

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-01195
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator KERR MCGEE OIL & GAS ONSHORE LP		7. If Unit or CA Agreement, Name and No. UNIT #891008900A
3A. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) (435) 781-7024	8. Lease Name and Well No. NBU 1022-6J
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface NW 1/4 2208' FSL, 1796' FEL <i>629897X 39.976809</i> At proposed prod. Zone S <i>4426081Y - 109.478824</i>		9. API Well No. 43 047-38158
14. Distance in miles and direction from nearest town or post office* 23.6 MILES SOUTHEAST OF OURAY, UTAH		10. Field and Pool, or Exploratory NATURAL BUTTES
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1796'	16. No. of Acres in lease 577.75	11. Sec., T., R., M., or Blk, and Survey or Area SEC 6, T10S, R22E
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C	19. Proposed Depth 9090'	12. County or Parish UINTAH
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5108'GL	20. BLM/BIA Bond No. on file BOND NO. 2971100-2533	13. State UTAH
22. Approximate date work will start*		17. Spacing Unit dedicated to this well 40.00
23. Estimated duration		

24. Attachments

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

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

25. Signature <i>[Signature]</i>	Name (Printed/Typed) SHEILA UPCHEGO	Date 5/23/2006
Title REGULATORY ANALYST		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed) BRADLEY G. HILL	Date 06-07-06
Title ENVIRONMENTAL MANAGER		

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

Conditions of approval, if any, are attached.

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

*(Instructions on reverse)

RECEIVED
MAY 30 2006

Federal Approval of this
Action is Necessary

T10S, R22E, S.L.B.&M.

Kerr-McGee Oil & Gas Onshore LP

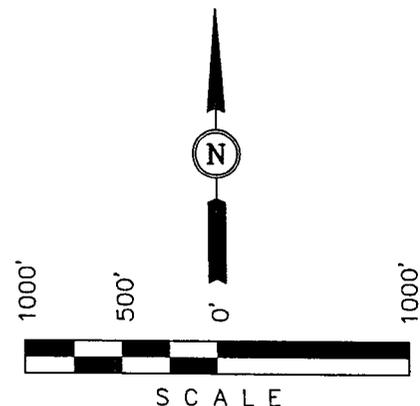
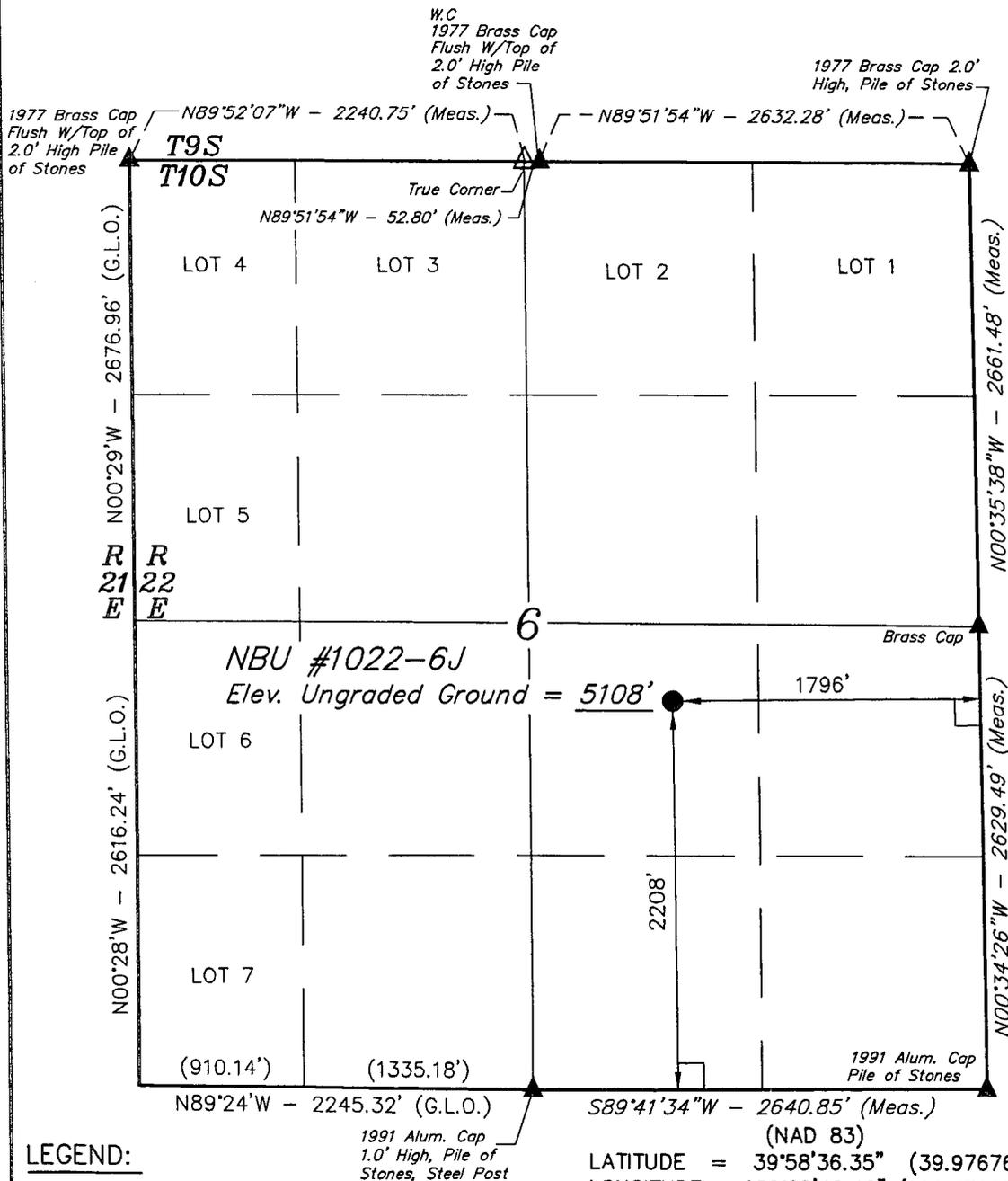
Well location, NBU #1022-6J, located as shown in the NW 1/4 SE 1/4 of Section 6, T10S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

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

BASIS OF BEARINGS

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



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 A. King
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: 12-09-05	DATE DRAWN: 02-09-06
PARTY D.K. L.K. L.K.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE Kerr-McGee Oil & Gas Onshore LP	

LEGEND:

- └─┘ = 90° SYMBOL
 - = PROPOSED WELL HEAD.
 - ▲ = SECTION CORNERS LOCATED.
 - △ = SECTION CORNERS RE-ESTABLISHED. (Not Set On Ground)
- LATITUDE = 39°58'36.35" (39.976764)
LONGITUDE = 109°28'46.46" (109.479572)
(NAD 83)
- LATITUDE = 39°58'36.48" (39.976800)
LONGITUDE = 109°28'43.99" (109.478886)
(NAD 27)

NBU #1022-6J
NW/SE Sec. 6, T10S,R22E
UINTAH COUNTY, UTAH
UTU-01195

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1221'
Mahogany	2186'
Wasatch	4453'
Mesaverde	7027'
MVU2	7938'
MVL1	8550'
TD	9090'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1221'
	Mahogany	2186'
Gas	Wasatch	4453'
Gas	Mesaverde	7027'
Gas	MVU2	7938'
Gas	MVL1	8550'
Water	N/A	
Other Minerals	N/A	

3. Pressure Control Equipment (Schematic Attached)

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

4. Proposed Casing & Cementing Program:

Please see the Natural Buttes Unit SOP.

5. Drilling Fluids Program:

Please see the Natural Buttes Unit SOP.

6. Evaluation Program:

Please see the Natural Buttes Unit SOP.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9090' TD, approximately equals 5636 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3637 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

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

9. **Variations:**

Please see Natural Buttes Unit SOP.

10. **Other Information:**

Please see Natural Buttes Unit SOP.



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE May 23, 2006
 WELL NAME NBU 1022-6J TD 9,090' MD/TVD _____
 FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 5,108' GL KB 5,123'
 SURFACE LOCATION NWSE SECTION 6, T10S, R22E 2208'FSL, 1796'FEL BHL Straight Hole
 Latitude: 39.976764 Longitude: 109.479572
 OBJECTIVE ZONE(S) Wasatch/Mesaverde
 ADDITIONAL INFO Regulatory Agencies: BLM (SURF & MINERALS), UDOGM, 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 4,453' Green River @ 1,221' Preset f/ GL @ 2,100' MD					
Note: 12.25" surface hole will usually be drilled ±400' below the lost circulation zone (aka bird's nest). Drilled depth may be ±200' of the estimated set depth depending on the actual depth of the loss zone.					
Mahogany @ 2,186' 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	Water/Fresh Water Mud 8.3-11.5 ppg
					Max anticipated Mud required 11.5 ppg
		TD @ 9,090'			



**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	1370	254000
						0.66*****	1.39	4.28
PRODUCTION	4-1/2"	0 to 9090	11.60	I-80	LTC	7780	6350	201000
						2.26	1.17	2.18

- 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 3436 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	3,950'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	430	60%	11.00	3.38
	TAIL	5,140'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1440	60%	14.30	1.31

