 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38150.

Sincerely,

Gil Hunt
Associate Director

er
Enclosures

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

Operator: Kerr-McGee Oil & Gas Onshore, LP
Well Name & Number Natural Buttes Unit 1021-19M
API Number: 43-047-38150
Lease: ML 22792

Location: SW SW **Sec.** 19 **T.** 10 South **R.** 21 East

Conditions of Approval

1. General

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

2. Notification Requirements

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

- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
- 24 hours prior to spudding the well – contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
- Any changes to the approved drilling plan – contact Dustin Doucet

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

- Dan Jarvis at: (801) 538-5338 office (801) 942-0873 home
- Carol Daniels at: (801) 538-5284 office
- Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

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 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.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22792
2. NAME OF OPERATOR: Kerr-McGee Oil & Gas Onshore, LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
3. ADDRESS OF OPERATOR: PO Box 173779 CITY Denver STATE CO ZIP 80217-3779		7. UNIT or CA AGREEMENT NAME: Natural Buttes Unit
4. LOCATION OF WELL FOOTAGES AT SURFACE: 650 FSL & 772 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 19 10S 21E		8. WELL NAME and NUMBER: NBU 1021-19M
		9. API NUMBER: 4304738150
		10. FIELD AND POOL, OR WILDCAT: Natural Buttes Field
		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"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input 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>APD Extension</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.

Kerr McGee Oil and Gas Onshore, LP respectfully request a one year extension for NBU 1021-19M, in order to complete drilling operations. The Utah Division of Oil, Gas, and Mining initially approved this APD on 6/25/2007.

Approved by the
Utah Division of
Oil, Gas and Mining

COPY SENT TO OPERATOR
Date: 7.9.2008
Initials: KS

Date: 07-08-08
By: [Signature]

NAME (PLEASE PRINT) <u>Victoria Marques</u>	TITLE <u>Regulatory Intern</u>
SIGNATURE <u>Victoria Marques</u>	DATE <u>6/23/2008</u>

(This space for State use only)

RECEIVED
JUN 27 2008
DIV. OF OIL, GAS & MINING



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

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

API: 4304738150
Well Name: NBU 1021-19M
Location: SWSW 650 FSL & 772 FWL Sec. 19 T 10S R 21E
Company Permit Issued to: Kerr McGee Oil and Gas Onshore, LP
Date Original Permit Issued: 6/25/2007

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

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

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

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

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

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

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

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

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

Victoria Marquez
Signature

6/23/2008
Date

Title: Regulatory Intern

Representing: Kerr McGee Oil and Gas Onshore, LP

RECEIVED
JUN 27 2008
DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22792
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: NBU 1021-19M
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047381500000
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: 0650 FSL 0772 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 19 Township: 10.0S Range: 21.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 7/3/2009 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input 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 checked="" type="checkbox"/> APD EXTENSION OTHER:

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

Kerr-McGee Oil & Gas Onshore, L.P. (Kerr-McGee) respectfully requests an extension to this APD for the maximum time allowed. Please contact the undersigned with any questions and/or comments. Thank you.

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

Date: June 30, 2009

By: 

NAME (PLEASE PRINT) Danielle Piernot	PHONE NUMBER 720 929-6156	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 6/30/2009	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047381500000

API: 43047381500000

Well Name: NBU 1021-19M

Location: 0650 FSL 0772 FWL QTR SWSW SEC 19 TWP 100S RNG 210E MER S

Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date Original Permit Issued: 6/25/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No
- Has the approved source of water for drilling changed? Yes No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No
- Is bonding still in place, which covers this proposed well? Yes No

Approved by the Utah Division of Oil, Gas and Mining

Signature: Danielle Piernot

Date: 6/30/2009

Title: Regulatory Analyst Representing: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date: June 30, 2009

By: [Signature]



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

July 8, 2010

43 047 38150
NBU 1021-19M
10S 21E ~ 19

Kerr McGee O&G Onshore LP
1368 South 1200 East
Vernal, Utah 84078

Re: APDs Rescinded for Kerr McGee Oil & Gas Onshore LP Uintah County

Ladies and Gentlemen:

Enclosed find the list of APDs that are being rescinded to Kerr McGee Oil & Gas Onshore LP. No drilling activities at these locations have been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective July 8, 2010.

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

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

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
SITLA, Ed Bonner



Natural Buttes Unit 921-16P	43-047-39254
Natural Buttes Unit 1021-32D	43-047-39137
Natural Buttes Unit 1021-32E	43-047-39138
Natural Buttes Unit 1021-19M	43-047-38150
Natural Buttes Unit 1021-32C	43-047-39028
Natural Buttes Unit 1021-32F	43-047-39029
State 1021-32N	43-047-39129
State 1021-32M	43-047-39130
State 1021-32K	43-047-39132
State 1021-28P	43-047-39096
State 1021-28N	43-047-39097
State 1021-28L	43-047-39099
State 1021-28F	43-047-39100
State 1021-28E	43-047-39101
State 1021-28D	43-047-39102
State 1021-28C	43-047-39103
State 1021-28B	43-047-39104
State 1021-28K	43-047-39105
State 1021-28I	43-047-39106
Love 1121-16C	43-047-39143
Love 1121-16E	43-047-39144
Love 1121-16G	43-047-39145
Love 1121-16I	43-047-39146
Love 1121-16K	43-047-39147
Love 1121-16M	43-047-39148
Love 1121-16O	43-047-39149