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

FLOAT EQUIPMENT & CENTRALIZERS

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

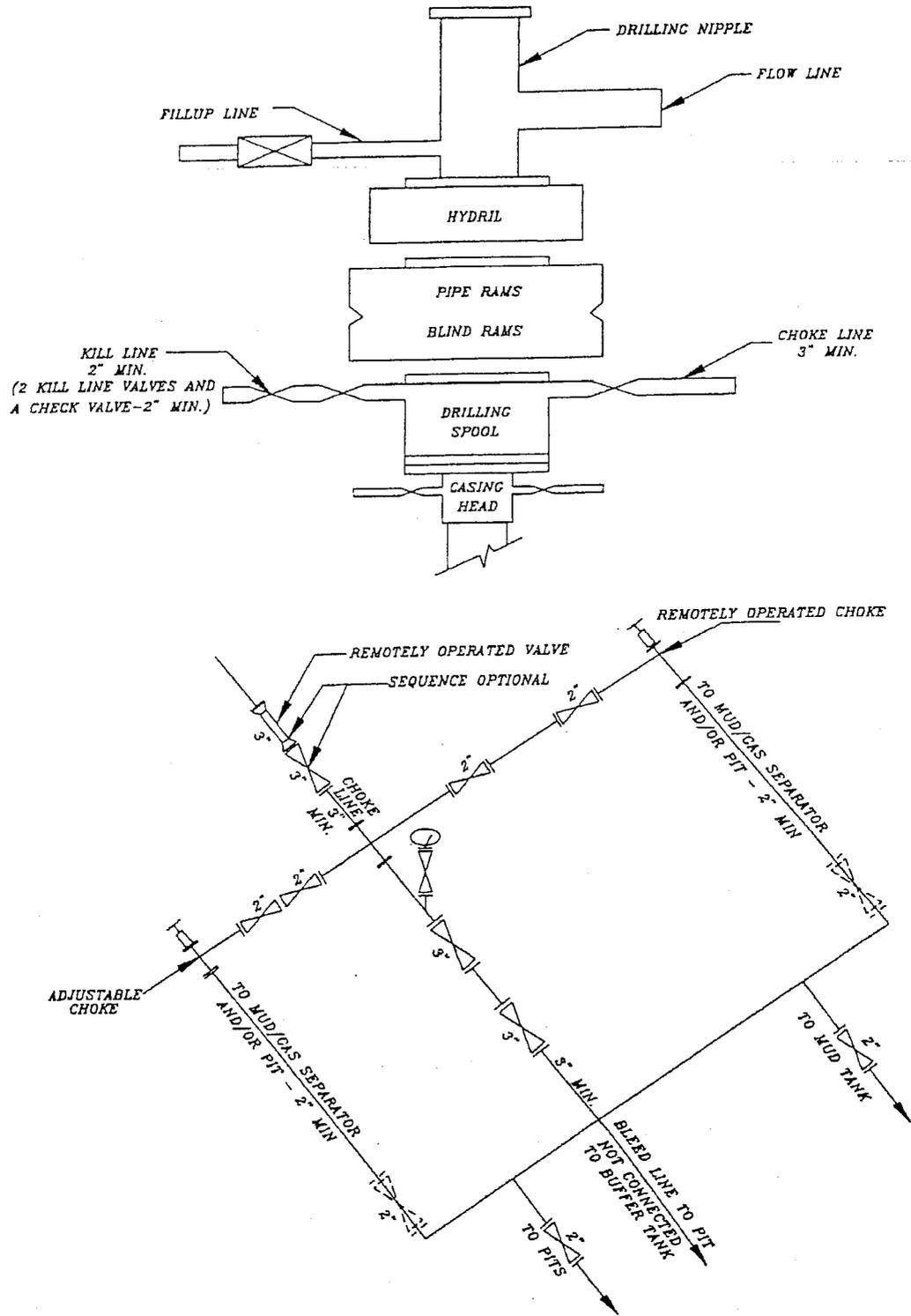
ADDITIONAL INFORMATION

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

DRILLING ENGINEER: _____
 Brad Laney
 DRILLING SUPERINTENDENT: _____
 Randy Bayne

DATE: _____
 DATE: _____

5M BOP STACK and CHOKE MANIFOLD SYSTEM



**NBU #1022-6J
NWSE SEC 6-T10S-R22E
UINTAH COUNTY, UTAH
UTU-01195**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Refer to the attached location directions.

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

2. Planned Access Roads:

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

An existing access road is already in place for the proposed location. Refer to Topo Map B.

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

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities

Please see the Natural Buttes Unit SOP.

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

Variances to Best Management Practices (BMPs) Requested:

The pipeline shall be installed on surface within the access corridor for the well location. As a Best Management Practice (BMP), the pipeline would be buried within the access road corridor if possible. The construction of pipelines requires the corridor of 30 feet.

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

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

5. Location and Type of Water Supply:

Please see the Natural Buttes SOP.

6. **Source of Construction Materials**

Please see the Natural Buttes SOP.

7. **Methods of Handling Waste Materials**

Please see the Natural Buttes SOP.

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

8. **Ancillary Facilities**

Please see the Natural Buttes SOP.

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

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

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

A 20 mil reserve pit liner with felt will be used. As discussed at the on-site inspection.

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

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

Please see the Natural Buttes SOP.

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

Crested Wheat Grass	4 lbs.
Indian Rice Grass	4 lbs.
Needle and Thread Grass	4 lbs.

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

11. Surface Ownership:

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

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

12. Other Information:

A Class III archaeological survey will be submitted when report becomes available.
A Paleontological Reconnaissance will be submitted when report becomes available.

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

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

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

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

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

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

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

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

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


Sheila Upchego5/23/2006

Date

Kerr-McGee Oil & Gas Onshore LP
NBU #1022-6J
SECTION 6, T10S, 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 3.9 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 5.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN LEFT AND PROCEED IN A NORTHERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 54.1 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-6J

LOCATED IN UINTAH COUNTY, UTAH

SECTION 6, T10S, R22E, S.L.B.&M.

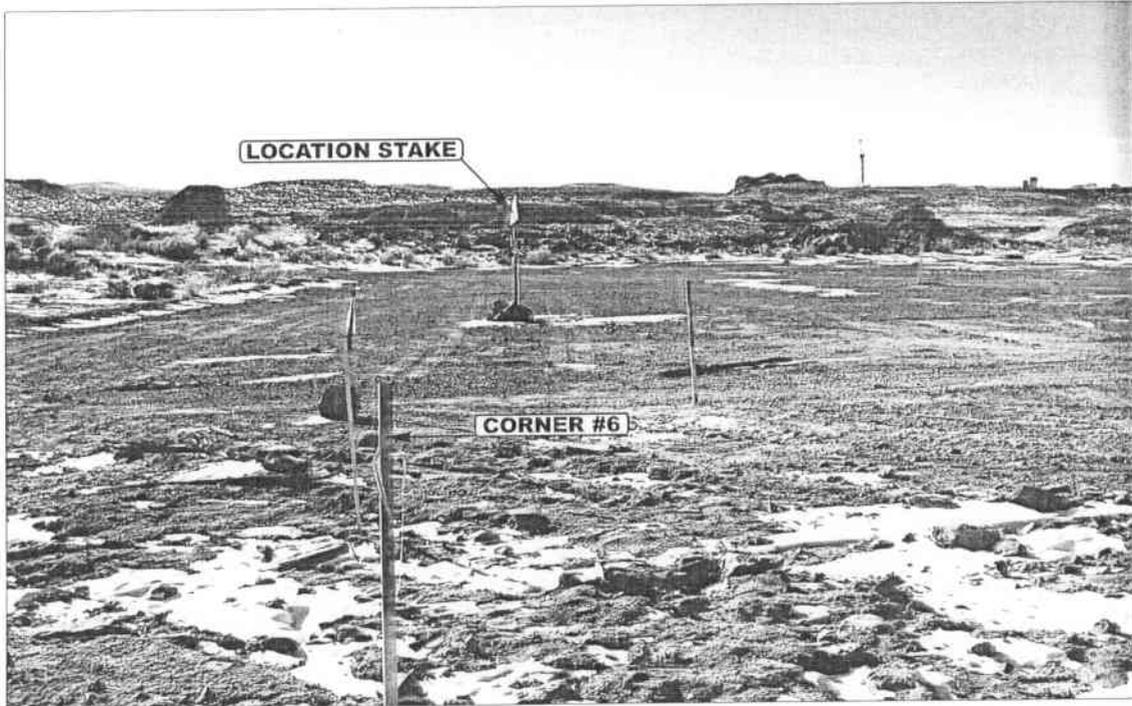


PHOTO: VIEW FROM CORNER #6 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW OF EXISTING ACCESS

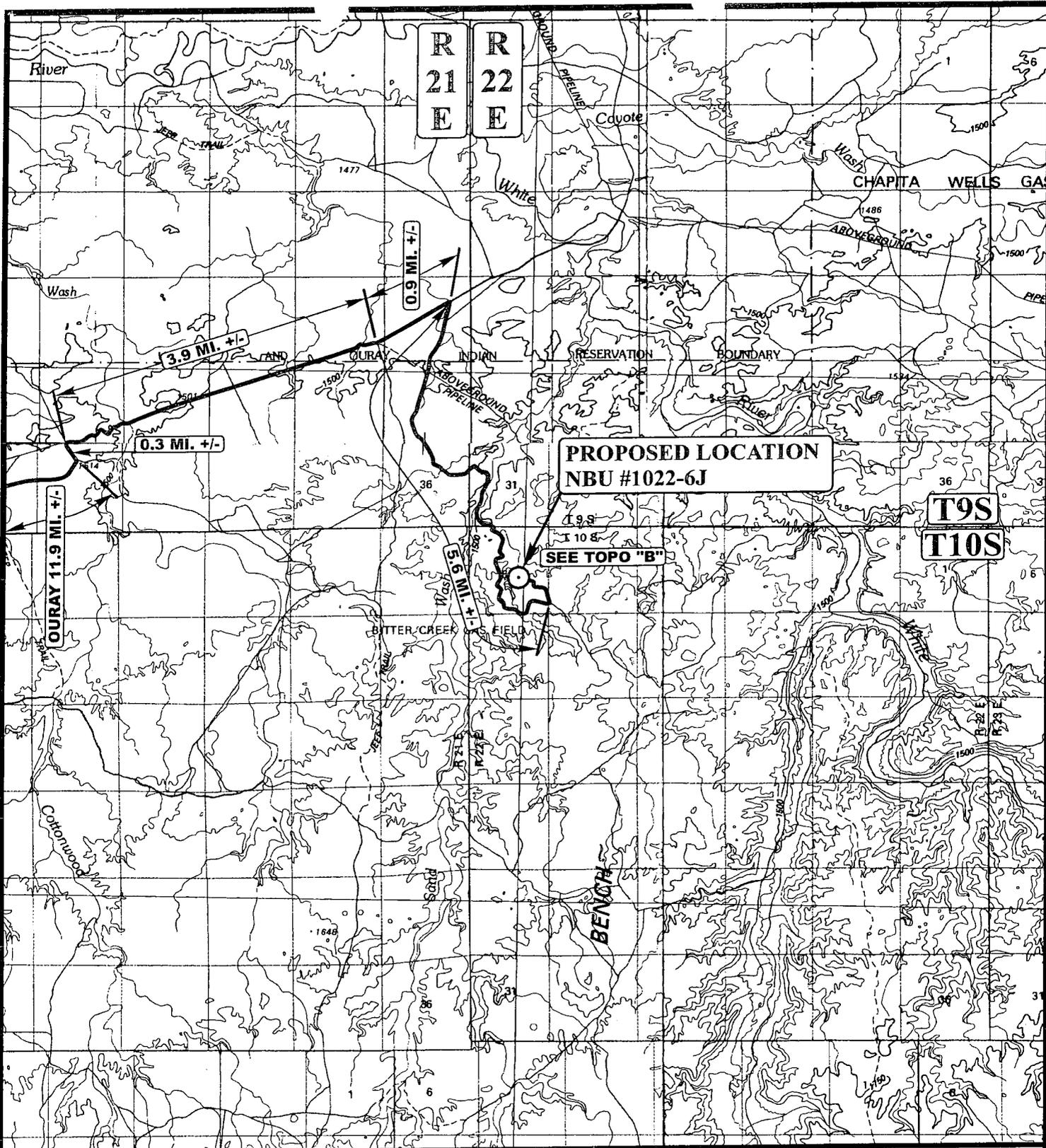
CAMERA ANGLE: NORTHWESTERLY



- 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	12	16	05	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: D.K.	DRAWN BY: C.P.		REVISED: 00-00-00	



LEGEND:

○ PROPOSED LOCATION

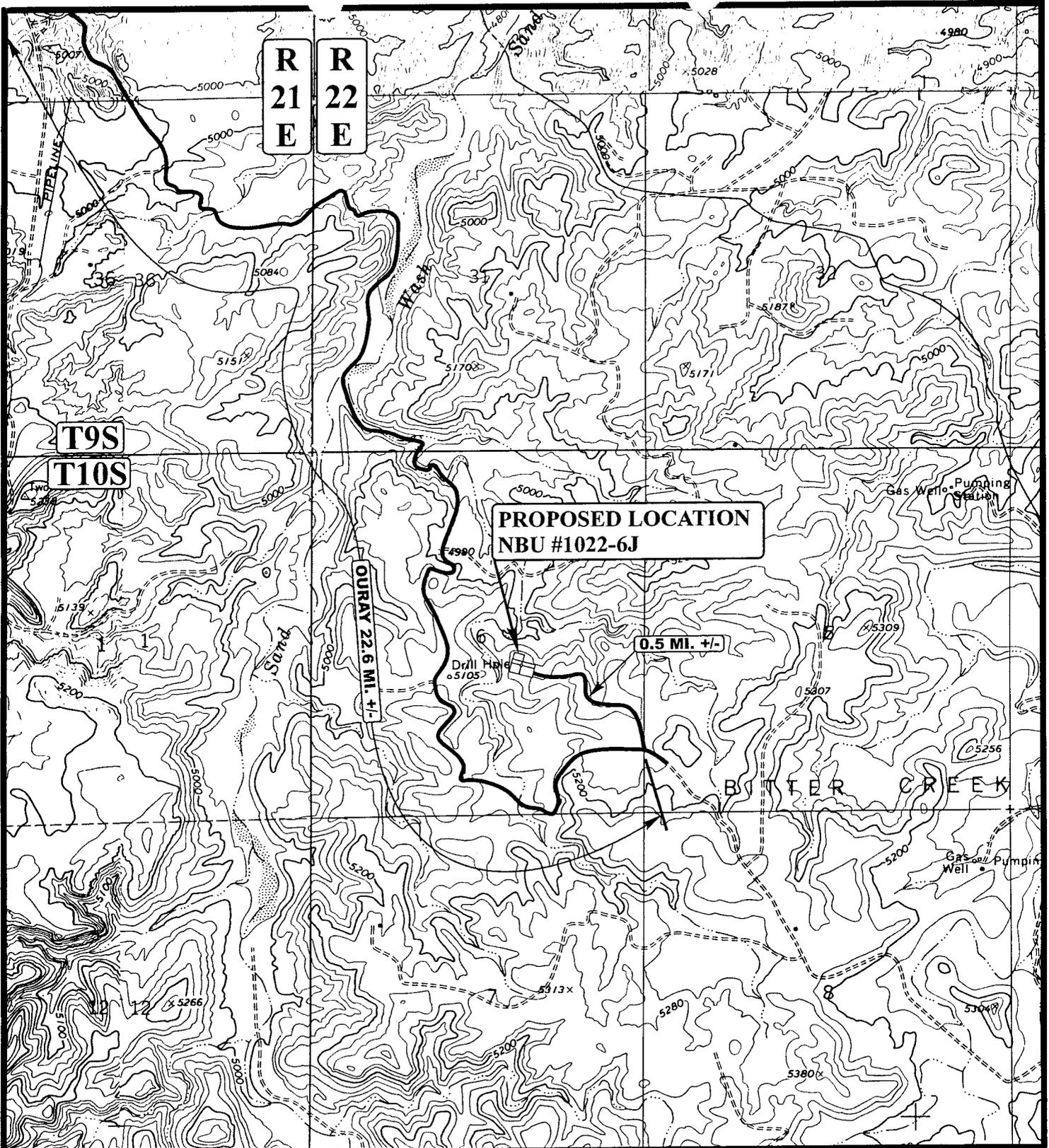
Kerr-McGee Oil & Gas Onshore LP

NBU #1022-6J
SECTION 6, T10S, R22E, S.L.B.&M.
2208' FSL 1796' FEL

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

TOPOGRAPHIC 12 16 05
MAP MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00



LEGEND:

————— EXISTING ROAD



Kerr-McGee Oil & Gas Onshore LP

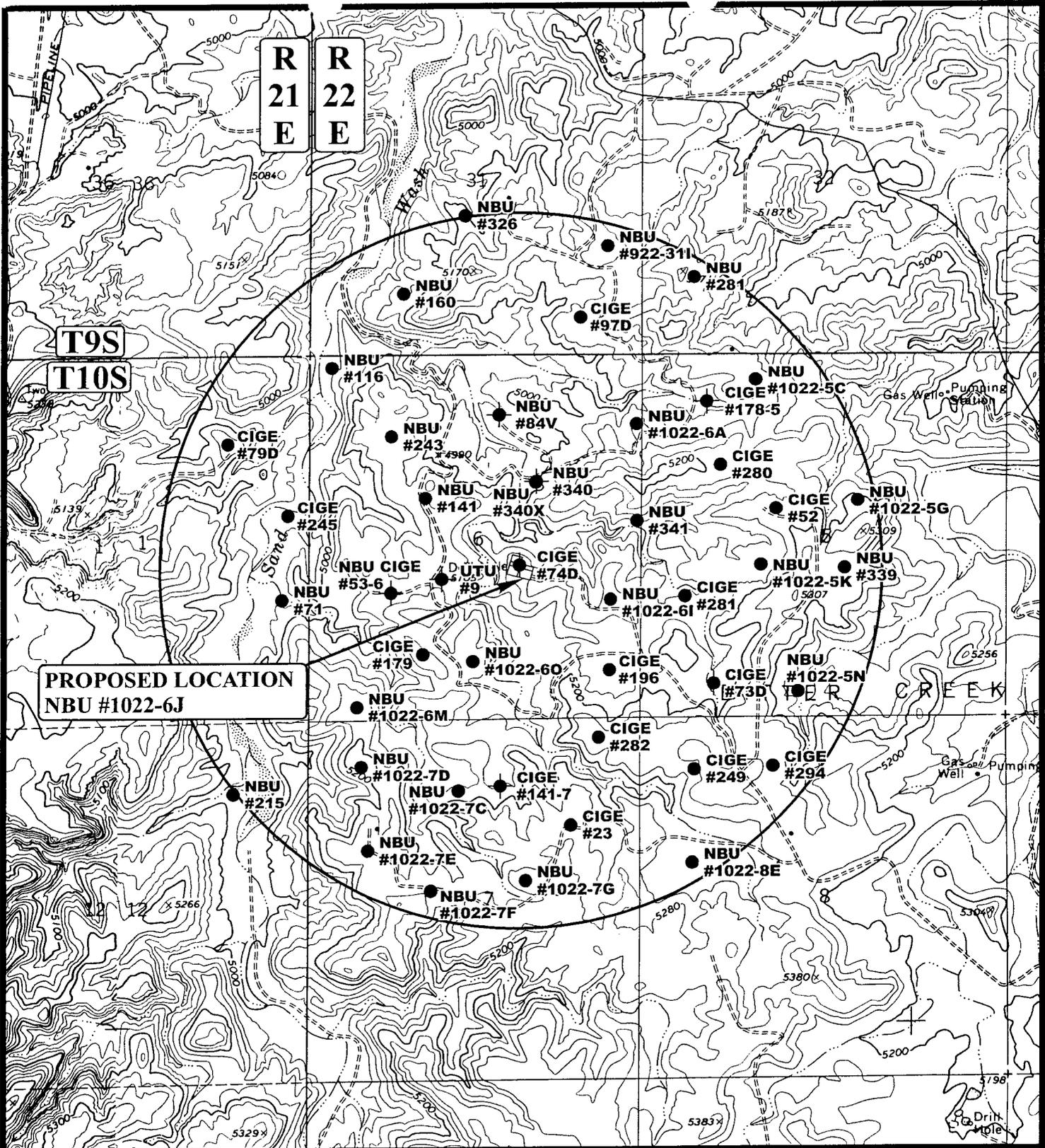
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2208' FSL 1796' FEL



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

TOPOGRAPHIC 12 16 05
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





PROPOSED LOCATION
NBU #1022-6J

LEGEND:

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

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-6J
SECTION 6, T10S, R22E, S.L.B.&M.
2208' FSL 1796' FEL



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



TOPOGRAPHIC
MAP

12 16 05
 MONTH DAY YEAR

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

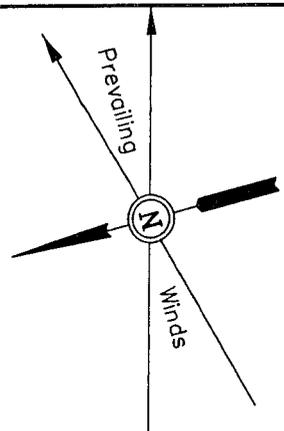


Kerr-McGee Oil & Gas Onshore LP

FIGURE #1

LOCATION LAYOUT FOR

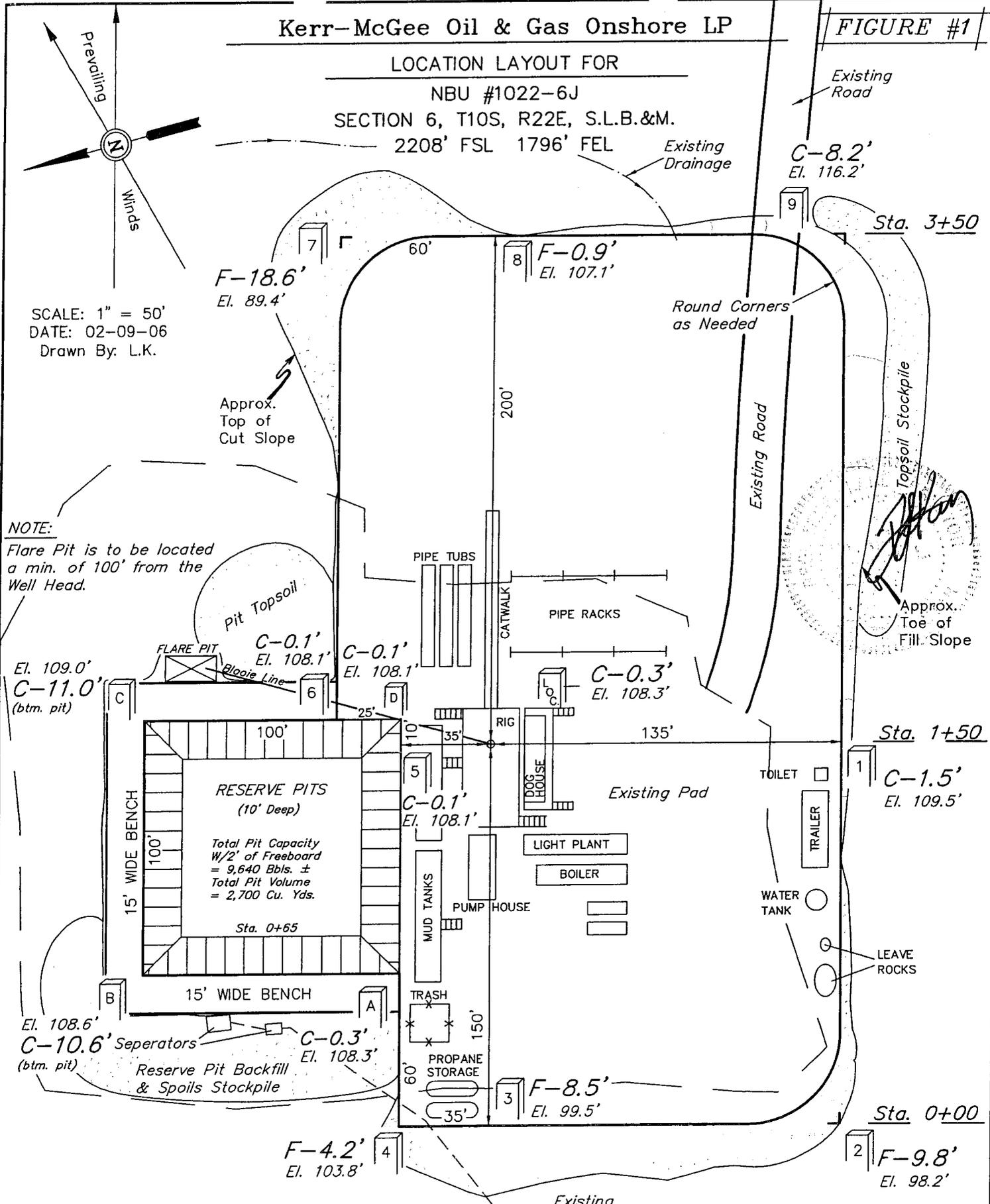
NBU #1022-6J
SECTION 6, T10S, R22E, S.L.B.&M.
2208' FSL 1796' FEL



SCALE: 1" = 50'
DATE: 02-09-06
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 = 5108.3'
FINISHED GRADE ELEV. AT LOC. STAKE = 5108.0'

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

Kerr-McGee Oil & Gas Onshore LP

FIGURE #2

TYPICAL CROSS SECTIONS FOR

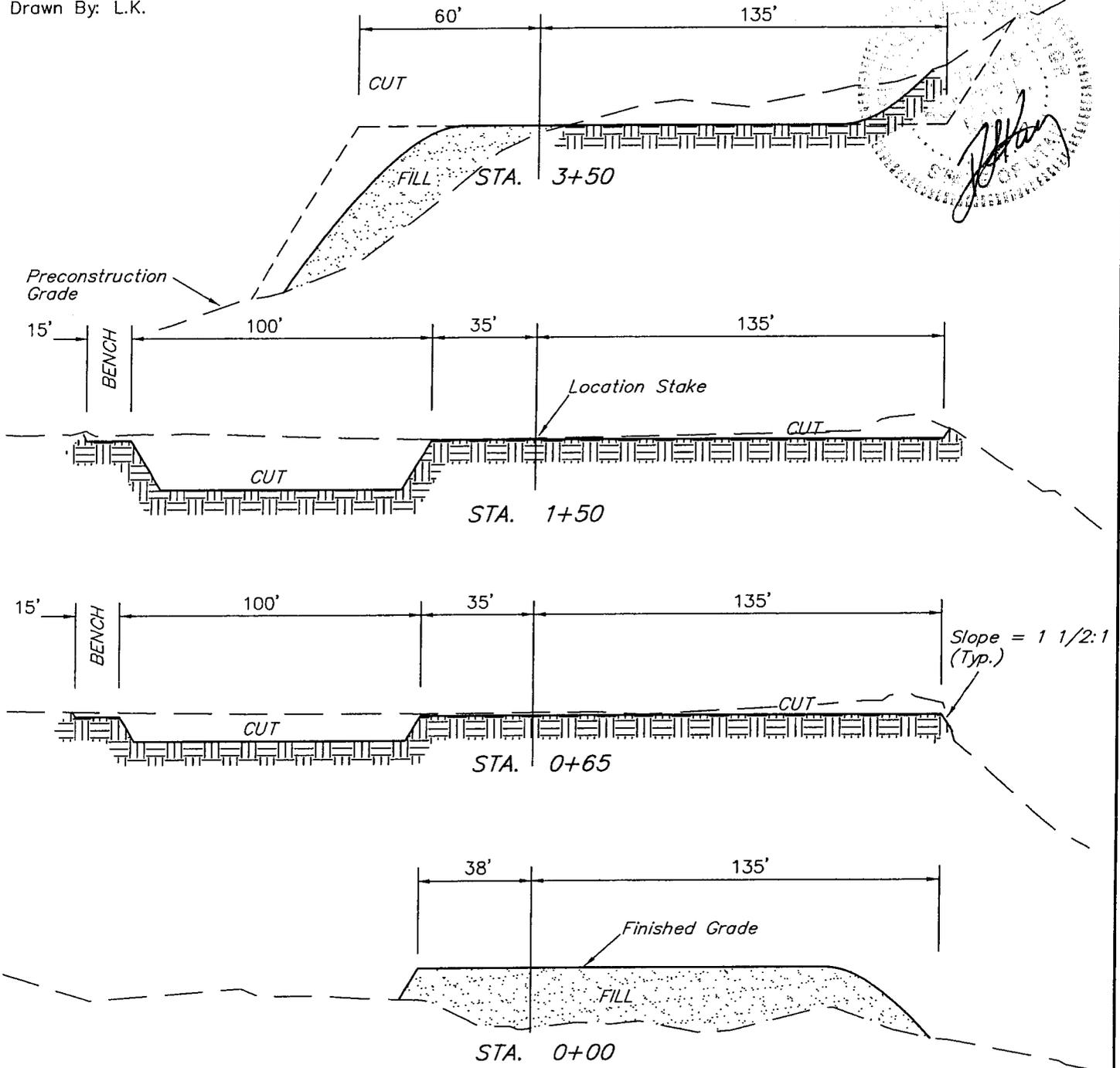
NBU #1022-6J

SECTION 6, T10S, R22E, S.L.B.&M.

2208' FSL 1796' FEL

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

DATE: 02-09-06
Drawn By: L.K.



APPROXIMATE YARDAGES

CUT		
(6") Topsoil Stripping	= 810	Cu. Yds.
(New Construction Only)		
Remaining Location	= 7,410	Cu. Yds.
TOTAL CUT	= 8,220	CU.YDS.
FILL	= 2,400	CU.YDS.

EXCESS MATERIAL	= 5,820	Cu. Yds.
Topsoil & Pit Backfill	= 3,510	Cu. Yds.
(1/2 Pit Vol.)		
EXCESS UNBALANCE	= 2,310	Cu. Yds.
(After Rehabilitation)		

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

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 05/30/2006

API NO. ASSIGNED: 43-047-38158

WELL NAME: NBU 1022-6J
 OPERATOR: KERR-MCGEE OIL & GAS (N2995)
 CONTACT: SHELLA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

NWSE 06 100S 220E
 SURFACE: 2208 FSL 1796 FEL
 BOTTOM: 2208 FSL 1796 FEL
 COUNTY: UINTAH
 LATITUDE: 39.97681 LONGITUDE: -109.4788
 UTM SURF EASTINGS: 629897 NORTHINGS: 4426081
 FIELD NAME: NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-01195
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

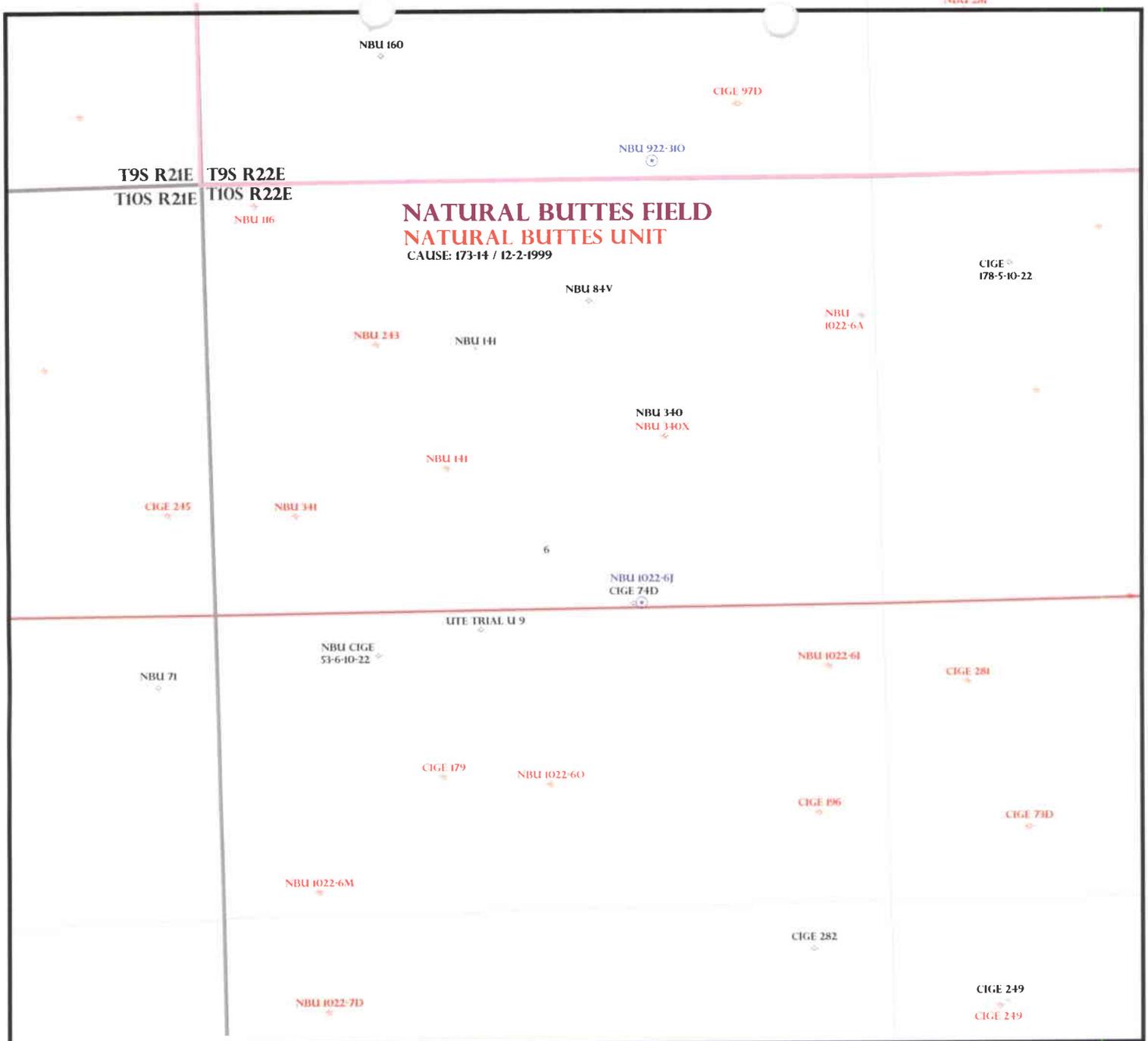
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. 2971100-2533)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-8496)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

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

COMMENTS: Sup. Seperate file

STIPULATIONS: 1- Federal Approval
2- Oil Shale



OPERATOR: KERR-MCGEE O&G (N2995)

SEC: 6 T. 10S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 173-14 / 12-2--1999

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

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

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



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

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:
3160
(UT-922)

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
(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**

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

June 7, 2006

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

Re: Natural Buttes Unit 1022-6J Well, 2208' FSL, 1796' FEL, NW SE, Sec. 6,
T. 10 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 43-047-38158.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

Operator: Kerr-McGee Oil & Gas Onshore LP

Well Name & Number Natural Buttes Unit 1022-6J

API Number: 43-047-38158

Lease: UTU-01195

Location: NW SE **Sec.** 6 **T.** 10 South **R.** 22 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

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

RECEIVED

MAY 25 2006

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-01195
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator KERR MCGEE OIL & GAS ONSHORE LP		7. If Unit or CA Agreement, Name and No. UNIT #891008900A
3A. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) (435) 781-7024	8. Lease Name and Well No. NBU 1022-6J
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NWNE 2208'FSL, 1796'FEL At proposed prod. Zone 5		9. API Well No. 43-047-38158
14. Distance in miles and direction from nearest town or post office* 23.6 MILES SOUTHEAST OF OURAY, UTAH		10. Field and Pool, or Exploratory NATURAL BUTTES
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1796'	16. No. of Acres in lease 577.75	11. Sec., T., R., M., or Blk, and Survey or Area SEC 6, T10S, R22E
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C	19. Proposed Depth 9090'	12. County or Parish UINTAH
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5108'GL	22. Approximate date work will start*	13. State UTAH
17. Spacing Unit dedicated to this well 40.00		
20. BLM/BIA Bond No. on file WYB000291 BOND NO. 2971100-2533 / WY 2357		
23. Estimated duration		

24. Attachments

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

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

25. Signature 	Name (Printed/Typed) SHEILA UPCHEGO	Date 5/23/2006
Title REGULATORY ANALYST		
Approved by (Signature) 	Name (Printed/Typed) JERRY KEVICKA	Date 4-9-2007
Title Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

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

CONDITIONS OF APPROVAL ATTACHED

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

*(Instructions on reverse)

RECEIVED

APR 16 2007

DIV. OF OIL, GAS & MINING

NOTICE OF APPROVAL

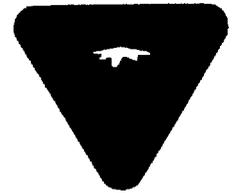
06BMO963A
NOS Rec 2/2006





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

170 South 500 East VERNAL, UT 84078 (435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Kerr McGee Oil & Gas Onshore LP Location: NWSE, Sec 6, T10S, R22E
Well No: NBU 1022-6J Lease No: UTU-01195
API No: 43-047-38158 Agreement: Natural Buttes Unit

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Petroleum Engineer:	Jim Ashley	Office: 435-781-4470	Cell: 435-828-7874
Petroleum Engineer:	Ryan Angus	Office: 435-781-4430	Cell: 435-828-7368
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
Natural Resource Specialist:	Chuck Macdonald	Office: 435-781-4441	
Natural Resource Specialist:	Darren Williams	Office: 435-781-4447	
Natural Resource Specialist:	Verlyn Pindell	Office: 435-781-3402	
		Fax: 435-781-4410	

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

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

NOTIFICATION REQUIREMENTS

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

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

- If any paleontological or cultural materials are encountered, stop work immediately and report the find to this office.
- Paint all facilities Fuller O'Brian color Carlsbad Canyon (2.5Y 6/2). Any paint brand may be used provided the colors match.
- The authorized officer may prohibit surface disturbing activities during wet and muddy periods to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.

- The seed mix for this location shall be:

Galleta grass	<i>Hilaria jamesii</i>	20lbs. /acre
---------------	------------------------	--------------

- All pounds are in pure live seed.
- Reseeding may be required if first seeding is not successful.

- The topsoil from the reserve pit shall be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be recontoured and the topsoil respread, and the area shall be seeded in the same manner as the location topsoil.
- Once the location is plugged and abandoned, it shall be recontoured to natural contours, topsoil respread where appropriate, and the entire location seeded with the recommended seed mix. Seeding shall take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.
- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.
- Operator shall notify any active gilsonite mining operation within 2 miles of the location 48 hours prior to any blasting during construction for this well.

DOWNHOLE CONDITIONS OF APPROVAL

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

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

1. A surface casing shoe integrity test shall be performed.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
3. **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
4. Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.

All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.

BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

Cement baskets shall not be run on surface casing.

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

7. The lessee/operator must report encounters of all non oil & gas mineral resources (such as gilsonite, tar sands, oil shale, etc.) to the Vernal Field Office in writing within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
8. No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and notification given before resumption of operations.
9. Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

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

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

10. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

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

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

11. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.

All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

12. Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
13. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
14. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - a. Operator name, address, and telephone number.
 - b. Well name and number.
 - c. Well location ($\frac{1}{4}$ / $\frac{1}{4}$, Sec., Twn, Rng, and P.M.).
 - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
 - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.

- g. Unit agreement and / or participating area name and number, if applicable.
 - h. Communitization agreement number, if applicable.
15. Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
 16. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production
 17. Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
 18. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU-01195

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
NBU 1022-6J

9. API Well No.
4304738158

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, State
UINTAH, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**2208' FSL, 1796' FEL
NWSE, SEC 6-T10S-R22E**

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

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

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

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL, GAS AND MINING ON JUNE 7, 2006.

Utah Division of
Oil, Gas and Mining

33107
RM
RECEIVED
MAY 29 2007

Date: 05-30-07
By: [Signature]

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed) RAMEY HOOPES	Title REGULATORY CLERK
Signature <u>Ramey Hoopes RW</u>	Date May 23, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
-------------	-------	------

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

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

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

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

API: 4304738158
Well Name: NBU 1022-6J
Location: NWSE, SEC 6-T10S-R22E
Company Permit Issued to: KERR-MCGEE OIL AND GAS ONSHORE LP
Date Original Permit Issued: 6/7/2006

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

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

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

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

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

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

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

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

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

Rammy Hoopes pw
Signature

5/23/2007

Date

Title: REGULATORY CLERK

Representing: KERR-MCGEE OIL AND GAS ONSHORE L

RECEIVED

MAY 29 2007

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.

UTU-01195

6. If Indian, Allottee or Tribe Name

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

UNIT #891008900A
NATURAL BUTTES UNIT

8. Well Name and No.

NBU 1022-6J

9. API Well No.

4304738158

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

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

NW/SE SEC, 6, T10S, R22E 2208'FSL, 1796'FEL

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

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

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

THE OPERATOR REQUESTS AUTHORIZATION TO CHANGE THE MUD WEIGHT TO FRESH WATER MUD WITH 0-8% BIO DIESEL.

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

**RECEIVED
JUL 31 2007**

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature

Date

July 24, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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

Office

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

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

FORM 6

ENTITY ACTION FORM

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

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304738221	BONANZA 1023-8B		NWNE	8	10S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>R</i> <u>A</u>	99999	<u>16292</u>	<u>7/31/2007</u>		<u>8/9/07</u>		
Comments: <u>MIRU PETE MARTIN BUCKET RIG. WSMVD</u> <u>SPUD WELL LOCATION 07/31/2007 AT 0900 HRS.</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304738158	NBU1022-6J		NWSE	6	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>R</i> <u>B</u>	99999	<u>2900</u>	<u>7/31/2007</u>		<u>8/9/07</u>		
Comments: <u>MIRU PETE MARTIN BUCKET RIG. WSMVD</u> <u>SPUD WELL LOCATION ON 07/31/2007 AT 0700 HRS.</u>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304738527	NBU 1022-6P-4		SESE	6	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>R</i> <u>B</u>	99999	<u>2900</u>	<u>7/31/2007</u>		<u>8/9/07</u>		
Comments: <u>MIRU PETE MARTIN BUCKET RIG. WSMVD</u> <u>SPUD WELL LOCATION ON 07/31/2007 AT 1400 HRS</u>							

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)

To: EARLENE Russe II From: Sheila Upchego
(5/2000) Co./Dept. U1000m Co. K16
Phone (801) 538-5330 Phone (435) 781-7024
Fax # (801) 359-3940 Fax # (435) 781-7094

SHEILA UPCHEGO

Name (Please Print)

Signature

SENIOR LAND SPECIALIST

8/1/2007

Title

RECEIVED

Date

AUG 01 2007

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.

UTU-01195

6. If Indian, Allottee or Tribe Name

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

UNIT #891008900A
NATURAL BUTTES UNIT

8. Well Name and No.

NBU 1022-6J

9. API Well No.

4304738158

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

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

NW/SE SEC. 6, T10S, R22E 2208'FSL, 1796'FEL

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

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

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

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

SPUD WELL LOCATION ON 07/31/2007 AT 0700 HRS.

RECEIVED

AUG 06 2007

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed)

SHEILA UPCHEGO

Signature

Title

SENIOR LAND ADMIN SPECIALIST

Date

August 1, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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

Office

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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5. Lease Serial No.

UTU-01195

6. If Indian, Allottee or Tribe Name

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

UNIT #891008900A
NATURAL BUTTES UNIT

8. Well Name and No.

NBU 1022-6J

9. API Well No.

4304738158

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

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

NW/SE SEC. 6, T10S, R22E 2208'FSL, 1796'FEL

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

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

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

MIRU BILL MARTIN AIR RIG ON 08/08/2007. DRILLED 12 1/4" SURFACE HOLE TO 2430'. RAN 9 5/8" 53 JTS OF 32.3# H-40 AND 10 JTS OF 36# J-55 SURFACE CSG. LEAD CMT W/350 SX PREM CLASS G @15.8 PPG 1.15 YIELD. TAILED CMT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD. NO RETURNS TO PIT. TOP OUT W/350 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL

WORT.

RECEIVED

AUG 16 2007

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature

Date

August 14, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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Office

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

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

NW/SE SEC. 6, T10S, R22E 2208'FSL, 1796'FEL

5. Lease Serial No.

UTU-01195

6. If Indian, Allottee or Tribe Name

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

**UNIT #891008900A
NATURAL BUTTES UNIT**

8. Well Name and No.

NBU 1022-6J

9. API Well No.

4304738158

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

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

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

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

FINISHED DRILLING FROM 2430 TO 9160' ON 09/11/2007. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/406 SX PREM LITE II @11.5 PPG 2.82 YIELD. TAILED CMT W/1170 SX 50/50 POZ @14.3 PPG 1.31 YIELD. BUMP PLUG 500 OVER LIFT CHECK FLOATS HELD 10 BBLs LEAD TO PIT. LAND CSG. TEST HEAD SEALS FAILED INJECT PLASTIC SEAL TEST HEAD OKAY. LAY DOWN RUNNING TOOLS CLEAN MUD TANKS. SET MANNUAL SLIPS CLEAN MUD TANKS.

RELEASED PIONEER RIG 69 ON 09/12/2007 AT 10:00 AM.

**RECEIVED
SEP 17 2007**

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

DIV. OF OIL, GAS & MINING

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature



Date

September 13, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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

Office

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NW/SE SEC. 6, T10S, R22E 2208'FSL, 1796'FEL

5. Lease Serial No.
UTU-01195

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
NBU 1022-6J

9. API Well No.
4304738158

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, State
UINTAH COUNTY, UTAH

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

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

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

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 01/26/2008 AT 2:00 PM

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

RECEIVED

FEB 05 2008

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed) SHEILA UPCHEGO	Title SENIOR LAND ADMIN SPECIALIST
Signature 	Date January 28, 2008

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
-------------	-------	------

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

Office

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

CHRONOLOGICAL WELL HISTORY

NBU 1022-6J

NWSE, SEC. 6, T10S, R22E
 UINTAH COUNTY, UT

DATE	ACTIVITY	STATUS
07/13/07	LOCATION STARTED PIONEER 69	
07/30/07	LOCATION COMPLETE PIONEER 69	P/L IN, WOBR
07/31/07	SET CONDUCTOR PIONEER 69	WOAR
08/08/07	SET AIR RIG 9 5/8" @2397' PIONEER 69	WORT
08/30/07	TD: 2430' Csg. 9 5/8" @ 2397' RDRT and move to NBU 1022-6J. MW: 8.4	SD: 8/XX/07 DSS: 0
08/31/07	TD: 2430' Csg. 9 5/8" @ 2397' RURT NU and Test BOPE. MW: 8.4	SD: 8/XX/07 DSS: 0
09/03/07	TD: 5718' Csg. 9 5/8" @ 2397' RURT, NU and Test BOPE. PUDS and drill FE. Rotary spud @ 0030 hrs 9/1/07. Drill from 2430'-5718'. DA. MW: 9.4	SD: 9/1/07 DSS: 3
09/04/07	TD: 6465' Csg. 9 5/8" @ 2397' Drill from 5718'-6465'. DA. MW:10.4	SD: 9/1/07 DSS: 4
09/05/07	TD: 7105' Csg. 9 5/8" @ 2397' Drill from 6465'-7105'. DA. MW:11.0	SD: 9/1/07 DSS: 5
09/06/07	TD: 7270' Csg. 9 5/8" @ 2397' Drill from 7105'-7151'. Lost rotary table motor. TOOH. PU new bit and MM. TIH to shoe. Repair motor and FIH. Drill from 7151'-7270'. DA. MW:11.0	SD: 9/1/07 DSS: 6
09/07/07	TD: 7980' Csg. 9 5/8" @ 2397' Drill from 7270'-7980'. DA @ report time. MW:11.3	SD: 9/1/07 DSS: 7
09/10/07	TD: 8960' Csg. 9 5/8" @ 2397' Drill f/ 7980'-8571'. Work on rotary clutch. Drill to 8615'. TFNB. Drill to 8960'. DA. MW:12.0	SD: 9/1/07 DSS: 10
09/11/07	TD: 9160' Csg. 9 5/8" @ 2397' Drill from 8960'-9160' TD. Short trip and LDDS. Run Triple Combo @ report time. MW:12.1	SD: 9/1/07 DSS: 11
09/12/07	TD: 9160' Csg. 9 5/8" @ 2397' Run Triple Combo. Run and cement 4 1/2" Production Casing. Set slips and clean mud tanks @ report time. MW:12.1	SD: 9/1/07 DSS: 12
09/13/07	TD: 9160' Csg. 9 5/8" @ 2397' MW:12.1	SD: 9/1/07 DSS: 13

Set slips and clean mud tanks. Release rig @ 1000 hrs 9/12/07. RDRT and prepare to move to NBU 1022-6P this am.

01/14/08

MIRU - PU TBG

Days On Completion: 1

Remarks: 7:00 AM. HSM. ROAD RIG FROM STATE 1021-36C TO THE NBU 1022-6J. SPOT IN RIG & EQUIPMENT. RU RIG. PU MILL & SUB. DRIFT & TALLEY 91 JTS. RIH W/ 91 JTS OF 2 3/8" J-55 4.7# TBG. EOT @ 2,869'. WINTERIZE WELL HEAD. SWI SDFN.

01/15/08

P.T & PERF

Days On Completion: 2

Remarks: 7:00 AM. HSM. PU & DRIFT & TALLEY TOTAL OF 238 JTS OF 2 3/8" J-55 4.7# TBG. EOT @ 7,175'. POOH W/ 114 STANDS. ND BOP'S NU FRAC FALVES. MIRU B&C QUICK TEST TO PRESSURE TEST. PRESSURE TEST CASING & BOTH FRAC VALVES TO 7,500 PSI. GOOD TEST. RDMO B&C QUICK TEST. WINTERIZE WELL HEAD. SDFN.

01/16/08

FRAC

Days on Completion: 3

Remarks: 6:00 AM. HSM. MIRU CUTTERS & BJ TO PERFORATE & FRAC.

STG 1) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING. PERF 9,040' - 42' 4SPF, 8,998' - 9,001' 3SPF, 8,917' - 23' 4SPF, 41 HOLES.

PRIME UP PUMPS & LINES PRESSURE TEST TO 8,500 PSI. WHP 0 PSI, BRK 4,724 PSI @ 6.1 BPM, ISIP 2,800 PSI, FG .75 PMP 100 BBLs @ 50.4 BPM @ 5,100 PSI = 36 OF 41 OLES OPEN. MP 6,905 PSI, MR 50.0 BPM, AP 5,187 PSI, AR 49.0 BPM, ISIP 3,074 PSI FG .78 NPI 274 PSI, PMP 1,392 BBLs, SW & 41,711 LBS 30/50 SND & 5,000 LBS OF 20/40 RESIN COATED SND. TOTAL PROP 46,711 LBS.

STG 2) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING. PERF 8,783' - 85' 4SPF, 8,724' - 26' 3SPF, 8,674' - 80' 4SPF, 8,626' - 29', 44 HOLES. WHP 973 PSI, BRK 4,142 PSI @ 6.0 BPM, ISIP 3,160 PSI, FG .80 PMP 100 BBLs @ 50.6 BPM @ 5,500 PSI = 32 OF 44 HOLES OPEN AFTER PUMPING 43,136 LBS OF 30/50 SND PRESSURE INCREASED LIKE A SCREEN OUT. WE DROPEd RATE TO 32.4 BPM & PUMPED A SWEEP OF A 130 BBLs. STARTED SND AGAIN & COMPLETED JOB @ 32.4 BPM. MP 7,467 PSI, MR 50.0 BPM, AP 6,179 PSI, AR 38.0 BPM, ISIP 3,123 PSI FG .79 NPI -37 PSI, PMP 2,661 BBLs, SW & 84,907 LBS 30/50 SND & 5,000 LBS OF 20/40 RESIN COATED SND. TOTAL PROP 89,907 LBS.

STG 3) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING. SET BAKER 8K CBP @ 8,540' PERF 8,508' - 10' 4SPF, 8,412' - 16' 4SPF, 8,380' - 86' 3SPF, 42 HOLES. WINTERIZE WELL HEAD. SWI SDFN.

01/17/08

FRAC

Days on Completion: 4

Remarks: 6:00 AM. HSM.

PRIME UP PUMPS & LINES & PRESSURE TEST TO 8,000 PSI.

STG 3) WHP 1,870 PSI, BRK 3,276 PSI @ 6.9 BPM, ISIP 2,556 PSI, FG .74 PMP 100 BBLs @ 49.4 BPM @ 5,200 PSI = 35 OF 42 HOLES OPEN MP 6,621 PSI, MR 50.0 BPM, AP 4,861 PSI, AR 50.0 BPM, ISIP 3,156 PSI FG .81 NPI 600 PSI, PMP 2,114 BBLs, SW & 73,075 LBS 30/50 SND & 5,000 LBS OF 20/40 RESIN COATED SND. TOTAL PROP 78,075 LBS.

STG 4) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 120 DEG PHASING. SET BAKER 8K CBP @ 7,715' PERF 7,683' - 85' 3SPF, 7,628' - 32' 3SPF, 7,598' - 7,601' 3SPF, 7,374' - 78' 39

HOLES. WHP 251 PSI, BRK 3,014 PSI @ 6.2 BPM, ISIP 2,043 PSI, FG. .71 PMP 100 BBLs @ 52.0 BPM @ 4,800 PSI = 39 OF 39 HOLES OPEN MP 5,903 PSI, MR 52.0 BPM, AP 4,753 PSI, AR 51.0 BPM, ISIP 2,652 PSI FG .79 NPI 609 PSI, PMP 931 BBLs, SW & 26,269 LBS 30/50 SND & 5,000 LBS OF 20/40 RESIN COATED SND. TOTAL PROP 31,269 LBS.

STG 5) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING. SET BAKER 8K CBP @ 7,280' PERF 7,247' - 50' 3SPF, 7,156' - 58' 3SPF, 7,127' - 30' 4SPF, 7,100' - 05' 42 HOLES. WHP 289 PSI, BRK 2,648 PSI @ 6.2 BPM, ISIP 1,940 PSI, FG. .70 PMP 100 BBLs @ 52.3 BPM @ 4,473 PSI = 42 OF 42 HOLES OPEN MP 5,950 PSI, MR 52.0 BPM, AP 4,244 PSI, AR 51.0 BPM, ISIP 2,763 PSI FG .82 NPI 823 PSI, PMP 2,100 BBLs, SW & 72,179 LBS 30/50 SND & 5,000 LBS OF 20/40 RESIN COATED SND. TOTAL PROP 77,179 LBS.

STG 6) RIH W/ 3 1/8" PORTED GNS, 12 GRM, .34 HOLES, 90 & 120 DEG PHASING. SET BAKER 8K CBP @ 6,998' PERF 6,964' - 68' 4SPF, 6,767' - 71' 4SPF, 6,728' - 31' 3SPF, 41 HOLES. WHP 0 PSI, BRK 2,625 PSI @ 6.5 BPM, ISIP 1,501 PSI, FG. .70 PMP 100 BBLs @ 51.7 BPM @ 4,550 PSI = 38 OF 41 HOLES OPEN MP 6,004 PSI, MR 52.0 BPM, AP 4,303 PSI, AR 51.0 BPM, ISIP 2,599 PSI FG .81 NPI 1,098 PSI, PMP 632 BBLs, SW & 15,096 LBS 30/50 SND & 5,000 LBS OF 20/40 RESIN COATED SND. TOTAL PROP 20,096 LBS.

STG 7) RIH W/ 3 1/8" PORTED GNS, 12 GRM, .34 HOLES, 90 DEG PHASING. SET BAKER 8K CBP @ 6,998' PERF 6,576' - 81' 4SPF, 6,335' - 40' 4SPF, 40 HOLES. WHP 180 PSI, BRK 2,914 PSI @ 6.6 BPM, ISIP 1,599 PSI, FG. .68 PMP 100 BBLs @ 52.1 BPM @ 3,874 PSI = 40 OF 40 HOLES OPEN MP 5,828 PSI, MR 52.0 BPM, AP 3,716 PSI, AR 50.0 BPM, ISIP 2,064 PSI FG .75 NPI 465 PSI, PMP 1049 BBLs, SW & 24,832 LBS 30/50 SND & 5,000 LBS OF 20/40 RESIN COATED SND. TOTAL PROP 29,832 LBS.

KILL PLG) RIH SET 8K BAKER CBP @ 6,285'

RDMO BJ & CUTTERS. WINTERIZE WELL HEAD. SWI SDFN.

01/18/08

DRL CBP & LAND

Days on Completion: 5

Remarks: 7:00 AM. HSM.

ND FRAC VALVES NU BOP'S. PU 3 7/8" BIT FAST EDDIE POBS & SN. RIH W/ 199 JTS EOT @ 6,263'. RU POWER SWEVIL & RIG PUMP. BRK CIRCULATION W/ 2% KCL WATER. RIH

C/O 20' OF SAND TAG PLG 1 @ 6,285' DRL PLU IN 10 MIN 50 PSI INCREASE RIH
 C/O 30' OF SAND TAG PLG 2 @ 6,606' DRL PLU IN 10 MIN 100 PSI INCREASE RIH
 C/O 30' OF SAND TAG PLG 3 @ 6,998' DRL PLU IN 10 MIN 400 PSI INCREASE RIH
 C/O 30' OF SAND TAG PLG 4 @ 7,280' DRL PLU IN 10 MIN 400 PSI INCREASE RIH
 C/O 30' OF SAND TAG PLG 5 @ 7,720' DRL PLU IN 10 MIN 600 PSI INCREASE RIH
 C/O 30' OF SAND TAG PLG 6 @ 8,540' DRL PLU IN 10 MIN 700 PSI INCREASE RIH
 C/O 30' OF SAND TAG PLG 7 @ 8,818' DRL PLU IN 10 MIN 500 PSI INCREASE RIH
 C/O 60' TO 9,110' PBTD CICR WELL CLEAN.

POOH LD 39 JTS. ND BOP'S NU WELL HEAD. LAND TUBING W/ 251 JTS OF 2 3/8" J-55 4.7# TBG. EOT @ 7,905.72'. DROP BALL TO SHEAR OFF BIT. PUMP OFF BIT @ 1,800 PSI. SWI FOR 30 MIN TO LET BIT FALL TO BOTTOM. TURN WELL OVER TO FLOW TESTERS.

300 JTS OUTBOUND	TLTR 10,879 BBLs	KB	18.00'
251 JTS LANDED	RIG REC 1,920 BBLs	HANGER	.83'
1 JT X-THREADED	LTR 8,959 BBLs	TUBING	7,884.69'
48 JTS RETURNED		SN	2.20'
LANDED 7,905.72'			

01/19/08 **FLOWBACK REPORT:** CP 2200#, TP 1950#, CK 20/64", 50 BWPH, LOAD REC'D 2685 BBLS,
REMAINING LTR 8194 BBLS

01/20/08 **FLOWBACK REPORT:** CP 2100#, TP 2000#, CK 20/64", 30 BWPH, LOAD REC'D 820 BBLS,
REMAINING LTR 7374 BBLS

01/21/08 **FLOWBACK REPORT:** CP 2500#, TP 1750#, CK 20/64", 20 BWPH, LOAD REC'D 565 BBLS,
REMAINING LTR 6809 BBLS

01/22/08 **FLOWBACK REPORT:** CP 2300#, TP 1600#, CK 20/64", 15 BWPH, LOAD REC'D 438 BBLS,
REMAINING LTR 6371 BBLS

01/26/08 **WENT ON SALES:** @ 2:00 PM, 3500 MCF, 2150 TBG, 3050 CSG, 18/64 CK, 45 BBWH

01/27/08 **ON SALES:** 1116 MCF, BC, 300 BW, TP: 1185#, CP: 2578#, 20/64 CHK, 24 HRS, LP: 166#.

01/28/08 **ON SALES:** 1669 MCF, BC, 400 BW, TP: 939#, CP: 2275#, 20/64 CHK, 24 HRS, LP: 151#.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU-01195

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

6. If Indian, Allottee or Tribe Name

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

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

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

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

8. Lease Name and Well No.
NBU 1022-6J

4. Location of Well (Report locations clearly and in accordance with Federal requirements)*

At surface **NW/SE 2208'FSL, 1796'FEL**

At top prod. interval reported below

9. API Well No.
4304738158

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. Sec., T., R., M., or Block and Survey or Area **SEC. 6, T10S, R22E**

12. County or Parish **UINTAH** 13. State **UTAH**

At total depth

14. Date Spudded
07/31/07

15. Date T.D. Reached
09/11/07

16. Date Completed
 D & A Ready to Prod.
01/26/08

17. Elevations (DF, RKB, RT, GL)*
5108'GL

18. Total Depth: MD **9160'**
TVD

19. Plug Back T.D.: MD **9110'**
TVD

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

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

CBL-CCL-GR

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14"	36.7#		40'		28 SX			
12 1/4"	9 5/8"	32.3# 36#		2430'		800 SX			
7 7/8"	4 1/2"	11.6#		9160'		1576 SX			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Set (MD)
2 3/8"	7906'							

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	6335'	6968'	6335'-6968'	0.34	81	OPEN
B) MESAVERDE	7100'	9042'	7100'-9042'	0.36	208	OPEN
C)						
D)						

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

Depth Interval	Amount and type of Material
6335'-6968'	PMP 1681 BBLs SLICK H2O & 49,928# 30/50 OTTOWA SD
7100'-9042'	PMP 9198 BBLs SLICK H2O & 323,132# 30/50 OTTOWA SD

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

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
01/26/08	01/28/08	24	→	0	1,669	400			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 939#	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
20/64	SI	2275#	→	0	1669	400			PRODUCING GAS WELL

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
01/26/08	01/28/08	24	→	0	1669	400			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 939#	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
20/64	SI	2275#	→	0	1669	400			PRODUCING GAS WELL

28b. Production - Interval C

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

28c. Production - Interval D

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

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

SOLD

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH MESAVERDE	4475' 7068'	7068'			

32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

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

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

Name (please print) SHEILA UPCHEGO Title SENIOR LAND ADMIN SPECIALIST
 Signature  Date 02/19/08

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

UTAH DIVISION OF OIL, GAS AND MINING
NOTICE OF REPORTING PROBLEMS

Operator: Kerr-McGee Oil & Gas Onshore, LP Account: N2995 Today's Date: 10/13/2008

Problems:

- Late Report(s)
- Inaccurate Report(s)
- Incomplete Report(s)
- Other: Logs

Failure to submit reports in a timely, accurate, and complete manner may result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the Division pursuing enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code.

To avoid compliance action, these reporting problems should be resolved within 7 days.

Send reports to:

Utah Division of Oil, Gas and Mining
 1594 West North Temple, Suite 1210
 P.O. Box 145801
 Salt Lake City, Utah 84114-5801

Fax to:

(801) 359-3940

10S 22E 6

Type of Report	Month(s) of Problem Report		
<input type="checkbox"/> Production – Form 10 <input type="checkbox"/> Disposition – Form 11 <input type="checkbox"/> Gas Plant – Form 13 <input type="checkbox"/> Enhanced Recovery – UIC Form 2 <input type="checkbox"/> Injection – UIC Form 3 <input type="checkbox"/> Other _____			
Type of Report	Well Name(s)	API Number(s)	Drilling Commenced
<input type="checkbox"/> Spud Notice – Form 9 <input type="checkbox"/> Drilling Reports – Form 9 <input type="checkbox"/> Well Completion Report – Form 8 <input checked="" type="checkbox"/> Other <u>Logs</u>	NBU 1022-18A NBU 1022-6J NBU 920-15B <input type="checkbox"/> List Attached	4304739030 4304738158 4304737895	

Description of Problem:

Per rule R649-3-21 2, within 30 days after the completion of any well drilled or redrilled for the production of oil or gas, form 8, well completion or recompletion report and log, shall be filed with the division, together with a copy of the electric and radioactivity logs, if run.

Well completion reports state CBL, CCL and GR logs were run on the above wells.

If you have questions or concerns regarding this matter, please contact Rachel Medina at (801) 538-5260 .

cc: Compliance File
 RAM
 Well File

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-01195
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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 1022-6J
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2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047381580000
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3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6514	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
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4. LOCATION OF WELL FOOTAGES AT SURFACE: 2208 FSL 1796 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 06 Township: 10.0S Range: 22.0E Meridian: S	COUNTY: UINTAH STATE: UTAH
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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: 1/6/2014 <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 checked="" type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

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 to accommodate recompletion drilling operations for the referenced well location. Please see the attached procedure. Thank you.

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

Date: January 08, 2014

By: *Dark Quif*

NAME (PLEASE PRINT) Matthew P Wold	PHONE NUMBER 720 929-6993	TITLE Regulatory Analyst I
SIGNATURE N/A	DATE 1/6/2014	

Well Name: **NBU 1022-6J**
 Surface Location: NWSE Sec. 6, T10, R22E
 Uintah County, UT

1/2/2014

Recommended action for disposition of well bore:

This well will be temporarily abandoned to accommodate drilling operations in one of 2 ways. We will either plug the wellbore as outlined in the attached procedure or Shut-In in the following manner: a) Set a tubing plug near EOT, install a flange over the tbg hanger, removal of master valve, set VR plugs in casing head at surface, and removal of casing wing valves, replaced with blind flanges.

API: 4304738158 LEASE#: U-01195
 ELEVATIONS: 5108' GL 5126' KB
 TOTAL DEPTH: 9160' PBSD: 9110'
 SURFACE CASING: 9 5/8" 32.3# & 36# H-40 @ 2430'
 PRODUCTION CASING: 4 1/2" 11.6# I-80 @ 9160'
 TOC @ Surface per CBL
 PRODUCTION TUBING: 2 3/8" 4.7 J-55 @ 7906', per CMP rpt 1/18/08
 PERFORATIONS: WASATCH 6335' - 6968'
 MESAVERDE 7100' - 9042'

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	0.02171	0.00387
4.5" 11.6# I-80	3.875	6350	7780	0.6528	0.0872	0.0155
9.625" 32.3# H-40	8.845	1400	2270	3.3055	0.4418	0.0787
9.625" 36# J-55	8.765	2020	3520	3.247	0.434	0.0773
Annular Capacities						
2.375" tbg. X 4 1/2" 11.6# csg				0.4227	0.0565	0.01
4.5" csg X 9 5/8" 36# csg				2.227	0.2977	0.053
4.5" csg X 7.875 borehole				1.704	0.2278	0.0406
9.625" csg X 12 1/4" borehole				2.3428	0.3132	0.0558

GEOLOGICAL TOPS:
 4475' Wasatch
 7068' Mesaverde

NBU 1022-6J 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 BLM/UDOGM 24 HOURS BEFORE MOVING ON LOCATION.

PROCEDURE

Note: An estimated 27 sx of cement needed to perform procedure.

Note: No gyro ran previously.

1. MIRU. KILL WELL AS NEEDED (TO INCLUDE SURFACE CSG PRESSURE). ND WH, NU AND TEST BOPE.
2. POOH W/ TBG & L/D SAME. RU WIRELINE AND MAKE A GAUGE RING RUN TO ENSURE WELLBORE IS CLEAN.
3. RUN GYRO SURVEY.
4. **PLUG #1, ISOLATE MV/WAS PERFORATIONS (6335' - 9042')**: RIH W/ 4 1/2" CBP. SET @ ~6300'. 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 **8 SX/ 1.6 BBL/ 8.7 CUFT**. ON TOP OF PLUG. PUH ABOVE TOC (~6200'). REVERSE CIRCULATE W/ TREATED FRESH WATER (~25 BBLS).
5. **PLUG #2, PROTECT TOP OF WASATCH (4475')**: PUH TO ~4600'. BRK CIRC W/ FRESH WATER. DISPLACE A MINIMUM OF **19 SX / 3.9 BBL / 21.8 CUFT** AND BALANCE PLUG W/ TOC @ ~4350' (~250' COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ TREATED FRESH WATER (~67 BBLS).
6. LOWER WELLHEAD TO GROUND LEVEL TO ACCOMMODATE DRILLING OPS AND INSTALL MARKER PER UDOGM GUIDELINES.
7. RDMO. TURN OVER TO DRILLING OPERATIONS.

ALM 1/2/2014